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Appendix

Fourth of July Address by Secretary of Defense

EXTENSION OF REMARKS
OF
HON. HARLEY M. KILGORE
OF WEST VIRGINIA
IN THE SENATE OF THE UNITED STATES
Tuesday, July 5 (legislative day of Thursday, June 2), 1949

Mr. KILGORE. Mr. President, I ask unanimous consent to have printed in the RECORD an address delivered by Secretary of Defense Louis Johnson at the West Virginia State American Legion Convention, at Wheeling, W. Va., on July 4, 1949.

There being no objection, the address was ordered to be printed in the RECORD, as follows:

The celebration of the anniversary of our Declaration of Independence is a solemn occasion. We commemorate the birth of our Nation. For a fleeting moment we try to reenact the scene and the environment of a hot July day in Philadelphia many, many years ago and to recapture the spirit and the thoughts that passed through the minds of those who signed that declaration. They risked their lives, their property, and their opportunities for the pursuit of happiness, but they did so courageously and unfalteringly. They knew they were right.

In the Declaration of Independence our founding fathers declared for freedom; expressed for themselves and for posterity the basic realities of humanity and good will. On that date, the Continental Congress in Philadelphia wrote down the enternal principles which so far transcended administrative formula, that they had to be inscribed before a constitution for government could be blueprinted.

I wish that every member of the world family of nations could know how we Americans feel about the Declaration of Independence. They would surely know, then, that democracy seeks to impose no stipulated governmental form on other peoples. They would realize beyond shadow of doubt that our democratic vigor covets no conquest over any man or over any territory; that on the contrary, it demands with unconquerable spirit that none shall enslave another.

But we Americans do believe that proper human government, whatever its form and wherever it functions on earth, must be established upon the basis of human rights endowed to man by God. We believe with all our hearts in the great fundamental assertion which the Continental Congress wrote into our Declaration of Independence.

In a few simple words our forefathers condensed the whole philosophy of the American people—faith in a Supreme Being, an ethical concept of moral life, and an enduring confidence in our fellow men as human beings worthy to govern themselves in a world dominated by reason, logic, and justice.

Certain corollaries follow these bold propositions. Since we have confidence in each other we must learn to get along together, learn to give and take, to become good losers and gracious winners. The ability to compromise on detail without sacrificing principle comes natural to Americans who respect each other and it is in the cultivation of that kind of spirit, simple as it is, that the whole future of mankind rests.

Because we have confidence in each other, we exert every effort to encourage the little fellow, to make the rules of the game fair so that he, too, can play and enjoy the fruits of his labor. So the little fellow, the farmer, the laborer, the small-business man has always been the concern of our people; and that attitude, too, is an essential part of the American philosophy which flows as a corollary to the fundamental propositions of the Declaration of Independence.

The ideals expressed in the Declaration are ageless, are just as applicable to the American spirit in 1949 as they were in 1776, and as they will be in all the tomorrows that lie ahead. Its ideals and precepts were not new even in 1776. The spirit embodied in this document was nurtured for long centuries in the breast of mankind. The historic achievement of our forefathers was to put into words these noble aspirations of the human race at a time when a forthright statement of human rights was paramount. The doctrines which it expounded so clearly were on everyone's lips in the early days of our Republic.

As a matter of historic sequence, the Declaration may be deemed a creation of Anglo-Saxon civilization, but its deeper aspects, its sturdy philosophy of natural rights can be traced back to what is at the root of all western civilization. And in its essence and spirit, this philosophy of the Declaration of Independence represents today the hope of civilized man everywhere. There is not a man or woman alive anywhere in this world, who would not like to live under such a doctrine as that embodied in the spirit on which America was founded—a philosophy we call the Spirit of Seventy-six; a philosophy adopted by brave men and hardy women, who were determined to be free.

By the same token, our Declaration of Independence can never grow old or out of date. The Constitution may be changed, of course, by the will of the people. Wisely, indeed, its framers so drafted the Constitution that it might be modified on occasion to meet the needs of changing times. But not so the Declaration of Independence. That remains a firm, unchanging document expressing the eternal credo of the American people. Its tenets stand as the living monument of the principles for which our forefathers fought and gave their lives in the eighteenth century. And I am proud to say that they are the same fundamental ideals for which the fathers, brothers, and sons of American Legionnaires have fought and died in two world wars during the twentieth century.

There has been considerable talk, in these days of bitter differences between two world ideologies of government, about the need for some new American slogan—to serve as a fresh rallying cry; a force in which we can believe, and for which we are willing to fight. I suggest that we need no such new slogan—that we have such a force, and such a rallying point. It is in the Declaration of Independence. In this document rest not only the finely distilled conviction of our forefathers, but the immortal philosophy of our continuing American way of life as well.

To my mind, we could want no better rallying cry than freedom; no stronger force than America's burning faith in the instinctive virtues of man as a human being; no slogan preferable to "Life, liberty, and the pursuit of happiness."

There are still shackles to be broken in this world today. The grievances that the American colonists had are the same kind of grievances that human beings in many quarters of the globe suffer in this modern age. Only a spirit like that of our great Declaration of Independence can throw off chains and end these grievances.

Fundamentally, the men and women in chains must help themselves. But we can do more than merely sit on the sidelines and watch. The spirit of our own Declaration of Independence requires us to do more. We have signed the North Atlantic Pact, which is an agreement among freedom-loving nations that any attack by an autocratic aggressor on one of the signers is an attack on all. And we should back it up by sending military assistance to the nations which are our companions in freedom, not because of generous altruism, but because our own security is bound up in their liberty. This effort to help in the preservation of world freedom constitutes in its essence the very heart of the human philosophy on which our great Government was founded.

It is because this bears a close kinship to the spirit which lives within the heart of the American Legion that it is an inspiration to be privileged to speak in my own State, before my fellow members of the American Legion and their friends, in Wheeling, on this Fourth of July.

Our State, West Virginia, owes its very existence to the spirit of independence which

we celebrate today. Our inception as a State was in the finest traditions of the Declaration of Independence and ever since we have proceeded to live and let live in accordance with the code of freedom laid down by our forefathers on July 4, 1776. In the motto of our State we have tried to condense in a few simple words the spirit of that Declaration. "Montani semper libri." Mountain men are always free, we say, and we mean it.

Here in our State are men and women of diverse origins, some who can trace their ancestry to the early cavaliers of Virginia and others who but recently have reached our American shores. Here are people who serve their God in accordance with their various religious traditions as Catholics, Protestants, and Jews. Here are Republicans and Democrats who vie with each other for office and opportunity to serve their communities, their State and their country. But all of these apparent differences are but skin deep. In fundamentals, we are united. We live together peacefully and harmoniously and respect the right of the individual to live his own life his own way. In West Virginia, among mountain men who are always free, we celebrate the anniversary of the Declaration of Independence on this one day, July 4, and proceed to live in its spirit every day of the 365.

In fostering that spirit, you, my fellow Legionnaires, have proved to be the leaders in your local communities and in our State. Legionnaires come by that leadership naturally. Military service has taught us to depend on our fellow American and to recognize in him those salient military qualities that made it easier to do one's duty and carry out missions in the face of danger. Differences of race, creed, and color did not matter. The individual and his courage, loyalty, and resourcefulness are what counted. When you returned to civil life and became members of the American Legion, you joined your fellow veterans to further the American ideal and to furnish the leadership toward its realization.

The Legion has done its job well in West Virginia and the health and happiness of the people in our local communities are the best evidence thereof. It is on the local level that the Legion does some of its best, its most understanding, its most human work. It is in the local post that the seeds of leadership are planted, to grow into wider service for State and country.

The American spirit which lives within the heart of our American Legion has as its cardinal principle, military preparedness. We, of the Legion, have twice gone forth to battlefields on land and water, and in the air, for defense of our country in war. We want no more of war. We are equally intense in our devotion to all developments aimed at assuring world peace. This spirit of freedom and peace lies deeply engraved in the Declaration of Independence. The American Legion's charter of organization likewise expresses a similar faith and devotion to these basic aspirations of our founding fathers.

"For God and country, we associate ourselves together," declares the preamble to the American Legion charter. Then it goes on, and lists Legion objectives. Here are some of them:

"To uphold and defend the Constitution; * * * to maintain law and order; to combat the autocracy of both the classes and the masses; to make right the master of might; to promote peace and good will on earth; to safeguard and transmit to posterity the principles of freedom, justice, and democracy."

These ideals of the Legion are indeed the ideals of the Declaration of Independence itself. We have proudly and firmly held to them in the past. We live by them now. We will not let them go in the future.

Our ideals are the foundations of the system we call capitalism which gives more happiness and greater opportunity to individual enterprise than any economy that has yet been developed by man. And though we stand under the banner of capitalism almost alone among nations, all of them still look to us for leadership, guidance, and inspiration. We are still the hope of mankind and should remain true to our democratic ideals.

Any scheme which may undermine the strength of the American democracy may also undermine many of the great American privileges. And I am sure you will agree that while the privilege of being a Legionnaire is great and honorable, the privilege of being a free American must always be greater.

In its service to America the American Legion has consistently over the years raised its voice to favor and its strength to influence a program of adequate national defense. Had America been adequately prepared—had the American Legion program for preparedness been adopted—we might never have had a World War II.

Today the American Legion again calls for strength as the way to peace, and this time we must be determined to get it.

The first item in our peace-through-strength program is unification of our armed forces. In these crucial days we cannot afford the luxury and the wastes of duplication and the lack of cohesion among members of the same all-American national defense team that characterized some of our past efforts.

It is a matter of great pride that the American Legion was among the first to accept unification. The Legion's national convention in 1946 formally resolved: "That the Congress is requested to enact appropriate legislation to establish a single department for national security with provisions for the Army, Navy, and Air Forces on an equal level therein."

The Legion stand for unification was a natural development. This organization is itself a symbol of unification of defense forces. In the Legion we have former marines, sailors, airmen, engineers, paratroopers, artillerymen. Some Legionnaires are former officers. More were privates, corporals, and sergeants. When the Congress voted to unify the Army, Navy, and Air Force under a single Department of Defense, the Legion was already in line.

And it will stay in line for America in response to call in the future as it has in the past.

We veterans of the First World War are slowly passing out of American Legion leadership today. We have kept the faith since World War I and through World War II. We are glad to receive the young veterans of World War II and make way for them. We have full confidence that they will carry on as the task is handed to them. And we hope they will be even more effective in holding our country to its cherished ideals.

In the final analysis, we hope there will be no more veterans after these of our present generation. Fine as the organization is, we hope that it will some day die for lack of eligible membership. It is up to the youth of the Legion to make this happy eventuality come to pass. As you young veterans of the last great and tragic war settle into your work in this world, as you move into American leadership, it is up to you to direct affairs so that there will be no more wars. Let not the lesson of the ages be lost upon you. To protect our American way, to uphold the ideals of the Declaration of Independence, we must always be free, and to be free, we must be strong. In these endeavors, I am confident, our country will always find that the legionnaires of West Virginia, those mountain men, ever free, will always be found in their place, in the vanguard of an America, determined in its march toward freedom, democracy, and peace.

And as we march we would do well to sing to the tune of "Finlandia" this inspiring poem by Lloyd Stone entitled "A Song of Peace." Here are the words:

"This is my song, O God of all the nations,
A song of peace, for lands afar, and mine;
This is my home, the country where my heart is,
Here are my hopes, my dreams, my holy shrine;
But other hearts in other lands are beating
With hopes and dreams as true and high as mine.

"My country's skies are bluer than the ocean,
And sunlight beams on clover leaf and pine,
But other lands have sunlight, too, and clover,
And skies are everywhere as blue as mine.
O, hear my song, thou God of all the nations,
A song of peace for their land, and mine."

Address to the Graduating Classes of Northwestern University by President Franklyn B. Snyder

EXTENSION OF REMARKS
OF
HON. CHAUNCEY W. REED
OF ILLINOIS
IN THE HOUSE OF REPRESENTATIVES
Tuesday, July 5, 1949

Mr. REED of Illinois. Mr. Speaker, under leave to extend my remarks in the RECORD, I include herewith the following address made by Dr. Franklyn B. Snyder, president of Northwestern University, on June 13, 1949, to the graduating classes of that university:

Members of the graduating classes, friends of these young people, and of Northwestern, a commencement day such as this, with all its happy wistfulness, belongs primarily to these men and women who have just become alumni of this university. Theirs is the special sense of accomplishment; theirs the memories of tasks well done; theirs the consciousness that much remains to be done in the future. We are here to honor them, and to wish them well in the years that lie ahead.

But I am sure they would be the first to say that the day belongs also to the fathers and mothers who have watched their progress through school, college, and university; who have sacrificed much that their children might be here today; and who are proud to find their sons' and daughters' names in this commencement program.

Today belongs also to the husbands and wives of many of these new alumni; yes, and to their children, who will be here in their own right 20 years from today. They have lived under noisy tin roofs and in crowded quarters and have put up with much that was inconvenient in order that he or she might not be deprived of the education he came here to find. To all of you who believe in these young men and women, and have helped them reach this goal, a most hearty welcome. I am glad you are here, and even more glad that you believe in Northwestern. And I claim you as well as these graduates as members for all time of the great Northwestern family.

Let me say a special word to the veterans in this year's class. We are proud of the records you made during the war, when you took the khaki and the gun in place of cap and gown. You served your country with devotion, courage, and skill. Our enemies thought you might be soft, unequal to the hardness which war requires. Well, you were not soft; you did a grim and unpleasant

job magnificently. And when you returned to the campus, you set new and higher standards in every school of the university. We are grateful to you for your services to the Nation during the war, and for the real contributions you have made to the university since VJ-day.

There are not as many of you veterans at this commencement as there were a year ago, but the total number of names in the commencement program is larger than ever in the history of the university—3,600. No two of these men and women have done precisely the same things at Northwestern, or will carry away the same memories of life on this campus. The permutations and combinations possible in so large a group are astronomical in number. Yet all of you young people in caps and gowns have had at least four experiences in common: You chose of your own free will to enter this university; after most careful scrutiny you were admitted; you selected your own programs of study, you followed these programs successfully to this commencement day. I congratulate you on having enjoyed that priceless American heritage, freedom to plan your own lives. I congratulate you also on having done what you set out to do. There is great merit in finishing a job.

At any time until this morning you could have withdrawn from the university, and have transferred in good standing to any institution that would have accepted you. But from now on you belong to Northwestern, and Northwestern belongs to you. You are in for life. Your names are on our records, and in a very real way in our hearts. Today for the first time Northwestern becomes irrevocably your university. I congratulate both you and the university on this new relationship.

Last Saturday I had luncheon with some forty members of the class of 1899, who were back in Evanston to celebrate their fiftieth reunion. These stalwart veterans of half a century are still young in heart and mind, an inspiring group of old boys and girls who will never grow old. They believe in their university, and came back to the campus to check up on us, their successors, and to keep fresh and lustrous their memories of their own college days.

When you who are graduating today return for your fiftieth, the calendar will say 1999. Few of the men and women on this platform will be present to greet you. But the university will be here, and the lake, and the tree-shaded paths of the campus, and probably Old College and the Commerce Building yonder. What will you remember, 50 years from today, about your experiences at Northwestern?

Some of you will certainly remember the Rose Bowl, and all that this phrase implies: the trip west, the crowded hours in Pasadena, the game, the blizzards on the way back. Nearly all of you will remember the Rose Bowl vacation, which the football team and the student government board shamelessly bullied the president into approving. You will remember many extracurricular activities, such as the Waa-Mu show. And you will agree with me that this sort of good fun is a legitimate part of a college course. It has its real educational value.

You will certainly remember the faculty members with whom you studied; those great teachers and scholars who alone make a university distinguished. Buildings, equipment, all the physical paraphernalia of education, are important. They are the necessary tools—but only tools. It is the men who use them who really count. You will never forget the stimulus that has come to you through contact of mind with mind, of spirit with spirit, in the classroom and laboratory.

You will remember, too, that here at Northwestern you found and did not abuse that most precious of all gifts, freedom: intellectual freedom, social, political, and religious freedom. There has been no censorship on this campus to restrict that freedom, or the freedom of the faculty members with whom you have studied. You did not win this freedom by any act of yours; it was not given you by the faculty; you inherited it from men who fought for it long ago, and from those others who—like the veterans among you—defended it against all attacks. In other words, you have been the beneficiaries of the American way of life, the system of free enterprise, operating in the realm of the intellect. Under no other system can a real university exist.

I hope that 50 years from now freedom will still exist in this land of ours. I hope we shall not have been enslaved by either an all-powerful Federal Government in Washington, or by debt, much of it incurred in the name of a vague concept called security, which will inevitably crush all initiative. I have no objection to paying a debt incurred in the defense of our country against Germany and Japan, nor to providing proper security for the aged and the infirm. But I do not wish to be taxed so that my grandchildren need not work for a living or pay their doctors' bills.

The concept of freedom which we Americans cherish is a many-sided one. It implies freedom to fail as well as to succeed. We learned long ago that the rewards of victory are tawdry indeed unless they are won under the hazard of defeat. Who would watch a football game with only one team on the field? Yet that is precisely the condition that some of our social planners would like to see established. They would remove all elements of conflict, of struggle, of hazard, from life; or, as they put it, they would extend security from the cradle to the grave. The men and women who listen to the blandishments of these theorists forget that as Mr. Justice Holmes put it, "Security is generally an illusion," and that the slavery imposed by a planned economy can be much worse than that of poverty or disease. The pioneers who settled this State of ours were not seeking a life of either ease or security. They were eager to work, and gloried in the opportunity, not the security, which they found here west of Lake Michigan.

As an indication of our belief in freedom we have been careful to protect a man's right to stop work, when he thinks that by doing so he can better himself economically. The right to strike is part of our many-sided American freedom. I hope you young Americans are also interested in the right of a man to remain on the job if he wishes to—a right which is too often denied him. We are careful, here in America, to make sure that a man receives a fair day's pay for a fair day's work. This is eminently proper; concern for the welfare of labor lies at the foundation of our whole economic structure. But I hope you also believe that the man who furnishes the capital should receive a fair return on his investment. Remember that without Mr. Ford's millions ploughed back into the business there would be no 60,000 jobs at River Rouge. If the unjustified demands of labor or the unchecked greed of the tax assessor or the theorizing of the planner estops men from saving money and investing it in agriculture or in industry, the United States 50 years from now will be a sorry place in which to hold a class reunion.

Some people tell me that our worries concerning the future would disappear if all college students could be required seriously to study American history. Well, I yield to no one in my interest in the history of this country of ours. Only against the background of the past can one understand the present, or venture tentatively to anticipate the future. But sometimes I wonder whether it would not do us more good to ponder the history of ancient Rome. For Rome can be seen in perspective: It does not press so close upon us as to distort our vision and our judgments.

What a magnificent story it was. Five hundred years of the Republic, and then another 500 of the Empire. During many of those ten centuries Rome was quite literally the mistress of the world, and maintained peace wherever her eagles gleamed in the sun. The Roman citizen, like you and me, enjoyed freedom within a law of his own making, and accorded justice to everyone, even to the captive of war and the slave. Courts, hospitals, banks, markets, roads, systems of transportation—all these modern developments were features of Roman culture. Literature reached higher levels than it was to attain till the spacious days of Queen Elizabeth. A magnificent army threw a protecting barrier around the Empire; the Roman navy held the Mediterranean in fee, and pushed boldly beyond the Straits of Gibraltar to the white cliffs of England. Behind these human ramparts of the great city-state lived proudly on her seven hills, and received tribute from all corners of the globe.

And then, not swiftly, but steadily, inexorably, as darkness wraps itself around the earth after sunset, the Empire crumbled. The Goth and the Vandal pillaged the city; Alaric and Attila led their barbarian hordes in triumph up the Capitoline. Why? Not because of superior physical force. Rome fell because the nation collapsed spiritually; because a hardy race succumbed to the insidious poison of the idea that "the Government will do it"; because rulers bought power at home and favor abroad by gifts of treasure and food; because integrity and thrift and industry gave place to corruption and waste and indolence; because the nation bartered its ancient heritage of hard-won freedom for the specious ease and false security which a corrupt government promised it. Then and only then the Centurions' swords were blunted in their hands; their spears rattled harmlessly to the ground. Then and only then the invaders from the north and east took over the empty shell of the Empire.

Sometimes I wonder about this land of yours and mine. What destiny waits for it behind the thin veil of the future? I have no fear that any power in the world can forcibly break through the steel wall of our young manhood. Twice within a single quarter century we turned back the barbarian from our gates; a third assault would be crushed in the same way. But too many of us are asking the Federal Government to do for us what our grandparents would have done for themselves; too many officeholders are keeping themselves in power by promising spectacular gifts to the electorate; the old concepts of thrift and economy are laughed out of court by theorists who delight in squandering money that other people have earned; what seems to be wasteful and inefficient Federal Government is reaching out like an octopus to wrap itself around more and evermore phases of your lives and of mine. If these trends continue unchecked we may well destroy ourselves from within, as did Rome.

I hope that no such fate awaits this country of ours. I hope that the intuitive common sense of 140,000,000 people is still strong enough to assert itself and to reestablish the antique virtues of courage and honesty and industry and thrift in the minds and hearts of our citizens. I hope that the young people who this month are graduating from American colleges and universities still have the hardihood of their pioneer ancestors and do not wish to be nursed and coddled by the Government as if they were weaklings. I hope the college men and women of this country will make their voices heard in every legislative hall when they say: "Our universities encouraged us to think and to live like free men, and we do not propose to surrender the freedom which above all else makes life worth living. We shall plan our lives as we think best, with due regard for

the happiness of other people, and any bureaucrat who tries to plan them for us we shall toss out of office. We shall not be enslaved by foreign conqueror or domestic theorist or even by our own Government. We want no state socialism in this land of ours; we want no special favors for ourselves; all we ask is the freedom which is our birthright as Americans; and that freedom we shall certainly maintain."

If you will say something like that to your representatives at Springfield and at Washington, ladies and gentlemen, and keep saying it, they will listen to you, and you need have no worries about your fiftieth reunion. It will be a pleasant occasion.

And now I claim from you the pledge traditionally taken by all Northwestern men and women before they receive their diplomas. Please rise and repeat after me the words printed on the inner cover page of your programs:

"With a solemn sense of my responsibility, I pledge myself to hold my degree as a sacred trust, with untarnished honor to myself, in generous loyalty to alma mater, and with fidelity to my country, my fellow men, and my God."

And may the Lord direct you in all your doings, and further you with His continued help; that in all your works, begun, continued, and ended in Him, you may glorify His Holy Name, and finally by His mercy, obtain everlasting life.

Russian Imperialism in China

EXTENSION OF REMARKS

OF

HON. HERBERT R. O'CONOR

OF MARYLAND

IN THE SENATE OF THE UNITED STATES

Tuesday, July 5 (legislative day of Thursday, June 2), 1949

Mr. O'CONOR. Mr. President, I wish to call to the attention of the Senate a further article on Russian imperialism in China by the distinguished Senator from Nevada [Mr. McCARRAN], appearing in the June issue of the National Republic. Part III of a series, it deals with the Red terror, and reveals a thorough and scholarly understanding of this particular phase of Russian efforts to bring the Chinese people within the orbit of the U. S. S. R. Because of its splendid contribution to better understanding of the Chinese problem, and in view of the distinguished Senator's outstanding leadership in efforts to maintain the integrity of China as a democratic nation, I ask unanimous consent that it be printed in the Appendix of the CONGRESSIONAL RECORD.

There being no objection, the address was ordered to be printed in the RECORD, as follows:

RUSSIAN IMPERIALISM IN CHINA

(By Hon. PATRICK A. MCCARRAN, United States Senator from Nevada)

PART III: THE RED TERROR

Russia's armies—as they had always before—crumbled before the well-disciplined troops of the Kaiser. World War I was a disaster for both Russia and its Tsar. The defeat was the worst the Russians had suffered in 250 years. The revolt following the defeats of the Crimean War sprang up again with greater intensity. This time the Tsarist system of domestic security could not resist the pressure. By successive stages a democratic government under the leadership of Kerensky was established. Before the naive new republic could organize its resources it was, in turn, swallowed up by the organized terrorists of the Bolshevik Party.

The red revolution was announced to the world as the end of Russian imperialism; as the new dawn of people's government. To all appearances it restored the situation in the Far East to conditions existing prior to the Treaty of Nerchinsk in 1689. Lenin voluntarily relinquished all extraterritorial rights in China, remarking that the powers had "through force and corruption enslaved the Chinese people."

These were hopeful words to the struggling Republic of China in whose memory the imperialist adventures of the Western Powers were still freshly engraved. It was many years before China realized that the Soviet propaganda of equality had the same imperialistic goal as that which brought Tzarist armies surging south of the Amur River.

The Comintern immediately began its drive to Sovietize China, and the Chinese Communist Party was formally established by 1922. This was an opportune year for Soviet infiltration: China had become divided by independent warlords. In the south, at Canton, Dr. Sun Yat-sen, the father of the Chinese revolution, had set up an opposition government in a desperate effort to recapture the dream of unity.

But Dr. Sun needed money and armaments to extend control over all of China. He appealed to the United States and Britain. These powers turned the rebel down; he was forced to turn to Moscow. The Soviets were not slow in realizing the imperialist possibilities in this situation. An agreement was quickly reached. In January 1923, Sun and a special envoy of the Soviet Government in China, Adolph Joffe, issued a joint statement that communism was not suited for China and that it was necessary to achieve national unification. In this effort China could count on the support of Russia.

The Sun-Joffe statement was hardly issued before the Chinese Communist Party, aided by a group of Russia advisers, undertook an intensive organization. By the summer of 1923, the party had gathered sufficient strength to call a national conference in Canton, issuing the manifesto that "the Chinese Communist Party, under the guidance and with the aid of the Comintern, succeeded in drafting a concrete political and tactical line for the organization of a national front."

The Communist move in China followed the Russian historical pattern. Defeated in fostering Red revolutions in Europe, the Soviets—as had the Tsars—began to look eastward, to look to China's poverty-ridden millions as a fertile ground in which to nurture world revolution. Here was an unlimited supply of manpower and an untapped reserve of natural resources which could be hurled at the rest of the world at the decisive moment of world revolution.

In 1924, the Nationalist Party, Kuomintang, was reorganized prior to the launching of the northern military expedition. A united-front understanding was reached with the Communists on condition that they would accept the national policy.

"We have not the slightest intention," said a leading Communist of the day, "of turning the Kuomintang into a Communist Party."

Dr. Sun died in the spring of 1925 to be succeeded by his able and politically sagacious Field Commander, Chiang Kai-shek. It was Chiang who first discovered the Communist plan to infiltrate and destroy the Kuomintang.

When the Nationalist armies reached the Yangtze River in 1927, the Communists boldly proceeded—again with the aid and advice of their Russian advisers—to set up a Soviet Government in the twin cites of Wuchang and Hangkow. Chiang put down the rebels, promptly threw out his own Russian advisers, and expelled the Reds from the Kuomintang. A segment of the Nationalist Army broke away under Communist instigation and fled into Kiangsi Province.

After years of fighting and Soviet intrigue, Chiang was able to drive the Communists out of central China. In 1934, the remnants of the Red Army undertook a long flight into northwestern China. Stalin never forgave Chiang for inflicting this disastrous defeat upon his agents in Asia. The Communist propaganda machine from that time on organized the systematic vilification of this great Chinese leader. It eventually gained a foothold in this country and became the official line of the left-wing clique, which came to rule the Chinese policies of our own Government.

When the Russians' hold on outer Mongolia was relaxed following the revolution, the Mongols declared themselves independent. In 1919, Chinese troops were sent into Urga to reestablish Chinese sovereignty which had been lost because of Russian intervention. The Mongols, who were unaware of the fact that far eastern Russia was now divided into two camps, called for Russian aid. The man who came to their aid was the White Russian General von Ungern Sternberg. Eighteen months later Soviet troops arrived which disposed of the White Russians and of the Chinese armies. The Soviet armies brought to Mongolia trained Communist revolutionaries, who set up a "People's Revolutionary Government" in November 1921.

After Chinese protests, the Russians agreed to a treaty (May 31, 1924) recognizing Chinese sovereignty over outer Mongolia. This treaty was—in the best Russian tradition—never honored, and Soviet control over the areas was completely solidified. Outer Mongolia became a Soviet province by 1931 when the Japanese moved into Manchuria.

In 1924, Soviet Russia attained Chinese recognition by agreeing to surrender extraterritorial rights, recognizing Chinese sovereignty in both Manchuria and Mongolia and to support no activity or organization designed to undermine the Chinese Government. This treaty commitment had no greater effect than similar commitments made by the Tsars. By clever political maneuvering the Soviets retained and solidified their hold on north Manchuria and on the Chinese Eastern Railway.

In 1929, the Chinese attempted to regain control of their railway line, resulting in a brief Sino-Soviet War. The Russians were able to defeat the Chinese troops and to take thousands of prisoners. The Manchurian theater of operations was, however, being entered by another contestant: The Japanese Empire. After a long serious of maneuvers Japan struck at Manchuria in 1931, taking the city of Mukden, which had been the old Russian capital of the Province.

Not wishing to engender Soviet hostilities, the Japanese Government promised to keep hands off the Soviet's sphere of influence in Manchuria. One may well speculate over the familiar echo which this promise must have evoked in the halls of the Russian Foreign Office. How often that same promise had been uttered by Tsar and Commissar alike—to be broken with equal vigor by the Russians as it was soon to be broken by the Japanese. It was not long before the Japanese continued their expansion in Manchuria, eventually establishing the independent puppet state, Manchukuo.

By 1933 Japanese pressure had increased to a point where the Russians found it advisable to withdraw entirely from the disputed province and to sell the Chinese Eastern Railway to Japan. This was the end of Soviet infiltration of Manchuria until their way was paved again by the United States under the Yalta agreement.

The Soviets were quick, however, to take advantage of the Sino-Japanese conflict by signing an agreement with the governor of

Sinkiang, receiving extensive political and economic rights in exchange for military and other equipment. Here again, by a continuous process of penetration, the Russians worked to sever Sinkiang from China and bring it within the Muscovite orbit.

The Soviets were able to establish in Sinkiang a puppet Governor of their own choosing and training. He ruled for almost 12 years, but in 1943, when the Germans were moving deep into Russian territory, Governor Sheng broke away and made his peace with Chiang Kai-shek. Faced with the threat of defeat in Europe, the Soviet attitude toward China showed a marked change. It was a temporary maneuver, exposed as soon as American aid and American troops brought World War II to a victorious conclusion. Even before the actual end of the war Soviet agents were instigating revolt against the legitimate government of China.

Between Russia and Mongolia is the Chinese area of Tannu Tuva. After the establishment of the Russian-sponsored Mongolian separatist movement, Tuva became isolated from China. From 1912 to 1917 the area became a Tsarist protectorate; after 1918, its status paralleled the situation in Mongolia. Soon an out-and-out Soviet government, complete with secret police and collectivization, was established.

In 1944, the Tuvinian Government "asked" to be taken into the Soviet Union, a request which was quickly "granted" by the Soviet regime.

The fact that China was bound in a wartime alliance with the United States, Soviet Russia, and Great Britain gave that nation the greatest promise of postwar freedom from the imperialistic invasions of western powers. The Chinese people had reason to believe that the sacrifices which they had been making in the war with Japan, prior to our entry, and the sacrifices which they were making together with us would result in the establishment of a completely unified and independent nation. This belief was fostered and encouraged both by propaganda from the Soviet Union and the United States. The action, however, of both powers was, in the final analysis, contrary to the best interests of China and to their own promises.

Russian agents were active as early as 1944 in instigating revolt in Sinkiang Province. In June 1946 China was forced to concede autonomy to the northwest area of Sinkiang, which was established under Communist aegis as the Turkestan People's Republic.

The change of Soviet policy—rather the continuance of the old Soviet aggression—was officially signified on June 11, 1945, when the propaganda organ Izvestia launched an all-out attack against Chiang Kai-shek and his heroic Nationalist Government. This was merely the public acknowledgment. The actual workings of Soviet aggressive policy had already been expressed and had already succeeded in the wartime negotiations between Stalin and Roosevelt.

Soviet success in world politics reached its high point at the conference in Yalta February 1945. President Roosevelt agreed to a program which gave Soviet Russia hegemony over eastern Europe as well as northern China. President Chiang was not even informed of the secret deal with Stalin, and he continued to place his faith in the integrity of both Soviet Rusaia and the United States.

It was not until June 1945, when T. V. Soong was sent to Moscow to negotiate a "peace" treaty at Soviet request, that the terms of the Yalta Pact were made known to the Chinese. Soong, shocked by the humiliating terms placed before him, refused to sign. When a protest to Washington was answered by the White House with a demand that China accept Stalin's terms, another envoy had to be sent to Moscow to put his name to the treaty.

At Yalta, Soviet Russia received control over Manchuria without a struggle and without effort. Although the Sino-Soviet Treaty provided for an eventual evacuation by the Red Army, this was never actually accomplished. Not only did the Soviets strip away all Manchurian industry, but when the deadline for evacuation arrived the Red Army did not move out. The plundering continued. More important, however, the Soviet Union made certain that a powerful Communist army was organized in the area, supplied with all the military equipment of the Japanese Kwantung Army. The belated Soviet evacuation was therefore of LO benefit to the legal Chinese Government. It only resulted in the transfer of territories to the Communists.

While the Soviet-Communist seizure of Manchuria was in progress, the State Department in Washington refused to take cognizance of the real situation. Instead of helping the government of Chiang Kai-shek to beat down the Communist aggressors, the Department did everything in its power to force the Chinese to attempt a suicidal coalition with the Reds—the same type of "coalition" which brought about the downfall of democracy in Poland, Rumania, Bulgaria, and the other countries now behind the iron curtain. The pressure exerted upon the Chinese Government by the Department is a matter of public record and need not be commented on here. The results of that policy are today showing themselves in the sweeping successes of the Red army of China which has already flooded across the Yangtze River. As the situation stands today, China is rapidly slipping behind the iron curtain of Soviet imperialism.

The problem which confronts our country as a result of the decisive Communist successes can no longer be ignored. Once China falls to the Red terror, all Asia is in danger of Soviet control. We can no longer temporize with the Soviet-sponsored aggressors. If the hundreds of millions of Asiatic peoples are integrated into the Russian war machine, we will be faced with an overwhelming flood of Communist slaves whose sole goal will be the conquest and destruction of the United States and its free institutions.

Fourth of July Address by Hon. William Langer, of North Dakota

EXTENSION OF REMARKS

OF

HON. WILLIAM LANGER

OF NORTH DAKOTA

IN THE SENATE OF THE UNITED STATES

Tuesday, July 5 (legislative day of Thursday, June 2), 1949

Mr. LANGER. Mr. President, I ask unanimous consent to have printed in the Appendix of the RECORD an address which I delivered yesterday at Chicago, Ill.

There being no objection, the address was ordered to be printed in the RECORD, as follows:

It is an honor to be invited to participate on this day for Americans of German extraction celebration, and it is a privilege and pleasure, in the presence of such distinguished company, to be surrounded by so many personal friends.

It is always an inspiration to join in such a gathering as this, where fell w-Americans, moved by a common faith and united in a common cause, seek new courage and new inspiration for the future.

As we look back over the tragic war and postwar years, one inescapable conclusion stands out, in which I am confident we are all united. That conclusion is, that nothing has happened to shake our faith in and allegiance to the enduring principles of our great American heritage.

I am confident that instead, everything that has has happened throughout these tragic years, has only strengthened our determination to continue our fight to preserve and strengthen these traditional safeguards of human dignity and human freedom, both at home and abroad. For if history has any lesson whatever to teach the American people, it is the single fact that whenever and wherever American ideals of human decency, of liberty under law, and of unimpassioned justice are compromised, the whole cause of human liberty suffers, and humanity is inevitably the loser.

It is because this is the outstanding lesson which the American people must draw from the pages of history that I want to recall to our minds again, as I have done on so many other occasions, the reasons why America still stands today as the last sanctuary of human dignity and freedom on earth.

America was carved out of the remnants of five ancient empires, the British, the French, the Dutch, the Spanish, and the Russian.

Our constitutional form of government, which so many of recent years have sought to discredit and to undermine, still stands today as a living symbol of the protest in the hearts and minds of our founding fathers against the degradation, the denial of human liberties and rights, the oppression and the exploitation of imperial governments. Those who framed this Constitution were determined that, so far as it was humanly possible, the tyranny and oppression of the imperialism against which they broke out in open rebellion and from which they set themselves free, would never again reemerge on these shores to impoverish and enslave our people.

This is why the Constitution provides for a system of government based on law, and not on the whims and fancies of any popular leader who might emerge. It was Thomas Jefferson himself who said that we shall lose our freedom if ever the day comes when we transfer our primary allegiance from the legal basis of our freedom to personalities. This is why the Constitution provides for a form of government which operates on a system of checks and balances, in order to prevent either the executive, or the legislative, or the judicial branch of Government from encroaching upon or usurping the rights, powers, or duties of the others. Then, in order to make doubly sure that even under this system of government there should remain a maximum respect for and safeguard of the rights, the dignity and the freedom of the individual, the Bill of Rights was drafted and enacted into law. All of this was the product of a common concern and a realistic understanding of just what tyranny and oppression really meant. It was born out of actual experiences of men who lived and died to see their dreams come true. And behind this chapter in human history was the determination to prevent the concentration and abuse of power in the hands of any American Government that could be used to defy the Constitution, to set the law aside, or to abandon these traditional principles of government for the sake of political expediency, either on the domestic or on the international scene. For those who drafted the Constitution and who charted the course upon which our ship of state set sail had just escaped from the domination of governments which maintained themselves in power only at the expense of their own people. These American statesmen and patriots had learned first-hand what the consequences would be if the day ever came when the safeguards they had erected on the basis of principle should ever be abandoned.

First, they knew that the abandonment of these principles, which they had enacted into law for the protection and the welfare

of Americans, meant abandonment of principle and a return to political expediency under which system America would be launched back into the ruthless realm of power politics, where human beings become nothing but pawns in the struggle for power, thus losing any control whatever over their own destiny.

Second, they knew such an abandonment meant that the economic, the financial, and the social resources of this Nation would be degraded into political items, to be used to finance the unproductive projects necessary for the attainment of purely political ends.

Third, they knew that, since in a constitutional, representative republic men hold their power by popular consent, this power could only be maintained by those who abandoned these traditional safeguards through the use of misrepresentation, progaganda, and deliberate falsehood. And they knew what this vicious circle meant. It meant that the deeper such political pied pipers became involved in policies and commitments which threatened the future welfare of the American people, the more they would be forced to resort to propaganda and deliberate misrepresentation of fact to keep themselves in power.

Fourth, these great American statesmen knew that an abandonment of these principles they had laid down in the Constitution meant a return to secret diplomacy and the bartering of the rights, the resources, and the liberties of our people in the market place of greed and war hysteria. And they knew that whenever secret agreements were entered into by representatives of this Government without the knowledge, advice, and consent of the United States Senate, even the elected representatives of a free people, who are charged with the specific duty of defending the Constitution, even these representatives would learn of these agreements too late to do anything but take the tragic consequences.

Twice now, in one generation, we have lived to see the wisdom of these earliest American statesmen vindicated.

Surely the American people, after the tremendous price they have paid, should have learned by now, once and for all, that they can ignore this outstanding lesson of history only at their peril. This lesson was reaffirmed following the end of the First World War. I am sure that none of us have forgotten how that war was concluded by a surrender on the basis of President Wilson's Fourteen Points, which really represented the highest idealism of the American people, and which really expressed the principles of justice that underlie our heritage.

Yet, is it not tragic that so many Americans to this day fail to understand the significance of Wilson's final abandonment of these traditional American principles and his signing of the Treaty of Versailles? For 25 years, the State Department kept buried in its vaults the bitter protest resignations of members of the American Peace Conference who revolted against President Wilson's betrayal. Not until the year 1946 did the State Department dare to publish the story of the Paris Peace Conference, which included the violent protests of such outstanding men as Secretary of State Robert Lansing, who on May 8, 1919, wrote:

"Examine the treaty, and you will find peoples delivered against their wills into the hands of those whom they hate, while their economic resources are torn from them and given to others. It may be years before these oppressed peoples are able to throw off the yoke, but as sure as day follows night the time will come when they will make the effort."

Then there was Mr. John Storck, a member of the American Peace Commission, who wrote—concerning the Versailles Treaty:

"It will stand as a monument of shame above the graves of millions who have suffered and died in the greatest of all wars."

Lt. George B. Noble, another member of the Peace Commission, wrote on May 15, 1919:

"I believe that the peace, as proposed, will be an exceedingly dangerous settlement. I believe it will be provocative of future wars, rather than a guarantee of world peace. I feel that the idealism of America has been largely sacrificed on the altar of imperialism."

Just one more protest will bring home to us the significance of the Versailles Treaty. On May 17, 1919, none other than Mr. William Bullitt, a close friend and personal confidante of both President Wilson and President Roosevelt, sent his resignation to President Wilson in which he wrote:

"I was one who trusted implicitly in your leadership and believed that you would take nothing less than 'a permanent peace' based upon 'unselfish and unbiased justice.' But our Government has consented now to deliver the suffering peoples of the world to new oppressions, subjections, and dismemberments—a new century of war."

It is incredible to believe that such a terrible experience as the First World War and the consequences of the abandonment of American principles in the peace settlement should have gone unheeded. Certainly the American people ought to have learned what a terrible price we have to pay when we forsake our own traditions.

Yet, instead of learning this lesson and instead of guiding our actions by it, for the second time in this generation we find ourselves parties to the betrayal of American principles which make Versailles seem like a Utopia.

This time the betrayal was long in the making. Few American people know that the original document containing the Morgenthau plan, which was signed on September 15, 1944, is still a secret, locked up in Hyde Park. No United States Senator has ever seen it, although its basic provisions were incorporated into the Potsdam Declaration. For four long postwar years, this Morgenthau plan has remained the basis for our policies toward the German-speaking people. No greater outrage has even been inflicted on the American people, who have become the unwilling victims of the very exploitation and suffering which our earliest American statesmen warned would follow inevitably whenever this Government abandoned its great traditions. The truth is, that no other people in history have ever been singled out for such brutal degradation and deliberately inflicted suffering by the Government of the United States.

Furthermore, 33,000,000 Americans of German extraction have been forced to pay their shares of the $1,000,000,000 a year it has cost to inflict this starvation and degradation on the German-speaking people.

All during this time, those who have been responsible for these outrages have been poisoning public opinion and covering up their own bloody tracks with as vicious a propaganda and deliberate falsehood as we have ever known. And to this moment, the United States Senate has never been consulted or had a chance to accept or reject these policies which are betraying our whole future as a free people. For four long years, this has been going on. We are meeting today, following on the heels of the latest conference on the German problem which has just been concluded in Paris. And no amount of propaganda now can blind us to the fact that this conference, miserable failure that it was, has served only one, real useful purpose.

The Paris Peace Conference forces us now to recognize how late the hour really is, if America is to save Germany and Europe by returning once more to traditional American principles. Probably there can be no greater hypocrisy in the world today than that which is practiced on the part of those American representatives who claim that claim that Stalin is the sole cause of the gathering world conflict and the sole obstacle in the path of a peaceful settlement of the German problem, while at the same time these same Americans continue to carry out policies which are playing directly into Stalin's hand. This hypocrisy is covered up by the propaganda that if Mr. Stalin would only keep his word under the Potsdam Agreement peace would be assured, when we know that we could never have peace in a thousand years on the basis of the outrageous provisions of the Potsdam declaration. How much longer are the American people going to permit themselves to be deluded by those who continue to insist that Mr. Stalin change his ways, even while these same people fail to exert the slightest influence in forcing our own Government to change its basic policies, which are forcing Germany and Europe down the throat of the Russian bear.

The great tragedy of this whole long series of acts designed to perpetuate inhuman suffering and economic privation is that even at the Paris Conference there was not a single constructive alternative course of action suggested by our American representatives. Instead, on April 28, 1949, Secretary Acheson admitted that, as a result of the policies we had been following since the end of the war, Germany became divided into disconnected administrative areas and was rapidly being reduced to a state of economic chaos, distress, and despair.

As a result, Mr. Acheson said, the three Western Powers announced a joint program on June 1, 1948, to try and halt this disintegration. But then he went on to admit that, even the three Western Powers, without Russia, were committed to carry out the basic provisions of the Potsdam declaration. I quote his own words:

"This joint program I wish to emphasize is in no sense a repudiation of our international commitments on Germany, embodied in the Potsdam protocol and other agreements. It represents a sincere effort to deal with existing realities in the spirit of the original allied covenants pertaining to Germany."

Here is a bold admission by the Secretary of State as recently as April 28, 1949, that with or without Russia's cooperation or obstruction this Government is determined to carry out the basic concept of the Morgenthau plan which is embodied in the provisions of the Potsdam declaration, what is more, every step that has been taken by our State Department during the year of the three-power rule of western Germany against the Russian blockade is an added confirmation of the futility and the insanity of the policies which America continues to underwrite toward the German-speaking people.

And at every single step that has been taken during the blockade, the State Department's policies and acts have merely reaffirmed the intention of this Government to single out the German-speaking people from among all others as the special objects of their vengeance. What are these major steps that were taken during this year of the Russian blockade?

First, in spite of the fact that the three western governments have been free to act during the past year to change basic policies which were playing into Russia's hands, they have merely carried on these policies without interruption.

Second, in spite of the fact that Marshall plan experts agree European recovery is impossible without the recovery of Germany, authorization for the second year's appropriation of Marshall plan funds was agreed upon in spite of the fact that vital information necessary for intelligent action by the United States Senate was deliberately withheld by Mr. Hoffman, who also admitted that he had nothing to say about the level of industry that was necessary in Germany if she was to make her full contribution to European recovery and that, in effect, the ECA was merely rubber-stamping the Morgenthau plan.

Third, we were flooded with propaganda praising the achievements of the Bonn Constitution which was going to turn over controls of Germany to a new German civilian government, while at the same time the three Western Powers released the occupation statute of April 8, 1949, making a mockery of the function of any German government that would have to operate under its provisions, by reserving to the occupation powers authority in the field of control, scientific research, industry, and civil aviation; continued controls over the Ruhr, the reparations program, decartelization and foreign interests in Germany, continued control over foreign affairs, including all international agreements made by or in behalf of Germany, continued control over taxation and over foreign trade and exchange.

Such hypocrisy by the occupation powers makes it impossible for any German government to inculcate a faith in democratic processes and will leave it powerless.

Fourth, was the signing of the Atlantic pact for the so-called defense of western Europe, a pact which completely ignored the necessity for providing not only for the defense of Germany but which if it is to have any chance of success whatever must provide for Germany's contribution to the common defense.

Fifth was the announcement on May 9, 1949, of the International Fisheries Convention dealing with the North Atlantic fisheries, which was kept secret until the day of its release. Yet, in spite of the fact that the western powers sunk the German fishing fleet in the North Sea as their first peaceful act following the end of the war and deprived the German people of desperately needed fats and oils and protein foods from that source, Germany has been deliberately excluded from any consideration whatever under the provisions of this treaty.

Sixth, throughout this past year the Western Powers have been feverishly extending the destructiveness of the senseless dismantling program further into the economic and industrial resources of Germany. At this very moment, in spite of the fact that this Government knows it is fighting for the future of Western civilization itself, right in the heart of Berlin, the following insanity continues to be committed by this Government and financed by the American taxpayers Since the end of the war even the military authorities in the western sectors of Berlin have been depending for their light and power upon plants located in the Russian sector. During the past year of the blockade, attempts have been made to erect three new power stations in the western sectors as independent sources of electrical power.

The completion of these units is absolutely dependent upon the products of the Deutsche Edelstahlwerke in Bochum in the British zone. Yet, in the revised list of dismantling contained in the Washington agreement of last April, it was agreed that the dismantlement of this plant should be undertaken on the 1st of July 1949, that is within the coming week.

This Washington agreement on dismantlement, which Russia had nothing to do with whatsoever, merely extended the insanity of individual plant dismantlement to prohibitions against whole industries, even including those which make synthetic fats for washing materials and ersatz soap. Yet, within a month after this agreement on Germany was announced, Maj. Gen. Frank R. McCoy, United States representative on the Far Eastern Commission, announced that the United States Government was putting an end to the removal of all further reparations from Japan.

In answer to the protests of Chinese and Philippines representatives on June 10, 1949, the State Department defended the stopping of reparation with the following statement:

"The United States cannot indefinitely bear the burden of Japan's support. It must therefore assist the reattainment by Japan of a self-sustaining economy at the earliest possible time. Further reparations from the deficit Japanese economy would obviously be inconsistent with this objective.

"It should be apparent that Japan faces a most difficult problem in developing its agriculture, industry, and trade to a point where they can support its population, and that if Japan again threatens the peace of the Far East, it will in all probability be because it failed in that objective rather than because it was permitted to retain existing industrial plants for peaceful, productive purposes."

Of course, this is just plain common sense and represents at least a partial return to international sanity by representatives of this Government, but, by what possible stretch of the imagination can the same Government take such a position toward the utter necessity of permitting Japan to earn her own livelihood and to work her way back into the family of nations, and deny the same necessity and the same right to the German-speaking people?

Those of us who are most vitally concerned over this problem must recognize how little time there is left to right the wrongs that continue to be committed in our name and face the ugly realities with which we are confronted for what they are.

The hour is later than we think. Even this constructive change in the policy toward Japan has occurred only after the Chief of the Planning Division of the Joint Chiefs of Staff, one of our greatest experts on China, Gen. Albert Wedemeyer, admitted that as a consequence of the stupid blundering of our State Department, there is nothing left in Asia now to stop the march of Communist aggression.

Since we have been following exactly the same kind of policies in Europe that have led to the collapse in Asia, only in a far more aggravated form, it is perfectly obvious where we are headed.

The recent Paris Conference which produced the proposal for an Austrian treaty has only postponed the day of reckoning. Actually, so far as Austria is concerned, the Western Powers were again guilty of appeasement of Russia. It is hard to believe that at Paris we agreed to give Russia 60 percent interest in Austrian oil concessions for 30 years, and a permanent 100 percent assets of the Danubian Shipping Co., in Austria, Bulgaria, Hungary, and Rumania, thus giving Stalin a stranglehold on the Austrian economy, complete control of the strategic Danube, $150,000,000 in reparation which must be paid by a so-called liberated country with no concession on the part of Stalin whatever in exchange for these gifts.

And so far as Germany is concerned, one of cur greatest authorities on international affairs had this to say:

"The dominating fact at the Paris meeting of the foreign ministers has been the tacit recognition that the Big Four are no longer able to make a German settlement. The control of the German problem has slipped out of the hands of the foreign ministers and their four governments.

"The Germans have been denied even the hope of a settlement within which they could live decently and with self-respect, with loyalty to themselves and to Europe. They have been left with no prospect except partition, occupation, political inferiority, and of economic and social distress." (Walter Lippmann, Washington Pos*, June 21, 1949.)

How can there be the slightest question in the minds of this administration, of the United States Senate, or of the American people that this is a one-way road to catastrophe, and that the time has come for an awakening of public opinion, for a reorientation of the American mind, and for a complete about-face in America's dealings with the German-speaking people? Across this country today, there are millions of our fellow Americans who sense this danger, who are as deeply concerned, and who are as earnestly determined to prevent this catastrophe as are those of us who are gathered here.

In my own humble opinion, of all the problems we confront as a free people, there is none so urgently demanding a solution. Those of us who have been closest to this problem know from the bitter experience of the past that this solution will not be forthcoming until it is forced upon the representatives of the American people at the ballot box. Therefore, we must use what time remains to bring this issue out into the open, to make it the No. 1 political issue in the next election and prove once again the wisdom of our founding fathers, who devised a system of government which still provides, through the exercise of the ballot in the hands of a free people, the power to right the most grievous wrongs, to amend the gravest injustices, and to remove from office those who would abuse their sacred trust.

I am confident that, with so much at stake in this single issue, with not only the future of the German-speaking people at stake, with not only the future of Western civilization itself involved, but with the future of our own way of life hanging in the balance, we shall finally succeed in awakening the conscience of the American people as a whole, and united together in this common cause will be able to force a change in our relation with the German-speaking people that will enable us together to set our feet back on the road to sanity, decency, and a just and lasting peace.

Our American Destiny—1949

EXTENSION OF REMARKS

OF

HON. KARL E. MUNDT

OF SOUTH DAKOTA

IN THE SENATE OF THE UNITED STATES

Tuesday, July 5 (legislative day of Thursday, June 2), 1949

Mr. MUNDT. Mr. President, I ask unanimous consent to have printed in the RECORD an address entitled "Our American Destiny—1949," delivered by me before the Annual Congress of the Daughters of the American Revolution, which was held in Constitution Hall in Washington, D. C., on April 18 of this year.

There being no objection, the address was ordered to be printed in the RECORD, as follows:

Good evening, good friends of the platform and of the audience, Americans all, Walter Cassel just now said he was going to begin his singing with a bit of old English, and I think I shall start my speech by giving you a bit of Churchill's English, because I read recently of an exchange alleged to have taken place between Winston Churchill and his great contemporary, in ability to use the King's English effectively, George Bernard Shaw.

It seems that Mr. Shaw had written a play, and in his desire to increase the box-office harvest, he decided to write a letter to Churchill through the newspapers inviting Churchill to attend it, because like most of those most articulately opposed to the private-enterprise system, Shaw opposes it only

as it applies to others but endorses it for himself, so he wanted to have a big audience to increase his profit on the play. In order to get a big box office take he wrote something like this:

"DEAR WINSTON: We are having down in London the premier showing of my new play. It is a good play and will be good for you and so I am enclosing a complimentary ticket for you and one for a friend, if you have one left.

"GEORGE BERNARD SHAW."

Now, Mr. Churchill is something of a master of the fine art of repartee himself and he had an idea of what the self-proclaimed Socialist, Shaw, had in mind—exactly that he was going to get some free publicity for his play—but Churchill is not one to let his reputation down, so he wrote in response to the newspapers something like this:

"DEAR GEORGE: I have received the invitation to attend the opening of your play down in London come next Monday night. It was mighty nice of you to invite me and I am sorry I cannot attend but due to an earlier commitment (that is an old parliamentary gag—'earlier commitment'), it is impossible for me to attend, but I am retaining the tickets because I shall be happy to attend the second performance—if there is one.

"WINSTON CHURCHILL."

I wish to proceed from there to say that I am happy that America has received a second chance after a Second World War to do those things which we thoroughly, completely, and totally failed to do at the conclusion of World War I. We have been given a second chance to make our democratic dreams come true and I doubt very much whether after a third world war any of us seriously believe that we would find ourselves again unscathed from atomic bombs, and our homes not destroyed and that we would find them as they are when we confront this second opportunity.

This second performance of history, this second great chance to grapple with American destiny and expanding conditions is now ours.

I think it is highly appropriate that this great convention of American patriotic women is being held here in this historic hall of what has become virtually the Capital City of the world on a day which is recognized among the Christians of the globe everywhere as Easter Monday, because it seems to me we have much in common, today, with that first Easter Monday of more than nineteen centuries ago when a tiny population living on the southern shores of the Mediterranean Sea gathered together on that first Easter Monday and confronted a world in many respects like that which we confront here on the banks of the Potomac River tonight.

Those early Christians confronted a world filled with evil forces and power and might, yet they lived in an era of hope because it was shortly after the resurrection and they were inspired by a great cause which was well worth projecting. I think that these factors are all present at this time and in our lives too there are evil forces here and now apparent. We also, however, have a cause well worth proclaiming.

Your president general in her remarks almost indicated that she had slipped into room 432, Senate Office Building, and had been reading my mail because we agree so fully on everything that she had to say.

We need to face these evil forces, many of which could be described as a threat of war—plus the dangers of infiltration—and the most dangerous of which is communism. And yet we have great hopes because we are freshly victorious in our last war so we have earned this second chance for peace and progress.

We, too, have a most important cause to project, that code called the American formula—that way of life with which Christianity can work its inspiring guidance with better opportunities for success than with any other may of life in history.

I say that it is perhaps prophetic and significant that this meeting is held on Easter Monday—because of the significance of that day and this thing that we are called upon to protect, to proclaim, and to project—this cause of ours which requires active support just as Christianity did 19 centuries ago. This means simply that we must now as never before defend and protect the basic freedoms involved in the maintenance and exercise of our free competitive political and economic system against this threat of communism and every other kind of collectivism aimed directly at the basic tenets of our eternal freedoms. These Communist challengers of ours know that if they can control our political independence and destroy our free competitive enterprise system in the United States they have made a tremendous step toward their goal of world domination in this momentous period of history.

Our cause, like that glorious first great cause of 1,900 years ago, needs disciples to carry it forward and promote it and to proclaim it proudly and without apology in every community of this land.

What better way, may I ask than for the DAR to be the group of disciples of this creed? You whose ancestors came to our shores to procure and secure the great life and sound economics and the political freedom and peace-preserving policies that we like to consider to be a birthright of all Americans—those cardinal rights which we undertake to preserve both at home and abroad.

I realize that it is like carrying coals to Newcastle to speak historically before a convention of the Daughters of the American Revolution because, you more than most of our citizens are students of history and know how our activities are guided by the lights of history. Let me put this picture before us tonight as clearly as possible and let me try to get down to the taproots of the dangers we confront—let me recount a little history, therefore, even at the risk of oversimplification, pointing to three great historic eras in order to analyze the economic and political progress of mankind.

HISTORY'S FIRST GREAT ERA

The first era began of course down on the banks of the Nile River in Egypt, some thirty centuries ago, nobody knows exactly how much more than that, when the birth of civilization started with the periodic overflow of the waters of the Nile. That era ended in England in 1215 A. D. So for more than 3,000 years, perhaps more than 5,000 melancholy years, man made less progress in more time in the direction of becoming the master of his own soul and captain of his own faith than any other time in the history of the world.

This good life that we like to think of as part of the American system today was unheard of back prior to 1215 and if the average man thought of it, he thought about it as something conceived exclusively for the rulers of the country or the military men of power. Sound economics were also unknown to him and the only economics he knew was that to the strong belonged the fruits of the toil of the weak. The men of experience in professions and commerce actually had no political freedoms for well over thirty centuries. Man had the choice either to court the favor of the men in the capital cities of the land or to cringe before their mandates of intolerance in order to preserve life itself. As for peace-preserving practices and programs—those were the days when wars were launched by kings and fought by common men in that long period of the world's history.

HISTORY'S SECOND ERA

There was but little progress toward American concepts as we enjoy them tonight until 1215 when some Englishmen took old King John down from his ivory towers to a meadow in Runnymede and compelled him to sign the Magna Carta and put pen to paper to indicate in writing that there were functions and rights that mankind had that even a sovereign could not take away. This opened the second era of history starting that day in 1215 A. D.

Starting there and then, man had for the first time the thrilling experience of a sovereign being compelled to agree in writing to the fact that his subjects had certain rights he himself could not quite take away. For more than seven centuries, for more than 700 years, this second great era of history unfolded and in that comparatively short period of 700 years man made more progress than he had made in the entire preceding 30 centuries.

Document followed document, invention followed invention, creed grew upon creed, and man grew to the respected and respectable place he has today. Man grew to have a human dignity that state and government recognized and considered as they built this system of economic and political freedom. Then came the petition of rights in 1628 and the Bill of Rights of Britain in 1689 and a document about which you DAR members know considerable, the Declaration of Independence in 1776. Then a few years afterward in 1789 came the Constitution of the United States, with the Bill of Rights included, I am happy to say, at the session of the First Congress of the United States. I think from that early date up until now Congress has always played a much more important part in Government than many are willing to recognize. We in the legislative branch of Government point with pride to the Bill of Rights as a congressional contribution to the Constitution of the United States.

THE CURRENT ERA OF HISTORY

Thus freedom developed until we get down to this third era of history. It cannot be marked by any definite date or location as we did with the first period at the dawn of civilization in Egypt, and you can prove that, or the second great era of history in economic and political development, which started with the signing of the Magna Carta in England. It is a little more difficult to fix the date of the third period but of this we can be sure, it began in the early 1930's. Men had begun to have everywhere rights and opportunities to work out their own economic problems such as were unheard of before we saw these rights being challenged again early in the 1930's.

Here and there men started thinking about new powers for the state until a fellow called Marx wrote the Communist manifesto. So we ended the second phase of history and there grew out of Germany another ism and a new creed called state socialism or communism. Men studied it and stumbled over it and didn't recognize exactly what it was and it finally came to be defined as a godless, conspirational movement with ambitions extending far beyond the boundaries of the one country of Germany. It became known and practiced under the various names of communism, nazism, fascism, state socialism, or military dictatorship, depending upon the country in which it operated.

As we come to this third era of political and economic history, I think that all students of history will recognize that this third era began some place in the thirties, a little earlier in some countries, a little later in other countries. It is difficult to fix the time and date and place but if I were called upon to fix a date so far as the United States is concerned, I would fix that melancholy date in 1933, November 17; the date the United States gave its official recognition and there-

fore its sanction to the Communist Government in Russia. If we must find a starting place it seems that there was a significant change of events flowing from that recognition which tend to justify those studying economic and political history in putting their attention on that November 17 date in 1933.

Since the early part of 1930, moreover, around the world, in every country and on every continent—and we are no exception to the rule—man has seen his areas of political freedom and economic independence slowly but steadily shrinking all over the place, and now we find ourselves either marching down the trail into the valley that we thought we left or off on a new road the definition and designation of which is obscure to us all. We are not sure which. But each of us knows dimly in his own heart, we are marching today in the wrong direction.

I think students of the world today cannot well deny that a change is taking place all over the globe in this business of good living. We find now in our country strange people have moved into our neighborhood; we are not quite happy about some of the folks that have crept into high places in Government; we are cautious about many an organization because while it sounds like a patriotic one but we are not sure but what it is actually controlled by Communists.

Good living has attained a sort of artificial semblance so that it disturbs those of us who think seriously, but in some of the areas of the world good living ceased altogether sometime in the early part of the 1930's insofar as the right of the individual to enjoy the good life under the great lights of freedom and sound economics is concerned.

Sound economics is being challenged in every country of the world including ours where by strict adherence to sound economics we became the unchallenged and unchallengeable envy of the world. Still many in our land attack the creed by which we grew great and unchallengeable. Abroad in other countries in other ways since the beginning of the 1930's sound economics have almost become a thing of the past. Collectivism has taken over with the silly idea that you can create a sound economic situation by appointing to an economic job a military follower or a precinct political leader. It captured the imagination of the world in an attempt that failed in Italy. We saw it mushroom up and collapse in Germany. We saw it bring failure and dismay in the atomic mist that destroyed Japan. We see it now denying happiness and food and clothing to the conquered people in the captive countries of communism. We see our English cousins trying an experiment in socialism which they can finance only because of the good-natured generosity of America and the British apparently fail to see that socialism is simply an empty way station on the road to communism.

We in America tonight stand perplexed about production problems, some of us almost unwilling to admit that the areas of free competitive economic and political life in our modern world have shrunk so small that you can count on your two ears the countries of the world where people can still enter into partnership to build a railroad in the fashion that railway construction helped develop this country. You can count on the fingers of your hands the countries of the world today where people in private enterprise are permitted to establish a radio station to broadcast programs in the great field of communication which has done so much to make America strong and friendly and neighborly.

No one can deny successfully, I am sure, that in turning backward the wheel of economic and political experience all over the world since the early thirties there is good and sufficient reason for it, because there is abroad a vigorously undertaken campaign of propaganda ably led and well-financed by skilled propagandists who since 1917 in Russia have hewed steadily to the line that if they create enough confusion they eventually would be able to dominate the world with the Communist creed.

Many do not recognize these flank attacks, but we would all recognize them if they came down the aisle tonight under the hammer and sickle singing the Red Internationale. It is the flank attack with its insidious poison from the side, in a sly manner, that begins to devitalize the strength of the world because the Communists have such a group that they expect to conquer from within.

Unless they do one of two things they cannot conquer this country: Somehow or other they must destroy the political independence of America, which means that they must destroy the basic functions of the biparty system, and if they cannot do that they must in some way or other collect enough power in economics and politics in Washington to permit them to usurp, with or without means of force and violence, the activities centered here in the city of Washington. One method or the other is the way communism must attack us because they must destroy the political freedom of our land or they must bring into Washington sufficient political and economic controls so that once placed in their hands they can dominate the whole if they are to successfully conquer the 48 States and an unknown number of cities in our 3,000 counties and all the different private institutions of economic enterprise in America, because men will fight for those things and for the protection of their homes or farms or railroads or steel companies or air lines. Men will spring to the defense of that American creed that has made the United States so great and kept us so strong for so long, provided they are still enjoying the blessings of our way of life when the challenge comes home to them.

This is not a pretty picture that I have painted, but it is an accurate one down through the long, sad political and economic history of the world, and I trust I have not talked too much from the heart to ruffle your pleasant and important convention. I have done so only because I have a profound respect both for the courage and the energy of the DAR. I want to spend the remainder of my time, therefore, not speaking about the past or about our present precarious position, but about what members of the DAR and folks like you, working with many others, can do, and do now, to turn back the evil trend which has carried us so far into the whirlpool of eternal disaster.

WHAT CAN BE DONE TO WIN AGAINST COMMUNISM?

There are a great many things we can do both at home and abroad. We have done some things about this challenge of communism abroad. We have a program called the Marshall plan or ECA (they change the name so often it is difficult to keep up or it). I just happened to be on the House Committee on Foreign Affairs in the House of Representatives when ECA was first presented. I sat in on the committee meetings, I heard all of the testimony and I spent several weeks in Europe studying the situation, when the ECA was launched. I conferred with many officials in various countries including those behind the iron curtain, as well as those of the so-called Marshall plan countries.

WHAT IS OUR AMERICAN FOREIGN POLICY?

I sat in on the conferences between the House Foreign Affairs Committee and the Senate Foreign Relations Committee which wrote the final language of the ECA plan and I thought I knew what the program was. You could write in a single sentence what that plan meant when it passed the Congress. It was: "To the extent of our ability, the United States is resolved to give assistance to countries anywhere in the world which are willing and able to resist further Communist aggression and which will join with each other and with us in this common objective."

That is all there was to it. There was nothing in all the testimony which should lead us to believe there was to be anything beyond or below that. So I became an early supporter of that proposition. In Congress I did my best to get as large a vote as possible. I supported this policy in speeches in many areas of America. I voted for its extension again about a week ago.

I would be less than honest, however, if I did not say that I voted for it with much less enthusiasm last week than I voted for it a year ago, and I think I owe it to you to tell you why I had less enthusiasm for it this time—because some place in the process of its unfolding during all these months the administration has stricken out of the ECA policy these words: "Countries anywhere in the world." They were not deleted by any suggestion, I am happy to say, of Congress. China and Asia ceased to be part of the program of the fight against communism on a world-wide basis. The program for containing communism by giving aid to countries anywhere willing to resist the evils of communism cannot do the job with half of the fence blown down—that part of the fence to keep the Reds out of Asia. Congress knows this but apparently the State Department and the White House have not learned that lesson.

Some of us in Congress failed to see the reason for this change in the ECA policy, so we went directly to the Department of State (and I say this as a friend of the Department of State) and we learned that there is no policy toward China—unless you get it from Dean Acheson, who said, "Our program is to let the dust settle for a while." I tell you, tonight, I think that dust is going to settle in the eyes of the State Department, and when it does it is going to be red dust out of Moscow, Russia. I give it to you and I think it is an eternal verity—the world is like an egg; it cannot be half good and half bad at the same time and you can't stop the tide of communism from overflowing its boundaries by building a dike in Europe, no matter how high you build it, while leaving the red waters to rush unchecked through the flood plains of Asia, and every American with good sense knows it.

We need now and we need it clearly and courageously stated, a world-wide foreign policy and I am sure that Americans everywhere will support a workable concept of ECA while it makes sense. I voted for it now because it is better than nothing, but it cannot work without recognizing the fact that we must not let over half the world fall into the clutches of communism by writing China off as a lost cause and expect to defeat communism in Europe with $5,000,000,000 a year and an Atlantic pact joining us in alliance with less than one-sixth of the potential power of the world.

I have said this in Congress, I have said this over the radio and from the public platform, I have written this in letters, and I shall continue to discuss this matter in public until something effective is done which shows some chance for success in shaping a consistent, effective world-wide American foreign policy.

There are, however, a few things I want to mention which can be done by the folks I am having the happy opportunity of addressing here tonight. There are many things that I wish to discuss in my last 5 or 10 minutes tonight which can be done by members of the DAR. I learned from my job on the House Committee on Un-American Activities of your support of the fight against communism, the support we always had. We appreciated it and you kept it up when a lot of the fair friends of America

pulled down the flag. So I want to issue a challenge tonight and I am sure you will accept the challenge as you have done in the past.

A CHALLENGE TO THE DAR

I want to suggest that you on the home front in your activities in every field do what you can to erase the menace of communism and to strike out around the globe against it. You can start next Monday morning. And this is how:

In the field of legislation we need some laws which are no more an infringement on the rights of Americans than if the head of the household refused to hire a kidnaper as a baby sitter. We need a law to keep Communists out of Government jobs, and all these bleeding hearts and soft-headed pseudo liberals that cry "infringement on the rights of Americans" should realize such legislation is both necessary and proper. I don't like to bring in a commercial or plug my own bill but the bill that can fix this situation is the Mundt-Nixon bill which I believe is just the thing and which should pass this Congress.

The second great area of activities is in the field of education. This can have a mighty important part in this business of helping people to understand communism, and every American citizen as well as the DAR should know the true nature of the insidious, international, godless communism that is now creeping into our way of life. I am proud to say that the House Committee on Un-American Activities (and I am not now a member of this committee so I can view it objectively) is doing a great job in supplying booklets and information in order to keep Americans aware of the truth about communism and what is happening in the fight against communism.

For you who would like another challenge—I would like to see on every home front in every community throughout the country an American enterprise committee, or something of a similar name, which would be established as part of every organization. An American enterprise committee as part of every DAR, as part of every commercial and luncheon club, an American enterprise committee as part of every labor union and farm organization, and Rotary, and Kiwanis, and women's organizations, and veterans' organizations—an American enterprise committee whose sole job it is to do this:

To bring to the people of their community, both young and old, the eternal verities and virtues of the system of free competitive political and economic life that have made America the success that it is.

It is a mystery to me that so many well-intentioned people with bad memories keep advocating solutions of problems which have failed every place they have been tried in other eras and areas. Let me get more specific in this matter of American enterprise committees—every organization should have as their representatives on these committees the best citizens of the organization, the most able, the most active, and the most highly respected.

FOUR DEFINITE JOBS TO DO

The first course of action for these American enterprise committees should be this:

1. To see that in every school and college of the land there is at least one course specifically named and specifically taught and proudly instructed which would honestly be called a course in What's Right With America.

All over the United States in the schools the youngsters hear so many criticisms about the things that are wrong with America, we need some way to teach them also what is right about America. We hear so many teachers that lack enthusiasm when speaking of things American that we need to engender some confidence in the youth of today in our American concepts. I would like to see in every school of the land a course specifically designed to make sure that every student going to school in America will know and respect and understand the things that are right with America.

When you return to your homes, and if you make a serious study of the curriculum of your local high school and college you are going to be disappointed because there is no such course being taught in over 80 percent of the tax-supported institutions of America. What a challenge for the DAR to follow the splendid advice of your president general in her address here tonight in educating the people about the good facts and the good features of America. I know you will accept this challenge, and I know the principals of your high schools and your college presidents can devise some sort of a course, if in your approach the people in your community, organized as American-enterprise committees, will say, "Look here, Mr. Educator, all we want is one course in the 4 years that every youngster attends your institution in which nobody criticizes anything about America but teaches only those things which are good and sound and right about the greatest governmental creed the world has ever seen. Let them criticize America in other classes; we are not objecting to that. But let there be one course, Mr. Educator, just one, where the requirement is to teach and sell the good purposes and good features of America."

2. Let me speak now of a second way in which your local DAR and your local chamber of commerce and all other organizations in your community can educate the people in the things that make America great. How thrilling it would be if these American enterprise committees would see to it that 1 week in every 52 would be set aside and called Know Your America Week. One week of education in every community to teach the advantages and glorious creed of Americanism to every person in the community. One week to proudly proclaim this creed which is ours. Let it start with sermons in the churches about what's right with America.

It would be a precious thing to devote one whole sermon in every church in America without a single criticism about anything American. Well might the churches take the lead in this crusade against communism as they have against other wickedness in the world. The church has never had a more vigorous challenge than the fight against communism. On Monday, and Tuesday, and Wednesday, and Thursday, and Friday, and Saturday let there be programs and pageants and essay and oratorical contests and radio broadcasts and exhibits in the schools—a community-wide effort to make people understand why the free competitive enterprise and political system is good for the people. Let this week be set aside to tell everyone why it is good, this American formula, where the people can tell those running for office and those in office to provide good government or get out.

3. The third thing I would like to see these American enterprise committees undertake in every community of this Republic would be to help project the dividends of our American system increasingly to more and more citizens of the community. By providing better economic opportunities, better homes, better recreational areas, better health conditions, et cetera, these American enterprise committees will be making freedom work at the grass-roots level. The more we can utilize local initiative and resources to provide better economic and social conditions for the less-privileged in America, the more firmly we build the type of citizenship required to defeat the false doctrines of state socialism and communism. By making America work better for more people we tend to make America more secure for everybody. The better we do this at the local levels the less opportunity there is for the political demagog to insist on the building of big government to do this by the mandate of the all-powerful state. American enterprise committees can thus help protect America by projecting its advantages through community programs and with local support.

4. In the fourth place these committees should recognize that anything worth having is worth defending. They should defend every community against the menace of godless conspiratorial communism in all organizational activities at the local levels. They should make sure that their local institutions, the local government, the labor unions, and educational groups, and other groups believe in the American enterprise system. They should rise to the defense of freedom and see to it that those spreading the slow insidious poison of communism be exposed and identified—if this is done we are not going to have much trouble with communism.

It has been a pleasure to visit with you and those of us who struggle down here on the wrong side of the Potomac River trust that folks like you will accept this challenge to do something positive and definite at the job which the DAR has proudly done for so long and which I am sure it is going to continue to do. I have confidence you will work for freedom and continue the fight to expose communism, to recognize it and to guard against it. We have a long and multiple purpose fight ahead of us to conquer the evils of communism.

This job is yours and mine. I believe these American enterprise committee can do the job. I hope you will organize them in your communities. If we try and fail, we shall find solace from the fact that we have fought the best fight that we can. We have a hard job to turn back this awful world-wide tide of communism—but we will have at least tried and actively and loyally done our best. But if we fail to try at all and cravenly accept these infiltrations like cowards we will find ourselves becoming the pawns of the state.

I think that the DAR will measure up to this challenge and will radiate the inspiration for their communities to enlist the active cooperation of other agencies and organizations in this fight.

If we do this, freedom will prevail and our American destiny will be both secure and sublimely significant.

Memorandum From American Civil Liberties Union on Right of Broadcasters To Editorialize

EXTENSION OF REMARKS

OF

HON. WILLIAM LANGER

OF NORTH DAKOTA

IN THE SENATE OF THE UNITED STATES

Tuesday, July 5 (legislative day of Thursday, June 2), 1949

Mr. LANGER. Mr. President, I ask unanimous consent to have printed in the Appendix of the RECORD a memorandum from the American Civil Liberties Union dealing with the policy of the Federal Communications Commission with regard to the editorializing by radio stations.

There being no objection, the memorandum was ordered to be printed in the RECORD, as follows:

AMERICAN CIVIL LIBERTIES UNION,
New York, N. Y., June 30, 1949.

DEAR SENATOR: The recent decision of the Federal Communications Commission, giving broadcasters the right to editorialize on the air, represents a serious threat to free speech.

We have taken the liberty of enclosing a memorandum on this subject, prepared by James Lawrence Fly, former Chairman of the Federal Communications Commission.

Very truly yours.

JOHN HAYNES HOLMES,
Chairman.
ROGER N. BALDWIN,
Director.
ARTHUR GARFIELD HAYS,
Counsel.

MEMORANDUM ON THE FEDERAL COMMUNICATIONS COMMISSION DECISION ON EDITORIALIZING BY RADIO STATIONS

POSITION OF THE AMERICAN CIVIL LIBERTIES UNION

We urge all concerned with the need to preserve our democratic processes to join with us in urging the Federal Communications Commission to reinstate the policy of the Mayflower decision of 1940 reversed by the Federal Communications Commission on June 2, 1949. The effect of this reversal is to permit broadcasters to editorialize; they become advocates. True, the Commission majority tries to imbed this privilege in an encompassing duty to be fair, but the Commission's reasoning is hinged on the assumption that the average broadcaster is like unto Socrates in his intellectual virtue. Theories should be related to facts.

The majority report is most confusing. Broadcasting magazine's editorial on the subject is entitled "Etaoin shrdlu." Confusion and unworkability are both apparent. We strongly concur in the minority views expressed by Commissioners Hennock that (a) the Mayflower doctrine should have been reaffirmed and (b) a vague requirement of fairness is utterly unenforceable. Once the thousands of radio stations are permitted to carry on partisan campaigns, the entire present staff of the Commission would be but a small portion of what would be required to enforce a general standard of fairness. The reach so greatly exceeding the grasp, it follows that no policy standard will be enforced.

The American Civil Liberties Union is committed to the principle that a broadcaster who holds a license to serve the public's interest—and thus distinguished from newspaper and magazine owners—cannot be permitted to editorialize, to harrangue the public with his own private views and thus to turn the public's own powerful mechanism of free speech into an organ to serve the broadcaster's private aims. We do not assert that the broadcaster is a second-class citizen and that his voice may not be heard on the air. We are content to have Mr. David Sarnoff and Mr. William Paley, as persons and responsible citizens, heard on occasional forums and public discussions as often as are other equally responsible citizens. But they should appear as private citizens, just as other citizens appear.

The practical effect of a vague confusing standard and its utter unenforceability, coupled with specific permission to editorialize, is to permit the broadcaster to monopolize the public's free speech facility, and to invite subversion of that public facility to the promotion of private and partisan ends. This, we submit, is not in the public interest. The necessary counterpart of such a position is that many responsible voices discussing the pros and cons of public issues will be suppressed. It is unthinkable that the Government itself would grant to the beneficiary of a valuable public license this powerful device to suppress and restrain freedom of speech.

To suggest that even such fine men as Mr. Sarnoff and Mr. Paley will continue to tolerate other views on the air is to rely upon the hope of beneficent tyranny. Though Mr. Sarnoff and Mr. Paley are both entirely fair, however tolerant may be the rule by such men, the dangers lurk in change of mind and change of management. The most impressive tyrants may well be in our smaller cities where there are only one or two stations, and in cities where the only radio stations are owned by the single newspaper interest in that area. In such places, the Federal Communications Commission can have no semblance of practical power to require a vague standard of fairness.

In short, in place of a simple, workable, and sound policy requiring licensees to operate in the public interest, the Commission has reversed itself and substituted a policy of operation in the private interest. In the light of the critical issues before the public, the ever greater need for general public discussion, and the tremendous force of this mechanism upon public opinion, we feel it both urgent and important that the public airways be kept open solely for the benefit of the public.

THE FACTS

In its decision in *In re Mayflower Broadcasting Corporation*, issued on May 29, 1940, the Federal Communications Commission enunciated the following statement of policy (8 F. C. C. 333 at pp. 339–340):

"Under the American system of broadcasting it is clear that responsibility for the conduct of a broadcast station must rest initially with the broadcaster. It is equally clear that with the limitations in frequencies inherent in the nature of radio, the public interest can never be served by a dedication of any broadcast facility to the support of his own partisan ends. Radio can serve as an instrument of democracy only when devoted to the communication of information and the exchange of ideas fairly and objectively presented. A truly free radio cannot be used to advocate the causes of the licensee. It cannot be used to support the candidacies of his friends. It cannot be devoted to the support of principles he happens to regard most favorably. In brief, the broadcaster cannot be an advocate.

"Freedom of speech on the radio must be broad enough to provide full and equal opportunity for the presentation to the public of all sides of public issues. Indeed, as one licensed to operate in a public domain the licensee has assumed the obligation of presenting all sides of important public questions, fairly, objectively, and without bias. The public interest—not the private—is paramount. These requirements are inherent in the conception of public interest set up by the Communications Act as the criterion of regulation. And while the day to day decisions applying these requirements are the licensee's responsibility, the ultimate duty to review generally the course of conduct of the station over a period of time and to take appropriate action thereon is vested in the Commission."

This policy has been generally known as the Mayflower doctrine.

On September 5, 1947, the Commission ordered a hearing to consider the possible modification or reversal of the doctrine. At the hearings, which were held in March and April of 1948, the American Civil Liberties Union appeared and argued in support of the Mayflower policy. It was there represented by Mr. James Lawrence Fly.

On June 2, 1949, the Commission issued its report which, by a 4 to 1 vote, in practical effect reversed the policy. Commissioner Hennock dissented. In summary, in the Commission's own words, the majority report held:

"The Commission believes that under the American system of broadcasting the individual licensees of radio stations have the responsibility for determining the specific program material to be broadcast over their stations. This choice, however, must be exercised in a manner consistent with the basic policy of the Congress that radio be maintained as a medium of free speech for the general public as a whole rather than as an outlet for the purely personal or private interests of the licensee.

"This requires that licensees devote a reasonable percentage of their broadcasting time to the discussion of public issue of interest in the community served by their stations and that such programs be designed so that the public has a reasonable opportunity to hear different opposing positions on the public issues of interest and importance in the community.

"The particular format best suited for the presentation of such programs in a manner consistent with the public interest must be determined by the licensee in the light of the facts of each individual situation. Such presentation may include the identified expression of the licensee's personal viewpoint as part of the more general presentation of views or comments on the various issues, but the opportunity of licensees to present such views as they may have on matters of controversy may not be utilized to achieve a partisan or one-sided presentation of issues. Licensee editorialization is but one aspect of freedom of expression by means of radio. Only insofar as it is exercised in conformity with the paramount right of the public to hear a reasonably balanced presentation of all responsible viewpoints on particular issues can such editorialization be considered to be consistent with the licensee's duty to operate in the public interest. For the licensee is a trustee impressed with the duty of preserving for the public generally radio as a medium of free expression and fair presentation."

(Commissioners Webster and Jones wrote individual concurring opinions.)

Dr. Douglas Southall Freeman

EXTENSION OF REMARKS
OF
HON. HARRY FLOOD BYRD
OF VIRGINIA
IN THE SENATE OF THE UNITED STATES

Tuesday, July 5 (legislative day of Thursday, June 2), 1949

Mr. BYRD. Mr. President, I ask unanimous consent to insert in the Appendix of the RECORD an editorial from the Washington Post of July 1, the title of which is "Virginian Prodigy."

It refers to the retirement of Dr. Douglas Southall Freeman as editor of the Richmond News-Leader, in order to devote his time to completing his monumental life of George Washington and to lecture on history and military strategy.

Dr. Freeman is one of the outstanding editors and authors of this era, and his biographies of Robert E. Lee and George Washington will stand forth as among the greatest works of this kind ever written.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

VIRGINIAN PRODIGY

At the age of 63, Dr. Douglas Southall Freeman has retired as editor of the Richmond News-Leader in order to devote his whole time, or such part of it as may not be required for travel, or for lecturing about history and military strategy, or for accepting new academic honors, to his monumental life of George Washington. To many a man

of Dr. Freeman's age this will hardly sound much like retirement; but such things are relative, and, compared to the schedule he has been following these many years, it will perhaps be the equivalent of a dignified, tranquil leisure. Dr. Freeman himself insists that his retirement will not necessarily mean any diminution of his net productivity. He is merely changing over, or, as it were, retooling himself, for another kind of product.

According to Dr. Freeman's intimates, his intellectual working day has begun at 3:15 in the morning and ended at 6 in the evening, with time out for lunch, a daily radio broadcast, a brief afternoon nap. Each morning he read all the news dispatches and wrote two or three columns of editorial comment and a radio script about them, consulted with his staff, received visitors, attended to correspondence, and all the rest of the usual editorial routine. After his nap he labored on his books, and was always, it is said, well ahead of the stiff schedule he had set for himself.

Probably nothing like this in the way of literary industry has been heard of since Anthony Trollope, who, as he relates in his autobiography, worked with his watch in front of him to maintain his quota of something like 300 words per quarter hour, and who when he wrote "The End" on the last page of a manuscript, without even pausing for a sigh of satisfaction, reached for a fresh sheet of paper and wrote "Chapter 1." But then, of course, Trollope had the advantage of being able to work steadily upon one thing until he had finished it, which until now Dr. Freeman has not had.

All this must sound strange and rather wonderful to those writers to whom hard work, especially if it involves some degree of cerebration, is usually accompanied by a sense of physical exhaustion. The difficulty is that writers with such prodigious energy as Trollope and Dr. Freeman are never quite able to explain the secret of it. They are usually content to say that it is a form of self-discipline in concentration, apparently somewhat after the fashion of Yoga. This is doubtless true as far as it goes, but not many are capable of writing both fluently and well. "Easy writing, hard reading" and "hard writing, easy reading" have been for some centuries the maxims of the trade.

Possibly, then, men like Dr. Freeman are spiritual survivors of some more heroic age, when there was really a spontaneous association of thought and language. Those were the days when it was possible to say things so readily and so well that whatever one said was destined to become a cliche, and all future generations of writers would be obliged to rack their brains, exacerbate their nerves, and surrender their sleep in the effort to avoid repeating it.

Rockefeller Invests $5,000,000 in Education to Strengthen Our Private Enterprise System

EXTENSION OF REMARKS
OF
HON. LEROY JOHNSON
OF CALIFORNIA
IN THE HOUSE OF REPRESENTATIVES
Tuesday, June 21, 1949

Mr. JOHNSON. Mr. Speaker, it was with much pleasure that I obtained permission to include in my extension of remarks a letter written by John D. Rockefeller, Jr., to Donald K. David, dean of the Harvard Graduate School of Business Administration. Also, included in my remarks is a statement by President James B. Conant of Harvard University.

My attention was called to these two very interesting and constructive expressions by one of my constituents, Raymond W. Miller. In 1945 he was selected as the outstanding man in the field of public relations in the United States by the Public Relations Institute. He is now a special lecturer at Harvard University.

For many years the work of the Rockefeller Foundation has been known to the American public. It is also with great pleasure that I record the fact, which is universally known among informed people, that Mr. Rockefeller looks upon himself as a trustee of the wealth under his control. He recognizes that much wealth that individuals acquire has come through the efforts of many people as well as through circumstances beyond the individual's control, and that part of it could be designated social wealth. It is hard for anyone to measure the tremendous contribution which the Rockefellers have made by the judicious use of wealth which has come under their control. For instance, it was my pleasure to visit Peiping, China, in 1946 and to learn first hand of the remarkable work of the Peiping Union Medical College. At that time its regular work was suspended due to the impact of the war, but undoubtedly the institution will again soon make a tremendous contribution to the health of the Chinese. The work done in many scientific fields by the Rockefeller Foundation is stupendous.

Mr. Rockefeller recognizes that the key to America's continued economic strength is our private-enterprise system. That is perhaps the most precious phenomena in all the fields of American institutions. Likewise, it is true that many of the benefactors of this great system are conducting themselves and their enterprises in a way to develop lack of confidence in the private-enterprise system. They are destroying the very opportunity that enabled them to become prominent, and many times wealthy, by their selfish misuse of the opportunity which they have been afforded through that system. It is for this reason that Mr. Rockefeller is willing to spend $5,000,000 in order to inculcate into the young men at Harvard University who are receiving business training the idea that with their opportunity for leadership in business they also have a challenge: that is, to so handle the affairs of the business concerns with which they will become affiliated in such a manner as to redound to the benefit of their employer, employees, and the public, as well as to themselves. If business is thus managed it will inspire confidence in our private-enterprise system. Any nation that can have a system that produces the leaders that we do, many of whom come from obscure social and economic environments should be very anxious to do what it can to protect that system. One illustration is sufficient. Henry Ford went from a one-man shop mechanic to the head of one of the greatest industries in America. His case is typical of many others well known to the American public. It is therefore interesting to note that Mr. Rockefeller was willing to invest $5,000,000 in the Harvard Business School to help train business leaders who will manage business enterprises so as to make more certain the continuance of the private-enterprise system. Economic freedom is a precious thing. The competitive units in our business structure must act with such self-imposed discipline that the public interest, as well as the private business interest, will be adequately cared for.

Likewise, President Conant recognizes that business must accept its responsibility to society. It cannot afford to disregard the public welfare. He also made a very fine statement which I know everyone will read with great appreciation:

ROCKEFELLER CENTER,
New York, N. Y., June 1, 1949.

MR. DONALD K. DAVID,
Dean, Graduate School of Business Administration,
Harvard University,
Boston, Mass.

DEAR MR. DAVID: It is my profound conviction that the continuation of enterprise based on individual initiative is essential if the American form of government inherited from our forefathers is to be maintained and the Nation's economic strength preserved. I am convinced, as the result of a study I have had made, that the Harvard Business School is making the most significant and objective contribution of which I know to the strengthening and perpetuation of this type of individual enterprise, in that it is helping to raise the technical standards and to broaden the sense of social responsibility of the leaders of business.

Because I hold these views I should count it a privilege to have a part in the $20,000,000 program which you have in mind, to strengthen and stabilize the school. That program, you have told me, covers endowment, scholarships, and two buildings—one an eating and social center, the other a classroom building. Toward that program I will contribute on the condition set forth below $5,000,000. This gift I would hope you might be disposed to use toward the construction and partial endowment of the classroom building.

Should that be your decision, may I suggest that the building be named after Senator Nelson W. Aldrich. This suggestion I feel the freer to make because I can think of no finer nor more inspiring example to set before the future business and governmental leaders of the Nation than Senator Aldrich, and because, from my early manhood until his death, my close association with him meant so much to me. Able, sound in judgment, broad-minded, farseeing, ever selflessly seeking the country's best interest, as charming in personality as he was modest and unassuming in manner, Senator Aldrich was one of the greatest of the Nation's statesmen.

This pledge will become effective if, not later than July 1, 1950, you have received toward the $20,000,000 program in cash and/or in good and responsible pledges (exclusive of bequests) not less than $5,000,000 in addition to the $5,000,000 here pledged. Payment of this pledge will be made on the fulfillment of the above condition, at your request.

Greatly wishing for the program the success it so richly deserves and with expressions of the fullest confidence in your outstanding leadership of this important enterprise, I am,

Very sincerely,

JOHN D. ROCKEFELLER, Jr.

The United States has developed its greatness as a Nation in a period in which a highly

fluid society overran a rich and empty continent; one of the highly significant ideals of the American Nation has long been equality of opportunity. Our educational system, our political institutions, and our social ideals form a closely interwoven pattern. Equality of opportunity could be realized only in a political democracy, it would have meaning only in a competitive society in which private ownership and the profit motive were accepted as basic principles.

As never before, business needs men who appreciate the responsibilities of business to itself and to that unique society of freemen which has been developed on this continent. Such men must understand not only the practical workings of business organizations, but also the economic and social climate in which business operates; they must be as well trained as our professional men in law and medicine.

This is one of the responsibilities of American universities in the twentieth century. Harvard takes justifiable pride in the pioneer work of the Harvard Graduate School of Business Administration in meeting this new educational challenge—education for business responsibility.

JAMES B. CONANT,
President, Harvard University.

Commentator Says Big Business Is Fooling Congress on S. 1008 While the People Sleep

EXTENSION OF REMARKS
OF
HON. WRIGHT PATMAN
OF TEXAS
IN THE HOUSE OF REPRESENTATIVES
Tuesday, July 5, 1949

Mr. PATMAN. Mr. Speaker, the following statement by W. K. Kelsey from the editorial page of the Detroit News gives an outsider's view of the extreme haste with which S. 1008, the bill to amend the Federal Trade Commission Act and the Clayton Act, has been pushed through the Senate and before the House:

Hastily, without waiting for completion of hearings by the House Small Business Committee which were begun Tuesday, the House Rules Committee on Thursday released the basing-point price bill for debate on the floor, which is scheduled to begin about the middle of next week.

Representative PATMAN, chairman of the Small Business Committee, had asked the Rules Committee to wait until the hearings had been finished, to give objectors to the compromise measure which had been rushed through the Senate an opportunity to get their side into the RECORD. Evidently the lobby in favor of the basing-point system, which has been outlawed by the courts, was strong enough to compel the Rules Committee to act.

The fight will now pass to the floor of the House, with big business jubilantly certain that the bill will be passed in the form it wants, giving it clear authority to fix basing-point prices, absorb freight rates, and continue other practices tending to force independents out of business unless "collusion" can be proved. And in the present state of business organization, with its unwritten understandings, collusion is almost unprovable.

Crying "preserve competition" when they mean "prevent competition," the big business interests are fooling Congress while the people sleep. Perhaps Representative PATMAN and others with their eyes open can make this clear on the floor of the House.

Improvement of Race Relations

EXTENSION OF REMARKS
OF
HON. HALE BOGGS
OF LOUISIANA
IN THE HOUSE OF REPRESENTATIVES
Tuesday, July 5, 1949

Mr. BOGGS of Louisiana. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following article from New Orleans States of June 18, 1949:

LETTER FROM TULANE—IMPROVEMENT OF RACE RELATIONS COMES FROM EDUCATIONAL AND MORAL GROWTH

These views by Dr. Rufus C. Harris, president, were published in a bulletin titled "Letter From Tulane" a few days ago:

"Some time ago a few students and a younger member of the faculty of the university attended a party held at a private home at which Negroes and whites were included among the guests. Upon investigation, I was satisfied that there was no rowdyism or misbehavior. It is scarcely necessary to point out that the university was in no way responsible for any party or similar function held off the campus and attended chiefly by town students residing at their homes.

"The important point is that some Tulane students attended a social party where Negroes were present. Some were present out of curiosity. Others think that by such meetings they can improve interracial relationships and understanding. Personally, I do not think so, and I have always offered my opinion to that effect. I believe that such affairs set back greatly the solution of racial problems. The position of men of good will of both races in the South—and I know many of them—who are willing to work patiently and quietly at the racial problem in an effort to find practicable solutions without strife and conflict, is made increasingly difficult by such meetings.

"Since the close of the War Between the States, most educated southerners have felt that one of the essentials for the handling of the race problem has been the encouragement and support of those temperate and realistic leaders of both races who are willing to face the realities of this problem. We should not hesitate to recognize, encourage, and assist those individuals who are endeavoring to lead all Americans along the slow path of hard work, educational advancement, and moral improvement which are the only roads of progress for any race.

"In my opinion efforts toward the improvement of racial relations must be made within the established patterns of social relationships. I disagree with the theoretical idealism of many persons who feel that democracy can be achieved only by imposing laws which would level the masses. To ignore the facts of history and the realities of the present will not contribute constructively to the solution of difficult problems of human relationships.

"There is another important aspect of this situation. To some sincere and honest people such interracial associations are democratic. To others equally sincere they are not. There are still others who suspect the Communists secretly organize such gatherings by planted persons. That sometimes may be true, but if indeed it is, it scarcely seems possible that the university may publicly forbid its personnel upon penalty of expulsion to attend meetings of whites and blacks. This is no indication that the university condones communism, for it certainly does not.

"Tulane does not and will not tolerate communism. We appoint no Communists to the faculty. The greatest precautions are observed. There is no place for a Communist here. We do not believe there are any. We have faithfully probed all contrarily asserted opinion. The acclaimed or proved Communistic affiliation of no one will be tolerated. It does not follow, of course, that one is a Communist because someone asserts that he is, or because he holds opinions on subjects that differ from those of his critics.

"In a university there is room for wide differences of opinion on controversial issues. That is true at Tulane. In the proper place in any university, free to seek the truth, communism is, of course, discussed, weighed, and analyzed. That is necessary. The university must consider the facts in all issues, including communism and the implications of Russian ideology. There is no ground for fear that young people will be tempted by them. The most effective means of confronting communism is understanding—not isolation. It would be folly for anyone to contend that because an idea is despised, the university should decline to learn what there is to know about it. General Eisenhower often said that strategy is successful only if planned in the knowledge of all that is possible to learn of the enemy. A blight such as cancer is probed and studied. It scarcely would be sensible to suggest that those who study cancer approve it.

"When there is controversy and disagreement, it is better and wiser, in my judgment, to handle the difficulties that arise, both in the university and in the home, through guidance, example, and persuasion, rather than by administrative fiat, censorship, and dictation. Faculty members and students, as citizens, have the right to consider controversial issues. I would have no desire to impose my personal views on them.

"It is my duty to protect those rights so long as there is no violation of the loyalties and interests to which the university is devoted and to which it has been immemorially committed."

Political Angle of the Taft-Hartley Act

REMARKS
OF
HON. LESLIE C. ARENDS
OF ILLINOIS
IN THE HOUSE OF REPRESENTATIVES
Tuesday, July 5, 1949

Mr. ARENDS. Mr. Speaker, under leave to extend my remarks, I include a very fine editorial entitled "All or None" which appears in this morning's issue of the Washington Post. This article should be required reading for every Member of Congress and the contents and implications of this editorial should be made known to all thinking people in the country. The editorial reaches the definite conclusion that too many legislators and politicians are concerned about the Taft-Hartley Act only from the political angle and do not care to approach the problem with any other thought in mind than "how many votes can we get in 1950?"

Mr. Speaker, this is a regrettable situation. I feel that the country is entitled

to the best thought and study that Congress can give to the all-important problem of labor-management relations. Therefore, if the House is to again consider the labor question, I sincerely trust we approach the problem with open minds, dominated completely by what is best for our country and not by vote hysteria.

The article follows:

ALL OR NONE

President Truman's all-or-none policy has come to full flower. After the Senate had completed the work of rewriting the administration's labor bill, Vice President Barkley remarked that the only part left consisted of the first nine lines repealing the Taft-Hartley Act. Thereupon Senator THOMAS made the rout complete by moving to strike out the first two lines of the bill and entitle it the Labor-Management Relations Act of 1949. He added that the pending bill, if as is unlikely, it is enacted, should be called the Taft Act of 1949. The real significance of the Senate vote lies in the resounding rebuke of the administration leaders who attempted to make a political football out of a great economic issue—to force through Congress a labor bill that offered the public no adequate protection against crippling strikes and put all the emphasis on labor's rights without setting up safeguards against unfair labor practices.

The Thomas bill, it will be remembered, was reported out of committee without giving minority members an opportunity to have their amendments considered. It was President Truman's bill, written to satisfy the demands of organized labor for unconditional repeal of the Taft-Hartley Act and reinstatement of the one-sided Wagner Act. From the beginning it was evident that the Congress would not support the bill in its original form. And in the course of the debate it became apparent that administration leaders were opposed to amendments that would have stiffened it sufficiently to make it acceptable. The Senate, therefore, had to choose between a weak measure that satisfied nobody except the supporters of organized labor or the Taft amendments—the only comprehensive and coherent program presented to it. Although the bill that finally emerged was written from the floor in the form of amendments to the Thomas bill, it was in reality a complete substitute bill worked out in advance, providing for retention of the Taft-Hartley Act with modifying changes approved by Senator TAFT.

It is virtually certain, as we have already said, that the Senate action precludes passage of any new labor legislation by the present Congress. The President would unquestionably veto any bill bearing the Taft imprimatur. From present indications the Taft-Hartley Act will remain unchanged on the statute books at least until a new Congress is elected. Only by sponsoring a constructive labor bill of his own could the President change the outlook, and there are no indications that he intends to alter his misguided course.

His attitude goes a long way toward confirming the suspicion that he hopes to keep the Taft-Hartley Act on the books as an issue in the 1950 congressional election and perhaps the 1952 Presidential campaign. The uncompromising attitude of many labor leaders suggests that they, too, are thinking more of politics than of smooth relations between employers and employees. It remains to be seen whether this clinging to slogans at the expense of sound legislation will prove to be good politics a second time. Certainly it is not sound policy in a country that depends upon fair and amiable relations between unions and employers for continuation of economic prosperity.

Basing-Point System and Phantom Freight—Illustrations of Phony Freight Charges on Cement for Kentucky, Michigan, Arkansas, Oklahoma, Kansas, Nebraska, North Dakota, South Dakota, and New Jersey—Phantom Freight Exceeds So-Called Freight Absorption in Any Pricing System Such as S. 1008 Authorizes

EXTENSION OF REMARKS

OF

HON. WRIGHT PATMAN

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, July 5, 1949

Mr. PATMAN. Mr. Speaker, it has been my purpose to show in detail the effects of the basing-point system of pricing on each State. The haste which has pushed S. 1008, as amended, to the floor of the House without due consideration or public hearings precludes a full examination of the facts State by State at this time.

Although there are many heavy commodities which have been sold under the basing-point system, steel and cement have been examined in greater detail because of the court decisions in these industries which have brought to light the infamous double-dealings necessary to the operation of the system. It is ironic, indeed, that the phony term "freight absorption" should be written into a bill. This is because under the terms of the bill S. 1008, as amended, allowing systematic "freight absorption" it means also "phantom freight."

S. 1008, AS AMENDED, A FALSE FRONT FOR DISCRIMINATORY PRICES AND PHANTOM FREIGHT

Stripping S. 1008 of its false front, the bill means exactly this: "That it shall be lawful to charge discriminatory prices, and it shall be lawful to charge freight not incurred—phantom freight—to the purchaser. Further, the use of the lowest-cost method of transportation shall accrue only to the benefit of the seller, and the buyer shall have no right to specify the means or methods of transportation. It shall be lawful to create a monopoly through rigid industry price controls and to grant secret rebates, discounts, brokerage fees, and advertising allowances to the great chain store systems. It shall be lawful to use punitive pricing systems to drive your smaller competitors out of business; provided, however, you do all of these acts in good faith and you act in your individual monopolistic capacity, and further provided if others who follow the leader also act in good faith and independently they are granted all the rights, privileges, and emoluments accruing under this act. It is further provided that the commission of the methods herein set forth shall be prima facie evidence of good faith, and such may be pleaded in any action brought by any enforcement agency of the Federal Government."

S. 1008, AS AMENDED, WILL DESTROY FREE ENTERPRISE AND SMALL BUSINESS

In other words, the bill S. 1008 destroys all the protection heretofore afforded small business and the free enterprise system. It, instead, substitutes rules which defy enforcement of fair trade practices and discriminatory pricing methods and systems. It is a bill which will ruin small business, the hometown merchant and manufacturer; the corner druggist and the wholesale grocer. It is a bill which will continue the identity of prices on cement, steel, and other products to dealers and consumers and to our Federal, State, county, and municipal governments.

S. 1008, AS AMENDED, HAD NO PUBLIC HEARINGS BY COMMITTEES—CHARGED WITH RESPONSIBILITY FOR ANTITRUST LAWS

Senate bill 1008, as amended, is a bad bill except for the monopolists. The hearings conducted thus far by the House Small Business Committee, which I have reported daily to the Congress, prove that assertion beyond any reasonable doubt. Senate bill 1008, as amended, should be defeated. If full and complete hearing could be had, and ample consideration given, Senate bill 1008 would never see the light of day. We who have pled for such hearings to no avail, now request the membership to defeat this measure and allow the Court decisions upholding our antitrust laws to stand. We must strengthen our laws and not weaken them in this hour of peril to the free-enterprise system of our country.

PHANTOM FREIGHT FOR KENTUCKY, MICHIGAN, ARKANSAS, OKLAHOMA, KANSAS, NEBRASKA, NORTH DAKOTA, SOUTH DAKOTA, NEW JERSEY

The tables set out below were computed from a list selected at random from the rate books compiled by the Cement Institute during the middle thirties. These rate books were the handy instruments which furnished the Cement Trust the means to operate the basing-point system. These rate books were renewed every time all-rail freight rates were increased. No basing-point system operates other than on the highest all-rail freight rates. Water-rail-water, or water-rail, and truck transportation, all cheaper methods are never used in the computations. Of course, with several hundred destinations in each State, it is not practicable to include every destination. If it were, I assure you the results would be astounding when the extent of phantom freight could be accurately measured.

The tables illustrating phantom freight in the several States mentioned above follow:

Kentucky

Destination point	Applicable basing-point freight charge per barrel	Lowest mill freight charge per barrel	Phantom or excess freight per barrel
Paris	$0.46	$0.46	0
Mayfield	.44	.44	0
Lexington	.44	.44	0
Louisville	.19	.19	0
Covington	.44	.32	$0.12
Independence	.46	.40	.06
Falmouth	.49	.46	.03
Maysville	.40	.36	.04
Bowling Green	.46	.40	.06
Hopkinsville	.49	.40	.09
Russellville	.48	.38	.10
Elkton	.51	.36	.15
Scottsville	.53	.38	.15
Newport	.42	.32	.10
Middleboro	.46	.38	.08
Ashland	.57	.25	.32
Catlettsburg	.57	.23	.34
Greenup	.57	.29	.28

Kentucky—Continued

Destination point	Applicable basing-point freight charge per barrel	Lowest mill freight charge per barrel	Phantom or excess freight per barrel
Vanceburg	$0.63	$0.34	$0.29
Flemingsburg	.70	.53	.17
Manchester	.49	.48	.01
Hazard	.68	.57	.11
Barbourville	.48	.44	.04
Williamsburg	.51	.40	.11
Winchester	.57	.46	.11
Richmond	.55	.48	.07
Louisa	.53	.30	.23

Source: Kentucky Rate Book No. 2, FTC Exhibit No. 1110-I, Docket No. 3167, compiled and published by the Cement Institute, freight rate bureau, 111 West Washington St., Chicago, Ill., as provided for in tariffs on file with the Interstate Commerce Commission.

Michigan

Destination point	Applicable basing-point freight charge per barrel	Lowest mill freight charge per barrel	Phantom or excess freight per barrel
Grand Rapids	$0.46	$0.40	$0.06
Detroit	.32	0	.32
Adrian	.27	.27	0
Battle Creek	.40	.32	.08
Allegan	.46	.34	.12
Flint	.40	.27	.13
Port Huron	.42	0	.42
Saginaw	.42	.25	.17
Muskegon	.48	.42	.06
Bay City	.42	.25	.17
Cheboygan	.34	.30	.04
Ontonagon	.53	.53	0
Dearborn	.32	0	.32
Royal Oak	.36	.29	.07
Petoskey	.36	.25	.11
Charlevoix	.42	.25	.17
Traverse City	.46	.34	.12
Manistee	.48	.42	.06
Cadillac	.46	.36	.10
Ludington	.51	.42	.09
Grand Haven	.46	.42	.04
Holland	.44	.42	.02
Midland	.44	.27	.17
Mount Pleasant	.46	.30	.16
Sandusky	.46	.30	.16
Mount Clemens	.36	.29	.07
Pontiac	.36	.27	.09
Highland Park	.32	0	.32
Plymouth	.32	.27	.05
Wayne	.32	.27	.05
Ann Arbor	.30	.29	.01
Ypsilanti	.32	.29	.03
Jackson	.34	.25	.09
Battle Creek	.40	.32	.08
Albion	.34	.29	.05
Kalamazoo	.42	.32	.10
Lansing	.40	.30	.10
Owosso	.40	.29	.11
Alma	.44	.30	.14
Coldwater	.36	0	.36
Quincy	.36	0	.36
Cement City	.32	0	.32
Wyandotte	.32	0	.32
Fenton	.40	0	.40
Big Rapids	.49	.40	.09
Sault Ste. Marie	.49	.44	.05
Marquette	.53	.51	.02
Niles	.36	.34	.02
Dowagiac	.40	.34	.06
Three Rivers	.42	.30	.12
Hillsdale	.36	.27	.09
Charlotte	.40	.30	.10
Hastings	.44	.34	.10
Lamson	.42	0	.42
Bad Axe	.48	.32	.16
Lapeer	.42	.30	.12
Munising	.53	.48	.05
River Rogue	.32	0	.32
South Haven	.42	.36	.06

Source: Michigan Rate Book No. 2, FTC Exhibit No. 1110-L Docket No. 3167, compiled and published by the Cement Institute, 111 West Washington St., Chicago, Ill., as provided for in tariffs on file with the Interstate Commerce Commission and the Michigan Public Utilities Commission.

Upper Michigan Rate Book No. 2, FTC Exhibit No. 1110-M, Docket No. 3167, compiled and published by the Cement Institute, 111 West Washington St., Chicago, Ill., as provided for in tariffs on file with the Interstate Commerce Commission and the Michigan Public Utilities Commission.

Arkansas

Destination point	Applicable basing-point freight charge per barrel	Lowest mill freight charge per barrel	Phantom or excess freight per barrel
Camden	$0.63	$0.44	$0.19
Fayetteville	.53	.53	0
West Memphis	.51	.51	0
Kensett	.57	.57	0
Berryville	.68	.68	0
Nashville	.61	.30	.31
Little Rock	.61	.49	.12
Monticello	.68	.63	.05
El Dorado	.67	.49	.18
Texarkana	.57	.36	.21
Washington	.61	.30	.31
Prescott	.61	.36	.25
Hot Springs	.67	.48	.19
Okay Junction	.61	0	.61
Murfreesboro	.63	.32	.31
Pine Bluff	.65	.53	.12
Fort Smith	.57	.51	.06
Van Buren	.59	.53	.06
Magnolia	.63	.46	.17
Arkadelphia	.65	.44	.11
Lewisville	.59	.40	.19
Fordyce	.67	.49	.18
Stuttgart	.61	.57	.04
Hoke	.59	.36	.23
Smackover	.67	.48	.19
Warren	.70	.57	.13
Hamburg	.74	.61	.13

Source: Arkansas Rate Book No. 2, FTC Exhibit No. 1110-B, Docket 3167, compiled and published by the Cement Institute, 111 West Washington St., Chicago, Ill., as provided for in tariffs on file with the Interstate Commerce Commission.

Oklahoma

Destination point	Applicable basing-point freight charge per barrel	Lowest mill freight charge per barrel	Phantom or excess freight per barrel
Idabell	$0.53	$0.40	$0.13
Oklahoma City	.61	.44	.17
Tulsa	.48	.38	.10
Stigler	.57	.51	.06
McAlester	.51	.40	.11
Shawnee	.57	.36	.21
Lawton	.61	.55	.06
Mangum	.68	.63	.05
Enid	.57	.53	.04
Tecumseh	.57	.38	.19
Guthrie	.57	.46	.11
Sayre	.78	.67	.11
Sapulpa	.49	.46	.03
Ada	.51	0	.51
Bartlesville	.36	.29	.07
Ardmore	.44	.40	.04
Chickasha	.53	.44	.09
Stillwater	.53	.49	.04
Seminole	.57	.38	.19
Muskogee	.49	.44	.05
Norman	.59	.40	.19
Okmulgee	.51	.42	.09
Durant	.44	.40	.04
El Reno	.57	.46	.11
Wewoka	.59	.38	.21
Dewey	.36	0	.36

Source: Oklahoma Rate Book No. 2, FTC Exhibit No. 1110-CC, Docket 3167, compiled and published by the Cement Institute, Chicago, Ill.

Kansas

Destination point	Applicable basing-point freight charge per barrel	Lowest mill freight charge per barrel	Phantom or excess freight per barrel
Parsons	$0.32	$0.32	0
Wichita	.46	.46	0
Holton	.44	.44	0
Kansas City	.17	.17	0
Independence	0	0	0
Emporia	.38	.38	0
Garden City	.78	.74	$0.04
Mankato	.61	.40	.21
Syracuse	.86	.70	.16
Goodland	.89	.67	.22
Sharon Springs	.86	.70	.16
Winfield	.44	.42	.02
Eureka	.38	.36	.02
Benedict	.32	.30	.02

Kansas—Continued

Destination point	Applicable basing-point freight charge per barrel	Lowest mill freight charge per barrel	Phantom or excess freight per barrel
Atwood	$0.89	$0.57	$0.32
Abilene	.49	.44	.05
Chanute	.30	0	.30
Fredonia	.32	0	.32
Salina	.51	.46	.05
Marysville	.49	.44	.05
Washington	.53	.44	.09
Belleville	.57	.40	.17
Concordia	.57	.36	.21
Beloit	.61	.40	.21
Smith Center	.72	.53	.19
Osborne	.68	.49	.19
Phillipsburg	.76	.53	.23
Norton	.76	.49	.27
Oberlin	.82	.55	.27
Stockton	.72	.53	.19
Hill City	.76	.68	.08
Hoxie	.78	.63	.15
Colby	.82	.59	.23

Source: Kansas Rate Book No. 2, FTC Exhibit No. 1110-H, Docket 3167, compiled and published by the Cement Institute, Chicago, Ill.

Nebraska

Destination point	Applicable basing-point freight charge per barrel	Lowest mill freight charge per barrel	Phantom or excess freight per barrel
Omaha	$0.30	$0.30	$0
Pawnee City	.49	.44	.05
Minden	.70	.48	.22
Norfolk	.48	.48	0
Kimball	.80	.55	.25
Stapleton	.72	.63	.09
North Platte	.78	.63	.15
Imperial	.84	.63	.21
Grant	.86	.67	.19
Trenton	.82	.57	.25
Broken Bow	.78	.57	.21
Lexington	.78	.55	.23
Kearney	.59	.48	.11
Grand Island	.48	.40	.08
Loup City	.59	.55	.04
Burwell	.63	.57	.06
St. Paul	.55	.48	.07
Hastings	.49	.36	.13
Benkelman	.84	.63	.21
Hebron	.59	.36	.23
Holdrege	.72	.48	.24
Fullerton	.68	.53	.15
Alma	.70	.44	.26
Red Cloud	.68	.32	.36
Central City	.46	.44	.02
Superior	.61	0	.61
Fairbury	.57	.40	.17
Geneva	.44	.36	.08
McCook	.78	.55	.23
York	.44	.40	.04
Aurora	.44	.42	.02
Franklin	.68	.40	.28
Dakota City	.57	.44	.13
Sidney	.76	.57	.19
Chappell	.78	.63	.15

Source: Nebraska Rate Book No. 2, FTC Exhibit No. 1110-Q, Docket 3167, compiled and published by the Cement Institute, Chicago, Ill.

North Dakota

Destination point	Applicable basing-point freight charge per barrel	Lowest mill freight charge per barrel	Phantom or excess freight per barrel
Wahpeton	$0.76	$0.63	$0.13
La Moure	.80	.70	.10
Bismarck	.95	.95	0
Fargo	.63	.63	0
Williston	1.20	1.05	.15
Steele	1.06	.93	.13
Napoleon	1.01	.93	.08
Ashley	.95	.93	.02
Fessenden	1.06	.93	.13
Forman	.74	.67	.07
Watford City	1.25	1.03	.22
Cartwright	1.24	1.03	.21
Hankinson	.70	.63	.07
Trenton	1.20	1.06	.15
Oswald	.70	.63	.07
Montpelier	.82	.74	.08

North Dakota—Continued

Destination point	Applicable basing-point freight charge per barrel	Lowest mill freight charge per barrel	Phantom or excess freight per barrel
Dickey	$0.82	$0.74	$0.08
Grand Rapids	.82	.74	.08
Clement	.76	.70	.06
Oakes	.76	.67	.09
Cogswell	.74	.67	.07
Stiles	.72	.65	.07
Rutland	.76	.67	.09
Cayuga	.76	.67	.09
Spring Brook	1.12	1.06	.06

Source: North Dakota Rate Book No. 2, FTC Exhibit No. 1110-V, Docket 3167, compiled and published by the Cement Institute, Chicago, Ill.

South Dakota

Destination point	Applicable basing-point freight charge per barrel	Lowest mill freight charge per barrel	Phantom or excess freight per barrel
Yankton	$0.63	$0.57	$0.06
Madison	.61	.61	0
Watertown	.63	.63	0
Custer	.48	.48	0
Vermillion	.63	.53	.10
Elk Point	.53	.46	.07
Burke	.78	.72	.06
Winner	.78	.74	.04
Rosholt	.74	.65	.09
Grenville	.78	.70	.08
Wood	.86	.78	.03
Utica	.61	.59	.02
Jefferson	.53	.46	.07
Burbank	.63	.53	.10
Centerville	.61	.57	.04
Meckling	.63	.53	.10
Mission Hill	.63	.57	.06
Gayville	.63	.53	.10
Beresford	.61	.57	.04
Roslyn	.78	.70	.08
Eden	.78	.70	.08
Lake City	.78	.70	.08
Hillhead	.76	.67	.09
Claire City	.76	.67	.09
Hammers	.76	.67	.09
Victor	.74	.65	.09
New Effington	.74	.65	.09

Source: South Dakota Rate Book No. 2, FTC Exhibit No. 1110-Z, Docket No. 3167, compiled and published by the Cement Institute, Chicago, Ill.

New Jersey

Destination point	Applicable basing-point freight charge per barrel	Lowest mill freight charge per barrel	Phantom or excess freight per barrel
Princeton	$0.43	$0.37	$0.06
Woodbury	.51	.41	.10
Camden	.45	.35	.10
Merchantville	.45	.39	.06
Cape May	.68	.59	.09
Pennington	.38	.38	0
Rahway	.38	.38	0
Allendale	.49	.45	.04
Paterson	.38	.38	0
Rutherford	.38	.38	0
Newark	.38	.38	0
Jersey City	.38	.38	0
Cape May Court House	.65	.55	.10
Mays Landing	.63	.53	.10
Atlantic City	.63	.53	.10
Bridgeton	.59	.49	.10
Salem	.59	.49	.10
Mount Holly	.45	.39	.06
Toms River	.51	.45	.06
Mahwah	.49	.45	.04
Lakehurst	.51	.45	.06
Trenton	.38	.35	.03
Freehold	.45	.39	.06
Camp Dix	.63	.55	.08
Palmyra	.45	.37	.08
Medford	.57	.47	.10
Bayside	.59	.49	.10
Rocky Hill	.49	.39	.10

Source: New Jersey Rate Book No. 4, FTC Exhibit No. 1110-S, Docket 3167, compiled and published by the Cement Institute, freight rate bureau, Bethlehem, Pa., as published in tariffs on file with the Interstate Commerce Commission and the Board of Public Utility Commission, New Jersey.

The Antichrist in Action

EXTENSION OF REMARKS
OF
HON. HALE BOGGS
OF LOUISIANA
IN THE HOUSE OF REPRESENTATIVES
Tuesday, July 5, 1949

Mr. BOGGS of Louisiana. Mr. Speaker, under leave to extend my remark in the RECORD, I include the following editorial from the Washington Evening Star of June 28, 1949:

THE ANTICHRIST IN ACTION

The thing now happening to the Roman Catholic Church in Czechoslovakia is all part of the vile pattern of action that has come to characterize the Communists wherever they have forced their way into power.

First, as a conspiratorial minority acting on orders from the Kremlin, they worm their way into strategic cabinet positions giving them control of such powerful instruments as the police organization and the propaganda machine.

Next, as soon as they are well established in those positions, they manufacture a crisis, stage a coup, and set up a dictatorship, after which—step by step, through every form of fraud and terroristic coercion—they wipe out the political opposition.

Finally, when they think the time opportune, or when Moscow so decrees, they set out to smash God. What they stand for and what God stands for are mutually repugnant, and so they undertake to shatter the clergy, suppress the churches, and make religion bend its knee to the supermaterialistic, truth-butchering, liberty-destroying tyranny which they describe, with indecent brazenness, as the "new democracy."

It is this last stage that has now been reached in Czechoslovakia. Archbishop Beran apparently is to suffer much the same fate as the one suffered by Cardinal Mindzenty in Hungary not long ago, or by Archbishop Stepinac in Yugoslavia in 1946. About 75 percent of the Czech people are Catholics, but the Communist regime at Prague is so strongly entrenched that it is not hesitating in its attempt to break up their church directly before their eyes. After all, how can they resist? They have only prayers to fight back with, and a good Marxist laughs at prayers.

And so we may expect that Archbishop Beran and a number of his colleagues soon will be dragged before a "court" and "tried" on false charges in another typically obscene Communist mockery of truth and justice. The church, as the Czech bishops declared in their courageous pastoral letter on Sunday, has already, been "robbed, deprived of the majority of its freedoms and rights, dishonored, soiled, persecuted secretly and openly." Not much more needs to be done by the Prague tyranny to complete the dirty work.

But none of this should come as a surprise to anybody. Everywhere behind the iron curtain, communism has been openly at war not only with genuine political democracy but also with religion of every type that recognizes man as a child of God and not the creature of the state. It is an inevitable kind of war. The godless tyranny, by its very nature, is driven to do battle against God-fearing freedom because the two cannot coexist side by side.

In other words, being self-avowedly antispiritual and judging man to be nothing but a animal to be regimented, red totalitarianism must fight any political philosophy that gives him dignity and makes him free. And it must also fight any religion that endows him with a soul, teaches him standards of goodness, and tells him that God alone is his true master, not Caesar.

There is thus a black but powerful sort of logic behind the Communist drive to destroy the influence of the church. What we have here is an evil that will continue to plague the world until somehow, some day, the source of it is overthrown or withers away. The anti-Christ simply cannot live at peace with Christ.

Address Before Pennsylvania Bar Association

EXTENSION OF REMARKS
OF
HON. FRANCIS E. WALTER
OF PENNSYLVANIA
IN THE HOUSE OF REPRESENTATIVES
Tuesday, July 5, 1949

Mr. WALTER. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following address delivered by me before the annual dinner meeting of the Pennsylvania Bar Association, Bedford Springs Hotel, Bedford, Pa., Thursday, June 30, 1949:

Mr. President and my colleagues of the Pennsylvania bar, it is indeed a great pleasure to be with you tonight and by this I mean something much more than the empty oratorical phraseology that speakers are apt to use when beginning a speech.

No one could find more satisfaction out of his work than I, during my 17 years as a Member of Congress. A Representative from the great State of Pennsylvania finds the needs of his constituency require the constant study of more interesting and varied subjects than that of any other job. By reason of the size and diversity of interests in his State, one might say that a Congressman from Pennsylvania is placed in the position of accumulating the equivalent of a 4-year college seminar every session of Congress he attends.

Tonight I want to discuss with you just one phase of this work as represented in pending legislation, a bill which I have charge of and which is known as S. 1008, the so-called basing-point bill.

At the outset let it be understood that I am not too much impressed with the cry of those who claim our free economy is doomed to destruction and who compare the "good old days" when there was no big business with the present hour when they claim we are so beset with it. When this country was first born, they say, there was no such thing as conspiracy in restraint of trade. I would call attention to the fact that markets were more restricted then, than now.

When my ancestors moved to Easton, Pa., nearly 200 years ago, the village store was a monopoly unto itself because folks lacked transportation to put their products in competition with other markets. There was no absorption of freight because there was no freight. There were no allocations of sales territories because the oxcart and the canal boat set the limits of sales areas without connivance. Whoever heard of a quarrel over quantity discounts in an economy that produced things singly and by hand? There were no delivered prices because there were no deliveries. The manufacturer never conspired to fix prices because there was nobody with whom he could conspire. The shoemaker, the glovemaker, each in his own home town, was a complete monopoly unto himself.

Hemmed in by the lack of transportation, limited by the inadequacies of hand production, isolated by the Allegheny ranges, the forests, and the savages, our early ancestors found handicaps and burdens to the free

enterprise system which the detractors of our present life seem to forget.

Who broke down these natural restraints and monopolies of early days? Who made available to all the people of our country the minerals deep beneath the ground and the farm products from the Lehigh, Lebanon, Cumberland, and Piedmont Valleys? Did Government do it by passing laws and making regulations? Did the Federal Trade Commission do it? Or was it the genius of the American businessman?

After 17 years' service in Congress with a rather close look at some of our governmental economists and theorists, I am still inclined to believe that the capstone of our free enterprise system is the industry and inventiveness of the American businessman.

You who are my colleagues at this bar will surely agree that our own State ranks high in this national achievement through free competition.

But all is not going well in Washington, for there is a little group of people working in the agencies of Government who would seek to impose the tyranny of their own fixed ideas on the economy of this country, and who, in the name of maintaining free competition, seek to throttle it. That's why I said at the outset that I am happy to be with you because it is only by getting back amongst the producers and their advisers who operate this great economy that I can recharge my batteries.

There has been a tendency of late years for Government agencies to build up a series of precedents which, if the people of the United States, through their elected representatives, don't stop, will set up for the bureaucrats a nice big monopoly of power, making industrial corporations look like peanut stands by comparison.

I am neither willing for our country to submit itself to economic control by monopolists, nor am I willing to see bureaucracy assert complete political sovereignty over private business.

I reject both of these dismal alternatives which some economists claim we must choose between. I am convinced that the problem can be approached without destroying our 150-year investment in the free-enterprise system.

This brings me to a discussion of S. 1008. This bill passed the Senate. It has been approved by the Judiciary Committee of the House, and I hope it will presently receive the favorable consideration of that body.

But bureaucracy is ever present, and one Government employee sitting in Washington who fears a curtailment of his power can make himself heard a lot louder than a hundred thousand businessmen and consumers spread out over the country.

I made an interesting analysis of just how much stuff gets in the CONGRESSIONAL RECORD against this proposal to clip the wings of the bureaucrats who want to run the country. Since the beginning of this Congress there have been 372 columns of prepared material inserted in the RECORD against the bill, with but 93 columns explaining the need for legislation.

By this token, you might imagine the country is four-to-one in favor of bureaucracy taking over. But it will interest you to know that the Senate passed the bill with but one dissenting vote. So this goes to show that people do have a way of letting their elected Representatives know how they feel.

I do not propose to bore you with a long and detailed legislative history of the basing-point question. There is just one phase that I particularly wish to dwell upon tonight. I would remind you that the general subject of delivered pricing vitally affects the future of our own commonwealth.

For 70 years the steel mills of Pennsylvania have sold their products on delivered prices. This practice extended to all branches of the steel industry and to the cement industry, and later to the sale of many standardized heavy basic products made in Pennsylvania, such as building materials.

Economists refer to Pennsylvania as a "plus production State"—in other words, a State which, by the richness of its natural resources, the skill and aggressive vitality of its people, gradually became the great production center for mass manufactured heavy goods. Producing more than we used, it is but natural that in the free and open competitive markets of this country, our manufacturers sought to extend their sales into other parts of our country by meeting the prices of producers outside our State.

The growth of our Nation has developed its share of inequalities, of monopolies, of restraints of trade, and other unfair practices in commerce, just as growth under any other system would have its share of blunders.

But I don't know why anybody makes a speech about the perfectly obvious and universally accepted truism that we are, all of us, against monopolies and conspiracies. Today this is fundamental to all sensible businessmen.

However, it was to be expected that in the struggle for the industrial development of America, some shortsighted businessmen, whether they made mouse traps or crowbars, would seek to stifle free competition by secretly conspiring to limit the production of their products or to set the prices at which they were sold. In other words, they thought by creating false scarcities or freezing the prices of articles, they could assure themselves a soft existence, free from the competitive irritations of another man making the same mouse trap better for less.

I suppose there are a lot of people who want to make things as soft for themselves as possible. Has it ever occurred to you that this desire to make things soft for themselves also applies to a lot of bureaucrats? After spending '7 years in Washington, I am convinced there are many of them in our Capital who think they really ought to run the economy of our country. This being the case, they figure they might as well make it as easy as possible to do so. How would you do it?

Well, let's pretend you gentlemen were the heads of a Government bureau that policed the trade activities of American industry. Let's make every lawyer in this room a member of the Federal Trade Commission. And let's pretend you wanted to exercise new and vast controls over the everyday decisions that up to now have been left to the private judgment of individual businessmen.

Your first move would be to establish a series of precedents whereby you could, if you wished, sue and get a judgment against any businessman in interstate commerce.

Next you would let everybody know you had that power. And, of course, the power to sue anybody would carry with it the power to not sue. As one person put it:

> "Eeny, meeny, miney, dink
> Throw a merchant in the clink,
> Eeny, meeny, miney, mo,
> Let the other merchants go."

The best way to get this power would be to make the rules of industry so uncertain that no one but yourself would know them. In fact, it would be easier if you made the rules as you went along so you could add to them each day.

I have discovered that such a power now rests with the Federal Trade Commission. Here is how Mr. Justice Jackson and Mr. Justice Frankfurter put it in their comments on the Morton Salt decision, No. 464, of the October 1947 Term of the Supreme Court:

"The law of this case, in a nutshell, is that no quantity discount is valid if the Commission chooses to say it is not."

If there is anything that a lawyer brought up in the American tradition hates it is to advise his clients under government by whim. We like government by law, not by the personal fancy of Federal administrators.

Such unbounded powers can only lead to serious abuses in the future. Knowing the antecedents and the history of our own Commonwealth, you can hardly expect any Congressman from Pennsylvania to silently accept the continuance of such authority.

On the other hand, if you desired to further increase the bureaucratic control over industry in Pennsylvania, the next step you should take would be to establish a rule of law providing that orders could be entered against anyone, regardless as to whether he was guilty. This technique has found great favor in the people's courts of the U. S. S. R. and is discussed at some length under the heading of "Crime without guilt" in Gsovski's book on Soviet civil law.

Krylenko, before he was purged, was commissar of justice, and he at one time, like many other Soviet penologists, advocated the elimination of the principle of personal guilt as a basis for the imposition of punishment, and the substitution of a concept of social danger. Finally, he advocated a code which should state only general principles for the imposition of punishment without giving any legal definition of individual crimes, i. e., without indicating in the statute the factual elements constituting an individual wrong.

Those of you who have studied recent Federal Trade Commission decisions will be alarmed at the similarity between the ideology of Commissar Krylenko and that expressed in the order of the Federal Trade Commission under count 2 of the Rigid Conduit case. The Soviet Government evidently felt that to insure complete mastery over its people, it should advocate the elimination of the principle of personal guilt as a basis for the imposition of punishment and substitute the concept of social danger. For social danger is an elusive thing, and it can mean whatever the commissars (or commissioners) decide it should mean.

In the Rigid Conduit case the Commissioners determined it was socially dangerous for one merchant to systematically charge certain prices after he found out that his competitor was charging the same price. This is what is known in Government circles as "conscious parallel action" and, even in the absence of conspiracy, is condemned as unlawful by the order in the Rigid Conduit case.

Just what this means to the attorneys practicing in Pennsylvania or any other State is hard to say. Perhaps you had better advise your clients in the manner one dissident Federal Trade Commissioner suggested. Here is what Lowell Mason had to say about this:

"Be sure you don't know your competitors' prices. In other words, be careful not to find out what prices are being charged by the fellows that make the same rubber mounted shaving mugs you make. This is difficult.

"What happens when one of your salesmen walks into a store and offers a retailer your 1949 model of rubber mounted shaving mugs at $13.75 the dozen? The first thing the purchasing agent says is, 'Why, you poor so-and-so. Glutz is selling his mugs for $12.95.'

"This means the jig is up. For the minute you find out Glutz' price is $12.95, you know you are not going to sell any of your mugs unless you also come down to $12.95. And if you come down to $12.95, you are matching competitors' prices, and that, my dear friends, if carried out systematically, results in a conscious parallelism which, according to count 2 of the Rigid Conduit decision, is tantamount to a conspiracy.

"There is, however, a way of getting around this difficulty. Equip all your salesmen with ear muffs. When the purchasing agent says, 'Why, you poor so-and-so, Glutz is selling his—,' then have your salesman flop

the ear muffs down over his ears and he'll be able to come back to you, clean, pure and innocent in the eyes of Government, for he won't know your competitors' prices.

"Then after he has made the rounds of his sales territory, he'll be able to say in all candor and honesty, 'Boss, the customers you used to have were certainly a nice crowd of fellows. Maybe I didn't get any orders but, believe me, I sure fixed it so the Federal Trade Commission can't sue you.'"

This apparent flippancy is but the cry of a man, and a bureaucrat at that, who sees the danger to our free enterprise system if we follow the Krylenko philosophy.

There is but one cure for this dolorous condition—that is, legislative action to restore the American system of jurisprudence to our quasi-judicial agencies. S. 1008 will give businessmen the right to meet their competitors' prices; S. 1038 will give our producers the right to sell their products in other markets by absorbing freight; S. 1003 seeks to revoke the Krylenko philosophy inherent in the charge and order under count 2 of the Rigid Conduit decision.

But what is more important, it puts all agencies throughout the Government on notice that the people of America still subscribe to the free enterprise system, and that if and when we discard it, the change must come through the elected representatives of the people, and not through a spurious extension of the law by administrative rulings.

Field Hearings on CVA

EXTENSION OF REMARKS

OF

HON. HOMER D. ANGELL

OF OREGON

IN THE HOUSE OF REPRESENTATIVES

Tuesday, July 5, 1949

Mr. ANGELL. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following editorial from the Portland Oregonian of June 13, 1949:

FIELD HEARINGS ON CVA

The necessity for full-scale public hearings on Columbia Valley Administration bills in Oregon, Washington, and Idaho, before either the committees or Congress vote, should be obvious to all. Congress should make every reasonable effort to determine the need for a CVA and the attitude of the people immediately affected before taking action. Paid lobbyists can afford to go to Washington, D. C., for hearings, but many persons cannot.

It has been the hope of this newspaper that the Senate and House Public Works Committees, considering identical bills, will get together and hold joint hearings in the field. That would be the efficient and least costly way of getting the regional reaction, which must be considered along with the national welfare.

We are advised from the Capital, however, that Representative WILLIAM M. WHITTINGTON, of Mississippi, chairman of the 27-member Public Works Committee, has a hard-and-fast rule against hearings in the field. His committee is expected to start hearing testimony on the legislation later this month, about the time the Senate committee resumes its recessed hearing at the Capital.

Senator DENNIS CHAVEZ, of New Mexico, chairman of the Senate group, is favorable to bringing his committee to the Northwest to meet the public and learn the facts which may be presented locally. Thus, if Representative WHITTINGTON prevails, there will be only one set of hearings in the Northwest instead of duplicate hearings. Yet there is no assurance that the House committee can get the picture in adequate detail from reading Senate hearing testimony, and precedent indicates that it will scarcely try.

We urge the Northwest members of the two committees, Senator CAIN and Representatives ANGELL and MACK, to use their utmost influence to prevail on the House committee to join with the Senators in the Northwest hearings. The issue is too important to this vast region and to the Nation to allow precedent or the preference of an individual to stand in the way of accurate interpretation of the issues to both Houses of Congress.

Alabama Bans the Hood

EXTENSION OF REMARKS

OF

HON. ALBERT RAINS

OF ALABAMA

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 30, 1949

Mr. RAINS. Mr. Speaker, the Legislature of Alabama, responding to the demands of an aroused citizenry, has struck a blow for government by law in the enactment of legislation outlawing the wearing of masks or hoods. It is to be hoped that other States will follow Alabama's example. The following editorial from the Birmingham News, entitled "Alabama Bans the Hood," reflects the sentiment of our people:

ALABAMA BANS THE HOOD

In a very refreshing and inspiring demonstration of sentiment in this State, the Alabama Legislature has overwhelmingly outlawed use of the mask or hood except for obviously innocent purposes. Any such concealment of identity, in sinister demonstrations or activities of any kind, is specifically banned.

Governor Folsom signed the Mize bill in less than an hour after the House had approved the legislation by a very impressive and heartening vote of 84 to 4. The Senate had passed the measure by a vote of 23 to 3.

This is another in the series of heavy blows that have been swiftly dealt against hooded operations in this State. It is another powerful testimony to the aroused and resolute opposition of the people of Alabama to any such activities. Again hope is encouraged that we have come to the end of a period marked by a rapid sequence of incidents of such lawlessness.

Enactment of this legislation gives voice to the will of the people in unmistakable and conclusive terms. That expression of public opinion in itself constitutes a very strong deterrent to any repetition of the kind of masked outrages which recently have occurred in this area.

But more than that, it arms law enforcement officers with specific authority to act against Klansmen or any others who use hoods to conceal their identities in public demonstrations or depredations of any sort.

The act provides that no person over 16 years of age shall appear on streets or highways or in public places "while wearing a mask or other device which conceals his identity; nor shall any person demand entrance or admission to, or enter upon the premises of or into the enclosure or house of any other person while wearing a mask or device which conceals his identity; nor shall any such person, while wearing a mask or device which conceals his identity, participate in any meeting or demonstration upon the private property of another unless he shall have first obtained the written permission of the owner and the occupant of such property."

That is a broad ban. It should go far toward hastening the disintegration that already seems to have set in within the Klan and toward putting an end to all vicious hooded activities.

If any additional legislation seems needed to complete the outlawing of sinister operations of that kind, it also should be enacted.

Attorney General Carmichael has urged the legislature itself to revoke the charter of the Klan, citing constitutional provisions which he says give it that authority. One section gives the legislature power to dissolve any corporation whenever in its opinion its character may be injurious to the citizens of the State.

Plainly there is no justification for a charter for any organization which engages in illegal hooded operations.

It is to be borne in mind, of course, that in their recent operations hooded gangs have done things that in themselves clearly and grossly violated the law. Such gangs might operate despite a law against the hood. It consequently remains urgently important that the utmost efforts continue to find and prosecute those guilty of past outrages. Otherwise the danger of new defiance of law will be heightened.

Portland Housing Aid

EXTENSION OF REMARKS

OF

HON. HOMER D. ANGELL

OF OREGON

IN THE HOUSE OF REPRESENTATIVES

Tuesday, July 5, 1949

Mr. ANGELL. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following article from the Portland Oregonian of June 26, 1949:

PORTLAND HOUSING AID TO BE LIMITED TO THOSE WHO CAN'T PROVIDE OWN—FEDERALLY FINANCED PROJECT TO AVOID COMPETITION WITH PRIVATE ENTERPRISE

(By Paul Laartz)

Permanent public housing that will be erected in Portland under housing legislation expected to pass Congress shortly will be rented only to that certain proportion who can't pay economic rents or buy their own homes and will be noncompetitive with privately owned housing.

Lamar Tooze, newly elected chairman of the Portland housing authority, made that clear as the authority's guiding policy in a brief address Friday before the mayor's advisory committee on housing.

"There is no doubt but that we must have public housing—we of the Portland housing authority need only look at our occupancy reports to see that," he declared.

SEVEN THOUSAND UNITS DOOMED

The authority has only 2 permanent projects—the 400-unit, low-rent Columbia Villa development and 85-unit Dekum court, which was built in wartime, he explained.

"But we have 7,000 temporary, substandard dwellings which sooner or later must be vacated, and the present act provides they must be demolished January 1, 1950. However, the administrator of the housing and home finance agency has latitude to permit an extension," he pointed out.

"Thus, we are faced with the fact that at least 7,000 families must be housed."

TWO THOUSAND UNITS SOUGHT

The board chairman then reviewed the authority's recent actions, one an applica-

tion for at least 2,000 units of new permanent housing under the new Federal legislation, and another initiating action to compel families now living in temporary housing here to move to privately owned housing where their incomes will permit.

Recent figures, he said, indicate about 1,500 families, or about 20 percent of the authority's occupancy, are now receiving public assistance or adjusted rents.

The authority's survey of its tenants' incomes, started as a part of the move to evict those able to rent or buy private housing, also shows some 3,118 families are earning less than $2,500 annually, he said. Of that total, 764 receive yearly incomes of $1,000 or less and 519 incomes of $1,000 to $1,500, he said. There are others, though, who have incomes of above $5,000 and $6,000, he added.

"On the basis of our surveys, it appears our estimates of at least 2,000 units of housing needed here are pretty close to right," Tooze declared.

LOCAL WORK PLANNED

Tooze emphasized to the group the authority plans its proposed new housing development on a local plane. Specifications he said, will be prepared by an architect selected by the Portland housing authority, actual building will be by private contractors on a bid basis, and Oregon materials will be used for the most part.

He also emphasized that clear-cut salary limitations will govern occupancy of the projected new units. The act now before Congress, he said, provides that before any annual Federal subsidy can be made for low-rent projects, the local authority must show that a gap of at least 20 percent has been left between the upper rental limits for admission to the proposed project and the lowest rents at which private enterprise, unaided by public subsidy, is providing housing.

TWENTY PERCENT FORGOTTEN

"Actually," he declared, "That means the 20 percent will be the forgotten people, they will not be eligible for public housing and they will not, in many instances, be able to provide their own housing."

In earlier sessions of the housing authority, it has been pointed out the proposed Federal act calls for construction costs of $1,750 per room, with a $750 override to meet local building conditions, if the administrator permits.

As it stands now before the House of Representatives, it calls for 810,000 units to be built in the next 4 or 5 years—much like the previously approved Senate version.

Whether the $20,000,000 of new housing here will be of multiple type or single-family dwellings, or a combination of both, will be determined by the authority.

FEDERAL SCRUTINY DEFEATED

Also discussed informally by authority commissioners have been sites for the development—whether to use a single site or several, or to use sites now occupied by temporary war housing here.

Tooze closed his address to the mayor's committee with a hope "this problem will be approached from an objective standpoint. With the approval of this committee, I believe we will receive the approval generally of the people of the community."

Earlier in the committee sessions, discussion developed over how questions should be circulated for study and review before inclusion in the housing need survey scheduled to be conducted in the Portland area by Dan E. Clark II & Associates.

Francis Harrington proposed a resolution urging that the questions before their use in the survey "be submitted to appropriate Federal housing and financing agencies for review and recommendations to determine if they contain information needed by them."

It drew support from Mrs. John R. Catlin, past president of the Portland Housing and Planning Association, and State Representative Phil Dreyer, and opposition from Carl Frelinger, chairman of the Multonomah County Veterans Council, and Robert Hensel, consultant to the mayor's housing need survey committee.

It was defeated on voice vote.

Roy Bardsly of the Clark organization reviewed procedural steps for the survey and asked the committee to send question suggestions to the city council, which will act on award of the housing need survey contract.

A pretesting is planned before the survey is actually launched, he said.

Frilinger, a member of the mayor's housing need survey committee, said the contract calls for approximately the same number of questions as were used in a recent similar survey in Seattle.

Francis Staten, chairman of the mayor's housing advisory committee then appointed a committee to make recommendations for organization of future subcommittees.

On it he appointed Fred Eichenlaub, chairman; John K. Dukehart, and Kenneth Kraemer.

Socialized Medicine

EXTENSION OF REMARKS
OF
HON. CLIFFORD DAVIS
OF TENNESSEE
IN THE HOUSE OF REPRESENTATIVES
Tuesday, July 5, 1949

Mr. DAVIS of Tennessee. Mr. Speaker, a former member of the board of trustees of the John Gaston Hospital in Memphis, Tenn., Hon. John B. Vesey, speaking recently made this statement about socialized medicine. As a man of wide and varied experience, as a deep thinker, and as a patriotic citizen his views are highly respected in the mid-South. Under leave to extend my remarks, I include his statement in the RECORD:

SOCIALIZED MEDICINE

For some years I was trustee of John Gaston Hospital here, and throughout a lifetime have been closely acquainted with some of the fine doctors of our locality. I am intimately familiar with the service they render, from the human angle. There is much talk about doctors' fees, and not enough talk about the service they render.

First, they are required to give more years in preparation to be a doctor than most professions.

Secondly, the long hours and conditions of their work require that they dedicate their lives to the relief of human suffering without regard to their own physical comforts or social obligations.

Show me a prominent, successful doctor and I will show you a doctor who has had the will to work in a manner that few people would care to emulate. A doctor's life, from the work standpoint, is the proverbial "dog's life," and he must take his greatest compensation from his knowledge that he is helping his fellow man.

When it comes to employing the services of a doctor I want to make the choice. I do not want any politician telling me what doctor to go to, or telling the doctor how much that he will pay him to treat me. Whenever this is done there will be no such thing as confidence in a doctor, and very few doctors will feel a closeness to their patients.

I am just an average fellow, and I believe I am like most other average folks. I want to respect and love my minister and I want to feel the same way about my doctor. When we take this human element out of this profession, we are destroying the profession itself.

Oh, I know the Government will say that we can still select our own doctors, and your doctor can select the number of patients he feels like selecting, but this is like a lawsuit. A good lawyer can get on either side of any case and make a pretty good argument for whatever side he happens to be on. In this age of specialization I want a doctor who has a wide experience in whatever happens to ail me, and whenever possible I would like for him to be a friend as well as a doctor.

There is a sinister influence at work in our Government to deprive Americans of the freedom they have known for the past 50 years. Our Government is being sold the idea of moving into our lives in many ways. They tried awfully hard to put over the idea of wage control. They are collecting and wasting more taxes in peacetime because they had so much to spend during the war that they hate to give up the power that goes with big money. They want control of all materials, of all labor, of wages and hours, of education, and now, of our health.

When the Government gets through binding up this socialized medicine idea there will be so much red tape around it that if you have an acute case of appendicitis you would be dead and buried 4 weeks before you and the surgeon could decide whether or not you could employ him, or whether or not, under Government regulations, he could operate on you. If my appendix has to come out I want it out now, and not after a consultation with the politicians in Washington, and I want some friend of mind who is a surgeon and in whom I have confidence, to take it out.

For heaven's sake, brothers, do not let these Washington bureaucrats take control of my ails and ills, and my appendix. I say, like good old Patrick Henry, "Give me liberty or give me death," and if it must be death for heaven's sake shoot me and do not let me die in long, slow stages, waiting for some Washington bureaucrat to tell my surgeon that he can operate on my appendix.

The Constitution of the United States guaranteed to me the right of pursuit of health and happiness; I want to pursue my own happiness and I want to pursue my own health, and I know that I could never catch up with it if I had to detour around a Washington bureaucrat.

I am against socialized medicine, and socialized everything else that the Government proposes, which means I am against socialism in every sense of the word. I am an old time southern conservative Democrat, and I would just as soon change the name of America to the Soviet Republic of the United States as to submit to the social ideas being foisted on the American public today, in spite of our Constitution which forbids them. You know I would not agree to the first, and I am sure you know I would not agree to the latter.

Who is there among you who believes that some bureaucrat in Washington is in a better position to decide for you the intimate matters pertaining to your business, and to your individual home life and problems than you are?

Public Housing Bill

EXTENSION OF REMARKS
OF
HON. W. M. (DON) WHEELER
OF GEORGIA
IN THE HOUSE OF REPRESENTATIVES
Tuesday, July 5, 1949

Mr. WHEELER. Mr. Speaker, under leave to extend my remarks in the Appendix of the RECORD, I enclose herewith

an editorial from the Lanier County News, Lakeland, Ga., which, in my opinion, is very pertinent to the question which was decided on this floor last week relative to H. R. 4009:

TRUMAN WINS: ANOTHER SOUL IS SOLD

There's a sad history lesson being written in the headlines of today's newspapers. Our children and their children will study parts of it, and some of us will live to talk about it.

This week President Truman "Won a round in Congress," according to the newspapers. Americans everywhere, and a world of freedom wanting people with eyes turned to America for faith and help, lost another round. They lost when a public housing bill, supposed to help them, won.

The bill sounds good, at first. It will permit the spending of $400,000,000 a year for 40 years for the building of public (Government owned) housing projects. Most of the housing will be big apartments in cities. Only the lower-income groups can live in these houses, and the rent is not even supposed to be enough to pay for them. For example, if $15 a month would pay for an apartment and keep it in some sort of repair by the time that it had simply rotted down, the tenant living there would have to pay only, say $10 per month.

That sounds good and might be good, if no one had to pay for the housing, if the Government could just reach out into space and pluck the four hundred millions a year out of thin air. But it can't, no more than you or I can. It would be good, too, if the families who live in the housing would take advantage of the partially free rent and try to make and save more money so that they could eventually move into a privately owned home where they would pay a rent that allows the owner a return on his investment. But they won't. And others who can't qualify for the free rent will deliberately sink even lower and politic their way into the free-rent house.

That's the way things will go, and here's why: The house that I live in is pretty much like the house that most of you live in. Better than some, but far from good. Too small and too hot (too cold later), needs painting, needs new screens and new windows and on and on for a house never stops needing. But it is what I pay for, just as yours is what you pay for. The owner makes from it a profit, I hope, but not very much. A profit that he is entitled to make just as is any man who invests, whether it be in a farm crop or a business. I want a better home and when I can pay the price I will rent or build a better place, just as you hope to. And we need always remember that if the owner makes too much profit the rent will one day go down because more people will get into this high-profit business.

But when we have become able to move to better housing, the free-rent boys won't move up the line into our old ones. They won't move up because their house is already as good as or better than ours and they pay only half as much.

They won't move up the line and maybe we won't either because you and I and our neighbors are, through taxes, paying the half that they don't pay (never think that it will come from the pockets of the rich or someone else, history shows that it never has, but that's a long story, too). We'll pay half of theirs and all of ours until some of us sell our God-owned souls to the politicians to get under the free-rent roof.

And our children and their children and the world will later learn that Americans lost a little initiative and a little ambition and a lot of freedom when Truman won a round in Congress.

W. A. ROQUEMORE.

Uncle Sam, Which Shall It Be?—Over the Hill to the Poorhouse or Decent Old-Age Security?

EXTENSION OF REMARKS

OF

HON. HOMER D. ANGELL

OF OREGON

IN THE HOUSE OF REPRESENTATIVES

Tuesday, July 5, 1949

Mr. ANGELL. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following address delivered by me before the Townsend convention, July 1, 1949, Columbus, Ohio:

Mr. Chairman, Dr. Townsend, and my good Townsend friends, first let me say that I am indeed happy to have the opportunity to participate with you again in this great national convention of earnest workers in the vineyard for old-age retirement legislation in the national Congress. I am sure it is as heartening to every Member of the Congress as it is to me to be privileged to take part in this great convention and to feel the pulse and share your enthusiasm for the great cause for which thousands of you, ardent supporters of Dr. Townsend, have assembled here in Columbus. We in the Congress are so engrossed in the busy workdays that are ours that I fear we sometimes fail to appreciate the critical problems that confront so many of our citizens throughout the Nation. It is good and wholesome to meet with you today and to consider with you one of the major problems facing us, old-age security.

I know you are interested in getting first-hand reports from us who are in the thick of this fight in the Nation's Capital and who have been selected from the 435 Members of the House to lead the fight for this great humanitarian project, adequate retirement for our elderly citizens. For more than 10 years now I have been battling in the Congress for this cause. It is a hard fight but also a good fight in a just cause. We bear many scars as a result of the bitter contests we have waged but with it all there is a feeling of satisfaction in engaging in such a worthy cause. Thus far we have not succeeded in having adopted into law the whole Townsend program, but through the heroic efforts of Dr. Townsend and the Townsend organizations in every State of the Union, and our loyal workers in Congress, we have made progress in securing the enactment of some laws which have lightened the burden somewhat of the old folks of America. There is much more to be done. Let us not weary in well doing.

The Townsend organization has made the Nation Townsend-minded. Wherever you go, whether it be in the Congress, in congressional committees, or out on the highways and byways of America, the mere mention of the Townsend plan at once brings to the forefront the tireless fight Dr. Townsend and his groups have made down through the years for old-age security. It is 20 years now since I first entered the Oregon Legislature, and from that day to this, either in the State legislature or the National Congress, I have been doing all within my power to bring this program to a successful conclusion. I want here and now to pledge again my loyal and continued support to this great movement for the old folks of America.

Almost immediately upon the convening of the Eighty-first Congress we Townsend supporters met and organized our forces and started the fight for the plan. On February 21 I introduced H. R. 2136, the Townsend bill, in the House and at the same time my colleague, Representative BLATNIK, introduced the companion bill, H. R. 2135. On February 24 and on May 5 I again discussed the program on the floor and called attention to the fact that at that time 87 Members of the House had joined in a petition to the Ways and Means Committee to report out this legislation. You will note that thus early in the session we not only introduced the bill but began the footwork among our colleagues to get behind the program and help us to get the bill out on the floor for a vote.

The Ways and Means Committee acceded to our request to be heard on the legislation and provided for a full hearing before the committee which consumed 2 days. Dr. Townsend, Capt. Robert Townsend, those of us who filed the bills, and many other loyal supporters of the program in the House, appeared before the committee, including Townsend staff members and experts. We made an excellent presentation of the whole subject.

The Ways and Means Committee has been engaged during most of the Eighty-first Congress in the consideration of social-security legislation, not only the Townsend program but the whole field of social security. It is our purpose to follow through and continue the fight regardless of the action taken by the Way and Means Committee. If the committee reports out the bill we will carry the fight to the floor of the House. If it fails to report out our bill we will immediately file a petition to discharge the committee and put on an organized campaign to take the bill from the committee and bring it to the floor for a vote.

Dr. Altmeyer, the head of the Social Security Agency, appearing before the Ways and Means Committee, recently testified that:

"As a matter of fact, our social-security system has become decidedly lopsided. Today there are over 5,000,000 people in the United States receiving some form of public assistance. In contrast there are only about half that number receiving old-age and survivors insurance benefits. As a Nation we are now spending at the rate of nearly $2,000,000,000 a year for public assistance. But we are paying out only $600,000,000 in old-age and survivors insurance benefits." He added, "The following figures will give some idea of the scope of public assistance in this country today and the need for appraising the effectiveness of the present provision of the Social Security Act relating to public assistance. Today, as I have said, there are over 5,000,000 needy persons receiving various forms of public assistance. Of these persons, 2,500,000 are old people; 1,700,000 persons in families receiving aid to dependent children; 86,000 blind, and 800,000 are needy persons who do not fall within the first three categories. The Government is now providing grants-in-aid to the States to help them meet the cost of providing assistance to the aged, dependent children, and the blind. However, no Federal grants are made to the States to help them bear the cost of providing assistance to needy persons who do not fall within these three categories."

The Social Security Act now provides Federal grants-in-aid to the States to cover a share of the cost of cash assistance, up to specified maximums to three groups of needy persons—the aged, the blind, and dependent children. With the aid of these matching Federal funds, 51 jurisdictions, including all 48 States, the Territories of Alaska and Hawaii, and the District of Columbia are administering Federal-State programs for old-age assistance; 50 jurisdictions provide aid to dependent children; and 47 jurisdictions provide aid to the needy blind. Nevada is the only State which does not participate in the Federal-State program for aid to dependent children, and Missouri, Nevada, Pennsylvania, and Alaska are the only jurisdictions which do not participate in the Federal-State program for aid to the blind.

For assistance to the aged and the blind the maximum amount of individual monthly payments in which the Federal Government will share is $50. In aid to dependent children, the maximum for Federal matching is $27 a month for the first child in a family and $18 for each child in the family beyond the first. The Federal share of old-age assistance and aid to the blind is three-fourths of the first $20 of the average monthly payment per recipient, plus one-half the remainder within the maximums. Similarly, the Federal share of aid to dependent children is three-fourths of the first $12 of the average monthly payment per child, plus one-half the remainder up to the maximums. States may, and many do, make payments in excess of the Federal matching maximums, but they must pay all the additional amount from State and local funds. Each State determines for itself who is a needy person eligible for assistance under the State law. Each State also determines the amount of assistance to be given to each needy individual.

In December 1948 the average monthly payment of old-age assistance was $42.02 in the country as a whole. In California, Colorado, Massachusetts, and Washington it exceeded $60. In nine southern States however—Alabama, Arkansas, Georgia, Kentucky, Mississippi, North Carolina, South Carolina, Virginia, and West Virginia, the average remained under $25.

Ex-President Hoover, the head of the Hoover Commission on the organization of the executive department, made a very valuable contribution to the subject of old-age security. His recommendations are of interest to us and particularly applicable to our legislation. Mr. Hoover calls attention to the difficulties and inefficiencies in our payment system of social security for the aged of America, and suggests that an entirely different system should be considered on a pay-as-you-go basis, which would avoid the huge costs of administration of the existing social security program, avoid duplication, and would substitute some other form of taxation more simple and more direct for its support and which would give more positive security to the aged than the complicated system we now have and which would also abolish the existing indefensible social-security trust fund, now exceeding $10,000,000,000 — all spent, I may say in passing, and represented only by Uncle Sam's I O U's.

Our plan—H. R. 2136—meets these objectives and is a self-financing, noncontributory retirement system under which beneficiaries will receive annuities as a matter of right without reference to charity or prior contributions. It is Nation-wide and covers all citizens 60 years of age or over. It is a pay-as-you-go system. Annuities will be paid currently out of currently raised revenues. Sums received by annuitants must be spent within 30 days. The existing system of old-age and survivors insurance and old-age assistance is abolished, together with the payroll tax for financing old-age and survivors' insurance and the fake trust fund.

Annuities should be offered with neither the stigma of charity nor the aroma of poverty. They should be offered as a matter of right as dividends from the national wealth the aged have helped to create. The system should be one that would replace the complicated, arbitrary, and inequitable provisions of the existing law. It should be one which will have a stimulative effect upon our economy and one which will help to make available jobs to all our young people who will replace the aged as the latter move into retirement at a decent standard of living.

Only noncontributory pensions will meet the needs of those now grown old and in want because of past neglect in providing an adequate contributory retirement system. Since at the time the present system was adopted most of the States were financially unable to assume the burden of so many aged who moved from State to State and on to Federal relief rolls, it was deemed proper to continue to provide Federal aid to States to provide relief to those aged who were in need.

Much of the argument in support of our plan stems from the limited coverage and inadequate benefits of the present system. For example, most of today's aged who are not working, left the labor force before they could build up rights to benefits under OASI. And even among the young and still employed, under the present OASI system, there is no coverage for jobs in agriculture, domestic service in private homes, Federal, State, and local government employees, and workers in religious, charitable, and certain other nonprofit organizations, the self-employed, and others as well. About one-third of the workers engaged in employment are not covered by the system; and of the 78,700,000 living persons with OASI wage credits at the end of 1948, about 40,500,000 were neither fully nor currently insured on the basis of their wage records, and hence were not protected under the programs.

Under the existing law under old-age and survivors insurance the average benefits are $25.28 per month according to the latest data available from Social Security records. To obtain this payment the worker and the employer would have to make contributions over a long period of time. On the other hand, the average of old-age assistance—not available to those under the retirement plan but given only on a claim of need—was some $16 more per month than the old-age and survivors insurance payments. It is thus seen that those receiving assistance who did not contribute to the program received very substantially more than those who through the years contributed taxes based on monthly incomes.

Recipients of relief now exceed by nearly 1,500,000 the insured workers who are drawing benefits. In the month of October last the number granted cash on the basis of need totaled 2,469,372 as against 1,016,303 retired workers receiving old-age insurance. This experience is directly opposite to that contemplated when the Social Security Act was enacted. It was believed that gradually all old-age beneficiaries would come under the provisions of the old-age and survivors insurance program and those receiving assistance on the basis of need would be gradually reduced and eventually eliminated.

Last March the Director of the Legislative Reference Service of the Library of Congress advised me that, according to the statistical information available, there are in the United States 17,050,000 persons 60 years of age and over, 2,000,000 persons kept from gainful work by disabilities which have continued for more than 6 months, and 651,000 widows with dependent children who would be covered by the Townsend program and receive the annuities provided therein. From these statistics it is shown that only one-fourth of those eligible are now even partially provided for under the present social-security legislation.

It is vividly impressed upon my memory from boyhood the stigma and humiliation of old fathers and mothers having to go to the poorhouse in their declining years. We are endeavoring to comfort our consciences by believing that poorhouses have been abolished, yet there are millions of deserving Americans who helped to build this great country and rear the present generation who are in dire want and need, and some of the old people's homes of today are little better, if any, than the poorhouses of yesterday. Only last May we noted in the public press throughout the Nation news of an old people's home in a neighboring State where 29 inmates died in a very brief period. The attending county-appointed physician attributed this excessive mortality to nutritional starvation which, he said, had weakened the resistance of the aged inmates to germs and infections to such an extent that they died from starvation and malnutrition. He attempted to keep some of the patients alive by the use of vitamins, but he reported that vitamins were so expensive that he was permitted to buy only in limited quantities, as sufficient funds were unavailable for adequate purchases. He further reported that the lack of trained personnel was an aggravating factor in the sacrifice of these human lives. The Washington Post editorially said that this shocking condition no doubt is duplicated in varying degrees in public institutions throughout the country. When will America wake up from its lethargy and from the coffers of the richest nation on earth provide suitable sustenance, medical care, and shelter for the aged citizens of America? When will Uncle Sam abolish the poorhouse, neglect, and shame? The Townsend plan will do it.

We believe that the economy of the Nation will benefit under the Townsend plan by reason of the expenditure of the annuities within 30 days after receipt. The bill provides: The annuity shall be spent within the confines of the United States, its Territories, and possessions. Each installment of the annuity shall be spent by the annuitant within 30 days after the time of its receipt. An annuitant shall not engage in any occupation, business, or other activity for profit, except collecting interest, rents, or other revenues from his own investments. No annuitant shall support an able-bodied person in idleness except a spouse. The proceeds from a 3-percent gross income tax, with an exemption up to $250 a month from personal income, shall be divided pro rata each month among all qualified annuitants. This will provide a good income to all of our elderly folks which will permit them to spend their declining years in decency, peace, and contentment.

There will be no incentive for elderly people of limited income to hoard their meager earnings as the haunting fear of old age and destitution will have been removed. The proceeds of the tax will go to people who will move out of employment. This will stimulate production, production will promote employment, the younger folks will move into jobs vacated by the aged, and we will have a balanced economy. This is necessary now that we are moving into financial economic storms with production on the down-grade and unemployment increasing.

In our long fight for reasonable and sufficient incomes for our elderly citizens to live in decency and health, we have always been confronted by the opposition with the claim that it costs too much and the Government cannot afford it. First of all let me say that the moneys now being paid by Federal and local governments for the support and maintenance of our elderly people and for relief is equal in amount to that which would be required to finance the Townsend program, covering all instead of only a privileged few. Aside from this we are spending billions of dollars every year for many Federal programs which do not have the merit and the equity of an old-age retirement plan. To do this the tax burden on the American people has been sky-rocketed until it is about to break the backs of the taxpayers. In 1929 Federal spending amounted to less than two-thirds of the personal income of the inhabitants of California. By 1947 it had increased so much that the Federal expenditures were approximately the total personal income of all of the inhabitants of California, Washington, Oregon, Nevada, Idaho, Utah, Arizona, Montana, Wyoming, Colorado, New Mexico, North Dakota, South Dakota, Nebraska, Kansas, Oklahoma, and about four-fifths of Texas.

With the moneys owing to the United States for loans unpaid from the First World War and with the expenditures overseas since, Uncle Sam has taken from the American taxpayers for foreign aid over $92,000,000,000. Since the war ended we have contributed to these countries over $30,000,000,000 alone. Although in one generation we have had two world wars we are now spending over $15,000,000,000 in the next fiscal year for rearmament and preparation for war. The President's total budget for the year will approximate $42,000,000,000 to $45,000,000,000, more than two-thirds of which goes for war preparation and taking care of the costs of former wars, at a time when our national debt is over $252,00,000,000. World War II cost over $350,000,000,000.

Am I wrong when I say that with a judicious handling of our governmental affairs, more common sense and less war and devastation, we would be able, from savings alone without increasing the taxes, to take care of our own people here in America, provide a decent living retirement for all of our old people, the widows, the injured, and the orphans, and still have billions of dollars left over for schools, churches, libraries, hospitals, and for the upbuilding and rehabilitation of this great Republic?

Are we not overlooking the admonitions of the Sermon on the Mount and the great spiritual values of life and placing our dependence on material things, the war engines of destruction and the atomic bomb?

"For heathen heart that puts her trust
In reeking tube and iron shard—
All valiant dust that builds on dust,
And guarding calls not Thee to guard."

The Great Architect of the Universe has been good to Americans. He has given us the greatest country on earth. It is rich in natural resources. We have great fertile fields, broad rivers charged with almost boundless hydroelectric power, great forests, an industrial system, with skilled workmen, the greatest and most productive for human welfare and needs in all history, and a garden spot in which to spend our days during the short span we are permitted here on earth.

We have, indeed, a wonderful world to live in, yet we are spending most of our time in petty, intolerant jealousies, selfish grasping for wealth and power, and in waging world-wide wars, preparation for war, or the sordid business of cleaning up the mess after death and devastation wrought by war. Am I out of place today here in this great company, before this loyal and patriotic group of American citizens who believe in the promises of a just God, in saying that we need in America today more good will among men and less war, more of the spirit of cooperation, brotherly love, and fellow feeling and less of selfishness, hatreds, animosity, and jealousies which are abroad in the world? I agree with James Keller, founder of the Christophers, when he said in the home, in all our personal relationships, we must practice love and we must pass on the message of the good life. As you grow in love for others you will find your own power increasing. You will learn how to disagree without being disagreeable. You will become more approachable. You will better understand why all people want to be truly loved and not just tolerated. You will emphasize more and more of the good side of even the worst people. You will develop an inner warmth, an abiding sense of humor. Naturally you will make mistakes, but you will always be able to laugh at yourself. Your never-say-die spirit will give courage to everyone you meet. Life itself will take on a new and exhilarating meaning, because you will be fulfilling the purpose for which you were created: to love God above all things and your neighbor as yourself.

At best we will be here but a little while in this great adventure of life. We brought nothing into this world when we came and we can take nothing out when we go. It behooves us to garner our resources and put them and our talents to good use and to extend the hand of friendship and good feeling to our neighbors before we are called home forever.

If we fortunate Americans could in this great freedom-loving Republic put into practice such a program, would we not be taking the most forward step toward abolition of war and the restoration of peace and brotherhood among the nations of the world? And could we not then say with the poets—

"The day is done
And the night shall be filled with music,
And the cares, that infest the day,
Shall fold their tents, like the Arabs,
And as silently steal away.

"When Earth's last picture is painted,
And the tubes are twisted and dried,
When the oldest colors have faded,
And the youngest critic has died,
We shall rest, and faith, we shall need it—
Lie down for an eon or two.
Till the Master of All Good Workmen
Shall set us to work anew."

The Great Rehearsal and Its Application

EXTENSION OF REMARKS
OF
HON. CLIFFORD DAVIS
OF TENNESSEE
IN THE HOUSE OF REPRESENTATIVES
Tuesday, July 5, 1949

Mr. DAVIS of Tennessee. Mr. Speaker, many of our wisest citizens are giving thought to the necessity that the world unite the democratic thinking people in some sort of world government which would insure peace and which would stabilize the economy, the thinking, and the living habits of all.

I have been reading much on this general subject. In my own city Hon. John W. Apperson, a learned member of the bar, recently delivered an address on the subject of The Great Rehearsal and Its Application. He has said so much so well that I have asked to extend my remarks in order that my colleagues may have the same privilege which I enjoyed in an examination of this very fine address. It follows:

My subject is so big and my time tonight is so limited that for fear I may stay too long on one or more points and not cover the principal ones I am compelled to speak from a prepared paper. I shall touch the high spots and perhaps in the question period to follow I may be able to more fully develop certain phases.

Carl Van Doren, the well-known historian, has recently written The Great Rehearsal. It deals with the formation of our Constitution and its adoption. It gets its name from the fact that Van Doren believes that the principle of federalism being demonstrated by this Nation is being rehearsed for its eventual adoption by all the peoples of the world. It is very interesting and readable. All citizens of the United States especially and all citizens of the world in general should read it.

In his introduction Van Doren says:

"But it is impossible to read the story of the making and ratifying of the Constitution of the United States without finding there all the arguments in favor of a general government for the United Nations, as well as all the arguments now raised in opposition to it.

"The opponents of the Constitution in 1787 could talk only of the difficulties of forming a new government. The supporters of the Constitution, aware of the dangers facing the Confederation, demanded a new government be attempted, no matter what the difficulties."

Tonight I shall briefly review the formation and adoption of our Constitution and then endeavor to show how the application of the same Federal principles as applied by our Constitution on a larger scale should bring about freedom, prosperity, and peace in the world.

In the beginning and while our Revolutionary War was being fought, we had 13 States which were 13 separate nations, each having its own government and each just as sovereign and independent as the 57 nations composing the UN today. They had gotten together in a league just as the nations did after World War I in the League of Nations, just as the nations have done now in the UN and just as we and about seven other nations are getting ready to do in the Atlantic Pact. They called their league the league of friendship. It operated under the Articles of Confederation.

Each of the 13 States retained its right of veto. None was bound by any so-called laws passed unless it chose to be. To enforce any so-called laws against an unwilling State meant war, just as enforcing any ruling of the UN or of the Atlantic Pact would mean war against the offending nation. Millions of innocent people would have to suffer because of the lawlessness of a few leaders.

Each of the 13 States had its own laws, currency, tariffs, and armed forces.

When Washington was fighting against the British he was constantly hampered by the various States not furnishing him troops, or when furnished, having them withdrawn. What a wonder it is that we finally won that war.

Conditions among the 13 States became chaotic. Business was at a standstill. There was no sound money. The States as well as the people were verging on bankruptcy. The League had no standing in Europe. Each State had trade barriers. The times were referred to as "the Critical Period in American History" and the people as "The Desperate People."

Finally through the influence of such men as Washington, Franklin, Hamilton, Madison, and others, the convention was called in Philadelphia in May 1787. It was called to amend the Articles of Confederation—not to write a new Constitution. Some of the colonies sent no delegates.

The delegates to that convention struggled for four long, hot months debating various plans and proposals. The little States were afraid of the big States and the big States of the little.

Hamilton representing New York left in disgust. Washington, who presided, was so afraid that the convention would break up without accomplishing anything worth while that he finally arose and made the only speech he had made at the convention. Practically all he said was:

"It is too probable that no plan we propose will be adopted. Perhaps another dreadful conflict is to be sustained. If, to please the people, we offer what we ourselves disapprove, how can we afterward defend our work? Let us raise a standard to which the wise and honest can repair; the event is in the hand of God. This is our final opportunity. One more mistake may be the last."

Finally the Constitution emerged which was called "a bundle of compromises—a mosaic of second choices accepted in the interest of union."

To the surprise of many of us today, the Constitution was adopted after the hardest kind of struggle and by very slim majorities in the respective States.

As to what some of the leading citizens thought about the possibilities of creating an effective union between the 13 States, hear what the famous Thomas Paine, the author of "Common Sense", who did much to bring about the Declaration of Independence and the Revolutionary War, had to say:

"If there is a country in the world where concord, according to common calculation, would be least expected, it is America. Made up as it is of people from different nations, accustomed to different forms and habits of government, speaking different languages, and more different in their modes of worship, it would appear that the union of such a people is impracticable."

Hear also what Josiah Tucker, the Dean of Gloucester, had to say in 1780:

"As to the future grandeur of America, and its being a rising empire under one head, whether republican or monarchial, it is one of the idlest and most visionary notions that ever was conceived, even by the writers of romance. The mutual antipathies and clashing interests of the Americans, their differences of governments, habitudes and manners, indicate that they will have no center of union and no common interest. They can never be united into one compact empire under any species of government whatever; a disunited people till the end of time, suspicious and distrustful of each other, they will be divided and subdivided into little commonwealths or principalities, according to natural boundaries, by great bays of the sea, and by vast rivers, lakes, and ridges of mountains."

It was feared by many leading citizens that we would lose our liberties if the Constitution were adopted. Patrick Henry campaigned vigorously against adoption of the Constitution in Virginia.

One writer in the Pennsylvania Herald of 1787 said:

"For the sake of my dear country, for the honor of human nature, I hope and am persuaded, that the good sense of the people will enable them to rise superior to the most formidable conspiracy against the liberties of a free and enlightened nation, that the world has ever witnessed."

Our Constitution came into being because able and earnest individuals in sufficient numbers worked unceasingly to that end in the belief that it must be done and it, therefore, could be done.

The authors of our Constitution did three very important things, at least two of which are original contributions to political science. They provided for checks and balances which would prevent any one man or group of men to be able to obtain too much power. They protected minorities. They made it so that each State would retain its own form of government and control its own internal and domestic affairs while its citizens surrendered to the Federal Government control of affairs which transcended State boundaries such as foreign affairs, arms and armaments, money, postal services, navigable streams and commerce between the States.

They provided that the laws enacted by the Federal Government should be the supreme law of the land and should be applicable to the individual citizens of the respective States and not to States alone. So that should Mr. John Q. Public in Memphis break a Federal law, the Federal Government would send its marshal and arrest him and would not have to declare war against Tennessee and kill many of its innocent people and destroy much of its property in order to enforce its law.

An amazing burst of prosperity with increasingly peaceful relations among the States soon followed Washington's inauguration. No other internal change than the ending of interstate anarchy by the establishment of a common government was sufficient to account for this astonishing transformation.

The Thirteen Original States have now grown by peaceful expansion to 48 and soon to 50 when Hawaii and Alaska come in. We are now the most powerful Nation on earth. Our beliefs in the dignity of man and his freedom, the fact that government is made for man and not man for government, have largely contributed to our achievements and greatness. We do not want to lose or sacrifice those dearly gained principles.

There is much being said and written about a military alliance between the United States and seven or more other free nations, such as Great Britain, Canada, France, Holland, Belgium, Luxemburg, and Norway. In fact, from all reports, the instrument to bring about this alliance is about ready for signing and ratification.

The main purpose of my talk tonight is to submit for your careful and earnest consideration the proposition that an alliance is not enough. That a federation of the people of those nations is far better. A federation similar to our own where there would be a new union with a new federal government for all the people of those nations. Mind you, I am not proposing a world government. I am proposing only a federal union of the free.

An alliance, a league, or a confederation is nothing more than a treaty or treaties between nations. Agreements are made by the one-nation, one-vote method. Their agreements are enforceable against nations only. No nation is bound by any agreements made. They are nothing but mere scraps of paper.

A union is formed by the people of the respective nations. They surrender to a central government limited power over just enough things which are common to all and which transcend national boundaries to maintain their freedom, prosperity, and peace. They retain the balance of their power and give some to their local governments. The laws of a union are made by a majority vote of elected representatives and the laws so made apply not alone to member nations but to every citizen in all the member nations. Thus a violation of a national law is punished by arresting and trying the citizens who violate the law, not by war against whole nations.

The attitude of the Politburo sitting in the Kremlin is driving the free people to seek some means of strengthening themselves against the threat of communism.

Unlike Hitler who was relying on force alone to conquer the world Stalin and his gangsters are relying not alone on force but also on conversion of the masses of people in all countries to the communistic doctrine.

The communistic germ is to the body politic what the pneumococcus germ is to the human body. Each attacks and conquers when the body is weakened by lack of nourishment and a reasonable standard of living.

The result is that in order to strengthen the free people against communism they have got to be strengthened in a political and economical way, which will raise their standards of living and protect their freedoms and the dignity of the individual, and in a physical way by means of arms and armaments.

The United States for the past 30 years has been going to the rescue of the western European democracies. In doing so we have furnished tons of our substance, billions of our dollars and gallons of our blood. We are definitely committed to continue such aid with the likelihood of bleeding ourselves to death and of reducing our own economy and standard of living to the level Stalin wants, unless we can find a solution.

There are good reasons why we should aid those democracies. They mean much to us both in an economic and a military way.

So the question is, How can we strengthen ourselves as well as the other free nations without constantly weakening ourselves, without constantly increasing our public debt and consequently our taxes which are already oppressive?

Our statesmen have offered us nothing except alliances and leagues, a few of which I have mentioned. They all have failed. The last being the United Nations. The main reason being that they are multilateral treaties between nations, with no nation firmly bound and no means of enforcing their agreements except by war against a whole nation or group of nations.

Our statesmen are now preparing to offer us the proposed military alliance which, like all alliances, will be inadequate to fulfill what is needed. Under it we will have to continue to foot the bills. It will stress the idea of military force and power as against the nobler concept of the general welfare of mankind. Nor will such an alliance enable the bold new program which Mr. Truman has in mind to be carried out.

It is difficult to conceive how an instrument may be worded in creating the proposed military alliance which can do away with our constitutional requirement that our Congress must declare war. There are other grave weaknesses and inadequacies in such a plan too numerous to go into here.

Our real concern is to build up the living standards of the people, not only of the free nations, but eventually of all the world, and at the same time maintain our own. In doing so we will have a healthy body politic in which war is less likely. This most certainly will not be done by a military alliance. It cannot be done by the United States bleeding itself to death. It cannot be done as long as the people in the nations we are trying to help have the threat of war continually hovering over them. A military alliance is not going to remove this threat. We almost failed them the last two wars. They cannot depend on mere alliances.

There is only one true and tried principle to accomplish what we need. This is the principle of federal union. It is the only principle so far revealed under which the people of nations of different laws, customs, languages and religions have been able to establish a central government to control things common to all and which transcend national boundaries. That principle has been reasonably successful for 160 years in the United States, for many years in Switzerland, Australia, Canada, and the Union of South Africa. No federal union has ever failed.

Were we to enter into a union with the seven or more free nations with which we are planning to ally, the economic and general welfare advantages would be the primary and great objectives and the military strength to result would be the secondary objective.

Consider what would result from such a union in which the new federal government could have control over (1) foreign affairs, (2) arms and armaments, (3) money, (4) communications, (5) commerce, and (6) citizenship.

Such a union would, (1) mobilize the world's best remaining productive assets at maximum efficiency and minimum cost, (2) end alarm over "dollar shortages" in Britain and France, (3) remove, as rapidly as possible, the nations' tariffs that now stifle production among the democracies, (4) enable private capital to largely rebuild Europe as it rebuilt San Francisco after the earthquake, and to develop the European colonies, thus putting into effect Mr. Truman's "Bold New Program," (5) finance recovery without raising taxes largely by reducing our armaments tax burden and without lessening our

armed security (we would not need an Army, Navy and Air Force as big as those of all the member nations combined), (6) relieve the United States from paying the entire cost of recovery and rearmament, (7) release thousands of men and factories producing arms and armament for productive work, (8) bring down the cost of living and raise the living standards of all the people of the member nations, (9) greatly strengthen the free people against the spread of communism and aggression, and (10) discourage the rise of dictators.

It stands to reason that the same amazing burst of prosperity with increasingly peaceful relations among the united democracies will soon follow their federal union as did the union of our States in 1790.

Think of what confidence all businessmen in these United Nations would have should they know that they could go ahead developing and expanding their businesses under the aegis of such a powerful nation as would result from such a union.

No one need fear this great union because it would have moral power. Free people are never guilty of Pearl Harbors. They can never strike secretly and quickly as can totalitarian states. They could never occupy any military role save the defensive.

This union would have overwhelming power and strength in a military way for defense.

The difficulties and dangers to be seen in forming the proposed union are small when compared with the difficulties and dangers both economically and physically in continuing the existing system.

The President should be urged by congressional resolution to invite the nations with whom we form the military alliance to send representatives to a convention to explore the possibilities of drawing up an instrument through which the people of these nations could form a new Federal Union.

It has been said that this is "the Age of America"; that America the music maker for the rest of the world. Whether we wish it or not the leadership is ours. Let us then hold the torch of freedom on high and offer to the free people this partnership so that the aims and ideals for which our young men gave their lives in two wars will not have been in vain. Let us lift up our hearts to this great union as the gradual approach to the parliament of man the federation of the world.

Housing Survey Still Needed

EXTENSION OF REMARKS
OF
HON. HOMER D. ANGELL
OF OREGON
IN THE HOUSE OF REPRESENTATIVES
Tuesday, July 5, 1949

Mr. ANGELL. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following editorial from the Portland Oregonian of June 21, 1949:

HOUSING SURVEY STILL NEEDED

With a firm of canvassers selected and State and city money appropriated, the long-delayed survey of housing needs in the Portland metropolitan area is about to get under way. There is some thought in the community that time and the builders have relieved the shortage and that a survey may not be so necessary as it was thought to be a year ago. We think it is still important to know the facts.

In a little more than 6 months, the Federal law authorizing temporary war housing will expire, unless extended by Congress—which is unlikely in view of the deterioration of these dwellings to a point where cost of upkeep exceeds rentals. About 7,000 temporary dwelling unit in the Portland area will be demolished, and their occupants will have to find roofs elsewhere, if the act expires as scheduled on January 1, 1950.

There is, in addition, a considerable dislocation of the residential population. It probably will be shown that thousands of families now living in war housing, apartments or temporary quarters want to build, buy, or rent elsewhere—and the survey will show how many of them can afford to do so, and at what costs.

As pointed out by Carl Freilinger, of the housing needs survey committee the study is not intended to prove the need for public housing or to prove anything other than the facts of residential demand and ability of families to meet their needs. The report should be of value to private builders and local business, as well as to the community in meeting its share of the responsibility for any Federal slum clearance and housing program which Congress may approve.

Address of Chancelor Robert M. Hutchins of the University of Chicago—Presents the Viewpoint of the Teachers of America

EXTENSION OF REMARKS
OF
HON. BARRATT O'HARA
OF ILLINOIS
IN THE HOUSE OF REPRESENTATIVES
Tuesday, July 5, 1949

Mr. O'HARA of Illinois. Mr. Speaker, under leave to extend my remarks, I include the address of Chancelor Robert M. Hutchins, of the University of Chicago, at the two hundred and thirty-seventh convocation of the university for students graduating from the college:

We hear on every side that the American way of life is in danger. I think it is. I also think that many of those who talk the loudest about the dangers to the American way of life have no idea what it is and consequently no idea what the dangers are that it is in.

You would suppose, to listen to these people, that the American way of life consisted in unanimous tribal self-adoration. Down with criticism, down with protests, down with unpopular opinions, down with independent thought. Yet the history and tradition of our country make it perfectly plain that the essence of the American way of life is its hospitality to criticism, protest, unpopular opinions, and independent thought. A few dates like 1620, 1776, and 1848 are enough to remind us of the motives and attitudes of our ancestors. The great American virtue was courage.

We ought to be afraid of some things. We ought to be afraid of being stupid and unjust. We are told that we must be afraid of Russia, yet we are busily engaged in adopting the most stupid and unjust of the ideas prevalent in Russia, and are doing so in the name of Americanism. The worst Russian ideas are the police state, the abolition of freedom of speech, thought, and association, and the notion that the individual exists for the state. These ideas are the basis of the cleavage between east and west.

Yet, every day in this country, men and women are being deprived of their livelihood, or at least their reputation, by unsubstantiated charges. These charges are then treated as facts in further charges against their relatives or associates. We do not throw people into jail because they are alleged to differ with the official dogma. We throw them out of work and do our best to create the impression that they are subversive and hence dangerous, not only to the state, but also to everybody who comes near them.

The result is that every public servant must try to remember every tea party his wife has gone to in the past 10 years and endeavor to recall what representatives of which foreign powers she may have met on these occasions. A professor cannot take a position on any public question without looking into the background of everybody who may be taking the same position on the same question. If he finds that any person who is taking the same position on this question has been charged with taking an unpopular position on another question, the professor had better not take any position on this question, or he may be haled before some committee to explain himself.

Is this the American way of life? The great American word is freedom, and in particular, freedom of thought, speech, and assembly. Asserting the dignity of man, and of every man, America has proclaimed and protected the freedom to differ. Each man is supposed to think for himself. The sum of the thoughts of all is the wisdom of the community. Difference, disagreement, discussion decided by democratic processes are required to bring out the best in the citizens. America has grown strong on criticism. It would be quite as consistent with the American way of life to offer prizes for the most penetrating criticism of our country as it would be to offer prizes to those who have done the best job of advertising it.

The heart of Americanism is independent thought. The cloak-and-stiletto work that is now going on will not merely mean that many persons will suffer for acts that they did not commit, or for acts that were legal when committed, or for no acts at all. Far worse is the end result, which will be that critics, even of the mildest sort, will be frightened into silence. Stupidity and injustice will go unchallenged because no one will dare to speak against them.

To persecute people into conformity by the nonlegal methods popular today is little better than doing it by purges and pogroms. The dreadful unanimity of tribal self-adoration was characteristic of the Nazi state. It is sedulously fostered in Russia. It is to the last degree un-American.

American education has not been constructed on such un-American principles. In general, the practice has been to give the student the facts, to try to help him learn to think, and to urge him to reach his own conclusions. It is not surprising that the heart of American education is the same as that of Americanism: it is independent thought. American education has not tried to produce indoctrinated automatons, but individuals who can think, and who will think always for themselves. The basic principle of American Government, and one that accounts for the importance of education in this country, is that if the citizens learn to think and if they will think for themselves, the Republic is secure. The basic principle of the Russian dictatorship is that the people cannot think or cannot be trusted to think for themselves.

The American doctrine rests on the proposition that it is the individual in himself that counts. It is not who his father was, or how much money he has, or what his color or creed is, or what party he belongs to, or who his friends are, but who and what is he? So the test of a teacher is whether he is competent. The professional competence of a teacher is hardly a question on which lay bodies, or even administrators or trustees,

would wish to pass without the advice of persons professionally competent in the teacher's field.

If we apply any other test than competence in determining the qualifications of teachers, we shall find that pressures and prejudice will determine them. In 1928 it was said that Al Smith could not be President because he would be subservient to a foreign power; and today in many places, and if not today it may happen tomorrow, anti-Catholic or anti-Jewish campaigns may mean that teachers who belong to those churches will not be able to practice their profession.

Teachers may be expected to obey the law of the land. But it is still permissible, I hope, to ask whether a law is wise. To discriminate against teachers—to act as though they were all disloyal—and to put them under special legal disabilities seems injudicious, if we want able, independent men to go into the teaching profession.

The assumption appears to be that American education is full of Reds, an assumption that is the precise reverse of the truth. All the excitement of the last few years, all the hearings, investigations, and publicity releases have not turned up more than four or five Communist professors, even though membership in the party has been perfectly legal up to now. To require oaths of loyalty from all because of the eccentricity of an infinitesimal minority is an unnecessary and derogatory act. And, of course, it will not effect any useful purpose, for teachers who are disloyal will certainly be dishonest; they will not shrink from a little perjury.

The way to fight ideas is to show that you have better ideas. No idea is any good unless it is good in a crisis. You demonstrate the failure of your ideas if, when the crisis comes, you abandon them or lose faith in them or get confused about them to the point of forgetting what they are. The American idea is freedom. Freedom necessarily implies that the status quo may come under the criticism of those who think it can be improved. The American idea is that the State exists for its citizens and that change in society must occur to meet their developing needs. The whole theory of our form of government is a theory of peaceful change. Many of the changes that Marx and Engels demand in the Communist Manifesto have taken place in this country, and they have taken place without communism, without dictatorship, and without revolution, thus disproving, incidentally, one of the central theses of Marx and Engels—that such things cannot be accomplished without communism, dictatorship, and revolution.

These reflections on the Communist Manifesto lead me to say that labeling some thing or some man Communist because Communists happen to favor it or agree with him, that easy process by which one disposes of different views by applying a dirty name to them, involves the negation of thought of any kind. If it had been applied consistently in American history it would have deprived us of some ideas and some men that we are proud to think characteristically American. For example, the Communist manifesto demands free education for all. Are we therefore to recant, and renounce the American doctrine of free education for all?

And what would the FBI say of Thomas Jefferson, who calmly remarked in his first inaugural, "If there be any among us who wish to dissolve this Union, or change its republican form, let them stand undisturbed, as monuments of the safety with which error of opinion may be tolerated where reason is left free to combat it?"

Jefferson was not in favor of revolution; he was serene in the face of talk of it because he had confidence in our people, in our institutions, in democracy, and in the value, power, and results of independent thought.

We are now in the midst of a cold war. We must protect ourselves against external enemies, their representatives in this country, and any citizens who may be conspiring to overthrow or betray the Government. But the statute books are already filled with laws directed to these ends. It has never been shown that there are so many spies or traitors in this country, or that the external danger is so great and imminent that we have to divert the entire attention of our people into one great repressive preoccupation, into one great counter revolution in which the freedoms of our citizens must be thrown overboard as too burdensome for the floundering ship of state to carry.

It is useful to remember that Jefferson spoke in 1801, when our Constitution was 12 years old, and when the infant Republic was in dreadful danger from deep divisions within and from the wars that were raging between the great powers. If he was right in speaking in such a way at such a time, we cannot be far wrong if now, when America is the most powerful Nation on earth, we seek to recapture some of his sanity and courage.

How is the education man to show the fruits of his education in times like these? He must do it by showing that he can and will think for himself. He must keep his head, and use it. He must never push other people around, nor acquiesce when he sees it done. He must struggle to retain the perspective and the sense of proportion that his studies have given him and decline to be carried away by waves of hysteria. He must be prepared to pay the penalty of unpopularity. He must hold fast to his faith in freedom. He must insist that freedom is the chief glory of mankind and that to repress it is in effect to repress the human spirit.

If you have the intellectual and moral courage to see these things and to take your stand upon them, you will do honor to your alma mater, and you will serve your country.

By Plan They Lowered the Flood

EXTENSION OF REMARKS
OF
HON. HOMER D. ANGELL
OF OREGON
IN THE HOUSE OF REPRESENTATIVES

Tuesday, July 5, 1949

Mr. ANGELL. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following editorial from the Oregon Journal of June 18, 1949:

BY PLAN THEY LOWERED THE FLOOD

Most residents of the Columbia Basin, remembering last year's destructive flood, heaved a relieved sigh as this year's high water subsided without serious damage the other day. What went unnoticed was the fact that for the first time since it was constructed by the Bureau of Reclamation, Grand Coulee Reservoir, some 300 miles above Portland and Vancouver, was employed for flood-control purposes. And it certainly did its stuff.

By a simple, three-way arrangement between the Corps of Engineers, the Bureau of Reclamation, and the Bonneville Power Administration, approximately 360,000 acre-feet of the 425,000 acre-feet of storage available at Grand Coulee was employed for flood-control purposes. As a result the peak flow of the Columbia at The Dalles was reduced approximately 35,000 second-feet. The flood crest at Vancouver was reduced by 1 foot. And BPA's power commitments were not appreciably affected.

This experimental operation with a relatively small amount of flood-storage space serves to illustrate how the basin-wide flood-control plan recommended in the Corps of Engineers' 308 review report, now coordinated with the Bureau of Reclamation's basin-development plan, would work with 27,000,000 acre-feet of flood storage provided by dams strategically located throughout the basin.

Some of these dams are already in service, others are under construction and others are either authorized by the Congress or recommended to the Congress.

Had this integrated flood-control system been available last year, the flood crest of 1,010,000 second-feet at The Dalles would have been cut to 700,000 and the record flood of 1894, with a crest of 1,240,000 second-feet, would have been reduced to 800,000.

The point is, we have the coordinated plan. We have made a good start. And it took only one conference between responsible agencies to demonstrate on a small scale how it would work on a grand scale.

Men Against God

EXTENSION OF REMARKS
OF
HON. CLIFFORD DAVIS
OF TENNESSEE
IN THE HOUSE OF REPRESENTATIVES

Tuesday, July 5, 1949

Mr. DAVIS of Tennessee. Mr. Speaker, there appeared recently in the Memphis (Tenn.) Commercial Appeal a strong editorial entitled "Men Against God." Because of its challenge, I have asked to extend my remarks in the RECORD and include it:

MEN AGAINST GOD

The Vatican's revelation that more than 1,500 priests have been arrested or have disappeared in Soviet-dominated eastern Europe since the end of World War II should further shock the conscience of the west. It ought not to surprise, however, any student of Communist objectives and strategy. Communism and faith in God are incompatible.

In a survey of the struggle between atheistic communism and religion, the Associated Press reports accurately what is happening as the climatic struggle for the minds and souls of generations yet unborn. Behind the iron curtain, says the AP, "organized religion fights for its life."

Several months ago, in discussing here what we regard as the anarchy of atheism, we said:

"Communism has brought its determination to make war on man's faith in God into the open. The vile and cruel assaults against the religious leaders of the Communist-controlled nations symbolize the anarchy of atheism in action.

"It is a terrible challenge to all who believe in God from the ruthless forces of a Machiavellian materialism. It is a sharp sword thrust to the heart of Christianity."

There is little which can be added to that. The repressions and persecutions which communism is now instigating are new as to events, but not as to objectives. Materialistic atheism is not qualitative. It is absolute and unchanging.

What new and terrible crucifixion the human family must experience before the issue is resolved cannot be foreseen, but resolved it will be to the glory of God and mankind. Those who make war against the soul make war, in reality, against God. There can be

but one victory in such a test—the victory Cal Alley depicts in his cartoon of today.

Grossly ambitious men and nations have arrayed themselves against God from time immemorial. Not even their ashes or their ruins remain. So will it be that way when this new and vilely cruel barrier to human progress has been thrust aside.

It is possible for a political ideology to suppress the manifestations of a man's religion and to destroy his spiritual advisers, but it cannot destroy the love of God which is in man's heart. Because it cannot, all of its other efforts are in vain.

When men make war against God theirs has become the madness which assures their destruction.

A Basic Power Issue

EXTENSION OF REMARKS
OF
HON. HOMER D. ANGELL
OF OREGON
IN THE HOUSE OF REPRESENTATIVES
Tuesday, July 5, 1949

Mr. ANGELL. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following editorial from the Portland Oregonian of June 21, 1949:

A BASIC POWER ISSUE

An appropriations subcommittee of the Senate will decide this week, after many hearings, an issue of basic policy for the Northwest. It is whether the Bonneville Power Administration—or its CVA successor—shall transmit electricity from a fully integrated system to major load centers in Montana and Idaho, or whether private power companies will be permitted to take deliveries at isolated dams, such as Hungry Horse, and build their own transmission lines.

The dispute does not involve any proposed change in distribution of power to individual customers, which still would be by private utilities, PUD's, municipalities, REA's and cooperatives. It does involve, first, the interconnection of Federal dams, and, second, transmission of power to the big centers of need in Idaho and Montana.

The main fight in the Northwest involves Hungry Horse Dam on the Flathead River in Montana, but the decision on this dam will affect the later decisions on Hells Canyon Dam on the Snake River in Idaho and Oregon, as well as interconnections with Anderson Ranch Dam in Idaho and others. Hungry Horse will be completed in 1952, a year before McNary Dam on the Columbia, and will be the first important source of new energy following completion of the installation of generators at Grand Coulee in 1951.

The House of Representatives approved an appropriation to build an interconnecting line between the main Bonneville system at Grand Coulee and Hungry Horse Dam, via an intertie with the Montana Power Co.'s Kerr Dam on the Lower Flathead, as well as funds for a 230,000-volt transmission line south from Kerr Dam to Anaconda.

Montana Power Co. has attacked both these proposals in Senate committee hearings. It has been supported vigorously by Idaho Power Co., which wants to block a similar invasion of Idaho by Bonneville lines extending from authorized Hells Canyon Dam and interconnecting with Anderson Ranch and the Montana Line.

The Senate can scarcely deny the wisdom of tying Hungry Horse Dam into the main Columbia River system. As an isolated project, providing some but not a great deal of firming up advantage to Grand Coulee by water storage and release, alone, Hungry Horse could produce only 77,000 kilowatts of firm power though with a rated capacity of 285,000 kilowatts. Intertied with the Columbia Grid the firm power benefits would increase to 399,000 kilowatts, a gain for the entire Northwest of 322,000 kilowatts.

Such an intertie has been approved by a conference in which private power company engineers participated, and were in agreement.

Montana Power Co., while objecting to an intertie via its Kerr Dam, is not adamant against a connection between Spokane and Hungry Horse by a northern route via the proposed and distant Libby Dam on the Kootenai—a more costly line and one not needed for many years, and then only if Libby is approved by Congress.

Here is the nub of the opposition. Montana Power wants to take Federal electricity at the Busbar at Hungry Horse and transmit it via Kerr Dam to Anaconda on its own 230,000-volt line. Similarly, it may be assumed that if Congress appropriates money to build Hells Canyon Dam on the Snake, Idaho Power Co. will seek to take the power at the busbar and transmit it via its Snake River Dam interconnections to Boise and other Idaho load centers.

The fundamental controversy is not so much interconnection as it is the question of whether the Bonneville Power Administration will have authority to transmit power to areas of demand throughout Montana and Idaho—phosphate beds, mines, and other industrial centers—in the grid pattern developed in Washington and Oregon—or whether the responsibility assumed by the Federal Government for development of energy from the rivers of the West shall end at the generators of widely separate dams.

Margarine Tax

EXTENSION OF REMARKS
OF
HON. OTTO E. PASSMAN
OF LOUISIANA
IN THE HOUSE OF REPRESENTATIVES
Tuesday, July 5, 1949

Mr. PASSMAN. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following editorial from the Atlanta Journal of July 4, 1949:

NO. 1 DAIRY STATE PROTESTS MARGARINE TAX

Wisconsin, which boasts of being the No. 1 dairy State, is providing some of the most significant protests against taxes and restrictions on margarine. Consumer groups are demanding repeal of the discriminatory laws. So, too, are important industrial and mercantile interests. Even the Wisconsin Creameries' Association has declared: "There is no legal basis to justify the tax, and it can't be justified on health, quality, or food reasons."

While most of the dairy farmers oppose repeal, it is pointed out that of each $100 of their cash income, only $1.77 comes from butter. The great bulk of their earnings is derived from milk, cheese, and other nonbutter products. Moreover, the leading voices of the Wisconsin press are outspoken against the punitive margarine tax.

The Milwaukee Journal, for instance, one of the most admired newspapers in America, reports that the State's margarine tax which yielded only $1,862 in 1934 is expected to pass the million-dollar mark in 1949—an increase of 54,000 percent in 15 years. What does this mean? It means, for one thing, the Milwaukee Journal comments, "that the tax has failed utterly to accomplish its original purpose of freezing oleo out of the Wisconsin market. In the second place, it is obvious that it is taking a large part of its million-dollar yield from the pockets of the less prosperous, which everybody should admit is bad."

In spite of the discriminatory tax of 15 cents a pound, the people of the largest dairy State, are buying margarine instead of butter in ever-increasing quantities. Naturally, these consumers demand relief from an unjust tariff on a wholesome and economical food product.

The battle for fair play now going forward in Wisconsin was recently won in neighboring Michigan, and since 1947 nine States have abolished antimargarine laws. A bill to repeal the Federal taxes on margarine has passed the House of Representatives this year by a majority of 3 to 1 and has been favorably reported by the Finance Committee of the Senate. Public opinion on this issue has grown strong and militant throughout the country, including the principal dairy regions. The rank and file of American consumers are determined to get their rights—and get them they will.

Segregation in Housing

EXTENSION OF REMARKS
OF
HON. J. HARRY McGREGOR
OF OHIO
IN THE HOUSE OF REPRESENTATIVES
Tuesday, July 5, 1949

Mr. McGREGOR. Mr. Speaker, under leave to extend my remarks, I am inserting an editorial which appeared in the Mount Vernon News under date of July 1.

I think this editorial definitely calls to the attention of the people the fact that the present administration is responsible for the defeat of the nonsegregation amendment which was attempted to be placed in the public-housing bill. I deeply regret there was no roll call on this amendment so that the people would know how their respective Congressmen really stand on the issue of segregation.

I cannot help but make the observation that the Truman administration tells the people they are opposed to discrimination, but when the time arrives to vote on a subject their position is clearly shown, namely, they believe in discrimination especially relative to public housing constructed with Federal public funds. If my memory serves me correctly, there was not a single Democratic Congressman who voted in favor of the nonsegregation amendment.

The editorial follows:

SEGREGATION IN HOUSING

When the administration public housing bill was being rushed toward passage in the lower House of Congress, an attempt was made to amend it by inserting a provision barring discrimination in construction, sale, rent or tenancy in any of the projects undertaken, because of race, color, creed or national origin.

The Truman forces in the House fought this proposal and succeeded in defeating it. Their argument was that the segregation amendment had no place in the main legislation, but should be introduced as separate legislation.

This argument doesn't hold water. The segregation issue does have a proper place in public housing legislation, an important place.

And sidetracking it to be considered later as separate legislation is dooming it to defeat, as the proponents of the bill must know.

It has a place in this legislation because the public housing measure is a public, not a private, enterprise. It will be financed with tax money taken from all of the residents of the country, those who might be excluded from its benefits as well as those who would be able to take advantage of this vast expenditure of money.

The Truman administration has made a great play of its opposition to discrimination, through its civil-rights proposal and similar measures.

But when it comes down to brass tacks, it is a different matter. In the public housing issue it brushed aside the interests of those who may be denied access to the homes which are to be built with public funds, but who will be required to pay their share of the cost.

Economy in Government

EXTENSION OF REMARKS

OF

HON. WILLIAM S. HILL

OF COLORADO

IN THE HOUSE OF REPRESENTATIVES

Tuesday, July 5, 1949

Mr. HILL. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following statement by citizen's of Cortez, Colo.:

CHAMBER OF COMMERCE,
Cortez, Colo., June 17, 1949.

To the Congressional Delegation of the State of Colorado.

GENTLEMEN: We, the citizens of Cortez, Colo., are united in the belief that the current trend of our national economy is toward a more conservative program of production and marketing, and leading to a general lower income level.

Clearly evident to our merchants is the new reluctance on the part of our consumers to be separated from their money. Thus, many products that were nearly impossible to buy a few months ago are now collecting dust on the shelves of our stores. Money is becoming scarce, credit is tight, and collections are becoming more difficult.

We must again revive the almost-forgotten custom of "living within our means," and there is no better place to foster such a movement than in our Federal Government.

We therefore request that you, our Representatives, renew your efforts to practice economy of Government; to look critically on all proposals to spend the people's money; to give consideration to the findings and recommendations of the Hoover Commission; and to balance the budget.

Respectfully yours,

W. V. Dunlap, H. C. Veach, Mrs. J. S. Moss, I. B. Mullin, Jr., Clifford E. Parmley, M. D., O. E. Maxey, Marshall L. Quackenbush, K. F. Carmichael, Delbelt Norbrough, Helen Gafford, Hubert Gafford, Paul M. Posner, Joseph Piccone, Jr., Millie Eastin, Chester Maynes, Alvin E. Ayres, L. W. Hatfield, Elsa M. Griswold, F. H. Griswold, Charles D. Brown, D. F. Brown, C. C. Spotts, Walter E. Ertel, H. L. Bigly, N. E. Carpenter, H. W. Berquist, Harold Tanner, Jess McBee, George E. Dilts, Henry E. Wilson, Clarke M. McNeill, Edwin L. McKelvey, Louis B. Adkins, Frank J. Ghella, Jr.

The Praise of the People Goes to the Eightieth Congress

EXTENSION OF REMARKS

OF

HON. BEN F. JENSEN

OF IOWA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, July 5, 1949

Mr. JENSEN. Mr. Speaker, just to keep the records straight, here are a few facts about the Republican Eightieth Congress.

Taxes: The people were saved $4,800,000,000 by a tax-cut bill passed over three Presidential vetoes. Low-income groups gained greatest benefit.

Labor relations: Passed Taft-Hartley Labor-Management Relations Act over veto. It liberated workers, cut strikes, stabilized jobs, increased income to workers.

Un-American activities: Revealed Communist spy rings and exposed infiltration of Communists into Government positions with high authority.

National defense: Passed Unification of Armed Forces Act and greatly expanded the Air Forces, thus strengthening the Nation's defenses.

Home building: Freed the people of red tape, rules, regulations, and directives permitting private initiative to double home building in 2 years.

Aged and blind: Passed a bill over President's veto increasing payments for aged and blind and needy dependent children.

Agriculture: Extended full 90-percent parity price supports on basic farm crops to January 1, 1950.

Soil conservation: Appropriated more than $500,000,000 for soil-conservation practices on farm lands.

REA: Approved $800,000,000 for REA loans to provide electricity for nearly twice as many farms as any previous Congress.

Roads: Authorized and provided funds for 1948–49 farm-to-market road building program five times larger than any previous single year.

Veterans: Increased benefits for needy and disabled veterans, their widows and children, and dependents of deceased veterans.

Health: Provided Federal aid for research into causes and treatment of cancer, heart, and teeth diseases.

Bureaus: Reduced number of useless Government agencies, boards, bureaus, and commissions over strenuous Presidential objections.

Foreign affairs: Cooperated in every way to the fullest extent with our United Nations officials in their efforts to negotiate peace.

Foreign aid: Gave relief to numerous foreign nations to help them reestablish themselves and enable them to restrain Communist aggression.

Budget: Balanced the Federal Budget for the first time in 16 years.

National debt: Paid $7,000,000,000 on the national debt.

Hungry Horse—The Second Year of Construction Starts July 10

EXTENSION OF REMARKS

OF

HON. MIKE MANSFIELD

OF MONTANA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, July 5, 1949

Mr. MANSFIELD. Mr. Speaker, the Hungry Horse project in northwest Montana is the cornerstone of Montana's development. When this huge dam is completed and when the transmission lines from Hungry Horse to Hot Springs and Anaconda are built, we will be on the way to building Montana. This great dam—the world's fourth largest—and these transmission lines will mean security for Montana, new industries, more hope, and greater security for our people.

Hungry Horse power, Mr. Speaker, must be used in Montana to benefit our State. I do not believe that power developed in Montana should be used for the building up of other States, but should and must be used to give the people of Montana the benefits to which we are entitled.

Mr. Speaker, under unanimous consent, I am inserting at this point in my remarks a report on progress at the Hungry Horse just issued by the Bureau of Reclamation:

July 10 will mark the start of the second year of construction on the biggest dam building job now under way in the world—the Bureau of Reclamation's Hungry Horse project on the South Fork of the Flathead River in northwestern Montana.

Although the first anniversary of the beginning of construction falls on Sunday, hard-hatted construction workers will continue their 24-hour-a-day, 7-day-week pace as the General-Shea-Morrison Co., prime contractor for the 520-foot high dam and powerhouse, pushes excavation work and erection of plant facilities at top speed to take advantage of the short construction season.

Big job now underway at the site of the world's fourth largest and fifth highest concrete dam is excavation of rocks from the river channel in preparation for placement of the first concrete in the huge dam in September. Final diversion of the river through the 36-foot diameter, 1,180-foot-long diversion tunnel was accomplished late in June following the spring run-off, and the 1,000-foot section of river channel between the two cofferdams was pumped dry. Wagon-drill operators, jackhammermen, shovel operators, cat skinners, and truck drivers are turning the river bed into a seething cauldron of activity as they drill, blast, and gouge away the surface rock to lay bare the solid bedrock that will support the 6,000,000,000-pound dam and powerplant.

Excavation is also being pushed rapidly on the right abutment for the dam. Working on a subcontract under GSM, the Boyles Bros. Drilling Co., Salt Lake City, is using diamond drills in a new method of deep-hole drilling and shooting designed to speed operations and cut excavation costs.

Diamond drills also were used by the Boyles Bros. Co. to excavate the 35-foot-diameter spillway tunnel, major job completed at the project during the winter months. The

Hungry Horse spillway will be the highest "glory hole" type spillway in the world. Overflow water from the reservoir, cascading over the lip of the spillway, will drop a maximum of 490 feet, approximately the height of a 47-story building, on its swift journey under the dam back to the river channel 550 feet downstream from the powerhouse.

As the first year of construction nears its end, excavation crews have completed approximately 75 percent of the 1,000,000 cubic yards of earth and rock excavation required to prepare the foundations for the big multiple-purpose dam and power plant.

Simultaneously with the big push now under way on excavation work, General-Shea-Morrison is rushing completion of plant facilities required for mixing and placing the 3,000,000 cubic yards of concrete to be used in the dam and powerhouse. Nearing completion on the canyon wall approximately 300 feet above the river is the 10-sided, 139-foot-high concrete mixing plant and silos for storage of cement and pozzolan. Erection of the cableway system that will be used for placing concrete is moving ahead rapidly with the three tall towers on the right abutment essentially complete and erection of steel and installation of machinery for the 200-foot-high main head tower nearing completion. Stringing the four 2,500-foot-long, 3-inch-diameter main cables across the canyon will be started in July.

Construction also is progressing rapidly on the aggregate processing plant and on the belt-conveyor system that will transport sand and gravel from the screening plant to the mixing plant.

Upstream from the site of the dam a second army of workers is engaged in the gigantic task of clearing the 25,000 acres that will be flooded by the Hungry Horse Reservoir. Logging crews have started stripping more than 70,000,000 board feet of timber from the hillsides, and tie mills and resaw plants set up in the reservoir area are turning the timber into railroad ties and lumber. Clearing and road-construction crews are adding to activity in the reservoir area, with batteries of big Diesel tractors bulldozing snags, brush, and slashings into piles for burning, and constructing 31 miles of relocated Forest Service road.

The Bureau of Reclamation's Hungry Horse project is the largest and one of the most important water-conservation projects under construction by an agency of the Department of the Interior during this one hundredth year of conservation service by the Department. The big dam and power plant will harness part of Montana's vast potential of undeveloped water resources and put it to work for the benefit of Montana, the Northwest, and the Nation. Primary benefits will include generation of hydroelectric energy, flood control, and assistance to irrigation.

Preliminary studies indicate that low-cost power from Hungry Horse Dam will make economically feasible irrigation of 44,000 acres in Montana's rich Flathead Valley. The dam will provide power for irrigation pumping, and power revenues are expected to repay to the Federal Treasury that part of the cost of bringing water to the land which the farmers are unable to pay.

In addition to the 285,000 kilowatts of generating capacity to be installed at the project, Hungry Horse Dam will increase the firm-power capacity of existing and potential downstream plants by 811,000 kilowatts.

Flood-control benefits will be substantial and far reaching. In addition to helping eliminate floods in the Flathead Valley, the 3,500,000 acre-foot Hungry Horse Reservoir will reduce flood peaks by as much as 10 percent at Grand Coulee Dam and 5 percent as far downstream as Portland, Oreg.

Federal Communications Commission

EXTENSION OF REMARKS
OF
HON. FRANCIS E. WALTER
OF PENNSYLVANIA
IN THE HOUSE OF REPRESENTATIVES
Tuesday, July 5, 1949

Mr. WALTER. Mr. Speaker, a short time ago I stated on the floor of this House that a special inquiry should be made of the operations of the FCC under the Administrative Procedure Act, and since then I am informed that the acting chairman of the Commission has taken some steps to achieve better compliance with the intent and spirit of the act.

However, there is still a long way to go and a hard row to hoe through the mire of backlog that has been permitted to pile up subsequent to adoption of the Administrative Procedure Act.

In response to inquiries as to the reason for inaction or delay in acting upon matters pending before it, the Commission has made consistent and constant reference to an excessive workload and an inadequate staff to carry the load.

This, of course, is the perennial cry of the agencies and departments seeking additional appropriations to increase the bureaucracy rather than devising ways and means of efficiently and effectively disposing of the matters pending before them requiring official consideration and action.

The Communications Commission, after substantial and continued urging by radio applicants, licensees, legal practitioners, and Members of Congress, finally released last month rules and regulations to the handling of so-called initial and proposed decisions and providing for the more realistic separation of functions of independent examiners as contemplated by the Administrative Procedure Act.

In my prior speech before the House on May 10, I had specifically called attention to the inaction of the Commission in this particular matter, as well as in others, and indicated that, in connection with carrying out the provisions of the act, the Commission appeared to be deliberately procrastinating.

By this I did not mean the Commissioners themselves, but rather that this was premeditated at high staff level, although the ultimate responsibility is that of the Commissioners themselves.

Apparently, the Commission is now awakening and showing a greater awareness of its responsibility to the public, and reassuming the powers and authority given it by statute, which have until only recently been deemed the exclusive preserve of its legal department.

However, despite the fact that the promulgation of the revised rules and regulations to which I have just referred, has released for other work employees who were formerly engaged in preparation of so-called proposed decisions, it appears that the law department has discovered a new device for circumventing the provisions of the Administrative Procedure Act which require the transaction of business with reasonable dispatch.

This device is a "slow-down" process in acting on various matters, pleadings, motions, and so forth, calling for recommendation and action of the law department.

There are such matters which have been pending at the Commission many months, but parties are told that the work load is so heavy, the staff has been unable to get around to them.

I am sincerely in doubt as to the validity of the continued use of this same explanation because of other facts with which I am quite familiar. In fact I believe that there has been abuse of the explanation.

The Commission some months ago stopped processing television applications—this unquestionably reduced the normal work load of the staff very substantially; the number of FM applications and matters concerning FM have fallen off to a dribble, and I am sure cannot be so time-consuming as to constitute part of an undue work load; AM, or regular broadcasting applications, and motions or pleadings pertaining to them are substantially below normal, also tending to reduce the usual work load; yet the stock reply continues the same now as it was 6 months or more ago.

It is obvious to anyone concerned that the normal work load of the law department has been so substantially decreased in recent months that action could be taken within a reasonable time on these very important items requiring the law staff's recommendation.

I am inclined to believe that days are presumably being spent on matters which may and should require hours.

The TV freeze and reduction in FM and AM matters have resulted in a slowdown policy as a means of permitting a few top staff officials to retain a complete complement of lawyers so that they may exercise their bureaucratic prerogative to the fullest extent and even request further appropriations to enlarge their own authority.

In place of a slow-down I am convinced that there can be a definite speed-up on the staff level, which will result in action by the Commission more in conformity with the Administrative Procedure Act.

This will be part of the special inquiry which I propose to make of the Commission in the very near future.

Propaganda and Housing Legislation

EXTENSION OF REMARKS
OF
HON. RAY J. MADDEN
OF INDIANA
IN THE HOUSE OF REPRESENTATIVES
Tuesday, July 5, 1949

Mr. MADDEN. Mr. Speaker, every Member is familiar with the organized propaganda campaign of letters, telegrams, and so forth, against H. R. 4009,

the housing bill, recently passed by this body.

The following letter from Mrs. Wilma Young, route No. 2, Hobart, Ind., discloses some startling facts regarding the source of a great amount of the anti-housing bill propaganda:

HOBART, IND., *July 1, 1949.*

Hon. RAY J. MADDEN,
House of Representatives,
Washington, D. C.

DEAR SIR: I received your letter relative to the H. R. 4009 housing bill today. I wish to inform you that I know nothing of this bill and that I did not write or send that telegram.

It seems that a certain building concern of Chicago sent out word to send wires to you opposing the bill. My employer wrote the telegram and signed my name to it.

This is an example of public opinion that is not truly the public's opinion.

You were elected to be our representative in the House. I feel that if you think that bill would better the living conditions of our Nation then by all means vote for it and disregard the wires you get opposing it. It's the builders and contractors that don't want it.

Sincerely yours,
MRS. WILMA YOUNG.

Brannan Agriculture Program

EXTENSION OF REMARKS
OF
HON. KARL M. LeCOMPTE
OF IOWA
IN THE HOUSE OF REPRESENTATIVES
Tuesday, July 5, 1949

Mr. LECOMPTE. Mr. Speaker, recently, Mr. John C. Benson became editor and publisher of the Prairie City (Iowa) News and for one of the early editions of the paper under his management he wrote an exceptionally well-thought-out editorial analyzing the reaction of Iowa farmers to the Brannan agriculture program presented at the recent Democratic meeting in Des Moines.

Mr. Benson understands the Iowa farmer and is not concerned that he will swallow the plan without looking into it carefully and first ascertaining whether it is another socialistic scheme to be foisted on the American people in the ruse of a guaranteed farm income.

Mr. Benson issues a timely warning against forsaking the parity plan for a visionary, untried scheme that he believes is one step further on the road to state socialism.

Under leave to extend my remarks in the CONGRESSIONAL RECORD, I include Mr. Benson's editorial:

THE WAY IT LOOKS TO ME

How many farmers fell for the Brannan program outlined at the Democratic meeting in Des Moines is problematical. Not very many, we would guess, because Iowa farmers are thinking farmers.

We suspect it will be quite a while before anybody finds many of them who don't understand that when a government rides off in two opposite directions (high prices to the man who sells and low prices to the man who buys) at the same time, something is likely to go "bang" sooner or later, and a lot of people are likely to get hurt by the concussion.

No doubt that they would enjoy guaranteed minimum prices, but Iowa farmers realize that it's just "part of the game" to ride the economy level along with the rest of us, and that they are men enough to see that if the Government guarantees a farmer's prices, it will soon have to be supporting the prices for the butcher, the baker, and the candlestick maker.

If adopted, this Brannan plan would constitute a step, and a large one at that, toward a State-controlled socialistic economy—the very thing that has England by the throat, and that makes all private enterprise in Russia a nonentity.

Many dirt farmers came to find out how expensive this dream of a guaranteed farm prosperity might be. They wondered about the estimates which range from $5,000,000,000 upward to $15,000,000,000. They wanted to ask how such costs could be justified when the total farm income in normal years probably would reach only 10 to 13 million dollars. But only silence came from the brass on the platform.

A sure way to ruin the whole tried and tested parity plan is to adopt this Brannan visionary and impractical plan—because it soon would turn the American people against both the Government and the farmers.

Minding Your Own Business

EXTENSION OF REMARKS
OF
HON. ROBERT F. RICH
OF PENNSYLVANIA
IN THE HOUSE OF REPRESENTATIVES
Tuesday, July 5, 1949

Mr. RICH. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following article by Joseph D. Henderson, national managing director, American Association of Small Business, New Orleans, La.:

MINDING YOUR OWN BUSINESS

(By Joseph D. Henderson, national managing director, American Association of Small Business, New Orleans, La.)

"Mene, mene, tekel, upharsin!"

The great King Belshazzar was astounded. A hand, minus a body, had just written these words on the wall of his great dining hall, and poor old Belshazzar didn't known what they meant.

It's true that Belshazzar's brain was a bit foggy. He had just polished off more than a few short beers. But even at that, the language was strange.

The words also astounded the crowd of revelers present that night in 539 B. C. They had assembled to pay homage to their magnificent ruler. The soldiers, as well as the girls on their knee, remained silent. What could the strange words mean, and whence had they come?

Daniel, the young Hebrew prophet, was dragged from his less than warm bed in the city clink to the presence of the great Chaldean general. "Tell me, O Daniel," said Belshazzar eagerly, "What means those words on the wall?"

"Belshazzar, your days are numbered. Your kingdom is at an end. Today you have wine, women, and song. Tomorrow, if not death, you'll have bread and water and a trial before the war-crimes court." This was the somber reply.

Yep, sure as the nose on his ugly face, Belshazzar died the next day. Cyrus and Darius, of the strong Persian Army, had no trouble whipping the soft Chaldeans.

It's an old story. Rome caught it in the neck, too, when the Vandals under Gaiseric, stormed into the city in A. D. 455. Once a powerful nation relaxes it gets caught with its swords down.

"Mene, mene, tekel, upharsin!" Let's face it today. What has happened to America, the land of opportunity? Our lives are similar to those led in Rome and in Chaldea. We live for security, wine, money, women, laziness, apathy, and song. As in Rome we have turned over the ruling power to the hands of a few. We have built up a great bureaucracy so that we won't be bothered with thinking. All we have to do is pay taxes and the Government will function automatically.

Sure it will. It will function right into the hands of the conquering Persians, Vandals, or what have you. Wake up, America. Take an active part in your Government, or your days will be numbered.

Your Government is your business. Mind your own business first.

Resolution Memorializing Greenfield, Ohio, Sesquicentennial

EXTENSION OF REMARKS
OF
HON. JAMES G. POLK
OF OHIO
IN THE HOUSE OF REPRESENTATIVES
Tuesday, July 5, 1949

Mr. POLK. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following resolution:

Whereas the citizens of the village of Greenfield, Ohio, on September 2, 3, 4, and 5, 1949, will observe the sesquicentennial of the town's founding in 1799 by Duncan McArthur; and

Whereas Duncan McArthur subsequently added great luster to his name as one of the outstanding personages in the opening of the Northwest Territory, by serving his country as a major general of militia in the War of 1812, and by serving his State as a member of the Ohio Legislature and as Governor of Ohio, and by being elected to the United States House of Representatives although unable to fulfill that commission because of ill health; and

Whereas the village of Greenfield stands today as a splendid midwestern American small city, an outstanding example of the happy uniting of industry, commerce, and agriculture, and personifies the highest American standards of civil development and cultural progress; and

Whereas the citizens of Greenfield are joining together to observe this one hundred and fiftieth anniversary and to pay tribute to the memory of their pioneer forebears who, by their courage and perseverance overcome almost insurmountable hardships and obstacles in extending the frontier, and who by their love of freedom and equality helped establish this great Nation; and

Whereas during this sesquicentennial celebration the citizens of Greenfield will take account of today's blessings stemming from the creation of this great Nation and its adherence down through the years to the glorious ideals promulgated by the founding fathers: Therefore be it

Resolved by the United States House of Representatives in formal session assembled on this 5th day of July, in the year of our Lord 1949, That the House of Representatives memorializes the village of Greenfield and her citizens on this sesquicentennial, and extends sincere good wishes for the success of their celebration; be it further

Resolved, That these resolutions be spread upon the CONGRESSIONAL RECORD of the Congress of the United States, as of this date.

The Tidelands and Oil

EXTENSION OF REMARKS
OF

HON. WINGATE H. LUCAS

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Friday, July 1, 1949

Mr. LUCAS. Mr. Speaker, Mr. Robert E. Hardwicke, of Fort Worth, Tex., a leading member of the Texas bar, and an eminent authority on oil and gas law, has written an article on the subject of tidelands oil which was published in the June issue of Atlantic Monthly. Mr. Hardwicke was associate counsel and later chief counsel for the Petroleum Administrator for War. Because his paper, entitled "The Tidelands and Oil," contains such valuable information on this subject, I ask that it be printed in the Appendix of the RECORD for the benefit of my fellow Members of the House.

THE TIDELANDS AND OIL

(By Robert E. Hardwicke)

I

A new frontier, one-tenth the size of the United States, and rich in petroleum and other natural resources, extends seaward from our shores. This frontier, often called the tidelands, is that part of the Continental Shelf covered by the comparatively shallow waters of the Gulf of Mexico and the Atlantic and Pacific Oceans.

The ownership of this belt of submerged lands and the right to take its resources are now in dispute. The protagonists are the Federal Government on one side, and a large majority of the States on the other. That it will be a bitter contest seems inevitable—a contest involving difficult questions of law and troublesome questions of policy.

Our present economy and our future safety depend heavily on petroleum. If we are to be prepared against sudden attack, we must have adequate petroleum supplies in this country, and we should not rely on foreign sources. It is not enough to know that, with time and unlimited money, large new deposits could be found inland, and also outward under the seas. There may be billions of barrels of oil in the Continental Shelf, but that oil will be of little use until it has been discovered, developed, and made available in adequate quantities at the right place and time.

It takes more than courage and hard work to get crude oil on short notice out from under the seas, and its refined products into the possession of the armed forces. Skill can be commandered by the Government, organization can be achieved, money can be had, costs can be ignored in an emergency; but you can't buy time.

The story of the search for oil deep under the seas is interesting enough to justify the telling, even if it were not enlivened by the quarrel over who owns it or who should control its development. The outcome of this quarrel will inevitably affect all the States and may even change materially our dual system of Government.

Our Continental Shelf, in area about 290,000 squares miles (Alaskan portions excluded), extends to the line where the gradual seaward slope of the continent steepens rapidly into the abysmal oceanic basis. The line marking the 100-fathom depth (600 feet) is ordinarily considered the edge of the shelf. Its width varies from about 5 miles on parts of our western coast to some 140 miles at the Texas-Louisiana line, and more than 175 miles off the New England and Florida shores. The approximate areas of the portions of the shelf bordering the different coasts also vary materially: the Pacific coast, 18,500 square miles; the Atlantic coast, 127,000 square miles; and the Gulf of Mexico, as much as 144,000 squares miles.

The shelf itself as distinguished from the waters above it, contains many valuable resources, such as oysters, clams, shells, kelp, sponges, and sand, as well as salt, sulphur, oil, gas, and other minerals. Already large deposits of oil and gas have been discovered off the shores of California, Louisiana, and Texas, and it is with these resources and the Gulf Coast area that we are now primarily concerned.

Petroleum was first discovered in the shelf in 1894 when a well was drilled from a platform over shallow waters off the coast of California. The search for underwater deposits in that area was further stimulated in 1927 by the discovery that the drilling bit, instead of going almost straight down, would drift so that a well started on or near the shore might slant seaward and penetrate the producing zone at a point beneath deep water a considerable distance from shore. By 1935, California operators had perfected methods of controlling the drift or of conducting directional drilling; consequently, a well could be started on shore and be bottomed with astounding accuracy close to a predetermined point under water a considerable distance from the starting point.

The present and potential value of the petroleum deposits in the shelf which can be produced at reasonable profit may be very great. Despite the difficulties encountered in development of the Pacific shelf, where deep water is close to shore, the total production of four fields producing from the California shelf up to January, 1949, has amounted to about 152,000,000 barrels of oil, worth about $2.50 a barrel at present prices. The future production from those four fields was recently estimated at about 168,000,000 barrels. Great quantities of valuable gas are also produced along with the oil.

Although production in the Gulf of Mexico far off shore has hardly begun, it is very probable that much oil will be found. Already 11 separate fields have been discovered off the Louisiana shore, and 3 off the Texas coast. In the 31½-mile strip (27 nautical miles being the seaward boundary of Louisiana and Texas as declared by statutes of those States in 1938 and 1941) there are about 16,000,000 acres claimed by Louisiana, of which some 12 percent are under lease, and about 19,000,000 acres claimed by Texas, with approximately 2 percent under lease. The seaward boundary of Texas was further extended by statute in 1945 to the outer edge of the shelf. Whether a State can extend its boundary without the consent of the Congress is a question beyond the scope of this article and will not be discussed.

Estimates of oil reserves (oil recoverable at reasonable profit) in the 31½-mile strip along the Louisiana and Texas shores range from 4,000,000,000 to 10,000,000,000 barrels. These estimates are not based on fanciful speculation or unreasonable assumptions. In comparison, the total 1948 production of crude oil in the United States was little more than 2,000,000,000 barrels, and the total proved oil reserves (probable recovery from deposits already discovered) were estimated at less than 24,000,000,000 barrels—a figure which of course does not include the tidelands.

The stakes are high, and so is the ante, yet a few operators are taking the gamble and risking millions. They have leased from the States enormous areas of the shelf in the Gulf and lower Atlantic. The approximate areas leased and the approximate bonuses (cash payments for the purchase of leases) paid to the States since 1944 are as follows: Florida—$29,000 for 6,500,000 acres; Mississippi—$111,000 for 800,000 acres; Louisiana—$26,500,000 for 2,541,604 acres; Texas—$7,300,000 for 370,000 acres; a total of $33,940,000. In addition to the bonuses, operators have paid to the States large amounts in annual rentals (payments made to keep a lease in force until drilling is commenced), and are obligated to pay royalties (usually one-eighth) on oil and gas produced and saved. No areas off Mississippi and Alabama are currently covered by leases. At the present time, the Louisiana and Texas coasts offer the best opportunities for successful development, and most of the activity is in that section.

II

With the purchase of the leases, an operator's troubles begin. Assuming that he has leased an area located some 20 miles from shore and under 40 feet of water, he must first locate the tract accurately, and then find some practical way to keep it readily identified. Obviously, the ordinary methods of marking boundary lines (stakes, pipes, trees, and rocks, with bearings on nearby objects) cannot be used. Triangulation and shoran (a specialized type of radar) are used and positions are described by latitude and longitude. In a very real sense, a tract is often tied to the stars.

Having located the area, the operator must then decide whether the earth formations are such that, at reasonable depth, oil and gas in large quantities might be trapped. More than a hunch or an intelligent guess is required to justify the expense of drilling even one well in deep water.

Usually the operator will drill if he has an indication of a "high" or a domal arrangement of the strata far beneath the ocean floor. Along the Gulf mainland, many subsurface highs have been located which were formed by movement of bodies of salt. Such domes are found by geophysical methods. During geologic time, great salt beds accumulated in the region of the present Gulf coastline of Louisiana and eastern Texas, and were eventually covered by many layers of sedimentary material which finally became rock. The weight of the sediment, combined with other causes, such as folding and faulting, forced the salt masses to move or flow, following the lines of least resistance, usually upward. The effect locally was about the same as if a gigantic plug of salt, shaped something like a bullet with a diameter up to 5 miles, had been pushed by tremendous hydraulic pressure upward against the covering strata of rock, bending some of them into domal shapes, and sometimes actually breaking through several layers. The resulting shapes of some of the layers of rock, called structures, were favorable for the accumulation of oil and gas.

The task of collecting and interpreting accurately the geophysical data, and of correlating them with a great mass of other data concerning subsurface conditions in the area, requires the skill of geologists, geophysicists, paleontologists, and other specialists.

Having found what appears to be a favorable structure, the operator who elects to drill must then overcome innumerable difficulties not encountered on dry-land operations. Offices, camps, supply depots, repair shops, and giant cranes or other lifting devices must be established on shore and be duplicated in part at the well site, and many forms of expensive water transportation are required.

A real challenge to ingenuity comes with preparation for drilling operations. Here, 20 miles from shore, is our assumed location for the well in 40 feet of water. Safe and comfortable living quarters must be devised for the men, and adequate space must be provided for great quantities of heavy machinery and materials. The discomforts and dangers of burning sun, cold winds, fogs, ocean currents, and waterspouts (a species of tornado) must be met; also, the frequent danger from sudden line squalls which, though of short duration, have wind velocities up to 75 miles

an hour. Finally, adequate protection must be provided against hurricanes, common in the Gulf, frequently with winds of over 100 miles an hour and with 30-foot waves. In spite of all these and other difficulties, the operator hopes to carry on operations around the clock, without costly delays for lack of men or materials.

Operators have met the physical challenge in a variety of ways, showing a versatility characteristic of our competitive system. One operator constructed a giant, double-decked structure on 100 piles driven from 150 to 200 feet into the Gulf floor, capable of sustaining a load of 10,000,000 pounds.

A more common arrangement makes use of a smaller platform for the derrick and drilling equipment, supplemented by a barge, usually a converted LST, securely anchored and moored to serve as a floating warehouse, repair shop, and houseboat. When a well is finished, either as a dry hole or producer, the barge can be readily moved to another location.

One operator is now building a huge double-decked structure especially designed so that it may be easily dismantled and moved from one location to another.

From most of the structures in the deep waters of the Gulf, several wells can be drilled to test a relatively large area. This can be done by directional drilling so that the bottoms of the wells are widely separated though the wells are started in a cluster on the platform. Already drilling operations are being conducted in approximately 60 feet of water in the open Gulf, and operators claim that before long they will drill in water 100 feet deep. Wells have been drilled in Lake Maracaibo, Venezuela, in water that deep, but there the waters are quiet and the difficulties not so great as in the open Gulf.

III

The operators have taken great care to make the men comfortable, to protect their health, and to provide for their safety, both ashore and in the Gulf. Under one typical arrangement, the men stay 20 days at the well, then go ashore for 10 days. At the drilling sites, pure water is obtained by distillation. Operators do not use gasoline in any boat or at any location, such as a drilling platform, where it would be dangerous to do so. Radar and radio telephones are standard equipment, and are put to many uses. Special studies have been made of currents, winds, and wave action in the Gulf, and operators are cooperating with the United States Weather Bureau in securing information as to the weather, especially adequate advance information of line squalls and hurricanes. The science of oceanography is being extended, under conditions existing in the Gulf, with new experts in that field being developed by the oil companies.

The problem of keeping the seas out of a well is relatively simple. A string of pipe of large diameter (20 inches or more) is lowered from the drilling platform to the bed of the sea and then driven at least 100 feet into the ground. The upper end extends to the platform, the lower end is considerably below the bed of the sea; consequently, the sea is effectively cased off, though the pipe is full of sea water. The drilling bit, attached to a string of drill pipe, is then lowered through the water-filled pipe. The weight of the equipment may carry the bit through many feet of mud and silt.

Actual drilling begins by rotating the drill pipe, thereby rotating the drilling bit so that it will penetrate the sea bed, cutting or breaking up the rock and other material at the bottom of the hole. During drilling operations a fluid, usually called mud (water, mud, and other substances carefully selected and mixed to proper weight and consistency), is continuously pumped under considerable pressure down the hollow drill pipe, through openings in the bit to the bottom of the hole where the fluid mixes with and collects the cuttings and carries them to the surface. The sea water originally in the pipe is soon displaced or pushed out.

Should oil or gas in quantity be discovered far from shore in deep water, unusual problems of production, storage, and transportation are presented, far different from those encountered in operations on dry land. All activities in the Gulf present bewildering problems of marine transportation, especially in the frequent periods of fog and high winds. Many types of vessels are used, such as speedboats, launches, tugs, barges, shrimp trawlers, luggers, cargo carriers, houseboats, yachts, and others, some of which are queer hybrids. These are also converted naval craft—subchasers, air-rescue boats, Navy YF barges, LST's, LSM's, LCI's, and LCT's—carrying on strange activities for warcraft.

The public records show that 28 companies own leases or an interest in leases covered by the coastal waters of Louisiana and Texas. Among this group, 14 of the 20 largest companies own leases directly or through subsidiaries. About half of the owners are individuals or smaller companies. Few operators have been willing to take the financial, legal, and political risks that are inherent at present in operations in the Gulf of Mexico.

The cost of carrying on deep-water operations is very great. Seismograph crews cost more than $1,000 a day; drilling costs average about $3,000 to $4,000 a day; complete drilling platforms for deep water vary in cost from $200,000 to $2,000,000. Aside from the cost of the platform, the expense of drilling a well in deep water to 14,000 feet is estimated to be about $500,000. One company had spent a total of $18,000,000 on Gulf leases, exploration, equipment, and operations up to January 1, 1949, with only two fields to show for it.

The amount spent in gulf operations by all companies since the middle of 1945 has been estimated at more than $100,000,000. To offset this, the cumulative production of oil to date from wells in the gulf, excluding the Creole Field, which was discovered close to the Louisiana shore in 1938, is about 130,000 barrels of a value not exceeding $300,000. The companies are, therefore, some $100,000,000 in the red and are still spending millions. At least 16 dry holes had been drilled off the Louisiana coast, and nine off the Texas coast, up to January 1, 1949.

IV

In addition to physical, financial, and economic problems, operators are also faced with the claim by the United States that their lessors, the States, had no title to the land leased and no right to control the development of the resources.

The California Legislature, assuming that the State owned the seaward area out to its western boundary line (3 English or statute miles from shore), provided in 1921 for its development under State leases. Several oil fields were discovered within a few years, so that the value of the petroleum resources of the strip was evident by 1937. That was the year when Gerald P. Nye, United States Senator, questioned the title of California and other littoral States to the offshore strip, and tried unsuccessfully to persuade the Congress to declare that the strip was part of the Federal public domain. Indeed, the Congress even refused to direct the Attorney General to file suit to determine the question of title. Similar resolutions were introduced in several succeeding sessions of the Congress, but all failed to pass.

Unquestionably, there were many decisions by the Supreme Court of the United States, and there were other legal and historical precedents, which apparently established title in California and other littoral States to a line at least 3 statute miles from shore. Officials of the United States, including Harold L. Ickes, as Secretary of the Interior, had, before 1937, formally declared that the individual States, not the United States, had title to the strip and the right to grant permits for the development of oil and gas. Mr. Ickes, in 1937, took the position that, since the title of the States to the strip had been questioned, the issue should be settled in the courts. He testified before a joint committee of the Congress in March 1948 that it was President Roosevelt who had raised the question of title in 1937, and he (Ickes) and the Secretary of the Navy had promptly urged the Attorney General to file suit. No suit was filed until 1945, though President Roosevelt, himself, had suggested it in 1937, and through various Cabinet officers and others in high places urged the Attorney General to commence legal proceedings to determine whether the United States had title to the submerged areas.

During the period 1937 to 1945, offshore development continued in California. Its beginning in the Gulf of Mexico was in 1938, when oil was discovered in a well drilled in relatively shallow water about a mile from the Louisiana shore in what is known as the Creole Field. The second field, Rabbit Island, was discovered in 1942 some 7 miles out in the Gulf close to Rabbit Island. Some operators do not consider these fields to be in the Gulf, but in any event the production proved that fields would be found in open water; so large areas were leased in August 1945, from Louisiana, and plans were made to start extensive operations. Because of World War II, new operations in the Gulf were virtually impossible during the period 1941 to 1945, but operations began on a large scale after the war, as soon as materials were available.

All this development took place under State leases. Beyond doubt, the States and oil operators had reason to be confident that the Supreme Court of the United States would hold against the United States in the suit brought against California. This the Court did not do.

By a 6 to 2 decision announced June 23, 1947, the Court declared, in an opinion by Mr. Justice Black, that California did not own the belt extending three English miles (3 x 5,280 feet) off her coast, but that the United States, because it had to protect the country and conduct our foreign relations, had paramount rights in and power over the area, an incident to which was full dominion over its resources, including oil. The opinion of the majority admits that prior decisions of the Court justified the belief that the "States not only owned tidelands and soil under navigable inland waters, but also owned soils under all navigable waters within their territorial jurisdiction, whether inland or not." In spite of these prior decisions, the Court held that California did not own the strip, but the Court refused to declare that the United States was the owner. Justices Frankfurter and Reed dissented. Mr. Justice Jackson took no part in the decision.

V

The implications of the decision are alarming and go far beyond the clouding of titles of States to offshore areas and to the beds of navigable streams and inland waters. The reasoning may logically be extended to inland waters and areas and to the resources of the uplands. Most of the States are joining the littoral States in fighting extension of Federal control by such a doctrine, and are urging the passage of legislation which will restore the status which was thought to exist prior to the decision in the California case, or give paramount rights to the States.

Nevertheless, Attorney General Clark has asked leave of the Supreme Court to file suits against Louisiana and Texas, announcing that the decision in the California case is a conclusive answer to the claims of those two States. According to the Attorney General, it is wholly immaterial that Texas, as a

recognized independent nation for about 10 years (1836–1845), came into the Union under a formal agreement with the United States that Texas would retain all the vacant and unappropriated public lands lying within its limits, and would cede to the United States only edifices, forts, barracks, fortifications, navy yards, and other means pertaining to the public defense."

At that time (1845) and on subsequent occasions the United States recognized the southern boundary of Texas as extending to a line 3 leagues (10.5 statute miles) from shore. Yet now the Attorney General of the United States seeks to file suit to obtain a decree by the Supreme Court declaring that the United States, not Texas, has title to the belt and the right to control the development of its mineral resources. One State official was so disturbed by the action of the Attorney General that he suggested secession and the return of Texas to its status as an independent nation.

Since the decision in the California case, various bills have been introduced in the Congress which would release to the States any claim of the United States to the beds of navigable rivers and inland waters, and would release to each littoral State all claims of the United States to the beds of the seas to a line three nautical miles (3 x 6080.20 feet) from shore, or to a line representing the seaward boundary recognized by the United States, is farther than 3 miles from shore. A similar bill quitclaiming the seaward areas was passed by the Congress in 1946, while the California case was pending, but was vetoed by President Truman in the closing days of the session. Several bills of that nature are now pending.

The Council of Governors, the Council of State Governments, and the National Association of Attorneys General, in accordance with resolutions passed by almost unanimous votes of the representatives of those organizations, have actively supported quitclaim legislation, and have expressed great concern over the extension of Federal power and control over State and private resources which is implicit in the language and holding of the California case. These organizations have also vigorously opposed bills which would undertake to place the resources of the shelf under the control of an agency or department of the Federal Government.

The value of the resources of the shelf may be very great, and undoubtedly there will be sensational appeals to greed and prejudice. Already the cry has been heard that the big oil companies, by favoring State ownership and control, are trying to grab the vast and wealthy Federal domain represented by the tidelands, and that this steal should be prevented.

It must be emphasized that the littoral States for more than 150 years have exercised power and control over the resources of the tidelands, and for years have leased areas of the shelf for oil development. No adverse claim of title or superior right was made by any official in behalf of the United States before 1937, and even that claim was generally thought to be unsound, really fanciful, until the Supreme Court announced its decision in the California case in 1947.

The States and their lessees must have rights and equities which, as between private litigants, would be tantamount to title; otherwise the administration would not have sponsored bills providing that a person holding a lease issued by a State before June 23, 1947, or even at a later date, could, under certain conditions and upon the recommendation of a board, exchange it for a Federal lease containing in many respects the same terms as the State lease. The bills also provide that neither the States nor the operators shall be liable to the United States in damages on account of oil or gas produced before June 23, 1947. One of the bills would allocate to the States a part of the royalty received by the Federal Government from production. Clear it is that the States, not the oil operators, are the ones faced with the greatest lost, and are the real opponents of the Federal Government in this controversy.

Why should the sinister label of "land grab" be used to describe the efforts of the States (even though they may be aided by their lessees) to induce the Congress to pass a bill which would settle questions of title or control in favor of the States—thereby establishing rights which were recognized as theirs until June 23, 1947? Indeed, if the term "land grab" is to be used, there is some justification for saying that the United States has made the grab.

Federal control has not been urged as a method for getting the Government into the oil business. Neither has Federal control been advocated because the States might not enforce adequate conservation measures. Nor has Federal control been proposed as a means of getting a new or better group of operators than those who hold or could acquire leases from the States. No claim has been made by the advocates of Federal control that petroleum supplies were lacking during our two world wars because the Federal Government did not have control of oil development onshore or offshore. This brings the discussion to what might be expected if an agency of the Federal Government should be authorized to grant leases and control offshore operations.

It has been argued that the laws and their administration pertaining to the development of the Federal domain for oil and gas for a period of 25 years (1921–49) indicate what is likely to happen if the Federal-control bill becomes law. It has been said that the Teapot Dome scandal is proof that Federal officials are not always honest, although there was no intention to say that Federal control of the development of the shelf would probably result in a similar scandal. It can be said, however, that the laws and administration of the public domain have often been publicly described as most unsatisfactory in comparison with State laws and administration.

The Mineral Leasing Act was the cause of many complaints by operators, but this the Congress finally recognized by long-delayed revision of the statutes in 1946 for the declared purpose of stimulating production on the public domain. The Department of the Interior, administrative agency under the act, has improved many of its regulations, forms, and practices to encourage development and meet objections, so that complaints as to administration of the Mineral Leasing Act have materially decreased; however, some justifiable grounds for dissatisfaction still remain.

The history of the administration of the Mineral Leasing Act indicates that inefficiency is inherent in an arrangement which places control of great faraway areas and activities in a Federal agency in Washington, subject as it is to inevitable frustrations and restrictions which can be blamed only in part upon inadequate appropriations. Perhaps much of the blame rests upon civil-service laws and the volumes of regulations and rulings which govern the employment, transfer, promotion, discipline, and discharge of employees, and to a considerable extent govern the rates of pay—giving little discretion in those matters to the officials of the agency. The situation is quite different from that prevailing in industry and in most State agencies.

Regardless of the ability of top-rank Federal officials, no way seems to have been found to avoid a complicated routine or red tape with little flexibility, often affecting judgment and always slowing the processing of papers and the announcement of final decisions, even minor ones, to such an extent that planning by operators is made most difficult. The delays and uncertainties have been maddening. Moreover, Federal laws, leases, and regulations still impose upon operators obligations which are generally considered by them to be unnecessary and to confer powers upon the Secretary of the Interior which authorize arbitrary action with respect to important operations.

This much is certain: Development of the public domain for oil and gas has not been comparable to the development of private lands or the public lands belonging to States. There is no indication that Federal laws and administration with respect to the reserves of the shelf will follow a different pattern, much less a better one. On the contrary, the bills sponsored by the Administration are unusually restrictive and harsh. For instance, they would require each lease to provide that the Secretary could control the rate of development and the amount produced as he thought advisable "in the interest of national defense or the public welfare." Each lessee would be required to agree that the Secretary, during war or national emergency declared by the Congress or by the President, could suspend operations under a lease, or even cancel the lease, in which latter event the Government would be obligated to pay the lessee "an amount determined in accordance with regulations promulgated by the Secretary which incorporate guiding equitable principles." These are amazing provisions.

It may be said that the operators would be authorized by the administration bills to supply capital, materials, and men, and take all the risks, while many of the usual functions of management would rest in the Secretary of the Interior. He would also have the power to cancel the lease and pay damages in accordance with his own ideas of values and fairness. Provisions of that nature would not be likely to stimulate leasing or development.

This country needs oil and gas in great quantities. Logically operators should be induced in every reasonable way to develop without delay the petroleum resources of the shelf. Federal control is bound to be a deterrent of great magnitude. Under State control the operators have a brilliant record of achievement, overcoming the impossible almost every day. A prompt disposal of the controversy by the Congress in favor of the States will undoubtedly cause an increase in development activities, and will also avoid the strain and bad feeling which are inevitable if the issues are to be settled by further litigation and by bitter contests in the Congress.

Grasshopper Damage in the West

EXTENSION OF REMARKS

OF

HON. USHER L. BURDICK

OF NORTH DAKOTA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, July 5, 1949

Mr. BURDICK. Mr. Speaker, the grasshoppers are on the rampage again in Wyoming and Montana and are spreading eastward. The Bureau of Ethomology are aware of the scourge and with extra financial help now, it is possible to prevent an old-time sweep of this scourge across the entire West. I add here a letter just received from the Northwest grasshopper committee under date of June 30:

NORTHWEST GRASSHOPPER AND OTHER INSECT CONTROL CONFERENCE,
Minneapolis, Minn., June 30, 1949.

Hon. USHER L. BURDICK,
House of Representatives,
Washington, D. C.

DEAR REPRESENTATIVE BURDICK: Grasshoppers are causing severe damage to range lands in northeastern Wyoming and the adjoining

area in Montana. Grasshopper population average 35 per square yard on a million acres. The State of Wyoming has supplemented Federal funds with $380,000 and the State of Montana has supplied $100,000. Ranchers in the severely infested areas have supplemented their funds at the rate of 10 cents per acre to assist in defraying the cost of grasshopper control.

The Bureau of Entomology and Quarantine has 28 airplanes under contract in this area, which are spreading bait in the heavily infested areas. Ranchers in a single county in Wyoming raised $40,000 and requested similar service which the Bureau and the State were unable to match because of insufficient funds. Ranchers in other counties outside the more heavily infested areas are contributing accordingly. They are now mixing 500 tons of dry bait per day for use in this area, a part of which is used by the outlying farmers who are spreading their own bait.

The Bureau of Entomology and Quarantine is requesting emergency funds of $3,500,000 to complete the 1949 program. This item will probably be included in the third deficiency bill.

The cost of bait has been materially reduced by the use of toxaphene and chlordane. The present estimated over-all cost of the materials, mixing and applications is 50 cents per acre.

The Great Plains area has received limited rainfall this year. Sections of Wyoming, Montana, and the Dakotas have been droughty. These conditions are conducive to increases in the grasshopper population such as is now prevalent in the area mentioned above. If dry seasons continue, grasshopper outbreaks could be as severe as those of the 1930's. The Northwest grasshopper and other insipient insect committee urge your support of sufficient funds for the emergency grasshopper-control work. Proper control in 1949 can well prevent severe losses in future years.

Very truly yours,

HENRY O. PUTNAM,
Secretary.

Agricultural Problems

EXTENSION OF REMARKS
OF

HON. CLIFFORD R. HOPE

OF KANSAS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, July 5, 1949

Mr. HOPE. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following address on agricultural problems recently delivered by Mr. Walter C. Berger, president of the American Feed Manufacturers Association:

In discussing with you today our agricultural problems, I think it is imperative to first review briefly the need for a long-range agricultural program in this country. The agricultural economy is so basic to the national economy that we must be very conscious of the need of an agricultural program which will stabilize our agricultural economy. The right kind of an agricultural program cannot keep us from an over-all general national recession, but it certainly can be a safeguard which can keep us from going into a tail-spin depression.

Those of us who are working so closely with agriculture need only to recall what a drastic repercussion price levels on agricultural commodities in 1932 had upon the entire Nation. This Nation cannot stand a recurrence of $3 hogs, $4 cattle, 5-cent eggs, $1.25 milk, 10-cent corn and 20-cent wheat. Today our Government has an indebtedness of $250,000,000,000. A good deal of this the Government owes to you and me in the form of Government bonds. We may not own all of them individually, but they back up such things as our life insurance, our fire, liability and accident insurance, and the deposits in our banks. So, we are all involved directly or indirectly in this great problem. The soundness of our agricultural economy is so basic that we must come to the realization that some sort of reasonable, practicable, sound agricultural price or income assurance is needed. This will require the best brains this country has available to develop the right kind of program. This will require the elimination of selfishness, greed and politics if the right kind of program is developed.

One of the biggest problems we are faced with in developing such a program is that the American public is badly spoiled. We all want too much for nothing, expecting the other fellow to pay the bill.

In the Agricultural Act of 1938 we had a price support in effect, which supported the major agricultural commodities on a 50 to 72 percent of the 1910–14 parity basis, either in the form of loans or purchase agreements. However, during the war, in order to encourage production to the greatest possible extent, Congress assured the farmers that they would be protected with a 90 percent guaranty on the price of the major agricultural commodities for the duration of the war and for 2 years after the war ended. Congress and the Government have lived up to this agreement.

Today we have a law which places your price-support programs on a sliding scale basis from 60 to 90 percent. The law becomes effective January 1, 1950, and will apply to the 1950 crop of the major farm grains. On the crops for this year, the 1949 crops, your present 90 percent support price is in force. During the first 2 years after the war approximately $5,000,000,000 a year were spent on relief programs for the liberated areas and for the occupied territories. In the past year you had your ECA program, which has cost approximately $5,500,000,000. It must be remembered that in these first 2 years, 70 to 75 percent of the money which was provided for relief programs was spent on agricultural products. In the past year approximately 45 percent of the ECA procurements were spent on agricultural commodities here in the United States. Just to mention one item as an illustration—the support of grains—in the past year over 600,000,000 bushels, most of which was wheat and some feed grains, were exported under the ECA program. So, indirectly, you as a taxpayer have been spending in the neighborhood of two and one-half to three and one-half billion dollars yearly on an agricultural price-support program for the past 3 years. This, to date, has been the salvation of the 90 percent agricultural price-support program.

We have one item which has been under the 90 percent price-support program which causes us to realize some of the problems which can come about with too high a price-support policy on perishable commodities. The price-support program on potatoes, which has cost the taxpayers somewhere in the neighborhood of $200,000,000 in the past year, has caused millions of bushels of potatoes to be used in other ways than for the purpose for which they were grown. And still the housewives of this Nation have been paying an exceptionally high price for inferior grades of potatoes.

It is my opinion that this illustration has had much to do in causing Secretary of Agriculture Brannan to come out with his so-called Brannan plan. It is my opinion that after the election last fall much pressure was put upon the Secretary of Agriculture by two groups, one representing a large segment of the purchasing power of the consumers, and another representing a certain type of agricultural producers. We had the consumer element demanding a plan for cheap food. The agriculture element demanded that the present law, which is to become effective January 1, 1950, and which proposes a sliding scale of support prices on the basic agricultural commodities of 60 to 90 percent, be discontinued and the present 90-percent support price be put into permanent legislation. I admire Secretary Brannan for having the courage to lay out on a platter, all in one piece, such a broad program before Congress. It does not contain so many new proposals, but he has presented it so the people can look it over as it stands in its entirety. This was not necessarily true before the war, as the various proposed programs were presented to the public piece by piece, one piece at a time.

For the purpose of this discussion, I merely want to explain in a general way the proposals in the so-called Brannan plan. He proposes to support the prices on the basic storable commodities on practically the same basis as it is being done today, by the present loan and purchase agreement program now in force. His proposal does contain a new method of arriving at the price at which the various commodities would be supported, and in most cases this price is slightly higher on the storable commodities than it is at the present 90-percent basis. He then proposes that the end products of grain, mainly the protective foods—meat, milk, and eggs—be allowed to be sold to the consumer at whatever price the consumer can or will pay for it, and then make payments to the farmer or the producer by a Government check, the difference between the average market price and the price determined to be a comparable price to the support price on the feed grains. This, in theory, is to encourage maximum production of these protective foods. Many economists feel that his proposal does start out as an incentive to increase the production of the end products of feed—meat, milk, and eggs. However, as the program progresses, and unless some adjustments are made by 1953, the feeding ratios will not be as favorable as they would be at the start. This is due to the change in the relationship of the end products to the basic feed prices during the base period.

Politically this is one of the finest programs ever proposed to the masses of voters who may be interest only in a selfish viewpoint. Without taking into consideration what the outcome will be and what sacrifices will have to be made to make it work, the program would appear to provide cheap food on one side and high agricultural prices on the other.

The first problem I wish to discuss with you is that of the cost of the proposed program. In consultation with a group of very able economists, who have been studying the cost to the taxpayers for the proposed subsidies, they pretty much agree that the program could cost us easily two and one-half to three billion dollars the first year of operation, in addition to the $2,500,000,000 being proposed in the ECA program for the purchase of agricultural products which indirectly support agricultural prices. These same economists readily agree that by 1953, if the program was carried out as outlined, it would cost in the neighborhood of ten to twelve billion dollars.

It is hard to visualize a Congress conscious of the cost of government and at the same time the taxpayers' pocketbook, because we haven't had that kind of a Congress for a long, long time. Let's suppose Congress appropriates only $2,500,000,000 for the agricultural price support program and the Secretary of Agriculture needs $10,000,000,000 to carry out the proposed program. The Secretary then would be forced to rely on drastic

production controls, which in effect would cause the consumer, who now feels the program will give him cheap food, to eventually pay approximately the same as present prices anyway. The farmer in turn would be forced to accept drastic production controls which would give him fewer units to sell. The consumer would be mad and the farmer wouldn't like it either.

The monetary cost of all the proposed socialized programs, including that of the agricultural program, isn't the big thing that concerns me. It is the freedom that we must give up whenever we put such programs in effect. During the convention of the American Feed Manufacturers Association in Chicago, Dr. Norman Vincent Peale, a noted clergyman from New York City, gave an inspiring address. He called to the attention of the audience the trend or tendency of the people of this great nation to become involved in more and more socialized programs. Such programs, he said, carry with them more and more Government control and cause people to give up the one great factor that has meant so much to us in America in the past, and that is our freedom. He used the illustration of how these tendencies would act by stating they are very much like creeping paralysis—hitting you first in a foot, or a hand, going to the knee or elbow, then the entire limb, and finally involving the entire body. This is the thing that I hope we can keep away from in developing a long-range agricultural program.

Last fall I had the opportunity of visiting eight European countries. The one outstanding thing that impressed me was the fact that there is one big difference between this country and most of the European countries. This difference is the free enterprise system or the incentive system that we have in this country. It is the thing that has made America great—it is the thing that has enabled us to grow and develop into the most productive Nation in the world—it is the thing that is giving our laboring men, our farmers, our people as a whole the highest standard of living of any people of the same classification any place on the globe.

This incentive system of ours gives us the drive and the determination to do something for ourselves—to make something of our own individual lives—the incentive to work, to create, to save for some future day. Because this one particular factor stands out as the greatest and the most important thing we have, because it gives us so much, I hope we might be able to save it for our children in the future. To illustrate what I mean, let me say that in nearly every country I visited in Europe last fall, I was approached by young men who were ambitious, who wanted to make something of themselves, who could not visualize an opportunity within their own country, and who wanted to know if there was some way they might be able to come to America. To further illustrate the point, and it is applicable in practically every field, I had a driver in Copenhagen—a very fine, nice looking, courteous, fairly well educated young man, 24 years of age—who at the time was working for his father. His father was in the business of supplying cars to the various embassies in Copenhagen and for the use of tourists. He had four sons and he was tied down by government regulations so that he could not expand his operations. He was not allowed to get more cars and take his sons into the business with him, so that they could all make a living. Regardless of how good a job he was doing, how efficiently he was operating his business, how willing his boys were to do just a little bit more than the average person, he could not expand his business. Neither could one of his boys get a quota and start in business for himself. There was nothing this young chap could turn to for himself. Unless something happens, that boy is soon going to become completely discouraged. He'll lose his ambition and determination to do something for himself, and he'll become a liability to society just like millions of others already have. By simple illustration, let's note what could happen in this country if we continue to sacrifice our freedom at the expense of more and more socialized programs.

In the heavy tobacco-producing areas, where they already have marketing quotas established for each grower, the grower's quota today is worth more than the land upon which the tobacco is grown. Look at the expansion in our cotton production in this Nation. We have only been able to use, for our own domestic consumption, approximately 8,000,000 bales of cotton. The most we were able to export this past year was about 6,000,000 bales. Four million through ECA and 2,000,000 bales through other channels. There is very little chance of us selling this much in export trade this coming year. So with the estimated crop of 18,000,000 bales or more, and our total prospective sales—domestic and export—being only between ten and twelve million bales, you can readily see how our problem of surplus cotton is developing. Neither of these commodities are food items. We in the feed business need to think of what type of control can be visualized for our grain farmers, our hog producers, poultrymen, dairymen, etc., if present proposals are carried out. We could reach a point where the poultryman would have a quota to determine the number of laying hens he would be allowed to keep. Like the Copenhagen taxi driver, this poultryman also might have a son or two coming along interested in his father's business. A quota system would pose the same problems and might well bring about the same results as I saw abroad.

It is this element of the supreme sacrifice of freedom that we must think through thoroughly and see if it is worth the price we must pay in order to have the sound security we would all like to have. There are various proposals being discussed at the present time, such as the possibility that the farmer might be given an insurance program for agricultural income for which he would actually pay premiums, the same as he does on life insurance, fire insurance, and so forth, so that the cost would be carried by himself rather than by the taxpayers as a whole. Maybe we should give this sort of a plan serious consideration. There is also the possibility of having farmers carry their own reserve stocks of surplus storable commodities. In this way they would not be getting the full price on the commodities which are in surplus, but would be getting a fair return on that part of the crop which is being used for domestic consumption.

I am frank to admit that it is hard to be critical of any proposed program when you do not have a better one yourself to offer. However, it does hurt me to see this great country follow the tendency of so many of the European nations in having more and more and tighter and tighter controls, which is bound to place us in the same category as that of other nations. I think it is time for America to wake up and think. We must decide whether we want to ride along complacently in the "give me something for nothing" boat, or whether it is more important to assert ourselves in saving our freedom and the incentive system which has made America so great.

John Collyer, president of the Goodrich Co., has declared that our future will rest upon the fundamental principles which are our heritage. The freedoms we enjoy are our most priceless heritage. The door of opportunity should be open to all. For progress, competition, and incentive are absolute necessities. A stable government should provide the rules by which we live together. It should provide recourse against abuses from within and safety from dangers without. Ours should be a government of laws, not men.

Action on Hoover Recommendations Now

EXTENSION OF REMARKS
OF

HON. HAROLD H. VELDE

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, July 5, 1949

Mr. VELDE. Mr. Speaker, last week I received over 5,000 signed replies to the Peoria Journal Transcript's editorials of June 20, 21, and 24 by aroused, economy-minded citizens of central Illinois who are vitally interested in seeing that the recommendations of the Hoover Commission are put into effect immediately. The text of the reply is as follows:

Hon. HAROLD VELDE,
Member of Congress,
Washington, D. C.

DEAR SIR: Because I believe that billions can be saved and efficiency improved by putting into effect the recommendations of the Commission on Organization of the Executive Branch of the Government (the Hoover Commission) I urge that you make every effort to carry out this program.

Signed----------
Address----------

These more than 5,000 replies are definitely the expressions of the people's desire to see Congress enact immediately legislation adopting the various recommendations of the Hoover Commission.

These people believe as I do that we cannot afford to go on spending $42,000,000,000 or more each year, that we have reached the saturation point in taxes and that continued deficit financing of the Government can only lead to the eventual collapse of our entire economy.

The annual pay roll of the executive branch today is $6,500,000,000 or one-seventh of our present annual budget. The time to reverse the trend of the Government's becoming the master of the people instead of the servant of the people is now at hand.

The Hoover recommendations are in reality a blueprint for remedial and effective action in eliminating waste, duplication, and unwarranted Government expenditures. We are watching with interest to see just how closely Mr. Truman and the administration follow the blueprint of the Hoover Commission.

To date the President has submitted only seven plans to the Congress for action. And of these seven, five have been watered-down to such a degree as to made them much less effective than the original recommendations of the Commission. If this practice is to be continued, we will end up with nothing more than a reorganization on paper, and little, if any, savings will actually be realized. We cannot cut expenditures by merely changing the names of the more than 1,800 Government agencies, bureaus, and commissions. We have got to regroup some, consolidate or merge more, and eliminate altogether a good many

more. This will in effect open the door to at least a 10 percent reduction in personnel from the Federal pay rolls. The excess fat of this sprawling bureaucracy of over 2,000,000 needs to be cut away. True, some people's toes will have to be stepped upon and unless Mr. Truman realizes that this must be done, we cannot expect much from his watered-down proposals for reorganization.

The people of central Illinois have clearly indicated their keen desires by this response to the Peoria Journal Transcript's editorial. The President and Congress are duty bound to give vent to the feelings of these people who are sick and tired of talk and paper work. They want action and they want it now.

Science Foundation and the Loyalty Oath

EXTENSION OF REMARKS
OF

HON. BARRATT O'HARA

OF ILLINOIS
IN THE HOUSE OF REPRESENTATIVES
Tuesday, July 5, 1949

Mr. O'HARA of Illinois. Mr. Speaker, from Mrs. Jean Anderson, 5710 Woodlawn Avenue, Chicago, I have received a telegram which I bring to the attention of my distinguished colleagues who, it is expected, will soon have presented to them for decision the matter of the inclusion of a so-called loyalty oath in the science foundation bill.

The question that will be presented to us is not, I think, one that relates to national security. If it were such, I, of course, would support the provision. In two wars, in one just passing 15, and in the other above draft age and the father of four children, I think that my loyalty to country was placed where never it could be an issue.

But I do not believe that we strengthen the security of country by placing our scientists and our educators in the category of suspicious persons. The greatness of America has been that in America freemen have enjoyed freedom of thought. We wisely have accorded to all citizens the presumption of loyalty to the same extent that we have presumed them to be law abiding. Under the orderly processes there is a procedure to be followed when there is violation of the criminal laws, and this procedure has always protected us against the criminal acts and conspiracies of those who would use or advocate the use of violence in the overthrow of government.

The telegram from Mrs. Anderson reflects the sentiment of many of my constituents in the Second District of Illinois. Mrs. Anderson herself is a graduate of the high school at Benton Harbor, Mich., and of one of the finest of the smaller colleges in America, Lake Forest College, beautifully located in a northside suburb of Chicago. She is the wife of a young atomic scientist, of a long line of American forebears, and the mother of two children, Faith and Clifton. I recite these facts that my distinguished colleagues may know the background.

Here is the telegram:

Regarding H. R. 4846 believe there is real need for National Science Foundation. However I believe that loyalty oaths are worse than worthless. They are insulting to loyal citizens and disloyal persons would not hesitate to perjure themselves. Such an amendment is dangerous for it will lend impetus to the hysteria which seems about to spread into the very processes of education which above all must remain free if our country is to be strong. Hope you agree and will oppose any such amendment with every means at your command.

This is the reaction of one fine American woman—the wife of a young man of the stoutest character of loyalty to the institutions of his country who is dedicating his life to science in the vital field of atomic energy—the mother of two typical American children. It is the same reaction which I find expressed in many letters which daily come to me from the men and women of my district.

I submit to my colleagues that the viewpoint of so many worthy citizens should receive our earnest consideration when we make the decision whether the national security actually does require drastic change in our concept of an education for free men based upon free thought and an independence in the kingdom of the mind.

As to the Science Foundation bill in its original form and the purpose to be accomplished by the authorization of such a foundation there is among the scientists and, I think, generally among the people in my district, an unanimity of approval. I bring to the attention of my distinguished colleagues the following endorsements of the Science Foundation conception, which are entitled to bear weight because of the high standing and prestige of their authors:

Mr. R. W. Harrison, vice president and dean of faculties, the University of Chicago:

The educational demands upon the colleges and the universities of this country are great. The need and demand for men trained in science, in industry, in teaching, and in research, are greater than the schools are able to meet without assistance. The research staffs of the educational institutions need more support for their investigations than can be made available from the funds possessed by these institutions and from the amounts provided by the private foundations. I believe the scientific strength of this country will suffer damage unless assistance such as can be provided by a National Science Foundation is made available.

R. W. Gerard, M. D., Ph. D., professor of physiology, the University of Chicago:

It seems unnecessary to reiterate in this letter the many arguments for such a foundation that have been presented with almost complete unanimity at the various hearings held by the House committees. May I recall to you, however, that in a poll taken by the Inter-Society Committee for a National Science Foundation—representing societies that constitute the great bulk of American science—the demand for a National Science Foundation was practically unanimous.

E. M. K. Geiling, M. D., Ph. D., chairman, department of pharmacology, the University of Chicago:

I am sure that no informed person will deny that science is playing an indispensable role in our daily life. Furthermore, the unique position the United States occupies in world affairs makes it imperative in my judgment that every encouragement be given to scientific research and this encouragement can be fostered through the establishment of a national science foundation.

Dr. Emmet B. Bay, professor of medicine, Frank Billings medical clinic, the University of Chicago:

The national scientific foundation bill appears to me to be one which is necessary if this country is to continue its leadership in this field. Private enterprise should, and, I am sure, will continue to do all that it can to further this development, but it now needs to be supplemented * * * by Federal support.

Dr. Lester R. Dragstedt, professor and chairman, department of surgery, the University of Chicago:

I have been active in scientific research at the University of Chicago for a great many years, and I am naturally most interested and concerned in any development that may provide effectual and scientific development in the United States. In my opinion, this bill is the most satisfactory yet provided.

William J. Dieckmann, M. D., chairman and chief of service, department of obstetrics and gynecology, the Chicago Lying-In Hospital, the University of Chicago:

I have been active in scientific research in two large universities since 1924. I think that a national scientific foundation bill such as H. R. 4846 is necessary for the best interest of scientific research.

Paul R. Cannon, M. D., chairman, department of pathology, the University of Chicago:

As a medical scientist and teacher I believe that this bill will help to further medical advances in this country. Without some type of a National Scientific Foundation I believe there is great danger that medical education and research will deteriorate.

Dr. H. Close Hesseltine, M. D., department of obstetrics and gynecology, the Chicago Lying-In Hospital, the University of Chicago:

I have been connected with academic and research activities for about a quarter of a century in State as well as private institutions. As the situation is now developing, some national support certainly is highly desirable, and the present proposed bill seems to offer it.

Dr. Paul E. Steiner, M. D., Ph. D., editor in chief Cancer Research and professor of pathology, the University of Chicago:

As editor in chief of a scientific journal which publishes the results of scientific cancer research, and as a scientist engaged in medical and cancer research in a large university, I take this opportunity to write that in my opinion a National Scientific Foundation bill is necessary for the best continued development of scientific progress in this country.

Dr. W. H. Taliaferro, chairman of department of bacteriology and parasitology, the University of Chicago:

Federal support of science is necessary if we are going to develop science in a way which will provide this country with the scientific background for the needed developments in industry, agriculture, medicine, and national defense.

Dr. C. Phillip Miller, M. D., professor of medicine, Frank Billings Medical Clinic, the University of Chicago:

If that body (National Science Foundation) is properly set up and adequately financed, it should be of tremendous benefit to scientific research.

Carl R. Moore, department of zoology, University of Chicago:

Scientific research under way in large universities at present, and additional investigation awaiting support, will be advanced by a National Science Foundation. I am requesting your support of this bill.

Howard H. Vogel, Jr., Ph. D., chairman, biological sciences, the University of Chicago:

Scientists in general favor such a Foundation, not because of narrow self-interest, but because they believe such a Foundation is necessary today for the growth and development of American science.

James Franck, professor of physical chemistry, the University of Chicago:

As a scientist engaged in research at the University of Chicago, I have a great interest in the National Science Foundation bill.

J. M. Beal, chairman, department of botany, the University of Chicago:

As one interested in education and active in scientific research in a large university, I wish to take this opportunity to state that in my opinion a National Scientific Foundation bill is necessary for the best interests of scientific development in this country.

Lester R. Ford, chairman, department of mathematics, Illinois Institute of Technology:

The establishment of a National Science Foundation would have particular significance for Chicago. The universities, engineering schools, and research groups in this area would have their hands strengthened and would wield an increased influence in the scientific life of the country.

S. S. Cairns, head of the department of mathematics, University of Illinois, Urbana:

I have had personal connections with basic research projects being supported through the Office of Naval Research and I have been greatly impressed by the value of that support to scientific research workers and, through their efforts, to the Nation as a whole. Much of the basic research work now coming under the cognizance of the Office of Naval Research is of a nature more appropriate to the functions of a National Science Foundation.

It is my own opinion and, to the best of my knowledge, the unanimous opinion of those mathematicians who are interested in these matters, that the establishment of a National Science Foundation, with the resulting definite separation of military and basic scientific affairs, is extremely important to the development of a suitable research program on a national scale.

Similar sentiments were expressed in letters and telegrams from: Robert S. Mulliken, professor of physics; John O. Hutchens, department of physiology; J. R. Blayney, Walter G. Zoller memorial dental clinic; G. M. Dack, M. D., professor of bacteriology; Dr. A. Lockhardt, department of physiology; F. H. Wright, M. D., department of pediatrics, Bobs Roberts Memorial Hospital for Children; and Dr. Eleanor M. Humphreys, professor of pathology; all of the University of Chicago.

Other letters of endorsement came from Dr. Peter P. H. Debruyn, chairman of the department of anatomy, and Profs. William Bloom, Friedrich Wassermann, Roger W. Sperry, William L. Doyle, and L. V. Domm, of the department of anatomy, the University of Chicago.

Let's Have Federal Aid

EXTENSION OF REMARKS
OF
HON. JOHN H. MARSALIS
OF COLORADO
IN THE HOUSE OF REPRESENTATIVES
Tuesday, July 5, 1949

Mr. MARSALIS. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following article by George W. Johnson, principal, Lincoln School, La Junta, Colo.:

LET'S HAVE FEDERAL AID

(By George W. Johnson, M. S., principal, Lincoln School, La Junta, Colo.)

Aid to education, whether Federal or State, is based on idealism. "Every child deserves an education regardless of race, religion, wealth, or the environment in which he lives." "Tax wealth where it is and educate children where they are." These and similar ideals form the philosophy of the school teacher. If the teacher were not an idealist, he would not continue at the pittance he receives for a salary. Today he is not alone in his idealism. Parents all over the country are demanding that children must have equal educational opportunities. They realize this is the only way to keep our Nation safe for democracy. The only way to give our children equal educational opportunities is through Federal and State aid. Communities differ so widely in wealth that a poor district worth only a few thousand dollars may have many children, while a district worth several million dollars may have only a few children. Hence the maximum school tax on the poor district may produce only enough for a 3 months' school, while a very slight tax on the wealthy district gives their school money for luxuries. Equalization must be accomplished by Federal and State taxes. Federal aid does not mean Federal control.

Federal aid to education is not new. It has existed ever since the first land-grant college was established and the first sections of land in each township set aside as "school land." The latter was to aid elementary education, as you all know. Then we have Smith-Hughes and similar laws to aid vocational education. Have any of these resulted in political control? You know they have not. The only strings attached to these funds have been to make a more rounded education and to guard funds against being spent foolishly.

I wonder why no one has been worried about Federal aid to pensions and relief, to highways, to air fields, etc. In each case certain rules must be met, as in education, but no one has been screaming to beware of political control.

As far as the economic picture is concerned, exactly the same rules apply. The wealthy small State is going to pay out much more in taxes than it gets back in highways, while the large poor State will get back more than it pays in. Has this kept any State from participating? No. Does anyone make big charts and spend large sums of money showing why we should not have Federal aid to highways? Indeed not. The same things could be said of Federal aid to old-age pensions, aid to dependent children, the blind, etc. Every State is glad to get this aid. The same circumstance of brokerage and administrative costs apply.

Now take an unprejudiced look at those who are opposing Federal aid to education. If we go to Washington, we find the politicians there who say, "Let the States do it"; they are the ones who said, "Let the communities take care of their own educational problems" when they were in their State capitols.

Many of these people may be elderly people who remember the teacher who "boarded around" for her salary as she taught in the log cabin with a pot-bellied stove for heat. Taxes were naturally low for that kind of a school. Physicians often had no other schooling than this, followed by experience of an older doctor. Surgeons learned to operate by operating on people. Aid to education has changed this picture.

Today education is essential to life. We cannot live adequately in our modern world without intricate education. Think of the thousands of boys in the draft who did not have sufficient education to go to war. Federal aid will change this also.

I appeal to you fathers who have children. Do you want your child to grow up in a third-rate school when a little more tax money would give Colorado first-rate schools? Dean Huston, of the University of Colorado says that $15 a year to the average home owner would make the difference between a third-rate to a first-rate school system. As a father, I want my children to have a good education in a good school system whether I stay in the teaching profession or not. I'll gladly pay the extra $1.25 per month to either Federal or State Government to bring this about. Colorado has not been able to bring her standards up to first class because money has never been available. Is there any reason to believe the future will be better? Very doubtful. Why not let the Federal Government help us with our educational finances as we do with our relief, highways, and airfields—or—don't we value our children as highly as we do our roads, etc.?

If we would spend as much to educate a boy as we spend to punish his crimes, this would have a different world to live in.

Take one look around your community. You will find the people opposing Federal aid are doing nothing to increase State aid to education—if not opposing that also, secretly.

Recent court decisions have determined how public-school money must be spent. We need have no fear of political or religious control of our schools because our American people and our courts are wide awake for their protection. Let's quit worrying about the origin of our school funds and start worrying about the need for funds so our public schools can continue to run as such.

Education and Loyalty

EXTENSION OF REMARKS
OF
HON. BARRATT O'HARA
OF ILLINOIS
IN THE HOUSE OF REPRESENTATIVES
Tuesday, July 5, 1949

Mr. O'HARA of Illinois. Mr. Speaker, I have on several previous occasions made mention of the University of Chicago, which is in the district which I have the honor to represent in this distinguished body. It is, in every sense of the word, a great university.

With other educational institutions of high standing, the University of Chicago

stresses independence in the operation of the mental processes. This is not strange, nor is it inconsistent with the spirit which has been ours since the earliest days, because the University of Chicago is in Illinois, which was admitted to the Union on condition that popular education ever should enjoy substantial encouragement. During all the years since our admission to the Union, the people of Illinois have taken very seriously the obligation to encourage popular education and to safeguard it. We in Illinois believe that an educated citizenry is the strongest bulwark of the State.

There can be no education, however, without freedom of thought. There can be no teachers worthy of the name who read without thinking or, having both read and thought, remain silent on that which might be a contribution to our democracy, and to the healthy mental development of their students, because of fear of loss of employment or of professional standing.

On June 22, 1949 Robert M. Hutchins, chancelor of the University of Chicago, delivered a noteworthy address at the two hundred and thirty-seventh convocation of the university for students graduating from the college. This address is a clear, definite but well-balanced presentment of one side of a question which has been widely discussed throughout the Nation and the repercussions from which have reached into this Chamber. I bespeak for it the thoughtful consideration of my colleagues.

Chancelor Hutchins' address comes at a time when the young men and the young women in our colleges are taking an interest in the public affairs of our country to a greater extent than perhaps ever before in our history. The influence of the campus, therefore, is spreading far beyond the confines of the lecture halls and dormitories. It is an influence for liberalism, such a liberalism as represented by President Franklin D. Roosevelt and now by President Harry S. Truman, such a liberalism as in November of 1948 sent to this Congress approximately a hundred new Members to supplant those crowded at the doors of privilege to jam them shut against the expansion of human contentment.

I have heard no one raise the cry of disloyalty against these liberal members who were sent in November of last year to serve as the colleagues of the older—in service here—Members of this body. No one would presume to raise such a cry. Among the new Members are many veterans of World War I and World War II and some with service in two wars.

They are motivated by a desire to make this a better world for all the men and women who live in the world. Thus they will justify the world leadership of their country and give some measure of compensation for the devastation of wars that established that leadership. They are liberal in the sense that they believe that security, the enjoyment of common rights and the opportunity by good conduct to attain human contentment are all within the proper functioning of Government to advance as rapidly as the circumstances of the national economy will permit. While placing human rights in priority to property rights, they are indeed the true defenders of the rights of property since such rights of property in nations of the past have invariably been destroyed when human rights were neglected.

I think, Mr. Speaker, these new liberal Members of this distinguished body do represent the postwar spirit of the American people. And I venture the prophesy that in the Eighty-second Congress their number will be greatly increased. Taking backward steps is not the habit of the American people.

The young men and the young women in our colleges and universities, for the most part, represent the same postwar spirit of America. In the same sense they are liberals. To the same degree they are loyal to their country. Does any sensible person think that the colleges are any less loyal to the United States than they were in the war years, now that in their student bodies are so many former GI's and wives of former GI's?

No, Mr. Speaker, the colleges and universities of the United States do not need my championing. It would be a presumption for me to speak in the defense of institutions whose alumni, by contributions they have made, have proved in service to country that high loyalty which a billion so-called loyalty oaths in themselves could never assure.

Loyalty, Mr. Speaker and my colleagues, is an attribute of character and not a fantasy to be drawn by a penman in the formation of a signature. Loyalty is a virtue which glorifies itself in practice; it is most likely to come under suspicion when its exhibition is saved for the parade.

I am happy that Chancelor Hutchins has so forcibly presented the side of the American educators.

CIO President Philip Murray Calls for Action To Combat Unemployment

EXTENSION OF REMARKS

OF

HON. GEORGE G. SADOWSKI

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Tuesday, July 5, 1949

Mr. SADOWSKI. Mr. Speaker, under leave to extend my remarks in the RECORD, I wish to include a letter that was sent out by CIO President Philip Murray to all of his affiliated organizations.

This letter calls attention to our serious economic conditions, and proposes a program of action. It follows:

It has been more than 2 months since I, as president of the Congress of Industrial Organizations, pointed out to the President of the United States the seriousness of the growing tide of unemployment and part-time employment. The time has come for immediate action to be taken to stem the tide of growing unemployment.

As we know, hundreds of thousands of workers in many industries are working less than full time. Total unemployment, with its attendant distress, has risen 50 percent in a year, and the end is not in sight. The situation will become worse before it gets better, unless remedial steps are taken.

Since the war, the CIO has continually predicted that the pricing and profit policies of industry would eventually bring about a serious economic collapse. We have warned that industry was pricing itself out of the market. Big business was determined to make the highest possible profits without regard to the public welfare. High prices and exorbitant profits have forced the American people to cut their purchases because prices were too high and incomes were too low. The result has been that demand has fallen off for millions, production is being cut back, workweek schedules are being reduced—all are producing eventual unemployment.

During the past few months many businessmen have argued that we are going through a "normal readjustment." They have argued that a pool of three or four million unemployed is "healthy." But, as the CIO has pointed out again and again, we cannot have a full-employment and a full-production economy with the present levels of unemployment. Workers cannot be put on the shelf while business goes through its so-called healthy readjustment.

Two months ago, I outlined to the President of the United States the dangers of increasing unemployment, and urged that he submit a special message to Congress dealing with the problems of unemployment and the need for taking positive action to develop and maintain a full-employment and full-production economy.

One month ago, the CIO executive board again took occasion to emphasize the seriousness of the unemployment situation. At that time, we adopted a resolution on economic policy which sets forth an antirecession economic program.

Last week, our CIO full employment committee met with the top economic advisers to the President—the Council of Economic Advisers—and urged again the necessity of immediate action.

The CIO's program would require passage of the following legislation:

1. To increase and extend the duration of unemployment compensation benefits and enlarge the coverage under a well-coordinated Federal system.

2. To increase the benefits of public assistance as well as extend such public assistance to the needy.

3. To give tax relief to the low-income individuals by increasing personal exemptions and eliminating excise taxes at least to the extent of the increases enacted during the wartime period.

4. To develop a shelf of adequate public works projects and start immediate construction in many areas which are now drastically affected by high levels of unemployment. These public works could be constructed directly through Federal grants or loans to States and localities.

5. To increase the minimum wage from its present level of 40 cents to at least $1.

6. To grant loans to new and small business.

7. To transport workers to areas where employment is more readily available.

Action must be taken on these measures if we are to handle properly the growing problem of unemployment and part-time employment.

In addition to these measures, amendments are necessary to the Employment Act of 1946 in order to strengthen the hand of the President and the Council of Economic Advisers in carrying out their responsibilities under the act—to utilize all the facilities of the Federal Government "to promote maximum production, employment, and purchasing power."

This problem of unemployment is more serious than most of our Congressmen and Senators in Washington apparently realize.

I am now directing this letter to all CIO affiliates. I ask that each of the national CIO unions, as well as city and State industrial union councils, contact their Congressmen and Senators and the President of the United States to urge action on the program which the CIO has proposed to combat this growing tide of unemployment.

Is This True?

EXTENSION OF REMARKS
OF
HON. COMPTON I. WHITE
OF IDAHO
IN THE HOUSE OF REPRESENTATIVES
Tuesday, June 14, 1949

Mr. WHITE of Idaho. Mr. Speaker, what I would like to know is, if we, the American taxpayers, are afforded any protection from the manipulation and machination of foreign profiteers by the people our Government has entrusted with distributing the money the American people in their generosity have contributed for the assistance of distressed European governments.

From time to time there comes to light reports of waste and misappropriation of public funds—loot, if you please, going into the pockets of foreign manipulators and profiteers.

If the statements made in Mr. Strickler's letter inserted herewith are true, it is time for Congress to investigate the ECA and take the necessary steps to protect the funds from misappropriation—funds we are donating by sacrificing the development of our country for relief of the people of the Marshall-plan countries.

WASHINGTON, D. C., *June 21, 1949.*

DEAR MEMBER OF CONGRESS: On June 17, 1949, Senator WHERRY, at a public hearing before the Senate Appropriations Committee on 1950 fiscal-year funds for continuation of ECA, raised a question about the use of ECA funds which this taxpayer is anxious to know more about.

The facts would appear to be that the Economic Cooperation Administration on May 16, 1949, announced that $6,000,000 of the American taxpayers' dollars would be given to the Athens-Piraeus Electricity Co., Ltd., of Athens, Greece, for the purpose of installing additional electric generating capacity. This capital equipment consists of power steam boilers, steam turbine driven electric generators, Diesel-engine driven electric generators, etc., most of which capital equipment would have an expected life of 25 to 30 years. This equipment could be acquired in England, Germany, Switzerland, United States, and possibly several other countries.

Senator WHERRY drew from Mr. Hoffman the fact that the Athens-Piraeus Electricity Co., Ltd., was 100 percent owned by Whitehall Securities, Ltd., an investment banking house of London, England. Senator WHERRY inquired further if it was true that the purchase of this equipment had been taken out of the hands of the Greek people and was being controlled by Whitehall Securities, Ltd., through another Whitehall-owned or affiliated company in New York, to the detriment of the American small-business man.

I am conducting for my own benefit (I control no votes) a poll of the United States Congress on the matter referred to above and would sincerely appreciate a direct answer to the questions below:

1. Is it your understanding that ECA is empowered to give away American dollars to a foreign-owned company (England) to be used as a capital investment ($6,000,000) in a third country (Greece)?
2. Would you support an amendment to the ECA appropriation bill that would prohibit the use of American dollars by a foreign-owned company, corporation, syndicate, combine, cartel, or individual as a capital investment in a country foreign to that foreign country?
3. Would you support an amendment to the ECA appropriation bill requiring ECA to submit all power-plant projects (including the equipment to be purchased, prices to be paid) to the Federal Power Commission for final approval and concurrence?
4. Would you support an amendment to the 1950 ECA appropriation bill establishing a small-business priority for all purchases made within the United States with ECA dollars and making it mandatory that such purchase be made on a competitive bid basis with awards going to the lowest bidder?
5. Would you support a bill, based on the gift principle of the present ECA program, to provide United States taxpayers' dollars for use of American business and investment banking companies as capital investments at home and abroad?

Yours very truly,

DEAN G. STRICKLER.

Polish Foreign Trade With West Is Rising Rapidly in Volume

EXTENSION OF REMARKS
OF
HON. GEORGE G. SADOWSKI
OF MICHIGAN
IN THE HOUSE OF REPRESENTATIVES
Tuesday, July 5, 1949

Mr. SADOWSKI. Mr. Speaker, in yesterday's Evening Star the following article appeared, disclosing the fact that Poland is now doing twice as much trade with the western countries as she is doing with the eastern countries.

The facts disclosed in this article definitely refute the many twisted and distorted statements and the general misinformation that has been given to the Members of Congress and to congressional committees. These facts disclose that Poland is doing business with all of the nations of the world, which is as it should be. One of the essentials for peace and prosperity is trade and commerce.

It is high time that we lifted our restrictions on export-import licensing. We are still pursuing a foolish policy of embargo and restricted trade toward Poland and other eastern European countries. We are still restricting the sale and export of machine tools, precision equipment, trucks, excavators, electrical equipment, locomotives, and oil-drilling equipment. The copper mines in Michigan, Utah, and Montana are closing down because of overproduction, and still we restrict the export of copper to eastern European countries.

Because of our restricted export-licensing system, we will only export $70,000,000 worth of goods this year to all of the eastern European nations combined. We should be doing a $2,000,000,000 a year business with these nations right now. With unemployment increasing, and goods piling up, it is time to ask the question: Who is responsible for our present policy of deliberate bankruptcy for our business? Who are these powerful interests in our country who are selling out our world trade and commerce to other nterests in England, Germany, and Japan? Must we wait until we have 15,000,000 unemployed before we correct our world-trade policies?

The article from the Washington Evening Star follows:

POLISH FOREIGN TRADE WITH WEST IS RISING RAPIDLY IN VOLUME

WARSAW, July 4.—Poland's foreign trade increased nearly fourfold in the 3 years 1946–48, leaping from $273,500,000 to $1,037,600,000. And this year's target for the Ministry of Foreign Trade is a $1,300,000,000 volume—with the increase mostly in trade with the west.

Indeed, the shift away from Russia and her satellites has been the greatest single note in Poland's foreign-trade picture since 1946. That year western trade amounted to $96,500,000, as compared with $177,000,000 worth of trade with Communist nations. In 1948, eastern trade was but $360,000,000, while trade with the democracies had jumped to $677,600,000.

Nevertheless, Russia still is Poland's first customer and source of supply. Before the war Soviet-Polish interchange accounted for less than 1 percent of Poland's export and import business.

Coal is Poland's greatest single export. Last year 25,000,000 tons went abroad; the target this year is 35,000,000 tons in exchange for hard currencies and credits or in direct barter for raw materials and investment materials.

SOME EXPORTS NEW SINCE WAR

Other important exports are textiles, manufactured iron and steel mainly from rolling-mill output, zinc and, this year for the first time since the end of the war, rye, and lumber. At the same time, food sales, principally eggs, bacon, ham, and poultry, are becoming more substantial as agriculture becomes more highly developed.

Two new trade agreements were recently concluded, one with India providing for a turn-over of $14,000,000 within 12 months, the other with Pakistan calling for a total of $20,000,000 within the same period.

A first trade agreement also has been signed with Israel, to an undisclosed value believed around $10,000,000 for 1 year. Coal is the major item, with iron and steel manufactures, textiles, china and glass in return for citrus fruits, juices, and oils, dental equipment, and razor blades.

Negotiations are going forward also with Egypt, bargaining coal for cotton.

Commodity lists for the exchange between Poland and Sweden are currently under discussion in Stockholm and competent observers expect a substantial increase in mutual trade, predicting that Sweden will rank third, after the United Kingdom, with the Russian zone of Germany making a close fourth.

Discussion in Rome is to be finalized shortly at an expected total of $50,000,000 turn-over with Italy, coal for automobiles.

BIGGEST DEAL SINCE WAR

The agreement signed with Britain at the beginning of the year was the largest East-West deal since the end of the war. It was mostly a "breakfast table" matter for the British, with raw wool from the sterling area for the Poles, although many other commodities were included, some of them on the luxury lists of both countries. The total of the agreement was for $1,040,000,000 over 5

years, $160,000,000 being the quota for the first year.

The agreement with Argentina concluded late last fall was the first with any South American republic since the end of the war and the provision for 3,000,000 tons of Polish coal this year was seen as an attempt to break into a market hitherto regarded as an American and British preserve. An interesting point provided for future air-line facilities between the two countries. An agreement with Brazil is expected before the end of the year.

In Europe Poland has firm, regulated trade relations with all countries except Greece, Portugal, and Spain. Outside of Europe proper she is trading with Turkey and the Levant on an increasing scale, with British West African colonies where Polish cement is underselling the United Kingdom product, with North and South America, the Far East, and smaller deals with the rest of the world.

Trade with the United States is almost nonexistent. An American diplomat once remarked, "What has Poland got to offer which we can't produce ourselves?" Well, the answer is, of course, nothing. And yet, in 1938 as much as 6.9 percent of Polish exports went to the States and 7.8 percent of Polish imports came from there.

National Federation of Independent Business, Inc., Strongly Opposed to S. 1008

EXTENSION OF REMARKS
OF
HON. WRIGHT PATMAN
OF TEXAS
IN THE HOUSE OF REPRESENTATIVES

Tuesday, July 5, 1949

Mr. PATMAN. Mr. Speaker, the enclosed statement is self-explanatory:

STATEMENT OF GEORGE J. BURGER, VICE PRESIDENT IN CHARGE WASHINGTON OFFICE, NATIONAL FEDERATION OF INDEPENDENT BUSINESS, BEFORE HOUSE SMALL BUSINESS COMMITTEE, JULY 5, 1949

I am George J. Burger, vice president, National Federation of Independent Business, Inc., Bond Building, Washington, D. C.. The federation is a nonprofit organization representing independent and small-business men, and professional men, from all parts of the country in all lines of endeavor. It is supported solely by membership fees secured from these independent and small-business men and professional people. It has the largest individual membership of any business organization in the Nation.

The position of the federation on all issues is determined by direct vote of the entire membership through its publication, the Mandate.

In our Mandate No. 153 we queried our membership as follows: 1. Are you for or against any manufacturer paying freight charges to local or distant markets in the United States when such practice is for the purpose of creating monopoly? 2. Are you for or against agreements between manufacturers to pay transportation charges to local or distant markets in the United States for the purpose of making industry-wide price fixing arrangements? Both of these questions have particular application to the issue of basing-point legislation now before the Congress, which you are now considering.

It is interesting, and significant, to note that in face of all the confusing publicity current over the Nation at the time this vote was taken, our independent and small business and professional membership voted 75 percent against on issue No. 1, above, and 68 percent against on issue No. 2 above. It is also interesting, and significant, to note that our membership has consistently voted in favor of enforcement of our antitrust laws, and for the strengthening of these laws, for the protection and preservation of free, competitive enterprise—and so independent and small business—in our Nation.

Frankly, we of the federation do not agree—we have never agreed—that there is any need for this bill to legalize freight absorptions and delivered pricing. As stated clearly in our testimony of December 8, 1948, before the Trade Policies Subcommittee of the Senate Interstate and Foreign Commerce Committee, we see nothing in any antitrust laws, or in any court decisions on any of the antitrust laws, that makes either of these pricing practices illegal, provided they are not used collusively or with the intent or effect of discriminating against and injuring businesses.

However, we will not not object to the passage of legislation declaring that these pricing practices are not, and have not been made, illegal, subject to the qualifications cited below, if the Congress finds itself convinced that honest confusion does exist over recent antitrust decisions in the fields of cement and steel.

We do not here criticize any persons for being confused on these matters, but we do say that very likely the confusions that do exist result from the operations of certain interests who would like to invalidate these decisions to permit a return to the monopolistic-pricing systems and practices which have been condemned. We do not ask you to take our word for this. Rather do we refer you to the remarks made on the Senate floor, May 31, by Senator WAYNE MORSE, Oregon (CONGRESSIONAL RECORD, May 31, pp. 7025–7032). It is significant to note that not one member of the United States Senate took issue with Senator MORSE on these matters. We refer you also to a statement made recently before the Senate Judiciary Committee by Mr. Otis Brubaker, of the Congress of Industrial Organizations.

We will not object to the passage of such legislation provided that:

1. It in no way infringes on and in no way impairs either the antitrust laws themselves or any court decisions reached under these laws, the effect of which has been, and is, to preserve the independent, competitive business system of our Nation and to beget simple justice and fair play in trade relations for independent and small business.

We refer here specifically to the Sherman Act, the Federal Trade Commission Act, the Clayton Act, and the Robinson-Patman Act. The integrity of these laws, and the integrity of hard-won decisions which have been reached under them, must be protected and preserved if we are to maintain freedom of opportunity in our Nation, if we are to maintain a free, democratic country.

2. It in no way beclouds the antitrust laws mentioned above and in no way confuses the Court decisions that have been reached on these laws. To pass any act that would have either, or both, of these effects would have the same practical result as passing legislation which would overturn these laws and decisions. We do not ask you to take our word for this charge. Rather, we refer you to remarks made on the Senate floor, May 31, by Senator WILLIAM LANGER, North Dakota (CONGRESSIONAL RECORD, May 31, pages 7023–24). Commenting on S. 1008 and some of the terms used therein, the Senator said:

"The antitrust statutes represent an established body of laws which the Congress framed with infinite pains in choosing exact words to convey congressional intent. Through the years of judicial interpretation, these words have come to have definite meanings which are understood by both business and the legal profession. It is like throwing sand into the gear box to force new words and phrases into this carefully developed body of law without giving a clue to their intended meanings."

In this connection we call your attention to testimony given before the trade policies subcommittee of the Senate Interstate and Foreign Commerce Committee by Federal Trade Commissioner Ewin L. Davis and former Federal Trade Commission Chairman Robert E. Freer, June 2, 1948 (study of methods of competition in commerce and impact of legislation and Government regulations on American consumers, hearing before a subcommittee of the Committee on Interstate and Foreign Commerce, U. S. Senate, 80th Cong., 2d sess., on S. Res. 241, June 2 and 4, 1948).

Replying to questioning by Senator HOMER CAPEHART, Indiana, Mr. Davis explained the former United States Attorneys General Mitchell and Daugherty had made some determined efforts to clarify antitrust laws for business so as to establish a set of exact guides. He stated that these efforts were dropped when more confusion than clarification promised to ensue (pp. 25 and 26). Mr. Freer recalled for Senator CAPEHART that former United States Attorney General Donovan had made similar efforts to clarify antitrust laws, but again the effort was dropped because the clarifications promised only additional confusion (p. 22).

We hold that Congress cannot be too cautious about tampering with the antitrust laws. We recall for you how some of our most highly placed Congressmen erred seriously in their judgments on the Reed-Bulwinkle bill. Prior to the time the Congress passed this measure, the sponsors of the bill were questioned about the effect the measure might have on certain important Justice Department antitrust suits then in process against the railroads. In testimony before this House Small Business Committee last year, Mr. Arne Wiprud (formerly United States Assistant Attorney General) said that the bill's sponsors assured questioners that the measure would not in the least affect these suits. Mr. Wiprud continued:

"Late in September of this year, counsel for the defendants (the railroads) urged upon the Federal court at Lincoln (Nebraska) * * * that the Reed-Bulwinkle Act struck at the heart of the Government's case. In his rebuttal, Government counsel read the statement of Senator REED. The court's comment was 'The court does not need to consider the comparatively nonsensical statement of Senator REED that Public Law 662 does not affect the case. That is not even entitled to respect.' And the court also observed that the Senator's statement was merely designed to get votes for the legislation."

If, because of the stated qualifications in our partial endorsement of "clarifying" legislation, we are regarded as overly cautious, we have only this to say:

We are more than worried over the trend evident in past Congresses, and to some extent in the present Congress, to give antitrust exemptions to giant industrial combinations. We refer specifically to the action of the Seventy-ninth Congress in the matter of insurance and the action of the Eightieth Congress in the matter of the railroads. In both of these cases the Congress effectively overturned existing antitrust law for the benefit of business combinations that were under antitrust attack,. In doing so, we are convinced, after study, the Congress effectively legislated against freedom of economic opportunity, and against independent and small business.

If any doubt exists about the effect of the railroad antitrust exemption legislation, we are prepared to place your committee in contact with one independent businessman who alleges that over a period of years he has been

deprived of his rights to economic opportunity by an alleged coterie of private industrialists working allegedly in collusion with various agencies of Government. This businessman has offered written evidence to us to prove his charges. He says he is prepared to disclose just how the Reed-Bulwinkle bill has further deprived him of his legitimate economic rights to compete in an open and fair market.

Gentlemen, we are shocked over the changes that have been written into present antitrust law, and the changes that have been made in some hard-won, significant, antitrust decisions by the House Judiciary Committee during its capsulated consideration of the so-called O'Mahoney basing-point bill—S. 1008. We are astounded, to put it mildly, over the speed with which the committee reversed decisions which it had taken the United States Senate almost 10 months to arrive at. We firmly believe that these changes will deprive independent and small business of certain key antitrust protections without which they cannot prosper or even have a fair chance to succeed. And we firmly believe that in acting as it has—knowingly or not—the House Judiciary Committee has not only opened the way for an overturning of our antitrust laws, but has prepared to sacrifice independent and small business, free competitive enterprise if you will, on the altar of big, monopoly business. Let us show you the reasoning behind this charge.

In the first place the committee eliminated the so-called Kefauver amendments to the O'Mahoney bill. These amendments would have sustained the rule of the United States Seventh Circuit Court of Appeals in the Detroit Standard case. Here the court ruled that "good faith" meeting of a competitor's price is not a justification for a price discrimination that cannot be sustained by proof of savings from economies in manufacture, sale, or delivery, if the price discrimination results in unfair competitive injuries to some dealers in favor of others, if it results in a substantial lessening of competition.

We call your attention to the fact that these Kefauver amendments were accepted by the Senate and by the sponsor of the present basing-point bill, Senator JOSEPH C. O'MAHONEY, Wyoming, after the need for them had been carefully explained on the Senate floor by Senators ESTES KEFAUVER, Tennessee, a former distinguished member of this House Small Business Committee, and RUSSELL B. LONG, Louisiana (CONGRESSIONAL RECORD, June 1, pp. 7064–7093). During the course of this debate, Senator O'MAHONEY (who in the beginning did not accept the reasoning of Senators KEFAUVER and LONG readily) admitted several times that these amendments were needed to preserve the seventh circuit ruling on "good faith," and so protect the rights of independent and small business to fair competitive opportunity.

In this case Standard was accused of discriminating unfairly in price between various of its dealers. What happened was that Standard had allowed a few of its dealers in the area a price much lower than that it gave its other outlets. The price to the favored few was such that the unfavored dealers declared they were prevented from competing and that they were being forced out of business. When challenged by the Federal Trade Commission, Standard declared that it had offered the price to the favored few in order to meet competition from other suppliers. It said that it had done so in "good faith." As indicated above, the Court declared this defense was inadequate for the requirements of the Clayton Act, as amended by the Robinson-Patman Act, because unfair price discrimination between the favored and the unfavored had been involved.

This decision of the Seventh Circuit Court afforded relief from unfair price discrimination to dealers in the Detroit area, relief to which they were entitled by every norm of fair play and by the terms of the Robinson-Patman Act, but which they wouldn't have received had the Court interpreted the Robinson-Patman provision of the Clayton Act as provided in the House Judiciary approved version of the O'Mahoney bill. We do not ask you to take our word on this. Rather, we refer you to remarks on the Senate floor, May 31, by Senator JOSEPH C. O'MAHONEY (CONGRESSIONAL RECORD, June 1, p. 7068), and by Senator CHARLES TOBEY, New Hampshire (CONGRESSIONAL RECORD, June 1, p. 7071). Statements by both of these gentlemen, as well as by Senators KEFAUVER, LONG, and HUBERT HUMPHREY, Minnesota, without contradiction from Senator HERBERT O'CONOR, Maryland, the floor manager of the earlier moratorium bill from which the O'Mahoney measure substituted.

Let us illustrate our point:

Let us suppose there is a supplier, A, who is dealing with the public through B, C, D, and E. B is a larger, more important outlet than either C, D, or E. This may be because he has been in business longer than his competitors, or it may be because he is a more efficient businessmen. Now, B is enjoying a better buying price than either C, D, or E. But the differential is one that is justified under the Robinson-Patman amendment to the Clayton Act due to economies effected in costs of manufacture, sale, and delivery. Let us suppose the price to B is $5, and the price to C, D, and E is $10 (the figures are used merely for illustration).

Now, along comes supplier Z looking for a place in the market. He offers B a price of $2.50. "To hold the account," A meets the $2.50 price. But since there is no competition for the business of C, D, and E, no price adjustments are made for them.

With the exceptionally favorable buying price he now enjoys, B is able to undersell C, D, and E to the point, perhaps, where they are driven out of business; they are prevented from competing with B for any share of the market.

Now, under the O'Mahoney bill as passed by the House Judiciary Committee these outlets—C, D, and E—would have no recourse to law for protection, for A could easily demonstrate that in allowing B the more favorable price he had merely been meeting competition from Z. Because of this the economic opportunity that C, D, and E supposedly enjoy under our system of life would become nothing more than an idle dream—pleasant but meaningless. And in this way competition would become self-destructive.

But those who agree with the House Judiciary Committee, and the House Judiciary report on its action on the O'Mahoney bill (defining the application of the Federal Trade Commission Act and the Clayton Act to certain pricing practices, Union Calendar No. 353, 81st Cong., 1st sess., H. Rept. 869) contend that retention of the Kefauver amendments would make effective competition impossible, at least under the circumstances cited above. Because the House Judiciary cites such eminent figures as Senator O'MAHONEY, United States Assistant Attorney General Herbert Bergson, and Federal Trade Commissioners Davis, Ayres, and Ferguson in support of its action, the situation is approached with caution.

However, we are almost forced to observe that even if the Kefauver amendments were retained, A could meet the $2.50 price offered to B by Z if at the same time he lowered his price to C, D, and E, so as to create a differential that would reflect only the economies made in costs of manufacture, sale, and delivery to B. In this way economic opportunity would not be foreclosed to any of the participants, yet competition would be met. The Robinson-Patman amendment to the Clayton Act permits such meeting of competition.

It might be argued that such a procedure as that outlined immediately above might for all practical purposes prevent A from meeting Z's offer in the case of B, that the specified conditions would be economically impossible of attainment. However, against this it could be argued that if the price finally allowed B were such that it foreclosed competition, then A would be faced with the problem of supplying the entire market served by B, C, D, and E, at the price allowed B—or, possibly, with B in a monopolistic position A would raise his price to the consumers who would have to pay or else. In any event, it is observed that if the final O'Mahoney bill is approved by the Congress in the form approved by the House Judiciary, then the C's, D's, and E's of this illustration and their customers would be placed in the position of effectively subsidizing the preferentials allowed to B by A. And the C's, D's, and E's would be placed in the position of helping B to put themselves out of business and of helping B to deprive themselves of the right to compete.

As we recall it, a somewhat similar situation was found to be present in the dealings of the Atlantic & Pacific Grocery Co., in its dealing through its subsidiary Atlantic Commission Co. In a decision rendered on a Justice Department antitrust suit brought against A. & P. in the Federal district court at Danville, Ill., Federal Judge Walter C. Lindley condemned this practice in no uncertain terms.

If a supplier can justify a price differential—a price differential that is not justifiable by economies of manufacture, sale, and delivery—on the grounds that he is meeting competition in "good faith" despite the fact that in doing so he may be discriminating most unfairly between his dealers, then the way would be opened for the justification of a whole host of unfair price discriminations with which the Robinson-Patman amendment to the Clayton Act was enacted to cope.

We wonder what would have happened in the famous Federal Trade Commission Goodyear-Sears case, where it was shown that Goodyear had given Sears a $41,000,000 preferential over its independent distributors, where the effect of this discrimination had been to injure severely Goodyear independents and independents representing all other manufacturers, had Goodyear been able to use the "good faith" defense as provided in the House Judiciary version of the O'Mahoney basing-point bill. Certainly Goodyear was at that time in an excellent position to prove that it had given these preferentials to Sears in order to meet competition for the account from another major manufacturer.

In the second place, the House Judiciary Committee changed the rule of the United States Supreme Court in the Morton Salt case. Here the Court held that it is sufficient for the Federal Trade Commission to establish a "reasonable possibility" that a price discrimination has unfairly injured competition in order to prove a violation of the Clayton Act. The House Judiciary would change this rule to one of "reasonable probability," depriving independent and small business of the benefits of the Court's decisions in future price-discrimination cases.

For full understanding of this matter, let us see just what the Court had to say on this point of "reasonable possibility." It said: "The Commission here went much further in receiving evidence than the statute requires. It heard testimony from many witnesses in various parts of the country to show that they had suffered actual financial losses on account of respondent's discriminatory prices. Experts were offered to prove the tendency of injury from such prices. The evidence covers about 2,000 pages, largely devoted to this single issue—injury to competition. It would greatly handicap effec-

tive enforcement of the act to require testimony to show that which we believe to be self-evident, namely, that there is a 'reasonable possibility' that competition may be adversely affected by a practice under which manufacturers and producers sell their goods to some customers substantially cheaper than they sell like goods to the competitors of these customers. This showing in itself is sufficient to justify our conclusion that the Commission's findings of injury to competition were adequately supported by evidence."

Let us emphasize here that the Court stated the Commission had taken upward of 2,000 pages of testimony in this case, that it had heard testimony from many witnesses in various parts of the country, that it had offered experts to prove the tendency of injury from such prices in order to prove the reasonable possibility that competition had been injured. The Court ruled that having established this reasonable possibility, the Commission had done enough to sustain its charge.

Had the Court ruled that the Commission had to establish "reasonable probability" instead of "reasonable possibility," it is entirely likely that the task confronting the Commission would have been much greater than it was. I ad this been the case, then it is entirely likely that the Commission either would have lost the case (and so failed to bring needed relief to independents) or might still be seeking the required proof for its allegations (and so still be in the position of not having remedied the conditions which were unfairly injuring independents). Certainly with the tendencies shown in past Congresses not to appropriate adequate funds for the Federal Trade Commission investigative arms this move by the House Judiciary to make the Commission's work more difficult is no less than amazing.

We will admit that there is seemingly sound argument in favor of the "reasonable probability" rule. However, in face of the every-day realities of the situation—where independent and small business needs protection today, not in the never-never land of 10 years from now—we believe that this argument does not stand up. If the function of the Federal Trade Commission is to afford relief to businessmen from unfair-price discriminations, then the Commission must be given the means to, and permitted to secure this relief where it is clearly needed. If the Federal Trade Commission is to enforce the Robinson-Patman Act, then it must be permitted to enforce it—not barred from enforcing it.

In the third place, the House Judiciary Committee has amended section 2b of the Clayton Act, as amended by the Robinson-Patman Act, to provide that so-called good-faith meeting of a competitor's price is adequate defense against Federal Trade Commission price discrimination charges notwithstanding the possible unfairly injurious effect on competition. We do not deny that in so amending the law the committee is logically following its action in eliminating the Kefauver amendments. For its consistency, the committee is to be commended. But from that standpoint of the effect its recommended changes will likely have on small business, we are far from praising the committee's action.

Let us illustrate our point: In the tire field today independent dealers are in every-day competition with one another, and with mass distributors, chains, and oil company outlets, with department stores, with rubber manufacturer owned and controlled stores (many times an independent will be in competition with a store owned and operated by his own supplier), and with manufacturers selling direct to the consumer. Conditions in the tire field are chaotic. Due to the tremendous price advantages the mass distributors, chains, oil firms, company stores, and manufacturers selling direct have over the dealers, many independents are being driven to the wall.

The Federal Trade Commission presently is trying to bring some justice and fair play into this situation. It is studying the condition with a view toward using section 2b of the Clayton Act for the elimination of the unfair price inequalities that are driving independents to the wall. Under the Clayton Act as now written and interpreted there is hope that some good will come of this action. Unless some good does come, there is strong probability that the system of independent distribution in the tire field may go by the board. If this occurs, then there is probability that some of the smaller manufacturers who depend on independents for their distribution will also go by the board. And unless some good does come of this, there is strong likelihood that there will be little economic opportunity for new little fellows in the tire field.

Now comes the Judiciary Committee with an amendment to this section 2b, providing that firms may justify price discriminations on grounds that they have been made in good faith to meet an equally low price from a competitor, notwithstanding the effect of these discriminations on competition. What is to prevent the tire manufacturers from showing the court or the Commission that the price to mass distributor A, which is causing havoc among independents, has been made and maintained to meet competition in good faith from a competitor? Would this not pull the rug out from under the Commission? And if it were to, then what could we expect to happen to tire independents?

In all this I am not forgetting that the Nation's grocers have for a long time sought action by the Federal Trade Commission under section 2b as a solution to the price discrimination problem that is, and has been, injuring them. I want it known plainly that in commenting on the proposed changes in section 2b of the Clayton Act I am concerned over the possible effects on tire men—but, at the same time, I am equally concerned over the possible effects of all independent and small-business men in all lines of effort.

And, so, present conditions in the tire field would continue. Present conditions in the retail grocery field would continue. The Federal Trade Commission would have to stand by helpless. And people who are now independents in the tire, the grocery, and other fields would, if they were fortunate, go to work selling tires, bread, and the whole host of other items, for chains, mass distributors, oil companies, and for manufacturer-owned stores. Then will come United States Supreme Court Justice Douglas' "Nation of clerks."

On the basis of these three changes in the Robinson-Patman amendment to the Clayton Act we found the charge made earlier that the House Judiciary Committee has prepared to sacrifice independent business, and our antitrust laws themselves, on the altar of big, monopoly business.

Please remember that, according to such responsible and authoritative sources as the Senator from North Dakota, Mr. WILLIAM LANGER, and the former United States Assistant Attorney General Wendel Berge, the reason why we have the business concentration, the monopoly problem—and so the independent and small-business problem—that we have in this Nation today is solely because for the past 50 years our antitrust laws have not been sincerely and adequately enforced. Are we, then, if we are sincerely interested—and is there a Congressman who will say that he is not sincerely interested—in the welfare of independent small business, the preservation and promotion of the free, competitive enterprise system, to step back gingerly when these laws are enforced and quickly move to emasculate them? Are we to cry out warnings against the Devil, and later go to bed with him?

What this country needs today is more—not less—economic opportunity. It needs more fair chance for the laboring and white-collar workers to raise themselves from the status of employees to the status of employers. It needs more fair chance for the independent and small-business people to exercise their glorious God-given skills to serve the people, and serve the people better. It needs more independent business units, competing fairly with one another, in more decentralized locations. It needs more independent, competing business—more producers, and more wholesalers, jobbers, salesmen, and delivery drivers using more shoe leather, gasoline, tires, railroad and air-line tickets, and more and better food and clothes and entertainment to consume the products of industry and keep our economic machinery functioning. It needs more independents with a stake in this great land, and with this stake a deeper spiritual appreciation of that for which our flag flies. It needs all these to solve our pressing problems, to keep our Nation safe and intact, to keep it solvent, a going, prosperous, happy bulwark of democracy and the democratic way of life under God the world over. It needs all these to keep every last citizen who wants to work at work. This is what we of the federation stand for.

Before bringing this testimony to an end I should like to call your attention to a recent study (Technology and Size, Proceedings of the American Economic Review, vol. XXXVIII, No. 2, May 1948) of our business structure, made by Mr. John Blair, of the Federal Trade Commission. In this study Mr. Blair points out clearly that advances in power, machinery, transportation, and other fields have set the stage for a decentralization from monster producing combines and units to smaller, dispersed producing units. He argues forcefully that this change could be accompanied by a switch from concentrated economic control to widespread independent ownership and control with little, if any, loss of efficiency of operation. But—he warns—this change to decentralized, independent ownership and control will never be realized fully if the monopoly controls over American business are not broken. It is interesting, and not a little bit disturbing, to observe that Mr. Blair—a man who has long been close to antitrust enforcement—is not too hopeful that we will have the needed antitrust enforcement. In view of what has happened in the House Judiciary Committee we see he is on firm ground.

Gentlemen, a vote by the Congress in favor of the O'Mahoney bill as passed by the House Judiciary will be a vote against the expansion of economic opportunity this Nation needs. It will be a vote against independent and small business, and a vote to break down our antitrust structure.

A vote for the bill as passed by the Senate (and minus any change in the reasonable possibility rule) will be a vote for the expansion of economic opportunity this Nation needs. It will be a vote for independent and small business, and for the protection of our antitrust laws to reinsert the Kefauver amendment with whatever strengthening additions are necessary. However, I wish to make clear that if the bill, if so enacted, would only serve to open up the courts for the purpose of litigating all over again the issues that have been passed on by the courts in any number of hard-won cases, then the new law would serve no purpose at all except to help big business become bigger and make monopoly the rule of the day.

The issues are clear. And only Congress can decide them.

Shall We Have Private or Public Power, or Both?

EXTENSION OF REMARKS
OF
HON. DEWEY SHORT
OF MISSOURI
IN THE HOUSE OF REPRESENTATIVES
Tuesday, July 5, 1949

Mr. SHORT. Mr. Speaker, in recent years there has developed, unnecessarily, a bitter battle between public and private power interests in this country. Without doubt both sides have committed mistakes, but there is no reason why they cannot get together if they approach this highly controversial issue in a spirit of cooperation, open and fair mindedness.

It is safe to say that every Member of Congress, regardless of politics, wants more and cheaper power for his constituents. There is no difference in the objective to be reached but only in the means by which it can be achieved. This is no simple problem, but a very complex and intricate one.

In figuring the costs of power to the consumer, many factors must be considered—capital investment, cost of service, tax revenues, and return on honest investment.

Every American citizen is entitled to a fair and just return on an honest investment in a legitimate enterprise. On the other hand every American consumer of electrical power is entitled to reasonable, uninterrupted, and efficient service.

In the past, private power companies perhaps have taken only the cream and neglected the skimmed-milk sections and districts of the country. Today the proponents of public power, in their righteous indignation but overzealous enthusiasm would perhaps destroy the very system that has made our country the greatest of all nations. They would wreck long-established and time-tested methods and take away not only from the Government the revenues necessary to support it but would rob the investors, many of them widows and orphans, of the funds which they have legally and legitimately invested.

We want no monopolies, either private or public, in this country.

Mr. Speaker, I have consistently supported REA from its beginning. In the last Congress, Republican controlled, we voted $400,000,000 for rural electrification—which is $100,000,000 more than the President and his Director of the Budget requested. Having served on the Flood Control, Rivers and Harbors, Irrigation and Reclamation Committees of the House, and having been for 6 years president of the National Rivers and Harbors Congress and now chairman of its board, a Nation-wide, nonpolitical, nonprofit, patriotic organization, which is concerned with the conservation and utilization of all our land and water resources, I am naturally interested and most eager to see that all our people in every section of the country are given the most power at the lowest rate at the earliest possible moment.

Mr. Speaker, we cannot attain this worthy goal by destroying private enterprise and individual initiative. I must represent all my people, and the huge volume of mail which I have received on this subject is about equally divided in the peoples' opinion on this issue.

Never have I straddled an issue and it is now too late for me to side-step, pussyfoot or evade this issue. I shall not carry water on both shoulders but I will say from the arguments I have received from dear and loyal friends on both sides of this issue that I am forced to take a middle-of-the-road course. I believe it is possible for us to get more and cheaper power and better service to more of our citizens, but I do not believe it can be done by destroying the private power companies and turning all of this great industry over to a Federal bureaucracy.

Certainly, there is no justification for the Government to build parallel lines to deliver power to cooperatives when existing lines by private companies have contracted to deliver power at the same cost without additional Federal funds to construct those lines and without enormous loss in Government taxes.

Mr. Speaker, under leave to extend my remarks, I include the editorial which appeared in the Kansas City Star on Wednesday, June 29, 1949. In my opinion it is thoughtful, fair, well balanced, and a most serious and earnest attempt to arrive at a just solution of a very perplexing problem. It follows:

HYDROELECTRIC POWER PRIZE

For several years a public versus private power issue has been sizzling from southern Missouri to Texas. This is the territory in which power from the Government flood-control dams is under the control of the Southwest Power Administration set up by the Department of the Interior. It is an area of vast and rather far-advanced plans for production of hydroelectric power, part of it suggestive of the Tennessee Valley.

The private power companies charge a deliberate program of using public power either to wreck them or force them to sell as in the TVA. Here are the essentials of an issue as far-flung as Government plans for hydroelectric dams throughout the Nation.

In this Congress the issue has come to a head with the Power Administration's request for an appropriation to build a limited number of its own transmission lines and substations. The private power companies see a gigantic plan for the future which would put Government lines into all parts of their Southwest territory now served by private power. Against such a tax-exempt Government operation they say they could face only ruin.

From its headquarters at Tulsa the Southwest Power Administration operates on a comparatively small scale today. Only two plants, Denison, Tex., and Norfolk, Ark., are in operation and they are equipped for only half their future capacity. But six others are under construction. The big dam at Bull Shoals, Ark., near the Missouri line, has a planned power capacity greater than Denison and Norfork together. A half dozen others have been authorized.

This is a region looking to public power as a major factor in its future. It expects more power and cheaper power with a view to expanding rural electrification, developing industries, and all other benefits.

In the face of such a development a decision on a method of handling this power is vital. It not only concerns the Southwest but all the rest of the country where hydroelectric plants are to become part of flood-control dams. Is the lure of cheap public power to be used to undermine private operations and turn the whole country to public power? Or, can a way be found to combine the advantages of cheap hydroelectric power with the vast resources of private companies in steam plants and skilled management?

The answer may come out of this fight in the Southwest. It could and it should produce a pattern for cooperative public and private development.

The private power business of the area sees a gun at its temple and believes it has gone a long way toward a compromise arrangement. Last year the major companies got together to work on a contract by which they would market public power to the rural electrification cooperatives and municipal light plants. The rates were to be low, about what the same kind of consumers pay the TVA. But the companies wanted to handle the business. Last December the contract was turned down.

The Southwest Power Administration went to Congress for the appropriation to start on its own power lines. When the House acted favorably the private companies gathered in prayer and made what they considered a capitulation. They offered to carry the power administration's product on their lines and permit the Government agency to sell directly to existing rural electrification cooperatives and municipally owned plants. They woud not be paid directly for transmitting the Government power.

This offer came so late that there has been no opportunity for the administration and companies to get together on specific parts of the plan. But it is in the direction of the kind of contract the Government has wanted in the past.

Douglas G. Wright, Administrator of the Southwest Power Administration, has told the Star his bid for lines does not contemplate putting the private power companies out of business. He says the public power in the area will never be more than 20 percent of the total power consumed. A working arrangement with the companies would be fine, but he is not convinced that the present effort has more than propaganda value for the Senate committee. And even if it is a firm offer he sees many points of remaining differences. In the meantime the Administration wants authority to build some of its own lines.

For all the mutual suspicions this is plainly a case in which the two sides should be able to get together. They are near enough together to suggest real hope of agreement. Here is a chance for a model working arrangement which might set a national pattern. Hydroelectric power has its greatest value when utilized in conjunction with the steady supply of power from steam plants which are owned by private companies. Cooperation can give the customers what they want, a big supply of low-cost power.

Congress should be able to save the taxpayers' money in this case: Tell the two sides to go home and get together on a contract.

The American Red Cross

EXTENSION OF REMARKS
OF
HON. DEWEY SHORT
OF MISSOURI
IN THE HOUSE OF REPRESENTATIVES
Tuesday, July 5, 1949

Mr. SHORT. Mr. Speaker, on Wednesday, June 29, 1949, the Honorable Louis Johnson, Secretary of National Defense, delivered a most inspiring address before the annual convention of the American Red Cross in Atlantic City, N. J.

Under leave to extend my remarks, I include this glowing and well-earned tribute to a great American institution by

a great American who fully realizes its need in both peace and war:

The American Red Cross stands out as a symbol of all humanity and serves as an instrument of international good will. Like human mercy and human pain, the Red Cross knows no barrier lines. It is a living human spirit that goes out to all men and women. It sets an example of conduct for all walks of life. If the great quarrelsome family of world nations could get together in their politics and their diplomacy as they do beneath the banner of the Red Cross, we could be confident that there would be no more wars.

The Red Cross has endeared itself to the hearts of the American people—to those in the service and to those on the home front as well. We all remember the magnificent job it did during the war—a job that stands out vividly in our memory, even now, almost 4 years after VJ-day.

Of all the services of the Red Cross during the war—and they are far too many to mention in one speech—the one that perhaps best dramatizes the Red Cross effort and most effectively demonstrates its superb organization is its humanitarian work on the blood line of the American all-out effort for victory. It was the Red Cross that was responsible for the more than 13,000,000 pints of good red American blood that the people of America sent to save the lives of our soldiers, sailors, and marines on the World War II battle places throughout the globe.

I well remember those grim days of sudden emergency after the terrible final drive of Hitler's army known as the Battle of the Bulge. The need for plasma was urgent and vital. The air force was brought into action, loading the big C-54 transports with whole blood gathered by the Red Cross. Quickly they flew their precious cargo to field hospitals in Liege, Antwerp, Namur, and other towns in northern France and Belgium. So effectively had the Red Cross done its sacred work of human mercy that often it was only a matter of a few hours between the time a Red Cross worker had rolled up the sleeve of a donor here in the United States and the moment when that same blood was being injected into the veins of a wounded American boy in a tent hospital in Europe, who without it might have died.

It was the same story on the high seas. When the German and Japanese shells and bombs shattered bone and flesh aboard our Navy battleships and carriers, it was here again that the blood gathered by the Red Cross saved American lives. And similar stories abound of the saving of many thousands of lives among our air force pilots and crewmen. The American people gladly gave their blood for the men and women in the services and it was your organized facilities that made possible its collection and storage against the hour of need. This is but one instance of what the American people owe to your great organization.

Today your work is done in time of peace. As the representative of our American Military Establishment, I am here to tell you that your Red Cross task is needed no less today—and is in its essence no less dramatic—than was the gathering of life blood during war for our heroes on the field of battle.

On the dramatic side, there have—since VJ-day—been two separate and major jobs of wartime caliber which demanded the all-out support of the American Red Cross—the Berlin airlift and the return of Americans from China.

In connection with the Berlin airlift, you met an emergency fully as compelling as war itself. In the emergency withdrawal of American troops and their families from China last fall, you of the Red Cross were confronted in your services with nearly all of the aspects of a military campaign except those pertaining to casualties.

When we set up the Berlin airlift, we had to get going in a hurry. As we moved, we noted with great satisfaction how your field directors, with their communications and recreation facilities, kept coming right along with us. We pulled in our men from all over the world, and we did not give them much notice. Many families were separated. Ties were broken suddenly. Wives and parents and children lost track of men whose pay checks meant their bread and butter and rent. Expectant mothers were stranded. Husbands were gravely concerned.

Commercial communications facilities had no practical means for keeping pace with the fast moving situation. It was then that you of the Red Cross stepped in and did a job. You relaxed your regular policy of utilizing only commercial facilities for transmittal of funds. You handled money transfers yourselves. Many destitute dependents, in that way, received funds for subsistence, hospital expenses, transportation costs—funds desperately needed, which would have been unobtainable but for the Red Cross. In some cases, the money transferred was handed to the Red Cross by a man in uniform. In others it was a loan. In still others, it constituted a grant of Red Cross funds. But no matter how the money got to the Red Cross, time was never lost in dispatching it to the desired destination and getting it delivered.

And this was just the beginning. As the airlift continued, problems mounted and grew in size. Men away from home needed recreation facilities badly. The Red Cross provided them. American Red Cross-trained physical instructors conducted classes in swimming and life-saving. Athletic activities were promoted. When winter came along, volunteer Red Cross chapter workers in the United States knitted woolen sweaters and shipped them over to the troops. These were but a few of the many services performed by the Red Cross for our men serving their country in a trying situation in a foreign land.

A similar major emergency service was contributed by the Red Cross following the decision last November to return servicemen, their dependents, and some civilian workers from China. Again, the Red Cross met a crisis effectively and magnificently. There, in China, Red Cross overseas field men checked in with military commanders, extended assistance needed in the way of messages-to-families, financial aid, advice—in fact, rendered every conceivable kind of help in the circumstances brought on by this critical situation. Then, back in San Francisco and Seattle, your field directors set up units to aid in processing the returning servicemen. Families were assured of the safety of their men in the services. Anxious relatives who had begun assembling at the United States debarkation centers were given comfort and confidence. Nurses aides were supplied by local Red Cross chapters to care for children during the debarkation process. When processing on one Navy ship was delayed unavoidably, with no eating facilities, the Red Cross canteen service quickly went into action. Coffee and doughnuts were wheeled right onto the pier.

I like these stories of Red Cross help to soldiers. They are warm stories, touched with human kindness and neighborly help. There was, for instance, the episode of the sergeant who went to the Red Cross itinerant station field director with a poignant request: At 10 a. m., he inquired how he could obtain a wheel chair for his 11-year-old paralytic son. Before the afternoon was over the boy had his wheel chair. The Red Cross field director got a wonderful sense of inner satisfaction in doing that job of getting that wheel chair forthwith for that American soldier's son.

Sometimes the tasks are not so pleasant. Not so long ago, the wife of a junior officer in Vienna traveled across the United States, by boat to Bremerhaven, and by train to Austria, to join her husband. The eager young officer was killed driving to meet his wife at the station. Red Cross officers found the wife practically without funds; loaned her money for the return trip and helped arrange for shipment of the officer's body back to the United States. But whatever the job, pleasant or grim, it's all part of the day's responsibility for the Red Cross representative and is done with a keen sense of duty.

Many of you Red Cross workers know such stories far better than I do. You did the job. But the important thing today is to recognize that we can't relax, that this vital work must go on—and does go on. Thus right now, Red Cross volunteer aid stands ready to help more than 600,000 servicemen, many of them stationed with their families in foreign lands across all the oceans. It stands ready with the kind of help that only the Red Cross can offer. These servicemen are overseas because our national policy demands the presence of our troops in certain foreign critical areas. These men must be well trained and well disciplined and their morale must be maintained at the highest level.

We here at home can permit no spirit of complacency or indifference toward them to set in. Unresolved personal problems of either the sick man in the hospital or the able man in uniform would mean lowered morale, less efficiency, and would affect adversely that spirit of readiness to face any crisis that is essential in any military body. A big part of Red Cross work—perhaps its most important function in peacetime, so far as our servicemen are concerned—is the maintenance of the fighting man's buoyant spirit.

The National Military Establishment is the product of the American people: and the Red Cross stands and functions as a living link between the man in the service, wherever he is stationed, and the mothers and fathers and wives and children back home who have given him to the service. Both the men in uniform and the people back home have come to expect certain things from the Red Cross.

When a train of troops headed for foreign duty unloads at the embarkation port, the men expect American Red Cross girls to be there waiting for them, ready with the warm cheer and nourishment of coffee and doughnuts. And they expect this same happy sight to greet them when they step off the boat in a foreign country.

Some of these same men hit the beaches in Normandy and the Japanese infested Pacific atolls during World War II and became devoted to the Red Cross when they saw the work of the Red Cross men and women, helping at all points with first aid, with nourishment, and providing strong, broad shoulders for bearing the servicemen's troubles. Our men in service need the same Red Cross aid and the same broad shoulders now.

When Congress adopted legislation creating the Red Cross in 1905, this organization was formally assigned as a medium of communications between the people of the United States and their armed forces. Regulations of all branches of the military service recognize the role of the Red Cross.

We of the National Military Establishment need the work of the Red Cross, as we need a good right arm. We recognize in our military plans the place for the Red Cross. The location of the Red Cross hut may not on the surface seem as vital to victory as the placement of an artillery battery, but it is an important factor which cannot be overlooked.

The Commander in Chief, the President of the United States, and we of the National Military Establishment, want your Red Cross

president, and your board of governors to continue to work with us in planning the welfare of our armed forces.

We want your hundreds of field directors in the 3,700 Red Cross chapters of the United States to keep on with their level-headed personnel work; with their assistance in communications. We value your reports. We appreciate the wide range of services reflected in 700,000 cases affecting military and naval personnel that you acted upon last year. Our men in uniform have come to rely on the friendly helping hand always extended by the Red Cross: the emergency loan, the messages-to-family, the intercession for emergency leaves, the kindly and thoughtful advice always ready for the asking.

These are the things we want from you in peace—the hundred and one services which contribute so greatly to the human and social welfare of our men and their families. And I hope and pray with you that the Red Cross will always be serving in time of peace. But should war come, we of the military will again want from the Red Cross not only these service, but also those which were performed so ably in the last war—such as medical aid, help to prisoners of war, morale work, and the maintenance of a warm and understanding link between troops in the field and the folks back home.

The Red Cross is a nonmilitary, civilian, voluntary organization, supported by individual voluntary funds. Its employed personnel is paid by these funds. It is organized to go anywhere in the world in case of disaster to the aid of suffering mortals, with medicine, surgery, food, clothing—with everything needed.

The Red Cross is the heart of America—generous, sympathetic, and understanding. More than the brains that give us our industrial and economic supremacy, more than the brawn that gives us our strength, in war and peace, on land and sea and in the air, it is our heart touching the affections of all of our people, in every section of the community.

And it is this great American heart expressed through deeds such as those of the Red Cross that has won for us the friendship of people everywhere and that understanding of the ideals of America upon which the peace of the world ultimately rests.

Valley of the Dammed

EXTENSION OF REMARKS

OF

HON. WILLIAM LEMKE

OF NORTH DAKOTA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, July 5, 1949

Mr. LEMKE. Mr. Speaker, among my remarks I include part 3 and part 4 of the Valley of the Dammed by Bigelow Neal. In these articles Mr. Neal describes the actions of the Army Engineer Corps in connection with the Garrison Dam in North Dakota.

Until I had some experience with the Federal Government in the taking of private property for public use, I had been of the firm conviction that the Government would observe the constitutional mandate that private property shall not be taken for public use without just compensation.

However, I soon learned that the Government, and especially the real estate division of the Army Engineers Corps, did not understand what was meant by just compensation. In place of decency and justice, I discovered that they used the bulldozing and threat methods.

Until I had some experience with the real estate division of the Army Engineer Corps, I felt that the Government would be as fair and honest with its people as it expected them to be with it. Up to that time, I thought the constitutional provision "just compensation" protected the home owners, but to my amazement, I discovered that that was not the case. I discovered that the Government is out to take and take by threats and by using its great power in the courts if necessary.

Below are part 3 and part 4 of the articles by Bigelow Neal entitled "Valley of the Dammed":

VALLEY OF THE DAMMED

(By Bigelow Neal)

PART III

Some part of the tragedy which has come to the people of the Missouri Valley is due to lack of information concerning the agencies with whom they are forced to deal. For that reason, even though it is a bit dry and academic, I had intended to start out with the Army Engineer Corps, the real estate division of the Army Engineer Corps, the Department of Justice, and the United States district court—somewhat in that order.

But an interruption of my own narrative seems imperative, and I am going to talk about these negotiators in a way that I shall elaborate later on.

The "negotiator" appears

When the "negotiator" first came to see me, I judged there had been a death in his family. Apparently he was very sad. It had even affected his viewpoint, for he looked on the scene about us with a jaundiced eye. The trees were not green enough, the grass was not tall enough, and even the hills seemed guilty of immodesty, because there were places where bare clay showed through their overalls.

He was depressed, too. He saw no future for the country and all he could think about were things like crop failures in the past and more to come. Honestly, he nearly had me blubbering, too.

And then when both of us were pretty well down in the dumps, he made me an offer for my home. I shook my head, evidently in the wrong way, for his sadness became even more acute.

A week later he was back again. When he drove into the yard, I knew that the loss of one loved one couldn't explain his state of mind. Nothing less than half of his family dead could justify his depression. He made me another offer. Again I shook my head. Again he drove away.

Upon his third appearance he began to excite a trace of genuine sympathy in me. By that time I was sure has family had been wiped out. But I shook my head yet again.

Another week and another visit from the apostle of gloom. He had a fourth offer and it met the identical reception I had accorded its three sisters. I suggested then that we quit talking business altogether. Why should both of us continue to suffer when we progressed nowhere but in the wrong direction? Finally he agreed and admitted that he was fond of cherry pie and had a special weakness for fried bullheads and mashed potatoes.

Thus we reached the end of our business relationship and it had a remarkable effect on him. He seemed to forget the loss of his family and developed a remarkable appetite. With that came a general building up of his health and finally his tail feathers began to flutter like a meadow lark on a fence post and he burst into song. Queer that a man could recover so soon from such a terrible loss but when I say he burst into song, I mean every word of it. Somewhat abetted by another "Negotiator" who had been a band leader in happier days and reinforced by the voices of my children, he would sit in the middle of my living room, wave his hands in the air and sing until the roosters took over where he left off. And so divested of his professional atmosphere, we became exceedingly fond of his better part.

Meanwhile, true to his duty, he had handed my case over to the Department of Justice. And all that followed for many months was nothing at all.

An "invitation" to court

Finally a deputy United States marshal drove into my yard, got out of his car and began to tug at a summons. It seemed that the United States District Court wanted me to pay it a visit and the court had sent the marshal out to see that the invitation was delivered. The trouble was that the invitation (or summons, if you want to be rude about it) was so long and so wide it would come through the car door only when stood on edge. One look at that document and I thought Sears, Roebuck, Montgomery Ward, Spiegel, and Webster's unabridged dictionary had gone into partnership. I never saw so many words traveling together in all my life.

I tried to read it. I got in two or three paragraphs and stuck. Glancing over the headlines, I judged the rest of it to be as Huckleberry Finn once said, "Interesting but tough." To claim to have read it would be equal to Gene Tunney's claim that he had read Gibbon's Decline and Fall of the Roman Empire.

The serial number I sent to my attorney, together with the date of the service. I knew that my attorney had 15 days in which to answer it. He filed his answer with the United States district court and I was proud to find that I had a man on my side who could say just as much meaning just as little as anything the United States marshal could haul in here with a truck.

So after another period of some 8 months, we all got together in United States district court. Much more of this later but right here I want to make a point. Every time I shook my head at that funeral-director negotiator, I made a thousand dollars in cold cash. And in addition to that, the jury decided I had $500 coming, maybe, for the bullheads. Four thousand five hundred dollars for refusing to believe that my home was as worthless as the negotiator would have me believe. And my nearest neighbor made $9,000 without investing even a piece of pie or a squashed potato.

Please don't mistake the foregoing for humor. It isn't even funny. In every line of it, there's pure tragedy.

Now, we've been up long enough for a breath of fresh air, we'll dive again to introduce some of the characters and institutions with whom the landowners along the Missouri must deal.

The Army Engineer Corps

I find there is much misunderstanding about the Army engineers. It will be helpful, I believe, for some of my readers to know more about them. Not long ago I promised Colonel Seybold, commanding officer of the Garrison district that, when I came to write about it, I would devote a little space to clearing up a part of this misunderstanding.

Because the engineers have been blamed for everything that went wrong among us, let's see what an engineer is and, to that end, we might as well use this same Col. John S. Seybold as an example.

Many years ago Colonel Seybold wanted to be a soldier. He got an appointment to West Point. And the fact that he graduated tells us that he is an able man. Only the finest and strongest of American youth have what

it takes to graduate from that institution. It shares with the Naval Academy the honor of offering the longest, hardest, toughest course offered by any school in the United States or anywhere else.

It so happens that among its graduates those men—maybe 25 or so in number out of probably 700 men in the class who attain the highest scholarship of all—may, if they wish, enter the Army Engineer Corps. And then they have literally jumped out of the frying pan into the fire, because they are sent to another Army school to specialize in engineering problems, where only the cream of the crop ever makes a passing grade. Colonel Seybold did all of these things and so the standard by which we measure both his physical endurance and his mental ability is the highest of any scale we know.

At West Point they teach other things: If a man has any false pride or prudishness, they literally kick it out of him. No matter how high his opinion of himself in the beginning, he soon comes to realize that he is made only of common clay.

They teach a man that there is no more sacred thing than a soldier's word. To these professional soldiers of ours honor comes ahead of all else. And lastly, but not least by any means, they teach that a real soldier is a gentleman and that mercy is a quality that he must never lay aside.

Knowing the above, we have a right to deduce that Colonel Seybold, like all other engineers of the Army school, is an able man, an honorable man, a just man, and a merciful man. If he isn't, it follows that he is an exception to the rule.

In view of the above you will ask, "How could a whole community be turned into a graveyard of crushed hopes and a monument to disappointment and human misery when the program was directed by this same Colonel Seybold?"

There are several answers. Or rather, there are several partial answers, which, taken together, make the whole:

First, Colonel Seybold has a job far too big for any one man.

Second, his knowledge of North Dakota real estate is extremely limited.

Third, owing to the fact that he commands a rather unruly crew, he often doesn't know what is taking place on the lower decks of his own ship.

Fourth, he often has, and sometimes does, make the mistake of believing the wrong man.

Fifth, he came to his position taught to believe that every man who must sacrifice his home to the building of this dam, was a chiseler of the first water, that nothing they would say, in court or out, would be true and that his citizenship or patriotism never could rise to equal his sense of personal loss.

Sixth, like a first sergeant in the Army, Colonel Seybold must carry out every order that comes to him from above, receiving none of the credit and all of the blame.

PART IV

Because many landowners have alleged that they signed away their homes through fear of the Department of Justice and because the greatest fears we meet in life are fears of things we do not understand, it seems worth while to define that Department and tell something of its powers and functions as they apply to land condemnation under the Act of Eminent Domain. This, of course, is for those among us who are not too well posted on American judicial systems.

The Department of Justice

In our cities we have a man we call the city attorney. His business, primarily, is to conduct the city's legal business and to prosecute violation of city ordinances.

In each county we have a county attorney or State's attorney, as we usually call him, who handles the county's legal business and prosecutes violations of State laws.

At Bismarck we have an official we call the attorney general who is to the State exactly what the city attorney is to the city and the county attorney is to the county.

Because we vote for these men, and frequently know them well, none of us who has a clean conscience fears them in any way.

Now in Washington we have a man who conducts the legal affairs of the Government and prosecutes violations of laws that are national in scope. He is a Cabinet member, appointed by the President of the United States, and we call him the Attorney General of the United States.

Conducting a tremendous amount of business the Attorney General of the United States must have a lot of help and somehow, sometime in the forgotten past, his Department adopted a rather high-sounding name for itself—the Department of Justice.

But after all is said and done, the Department of Justice is nothing more or less than a group of good solid citizens like the rest of us. It is human all the way through and while it must enforce the laws of the United States, its intent is to operate without any cruelty at all and with a considerable degree of sympathy as well. As I said a moment ago, if you have a clean conscience, you have no more to fear of the Department of Justice than you have to fear of your State's attorney at your county seat, or the city attorney in your home town.

If you refuse to sell your home at the bidding of a negotiator, all he can do is to certify your case to the Department of Justice. That Department will then start condemnation proceedings against your land. After many months of delay, the title to your land will pass from you to the Government in spite of all you can do but—no matter what you may have been told—the Department of Justice is not engaged in a business of kicking families into the snowdrifts and it is not going to avenge itself upon you merely because you have taken advantage of the right given you by Congress, to have your case arbitrated by the United States district court.

The United States district court

Just as we have courts of our own to handle State business, the Federal Government has a court system to handle business in which it is interested. These are known as United States District Courts. Some States of large population have several United States District Courts but because fewer people live in our State, North Dakota has been made into a district by itself and we have one United States District Court with jurisdiction over the entire State. For its own convenience and for the convenience of you and me, our court has divided the State into districts and sometimes it holds terms of Court in Fargo, sometimes in Bismarck and sometimes in Minot.

The judge of the United States District Court, in our case, Judge Charles Vogel, is appointed by the President of the United States and confirmed by the United States Senate. Once in office, he holds that position for life. He cannot be removed, unless he is guilty of great wrong himself. In short he becomes one of the most powerful men in the United States because no President, no Congress, no branch of our Government and no man or men can tell him what to do. Needless so say the Department of Justice has no authority over him whatever.

Some of my neighbors went into court, with their land cases, somewhat misinformed. They thought that the judge of that court represented the Government and so the Department of Justice and the real estate division of the Army Engineer Corps, only to learn that he represented nobody but himself and nothing but justice and courtesy and mercy. In other words, he represented the finest part of this thing which we call America. Not only was there nothing to be afraid of but they were actually under his protection every minute they were in his court room.

The United States district attorney

Attached to each United States district court is a United States district attorney. He is the man who actually does represent the Government, in these cases, the Department of Justice. But as a man to be afraid of, he's not much of a success either. Our own district attorney, Mr. P. L. Lanier, is a North Dakota man just like the rest of us. If you tell the truth when you go on the stand and then stick to it, there's very little he can do about it. I understand he is fair and not at all abusive.

In these last cases, apparently somebody wasn't satisfied with the work of Mr. Lanier. The juries had been giving too much money to my neighbors, so the Department of Justice imported a high-pressure attorney from Minnesota, a Mr. Gus Landrum from Detroit Lakes. I imagine Mr. Landrum made a lot of friends among us. He certainly made one of me. But as far as the jury was concerned, he evidently came in too highly publicized. A newspaper story to the effect that he came with more than 20 years of experience in land condemnation suits and had been highly successful, probably, acted like telling your listeners you're going to tell them the funniest story they ever heard. Immediately you've got to prove it to a prejudiced audience. Having done exactly no better and no worse than Mr. Lanier, he retired to go fishing in his own lake. And the only thing I'm peeved about is that he forgot to invite me to go with him.

The United States marshal

This gentleman is what you might call the sheriff of the United States District Court. As a means of scaring people his title is good but his personality is not so successful. In our case he's Deputy United States Marshal Thomas O'Leary, who can arrest you for selling whisky to the Indians but actually does nothing but drive around distributing these summonses. He's nothing more dangerous than a warm-hearted Irishman. He came to my place last spring. After leaving me loaded down with papers, he said he had a long way to go before dark. I voiced the wish that he get stuck before he had gone a mile. He made the first mile all right but the second landed him in a mud hole, tore the whole transmission out of his car and one of my irate neighbors charged him $8 for pulling him to town. That's one way of getting a share of prosperity out of the dam.

Your conduct in court

There are two people in the courtroom to whom you may go when you are puzzled and can't find your own attorney. One of them is a lady with two personalities. In the courtroom, sitting just below the judge and administering oaths, she is a bit solemn and not the type you would think of first in hunting up a partner for a basket social. But this same lady—Beatrice McMichael—is another person in her office. There she is very friendly and sympathetic and helpful. While it is not good form for you to try for a private talk with the judge when your case is before his court, there is no reason why you can't talk with Beatrice McMichael, the clerk of court. And if she takes you to the judge, well, that's not your fault.

The bailiff

There's another man in the courtroom, a Mr. Page. He also is troubled with a rather stern countenance, but, like beauty, it's only skin deep. While he has authority to throw you out on your ear or even put you in jail if you become disorderly, his principal business, as he told me, was "making people comfortable." I have a strong suspicion that he would do most any favor asked of him.

Lastly there are guards at each door. Once, as I entered the courtroom, I felt a firm

grip on my wrist and a voice something like this, "Sorry sir, but I'll have to take that cigarette."

It made me sorry for him. So I pulled a package out of my vest pocket. "Here," I said, "take a new one, that's pretty well smoked up." The way things turned out, he had the cigarette and I went on into the courtroom with nothing but a pair of red ears. But I'll know better next time.

Next week, I'll introduce the real heroes of my story, the Real Estate Division of the United States Army Engineer Corps, and I shall tell you how the cold grip of a policy shut down on the valley of the Missouri.

Fourth of July Thought—Tories of Every Age in American History Afraid of Too Much Democracy

EXTENSION OF REMARKS

OF

HON. GEORGE G. SADOWSKI

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Tuesday, July 5, 1949

Mr. SADOWSKI. Mr. Speaker, under leave to extend my remarks in the RECORD, I wish to include an article by Thomas L. Stokes that appeared in the Washington Star of July 4:

FOURTH OF JULY THOUGHT—TORIES OF EVERY AGE IN AMERICAN HISTORY AFRAID OF TOO MUCH DEMOCRACY

(By Thomas L. Stokes)

Perhaps a subject worthy of a bit of contemplation today is the present status of civil liberties that we acquire along with our freedom as an independent Nation.

The battle to preserve them gets mixed up today, as it has all through our history, with the battle of the forces of economic privilege against real democracy. The former—Tories they called them in 1776—recurrently build up scarecrows, when their special privileges are threatened, to try to frighten officials against passing laws in the interest of the public and to stop too much free talk and free thinking, which means, of course, our civil liberties.

The Tories of that other age were afraid of too much democracy. So are the Tories of today.

SOON HAD SUCCESSORS

The most influential Tories of the Revolutionary era fled the country. But they soon had their successors who, in the early days of our struggling democracy, got terribly wrought up by the French Revolution and, in 1790 in the John Adam's administration, got the Alien and Sedition laws on the books to protect our folks against infiltration of French ideas and threw into jail editors and others who spoke out.

We survived that.

After the First World War there was another foreign idea ready for exploitation—the Russian revolution and communism. And, sure enough, the Tories of that day moved in, according to schedule, waving before them the fiendish figure of the Bolshevik, with his whiskers and the sizzling bomb in his claw fingers. There were the Red raids of the early postwar period ordered by a panicky Attorney General. Also, there was the Ku Klux Klan, which spread from the South eventually into national politics.

We survived that, too.

The Second World War brought another repeat performance—more communism scares, more Ku Klux Klan. The hooded order seems localized in the South thus far, and decent people and officials seem aroused to squelch it there before it spreads.

But the communism fright is much worse this time than before. Then the vigilante forces were open, noisy, blatant, and rough. This is more insidious, like a paralysis creeping into men's minds, and the alien and sedition laws are moving forward in Congress, potent enough to restrict our liberties and invade our private lives.

PEOPLE'S INSTINCT SURE

When the 1946 congressional elections came around the Tories whipped up communism into a frenzied issue to win the election and thus assure the end of reform threats. President Truman lost the election. That seemed a sure sign that he would lose the White House in 1948. The people refused to swallow the scare stories in the 1948 campaign. Their instinct was sure, as always in the final test.

Inauguration of the Fair Deal with his second term aroused the President's enemies to another frenzy. We are in the midst of that, with the ghastly circus whirling to a climax in a proposed investigation of textbooks by the Un-American Activities Committee, which comes dangerously close to the nazism that we fought only so recently.

This is a good day to reassert ourselves for our basic freedoms.

Need Federal Aid To Maintain Proper Educational Standards

EXTENSION OF REMARKS

OF

HON. EUGENE J. KEOGH

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, July 5, 1949

Mr. KEOGH. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following editorial from the Brooklyn Eagle of July 2, 1949:

NEED FEDERAL AID TO MAINTAIN PROPER EDUCATIONAL STANDARDS

Whether Congress can rescue the bill to lend Federal assistance to the common schools of the country from the cross currents of violent controversy in which it has become involved seems doubtful. Failure to do so will mean the defeat of a purpose which is vital to the educational interests of the Nation. Developments in this issue have taken an unfortunate turn. The conflict over this bill is now marked by heavy overtones of religious differences, creating a condition which does not lend itself to understanding and adjustment.

There is no basis for dispute as to the need of financial aid to local school districts if adequate educational standards are to be maintained on a Nation-wide basis. In some States, principally in the South, illiteracy is prevalent to a shocking degree, due to lack of sufficient schools, poorly trained teachers and to general inability to meet the costs of modern education. This extreme condition does not exist in all States or even in most of them. But education is nevertheless a heavy burden even for those States in a relatively strong position.

A heavy blow has been delivered to pending legislation by the opposition of former President Hoover, General Eisenhower, as president of Columbia University, and President Stassen, of Pennsylvania. They would restrict Federal assistance to those States whose financial need has been clearly established and would withhold help from others.

This opposition, which comes from respected leaders in national life, weakens the position of the legislation substantially.

Maintenance of acceptable standards of education throughout the Nation is a cause in which President Truman has shown a deep and sincere interest. These standards have been deteriorating and the process can be stopped only with Federal aid. The snarl in which this legislation has been caught is both unpleasant and difficult and it is urgently important that the President intervene to the best of his ability in an effort to clear the way for passage of a fair bill which is not marred by the element of discrimination.

Address by Assistant Secretary of the Interior at St. Croix National Monument

EXTENSION OF REMARKS

OF

HON. OWEN BREWSTER

OF MAINE

IN THE SENATE OF THE UNITED STATES

Wednesday, July 6 (legislative day of Thursday, June 2), 1949

Mr. BREWSTER. Mr. President, I ask unanimous consent to have printed in the Appendix of the RECORD an address entitled "A Talisman of International Accord," delivered by Assistant Secretary of the Interior C. Girard Davidson at the St. Croix National Monument, St. Croix Island, Maine, on July 2, 1949. This island, where the great French explorer Champlain spent the winter of 1604, was accepted on July 2 as a symbol of international accord.

There being no objection, the address was ordered to be printed in the RECORD, as follows:

A TALISMAN OF INTERNATIONAL ACCORD

St. Croix Island, on which we stand, has been called approximately "a talisman of international accord."

It is entirely fitting that representatives of the governments of France, Canada, and the United States should join here today in commemoration of this historic site. On this island more than 300 years ago pioneers from the Old World established the first French settlement in the New World. From here, the intrepid explorer Samuel de Champlain set out on his voyages of discovery, on one of which he founded Quebec, the capital of New France, in what is now Canada. From here, the French settlers spread out to Acadia, through New England, and even to my own birthplace far south in Louisiana, exerting their influence on the history and culture of the United States.

Appropriately, this island almost straddles the junction of Canada and the United States, a joining which from this point continues 3,000 miles westward to the Pacific Ocean. This junction of two great nations is usually referred to as the greatest undefended frontier in the world, becaues neither guns nor soldiers are stationed on either side along its great length.

I prefer to think of it as a jointly defended frontier. To me, it is tangible evidence of the union of our two nations in defense of human freedom—a philosophy for which we are much indebted to the freedom-loving people of France—and in defense of the use of the immense natural wealth of this land mass for the well-being and enjoyment of all our peoples.

Today Canada and the United States have further concrete evidence of our determination to open up for the use of all our citizens the natural resources of the country. Today we are welcoming St. Croix Island National Monument—a small but significant natural resource—into our national park system which is dedicated to enjoyment of nature and to understanding of our historic traditions. The preservation of national historic sites such as this for the edification and enjoyment of the people is an important use of natural resources.

St. Croix will become the focal point from which to relate the story of French colonization in North America. As such, it takes its rightful place in the national park system, alongside Fort Raleigh and Jamestown, the early English colonies, and St. Augustine's Castillo de San Marcos, the site of the first Spanish settlement.

I pay tribute to our neighbor, Canada, which has shown us the way in this instance. Some years ago the Canadian Government took steps to erect a memorial at Port Royal, Nova Scotia, to which the St. Croix settlers removed after the first insufferable winter.

Along this jointly defended frontier, Canada and the United States have joined in many projects designed to conserve and develop the natural resources—unified in nature, undivided by the imaginary line of the mapmakers.

Only recently parallel steps have been taken by both Canada and the United States to restudy under joint auspices the possibilities for further work on the gigantic power project in Passamaquoddy Bay right here in your front yard. All of you, of course, are familiar with the tremendous potentialities for industrial growth and new employment which this man-made miracle could realize for this region if it were brought to pass. Senators BREWSTER and SMITH and others in the congressional delegation from this State have joined in obtaining appropriations for this new study.

Joint plans have been developed for harnessing the magnificent St. Lawrence River for both navigation and power. Along it, from the new iron-ore deposits of Labrador to the steel plants on the Lower Lakes, someday may ply the freighters which now bring the ore from the expiring fields in upper Minnesota. From it, eastern Canada, New York, and much of New England may derive the low-cost hydroelectric power which will turn the wheels for new industries bringing more goods and needed employment to the region.

At the western end of this jointly defended frontier, another mighty river, the Columbia, awaits fuller development by both nations so that water and electric power will be supplied cheaply to industry and agriculture, and they in turn will be better able to provide jobs and food for a growing population.

Carrying out these gigantic plans to control the rivers and other resources for the good of man requires and will require long years of effort by a host of determined technicians, statesmen, and citizens. Securing even this tiny natural resource as a historical heritage for posterity required years of effort.

The area to be included in the St. Croix Island National Monument has been dear to the heart of Senator BREWSTER. For many years he worked assiduously for its inclusion in the National Park System and this year Congress passed the bill for that purpose which he introduced in the Senate. I extend to him hearty congratulations on his achievement. Congressman FELLOWS also is due our gratitude for introducing into the House of Representatives and securing the passage by that great body of a companion bill to that of Senator BREWSTER.

Our thanks are gratefully given likewise to such men as Barrett Parker, for whom today's celebration is a triumphant climax to years of campaigning; and Newton B. Parker and Charles E. Barnard, who offered to donate their property to the national monument. It is through such unselfish devotion and generosity that many of our national monuments have been created.

In this, its centennial year, the Department of the Interior is proud to accept the St. Croix Island National Monument into the National Park System. For the Department, this acceptance means shouldering the responsibility for developing and maintaining this area in a manner suitable to its dignified status as a national shrine. It is a responsibility which includes making it easy for visitors to come here, making it comfortable, educational, and enjoyable for visitors to spend time here, and always making sure that we preserve the original historical atmosphere which gives the shrine its value.

It is with considerable humility—as well as with great pride—that the Department accepts this responsibility. We are very conscious of the present inadequacies of our National Park System and of our inability with present facilities to care for properly the millions of persons who visit us annually. Last year our national parks and monuments entertained 30,000,000 visitors, almost twice as many as came in the last year before the war, and almost 10 times as many as visited in 1931.

During the war years, moneys available for management of the parks were curtailed, as they had to be so that we could devote our full energies to winning the war. Since the war, however, we have been unable to catch up with the backlog of repair and maintenance work which we had to let slide for lack of funds. Likewise, we have been unable to build new eating places, cabins and lodges, roads, even sanitary facilities to accommodate the millions of visitors each year who more than strained the facilities designed for half that number. Our funds, although doubled, are in 1949 dollars which go only half as far as they did in 1940.

Many of you from Maine are familiar with our problems at nearby Acadia National Park, where almost 500,000 visitors last year far outstripped the capacities of the road system, the campgrounds, and the beaches, and where a disastrous fire last year destroyed almost 9,000 acres of forestland and cost us $500,000 for fire fighting and rehabilitation.

These problems are multiplied throughout the park system. In Yosemite National Park last year, because we lacked $1,000 to do repair work on a fire-fighting communication system, it took almost an entire day for a courier on foot to bring reinforcements after a fire was discovered. For lack of $1,000, we lost 11,840 acres of forests, and $95,000 spent in fighting the fire for 28 days.

We are also concerned with getting people to scenic and historic areas, many of which are remote from the large centers of population. You will agree, for instance, that it is even more important that those living far distant from this spot be able to partake of the spirit of the St. Croix settlers than it is for you who live in the shadow of its traditions. The small private plane can make our isolated parks accessible to distant visitors with short vacations, if there are places to land when the flyers arrive. To meet this problem, the Senate, after a favorable report by the committee of which Senator BREWSTER is an influential member, recently passed a bill providing a sound method for building airports adjacent to the parks without encroaching on their natural beauty.

These and other examples serve to show that the responsibility for caring for and developing our natural resources does not fall on the Federal Government alone. As many persons worked together to achieve the creation of this St. Croix Island National Monument, so many will have to continue their efforts to maintain it. The National Park System will, as charged by law, take the leadership in the maintenance of this area. But it will need the help of all like-minded citizens.

In my view, nothing less than a continuation of cooperative effort—local people working together with their government—would be suitable to this area. Its historical significance comes from the remarkable cooperative determination of those first settlers who braved starvation, exposure, isolation, and disease.

I am honored to be able to join with our French and Canadian friends in saluting them. And I am happy that in accepting this monument we are preserving for our children and their children this additional page of American history so that they shall never forget the struggle and the hardship of the many different contributors to our Nation's greatness.

Dr. Will W. Alexander

EXTENSION OF REMARKS

OF

HON. BROOKS HAYS

OF ARKANSAS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 29, 1949

Mr. HAYS of Arkansas. Mr. Speaker, during the debate on the housing bill reference has been made by some of the Members to the history of the Farmers Home Administration which will be charged with the administration of the rural housing features of the measure. In two instances the name of Will W. Alexander was identified with the old Resettlement Administration in such a manner as to discredit him, the implication being that Dr. Alexander favored a wasteful and socialized program for rural housing. I am sure that the Members would not knowingly do him an injustice and I make this statement solely for the purpose of placing in the RECORD my own appraisal of his public service and to express appreciation of his efforts in a most difficult situation to launch a sound program for aiding low-income farmers.

I can assure the House that Dr. Alexander does not deserve the thrusts that have entered the Housing bill debate. It would serve no purpose to pursue some of the ideological implications in the statements which contained Dr. Alexander's name. He is not now and never has been primarily concerned with politics. His interests are sociological and he brought to his task in the Department of Agriculture a sincere devotion to the principles upon which our Nation has made progress. He believed that low-income farmers, as well as the more favored group, should share in the monumental farm program and he knew that special exertions were needed to accomplish that result. The homestead projects—the community ideas—of resettlement did not succeed. Dr. Alexander did not originate those plans and he was certainly not to blame for their exorbitant costs.

One obstruction could not be removed. Construction of homes was geared to WPA work relief and that program was inherently expensive. Some day the full history of the recovery program will be written and it will not be uncomplimentary to Will Alexander.

Often overlooked is the success of two other phases of the FSA program under his supervision—the tenant-purchase program authorized by the historic Bankhead-Jones Act of 1937 and the rural rehabilitation loan program under which almost 1,000,000 farmers, renters and owners, including thousands of World War II veterans have been enabled to carry on farm operations right at home. These programs bear the impress of Will Alexander's idealism and his administrative skill. His name is known to only a few of those who benefited from his fine leadership but those of us who were privileged to be associated with him in a great movement know him to be a real American, sound to the core, and a useful public servant.

Text of Letter From Gov. Alfred E. Driscoll, of New Jersey, to Metuchen, N. J., Chapter of United World Federalists

EXTENSION OF REMARKS
OF
HON. CLIFFORD P. CASE
OF NEW JERSEY
IN THE HOUSE OF REPRESENTATIVES
Wednesday, July 6, 1949

Mr. CASE of New Jersey. Mr. Speaker, under leave to extend my remarks, I include in the Appendix of the RECORD the following letter written by the Honorable Alfred E. Driscoll, Governor of New Jersey, to the president of the Metuchen (N. J.) Chapter of United World Federalists:

TEXT OF LETTER FROM GOV. ALFRED E. DRISCOLL, OF NEW JERSEY, TO METUCHEN (N. J.) CHAPTER, UWF

Miss JULIA T. BOGERT,
President, Metuchen Chapter, United World Federalists,
Metuchen, N. J.

DEAR MISS BOGERT: I have just received your letter of May 27, requesting a statement from me on the movement toward world federation which the United World Federalists are so ably representing.

There is, I think, no more significant cause before the world today. No matter which way we turn in our research for permanent world peace, we must inevitably come back to the proposition that without world government there can be no world peace. In seeking the form this government should take, we naturally turn to that form which throughout history has proved most useful in bringing diverse groups into political unity without a loss of their political identity.

This is the great achievement of American federalism and it is the great promise of world federalism. The United Nations represent an environment within which this principle may well seek ever-increasing expression; and although it may develop slowly, as all great institutional transitions do, and assume modifications peculiar to its world-wide application, there seems to me no other road to permanent peace.

May I extend my best wishes for a successful meeting, and my profound respects to those who are so ably carrying the message of this great cause.

Sincerely yours,
ALFRED E. DRISCOLL,
Governor.

Address by Former Senator Mead, of New York, at Oswego State Teachers' College, Oswego, N. Y.

EXTENSION OF REMARKS
OF
HON. JAMES E. MURRAY
OF MONTANA
IN THE SENATE OF THE UNITED STATES
Wednesday, July 6 (legislative day of Thursday, June 2), 1949

Mr. MURRAY. Mr. President, I ask unanimous consent to have printed in the Appendix of the RECORD a very interesting address delivered by our former colleague, Hon. James M. Mead, of New York.

This speech was delivered at the Oswego State Teachers' College, Oswego, N. Y., alumni day program, June 11, 1949. Among other matters, it contains a timely discussion of the Marshall plan and the Atlantic Pact, as well as our obligations in the present world struggle against communism.

There being no objection, the address was ordered to be printed in the RECORD, as follows:

Mr. Chairman, ladies and gentlemen, my unfamiliarity with subjects inherent in the atmosphere of the campus prompts me to follow an old adage, which calls for the cobbler to stick to his last, therefore, I have chosen to speak to you today on a subject that is political though bipartisan, and one that readily commands the interest and support of every American citizen.

Our political problems of today are more stupendous, more critical, and more complex than ever affected the minds and hearts of the statesmen of any generation. Never since the dawn of civilization has man been confronted with problems of such far-reaching magnitude—atomic control, Marxian domination, world government, to mention a few of them. Of those mentioned Marxian domination is the most obstinate and holds the key to the solution of the other two.

In the solutions of these problems the teacher, the educator, must help to lay the foundations upon which the statesmen may build the superstructure of the new world order of the future.

In their haste for achievement of the goals set by the advocates of Marxian philosophy, we witness their strategy which includes the pillage of conquered states, the blackout of freedom behind the iron curtain, the obstinate refusal to reach agreement on any proposed treaty of peace, the isolation of Berlin from western Germany, the Red conquest of China, and the attempted sabotage of the Marshall plan.

In the wicked enterprise to enslave the populations of two continents we have witnessed rioting in Italy and France, guerrilla warfare in Greece, rebellion in China, and the black-out of democratic government in Czechoslovakia, Poland, and neighboring states.

The remaining free nations of the world, driven by this communistic onslaught and spurred on by the laws of self-preservation, have, in defense of their right to survive, approved a program which they believe will lead to ultimate peace, peace with the freedoms proclaimed by the Atlantic charter and now approved by the fundamental law of the United Nations.

To reach this goal and to remove obstacles set up by the Politburo, the Marshall plan, the Atlantic Pact, and its lend-lease military supplement have been advanced by our Congress and approved or favorably recommended by the representatives of the participating nations. From all indications the program in its entirety will be approved very quickly.

Although our generation is faced with dangers, devastating beyond description, and by problems of such magnitude as to dwarf those of earlier generations, we can find encouragement in the slow, tedious progress thus far accomplished through the medium of the United Nations.

The resurgence of democracy in Italy and in France after an all-out attack, reaching violent proportions by fanatical Red forces, gives hope and faith to free men the world over.

The stiffening opposition to Communist aggression in Greece and Turkey, attributed to the Truman Doctrine, stopped the progress of the iron curtain in its drive toward the Mediterranean.

The United Nations' organization, sabotaged at every turn by those that follow Moscow's line, has nevertheless kept aloft man's high hope for peace in our time.

The United Nations has brought peace to the Holy Land. It forced the Netherlands to cease firing in far off Indonesia. It prepared the plan for settlement of the Kashmir problem between Pakistan and India.

Its mediations have softened numerous embryonic controversies. It remains today our one best hope for world order.

The United Nations will grow in strength, and in authority, in direct proportion to the economic and political stability of its loyal member nations.

This leads, logically, to our grave concern with the success of the Marshall plan. Marshall plan countries represent a population of 275,000,000 people. Next to our own people, they are the most advanced, the highest skilled and the most productive people on earth. Before the war they accounted for more than 50 percent of our foreign trade. They produced 60 percent of the world's shipping. Unless they are prosperous, we cannot hope to be.

Since the cessation of hostilities, and more especially since the coming of the Marshall plan, the progress of western European nations toward economic recovery has been noteworthy—and all this, while Soviet Russia has stripped shops and factories, removed the means of transportation, and slowed recovery with sabotaging strikes and slow-downs. Today, these free nations are beyond the possibility of discouragement: they are well on the road to economic health. It has proven according to Mr. Hoffman the director of the ECA, to be one of our very best investments. It leads to economic stability—the first step on the long road to world order.

The international control of atomic energy, so generously proposed by our own Government and so willingly accepted by the free nations of the world, will have to wait until a change of hearts occurs to the Politburo, and that may very well take place when the nations of the Atlantic community develop in strength and unity to command the respect

and co-operation of the powers within the Russian orbit.

The Atlantic Pact and its lend-lease supplement brings the signatory nations together within the framework of the United Nations as a great and powerful force for peace. It will serve, and serve well, as a warning to any future aggressor who might attempt to violate the peace of the world by military operations.

This collective program, which beams toward world government, will bring to an end the terrifying armament race, in which the nations are presently engaged. This program is America's "operation peace with honor."

The educator, the teacher, and especially those in nations where education, like the press and the people, are free, has a grave responsibility. Education, which thrives on progress, becomes a mockery when retrogression and censorship are the tools of the totalitarian bureaucrats.

In Soviet Russia education is subject to the whims of a Politburo which insists upon rewriting history to mislead the student and to vindicate its evil machinations.

In America education must mobilize its collective strength to protect our way of life, to preserve our freedoms, and to further the bipartisan foreign policy of our democratic Government.

With cold war in the near West and a hot war in the Far East, with our ideals and our traditions at stake, we must close ranks around our leadership until victory crowns our efforts. This is no time for disunity to assert its weakening influence.

While the great and overwhelming majority of the Nation's educators are numbered among the most loyal, the most patriotic, and most devoted of our citizenship, there are some who, unfortunately and regrettably, have become the advocates of communism and the enemies of our own democratic system.

While the right of free speech, the right of opposition, while every right granted by the Constitution, including the right of debate, appeal, and amendment, must be zealously guarded, and must remain the right of every citizen, nevertheless, the right to sabotage our institutions by methods that do violence to procedures laid down by the Constitution cannot be tolerated and should never be advocated by one who calls himself an educator. Here in America we can effect changes in the organic laws of the land, but we must follow the methods prescribed to bring about such changes.

The right of our choice of economic or political institutions, as long as they are not opposed to the dictates of natural law, will always remain within the realm of debate.

Our American system grew out of a revolutionary experience, but that revolution upheld the sanctity of the human personality and the laws of God. It placed reasonable limitations upon the tenets of Government and of the States.

Unlike atheistic communism, the American system did not introduce the totalitarianism of the state, the disorganizing idea of the class struggle, nor the destructive intolerance of a program of hate.

The difference between communism and our American system is one of kind, not one of degree. The future of our system, subject to such modification or adjustment as changing economic and social factors warrant, should be assured by our pride, by our devotion, by our loyalty to it in both thought and deed.

It should never be abrogated by a positive act in favor of atheistic communism, for communism can only exist in derogation to our American system.

There is no middle ground.

There is no possibility of one system evolving into the other, or vice versa.

There is no question of appeasement.

There is no third possibility; it's the American system or it's communism.

There is an inherent conflict of ideology, of political temperament, of spiritual outlook, and of historic approval, and of the procedures of implementation.

A real American will foster and advance the living ideals of the political philosophy contained in the declarations of 1776 and 1787.

A Communist will sabotage them.

Freedom of education must always be defended, but freedom to destroy education and freedom to commit political hara-kiri cannot be tolerated. The educational organizations of these United States, like our great labor organizations, must purge their ranks of those who advocate the violent overthrow of the American system.

The educational systems of the Nation, therefore, and especially in this world crisis, must make clear the undeniable values of the American system. They must warn the student of the dangers of atheistic communism.

American tradition and American ideals, neglected at times, must now become a more important part of the curriculum.

The real values of democracy in this world conflict with totalitarianism cannot be overemphasized.

While the teaching of our American heritage might very well include controversial and partisan issues, there is little possibility of criticism of the educator at a time like this when the Nation unites on a foreign-policy program, a program that has for its purpose the protection of our democratic way of life and the ultimate peace of the world.

Record of the Present Congress

EXTENSION OF REMARKS

OF

HON. OWEN BREWSTER

OF MAINE

IN THE SENATE OF THE UNITED STATES

Wednesday, July 6 (legislative day of Thursday, June 2), 1949

Mr. BREWSTER. Mr. President, I ask unanimous consent to have printed in the RECORD an editorial entitled "Six Months of Congress," published in the New York Times of July 6, 1949. I should like to read one sentence of the editorial into the RECORD. Commenting on the record and legislative achievements of this Congress, as compared with its predecessor, the editorial states:

That Eightieth, in fact, now looks like something of a champion.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

SIX MONTHS OF CONGRESS

Congress has now been in session for 6 months, and its statisticians have come up with some figures regarding its performance to date. Senate and House Members have introduced a total of 8,605 bills. Of these, 1,589, or more than 1 out of 6, have been acted upon by the various committees. The House has passed 821 bills and resolutions, the Senate 522. About one-fifth of these, 291, have reached the stage of law.

The record is a lively one, so far as numbers go. It is less impressive when the numbers are sifted in a search for major measures. In fact, 6 months of work on the part of Congress have produced just two new laws of outstanding public importance, and one of these has still to be agreed upon finally in conference. These two are the bill giving the President broad powers to reorganize the Executive Departments of the Government and the new housing bill, which has not yet reached the White House. For the rest, there is little in the half-year record of the Eighty-first Congress that can be classed as important public business, except for the extension of various measures—rent control, export control, European recovery aid, and so forth—originally enacted by its predecessor, the much-maligned Eightieth.

That Eightieth, in fact, now looks like something of a champion. By this time in 1947, and at the end of its own first 6 months of work, it had adopted the Greek-Turkish aid program; ratified peace treaties with Italy and the Axis satellites; approved a constitutional amendment limiting the Presidency to two terms; created the Hoover Commission on reorganization of the Government; passed the Taft-Hartley Act and the portal-to-portal pay law; and enacted a new tax law. Yes, this was a Republican Congress, facing the difficulty of cooperating successfully with a Democratic President.

Its successor, though Democratic, has apparently found that this same difficulty still prevails. One reason is that the President and a large section of his own party do not agree on the interpretation, the timing, and the emphasis of the Democratic platform.

What's Good About the National Debt?

EXTENSION OF REMARKS

OF

HON. CLAUDE PEPPER

OF FLORIDA

IN THE SENATE OF THE UNITED STATES

Wednesday, July 6 (legislative day of Thursday, June 2), 1949

Mr. PEPPER. Mr. President, I ask unanimous consent to have printed in the Appendix of the RECORD an article entitled "What's Good About the National Debt?" written by a distinguished editor of my State, Robert K. Pepper.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

A DEFENSE OF DEFICIT FINANCING—WHAT'S GOOD ABOUT THE NATIONAL DEBT?

(By Robert K. Pepper)

When the announcement was made recently that the United States Government was operating within the budget and a modest surplus would be available for retirement of the public debt, cheers rang out throughout the land.

But now, when the Treasury dolefully discloses that the Government will be back in the red again this year, sad faces are everywhere, especially in Congress, and the clamor is rising to cut, trim, and hack in the interests of economy. There is also talk of boosting taxes to cover the prospective deficit.

Although this goes contrary to the accepted notions of 99 percent of the American people, it can be stated that the economic benefits in increasing the national debt far outweigh its disadvantages, and the dangers seen in its increase are mythical.

Let us consider this: In 1938 the debt stood at around $50,000,000,000, today it is $250,000,000,000. The debt has increased five times and yet the country is rolling along

with record employment, record national income, and record peacetime production. And instead of the wild inflation many sage economists forecast with the ballooning of the national debt, with its resulting sharp increase in the Nation's liquid monetary wealth, we are now mapping plans, not against inflation, but a business recession.

The widely accepted theory that if a Nation doubles its money supply, prices will double also, does not correspond with the facts. It is impossible, in peacetime at least, to establish any statistical ratio between an increase in money supply and prices, if we carefully review the economic history of the past 20 years.

For here are some notations taken from official Government reports: In 1929 the consumers' price index, compiled by the Department of labor, stood at 122.5. In 1939, after a decade of Government deficit financing, the price index had dropped to 99.4.

Or again: In 1939 the Nation's monetary wealth (including demand deposits, time deposits, and currency outside banks) totaled $64,000,000,000. This year the figure stands at around $170,000,000,000, almost three times the 1939 mark. And yet prices, as measured by the consumer index, have increased only from 99.4 to 172.2, a gain of slightly more than two-thirds. And much of this increase can be attributed to the scarcities and dislocations caused by the war and wage increases granted to labor.

And while the debt has increased five times and monetary wealth three times in the past decade, one can still buy the same soft drink for a nickel.

Prices are established by directly operating factors, and in America today the volume of money available is an exceedingly slight one. Prices are fundamentally determined by the costs of production and distribution and are now being shaded downward by increasing competition. Scarcity is the most compelling factor in any inflationary price increase, and the era of scarcity has definitely ended. No one now has the slightest notion of bidding up the price of cigarettes, or steaks, or even new cars.

For those who insist that the volume of money around is a controlling factor in prices, let them figure out this problem: Just how is the selling price of a package of cigarettes, a gallon of gasoline, or any other commodity determined? Is it higher in a comparatively wealthy city like Miami or Hartford than in neighboring towns? If the New York Times increases its subscription price, isn't it because of the increased cost of labor and supplies rather than any national monetary factor? Do grocery stores check the Treasury reports before posting the price of pork chops and canned corn?

If it cannot be established that increasing the national debt has any undesirable effect on prices, what else can be said against it? A reply, of course, is that if it continues to climb it will some day get so large that the Government will be taxed to pay the mounting interest, much less start retiring it.

It may be recalled that nearly a billion of the Government's profits on the 1934 gold revaluation was dumped into the General Treasury fund and used to pay Government debts. Nothing of the slightest consequences happened from an inflationary standpoint.

Now, let us assume that the Government (this is not advocated here but merely propounded as an economic problem) again assumes its constitutional right to issue new money and pays off the entire $250,000,000,000 debt.

Here we immediately assume an era of "wheelbarrow" money similar to the distressing incidents in China today, in post-World War I Germany, in the Confederacy, and our Revolutionary War when the issue of the 13 States was "not worth a continental." But these examples are totally different from present-day America. In these times and places there were extreme scarcities of goods, no strong central government, and no legislative controls over the issuance of money such as we have now.

But this is what would happen here: The Government would deposit this newly issued currency in its checking account, to flow into the Nation's banking system as needed, and proceed to call in the Government bonds which represent the $250,000,000,000 debt. Checks would be issued in return for the bonds, which like all Treasury paper could be cashed or deposited at local banks throughout the country.

With the transactions completed, not one American would be 1 cent richer than he is now, for Treasury bonds are as valuable as cash. The idle and spendthrifty, who presumably would throw money away in bidding up prices and going on wild buying sprees, would not get any because they do not hold any Government bonds in the first place.

In the Treasury's report on the estimated ownership of Federal securities at the end of 1948, the breakdown is as follows: Held by United States Government agencies and trust funds, $37,000,000,000; commercial banks, $62,000,000,000; Federal Reserve banks, $23,000,000,000; private corporations and associations, $53,000,000,000; individuals including partnerships and personal trust accounts, $67,000,000,000.

As to the $37,000,000,000 held by Government trust funds and agencies, this can be written off immediately as to any inflationary effect through immediate spending. These include the invested money in the vast social security fund and similar accounts, with regular and orderly distribution governed by inflexible regulations.

The modest funds held by State and local governments are of somewhat similar character, and having the cash instead of Federal securities would not impel the spending for public works, fire stations, unemployment compensation or whatever else the funds were set up for. More than a third of the Government securities are held by banks. While payment would greatly increase their liquid assets, it would not necessarily mean a great expansion in bank loans. Regardless of how much money banks hold they do not make unsound or unbusinesslike loans, and they already have more deposits than can be profitably invested. By their nature banks do not go in for speculation, or for bidding up prices on anything.

Likewise the $53,000,000,000 held by corporations and associations, including the vast life insurance company holdings would not be flung to the winds. The reserves of corporations are earmarked for definite purposes such as research, pension funds, and improvements. Life insurance companies use their funds almost solely for investment purposes, and not for bidding up prices on any commodities.

This leaves a total of $67,000,000,000 reportedly owned by individuals, partnerships and personal trust funds to be dealt with from the inflationary standpoint. But it should be pointed out that individuals now holding Government bonds wanting money can get a loan at any bank for approximately the face value, or the securities could be sold in the open market at prices currently above par. If they had the cash instead of the equally valuable bonds, it does not necessarily mean they would spend it.

If the Government chose to increase the national debt by $10,000,000,000, or $20,000,000,000, or even $50,000,000,000 now or in the next few years, there would be immediate buyers for whatever securities were offered. The profits of banks and insurance companies depend on holding interest-bearing securities, and there is considerable idle investment money now in the country seeking just such outlets. It may be recalled that in the major war financing banks were assigned a quota and limited to the amount they could buy on many issues. Banks, insurance companies, and trust funds would, in fact, be exceedingly unhappy if the Government should call in its bonds and force them to accept in return non-interest-bearing cash.

It is again emphasized that this article does not recommend the immediate abolition of the national debt, but seeks to point out that all or part of it could be retired at any time at the will of Congress without harrowing consequences.

If it would be so easy to clear up the national debt, some will ask, why doesn't the Government go a step further, abolish all taxes and issue new money for current expenses?

To draw the dividing line, any increase in the national debt, or the Nation's monetary wealth, should be confined to a small fraction of the total outstanding each year. During the wartime peak, the increase in the Nation's monetary wealth was about 20 percent annually. It stood at $99,000,000,000 at the end of 1942, $122,000,000,000 in 1943, $151,000,000,000 in 1944, and $175,000,000,000 in 1945. This, conceivably, was too rapid an increase to be assimilated smoothly. The limit should possibly be 10 percent or less.

As to the Government debt, the figures are as follows: 1942, $112,000,000,000; 1943, $170,000,000,000; 1944, $232,000,000,000, and 1945, $278,000,000,000. The need for no such increase, which averaged around $50,000,000,000 a year, can be envisioned in peacetime. In fact the current total Government budget is considerably less than the average rise during wartime.

If America weathered this amazing climb in the national debt without any serious difficulties, nothing alarming is in sight if an orderly and continuous increase marks the peacetime years ahead.

The danger line in increasing the monetary supply would come if the volume rose to a point where Americans decided that they did not have to work for a living and production would decline. Here the scarcity factor would enter, and prices climb as citizens contested for a diminishing supply of goods. But we should consider the vastness of America, and the fact that billion dollars spread among 150,000,000 citizens amounts to less than $7 each, and $10,000,000,000 less than $70. This is an infinitesimal amount, and with the opportunities that this Nation affords in travel, education, automobiles, and homes, few Americans would quit work and attempt to retire on $7, or $70, or even $700 more a year.

The "danger" is that we will be saddled with increasingly higher taxes in an effort to meet this imaginatory crisis. High taxes on income and profits, which are still near the point of confiscation, do little to encourage ingenuity and enterprise. The belief that it is somehow wrong for an American to make a million dollars and keep a good share of it (the Government now takes about $840,000 of it) is contrary to the surging spirit that made this great Nation. Ford used his wealth to give America a better and cheaper automobile; Carnegie's profits went into libraries, and the Rockefeller millions were wisely converted into charities and scientific research. And suppose Edison's royalties which he used for new inventions and experiments, had been swallowed up by a Federal income tax? Likewise it cannot be said that taxes on commodities are entirely desirable, for levies on sales, cigarettes, and gasoline result in an automatic increase in prices.

To sum up: The national debt is beneficial in that Government bonds provide investment opportunities, profits, and financial stability for banks, insurance companies, trust funds, and individuals. As the national

debt increases, more money flows into the streams of industry than is withdrawn. And a Nation, with a steadily increasing population and hopes for rising production, needs the constant inflow of new money. If the debt is retired through taxation, it means that more money is withdrawn from circulation than is replaced by the Government.

Our monetary system ought always be a facilitation, never a bottleneck, to progress and prosperity.

All this goes counter to everything we have been taught. But economics is a new science, and the repetition of old theories does not necessarily make them true, especially when they conflict with the factual record of what has actually happened.

If we regard America, as we rightly should, as a trillion dollar Nation, in goods and resources, in mines, farms, factories, real estate, and opportunities, a gradual and orderly increase in the national debt should be no cause for concern.

And why should a Nation which blithely tossed hundreds of billions into warfare suddenly decide that we "can't afford" schools and highways and all the other alluring possibilities which this twentieth century offers?

Library Demonstration

EXTENSION OF REMARKS

OF

HON. LISTER HILL

OF ALABAMA

IN THE SENATE OF THE UNITED STATES

Wednesday, July 6 (legislative day of Thursday, June 2), 1949

Mr. HILL. Mr. President, I ask unanimous consent to have printed in the RECORD an editorial entitled "Library Demonstration," published in the Washington Star of July 5, 1949.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

LIBRARY DEMONSTRATION

For millions of Americans, the library card has always been a passport to a whole world of pleasure and information through reading. The public library has served countless other patrons in a highly practical way. Many a young couple starting a home or a family has found guidance from library books on interior decorating or baby care. City dwellers who have availed themselves of the joys of browsing and borrowing since they first marched home with Grimm's Fairy Tales firmly in hand are inclined to take library service for granted, and to assume that it is part of every citizen's life. The sad truth of the matter, however, is that 35,000,000 Americans, mostly in rural areas, have no library service at all, and another 35,000,000 have inadequate facilities.

The library demonstration bill, currently stalled in a House committee, is intended to remedy this situation, to provide the advantages of self-education through reading to these people. Under terms of this measure, which is before Congress for the third time, all States, Territories, and the District of Columbia would receive from the Federal Government an annual grant of $40,000 over a period of 5 years for a demonstration of library service. During that time, the Government would also match State appropriations up to $100,000 for library funds. After the demonstration—and the bill is aimed at stimulation of State programs, not indefinite subsidy—the people of the localities who had been introduced to library service would be obliged to assume responsibility for its continuation. Backers of the bill have maintained that once people have enjoyed library service they refuse to be without it. Their contention is borne out in the case of Louisiana, where 21 out of 22 parishes which became acquainted with book-borrowing through bookmobiles voted local taxes to make the experiment permanent.

The American Library Association, chief sponsor of the library demonstration bill, has polled Members of both Houses of Congress as to their sentiments about the measure and found a majority in favor of it. It is to be hoped that the bill will be given a hearing by the House Labor and Education Committee, and then passed, for an extension of library service would be a sound investment in democracy.

Communist Penetration of the Hawaiian Islands

EXTENSION OF REMARKS

OF

HON. HUGH BUTLER

OF NEBRASKA

IN THE SENATE OF THE UNITED STATES

Wednesday, July 6 (legislative day of Thursday, June 2), 1949

Mr. BUTLER. Mr. President, I ask unanimous consent to have printed in the Appendix of the RECORD an editorial entitled "Butler Has Something," published in the Omaha World-Herald of June 30, 1949; also an editorial entitled "Hawaii Beckons," published in the Omaha World-Herald of July 3, 1949.

There being no objection, the editorials were ordered to be printed in the RECORD, as follows:

[From the Omaha World-Herald of June 30, 1949]

BUTLER HAS SOMETHING

Senator BUTLER's report last week on Communist penetration of the Hawaiian Islands has raised a storm across the country.

The most violent reaction, naturally, has been in Hawaii itself, where the press currently looks upon Mr. BUTLER as a sort of public enemy and breathes hard over the alleged insult.

"No citizen of Hawaii," says the Honolulu Star-Bulletin, "can remain untouched by this report and its sweeping charges. No citizen who believes in Hawaii and the patriotism, loyalty, and capacity for self-government of its people can be silent when such charges are made by a Senator of the United States."

The charges are that the Longshoremen's Union, which now has Hawaii in the grip of a paralyzing strike, is Communist dominated; that the Communists control the Democratic Party in Hawaii; and that Hawaii is the main basis of international Communist activity against the United States. Mr. BUTLER's conclusion is that statehood for Hawaii should not be considered until communism has been brought under control there.

Here on the mainland the response to the Butler report is less emotional. The consensus seems to be that Senator BUTLER has something, even though he does not fully establish his case.

The New York Herald Tribune finds the statement "startling * * * too startling fully to accept," but it hopes "the implications it carries may be enough to shock the Hawaiian Government and both disputants (in the dock strike) into a settlement."

The Chicago Tribune believes that "more than statehood is involved in the present strike" and that the people of the Territory are entitled to the protection of the Federal laws, including Taft-Hartley, which Mr. Truman has so far refused to invoke. The Tribune notes that Senator BUTLER has made the Bridges strike an argument for deferring any consideration of statehood now, but it neither opposes nor supports Mr. BUTLER's conclusion.

The Los Angeles Times, nearer to the Hawaiian scene and better informed on political matters there than most mainland newspapers, is inclined to be severely critical of the American people for what is going on in Hawaii.

Political editor Kyle Palmer writes that "the country's mainlanders are sitting by complacently while more than a half million of their fellow citizens are experiencing an ordeal—the strike, now in its second month—which would not be tolerated overnight by public opinion within the continental United States * * *. The important thing from the standpoint of any citizen who has due regard for his own rights, freedom, and welfare is that Bridges has been able to accomplish his objective; that he has been permitted to accomplish it, first, by an unaroused public opinion and, second, by a remarkably and inexplicably indulgent national administration."

The strike, then, is more important than immediate debate over the statehood issue. It is no ordinary strike but a political instrument designed to further the political and economic control of Hawaii by Mr. Bridges and his Communist friends. The strike is believed to be—and we think the evidence is impressive—an instrument of Communist policy rather than a fight for workingmen's rights.

In Hawaii Mr. BUTLER is being abused for taking advantage of the strike in the timing of the release of his report.

If the Senator did so, he is to be congratulated. His report has spotlighted Bridges and directed national attention to the shameful blockade of Hawaii by a numerically insignificant minority.

Mr. BUTLER has raised some pertinent points: Is Communist-ridden Hawaii ready for statehood? Will it or can it control the subversives in its midst?

The situation calls for more than expressions of wounded feelings and cries of dismay from Hawaii. Mr. BUTLER has something.

[From the Omaha World-Herald of July 3, 1949]

HAWAII BECKONS

We suggest that President Truman take another trip. He has always enjoyed his junkets, and is at his best when swapping viewpoints with the people in an atmosphere of shirt-sleeve informality. He has said that it clears up his thinking.

Which is precisely why we propose this trip—to Hawaii. In a matter of hours the *Independence* could waft him to the islands, and there a half million American citizens no doubt would outdo themselves to show him around.

They could show him their waterfront—the modern, expansive docks and piers that befit a land dependent on the sea. They could drive him through their vast sugar plantations—source of a $100,000,000 industry. They could dine him on the sweet pineapples that mean $70,000,000 more each year. And they could point out with pride the swank tourist hotels that annually lure $35,000,000 from the mainland.

Then they might say to the President:

"Mr. Truman, what you have seen is the backbone of our economy. It is paralyzed by the will of one man. The stench at the piers comes from rotting food. The crowded ships are heavy with fuels and medicines—desperately needed and utterly useless. The sugar refineries and the pineapple canneries

are bursting with processed exports, but the children of the workers do not have milk to drink. Already our farmers are slaughtering their starving cattle. Our hospitals are threatened with closure. Our fine hotels are empty.

"Mr. President, you know that this is one man's doing. We have no hysteria, if we may quote you. But we do have hunger and sickness and fear. What do you intend to do about it?"

Two months have passed since Harry Bridges first laid siege to Hawaii with his waterfront strike.

Senator HUGH BUTLER says the Communists run the islands. This may be so, because twice Harry Bridges has been ordered deported on evidence of his subversive alien activity. He is under indictment even today for perjury connected with his citizenship application. Yet Harry Bridges remains in command of his union—and of Hawaii.

It is ironical, indeed, that this Nation should pour out its treasure on an air lift to break the Communist blockade of Berlin, only to sit idly by while Bridges employs his Communist strategy to strangle 500,000 American citizens.

This second Pearl Harbor should have immediate attention.

The Economic Policy of Great Britain

EXTENSION OF REMARKS
OF
HON. KENNETH S. WHERRY
OF NEBRASKA
IN THE SENATE OF THE UNITED STATES
Wednesday, July 6 (legislative day of Thursday, June 2), 1949

Mr. WHERRY. Mr. President, I ask unanimous consent to have printed in the Appendix of the RECORD an editorial entitled "An Economic Yalta," published in the Wall Street Journal of July 6, 1949. I call attention particularly to the last paragraph of the editorial, which states:

American dollars have been and are financing a British regime whose ideas of world organization are contrary to American conceptions; furthermore, a regime which to carry out its purposes does not hesitate to do things injurious to American interests.

* * * * *

Further than that, this country is financing a regime which now reveals itself as determined to make a large part of the world conform to its own poverty-stricken standards.

That, we say, is immoral; just as was the Yalta consignment of 100,000,000 eastern Europeans to Russian serfdom.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

AN ECONOMIC YALTA

Two Washington correspondents of this newspaper report that Great Britain—while solemnly engaging in conversations looking to freer international trade—is contemplating a series of steps which would vastly increase the network of trade restrictions.

The only surprise that this piece of news should occasion is surprise that anyone should be surprised. However, our State Department seems in that unhappy position.

When Britain launched an experiment in the controlled and managed economy under a Socialist government, the sort of thing now under way was inevitable.

The British Government is apparently ready to face the inevitable end to which its economic policy leads; namely, a situation in which a dictated economy, in order to survive, must leap its own borders and control the trade of much of the world as well.

The economy that Britain is trying to set up is totalitarian in nature; witness the statement of Prime Minister Attlee that in economic matters the British were looking to Russia rather than to the United States.

The totalitarian regime begins by controlling its own citizens. Then it finds that its rigid and artificial structure must be protected against impacts from without. So it proceeds to extend its control beyond its borders. Hitler did this in a very crude and brutal way. The present Government of Russia constantly shows its inability to brook any compromise in political or economic affairs, all "friendly" governments must do as Russia wants.

The British are undergoing the same process. In recent talks with American and European officials, Sir Stafford Cripps, Britain's economic dictator, fought any moves to make British currency transferable or convertible into dollars. If that were done, Sir Stafford argued, the converted sterling might be spent by others—the Italians, for instance—for things that were luxuries and not essential to recovery. And since the British were not allowed to have these things, neither ought the Italians. In other words, Sir Stafford was avowedly "guiding" the lives of the Italian people.

It is foolish for American officials to talk to the British about any currency convertibility. Removal of restrictions would be followed by a flight of British capital out of the country; in fact it is taking place through and around the restrictions.

It is equally foolish to talk about Britain consenting to international competition, which is the basis of free trade. Britain's structure of the welfare state demands that her goods be high priced, that the foreigner pay for the benefits to Britain.

Neither the British officials nor the British press make any bones about what Britain is attempting. The only pretense that she is attempting something else is confined to American officials.

When our officials are faced with these circumstances they ask, "Well, what can we do? Britain is in a crisis." Of course Britain is. And this crisis will be followed by another and that in turn by another. And each recurring crisis will be made the excuse for more and increasingly drastic restrictions.

American dollars have been and are financing a British regime whose ideas of world organization are contrary to American conception; furthermore, a regime which to carry out its purposes does not hesitate to do things injurious to American interests.

That is idiotic.

Further than that, this country is financing a regime which now reveals itself as determined to make a large part of the world conform to its own poverty-stricken standards.

That, we say, is immoral; just as was the Yalta consignment of 100,000,000 eastern Europeans to Russian serfdom.

Freedom Under God

EXTENSION OF REMARKS
OF
HON. M. G. BURNSIDE
OF WEST VIRGINIA
IN THE HOUSE OF REPRESENTATIVES
Wednesday, July 6, 1949

Mr. BURNSIDE. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following sermon delivered by Rev. Edward L. R. Elson, at the National Presbyterian Church, Washington, D. C., on July 3, 1949:

FREEDOM UNDER GOD

(By the Reverend Edward L. R. Elson, D. D.)

"Where the spirit of the Lord is, there is liberty" (II Corinthians 3:17).

I

The signing of the Declaration of Independence was the crowning moment in a tremendous political revolution emanating from a spiritual emancipation. It came out of a vast and noble courage and is the result of a lofty and invincible religious spirit. The great British statesman, Gladstone, referred to it as "the greatest piece of work ever struck off at a given time by the brain of man."

It was in 1660 that the oppression began when the mother country passed and attempted to enforce the despised Navigation Acts. One hundred years later, at 23 years of age, George the Third, dull, uneducated, intolerant, bigoted, and finally crazy, came to the throne. He accepted the then common European idea that a colony existed only to enrich the mother country. Oppression followed oppression, insult was heaped upon insult, injustice was added to injustice, until the elemental power of intelligence, character, and feeling in the Americans erupted like a volcano. When Patrick Henry cried, "Is life so dear, or peace so sweet, as to be purchased at the price of chains or slavery?" he simply made articulate the throb in many an American breast. The event which we commemorate tomorrow was the explosive termination of a universal discontent in the Thirteen Colonies.

A Continental Congress was called in 1774 to meet in Philadelphia, "to consult on the present state of the Colonies; and to deliberate upon wise and proper measures for the recovery of their just rights and liberties; and the restoration of union and harmony between Great Britain and the Colonies, most ardently desired by all good men." The colonists were proposing to stand upon their rights as Englishmen. They sent a petition to the King which he refused to receive. The Second Congress was called to meet in May 1775, within a month after the Battles of Lexington and Concord. The war was on. The Americans began to defend what they believed to be "their ancient rights," but soon discovered there were new rights to be acquired. The Declaration of Independence crystallized the sentiment of the day. On June 11, 1776, a committee was appointed to prepare a Declaration of Independence. The members consisted of Mr. Jefferson, Mr. J. Adams, Mr. Franklin, Mr. Sherman, and Mr. R. R. Livingston. The committee met several times, and after full discussion designated the 33-year-old Virginian, Thomas Jefferson, to prepare a draft of the declarations. Jefferson, tall, charming, red-headed lawyer, a horseman, a scientist, philosopher, man of wealth and social position, an aristocrat of aristocrats, and a Democrat among Democrats, was chosen because, as John Adams said, "He had a reputation of literature, science, and a happy talent of composition." Jefferson sat in the parlor of his second-floor lodging at the corner of Seventh and Market Streets, Philadelphia, and without consulting a book or pamphlet wrote in a half day's time our great national symbol, the rough draft of which may now be seen in the Library of Congress. After preparing this draft, Jefferson submitted it to John Adams, who made two corrections, and Benjamin Franklin, who made five minor revisions. It was then submitted to the committee of five and approved without change. Jefferson's draft was reported to Congress on June 28 and laid on the table until July 1. On the 2d of July the resolution declaring independence from Great Britain was voted, but it

was not until July 4, 1776, that this Declaration of Independence was adopted.

The adoption of the Declaration had an instant and epochal effect. It enkindled joy and quickened zeal for freedom. It united the Colonies as nothing else could have done. It changed a defensive war for the redress of wrongs into a war for the establishment of a separate government. It separated colonial patriots from loyalists; it encouraged people to endure hardship and privation for the cause of freedom; it prompted the soldiers to plunge with new and dauntless pride and determination into the fight. From that July Fourth to the present hour this document has been the inspiration of new hope for the oppressed of every tribe and nation.

The 56 signers of this noble document represented every stratum of society. They were men full of vitality and strength and almost all of them well educated. They were neither old men in their dotage or foolish radical youth. Samuel Adams was 53; John Hancock, 39; R. H. Lee, 44; Benjamin Harrison, 36; John Adams, 40; Thomas Jefferson, 33; Benjamin Franklin, 70; Roger Sherman, 55; R. R. Livingston, 29. The president of the College of New Jersey, the Reverend John Witherspoon was the only clergyman to sign it, and nine of the signers were graduates of the little college over which he presided. It seems that in the providential economy of God, the time had been appointed for the fulfillment of this event.

II

The signing of the Declaration of Independence and what followed was basicly a spiritual event. You cannot understand America any other way. The core of our tradition is a spiritual reality. God in the most concrete sense was the heritage of the founding fathers. The American people covenanted with God, not as a local, continental, or racial diety, but as the living universal God who, while being the God of all people, becomes in a special sense the God of all those who accept his purpose in human life. Apart from faith in God, American history has no meaning. "In the name of God. Amen" was written above the first governmental document drawn up in the *Mayflower* cabin. "In God We trust" confronts us on our copper coins. From the very beginning until yesterday's prayers in Congress, our national life has been undergirded by this faith. In this faith our institutions were created, our culture promoted, our philanthropic endeavors initiated, and our liberties secured. Christian missionaries were the first American internationalists and this country's greatest ambassadors of good will to all parts of the globe.

Whether we think of the English Puritans in New England, or the Anglicans of Virginia, or the Irish and Scotch and the Germans of Pennsylvania, the Dutch, or the Scandinavians, faith in God was common to them all. The fact is that you have not gone through the first sentence of the Declaration of Independence until you come to this reference, the reference to nature's God. One of the great Harvard scholars making inquiry into our origins has concluded, "No one who has delved deeply into the origin and history of the Colonies can by any fair application of the rules of evidence, deny that the dynamic force in settling New England was English puritanism desiring to realize itself. The leaders whom the people followed proposed like Milton to make over a portion of the earth in the spirit of Christian philosophy: A new church and state, family and school, ethic and conduct. They might and did differ among themselves as to the realization of these high and holy aims, but a new city of God was their aim. Religion should permeate every phase of living. Man belongs to God alone, his only purpose in life was to enhance God's glory and to do God's will; and every variety of human activity, every sort of human conduct presumably unpleasing to God must be discouraged if not suppressed." [Samuel E. Morison.] They taught the sinfulness of man but also the corollary of man's redemption and man's high dignity under the grace of God.

This religious spirit nurtured our colleges. As Dr. John Mackay has pointed out, one can count upon the fingers of one hand the institutions of higher learning of frontline caliber interested in the humanities which have not had a religious origin. Harvard and Yale were founded by Congregationalists, the University of Columbia and the University of Pennsylvania by Episcopalians, Princeton by Presbyterians, Duke and Northwestern by Methodists, the University of Chicago by Baptists, Fordham and Notre Dame by Catholics, while the great University of California, now a State institution, was founded by two clergymen, one a Presbyterian, the other a Congregationalist.

III

The spirit of the Protestant Reformation, mediated to the life of America by a variety of denominations, promoted a sense of religious vocation in civic and business life. Private initiative was encouraged. All work was made honorable. Eventually when the products of toil accumulated, they were in many cases not horded or selfishly used, but to an extent unparalleled in all history, were devoted to great causes, civic, cultural, philanthropic, and missionary. All this was derived from a sense of spiritual origin and spiritual destiny, of a sense of mission derived from faith in a sovereign God.

Reflect on colonial life where at the center of each community was a minister of religion called the parson, a term derived from the Anglo-Saxon words, "the person," and so characterized because he was deemed the chief citizen in culture and in learning. In these days when the pew is often wiser than the pulpit, it is comforting to remind ourselves that the democratic life with its broad privileges of education, library, music, culture, came very largely from this source of inspiration.

It was because of our religious origins and foundations that the spirit of democratic freedom was fostered. There were struggles at the beginning as we see in the movement of Roger Williams. Men accustomed to freedom in their personal approach to God insisted upon freedom in the public expression of their ideas and the ordering of their lives. Men of the reformation tradition nurtured in the spirit of freedom believed that men who had faith in God and human dignity would build a worthy nation.

I have called this sermon, Freedom Under God, for this is the only way true freedom can be had. Outside of God, man is in rebellion and anarchy. Where men do not have faith in God they follow their own willfulness and become captive to their own sins, slaves to evil and without an inner light and center of power. Such men cannot readily be trusted with their own destiny. When men do not have faith in God and become lawless and sinful, you have great epidemics of crime. Men without faith require external power and force to control them. The New Testament is full of these convictions and it was this concept which led to the reformation and American democracy, as originally conceived, is the logical culmination of the Protestant reformation. Men who are obedient to God and who are submissive to His sovereign will are less in need of the laws of man and are more likely to be obedient to whatever laws exist. For men under God, not only possess a higher sense of moral and ethical discrimination but are more likely to be morally responsible. "Where the spirit of the Lord is, there is liberty"—true liberty, because the soul is only captive to God Himself. Guizot in speaking to James Russell Lowell asked, "How long do you think the American Republic will endure?" and Lowell replied, "So long as the ideas of its founding fathers continue to be dominant." The whole concept of our life at the beginning was permeated with Christian concepts. Although Jefferson is claimed by both Episcopalians and Unitarians, it must be remembered that his Declaration composed in that half-day was not so much his own expression of faith as the beliefs and convictions commonly held at that time and he so stated. "We hold these truths to be self-evident, that all men are created equal. That they are endowed by their Creator with certain unalienable rights." Then the document goes on to assert a basic faith in God. It is well for us to have this day and tomorrow if it turns us back to our early faith. For the truth of the matter is you can only have our kind of democracy where a substantial proportion of people believe in and act under faith in God as the sovereign Lord of Life. We do an ill thing if we try to have the fruits of our democracy and neglect the roots. One of the most patriotic acts a man can do in these days is to be a member of a church in the tradition of emancipated living. And God calls us back to this base that we may be able to go forward to nobler achievements in the future.

IV

When asked the meaning of the famous picture, The Spirit of '76, a little boy said, "Well in it there is one man with a fife, there is another man with a drum, and a third man with an awful headache." That is America today. The fife and drum spirit and zest and ardor are there, but there is also a headache. There is the headache which constantly concerns us about the stability of our own life and whether or not we have sufficient character and individual resourcefulness for the new day. We are looked upon as the Messiah of nations and are expected to perform a special mission on behalf of freedom. The question we are called upon to answer is whether or not we have the kind of life worth exporting. If it is worth exporting, this democracy of ours must have at its heart an invincible faith in God.

If we have the challenge to export a democracy based upon freedom under God, we also have the privilege of importing others who believe in our kind of democracy and can contribute to it. For example, we can receive a fair share of displaced persons of sturdy character and personal industry. Many of these folk are robust Protestants, while others are Roman Catholics and Hebrew in their religious adherence. Thousands of vigorous Protestants, many in the Calvinian tradition, await sponsorship that they might enter this land in which their own idealism has found fullest expression. Several of our church officers have set a laudable example in sponsoring worthy emigrants from among the displaced persons. I have had enough experience in the American Legion and other patriotic organizations to know that some of our most zealous and grateful Americans are those who haven't been here very long. Would that more of us who are able and in need of certain kinds of talent would assist these strong Protestant families in becoming the new American Pilgrims. In another generation these latter day pilgrims may become leaders among our citizenry. God, in His providence has imposed upon us very heavy obligations. Our land has developed great leaders in the past and we have in recent years become the asylum for the great of other lands. We have become a microcosm of human greatness. We will remain such and be adequate for these demanding days if we keep faith in God and have Him at the center of our national life. "Where the spirit of the Lord is, there is liberty."

"He drew a circle and shut me out,
Heretic, rebel, a thing to flout.
But love and I had the wit to win:
We drew a circle and took him in."

Crotched Mountain Restoration Hospital

EXTENSION OF REMARKS
OF

HON. THOMAS J. LANE

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, July 6, 1949

Mr. LANE. Mr. Speaker, under leave to extend my remarks, I wish to include the address delivered by the Honorable James A. Farley, chairman of the board, the Coca-Cola Export Corp., at the Crotched Mountain Restoration Hospital dinner, Hotel Carpenter, Manchester, N. H., June 30, 1949:

Your New Hampshire history, filled with names like Stark, Pierce, and Webster is a book on the American way of life. Your heroes, who are the Nation's heroes, built the American way of living—they built for their tomorrow which is our today.

Yet in planning, designing, building for us, neither they nor the rest of the people who made this country great meant for us to believe that all things had been accomplished. They meant for you and me to take upon ourselves the tasks to which they had committed their efforts. They intended that those of us who came after them should plan and build and develop for our tomorrow—for the benefit of those who will succeed us. That is our guiding purpose in the never-ending work to better the American way of life.

In the campaign which you inaugurate tonight you are doing just that. You are planning a great benefit for future citizens of your State. You are starting to build so that your future New Hampshire citizens will be healthy and whole as well as happy and prosperous residents of the Granite State.

You are developing the principle by which your heroes lived and to which they rigidly adhered—that man's God-given duty is to help his neighbor, that man was meant to lend a helping hand to those less fortunate than himself.

Those of us who are here tonight know what the Crotched Mountain Restoration Hospital will mean to little American citizens who have had the misfortune to suffer some physical malady which prevents them from helping themselves. We know full well that it is our duty to shoulder their burden, to treat them and to teach them to the best of our ability, so that they may take full advantage of our way of life.

Let us resolve that they will not be left to fend for themselves. Let us accept the responsibility of our heritage. We can give thanks for the good things we have received from those who have gone before us by extending a helping hand to those who are to succeed us.

The Crotched Mountain Hospital, as you know, is under construction. But a newly built restoration hospital, skillfully designed, accurately planned and well constructed, will mean nothing unless it is able to offer its services to all those in need of its assistance, and unless its facilities are available to every child who is so afflicted as to benefit by its treatment.

That is why the endowment fund will be raised—must be raised, so that the hospital, which is New Hampshire's hospital, your hospital, may be truly operated according to the great Christian principle of helping others regardless of recompense. When this campaign is successfully completed, the income accruing to the Crotched Mountain Hospital will be sufficient to provide for its operating expenses. When that goal is attained, its doors will be opened with a welcome to all crippled children, regardless of the condition of a family pocketbook.

You should decide here that the work you plan to do is a part of you and a part of your neighbor. You should understand that this effort is a part of good living, of the American way of living.

We have heard a great deal in these past few years about the American way of life. I certainly have no quarrel with those who have so ably and eloquently discussed that subject. But I have wondered sometimes if, in our glorification of the American way of life, we have not forgotten that a way of life is, in the last analysis, the product of human beings. It is not a social or a political philosophy that someone has thought out and handed to other people as a guide for their activities. It is rather a name that we give to the habits and methods and characteristics of men acting in their relation to other men. In short, the American way of life is the product of a human being which we call an American.

I would like to consider for a moment that average American who has created the American way of life; who, in doing so, has built a great nation, and, in the name of that nation, is impressing his character upon a wide and distracted world.

It took a good many things to create the average American. In the first place, he was the product of a problem that may be with us as long as men live upon this earth. He was the product of a continent called Europe, which has suffered for centuries from the fact that it could produce more people than it could feed. In these days, as we get into the habit of looking at the map of the world, we see in true perspective exactly what Europe is. It is a peninsula thrust out to the west and the south of a great continent. In many places its land is poor and its capacity for the production of food is low. Its natural resources are, and have always been, scarce and of doubtful value. For the most part, its coast line, especially in the north, is forbidding and in many months of the year almost inaccessible. Its rivers, in spite of the exalted songs and stories that have been written about them, are not great rivers. Its mountains, with a few exceptions, are not supremely great mountains. But its population has, at least in modern times, been excessively great. That population has been stricken time and again with indescribable calamities. It has been ravaged by disease; it has been beset by hunger; and because of these factors of inadequate resources and superabundant population, it has been cursed with the most bloody and continuous wars that have marked the history of the earth.

Those who made America were the product of that background. They left that barren and unfruitful continent for many reasons—some because they were hungry, some because they sought religious consolation, some because they disagreed with the political life of Europe, others because they sought adventure, and still others because for many reasons they were persecuted and injured at home. They came to America at various times, in various ways, and for various purposes. There they found the answer to the bitter necessities that they had experienced in Europe. They found that while there were hardships in the wilderness, those hardships were, nevertheless, capable of being surmounted by courage and hard work and fortitude and patience. Unlike those of Europe, our hardships in America were not manmade. Nature in America, while it exacted a price, was an honest merchant, because when men invested their labor and their courage nature paid them a fair and ample wage. This was all early Americans asked for, and this they were able to get. They brought with them the elements of culture and constitutional government and the instinct of workmanship and technical skills, for, in spite of its limitations, Europe at least provided that much for its children.

But Americans found it possible because they were in the land of promise to build upon these beginnings and to build better than they had known before. The culture that they imported expanded in America. Constitutional government found new ways of enabling men and women to live together. They multiplied their technical skills because they found ample resources to which they might apply that skill. And in the long years after they had founded a civilization upon the narrow ledge of this continent they discovered that whenever the curse of overcrowding impeded their movements they could move farther into the continent and find freedom all over again. And so the growth of America for four centuries was a process of endless new discovery. They went west because the West eternally satisfied their necessities.

It is out of great experience that great men are born, and it is out of great enterprise that a great people is born. As the boundless vistas of American opportunity opened and the population grew and prospered, so did each individual expand in his own views. For, in the last analysis, America was built upon individual men and women. They found in the beginning, as they struggled for self-determination and independence, that, in spite of the fact that they had sought refuge from the jealousies and conflicts of Europe, the source of those jealousies and conflicts had, like evil angels, preceded them to this continent. They found, even before national independence was created, that greedy empires had sought through military power to preempt the great American dominion, and that on the south and the west and the north and in the great sea at the east they were surrounded by the encircling armies of European imperialism.

One of the most heartening things that we can recall, as in World War II we were beset by aggression on the east and aggression on the west, is that when we were, so far as population is concerned, only a fraction of what we are now, we were beset by the same dangers. In spite of our precarious position, we fought and won a war for independence. We established ourselves as a Nation, 13 States, in total area only a fraction of what we are now, by uniting in a desire to be free. By the courage of our men and women, by our enterprise, by our power to expand, by purchase, by diplomacy, and when all else failed, by war, we set about the task of freeing this country of the threat of foreign dangers. From the Thirteen Colonies, Americans moved to the west and created new States out of the wilderness. They skillfully played the ambitions of the French, the Spanish, and the English in such a manner as to acquire a vast territory beyond the Mississippi. And as they acquired territory, unlike the practice of imperial Rome, they made each acquisition of territory truly their own by settlement and development. These were not men who made compromises with forces that threatened them. They were men who destroyed those threats by their own indomitable strength and courage.

If the American Nation has, in its resources, in its political institutions, and in its culture preeminence in the world today, it is because strong men found three circumstances that favored the growth of a great Nation.

The first of these circumstances was the great area of the country and the richness of its resources. No nation, truly great in every way, can be created without natural circumstances that favor its growth. There have been nations great in a spiritual sense which have grown in a small area and with a small population, but from time to time they have been the prey of physically stronger neighbors. The United States avoided that eternal threat of danger by the

happy circumstance of its own position and size.

The second circumstance that favored our growth was the wise policy, inherent in the pioneers who settled this country, of creating, as they grew, political institutions that preserve individual freedom while they offer the broadest protection from selfish influences. They created a constitution sufficiently flexible to afford for all generations to come the possibility of change and growth.

The third circumstance that favored the growth of a great civilization was the fact that America was a meeting place of many cultures, many ideals, and many diversified points of view. It has been the genius of Americans to accept immigrants of many sorts, to permit them to make their contribution to our common life, and at the same time to assimilate them and their descendants in a truly unified American tradition. We have stretched out our hands to the unhappy people of Europe. We have offered them opportunity for a better life than they had at home, and all we have asked is that they have strong hands and loyal hearts.

In the course of our growth we have, in general, avoided interference in the affairs of other countries. We have not been anxious to make others as we are. We have generously contributed whenever we could to permit other countries to live their own lives, to be free of oppression, and to grow as God and nature intended that they should. But we have not sought to impress our own culture upon others. We have learned this hard lesson from our own experience, because as we grew as a nation, we asked no help from others; we merely wanted the privilege of freedom to grow as we could.

A few years after the establishment of this Nation as an independent Republic, our statesmen conceived that our duty, in fact, that our safety, demanded that we, as the strongest Nation in the Americas, should assert leadership in the two Americas in permitting other small republics to grow as we had grown. Out of this arose the most specific American statement of foreign policy that we have ever created—the Monroe Doctrine. The development of this policy with reference to the Western Hemisphere requires, on our part, not only great strength but great forbearance, for we did not conceive it to be the destiny of the United States to create an empire in the Western Hemisphere. The wisdom of our policy of living at peace with our neighbors, while at the same time we offer them the broad protection of our power, is witnessed by the fact that in the recent war we had the friendship and solid support of almost all those countries.

But all of this national greatness comes back fundamentally to the American as an individual. Only sound men can make a sound nation. It has been the habit of pessimistic people to speak of the disintegration of American character. When at times we have seen evidence here and there that wealth and security have made people careless and pleasure loving, there have been those who have claimed that the fiber of America has become soft and that the inner integrity of our people has been destroyed. But these evidences of weakness were, after all, superficial and passing. Fundamentally, the American remains as he has always been. In the recent war we had the proof of this inherent soundness. It is not alone that Americans in uniform upheld in every corner of the world the finest traditions of courage and skill. It was also a fact that on the home front Americans maintained order, willingly accepted supervision, and turned with incredible industry and skill to the task of production.

There have been nations, like Germany and Japan, that exalted their efficiency. But the tests of 1943, 1944 and 1945 showed that efficiency is not created by the mere proclamation of an intention to be efficient. Efficiency rises from the strength of free people. In spite of many unfortunate failures of foresight, our American industrial life added glories to its achievement. American women in the homes, on the farms, in the factories, in the hospitals and in the armed forces proved themselves to be the worthy successors of those women who stood loyally beside their kin in Washington's army. American States and cities made their contribution to the national effort. Everywhere we found a spirit of cooperation and loyalty.

Our task, as we look to the future will be, in spite of the suggestions of those who have formulas for security and happiness, to bear in mind that the United States was not built upon formulas; it was built upon the individual. We shall retain the power that is essential to the maintenance of America's responsibilities in the world only so far as we retain the spirit of the pioneer in each individual American. The door of opportunity must be kept open. The American boy must be taught from experience that whatever he attains depends upon his own inner integrity. We have won the past by hard work and honesty and self-reliance. There is no better formula through which we can win the future. The greatness of the past, in its achievements, lights the way for progress that is assured if no man-made shadows blur the road. It is for us to preserve for our posterity what our forefathers created for us, a nation of free people, ever helpful to others, but always selfish for the continuance, within our own domain, of the American way of life.

Despite our errors of omission and commission we remain steadfast in our Americanism. This is a great country. The greatness of our people today indicates the greatness we can attain in the future if we keep our feet on the ground and our eyes straight ahead toward the victory that is inevitable and the harvest it must produce.

Today America is confronted with one of its darkest peacetime hours, which is testing its very endurance. Hardly are we safely out of one war when we are confronted with the foreboding shadow of a struggle even more terrible and deadly. Our prayers of thanks for victory are mingled with appeals for deliverance from more war. This threat to peace is none of our making, but springs from the unholy ambition of one power—Soviet Russia—to dominate every way of life in every place in the world. We escaped one form of totalitarianism, fascism, to be confronted with another, Red fascism, perhaps more dangerous than the vanquished form.

It is my solemn conviction that the world will survive as a family of nations. The family bonds may be tightened in four corners of the world after the manner of our sisterhood States or within a world-wide family. The framework is not as important as cooperative achievement of law, justice and peace. The alternative in this atomic age is an ever-increasing race for armaments with its constant threat of common ruin. Without the shadow of a question, our civilization is indeed on trial.

In this dark hour, I am supremely confident that the destiny of this great Republic still lies before us, that our horizon is not a whit less limitless and not a shade less promising than that which lay before our forefathers in the blackness which followed the war for independence. We must not forget we are still a youthful nation, as the world goes. Our strength and our talents will stand us in good stead. We are the hope of ourselves and of the world. We are certain to survive to bring lasting peace.

It is not for me to tell you that the drive should be a success; you appreciate that fact. It is not for me to urge you to contribute funds for this purpose; your record in past appeals stands for itself.

I merely want to stress that this institution, this Crotched Mountain Hospital, is part of your way of living, it is part of you, it is you. This restoration hospital will be doing what you and your neighbor would do as Americans, as New Hampshire citizens, to help an unfortunate child if only you had the time, if only you had the skill, if only you had the money.

Individually you are unable to offer these necessary components to the aid which they seek and need. But together, as New Hampshire has always worked, that unfortunate youngster can be assisted. Together, you can take that child and make him what he should be—a healthy and happy citizen. Together, you can give him a helping hand through the Crotched Mountain Hospital.

That hospital will, I predict, become a symbol of the efforts of New Hampshire citizens—a symbol of efforts to build and develop in peacetime a principle your sons and daughters so wholeheartedly defended in war—that the American way of life is for everyone, everywhere, at all times.

That hospital will, I believe, mean just that type of symbol to the residents of this State. And when you go to them for contributions to this drive, you who are the leaders of the campaign should bear that thought in mind.

Remember, New Hampshire has helped to carve the American way of life from virgin forest land. This State contributed its share in developing a young nation. It has done its share in defending that Nation and in preserving and developing that way of life over the years of our country's history.

New Hampshire still has contributions to make; its citizens are still like their forebears—proud and strong and self-reliant. They still are determined to leave better opportunities for their sons and daughters, for all of the succeeding generations. It is still a great and powerful tradition with New Hampshire people that you help yourself when you help your neighbor.

You have an opportunity to join your fellow citizens in carrying on this tradition. You have an opportunity to assist in raising still further the ideals of your way of life. You have an opportunity to put the real meaning of the American way of life into the hearts of some little folks who are not able to reach out and grasp a full life by themselves.

Make the most of those opportunities and I know that you will find that your country and your own life will mean just a bit more to you, which is the real American way of life.

I wish you success and may God bless your efforts.

The Maritime Contracts

EXTENSION OF REMARKS

OF

HON. WARREN G. MAGNUSON

OF WASHINGTON

IN THE SENATE OF THE UNITED STATES

Wednesday, July 6 (legislative day of Thursday, June 2), 1949

Mr. MAGNUSON. Mr. President, I ask unanimous consent to have printed in the Appendix of the RECORD an editorial entitled "The Maritime Contracts," published in the New York Times of June 23, 1949.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

THE MARITIME CONTRACTS

East coast shipping now faces the welcome possibility of genuine stability over a longer

period than it has enjoyed in many years. The recent and pending settlements of major maritime disputes indicate that sea labor negotiations have entered a new and more amicable era. A far wider field of the American economy than the shipping industry will see a good augury in this development.

Shipping volume is steadily declining and job availability for the unions is suffering a corollary reduction. But the National Maritime Union and the American Radio Association, both CIO affiliates, brought to the mediation conferences something more than the realization that they could not afford to make unreasonable demands. Like the operators, headed by Frank J. Taylor, and the mediation panel headed by William N. Margolis, they were cognizant of the urgent need for sustained mutual cooperation to keep the merchant fleet as strong as possible. Honors in this demonstration of sensible labor-management negotiations are shared with these two men by Joseph Curran, president of the powerful NMU. For him it may be seen as the fruit of a personal victory in his battle to free the union of leftist troublemakers who seemed more intent on political control than on the improvement of maritime labor conditions.

This is the first time the employers and the NMU have signed a 2-year contract. Operators may now estimate what their operating costs are likely to be over a long period. The single wage reopening for the term of the contract is another stabilizing feature. Perhaps most important of all, as an element bearing on future labor-management relations, was the easily won agreement on the hiring hall, which was extended pending a Supreme Court decision on its legality. Both the unions and the operators want the hiring hall to stay in this industry, and Congress will err if it does not give a full hearing to those seeking an exemption for the shipping industry in any hiring-hall ban.

Address to Graduating Class of Clinton High School

EXTENSION OF REMARKS

OF

HON. PHILIP J. PHILBIN

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, July 6, 1949

Mr. PHILBIN. Mr. Speaker, under unanimous consent to extend my remarks in the RECORD, I include therein a speech which I recently made at the graduation exercises of the Clinton (Mass.) High School, as reported in a recent edition of the illustrious Clinton Daily Item:

EXERCISES ON FRIDAY—133 HIGH SCHOOL STUDENTS RECEIVE DIPLOMAS; CONGRESSMAN PHILBIN, SPEAKER

The annual commencement exercises of the Clinton High School graduating class were held on Friday evening at Fallon Memorial Auditorium, with 133 students receiving their diplomas.

In a notable and eloquent address Congressman PHILIP J. PHILBIN, a distinguished alumnus of the local high school and the father of Miss Bamby Philbin, a member of the senior class who received her diploma with her classmates, made a contribution to the history of Clinton such as has never before been heard at graduation exercises of any preceding class.

The occasion marked the first time that a parent has been given the honor of delivering a message to a class of which a member of his family was a graduate.

Congressman PHILBIN's address, in full, was as follows:

"This is a night of fulfillment, of vital tasks successfully finished, a night mingled with feelings of the joy of achievement and the sorrow of parting. I am greatly honored to be with you. I come as a fellow-alumnus of Clinton High School and a personal friend, and also as a parent.

"First, let me congratulate each and every one of you upon your graduation. It marks a long important step in your personal advancement. It is an accomplishment of which you can justly be proud. If you had not worked sincerely and intelligently you would not have been able to reach the cherished goal which we celebrate in these fitting and impressive exercises and which bring to this happy ending your high school careers. But actually it is just the beginning. The wide world opens before you. Boundless opportunities of a promising and successful future await the impact of your aspiration, energy, and ability.

"You are the beneficiaries of a noble tradition. You were blessed by Providence with the favored destiny of being raised and educated in this great free country of ours—the most powerful, the richest, the most advanced, the most prosperous and the happiest democracy the sun has ever shone upon.

"It has been your happy privilege and good fortune to be sons and daughters of our peerless town of Clinton which is steeped in such an abundance of patriotism, idealism, constructively balanced living, and genuine American culture. You have been fortunate enough to live in an atmosphere of tolerance where men and women are judged for what they are, what they achieve, and what they strive for, and not for the circumstance of their birth, their race, their religion or national origin.

"TRIBUTE TO CLINTON

"You may travel the whole world and you will not find another town like Clinton. Time forbids that I should recite its merits, the virtues of its people, and the brilliant achievements of its sons and daughters. The vital thing to recall tonight and to remember henceforth is the wonderful atmosphere of freedom, opportunity, tolerance, pride in accomplishment, incentive, and inspiration which has been engendered here and in which you have been so fortunate to live and work.

"This atmosphere did not develop overnight. It took more than a century to fuse the basic elements of our Clinton culture, outlook, and institutions into a comprehensive tradition. Many individuals, many groups, and many people contributed unselfishly and tirelessly and magnificently to establish the morale and motivation of Clinton and its citizenry.

"The deep spirituality of the early American founders, combining with their sound practical vision and love of free institutions merging with the enthusiasm, unbounded energy, driving ambition, and willingness to sacrifice for advancement under personal liberty which typified the several races of peoples who came afterward, was mainly responsible for the dynamic and stimulating atmosphere of our town.

"As years go by, you will place higher and higher value upon the advantage of living here during your formative years, and you will increasingly appreciate the tolerant spiritual and religious life of your home town which has formed the secure foundation for so many of its other favorable characteristics.

"FORTUNATE STUDENTS

"You have been fortunate in the extreme in having your high school and your teachers. There is background and patient development and rich tradition associated with your school. Its contemporary leaders and teachers are admirably carrying out and implanting the ideals of the great leaders and teachers of the past and when history is written the names of Thomas F. Gibbons, John J. Mitchell, and Eben S. Cobb as well as your own individual teachers will be ranked with those of Charles L. Hunt, Fred Clerk, Andrew E. Ford, Lawrence O'Toole, and others of past generations whose great talents, progressive outlook, and devoted service helped so immeasurably in laying the groundwork for our present school and high-school system.

"I know that tonight as you meet with your teachers officially for the last time that your hearts are filled with deepest gratitude for all they have done for you. Future years, let me assure you, will serve only to heighten your feelings of appreciation for their labors in your behalf, and they will serve to bring into focus as an inspiring force in your lives the many unparalleled advantages and benefits you have enjoyed under their leadership as students of Clinton High School and as residents of the town of Clinton.

"THE ROLE OF PARENTS

"There is another group tonight to whom you owe an undefinable debt for your present success. I know you will recognize that as a parent myself I speak in a very personal sense and like all the other parents here feel exceedingly proud at this time for the events which transpire here and the part my own daughter takes in these proceedings as one of the graduates. I am, therefore, somewhat handicapped by this personal relationship in dealing with this particular subject.

"If I were not in the role of a parent who has a fine and good daughter of whom I am very proud graduating with this class, I know that I should be much more anxious to emphasize to the members of the class the unmeasurable value of the love, devotion, loyalty, and in all so many instances, the real sacrifice, which your parents have displayed in furthering your interest and welfare without which this happy result probably would never have materialized.

"As parents we are, of course, totally unconscious of any particular debt of gratitude which may have accrued. We seek no encomiums. We are patient and long-suffering. I think I can speak for all of you parents, however, when I say that what we have done, we have done gladly and willingly, yes eagerly, and we seek no reward or commendation of any sort save continued goodness of character, renewed devotion to duty, and future contributions in the form of good living, good works, and constructive activities by our graduates for and in behalf of their families, their community, their Nation, and their Creator.

"We ask nothing more of them than that they adhere to the ideals which they have been taught in their homes, their churches, and their schools; that they continue honestly and wholeheartedly to do the best they can in whatever work they undertake; that they recognize their responsibilities to their families, to the people as a whole, and to the country; that they work, live, and strive as good industrious, God-fearing, self-respecting Americans contributing in every way they can to the building of good citizenship, wholesome family life, loyal friendships, and the building of a better Clinton and a better America.

"PRIDE AND HAPPINESS

"For us parents, tonight, there is pride and happiness for your success up to this time, but this occasion also brings to some of us remembrance and reminiscence. Some of us have come this very path years ago. We know the joys and the sorrows of life, the trials, adversities, and problems.

"From personal experience we know the obstacles, the pitfalls, the difficulties which you will have to face. Yes, my friends, we came this way ourselves. And if we were to close our eyes tonight we would find our-

selves again in the bright sunlight and flower-decked fields of other years.

"We see before us the smiling faces of dear loved ones now departed into that land from whose bourne no traveler ever returns who made our way easier, who made our progress possible. We feel again the affectionate touch of their hand upon our shoulder, we hear their words of counsel and advice and

"We recall the love and help they so unselfishly gave us; their look of disappointment when we lost; their unrestrained joy when we won; their never-failing, never-ending concern for us; their loyalty and steadfastness to the end of their days. These are precious memories which will always live in our minds. Because those were days when family ties bound us together like hoops of steel, more tightly perhaps than in this modern day.

"And now the vision dims, the bright sunlight of those happy years fades, the faces of those dear ones disappear and we are back again in this prosaic world of the present.

"And so it will be with you, my young friends. Opportunity is beckoning. It knocks on your door. It may knock but once. It is up to you to embrace it. It is up to you to remember your noble heritage, to treasure and sustain your high ideals and let nothing swerve you from them. We will be pulling for you in your every undertaking.

"ALL FACT THE SAME PROBLEM

"Many of you will go out into the realistic practical everyday world of work. Some of you will go to higher institutions of learning to seek further training for higher fields of endeavor. But all of you will have to face the same essential problem—how can you fulfill your highest destiny, how can you meet the responsibilities you have as educated men and women living in this fast-moving, rapidly changing atomic age?

"You are finishing the happiest but at once a most vital and important period of your lives. You have made a fine start. As a class and as individuals you have made a great record here. Your class has distinguished itself in the classroom, on the athletic field, and in every other high school activity. You have all recorded a significant accomplishment in your high school work. By your training and character you are well equipped for the future. If you have the will, ambition, and determination you can go on to finer achievements.

"You can go on to service to your own aims but service also to the Nation and humanity, to the task which faces every one of us today more than ever before of protecting, preserving, maintaining, and enriching the great institutions of our country which have given you, and so many others priceless incomparable advantage of 'life, liberty, and the pursuit of happiness.'

"If you but will it, if you courageously persevere in your aims, you can reach your goal and you can make your contribution. Whatever that contribution is, make sure that it is your very best. Make sure that it represents the very best effort of which you are capable. Make sure that it is sincere and earnest and conscientious. Make sure that you work seriously at the tasks at hand. But no matter what your gains in material wealth or position, never take yourself too seriously.

"Remember that you are human and finite. Never let failure deter you from another and still another try. Remember the words of a great philosopher: 'There is no such word as failure in the lexicon of a bright youth.' Keep your courage high because you may score a touchdown on the next play. Be humble of your talents and accomplishments and never gloat over the reverses or misfortunes of others. Tomorrow they may rise to success.

"LEND A HELPING HAND

"Distinguish between confidence in yourself and vainglory. Keep it in mind that pride goeth before a fall' and that vanity casts doubt upon your real worth. Be generous and kindly and just—always ready to lend a helping hand, particularly to your less-favored brethren. Respect the judgments of your elders because their experience can guide you safely from the shoals. One is wise who learns from his own mistakes. It is a genius who learns from the mistakes of others.

"Be interested in the civic and political affairs of your town, your State, and your Government. Democracy can be destroyed by nonparticipation of the average citizen and the activity of minority pressure groups. The Nation and the world are faced by many grave problems. Your generation will necessarily have to play a large part in solving them. They cannot be solved without your help.

"You and those who will work with you will be the leaders of the future. What kind of a future—slave or free? Upon you the nation will depend for its freedom and security. To you and other young Americans the whole world will one day look for guidance, and inspiration in the struggle for peace and democracy. It will be your major task and duty to defend our freedoms and save them from destruction by tyrants who are, if the facts were known, case problems for the psychologists but who are preaching poisonous class hatred and seeking by force or stealth the destruction of individual liberty and the enslavement of man.

"NO MAGIC FORMULA

"There is no magic formula to prepare you for these great tasks, no open sesame to success. But there are some guides and signposts you can follow. First, remember that there is no substitute for hard work in the life of an individual or a nation. The able-bodied individual who strives to avoid or evade his responsibilities, who turns to the Government at some level to solve his personal problems, or to provide him with the means of livelihood, is foredoomed to failure. Similarly, that nation which turns its back on the dignity and worth of the individual and pursues the wraths of collectivism and socialism will soon suffer the same fate as all the other nations throughout history which have departed from the basic free way of life ordained to us by the Almighty and exemplified so brilliantly by the unmatched glories and achievements of our own Nation.

"Remember that this Nation is not a static organism. To stand still is to retrogress. We must work for a dynamic, forward-looking, forward-moving democracy. But at the same time we cannot ignore or discard the solid constructive values of the past. Industry, thrift, preparation for rainy days, all the deep spiritual values of wholesome home and family life are the enduring basis of any worth-while, well-ordered government.

"Do not be led astray or swerved from your chosen course by current despotic doctrines as old as Methuselah or the Corn laws of Rome that there is an easy road to personal success, governmental stability, or national prosperity. A nation, like an individual, must zealously protect its freedom or it will crumble through soft living, inertia, moral decay and spiritual degeneration into the dust of oblivion. All the experience of mankind and all the lessons of recorded history indisputably prove that fact.

"STAND BY PRINCIPLES

"Let me reemphasize: Be true to yourselves and the ideals you have learned in our own homes, your churches and this school. Be confident of your abilities and aim high. Remember the words of the poet—'not failure, but low aim, is crime.' Be proud of your heritage and never betray it. Stand by your principles and your convictions. Respect yourselves and others will respect you.

"Live like your fathers and mothers have tried to live—loyal to God and country, loyal to every worthy institution, loyal to your friends. Strive to advance yourself and live not by selfishness or vanity or materialism. 'To thine own self be true and it must follow as the night and day, Thou canst not then be false to any man', is something to remember if you place beside it, 'Love thy neighbor as thyself' and the injunction of the Golden Rule 'Do unto others as you would have others do unto you.' And when you are right, fear no one but God, because the truth will make you free, and freedom will make you strong.

"It is always a source of sadness to do accustomed and cherished things for the last time. It always tugs at the heart to leave dear friends—the young and the old. But time waits for no one. You must move forward—always forward—to the broader opportunities and achievements of the future. You part tonight but you will be together again I know, together in these fine warm friendships you have formed here, together in the spirit of these noble teachings and ideals, together in the company of all those who strive to keep our high faith in America and all she stands for, the eternal faith which by the blood and sacrifice of her sons we have sworn to uphold to the end.

"Years ago, on this very platform, in a setting like this, on a night and occasion like this, I had the honor of joining with my own Clinton High School class in singing the class song.

One verse went something like this:

" 'June time with its fragrant roses
E'er will bring a tearful sigh
For a class that once departed
From the halls of Clinton High.

But now as we start on life's battle
Let us be brave and heed
The words of our own class motto
Of "every day some nobler deed."

"And I think, tonight, my friends, that the last line of that song may well be kept in mind by all of us. Let me again congratulate you and your parents and teachers upon this great memorable unforgettable night in your lives, so full of deep meaning for them and for you.

"And let me wish you all the very best of health, success, prosperity and happiness in the future whatever your chosen way of life. Try to remember in the time to come, whether in storm or in sunshine, those words which symbolize so well and so beautifully the spirit which animates Clinton and the Clinton High School: 'Every day some nobler deed.' "

The students, in caps and gowns and the girls carrying old-fashioned bouquets, marched into the hall to the strains of Pomp and Circumstance, played by Miss Dolores Mercier, highest honor student in the class, and Francis X. Howard, high honor student.

The entire class then joined in singing a group of Victor Herbert favorites directed by Miss Elinor Driscoll, music supervisor.

The class gift, a check for $50 to purchase music for the school, was presented to Superintendent John J. Mitchell by Michael A. Pizza, class president.

Following the acceptance of the gift, Miss Dolores Mercier and Francis X. Howard, pianists, offered Gavotte and Musette after which La Spagnola was sung by Miss Jean F. O'Brien, Miss Virginia M. Imbimbo and chorus.

The following awards were presented by Principal Eben S. Cobb of the high school; DAR Medal, Miss Dolores Mercier; Washington-Franklin Medal, Miss Ann E. Noon; Rensselaer Polytechnic Medal, Raymond F. Dyer, Jr.; Becker College Medal, Miss Jean O'Brien; Harvard University prize book award, Leo F.

McNamara; Police Association award to best student athlete, John C. Polymeros.

The diplomas were awarded by Francis P. Murphy, chairman of the school committee.

Break-Down of Yalta Agreements

EXTENSION OF REMARKS
OF
HON. CLAUDE PEPPER
OF FLORIDA
IN THE SENATE OF THE UNITED STATES
Wednesday, July 6 (legislative day of Thursday, June 2), 1949

Mr. PEPPER. Mr. President, I ask unanimous consent to have printed in the RECORD an article entitled "After Yalta: Why the FDR-Stalin Pacts Broke Down," written by Edward R. Stettinius, Jr., and published in Look magazine for July 5, 1949.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

AFTER YALTA: WHY THE F. D. R.-STALIN PACTS BROKE DOWN

(By Edward R. Stettinius, Jr.)

Roosevelt, Churchill, and Stalin achieved at Yalta the closest cooperation the Big Three ever knew.

Then a series of events began to shatter that unity almost as soon as the conference ended, on February 11, 1945. Big Three relations reached a dangerous impasse that still exists today.

What caused the break-up?

President Roosevelt died on April 12. And Winston Churchill was defeated as Prime Minister in July. But the high tide of Big Three unity began to ebb even before either of those two events.

The opinion of some of the State Department group on Roosevelt's staff at the conference was this:

When Marshal Stalin returned to Moscow after the conference, he ran into difficulties with the Politburo. He was accused, it was said, of having been too friendly and having made too many concessions to the two capitalist nations. Such nations, in dogmatic Marxist eyes, could never be really trusted by Communist Russia.

According to this thinking, certain members of the Politburo may well have felt that the Soviet Union had been virtually "sold out" at Yalta.

Anthony Eden told me at the San Francisco Conference he was convinced something had happened in Moscow after the Yalta meeting.

The workings of the Politburo have never been even partially revealed. And I do not pretend to know what took place in Moscow after the conference at Yalta. But there are several things I know, as Secretary of State at the time of the conference, that may cast some light on the mystery.

Averell Harriman, then Ambassador to Russia, cabled the State Department on September 19, 1944. He said it seemed clear that powerful elements close to Stalin were unwilling to see the security of the Soviet Union rest solely on an untried world organization. Harriman suggested that Russia might go along with the UN but, at the same time, build its own sphere of influence.

STALIN FEARED FREE ELECTIONS

It is possible that Stalin's advisers told him that free elections in eastern Europe, agreed on at Yalta, would destroy Communist control on this region. Stalin himself said as much at the Potsdam Conference. I understand that Stalin at Potsdam actually wanted the United States to recognize the various governments in eastern Europe before the elections had been held.

Another explanation for what happened after Yalta may be that Roosevelt's death strengthened the hands of the anti-American group in the Politburo.

It is also possible that the Politburo after Yalta reviewed its policy. It may have decided that the United States was soon going to withdraw from Europe, to concentrate all its troops against Japan.

UNITED STATES OCCUPATION A FACTOR

The Politburo may also have been influenced in this line of thinking by a statement President Roosevelt made at the plenary session of February 5 at Yalta. He said that United States troops probably could not be kept in Europe more than 2 years after the war. Although this now may sound astounding, it must be remembered that there was a ground swell of public opinion demanding that our forces be returned home as soon as the war was over.

Whatever the reason, the Soviet Union began to hedge on some of its agreements shortly after the Yalta Conference had closed.

The Russians delayed on certain military agreement. They impeded the formation of the German Control Commission. They failed to live up to the Declaration on Liberated Europe as applied to Rumania. And they greatly impeded the carrying out of the Polish agreement.

The Soviet Union did allow Air Force representatives to survey possible air bases near Budapest as agreed. Then it delayed the granting of the bases. The Air Force finally dropped the issue because, after the delays, the bases were no longer needed.

MILITARY PACT IGNORED

At Yalta, too, a military agreement called for each nation to allow the others to send a mission behind its respective lines to deal with their own liberated prisoners. After Yalta, however, the Soviet Union would not allow a United States mission to function behind Soviet lines, as agreed.

In London the Soviet shift in policy was evident to the American representatives on the European Advisory Commission. One week after Yalta the Soviet member announced that representatives were coming from Moscow to join with the British and Americans to form a nucleus of the Control Commission for Germany. Two weeks later the Soviet representative stated with great embarrassment that the Russians were not sending a group to London after all.

In the case of Rumania, as well as in the rest of liberated Europe, the three Governments had made definite pledges in the Declaration on Liberated Europe. They had promised to help form interim governments—regimes representing all democratic elements and pledged to early, free elections.

In spite of this, 13 days after the Yalta meeting had adjourned the Soviet member of the Allied Control Commission for Rumania refused to call a meeting of the Commission. Three days later Foreign Vice Commissar Vishinsky arrived in Bucharest. He demanded the dismissal of the Radescu government and the formation of a new regime. The King was forced to appoint a government formed by pro-Communist leader Petru Groza.

RUSSIA REJECTS PROTESTS

The United States lodged protests that the principles of the Declaration on Liberated Europe were being ignored. But Russia bluntly rejected them.

Another development in Soviet-American relations irritated President Roosevelt.

Marshal Stalin sent the President a note protesting that negotiations were taking place at Bern among the Germans, British, and Americans for the surrender of the German Army in Italy.

The President had advised the Soviet Union before Stalin's note that the Germans had requested a meeting. But Mr. Roosevelt had assured Stalin that no negotiations actually had taken place.

Stalin's note asserted the President was not being informed by his own military leaders. Negotiations, he said, had been completed and the Germans were allowing the American Army to advance in return for easier peace terms.

STALIN ANGERS F. D. R.

The President was angered by this note. He replied sharply that General Eisenhower would not have undertaken negotiations without informing him. Furthermore, he said, the Soviet Union had been fully advised as to all the developments. The President remarked that he resented the "vile misrepresentations" of the Marshal's informants and that such information indicated a belief that certain of Stalin's informants desired to destroy friendly relations between the United States and the Soviet Union.

Marshall Stalin replied that he did not question the President's honesty, but he still believed that he had received accurate information. The tone of Stalin's message was, however, more conciliatory than his previous ones.

Meanwhile, the Polish agreement was being jeopardized.

Early in March, Ambassador Harriman sent a warning to the State Department. He said that Foreign Commissar Molotov was insisting that only Polish leaders acceptable to the Lublin Government be invited to consult with the commission appointed at Yalta.

This commission, it had been agreed at Yalta, was to consult with Polish democratic leaders from within Poland and from abroad with a view to reorganizing the Lublin Government. The Lublin regime had been set up originally as a Soviet puppet government. Roosevelt's and Churchill's purpose at Yalta had been to reorganize it so it would represent other Polish elements, including factions of the Polish Government-in-exile in London.

But Molotov now disregarded the agreement on Poland.

F. D. R. PROTESTS TO STALIN

On April 1, President Roosevelt sent an urgent cable on the Polish issue to Marshal Stalin. Both the President and the Prime Minister had communicated with each other late in March. Both agreed that the Yalta agreement was in grave danger. Roosevelt told Stalin that "a thinly disguised continuation of the present government would be entirely unacceptable."

On April 7, the Marshal answered and charged that the British and American Ambassadors had violated the Yalta agreement. They did so, he asserted, by insisting on the complete liquidation of the Lublin Government and the formation of an entirely new government.

The President died while officers of the British Foreign Office and the State Department were drafting parallel replies to Marshal Stalin.

Just before he died, the President received a message from the Prime Minister. Churchill asked for advice on what to say to the House of Commons on the Polish question. The day he died, on April 12, the President, at the little White House at Warm Springs, Ga., sent the following message:

"I would minimize the general Soviet problem as much as possible because these problems, in one form or another, seem to arise every day and most of them straighten out as in the case of the Bern meeting.

"We must be firm, however, and our course thus far is correct."

END OF LEND-LEASE UNTIMELY

Later, however, an incredible order issued in Washington after VE-day, May 8, disturbed Soviet-American relations still further. The

order abruptly ended the lend-lease program to the Soviet Union so far as the European war was concerned.

The order was particularly untimely and revealed a lack of coordination between military and civilian agencies.

It was issued without any warning whatsoever to the Soviet Union and other European countries not involved in the Japanese war. It caught the State Department completely by surprise.

At my urging, President Truman wisely modified the order. But the psychological damage had been done in our relations with a nation as suspicious as the Soviet Union.

On May 23, President Truman sent Harry Hopkins to Moscow to assure Marshal Stalin that the death of Mr. Roosevelt would not alter the United States policy of cooperation with the Soviet Union.

Stalin, however, seemed to think otherwise. He told Hopkins that the manner in which lend-lease had been curtailed was unfortunate and even brutal. He said if the order was designed as pressure to soften up the Russians it was a fundamental mistake. He said he must tell Hopkins frankly that if the Russians were approached frankly on a friendly basis much could be done. But reprisals in any form, he said, would bring about the exact opposite effect.

The San Francisco Conference, meanwhile, reached an impasse that threatened failure in our attempt to build a world organization.

RUSSIA TRIES TO HEDGE ON UN

On instructions from Molotov, Soviet Ambassador Gromyko insisted that a dispute could not even be discussed by the Security Council without the unanimous vote of the five permanent members, unless the situation was one that could be settled by peaceful means.

This violated the Yalta agreement limiting the veto. I advised Gromyko that if the Soviet Union continued to insist on its new view, the United States would refuse to join the world organization.

President Truman approved a proposal I made to send a cable to Ambassador Harriman instructing him to discuss the question with Marshal Stalin, accompanied by Hopkins if possible.

The two met with Stalin and pointed out to him how the United States interpreted the Yalta agreement; that it safeguarded freedom of discussion and the right of any member to bring before the Security Council for discussion any situation affecting the peace and security of the world.

Molotov attempted to defend the instructions he had sent to Gromyko. But the Marshal told him, I heard later, not to be ridiculous and that the Soviet Union should accept the American position.

The entire incident reveals that Marshal Stalin could reach a quick decision, even though it meant publicly repudiating the position of his Foreign Commissar.

Its significance is, too, that it saved the United Nations from collapse before it started. By doing so, it saved perhaps the most important concession that President Roosevelt and Prime Minister Churchill won from Stalin at Yalta—Soviet membership in a world peace organization.

It was essential that Churchill and Roosevelt make an honest attempt at Yalta to work with the Russians. For the world's peace they had to make every effort to test the Soviet Union's good faith. Until agreements were made and tested the world could not clearly know of the difficulties of securing Russian compliance with agreements.

The western nations could not be following their present policy toward the Soviet Union unless they had behind them the record of Roosevelt and Prime Minister Churchill in their joint effort to deal with Russian leaders in an honest, honorable manner at Yalta.

Hoover Plan Called Reassuring

EXTENSION OF REMARKS
OF
HON. DANIEL A. REED
OF NEW YORK
IN THE HOUSE OF REPRESENTATIVES

Friday, July 1, 1949

Mr. REED of New York. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following article by Mark Sullivan, which appeared in the New York Herald Tribune on Wednesday, July 6, 1949:

HOOVER PLAN CALLED REASSURING IN MIDST OF ECONOMIC DISQUIET—MARK SULLIVAN ASKS WHY FORMER PRESIDENT WAS LEFT OUT OF UNITED STATES COUNCILS FOR 17 YEARS

(By Mark Sullivan)

As we experience the disquiet caused by an unbalanced budget and other disturbing aspects of government one development stands out as indisputably constructive and assuring. This is the Hoover Commission report and plan for organization of the executive branch of government, the near-unanimous passage of it by Congress, and the beginning of putting it in effect by President Truman.

About this there is no misgiving and no partisan contention. The authorizing of it more than a year ago was by a Republican Congress and a Democratic President. The objective, efficiency in government and reduction of its cost, is likewise nonpartisan. The plan would apply to any administration, Democratic or Republican. It is administration of government as a science and art. The talent that went into it was of the highest quality. Mr. Hoover set up some 48 "task forces" with an aggregate of some 300 men especially adapted by experience and ability.

This was the first such survey of government in the country's history. Admitting that this survey was limited to the executive branch of government, and that it was a survey for reorganization of a going concern, and not a blueprint for something not before in existence—admitting these qualifications, there remains a relation between the work of this commission and that of the Constitutional Convention of 1789. That convention set up the original pattern of a government of divided powers, later adopted by many countries besides our own.

SYSTEM UNDER ATTACK

What the Constitutional Convention created the Hoover Commission now helps to make workable and vital. This takes place at a time when, in many parts of the world, the conception of government through a system of divided powers is under attack, on the ground that it is not workable under modern conditions, that it must be replaced by totalitarian government.

For what Mr. Hoover brought about wide praise has been given. Much of it includes regret and a question. Why has it been that, during the 17 years after Mr. Hoover left the Presidency, the country did not have the benefit of services he could have given? With that question goes another. What accounts for the harshly demeaning picture of Mr. Hoover which the public was led to see during his administration and afterward, and which is now coming to be seen as false?

The answer goes deep. It is not only that Mr. Hoover's administration coincided with a devastating economic collapse and depression that have occasion and impetus for the demeaning picture of Mr. Hoover. But for the deeper source of it we must turn to the broad history of the time.

There was under way throughout the world, and had been for 12 years before Mr. Hoover become President, beginning with the Communist revolution in Russia in 1917, one of the great ideological struggles in history. It was between collectivism and individualism, the latter called by the Communists "capitalism." In that struggle Mr. Hoover was, by a combination of several conditions, a supreme and unique symbol of what communism and other shades of collectivism wished to destroy or see end.

SYMBOL OF INDIVIDUALISM

Mr. Hoover was the head of the leading capitalist country in the world. Within that country he was head of the conservative one of the two parties. In his own person he was an outstanding example of individualism as a system in operation. In the American way he had risen from the status of a son of a country blacksmith to eminence in private business and public service. Communists knew that American youth would have belief in the system of which their President was a fruit, would resist collectivist argument against it. Finally, Mr. Hoover as a man of thought knew what the struggle was about. Precise intellectual understanding of the contending principles was in a book he had written in 1922, American Individualism.

That combination of conditions made Mr. Hoover perhaps the outstanding man in all the world whose reduction in public esteem would most serve those schools of thought which wished capitalism to end. When, during Mr. Hoover's administration, economic forces generated during the First World War came to a crisis, opportunity was given for heaping blame and ignominy jointly upon capitalism and Mr. Hoover. It was kept up through the years when there was questioning whether capitalism would recover.

Flag Day Address of Hon. David L. Lawrence

EXTENSION OF REMARKS
OF
HON. ROBERT J. CORBETT
OF PENNSYLVANIA
IN THE HOUSE OF REPRESENTATIVES

Wednesday, July 6, 1949

Mr. CORBETT. Mr. Speaker, on behalf of many patriotic citizens of Pittsburgh, and myself, I am pleased to cause to be spread on the pages of the CONGRESSIONAL RECORD a Flag Day speech delivered by the honorable mayor of our city, David L. Lawrence. I am sure that this speech delivered before the Pittsburgh Chapter of the Sons of the American Revolution will prove inspiring to all those who read it.

The address follows:

There is something in the nature of mankind that requires a symbol—a point of concentration for the deep emotions which swell within our hearts.

That is why we honor our country's flag.

It is the symbol, changing as the Nation changed, growing as the Nation grew, which embodies our love for America.

The flag is more than a design, more than bunting, more than the colors of the country.

It expresses for us the thoughts for which we can scarcely find words, the unshakable loyalty, the unquestioning devotion, we give this land which gives us liberty.

In the flag is written our history.

With the flag goes our heritage.

The flag is the cord which binds the trials and the bravery and the great achievements of each generation of Americans. The flag speaks the immortal language of the Declaration of Independence and the Bill of Rights—our instruments of freedom. The flag tells

of the conquest of a continent—the pioneering of this country from sea to sea. The flag reminds us of a war fought to save the Union and to make all men, free and equal in the United States.

The flag calls to our memories the names of far places and distant shores where Americans fought for liberty in two world wars—where only the courage and the genius and the power of Americans saved the world from complete conquest by power-mad dictatorships.

It was often said that the war against the Japanese and the Nazis was a war without heroics—that it was mechanical combat, machine against machine, grim, grimy, deadly. The Stars and Stripes were not often seen on the battlefields of France and Germany and the Pacific Islands. There was no time nor place for colors and the trappings of military pride.

And yet, what incident in the war so captured the minds of men or so inspired the people of America as the picture of that little group of American marines who brought the colors to the peak of Mount Surabachi and planted them firmly never to be dislodged, on the bloodied lava rocks of Iwo Jima.

They symbolized for the world the American fighting for his country, unromantic, sometimes cynical, ashamed of sentiment, but deep in his heart fiercely patriotic and with burning pride in his country, its power, and its glory of accomplishment.

We are a people who have never been defeated.

We have gained every objective we have set for ourselves.

In each generation, we have advanced in material wealth and comfort, and yet in each generation we have increased our ability to govern ourselves in the interest of all of our people.

The story is written in the flag.

A great orator and champion of freedom for all men, Charles Sumner, said of our flag, 2 years after the Civil War was won:

"White is for purity; red, for valor; blue, for justice. And all together, bunting, stripes, stars, and colors blazing in the sky, make the flag of our country to be cherished by all of our hearts, to be upheld by all of our hands."

We have had added many a star to our flag since Sumner spoke in 1867. Great States have come into the Union; perhaps more will come, as the people of our last frontier, Alaska, and our island Territory, Hawaii, seek and gain statehood.

There are 140,000,000 people living under our flag as American citizens. And it floats in Tokyo and Berlin, while we undertake to make the world safe for peace-loving peoples. Throughout the world the American flag is a symbol of purity, valor, and justice—the hope of the peoples whose only desire is to be free and independent; to be, like our own country, a land where a man and a woman are free to worship, free to earn their bread, free to live the life their conscience dictates, without oppression, without robbery, without terror.

We will not find the millenium come in our day or in many a day beyond our own.

The struggle for world peace and world freedom was not over when we smashed Hitler and secured the surrender of Japan. Our responsibilities are greater than ever before. We have achieved world power, and with power comes responsibility.

The foes of freedom, those who seek discord and upheaval throughout the world, believe we will tire of our burdens, believe we will abandon our responsibilities.

That we must not do.

Our history proves we will not do it.

Our flag tells the story of our own struggles, our own growth, for a century and a half.

And we are by no means perfect yet.

But under the American flag we have made the greatest strides toward freedom and opportunity that the world has ever seen.

The flag of our country is a living flag. It symbolizes a country that will not rest, that will not consent to things as they are, that will always fight for a better life for all of its people.

That is why we have faith in our country.

That is why we love its flag.

It is an accident of birth that makes us residents.

It is the glow in our hearts and the courage in our wills that makes us citizens.

Let no man or woman be ashamed of the forms of patriotism. They are the expression of our love of country, and our gratitude for its service to us.

The flag is the symbol of America.

Let us honor it, not only on Flag Day, but for 365 days each year. Let us be careful to render it the ceremonial respect which is due our Nation. Let us confess, proudly and joyfully, to the stirring in our hearts when the flag is passing by.

Patriotism is not an emotion reserved for wartime.

It is the ever-present devotion we bear our country.

It is why the flag, when we see it float above us in companionship in the Nation, and country itself, with all that that means to us.

I was in London before the war.

One of the things that struck me was the way the bands played God Save the King at the close of every performance in the theaters, and the sincerity with which the people heard their national anthem. I am sure that when the bombs were falling on London, that same deep-seated patriotism kept up the morale of the people, and gave them confidence that, no matter how black the outlook, their country would find the strength to hold on and see it through.

We need that kind of ingrained confidence in America today.

This is a sorely troubled world.

We have been an island of relative plenty in a sea of hunger and despair. We have been fortunate above all others.

We must maintain our strength.

We must be bold.

We must have the courage to lead the way.

It is no task for a weak-kneed people or for a faltering country.

It is a time to look to the flag, to draw inspiration from our past, to preserve our faith, to maintain our confidence, to be strong.

All will be well, if we keep to the traditions of America.

We will prosper, and the world will prosper with us, if we follow the path of our flag—the path that leads to expanding liberty, to continued progress, to the best hopes of all mankind.

George J. Burger

EXTENSION OF REMARKS

OF

HON. JOSEPH P. O'HARA

OF MINNESOTA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, July 6, 1949

Mr. O'HARA of Minnesota. Mr. Speaker, those of my colleagues who, from time to time, have had problems affecting small business, will gladly testify to the worth of the Small Business Committees of both the House and the Senate. Over the years the committees have worked with problems affecting the small-business man, and the scope of their investigations, and the results which have been achieved, have certainly justified their continuation.

Practically every Member of Congress knows George J. Burger, vice president of the National Federation of Independent Business, Inc. He and his organization, among others, have likewise done some very excellent and effective work in behalf of the problems of the small-business group.

In this connection, Tris Coffin, who writes a column for the Washington Times-Herald entitled "Washington Daybook," has a most interesting article in the edition of Sunday, July 3, on our friend, George J. Burger, which I would like to bring to the attention of my colleagues.

The article follows:

WASHINGTON DAYBOOK

(By Tris Coffin)

A gruff-voiced never-say-die lobbyist with all of the gall of the Irish did the impossible.

George J. Burger, the vice president of the National Federation of Independent Business, brought the dead back to life. He's pulled the defunct Senate Small-Business Committee back from the grave where a Democrat caucus buried it.

With a jab of an accurate forefinger at his listener's chest, George barks modestly, "No wine, women or song—no fancy tricks. I just rang doorbells and counted noses in the Senate." Then with a sly grin he concedes, "Well, I did mention to a few Senators that small-business men will vote in 1950."

An independent, free-wheeling Senate Small-Business Committee is Burger's baby. This one-man army of energy has been storming Republican and Democratic national conventions, battering on doors on Capitol Hill, and waylaying unsuspecting Senators ever since he's been in Washington.

This committee has been the daunciest, nose-thumbing committee on Capitol Hill. It didn't abide by the old rules of bowing low three times before big shots. It got into David and Goliath scraps and it tore some fancy britches.

But its goose was finally cooked last fall when a well-organized campaign started to kill it under the pious policy of "legislative reorganization." SCOTT LUCAS, the handsome Democratic majority leader, snapped there wasn't any need for a separate Small-Business Committee. Another standing committee could handle the problem. (LUCAS had a private run-in with the committee during the 80th Cong.)

JIM MURRAY, the lanky, graying Democrat from Montana, tried to revive the committee. But LUCAS said in the caucus, "Nothing doing."

Under the prodding of Burger, MURRAY and a few dissidents defied the caucus and introduced a resolution recreating the committee. It moldered and moldered in the Rules Committee until it was green and gone.

Then Brother Burger tore in again. Letters from indignant small-business men poured in, snarling, "You don't love us now as you did before the 1948 campaign. But wait; 1950 is not far away."

After an appropriate period of fermentation, Burger tackled one of the sagest souls in Congress, the quiet chairman of the Rules Committee, CARL HAYDEN. The Senator said, tersely, "You'd better go count noses."

Burger and company counted noses and poured words in ears. The result was one of the biggest upsets in Congress for years. The resolution recreating the committee came out

by a vote of 6 to 2, completely reversing the Democrat caucus. HAYDEN himself voted for the resolution.

The next step is to force a roll-call vote, to get the tally on the record. If that's done, Burger gloats, "we're in, fellows. The committee will be poking around again. Ah, good times are on the way."

Independence Day Address of Rev. C. A. Cooper

EXTENSION OF REMARKS
OF
HON. WALT HORAN
OF WASHINGTON
IN THE HOUSE OF REPRESENTATIVES
Wednesday, July 6, 1949

Mr. HORAN. Mr. Speaker, under leave to extend my own remarks in the Appendix of the RECORD I am pleased to include an Independence Day address by the Reverend C. A. Cooper, of Spokane's Church of the Air.

At a time when our glorious Fourth of July anniversary has become too much of an occasion for firecrackers, sunburn, automobile wrecks, drownings, fires, arrests, and such, it is perhaps well to reflect on some of the more serious and fundamental aspects of the true foundations of our national beginnings:

WAKE UP AMERICA

It is high time the Christian forces everywhere arouse themselves and petition the Lord for a spiritual awakening as the greatest guaranty to our national independence. During all the eventful years of more than a century and a half, godly leaders have, without exception, found applicable the scriptural text, "The throne is established by righteousness." Proverbs 16: 12.

I think of George Washington, at Valley Forge, prayerfully kneeling in the snow seeking God for help. There came to him by divine revelatiotn the future of this great Republic. If the infant nation would be properly established, it must be by righteousness. Not by appeasement on the one hand, not by evil alliances with wicked nations on the other. Not by total reliance upon huge armies, navies, or military might, for of these he had none. Nay, "Not by might nor by power, but by my spirit," saith the Lord.

Then look at Abraham Lincoln as he steered the Ship of State through troubled waters. After so glorious a beginning, she was now threatened with destruction upon the sea of civil war. His biographers tell us that kneeling until the morning hours, some nights never retiring at all, Lincoln sought God. When the worse had come to the worst, he proclaimed April 30, 1863, as a day of "National repentance, fasting and prayer, that the united cry of the Nation might be heard on high, and answered with blessings no less than the pardon of our national sins." This attitude did not go unrewarded. Victory came, and the "Nation was established by righteousness."

In this atomic age when civilization itself is threatened, what is our prime need? Is ours an economic, or a military, or an atomic problem only? Or is ours a moral and spiritual problem wherein the hope of survival lies not solely in the possession of a larger stockpile of atomic bombs than Russia possesses, but in God. "In God we trust" not "In bombs we trust." "Righteousness exalteth a nation" declares the Bible. This is our and the world's only hope. Only by lifting high the blood-stained banner of the cross, can America hope to keep the Stars and Stripes aloft. A return to God now on a national scale throughout America, as I see it, could well provide the solution, not only to ours, but to the world's ills.

Let's reminisce. How can you explain the rise of our Nation to such prominence while so young? Is it not traceable to the righteousness of its founders? Our Pilgrim fathers prayed at Plymouth Rock. After so perilous a crossing of the Atlantic, what was their first act but to kneel and worship. Observe their sacred, puritanical regard for the Lord's Day and righteousness. Now, amidst all our efforts to preserve and extend the blessings of democracy, it is well to remember, it was from the soil of religious conviction that democracy sprang. Moreover, the right to worship God was the sole actuating motive for colonizing the new world, and only a return to the God of our fathers now, and faith of our fathers, can justify its perpetuation.

Again, when framing the "greatest document ever struck off by human hand" the Constitution, what did our forebears do but hold a daily prayer meeting by joint resolution. At the Constitutional Convention in Philadelphia, Benjamin Franklin made the motion, adding, "I have lived a long time and the longer I live the more convincing proof I see that God governs in the affairs of men; and if a sparrow cannot fall without His notice, is it probable that an empire can rise without His aid? Except the Lord build the house, they labor in vain who build it. Without His concurring aid," said Franklin, "we shall proceed no better than the builders of Babel." The stymied Convention then moved on smoothly and prayer became the very foundation stone in the Nation's building.

The Father of our Country once said, "It is impossible to rightly govern the world without God and the Bible," and Andrew Jackson later remarked, "That book, sir, is the rock upon which our Republic rests." Less than 100 years ago Daniel Webster uttered a solemn warning and prophecy. Said he, "If we abide by the principles taught in the Bible, we will go on prospering, but if we do not, catastrophe may suddenly overwhelm us."

Wake up, America. No nation ever relegated the Bible to the background and survived. What happened to Chorazin, to Bethsaida who rejected the claims of Christ? Did not sin bring ancient Capernaum down to hell? From the very pinnacle of glory she sank into oblivion according to the warning of Christ, and no trace of her can be found today. What contributed to the recent downfall of France, but the decay of the moral and spiritual fiber of her people. France excluded the Bible from her schools, much as we are doing now, banished the name of God from her legal documents, removed the phrase "God protects France" from her coins and went merrily on her way—to destruction. "Righteousness exalteth a nation, but sin is a reproach to any people." This is our greatest enemy. Sin is America's national liability, far exceeding her national debt. If righteousness will exalt a nation and merit God's blessing, sin will inevitably prove its ruin. Sin is the stigma.

Here is the ancient and the modern, by way of comparison. Gibbon in his "Rise and Fall of the Roman Empire," lists five contributing factors to the debacle. I give you these causes. "Rapid increase of divorce with the undermining of the home—the mad craze for pleasure—the building of gigantic armaments when the real enemy is within, the decadence of the people and the decay of religion." This conclusion, coming from an unbeliever, causes one to think. Are not our national conditions comparable to those of that period immediately preceding the fall of the Roman Empire?

There is our morals decline and breakdown of the home. Licentiousness and adultery have swept nation after nation out of existence. Did it not bring fire and brimstone upon Sodom and Gomorrah? What carried ancient Rome to ruin? The obscene frescoes of Pompeii and Naples tell the tale. Are not we too lovers of pleasure more than lovers of God? Is there not now a decay of religion? Less than 2 percent of the citizenry of our land frequented any place of worship last Lord's day evening with a slightly higher percentage in the morning.

Our deplorable crime situation, our economic problems, our domestic strife are but effects. What is the cause? J. Edgar Hoover speaks, "These conditions are secondary in importance to the disastrous decay of religion. Over 60,000,000 of our fellow citizens profess no religion, many of them no belief in God. This is America's gravest peril." On this Independence Day these facts present a challenge to the professing Christian church of all faiths, and to the praying constituency of our Nation.

To safeguard our democracy and preserve the true American way of life, we need, we must have a revival of genuine old-fashioned religion, deep, wide-spread, if our land is to be healed. It is this or the dissolution of the home, church, and Nation. Let us all make a spiritual contribution to the generation by a personal and national return to God with repentance for our sins and with faith in the Lord Jesus Christ. Amen.

Mirage Flats Irrigation Project

EXTENSION OF REMARKS
OF
HON. A. L. MILLER
OF NEBRASKA
IN THE HOUSE OF REPRESENTATIVES
Wednesday, July 6, 1949

Mr. MILLER of Nebraska. Mr. Speaker, under leave to extend my remarks, I desire to advise the House of a memorable occasion in my district on Thursday, June 23, 1949. I refer to the dedication of the Mirage Flats irrigation project located near Hay Springs, Sheridan County, in the northwest section of Nebraska near the headwaters of the Niobrara River. This project was constructed by the Bureau of Reclamation, with the land development and related factors handled by the Soil Conservation Service of the Department of Agriculture. Both of these agencies have done an excellent job on the Mirage Flats project.

The importance of this occasion was attested by the designation, by Chairman J. HARDIN PETERSON of the House Public Lands Committee, of a subcommittee to attend the dedication and inspect the Mirage Flats and other Reclamation projects in Nebraska in order that the Committee might have first-hand information and close-up views of important Federal irrigation developments, the legislation for which the Public Lands Committee is responsible. The subcommittee was composed of Representatives COMPTON I. WHITE, of Idaho, former chairman of the committee, FRED CRAWFORD, of Michigan, NORRIS POULSON, of California, and A. L. MILLER, of Nebraska. We were joined at Hay Springs by Representative FRANCIS CASE,

of South Dakota, who was the patron of the original legislation known as the Case-Wheeler Act under which the Mirage Flats project was authorized in 1940.

Our trip to Nebraska was arranged by Commissioner Michael W. Straus of the Bureau of Reclamation who designated the Director of Operation and Maintenance, Goodrich W. Lineweaver, as his representative for this occasion. Through the cooperation of Hoyt S. Vandenberg, Chief of Staff, United States Air Force, an Air Force plane was provided for the use of the committee. The party left Washington at 11 a. m., June 22, and landed that afternoon at Offutt field near Omaha, Nebr., where we were greeted by Brig. Gen. August W. Kissner, representative representing Lt. Gen. Curtis C. Lemay of the Strategic Air Command and members of Lieutenant General Lemay's staff. From Offutt Field, we flew westward through the Platte River Valley inspecting from there existing irrigation developments and the important Platte River project developments being planned by the Bureau of Reclamation under the Missouri Basin project. We landed at Chadron, Nebr., and journeyed to Hay Springs. On the morning of June 23, the party inspected the 9,600 acres of the Mirage Flats project under irrigation as well as Box Butte Reservoir and Dunlap diversion dam. The unanimous view of the subcommittee, I believe, was that the project, on which 100 families have already settled, is one of the outstanding irrigation developments under the Bureau of Reclamation. More than 80 percent of the new settlers are veterans, many of whom have come from the irrigated areas of the Platte River Valley.

The layout of the irrigation system has been pronounced by irrigation engineers as outstanding and we were told that the water loss between the reservoir and the irrigated fields will be less than any other project under the Bureau of Reclamation.

Following a barbecue on the hill overlooking the project, the dedication ceremonies were presided over by Dr. Harry W. Bashore, former Commissioner of Reclamation. Each of the Congressmen present made brief addresses and expressed their interest in western irrigation developments.

Leaving Hay Springs, the party inspected the Wyoming and Nebraska areas of the North Platte reclamation project where more than 150,000 acres are under irrigation. Needless to say, we were highly impressed with the success of this development. Flying southeastward, we had opportunity to observe the Kingsley Dam of the tricounty irrigation district in western Nebraska, and also inspected Enders Dams of the Frenchman-Cambridge project in the Republican River Valley, which is nearing completion. At Offutt Field, on the eastern trip, we were greeted by Brigadier General Sweeney and Colonel Edmonson, of the strategic air base which we had inspected by automobile on the previous day. The Air Force personnel on the trip was made up of First Lt. Melvin J. Killian, pilot; First Lt. Frank Publiese, copilot; Tech. Sgt. Joseph E. Kujalowicz, engineer, of the 1100th Special Air Mission Group, 1111 Special Air Mission Squadron.

I include in my remarks the address prepared for delivery by Operation and Maintenance Director Lineweaver at the dedication of the Mirage Flats project:

June 17—just a few days ago—marked the forty-seventh anniversary of the enactment of the reclamation law under the administration of President Theodore Roosevelt. Today marks another milestone in reclamation history as we dedicate the Mirage Flats project. This day is significant since it gives recognition to the first of a series of irrigation developments in the Niobrara Valley that will come with the expanding of the Missouri River Basin project.

To those of us who are concerned with putting western waters to the best use, the successful launching of the Mirage Flats project carries extensive implications. Born of the drought scourge of the thirties it is insurance for this immediate area against the recurrence of the dry years that are sure to return. Developments in the high plains country such as this project are the salvation of this and future generations.

I am charged by the Secretary of the Interior and the Commissioner of Reclamation to tell you of our objective through irrigation expansion. We propose, through the Missouri Basin project and other developments, to place many scores of these cases where the water is available to stabilize agriculture and anchor the population where it can withstand the ravages of drought. A hundred Mirage Flats projects from the Canadian border down through Kansas and Oklahoma will bulwark the Missouri Basin just as the Columbia Basin project in Washington will stabilize the Pacific northwest and the Central Valley project will protect California.

That this event today and the reclamation program have an important place in the national calendar is evidenced by the presence here today of a group of distinguished Members of the Congress. They have journeyed halfway across the continent to participate in this celebration and we know they will return to the Nation's Capital with renewed allegiance to a program that looks not only to the material things related to reclamation but to the human elements that, after all, are paramount.

America must ever honor those intrepid spirits, who, unwilling to accept the harsh wrongs of an old world, stepped forth boldly into a vast wilderness to carve out a new world in keeping with new principles. So it was, in following the steps of that initial great movement, that other men and women, seeking new fields of opportunity in the 1870's, hazarded the problems of crop failure, of grasshoppers, of possible famine, and of Indians to settle the valley of the Niobrara.

We honor and praise those whose vision and determination fathered this development; and it was those early settlers who, faced by the severe droughts of the 1890's, determined that irrigation must be made a salvation from the ever-recurring catastrophe of drought. It was they, with inadequate tools, with little of the present know-how, and with no outside help, who first built canals and distribution systems and tested the principles of irrigation. The fact that they may have failed, that the old projects were abandoned because of lack of water or loss of irrigation structures by fire or flood, did not thwart their determination to some day accomplish their dream. We dedicate in the name of those early settlers the achievement of their far-sightedness and determination.

Today we have a new group of pioneers, many of them young veterans with their wives and children, who are settling this newly developed project, and who, themselves, under considerable hardship, have determined to make good the promise of those who arrived three geenrations ago in covered wagons.

I am sure these newcomers have not been disappointed, for they have found lands of tremendous productive potential. They have had provided for them a modern system of irrigation facilities and a splendid storage reservoir where they can carry over for the dry periods the waters of high-rainfall years. They have had their lands leveled and made ready for irrigation. They are, however, faced with a challenge, the challenge to make good the faith which a Nation has in their ability to produce food and to build a lasting community based on fine principles and in the highest standards of Americanism. To do this, I believe they must grasp their responsibilities promptly, that they must promptly create a permanent governing organization determined to make this one of the greatest irrigation developments in the West, and to repay to the people of the United States the obligation accrued in making this development possible. I am encouraged to learn that the new landowners have petitioned their county commissioners to form an irrigation district under Nebraska law. Experience has shown that a project will succeed best which is early taken over and operated by the water users. I do not mean to imply that the problems of settling and developing a new project are ever easy, but I am sure that the settlers on the Mirage Flats have a considerable advantage over settlers on many earlier western irrigation developments.

The opportunities I have had to observe irrigation developments throughout the West leads me to suggest to you, the new water users, the results of those observations. First, let me urge that you protect your lands by the most up-to-date farming methods in order that you can retain their present high crop-yielding capacity. I know of the splendid work which the Soil Conservation Service has accomplished in advising and guiding the settlers on the project. Heed well their instructions, for the success of irrigation depends upon maintaining high yields which will assure your ability to met your operating costs and to make good profits from the hard work expended. Irrigated farms, like any other farms, are no better than the soils of which they are composed. Irrigation gives you the opportunity to better utilize those soils in stable production, but it also places upon you a responsibility to maintain high productive capacity.

The great enemy of irrigation is weeds. Start early in their control. This is one of the first projects where the Bureau has assisted the water users by seeding canal banks to control weeds and by helping the settlers to acquire adequate weed-control equipment at the start of irrigation.

Next, I urge you to use your water supply conservatively, to determine accurately the time and frequency of irrigation as well as the amount of water required to produce optimum crop yields, and to leave the balance of your water supply safely stored in your reservoir available for the inevitable periods of drouth. The history of excess use of water is destructive seepage and alkali problems and the leaching of plant foods from the soil. You have an adequate water supply if you will carefully observe the crop requirements and use no more.

Of equal importance is the matter of proper maintenance of the irrigation system. The sure road to ruin on an irrigation project is deferment of needed maintenance work. An irrigation system, like an automobile, re-

sponds to a drop of oil here, a little cleaning there, and a bit of paint as needed. I urge that you never permit deterioration to set in, because to do so will pyramid maintenance work and inevitably result in the water users being unable to meet the accumulated costs. The result will be failure of the system at a time when the need for water is the greatest.

I can assure you that the Bureau of Reclamation will be ever willing to advise with you in matters of operation and maintenance of the irrigation system. This is an obligation we have to you and to the American people who have entrusted their funds in the building of this project.

I wonder if all are fully aware of the benefits which are certain to accrue from this or any other irrigation project in the West. Those who have produced high-priced crops from Mirage Flats lands during the past 3 years are quite well aware of the returns to them as individuals, but in addition there has been and will continue to be great contributions to the economy of the surrounding community. When fully settled, the project will be comprised of 117 full-time farms, supporting a farm population of over 500 persons. That part of the net project income spent annually for family living will total $175,000. Expenditures during the project development for building materials, farm machinery, and the like, will approximate $1,000,000. When all of the farms are fully established, their continuing operating expenses will amount to approximately $345,000 per year, expenditures that will do much to support the business houses in Hay Springs, Hemingford, and other surrounding towns. I want to emphasize again from years of observation that the local businessmen will be the first to benefit in a long chain of groups extending throughout the region and the Nation. And remember—those benefits are permanent. They will come each year as regularly as crops are grown, harvested, and marketed.

Multiply the benefits—local, regional, and national—that are flowing from this 12,000 acres of irrigated land by 250 and you have some real tangible benefits to the Nation at large from 4,500,000 acres served by reclamation developments in the West. Federal income taxes from reclamation project areas annually total a quarter of a billion dollars at present tax rates and level of income. The market for nonwestern manufactured and other products is tremendously expanded, and above all is that insurance for farm homes on irrigated land and the population in towns and villages it supports.

Then there will be other sources of benefit—the benefits which the project will provide in recreation and better living. Although you new settlers will be very busy in the years to come, there will be a need for play and recreation. You have already recognized this in the fine community building that you have constructed, but the reservoir, too, will give you much pleasure. Fishing, boating, and picnicking will be popular pursuits. Perhaps hunting on the flats will not be as exciting as that of the early settlers, but you can enjoy it more, knowing that your future has been insured by irrigation and that it doesn't depend upon a successful hunt and a wet summer.

The 12,000-acre project now completed, as I have indicated, is the forerunner of further irrigation expansion, adjacent to the present project and in other localities along the Niobrara River. In 1946 the Bureau was directed to make a comprehensive investigation of the entire Niobrara Basin to determine the possibilities of irrigation, power, flood control, and other water developments. The first steps in this investigation have been taken. Land classification and topographic surveys, along with surveys of water supply and locations of storage and water distribution facilities, have revealed the possibilities of numerous other developments between the present project and the mouth of the Niobrara River. Our schedule provides that a draft of the comprehensive plan will be completed in 1951, ready for review by the State of Nebraska, and upon the State's approval, for consideration by the Congress. The building of any proposed projects will, of course, depend upon the demands of the local people and the willingness of the Congress to appropriate construction funds.

I am indeed pleased to have had the opportunitly to be here today and to participate in this notable occasion. To me it is doubly fitting that we have dedicated this project in the one-hundredth year of conservation attainment on the part of the United States Department of the Interior. We people of the United States cannot, we shall not, we must not, be satisfied until we have fully utilized the waters of the West to meet the expanding needs of a Nation and to make firm this Nation's lofty eminence in a distraught world.

Are We Ready for a New Declaration of Independence?

EXTENSION OF REMARKS

OF

HON. PAUL W. SHAFER

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 30, 1949

Mr. SHAFER. Mr. Speaker, under permission to extend my remarks I include an editorial from the July 4 editions of the Detroit Free Press admonishing the people of America that unless they stop leaning on the Government and see that Federal expenditures are slashed, we as a Nation will perish. The editorial, which follows, is in my opinion especially significant inasmuch as the Detroit Free Press has never been regarded in Michigan as anti-New Deal. In fact it has supported editorially many of the New Deal spending projects which now threaten to destroy us.

AFTER 173 YEARS, ARE WE READY FOR A NEW DECLARATION OF INDEPENDENCE?

The United States has come a long way since July 4, 1776.

We have been projected into world leadership at history's most critical juncture.

In the dawning of a new technical age we are caught between the rise of Soviet Russia, as the sponsor of world communism, and the confusion of democracy.

We are engaged in a cold war with Russia.

We are also engaged in a struggle with Great Britain to decide whether world trade shall be freed of artificial barriers or shall continue to be compartmented by economic nationalism for the benefit of nations that can't stand competition in open markets.

We have given Great Britain upward of $5,000,000,000 since 1945.

And a distinguished Oxford economist suggests that "all the rest of the world erect a tariff fence around the United States."

When we embarked upon the Marshall plan for aiding European recovery it was expected that the beneficiaries would take whatever steps they could to help themselves.

The policies the British Government has adopted in the hope of saving its own country are duplicated in nearly every country on the Continent.

We can be bankrupted as easily by the trade wars now being waged against the dollar as by the cold war with Russia.

We now occupy in the British mind the place formerly occupied in turn by Spain, Holland, France, and Germany. With those rivals out of the way, at least temporarily, we take their place.

While we have more in common with our British friends than with any other overseas people, we cannot afford to forget Washington's warning that true friendship is not to be expected between nations.

We are tied up in UN, FAO, WHO, ILO, IRO, ITO, and many other alphabetical chains.

With only 6 percent of the world's population, we produce 60 percent of its goods, but when it comes to these international organizations we don't have equivalent voting strength.

Our job is to put up the money and shut up.

We are now embarking upon a North Atlantic alliance and upon Mr. Truman's "Point Four" program for exporting American technical skill and private capital to underdeveloped areas. They are both full of snares and pitfalls.

The concessions we have had to make to French fears of a resurgent Germany and British fears of German competition in export markets have drastically modified our own policies for getting 45,000,000 Germans off the dole and into production again.

We have also had to modify our traditional anticolonial views in order to provide Great Britain, France, and The Netherlands with funds further to cement their hold on restless and revolting colonies, as justified now as we were on July 4, 1776.

At home we are faced with equally vital problems.

When Thomas Jefferson sent his first message to Congress he noted that "we may well doubt whether our (Federal) organization is not too complicated, too expensive—whether offices and officers have not been multiplied unnecessarily and sometimes injuriously to the service they were meant to promote."

Almost 150 years had to elapse before the Commission on Organization of the Executive Branch of the Government headed by former President Herbert Hoover gave a resounding, affirmative answer to that question.

The haphazard development of our ramshackle Federal establishment has produced more than 1,800 departments, bureaus, sections, divisions, administrations, etc., etc., which overlap and conflict with each other and impose an intolerable cost on the Nation.

This is the first time in our history that a competent group has taken the executive branch apart and put it together as it should be with elasticity provided for future changes. A continuing and overpowering duty of the American people, collectively and individually, is not to let up in their pressure upon the President and Congress until the last recommendation of the Hoover Commission has been put into effect.

The number of civilian employees on the Federal pay roll in 1939 was 920,000. The number in April 1949, was 2,122,710. The number on Federal, State, and local government pay rolls in January 1949, was 6,083,000.

About 1 out of 10 of our working force is now on one or another government pay roll.

They, and their friends and relatives, whom they can influence, constitute what is known as the "pay-roll vote." At election time that vote is cast to preserve those jobs and to create more of the same.

The bait is the promise of more and more bread and circuses, which has been the doom of every once self-reliant people from the ancient Romans down.

The year ended June 30, 1948, saw our national income rise to a new peak. Yet in that same year, according to the Federal Security Agency, a new high in the number of persons receiving public assistance—3,500,000—also was reached.

The Federal Security Agency is the principal bureaucratic promoter of the welfare

state. At the moment it is concentrating on higher benefits for those already insured, wider coverage, and socialized medicine.

Along with this movement to take all risks out of life, and all incentive out of the individual to make provision for age and illness, another drive is on to extend Government ownership—socialization—further into industry. The beginning was made in the Employment Act of 1946, which declared it the policy of the Government to use its resources to sustain employment—that is, to create jobs. The Economic Stabilization Act of 1949, if adopted, would authorize the Government to erect its own plants and go into manufacturing.

The first draft of this bill was presented as an anti-inflation measure. When inflation changed to "disinflation" it was hashed over as an antideflation measure. The bright young men behind it, as will be noted, are not deterred by a change in economic conditions from the pursuit of their goal—which is ultimately to socialize our entire economy and have everybody on the public pay roll.

They press their crusade in face of the failure of socialism in Great Britain. They press it, too, although the demand for steel, which the Government was to build plants to meet, is now so far below the capacity of the privately owned mills as to force them to reduce production.

A third trend is toward the insurance state, which has some of the elements of both the welfare state and the socialized state.

The individual is now insured against unemployment and old age. The bank depositor is insured up to $5,000. The FHA insures mortgages. The RFC insures business by making loans they can't get from banks.

The Brannan plan now proposes to guarantee farmers a fixed income to be determined by the Government.

The bold new program for enticing private American capital into backward areas will insure investors against loss.

Add all this insurance, and much more, to the direct subsidies paid by Government to business and farmers—$15,000,000,000 in 15 years—and it leaves little room for risk outside the race tracks and gambling dens.

This Nation was built on risks.

The early settlers took their chances with the Indians and with nature, with flood, fire and famine in the wilderness.

Those who followed risked their lives and their savings in developing a new continent. They lost a lot of money. They made more. They risked depressions and rose from each stronger than before.

Yet it is now argued by those who have lost faith in the great American experiment that our economy is mature, that there are no more worlds for us to conquer, that the last horizon has been reached and passed.

Working from that false assumption they contend—and find many followers—that we have become so soft that we must be protected from cradle to grave from the risks that made stalwart men and women of our forbears and built up this country to fit Churchill's description of it as the mightiest nation on earth.

A weak America is a danger to itself and no enduring buttress for the world that leans on it.

Yet the effect of all the pap-feeding that is being pressed upon us in return for votes to keep bureaucracy expanding can only be to rob the American people of their stamina and incentive.

Adoption of the Hoover Commission recommendations will strengthen the machinery of our Government.

That is not enough. This Nation will end in bankruptcy and dictatorship if the people do not stop leaning on the Government and stand again on their own feet, as their ancestors did.

That must be our declaration of independence for 1949 or we perish.

What Are We Afraid Of?

EXTENSION OF REMARKS
OF
HON. MIKE MANSFIELD
OF MONTANA
IN THE HOUSE OF REPRESENTATIVES
Wednesday, July 6, 1949

Mr. MANSFIELD. Mr. Speaker, under unanimous consent, I am inserting in the RECORD an Independence Day editorial which was carried in the San Francisco Chronicle for July 4, 1949.

I commend the reading of this editorial to the Members of the Congress of the United States. It raises many questions, gives some answers and, most important, it lays bare the whole pattern of fear which seems to be the mode of American opinion today.

Mr. Speaker, the fears of the present are not the factors which have made this country great in the past. The times call for a renewal of the old-time American faith in ourselves and in our institutions. We cannot retain our ideals by building hobgoblins or by making things what they are not: Truth, courage, honesty, and tolerance are the old-time virtues now needed; virtues which should be administered wisely and well.

Mr. Speaker, the editorial follows:

WHAT ARE WE AFRAID OF?

When, in the course of human events, it became necessary for a small group of men and women, living on the fringe of a vast and forbidding jungle, to defy the world's mightiest monarch and cut themselves adrift, they did it, and, to the world's astonishment, made it stick. These were our ancestors who gathered in the Philadelphia Statehouse on this date 173 years ago to seal their independence from Britain. They were already deep in the war for freedom; the odds on their winning the war were short; the odds on the emergence, 173 years later, of this land of freedom and power and glory were infinitesimal. It was far more likely that either they would be slapped down for the upstarts they seemed or the government they pledged should derive its "just powers from the consent of the governed" would collapse upon its own idealistic underpinnings.

Yet they proceeded boldly. And as we can now discern, what they won was won largely because they proceeded thus boldly and heedless of their danger.

Looking back upon the manner in which these men went about the task of wresting their independence from their monarch and taming a wilderness to serve as their homeland, we are struck with the contrast it affords with a spirit that is evident in the same land today. Once more we are faced with a mighty challenge; once more our very national life depends upon the soundness and boldness of our judgment, and not only our lives, but the lives of many nations whose peoples largely think as we think and aspire to those things to which we aspire. Once more there is a magnificent job to be done, and it falls to our lot to be the chief movers in its accomplishment.

But now there is not the same spirit of confidence, the same manifest courage, the same calm and businesslike attachment to fundamentals, as there were with the Continental Congressmen in Philadelphia. We seem to have grown afraid. We cannot exactly say why, but the manifestations of fear are all about us. We are beset by a great bogeyman who haunts us night and day. He seems to be everywhere, now grimacing from behind a Moscow parapet, now leering around a corner of China's Great Wall, now darting at us from a doorway on Main Street. We call him communism, and we fear he will one day seize us, slap us into chains, and carry us off to be his slave.

SOMETIMES OUR PRINCIPLES HAVE BEEN COMPROMISED

Daily his power and ferocity and cunning are magnified in our minds. Billions of words are daily written ascribing to him this or that dark and sinister capacity, speculating which way he will move; pondering how firm a secret hold he has got of our own flesh and blood. Such is our fear that in some cases we have compromised our own principles in our frantic flight. Somewhat in the spirit of a lynch mob we have pilloried innocents in our hysterical quest for security. We have even compromised the spirit of the Declaration of Independence and the Constitution of the United States, and then sought to justify ourselves by declaring such short cuts emergency measures.

What emergency? Why should we be the fearful ones? What is there worth our fear, justifying our terror or our panic?

We are a Nation of 150,000,000 free men, women, and children. We and our fathers and their fathers, with the help of God and our bare hands, built a United States of America which has not only endured for these 173 years, but has become the greatest Nation on earth. Its granite foundation is that clause in the Declaration whose anniversary we celebrate today:

"We hold these truths to be self-evident: that all men are created equal; that they are endowed by their Creator with certain unalienable rights; that among these are life, liberty, and the pursuit of happiness; that, to secure these rights, governments are instituted among men, deriving their just powers from the consent of the governed."

What we have gained, we have gained through living by these words.

FREEDOM LIES AT THE BASE OF THE WHOLE STRUCTURE

Living by them, we have contrived a Government that exists to serve the people, not exploit them. Living under such a Government, we have achieved the utmost free interchange of goods, techniques, and ideas. With such a system of interchange, one man and one group has helped the next, and so on, to the ultimate betterment of the whole national life. The automobile sprang from a thousand free minds, harnessed to one problem; developed, it sped to the aid of a thousand groups devoted to a thousand different pursuits, implementing the efficiency of each, increasing the output, augmenting the leisure and the time men could devote to new ideas for better living. This, in barest outline, is the endless, upward spiral of free minds working together in a free land. The productivity enhances the freedom and the freedom enhances the productivity. Following this spiral we have emerged upon a plateau of freedom-born power unapproached elsewhere in the world or in all history.

It has not been an easy course. The progress has never been long without challenge. It is axiomatic in a free world that not all men will agree, indeed, that not all men will abide by the majority will. It is also axiomatic that freedom cannot be put on a shelf and left unguarded. Like anything of great value it will always be the target of greed and envy and hate, and of those who would feed their own lust for power by trampling upon the dignity of others. But from each contest this freedom has emerged stronger. It has never been so well grounded, so well defended, and fortified as now.

Then what are we afraid of? The future looks rugged enough, no doubt about that. The single task of preventing the Communist part of the world from plunging us

into war or imposing slavery upon the free peoples is in itself a tough assignment, calling for new heights of wisdom, courage, diplomacy, and endurance. Beyond that looms the greater, more formidable problem of welding the whole world into an alliance potent enough to defend peace. Beyond that looms the immeasurable problem of harnessing the world's energies to the project of bettering the lot of all mankind—the raising of living standards, the dissemination of skills and knowledge, the gradual elevation of the condition of the whole race.

MAN-SIZED CHALLENGES ARE NOTHING NEW TO THE UNITED STATES

At this moment, it is the first and relatively simplest of these tasks that has so many of our people wringing their hands and crying futility—the matter of turning back the Communist menace. Certainly it's a man-sized challenge—but since when have we been backing away from man-sized challenges?

Grant that the Communist empire is a vast and powerful and strictly disciplined organization dedicated to the destruction of freedom and the ultimate enslavement of the world. Grant that it has nearly 4,000,000 men under arms. Grant that its munitions factories are going full blast, that it is producing tanks and airplanes and guns at top speed. Grant that by guile and brute strength it has made local conquests arcund its perimeter, and thrust the tentacles of its fifth column rather deep into the western European democracies and even into our own land.

Must we answer this threat with quakings and misgivings and panicky scuttlings for cover? Or may we not calmly take stock of our own resources and proceed, as we have always proceeded, to meet the challenge in the most effective way?

On the physical side we have the most magnificent technological plant of all history, demonstrably capable of producing whatever weapons may be needed, faster and better than any conceivable adversary or combination of adversaries. It is a plant of tremendous vitality, tremendous flexibility. It was the only plant in all the world that could overtake and surpass the mighty Axis war machine in the last war. It remains intact, responsive to our wishes as a Nation.

On the human side we have the incomparable resources of imagination, ingenuity, and skill that made possible the development of this great technological plant. And beyond that—and implementing it—we have our tradition of 173 years of freedom, and all that that implies. Armed with that freedom we have fought our way to the eminence of foremost Nation of the world—the richest, the most powerful, the most dynamic—without surrendering a jot of our people's control over the Nation's destiny. We have furnished proof to the world and to ourselves that freedom and human dignity need not be the price of security, but can be the very foundations of security. Informed and alert, our people have impressively and overwhelmingly rejected totalitarianism at the polls under no other compulsion than that provided by their own common sense. In any and every election test the Communists and the advocates of other totalitarian schemes have succeeded only in proving with what profound zeal Americans are attached to their freedom. And in every test the duly constituted authorities—notably the Federal Bureau of Investigation—have proved their capacity to prevent the wreckers from inflicting any real damage to our Nation.

PANIC HAS PUT US OUT OF TOUCH WITH REALITIES

Then what are we afraid of—why have we parlayed this postwar neurosis into the dimensions of an epidemic? Probably it is because we have grown careless in our thinking, slovenly in our assessment of realities, so preoccupied with the outcries of a neurotic minority that we have neglected to assess the elements of our own great strength.

We may safely grant ourselves a healthy degree of fear—it is a human attribute, an attribute of intelligence, and valuable when it leads to an accurate assessment of the challenge.

But it is insanity itself to let our fear overwhelm our intelligence and judgment—and that is what has happened when a Nation like ours devotes itself to pulling the shades and peering under every bed for witches when it ought to be devoting the bulk of its tremendous strength to the positive job of fulfilling its destiny.

We see that destiny as the shaping of a world as free and decent as the Nation our forefathers shaped for us. They gave us the basic tools and the very blueprints for the task. But the courage to use the tools and the wit to follow the blueprints could not be part of the heritage—that part is up to us.

Religion Fights for Its Life

EXTENSION OF REMARKS
OF
HON. J. CALEB BOGGS
OF DELAWARE
IN THE HOUSE OF REPRESENTATIVES
Wednesday, July 6, 1949

Mr. BOGGS of Delaware. Mr. Speaker, a recent Associated Press dispatch stated that behind the iron curtain "organized religion fights for its life." As we read the distressing day-to-day accounts of what is taking place in Czechoslovakia, we realize more fully that religion and the individual's right to believe in and to worship God are being seriously challenged, and that, in fact, their destruction is being sought by the forces of communism.

With each passing day the objectives and strategy of communism become clearer. Until recently, however, our attention to these objectives has been centered to a considerable extent on the economic and political philosophies of that form of totalitarianism. Events in Hungary and now in Czechoslovakia must serve to make unmistakably clear to all of us that another fundamental objective of communism is the destruction of religion and of man's faith in God. Those throughout the world who believe in God now have, therefore, every reason to unite and to fight with all the force available to them against this godless tyranny and persecution.

From time immemorial ambitious men have arrayed themselves against God and the teachings of Christ. In each such case these evil men and evil forces have been resisted, crushed, and ultimately destroyed. So must it be again, as another force seeks to destroy the freedom and dignity of man and his right to have faith in and to worship God.

While it may be true that communism can at least temporarily suppress the manifestations of a man's religious beliefs, it cannot destroy man's love and Christian belief in God, because those things are in the heart of man.

It is our duty and our responsibility, therefore, to do, with God's help, all in our power to fight on to defeat these forces which seek to destroy religion.

The Brannan Farm Bill

EXTENSION OF REMARKS
OF
HON. ALBERT RAINS
OF ALABAMA
IN THE HOUSE OF REPRESENTATIVES
Thursday, June 30, 1949

Mr. RAINS. Mr. Speaker, our distinguished colleague, the Honorable GEORGE GRANT, recently wrote a guest editorial for the Montgomery Advertiser, entitled "The Brannan Farm Bill."

The editorial is a clear-cut and concise analysis of the farm program now generally referred to as the Brannan plan. Because of his long and outstanding service as a member of the Committee on Agriculture, Mr. GRANT is well informed on the problems of agriculture, and in my opinion has rendered a real public service in this able discussion of the new farm program proposed by the Secretary of Agriculture.

The editorial follows:

THE BRANNAN FARM BILL

(By Congressman GEORGE GRANT of the Second District)

In response to a request from the House Committee on Agriculture, Secretary of Agriculture Charles F. Brannan last April presented to Congress the proposal for a new farm program that is now generally referred to as the Brannan plan.

The plan proposed by Secretary Brannan contained several new and vastly different approaches to the problem of providing price support for agricultural commodities:

1. A new parity formula based on maintaining adequate over-all farm income rather than on an adequate price for individual farm commodities, as the present parity is computed.

2. Use of production payments as a method of price support. Under this proposal the prices of agricultural commodities would be permitted to fall as far as the supply and demand might take them, the farmers to receive price supports in the form of direct Government payments to make up the difference between the average market price and the parity price of the commodity.

3. Authority to require production and marketing controls for all commodities receiving price support and to make compliance by the farmer in soil conservation and other similar programs a condition of eligibility for price support.

4. Encouraging the development of small and family-size farms by limiting price supports on any one farm to a total of about $25,000 worth of farm products.

As presented to the committee by the Secretary his program would include the use of direct payments as a form of consumer subsidy in the case of some commodities, such as milk, in order to bring down the cost of those commodities to the consumer and thus increase consumption.

The House Agriculture Committee has not been able to approve in its entirety the farm program submitted by Secretary Brannan. Neither the Secretary, nor the Director of the Budget has been able to give any estimate of the cost of the program and it is felt that this might prove to be so high that the whole price support program would be endangered or even destroyed.

There are many new problems in administration and operation presented by the Secretary's proposal—programs of such new and diverse nature from any previous programs administered by the Department of Agriculture that there is little or no experience by

which to guide the operations and to point up the administrative problems to be faced, to say nothing of the tremendous costs involved. In the appearances of the Secretary and his staff before the committee it was made clear that the details of how the programs proposed by the Secretary were to be carried out have not yet been worked out by the Department's experts.

Another important factor that has disturbed members of the committee is the uncertainty that the consumer would actually benefit from the so-called subsidy or direct payment plan of price support proposed by the Secretary. Low prices paid for farm commodities are frequently reflected but little if at all in the price the consumer has to pay for manufactured articles.

This is exemplified at the present time on wheat. Wheat has declined $1 a bushel in the past year but consumers are still paying about as much for their bread today as they paid a year ago. Cotton products are another example with which all readers of the Advertiser are familiar: the price of cotton might drop by 50 percent and yet the price of a cotton shirt remain as high as ever.

Fresh fruits and vegetables constitute another example of the consumer failing to reap the benefits of low farm prices. In most parts of the country the terminal market facilities for handling fresh fruits and vegetables and similar products are so inadequate and inefficient that the costs piled up in handling these commodities are far greater than they should be. It is readily apparent that reduced farm prices are reflected only minutely in lower prices to consumers on such products. In the city of New York, for example, experts estimate that it costs the housewife as much to get her fresh fruits and vegetables from the freight terminal in Hoboken into her kitchen as it does to get them from California, Alabama, or Florida to the Hoboken terminal including the full price paid to the farmer for his products.

The so-called Aiken bill, title II of the Agricultural Act of 1948, is scheduled to go into effect the first of next January. The House Committee on Agriculture is now at work on a modified version of the Brannan farm program to take the place of the Aiken bill.

I think it is fair to say that the Aiken bill does not express the sentiment of this Congress. The bill was never considered by the House Committee on Agriculture and the House of Representatives never had an opportunity to vote on the merits of the bill.

In the Eightieth Congress the House Agriculture Committee realized that the uncertainty of the times and the need for seriously considered long-range farm legislation made additional study of the subject highly advisable. As a sort of interim arrangement the committee reported and obtained passage in the House of a bill extending the wartime level of price supports, with certain modifications.

At the same time the Senate was at work on its long-range agricultural legislation embodied in the Aiken farm bill. The House reported and passed its measure well before the end of the Eightieth Congress. But not until the last week of the session did the Senate pass the Aiken bill and send it to the House for consideration.

There was no time then for the House Committee on Agriculture to hold hearings on the measure or even to give it proper study. Both parties wanted to hold out promises to the farm vote. The platform committee of the Republican Party was in session in Philadelphia during that last week of the Eightieth Congress and word was sent to the Republican-controlled Congress that long-range farm legislation must be enacted.

Under this Republican political pressure a compromise was forced through the House putting the Hope bill which the House had passed into effect for the year 1949 and permitting the Aiken bill which had been pushed through the Senate to go into effect the first of January 1950.

It is my judgment that the Aiken bill would go far toward destroying American agriculture particularly in the South. It would permit the price of many of our basic commodities to fall to levels as low as 60 percent of parity. It could mean a price of around 15 cents a pound for cotton and 6 or 7 cents per pound for peanuts.

Our basic wealth is found in the soil and to have a sound economy in this Nation we must have a prosperous agriculture. The Aiken bill would work in the opposite direction. We need adequate production at fair prices for our 150,000,000 consumers. The Aiken bill would have the effect of limiting production and making both the price to the consumer and the support level to the farmer dependent upon this limited production.

It is my hope that before this session of Congress ends we shall be able to enact a bill that will replace title II of the Agricultural Act of 1948 with a more realistic, constructive, and sound farm program.

Why Freedom Depends on Government Under Law

EXTENSION OF REMARKS
OF
HON. HAROLD C. HAGEN
OF MINNESOTA
IN THE HOUSE OF REPRESENTATIVES
Wednesday, July 6, 1949

Mr. HAGEN. Mr. Speaker, under leave to extend my remarks in the RECORD, I wish to call to the attention of my colleagues the results of a contest which was conducted throughout the State of Minnesota by the Minnesota State Bar Association early this spring.

This contest was sponsored by the association as a public service to stimulate interest in their government and its basic precept by the young people of the State. The rules were simple. To be eligible, a contestant was required to be a resident of Minnesota not above the twelfth grade in school, and could not be a member of the immediate family of a judge or lawyer. The requirement was to write a statement of not more than 50 words on the subject, Why Freedom Depends on Government Under Law.

The two first winners of this contest were given a free trip to Washington as a reward. It was the pleasure of Senator and Mrs. Edward J. Thye and Mrs. Hagen and myself to assist in entertaining them on that occasion, early this month.

Over 800 entries were received by the judges from high school students throughout the State. Think what this means and how the straight thinking of our young people was stimulated as a result of their participation, whether or not they were among those chosen for the several awards.

The judges also decided to cite four other youngsters for honorable mention. Rather amazingly, one of these four also was a girl from the little town of Kennedy—Della Mae Swanson. The other honorable mentions were Wayne B. Daubs of South St. Paul, a finalist in the Star's world-affairs competition, Marcel Wawzymich—a boy—from Cokato, and Mary Etta Sartain of Park Rapids.

The judges did not know the names or locations of these winners. They judged them from typewritten sheets bearing only numbers.

These four honorable mentions and another girl, who did an especially fine art job—a farm girl named Thelma Linnea Bloomquist from Grand Marais—will receive United States Government savings bonds from the bar association's contest committee as an extra award not promised in the contest promotion.

I should like to tell you something about the background of the two first winners, a boy and a girl, each 17 years of age, who are students in high school in two of the smaller communities of the State, both located in my own congressional district, the Ninth of Minnesota.

The boy is Arland Brusven, a junior in the Barnesville (Minn.) High School, and is a member of the high-school debating team. His father is a farmer.

The girl is Donna Pearson, a senior in the Kennedy (Minn.) High school, near the Canadian border. Her father, Peter Pearson, is a plumber. Her mother accompanied Donna.

Mr. Speaker, I shall now include in the RECORD the winning statements of these two young people, which mark them as having a true knowledge of the basic concept of our Government and our country.

Arland Brusven:

For all things there is a normal habitat. Freedom's habitat is in a democracy. Bondage abides in a dictatorship. There is but one difference between democracies and dictatorship. A dictatorship is above law, a democratic government is under law. Freedom depends on the control of government by the governed.

Donna Pearson:

Our country is a nation of free men. It is so because its citizens believe in a government controlled by all, and not one. Our freedom is dependent on a government controlled by the laws we make; and as long as that government is secure we shall remain—free men.

I congratulate these two young folks on their winning of the State-wide contest. I am especially proud of them, too, as they are constituents of the Ninth District of Minnesota.

Communist Control in Czechoslovakia

EXTENSION OF REMARKS
OF
HON. CHRISTIAN A. HERTER
OF MASSACHUSETTS
IN THE HOUSE OF REPRESENTATIVES
Wednesday, July 6, 1949

Mr. HERTER. Mr. Speaker, the situation which exists today in Czechoslovakia is certainly a serious one. Russia seems determined to crush and destroy all religion and the free worship of God

in nations behind the iron curtain and substitute in its place the destructive ideology of Communist leadership. From the latest news of Czechoslovakia, it seems clear that Archbishop Beran is to follow the same fate as that of Cardinal Mindszenty, of Hungary—or perhaps even worse.

The Russian-controlled leaders in Czechoslovakia are determined to wipe out the Catholic church in that state. Millions of Czech citizens have worshipped in that church for centuries. If the Catholic church is erased in that country, the next step will be to curtail and control the Protestant faiths in the same way.

Archbishop Beran has demonstrated a type of courage which has earned the plaudits of the entire world. Denouncing the tyranny and persecution of the Czech Government, he has also fought against those powers that seek to destroy free speech, free press, and the subjugation of the Czech people to the will of the Red state. He is making what may be the supreme sacrifice in order to show the world what will be the ultimate fate of all nations which come under the Communist rule.

Southwest Power Administration

EXTENSION OF REMARKS
OF

HON. GEORGE H. CHRISTOPHER

OF MISSOURI

IN THE HOUSE OF REPRESENTATIVES

Wednesday, July 6, 1949

Mr. CHRISTOPHER. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following letter and editorial:

JULY 5, 1949.

Mr. WILLIAM C. TUCKER,
Editor, Daily Star-Journal,
Warrensburg, Mo.

DEAR MR. EDITOR: I hope you will allow me space to reply to the editorial appearing in June 29 issue of your paper. The analogy of Mr. Jones' store does not hold because when the Government came on the scene Mr. Jones was serving only 25 percent or less of his customers because there were no roads over which Jones could deliver his merchandise to the other 75 percent of his potential customers. It was likewise impossible for Mr. Jones' customers to come to his store and get the merchandise because there was no way they could transport the merchandise to their homes. Then the REA law was passed which made it possible for those customers that Mr. Jones was not serving to organize into cooperatives and borrow the necessary funds to transport this merchandise to their homes. Mr. Jones was making no effort to take his goods to the other 75 percent of his customers that he was not serving. Jones takes the position that it was not profitable to do so from a financial standpoint. Now that those co-ops have built roads over which this merchandise can come to their homes Mr. Jones wants to be permitted to hang toll gates across these roads that the co-ops have built. Mr. Jones further wants to obtain an absolute monopoly on all this merchandise at its source in order that he may control the flow of goods over the roads that the co-ops with the aid of Federal funds have built. In defense of his position, he raises the same old cry of socialism, statism and interference with private industry that has been raised against every piece of liberal legislation that has been passed by the Congress of the United States during the last half century. I am old enough to remember when it was freely predicted that rural free delivery would bankrupt the Nation. I remember when the Federal land bank was going to ruin every loan company in the country and bankrupt all of our great insurance companies. I remember when production credit was going to ruin every country bank in the land. It was also declared to be socialistic for the Government to put any kind of a floor under farm prices. A minimum-wage law was also declared to be socialism. I remember when the first income tax proposal was declared to "out Nero Nero." But getting back to the electrical controversy, all Southwest Power seeks to do is to deliver part of the hydroelectric current generated at the public dams. Southwest Power will be the very heart and soul of REA in Missouri. Anyone who opposes Southwest Power, also opposes REA, in their heart if not openly, and REA is the greatest blessing that has come to the Missouri farmer and his wife and family in the past century, and we all know, whether we are willing to admit it or not, that had the American farmer waited for private power to bring him electric current he would still be in darkness 50 years from now. REA has brought the blessings of electric lights, electric refrigeration, motor for the washing machine and power on the dairy farm to pump water, cool the milk, and drive the milking machine. REA was socialistic too. And only slightly more than 50 percent of Missouri farmers now have electricity. We still have a big job to do. The private power companies would like to take REA over as fast as the lines can be built and they would like to gain and retain control of every bit of electric power being generated in the country so they could rule and dictate. Public hydroelectric dams and public lines to carry the current from those dams to the user is the only defense the people have against these monopolistic controls. As the Representative of the Sixth District in the State of Missouri, I voted for the appropriation for Southwest Power. I am proud of that vote. I also voted for the farmer and the laboring man of the Sixth District in the State of Missouri when I did so. REA lines, hydroelectric dams, and public power lines are not a gift to the people. The cost of these things amortize over a period of years repaying into the Federal Treasury every dollar they got with interest.

Now, let me say in regard to the assertion that private power companies will be put out of business. Let me offer this in evidence. Production Credit not only did nothing to injure the country banker but has in many cases been a great benefit to him by making his customers more prosperous. Our local banks today have more money on deposit, a larger volume of loans, and more customers whose notes are good at the cashier window than even before. Production Credit has made it necessary for the banks to lend money at a reasonable rate of interest. The loan companies have their loans on a firm financial footing and are not having to foreclose and acquire farms by the thousands as they did under the old order and these same loan companies are lending on good farm real estate security at 4 percent, 20 to 32 years time, no commission, no inspection fee, whereas, under the old order the farmer was paying 7 percent interest and a 5 percent commission to secure a loan that was due in 5 years and in many cases he was charged an additional 2½ percent commission every 5 years when he sought a renewal. So, instead of putting banks and loan companies out of business, Production Credit and the Federal Land Bank only made it necessary that they put their house in order and REA and Southwest Power will do just that for the private power companies and will force them to provide electric current at a just and reasonable price and put their house in order as the loan companies have done. Electricity is just in its infancy. The farm that uses 75 to 100 kilowatt-hours per month now will be using 1,000 kilowatt-hours per month when and if they can have abundant power at a reasonable cost.

Knowing you as I do, Mr. Editor, I feel sure that you can write a better editorial yourself than you will ever be able to find in the Joplin Globe.

Yours very truly,

GEORGE H. CHRISTOPHER,
Member of Congress.

[From the Warrensburg (Mo.) Daily Star-Journal of June 30, 1949]

IT CAN'T HAPPEN HERE?

(From the Joplin Globe)

John Jones has a grocery store that serves your community. He has had it a long time. He is a good citizen, pays his taxes, makes reasonable contributions for the community welfare. Also, because the community is growing, he has planned and begun construction of an addititon to his store, the better to serve his patrons.

Then one day comes an announcement from Washington that the Federal Government has decided to put in a grocery store across the street from John Jones' establishment. Why? Well, the real reason is because some of the men in control of the Federal Government believe all grocery stores should be owned and operated by the State. But the explanation given to the press is that Jones' store isn't able to carry everything its patrons may want.

Would you favor that sort of Federal interference with private enterprise?

Well, it is exactly the sort of thing that the SPA (Southwest Power Administration) is trying to do to private electric utilities in Oklahoma, Arkansas, and Texas.

The SPA is an agency of the Department of the Interior created to market hydroelectric power produced at flood-control dams built by the War Department. It is asking Congress to approve a plan for the expenditure of some $30,000,000 as part of a program for a network of transmission lines that would be an unneeded, wasteful duplication of transmission lines already built and owned by private electric companies in this part of the country.

Believe it or not, already the lower House of Congress has passed a resolution appropriating $4,000,000 to start building these duplicate transmission lines and giving contractual authorization for $5,000,000 more. Moreover, amazing and unbelievable as it is, the House authorized another $300,000 for the purchase of electricity from private companies for transmission over SPA's Government-built lines.

Obviously, this is a lethal blow at the 11 private electric utility companies now serving the region in which SPA proposes to build its transmission lines. Metaphorically speaking, they are the John Jones grocery stores of the industry. Most of them have served their areas for a long time. They have been good citizens, paying their taxes and contributing to community welfare projects.

But some of the leaders at Washington believe private enterprise should be scuttled in favor of socialism.

Some of the leaders there not only think Government should use taxpayers' money to put in another grocery store across the street from John Jones' store, but they also would use taxpayers' money to buy goods from the Jones store to sell at a loss to patrons of their store, to convince these patrons that Government can operate more efficiently than

private enterprise. That's the meaning of a $300,000 appropriation to buy private company electricity for transmission over Government-built lines.

The whole SPA program is of a kind with British socialism.

Recently Thurman Sensing, director of the Southern States Industrial Council, visited in England and when he came home reported that many British businessmen said to him: "For God's sake, don't let this thing get started in the United States. Your country is the world's last real bulwark against socialism. Don't let the government-can-do-it-better camel get its nose under the tent over there."

Yet the Lower House of Congress has O. K.'d initial appropriations for these SPA electric transmission lines that are not needed and, if built, will only tend to tear down and ultimately destroy private utility electric companies that already are serving their various communities well.

Can we hope that the United States Senate will sock this grandiose but malicious destructive SPA scheme as it deserves to be socked?

We've Got To Make a Choice

EXTENSION OF REMARKS
OF
HON. RALPH HARVEY
OF INDIANA
IN THE HOUSE OF REPRESENTATIVES
Wednesday, July 6, 1949

Mr. HARVEY. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following editorial from the Muncie (Ind.) Star of July 2, 1949:

WE'VE GOT TO MAKE A CHOICE

If you paid $200 in taxes to the Federal Government last year, $160 of that money was spent on paying for past wars, on preparing for a future war and on trying to prevent communism from engulfing the world. According to Lt. Gen. E. W. Rawlings, Air Force controller, 80 cents out of every dollar spent by the Federal Government last year was spent for national defense or past wars.

On top of this huge amount which runs about $30,000,000,000 a year, Mr. Truman is now trying to pile additional billions for a domestic welfare program to provide what he called "security" for every special group of people in the country except those who want to earn their own living. His "Fair Deal" will run up the Government deficit to around $8,000,000,000 in 1950 if it is enacted. The future costs of this program will more than equal present military expenditures and call for a budget of around $60,000,000,000 a year which is one-third of the national income.

Can America both support huge military expenses and have domestic welfare expenses? We do not believe so. We must choose between military security or domestic welfare or else face huge deficits, impairment of the national credit and inevitable bankruptcy. Who can pay these huge bills? If they are saddled on the taxpayer now by increasing taxes the American people will soon be paying 50 percent of their incomes for government instead of 30 percent. If they are put off by means of incurring additional deficits the present day youth of the country will have to pay them, the veteran and his children who fought to preserve his country's independence will also have to pay the cost of supporting the war, and every special interest group that is now clamoring for more and more and more pork from the Federal barrel.

We need a strong Military Establishment to protect our national independence. Perhaps present military budgets can be cut, but they will still take their preponderant proportion of Federal taxes. We do not need all these welfare, Federal-aid programs. They can and must be cut down or eliminated entirely if the United States is to stay strong. It will do us no good to have a strong Army and Navy and Air Force if we collapse from within, if the Federal Government goes bankrupt, if excessive spending drives us into a disastrous depression. We've got to make a choice now between the welfare state and national security. We cannot have both and remain both free and secure for long.

Big Unions or Big Business—What's the Difference?

EXTENSION OF REMARKS
OF
HON. THRUSTON B. MORTON
OF KENTUCKY
IN THE HOUSE OF REPRESENTATIVES
Wednesday, July 6, 1949

Mr. MORTON. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following editorial from the Louisville Times:

BIG UNIONS OR BIG BUSINESS—WHAT'S THE DIFFERENCE?—LEWIS' MONOPOLISTIC CONTROL OF MINES IS JUST AS STRANGLING AS EXCESSIVE EMPLOYER POWER

Big unionism's assumption of the right to limit production without fear of governmental interference on the same day that the government begins prosecution of one of our big businesses highlights a peculiar paradox. This paradox consists of the great difference between our legislative approach regarding monopoly in business and that regarding monopoly in labor.

John L. Lewis, for good and sufficient reasons of his own, has ordered most of his soft coal miners to dig three days a week and no more. The reasons behind this move seem fairly obvious. By producing less coal that the Nation needs, Lewis will cause the great above-ground supplies of coal to be depleted and thus strengthen his bargaining position. At the same time his miners will have a steady income, which they greatly need after all the lost work this year. If Lewis can prolong the negotiations until fall he will have put himself in an almost impregnable position, for the Nation simply must have coal—and lots of it—during the winter.

Lewis' power to tell his men how many days a week to work, and thus to limit production, arises from his monopoly over the labor force in the mines. About five sixths of the national soft coal tonnage is produced by members of the United Mine Workers. If a man wants to mine coal, he had better be a member of the United Mine Workers and, once a member, he had better be an obedient one.

If there is any doubt as to the power of the United Mine Workers, take a look at what has been happening this week in western Kentucky. There at least eight nonunion coal mines have been closed down because a mass of union miners, variously estimated at from 1,000 to 4,500 in number, have made visits in the area. There has been no violence or disturbance; there has been no need for any. The mine management, the nonunion workers and law enforcement officials can take a hint.

Yet on the very day that Lewis announces that his men will work only 3 days a week, the Government takes action against E. I. du Pont de Nemours & Co., accusing it of monopolistic practices in its dealings with General Motors and United States Rubber.

We hold no brief for du Pont. If the charges contained in the Government's suit are proved, if the company is demonstrated to be restraining trade, then we believe the practices should be stopped. But we wonder why one monopoly should be prosecuted while another is ignored. The answer, of course, lies at least in part in the fact that there is nothing illegal in what Lewis is doing. But why isn't it illegal?

Earlier in our history such acts would have been considered illegal, either under the Sherman Act or, before that, under the common law. But most of such restraints on union activity have been lifted through the Clayton Act of 1914, the Norris-LaGuardia Act of 1932, and several court decisions interpreting these laws.

In 1908 the Supreme Court rules that the Sherman Antitrust Act prohibited any combination whatever (including labor unions) to secure action which essentially obstructs the free flow of commerce between the States or restricts in that regard the liberty of a trader to engage in business. But 6 years later section 6 of the Clayton Act said labor organizations could not be held to be illegal combinations or conspiracies in restraint of trade under the antitrust laws.

The Norris-LaGuardia Act and subsequent court decisions strengthened labor's position. This position has become so strong that in 1945 Justice Roberts, in a dissenting opinion on a labor case, was moved to write: "The workingman has struggled long, the fight has been filled with hatred, and conflict has been dangerous, but now workers may not be deprived of their livelihood merely because their employers oppose and they favor unions. * * * This Court now sustains the claim of a union to the right to deny participation in the economic world to an employer simply because the union dislikes him. This Court permits to employee the same arbitrary dominance over the economic sphere which they control that labor so long, so bitterly, and so rightly asserted should belong to no man."

And there you are. We believe that no man, whether it be Pierre S. du Pont or John L. Lewis; that no organization, whether it be General Motors or the United Automobile Workers, should have the power to strangle our economy.

The Root of China's Woe

EXTENSION OF REMARKS
OF
HON. WALTER H. JUDD
OF MINNESOTA
IN THE HOUSE OF REPRESENTATIVES
Tuesday, July 5, 1949

Mr. JUDD. Mr. Speaker, under leave to extend my remarks in the RECORD, I include an excellent editorial from the New York Times of June 16, 1949.

The editor discloses that those Americans have been misguided in the past who believed that China's troubles were largely caused by bad government, rather than that bad government was largely caused by her troubles—including an 8-year war and invasion by Japan and a 22-year struggle against Communists.

The editor of the New York Times would better understand why so many

Americans have been thus misled if he had faithfully read the Sunday magazine and the book review sections of his own paper during the last 6 years or so. In dealing with China they have presented almost exclusively the views of the Lattimores, Fairbanks, Snows, Peffers, Whites, Jacobys, et al., which have built up the myth which the editor exposes as a costly blunder.

THE ROOT OF CHINA'S WOE

There is no moral satisfaction to be had out of saying "I told you so" at the expense of the misery of our faithful friends, the good Chinese. Nevertheless the things that are happening in the Yangtze Valley may show us wherein some of our judgments have been at fault. We have apparently based some of our policy on the assumption that when the Communists took over China, China would take over the Communists. The reports of distress and need in Nanking and Shanghai support, superficially, that thesis.

But in the broader sense we are beginning to see that the problem of Chinese rehabilitation is larger than the complexion of the government that is in power. It is significant that the victorious Communists are already hinting at the need for foreign loans and outside assistance. That will eventually necessitate a change of front on the part of some of the analysts of the Chinese scene.

At the heart of the propaganda of the Chinese Communists and their American apologists has been the doctrine that China's difficulties should be attributed primarily to a government that was inept, corrupt, and that lacked popular support. Presumably the problems could be solved if certain officials took a long vacation as one Member of our House of Representatives suggested, and a truly popular regime came into power. To support that argument the Communist apologists gave us a spate of denunciation of the Nationalist Government and a large body of encomium on the people's revolution.

We are now facing, however, what Pandit Nehru once called the hard logic of circumstances. The Communists who have installed themselves in the Yangtze Valley are presumably competent and incorruptible. They have, by their own admission, the full measure of popular support whose lack is supposed to have doomed the Nationalist Government. But they are still up against the problem of inflation, still trying to find the raw materials to rebuild China's industries, still trying to meet the self-same economic instability that undermined the Government of the Republic of China.

They, and we, are now learning the hard way that talk of corruption was not the whole answer to China's problems, that a change of regime did not go to the root of China's woe. We were able, after a fashion, to understand that western Europe had suffered a gigantic dislocation as the result of war and that our assistance was imperative to restore productive capacity, normal economic interchange, and a degree of stability. But we never did quite seem to realize the same thing in respect to China. We overlooked the fact that transport, the key to Chinese recovery, had been gravely impaired by Japanese occupation and finally shattered by Communist tactics. We talked about the integrity of specific individuals in a Chinese cabinet when there were less operating miles of railway track in all of China than there are between New York and Philadelphia. We persisted in overlooking the fact that China had been at war longer than any of the rest of us and had suffered from massive displacement of population, loss of available resources, and disruption of normal channels of trade. We worried about the democracy of a Chinese Government when Tom Paine himself could not have devised a regime that would have met those conditions without substantial assistance from outside. We were persuaded to look so hard at the trees in Nanking that we lost sight of the forest in Manchuria.

China is a casualty not of politics but of war. The Chinese Communists are finding that out now, if they did not know it previously. We also may find it out now and see wherein we have been misguided in the past and so shape our future course for the better.

Phillips Academy

EXTENSION OF REMARKS
OF

HON. THOMAS J. LANE

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, July 6, 1949

Mr. LANE. Mr. Speaker, under leave to extend my remarks, I wish to include a copy of the address delivered by the Right Reverend Henry Wise Hobson, D. D., president of the board of trustees, Phillips Academy, Andover, Mass., at the graduation exercises held on June 12, 1949:

THE GIFT OF FREEDOM

I

Amid the turmoil—approaching chaos in certain areas of the world in which we live today, the basic question to be answered is: Will man live in freedom?

The Pollyanna complacency of a few years ago, in which the majority of people thought that man was making sure and steady progress toward the enjoyment of a free and abundant life, has pretty well disappeared. We must face the fact—probably the most significant fact of our age—that the freedom which man thought he had achieved, which he preserved when threatened in World War I, and defended against a far more vicious attack in World War II, is today in even greater danger of being lost.

During the last war Walter Lippmann, in a Freedom House address, said:

"It is a poignant fact that we have seen great nations renounce freedom after they have won it. We have seen peoples in the profoundest doubt whether their historic freedom was in fact worth preserving. We have always said that freedom was indispensable to life itself: Give us liberty, we repeat, or give us death. But here we are, members of a generation which had that freedom which our ancestors won for us, and we find that millions of men thought they preferred other things to freedom, and many more millions were unable, unwilling, or unprepared to defend and preserve it."

Today what Lippmann called a poignant fact has taken on an even darker hue—the threatened tragedy looms before us more ominously. For while the attack of Nazi-Fascist enslavement was turned back and defeated, and we cried out in the moment of our victory that freedom had triumphed, yet actually we're in greater danger of losing freedom than at any time since the common man reached out to embrace it. Looking to the future, there is no question which it is more important for us to ask, and to answer rightly than: Will man live in freedom? Our answer will determine whether man in the decades ahead—and probably for centuries to come—will live as a slave or as a free child of God.

II

Because so much attention is focussed upon the world conflict going on between what we call democracy and totalitarianism, between those we speak of as freedom-loving nations and those which give their allegiance to Marxian communism, there are many who assume that the present threat to man's freedom comes primarily, if not solely, from the battle raging between these two antagonistic ideologies and ways of life. This cold war is very apt to monopolize a good deal of our thinking. I am not blind to, or free from a deep concern about, the attack being made against the foundations of freedom by Marxian communism. I support a policy by our country, and an international policy (including the Atlantic Pact) which will have the best chance of halting the encroachments of the Soviet-Communists before it's too late to prevent a third world war. Nevertheless I am convinced that no mere victory over totalitarian political or economic opponents will make it possible to answer the question: Will man live in freedom?—in the affirmative. We turned back the Kaiser and the militarists in the First World War. We beat the dictators in the Second World War. Repudiation of and triumph over the Communists is an important task for us to achieve. However, successes against such threats from without will not assure freedom. The basic assurance and guaranty must come from within. As Lippmann pointed out the really significant fact of our times is that so many who have had freedom within their reach have not grasped it. Freedom will never be won until you and I, and more and more people everywhere, know what this gift of freedom is and value it so highly that we shall be ready to pay the price for it, and give our allegiance to those ideals and practices which alone can insure it.

III

I have spoken of this condition of life which in theory we have accepted as so essential for man's well-being as that condition which comes from the gift of freedom. If we are going to understand freedom so as to be able to have it and to live by it, I am certain that we must realize its origin, and grasp its nature and quality.

Freedom is a gift to all men—a basic gift which is part of man's very being—a gift from God which the Donor, in His plan for man, would have each one of us possess and enjoy. The founders of our Nation realized this truth when they wrote into the Declaration of Independence that liberty is one of the inalienable rights with which the Creator has endowed all men.

This basic conviction which is so intertwined with the ideals and purposes upon which our whole idea of democracy rests was finely expressed by Theodore Parker about 100 years ago in his great speech on "The American Idea," upon which Lincoln drew so heavily in his interpretation of our Nation's principles: "A democracy," Parker said, "that is a government of all the people, by all the people, for all the people; of course, a government of the principles of eternal justice, the unchanging law of God, for shortness' sake I will call it the idea of freedom." Parker took it for granted, by using the words "of course," that those who had any true conception of the foundations upon which our Nation rests would realize that what he called the "idea of freedom" comes from God. He knew that man's chance for freedom in life springs solely from God's gift to man of a free will which offers man the chance to choose his way—to determine his destiny.

No one has ever expressed this truth better than Milton in those few lines in Paradise Lost:

"I made him just and right,
Sufficient to have stood, though free to fall,
Such I created all the ethereal Powers
And Spirits, both them who stood, and them who failed.
Freely they stood who stood, and fell who fell."

Here we have the primary fact of our being which we must grasp: It was God's way to create man free regardless of what the consequences might be. His gift of freedom was bestowed because it offered the only way along which His ultimate goal could be reached. The goal of a society made up of His children who were not to be machines, not to be pushed around by the compulsion of a dictator, not to be the pawns of any totalitarian regime, but free children who have themselves chosen to give their allegiance to the fulfillment of His purpose. In other words, we can say that God gave man freedom because only when man possesses and exercises freedom of choice can he grow up into the kind of a being God wants him to be.

We must never forget that all of God's gifts can be possessed not by any automatic processes, but as gifts which must be won. They are not unconditionally bestowed, but offered for us to choose by actions which prove we appreciate their value. Keen intellects or strong bodies are given by God—but the keen mind can be dulled or perverted, the strong body can become emaciated or diseased, by neglect or misuse. What we do with a gift from God will always determine whether we shall be allowed to possess it. The gift is ours—but it's up to us to determine whether we shall enjoy it. It's up to us to say whether or not man will live in freedom.

IV

The greatest threat confronting us today is that more and more men are rejecting the gift which is essential for their well-being. This threat has been growing for the past 30 years. During this period, since the end of World War I, we can see the beginnings of this tendency, as Lippmann pointed out in the quotation I used, among the nations of Europe. There the threat has been accelerated through the years, and now it has come much nearer to home and is hanging over our heads in America. Bernard Baruch has spoken of this threat as "the fear of freedom" and points out that "it was this fear of freedom present among the newly liberated peoples of Europe after the First World War that caused them, without a struggle, to surrender their independence." The growing tragedy is that a failure to understand the nature of freedom, and to appreciate its value—which in part spring from a fear of freedom—are so widespread within our own land that we are more and more surrendering our independence—and thereby losing the gift of freedom.

This dangerous and gradually enslaving situation is developing with the growing tendency of those who should be free men to allow government to take over the controls of their lives. More and more men are surrendering to government what man used to consider as his right and responsibility. Programs are being set up, laws are being enacted, in ever greater number, which really seek to provide by automatic process what men in the past, who have attained the greatest degree of freedom, have achieved for themselves. "Security" has become a word to conjure with, and parties and candidates for office vie one with another to offer our citizens the most appealing form of social security program which will guarantee a future of assured ease. We have—or are moving toward—enforced savings plans; enforced medical protection; guaranteed employment; various processes to maintain prices, wages, and parities; limitations of production and subsidies for nonproduction; Government taking over of business and constantly more detailed controls of man's daily existence. All this process has gone very far in certain parts of the world—in England, for instance—and during these recent years it has been a rapidly developing tendency in America. It is time for us to look, with real understanding and high courage, at what it all means. Actually what is happening is that man is less and less capable of using his own freedom to determine his destiny—his efforts to assure man's welfare are not exerted through any choice he may make but by means of laws and programs which carry on, regardless of what he may do, in an automatic way.

You will realize, I hope, that I am ready to give credit to the good intentions of those who are leading or pushing man along this road toward the establishment of the welfare state. I fully recognize that the goals they hold before us are, in many instances, of a lofty nature. Also, I assure you I am not blind to or lacking in concern about many evil conditions of life which deprive man of the freedom God would have him enjoy. My eyes are open to the evidence of a machine age which produced an economic system resulting in the enslavement of many workers; of an agricultural system, in vogue in parts of the United States, under which the share cropper and migrant worker suffered a terrible peonage; of grave harm done to the health and happiness of women and children by working conditions which, until controlled, destroyed physical and mental well-being, of discriminations, prejudices, injustices, segregations, and dishonesties which have denied the inalienable right of liberty to many of the children of God.

These conditions, and others, have, we know, often robbed men of a chance to be free. They can, if not rooted out, make it impossible for many to make even a start toward freedom. Every reasonable person admits that we must have laws which will prevent the evil and the strong from destroying the well-being of others—laws against crimes of violence, laws to protect man against the evil purposes of some who would kill freedom by taking unfair advantage of those who cannot defend or protect themselves. However, there is a very great difference between such valuable laws, and the enactment of laws seeking to provide benefits which man should win for himself.

The growing tendency to develop the welfare state is a long, long way from what Milton described as God's way, "Freely they stood who stood, and fell who fell." For freedom of choice is essential for freedom of life, and the welfare state is bound to more and more deprive man of his freedom of choice. I am deeply concerned about this willingness of man to turn over the directions and controls of his life to government because I cannot reconcile such a philosophy of life with God's way of dealing with us, His children. He could have made and controlled us so that all the variety of benefits—safety, security, provision for our physical needs, guaranty of all sorts of enjoyments—would have been assured. But He didn't. Instead He put it up to us—gave us free wills to use, freedom of choice, freedom from controls—yes, even to the point of being "free to fall," which is being free to go to hell. Why did He do this? There's only one answer. He wanted us to achieve what can be achieved only by free men, exercising their free choice, and He knows that the controlled and directed life can never be the free life. As we look to the future and ask: "Will man live a free life?" the answer can only be: Not if the totalitarian way of a controlled and directed existence wins out either by a victory for Marxian communism, or by the continued and increasing encroachments which the welfare state (which is really just a first step toward Marxian Communism) is making upon the gift of free choice which God wants man to possess.

V

In part the capacity of man to exercise his freedom of choice is either developed or lost by the extent to which he uses it. This is a fact of life which governs all of our endowments. Our minds, muscles, five senses—and every other part of our make-up—become more alert and capable of increased activity as we put them into greater and greater use, and develop an increasing atrophy if they are allowed to remain dormant. Consequently as man surrenders to the welfare state the controls of his life, thereby depriving himself of the right to and need of making choices, he is bound to gradually develop a personality which is more and more incapable of using his freedom of will—his initiative dwindles, his ambition wanes, his courage slackens, his spirit of adventure dims, until finally he becomes a spineless spiritual invalid sitting back in a wheel chair of indecision being pushed around by paternalistic bureaucracies which have taken over his life. Along this road God's plan for man is gradually perverted. No longer do Milton's words: "Freely they stood who stood, and fell who fell" apply—for man slips into a state of supine inaction in which he loses the gift of freedom.

However, the full achievement of this gift of freedom is only, as I have said, in part determined by the extent of its use. Many people—in the past and today—have been fools enough to believe that merely a full use of individual free choice would assure freedom of life. This false philosophy has been to just turn man loose—give him a completely free rein, with no directions or sense of responsibility, thinking that thus will he find freedom. Education has often been tainted with such ideas as a result of the influence of the self-expressionists who have been foolish enough to think that worthy development could be achieved by a system which encourages people to throw off all restraints and do whatever every inclination and urge suggest. A lot of half-baked psychiatry has joined hands today with the faulty theories of self-expression in education to give lots of people the idea that to be free all you have to do is to give full vent to every urge—do whatever it comes into your head you want to do—without any consideration of its consequences to the doer or to society. Thus the essential moral basis for life has been sadly weakened. There's nothing really new about this effort of man to find freedom through undirected self-expression, and a long time ago Tacitus revealed the true nature of such behavior when he said in five words: "License, which fools call freedom."

Now God is no fool, and he hasn't turned man loose in society with free will just to run wild in seeking freedom along the road of license. For coupled with His gift of a free will God has also given man the capacity to know the truth. This brings me to the heart of what I want to say to you about man's capacity to live in freedom, for only as man is eager and willing to use God's gift of a free will and at the same time exercise his capacity to know the truth can he discover a truly free life. For real freedom is the state of a man who has discovered the truth and freely chosen to follow it. The degree of freedom a man enjoys is determined by the degree of truth which he has discovered, and the degree of his loyalty in following it. The child who has no knowledge of truth—the ignorant or badly educated person who has no valid vision of truth—the vicious person who has rejected truth—these are never really free. William Cowper put this fact in a good sentence when he wrote: 'He is the free man whom the truth makes free, and all are slaves besides," which is paraphrase of an even greater sentence which Christ spoke: "Ye shall know the truth, and the truth shall make you free."

VI

My chief word to you who are going out from Andover today can therefore be summed up thus: God offers you His gift of a free will because He wants you to use it—since only by using it can you attain the growth which will lead you ever onward toward the successful achievement of the state of

life which God would have you enjoy—the state of being a truly free child of God. Beware of selling out your birthright by turning over your freedom of choice to any other person or persons. Beware, especially in this day, of yielding to the enticements of surrendering your control of your freedom of choice to the dictations of the welfare state. But beware of thinking you can find freedom by following the road of license along which the directions supplied by a knowledge of the truth are lost. Seek the truth with every effort of your full powers, for only as you more and more grasp the truth—the eternal truth about life which God has established, and which if we seek we shall find—will you have the discernment, the vision, to choose the way which leads to the free life.

It is no easy way which lies before you. For along it you must be ready to join in a firm resistance against the attack from without of totalitarian aggressions and to resist the temptation from within of seeking benefits and privileges by having them handed to you by automatic processes instead of winning them through your own courageous and sacrificial struggles. The enemies who would deprive you of the gift of freedom will be stronger than any man has ever faced before. It will take constant vigilance, unyielding purpose, undaunted courage, and a loyalty which will make you ready to do battle for the highest you have known to make certain that you will be victors through the struggle in which you will engage in the years to come.

My faith in the spirit which you have caught here at Andover, the spirit which has burned here since this school was founded, gives me confidence that as you go forth today you are headed in the right direction along that road which leads to the free life which God has offered to us as the abundant life. Hold fast to your vision, and above all maintain the struggle in which every man must engage in the spiritual adventure through which he wins a knowledge of the truth which alone can make him free. I give you a charge—which you may well take as a guide for each day as you travel the way which stretches before you—and I put this charge in words from Goethe's Faust:

"He only earns his freedom and existence
Who daily conquers them anew."

Thomas Jefferson

EXTENSION OF REMARKS
OF
HON. JOHN W. McCORMACK
OF MASSACHUSETTS
IN THE HOUSE OF REPRESENTATIVES

Wednesday, July 6, 1949

Mr. McCORMACK. Mr. Speaker, one of the great figures of all times, who will always occupy a foremost place in the minds of Americans, is Thomas Jefferson.

When we consider his background and the state of mind of the period in which he lived, admiration for him and respect for his noble mind and what flowed therefrom in the cause and progress in America of the average person grows and grows.

The life of Thomas Jefferson not only leaves a challenge to us but grips the imagination.

The life of Jefferson is well known to students of history. But there is one aspect of his life that has been slightly stressed and which should be emphasized. It shows clearly his devotion to ideals and to principle, and his great courage to fend for the same even against impossible odds.

I have reference to his opposition to slavery. Some decades before anyone else came upon the scene of American life advocating the abolition of slavery Thomas Jefferson was making that fight.

I include herein a memorandum of Thomas Jefferson's views on slavery, and some of his efforts made during his lifetime to meet and solve this inhuman, iniquitous condition here for so long a period of time, both under colonial and constitutional government.

It is only fitting and proper that Jefferson should be given full credit for his courageous efforts during his lifetime to eliminate slavery.

His abhorrence of slavery is completely evidenced by the freeing of five of his slaves after his death.

THOMAS JEFFERSON'S VIEWS ON SLAVERY

His political career began in 1769, when he became a member of the Virginia House of Burgesses. Although the owner of many slaves, his first action in the House was to provide a method by which masters who wished to free their slaves could do so. He met with little success.

Jefferson not only wrote the Declaration, but his original draft included an eloquent denunciation of the slave traffic. Listing the Colonists' causes of complaint against George III, he wrote:

"He has waged cruel war against human nature itself. Violating its most sacred rights of life and liberty in the persons of a distant people, who never offended him, captivating and carrying them into slavery in another hemisphere, or to incur miserable death in their transportation thither, this piratical warfare, the opprobrium of infidel powers, is the warfare of the Christian King of Great Britain. Determined to keep open a market where men should be bought and sold, he has prostituted his negative for suppressing every legislative attempt to prohibit or restrain this execrable commerce."

In his autobiography, Jefferson relates what happened to this passage from the original draft of the Declaration of Independence:

"The Clause * * * reprobating the enslaving of the inhabitants of Africa was struck out in complaisance to South Carolina and Georgia, who had never attempted to restrain the importation of slaves, and who on the contrary still wished to continue it. Our northern brethren also I believe felt a little tender under these censures; for though their people have very few slaves themselves yet they had been pretty considerable carriers of them to others."

In the summer of 1779, Jefferson was elected Governor of Virginia for a 1-year term and was reelected the following year. During his administration, the British troops invaded Virginia, and under Cornwallis began a campaign of ruthless destruction. As an instance of this policy, Jefferson pointed to what had happened to his own plantation. The description reveals again Jefferson's hatred of slavery:

"He destroyed all my growing crops of corn and tobacco, he burned all my barns containing the same articles of the last year, having first taken what corn he wanted; he used, as was to be expected, all my stock of cattle, sheep, and hogs for the sustenance of his army. * * * He carried off also about 30 slaves. Had this been to give them freedom he would have done right, but it was to consign them to inevitable death from the smallpox and putrid fever, then raging in his camp."

In 1784 Jefferson had another opportunity to put his attitude toward slavery into a public declaration. He was asked by Congress to draw up an ordinance for the government of territories south of the Ohio River, that is Alabama, Mississippi, Tennessee, and Kentucky. In this ordinance, Jefferson expressly provided for the prohibition of slavery, but once again his words were stricken out. Jefferson regarded the failure of the Continental Congress to forbid slavery in the Territories south of the Ohio River as one of the most serious errors any government ever made.

"The voice of a single individual of the State which was divided, or one of those which were in the negative, would have prevented this abominable crime from spreading itself over the new country. Thus we see the fate of millions unborn hanging on the tongue of one man and Heaven was silent in that awful moment. But it is to be hoped that it will not always be silent and that the friends to the rights of human nature will in the end prevail."

In 1787 Thomas Jefferson wrote Notes on Virginia, a model survey of the Government, laws, economy, climate, resources, and people of Virginia—the forerunner of many such treaties on individual States, in which slavery again is denounced:

"There must doubtless be an unhappy influence on the manners of our people produced by the existence of slavery among us. The whole commerce between master and slave is a perpetual exercise of the most boisterous passions, the most unremitting despotism on the one part, and degrading submissions on the other. * * *

"* * * The spirit of the master is abating, that of the slave rising from the dust, his condition mollifying, the way I hope preparing under the auspices of heaven, for a total emancipation, and that this is disposed, in the order of events to be with the consent of the masters, rather than by their extirpation."

Frances Wright, champion of the abolition of slavery, had written Jefferson asking him to endorse her project to establish a colony near Memphis, where slaves could buy their freedom and learn a trade while they worked. Answering August 7, 1825, Jefferson states:

"At the age of 82, with one foot in the grave and the other uplifted to follow it, I do not permit myself to take part in any new enterprises, even for bettering the condition of man, not even in the great one which is the subject of your letter, and which has been through life that of my greatest anxieties. The march of events has not been such as to render its completion practicable within the limits of time allotted to me * * *. The abolition of the evil is not impossible. Every plan should be adopted, every experiment tried, which may do something toward that ultimate object."

In the codicil to his will, Thomas Jefferson bequeathed freedom to five slaves. Due to financial reverses it is questionable whether Jefferson owned more than five slaves at the time of his death.

That part of the codicil to his will relating to the freedom of the five slaves is as follows:

"I give to my good, affectionate, and faithful servant Burwell, his freedom, and the sum of $300, to buy necessaries to commence his trade of painter and glazier, or to use otherwise, as he pleases.

"I give also to my good servants John Hemings and Joe Fosset, their freedom at the end of one year after my death; and each of them respectively, all the tools of their respective shops or callings; and it is my will that a comfortable log-house be built for each of the three servants so emancipated, on some part of my lands convenient to them with respect to the residence of their wives, and to Charlottesville and the University, where they will be mostly employed,

and reasonably convenient also to the interests of the proprietor of the lands, of which houses I give the use of one, with a curtilage of an acre to each, during his life or personal occupation thereof.

"I give also to John Hemings the service of his two apprentices Madison and Eston Hemings, until their respective ages of twenty-one years, at which period respectively, I give them their freedom; and I humbly and earnestly request of the Legislature of Virginia a confirmation of the bequest of freedom to these servants, with permission to remain in the State, where their families and connexions are, as an additional instance of the favour, of which I have received so many other manifestations, in the course of my life, and for which I now give them my last, solemn, and dutiful thanks.

"In testimony that this is a codicil to my will of yesterday's date, and that it is to modify so far the provisions of that will, I have written it all with my own hand in two pages, to each of which I subscribe my name, this seventeenth day of March, one thousand eight hundred and twenty-six.

"TH. JEFFERSON."

Russia Joins in the Genocide Convention of the United Nations—Attempts To Wash Out Murderous Conduct Against Non-Russian Nations

EXTENSION OF REMARKS
OF

HON. LAWRENCE H. SMITH

OF WISCONSIN

IN THE HOUSE OF REPRESENTATIVES

Friday, July 1, 1949

Mr. SMITH of Wisconsin. Mr. Speaker, it seems quite obvious that when the Russians joined with other nations of the General Assembly in adopting the convention of genocide, it was for the sole purpose of washing its hands of the blood of millions of people whom they have liquidated since 1918. It was a clever trick to fool the people of the world into believing that the Soviet will abide by world law. At the same time it hopes that this convention now limits the law so that Russia cannot be charged with violent acts of genocide against minority groups and nations of which she is guilty. Has it not by this act endeavored to legalize the murders at Katyn and many others?

Mr. Speaker, the theory underlying the genocide convention is laudable but how can we join with a nation like Russia when the facts show that it is an outlaw; that it respects no other nation and much less any agreement? As the matter now stands the Congress of the United States should reject this convention on the ground that it is a travesty against justice. Mr. Speaker, for us to ratify it now would justify the charge that fools run our foreign affairs.

Mr. Speaker, I include at this point an illuminating article by Prof. Roman Stocky, which appears in the spring issue, 1949, of the Ukrainian Quarterly:

THE GENOCIDE CONVENTION

(By Roman Smal Stocky)

I. WHAT IS GENOCIDE?

The General Assembly of the UN in Paris last December accepted the Convention on Genocide. The President of the Assembly, Dr. Evatt, the representative of Australia, described it as an "epoch-making event." But in the rather long negotiations of the Legal Commission of the General Assembly, which drafted the convention, an active and vociferous participant was the Soviet delegate, Platon D. Morozov. That should be sufficient cause for the non-Russian nations, the victims of Soviet Moscow, to analyze this new international convention in order to discover the real reason why Stalin again signed an international treaty.

What is genocide? This new word, a mixture of Greek and Latin, is the newest legal term in international law. It was originated by Prof. R. Lenkin, a noted scholar and international lawyer, in his book, Axis Rule in Occupied Europe, published by the Carnegie Endowment of International Law, Washington, 1944 (pp. 79–95). One of the experts serving with the American judges at the Nuremberg trial, he had his legal concept included in the indictment and acted upon in the verdict. Of course, Soviet "judges" also participated in the proceedings on the side of the righteous, but the report of Robert H. Jackson, United States representative to the Conference on Military Trials, is convincing proof that American and Soviet judges could not establish a common definition even for the term "murder"—the Soviets insisted it be limited to Nazi crimes only.[1]

In brief genocide means "race murder" or "nation murder." The convention defines it as an act which is committed "with intent to destroy, in whole or in part, a national, ethnical, racial, or religious group, as such." (Please note the very important "as such.") Its operative clauses are short. Five acts constitute genocide: (1) Killing members of the group; (2) causing them serious bodily or mental harm; (3) deliberately inflicting conditions of life calculated to bring about their physical destruction; (4) taking measures to prevent birth within the group; and (5) forcibly transferring children of the group to another group.

The convention then says that persons committing any of these acts of genocide are to be punished, not only if they are public officials, but even if they are state rulers; that they are to be tried either by some competent tribunal of the territory in which the act is committed, or alternatively by an international penal tribunal. Furthermore, genocide is not to be treated as a political crime (common usage forbids persons accused of political crimes to be extradited for trial in another state). Each contracting nation is to enact domestic legislation giving effect to the convention. Any party, under the Charter, is to be able to call on the UN to take appropriate action against genocide. There is at present no international tribunal with penal jurisdiction, but the Assembly has asked the new International Law Commission of the UN to consider the desirability and possibility of establishing one.

This brief summary of the Genocide Convention requires the following remarks:

(a) The enumeration of acts constituting genocide is based entirely on atrocities committed by the Nazis before and during the last war.

(b) Soviet atrocities—past and present—are completely disregarded.

(c) The words "as such," to which we have drawn attention, in our opinion, seem from the juridical point of view, clearly intended to limit the law, to exclude from the new legal concept many Soviet crimes committed currently against non-Russian nationalities. Prof. J. L. Brearly, an English authority on international law, believes that the "as such" would probably also exclude from the concept of genocide most of the famous massacres and persecutions of history.[2] In every instance the Soviet Communist dictatorship has tried in the convention to legalize its genocides, saying they are intended not "to destroy, in whole or in part, a national, ethnical, racial, or religious group, as such," but to punish rebels, bandits, saboteurs, etc.

(d) Therefore the non-Russian nationalities should beware of deluding themselves into thinking international law has taken a great step toward perfecting the protection of a nation or a community against genocide. In reality nothing has been changed. The Assembly of the UN produced a document which gave Soviet Moscow an opportunity to evade international responsibility while realizing the aims of Soviet propaganda.

II. HISTORY OF SOVIET GENOCIDE

We must confess that the need for the term "genocide" in international law compels every thinking person to deep and sad reflection on the level of contemporary civilization with its airplanes and atomic energy. Quo vadis, human race? Nearly 2,000 years after Jesus Christ and the Prophets of the Old Testament the simple term "murder" has become insufficient because our progress has developed race murder. And the President, the members of the Assembly, felt neither the shame nor the tragedy of the spiritual and intellectual bankruptcy of our generation implicit in the epoch-making event, the adoption of the Genocide Convention.

What is more, not one of the delegates of the democratic powers realized that behind the loud voice and the humanitarian declarations of the Soviet delegates lay hidden the bad conscience of the Soviet dictatorship, whose cruelty and brutality toward opposing national, ethnical, racial, and religious groups represents a unique, an unsurpassed, peak in modern history. Not one was aware of the propaganda intended by the Soviet Union in participating in the Genocide Convention.

Not one of the non-Communist delegates had the moral courage to question the Soviet delegates about recent events in the Soviet Union. They were passive spectators at a macabre show in which the representative of the greatest murderer of nations in history appeared as a teacher of justice and morality, as a defender of humanity, before the forum of the western democratic world.

Therefore we present for the kind attention and consideration of the United Nations a short survey of Soviet genocide, its roots and its development.

Race-murder is an old Muscovite specialty often practiced by the Tsars. In spite of the unconditional surrender of Novgorod the Tsar ordered the population to be murdered, drowned, or transferred to the suburbs of Moscow. These methods succeeded in killing the nucleus of the fourth eastern Slavic nation, the Novgorodians, who by their language, their Hanseatic mentality, differed completely from the Muscovites. The famous Oprichnina of Ivan the Terrible, a model for Hitler's SS organization, liquidated the whole aristocracy opposed to Tsarist tyranny. Well known also are later Tsarist persecutions of the Old Believers, the Raskolniki, a part of whom even sought refuge in Bukovina in Catholic Austria. Peter I ordered the murder of the whole population, including women and children, of Baturyn, the capital of the Ukranian Hetman Ivan Mazepa. Catherine II ordered 10,000 Crimean Tatars to be expelled and drowned in the Black Sea. Nor is it necessary to describe the methods and the brutalities of Nicholas I and his field marshal, Suvorov, in liquidating the Polish revolutionaries, or exterminating the Ukranian Catholics in the Kholmland.

The Russian Communist Party, soon after establishing its dictatorship, began to glorify Ivan the Terrible and Peter I, ordering novels to be written and, later, producing special

[1] Washington, D. C., U. S. Government Printing Office, 1949.

[2] The Listener, March 10, 1949.

movies about them. During the last war Stalin climaxed this trend by establishing the Suvorov decoration as the highest military award. Thus the past and present of Muscovy and its political methods are inseparably connected. Against these methods the truly great leaders of the Russian nation have fought and protested in vain.[3]

The Russian Communists began very early to use genocide as a political weapon. Let us survey the victims, and prove that the Soviet Union is not only the prison of nations, but also the cemetery.

(1) The Ingrian nation was mercilessly liquidated, 1921–23. The Ingrians, numbering nearly 400,000, occupied Ingermaniand, the hinterland of what is now Leningrad. They were a sister nation to the Estonians and the Finns, and thus united the Finno-Ugrian ethnographical territory into one whole. Through this territory Peter I drove his window to the Baltic sea. The Ingrians, a highly civilized people with Scandinavian culture and a well-educated Protestant ministry, became the object of an early Communist attack intended to complete the Russification of the Leningrad hinterland. Mass terror and forced emigration to the north annihilated the Ingrians. Only those few who escaped to Finland still survive.

(2) The annihilation of the Ukrainian Orthodox Autocephalous Church with the Metropolitan Lypkivsky, the clergy and many church leaders from the laity. The church was completely wiped out between 1926 and 1932.

(3) The annihilation of the Ukrainian farmer class. During the NEP policy the Ukrainian peasantry became the driving force behind the Ukrainian national idea.

By forcing the famous collectivization on the farming class, Stalin, in 1932 and 1933, deliberately provoked a famine in the breadbasket of Europe, a famine which brought death by starvation to at least four or five million peasants. By mass exiles to Siberia and the famous trials developed for the Union for the liberation of the Ukraine, Soviet Moscow murdered a large part of the Ukrainian peasantry and intelligensia.[4] Leading Ukrainian Communists Lubchenko, then Prime Minister of Soviet Ukraine; Skrypnyk, Minister of Education and an old friend of Lenin, committed suicide to protest Stalin's policy of extermination.

(4) The annihilation, between 1928 and 1930, of the Cossacks of the Don and Kuban, who considered themselves separate national groups, was affected by most brutal methods. Their officers' corps—their intelligentsia—were systematically killed or deported, and every trace of their old democratic self-government and republican tradition erased.

(5) The annihilation of the Greek population of the Kerch Peninsula. The Communists in order to Russify this strategically important territory, exterminated the entire ethnic group. Some 5,000–8,000 men, women, and children were deported to a forced labor camp in the Arctic.

(6) During World War II Stalin perpetrated the greatest single mass murder known to the civilized world when he exterminated, in the forest of Katyn, more than 10,000 Polish prisoners of war, officially under the protection of the International Red Cross Convention. These included not only professional soldiers, but also officers of the reserve, among them a considerable number of university professors, high-school teachers, eminent doctors, judges, lawyers, engineers, and technicians, who had been mobilized to fight Hitler. This extermination was an integral part of that social engineering designed to deprive a non-Communist nation of its leading intelligentsia for the future.

(7) Before and during World War II, Stalin applied the same method of mass murder to the Ukrainian intelligentsia in Vinnitsa, Lviv, Stanlyslaviv, and Kolomyja, where mass graves of nearly 10,000 victims of the NKVD have been discovered. All the leading personalities of the democratic parties of western Ukraine, including the central committee of the Ukrainian Socialist Party, were liquidated by murder or by deportation to slave-labor camps.

(8) The Soviet Government during World War II admitted having committed the following cases of genocide:

(a) The annihilation of the Volga German Republic, abolished in 1940, when the population of about 800,000 was deported to the Asiatic Arctic;

(b) The annihilation of the Crimean Tartar Republic in 1944 with the deportation of 800,000 people to the Asiatic Arctic;

(c) The annihilation of the Chechen Republic of the Caucasus in 1945 when its population of 600,000 was deported to Soviet Asia.

(d) The annihilation of the "autonomous region" of Karachev, abolished 1945, when the population was scattered in the Asiatic Arctic.[5]

(9) The annihilation of the Ukrainian Catholic Church in western and Carpathian Ukraine. The whole hierarchy was imprisoned and deported. Two bishops died in prison. The MVD forced a part of the clergy to recognize the patriarch of Moscow, the opposing part is partly murdered, partly imprisoned.

10) The Soviet Government is now committing the crime of genocide in three forcibly annexed Baltic Republics:

(a) Lithuania: Nearly 60 percent of the intelligentsia has been either exterminated or deported to Asia;

(b) Latvia: Nearly 50 percent of the intelligentsia has been either exterminated or deported to Asia;

(c) Esthonia: Nearly 50 percent of the intelligentsia has been deported or murdered.

The farmer-population of 5,000,000 in these Baltic Republics has for 2 years been systematically deprived of its intelligentsia. The Soviet Government has already begun the mass-expulsion of these peasants from their mother countries.[6]

(11) This survey does not include Soviet Moscow's persecutions in White Ruthenia, and in Caucasus and Turkestan. The list is surely not yet complete. All information from Poland, Czechoslovakia, Rumania, Bulgaria, and Hungary proves that the preparation for persecution of the churches, intelligentsia, and peasantry—the necessary lists of leaders, the infiltration into non-Communist organizations—is complete, and the terror is in full swing.[7]

The best picture of what is going on behind the iron curtain is given in a letter by the former Rumanian Prime Minister N. Radescu, published in the New York Times[7] under the headline "Genocide in Rumania" in which is reported the extermination of entire social groups:

"In the case of Rumania, the denial of human rights and fundamental freedoms has reached a point where the right to live is itself being denied to entire sections of the population.

"I refer first of all to over 200,000 victims of political persecution, tortured or dying of starvation in prisons, concentration, and labor camps. The purges effected in the state administration, in the teaching staffs, the clergy and the army, the strangling of free professions, the nationalization of enterprises, the excessive taxation of real property—which amounts to plain confiscation—have deprived several other hundreds of thousands of their livelihood.

"Liquidation of peasants

"The latest victims of this policy of extermination are the group of farmers who owned the top figure of 110 acres of land. The properties of over 17,000 families in this category were recently confiscated by a simple decree. They were evicted with their families from their homes in the middle of the night and transported to distant localities, being allowed to take only the personal belongings which they could carry in their hands. The ferocity of this measure is reflected in its concluding paragraph, which provides the penalty of 3 to 15 years in prison against the officials who failed to enforce it properly.

"The letters from Rumania which secretly reach us describe the utter despair of the population. * * * No one from the outside can imagine, however well informed he is, the extent of our misery. * * * It is seldom that one finds a family without a member or relative in prison, tortured or disappeared. * * * Many of those who are still "free" commit suicide, die of cold or starvation, of contagious diseases or become insane.'

"These facts go a long way to explain why the Soviet representatives strenuously opposed the inclusion in the list of genocide crimes the physical annihilation of entire racial groups for political and economic motives."

III. THE IDEOLOGICAL BASIS OF SOVIET GENOCIDE, ITS PURPOSE, METHODS, AND RESULTS

The Soviet Government and its Communist Party have a logical, well-developed ideology regarding genocide, or in Communist lingo, the "liquidation of the enemies of the people." Let us discover its roots:

(1) The Russian Communist Party is the only organization among the governments of the world which in its ideology considers terror not only morally admissible but the only effective method of action against the opposition. After 1917 Lenin explicitly approved terror as a weapon against political dissenters and opponents. This principle distinguishes the Soviet government from any other political organization.

(2) Therefore terror in the Soviet Union is legalized for the use of the state by the ruling Communist Party. Terror, open and conspiratorial, is the very foundation of the Soviet government, the basis of the dictatorship of the proletariat. The Communist Party knows that terror alone can keep a small but armed minority in power over a vast but disarmed majority. Therefore constant terror against persons, groups, nations are normal expressions of Communist activity. To the Communist terror means stern

[3] After the establishment of the Communist dictatorship, when wholesale slaughter became the order of the day, Mr. Gorky wrote a tragic warning: "The revolution has overthrown the monarchy. But perhaps it has only forced the external malady deeper into the organism. Evidently killing is easier than persuasion and this very simple method is very easy for people who have been brought up amongst massacres and educated by massacres. All you Russians are still savages, corrupted by your former masters, you in whom they infused their terrible defects and their insane despotism." Those are prophetic words and a prophetic vision of the great Russian writer of the coming era of Soviet-genocide.

[4] About this tragedy there is a large literature in America. Cf. the publications of W. M. Chamberlin, Eugene Lyons, W. C. Krivitsky, etc.

[5] Official statement by P. V. Bachmurov, secretary to the Presidium of the Supreme Soviet of the R. S. F. S. R., June 25, 1946.

[6] Albert Kalma in Soviets Blodstad i Baltikum, Stockholm, 1948, has provided a deeply moving description, authenticated by scores of photostatic proofs.

[7] The New York Times, April 24, 1949.

measures. The declaration of the People's Commissar of Justice is instructive: "In the opinion of liberals and opportunists of all kinds, the stronger the country is the more lenient it can be to its opponent. * * * No; and again no. The stronger the country is, the mightier it is, the more justified are we in taking stern measures against those who disturb our socialist construction." [8]

Last but not least, we should like to introduce into this inquiry an indisputably authoritative witness—Joseph Stalin himself. In 1931, when Lady Astor met Stalin, she asked him rather quickly, "How long are you going to continue killing people?" Taken off guard, Stalin answered, "As long as it is necessary." [9]

(3) This legalization of the use of terror is based on the teaching of Marx ("Law, morality, religon are to him [the proletarian] so many bourgeois prejudices behind which lurk in ambush so many bourgeois interests" (Communist manifesto), and Lenin ("For us morality is subordinated to the interests of the proletarian class struggle," Lenin, in Arnold Lunn's Communism and Socialism).

(4) The use of terror also justifies Lenin's concept of "party," a concept so different from the idea of western political parties. Lenin developed the concept after a careful study of Von Clausewitz On War, and nobody until now has had the courage to state that his concept of the party is a transfer of the basic ideas of Prussian militarism into political party life. The party is a general staff and officers' corps of professional revolutionaries, who command the rank and file, but the rank and file are not permitted to influence the decisions of the staff and the commander in chief. Military discipline and blind obedience is the basis of the ideological army which the Communist calls party. What happens to traitors or opponents of a real army during war? They are shot. In the Communist ideological army they are liquidated. And liquidation is practiced not only inside the Soviet Union, but outside its barriers as well. Petlura, Ramishvili, Kutiepov, Miller, Oskilko—leaders of the opposition of other nations—were murdered, and so were the Communist traitors I. Reiss in Switzerland, Paul Maslov in Cuba, L. Trotsky in Mexico, W. G. Krivitsky in Washington, etc. Lenin teaches: "We have never rejected terror on principle nor can we ever do so. Terror is a form of military operation that may be usefully applied, or may even be essential in certain moments of the battle." [10]

(5) And here is the last Communist justification of terror: According to Communist ideology the party is actually at war—not a cold war, but a shooting war. According to communism history is the record of class war. The Soviet Union is now in a Communist world war against the democratic world. It is engaged in a constant and gigantic battle conducted by Commander in Chief Stalin. How can an army during battle refuse to punish with death all traitors, all persons, or groups who disobey battle orders? The death penalty for persons and groups, from the Communist point of view, is therefore justified since it is necessary for the ultimate victory of communism.

To sum up: The use of genocide against opposing groups and nations is lawful because to the Soviet there is no peacetime. Until the total victory of the Communist World Revolution, for the Soviet Government, inside and outside the Soviet Union, there is wartime.

This explains the ideological basis of the decades-long practice of genocide against the national and religious groups opposing the Soviet Union. From the viewpoint of materialism and the doctrines of Marx and Lenin, there is an iron logic in this way of thought, a logic which western diplomats, unschooled in Communist sciences, cannot grasp.

Thus, inside and outside the Soviet Union, unceasing terror is an essential part of communism and its very atmosphere. Terror is the basis of the dictatorship. Communism can never, never renounce terror, for that would bring the thermidor to the world revolution, the dissolution of the Soviet Union. What does terror mean? It means, and do not forget it, the systematic murder of leading persons and of entire national and religious groups—or what is now in international law called genocide.

What are the methods of Soviet genocide? Communism has also developed a scientific method of genocide. Let us review it briefly.

The method progresses through four stages: (a) the first attack is directed against the intelligentsia, the nation's leaders and distinguished personalties, its brains. A terroristic mass-blow on the head, on the brain, paralyze the whole body of the victim nation; (b) the second stage—often a part of the first—is against the nation's churches. Christianity as a religion, its hierarchy and priests are considered forces most dangerous to communism, and their elimination from the battle front by terroristic measures is necessary before the brain is fully unconscious. This is the attack on the soul of the nation; (c) the third attack uproots the farmers of the nation, the bearers of its traditions, of its folk music and folk literature, of its distinct language. Thus the ethnographical territory of a nation is disrupted, and the way is prepared for the (d) fourth and last stage: the settlement of Russians or Asiatic tribes in order to mix up the nationality in question and create a mixed territory.

An operative instrument for the first three stages of Soviet genocide are the slave labor camps administered by the MVD in the Soviet Union. Their task, before the doomed group dies of starvation, exhaustion from overwork, or by murder, is to squeeze from it all its physical resources for the benefit of the Soviet economy.

The aim of this social engineering is to manufacture and create a new Communist Soviet nation, the "Sovietsky Narod," formed from all the subjugated nationalities in the Soviet Union, a new "amalgam" whose members no longer remember their original religion, tradition, politics, aims, or language.

But this international aim includes as well a purely nationalistic aim. Soviet genocide is put to the service of the Russification (in party lingo, "sovietization") of territories geopolitically important to Soviet Moscow. The action is being carried out according to the principles of the "geopolicy" of General Haushofer, Hitler's famous adviser. The following are its main directions:

(a) The Baltic States, to achieve Haushofer's Zange-principle. One end of the pair of tongs is Leningrad, the other Koenigsberg, already completely Russified including its hinterland. A Russian corridor has thus been cut through Lithuania and White Ruthenia, and the victim nations are already embraced by the Russians.

(b) Ukraine, with the Russian colonization of the Don and Kuban Cossack territories and Crimea, is only half-embraced. Crimea, dominating the mouth of the Dnieper, fills the geopolitical role of Stuetespenkt, key position, for Russia in relation to the Ukraine. Hence the Crimean Tartars have been liquidated. But Russia did not succeed in embracing Ukraine (Russia's "India" and the springboard to the Dardanelles, Balkans, and central Europe), and so Russia had to make satellites of Ukraine's western neighbors: Poland, Czechoslovakia, Hungary, and Rumania. They constitute the western line of defense.

(c) The third direction is the Volga-Caucasus. With the annihilation of the Volga-Germans, the Don and Kuban Cossacks, and the Chechens, Russia achieved substantial gains.

(d) Siberia is not only the geopolitical basis for the domination of Asia, but also a springboard over to Alaska. It is therefore being forcefully developed as a reservoir of manpower and industry. Here under Russian leadership a "Soviet Nation," formed from the unhappy deported groups of all Russian-controlled nations, is in process of creation.

(e) Russification is supported by a mighty propaganda in behalf of Russian as the "world language of the international proletariat" in all spheres of Soviet Russian influence. D. Zaslavsky writes of the Russian language: "The Russian language has become a world language. It has won the recognition of the world's common people. They want to learn more about the building of socialism and the sources of our country's might. The succession of languages runs through the ages. Latin was the language of the ancient world, French of the feudal epoch, English of capitalism. Russian is the world-language of socialism. French is the fancy language of courtiers, and the English the jargon of traders. They were the tongues of ruling classes and of snobbish intellectuals. The English language corrupted people in foreign lands. Russian is the first language of internationalism. No one can call himself a scholar if he does not know Russian. Russians unquestionably occupy first place in the social sciences. All future progress in these sciences has been determined by the genius of Lenin and Stalin." [11] Propaganda for the "language of internationalism" and "international Soviet genocide" complement and supplement one another. Russian nationalistic and international communistic aims, together with the messianistic master-race emotions are closely merged in the large-scale movement toward the Baltic States, Ukraine, Caucasus, Siberia, and the whole "sphere of influence."

The results of Soviet genocide are tragic, not only for the non-Russian nationalities of the Soviet Union, but also for the Soviet Union, itself, as a state. The best demonstration of this fact are the Soviet statistics. The directors of the 1937 census were "liquidated," and its results have never been published. And 2 years ago, having declared statistics to be "state top secrets," the Soviet Government forbade all foreigners to attempt any kind of statistical research in the U. S. S. R., calling it espionage punishable by law.

Why has Soviet Moscow for more than a decade maintained a statistical iron curtain? It hides from the civilized world the results of Soviet genocide.

According to all careful scholars of population problems in the Soviet Union, including D. V. Dallin, the following approximate figures are true:

In the year 1914 the Russian Empire (with Finland, Bukhara, and Khiva) had a population of about 170,000,000. A quarter of a century later, in 1939, the figure remained 170,000,000. In 1947 the population within the prewar borders was less than 170,000,000, and, adding the 25,000,000 in newly acquired provinces, the total population is only 190,000,000. If the normal development of pre-World War I Tsaristic Russia had continued, the Soviet Union would today have a population of over two hundred and ninety to three hundred million people. [12]

About 300,000,000 in theory and 190,000,000 in present-day reality. This deficiency of over 100,000,000 is due, of course, in part

[8] Izvestia, official organ of the Soviet government, No. 37, 1936.

[9] Fulton J. Sheen, Communism, p. 35.

[10] Collected Works, vol. IV, pt. 1.

[11] Literaturnaya Gazeta for February.

[12] The Real Soviet Russia, 1947.

to the losses of two world wars and the Civil War of 1918–20—but by far the largest portion is the result of Soviet genocide. Soviet genocide produced as well two more results peculiar to the present-day Soviet Union: an acute man-power shortage and an excess of nearly 10,000,000 women over men, an unprecedented development for any country.

IV. AN APPEAL TO THE DEMOCRATIC CHRISTIAN STATES, SIGNATORIES OF THE GENOCIDE CONVENTION

Think of these questions: What have been the aims of the Soviet Government in participating in this work of the UN? What are the reasons for all the pathetic declamations of the Soviet delegates, during the meeting of the Commission, about the protection of national, racial, ethnical and religious groups in the Soviet Union? Why have the Soviets been so eager to sign solemnly the Genocide Convention when they have treated with contempt and boycott the other Commissions and Organizations of the UN?

In our opinion there are three reasons which are worthy of careful analysis for the understanding of Soviet policy and its role in the UN.

(1) The Communist dictatorship with its mystic, Byzantine-like Stalin-worship needs new "prestige-successes" (cf. the policy of Hitler and Mussolini). It needs them badly (a) for interior policy; there is unrest in Ukraine—the Ukrainian Insurgent Army (UPA) is still fighting, there is unrest in the Baltic countries, unrest among the demobilized soldiers who saw "capitalistic Europe," unrest in the rank and file of the party, unrest which has necessitated new purges in all spheres. But (b) the Communist dictatorship also needs successes badly for its foreign relations to keep its prestige and victorious face" before the Communist parties outside the Soviet Union during the current cold war. Stalin's infallible majesty requires a new deep bow from the democratic, Christian powers; he wishes it to be clear, in black and white, that he is an honest, respected man and partner, regarded as an equal even by democrats and Christians. And the Genocide Convention implies:

(a) The recognition of the Soviet regime as an equal partner with equal moral standards by the democratic, Christian powers.

(b) The recognition that this regime has standards for the protection of national, ethnical, racial, and religious groups equal to those of democratic, Christian powers.

(c) The recognition that the justice and courts of this regime have standards equal to those of the democratic, Christian powers.

(d) The recognition in the words "as such" that all former and current acts of genocide committed by the Soviet regime against national, racial, ethnical, and religious groups are legal.

(2) Stalin needs this new prestige, too, until by his order Tito will meet Trotsky. Tito challenged the wisdom and the methods of Stalin in order to protect the nations of Yugoslavia from the penetration of the MVD and Soviet genocide. He stated publicly that "truth is above Stalin's authority" and denounced the doctrine of the end justifies the means. Tito said openly, "No matter how much each of us loves the land of socialism [the Soviet Union], you cannot ask us to love our own country less." Here is a rebel against Stalin's national policy, who publicly condemns Stalin's methods. And to refute Tito, Stalin wanted to show the nations of Yugoslavia that he has been slandered, that even the democratic powers have confirmed that he loves and protects all nations and races as equal and as such.

(3) Above all, the signing of the genocide convention is Stalin's reply to the emigration of displaced persons, who are growing in numbers because anyone who can get away by foot, car, or aeroplane, tries to escape from the Soviet Union and from behind the iron curtain. This mass political emigration from the Soviet Union is the most terrible of the accusations against Stalin and his regime. Living witnesses of his atrocities—prisoners from slave labor camps, bishops and priests, members of the Soviet Academy of Sciences, university professors, intelligentsia, peasants, and workers—in the tongue of all victim-nations, name Stalin and his party, murderers. Murderers of bishops and priests, of Christians, Jews, and Mohammedans, murderers of nations. Greatest mass murderers of all times, of all epochs, of all peoples.

The signing of the Genocide Convention was intended only to realize these propagandistic "defense" and "prestige" aims, and neither Stalin nor the Soviet regime intends to change in the least degree their policy of genocide. Therefore, the signing of the Genocide Convention is the newest fraud with which Stalin has deceived his gullible democratic Christian "enemies." And Stalin's cynical attitude toward the democratic powers is, from the point of view of his principles, fully justified and moral: "The workers' state, surrounded as it is on all sides by hostile capitalistic countries, finds lying very necessary and useful in its foreign policy. Therefore, the attitude of the working class and the Communist Party to the open recognition of the right to lie is quite different from that of the western European Socialists, those God-fearing petit bourgeois, who are systematically deceived and treated as fools by the representatives of capital." [13]

Stalin is an honest man, a man of principle—and we do not accuse the Communist of having signed the convention in order to deceive his enemies. But we do accuse these democratic God-fearing delegates from the Western Powers of again letting Stalin make fools of them, of again betraying the moral principles of the democratic Christian world, and of having stabbed in the back the DP emigrants with whom they are supposedly united in a common front against Stalin.

Have the democratic powers heard nothing of how Stalin respected his obligations under the League of Nations (Geneva) statutes, under the Briand-Kellogg Pact, under the nonaggression treaties with Poland, Finland, Lithuania, Latvia, and Estonia?

Have the democratic powers learned nothing from their own experience of the last 5 years, from Stalin's "solemn" signatures on the Atlantic Charter, the Tehran, Yalta, Potsdam obligations, and especially the Statutes of the United Nations, not one principle of which has remained unviolated by the Soviet Government?

Do not the democratic powers know the fact—clear as the sun—that terror, murder, genocide, have existed from the beginning of the Communist rule in the Soviet Union and that they constitute an integral part of the Communist dictatorship?

How could the democratic powers accept on the Genocide Convention the signature representing a regime which considers terror—meaning the murder of persons and groups—legal?

Do not the democratic powers understand that the legalization of terror and murder in the smallest degree by a state disqualifies it from participation in a Covenant to prevent the murder of national and religious groups?

Do not the democratic powers realize the basic moral difference between them and Stalin's party, whose creed teaches that in promoting the Communist world revolution, to murder, steal, perjure, kill, or dispossess their fellow-human beings, is justified?

Have not the democratic powers heard of the fate of the Ingrians, the Volga-Germans, the Chechens, Kalmuks, the Crimea-Tartars? About the persecutions of the Ukrainians, the nations of the Caucusus and Turkestan? Have they not studied the materials in the archives of the League of Nations in Geneva about this question?

How can the democratic powers accept as cosigner of the Convention for the protection of nations from genocide, the Communist regime, which in its program openly dooms all (non-Russian) nations in the Soviet Union (which recognizes no national values, rejects national feelings as "bourgeois prejudices") and aims at the "liquidation of these nations" by manufacturing the "Soviet Nation"?

Do not democratic powers know Stalin's personal view about nations: "National autonomy is contrary to the whole development of nations, national cultural autonomy is unsuitable." [14] Or his declaration at the sixteenth congress of the Communist Party: "We Communists are the propagators of the amalgamation of the national cultures into one culture with the common language"?

Do not the democratic powers know that on Stalin's order, Marr developed his linguistic theory which attempts to speed up the "fusion" of all non-Russian languages with Russian? That even under the Tsars there was never a program of Russification such as this, in which the Communist dictatorship by systematic "language murder" (linguocide) is hastening the creation of the "Soviet Nation"?

Do not the democratic powers know that in reality Soviet Moscow only reapplied the old Muscovite genocide and that by this method the Soviet regime is realizing the monstrous official program of the Communist "Soviet Nation," a program which implies the "liquidation" of the subjugated nations in the Soviet Union?

Do not the democratic powers know that the official program of Stalin's party includes the annihilation of religion as "the opiate of the people," that no Communist in any country is allowed to be a professing Christian, Jew, or Mohammedan?

How can the democratic Christian powers recognize the terror regime of the Communist Party which officially practices atheism, which in Stalin's constitution does not grant the freedom of religious propaganda, but only the freedom of antireligious propaganda—how can they recognize this open persecutor of all religions, as a protector of religious groups? How can they do it against the background of the present pogrom of the Ukrainian Catholic Church in western Ukraine?

How can the democratic powers accept the point in the convention which states that acts of genocide are to be tried by a "competent tribunal of the territory in which the act is committed?" Do they not know that in the Soviet dictatorship there is no division of power, there is no independent justice or independent courts? Are all of Stalin's famous monstrous processes for the liquidation of his opponents already forgotten? Has the Western World already dismissed the report of the Dewey commission, sitting under the chairmanship of professor Dewey of Columbia University, to consider the Trotsky case with Vishinsky as public prosecutor?

How can the democratic powers permit the juridical monstrosity that allows a genocide murder trial in the Soviet Union to be conducted by a court appointed by the Communist murderers themselves, a court staffed exclusively by the same Communist murderers?

How can the democratic powers recognize justice under Communist terror as equal to

[13] E. Preobrazhensky, Morality and Class Standards, in ABC of Communism, also in Rene Fullop-Miller's Lenin and Gandhi.

[14] Stalin, Marxism and the National Question, pp. 55–61.

the independent and impartial justice of the western civilized world? Have they heard nothing of the principle of ideological complicity, under which thousands of completely innocent human beings were punished, often by liquidation? Have they never heard of the families held hostage for one of their members? Have they heard nothing of the decree which provides that in case of an individual's flight from the Soviet Union even those members of his family who had no knowledge of his act were to be deported for 5 years to the remote regions of Siberia? And that these sentences are served in slave-labor camps and are renewable by administrative decision? Or of the decree published April 7, 1935, with the signatures of Kalinin, Molotov, and Akulov, introducing death as a penalty for children over 12 years old, a decree abolished only after this war? Aren't the trials now being conducted by the Communist dictatorships in Bulgaria, Poland, Rumania, and especially the Mindszenty case in Hungary, sufficiently convincing evidence of the Soviet Union's special kind of justice?

Isn't it a brutal mockery of the very idea of justice to recognize the competence of Soviet justice in a genocide trial? And an insult to reason?

Is not the stipulation "as such" a mockery of justice, since it enables the Soviet Government to deny that the separate stages of its scientific method directed against (1) the intelligentsia, (2) the church, (3) the peasantry are acts of genocide, when the separate stages taken together constitute the murder of a nation?

Do not the democratic powers realize the heavy blow they have administered to the authority and the prestige of the UN and the idea of democracy and international law in signing the genocide convention with Stalin?

When will they at last understand that without common moral values and common good will all treaties with Soviet Moscow are mere scraps of paper?

To sum up: Signing the genocide convention was another moral capitulation of the democracies before Stalin and his Communist terror-regime. In spite of the present ideological war between the east and west, in which the DP emigrants of all nations oppressed by the Soviet Union participate, the democratic and Christian powers have again publicly confirmed that "good old Joe" is an honest man and a respected partner. A terror regime which has developed the "scientific method of genocide," a "genocider" par excellence, has been declared the "protector" of nations and races "as such." Stalin, today's crucifier of Christ, perpetrator of the most brutal religious persecutions of all time, is now "protector" of religions. And Communist terrorists have become the "judges" of those who sin against national, ethical, racial, and religious groups. Stalin's terroristic totalitarianism, Stalin's police-spy and stool-pigeon terror-state has again received from the democratic, Christian powers a place of honor in the family of civilized nations. Congratulations to both sides.

This convention is an insult to the human dignity of all nations oppressed by the Soviet Union and an outrage against human decency and common sense. Stalin is an honest Communist, he never betrays his principles. Can anyone deny that the basic principles of our democratic, Christian world, have been surrendered by the convention's stipulations in regard to the oppressed nationalities and religions in the Soviet Union?

What should the democratic powers have done before signing the Genocide Convention?

The common front of the democratic powers should have established conditions for the participation of the Soviet Union in this international convention.

These conditions should have been: (a) the liquidation of the MVD and a solemn renunciation of terror and murder in interior and foreign policy by the Soviet regime, (b) the establishment of an independent judicial system, (c) the immediate opening of all slave labor camps to investigation by the UN, and the establishment of responsibility for their atrocities by a competent international tribunal, (d) the liquidation of the dictatorship of the Communist Party.

By accepting these conditions the Soviet regime would have demonstrated its good will and its readiness to participate in an International Genocide Convention. By declining them, the Soviet Union would have granted the western powers a great moral victory and would have appeared before the world, self-accused and self-condemned. Without these conditions, the Genocide Convention has become another trick of Soviet propaganda, another lost opportunity for the democratic powers to support democratic ideas behind the iron curtain and in the Soviet Union.

The democratic powers have been morally defeated in consequence of a lack of vision and a lack of courage in defending the basis of the UN by revolutionary democratic ideas against Communist terrorism.

But—if the democratic powers grasp the realities of Soviet policy, and think more of their moral responsibility for the ideas of the Western World, and repudiate their cowardice, they can yet turn the defeat into a victory.

Therefore we appeal to the democratic powers now, after signing the Genocide Convention, to test, at once, the good will of the Soviet Union by demanding under the Charter:

(a) an immediate investigation by an international commission of the attempt, now under way, to liquidate the Catholic Church in western Ukraine, and the production of Metropolitan Slipy and Bishop Charnecky before the Commission;

(b) an immediate investigation by an international commission of the genocide now in progress in the Baltic States;

(c) an immediate investigation of the slave labor camps, the paramount instrument of Soviet genocide and immediate hearings by the commission of DP witnesses;

(d) an immediate investigation of the reasons why the UPA is warring against the Soviet Government, and immediate hearings, before the commission, of witnesses from the UPA.

We limit ourselves to these four cases of genocide, which are being committed now, because the Soviet Government on the basis of juridical reasons the convention provides, will refuse to answer questions about its pre-convention crimes. We believe it is the moral duty of the democratic powers to put these questions to Stalin.

If Stalin refuses to answer—denounce this document, which is nothing but a trap of Soviet propaganda. Do not permit Stalin to use the Genocide Convention as a smoke screen for Soviet genocide. Revoke your participation, in a public declaration explaining that legalized terror in the Soviet Union over national, ethnical, racial, and religious groups makes the honest application of the convention impossible. Revoke your signature in order that Stalin may not use the Genocide Convention as a justification of his crimes against nations and religions.

Therefore we appeal: Act! Only by courageous action can the democratic powers help the democratic underground movements of the oppressed nations and religions within the Soviet Union and behind the iron curtain. Only by this action can the Atlantic Pact gain the moral support of Stalin's victims. Only by this action can you also defend yourselves in your own states, in which Communist conspirators already are preparing to use Soviet terror and genocide against you, the signatories of the Genocide Convention against your nations and your religions. Leninism-Stalinism is already strangling your own throat. Don't forget Chambers and the confession of Budenz.

American friends, have the courage in this gigantic world struggle—in which only the stars are neutral—to proclaim as the historic mission of the Nation of Washington and Lincoln the abolition of slavery, tyranny, and genocide—according to the statutes of the UN—for us the victims of Stalin. And this will be the real epoch-making event for the progress of humanity. And do not fear the genocider in the Kremlin. "Rebellion against tyrants in obedience to God," said Benjamin Franklin. And that is true in foreign policy, too.

Hell Bent for Democracy's Destruction

EXTENSION OF REMARKS

OF

HON. EDWIN C. JOHNSON

OF COLORADO

IN THE SENATE OF THE UNITED STATES

Wednesday, July 6 (legislative day of Thursday, June 2), 1949

Mr. JOHNSON of Colorado. Mr. President, the Honorable Charles A. Stoddard, a former fellow townsman of mine, and the editor of our weekly newspaper, delivered a thought-provoking speech before the Colorado University School of Journalism on May 14, on the subject, Hell Bent for Democracy's Destruction.

I do not go along with Stoddard on all of his frightening conclusions, but his speech does incorporate a serious challenge which we in Congress should not ignore. I ask, therefore, unanimous consent to insert it in the Appendix of the RECORD for all Members of Congress to read.

There being no objection, the speech was ordered to be printed in the RECORD, as follows:

HELL BENT FOR DEMOCRACY'S DESTRUCTION

(By C. A. Stoddard, editor of the Craig Empire-Courier, Craig, Colo.)

Even a casual examination of history and literature leads to the conviction that men and women of today are about the same kinds of folks as have peopled the earth through many centuries.

They love and hate; they are proud and humble; they are selfish and generous; they'd share their last crust with a stranger but run him off the highway with a high-powered car; they are jealous of their neighbors' successes but in hours of sorrow, pour out their hearts in sympathy; they give liberally to charity but greedily seek to increase their fortunes; they are lazy and industrious profligate and thrifty.

MODERN MAN IS SMARTER

But the men and women whom we call moderns are smarter than those who have gone before. Using the knowledge of the ages as a springboard they have performed miracles. They have solved many of the secrets of the atom. They have built a flying machine and flown it around the world. They look farther into space than men have ever looked. They have taken matter apart and put it together again and produced a new material. They have explored and examined every portion of the earth. They have mapped the bottom of the sea and probed the stratosphere. They have built gadgets of every sort for almost every con-

ceivable purpose. They have tamed the material universe and made it do their bidding. But in their personal relationships they are still Adams and Eves, Cains and Abels.

Through the centuries, in their quest for control of human relationships, our predecessors have tried many and varied forms of government. Kings and queens, communes, oligarchies, democracies, republics, empires, and limited monarchies in many patterns have been tried and found to be unsatisfactory.

AN IDEAL PLAN

Until this generation we had thought that the American plan of representative democracy was the ideal one.

"Democracy is the control of man's affairs through the combined wills of the majority without infringement on the rights and privileges of minorities."[1]

It depends on "the mature and humane discipline of men who know how to run themselves well, how to respect their own rights and the requirements of their institutions, how to obey those institutions, to run them and to be independent of them."

Such was the concept of democracy when there was a meeting of great minds in America in a previous century and the American representative system of government, with proper and suitable checks against human frailties, was evolved. Those great minds knew the heights to which men and women can rise when challenged and they took into account the depths to which men and women can fall when the divine spark goes out in the minds and hearts of men.

They sought to give free reign to the good in men and they sought with equal diligence to thwart before its inception, too greedy exercise of power, either of individuals or of majorities.

The results of their handiwork need no eulogy. Achievements speak louder than theories. Under its lovely emblem, a great people have prospered, bled, and died for those same ideals for which the Christ bled and died, and attained a preeminence such that all men of good will turn to them now for help and guidance as the sunflower turns its face to the sun through the hours of the day.

The American system was evolved out of a period of revolution which was world-wide, and out of which came these concepts: That governments exist for the people, not the people for governments; that a man's religion and his government are entities and must forever be divorced; that government has a field of operation which is separate and distinct from the field in which a man earns his livelihood.

Today a new revolution in thought about government is sweeping the world. Each of those concepts is under attack in some quarters. One or more is under direct attack in almost every part of the globe.

On a world-wide front, people, confused by the intricate economics of a highly technical industrial organization and buffeted by the disturbances of war, are surrendering their faith in the truth and essentiality that governments are created for the people and that government and industry must be separated. They are surrendering their faith in those concepts in the belief that such surrender is necessary if they are to exist. Communism and a new socialism are on the march throughout the world.

In America, today, there are repercussions from those world-wide trends. In a Nation where the concepts of personal freedom and separation of government and economics have flowered to full fruition in a civilization surpassing anything the world has previously known, the flag representing individual freedom, initiative, self-reliance, and individual responsibility is being lowered from the flagstaff. And men are surrendering to the belief that an all-powerful, all-inclusive state can provide them with more of the goods and services they so much desire, goods and services which they fear they may not otherwise secure.

CENTRALIZED AUTHORITY

That surrender in America is apparent on every hand. With each passing year some new area which has been reserved to the individual is being given over to centralized authority.

We have stretched the Constitution so that the Federal Government can take in a greater scope of authority. We have forced the several States to conform to the Federal conscience. One out of every three dollars earned by the individual is turned over to the central authority for disbursal.

If we need roads, schools, farms, homes, relief for distressed individuals, we now turn to the Federal Government to provide them.

Care for each of us from the cradle to the grave is already advocated and even now we are debating the advisability of centralizing a health program in that authority. Within the year we have heard the threat that if private capital shall fail to expand its production, then it will be necessary for the great central authority to go into the fabrication business—the first outright threat of our Government to actually usurp the place of private enterprise.

The trend is unmistakable and the acceleration with which we are turning to the great father on the Potomac for goods and services is ever increasing. Each year we demand more from him and each year he must demand more from us in taxes so that he can take care of us.

Yes; even in America—the last bright hope for mankind—men have cut loose from their moorings and revolution is afoot in the land. Men are preaching and teaching that we can have the things we want without too much personal effort. They visualize a world in which there shall be plenty without labor, in which there can be wealth without thrift, in which by some hokus pokus of organization within the Government we can produce and distribute all the food, clothing, and gadgets which each of us may want.

GOVERNMENT BY ORGANIZATIONS

The Government which Lincoln characterized as "of the people, for the people, and by the people" is rapidly becoming one of organizations, for organizations, and by the bosses. In those organizations the voice of the people is being drowned by the raucous tones of the demagogues telling them what they must do if they are to reach the promised land of plenty, riding on the cushioned seat of a smart sedan.

An individual who may still hold to the belief that his hope for an increase in a share of goods and services about him can come only if he, as one individual, joins other individuals in greater production of those goods and services, finds that in the councils of the organization to which he belongs he is in hopeless minority.

We vote by blocs—the industrial bloc, the farm bloc, the business bloc, the labor bloc, the veterans' bloc, the pension bloc, the welfare bloc, the school bloc. Almost without exception we are casting our ballots in the hope that our particular bloc representing the combined vote of our organization is going to be in the best position to get the biggest share of the national income when the jackpot is divided, and be in the strongest position to dominate special legislation. If this trend continues we can easily in America foresee the day when we can send the national heads of our organizations to Washington to cast all our votes for us and thus save the expense of holding a national election.

Many of these organizations have already grown from vehicles for a purpose to entities in themselves which in the eyes of millions of their membership make them more important than the Government itself. They have partially usurped the place of the political parties in national affairs and their controlled opinions now dominate much of the thought of the Nation.

So potent have these organizations become that it is conceivable that 25 men in the United States who control their thought and their united action could dominate the results of any national election.

These organizations are an inevitable result of the acceptance of the theory that minute regimentation by government of business, industry, labor, agriculture, and all production and consumption is essential in our complicated economic order. Indeed, they are essential to the people if they are to safeguard themselves against new laws and new regulations which some planning do-gooder conceives to be desirable, and they are essential in many instances if their members are to protect themselves against exploitation.

Through regimentation we have created this oligarchy of organization bosses who are sometimes heedless of the national welfare and who are always interested primarily in their self-preservation.

At the moment a balance between the part of the national income taken by Government and that part permitted to the individual is being maintained. But with the first winds of adversity, winds which may now be foreseen and forecast, the Federal Government must take an increasing portion of the income and as more is taken, the need for taking more will be accelerated. The time must come when the portion of the national income which can safely be taken by the Federal Government will not be sufficient to provide for its contracted services.

Already, our elected officers have advanced the theory that it is an obligation of central authority to guarantee all men and women a job at a return sufficient to provide a high standard of living. Note that this theory is not that central authority is obligated to strive to mitigate the ill effects of unemployment, to relieve human suffering or care for the aged. These are already provided. The theory is now advanced that giving employment is a proper function of Government and that the citizen has among his other rights the right to a good job at high returns. Almost without protest we have seen this theory advanced. Few voices are now raised against it. Few have had the courage to declare that this is a proper obligation of society at large but certainly is not a proper function of Government.

AMERICA'S GRAVEST PERIL

In acceptance of that theory lies America's gravest peril today. Even now private enterprise is permitted to exist only so long as there is universal employment at high wages. When business stagnates through the satisfaction of the demands for goods and services, when there are millions of unemployed and the struggle to maintain a high standard of living becomes universal as it surely will become, then will the demand be made that Government fulfill its promises. With the votes of many blocs to back up this demand, there can be no other course than the assumption of the tools of production by Government. The death knell of private enterprise will be sounded. Government not only will insure a job for every individual, it must become his direct employer.

Such was the course of events in Great Britain and such may be the course of events in America.

That is why it is my apprehension that America is driving, hell-bent for democracy's destruction.

It was about such a situation that the great General Eisenhower warned recently

[1] Quoted from Max Ascoli's The Power of Freedom.

when he referred to a "creeping paralysis of thought" and a "readiness to accept paternalistic measures" as the great dangers of leading us into dictatorship. Such a dictatorship will not be one of guns and a strong leader. It will be the dictatorship born of an ideal. Said he, "This dictatorship will be born of a surrender of our own responsibilities, and therefore, a surrender of our own thought over our own lives and our own right to exercise our vote indicating the policies of this country.

"If we allow this constant drift toward centralized bureaucratic government to continue, finally it will be expressed not only in the practice of laying down the rules and laws governing each of us—our daily actions—to insure that we do not take advantage of our comrades and other citizens, but finally it will be the actual field of operation."

"There will be a swarming of bureaucrats over the land. Ownership of property will gradually drift into the central government and finally you will have to have dictatorship as the only means of operating such a huge organization."

PROPERTY RIGHTS AND HUMAN RIGHTS

Although all men today recognize the constant drift toward the centralization of all authority and its domination through regimentation, many defend that drift and there is no general awareness of its dangers. It is said that human rights must transcend property rights but I bring you this heresy—that if there be no property rights of individuals, then there cannot and will not for long be any human rights unless the right to fawn upon an official of the state for his favor and beg some largess from the resources which he must have at his disposal, can be regarded as a human right. That and obedience to the orders of authority is all that will be left.

With the destruction of the rights of property and when regimentation becomes complete, the citizen becomes a vassal of authority in a feudal system which we thought, until this generation, had been outgrown.

The destruction of property rights in America, as such destruction has already done in other countries, means the inevitable subjugation of the human being, body and soul, to the dictates of authority.

And whether that authority be the fiat of an individual, the decree of a cabinet, or even the will of a majority, it cannot fail to be equally intolerable to the soul of man if it proscribes for him how he shall think, what work he shall pursue, when and where he shall be employed, and what he shall receive for that employment.

I plead for another heresy, one which, to my way of thinking, should be placed among the most cherished of human rights and that is the right of every individual to fail or succeed on his own merits, through the use of his skills, his ingenuity, his initiative, his self-denial, and his singleness of purpose.

When once we accept authoritative regimentation and destroy property rights and the profit motive, we may attain a semblance of security, but we shall deny the right of men and women to try their wings, to soar to great heights through their best efforts.

The regimentation of society, of industry, of agriculture, has for its goal the elimination of the right and opportunity to fail. That is its chief purpose. But when that goal is attained there will remain only two fields where the right to succeed or fail is retained. These will be the field of government where merit and ability have seldom been a determining factor in advancement and in the internal work of organizations where talent is sometimes confused with ruthlessness.

A world so limited in opportunity offers no inducement for growth through effort. It makes life a humdrum routine and not a great adventure.

In defense of the acceptance of the authoritative state, it has been said that America has nothing to fear but fear itself so long as we retain the ballot and the right to choose our officers. Let us never forget that in the heyday of Hitler's Fascist state, the German people retained the right to vote. Think you there were not people among them who revolted inwardly, even as you and I, at what they saw? And the people of Russia and those who are now submerged behind the iron curtain of the authoritarian states, still retain the right to vote but of what value is the ballot if there be no choice in candidates, if the issues are determined in advance by a ruling class?

THE WELFARE STATE

The thought currently being fostered and commonly accepted in presumably enlightened circles is that we must adopt the welfare state, with its regimentation and complete control of economic life. And there are many men who believe that we must eventually sacrifice private enterprise to the good of the whole.

These men tell us that we, the people, can express our democracy by building parks in our communities, by managing our schools which will, of course, be assisted financially by the State which is primarily interested in the welfare of the people, and home community cooperative activities of various kinds.

In other words our only course in America is the acceptance of the authoritarian state with all that implies. Perhaps, it is the course which we will take. But the American people should be made aware of the fact that such is a commonly accepted attitude in enlightened circles.

This course offers no solution but will present only different problems. It is a surrender of freedom, in spite of the fact that it is planned for our good and depends, not upon democratic ideals, but upon authority; for, eventually someone must use force to carry out the decrees of our enlightened leaders, even in a welfare state.

And whether or not the American people will accept such a milk-toast diet for the expression of their democracy, is a grave question. I am convinced that they will not do so for long.

THE PERFECT PLAN

There can be no doubt that if all men were industrious and unselfish, if all men loved their neighbors as themselves, if men did not seek to dominate their fellows, if men would be as careful of the property which belongs to others as their own, if men would work for an ideal as zealously as they will for a dollar, if, in fine, all men and women had changed with their changing world, there could be no better government devised than a democracy in which all shared equally in the ownership of property, of the tools of production and shared in the fruits of their industry through some perfect plan of distribution based on human need and the contribution of the individual to the good of the whole in a welfare state.

But the perusal of any newspaper, observation of events about us, and a glimpse in the pages of history convinces one that even in America, where freedom of opportunity, freedom of education, and comparative freedom from want have, for a century and a half, lent their blessings to the growth and development of the spirit of men, we have failed to keep pace in that growth and development with changes in our economic world.

AMERICA'S GREAT NEEDS

It is obvious that we still need the spur of the profit motive to drive us to production; we need the quirt of fear of want to keep us in our offices or at our stations in factories or mines or on the farm; we still need the curb of Government control to prevent us from exploitation of our fellow men.

It is true that we need work for which we are fitted by temperament and training at wages which will insure a comfortable standard of living but at the same time we need a higher standard of life. We need to realize that if democratic freedom, which is still our high ideal, is to survive, we must as carefully keep the field of government separated from the field of private enterprise as we have maintained the separation of church and state to insure religious liberty.

We could never deny the necessities of life to fellow Americans whatever the cost, but we must hold fast to the conviction that the cost need not be the surrender of democracy, self-reliance, and individual responsibility.

We need to again put our trust in ourselves, our faith in fair dealing and our confidence in thrift and hard work to bring us the satisfaction in life we so much desire.

We must never waver in our belief that free democratic power, the will of the majority, is still the greatest force for good for all men lin the world today and it is the most potent weapon against the evils of greed and domination when justly applied. Democracy will not fail, but we may.

This, above all, we need in America today to fashion better, more enlightened men, just men, men more in the image of God.

We are on the road, driving hell-bent for Democracy's destruction, but we are not going to continue that course and actually exchange our birthright for a mess of pottage.

Even now, the challenge is ringing out to this generation to preserve democracy through the application of courageous intelligence.

Surely the same intelligence which has brought about the subjugation of the material world to its will can lift us up to a standard of life where we may enjoy the fruits of that conquest without surrender of human freedom.

One Hundred and Fiftieth Anniversary Celebration of Founding of Fort Adams, R. I.

EXTENSION OF REMARKS

OF

HON. J. HOWARD McGRATH

OF RHODE ISLAND

IN THE SENATE OF THE UNITED STATES

Wednesday, July 6 (legislative day of Thursday, June 2), 1949

Mr. McGRATH. Mr. President, I ask unanimous consent to have printed in the Appendix of the RECORD an address delivered by my colleague, the senior Senator from Rhode Island [Mr. GREEN] at the one hundred and fiftieth anniversary celebration of the founding of Fort Adams, Newport, R. I., July 4, 1949.

There being no objection, the address was ordered to be printed in the RECORD, as follows:

Colonel Metzger, distinguished guests, and fellow citizens, it is a real gratification to me to be given the privilege of having a part in this interesting celebration. As a small boy, I spent much time in Newport and often was taken to parades and other military exercises here in Fort Adams and was always thrilled. From time to time since, I have come here, following its rather varied career. Though it would be interesting to delve into its history, there is not time now. However, I want to leave one thought with you on this occasion. That

history of 150 years has been so eventful that it seems to me Fort Adams should be made a national monument.

Just before this special celebration of the founding of Fort Adams, July 4, 1799, there was held here by the Rhode Island Society of the Cincinnati and the Rhode Island Society of the Sons of the Revolution their regular annual celebration of the founding of this State of Rhode Island on May 4, 1776, and on the founding of this great Nation, the United States of America, on July 4, 2 months later. As these events we celebrate today occurred only 23 years apart, it seems appropriate to consider them together.

The two Declarations of Independence set forth the principles on which our forefathers based their right to independence, and, as a means of attaining it, justified the duty of revolution. The founding of this fort was a necessary part of the effort to make good the brave words of those two declarations. Our forefathers believed heart and soul in those principles, and they were willing to make every necessary sacrifice of their comfort, of their means, and even of their lives, to give life to those principles, and let them develop and endure.

Were, then, those principles so firmly established that we, the descendants of our victorious forefathers, can now lie back and enjoy the fruits of their sacrifices? No thinking man or woman can look about the world today and say "Yes."

For generations we have applied those principles. We have seen them spread across this continent, and then take root throughout this hemisphere, and affect the thought, and in part the actions, of the peoples of Europe and Asia and the Islands of the Sea. We believed them to be irresistible. We thought that by their own inherent strength they would envelop the world, without the need of any effort on our part.

Then during and after the First World War came a rude awakening. The movement which we thought was self-perpetuating and irresistible, slowly came to a stop. Some good people may have concluded that, though further progress could not be expected for a while, yet our principles would hold what they had already gained, and would later advance still farther. But adverse forces began to form, and undertook, not merely negative defense, but also positive attack. There has developed a struggle for supremacy between two great ideologies.

On the one side stand the democratic principles to which our forefathers gave definite expression in our Declaration of Independence and which their successors carried into practice and developed. On the other side stand the totalitarian principles which are the direct opposite, and find expression in the Fascist, Nazi, and Communist forms of government and ways of life.

These two great forces need not necessarily come into military conflict, or the use of physical force. In fact, such conflict is much more likely to result from extreme nationalism than from differences in form of government. These forces are however already engaged in another kind of conflict—the conflict of ideas.

Are we ready to meet them in this kind of warfare? Are we preparing our defenses? Are we organizing for an offensive?

The test will be—which side is the most likely to use intelligently the resources of this earth for the benefit of mankind generally.

We Americans firmly believe we are the ones selected by the Almighty—but the peoples of the world are not ready to accept our say-so. We must offer them proof—proof they are not too eager to accept.

It is not enough for us to read to them the fine words of our Declaration of Independence and of our Constitution. They ask for deeds not words. They ask us to reconcile the two. "Otherwise" they say "why should not we revolutionize our part of the world, as you did your part? Or better still the whole world?"

We are too apt to assume that a revolution against an existing government means that the people seek to establish one founded on totalitarian principles. That may or may not be the case. The American people did not seek to do that in their revolution, the success of which we celebrate today. A revolution elsewhere may seek likewise to establish a more democratic form of government, or merely to reform the existing government.

The Rhode Island Declaration of Independence begins with the words "Whereas in all States existing by compact protection and allegiance are reciprocal, the latter being only due in consequence of the former." The Federal Declaration of Independence, near its beginning, after reference to unalienable rights states "That to secure more rights governments are instituted among men, deriving their just powers from the consent of the governed; that whenever any form of government becomes destructive of these ends, it is the right of the people to alter or abolish it, and to institute a new government, laying its foundation on such principles and organizing its powers in such forms as to them shall seem most likely to effect their safety and happiness."

Therefore, mindful of our own revolution, we should be careful to learn the facts before we judge the motive of a revolution elsewhere. We certainly should do so before we render aid to a government whose people may have been treated as the American colonists were treated.

We must have the courage of our convictions. Let us admit that we have made some mistakes, which we intend to correct; but let us make clear that, all things considered, the principles our forefathers laid down at the start have been our guiding principles and will lead us nearer the goal than any other set of principles could lead us. We will still press on to that goal.

We must fight as our forefathers fought. We must be ready and willing and eager to make the sacrifices they made. Their success will be ours, as it was theirs.

We read and hear how fearful some people are of the outcome of this conflict. A few Communists stir up some rumpus and a lot of people shake their heads, double-lock their doors and look under their beds. Some few are even willing to sacrifice our hard won rights of individual freedom in order to get even with the traitors actual or suspected.

Why should we be fearful? Why should any American who truly believes in our American institutions doubt the outcome? But we must make ready, we must fight as our forefathers did—not merely make a defensive denial of the charge of our opponents, but maintain an aggressive democracy. As our most potent weapon—our convincing atom bomb—let us maintain in fact, what we declare in principle, that under our American form of government, more than under any other form, men are secure in their unalienable rights of life, liberty and the pursuit of happiness.

Delegation of Executive Authority

REMARKS

OF

HON. JOHN W. McCORMACK

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 7, 1949

Mr. McCORMACK. Mr. Speaker, I will introduce today legislation designed to relieve the President of the United States of much time-consuming and burdensome routine duties.

This legislation, which will authorize the President to delegate certain authority to subordinates in the Government, is the result of a personal conversation I had with President Truman earlier in the year.

An exhaustive study of the duties of the President was made. It disclosed that over the year the Chief Executive has to affix his signature to documents, papers, and letters each day an average of 600 times. The study showed that there are more than 100 major categories of papers and documents the President must sign.

The President expends so-called leisure hours working on his papers. On week end trips aboard the yacht *Williamsburg*, while traveling by airplane, and at the White House late at night the President spends hours signing papers which could be signed by subordinates.

The bill I propose has the approval of President Truman. It is supplemental to the recently enacted Government Reorganization Act. The measure also has been approved by the Budget Bureau.

The legislation is unique in that it is written so that any future President may recapture any power delegated to a subordinate by his predecessor.

Furthermore, the President can revoke any delegation of power under this bill at any time in whole or in part.

The legislation also prohibits the delegation of authority of any function vested in the President by law, if such law affirmatively bars delegation of any such function. It does not deprive the President of any inherent rights under the Constitution and statutes, and it holds the President responsible for actions of subordinates to whom authority is delegated.

The problem of relieving the President of routine duties which deprive him of time that could be spent on high policy matters has been studied by experts for a period of years. The measure I am sponsoring, I believe, meets all the previously raised objections.

The work load of the Chief Executive has been expanded tremendously in recent years. Through Executive orders and some new practices, the work load has been reduced, but only in some aspects. They have been increased manyfold otherwise.

It is my belief that this measure will free the President from many routine duties, give him greater flexibility in the conduct of his office, and allow him to devote more time to major questions of policy and administration.

Besides the great demand for the President's time by callers and personal mail, the Chief Executive is required to supervise 74 departments and agencies, besides the White House, the Council of Economic Advisers, and the Bureau of the Budget. More than two-thirds of the total number of obligations of the President are accounted for by matters pertaining to the 10 departments, and of this total of two-thirds, approximately three-quarters are accounted for by the Department of Defense, the Treasury,

and Interior Department. This is so because of the constitutional basis of Presidential power.

Delegation of authority is a matter of good administration. I believe the Chief Executive of the greatest administrative enterprise in the Nation should be able to avail himself of this method of expediting the public business in the interests of economy and efficiency. Such delegation of power does not relieve the Chief Executive of responsibility for the acts performed.

Each new Congress imposes new obligations on the Chief Executive through legislation enacted. The situation has now developed to the point where the President is probably the most overworked man in the country.

I believe this bill will go far in making it possible to relieve the President of burdensome routine and permit him to devote more of his valuable and limited time to major problems of state.

TVA Demonstrates How Man Best Can Utilize Nature's Many Blessings

EXTENSION OF REMARKS

OF

HON. ROBERT E. JONES, JR.

OF ALABAMA

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 7, 1949

Mr. JONES of Alabama. Mr. Speaker, under leave to extend my remarks, I include a statement made by Mr. P. O. Davis, the distinguished and able director of extension at Alabama Polytechnic Institute, entitled "TVA Demonstrates How Man Best Can Utilize Nature's Many Blessings":

TVA DEMONSTRATES HOW MAN BEST CAN UTILIZE NATURE'S MANY BLESSINGS

(By P. O. Davis, API extension director)

Athens was the first city in Alabama to use electricity from TVA. Their fifteenth anniversary of this was celebrated on June 25 with Hon. SAM RAYBURN, a Texas Congressman and the Speaker of the United States House of Representatives, Washington, as the main speaker. Short talks were made by Senators Lister Hill and John Sparkman, Mayor Cooper Green, of Birmingham, and others. Congressman Bob Jones introduced Mr. Rayburn.

As I observed and listened, I could see and hear a review of the TVA program. Many of the floats in the parade related to electric power from TVA, or from the Tennessee River.

The agricultural floats reminded me of the TVA fertilizer program which has improved and enriched land to the extent of much higher production per acre and per man.

Then I thought of something more important than electric power or fertilizer, although each of these is of great importance. It is the democracy of TVA in its procedure in relation to State, county, and municipal government.

From top to bottom TVA is democracy at heart and in procedure. Instead of being a Federal bureau that competes, or attempts to supplant State and local government, it cooperates heartily with each and all down to and with individuals.

Much good has been accomplished with minimum administrative problems and without duplication of effort. A dollar of public money has accomplished more.

It all reminded me that the prosperity of any area is based upon what nature did in supplying raw materials, plus man's use of these materials.

Nature blessed abundantly the TVA area with land, water, animals, plants, minerals, and other things. TVA, by its procedure and assistance, is a big factor in the wise use of all of these products which nature gave us.

It is, therefore, another demonstration of the fact that wherever people think and work together, wealth is created and they do a good job of living. And they do these things through democracy at the local level.

Valley of the Dammed

EXTENSION OF REMARKS

OF

HON. WILLIAM LEMKE

OF NORTH DAKOTA

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 7, 1949

Mr. LEMKE. Mr. Speaker, in the extension of my remarks, I include parts 5 and 6 of the articles entitled "Valley of the Dammed" by Bigelow Neal.

I hope that every Member will take time to read these articles. They are instructive and give first-hand information as to how our Government operates when it takes private property for public use.

Here you get first-hand information as to how the Real Estate Division of the Army Engineer Corps operates. If there were more justice and decency in this Division, then many of the heartbreaks and much of the ill feeling toward the Government on the part of those whose homes are forcibly taken could be avoided.

Here are parts 5 and 6 as they appear in the McLean County Independent. They speak for themselves:

VALLEY OF THE DAMMED

(By Bigelow Neal)

PART V

This morning before coming to my typewriter, I climbed a hill behind what used to be my home. From there I could see for miles up and down the valley of the Missouri and I got to thinking of the first time I climbed that hill, more than half a century ago.

I was pretty small then with a pony, a dog, and a 22 rifle, usually not too effective because of 15 or 20 bullets stuck in its barrel. But I do remember the occasion well because I found a grave, just a hole in the ground roofed over with short poles and a layer of dirt. In one place the poles had rotted and had fallen in and I could look down at a queer, huddled figure wrapped in red and green mosquito netting and pieces of buckskin.

The roof had leaked, the red and green had run pretty much together and the buckskin was fringed with mold. I remember, too, some earthern jars and a pail made of buffalo hide, a rusty old rifle and a bow whose string of deer sinews was too far gone ever to twang again. Then I remember of riding rapidly away, looking back over my shoulder occasionally—just to be sure.

But I came again many times in the years that passed, and I remember the valley at sunrise and noon and sunset and under a yellow moon.

When I saw it first, no one lived there, not for 10 miles or more to the east, 40 miles to the north, and 15 miles to the west where my Arickara Indian neighbors rested in what they hoped would prove to be their last encampment.

With the sunrise I have seen bands of antelope like white and brown banners rippling through the coulees, coyotes by the score bounding high to peer at me over some neighboring ridge and occasionally a black-tailed deer grazing in the shadows of the coulees. At noon tens of thousands of acres of waving grass. At sunset bands of white-tailed deer feeding along the timber; ducks and beavers and splashing fish, sending waves along and across the ponds; prairie chickens whirring in from the prairies to roost in the trees and always the golden eagle who rode the up-draft at one end of the hill or the other, like a black monoplane pinned high against the sky. Then moonlight with the silver ladder on the Missouri, coyotes chattering and singing with great enthusiasm and poor control, the thump of a startled beaver's tail and once in a long, long while the soul-shattering howl of a buffalo wolf. Then nothing but yellow moonlight over the sleeping hills—and silence.

I say no one lived here. That is true. And yet there was nothing of loneliness because of the wild folks and nothing of despair because the valley was filled with promise and the bright sunshine of hope. No one thought of fear then because there were no poisonous snakes, the wolves and coyotes were harmless and the hills were there to give shelter against the storm and over all God had spread a mantle of quiet and peace.

Later, I saw the day when the valley was filled with homes; when with the sunrise, you might see the smoke of many chimneys and, if your ears were very good, you might hear the barking of playing dogs and the laughter of children. God had spoken again and the hills were covered with cattle and horses and sheep, the waving grass of the prairies had given way to the waving grain of the fields. Still it was a good country. Still there was no better place in the world to live.

But this morning the spirals of smoke from the breakfast fires had drifted away forever, the homes were gone, the laughter of children had been silenced for all the centuries to come. Up there on the hill I knew, I stood in a spiritland. With me was the ghost of the old warrior and the ghost of a community and I sometimes think that the cruelty and the stupidity and the hatred I have seen in the past few months have made me somewhat of a ghost of myself.

Granting that the dam must be built, granting that these neighbors of mine must sacrifice their homes, how did it come about that this thing came to pass 5, 6, maybe 10 years before it was necessary? Why was it done through fear when it could have been done in sympathy? Why was it done in cruelty when it could have been done in the spirit of rehabilitation? Why was it done at all when it was wholly unnecessary and until the waters could have come in to cover up the scars?

The answer lies somewhere in the spirit and in the policy of a small group of men. And so, ladies and gentlemen, it becomes my duty to introduce to you—with no feeling of pride whatever: The Real Estate Division of the Army Engineer Corps.

Just a word before I begin the more painful part of my task. Since these articles began to run in the Independent, I have received two communications from men high in the ranks of the Real Estate Division and one from a man very high in the Department of Justice. From each of these communications and in the order given above, I want to select and quote one sentence:

1. "We certainly need a good overhauling. I hope you can bring it about."

2. "This thing we have done here is shameful. It is so shameful it is disgusting."

3. "I think you are doing a very fine work."

My heartfelt thanks to each of you.

And now to business: From the Army point of view, the Real Estate Division of the Army Engineer Corps is the unwanted offspring of a shotgun marriage, bigamous at that, between the Engineer Corps, the Bureau of Reclamation and any other agency of Government which needs land to be taken under the Act of Eminent Domain. Biologically it is a wonder of science because it carries none of the blood of its sire. In other words, it is not of the Army but purely a civil-service organization set up in Washington for the sole object of purchasing lands and of handling the business growing out of such purchase.

The phenomenon we have at Riverdale is a section of this civil-service organization attached to the Army Engineer Corps and theoretically responsible to the district engineer. But that's theory. And is only theory because:

For at least two reasons that perhaps I had better omit from my story, an Army engineer looking down at his own real-estate division bears a startling resemblance to a man on top of the North Dakota capitol building looking down at a flying ant drying his wings on the statute of Sakakawea and looking through a pair of field glasses held wrong end to. The engineer and the engineer's lady have less than nothing in common with these employees, either socially or intellectually.

Now as you might guess, the Real Estate Division has learned all about his state of affairs and so they refer to the engineers as, "the brass," "the military," and even by other terms as unprintable as those they apply to me.

Illustrative of this amicable relationship and filial devotion, one day I put on my best Sunday-go-to-meeting pants and manners and walked into the general offices of the Real Estate Division with my belt tightened to the last notch to hold my shirt down in case of emergencies.

There were about 20 people in the room, sitting at rows of little tables just like bright scholars waiting for their teacher. And evidently they weren't mistaking me for their teacher for nobody offered me an apple. Indeed from their attitude I began to wish I was back in the days of my own youth. The feeling of my old Colts .45 nestling against my hip would have been fortifying to my soul.

In an attempt to stare all of the scholars down one by one, I was about halfway through when one of them got up, stood on one foot a moment to put a shoe on the other and came forward with every appearance of reluctance. Hoping that my chin wouldn't tremble or my knees rattle too loudly against my trousers, I tried a question. "Can you tell me if Colonel Seybold is here today?"

"No, he isn't."

"Is there any chance of his being in later?"

"We never know when he'll be in and what's more we don't care?"

"Fine," I said, "if you don't care, I don't care and I'll bet my shirt the colonel doesn't care either."

In a way this brotherly spirit is amusing. In another way it's tragic. We'll come to the tragedy a little later.

Going back to this organization in Washington, they were set up for the purpose of acquiring lands. In the process and through the years they formed a very high opinion of themselves and also they developed certain rules to guide their conduct:

1. That they were superior to the Congress of the United States and that when the Congress said the owners of lands condemned under the act of eminent domain should have fair and just treatment, Congress simply didn't know what it was talking about.

2. That when the Supreme Court of the United States said that fair and just treatment meant that the owner of the condemned land should be put back in the exact position he occupied before—financially, of course—this ruling was not to be taken seriously.

3. That in spite of Congress and the Supreme Court of the United States, they had a right to purchase this land as cheaply as possible.

4. That they had a right to appraise lands but that the landowner had no right to know the amount at which his land was appraised.

5. That all is fair in love, war, and land acquisition.

6. That a home owner who doesn't sign their option the first day is unpatriotic.

7. That a home owner who refuses to sign the option the second day is a chiseler.

8. That a home owner who doesn't sign on the third day is a d____ chiseler.

9. That a home owner who doesn't sign on the fourth day is a ____ well, if you know anything about what they call me, you can guess what President Truman was thinking about when he said what he said when he said it.

10. That it isn't necessary to obey the orders of the Army Engineer Corps.

11. That such trivial things as brotherly love Christian fellowship, justice, mercy, and gentleness have nothing to do with the land acquisition business.

The odd and paradoxical and inexplicable thing about the Real Estate Division is that its shortcomings are not a matter of men but of policy. In this division there are many fine men and women, people you would be happy and proud to list among your friends. But because they have homes to support and children away at school and because they know of no other way to make a living, they go on month after month and year after year doing things of which, according to their own confessions, they are ashamed.

And so we come next week to the question, how do they do it?

PART VI

This week I want to start with what, from here on, will amount to my creed and my text for every line that is to follow. If you are fair minded, and I hope you are, I ask you to read the following lines taken from a unanimous opinion of the Supreme Court of the United States and written by Justice Butler in a case referred to by lawyers as *Campbell* v. *United States* (266 U. S. 368, 45 Supreme Court Reporter 115).

I quote—"Thereupon he became entitled to have the just compensation safeguarded by the fifth amendment of the Constitution; that is the value of the land taken, and the damages inflicted by the taking—was a sum as would put him in as good a position pecuniarily as he would have been had his property not been taken."

From this you will see that the Supreme Court has ruled that a man who must sacrifice his home to a work of public welfare must lose nothing financially by the taking of his land. Obviously it means that he must be paid enough to reestablish himself in a home of equal value and in the same community and that he is entitled to whatever damages he may suffer incidental to his moving and reestablishing himself. Please don't forget this. And bear it in mind as I tell you how the real-estate division of the Army Engineer Corps has disregarded the will of Congress in passing the fifth amendment to the Constitution of the United States and also this ruling of the highest and greatest Court in our land.

And if you think this the worst that could happen to a community in these United States of America, you are in error. As yet, we haven't ever touched bottom. Not only do they disregard these clear mandates but they appraise our land with their own figures, manipulated by their own paid employees and then try to buy the land at figures far below their own appraisal. All too often they are successful and the land actually passes to the Government at a figure below the appraised valuation.

What next? Is there no limit to this thing? Apparently not. Their rental program is founded on the same principles, the same policy and the same business ethics.

So we have an organization known as the Real Estate Division—or the Land Acquisition Branch—or whatever it chooses to call itself at the moment, an organization built up in Washington and imbued with the idea that it is its business to "buy" lands at the lowest possible figure, unfettered by any idea of justice, fair play, sympathy, or common sense. And here we have a section of that organization attached to the Army Engineer Corps, depopulating township after township of the best land in western North Dakota when everyone admits that the land should be kept under cultivation and raising stock until it is actually needed for a bottom to one of the biggest man-made lakes this world has ever seen.

If you ask a real engineer when the dam will need these lands, he will say 5 years, 6 years, 7 years, and even longer. The fact is that he doesn't know.

Not the least of these injustices then is forcing people from their homes when the dam has no immediate use for the lands and when the dollars with which they so grudgingly pay for the land are worth less than 50 cents a piece. Why not leave them alone until the price of building material comes down?

Out of the dislike and jealousy which has grown up between the Army Engineer Corps and its Real Estate Division has come more hardship for the landowners. I can't imagine the Army Engineer Corps being cruel or unjust. I can't believe they would stoop to doubtful business ethics and I am not going to believe until they confess their guilt. But it is clear that they have lost all control of their own Real Estate Division. Out of this comes the paradoxical situation where, when you talk with an engineer, he will say what is right and when you deal with his subordinates, you will get only what is wrong.

Here in my home not very long ago, Colonel Seybold delivered certain orders to one of his employees. Those orders were delivered with "wim, wigor, and witality." Had they been carried out they would have done a vast amount of good. But much later when I checked with the men to whom the orders were to be transmitted, I found that they never had heard of them. In other words, the best range the colonel's broadside could reach was less than 3 feet from the end of his nose.

Colonel Seybold told me that he not only had no desire to drive my neighbors from their homes but he hoped they would remain on their lands and be happy there. He promised to do all that he could to aid them and to cooperate with them. He said clearly that aside from clearing timber and making last-minute preparation for the rising water, he had no use for the lands and would not annoy the landowners in any way. I am certain he meant it. And, yet, this valley has—so far as human life is concerned—been turned into a desert.

By the way, it has come to my attention that the good colonel has begun to worry a little about my citizenship. Somebody has told him I'm really a wild-eyed radical. Knowing that the colonel reads this copy faithfully, I've a suggestion and an offer to make. I suggest that, as long as he lives so near the State capitol, he drop in someday to the chambers of the North Dakota Supreme Court; the decisions of the men who live there are supposed to be final on local matters. All five have been my personal friends for many years. If any one of them says I'm a poor citizen even by the colonel's own standards, then, if the colonel will

bundle up and send me all of his old shoes, I'll shine them for him—and no charge for the service.

The appraisal

There was a time when I believed in Santa Claus. I also believed in fairies. And along about that time my mother taught me about the flag of our country and how, under its starry folds, rippling up there against the sky, there could be nothing but things that were nice like freedom and justice and generosity and mercy. And above all I came to believe that such a thing as deceit in the name of that flag was not only unthinkable but an impossibility. I clung to that belief a good many years.

And then one morning two young men came to my farm. They drove a long, low black car with something about the United States Army on its sides and a license plate beginning with the letter, "W." They said they had come to appraise my home and, although it was a sad moment to me and to mine, I had no feeling other than trust in these young men.

Everything started out fine. Indeed, as far as those young men were concerned, I believe it would have been still going fine today. They were nice. They were just as I expected them to be.

Of course, they were a bit young, I doubted whether either knew much about practical farming and, when I questioned them, I found my suspicions were fairly correct. Both had lived on farms but neither had ever tried to wrest from a farm a living for a family. They had been boys on farms and fine lads at that, but they never had known responsibility in connection with farming.

As to their fair mindedness, however, there could be no question. In one instance I suspected them of leaning over backward in my favor. It was when I pointed out a piece of clay wash and gumbo and told them it was no good. One of the young men got out of the car with an auger and bored a hole in a place that hadn't raised anything but a lone gumbo lily in 1800 years. He took some of the soil from the auger and smelled of it, he stuck out his tongue and took just a teeny-weeny taste. Then he rubbed a little on the end of his nose and looked at it cross-eyed. "You're mistaken," he said cheerfully, "that's good soil."

Well—I had told them the truth, as the gumbo weeds and I saw it, why go on and rub it in. "Fine," I said, "that proves that a man is never too old to learn."

So then they asked me how many fence posts there were in a patch of timber. I told them I thought there were about a hundred and fifty. They said they'd check my figures. They did. They came back and told me the correct number was 490. Fine again. Business was picking up. At that stage things looked mighty hopeful.

I showed them 2 acres of land under irrigation and asked them what it was worth. Now whether one of them said $500 an acre or $500 for the 2 acres, I'm not sure. And really it isn't worth arguing about because I never got the money anyway.

Then there was a coal mine about 500 yards from my kitchen range. They thought that was worth $500 to any man. I did too. So they wrote some more figures down in the book.

Finally they got out a camera outfit and went to work in earnest. I had a pile of old hen's nests and boxes that had been piled up to furnish sort of a windbreak for some broody hens. I told them it was nothing. They said it was a building and worth money. So they took the pictures and wrote more figures down in the books. What are you going to do with a pair like that?

They came to my barn. I told them it was a straw shed and wasn't worth a nickel. But they took the pictures just the same and wrote more figures in the book.

Finally they came around to my house. It's nothing but a shack at best and I told them it wasn't even finished—in the orthodox manner—on the inside. But listen. They said it didn't make a particle of difference because they figured the value of houses by the cubic content. Was I happy about that? Why not? All of a sudden I had found that my shack was a real residence and worth about ten times what I thought it was.

And so, after a while, when they had tasted and sniffed and looked cross-eyed and photographed to their heart's content, they came to the time when they couldn't think of more to do, except to add up a lot of figures. When they said they were all through and we'd had a cup of coffee and everybody was in a happy frame of mind, I asked them if they'd leave me a copy of their appraisal.

Well, since then I haven't believed in fairies. They said, "We're not allowed to tell."

It seems that Rip Van Winkle was only a piker after all. Where he slept 20 years, I had been snoozing half a century and more. And after the boys had gone, I sat down and felt pretty bad, not so much because I was to lose my home as because they had taken my faith in something beautiful. Never again could the stars and stripes stand for quite so much as before.

There you are. That's the beginning of the tragedy.

Next week it will be worse.

Why I Support Senate Joint Resolution 108

EXTENSION OF REMARKS
OF
HON. NORRIS POULSON
OF CALIFORNIA
IN THE HOUSE OF REPRESENTATIVES

Tuesday, July 5, 1949

Mr. POULSON. Mr. Speaker, it is absolutely essential that we curtail Federal expenditures. I would much prefer that Congress make these cuts. However, I find that Congress is handicapped to ascertain where reductions should be made. In some cases, they even lack the courage. Therefore, I believe we should pass a law similar to Senate Joint Resolution 108 to compel the administration, namely the President, to make percentage cuts in all items except those which are fixed, such as interest on the debt.

It is true that we are again abdicating our powers to the executive branch of Government, but when we find our Nation in such a financial crisis as exists today, we have to accomplish results, namely, cut expenses.

Since we find "the chickens are coming home to roost" in that Congress is helpless, let us analyze the cause: We know that during the past 13 years the executive branch of the Government has gradually usurped the rights of the legislative branch of the Government until today the executive department definitely and unequivocally dominates and controls the Government of the United States.

Let me call to your attention one specific incident. In the Reorganization Act of 1946, Congress realized its helplessness in coping with the executive branch in scrutinizing the budget and set up a provision for obtaining this necessary technical and specialized assistance. The Eightieth Congress of which I am proud to have been a Member obtained for the Appropriations Committee the services of 8 permanent experts and approximately 50 top-notch consultants taken from a cross-section of private business and strictly on a nonpartisan basis. These men were all authorities in their particular field. As a result, we were intelligently able to cut the budget over $9,800,000,000 in 2 years.

Now, let me quote from a statement made by Representative WIGGLESWORTH, of Massachusetts, one of the top members on the Appropriations Committee, on the floor of the House on February 15, 1949, in telling what the committee had accomplished through the use of these experts:

> The over-all result was that the committee was able to effect savings on rescissions detailed in the CONGRESSIONAL RECORD of some $9,800,000,000 in 2 years, making possible a balanced budget for the first time in 16 years, making possible a reduction in our national debt of some $7,000,000,000, making possible a reduction in our tax burden of $4,600,000,000, 71 percent of which went to those with incomes of less than $5,000, some 7,000,000 persons being removed from tax rolls entirely.

Now, what did the Democratic leadership in control this year do? Quoting Representative WIGGLESWORTH on the same date, he said:

> Now, Mr. Chairman, you may be surprised, in view of this record, to know that this staff has been completely abolished. It has been abolished despite the experience of years, despite the intent of the Reorganization Act, despite the splendid record that it made.
>
> The staff has not only been abolished, it is not only a question of relieving those who served on the staff, the whole theory of a staff responsible only to the Appropriations Committee has been, for the time being, abandoned, and we have gone back to the old idea of asking one executive agency to please investigate the actions of another executive agency, whenever an investigation seems necessary.
>
> Mr. Chairman, that plan has been tried. It is better than nothing. But as long as human nature remains what it is, it will never, in my opinion, get fundamental results. In fact it may tend at times to conceal rather than to disclose.
>
> Real results depend on a permanent, nonpolitical skilled staff, responsible to the Appropriations Committee and to that committee alone.

The result of this action of the Democrats in Congress has made it impossible to find the padded portions of the budget. To add to this handicap, the Democrats with their preponderant majority at the first of this session rammed through the House the appropriations bills, most of them without a roll call, and today they are in the Senate. Therefore, our only alternative is to pass a bill such as Senate Joint Resolution 108 which will compel these necessary percentage cuts.

Problems of Small Business

EXTENSION OF REMARKS
OF
HON. WILLIAM S. HILL
OF COLORADO
IN THE HOUSE OF REPRESENTATIVES

Thursday, July 7, 1949

Mr. HILL. Mr. Speaker, the Select Committee To Conduct a Study and In-

vestigation of the Problems of Small Business, in their proceedings, volume 7, House of Representatives, in a meeting held June 30, 1949, we find the following statement which is a conversation between myself and the chief counsel, Mr. Joseph W. Kaufman and Mr. Walter B. Wooden, senior associate general counsel, Federal Trade Commission. I quote—hearings, June 30, 1949, pages 438–440:

Mr. KAUFMAN. Think how much worse it would be, and I think it would undoubtedly be worse if we had a basing-point system continued where there is no control whatever by the Government or any regulatory commission.

Mr. HILL. You do not mean to tell me this morning that is what this O'Mahoney bill means?

Mr. KAUFMAN. Yes.

Mr. HILL. It does? You surprise me. If I read correctly—I am a hardware merchant, not a lawyer—you mean to say that the report published by the subcommittee of which Congressman WALTER is chairman is entirely wrong. I quote:

"The Department of Justice has advised the committee that it has no objection to the enactment of this bill, but recommends three amendments."

And as I understand it, they put them in. Keep in mind I know nothing about law. Do you mean to say I am to think Mr. WALTER does not know what he is talking about?

Mr. KAUFMAN. Answering the first question you asked me, whether this bill contemplates any regulatory commission as in the case of freight rates, no; this bill purports to make it possible, as I see it, for rates to be fixed more or less artificially. I do not mean completely but irrespective of actual freight costs, and all this arrangement will be done without any governmental supervision by any commission. In railroad rates we do have some commission. If it does not work too well, the commission ought to be strengthened. Congress ought to pass a law giving more mandate. But at least there is a commission which can sit down on the railroads if they act vigorously enough or have enough power. The proposal here would have no such regulatory commission and none is set up.

Mr. HILL. Did you read the paragraph on page 4 of the same report? You know you lawyers have a way of getting me mixed up, so that if I knew how to swim I would drown just the same. On page 4 is what the smart lawyers in the Judiciary Committee say about this bill. You are going to tell me this morning they are all full of "bushwa"? They are talking about the very section the witness is speaking about. Read that on page 4. "An amendment proposed by the committee strikes from the bill a Senate amendment which would deny sellers the right to absorb freight to meet the equally low price of a competitor in good faith when the effect of the freight absorption would substantially lessen competition."

Mr. KAUFMAN. Yes.

Mr. HILL. That 's not true according to what you say.

Mr. KAUFMAN. No, that is another point.

Hearings, pages 443 to 445:

Mr. KAUFMAN. There is a difference of opinion, and that difference of opinion is found within agencies.

Mr. HILL. You heard what I read there.

Mr. KAUFMAN. On the differential, yes. I can answer that one, I think. That one is something absolutely new which was inserted right here in the House. And what it says is not only will it be possible from now on for competitors to meet the price of some other competitors exactly right at the point, but if in the past their practice and custom has been to beat their competitors, in other words, to maintain a price which is always 2 points less than their competitors, or 5 points less, this amendment—and I am sure the people who put it in had motives of the best—believe it or not says they shall be allowed to continue to maintain that differential permanently. That might seem very reasonable to the people who have been underselling their competitors, for some large concern which has been underselling its competitors.

Mr. WOODEN. Underselling by discrimination.

Mr. KAUFMAN. Absolutely; or any other way. There is no qualification on this. That might seem very reasonable to a big concern which has been so in the habit of having its way, which may have been doing it for 40 years, and perhaps doing it in violation of the law, and perhaps doing it under the basing-point system, and perhaps they thought it was legal all that time but now it has been declared illegal. But under this section, as I read it, and although I am a lawyer I try to look at this like a layman as well, under this section he is guaranteed the right to continue to maintain that differential. It is just like a grandfather clause. He gets a vested right in that differential. I am sure the people who wrote this in never intended that really and honestly, but it was done so quickly, without hearings, they did not realize the full implication.

Mr. RIEHLMAN. Mr. Chairman?

Mr. HILL. You are prejudging this committee, though. When they get on the floor, we will ask that kind of a question, and will read your testimony to them. Then what are they going to say to me when I read your words which I hope I do.

Mr. KAUFMAN. I hope you do not.

Mr. HILL. I do not know who to believe.

Mr. KEOGH. Mr. Riehlman.

Mr. RIEHLMAN. Could I ask the gentleman testifying here if the so-called Kefauver amendment were reinstated in the bill, would you be satisfied with the rest of the provisions in the bill?

Mr. WOODEN. No, indeed.

Mr. RIEHLMAN. There are other things you object to?

Mr. WOODEN. Yes, indeed. I would favor the Kefauver amendment as such. But even if it were incorporated in the bill, the remainder of the bill, in my judgment, is so bad I would oppose it as a whole.

Evils of Communism

EXTENSION OF REMARKS
OF
HON. RALPH W. GWINN
OF NEW YORK
IN THE HOUSE OF REPRESENTATIVES
Thursday, July 7, 1949

Mr. GWINN. Mr. Speaker, the Honorable Hamilton Fish, formerly a Member of the House, is now, and has been, a crusader against the evils of communism.

Under leave to extend my remarks, I include in the RECORD his speech entitled "The Red Scourge Menaces Christian Civilization," delivered on Sunday morning, June 19, before Loretto Council, No. 536, Knights of Columbus, Cold Spring, N. Y., at a communion breakfast held at the Highland Country Club, Garrison, N. Y.:

The Red tidal wave of communism is engulfing large parts of the globe, destroying Christianity, democracy, freedom, and threatening western civilization. World communism is the most powerful and evil force in the world today. It brings with it hatred of religion, human slavery, and a ruthless dictatorship, supported by brutal suppression and the terrorism of the secret police. Its main weapon is fear, and its tools are concentration camps, mass deportation to the mines and forests of Siberia, bread tickets, forced labor, and sudden death.

There can be no compromise between freedom and the slavery of communism. The world cannot long exist half free and half enslaved. As Clare Luce once said, the question is, "Will mankind eventually stand in the light of freedom or crawl in the darkness of slavery?" It is my purpose to arouse all Americans, whether they be Catholic, Protestant, or Jew, to the menace of international revolutionary communism. No "red herring," dragged across the Communist trail, must be permitted to divide loyal Americans on the basis of race, color, or creed in the fight to defend our country against the evils of totalitarian communism.

Pope Pius XI was right when he said, "No one who would save Christian civilization may collaborate with communism in any undertaking whatsoever. Those who permit themselves to be deceived into lending their aid toward the triumph of communism in their own country will be the first to fall victims of their error." I believe in giving credit where credit belongs.

The Catholic Church has stood fearlessly in the very forefront of battle against communism for the past 30 years. Cardinal Spellman has been one of the most outspoken. He warned, "To help save America you must constantly and loyally labor to unmask traitors who give lip loyalty to the language of democracy while anarchy and tyranny seethe in their hearts."

By birth and profession I am an Episcopalian, but I confess that to me the difference in the various religious beliefs should not, in any way prevent a united stand in the fight against world communism. It is not differences in creed, but what we have in common that enables us to work together. I am convinced, as indeed all of us must be, that religion is the chief moral force left in the world. If it is wiped out or destroyed in accordance with the program set forth by Karl Marx in the Communist Manifesto, the world will be set back a thousand years into barbarism and paganism.

Religion, as such, is under the fiercest attack in many centuries from radical, atheistic, and communistic sources. Therefore Christians of all denominations, and others who feel the same way, should unite in a crusade in defense of religion, of priests and clergymen, of the cross, and, above all, of the right to believe in God and practice religion in accordance with the dictates of one's conscience.

There is an irrepressible conflict between religion and the communism of Karl Marx. Communists are not only atheists the world over, but enemies of all religion. Stalin and the Politburo are willing to permit certain Sovietized Russian churches to remain open provided the priests take an oath of obedience to Stalin and communism. It is an effective propaganda for use in foreign nations. The dangers ahead from atheistic communism must be obvious now to all priests, clergymen, and rabbis; Red signs are everywhere, and the hammer and sickle is triumphant over large parts of the world. Protestants, Catholics, and Jews are beginning to realize the meaning of the Red danger signals and to know it is God or communism. It is the cross or the hammer and sickle. The Red revolution is on the march, making converts by force and violence.

The trial of Cardinal Mindszenty in Hungary shocked the Christian world. It was a mockery of justice and the rape of religious liberty. The same pattern is raising its ugly head of terrorism in Czechoslovakia by threats of violence and imprisonment of Archbishop Joseph Beran and numerous priests. It happened to the Protestant clergymen in Bulgaria. It is part and parcel

of the Communist plan to liquidate all religion. The Communists are experts in the use of camouflage and propaganda. They make use of the so-called Protestant, a New York pro-Communist magazine, to spread their evil doctrines of bigotry and Marxist hate. All Protestants should disavow this malicious sheet, filled with hate and intolerance.

It would be no great surprise if within a decade of years there will either be a coalition in the United States between Republicans and Democrats against Communists, radicals, and a leftist front; or the formation of two parties, one professing faith in God and religion and composed of all faiths, regardless of race or color, and the other Communist, Marxist, radical, anti-God and antireligious. The situation has virtually reached that stage in Europe; we are bound to be affected.

In face of the common danger to Christianity, instead of unity, there is a fluctuating tide of conflict and dissension which splits the Christian world wide open, and leaves it powerless before its enemies. This is no time for intolerance. Christians should forget their differences of dogma, unite in a truce of God and present a united front for Christianity, democracy, humanity, and peace on earth.

We did not go to war and win a complete victory to oppress, but rather to free the oppressed, and to extend Christian and moral ideals and leadership throughout the world. What is happening behind the iron wall of secrecy in those so-called liberated countries, to Christians, patriots, and all anti-Communist elements should be exposed from every pulpit in America. What has happened to Christians in the Baltic and Balkan Nations, in Poland and Hungary, must not be permitted in silence. The price of civil and religious liberty is eternal vigilance and the turning of the pitiless searchlight of truth upon the Red machinations, conspiracies, and hidden forces that are undermining the foundations of Christianity and of all religion.

Let all creeds and denominations combine their moral influence to expose the human slavery, degradation, terrorism, destruction of freedom and religion under Communist dictatorship, to the end that Christianity and all religions may survive. The leadership should come right from the pulpits of every faith and creed.

There can be no more appeasement of communism.

Basing-Point Bill

EXTENSION OF REMARKS
OF
HON. PHILIP J. PHILBIN
OF MASSACHUSETTS
IN THE HOUSE OF REPRESENTATIVES
Thursday, July 7, 1949

Mr. PHILBIN. Mr. Speaker, I have been actively interested in the settlement of the questions presented by this bill for some time past. In response to many appeals made to me by business interests in my own district and in the State of Massachusetts, early in this session of the Congress I introduced H. R. 1001 and a revision of that bill, H. R. 2907. The purpose of these measures was to clarify existing confusion by formulating a consistent, coordinated national policy with respect to transportation costs in interstate commerce, to strengthen the antitrust laws and provide for their more effective enforcement, and to promote competition by permitting sellers to have access to distant markets. In a speech on the floor of the House on January 6 of this year I discussed the basing-point question in some detail and urged the House to give early attention to dispelling the tremendous uncertainty and conflict aroused in business and labor circles by the conflicting opinions of Federal officials and certain decisions of the Supreme Court.

The legal questions involved in this legislation have been very ably handled in this debate. The gentleman from Pennsylvania [Mr. WALTER], the gentleman from New Jersey [Mr. CASE], and other able lawyers of this body, have carefully and brilliantly analyzed the legal effects and implications involved in this measure. I will, therefore, make no extended reference to these legal questions except to state that I am fully convinced from my own studies and from the arguments presented here that instead of weakening the antitrust laws and permitting agreements in restraint of trade, monopoly, and unfair trade practice, as has been alleged by some opponents, that this bill contains absolute safeguards against illegal conspiracies, combinations, and agreements by selfish interests which would effect unreasonable and illegal restraints of trade.

I have been a strong supporter and proponent of all the antimonopoly and fair trade laws because I believe that they constitute a reasonable and necessary regulation of business in the interests of the American consumers. At the same time I am opposed to any ruling by administrative officials of the Government, or by the courts, which place undue and restrictive burdens upon legitimate business. I believe in the American competitive system and competition just as free and unfettered as possible without introducing or permitting methods and practices harmful to honest businessmen and detrimental to a sound economy and the interests of the consuming public.

It is true that basing points and delivered price systems which have been used by some American industries and businessmen for some time past, present difficult and complex economic questions. These systems have been in effect, generally recognized and generally utilized by many American businesses for a long period of time. Their purpose and objective is to promote fair competition and provide for uniformity of price and stability of markets throughout the Nation. The evidence is overwhelming that recent administrative and judicial events have caused great concern and no inconsiderable confusion among those businessmen who have occasion to utilize these systems.

Many individual businessmen and some groups have expressed their disapproval, uncertainty, and concern over rulings of the Supreme Court which they construe would in effect eliminate these time-honored systems and substitute therefore Nation-wide f. o. b. pricing. The New England Council, for example, a reputable and influential organization of businessmen, have deplored the situation produced by these decisions in throwing doubt upon the practice of manufactureers in absorbing freight charges where this is done without illegal agreements on conspiracy. That group has expressed to me its belief in the need for greatest possible freedom in arranging bases and terms of sale as being particularly important to both buyers and sellers in New England, pointing to the unusually large variety of manufacturing enterprises, many of them small, which must be served with raw materials from sources at varying distances and must sell their products in other areas and also at varying distances. They declare that freedom to determine pricing policies, including freight absorbtion, is essential if New England industries are to compete as buyers and as sellers. They conclude that if New England industries are not free to purchase certain of their requirements with freight absorbtion by the supplier, or to sell certain of their products in a similar manner, they will find themselves at severe competitive disadvantage with manufacturers in areas located more closely to supplies and markets. They point out that some decline of offerings by more distant suppliers, and of orders from more distant customers is already occurring and that this trend may be expected to accelerate to the great disadvantage of the country as a whole and New England in particular.

Surely no one in this body wants to be responsible for working havoc with the business prosperity of any section of the Nation. Individual businessmen have sent me similar views in opposition to the elimination of delivered price systems and point to the fact that this situation is not only causing increased costs in raw materials but also causing very substantial sales losses which have already displaced and will continue to displace many employees. These groups are disturbed by official action of Government bureaus to declare delivered pricing methods illegal, conspiracies, unfair methods of competition, and price discrimination.

I think it can be fairly said that until the Cement Institute case the business of the Nation was progressing smoothly and efficiently and for the most part prosperously along principles evolved out of a free competitive system. In a very practical sense businessmen were in accord as to how and where to sell so that goods were moving and cost elements were in the main equitably and satisfactorily distributed. American producers of steel, cement, lumber, plumbing material, tools, machinery, textiles, and so forth, were free to pay freight charges whenever that would seem necessary to meet competition and were likewise free to sell f. o. b. at the producer's plant whenever that policy could be maintained. These methods have been in existence for many years, have stood the test of competition, and have promoted business prosperity and maximum employment. With the injection of new concepts revising previous interpretations of the antitrust laws and the Robinson-Patman Act, systematic freight absorption would be outlawed even though there is a total absence of combination or conspiracy.

Testimony of businessmen is conclusive on the point that the elimination of the basing point and delivered pricing system has had, and will continue to have, extremely unfavorable effect upon their volume of business. If strictly adhered to, some say their sales would be restricted to their "back yard" and in some cases they would have to go out of business. They point out that under the new rules, competition is not being encouraged but destroyed.

A prominent business expert who is well known and highly regarded as director of research in one of the outstanding business schools in the country, Prof. Melvin T. Copeland, of Harvard, states that legislation provided for by this bill is of urgent, vital importance. He states:

As is amply demonstrated in the report of the Johnson committee, uncertainty exists as to whether any manufacturer may legally sell on other than a uniform f. o. b. mill price. That uncertainty works against the maintenance of sound, economic prosperity in this country. Continuation of that uncertainty right now is particularly untimely.

For 30 years I have been observing the use of such marketing procedures as are involved in competitive freight absorption. I am convinced that freight absorption is a natural competitive device which works to the advantage of consumers and employees and, therefore, is in the general public interest.

In this country a manufacturer or merchant always has been privileged to pay part or all the costs of delivering his merchandise in order to meet competition. That right now seems to be in danger of abrogation through the promulgation of unsound theories and misleading propaganda. It cannot be abrogated, however, without causing great disruption and economic hardship for which there will be no compensating gain to the public. Officious interference by Government employees with such commonplace rights as freedom to compete in delivery service, furthermore, is not far removed from the tactics of a police state.

I should like to see the enactment at this time of permanent legislation. The least that Congress can do now is to mitigate the confusion which has arisen out of court dictums and conflicting Federal Trade Commission pronouncements.

I do not see how anyone can fail to be deeply impressed by the conclusions of this eminent business expert. I think that efforts to interfere with traditional pricing methods of American business, where these methods do not violate the antimonopoly statutes and fair trade practices laws, are a serious blow to American free enterprise and will be destructive to employers and employees alike.

Let me reemphasize that this bill contains explicit safeguards, written in and spelled out, protecting all pertinent laws directed against monopolies, conspiracies, combinations, restraints of trade, and unfair trade practices. I compliment the committee upon its consideration, action, and management of this bill and hope that the House will pass it by an overwhelming vote in order that American businessmen and American workers will no longer be harried and harassed and so very deeply concerned about the prospects of their future business and employment.

Federal Aid to Education

EXTENSION OF REMARKS

OF

HON. ANTHONY F. TAURIELLO

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 7, 1949

Mr. TAURIELLO. Mr. Speaker, I have studied all phases of proposals to extend Federal aid to education in the States and communities. There have been many bills introduced, but I believe that, while the Barden bill, H. R. 4643, was drawn in a good spirit, it is not in the real sense of the word a Federal aid to education bill. It is a Federal aid to education for one segment of our American children.

Parochial and private school children were counted as members of the national school population when advocates of the Barden bill were asking for funds but now the proposal is to exclude them rigidly when distribution of these funds is to be made.

I appreciate the difficulties of many to evaluate the proposal and the potential effect of the Barden bill because it undoubtedly contains emotional and traditional concepts of what the functions of the Federal Government should be in education in the localities. I fully appreciate also that these feelings are explosives in American political and social thinking.

However, I appreciate also that if we are to maintain our American tradition of fairness and equal justice regardless of race, color or creed, the Barden bill is lamentably lacking in fairness for all American school children regardless of race, color, or creed.

I oppose the bill strongly because I believe in the fundamental right of any American parent or guardian to entrust the education of their children to any system of education they deem adequate or desirable.

I believe that in some of its features the Barden bill attempts to draw a sharp division between Americans on racial and creedal affiliations. Education is the basic right of parents and not the State and I believe that this must be recognized by all Americans if we are to maintain our democratic way of life.

Even more important than the issue of public versus private school aid is the issue of whether one American is willing to concede to another his basic rights as a parent and an American citizen, even though the other American differs from him in matters as profound as religious belief. The regrettable thing to me in this whole issue is that some American citizens, which I am glad to discover are a minority, are willing to sacrifice the splendid American idealism to petty prejudice.

I will not support any proposal such as the Barden bill which would discriminate against nonpublic schools. Further, I intend to campaign actively for the defeat of this most objectionable and inequitable bill.

Anthracite Research at Pennsylvania State College

EXTENSION OF REMARKS

OF

HON. DANIEL J. FLOOD

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 7, 1949

Mr. FLOOD. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following article from the Anthracite Institute Bulletin of June 29, 1949:

ANTHRACITE RESEARCH AT PENNSYLVANIA STATE COLLEGE

The Anthracite Institute in cooperation with the Commonwealth of Pennsylvania is continuing its sponsorship of research on new and improved uses for anthracite at the Mineral Industries Experiment Station of the Pennsylvania State College. During the past year, problems associated with the recovery, upgrading and utilization of fine sizes and fundamental investigations in long-range problems on utilizations of the larger sizes have been stressed.

Field studies on established and proposed processes for the recovery and cleaning of fines are in progress. The initial objective of this study is to evaluate and compare various performances with respect to recovery, size limitations for effective cleaning and over-all efficiency. The merits of central testing of uniformity in methods of sampling and of determining recovery are also being examined. Preliminary reports on the spiral concentrator and froth flotation processes have been released and table plants are now being studied. The ultimate objective of this investigation is to furnish factual data by which improved recovery and cleaning efficiencies can be obtained with existing processes. This information will also serve as a basis for the development of new processes, if shown to be required.

Studies have been continued in several phases of the blending of anthrafines in coke manufacture and these studies included: (1) The determination of the strength and size degradation of commercial cokes made with anthrafines, (2) methods of reducing pressures developed during carbonization, and (3) investigation of the blending compatibility of anthrafines.

Investigations on the use of anthracite as cupola fuel were extended during the summer months to obtain new information on the best conditions for the use of the larger sizes in high speed melting operations.

With the increased use of both the fine and large sizes of anthracite for industrial processes, the need for detailed information on the physical properties of anthracite has become apparent. Accordingly, a preliminary study on this subject, originally started in 1943, has been completely revised for publication in the near future.

Penn State has also continued fundamental studies on the mechanism of anthracite combustion with particular emphasis placed upon the determination of the effect of the ash surrounding a piece of burning anthracite upon its combustion rate. It is felt that this study will tend to a better understanding of the factors that influence anthracite's rate of combustion. Combustion and gasification studies with regard to the flow of gases through beds of anthracite of various sizes were also completed during the year.

The basic and applied anthracite research at Penn State is coordinated with the industry's own research program at the institute. The large amount of research being sponsored by the anthracite industry is proof of its determination to find new and expanded markets for its product.

Electrical Roll-Call System

EXTENSION OF REMARKS
OF
HON. JAMES E. NOLAND
OF INDIANA
IN THE HOUSE OF REPRESENTATIVES
Thursday, July 7, 1949

Mr. NOLAND. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following communication from a recent issue of the New York Times:

SPEEDING UP LEGISLATION—USE OF ELECTRICAL ROLL-CALL SYSTEM FAVORED AS TIMESAVER

To the EDITOR OF THE NEW YORK TIMES:

Recently a fist fight broke out in the House of Representatives. The cause of the demonstration was whether a Member of Congress should be allowed to debate on the controversial housing bill for 7 minutes or 10 minutes; at first glance this appears to be nothing more than a picayune squabble which had best be forgotten. It points up, however, an inequitable situation that exists today in the lower Chamber of our National Legislature which is detrimental to our theory of representative government.

The House of Representatives with its 435 Members functions basically the same way as did the First Congress in 1789. At that time there were 65 Members. In 1910 the Thirteenth Census established the total of 435, which has been decided upon as the maximum figure; this represents a sixfold increase in the membership of the House. Needless to say, the business of the Congress has more than proportionately increased over the span of years since the inception of the First Congress.

Today debate in the House of Representatives is a mockery; Members usually request permission to speak for 1 minute on matters not immediately pending on the House floor. During general debate, when the House resolves into the Committee of the Whole House on the State of the Union, debate time is allotted by floor managers, which gave rise to the COX-SABATH bout.

Several suggestions have been proposed to cut down the myriad of time-wasting chores that clog the House Chamber. The most practicable of these proposals calls for an electrical roll-call system which, it is believed, if placed into operation would save as much as 25 legislative days per session. The sponsor of the resolution to install such a system, the Honorable JAMES E. NOLAND, of Indiana, points out that as many as 20 State legislatures have electrical roll-call systems. He believes that, "in the days of the jet plane, the atomic bomb, and strato-rocket, is there any reason why we should cling to the antiquated roll-call system of 1789?"

Whether the House sees fit to revise its rules of procedure to allow for more floor discussion is a matter of grave concern to the Nation. The Senate on the one hand is faced with the problem of too much debate; Senators have been known to speak for hours on end (Senator CAIN spoke almost a full day to prevent the Senate from confirming the nomination of former Gov. Mon Wallgren—and succeeded) if necessary to defeat a piece of legislation. On the other hand is the House, where debate is stilted and unduly formalized. Surely neither situation is perfect, and if a mere mechanical change in determining the presence of a quorum or recording a roll-call vote will save a month of legislative time it should be adopted without hesitation.

The little recognized faults of the House of Representatives should be corrected if a truly democratic system of representation is to be enjoyed in our National Legislature.

HOWARD N. MANTEL.

BROOKLYN, *June 24, 1949.*

Minnesota Rail Carman Proves Great Hit On Tour of Europe

EXTENSION OF REMARKS
OF
HON. FRED MARSHALL
OF MINNESOTA
IN THE HOUSE OF REPRESENTATIVES
Thursday, July 7, 1949

Mr. MARSHALL. Mr. Speaker, I would like to call to the attention of the Members of the House a recent news story in Labor concerning a trip to Europe made by Mayor Math Malisheski, of St. Cloud, Minn. It is noteworthy that a public-spirited citizen like Mayor Malisheski should assume the responsibility of building a better understanding between the people of the United States and Europeans by carrying to them an explanation of the workings of our democracy.

MINNESOTA RAIL CARMAN PROVES GREAT HIT ON TOUR OF EUROPE

Europe has seen and heard many Americans, but none more unique and persuasive than Matt J. Malisheski, who returned from overseas this week after a month's "mission for democracy."

Labor has written about Malisheski before. He's a veteran member of the Railway Carmen and former local chairman of the brotherhood at the Great Northern shops in St. Cloud, Minn. Over a year ago the citizens of St. Cloud elected this gentleman in overalls as their mayor.

He still toils in the shops about half time and carries on his mayoralty duties the other half. He has done a great job, but one of the efforts he is particularly proud of is a hands-across-the-sea project to build better understanding between the plain people of our country and those abroad.

"ADOPTED" BAVARIAN TOWN

Citizens of St. Cloud "adopted" the town of Mellrichstadt in Bavaria and regularly sent relief shipments to the children and grown-ups of that community. So pleased were the townspeople that they officially invited Mayor Malisheski to come for a visit. A similar invitation was received from the mayor of St. Cloud, France, from which the Minnesota city derives its name.

The invitations stirred intense interest. Citizens of St. Cloud raised a "pot" to send their mayor overseas. Other community leaders became excited over the project, too, and 23 of them—businessmen, professional men, farmers, and others—arranged to go along.

They flew abroad May 30, and have just returned. Mayor Malisheski stopped off in Washington for 2 days before proceeding home, and this gave Labor an opportunity to interview him.

TELLS OF DEMOCRACY

Malisheski was royally received in Mellrichstadt. "At a public reception the whole town turned out, with bands and children's choruses," he said. "They treated us as though we had come as liberators."

Having been raised among Germans in St. Cloud—though he himself is the son of a Polish immigrant—Malisheski was able to speak to the Bavarians in the native tongue. In his earnest way he told them of democracy.

"I said to them I felt democracy rests on a religious base—on the divine precept that men are created equal," Malisheski explained. "I defined what we regard as liberty—the right to think, speak, and write as one's conscience dictates. Any state which denies such right is grounded in slavery, I insisted."

ADDRESSED MANY FORUMS

Malisheski made a great hit. Listeners applauded everywhere. In fact, because of the fine reaction, authorities in the American zone asked him to go on a "road tour"—that is, to address forums on democracy in communities throughout the area.

"I feel these forums were a great success," he said. "People asked many questions about democracy, and I was glad to answer. From what I observed, I feel confident that the Germans can be placed back on the path to peace and democracy. They have had their fill of totalitarianism. They want freedom."

AN AMERICAN MELTING POT

Many questions were asked about how people of many racial and national backgrounds can live harmoniously in America.

"I answered by describing my own home city," he said. "I told them St. Cloud, a town with a French name, was founded by Swedes, ruled mostly by the Irish, but has almost every nationality represented in its population, 50 percent of which is German. To top that, it has a Pole as its mayor, though Poles are in a small minority.

"Also, I said that if all races and creeds can live in peace in St. Cloud, why not in the rest of the world?"

What made the deepest impression on him were the refugees from behind the iron curtain. Mellrichstadt was near the border of the Soviet zone, and almost every day men, women, and childen by the score came out of the forests in flight from communism.

CITES TERROR OF REFUGEES

"Fear and terror were written over their faces because they had braved death to escape," Malisheski said. "They told pitiful stories of suffering and repression. They revealed that many refugees never got through—they were shot in flight by Red guards.

"Those who came had little more than the clothes on their backs. It took them a long time before they could shed their fears and realize they were out of danger."

MANY RECEPTIONS IN FRANCE

Malisheski later went to St. Cloud, France, and there, too, he received a splendid welcome. Receptions were also held for him by the city officials of Paris and surrounding communities. He met many notables of the French Government, and at one of these affairs he greeted the Duke and Duchess of Windsor.

"The Duke was very much interested in the future of American railroads, and he asked me questions about that," Malisheski said. "He has investments in some of our railroads."

In Rome the mayor of St. Cloud shook hands with the Pope. "It was amazing to note how easily and graciously this remarkable man greeted the crowds—a few words and a smile for everyone."

Summing up, Malisheski said he felt the trip "was very much worth while."

"If I helped plant a greater interest in democracy and freedom—and I believe I did—then I feel more than repaid for my effort," the mayor declared.

Democrats' Labor Legislation Upheld

EXTENSION OF REMARKS
OF
HON. JOHN J. ROONEY
OF NEW YORK
IN THE HOUSE OF REPRESENTATIVES
Thursday, July 7, 1949

Mr. ROONEY. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following article by James A. Farley:

INSIDE LABOR—DEMOCRATS' LABOR LEGISLATION UPHELD

(By James A. Farley)

(Today's guest columnist for Victor Riesel, who is on vacation, is the former Postmaster General and national chairman of the Democratic Party.)

It has been said, and not unkindly, that the Democratic Party is the party of labor. Happily this is not literally true. No party can become the captive of any class and remain in power.

Political graveyards are filled with parties which served special interest and died of what they fed upon.

The Democratic Party is the party of liberalism. It has lived because it has served. Woodrow Wilson said of the party, in commenting on its long life, that it "had a heart under its jacket."

Perhaps this has never been more true than in the last 16 years, which have been notable for the adoption of a vast program of social and economic welfare while fighting despotism.

Not the least item in that program is labor legislation.

I am particularly happy that the Democrats of my State led the way toward national legislation. I refer to former Surrogate James A. Foley, former Mayor James J. Walker, former Gov. Alfred E. Smith, former Gov. Franklin D. Roosevelt, ex-Senator Robert F. Wagner, and ex-Secretary of Labor Frances E. Perkins, whose great contribution is being recognized more with the passing of every year.

The domestic developments of these years have stirred the political consciousness more than in any similar period since the founding of the Republic. Actually, we are all in politics today—the great industrial magnate, the financial chieftains of Wall Street, the farmer, the mechanic, the laborer, and the office workers.

They are all in politics and to some extent they are all politicians. This is as it should be, since we all suffer when any group of people is too busy to be interested in their own government, except when that government adopts a policy that they deem hurtful to their particular interest or withholds a privilege they have previously enjoyed.

It is when all groups work within a party, as they do in the Democratic Party, that political progress is achieved.

Differences of opinion are healthy when a party is moving forward resolutely and honestly to do those things which must be done to protect the economic interests of the workingman, the farmer, and the businessman. There is room within the Democratic Party for every man and woman who believes sincerely in the ideals and objectives of the American way of life.

While I am a firm believer in party government, I am happy that no party has a dictatorship over our country. I am pleased that no group has dictatorship over my party.

INDEPENDENT VOTER'S ROLE

The actual power that makes or unmakes an administration resides in the great army that is independent in politics, that votes for what is best for the people regardless of the label on the ticket.

For some years now my party has attracted independent voters.

A measure of this attraction is due to the party's labor program and the work of labor leaders for the party. No party and no administration can please everybody; I suppose it will always be so. Strong men and strong policies provoke resistance and hostility. This has been true of labor participation.

Although the next congressional elections are still more than a year off, there are signs of unusual and extraordinary activity.

This is as it should be. In the give and take within the party, a program will be resolved. Labor must make known its wants and must flex its strength in the ballot box.

Other groups may offer cautions or encouragement. The bitter controversies of history books of tomorrow, so that it behooves all groups to give an ear to one another and not ride roughshod for the moment, lest they have nothing to ride tomorrow.

Our country goes on ever greater and ever advancing and I hope that it will do so under an ever-greater and ever-advancing Democratic Party.

History May Be Repeating

EXTENSION OF REMARKS
OF
HON. ROBERT HALE
OF MAINE
IN THE HOUSE OF REPRESENTATIVES
Thursday, July 7, 1949

Mr. HALE. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following editorial from the Pittsburgh Press of July 5, 1949:

HISTORY MAY BE REPEATING

In an interview in Formosa, Chiang Kai-shek told Scripps-Howard reporter Clyde Farnsworth that he would continue the fight against communism until the end of his days, because his life is dedicated to the cause of freedom and independence of the Chinese people.

Chiang dismissed as Communist progaganda the impression abroad that China's situation is hopeless. He was considerate enough not to include the fact that many Americans were saying that about China as late as the summer of 1944.

Is it too late now? Not to a people given to thinking in terms of centuries. Chiang's is the philosophical view that all struggles for human freedom against foreign tyranny must succeed in the end. He fights on, because he considers that his destiny.

Hopeless? The area and population in China under Communist control are less than under the Japanese occupation in 1938 after 1 year of war. That war went on for seven more years until victory was won. The present war has been in progress only since 1945.

But the Generalissimo warned that if China does not get timely help in the fight against communism, the eventual price democracy will pay may be beyond present comprehension. He believes the conquest of all China would set the stage for a third world war.

Chiang's warning cannot easily be shrugged aside. He voiced a similar one when the Japanese started to overrun his country. History may be repeating.

Then, as now, there was a disposition to treat China's problems as none of our affair. Few foresaw that within 4 years the same invaders would be striking at us. That could happen again. The Communists are committed to world conquest. The conquest of Asia would bring them face to face with us across the Pacific.

When China was left to stand alone against the Jap invader, Chiang Kai-shek withdrew to Chungking, and fought on from that mountain stronghold until eventual victory.

Preparations are being made for a second stand at Chungking, if Canton falls to the Communists.

President Truman has asked Congress for $150,000,000 to save Korea from communism, when half of that small country is under Russian control, as it has been since the Japanese surrender.

It is not suggested that amount will do the job. A similar appropriation can be anticipated for 1950, if the south Koreans haven't been gobbled up in the meantime. No one knows what stomach they have for a fight, for they haven't been tested in battle.

China, for the moment, is asking only that the $90,000,000 remaining to her credit in the Marshall plan fund be converted into silver dollars to strengthen the Nationalist government's economic position.

China is a better risk than Korea, and infinitely more important. Moreover, if China is lost, it is absurd to think that Korea could hold out. No area in Asia will be safe if China falls.

The Kaiser-Permanente Medical-Care Plan

EXTENSION OF REMARKS
OF
HON. JAMES E. MURRAY
OF MONTANA
IN THE SENATE OF THE UNITED STATES
Wednesday, July 6 (legislative day of Thursday, June 2), 1949

Mr. MURRAY. Mr. President, I had intended to address the Senate concerning a letter just sent me by Mr. Henry J. Kaiser. In that letter Mr. Kaiser, in no uncertain terms, replies to a baseless attack on the quality of medical care offered by the Kaiser-Permanente medical-care plan. Mr. Kaiser proves that not only is that care of the very highest quality, but is much more comprehensive and much cheaper than that offered by the medical society-controlled plans whence the attack originated.

However, in view of the momentous international problem now before the Senate, I ask instead that the remarks I had intended to make, together with Mr. Kaiser's letter, be placed in the Appendix to the RECORD. I commend them to the attention of the entire Congress.

An estimate from the Government Printing Office indicates that the manuscript will exceed by 1¾ pages the 2 printed pages allowed under the rule without a statement of cost, and that the cost will be $281.25.

There being no objection, the statement and letter were ordered to be printed in the RECORD, as follows:

REMARKS OF HON. JAMES E. MURRAY, OF MONTANA

THE KAISER-PERMANENTE MEDICAL CARE PLAN—HENRY KAISER, ANSWERING HAWLEY CHALLENGE, PROVES QUALITY OF CARE BEST IN COUNTRY

Mr. President, as the Senate knows, the Subcommittee on Health, of which I am

chairman, has concluded its hearings on many of the measures referred to us. I regret that during the course of those hearings, a representative of the voluntary medical care plans controlled by State medical societies testified that the quality of medical care given at the Henry Kaiser-Permanente plant by salaried physicians, working on a group basis, was not such as you or I would want.

Those of you who may have seen this statement in our record or in the press may have shared my sense of shock at this challenge to the Kaiser-sponsored program. I had believed that the best and most efficient medical care was that provided by doctors in group practice as at Mayos, the Lahey Clinic, Kaiser-Permanente, or our great teaching hospitals. I had believed that we in the Congress were getting the best type of medical care and ours is given by salaried physicians working on a group-practice basis. Moreover, we have been told time and time again that, as regards voluntary prepaid medical plans, it is only those controlled by consumers or operated on a group practice basis which can prove their guaranties of quality or assure the consumer that high standards of medical care will be maintained. Plans controlled by medical societies act only as financial exchanges; they pool the subscribers' money and pay it out to participating physicians for services rendered. They set no standards of quality. They keep no records which would show whether participating physicians had ever gone back to school to learn the new techniques developed after their graduation. They cannot or will not tell potential subscribers which of their doctors to go to for the best type of service for a particular ailment.

In short, medical society health plans offer absolutely no assurances of quality medical care. Yet it was the representative of those plans who challenged the quality of care being rendered at the Permanente Hospital in California to a hundred thousand workers and their families by an outstanding group of doctors brought together by Dr. Sydney Garfield under a plan initially sponsored and financed by Henry J. Kaiser.

I am happy to report to you that the challenge has not gone unanswered. I have here an eight-page letter from Henry Kaiser which, with the consent of the Senate, I should like to have placed in the record at the conclusion of my remarks. I intend to see to it that it appears in the record of our health hearings as well. I commend it to the attention of every Member of this body.

In those eight pages, Mr. Kaiser proves conclusively that the quality of medical care offered by the Permanente Foundation is at least equal to the very best in the country and is far superior to that available in most communities. Not only does Mr. Kaiser document his case with statements from outstanding authorities in no way connected with his program, but he proves with facts and figures that the record of successful operations at Permanente equals that of the very best hospitals in the country and in some fields has been matched by none. Moreover, Mr. Kaiser proves that the care given members of the Permanente plan is not only of the highest quality but is much more comprehensive and costs much less than that offered by the medical society controlled plan in the same area, the California Physicians' Service.

I regret that the representatives of organized medicine have in this instance again seen fit to attack the sort of program they should be supporting wholeheartedly. I am happy that once again the result has been to let more and more people learn the value of that which the AMA opposes. I sincerely hope the time will come when the AMA, instead of spending millions in the dissemination of childish propaganda opposing new developments in medical economics, will begin to spend thousands encouraging the development of such excellent programs as that carried on at Permanente. When that time comes I predict that the gulf which now separates the rulers of the medical machine from those in the Congress who believe that every American is entitled to a chance at health as well as happiness will disappear.

If the Senate will permit, I should like to make one more statement in closing in order to obviate a possible misunderstanding. You all know of my advocacy of national health insurance as a measure essential to the Nation's security and to the well-being of its people. I would not have it understood by any of the remarks I have made above that Mr. Kaiser champions national health insurance. I believe the fact is that he is opposed to it. He believes that if doctors throughout the country would organize their services on a group basis and make them available through prepayment plans centered around modern facilities and stressing preventive care, as at Permanente, many of our medical care problems would disappear. I am inclined to agree. But I would point out to Mr. Kaiser and to our doctors that the Permanente plan, excellent as it is, won out over considerable opposition and only because of a combination of wartime emergency and the well-known Kaiser benevolence. To initially finance and to guarantee the funds needed to maintain similar developments throughout the country, I firmly believe that national health insurance is essential. Only with the guaranty of regular and adequate financing thus provided every community in the land will people and their doctors be able to develop local community programs in which, as is true of Permanente, every doctor can say of his patient, "What treatment does he need to make him well?" instead of "What treatment can he afford?"

THE PERMANENTE FOUNDATION,
Oakland, Calif., June 27, 1949.

Senator JAMES E. MURRAY,
Committee on Labor and Public Welfare, United States Senate, Washington, D. C.

DEAR SENATOR MURRAY: I deeply appreciate your recent challenging letter inviting me to inform the senatorial hearings on health legislation as to our experiences in conducting prepaid medical, surgical, and hospital services through the Permanente hospitals.

You ask searching questions, after stating: "I had understood that the combination of prepaid insurance, rational and integrated provision of facilities, and the group practice of physicians, all under skilled and imaginative medical and lay administration, had resulted in making available to your employees some of the highest quality medical care to be found in the world." Your challenge seems to be, Is the Permanente health plan living up to that description?

First as to what the Permanente health plan is:

Approximately 100,000 west coast people at the present time are receiving their hospital, medical, and surgical care through the Permanente plan by voluntary monthly payments.

They are served by Permanente hospitals and clinics at Oakland, San Francisco, Richmond, Vallejo, and Fontana, Calif.; Portland, Oreg.; and Vancouver, Wash.

Performing the medical and surgical services at these various centers are doctors practicing as a group under a partnership system.

The objective of the plan is to provide at low cost that can be afforded by families and individuals of moderate and low incomes, a high type of care by physicians and specialists who can minister expertly to the illnesses and diseases that afflict mankind. The monthly payments open up to the patients all the facilities of well-equipped hospitals—surgical—X-ray and laboratory services. The prepayments spread the cost of illness so that a major illness or operation need not mean terrible hardship and bankruptcy to a family.

The group practice of medicine and surgery has proved by our experiences to offer the greatest hope yet found to efforts to provide the most possible for the patient's money in doctor and hospital care. There always will be those who will prefer to go to their individual physicians and specialists. Yet millions of Americans require ways of spreading the high cost of illness and hospitalization. Our group practice plan provides private enterprise medical and hospital care. A partnership of doctors directs the system.

Advantages of group practice and prepaid health program include:

1. Since no single doctor can cover today's vast knowledge of medical science, the most effective way to pool the talents and wisdom of general practitioners and specialists in the many fields is by their working together in a center. Doctors working as a group, a team or partnership are a stimulation and aid to each other. They can consult with each other immediately. They can provide high quality and diversification of services to their patients.

2. The patient does not have to be sent from one specialist's office to another—nor to scattered X-ray, laboratory and hospital facilities. His health needs can be met by general practitioners or specialists and hospital facilities, all brought together under one roof.

3. Economies that permit giving the patient higher quality care at a lower cost are achieved by the cooperative use of surgical, X-ray, laboratory and hospital facilities; by the doctors jointly using a unified office staff, accounting system, managerial services and centralized offices.

Each doctor does not duplicate records, phone and secretarial services and many of the items of overhead that make individual practice necessarily more expensive. The savings from group practice, especially when combined under one hospital roof and with full hospitalization services, can enable the health plan subscriber to get better quality and a great deal more services for each dollar he pays.

4. A new economics of medicine and hospitalization is developed under the Permanente pattern. Since the subscribers' prepaid funds go directly to the Permanente physicians and hospitals—not as a fee for services as required by patients, but in toto as a prepayment, the medical group and hospitals are in the position of benefiting by keeping patients from getting ill. This reverses the usual economics of medicine whereby doctors and hospitals obtain their income from persons becoming ill. Under the Permanente plan, the well person is an asset, the sick person an expense. Thus there is a definite incentive for the Permanente system putting greater emphasis on preventive medicine, on encouraging patients to come to the medical centers at the early stages of trouble, on detecting and treating disease and illness before it becomes acute.

The quality of service provided by the Permanente health plan, about which you make specific inquiry, Senator, can best be testified to by authoritative, impartial judgments that have been made.

The American College of Surgeons surveyed the Permanente Foundation Hospital, Oakland, and accorded the hospital full approval, which placed it in the highest bracket of American and Canadian hospitals inspected. Among Permanente Hospital's features favorably commented upon in the American College of Surgeons' report were:

Building adequate and well maintained.

Administration competent.

Records are complete and satisfactory.

Laboratory and X-ray well equipped and managed by full-time certified specialists.

Nursing and dietary services adequate.

Large medical and surgical staffs with many certified men and fellows.

Obstetrical department active and well conducted.

Physical therapy a large and well-equipped department.

The out-patient clinic is huge, well-organized, and equipped, with a large staff of nurses and physicians.

The American Medical Association Council on Medical Education and Hospitals has approved Permanente Hospital for intern and resident training and the hospital also has been approved for specialty-board training in surgery, internal medicine, orthopedics, obstetrics, and gynecology, roentgenology, and pathology.

Metropolitan Life Insurance Co.'s William P. Shepard, M. D., third vice president, wrote of having examined Permanente Hospitals at Oakland, Richmond, and Vancouver, Wash., as follows: "I have seldom seen higher quality of medical work in any institution. Your staff if able, interested, and alert; evidently enjoying the greatest possible professional freedom, together with opportunities to advance in their specialty. I have talked with your interns as well as resident and staff members, your chiefs of service and chiefs of staff. You are certainly to be congratulated on handling the well-known temperaments of medical personnel so skillfully and on producing so high a grade of medical service for all your employees."

University of California's professor of medicine, William J. Kerr, M. D., reported to the American Medical Association: "For the last few years I have had an opportunity to observe the development of this hospital and the other services pertinent to the care of the sick coming under the supervision of the staff there. I am prepared to state that the quality of service to the sick is of a very high order. The members of the staff are for the most part young and energetic and they are able clinicians. Most of them are interested in the recent advances in medical science and practice. Their group contribution in our community is inspiring * * *. This situation has made it possible for them to assemble a group of men whose abilities and capacities are outstanding."

Hooper Foundation, University of California, by the director, Dr. Karl S. Meyer: "I am highly enthusiastic over possibilities to provide prepaid medical care of the highest quality at low cost through a group organized like the Permanente Foundation, under the superb direction and honest leadership of Dr. Sidney Garfield. Last Wednesday I saw the ultramodern hospital with all its excellent facilities and its staff of sincere and capable young physicians guided by the highest motive of service and research. Every possible assistance should be given to this undertaking."

International Harvester Co., Dr. Will F. Lyon, Chicago, head of medical service for the company nationally, wrote: "We are awfully proud of the fine job you are doing in this, the most complete medical service the Harvester Co. is offering or has ever offered to its employees.

Stanford University School of Medicine's Dr. Windsor C. Cutting of the department of pharmacology and therapeutics: "I have followed the course of Permanente Hospital with friendly interest since its organization, and have been a frequent visitor there. My impression is that the type and quality of care is excellent. In fact, it seems very much like that practiced in the university hospitals with which I have been associated, which I believe to be medicine of the highest order."

University of California Medical School's Assistant Clinical Professor of Medicine Harold Rosenblum, M. D.: "Since early 1946, I have had frequent occasions, through medical consultations at your hospital, to observe the quality of medical care given to patients there. In my opinion, the important medical features of the hospital are excellent both from the standpoint of the care of the patient and the teaching of young physicians. Permanente compares favorably with other teaching hospitals I am acquainted with both in this area and throughout the country generally."

American Board of Surgery has certified three surgeons on the staff of Permanente Hospital, Oakland, which becomes significant from the fact that out of more than 1,000 physicians in this community, in July 1948, there were a total of 12 reported certified by the Board in surgery. Permanente's full time attending staff of surgeons consists of six men, one of whom is completing his training as an attending surgeon, and two others of whom satisfy the requirements of the American Board of Surgery. One of the senior surgeons remains on duty at all times—nights, week ends, and holidays, on call in the hospital for emergencies every hour of every day.

Quality of care: You asked that our medical staff prepare facts and figures to show the quality of Permanente care. Accordingly, the director of the Permanente Department of General Surgery compiled published mortality rates in surgical cases for various hospitals and compared them to Permanente's experiences, in order to answer the question: "Are the mortality risks of the operative procedures carried out at Permanente comparable to the best?" Briefly, the findings are as follows:

"There have been 1,900 patients operated for various types of hernia in the hospital, including bilateral repairs as one. There has been not a single hospital death in this group of patients.

"Perforated peptic ulcer: 124 patients operated for this acute illness with only 3 deaths, a mortality rate of 2.4 percent. This is an outstanding record which has never been equaled. M. de Bakey collected all reported groups of such patients and found the average mortality rate to be 22.4 percent. More recent reports average 10 to 15 percent.

"Appendectomies: 1,000 operations for acute appendicitis, not perforated, with no deaths whatever—a record which cannot be surpassed. About 150 patients have been operated for appendicitis with perforation and peritonitis, of whom 3 or 2 percent died. Most reports run much higher, but this figure was approximated by University of Pennsylvania group which had 2.6 percent mortality.

"Colon resections and abdominal perineal resections: 40 without a death; 105 gastric resections with but 2 deaths, including resections for gastric cancer, which usually carries a risk of about 10 percent.

"Biliary tract operations: 139, including complex and difficult work on the common bile duct and all instances of acute and ruptured gall bladders, with but 1 death. Most reported mortality rates for simple cholecystectomy alone run 2 to 4 percent.

"Operative procedures which are extensive or ordinarily carry a high risk, but which have been done without a hospital death, include 6 pancreatico-duodenectomies (whipple operations), 16 subphrenic abscesses, a hip disarticulation, a hemi pelvectomy."

Acceptance of the health plan depends upon the public: When groups of employees inquire about enrolling in the Permanente plan it is our practice to ask them to investigate all types of prepaid medical and hospital services, make comparisons, and choose the best plan available and most fitting their needs.

Enclosed is a copy of the services and fees offered subscribing members. Your committee staff can compare this plan with other voluntary health plans and ascertain impartially how various plans compare for cost and amount of services provided.

Out of 100,000 served by the Permanente system, not more than 12 percent at present are Kaiser employees.

The present program had its earliest beginning around 1933, when Dr. Sidney Garfield went into a sun-baked, thinly populated area of California and set up a clean little hospital to bring medical and hospital care to construction workers on their remote jobs. The plan subsequently was carried to the scene of construction of great dams in the West. During the war, when upward of 180,000 workers poured into our shipyards in the San Francisco Bay and Portland, Oreg., areas, and other workers were assembled to produce steel at Fontana, Calif., the Permanente hospitals were set up to provide critically needed services.

The plan grew up directly and simply out of great human needs that had to be filled—first, on remote construction projects, and, later, when tremendous war jobs were to be done and the workers doing them had to have emergency services of doctors and hospitals to care for their injuries and ills. It was not originally conceived for extension to the public.

Then after the war, considerable interest arose in seeing the plan and the available facilities continued being utilized for the public welfare. A serious shortage of hospital beds existed in the Oakland area. Many former shipyard employees and others who had become interested in the wartime health services made inquiries or made requests for continuation of the Permanente plan. It became apparent to the doctors and personnel who had worked together in the wartime operation that Permanente could fulfill peacetime services for which there was a real demand. As a result, the health plan was broadened to accept not only our own employees, but individuals and groups of other employees who desired the benefits of this voluntary plan.

Several labor organizations and such groups as University of California faculty members have made thorough studies of various prepaid medical-hospital plans, in order to obtain the greatest value for their members.

Alameda County Central Labor Council, composed of American Federation of Labor unions, endorsed the Permanente plan. Its official newspaper, the East Bay Labor Journal, in reporting the endorsement, stated:

"A number of the unions affiliated with the council are already participating in the health plan. These include the Milk Wagon Drivers, Oakland Typographical Union, Office Employees' International Union, Carmen's Union, Division 182, Building Service Employees, and the Cleaning and Dye House Workers.

"This health plan is based on several principles which made good sense to a union man. These principles are:

"1. Prepayment: Members of this plan pay weekly or monthly dues which make them eligible to all the services of the plan. The prepayment coupled with a comprehensive coverage makes it important for Permanente to exert all its efforts in the direction of keeping the members well. In other words, the economic relationship of Permanente with the patient is entirely different than that of the outside practitioner with his patient. Normally, a doctor makes his money from people who are sick. Permanente saves money when its members are well. Once you are a member of the health plan, you are encouraged to come in and see a doctor when you do not feel well. It is far cheaper to treat you for your cold than it is to hospitalize you for pneumonia.

"2. Group practice of medicine: Permanente has under one roof some 50 doctors representing all the specialties in medicine. Medical science is a vast and complicated field and no one man can be master of all the phases of this science. By having all the specialists under one roof, the members

receive the benefit of specialist service not only when they are very sick and their condition is critical but as a matter of regular routine.

"3. Adequate facilities: As a result of a large prepaid membership and a large group of doctors all practicing together, Permanente has the very best equipment that science has devised in order to find out what is wrong with people and to cure them. They also have highly qualified technicians to operate this equipment."

The California CIO Council, in State convention, adopted a resolution endorsing the Permanente plan and issuing a statement to its affiliated councils and locals, reporting: "There are at the present time in the State of California a number of privately operated voluntary hospital and medical care plans. The only plan, in our opinion, which merits consideration and support by the CIO is the medical and hospitalization plan of the Permanente Foundation. This plan provides the participants with excellent medical care at a premium which is cheaper for the services rendered than any existing plan. The costs of the Permanente plan are within the financial ability of our members. The California CIO Council endorses the Permanente plan and recommends it to the membership of its affiliated organizations as a means of meeting medical and hospital costs on a prepaid basis."

Growth of Permanente plan membership is a concrete evidence of public demand and need for it. The average net growth of membership in the Permanente plan is 2,000 persons a month.

A number of members of the California Physicians Service and Blue Cross plans select Permanente doctors and hospitals to supply them the services provided under their respective plans.

The Permanente physicians operate as an independent partnership in private enterprise, using the medical center facilities of the nonprofit foundation. A large percentage of Permanente physicians are partner owners of their own practices. New additions to the staff of physicians and surgeons become eligible to join the partnership after a period of service with the organization.

The prepaid funds are divided between Permanente hospitals and the medical group on an actuarial basis in relation to the services provided by each. The group partnership of physicians employs its own assistants, nurses, receptionists, etc. The doctors lease space in the medical centers. The hospitals pay their expenses out of their share of the funds.

The doctors prosper under the arrangement. On the basis of surveys by Medical Economics, it is found that Permanente doctors receive earnings at least equal to or better than the averages for individual practicing doctors in their various fields.

Not only do the hospitals become self-sustaining and provide funds for amortizing their property and equipment, but the Permanente Foundation, which owns the medical center facilities in which the Permanente health plan is operated, is a charitable trust. Any surplus funds of the foundation must be used to carry on its purposes—namely, to create medical centers and provide high quality medical and hospital care—and beyond that, to provide hospital care for the needy, for the teaching and training of doctors and nurses, and for research.

An example of how the foundation is able to foster the extension of needed health services is this: The Permanente Foundation is assisting financially toward providing facilities for the Kabat-Kaiser Institute, which operates rehabilitation centers for the disabled in Washington, D. C., Vallejo, and Santa Monica, Calif. These Kabat-Kaiser Institutes supply treatment aimed at restoring to useful lives persons who have been disabled by the various neuro-muscular illnesses such as multiple-sclerosis (of whom there are 300,000 estimated sufferers in the United States), poliomyelitis, cerebral palsy, cerebral hemorrhage and paraplegia.

The Permanente Foundation feels that the plan which has been evolved is economically sound for all concerned—first, for the patients who can spread the risks of the high cost of illness as they would through insurance and who obtain a maximum of high-quality medical, surgical and hospital protection for their monthly payments; second, for the hospitals, which can operate without the deficits which so often plague private hospitals, yet provide fully adequate facilities and services; third, for the doctors, since their earnings are sufficient to attract top grade men to their group.

What contribution to the future can be made? This is a time when great attention is being given to offering the American people a wider and better distribution of medical care at the lowest possible cost. Several different prepayment plans are in operation and each plan, including the Permanente plan, as it is tested, changed, and improved, should be able to make a definite contribution toward finding the best answer.

Meantime, a heated controversy rages between advocates and foes of so-called compulsory Government or socialized medicine. I unequivocably believe in the American tradition of private enterprise, which has been responsible for tremendous advances in this country and which can continue working for the good of the people. Americans turn to Government for new services only when a democratic majority of the people and their leaders or officials demonstrate a conviction that the Government should fill certain human needs that are not being met or that cannot be met as well in other ways.

It is my faith that the medical profession, which has made giant strides in the science of diagnosing ills and healing people, will demonstrate the enlightenment, courage, cooperation and practical gumption to protect the people against the costs of illness within the framework of private enterprise. The Permanente plan represents one development of private practice and of free enterprise. Certainly private enterprise, whether in business, industry or medicine, can keep on always doing a better job than it has done before. So I feel confident that the doctors can show that their segment of the private enterprise system is able to rise to the challenge and make rapid and constructive progress toward spreading the burden of illness.

Looking upon the Permanente plan as a pilot operation, can some worth-while experiences and guideposts be obtained from its success? Does it have something unique to offer?

The distinct experience to be gleaned from the Permanente plan is that it has combined three successful practices that are well recognized in the work of American doctors and hospitals, namely:

1. Prepayment: The National, State, and County Medical Associations have indorsed the principle of prepaid medical care. The physicians operate their own blue-shield plans of medical service, which are now estimated to have nearly 10,000,000 members. The Blue Cross hospitalization plans are reported to have some 33,000,000 persons now enrolled. Prepayment is an essential feature of these plans.

2. Group practice: The success of group practice of medicine is exemplified by Mayo Clinic at Rochester, Minn.; the Lahey Clinic at Boston; and Crile Clinic in Cleveland. The achievements of group practice are notable at the great university hospitals like those of the universities of Chicago, California, Stanford, and Iowa.

3. Medical centers: Combine the prepayment plan with group practice and then the natural development is the medical center, where the physicians, surgeons, specialists, nurses, and administrative personnel are brought together under one roof in a well-equipped hospital. Through the medical center, the patient can obtain both medical and hospital care, attended by the finest physical facilities and scientific developments.

These three combined—prepayment, group practice, and the hospital medical center—offer a real approach to providing the patient the most for his money.

Any good group of doctors could carry out a similar combined program of working together in a hospital center and providing their services, as well as hospitalization, through a prepayment plan.

Respectfully yours,

HENRY J. KAISER,
President, the Permanente Foundation.

THE PERMANENTE HEALTH PLAN (GROUP PLAN) HOSPITAL, MEDICAL AND SURGICAL CARE AT THE PERMANENTE HOSPITALS—SUBSCRIBERS ONLY

1. Subscribers are entitled to 111 days hospital care for each illness or injury arising while a member of the plan. No charges are made for any of the following services:

All services of physicians and surgeons while hospitalized, including all operations, (with the exception of removal of tonsils). Room and board. Private room and special diet as required. Nursing service. Private nurses as required. Use of operating rooms. Services of anesthetist. Anesthetics. Drugs and medicines. Blood transfusions provided blood is replaced. Ambulance service within 30 miles of hospital.

Consultations and treatment at the Permanente medical centers

2. Subscribers are entitled to consultation and a full year's treatment for any condition at a charge of $1 per office call. The following services are included:

Visits to the doctor's office. Specialists' consultations and treatment. Eye examinations for glasses. Emergency service 24 hours a day.

Care at your home

3. Subscribers are entitled to all necessary house calls by physicians or visiting nurses. A charge of $2 is made for the first house call by a doctor for each illness or injury; no charge is made for succeeding calls; or for calls by visiting nurses.

Emergency service 24 hours per day.

Drugs and medicines

4. Subscribers are entitled to all drugs and medicines without charge while hospitalized under the plan. A reasonable charge is made for drugs and medicines furnished to patients receiving treatment at the medical centers or at their homes.

An efficient pharmacy to fill all prescriptions.

X-rays and laboratory work

5. Subscribers are entitled to all required X-rays and tests, up to a full year's treatment, for any illness or injury arising while a member of the plan. This service includes X-rays; X-ray therapy; fluoroscopy; dental X-rays if required by a dentist; laboratory tests, such as blood counts, blood chemistries, urine checks, electrocardiograms, basal metabolism, etc.

Physical therapy

6. Subscribers are entitled to all required physical therapy, up to a full year's treatment, at a charge of $1 per treatment.

Maternity care

7. Subscribers (women) are entitled to full maternity care at an additional charge of $60 if confinement occurs after 10 months' membership, $140 if before 10 months' membership. In the event pregnancy is interrupted or terminated, a reasonable charge will be made for obstetrical services rendered. Such charge shall in no event exceed the charge above specified for obstetrical services.

Care of mother and child during mother's confinement, including hospitalization as provided above; care of mother before and after confinement; X-rays and tests; special procedures, such as Caesarean sections, if required.

FAMILY DEPENDENTS

1. Family dependents of subscribers are entitled to 30 days' full hospital care, plus 81 days immediately following, for each illness or injury arising while a member of the plan at a charge of one-half regular rates. One exception: Drugs provided while hospitalized during this 81-day period will be charged for at regular private rates.

All services of physicians and surgeons while hospitalized, including all operations (with the exception of removal of tonsils). Room and board. Private room and special diet as required. Nursing service. Private nurses as required. Use of operating rooms. Services anesthetist. Anesthetics. Drugs and medicines. Blood transfusions, provided blood is replaced. Ambulance service within 30 miles of hospital.

Consultations and treatment at the Permanente medical centers

2. Family dependents of subscribers are entitled to consultation and a full year's treatment for any condition at a charge of $1 per office call. The following services are included:

Visits to the doctor's office. Specialists' consultations and treatment. Eye examinations for glasses. Emergency service 24 hours a day.

Care at your home

3. Family dependents of subscribers are entitled to all necessary house calls by physicians or visiting nurses. A charge or $2 is made for each house call by doctor; no charge is made for house calls by visiting nurses.

Emergency services 24 hours per day.

Drugs and medicines

4. Family dependents are entitled to all drugs and medicines without charge while entitled to 30 days' hospitalization. Drugs and medicines provided during the 81 days will be charged for at full private rates. A reasonable charge is made for drugs and medicines furnished to patients receiving treatment at the medical centers or at their homes.

An efficient pharmacy to fill all prescriptions.

X-rays, laboratory work, and physical therapy

5. Family dependents are entitled to all required X-rays, tests, and physical therapy, up to a full year's treatment of any illness or injury arising while a member of the plan, at one-half regular rates. This service includes X-rays, X-ray therapy, fluoroscopy, dental X-rays if required by a dentist. Laboratory tests, such as blood counts, blood chemistries, urine checks, electrocardiograms, basal metabolism, etc., physical therapy, such as ultraviolent treatments, massage, heat treatments, diathermy, and whirlpool baths, etc.

Maternity care

6. Family dependents are entitled to full maternity care at an additional charge of $95 if confinement occurs after 10 months' membership. In the event pregnancy is interrupted or terminated, a reasonable charge will be made for obstetrical services rendered. Such charge shall in no event exceed the charge above specified for obstetrical services.

Care of mother and child during mother's confinement, including hospitalization as provided above. Care of mother before and after confinement. All X-rays and tests. Special procedures, such as caesarean sections, if required.

SPECIAL PROVISIONS

Preexisting conditions

Any illness or injury present at the time of joining the plan will receive the same services of physicians and surgeons as are provided for illnesses arising while a member of the plan. Other services such as hospitalization will be provided at one-half regular rates. Two exceptions: In-patient drugs and ambulance service will be charged for at private rates.

Who can be included

The subscriber to the plan may subscribe for himself alone, or for himself and his entire family. He may not subscribe for himself and part of his family. Family includes husband or wife, and dependent children under 18 only. If the spouse of subscriber is over 60 years of age, a physical examination is required before acceptance as a family dependent member.

New-born children become eligible for membership on the first day of the month following discharge from the hospital.

Dependent children who reach the age of 18 must apply for separate membership if they wish to enjoy further benefits under the plan.

Registration fee

An initial registration fee of $2 is added to the first month's membership fee.

Exclusions

Insanity or attempts at suicide; tuberculosis, conditions covered by workmen's compensation; dental care; corrective appliances; conditions resulting from a major disaster or epidemic. Congenital conditions of infants considered preexisting.

Hospitalization will not be provided for contagious diseases.

Conversion membership

If membership through a group is terminated, a member may apply within 30 days for conversion membership under an individual account. Any person who has had continuous membership in the plan for 2 years is entitled to such conversion without medical review or physical examination. Full details concerning conversion membership may be secured at any of the medical centers.

Monthly membership fees

Individual subscriber	$3.00
Subscriber and 1 family member	4.85
Subscriber and 2 or more family members	5.65

BENEFITS AND COSTS OF VARIOUS PREPAYMENT PLANS

The San Francisco News of June 23, 1949, analyzed the cost of various prepayment medical and hospitalization plans, and specific benefits obtained under each of the plans.

The actual bills of a woman, identified only as "Mrs. M.", were listed for all expenses in connection with an operation for removal of a tumor and the thyroid gland. Her bills for the operation totaled $917.83.

Had her family been covered by a plan for families of three or more, the San Francisco News concluded that this would have been the situation as to the cost of this same operation:

	Yearly payments	Amount of Mrs. M's. bill that would be paid by plan	Percent of bill paid by plan
1. Permanente plan	$67.80	$888.00	96
2. California physicians service plan	94.80	550.35	60
3. Blue Cross plan (hospital service of California)	76.80	495.85	54
4. California Farm Bureau Federation plan, carried by 3 private insurance companies	83.53	370.00	40
5. Individual health insurance policy carried by Mrs. M	35.76	181.00	20

Dr. Dean Clark of the University of California School of Public Health, reported on the percent of "average total expenditures for medical care actually paid by plans of various types," as follows:

	Percent
1. Typical group practice	46.0
2. Typical Blue Cross-Blue Shield plan	21.5
3. Typical commercial group insurance	16.2

Business Conditions in Casper, Wyo.

EXTENSION OF REMARKS

OF

HON. LESTER C. HUNT

OF WYOMING

IN THE SENATE OF THE UNITED STATES

Thursday, July 7 (legislative day of Thursday, June 2), 1949

Mr. HUNT. Mr. President, I send to the desk for the purpose of having printed in the Appendix of the RECORD a brief statement with reference to business conditions covering the last 9 months in the city of Casper, my State of Wyoming.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

CASPER LEADS NATION 9 MONTHS

Casper is the high-spot city of the Nation for the ninth consecutive month, according to sales forecasts for July released by Sales Management magazine. Casper first topped the Nation last September.

The magazine's figures show Casper leading the Nation in July with retail sales of 115.3 percent over the same month a year ago.

Retail sales here will hit $3,730,000 next month, according to the estimates compiled by the magazine's research department.

The retail survey shows that Austin, Tex., is Casper's closest competitor. There, July sales are estimated to reach 112.9 percent of the same month a year ago. Next in line is Reno, Nev., with sales at 111.1 of a year ago.

The only other Wyoming city in the ratings is Cheyenne, with sales estimated at 102 percent of a year ago.

Other cities in the magazine's survey with 105 percent or higher ratings are:

Houston, Tex., 105.8; Wichita Falls, Tex., 106; Baton Rouge, La., 113; Austin, Tex., 112.9; Butte, Mont., 108.2; Albuquerque, N. Mex., 109.7; Hempstead Township, N. Y., 106.2; Bartlesville, Okla., 107.5; Charleston, S. C., 107.2; Aberdeen, S. Dak., 106.3; and Roanoke, Va., 105.

The Brannan Plan

EXTENSION OF REMARKS
OF
HON. HUGH BUTLER
OF NEBRASKA
IN THE SENATE OF THE UNITED STATES

Thursday, July 7 (legislative day of Thursday, June 2), 1949

Mr. BUTLER. Mr. President, I ask unanimous consent to have printed in the Appendix of the RECORD an editorial published in a recent issue of the Nebraska Farmer, dealing with the Brannan plan for stabilizing prices and making agriculture more secure.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

Under the guise of a program—the Brannan plan—for stabilizing prices and making agriculture more secure, a partisan political pow-wow was held in Des Moines June 13. A good day for it.

Ostensibly it was to be a gathering of representative farmers and ranchers from 16 States, and an open discussion of how best to assure adequate prices for agricultural commodities. Actually it was a premeditated and well-organized assembly of Democrat Party officials and committeemen and women with the high "brass" prominently in the foreground to lend color and insure enthusiasm.

Nothing like it ever has been done before in the alleged interest and welfare of the farmer. But even more astounding and alarming was the bold promotion and acceptance by the management of a special labor group, the CIO, as an essential factor in assuring the permanent prosperity and stability of agriculture.

Well, the design of the Brannan plan has come sufficiently to light by now that its alleged purposes are somewhat understood. It would guarantee parity income—not prices—for the farmer, and lower food prices for the consumer. How? With Government subsidies, and production controls by the United States Department of Agriculture. How much would it cost? The answer—???. No one, not even Mr. Brannan has ventured a specific guess. And how would the Treasury be reimbursed? Taxes, of course. And who would pay them? Only those in the top income brackets, we would be led to believe, but actually by all—and really more by the farmer than the average consumer.

No one who understands the first principles of the national economy will question the prime necessity for a prosperous and stable agriculture. The basis for that is parity in exchange values between agricultural and nonagricultural commodities and services. That has been done and can continue to be without subsidizing both the producer and the consumer. In fact, it cannot be done by the latter.

But let's get away from the purely mercenary side of it. America is at the crossroads. Which means more? Our immediate, individual financial interests, selfish as they may be, or the perpetuation and preservation of the principles of government upon which this greatest of all Nations was built? That is the issue. And it is vital.

I leave the answer to a great American—one in whom more people have unselfish confidence, perhaps, than any other living man. A man who never has affiliated with any political party; a man who probably would have been President today had he been willing to accept the nomination; a man who in the supreme emergency led our forces in battle, and conquered. Dwight Eisenhower.

Hear him!

He warned against letting the Government become too strong—"believers in paternalism, if not outright socialism" gaining "still additional powers for the central Government." And in words weighted with fear of hazards for the future he declared "the army of persons [those formerly implied] are really more dangerous to our form of government than any external threat that can possibly be arrayed against us."

On the very day, June 13, when the aforementioned partisan forces concentrated on a deceptive theme to promote their interests, those words by Dwight Eisenhower in behalf of his country as a whole were given to the public. They will resound throughout the ages.

Will we hearken to them?

SAM R. MCKELVIE.

Failure of State Socialism in Britain

EXTENSION OF REMARKS
OF
HON. JAMES P. KEM
OF MISSOURI
IN THE SENATE OF THE UNITED STATES

Thursday, July 7 (legislative day of Thursday, June 2), 1949

Mr. KEM. Mr. President, I ask unanimous consent to have printed in the Appendix of the RECORD an article entitled "Britain Sends Financial S O S to United States To Save Failing State Socialism," written by Constantine Brown and published in the Washington Evening Star of July 6, 1949.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

BRITAIN SENDS FINANCIAL S O S TO UNITED STATES TO SAVE FAILING STATE SOCIALISM

(By Constantine Brown)

The British Government has sent an S O S to Washington for immediate financial assistance to save state socialism, the great experiment of the British Labor Party, which has proved a dismal failure.

Sir Stafford Cripps, its chief advocate who was given more extensive powers by the government and Parliament than any other peacetime administrator, realizes that this failure may deal a death blow to the cherished Utopian doctrines of those who insist that the only solution to our troubles lies in government paternalism. He is stubbornly fighting on, but his only hope of surviving, even temporarily, lies in assistance from the American Government.

Since 1946 the British Government has received more help from America than has any other western nation. We have financed the Labor government to the tune of more than $4,750,000,000 within a period of 3 years. Britain got a $3,750,000,000 loan from us in 1946 and has received more than $1,000,000,000 under the European recovery program.

LAGS IN RECOVERY

Yet, compared to continental European countries like Belgium, France, Holland, and Norway, Britain is a long way behind in its recovery.

According to economic reports, Belgium not only has recovered but is enjoying a small wave of prosperity. The reason is to be found in the fact that while Paul-Henri Spaak, Belgium's former Premier, was a Socialist, he practiced political rather than economic socialism.

Although Belgium has the densest population in Europe, and although she has suffered from the war, she has managed her affairs so well with modest help from the United States that today she is probably the most prosperous country in Europe. Socialists did not attempt to nationalize anything, but adopted a policy of live and let live in its economic affairs.

Holland, which suffered from Nazi invasion of her home territory and Japanese occupation of her colonies, also is on a fair way to recovery, in spite of serious set-backs from Indonesian political troubles. The Dutch Government, realizing that socialism is still some time away, has refused to experiment with any form of state paternalism, and today, in spite of the Nazi devastation, is in a far better way than the British Isles.

Even France, where the political turmoil always has interfered with its economies, the situation is much better than in Britain. After the fall of the De Gaulle regime the frequently changing Government, was composed of a mixture of Socialists and Communists, with Maurice Thorez, Moscow's principal stooge in France, as Vice Premier. Under such administrations nationalization of some important industries and financial establishments was undertaken with devastating effects on the public finances.

NEW GROUPS IN POWER

Since the spring of 1947 a new administration, composed of political—not economic—Socialists has been in power, with the Communists excluded. As is usual in France, the administration changed three times in 2 years, but the drive toward nationalization and paternalism received a serious set-back. The result has been that France, while still in serious political difficulties, is better off and less dependent on immediate American financial help than Britain.

A similar situation exists in Italy, where the Christian Socialists, headed by Premier Alcide de Gasperi, who also removed the Communists from the Government, are doing a good recovery job. Italy, much poorer in raw materials and food than Britain, is far better off today than the United Kingdom is. State socialism and paternalism have not been seriously attempted in Italy.

Much of the $4,750,000,000 received by the British Government from the United States was wasted in admirable ideological experiments such as nationalization of industries, state medicine, and other measures still considered utopian, with the result that Britain today is on the verge of bankruptcy. Bankruptcy will become a fact unless additional and immediate support is received from the United States at once.

In the last 4 years, during which Britain's Labor Government has had every opportunity to prove that socialism in our time is not a mere dream, it has managed to place the most powerful industrial and financial country in Europe behind all other countries on that Continent.

Comparison Between British Labor Government and Fair Deal Government

EXTENSION OF REMARKS
OF
HON. ZALES N. ECTON
OF MONTANA
IN THE SENATE OF THE UNITED STATES

Thursday, July 7 (legislative day of Thursday, June 2), 1949

Mr. ECTON. Mr. President, I ask unanimous consent to have printed in

the Appendix of the RECORD a very timely article entitled "Two Say 'Enough,'" published in the Boston Herald of June 25, 1949.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

TWO SAY "ENOUGH"

Baron Milverton, who was raised to the peerage in 1947 after a long and distinguished career in British colonial administration, has been a member of the Labor Party. The other day he solemnly left the Labor benches in the House of Lords, crossed the narrow chamber, and took his place with the Liberals. He had had enough.

James F. Byrnes, who has had a long and distinguished career in Washington and served in high advisory and administrative capacities to President Roosevelt and President Truman, has similarly left the benches of the Deals, Fair and New. His transition was not formalized by any march, but it was made no less evident by his words. At the bicentennial of Washington and Lee University, he said this:

"We are going down the road to statism. Where we will wind up no one can tell. But if some new programs seriously proposed should be adopted, there is danger that the individual—whether farmer, worker, manufacturer, lawyer, or doctor—will soon be an economic slave pulling an oar in the galley of state."

Now note what Lord Milverton pronounced to a hushed gathering of peers in reference to the bill to nationalize the steel industry:

"I have for some time felt, with growing apprehension, that this bill, for lovers of freedom, marks the parting of the way. * * * The road on which we are traveling leads to a precipice at the foot of which clearly emerges the totalitarian state."

There is a striking parallelism here, just as there is a striking parallelism between what the British Labor Government is doing and what the Fair Deal government in this country is doing.

"Some of the proposals now suggested which would curtail the liberties of the people are offered in the name of public welfare and are to be made possible by Federal aid," Mr. Byrnes warned. "That phrase is an opiate. It is deceptive. It leads people to believe that Federal aid funds come from a Christmas tree. * * * Beware of those who promise you something which does not belong to them and which can be given to you only at your own expense or the expense of another who may not produce to make the promise good."

Mr. Byrnes, like Lord Milverton, has had enough.

Democratic Party's Legislative Program

EXTENSION OF REMARKS

OF

HON. ESTES KEFAUVER

OF TENNESSEE

IN THE SENATE OF THE UNITED STATES

Thursday, July 7 (legislative day of Thursday, June 2), 1949

Mr. KEFAUVER. I ask unanimous consent to have printed in the Appendix of the RECORD a report on the program of the Democratic Party together with recommendations adopted at a mass meeting at Chattanooga, Tenn., on May 28 which was held under the sponsorship of the Americans for Democratic Action.

There being no objection, the report was ordered to be printed in the RECORD, as follows:

"NOW IS THE TIME FOR ALL GOOD MEN TO COME TO THE AID OF THEIR PARTY"

(A report of the conference on the pending legislative program of the Democratic Party, held in the Hamilton County courthouse, Chattanooga, Tenn., May 28, 1949)

A program for marshaling support of the Democratic Party's legislative program, including an invitation to President Harry S. Truman to speak in Chattanooga, was advanced by those attending a legislative conference in Chattanooga May 28, 1949.

Prompted by the slowness of the Eighty-first Congress to achieve a record of accomplishment on the issues of last November, leaders of the Democratic Party here, of organized labor, farmers, Americans for Democratic Action, and other organizations attended the afternoon session which had as its two purposes:

1. To hear reports and to discuss the status of pending legislation.

2. To discuss means of marshaling support for the legislative program of the Democratic Party.

Explaining the purpose of the meeting, George Hull, president of the Chattanooga ADA chapter, which organized the conference, said:

"Fulfillment in Congress of the program of the Democratic Party has been slow, and continued failure to achieve a program of actual accomplishment based on the issues that won the victory last November may well handicap the effectiveness of the party in the future."

After the meeting, he said, "Organizations and individuals attending this conference clearly showed their appreciation of the need of marshaling support of the Democratic Party's legislative program.

"Support for the party's legislation, which is designed to implement the party's platform, is just as important now as support of the party's candidates was last November."

It was emphasized through the meeting that the party won power last November on its platform, and that supporters of the program should back its major points, not merely the parts in which individual groups might be interested.

The following reports were made to the conference:

Housing, Will Allen Wilkerson, attorney for the Chattanooga Housing Authority.

Federal Aid to Education, Willard Millsaps, president of the Chattanooga-Hamilton County Teachers' Union.

TVA and Regional Authorities, Ken Whitaker and S. R. Finley, of the Chattanooga Electric Power Board.

Foreign Policy, Mrs. W. B. Richardson, PTA, and League of Women Voters leader.

Farm Legislation, Frank Kelley, Jr., of the Hamilton County Farm Bureau.

Civil Rights, C. B. Robinson, principal, Calvin Donaldson School.

Labor Legislation, Stanton E. Smith, president, Tennessee Federation of Labor; J. C. Stafford, president, Chattanooga Industrial Union Council; J. C. Cox, chairman, political committee, Brotherhood of Railroad Trainmen.

Health Insurance, Dr. Curtis Page, University of Chattanooga.

Economic Stabilization, Tom Ragland, president, Mountain City Mill Co., Inc.

Participating in the conference, in addition to those already named as speakers, were:

Lee Allen and Mrs. R. L. Howard, chairman and vice chairman, Hamilton County Democratic Executive Committee.

Clyde Russell and Harry Mansfield, president and vice president of the Young Democrats.

Mrs. Nancy Lea Smith, president, and Mrs. Hubert Piess, past president and board member, Democratic Women's Club.

T. R. Cuthbert, editor, the Labor World.

CIO Industrial Union Council.

Chattanooga League for Political Education.

Chattanooga Central Labor Union (AFL).

Americans for Democratic Action, Chattanooga chapter.

The decisions of the conference did not commit groups whose leaders were present to participate in activities suggested by the meeting, but most of those present indicated that they thought their groups would cooperate in future activities to gain support for the Democratic program.

The major suggestions for building support for the Democratic Party's program were:

1. Invite President Truman to address a mass rally in Chattanooga.

2. Neighborhood or precinct meetings to inform voters of the party's program.

3. A list of qualified speakers willing to address meetings of all types of organizations on the issues involved in carrying out the party's program.

4. Contact affiliated organizations throughout the country to create a ground swell of support for the program.

5. Send a report of this conference to Senators KEFAUVER and MCKELLAR, the Tennessee House delegation, other officials, individuals, and interested organizations.

Room for Private Builders

EXTENSION OF REMARKS

OF

HON. BURNET R. MAYBANK

OF SOUTH CAROLINA

IN THE SENATE OF THE UNITED STATES

Thursday, July 7 (legislative day of Thursday, June 2), 1949

Mr. MAYBANK. Mr. President, I ask unanimous consent to have printed in the RECORD an editorial entitled "Room for Private Builders," published in the New York Times on July 6, 1949.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

ROOM FOR PRIVATE BUILDERS

Analysis of the possible effects of the housing bill agreed upon last night by a House-Senate conference committee fails to show justification for the fears expressed by opponents of the measure that it might stifle private home and apartment building in the country. A few important elements in the industry appear to be overly impressed with the arguments to that effect, presented by the "antis" during the heated debate. They are reported to be pessimistic about the prospects of their business and the possible threat of competition from Federal housing enterprises, and are ready to curtail their operations. They would be ill-advised to do so.

While the over-all goal of 810,000 new Government housing units in 6 years is no minor undertaking, and the possible maximum subsidy of more than $300,000,000 annually is quite a substantial investment in improvement of standards of shelter for a major segment of our people, this outlay of funds will not "kill" the private home market. If properly applied, it will go to

meet a demand never touched by the speculative or operative builder, and should serve to stimulate a desire for better housing even among those economically able to pay their own way. The whole program involves a production of dwelling units somewhat less than 15 percent of the capacity of the industry, which built last year nearly 1,000,000 homes. Moreover, the subsidized houses will be concentrated in the larger centers of population, and many communities will get none of them. Even in cities like New York a vast field will remain open for private home ownership if adequate value is provided in homes put up and sold by traditional methods.

A great obligation rests upon the Federal and local housing authorities to supply the low-rent apartments only to worthy families of low income, and to prevent encroachment on the legitimate field of private building activity. No less of an obligation faces the industry, which must redouble its efforts to tap the still unfilled demand for modern dwellings to match the pocketbook of the average family. The extent to which it meets this challenge will be the measure of the future pressure for more public housing. It is up to the builders themselves to keep this need down to a minimum.

Helen Rembert Carloss

EXTENSION OF REMARKS
OF
HON. JOHN C. STENNIS
OF MISSISSIPPI
IN THE SENATE OF THE UNITED STATES
Thursday, July 7 (legislative day of Thursday, June 2), 1949

Mr. STENNIS. Mr. President, Helen Rembert Carloss, who passed away in December 1948, was widely recognized throughout the legal profession as one of the outstanding tax authorities in the country. Few lawyers in any field have ever received such praise from Justices of the Supreme Court.

Miss Carloss was a native of Yazoo City, Miss. After graduating from Mississippi State College for Women she taught for several years in the public schools of Mississippi. Ambitious to become a lawyer at a time when few members of her sex were active in the profession anywhere in the country, she went to the late Senator John Sharp Williams for advice. At his suggestion, she secured a position as a clerk with the Bureau of Internal Revenue, and attended the law school of George Washington University at night.

Graduating from that institution with a fine record, Miss Carloss became a member of the legal staff of the Department of Justice, and before many years was known as one of the outstanding attorneys in its Tax Division, where her special field was gift taxes.

By nature a quiet and unassuming person, Miss Carloss never sought fame or honors, but her abilities were widely recognized by all who came in contact with her work. She was given the George Washington University alumni award for distinguished attainments, and on one occasion was honored as the alumnae speaker at Mississippi State College for Women.

I ask unanimous consent that the following article in regard to her career be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

A memorial service was held in the conference room of the Supreme Court on May 25, 1949, by the Women's Bar Association of the District of Columbia, in tribute to Miss Helen Rembert Carloss. Miss Carloss was from Yazoo City, Miss., and graduated from Mississippi State College for Women. She came to Washington at the suggestion of the late Senator John Sharp Williams and was employed at the Bureau of Internal Revenue as a clerk. She studied law at George Washington University and, after admission to the Bar, was employed in the Department of Justice as a tax attorney. She became a recognized authority on the subject and at the memorial service Attorney General Tom Clark stated that Miss Carloss had argued 27 cases before the Supreme Court, a record for any attorney in the Department. He also stated that the late Chief Justice Stone had said to him that the court considered it had had an intellectual treat when Miss Carloss made an argument before it. A personal tribute was paid to Miss Carloss by Judge Nadine L. Gallagher of the Municipal Court of the District, and there follows the remarks made by Judge James W. Morris of the United States District Court of the District of Columbia.

"Helen R. Carloss is deserving of tribute. She was an outstanding lawyer and reflected great credit upon her profession. I have not the slightest hesitation in saying that, in her own field of tax law, she achieved an eminence shared by few and surpassed by none.

"I value highly the friendship and association which it was my privilege to have with her. She came to the Department of Justice in the early part of 1928, years before I did, at the instance of another outstanding lawyer, Mabel Walker Willebrandt, responsible for such tax litigation as was then handled by the Department of Justice. Miss Carloss was, therefore, one of the few who constituted the nucleus around which the newly created Tax Division was organized in 1934, with Assistant Attorney General Frank J. Wideman in charge. It was then I first came to know her as one of the stalwarts who was depended upon when the highest order of ability and devotion to duty were required. During the period that I was associated with her—first as an assistant to Mr. Wideman and later as Assistant Attorney General in charge of the division—she carried on litigation of the highest importance in practically every Circuit Court of Appeals in the country, and did it so well that, among other encomiums, I recall the expression of Judge Learned Hand, of the Second Circuit, that 'Miss Carloss is one of the best men who appears before our court.' She also undertook the still more arduous and dubious tasking of trying to drill into me the principles and intricacies of tax law so that I could, without too much reflection upon the Tax Division, argue the cases in the Supreme Court which had been delegated by the Solicitor General to me to present. I am glad to say that together we did pretty well. I was, however, delighted when the Solicitor General, upon my recommendation, designated Miss Carloss to present personally in the Supreme Court many cases of a most difficult nature. Her presentation of such cases excited well-deserved commendation, displaying there, as she had in other forums, her exceptional ability to state issues clearly, to make persuasive application of authorities, and to present with complete sincerity and candor such analysis of competing principles that her conclusions and contentions demanded sympathetic consideration.

"From one who has had association with Miss Carloss in the Tax Division, as Solicitor General, and as a member of the Supreme Court before which she has argued, I quote Mr. Justice Jackson, who said to me:

" 'I had the highest regard for Miss Carloss. Her knowledge of the record was perfect; she mastered the facts. On the law, she not only had research, which many people have, but she had a balance of judgment as to what should be advanced. She had a candor that made you feel, when she had finished, that you had the entire story.'

"I am also permitted to quote another who had association with her as Solicitor General and later as a member of the Supreme Court, Mr. Justice Reed:

" 'I had a great admiration for Miss Carloss. She became one of the foremost advocates in the field of internal-revenue law.'

"There can be no doubt that Helen Carloss' ability and competence, on equal footing with the best legal talent in the country, have been an important factor in today's acceptance and recognition of women in high places of the legal profession. She employed in her work those qualities which are demanded of lawyers of the highest type, whether man or woman: keenness and alertness of mind, untiring energy, intensive training, intellectual honesty, forthrightness, and courage. It is needless to say that she found great pleasure and satisfaction in her work, without which she could not have achieved the success as a lawyer which she did.

"I can think of no more fitting way to conclude this brief tribute to one for whom I have such admiration than to give to you a beautiful and appropriate expression by Mr. Justice Frankfurter:

" 'One of my earliest experiences on the Court has remained one of the most vivid. It was the sight of a frail lady through whose countenance shone nobility of spirit. It seemed almost incongruous to have her open a tax case involving the most technical issues. I had never even heard of Helen Carloss. But at the end of less than 5 minutes of her argument, she left no doubt in my mind that I was listening to a lawyer of distinction. During the course of the years, no lawyer whom I heard often so consistently confirmed that first impression. In her, reason and art and character were fused; advocacy at its best resulted. Our profession should cherish the memory of one who adorned it.' "

Civil-Rights Legislation—The Great Failure

EXTENSION OF REMARKS
OF
HON. JACOB K. JAVITS
OF NEW YORK
IN THE HOUSE OF REPRESENTATIVES
Wednesday, July 6, 1949

Mr. JAVITS. Mr. Speaker, the true function of the minority in the Congress requires a vigorous effort to bring about legislation where the majority, despite the promises of its leadership, has been remiss. Nowhere is this more evident than in the field of civil-rights legislation. It is in this field that the majority has been torn or completely frustrated by its own divisions. The responsibility for inaction rests with the majority and the majority cannot escape the responsi-

bility or blame it on anyone else. It is in exactly this field that the minority should press for action. The appended editorial from the New York Herald Tribune of June 22, 1949, eloquently sets this forth:

THE GREAT FAILURE

The failure of the present Democratic administration is nowhere more striking than in the field of civil rights. After all the brilliant promises held out, the only legislation being seriously considered for action at this session involves two innocuous proposals for the creation of a civil rights commission and a joint congressional committee on civil rights. These are study groups and nothing more, lacking any authority beyond that of recommendation; and the commission would be without even the power to subpena. Such a strategy is not a retreat but an abandonment of all the essential positions. To call this pitiful remnant a "civil-rights program" is to be guilty of something worse than mere overstatement.

It is all very well for the Democrats to point to the difficult rule on cloture passed at the beginning of the session; but they have a responsibility to the country to go beyond defeatism. Senator WHERRY has challenged the majority party to bring out even the least controversial of their original civil-rights measures—the antilynching or the anti-poll-tax bill—and has given assurance that from the Republicans will come at least 35 votes to break a filibuster. The Democrats have then to muster barely more than half of their 54 Senate Members to assure cloture. But the faction-ridden party, torn between liberal and reactionary elements as well as broken geographically, is apparently not confident that it can meet even such a test. It prefers, at any rate, to play safe. After brief and desultory hearings on an omnibus civil-rights measure, it focuses its efforts on what is at best a face-saving device.

In the circumstances the Commission and the joint congressional committee are a sham; and it seems impossible that Democrats who have cared earnestly for civil-rights reforms will not recognize and condemn them as such.

The American Lumber Industry and the Marshall Plan

EXTENSION OF REMARKS
OF
HON. FRANK W. BOYKIN
OF ALABAMA
IN THE HOUSE OF REPRESENTATIVES
Thursday, July 7, 1949

Mr. BOYKIN. Mr. Speaker, under leave to extend my remarks in the RECORD, I wish to include a United Press dispatch, datelined Washington, July 4, 1949, which appeared in the Savannah (Ga.) Evening Press of that date. Also, two articles from the Southern Lumberman, of Nashville, Tenn., dated June 15, 1949. We Members of Congress who represent lumber-producing areas of the United States are receiving scores of pleas from our lumber manufacturers that the situation described in these articles be immediately rectified and that the markets which the American lumber industry established in Europe before the war be restored to them, and certainly that at least 50 percent of the lumber purchases under the Marshall plan be made from American lumber manufacturers. Certainly it was never intended that the money of the American taxpayer be used to purchase commodities in countries behind the iron curtain.

I also include an article appearing in a weekly newsletter concerning some United Kingdom lumber business.

[From the Savannah (Ga.) Evening Press of July 4, 1949]

SOUND OUT ERP NATIONS ON THEIR LUMBER NEEDS—UNITED STATES HARDWOOD PRODUCERS CLAIM RECOVERY PROGRAM HURTING THEM

(By James C. Austin)

WASHINGTON, July 4.—A high foreign recovery official is now in Europe sounding out the Marshall plan countries on how much lumber they will need in this new fiscal year.

He is Mathias Niewenhous, chief of the lumber branch of the Economic Cooperation Administration's industry division. His mission is urgent because:

1. The Marshall plan countries have given a low recovery priority to lumber for housing and other construction, preferring to spend their ECA dollars elsewhere.

2. United States hardwood producers have charged that their export business, a mainstay of the industry for 50 years, has been ruined by the recovery program.

ECA officials decline to comment on the Niewenhous tour other than to say that one of its purposes is "to discuss with the various nations the possible magnitude of their lumber imports next year."

Their reticence is understandable. ECA is not in the business of promoting United States industry abroad. At the same time, it is charged by law with seeing to it that its recovery program does not upset the domestic economy. It is, officials say, a ticklish job.

Niewenhous has an ace in his hand. It is new ECA policy laid down last April 29 governing recovery authorizations for the purchase of lumber and plywood.

This provides that before ECA writes an authorization for dollar purchases of lumber it will determine why a country other than the United States has been selected, and whether firm bids were sought and received from the American industry.

On dollar purchases not made with ECA funds, ECA is committed to requesting the Marshall plan nations to make their purchase at the cheapest source, to canvass all possible dollar sources, and to make certain that the price paid is not above that quoted by American lumber men.

Niewenhous' visit followed close on the heels of vigorous attack on ECA by Senator KENNETH D. MCKELLAR (Democrat, Tennessee) during Appropriation Committee hearings on the agency's funds for the new fiscal year.

MCKELLAR agreed with arguments of his hardwood constituents that ECA has provided recovery dollars for Europe which the ERP nations are using for commodities other than lumber. This kind of buying frees local currencies—pounds, francs, lira, and the like—to buy lumber inside Europe, sometimes from behind the iron curtain.

Statistics appear to bear this argument out. In its weekly summary of authorizations for June 26, ECA showed that it had authorized only $115,000 for lumber and lumber products for Europe.

But for the week ending June 25, 1948, lumber authorizations totaled $5,500,000. It must be emphasized, however, that this was the biggest authorization listed to that time for lumber; that all previous lumber authorizations to that date had totaled only $400,000.

ECA disputes many of the arguments put forth by the hardwood industry. Exports of hardwood to the United Kingdom—formerly the major export market—did not decline with the advent of ECA, the agency says, but much earlier.

"A large part of the lumber financed by ECA in 1948 was in the way of reimbursement for lumber ordered back in 1947, before ECA was born," an official said.

He added that Great Britain has not been authorized to spend ECA dollars for lumber except in the United States and Canada.

Nevertheless, two countries—Greece and Austria—have been given recovery dollars to make lumber purchases from behind the iron curtain, in Yugoslavia.

"Greece this year was authorized to spend $705,000 to buy urgently needed construction materials from Yugoslavia," an ECA official said. "It was cheap, ungraded softwood needed in a hurry for construction purposes.

"Austria likewise was authorized to buy $182,000 worth of lumber from that country. The greater part of this purchase was for logs used for veneers and plywood. There was urgent need for this material and it was available close by."

Important indexes tell the story of Europe's declining lumber imports.

With 1935–38 as a base of 100, the United Kingdom is shown to have imported from the United States in 1947 about 134 percent, but in 1948 this declined to 39.

The rest of Europe in 1947 imported 90 percent of the prewar average, but only 22 percent in 1948. Other sections of the world likewise declined. In 1947, their imports from the United States stood at 77 percent of prewar. Last year these had declined to 50.

ECA's financing of lumber to date have produced no price kickbacks. Under the law, ECA can recover any overcharges on any commodity on the basis of a post-audit.

"We have made no recoveries on lumber authorizations," Clark L. Simpson, assistant ECA controller, said. "However, we are now making a study of the lumber authorizations to see if any such action is justified."

[From the Southern Lumberman of June 15, 1949]

HARDWOOD EXPORTS

American lumber exporters, especially the exporters of hardwoods, should be encouraged by the recent development in Congress of a tendency to scrutinize the expenditures and policies of the Economic Cooperation Administration. Administrator Hoffman, in his report to Congress, admitted that the ECA is asking a tremendous sum (more than $4,000,000,000) from the American taxpayers, and stated that the request for further funds should be judged on the basis of the record. This is, of course, entirely logical; although it appears that Mr. Hoffman is personally offended when the Congress examines the record and begins to wonder whether the tremendous sum asked by him might not be reduced.

The hardwood exporters ask nothing better than that their plight be viewed by Congress in the light of the record. That record will show that, whatever the ECA may have done for the needy nations of Europe, it has just about destroyed the hardwood export trade of the United States of America. There are still some old-fashioned Americans—including Members of Congress—who feel that charity should begin at home, and that there is something cockeyed about a foreign policy which builds up the industries of far-away foreign countries at the expense of American industry.

The Economic Cooperation Administration, to be sure, is not at a loss for explanations and so-called clarifications of its policies affecting lumber; but after all the cobwebs

of these clarifications are swept away, the fact remains that American taxpayers' dollars are being used abroad to release funds for the purchase of lumber from unfriendly countries and the production of lumber in those countries to be sold in competition with American lumber. Every American lumberman is familiar with the practical effects of this policy, since the shutting off of the foreign markets has resulted in the dumping of this excess lumber on the domestic market, with a visibly demoralizing and depressing effect. These are facts which no amount of official explanation can gloss over.

It is gratifying to observe, however, that the Members of Congress, especially those from the South, are giving evidence of a desire to find out more about what the ECA is doing with the billions of dollars it is spending; and those who have been told of the effect of ECA policies on the lumber business have been shocked and disturbed. Representative COLMER, for example, personally appeared before the House subcommittee considering the ECA appropriation and specifically urged an investigation of the situation where a traditional export market has been practically destroyed in the course of a single year's operation of the recovery program.

For a long period of years the Members of Congress have been open-handed and lavish in appropriations for any apparently well-meaning cause. Now, however, more and more of them are showing an inclination to investigate and find out whether the money so appropriated is being used for the purpose for which the Congress thought it was to be used. It seems safe to say that a majority of the Members of Congress would not vote to spend our money to destroy any American industry; and unless there is forthcoming some assurance that the ECA money will not be so used in the future, it is possible that the ECA appropriation might not be so generously supported as it was when the idea was first advanced.

[From the Southern Lumberman of June 15, 1949]

S. W. Anderson, Director of the Industry Division, ECA: "We have had to be quite blunt and tell them (United States producers) frankly that European recovery—not American trade expansion—is our job." In address June 8 before Canadian Manufacturers Association.

The fir manufacturers, especially those located on tidewater, have just had a most exasperating experience in connection with the widely publicized United Kingdom business, which has been handled in such a weird way that it actually stinks. It seems that under the Marshall plan, $10,000,000 of American taxpayers' money was earmarked for placement of west coast woods. Since the British Columbia mills have been getting the bulk of that business for some time, as proved by records which we recently quoted, and the American mills are suffering such a demoralized domestic market this was very desirable and eagerly sought. When the bids, which were originally scheduled to be opened in May, apparently found American manufacturers likely to get the bulk of it, some very strange things began to happen, following a hurried trip to England by some of the export distributing heads of British Columbia, after which the releasing of this business was unceremoniously postponed. In the meantime the specifications were obviously changed so as to make it extremely difficult, if not impossible, for most American mills to entertain the business. Later the bids were reopened and after a long waiting period it was announced that the British Columbia bidders were to receive 75 000,000 feet of the estimated 120,000,000 feet to be placed, while a few small lots were doled out to American bidders under specifications which it remains to be seen whether some of them can handle. Another feature of this is that the orders provide for supplying this stock partly in odd widths and also hemlock. This means that American money will provide the British Columbia mills with a good market for their hemlock, which American manufacturers now find almost impossible to sell. If the British Columbia manufacturers so choose they may retain their desirable fir and put that into American markets, as they have done in a big footage so far this year both by water and rail. The details of this whole deal, which Crow's Weekly Letter is not privileged to publish, are brazen almost beyond description and leave distinct tracks of high-handed manipulation and discrimination. It emphasizes clearly how America, through its Marshall plan benevolence, is being played for the world's No. 1 sucker, as we hand England more and more money which no one ever expects will be repaid, to be spent in other countries for commodities that are greatly in need of a market here at home. Certainly the folks who put over this deal must have had a good laugh when it was completed, a laugh at the expense of American manufacturers of lumber on the Pacific coast.

American Freedom Versus Russian Slavery

EXTENSION OF REMARKS

OF

HON. OLIN E. TEAGUE

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 30, 1949

Mr. TEAGUE. Mr. Speaker, in Texas many people are very much concerned about our country. One fine Texan and a fine American, Mr. Allin Fowler Mitchell, of Corsicana, Tex., a member of the Texas Highway Commission of Texas, made an address on July 4 to the people of Navasota, Tex., which I consider one of the finest addresses I have ever read. I wish to include this address in the CONGRESSIONAL RECORD in order that other people may read and know some of the thinking that is going on in Texas. It is as follows:

AMERICAN FREEDOM VERSUS RUSSIAN SLAVERY

My fellow Texans and Americans, it affords me great pleasure to unite with you here today in celebration of so great an occasion. As we gather in this fertile spot of our great State, and as I cast my eyes in all directions, I see evidences of progress and prosperity. I shall call them blessings. And these blessings are not limited to Montgomery County, Tex.—they extend the length and breadth of our land. We here in the United States of America possess more material wealth and have a higher standard of living than any nation on earth. Yet are we happy? Are we not plagued with fears and uncertainties? As we think together for a few minutes on my chosen theme—American freedom versus Russian slavery—perhaps we may discover some reasons for the shaky, unstable feeling that is plaguing us.

I can think of no more fitting way to observe the one hundred and seventy-third anniversary of our independence than to stop and for a short time on this Fourth of July 1949 and let our minds dwell on the privileges we enjoy as American citizens as a result of the emphasis that is placed on liberty and freedom of the individual in our Declaration of Independence and our Constitution.

"We hold these truths to be self-evident, that all men are created equal; that they are endowed by their Creator with certain inalienable rights, that among these are life, liberty, and the pursuit of happiness. That to secure these rights governments are instituted among men deriving their just powers from the consent of the governed."

These very familiar words from the Declaration of Independence together with our Constitution—its preamble and its Bill of Rights place the utmost emphasis on liberty and freedom. This Creator, our God, who gave us life, gave us liberty at the same time. To unfetter the world, to dignify man, and to save him, God sent His Son. This grand ennobling force—the only hope of the world—we call Christianity. One of the greatest exponents of Christianity, the Apostle Paul, wrote—

> "Where the spirit of the Lord is,
> There is liberty."

What is this "spirit of the Lord"? Henry Drummond calls it "the spectrum of love" and says it has nine ingredients: patience, kindness, generosity, humility, courtesy, unselfishness, good temper, guilelessness, sincerity. Thus it follows, where these ingredients are found, there is liberty.

Because Christianity is the only hope of the world today; and because it reached our country by a marvelously interesting series of historical events which took place from the beginning of the Christian era, through Asia Minor, to Greece, Italy, England, Switzerland, and Scotland and on across the Atlantic; I want you to pause with me on this anniversary and give it the place it deserves in our American way of life.

Because I have always felt that the freedom and liberty of the individual as embodied in the democratic principles of our system of free enterprise; and the three freedoms for which Thomas Jefferson asked to be remembered—freedom of the body as expressed in his Declaration of Independence, freedom of the mind as expressed in his University of Virginia, and freedom of religion as expressed in his Virginia Statute for Religious Liberty, are the forces that have made America great; I wish to attempt to contrast these forces with other forces that are in our midst striving to undermine them.

I believe that a consideration of the demerits of these undermining forces can best cause us to stop and reevaluate the merits of our American system, and in the words of Mr. Harvey S. Firestone, Jr., "cause us to sing out in praise of the U. S. A."

Our country has long been called "the melting pot of the world." An appropriate designation since we are 60,000,000 Anglo-Saxon, 15,000,000 Teutonic, 13,000,000 Negro, 10,000,000 Irish, 9,000,000 Slavic, 5,000,000 Italian, 4,000,000 Scandinavian, 2,000,000 French, 1,000,000 each Finn, Lithuanian, Greek, one-third million Indian, one-third million combined, Oriental, Filipino, Mexican. In addition we are 40,000,000 Evangelical Protestants, 22,000,000 Roman Catholics, 4,500,000 Jew, 2,000,000 Anglican Episcopalian, 1,000,000 Greek Catholic, two-thirds million Mormon, one-half million Christian Scientist, one-tenth million Quaker. From these, we intend, in the words of Theodore Roosevelt, "to see that the crucible turns our people out as Americans of American nationality and not as dwellers in a polyglot boarding house." This vicious force we know as communism is seeking to destroy our nationality, our liberty, and our freedom; to take away from the individual his right for self-ex-

pression; to trample in the dust man's dignity.

Let us see something of this communistic conspiracy and its influence in this country as a whole, on religion, on education, on labor, and on our government.

Forty years ago communism was just a plot in the minds of a few peculiar people. Today it is a world force governing millions of the human race and threatening to govern all of it. Right here I would tell you that the facts I shall give concerning this communistic conspiracy were prepared and released by the Committee on Un-American Activities, United States House of Representatives, Washington, D. C.

We shall begin with some things you should know about communism and religion. I think this fitting since religion is the first thing mentioned in the Bill of Rights of our Constitution; and in all the Communists' plans and actions religion is marked down as enemy No. 1. Why? Because religion in some form is always the basic influence in the life and thinking of any people.

Where Communists dominate they attack religion head on. Where they do not dominate they try to deceive and to corrupt from within just as they do in government, in education, in labor unions, and throughout a nation's life in general. The aim and object of communism is always the same—complete control over the human mind and body, asleep and awake, in sickness and health, from birth to death. This communism is a religion—a faith—Marxism-Leninism—as operated by Joe Stalin. It is also a plan and method to rule the world. The man who drew up this plan was Karl Marx (German Jew) who lived in the nineteenth century. The man who put this plan into action was Vladimir Ilich Ulyanov, alias Nikolai Lenin, who lived from 1870–1924, and who led the world Communists to capture Russia in 1917–18. The man who made the plan a world force was Josif Vissarionovich Djugushvili—alias Joe Stalin, who is now living and is 67 years old. Notice I said "alias Lenin" and "alias Stalin," because those are not the real names of the men involved. Remember, the present Stalin started out in life to destroy the government of his own country and rebuild it on communistic lines through bloody revolution—and that's how it actually was done. He was against all law except Communist ideas laid down by Karl Marx. He used the alias Stalin to hide his real identity just as Ulyanov used Lenin.

Karl Marx' idea of a Communist world was everything contrary to American world concepts. He believed that the world as we know it must be destroyed—religion, family, laws, rights, everything. Anybody opposing was to be destroyed, too. Marx wanted a world where people owned no property, took orders from the government without question, let their family life be without religion, morals, or ideals as we know them. His idea was that anything is moral—even lying, stealing, and murder—if it brings on communism; that women should have children for the Communist state to educate, train, and use, but parents should not have any say in the training; that there is no need to fear God because He does not exist. Marx had the idea that people could never be happy, have enough to eat, make enough money, or have success in the kind of world we know.

The United States of America is living proof that Marx was as wrong as a man can be. This reminds me of Fred Waring's song I heard recently on one of his radio programs. The thought was that where else but in America can men sing about liberty? Perhaps you may be asking, "Was Marx crazy?" Perhaps he was. But he was not the first evil and crazy man to start a terrible world upheaval, nor was he the last. Look at Hitler and what he did. Some people overlooked Marx's craziness because he was one of the most effective propagandists who ever lived. His preaching of destruction appealed—and still does—especially to people who wanted to rule others and didn't know how. It appealed to and captured Lenin, who had a terrible thirst for power, and, as has been said, who led the Communists to capture Russia in 1917–18. When the Czarist Government fell in the war of 1914–18, a republic was organized along the lines of our Government, but before this government could really take hold, Lenin's Communists came out from under cover, confused the public mind by propaganda, stirred a military revolt, slaughtered all opposition, and set up by force of arms a Communist dictatorship. All the Russian people did not turn Communist—only a few trained and disciplined favorites were allowed to be Communists. Right here let me stress the fact that no nation has ever gone Communist in a free election.

Some people fall for Communist propaganda because it promises all the things that people have always sought—an easier life and an end to trouble. Of course, these Communists do not deliver the goods. Once they get control, they reduce a nation to horror and slavery. Just look at their record, not only in Russia but in all other countries captured by communism—Latvia, Lithuania, Estonia, Poland, Czechoslovakia, Hungary, Rumania, Bulgaria, Yugoslavia, Austria, Germany, and now China. The secret of their drive is the dream of total power for Communists—loss of power for all others. That's the story in a nutshell.

You may be asking, "Are Communists trying to corrupt religion here in the United States of America?" The answer is "Yes." The Communist Party of the United States assigns members to join churches and church organizations, in order to take control where possible, and in any case to influence thought and action toward Communist ends.

The Communist Party forms front organizations designed to attract fellow travelers with religious interests. A front organization is communism's greatest weapon in this country. It is an organization created or captured by the Communist to do the party's work in special fields. In the United States they go among people and get their names on membership lists—peoples who would never willingly act as party agents. You understand all this is done under cover—subversively—by the alias method. A fellow traveler is one who sympathizes with the party's aims and serves the party's purpose without actually holding a party card. See your daily newspaper and you may read of the doings of these fellow travelers.

The Communist Party tries to get prominent religious leaders to support Communist policies disguised as welfare work for minorities or oppressed groups. In the words of Earl Browder, former head of the Communist Party in the United States of America "* * * by going among the religious masses, we are for the first time able to bring our antireligious ideas to them."

At this point, I should like to give you some testimony of Mr. J. Edgar Hoover, that great American who heads our Federal Bureau of Investigation. There are approximately 80,000 Communists in the United States today out of a population of 145,00,000. "In 1917 when the Communists overthrew the Russian Government there was 1 Communist for every 2,277 persons in Russia. In the United States today there is 1 Communist for every 1,814 persons in the country. There would be more, but the Communist Party does not rely upon actual party membership for its strength. What is important is the claim of the Communists themselves that for every party member there are 10 others ready, willing, and able to do the party's work. Herein lies the greatest menace of communism. For these are the people who infiltrate and corrupt various spheres of American life. So rather than the size of the Communist Party the way to weigh its true importance is by testing its influence—its ability to infiltrate.

If there is any doubt in your mind as to the vicious and blasphemous propaganda Communists are using against religion in our country, then go to your public library and read a typical example of it entitled "Goodbye Christ" by Langston Hughes. Atrocious as this is, it is mild compared to the atheist propaganda in Moscow.

Article I of the Bill of Rights of our Constitution reads: "Congress shall make no law respecting an establishment of religion, or prohibiting the free exercise thereof." Quite a contrast.

We could go on and on in this field of religion, but time does not permit. With labor unions, Communists use the same subversive tactics. Remember communism is not a working-class movement. It is a revolutionary movement. It is true that Communists promise that when they get power they will hand it over to the workers. But you cannot point to one place in the world where they have lived up to that promise.

The standard of living in Russia is barely above that of India or China. The people live in abject poverty—four families to one room. The bigwigs among the Communists live better than most millionaires do in this country. We in America have at least four rooms for one family. Listen closely to some figures. In Russia as of 1947, a Russian had to work 22 days for money enough to buy a suit of clothes. In America a man could get a much better suit for 20½ hours work. Even today in Russia a man works 32 hours to buy a cotton dress for his wife. In America a man works only 4 hours to buy his wife a better dress. In Russia it takes a worker 108 hours to earn a pair of shoes. An American can do it in 9 hours. In Russia a man must work 1 hour and 40 minutes to buy a bottle of beer. In America he needs to work only 6 minutes. This same contrast works out all along the line for food, shelter, and other necessities of life.

Under communism there are no luxuries, comforts, and conveniences such as we know these things in free-enterprise America. In Communist Russia there is 1 automobile for every 252 citizens. America has 1 for every 4 of its citizens. Under communism there is 1 radio for every 45 Russians. Under free enterprise there is 1 radio for every 3 Americans. One out of every 188 people has a telephone in Russia. One out of every 5 people in our free-enterprise system in America has a telephone.

Mr. Firestone reminds us that even more startling contrasts could be made in such commodities as washing machines, refrigerators, vacuum cleaners, electric lights, food, and clothing.

President William Green of the American Federation of Labor says "no labor organization can be free under communism because it is compelled to subordinate the interests of the workers to those of the Communist Party."

And now let me tell you that our Government is under attack. The enemy is communism. If communism were to win, there would be no United States Constitution, courts, President, or Congress. Communists are loyal to Stalin. They take orders from Moscow, and they are spies any time they are ordered to be by the party. It is the sworn testimony of their leader in this country, William Z. Foster, that they would not support our Government in war with Russia. American Communists uphold our Government when it suits Moscow's purposes. For instance, from 1939 to 1941, while Germany and Russia were on the same side in the European War, American Communists sabotaged our arms factories, spied on our Government for Hitler as well as for Russia. They even tried to stir sedition and rebellion

in the armed forces. But when Germany attacked Russia, they wrapped themselves with the United States flag overnight and immediately demanded that we go to war—for Russia's sake.

Nobody knows how many Communists there are in our Government today. They began to invade it in 1933 when the Government of the United States granted diplomatic recognition to the Soviet Government of Russia. Communists, fellow travelers, and front agents promptly flooded Washington and began to worm their way into the Government of the United States. The real Communist program for capturing our Government begins with spying and infiltration of the sort now going on. Then follows confusion and chaos caused by sudden paralysis of our communications, transportation, money system, and law enforcement. Finally there comes direct seizure of power.

Communists have spent the last 15 years hiding their keymen in our Army, Navy, diplomatic corps, Treasury, State, and other control points of our Government—not the least of which is the Atomic Energy Commission. The Un-American Affairs Committee has found out plenty about communism within our atomic energy program. They have espionage rings which have been operating at least since 1942, using American science and money to inform the Soviet Government of Russia on how to make the atom bomb. The most recent case to reach the eruption stage was that of Hans Freistadt, immigrant, Communist graduate student, the son of a Communist, who was granted a $1,600 a year fellowship for study at the University of North Carolina. Hans Friedstadt conducts the Karl Marx Study Club there. He bombards the student body with subversive articles in the campus newspaper. And you, Mr. Taxpayer—you pay the bill. Thanks to free speech in free-enterprise America, this outrageous situation was brought to light by one of our well-known radio commentators. But all the time David Lilienthal, director of the AEC, has consistently insisted that student-candidates for scholarships awarded by the AEC be not questioned in respect to loyalty to the United States lest their intellectual freedom be impaired. He has stoutly defended the awarding of scholarships to known Communists.

I want to tell you here and now Communists must be forced out of power by loyal, liberty-loving Americans using means of detection, exposure, and prosecution. It's interesting that when they are prosecuted they howl that their liberty is being encroached upon; they refuse to testify, saying that they might incriminate themselves. All the time they are enjoying the protection of American freedom and our Bill of Rights. For the same offense in Communist Russia they would be shot at sunrise or sent to hard labor in Siberia for the remainder of their lives. I say we should send all Communists back to their heaven—Communist Russia.

Wake up Americans! Guard your liberty. Don't take it for granted.

I said in the beginning that an atmosphere of uncertainty prevails here in our country even in the midst of prosperity and plenty. I have been trying to show you that the reason for this condition may be our own complacence and indifference to these evils that come from without to work and grow from within.

I remember reading of Abraham Lincoln's once saying, "that if our Nation is ever destroyed, it will not be from without, but from within."

We are hoping to arrive at a solution of our problems and thus obtain peace by means of the blueprint.

That is not the way!

Peace comes from within.

"Where the Spirit of the Lord is, there is liberty."

There is peace.

I have endeavored to point out that the conflict is shaping up in the world between those who profess faith in God and those who profess faith in Stalin. Those who profess faith in God far outnumber the other group, but they lack the zeal and the willingness to sacrifice that the followers of Stalin have

Our God-given liberty that we in Texas and the United States of America enjoy has a condition attached—that condition is eternal vigilance. We must not be indifferent. We must not take our liberty and freedom for granted. We must be ready at all times to zealously guard and defend it. We must be willing to say—and mean it—as did Patrick Henry, when he proclaimed—

"Give me liberty or give me death."

Many fine American boys did just that for liberty and freedom only recently.

But remember, that Benjamin Franklin once said:

"Those who would give up essential liberty to purchase a little temporary safety, deserve neither safety, nor liberty."

This is history, and history repeats itself so often that the accuracy of Benjamin Franklin's statement cannot be denied.

While reading a recent issue of the CONGRESSIONAL RECORD, I was stirred by an address delivered by the Honorable DEWEY SHORT, in which he quoted the poet, Edwin Markham.

"I fear the vermin that shall undermine Senate and school and citadel and shrine;"

"I fear the vermin that shall honeycomb the walls and towers of state in unsuspecting hours."

Mr. SHORT assures us that we have vermin in our midst; that we have rats in this country who are undermining the Senate, the school, the citadel, and the shrine. They are gnawing at the very foundations of this Republic, and the trials which are going on in Washington and New York now, with all of the ramifications of which the public knows nothing about, are sufficient warning to put us on guard.

And now in conclusion, let us think of our national motto: E pluribus unum—from many, one. We want our Anglo-Saxons, Italians, Teutons, Negroes, Irish, Slavs, Scandinavians, French, and all the others, to become one loyal citizenship enjoying the liberty and freedom of democratic America. Let us take a look at our coins and pray, using the words of the now immortal chaplain of the United States Senate, Dr. Peter Marshall, "May it ever be in our minds as upon our coins, 'In God we trust'."

I thank you.

The Tennessee-Tombigbee Canal

EXTENSION OF REMARKS

OF

HON. FRANK W. BOYKIN

OF ALABAMA

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 7, 1949

Mr. BOYKIN. Mr. Speaker, under leave to extend my remarks in the RECORD, I enclose an editorial from the Mobile Register, Mobile, Ala., under date of May 11, 1949, entitled "Entire Congress Should Support This Subcommittee on Tenn-Tom":

ENTIRE CONGRESS SHOULD SUPPORT THIS SUBCOMMITTEE ON TENN-TOM

When a Senate Subcommittee on Appropriations approved a fund of $2,500,000 the other day to get work started on the Tennessee-Tombigbee waterway in the fiscal year beginning July 1, it took an action which deserves the unhesitating support of the whole Congress.

For this improvement—which contemplates connecting the Tennessee and Tombigbee Rivers by canal to open a new navigable route between the Gulf coast at Mobile and the interior country—is so abundantly justified that it should have been carried out long ago.

It has been said, in fact, that nowhere else on the inland waterway systems of the world is the opportunity apparent to reap so great benefits in proportion to the effort. In other words, the Tennessee-Tombigbee waterway is unequaled in its promise of dividends on the investment.

The high estimate placed on the project was illustrated at the recent convention of the National Rivers and Harbors Congress. Out of a list of 38 projects before it, the waterways association endorsed 8 for construction. The Tennessee-Tombigbee waterway was among the eight.

This, of course, is only one of many examples of the recognition the project has received for outstanding merit. It has the approval of the Army engineers, and has been authorized by Congress itself.

What is sought now—and what the Senate subcommittee proposes—is not a fund of the size required to complete the improvement, but a fund to start the job. The $2,500,000 (m) item approved by the subcommittee is a modest figure indeed and the purpose for which it has been earmarked is exceedingly worthy.

Careful studies have shown beyond refutation that the Tennessee-Tombigbee waterway—the navigable linking of these two rivers by canal—would mean continuing important savings in time, distance, and cost in the field of water transportation.

These advantages and benefits would extend far and wide. A broad region of the middle United States could readily be served by this new navigation route. Thus, from the Tennessee-Tombigbee waterway would flow far-flung profitable results in the form of time, distance, and money saved in the transportation of commerce.

A start on the Tennessee-Tombigbee waterway should be made without further postponement. We appeal to the whole Congress to support the action taken by the Senate subcommittee on appropriations. It will make no mistake to do so. The mistake would lie in failing to support the action of the subcommittee.

Construction of the Tennessee-Tombigbee waterway would add immensely to the strength and service of the Nation's system of inland waterways.

The Senate subcommittee has shown commendable appreciation of this fact by voting to invest $2,500,000 (m) as a start toward that goal. Surely Congress as a whole is equally appreciative of the merits of the improvement and equally anxious to get the job under way.

The National Health Act

EXTENSION OF REMARKS

OF

HON. CHRISTIAN A. HERTER

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 7, 1949

Mr. HERTER. Mr. Speaker, a number of my colleagues and I have recently joined in sponsoring a bill providing for a national health-insurance program on a voluntary basis. This legislation has commanded such widespread interest that I should like to include here a résumé and explanation of its provisions.

The others sponsoring the bill are Senators FLANDERS, of Vermont, and IVES, of New York; and Congressmen AUCHINCLOSS, of New Jersey; CASE, of New Jersey; FULTON, of Pennsylvania; HALE, of Maine; JAVITS, of New York; MORTON, of Kentucky; and NIXON, of California.

An explanation of the bill follows:

THE NATIONAL HEALTH ACT—RÉSUMÉ AND EXPLANATION

This national health bill has a threefold objective: (1) To make it possible, through voluntary prepayment plans, for everybody in the United States, of whatever income, to obtain adequate health care to the fullest extent that medical resources permit; (2) to see that the quantity of health service is expanded and its quality raised throughout the Nation, by progressively eliminating shortages in our medical resources; and (3) to do these things in such a way as to foster constructive freedom of action, and the responsibility that goes with it, on the part of both patients and doctors, individuals and associations, communities and States.

MAIN PROVISIONS

Basic in the bill's program will be voluntary prepayment plans. Their subscription charges would be scaled to their subscribers' incomes, rather than flat-rate premiums. Mixed Federal-State funds would make up any difference between the aggregate of subscribers' payments and the cost of furnishing health service benefits.

The bill would also provide: (a) special Federal help in areas where the shortage of health resources is particularly acute, to attract personnel and maintain modern facilities; (b) increased Federal aid to communities throughout the country for building hospitals and health centers: (c) Federal grants to medical and nursing schools; and (d) additional Federal aid to the States for expanding their local public health services.

Finally, the bill sets up machinery for constantly appraising the health needs of the Nation and for developing a national health program which would be periodically revised to keep pace with the growth in medical resources.

BASIC PRINCIPLES

This bill does not bring about socialized medicine; on the contrary, it very greatly encourages the development of private efforts, which actually pace the program.

It invokes no means test; on the contrary, it offers to everybody, poor or well-to-do, the right to obtain the same services as everyone else, at a cost scaled to his means.

The bill reflects the belief of its sponsors that great social needs can be met without falling into the errors of state socialism, and that needed services can be given at needed cost to our people without disrupting—but on the contrary, encouraging—the development of private initiative and enterprise.

The sponsors do not consider this bill necessarily the answer for all time to the health problem. For this reason they have provided the means for constant readjustment of the program on a rational basis. But they do consider the bill realistically designed to bring within everybody's reach all the care that the Nation's medical facilities can provide—and to assure the rapid development of enough facilities to include everybody in every income group who wants to use them. It thus places itself squarely in the American tradition of more and better services in response to voluntary demand.

HOW IT WORKS

The key to the program is the local, voluntary prepayment health service plan. Many such plans already exist—Blue Cross, Blue Shield, innumerable group health plans, industry plans, labor union plans, welfare funds, cooperatives, and so forth. Over 35,000,000 people are already enrolled in these plans.

The chief advantages of all such plans are (1) that by spreading the risks among a large number of persons they enable their subscribers to protect themselves, at a moderate cost, against ruinous personal losses, and (2) being organized and operated privately, without governmental management, they can reflect accurately the desires and needs of their members. Their chief disadvantage is that the flat-rate premiums which most of the plans must now carry are beyond the means of millions of otherwise self-supporting people. This is especially the case when doctors' services in the home and office and preventive medical care, as well as hospital services, are included. Premiums for such coverage may run from $100 to $150 per family, far too much for incomes in the lower brackets. As a result, only a few of the voluntary plans at present cover more than hospitalization and surgical care, a fragment of the health services people need.

This legislation contemplates hundreds of such nonprofit voluntary plans, each locally organized and operated. It will use existing plans, enabling them to expand and open the way for new plans throughout the country.

Fundamental to the program is the requirement that these voluntary plans base the rate of payment by subscribers upon a percentage of the subscriber's income (up to $5,000). This provision will necessitate changing the method of charging practiced by most plans at present in existence. It is, however, essential for the purpose of opening voluntary plans to everyone by bringing in public aid for people of limited income without a means test.

In order to participate in the program, a State would set up a State health council. This council would divide the State into several regions, many of which have already been set up under the Federal Hospital Construction Act. Each region would be managed by a health region authority, made up of local people. On this authority and on the State health council there would be no practicing doctors, dentists, or others who provide health services since they represent groups with a direct financial interest in the public's contributions, but each authority and council would have medical and other advisory committees.

The bill sets up a national yardstick in the form of a comprehensive range of benefits, which it defines in detail and which includes the most vital health services. It further states that the subscription charge for this particular coverage cannot be less than 3 percent of the subscriber's income up to $5,000. The first duty of each health region authority is to estimate the normal cost in that region of supplying the national yardstick coverage.

Any plan operating in that region which provides the yardstick range of benefits will receive from the State (with Federal participation) the difference between its subscribers' payments and the estimated normal cost of the coverage.

A plan may offer a coverage less comprehensive than the national yardstick coverage, in which case it would charge proportionately less to its subscribers and any public contribution would be based on a proportionately lower allowed cost. Or a plan may provide a still more comprehensive coverage, in which case it must charge proportionately more and would have a proportionately higher allowed cost.

The maximum coverage a plan may offer under the bill's program will be fixed by the State health council. This maximum will be based on how much medical service can be provided in each of the State's regions by existing or reasonably obtainable personnel and facilities. The State may amend the maximum each year in the light of experience and in line with the growth of its medical resources.

HOW IT APPLIES

Let us suppose that a plan provides the yardstick coverage, for which it charges 3 percent of each subscriber's income. This would cover the subscriber and any dependents.

A subscriber with an income of $1,500 would pay $3.75 a month; one with $2,500 would pay $6.25 a month; and one with $3,800 would pay $9.50 a month. They would all get the same services, the deficit created by the lower incomes being made up by the State-Federal aid. Thus, if the annual cost allowed to the plan by the regional authority were $114 per family (which would be about the estimated average for the nation), and if the average family in the plan paid $75 a year, then the State-Federal aid would contribute $38 per family to cover the deficit to that plan.

On the basis of these figures it is apparent that a $3,800 family would be paying its full cost. Smaller incomes would be subsidized, partly by the higher-income people who join the plan and partly out of public funds. Partial subsidization of the low-income groups by the higher ones is what happens now, in a rough and unsatisfactory way, through the scaling of charges by the doctors and the hospitals.

The minimum that anyone can pay to participate in a plan is $6 a year. In the case of unemployed persons or public wards this may be paid by the State, for whatever plan the individual chooses. On the other hand, the highest income used for figuring subscription rates is $5,000. Persons with larger incomes may join the plans, and will undoubtedly choose to do so; but many plans will probably provide that such people would be paid fixed sums (called "indemnity benefits") rather than being covered for the complete cost of their care (called "service benefits").

FREEDOM IS PRESERVED

Whether a family decides to come into the most complete plan set up under the State's program in its community, or into a cheaper and less complete plan, or stay out of all of them, is left to its own free choice. Whether a subscriber's employer pays all or part or none of the subscription charge, is for the employer and employee to work out together. Whether a subscriber's contribution is deducted from his pay is also subject to prearrangement. In the case of State and Federal employees, the bill provides that this may be done.

Like their patients, the nation's doctors are free to come into any plan that will accept them, or to stay out of all of them. No more than at present will they be forced to accept any patients. Their inducement to come in lies in the fact that the services that they now supply free to those who cannot pay their own way, will be fully paid for by the plans, whose members may be these same persons hitherto dependent on medical charity. They will be free to join any sort of plan, including group practice plans, which will be fostered by the bill. Doctors may take part in the formation of a plan, but may not control it.

Hospitals likewise may contract to supply their services to any plan that needs them, or they may stay out. The same inducements apply to them as to the doctors. In supporting the Blue Cross, the country's hospitals have already demonstrated their willingness to take part in prepayment plans.

The advantages of the program will be inducement enough, and no individual or group—consumer, doctor, or hospital—will be compelled to join. The powers and duties of government—local, State, and Federal—will be held to the minimum. At every level there will be ample freedom for that creative initiative which alone can translate our American aspirations into reality.

FEDERAL AID

The basic formula for Federal aid under this bill follows the lines of the Hospital Construction Act. Federal aid will be granted a State in inverse proportion to its per capita income. States having the lowest per capita income will receive Federal aid at a ratio of three Federal dollars for every State dollar devoted to the program; those with the highest per capita income will get one Federal dollar for two State dollars. The average for the nation will be a little more than 50 percent Federal aid. The ceiling for Federal aid to any given State will be $15 a year for each person covered.

A State will begin to receive its Federal contribution as soon as it has passed the appropriate legislation and as soon as the machinery is in operation.

In the sometimes difficult matter of raising money to start a qualified nonprofit plan, the Federal Government will also help the States to help the organizers. Whatever amount the sponsors of a plan can raise, either by free contribution or in the form of non-interest-bearing loans, will be matched by mixed Federal and State money as interest-free loans.

A separate bill is being filed by the sponsors of this legislation which would make subscription charges deductible from taxable income.

The bill further provides for a revolving construction loan fund of $10,000,000 of Federal money. Without requiring any State participation, this sum will be loaned to cooperating prepayment plans for the special purpose of building and equipping small local medical centers for the group practice of medicine. This sum would provide for the setting up of about 125 new health centers at one time, with no burden on the States.

By these means the establishment of a widespread, diverse system of voluntary plans will be fostered, including those that use group practice. In the long run those plans which supply the best and most extensive medical care for the subscribers, and at the same time obtain the most effective cooperation of the medical professions and the hospitals, will most rapidly spread their influence and increase the number of their subscribers. The mainspring of the program will be competition between the plans in the quality and extent of their services, with free opportunity and incentive to develop ever more effective means of distributing high-quality medical care.

EXPANSION OF MEDICAL RESOURCES

The accelerated development of prepayment plans, and the increased effective demand for medical services which would result from the enactment of this bill, must be matched by a steadily increasing number of well-trained doctors and nurses. The bill, therefore provides special help for medical and nursing education, the cost to the Federal Government ranging from about $25,000,000 in the first year to about $40,000,000 in 1953. Federal aid is provided also for the construction and equipping of additional or new medical school facilities, the Federal funds to match money from other sources.

The development of prepayment plans also makes it necessary to accelerate new construction of diagnostic and personal health service centers as well as hospitals. For this reason the bill offers amendments to the Hospital Construction Act, adding $100,000,000 a year to the present appropriation of $75,000,000 to be mixed State by State with funds from any other source according to the formula already described. Diagnostic and health service centers may share in this Federal aid.

The improvement of personal medical care throughout the country does not diminish the need for improved local public health services. This bill therefore provides for the extension of the established program of Federal aid to the States and local communities for the employment of public health officers and other personnel, and for the extension of basic community health services throughout the nation. This is universally recognized as an integral part of a sound national health program.

Finally, the bill provides Federal aid (in the same proportion to State aid as in the case of prepayment plans) for programs in areas of "special need." Such an area is defined as one in which there are no more than 8 doctors per 10,000 of population. Here it is proposed, with mixed Federal and State funds, to provide immediately the financial incentives and guarantees required to attract to these areas doctors, dentists, and nurses, and to provide the traveling clinics they so sorely need. Such funds will also be used to cover the initial deficits of hospitals, health centers, and diagnostic centers set up in these areas with the help of grants provided for under the Hospital Construction Act, as amended by this bill. This special program is of a largely temporary nature to fill the gap existing before the voluntary prepayment plans can develop so as to take up the burden. At a later stage Federal and State aid will flow into these areas through the normal channels described above.

STUDY AND PLANNING COMMISSION

The sponsors of this bill believe that the program of action described in the preceding paragraphs represents the most that the Federal Government should now undertake in new forms of assistance in the field of health. There remains, however, much more to be done. For the purpose of determining precisely what the nation's health needs are, and how best to mobilize our resources to meet them, the bill sets in motion immediately a grass-roots inventory of health conditions, health resources, and all aspects of medical research, recruitment, and training of health personnel. For this purpose it establishes a bipartisan commission to be appointed jointly by Congress and the President to direct, supervise, and coordinate a continuing study conducted locally.

This commission is to report to Congress within 2 years on their findings with respect to the most pressing problems, such as the financial condition of the country's hospitals, the recruitment and training of health personnel, the provision of care for the chronic diseases (heart disease, cancer, multiple sclerosis, cerebral palsy, poliomyelitis, and other crippling diseases of children, etc.), and the provision of dental care.

Within 4 years the commission is instructed to report its findings and to formulate a 20-year national-health program. In formulating this plan the commission is to take into account the recommendations of the cooperating local and national organizations. Thereafter the commission will report every 2 years, at each such interval pushing ahead the 20-year plan by 2 years.

The survey is to be financed by the Federal Government at an annual cost of $5,000,000.

COSTS AND GROWTH

In all its parts this bill assigns the Federal Government the role of assisting local and State undertakings. The bill, in effect, says to the families of America and to their local and State governments, "The National Government offers to back up what you undertake. The scale of Federal aid depends on the scale of your enterprise." Thus, what these programs will mean in terms of Federal appropriations each year will be determined mainly by the scale of the voluntary response the Government's offer gets.

Assuming maximum voluntary response, the bill may be expected to call on Federal revenues for $300,000,000 the first year and for a possible $850,000,000 4 years hence.

The largest potential expenditure is aid to the prepayment plans. By 1953 the Federal share in that program could reach $500,000,000 a year. This would represent a little more than half of needed public support for these plans. Subscribers' payments should provide between 60 and 85 percent of the plan's costs, depending on the income level of the particular community.

The Federal contribution to the "special-need areas" can be expected to rise to a peak of conceivably $150,000,000 by 1952 and thereafter level off at between seventy-five and one hundred million dollars a year until prepayment plans blanket these areas.

The help offered to medical and nursing schools will probably range from twenty-five to forty million dollars a year from fiscal 1949–50 to 1952–53, respectively. Construction grants to the schools over those 4 years may total $120,000,000, or $30,000,000 a year.

Hospital construction is not likely to take less than the $175,000,000 a year proposed. This is $100,000,000 a year more than is provided by the existing law, under which a large backlog of much-needed hospital facilities has built up.

The local public-health-units program will probably rise to $30,000,000 by 1952–53 from $15,000,000 in 1949–50.

Comprehensive health study and planning will take $5,000,000 a year.

This added Federal expenditure will represent growth the length and breadth of this country in effective health services. It will also represent additional expenditures by States and local communites, which have to spend their money in order to get the Federal money. Indeed, individuals have to decide to spend their money before the Federal or State governments become committed to provide any funds whatever.

BRIEF COMPARISON WITH HILL, TAFT, AND THOMAS BILLS (S. 1465, S. 1581, AND S. 1679)

In principle this approach to health insurance is similar to that of the Hill bill, but with several important differences. One is that the Hill bill in effect requires those who need help in paying for voluntary prepayment plans to pass an individual means test, while this bill gives everyone the automatic right to join a prepayment plan at a charge that he can afford. On this point, the Taft bill is less explicit but just as clearly contemplates the use of a means test.

Under the Hill bill public aid would go only to prepayment plans offering no more than in-hospital care and the out-patient services of hospitals and diagnostic centers. This bill leaves the scope of services for which public funds may be used solely to the discretion of the States and their health regions. From the beginning people in many communities will secure far broader benefits, such as home care and preventive services of doctors, where the community is equipped to supply them.

Both the Hill and Taft bills fail to provide for the free organization of prepayment plans within the States. At present in 22 States the organization of such plans is effectively restricted to medical societies. In contrast our bill provides positively for State enabling acts which would permit the free organization of prepayment plans.

The Taft bill concentrates all attention on those unable to pay the whole cost of care and requires the States to develop programs that would assure such persons all needed services within a period of 5 years. This requirement, we feel, is totally unrealistic in the light of the proposed maximum appropriation of $300,000,000, which, added to State funds, would provide no more than $600,000,000 a year of public funds for this purpose. In our judgment it would take five times as much money and more than 10 years' time to reach the Taft bill's goal.

On this score, the Thomas bill is equally unrealistic. Starting in July 1951 it would

impose a pay-roll tax of 3 percent on the employed and an income tax of 2¼ percent on the self-employed, for which there would be given as broad a range of services as the Federal Government believed could be supplied in the various States. But while theoretically only services that could be provided would be promised, the payment of so substantial a tax would necessarily confer on the taxpayer a right to demand comprehensive care. This insistent demand would force a burden on hospitals, doctors and auxiliary personnel that they could not possibly carry. The result would be grossly inadequate service and an irresistible demand for direct Federal control. In contrast, this bill links the extension of prepaid services with the local capacity to supply service. There is no element in this bill that would force or encourage public authorities or prepayment plans to issue contracts that cannot in fact be fulfilled.

The Hill, Taft, and Thomas bills all provide for surveys or studies of various elements of the health field. This bill seeks to unite all these partial studies and many others into a single coordinated whole, looking toward the formulation of a national long-range program. There have been too many fragmentary studies and plans. It is time for the health problem to be treated as a single problem, one of the biggest and most basic problems the nation faces today.

The goal of this bill is the most efficient production and distribution of medical care for the benefit of all the American people. We propose means for moving immediately toward that part of the goal which is realizable with present resources and those that can be developed soon. The survey is intended to amend the means if necessary, to develop further means, to state the further goal of covering all the health needs of the American people, and to work out the means of achieving that ultimate goal.

Development of Backward Areas in the World

EXTENSION OF REMARKS
OF
HON. ABRAHAM J. MULTER
OF NEW YORK
IN THE HOUSE OF REPRESENTATIVES
Thursday, June 30, 1949

Mr. MULTER. Mr. Speaker, I heartily commend to the attention of my colleagues the following newspaper items which appeared on June 28. The editorial entitled "Progress of Point IV" appeared in the Christian Science Monitor, and the column entitled "Truman Acts To Implement World Development Program" appeared in the Brooklyn Eagle:

[From the Christian Science Monitor]

PROGRESS OF POINT IV

A few months ago a few Americans who combined political perception with economic foresight had an idea about the development of backward areas in the world. In January, President Truman put the idea into his inaugural address as point IV. Since then the Thorp committee has fashioned it into a policy. Now it has become a specific proposal to Congress.

Point IV has a dozen angles. Export of American know-how got the initial emphasis. Some of this need not take much money. Some is already handled by the Government, such as the discovery by experts from the United States Geological Survey of manganese deposits in Brazil which make America less dependent on Russian supplies. But capital will help, and Mr. Truman has now asked Congress to underwrite private investments under point IV in the sum of $45,000,000.

As Federal funds go, this is small. It looks like a mere starter. But getting started is important. A new reason has appeared for progress with point IV. The development anticipated would help Europe find new markets and sources of raw materials which need not be paid for in dollars. It would also help solve America's need for exports. It is estimated that nations with highly developed industrial economies buy $5.80 worth of goods per capita from the United States each year, while undeveloped countries buy only 70 cents' worth. The difference shows the dollars and cents value of building up backward areas.

But that might be the smallest part of the gain. The political aspect—heading off communism—is important. And the humanitarian possibilities are inspiring. We are glad the President is putting before Congress this project for definite action.

[From the Brooklyn Eagle]

NEWS BEHIND THE NEWS

(By Ernest Lindley)

TRUMAN ACTS TO IMPLEMENT WORLD DEVELOPMENT PROGRAM

Point IV in President Truman's inaugural address—American technical aid and capital in the development of underdeveloped areas of the world—is a sound concept. Indeed, it is probably indispensable if less developed areas are to be held within the free world and the United States is to maintain over the years a high level of prosperity.

The specific program which the President has recommended to Congress in support of point IV certainly does not err on the side of grandeur. It calls for $45,000,000 to finance technical assistance—of which $10,000,000 was included in his budget of January—and authority for the Export-Import Bank to insure American private capital against certain special hazards of investment abroad such as expropriation, destruction through war or rebellion, unfair or discriminatory treatment, and inability to convert earnings into dollars.

The State Department already has begun to negotiate investment treaties designed to protect American capital against such of these hazards as are within the control of other individual governments. Obviously these cannot guarantee against destruction through war or rebellion.

The program outlined by the President represents a victory for his more conservative advisers on this subject, led by the Treasury. At this stage, probably, it is wise to be cautious. It would be unhealthful if other nations were to obtain the impression that point IV is intended to be an international relief project or even an extension of the European recovery program to other parts of the world. It is neither of those. It is a long-range program for the development of other free areas of the world.

It is absolutely essential that the nations or areas that want this assistance take the steps necessary to make it possible. There will not be much difficulty about technical advice. It costs little and involves few questions of national policy.

Conditions that justify the investment of capital are a different matter, especially if the capital is to be private. In many underdeveloped areas the opportunities for investment by foreign capital are strictly circumscribed by law.

Foreign capital is regarded as a tool and symbol of imperialism. Many of these countries have reserved certain areas of enterprise either to domestic capital or to the state itself. That is their right. But if they want private capital from this country, they must give certain basic guaranties. It is a good thing that they should know this now and never be permitted to forget it.

Some of these countries would much prefer to have foreign capital in the form of loans to their governments rather than as direct private investments. This is a problem for which no fixed rule can be laid down. The World Bank makes loans to other governments. The President, in his message to Congress, however, wisely put the emphasis on private capital.

This private capital might be lent to foreign governments or to locally-controlled industries, or it might be in the form of direct risk-taking investments in specific enterprises under American or joint management.

Alabama's New Coastal Highway

EXTENSION OF REMARKS
OF
HON. FRANK W. BOYKIN
OF ALABAMA
IN THE HOUSE OF REPRESENTATIVES
Thursday, July 7, 1949

Mr. BOYKIN. Mr. Speaker, under leave to extend my remarks in the RECORD, I include an editorial from the Mobile Press Register of July 3, 1949, in connection with the official opening of a new 11-mile highway along Alabama's beautiful Gulf coast.

As this editorial states, this new highway, plus the Dixie Graves Parkway, which runs westward from Gulf Shores to historic Fort Morgan, gives Alabama as beautiful a beach highway as can be found anywhere in the Nation.

ALABAMA'S NEW COASTAL HIGHWAY

A significant development will be celebrated Monday at Gulf State Park in Baldwin County. The new coastal highway, first to border the Alabama beach on the Gulf, will be officially opened with a dedicatory address by Gov. James E. Folsom.

The 11-mile coastal highway stretches from Little Lagoon, one of the large inlets near Gulf Shores, to Alabama Point, across Perdido Bay from Florida.

Monday's celebration will mark the completion of a project begun in 1947. On July 4, 2 years ago, Governor Folsom officially opened the first leg of the coastal highway. The black-topped pavement ran from Gulf State Park Casino to the park's eastern boundary. Now the road is black-topped its entire length.

The new coastal highway, plus Dixie Graves Parkway running westward from Gulf Shores to Fort Morgan, gives Baldwin County and Alabama as beautiful a beach highway as can be found anywhere in the Nation. This paved road from Alabama Point to Fort Morgan is essential to the further development of Alabama's Gulf coast as a tourist attraction.

Completion of Alabama's coastal highway lends new interest to a bridge-building measure now before the State legislature. Among the bridges called for in Senator Robin Swift's bill is one connecting the new coastal highway with Florida. The bridge would cross Perdido Bay between Alabama Point and Inerarity, Fla.

The possibility of this bridge, connecting Alabama and Florida coastal highways, stirs hopes of even greater development of the State's beach attractions.

With this bridge in the realm of future developments, Alabama can be grateful that a through coastal highway has become a reality in Baldwin County. This is an important step in the over-all development of the area.

Common Sense and Sound Thinking Needed in Shaping Government Policies and Conducting the Government Business

EXTENSION OF REMARKS
OF
HON. COMPTON I. WHITE
OF IDAHO
IN THE HOUSE OF REPRESENTATIVES
Thursday, July 7, 1949

Mr. WHITE of Idaho. Mr. Speaker, many earnest and thoughtful citizens with the best interest of our country at heart are giving their time and attention to the affairs and the legislative program of our Government and making their views known to the Members of Congress on vital issues affecting the welfare of the American people. There is submitted herewith for the consideration of my colleagues a letter from Mr. C. F. Adams, a pioneer businessman of Idaho:

IDAHO CANDY CO.,
Boise, Idaho, June 29, 1949.

Hon. COMPTON I. WHITE,
House Office Building,
Washington, D. C.

DEAR REPRESENTATIVE WHITE: Speaking for a business firm that has been established and operating continuously in Idaho since 1903, and as, we think, fair-minded citizens of the United States of America, it is our desire to express to you our feeling regarding the measures now before the Congress. It is our opinion that with economical conditions as they are at the present time that the Congress should be spending their time on measurements that will help reduce the tax burden on citizens rather than increase them tremendously.

Most of the measurements proposed in the present Congress, if enacted, mean additional tax burdens on the citizenry, and will mean plunging our Government further into debt, which, if continued, will eventually mean that the debt burden will be such that it will be impossible economically to survive.

Certainly you, as an individual, must realize that it is impossible to continue spending and spending and never pay off. There is only one solution, and that is bankruptcy.

If there ever was a time when statesmanship and common sense and sound thinking is needed in our governmental affairs, that time is surely now. We do hope that you, together with all of our other congressional delegation, will realize the seriousness of this situation and vote against the housing bill and the pension bill, and any other bill that will mean a burden on the taxpayer.

Thanking you in advance for your cooperation in this regard, we are

Sincerely yours,

IDAHO CANDY CO.
C. F. ADAMS.

Reciprocal Trade Agreements

EXTENSION OF REMARKS
OF
HON. FRANK W. BOYKIN
OF ALABAMA
IN THE HOUSE OF REPRESENTATIVES
Thursday, July 7, 1949

Mr. BOYKIN. Mr. Speaker, under leave to extend my remarks in the RECORD, I include an editorial from the Mobile Press Register of July 1, 1949:

RECIPROCAL TRADE AGREEMENTS

A cornerstone of American foreign policy died Thursday night.

The Reciprocal Trade Agreements Act expired and Congress did not renew it.

First passed in 1934, under guidance of President Roosevelt and Secretary of State Hull, purpose of the act was to build up better trade with other countries. Up until this year it had been renewed repeatedly by Congress.

Months ago President Truman told Congress the deadline was approaching and the act should be renewed. The House approved it, but the Senate failed to take action.

All this is a little bit embarrassing for this country and a group of our trade experts. They are now in France with the representatives of 33 other countries—all trying to work out trade agreements.

These agreements are important in restoring world trade. They work like this: The United States lowers its tariffs on certain, agreed-upon goods imported from other countries, provided they reciprocate by lowering their tariffs on certain goods imported from us.

When the Trade Act was first passed in 1934 our tariffs on foreign goods coming in here to compete with American goods were very high. This was to protect American producers.

So the act allowed the President to cut tariffs where he saw fit, but only after a long study by Government experts and public hearings where anyone who thought he might be hurt could complain.

Some Congressmen haven't been too fond of the Trade Act. They've argued the tariff cuts have hurt some American businesses, which undoubtedly is true. It is a truism that someone gets hurt by almost every piece of legislation, no matter how many benefit.

Being a port city, Mobile is more interested in foreign trade than most other American communities. It appears that the Reciprocal Trade Act should benefit this and all ports, since it would lead to bringing in more goods from foreign countries and sending out more American goods to those countries.

Weapons for Peace

EXTENSION OF REMARKS
OF
HON. L. GARY CLEMENTE
OF NEW YORK
IN THE HOUSE OF REPRESENTATIVES
Thursday, July 7, 1949

Mr. CLEMENTE. Mr. Speaker, under leave granted to extend my remarks in the RECORD, I include a very able address delivered by Cadet First Sgt. Richard B. Murto, of Trenton, N. J., at the commencement exercises of LaSalle Military Academy, Oakdale, N. Y., June 16, 1949:

WEAPONS FOR PEACE

A world which is nothing more than a mass of chaos, made up of cities whose once proud skyscrapers are now merely a mass of twisted steel, whose farms are ruined, whose factories and schools are but a shadow of their former stature, this is the world which we saw at the completion of the past conflict. This is our vaunted civilization. The culture of which we raved have failed to give us the one thing which we need above all else. True, we have beautiful cities, industrial empires, spacious farms, but, have we peace? The answer is certainly self-evident. Can we have peace in a world where one section is steadfast in its denunciation of God and of all things pertaining to Him and the other is supposedly opposed to the atheistic philosophy of the former but whose actions belie that opposition. This is the problem which has confronted the statesmen of the nations of the world since the end of the Second World War. I say "confronted" because although they have been faced with this tremendous problem of bringing peace to the world, they have rejected the one true way to solve it. They have tried all of the world's ways and they have failed. They are at the end of the road—all that remains is a crossroads with one sign reading "This way to peace through God" and the other "This way to war"—and they hesitate. This, then is the state of the world into which, across the Nation, graduating students are stepping as citizens. And since these same students are either going to be the coming statesmen of the world or the soldiers who will fight the next war when it comes, they should, in all justice, know the predicament the world is in and the reason for its being there. Let us, therefore, try to place in the hands of the neophyte citizens some weapons with which to fight for the peace which is rightfully theirs.

In order to have peace we must have a state of mutual trust among nations. For peace is not merely the absence of war or the cessation of hostilities; it is a deeper, more profound thing than that. Peace is found primarily in the soul of man. If the individual does not have peace of soul—God's peace—the family will not have it. And, if the family is without it, the nation cannot have it. Thus we can see that our troubles lie within ourselves. So, to all of us, the peace of the world should be very important because a great part of it hinges on our own state of mind and soul. So, returning to our original premise, we must have a state of mutual trust among the nations of the world. But, there can be no mutual trust and friendship among nations if that relationship is nonexistent between men themselves. So, we are now confronted with the question "How should be obtain trust among men?" The answer is very simple, "Through the common medium which all men should respect—God." We must, therefore, return to God and His law. The formula for peace has been before us through the ages—waiting to be seized and cherished by mankind. There is no substitute for God's peace—neither Pax Romana nor Pax Americana or any other peace can replace that given us by our Creator. And we, His creatures, are unwilling to accept what He knows we need. So, to attain mutual trust among nations and men we should make use of God's peace. But many do not even know God, and many, knowing Him, have rejected Him. We should, therefore, bring about a return to God both in school and in everyday life. We here at La Salle have had it at school. We who are leaving should keep our devotion to our faith throughout life when we will not always have a guiding hand in the person of a Christian brother. For it is this bond of faith which can and will bring trust and friendship to the nations of the world.

Now, our second step in the search for peace should be the elimination from our minds of man's ways toward attaining it. We should give ourselves over wholeheartedly to pursuing the path toward peace which our Lord has pointed out to us. No longer should we hope for even a pale facsimile of peace from the methods of man which have brought only death and destruction. The two world wars within 21 years bear witness to this. Thousands of war dead lie in military cemeteries at home and abroad—solemn reminders of the cost of a peace which never materialized. These facts alone should make those in responsible positions think. And yet, every day you have sad reminders that they don't think, that they have forgotten,

and that the dead from two world wars have died in vain. These reminders appear as headlines which read "Military experts say way to peace is with bigger armed forces" or "Atomic stock pile increasing." Is this the way to peace—or war? Frankly I am not too sure, and I sometimes wonder whether those who are directing this program are sure. If only they would turn to the way shown to us by our Lady of Fatima—God's way. More devotion to our Lord and less to our armies. More prayer and less practice for war. More communions or reparation for the sins of mankind and fewer attempts to repeat them. By these practices I'm sure that we would arrive at our destination more quickly than by any of man's tried-and-found-wanting methods.

We have now, therefore, the path to follow and the means by which to follow it. But we of the graduating class have a greater interest in this because we shall be going to the places where Catholic action is needed most. It is our duty, therefore, to further Christ's kingdom on earth and to work toward peace. Now, there are many ways to spread catholicity in everyday life which we should learn and practice. We can become active in the Catholic action committees in our parish, and if there aren't any—we can start some. Get a group of men and women in the parish to come together to discuss different means of making more nominal Catholics—active Catholics, of bringing more non-Catholics into the church, and of strengthening the faith of many in whom the light of faith is burning low. We, the new citizens, have a chance to further the mutual understanding among men through the Christophers. By being a Christopher we can help to change the world from its present-day attitude toward God, and by bringing the world back to God we will be bringing peace to it at the same time. Another weapon which we have for peace is the rosary. For unless we fulfill our Lady of Fatima's direction to pray for the conversion of Russia and to consecrate the world to her through the rosary, the Communist menace will continue to run rampant and an era of persecution such as has not been seen will be upon us. A good way to insure a greater devotion to the rosary is through a devotion begun in New Jersey which is now spreading to other cities and States. It is called the "block rosary" and consists of having the Catholics in a block assemble a few nights a week in one of the members' homes to recite the rosary together. It is a practice which I am sure is very pleasing to our Blessed Mother.

So, in conclusion, we now have the key to peace—a mutual understanding among men. We have the road to follow—God's road, and we have some ways of helping ourselves and others along the road to peace on earth and heaven after death. These helps are: The Christophers, Catholic action, individual parish organizations, and the block rosary. These are only a few for there are many more. But if these are thought over and put into practice we, the graduating class of 1949 along with all of the other classes who are leaving their campuses this spring, will have something with which to work—we will really have some good weapons for peace.

Island Governor

EXTENSION OF REMARKS

OF

HON. ABRAHAM J. MULTER

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 30, 1949

Mr. MULTER. Mr. Speaker, while the economic problems of the world require our attention and our help we should not overlook the necessity of helping our own citizens whenever and wherever necessary. The people of Puerto Rico are citizens of this country who do need our help. In that connection I am pleased to call the attention of Congress to an editorial which appeared in the Washington Post of July 6, 1949, welcoming the Governor of Puerto Rico, Luis Munoz Marin:

ISLAND GOVERNOR

Luis Munoz Marin, a well-known and always welcome visitor in Washington, is here at present for the first time in his official capacity as the first elected Governor of Puerto Rico. He has come in the past as president of the island's senate and as leader of its dominant political party to plead the cause of self-government for his people. His success and the esteem in which he is held at home as well as on the mainland have been attested by the change which made the governorship of Puerto Rico an elective office and by his election to it almost as a matter of course.

Puerto Rico has some exceedingly grave economic problems. Its present plight is so severe that migration from the island has reached unprecedented proportions; in April, for example, the latest month for which figures are available, 4,956 persons left the island because of the difficulty of gaining a livelihood there. As an underdeveloped area, Puerto Rico ought to be in line for substantial help under the point 4 program. Perhaps an even more important form of aid required by the island is in the area of education, for it is through improved schooling that the roots of poverty are best attacked. There should be generous provision for Puerto Rico's special and desperate needs in whatever program of Federal aid to education Congress finally adopts. No doubt Gov. Munoz Marin will want to talk about these problems with the President and his other old friends on Capitol Hill. We wish him a cordial and sympathetic reception.

Soil Conservation in the Red River Valley

EXTENSION OF REMARKS

OF

HON. OVERTON BROOKS

OF LOUISIANA

IN THE HOUSE OF REPRESENTATIVES

Monday, June 6, 1949

Mr. BROOKS. Mr. Speaker, under leave to extend and revise my remarks, I include herewith a very fine address delivered by Hon. Louis P. Merrill, of the Soil Conservation Service, on the occasion of the Red River Valley Improvement Association annual convention at Shreveport, La., held on April 19, 1949. The address was greatly appreciated by a large attendance at this convention; and it reads as follows:

SOIL CONSERVATION IN THE RED RIVER VALLEY

The United States Department of Agriculture has a very important responsibility in the development, use and disposal of water. Water and good soil are the two great natural resources that must be present to make productive farming and ranching possible. In large portions of the country such a combination occurs naturally; but there are large areas of good soil where men must either bring water to the land or drain it off before agriculture can become stable and prosperous.

Two fundamental principles underlie the Department's water policy. One is the conviction that the ultimate goal of every water project must be the welfare of the families who make their homes on the land. The other is the conviction that a water policy, to be fully effective, must be part of a comprehensive policy for wise use of all of the Nation's natural resources.

Needs of industry and commerce and different kinds of agriculture are tied in closely. The forests that protect upland water supplies, for example, yield lumber for buildings on land irrigated by that same water downstream. Hay and forage grown under irrigation supplement range land grazing. The areas of grass that support livestock protect the watershed and safeguard downstream agriculture. If the range is overgrazed, failing supplies of supplementary feed and increased flood damage downstream are among the unhappy results.

The Department of Agriculture, with its definite responsibility for production of crops and livestock and for measures to prevent erosion and reduce flooding of agricultural land thereby shares the responsibility for the development, control, and use of the national water resources. It is also deeply interested in other uses of water such as the production of electric power and improved navigation that affect farm living and the handling of farm products.

The Soil Conservation Service has been given a major responsibility in the Department of Agriculture's water program, involving research, surveys, planning and operations on the privately owned grazing lands and agricultural lands of the Nation.

Because soil and water are inseparable the term "soil conservation" has included water conservation, use and disposal and the work of irrigation, drainage and flood control just as it has included erosion control and land use. In fact, the most important work the Soil Conservation Service has done in water conservation has been carried on as an integral part of a coordinated program by which all known adapted measures are used to treat the different kinds of land in accordance with their needs and capabilities. The soil is the greatest water storage reservoir we have, other than the oceans. The coordination of proper land use, the right combination of conservation practices, the improvement of soil productivity and economically sound conservation farming, afford the most practical means of storing the maximum amount of water in the soil.

Approximating nature's method of using close growing vegetation has produced the safest, most effective and most economical results in conserving water. The results of many years of research show that under Bermuda grass soil loss is almost too slight to measure and run-off is only 1.1 percent, while the same land unprotected and in cotton loses an average of nearly 28 tons of soil yearly and 21 percent of the annual rainfall as run-off. Soil conservationists are also deeply concerned with the utility of the vegetation produced and the efficiency with which plants use water. The mesquite, which is typical of woody plants invading the grass land, requires 1,700 pounds of water to produce a pound of dry matter of no particular value. In contrast, the highly nutritious blue grama, which the mesquite helps to destroy, uses only 350 to 400 pounds of water to produce a pound of dry matter.

However, in meeting man's requirements for food, clothing, shelter and cash income close growing vegetation cannot be used on all of the cultivated land. Mechanical measures must be used as a supplement. Such measures as terraces, furrows, ridges, ditches, diversions, borders, and dams are always designed to hold the amount of water the soil will require to supply the plants during growth and maturity, then to dispose of the surplus water in an orderly manner.

SOIL CONSERVATION PROGRAM

The normal soil conservation program is modified materially when the upstream flood-control phase of soil conservation is added.

The normal program of soil conservation is carried on farm by farm, unit by unit. Each part and parcel of a farm, each acre, is studied and its usefulness evaluated. Each acre is put to its best use on a continuing basis and it is given the treatment it needs to do the job it is best suited to do. Some land is level, or nearly so, and can be cultivated with the application of only a few measures, these mainly to protect the fertility of the land. Some land is sloping and can be cultivated safely only if certain measures are taken for its constant protection. These measures may include terracing, contour tillage, strip-cropping, cover crops and so on, to prevent erosion and keep the soil continuingly productive. Other land may be too steep for safe cultivation, and this land must be kept constantly in cover, such as grass or trees, and some land is too wet or too dry for economical production and requires still other measures to make it useful.

Such a program of course has public benefits. Many people benefit directly or indirectly from a program which increases the prosperity of families living on farms. But the on-farm or private benefits determine whether this program is to be applied, and of course, the farmer himself is responsible for the application and maintenance of the program on his farm. The on-farm planning and application is in keeping with the program and work plan of the soil conservation district, with the technicians of the Soil Conservation Service assigned to the district providing the technical help the farmer needs in working out and applying the program.

FLOOD CONTROL PHASE OF SOIL CONSERVATION

When the upstream flood control phase of soil conservation is added to the normal soil conservation program, farm land treatment continues but the rate of application is speeded up from about 40 years to about 15 years. The faster rate of application is achieved mainly through the employment of additional technicians who are assigned to watershed work and who are paid from flood-control funds.

The treatment of farm land for upstream flood control has private benefits just as the normal soil and water conservation program, but in addition it has off-farm benefits in that measures installed upstream contribute to the protection given lands farther down. Therefore, flood-control funds are spent only if the off-farm or public benefits justify the cost.

The graphic difference when the flood-control phase of soil conservation is added to the normal program lies in the special flood-control measures that are employed. After a large portion of a watershed has been given the treatment provided in the normal program of soil conservation, there still is likely to be run-off which will damage farm lands downstream. Special engineering measures therefore are useful. These special measures include small detention reservoirs, which catch the excess rainfall from a watershed of a few thousand acres and release over a period of days the water flow that otherwise would have been discharged in a few hours. They include drop inlets, large diversion terraces, gully plugs, silt traps, and so on.

Private benefits from such measures are incidental. The measures are justified on the basis of public benefits, the protection they will give several farms, roads, and bridges, and other such installations. The Federal Government bears the cost of these special structures and the soil conservation districts accept the responsibility for protection and maintenance of the structures.

In upstream flood control a given amount of work must be done on the approved watershed in a specified number of years, at a given cost. And it must produce satisfactory run-off and water-flow retardation and soil erosion control.

When soundly planned and properly applied the coordinated program of soil conservation contributes to flood control by (1) reducing run-off and soil losses on agricultural and grazing lands, (2) prevents the covering of fertile valleys with the products of erosion, (3) prevents the sedimentation of ditches, stream channels, and reservoirs, (4) reduces the frequency and severity of minor floods, and (5) lowers the crests of major floods.

THE WATERSHED SURVEY

Before we start upstream flood control we make a survey of the watershed area. We want to know how much of a job it's going to be, what benefits we can expect, and what the job will cost. Congress wants this information before taxpayers' money is spent.

On the Red River watershed in New Mexico, Texas, Oklahoma, Arkansas, and Louisiana, we made a preliminary examination, and some of the things that this examination showed will be interesting data. A preliminary examination like this is made to learn whether upstream flood control appears sufficiently feasible to justify detailed investigation. We started our detailed study of the Red River last October, and we estimate we have done 12 percent of the job.

The Ouchita of Louisiana and Arkansas, a tributary of the Red River, is not included in this survey. Because the Ouchita watershed is predominantly woodland, the United States Forest Service has been assigned this responsibility.

But first let me give for the benefit of those who may not have had this information from other sources, a brief description of this watershed we are studying.

In the entire drainage area in the five States is 58,515,000 acres. Some of this area, 2,168,000 acres, lies in what we call the non-flood-contributing portion of the high plains. The total land area we are concerned with in our survey totals 40,481,280 acres. Of this, 13,600,000 acres are in cropland, 11,884,000 acres in grazing land, 8,999,000 acres in woodland, and a little less than a million acres in miscellaneous uses. Land not in farms totals 5,132,000 acres.

In the watershed, we have the problems of both wind and water erosion. Damage by wind erosion is most severe on the high plains, in the rolling red plains and cross timbers of Texas and Oklahoma. Water erosion occurs of course over the entire watershed and is especially severe in the Permian red bed breaks along the river and major tributaries in the western portion of the watershed.

Severe gully and sheet erosion is found in the cross timbers of Oklahoma and Texas and in portions of the Coastal Plains of Texas and Louisiana. Large areas of the soils in the watershed are so shallow or steep that they are suited only for range or woodland. Large numbers of beef cattle are raised in these more rugged areas.

Annual rainfall ranges from about 60 inches at the mouth of Red River to about 15 inches in the New Mexico portion of the watershed. The moisture is sufficient in the area for growing crops except for the extreme western portion.

There are numerous works of improvement relating to flood control already in the watershed. These works include levees, reservoirs, irrigation projects, channel straightening and channel enlargement.

Denison Dam, completed in 1943 at a cost of $54,000,000, has a flood storage of 2,690,000 acre-feet. Altus Dam and reservoir has 21,500 acre-feet of flood-control storage. Lake Kemp and Diversion Lake have assisted in the control of several floods. Their capacity is nearly 500,000 acre-feet.

Nine flood control reservoirs have been authorized or are under construction on Red River tributaries. These provide a total flood-control storage of about 7,540,000 acre-feet, and of course the Department of Agriculture already has under way its program of upstream flood control on the Washita River watershed and we can expect this program to have a material effect on floodwater contributions to Red River.

Six major floods occurred on the main stem of Red River between 1843 and 1900. The greatest of these was in 1843. Five great floods have occurred since 1900; one, in 1945, occurred with the Denison Dam in operation. The other four floods were in 1908, 1927, 1932, and 1938.

Studies show we can expect a major flood about every 10 years and a minor one about every 2 years. Flooding of tributaries is more frequent. Major floods usually result from a succession of storms or from one of long duration.

THE COST TO AGRICULTURE

Most of the damage from flooding is to agriculture. In the case of Red River and its tributaries, damage amounts to over $13,000,000 a year, according to our preliminary investigation. About 55 percent of the estimated annual damage is to growing or harvested crops. Other agricultural damage is to fences, equipment, and houses, which amounts to an additional 18 percent. Nonagricultural damage, chiefly to roads and bridges, is slightly under 10 percent of the total damage. Here's the way these estimated damages run:

Floodwater damage:	
1. Crops and pasture	$7,200,000
2. Land damage	1,050,000
3. Other agricultural	2,400,000
4. Nonagricultural	1,300,000
Total	11,950,000
Sediment damage:	
1. Valley	200,000
2. Reservoir	1,020,000
Total	1,220,000
Grand total	13,170,000

In our estimate of the annual flood damages on Red River, we have included an item of $1,020,000 as sediment damage to reservoirs. We have in Texas today a number of examples of large investments of public funds in the building of dams.

Studies of sedimentation rates on some of these reservoirs indicate that they are filling with sediment at such a rate as to render them useless or at least to reduce their usefulness greatly in a comparatively short period. Sedimentation of the lakes serving Waco and Corpus Christi has progressed to the point to which these municipalities already must look for new sources of water and of course that means building new dams.

In the Department of Agriculture watershed treatment program, we realize that it is extremely unwise to build detention reservoirs without first providing for the protection against rapid sedimentation, therefore, the use of vegetation to protect sediment sources against further erosion is one of the first steps in the application of a watershed program. Stabilization of soil means that the effectiveness of our engineering structures will be protected and that the further filling of stream channels with sediment will be greatly reduced.

All but 250 square miles of the entire Red River watershed lies within the four States of the Soil Conservation Service of Western Gulf region. There are 72 soil conservation districts in the watershed in these four States.

As of our most recent reporting date, January 1, 33,543 farmers and ranchers operating 8,283,991 acres in the watershed of Red River had entered into agreements with their soil conservation districts for the application of the normal soil and water conservation programs. Needed conservation measures had been applied on 4,565,635 acres of that amount.

There are 17,743 of these cooperating landowners above the Denison Dam, 15,800 of them below. Here's what they already have done:

Practices	Units	Planned	Applied
Contour farming	Acres	2,294,046	1,585,471
Cover cropping	do	2,358,940	1,227,822
Crop-residue management	do	2,971,668	2,455,346
Strip cropping	do	174,729	116,824
Range improvement	do	3,068,356	2,144,226
Pasture improvement	do	1,295,500	606,732
Seeding of range	do	344,913	112,769
Seeding of pasture	do	950,005	451,700
Woodland management	do	368,071	175,898
Tree planting	do	29,161	15,349
Farm and ranch ponds	Number	14,713	11,261
Terraces	Miles	104,000	52,41
Field diversions	do	3,431	1,920
Farm drainage	Acres	249,905	133,474

Because the Soil Conservation Service already is carrying on an upstream flood-control program on the Washita River, one of the main tributaries of the Red River, a glimpse at our progress on the Washita appears in order at this time.

THE WASHITA PROGRAM

The Washita River watershed of 5,189,000 acres in Oklahoma was one of the 11 streams on which programs of agricultural flood control were authorized by Congress in the Flood Control Act of 1944.

The report on the survey placed direct flood damage at about $2,225,000 a year, with 96 percent of it agricultural. Annual average damage to roads was estimated at $110,000 and to lakes and reservoirs at $50,000. Annual damage to land by erosion was estimated at considerably more than the direct flood damage.

The watershed treatment program, according to survey estimates, would afford these benefits: $358,000 a year reduction in annual direct flood damage (16 percent); $48,000 a year reduction in sedimentation damage. That is a total of more than $406,000. Increased income from farm lands, principally from the use of land that could not be cultivated safely without protection, was placed at almost $5,000,000 a year on the Washita.

Cost of the Washita upstream flood-control program was estimated at about $14,000,000, with the share of the farmers estimated at about $3,150,000 in the form of labor, use of equipment and materials.

Operations in the Washita watershed treatment program began when the first appropriation became available in July 1946.

There are 20 small detention dams now complete or under construction in the watershed, and field surveys have been completed for 37 more. The storage capacity of those completed or under construction ranges from 76 to 1,172 acre-feet. The fills range from 21 to 44½ feet in height.

A total of 48 flood water diversions have been constructed, and 132 gully control structures.

The big harvest of native grass seed in Oklahoma last fall has made possible another achievement which I can proudly report in the Washita program. That is that already this spring 75,000 acres of eroded, sediment-producing land have been seeded to native grass in the Washita watershed. That was our goal and it was an ambitious one. But the goal has been reached and indications are that we will be able to go far beyond it.

When we entered upon this watershed treatment program in the Washita we thought that 75 or 80 percent participation by farmers in the subwatersheds would be as much as we reasonably could expect. We are getting very near 100 percent participation.

The work we have been doing in the Washita River flood-control program has been a pioneering sort. There was no precedent for such a program. Yet we have never doubted but that this kind of watershed treatment would accomplish the things it was meant to do. In the watershed of the Red River, of which the Washita watershed is a part, we have the machinery already set up in the form of nearly complete soil conservation district organization and a nucleus of trained SCS personnel. We have the background and experience gained from our work on the Washita, Trinity, and Colorado. We are going ahead with the survey of the Red River watershed as fast as our resources will permit and, as I have reported, the portion of the program represented by normal soil and water conservation already is well advanced. If, when our report is made to Congress, funds are made available for an agricultural flood control program on the Red, the Soil Conservation Service will be ready to go.

Can Britain Compete?

EXTENSION OF REMARKS

OF

HON. LOUIS C. RABAUT

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 7, 1949

Mr. RABAUT. Mr. Speaker, under leave to extend my remarks in the RECORD, I include an address by the Honorable William Benton, publisher and chairman of the board of the Encyclopedia Britannica, Inc., and chairman of the board of the Muzak Corp., before the American Chamber of Commerce in London, May 26, 1949. This address, like its author, is strongly imbued with the American principles of free enterprise and it gives evidence of a very business-like approach to the problem of economic aid to the western European nations with special reference, in this case, to Great Britain.

The address follows:

CAN BRITAIN COMPETE?

It was 6 years ago that I first met so many of you here today. And it is to my American friends here that I shall largely address my comments.

It was in the wartime August of 1943 that I came to England as vice chairman of our war-born Committee for Economic Development. I came at the invitation of Lord Halifax to discuss postwar trade relations between Britain and the United States.

The big issues then seemed to be the classic issues of free trade—tariffs and import quotas, cartels, monetary stabilization, shipping subsidies and export subsidies, and the chosen instrument theory in aviation. No one then foresaw the depth and extent of the world political crisis that would carry over from the war. No one guessed the acute economic anemia in western Europe that was to call for massive transfusions of dollars.

My observations on that visit are on the record. I embalmed them in an article in Life magazine which the Life editors titled "Business in Britain." Its subtitle was "Britain's Industrial Leaders, Driving on the Left Side of the Economic Road, Worry About Postwar Collisions With the United States." In this article I predicted a rapidly expanding role for the Government in the British economy. One British editor reprinted the article under the heading, "The amazing impressions of Mr. Benton." What amazed him was that I though Britain was driving on the left side of the road.

The forecasts I made in 1943 about the nature of postwar trade problems between the United States and Britain are still, I hope and believe, valid for the long term. For the shorter term the resolution of the present international political crisis may depend first and foremost on whether the Atlantic community, and the rest of the free world, can achieve economic stability on a high and rising level. The crisis cannot otherwise be resolved so long as the men of the Kremlin feel they can look forward confidently to a catastrophic depression in America, and to chaos in the free world.

Yes, economic stability seems now to be a better form of defense than a still bigger Navy or an enlarged Air Force or a more powerful atom bomb.

Although a key to the political crisis is economic health, we must also develop the ideological skill to interpret that health to the skeptics. If the "hordes" Mr. Churchill fears are to be kept out of western Europe, it will be by forces other than men bearing arms.

Our ideological skill with the skeptics is pitifully weak. During my service in the State Department I have often spoken on the subject. That is another speech, for another audience.

Today I shall explore with you the present state of our economic health. Nearly every business leader I know in the United States, and nearly all economists believe the economy of the United States is in good health. They would be glad to write an insurance policy on its life. Most of them are encouraged by the progress towards recovery in western Europe. A nominal decline in total business activity for 1949 is expected in the United States. This should be a healthy thing. It is or should be a movement toward a high-level norm. Many indexes tell us that this year will not be as good as 1948, but it will be good.

Personal incomes for March of this year—the latest figures available—were at the annual rate of $214,000,000,000 (or thousand millions). This is a little below the all-time peak of last December but above the level of a year ago. Liquid assets of individuals—the backlog of savings—have reached a record high of $200,000,000,000. This is a total of $114,000,000,000 available in 1949 to back up expenditures by American consumers.

I cite these figures because of their bearing on the present outlook for the British economy. When I was in England last May and again in August the big problem was production. Today we see the emerging shape of a newer problem—the inevitable second phase. That is the problem of merchandising.

Last year I repeatedly heard the criticisms of British production that Englishmen have now heard so often that they may be angered if not bored by them: That British production suffers from obsolete plant and equipment; that the productivity of labor in Britain is low, and lags far behind the rate of the United States; that scientific management in Britain does not keep pace.

These common criticisms are not justified to the degree that they may have been a few years ago. However, as some of the key production problems seem on the road to solution, they are rapidly being superseded by others. The president of the Board of Trade seems most alert to this. He said on May 10: "Our problem is not one of production but of selling."

There are many who feel Britain can never compete with the United States in mass production in many lines of manufacture. She can become far more efficient in production, and indeed she must, but even with plants equally modern, many factors of cost may be unfavorable to Britain.

Yet Britain can compete in selling. Further, she can outdo the United States, if she will apply herself to it. Selling depends on brains and aggressiveness. The British have plenty of the one and are cultivating the

other. Brains and aggressiveness, in a few decades, built the State of Illinois, where I have business interests. Brains and aggressiveness can win for Britain a great and profitable slice of the rich American market.

I need hardly add that aggressiveness entails hard work and plenty of it. At the Palladium the other night I heard Ted Ray—I did not say Danny Kaye—win the crowd when he referred to "your husband coming home from what he laughingly calls his work." Yes, it was hard work which created Chicago's industrial empire out of the dreary prairies. Chicago looks east toward New York and New England and thinks that the lawyers and the financial men of the East do not know how to work as do the engineers and the salesmen who built and who run our great productive enterprises.

It is my opinion that if Britain is to achieve the balance she seeks with the dollar, she must aggressively launch a direct assault on American and Canadian markets.

There has been criticism of the Organization for European Economic Cooperation for overestimating the level of Europe's exports in 1952, the year the Marshall plan is scheduled to end. This criticism may be right. But of the anticipated $5,000,000,000 increase in European exports between 1947 and 1952, only $1,000,000,000 of the increase is forecast from sales to the United States. This is a gross underestimation of the potential of the United States market. As I have pointed out, United States citizens have a record $414,000,000,000 to back up their spending this year—if they can be persuaded to spend their dollars.

I am in good company here. The President of the British Board of Trade says that the United States and Canadian markets for British goods can be greatly expanded and without any manipulation of the value of sterling.

Is there any modern business that has prospered waiting for customers to beat a path to its door, mousetrap manufacturers not excepted? If he is to prosper, the producer must take the initiative. He must be a salesman. As a salesman he must study the market, the pattern of buying, the consumer preferences, the best price ranges, and a multitude of other detailed questions. This is market analysis, plain and simple.

The British manufacturer cannot only master American advertising and sales promotion techniques, but in my opinion, by brains and aggressiveness he can improve upon them. He can learn to tailor his products for the American market, and to design them and package them so that they will win dollars by the thousands of millions. The market is in the United States because the dollars are there.

I agree with the leader in the Times of last Saturday that "by their own exertions British manufacturers and British workers and British leaders must stop the rot." More important to the point I am trying to make, however, is my disagreement with another statement in the same editorial. The Times stated, "The only cure for high prices is to lower them." No; there is another cure, certainly in the export trade, which is sometimes equally or even more effective—better products more attractively designed and made and more skillfully promoted and sold—in a word, merchandised.

The United States is today importing from the ERP countries—including the United Kingdom—at a level that is still below the average of 1936–38, in terms of volume of goods, although the dollar value is higher. The volume of imports from Britain has only about reached the prewar level, which, as you will remember, was not high. But an equally significant fact is that western Europe's share of United States imports has dropped from 23 percent prewar to about 14 percent today. Far from straining our ability to import, Europe is getting a little more than one-half of the share of our dollars it used to take.

Yet this is a peculiarly good moment for a vigorous invasion of the American market. Not only is our income at an all-time peak, but during the last 8 years of easy business many of our manufacturers have grown soft and fat. Many are vulnerable to aggressive competition. Many have forgotten how to sell.

Only recently I heard Mr. Paul Hoffman, the Administrator of the ECA, argue that one of the great mistakes of American business during the depression of the 30's was that the first cuts in company budgets were too often made in advertising and sales. Mr. Hoffman told me the other day that his old company—Studebaker—recently increased its advertising outlay even though American manufacturers are spending proportionately far less on advertising today than they have since before 1900. (Advertising expenditures today are running at only 1.8 percent of national income in contrast to a half century average of 3 percent or better.) Mr. Thomas McCabe, another of America's great salesmen, though now a banker and Chairman of our Federal Reserve Board, said the same day: "Our merchandising has lagged way behind our production. If we in the United States were now as well prepared on selling and promotion as we are on production there would be no danger whatsoever of any recession." Mr. McCabe added, "Advertising is to merchandising what electricity is to production." (I am glad to give this plug, as we Americans call it, for advertising—the business in which I was engaged prior to 1936, and which provided me with my first capital.)

When Mr. Wilson last month gave his eight-point program for enlarging Britain's exports to North America, he explained: "We shall give every help and, where necessary, open favoritism to exporters to Canada and the United States in their production difficulties." He said that regional trade consuls, accompanied by business advisers, would be sent to each of four regions in the United States. He promised government assistance for market research in the United States, and the freeing of dollars for sales promotion. On the Export Credit Guarantee program he conceded that exporters to North America might require—as he put it—"a less conventional conception of commercial risk." He pointed out that British exporters had concentrated on our eastern seaboard, neglecting our West and South. (They are not alone in this, as our New England manufacturers can testify, I am glad to assure them.)

I herewith suggest a ninth point for Mr. Wilson. I suggest the creation of an Anglo-American council on merchandising as a logical corollary to the council on productivity. I would hazard the guess that, as in the case of the joint council on productivity, we in America can teach the British some things—and we will discover we can learn a good many too—and both countries can profit from a mutual exploration of problems of selling and promotion. I have reason to believe that important groups in the United States would welcome the creation of such a council on merchandising.

The United States interest in British economic welfare is, of course, not unselfish. We are learning that our welfare depends upon an expanding and healthy world economy.

But there are other reasons as well, reasons which also appeal to the economic statesman. One of them is that the competition will be good for our internal economy. The Encyclopaedia Britannica says, in its article on competition by Professor Hilton, of Cambridge University, and Professor King, of New York University, that competition is socially beneficial, for it provides a zest that might otherwise be lacking in industrial endeavor. The presence of an avowed trade enemy, the sense of danger, the imperative need for keeping in fighting trim have produced in the past qualities of alertness, vigor, and self-reliance which the more amiable objective of service might not have fostered so keenly.

I believe the businessmen of the United States are now trying to say this to their British friends: "We will help you to your feet. Then as businessmen we will fight it out, in every market, including our own, for our individual benefit and our two countries' benefit and for the world's benefit."

This may sound unrealistic today. Is it unrealistic? If it is, I suggest that the American Chamber of Commerce in London dissolve. I suggest this group seek a new name. Let it become merely an American front in England, an American-Anglo friendship society.

Some of you may recall that Geoffrey Crowther once remarked that "Britain can compete the pants off the United States." Surely he has not yet proved to be anywhere near right. But for my part I hope he will prove to be a prophet with honor, not only in his own country but abroad.

Some Americans are alarmed at the prospect of European industry made efficient by American know-how, and reequipped with American capital goods. Yet need they be alarmed? I had the privilege this month of inspecting some new charts prepared by Willard Thorp, our Assistant Secretary of State for Economic Affairs. They show that one-fifth of the world's population live in areas of the world that are relatively developed; another one-fifth live in so-called transitional areas, while three-fifths live in the industrially undeveloped areas. The United States between 1936 and 1940 exported to the industrially developed one-fifth at the rate of $5.80 a year per capita, and to the undeveloped three-fifths at the rate of only $.70 a year per capita.

World economic development benefits all nations. But as the less industrialized areas acquire productive facilities the composition of world trade will undergo important changes. The simple exchange of manufactured goods for foods and raw materials will decline. Trade in semimanufactured goods will increase. The whole mechanism of trade will become more complex. In this process, the advanced manufacturing nations will gain in trade as backward areas develop. But they must abandon, as rapidly and sensibly as possible, the production of goods that can be made more economically elsewhere, and must emphasize the production of goods which require complex manufacturing skills, large amounts of capital, and new technology.

My hope is that, as a byproduct of increased emphasis on world salesmanship, some of that competitive spirit will flow back into the internal economy not only of Britain but of the rest of the world even including the United States. Selling is by its nature less easy to regulate, control, or nationalize than production.

Britain today seems to be moving in two directions at once. The role of government in the economy has been greatly expanded by nationalization. On the other hand, with the passing of the Monopolies and Restrictive Practices Act last year, a step has been taken toward breaking up monopolies. This is a step toward what we Americans regard as "free enterprise." As the president of the board of trade told the House at the time, Britain " * * * cannot as a nation afford restrictive practices if they increase * * * costs abroad, if they prevent the fullest development of inventions and new techniques, or reduce output, or maintain prices at an excessive level to * * * consumers at home."

A group of important British industries has been recommended for investigation by the Board of Trade. Britain is now and for the first time, recognizing "that vigor-

ous competition may exert an important and beneficial effect upon national productivity." That is a quotation from the first report of the Anglo-American Council on Productivity.

Even a combination in Britain of modern plant, a highly productive labor force, and imaginative management may not prove sufficient—without competition. Man is indeed fallible and his capacity to rationalize and to deceive himself seems unlimited. Where is management's measure of its efficiency? When the business executive claims his plant is modern, who is there to deny it? Who checks the productivity of man's labor? The deliberate encouragement of competition is needed both as a stimulus and as a yardstick. Reading the debate on the monopoly bill in Hansard, I found at least one honorable member of Parliament blaming restrictive business practices for retarding the British economy during the last 50 years. Can there be any doubt about this? He pointed out, in contrast, that during this period the United States had taken vigorous steps to encourage competition. Perhaps the British, who have tried most everything in recent decades, are now going to try competition.

Here we have a strange paradox. On the one hand, Britain moves toward nationalization, and, on the other, Britain develops an urge toward competition. The rationalization of these trends is one of the great problems of our time. In Britain, the twentieth century trend toward nationalization grows in part from a lack of competition. In the United States our faith in competition sometimes keeps us from recognizing the areas where it does not exist, or is ineffective, and where we should either enforce competition more vigorously or bring enterprises under Government control.

The United States also is moving in two directions at once. Every American is aware that Government is assuming greater responsibility for the general economic climate of the Nation. We have come to accept some of the precepts of the "welfare state" as they have been outlined first in the New Deal and now in the Fair Deal at the same time, as I predicted to the dismay of some of my British friends in 1943, there has been no relaxation of the Sherman Antitrust Act, and our desire for competition is as deep as ever, regardless of how we may on occasion prostitute it.

The role of the United States Government in controlling booms and depressions, we hope, is to be primarily at the fiscal and monetary level. We in the United States hope to regulate the climate, as the Economist once put it, without rationing the raindrops. Almost unanimously we agree that the Sherman Antitrust Act and the Clayton Act have spurred production just as they have spurred selling.

Just 2 days before I left the United States, Paul Hoffman told me that one of the most beneficent results of the Anglo-American Productivity Council will be its byproducts—the understanding and friendship it engenders. (Mr. Philip Reed agrees with this.) I have tried to suggest today the beneficent results that might flow from a more difficult kind of cooperation—cooperation in competition. I have suggested that, as Britain learns better to compete in the American market and better to compete with America in all markets—as it applies to international salesmanship the energy and brains it has long applied to international politics and diplomacy—it will render an indispensable service to itself, to America, and to the free world. I have expressed the hope that its competitive spirit in world markets can feed back to give zest, alertness, vigor, and self-reliance to its own internal economy.

If these hopes are realized, you businessmen of two countries can give the world one more a living example of a free, stable, and expanding economy. Further, you can learn to give the lie to the forces of pessimism that preach the inevitability of collapse in a competitive economy. Yes, you can give the lie to the theory of the inevitability of crisis and war. Let us therefore march together—not left, not right—but forward.

Rev. Joseph L. N. Wolfe

EXTENSION OF REMARKS

OF

HON. WILLIAM A. BARRETT

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 7, 1949

Mr. BARRETT of Pennsylvania. Mr. Speaker, under leave to extend my remarks, I would like to have included in the CONGRESSIONAL RECORD the following obituary appearing in the July 1, 1949, issue of the Catholic Standard and Times in memory of the Reverend Joseph L. N. Wolfe, S. T. L., J. C. B.:

ST. GREGORY'S RECTOR DIES—FUNERAL TODAY (FRIDAY) FOR REV. JOSEPH L. N. WOLFE, FORMER CHAPLAIN IN TWO WARS

The Reverend Joseph L. N. Wolfe, S. T. L., J. C. B., rector of St. Gregory's Church, Fifty-second and Warren Streets, died after a long illness at St. Joseph's Manor, Meadowbrook, on Monday, June 27.

Born in Philadelphia on December 26, 1881, Father Wolfe was educated at Cathedral Parochial School, Roman Catholic High School, and St. Charles Seminary. He was ordained by Bishop Prendergast in the Seminary Chapel, Overbrook, on May 24, 1906. He was a student at the Catholic University, Washington, D. C., from 1907 to 1909. His first appointment was as assistant rector of St. Katharine's, Wayne. He also served as assistant at Holy Spirit, Sharon Hill, St. Teresa's, Philadelphia; Assumption B. V. M., Philadelphia, and St. Patrick's, Philadelphia. From 1918 to 1919 he served as chaplain in the Army. He was appointed rector and founder of St. Barbara's Parish in May 1921. On November 3, 1936, he was appointed rector of St. Gregory's. While there he became chaplain in World War II and served from February to May, 1941.

AMERICAN LEGION CHAPLAIN

Father Wolfe was a former national and State chaplain of the American Legion and chaplain of De Soto Council, K. of C. Solemn requiem mass was celebrated in St. Gregory's Church today (Friday) at 10 o'clock, by the Reverend Joseph I. Schade. The Reverend William J. Casey was deacon and the Reverend John P. Greene was subdeacon. The Reverend Francis J. Kane preached the sermon. Interment was in Holy Cross Cemetery.

Father is survived by three sisters: Mrs. Mary E. Lang, Miss Lillian Wolfe of this city and Mrs. Laura Kaighler of St. Petersburg, Fla., and a brother, Raymond L. Wolfe.

It's Our Money

EXTENSION OF REMARKS

OF

HON. T. MILLET HAND

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 7, 1949

Mr. HAND. Mr. Speaker, many people are indifferent to governmental extravagance because they are unable to see it is really their money that is being wasted. An editorial in the Millville (N. J.) Daily Republican presents this problem so clearly, that it is worthy of wide attention. The editorial follows:

The real problem in connection with taxation is the fact that so few people take any interest. Believing that a soak-the-rich and tax-the-corporations policy relieves the average citizen of his share of the tax burden, most people do little to nothing about the ever-mounting cost of government.

If the ABC Corp. pays 10 cents out of every dollar for real-estate and business taxes and those taxes are increased to 15 cents out of each dollar, then the consumers of the ABC Corp. products are going to pay 5 percent more for the merchandise or the merchandise is going to be cut in quality to that extent. Taxes are included in the cost of doing business.

The average citizen pays so much in taxes which are indirect in their application that he is not aware of the full extent of their depreciation of the buying power of the dollar. There are local real-estate and personal-property taxes, sales taxes of various kinds such as on cigarettes, gasoline, bulbs, luggage, transportation, cosmetics, jewelry, and scores and scores of items. Then there are income taxes, manufacturers' excise taxes which are included in the price of the items, unemployment taxes, social-security taxes, disability taxes, and plenty more.

It has been estimated that the average person works from 3 to 4 months of the year for his Government—local, State, and National. Granted that it costs money to operate government, it is the most profligate and wasteful organization of any kind in the land. Yet, it is our Government and is supposed to be working for us and for our interests.

Governor Driscoll, at the governor's conference in Colorado, emphasized the need of the Federal Government's retirement in favor of the States from certain tax fields. The New Jersey Chamber of Commerce reports that all-purpose taxes levied on real estate and on tangible and intangible property this year in this State will amount to over $355,000,000.

Particularly in the fields of Federal and State governments, no thought has been given to the readjustment of costs such as should have followed immediately with the winning of World War II. There is a continued expansion of services, some of which are very questionable. We cannot expect our unemployment and our old-age pension funds to be solvent, when that money has already been used by our Federal Government for operations.

When one looks at the big salaries of movie stars, business executives, and others who are in the higher brackets, it may appear that they are getting more than their share. But as an example, most movie stars making $200,000 a year are lucky if they can manage to hold on to about $35,000 after Federal, State, etc., taxes. That is still a lot of money, but it illustrates what taxes do to salaries.

Taking a look at corporation taxes, one will find that Uncle Sam received three and a half times more in taxes from the Santa Fe Railroad than the owners (stockholders) were paid. For every $8 in profit the railroad paid $28.47 in taxes. For every employee of the Santa Fe, it pays in taxes about $1,000 each.

Until each one of us takes a greater interest in what taxes are costing us as individuals and until each one demands that something be done about Government costs in Washington and in Trenton, there will be no slowing down of the increasing bureaucracy and the mounting cost of government.

Appointments of Postmasters and Rural Carriers

EXTENSION OF REMARKS
OF
HON. MIKE MANSFIELD
OF MONTANA
IN THE HOUSE OF REPRESENTATIVES
Thursday, July 7, 1949

Mr. MANSFIELD. Mr. Speaker, I have today introduced a bill to provide that postmasters and rural carriers in the postal service shall be appointed solely on the basis of fitness to perform the duties of the position and that such appointments shall be made by the Postmaster General upon certification by the Civil Service Commission from a list of eligibles. It is my belief that the passage of this measure will fit into President Truman's proposed reorganization plan for the Post Office Department which was presented to the Congress on June 20, 1949.

The enactment of this measure into law, in my opinion, will prove to be an incentive to the career employees in the Post Office Department because it should enable many of them to achieve the position of postmaster when and if such a vacancy occurs. The only patronage I have, as a Member of Congress, is the right to recommend eligible applicants for the positions of postmasters and rural carriers to the Post Office Department. This authority, I have, in turn, delegated to the Democratic county committees in my district because I have felt that on the basis of its knowledge of local conditions, it would be in a better position than I to make a recommendation based on the wishes of the committeemen and women in the area served by the post office and also based on the wishes of the majority of the patrons in the area to be served. I have also adhered to the provisions of the Veterans Preference Act of 1944 in the consideration of applicants for postal positions to the end that veterans would be given every possible consideration. When the chairmen of the Democratic county committee have forwarded to me the committee's recommendations based on the above conditions, I have, under my name, sent those recommendations to the Post Office Department for its approval. This, I believe, is the only fair and democratic way to make the selection for these positions and I shall continue to follow that policy unless the law is changed giving that authority to the Postmaster General along the lines recommended in the bill I have introduced today.

Mr. Speaker, I am inserting at this point in the RECORD a copy of my bill covering this subject:

A bill to provide that postmasters and rural carriers in the postal service shall be appointed solely on the basis of fitness to perform the duties of the position

Be it enacted, etc., That every appointment to a position as postmaster of any class or as carrier in the rural delivery service of the Post Office Department shall hereafter be made by the Postmaster General upon certification by the Civil Service Commission from a register of eligibles without regard to any recommendation which may be made, with respect to any person whose name is so certified, by a Member of, Delegate to, or Resident Commissioner in Congress, or by any other person.

"Second Class" Citizens

EXTENSION OF REMARKS
OF
HON. WILLIAM A. BARRETT
OF PENNSYLVANIA
IN THE HOUSE OF REPRESENTATIVES
Thursday, July 7, 1949

Mr. BARRETT of Pennsylvania. Mr. Speaker, under leave to extend my remarks, I would like to have included in the CONGRESSIONAL RECORD the following article which appeared in the Catholic Standard and Times issue of July 1, 1949:

BILL REPUDIATES PARENTS' RIGHTS—K. OF C. SAYS BARDEN BILL MAKES CATHOLIC PUPILS "SECOND CLASS" CITIZENS

NEW HAVEN, June 27.—The Barden Federal school aid bill in effect repudiates parents' rights and "reduces parochial school pupils to a status of second-class citizenship," declared the Knights of Columbus, in moving the force of its 700,000-plus membership into the current congressional school aid fight.

The K. of C. supreme council, in a resolution adopted here, arrived at the same description of the measure as did Catholic school authorities earlier in Washington. They said it was the worst and most objectionable Federal-aid bill ever approved by any congressional committee.

The national leaders of the Catholic fraternal organization asked their members across the country to protest the Barden bill in letters to Congressmen and to "enlist the support of other citizens of their communities in protesting against this unjust proposal."

The Barden bill, which has been approved by a House subcommittee headed by the bill's sponsor, Representative GRAHAM A. BARDEN, of North Carolina, contains iron-clad assurances that its $300,000,000 annual grant to the States will go only to public school students. In this respect it exceeds even the Senate-passed Thomas bill.

The fact that such a lopsided measure could win some amount of approval on Capitol Hill has brought a sharp new awareness among Catholics generally of the importance of the Federal-aid fight. Diocesan weeklies gave the Barden bill story top play, and many carried special editorials analyzing the bill and urging protests to Congressmen. Hundreds of pastors discussed the proposed legislation with their congregations.

TYPICAL REACTION

A typical reaction was that of Henry A. Reinhard, Columbus attorney and president of the diocesan Holy Name Union, who made this public statement: "The Barden bill violates the true intentions of the Federal Constitution. It infringes upon the rights of Catholic children who, as citizens, are entitled to all the rights, privileges, and immunities of every other child."

Bishop William O. Brady, of Sioux Falls, wrote bluntly to his South Dakota Catholics: "What will South Dakota do with the funds sent to it by Uncle Sam? South Dakota will spend it all on the public schools, after the expense of handling the funds is deducted. Will the Catholic schools get any of Uncle Sam's gifts? Don't be foolish."

"Our Catholic schools are in a rather strange position," he continued. "The Federal Government insists that we may have them. The various State governments inspect them and approve them. High-spirited citizens praise them. That is all."

Bishop Brady said that Catholic school children get full consideration from the tax assessors when it comes to fixing the formula for school taxes, but are left completely out in the disbursement of the tax funds.

"Will it be any different if Uncle Sam appropriates money for schools?" he asked. "No different—except that our children will be counted three times; i. e., once for the State taxes and once for the Federal taxes—and then they will be counted again * * * counted out when the distribution begins."

"For 25 years and more we Catholics have fought to retain control of our schools on a local level," the bishop stated. "If backward States need help, let that be arranged the same as any other emergency relief. But we in South Dakota have boasted of our schools. Let us keep control of them."

The Knights of Columbus resolution stated, in part: "One of the cherished and inalienable rights guaranteed by the Constitution of the United States is the right of parents to further the education of their children in the schools of their choice, whether public, parochial, or private.

"The history of our country, past and recent, abundantly proves that parochial schools, maintained at great cost to Catholic taxpayers effectively prepare children for the responsibilities of American citizenship and graduate young men and women qualified to vote, eligible for public office and subject to military service.

"The Barden bill * * * in effect repudiates the rights of parents and reduces parochial-school pupils to a status of second-class citizenship by depriving them of the bus rides, nonreligious textbooks and health aids to which they have a constitutional right.

"The Barden bill, which counts parochial-school pupils in for the purpose of computing the Federal aid to be granted and counts them out of their share of benefits, is the worst and most objectionable Federal-aid bill ever approved by any congressional committee."

WASHINGTON, June 28.—President William Green of the American Federation of Labor has attacked the Barden bill as not satisfying the A. F. of L.'s requirement that Federal school aid include health and welfare services for children in all schools. He hit hardest at the bill's discrimination against Negroes and its lack of guaranties that teachers' salaries will be increased.

Airlift's Anniversary

EXTENSION OF REMARKS
OF
HON. OVERTON BROOKS
OF LOUISIANA
IN THE HOUSE OF REPRESENTATIVES
Monday, June 6, 1949

Mr. BROOKS. Mr. Speaker, under leave to extend and revise my remarks, I include herewith an editorial from the Shreveport Journal of July 5, 1949, entitled "Airlift's Anniversary":

AIRLIFT'S ANNIVERSARY

When Russia agreed some time ago to call off the Berlin blockade, which was responsible for the airlift operated by western allied forces to furnish food and other essentials for the people inside zones of occupation, there was presumption that the gigantic operation would cease quickly. However, Gen. Lucius Clay, who was in charge at the time, made it clear that stop-

page of the airlift would not be immediately practical or advisable, but would have to be done gradually, and so far there has been little let-up. This was brought to the attention of people everywhere last Sunday when the first anniversary of the unprecedented activity was noted.

That continuation of the service was the reelection of sound judgment was shown when there developed a strike of Berlin's rail transportation. Without the airlift there would have been indescribable suffering. Figures released on the recent anniversary give 8,200 tons as the daily minimum cargo movement by the planes used in this historic activity. The rail strike has been conducted as a protest by Berliners against the Russian management of the rail service between occupation areas and into the German capital.

The need of full-scale operation of the airlift would not be required should the Soviets keep their promise not to shut off Berlin's land approaches to the Western Powers again, a pledge which was contained in the agreement at a conference of the foreign ministers. Without further complications the airlift could be largely reduced and eventually closed entirely. But who can say there won't be new complications, that Russia will abide by its pledge? Reports the last several days have carried the hint that the Russians are thinking of clamping the blockade on again. And they probably will if they don't have their way in other matters to the disadvantage of the Western Powers.

The Kansas City Star in praising the airlift for its first year's accomplishment commented:

"But the Russians have a too familiar way of 'reinterpreting' their promises. They do so when it suits their convenience to wriggle out of them. It would be naive, therefore, for the Americans and British to regard Berlin as hereafter immune to Soviet blockading action.

"For that reason the airlift ought to be maintained on a restricted basis. It should be prepared for quick expansion if necessary. Thus there would be no possible waste of the methods and technical knowledge mastered in the most pressing times of the Berlin crisis. The Russians then would not be allowed to forget how we withstood their pressure move previously. And the anti-Communist population of Berlin would be assured of our readiness to sustain them in the event of another blockade.

"The Berlin airlift has magnificently served the purpose for which it was designed. Even in a form narrowed to fit less critical conditions, it can represent the ability of the Western Powers to stand fast in Berlin as long as that remains their policy and intention."

The Stalin bunch of power-crazed troublemakers must be constantly watched, and preparedness against any hostile move is the safest instrument.

Federal Aid to Education

EXTENSION OF REMARKS

OF

HON. JAMES T. PATTERSON

OF CONNECTICUT

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 7, 1949

Mr. PATTERSON. Mr. Speaker, since Cardinal Spellman's message concerning the Barden bill on Federal aid to education, H. R. 4643, many hundreds of my constituents have written expressing disapproval of legislation which omits nonpublic schools from grants for educational purposes. Enactment of this measure would result in stringent Federal control as it specifically fixes the method for the allocation of funds granted to the States. Education is properly a State function, and jurisdiction must remain with the States. As evidence of the widespread interest which has been evoked, I cite the names and parishes of a representative group of clergymen who have written expressing opposition, and include resolutions adopted by the Connecticut Catholic War Veterans; Waterbury Council of Catholic Women, junior division; and Knights of Columbus, Unity Council No. 37, Torrington, Conn.

Clergymen names and parishes follow:

Rev. John W. Dial, Sacred Heart High School, Waterbury, Conn.

Rev. Leon Ristuccia, St. Joseph's Monastery, Winsted, Conn.

Rev. Vincent E. Finn, St. Bernard's Rectory, Sharon, Conn.

Rt. Rev. Henry J. O'Brien, Bishop of Hartford, Hartford, Conn.

Rev. Roger M. Charest, S. M. M., St. Louis de Montfort Seminary, Litchfield, Conn.

Rev. Julius Guandalini, St. Lucy's Rectory, Waterbury, Conn.

Rev. John F. Kenney, Blessed Sacrament Rectory, Waterbury, Conn.

Rev. George F. X. Reilly, Immaculate Conception Rectory, Waterbury, Conn.

Rev. M. F. Keating, S. S., Peter and Paul Church, Waterbury, Conn.

Rev. William P. Kennedy, Assumption Rectory, Ansonia, Conn.

The resolutions follows:

CATHOLIC WAR VETERANS
OF THE UNITED STATES OF AMERICA,
DEPARTMENT OF CONNECTICUT,
Bridgeport, Conn., July 2, 1949.

Hon. JAMES T. PATTERSON,
House of Representatives,
Washington, D. C.

DEAR CONGRESSMAN: The Catholic War Veterans of the Department of Connecticut, at a joint meeting of the executive board and post delegates, at a meeting duly called for the purpose of analyzing the so-called Barden bill have unanimously adopted the following resolution:

"Whereas the Barden bill on Federal aid to education, now being considered by the Eighty-first Congress, infringes upon the rights of every Catholic, especially Catholic parents; it is the most discriminatory and most objectionable of the Federal aid bills, for it not only excludes nonpublic school children from benefits, even though it counts them when figuring the allocations, but it makes provision through the courts to see that nonpublic school children do not get any benefits. If Federal aid is to be given to education, justice demands that the pupils of Catholic schools share in those benefits;

"And whereas the Catholic parents are not asking the Federal Government to help erect any new Catholic schools nor pay the salaries of any teachers; and

"Whereas the Catholic parents are asking the Federal Government to include the well-being of all children, regardless of race, creed, or color, in the distribution of funds, and to give Catholic school children, at the very minimum, the same health and welfare services that are provided for public-school children. These services include health aids, nurses, transportation, nonreligious textbooks, recreational facilities, and other social-welfare benefits: Therefore be it

"*Resolved*, That the Catholic War Veterans of the Department of Connecticut, acting for the membership and officers thereof, do vigorously oppose the Barden bill in its entirety."

Attest:

IRVING H. JOHNSON,
Commander, Department of Connecticut.
CARMEN A. TORTORA,
Adjutant, Department of Connecticut.

WATERBURY COUNCIL OF
CATHOLIC WOMEN,
JUNIOR DIVISION,
Waterbury, Conn., July 1, 1949.

Hon. JAMES T. PATTERSON,
House of Representatives,
Washington, D. C.

DEAR MR. PATTERSON: The Junior Division of the Waterbury Council of Catholic Women formally protest against the Barden bill, H. R. 4643.

The reasons for our protest to you are, firstly, it discriminates against our Catholic children and deprives them of aid toward or in matters of public health and transportation.

Secondly, it repudiates the constitutional rights of parents by infringing upon their choice in the selection of schools for the education of their children.

Thirdly, it accepts our Catholic child as a numerical member of our individual States but refuses them financial aid which is to be granted the individual States.

We urge you to oppose this measure personally and to do all that you can to kill it in committee.

We would appreciate receiving an appraisal of your views in this matter, so that we may present it to the 300 members of the junior division of the Waterbury Council of Catholic Women.

Very truly yours,

POLLY FLEMING,
Corresponding Secretary.

Whereas one of the cherished and inalienable rights guaranteed by the Constitution of the United States is the right of parents to further the education of their children in the schools of their choice, either public, parochial, or private; and

Whereas the history or our country, past or recent, abundantly proves that parochial schools, maintained at great cost to Catholic taxpayers, effectively prepare children for the responsibilities of American citizenship and graduate young men and women qualified to vote, eligible for public office and subject to military service; and

Whereas the Barden Federal aid to education bill, H. R. 4643, in effect repudiates the rights of parents and reduces parochial school pupils to a status of second-class citizenship by depriving them of the bus rides, nonreligious textbooks, and health aids to which they have a constitutional right; and

Whereas the Barden bill, which counts parochial schools in for the purpose of computing the Federal aid to be granted and counts them out of their share of benefits, is the worst and most objectionable Federal aid bill ever approved by any congressional committee: Therefore be it

Resolved, That Unity Council, No. 37, of the Knights of Columbus in Torrington, Conn., is opposed to this, or any other Federal aid to education legislation which fails to guarantee that the essential services mentioned will be available to all children in both public and parochial schools; and be it further

Resolved, That the members of Unity Council, No. 37, of the Knights of Columbus in Torrington, Conn., make known immediately to Congressman JAMES T. PATTERSON our opposition to the Barden bill for the reasons herein stated, and that he further enlist the support of other Congressmen in protesting against this unfair proposal.

JOHN H. BARRETT,
Grand Knight.
JOHN J. GIBBONS,
Recording Secretary.

A Letter From a Grateful Official

EXTENSION OF REMARKS
OF
HON. LOUIS C. RABAUT
OF MICHIGAN
IN THE HOUSE OF REPRESENTATIVES
Thursday, July 7, 1949

Mr. RABAUT. Mr. Speaker, under leave to extend my remarks in the CONGRESSIONAL RECORD, I include a letter from the Honorable Eugene I. Van Antwerp, mayor of the city of Detroit, in which it is brought forcibly to the attention of those who read, that the enactment of the long-range national-housing program will facilitate many improvements for the general good, and at the same time bring relief to certain families, the tragic victims of the housing shortage. The letter of the mayor follows:

CITY OF DETROIT, *June 30, 1949.*
Congressman LOUIS C. RABAUT,
House Office Building,
Washington, D. C.

DEAR CONGRESSMAN RABAUT: Please accept my sincere thanks and congratulations for your vote supporting the long-range national-housing program and particularly for your vote against the damaging amendment that would have eliminated the public-housing section of the measure.

The enactment of this legislation is a significant milestone in the progress of American cities. It will permit a real start on the job of cleaning up disgraceful slum housing and rehousing the low-income families who are the most tragic victims of our continuing housing shortage.

In addition to relieving the housing shortage this legislation will greatly facilitate all of our city's improvement plans including the construction of new parks, playgrounds, schools and expressways. All these plans hinge to some extent on the rehousing of displaced low-income families.

We are sincerely grateful to you for your support of this legislation.

Sincerely,
EUGENE I. VAN ANTWERP,
Mayor.

Zero Hour of Inflation

EXTENSION OF REMARKS
OF
HON. ROBERT F. RICH
OF PENNSYLVANIA
IN THE HOUSE OF REPRESENTATIVES
Thursday, July 7, 1949

Mr. RICH. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following editorial from the Bristol Courier of July 6, 1949:

ZERO HOUR OF INFLATION

The most tragic side of the housing fraud which the Truman lobby has just steamrollered through Congress is not the scandals which will result when the New Deal politics start swapping these new public-owned dwellings for votes.

In the end these scandals will carry their own punishment with them. That's what happened back in the late thirties. The American people will stand for a great deal, but it is doubtful whether they will tolerate anything so raw as a phony slum-clearance scheme which turns into patronage and plunder. The reeking and disgraceful misuse of the Federal slum-clearance programs of 12 years ago unquestionably played a major role in the reversals which the New Deal suffered in the 1938 elections.

The really tragic part of this housing swindle is that it may be the last straw that breaks the back of the efforts to control run-away inflatiton.

The bond issue end of the scheme is as fraudulent as the rest of this humanitarian program.

In its main details the financial outline is modeled on one of the most tragic inflationary enterprises in the history of the world—the one which wrecked the first French Republic in its infancy, and which opened the doors of that liberty-loving nation to a return to despotism under a new tyrant, Emperor-Dictator Napoleon.

The parallel is astonishingly exact. In both cases we have a nation whose normal credit has been largely exhausted. Sixteen years of overspending and overborrowing have overdrawn the borrowing capacity of the United States to the point where no one really thinks our present debt will be paid off at par.

In 1789, when the French Revolution was over, France also found her normal credit exhausted. In that case also it was overspending and overborrowing which had exhausted it. The spending had been more leisurely, dating back to the time of Louis XIV and the building of Versailles. The borrowing had been less extensive, for the simple reason that the government financiers of that time had not learned the trick of their present counterparts—the trick of mortgaging all the public's possessions along with the property which the government itself owned.

Both nations are found to be facing the same problem—how to borrow more money when normal credit is exhausted. Both turn to the same expedient—trick bond issues which really are against the already overstrained public credit, but which appear not to be.

In both cases, it is experts who have worked out the fraud—experts who proclaim at every moment: "This is not inflation. If it turns out to be, we will control it."

What the French did in 1789 was to issue bonds which appeared to be—though it did not so turn out—based on real estate. The land in question was church farms which had been seized by the revolutionists. These were large and productive farms, whose earnings appeared to be sufficient to carry all interest charges and retire the principal of the new bonds.

These special bonds were issued independently of the outstanding government bonds, and were highly attractive on the basis of return—if one forgot security of capital. They went like hot cakes. All the financial experts fought to get them.

Note how similar this is to what Uncle Sam is authorized to do under the new housing scheme. We are to have a special type of bond—one which, like the French bonds, appear at first glance to be mortgage bonds on improved real estate.

But again, like the French bonds, the new American bonds are not really tied in with the real estate. The housing bonds are not to be paid off by the rentals of the dwellings. Nor can the bond owners seize any part of the housing projects as collateral for their bonds, if these start to collapse.

As in the case of the French bonds, the new American bonds are really against the general credit of the Nation. It is pure deceit for us—as it was deceit for the French—to pretend that these bonds are anything more than a new borrowing being made against public credit. Yet the French so pretended in 1789—and the Truman administration proposes so to pretend when the housing bonds are sold.

The French made their bonds attractive by a high interest rate and a government guaranty. The housing bonds are to be made attractive to United States investors not only by a good interest rate but by being made tax exempt.

Individuals and financial houses already are preparing to scramble for these new bonds. They are infinitely more attractive because of being tax exempt than most of the outstanding Federal bonds.

It is almost inevitable that billions of dollars worth of these bonds eventually will be sold. Very likely there will be several issues of them. The French in 1790 and 1791 were unable to resist the temptation of selling more and more of their special bonds.

Now, note carefully how this works out in both cases. The French Republic, though "busted," was able to borrow a billion dollars more on the first go-round, and eventually nine and a half billion dollars—while pretending all the time that the bonds were amply secured by productive real estate, not simply a further overextending of its exhausted public credit.

In the United States today, whether we are "busted" or not is a debatable point. At any event, we are in sufficiently shaky position so that if the United States Treasury were to announce that it proposed to make a multibillion dollar addition to our gigantic Federal debt, there would be a shiver of horror. The mere announcement might pull the plug and bring depression and chaos.

Yet, by deceit and misdirection that is precisely what is about to be done. The hidden-bond issue is nothing more nor less than a new general bond issue in the potential total of several billions—at a moment when our official bonded debt is growing again, and when our national budget and financial program are far, far in the red.

As a matter of cold fact, this bond issue is not merely inflationary, but it very likely represents the key decision which will make it impossible for this Nation to withdraw thereafter from the inflationary cycle.

It may be the peril point beyond which inflation becomes a run-away boom-and-bust cycle, with nothing left at the end except for the entire population of the United States to go through the wringer.

There are two real peril points in any classic instance of inflation. One is the original decision to abandon hard money and sound credit. That's where inflation begins. If the original decision is not made, true monetary and credit inflation cannot take place.

In this country, the original peril point was passed in 1934, when we went off the gold standard and began using fiat money—greenbacks which say on their face that they are nothing more than promissory notes.

But a country can go off the gold standard, and can rely on fiat money, without entering runaway inflation. We were off the gold standard during the Civil War and for many years thereafter. During that time all the money we had was fiat currency.

Yet nothing in that period pushed us to the second peril point of inflation, which is the one where the lid really starts going off.

To vary the comparison, the first peril point is the one which starts generating inflation pressures—the second is the one which starts them exploding.

The original land-bond issue of the French Republic is still defended by economists as having been fundamentally sound. It was, nevertheless, the instance of a little inflation seeming to be good for the nation—and it created an overriding demand among the French people for the issuance of more of these attractive bonds. When that second decision was made was the second peril point in the cycle.

Once the baby French Republic embarked on its scheme there was no turning back.

Away she went. All of the trimmings of inflation were there. Prices were "fixed"—and the guillotine threatened the black-marketers. At one time it was a penitentiary offense to ask what sort of money you were to be paid if you had goods for sale.

Those who want the details will find them in a small book called Fiat Money Inflation in France, written more than 50 years ago by Andrew Dickson White, of Cornwell University, and reprinted as recently as 1933 by the D. Appleton-Century Co., New York and London. Small as it is, this booklet is probably the best single work on the subject of inflation which has ever been published.

The cycle lasted 8 years in France. By 1797 all the bonds were worthless and were repudiated. The new French Republic was bankrupt, thousands of its people impoverished, the Government demoralized. The stage was set for Napoleon and the death of freedom.

Yet France, it may be, escaped lightly by comparison with the catastrophes which Uncle Sam is inviting. In France there were two principal losers—and only two; first, the Government itself, and, second, the "suckers" who lost money in the bonds. Others were inconvenienced in many ways—the general demoralization of the country, the loss of their power to control their Government, etc., etc. But the people themselves were not bankrupted—only their government.

This cannot be the case in this Nation if it is fated to follow the French example. The New Deal has successfully mortgaged everything of value belonging to the American people as collateral to its gigantic public debt. The new bond issue is going to be piled on top of the biggest national debt in history. If it is the last straw—or the last ball of hay—which breaks the camel's back, then everything will go down like the one-horse shay.

We will have not merely Government bankruptcy, but universal and total public bankruptcy.

What's a "vote steal" involving a few hundred thousand houses, by comparison with that titanic threatening disaster?

Columbia Valley Administration

EXTENSION OF REMARKS

OF

HON. ESTES KEFAUVER

OF TENNESSEE

IN THE SENATE OF THE UNITED STATES

Thursday, July 7 (legislative day of Thursday, June 2), 1949

Mr. KEFAUVER. Mr. President, I ask unanimous consent to have printed in the Appendix of the RECORD a most challenging article in favor of the establishment of the Columbia Valley Administration. This article was written by Richard L. Neuberger, a member of the State Senate of Oregon, who is among the group leading the fight for the establishment of CVA. The article was published in the June 21 issue of the Reporter.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

KILOWATTS OUT TO SEA

(By Richard L. Neuberger)

The 6,000 people in Sweet Home, Oreg., are worried. Nine years ago, when the census was taken, only a thousand inhabited this sawmill town at the edge of the last great fir forests left in the United States. The increase came about because of lumber. It is Sweet Home's only resource.

As long as the trees endure, the furniture store bought with a mortgage by Dave Epps, once an all-star basketball player at the State university, will prosper. So will the weekly Sweet Home New Era, operated by a couple of migrants from Wyoming. So will Stewart Weiss' West Gate lumber yard. Weiss, a Republican State official, came to Sweet Home with $900 in 1940; now he is considered to be nearly a millionaire.

But will the trees last? The United States Forest Service warns that each year the number brought down on the mountain ramparts above Sweet Home far exceeds the new growth. That is why the people worry. What to do if the fir gives out.

Sweet Home has heard of a plan proposed by the President of the United States in a special message to Congress in April. The plan is known as the CVA. Stewart Weiss regards it as "superbureaucracy." Dave Epps, who ran for secretary of state on the Democratic ticket in 1946, thinks it is a part of the New Deal, and that is all right with him.

The Columbia Valley Administration is the Northwest's greatest issue, yet few of the people there understand what it would be. Most know it would be patterned after the TVA, 3,000 miles away across the continent, and that is all most know.

The Northwest is in a crisis, and this is the principal strength of the CVA as a public issue.

Since 1940, about a million people have come to Oregon and Washington. Only 932,000 migrated to the Northwest in the entire first century after Jefferson claimed the area for the United States. The population increase has been larger proportionately than in any other section of the land. Many moved westward to work in the shipyards, which now rust in 80 annual inches of seacoast rainfall. Aircraft production has been cut back. Lumber has absorbed much of the slack. In Oregon, 71 cents out of every pay-roll dollar originate in forest products. But the forests will not last forever. Indeed, unemployment in the Northwest is more than twice the national rate. How can the newcomers be put to work?

The Northwest has one resource that has barely been scratched. To all intents, it is as unexploited as it was when Lewis and Clark saw it.

That resource is the Columbia River. It carries down to the ocean more water than all the other rivers on the Pacific seaboard combined. The vast icefields of the Canadian sub-Arctic, the Snake and the Salmon in mile-deep canyons, the glaciers of the Cascade and Selkirk Ranges, the angry Kootenai and the rumbling Clark Fork—all bring their water to the Columbia. This wondrous flow empties a drainage basin as immense as Texas.

No other source of power on the North American Continent can match the Columbia. Thirty-three million kilowatts can be generated on it. Only 3,000,000 have been produced. This means that less than 10 percent of the Columbia's energy has been tapped by the multitude of Government bureaus and private companies functioning in the region. In contrast, the Tennessee Valley Authority has developed 2,567,000 kilowatts of power, which represent a far higher percentage of the Tennessee's comparatively puny maximum output.

And so in the Columbia 30,000,000 kilowatts are going to waste. They foam downhill and disappear where the river's generous mouth tastes the brackish tide of the Pacific. Conservation is not wholly a lost cause, and the men and women of the Northwest understand what this signifies. Thirty million kilowatts over 1 year are the equivalent of 150,000,000 barrels of oil. This oil could be used to operate factories, to move trains, to heat buildings, to send aloft bombers.

And what of jobs?

Columbia River power is the cheapest in the Nation, because it is the most abundant. Manufacturing plants have been moved across the country on flatcars to use it. In 1939 not an ounce of aluminum was produced west of the Mississippi. Now half the national supply is spun out along the Columbia. More would be manufactured if more power were available. Ever since the Bonneville Dam was completed, new kilowatts invariably have meant new jobs. In fact, chambers of commerce must violate their natural instincts by discouraging factory construction in the Northwest until additional dams rise across the Columbia.

Yet on the foggy April morning in 1937 that President Roosevelt stood at Bonneville and dedicated the cavernous powerhouse to "the production of a vast amount of cheap power," the utility industry issued a press release claiming hydroelectricity was impractical compared with energy generated from coal. The industry felt Bonneville's capacity would not be absorbed.

"We have kilowatts running out our ears," said a utility president.

"A folly of great magnitude," contributed a widely quoted regional editorial page.

Memories of this episode serve the CVA usefully. "I don't know much about the CVA," confessed a stringy railroad man with ruddy skin stretched taut over high cheekbones, "but I do know that the same folks who are opposing the CVA once told us that Bonneville and Grand Coulee were white elephants. We heard this all the time, especially in election years. Yet today we need a lot more dams like Bonneville and Grand Coulee. If the utility crowd was so wrong once, why should we listen to what they say now?"

Not only men in overalls and gauntlets come up with these recollections. The chairman of the board of Portland's First National Bank has reminded his city's business community of "where we might be, had we heeded the voices which criticized Roosevelt's plans for the Columbia, and I say this as a lifelong Republican."

Faintly and spasmodically, a similar feeling pricks many of the people of the Northwest. They are far from sure what the CVA would be. They demonstrate only casual interest in the verbose explanations of the CVA issued by Government offices. But people remembered that grim warnings were issued concerning Bonneville and Grand Coulee. Comparisons were made between these projects and the useless but imposing Egyptian pyramids. Today the main objection to Bonneville and Grand Coulee seems to be that there are not more of them.

The CVA would coordinate and integrate all the Federal agencies in the Northwest now concerned with river development. This has not penetrated deeply into the regional consciousness. "Integration" is a word that moves few men and women. "Jobs" and "light bills" are words that move many.

Senator ESTES KEFAUVER talked about the CVA in these terms and attracted the biggest banquet crowd served at the Hotel Portland since the fabled structure was built in 1879, only 2 years after the pastoral Nez Perce were subdued with fire and cavalry. Retainers of the hotel whispered that the discussions of the CVA and jobs showed even greater drawing power than a legendary political feast of the 1890's, at which a lithe ballet dancer from San Francisco bathed in Oregon loganberry wine.

The interest stems from the ferocity of the fight in the Northwest. So bitter have been the denunciations of the CVA that dispassionate discussion has been rare. Although it is seldom mentioned, a single clause of the administration's bill probably inspires

these denunciations. This paragraph authorizes the CVA to buy private utility systems. Power companies are contributing funds to hastily created civic organizations which have just one mission: to arouse public sentiment against this clause and the whole CVA.

The ideological tone for these groups has been set by a 54-year-old novelist, Robert Ormond Case (Dynamite Smith—Cowboy, Riders of the Grande Ronde, etc.). He also is author of River of the West, published in 1940 under the imprint of the Pacific Power & Light Co. One of Case's warnings is that the President might appoint his foes of last November, Henry Wallace and Senator GLEN TAYLOR, to be two of the three directors of the CVA.

In the measureless vistas of the Columbia Basin, James Burnham could find much valuable addenda for his Managerial Revolution. Some of the corporate owners of the region's utility companies are not averse to selling out to a solvent buyer such as the United States Treasury. They recall enviously the $78,600,000 paid by the TVA to the Commonwealth & Southern Corp. for its properties. Furthermore, the power companies of the Northwest have been whittled away by local public-ownership elections which often seize the heart of the system and leave the utility only empty veins and arteries. More than one stockholder thinks now is the time to sell out.

But the managers of the power companies have a different stake in the struggle. They own little or no common stock. Far from enriching them, a profitable sale to the Government merely would make them lose jobs of comfort and prestige. They think the CVA means their personal liquidation. But reports persist that the families which hold title to the region's utilities companies are holding down the anti-CVA activities of their hired managers.

It is a curious paradox that practically all substantial editorial support for the CVA originates outside the region where it would function. Newspapers in the Northwest are almost uniformly hostile. The Portland Oregonian is benevolently neutral, with a slight tilt in favor. Smaller dailies in Pendleton, Oreg., and Wenatchee, Wash., think the CVA is a move in the right direction. Practically all other regional papers denounce it as "socialism," and a few call it "communism."

But thousands of miles from the racky chutes where the Columbia roars and trembles, editorial writers are enthusiastic. The New York Times, the Washington Post, the St. Louis Post-Dispatch, even the cautious Washington Star—all salute the President for proposing the CVA. The Star, traditionally right of center, considers it to be logic and common sense.

The paradox has been summed up neatly by an aged editor, in green eyeshade and paper cuffs, who lives in a Puget Sound town of 3,000. "It's a dam sight easier for the editor of the New York Times to come out for the CVA than it is for me," he admitted. "The editor of the Times doesn't have my chamber of commerce president breathing down his neck."

Yet the warnings about "socialism" and "tyranny" have had an impact—even in the White House

It was by decision of the President that CVA stands not for Columbia Valley Authority, as might have been expected, but for Columbia Valley Administration. This is a significant bit of semantics. The President and his consultants felt the word "authority" might sustain the extravagant charges against the CVA.

This somewhat devious approach on the part of the plan's adherents has not been successful. Senator KEFAUVER, who is close to the Tennessee Valley Authority, spoke in Seattle and Portland in behalf of the Columbia Valley Administration. Early in his speech at Portland, KEFAUVER crumpled his manuscript in his hand.

"Let's call CVA what it is," he said. "It would put all the Columbia River agencies under one roof, as TVA has done. So I'm going to talk about an 'authority.' If anyone is afraid of the word 'authority,' let him remember that we are enjoying our liberties in my State of Tennessee under the 'authority' and are none the worse for wear. In fact, we like it. I commend it to you."

The pioneer economy of the Northwest is a wreck. Inexorably, the lumber industry brings about the end of the forests which have been easy to log, cheap to harvest. Free land remains, but it is gaunt and arid. Coyotes cannot live on it because their natural prey, the jackrabbits, cannot find even weeds for sustenance. This land will yield crops only if the Government spends millions for pumps and canals. It will be desert forever unless it is ribbed with water from the Columbia. The old, untrammeled era is gone—the era when the Government carried the mail and sent the cavalry and did little or nothing more.

The region is packed with migrants. Some live in tarpaper shacks; others have no electric lights. Families from flooded Vanport, which was crushed to kindling by the river in 1948, still sleep in army cots on basketball courts. But their numbers count. Soon the frontier State of Washington is to have more electoral votes than industrial Connecticut, more Members of the House of Representatives than South Carolina. When these newcomers need jobs, and only more hydroelectric power can put them on pay rolls, the Northwest will get its CVA. That is the timetable.

Emma Lazarus

EXTENSION OF REMARKS
OF
HON. ABRAHAM J. MULTER
OF NEW YORK
IN THE HOUSE OF REPRESENTATIVES
Thursday, June 30, 1949

Mr. MULTER. Mr. Speaker, the people of this country are now observing the one hundredth anniversary of the birth of a famous American woman, whose name has become a symbol of American freedom. I refer to the great American poetess Emma Lazarus, who was born on July 22, 1849, in New York City, and whose centenary occurs this month.

To many of us she is known for the stirring words of her immortal sonnet The New Colossus which is inscribed on the Statue of Liberty, at the entrance to New York harbor. That is the famous sonnet which contains the often-quoted lines:

Give me your tired, your poor,
Your huddled masses yearning to breathe free,
The wretched refuse of your teeming shore.
Send these, the homeless, tempest-tossed, to me,
I lift my lamp beside the golden door!

For about a century and a half our country was known throughout the world as a haven of refuge for the oppressed, whether for religious or political reasons. During this century and a half the United States had been enriched in many ways by the persecuted of other lands who settled here and helped to build our country.

The following article about Emma Lazarus, written by Murray Frank, well-known Washington correspondent, appears in the current issue of Liberal Judaism:

EMMA LAZARUS: 100 YEARS LATER

(By Murray Frank)

The one hundredth anniversary of the birth of Emma Lazarus, American poetess, is being observed this year by the liberty-loving people of America. As author of the famous and oft-quoted sonnet, The New Colossus, which is inscribed on a plaque at the base of the Statue of Liberty in New York harbor, Emma Lazarus has been universally acclaimed for many years as the champion of American liberty and democracy, just as the statue itself has become the symbol of our liberty.

The Goddess of Liberty, conceived and executed by the French sculptor Bartholdi and presented to the people of America to commemorate the first centenary of American independence, brings to mind Emma Lazarus and her stirring words about the "huddled masses yearning to breathe free * * * the homeless, the tempest-tost." Her sonnet comprised of only 14 lines, was sufficient to immortalize her in the annals of American culture and civilization. The "Goddess of Liberty" and Emma Lazarus have become synonymous; few poets of all nations and all times have achieved such distinction.

PRODUCT OF HER AGE

Emma Lazarus has been described by some as the first great literary figure to come out of Jewish ranks in America, as the "Sweet singer of Israel," and as one of the most brilliant writers of the nineteenth century. Emma Lazarus should be regarded as a product of her age. It would be erroneous to take her out of the period in which she lived and was a creative force to compare her style and art of expression with contemporary poets who write under different circumstances and new concepts.

The literary legacy of Emma Lazarus is not too voluminous—two volumes of collected poetry, published after her death, some translations into English of medieval Spanish-Jewish poetry and nineteenth century German poetry, and scattered essays in several journals. Not a very great literary heritage quantitatively, due primarily to the fact that she died at the early age of 38, but compared qualitatively with Robert Browning and others of similar stature.

Of Sephardic Jewish ancestry, Emma was one of seven children born to Moses and Esther Lazarus. They migrated to the United States in the first half of the nineteenth century and settled in New York City, where Moses Lazarus conducted a large sugar trade. There Emma was born on July 22, 1849. She was educated by private tutors and was raised in an atmosphere of wealth, culture, and refinement.

Emma's talent for poetry became manifest at an early age. She wrote her first verses at 14, and published a collection of poetry and translations at 17. A second volume of her verses appeared in 1871 under the title Admetus and Other Poems, dedicated to Ralph Waldo Emerson, with whom she established a close friendship during this formative period and who was her literary mentor for many years.

By this time her writings attracted the attention of literary circles in the United States and England. Emma Lazarus corresponded with the literary great of her day, including Emerson, William Cullen Bryant, Robert Browning, William Morris, Edmund C. Stedman, the Russian novelist Ivan Turgenev, and others. Her poetry was being published in the finest literary magazines. She was completely absorbed in the world of letters.

A TURNING POINT

A marked transformation in her concept of life, which was soon reflected in her poetry, set in during the year 1881, Emma Lazarus had reached the age of 32. By now she could boast of several small volumes of verses, a novel about Goethe (published in 1874), a five-act drama of medieval Italy (written in 1876, but never produced), and translations of selected poems and ballads of Heinrich Heine (published in 1881).

And yet there was something lacking. Her talent had not reached full fruition and her poetry was still short of first-rank quality. She came too much under the influence of the classicists, and worshiped the abstract beauty of nature. Her earliest verses appeared artificial in construction, and indicated a lack of fire. A critic once described her literary creations of this period as possessed of "quiet emotion, Hellenic beauty, romance without passion."

Throughout this period Emma Lazarus showed no interest in Jewish affairs and no desire to be openly associated with her people. Her writings showed no traces of influence of Jewish thought or history. The poet and essayist Stedman is said to have reproached her for this lack of interest in the history and traditions of her people, while John Burroughs brought to her attention the Hebraic influences of the works of Walt Whitman and Thomas Carlyle. Even the persecutions of the Jews in Russia, which shocked public opinion and aroused much criticism of Czarist Russia in the United States, could not move her to adopt a more friendly attitude toward Jewish life and an understanding of the desperate plight of her people.

Yet the emotional impact which stirred her to poetic heights and served as the source of genuine inspiration for the most creative years of her life was the Jewish factor, specifically the deterioration of the Jewish position in Russia, which finally penetrated the literary seclusion of Emma Lazarus. The spark which brought forth the literary genius in her was provided by the persecutions and martyrdom suffered by Russian Jewry in the early 1880's. It awakened her from her classical dreams and caused her to turn to Jewish themes.

SHOCKED INTO ACTION

Two occurrences were the direct cause for this transformation. During a visit to Ward's Island, where the Russian-Jewish immigrants were kept pending their admission to this country, she came face to face, for the first time, with the poverty, hunger, and fear of fleeing immigrants. This experience stirred Emma Lazarus to the very depths of her soul, and aroused in her a yearning to learn more about their tragic experiences and about the life of eastern European Jewry in general.

The second event was the publication of an anti-Semitic article by a Russian woman, Zenaide Ragozin, in the April 1882 issue of Century, a magazine where Emma Lazarus was a contributor. The author of the article, who was subsequently denounced as an agent of Czarist government, attempted to justify the persecutions of the Jews in Russia by placing the blame on the Jews themselves. Mme. Ragozin brought forth the old anti-Semitic charges that Jews were conspiring against all gentiles, and as her authority she cited a book written by a renegade Jew, Jacob Brafmann, and supposedly based on the Talmud.

Emma Lazarus was shaken out of her complacency by this vicious article. This was the spark that set her aflame. The next issue of Century carried her impassioned and vehement refutation of the anti-Jewish charges by Mme. Ragozin under the title "Russian Christianity versus Modern Judaism." For the first time in her life, Miss Lazarus emerged in the role of spokesman and defender of her people by applying her literary talent to disprove the falsities of its slanderers. The following quotation from her article clearly indicates its tone:

"There is but one answer to the charges against the Jews which Brafmann professed to base upon quotations from the Talmud: They are singly and collectively false. They have not even the doubtful merit of originality, being simply a revamping of the wearisome old perversions, garblings, distortions, mistranslations of the spirit and letter of the text, which have been fully refuted by documents familiar to the whole reading public. For the subtle meaning of the Talmud we need not go to a bribed renegade and thief."

Emma Lazarus now turned her full literary genius and her entire efforts to the vindication of her people. Her verses began to glow with human fire, her essays reflected a deep understanding of Jewish martyrdom. She devoted much time to the study of the Bible, Jewish history and the Hebrew language. She developed a keen interest in Jewish problems, Jewish relief activities and Jewish education. The more she learned about her people, the greater grew her love for it, her understanding for its concept of life and her appreciation for its contributions to world civilization.

CHAMPION OF HER CORELIGIONISTS

Emma Lazarus had returned to her people for the last 6 years of her life. It was during this period that she made her greatest literary contributions and established her claim to a leading position in American literature. She discarded her fascination for Greek mythology and the beauty of nature, and concentrated entirely on Jewish themes, chiefly of historical content. She sounded a clarion call to all Jews to stand united, fight for their human rights and aim for new achievements and new glories as in the days of the Maccabeans. Shortly after she had gone through her great transformation, she wrote "The Banner of the Jew," which contains these lines so appropriate to events of our day:

"Oh, for Jerusalem's trumpet now,
To blow a blast of shattering power,
To wake the sleepers high and low,
And rouse them to the urgent hour;
No hand for vengeance, but to save,
A million naked swords should wave.
Oh, deem not dead that martial fire,
Say not the mystic flame is spent!
With Moses' law and David's lyre,
Your ancient strength remains unbent.
Let but an Ezra rise anew,
To lift the banner of the Jew!"

Next, she wrote The Dance to Death, a dramatic poem in five acts, considered her best and most powerful literary effort. It deals with an episode in the medieval Germany city of Nordhausen, where the Jews are accused of poisoning the wells and causing the Black Death. The entire Jewish community is sentenced to be burned at stake and, though many perish, Judaism scores a spiritual triumph and manages to survive. As the Jews of Nordhausen march to their death, dressed in their holiday clothes, carrying the Holy Scrolls, the Perpetual Lamp and the seven-branched candelabra of the synagogue, they are greeted by jeers and insults of the inflamed and fanatic townspeople. Suddenly, the frightened little band of martyrs bursts forth in song to drown out the jeers and the insults:

"We die a thousand deaths—drown, bleed, and burn.
Yet the wild winds cherish the sacred seed,
The waters guard it in their crystal heart,
The fire refuseth to consume.
Even as we die in honor, from our death
Shall bloom a myriad heroic lives,
Brave through our bright example, virtuous
Lest our great memory fall in disrepute."

How timely and realistic are these lines in our own day when the memory of Auschwitz,, Bergen-Belsen, and Dachau is still so vivid. It is here that Emma Lazarus shows prophetic vision. And in the same masterful work she turns her back on the world and proclaims aloud:

"No more of that.
I am all Israel's now—till the clouds pass
I have no thought, no passion, no desire,
Save for my people."

In her last six fruitful years, from 1882 to 1887, Emma Lazarus created other fine literary works, such as The Crowing of the Red Cock, which was termed by Whittier as a "forceful lyric worthy of the Maccabean Age"; By the Waters of Babylon, considered by the late Henrietta Szold as Miss Lazarus' strongest bid for literary distinction; and The New Ezekiel, a short poem in which she advocated the reestablishment of Palestine as the homeland of the Jewish people. In the latter work, speaking again in prophetic vein, she says:

"The Spirit is not dead, proclaim the word,
Where lay dead bone, a host of armed men stand!
I ope your graves, my people, saith the Lord,
And I shall place you in your Promised Land."

Another slender volume published during the same period is called Songs of a Semite, which contains some of her own poetry and translations of the medieval poets of the golden era of Hebrew literature in Spain: Judah Halevy, Solomon Ibn Gabirol, Moses Ibn Ezra, and others. This volume was dedicated to the memory of George Eliot, the illustrious writer who did most toward elevating and ennobling the spirit of Jewish nationality.

JEWISH CAUSE HER MAJOR INTEREST

Emma Lazarus must have been working at a furious pace in her last years in an effort to give vent to the fire and the passion which had accumulated in her during the earlier years. She contributed frequently to various publications where she often discussed Jewish problems. The best known of her prose writings was the series of 16 essays on Jewish affairs entitled "Epistles to the Hebrews," which appeared in The American Hebrew in 1882–1883. In one of these Epistles (February 24, 1883), she advocated a program for her people:

"My chief aim has been to contribute my mite toward arousing that spirit of Jewish enthusiasm which might manifest itself: first, in a return to the varied pursuits and broad system of physical and intellectual education adopted by our ancestors; second, in a more fraternal and practical movement toward alleviating the suffering of oppressed Jews in countries less favored than our own; third, in a closer and wider study of Hebrew literature and history; and finally, in a truer recognition of the large principles of religion, liberty, and law upon which Judaism is founded, and which should draw into harmonious unity Jews of every shade of opinion.

Although written more than three-score years ago, her program for Judaism still remains much freshness and timeliness. She was also actively interested in the movement for vocational education among Jewish immigrants to make them economically self-supporting and instigated Jewish leaders to establish the Hebrew Technical Institute in New York. She revisited Wards Island time and again and sought in every possible way to aid the needy Jewish immigrants.

During these last years of her life Emma Lazarus made two trips to Europe, in 1883 and 1885, and was acknowledged publicly in England, France, and other countries as a great literary figure. Frail of body, her health began to fail rapidly now and during her second trip abroad she became seriously ill in Paris. She was brought back to New York in July, 1887, where she died 4 months

later on November 19, 1887. Death came to Emma Lazarus when she was only 38 years years old at the height of a brilliant literary career. Her passing was mourned by Jews and non-Jews alike, who recognized and appreciated her contribution to American literature and to the enrichment of American Jewish life.

INSPIRED BY "GODDESS OF LIBERTY"

Her most famous poem, The New Colossus, was created under very interesting circumstances. A campaign was underway throughout the country in the 1830's to raise $300,000 for the construction of a pedestal upon which to place the Statue of Liberty. Public-spirited citizens resorted to various fund-raising projects to obtain the necessary amount. One of these citizens, Mrs. Constance Cary Harrison, had undertaken the publication of a portfolio (known today as souvenir journal) of poetry and sketches by well-known authors and artists.

She also approached Emma Lazarus for some appropriate verses, but the latter refused to write anything "to order." Admonishingly, Mrs. Harrison suggested: "Think of the Goddess of Liberty standing on her pedestal yonder in the bay, and holding torch out to these Russian refugees you are so fond of visiting at Wards Island." Two days later Mrs. Harrison received a sonnet entitled "The New Colossus." Twenty years later, in 1903, this poetic gem was inscribed on a plaque and placed in the pedestal of the Statue of Liberty.

Emma Lazarus' love and faith in America and her sympathy for the oppressed and persecuted of all lands can be easily sensed in her famous sonnet, which has immortalized her in the hearts of freedom-loving men. One wonders how much richer and more meaningful American culture and American Jewish life would have been had she lived and created for another decade.

The voice of Emma Lazurus was silenced all too soon but was never forgotten by the American people. Although her life was so tragically brief, her noble soul and humane heart are today symbolized in the Goddess of Liberty—The New Colossus—whom she described with such eloquence and prophetic pathos. As long as the Statue of Liberty will remain the symbol of American freedom, the name of Emma Lazurus will be associated with that symbol as the champion of liberty.

I hope that a reading of this article will inspire some of my colleagues to recede in their opposition to the displaced-persons legislation offered to the Congress, and encourage the sponsors to continue their vigorous support.

All or Nothing

EXTENSION OF REMARKS

OF

HON. OTTO E. PASSMAN

OF LOUISIANA

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 7, 1949

Mr. PASSMAN. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following editorial from the Washington Daily News of July 1, 1949:

ALL OR NOTHING

If the labor bill passed by the Senate yesterday ever reaches President Truman, he doubtless will kill it by a veto.

Not that it's a bad bill. It would make 28 changes in the Taft-Hartley Act—changes designed to meet specific objections by union leaders.

But practically all of it was written by Senator TAFT. And, while nominally repealing the Taft-Hartley Act, it keeps many of that law's basic provisions. Among those kept is authority for the President to obtain temporary injunctions to protect the public against national-emergency strikes and lock-outs, to which authority for temporary Government seizure of employers' plants has been added.

So the prospect is that this bill will die, and that the Taft-Hartley Act will stay on the books unchanged during the life of the present Congress.

That's what John L. Lewis, William Green, Philip Murray, and other union leaders are demanding. They want this slavery law, as they call it, to remain in effect so they can make its repeal their big political issue in the 1950 congressional elections.

It will be a phony issue—as phony as the slavery-law slogan with which they have misrepresented the Taft-Hartley Act—as phony as their pretense that they are inspired by concern for labor's welfare, rather than by their own desire to wield enormous power and be free from public responsibility for its abuse.

For many years these union leaders, aided by Presidents Roosevelt and Truman, thwarted all attempts by Congress to remedy the defects of the one-sided Wagner Act.

When it became evident that the Eightieth Congress, responding to public demand, would undertake to correct the damage done by the Wagner Act, they still insisted that they would tolerate no change.

And, after they got the Taft-Hartley Act, they began an absurdly intemperate attack upon it. In this, Mr. Truman abetted them by demanding nothing less than outright Taft-Hartley repeal and restoration of the Wagner Act with a few inconsequential improvements.

That all-or-nothing attitude, in our opinion, cannot win them the support of a majority of the American people. Most Americans want labor's rights to be protected, want labor law to be fair, want Government to encourage the processes of genuine collective bargaining, but do not want this country's laws dictated by union leaders.

Wanted: A United States Sales Force

EXTENSION OF REMARKS

OF

HON. HOMER D. ANGELL

OF OREGON

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 7, 1949

Mr. ANGELL. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following editorial from the Northwestern Miller of June 7, 1949:

WANTED: A UNITED STATES SALES FORCE

What the grain trade says, apropos of the International Wheat Agreement, which seems likely to be ratified by the Senate, is that the instrument can meet the basic need of American agriculture and of the associated servicing and processing industries only if it permits and promotes the restoration of private trading. Governments are poor salesmen, and the near as well as the long-range necessities of this country call for the highest grade of salesmanship in international trade.

This unassailable philosophy is forcefully outlined in the National Grain Trade Council's statement to the Senate Committee on Foreign Relations. The council's spokesmen discern in the proposed agreement, or in the minds of its proponents, some intention of permitting use of private trade channels, but they see little chance of bringing this about unless the intention is unreserved and supported by an administrative staff with sufficient technical skill and an adequate knowledge of the private international wheat trade.

"We believe," state the council's representatives, "that wheat exports and imports can be handled by private firms under the agreement as drafted, but to do so will be complex and difficult as compared with straight Government trading * * * Private grain trading is * * * done by hundreds of people, of all nationalities, all over the world. It is done in small parcels and full cargoes at fluctuating rates of freight, in all kinds and grades of wheat, from different countries and ports of export to various destinations. All of these must be recorded, and checked against Canadian prices of wheat delivered under simultaneous conditions to the same destinations—on the chance that the governments of the exporting and importing countries may not agree on prices, discounts, or premiums for quality.

"Suppose that an exporter sells a cargo of say 300,000 bushels. He must immediately buy wheat to cover it. How can he guard against loss if the government of either country declares that the prices is above the maximum permitted in the wheat agreement?

"The business of exporting and importing grain is full of uncertainties. There are the natural hazards of fluctuating markets and ocean freight rates, foreign exchange, marine insurance, accidents and repairs to ships, strikes, rail embargoes, and port elevator congestion. Added to these inherent risks we have nowadays the licensing procedures in both importing and exporting countries, ECA procurement and pricing provisions, and avoidance of conflict with Commodity Credit Corporation shipments to occupied areas (amounting to more than half of all grain exports). To these difficulties will be added price and quota technicalities, and the subsidy paraphernalia of the wheat agreement.

"These are examples of the problems that confront private handling of grain exports. They show how far we are removed from the days when an importer in London could pick up the telephone, buy a cargo of American wheat with all details finalized in a 5-minute telephone conversation. We have frozen world trade into a wooden-like pattern resembling nothing so much as a coffin.

"Yet these are requirements born out of wartime and postwar necessities. We have had to learn how to live with their intricacies. Under private trading they can be gradually abandoned. But to do so will take great patience and a high resolve both by government and business.

"Like choosing democracy itself, we recommend following the hard way."

Flour, too, wishes to go the hard way. It can see no future in the hands of government salesmen. Even more desperately than wheat it needs foreign distributors pushing it enthusiastically. It, too, must escape from the mortuary of state trading.

Liberties We Hail Today Must Be Safeguarded

EXTENSION OF REMARKS

OF

HON. GEORGE A. DONDERO

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 7, 1949

Mr. DONDERO. Mr. Speaker, under leave to extend my remarks in the CONGRESSIONAL RECORD, I include therein an editorial which appeared in the July 4 issue of the Pontiac Daily Press, one of

the outstanding newspapers of Michigan, published and circulated in the Seventeenth Congressional District which I have the honor to represent.

I commend this editorial to the reading of my colleagues in the House as one setting forth basic principles on which this Nation stands and which we must preserve if the country we call home is to survive.

The ideology of freedom is the very antithesis of the ideology of Communism. To weaken the concepts and fundamentals upon which this Nation has become the most powerful in the world means danger and destruction to the land we call home. God forbid that day should ever come.

LIBERTIES WE HAIL TODAY MUST BE SAFEGUARDED

Today our Nation is 173 years old.

Rightly this birthday of the immortal Declaration of Independence is celebrated each year as our most important national holiday. It is a day for patriotic programs, parades, picnicking, and merrymaking. It also is an ideal occasion for some individual inventorying of our national strengths and weaknesses.

Internationally our position is strong.

We have begun to act our age.

In spite of ourselves, we are smoothing out the wrinkles in the mantle of world leadership which destiny has draped around us.

Notwithstanding the cold war, the situation in Europe has improved measurably in the past year. Our ECA program has helped western democracies make great strides toward prewar economic stability.

Our leadership in the organization of the North Atlantic community, with its promise of rearmament aid, has revived European hopes for the future.

Militarily we are mighty.

Our defense program appears adequate.

Politically we are maturing. For proof of this we cite ever-increasing public support of policies to encourage a two-way flow of international trade and other measures aimed at keeping the cold war from becoming hot.

On the domestic front, however, there are those who believe that some of our internal weaknesses pose greater threats to our national security than communism's program of world conquest.

With them we agree in part.

Certainly we face grave problems.

Most serious of all, it seems to us, is the accelerating trend away from the economic principles which enabled the American people to create and enjoy the world's highest standard of living.

Former Secretary of State James F. Byrnes emphasized one aspect of this situation in his recent address. He also gave us all something to think about when he warned that we are traveling the road toward statism and expressed fear that this country eventually would become a welfare state, with all of us economic slaves of our Government.

The Daily Press long has been concerned with another phase of this internal weakness—the increasing demands for Government interference with or control over business.

Though not entirely new, these demands began to be heard more frequently with the advent of the Roosevelt New Deal. The pressures for more controls continued throughout that era of our political history. They have not diminished under the Truman Fair Deal.

Some restraints are needed.

But this trend, unchecked, spells danger.

The free economy which is the life blood of private enterprise is just as essential to our way of life, with its high standard of living as our national independence. History proves unwise socialization and all-powerful government fatal to both.

The founding fathers who risked their lives in signing the Declaration of Independence never made the mistake of taking that independence for granted. They knew it was not self-perpetuating and would have to be defended constantly.

Too many contemporary Americans are making that mistake. They forget that independence is just another name for liberty. They fail to realize that liberty must be safeguarded just as jealously against internal weaknesses as against external threats.

Friendship With the Philippines

EXTENSION OF REMARKS

OF

HON. J. CALEB BOGGS

OF DELAWARE

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 7, 1949

Mr. BOGGS of Delaware. Mr. Speaker, on June 14, 1949, the Veterans of Foreign Wars of the United States, District of Columbia, in convention were honored in having the Honorable Emilio Abello, minister plenipotentiary, chargé d'affaires, ad interim, of the Philippines, deliver one of the principal addresses of the convention. I am sure the Members of this House will be interested in this important message which is as follows:

Gentlemen, I deeply appreciate the honor of addressing you tonight. This occasion has special significance to me and to my Government because you have named one of your Posts after one of our ablest soldiers and foremost war heroes—the late Gen. Vincente Lim. There is nothing more gratifying and edifying than to see Americans and Filipinos together as comrades-in-arms and in the closest fraternity when, at the turn of the century, we fought against each other and shed each other's blood. The outcome of that unequal struggle was apparent. But that bitter conflict served to forge bonds of friendship and ties of loyalty which withstood the test of the Second World War when Americans and Filipinos fought side by side in the plains of central Luzon, in the trenches of Bataan and in the caves of Corregidor. Such friendship and loyalty are mute testimonies of the affection and respect which were engendered during the four decades which followed 1899 and of the success of the American experiment in altruism and democracy which the first American soldiers to land on our shores implanted in our country.

There is more than meets the eye in the history of Philippine-American relations between 1899 and 1946, when you gave us our independence of your own free will. It is this: You gambled in the Philippines when you initiated us into the American way of life, and won—not only in the sense that you have proven that democracy, nurtured by kind and sympathetic hands, can take root even in the enigma that was the East early in this century, but also because by your magnanimous gesture, you have won for the American people the love and gratitude of over 19,000,000 Filipinos. To you, the American veterans of foreign wars who initiated this experiment in nation building and who, 40 years afterward, made our liberation from the yoke of the Japanese invader possible, we are forever indebted.

I wish also to advert at this moment to the valuable support that your organization has all along given to our efforts to obtain for Philippine veterans the recognition due them as a result of their sacrifices for our common cause and to bespeak for them your continued support.

I will use as the theme of my message tonight one of the principal objectives of the Veterans of Foreign Wars, which is the "preservation of the basic principles of Americanism as expressed in the Bill of Rights."

I need not tell you that until the American soldier landed in the Philippines, democracy as a way of life was unknown to us. The propagandists for Philippine freedom, those who advocated reforms in the Philippines late in the nineteenth century, exemplified by our Rizal, Del Pilar and Mabini, spoke of democracy and freedom and in due time inspired our Bonifacio to fight for it. But as a way of life, as a militant, pulsating, and working principle, it was the American soldier who first opened our eyes to the immense possibilities for happiness in the idea of democracy. It was the American soldier who exemplified it not only in his relations with his superior officers but also in his dealings with his fellow soldiers and with the community in which he lived. Truthfully it can be said, as it has more than once before been said by Filipino leaders, that they first learned the alphabet and their ideas of democracy on the knees of an American soldier. For indeed, our first teachers, both by precept and example, of the ways of freedom and democracy were the American soldiers who were sent to our country to fight but who, after the battle, became the apostles of their country's traditions and the liberties that they enjoyed in their homeland. They were the men who spread before the unlettered Filipino of those times a vast vista which gave them hope and assurance of deliverance from the bondage to which they, for centuries, had been subjected.

Today, we live in a troubled and chaotic world. The forces of evil stalk the earth with promises and panaceas which but for the rampant misery in many parts and the confusion that trouble men's minds, would merit scant attention. Against the democratic way of life, with its realities of freedom of speech, of the press, of conscience and of assembly, and the dignity of the individual, stands opposed an ideology with alluring promises of work for the unemployed, homes for the homeless, lands for the landless, clothes for the naked, and education for the unlettered peoples of the earth. We must disabuse our mind from the illusion that these promises cannot and will not take root in man's consciousness. The people in want, the under-privileged will, in their desperation, cling to a raft of promised salvation whatever may be their doubts as to the substance of that promise. They will be impressed by a feeling that they stand to lose nothing since they have nothing to lose anyway; and forthwith, they become victims of an insidious propaganda, ready to trade freedom for grandiose promises which exist only in the lips of the propagandists.

The preservation, therefore, of basic Americanism and of human rights against the onslaughts of communism must rest upon a well-planned program of economic and social security. America is fortunate because her long history of progress in individual liberty has been coupled with the general economic well-being of the people. America, conscious of its primacy in world affairs today, has abandoned her age-old policy of isolationism for that of concern for the problems of less fortunate peoples. Her helping hand is felt in the war-ravaged countries of western Europe and the effect of this assistance is reflected in the brighter faces of the men, women and children inhabiting that part of the world. But the problem posed by communism is not in Europe alone. It is even more urgent and more portentous of disaster in Asia and the Far East. In this part of the world, communism has greater allure, because there is

so much more misery and so much more ignorance; and if it succeeds there, no power in the world can stop it from spreading and contaminating the rest of humanity.

The objective of the Veterans of Foreign Wars of preserving the basic principles of Americanism as expressed in the Bill of Rights must, in my view, extend to the preservation of human liberty and the democratic way of life, not only in these United States, but also in all other parts of the world in which the principle is consecrated or to which it can, in time, be extended. There is in the present world situation a challenge to this worthy organization. While you and all good Americans like you have a right and a duty to look around and vigilantly preserve your liberties; and while you and all good Americans like you, should look across the oceans toward Europe so as to preserve and defend democracy's gains in that continent; you and all good Americans should, likewise, cast your eyes to the Far East and in like measure or in greater measure, extend yourselves so that the peoples who inhabit that part of the world may enjoy the freedom and the liberties which it has been your good fortune to enjoy during the last two centuries. If you so address yourself with the same enthusiasm and zeal with which you have embraced all the just causes which you have fought for or have supported up to now, we cannot doubt the outcome, and we of the Far East—in fact all Asia—would be in debt to you for all time.

Murder of War Prisoners Still Unsolved

EXTENSION OF REMARKS

OF

HON. GEORGE A. DONDERO

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 7, 1949

Mr. DONDERO. Mr. Speaker, under leave to extend my remarks in the CONGRESSIONAL RECORD, I include therein an article appearing in the New York Herald Tribune of July 3, 1949. This is the first of two stories by Julius Epstein, noted journalist, who served in the Office of War Information.

The article follows:

MURDER OF 10,000 POLISH PW'S IN KATYN FOREST STILL UNSOLVED—GERMANS AND RUSSIANS ACCUSE EACH OTHER—WRITER URGES INQUIRY INTO WARTIME SLAYINGS

(By Julius Epstein)

Despite a multiplicity of war-crimes trials since the end of World War II and the conviction of hundreds of defendants, no court as yet has fixed responsibility for what may have been the greatest single crime of the war—the mass killing of many thousands of Polish Army officers in the forest of Katyn, near Smolensk. Officially, at least, it is as much a mystery today as it was when it first came to light 6 years ago.

Investigation and research during the last year led me to believe, however, that responsibility for this atrocity may still be placed where it belongs if the case is reopened and submitted to an impartial body. To that end an American Committee for the Investigation of the Katyn Murders might be organized. Composed of experts in the law and in forensic medicine and given enough money to obtain all necessary witnesses and documents, such a group should be able to get to the bottom of the matter.

Here are the facts as known to the public and the results of my further investigation:

On April 13, 1943, the German radio announced that troops in the Smolensk area had discovered mass graves of "about 10,000" Polish officers in the Katyn forest. The Germans asserted that these officers had been killed, while prisoners of the Russians, in April and May of 1940. Two days later the Soviet radio branded the Nazi story as "vile fabrications."

ASKED RED CROSS INQUIRY

The Polish Government in exile in London had been trying to locate a large number of missing Polish officers, however, and took immediate cognizance of the German accusations. On April 16 Gen. Wladyslaw Sikorski, head of the Government, suggested that the International Red Cross investigate the matter. At the same time his Minister of National Defense, Lt. Gen. Marjan Kukiel, issued a statement reviewing his Government's efforts to locate the missing officers and confirming that the Red Cross had been approached.

This brought a delayed but violent reaction in Moscow. Foreign Minister Viacheslav Molotov handed to Tadeusz Romer, the Polish Ambassador, on April 25, a note which concluded: "The Soviet Government has decided to sever relations with the Polish Government."

World attention was next attracted to the Katyn murders when the International Tribunal was convened at Nuremberg to try German war criminals. Gen. R. A. Rudenko, Russian chief prosecutor, handled the prosecution for alleged atrocities in eastern Europe. His indictment of the Nazi leaders included the charge that "in September 1941, 11,000 Polish officers who were prisoners of war were killed in the Katyn Forest near Smolensk." But when the tribunal handed down its verdict on September 30, 1946, no mention whatsoever was made of this charge.

LAST OFFICIAL NOTICE

That was the last—and only—time that any except the governments directly concerned took official note of the case. The only available additional information is that resulting from investigations during and after the war by individual governments acting unilaterally.

The Germans, of course, were the first to stage a full-dress investigation. Immediately after discovery of the mass graves, a 12-man commission was appointed. Its members, doctors and scientists, were drawn mainly from universities in countries occupied by Hitler's troops, but there were apparently no out-and-out Nazis among them.

On April 30, 1943, this Commission signed a protocol at Smolensk in which it declared unanimously that the evidence showed that none but the Russians could have committed the mass murders at Katyn. Among the salient points upon which this conclusion was based were the following:

1. Because of an unusual soil composition the bodies, as well as clothing and other personal effects, were well preserved when exhumation took place. It was possible to establish, therefore, that there was not a single document, letter, newspaper, or other paper dated later than April and May of 1940.

WORE WINTER UNIFORMS

2. The men were clothed in heavy winter uniforms as they might have been in that area in April or May, but not in August 1941 when, according to a Russian charge, they were shot by the Germans. A Russian claim that the latter month was unusually cold was disproved by meteorological data which showed it to have been a normal summer month.

3. There were no insects or traces of insects on the bodies, a fact which pointed to cold-weather burial.

4. When one grave lower than the others was excavated, water welled up. The Commission pointed out that no grave could have been dug at that point in warm weather.

5. Microscopic investigation proved that spruce trees planted on the graves were 5 years old and that they had been transplanted when they were 2 years old. The 3-years difference coincided with the interval between April and May 1940, and April 1943, when the investigation was made.

6. Rope used to tie the hands of the dead men was of Russian manufacture and the knot was one used by the NKVD. Wounds in some of the bodies corresponded to those made by Russian bayonets, of four edges.

7. All of the men had been shot through the back of the head, the official Russian method of liquidation.

COMMISSION IS QUERIED

In the course of my research I decided to try to get the present opinions of the members of the German commission. Letters were sent to each one asking three questions: (1) Did the German Government exercise any pressure upon you before or during your investigation? (2) Do you still hold the same opinion as expressed in the protocol you signed in Smolensk on April 30, 1943? (3) Are you ready to testify before an American congressional committee or before an American organization investigating the murders of Katyn?

Dr. Helge Tramsen, of Copenhagen University, Danish member of the commission, replied in part:

"I hope that a strong, hard-working commission of good American scientists in close connection with the Congress and never barred by any diplomatic care would work in the name of humanity to unveil totally the motive and reason for this horrible mass murder of absolutely defenseless prisoners of war. It might open the eyes of many blindfolded in a certain political faith. I should gladly offer my help."

Professor Palmieri, of the University of Naples, answered the three questions categorically. He wrote that "I noticed no pressure at all from the German Government, either before or after our investigation," that "even today there would not be any modification of the protocol signed at that time" and that "I have no objection to testify before a restricted committee of experts as to the object and results of our investigation."

NEUTRAL MEMBER REPLIES

A completely neutral member of the commission was Dr. F. Naville, a member of both the medical and juridical faculties of the University of Geneva in Switzerland. For that reason I quote from his reply at some length:

"1. No government, neither the German nor any other, has exerted any pressure upon me in connection with the investigation of the Katyn case. I could freely exercise my rights as a forensic physician.

"2. I have not changed my opinion and therefore continue to believe in the correctness of the protocol I have signed in April 1943, at Smolensk.

"3. I am ready to give all the information in my possession to an American committee which would conduct a hearing with me at Geneva and to which I could show my documents. (Dr. Naville explained that he does not speak English and that, therefore, he would prefer not to come to the United States except for very exceptional reasons.)

"I further want to call your attention to the dossier deposited in Sweden which establishes the Russian guilt and even gives the names of eight Russian colonels of the NKVD who organized the massacre."

The hint in this last paragraph of Dr. Naville's letter proved invaluable in my further research, as I shall show.

Unemployment

EXTENSION OF REMARKS
OF

HON. THOMAS J. LANE

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 7, 1949

Mr. LANE. Mr. Speaker, under leave to extend my remarks, I wish to include the following copy of my radio broadcast over WMEX, Boston, Mass., entitled "Public Works to Provide Jobs":

Ladies and gentlemen of the radio audience, the old ghost of unemployment, outlawed by the great industrial activity of the past 8 years, has come back to haunt us again.

As of May 14, the United States Census Bureau estimated the number of jobless at 3,289,000 persons. This was a rise of 273,000 since April 9, and came at a time when unemployment usually falls off due to a pick-up in seasonal jobs.

Competent authorities believe that this total may approach the 6,000,000 mark by next winter unless present trends are reversed.

In addition, the number of people working part-time swells the present figure to 8,000,000, which may exceed 10,000,000 before a turn for the better comes.

"What to do about it," is the question on everyone's lips. Even in far-off Russia they talk about it, hopeful that it may become worse. The economic health and political stability of many nations are tied to the American kite. If we suffer a little, they will suffer more. There is nothing that would suit the Russians better than to see the western nations bogged down as they were in the thirties. Men who can't get work become the victims of despair. They will listen to anyone who promises them a way out of their intolerable situation. The Russians know it and they never fail to take advantage of it. We also know it, so that the issue becomes clear: Will we move swiftly to halt the rise in unemployment and, if so, how shall we do it?

I confess that I am puzzled and disturbed by the attitude of some big businessmen who look at the problem only in terms of cold figures, oblivious to the human elements. Now I know that business must trim its sails to the wind in order to keep going. But is this alone enough? Business, with its reserves, can ride out the storm, but what is to happen to those who are unemployed in the meantime?

Are we to do nothing to tide them over the readjustment period?

I remember the violent opposition of big-business men to such progressive legislation as old-age insurance and unemployment compensation, during the depression of the previous decade. They predicted that such measures would ruin business.

Shares representing ownership in American corporations, measured by their price-earnings ratios, are stronger today than they ever were. Even business itself, without realizing it, has reversed its former position. In the June 24 issue of Business Action, published by the Chamber of Commerce of the United States, is the opinion in which I concur, that the present recession will not become a depression. However, in the course of the arguments presented to support this opinion, the report points to, and I quote: "Old-age benefits and unemployment security provide for built-in security." Inadvertently, the chamber admits that these economic props are desirable and helpful.

But I maintain that they are not sufficient. Old-age payments are inadequate, and unemployment compensation runs out.

Most Americans are interested in jobs and the need to provide and maintain jobs.

It all begins with the individual and the family, which is the source and inspiration of our society. Each person wants to earn his way, to earn his happiness, and earn greater opportunities for his loved ones.

Once upon a time, in the days of handicraft industry, he could do the whole job, with his own tools. Today, as part of an assembly line, he does only one operation, relying upon others before or after him on the production line to help complete the finished product. In the close and complex organization of our modern society, men must depend on each other. This they do through voluntary cooperation. In the process of shifting, adjusting, accommodating ourselves to new realities, there is always the danger that one group may acquire too much power. One may feast while others famish.

The merit of the American system is its flexibility. The Bill of Rights protects the basic freedoms of the individual. The Constitution, through the process of amendment, gives the people the power to make changes in their Government consistent with these fundamental guaranties.

However, because economics, which is concerned with the production, distribution, and consumption of wealth, plays an increasingly important role in the daily lives of individuals, new arrangements to meet this problem are being evolved by such various groupings as industry, labor, and agriculture. It is the human tenency of each group to put its own interests first. There is a growing realization, on the other hand, that only through mutual compromise can we arrive at that area of understanding which is best for all.

The overwhelming majority of Americans believe in the free enterprise system, not that of the 1890's which was ruthless, but one modified to meet the needs of our times. That system depends upon the widest possible distribution of purchasing power. One look at the productive energy of the United States, so far superior to that of any other nation, eliminates comparison. Our problem is how to provide for the minority of unemployed at those various stages of pause, or recession, or readjustment, before we move on to the next level of economic progress.

We are in one of those periods now.

Unemployment is severe in the textile-manufacturing States of New England and the South, in steel and metal-working industries, and in the State of California as a whole. Even though it is spotty, from the Nation-wide viewpoint, I believe that the Government should take steps to check the blight before it spreads. If the number of unemployed is permitted to increase above the so-called normal figure customers decrease and the whole economy feels the effects.

There are some experts who say that we must now pay the piper for our inflation spree the hard way. They claim that prices must come down before the Government starts to stabilize the level of jobs. Rather than have our hands forced by a situation out of control, I say that we should move at once to nip it in the bud. For it is unfair and dangerous to ask the unemployed to assume all of the burden. Even though many in business and in the high income brackets may have their income reduced slightly, their standard of living will hardly be affected. Not so with the unemployed who will have nothing. These people in larger and larger numbers are using up their unemployment insurance benefits. And many others, not covered by this law, do not have one red cent of income, once they lose their jobs. Either they must depend on help from relatives or seek pauperizing relief payments from their local governments, both alternatives being distasteful to the dignity of the average American.

In 1933, we had nearly 13,000,000 unemployed, almost 25 percent of the total labor force. Work relief projects were set up to alleviate the distress and to save the social order from disintegration. Under the impact of this emergency, new to our experience, there were many accomplishments and many failures. Much needed schools, hospitals, highways, bridges, and other public structures were built and have served us well since. There were also leaf-raking projects which served no productive purpose. It was the shame of those days that men out of work had to curry political favor in order to wangle one of these relief jobs from local authorities. The dispensation of relief too often became a racket.

But even businessmen ran to the Public Treasury for help in those desperate times.

We have learned much from that experience.

The well-being of any nation and its people is based on its productivity. Government cannot match free enterprise as the effective creator of wealth. Our friends in England who have turned to socialism, are finding that it does not work. French nationalized industries have met with extra difficulties, not less, and a start is being made toward denationalization. They, like we, have found that controls should be imposed only when there is no other choice.

Our industrial system has such a dynamic quality that the over-all problem is not one of production, but of distribution. During the last half of 1948, just when one hundred and forty-seven or more million consumers had caught up with their civilian needs which had been deferred because of the war, there was a tremendous increase of manufactured goods. At this point, the public was ready to taper off in its buying and wait for lower prices. Manufacturers are now trying to reduce their inventories. Instead of purchasing new supplies, they are producing goods from their stock piles. They, in turn, are looking for lower prices on raw materials. This retrenchment leads to a reduction of unneeded workers.

Meanwhile, there is a large backlog of purchasing power in the hands of those who are employed. It is on the side lines, and will become active again when people are convinced that prices have leveled out on a lower but firm base. Once this price adjustment has been completed, our economy will pick up to a normal stride.

During this correctional process there is a gap, marked by slowly mounting unemployment. The censensus of opinion is that we may be over the hurdle within 6 to 9 months. Fortunately, this adjustment is taking place, industry by industry, rather than all at time, thereby cushioning the shock. The danger lies in the fact that unemployment may increase to such an extent before the shake-down is completed that a psychology of fear may set in, hampering recovery.

We must, therefore, help the unemployed to bridge this gulf.

For the week ending June 18, there were 155,000 continued unemployment claims filed in Massachusetts, representing more than 10 percent of covered employment in this State.

This is not a situation to be hushed up on the theory that these unemployed will be rehired eventually. Such an attitude shows a heartless disregard of a human problem, not to mention the falling off in manufacturing and trade which will result therefrom. It calls, instead, for direct and positive action.

First, and foremost, we should increase and extend unemployment-compensation benefits and enlarge the coverage.

We should do the same with old-age assistance and old-age insurance.

It is also high time to grant tax relief to low-income individuals.

The minimum wage should be raised from its present 40-cents-an-hour low.

New and small businesses should be encouraged by Government loans.

Most important of all, we should develop a public-works program and put it into operation in those areas where unemployment has assumed dangerous proportions.

This brings us to the crux of the situation, not only as it concerns the immediate problem, but to correct one glaring defect in the functioning of our economy as a whole.

Throughout our history we have had brilliant periods of progress punctuated by depressions. To accent either the ups or downs is to lose sight of the whole picture.

I repeat, ours is the best system in the world so far. We can meet the challenge which ever faces us by improving that system. It can be done by following a middle-of-the-road policy which avoids extremes.

We believe in extending to private enterprise every opportunity consistent with the general welfare. Business believes that insurance is necessary to protect itself against contingencies beyond its control. In the larger sense, the Government must protect the people where business fails to maintain sufficient employment and withdraw as soon as business picks up the slack.

How can this be done?

I suggest support of immediate legislation by the Congress whereby a Federal Works Agency shall draw plans for suitable public works in conjunction with officials of the various States and the major subdivisions thereof and to proceed with construction of such projects in any area where unemployment reaches and holds at a level of 10 percent or more of the labor force for a period of 4 months.

If, upon completion of the project, unemployment shall have dropped below this level, no further Federal works of a relief nature shall be approved in that area until unemployment reaches the danger line as defined in the preceding paragraph.

In determining such ratio, I have used the years 1931 to 1940, inclusive, in each of which the number of unemployed ranged from 10 to 25 percent of the civilian labor force.

I believe that this work insurance will not only help to tide many of our people over the present critical period, but will spur private industry to such efforts that the need for public works will be reduced to a minimum.

Thank you and good night.

Independence Day

EXTENSION OF REMARKS

OF

HON. HAROLD D. DONOHUE

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 7, 1949

Mr. DONOHUE. Mr. Speaker, under leave to extend my remarks, I wish to include a very timely editorial entitled "Independence Day," which appeared in the June 29, 1949, issue of the Framingham News, Framingham, Mass.

The editorial follows:

INDEPENDENCE DAY

One hundred and seventy-three years ago a little band of men, fed-up after long indignities, assembled in Philadelphia and severed the political connection of the Colonies with Great Britain.

They hadn't wanted to do it, and there were many dissenters among the inhabitants of the Colonies. But they were goaded by a great many arbitrary acts and saw no other course.

A long and difficult war for independence began, ending in victory and the establishment of a republic in an era when wide subscription of the divine right of kings turned nearly every hand against them.

The struggles of the new nation to pioneer in and entrench liberty are now history. The system then conceived, and safeguarded during succeeding generations has made America the most powerful, prosperous, and humanitarian nation on earth.

Subscribers to other political theories have contended that America under any system would have grown rich and powerful. But several political divisions of the earth, Russia among them, have equal or great resources but have neither prosperity nor liberty.

America's system of freedom and vigorous individual initiative is the key to the trumph. July Fourth is a day for rededication to the principles of 1776. In them are the Nation's strength and security.

Independence Day

EXTENSION OF REMARKS

OF

HON. THOMAS J. LANE

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, July 6, 1949

Mr. LANE. Mr. Speaker, under leave to extend my remarks, I wish to include the following editorial which appeared in the Lawrence Daily Eagle, Lawrence, Mass., Monday, July 4, 1949:

INDEPENDENCE DAY REMINDER: TYRANNY STILL STALKS ABROAD

(By Bruce Biossat)

On the Fourth of July we celebrate the winning of independence as a Nation. This day—in 1776—was the moment in history when a great enterprise founded on freedom was begun.

We Americans of the midtwentieth century are the current custodians of those liberties born 173 years ago. We and our forefathers have seen them challenged by tyrannies that have come and gone in the world. We have guarded freedom well against these tests.

But the idea of tyranny dies hard. Crushed, it finds new forms and new tools and rises again. When it grows strong, it seeks to stifle liberty wherever it exists. For the heady droughts of free air are poisonous fumes to the tyrant.

Today tyranny is astride part of the world once more. In its new dress it is called communism. It has a strong weapon, a philosophy of government that professes to look toward a great cooperative society welding the mass of men together.

Armed with this weapon, Communists have shrewdly muddled the world's thinking. They have made a starkly reactionary system appear progressive to some, thus trapping idealists, intellectuals, and others easily drawn to the idea of cooperation.

Yet while extolling the glories of cooperative living, practicing Communists in Russia and other nations have ruthlessly stamped out liberty and real cooperation among peoples wherever they could.

Communist ideology is a hideous deception conceived to lure millions to the destruction of their freedoms. Communists have adopted the idea of cooperation only to debase it and corrupt it to their own tyrannical ends.

Not many Americans are deceived by this elaborate fraud. Some who are fooled are blinded to the realities by genuine grievances they nurse against our admittedly imperfect society. Feeling robbed of their American birthright, they unwittingly make themselves servants of a tyrant who, at a whim, would crush not only their liberties but their lives.

Independence Day is a good time to vow anew never to let this tyrant or any other set his cruel boot down on our soil. And to remember, too, that so long as we know him for what he is, few of us are likely to welcome his coming. This one called a Communist we already know. Need there be any panic, then, when a few of his henchmen are unmasked?

Public Financial Aid to Parochial Schools

EXTENSION OF REMARKS

OF

HON. HUGO S. SIMS

OF SOUTH CAROLINA

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 7, 1949

Mr. SIMS. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following statement by the Honorable ANDREW JACOBS, Member of Congress from Indiana:

It is good policy that the public consider well public questions before final decision. It is particularly essential that such questions be viewed from every angle before decisions are made, either by the individual in private life or the representative in Government.

By virtue of my position, the question of Federal or public aid to parochial schools has come squarely before me for decision. As one of 25 members of the House Committee on Education and Labor, it becomes my duty to help perfect the measure for Federal aid to education. Accordingly I have given this question my careful consideration and measured judgment.

Early this year I stated that in my opinion we could not wisely, nor constitutionally, use public funds in support of parochial schools.

Unfortunately a hostile press interlarded into my remarks hostile words, which were later admitted to be incorrectly reported by the reporter in question. I reiterate a total absence of any feeling of hostility toward any school system—public, private, or parochial. My position is based upon fundamental principles of our conception of government.

I shall, therefore, take up the various views and state my opinion of them.

I

The first is that exclusion of parochial schools from Federal aid is discriminatory.

We must distinguish between aid to the individual child and aid to the parochial school. For example the hot lunch program is available to all children, including those in parochial schools. Already passed in the Senate is a health bill for all children. These benefits are to go to the child and are not directly connected with his teachings. I would deem standard approved secular textbooks in the same category as well as the right to ride a school bus upon a scheduled route. Establishment of a separate or special school bus route for the parochial school would, in my judgment, violate the principles hereinafter stated.

Whatever can be constitutionally done to aid a child will win my support. However, I cannot, and will not, support any measure that grants public financial aid to private or parochial schools.

Religious freedom is a two-way street. We are free to establish and utilize our parochial schools or utilize public schools, as we choose. But the right to establish private schools does not imply the right to public financial support thereof. We have the right to build and maintain our churches, but not to build or maintain them with public funds. Our parochial schools are an adjunct of our religion, established for educational use instead of using public schools, solely for sake of the child's religious training.

As long as we have the same right to send our children to public schools as anyone else, we are not discriminated against, and as Catholics we do not have a right to a separate publicly supported school system, nor does any other group of people have such right.

II

The second argument is that Catholics are double taxed.

This argument is based upon the fact that Catholics pay public taxes and also support their parochial schools. Hence it is argued that contributions, tuition, etc., to parochial schools are a tax, but it is not a tax imposed upon them by Government. Again the public schools are maintained at public expense and all children are entitled to attend. The fact that we provide for ourselves something we prefer rather than to use that which the public provides does not warrant us in demanding that the public pay for what we voluntarily choose. What we pay for what we voluntarily choose is not a tax, hence we are not double taxed.

III

Thirdly, it is argued that parochial schools are accredited, hence legal, hence entitled to public support.

Indeed, this argument answers itself. Certainly, every activity that is legal is not entitled to public support.

But in this argument we can find material for a great lesson. The Oregon case is stoutly relied upon. There the United States Supreme Court held invalid an Oregon law actually outlawing parochial schools. Hence the hate of Klan days failed in 1925. The decision was applauded by every tolerant American. But there was no question of public support of parochial schools presented, considered, or decided. Rather it was the preservation of the right of parochial schools to exist. Again the legal right to maintain parochial schools does not establish the right to public maintenance. To so argue is to say with one breath, our parochial schools are in the public-school category, for the purpose of public aid; while in the next breath we stoutly maintain our right to parochial schools for the purpose of religiously training our children. However, when we put our parochial schools in the public-school category for one purpose, we do so for all purposes, and we must then comply with public-school regulations which forbid sectarian religious teachings therein.

The issue is clear. Either you keep parochial schools and maintain them or take public funds and convert them into public schools, and they will then no longer serve the religious purpose for which they were established.

CONCLUSION

In 1927 one Charles C. Marshall challenged the qualifications of Gov. Alfred E. Smith to be President. Marshall contended Governor Smith would be subservient, in the discharge of his civil duties, to the church. Governor Smith replied publicly as follows:

"I recognize no powers in the institutions of my church to interfere with the operations of the Constitution of the United States or the enforcement of the law of the land. I believe in the absolute freedom of conscience for all men and in equality of all churches, all sects and all beliefs before the law, as a matter of right and not as a matter of favor. I believe in the absolute separation of church and State and strict enforcement of the provision of the Constitution that Congress shall make no law respecting an establishment of religion or prohibiting the free exercise thereof. I believe that no tribunal of any church has any power to make any decree of any force in the law of the land, other than to establish the status of its own communicants within its own church.

"I believe in the support of the public school as one of the cornerstones of American liberty. I believe in the right of every parent to choose whether his child shall be educated in the public school or in a religious school supported by those of his own faith."

At that time, when the embers of the fiery crosses were smoldering, we all applauded and adhered to Governor Smith's statement. Shall we now give plausible excuse to the resurrection of the old Klan spirit, by demanding a breach of the fundamental law of the land for our immediate and doubtful benefit?

This thought is so well expressed in the two letters which I received from Mrs. Eva MacDonagh Smith, of 3554 Sydney Place, San Diego, Calif., that I, with her permission, reproduce them here:

MAY 16, 1949.

DEAR CONGRESSMAN JACOBS: As a Catholic, a long-time member of the Catholic Daughters, and one of a family which has given three priests and a religious to the church, I wish to congratulate you on your farsighted and truly spiritual stand with reference to the financing of our parochial schools by Federal grants.

No doubt you have received some protests from members of our faith, but many more Catholics than you think agree thoroughly with you that the moment we permit civil authorities to preempt any control whatever over Catholic education—which is what we are doing the moment we accept their money—on that instant we sell our birthright for a mess of pottage.

This is so clear to me that I am amazed some of our clergy fail to recognize the fact. The day Catholics consider it too great a burden to support the splendid school system which is the bulwark of our faith will be a sad day indeed for the church. Millions of dollars from outside sources are poor security for the church compared to the devoted faith of other days, the faith of our fathers which counted every sacrifice a privilege when borne for the sake of holy mother church.

Again, thank you.

Sincerely,

EVA MACDONAGH SMITH.

JUNE 1, 1949.

DEAR CONGRESSMAN JACOBS: Yes, you are at liberty to use any letters of mine in any way that may serve. I should be only too glad if they could be put to service.

Many Catholics feel that their fellow church members are not thinking through the implications of the situation. There are values greater than the material, and it is exactly these which we believe would be sacrificed if we were to sell short the faith of our fathers for 30 pieces of silver.

By way of background I may say that my uncle (deceased) was a dearly loved pastor in Nebraska for many years, and I have a beloved sister in the convent. Our family is not convert, but has been Catholic as far back as can be traced, and has given many sons and daughters to the church. Generations have held the faith through all struggles and vicissitudes. Yet we believe that never, as in the days of its greatest misfortunes, has the church stood in such danger as now, in its heyday of power and wealth.

This danger is not from without but from within. It is the danger of substituting material values for the spiritual, of selling for a mess of pottage our sacred birthright, bought with the blood and tears of the heroic dead.

Thank you for the privilege of speaking so freely. You are a man of courage and insight, deserving the gratitude of all Catholics who place the spiritual ahead of the material values—and they are many.

Sincerely,

(MRS.) EVA M. SMITH.

I trust that all Catholics will think sincerely on this serious question, and conclude what is best for the church as well as their country. And may I ask you, how could we, as Catholics or as Americans, applaud Governor Smith's statement in 1927, and disagree with the views stated herein?

Most sincerely,

ANDREW JACOBS,
Member of Congress, Eleventh Indiana.

Address of Hon. Donald L. Jackson, of California

EXTENSION OF REMARKS
OF
HON. HAROLD O. LOVRE
OF SOUTH DAKOTA
IN THE HOUSE OF REPRESENTATIVES

Thursday, July 7, 1949

Mr. LOVRE. Mr. Speaker, under leave to extend and revise my remarks, I ask unanimous consent to have reprinted in the RECORD a thrilling speech by my distinguished colleague from California, Mr. JACKSON, delivered at the national convention of the Young Republican Federation at Salt Lake City last month.

Nothing gives me more pleasure than to have this address made a part of the official proceedings of this body as I believe it contains a dynamic and forceful message.

I am proud that my good friend, Mr. JACKSON, is a native of my State of South Dakota. His foresight and clear thinking clearly reflects the pioneer spirit exemplified by his forefathers in their struggle to establish themselves on the rugged prairies of the Middle West. His well-considered actions and his sound judgment as a Representative in Congress from the great State of California are a constant source of pride and satisfaction to me.

His speech is a stirring discussion of the principles of Americanism and is an excellent message for anyone concerned over the vicious inroads which are being made on the pattern of our traditional free way of life.

ADDRESS BY HON. DONALD L. JACKSON OF CALIFORNIA

Mr. Chairman, ladies, and gentlemen, fellow Republicans, at the outset of this discussion may I say what a pleasure it is for me to be here with the Young Republican Federation in Salt Lake City for the business sessions of this convention. Your intelligent interest in the vital problems confronting the Nation and the Republican Party at this time is one of the healthiest expressions of the day. For more than 3 years it has been my privilege to work very closely with young Republican groups in all parts of the country, and in common with many other members of the senior organization it is my feeling that your active participation in Republican affairs and in the councils of the party should be encouraged in every way possible. I am happy to say that in my own congressional district the young Republican organizations are full

partners in every sense of the word. We would no more think of embarking upon a major course of action without first obtaining the opinions and suggestions of the young Republicans than we would consider embarking upon the same course of action without prior consultation with senior party leaders. We have a team, and the motive power which furnishes the energy for our operation is the intelligent and coordinated activity of all groups within the district. You will probably be told during the course of this convention of our plan of personal contact. This contact program is working and it is bringing scores of new recruits to our cause and many new members to our field organizations. I hope that each of you will make an effort to determine the operational details of our plan, and that you will return home imbued with the same enthusiasm which those of us who are in the contact program ourselves feel.

Without respect to my own participation in the convention activities, I can assure you that in bringing to this convention my distinguished colleagues, Congressman JOHN LODGE, of Connecticut, and Congressman WALTER HORAN, of Washington, Chairman Ralph Becker has indeed done an outstanding job. Both Mr. LODGE and Mr. HORAN are nationally acknowledged to be not only dynamic speakers, but men who have brought to the Congress an added measure of stature and statesmanship. Both of them are experts in their respective fields. Perhaps no Member of the Congress is more conversant with matters having to do with current legislation than is Mr. HORAN, a distinguished member of the House Committee on Appropriations. Certainly, there is no more competent authority in the House of Representatives on the subject of foreign affairs than my distinguished colleague and fellow-committee member, Mr. LODGE. As a matter of actual fact anyone would feel diffident in discussing foreign affairs with Mr. LODGE in the same room, but it so happens that we have, by and large, a complete meeting of minds as far as the important aspects of our foreign policy are concerned.

The vital import of foreign affairs and of our foreign policy cannot be overemphasized at this time. I think that we are all agreed upon several basic premises having to do with our international relationships. I am sure that each of us has long since reached the reasoned conviction that this country cannot exist in peace, prosperity, and security, in a world of turmoil and discord. If it were possible for this Nation to rear up as a single island of stability and peace above a sea of troubled international waters, perhaps our current foreign policy might be modified in many respects. However, in the day of the atom and of the guided missile, such a position of isolated independence is patently impossible. We are no longer merely a neighbor of the other countries. Today, the other nations and the other peoples of the earth are an integral and important factor in our daily lives. There was a time when the two great oceans acted as a deterrent to aggression and lent to the people of this country a great and satisfying sense of security. It was in a climate engendered by factors of time and space then existing that George Washington warned the young Republic to beware of all foreign entanglements. As great a man as he was, as great as was the foresight of our progenitors, they could not have conceived what the passage of the years and the succession of generations were to do in the way of shrinking our globe and of forcing us into a position of world leadership. So it is today that we find ourselves in an international role where our own enlightened self-interest forces us to accept a new concept of our responsibilities, and to take a totally new, and for us, novel position with respect to the postwar world.

We are not a people trained in the intricacies of international diplomacy. During that era when we were gradually expanding our national frontiers and adding to our overseas possessions and dependencies, our history was being largely written with the hot barrel of a rifle. Our remoteness rendered us immune, not only to military attacks, but it also insulated this hemisphere from the area of diplomatic intrigue. Our diplomats in buckskin spoke the tongues of the Indian tribes, but they were always uneasy when confronted with the suavity of Old World diplomacy. It was not until after the First World War that we were forced to emerge from our isolation and accept a new measure of responsibility for the future welfare of the world, and we were to cut our diplomatic teeth the hard way. Had we at that time, taken an intelligent and farsighted role in world affairs, had we recognized the full truth of and the total necessity for world interdependence and cooperation, it is conceivable that World War II need never have been fought. But, after we had paid the terrible price for our ineptness in the first instance, and that tragic conflict had been fought, there was an almost universal demand on the part of the American people themselves that this Government join with the other victorious allies, and exert its best efforts in international affairs to the end that we might have a hand in winning the peace as we had aided in winning the war. As a result of that mandate the United States played a major role in San Francisco in the drafting of the Charter of the United Nations, and since that time we have been a leading factor in all of the activities and decisions made by that instrumentality for world peace.

The Republican Party has not lagged in this effort, but to the contrary has spared neither time nor talent in seeking effectual implementation of sound national policies. Out of the postwar problems which this Nation was called upon to meet and attempt to solve, there came into being what we now know as a bipartisan foreign policy. The term means simply that we do not engage as an opposition party in purely partisan politics where the welfare of the Nation is concerned, or where it is considered essential that the American people present a solid front to possible aggressor nations. As a result of that decision, made at the highest policy levels of the Republican Party, we have marched shoulder to shoulder with our political opponents in a unity of expression and purpose never before witnessed in the history of this Republic. The European Recovery Program, the Voice of America, aid to Greece and Turkey, all stand as milestones on the road of bipartisanship in foreign affairs.

By accepting equal responsibility in implementation of the decisions of the President, the Republican Party has not sought political advantage. To the contrary, participation by our party and a sense of national loyalty to the bipartisan effort has been effective in silencing some of our party leaders at times when the better part of wisdom, the better part of judgment and the national interest all demand that they speak out frankly in opposition to certain policies and practices of the administration.

There can be no doubt but that secret agreements arrived at secretly in several of the wartime conferences between the heads of the Allied Powers have resulted in disaster. The course of action decided upon at Yalta most effectively sold the Nationalist Government of China down the river in return for a few scant and costly days of Russian participation in World War II. The partition of Korea at the thirty-eighth parallel likewise was the result of ill-advised action at Yalta. After more than half a century in which we have consistently guaranteed the integrity and the independence of an undominated China, we have at long last reversed our traditional open-door policy, and have, in effect, turned our backs upon our wartime allies, whose aid and assistance we gratefully accepted when the chips of war were down. When Secretary of State Acheson announces that we will wait until the dust settles in China, he does not speak with the authority of the bipartisan foreign policy. He speaks rather for the China clique in the Department of State, and perhaps unwittingly for those who would prefer to see the chaos of a Red Asia rather than admit to a previous error in judgment. The policy with respect to China was inaugurated in the Department of State following the ill-starred attempt of General Marshall to force the Chinese Government to permit cabinet participation by the Chinese Communists, in the very face of irrefutable evidence that no nation has ever successfully worked out a destiny of freedom and equity in the face of Communist sabotage at policy levels. That policy has been adhered to stubbornly in the presence of disaster in the Orient. It is our contention that the same circumstances which obtain in China today are the circumstances and conditions which brought this country to the aid of Greece and Turkey 2 years ago. The policy being pursued by the administration with respect to China today is not a policy concurred in by the Republican Party.

Let us consider for a moment the relationship of the Republican Party to the so-called bipartisan foreign policy. Does the pursuit of such a policy constitute blind agreement? Does it represent a willingness on the part of a minority to follow wherever the majority may lead even to destruction and disaster? To my mind, it means none of these things. To be bipartisan appears to me to imply that one is following a clear-cut course of action which has been conceived at a common counsel table in the interests of national welfare. Bipartisanship in foreign affairs should mean the minority party places the national welfare above any consideration of partisan politics. In defense of the present policy, the administration has often stated that partisan politics should "end at the water's edge." With that position we Republicans have no quarrel. That we should lend every aid and assistance to the administration in the face of the great problems which we today seek to solve is beyond any question.

However, it is not enough to say only that "politics should end at the water's edge." In order to develop and implement a true American spirit of cooperation and harmony in foreign affairs it is essential that partisan politics end long before our policies reach the edge of the water. It is our contention that the grave decisions which we are called upon to make should be subjected to full and frank discussion at the conference tables in the White House and in the Department of State. Every step of every proposed course of action should be discussed fully and in complete candor, for where there is not such discussion there cannot conceivably be joint cooperation and mutual effort. We Republicans want a bipartisan foreign policy. This country needs such a unified approach to the great international problems of today. But it is of far greater importance to the United States and to the Republican Party that our policy be right before it is simply bipartisan. Accord does not necessarily mean equity, and unity itself does not insure the national welfare in the field of international relations. The long scroll of history sets forth graphically the tragic faith of many nations, the peoples of which were united, but in the wrong cause. Neither great party can escape its responsibility in this connection. If we, as Republicans, simply accede, without protest, to any line of action determined upon by the Executive and the Department of State, we shall violate our sacred trust as a minority party in honest opposition. Whenever the best interests of the American people can be served by the bipartisan policy, it is our duty and obligation to so implement the decisions of the President. But, of equal importance on the other hand is the obvious

fact that when improper courses of action are being proposed or pursued it is our solemn duty and obligation to disclose to the American people the facts in any given case.

Without Republican support there could have been no European recovery program. Without the support of the Republican Party there could have been no Truman doctrine and no effective implementation of our national effort to maintain a free and peaceful world.

Let us make our goal a strong America in a sound world, and let us work in harmony where we can, and oppose unsound plans and fallacious policies where we must. The task is a great one, but the rewards are even greater. The peace and prosperity of a world may hinge upon the manner in which we discharge our sacred obligations.

Di Giorgio Ranch

EXTENSION OF REMARKS

OF

HON. THOMAS H. WERDEL

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 7, 1949

Mr. WERDEL. Mr. Speaker, on October 1, 1947, a picket line was placed across the entrance of the Di Giorgio farms, located near Arvin in the Tenth Congressional District of California, which I represent.

There have been remarks made before congressional committees and on the floor of the House accusing the Di Giorgio Fruit Co. of unfairness, and referring to the situation as a strike. As a matter of fact, the picket line represents an attempt by the National Farm Labor Union to force the permanent agricultural employees of Di Giorgio farms to accept that union as a bargaining agent against the will of the vast majority of the permanent employees.

The picket line was placed across the entrance of the Di Giorgio farms during that season of the year when California farmers must hire temporary agricultural labor and very few of these so-called strikers had any extended history of employment with Di Giorgio farms.

Over twelve hundred of the permanent employees of Di Giorgio farms have signed an affidavit that they do not want the National Farm Labor Union or any other union as a bargaining agent. I believe any fair analysis of the situation will show that the disturbance is not a strike, but an attempt by the National Farm Labor Union to force organization of the Di Giorgio farms employed through use of a picket line.

Mr. Gordon Pates, of the San Francisco Chronicle, wrote what I believe to be a very impartial statement in connection with the subject, which statement was published in the San Francisco Chronicle on June 26, 1949. Even though Mr. Pates refers to the disturbance as "the Di Giorgio strike," I believe that his recitation of facts, with some exceptions, are substantially correct, and that his article will be of interest to all Members of the House, and for that reason I have included the complete text in my extension of remarks. It follows:

THE DI GIORGIO STRIKE

(Di Giorgio farms, the heart of the world's largest fruit empire, was struck October 1, 1947, by the National Farm Labor Union. The strike has been fought with words, music, and movies but seldom with facts. This is the Di Giorgio farm and strike as of today.)

(By Gordon Pates)

Eight miles south of Bakersfield on the east side of United States Highway 99, the old, abandoned Greenfield School crumbles quietly in the summer heat. A sign in the weeds alongside the school points east along a black-top county road toward the foothills of the Sierra Nevada and announces: Oneness church and tabernacle 5 miles.

This is the Di Giorgio road. It passes through one of the richest farm communities in America, and it leads to one of the most widely publicized but least-understood labor disputes in America. This is the road to Di Giorgio farms and the Di Giorgio strike.

Turn left onto the county road and learn the central fact of life on the flat land of Kern County. One side of the road is desert, its gray surface broken only by sagebrush and tumbleweed. The other side is rich farm land planted to grapes and corn and potatoes. It's the same land on both sides of the road. The difference, of course, is water.

Scattered through the vineyards and cornfields are steel towers which look like oil derricks, and a few of them are. But most of them are water wells, wells which must pump night and day to fill the irrigation ditches. Kern County gets only 6 inches of rainfall a year and without its underground water supply it would perish.

But the water is there, which is what counts, and it bubbles out of the ground from pipe lines all along the Di Giorgio road as you drive east toward the hills. Water built this farm community, water first discovered in quantity by the man who built the farm at the second stop sign.

The intersection at the second stop sign is the X that marks the heart of Di Giorgio, Calif., which might be just another wide spot in the road but isn't. The first sight of it is not impressive. A long packing shed. Some neat gray bungalows. Some trees. A water tower. Some privet hedges. A little wooden post office. A low, white-washed frame building with a sign: Di Giorgio farms—Office.

There are a few cars parked in front of the office but no human being is in sight, no one, that is, except an old woman who marches back and forth before the main gate to the packing shed. She wears a straw hat and carries a heavy umbrella against the summer sun. Strapped around her waist is a sign which reads: "Di Giorgio workers on strike for a living wage. Local 218, National Farm Labor Union—AFL."

She, and other pickets like her, have marched before the gate since October 1, 1947. Today, 21 months later, the strike is no more effective than it was at the end of the first week. There are more people at work at Di Giorgio farms today than there were the day before the strike was called. Judged by ordinary standards, this strike is a failure. But it is not an ordinary strike any more than Di Giorgio is an ordinary farm.

The strike and along with it the farm, have received Nation-wide publicity during the past 2 years—most of it false or misleading or distorted. The newspapers, the press services, the radio, and the various citizens' groups which have covered the dispute seem to have succeeded only in further confusing an already confused situation.

The blame for this confusion seems to fall about equally on bad reporting, union propaganda, managerial silence, and the emotional intervention of outsiders on both sides of the dispute. No one appears to have been able to consider either Di Giorgio farms or the Di Giorgio strike dispassionately.

The pattern of confusion was established during the first weeks of the strike and nearly all stories written since then have borrowed freely from the first reports. As a result, much of the public information circulated about the strike is mythical. Here are a few of these myths:

The Di Giorgio farm consists of 9,400 acres or 12,000 acres or 15,000 acres or 20,000 acres or 22,000 acres or 26,000 acres.

A strike vote was taken September 30, 1947, by 1,200 workers or 1,400 workers or 1,500 workers or 2,500 workers.

The number of workers who struck October 1 was 1,100 or 1,200 or 1,400 or 1,500.

This strike was organized and conducted by Communists and subversives.

No real Di Giorgio workers struck and the picketing was done by outsiders who had no connection with the farm.

Di Giorgio farms would have settled with the strikers in the first few weeks had it not been for pressure from the Associated Farmers.

Cruel and Fascist methods were used to break the Di Giorgio strike.

The strike is an attempt by left-wing labor agitators abetted by Government bureaucrats and crackpots to establish a left-wing dictatorship over Kern County agriculture.

To comb even an approximation of fact out of this tangled skein requires a close examination of both the farm and the strike. First, the farm.

Di Giorgio farms is a great example of the industrial agriculture for which California is famous. The Di Giorgios are, in the truest sense of the term, corporation farmers. They operate with great skill and success what Carey McWilliams would call a factory in the field. The farm has about it a good many of the appurtenances of big business. It is the keystone of the Di Giorgio Fruit Corp., which is incorporated in Delaware, owned by 6,000 stockholders, and managed from the tenth floor of the Insurance Exchange Building on California Street in San Francisco.

The farm, according to the latest survey, consists of 10,621.116 acres. It will grow this year 465 acres of asparagus, 600 acres of potatoes, 1,132 acres of plums, and 7,784 acres of grapes. It will ship, by its own estimate, 70 carloads of asparagus, 350 carloads of potatoes, 400 carloads of plums, and 1,200 carloads of grapes. Another 20,000 tons of grapes will go to its winery, which has a 9,000,000-gallon capacity.

Di Giorgio farms has the largest vineyard in the world and the largest plum orchard in the world. Its winery is so built that it could easily be expanded to a 20,000,000-gallon capacity, which would make it the largest winery in the world. Its wells and pumps and pipe lines for irrigation are valued at nearly $2,000,000. With them it pumps onto its land each year nearly 15,000,000,000 gallons of water, enough to keep San Francisco supplied for 5 months.

It has its own branch rail line (now used also by neighboring growers) which is jointly owned by the Southern Pacific and the Santa Fe. The SP operates it in even-numbered years, the Santa Fe in odd, and it is considered the most profitable branch freight line in America.

Di Giorgio farms is to farming what Tiffany's is to jewelry. It has made a specialty of quality fruit and vegetables—the finest grapes, plums, asparagus and potatoes. It is all shipped fresh and it all tops the eastern markets. And it is all packed under one cumbersome but catchy brand name—Oh, Yes; We Grow The Best.

This remarkable example of industrial agriculture employs 1,200 people the year round, and in harvest season as many as 2,500. Di Giorgio farms manages to keep these 1,200 workers busy on a permanent basis (which is rare in California agriculture) by

its diversification. Each of its four crops matures at a different time during the year and the necessary care that each requires stretches into a 12-month cycle.

Di Giorgio farms pays a basic wage to its workers of 80 cents an hour. This is neither the highest in the valley nor the lowest; in fact, some nearby growers are paying a nickel more. Except in one phase of its work, the farm does not pay premium rates for overtime or engage in piecework.

The exception is the packing shed. The women packers come under State laws which require time-and-a-half after 8 hours in a day and double time after 48 hours in a week. Grape and asparagus packing are paid for by hourly wages. Plums are packed at a piece rate of 15 cents a box, but the packer's wage is also figured on an hourly basis and she receives the higher of the two sums.

The Di Giorgios do not encourage dawdling, however, and the packer who does not meet a satisfactory daily quota during grape and asparagus season is soon moved out of the packing shed to the field where the overtime law does not apply. The same is true of the plum packer who does not pack enough plums to exceed, at the piecework rate, her wage under the hourly schedule.

Plenty of overtime is paid during the height of certain packing seasons, but according to the management, it must be well-earned overtime lest the narrow spread between production cost and market price be wiped out. For within the spread lies the profit on the crop.

For the permanent field worker the year falls into three earning periods. He can figure on about 12 weeks of 60 hours each during the harvest times. About 20 weeks of 49 hours each scattered through the light months. And about 20 weeks of 44 hours each during the dark months. The year-round average is a 5½-day 49-hour week which, at 80 cents an hour, will bring him $2,080 a year.

The average annual income of the permanent employees of Di Giorgio farms (excluding top supervisory employees) is reported to be $2,600. The management is fond of pointing out that this is twice the national average for farm workers.

Di Giorgio farms is also a remarkable community in other respects. It houses 132 families and has facilities for some 600 single men in bunkhouses. At present around 800 of the 1,200 permanent workers live on the farm. It houses and feeds its single men, if they are Americans or Mexicans, for $1.60, or for $1.35 if they are Filipinos (whose diet is cheaper).

It has its own fire department, its own medical dispensary and resident physician and, to some extent, its own police force. It has its own telephone switchboard and its own clattering teletype machines which give the farm a direct-wire contact with San Francisco, Chicago, and New York City.

Housing on the farm ranges downward from the neat gray bungalows of its top supervisors to the small frame houses of its truck drivers and irrigators. Some of the houses are made out of converted refrigerator cars, their thick walls providing insulation from the heat. And some of them are shacks, though they are better built and neater than the incredible eyesores that dot the surrounding towns of Arvin, Weedpatch, and Lamont.

The farm managers have plans for the shacks—they intend to burn them as soon as they are vacated, just as they burned the tent houses which preceded them. At present, however, the shacks at least provide better housing than is available elsewhere in the area.

All this housing, from the top down, is at least 20 years old. It is, by management's estimate, certainly not the best farm housing in Kern County and certainly not the worst. It is considered adequate by the State department of industrial relations, which conducts periodic inspections of farm housing to see that standards of decency are maintained.

Nearly all houses have inside toilets and hot and cold running water. A very few do not. These have sanitary toilets and showers, and hot and cold running water, in community facilities adjacent to the houses. The only old-fashioned privies at Di Giorgio farms are several behind the packing shed. According to the management, they will eventually be replaced by septic tanks.

These houses rent, regardless of size or condition, for $3 a month, which includes water and garbage disposal. Electricity and butane gas for cooking are extra. The bulk of the houses are occupied by salaried employees, and only a very few are available for hourly workers. Getting on salary and getting a house are big things at Di Giorgio farms.

The single men who live on the farm are split into three groups, each of which is separately housed—American, Mexican, and Filipino. This has been called segregation by some sources, but the management defends the policy on dietary grounds.

The Americans are fed the usual varied American farm diet. The Mexicans subsist largely on lean beef, frijoles, hot peppers, and paste. The Filipinos eat pork, fish, and great quantities of rice. Each diet is prepared by cooks to whom it is native and served in separate dining halls. And that is the reason why the housing is also separate.

There is also another reason, among others, such as language barriers. Most of Di Giorgio's American workers are Oklahomans or Arkansans or Texans and they do not take any more kindly to Mexicans than they do to Negroes. The management does not defend the prejudices of its workers but, dreading trouble, it bows to them.

The bunkhouses for the single men are uniform regardless of the race or nationality occupying them. They are clean and plain and the State law requiring a minimum cubic air space per man is observed. The farm provides a cot and a mattress; the rest is up to the man. Sanitary facilities are in separate buildings outside the bunkhouses. They include flush toilets and showers with hot and cold water, and they are kept reasonably clean and in adequate repair.

The maintenance problem around this housing can be a headache. Farm laborers run a wide gamut and not all have been educated to the advantages of sanitary life. There are men who will hang curtains at their windows, and others who will wipe their hands on the curtain, lacking a towel. Some are clean, neat, and self-respecting; others are not. Di Giorgio farms imposes certain rules to keep the premises reasonably clean but otherwise maintains a hands-off policy.

There are also certain recreational facilities on the farm such as tennis courts and swimming pools, but for the most part they are not available to the farm's hourly workers. There would be no point in mentioning this, since it is not incumbent upon a farm to provide such facilities for its workers, except for the fact that they have been widely publicized as if they were available to the hourly workers.

Aside from its approach to a guaranteed annual wage through attempting to provide year-round employment, Di Giorgio farms makes certain other contributions to its employees' security. Nearly all promotion is by up-grading from the ranks of field worker; as a result, its supervisory employees are men who came up the hard way, and today's swamper has a reasonable chance of being tomorrow's foreman.

Since it started the farm has voluntarily operated under the workmen's compensation laws to protect its workers against loss due to accidents on the job. This is the more interesting since farms are not compelled to have such coverage.

For a great many years it has also made group insurance available to its employees. In the beginning this was for salaried workers only, but in 1937 it was extended also to the hourly workers. Now two insurance policies—straight life and accidental death or dismemberment—are available to all Di Giorgio employees who have worked on the farm for 1 year. A third, providing hospitalization benefits, is available to salaried employees only but may soon be extended to all workers.

The farm has also made substantial contributions to the surrounding community. In an area populated largely by midwesterners who brought "that old-time religion" with them from the dust bowl, the Lord has many mansions. Every church (and there are dozens of them) which is attended by Di Giorgio workers has received a cash donation from the farm.

In the past 5 years the farm estimates these contributions at $200,000, including $150,000 and 40 acres of land for an addition to the now-crowded Di Giorgio district school. It has been said that these gifts were all deductible from the farm's taxable income, which is true, but that does not detract from the fact that they were made.

This institution, Di Giorgio farms, was developed by Joseph Di Giorgio, the son of a Sicilian lemon grower, who left home alone at the age of 14 to take on the new world. He arrived in New York in 1889, got an $8-a-week job peddling fruit, and was on his way. He was in business for himself years before he could vote, and at 21 he was the director of a bank.

In his mid-twenties he was operating a fleet of 29 banana boats and successfully bucking the giant United Fruit Co. He switched back from bananas to jobbing citrus and deciduous fruits in the eastern markets, then to buying the fruit from the growers, then to growing it himself.

Di Giorgio arrived in Kern County in 1919, bought a few thousand acres of arid land, hired some labor, sank some wells, and began to roll. With water and labor and a bulging wallet he experimented over a period of years to find the fruits best suited to the soil and the climate. The end result was Red Malaga, Emperor, Thompson Seedless, and Ribier grapes and Beauty, Santa Rosa, and Wickson plums. Potatoes and asparagus brought up the rear and the rest is history.

Today the Di Giorgio Fruit Corp. is the largest grower of fresh fruit in the world. All its fruit, however, is not in one basket. It owns the second biggest grape vineyard in the world at Delano, the biggest pear orchard in the world near Marysville, a large, new development in the Borrego Valley, citrus groves in Florida, and a lumber mill and box factory in Oregon. It is a $21,000,000 corporation, based, in part, upon the fact that people like to buy fresh plums and grapes from push-cart peddlers on the sidewalks of New York.

Joseph Di Giorgio, as board chairman of Di Giorgio Fruit, was until recently the active head of the company. Now, due to advancing age (he was 75 this month) he has begun to pass control to his executives who include his four nephews.

These are J. S. Di Giorgio, vice chairman; Philip Di Giorgio, president; J. A. Di Giorgio, vice president (in charge of production); and Robert Di Giorgio, vice president (in charge of personnel and administration).

J. S. and J. A. Di Giorgio (whose first names are obvious) are known only by their initials. This is partly to escape confusion but mainly because there is only one Joseph Di Giorgio—the founder. There is also only one "Mr." Di Giorgio; everyone else is called by his first name or his initials by everyone from top to bottom of the corporation.

This, then, is the institution which the National Farm Labor Union chose to take on in the summer of 1947 and to whose skirts it is still clinging with feeble grip but great tenacity.

The unionization of California farm workers has been attempted periodically since 1909. It has never met with any lasting success but fear of it remains ever present in the minds of California's big farmers. A good many of these organizational attempts have been made by the American Federation of Labor which has long recognized agriculture as the last remaining reservoir of unorganized labor.

The A. F. of L. was spurred to new efforts after the war by the rise of the CIO's Food, Tobacco, and Agricultural Workers' Union, which is run by Donald Henderson, a veteran Communist. The National Farm Labor Union was chartered as an A. F. of L. affiliate, bank-rolled by the national A. F. of L., and sent out to organize the Nation's big farms under the leadership of H. L. Mitchell, a former leader in the Southern Tenant Farmers' Union.

Mitchell sent out to California as the NFLU's western representative, a young man named Hank Hasiwar. He landed in Bakersfield in the summer of 1947 and began to make enemies fast as soon as local farmers learned who he was. Hasiwar found farm workers in the Bakersfield area receptive to his arguments that organization offered them certain advantages in dealing with their farm employers.

He found, according to his story, that farm workers were interested in the union's program to press for their inclusion under certain social legislation from which they are now exempted. That they felt that unionization would provide them with machinery through which they could better adjust certain grievances. That they were attracted by the prospect of better wages and working conditions to be obtained through use of the union as their bargaining agent.

Hasiwar held an outdoor meeting in Lamont to which several hundred farm workers came. He discovered that many of them worked for Di Giorgio farms. When they manifested a desire to join up to see what the National Farm Labor Union could do for them, Hasiwar began passing out application blanks. Those who paid the $2 initiation fee became the nucleus of Local 218, NFLU.

After several hundred Di Giorgio workers had joined the union, overtures were made to the farm management looking toward recognition of the NFLU as bargaining agent for the farm's employees. Di Giorgio farms refused, and since farm workers are excluded from coverage by the Taft-Hartley Act there was no way to force a National Labor Relations Board election to determine whether the union contained a majority of the workers.

Probably it did not, in actual membership, and there is no way of telling whether, in a secret ballot, a majority of the workers might have voted for the union. On September 30, 1947, a meeting was held for the purpose of taking a strike vote. At that time, according to Hasiwar, some 600 Di Giorgio workers had actually joined the union out of a total of 900 who had accepted applications.

The meeting was attended, again according to Hasiwar, by around 700 people. They were addressed by Jimmy Price, the local's president and for a number of years a shed foreman at Di Giorgio farms. The decision to strike was put to a vote and a majority decided to go out. The next day, October 1, a picket line was thrown around each major entrance to Di Giorgio farms.

According to the farm, there were 1,445 people employed the day before the strike. The next day 540 reported for work, leaving 905 to be accounted for. Some hundreds of these were on strike and some were on the picket lines. A number of others were workers who sat tight at home to see which way the wind would blow. And there were others who had no intention of striking but were afraid they would get their heads cracked passing through the picket lines.

In the ensuing days, as it became obvious that law and order would prevail and that the strikers would not engage in violence (Hasiwar says he gave strict orders about this), workers began to drift back to Di Giorgio farms. Within a few weeks the labor force was nearly back to normal, though practically none of the strikers, who were bitter against Di Giorgio, would return.

The farm says that it had no objection to rehiring them (since it felt that they were badly misled) but when it did hire one or two who applied, the nonstriking workers threatened to walk out themselves. The union did win one immediate victory. It forced the removal of 130 Mexican nationals (who worked for Di Giorgio under contract) on the ground that they were being used as strikebreakers.

The whole subject of Mexican labor is a sore one in Kern County. It has several phases. Mexican nationals were brought in during the war years and up until 1948 to help work the crops. Farmers insist that they must have the Mexicans to do the stoop labor which Americans will not do. American farm workers argue that there is now no labor shortage, that the Mexican nationals are not needed and that Americans would do the stoop labor if offered a decent wage.

The labor agreement with Mexico under which the nationals were brought in has not been renewed and most of them have gone home. Those Mexicans working in Kern County today fall into three classes—Mexican-Americans, alien residents, and "wetbacks"—border jumpers who are in the country illegally. The "wets" seem to be in bad odor with everyone—except the farmers who hire them.

Personnel methods on California farms—including Di Giorgio farms—are somewhat loose. Applicants for jobs are asked their names, ages, home addresses, birthplaces and experience, and usually nothing else. It is not customary to ask a Mexican applicant for papers proving he is in the United States legally, since this might be construed as looking a gift horse in the mouth.

These methods naturally encourage the infiltration of "wets" all of whom, almost by tradition, say they were born in either Texas or Los Angeles but almost none of whom can speak English. The Immigration and Naturalization Service maintains an office in Bakersfield and makes periodic raids on surrounding farms to scoop up and deport "wetbacks."

The service is prodded along the path of duty by United States farm labor leaders who consider the "wets" among their worst foes. Raids in Kern County early this May netted more than 500 "wets." More than 100 of them were bedded down at Di Giorgio farms.

During the first few weeks of the strike the National Farm Labor Union entertained high hopes of settlement. Then, when these hopes were not fulfilled, the strike passed into its national phase. It began to serve the purpose for the union of dramatizing to people everywhere the position of farm labor in the national economy.

The National Sharecroppers' Fund put out a pamphlet picturing John and Stella Gorman and their four children in their cabin at the Arvin Farm Labor Camp. They were supposed to be a typical migrant labor family, which may have been true enough. It was also mentioned that John was on strike against Di Giorgio, though it was not made clear that he had worked only occasionally at the farm.

A copy of the pamphlet fell into the hands of Harold Ickes and he promptly bulled his way into the Di Giorgio strike via a Thanksgiving Day column in the newspapers using his feature. He managed, since he had no opportunity to investigate the situation, to get a good many of the facts wrong, or at least warped.

This action provoked its reaction in Bakersfield. A small group of farmers and businessmen (a somewhat unrepresentative cross-section of the area) rode out to Di Giorgio farms to investigate the strike and answer Ickes. The group published its findings in a handsome pamphlet called "A Community Aroused" (a rather broad title since Bakersfield as a whole appears to have taken the strike in its stride and not to have been irritated en masse by Ickes' remarks).

This well-meaning pamphlet proceeded to whitewash Di Giorgio farms, deny the existence of the strike and hint darkly that it was all a Communist plot. It was so composed that its appeal was only to those already on its side and it is doubtful whether it had much influence on the general public.

Various investigators for committees of the California State Legislature and of the United States Congress began to look into the strike, apparently for signs of subversive activity on the part of the leaders. No evidence was forthcoming, and they quickly dropped off the vine.

A national citizens committee to investigate the Di Giorgio strike was formed in New York, with the Reverend John Haynes Holmes as chairman. Its members included Chancelor Robert Hutchins, of the University of Chicago, Author John Dos Passos, and Socialist Norman Thomas. The committee was not able to investigate the strike in person, so it accepted a report on the strike from Ernesto Galarza, educational director of the union, and hardly an unbiased source.

The strike scene itself was remarkably peaceful as such things go. The farm had evicted some of the strikers who lived on its property, and there had been some scuffling between strikers and nonstrikers at the gates. A few men got into fights in town, and there was a little vandalism on the farm. But compared to some of the waterfront violence San Francisco has seen, the strike at Di Giorgio Farms was as peaceful as an Iowa picnic.

Then, on May 18, 1948, Jimmy Price, the boss of local 218, was shot while attending a strike committee meeting in Arvin. The shots were fired through the window of a house from a car parked outside. One bullet plowed through Price's mouth and out near his left ear. Gov. Earl Warren ordered an immediate investigation and offered a reward for the killer should Price die.

Again, on the strength of Jimmy Price's bullet wound, the Di Giorgio strike made national headlines. But Price pulled through with only slight scars and impaired hearing. It is a tribute to the good sense of the National Farm Union leaders that none of them ever tried to blame the shooting on the Di Giorgios.

No one was ever charged with the shooting and today it is presumably just another unsolved crime. A. F. of L. leaders are inclined to blame it on the rival CIO farm union (which indignantly denies it) and to think that the bullets were really intended for Hasiwar who was also attending the meeting.

The union was soon in much worse trouble. Through local 848 of the teamsters union in Los Angeles it had launched a secondary boycott against retailers handling Di Giorgio products. Since it had been unable to shut down the farm or keep its produce from being shipped out, its last hope lay in choking off the farm's markets.

The Di Giorgio Fruit Corp. promptly claimed that a secondary boycott was an unfair labor practice under the Taft-Hartley Act and complained to the National Labor Relations Board. The NLRB petitioned the Federal courts for an injunction to restrain

the unions from their activities. The injunction was granted on July 2 and the strike was thus deprived of its most powerful weapon. The union appealed on the ground that it could not be prosecuted under the Taft-Hartley Act since farm workers were excluded from coverage under the act.

Meanwhile, the national A. F. of L. had been busy. Its unions throughout the Nation had been well briefed on the Di Giorgio strike and the necessity of supporting the fledgling National Farm Labor Union. Checks poured in from locals from coast to coast to help finance the strikers, and food caravans were organized by California locals to help feed them.

The Hollywood A. F. of L. Film Council came through with a propaganda weapon—one so potent that it may yet stab the men who forged it. It was a documentary film called Poverty in the Valley of Plenty. The film was shot in the Arvin-Weedpatch area and around Di Giorgio farms. It is narrated by Radio Commentator Harry W. Flannery and purports to show the conditions of life on the Di Giorgio farms and in the surrounding area.

It is well made and it has a clever script which says a lot of things—some of them true and some of them only half true. Phrase by phrase, the script is difficult to pick apart. But heard in conjunction with the movie its implications are clear and highly unfavorable to Di Giorgio farms.

"Poverty" has circulated across the country and has been seen by union audiences in a good many cities. It has been shown in schools and churches and lodges and to congressional committees. It was even televised over KTLA, a TV station in Los Angeles owned by Paramount Pictures, in May 1948. The Di Giorgios, noting this, filed it away for future reference.

This spring Di Giorgio farms decided to strike a counterblow in the celluloid war. It hired Gene Walker, a documentary producer in San Francisco, to turn out a film showing its story of the farm. The result is the Di Giorgio story—in color.

The film nowhere recognizes the existence of Poverty nor, say the Di Giorgios, was it intended as an answer to it. The fact remains that the Di Giorgio Story parallels Poverty closely enough to be a rather effective answer to anyone who has seen both films. It has its faults—some of the points it strives to make against farm unionization may not be valid to many people—but it is a reasonably accurate portrayal of the farm.

The Di Giorgios have also struck another, more serious blow at the union. Last month, just before the statute of limitations expired, they filed a $200,000 libel suit against KTLA for having televised Poverty. It is obvious that they are far less concerned with extracting $200,000 from Paramount than getting a verdict which will permit them to knock Poverty out of circulation.

There are a number of John Does named in the complaint and it is possible, therefore, for the suit to be amended whenever the company wishes to include the Hollywood Film Council and the National Farm Labor Union as defendants. The union, while hopeful that the suit will come to nothing, is not too happy about it.

In any case, the union has one thing to be thankful for. It has progressed a step closer in its fight to vacate the injunction against it. Last month an NLRB trial examiner agreed with the union's contention that it cannot be prosecuted under the Taft-Hartley Act. The Di Giorgios, of course, filed an exception to the ruling and now the decision must be made by the National Labor Relations Board itself.

The strike, as of June, 1949, is ending its twenty-first month of life. It remains as officially on as it was the day it started, but so far as the farm is concerned, it is almost nonexistent. Only one picket marches at a time now, and the picketing is done in shifts by three strikers—O B. (called Obie) Whatley, Mrs. Ann Bickford and her deaf mute son.

Mrs. Bickford, who might have modeled for Grant Wood's Daughters of Revolution, is a tough, old woman and the iron has entered deep into her soul. She still glares fiercely at each truckload of Di Giorgio workers who pull through the gate, and she has become a landmark. Presumably, as she marches back and forth, she hums the refrain of the strike ballad she composed: "God Almighty made the valley for a land of milk and honey; now a corporation's got it for to turn it into money."

The Di Giorgio strikers are scattered from "hell to breakfast" and some have even gone back to "the old country" (which in the humor of Arvin means Oklahoma). Most of them, however, now work on nearby farms and still live in the area. Some still attend the meetings of local 218 but membership has slipped down to a couple of hundred or so. The nucleus that is left is tough and not apt to give up.

A few dozen strikers, bringing their wives and kids, drift in to the union hall each week to discuss the "good and welfare" of the union and learn what new contributions have been received for the cause. At one recent meeting some of the original members showed up—Deacon "Smiley" Brown and "Old Mitch" and Reverend Phineas (called Fine-us) Parks and Jake Adams, a bearded man who let his whiskers grow the day the strike started and has vowed he won't shave 'til it's over.

Through the courtesy of a Bakersfield businessman, they were shown a print of "The Di Giorgio Story." Some hooted, some laughed, but most took it in their stride. When it was over, Jimmy Price said: "Well, they got their story and we got ours." Mrs. Bickford rose to say that she'd been so mad she couldn't look at the film, then snapped her jaw shut and sat down.

Hank Hasiwar is still plugging away as chief organizer of the union. He does not appear to be discouraged, but then he's been around a lot. He came out of the coal-mine country around Cherryville, Pa., the son of Social Democrat Austrian immigrants. He's been in union work all his life—with the auto workers in Jersey and the operating engineers in New York and the tenant farmers down South. He helped introduce democratic trade unionism into Japan as a GI in the army of occupation.

At the age of 32, Hasiwar, in old slacks and an inner-and-outer, looks like somebody's ex-fullback and the kind of a guy who would be called Hank. He did go 2 years to Columbia but not to play football. He is married to a beautiful Mexican-American girl and has a baby son and lives in a battered house in the poorer part of Bakersfield. He is paid $300 a month and traveling expenses and believes passionately in the importance of the trade-union movement. He will keep plugging.

So will the Di Giorgios, Joseph and his four nephews, who never had any intention of settling with the National Farm Labor Union and have none today. They have nothing against unions in what they consider the right place (such as their winery) but they have no use for them on the farm.

They remain philosophically opposed to the organization of farm labor and no arguments in its favor are in any way valid to them. They are supported in their stand by all large farmers in California. And they are not apt to change their minds soon. Jake Adams, it would appear, has a long wait ahead of him before he can shave off his beard.

House Joint Resolution 286

EXTENSION OF REMARKS

OF

HON. JOHN W. HESELTON

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 7, 1949

Mr. HESELTON. Mr. Speaker, under leave to extend my remarks in the RECORD, I am glad to make a second report for the gentleman from Ohio [Mr. McGREGOR] and myself that 29 additional Republican Members of the House have signed the round-robin petition supporting House Joint Resolution 286, which was introduced on June 30 by the gentleman from Massachusetts [Mr. MARTIN]. This makes a total of 136 Republican House Members who have signed this petition to this date

It is the opinion of the gentleman from Ohio [Mr. McGREGOR] and myself, after having discussed this matter with practically the entire Republican membership, that a minimum of 165 Republican Representatives will support the proposal when it comes to the floor. I do wish to add that it has been impossible to consult some Members who are either ill or out of the Capital on official business.

For the convenience of Members I wish to refer to the Appendix of the RECORD of June 30 at page A4188 where I quoted the text of this brief resolution which would direct the President to reduce Federal Government spending by 5 to 10 percent.

I am now including a complete list of those who have joined in supporting the resolution:

GERALD R. FORD, Jr., Michigan; CLARENCE J. BROWN, Ohio; CLIFFORD R. HOPE, Kansas; FRANCES P. BOLTON, Ohio; CARL T. CURTIS, Nebraska; JOHN SANBORN, Idaho; HUGH D. SCOTT, Jr., Pennsylvania; LESLIE C. ARENDS, Illinois; RICHARD B. WIGGLESWORTH, Massachusetts; CHARLES A. WOLVERTON, New Jersey; CARL HINSHAW, California; LEONARD W. HALL, New York; LOUIS E. GRAHAM, Pennsylvania; RALPH W. GWINN, New York; CHRISTIAN HERTER, Massachusetts; JAMES W. WADSWORTH, New York; J. CALEB BOGGS, Delaware; JOHN JENNINGS, Jr., Tennessee; HARRIS ELLSWORTH, Oregon; JAMES S. GOLDEN, Kentucky; FRANK A. BARRETT, Wyoming; NORRIS POULSON, California; JOHN W. HESELTON, Massachusetts; REID MURRAY, Wisconsin; A. L. MILLER, Nebraska; R. WALTER RIEHLMAN, New York; JAMES I. DOLLIVER, Iowa; CHARLES H. ELSTON, Ohio; CHARLES W. VURSELL, Illinois; ALVIN F. WEICHEL, Ohio; BERNARD W. KEARNEY, New York; ROBERT HALE, Maine; ANGIER L. GOODWIN, Massachusetts; J. HARRY MCGREGOR, Ohio; JAMES C. AUCHINCLOSS, New Jersey; GEORGE J. BATES, Massachusetts; JOHN C. KUNKEL, Pennsylvania; KENNETH B. KEATING, New York; RICHARD M. NIXON, California; HARRY L. TOWE, New Jersey; PAUL B. DAGUE, Pennsylvania; HARDIE SCOTT, Pennsylvania; WILSON D. GILLETTE, Pennsylvania; CLARENCE KILBURN, New York; CHESTER E. MERROW, New Hampshire; ROBERT B. CHIPERFIELD, Illinois; JAY LEFEVRE, New York; HENRY J. LATHAM, New York; WALTER NORBLAD, Oregon; JAMES E. VAN ZANDT, Pennsylvania; EDWARD T. MILLER, Maryland; THRUSTON B. MORTON, Kentucky; RICHARD M. SIMPSON, Pennsylvania; RUSSELL V. MACK, Washington; CHARLES A. PLUMLEY, Vermont; JOHN B. BENNETT, Mich-

igan; KATHARINE ST. GEORGE, New York; ALBERT M. COLE, Kansas; WILLIAM S. HILL, Colorado; HAROLD O. LOVRE, South Dakota; EARL C. MICHENER, Michigan; CHAUNCEY W. REED, Illinois; CARROLL D. KEARNS, Pennsylvania; LAWRENCE H. SMITH, Wisconsin; KARL M. LECOMPTE, Iowa; RALPH E. CHURCH, Illinois; THOMAS A. JENKINS, Ohio; SID SIMPSON, Illinois; THOMAS E. MARTIN, Iowa; JOHN W. BYRNES, Wisconsin; LEO E. ALLEN, Illinois; AUGUST H. ANDRESEN, Minnesota; EARL WILSON, Indiana; JOSEPH W. MARTIN, JR., Massachusetts; CHARLES A. HALLECK, Indiana; JOHN DAVIS LODGE, Connecticut; CLIFFORD P. CASE, New Jersey; CHARLES A. EATON, New Jersey; WILLIAM L. PFEIFFER, New York; NORRIS COTTON, New Hampshire; JAMES G. FULTON, Pennsylvania; DANIEL A. REED, New York; DONALD L. JACKSON, California; J. GLENN BEALL, Maryland; FREDERIC R. COUDERT, JR., New York; ROBERT F. RICH, Pennsylvania; FRANK FELLOWS, Maine; WESLEY A. D'EWART, Montana; GEORGE A. DONDERO, Michigan; WALTER E. BREHM, Ohio; WILLIAM M. MCCULLOCH, Ohio; HUBERT B. SCUDDER, California; WILLIAM W. BLACKNEY, Michigan; RALPH HARVEY, Indiana; PAUL W. SHAFER, Michigan; CECIL M. HARDEN, Indiana; DAYTON E. PHILLIPS, Tennessee; JOHN M. VORYS, Ohio; ANTONI SADLAK, Connecticut; DONALD W. NICHOLSON, Massachusetts; EDITH NOURSE ROGERS, Massachuetts; T. MILLET HAND, New Jersey; GORDON CANFIELD, New Jersey; JAMES T. PATTERSON, Connecticut; RALPH A. GAMBLE, New York; W. STERLING COLE, New York; GORDON L. MCDONOUGH, California; ROBERT W. KEAN, New Jersey; IVOR D. FENTON, Pennsylvania; BENJAMIN F. JAMES, Pennsylvania; LEON H. GAVIN, Pennsylvania; ROBERT J. CORBETT, Pennsylvania; FRANKLIN H. LICHTENWALTER, Pennsylvania; THOR C. TOLLEFSON, Washington; SAMUEL K. MCCONNELL, Pennsylvania; DEAN P. TAYLOR, New York; EDWIN ARTHUR HALL, New York; W. KINGSLAND MACY, New York; JOHN J. ALLEN, California; JACK Z. ANDERSON, California; THOMAS H. WERDEL, California; HERBERT A. MEYER, Kansas; GLENN R. DAVIS, Wisconsin; H. R. CROSS, Iowa; ROY O. WOODRUFF, Michigan; PAUL CUNNINGHAM, Iowa; JESSE P. WOLCOTT, Michigan; DEWEY SHORT, Missouri; CHARLES B. HOEVEN, Iowa; HAROLD C. HAGEN, Minnesota; HAROLD H. VELDE, Illinois; HENRY O. TALLE, Iowa; JOSEPH P. O'HARA, Minnesota; CHARLES E. POTTER, Michigan; KARL STEFAN, Nebraska; H. CARL ANDERSEN, Minnesota.

In order to complete the record at this point I want to refer again to the action on the identical resolution, Senate Joint Resolution 108, which was reported favorably on June 13 and to the very significant nonpartisan support indicated in the other body by 61 Senators, 37 Republicans and 24 Democrats.

Either the gentleman from Ohio [Mr. MCGREGOR] or I will be glad to receive any further names of any of our colleagues who wish to join in this effort. In that connection, may I repeat the quotation from the statement by the gentleman from Massachusetts [Mr. MARTIN], when he filed the resolution:

> I invite Democrats as well as my Republican colleagues to join with us in this vital effort.

We are faced with cold, unpleasant, indisputable facts. In his budget message, January 3, the President estimated a deficit of $600,000,000 in fiscal 1949. Last week the facts were established that the deficit is $1,811,000,000, over three times as much as the President estimated.

In that same message the President estimated the deficit for the current fiscal year at $873,000,000. On the same minimum basis that estimate should be revised to at least $2,620,000,000.

It is frequently argued here that on occasions we are faced with a condition and not a theory. Surely, this is a condition of major importance with probable tragic results on the economy of this Nation. This resolution offers a means of meeting this condition. It is entitled to the fullest kind of immediate consideration here.

Amendment of Clayton Act With Regard to Price Discrimination and Freight Absorption

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EXTENSION OF REMARKS
OF

HON. USHER L. BURDICK

OF NORTH DAKOTA

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 7, 1949

Mr. BURDICK. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following statements:

STATEMENT OF ANGUS M'DONALD, ASSISTANT LEGISLATIVE SECRETARY, NATIONAL FARMERS UNION, ON S. 1008, AN ACT TO DEFINE THE APPLICATION OF THE FEDERAL TRADE COMMISSION ACT AND THE CLAYTON ACT TO CERTAIN PRICING PRACTICES, TO THE SELECT COMMITTEE ON SMALL BUSINESS, HOUSE OF REPRESENTATIVES, JULY 1, 1949

Mr. Chairman and members of the committee, as a representative of the National Farmers Union I am here to state the position of my organization in regard to S. 1008 which amends the Clayton Act in regard to price discrimination and freight absorption. In our view, this amendment cuts the heart out of our antitrust laws, repeals section 2 of the Clayton Act, which contains the revisions of the Robinson-Patman antidiscrimination act, and legalizes the old Pittsburgh-plus practices which, it was proved in 1924, cost American farmers hundreds of millions of dollars.

Before I proceed to a consideration of the several discrimination cases and our analysis of S. 1008, I would like to explain why our organization, as well as American farmers in general, has been traditionally opposed to basing-point price systems and to any kind of price discrimination which gave to the seller a varying mill net return. Agriculture is the most highly competitive group in our economy and, therefore, farmers have no means of engaging in price discrimination or setting up pricing systems with varying mill net returns except under very exceptional and temporary circumstances.

A farmer cannot set up a price system under which he charges one customer more than another for the simple reason that as soon as he started discriminating, farmers in competition would undersell him as soon as the discrimination became known. Therefore, the farmer in his business has no interest in seeking to exact from the general public charges for phantom freight or charges which would result from any other monopolistic practice.

The farmer, however, does have an interest in seeking to prevent price systems and monopolistic practices which extract from him charges which are in excess of those existing in a free competitive system. In the past, farmers have been cheated out of billions of dollars because they had to pay excessive prices resulting from Pittsburgh-plus and other basing-point price systems. The record is clear that the farmer has nothing to gain and much to loose by the existence of so-called uniform pricing systems. Let me quote briefly from a decision of the United States Supreme Court, 1924. This opinion outlawed the Pittsburgh-plus prices because it was proved that farmers and others paid many million dollars because of the operation of this monopolistic price system.

"Deere & Co., farm implement manufacturers, pay $488,400 annually as imaginary freight, while the farmers who purchase their implements must pay over double this amount, or over $1,000,000 annually, as extra prices for Deere & Co.'s implements, because of this imaginary-freight item. In other words, for every dollar which the farm implement companies pay as Pittsburgh-plus, the farmers must pay more than double every such dollar, because to the actual Pittsburgh-plus paid by the farm implement manufacturer must be added the various percentages of overhead, selling expenses and profits which are borne in the ordinary course of business. The figures are undisputed in the record. As the president of the American Farm Bureau Federation, representing more than a million and a quarter farmers, testified, the double Pittsburgh-plus imaginary freight thus paid by the farmers in only 11 Middle Western States amounted to around $30,000,000 annually. The farmers in the other States would use even more steel than those in the 11 States figured in the calculations. The Emerson-Brantingham Co., a farm implement manufacturing company pays around $100,000 annually as Pittsburgh-plus imaginary freight, which means that its customers must pay around $200,000 annually more than they would have to pay if the Chicago district mills eliminated Pittsburgh-plus as hereinabove mentioned. The Litchfield Manufacturing Co., a farm implement manufacturing company, pays $68,000 annually as imaginary freight, and its customers pay twice that amount. Pittsburgh-plus resulted in an addition to the list prices of J. I. Case Threshing Machine Co., an agricultural implemnt manufacturing company, in the year 1920, of $509,033, which amount the farmers would have been saved if Pittsburgh-plus had not been charged. A Minneapolis manufacturer pays $84,000 annually as Pittsburgh-plus, and so on."

Successive cases have indicated that such excessive charges are the inevitable result of such monopolistic systems. There have, of course, been many variations in the methods devised by greedy groups and unscrupulous attorneys when they sought to evade our antitrust laws. But there is one characteristic common to all of these methods, and that is that they all employed price discriminations. That is, they did not sell to all customers at the same price but picked out a favorite few so that the rest would go out of business. This was the tactic employed in the recent Standard Oil case. The Standard Oil Co. selected out of 357 customers 4 big concerns who acted both as wholesalers and retailers. At the time of the action these 4 big concerns were systematically putting out of business the other 353.

Now we are told by experts who have made a life-time study of such practices that this legislation S. 1008 legalizes such practices and not only undoes the work of the United States Court of Appeals in the 7th Circuit—that is, the recent Standard Oil case—but actually makes legal Pittsburgh-plus, multiple basing point price systems, price discrimination of every kind, including that involving freight absorption, unless some element of conspiracy can be proved.

Now I would like to discuss S. 1008 in detail. Section 1 says nothing about protecting competition and it ties the hands of the Federal Trade Commission in looking into monopolistic situations where uniform delivered prices or freight absorption is involved. Section 2 goes even further. It

provides that "sellers may absorb freight to meet the low price of a competitor in good faith" no matter if this so-called meeting of competition is such as in the Standard Oil case, which could have resulted in the complete destruction of competition. The way this particular section was amended makes me suspect that the authors were actually working to design a bill which would injure competition. This is indicated by the deletion of the phrase "except where effect of such absorptions will be to substantially lessen competition." If the authors of this legislation did not want to injure competition why did they delete this phrase? But this section goes even further. The authors of the bill are anxious that the sky should be the limit in raising or lowering prices to bring about the destruction of competition. Significantly, this phrase is added: "this may include the maintenance, above or below the price of such competitor, of a differential in price which such seller customarily maintains."

Section 3 of S. 1008 is even more far-reaching than section 2. It not only legalizes discriminations which result from freight absorption, phantom freight, etc., but it legalizes price discriminations where no element of transportation costs are involved. Again in this section the authors of the bill struck out any language which would safeguard competition. The opening paragraph, particularly the words "Upon proof being made, at any hearing on a complaint under this section, that there has been discrimination in price the effect of which upon competition may be that prohibited by the preceding subsection" is nonsensical. It doesn't make sense, because the words "except where the effect of such absorption of freight will be to substantially lessen competition" were stricken from the bill. In this section, also, the authors seem to feel that they might have overlooked some discrimination or other that wasn't legalized, so they added, and I quote, the words in italics in the bill: "and this may include the maintenance, above or below the price of such competitor, of a differential in price which such seller customarily maintains."

In the fourth section there is also an attempt to weaken the Robinson-Patman Act by substituting reasonable probability for the words "substantial and probative evidence."

In conclusion, I would like to refer briefly to the arguments which the proponents of this legislation have put forward. They contend that sellers meeting competition in good faith is made a complete defense that this will result in lower prices to consumers and in so-called hard competition. They also say that if sellers are not allowed to cut prices and discriminate against various buyers that the result would be soft competition.

This is a curious argument. It seems that what we have always considered as fair competition, that is, that a seller always sells to everybody at th same price, is now considered soft and that which we had considered as unfair competition, that is, practices which operated by means of discriminations to destroy competition by the seller's customers is now considered hard. This argument, of course, is not new. It has always been used when sellers were engaging in monopolistic practices with adverse effects on competition. This was pointed out recently in the Standard Oil case referred to above. I quote from the opinion of the circuit court:

"Now as to the contention that the discriminatory prices here complained of were made in good faith to meet a lower price of a competitor. While the Commission made no finding on this point, it assumed its existence but held contrary to the petitioner's contention, that this was not a defense.

"Prior to June 19, 1936, when the Robinson-Patman Act went into effect, the Clayton Act, section 2, provided:

" 'That it shall be unlawful for any person engaged in commerce, * * * either directly or indirectly to discriminate in price between different purchasers of commodities * * * where the effect of such discrimination may be to substantially lessen competition or tend to create a monopoly in any line of commerce: *Provided*, That nothing herein contained shall prevent discrimination in price between purchasers of commodities on account of differences in the grade, quality, or quantity of the commodity sold, or that makes only due allowance for difference in the cost of selling or transportation, or discrimination in price in the same or different communities made in good faith to meet competition.'

"Thus it will be seen that a discrimination in price made in good faith to meet competition was a defense under section 2 of the Clayton Act, as was a showing that the discrimination was made because of cost savings, or proof of the other defenses given by the act. But since large buyers could always get such price meeting by suppliers to justify a discrimination in price in their favor, the purpose of the act to avoid such discrimination was easily evaded."

The evidence thus seems overwhelming that this legislation should not be passed by the Congress. It should not be passed because, as stated above, it legalizes price discrimination of every kind, and will allow the reimposition of the old Pittsburgh-plus system and repeals our basic antitrust laws. We, therefore, urge that every Member of Congress use his utmost efforts to bring about the defeat of this legislation.

STATEMENT OF HON. WRIGHT PATMAN TO INFORMAL CONFERENCES OF VOCATIONAL ORGANIZATIONS ON JULY 7, 1949

If there is one thing on which all of us can agree, I think, it is that we must have a free economy if we would preserve our political freedom.

If there is another thing on which we can agree, I think, it is that unless we attack and solve this problem of monopoly and monopoly power we will be confronted by some kind of collectivism.

At least, I think there is every justification for the report and warning sent to the Congress about a year ago when the Federal Trade Commission presented its report on the concentration of financial and industrial power. The warning was that there was only a short time to choose between having a system of bona fide free enterprise and a system of some kind of collectivism.

This problem of monopoly power is a problem with which we are concerned in the House Committee on Small Business, of which, as you know, I am chairman. But I invited you to this preliminary conference as a Member of the House and in the hope that I could get your assistance for the purpose of presenting a program to the House Small Business Committee for its consideration. I wanted this to be an informal conference. I may have to be in the House during part of the day, but I shall be here as much as possible because my heart is in this conference and this work.

We now have a warning of possible trouble ahead of us in the increased number of unemployed. Let us hope that will not become a serious problem. But the warning is here now. We have a warning in the weakening of our agricultural economy. Let us hope that will not become serious, but the problem is here with us now. We all know that what the Brookings Institution revealed to us some years ago is true—we can produce an almost unlimited quantity of goods and services. We all know also what the Brookings Institution revealed is true—that our basic difficulty is in our power to buy and consume these goods and services. I believe that the outstanding factor in this problem is the problem of monopoly and monopoly control of our economy.

We have attempted to deal with this monopoly problem, through our antitrust laws, and in some manner over a period of more than 50 years. But it is one thing to write laws. It is another thing to enforce them. It is important that the people of the country shall be intimately concerned with the enforcement of these laws. I thought that the best method for getting the interest and support of people was to get your great vocational groups to come together. Very frankly, we need your help. At least, I know that I need it.

In the discussions preliminary to the calling of this conference, I got many suggestions. I am going to put them before you but I think the conference should be free to discuss any proposal which may come from those present.

The first suggestion is that the House Committee on Small Business should organize a series of hearings on the monopoly question. In preparation for the hearings the committee should call on the Department of Justice and the Federal Trade Commission, and also on the Departments of Commerce, Treasury, Labor, Agriculture, Interior, and the Federal Reserve Board to present statements in which they would discuss the general problem of monopoly and its magnitude, the difficulties the Departments have in dealing with the problem, and what recommendations they would make.

These statements from the Government services would be mimeographed and distributed to the representatives of vocational groups some time prior to the hearings. Then the vocational groups would be asked to present statements and they would be mimeographed and distributed.

Thereafter, and with due notice, the hearings would be opened. The departments of Government would present their witnesses. After the members of the committee had completed their examination of the witnesses, the vocational group representatives would be privileged to ask questions. Thereafter the representatives of vocational groups would present their witnesses and after they were examined by the committee, the Government representatives would question them. In that way the committee would get the value of a round-table conference session with an adequate record.

Thereafter, the Government departments and the vocational group representatives would, let us say within 10 days, present a written summarization of views and recommendations which would be based on the record.

I have also had some very general suggestions, or questions, which might be developed as part of the inquiry by the House committee and which might be, perhaps, discussed in this conference. I have tried to make the questions somewhat specific, as follows:

Is our general approach toward solution of the problem of monopoly, as that approach is now outlined in the Sherman Act, the Clayton Act, the Federal Trade Commission Act, and the Robinson-Patman Act, a sound approach?

1. Are the duties now assumed by the Department of Justice the entire and general duties and obligations the Department should assume?

2. Are the duties now assumed by the Federal Trade Commission the entire and general obligations the Commission should assume?

3. Are the Department of Justice and the Federal Trade Commission adequately

equipped and supported to do the work which they should do?

4. Do the Department of Justice and the Federal Trade Commission have complete cooperation from other departments of Government in matters affecting fair-trade and antitrust laws?

5. Should the Government continue to purchase goods from organizations which have been persistent violators of the antitrust and fair-trade laws?

6. Should the Government lease public lands and mineral rights to organizations which have been persistent violators of the antitrust laws or should these resources be developed in some way as controls against monopoly practices?

7. Is there discrimination in our tax laws, or in other laws, in favor of or against any kind of business?

8. Do the tax laws, through providing for formation of charitable and educational trusts, encourage the concentration of economic power?

9. Should the Government act to disintegrate those businesses which are now integrated, such as has been proposed for the rubber-tire industry and the oil industry?

Welfare State Will Lead to Compulsion, End of Freedom

EXTENSION OF REMARKS

OF

HON. AUGUST H. ANDRESEN

OF MINNESOTA

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 7, 1949

Mr. AUGUST H. ANDRESEN. Mr. Speaker, it is refreshing to note that some of the Nation's business leaders are concerned about the future of our country. Only a few have had the courage to speak up against the rapid drift toward bankruptcy and socialism in the United States. On this issue, I recommend that you read the following constructive address made by Mr. John Cowles, president of the Minneapolis Star and Tribune, in Des Moines on June 21, 1949. Mr. Cowles is one of the leading businessmen of the country.

WHERE WILL NEXT CENTURY CARRY UNITED STATES?—WELFARE STATE WILL LEAD TO COMPULSION, END OF FREEDOM

Whether the next 100 years will be marked by as great advances for America as the past century is the subject I should like to discuss tonight. The easy, Pollyanna attitude is to say, "Yes, of course." I believe the question deserves fuller consideration.

The concept of the freedom of the individual, of the importance and human dignity of the self-reliant individual, was the basic philosophy upon which America grew great.

For a number of years we have been increasingly lessening our emphasis on, perhaps losing our faith in, both individualism and freedom. Freedom is the most important thing in the world. If we lose it we will lose everything.

If I were asked what is the greatest single menace confronting us today, I would not say Russia. I would say soft socialism, the idea of the welfare state, the steady increase in the Federal Government's power over the lives and purses of our citizens.

Although I do not minimize the danger to the world of Russia, I think we are more likely to lose our freedom as a result of our own internal domestic actions than as a result of foreign aggression.

I was interested to learn recently that General Eisenhower feels the same way. As president of Columbia University, Eisenhower, in a letter declaring his opposition to Federal aid for education, made this statement:

"I firmly believe that the army of persons who urge greater and greater centralization of authority and greater and greater dependence upon the Federal Treasury are really more dangerous to our form of government than any external threat that can possibly be arrayed against us."

In my opinion, if President Truman's current program were adopted by Congress, the United States would be converted from a Republic to a Socialist state within a few years. Socialism is the great illusion of this generation and the belief that socialism could give us a freer and more abundant life is fantastically false.

President Truman is, I believe, a well-intentioned man, a man of goodwill. I think that he simply does not understand the implications and the consequences of the proposed policies which underlings bring to him for his approval. He recognizes that they have political appeal and so he endorses them.

Socialism means, of course, a planned economy and a centralization of power, and they in turn mean socialism. The United States has grown strong and great by following precisely the opposite philosophy. No large nation anywhere has yet demonstrated that a planned economy can be successfully operated without compulsory labor, destruction of representative government, and the suppression of civil liberties.

There is less difference between socialism and communism than many people assume. While the Government of Great Britain is anti-Communist, it is philosophically Marxist, and will tend to become, I believe, increasingly a totalitarian state. There is no evidence from the British experiment to date to indicate that socialism will prove successful there, but the areas of personal freedom are already diminishing. Yet many people in the United States want us to adopt the British pattern along many different lines without waiting to see whether the Socialist experiment fails or succeeds in Britain.

One of the great tragedies of this decade is the fact that, because of the Russian Communist menace, it has been necessary for the United States to give billions of dollars to the Socialist governments of western Europe to help support them as a bulwark against the western spread of communism.

No one should assume that I am unsympathetic either with the British as a people or with the necessity of the Marshall plan and European aid. I had the privilege of being in England at one of the darkest times in the war, dufing the blitz, after France had fallen and before Russia or the United States had declared war on Germany. No one who was in England during that period and saw the magnificent spirit and courage of her people can ever have any feeling other than that of deepest admiration for them. But in England today, it seems evident to me that two cancers are spreading through the whole body.

First is the lack of incentive for production, with progessively increasing regimentation and growing bureaucratic controls that themselves retard production.

Second is the apparently growing acceptance of the view that individual liberty and freedom of choice are secondary and must unquestioningly give way in acquiescence to what the people in control say is in the interest of the state.

Anyone who thinks that things are going well in England is profoundly mistaken. On the contrary, the experiment in England is demonstrating that socialism is not a workable system without compulsion. Despite the fact that the United States has given England billions of dollars since the end of the war, her financial position is becoming steadily worse.

Wholly apart from lend-lease which continued long after the conclusion of the fighting, we have given England an American loan of $3,750,000,000, the international monetary fund has given her $300,000,000 and Canada has given her a large loan.

Under the Marshall plan, England in the last 12 months has received about $1,263,000,000. The population of the United Kingdom is about 50,000,000. Assuming four to a family, that means there are 12,500,000 families in the United Kingdom. So our ECA aid alone during the past year has amounted to $100 a family.

Despite the fact that England is scheduled to receive about $1,000,000,000 under the Marshall plan this coming year, I fear that she is headed within relatively few months into another major crisis.

Now that throughout the world we have shifted from a sellers' to a buyers' market, English exports are beginning to show serious declines.

Most financial experts believe that, despite Stafford Cripps' recent statement to the contrary, before many months England will be forced to devalue the pound. Clearly that will be a wise development, but even an intelligent optimist can't believe that devaluation alone will conceivably solve England's financial plight.

The workers in England, probably because they fear unemployment, are resisting new techniques and the introduction of modern machinery which would increase production. Many of the unions are demanding more pay. Strikes and slow-downs are showing up in nationalized industry. The workers are demanding higher wages but lower prices, lower taxes, and shorter hours.

If Britain devalues the pound, that will tend to raise the cost of the food and raw materials that the British have to import from abroad, and the British will have fewer dollars as their exports decline.

Last year, for example, British automobile makers sold 19,000 cars in the United States. Now they are only selling a trickle here. Security prices in England have been declining, and there are many indications that, unless the United States wants greatly to increase its gifts to England, Britain is headed for an extremely tough time, with a standard of living substantially lower than that which exists in the United Kingdom today.

Before the United States goes farther down the road that England has taken, it would seem to me only the part of prudence to await the consequences of present British Socialist policies and then determine whether we want to imitate them.

Here in the United States the administration is now urging that we adopt the so-called Brannan plan which is similar in principle to the food subsidies paid in England. The British Government lets people buy food at much less than its cost, and the national treasury pays the difference out of taxes. Under the Brannan plan, farm products would be sold to city people at lower prices and the Federal Treasury would pay increased subsidies to farmers so that farm income remained high.

Now no one whose business depends upon the prosperity of the agricultural States, as do our newspapers, could desire anything other than high farm income and high farm purchasing power. But before our Nation adopts a policy of selling food cheap to consumers with the Federal Government directly subsidizing the farmers, both the consumers and the farmers should scrutinize the plan

with the greatest care and consider its ultimate implications and consequences.

Consumers would be indirectly paying the subsidy through higher income taxes. Moreover, if the farmers expect permanently to receive guaranteed income, they should recognize the certainty that it will mean complete production controls and the utter surrender on their part of any freedom of choice, or freedom to take individual risks in the hope of extra rewards.

In the past year, average prices paid to farmers for their crops have declined more than have retail food prices. That is largely because marketing and processing and transportation costs take nearly half of every dollar that consumers spend for food. Will the next step be the proposal that the Government should also subsidize the food manufacturers and processors and the railroads so that food can be sold to the consumer at still lower prices?

Let's consider another example. Clearly, it is in the national interest to have high employment in the automobile industry, and it would be a fine thing if every American family had not only one but two cars. Let us assume that not enough people will voluntarily pay $1,500 or $2,000 for a car to keep all of the automobile factories going full tilt indefinitely, so that some of them are forced to reduce production and lay off some of their workers. Should the Federal Government then say that the price of automobiles should be reduced to $800 or $1,000 apiece—with the Federal Treasury paying the difference to the automobile manufacturers?

And where is the Federal Government to get the additional billions it will need for all of the new spending programs that are being urged?

No matter how theoretically desirable certain social-welfare legislation may be, we simply must consider the extent to which the national economy can stand additional taxes.

Moreover, we are too prone to accept, uncritically, the view that all the proposed social-welfare legislation is theoretically desirable.

Every enlightened American wants to improve the quality of our schools and colleges. Better public education is one of the most basic needs of the Nation. The teachers generally deserve much higher pay. Yet, even if the Federal Treasury had the money, which it does not, do we want Federal aid for education, which is almost certain to result in Federal control?

Every enlightened American wants to see the quality of our housing improved. There are many things that States or cities can and should do that will make building costs lower and will stimulate more individuals on their own initiative to build more homes, for themselves, or for sale, or for rent.

But even if the Federal Treasury had the money, which it does not, why should we assume that the Federal Government now has an obligation to provide decent homes for every American family?

Even if we do believe that these proposals and dozens of other social-welfare projects like them are theoretically desirable, and even if we do believe that they are a proper function of the Federal Government, we must still make the preservation of the financial stability of the United States, upon which not only our freedom but the peace of the world rests, our first concern.

If the United States should go into a financial crisis through excessive Government spending, which it might, we would completely lose our place as the bulwark of resistance against the spread of communism throughout the world. That would mean that all the billions that we have spent for the Marshall plan would have proved an utter and complete waste of our substance.

I for one am convinced that if Congress were to raise the tax rates with the idea of collecting the $4,000,000,000 in additional income taxes which President Truman is urging, those higher tax rates would produce less revenue for the Government than it is now taking in. In addition, in all probability, it would plunge the United States into a major depression. Fortunately, Congress is apparently going to ignore Mr. Truman's recommendation as to a tax increase.

While deficit financing (spending more than is collected in taxes) may be necessary or even desirable in a critical period, such as during a war or depression, the budget ought to be at least in balance during periods of relative prosperity. If the people get the idea that the Government can spend limitless amounts, and that it is unnecessary to balance the budget even in comparatively good times, we will head down a road that can only lead to national disaster.

I had the privilege of serving as a member of the Hoover Commission task force on the national defense set-up. From my experience on that committee, I am convinced that at least $1,000,000,000 and perhaps $2,000,000,000 could be saved with no loss and perhaps with a gain to our national defense. I have read other Hoover Commission reports, and I am satisfied that without harm $2,000,000,000 to $3,000,000,000 additional could be saved in other branches of the Federal Government. Until those savings are made and until the burden of foreign aid is substantially reduced, the United States simply cannot take on additional governmental spending without endangering our whole national economy.

From what I have said, you may conclude that I am extremely pessimistic about the future. To the contrary, I am optimistic provided the American people make wise decisions in the next few years. I believe that it is possible for us to live in peace and freedom and at the same time to increase our productivity to a point where we can at least double the average standard of living in the United States in the next 20 or 30 years, and perhaps, much sooner. But we can only do this if we keep the incentive system based on individual initiative, and do not embrace the idea of the welfare state.

The American free-enterprise system, the incentive system, the profit and loss system—call it what you will—cannot continue to perform its economic function and raise the country's standard of living if tax rates are excessive. The present trend toward Government control is already in some areas beginning to strangle individual initiative. Any increased tax burden would largely destroy the incentive to start new or expand existing business ventures, and our whole standard of living would progressively decline under the weight of Government bureaucracy, much of it wasteful and nonproductive.

Dr. Robert A. Millikan, of the California Institute of Technology, who is certainly one of the most distinguished scholars and greatest scientists of our age, not only a Nobel prize winner but the recipient of many other national and international awards issued a statement a couple of weeks ago opposing Federal aid to education in which he said that local self-government is not only a priceless American heritage but probably the key to the continued maintenance of our freedom.

Here are a few sentences from Dr. Millikan's statement:

"It (local self-government) is the great safeguard against the malignant disease politely called patronage, better called political corruption, which is the chief device through which the party in power in Washington can, and to no small extent already does, seek to indoctrinate the public in the interests of the maintenance of its own power.

"Local cancers in humans or in the States can be eliminated before they have spread throughout the whole body, but when the whole system has become infected the patient dies, whether that patient be a man or a great Federal republic.

"Listen to the exact words of the historian and political philosopher Montesquieu (1747) whose writings were carefully studied and were also very influential with our founding fathers: 'If a republic is small, it is destroyed by a foreign power; if it is large, it destroys itself by an inner vice.'"

Those who are attracted by the alluring promises of the welfare state assume that a planned economy would mean a higher standard of living. I am convinced that the exact opposite would be the result, and that in addition to a lower standard of living for almost everyone, what is far more important is that we lose our freedom as well.

Economic Expansion

EXTENSION OF REMARKS
OF
HON. JAMES E. MURRAY
OF MONTANA
IN THE SENATE OF THE UNITED STATES
Friday, July 8 (legislative day of Thursday, June 2), 1949

Mr. MURRAY. Mr. President, I ask unanimous consent to have printed in the Appendix of the RECORD the stenographic transcript of the radio broadcast on July 3, 1949, on the subject of the economic expansion program. The broadcast was participated in by the Senator from Alabama [Mr. SPARKMAN], the Senator from Minnesota [Mr. HUMPHREY], and myself.

There being no objection, the transcript was ordered to be printed in the RECORD, as follows:

This is Charles Parmer from Washington. As the Fourth of July 1949 approaches, a new declaration of independence is being formulated—a bill to be introduced in Senate and House, which may guarantee freedom from want and misery. Here, as the week ends, three of our Senate leaders, Democrats all, confer together in the office of Senator JOHN J. SPARKMAN, of Alabama, who for long has been planning such a fight. For your listening benefit, I've been permitted to place my microphone on Senator SPARKMAN's desk. You may now hear their plans, for the first time made public.

Sitting across from Senator SPARKMAN is Senator JAMES E. MURRAY, of Montana, who led a congressional delegation on a mission to the White House a few days ago to inform the President of their plan. And here is Senator HUBERT HUMPHREY of Minnesota, who has thrown himself wholeheartedly into the battle.

I'm glad to tell you that these gentlemen—realizing the gravity of our national situation—have brushed aside sectional differences; they present a united front to our common enemy—national want.

Senator MURRAY, why do you plan this bill on economic expansion?

Senator MURRAY. Our bill is proposed as a means of checking the development of economic conditions that might result in a serious recession. In many sections of the country there has been a general slowing down in industry, and serious unemployment is found in certain spots. Our program is designed to offset this unemployment, encourage business and industrial expansion, provide ways and means of encouraging private enterprise, and thus avoid any dangerous conditions of unemployment and business recession.

Mr. PARMER. Are conditions that bad, Senator?

Senator MURRAY. They are not serious at this moment from a national standpoint,

but in particular localities where unemployment has developed, it presents a very serious problem. A prudent government should not be expected to take steps in any other direction except to aid in preventing these conditions from spreading and creating a serious catastrophe.

Mr. PARMER. Did you say catastrophe, Senator?

Senator MURRAY. Yes. It was our failure in the last depression to take appropriate steps in time that permitted that depression to develop into a serious catastrophe. Only the Government can take appropriate steps to aid business in a situation of this kind. Every businessman knows that, acting by himself, he is not able to contribute much toward overcoming conditions of this kind; and therefore, a democratic government must not sit by while unemployment is developing in any serious degree. The Government must look for the economic causes and provide appropriate remedies wherever possible.

Mr. PARMER. I note, Senator MURRAY, that you have alined yourself with the North and the South.

Senator MURRAY. Yes, we have; and we have alined ourselves with the East and the West also. This is a national problem. Every section of the country is witnessing a curtailment in business and industrial activity and a rise in unemployment. These conditions are found in the New England States, in the large cities of the country, on the Pacific coast, in the South, and in almost every area. The present situation is extremely unhealthy, and can easily become worse unless steps are taken to deal with it in a positive manner. Already unemployment has reached a figure of approximately 3,500,000 out of work. In addition, several million workers are on part time, and in some communities we have extreme conditions of unemployment. If the unemployment we already have continues to grow, we could very soon have 6,000,000 or 8,000,000 unemployed workers in the Nation. Every day the press carries articles on this subject, and Members of the Congress are beginning to receive letters from their constituents about it. And so I think it is obvious that Congress should give careful attention to these conditions so as to prevent them from getting out of hand.

Mr. PARMER. I understand, Senator MURRAY, that you contemplate long-range public planning. Specifically, what does that take in?

Senator MURRAY. Well, we propose a series of steps. First, we would provide for a National Economic Cooperation Board, to be composed of representatives of industry, labor, agriculture, consumers, and others having special qualifications. This board would study the developing conditions and make recommendations to promote maximum employment, production, and purchasing power. This would bring the various groups in our economy closer to each other, and would provide a united front to oppose any possible recession or depression. We also propose assistance to private investors, to expand capacity and production in various fields where it is necessary, and to encourage such investment through a speeded-up amortization of such investment, and to supply insurance of such investment in State and regional organizations. Also, we propose scientific research and advice for small business, and study by the Federal Trade Commission of any existing barriers to private investment and production.

We propose also studies by the various Federal agencies of these economic problems and to promote better understanding and better cooperation among the various groups in our economy. We also provide for prompt study of unemployment which has developed in spots, so as to prevent such conditions from spreading.

Mr. PARMER. Thank you, Senator MURRAY. Now Senator SPARKMAN, what about this long-range public-works-planning program?

Senator SPARKMAN. Well, Mr. Parmer, I am a strong believer in a well-planned public-works program to be ready at any time to throw into the breach in the event that unployment becomes so serious as to require it. I believe that the Federal Government should maintain at all times a flexible program that could be expanded tremendously in times of unemployment, and naturally, in times of good employment, could be contracted. So we must have a long-range public-works program. With a rapidly growing national population, we should also give attention to some of the underdeveloped areas of the country so as to make it possible to develop our resources and create new industry and new job opportunities in those particular areas. I want to point out that one of the strong points in this measure that we are proposing is that very thing—so as to lend encouragement to industry to go into areas that are presently underdeveloped industrially, and particularly if those industries will utilize the natural resources that may be found in those particular areas. I would like to point out also that as a part of this long-range public-works program, we certainly should give very careful consideration to President Truman's recommendation of a vast program for the development of our river valley systems. We are having hearings right now, by the by, before the Public Works Committee of the Senate on the Columbia Valley Administration. Senator MURRAY is the chief sponsor, and I believe both Senator HUMPHREY and I are cosponsors with him, on a bill to improve the Missouri Valley. Other valleys in the country ought to be improved. This kind of a program would produce opportunities for employment in those particular areas; such a program would prevent any possible development of a depression in this country for a long time to come. We would have the development of low-cost power in the Pacific Northwest—we have already got it some there, but we need to expand it tremendously. Also in the Missouri Valley. I might just mention hurriedly public buildings, highways, airports, a general over-all public building-public works program that would create jobs in great numbers if it became necessary. That is certainly a major part of the objective of this program.

Mr. PARMER. Now, Senator SPARKMAN, how much do you estimate such a vast program would cost?

Senator SPARKMAN. Well, Mr. Parmer, I don't know that that could be estimated. You probably have in mind the feature in the bill in which we recommend a fund of $15,000,000,000. That I think would be referred to more or less as working capital for all of these various objectives, and that figure certainly should not be used as the estimate of the cost of the public-works program. Of course, we never get through with public works in this country. The big question is, how much do you want to congest them in any one particular given period of time?

Mr. PARMER. Thank you, Senator SPARKMAN. And now, Senator HUMPHREY—you, sir.

Senator HUMPHREY. Mr. Parmer, I am very happy to be just a little part of this program. You have heard from the two distinguished Members of the Senate, who are literally and truly experts in the field of our economy. I come in more or less, as you say, just to give a few general observations. I look upon the economic situation that now confronts us, which surely is not alarming but is one that deserves our consideration, as similar to any situation that might exist in international affairs. For example, in 1935 and 1936, we knew that Hitler was a menace. We knew that he was taking certain steps that were aggressive and that could cause great trouble. The question at that time was, Should we quarantine the aggressor before he gets out of hand? Or should we wait until he did—and as we did, at Pearl Harbor, when everything was out of hand. In other words, should we take preventive measures to stop aggression or should we wait until a full-scale war comes upon us? So we waited for a full-scale war, and we spent not only hundreds of thousands of lives but billions and billions of dollars, into the hundreds of billions. Now, the same thing is true in economics—in our economy. Should we wait until we have what Senator MURRAY has referred to as catastrophe or, back a step, depression; or should we attack these islands of depression, recession, unemployment, where we see them? When we see them and at the time that we see them. I believe in quarantining unemployment; I believe in putting up a public notice that here's a place where we need preventive economic medicine. We need to come in and cure the problem right where we see it, at that moment.

Mr. PARMER. Now, right there, Senator HUMPHREY, how are you going to do it? And will this bill embody such provisions?

Senator HUMPHREY. I think it will. And I think that the one word in this bill that indicates what we're after is what Senator MURRAY pointed out—the National Economic Cooperation Board—cooperation between Government and the people, Government and business—cooperation with the Government in the factors of the economy and as Senator SPARKMAN has pointed out, public works is one great aspect—but not just public works. We also talk about coordinated planning, integrated planning, on the basis where you can project it into the future. It is like visualizing an attack on the part of an enemy. What are you going to do about it? You have long-range plans. And then the substance of this bill is centered around the very nature of our economy—private enterprise. The independent businessman working with the established institutions of our economic system—in other words, this is a bill that works within the framework of the American economic plan; and as Senator MURRAY pointed out, a great portion of this bill is dedicated toward strengthening the productive capacities, providing loans and credits and quick amortization of plant. In other words, using American management, American capital, to meet a problem in our own country. I want to say that there are only two dangers that this Nation faces—one is on the outside, from totalitarian aggression, and I think that danger is even less than the danger of break down within our own economy. And surely if we can appropriate billions and billions of dollars to stop a potential international aggressor, we ought to at least be willing to make plans—sensible, long-range plans within the American pattern, to stop any kind of economic disaster within our own economy. That's why I think this is a well-planned bill. It is called the Economic Expansion Act. It is based upon a growing economy. We can't have the status quo, Mr. Palmer. Every year we get from five hundred to seven hundred thousand new people in our work force; we have to think of America as a growing country—a young nation still growing and moving ahead and unwilling to stand on past laurels.

Mr. PARMER. Thank you, Senator HUMPHREY. Now Senator, just a day ago I heard you, down on the floor, say that you did not stand for nationalization of industry.

Senator HUMPHREY. Well, that's certainly true.

Mr. PARMER. Senator SPARKMAN, is this going to bring about any nationalization of industry whatsoever?

Senator SPARKMAN. No. As a matter of fact, it is the one insurance against it.

Mr. PARMER. Now, Senator MURRAY, how do you feel about that, sir? Is there any danger

to what the old-fashioned leaders talk about—our American way of life?

Senator MURRAY. Absolutely not. The bill emphasizes the idea of having this done within our economy. It should be emphasized that the proposed legislation in no manner whatsoever authorizes Government operation of business. This is to stimulate business—not to operate business.

Mr. PARMER. Thank you, Senator MURRAY. Ladies and gentlemen, we have just sat in the conference of Senate leaders fighting for economic expansion—to save this Nation from depression. The conference was held in the office of Senator JOHN J. SPARKMAN, of Alabama, and with him are Senator JAMES E. MURRAY, of Montana, and Senator HUBERT HUMPHREY, of Minnesota. These three gentlemen—from North and West and South—have united in forming a new declaration of independence—independence from national want and misery. Gentlemen, our appreciation to you for letting our radio audience listen to your plans, today. This is Charles Parmer from Washington, who will be with you again next week, same time and same station. So long until then.

Editorial Comment on Labor Relations Bill Passed by the Senate

EXTENSION OF REMARKS
OF
HON. CLYDE R. HOEY
OF NORTH CAROLINA
IN THE SENATE OF THE UNITED STATES
Friday, July 8 (legislative day of Thursday, June 2), 1949

Mr. HOEY. Mr. President, I ask unanimous consent to have inserted in the Appendix of the RECORD a well-considered editorial from the Greensboro (N. C.) Daily News entitled "What Must Come First." This editorial emphasizes the necessity of adopting some measure for the protection of the Nation in periods of national emergency, and is the reasoned justification for the passage by the Senate of the labor legislation containing the injunction and seizure provisions.

The second editorial is entitled "Be Specific, Please," and is from the Christian Science Monitor, of Boston. This is a complete answer to those who say that the bill passed by the Senate last week does not repeal the objectionable features of the Taft-Hartley bill. This article shows that the portions of the bill which have been more seriously complained of have been eliminated, and yet the labor bosses are not satisfied, because they do not wish any regulation, control, or restraint whatsoever.

There being no objection, the editorials were ordered to be printed in the RECORD, as follows:

[From the Greensboro (N. C.) Daily News]

WHAT MUST COME FIRST

In writing the plant-seizure and injunction provisions into the administration's labor bill, as the hub of the long-standing fight and the section on which action doomed the administration's hopes for repeal of the Taft-Hartley Act, the Senate took about the only sensible, sound course left open to it and one which, in our opinion, will meet with the approval of the average American who has not a particularist approach to the issue involved.

While use of the injunction in strikes is dangerous and distasteful, it is not as dangerous and distasteful as having no legalized way of dealing with industrial tie-ups which threaten the Nation's health or safety or otherwise contribute to a national emergency. It is at least better to write certain provisions clearly and understandably into the law, with restrictions and limitations definitely stated, than to leave a void, without statutory limitations, in which the President might go ahead and act anyway. That would open up the gravest sort of abuses if highly placed officials were of a mind to resort to them.

It is a matter of record that quite a few Senators who did not relish these provisions voted for them because there was no other way offered to accomplish what they were designed to accomplish, assurance through orderly processes that the Nation might not be left at the mercy of a strike or have its economy crippled by any such tie-up as that which might come of a long-time coal-mine idleness or a railroad stoppage. The President is now empowered to act, just as he would have to do if a national emergency occurred anyway, but under designated procedure and within fixed limits.

It is too bad that this issue, as it so vitally affects the Nation, could not have been settled in a different atmosphere in which politics was at least subordinated to the public interest and the ultimate responsibility of Members of the Congress to serve this rather than any group interest, however vocative, well-organized, and capable it is of getting its votes to the polls. It is difficult to see how this one issue, any one issue, can be made the final and only test of a Congressman's ability to serve, his statesmanship, his honesty and sincerity of purpose, and his over-all contribution to his Nation and its security.

For that matter if labor really wishes to get at the individual who is responsible for putting more of the legislation it does not like on the statute books than anybody else, it ought to inscribe John L. Lewis at the very top of its blacklist. Every time Congress comes to a crucial vote, he manages to remind it of just what the country might have to deal with, come a hard winter and a dwindling coal supply.

[From the Christian Science Monitor]

BE SPECIFIC, PLEASE

President A. F. Whitney (to whose Brotherhood of Railway Trainmen neither the Taft-Hartley Act nor the Senate's labor bill applies) declares the new Taft measure worse than the old, and predicts its passage would push the Nation within one step of a Hitlerian dictatorship over labor.

Labor leaders, like politicians and attorneys, are often prisoners of their positions. Their constituents frequently demand of them not impartial statesmanship but militant partisanship. But partisanship as extreme as Mr. Whitney's is likely to make the average American skeptical—the average American who, in his interests, actually is neither all worker nor all boss.

We try to think as would such a composite citizen, and this is how Mr. Whitney's blast and the Taft bill looks to us:

Labor has had some justifiable objections to the Taft-Hartley Act as it stands. Perhaps the most valid has been to the provision which prohibited strikers on an economic issue from voting for a new choice of collective bargaining agent, thus making it at least possible for an employer, through the votes of strikebreakers, to get rid of a union. This threat to union security the new Taft bill removes.

Another reasonable union objection has been that the existing law sets up the general counsel of the National Labor Relations Board as an independent prosecutor, with power to determine, in effect, what cases shall come before the quasi-judicial view of the Board itself. The new Senate bill would restore the authority of the NLRB over its general counsel, and restore, also, the Board's initiative as a sort of benign watchdog over labor's rights and over the workings of labor-management relations.

Union spokesmen, with some cause, have condemned the secondary boycott prohibitions of the Taft-Hartley law as compelling workers in one plant to help break a strike in another, and as crippling union labor's ability to establish and protect minimum-wage scales in an industry. The Taft bill would permit workers to refuse to work on or handle goods subcontracted from a company whose employees are on strike.

The new bill likewise removes doubt that unions may legally spend union funds (though not make campaign contributions) for political activities in behalf of labor's interests. It makes concessions to certain long-established and special situations (such as maritime hiring halls) involving the closed shop. It gives the President at least the option of plant seizure versus seeking an injunction in national emergency disputes. And there are other provisions in the bill directed toward a balance more favorable to labor.

We are reluctant to draw too positive conclusions this early. The flaws in the Taft-Hartley Act did not begin to show up for a year—and even then with scant help from union leadership. Nevertheless, if there be hidden "jokers" in this measure now before the House which warrant talk about its leading to an American Nazi state, a large burden of specific proof lies with those like Mr. Whitney who are making extravagant generalizations. Just more cries of "slave labor law" will hardly be persuasive.

British-Argentine Trade Agreement

EXTENSION OF REMARKS
OF
HON. HOMER E. CAPEHART
OF INDIANA
IN THE SENATE OF THE UNITED STATES
Friday, July 8 (legislative day of Thursday, June 2), 1949

Mr. CAPEHART. Mr. President, I ask unanimous consent to have printed in the Appendix of the RECORD an editorial entitled "What Kind of Suckers Do They Think We Are?" published in the Indianapolis Times of June 23, 1949.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

WHAT KIND OF SUCKERS DO THEY THINK WE ARE?

Formal approval of the deal to exchange British oil, coal, and machinery for Argentine meat and wheat has been delayed, pending an effort to satisfy American objections to this discrimination arrangement.

But if it's true, as reported, that little more is being sought than a face-saving compromise, not materially changing the contract's terms, it is an insult to American intelligence.

If the State Department is willing to settle that easily, some new faces are needed in that Department.

We are being shut out of an important market for our goods and our own money is being used to underwrite the deal.

The London Economist admits that this trade pact violates the British-loan agreement and offends against the charter of the international trade organization, drafted at

Habana in March 1948, to which Britain was a party. It further admits:

"Of course, it is wrong that the Argentines, in selling their meat, should be compelled to take payments in specific British goods, which may not be what they want most or as cheap as the same goods elsewhere. Of course it is wrong that they should have to discriminate against American goods. It is not by these means that international trade can be restored to the level at which it can do its job of enriching and pacifying mankind."

But the Economist defends the arrangement from the standpoint of British self-interest. Without such an exchange, it contends, Britain will get no meat. Also, that Argentina has no other market for its meat which it must sell in order to buy oil, coal, or motorcars from anybody. To which this English publication appends the illuminating observation that "it is only fair to add that the British Government has its eyes so closely glued to the necessities of the moment that it does not give as much attention as it might to the long-term consequences of its policies."

Right there is where we come in.

Britain is sitting in this game with Marshall-plan money—our money—and using it to put us out of business in Argentina for the next 5 years. That is a consequence of British policy with which we must be concerned.

The Marshall plan wasn't intended to create exclusive markets for Britain. It wasn't intended to buy meat for Britain. It is an investment in world recovery. If money voted for this purpose is used to build new barriers to international trade we had better keep it at home and use it to build up our own business.

There is such a thing as American self-interest, too.

The source of Argentina's oil supply is Venezuela. The oil production there is owned by rival American and British concerns, which are competing for the Argentine market. We are selling Venezuela-produced oil to Argentina now, but if this deal goes through we will lose that business.

What kind of suckers do the British think we are?

The Reds and Paul Robeson

EXTENSION OF REMARKS

OF

HON. HUGH J. ADDONIZIO

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Friday, July 8, 1949

Mr. ADDONIZIO. Mr. Speaker, it is unfortunate, to say the least, that the recent conduct of Mr. Paul Robeson has unjustly raised a question in the minds of many Americans as to the patriotism of their fellow citizens of the Negro race. The leaders of the Negro people who are striving to achieve by peaceful means the rights guaranteed them by the Constitution have been quick to repudiate Mr. Robeson's stand and to disclaim his right to speak for them. The following editorial from the New Jersey Record of July 2, one of the leading Negro newspapers in the country, reflects the views of the great majority of colored citizens. I wish to commend Mr. Fred R. Clark, publisher of the New Jersey Record, and his associates for their attitude on this issue which is in keeping with the intelligence and judgment that characterize their thinking on all racial problems.

THE REDS AND I UL ROBESON

(By Wesley T. Moon)

One of the most disgusting apparitions to confront the Negro in late years is the spectacle of a Red-rampaging Robeson. Since his return from Russia every time he opens his mouth it is to boost Russian "Red-ism" and take a slap at democracy.

When he stepped off the plane at New York, upon his return, he had a gripe to make about the police escort awaiting him, when his son married a white girl and some spectators booed, he put in some words for Russia. Now we hear he is going to testify for the Communists on trial in New York—to get in a few more thousand words for Russia, we presume.

Robeson lived well here in the United States. He has seen doors opened to him that were closed to the masses of Negroes. He has been placed in a position from which he can trumpet his magnificent voice to the world. Talent alone put him where he is today; a talent so great, that it pushed down innumerable barriers.

Now that he is in a position to reach down and help others of his race, to be a liaison agent between the races here, he has made himself an object of disgust. On every side we are asked, "Why doesn't Robeson go on back to Russia and stay there?"

We ask the same question. Why doesn't he go back? If a poll were taken among Negroes, I'm sure they would vote to pay his way back if he would promise to stay there. Hard-working, intelligent people on all sides of the racial fence shudder each time his name is mentioned, for fear of what he is doing to their work.

He has nothing to say, and nothing is more annoying than a great person endlessly complaining in a petty way. No Negro group working for better race relations want him as a spokesman. That was made very clear after the noise he made at Paris peace conference, but he continually goes about his Russia this and Russia that business.

If he likes Russia, well and good—that's one of the beautiful things about this country—but we care precious little about how much he likes it over there. He said it a dozen times, now we are waiting for him to go over there—forever—and prove it.

Eye Openers on the Eve of the Fourth

EXTENSION OF REMARKS

OF

HON. JAMES V. BUCKLEY

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Friday, July 8, 1949

Mr. BUCKLEY of Illinois. Mr. Speaker, under leave to extend my remarks, I wish to include an article from the Polish-American Journal of July 2, 1949, written by Mr. Ludwik Lesnicki, a Washington political columnist observer for the Current News Bureau and other newspapers. His views are shared by many correspondents.

The article follows:

EYE OPENERS ON THE EVE OF THE FOURTH

(By Ludwik Lesnicki)

Again a prominent, but ignorant as to our status, John Bull called this Nation: "A nation of lucky Shylocks. They live in the richest country, endowed with almost unbelievable resources of mother earth, which they do not deserve." So writes John Bull—let's look at the facts on this eve of the Fourth of July.

America asks nothing for herself except what she has a right to ask for humanity itself, as described wisely by the immortal Woodrow T. Wilson. This cardinal fact that we ask nothing for the United States, except what we have a right to ask for humanity itself, sets us apart from the other nations of the earth.

We have no dreams of empire.

We cast eager eyes on the possessions of no nation under the God's sun.

We are content to live and let live.

We are content to have and let have.

Time and time again we have put aside opportunities which few nations would have the courage to resist.

We might have taken Cuba: we did not.

We might have taken indemnities from China; we returned them. We might have seized favorable occasions to extend our territory in this hemisphere; we did not.

We preferred to stand before the world as a protector and not as a despoiler.

Today—on the eve of the Fourth of July of 1949—when the ambitions of so many nations can be and are expressed in terms of more territory, more power, more influence, our country stands forth as one that wants nothing for itself except the well-deserved respect for those elemental rights which nations must make respected or cease to be worthy of the name.

We ask the nations for nothing.

We simply ask them to respect what is our own.

They have nothing we desire.

But we have much that we desire to keep, must keep, and will keep.

Those things, the essentials of nationality and the common possession of humanity, they cannot and will not take away.

For their own purposes some foreign nations—Great Britain mainly—have created and maintained the infamous lie of America's preoccupation with dollars only. Our donations of billions of good American dollars to them answers the familiar, foolish libel again repeated by the ignorant, to put it mildly, John Bull.

On the eve of Independence Day we again reaffirm this Nation's ancient dedication to humanity.

Visible and Invisible Taxes

EXTENSION OF REMARKS

OF

HON. HOMER FERGUSON

OF MICHIGAN

IN THE SENATE OF THE UNITED STATES

Friday, July 8 (legislative day of Thursday, June 2), 1949

Mr. FERGUSON. Mr. President, I ask unanimous consent to have printed in the Appendix of the RECORD an article entitled "You Pay Out in Taxes More Than You Think," written by Earl Richert, Scripps Howard staff writer.

This is a time when the people of the country are very anxious to understand just what taxes are being paid. The article deals with the taxes paid on automobiles. I am inserting it in the RECORD so the people may understand that they pay an average of about $450 on the average car in the low-price brackets.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

YOU PAY OUT IN TAXES MORE THAN YOU THINK; THEY'RE ABOUT $450 ON AVERAGE CAR IN THE LOW-PRICE BRACKET

(By Earl Richert)

The way the experts figure it, you pay anywhere from $355 to $466 in taxes—most of it hidden—when you buy a new car in the $1,600-to-$2,000 price range.

All told, it is estimated at least 206 separate tax transactions occur along the route of manufacture—from raw materials to shiny new auto.

And these taxes are all covered in the price you pay your dealer. You're stuck for interest on them, too, if, like most people, you pay by monthly installments.

The man who buys a car, says James D. Mooney retiring president of Willys-Overland, usually knows he is paying a Federal excise tax of about $90 or more. Then there is a State or city sales tax that usually runs about 3 percent of the price of the car, plus license plates and registration fees.

But what the buyer doesn't think about, Mr. Mooney said, is that the income and withholding taxes paid by the men who make and sell the vehicle are also a part of the car's selling price. So are the corporation taxes, the property taxes, the transportation taxes etc., all along the line.

"In the end, all taxes must come out of the pocket of the consumer," he said. "When the Government slaps a heavy tax on a corporation it is really taxing the man who buys the corporation's product.

"This is because of the simple economic fact of life that all costs that enter into the manufacture of a product must be covered by its selling price."

Mr. Mooney said today's average car in the lower price brackets contains about $450 worth of direct and indirect taxes.

K. T. Keller, president of Chrysler, estimated that a car which his firm sells wholesale at $1,120 carries with it at least $200 in tax when it leaves the factory.

"By the time a transportation tax has been added, and a State sales tax, and the applicable portion of the dealer's income and property taxes, and a license and title fee, the customer who drives it away for around $2,000 can tell himself that no less than $355, and probably at least $400 of the check he has written is for tax money," he said.

General Motors officials estimate at least 17 percent of their price to dealers is to cover their own corporation and excise taxes.

Mr. Mooney's estimate of about $450 in taxes was based on a car which sold at retail for $1,897 in 1948. It adds up as follows:

Direct corporation taxes	$36
Income taxes paid by employees of car manufacturers	81
Corporation taxes and income taxes of employees of parts suppliers	110
Taxes paid by dealer and his employees	96
Federal excise taxes	91
State sales tax	52
Total	466

Mr. Keller suggested that every time a person paid for a new automobile he fix it firmly in his mind he is paying off:

So much of interest on the war debt; so much for the Army, Navy, and Air Force; so much for old-age pensions;

So much for the Indians; to dredge rivers; for unemployment insurance; for public health; for the merchant marine; for the highways; for local police and fire departments, and sewers;

So much to support the price of eggs; for atomic research; to support inefficient producers; for relief abroad, and for relief in this country;

So much for the cost of collecting all these taxes, and so much more to pay salaries of a lot of other people on the public pay roll.

Fake Story of Guadalcanal Strike Retracted

EXTENSION OF REMARKS

OF

HON. EDWARD J. HART

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Friday, July 8, 1949

Mr. HART. Mr. Speaker, under leave to extend my remarks, I include herein an article from the CIO News of June 13, 1949, relating to the entirely false story circulated in January 1943 by certain newspapers which grossly libeled seamen members of the CIO Maritime Union, by charging that servicemen engaged in the defense of our country on Guadalcanal "had been forced to unload their own supplies from a merchant ship on the island battleground because of the refusal of civilian crewmen to work on Sunday."

Although this vile story was repudiated in the month following its publication, it was not until early in June 1949 that, as a result of a libel action brought against the Associated Press by the National Maritime Union, the story was formally retracted. As in practically all such cases, the retraction was made as inconspicuously as possible. The article follows:

AFTER 6½ YEARS AP FINALLY RETRACTS FAKE STORY OF NMU GUADALCANAL STRIKE

An exposé disparaging the war service of CIO Maritime Union seamen, which made headlines throughout the country in January 1943, and which was officially repudiated a month later, was retracted last week by the Associated Press as one of the terms of settlement of a libel action brought against them by NMU.

Associated Press also agreed to pay the union $7,500 in the settlement, which was reached out of court. The union's suit against Hearst Consolidated Publications, publishers of the New York Journal-American, which had carried the original AP release, was settled at the same time by payment of $1,000.

The libel suit was based on an Associated Press story of January 22, 1943, quoting a copyrighted article under the byline of Helen Waterhouse, which had appeared in the Akron Beacon-Journal the day before.

The Beacon-Journal story purported to be based on the accounts of six servicemen who had returned to Akron from fighting on Guadalcanal with "the incredible claims that their buddies had been forced to unload their own supplies from a merchant ship on that island battleground because of the refusal of civilian crewmen to work on Sunday." The story identified the servicemen only as "three marines, two sailors and a Navy pilot."

Confirmation, said the newspaper, has come from a high official source in Washington who, though he witnessed these conditions during his service on Guadalcanal, must necessarily remain anonymous.

The Beacon featured the story across eight columns of its front page with the headline, "Ship 'strike' ires Guadalcanal fighters."

The Associated Press story went out the following day, quoting the Beacon story and adding a line to the effect that the merchant seamen refused to work on Sunday because of union regulations.

The New York Journal-American was one of the papers which used the story. It broadened the reflections against merchant seamen to include the entire CIO by headlining it "Marines Unload in CIO Holiday." The story was featured on page 1.

The Chicago Tribune added quotes of disparaging remarks supposed to have been addressed to the marines by the merchant seamen as they watched them work. "Fifty-dollar-a-month suckers" was one of these.

NMU Pres. Joseph Curran immediately denounced the stories as "a tissue of lies." He pointed out that there are no union regulations against Sunday work. "On the contrary," he said, "crews are required to work whenever necessary—and that includes loading and unloading ships." He cited several instances in which NMU crews had volunteered to do the job of unloading their vessels in combat areas and their offers had been turned down by authorities.

The story was officially repudiated a week later, on January 28, when the Navy Department made public an official report from Admiral Halsey, commander of United States forces in the South Pacific. "In no instance," Halsey's report stated, "have merchant seamen refused to discharge cargo from their vessels or in any other way failed to cooperate with the United States forces ashore in that area." Halsey said that "the merchant seamen's cooperation, efficiency, and courage, on some occasions in the face of enemy attack, have won high praise."

Halsey's statement was given one paragraph on an inside page of the first edition of the Journal-American for that day. It was dropped completely in later editions. The Chicago Tribune gave it one paragraph inside and carried it in all editions.

Before the Halsey report, Brigadier General Denig, Marine Corps public-relations officer in Washington, had told reporters: "The Marine Corps knows nothing about the published charges. The people in Akron called us about it and we told them we knew nothing about it. We referred them to the Navy and I understand the Navy told them there was no basis for the story." Commander Berry, in charge of Navy public relations, confirmed that the Navy had no knowledge of the incident.

A congressional committee investigated the Guadalcanal story and branded it wholly untrue. Chairman WARREN MAGNUSON, Democrat, of Washington, revealed that the author of the Beacon story had been questioned in the course of the investigation and had refused to identify her sources even in confidence.

The libel suit, naming AP and Hearst Consolidated Publications as defendants was filed shortly afterward. The NMU complaint specified that the story was intended to and did impute to the union and its members acts and conspiracies of subversion, sabotage, and mutiny of a felonious nature and was designed to expose them to public contempt and ridicule.

The AP retraction, approved by NMU attorneys, was released for publication on June 3 and consisted of four paragraphs. The first three paragraphs reviewed the discredited story. The fourth stated: "A thorough investigation conducted at the instance of the AP has produced no evidence attributing such conduct or such an incident to a National Maritime Union crew."

The retraction was prefaced with the following note: "Editors who printed an Akron, Ohio, story distributed in the night report of January 21, 1943, regarding reports of ship unloading at Guadalcanal are requested to print the following:"

In announcing the terms of settlement, Curran emphasized that this is small satisfaction for the seamen whose valiant efforts during the war were so viciously slandered.

He pointed out that the NMU and CIO are still fighting for congressional recognition of the war service of merchant seamen similar to that granted to veterans of other services.

"There are still no provisions to grant special citizenship credit to alien veterans of the merchant marines although veterans of all other branches get such credit," he said.

"There is a GI bill of rights but no seamen's bill of rights. The Guadalcanal smear and stories like it are largely responsible for the public indifference which permits these legislative injustices to remain."

A Limited World Government

EXTENSION OF REMARKS
OF

HON. LAURIE C. BATTLE

OF ALABAMA

IN THE HOUSE OF REPRESENTATIVES

Friday, July 8, 1949

Mr. BATTLE. Mr. Speaker, under unanimous consent to extend my remarks, I include the following speech which I made in Baltimore May 23, 1949, on the necessity for a limited world government capable of preventing war:

A LIMITED WORLD GOVERNMENT

I. WE ARE MAKING STEPS TOWARD WORLD PEACE

The prospects for peace are better tonight than they have been in almost a year.

A. The lifting of the Berlin blockade was a magnificent victory for democracy. As a result, our chances for a general settlement with Russia are immeasurably greater, at least so far as Europe is concerned.

B. The recent election in the Soviet zone of Germany illustrates again the more favorable climate that prevails for us in Europe. This election has been called the greatest loss of face the Communists have suffered in Europe since the conclusion of the war. Normally, in an iron curtain one-ticket election, an affirmative vote of well over 90 percent is taken for granted. Nevertheless, more than 4,000,000 Germans—or a little over a third of all who participated in the election—voted "nein" to the list of candidates the Communists had instructed them to approve.

C. This may in some way be linked with the recent rumors of Russian overtures for a settlement in Greece.

D. The historic meeting of the foreign ministers in Paris today is another sign of progress. Our leaders are cautious now about any gentlemen's agreements with Russia. We cannot afford to be lulled again into a sense of false security. Any agreement in the future must be spelled out in detail. Our firm attitude may bring about more success in this conference because this time we have more force to back up our good intentions. Also, Russia may be more reasonable about a European settlement because she is succeeding so well in keeping China unsettled.

We cannot afford to be complacent about our progress. We must remember that our diplomatic victory in Europe is a direct result of our unyielding stand against further Russian expansion. The Marshall plan, the amazing airlift, the strong counterblockade of Berlin, and the Atlantic Pact—all costly and dangerous operations—expressed to the world America's determination to resist world domination by Russia.

II. A LIMITED WORLD GOVERNMENT CAPABLE OF ENACTING AND ENFORCING INTERNATIONAL LAW IS AN ABSOLUTE NECESSITY

A. From an international point of view, we live in a lawless world which means an ever present danger of war.

1. If Russia does not already have the atomic bomb, she will certainly have it in a few years.

2. The shrinkage of the world has been so great—because of modern transportation and communication—that nations no longer have the age-old protection of distance and time.

(a) This was dramatically illustrated the other day by a flight of the Air Force's Lucky day by a flight of the Air Force's Lucky Lady No. 2 around the world in 94 hours and 1 minute.

3. The civilized world is traveling down the road to destruction again. Let us imagine what is in store for us in this atomic age if we continue our race with other nations—without any rules and without world law and government:

(a) In such a world America will have to be constantly alert and armed to the teeth. We will have to maintain even more tremendous armies and navies and move our factories and cities underground. We must be willing to deny ourselves all but the basic necessities—spending even more gigantic sums on military research. Few people realize that since George Washington's day our Federal Government has spent 75 cents out of every dollar for the prosecution or settlement of wars.

(b) To continue on our present course will make us a haunted and regimented people—many of our basic civil liberties swallowed up by a central government whose broad powers would be necessary on a permanent wartime footing. Even then—we would have no assurance against a sneak atomic attack. We would have no protection against a third world war—a war that would bring untold destruction to our own firesides.

B. No single nation can prevent war—not even America with all of our strength and resources.

1. American programs of foreign aid can not in themselves prevent war.

(a) I am a staunch supporter of the Marshall plan and the Atlantic Pact. As a member of the Foreign Affairs Committee of the House, it was my privilege recently to help revise ECA legislation and assist in its passage, but I do not for one moment believe that the Marshall plan or the Atlantic Pact lessen the need for a limited world government. Rather, they show the great necessity for it—and prove to me that a universal government can be accomplished.

(b) I believe in helping friendly nations to rearm so they can protect themselves against Communist aggression—if we can provide such arms without endangering our own economy. Even these tremendous sacrifices, however, will not guarantee peace.

(c) We are already staggering under the great load of our foreign-assistance programs. We certainly could not stand this financial drain indefinitely. Yet, even greater programs, expanded far beyond our present efforts and extending into other areas of the world are needed to help preserve peace. I feel certain that neither America nor any single nation can by its own efforts alone guarantee world peace.

2. England's balance-of-power policy preserved peace for limited periods in modern history but was not sufficient to prevent war ultimately. To the contrary, England has always wound up involved in a great international conflict—and as a result she came near being wiped out of existence in World War II.

3. A union of some of the nations of the world excluding others will not work. This would keep the world divided into two or more armed camps. Blocks of nations have never been able to hold the line very long and there is no reason to believe that such a division would lead toward better understanding and more peaceful relations in the world.

4. Treaties have not prevented aggression. In the past nations have relied upon treaties to keep peace but they have never been successful. When a nation is determined upon a policy of aggression, it is a simple matter to break a treaty. Treaties are good and proper insofar as they go, but they never have and probably never will give us the kind of protection that is necessary in the world today.

C. China is a striking example of the necessity for a limited world government.

1. There is little the United States can do for China at the moment acting unilaterally.

(a) To prevent the Communists from gaining control of China, we would have had to launch a full-scale war which would have meant the loss of American lives, untold misery, and cost beyond our comprehension.

(b) Any decisive action of a nonmilitary nature that we might have taken in China recently might have aroused the lasting hatred of a great portion of the population which wanted no part of American intervention in Chinese civil affairs.

(c) It would have taken far more financial assistance than the Marshall plan to have made any headway at all toward alleviating the intolerable conditions in China—and stopping the Communists. It was impossible to carry the financial load of two such tremendous programs at the same time. It was natural, therefore, that Europe should come first. Europe was the most savable and the most dangerous—from the point of view of our own security.

2. We must adopt a long-range policy toward China and the Orient—working through the United Nations. It is yet to be proven that the Communists can pull down the iron curtain around China completely. If possible at all it will take many years for Russia to regiment or even change appreciably the way of life of so many poverty-stricken Chinese people who live so much in the past. I do not believe she can do it. We must do everything in our power to prevent it—but only a world organization can set up a program capable of dealing successfully with the Chinese situation.

(a) The United Nations and individual nations must battle to keep the doors open—to keep the walls from closing around China.

(b) The United Nations and individual nations must wage a long-range fight for the minds of the millions of people in China and all of southeast Asia.

(c) We must continue and further develop our community of interests with these people—and encourage them to become our fellow citizens in a free universal government.

(d) We must encourage free trade with China—helping to keep private channels open to us and all other nations.

(e) We, along with other countries, must nurture the seeds of democratic freedom that are still alive in individual leaders and groups in China.

(f) We can still build ideological fortifications in China and in other nations endangered by atheistic communism.

(g) We can join other nations in taking out diplomatic insurance with surrounding countries to prevent further Soviet expansion in the Orient.

(h) By accepting world leadership and taking the first step, we can help to build a fire under the member nations and help mold the United Nations into an organization capable of handling any aggressor nation.

III. WHAT KIND OF A WORLD ORGANIZATION DO WE WANT?

A. Before I go further I want to pay warm tribute to the United Nations for the highly successful work it has done in the short years of its existence. However, we simply cannot sit back and do nothing to improve this great organization because it—like the League of Nations—is incapable of preventing war.

B. The United Nations—like the League—is an association of fully sovereign nations.

And such loose organizations throughout history have never been capable of preventing war.

1. The city states of Greece were constantly warring upon each other until they united under a common government. The same process occurred in France, Germany, and England. We have only to look at our own history to prove this point. Our Articles of Confederation did not work. But we soon learned that a little bit of relinquished sovereignty by each State added a much greater proportion of strength to the whole United States. As a matter of fact, the individual States were secure then for the first time. Very little has been said or written of the Toledo War of 1835 when Ohio and Michigan took arms against each other over a border dispute. The militias of each State were called out by their Governors. There was a great deal of talk and excitement followed by a march on Toledo. Although no blood was shed, it finally took an act of Congress to settle the dispute. It became necessary for the authority of our Federal Government to be firmly, and as an Alabamian I might say quite forcibly, established in the 1860's. As a result every State is stronger and more secure because we have a common Government—a Government with the necessary power to prevent the several States from warring with each other.

C. The United Nations is not a universal government. It has no laws. It has no means of enforcing laws. The General Assembly only recommends and each nation has one vote regardless of population or power. The Security Council—which has the main responsibility for maintaining security—has been prevented from doing its job by the veto. And Russia may be able to force China to become a partner in this veto fiasco.

D. We must have a universal government by law and not by men. Governments are costly and cumbersome but man, throughout history, has always been driven to the conclusion that a common government is the only way to obtain domestic tranquillity and avoid internal wars. The costs of government shrink into oblivion by comparison. The idea of a limited world government then is the expansion of a tried principle which has been highly successful within national boundaries. It must be adapted and applied to meet the needs of our family of nations. We must have a government with machinery that makes it possible to stop world aggressors—a government that can weld together our family of nations, promoting their general welfare and protecting their general interests.

1. We need a legislative body where there will be no veto. The laws passed by such a body would necessarily be limited to relations between nations. Such laws would involve world problems only, leaving each country free to handle its own domestic affairs.

2. Certainly an executive branch is necessary to put the laws into effect. As an example—we must reach some agreement on arms limitation—including the atom bomb—or continue our mad race against death. But, of course, America cannot give up its rights to the most destructive weapon ever devised until there is a real world police force capable of enforcing disarmament in all nations.

3. A judicial system is necessary to interpret the universal laws and to help the executive enforce the law, especially as it relates to individual violations.

4. But our most important task is in winning the recognition of the necessity for a world constitutional convention—a convention to be called immediately for the purpose of remodeling the Charter and the modus operandi of the United Nations—a convention for the purpose of writing and adopting a universal constitution that would make the United Nations capable of fulfilling what we hope is its true destiny.

IV. NOW IS THE TIME FOR ACTION

A. On the national level, several Members of Congress, including myself (H. Con. Res. 15), have introduced legislation calling on President Truman to take immediate steps to call a general assembly of the United Nations pursuant to article 109 of the United Nations Charter—for the purpose of making the United Nations capable of enacting, interpreting, and enforcing world law—to prevent war. This is at least a starting point on the national level.

B. On the State level, nearly half of the legislatures have indicated a definite recognition of the need for a limited world government.

C. But the most important action of all is on the personal level. When enough individuals want action, you may be sure that our State and Federal legislators will act along with the governors and the President of the United States. People all over our great country are beginning to realize that there is no time to lose in forming this universal government to create a peaceful climate in world affairs and to enforce justice in international relations. Perhaps the people throughout the United States are further along in their thinking than our Government realizes. Your presence here tonight makes me feel that this is true. Of course, there are other countries that know more keenly than we do the horrors of not having a universal government to which they can turn for the preservation of their homes and families. We cannot afford to wait for this tragic lesson to be taught to us the hard way—on our own shores.

D. The time for action is now. There is a tremendous job ahead for you as world federalists, for the United States Congress, for the State legislatures, and for all of us who realize the necessity of building a limited world government capable of preserving peace. This calls for an active, powerful force dedicated to maintaining justice throughout the world. The task will not be easy. Individuals and groups will say, "Wait a while, the time is not right." But this is sort of like getting married—if you wait for everything to be just right, you wait forever. There is really no time to lose. The idea is a big one, but it takes a big idea to accomplish big things.

I see no alternative. We must measure up to the task. As Vernon Nash said: "What should be done can be done." I would like to go one step further and say: What must be done will be done.

Budgeting for Good Health

EXTENSION OF REMARKS

OF

HON. EDWARD J. THYE

OF MINNESOTA

IN THE SENATE OF THE UNITED STATES

Friday, July 8 (legislative day of Thursday, June 2), 1949

Mr. THYE. Mr. President, I ask unanimous consent to have printed in the Appendix of the RECORD an editorial entitled "Budgeting for Good Health," published in the Worthington (Minn.) Globe of June 28, 1949. The editorial is a splendid one.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

BUDGETING FOR GOOD HEALTH

A trip to a local hospital last week convinced us of one thing—health insurance is one of the best securities a person in this country can hold. It almost makes it a pleasure to undergo medical treatment and have the dual assurance of the best in medical care and insurance to cover the expenses.

No place on earth can a person get better medical care than right here in America, and good treatment, especially if the illness requires hospitalization or surgery, runs into money. Special drugs, the services of an expert physician and trained nurses, excellent hospital care—all, of necessity, are expensive.

But the fear of large medical expense need not trouble the family which holds Blue Cross and Blue Shield contracts. Health insurance organizations of this kind will pay the big part of any large medical bill for their paid-up members.

In fact, the merits of the insurance approach to this universal problem of large medical expense have been so numerous as to lead some people to propose putting such insurance programs in the hands of the Government and making them compulsory for all.

We feel, however, that there are many good reasons why a compulsory health insurance program is unnecessary and inferior to a voluntary-insurance plan.

First of all it must be remembered that the voluntary set-up has the whole-hearted endorsement of the medical profession and the national hospital associations. It would be inadvisable to force a system of health insurance upon a profession which has provided this Nation with the best health of any in the world today.

Second, there is the obvious advantage of the voluntary-insurance program in the fact that it is voluntary. Programs like Blue Cross operate from the bottom up, rather than from the top down. This is the preferable way to do things in a democracy.

Third, it should be pointed out that the voluntary insurance program is considerably cheaper to operate, accomplishing many administrative economies which a Government program could not. This is one of the biggest arguments for the voluntary program.

Fourth, we believe that there are more important missions in the field of public health for the Government than the operating of a health insurance program. These are the expansion of medical school facilities to keep up with the continuing need for more doctors, the reorganization of existing public and veteran's health programs in line with the recommendations of the Hoover Commission, and the continued expansion of public health services to the acutely depressed social areas of America—the rural south, metropolitan slums, and the American Indian population.

There is one advantage to the compulsory health insurance program, the fact that it does include every family in its plan. This advantage can be easily countered by the voluntary insurance proponents through a program of public information and education as to the need for enrolling every family in a program like Blue Cross and Blue Shield.

By and large, the opponents of compulsory health insurance have missed the boat in presenting their case to the Aemrican people. Instead of arguing the advantages and merits of their voluntary insurance proposal, they have put most of their effort into dramatizing the compulsory system in bloody terms of "socialism, un-Americanism," etc.

Now is the time for the medical associations to put all of their resources into promoting universal membership in voluntary programs. This is a bill of goods that is easy to sell, because it has real merit. When nearly every American is a member of a voluntary insurance program, the demand for compulsory health insurance will vanish.

The Malmedy Case

EXTENSION OF REMARKS
OF

HON. ABRAHAM J. MULTER

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Friday, July 8, 1949

Mr. MULTER. Mr. Speaker, on March 11, 1949, my distinguished colleague, Hon. LAWRENCE H. SMITH, of Wisconsin, inserted an article in the CONGRESSIONAL RECORD from the New York Times of March 2, 1949, in support of his resolution, House Resolution 143, asking that a full and complete investigation be made of reports that United States investigators in the Malmedy case have practiced third-degree methods against those charged with the crime.

In the Malmedy case, 74 Germans were charged with having massacred in cold blood American GI's taken prisoner during the Battle of the Bulge. Hundreds of Belgian civilians, as well as American boys, were slain without mercy, and in direct violation of the laws of war. These German criminals were given their day in court. They confessed their guilt, and it was only when the American military tribunal handed down its verdict, that these self-confessed criminals pretended that they were tricked into confessing. This sham maneuver, however, cannot square with the regulations governing the war crimes trials which stipulate that "a defendant shall have the right through his counsel to present the evidence at his trial in support of his defense and to cross-examine any witness called by the prosecution."

If the excuses now being offered by these criminals were true, then why did they not take advantage of their rights during court proceedings? The answer is clear. Their barbarous crimes were proven by the overwhelming evidence presented by the prosecution, American GI survivors, and other victims of this massacre. Forty-three were sentenced to death. But in March 1948, General Clay very quietly commuted the sentences of 31. Since then, the other 12 have also managed to escape justice; 6 of the 12 have also seen their death sentences commuted recently. The actions of General Clay in this case were supported by Secretary of the Army Royall, who admitted before a subcommittee on appropriations on March 2, 1948, that he had no sympathy for the prosecution of German war criminals in general. Is it any coincidence that the former Secretary of the Army made public his views in the same month that General Clay mitigated the sentence of the Malmedy criminals?

Realizing that American public opinion would not tolerate a direct quashing of the Malmedy verdict, Secretary of the Army Royall created a three-man commission to "investigate" the Malmedy case. This seemed like a fair step to ensure that there would be no miscarriage of justice. One would have expected that this committee would have sought out all persons connected with the trial before reaching conclusions. Believe it or not, this three-man commission did not bother to talk to any of the members of the prosecution staff, but they were very keen on seeking out the German defendants for their story. This is certainly a novel approach for a committee which is supposed to be seeking full information. Yet, it was done and the report was accepted by Secretary of the Army, as though this commission had truly made an impartial investigation.

One of the guiding spirits behind this campaign of spurious charges against the American war crimes investigators in the Malmedy case is Judge LeRoy Van Roden, of Media, Pa., who was one of the members of the commission appointed by Secretary of the Army Royall on July 29, 1948. Since his return to this country, Judge Van Roden has gone out of his way to vilify the American prosecutors and in general the Malmedy case itself.

I deem it of great importance, therefore, to call attention to certain activities of Judge Van Roden which may shed some light on his conduct and his motives.

A United Press dispatch, dated May 20, 1949, from Media, Pa., which was published by the New York Times on May 21 reports the case of a certain Herbert Gunther Sonthoff, a former member of the Nazi brownshirts now teaching at Harvard University, who received United States citizenship in Delaware County court over the objections of the Federal Bureau of Naturalization.

It is interesting to note that it was Judge Van Roden who ruled that, although Mr. Sonthoff was subjected to Nazi indoctrination in his native Germany, he successfully escaped its perverting influence and came to recognize fully and clearly the advantages of the American type of democracy, despite strong evidence to the contrary.

The United Press dispatch further stated that the Bureau of Naturalization recommended that citizenship be refused to Mr. Sonthoff on the basis of some letters he allegedly had written to friends in foreign countries. These letters were produced by Judge B. Halbestadt, a Naturalization Bureau agent, at a hearing on March 10 on Mr. Sonthoff's petition for citizenship. In one letter, Sonthoff wrote:

> I do not intend to deny my adherence to the German cause, to renounce it and to become a United States citizen.

Thanks to Judge Van Roden's ruling, a former member of Hitler's S. A.—the ill-famed brownshirts—has now become an American citizen. But this is not all.

On May 31, 1949, the New York Post Home News published an exclusive story entitled "Malmedy Trial Prober Who Blasted United States 'Brutality' Backs Pro-Nazi Book," written by Jay Nelson Tuck and Irving Lieberman which follows:

MALMEDY TRIAL PROBER WHO BLASTED UNITED STATES "BRUTALITY" BACKS PRO-NAZI BOOK

(By Jay Nelson Tuck and Irving Lieberman)

Edward Le Roy Van Roden, the Media, Pa., judge who served as an investigator of the Malmedy trial and has subsequently led the attack against the United States prosecutors, has given his endorsement to a pro-Nazi, anti-Semitic book, it was revealed today.

Van Roden was a member of a three-man commission named by former Army Secretary Royall to investigate charges that United States war-crimes investigators used brutal third-degree methods and unfair procedures against 74 Nazi defendants accused of having shot down 83 United States war prisoners after the Battle of the Bulge.

He has been a violent critic of the United States prosecution and his utterances on the subject have been widely used by assorted pro-Fascist publications and by John O'Donnell, of the New York Daily News, and the Chicago Tribune. Van Roden recommended that the death sentences of the convicted defendants be commuted and that the prosecutors be placed on trial.

Today the Post Home News learned that Van Roden has joined hate merchants like A. O. Tittmann and A. J. App in endorsing a book called The Crime of Our Age, by one Ludwig Adolphus Fritsch. The theme of the book, as explained by Fritsch in a letter he mails out with it, is how "the Jews and the Anglo-Saxons succeeded in uniting the nations of the world into an unholy alliance in order to destroy Germandom."

WANTED GERMANS TO DOMINATE

The book, dedicated to "Christian Americans," opens with a reference to "the physically and mentally sick late President (who) surrounded himself with advisers who * * * reject the Saviour." He lists the advisers as "Bernhard Baruch (sic) from Konigsberg, Henry Morgenthau from Mannheim, Felix Frankfurter from Vienna, Albert Einstein from Berlin," and so on.

In subheadings, Fritsch's book refers to "Roosevelt's Satanism," "Roosevelt sin register," and "Roosevelt, the evil spirit of the world."

The book declares that "the real aggressors are the great powers of today" and proclaims "one Holy Reich, which was predestined to be the defender, guardian, and protector of Christianity and of the white race."

Van Roden's printed endorsement of Fritsch's book calls it "startling," and says, "I think it should have a wide distribution, not only to the clergy, but to all Americans." The endorsement is carried by Fritsch in a leaflet advertising the book. Fritsch is a former Lutheran clergyman.

Reached by this newspaper, Van Roden said of Fritsch, "I agree with his actual facts, though not with all of his conclusions and speculations." There was no qualification of this kind in his published endorsement of the book.

A Post Home News reporter read to Van Roden a passage from the book which declared that "the Germans would have broken the eccentricities of Hitlerism after they had reached their goal—unification of all Germans * * * Their God-given noble characteristics would have been revealed. Their unique ability to organize would have created order and tranquillity. * * * Their deep spiritual life would have enriched and ennobled mankind. * * * The American leaders prevented this development and destroyed that great nation against the will of 86 percent of our population."

Asked if he agreed with that, Van Roden said, "It is partially true. We should have approached the problem in a different way."

Another endorser of the book is Tittmann, president of the Voters Alliance for Americans of German Ancestry, a Yorkville outfit revealed by this newspaper last month as a successor to the defunct German-American Bund. Tittmann's endorsement expresses gloomy doubt that the work will have any influence with the clergy, who are called "a lot of hypocrites and cowards."

A third endorser is App, who has suggested that General Eisenhower be hanged as a war criminal. App expresses his "appreciation, admiration, and congratulations" to the author, declaring that the book "certainly tells the truth."

That item gives only a brief idea about the book The Crime of Our Age. The following letter to the editor of the New York Herald Tribune by C. Monteith Gilpin, secretary of the Society for the Prevention of World War III, New York, as printed on May 29, under the title "Book Excuses Nazi Acts," give a more complete description of this nefarious work:

BOOK EXCUSES NAZI ACTS—CHICAGO AUTHOR BLAMES ALLIES FOR AGGRESSIVE WAR, DEFENDS GERMAN CHARACTER AND MOTIVES

To the New York Herald Tribune:

It seems that the whitewash Germany campaign instigated by certain elements in this country has now turned into smear-the-Allies propaganda. Unfortunately, most people in New York and Washington seem not to realize the extent of this recent campaign pushed forward in the Middle West.

I would like to call attention to a recently published book called The Crime of Our Age, which is by far the most fantastic whitewash not only for the Germans but also for the Nazis, and at the very same time is an outrageous smear against the United States, France, and Britain. It can only be classified in the category of Pan-German writings.

The author of The Crime of Our Age is a Rev. Dr. Ludwig Adolphus Fritsch, of Chicago, who also figures as publisher.

While it is written in English (in a very bad English at that) the book is being heavily advertised in German-language newspapers throughout the country and sells for $1 apiece.

Here are some typical chapter headings:

The Real Aggressors Are the Great Powers of Today, Germany the Protector of Christianity and the White Race, the Victors Have No Moral Right, the Allies Were the Aggressors Through the Centuries, the Allies Were the First Exterminators of People, the Allies Invented the Concentration Camps, the Allies Were the First Slave Traders, the Allies Were the First Mass Murderers, the Allies Committed More Crimes Than German Doctors, the Allies Are the Greatest Looters of History, Shame of Our Troops, Even the Russians More Honest, What Would Pan-Germanism Give the World.

And here are some significant quotes, picked at random, which need no comment:

"The Germans are accused of having started an aggressive war. For that crime their leaders were hanged. Every historian knows that this accusation is a great lie. The Germans wanted to reach their rightful goal in rescuing Europe by peaceful means. In the case of Austria and the Sudetenland, they succeeded. A peaceful agreement with Poland also would have been possible had not Churchill, encouraged by Roosevelt, instigated the leaders of that unfortunate people. * * *

"The Germans were accused of having introduced the concentration camps as a new means of war. For this crime their leaders and helpers were hanged. The Germans, in their 2,000 years of glorious history, never used this objectionable means. * * *

"The Germans were accused of destroying the village of Lidice and of executing about 200 British-sent murderers of a governor. The perpetrators of this crime were hanged. On the other hand, the victorious nations committed thousandfold greater crimes."

In the chapter, What Would Pan-Germanism Have Given the World? Herr Fritsch writes:

"In my opinion the Germans would have broken the eccentricities of Hitlerism after they had reached their goal—unification of all Germans. The best proof for this statement is the fact that responsible Germans tried to get rid of Hitler seven times. After consolidation of the greater Reich the hundred million Germans would have gone to work in holy enthusiasm. Their God-given noble characteristics would have been revealed. Their unique ability to organize would have created order and tranquillity in Europe and in the world in the shortest possible time. They would have created the United States of Europe without bloodshed. They would have placed their great capabilities in the fields of science, arts, and technology to the disposition of the world as they did before. * * *

"In short, pan-Germanism would have brought to mankind spiritual and material blessings. The west European culture and civilization would have been rescued once more by the Germans, the old, experienced defenders of the most precious treasures of mankind. The American leaders prevented this development and destroyed that great nation against the will of 56 percent of our population."

These are only a few excerpts, but they will suffice to show the tendencies of this outrageous book.

C. MONTEITH GILPIN,
Secretary, Society for the Prevention of World War III.
NEW YORK, *May 21, 1949.*

Philippine Leader Laurel Is Foe of Communism

EXTENSION OF REMARKS
OF
HON. HAROLD C. HAGEN
OF MINNESOTA
IN THE HOUSE OF REPRESENTATIVES
Friday, July 8, 1949

Mr. HAGEN. Mr. Speaker, in view of the coming November elections in the Philippines, there is considerable interest in the candidates for the office of President. Reports coming into Washington indicate that Dr. Jose P. Laurel is the favorite and will be elected.

In view of this likelihood, Members of Congress and readers of the RECORD will be particularly interested in a letter recently published in a small-town newspaper in Minnesota. It so happens that the editor of this newspaper is my former secretary, Fay George Child, of Maynard, Minn., who is now editor and publisher of the Maynard News. The letter gives considerable background concerning Dr. Laurel and his relentless fight against communism in his country.

The letter, published in the Maynard News on June 24, 1949, follows:

LETTER ABOUT PHILIPPINES OF INTEREST TO OUR READERS

(The editor of the News received a letter from Mr. P. W. Reeves, former Secretary to several Congressmen and Senators, and more recently Director of Civilian Personnel of the War Department in the Philippines, Mr. Reeves, has just returned from a trip to the Philippines and what he has to say in his letter to this writer will be of interest particularly in view of the fact that the Philippines is still very close to the United States in its political and economic life.)

Mr. FAY GEORGE CHILD,
Editor and Publisher, Maynard News, Maynard, Minn.

DEAR FAY: Our letters must have been crossed in the mail. In my most recent communication I told you of most of my experiences on my trip to the Philippines, but I did not go into a great deal on Dr. Laurel. Your interest in the great Philippine leader—who may be the next president of the Philippine people is understandable, and so the following factual information may be of interest to you—and perhaps to your readers.

On May 22, 1949, Dr. Laurel was nominated by the Nacionalista Party as its candidate for the presidency in the Philippines in the coming November election. The nominating convention was made up of 737 delegates from all sections of the Philippines. Dr. Laurel had the support of 636 delegates and the combined opposition to Dr. Laurel cast 101 votes for Senator Camilo Osias, an outstanding Filipino, a great leader of the people and a man of the highest integrity. Thus Dr. Laurel will oppose President Quirino in the November election.

Governor General Leonard Wood appointed Dr. Laurel as head of the Interior Department in the famous "Wood Cabinet." From 1925 until 1931 Dr. Laurel served as a senator in the Philippine Senate. In 1935 Dr. Laurel was a delegate to the constitutional convention and was one of those selected by the convention to write the constitution for the Commonwealth of the Philippines; and this same constitution which Dr. Laurel assisted in writing for the commonwealth was also adopted when the Philippine Republic came into being. In 1936 Dr. Laurel was appointed by President Manuel Quezon to be associate justice of the supreme court. On December 24, 1941 (after war was declared on Japan) President Quezon again appointed Dr. Laurel—this time to one of the most important positions in the Philippines, the post of Secretary of Justice. When Manila was about to fall and President Quezon was preparing to go to Corregidor, he sent for Dr. Laurel and told him he wanted him to go along in advisory capacity. However, at the last hour Quezon decided, on account of Dr. Laurel's popularity with the Filipinos that Dr. Laurel should stay in Manila, and President Quezon instructed Dr. Laurel to remain and help protect the people. President Quezon's instructions to Dr. Laurel were given with the knowledge and approval of General MacArthur. General MacArthur's instructions were that the Filipino officials could serve in the Japanese-sponsored organization in order to better protect the people, but General MacArthur admonished them that they must not take the oath of allegiance to Japan otherwise they would be shot by his order upon his return to the Philippines.

The late President Quezon was a patriot of the highest order. It was a signal honor which President Quezon paid to Dr. Laurel when he, the President, instructed Laurel to remain and help protect the people. In October 1943, Dr. Laurel was made President of the Republic of Philippines by order of the Japanese who were occupying Manila. Dr. Laurel served as President under Japanese occupation from October 1943 until February 1945. Laurel was carrying out the instructions of his President (who was in Australia) by remaining in Manila and trying to cooperate with the Japense in order to better protect the Filipino people.

When Laurel was appointed president he selected the late Manuel Roxas as chairman of the economic planning board, and as such Roxas was an ex-officio member of Laurel's cabinet. President Laurel and Roxas worked out an exceptional plan that materially helped in coping with the food shortage.

They saw to it that the Filipinos received rice rations. Roxas was a patriot. No one accused Roxas of being a traitor. Roxas was elected president in 1946.

Also when Laurel became president he appointed men of the highest type to serve in his cabinet. The man who is now president of the Republic of the Philippines, Hon. Elpidio Quirino, served in the cabinet of President Laurel. No man has ever dared to challenge President Quirino's patriotism. No one has accused President Quirino of being a traitor. Men who were appointed to high places by President Laurel were later appointed to high places by President Roxas and by President Quirino.

Dr. Laurel's greatest obsession is his uncompromising opposition to communism. Dr. Laurel told me in February 1947, that communism is the world's greatest menace. Dr. Laurel told me when I was in Manila in 1947 that the happiest moment of his life was when the American soldiers reached Manila and freed the Filipinos from the oppression of Japanese rule.

Dr. Laurel is a statesman in every sense of the word. He is a learned man. Intellectually, he has no peer in the Philippines among the living or dead. He is a religious man and daily worships God. Often when I have been in his study in his home in Manila (also in his law office where he daily receives scores and scores of friends who like to visit with him) I have seen Dr. Laurel on bended knees in silent prayer. Dr. Laurel has a private chapel in his home where he spends a portion of his time in prayer each day.

In 1947 Dr. Laurel told me that he could not understand why any person would try to create the impression that he is anti-American. He said that some of his best friends are Americans and he corresponds with them regularly. Many Americans who attended classes with Dr. Laurel at Yale University keep in touch with him by correspondence. In America many prominent Americans who know Dr. Laurel have told me fine things about him. Just recently I received a letter from a prominent United States Senator in which he mentioned Dr. Laurel. Many Americans, upon learning that I visited the Philippines, asked me about Dr. Laurel. One of Dr. Laurel's teachers was an American lady. She lives in Georgia or Tennessee. Dr. Laurel writes to her regularly. He told me that when he comes to the United States, the first thing on his program will be to pay her a visit. As a matter of fact, I think he told me that he has already made one visit to see her at her home.

In a letter which I received from Dr. Laurel, dated October 21, 1948, he made the following statement: "Sometimes I wonder why certain persons are bent on discrediting me before the American people. America has been our benefactor in many ways and I am grateful to America for her sincere and altruistic spirit in the rehabilitation of our country after the ravages of the last war." And again in February 1949 when I was in Manila, Dr. Laurel said to me: "It is an insult to our intelligence to say we dislike America. What would we have done without America's help? We were a conquered people and our homes and all business were destroyed by the Japanese. America came to our rescue and liberated us. I have always been grateful to America for the help given to us before the Japanese came; and I shall always be grateful to America for liberating us and making us a free people, as well as for the wonderful aid given to our country and our people since the war."

And, in closing, I should like to quote a short letter which I received from Dr. Laurel just a few days ago. The letter is dated Manila, May 27, 1949, and it as follows:

"Thank you for your congratulatory radiogram. Now that I have been chosen to carry the people's banner for a clean and honest government, I can start the intensive campaign which I could not do before my nomination on May 22, 1949. I have full faith and confidence in the ultimate justice of the people. With God's aid, victory will be ours. With warm personal regards."

Sincerely yours,

P. W. REEVES.

CARE Book Program

EXTENSION OF REMARKS
OF
HON. WALTER H. JUDD
OF MINNESOTA
IN THE HOUSE OF REPRESENTATIVES
Tuesday, July 5, 1949

Mr. JUDD. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following editorial from the New York Times of June 24, 1949. I hope it may soon be possible to get action on my bill H. R. 5186, which would implement this important program:

A NEW CARE PROGRAM

In its appeals for help for the needy in Europe, CARE has made effective use of the slogan "Our Friends Abroad Are Hungry." The organization has now announced some of the details of the program with which it hopes to meet another kind of hunger, the hunger of the mind, through the dispatch of scientific and technical books to libraries abroad. A service of this sort is what one would have been led to expect from an organization that has shown how sensitive it is to need and how competent it is in meeting it. That proved competence should invite the fullest support for the program.

Dr. Evans, Librarian of Congress, has indicated that books would be chosen as a defense of our way of life and thus make their contribution to better understanding. Presumably he has in mind that this is one "Voice" program that can't be jammed. But we like to think that our way of life itself includes such things as wanting to supply books for libraries whose stocks have been destroyed and wanting to provide the tools of learning for those who wish to learn. That is, or ought to be, our way. CARE is again blazing a trail in good works and its support is again urged.

Washington Reporting

EXTENSION OF REMARKS
OF
HON. HARRY J. DAVENPORT
OF PENNSYLVANIA
IN THE HOUSE OF REPRESENTATIVES
Friday, July 8, 1949

Mr. DAVENPORT. Mr. Speaker, under leave to extend my remarks in the RECORD, I wish to include my column which appeared in the Allegheny Advance Leader on June 23, 1949:

WASHINGTON REPORTING

There seem to be so many so-called spy trials going on at one time that someone looking down on us from Mars must wonder about our political stability. Here in Washington, one trial, that of a former employee of the Justice Department, charged with delivering American secrets to the Russians, has had repercussions in Congress as well as in the executive branch of the Government.

This Washington trial has brought into the open the vast amount of informing American citizens are telling the FBI about their neighbors. In almost all instances, such reports are sheer hysteria, and are based upon personal dislike or suspicion. They represent a method of doing harm to others, while at the same time avoiding the penalties of personal exposure.

The Washington Copion trial has actually done some good on this score, for it has brought into the open the names of the informants as well as the statements they have submitted to the FBI. These persons who thought they could tell on their neighbors without their neighbors finding out about them are now being shown up for what they are.

I believe it is important for any of us who learn that an individual is not working to the interest of the United States to make that information available to the FBI or other proper authorities. But I do believe that these informers must feel their information is so accurate that they would be willing to be named as informants in the press or in court. Those who are eager to make charges against the character of another must be willing to face the accused and repeat the charges openly.

There is another question related to these spy trials that has also come in for fair amount of discussion in Congress as well as in the magazines and papers. This is the question whether persons of questionable political beliefs should be allowed to teach in our schools and colleges. There seems to be a growing fear that the present generation is less able to sift through all opinion and come up with the right answers than our older generations. I for one find such a thought preposterous. I have faith in the ability of the youth of this Nation to draw democratic solutions after studying all ideologies.

In a discussion with some of my colleagues last week, I was hurt by the lack of faith some of them had in our youth. Erroneously, some thought that the best way to keep our youngsters democratic was to keep them isolated from all other types of thinking. To me, this is the surest way of keeping the coming generation from preparing itself to take over the management of this great country of ours.

In Czechoslovakia, the great Charles University recently expelled all students and faculty members who did not agree with the political beliefs of the Government. To me, this signifies the end of academic freedom for that country. Yet some of my colleagues who agree with me on the meaning of the action taken at Charles University do not see a parallel between that action and their own proposal to do exactly the same job in American schools.

I have faith in our people. I do not believe they will ever turn from their great desire to expand personal liberties. I believe that those who work for foreign governments should be exposed. But I do not believe that we are so weak that the existence of a few persons working for foreign nations should cause us to quake in our boots and make us adopt undemocratic methods in order to keep us democratic. If we abolish freedom of speech in order to prevent a few persons from talking have we gained anything? If we end academic freedom, are we preparing our youth for the world of tomorrow or are we hastening the end of democracy? These are vital problems today for all Americans.

Antireligious Activities

EXTENSION OF REMARKS

OF

HON. ABRAHAM J. MULTER

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Friday, July 8, 1949

Mr. MULTER. Mr. Speaker, from time to time I have directed the attention of the House to antireligious activities not only in this country but throughout the world. In recent months such activities have been on the increase, particularly in various parts of the Eastern Hemisphere. The following item by John A. Heffernan, of the Brooklyn Eagle, which appeared in its issue of July 6, is another good summary of the situation. I agree with Mr. Heffernan that it is high time that the United Nations took official cognizance of this situation.

HEFFERNAN SAYS "AND WHY IS THE UN SILENT?"

It ought to be manifest to all ministers of whatever religious denomination, and indeed, to all who profess faith in the moral values of religion and its indispensability to the civilization we have known that there is something more than a mere political question at issue in Russia's satellite countries.

It has been proven that under the reign of the Communist governments Protestant, Roman Catholic, and Jew alike have suffered persecution. The Moslem groups also have felt the rod of the little tyrants who would substitute the teachings of Marx, Lenin, and Stalin for the Old and New Testaments, the Talmud, and the Koran.

It happens that the blows aimed at leading members of the Roman Catholic hierarchy in countries which have been predominantly Roman Catholic have attracted the most attention. There was drama of high quality in the arrest of Archbishop Stepinac and his kangaroo court trial. Even more startling was the arrest and trial of Cardinal Mindszenty, who had first suffered under the Nazis.

And now comes the case of the entire Roman Catholic hierarchy of Czechoslovakia under the leadership of Archbishop Joseph Beran, who has taken the same precautions against his possible arrest and torture that the Hungarian cardinal took prior to his incarceration.

The threats of the Red politicians have not daunted the Czechoslovak bishops. Despite the government decree, their pastoral letter read in every church was a recital of tyrannical acts of suppression, of subversion of schools and silencing of the press and sequestration of church property. It was in line with Stalin's professed policy, which aims at the destruction of men's souls, and the use of such churches as have the government sanction, as political agencies. We are unfamiliar here with those political practices, but Europe has known them ever since the days of Christ.

Isn't it becoming clear to us here that freedom of conscience is under threat among us? Bishop De Wolfe, head of the Protestant Episcopal Diocese of Long Island, not long ago issued a warning against ultra liberalism that strangles liberty. But our guest and creation, the United Nations, erected to guard a peace that has never come, has no word of protest to make against violation after violation by Russia and her satellites of the agreements as to the liberation of the Nazi-dominated countries of the Old World.

You Cannot Bend a Principle

EXTENSION OF REMARKS

OF

HON. CARL T. CURTIS

OF NEBRASKA

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 16, 1949

Mr. CURTIS. Mr. Speaker, our distinguished colleague, the Honorable DONALD L. JACKSON, of California, made an inspiring address at the convention of the Nebraska Young Republicans held at Hastings, Nebr., on the 3d day June 1949. I wish to extend my remarks by including Mr. JACKSON'S address, which is as follows:

Mr. Chairman, ladies and gentlemen, fellow Republicans, it is a great privilege, a pleasure and an honor to be here in Hastings with you tonight. No doubt your last convention was during the period when we were all hopeful, yes even overly sanguine, about our chances for victory in November of 1948. There seems to be no sense in laboring overmuch the reasons for our defeat. Suffice it to say that circumstances combined to make last November 2 a fitting day for the donning of sack cloth and ashes rather than for the crowning of our brows with wreaths of laurel. We had, during the months immediately preceding the election of last fall, every reason to believe that the American people were sickened by the continuance of a socialistic program which combined the worst features of the pork-barrel system of government with the squandermania of an administration running rampant over the constitutional rights and the legal prerogatives of a great people. We felt certain; and our optimism was reflected by all keen observers of political trends, that we were at long last to achieve the victory which had eluded our grasp for so many years. What transpired on that fateful second of November last, will furnish the subject for political post mortems for many months to come, but what is eminently more important, that day proved to Republicans everywhere the need for a revaluation and a reassessment of our position. Our task now is not so much to review what has already transpired, as it is to build something new and vital in the way of a political program which we can take to the people of this country in 1950 as we attempt to regain possession of the legislative reins, so necessary to hold in our hands if we are to maintain our great country and the system of government which served to make it great.

We were, last fall, a party not only divided in fundamental concepts, but a party of divided counsel. There were those who conceived the proper course of action to be a fighting campaign in which the deeds of the much-maligned Eightieth Congress would be taken directly to the people in a positive way, in order that they might better know and understand what had transpired during the 2-year period when the Republicans had held a working majority in both Houses of the Congress. The other school of political thought within the Republican Party felt it better to conduct a campaign of broad generalities, generalities based in a natural desire for harmony and understanding among all shades of American political thought. The latter group prevailed, and we embarked upon such a program as was desired by it.

It is not my intent, nor is it my desire, to engage in idle recriminations. We should not be "Sunday morning quarterbacks," discussing when and where our fumbles occurred. Rather it should be our purpose to seek out, as best we can, the reasons which led directly to the fantastic upset of which we were the victims. Millions of words have been written on this subject. Other millions of words have been spoken over the radio networks of the country. Political pundits have assigned a score of varying reasons which they allege led to the defeat. Far from being a political crystal-ball gazer, able to forecast with any degree of accuracy coming events, I confess to considerable bewilderment in looking back on the campaign waged by the Republican Party. As individuals, we are limited in our field of vision, and we are largely prescribed in our outlook to that field of activity with which we are most closely and intimately associated. Thus it is that I must interpret events on the national scene with respect to events as they transpire within my own congressional district. My conclusions are therefore based in the personal experience and the personal observations which I was able to make during the course of the election in the Sixteenth Congressional District of California.

A few words in description of my district might be well at this time to properly set the stage for your individual understanding of the conclusions I have drawn. My district is a most representative one. Aside from the fact that it numbers many thousands more of Democrat registrations than of Republican registrants, it is a typical American community. Upon the close of registration in the Sixteenth California District, prior to the election of last fall, registration figures showed 105,828 Republicans, or 39 percent of the total registration. Democrat registrations accounted for 142,542 registered voters, or 53 percent of the total. Another 20,389 registrants were divided among the minor parties for a total of 8 percent. It is reasonable to assume that the twenty thousand-odd voters in the minor parties represented political thinking more closely approximating the Democrat than the Republican. It was obviously necessary for any Republican candidate to carry a very large number of Democrat voters along with him if he was to achieve victory.

This condition in turn opened up two possible courses of action, as follows: (1) Conduct an extremely nonpartisan or bipartisan campaign, which avoided as much as possible those issues in fierce contention, or (2) conduct a two-fisted campaign predicated upon sound accomplishment and solid principles which had long since proved their worth. You will recall that issues were in no way lacking during the course of that campaign. Probably the prime issue of widest interest was the record of the Eightieth Congress. President Truman, on his famous nonpolitical tour, and later during his very exhaustive trips into the several States, hammered without surcease at the record of the Eightieth Congress. There can be no question but that his job of unselling the American people on that Congress was most effective, and probably played the major role in the verdict that was finally returned at the polls on November 2. On our side there was a tendency to play down the activities of Congress in such matters as management-labor legislation, income-tax reduction, rent control, and the several very substantial contributions to the system of free, legal, and competitive enterprise which had been written into law. The people of this country during the summer months of 1948, were hearing but one side of a story, and they heard no effective rebuttal. They were, in effect, looking at but one side of a legislative coin. They were quite rightfully demanding specific answers to specific questions, and this was as true in the First District of New York as it was in the Sixth District of Ohio, the Tenth District of Illinois, or the Sixteenth District of California. My experiences indicated that they were not condemning per se the activities of the Eightieth Congress, but they were rea-

sonably demanding that the other side of the story be told—that the other side of the coin be exposed. It was here, I believe, that we made our first grave mistake, a mistake which was to pay off in tragic dividends. Combine this unceasing attack by the President upon the Eightieth Congress, with a program of promises directed at every strata of our national society, and the campaign of attack and promise last summer commenced to bear its bitter fruit. We could not, nor should we, as the party of sound principle, have attempted to match President Truman promise for promise, nor demagog for demagog, but we should have pointed out with devastating logic the total impossibility of ever having the many pledges and promises redeemed by the Democratic administration after the election.

My campaign was waged solely upon the issues. What I have to say with respect to the race in my district I say modestly, because I know, as you know, that the actual contribution of any candidate to a campaign is very small when compared to the work done by the volunteer workers in the grass roots. Frequently, as a matter of fact, the workers have a terrible time selling a candidate time and time again after he has succeeded in unselling himself.

It has long seemed to me that the main strength of the Republican Party is a spiritual one. We have been for many years a party which has built its greatness upon certain basic and fundamental premises. When we have stood firmly for these basic principles we have seen the star of Republicanism in the ascendancy. When we have wavered in our determination not to compromise or yield ground to political expediency, outside pressures or opportunism, we have inevitably lost ground to our political opposition. The principles we espouse, those things in which we believe, are not new innovations in government. They are the things which men and women of all ages have struggled to achieve. One of these principles is a firm belief that the less government inflicted upon a subject people, the more adequately that people will work out a sound political, economic, and social destiny for itself. We Republicans also believe firmly in the right of a citizen to exercise control over legally acquired private property. We believe that character and greatness are best forged in the flame of hard work, thrift, and initiative, and that the incentive to possession—to improvement—to a better economic place in the sun, have been the finest expressions of the era which saw this great land achieve a foremost place in the world. We do not believe that the security of a cow in a slaughterhouse pen is compatible with personal freedom of legal action. While we recognize that the trained canary in its cage represents a high degree of personal security, we contend that man in a like condition is a creature of no dignity whatever. We are convinced from a study of history that people who have exchanged their liberties for a narcotic of false and expensive security have, in the natural and normal course of events, exchanged freedom for slavery. We recognize, as does any civilized people, the necessity for caring for the aged and the meritorious indigent. Ours has been the party which has ever been diligent in the defense of the rights of minorities. It can truly be said that we have been the party of constitutional rights and of constitutional liberties under law. The Republican Party has never been a party of rash promises, and it has never made an appeal to the baser nature of men in offering something for nothing. It has realized, perhaps more than any other political party in history, that to promise reward without effort is a fraud and a delusion. We have attempted to maintain a strong Federal structure within the framework of a reasonable and balanced budget. We have recognized the fact that largess placed in the right hand of a petitioner must, of necessity, be taken from his left pocket. There are those whose idea of political philosophy is hinged upon the premise that human rights are by nature superior to property rights. We take no issue with this premise but we Republicans do say that unless we have sound fiscal operation, we cannot properly guard the human rights we all hold in high esteem.

The socialized state when viewed from afar is an achievable utopia. It professes to offer so much in return for so little. It holds out to the hopeless a hope, to the impoverished a share in the wealth of the Nation, to the disillusioned a promise of a better life. But we are not interested in the theoretical advantages to be conceivably gained by embracing a system of state socialism. We are quite rightfully concerned with facts about how this system works in actual practice. The record on this score is not good. In our day, as young as we are, we have seen the plight of nations which have hastily shrugged off the mantle of a free and competitive economy and have gathered about themselves the rosy cloak of state socialism. The reasons assigned for this change of economic clothing have been many and varied. Many of the nations which have embraced socialism or communism have done so because of an economic situation which found 98 percent of the wealth of the land in the hands of 2 percent of the people. Any change under such a set of economic conditions would certainly be preferable to the system of exploitation imposed by such a division of the world goods. But can it honestly be said that those who espouse state socialism for this Nation, do so for the reason of inequality in the matter of national wealth. Can they seriously claim that their concern for the welfare of the so-called common man (and how I detest the term), moves them in the direction of a course of action which would necessarily, and by its very nature, make the Government a virtual dictator over the lives and the property of every American citizen. Can they say that in this great land where free labor and free capital, working hand in hand, have created the most magnificent concept in modern times, needs or requires the proven failure of state socialism? No; ladies and gentlemen, I think not. To my mind, this quest for additional power on the part of government is but another chapter in the unceasing struggle between governments and peoples, with government grasping for power on the one hand and a people resisting the effort on the other. The great saga of America has not been without its black pages, but with its admitted shortcomings it still offers the greatest hope for the future of men and women everywhere. We must then, in our quest for the better life, be ever on the alert to see that the fundamental threads which hold our way of life together are not severed in our attempt to weave into the pattern of our ways new and novel threads.

The uncertain course of legislation in Washington today leaves much to be desired. Without unduly lauding the work of the Eightieth Congress, it can be said in all honesty that by this time a year ago that Congress had achieved considerable in the way of legislation. The Republican majority at that time was a team, working in complete harmony toward definite goals. Today the picture is entirely reversed. The Democratic administration, beset on all sides by clamoring pressure groups demanding the redemption of campaign pledges, finds itself upon the horns of several dilemmas. The President, intent upon the construction of a new and novel form of society, is demanding an increase in the tax burden already being carried by the American people. While the Democrat committees on Capitol Hill mill around in what can only be described as the abysmal mazes of confusion, the President lashes forth in dubious language at individuals who have the temerity to criticize his military aide, General Vaughn, for accepting a decoration from the totalitarian regime of Peron in Argentina. Bickering and dissension are the order of the day, with malcontents within the administration itself needling their Democrat colleagues. Wage-and-hour legislation hearings have been marked by heated tirades, and the same is true of the proposed extension of Federal rent controls for a period of 2 years. If the able Speaker of the House, SAM RAYBURN, had any hair, it would doubtless have turned white since the Eighty-first Congress convened on January 3, last. The party of victory on last November 2 is a party of internal conflict today, with its component parts ranging all the way from the near-Fascist right to the near-Communist left. Each faction of the party believes itself anointed to carry out the uncertain and obscure "mandate" of the people. Which brings us back again to the question, "What did the people of America intend in the last election?" Did they intend that the Administration should open up a broad highway to the socialist state, or were the voters of America simply expressing their disapproval of a campaign which cannot, by any stretch of the imagination, be termed a brilliant one on the part of the Republican Party? We Republicans had a God-given opportunity to nail our colors and our principles to the masthead in the last election, and to let them float free to be seen by all. We had an opportunity to stand up and be counted as the party of constitutional government. I say, without personal recrimination of any kind, that we missed the boat.

We must now attempt to retrieve our losses, losses which are not confined to prestige alone, but which number many able and fine representatives of the people. We cannot, nor should we attempt the regeneration of Republican fortunes in a campaign designed to outbid, out-promise, and out-spend our Democrat opposition. To do so, would be fruitless, not only because it would eventually result in national bankruptcy and disaster, but because it would represent an ignominious retreat into unconditional surrender. We must take some very positive, and in some quarters, very unpopular positions if we are to hold steady to the path of sound principle which has been the guiding light in the history of the Republican Party. We cannot contend, in all honesty, that Government has a right to exercise control of an individual's legally acquired property, whether it be by outright confiscation or by the slower but nonetheless effective device of Federal rent control. To acknowledge the right of Government to control real property holdings is the opening wedge which will eventually result in the abdication of all our rights with respect to all types of property, real or personal.

This great country and the continued existence of our two-party system of government requires the immediate establishment and the maintenance of a strong party in opposition. Fate, and the voters, have decreed that this is to be the role of the Republican minority for the next 2 years. It is my feeling that we cannot do less than to furnish that opposition which may have the effect of turning us back from the morass of socialism to which we appear headed at the present moment. Neither can we be intellectual cowards in our approach to

these questions, the type of cowards described by the Omaha World-Herald in its editorial of January 26, God Hates a Coward. There is little doubt that many of us have been cowardly and derelict in taking the path which appeared to be the popular course, without respect or without regard for the principle involved. Political opportunism and expediency are constant lures which have a great attraction for an harassed and overworked legislator, but we must all realize that to yield ground in the face of organized pressure is to condemn the Republican Party to an irrevocable loss of a sense of fundamental values. We must raise up the strength of our convictions against the tide which threatens to sweep away the foundations of a great and good way of life. We must have spokesmen who dare to speak lines that may not be universally popular. We need an order of statesmanship which is prepared to furnish a standard of substantial opposition around which the people of America may rally with hope and not with a sense of frustrated despair. We must reaffirm our belief in moral courage and in loyalty to our American institutions and ideals to which the opposition pays nothing more than the lip service of demagogues.

America, for want of that determined opposition, is drifting out of smooth water into the hazardous rapids of an unknown experience. The power to tax is being twisted into a weapon to destroy. One by one those things which constitute the foundation work for individual freedom of action, are being taken from us, and in return for the handling over of our Bill of Rights, it is proposed that we receive in return a sheet of bureaucratic documents to be filled out and returned at the earliest moment.

Human initiative and human enterprise, battered and worn from long years of futile and unsupported struggle, appear to be lying upon the deathbed. Our system of free capital and free labor staggers under the attack of the advocates of the social state.

The challenge is ours to meet or to flee. To do the latter is to sentence our land and the people who populate it to a short period of disturbed and narcotic-induced slumber, followed by the sad awakening to the realities of life in a government-dominated state. In the words of the Omaha World-Herald, "The Republican Party can keep on crawling ignominously along the dusty trail of an order it abhors but shirks from challenging. Or it can rise out of the dust of four merited defeats, stand erect and unafraid, proudly to take up the battle for all that free men prize."

There is no honorable alternative which we can follow. The immutable law of compensation decrees that for everything received, a price must be paid. The price of individual freedom of action under law—the end goal of mankind—is too great a price to pay for the small and uncertain measure of security which would be accorded by a socialist America.

In the beginning of my talk I mentioned the factors which entered into the election in my district. I had a very determined campaign organization, comprising both the older Republicans and the younger Republican groups. We early held a council of war upon this very matter, and it was unanimously decided that the issues should be faced without fear of consequences, and that all the people of the district were entitled to receive definite answers to definite questions. This was the type of campaign which was conducted. It was a bitter, hard-fought, and exhausting program. It was a campaign in which those who spoke for me gave the same answers to the left wing as were given to the merchants and manufacturers. My campaign was waged in opposition to socialized housing, increased tax rates, Federal rent control, a reinstatement of controls and rationing on consumer goods, socialized medicine, and any and all adjuncts to the social state which came up from time to time during the course of the campaign. By the same token we affirmatively expressed an intention to support Federal antilynch legislation, antipoll-tax legislation, Federal aid to education, and the bipartisan foreign policy. Upon the conclusion of the campaign there were no questions left unanswered in the minds of the people of my district. My speakers bureau, and more particularly the young Republicans of my district, did a bang-up and magnificent job. They carried the fight into the bailiwick of my left-wing opponent, and the fruit of their efforts were somewhat astounding, to say the least. You will recall that only 39 percent of the registered voters in my district are Republicans. In spite of this, when the ballot boxes were opened on the night of November 2 the votes of my district, 60 percent strong—and I repeat that figure because a large vote is generally believed to be beneficial to the Democrats—80 percent strong had gone to the polls and had voted for certain Republican principles—American principles—in which they believed, Republican and Democrat alike. My opponent, following the tried and true Democrat tradition of promise and promise again, polled 90,000 votes. We polled 121,000 or 57 percent of the total registration, two and one-half times the majority we had gained in 1946. You will notice that I do not say that the people voted for me. Rather, I stress the fact that they voted for certain principles. This is an important point to be remembered. Candidates come and go. Politicians can be bought and sold. Just the other day it was discovered that a ray of light can be bent between its source and its objective. Almost anything in the world can be accomplished today except the bending of principle. Let us set up our standards as a rallying place, and let us go forth into the battle with confidence in ourselves and in a way of living that has offered, and offers more today to the average man, than any other way of life has ever approached. This may cost us not only the next election but the election after that, and the one following. However, as certain as truth and as certain as the unchanging laws of nature, we shall win through eventually, and the victory will be the more satisfying when it comes, by reason of the fact that we can look each other in the eye with a clear conscience and with the certain knowledge that what has been won represents a victory for all men and women of good will everywhere.

Curtailment of Oil Production in Texas

EXTENSION OF REMARKS

OF

HON. OLIN E. TEAGUE

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Friday, July 8, 1949

Mr. TEAGUE. Mr. Speaker, under leave to extend my remarks in the RECORD, I wish to include a resolution adopted by the Texas State Senate regarding a serious situation being caused the oil industry because of foreign crude oil imports. The Railroad Commission of Texas has found it necessary to reduce the production of oil in Texas 15 percent and our school system in turn will face a loss of revenue because of this curtailment. The senate resolution deserves serious consideration as the oil industry of this Nation serves us well both in peace and in war.

Senate Resolution 21

Whereas a situation exists concerning the oil industry of this State which directly seriously affects and threatens the economic structure of this State; and

Whereas the greatest problem that is facing the economy of this State and endangering its future revenue is the mounting importation of foreign crude oil; and

Whereas the Railroad Commission of Texas in January 1949 found it necessary to reduce the production of oil in Texas approximately 10 percent, and again for the month of February 1949 it was necessary for the commission to reduce the allowable of crude oil in Texas another 5 percent; and

Whereas this 15-percent decrease in production below Texas wells' maximum efficient rate of production will cause Texas to lose $15,000,000 per year in taxes from the production of crude oil; and

Whereas there is today being brought into this country approximately 625,000 barrels of crude oil each and every day, which imported oil has replaced Texas crude in the domestic market in this Nation approximately 350,000 barrels per day; and

Whereas the imports of foreign crude oil into this country can be expected to appreciably increase in this Nation and in Texas, thereby further decreasing domestic demand; and

Whereas it is apparent that unless remedial steps are taken by the proper authorities to arrive at a fair quota for foreign imports of oil, the oil industry in Texas will be not only seriously curtailed in its operations but further developments of Texas' greatest natural resource might come to a complete halt; and

Whereas the Nation's economy, welfare, and security require a policy on petroleum imports which will encourage exploration and development efforts in the domestic industry, and which will make available a maximum supply of domestic oil to meet the needs of this Nation; and

Whereas the operation of the schools of this State, and other functions of State government depend largely upon the continued development of our greatest natural resource for revenue; and

Whereas the present alarming increase of importation of foreign crude oil, coupled with the sharp decline in demand for Texas crude oil, is an immediate and pressing problem of concern to every person in Texas; and

Whereas it is estimated that the present decline in demand for Texas crude will cause a drop in the comptroller's estimate of 1949 covering expected revenue from oil production, amounting to approximately $40,000,000; and

Whereas the very structure of the economy of this State is seriously endangered; and

Whereas our national security depends largely upon the development of new domestic reserves of oil for use in order that this Nation shall have ample domestic supplies of crude oil for use in time of war: Now, therefore, be it

Resolved, That the Senate of Texas call this most dangerous condition affecting the people of Texas and Texas' greatest industry to the attention of the Members of Congress; and that copies of this resolution be forwarded to the Members of the Texas delegation in Congress.

[SEAL] ALLAN SHIVERS,
President of the Senate.

I hereby certify that the above resolution was adopted by the senate June 14, 1949, by the following vote: Yeas 28, nays 0.

GARLAND A. SMITH,
Secretary of the Senate.

To Head Off the Coming Depression

EXTENSION OF REMARKS
OF
HON. ABRAHAM J. MULTER
OF NEW YORK
IN THE HOUSE OF REPRESENTATIVES
Friday, July 8, 1949

Mr. MULTER. Mr. Speaker, the following article entitled "To Head Off the Coming Depression" which appeared in the July 4 issue of the New Republic is worthy of the careful scrutiny of the Congress:

TO HEAD OFF THE COMING DEPRESSION

A serious depression is on the way.

It can be prevented.

Only the Government can take the necessary steps.

Action is needed at once.

These are the main points in a bold, sweeping, and comprehensive proposal just put forward by the Public Affairs Institute, of Washington, D. C. The work of Dewey Anderson, executive director of the Institute, and Wilfred Lumer and John Schott, two of his associates, the study is based upon information which was supplied by a number of governmental agencies.

The present recession is much more serious than is commonly reported, this document points out. The number of unemployed is estimated, as of about 6 weeks ago, at 3,300,000 (other, unofficial guesses late in June said 4,000,000). The Institute predicts, if the Government does nothing to remedy the situation, it will be close to 6,000,000 by the end of this year and nearly 8,000,000 by mid-1950. This situation is not, according to the Institute, just "frictional unemployment," representing people between jobs. Neither is it students out of school or workers on vacation. While it partly represents new workers coming into the labor force, the chief item is 1,900,000 who have lost nonagricultural jobs in the past 7 months.

Already, 5.3 percent of the civilian labor force is unemployed, almost double the rate of October 1948. Less than full employment is estimated to have cost the Nation in the first 3 months of 1949, $13,000,000,000 in goods and services at annual rates. The loss in goods and services which we might enjoy if full employment were to be maintained, is now running at the rate of $23,000,000,000 a year and for fiscal 1950 will be at the rate of $50,000,000,000.

There is good reason to believe that the present downward trend in business and upward trend in unemployment will grow rapidly worse unless the Government takes vigorous measures. The pipe lines of supply in every type of consumer goods are now full; the backlog of orders for steel has now disappeared; steel production has sunk from 102 percent of capacity to 89.1 percent, as of the date of this study. (By June 20, it had gone down to 84.4.) In automobiles, the backlog of orders will soon be gone. The labor force will be augmented by veterans coming out of school and increased numbers of women seeking jobs.

The loss in income caused by unemployment also means a loss in Federal revenue. If economic activity continues to decline at the present rate, the Federal deficit next year will be at least $7,000,000,000. A deficit would have been probable in any case, but if full employment were continued and maintained through 1950, it would not have been much more than $1,000,000,000.

The institute points out that this problem of the Federal deficit cannot be solved by a drastic slash in the operating costs of the various Federal departments. It agrees that waste should be eliminated wherever possible, on principle; but it argues that deep reductions now would only make matters worse.

What steps should the Government take to keep this recession from turning into a really bad depression? The Institute for Public Affairs names 10 of them:

First, in order to increase consumer purchasing power, raise the tax exemptions in the lower brackets and reduce the rates in the middle brackets.

Second, extend for at least another year the special unemployment benefits for veterans which are scheduled to expire this month.

Third, advance the date of payment of the special dividend on veterans' insurance from early 1950. This sum is more than $2,000,000,000, or an average of $175 for each veteran.

Fourth, increase social-security benefits, extend the coverage and increase the Federal contribution toward public assistance benefits to at least $2,000,000,000 annually.

Fifth, begin immediately a substantial program of emergency public works, including projects for white-collar workers who are not qualified physically for heavy construction operations.

Sixth, liberalize the provisions under which many veterans are now attending school or college, so that they can continue education a little longer and not compete quite so soon for scarce jobs.

Seventh, arrange a similar plan to extend the education of particularly well-qualified young people who are not veterans.

Eighth, reestablish the Civilian Conservation Corps giving a year of healthful and useful outdoor work to many young men.

Ninth, strengthen the Employment Service, and as a part of this, enable it to help transport workers and their families to areas where jobs are available.

Tenth and finally, reexamine all aspects of our economy to the end that policies in regard to taxes, wages, profits, credit and corollary subjects shall be geared to continue expansion of the economy and increasing levels of consumption.

House Appropriations Committee Praised for Its Alertness

EXTENSION OF REMARKS
OF
HON. LOUIS C. RABAUT
OF MICHIGAN
IN THE HOUSE OF REPRESENTATIVES
Thursday, July 7, 1949

Mr. RABAUT. Mr. Speaker, today, when we are rightfully turning to economy thinking and when, from all sides, we hear the loud and persistent cries of "Cut," "Curtail," "Limit," "Save," and so forth, it is pleasing to note that some of our citizens are conscious of the fact that the Federal Government is in a look-before-you-leap frame of mind.

The House Appropriations Committee, of which I am happy to be a member, is the object of commendation in a letter in the Washington post recently. Since in these days this is such a rare occurrence and, under leave to extend my remarks in the RECORD, I include the following article:

ALASKAN TIMBER LANDS

The House Appropriations Committee deserves the gratitude of all decent Americans for the action against which William L. Baker, editor and publisher of the Ketchikan (Alaska) Chronicle protests in his letter of May 23.

The $9,000,000 which the House Appropriations Committee refused to appropriate for pulp mill access roads in Alaska would have been spent to consummate a scheme which competent critics have called the most outrageous land grab since Teapot Dome.

Twenty-three Protestant denominations, represented by the home missions council, as well as leading Protestant, Catholic, Jewish, and nonsectarian civic organizations and magazines have protested against this scheme, which contemplates relieving the Alaskan Indians of their valuable timberlands and turning their timber over for a song to favored companies.

In the face of these Nation-wide protests, the scheme has been having tough sledding. Several responsible firms have decided not to deal in hot timber. Mr. Baker and some of his associates have therefore undertaken to secure substantial Federal subsidies for less squeamish investors. Scruple-swallowing timber companies were informally promised $9,000,000 of public funds for private timber roads which they would otherwise have had to pay for themselves.

Such roads would serve no public purpose, they would lie within a private lumber company empire; they would be used for transporting what the Catholic Commonweal calls expropriated timber taken from displaced Alaskans. These roads would represent the final step in what the Christian Century calls the plundering of our oldest racial minority.

FELIX S. COHEN.

WASHINGTON.

Beware of Buying Security at the Price of Slavery

EXTENSION OF REMARKS
OF
HON. WILLIAM M. McCULLOCH
OF OHIO
IN THE HOUSE OF REPRESENTATIVES
Friday, July 8, 1949

Mr. McCULLOCH. Mr. Speaker, in the Columbus (Ohio) Citizen of July 3, 1949, there appeared a truly great editorial. In my opinion, it is well worth the reading time and the thoughtful consideration of everyone. The editorial follows:

BEWARE OF BUYING "SECURITY" AT THE PRICE OF SLAVERY

Once upon a time in these United States of America a large minority group "enjoyed" a form of security which met most modern definitions.

They had no fear of unemployment. They had food, housing, and medical care. They need have no economic fears for the future. It was all carefully planned for them.

One thing was lacking, and its lack made a mockery of all the others. They lacked liberty. They were slaves. We fought a bitter war among ourselves, nearly 90 years ago, to free them.

The millions of another country which sweeps for thousands of miles across the top of Asia had neither liberty nor security.

For hundreds of years they had lived in bitter want while the peoples of the free countries to the west passed them by. They had lived in virtual slavery to their masters, a small ruling caste.

A little over 30 years ago there was revolution in Russia. The Russians slaughtered

each other but the end sought was not, as in America, establishment of liberty.

The watchword was, instead, security. In Russia today there is no unemployment, no fear of it. The Russians have food, housing, and medical care. They need have no economic fears for the future. It is all carefully planned for them by a new master class.

The Russians, like the American Negroes of the last century, lack the one thing—liberty—which can give any meaning to the other so-called "four freedoms."

They are socially secure in their poverty and degradation. Secure to live crowded into shacks; secure against unemployment; secure in the knowledge that there will be work for them to do, in government factory, plantation, or slave camp, so long as they can lift a hand.

And yet, so irrational are human emotions, a large part of the world looks to this modern form of slave security with admiration.

Even while scorning the term "communism," free nations to the west tend to copy the Russian system. Gradually limitations are placed on liberty; gradually the state encroaches on individual human freedom of action.

Even in our own country, founded in liberty and dedicated to the proposition that all men * * * are endowed by their Creator with certain inalienable rights * * * life, liberty, and the pursuit of happiness, there is insistent demand that the state take over.

We are not afraid of chains. But the lesson of all history—ancient and modern—is that once economic authority is usurped by or surrendered to central authority, liberty goes with it.

And without liberty there is no real security of any kind; only the deadly monotony of the penitentiary or the slave camp.

Tomorrow is Independence Day, celebrating the one hundred and seventy-third year of freedom from a tyrant who, compared to the modern Caesars, was benevolence personified.

A country lawyer, speaking in a Virginia meeting house, electrified the country back in those days.

"Is life so dear or peace so sweet as to be purchased at the price of chains and slavery?" demanded Patrick Henry. "Forbid it, Almighty God."

These sentiments are scorned today on many fronts by scheming power-seeking men who beguile the unwary with promise of bread and circuses; by maladjusted intellectuals who would peddle their birthright for a sop to their rankling frustrations.

This is the day to think these things over, lest we carelessly toss aside the liberty we won 173 years ago, and with it the whole basis of the record genuine security the Americans have achieved in almost a century and three-quarters of patient effort.

Less Regulation for Gas Lines

EXTENSION OF REMARKS

OF

HON. FRANK BUCHANAN

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Friday, July 8, 1949

Mr. BUCHANAN. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following article from Business Week of July 2, 1949:

LESS REGULATION FOR GAS LINES

Users of natural gas will probably pay more for their fuel soon. These are two causes: (1) A Supreme Court decision last week in a case brought by the Federal Power Commission against Panhandle Eastern Pipe Line Co., and (2) a decision by the Senate Commerce Committee not to make at this time any significant changes in the Natural Gas Act.

THE COMMODITY-VALUE PROBLEM

The basic problem involves the price that the pipe-line companies get for the gas they produce themselves from wells they lease or own. This amounts to about 42 percent of all gas carried interstate (according to 1947 figures). The rest of the gas the pipe-line companies buy from independent producers.

FPC has no control over the price of the independents' gas. This price, determined by supply and demand, is known in the industry as the "commodity value" of natural gas. The pipe-line boys think they should be able to get commodity value for the gas they produce, too. But FPC does have control over this gas because it is produced by interstate companies—and FPC says "No." Instead, it limits the price on the basis of the well-known utility rate-making formula of original cost. (That is, the Commission allows the pipe-line company a "fair" rate of return on original cost of facilities, including gas-producing facilities.)

So the pipe lines carry two kinds of gas—gas the companies produce themselves and gas they purchase. FPC has had to let the carriers charge consumers higher prices for the purchased gas. This set-up has played hob with pipe-line accounting. And it has led to almost inexplainable differentials in the price of gas to different consumers—depending on what pipe line served them and what gas the lines carried.

WAY OUT

When the Republican Eightieth Congress refused to write commodity value into the Natural Gas Act, several pipe-line companies decided that the only way out was to dispose of their producing facilities.

Panhandle took the lead. Last September it set up the Hugoton Production Co.; turned over to the new company its leases on 97,000 acres of gas fields. It also gave Hugoton $675,000 in cash. In return Panhandle received all of Hugoton's common stock, which it proposed to distribute to its own stockholders—to insure that Hugoton would be permanently independent.

INJUNCTION ASKED

At this point, FPC stepped in; it asked that the deal be enjoined until it could make an investigation to make sure the transfer would not impair Panhandle's ability to meet the commitments of its far-flung transmission system.

A lower court turned down the injunction request. And the Supreme Court, by 5 to 3, upheld the lower court. It held that the production facilities were now under the control of a bona fide independent (FPC admitted that), and that FPC, therefore, had no authority to delay the deal. The majority tartly advised the commission to ask Congress for power to control gas-supply transfers, if it saw a need for such authority.

BARRIERS DOWN

One result of the decision is, apparently, to remove all barriers to sales or transfers of gas-producing facilities by pipe-line companies. And it is thought likely in the industry that many companies will now follow Panhandle's lead.

As more and more gas thus moves into the unregulated class, the price will go up. But the boots should be slight. Less than half of the total interstate supply is involved. And the well-head price of gas makes up less than 10 percent of the total cost to domestic consumers, only about one-third of the delivered price of industrial gas (delivered in the East and Midwest in 1947).

UNCERTAINTY REMOVED

Another result of the decision: There is no longer any possibility that FPC can regulate the price of gas produced by independents. The philosophy of the majority of the commission has been that all property of a regulated pipe-line company is involved in interstate commerce.

This reasoning, the industry has feared, could lead to the conclusion that effective regulation requires control over all factors involved in the pricing of pipe-line gas—including gas bought from independents for interstate transmission. The decision removes any chance of that—and leaves the pipe-line companies without the support of the independents in their running battle with FPC.

What the American Flag Means to Me and My Family

EXTENSION OF REMARKS

OF

HON. ALBERT GORE

OF TENNESSEE

IN THE HOUSE OF REPRESENTATIVES

Friday, July 8, 1949

Mr. GORE. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following address written by a young gentleman, by which he won first prize in the Knoxville, Tenn., Flag Day contest:

WHAT THE AMERICAN FLAG MEANS TO ME AND MY FAMILY

I am just another boy in one of America's high schools. I go to school day after day, one school term after another. I have many duties outside of school that have to do with my life in my community, church, and home; I follow the plow, I blend my voice in song with the choir in our country church, I share with my parents and brothers and sisters the joys and sorrows that sooner or later come to most families. There is nothing out-of-this-world about my life—in one way you look at it.

As I come up the walk to the school building on bright mornings Old Glory is in her rightful place at the top of the flagpole. I think it was my mother and one of my early teachers who led me to look at the flag with a quickened breath and a feeling of responsibility and pride. It is that flag that lifts my life out of the seeming monotony that I mentioned just now. No American boy can live a colorless life. The flag guarantees too many opportunities for that. I go to a good school; the limit to my education I shall set myself. I worship my Maker as I see fit. I learn of what has happened and is happening in the world without fear of censor. I shall take my place in the world of affairs as I put forth an effort to do so—I may be a millionaire or a pauper, as I choose. I am free to establish a home and rear a family. In other words, I may attain to the stature of a free man, because Old Glory waves on high. Taking my hat off as the flag is passing by is not an idle gesture; I am bowing my heart in thanksgiving for the good fortune that is mine—I am an American citizen. The American flag belongs to me and my family.

WAYNE PROVENCE.

KNOXVILLE, TENN.

Refutation by Hon. Emanuel Celler, of New York, of Statements Recently Made Regarding Displaced Persons

EXTENSION OF REMARKS
OF
HON. EMANUEL CELLER
OF NEW YORK
IN THE HOUSE OF REPRESENTATIVES
Monday, June 27, 1949

Mr. CELLER. Mr. Speaker, under leave granted to extend my remarks in the RECORD, I include the following statements regarding displaced persons and a refutation of these statements prepared by me:

REFUTATION BY HON. EMANUEL CELLER, OF NEW YORK, OF STATEMENTS RECENTLY MADE REGARDING DISPLACED PERSONS

I. STATEMENT

"I am wondering how many of those who discuss this subject really know the subject. It has been sugar-coated with so much fraud and misrepresentation that sometimes I think that many who discuss the subject have no true idea or conception of it."

Facts offered by me

The following documents present the problem without "sugar-coating," without "fraud" and without "misrepresentation":

1. The Displaced Persons Commission's first annual report to Congress (February 1, 1949).

2. Hearings held before the Committee on the Judiciary, House of Representatives, on March 2, 4, and 9, 1949 (Serial No. 5).

3. House Report No. 581, Eighty-first Congress, on H. R. 4567.

II. STATEMENT

"I wonder how many know the millions of people who are in the United States now illegally and fraudulently."

Facts

It is absolutely impossible to determine the number of aliens who are illegally in this country, just as it is impossible to determine how many people jumped the red light if they were not caught up with.

It is possible, however, to determine that all estimate as to the number of aliens illegally in this country were grossly exaggerated. During the Senate debate on Senator Revercomb's displaced persons bill, it was estimated that around 100,000 aliens came as refugees during the war and remained in this country illegally. Subsequently, in order to legalize the residence of this category of aliens, the Congress has granted a quota of 15,000 under the provisions of section 4 of the Displaced Persons Act of 1948.

The Department of Justice is now just as surprised as the Congress that only slightly over 5,000 such aliens tried to avail themselves of this possibility. It is obvious, therefore, that the number of refugees illegally in this country constitutes about 5 percent of the estimates made last year.

It is also a fact that the law enforcement, with respect to all categories of aliens who are illegally in this country, has been much more efficient since the termination of the war permits resumption of deportations and voluntary departures.

Figures submitted by the Department of Justice show the following numbers of aliens deported:

1945	11,270
1946	14,375
1947	18,663
1948	20,371

The same source (Department of Justice) indicates the following numbers of aliens who have departed voluntarily after proceedings against them were started:

1945	69,000
1946	101,945
1947	195,880
1948	197,184

III. STATEMENT

"I wonder how many know that with all those who have been taken out of the camps there are today more persons in the camps than there were when we first set up the organization, more than there were when we first started to take them out."

Facts

Total number of displaced persons expecting resettlement as of—

Jan. 1, 1947	1,039,404
Jan. 1, 1948	836,989
Jan. 1, 1949	769,300
Apr. 1, 1949	708,600
May 1, 1949	699,300

It is obvious that the number of displaced persons expecting resettlement is going down and not up.

The total estimated resettlements of displaced persons through May 1, 1949 amounted to 522,900, of which 47,539 have been admitted to the United States and 93,431 to Israel.

IV. STATEMENT

"I wonder how many know that they are coming into the camps by hundreds of thousands, people who have no more right to the claim of being displaced persons than they have the right to a claim of nationality at the North Pole."

Facts

According to the International Refugee Organization, recent refugees are being admitted into camps only in isolated individual hardship cases. The camps are rapidly diminishing both in their number as well as in the number of their inmates.

According to Senate Report No. 467, Eighty-first Congress (Senator HERBERT R. O'CONOR, of Maryland, reporting, p. 20), in the period between September 1, 1948, and April 30, 1949, 85 camps, with a capacity of 57,600 persons, have been closed. During the period between May 1, 1949 and December 30, 1949, 44 camps, with a total capacity of 61,000, are scheduled for closure. It is estimated that by October 1, 1949, only 99 assembly centers, with a total capacity of 160,000, will be in operation in the United States zones of occupation.

V. STATEMENT

"I wonder how many know that there never was a more workable law than the one now in existence, and that that has been testified to by the Displaced Persons Commission. * * * It is not necessary to lobby through a measure which is just, when, as a matter of fact, Congress has enacted a law which is now working satisfactorily."

Facts

On March 4, 1949, the Displaced Persons Commission submitted to the Committee on the Judiciary, House of Representatives, a memorandum incorporated into the transcript of hearings held on H. R. 1344. The law contains, among others, the following statements in sharp contrast to Senator MCCARRAN'S appraisal of the existing law. Referring to the present cut-off date of December 22, 1945, this is what the Commission had to say:

"The present date line has had a serious deterrent effect upon effective and expeditious administration, because of the necessity for the search for documents to prove conformity and with an artificial date line. Amendment of the act to provide a more realistic and nondiscriminatory date line would speed up the flow of displaced persons to the United States."

Referring to other restrictions of the present law, the Commission's opinion is as follows:

"The first proviso of section 3 (a) requires that no less than 40 percent of the visas issued under the act shall be available exclusively to displaced persons whose place of origin or country of nationality has been de facto annexed by a foreign power. The Commission has experienced two difficulties with this provision. First, it has been a most serious administrative burden which has retarded admissions under the act. The law requires assurances before anyone may even be considered for admission. Suppose we cannot get assurances covering these people? The effect of this would be to shrink the whole program. For example, if only 40,000 displaced persons from these areas were found eligible for entry into the United States, then only 60,000 others could be granted visas—thus, instead of admitting 205,000 people, we would be limited only to 100,000, although another 100,000 were ready and otherwise eligible. Of the first 2,500 visas issued under this program, only 33 percent were from de facto areas. In order to achieve even this percentage, the Commission was required by the law deliberately to hold back thousands of assurances until there could be enough appropriate assurances even to approach the statutory ratio for de facto annexed areas.

"The Commission's experience has shown that a rigid day-by-day, or week-by-week, or even month-by-month, adjustment of this 40-percent ratio would have the effect of wrecking the whole program. The situation became so acute by the end of December that the Commission was compelled to effectuate its earlier conclusion that it was not necessary to achieve this 40-percent ratio within any given period of time, so long as it was reached on the basis of the whole program. The Commission supports its action on the basis that any other course would have found the program hopelessly mired. Unless this provision of the law is repealed the congressional intent to issue visas to 205,000 displaced persons will be thwarted.

"It might be pointed out here, that since the end of December, the Commission has been operating upon the general basis of first come, first served. The use of this chronological method has resulted in a progressive increase in the number of cases processed out of the Commission's European headquarter's office."

"The first proviso of section 6 (a) requires that no less than 30 percent of the visas issued under the act shall be made available exclusively to persons who previously engaged in agricultural pursuits and who will be so employed in the United States.

"This provision has had an effect similar to that described for the 40-percent limitation. Attempts to maintain the 30-percent ratio have meant postponing action on others who were eligible. This provision has slowed down arrivals in the United States and only 11 percent of the first 2,500 visas were issued to agriculturalists. The Commission is convinced that the percentage will be higher but cannot vouch for the number or time of their receipt. As with the 40-percent limitation, a rigid conformity with the 30-percent requirement might well wreck the program."

"It might also be mentioned that in addition to its administrative difficulties, and its unfairness to displaced persons the provision is insensitive to the needs of the American economy."

"As of January 1, 1949, of all persons resettled from Germany, Austria, and Italy, only 11 percent were admitted to the United States. This is because our resettlement

program started late in comparison to those of other nations. If the act were amended to authorize the entry of 400,000, that number plus the persons admitted under the President's directive would result in the admission of not more than 445,000 out of the million or more displaced persons who were to be resettled from Germany, Austria, and Italy since the end of the war.

"While every effort will be continued to be made by the IRO to resettle displaced persons throughout the world, it now appears unlikely that the problem can be solved without the United States authorizing the admittance of a number considerably in excess of 205,000 as provided for in the act of 1948. It does appear likely that an addition of 195,000—raising the total to 400,000—would completely end the problem.

"In this regard the Commission believes it is of utmost importance to note that the people of the United States want these displaced persons in their midst, and have been asking for them at a rate which will very shortly exhaust the 205,000 now authorized for admission. As of February 7, 1949, we had sent over to Europe requests for approximately 75,400 displaced persons. There have already come to our office requests for about 100,000 displaced persons, and this is only the beginning of the program. Assurances have been coming into Washington at the rate of between 4,000 and 5,000 people a week, and the number has been increasing steadily. The interesting fact is that the greatest demand for displaced persons comes from the areas in the country where some have already gone. All parts of the country, West, South, East, and North, all kinds of communities, all types of business and agricultural enterprises have expressed not only a desire to have displaced persons, but an increasing irritation at not having more. Increasing the number to 400,000 is not a guaranty that 400,000 will enter the United States; it is merely a ceiling authorization and the number to be admitted will depend entirely on the availability of satisfactory resettlement opportunities."

As evidence that our people generally want to bring these D. P's. into the United States, 31 D. P. commissions and D. P. agencies have been set up in 31 different States.

VI. STATEMENT

"If it were to become law the House [Celler] bill, H. R. 4567, would bring into this country not only those who are in camps or who have been in camps, but those who have been taken from camps by other countries and have gone to England, for instance. Those who have been taken to England would be eligible to come into our country."

Facts

Under the provisions of my bill, H. R. 4567, as it passed the House on June 2, 1949, no person who has been taken from a camp and brought to England would be eligible to come to the United States.

The only provision of the House measure pertaining to persons residing in England relates to the group of 18,000 former Polish soldiers who are in possession of individual affidavits of support, who are not considered displaced persons within the meaning of the existing law, and who have been included into the new bill at the insistence of a considerable majority of the Members of the House who desire to offer an opportunity to come into the United States to the veterans of an Allied army unable to return home because of the fact that Poland has been taken over by a communistic government.

VII. STATEMENT

"As we take them out of the camps, the camps fill up again, and they will continue to fill up."

Facts

The figures quoted above under IV refute this statement.

Recess at Lausanne

EXTENSION OF REMARKS
OF
HON. SIDNEY R. YATES
OF ILLINOIS
IN THE HOUSE OF REPRESENTATIVES

Friday, July 8, 1949

Mr. YATES. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following editorial from the Washington Post of July 2, 1949:

RECESS AT LAUSANNE

The recess that has been taken at Lausanne in the job of turning the armistices in Palestine into peace instruments is a most curious one. The theory was that the conciliators and the parties at interest would seek fresh instructions. But no such activity is reported. There were three conciliators, an American, a Frenchman, and a Turk, and all three conciliators have returned to their domestic hearths. For instance, the American, Mr. Mark Ethridge, is back in his office at the Louisville Courier-Journal, of which admirable newspaper he is the publisher. As for the Arabs and the Israelis, they are still at Lausanne, marking time very pleasantly in the Swiss sunshine. In the meantime, Washington and Tel Aviv seem to be firing splenetic notes back and forth which will promote Arab do-nothingness and nothing else.

Let us take what the soldiers in wartime called a fresh reading. The conciliation commission is the agent of the General Assembly, but the members of it seem to have been working much more closely with their home governments than with Lake Success. This is a striking departure from the precedent supplied by the armistice negotiations. Dr. Ralph Bunche in his role as mediator was a United Nations official, and he reported to Lake Success, not to any individual government. He succeeded in his task, partly because of his personality, partly because of the framework in which he operated. Except for Syria, where there has been an overturn in the government, he arranged armistices between Israel and the rest of the Arab countries and left Rhodes, where he worked, with a high standing in the eyes of Arabs and Israelis alike. The question that comes obviously to mind is how this experience can be put to use to complete the task of peacemaking.

The first lesson of that experience is that the only way to get any progress is by the bilateral approach. When all the Arabs come together, fears and jealousies enter the conference room, and Dr. Bunche quickly realized it. Each has his own particular problems with Israel. For instance, Transjordan wants either a sea outlet or use of Haifa as a free port, but there is no point in discussing the Transjordan aim in the presence of Transjordan's rivals, some of whom are anxious to curb and not to increase Abdullah's influence. Should we leave Transjordan and Israel to come together of their own volition? Only if we are not anxious to get any peace. If peace is what we need, then the full force of diplomacy should be exerted in favor of bilateral talks; and if Dr. Bunche was able to promote such conversations, surely the chancelleries, particularly the State Department, can.

The appearance is being given that the State Department is opposed to bilateral conversations till the problem of the Arab refugees has been settled. Here, to be sure, is the only issue that is common to all the Arab countries. It is more than that. All of them, along with Israel, have a responsibility toward the Arab refugees—the Arab nations for precipitating the war and Israel as the sovereign over the vacated homes of the individual refugees. As to this problem, there is a solution—a solution that, it is said, Mr. Hoover is quietly advocating. This is to bargain human settlement against a scheme of economic reconstruction in the areas admitting the refugees.

However, there is no need (and no warrant in the UN mandate of conciliation) to delay conversations on other aspects of peacemaking till these details have been worked out. What is required is a fresh start. Given some declaration of a common responsibility for the refugee problem, the Conciliation Commission could apply the hero of the armistices as well as the lesson of those negotiations to the problem in hand—that is to say, depute the management of bilateral talks to Dr. Bunche. In that event some progress could most certainly be achieved. The Arab governments will never demonstrate any initiative so long as they see no leadership among the great powers which they can display to their hoodwinked peoples as the reason for conversations. Drift and recrimination, combined with the gun-running that the western nations are now indulging in, can have only one result, and that is to invite a much more serious explosion than the one Dr. Bunche stopped.

Automobiles for Disabled Veterans

EXTENSION OF REMARKS
OF
HON. EDITH NOURSE ROGERS
OF MASSACHUSETTS
IN THE HOUSE OF REPRESENTATIVES

Friday, July 8, 1949

Mrs. ROGERS of Massachusetts. Mr. Speaker, under leave to extend my remarks in the RECORD, I include Senate bill 2115, to authorize payments by the Administrator of Veterans' Affairs on the purchase of automobiles or other conveyances by certain disabled veterans, and for other purposes.

I have introduced a companion bill, H. R. 5323:

Be it enacted, etc., That, subject to the conditions hereinafter set forth, the Administrator of Veterans' Affairs is authorized and directed to provide or assist in providing an automobile or other conveyance, by paying on the purchase price of such automobile or other conveyance not to exceed $1,600, including equipment with such special attachments and devices as the Administrator may deem necessary, for each veteran of World War II who is entitled to compensation under the laws administered by the Veterans' Administration for any of the following:

(a) Loss or permanent loss of use of one or both feet;

(b) Loss or permanent loss of use of one or both hands;

(c) Permanent impairment of vision of both eyes of the following status: Central visual acuity of 20/200 or less in the better eye, with corrective glasses, or central visual acuity of more than 20/200 if there is a field defect in which the peripheral field has contracted to such an extent that the widest diameter of visual field subtends an angular distance no greater than 20 degrees in the better eye.

SEC. 2. The benefits of section 1 shall be granted under the following conditions:

(a) That under such regulations as the Administrator may prescribe the furnishing of such automobile or other conveyance, or the assisting therein, shall be accomplished by the Administrator paying the total purchase price, if not in excess of $1,600, or the

amount of $1,600, if the total purchase price is in excess of $1,600, to the seller from whom the veteran is purchasing under sales agreement between the seller and the veteran.

(b) The United States shall not be liable for the repair, maintenance, or replacement of any automobile or other conveyance provided under the provisions of the first section of this act and shall not be liable to any person by reason of any damage caused by the use of such automobile or other conveyance.

(c) No veteran shall be entitled to receive more than one automobile or other conveyance under the provisions of this act; and no veteran who has received or may receive an automobile or other conveyance under the provisions of the paragraph under the heading "Veterans' Administration" in the First Supplemental Appropriation Act, 1947, shall be entitled to receive an automobile or other conveyance under the provisions of this act.

(d) The benefits provided in this act shall not be available to any veteran who has not made application for such benefits to the Administrator within 3 years after the effective date of this act, or within 3 years after the date of the veteran's discharge from the armed forces if the veteran shall not be discharged until on or after said effective date.

(e) Any automobile or other conveyance furnished any veteran pursuant to this act shall be exempt from the claims of creditors, and shall not be liable to attachment, levy, or seizure by or under any legal or equitable process whatever.

(f) After enactment of this act, any automobile or other conveyance heretofore furnished any veteran under the provisions of the paragraph heading "Veterans' Administration" in the First Supplemental Appropriation Act, 1947, as amended, shall be exempt from the claims of creditors, and shall not be liable to attachment, levy, or seizure by or under any legal or equitable process whatever.

Let There Be Light

EXTENSION OF REMARKS
OF

HON. HOMER E. CAPEHART

OF INDIANA

IN THE SENATE OF THE UNITED STATES

Friday, July 8 (legislative day of Thursday, June 2), 1949

Mr. CAPEHART. Mr. President, I ask unanimous consent to have printed in the Appendix of the RECORD an address entitled "Let There Be Light," delivered by Ron Snyder, a young man of La Porte, Ind., and which won for him the 1949 Indiana American Legion and State bar association oratorical contest.

There being no objection, the address was ordered to be printed in the RECORD, as follows:

LET THERE BE LIGHT

Imagine yourself standing in Constitution Hall. Behind you is a spacious window, with curtains drawn, so that the hall is dark. At the end of the hall on the paneled wall is a framed picture of our complete constitutional system of government. You gently pull the cord which opens the curtains so that you can see the document more clearly. Suddenly, a thin shaft of light penetrates the darkness as the curtains first begin to part, and as your eyes follow the narrow beam, you see that it rather poorly illuminates just a section of the complete picture, a section entitled "The Constitution of the United States."

In a measure, this first, hazy, indistinct glimpse of that historical document bears a striking resemblance to first impression the early Colonists were given of the Constitution when it was created. To the common man, of 1787, the new Constitution seemed unclear and confused, for even though it states that its purpose was to promote the general welfare, in actuality it did not, but rather it created an aristocracy as real as any in foreign lands. It was the belief of Jefferson and the other creators of our Constitution that the offices of the Government should be held only by the educated, the elite, and the well-bred. The purpose of the Constitution was just and right, but in practice we had not yet realized that the very foundation of our Government is the common man, whose rights were being suppressed.

Men had left the tyranny of Europe and arrived on the eastern shores of America with burning hopes of freedom. Puritans had fled persecution in England, Quakers had sought America as the land of free worship, and excessively taxed debtors had begun life anew on the rocky soil of New England with memories of the London prisons still fresh in their minds. Yes, men and women had come to America determined to find the freedom they were entitled to. And to obtain it, they had fought a war against a well-trained, well-organized, and more adequately equipped foe. But they had won their struggle against all those odds, because those Colonists, fighting side by side, possessed one quality that the red-coated enemy did not—they were fighting for freedom. Yes, they had won their struggle, but as they examined the newly created Constitution, they asked, "Was it for this that we fought? This document that establishes a National Government but does nothing to keep that government from becoming just as intolerable and oppressive as did the English rule? No, we want rights, the rights of self-government, yes, but also individual rights which will protect us, the common people, from our Government, and which will grant our liberties."

And so, the first 10 amendments were added to our Constitution. These first individual rights, adopted in 1789, are just as important in the lives of Americans today as they were in the time of Jefferson, because they are basic rights which all free men should possess.

Provided in this section are such major rights as: the right of religion, the right of assembly, the right to petition, and many others, all of which have proven their importance throughout our history. But perhaps one of the most important of all is the right to be free from such incidents as the arrest of John Peter Zenger, a printer of 1735. Zenger had come to America at the age of 13 from Germany. He had worked long and hard to become a printer, and finally he obtained a position as editor of one of New York's leading newspapers. Being an honest man, he exposed the tyrannical acts of New York's Governor Cosby. In the face of Zenger's convictions Cosby charged the printer with seditious libel, and set his bail at 400 pounds, a sum which was almost impossible to pay at that time and so, he was taken to jail to await trial. However, through an eloquent appeal by Andrew Hamilton, a noted attorney of that day, John Peter Zenger was ruled "not guilty". And from town to town was whispered the praise of the New York printer who had fearlessly fought tyranny. So, the people, remembering the John Zenger trial and many others like it, established through the Government the Bill of Rights which we now see before us in Constitution Hall.

But as our frontier expanded, and our pattern of life became more complex, new problems arose challenging our Constitution, problems of rights and men's freedoms, problems not answered by any of the first 10 amendments. For example, in a southern Ohio tavern of 1857, a group of ruddy, weather-beaten men sat around a table talking in earnest tones. Finally one of the men said, "But they're human, same as you and me. It ain't proper that one man should make another work like an animal just cuz his skin's a different color. That's why I say Dred Scott oughta go free." They were right, these men that sat around a pine table in 1857. Just as right as the Negro who said, "If I'm dirty I can cleanse myself. If I'm illiterate I can educate myself. But if it is the color of my skin that you find fault with, take your grievance to God, for he made me that way." However, to prove such ideals it took a terrible civil conflict. Standing upon a blood-soaked field, his voice full of emotion, a tall, lean man with a tanned face and kind eyes expressed perhaps one of our history's greatest dedications to freedom when he said, "The world will little note nor long remember what we say here, but it can never forget what they did here. It is rather for us to be here dedicated to the great task remaining before us, that from these honored dead we take increased devotion to that cause for which they gave the last full measure of devotion; that we have highly resolved that these dead shall not have died in vain; that this Nation, under God, shall have a new birth of freedom, and that government of the people, by the people, and for the people shall not perish from the earth."

Abraham Lincoln fought and died for that freedom from slavery and that unity of strength in which he so devotedly believed. He died with the prayer that the abolishment of slavery, for which he too had given the last full measure of devotion, would some day be realized. His prayer was answered in the adoption of the thirteenth amendment, which recognized the freedom of the Negro, and proved that the old farmers of southern Ohio were right when they said, "Just cuz a man's colored don't mean he ain't human."

But we have examined only the first section of our constitutional picture. So let us separate the curtains even further and allow additional light to enter Constitution Hall. With this increased amount of light we see the title of the next section to be the Supreme Court's Interpretations of the Constitution.

The early decisions of the Supreme Court conformed with the ideals of Chief Justice John Marshall, a stern Federalist, who believed that the Central Government should be made as strong as possible through court interpretations. But as time passed and experience matured our country, our courts came to recognize as a far greater basis for their decisions the welfare of the common man. Illustrations of this can be found in many of the Supreme Court's past decisions, but for one specific example let us return 12 years to 1937. It was in that year that the Supreme Court ruled the Wagner Act to be constitutional. Why had our Judicial Department in the face of challenges hurled by big business, upheld the constitutionality of this labor act? Why? Because the Wagner Act provided for the rights of the common man. With the passing of this act men could unite and thus oppose the money-hungry capitalists. Their demands for fair treatment and decent conditions could no longer be neglected or laughed off, their wives and children no longer would have to go hungry. And so the Supreme Court supported this act, for after all, what democracy would there be if the rights of the common man were not upheld?

But there remains one other section in the picture, a section which has been just as necessary in creating our present democracy as either the Constitution and its Bill of Rights or the judicial decisions. Therefore, with a final movement we open the

curtains fully, and as the sun's rays elucidate the complete picture, we read the title of the third and final section, which is, "Customs and Usages of Our Constitution."

Included here are all the many different traditions which have become part of democracy. Here are found such things as voting on second Tuesday of November; standing at attention when the American flag passes by; and observing Armistice Day. All just part of our everyday life, just customs. No one has forced them upon us. They've merely grown out of our beliefs and our ideals. We have been called foolish sentimentalists by certain other governments because of our beliefs. But then, in a totalitarian state, our beliefs probably would seem foolish and sentimental. Because there, respect of the common man does not exist, there the state is first, not the individual. That is why such men as Hitler and Mussolini have laughed at our beliefs, but then, that too, is the one characteristic that has made America greater than any other single nation in the world, that belief that respect of the common man is the foundation of a government. Americans have always held that belief, and not only have we maintained it, but several times we have gone to war when aggressors threatened to change our faiths and ideals. That has been the greatest proof of the worth of our beliefs, the fact that men have been willing to fight and die for an institution called democracy. These men believed that being an American is not based on birth, language, race, or religion. For in the beautiful cemeteries of Salerno, Normandy, and Belgium lie both white and Negro soldiers who gave their lives for our democracy. But the crosses marking their graves do not discriminate between Negro and white, they merely carry this inscription, "Here lies an American soldier." Because to be an American is to have a faith, a belief, and a conviction about freedom.

Americans fought because they believed in the rise of the common man. And they died so that that picture, which is now flooded with glorious light, could be complete.

And so, standing here in Constitution Hall, we have watched the picture of freedom and democracy gradually grow to completion. We have seen the common man raised from a point of obscurity to his rightful place as the foundation of our country. And we have seen the sun shining upon a completed picture of freedom, equality, and justice. So our prayer for the future must be the prayer of Daniel Webster, who once said, "When my eyes shall behold for the last time the sun of the heavens may I not see it shining on the broken and disordered fragments of a once-glorious nation, but rather upon the glorious flag of a republic now known and honored throughout the earth; not a stripe missing; not a single star obscured, bearing for its motto that sentiment dear to every true American heart—liberty and union, now and forever.

Resolution of Young Republican Federation

EXTENSION OF REMARKS

OF

HON. WALTER H. JUDD

OF MINNESOTA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 29, 1949

Mr. JUDD. Mr. Speaker, under leave to extend my remarks, I include a resolution passed by the Young Republican Federation at its 1949 convention held June 23–25 at Salt Lake City. This is powerful support of the concurrent resolution to the same effect already introduced by more than a hundred Members of Congress of both parties. The resolution follows:

Be it resolved, It is the sense of this federation that it should be a fundamental objective of the foreign policy of the United States to support and strengthen the United Nations and to seek its development into a world federation open to all nations with defined and limited powers adequate to preserve peace and prevent aggression through the enactment, interpretation and enforcement of world law.

Soviet Guilt Indicated

EXTENSION OF REMARKS

OF

HON. GEORGE A. DONDERO

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Friday, July 8, 1949

Mr. DONDERO. Mr. Speaker, under leave to extend my remarks in the CONGRESSIONAL RECORD, I include therein an article appearing in the New York Herald Tribune of July 4, 1949.

This is the second of two articles on the massacre of Polish officers in the Katyn Forest early in World War II. The author, Julius Epstein, a journalist in Europe for many years, served in the Office of War Information:

SOVIET GUILT FOR KATYN MURDERS INDICATED BY MASS OF EVIDENCE—NEUTRAL INQUIRY UNDER UN IS URGED TO VERIFY FATE OF THOUSANDS OF POLISH OFFICERS

(By Julius Epstein)

The still unsolved mystery of the mass slaying of many thousands of Polish officers in the forest of Katyn, near Smolensk, during World War II had its beginnings long before the Germans announced discovery of their graves in April 1943. The Polish Government had been trying for at least 2 years earlier to learn the whereabouts of the missing officers.

To understand the situation it must be remembered that the Russians held about 250,000 Polish prisoners in 1939. These were in more than 100 camps in eastern Poland and the western districts of the Soviet Union. In the latter part of October of that year three of these camps were transferred into special concentration points for officers. Population of these camps was approximately 15,000.

Stanislaw Mikolajczyk, former Premier of Poland, gives one reason for this shift in his book, The Rape of Poland. Referring to a clause in the Nazi-Soviet agreement of September 28, 1939, which called for an exchange of nationals of the two countries, he says that the Soviet Government sought the return, early in 1940, of 30,000 Ukranians in Hitler's training camps. They offered the captured Polish officers in exchange, but the Germans refused to accept them. Thereafter, according to Mikolajczyk, the officer camps were evacuated.

POLES SOUGHT EXPLANATION

By 1941 the Polish Government began to press for an explanation of the disposition of this officer group, but was never able to obtain a satisfactory answer. Molotov and Vishinsky insisted that all Poles had been released. Premier Stalin suggested to General Sikorski on December 3, 1941, that they might have escaped to Manchuria, but told General Anders some 4 months later that "I do not know where the officers are." A fourth Russian answer was that the men might have been captured by the Germans.

An earlier incident seems now to have been more significant. Ambassador Stanislaw Kot broached the matter to Stalin on November 14, 1941. The latter telephoned the NKVD and inquired about the release of the officers. After listening for a few moments he hung up and dropped the subject entirely.

Mikolajczyk now fills in this part of the story on the basis of information received from a Russian officer attached to the Soviet Embassy in London. This man says that a general in charge of the camps was afraid to take any steps on his own initiative and sent an aide to the Kremlin for advice on what to do with the Poles. Stalin heard the officer's story, then took a piece of his personal stationery and wrote the single word "liquidate."

Upon one receipt of the one-word order, Army officers decided that this was a matter for the NKVD. The Russian officer in London said later that "liquidate" could have meant "release" in this case of even the transfer of the Poles to camps in Siberia. To play safe, the NKVD took the most usual meaning and had all the Poles shot.

STALIN AVOIDS SUBJECT

Later, according to the story, Stalin remembered his order but did not know how it had been carried out. Approached by Ambassador Ket, he called the NKVD, was informed of the executions and then refused to discuss the matter further.

"This is as much of an admission as probably will ever come from the mouth of a Russian of any importance," writes Mikolajczyk. "It confirms the Russian guilt."

The former Premier points out that the Russians have never presented convincing evidence of their innocence in the Katyn murders. He says that the only investigation was made by a commission composed exclusively of Soviet citizens and that no scrutiny by a neutral or international board has been permitted.

He describes also an occurrence in postwar Poland when he returned there in 1945. He was approached by Polish General Prosecutor Sawicki with a query as to whether it might not be a good idea to stage a hearing on the Katyn case in order to clear the Russians of any guilt for the murders. When Mikolajczyk outlined the testimony which he would give to such a hearing, however, Sawicki was visibly taken aback. This was especially noticeable when Mikolajczyk told him that there was indication that documents concerning the case had been recovered by American forces.

A more recent effort on the part of the present Polish government to whitewash the Russians was disclosed when I followed the hint of Dr. F. Naville of the University of Geneva, a member of the German investigation commission, that there was a dossier on the Katyn murders in Sweden. I found what I sought in an article in the Swedish paper Dagens Nyheter for February 13, 1948.

LAWYER'S FINDINGS

Early in 1947, according to this article, a lawyer by the name of Reman Martini, from Cracow, was commissioned by the Polish Minister of Justice to carry out an investigation which would be the basis for a trial in Warsaw to establish definitely the guilt of the Germans in the Katyn massacre. Martini was given permission to reopen the graves and was given access to documents and witnesses.

"Soon it was obvious to him," the article continued, "that the investigation would lead to an entirely different direction from what the man who had given him the assignment

thought, but he continued just the same and by fitting together, the many divers pieces of information he had received, he succeeded in establishing the fact that all the officers who were killed in the Katyn woods were shot during March, April, and May 1940, when the Russians still held the Katyn territory." * * *

The article went on to describe how Martini identified six NKVD officers who were in charge of the executions and described the condition of the bodies, many of which bore stab wounds typical of those made by Russian bayonets. The NKVD men were from Minsk, Martini said, identifying them as Lew Rybak, Chaim Fineberg, Abraham Bomsovich, Boris Kutcov, Ivan Siekanov, and Osip Lisak. In charge was a seventh NKVD man named Burianov.

Martini established also that the men had been shot by German-made pistols of a type—GECO, caliber sign 7.65D—which were shipped to the Soviet Union under the terms of the Rapalle agreement of 1928. He pointed out that the Germans, then in possession of large stores of Russian arms, would scarcely have used German weapons if they wanted to pin the massacre on the Russians.

INVESTIGATOR MURDERED

"Roman Martini's fears when he presented his report to Minister Swiatkowski proved to be not unfounded," said the Swedish newspaper. "A few days after * * * he was murdered at his home by two fanatic Polish young Communists. * * * The murder created too great a sensation to go unnoticed even in Russia-controlled Poland. The perpetrators of the atrocity were arrested, but slipped away after a few days by 'escaping' from the St. Michael penitentiary in Cracow, one of the most heavily guarded prisons in Poland."

It is important to note that Martini, connected in a friendly way with the Communist Polish Government, came to the same conclusions as the earlier commission appointed by Hitler to investigate the murders. Furthermore, he added further proof of Russian guilt by establishing the names of the NKVD officers who organized the massacre.

It is on the basis of these disclosures that a reopening of the entire case seems necessary. An American committee for the investigation of the Katyn murders, composed of legal and medical experts, should be appointed to sift the case thoroughly. If its conclusions are same as those of earlier investigations, the Soviet Government should be called upon to permit an on-the-spot study by the International Red Cross, as the Poles in London proposed in 1943. The latter phase of this proposal might well be handled through the United Nations.

This is the only way to clear up one of the greatest crimes ever perpetrated.

Europe's Crisis—America's Opportunity

EXTENSION OF REMARKS
OF
HON. THOMAS J. LANE
OF MASSACHUSETTS
IN THE HOUSE OF REPRESENTATIVES

Friday, July 8, 1949

Mr. LANE. Mr. Speaker, under leave to extend my remarks in the RECORD, I wish to include an editorial which appeared in the Christian Science Monitor, Boston, Mass., Thursday, July 7, 1949:

EUROPE'S CRISIS—AMERICA'S OPPORTUNITY

This is not just more of the same. The crisis now reported as gripping most of western Europe, with a financial storm center in Britain where buying from the United States has been suspended to save precious dollars, has important new aspects.

Europe's present difficulties are not simply the ones to which the Marshall plan was addressed. They do not signify inadequacy in the European recovery program. It can more accurately be said that they bespeak success of basic ERP aims.

That realization should be a source of some satisfaction, but a source of no complacency. What has happened since that pregnant June 5, 1947, when the then Secretary of State George C. Marshall outlined a salvage plan for Europe to a commencement-day audience at Harvard, is mainly this:

A Europe whose productive capacities were left by war partly in rubble and totally in chaos has been industrially rebuilt. To such an extent, indeed, that the latest United Nations studies of Europe's economy find a threat of overcapacity in some lines.

The problem of the pre-Marshall plan days was almost solely production; the problem now is chiefly trade.

But one major similarity does exist between the present crisis and the former one. That is the trading world's lack of dollars, gold, or hard currencies, which is to say currencies exchangeable for dollars or gold. This similarity gives the United States a handle to the European crisis.

There is yet another similarity between this crisis and the former one which should be stressed. That lies in the almost unimaginable postwar difference between American economic power and that of Europe.

Today American power is being exercised, sometimes prematurely but on the whole with wisdom and tact, to create freer trade conditions in which Europe's producers and those of the United States would find maximum world outlets. There are many signs that European leaders are ready to listen and to cooperate in this aim. But they can point out that the United States is pushing harder to free trade in other nations than in the United States itself. And they can plead that they are compelled to cling to trade methods which do not jibe with American or their own long-run interests.

Since the trade and currency aspects of the problem are so intertwined, it is logical that American efforts to help Europe should aim at freeing currencies from controls, and at establishing normal relationship between the various national currencies which change hands in international dealing.

In a word, the American attack must be on the broadest possible front, and it must avoid upsetting delicate political balances in other countries. Europeans are looking for such leadership. This is plain from the attitude of French officials who have just talked with Treasury Secretary Snyder.

When the French, for example, speak hopefully of American aid beyond the Marshall plan, they do not mean just more and more money. They mean a program in which increased competition in world trade will become possible. In this goal the British are momentarily less interested because of their critical dollar shortage, the stark facts of which have just been stated in the House of Commons by Sir Stafford Cripps.

The over-all situation is ope in which the United States must not only exercise a big share of the vision but shoulder a considerable investment. That is why Secretary Snyder's visit to Paris has set that capital to talking as the visits of few Americans have. That is why his London trip is keeping all Europe on the qui vive. It looks like one of those moments when American influence can be decisive in world affairs. If that is to happen, the American people must sense the urgency, and the opportunity.

Mission: Atomic

EXTENSION OF REMARKS
OF
HON. FRANCIS CASE
OF SOUTH DAKOTA
IN THE HOUSE OF REPRESENTATIVES

Monday, June 27, 1949

Mr. CASE of South Dakota. Mr. Speaker, under permission heretofore granted, I place in the RECORD the following remarks by Capt. James S. Russell, United States Navy, Deputy Director, Division of Military Application, United States Atomic Energy Commission, before the American Legion Convention, at Yankton, S. Dak., June 14, 1949:

Let me start by thanking you for giving me the opportunity to come out to South Dakota to make this talk. It is pleasant to be here, it is pleasant to talk to the American Legion—and it is pleasant to get away from the humdrum in Washington, D. C. It gives me a chance to lose some of my Washington pallor.

I came out here to tell you something about atomic energy and particularly the military application of atomic energy. Let's see if we can take a look at some of the fundamentals. What is atomic energy? Where does it come from? How can it be used?

A LOOK INSIDE THE ATOM

Let's take a look inside the atom and review the current concept as to its structure. Strangely enough the atom appears to be mostly empty space. At the center is a heavy conglomerate mass called a nucleus. It sits at the center, much as our sun sits at the center of our solar system. Spinning at high speed in circular or elliptical orbits around the nucleus, and at relatively great distances from it, are very much smaller particles called electrons. These would correspond to the earth and the other planets spinning around the sun. The nucleus is made up of a tightly packed number of heavy particles,—some carry a unit positive charge of electricity on them and are called protons, the others have no electric charge and are called neutrons. The unit positive charge on the proton equals the unit negative charge on the spinning electron, the attraction between them holds the spinning electrons in their orbits, and the net charge on the atom as a whole is zero. The number of positive charges (the number of protons) in the nucleus is called the atomic number. It determines the number of electrons in the extra-nuclear structure, and this in turn determines the chemical properties of the atom. The extra-nuclear electrons in the atom arrange themselves in successive layers or shells according to well esetablished laws. The outermost electrons are subject to minor rearrangements which permit atoms to combine to form molecules of various substances. Remembering, now, the nucleus at the center of the atom, which it is made up of heavy particles, some protons and some neutrons, and that neutrons carry no electric charge to change the chemical nature of the atom—I think it can be seen that heavy atoms can occur by having more neutrons at their centers. Please remember the name neutron for I will refer to it later.

Fission, at least nuclear fission, may be an unfamiliar term to you. To attempt to explain nuclear fission let me go back to uranium with atomic number 92 and an atomic weight which averages around 238, and talk specifically of that atom of uranium which occurs on the average of only 1 in 140 times, the uranium atom of weight 235. This atom is a so-called fissionable atom. When

its nucleus or center is struck by a neutron, it splits, with the release of a tremendous amount of energy. In splitting, it breaks up into fission fragments which form atoms of entirely different and lighter elements, and additionally throws off one to three free neutrons. If these neutrons, which are kicked off at very high speed, can find a target in the nuclei of other atoms of uranium 235, those atoms in turn will fission, and, in fissioning, will set off others. This process is known as a chain reaction, and is basic to the generation of atomic energy.

I have said that when an atom of uranium 235 splits it gives off tremendous energy. Let me try to explain to you the magnitude of this energy. This can best be done by comparing it to the energy which is given off in the chemical burning of a molecule of one of our best high explosives, namely TNT. The energy given off when an atom of uranium 235 undergoes a nuclear reaction is roughly 20,000,000 times as much as that given off when a molecule of TNT undergoes a chemical reaction. Twenty million times is a factor not to be regarded lightly.

Now this tremendous energy release given off in the fissioning of the light-weight fraction of uranium can be applied in two ways. You can either put it together in such a way as to get a slow reaction so that you develop power in a so-called nuclear reactor or atomic pile; or, on the other hand, you can put enough of it in one lump, let the chain reaction take charge, and get a very big explosion.

You may ask if there are other fissionable materials. The answer to this question is yes. There is a particularly good fissionable material which can be made basically from a neutron which strikes the center of the big fraction of uranium, namely that which has an atomic weight of 238. Here the neutron is absorbed into the heavy center whose weight then goes up by one to make a uranium atom which weighs 239. This is an unstable atom which kicks up quite a fuss and automatically changes itself over to a different element, one which does not occur in nature. This man-made element has been given the name plutonium. Plutonium is an element which will fission and behave quite similarly to uranium 235. Like uranium 235 it can be controlled to give useful power or a chunk can be put together to generate a very big explosion.

SPEED ADDS WEIGHT

You may ask where the energy in fission comes from—I am glad the point came up for it will allow me to add the proper scientific atmosphere to this talk by dragging in the name of Dr. Einstein. In pursuing his physical and mathematical studies of the behavior of things in nature, Dr. Einstein came up with the thought that there is an equivalence between energy and mass. In the scheme of things as they occur in nature there was an inconsistency between what was the ordinary concept of mass as being something fixed, and what actually happens. He expressed his thought in a mathematical equation: Energy equals mass times the square of the velocity of light (186,284 miles/second). This means, if you like, that something which goes faster (has greater energy) weighs more.

Now let us return to the fission of an atom of uranium. I have said that when the atom of uranium fissions it splits into atoms of lighter elements and gives off a couple, more or less, of chargeless particles named neutrons. If you gather together all these pieces and compute their weight you will find that the original atom of uranium weighed a little more than the sum of all its fission fragments. What accounts for this difference in weight—where is the loss? You've guessed it—matter changed into energy.

Before I leave the subject of fissionable material I should like to point out, and emphasize, that fissionable material is a material of the very greatest value. It is valuable both as a peaceful source of energy (or power) and as a military explosive. As to power, the fission of all the atoms in 1 pound of uranium will release about the same energy as the burning of 2,600,000 pounds of coal. This would be about 1,300 tons or 25 carloads of coal. On the military side you can use it in a bomb, as those used against Japan, where one airplane carried one bomb the explosion of which released energy equivalent to the explosion of about 20,000 tons of TNT.

I hope my explanation has led you just far enough—not to the point of boredom—so that you may have a general feeling for atomic energy and have a fair impression of its importance.

Let us return to the atomic bomb. On the 16th of July 1945, the first test bomb was exploded. This was the first of eight atomic explosions which have taken place to date. The second was that over Hiroshima, Japan, on August 6, 1945; the third, over Nagasaki, Japan, on August 9, 1945; the fourth, in the air over the target fleet assembled at Bikini on July 1, 1946; the fifth, underwater at Bikini on July 25, 1946; and the sixth, seventh, and eighth at Eniwetok in April and May 1948.

The first five of these explosions have been fully described in official reports.

As for the sixth, seventh, and eighth explosions, I can give you a first-hand account.

The Eniwetok tests differed from the Bikini tests in that the Bikini tests were for the primary purpose of determining the effects of the weapons, while the Eniwetok tests were for the primary purpose of studying the weapons themselves and the improvements made therein.

The entire operation at Eniwetok was geared to the scientific plan of Dr. Froman, the Scientific Director. To support this plan a joint task force was formed. This was Joint Task Force Seven under the command of Lt. Gen. John E. Hull, United States Army. The work of the task force comprised two phases, first, the rehabilitation of the old wartime facilities at Eniwetok and the additional construction necessary to fit out the proving ground, and, second, the conduct of the tests. The task force provided the command structure, the military and internal security, the means for an overseas movement to a base 4,500 miles from the continental United States, the construction force and the operating force for the Eniwetok Proving Ground. It was a completely unified operation of our scientists, our Army, Navy, and Air Force, as well as personnel assigned from the Coast Guard, Public Health Service, and the Coast and Geodetic Survey.

In order to understand the importance of the operations of Joint Task Force Seven it is necessary only to consider the reasons why these tests were held. During the period of wartime development of atomic energy, the one goal relentlessly pursued was the creation of an atomic bomb which would work—and work in time to be effective in World War II. It had only to work; it needed not to be too efficient, and the related problems of engineering and production were dealt with in the urgency of wartime conditions.

The bomb did work. It worked initially at Alamogordo, N. Mex., where the first test took place on July 16, 1945. It worked again at Hiroshima and Nagasaki, then the following year at Bikini. But all of these weapons, as far as their state of development is concerned, were about on a par. They were the wartime weapon—designed under extreme pressure and without regard for many problems which in the long run are of great importance in the military application of atomic energy.

THE NEW GOALS

In its January 1948 report to congress, the Atomic Energy Commission said its goal in the field of weapon development was the scientific and engineering perfection of improved designs, and that thorough testing of weapons and components is necessary to improved design.

In any program of developing and producing weapons, the need for proof testing, or for conducting full-scale experiments, is natural and obvious. Failure to test new developments would soon throttle the design of improved weapons. America's preeminence in the field of atomic weapons is not a static thing, it depends upon achievement—day to day, year to year, and test to test achievement.

Such were the experiments conducted in 1948 at the Eniwetok Proving Ground. A question which is always asked about these experiments is: "Did you get a bigger bang than ever before?"

The forthright answer is "yes," the Commission has stated, "Extensive study and analysis of the results of the tests have firmly established that a substantial gain in energy release was obtained."

Atomic weapons—or bombs, if you like; I use the words interchangeably—differ from conventional explosive weapons in two principal ways. First, they produce an enormously more powerful explosion; and second, this explosion is accompanied by intense radiation effects.

In examining the first difference, if you gage the explosion of an atomic bomb by comparing it with the energy released by an equivalent amount of TNT, you must recognize the difference between exploding that amount of TNT at one time and the same total amount in many smaller bombs. Without recognizing this difference you are apt to come up with the erroneous concept that walking down the steps of a tall building is the same as jumping off the roof.

The second difference, the radiation from the bomb, is something a part of which is new to us. Of course, we know the flash and heat from a conventional bomb. These forms of radiation are present in atomic bomb explosions, too, but are many, many times more intense. But there is an unfamiliar sort of radiation, too. It is like the stuff given off by the X-ray machine or from radium. This type of radiation is given off in large quantities at the time of the explosion, and it is also given off by the radioactive debris in the bomb cloud and by induced radioactivity in materials close to the explosion. This kind of radiation you don't see, or feel, or smell, but it's there just the same, and if you are exposed to enough of it, or a little of it for a long time, it has a lethal effect, too.

In an air burst practically all of the radioactive debris from the explosion goes billowing up into the upper atmosphere, and the radiation danger is limited to that first flash, the so-called direct radiation from the bomb.

An underwater burst presents a different situation. Here the radioactive debris and the induced radioactivity mix in the water and remain in the spray. Given the right wind the falling of this spray might give a good-sized path of contamination over an area downwind. This is a feature which has come in for a lot of ballyhoo since the underwater burst at Bikini. But let's look at this proposition a little closer. If you burst the bomb under water, it is evident that you lose a lot of the blast effect (unless you want to crush things which are floating in the water like ships or submarines) and you lose almost all the direct radiation. It's a case of "what you make on the apples you lose on the bananas."

And now I come to the end of my talk, and I'd like to leave with you a handful of thoughts to take home.

IMPORTANCE OF TEAMWORK

From the technical end I give you this thought, to repeat something I have already said, but something I think many of us do not realize—that the stuff which makes the big bang in the A-bomb is the same stuff which can be used to generate power for peaceful purposes. And if God will give us peace on this earth, we can remove the stuff from the bombs and put it into atomic engines to produce power.

From the viewpoint of world politics, I give you this thought: I regard, and I think you regard, our present lead in atomic weapons as a tremendous power for preventing war, and, God forbid that it come, a tremendous power for winning a war. Atomic weapons in our hands are not a threat to world peace, for we have no designs for aggression. We have no slave labor, we have no concentration camps, we have no dictatorship here. Ours is a land of freedom, of opportunity, and of respect for the dignity of the individual man.

Next I would give you this thought—and it is a serious one—it is in regard to maintaining our lead in atomic weapons: We cannot complacently sit back and observe the accumulation of atomic weapons in stock pile. This is not enough. To maintain our lead, we must aggressively pursue the business of getting better and better weapons. We must have tomorrow's weapon, today. And this is not enough. To maintain our lead, we must have the courage and skill in our fighting man and the technical excellence and performance in his machines to ensure that we have the means for employing the weapons. To maintain our lead involves the finest sort of teamwork between a public-spirited civilian commission in Washington and the National Military Establishment. Do you see what I mean by teamwork? The best atomic weapon is only as good as the means of delivering it. Both elements are of the greatest importance. Our present edge, or ace in the hole, demands a dynamic effort to preserve it. We will stay in the forefront by the vigor, the knowledge, the understanding, and the teamwork which we apply.

And my last thought, and one very dear to my heart, is this: That I should like to enlist your support for the recognition of that group of public-spirited scientists and engineers who, at considerable personal and professional sacrifice, are working in the irksome shroud of secrecy to ensure that we shall always have the best atomic weapons. Here is the group who had the fortitude, the industry, and the brains to give us atomic weapons. Here is the group who will continue to keep us in the forefront in any race for atomic weapons. They are worthy of our respect, our admiration, and our support. Did you ever stop to think why the scientist who works in the United States has been successful? It's because he works in an atmosphere of intellectual and personal freedom. There's no political commissar standing at his elbow, telling him that those truths he finds in nature must conform to the party line. Let us swear to keep the faith, to keep strong, and to preserve that freedom which is so necessary to scientific progress.

Why Government Health Insurance?

EXTENSION OF REMARKS
OF
HON. ANDREW J. BIEMILLER
OF WISCONSIN
IN THE HOUSE OF REPRESENTATIVES
Thursday, July 7, 1949

Mr. BIEMILLER. Mr. Speaker, under leave to extend my remarks in the RECORD, I wish to include an article by Alfred Baker Lewis entitled "Why Government Health Insurance?" which appeared in the Survey for June 1949. This article is of particular interest because of the author's professional experience as president of the Union Casualty Co., a commercial firm specializing in health and accident insurance. The article follows:

WHY GOVERNMENT HEALTH INSURANCE?

(By Alfred Baker Lewis)

Our country has the highest standard of living in the world. Judged by the number of automobiles, radios, or telephones per capita, by the average food consumption, or the proportion of the population who are able to go to college, we easily outrank all other countries.

Naturally, then, we should have the finest medical care in the world. And this should be reflected in our sickness and death rates. For health, and to some extent even life too, can be bought, and we have the money to buy it.

We are indeed up among the leaders—which speaks well for the work done by our medical men—but we are not out in front in lowness of death rates nor in rates of health improvement. World Health Organization reports show that five countries have lower general death rates than ours and that three surpass us in low infant mortality rates.

One reason is that in this country medical care is not distributed even roughly in proportion to need. Because it is costly, many persons do not have the money to buy it. In some entire areas, with low average income, adequate medical personnel is not available, and in a few such areas a bare minimum of medical attention cannot be had.

Government health insurance seems the only way of providing widespread medical care at low cost. Such a system is the backbone of the current Federal administration's national health program.

A great many highly civilized governments, including those of England, Australia, New Zealand, and the Scandinavian countries, have laws making medical, surgical, and hospital care available to everyone through a compulsory insurance program. But in no part of the United States does such a program exist, though a few progressive States, notably Rhode Island, California, New Jersey, and New York, provide a government disability insurance—cash benefits for persons not able to work because of illness or nonindustrial accidents. In such instances collection costs are kept at a minimum, as contributions are paid through a pay-roll tax as in unemployment insurance.

Government health insurance is in line with the steady advance of social security in this and other countries. Various causes may interfere with the earning power of the wage earner, and might, unless provided for through Government action, throw him to the tender mercies of charity, public or private. Among them are industrial accidents, old age, unemployment, premature death of the wage earner, and sickness or non-industrial accidents. Through our State workmen's compensation laws, the Federal old age and survivors' insurance system, and Federal-State programs for aid to dependent children and assistance to the blind and aged, we provide in varying degrees of adequacy for many of these contingencies. However, except for the disability programs in the four States just mentioned and a few medical-care programs for persons on public assistance, sickness and nonindustrial accidents have so far received no Government recognition.

There is no logical reason for this gap in our social-security protection. Common sense would seem to require provision for wage earners who cannot work because of illness even more than for those who cannot find a job. In illness there is the double economic problem of loss of wages and additional expense.

Some sincere people argue that the cost of Government health insurance would be too heavy for the country to bear. However, they overlook the fact that nothing in such insurance increases the costs of sickness to the community, which as a whole already pays in full. Today, however, illness is paid for by wiping out the savings of the sick person and his family; or by putting him in debt and mortgaging his future earnings; or by letting a doctor give his services free; or, if the sick person is "indigent," by municipal aid financed chiefly by taxes on real estate. Union members may pay for the health-insurance protection in their contracts by dropping or reducing their demands for wage increases. And in some instances the sick person pays in unnecessarily prolonged illness and possibly even in premature death because he could not afford to pay in cash.

Rather than add to the present burden of sickness borne by members of society, compulsory health insurance would simply redistribute the financial burden. It would do this partly by collecting small weekly contributions from employers and employees similar to the contributions for unemployment insurance, and partly by general taxes imposed by the Government. The latter will be particularly necessary if proper medical care is to be provided for persons not covered by pay-roll taxes.

There is no such thing as truly free medical care. It has to be paid for by someone. If the individual in need of care cannot pay, then—if he gets any medical service at all—the community pays by taxes, local, State or national, or by private or institutional charity. Or else the doctor himself pays by doing the work without charge.

While doctors attend many people who cannot or do not pay their bills, and while hospital clinics are available in larger cities, nevertheless a large proportion of people actually go without proper medical care because they cannot afford it. In 1946, nearly half (47 percent) of the families in the United States had annual incomes below $3,000, an income under which it is difficult and sometimes impossible to pay the full cost of medical, hospital, and surgical care.

Even for the 30 percent of our population in the $3,000 to $5,000 income class, the cost of any serious or prolonged illness can be disastrous to family finances. The inevitable result is that people tend to gamble with their health. They delay seeking medical advice and treatment when they first feel ill in the hope that the trouble will disappear. Such delay can be fatal with tuberculosis, cancer, or syphilis, or other diseases amenable to treatment only in the early stages.

There can be no question that many deaths and much disability and illness occur every year because dread of the bill keeps people from consulting a doctor soon enough, or because insufficiency of funds prevents people from receiving the kind of care they need.

Good medical care is costly. Aseptic cleanliness is important but not cheap. Laboratory and X-ray tests, and periodic check-ups are all expensive. The diagnosis and treatment of mental disturbances through psychiatry is particularly prohibitive in price because of the long series of sessions involved. Rest, important in the treatment of many illnesses, is out of reach of the wage earner who must support a family. Special diets are also frequently expensive.

Because illness or accidents are, for any particular individual, not easily predictable, there is a natural human tendency to take a chance and not budget ahead of time for medical expenses. Yet when these misfortunes occur they come with a crushing blow.

Not only are new expenses incurred, but the income from which they must be paid stops immediately—at least for manual workers, paid by the hour, who get knocked off the payroll the minute they are ill.

Many persons have attempted to meet this situation by nonprofit insurance, such as the Blue Cross hospitalization plans. But with few exceptions the Blue Cross does not pay for medical or surgical fees, nor anything to make up the loss of the wages.

Variants of the Blue Cross, not nearly so widespread, are the medical prepayment plans. Sometimes these are set up by a number of doctors engaged in group practice; sometimes they provide a panel of physicians from which the patient can choose. Though these plans provide for medical expenses they do not make up for loss of wages. So far, they include very few industrial workers and are available only to a small proportion of the urban middle class. Without a large and expensive selling campaign it seems unlikely that they will expand rapidly. Such a campaign would necessarily add to the premium costs.

An increasing number of trade-unions have attempted to obtain employer-paid health insurance for their members as part of collective-bargaining arrangements. These union plans vary in type and effectiveness. The best of them provide cash benefits, hospital fees, surgical fees, and medical fees, but such complete coverage is rare. Moreover, only a few include the workers' wives and children in the benefits.

Union programs have the merit of reaching people who could not otherwise afford to pay for adequate health protection. However, the promotion of union health insurance plans cannot solve the problem of providing satisfactory medical care for the entire population. In the first place, even if they were universally a part of union contracts, which is far from the case, they would be likely to cover union members only.

Many employers who do not now object strongly to providing health insurance for their workers would be more apt to resist plans including their employees' dependents. Yet from the point of view of public health and the family man himself, such benefits are as important as benefits for the actual wage earner. In practice, only the stronger unions have bargaining power enough to get such benefits. The weaker unions do not get them, nor self-employed nor employees without union contracts.

Private health insurance plans sponsored by insurance companies, whether through unions or otherwise, are usually inadequate medically and unnecessarily costly. They do not reach those who have the greatest need. Since the companies must protect themselves, they reserve the right to reject individual applicants whose health is poor and to decline responsibility for medical costs due to conditions existing before the issuance of a policy.

Furthermore, in commercial insurance the premium charged must cover administrative costs—the expenses of keeping records, mailing out the benefit checks, paying the staff of doctors to check illness reports. But this is not all. To get reasonably healthy people to take out such policies at all, or to insure with one company rather than another, requires a good deal of selling. Therefore, private voluntary health insurance policies are inevitably loaded with costs that from a strictly functional point of view are completely unnecessary. Known in insurance parlance as "acquisition costs" these include such charges as brokers' commissions, general agents' commissions, solicitors' and collectors' salaries and commissions, advertising costs, costs of entertaining prospects and less legitimate costs commonly included in "entertainment" charges. Such charges usually run to 40 percent or more of the premium. Then the insurance companies, unless they are mutual companies, take another bite out of the premium for profits.

Even as a part of a government health program the use of commercial insurance companies will swell the cost. Experience in workmen's compensation has shown that privately written insurance is far more expensive than Government insurance.

According to Arthur B. Reede in The Adequacy of Workmen's Compensation, handling costs in privately written insurance of this type amount to over 40 percent of the premium. It is 6 percent when the program is exclusively a Government operation.

Too many physicians have been led by the statements of the American Medical Association into a misunderstanding of the subject. The AMA maintains that Government health insurance is socialized medicine. This is certainly not true of the administration's present proposal. Under socialized medicine the Government would take charge of the medical profession, put the doctors on salary, and assign them to treat certain patients without any freedom of choice on the part of either. But the President's program as spelled out in bills recently introduced in both Houses of Congress specifically provides that patients shall have the right to choose their doctors, and doctors their patients.

Furthermore, the proposed plan provides that doctors in each community can decide whether they should be paid on a fee basis for service rendered, on a per capita basis for each patient, by salary, or by a combination of all three methods. Individual doctors who prefer a method of payment other than the one agreed upon by the majority will be given opportunity, insofar as possible, to follow their preference.

Actually, some doctors are already employed by agencies of the Federal Government, cities, towns, counties, or States, and for them Government health insurance obviously would mean no change in medical practice. Other physicians charge fees for services rendered, but they too would undergo no change in medical practice though their fees would now come from the health insurance fund. Moreover, many of them would receive pay for services they now render free of charge.

Perhaps this in itself would provide some incentive for more people to take up medicine as a career and to choose their place of practice in terms of need rather than of possible prosperity. Other incentives are needed of course to encourage more people to go into the medical profession and to spread the available doctors more evenly throughout the States; for the shortage of physicians and specialists and their concentration in a few areas of the country, is one of the serious deterrents to better health in this land. For this reason the administration's program includes grants for education and for construction of the hospital facilities that are so important to a physician's work.

The administrative problems involved in almost any large scale social program are bound to be considerable. A wide-spread and comprehensive health insurance program would certainly be no exception. But such difficulties ought to be regarded as a challenge rather than an insurmountable block. There is no reason to suppose that health insurance administration need be more complicated than the problems involved in handling AAA payments to farmers, unemployment and old age insurance, the wartime draft, or the numerous kinds of benefits for veterans now handled by the Veterans' Administration.

Politics is necessarily the art of compromise. While we must aim at providing the best health services for all our people regardless of economic conditions or place of residence, it is unlikely that we can attain such a desirable aim overnight by one law. It appears probable that health insurance, like unemployment insurance, will begin with persons working for wages and salaries and their dependents. And perhaps for the dependents it may be limited at first to surgical, hospital, and maternal care, supplemented by preventive medical care for children through school health programs. Even for the wage earners themselves it may be limited at first to medical, surgical, and hospital care connected with disability serious enough to prevent work.

Unemployment insurance and old-age and survivors' insurance are not yet complete in coverage, though movements are under way to extend benefits to those left out in the beginning, mainly because of administrative difficulties—agricultural and domestic workers, employees of nonprofit organizations, the self-employed. Perhaps under health insurance it may also be wise to begin with a limited program until other parts of President Truman's recommendations have been put in effect—particularly the construction of hospitals.

However, such a modest introduction of health insurance would reduce the effectiveness of the program. Certainly as the advantages of health insurance are more widely understood, the administrative difficulties will shrink in importance.

Last year, the National Health Conference in Washington estimated that of the approximately 1,400,000 deaths in this country each year about 325,000 or over 20 percent are preventable on the basis of present medical knowledge. The conference recommended that we increase our medical expenditures by approximately $4,100,000,000 under a national health insurance program—a recommendation joined in by all the delegates except the representatives of the American Medical Association. Thus we could save 325,000 human lives each year, whose worth cannot be calculated.

The same conference estimated that the loss of time due to short term sickness, incapacity, and partial disability, when applied to the average earnings of the population, results in a loss of approximately $27,000,000,000 annually in potential production and wages. If only 20 percent of this sickness and loss of time were preventable by better medical care, we could have over $5,000,000,000, or more than enough to cover the cost of health insurance.

Most people recognize that expenditures for the conservation of natural resources are not truly net expenses from the point of view of the Nation, but investments which will yield rich returns in money and well-being as the years go on. Precisely the same reasoning applies to expenditures for health, for they help to conserve our most precious resources, the lives and vigor of our people.

National Youth Assistance Bill

EXTENSION OF REMARKS
OF
HON. JACOB K. JAVITS
OF NEW YORK
IN THE HOUSE OF REPRESENTATIVES
Wednesday, July 6, 1949

Mr. JAVITS. Mr. Speaker, as the problems of our country become more complex, greater attention is fixed on the youth whom we are bringing up to deal with them. My bill, which has been the subject of a survey of governors and mayors throughout the United States and has won substantial support ought to have a committee hearing. Federal assistance to youth activities would follow a pattern now successfully established in the State of New York as shown by the appended editorial from the New York Herald Tribune of July 6. It is a proper and necessary extension of the activities of the Federal Government in

relation to children. It is necessary to take this activity one step further into the field of youth, and this is no longer experimental as we have practical experience in some 27 States, including New York, Texas, Connecticut, New Jersey, California, North Dakota, Oklahoma, Oregon, Washington, Wisconsin, Wyoming, Arkansas, Colorado, Kansas, Louisiana, Michigan, Minnesota, and Mississippi:

SCIENTIFIC FRIENDSHIP

The city of New York has been committed since the beginning of this year to the proposition that juvenile delinquency is best attacked by prevention. The idea is to help the coming generation before the individual problems of guidance suddenly and belatedly flare into problems for the police. Now this seems such good sense that one might have assumed that there was nothing new about such a program. But not at all. The details have been slowly molded since 1947. A close-knit plan was authorized by the board of estimate in January, and just now the New York City Youth Board begins its first full fiscal year of building for the future.

The youth board's activities are best described as a scientifically organized campaign for friendship. The cost is roughly $2,000,000 a year, half of which is supplied by the State. The application of this money is extremely detailed. Recreation activities are sponsored in schools and public housing projects. Dozens of play streets are operated by the Police Athletic League. These fields are familiar enough, but that is far from the whole story. Potential delinquents, easily recognized in school, are being tackled by "referral units" of the board of education in 11 "areas of greatest need." Psychiatric teams give help where help is needed, both to the young and their families. This is real guidance, supplementing and coordinating existing facilities. By thorough organization, which has been developed through extensive experimentation, the aim is to make tomorrow's youth New Yorkers happier and more productive. Such a goal inevitably, by any criterion, makes for the improvement of the entire population.

Taxes

EXTENSION OF REMARKS
OF
HON. A. WILLIS ROBERTSON
OF VIRGINIA
IN THE SENATE OF THE UNITED STATES

Monday, July 11 (legislative day of Thursday, June 2), 1949

Mr. ROBERTSON. Mr. President, on June 7 last, Hon. Walter H. Carter, an able lawyer of Amherst, Va., addressed the veterans' agricultural class of the Amherst High School on the subject of taxes. His discussion of the history of taxation is both interesting and timely and it gives me pleasure to ask permission for it to be inserted in the Appendix of the CONGRESSIONAL RECORD.

There being no objection, the address was ordered to be printed in the RECORD, as follows:

TAXES

I believe it was Benjamin Franklin who said, "There is nothing certain but taxes and death," or words to this effect. I think we will all agree with this statement.

Until recently, economists had little to say about the effects of tax systems upon the general economic structure. However, in the last two decades this subject has become a major issue of public discussion and professional study. Tax rates have risen to heights that a short time ago would have seemed fantastic. It is inevitable that, in such magnitudes, taxes vitally affect the country's entire economic, social, and political life.

Going back to ancient history and the Bible, we find that secession of the Ten Tribes of Israel, and thus the disruption of the Jewish monarchy, was in large part a tax phenomenon. The revolt is said to have been due to the refusal of Rehoboam to reduce the heavy taxes of his predecessor, King Solomon, who had embarked on an ambitious program of public works, and this brought about the stoning to death of some tax collectors in that day.

The poll tax was one of the first taxes imposed by organized government, and under the poll tax system each persons pays the same in a given locality. During the days of the Roman Empire the Roman Emperor forced the Jews to come each year to Jerusalem to be assessed with a poll tax to help support Rome. It is recorded in the New Testament that Joseph and Mary went to Bethlehem to be enrolled for the poll tax because Caesar Augustus decided that all the world should be taxed. The poll tax was introduced in England in 1377 and included all males and females over the age of 15. In 1623 it was imposed in the Virginia Colony in order to finance military operations against the Indians, and it remained a principal source of revenue until it was abolished in 1816. But it was revived again in 1850 in the form of a dollar per head tax on free Negroes to help pay for a Negro colonization program in Liberia. In 1860 the tax was made uniform and applicable to both white and Negro males.

In its modern form in the United States, all but six States either provide for or permit its use in one way or another, and in some States the individual is permitted to work out his tax and it ranges from 25 cents to $12 per year, with $1 to $2 being most common. Seven States, including Virginia, require the payment of poll taxes as a condition to voting. In Virginia the State poll tax is $1.50 on each individual 21 years of age or over, and as stated the payment is a prerequisite to voting. Of this sum $1 goes to the State for school purposes and 50 cents is returned by the State to the localities to be used as the local governing bodies see fit, usually for school purposes. The poll tax is not now a large source of revenue. The States received in 1947 about $6,000,000 from poll taxes.

Coming to more modern times, we remember the Stamp Act and the tax on tea and the American Revolution. The French had an interesting excise tax at one time known as the Gabelle, or salt tax, which required every man, woman, and child over 7 years of age, to consume 7 pounds of salt each year. Taxes were often collected in and from the products of the soil, and still is in many countries, especially Russia and her satellite countries, and the Government takes so much of the crops that the people hardly have enough to live on.

The first known taxes in England were land taxes levied by area and determined by the character of the land, and later the personal-property tax came into existence and later the various kinds of taxes, of which there are now many covering almost everything.

Our own tax system developed following the American Revolution and indeed most of the tax burden of the world stems from the costs of wars.

One of the first States to provide for a general property tax was Tennessee and in 1796 the Tennessee Constitution provided that all lands liable to taxation shall be taxed equal and uniform in such manner that no 100 acres shall be taxed higher than another except town lots, which shall not be taxed higher than 200 acres of land each.

While most nations now impose an income tax, that is a comparatively modern scheme. Our original Federal Constitution did not authorize the Federal Government to levy an income tax. It collected import duties and excise taxes on liquor, tobacco, and so forth.

In 1861, as a revenue measure during the Civil War, a 3-percent Federal income tax was levied on incomes in excess of $800 and this continued in various degrees of success until 1872, when it was dropped. In 1894 the Federal Government experimented with it again, and in 1913 the ratification of the sixteenth amendment permitted the levy of a Federal income tax and the Second World War stabilized it, and as of early 1948, 29 States and the District of Columbia, and three cities levied an income tax in addition to the Federal income tax. An estate Federal tax was imposed in 1916. Some of the States began levying a State income tax as far back as 1840, including Virginia, and during the Civil War all the Southern States levied an income tax. At first the income taxes were a comparative failure and only for the last 35 years have such taxes had an important place in State tax systems. In the American colonies, they had at one time a combination property and income tax known as a faculty tax, but this gradually gave way to the general property tax.

The sales tax, now currently being discussed, goes back to ancient times, and was a very profitable source of revenue. In Roman times it was employed by Augustus, who laid a tax of 1 percent upon all articles, movable goods, or fixtures, sold in the markets or by auction.

In the United States in modern times West Virginia pioneered in the modern sales tax in 1921, and Georgia and Mississippi followed in 1929; Kentucky in 1930, and in 1933 12 other States accepted it, and in 1948 27 States and 7 cities have it. In 1948 the sales tax in New York City alone amounted to $140,000,000, and in some of the States about 50 percent of the State tax revenue comes from the sales tax.

Motor vehicle fuel tax: President Wilson in 1915 recommended a Federal tax on motor vehicle fuel but apparently it did not become a law until 1932.

Among the States, Oregon in 1919 was the first to impose a State tax on gasoline and during the same year, Colorado, New Mexico, and North Dakota levied such taxes, and 10 years later every State had it. The State rates vary from 2 to 7 cents, plus Federal tax of 1½ cents, and in some States where an additional local tax is allowed it amounts to 10½ cents. During 1948 the motor-vehicle license tax and the motor-vehicle fuel tax yielded the States $584,000,000 and $1,300,000,000 respectively.

Tax reform began in Virginia in 1902. In 1915 partial segregation came and the State tax was reduced on real estate and tangible personal property from 35 cents to 10 cents, and intangibles were separately classified with fixed State rates and maximum local rates fixed. Money was taxed by the State in 1914 at 20 cents, but that tax was repealed in 1948.

Full segregation came in 1926 with the State releasing all tax on real estate and tangible personal property and taking over intangibles exclusively, leaving the localities to tax real estate and tangible personal property.

A State tax board was first created in Virginia in 1915. This was an ex-officio board composed of three members. In 1924 a State tax commission was created as the successor of the State tax board. This was likewise an ex-officio body. In 1926 the old State tax commission was discontinued and a new State tax commission was created.

The Governor and auditor of public accounts were members ex officio. The chairman was a full-time member and conducted the affairs of the commission. Under the State Administrative Reorganization Act of 1927 the State tax commission was abolished and all its powers and duties were given the State tax commissioner, which commission exists today.

Real estate in Virginia is assessed by land assessors appointed by the court at intervals and the commissioner of the revenue adds to the real estate the value of buildings and improvements as they are made. The commissioner of the revenue assesses tangible personal property for taxation on the personal property books. The physical properties of all public service corporations, such as railroad, telegraph, and telephone companies and other public utilities are assessed by the State corporation commission and certified by the commission to the localities for the extension of local levies thereon, except that the rolling stock of steam railroads is subject to State taxation only, at the present time at the rate of $2.50 per $100 of the assessed valuation. The local rate of taxation is fixed by the governing bodies of the local ties, such as, the county board of supervisors and the councils of the cities and towns. The State tax rate is fixed by the legislature.

GROWTH OF THE TAX SYSTEMS OF THE UNITED STATES

From 1890 to 1913 American tax collections rose from $875,000,000 to $2,200,000,000, a 150 percent increase. Federal war tax collections and some expansion of State and local tax systems lifted total tax receipts to a peak of approximately $9,200,000,000 in 1920. Three years later Federal taxes had been reduced by $2.700,000,000, State and local taxes had increased $700,000,000, and the total figure stood at $7,200,000,000. Federal tax receipts during the next 7 years were held relatively level, while State and local receipts continued to increase. By 1930 total tax collections had reached a new peak of $10,300,000,000. Three years of business recession carried the figure down to $7,500,000,000 for 1933. From then until World War II, the movement was steadily and rapidly upward. By 1940, before Federal "defense" taxes were registering any effect, total tax collections for the country came to $15,600,000,000. The war revenue acts catapulted Federal tax collections and they reached a peak of $44,300,0000,000 in 1945. State and local taxes in that year amounted to about $11,200,000,000. Subsequently Federal taxes declined slightly to $42,300,000,000 in 1948, but State and local taxes tended to increase. Total tax payments in the 1948 fiscal year exceeded $56,000,000,000. Gross national income for this period was about $232,000,0000,000. About 80 percent of the current expenditures are for past wars and future defense. Some six to seven billion per is spent on veterans.

The personal income tax is now the most important element in the American tax system, accounting for 30 percent of total tax revenue, and is most important as a Federal source, even though an occasional State gets as much as one-sixth of its funds from a personal-income tax.

Business taxes are next in importance yielding 20 percent of the total, not counting property and pay-roll taxes. If the employer's part of social-security pay-roll taxes is added, business taxes make up almost one-fourth of the total. The major item of this group by far is the Federal corporation income tax, which yielded $9,900,000,000 in 1948.

Next in importance is the sales taxes and commodity and service excise taxes. Not counting gasoline taxes, this group brought in over 17 percent of the 1948 total, with liquor and tobacco taxes accounting for almost half of the $9,800,000,000 total. If gasoline and motor vehicle licenses are included, the broad group of consumption taxes accounts for over one-fifth of the country's tax revenue.

In the fourth place today, although until the early 1940's it was the most important, is the property tax. It is still the all-dominating element of local finance. It produces over 40 percent of combined State and local tax revenue, but only 10 percent of combined Federal, State, and local tax receipts, rather than 30 percent as in the 1930's. Of the $6,800,000,000 of local tax collections estimated for 1948, about $5,500,000,000 was derived from property taxes. Property taxation attained its fullest development in the United States, to the point where the so-called general property tax is sometimes considered a purely American form of taxation.

The United States Supreme Court in 1899 declared:

"The power to tax is the one great power upon which the whole national fabric is based. It is as necessary to the existence and prosperity of a nation as is the air he breathes to the natural man. It is not only the power to destroy but also the power to keep alive."

Socialism in Britain

EXTENSION OF REMARKS
OF
HON. HOMER E. CAPEHART
OF INDIANA
IN THE SENATE OF THE UNITED STATES

Monday, July 11 (legislative day of Thursday, June 2), 1949

Mr. CAPEHART. Mr. President, I ask unanimous consent to have printed in the Appendix of the RECORD an editorial entitled "Enough Is Enough," published in a recent issue of the Indianapolis Star.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

ENOUGH IS ENOUGH

"Work or want" was the slogan coined by Sir Stafford Cripps when he and the Labor government launched Britain on a program which was designed to get her on her feet by 1952. It was a good slogan. The British people had to produce in order to get their heads above water. But the Labor government soon made it clear that while the people were expected to work, they would not be allowed to want, whether they worked or not. It promised the British people all sorts of benefits, free medicine and social security but they did not condition the granting of these benefits on more production first.

During the first few years of socialism in Britain the Government financed Socialist experiments with American money, $7,000,000,000 worth of it. The money is still flowing in to Britain from the United States, but the Labor government is still continuing to live beyond its means in its attempt to fulfill the promises of Socialist heaven that the politicians had made before election. So now Britain is almost broke again. Its industry is still a high-cost, low-production industry which cannot compete in world markets that have finally become competitive. Its nationalized enterprises are all losing money. Their free medicine program is costing the British nine times as much as is collected in fees from doctors. Their currency is artificially pegged at a high price so that British goods are overpriced in world markets and British exports are declining because cheaper goods from other places are taking away their markets.

Sir Stafford Cripps has only one answer for the British people. It is more of the same. More controls, more barter agreements, more pegged currency, more nationalization, more austerity for the British people. He said nothing about cutting back the Socialist benefits that are costing the Government so much.

We respectfully suggest that the best way for Britain to start producing enough to take care of its own needs is to stop experimenting with socialism, largely with American money to date. The British should cut back the free benefits which are costing them more than their income, they should devalue their currency, give incentives to their industries to compete in world markets at world prices, and drop a lot of the cartel arrangements, the exchange controls, the restrictions on free trade.

We also suggest to our own Government that we stop picking up the check for British socialism and tell Britain that we will continue our aid only on the condition that she, and the other Marshall plan nations fulfill the agreements made with us when the program started. They were going to unify their economic lives, lower trade barriers, get together and save themselves. They were not to keep on coming to Uncle for more and more and more as their social planners' schemes went awry.

The Star has ardently supported the Marshall plan. We still do. But we do not intend that it should perpetuate inefficiency, maintain Socialist programs, support free medicine for others which we cannot afford ourselves. We should now tell Sir Stafford and the Labor government to get Britain's house in order, and to pick up the next check themselves.

Report of Projects Committee to Rivers and Harbors Congress

EXTENSION OF REMARKS
OF
HON. SID SIMPSON
OF ILLINOIS
IN THE HOUSE OF REPRESENTATIVES

Monday, July 11, 1949

Mr. SIMPSON of Illinois. Mr. Speaker, under leave to extend my remarks, I include in the Appendix of the RECORD the following report of the Projects Committee to the recent Thirty-ninth Annual Convention of the National Rivers and Harbors Congress, which was held in Washington on April 7, 1949:

REPORT OF THE PROJECTS COMMITTEE TO THE THIRTY-NINTH ANNUAL CONVENTION OF THE NATIONAL RIVERS AND HARBORS CONGRESS

WASHINGTON, D. C., *April 9, 1949*.

Hon. JOHN L. MCCLELLAN,
President, National Rivers and Harbors Congress,
Washington, D. C.

DEAR MR. PRESIDENT: In pursuance of the call of the president, your projects committee met on April 7, 1949, to consider the projects submitted since the last session of the National Rivers and Harbors Congress. Hearings were afforded all who made appearance.

The committee at this session has examined 38 proposals embracing all resource improvements with which this Congress is concerned, including navigable waterways, harbors, flood control, soil conservation, reclamation, and water conservation.

Of the proposals examined, and on the basis of information submitted, this committee is convinced that 10 constitute projects, sound in conception, needful, and sufficiently advanced in status to warrant en-

dorsement, involving a total estimated cost of $711,069,100. Five proposals appear to be without sufficiently advanced development to warrant project endorsement at this time, but are believed to be meritorious and entitled to further consideration by this committee, if and when additional information may be adequate to warrant an endorsed status. We find that on 14 proposals, surveys have been authorized but the reports on such surveys have not been completed and we therefore recommend in these cases that the Congress request the appropriate authority to complete reports of its investigations and surveys as soon as practicable in order that action may be taken toward classification by this Congress. We find nine proposals, which on preliminary examination appear to be desirable and needful, and we accordingly recommend that engineering and economic investigations of survey scope be made in these cases with a view to developing projects for subsequent authorization.

Appendix A of this report sets forth in detail a list of all proposals and projects examined and the action taken thereon.

The projects committee through its hearings and otherwise has been made intimately aware of the growing public demand for more rapid and far-reaching public improvements for navigation, flood control, reclamation, and allied developments. It is in full accord with and strongly supports the action taken to accelerate the long-range programs of needful projects for the orderly development and beneficial use of our water and land resources. In this era of continuing rapid advancement in all fields of endeavor, any lag or retardation in the development of our natural resources at this time could be detrimental to the country's welfare.

Your committee notes with approval the introduction of legislation in the Eighty-first Congress (S. 1104 and its companion bill H. R. 3492) which would provide for the recognition of significant national defense values when such are found by the Chief of Engineers to exist in any river or harbor project. The enactment of such a law will be of far-reaching importance in the intelligent evaluation of this group of public works.

Cognizant of the number of projects already underway or authorized, your committee urges that the appropriate agencies concerned give careful consideration to and promptly report on essential new projects still in the proposal or study stage. It reaffirms the view that in general recommended projects should be authorized without undue delay upon completion of the agency reports and thereby be available for appropriation and construction as the circumstances may warrant. This will permit highly important new projects to be placed in the active construction schedule.

The committee has been apprised of the extended lapse of time to complete studies and reports on meritorious projects due to the lack of sufficient survey funds. It is informed that the surveys now authorized for navigation, flood control and related purposes will require from 5 to 8 years to complete at the present rate of appropriations for such purposes. The engineering and economic studies which are necessary to produce sound projects, upon which the Congress of the United States can act with assurance, have become more complex and costly. The Federal agencies quite properly investigate all water uses and problems that are related to navigation, flood control, reclamation, and conservation of our water and land resources, so that completed plans will be truly comprehensive in scope. It is unavoidable that the carefully coordinated investigations now being prosecuted should require increased costs. On the other hand the amount of funds requested and appropriated for this purpose have either remained constant during recent years or have been reduced substantially. It is therefore the proposal of this committee, Mr. President, that you convey to all agencies concerned and to the Congress of the United States a recommendation that sufficient funds be requested and appropriated each year with which to carry out the survey programs on a sound basis and on timely schedules.

In conclusion, your committee recommends that the National Rivers and Harbor Congress actively and forcefully foster the early completion of those projects essential to the future well-being of the Nation.

Respectfully submitted.

SID SIMPSON,
Chairman.

NOTE A.—A project which has been placed in class II, III, IV, or V by the committee may be reexamined from time to time, upon due application and the submission of material supplementary information, with a view to advancing its classification; but no project will be reported upon by the committee more than once in each year.

NOTE B.—Attention is called to the fact that when a project is once put in class I—Endorsed, such status continues, and it is unnecessary to follow up at subsequent sessions with new applications. All projects "Endorsed" by the Congress, upon the recommendation of the committee, retain their status until finally constructed, unless such action is rescinded by the Congress, and the Congress stands pledged to do everything possible to assist in reaching that goal.

APPENDIX A

Letter "R" following the project number indicates revision of a previous application)

Class I—Projects endorsed

(Endorsed: This means that the committee is convinced that the project is sound, needful, and sufficiently advanced in status, and should be promptly constructed in the public interest.)

Project No.	Name of project	State	Division
181-A-R-2	Tennessee-Tombigbee inland waterway	Mississippi	Ohio River.
427-R-3	Green River flood-control project	Washington	North Pacific.
715-R-2	Passaic Valley flood-control project	New Jersey	North Atlantic.
774	Oologah Dam and Reservoir (Verdigris River)	Oklahoma	Southwestern.
775	Okeechobee waterway from Stuart to Fort Myers	Florida	South Atlantic.
776	Intracoastal Waterway from Miami to Key West	do	Do.
783	Toronto Dam and Reservoir (Verdigris River)	Kansas	Southwestern.
784	Central Valley project	California	South Pacific.
786	Ouachita River	Arkansas and Louisiana.	Lower Mississippi Valley.
787	Overton Lateral Red River Canal	Louisiana	Do.

Class II—Projects classified as meritorious

(Meritorious: This means that the committee believes that although the project is not sufficiently advanced in status to warrant its present endorsement, it is meritorious and open for further consideration by the committee.)

Project No.	Name of project	State	Division
722-R	Cape Fear River at and below Wilmington	North Carolina	South Atlantic.
736-R	Taylors Creek	do	Do.
781	Raystown Reservoir, Juniata River and tributaries	Pennsylvania	North Atlantic.
790	Improvement of Hudson River from Albany to New York City.	New York	Do.
791	Atchafalaya River to Gulf of Mexico	Louisiana	Lower Mississippi Valley.

Class III—Expeditious report on authorized survey requested

(Expeditious report on authorized survey requested: This means that the committee believes the Congress should request the engineering authority to expedite the report of its investigation and survey of the project to the end that appropriate further action may be had thereon in regard to classification by the Congress.)

Project No.	Name of project	State	Division
740-R	Annisquam River	Massachusetts	Northeastern.
744-R	Oregon Inlet and related channels	North Carolina	South Atlantic.
745-R	Masonboro Inlet	do	Do.
767	Cape Cod Canal	Massachusetts	Northeastern.
768	Chelsea River (Creek)	do	Do.
769	Weymouth Fore River and Town River	do	Do.
770	Saginaw River Basin	Michigan	Great Lakes.
771	Burns Harbor	Indiana	Do.
773	Waccamaw River	North Carolina and South Carolina.	South Atlantic.
777	Northeast (Cape Fear) River	North Carolina	Do.
782	Buffalo Creek and tributaries (Monongahela River watershed) flood-control project.	West Virginia	Ohio River.
787-A	Red River navigation above Shreveport	Louisiana and Texas	Lower Mississippi Valley.
788	Waccamaw River diversion canal and channel improvement for flood control.	North Carolina and South Carolina.	South Atlantic.
792	Cincinnati Harbor flood-control project	Ohio	Ohio River.

Class IV—Projects recommended for survey

(Recommended for survey: This means that the committee believes that sufficient showing on behalf of the project has been made to warrant further examination in the form of an adequate survey by an appropriate agency of the Federal Government.)

Project No.	Name of project	State	Division
725-R	Carolina Beach	North Carolina	South Atlantic.
728-R-2	Morehead City Harbor	do	Do.
772	Suwannee River Valley flood control	Florida	Do.
778	Lockwoods Folly Inlet	North Carolina	Do.
779	Wallace Channel	do	Do.
780	Little River Inlet	do	Do.
785	Grand River Basin flood-control survey	Michigan	Great Lakes.
789	Michigan City Harbor improvement	Indiana	Do.
793	Cleves flood-protection project	Ohio	Ohio River.

UN Debates Use of Prayer in Assembly

EXTENSION OF REMARKS
OF
HON. CHESTER A. CHESNEY
OF ILLINOIS
IN THE HOUSE OF REPRESENTATIVES
Monday, July 11, 1949

Mr. CHESNEY. Mr. Speaker, under leave to extend my remarks, I would like to include in the RECORD the attached article by Homer Metz, chief, United Nations News Bureau, the Christian Science Monitor, entitled "This World—UN Debates Use of Prayer in Assembly":

THIS WORLD—UN DEBATES USE OF PRAYER IN ASSEMBLY

(By Homer Metz, chief, United Nations News Bureau, the Christian Science Monitor)

LAKE SUCCESS.—Secretary General Trygve Lie's plan to have opening sessions of the United Nations General Assembly open with a minute of silent prayer or meditation is in the earliest preliminary stages of discussion, but already it appears headed for trouble—as expected.

Two extremely powerful nations in UN affairs, Russia and France, have serious reservations about injecting a religious note into the proceedings of the world organization.

They also have their doubts about the wisdom of having a prayer chamber or a quiet corner in the UN's permanent headquarters in Manhattan.

Soviet opposition comes as no surprise. But the French attitude is something else again.

According to Russian representative Alexander A. Soldatov, Mr. Lie's proposal is likely to emphasize differences already existing among UN members. There are, he says, innumerable beliefs and religions represented in the UN. And, he added, there are some member states where no religion at all is professed—meaning, of course, countries in the Communist-controlled world.

SETTING TERMED TOO WORLDLY

The French position, summed up by Pierre Ordonneau, is as follows:

The UN is essentially a nonreligious organization. Its functions are entirely on what might be called the material or worldly plane. Therefore, it is not the place for prayer or religion, however universal or noncontroversial the form of observance may be. Prayer is proper only in churches or shrines dedicated to it.

Moreover, says M. Ordonneau, the 60-second period suggested by Mr. Lie would be too short if the delegates used it to meditate on divine support for the UN's ideals and too long if they employed it to think of nothing.

However, M. Ordonneau says his government will go along with the idea if a majority of the UN's member nations favor it.

As is clearly felt by many people, the objections raised to the Lie plan are scarcely convincing. Rather than emphasize the existing differences, as Mr. Soldatov asserts, even the slightest concession to spirituality is likely to deemphasize differences.

And as for Mr. Ordonneau's point, the Deity remains the Deity in nonreligious edifices and organizations as well as in churches and shrines. It can be argued that true prayer will be heard, whether it originates in the chambers of the UN or in a church.

It is earnestly hoped here that the differing viewpoints brought to light in the preliminary discussions are not a forecast of a determined and prolonged fight against the proposal. As one official has warned, this could lead to the most dangerous sort of complications, including dialectical arguments on the merits of various forms of religion and on the existence of God.

WIDE BACKING BY PLAIN PEOPLE

Mr. Lie's proposal to open some UN meetings with a period of reverent silence, as well as the plan to include a prayer chamber in the new headquarters, is the direct result of the wishes of thousands of ordinary men and women throughout the world who feel that an organization dedicated to the welfare of men and nations should necessarily take some formal cognizance of divine power.

These men and women in recent weeks have flooded UN officials and delegates with letters and other communications expressing their point of view.

No organization in the world is more susceptible to the power of public opinion. If the proposal advanced by Mr. Lie is to avoid rejection or bitter controversy, the spiritually minded men and women of all nations must continue to express their wishes articulately and in all ways possible.

Even so-called Godless Russia cannot ignore a determined and powerful manifestation of world thought.

Happily, both the United States and British Governments have indicated they will give the plan their strongest support.

But more is needed than the support of governments.

The plain people of the world were responsible for the genesis of the Lie plan. They are also responsible for its fulfillment.

Stop the Subsidy and Pay the Postman

EXTENSION OF REMARKS
OF
HON. WALTER A. LYNCH
OF NEW YORK
IN THE HOUSE OF REPRESENTATIVES
Monday, July 11, 1949

Mr. LYNCH. Mr. Speaker, I had the pleasure last Friday, July 8, to be the guest speaker of Local 10, Federation of Post Office Clerks, on their radio program over WMCA in New York. I understand that this is a weekly program originated by Mr. Patrick Fitzgerald, the energetic and enterprising president of local 10, to bring to the attention of the public generally and the postal employees particularly the facts and status of the various bills pending in Congress which affect the welfare of postal employees.

Under the leave unanimously granted me, I desire to include the address I gave in making known my position on the pending legislation which is as follows:

STOP THE SUBSIDY AND PAY THE POSTMAN

It is from a sense of profound conviction that I appear here this evening to champion legislation that has to do with the welfare of the 400,000 postal employees in the service of our Government. I have long believed that they were entitled to better pay and better conditions of work than they have received.

I have had occasion to express my views on this subject before committees of both the House and Senate. At the time of the Chavez-Langer hearings I advocated an across-the-board increase of $1,000 for postal employees in the belief that such an increase was justified by the type and manner of work done, by the standard of living to which our postal employees were entitled, and by the unprecedented increase in the cost of living. The legislation that was finally formulated as the result of those hearings gave an increase in pay to postal employees of $450 per year. It was inevitable that postal employees, in the face of this modest increase, should be compelled again to come to Congress and ask that they be given more adequate compensation. To my mind it is merely a matter of simple justice.

The very regularity of our great postal system causes the American people too frequently to forget the postman who daily trudges from door to door, from house to house, from one business establishment to another, bringing tidings of joy or sorrow and keeping the wheels of industry moving. The ease with which a letter is dropped into a mail box in New York, the certainty of its quick arrival and early delivery in San Francisco, too often obscure the personalities that make our postal system the efficient organization it is. With that obscurity comes forgetfulness of the tireless effort of the postal worker. It is to the advantage of the American public, which the postal system serves so well, that the postal worker be paid a wage that will enable him to maintain himself and his family decently and with dignity. It is false economy to believe that the country can save money by underpaying its Government employees. It does not make for good morale or efficient service to have the 400,000 postal employees feel, not only that they are underpaid, but that they are not being treated as are other Government employees with respect to vacation and sick leave.

I presume that the average American citizen believes that all Government employees enjoy the same benefits and privileges. Such is not the case. There is, however, pending legislation which would put the postal employees on a par with other Government employees by giving postal employees 26 days vacation and 15 days cumulative sick leave. That legislation should be enacted at the earliest opportunity. It is long overdue, and the quicker these inequities are eliminated, the better it will be for the service and the public.

I realize that this legislation means an increase in cost to the Government. I further am aware of the fact that there is a strong demand for economy in government, but it does not seem to me that we should economize at the expense of the faithful servants who are employed by the Federal Government.

We spend—and properly so—millions of dollars abroad to rehabilitate the countries of Europe and to establish for them a sound economy. We do this, not through an altogether altruistic spirit, but because we know that it will aid our own economy. Let us spend a few million dollars on our postal employees, not only for their good, but for the good of the entire country. As a member of the Ways and Means Committee of the House of Representatives, to which is assigned the task of raising revenue for the operation of the Federal Government, my correspondence is heavy with requests to repeal taxes. I do not believe that this proposed legislation for increased pay and for lengthened vacation and sick leave would necessarily entail a heavier tax burden on the country. The increased cost can and should be met by an adjustment of our postal rates.

It is well known that there are certain classes of mail that are carried at a distinct loss, running into many millions of dollars annually. Actually, the Government is granting a subsidy to those business interests that are favored by these inadequate rates, at the expense of the men who carry the mail. To my mind there is no reason in logic or justice for such a situation to continue longer.

The people of my Congressional District—the Twenty-third, New York—are aware of the inadequacy of the compensation paid to the postal employees and are in favor of

the proposed legislation. They have let me know how they feel about this legislation by sending to me hundreds of letters and petitions signed by them, urging that the legislation granting increased pay, vacation and sick leave be favorably acted upon. These people who wrote to their Congressman were not all postal employees, on the contrary, the great majority were the people who are served by these loyal postal workers and who realize that they are underpaid for the great service which they render to the public.

I think the following letter which I received some time ago well typifies the plight of the average postal employee:

"DEAR MR. CONGRESSMAN: As a disabled veteran of the past war and a clerk in the post office I earnestly appeal to you to appear before the House Civil Service and Post Office Committee to support an increase in pay for us. I earn $2,300 per year, which is $39.92 take-home pay per week, after deductions. I am going steadily into debt, trying to support my family, and I do not know where to turn any longer. In 4 years of fighting on the front lines I never once failed my country. I beg you not to allow Congress to fail me and my loved ones now."

I want to say to the writer of that letter and to all postal employees that I think their request for increased pay, for longer vacations and sick leave and the other legislation advocated by their postal organizations are moderate and reasonable and I shall be glad to assist them in their cause, remembering that "Neither snow, nor rain, nor heat, nor gloom of night stays these couriers from the swift completion of their appointed rounds."

Government Deficit

EXTENSION OF REMARKS
OF
HON. HOMER E. CAPEHART
OF INDIANA
IN THE SENATE OF THE UNITED STATES

Monday, July 11 (legislative day of Thursday, June 2), 1949

Mr. CAPEHART. Mr. President, I ask unanimous consent to have printed in the Appendix of the RECORD an editorial entitled "Government in the Red," published in a recent issue of the Washington (Ind.) Herald.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

GOVERNMENT IN THE RED

At long last Congress and the administration in Washington are face to face with the hard fact that there must be a reduction in Government expenditures. The United States ended its fiscal year at the close of business last Thursday with a deficit of $1,811,440,047.68.

That is three times the deficit that was forecast by President Truman last January and is even larger than the deficit that was predicted by such an economy-minded Senator as Senator BYRD.

The deficit was brought on by the greatest peacetime spending in the history of the United States ($40,057,107,857.79) plus declining revenues. At the present rate of spending and income the deficit for the fiscal year, which began yesterday is estimated at from $3,000,000,000 to $5,000,000,000.

At the end of the fiscal year June 30, 1948, under a spending and revenue program provided by the Eightieth Congress, there was a surplus of $8,419,000,000.

Instead of reducing expenditures President Truman has proposed another record budget of $41,900,000,000 for the fiscal year now beginning. This compares with a budget of $3,800,000,000 in the prosperous year of 1929 and $7,300,000,000 in what was called the free-spending year of 1938.

Chief items in the President's proposed budget of $41,900,000,000 for this fiscal year are:

Foreign aid	$6,700,000,000
National defense	14,300,000,000
Veterans' aid	5,500,000,000
Interest	5,400,000,000
Social welfare	2,400,000,000
Regular expense	6,200,000,000

In addition there is a shadow budget which Congress will be asked to approve amounting to at least $11,000,000,000. This is to pay for such Truman recommendations as the Brannan farm plan, arms to Europe, expansion of social security, socialized health program, public housing, Columbia and Missouri Valley Authorities, etc., etc.

From the above figures it will be noted that the one item for the regular expense of Government departments is twice as large as the total cost of government in 1929 and almost as large as the total cost of government in 1938 when we were spending lavishly to stem unemployment and to prepare for war.

Can the President's budget be reduced? Senator CAPEHART and numerous other economy-minded Members of Congress say that it can be reduced by at least $8,000,000,000 without interfering with any essential function of government. The cuts that they propose are:

Government pay roll	$1,500,000,000
Military expenditures	3,000,000,000
Foreign aid	2,000,000,000
Adoption of Hoover plan	2,000,000,000

There is no more important consideration before Congress at the present time than to reduce Federal expenditures to a level of receipts in order to maintain the financial solvency and stability of the Nation. It can be done but it is a job that both Congress and the President seems reluctant to tackle.

What Socialism Is Doing to British Freedom

EXTENSION OF REMARKS
OF
HON. ROBERT A. TAFT
OF OHIO
IN THE SENATE OF THE UNITED STATES

Tuesday, July 5 (legislative day of Thursday, June 2), 1949

Mr. TAFT. Mr. President, some days ago I asked unanimous consent to have printed in the Appendix of the RECORD an article entitled "What Socialism Is Doing to British Freedom," delivered by Cecil Palmer, of London, England, author and publisher, before the Economic Club of Detroit, at Detroit, Mich., on May 11, 1949. I find it is estimated the article as submitted will cost $243.75 to be printed in the RECORD. The cost will be somewhat less in view of the fact that I have since stricken out certain portions of the address. I ask unanimous consent that the address may be printed in the Appendix of the RECORD.

There being no objection, the address was ordered to be printed in the RECORD, as follows:

WHAT SOCIALISM IS DOING TO BRITISH FREEDOM

Chairman HILL. Mr. Crow, members of the Economic Club, and guests, I take great pleasure in introducing to you today Mr. Cecil Palmer, of England.

Mr. PALMER. Mr. Chairman and gentlemen, I am very sensible of the honor you have accorded to me in accepting me as your guest at this luncheon. I am also very sensible of the tremendous responsibility which I am voluntarily shouldering in trying to give you an objective picture of the English scene. In a word, I have lived through socialism in practice in Britain, and I can begin by assuring you that there is a mighty difference between socialism in theory and socialism in practice.

I can perhaps state my rather individualistic point of view by asking you to believe that it is my conviction that socialism will work only in heaven, where they don't want it, or in hell, where they have got it already.

Your chairman has been very flattering to me—far too flattering. He has given you a catalog of my achievements, necessarily abbreviated, but even so I fail to recognize most of them. The only one I am prepared to admit to, and I do that with becoming modesty, is that I am an author. But I recognize that only because I wish you to know that in all my long life I have never yet met anyone who has ever read any of my books.

I wonder what you would think, Mr. Chairman and gentlemen, if you could see with your own eyes the picture that is in my imagination and mind at this moment. But let me say in parentheses that I am not a politician. If I were, I am sure I would go down on my bended knees every night and ask God to forgive me.

I am a 100-percent Englishman, and I hope and I believe that I am talking to 100-percent Americans. I have no interest in 99-percenters in any walk of life. I think we have compromised with evil far too long. If we had shown the fighting spirit, the position, for example, of my own country would not be the position that it occupies at this moment. Because I am prepared to say with a bowed head that we are socially and economically down, but I beg you to believe, gentlemen, that we are not down and out.

It seems to me impossible to envisage a country down and out, when it has on the horizon a man of genius of the caliber of Winston Churchill, with his potential leadership.

The story of our ungratitude is the measure of the success of the forces of evil. And I would say, if I may, at the beginning, that I am not intellectually prepared to make any fine distinction between socialism and communism. Socialism, it seems to me—and I have looked at it squarely in the face—seems to me to paralyze the human soul, where communism utterly destroys it. And that is the only line of demarcation that has any substance for me.

We are in a very bad state in Britain. We are frustrated; we are bewildered; we are perplexed, and we can't see the wood for the trees. But let me make one point perfectly clear—I find some misunderstanding about it.

The people of Britain did not put into power a Socialist government. In any case, it is a minority government. It received one and a quarter million votes less at the general election in 1945 than the other parties who contested, but the point that I would bring to your notice is that the word "socialism," in a direct and frontal sense, was never mentioned.

The present Government owes its power and its ascendancy over us to the fact that it

fought on what is called in Britain the labor ticket, and the bulk of the labor men and women in Britain, even today, are quite definitely not Socialists.

They want, of course, better conditions. What is wrong with them is that they are so enervated; they are so tired and so undernourished, that they are rather disposed to accept the man who is prepared to make the biggest promises, and especially if that promise is something for nothing.

They are bewildered; they are underfed, and I think that point wants emphasizing. I don't know whether you realize how we do live, but we get 3 ounces of butter a week, 6 ounces of margarine a week, 1 ounce of lard, 1 ounce of cheese, 1 ounce of bacon, 8 ounces of sugar, and 6 ounces of meat a week. You can't build much on that.

But the saddest thing is that our people thought that the promises that were made so glibly would be, under socialism, implemental; whereas, the fact is, Mr. Chairman and gentlemen, that our standard of living today in Britain is lower than it has ever been in the whole of my lifetime.

Socialism not only cannot maintain the standard of living which private enterprise gave to our people, but it is struggling with the help of foreign capital to bring it back to the level which they said at the election was too low.

Twenty-one percent of our working population of just over 20,000,000 are now engaged directly in state or local government employment, and if the schemes that are now lying on the table for further installments of nationalization are implemented—in other words, if this Government gets a new lease of political life next year, then it has been worked out actuarily that we shall have 25 percent of the whole working population of Britain directly in the employment of the state and local governments.

There won't be much chance for incentive, because these people, in the main, spend most of their time in issuing forms that no one can understand, which eventually are returned and pigeonholed, and then sent out in duplicate.

We are being run by power-drunk politicians. We are being run for ideological conclusions, which we call in Britain a planned economy. There is no plan in it, and it is very definitely not economical.

We are in the position, as Sir Stafford Cripps has had to tell us, that without your generous aid, and that of the Canadians, we should have had almost immediately a problem of unemployment reaching one and a half million, and that our existing low standard of living would have to be automatically still further reduced. In other words, socialism in practice in Britain today—and I say this with complete objectivity—is existing because it is a cripple, walking on the crutches of capitalism.

We have for four and a half years, tried the absurd experiment of what is called "soaking the rich," and we have done it. Do you realize that a $40,000 a year man in Britain receives in his net income, $1,000? Thirty-nine thousand dollars are taken in direct taxation; income tax, supertax, and so on. And even that isn't good enough. They have now reached the stage which we prophesied they would, that the soaking of the rich must end, and they have begun already after 4 years of socialism, to soak the poor.

We have done that; I am just wondering where we shall end. They are soaking the poor in this sense: A $40 a week man in Britain works 12 weeks in the year for nothing. That is the measure of his taxation under the PAYE. I know you are fond of alphabetical terms—[laughter]—that means "pay as you earn."

Is there any incentive in that kind of thing? And yet, Britain is still threatened with more and more nationalization, and more and more debt. I feel I should do a great service if I were to tell you the techniques of nationalization, because, never forget, Mr. Chairman and gentlemen, that nationalization is socialism in practice.

Many of the Labor members of Parliament, many of the leading trade-unionists, are terrified of it, but they have got themselves so involved politically, and they are run by a minority—the Communists—that they can't get out.

But let me make a broad generalization which I can prove; namely, that there is not one single nationalized industry in Britain which is paying its way. On the contrary, most of them are losing money heavily. We lost a hundred million dollars last year on civil aviation alone. We lost a hundred and eight million dollars on coal, and it is prophesied that we shall lose at least a hundred million dollars on the railroads.

But what happens under nationalization is this, that immediately an industry is nationalized, the price goes up, the quantity goes down, and the quality doesn't count.

In gas, in electricity, in railways, all those things have happened. For example, railways. The moment they were nationalized, the prices of passenger fares and the freight charges were immediately increased, in some instances, as much as 15 percent. And it was estimated that that would bring in an increased revenue of approximately $243,000,000. At the end of 10 months, the chairman of the Railway Transport Commission, who is the big dictator of railways today, had to admit that they had only been able to find increased revenue for a hundred and six millions. And so, as I said, there is a prospect when the figures are published next month, that the railways will show a loss of not less than a hundred million

Gas has gone up, and you can't get it. It is at a very low pressure. Whereas it took 5 minutes to boil a kettle, it takes 20 minutes today, owing to the pressure of gas.

Electricity is rationed, and is cut off at a moment's notice by merely a message on our one radio. That is the situation in which people in Britain are living.

You can't imagine, I am sure, what struck me so forcibly when I found myself for the first time in Fifth Avenue. It was your lighted shops. We have had no lighting in shop windows since 1939. At 5:30, there is a black-out, a complete black-out. Even now—they had just recently made a concession, but that is to you, mostly. They have opened up Piccadilly Circus. I don't admire your taste for going there so frequently, and I suspect your objects, but at any rate, we have lit it up so that you shan't do it in the dark.

Now, let me tell you about the techniques of nationalization. To you, as professional and commercial gentlemen, it should be pregnant and significant. This is how it is done. First of all, they threaten the industry they intend to take over, and they threaten it in a number of ways. They say, first of all, that it is inefficient—they are good judges of that.

They say that it is not producing enough, and usually they add that the relationships between capital and labor are unsatisfactory. We have had more strikes under socialism than under private enterprise, to my knowledge. That is their first move.

Then, their second move is that they set that industry what we call in England a target, but I believe you call it a goal. I prefer, if you don't mind my saying so, the word "target," because a goal to me is a sports term; it seems to be something you kick into, not kick out.

They set target which is pretty well impossible. For example, the production figures of coal in 1939, were 218,000,000 tons. In steel, it was 10,000,000 tons, and they set both those industries—the one, as you see, nationalized, and the other under private enterprise. They set them targets or goals.

In the case of coal, because it was nationalized, they reduced the target. They asked it to reach a figure which was roughly 16,000,000 less than coal production in 1939. But for steel, they said, "You produced 10,000,000 tons; you must now produce 14."

Well, at the end of 1948—that was the year they set the target, last year—it was discovered that coal couldn't even reach that low target. They failed by over 3,000,000 tons. But steel, which is still, for the moment, under private enterprise, reached its target, and passed it by over a half a million tons. Well, that's their second move.

And then, their third move is interesting and psychologically subtle. They say that we must now have what they call working parties. It consists of governmentally sponsored persons, and looking at the personnel of them, I am bound to say that usually they seem to consist of people who know nothing whatever about the industry, going down and telling the people how to do it, or not to do it.

Anyway, in due time their report is presented to the governmental high command, and as they are governmentally sponsored, you can imagine the work they achieve. Then, Mr. Chairman, comes the next move in this political chess. I would call it "a bishop's move"—it goes right across the board, and it is one that you should take to heart, if I say so, humbly.

They bribe the brains, and believe me, when you are in the throes of a paternal state, a bribe is very easy to offer and very difficult to resist. There are all kinds of privileges and prerogatives which a bureaucracy can offer to the individual. For example, do you realize, gentlemen, that our gas allowance—we call it petrol—is 90 miles a month? But that doesn't apply to government, state officials.

That is one way, and there are many others. But the point is, that they get at the administrative and executive heads; they get at the capitalist himself, and many of them, I have to admit, fall for it. And so, such an institution as the Bank of England, with all its obvious complexities and ramifications, can be made to work under socialism because it is being worked by the brains that worked it under private enterprise. At last, in England there are industrialists who are refusing to cooperate, and I believe that that fighting spirit is growing every day.

But already, I have no need to tell you, a great deal of terrible mischief has been done. But in the main, these nationalized industries are run, for a large part, by precisely the same personnel as ran them under private enterprise. If men of your grade, in my country and in your own, would resist those bribes, those allures, socialism would have failed ignominiously in its first year of operation.

Well, that's the next move. And then, they are getting near the end. They then take capital, itself, and it is done this way—they have done it to every industry that they have nationalized. They say to the industry, "You must now limit your dividends, because if you don't you will be encouraging the inflationary spiral. You will be releasing purchasing power, and there will be more and more money chasing fewer and fewer goods." And yet, at the very moment that they are making that appeal to a threatened industry, they often concurrently get a demand from the trade-union, a demand for increasing wages.

So much for that argument. Now they are ready to pounce, because, gentlemen, a barometer has been registering every one of those moves, and you professional and businessmen know what it is. I refer, of course, to the stock exchange. And changes in those industries threatened in those vari-

ous ways and means, have passed from 90 to 80; 80 to 70; 70 to 60; and 60 to 50.

Then the nationalized Bank of England, which represents the Government in the city, advises the Government that the breakdown price has been reached, and they buy.

Two things must be said about that; they will worry you a lot. I assure you, they worried a lot of people in Britain. Two things—the first is, that in the twinkling of an eye, by a stroke of the ministerial pen, the capital has been reduced in many cases to one-half. And the second thing is that they don't pay for it.

That's perfectly true. Socialists don't believe in paying for anything. One of our Cabinet Ministers said that money is a meaningless symbol. So it is, if you haven't got any. But they don't pay for these nationalized industries in the sense in which any honest businessman would mean pay. They offer script, paper. For example, Mr. Chairman, they bought the railways. They paid $4,000,000,000 for them and they issued script, bearing a fixed interest of 3 percent, redeemable at par at either 30 or 40 years, whichever the Chairman of the Transport Railway Commission decided.

And so, you see, that the stockholders faced two things. First of all, their capital was watered down, and secondly, the prospect of getting any of it back in their lifetime is exceedingly remote, because if you take government script to your bank, the bank will say, "What about a collateral"?

That is the situation of nationalization in Britain today. There isn't, as I repeat, one of the industries that is on an economically sound foundation. They are paying for their losses through a cruel taxation, which is driving incentive and enterprise right out of the hearts and souls of every man and woman in England.

There is no object in working. Income taken from you as fast as you make it, and faster, sometimes.

I want, if you will allow me, to tell you something about socialized medicine, not because it is necessarily your subject, but because it enables me to put to you in America a theory of my own which I think throws some light on this conspiracy to reduce all men to a common level.

Socialism is built up on benevolence, at the other fellow's expense. They tell us in Britain that they are working for the common good, for the common man—a term which I personally loathe. I don't believe in the common man, and I notice that not even Socialist politicians have ever yet dared refer to the common woman.

My attitude is that every man, woman, and child in the universe is unique, and I like the state only when it leaves me alone. Socialized medicine, Mr. Chairman and gentlemen, in my humble judgment is an integral part of socialism in practice. Lenin said that if he could have the doctors, he got the people in his pocket, and he meant it.

And our people have got that idea fixed in their minds. I do not remember in my lifetime any piece of legislation that has been put over with so much ballyhoo. All the emphasis, of course, was put on the fact that it was to be a free medical service, and only the other week our Minister of Health had to go to the House of Commons and ask for a supplementary estimate to tide him over the remaining 2 months of the fiscal year, and the supplementary estimate alone was for $238,000,000. If that's a free medical service, I as a businessman say, let's have one that isn't—it might be cheaper, and it couldn't be dearer.

But I am prepared to waive all that, except to say this, that the hypocrisy of that claim is immediately apparent when I can tell you that the patients' contributions to health service alone—and I disregard unemployment, maternal benefits, family allowances, death burials, and all the rest of it—but health service alone, the patients' contributions are $2,800,000 per week.

And I would ask you also to recognize that the scheme is compulsory; that you cannot get out of it, and rich and poor pay alike. Indeed, you pay if you are unemployed, because they give you the dole with the left hand and take the insurance contribution with the right.

But I am prepared to waive all the financial aspects of socialized medicine, because I think there are far deeper and far more serious implications to be considered. In the first place, gentlemen, socialized medicine in Britain has done two things. It has revolutionized the status of the doctor. His livelihood, his professional advancement, and his allegiances are now commandeered by his new master, the state, which pays him quarterly a salary from the contributions that the state collects each week.

Secondly, it has destroyed the relationship between the doctor and the patient. I don't know how it is in the United States, but the medical profession in Britain is bound individually by an oath, and that oath is the Hippocratic Oath, and it binds every medical practitioner to preserve secrecy and privacy regarding anything that transpires between himself and his patient professionally. And in the words of the oath, they are called sacred secrets.

That has gone completely under socialized medicine. The Minister of Health was challenged in the House of Commons on that point, and he gave a categorical assurance that the relationship between the doctor and the patient would, under socialized medicine, remain private and confidential. But our cabinet ministers have great autocratic powers, powers that I think you hardly can envisage. And within 3 weeks of the act becoming operative, he utterly disregarded the assurance he gave, and without consulting Parliament, which he could well do, he has the power—he issued what is called a statutory instrument, and you will see how many are being issued, when I tell you that this particular statutory instrument is No. 506.

And I shall tell you that it has the full force of law; that it cannot be challenged in the courts, and it is not debated in the House of Commons. And under that statutory instrument 506, within 3 weeks of the act becoming operative, he issued this wording—and it was issued to every practitioner in medicine in the whole of Great Britain and Northern Ireland.

It was headed, "Terms of service." Requires that every practitioner shall keep records of the illnesses and the treatment of his patients and shall make such records available to the local lay council. The doctor's situation is just tragic. He is no longer his own master; he has a committee, a local lay council in every area, and they, in turn, above them, have regional councils, which can and do override his decisions as to prescriptions, for example.

The doctor's dilemma is that under that statutory instrument, he must now disclose the nature and the treatment of the illnesses of his patients. And the women in Great Britain, Mr. Chairman, are increasingly revolting against it for obvious reasons. Let me give you an example.

Mrs. Brown lives in block A, and she is the patient. Mrs. Smith lives in block B, and she is a member of the local lay council. And I leave to your imaginations—[laughter]—the potentialities for a bit of gossip at Mrs. Brown's expense. And the women in England are saying—rather sillily, I grant—that they will not go to a doctor, no matter how ill they are. That is silly, of course, because they have to go, but the fact is that it registers their terrible reactions to it.

I say that socialized medicine is a swindle, certainly in Britain, because they cannot deliver the goods. We haven't enough hospitals; we haven't enough clinics; we haven't enough doctors, and we haven't enough nurses. In Britain, today, there are over 200,000 urgent cases for institutional treatment, which can't get into the hospitals at all, and at the same time, we have got 57,000 vacant beds. Those beds are vacant because there are neither nurses nor doctors to service them.

Our doctors today are earning $3.25 per patient per annum. They are compelled, economically, to take 4,000 patients in the large industrial areas, each, and in the smaller areas where there is more traveling, they are compelled to take 2,500, and the British Medical Association publicly stated recently that it was not possible for any doctor in Britain, in the service to devote more than 5 minutes to both diagnosis and treatment, to any patient, anywhere.

In other words, it has compelled the doctors to degrade their own profession and vocation. The standard of medicine is falling day by day, because it is impossible to operate it under conditions that are being laid down by our Socialist government.

But I am going to tell you something much more serious before I sit down. I am going to tell you why socialized medicine was so imperative to the present Socialist government. The architect of socialized medicine in Britain is Lord Beveridge, an old man, a very able man, and I think a very sincere man. As a student and research student, I suppose he is almost unbeatable anywhere. He found a good deal of his inspiration in the German insurance schemes, and it is on his report that the present act is based, almost clause by clause.

But in his report there were two assumptions. They were called assumption A, and assumption B—and I beg you to listen to this. Assumption A was that it is the duty of the citizen to keep well, and assumption B was that it is the duty of the doctor to exercise harsh certification, which in plain English and plain American means, Get your patient back to your job as quickly and as cheaply as possible.

Now, I am going to put those two assumptions, which are pivotal to socialism, alongside one other fact which I find is not known in this country. We have, under our autocratic powers, or rather, under the Government's autocratic powers, we have an order, and it is called the Control of Engagements Order, 1947. Under it, every man and woman in Great Britain between the ages of 18 and 50, can be and is directed by the state to any job it chooses for him or her, anywhere, anytime. And I submit, Mr. Chairman and gentlemen, that if you join industrial conscription in peacetime, with those two assumptions, you have got socialism precisely where the Socialists want it, which is that they have reduced us to a form of state paternalism, which is only a brief step short of the servile state itself.

Mr. Chairman and gentlemen, if I may sum up, I would say this, that it seems to me that in our socialistic experiment in Britain, we are trying to do something that is quite fallacious and quite fatuous. We are trying to strengthen the weak by weakening the strong. We are trying to legislate unsuccessful people into prosperity, merely by legislating the successful out of it. It does not add up. We have been poisoned by the theory that in this wicked world you can get something for nothing. Again, it just does not add up.

The recent municipal and borough council elections in Britain are tremendously significant. They show a distinct and pronounced tendency and trend back toward the center and the right, and I believe, myself, as an Englishman, that it is due to the fact that despite our enervated condition, people are becoming aware of the fact that unless you produce you cannot hope to share wealth.

In Britain, Mr. Chairman, today there is a poster almost on every street corner, and it has three terrible, tragic words on it. It is, "Work or Want." And apropos of your own brilliant announcement of me, I can reinforce it by telling you that we have a slogan, 'Empty heads put them in; empty bellies will put them out." That gives me no kind of satisfaction to quote, but that is where we stand. And I will ask you to believe from me that although in Britain today life is gray and colorless, it is not entirely hopeless.

What kind of contribution you can make to bring us back to political sanity is for you to decide and not me. But I must say this, that when I came to the United States 4 months ago, I came with the somewhat cynical intention of depressing you. But having met your Senate and your Congress, you have brilliantly succeeded in depressing me.

We shall come out, but it is later than you think.

Mr. CROW. We have a lot of questions here. There are two, however, that I would like Mr. Palmer to answer, although we may not have time for the others, unless some of you may desire to tarry following the adjournment.

Will you tell us first, Mr. Palmer, about the amount of taxation on dividends? You have told us what the taxation amounts to on earned income, but will you tell how heavy is the taxation on dividends. Secondly, will you tell us what opportunity there is, or what incentive is given to own one's home, and what is being done to promote public housing?

Mr. PALMER. May I answer the second question first, because it is easier. There is virtually no incentive for home ownership in Great Britain today. Our housing problem is just simply tragic and disgusting. We are terribly short of houses. Those that are being built are being built on the rental basis, and I can perhaps best explain in a short way the whole situation by telling you one aspect of the policy that is being adopted.

The National Savings Committee of Britain were disturbed a couple of years ago by the fact that our savings were falling rapidly. Withdrawals from savings banks exceeded deposits by no less than $92,000,000. And so, it was decided that they would intensify a savings campaign, and one of the ideas was to poster the country.

One of these posters depicted a young couple with a rather pretty suburban house in the background, with a slogan which made it perfectly clear that by practicing a little thrift you could become the owner of the house in the background. That was put up all over Great Britain, but in 3 days it disappeared, and when the government was challenged, the answer was that they were not encouraging home ownership. I think that answers the housing problem, or the potentialities of it in Great Britain today.

With regard to the first question, of course, our income-tax laws and adjustments and valuations are very complex, but so far as unearned income—and all dividends, by the way, are unearned income in Britain—they are paid at an excessive rate.

If your net income exceeds $40,000 a year, including your dividends, then the dividends are taxed 125 percent.

Mr. CROW. There are a number of other questions. Mr. Hill and I have looked them over and feel that this one should be the only one we shall consider, in view of the limitations on our time.

To what extent has the capitalistic United States financed the socialization of Great Britain?

Mr. PALMER. I knew I shouldn't escape being put on the spot.

You will forgive me, Mr. Chairman and gentlemen, if I refuse to give a direct answer to that question, because if I may say so, with great humility, it seems to me that the questioner himself has found his own answer. All I am prepared to say is what I have said, and that is, that I do believe that crippled socialism is walking about on capitalistic crutches.

Address by Hon. Edward Martin, of Pennsylvania, Before Pennsylvania Veterans of Foreign Wars

EXTENSION OF REMARKS
OF
HON. EDWARD MARTIN
OF PENNSYLVANIA
IN THE SENATE OF THE UNITED STATES

Monday, July 11 (legislative day of Thursday, June 2), 1949

Mr. MARTIN. Mr. President, I ask unanimous consent to have printed in the Appendix of the RECORD an address delivered by me at the annual convention of the Veterans of Foreign Wars, Department of Pennsylvania, at Philadelphia, Pa., on July 9, 1949.

There being no objection, the address was ordered to be printed in the RECORD, as follows:

It is an honor to salute you as veterans who have served our country with loyalty and fidelity in many lands across the sea.

You are fighting men. You have been tested in battle. You have accomplished great things for the United States.

As an organization you have grown strong in influence and prestige because your objective in war and peace has been the defense of the most precious thing in the world—American freedom.

Your convention is dedicated to the highest ideals of Americanism. It is therefore appropriate that your meeting is held in the city of Philadelphia where individual freedom took root and flourished for the first time in the world.

Here in the wilderness, William Penn launched his holy experiment in government, recognizing the basic human rights of social, political, and religious liberty.

Here the world's greatest document of freedom—the Declaration of Independence—was drafted and adopted. Here is the Liberty Bell and the birthplace of our flag.

The Constitution of the United States, written here in Philadelphia, was based on the proposition that governments derive their just powers from the consent of the governed. Prior to its adoption no people on earth enjoyed that type of government.

Here men were free to think and speak, to meet in peaceable assembly, and to petition their government for redress of grievances.

They were protected in their God-given rights of life, liberty, and the pursuit of happiness. They had the right to work at the job of their choice.

Above all, each individual was free to worship God in the manner dictated by his own conscience.

You all know these historic truths but they are worth retelling in meetings such as this. They are forceful reminders that individual freedom is the foundation of American greatness.

My comrades, when that freedom was threatened by foreign tyranny and aggression, America called upon you for service and sacrifice.

Today it has become necessary to sound another call for the defense of America. Not because we fear a foreign foe. American freedom will never be lost through foreign aggression. If disaster should ever overtake us it will have been created in our own midst.

There are three dangers that threaten America:

First. State socialism or the welfare state. That can destroy the American system of free enterprise. It would mean dictatorship and the loss of all freedom.

Second. Depression and national bankruptcy. Through wasteful and extravagant spending by Government and excessive taxation we are traveling along the road to financial collapse. Again the end result would be dictatorship and the loss of all freedom.

Third. A bungling policy in foreign affairs. This has robbed millions of people of their hope for freedom and now threatens our American way of life.

We are under fire on these three fronts. The time has come when we must fight to safeguard the whole structure of American liberty.

Let us consider the so-called welfare state which is another name for state socialism or its tough brother, communism.

Under that system the state is all powerful. The government regulates, controls, and directs the lives of the people under a planned and regimented economy.

It deprives the individual of all freedom in return for the false promise of security and an easy way of life.

Hand-outs from the government take the place of self-reliance and initiative. Work and thrift become forgotten virtues.

The people become soft. Living standards become low.

That, my comrades, is the way to dictatorship and enslavement. Hope of security without loss of liberty is a cruel delusion.

Germany and Italy are tragic examples. The financial difficulties in which England finds herself today are the direct result of her experimentation in socialism.

Without American aid England would be cold and hungry, facing a hopeless situation.

Are we to be led along the same disastrous course?

Or shall we mobilize the forces of freedom, the veterans' organizations, the rank and file of labor, the businessmen, our churches, and educational leaders in a crusade to preserve the American system? The one element responsible for the vast productive capacity of America and its foremost place in the world was freedom of the individual.

Other nations had resources equal to ours or even greater. But none has enjoyed the rights and privileges guaranteed to every citizen under the American system.

The present trend toward a socialistic pattern of government threatens those precious liberties. So-called welfare programs have been proposed that would make everyone dependent upon government.

These socialistic proposals sound attractive. They are presented as something the Government is giving to the people free of cost.

That is false. The Government has nothing to give except what it takes from the pockets of the taxpayers.

That is why I plead with you, my fellow veterans, to examine the history of the nations that have tried these same experiments.

Organizations like this must spearhead a drive to arouse the American people. It is most important to have the courage to say "no" when demagogues offer something for nothing.

In the battle against advancing socialism individual freedom can be preserved only if we are imbued with the spirit of work, thrift, and self-reliance. We must have confidence in our country, confidence in each other, and faith in God.

Now let us turn to the second threat to our freedom, the danger of a ruinous depression and national bankruptcy.

Ten days ago, when the Federal Government closed its books for the fiscal year 1949,

we were $1,811,000,000 in the red for that year alone.

This shocking, peacetime deficit shot the national debt up to almost two hundred and fifty-three billion.

In the fiscal year of 1949 the Federal Government spent more than $40,000,000,000, a new high record for peacetime.

Remember—this deficit followed the calendar year of 1948 when we enjoyed a record-breaking national income.

In the face of this alarming situation a budget has been proposed increasing the cost of Government to forty-two billion in the new fiscal year.

In addition, a great variety of new and expanded spending programs would add many more billions to the proposed budget figure.

Surely, no one will predict that the high level of national income of 1948 will be maintained in the current year.

Already we have seen a steady increase in unemployment and a serious drop in industrial production. Many plants have shut down. Thousands of workers have been laid off. Others are working part time.

The Department of Commerce reports, as of July 1, that nearly 4,000,000 people are out of work.

National income is dropping, but the cost of government keeps climbing higher and higher.

Are we to increase taxes and dry up initiative and investment capital?

The best economists are authority for the statement that the veterans and their families will pay 80 percent of all the taxes.

Are we to go deeper and deeper into debt? Are we to sacrifice the high standard of living of American workingman to support the high cost of government?

My comrades, if we are to avert a disastrous depression and save ourselves from national bankruptcy, we must not adopt any of these methods.

There is only one sound, common-sense way to meet this problem. It is the same way you would meet it. That is to cut down expenses.

The cost of Government must be reduced. Waste must be eliminated. The recomendations of the Hoover Commission for efficiency and economy must be adopted.

Government spending must be held to a minimum.

Unless we adopt this policy—like the individual who spends beyond his means—we must go broke.

If we are to retain our freedom we must return to sound fiscal policies. A strong, solvent America is a free America.

The third danger arises from the confused and bungling foreign policy which lost the peace after your victory on the battlefields of the world.

That victory was paid for in the blood and suffering of your comrades. They fought and died to bring freedom and the God-given rights of mankind to the victims of cruel tyranny and oppression.

Instead, by secret agreements and double dealing at Yalta, Tehran, and Potsdam, millions of those who looked to us for liberation are now imprisoned. They are enslaved behind the iron curtain of Godless Russia.

Those secret agreements may have planted the seeds of a third world conflict. God grant that your sons may not be called into the hell fire of war to correct the mistakes of the bungling diplomats.

Today the same type of foreign policy is threatening our own economy and the welfare of the American worker.

The so-called reciprocal-trade-agreement policy is being so mismanaged that thousands of American workers are being driven out of their jobs by a flood of goods produced by cheap foreign labor.

Right here in Pennsylvania rayon, watches, glass, china, pottery, leather goods, and oil are being imported to the detriment of our own workers.

All of these industries have been hard hit by foreign competition, most of it built up by American dollars.

We must not reduce American wages or the American standard of living to meet competition from the cheap labor of foreign countries.

I do not opppose genuine reciprocal trade agreements, beneficial to both contracting countries.

But I am opposed to the planners who want to improve conditions in every country but our own.

It is time for the American people and those in authority to start thinking about America and the welfare of the American worker.

Surely, all of us want to help restore prosperity to the needy nations of the world. We want to raise their standard of living. But if we must lower our own living standards, and take jobs away from the American worker then it is high time to call a halt on such a policy.

As for me, I shall cast my vote on the side of the American worker and to protect his opportunity to have a good job at good wages.

That is another step in the preservation of American freedom in which your organization can play an important part.

I have reviewed briefly three of the principal dangers to the future of America.

I know that every one of you, as members of this great organization, is dedicated to the preservation of our Republic and the God-given rights which it guarantees.

One of the sacred causes to which the Veterans of Foreign Wars is dedicated is to assist our disabled comrades and to care for the dependents of those who made the supreme sacrifice.

If we fail to safeguard our Nation against the dangers of state socialism, national bankruptcy, and a bungling foreign policy we shall betray our solemn obligation as members of the Veterans of Foreign Wars and as Americans.

Again, I say to you, we are in a time of crisis. I appeal to you to go forward in the service of our country with the same patriotic courage as you did when you faced the enemy in battle.

We will lose everything if we shirk our responsibilities.

We must work for a strong economy through gainful employment for all our people. We must strive always for a strong, dynamic, solvent America.

We must be strong financially and in military power.

And most important, our country must be strong spiritually, emulating the tolerance, good will, and love of God, of William Penn, and the pioneers who built the foundation of freedom in our beloved land.

Action by National Education Association Against Employment of Communist Teachers

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EXTENSION OF REMARKS

OF

HON. CLYDE R. HOEY

OF NORTH CAROLINA

IN THE SENATE OF THE UNITED STATES

Monday, July 11 (legislative day of Thursday, June 2), 1949

Mr. HOEY. Mr. President, I ask unanimous consent to have inserted in the Appendix of the RECORD an account of the National Education Association convention recently held in Boston in which a clear-cut ban against permitting Communist Party members to teach in the Nation's public schools was adopted by this convention.

This is most heartening action and demonstrates that the educational leaders of the Nation realize the danger of permitting Communists to teach in our schools and educational institutions and thus infiltrate their doctrines and teachings into the minds of the youth of this country.

It is gratifying to know that such outstanding educational leaders as President Eisenhower, of Columbia; Conant, of Harvard; and 18 other leading educators have joined in the report recommending that all Communist Party members be barred from teaching in the schools, colleges, and universities in the Nation. This recommendation should be seriously considered by those in charge of all our educational institutions, and I wish to applaud the action of the National Education Association in taking this definite and sound position with reference to teachers in our schools.

The article appeared in the Charlotte Observer.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

TEACHERS VOTE TO OUST REDS

BOSTON, July 6.—At a tumultuous session that frequently got out of hand, 3,000 delegates attending the National Education Association convention today voted a flat ban against permitting Communist Party members to teach in the Nation's schools.

With a scattering of voices raised in opposition—not more than three or four could be heard—the teachers of America made educational history with its action. The National Education Association, with a membership of 425,000 and an affiliated membership of 800,000, is the most powerful and influential school organization in the United States. Its policies are frequently put into practice in schools throughout the land.

A total of 5,000 teachers, superintendents, administrators, and key school officials are attending the eighty-seventh annual summer assembly of the NEA. Only the 3,000 delegates have a right to vote or participate in the discussions.

Actually, the vote on communism was not scheduled to come up until Friday, when the resolutions committee will present its report. Today the report of the educational policies commission, headed by Dr. John K. Norton, of Teachers College, Columbia University, came before the delegates for the first time. This report, prepared by a membership of 20 prominent educators, including Presidents Eisenhower of Columbia and Conant of Harvard, recommended that members of the Communist Party be barred from teaching posts.

REPORT HIGH LIGHTS

At the business session this morning, Dr. Norton gave a summary of his report, citing the high lights.

After he had read portions of the report, Dr. Norton made a slashing, vigorous attack on communism and on the role of Communist teachers. His remarks were punctuated with frequent bursts of sustained applause, which became more and more enthusiastic.

"Communism is more than a political party," Dr. Norton told the teachers. "It is a movement which would take over and regulate, according to a despotic ideology, every phase of a citizen's life. Freedom of religion and conscience go out the window when communism comes in. Any means, no

matter how it outrages human personality, is moral under the Communist code.

"And it assigns a special role to the teacher who joins this movement—it is his duty to destroy the loyalty of the child and youth and to indoctrinate him with Communist ideology.

"Do we want to admit to this great calling and privilege those who have officially pledged their allegiance and their support of the doctrines and the methods of communism, by joining the Communist Party, and who renew that pledge and that support every time they pay their party dues?"

Citation of Wayne Coy by Sons of Indiana of New York

EXTENSION OF REMARKS
OF
HON. HOMER E. CAPEHART
OF INDIANA
IN THE SENATE OF THE UNITED STATES

Monday, July 11 (legislative day of Thursday, June 2), 1949

Mr. CAPEHART. Mr. President, I ask unanimous consent to have printed in the Appendix of the RECORD a citation by the Sons of Indiana of New York designating Wayne Coy, Chairman of the Federal Communications Commission, as the outstanding Hoosier of 1949, together with Mr. Coy's response.

There being no objection, the citation and response were ordered to be printed in the RECORD, as follows:

Triumphant over the rigors of his adolescent years in Franklin, Ind. (named for the man whose kite and key unlocked the mystery of electricity), then groping stanchly for maturity in Delphi (named for an ancient oracle of miraculous divination), it was only natural that, sooner or later, Wayne Coy would be Chairman of the Federal Communications Commission. However, in recognition of the distinguished manner in which he has fulfilled the complex functions of his high office, we, the Sons of Indiana of New York, proudly acclaim him the outstanding Hoosier of 1949.

Newspaper reporter, editor, publisher, governor's good right hand, unemployment relief director, WPA Administrator, Assistant United States High Commissioner to the Philippines, organizer of the Federal Security Agency, Assistant Director of the Budget, and one of the two most important men around the President in the critical early days of World War II, Wayne Coy was asked in December 1947 by President Truman to contrive, among other things, to bring about a harmonious courtship and happy marriage, satisfactory to all the in-laws, between a rich and garrulous old gent named Radio, who popped off constantly day and night, and an eye-filling young widow across the street named Video. The surprised neighbors say she's already wearing a ring.

Every task Wayne Coy has undertaken in the past two eventful decades he has done superlatively well. Thus he merits a promising future. Our fondest hope for him is that, as experience ripens into wisdom, a happy future will find him one day back in Indiana—in a soft chair surrounded by hard problems in a gloomy stone pile on Capitol Avenue in Indianapolis, if he will, or (if his wisdom is truly boundless) in a harder chair surrounded by the softer chores of a Hoosier editor—but, in any event, back home in Indiana, where a man can be so happy and so poor.

Attest:

SONS OF INDIANA OF NEW YORK,
GEORGE B. WELLBAUM, *Founder.*
PHILIP D. TAYLOR, *Secretary.*
ROBERT G. SPENCER, *Assistant Secretary.*
ROBERT L. BATCHELOR, *President.*
PAUL E. TOBIN, *Vice President.*
DAVID MARSHALL, *Treasurer.*
CLAUDE G. BRODHECKER, *Past President.*

In response to the award, Mr. Coy made the following statement:

"I like the spirit of Indiana. I like the ability of Hoosiers to share the vicissitudes of their fellow Hoosiers and their fellow men. I like that capacity of Hoosiers to differ with others—in politics, in business, in religion, in sports—and not lose respect for their opponent. I like the courage of Hoosiers in adverse times. I like the boldness of our people in developing the economic and social life of the State. I like Indiana.

"My affection for my native State is always quickened by my faith in the democracy of Indiana. We are all bound together by our unbounded belief in and support of freedom. The spirit of democracy in Indiana is so widespread as to be universal. Men have dignity in Indiana and are respected by other men. I am proud to have your respect and pleased to receive your award."

Definition of the Welfare State

EXTENSION OF REMARKS
OF
HON. JAMES E. MURRAY
OF MONTANA
IN THE SENATE OF THE UNITED STATES

Monday, July 11 (legislative day of Thursday, June 2), 1949

Mr. MURRAY. Mr. President, there appears to be a lively propaganda campaign on foot in this country to disparage the Truman program and misrepresent the Fair Deal and welfare state.

In this connection, I should like to call attention to a very able article by Nelson H. Cruikshank, the distinguished economist and director of social-insurance activities of the American Federation of Labor, appearing in the New York Times of July 10, 1949. In this article Mr. Cruikshank defines the welfare state, and I ask unanimous consent to have it printed in the Appendix of the CONGRESSIONAL RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

WELFARE STATE DEFINED—CONCEPT ADVANCED OF PEOPLE'S USE OF RESOURCES OF GOVERNMENT

(The writer of the following letter is director of social-insurance activities, American Federation of Labor.)

To the EDITOR OF THE NEW YORK TIMES:

In the last few weeks former Secretary of State James F. Byrnes has delivered two addresses concerning the nature of the "welfare state" which have aroused considerable comment.

It is a matter of profound concern to me and the organization I serve to analyze the reason that the term "welfare state" has now become a fighting term.

The reason is that it has taken on two quite opposite meanings. There is one meaning ascribed to the term which is based on a concept of the state or government as something foreign to and removed from the people and which seeks to control, direct, and provide for all the people's needs. Such a program of Government action—whether prompted by good or bad motives—removes incentives from the individual, stifles initiative and becomes inevitably the master of the people that it set out to serve. Recent history abroad provides extensive support for that view.

That kind of all-inclusive Government activity labor opposes, and we will oppose with all the force at our command any attempt by any government to control the details of daily living and our relationships with each other even if it is alleged to be for our own good. That is why we are against the Taft-Hartley Act.

Both employers and labor must oppose despotism in any form. There is no such thing as a benevolent despot.

CONCEPT OF STATISM

There is another concept of the welfare state, however, that is rooted in a quite different idea of the nature of the state. This is the idea that the state can be the servant of the people. The idea that Lincoln expressed as "a Government of the people, by the people, for the people," is not three ideas of government but one. The only kind of government that can genuinely be for the people is one that is by and of the people. The state is made for man and not man for the state.

If a people succeed in maintaining this concept of government, the state then becomes the instrument through which they do those things for themselves which they cannot do individually. Though they use the instrumentality of government they are still performing these functions for themselves. Under such a concept individual opportunity can be maintained and enlarged and individual initiative can be encouraged.

Now under such an idea of the nature and the purpose of the state the concept of the welfare state takes on quite a different meaning from that which I first described. In line with this idea, which was that held by the founders of our Government, it is no question as to whether we should have a welfare state. That question was settled in 1789 with the adoption of the Constitution. The purpose of government in the United States of America was set forth clearly in the preamble of that document where "We, the people of the United States," are committed until such time as that document is changed to six enduring programs. The fifth of these action programs to which we are committed is to promote the general welfare through the National Government.

POWERS OF CONGRESS

This is reinforced in article I, section 8:

"The Congress shall have power to lay and collect taxes, duties, imposts and excises, to pay the debts and provide for the common defense and general welfare of the United States."

It is significant that the first defense of a broad power of Congress to act for the general welfare was conducted by Alexander Hamilton in reference to the question of the establishment of a national bank. Opponents of the bank argued that no power was given by the Constitution to the Congress for such a purpose. But Hamilton supported his argument by reference to the general welfare clause.

Since that date there has been a host of enactments sponsored by every political party that has been developed in our history, of both liberal and conservative persuasion, to implement the welfare activities of our National Government. Every time that Congress has passed a tariff act we have engaged in an activity of the welfare state.

HISTORIC MILESTONE

In this long development there have been some historic milestones. One of them was the enactment of the Homestead Act of 1862. After a long and bitter battle this was a decision on the part of the people's representatives in Congress to dedicate the vast resources of the public domain to the needs of plain people as it provided for the settlement of public lands in quarter-section units. I would like also to point out to those who allege that the idea of social security is a foreign concept that actually we launched on a social-security program through the enactment of this act. When we so dedicated the public domain we were actually providing a combined old-age security and unemployment compensation program, as a study of the waves of migration from the eastern industrial areas to the valleys of the Middle West in their relation to successive periods of unemployment in the industrial areas will show.

We need only to look at the budget of the United States Government submitted for the fiscal year 1950 to find that the activities of the welfare state are by no means confined to the extension of aid to unfortunate individuals. A ship operator, for example, has available detailed and expertly prepared charts and tide tables printed by the Hydrographic Office of the Navy at an expense of $4,451,000. In contrast to that, those who seek aid from the Federal Government, either from management or labor's standpoint, in the development of sound labor standards have to rely on the Bureau of Labor Standards in the Department of Labor, whose total budget for the year is only $391,000. The Bureau of Labor Statistics operates on an annual budget of $5,450,000.

BUDGETARY PROVISIONS

A navigator of ocean-going vessels has prepared for him by the Government annual tide tables that will tell him for every day and every hour of the year the status of the tides and the flow of the currents in every port in the world. But a citizen who is responsible for steering a course in sound labor-management relations finds that the item for printing and binding in the Department of Labor is exactly zero. Twenty-five million dollars is set aside this year for the Agricultural Extension Service. In 1947 we had a tiny budget of $37,000 under which the Department of Labor was providing similar aids to American citizens responsible for furthering understanding of collective-bargaining processes. The Eightieth Congress wiped out ever this minute item.

When the frontier was exhausted and public lands were all settled or given away and we found ourselves still faced with the insecurity of old age and unemployment the Government simply continued its basic policy of dedicating its resources and instrumentalities to the aid of people to provide through a system of social insurance against these contingencies. That is how our Social Security System came into effect as an activity of the welfare state.

PUBLIC HOUSING

According to the report of the Senate Committee on Banking and Currency (S. Rept. No. 84 of the 80th Cong., 1st sess.), we must be prepared to build or rehabilitate an average of at least 1,300,000 nonfarm dwelling units and between 200,000 and 300,000 farm units each year over the next 12 years if substantial progress is to be made in bettering housing conditions of American families. The record of the private building industry, particularly since the war, establishes conclusively that it cannot handle the job alone, since nearly two-thirds of our families who have incomes of less than $4,000 are completely out of the housing market in terms of being able to buy or rent the homes constructed by the private building industry.

In the field of education we decided over a hundred years ago that the education of our children is not properly a field for business enterprise operated for profit and we established a system of free public schools. In the course of our national development we are now faced with the fact that we cannot leave the support of these schools dependent entirely on the uneven financial resources of the localities and States. It has, therefore, become imperative that the Federal Government must be used to give assistance in meeting the cost of educating our young.

HEALTH INSURANCE

Another common need is for a method of meeting the high and unpredictable cost of medical care through an extension of the principle of social insurance. We do not wish to see the Government in the practice of medicine. We do not wish to regiment doctors or patients. We do not wish to socialize medicine, and no bill supported by organized labor in the United States calls for any such thing. We seek simply to promote the general welfare by using the instrumentality of government to establish a fund contributed to out of our own wages with like contributions from our employers to remove the ever-present dread of doctor and hospital bills that can drive us to the relief rolls and the loan shark.

Experience has taught us that every forward step in the field of social and economic welfare brings some dangers. Advances in this field are no more free from hazards and pitfalls than was the conquest of a continent by our pioneer forefathers. As we seek to utilize the services of Government we must be on guard against Government becoming our master. But we also recognize that people cannot guarantee their freedom by such a simple formula as limiting and crippling the power of their Government.

NELSON H. CRUIKSHANK.

WASHINGTON, *July 7, 1949.*

The Welfare State: Where Do We Go From Here?

EXTENSION OF REMARKS

OF

HON. A. WILLIS ROBERTSON

OF VIRGINIA

IN THE SENATE OF THE UNITED STATES

Monday, July 11 (legislative day of Thursday, June 2), 1949

Mr. ROBERTSON. Mr. President, I ask unanimous consent to have printed in the Appendix of the CONGRESSIONAL RECORD an editorial from the Richmond News-Leader of Friday, July 8, 1949, entitled "The Welfare State: Where Do We Go From Here?"

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

The Nation's lawmakers, if they want to be consistent in their espousal of the welfare state, had better spit on their hands and get to work. Enactment of the national housing legislation, held up momentarily in a conference committee, will open up vistas as yet undreamed. The beautiful Utopia wrapped up in line 3, page 2, awaits the questing Congressman who seeks new socialistic worlds.

That language, which will be embodied in the final bill, puts Congress on record that "governmental assistance shall be utilized where feasible * * * to realize the goal of a decent home and a suitable living environment for every American family." Now, "environment" is defined in our dictionary as "surroundings," or specifically, "the aggregate of all the external conditions and influences affecting the life and development of an organism." And "suitable" is defined as something that is pleasing or satisfying, something that is suited to one's needs or wishes. It follows that Congress thus has asserted the Federal Government's dominion over a mouth-watering world of external conditions and influences; over vast undertakings that must be aided or guided, or in that exquisite verb from the President's economic advisers, "maximized."

To be sure, legislation already is pending toward a few acres in this utopian land. The Brannan farm plan would cover the rather important factor of food; it would undertake to provide consumers with "a continuous and adequate supply of agricultural commodities at fair prices." The Dingell public health bill, which opens with the remarkable observation that "ill health is a major cause of human suffering," would cover the "preservation and improvement of the health, vigor, and security of the American people." Thus, three bills already at hand could be utilized to cover the essentials of shelter, food, and medical care.

What about clothing? Surely that is an external condition involved in man's environment. Consistency demands that a bill be drummed up at once to provide 810,000, or perhaps 810,000,000, suits and overcoats over the next 6 years. At the outset, all blighted, substandard, inadequate, or overcrowded garments would be done away with, and grants-in-aid would be provided to replace them with new suits and overcoats at not to exceed, say, $100 apiece.

And what about transportation? That, too, is an external condition of immense importance. The happy subject of the welfare state, about to be sheltered in a five-room house that could cost up to $12,500, must have a suitable environment. Nothing less than a $2,000 car should be considered.

There is the matter of communications. Even the lowliest environment would be considered unsuitable these days without at least one radio and a daily paper. Can there be a suitable living environment without a telephone?

Time is short. Congress will be in session for only one more month. Haste to the drafting bureau, and there draw up the external influences bill. Let there be created the commissioner of suitable living environment, with bureaus, subbureaus, and regional offices. Onward and upward to the welfare state. Away with the shadow of national bankruptcy. The new utopia lies ahead.

The Brannan Plan

EXTENSION OF REMARKS

OF

HON. HOMER E. CAPEHART

OF INDIANA

IN THE SENATE OF THE UNITED STATES

Monday, July 11 (legislative day of Thursday, June 2), 1949

Mr. CAPEHART. Mr. President, I ask unanimous consent to have printed in the Appendix of the RECORD an editorial entitled "Hassil Schenck Is Right," published in a recent issue of the Indianapolis Star; also an article entitled "Schenck Raps Brannan Plan," published in the Indianapolis Star of July 7, 1949. Mr. Hassil E. Schenck is president of the Indiana Farm Bureau and a member of the executive committee of the American Farm Bureau Federation.

There being no objection, the editorial and article were ordered to be printed in the RECORD as follows:

HASSIL SCHENCK IS RIGHT

One of the most telling attacks on the Brannan farm program since it was launched was made by Hassil E. Schenck, president of the Indiana Farm Bureau, in his testimony before a congressional committee on Wednesday. Mr. Schenck said: "We farmers are convinced that more freedom of choice for farmers would result in better allocation of resources and more efficient farm production than can be obtained through continuous rigid controls over production and marketing." The history of American farming proves Mr. Schenck 100 percent right. Our free farmers have outproduced the world. They are growing and selling more crops with considerably less manpower on the farm than any other nation in the world. State-controlled farming in other nations has never produced as abundantly and efficiently as our free American farmers have done.

A trial run of the Brannan plan on hogs, said Mr. Schenck, would be a foot in the door for the whole program. It would discriminate against producers of other products and begin demands for immediate extension of the subsidy program to all other phases of farming. Once the Brannan plan gets started it would have to be extended throughout the United States almost immediately, carrying with it rigid controls and Government directions over what, when, and how the farmer shall produce his crops.

Like most other farmers who want to stay free of Government control, Mr. Schenck is opposed to making the farmer dependent on Government hand-outs for his living standards. If his income depends on congressional appropriations, the farmer's very livelihood will be at the mercy of politicians who are unpredictable, and economic conditions over which the farmer has no control. He will have no dependable protection against politicians who wish to subject him to their own purposes. We believe that most American farmers agree with Mr. Schenck. We do not believe they are willing to sell their economic and political liberty for the insecurity of such a position.

SCHENCK RAPS BRANNAN PLAN—"DEPENDABLE" PROGRAM WANTED, SOLONS TOLD

WASHINGTON, July 6.—Hassil E. Schenck, president of the Indiana Farm Bureau and a member of the executive committee of the American Farm Bureau Federation, today delivered to the Senate Agriculture Committee a scathing denunciation of the Brannan farm security plan.

He said, as he testified before the committee, that he was speaking as a representative of the 1,325,000 American families who are members of the American Farm Bureau Federation."

He voiced, first, the fear that the farmer will find himself "in an impossible situation" if there be any Federal farm program which finds itself dependent upon Federal appropriations.

"Farmers want and desire a new dependable program," he said.

His second attack was directed at the proposed hog subsidy, with a declaration that farmers generally are concerned about the effect of such a program on beef, mutton, lamb, poultry, and cheese for which there is no price support.

"It is our firm conviction," he said, "that if such a plan were tried on hogs, producers of other livestock would find themselves in serious price trouble.

"If this happened, as we believe it would, recommendations would presumably be made to extend the subsidy to these other products. This has been the pattern of development in foreign countries which have had experience with this type of program."

He said that the Farm Bureau Federation had favored the immediate application of the flexible price features of the Hope-Aiken bill last January.

"The philosophy of the Brannan plan," he concluded, "is so dangerous to agriculture that we vigorously and unanimously oppose any 'trial run'."

The Hoosier farmer attracted more senatorial attention than any other witness who has appeared in recent months before the Agriculture Committee. He was questioned in detail by the committee Senators, but stood firm on his ground that "We as farmers are convinced that more freedom of choice for farmers would result in a better allocation of resources and more efficient farm production than can be obtained through continuous and rigid controls over production and marketing."

Wants Another Henry To Lead Nation

EXTENSION OF REMARKS

OF

HON. JAMES P. KEM

OF MISSOURI

IN THE SENATE OF THE UNITED STATES

Monday, July 11 (legislative day of Thursday, June 2), 1949

Mr. KEM. Mr. President, I ask unanimous consent to have printed in the Appendix of the RECORD a letter under the heading "Wants Another Henry To Lead Nation," written by Russell Keiningham to the editor of the Richmond (Va.) News-Leader, and published in the July 9, 1949, issue of that newspaper.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

WANTS ANOTHER HENRY TO LEAD NATION

EDITOR, THE NEWS-LEADER:

SIR: Senator JAMES P. KEM, of Missouri, has introduced an amendment to the ECA appropriations bill now pending before the Senate Appropriations Committee. Here is the text. "Section 202. No part of the appropriations contained in this act shall be furnished to any participating country, the government or any agency or subdivision thereof, which shall after the date of the enactment of this act, acquire or operate in whole or in part, any basic industry thereof, other than the industries the acquisition of which has been completed prior to the date of the enactment of this act."

The object of this amendment seems to be to prevent further adventures into socialism by England and France. England has socialized some of her basic industries and she is losing money on every one of them. She will socialize her steel industry by 1951 and the British Labor Party stands ready to socialize other industries if they are returned to power in the election. Clement Attlee seems to be a double talker. He denounces communism out of one side of his mouth while out of the other side he blows a trumpet for socialism, the greatest swindle ever to be perpetrated on civilized man.

The situation in France is no better. France is reported to have socialized about five of her basic industries including the five largest banks in that country. Before socialization the banks were heavy taxpayers but in the first year of government operation they are reported to have lost the equivalent of $30,000,000. France is down on the original Marshall plan for $3,701,000,000 and on May 7, 1947, the International Bank loaned France $250,000,000. She now has the impertinence to tell us we cannot stop the Marshall-plan idea when we so propose but we must keep it up. France cannot even govern herself, yet she tries to tell the United States what to do. The Marshall plan does not now seem to be a recovery program but a relief program to underwrite socialism and communism in Europe.

To say that the European countries will collapse unless we underwrite their socialistic advantures is absurd. Look at little Finland. That valiant little country lost 77 of her most important industrial plants to the Soviets and she must pay better than $300,000,000 in reparations. The Finns, without Marshall-plan assistance, have repaired 3,000 miles of roads, 1,000 bridges, restored over 5,000 homes and dwellings in northern Finland, along with some industrial plants, all torn up by the Russians and Germans. In sharp contrast, a third of the Marshall-plan money goes to England, and England has an average workweek of 42 hours.

What this country needs is another Patrick Henry to rise in old St. John's and to scourge with his tongue until he saves us from the stupid, the vain, and the greedy; saves us from the same fate that has befallen France, ruined by waste and mutilated by subversive propaganda, bled white, and sold down the river.

RUSSELL KEININGHAM.

Rent Controls

EXTENSION OF REMARKS

OF

HON. JOHN W. BRICKER

OF OHIO

IN THE SENATE OF THE UNITED STATES

Monday, July 11 (legislative day of Thursday, June 2), 1949

Mr. BRICKER. Mr. President, I ask unanimous consent to have printed in the Appendix of the RECORD two editorials published in the Cleveland Plain Dealer, one entitled "Eyes of United States Are on Texas," published on June 25, 1949, and the other entitled "Rent Control Marches On," published on June 28, 1949.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

[From the Cleveland Plain Dealer of June 25, 1949]

EYES OF UNITED STATES ARE ON TEXAS

According to the Associated Press, Gov. Beauford H. Jester has signed into law a measure under which rent controls will be abolished in Texas 90 days after the State legislature adjourns. Recently the Nebraska Legislature voted to abolish rent controls, effective in 1950. These two States have a combined area of 344,576 square miles, more than one-tenth of the total area of the United States.

The rest of the United States will watch with interest what happens in these States when rent controls are no longer in effect. The results in Texas will be particularly revealing because this State had a phenomenal population growth during the war, and a duplication of conditions existing almost anywhere in the United States can be found there.

If Texas finds that the elimination of rent controls does not cause undue hardship and that rent increases commensurate with the rise in building costs and other prices bring about a more economical use of existing housing and stimulate new construction for rental purposes, the result no doubt will be

that other States will follow the example of Texas and take advantage of the home-rule provision of the Federal law to end controls.

It was this possibility, unquestionably, which alarmed National Housing Expediter Tighe Woods to such an extent that he made a surprise flying visit to Austin to urge Governor Jester personally to veto the Texas decontrol bill.

Woods is one of those Federal bureaucrats we hear so much about. Congress is accustomed to their lobbying and propagandizing activities, at the taxpayers' expense, of course, in behalf of their pet projects and to maintain or to expand the agencies they operate. But it is something new when a Federal bureaucrat attempts openly to influence the governor of a State.

Apparently Texans generally did not appreciate Woods' visit to their State. The Fort Worth Press commented that "for pure insolence and bureaucratic interference with the functions of the State government, this incident is unmatched. It will be a dark day for our State when its own elected public officials bow to this kind of dictatorial interference."

Why was Woods so concerned because the Texas Legislature voted the abolition of Federal rent controls? The answer seems to be clear. When the law goes into effect there will be no need for Federal agents in Texas to enforce rent controls and Woods will have that many fewer employees on his pay roll. He won't be quite such an important fellow in Washington as he is now, and if other States should follow Texas' example, eventually he wouldn't be very important at all.

What Woods tried to do in Texas is exactly what the local rent-control gauleiter, Karl Duldner, has been trying to do in Cuyahoga County by appearing in opposition to rent decontrol ordinances in Orange and Bay Village.

Woods and his subordinates are supposed to enforce the rent-control law, not to lobby against home rule. Congress put the home-rule provision into the rent-control law because it didn't trust the Federal bureaucrats to decontrol areas which no longer needed to be controlled. It is absolutely beyond the province of the Federal bureaucrats to attempt to influence or interfere with the actions of State and local governments.

We presume that Woods paid for the cost of his flight to Texas out of his own pocket. If he didn't, the General Accounting Office ought to disallow any claim for expenses for this purpose and Congress ought to impeach him for the misuse of Federal funds.

[From the Cleveland Plain Dealer of June 28, 1949]

RENT CONTROL MARCHES ON

The new rent control policy announced by Federal Housing Expediter Tighe Woods is designed to encourage landlords to spend money on the improvement of their properties. From now on those who do so will be granted permission gladly, instead of grudgingly or not at all, as in the past, to increase their rent charges.

Woods pointed out that if only $100 were spent improving each of the 14,000,000 housing units under control, the total expenditure would be $1,400,000,000. "The effect of such spending on the labor and materials market would be terrific," he said.

The new regulations even go to the extreme length of instructing the local rent control officials to recognize the 1949 costs of materials and 1949 wage rates in computing the amount of rent increases that are to be allowed. This represents an unheard-of concession on the part of a Federal agency which, until recently, has contended that rents should be based on 1942 costs and wage scales.

Actually promulgation of the new policy amounts to a confession on the part of the Rent Control Authority that its past policy has been responsible for the unprecedented deterioration of rental property. Landlords have not only neglected maintenance and repairs but have declined to consider making improvements in their property as long as the Government required them to subsidize part of the living expenses of their tenants by making an unreasonable limitation on the amount of rent they could charge.

There is a catch in the new regulations, however. The tenant must agree to permit the landlord to make the proposed improvement. Then, after obtaining plans, specifications, and estimates, the landlord must get them approved by the local rent control authority in order to qualify for an increase in rent. At that time the rent control official will render an opinion as to how much of an increase in rent the proposed improvement would justify. The increase specified in the opinion will then go into effect when the improvement is completed.

In our opinion, this is a lot of additional red tape, the principal results of which will be to extend Government controls over rental property and increase the number of Federal employees required to administer the new regulations.

If the objective of the rent control agency has now become to encourage landlords to spend money improving their properties, there is a much simpler way to achieve it—just abolish rent controls entirely. We venture the prediction that the owners of rental properties would spend a great deal more than $1,400,000,000 to renovate and improve them if the rent ceilings were lifted. Also space hogging, which is one of the principal causes of the housing shortage where such a shortage still exists, would be discouraged, and builders would have some incentive to construct new housing units for rental purposes

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The President's Economic Report Summarized

EXTENSION OF REMARKS

OF

HON. JOSEPH C. O'MAHONEY

OF WYOMING

IN THE SENATE OF THE UNITED STATES

Monday, July 11 (legislative day of Thursday, June 2), 1949

Mr. O'MAHONEY. Mr. President, there has been prepared a summary of the President's Economic Report by Dr. John D. Clark, one of the members of the Council of Economic Advisers. It is so brief and definite that I feel it should appear in the RECORD. I therefore ask unanimous consent to have it printed in the Appendix.

There being no objection, the summary was ordered to be printed in the RECORD, as follows:

THE PRESIDENT'S ECONOMIC REPORT SUMMARIZED

(A statement prepared for the chairman of the Joint Committee on the Economic Report by John D. Clark, one of the members of the Council of Economic Advisers.)

In his midyear economic report, the President observes that the postwar inflationary forces have abated, that the inevitable and desirable drop in prices is having the expected temporary effect upon production and employment, and that our new problem is to prevent the moderately declining economy from falling into a depression. The factors of employment, production, personal income, and market demand for goods have receded very slowly. They remain strong enough to be quite adequate to support business activity at the prosperity level if the process of adjusting prices can be completed in the present orderly fashion.

In previous deflations, three explosive danger spots where crises arise have been disclosed in financial markets, in speculative markets, and in agriculture. For 16 years, we have been preparing the program which, by stabilizing these points of vulnerability, will gain time for price adjustment to be completed. As a Senator and as the Chief Executive, the President has participated in establishing Government policies for the very purpose of preventing the march of recession into depression, and now he puts his faith in them. His is not a wait-it-out policy. It is a policy of positive action on many fronts, and it is ready.

We are now protected against a financial crisis by changes in our laws affecting money and banking which insure cheap and abundant credit under conditions which have before caused credit to tighten and almost disappear. The deposit insurance law has exercised the spectre of bank runs. We have modified the bankruptcy laws to preserve continuity of enterprises rather than to compel liquidation. We have reorganized mortgage credit upon a basis of long-term amortization which minimizes the stream of foreclosures. We have established the Reconstruction Finance Corporation and other Government agencies to supplement private credit at the very places where credit tightens most when business declines have set in. We need no longer fear financial crises such as those which hurled the country into the great depressions of the nineteenth century.

We were plunged into our worst depression when a very moderate recessionary movement following a slow advance was turned into a vigorous deflation by the collapse of a violent speculative movement in the securities markets in the fall of 1929. We have protected the Nation from another crisis of that character by establishing effective controls by the Securities and Exchange Commission and by the Board of Governors of the Federal Reserve System. The greatest peacetime boom in our history has been free from dangerous speculation in the securities markets and there is now no threat from that quarter.

We have provided that there shall be no disastrous collapse of agriculture by adopting a farm price-support program, and have already tested its value. Early in 1948 the speculative price structure on the grain exchanges crumbled in the way it did in 1920. The same consequences did not follow. Farm price support not only protected farm income from spiralling price decline, but it assured the business world that no collapse would occur and relieved all other businessmen of fear that markets in rural America would disappear. On account of this policy, these markets are now unshaken.

Unemployment insurance, including that provided for veterans, relieves the distress of the innocent victims of declining industrial production, and together with the Minimum Wage Act and the labor-relations laws which protect the right of collective bargaining it neutralizes the increase in the number of unemployed. Shortsighted employers cannot use growing unemployment as a tool to force downward the wages and the purchasing power of workers. That policy of management has contributed to spiraling deflation in the past.

These are the major features which have been introduced into our economy in the past 16 years to hold within narrow limits the downward swings which cannot be wholly avoided. The Council of Economic Advisers finds proof of their effectiveness in the fact that although our greatest postwar boom continued for longer and rose much higher than the point at which experience indicated critical danger of collapse, its abatement has been moderate and orderly and in some lines of business there are

already signs of renewed expansion. The recommendation of the Council to the President, therefore, has been that his program be to permit the adjustment of prices to be completed without interference by Government action, and that the Government support and improve the antidepression policies already established.

This is the program which the President has presented in his midyear economic report. It includes withholding tax increases affecting business; increasing the minimum wage and extending the duration, coverage, and weekly benefits of the unemployment insurance and other social-security laws; liberalizing the policies of Government credit agencies; and maintaining at the level proposed in his budget the public expenditures which our domestic and international needs have lifted to be a factor of great importance in sustaining consumer purchasing power.

This being done, we shall have protected the economy from the shocks which turn a slump into a bust. With the completion of price adjustment, business will be in condition to resume the course of expanding production and employment.

The TVA Has Friends

EXTENSION OF REMARKS
OF
HON. HUBERT H. HUMPHREY
OF MINNESOTA
IN THE SENATE OF THE UNITED STATES
Monday, July 11 (legislative day of Thursday, June 2), 1949

Mr. HUMPHREY. Mr. President, I ask unanimous consent to have printed in the Appendix of the CONGRESSIONAL RECORD an article by Mr. Hodding Carter which appeared in the Washington Post of July 3, 1949.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

LOOKING AT THE SOUTH—THE TVA HAS FRIENDS

(By Hodding Carter)

GREENVILLE, MISS.—The story of the Tennessee Valley Authority's vast contribution to the Nation's economy and security has been told hundreds of times; but there remain skeptics, even without axes to grind, who are unimpressed by the written or spoken word and who still see a socialistic specter in what was once called an experiment.

I wish that all such doubters could have taken the second annual TV-HO cruise along the Tennessee River from Paducah, Ky., to Knoxville, Tenn. I have just completed that 10-day cruise as a guest of one of about 50 cabin owners from nine States, and I say flatly that no open-minded person could be other than a TVA backer at the end of the journey up river.

My companions were holiday-minded business and professional men. Most of them had taken the trip before. Their interest lay in the recreation offered by the chain of connected lakes created by the TVA dams, lakes which they proudly describe as the Great Lakes of the South.

NEW ENTERPRISES

There was recreation in plenty along the river that was once unpredictable and troublesome and so frequently inaccessible to all but the smallest craft. We passed hundreds of large and small pleasure boats. Everywhere on the 650-mile journey fishermen were casting or pole fishing in the most prolific game waters in the country.

Swimmers and water skiers, picnickers and sightseers abounded in the beautiful, wide stretches between towns and dams and in the parks and clubs that have been developed in every community. New and thriving business enterprises—capitalist enterprises—have grown up to cater to the boaters and fishermen and hunters who come to the valley.

But the recreational business is still in its infancy, though the infant is growing rapidly. And it is only a happy byproduct of TVA's primary accomplishments: Flood control, navigation, and plentiful and cheap power. The last-named accomplishment provides the principal target for the program's critics. Yet here again it is the capitalist system which profits from TVA; capitalism and 9,000,000 human beings whose living and health standards and job opportunities have been so greatly bettered by the electrification of the Tennessee Valley.

Private industry could not have financed the harnessing of the Tennessee on such a scale, and it would not have developed the valley in as many directions. The Government did the job instead and hence the charge of socialism. But from the governmental base, private enterprise, and the individual have advanced together.

OBVIOUS GAINS

The people of the valley just don't listen to the critics. They know what has happened and what is yet to happen. They have seen the malarial rate of the lowlands cut from 65 percent to virtually zero under TVA's malarial-control program. They point out the recovered lands where farm income has trebled under the land-use programs of the valley States working together with TVA.

They watch the towboats and the pleasure boats multiply and the new industries rise. They know such stories as that of Decatur, Ala., to which 72 industries have come in 14 years. And it is impossible for these valley individuals to believe that they are the creatures of a dangerous benign paternalism.

I talked to many of them. I remember especially what one of them said. He is a transplanted Pennsylvanian, operator of a large industry, a strong believer in private enterprise, and the Republican Party. He came to the valley 13 years ago, when new vistas were just beginning to open.

"The TVA has given both the profit system and the people a chance down here," he says. "There ought to be more developments like it all over the country."

To which 9,000,000 people would say amen.

The Hawaiian Shipping Strike

EXTENSION OF REMARKS
OF
HON. HUGH BUTLER
OF NEBRASKA
IN THE SENATE OF THE UNITED STATES
Monday, July 11 (legislative day of Thursday, June 2), 1949

Mr. BUTLER. Mr. President, I ask unanimous consent to have printed in the Appendix of the RECORD an editorial appearing in the July 7 issue of the Brewery Gulch Gazette, of Bisbee, Ariz., covering the strike situation in Hawaii; and with it I ask that there be printed an editorial entitled "Hawaiian Relief, Courtesy of Bridges," appearing in the June 26 issue of the Los Angeles Times.

There being no objection, the editorials were ordered to be printed in the RECORD, as follows:

[From the Brewery Gulch Gazette, Bisbee, Ariz., of July 7, 1949]

THE BREWERY GULCH PHILOSOPHER SAYS

Some 12 years ago Harry Bridges held a strike meeting of his Longshoreman's Union; he called for a standing vote on the strike and then he said, "Now I'd like to have any S. O. B.'s that don't want to strike stand up." No S. O. B.'s. That's the way he operates. Now his dock workers are striking in Hawaii: They have been out for 2 months, and the only way to get in or out of the islands is by plane. Ships loaded with food that lie in the harbor cannot be unloaded and perishable foods rot in the ships' holds while people go hungry. Unemployment is at a new high and many businesses are being ruined; the $70,000,000 pineapple industry is going on the rocks. Communist Bridges' union, which is tying up business, has 2,000 members, of which only 500 are American citizens. Thousands of citizens of the islands have petitioned Congress to do something about the distressing situation, but the only response so far received has been the statement of House Speaker SAM RAYBURN in which he said, "I don't think that Congress should stick its nose into a matter of this kind." President Truman disclaims any desire to intervene in this particular case, although he has shown no backwardness in trying to solve the problems of various parts of the world where the American flag is not flying.

[From the Los Angeles Times of June 26, 1949]

HAWAIIAN RELIEF, COURTESY OF BRIDGES

(By Kyle Palmer, political editor)

Depressing news dispatches and indignant reports by returning mainlanders; statistics on dangerously low food supplies, on business failures and job losses; and slow strangulation of the economic life of an American community of more than 500,000 men, women and children are incidental items in the tragic story of strikebound Hawaii.

Merits in the dispute between striking dock workers and their employers are secondary considerations.

In the light of the far greater issue raised by the situation in Hawaii—an issue as vitally related to the welfare of all the people of this country as to that of the helpless Hawaiian population—the question of which side is right, or partly right, in arguments for and against wage increases loses much of its significance.

Hardships of those in far-away places, the sufferings we read about, but do not ourselves experience, even the distress of a distant community in which our own friends and relatives are among the hapless victims, never seem quite as real or as unbearable as the ills and evils we share or have immediately before us.

But the fact remains that the country's mainlanders are sitting by complacently while more than a half million of their fellow citizens are experiencing an ordeal—now well into its second month—which would not be tolerated overnight by public opinion within the continental United States.

Whether Harry Bridge represents to you a species of Red devil bent upon destroying the economic, political, and social system of this country, or in your estimation is an inspired defender of the rights of his underprivileged fellowman, Mr. Bridges by calculation and design has been able, for all practical purposes, to isolate the Hawaiian Islands from the rest of the world.

Again, it seems to me that his motives are relatively unimportant; whether he seeks

to better the lot of his union members, as he maintains; whether he is carrying out a deliberate Communist scheme to dominate territorial politics and economics, as many believe, or whether he merely intends to solidify his position as a dominating figure in management-labor relations.

The important thing, from the standpoint of any citizen who has due regard for his own rights, freedom, and welfare, is that Bridges has been able to accomplish his objective; that he has been permitted to accomplish it, first by an unaroused public opinion, and, second, by a remarkably and inexplicably indulgent national administration.

A dock strike in Hawaii, backed up by refusal of dock workers on the mainland to handle cargoes destined for Hawaiian ports, represents in all respects what a joint shipping, trucking, and railway strike would mean to a mainland community. To Los Angeles, for instance.

And in view of the distances involved, the Hawaiian dock strike is even more crippling; for Honolulu and all other Territorial areas are absolutely dependent for adequate supplies of virtually all essentials upon waterborne commerce.

Not a freighter may be loaded or leave port or discharge its cargo except by the grace of this union boss; and while one branch of the Federal Government marshals its forces to prove him a perjurer and an active Communist leader whose original alien status should be restored preliminary to his deportation, other divisions of the Government profess themselves powerless to interfere with his destructive program.

And once again, a discussion of this situation need not inquire into his reasons, nor seek answers not related to the basic question that should appeal to all:

"If Harry Bridges and his union members can bring the people of Hawaii to their knees by reckless and ruthless exercise of arbitrary power, what is to prevent him—or others—from exercising that power elsewhere?"

True, neither Bridges nor any other union leader, even with the collaboration or collusion of a prolabor national administration could get away with such tactics on the mainland now.

But how about next year, or the year after that, or 10 years hence, if the Hawaiian experiment succeeds?

The dock strike in Hawaii is an object lesson, both of what is happening and of what can happen. Yes, what can happen here.

Dock strikers have demanded a specified pay increase and their employers, offering less than the union demands, must eventually come to a decision.

Compulsion by Government agencies exerted against either side will not meet the issue, nor will a one-sided victory by either prove beneficial. Somewhere along the line a fair meeting ground can be discovered.

In the meantime, Bridges keeps his thumb on the jugular vein of the Hawaiian people—the maritime commerce.

And in the meantime the constructive and productive activities of the islands are withering.

Pineapple and sugar industries in Hawaii are big business. That such industries are perilled is not, perhaps, a matter of great concern to Bridges and his island lieutenants.

Yet the economy of the islands rests upon these two major operations, and the livelihood of tens of thousands of families depends upon their success.

There were less than 10,000 persons listed as unemployed in Hawaii when the strike of longshoremen and warehouse workers started on May 1. Now the unemployed number almost 20,000.

And this expanding army of the enforced idle may suddenly reach disastrous proportions if unionized sugar and pineapple workers—controlled by Bridges—carry out threats of strikes in those industries.

The Federal Government is ever on the alert to break up and penalize the threat of industrial monopoly, but here is a monopoly—a monopoly of power, of political pressure and of economic control—that can say "stop" or "go" not only to business, but to the workers, to the politicians and to Government itself.

Surrender to such a threat, on any basis, might bring temporary labor-management peace to Hawaii and a resumption—on Bridges' terms—of the commerce of the islands.

The evils thus halted for a time in Hawaii, however, would reappear in more malignant form. Their spread could not be stayed.

Thus, Harry Bridges has challenged the right and the capacity of the people—not of the Territory of Hawaii alone, but of the Nation itself—to conduct their ordinary and proper affairs unhindered by the particular interests or the special objectives of any man or set of men.

Make no mistake about this dock strike in Hawaii. It goes far beyond the limits of an employer-employee dispute; is more fundamental than any struggle between capital and labor. It is a supreme bid for power by a resourceful and highly intelligent man who, if he succeeds, will never be satisfied by one or two such triumphs.

The solution to this puzzle does not lie primarily in Hawaii, where the people are under siege. It is really up to the people on the mainland to take cognizance of an unbearable and an insufferable condition which, as it affects the fundamental rights of a few, affects the rights of all.

How far shall the oppression of Bridges be tolerated

To date, milk production in Hawaii has been curtailed about 10 percent.

More than 350 business establishments, in the face of dwindling supplies and dying trade, have been forced to lay off hundreds of workers.

Salaries have been reduced in some firms by managements hoping to weather the storm without curtailing their staffs.

For the first time in many years, dividend payments to investors have been cut.

Many little businesses either hang upon the edge of bankruptcy or are about to take the plunge.

In some instances poultry growers have slaughtered flocks, destroyed baby chicks and hatching eggs because of empty feed bins.

Passengers and mail arriving on transpacific ships are being unloaded off the port of Hawaii and lightered ashore.

The record of petty annoyance and major outrage is endless.

A relief ship is on the way. Harry Bridges permitted it to be loaded and allowed it to sail. The ship will be unloaded, Bridges willing.

The Little Telephone People Favor H. R. 2960

EXTENSION OF REMARKS

OF

HON. W. R. POAGE

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Monday, July 11, 1949

Mr. POAGE. Mr. Speaker, under leave to extend my remarks in the RECORD, I include a number of letters which have been received from independent telephone operators all over the Nation. These letters make it plain that a great number of these telephone people realize the need for a rural telephone bill and that they recognize that the pending bill would be of tremendous value to them as well as to farm people.

Mr. Speaker, the letters follow:

ALABAMA

COLLINSVILLE, ALA.

I realize this is the only salvation for the rural telephone companies in our State. Our State association of which I'm a director passed a resolution unanimously as going on record in favor of this bill.

PEOPLES TELEPHONE CO.,
M. G. WEAVE, *President.*

ORVILLE, ALA.

I am intensely interested in securing financial aid in building a rural line 8 miles long from my exchange in Orville.

HOME TELEPHONE CO.,
MRS. MYRTLE S. DAVIS, *Manager.*

ARKANSAS

WILMAR, ARK.

I am 100 percent for the telephone loan as included in Senate bill 121 and the House bill 2960, and that the REA should be the lending agency as the RFC is bound up by too much red tape.

The independent telephone association is dominated and controlled by the Southwestern Bell Telephone Co. and their cohorts, AT&T, which have done all in their power to freeze out the small independent exchanges by misleading them on every possible point of the bill. They realize if they defeat the Poage bill it will be but a short time before all the independent telephone companies will be absorbed by these powerful monopolies.

WILMAR TELEPHONE CO.,
W. B. CLARK.

PEA RIDGE, ARK.

I could serve several people which I am not financially able to serve. I also need to improve the whole telephone system and would if this plan goes through and if I could borrow the money. I am serving 130 people, but I have people who are almost crying for phones. I could built up my exchange to nearly 300. If this plan should pass, I see no reason why our people here at Pea Ridge could not talk to anyone in a few minutes in the United States. I am a man without the means to go ahead and build our system the way it should be run.

Phones, I think, are badly in need in our rural homes for doctors and other cases that would be called emergencies.

I think the small exchanges should have the means to help prosper our country and make it prosper.

PEA RIDGE TELEPHONE CO.,
W. F. KELLEY, *Manager.*

WICKES, ARK.

In the first place I am not in favor of socialism, or any form of government which leads or tends to lead to communism. I am really not in favor of rural electric cooperatives. However, in this case I see no other alternative. I am in favor of long-term loans, with low interest, which will enable the small independent telephone industry to furnish the remote rural population with telephone service. The people cry to me all the time for telephones, and I do my best to furnish them as fast as I can. I never have a day off, and I put every dollar of income back into the system, and for that reason I never have a dollar to spend for recreation.

WICKES TELEPHONE CO.,
C. L. SMITH.

ELKIN, ARK.

We of the independent companies need such help and very much so—since individually we are not financially able to build lines to all of our people now in or within our franchises.

I expect to borrow if such a loan passes. I know it means growth and actually serving the people as we should according to our franchises.

THE ELKINS TELEPHONE CO.,
OLNEY W. A. DRAVES,
Owner and Manager.

COLORADO

ECKLEY, COLO.

We can only service about 50 percent of the people in our area.

ECKLEY-HAPPYVILLE TELEPHONE CO.,
G. D. SILVIUS, *President.*

KIOWA, COLO.

I have vast areas within the limits covered by my PUC certificate of public convenience and necessity, where there is no telephone service at all, and most rural lines here are very unsatisfactory, being farmer-owned and maintained. And most of those lines are anxious for me to take possession of them and rebuild them. This is impossible without capital, and capital for telephone expansion has never been available at a cost any independent exchange owner can afford.

I know positively that neither Bell nor the larger independents will develop any sparsely settled rural section unless forced to it, and I also note that Bell companies have purposely refrained from making increases in rural rates while applying for increases in all other areas, apparently hoping to discourage the very kind of legislation you are sponsoring.

KIOWA TELEPHONE EXCHANGE,
FLOYD I. HALL.

FLORIDA

SNEADS, FLA.

I don't know the problems of the other telephone companies, but this bill would sure solve my problems.

I would like to ask one question. As it is now, I am paying 8-percent interest on the balance that I owe on this company.

SNEADS TELEPHONE EXCHANGE,
W. E. QUATTLEBAUM, Jr.,
Owner-Manager.

ILLINOIS

WOODLAWN, ILL.

We received your circular letter in regard to the rural telephone bill, H. R. 2960. Will say that I am glad that you sent them out. I have read a lot on the other side of the question. The bill might not be just right, but why did not our association sponsor a bill that did fit the situation, seeing that we were in so much need of long-term loans. To state briefly our situation, we are a small company with 220 subscribers. We started about 8 years ago by taking over the sad remains of an old mutual outfit that had fallen down around their ears. We have only three stockholders, wife and I and her brother, who hold one share to make the corporation. No one else wants to or would put any money in it. We had enough capital of our own to build at a reasonable rate, with my wife working the switchboard and myself working the outside plant. We have made a reputation for ourselves that has caused committees from most of the neighboring towns to come to us, asking that we build them a system like the one we have here. But we do not have the money and there is no place that we can get it. We want to convert this Woodlawn exchange to dial this year, and try as we may, a 3-year loan with 5½ percent was the best that we could find, notwithstanding that the company is in good shape. We own good property clear of debt, life insurance, and have sold some property of late on a conditional sale to be paid over a period of 5 years. The notes coming due over the 5 years would more than pay what we need to borrow. The local bank would loan it to us on a 1-year note, telling us that they thought that it could be renewed as long as conditions stay as they are, but if they should have to call the note, the company and us would both be ruined. And I am sure that the Illinois Commerce Commission would not approve any such financing.

Therefore, if H. R. 2960 passes, I wish you would send me one of the first application blanks, so we can borrow enough money to convert this system to dial and take care of the rest of our farmers. Maybe we will try to take care of some of the neighboring towns that have been begging us to build for them.

WOODLAWN TELEPHONE CO.,
D. A. STEPHENSON,
President and Manager.

DUNLAP, ILL.

I am in favor of S. 1254 and H. R. 2960 and sincerely hope that Congress will pass these bills, so we can borrow money at 2 percent and pay on a basis of 3 percent over a 35-year period. I am not afraid of REA. In 1936 I negotiated a loan of $84,500 from the REA known as Illinois 4 Peoria. This loan was liquidated in 1938 as the utility company with whom I was connected was sold.

Hoping that the above legislation will be enacted into law, I am

SUBURBAN TELEPHONE CO.,
W. C. TEGTMEIER,
President.

INDIANA

ROSEDALE, IND.

We feel this is the only way that the rural telephone system will be able to do the improvement that is needed.

ROSEDALE MUTUAL TELEPHONE CO.,
W. A. HOPPER, *Manager.*

KENTUCKY

WINGO, KY.

I am very much interested in this bill being passed. I am operating a small farmer-owned exchange at Wingo, Ky., and several of the farmer lines are the old grounded type and very noisy because of the new REA electric lines. This can only be eliminated by replacing these lines with metallic lines of good construction. We are trying to serve about 400 farms and could give them good service with help, as I can see in this bill.

WINGO TELEPHONE CO.,
G. A. WEATHERLY,
Manager.

BIG CLIFTY, KY.

I hereby offer my support in favor of that bill. It will not only aid in the conduct of my own business, but it will also facilitate emergency calls and further the operation of artificial cattle breeding cooperatives that we are trying to establish.

DAVID H. SPAETH.

MAINE

MATTAWAMKEAG, MAINE.

In this territory, we serve an area of approximately 450–500 square miles, and have a lot of farmers in our out-lying districts. We would be very much in favor of the passage of this bill which would permit independent companies to borrow whatever funds we need in the rural expansion and improvement program of the telephone industry. We would, ourselves, like to serve a great many more customers but cannot do so at the present time, as we do not have the funds to construct long rural lines to reach them.

The writer owns both the Winn Telephone Co. and the Lee Telephone Co., at Lee, Maine, which are adjacent to each other, and if funds were only available to us on the basis mentioned in your memorandum, we would be able to extend our lines and gain many more customers, who would be enjoying good 24 hour telephone service.

We would appreciate it, if you will keep us advised, if this bill is passed, in order that we may borrow enough funds to give efficient service to all of our farmers, by the construction of additional circuits.

WINN TELEPHONE CO.,
WM. H. WEPPLER,
President-Manager.

MASSACHUSETTS

GRANBY, MASS.

This bill, providing for low interest, long term loans to telephone companies and others is of great interest to the telephone industry. For some of the small independent companies like ourselves this may be a new lease on life and an opportunity to provide needed improvements and extensions of services.

In common with practically all other small independents, our company has had a constant struggle against economic odds since its beginning in 1903. Our service admittedly is below par and outlying areas here are not served with telephones owing to our inability to finance the required facilities. No dividend has been paid our stockholders since 1927.

We favor the Poage bill because we expect that its enactment may make available low interest capital with which we can improve and enlarge our services.

GRANBY TELEPHONE & TELEGRAPH CO.,
ALSTON D. MUGNIER, *President.*

MINNESOTA

BRANDON, MINN.

We are very interested in their passage and this would certainly give us a chance to give the people in this community a lot better class of telephone service. We are trying to get under way an expansion program at the present time to better our services, but lack of funds is the cause of our delay.

We are convinced that Senate bill 121 and House bill 2960 would help us and are certainly looking forward to their passage.

GARDONVILLE COOPERATIVE TELEPHONE ASSOCIATION,
PAUL EKSTRAND, *Manager.*

NEW LONDON, MINN.

Most certainly I approve of the Poage bill (H. R. 2960) and am unable to understand the opposition.

NEW LONDON TELEPHONE CO.,
J. M. BOLSTAD.

ERSKINE, MINN.

The coming of the REA well nigh ruined us. With satisfactory financing as proposed in legislation now being considered, we should be able to get solidly back on our feet and give adequate telephone service to our rural subscribers.

We have been too busy worrying about ourselves to do anything about the REA except to cuss them out at times because of the trouble they have brought on our heads. And, don't misunderstand this last statement. We are still for the REA as it represents betterment of rural conditions. We can see that a little teamwork would be good for both of us.

GARDEN VALLEY TELEPHONE CO.,
CARL M. OSTBY, *General Manager.*

MISSISSIPPI

SALTILLO, MISS.

I have in three or more directions a group of farmers that want good telephone service. I think that if lines can be built according to engineer specifications, I can likewise get better rates without friction.

The increased company revenue would eventually liquidate the cost of the loan. A wider development of rural service would

likewise increase the demand for town service.

SALTILLO TELEPHONE CO.,
JAMES P. BRADY.

SOSO, MISS.

Words cannot tell you just how deeply I am interested in the rural telephone bill. It would mean so much to small independent companies like mine.

I have above 200 telephones now. Some get fair service and others very poor. If I had sufficient funds to build and expand, they would reach 1,000 easy with much better service.

I know that Mississippi has the smallest percentage of rural telephone in the United States, and I would like so much to see it grow. A small emergency can run into a very serious one just for the lack of efficient telephone service.

You can rest assured that I am 100 percent for the bill. I would like to be among the first to get an application in for the loan.

SOSO TELEPHONE CO.,
CHELOUS SUMRALL.

CALHOUN CITY, MISS.

As owner and manager of a small telephone company I am convinced that without proper financing we will never be able to give telephone service as requested by the people.

CALHOUN CITY TELEPHONE CO.,
E. R. CREEKMORE, *President*.

MISSOURI

MIAMI, MO.

I am 100 percent for this legislation. I don't quite understand the attitude of A. T. & T. and the larger independents.

Probably not more than 10 percent of the farmers have efficient service, and some of the larger independents are not furnishing any better service than we smaller ones.

If this legislation gets through Congress, I for one would be glad to be among the first to make application for a loan because without it we will never be able to rehabilitate our system. And we are running out of time.

MIAMI INDEPENDENT TELEPHONE CO.,
ROY A. JOHNS, *Manager and Owner*.

NEBRASKA

ARAPAHOE, NEBR.

Would repairing old and installing new cable be considered in this line of work? You can't get your farm lines to your central office without going through town in your cables. We need to have considerable cable work done, and we also need a lot of new poles and repair work done on our farm lines; also a number of new farm telephones.

It is my understanding that this bill has not yet been passed by Congress. Have you any idea when this loan will be available? We need this money now.

ARAPAHOE TELEPHONE CO.,
CHAS. A. PATTERSON, *Secretary*.

NORTH CAROLINA

MEBANE, N. C.

We have been 100 percent for the rural telephone bill ever since Senator HILL of Alabama introduced one several years ago and we made a trip to Washington about 2 years ago and talked the matter over with all three of our Congressmen and Senator and all three talked in favor of the bill.

We had a letter from Clyde Bailey of Washington who claims to represent the telephone people, and his association is fighting the bill, stating that he was a lawyer and that the bill would allow anyone to compete with the present telephone companies. So we sent him a copy of the bill and asked him to read it as the wording is plain enough for anyone to understand who can read, lawyer or no lawyer, that the present bill fully protects the small telephone companies from outside competition.

We are enclosing a letter that we received from Mr. Clyde S. Bailey who represents the United States Independent Telephone Association there in Washington. The letter is the one we received from him after writing him a scorching letter about fighting the legislation that the small telephone companies have wanted for a long time, and we told him if that was the service that we were to get from the association that we would consider withdrawing from the organization. We small companies are in desperate need for some financing at a low rate of interest as most everybody seems to want a phone in the city and country and as you know, it calls for lots of money to pay for equipment and labor.

MEBANE HOME TELEPHONE CO.,
S. M. HUPMAN, *Manager*.

NORTH DAKOTA

MARTIN, N. DAK.

I'm for it. I'm working on an expanding program too.

MARTIN TELEPHONE EXCHANGE,
HERBERT ZWEIGLE.

NOONAN, N. DAK.

The switchboard we are using was installed about 1906. It was manufactured by the Dean Electric Co. whom we understand have been out of business for at least 20 years. It is too small and we have applications for at least 50 additional phones and cannot supply the service on account of our inadequate equipment. We will also have to change from ground to metallic circuit on account of rural high line interference, and in installing a new switchboard, it would appear advisable to install the dial system which would enable us to reduce our operating expense by reducing the number of operators now required using the old system.

We estimate it would take between fifteen and twenty thousand dollars to put in the new switchboard and run additional lines we need, and we believe the revenue from the additional business would provide an interest and sinking fund sufficient for the retirement of the loan.

We are ready to go ahead with our expansion program whenever the money is available.

NOONAN FARMERS TELEPHONE CO.,
ARTHUR P. CLEMENS, *Manager*.

FORBES, N. DAK.

I received your letter in regard to the proposed telephone legislation, and I am heartily in favor of it. This bill would be a great boon to small independent telephone companies like our own, since it would enable us to expand and bring our system up to date. Due to the coming of the REA, we are forced to change to a metallic line, and the cost of that, together with any expansion, would bring such an added expense that we would have to have a high increase in rates to stand the cost of this.

SHIMMIN TELEPHONE SYSTEM,
G. R. SHIMMIN, *Manager*.

OKLAHOMA

ELMORE CITY, OKLA.

I have been in the telephone business ever since 1912 and am 100 percent for the proposed law to promote the rural telephone business. I have talked to several telephone men in this part of the country, and they are all for it. Some provision of that kind is the only way a majority of farmers will ever be able to obtain telephone service.

This bill is the only solution for the deplorable condition of the rural telephone situation. I can see no legitimate reason for anyone to oppose it. The small exchanges throughout the country would have business that they do not now have if the farmers built their own lines or if they built the lines for the farmers. The farmers don't ordinarily want to go into the telephone business and won't if they can help themselves, but they do want and need telephone service.

I have had thirty-odd years' experience in the operation of small telephone exchanges and have seen the rural population deprived of adequate telephone service as they formerly were of electric service. The REA is existing proof of the value of such legislation which is now conceded to be a good thing throughout the entire country.

ELMORE CITY TELEPHONE CO.,
R. C. SIMPKINS.

WILLOW, OKLA.

You are hereby advised that I am doing all I can to see that these farmers get telephones, as I realize the urgent need for them, and I personally don't care if it's the REA or who, that furnishes this needed service, but I am convinced that the Bell and other big independents are not interested in this farm problem, or it would have been gobbled up as all towns of any size are now and have been for some time.

I will do anything in my power to help get this or any other bill passed that will help these farmers get the service.

WILLOW TELEPHONE CO.,
C. E. BERRY, *Owner*.

GEARY, OKLA.

The bill seems 100-percent O. K. from where we stand.

GEARY TELEPHONE CO.,
PETE WALLING.

JAY, OKLA.

We, of course, have no paid lobbyist in Washington and no other way of expressing an opinion even edgeways. I am for the bill just even-up 100 percent, and of course, all the other small companies that I have discussed the matter with are the same way. We have all been getting barrels of letters, propaganda, and calls from the associations fighting the bill, but I was never able to see even one point to justify a small independent to be against the bill.

We have an investment here of around $30,000, with a note at the bank here for $2,500, which is far above the average for a little country bank to loan to one man, in fact, more than he can afford. If the money was available, I would apply for twice that amount today.

We have so much rural business that we simply can't handle on account of the financial end of it.

As for the argument about the Government fixing to go into the business, that doesn't bother me at all, as I would be glad to cull them out some territory here to start off with.

CORYELL TELEPHONE CO.,
E. D. SIMPKINS.

TYRONE, OKLA.

In the first place I don't believe the independent telephone associations speak for the really independent companies such as ours. I believe they speak for the ones who are large enough that they don't need the boost that it would give us. Also, most large companies don't care whether they serve the farmer or not.

Our position is this, if we don't get this legislation, and soon, the small independent like ours will in a matter of a very few years be absorbed by the large independents or Bell.

TYRONE TELEPHONE CO.,
JAMES A. ROBERTS,
Owner.

SOUTH CAROLINA

CAPE, S. C.

In reading over Senate bill 121 and House bill 2960, I have become very interested. I think it is what we need, as having been a

farmer and living in a rural area I know the handicaps of not having a telephone. It retards the farmer's progress in many ways.

Having owned a small telephone (Cape Telephone Co.) exchange for about 10 years, I know that these rural areas cannot be expanded without money to build these lines and repair or rebuild the ones that now try to operate. With this money being loaned to us (exchange operators) at a low rate of interest and to be repaid over a longer period of years, there is no reason why we cannot give the rural areas telephone service that they so badly need.

I would like for you to advise me as to how I would go about making a loan of this type.

I have an exchange that is now serving about 40 telephones. There are a number of farmers in this area that would like to get service and the others have improved service.

CAPE TELEPHONE CO.,
J. L. WILKES, *Owner.*

SOUTH DAKOTA

AVON, S. DAK.

The 2 percent finance over a 35-year period would be a godsend to small telephone companies, if there are not too many strings attached.

As far as financing through the RFC, we all know that is impossible from several standpoints.

AVON TELEPHONE CO.,
BEN HALL,
Owner and Manager.

WINNER, S. DAK.

This company has no indebtedness but we are planning to have REA line extensions in that vicinity. Therefore, we will be required to metallize the line, and as this so small a company has no available cash on hand to finance the reconditioning of their lines, I wish to obtain information, applications, and suggestions as to the manner to proceed when it will become necessary to raise funds to properly replace this line in condition when REA service is started.

IDEAL TELEPHONE CO.,
J. S. LUNN,
Secretary-Treasurer.

TENNESSEE

POWELL STATION, TENN.

We would like to go on record as favoring the pending telephone legislation. In the last 7 years we have seen at least 15 small telephone companies in east Tennessee go into bankruptcy because no funds were available to rebuild and finance their systems. Many of the people that these companies were serving are without service.

We sincerely hope that the legislation is passed in the near future.

POWELL TELEPHONE CO.,
C. N. SCARBRO, *President.*

DECATUR, TENN.

I am sure there is a large number of small independent telephone companies throughout the country who are not represented by USITA and the views expressed by USITA are not those of many small independents.

The Meigs County Telephone Co. has experienced great difficulty in obtaining money for a very limited amount of expansion.

Extension of telephone service into rural areas is out of the question unless money is available in quantity at a low rate of interest. We have practically exhausted all normal means through regular channels to obtain funds for expansion into rural areas. Our local bank has cooperated to the fullest extent of their legal limitation.

We investigated the possibility of obtaining financial assistance from RFC. Their representative from Nashville agreed that our proposal for expansion is economically feasible; but, under the circumstances, RFC could advance us only 10 percent of the funds necessary to carry out our plans.

MEIGS COUNTY TELEPHONE CO.,
JAMES T. GIBBS, *Partner.*

KNOXVILLE, TENN.

We are heartily in favor of this legislation, mainly because it provides the only way we can hope to get sufficient finances to rehabilitate and extend our plant or facilities.

We are now serving approximately 200 families with overloaded, dilapidated equipment and lines. With a new plant we could serve six or seven hundred. We have investigated every known source of financial aid and have found nothing we can use.

HALL TELEPHONE SYSTEM, INC.,
J. E. WOLFKIEL, *President.*

ARDMORE, TENN.-ALA.

Have been interested in this but had no hope it would pass since the big shots whipped it down once. Yes, I'm in favor of it.

ARDMORE TELEPHONE CO.,
F. C. MERRELL.

MOUNT JULIET, TENN.

The large independents and the Bell system are interested in only one thing and that is dividends to their stockholders. For that reason the farmers are suffering and the small independents are gradually becoming a thing of the past. I can name a number of these companies that have folded up within the last 3 years which could have been averted if such a bill had been in effect. That one fact seems to me is much more to get alarmed over than the "Government getting in the telephone industry" as it has been so termed.

MOUNT JULIET TELEPHONE EXCHANGE,
JAMES D. AND W. O. PHILLIPS.

MINOR HILL, TENN.

If we had this legislation, we would be able to improve our rural telephone exchange and give much better services to our subscribers.

MINOR HILL TELEPHONE CO.,
T. E. HANEY.

TEXAS

WETMORE, TEX.

Our community is very badly in need of adequate telephone service. Our company, which is farmer owned, has been organized since about 1911 and is pretty well obsolete by now. It seems that this bill would be greatly beneficial to the rural communities. As it progresses, we would like to have a chance to get in our application as soon as possible to avoid much further delay.

CENTRAL BULVERDE TELEPHONE CO.,
ALVIN HEIMER, *Secretary.*

TURNERSVILLE, TEX.

I am in favor of the loan. Take my application and send me a blank as soon as it goes through.

TURNERSVILLE TELEPHONE SYSTEM,
GILLIE WALLACE.

SUTHERLAND SPRINGS, TEX.

We can't see anything wrong with this proposition as it takes lots of money to build telephone lines today and as the financiers know absolutely nothing about the telephone business, it is almost impossible to get money to expand on.

SUTHERLAND SPRINGS TELEPHONE CO.,
HENRY WILLIAMS.

PINE HILL, TEX.

I think it (the proposed telephone legislation) is the best thing that could happen for small operators in rural districts. I know what American Telephone & Telegraph and the larger independents claim, and I also know exactly why they make these statements. They don't want to build and maintain rural lines.

They are by this telephone legislation like the power and light companies were by the REA. They want all the cream and would keep the small operator's nose on the grindrock. Example: In our county when one of the larger independents was organized they bought a small rural exchange with around 150 telephones. In later years they have installed rural dial equipment, discontinued the local office, and are serving the subscribers from a larger town, but are serving only about 20 percent of old subscribers and are collecting twice the revenue formerly collected. These conditions exist all over the Nation.

I've had over 30 years' experience in the rural telephone business.

PINE HILL TELEPHONE CO.,
J. F. HOLDER.

WISCONSIN

OXFORD, WIS.

As manager and secretary of Marquette & Adams Telephone Co., I am heartily in favor of these bills.

MARQUETTE & ADAMS TELEPHONE CO.,
HENRY O. JANKE, *Secretary.*

OSCEOLA, WIS.

We are very much in favor of having this bill passed as we are in need of finance to give service to a number of farmers that are in bad need of telephone service, but we do not have the funds to make this extension.

I personally cannot see why this is not a good thing to help the local telephone companies extend their service to the farmers. The Government helped the banks when they were in need of help and did not take them over. It is a small excuse when the statement is made that the Government will take them over.

OSCEOLA FARMERS' MUTUAL TELEPHONE CO,
EUGENE L. BEYL, *President.*

WYOMING

BAGGS, WYO.

I own the Lower Snake River Telephone System, which is a grounded system. The REA are building in here and my lines are inadequate. I am metalizing them and rebuilding, rerouting and clearing tree interference. When I get through this fall, they will be rugged and lasting, as I've had 16 years' experience with the Bell Telephone and our service will be as good as the best. There is nothing against it now and I am just finishing a nice large home and no mortgage on it. We have 75 telephones and requests for several more. I have about 30 miles of farm lines.

I need $2,000 and need it right away.

LOWER SNAKE RIVER TELEPHONE SYSTEM,
DON C. AUSTIN.

The Judge Kaufman-Hiss Controversy

EXTENSION OF REMARKS
OF
HON. CHARLES E. POTTER
OF MICHIGAN
IN THE HOUSE OF REPRESENTATIVES
Monday, July 11, 1949

Mr. POTTER. Mr. Speaker, because questions have been raised about the conduct of Federal Judge Samuel H. Kaufman in the Alger Hiss trial, the question has been raised in my mind, and I think in the minds of many others, as to how Mr. Kaufman got on the bench in the first place.

My inquiry, limited though it must be at this time, has nevertheless produced some interesting facts which I think ought to be brought to the attention of the public.

President Truman's nomination of Mr. Kaufman was announced in the spring of 1948. The nomination was not confirmed by the Senate, being laid aside along with several others. Shortly before adjournment of the Eightieth Congress, Mr. Truman then gave Mr. Kaufman an interim appointment and he went on the bench pending rejection or confirmation by the Senate when it reconvened. In January 1949, the Democratic-controlled Senate confirmed the nomination on which the Republican-controlled Senate had declined to act 8 months earlier.

Of the five major bar associations which interested themselves in the appointment, four refused to endorse Mr. Kaufman. They were the American Bar Association, the New York State Bar Association, the Association of the Bar of New York City, and the Federal Bar Association of New York, New Jersey, and Connecticut. The last named association at first endorsed him and then rescinded the endorsement on the basis of more complete information and opposed Mr. Kaufman's nomination. The Association of the Bar of New York City, felt so strongly that Mr. Kaufman was not qualified for the bench, that it sent representatives to Washington, I understand, to intercede.

The fifth major organization, the New York County Lawyers Association, proved to be the exception. It endorsed Mr. Kaufman. Inquiry shows that its president was I. Howard Lehman, a New York attorney. The chairman of its judiciary committee, which considers such endorsements in detail before they are made, was one Lloyd Paul Stryker. Both men appear to be lawyers of wide reputation. However, since he has taken the bench, Judge Kaufman has given Mr. Lehman, the trusteeship of the bankrupt Third Avenue Transit system in New York City, a case that will probably mean up to a quarter of million dollars to his firm. Mr. Stryker is the attorney who headed Alger Hiss' defense staff. I wish to impute nothing to anyone involved in this sequence of events, but these are facts, and they appear to me pertinent to the questions that have been raised by Members of Congress.

Give the UN Some Real Teeth

EXTENSION OF REMARKS

OF

HON. WALTER H. JUDD

OF MINNESOTA

IN THE HOUSE OF REPRESENTATIVES

Monday, July 11, 1949

Mr. JUDD. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following editorial from the Mason City (Iowa) Globe-Gazette of July 7, 1949:

IT'S HIGH TIME TO GIVE THE UN SOME REAL TEETH

There is before the Congress a resolution calling for the establishment of a world organization equipped to deal sternly with aggressor nations and maintain world peace. Bearing the name of 91 representatives, it is worded as follows:

"*Resolved*, That it is the sense of Congress that it should be a fundamental objective of the foreign policy of the United States to support and strengthen the United Nations and to seek its development into a world federation, open to all nations, with defined and limited powers adequate to preserve peace and prevent aggression through the enactment, interpretation, and enforcement of world law."

Its sponsors, who include Dr. WALTER H. JUDD, of Minnesota, Republican, and BROOKS HAYS, of Arkansas, Democrat, have made it clear that the measure extends the powers of UN only in the direction of world peace. It does not place other limitations on the individual nations. It does not seek to dictate the form of government or the system of economics. Nor does it interfere with basic human rights in any way.

As recently as 10 years ago anybody who would identify himself with such a proposal would be set down as a starry-eyed dreamer. But today, in the light of the march of world affairs, he's the true realist.

Several fundamental truths are self-evident. Among them these:

1. The UN, while useful in many ways, simply is not equipped to maintain world peace. No effective penalty is provided for the nation bent on war.

2. As matters stand, the United States has been cast in the role of world peace guardian. A UN with teeth would provide us with a host of allies.

3. The proposal contained in this resolution is no more than a logical extension and sequel to the North Atlantic Pact into which we are now entering.

There is every reason to believe that the entire peace-loving world is looking to the United States for leadership in this important forward step.

All of Europe, all of the Western Hemisphere, and substantially half of Asia would welcome the plan set forth in this significant house resolution.

In short, only Russia and the nations which she dominates would find it unpalatable—and the door is left ajar for their inclusion at their own will.

American public opinion, we are sure, would support Congress in a quick adoption of this resolution looking to a potent world organization for peace.

Address by Hon. Karl E. Mundt, of South Dakota, at the International Convention of Kiwanis Clubs

EXTENSION OF REMARKS

OF

HON. KARL E. MUNDT

OF SOUTH DAKOTA

IN THE SENATE OF THE UNITED STATES

Monday, July 11 (legislative day of Thursday, June 2), 1949

Mr. MUNDT. Mr. President, I ask unanimous consent to have printed in the Appendix of the RECORD an address delivered by me at the international convention of Kiwanis Clubs, Atlantic City, N. J., on June 20, 1949.

There being no objection, the address was ordered to be printed in the RECORD, as follows:

A NEW CHALLENGE CONFRONTS KIWANIS

President Belmont, distinguished platform guests, ladies and gentlemen of Kiwanis, it is indeed a high honor and a distinct privilege for me to come up from Washington today and to have the unique opportunity of talking to this marvelous gathering of men and women of Canada and America who actually do things in their respective communities under the banner of Kiwanis. I have been a member of Kiwanis for a great many years and have attended a great many conventions, but as I stand here looking at this great audience and marveling at your capacity to thump your way along the boardwalk all night long and still toddle over to a meeting here the first morning of the convention, I know that I am talking to a sturdy band of men and women as I address you.

I have been thrilled, as I know you have been thrilled, by the stimulating, courageous, and instructive address with which our great international president has just opened this convention. I want to continue the theme that he so nobly began. I want to present to you under the title which I have selected, "A New Challenge Confronts Kiwanis," some ideas which I have been mulling around in my mind for a good long while; ideas for which I have been searching to find an army that would associate itself with these ideas and actually do something to make the ideas get out and work, because ideas won't work unless we work with them and at them and on them.

I read the other day of a very interesting exchange of correspondence which allegedly took place between two men who in my opinion are the masters of the English language of our day. Both of them come from across the sea, and they speak the English language with a different accent from ours, but they speak it and they speak it effectively and well. I am talking about George Bernard Shaw, the great Irish playwright, and master of letters, and Winston Churchill, that highly dynamic orator and leader of democratic forces in England, Winston Churchill, who recently honored our shores with a visit, so recently, in fact, we are not yet quite sure how much the visit is going to cost us, but we are mighty glad he came. [Laughter.]

It seems that these two highly eminent masters of the English language are good personal friends. George Bernard Shaw is not only a splendid playwright but fancies himself as being something of a Socialist. In fact, he insists he is also a Communist.

Shaw had written a new play and was trying to attract for it as wide a box office as possible, because George Bernard Shaw, despite his histrionic ability is no different from most pseudo-liberals and synthetic progressives and Communists and Socialists that I know. They all disapprove of the private-profit system for you but they relish enjoying its benefits for themselves. [Laughter.]

Being a Socialist and a Communist, Shaw did not want to pay the high advertising rates insisted upon by the metropolitan journals of London, so he decided to write an open letter through the newspapers, inviting Winston Churchill to attend the opening of his play, thus achieving the results desired. He wrote a letter like this:

"DEAR WINSTON: I am opening a new play of mine in London next Monday night. I think it is one of my best. I hope you can attend it. I think you will enjoy it. I am enclosing a complimentary ticket so you can come as my guest. In fact, I am enclosing two complimentary tickets so you can bring along a friend, if you have one left in England." And he signed it, "George Bernard Shaw."

Well, Winston Churchill is himself no mean master of the fine art of repartee; and while he saw through the thin veneer which brought about that particular readers' letter from Shaw, he decided to answer it with another letter in the newspapers. So, Churchill wrote him and said:

"DEAR GEORGE: I received your thoughtful invitation to attend the opening of your show in Londontown come next Monday night. Unfortunately due to an earlier commitment, it is going to be impossible for me to come. However, I am retaining your complimentary tickets and I assure you that I shall be very happy to come to the second performance of your play—if there is one." Signed "Winston Churchill." [Laughter.]

I want to direct my remarks this morning to what I consider a second opportunity for Kiwanis. We had one opportunity once before right after World War I to do something about making the world a fit place in which to live, and a world in which peace could be preserved. It was a war that we have been told was fought to "make the world safe for democracy." We had a chance, then, as the leaders of the outstanding communities of Canada and the United States to make our influence felt so that we could get some dividends from that war which would be worth while and make peace permanent, but we failed.

I think we have a reasonably good alibi for our failure. After all, Kiwanis as we have been told by Belmont Mosser a few minutes ago and as we know from our study of Kiwanis literature is only 34 years old, and so after World War I we still were in our swaddling clothes. We had not attained our maturity. We had not reached voting age. We were not yet adults as Kiwanians.

We have no such alibi today, however, as we face this second challenge following the Second World War. If the world fails to produce from this war the kind of society in which we want to live, it is nobody's fault but yours and mine as Kiwanians. We cannot claim immaturity as an alibi. I believe we have not reached the age of senility. We are mature, vigorous, red-blooded Americans and Canadians in the prime of our life individually and as an organization. Thus, I want to toss out to you this challenge, hoping with some confidence that some of you, at least when you return to your home communities, will grapple with the problems I propose to describe.

As I recall, the inception of Kiwanis some 34 years ago, our organization originally came into being with the idea that one of the things it could contribute to community life was to eliminate the evils of too much competition, too much selfishness, and too much animosity among people living in a community. We set out to reduce the conflict growing out of too much difference of opinion. Therefore, we brought in two people of each profession, business, and trade and got them to call each other by their first names. We set up ethics of conduct and established standards in attempting to eliminate the evils of competition. Today, in my opinion, the wheel has gone the full turn and the big problem we have to worry about today is not the evil of too much competition, but the evils which come from too little competition, because in the final analysis, too little competition is tyranny.

THE ISSUE IS TYRANNY

I think the issue before the world today is tyranny. I think it is as simple as that. I think it is as direct as that, and I think it is an immediate issue which we have to meet without delay.

We in the United States have had since our beginning as a government the idea of checks and balances between the judiciary, the legislative, and the executive branches of government, which is just another way of spelling out competition: That no one of them should get too much power. Folks in Canada and the United States and every place else in this world have had kindred types of competition between the private enterpriser and the politician, one checking the other, one competing with the other—the man who has the desire and the right to have and to hold and to own and to operate in competition with the politician who would like to tax those things that he has or appropriate them or confiscate them or borrow them or utilize them. Where we have maintained a balance of competition in this world between man and the state, we have maintained freedom in one of its innumerable forms; we have either had some kind of lenient monarchy or some kind of friendly representative government giving the people freedom to a greater or lesser degree so that men could continue to enjoy private enterprise and political independence because such competition has been maintained.

Any honest and observant man must recognize that this element of competition between man and the state all over the world is being decided by and large in favor of the state, and in many areas man as an individual has ceased to be a competitive force at all. In some places they call this new philosophy communism; in some places they call it nazism or fascism. In some places they label it socialism or collectivism or nationalization, or just plain, simple statism.

THE ACTION FORMULA IS "THE PLANNED ECONOMY"

In the final analysis, each and all of these different types of "isms," these philosophies of absolutism, are identical because actually they all rely upon the formula of a planned government economy.

I submit to you that a "planned economy" is one of the most seductive phrases of them all. It sounds so good, especially when you say it fast and don't think very hard.

I recently had a debate in Washington with a Harvard professor who has a Government job—I just selected one at random because you can find them all over the place. The debate was on the question of whether we should have a planned economy in the United States of America. I said I was against a planned economy, and this professor looked at me with the profundity which comes from a man with a Phi Beta key on his watch chain and no watch in his pocket—that kind of profundity—this fellow looked at me as though I were something that should not have been down there in Washington at all.

He said, "Senator, certainly you can't say you are against a planned economy for government?"

I said, "I am."

He said, "Certainly you believe in a planned economy for yourself and your family. You make a plan for a budget for each month of the year. You make plans for education. You make plans for life insurance and old age, don't you?"

And I said, "Yes."

"Well," he said, "if a planned economy is essential for an individual or a family, isn't it just that much more essential for the Government?" And he said it with a delightful and convincing Harvard accent, which made me feel pretty small and unimportant. Incidentally, I shudder to contemplate what a Harvard accent has cost this country in the past decade or two. [Laughter.]

I said to him, "Now, let me ask you a question, Professor." I said, "Will you accept this suggestion that a planned economy is of no use to anybody anywhere unless the plan is put into operation? So long as the plan remains on the drawing board or in a professor's notebook, until and unless it is put into operation, it is of no possible avail to anybody. Will you accept that?"

He said, "Yes, of course."

I said, "Let me ask you another question. Isn't it true, Professor, that any program of a government-planned economy once put into operation is of no use to anybody or any community or any nation until you give somebody the power to compel people to comply with the plan?"

He hesitated a long time before he answered that one and finally he said, "Yes." He said, "I agree that there is no possible value in having a planned economy if after you put it into operation people are still going to follow the inclination of their own nose. They, of course, have to follow the plan."

I said, "Professor, that is why I am against a planned economy, because a planned economy to work has to eventuate in tyranny. A planned economy to work has to eventuate in a police state. A planned economy to work at all, in the final analysis, means that you have to give somebody the right to push people around, and I'm against that kind of 'pushy' government." [Applause.]

I am eager to get people to register competition against that kind of "pushy" government. I am eager to get people to realize that a planned economy any place it has ever been tried has always ended either in communism, or in fascism, or in nazism, or in a military dictatorship, or it has resulted in anarchy and failure, because it has to have that great power to bring about coercive cooperation or it is doomed to impotent failure.

If we as Kiwanians arrive at a few basic convictions of that type in our respective communities in Canada and the United States, perhaps here in this great bastion of freedom and political independence in the Western Hemisphere we can turn back the tides of totalitarianism that seem to be engulfing the world. If we can't do the job, if you can't do the job in your communities, I give it to you as my best opinion we are never going to get the job done. It is going to require somehow a formula of action, a pattern of performance, a voluntary revival of the spirit of freedom on the part of the men of Kiwanis and others like you, or we are not going to win a battle here that free men have failed to win contemporaneously anywhere, including England.

The issue, I say, is tyranny, and its source and size and scope and significance are pretty well summarized by the fact that they all grow out of communism.

COMMUNISM IS THE SOURCE OF OUR TROUBLE

What is communism anyhow? We hear about it all the time. You hear about trials taking place in New York and Washington, about Communists who are alleged to be desirous of overthrowing the Government by force and violence, or about Communists who formerly worked in the State Department conveying secret documents to other agents of Russia, or of Communists who sort of epitomize the mixed metaphor of a "red herring" gone home to roost, because they wind up in the office of the Attorney General down in Washington. Whatever they are, we hear a lot about Communists and communism.

What is it? In the first place I want to be sure you know that communism is not simply an economic theory. If it were just that and nothing more, just like Karl Marx and Friedrich Engels wrote about in Germany a century ago, an economic philosophy which said you shall take from those who have the ability to pay, I would say, "All right, it is a theory. I don't think it is going to work, because it is going to have to result in some kind of "pushy" government. But if it is an economic theory, try it out. Let it succeed if it can. If it is not good, if it fails, we will try something else." You couldn't get very excited about that kind of contest and that kind of conflict and that kind of attack on our freedoms, if all it advocated was to share and share alike.

There would be nothing particularly dangerous about that.

Certainly, if that is all there were to communism what chumps we would be, what chumps you and I would be as taxpayers to subscribe to a government program, to which you and I are going to subscribe this year, which is going to require us to spend virtually one-half of the whole National budget—virtually $21,000,000,000 out of the $42,000,000,000 the President has asked for the fiscal year 1950 to fight back the attacks of communism.

Were there no such thing as communism in our world today we could reduce our national expenditures for defense from the suggested sixteen or seventeen billion dollars to three or four billion dollars. We could eliminate the national expenditures for aid to Europe and Asia and elsewhere from the prevailing six or seven billion dollars to one billion or one and a half billion dollars. We could eliminate the cost of security at home from a proposed billion and a half to two billion dollars to one hundred million or two hundred million dollars.

If you will take the time to figure out why your taxes are so high, virtually half the money you are required to pay out in taxes for the fiscal year 1950 is paid only because in the garden of society has grown up a rank, dangerous, and aggressive weed called communism which has the biggest army in the world and the biggest air force in the world, which today has half the people in the world under its domination, which controls 10 countries and is about to conquer China to add another one. Communism out rates us and out ranks us in the business of natural resources. Communism is the only international force in the world today that has its agents placed in the government of every other country in the world. And still there are people who laugh about it, saying it is just an economic theory.

It is not an economic theory. It has become something entirely different, as it had to become something different from the experience it had in the first 90 days it served Russia, trying to operate as an economic theory. They found they had to have that state power we are talking about. They had to have the power of the state to push people into compliance. The fellow who had more than he needed did not believe he had more than he needed, so politicians had to have the power to take away from him that excess and give it to the fellow who did not have enough. It became tyrannical, dictatorial, as it always and historically and inevitably must. Three thousand years of written history fails to disclose one single exception to this rule.

When you start out with national socialism as our English cousins are doing in Britain, at the end of the road you are going to have failure or you are going to have statism. You have got to have the power to make it work and to grind people into subservience to the state, or you are going to have a breaking down all over the place, because if too many cooks can spoil the broth, too many individuals can spoil an economic pattern and a government plan unless you give somebody the right to push the people around. That somebody always has been and always must be the state. Therefore, the result is always tyranny.

THE COMMUNISTS DO NOT COMPRISE A POLITICAL PARTY

The second thing you have to learn is that communism is not a political party. One of the biggest difficulties we have in legislating against the menace of communism is because some college professor or some perfectly fine and profound religious leader says, "You must not do that, you must not legislate against a political party."

The fact of the matter is that communism is not a political party. If it were a political party, acting like a political party, I would come up to Atlantic City to discuss it with you Kiwanians and say, "We ought to give the Communists the right to function as a political party," but I can prove and you should know that communism is not a political party, has never acted like a political party anywhere, does not pretend to be a political party to any of its members who belong to it.

What is a political party? You know a political party when you see one. You know a fire department when you see one. You know a Kiwanis Club when you see one. And how do you know them? Because the fire department has certain identifying characteristics and so does a Kiwanis Club have identifying characteristics. So does a political party.

A fire department has its vehicles painted red. Usually it has some hose and squirts juice that puts out the fire, and it has firemen who slide down brass poles. It has a bell or siren and its function is to put out a fire. Everybody knows a fire department, and if somebody comes along driving a hearse and says, "Get out of my way, I am a fireman," you know he is lying and that he is not a fireman.

You know what a Kiwanis Club is. A Kiwanis Club is a group of fellows, a mighty fine group of hairy-chested, red-blooded fellows who get together the best people of the best communities of the best countries in the world. They get together to try to do something to make their community and State or province and country and world a better place in which to live. They wear buttons with some gold and blue on them and a "K" on them and sing a song, Men of Kiwanis.

They have a motto saying "We build," and they are a little better and younger and happier than Rotarians are. [Laughter.] You know how they function. They function in the luncheon club and they function through committees to produce constructive results.

Now a political party is just as easy to define and recognize. I don't know how it is possible to fool so many ministers, labor leaders, school teachers, editorial writers, average citizens, and commentators, although commentators are usually the easiest people to fool, but I don't see how they can fool all of them. A political party has candidates for office. It nominates them through a political convention or by petitions. It has campaigns. It does advertising. It believes in elections, and an election is something by which people elect through a series of decisions and voices. They elect Joe Smith or John Brown. They elect a platform or a policy or program, and they elect those things because they have a choice, and, above all, a political party achieves its objectives at the polling place by people pulling a voting lever or marking ballots. So we ought to recognize a political party, we Canadians and Americans.

Let us look at the Communist Party, so-called. It now rules 10 countries. So what? I will bet my last year's South Dakota fishing license—and that is the best in America—against your last year's straw hat—I'll bet you can't find a single Communist country in the world where the people in power got into power by holding an election, by acting like a political party, or stayed in power by that method, or gave people the privilege of electing between their candidates and the other fellow's candidates.

In the great Russia they got in by a revolution, a coup d'état, a show of force. That's the only way they got into office. If that is how we could get into office in America, we Republicans would be running Washington today. We made all the noise and showed all the power before the election. We had everything but the votes. That is all we didn't have. Votes are what you need in a political party. The other fellow had the votes, and he is President, and ought to be because he was elected in a fair election. I believe in that.

In Lithuania, Latvia, and Estonia, the Baltic Republics, the Red Army walked in and took over. That is kidnaping. It is not the tactic of a political party.

Then comes Albania, the next country. Little Albania was taken by force. Saturated by outside influence from Russia, revolution resulted, as in the case of the Russian predecessors, and the Communists took over.

That is one, two, three, four, five countries gone, and so far we have had neither an election nor a candidate.

The next thing we knew they had Bulgaria, Rumania, and Hungary in the Balkans. What happened there? You know what happened. In the closing days of the war the Russian Army trooped into the Balkans and at Yalta the Communists talked us into the idea that they should have the controlling sphere of influence in the Balkan countries. We said, "All right, we will be the controlling interest in the Western Hemisphere and you can be the controlling influence in the Balkans," and we came home. Before we got home the Red Army took over completely and the Communists are in charge.

And still we haven't had a candidate for office anywhere. Nothing yet has happened that even remotely resembles an activity of a political party.

And in Yugoslavia, Czechoslovakia and Poland—the remaining countries—the same thing happened.

In China you know what is happening. There the Communist leader Mao Tse-Tung is taking over, not because he is a better candidate for office than Chiang Kai-shek but because his army is winning a bloody war.

COMMUNISM DEFINED

Let us be realistic. If we are intelligent enough to belong to a Kiwanis Club, we should be intelligent enough to know a political party when we see one and recognize that whatever else in the world it is, communism is not a political party. In two words, it is an international conspiracy. In a few more words it is an international conspiracy that believes in a way of life which controls the entire economic fabric of the country. The farms, the factories, the railroads, the means of production, the control of the banks and building and loan associations, the home building organizations, the whole economic fabric of the country should be controlled in the capital city of the land, under the domination of one group, brooking no opposition, according to communism.

If you oppose them you get what Cardinal Mindszenty got, or what Draja Mihailovitch got, or the other people who opposed them who ended up in concentration camps, or were killed.

Under communism the belief is that the entire economic fabric of the country should be run from the capital city of the land under the domination of one group permitting no opposition whatsoever, and in addition communism holds that members of the organization called Communist, wherever they live, under whatever flag and in whatever country have to swear their loyalty to are dedicated to a program to bring about an international dictatorship of the world under the regime of the Communists in Moscow. That is what communism actually is. Just that and nothing less and nothing more savory than that.

You don't have to have a Senator come up from Washington to tell you that now because Palmiro Togliatti the Italian leader, Duclos the French leader, and Browder and Foster, the American Communist leaders now being tried correctly for treason in New York, when they were required to do so by Moscow some 90 days ago all answered the interrogatories of reporters in their respective

lands asking: "What would you Communists do in Italy, France, and the United States in the unhappy event of war between Russia and the United States?" and all of them said in their respective ways, in language that no individual can misunderstand, that in such an eventuality the Communists would be on the side of Russia, of course, because they consider the Communist cause to be right and our God-fearing Christian civilization to be decadent.

What will you and I do about it? Most of us don't do anything at all about this greatest menace ever to face civilization in the history of the world.

I submit to you, that is the challenge, confronting the men of Kiwanis today.

WILL WE FACE UP TO THE CHALLENGE

The Communists know where the lines are drawn. They know that the greatest enemy of communism is the church and the school and private enterprise and political independence, those four great lights of freedom, and so they attack with their greatest strength and vigor and energy the church and the school as Communist targets, number one and two.

Unhappily—but I didn't come to Atlantic City to try to deceive you—so I am going to say, unhappily the church in America and the school in America, at least, have not fought back against communism with one-half the energy with which communism has fought the church and the school.

Most of you are churchmen. Some of you are educators, but all of you are interested in private enterprise, bank accounts, family budgets, and insurance policies, and you all vote or should vote. Therefore, I should like to have private enterprise and political independence—that spells out Kiwanis pretty well—I would like to have us fight against the Communist movement as hard as they are fighting us.

A FORMULA FOR FIGHTING COMMUNISM

I want to submit for your consideration this morning the suggestion that when you go back to your Kiwanis club you organize another committee, one additional committee. I have called it in a speech or two the American Enterprise Committee, for lack of a better name. You might want to call it something else.

Maybe you don't want to do anything about it at all, but I would like to suggest you organize such a committee in your community and give it a four-point job to do.

In order that we may know what we are doing and so that we may define our job and work at it as a team, I want to suggest it to you in 12 words. A 24-hour, around the clock, year-long job in four sentences of three words each. I would like to see these committees do the following things:

1. Prepare the youth.
2. Publicize our creed.
3. Project our dividends.
4. Protect our freedoms—which exist in Canada and the United States.

WHAT YOU CAN DO ON THE HOME FRONT

Let me reiterate them quickly and supplement them very briefly, because I think this job—this challenge—is of tremendous importance. I feel sublimely confident this morning that if an organization, a great organization of patriotic people such as I am privileged to address today, somehow or other could be activated to do something besides talk against communism and do something except to cuss the Government and do something except complain and grumble and grouse and gripe, that if somehow, something I could say could get these men working in their clubs as a phalanx for freedom, trying their best, we would get to the top of the mountain and save freedom here.

1. Prepare the youth—one simple thing is all I suggest. Work with the schools of your community, the principal and the superintendent, and the teachers and the college president and the board of regents, to make sure that in your community the children going to school are taught the values and virtues of freedom, the importance of private enterprise, the reasons statism won't work. Teach them the prevailing historic inevitable deficienc, of government planning as over and against private ownership. In other words, all I am asking is that in a 12-year course at public expense, for which you pay as taxpayers, you ave your local high school spend one hour per week at least one year teaching what is right with America. I think you will find some things pretty good to teach and to applaud.

It is distressing to me to read the educational background of the traitors being tried for treason in America today. Two graduates of Harvard; one from Vassar; one from Barnard; a Rhodes scholar from Oxford University; and three from my alma mater at Columbia.

There is something wrong, I think. Some place along the educational road that they trod their souls were not set on fire for freedom and for America. I think the fault is not the fault of the educator alone. The fault is the fault of the taxpayer and the school board member and the individual Kiwanian who fails to interest himself in what is being taught in his home town schools. So I would have a local committee working on that project at the community level.

2. The second point—publicize our creed. Oh, what a thrill I got last Tuesday night, addressing a Freedom Day meeting in Philadelphia in Independence Square. Some eight or ten thousand people standing outdoors, heads bared in the shadow of Independence Hall—that tabernacle of freedom—rededicating themselves to the Stars and Stripes and the principles for which our Republic stands. And I thought how wonderful a thing it would be if my Kiwanian brothers in each of their communities would set aside one week a year to be added to Red Apple Week and Maple Sugar Week, Get Yourself a New Wife Week, and all the others—one more commemorative week which in your community would be spent in dramatizing freedom, dramatizing the basic principles of private enterprise and political independence, so that every shopgirl, every farmer, every laboring man, every teacher and preacher, everyone in the community could know exactly what rests down at the foundation of our great successful system of free enterprise.

I would have essay contests and oratorical contests with a good liberal prize going to the winner, and radio programs and editorials in the newspapers. I would open the week with a sermon in every church of the community in which the preacher, at least on that one Sunday, would not say one thing in criticism of a system of government such as we have both in Canada and the United States, which despite their respective deficiencies—and they have them—I would like to have every preacher in the land on that particular Sunday tell every churchgoer in the Western Hemisphere north of the Rio Grande the virtues and values of the way of life that has given the religious people of every denomination a better chance to do their good work than any other government in the world or any other era of history. If, on the rest of the 51 Sundays, they find things they should criticize, I would not complain about that, but I don't think it is asking too much for every preacher, priest, or rabbi on one Sunday out of the 52 to say nothing critical of our Government or our way of life and environment. On that Sunday we should get the people to make prayers and sing hymns for the fact we have as good a place as we have and let the people know what we are protecting and developing and what are the basic factors of our success formula.

I would have exhibits and put on such a week so that at the end of the week everybody would know what it is that makes freedom strong and what makes this area of the world the envy of all humanity.

How do we expect our immigrant visitors from abroad or our children to understand us if we don't teach them? If Kiwanians don't do it, who is going to do it? If nobody does it, how can we expect to have a citizenry that will go to the polls or if it does, that will vote in the best interest of society and of the world? It is our job and our action or our apathy, I think, is going to spell success or failure. I think the deciding battles for freedom in our generation are going to be won on American soil and they are going to be won without shooting. It will be a battle of wits and logic and persuasion. We will be successful by our activities or aid the satanic opposition by our apathy.

3. The third thing I would like to have this committee do is to "project our dividends."

It is true that everybody in Canada and the United States does not equally share the dividends of freedom. They are never going to share them equally, but anything we can do in our community to help the people get better homes, swimming pools, summer vacations, living and working conditions, and so forth, we should do. Kiwanis is already pretty good at some parts of this program.

Project the dividends of freedom to the less fortunate people of the community. As you make the dividends available increasingly to more people, you get recruits to help defend a way of life which has never been even approached by any other scheme anybody else has ever developed.

4. The fourth function of these American enterprise committees—"protect our freedoms." Protect our freedoms! My good fellow Kiwanians, by seeing to it in our communities that only good patriotic Americans hold positions of responsibility in the township, in the city, on the school board, on the county board; that good Americans get elected to the offices of the church and the school and the labor organization and the various activities. If you find un-American influences in your community, do not run away from them; expose them; identify them; quarantine them as you would the plague. I do not think you have to punish them. You do not have to put anybody in jail. He who preaches un-American doctrines, if you label him and expose him you will put him out of business. Utilize the system we used in the United States in 1905 when we passed the Food and Drug Act—label the poison and bottle for what it is. If you do that, with these un-American doctrines, you are going to see the splendid patriotic thinking of this area of the world get rid of that kind of treachery. I think you can do that.

Oh, if I thought you could do these things, how happy I would be. I look at that great sign up there over this platform. "Aggressive Citizenship—Our Individual Responsibility." Look at those first-person pronouns. "I" comes in there many times. If each of you could somehow get that thing in your hearts—what can "I" do? One thing I like about Kiwanis is the letter "I" which is repeated in our name. "I." And if each of you somehow would say, "I'll do it; I'll go back home and I'll start a committee. I'll do something about it. I won't just sit around. I'll start this thing myself." If even a hundred of you would say, "I'll do it," and mean it, it might bring victory to our cause.

I want to suggest one more line of thought to you in quick conclusion. I think the continuance of a solvent America, or of a solvent Canada—which can sustain itself and help the world and in which political freedom and private enterprise can continue to function is essential t opermanent peace and also essen-

tial to the preservation of freedom anywhere and everywhere. I know and you know that we have in this country today a lot of high-minded individuals, and they represent all different political parties, who somehow have conceived the happy notion that if we can transfer a local problem to the Federal Government in Washington you can solve it economically and efficiently and expeditiously. It is a theory apparently built on the idea that the whole is greater than the sum of all its parts. I think that it is in defiance of the immutable laws of physics. Even our modern-day political messiahs are not yet able to fly in the face of gravity and physics.

FIVE TESTS TO APPLY TO FEDERAL LEGISLATION

I want to suggest and mention five questions I would like to have you ask before you write your Congressman to appropriate money or to appropriate power for the Federal Government to do something which maybe you as Kiwanis leaders and private citizens might better do at home. If we cannot get the pressure off a few people more down in Washington, we will spend ourselves into oblivion, bankruptcy, and defeat.

I want to say that I believe that an organized government and a civilized society should meet the problems of its community which are important enough to be met and which the individual cannot solve. I think that is the job of organized government.

Before you come to us in Washington with these problems, however, how about asking yourselves these five questions:

1. Is the solution to the problem necessary?

We are moving rapidly into an era of deficit spending at a time when economic collapse in America might mean the eclipse of freedom throughout the world, because our Communist adversaries are betting on an American depression so that we cannot help ourselves or anybody else. Therefore, No. 1, "Is the solution to the problem necessary?"

2. Will it work?

Ask that question, "Will it work?" Is it sound, is it logical, is there any historic record on it? Is the record one of failure or success?

3. Can we afford it?

"Can we afford it?" There are sometimes things that seem to be necessary; there are things that we know will work that we simply cannot afford. We have to ask that because when anybody fails to ask that question long enough, he gets himself into trouble, either as an individual or a nation.

4. Is it impossible to solve the problem locally?

Have we explored all the possibilities? Is it impossible to solve it through the county or city or State, or perhaps a group of individuals acting cooperatively can do it? Is it impossible to solve the question without the National Government?

And last.

5. Is it impossible to solve the problem by Government encouragement and incentives, rather than Government ownership, operation, and mandates? It is impossible to solve the problem governmentally in Washington without resorting to some kind of State collectivism?

If we can answer all those five questions affirmatively, I would say our problem is within the province of the Federal Government. If one of them has to be answered in the negative, I would stop, look, and listen; and if more than one has to be answered adversely, I think we should avoid it like sin.

We Kiwanians in our maturity cannot escape responsibility for the national decisions which are going to be made in the next 10 years and which are going to determine the trend of history for the next 100.

When I was in Athens in Greece with Vice President BARKLEY and others on a congressional trip a little over a year ago, we spent some time wandering around the ruins where they are restoring the old market place where Socrates and the great philosophers used to speak. We visited the famous old Olympic Stadium and heard the legend of an old Greek who one time came late to the Olympic games and was unable to find a seat. Near-sighted and faltering, he walked stumblingly around the crowd and in the multitude finally wandered down near the center of the arena to a box seat. A fine strapping young man stood up and said to him, "Father, sit down and have my seat. I can stand better than you."

The old man tried to dissuade him. "No," he said, "Let me stand."

The young man insisted. He led him down to his seat with the crowd jeering and laughing at him, led him down and gave him the choicest seat in the stadium reserved only for the Spartan athletes, the best of their time.

As the old man sat down, he looked at this fine stalwart athletic figure and said, "Young man, all of the Greeks know what it were well to be done, but only the Spartans practice it."

I hope it need not come to this: that all Canadians and Americans know what it were well to do in the face of definable perils, but that only Kiwanians practice it. But if come to that it does, and if come to that it must, let it never be said, at least in those melancholic times, that Kiwanians failed to practice those things that they know it were well to be done. [Applause.]

Address of Hon. Joseph T. Ferguson, Auditor of the State of Ohio

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EXTENSION OF REMARKS

OF

HON. MICHAEL J. KIRWAN

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Monday, July 11, 1949

Mr. KIRWAN. Mr. Speaker, under leave to extend my remarks in the RECORD, I wish to include an address by Mr. Joseph T. Ferguson, auditor of the State of Ohio, on July 4, at Columbus, Ohio:

It is a real pleasure for me to talk to the National Macedonian Youth Convention. The mere fact that your organization is composed of young people produces a challenge to us older people for you must carry on when your elders retire.

You are meeting here today in a period of confused world thinking. We Americans, as world leaders, and people all over the world are confused over human rights, property rights, ecnomic rights. The open forums of today debate momentous questions.

Therefore it is fitting that we discuss some of the best ways to preserve our basic freedoms. As young Americans, I know you want the type of Federal Government and world government that will guarantee world security, peace, and prosperity forever. As President Truman so aptly stated, "Our goal must be not peace in our time but peace for all time."

And, may I ask you, "How can we obtain that great objective—peace and prosperity?"

My answer is, participation in the political life of your community, the State, and the Nation. Bluntly, enter politics.

Politics is a high and noble profession. To be a real politician you must be interested in the science of Government. And to define Government, we must merely say, "Government is the business of the people."

Therefore, as young Americans, let me say that the strength of our American democracy is two strong party organizations. We want no single party in the United States such as Hitler's Nazi Party and Stalin's Communist Party. It is your duty to choose a party and participate in the activities of your party organization, either the Democratic or Republican Parties.

One of the sacred duties of an American is to cast his ballot in all elections.

We are in danger of losing our democracy if we continue to disregard our use of the ballot. The shocking shrinkage in total votes cast in our elections is startling. Let me quote you some facts:

In 1896, 83 percent of the people voted for President.

In 1916, 72 percent of the people voted for President.

In 1936, 57 percent of the people voted for President.

In 1948, 52 percent of the people voted for President.

In 56 years, 31 percent of the people have ceased to vote, until today only one-half of our people go to the polls.

Young Americans, it is up to you to remedy this bad situation. The youth of America fought the last war to preserve our Nation. The youth of America must individually and collectively wage an all-out campaign to increase the interest in voting.

It may sound rather far-fetched, but there is a possibility that we may lose our democratic rights because of our failure to use the instruments of Government which we have inherited from devoted, patriotic men and women of generations past.

It shows poor political ethics for us to point a finger of criticism at other nations of the world, when we individually fail to embrace our own democratic processes.

Therefore, young people, let me charge you that you must be living examples for the youth of the world, now composed of some 2½ billion people, and we are but one-sixteenth of the world's people. Yet, we have assumed world leadership. We must succeed in maintaining that leadership against Communist aggression.

No nation can ever again live to itself alone, nor die to itself. The world is too small. We are truly one world. But—one world with two ideologies. Only the future can record whether we can live together, or die maintaining our rights to live.

With the many differences between communism and democracy, let me state a single explanation:

Communism gives all power to one select, dominant, political clique, which declares war, makes peace, abolishes religion, establishes the party line the world over, dictates domestic and foreign policy with subordination of the individual and complete exploitation of the masses.

Democracy disperses political power among all groups, and, by such wide dispersion, it makes it impossible for any one group to get and keep the authority to exploit the masses.

American political parties are always on probation, and stand and fall on its record of performance for the masses of the people.

Communism suppresses opposition by a police state, while a democracy merely "votes the rascals out."

It is my understanding there are 10,000,000 Americans of Macedonian or Slavic birth or descent. What a powerful weapon this group can be in a battle for world Americanism, as proposed in President Truman's point 4, in his message to Congress last week.

And what a force this group of young Macedonians can be if they would support President Truman's bipartisan program "to assist the peoples of economically underdeveloped areas of the world."

You may be asking me, "What are these four points?" in which the youth of today should be interested.

Point 1: Cooperation with the United Nations to promote world peace and economic stability.

Point 2: Economic self-help and mutual aid in the European recovery plan for 16 nations.

Point 3: Collective security through the North Atlantic treaty with support by arms and men.

Point 4: Here is the challenge to youth.

Increasing world trade and raising living standards—by sending technical assistants and private capital from the developed areas to the underdeveloped areas of the world, for a long period of years, probably 50 to 75 years.

This is a big order. It is natural to think of this vast program of development as solely an economic enterprise. But it is more than that. It is the humane, Christian duty of a great people in conjunction with other democracies.

Think of the world divided this way: 400,000,000 people in developed areas—the democracies; 400,000,000 people in semideveloped areas—the Communists; 1,600,000,000 people in underdeveloped areas—no stable government.

The democracies or the Communists will eventually develop and educate these 1,600,000,000 people. This development means more than dollar investment. It means giving the enthusiasm and courage of youth. It means giving the skills of labor, the political skills of natural leaders, the technical skills of science, the best leadership in education, health, engineering, agriculture, and sociology.

Yes, the practically untouched frontiers of three-fifths of the earth's surface challenge the wildest imagination of our educated youth.

Your ancestors fled from the tyranny and oppression of your mother countries, and found opportunity, freedom, and justice in this great country of their adoption.

And now, the youth of Macedonians, trained and educated in our great institutions of learning of this great nation will carry out the program of economic development of nations all over the world.

And this bipartisan approach is not a continuation of the old colonial imperialism of the last century. Exploitation for profit has no place in this plan.

With two-thirds of the people of the world living in conditions approaching misery, food inadequate, floundering in disease, their lives primitive and stagnant—their economic life is a threat to our way of life. And people in this condition are not good customers for the rest of the world.

Therefore, from a purely selfish point of view, we must begin now to learn to live together in this world. Economic security for decade after decade depends upon the stability of all peoples of the world. We are one-sixteenth of the world. We want peace and security.

Making peace is not a matter of statesmen sitting around a table.

Making peace is proving the democratic system as stronger and more acceptable than the Communist system.

Peace rests in the hands of every citizen, particularly the youth within the democracies.

Peace grows by the application of intelligence, knowledge, and hard work of every citizen.

Our material resources are limited, but our technical knowledge is inexhaustible. Making available our vast storehouse of inventive know-how will achieve the peace we desire so much, and bring prosperity to all the peoples of the world.

Only by helping the least fortunate of the human family to help themselves, can the human family achieve the decent, healthful, full life that is the right of all people.

Young Americans of today, you are destined to be the creators of a good world government, and the future leaders of tomorrow. State your principles clearly. Work hard for the rights of the individual. The results will be the preservation of the heritage that is ours, so that you can hand it on in even fuller measure to future generations.

A Threat to Salem's Air Position

EXTENSION OF REMARKS
OF
HON. WALTER NORBLAD
OF OREGON
IN THE HOUSE OF REPRESENTATIVES
Monday, July 11, 1949

Mr. NORBLAD. Mr. Speaker, under leave to extend my remarks, I include herewith an editorial from the Capital Journal, Salem, Oreg., written by Mr. Robert Letts Jones on the subject The Possible Removal of United Air Lines Service From That City.

This Nation-wide carrier has furnished our State capital of Salem with excellent service since it was instituted in 1941 and has carried an ever-increasing pay load from that city. It seems utterly foolish for the Civil Aeronautics Board to even consider substituting that service for one by a carrier which could furnish feeder service only.

I call this editorial to the attention of both the House and to the members of the CAB:

A THREAT TO SALEM'S AIR POSITION

Salem was startled by word from Washington, D. C., that the Civil Aeronautics Board was considering cutting the city off from United Air Lines service. United Air Lines was startled, too, for that matter. The CAB had a proposal before it to substitute West Coast Airlines for United.

The proposal contemplated a 5-year extension in operating authority for West Coast, which is a feeder line. The air fate of Salem is involved in the extension question. West Coast asked that present service to McMinnville be discontinued. Service to Salem presumably would be substituted, instead. Whether service to Everett, Anacortes, and Mount Vernon in Washington should be discontinued would be investigated, too. The Board would consider whether United Air Lines or West Coast Airlines should serve Bellingham, where both now stop. The CAB believes one air-line service there is enough.

The Aeronautics Board may seek, by this hearing, to cut down competition and thus save subsidy money to the air lines for air mail. But in the case of the substitution of West Coast, a feeder line, for United, a major line, there is no competition involved. West Coast has not been established yet in Salem. So the city would be the loser if United were told by the all-powerful CAB to pull up stakes here and leave the State's capital and second city to a feeder line for service.

Salem has an impressive standing on United Air Lines' list of stations. And this is the case even though the city has only a second-rate listing of flights, and has been served only since 1941.

Business for United here has increased 15 percent during the first 6 months of this year over the same period of last year. When the Nation's economy is starting to squeak a little now, that 15-percent increase is really something.

Of the 71 stations served by United Air Lines over the Nation, Salem stands twenty-eighth in the amount of air freight and express. In baggage, the capital holds an even better position.

In any appraisal of Salem's position in relation to air-line service, it would be foolish to lose sight of the future.

The Willamette Valley is growing as fast percentagewise as probably any other large section of the country. So, to eliminate the second city in size in that valley from transcontinental service (United) would be foolish and harmful to Salem and the valley.

Also, only last year was the city's master airport plan put into effect. This plan offers the basis for a field here that will be the equal of any in a comparable size city in the United States. A new administration building with air-line facilities is now on the drawing boards.

Not to be ignored either is the position that McNary Field assumed last year when Portland's Columbia Airport was flooded and knocked out of service. Both United and Northwest Airlines moved operations here temporarily. The runways at McNary Field were the only ones in the area suitable for the taking off and landing of the big DC-6's flying for United.

Instead of cutting the capital from the list of stations served by United Air Lines, the CAB could encourage even better air schedules for Salem by United. If West Coast also wants to come here, that is another matter, but one not to be considered as a matter of choice: United or West Coast.

A. F. of L. Demands New Positive Policy in China

EXTENSION OF REMARKS
OF
HON. WALTER H. JUDD
OF MINNESOTA
IN THE HOUSE OF REPRESENTATIVES
Monday, July 11, 1949

Mr. JUDD. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following extraordinary statement just released by the free trade union committee of the American Federation of Labor. Responsible people and organizations representing all parts of our national life are apprehensive about the apparent paralysis of our Government with respect to the continuing expansion of Communist control in China and Asia. Far-sighted labor leaders are acutely aware of the disastrous effect events in Asia will inevitably have upon our own future. How can responsible officials longer fail to act on the clear-headed analysis and recommendations contained in this statement?

SAFEGUARD CHINA'S NATIONAL INDEPENDENCE FOR DEMOCRACY AND PEACE IN ASIA

(Declaration by free trade union committee, A. F. of L., Matthew Woll, chairman, July 4, 1949)

Our country has become the primary democratic world power. In the critical international situation at hand, the main task and aim of our Nation's foreign policy must be the vigorous and consistent pursuit of a course which will be conducive to the advancement and assure the success of bona fide democratic forces willing and able to do their all in resisting the encroachments and aggression of totalitarian Communist reaction.

The first prerequisite for America's fulfilling its new international role of providing inspiring leadership and timely and ef-

fective assistance to the world-wide forces of democracy is for our country to have a global approach to the fundamental issues of the world crisis and needs of humanity.

In this light, the struggles and battles in China are inseparable from the strife and conflicts in Germany; every attempt to meet the problems confronting the civilized peace-seeking nations in one part of the globe, without regard for the tasks facing them in the other sectors, is doomed to disaster. In fact, an improvised piecemeal approach of this sort would only insure the all-around failure of our Nation's foreign policy.

Our concern over the crisis in China is far more than even a sincere and friendly interest in its domestic affairs. We are above all concerned with the drive of the Chinese Communists and their Moscow masters to line up China alongside of Russia as an aggressive force hostile to the democratic nations. The Soviet's chief stooge, Mao Tse-tung, has lost no time in denouncing the European recovery program and the Atlantic Pact.

The present phase of the conflict in China is not at all the rearguard and the concluding stage of a civil war rending one Asiatic nation. Even if we were to grant all the mistakes and shortcomings attributed to the Chinese Nationalist regime, its resistance to the bolshevik plague is essentially the vanguard phase of an international operation against communism. Moscow and its minions in China have realized this truth all the time. America and the other democratic countries have yet to realize fully this great truth and its far-reaching implications. That is why the Kremlin and its fifth column in China have been scoring successes. That is why our country and its democratic allies have yet to win in China.

We reject all notions and policies of defeatism in China. We categorically repudiate the notion that all is hopelessly lost in China. Though Russia's advance guard has spread its military tentacles far and wide south of the Yangtse, it has not yet consolidated its Communist control. Only in the northeast which has, since America's defeat of Japan, been under tight Russian control, is there any definite administrative state authority. Here is the former Manchukuo which has the only important munitions industry in all China. It is this Russian-controlled territory which has also provided the bulk and the backbone of the effective Communist Army in China. In our haste to put the sole blame on Chiang Kai-shek for the disasters which recently befell his regime, we must not forget that this highly strategic economic and military area was turned over to Stalin by our own Government with acceptance by the British at the fatal Yalta Conference.

We are convinced that, despite all previous costly domestic errors in Chinese Nationalist policy and mistakes of American policy in the Orient, the cause of democracy and peace is not by any means lost in China and the rest of Asia. In considering the present plight of China and its National Government, we must not overlook the fact that this national authority has been forced to wage civil war for more than 30 years and was left alone to fight a foreign war against Japanese imperialism for nearly 8 years. Under such circumstances, no one could expect a swift tempo of constructive social reform or an atmosphere free from terrific difficulties. In stressing this, we do not underestimate the gravity of the Chinese crisis. We are only underscoring the urgency of our country reviewing, revaluating, and revising its entire policy toward China. We cannot emphasize too strongly the burning necessity of America's coming forward with a positive, constructive policy making for peace, democracy, genuine national independence and social justice in China and throughout the Orient. Before our Government can adopt a sound policy toward China, it must drop every vestige of three false and fatal notions:

DISCARD THREE DANGEROUS NOTIONS

First of all, we must rid our policy of every idea that China is merely a vast market where white private entrepreneurs can get rich quickly. The first prerequisite for our preventing imperialistic incursions by any other power into China is for ourselves to be clear, clean, and free from every possible charge of imperialism. We must dramatize our belief in the Chinese as a great people who have much to contribute as an independent nation to the enhancement of human welfare, peace, and cultural progress in Asia and the world as a whole.

Secondly, our government should bury every remnant of past illusions that the Communist Party in China is not totalitarian, is not really Communist, but only a peculiar expression of agrarian reformers. The Chinese Communist Party has never deviated from the line laid down by Moscow for its Communist toadies and tools in all lands. In Moscow's looting of Manchuria, the Chinese Communists proved themselves to be menial agents of Russian imperialism. Not only did the Communists in China fail to protest against, but they even actively aided and abetted, this brutal theft by a foreign power of the resources of the Chinese people. Recently, flushed with military success, this Russian agency in China has become particularly vitriolic and virulent against the American people who more than any other nation aided the Chinese and saved them from starvation. No doubt the extreme viciousness and hostility of the Communists in China toward the Western democracies in general and the United States in particular can be explained by the desire of these Russian fifth columnists to hide their cowardly and treacherous role in the Kremlin's rape of Manchuria.

We must likewise drop the wishful thinking that the Chinese Communists will soon espouse Titoism and show a measure of independence from Moscow. Every declaration by every important spokesman of communism in China refutes this futile hope. For one thing, on the basis of its Yugoslav experience, Moscow has learned how to stamp out promptly and ruthlessly every manifestation of even potential Titoism. Besides, through its base of enormous Soviet power in China (Manchuria), Moscow can quickly mobilize overwhelming forces against all deviating Communists and disillusioned liberals.

Thirdly, we must shed every illusion that totalitarian Soviet Russia, with its vast slave-labor economy has the slightest desire or capacity to play a progressive or liberating role in its relations with the Chinese people. In a desperate attempt to salvage something out of the deal cooked up by the Big Three at Yalta at the expense of the Chinese people, their National Government signed a treaty of friendship with Russia. This treaty solemnly pledged Russia to the following: "support and assistance to be given fully to the National Government as the Central Government of China." Forthwith, the Kremlin proceeded to turn this treaty into the most tragic farce by cynically outraging every international law. In spite of this treaty, the Kremlin proceeded to dominate and plunder Manchuria.

The American Reparations Commission has conservatively estimated the value of Russian loot in Manchuria at $858,000,000. The total loss inflicted by the "liberating" Russians on the economy of Manchuria—through their seizure of all industrial installations, mines, and machinery as war booty—exceeds $2,000,000,000. It was none other than Stalin himself who thus brazenly boasted to the whole world in September 1945, after America's smashing defeat of Japan: "For 40 years the men of the older generation have waited for this day. And now this day has come."

This declaration represents more than a complete and shame-faced break with every pretense at revolutionary idealism which characterized the policy of the Bolsheviks during the Russo-Japanese War of 1905—when under the leadership of Lenin they worked for the defeat of Czarist Russia. This bold boast of having wiped out and avenged the humiliating defeat inflicted by Nippon on the old imperialist Russia in the Tsushima Straits and at Port Arthur constitutes a crass reversion to, and even an extension of, the rankest robber policies of czarist imperialism in China and throughout Asia. Already, the new imperialist Russia has extended its frontiers to the Yellow Sea.

But here we must add that the present-day imperialism of Russia is far more dangerous than the aggression of Nicholas II. Stalinist imperialism is much more dishonest and efficient. It hides its sinister purpose behind demagogic and high-sounding so-called radical phrases. Stalinist imperialism seeks not only economic and military domination—as did the czars of old—but also total control of the thoughts, faiths, and moods of the people. Here is not only an economic but also an ideological imperialism—ruthlessly driving to enslave the minds and souls of those under their "leadership." Moreover, alone of all the big powers, Stalinist Russia has a huge, well-financed, powerful fifth column operating through the W. F. T. U. and the Cominform. The dictatorship in the Kremlin has, with devilish skill and unbridled cynicism, harnessed to its nefarious aims and actions the good will, energies, and talents of many gullible liberals who persist in clinging to the unfounded belief that despite all its mistakes, the Soviet regime is today the very incarnation of a progressive state and society.

It is highest time that our country showed the way in atoning to the Chinese people for the Big Three sacrifice of their sovereignty. American leadership in stemming the tide of totalitarian communism and chaos in China is long overdue. We must frankly recognize that the victories of communism in China constitute the most important triumph of bolshevism since it seized power in Russia. We emphasize that the adoption of a new policy toward China must be in a spirit of sincere bipartisanship. No attempt should be made to gain partisan capital through raking up past mistakes and capitalizing them for factional purposes. In Asia, no less than in Europe, is a bipartisan policy essential to the welfare of the American people and the peace of the world.

FOR A CONSTRUCTIVE PROGRAM

It is in this spirit that we propose the following as guiding lines of a definitive constructive American policy to meet the crisis in China:

1. There must be no recognition of, trade with, or economic assistance to, the Communist forces in China. American commercial interests should be firmly admonished against the narrow, selfish, and short-sighted policy of strengthening the Chinese usurpers through doing business with them. The crisis in China can only be aggravated to the detriment of America and world peace and freedom by an attitude and policy of "business as usual." We must not aid or arm our enemies of today and tomorrow as we did in the case of Japanese imperialism.

2. Our Government must not extend any form of diplomatic recognition or economic help to any so-called coalition regime which Moscow may order set up by the Communist Party in China.

3. We strongly urge President Truman to consult with all the democratic nations of Europe, Asia, and Latin America so as to work out an immediate program of collective action to stem the tide of Communist tyranny and to bolster the democratic forces.

4. Our Government should place before the UN Security Council the entire question

of the role of Russia in fostering and financing the civil war in China, in conspiring against the legitimate government recognized by all members of the United Nations, in flagrantly flouting the solemn obligations of its treaty with China and thus deliberately undermining and endangering world peace.

5. We propose prompt and adequate American aid to the only government authorities recognized by the United States in China.

6. We propose that this aid should be rendered under the careful supervision of American military and economic authorities who can see to it that the soldiers get adequate food and weapons in time and that the truly democratic elements guide the national destiny of the Chinese people.

7. Toward this end, we propose that our Government should dispatch to China authoritative and competent military, industrial, agricultural, health, and labor missions to aid the Chinese in defending their homeland, in furthering democracy and free trade unionism, and in bettering their working and living conditions.

We earnestly plead for adequate and prompt support for the government of President Li Tsung-jen. To refuse such moral and material aid is to encourage and insure the demoralization of the remaining Nationalist armies and to multiply the desertions by ambitious weak-kneed provincial generals who feel that it is only the Communists who have international (Russian) support while no democratic nation supports the Nationalist government.

The Kwangsi troops, commanded by President Li and Gen. Pai Chung-hsi have all the potentialities of effective resistance. Likewise, the Kwangtung forces, led by Generals Chang Fa-Kwei and Yu Han-Mou have real fighting capacities and can prove a dangerous thorn in the sides of the Communists—despite the loss of Nanking and Shanghai. The Communists have been unable to secure control of the sea or air as they have done on land. With Formosa and the Chusan Islands in their control, the Nationalists are able to blockade the mouth of the Whangpoo through mines, air attack, or ships. Here is a serious obstacle to the Communist consolidation of their control of the Yangtse area. Our Government should do nothing to interfere with or mar the effectiveness of such blockade measures. Even if the forces of free China were to lose still more territory it would not be decisive. Continued democratic resistance would choke off the consolidation of a stable Communist regime on a national scale. We must not forget that once before, in 1927–28, China had two rival regimes, yet the national state was not officially divided and the fate of China was far from settled.

No particular pattern of developments is inevitable in China. To date the Communist Party successes have been almost exclusively in territories once occupied by Japan—in areas where the Kuomintang could not grow and stabilize, on soil in which only the Communists could grow, through their special adeptness in guerrilla warfare. Furthermore, today, with the most reactionary element of the Kuomintang out of power, there is all the more reason for our rendering military and economic aid and advice to the national government and encourage and advise it in improving the conditions of the people in urban and rural areas and furthering the progress of democracy.

FOR DEMOCRACY AND NATIONAL FREEDOM IN ASIA

8. Our Government should announce that it is its avowed policy to promote and aid permanent cooperation among the democratic forces of Asia—in line with the recent conference of Asian nations called by India—in order to resist and defeat Chinese and other Communist influence and encroachments. The extension of Chinese Communist influence is only the spearhead of Russian totalitarian aggression and imperialism.

9. Our Government should bring to bear its fullest moral pressure on France and the Netherlands to recognize the desire of the peoples of Asia still under their rule for national freedom, economic betterment, and social justice within the framework and through the methods of democracy. Otherwise, the Communists will demogogically exploit these unfulfilled legitimate demands for their own sordid aims and in the interest of Russian imperialism.

10. Our Government should appoint a special commission, on which labor is to be represented, to prepare jointly with democratic Asian authorities the application of President Truman's point 4 to these undeveloped areas in the interest of their native peoples, and the entire world.

CONCLUSION

The world cannot stay free and at peace without Asia being free and at peace. Furthermore, Asia cannot be free, peaceful, and prosperous with China in the Communist stranglehold. There is nothing inexorable or invincible about communism in China and the rest of Asia. But we cannot defeat communism with military weapons alone. Democracy has higher ideals and better ideas than communism or any other brand of totalitarian despotism. We must translate these ideals and ideas into positive deeds, into actuality.

In Indonesia, Burma, and Indochina there are strong democratic nationalist forces that are deadly enemies of Communist despotism. Besides, neither Russia nor the Communists of China either want to or can give the Asian peoples genuine national freedom, the necessary capital and machinery for developing their economies and improving their living standards.

In stressing the above, we do not seek to minimize the importance of the victories scored to date by the Communists in China. The consequences of these victories are enormous—especially and immediately for southeast Asia, and even the Philippines, Australia, and New Zealand. But grave as the resulting danger to freedom is, the worst danger we face today is a feeling of despair and a policy of do-nothing and drift. If we allow ourselves to be overwhelmed by fear, then we are lost. If we continue to do nothing in regard to the Chinese crisis, then we are bound to lose our remaining friends in China and to find it impossible to secure the cooperation of the developing democratic forces in every other part of Asia.

The Chinese crisis is very serious, but not at all hopeless. The tide can still be turned in favor of freedom and peace in China and for democracy among the peoples of Asia. Toward the attainment of these great goals, the free trade-union committee of the A. F. of L. has proposed the above program. We call upon our Government to give our proposals prompt, thorough, and favorable consideration.

Stop the St. Lawrence Folly

EXTENSION OF REMARKS

OF

HON. JAMES E. VAN ZANDT

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Monday, July 11, 1949

Mr. VAN ZANDT. Mr. Speaker, from the columns of the United Mine Workers Journal I have taken an editorial titled "Stop the St. Lawrence Folly," which attracted the attention of those of us in central Pennsylvania whose entire economy is based on the coal and railroad industry.

The St. Lawrence seaway is a folly. It is unsound and will destroy the jobs of thousands of coal miners and railroaders. It will give preference to foreign labor, and, above all, it will cost the taxpayers of America millions and millions of dollars.

The article, which appeared in the February 1, 1949, issue of the United Mine Workers Journal, is as follows:

STOP THE ST. LAWRENCE FOLLY

The New York Port Maritime Association, with a membership of 1,500, has renewed its opposition to development of the totally unnecessary St. Lawrence seaway.

Acting for the association, the membership of which includes shipping interests in ports of the Atlantic, Gulf, and Pacific coasts, Vice President Callaghan has circularized Congress setting forth in detail the calamitous effects on the shipping industry and the country as a whole if this unfortunate legislation is passed by the Eighty-first Congress.

Mr. Callaghan, in an interview, pointed out that "the canalization of the St. Lawrence River has been fully discussed before the American people for the past decade, and that the overwhelming mass of testimony and facts presented in opposition to this project in 1934, 1941, and again in 1946, clearly show the injury which would be inflicted on labor and the transportation system of the United States, as well as the decreases of property values in the great seaports on the Atlantic and Gulf coasts and the Great Lakes."

Continuing, Mr. Callaghan said:

"Because of the unsoundness of this proposed St. Lawrence seaway and power project from every standpoint, it is vital that this legislation be defeated in the Eighty-first session of Congress."

To visualize the extent to which a ruinous competitive price war involving shipping rates as between American and foreign and tramp steamers would result in disaster to American shipping and maritime employment, the turmoil in the shipping trade existing at the present time over the division of shipping American products under ECA sponsorship between foreign and American vessels furnishes good evidence.

Since it has now been demonstrated that we cannot control our own Government agencies in diverting traffic to foreign ships on our own give-away products, there would appear to be no chance whatsoever of securing the patronage of United States profiteering corporations and industry as a whole in favoring American ships.

The only answer to continued maintenance of an American merchant marine in the lanes of traffic that would be developed by the St. Lawrence seaway, which would penetrate the heart of the geography of the Nation via the Great Lakes, would be for the Government to subsidize beyond all reasonable concepts of a subsidy all freight that American ships carry through the St. Lawrence seaway.

It is thus plain that the taxpayer would not only be out the original cost of developing the St. Lawrence, opening up a trade lane for foreign ships and foreign products produced at wage rates from 50 to 75 percent less than those prevailing in the United States for the same articles, but the tax-suffering public would have to bear the politically imposed additional cost of uneconomic triple subsidies to maintain even the semblance of American shipping in this proposed water lane.

Certainly, the time is not opportune for the Nation to pay the freight to maintain the economic security which the reckless disregard of sound business is certain to destroy if the St. Lawrence project flowers into a reality.

Multiplying tax burdens without any economy benefits, in fact, creating a competitive situation that will decrease coal consumption, divert traffic from railroads, destroy property values of existing lake ports, increase unemployment of miners, railroaders, seamen, longshoremen, and labor in other industries, constitute a promotional endeavor which totally repudiates all semblance of common sense.

By every yardstick of political sanity and business acumen the intriguing St. Lawrence development should be defeated, even though both Truman and Dewey have been deceived into sponsorship.

Mrs. Frank W. Swanton

EXTENSION OF REMARKS

OF

HON. HOMER D. ANGELL

OF OREGON

IN THE HOUSE OF REPRESENTATIVES

Monday, July 11, 1949

Mr. ANGELL. Mr. Speaker, the late Mrs. Frank W. Swanton was a long-time resident of my congressional district. For many years she served on the board and was the directing head of the Oregon Humane Society. For almost 20 years I have had the privilege of serving on the board of directors of that humane organization. We in Oregon are proud of the work and achievements of the late Mrs. Swanton in behalf of humanitarian work, particularly among dumb animals. I am certain that all of those who are familiar with the work of the organizations throughout America for the protection of dumb animals will be interested in the work of Mrs. Swanton, as we are in Oregon.

There appeared in the National Humane Review of July 1949 an interesting, noteworthy article on the contribution of American women in this great humanitarian work and particularly the work of Mrs. Swanton. I include this article as a part of my remarks:

LADIES HAVE MADE HUMANE HISTORY—ENTHUSIASTIC PERSONALITIES RECALLED AND DEEDS RECITED

(By Richard C. Craven)

The feminine influence in humane history has never been proclaimed. At odd times reference has been made in items of current incident, but in rather cursory manner. Women have been regarded with a certain chivalry that, according to custom, is expected of the male sex, but justice has never been done them adequately for the services rendered. Let us admit, graciously, that the humane movement would not be where it is today but for the contribution of the sweeter sex. Many societies for protection of children or animals would never have come into existence. The persistence of womankind, though at times perhaps a trifle exasperating to those of lesser enthusiasm, has too often conquered over male indifference to be overlooked in a series of reminiscent articles such as these.

Please understand, I have never laid claims to being what is termed a "ladies' man." If anything, the reverse. Hence, this tribute is at least impartial. And I think our people should know more intimately some of those whose crusading spirit has been built into the fabric of humane history. There is no attempt here to line up our famous ladies in order of merit; I could not do this even if I dared. Hence these things are set forth just as they happen to come to mind, with no attempt at sequence.

Early in my travels an assignment took me to the charming Oregon city of Portland. That involved the beginning of a lasting friendship with the Oregon Humane Society and its manager, Mrs. Frank W. Swanton.

Here was a lady who was bound to succeed in whatever she undertook, provided it had a certain appeal to her personal ambitions. She had that resoluteness and decisiveness that we ordinarily associate with military leaders, and the astuteness associated with political leadership. Probably her most dominating characteristic was her sense of justice, her love of animals, her sense of fair play, her championship of oppressed children.

It was natural, therefore, that she should find herself hurled into the work she loved. She was a widow at the time of this first meeting. The Oregon Humane Society was by no means her first venture into humane service. As she recalled, she had spent a few years in Nome, Alaska, where her husband had held the office of postmaster. She and her husband were distressed by the amount of animal suffering in Alaska. So, she headed a society for protection of animals in Nome.

PROTECTING ANIMALS IN ALASKA

Only a very few, such as Mrs. Swanton or Mrs. Huntington Smith, could have maintained such a society in Nome or other Alaskan settlement in those days. Where could one turn for a board of directors in a city of floating population? Where could one find the money to maintain such a movement? But Mrs. Swanton raised the money and did an excellent piece of work. How did she raise it?

Before anybody ventures criticism of her plan it is permissible to ask what he or she would have done under similar conditions. This writer makes no pretense of mentoring anybody's soul, or questioning anybody's methods provided those methods did not actually outrage public feeling.

Nome in those days was in the throes of the gold rush. The population was made up mostly of men of adventure, rough men, some with a past. They were largely of the type that makes money one day, spends it the next, always confident that more and more luck will come their way. They gambled at card tables, dice games, or in other ways. When they quarreled over such charges as crookedness, they settled matters in their own way, sometimes even with fatal results. There was little law and less order. Yet there was something about Nome that made it a likable place for those who lived there. And there was something about those rough men that suggested a finer nature beneath the rough exterior.

Mrs. Swanton saw possibilites in those strange fellows who had come from all quarters to seek a fortune. She saw an opportunity to help them, if only she could minimize the results of the gambling fever that had struck so many. She could not stop the gambling; nobody could. But she might suppress some of its evils, by improving its surroundings.

RAISING THE MONEY

Mrs. Swanton decided on an experiment. She threw open her home to the card players. They could come on Saturday evenings, play as long as they liked, but one concession she exacted, and to which they readily agreed. It was that the money in the kitty, yes it was poker they played, should go to the maintenance of the humane society. That way the society was kept operating. The men liked Mrs. Swanton, respected her, and most of the evils usually associated with card gambling were absent. The kitty raised substantial sums.

This story will come as a shock to some readers. But how would the average humane champion raise funds for animal protection under such conditions? As Old Bill said in that famous comedy—"if you know a better 'ole, go to it." This writer without attempting to pose as a censor rejoices only in the purpose to which the money was devoted in that wilderness of the north country.

In time Mrs. Swanton returned to the States, meaning Portland. She began the task of lifting the Oregon Humane Society to its feet, and seeing that it stood firmly upon them. She was a most likable person. She made hosts of friends for the society. She was on the best possible terms with many prominent newspapermen. They came to her home, spent pleasant evenings there. They appreciated her scintillating mannerisms, her sparkling wit and repartee. She never attempted to win their interest in humane service by talking them into boredom. Her personal pet animal was a lovely cat which became known far and wide under the name she fondly gave it, Nancy Hanks. The newsmen knew Nancy, and liked her as did Mrs. Swanton. Further, Mrs. Swanton, in her humane activities, seemed to do generally the things that appealed to newspapers, things that made good reading, and she kept them informed. The society became respected for the things it did.

At the time of my visit the society was in good odor with the authorities. She carried her service to distant sections of the State, and the Government showed appreciation by voting $10,000 to aid the good work. Among the moves she made for greater efficiency was appointment of Fulton Fleetwood as humane officer for eastern Oregon, with headquarters at Baker. Mr. Fleetwood was a man who had spent most of his years on the range. He knew cowboys, and they knew him. They knew, too, that there could be no monkey business with this officer. Many a time he rode through the night to be on hand for things that might start with daylight. Fleetwood had the respect of leading citizens of eastern Oregon, and especially of his own community of Baker, whose most prominent man, State Senator Strayer, was his ardent champion and for a time at least head of the branch of the society in that section. This was most fortunate, because Senator Strayer was one of the most highly regarded members of the State legislature and took care that the Government knew the value of the society to the people at large.

Many stories could be written of the power and influence of the society and its reputation for courage in any circumstances. Here is one that is typical.

A PUBLIC WATER HOLE

In the open range country where the land was given over, almost exclusively, to cattle raising and where the human population was few and widely scattered, was a water hole where cattle had been accustomed to drink for as far back as the humans could remember. It was the only source of water for scores and scores of miles. Some men in the western part of the State realized how valuable this water supply was in that parched region. So they homesteaded the land around the water hole and fenced it in. This kept the cattle out.

Within a short period the cattle began to lose flesh, and it seemed likely the cattlemen would lose heavily. Apparently there was little they could do about it, the homestead claims having been made in the regular way. The cattlemen held meetings, but with no benefit. Then somebody got the idea of appealing to the Oregon Humane Society. Mrs.

Swanton investigated, talked with the oldest inhabitants, learned that the water hole had always been open to the cattle of the ranchers.

Soon there was a gathering of interested parties at the fences of the water hole. Hundreds of cattle were bawling their heads off, begging for water that was denied them. To the astonishment of the ranchers Mrs. Swanton stepped forward. With a pair of wire cutters she had brought along, she cut through the fence wires and opened a gap through which the cattle charged.

The homesteaders swore out warrants, and Mrs. Swanton was arrested for willful damage to property, trespass, and so forth. The plucky lady demanded a jury trial. The only men available for jury service were either stock owners or indirectly interested in others who were stock owners. When the trial got under way, Mrs. Swanton called witness after witness, old inhabitants, who testified that this had always been a public water hole. Further, Mrs. Swanton urged that to keep cattle without water was violation of the humane laws of the State.

The case ended in complete victory for Mrs. Swanton. She had done more than was possible by the combined efforts of the stockmen—she, a woman. The case was fully reported in the Oregon papers. Congratulations were showered upon her and the society. She became something of an idol of the big stockmen.

AN ENDURANCE RACE

Another significant victory came about as a result of one of those crazy long-distance endurance races. A lot of ranch hands organized a race over the highways, to end at the city hall in Portland. They would ride their horses to test their endurance, settle who had the horse with greatest reserve power. And much similar nonsense. Horses would do all the work, cowpokes would take the glory, be the acknowledged heroes, with or without the blush of pride. The whole thing was about as silly as other such contests, or the crackpot buffalo hunt with bow and arrow at Rawlings, Wyo.

Mrs. Swanton said the race must not take place. Who was she, the cowpokes wanted to know, to tell them what they should or should not do? Fancy, a woman telling them—a woman. Of all things. Well, they had handled women before, ever since they got married, and they were not going to let up now, just when fame and glory were in their grasp.

It happened that the last lap of the race was to be from Salem to Portland. Mrs. Swanton was at Salem in good time. She had her officers, veterinarians, horse ambulances, deputy sheriffs and was all set before the first rider entered Salem. Big crowd. Seemed like something was brewing. It was.

As rider after rider came in on weary horses, widely scattered as to time, they dismounted for a breather. Horses were stripped of saddles on orders from the humane society officers. They were in miserable shape, worn and distressed. Tired and sore. First, a horse was ordered into an ambulance for the balance of the race to Portland. Others were ordered into stables to rest a couple of days. Protests and grumbling came in sorry tones from the cowpokes. Mrs. Swanton was accused of scuttling a historic event, of preventing this or that rider from winning fame and glory. Mrs. Swanton and her helpers merely chuckled, went merrily on with their work.

Shame was heaped on those whose horses were in better condition than the worst. Yes; they could proceed to Portland, for the grand and glorious finish, but they must walk the horses, holding the bridle reins. Let nobody dare, under penalty of immediate arrest, put one foot in a stirrup or vault into a saddle.

Were those fellows sore? Not alone physically from the long ride, but mentally also. They had been licked. Licked by, of all things, a woman.

A few walked their horses the rest of the way. That race had depreciated into a human bunion derby.

A crowd had assembled at Portland city hall to witness arrival of the victor. They had visions of a handsome rider galloping up to the steps on his charger to receive the token of championship. It would surpass that other great ride of history exemplified in the exploit of one Paul Revere.

UNHAPPY COWPOKES

Instead of the grand finale and the surge to the winning post, the spectators after a very long wait saw a horseman, weary as his animal, head bowed in shame, slowly approach the city hall. There was no glory. He and his fellows had striven for nothing. That was the end of endurance contests in Oregon. A victory for a woman. Mrs. Swanton was the winner of that race. And she let it be known that if anybody else tried to organize any such foolishness in the future, she had a lot more tricks in her bag.

Much more could be told of the exploits of this resourceful lady. In her heart children had as warm a place as animals, and she moved speedily to protect them against abuse. There was one time when she learned of cruelty in a small school where the teacher believed that the rod was good for children, if given in generous portions. Mrs. Swanton, after being convinced as to actual cruelty, without waiting for a lot of case work and examinations of various sorts, put an end to the severity by taking the teacher to court. It was another triumph for the society and, if memory serves, the school was closed.

A social note. Mrs. Swanton remained a widow, by preference, until the end. A secret known only to a few was the fact that among those who sought to woo her was a high political figure of her State. She might have become the first lady of Oregon, but she was not impressed by the prospect of becoming the wife of a governor.. A governor's wife must be circumspect, must be a slave to her husband's high office. Glory? She had all the glory she wanted, or could have wanted, in her achievements as humane leader. So, she carried on, scored her triumphs in the sphere that best suited her.

Mrs. Swanton had a premonition of death. She felt certain it would come suddenly, and it might be at any time. Her deepest concern was for the future of the Oregon Humane Society. She had plans as to what should happen in the event of her death. Two people she took into her confidence as to what should be done immediately following her passing. I know because I was one of those persons.

Death did come suddenly, in the night. Next morning this great humanitarian was found lying dead on the floor of her bathroom. Heart trouble, aggravated by the worry arising from a mistake which brought on a lawsuit, had resulted in exactly what she had forecast. As to the plan for the future of the society, this failed to materialize. I was unaware of her passing until after other plans had been shaped. But permit me to say that the Oregon Humane Society is doing an excellent public service, a credit to its management. And if you ever go to that beautiful city, by all means visit the society and see for yourself the imposing shelter which replaced the one destroyed by fire some 10 years or so ago.

Wheels Within Wheels

EXTENSION OF REMARKS

OF

HON. LESLIE C. ARENDS

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Monday, July 11, 1949

Mr. ARENDS. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following editorial from the Chicago Tribune, reprinted in the Washington Times-Herald of July 9, 1949:

WHEELS WITHIN WHEELS

(The Chicago Tribune devoted its entire editorial columns in its Friday editions to a discussion of the Hiss trial, declaring it to be the most lucid portrayal yet of the operations of the New Deal.)

Verdict apart, the trial of Alger Hiss has been the most astonishing and revealing spectacle of the New Deal era. Hiss was tried for perjury in his testimony before a Federal grand jury because, under the statute of limitations, he could not be tried on the charge that he used his official post in the New Deal State Department to feed secret documents to Russia's espionage ring in the United States.

The task of reporting a verdict was entrusted to 10 men and 2 women on the jury, but it is probable that almost every literate citizen in the United States arrived at a conclusion of his own. Yet the effect of the evidence, the sharp conflict between accusation and denial, the exchange of charge and countercharge, have perhaps tended to cast a murky cloud over much of the proceedings.

There were complicated, interlocking forces working all through the trial and, indeed, even before it began, for a verdict of acquittal. This obviously partisan interest was dictated not only by the fact that Hiss has held a succession of very high offices under the Roosevelt-Truman administration, so that its reputation stood or fell with his own, but because in his own person he epitomized the foreign-mindedness of the covert forces which have largely controlled New Deal policy.

He was accused of being, in secret, a Communist in the service of Russia. The question which his case posed was this: Was he representative of a general willingness on the part of the New Deal to sell our America?

This trial started with Judge Samuel H. Kaufman on the bench. He was the junior in the Federal judiciary in the southern district of New York. He had intimate New Deal connections, first as special counsel for the Federal Communications Commission, later as associate general counsel, by New Deal selection, in the congressional investigation of the Pearl Harbor catastrophe.

In that capacity he played the administration game, and when Mr. Truman appointed him to the Federal bench, over the protests of both the Association of the Bar of New York City and the Federal Bar Associations of New York, New Jersey, and Connecticut, there were grounds for suspecting a political reward for services rendered.

How the Hiss case was assigned to this judge merits thorough investigation.

Hiss had come to the New Deal by recommendation of Felix Frankfurter, former professor at Harvard Law School, now Associate Justice of the Supreme Court by appointment of Roosevelt.

Frankfurter was an original stockholder of the left-wing periodical, the New Republic,

recently under the editorship of Henry Wallace, the crypto-Communist candidate for President last year.

His original patron in Government before 1910 was Henry L. Stimson, who in 1933 secretly won Roosevelt's endorsement of the policy dealing with Japan's foray into China through the applications of sanctions.

In 1941 this brought war, and Stimson was there as Roosevelt's Secretary of War—a post into which Frankfurter is credited with pushing him—to "maneuver" Japan into "firing the first shot," as Stimson himself expressed it.

As sponsor of Hiss, Frankfurter appeared to testify for him as a character witness, and he and Judge Kaufman ostentatiously shook hands as he mounted the dais.

Frankfurter gave forth with an amazing line of double talk, but was protected by Judge Kaufman when Government counsel attempted to bring out that, in addition to Hiss, he had promoted numerous other graduates of pro-Communist inclination from Harvard Law School into positions of influence in his personally supervised invisible government within the New Deal.

A second Supreme Court Justice, Stanley Reed, also volunteered as a character witness, while a deposition in favor of Hiss was submitted by Gov. Adlai Stevenson, of Illinois, former State Department official and representative to the United Nations.

The testimony referring directly to Hiss' activities produced tremendous sensations. Hiss' accuser, Whittaker Chambers, self-confessed former Communist courier, who once held a $6,000 New Deal job he said had been obtained for him by the Communist Party, had been senior editor at $30,000 a year of Henry Luce's Time magazine. By coincidence, Mrs. Priscilla Hiss had been assistant to Luce on Time 11 years before Chambers followed her onto the staff.

Chambers testified that he received State Department documents not only from Hiss but from Henry Julian Wadleigh, Oxford graduate, and fantastic corroboration came at the trial from Wadleigh himself.

Wadleigh, however, made it clear that he had passed on none of the secret papers Chambers said came from Hiss. Chambers also named three other New Deal officials as "sources" of secret documents.

One of them, Harry D. White, former assistant secretary of the treasury, died a few days after being questioned by the House Committee on the Un-American Activities on this charge.

Chambers related that in 1939 he had laid the story of the existence of the Red spy ring before A. A. Berle, former Assistant Secretary of State, in the belief that Roosevelt would act on it.

Berle testified before the House committee that nothing was done, although as late as 1944 there was still a pro-Russian clique in the State Department and that "Alger Hiss took the pro-Russian point of view."

Chambers, commenting on administration refusal to stir up snoozing red herrings, remarked, "Berle was told to go jump in the lake."

Again in 1945, after Mr. Truman's accession to office, Chambers repeated his story to the State Department Security Officer, once more without result.

Lloyd Paul Stryker, high-priced counsel for Hiss, submitted to Chambers a photograph from a Luce publication showing Hiss in the company of Senator VANDENBERG, leader of the Republican "bipartisan" foreign policy faction, the caption of which referred to Hiss as "one of the State Department's brighter young men," adviser to Roosevelt at the Yalta conference where Stalin wrung vast concessions from the President, and Secretary General of the San Francisco conference where the United Nations Charter was drafted.

With heavy sarcasm, Stryker asked whether, upon seeing the picture, Chambers had wired the President to beware, that Hiss was a traitor.

"I did not," responded Chambers. "I didn't think it was possible to interest anybody in the subject."

Hiss' own story was a denial of everything. He lent Chahbers his apartment, gave him his auto, accepted a rug from him, a token of appreciation, Chambers said, from the Soviet spy ring, rode with him to New York, had him and his wife and child in his home, met him an admitted 15 times—all true, but he never passed Chambers any papers.

Hiss and his wife denied ever seeing the Chambers family after January 1, 1937, although the strange fact emerged over Mrs. Hiss' denial that Mrs. Chambers knew her plans to take a nursing course in Baltimore 6 months after that date.

Yes, the defense conceded, all of the secret papers except four in Hiss' own hand were typed on a Woodstock typewriter the Hiss family had owned, but the story was offered that they had given the machine to some servants before the dates typed on these papers in the first 3 months of 1938.

Government testimony brought out that a repair shop where the machine was fixed was not in existence at the time witnesses for Hiss said they had taken the typewriter there, so that it must have remained with the Hiss family until much later.

But if the defense account were true, the alternative was that someone had still sneaked the papers out of the State Department and Negro servants, for reasons unknown and unexplained, had come into possession of them and copied them for Russia. It sounded rather unlikely.

Hiss threw big names around throughout his testimony. One of his associates in the State Department and at San Francisco, John Sloan Dickey, is now president of Dartmouth College. When former Secretary of State James F. Byrnes asked him about rumors of his Communist affiliation, he submitted himself to the FBI and then asked Dean Acheson, then Under Secretary, now Secretary of State, to assure Byrnes that the matter had been laid to rest.

While still in the State Department, he was sought out by JOHN FOSTER DULLES, Wall Street lawyer, foreign-relations adviser to Governor Dewey during the latter's Presidential campaigns, and American spokesman in UN, to become president of the Carnegie Foundation for International Peace at $20,000 a year.

With all of his State Department experience, with the added distinction of having been executive secretary of the Dumbarton Oaks Conference at which the World Bank and International Monetary Fund were conceived, Hiss felt himself well qualified to head this propaganda agency in the cause of internationalism.

He had always taken an interest in such matters. Even as a young Government lawyer he had attended meetings of the Foreign Policy Association in Washington at which bright young New Dealers, some of whom were also later accused as Communists, listened to one another.

Throughout the trial there were curious overtones. The consistently tender treatment accorded Hiss by Judge Kaufman aroused comment. Mrs. Roosevelt, who months before had prejudged the case in her daily column, dropped in and again acquitted Hiss in print.

Other columnists and newspapers printed material intended to win him sympathy.

Yet it was not these that aroused Judge Kaufman's anger, but outspoken accounts of his partiality from the bench. He threatened contempt action or punishment by some other method once the case was closed.

The Department of Justice on other occasions had strenuously sought convictions, notably in the wartime mass sedition trial of 28 opponents of Roosevelt's war policy.

That case was prosecuted vindictively by O. John Rogge, who later attracted an impressive number of left-wing clients and was the choice for judicial office of the radical American Labor Party in New York, which is the next thing to the Communist Party.

But the Hiss case was brought by a reluctant administration. It could not be softpedaled, as was a similar case in 1945 involving the theft of hundreds of top-secret Government documents which found their way to the pro-Communist magazine Amerasia.

Two fines of trifling proportions were imposed in that case, but a Navy lieutenant, a State Department employee, and Mark Gayn, later a foreign correspondent notorious for his enmity toward General MacArthur, all went scot free.

The Committee on Un-American Activities had brought too much of the Chambers-Hiss story into the open to permit it to be surreptitiously dropped, but aside from the exertions of Assistant United States Attorney Thomas F. Murphy there was little in the Government's presentation to suggest a strong desire for conviction.

With so many circumstances in his favor, with a battery of five lawyers, a psychiatrist, and a corps of investigators, the normal expenses of which would mount into tens of thousands of dollars, Hiss might well have felt less than normal trepidation as the case went to the jury.

But, verdict apart, the American people have had a peculiar education in the underground government which has so vitally affected its life and future.

I Don't See the Justice in Passing Housing Legislation That Takes Care of the Boy Who Isn't in Uniform Without Passing a Housing Bill To Take Care of the Boy Who Is in Uniform

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EXTENSION OF REMARKS

OF

HON. FRANK W. BOYKIN

OF ALABAMA

IN THE HOUSE OF REPRESENTATIVES

Monday, July 11, 1949

Mr. BOYKIN. Mr. Speaker, I am happy to learn that the House as well as the Senate Committee on Banking and Currency have unanimously, and with favor, reported from out of those committees S. 1184, and it will shortly come to this floor.

Moreover, I am happy to know that it passed the Senate on the very day it was reported out from the committee.

S. 1184 is a bill to encourage the construction of housing to lease at low rental by private industry and with private capital on or in areas adjacent to Army, Navy, Marine Corps, and Air Force yards, bases, or other installations.

Let me suggest to the consideration of this House that S. 1184 is not an act to provide employment to the unemployed, it is not a proposal to beautify cities, to wipe out blighted areas, or to eradicate slums. It is not a social program to afford so-called economic rent to certain low income groups. It is a piece of legislation that will do all these things.

It will, at the same time, solve a problem facing our armed service forces—on a sound basis—and do that without siphoning hundreds of millions of dollars collected in taxes out of the Federal Treasury—to do a job that can and should be done by private industry.

For more than 10 years I served on the old House Committee of Public Buildings and Grounds struggling with the problems of housing under the veritable catalog of Housing Administration that I have seen come and go.

This is the first piece of legislation ever advanced comprehending a plan which invokes the use of private funds—as well as private builders—to solve a housing problem.

I need not point out to my colleagues in this House that any record for the economic and provident administration of our National Government has been fully established.

Mr. Speaker, from the standpoint of my business experiences, as well as a Representative to this Congress, S. 1184 is—in my opinion—one of the most constructive pieces of legislation that has come before this body in many a day.

It is a fitting application of sound business principles addressed to a highly vexatious and pressing problem facing the Federal Government.

Mr. Speaker, I have a personal interest in this problem. In Mobile, Ala., there is a great military installation almost within the shadows of my home. It is substantially a wartime installation. The housing conditions which obtain at Brookley Air Force Base at Mobile, Ala., are as inadequate as they are any place in these United States. I have first-hand knowledge that conditions identical with those at Brookley Field exist adjacent to every military installation in these United States, and that means every part of the country in every State of the Union.

Need I recall the pictures published in Life magazine but a few short weeks ago which exhibited but some of the squalor and the unsanitary conditions under which thousands of the families of those in our armed services now live? And I mean the enlisted men just as much as I mean the families of commissioned officers.

Life magazine's pictorial presentation of these conditions was revolting. It is unthinkable that this Congress had not sooner discovered some economically and financially sound method of solving the housing conditions of our armed service forces, and especially so with respect to housing family men charged with the uprearing of their youngsters.

Hundreds of millions of dollars, if not billions, have been placed at the disposal of the FHA, the Veterans' Administration, and other agencies of Government to provide housing for veterans and other civilians during the past two decades. It is high time, as the Honorable Secretary Stuart Symington so aptly points out, that this Congress do something to house the men who are still in uniform—and S. 1184 is a bill that will do just that.

Mr. Speaker, this Government has no harder headed, harder working, direct actionist and business-minded administrator than is the Honorable W. Stuart Symington, Secretary of the United States Air Force.

When Stu Symington tackles a job you can expect that that job will not alone be well done but that it will be done with both economy and dispatch. We have on innumerable occasions seen him apply business administrative principles to the solution of the many vexatious problems of government that he has handled in the half dozen Federal activities he has headed up at one time or another.

Less than 10 days ago, silently, quietly, and effectively, he again went into action. A great aviation strike had been in progress for 10 long weeks at the Bendix plant at South Bend. Every effort at compounding the differences of management and labor had failed to bring a solution. After all negotiations had broken down, Secretary Symington called Malcom P. Ferguson, president of the Bendix Aircraft Corp., to Washington. At the same time, he also sent a plane out to Detroit to pick up Mr. Walter Reuther, head of the striking union. After receiving them and stating the hazard that this strike offered to national defense to each individually, he brought them together for a meeting in his own office. He then called in the Assistant Secretary of Labor, John Gibson, and his own director of public relations, Steve Leo. The conference, as reported by the press, although it started at about noon time was still snarled up at 3 o'clock the next morning.

Although Conciliator Symington's attitude was adamant, he pointed out that the differences would have to be settled sometime and that they can well be settled, here and now. Again the negotiators started, this time it was on the road of understanding. It was something over 23 hours later that settlement was reached, and the problem of the strike solved by the Secretary of the Department of the Air Force.

Now, Mr. Speaker, it was no accident that Secretary of Defense Forrestal named the Honorable Stuart Symington to handle the difficult age-old problem of obtaining adequate barrack quarters and housing for all military personnel, Army, Navy, Air Force, and Marines, which has long plagued those charged with administering the affairs of the Armed Service forces.

In appearing before the Senate Committee on Banking and Currency, Mr. Symington made a clear, brief, and concise statement urging the passage and adoption of S. 1184.

Let me here introduce pertinent parts of his statement that evidence the urgent need for this legislation.

Secretary Symington spoke, in part, as follows:

Mr. Chairman, and members of the committee, I appreciate this opportunity to appear before your committee on behalf of the National Military Establishment in support of this legislation to provide homes for our military personnel.

The National Military Establishment considers that the enactment of this legislation is essential to the efficiency of the armed services. Present housing facilities for military and civilian personnel of the National Military Establishment are so totally inadequate in numbers as to fail utterly in meeting the demands. This proposed legislation would greatly stimulate construction by private enterprise of housing units needed by the National Military Establishment.

In order to attract and hold the highly trained, experienced and technical personnel now required by the Departments of the Army, the Navy, and the Air Force, it is essential that this personnel be afforded an opportunity to live comfortable and normal lives insofar as military duty permits on a reasonable parity with the average American citizen. Most of them do not now have that privilege.

For example, in my recent travels to various bases, some of the conditions we have found are almost unbelievable. At Mather Field, Calif., families are living in converted barracks-type buildings where it is necessary to use community bath and cooking facilities. The same applies to Mitchell Field, N. Y. At Chanute Field, Ill., there are several families living in a converted mid-Victorian house where only outside toilets are available. I could name many more specific examples of which the above are typical.

At this point may I deviate to say that at Muroc Lake, jointly operated and used by the Army, Navy, and Air Force, and possibly the most important base of all because it is where we do most aircraft testing, conditions are simply unbelievable. I saw 17 families living with one wash basin and one toilet. I do not mean one group of wash basins and one group of toilets, but just one wash basin and one toilet.

By the very nature of the service, military personnel must always be on order. They must proceed to designated places at designated times for varying durations. As a result, they are considered transient to whatever community in which they currently reside. Under the terms of the existing National Housing Act transients are not considered sound business risks for housing. Many of our people are unable to find quarters at all. Others are forced into slum areas or makeshift dwellings too inadequate to have been considered a part of the available and livable housing facilities of the community in the first place. Moreover, any adequate accommodations that may be available command a price far beyond their means. With the enactment of this legislation, we intend to give priority to caring for the need of quarters for junior officers and noncommissioned officers who are most affected by these conditions.

The result of this situation on the effectiveness of our armed forces is incalculable. Separated families and squalid living conditions combine to produce very poor morale. The resulting problems of replacement and excessive training costs seriously jeopardize the effectiveness of our efforts to provide adequately for the defense of the Nation. The same housing difficulty also greatly retards our efforts for personnel procurement.

In short, Mr. Chairman, there are three very pressing reasons why the National Military Establishment feels that this legislation is urgently needed. First, there exists a morale problem that seriously bears upon the effectiveness of our defense measures. Second, we are having grave difficulty in acquiring the personnel that we need; and third, we are having equal difficulty in keeping those that we do get.

Modern warfare demands a much higher percentage of qualified specialists than at any time in the past. Such men, stable and serious as a class, are deeply interested in their homes and families. They are also amply qualified to succeed in civilian life. It is these men, the ones we need most, that we cannot attract or expect to keep if military careers prove a handicap in providing adequate homes for their families.

The housing created as a result of this legislation would not alone solve our entire housing problem any more than adequate housing alone would suffice to attract into service the number of competent engineers

and technicians that are urgently needed. The measure being considered today, however, is designed to provide immediate relief. The basic requirement is, of course, for the erection of a sufficient number of adequate public quarters to house all military personnel. This is also a long-range requirement, the fulfillment of which is of necessity a lengthy process. But the problem is immediate and pressing. This legislation would operate, in the shortest possible time, to provide an invaluable aid in easing this grave difficulty.

This plan has the approval of the entire National Military Establishment. The Federal Housing Administration will suggest certain technical amendments and the Bureau of the Budget has advised that the objectives of this with the proposed amendments should be considered in accord with the program of the President. * * *

Through this present bill, it appears we may solve something which is costing the American taxpayers tens of millions, if not hundreds of millions of dollars through failure of reenlistment. * * *

Take a place where the reenlistment is 90 percent because they have adequate housing and are happy, and then at other commands other boys reenlist only on a basis of 7 percent. We go to them and says, "Why do you not come back to the Air Force?" They reply, "Because my wife and children will not accept this type of living in such housing."

So, we know this bill will improve that if we can pass it, because then we can get decent housing to keep people who are skilled. * * *

You see, the trouble is that on this basis the boy who goes into the Air Force almost automatically knows his life is going to be wrecked, because either his wife is going to refuse to live with him in such quarters, or he is being forced month by month, into bankruptcy.

Senator CAPEHART. Suppose you save nothing but you made available good housing. That would be worth while would it not?

Secretary SYMINGTON. Yes. May I say what this bill will do, Senator, and I am as sure of it as I am here this morning. It will save a lot of marriages and homes, and it will give a far better Air Force for less money; and a far better Army and Navy. I want to emphasize I am testifying for the three services.

Senator WHERRY. As you said, you would save a lot of marriages and homes. You would also save a lot of airplanes.

Secretary SYMINGTON. No doubt about that.

Senator WHERRY. Because you will keep the experienced men in the service.

Secretary SYMINGTON. Yes, sir; and therefore the Air Force and Navy would save a lot of lives.

Secretary SYMINGTON. May I make one more statement * * * I don't see the justice in passing housing legislation that takes care of the boy who isn't in uniform. * * * without passing a housing bill to take care of the boy who is in uniform.

Mr. Speaker, S. 1184 is fundamentally and factually a sound bill.

It is such a bill as you might well expect Secretary Symington to endorse and approve. I have heard it stated repeatedly in this House that thousands upon thousands of Army, Navy, and Air Force personnel upon which the Government had spent hundreds of millions of dollars in training and education—have left our armed services because of the insufferable housing conditions which they and their families have been compelled to endure during the past 5 years.

I state, and I do so without fear of successful contradition, that the enactment and approval of S. 1184 by this House will not only strengthen the security and defense of this Nation by retaining in the armed services highly trained and skilled personnel, but it will save the future expenditure of untold millions of dollars of tax funds that have been spent in training and retraining men in order to maintain the strength of the forces—as determined by this Congress—only to have them quit the services because of intolerable housing conditions.

The bill was reported unanimously out of the Banking and Currency Committee and the same day it passed the Senate. It has but recently been reported and without a dissenting vote by the Banking and Currency Committee of the House.

This House would, in my opinion, be remiss in its duty if it failed to pass S. 1184 and do so with dispatch.

The Marines Are No Luxury

EXTENSION OF REMARKS

OF

HON. DONALD L. JACKSON

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Monday, July 11, 1949

Mr. JACKSON of California. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following editorial from the San Francisco Chronicle:

THE MARINES ARE NO LUXURY

Because there are obviously people in high places in Washington who need it, we are going to deliver a little homily about the spirit of the United States Marine Corps and its worth to the Nation.

We—and we believe a great many others—have stood by in growing consternation while the behind-the-scenes campaign to abolish the corps has gone forward. Those who would like to scuttle the corps talk in lofty, misty terms about the waste involved in two services doing the same job; of detrimental rivalries; of the neatness that could be achieved by letting the Army simply soak up the Marine Corps ground units and the Air Force take over the Marine air units. On paper it looks good, perhaps. But we can't remember that the paper attractiveness of any battle scheme ever contributed to the winning of a Pacific beachhead. What won those beachheads was the courage, the spirit, the guts, the coolness, and efficiency of the individual fighting man.

It has been the specific assignment of the Marine Corps for nearly 175 years to spearhead attacks, to wade into the tough spots and clean them out with whatever it took in the way of readiness to die. An outfit with that kind of assignment couldn't be large—it had to be close knit, specially picked for ruggedness of body and spirit. Perhaps it was inevitable that such an outfit would come to be considered—and consider itself—a sort of corps d'elite. We think the corps earned that slight vanity on its record across a century and three-quarters, and recently on its performance at Guadalcanal, Tarawa, Saipan, Guam, Palau, Iwo Jima, and Okinawa.

Four years have passed since the last of those operations. It seems a short time for a Nation to forget its tremendous debt to the relatively small corps that did those ugly but indispensable jobs. We don't think the Nation has forgotten; we don't think the American people have failed to grasp the fact that they owe a considerable part of the Pacific victory to the fact that these men regarded themselves as Marines, and therefore the defenders of a long, proud tradition.

Yet the Nation seems content at this moment to sit back and acquiesce in an obvious, organized effort to wreck the corps, to toss overboard all of that spirit and pride, to throw away an arm of defense which stands to prove as useful in any future war as it was in the last.

Apathy, in this case, can amount to tragic shortsightedness. The Marine Corps isn't out for applause; it's asking only the chance to preserve its proved usefulness, and its fight is against a combination of greed, envy, and sheer obliviousness. We urge support for the corps in this struggle; it will pay dividends in the greater security of the Nation.

Our Foreign Policy

EXTENSION OF REMARKS

OF

HON. JOHN JENNINGS, JR.

OF TENNESSEE

IN THE HOUSE OF REPRESENTATIVES

Monday, July 11, 1949

Mr. JENNINGS. Mr. Speaker, under unanimous consent to extend my remarks in the Appendix of the RECORD, I include as a part thereof an editorial in the Saturday Evening Post of June 11.

Russia's renewal of her blockade of Berlin, the beating of and insults heaped upon our representatives in China by Russian-controlled Chinese Communists, the march in England of English radicals carrying placards proclaiming their dislike of Yanks, as they term our armed forces, over there for their protection, the trade agreements made by Britain's Labor Government with Russia, the growing unrest in Japan, all call for frankness on the part of our State Department. These alarming conditions place a heavy responsibility on all Americans in and out of Congress.

The American people should be told the unvarnished truth. And there should be action taken along the lines suggested in the editorial I have placed in the RECORD:

THE GOP MUST STAY AWAKE ON FOREIGN POLICY

There's no reason why the Republican Party should either tag behind the administration's foreign policy or take haphazard pot shots at it. A basically bipartisan policy is well and good. But that doesn't mean the GOP must continually waddle in the tracks of the Democrats, shouting "Me too" at suitable intervals.

Statesmanship means leadership. It's about time the Republican Party proved once more that it has both. It can show that best by keeping its eye on all foreign matters on which poth parties are agreed, and by pointing new ways toward strengthening this country's world position.

Here are some of the points that look important to us in developing a militant GOP stand on foreign policy:

1. It should be stated clearly that our effort to halt the march of Soviet communism takes precedence over all regional and local problems. Wherever in the world the fight against Moscow's agents is obscured by other issues, the over-all policy of halting communism must have priority.

2. The Republican Party should press for equal representation, official and private, between the United States and Russia. We are now permitting Soviet diplomats to roam about our country while our diplomats and correspondents are kept caged up in Moscow. Sometime we may want to show some Russians how democracy works in our land. The

privilege should be reciprocal. The same goes for dealing with all Soviet satellites. The Communist countries must be made to understand that world relations are not a one-way street.

3. The Republican Party should draw public attention to the fact that the Soviet Union is represented by three delegations to the United Nations. For the past 4 years we have got used to the hypocrisy of seeing delegates from the Ukraine and Byelorussia get away with the fiction that they represent sovereign states. Even if it proves difficult to oust them from the UN, the record must be kept clear at all times. The GOP has the job of keeping the truth alive and to see to it that no Soviet fraud is accepted as internationally legal.

4. The whole of our sorry performance in Asia needs to be brought into the open. The Republican Party might prepare a thoroughly documented white paper about the influence of Communist fellow travelers on the State Department's Far Eastern Division. The country has a right to know just why we failed so miserably in China, are at odds on Japan, and insist on hitting ourselves over the head with a bamboo stick in Indonesia.

5. Our prestige in the Middle East is full of holes that need mending. The American position should be restated somewhat like this: We want to see a prosperous and healthy Near Eastern region, reasonably free of rivalries that sap the strength of small young nations. Only an economically integrated Middle East, with the Arab Nations, Iran, Israel, and Turkey contributing their share to stability, can withstand the fifth-column tactics of communism.

6. Is the Marshall plan succeeding as a giant relief operation, or is it helping long-range recovery? The GOP should try to find the answer to that question. No flamboyant Congressional speech can do that job. What is needed is a careful Republican report to the people of the United States, measuring the effect of this bipartisan venture into Euroepan economic life. The Marshall plan, the North Atlantic Treaty, and our arms-for-Europe program call for constant checking on efficiency in performance and control of expenditure.

7. The GOP's militant foreign policy should bring the facts of our role in the world into every precinct. We need an informed electorate in 1952 as well as right now. Neither a great nation nor a great party can afford to be swept along by events. Men make history. And history is waiting for the men of the Republican Party to help make it.

To Prevent a Recession

EXTENSION OF REMARKS

OF

HON. STEPHEN PACE

OF GEORGIA

IN THE HOUSE OF REPRESENTATIVES

Monday, July 11, 1949

Mr. PACE. Mr. Speaker, under leave to extend my remarks in the RECORD, I include an editorial from the Fort Gaines (Ga.) News-Record of July 7, 1949, by the publisher, Ivey E. Peebles, former writer on the staff of the Manufacturers Record, and for several years a member of the staff of the Maryland Public Expenditure Council:

BUY WITH CONFIDENCE TO PREVENT A RECESSION

When the public stops buying it soon stops working. When surpluses pile up the factories shut down, causing unemployment. Since the unemployed are not able to buy, the recession drops into a depression.

In general it appears that if we do not spend what we earn we are eventually deprived of the right to earn.

Because a recession, which begins with a refusal to buy, soon leads to unemployment, we are apt to become confused as to cause and effect.

The traditional ounce of prevention needed just now is to keep buying stimulated.

But why have people slowed down in their purchasing? In part it may be due to the drying up of wartime savings sooner than expected because those savings never were worth what they appeared to be. Or, it may be as generally alleged, the public has decided to wait for reduced prices. If so, it is a mistaken policy.

There will be no general reduction in commodity prices in the foreseeable future. There will be reductions here and raises there but no reduction in the price level.

This fact is easily understood when we reflect that a price concerns two values, the value of the commodity and the value of the dollar. We have a dollar that is now fairly stabilized at a very low value.

After the dollar was depreciated to about 60 cents in the early thirties the effect was not reflected immediately in higher commodity prices because of the prolonged depression and the wartime price controls. By that time a further depreciation in the buying power of the consumer's dollar had been effected through Federal taxation. According to fiscal experts the dollar had dropped to about 29 cents in buying power. At about that value it appears stabilized.

So long as nobody in authority even discusses a strengthening of the national currency there is no prospect of a general price drop.

A good illustration of how this principle works is apparent to those who as far back as 15 years ago may have had occasion to visit Old Mexico. They noted that the Mexican dollar, although containing more silver than our own, would buy in Mexico only one-fifth as much. Mexican restaurant patrons had to pay $5 (pesos) for the same meal that United States' restaurant patrons were accustomed to buy for $1. After 15 years that same rate prevails. The Mexican people have experienced no general price reduction, because long ago their dollar (peso) was stabilized at a level which made, and has kept their commodity prices constantly five times as high as ours. What looks like high prices to them is only cheap money. The same thing is true for us.

Since currency manipulation and Government spending caused high prices, only a reversal of these steps can cause a reduction in the general commodity price level. And who expects either step to be taken?

Insofar as the hope of price reductions is a deterrent, we may well go on spending for what we want and need. It will stop all appearance of a recession.

Byrnes Breaks With Truman

EXTENSION OF REMARKS

OF

HON. DONALD L. JACKSON

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Monday, July 11, 1949

Mr. JACKSON of California. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following editorial from the Santa Monica (Calif.) Evening Outlook of June 21, 1949:

BYRNES BREAKS WITH TRUMAN

Last week former Secretary of State James F. Byrnes came out more strongly against the entire socialistic program of President Truman than any present leader of the Republican Party has so far done. Delivering the principal address at the commencement exercises of Washington and Lee University in Virginia, the man who was appointed by Franklin D. Roosevelt to be the country's wartime stabilization chief declared: "We are going down the road to statism. Where we will wind up no one can tell. But if some of the new programs seriously proposed should be adopted, there is danger that the individual—whether farmer, worker, manufacturer, lawyer, or doctor—will soon be an economic slave pulling an oar in the galley of the state."

That was James F. Byrnes speaking, former Representative from South Carolina, former Senator, former Supreme Court Justice appointed by F. D. R. and former Secretary of State appointed by Harry S. Truman. He said, "Too many people are trying to transfer power to the Government. We are not only transferring too much power from the individual to the Government, but we are transferring too many powers of State governments to the Federal Government. We should not have the Federal Government regimenting our lives from the cradle to the grave." Adding that "too many people want more pay for less work," he called for a reduction in Federal spending and Federal powers, and pointed out that "our first line of defense is a sound, solvent American economy. The only wise course is to reduce expenditures and live within our income."

The Nation has had such warnings before, but it is novel and significant to have them sounded so strongly by a former chief servant of the Roosevelt and Truman administrations. Here is startling evidence that conservative Democrats in the South and elsewhere are in full and passionate agreement with the Republicans on the major issue before this country today. Only political sectionalism, and the long shadow of a quarrel between North and South which should have ended 80 years ago, have prevented an alinement from taking place which would unquestionably make for conservative leadership of the United States. With so much at stake, it will be strange if some political leader does not soon discover a formula which will permit conservatives in all parts of the country to unite and to elect a President. They have the voting strength to do it, if the issue can be drawn in such a way as to unite them, and if the handicap of the Republican Party label could somehow be removed in the Southern States.

A Dirt Farmer Looks at the So-Called Farm Programs—Past, Present, and Proposed

EXTENSION OF REMARKS

OF

HON. H. R. GROSS

OF IOWA

IN THE HOUSE OF REPRESENTATIVES

Monday, July 11, 1949

Mr. GROSS. Mr. Speaker, in an effort to obtain the views of actual farmers on the so-called Brannan farm program I have sent out many copies of the bill containing Brannan's proposals and asked for the opinions of these dirt farmers.

I submit herewith for the consideration of Members of the House of Representatives the reply received from D. K. Webster, a farmer residing near Cresco, Iowa, who operates a farm of 240 acres. With the exception of the period he served in World War I, Mr. Webster has spent his entire life as a farmer and has been a producer of purebred hogs and cattle. Mr. Webster's letter follows:

I hope that someday someone will introduce a bill which is intended to be beneficial to agriculture, which will be drawn up in such a way that we farmers can understand the provisions therein and not be compelled to guess at it. H. R. 4753 has created about as much enthusiasm in our community, up to now, as a recruiting officer would receive in an old soldiers' home. What little discussion I have heard seemed to be to the effect that "You better watch out."

But I might add that the average farmer on the street doesn't seem to understand it—most of them are agreed that it would mean quotas being forced onto us once again, which is something that most farmers do not want. We haven't forgotten our quotas on the number of sows we could keep and the number of pigs we could farrow (corn-hog program) and I (personally) can still see the little pigs scooting out from under the gates in the stockyards in South St. Paul, Minn., and off on their merry way into the willows along the Mississippi River where the packing-house workers went early mornings, late afternoons, and Sundays, to catch pigs to carry home to raise more pork.

We (the Iowa farmers) haven't forgotten the change of program whereby they, the AAA, told us how many acres of corn we could produce, so many acres in beans—whether we wanted beans or not, and clipping the heads off the oats—and we are in no hurry to get back to that type of dictatorship just yet.

I notice in the farm publications of late that they all seem to think we are due for quotas within a short time. To me, most of this AAA business has been a pain in the neck, and, I might add, that I have not received a so-called Government check for a good many years, nor do I want one now.

All the average farmer wants is what Milo Reno advocated years ago, namely, cost of production, plus a fair profit. That is asking no more than the banker, the plumber, or any other trade asks.

If the Government would spend more time and money providing adequate storage facilities to take care of the crops produced on surplus years and less money in AAA payments to farmers for building dams, dikes, and irrigation ditches such as I have seen constructed in western South Dakota, which will never hold any more water than your hat because they have been constructed in arid regions (they were built for one reason only, that being AAA checks) the Iowa farmers would like it. They would also like to have surplus grains, such as corn, wheat, etc., stored in bins and cribs built by the Government and located in the areas in which these crops were produced and in which areas these grains will eventually be fed to livestock.

Not many years ago there were quite a lot of grain bins located here, and they were full and along came a short crop year and presto—those bins were empty and we were crying for more grains to carry our stock through. This business of bumper crops cannot continue indefinitely—we are bound to have crop failures, as we have been having every so often, as far back as I can remember and I am 50 years old. Four years ago practically the entire corn crop in the State of Iowa was hit by killing frost on September 28. There was no carry-over from the year before, and there wasn't enough dry corn in Iowa to make corn syrup for babies, let alone corn whisky for adults. Maybe I'm getting Iowa and Kentucky mixed up now.

It's as good business for us to have corn in the cribs (Government surplus cribs) as it is for me to have money in the bank and I might add here that I have about as much of the latter as the Government has of the former.

If one of you Congressmen in Washington could figure out a plan whereby the farmers of the United States could get on an even keel, and remain there; some assurance of a fair price at all times for the crops we produce, some sense of security—then, and only then, would you, in Washington, and every other city in the United States, be able to keep the farmers' kids on the farm without resorting to trickery. Think it over, I'm too old to change my way of making my livelihood—my children are not.

In August 1948, top cattle were selling for $40 per hundredweight; top hogs brought $30 or better—within the last few weeks top cattle brought us $20 to $24 and top hogs around $18. Harry's pre-election promise to farmers didn't stand up, did it? We can get a new tractor today for $2,450—if we want it, and we don't have to go before the AAA Committee in order to be allowed to purchase one, as we had to do a few short months ago. Tractors are plentiful, trade-in's are poor property. No waiting lists now. The buyers are getting choosey.

Wonder what would happen if the oil, steel or rubber dealers' prices were cut from one-third to one-half and they still continue to pay double or triple for their raw material? Would they holler?

I have 70 young pigs and 17 more sows to farrow; 55 acres of corn; 5 acres of soybeans, 34 acres of oats, and 1,800 bushels old corn in the crib. What am I offered? What is it worth? I wish I knew.

Retirement of Dr. David J. Price

EXTENSION OF REMARKS

OF

HON. IVOR D. FENTON

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Monday, July 11, 1949

Mr. FENTON. Mr. Speaker, the Department of Agriculture has announced that Dr. David J. Price, distinguished chemical engineer and expert on the causes and prevention of dust explosions and agricultural fires, retired from service in the Bureau of Agricultural and Industrial Chemistry on June 30 after more than 37 consecutive years of Federal service. Last May, climaxing his career in the Department of Agriculture, he received a superior service award from Secretary Brannan for his outstanding research accomplishments and educational efforts in improving fire-fighting methods and in preventing dust explosions and fires in the harvesting and processing of farm products.

From 1942 to 1944 Dr. Price was president of the National Fire Protection Association, and in 1947 was a member of President Truman's Committee on Fire Fighting Services. He has been active in the National Safety Council, the National Fire Waste Council, and many other national and State fire and safety organizations.

Dr. Price has long worked closely with firemen's groups throughout the country as a training consultant on fires involving chemicals and farm products. Widely known for his work in promoting accident and fire prevention in industrial centers, on farms, and in rural communities, he has been honored by membership in the International Association of Fire Fighters, the International Association of Fire Chiefs, and many State and local firemen's associations.

He is a native of Ashland, Pa., in the anthracite coal region, in my district, and worked for a number of years with various mining companies in both the anthracite and bituminous coal regions. As a young mining engineer, he laid out the town of Clymer, in Indiana County, Pa., and developed a number of mining operations in that section.

Entering Government service in 1912, Dr. Price was first employed at the Pittsburgh experiment station of the Bureau of Mines. He joined the Department of Agriculture's Bureau of Chemistry in 1914 and inaugurated the Department's research and educational program on the prevention of grain-dust explosions and farm fires. He is the author or coauthor of more than 300 publications on these subjects.

He is a graduate of the School of Mines, Pennsylvania State College, and holds two degrees—bachelor of science in 1925 and engineer of mines in 1927—from that institution, and has advanced academic degrees from George Washington University—master of science, 1927—and American University—doctor of philosophy, 1931. His college work and graduate studies were all completed after he had passed 40 years of age and during his service in the Department of Agriculture.

When the four regional research laboratories at Philadelphia, New Orleans, Peoria, Ill., and Albany, Calif. were authorized by Congress in 1938, for research on the industrial utilization of agricultural products, Dr. Price was made chairman of the committee that prepared the plans and specifications for their construction.

Research in the Department of Agriculture under Dr. Price's direction has yielded fundamental data on the explosibility of dusts from farm products and made possible the development of effective measures for preventing dust explosions. As a direct result of his work, losses of life and property from dust explosions have been decreased. Dr. Price represented the Department in its work in this field with other Government agencies, national safety organizations, and various State and local groups.

By direction of the Secretary of Agriculture, he participated in the investigation of a number of national fire disasters. At the request of Gov. James V. Allred, he investigated the cause of the New London, Tex., school explosion in 1937 which took the lives of 293 pupils and teachers. His report of this disaster was presented to the Senate by Senator TOM CONNALLY and published as a Senate document.

Dr. Price is internationally known for his outstanding contribution in promoting accident and fire-prevention work

for the greater safety of workers in industry and agriculture. His many friends in the Congress as well as in the executive departments will extend their well wishes for continued success as he terminates his Federal Government service to continue his research work for the benefit of the general public in his specialized field of dust-explosion and fire prevention.

Present and Future Market Channels for Western Wheat

EXTENSION OF REMARKS
OF
HON. LOWELL STOCKMAN
OF OREGON
IN THE HOUSE OF REPRESENTATIVES
Monday, July 11, 1949

Mr. STOCKMAN. Mr. Speaker, under leave to extend my remarks, I include the speech given by my friend and constituent, Mr. E. J. Bell, administrator, Oregon Wheat Commission at the Western Regional Wheat Improvement Conference, Pullman, Wash., on June 20, 1949.

It is very important to the economy of this country to maintain a sustained market for wheat and wheat products, and Mr. Bell has pointed out some factors which may influence the present and future market. I commend his message to the attention of every Member of the House .

The address follows:

In discussing the subject of present and future channels for western wheats, it will be a little easier for me to direct my remarks primarily toward the region in which I have been working intensively for the past 2 years. We refer to this as the Pacific Northwest wheat region, which includes all of Oregon and Washington and Idaho, north of the Salmon River. It is a fairly distinct physical and economic area.

With the exception of the Big Bend, the wheats of this region are primarily low in protein, or perhaps I should say high in starch content. They seem to have peculiar properties for the manufacture of pastry flour, cookies, cake, crackers, and biscuits. We do not know, however, just what it is that gives some of our varieties grown in some localities their peculiar properties for speciality purposes. There is considerable room for fundamental research in the factors affecting the physical and chemical characteristics of the wheat kernel. So far as I know, no one can explain why different varieties of wheat grown under different conditions behave the way they do in the mill and in the bakery. An intelligent marketing program requires more fundamental information than we have been able to obtain about the wheat we are trying to sell.

Now let us see what has happened to our wheat in the past. During the 16 crop years, 1927–28 to 1942–43, the average production of Washington, Oregon, and northern Idaho was about 76,000,000 bushels of wheat a year. The millers in the region purchased annually an average of about 6,000,000 bushels of Montana hard wheat for blending purposes. About 35,000,000 bushels were used in the area for food, livestock feed, and seed. Another 18,000,000 bushels were shipped to California and other parts of the United States as wheat or flour. Exports averaged about 27,000,000 bushels. This accounts for a total of about 80,000,000 bushels, and the remaining two million were added to the carry-over.

In recent years production has been considerably higher than the prewar average of 76,000,000 bushels. The crops of 1946, 1947, and 1948 amounted to 114,000,000 bushels, 98,000,000 bushels, and 114,000,000 bushels, respectively. Condition of the crops as of June 1 indicated a 1949 production of 101,000,000 bushels in Washington, Oregon, and northern Idaho. With improving farming methods, higher yielding varieties, weed control, and other technological improvements, it seems likely that we can expect a production of ninety to a hundred million bushels in the future.

At the present time the chief outlet for the wheat and flour of this region is through sale to the United States Government. Consumption within the region for human food continues at about prewar levels. Shipments to California and to market centers in the eastern part of the United States have declined materially because of a combination of high transportation costs and price relationships. The amount fed to livestock is considerably less than it was in previous years. Sales by private exporters have been very small. The remainder of the crop has been purchased or acquired by the Government in the form of wheat or flour for shipment overseas.

Now what about the future? Our most profitable market is for wheat as human food within the United States. Any increase in the consumption of wheat products within the region will be beneficial. The millers and the bakers are spending considerable money in programs to increase the consumption of wheat products in the United States. These are long-range programs and will probably be considered successful if they stop the downward trend in the per capita consumption of wheat flour which has persisted for the past 30 years. In our own region human food consumption accounts for about 13,000,000 bushels annually.

Shipments to California and eastern United States have been another outlet for Pacific Northwest wheat. Here we must compete with other areas which have increased wheat production materially in recent years and which are temporarily in more favorable positions to supply markets to which our products formerly moved. In times past, considerable quantities of our wheat and flour were shipped into the area south of the Ohio and east of the Mississippi. Flour for pastry and other specialty products has also been shipped to New York, New England, and other markets on the Atlantic coast. According to data published by Louis D. Cannell, of the State College of Washington, shipments east averaged about 10,000,000 bushels of wheat and flour and shipments to California averaged about 8,000,000 bushels for the period 1927–42.

East-bound shipments have been large in years when there was a short crop of soft red winter wheat or when the export demand has been low. It is not likely that our area could compete with the wheat of the Great Plains in supplying eastern markets with high-protein flour for bread making but to the extent that we have soft wheat which is superior for other purposes, we can expect to develop outlets for a certain amount of wheat and flour in the eastern part of the country. This will depend, however, upon changes in transportation rates and price relationships which will permit our wheat and flour to move east in substantial quantities.

Livestock feed is another important domestic outlet for our wheat. The amount fed to livestock and used in processing commercial feeds averaged around 18,000,000 bushels during the prewar period. In recent years it has dropped to less than 10,000,000 bushels. Increasing this amount will depend upon price relationships. At the present time wheat is priced out of the feed market. In the future, it must be available at prices comparable to other feed grains in order for us to increase materially the amount used for livestock and poultry.

Over a period of years we have thought of the Pacific Northwest as an export region. As I indicated before, exports from this area averaged about 27,000,000 bushels of wheat and flour during the prewar period. During the past several seasons the Commodity Credit Corporation has exported or sold to the Army for distribution abroad around 60,000,000 bushels annually. The size of our export market in the future will depend on a number of factors: (1) Dollar exchange will determine the total size of our export market; (2) consumers abroad will need to be shown how to prepare and use wheat and to understand its value in the diet; (3) wheat will have to be supplied to them in a form which best fits into their dietary habits and method of food preparation; (4) it will have to be sold at a price which they can afford to pay and which will compete with wheat from other parts of the world and with rice and other grains.

The possibilities for developing larger outlets than we had before the war are not hopeless. There are many more people in the Orient now than there were in 1939. Some of those people have already learned to eat wheat where they used to depend entirely on rice. Our kind of wheat may be found to meet their requirements as well or better than wheat from other areas. Perhaps we will need to supply it to them in a form whereby it can be cooked and eaten like rice, rather than in the form of flour which must be prepared and baked in ovens. Perhaps, on the other hand, our best outlet will be in the form of products prepared in commercial bakeries rather than in the home. I am not at all satisfied that we as a Nation, or as a region, are doing all we could and should be doing right now to develop demand for our wheat and flour in the future. I fear that we are losing some excellent opportunities to build a market for our wheat in Japan, India, and other countries in the Orient.

Another possible market channel for western wheat is through what we have often called industrial uses. Under this heading, however, we include starch and glucose for human food as well as for laundry, paper, alcohol, and other products. This would depend on getting wheat at a price comparable to that for corn and other grains. It would also depend upon finding outlets for wheat gluten and other byproducts that would help to stand part of the cost of manufacturing. A number of other problems such as power, transportation, and distribution of the finished product will need to be met.

I suppose you have noticed that I have not attempted to estimate just how much Pacific Northwest wheat we will be able to sell as human food within our own region; that I have not attempted to estimate how much we will be able to ship to California or other parts of the United States; that I have not attempted to estimate how much we will be able to feed to livestock and poultry, nor have I attempted to estimate the size of potential outlets abroad. Perhaps all of these outlets added together will not equal the total amount of wheat we will have for sale. Developing adequate market outlets depends upon finding out just what kind of wheat will best meet each of the different types of market use and then producing the quantity required to supply that use. We must also be willing and able to devise a marketing and distribution program which will make the wheat available at prices which the buyer can afford to pay. The other alternative is to continue to depend upon the Government to take the wheat off our hands as it has been doing in the past.

The British Crisis

EXTENSION OF REMARKS
OF
HON. BEN F. JENSEN
OF IOWA
IN THE HOUSE OF REPRESENTATIVES
Monday, July 11, 1949

Mr. JENSEN. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following article from the New York Times of July 10, 1949:

WASHINGTON REACTING TO THE BRITISH CRISIS—IN CONGRESS, THE ECA AND THE TREASURY UNDERCURRENT OF CRITICISM OF LONDON POLICIES IS BECOMING STRONGER—EFFECT SEEN ON MARSHALL AID

(By Arthur Krock)

WASHINGTON, July 9.—If the British Government and people conclude from the soothing comments of Secretary of State Acheson and the passage by Congress of an adequate second-year appropriation for the Marshall plan that no firm issue over their social-economic policies will arise with the American Government, every indication is that they would be badly mistaken. Questions addressed to officials of the Economic Cooperation Administration by Congressional committees, private conversations at the ECA and talk in the cloakrooms of the Capitol support the opinion that continuation of the Marshall Plan will be imperiled next year unless the British show real determination to remove the causes of the issue and make progress in doing so.

In Congress, which alone can provide continuing economic aid, and in more moderate degree at ECA and the Treasury, the criticisms made of British policy are these:

1. Despite billions in gifts and loans, the British seem unable to attain a wholesome economy or find any other ways to deal with their troubles than tighten rationing and the erection of new barriers to world trade. The recent grain-and-meat bilateral treaty with the Argentine and the coarse-grains pact with Soviet Russia are examples of the latter.

FACTOR OF SOCIALISM

2. Though a powerful body of opinion in the United States and elsewhere attributes Britain's basic difficulties to its Government's socializing program, that Government blames everybody but itself and the program.

3. The chief reason that the United States loan to Great Britain, which preceded the Marshall plan, was ineffective is that at least $2,000,000,000 were used to expand the nationalization of industries.

4. That Sir Stafford Cripps in one breath can say British production is the highest in history and exports as high as they have ever been, and in the next confess a threat of insolvency, indicates much of the fault is that the Socialist Government is determined to pursue its theory, whatever the cost.

5. This leads to the conclusion that United States resources are being used to keep in political power a regime repugnant to the American free-enterprise system, a conclusion, however, which President Truman's administration urges Members of Congress not to state because it implies interference with Britain's right to any kind of government it wishes.

6. The net of British policy is that it is defeating the principal purposes of the Marshall plan.

SOME LEADERS DISMAYED

These criticisms are being frequently heard from persons of great influence on legislation and public opinion here. The British Government would be well advised to accept this as a fact, which, according to reports to officials here from their agents in Europe, it has either been disposed to question or disregard, or disparage as to possible disastrous consequences. The hope in Washington is that Secretary of the Treasury Snyder will be able to make more of an impression; also Paul G. Hoffman, the Administrator of ECA, when he can get away from congressional hearings long enough to visit Great Britain.

Several examples of this mounting feeling of disapproval have come to the surface. When Senators heard of a floating proposal, attributed to British sources, that the United States make to Britain a gift or loan of Fort Knox gold to boost its dollar account, cloakroom discussion was deeply resentful. When Senator O'MAHONEY, questioning Assistant Secretary of State Thorp on the British-Argentine pact, said this was another instance of the philosophy that "Downing Street can do no wrong," he ended with the significant but unanswered inquiry how the State Department can condone for the short run what it opposes in the long run.

On the other hand, some critics of Britain here who cite its high production costs, inefficient industrial methods and cartelization are sympathetic toward resistance to devaluation of British and European currencies at this time. It would, they say, flood the American market with low-priced competitive goods and increase the flow of what is being called the sleeping depression here, which would in turn distress the rest of the world. They point to the fact that the dollar, on the contrary, cannot be specifically devaluated because it is composed of 100 cents, whereas foreign currencies, being valued in the world market in their relation to the dollar, can be changed by fiat in the number of cents they represent per unit. Of the two nonspecific ways to devalue the dollar, Mr. Snyder has announced there will be no tinkering with the price of gold, and Congress would not agree to an issue of greenbacks.

BRITISH VIEWPOINT

At the ECA, which next to Congress is the most important office in Washington from the British viewpoint, the feeling on the general subject was described to this correspondent by a close observer as follows:

There is real fear that British economic policy may be fundamentally incompatible with the broad objective while the Government remains in its present hands. British and European recovery can be achieved only by breaking down trade barriers, and British recovery cannot be attained without breaking down restraints of trade within that country. Cartelization, and the restriction of competition and production to preconceived market demand, are other illustrations of the contrary policy; and officials are apprehensive lest Great Britain become one big, glorified cartel.

The disposition of the British people is to regard commerce and industry as a necessary evil, a boring interference with the best way of life. Hence they fall back on probable demands for goods and services over 5-year periods and longer. Americans, however, enjoy production for its own sake, and know from experience—the Ford car, television, aircraft, refrigeration, etc.—that new products constantly can be expected and create new trade demands.

PRICE PROBLEMS

The British have priced themselves out of their own home market as well as the export. While the Americans in those circumstances would say "We must produce cheaper and more," the British go halfway on that road and try to compensate for the rest by cartelization. Also their Government is attempting to maintain a higher living standard than the British can afford, and announce that it is untouchable. With all respect and sympathy for the British, they must think of other remedies than Cripps proposes or the Marshall plan will either have to be abandoned or accepted as a more costly UNRRA.

Such are impressions and criticisms here which the British Government would be wise to recognize, and try to eliminate by putting much more give in the give-and-take machinery of the Marshall plan.

Time for a Challenge

EXTENSION OF REMARKS
OF
HON. DONALD L. JACKSON
OF CALIFORNIA
IN THE HOUSE OF REPRESENTATIVES
Monday, July 11, 1949

Mr. JACKSON of California. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following editorial from the Santa Monica (Calif.) Evening Outlook:

TIME FOR A CHALLENGE

Since the Democratic conference at Des Moines officially adopted the Brannan farm plan, enough time has elapsed for the Republican leadership to show some reaction. But although the scheme offers the best opportunity since the 1948 election to seize an issue and make the most of it, the idea has apparently not occurred to GOP policy makers. The fallacies in the Brannan plan are those which the opposition party has traditionally resisted, and against which all its elements can unite. It involves at the same time an overwhelming financial outlay by the Federal Government and the planned regimentation of our basic producers.

Surely the 1948 campaign showed the Republican Party the folly of compromising principles in an attempt to splinter votes away from the Democrats. If the opposition party does not act like an opposition, if it soft pedals its own ideals and follows faintheartedly in the wake of administration initiative, it must expect to remain a minority party. On some of the most pressing issues of the day, GOP leaders have been less interested in forming public opinion than in appeasing it; if the Democrats have won on these issues, it has been by default.

It would be a cynical mistake to assume that all the farmers of America desire the Brannan type of subsidy. Two of the great farm organizations have not endorsed it, and one—the National Grange—has strongly opposed the scheme as against the best interests of both the country and its farmers. If some of the latter have seemed to accept it, the reason may be found in the lack of any other general program for farm security. There will be no better time for the Republican Party to take up the administration's challenge and open up a vigorous fight against this country-style paternalism.

But mere opposition will not be enough. It cannot be denied that there is a farm problem requiring a positive solution, and a sound alternative plan must be put forward with the same vigor with which the administration scheme is opposed. In answering this need the GOP may profit by the Democratic mistake of ignoring the farmers when the Brannan plan was devised.

If a general conference of representative farmers and agricultural groups were called to frame a farm program, the move would give the American farmer an opportunity to voice his own views on his own problems, and at the same time convince him that the

GOP is making a positive approach to a solution. Both the Republicans and the farmers need an agricultural plan of their own. Initiative on the issue will then be in the hands of the opposition party, which may find it successful enough to apply to the whole battle against the welfare state.

Home Rule in the District of Columbia

EXTENSION OF REMARKS
OF
HON. FRANK BUCHANAN
OF PENNSYLVANIA
IN THE HOUSE OF REPRESENTATIVES
Monday, July 11, 1949

Mr. BUCHANAN. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following:

JULY 9, 1949.

To the CHAIRMAN OF THE HOUSE DISTRICT COMMITTEE:

The Kefauver bill for home rule in the District of Columbia was passed overwhelmingly by the Senate on May 31, 1949, and sent to the House. The bill was referred to the House District Committee on June 1, 1949, almost 6 weeks ago.

During the past 6 weeks the Judiciary Subcommittee of the House District Committee has held only three morning sessions to hear witnesses on home-rule legislation. Only a handful of the many witnesses requesting to appear have so far been heard. The Judiciary Subcommittee has not yet set a date for its next hearing.

If the subcommittee does not take prompt and effective action to speed up its hearings and reach a decision, the House of Representatives will be denied the opportunity to take action on the measure before adjournment.

We, therefore, urge the District Committee to do everything in its power to hold successive daily hearings and make a decision on home rule. If it will assist the committee in any way to wind up its deliberations, we feel confident that the fifty-odd remaining witnesses requesting to testify in favor of home rule would be glad to submit written statements and limit themselves to brief 5-minute appearances before the committee. Home rule has been exhaustively studied and debated in the House District Committee for the past 2 years, and every member of the subcommittee must now be familiar with the issues involved.

We are confident that the House of Representatives will vote overwhelmingly in favor of home rule as soon as it gets the chance. We hope that the District Committee will allow the House of Representatives to vote on that question.

WASHINGTON HOME RULE COMMITTEE,
CENTRAL SUFFRAGE CONFERENCE,
LEAGUE OF WOMEN VOTERS OF THE DISTRICT OF COLUMBIA,
DISTRICT OF COLUMBIA CHAPTER OF AMERICANS FOR DEMOCRATIC ACTION,
DEMOCRATIC CENTRAL COMMITTEE FOR THE DISTRICT OF COLUMBIA.

[From the Washington Post of July 10, 1949]

FIVE GROUPS ASK SPEED ON DISTRICT HOME RULE—HOUSE COMMITTEE URGED TO CLEAR LEGISLATION FOR VOTE THIS SESSION

(By Edward F. Ryan, Post reporter)

Five Washington groups yesterday issued a public call to the House District Committee to speed up current hearings on the District home-rule bill so that the House may act on it this session.

The hearings are being conducted by the Judiciary Subcommittee of the House District Committee. Subcommittee Chairman Oren Harris (Democrat, Arkansas) said a day may be set early this week for resuming the home-rule hearings later in the week.

The appeal for a speed-up in the hearings came from the following groups supporting the home-rule plan: The Washington Home Rule Committee, the Central Suffrage Conference, the District League of Women Voters, the Washington Chapter of Americans for Democratic Action, and the District Democratic Central Committee.

HOPE FOR COMMITTEE ATTENTION

Members of the group said the appeal will be filed with House District Committee leaders in the hope that it may be brought to the attention of the full House District Committee when it meets at 11 a. m. Monday.

To help speed up the hearings, members of the five groups said their representatives would be willing to limit pro-home-rule testimony to 5-minute comments and to file their complete views in the form of written statements.

Chairman Harris said that plan would be all right with him. But he added that he would not want to say the procedure would permit bringing the home-rule hearings to a close next week. "I'd have to wait until I hear from the board of trade," Harris added.

This referred to the fact that the board of trade is polling its members, for the second year in succession, on the question of home rule. Last year's poll ran about 2 to 1 in opposition, based on returns of about 30 percent of trade-board membership.

Board of trade officials have said they expect to be ready to present the results of their poll to the Harris group sometime after July 15.

The junior chamber of commerce, too, is polling its 800 members on the home-rule issue. President Paul Matthews said yesterday he expects to testify at the next home-rule hearing with the poll results then available.

TEST OF STATEMENT

Following is the statement by the five organizations:

"The Kefauver bill for home rule in the District was passed overwhelmingly by the Senate on May 31, 1949, and sent to the House. The bill was referred to the House District Committee on June 1, 1949, almost 6 weeks ago.

"During the past 6 weeks the Judiciary Subcommittee of the House District Committee has held only three morning sessions to hear witnesses on home-rule legislation. Only a handful of the many witnesses requesting to appear have so far been heard. The Judiciary Subcommittee has not yet set a date for its next hearing.

"If the subcommittee does not take prompt and effective action to speed up its hearings and reach a decision, the House of Representatives will be denied the opportunity to take action on the measure before adjournment.

"We, therefore, urge the District Committee to do everything in its power to hold successive daily hearings and make a decision on home rule. If it will assist the committee in any way to wind up its deliberations, we feel confident that the fifty-odd remaining witnesses requesting to testify in favor of home rule would be glad to submit written statements, and limit themselves to brief 5-minute appearances before the committee. Home rule has been exhaustively studied and debated by the House District Committee for the past 2 years, and every member of the subcommittee must now be familiar with the issues involved.

"We are confident that the House of Representatives will vote overwhelmingly in favor of home rule as soon as it gets the chance. We hope that the District Committee will allow the House of Representatives to vote on that question."

[From the Washington Evening Star of July 10, 1949]

FIVE GROUPS URGE HOUSE TO SPEED HEARING ON HOME-RULE MEASURE—JOINT STATEMENT STRESSES NEED FOR ACTION TO GET VOTE AT THIS SESSION

Five groups advocating home rule for the District last night joined in urging the House District Committee to speed hearings on the Senate-passed home-rule bill to clear the way for House action during this session of Congress.

The groups proposed successive daily hearings on the measure and suggested that the witnesses still waiting to be heard would be willing to limit themselves to 5-minute appearances, if that would mean faster progress.

The joint statement was issued on behalf of the Washington Home Rule Committee, the Central Suffrage Conference, the District League of Women Voters, the Washington chapter of Americans for Democratic Action, and the Democratic Central Committee for the District.

PROMPT HEARINGS ARE URGED

In their effort to light a fire under the House District Committee's judiciary subcommittee, the groups declared that if the subcommittee does not act promptly to speed its hearings and reach a decision, the House will have no chance to vote on the home-rule measure before the recess.

Subcommittee Chairman HARRIS, Democrat, of Arkansas, set no future date after last Thursday's hearing. He said at the end of the hearing, however, that he understood the Washington board of trade was taking a poll on home rule and he probably would call a meeting to hear the results.

He added that if the board delayed too long, he would schedule a hearing without the board.

HOME RULE STATEMENT

The home rule proponents issued this statement last night:

"The Kefauver bill for home rule in the District of Columbia was passed overwhelmingly by the Senate on May 31, 1949, and sent to the House. The bill was referred to the House District Committee on June 1, 1949, almost 6 weeks ago.

"During the past 6 weeks the Judiciary subcommittee of the House District Committee has held only three morning sessions to hear witnesses on home rule legislation. Only a handful of the many witnesses requesting to appear have so far been heard. The Judiciary subcommittee has not yet set a date for its next hearing.

"If the subcommittee does not take prompt and effective action to speed up its hearings and reach a decision, the House of Representatives will be denied the opportunity to take action on the measure before adjournment.

"We, therefore, urge the District Committee to do everything in its power to hold successive daily hearings and make a decision on home rule. If it will assist the committee in any way to wind up its deliberations, we feel confident that the fifty-odd remaining witnesses requesting to testify in favor of home rule would be glad to submit written statements, and limit themselves to brief 5-minute appearances before the committee. Home rule has been exhaustively studied and debated by the House District Committee for the past 2 years, and every member of the subcommittee must now be familiar with the issues involved.

"We are confident that the House of Representatives will vote overwhelmingly in favor of home rule as soon as it gets the chance. We hope that the District Committee will allow the House of Representatives to vote on that question."

Capitol observers have taken the view that the plan for an elected and reorganized city

government would be sent to the House by the District Committee if it could clear the hurdle of the subcommittee.

More than 50 would-be witnesses are awaiting to be heard by the subcommittee.

On June 16, Chairman McMillan of the full committee ordered the Judiciary subcommittee to meet the next day on home rule. Mr. Harris is a declared foe of home rule.

So far, hearings have been held on June 28 and 29 and last Thursday, but most of the advocates of home rule are yet to be heard.

Down to Earth With Point 4

EXTENSION OF REMARKS
OF

HON. ABRAHAM J. MULTER

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Monday, July 11, 1949

Mr. MULTER. Mr. Speaker, I am pleased to submit the views of a distinguished engineer with reference to the President's point 4. The article Down to Earth With Point 4, which appeared in the July 11 issue of New Republic, was written by Morris Llewellyn Cooke. He is a consulting engineer, has written many books and participated in numerous important governmental commissions. He was the American representative who settled the long-standing oil dispute with Mexico and head of a Government mission to Brazil to study the economy of that country, as he reported in his book, Brazil on the March. He was formerly Chairman of the Mississippi Valley Commission, Director of the Pennsylvania Giant Power Survey, head of the Storage Section of the War Industries Board, and first Administrator of the Rural Electrification Administration.

The article follows:

DOWN TO EARTH WITH POINT 4

President Truman's suggestion for a bold new program for making the benefits of our scientific advances and industrial programs available for the improvement and growth of undeveloped areas without regard to their location has once again put "the old imperialism—exploitation for foreign profits" very much on the defensive. For such imperialism we may now substitute the most positive and effective answer ever given to the age-long question, "Am I my brother's keeper" To point out that poverty, wherever it exists, is the common cause of all mankind, and to make constructive suggestions as to its amelioration mark a distinct and epochal step forward in world thinking.

Two types of reactions have greeted the President's suggestion. One is fault-finding, which is always on tap without much regard to the merits of any given proposal. Cynics and dinner-table philosophers said, with shallow wisdom, "Nothing new—we have always done it," "full of difficulties," "may take a lot of money," "pity no detailed plan was made prior to the announcement," and so on and so on. Even the London Economist dolefully asked, "Will it last?" Businessmen and bankers, for whom, in the long run, the development of backward areas will yield the most direct returns, questioned the security for the suggested investment and the extent of government guaranties.

On the other hand, the voice of the American people by and large has given an enthusiastic endorsement of the idea, hardly to be expected for an idealistic scheme that points the way, at least, toward elaborate expenditures for which the quid pro quo is not to be "cash on the barrel head." Coming after the Truman and Marshall plans, and the proposed expenditures for arming Europe, point four might well have seemed like piling Ossa on Pelion.

Without inside information, one may be sure that intense interdepartmental and interbureau battles have been waged as to where, in the executive departments, point four activities are to be located and who will be in over-all charge. Willard Thorp, Assistant Secretary of State, has been trying to coordinate departmental and bureau thinking through almost daily meetings of the representatives of a score and more agencies which hope to be included in the plan.

Experts in public administration act logically when they deprecate setting up an entirely new and independent agency—one not under an existing unit—to handle any new functional activity. Otherwise the new director—in this case the President himself—would be swamped with detail. But no rule is so sacred that it cannot be set aside now and then, at least temporarily.

Take, for instance, a matter as relatively simple as rural electrification. I am convinced that the legislative purpose would have been defeated if in 1935 the Rural Electrification Administration had at once been set up under the Department of Agriculture, where, after 3 or 4 years of a somewhat exotic development, it was—more or less logically—installed. In the early stages, especially, of an enterprise of scope, there are considerations that require an unusual degree of freedom of administrative action. The necessary élan will just not bloom under the rules and regulations which, probably with justification, have been developed through the years in agencies of long standing. Administrative machinery, admittedly necessary at later stages, may easily crush a tender young idea, and especially one embodying, as point four does, so much of promise to the peoples of the world.

From the beginning, therefore, all activities to be initiated or amplified under "the bold new program" should be headed up in an entirely new Federal agency giving unity to the specialized activities of the several bureaus and departments. In the beginning, this agency, which might be named perhaps something like the "Administration for International Technical Cooperation," should report directly to the President. The leader in any such enterprise will have to be an unusual public servant—generous enough to assume that whatever he does is intended to implement the President's vision, hard-headed enough to hold his planning within boundaries set by our national competence and resources, and sufficiently conversant and sympathetic with other cultures than our own to know that aspirations and techniques appropriate for the United States might be quite out of place in Timbuktu. Such personalities as the two great leaders of the Friends (Quaker) service committee—the late Rufus Jones and the present incumbent, Clarence Pickett—inevitably come to mind. The appointment of an administrator of this type will preclude undertakings designed primarily to give us special advantages, whether diplomatic, military, or business. Such special advantages were excluded from the President's inaugural address, in which point 4 was launched.

It will probably be harder for the typical American than for citizens of some other countries to adopt the only technique that can possibly succeed in carrying out the President's high purpose, i. e., lend a hand, so far as possible, to projects which a given native population thinks it wants, as opposed to projects which we think would be good for them—and perhaps, incidentally, good for us. This brings up a difficulty for which we Americans are only indirectly responsible.

Nearly all countries are backward, from the American standard of mass-production enterprises. They want a maximum of national self-sufficiency, both for military and for other reasons. They want to be like the United States of America, not realizing that our mass-production industries, located in a huge country with vast resources, politically unified and with a mass market, began in a modest way and only reached the mass-production stage after a long period of standardization both of equipment and products.

This widespread desire of backward countries for mass production necessarily brings up the question of large plants versus small. While of course there are situations, even today, in the less developed areas where a large plant may be justified, the place of the small-sized plant must be recognized. Otherwise we may overlook our best bet—the wide distribution of small plants, and even pilot operations. Small plants can be built and put in production in the shortest possible time. They can help many areas to become more productive by attaining a more integrated union among local raw materials, power and labor—production factors which often cannot be fully employed without small plants. They can alleviate local shortages of critical products with their quick production and their direct distribution to local consumers, involving little warehousing and transportation. (This last is normally a costly, if not prohibitive, factor in backward areas.) Such plants can serve large-scale operations by producing minor items which are in short supply. They operate with small-power equipment, now readily obtainable. They can be more simply financed, and can be allocated to establish communities.

Current investment banking methods discourage small plants. Other things being equal, the larger the plant the more attractive the flotation of bonds. Given a ten or twenty million dollar expenditure, the banker prefers a single enterprise requiring the whole amount.

Our experience to date with large-sized plants in backward areas suggests that the local community gains little from them. Take, for example, Shanghai, a notable Chinese industrial center. In Shanghai, the capital invested comes from the outside; the profits leave the country, and so do the products. A few employees benefit, but the gain for the people is almost nil.

Local capital in backward areas, especially through the contribution of services, is much more apt to be attracted by small plants than by larger ones. Investment bankers have found by experience that securities based on plants in the local community are easier to sell than those based on a plant at a distance. The fact that interest on investments in some far-away land is apt to be low suggests that some dependable interbank or international agency might be set up to render opinions when a given project under point 4 is initiated and to keep investors currently informed as to progress made. Even some form of intercompany insurance is not out of the question. The banking fraternity has many opportunities for rendering aid of an unusual character to private investment, if its interest can be aroused. Many important kinds of work to be carried on under point 4 will apparently have no connection with business activities, as that word is generally understood. For instance, student and teacher exchanges, as now carried on under numerous and various public and private auspices, can be greatly expanded. One American export-import operator advocates setting up internationally recognized standards for agricultural products that are grown

in backward countries, to facilitate their exchange in world markets.

To raise the standard of living, the exchange of ideas is sometimes far more effective than sending machinery and equipment. The export of American know-how in regard to the employer-employee relationship, as is now being done so effectively by ERP labor advisers to western European countries, would cost relatively little and might immeasurably advance the world's productivity.

Perhaps one of the most effective ways of arriving at a workable plan is to send a well-balanced special commission to the region under study. Having observed quite a few such missions in action in foreign parts, it would seem to me the part of wisdom to have any such group begin its work in this country by making, perhaps a month or two before its departure, a dummy or pilot report, based on such information about the country to be visited as is readily available. In this way, the general character, at least, of the desired report can be plotted out and approved in advance. The members of the mission will thus start their work possessing a good deal of useful information, much of it not available in the country to be visited. It might easily be that some of the mission members would be shown, by this process, to have been unwise selections.

If disillusioning disappointments at home and abroad are to be avoided, we must attempt to realize the scope of the task to which we are addressing ourselves. Even the expenditure of $100,000,000 of public funds means only 5 cents per person for the world's population. To be most effective, whatever is done should be on the basis of long-term planning—20 years, as urged for Latin America at the last CIO convention, or in some instances a 50-year program for areas where the situation is so grave that little can be done in a hurry.

In some parts of South and East Africa the cost of providing adequate measures for conservation of soil and water is already so great that government cannot cope with it, and performs only token activities. During one recent rainstorm in South Africa soil erosion pushed the shore line 3 miles out to sea.

In the long run, and judged by dollar value, construction work of many kinds will constitute the great bulk of what is needed to get backward areas marching forward. We need full speed ahead if we are not to accept the defeatist attitude of the neo-Malthusians. In construction work the engineer is the key-man, and this forces us to face the fact that, competent as he may be on design and in building structures, the average American engineer has not been trained to be socially minded. He is as ignorant of international affairs as he usually is of domestic politics.

For the most part the engineers and applied scientists who are at the controls today were educated at a time when the social sciences, including economics, were all but excluded from technical courses. Only one or two engineers in a hundred interpret American know-how as anything more than the techniques by which structures are built in double-quick time and operated at minimum dollar cost in order to make the most money for somebody.

We engineers seem to be improving in our social outlook, but we are not conditioned yet for an aggressive frontal attack on the world's poverty and low standards of living. Engineers often call those who give thought to these matters dreamy-eyed.

To date, most American capital has been interested not so much in the development of the country itself as in exports and imports. It has often been demonstrated that pumping dollars into a country for this purpose does not necessarily result in beneficial development. The salmon industry in Alaska has done very little to contribute to the overall development of the Territory. Agriculture, industry, and population are still badly needed.

Standard Oil went into Venezuela around 1920. Twenty-nine years of large-scale oil exploitation, involving the export of millions of barrels of oil, have merely served to take the Venezuelans out of one form of production and put them into another. The tendency has been to break down, rather than to develop, the economy of the country.

Silver and tin mining in Bolivia is perhaps even more to the point. Years ago, mule trains shuttled between the lowland farm areas and the cities. Now the cities buy their sugar and other agricultural products from outside the country, using for this the dollars received for mineral exports.

The same story is true of coffee and bananas in Guatemala, meat in Argentina, copper and nitrates in Chile. These countries have become one- or two-crop countries, and when a war or a depression affects the markets for these, the whole economy is disrupted. In El Salvador, coffee constitutes 90 percent of all the exports; in Venezuela, oil is 89 percent; in Honduras, bananas, 82 percent; in Guatemala, coffee and bananas together, 95 percent; in Bolivia, tin and silver, 85 percent.

The TVA represents the general area of American know-how most available for export, judged by the reactions to it in foreign countries. Definite steps have already been taken toward adopting this over-all type of watershed development in Brazil, India, Mexico and Palestine. Partly because David Lilienthal's Democracy on the March has been translated into about 20 languages, the TVA has become our best-known, most highly appreciated institution. The TVA is almost custom-made for point 4 use, because its techniques can be employed on streams of varying size, because it affords the electric power needed to infiltrate agriculture with industry, and because the development provides an adequate foundation on which to base all phases of an enriched and growing economy. This culture, now developing in the valley of the Tennessee, if adequately safeguarded may easily result in such an unfolding of human progress as to compare with other historic river-valley civilizations; with the Tiber, Mother of Rome; with the Nile, monumental and deeply religious; with the Yangtze, cradle of the oldest surviving civilization; and with the Tigris-Euphrates, commercial, essentially practical, the birthplace of law. We have already done much to encourage TVA development in foreign parts. We must do more.

As we see it now, the Middle East, Latin America, and possibly India, afford the most promising areas in which to extend point 4 operations. The political situation in China at the moment permits only token activity. Unless and until native effort has given a more promising turn to the soil situation, Africa is not a promising field, although American businessmen are being told that fortunes can be made there. As to India, internal governmental complexities seem to rule out that area temporarily except for cooperation with the Damodar Valley authority, which is proceeding at a good pace with the enthusiastic support of Pandit Nehru.

In weighing the advantages and disadvantages affecting American participation in this world-wide altruistic program, one cannot be sure that an A rating for every recipient nation is warranted, especially during the early years of operations. Even so, we might wisely expend many millions in these enterprises without having much to show for our money and effort if thereby we gained useful insights into our own national deficiencies—technical, ethical, and spiritual—in pursuing these lofty adventures in internationalism. Let us do our part and hope for successful participation, even though we are less certain of the immediate outcome than we would be were this a military crusade—in which we have had so many illuminating experiences. We shall gladly do our share, because of a deep conviction that only through making the standard of living in the uttermost parts of the earth a common concern of all peoples can peace be preserved and the safety and dignity of the individual be advanced—causes to which we are dedicated above all others.

The Brannan Farm Plan

EXTENSION OF REMARKS
OF
HON. ALBERT RAINS
OF ALABAMA
IN THE HOUSE OF REPRESENTATIVES
Monday, July 11, 1949

Mr. RAINS. Mr. Speaker, under leave heretofore granted to extend my remarks, I include an editorial by Mr. Walter L. Randolph, president of the Alabama Farm Bureau Federation, on the Brannan farm plan, which appeared in the Montgomery Advertiser. Mr. Randolph is an outstanding leader in American agriculture, and is well qualified by his long experience to speak on matters of farm policy. For that reason, I invite all Members to read carefully the attached editorial on the Brannan farm plan:

THE BRANNAN FARM PLAN

(Guest editorial by Walter L. Randolph, president, Alabama Farm Bureau Federation)

The proposal of the Secretary of Agriculture, Mr. Brannan, for a national farm program is not new.

It is not and probably never will be even a farm program, except in the imaginative minds of its sponsors. The reason for this is that there is hardly 1 chance in 1,000 that the Congress will provide the huge sum necessary to operate it. How much? Probably $10,000,000,000 a year or more.

In reality, it is a statement or politico-economic philosophy, a political maneuver, a cluster of promises, or a combination of two or all three of these. As such it is as old as politics.

It promises higher income for farmers. It promises cheaper food for consumers. It promises there will be little, if any, extra cost to taxpayers. Isn't that a bargain? It might be, if there weren't a catch to it. But it is an economic mirage.

The dollars it would cost may appear to some to be there but they are not. Those who see them are merely experiencing an optical illusion.

A very careful estimate is that the minimum cost of putting the plan into effect for fluid milk alone would be $2,480,000,000. Yes, billions.

Are the principal purposes of the Brannan plan to give farmers a fair deal and consumers cheap food? My answer is "No." The principal purpose of the plan is to get votes. As a farm program it is phony. As a political maneuver many keen politicians think it will backfire.

There is no good reason why a big part of the grocery bill of consumers—rich and poor—should be paid by the Federal Government. Would most consumers rather pay a fair price for groceries than get groceries cheap and pay higher taxes? If so, the Brannan plan may not corral enough votes. Whe farmers come face to face with depending for a large part of their income on the precarious possibility of annual appropriations from the Federal Treasury there may be

a good deal of political balking and maybe even bolting in the rural areas.

The main devices now used to support farm prices are loans and purchase of surpluses. Under the Brannan plan the main device for 75 percent, by value, of farm products (non-storables) would be direct payments. It appears obvious that it will cost far more to make a loan on or purchase a part, and in most cases a small part, of a farm product than to make payments on the entire production.

For the other 25 percent (the storables) loans and purchases might continue to be used.

Increased cost and discarding in major part the idea of fair farm prices in the market place are not the only objections to the Brannan plan.

It bluntly and boldly makes the farm program a partisan political issue. Past experience has shown that bipartisan support is a prime factor in getting and keeping good farm legislation. President Truman and his Secretary of Agriculture may have waded into water that is too deep and carried the farm program with them.

The food subsidy part of the Brannan plan has already been tried in Britain. The cost rose from $252,000,000 in 1940 to $2,272,000,000 in 1948. In his budget speech in early April, Sir Stafford Cripps said that such subsidies "have grown and grown and grown beyond anything that was ever contemplated." That is what might happen in this country if we choose to "look forward" with Brannan.

The Brannan plan ravishes parity. This idea has been the basis for agricultural unity for the past 20 years. The parity idea seeks to give farm commodities a fair exchange value in terms of things farmers buy. The Brannan substitute for parity (income support standard) would use as its main base the average of prices for the first 10 of the previous 12 years. This base would move each year—the oldest year would be dropped and a new year added. This may look high enough to farmers now. But it moves. It could be that for many years a high-price year would be dropped and a low-price year added. If so, the income support standard would become very low indeed. It is true this moving would cut the cost of the plan, but then it would mean Government supervised and controlled farm poverty. Consumers would get cheap prices but with an impoverished agriculture they would sink with the farmers.

The Brannan plan means more and more Government control. It is nearer to those who seek totalitarian collectivism than it is to those who believe in the inviolate individual soul.

More than 100 years ago a great orator said: "It shines and stinks and stinks and shines like rotten mackerel by moonlight."

What needs to be done is to amend the Agricultural Act of 1948 so it will provide a progressive, sound, and satisfactory farm program. The board of directors of the American Farm Bureau Federation at a meeting on June 30 agreed unanimously upon amendments to such act that will achieve this result.

Loyal Order of Moose

EXTENSION OF REMARKS
OF
HON. THOR C. TOLLEFSON
OF WASHINGTON
IN THE HOUSE OF REPRESENTATIVES
Monday, July 11, 1949

Mr. TOLLEFSON. Mr. Speaker, one of the finest organizations in the world, the Loyal Order of Moose, sponsors an institution at Mooseheart, Ill., of which all of its thousands of members are justly proud. The following article which appeared in the Washington Post July 10, 1949, describes briefly the history and work of this great institution:

MOOSEHEART, ILL.—Kids in this child city are never spanked.

The 800 children of the Loyal Order of Moose, sponsor of Mooseheart, live under a system of self-government. The 850,000 members of the fraternity have poured more than $28,000,000 into the project, set up to care for the dependent children of deceased members.

Malcolm R. Giles, executive director of Moose affairs, said that since Mooseheart was established in 1913, not one of its 2,000 graduates has run afoul of the law. More than 5,000 children have lived in the city. One-third of the graduates have gone on to college.

Founding father of Mooseheart was James J. Davis, United States Senator from Pennsylvania from 1930 to 1944. He took over leadership of the fraternity in 1906.

Davis envisioned a place where fatherless, motherless, or orphaned children of Moose members could be cared for until maturity.

BIG INVESTMENT

Mooseheart represents a $7,000,000 investment in property. The 1,200 acres with 10 buildings is a city by itself. Its 840 acres of rich farm land produce 65 percent of the food used. A prize Holstein dairy herd provides a quart of milk a day for each child.

Located 37 miles west of Chicago, Mooseheart is on the west bank of the Fox River. The model city has its own schools, stores, hospital, post office, and homes. Homes are named after cities and States.

The population ranges from infants to young men and women. They are taught cooperation, self-reliance, thrift, and industry. The only uniforms of Mooseheart are those worn by band members and athletic teams. Mooseheart children are not available for adoption.

Protestant and Catholic chaplains live in the child city. They guide the spiritual life of youths along religious paths followed by the children's parents.

Some 56 teachers in six departments train the boys and girls in separate groups. The same courses of study given in public schools is provided. Vocational training is emphasized.

A laboratory for child research, directed by Dr. Martin L. Reymert, serves as a psychological clinic for the community. The child's training is based on abilities discovered here.

An annual health examination is given each boy and girl. The 65-bed hospital is used more for preventative medicine than for the care of the sick. X-ray examinations, dental check-ups and other services are provided.

SERVED IN WAR

Some 700 Mooseheart boys and girls served in the armed forces during the war.

The children are housed in groups of home-like dwellings. Each house has its own cook and housemother. Meals, served family style, are planned by a dietitian.

Boys and girls work if they wish. Each child is given a plot of ground to care for during the summer. One day a week, each is assigned to a job for pay. It may be clerking in a store or gardening in the greenhouse. Earnings are credited to each individual's bank account.

After school, there are movies, roller and ice skating, dances, band concerts, plays, handicraft shops, basketball, and football.

Mooseheart's seven football teams, the Red Ramblers, played 29 games last fall. They were undefeated.

HAVEN FOR SEVEN

This is the place to which Mrs. Georgina Potter brought her seven children 2 years ago. Her husband, who became a Moose in 1944, died of pneumonia. The Sarnia, Ontario, Canada, Lodge of the Loyal Order of Moose sent her with the children to Mooseheart.

She now is on the pay roll. She sees her children, David 15, Agnes 14, Genevieve 11, Robert 9, George 7, Thomas 5, and John 4, everyday.

Agnes is ready to give a piano concert. David is looking forward to a career in accounting.

The spare-the-rod training for the 800 children is based on a system of self-government. Infractions of rules and regulations are recorded as demerits.

Too many demerits by the few who misbehave sends them to West Farm. This is an isolated farmhouse 2 miles from the center of Mooseheart activity.

A short stay here usually is enough to convince the student that ill-behavior doesn't pay, Giles said.

Addresses at Opening of Colonial Magazine and Guardhouse, Williamsburg, Va.

EXTENSION OF REMARKS
OF
HON. SCHUYLER OTIS BLAND
OF VIRGINIA
IN THE HOUSE OF REPRESENTATIVES
Monday, July 11, 1949

Mr. BLAND. Mr. Speaker, under leave to extend my remarks in the Appendix to the CONGRESSIONAL RECORD, I insert the remarks of Dr. H. M. Stryker, mayor of Williamsburg, Va., on July 4, 1949, introducing Lt. Gen. Walter Bedell Smith at Independence Day ceremonies held in Williamsburg, Va., in commemoration of the two hundred and fiftieth anniversary of that city.

These remarks were preceded by remarks of Mr. Winthrop Rockefeller at the opening of the Colonial Magazine and Guardhouse, Williamsburg, Va.

The remarks referred to are as follows:

REMARKS BY MR. WINTHROP ROCKEFELLER

Ladies and gentlemen, the announced purpose of colonial Williamsburg is to recreate accurately the environment of the men and women of the eighteeth century Williamsburg and to bring about such an understanding of their lives and times that present and future generations may more vividly appreciate the contributions made by these early Americans to the ideals and culture of our country.

To restore and revisualize a social order that has passed, and to present a full picture of the manners and customs, the ideals, the philosophy, and the pragmatic principles of the people of that civilization, we cannot limit our studies to any one phase of this subject. It is essential that all phases of the daily modes of living of the period in question be viewed. And so at Williamsburg, where an effort is being made to restore accurately and to preserve for all times the significant portions of a historic and typical city of America's colonial period, this restoration must reflect the manners and customs, the philosophy, hopes, and ideals of the people of that period. If the restoration presented only the lives of the nobility, as typified by the palace with its magnificent gardens and furnishings—the intellectual

life, as typified by the ancient College of William and Mary in Virginia—the political life at the colonial capitol, the tavern life at the Raleigh Tavern, the religious life at Bruton parish—then it would be presenting but a portion of the panorama necessary for a full understanding of the lives of the people. And, therefore, in the last year colonial Williamsburg has concerned itself in restoring a visual record of another phase of the eighteenth century life, as typified in the magazine about to be opened. This building is the first acquired by the Association for the Preservation of Virginia Antiquities and is the property of that association today, fully restored by colonial Williamsburg to its eighteenth century appearance.

I shall not attempt to review the history of this acquisition. But we must pay tribute to that valiant group of ladies who have preserved for posterity so many historic monuments and treasures in this Commonwealth. When the association obtained title in 1899, only four of the original eight walls of the magazine were standing. Although with limited financial resources, that association immediately reinforced the four original walls and replaced those that had gone, so that the building would remain in its original form. More recently the association while retaining title to this their first acquisition, has leased the property to colonial Williamsburg for restoration and interpretation.

Undoubtedly when the capital was first moved from Jamestown to Williamsburg in 1699, 250 years ago—which anniversary we are proud to join with the city in commemorating—a magazine of some sort existed in Williamsburg. But not until 1714, at the instance of Governor Spotswood, were the plans made to erect this building. Governor Spotswood reported to the house of burgesses that he had solicited and obtained a gift of arms and ammunition from her late Majesty Queen Anne and today, in spite of differences that may have arisen between the mother and the daughter in her adolescent years, that strong bond between the "old Dominion" and Great Britain is typified by the presentation on behalf of Great Britain of many of the arms and munitions you will find in the building today. The complete refurnishing of this building would probably have been impossible without the cordial cooperation of the Master of the Armouries at the Tower of London.

If this building today could talk, it would tell us of its beginnings as a noble magazine, then of its use as a Baptist Church where the ringing voice of Scervant Jones was heard, then as a market house, and again as an arsenal for a brief period during the War Between the States and finally as a livery stable. It was from the depths to which it had fallen as a livery stable that the Association for the Preservation of Virginia Antiquities secured this building. Today it stands, not only as a monument to and a visual record of the great struggle for American independence, but as a monument to the intelligent vision of those women of Virginia who organized and perpetuated that famous association.

Colonial Williamsburg is particularly happy to open this restored building during the year in which Williamsburg is celebrating its two hundred and fiftieth anniversary. We are also particularly happy at the good fortune we have in our guest speaker. And, as the years go on, it will be the policy of colonial Williamsburg to commemorate and celebrate the historic events that took place in this city with the sincere hope that those who come here will not only be inspired by the work and patriotism of those of the past but will also find hope and determination in the great men of today. For it is thus that we can continue to foster the great traditions of our country as a leader and a light of learning to guide all men to understanding and world peace.

REMARKS BY DR. H. M. STRYKER, MAYOR OF WILLIAMSBURG, IN INTRODUCTION OF LIEUTENANT GENERAL SMITH

Ladies and gentlemen, in the year 1699, 250 years ago, the General Assembly of the colony of Virginia passed an act directing the building of the capitol and city of Williamsburg at the place then known as Middle Plantation. The city built as a result of this act has played a historic role in the development of these United States of America. Here Patrick Henry cried out against unfair taxation; here was approved George Mason's Virginia bill of rights, here was adopted the first constitution written by representatives of a free people.

Today people from the world over come to visit Williamsburg to enjoy its magnificently restored colonial areas, to seek and find inspiration in the memory of the great events which have happened here, and to know better our country's brave past.

It is particularly appropriate that in the commemoration of the two hundred and fiftieth anniversary of this city, this latest restored building should be opened on this date.

And we of Williamsburg and Virginia are especially honored and gratified to have as our guest speaker one who has contributed so much, not only to our Nation and the world, but above all to world peace.

Born in Indiana, which, I might mention, was once a part of the Colony of Virginia, he has served our Nation as an officer in our armed forces for nearly 32 years. During the recent world conflict he accompanied General Eisenhower to the European theater of operations, and became Chief of Staff, Supreme Headquarters, Allied Expeditionary Forces, and Chief of Staff in the same theater. On behalf of General Eisenhower, he signed the surrender of Italy and the unconditional surrender of Germany. In February 1946 he was appointed United States Ambassador to Russia, remaining on a duty status while on this nonmilitary assignment. He was a member of the United States delegation at the Paris Peace Conference in 1946, and his work and devotion to world peace are well known to all of you.

I present to you Lt. Gen. Walter Bedell Smith, gentleman, scholar, patriot, and commanding general of the United States First Army.

ADDRESS BY LT. GEN. WALTER BEDELL SMITH

Mayor Stryker, Mr. Rockefeller, and distinguished guests, it is difficult to imagine a more suitable setting than colonial Williamsburg for the celebration by American citizens of our one hundred and seventy-second anniversary as a free nation.

Here to these same parks and avenues in which we now gather came the founders of our country—men of vision and courage, to propose their concepts of a new world and to formulate the basic structure of an independent, democratic nation.

From this colonial capitol in May 1776 the Virginia Convention of Delegates called upon the Continental Congress to declare the colonies free and independent. Thus colonial Williamsburg is a living symbol of the significance of Independence Day. Here individual freedom, as a standard for the people of the New World, was nurtured and given expression. In this remarkable restoration of the scenes of the eighteenth century it is impossible not to feel the thrill and urgency of the stirring times in which our American ideal was born.

Dr. William Goodwin, who envisioned the restoration, and Mr. John D. Rockefeller, Jr., who made it possible, deserve high praise for patriotic work. Their efforts, and those of the Association for the Preservation of Virginia Antiquities, have enabled millions of Americans to know this cradle of liberty—to create an atmosphere in which present and the future may learn from the past. Today the restored powder magazine becomes formally a part of the Williamsburg re-creation. And it is impossible for us to escape the particular lesson which the progress of restoration has provided for this occasion.

An event in the history of this powder magazine makes it one of the most significant buildings in our country. The Virginia Convention, fired by Patrick Henry's immortal words, had decided to form a militia. Their decision so alarmed Governor Dunmore that he ordered the removal of the powder stored in this magazine. On April 20, 1775, the day after the battle of Lexington, Patrick Henry himself led an armed company to demand return of the powder. This action was the first open resistance by the Virginia colonists to oppression. Six years later, on the Fourth of July, Lord Cornwallis withdrew his troops from Williamsburg and General Washington entered the city and established his headquarters. It was here, where he had begun his military career, that he assembled the forces and planned the strategy that brought about the victory at Yorktown and the end of the Revolution.

"Life, liberty, and the pursuit of happiness"—the goals which had fired flagging spirits in the darkest hours of the struggle—had finally and, it seemed, lastingly been won. War was already beginning to be thought of as an ugly thing of the past.

Probably very few among the cheering throngs that greeted Washington, as he led his victorious army through these streets, would have believed that almost every succeeding generation of the young Republic would be called to defend by force of arms the fundamental principles for which those early patriots fought so desperately, and which we sincerely believe should be every man's birthright.

After each increasingly costly war, we have hoped that we had eliminated, once and for all, the necessity of again taking up arms. Each time we have disarmed, in our traditional headlong manner, and each time, after a decade or so of peace, we have again suffered bitter disappointment and disillusionment.

Now we have recently ended the most bloody, devastating conflict in the history of mankind. Gigantic in scope and cost though it was, as compared with our war of Independence, the principles for which we fought were very much the same, and this most recent struggle, like the earlier one, was not in vain. By it we stopped the cancerous spread of the greatest threat to our cherished way of life that existed at that time. But even sooner than in previous postwar eras, we found ourselves frustrated and disillusioned—facing another, and potentially a greater, menace to our free institutions.

Our belief indulgence in the illusion that peace would naturally follow after war has already allowed that menace to spread its domination over most of the stricken areas left in the wake of war.

I think that now, for the first time in our history, we fully realize that we dare not relax into a state of unpreparedness, comfortable in the knowledge that no immediate threat to our security exists. Certainly we can no longer believe that should such a threat appear, we shall again have ample time to prepare for meeting it.

The time and space cushions that formerly kept the devastation of war from our own land, and allowed us to build our defenses after the menace developed, have little meaning in this atomic age. In the future we are as likely to be subject to sudden attack in our own homeland as were central European states in the wars of the past.

After our recent victory, the most powerful fighting machine ever assembled in the history of the world was in our hands. Had we been an imperialist nation, bent on aggression and domination, there would have been no limit to possible expansion. Instead, we disarmed and withdrew from the

area of conflict, leaving only token occupation forces, hardly sufficient to give necessary strength to the hands of our negotiators at international conference tables.

We did not merely dismantle our war machine; we wrecked it. If ever proof were needed of our intense desire for peace and our friendly, altruistic intentions, this should have been sufficient.

Of course, our new weakness was fully realized and fully exploited.

The forces of expansionism promptly filled the political and power vacuums left in the wake of war. More territory was brought under the Communist yoke in the postwar years by insidious infiltrations and short-of-war methods than was ever won on the field of battle by the Red Army.

We are now, as a Nation, confronted with the gravest challenge ever offered to our principles and our way of life.

When the leaders of the Soviet Union decided to turn away from the cooperation which we hope would prevail after the war, and instead to seek to impose communism upon the world, the United States, as the strongest of the free nations, became the citadel of freedom. Other free peoples of the world have turned to us for leadership and help. The major responsibility for world recovery, peace, and progress has fallen to us. That we, as a united people, have accepted this responsibility is known to all of you.

The President of the United States has announced to the Nation the basic principles of a wise, firm, and constructive foreign policy, which has already borne fruit. An impressive change has taken place in western Europe during the past year. Physical depletion and spiritual depression have given way to hope and renewed courage, and the free states have drawn together in the determination, if necessary, to defend their freedom.

In the United Nations we are exerting every effort to strengthen its influence as an effective instrument for preserving peace. We are working energetically, both inside and outside the United Nations, to promote the economic and social conditions that will remove the causes of wars. And, at long last, we are facing with calmness the inescapable fact of which this restored powder magazine of Williamsburg is the symbol—the fact that the best assurance of peace is our determination and strength to support our convictions; that it is not sufficient only to have the potential to defend ourselves if attacked, but that our strength must actually exist, and must be apparent to all, if it is to serve its highest purpose—that of preventing war and assuring peace.

By constant reorganization, our armed forces are approaching the semblance of military strength consistent with our world position and commitments. New training programs for our traditional reservoir of military strength, the National Guard and Organized Reserves, are beginning to produce units of trained citizen soldiers.

So, if reports from the far-flung battlefront, where the cold war of ideas is being waged in a struggle for men's minds, are encouraging, we must not be so fatuous as to believe that ideas alone are adequate weapons. It is our strength, actual and potential, and the realization that this strength has been growing, that has halted, at least temporarily, the tide of Communist expansionism in Europe, in the face of our determined opposition. We cannot relax our vigilance because of a temporary success, nor dare we despair over a temporary frustration. As a Nation, we are prone to indulge in a false sense of security. We must face the fact that we are engaged in a contest of indefinite duration, and that in this contest the prize of peace is to be won only by patience, firmness, resolution, and, above all by strength.

We have in the past always failed to find peace through weakness. We can have peace, I profoundly believe, but only by remaining stronger than potential aggressors. It is because of that profound belief that I find so impressive the restoration of this original arsenal of democracy. The homely frontier axiom, "Trust in God and keep your powder dry," has been so misused that it has become almost a byword, but if more dignified phrasing of the principle is desired, it exists in Washington's advice in this first message to the newborn Nation: "To be prepared for war is one of the most effectual means of preserving peace."

We have deep springs of faith from which to draw the strength necessary to carry out the responsibilities of world leadership that have devolved upon us. I believe we will express that strength and that we will never give others cause to doubt our sincerity and firmness of purpose. The stakes are too high for irresolution.

Situation Looks Better

EXTENSION OF REMARKS

OF

HON. ALBERT RAINS

OF ALABAMA

IN THE HOUSE OF REPRESENTATIVES

Monday, July 11, 1949

Mr. RAINS. Mr. Speaker, under leave heretofore granted to extend my remarks, I include herewith a speech by Mr. Thomas D. Russell, president of the Russell Manufacturing Co., to his employees, which appeared in the Alexander City Outlook, Alexander City, Ala.:

SITUATION LOOKS BETTER

(Following is the text of the annual address by Thomas D. Russell, president of the Russell Manufacturing Co., to employees at the Fourth of July barbecue. Mr. Russell spoke to about 5,000 employees and families who attended the affair, making service-pin awards to 62 employees who have served the company for 10 years or more.)

Since this time last year we have gone through some tough times together. At the present time our over-all situation looks somewhat better. However, some of our units are still on short time and we are not running all of our machinery.

We have done everything we know how to do to correct this situation; but we cannot control the markets for our products or the general economic condition of this country.

If we do not sell our goods we cannot make them—our production has to be gaged to our sales. If we were to pile up a whole lot of goods which had not been sold we would be flat broke in a very short time and then everybody would be out of a job and no mills left to take care of us.

Some of our units which have suffered most are now running full time. Others who have been running full time are now being cut down. This is entirely dependent on the law of supply and demand and not on the action of the mill management.

The prices at which we were selling have been cut drastically. Our profits have taken a nose dive. We have been expecting this to happen, in fact, we thought it would have happened long before it did.

You all know the old saying, "Everthing that goes up is bound to come down." Well, it has come down, but we are not alarmed because we know that it will not stay down, and that as long as we can make products as good or better than our competitors, and as long as we can make them as cheap or cheaper, we are going to continue to stay in business.

Despite the hard times we have been through, our company is in excellent shape, financially and otherwise. Our goods are right, our prices are right and our costs are low. We have money in the bank and our credit is good. We don't owe anybody money that we can't pay.

We don't have a big stock of goods on hand that are not sold. We don't have to take a big loss to get rid of the finished materials we have on hand.

By any comparison with other mills we are in an excellent condition and we intend to stay that way for our protection, and for yours. As long as we are doing all right, you will be all right. Whenever we get in trouble, you will be in trouble.

Please remember this—I am not trying to get around the hardships that always come with a let-down in business. They are very real and cannot be bypassed or ignored.

Regardless of the reason—it is hard to lose your job through no fault of your own, or to try to make ends meet on part-time work. We realize this fully and I can truthfully tell you that not one single person has been laid off or a single job cut down until it became absolutely necessary.

It is a great responsibility trying to protect the jobs of over 2,000 people under conditions which exist in the cotton-mill industry today. It is impossible to keep everyone working. All we can do is to use all the sense and judgment we possess to make the best out of a bad situation. The good of all must be above that of the individual.

Most of our mills are running good. We have some tough spots where we are not able to sell the product produced in that particular department and consequently have to cut down or suspend production until sales pick up or we can find some other product which will sell.

We are far from pleased with the way we are running and you may count on it, that we will all do our dead level best to see that we will once again be looking for employees instead of have employees looking for work.

We are bound together in this company in a partnership where every partner is doing his full share to keep everything running and whenever one partner falls down, it hurts all the rest. We must all work together in order to keep our jobs going.

I am not going to attempt to be a prophet, and I would be foolish to stand up here and predict the future. I only know that we have been through hard times before and came through with colors flying and bigger than ever. I am confident that we will keep on running and that sooner or later things will get better. They are much better even now than they were a short time ago, and I believe that the future looks very bright after this readjustment is over.

I want to tell you that I have never seen a finer attitude displayed by any group of people anywhere than you have shown during the months just passed. You have accepted your lot cheerfully. There has been no griping or grumbling or hard feelings anywhere. You have shown your faith and loyalty to this company in such a way as to leave no doubt of your fine qualities. I am proud of you, and I am deeply moved by your attitude, and I give you my word that this company will do everything possible to try to repay you for your loyalty and understanding.

I will not make promises which I am not certain I can fulfill. But this I will promise: As long as I am head of this company, your interests will be considered above everything else, and we will keep faith with you as you have kept faith with us.

The Dead End of National Socialism

EXTENSION OF REMARKS
OF
HON. JAMES P. KEM
OF MISSOURI
IN THE SENATE OF THE UNITED STATES
Monday, July 11 (legislative day of Thursday, June 2), 1949

Mr. KEM. Mr. President, I ask unanimous consent to have printed in the Appendix of the RECORD an article entitled "The Dead End of National Socialism," written by Felix Morley and published in the July 6, 1949, issue of Human Events.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

THE DEAD END OF NATIONAL SOCIALISM

(By Felix Morley)

The American people are extremely charitable toward those who govern them. We maintain a truly remarkable tolerance while our substance is squandered by the officials of our own, and foreign, governments. A case in point is the manner in which we are subsidizing national socialism in various European countries, after having spent billions to destroy national socialism in Germany.

But there are signs—and they accumulate—that many Americans are weary of the role of patient Griselda. It is one thing to endure the trials that heaven sends us. To be stupidly apathetic in the face of the follies of our own politicians is quite another. Fortunately, there remains, throughout the Nation, a lingering trace of that rebellious spirit which led the signers of the Declaration of Independence to denounce the repeated injuries and usurpations of Government.

These usurpations are certainly more pronounced in 1949 than they were in 1776. And the week of July 4 is surely an appropriate time for taking stock. When this is done a definite technique of governmental deception becomes apparent.

This technique consists in leaping from one unstable policy to another—like Eliza crossing the ice—and holding firm to any policy only long enough to propagandize it as a bold new gateway to Utopia. Then, in the justified belief that the public memory is short, off we go at a tangent, gradually working round (as Eliza didn't) to a complete reversal of position.

Thus, in four short years, the Truman administration has moved to conclude a military alliance against the Government which so recently was its gallant and trusted ally. Thus, in the same short space of time, we have plunged from bitter denunciation of the principles of national socialism to official support of all its major economic tenets.

II

In all the essentials the Labor Government in Britain is now following the economic road constructed by the Nazis during the years immediately preceding the war. This is not less true because of certain secondary differences. One must not be deceived by the fact that the English are not seriously affected with anti-Semitism or other peripheral characteristics that made the Nazi doctrine obviously horrible.

In some other respects the parallel is not altogether complete. For instance, no English Socialist—most certainly not Sir Stafford Cripps—has demonstrated the ability that Hjalmar Schacht and his colleagues displayed in making autarky work in prewar Germany. Although it led to war, the Nazi closed economy succeeded temporarily even against bitter American opposition. In Britain it is failing, even with lavish American support.

Nevertheless the parallel is deadly and disconcerting. There is the same device of managed currency, artificially overvalued to hold down the cost of living at home. There is the system of blocked pounds, copied from the blocked marks that Dr. Schacht developed with such ingenuity. There is the same use of an inconvertible currency to force exports out of Britain which, like Germany, must export or die.

Finally the natural outcome of this single system is governmental barter arrangements, such as that which Great Britain signed with Argentina on June 27. This is a direct copy, on a somewhat larger scale, of the much-criticized trade treaties concluded by Nazi Germany with Bulgaria, Yugoslavia, Hungary, and other European states during the late thirties. It makes a mockery of our trade-agreements program.

Then, as a footnote, there is the same semi-apologetic official attitude for scrapping the principles of multilateral trade under the force of circumstance. Dr. Schacht always maintained that his barter arrangements were forced upon Germany because of its dollar shortage. Sir Oliver Franks, flying back to London for urgent conferences on the British crisis, used almost the same words as he left Washington last week. "The Anglo-Argentine Treaty," said the British Ambassador, "represents what two countries with a shortage of dollars had to arrange."

III

Shortly before the United States entered the last war many Americans read a book entitled "You Can't Do Business With Hitler." Its author, Douglas Miller, has been commercial attaché at our Berlin Embassy, and was thoroughly familiar with the economics of national socialism. On page 71 of this book he observed that "To the Nazi economists goes the credit for working out a system of living on their debts." Britain is trying to do that now. Then Mr. Miller wrote:

"The broad lines of Schacht's economic policy were, first, to segregate Germany's trade relations from participation in any international network of commercial and financial transactions, establishing a series of independent bilateral relations with individual foreign countries."

When Cripps is substituted for Schacht and Britain for Germany this remains as an accurate description of the foreign-trade policy now dominant in London, and to a lesser extent in other capitals of western Europe. So it is worth while to recall the conclusions which Mr. Miller drew in 1941 (pp. 210–211):

"If * * * we conform to the Nazi pattern and conduct special negotiations between Washington and Berlin, covering commodities on a barter basis, we shall have to upset our whole economy as we know it now. * * * We should be on a fair way to planned economy and a system of state socialism."

We refused to extend credits or to negotiate a barter treaty with German national socialism. We have extended lavish credits, thereby avoiding the necessity of a barter treaty, with British national socialism. But Marshall plan credits, even at the current rate of nearly a billion a year to Britain alone, are proving inadequate. So we are now searching feverishly to find some method of continuing governmental subsidies to bankrupt European governments when, as, and if the failure of the Marshall plan eventually becomes obvious. That is a part of the explanation of point 4, analyzed by Edna Lonigan in Human Events last week. Here is the latest come-on in the unending series of panaceas trotted out in quick succession as each earlier quackery is exposed.

The prospective failure of the Marshall plan is the more disastrous because, in stimulating production, it has undoubtedly been helpful. The recent comprehensive report of the Economic Commission for Europe shows that western European production, excepting Germany, was 13 percent greater in volume in 1948 than in 1938. But the same report makes clear that the problem of restoring trade within the boundaries of western Europe is becoming more difficult. All the beneficiaries of ERP have rigid trade barriers against each other, and optimistically rely on being able to dump their surplus production on the American market.

The buyers' strike in the United States—for that is the best description of our current recession—is now bringing this impossible situation to a head. For while we might either subsidize European producers indefinitely, or indefinitely absorb huge quantities of European products at moderate prices, we cannot simultaneously cut our purchasing power to subsidize Europe and buy from Europe at prices inflated by those very subsidies.

That is why the increase in European production is not enough. It must be followed by a decline in European production costs. But any such decline is intentionally and artificially prevented by the closed and controlled economies of western Europe, especially that of Britain.

IV

The current English hostility to competition is shown not only by the monopolization trend in nationalized industry at home, but also in the gloomy procedure of dismantling competitive Germany industry. It is no longer seriously pretended that dismantling is designed to prevent a resurgence of German military power, or to provide reparations. The underlying motive is seen in reports that when Hamburg shipyards were dismantled much of the material was dumped in the North Sea. Britain wants no restoration of German merchant shipping.

By dismantling competitive German industry—while we feed the unemployed workmen to keep them from going Communist—the British have doubtless acquired a few million dollars, which otherwise would have enabled Germans to buy British products. That the net gain, from the English viewpoint, has been infinitesimal is shown by the gathering financial crisis there. As the London Economist of June 11 frankly says: "British exports overseas have only increased by the percentage of Germany's loss."

For a time the socialistic sabotage of the European recovery program could be concealed from American attention. We are an easy-going people, and having squandered so many billions on Europe, at one time and another, the waste of a few more has seemed relatively unimportant.

But if the lush days are over; if the decline of business activity—and of tax receipts—continues, a very different mood will soon be apparent in the United States. It is in the highest degree unlikely that we shall continue to subsidize the competition of European producers who are themselves unwilling to admit the value of competition. Even with American subsidies of a billion a year Britain is in serious difficulties. What wil be its fate when those subsidies are withdrawn?

Clearly the only solution for western Europe lies in actual progress—not merely lip service—towards economic and political federation, including Spain and western Germany on an equal basis. If Europeans cannot see this for themselves they will eventually have to be told that is an indispensable condition of continued American aid.

We cannot do business with national socialism, even when it is operated by those who evidently dislike German competitive

ability much more than the Nazi economic theory which they have gone so far to adopt. The State Department's propaganda does not conceal the fact that we are subsidizing, in Britain, policies patterned upon those which we denounced, in Germany.

Stop Spending

EXTENSION OF REMARKS
OF
HON. GLENN R. DAVIS
OF WISCONSIN
IN THE HOUSE OF REPRESENTATIVES
Monday, July 11, 1949

Mr. DAVIS of Wisconsin. Mr. Speaker, every person in the Federal Government who has any responsibility for spending public funds ought to be deeply concerned with Secretary of Treasury Snyder's announcement that our Government is again operating in the red. I shudder at the budget picture for the next fiscal year.

Mr. Speaker, it is time that this administration and this Congress face up to the hard financial facts of life. Instead of staying up nights thinking of new vote-catching spending schemes, the planners of Washington ought to be spending a few days and night figuring out some ways of saving.

I ask leave to include a recent editorial on this subject from the Milwaukee Journal:

OUR NATION AGAIN IN THE RED

The Federal Government ended its 1949 fiscal year last Thursday with a deficit of $1,811,000,000—three times what the President predicted. The blame, says the President, must fall on the Eightieth Congress because of its tax reductions.

That explanation is too easy. The blame must fall on both the administration and Congress because of their failure to keep appropriations down. Income fell by a little less than $4,000,000,000, but costs rose by considerably more than $6,000,000,000. If costs had been held to the 1948 figure there would have been no deficit.

It is too late to do anything about 1949 now. There is, however, still a chance to do something about 1950 and 1951. We can refuse to rush into the highly doubtful Brannan plan for agricultural aids. We can postpone embarkation on a new policy of Federal aid for schools. We can stop thinking up other ways to increase Federal outlays.

It is predicted that the deficit for 1950 will be between three and five billions. Surely something can be done about that. We cannot, of course, neglect our Marshall plan obligations or our essential defense needs, but we can cut down the waste in our Military Establishment and in the other arms of Government. We can adopt the essential features of the Hoover program for the reorganization of Government departments. We can begin to show a real will to get our domestic programs on a basis which recognizes that, though this is peacetime, the costs incident to the last war and the insurance against a repetition are still tremendous.

Federal deficit spending is indefensible at this juncture. An increase in Federal taxes would be indefensible—especially in view of the fact that local and State governments, starved during the war, have found it necessary to increase their levies.

The only sensible, the only defensible, Federal procedure at this time is the maximum possible reduction in Government costs. Inflation, which the President was fighting only a few weeks ago, has now definitely turned into an orderly and probably beneficial deflation. That will mean a further loss in tax revenue.

With the national debt already beyond $250,000,000,000, the time has come to slow down—in new enterprises first, in waste second and, if need be, in services third.

Address of Hon. Gordon Gray

EXTENSION OF REMARKS
OF
HON. L. MENDEL RIVERS
OF SOUTH CAROLINA
IN THE HOUSE OF REPRESENTATIVES
Monday, July 11, 1949

Mr. RIVERS. Mr. Speaker, under leave to extend my remarks in the Appendix of the RECORD, it is my distinct pleasure to include herewith an address by the recently appointed Secretary of the Army, the Honorable Gordon Gray, at the commencement exercises at the United States Military Academy at West Point:

General Moore, distinguished guests, and gentlemen of the corps, I would like to identify myself with you today, at least by saying that one of my forefathers was a graduate of West Point. Unfortunately, this is not the case. I did, however, have a great-uncle who graduated from your sister academy at Annapolis, who served in the Spanish-American War, and finished his days as a commander at Pearl Harbor. I guess that when I started my own military career, in and out of uniform, I may have had some slight resemblance to another great-uncle, who was a first sergeant and later a captain, and who was killed at Gettysburg with the Confederate Army.

My grandfather was likewise in the Confederate service. His career was somewhat less distinguished and heroic, inasmuch as he languished in a prison camp in this State for the major portion of his enlistment. So you see, I can establish a claim to some military heritage, although it is hardly of the sort which would allow me to say that I share in the West Point tradition by birth.

Yet, I would be less than frank with you if I did not say that I know something about the Army, having been in it as a private and junior officer and having served it as Assistant Secretary, Under Secretary, and Acting Secretary. I believe that I have seen a good deal of it from the bottom and from the top.

Inasmuch as West Point is, in a very real sense, the fountainhead of American Army spirit and tradition, and inasmuch as the Corps of Cadets will furnish the nucleus of our Army Officer Corps for the coming generation, I am happy, as a civilian who knows the importance of the Army—and who believes in its integrity—to participate in these exercises.

I am sure that each of us with large obligations in the Army, whether he be civilian or high-ranking general, takes great satisfaction in the graduation of each class of cadets. It means that we are bringing in another group of young men to help carry on the tradition and high responsibilities that have been and will continue to be those of the Army.

On this day of well-deserved triumph which is, for you, the climax of 4 years of unceasing, undiluted discipline and labor, I want to impress upon you the absolute need for preserving a healthy sense of humility. You no doubt have had all sorts of trials in your days at West Point—trials which were calculated to bring about this quality. Now that—in a sense—you are on your own, you must recognize the need for maintaining it.

What I am trying to say is that your careers will be what you make them. They are not made for you simply because you have accomplished this very important first task of meeting the test of West Point.

Let me cite some figures to prove my point. Take a look at the officer corps of the Army as it exists today. Out of approximately 75,000 officers on active duty, only 6,262 are graduates of West Point. You see that less than 10 percent of the officers now on active duty are from this school. In fact, during the present fiscal year, of the officers who will have come on active duty, only 3.25 percent are West Pointers.

The fact is that you are entering into competition, real competition, with other men of ability and integrity and intellectual background. You and I know that they will not be required to make way for you simply because you are a product of the Military Academy.

Let me also point out to you that this competition from those who did not attend West Point is formidable. Let me remind you that the great George C. Marshall was a non-West Pointer. Many of those now on staff duty in the office of the Secretary of Defense are not graduates of this school. It is interesting to note that of the 13 directors of the general staff and special staff divisions of the Army at the present time, six are non-West Pointers.

Times have changed. Had I addressed you 10 years ago, I would have told you that 45 percent of the officers then on active duty were West Pointers. Had I addressed you 20 years ago the percentage would have been 31 percent.

The reason for this is not a diminishing demand in the Army for men of your type—of your character and training and devotion to country and duty—and of your bright promise as future leaders. West Point is not becoming a relic of the past—an old symbol without meaning. West Point is still West Point.

The fact is that this great institution cannot supply the needs of the armed services. It is in part a matter of simple arithmetic.

In a troubled world in which the fruits of victory have not been peace and stability, strange contradictions have occurred. By the use of adjectives we are able to make opposites—deadly opposites—appear to be synonymous; witness: uneasy peace, cold war. And while we have not departed as a matter of principle and policy from the sound American tradition of a small regular establishment, to be augmented by trained citizen soldiers in time of emergency, nevertheless the inconsistency of the times dictates the largest peacetime army we have ever experienced.

While West Point, therefore, cannot supply the demand, I am one of those who views the situation as not an unmixed blessing.

I believe that the process of tapping sources other than West Point for officers for the Regular Army is an essential and beneficial process. It leavens the corps of officers, and it guarantees against the development of a military caste. It presents, in the officer corps, varying points of view; it makes for flexibility; it provides the materials for a healthy competitive spirit and also for other good influences which will help assure traditional American principles and attitudes. It is good for the Army and it is good for the West Pointer.

Nevertheless, the greater challenge—and as a result, the greater opportunity—is yours. You are marked for leadership. The Army looks to you primarily to set high standards, to lead the way in keeping alive and vital the code of conduct of the American officer.

Throughout the existence of the United States Military Academy, its graduates consistently have been men of honor and integrity who, in both war and peace—in the Army and out—have served their country with selfless devotion and high distinction.

For many decades West Point has justly enjoyed a high reputation for its scholastic standards, and for consistently adhering, in its teaching, to the fundamental principles on which this Nation was founded and has grown great. It has always been noted for the high caliber of its product, and I am certain that all thinking Americans are and will continue to be cognizant of the importance of West Point training and will continue to repose trust in the West Point graduate.

It is axiomatic to say that no army can be a good army unless it possesses a really hard core of officers, a professional cadre which has trained especially for its tasks. You are that core. You are that cadre.

You now have a great twofold mission—to live up to the honorable traditions molded by the men who have preceded you here, and to handle present-day and changing problems and duties with the acumen, the integrity, and devotion to duty which have been taught you here. If you meet this challenge, and I am sure you will—and if those who come after you continue to meet it—there can be little doubt about the success of your individual careers, or of the growing and continuing importance of this Academy.

As a soldier in uniform I knew the Army rather intimately at a level from which the Pentagon seemed as remote as Mars—and just as inaccessible. And as a civilian Secretary, I have come to know the Pentagon and its high brass—some day you will be part of it—rather intimately.

I think we—the Secretaries and the high brass—know the Army and understand it from the point of view of the individuals who compose it. If you have any notion that Omar Bradley, your great Chief of Staff, is not a soldier's soldier, let me disabuse your mind of that notion here and now.

We know that officers are people. We know their aims and aspirations, and their frustrations and disappointments. We know their virtues, and their human frailties.

As a civilian, then, and with some qualifications as an expert on the Army, let me speak to you from the heart for a few moments about the people in it, their rewards, intangible and tangible, and whether it is a worth-while career.

As a matter of deep conscience I resent the vilification and abuse which from many quarters is being heaped upon the so-called brass—which in essence really means the entire officer corps. All generals were once second lieutenants—and you are the generals of tomorrow. Perhaps these attacks are simply a recurring postwar phenomenon. I doubt that. But whatever their source and origin they are unfair and misinformed.

I should like to make one thing perfectly clear. I have a profound and abiding conviction that the Army is not a haven for the indolent—or for the venal the villainous or the vainglorious.

On the contrary, I believe the officer corps to be made up of people of more than the average degree of ability; of more than the average degree of integrity; and of more than the average degree of compulsion to serve. Of course there are exceptions. There are bound to be exceptions. But despite the fact that the spotlight always shines on this minuscule minority, I submit that the percentage is less than that found in any other profession, group, or category of persons.

I believe that those who enter the Army do so—as you did—with the primary motivation of service. I believe that can be demonstrated by conduct and performance.

But I believe that it also can be shown by a more materialistic and—in the minds of some—a more crass factor.

There has not been a realistic, comprehensive, or—what is more important—adequate overhaul of Army pay and allowances for more than 40 years. In a period when the income of those in virtually every type of profession, occupation, and endeavor has risen very materially, the average increase of the officer in the military service has been comparatively nominal since 1908. This lack of financial progress has no counterpart anywhere else in the American economy.

It seems to me that the conclusion is inescapable that those who have entered the officer corps, and have continued to serve loyally and well, have not placed an undue emphasis upon material reward.

As one who has spent much of his adult life in public service, I know the satisfactions that derive from that service. I know that there are countless intangibles which are rewards in and of themselves. I know the pride and gratification which come out of the realization that one is serving his fellowman and is making his own small contribution to a more peaceful and more enlightened and happier humanity.

I believe that these considerations, as they have in the past, will continue to play the major part in the decisions of those who enter the military service. On the other hand, there comes a time when responsibility and compensation get so out of balance that gross injustice prevails.

I share then with you what I know must be your disappointment and anxiety that the all-service pay bill has not been adopted by the Congress. You are not members of a profession that could or would strike against the Government. You are not the type of man who would choose to serve other than on terms which have been prescribed by the people through their Representatives in Congress. You have exhibited, and I know will continue to manifest, patience, and restraint in your conduct.

However, I believe that the American officer can be expected to chafe under the continued delay of overdue reforms. There comes a time when the satisfaction of service and the desire to be the servant of the people cannot erase the hard fact of a month-end financial deficit. A code of conduct will not buy groceries, feed babies, or pay rent.

I feel confident that the pay readjustment which the President has asked for, and which the Military Establishment so wholeheartedly endorses, will be effected by the present Congress. The rates may not be those requested in the original bill, but it is my hope and belief that those finally enacted will be just.

The principal message that I would like to leave with you on this subject is simply this: The Secretary of Defense, the Chief of Staff of the Army, and all the rest of us with important responsibilities in the Military Establishment see the imperative necessity for the correction of the inadequacies and inequities and will do all within our power to assist in bringing it about.

The pay situation perhaps more than any other factor tends to focus attention on questions that you must have asked yourselves many times in your 4 years at the Academy, and may indeed be asking yourselves on this very day—is the Army a career of honor and dignity? May I consider the profession of arms one which will hold the respect and gratitude of the people of the United States? I have no hesitation in answering these questions in the affirmative.

Allow me to say that the Army has been and will continue to be an honored career, and it will continue to offer all of the intangible rewards which the opportunity for dignified service entails. It will fall into disrespect and will suffer a loss of confidence with thinking people only when the conduct of those who make it up deserves such deterioration.

As you step across today's threshhold into the future you may well inquire as to your country's aims, your Army's aims, and what should be your aims.

America's problem—stated simply—is this: Are we and our children going to continue to live in the kind of country our predecessors knew and loved, or will we allow the forces of a creeping and at times perhaps an imperceptible nihilism to consume and destroy the principles which made it great?

The shifting surface tensions of the world situation from day to day, appearing to be calm one minute and stormy the next, should not obscure from us the fact that we shall have to exert positive effort to preserve the culture which we have created in America. This nihilism to which I refer is a new and powerful expression of an ideology as old as mankind. Where it exists in full flower it is pitched in total opposition to the type of life which we call democracy. Today it is a more awe-inspiring enemy than ever before, for it has infected more people than ever before, and it is better armed in the physical sense than it has ever been.

Those of us who fought under its recent manifestations in World War II know that it shows no mercy because it does not believe that there is any such thing as mercy. It scoffs at justice because justice had nothing to do with its acquisition of power. It never hesitates to wreck the dignity of millions of individuals because it denies that there is such a thing as dignity. It never hesitates to lie within a lie will suit its purpose because it is convinced that there is no such thing as truth.

The seeds of its eventual downfall are sown in its own philosophy. Mercy, justice, honor, dignity, and truth do exist. Any system of thought which denies them makes the mistake of underestimating the opposition, and this is, of course, a fatal mistake.

Truth will always defeat untruth eventually. But we must realize that we must play our parts as citizens of a Nation which loves truth and freedom and democracy and their benefits and opportunities. We must do this to avoid perhaps long and extended eclipses of these things. Beyond that we must continually strive to assert these principles as members of a world which needs them more than ever before.

I am sure that the country's aims are to combat this type of nihilism in every way within our framework of democratic conduct, and if this is our country's aim it is necessarily our Army's aim as well. Indeed our Army derives entirely from the principles and traditions which have made our country great.

Beyond that, however, all the things for which the Army stands are the antithesis of nihilistic philosophy. The Army insists upon justice and courage and honor and dignity. These virtues must constantly characterize our conduct.

One thing we must understand is that in helping to bring about the aims of America and the aims of the Army, the American soldier today must be a better soldier than he ever was in history.

That is your task. Looking over the long list of the past, over the list of the men who have gone forth from this Academy to bring honor to their names and to protect their country, you must still be conscientiously able to say to yourself, "I must be better."

You are going to be called upon to do more than they had to do. You will have to develop skills which many of them never dreamed would be needed in soldiering. In addition, you will have to continue to use all of the skills which they developed and used.

The officer of today must not be primarily an officer of the Army, or of the Navy, or of the Air Force. First and foremost he must be an American officer, in the spirit in which he accepts his task as well as in the technical knowledge which he applies to it. The problem of American defense today will allow of nothing less than this. And to approach the task with anything less than this would be to place the great mission of national security as a sacrifice upon the altar of a blind, stupid, and unnecessary interservice rivalry.

One thing of importance remains to be said. If the past two wars proved anything, they proved that the dividing line between soldier and civilian is growing less and less capable of definition. In modern war the nation becomes an army, led by professional soldiers, and occupied with an almost infinite graduation of military and semimilitary tasks from the fighting line right back to the defense factory or the local bond drive.

This fact imposes upon the professional soldier a completely new awareness of an old responsibility—the responsibility of understanding the civilian, and what is more important, the responsibility of allowing the civilian to understand him, the soldier.

This is a process which must be initiated by you, the soldiers. You must always take the first step, because you will always be just what you are now—instruments of the civilian public of the United States. You, not the civilian members of the public, have the responsibility of creating public understanding of your profession.

And the first step in achieving public understanding of your profession lies in your own understanding. If a soldier does not understand his own motives, he will never be able to explain them to anyone else. In short, always make certain that you are oriented upon the important, basic facts of your career of service. The next group to be so oriented consists of the men you will lead, and I doubt that there will be any work you will do which will be more important than this—to lead your subordinates to a full understanding of the importance of their mission. No citizen is going to respect an Army which does not respect itself.

Any common-sense citizen will respect an organization which knows itself, believes in itself, and in consequence can explain itself.

Let me say in all seriousness that when I consider all that lies before you I am a bit envious of you. You will be called upon to do great things—difficult things—the kind of things that help to form really great men. And never forget that the really great man is always an integrated man—a man who knows himself and knows what he can and cannot do. Each of you will have the opportunity to find these limits in himself and to taste the reward of satisfaction which comes from knowing that the test was a complete one, carried out during a demanding period of history.

Remember always that selflessness and devotion to duty are qualities that are not confined to the Army alone—but remember also that such qualities will be expected of you in large measure. You must possess them, develop them, and refine them to a high degree if you are to live up to the traditions of West Point and the high standards expected of you.

Remember that even though you are few in numbers you have a great obligation to lead the way, and to keep the great traditions of West Point alive.

And remember, too, that every citizen in this Nation shares in the West Point tradition. It has come from the Nation which created West Point, and from the young men—like yourselves—who have been given to West Point by that Nation. The great work which must be done by your class consists of carrying that tradition to greater heights than it has ever before been carried, in the name of the people who have created it and nourished it through the years.

I congratulate you upon your accomplishment today, and I congratulate you upon the opportunity for even greater accomplishments in the tomorrows that lie ahead. I know that the task which history has set for you will not be too great, because you are taking to it not only your own courage, youth, and devotion, but all the courage, all the youth, and all the devotion given to this same task by the men who went before you.

We Can't Afford Poor Schools

EXTENSION OF REMARKS
OF
HON. ALBERT RAINS
OF ALABAMA
IN THE HOUSE OF REPRESENTATIVES
Monday, July 11, 1949

Mr. RAINS. Mr. Speaker, under leave heretofore granted to extend my remarks, I include an editorial which appeared in the July 6 issue of the Birmingham News, Birmingham, Ala., which is evidence of the need for Federal aid for education:

WE CAN'T AFFORD POOR SCHOOLS

"Poor schools cost more than good schools." That seemingly paradoxical statement was made in Boston before the eighty-seventh annual convention of the National Education Association by its president, Miss Mabel Studebaker. But it means exactly what it says.

America's most precious possession is the growing generation. Twenty years hence the children now in elementary and high schools will be the new leaders of the Nation. If they are well educated, they will be good leaders. If they are poorly educated, they may be bad leaders. And bad leadership may cause the political, social, and industrial failure of this country. Inadequate education may well be the costliest mistake the United States has ever made.

In every State where basic education is improved there has been, as an inescapable corollary, a better society. There has been an increase in average income. There has been better government. There has been better health for all persons. There has been a better understanding of national and world problems.

Every one of the 48 States is doing less than it could for its children. Yet not one of them but has the desire to do better. The less wealthy States are spending a larger percentage of the tax dollar for public education than are the richer States; but because many of the States have smaller sources of tax income than do some others, the educational systems have lagged behind what they should be or could be. There is a great lack of necessary equipment. There are some school buildings that are disgracefully inadequate. There are fewer teachers than are needed, and among those who labor for the betterment of the children, there are many—at least 1 out of 10, and in some States a higher percentage than that—who are insufficiently trained to do capable work.

Because of these facts, Miss Studebaker pointed out, there is an absence of serious scholarship upon the part of good students who might and should be our leaders. Too many are willing to become part of the average.

In America we are proud of our industrial efficiency. Given good raw materials, we make the best finished products the world has ever known. We have the raw material for leadership in our children, but we allow many of them to be formed into citizens in a careless, even a lackadaisical, manner. It is a great shame.

There is a way by which we can improve our schools and our teachers. It is by passing a Federal aid-to-education bill. Not to pass it and to fail to make use of the resources at hand is to fail in our duty to our children and to ourselves.

Resolution To Seek the Development and Strengthening of the United Nations

EXTENSION OF REMARKS
OF
HON. WALTER H. JUDD
OF MINNESOTA
IN THE HOUSE OF REPRESENTATIVES
Monday, July 11, 1949

Mr. JUDD. Mr. Speaker, the following resolution was adopted by the annual 1949 convention of the North Carolina Department, American Legion, in Raleigh on June 21, 1949:

Whereas on June 7, 1949, a resolution was introduced in the House of Representatives of the Congress of the United States reading as follows:

"It is the sense of the Congress that it should be a fundamental objective of the foreign policy of the United States to support and strengthen the United Nations and to seek its development into a world federation open to all nations, with defined and limited powers adequate to preserve peace and prevent aggression through the enactment, interpretation, and enforcement of world law"; and

Whereas the American Legion has been and continues to be interested in the continued development and strengthening of the United Nations. Now, therefore, be it

Resolved by the North Carolina Department of the American Legion, in convention assembled:

1. That the North Carolina Department of the American Legion approves of the foregoing congressional resolution and desires its adoption by Congress.

2. That copies of this resolution be transmitted to the chairman of the foreign relations commission of the American Legion national organization.

Letter From Hon. Francis J. Myers, of Pennsylvania, to President Truman Regarding Midyear Economic Report

EXTENSION OF REMARKS
OF
HON. FRANCIS J. MYERS
OF PENNSYLVANIA
IN THE SENATE OF THE UNITED STATES
Tuesday, July 12 (legislative day of Thursday, June 2), 1949

Mr. MYERS. Mr. President, I ask unanimous consent to have printed in the Appendix of the RECORD a letter which I addressed to the President of

the United States yesterday on the subject of his midyear economic report.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

The PRESIDENT,
The White House.

MY DEAR MR. PRESIDENT: Your midyear economic report made public today represents, in my opinion, statesmanship of the highest order in outlining calmly but with complete clarity the lurking dangers to our economy from either complacency or a fear psychosis in reaction to the temporary declines now being experienced in employment opportunities and business activities.

This report by itself justifies the passage of the Employment Act of 1946, which provided you with this opportunity, which you have so expertly used, to call to the attention of the entire Nation the needs for a reasoned and unified approach to the problem of encouraging a steadily expanding economy in this great country.

I am particularly pleased by your decision to launch a continuing review by the executive agencies of procurement and construction activities and grant and loan programs with a view to guiding emphasis into localities where unemployment is heavy.

In this connection, I respectfully urge that particular attention be directed to the anthracite area of Pennsylvania where employment opportunities for male workers, particularly, have lagged and where there is a reservoir of skilled and willing workers seeking jobs. The economic situation in this area was worsened as a result of a warm winter which cut deeply into anthracite sales. Even under full employment in the mines, however, the anthracite area has been experiencing insufficient expansion of employment opportunities to allow for increases in the labor force.

Loan programs designed to help private enterprise in this area to expand, or to protect existing plants, particularly mines, against flooding or other physical dangers, would be of great assistance at this time. Such programs, I believe, could justifiably give added weight to the need for protecting and increasing job opportunities in such localities where economic factors might otherwise dictate greater caution.

I would also like to direct the attention of your aides in this matter to the need for temporary emergency action in maintaining production of necessary railroad freight cars in Pennsylvania and elsewhere. New orders for freight cars are alarmingly low and the backlog of orders from which the car builders had been working is falling off tremendously. As a result, many plants are now shutting down.

The railroads are either unwilling or, perhaps more accurately, unable at present to continue placing orders at the high level achieved during the past few years under a steel allocation program initiated by a subcommittee on which I served of the Senate Committee on Interstate and Foreign Commerce, in cooperation with the Office of Defense Transportation.

Again I want to express my sincere and genuine appreciation for the outstanding review of the current economic situation contained in your report and in the accompanying report of your Council of Economic Advisers. I know that with an Administration so alert to the problems of economic danger, half of the battle of achieving an ever-expanding economy is won. Similar alertness 20 years ago might well have averted one of the greatest tragedies of American history.

Sincerely and respectfully yours,

FRANCIS J. MYERS.

Address of Hon. Harry J. Davenport

EXTENSION OF REMARKS
OF

HON. WILLIAM J. GREEN, JR.

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, July 12, 1949

Mr. GREEN. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following speech of Hon. HARRY J. DAVENPORT, made at the Croatian Fraternal Union picnic, West View Park, Pittsburgh, Pa., July 12, 1949:

Mr. Chairman, members of the United Lodges Committee of Allegheny County, members and friends of the Croatian Fraternal Union of America, I do not feel a stranger talking to this large group of Americans of Croatian descent, because I was raised in McKeesport, Pa., which had a considerable Croatian population. It was there I became acquainted with the ancient culture and customs of this wonderful people. I went to school with Croatians, played with them, and attended their wonderful picnics and weddings. I early learned to have a great fondness for the hearty, wholesome, sociable ways of our Americans of Croatian descent.

If I were an American of Croatian descent, I would feel that I had much to be proud of, because it is an established fact that not only did the Croatians play an important role in stopping the hordes of Hitler, but in the United States they played a large part in the production of the sinews of war. Statistics bear out that 50 percent of the workers in heavy industry in the United States are Americans of Slav descent.

Many Americans are not aware of the fact that many Croatians, hardy seamen from Dalmatia came to America with Columbus on his first voyage. Croatians were among the first colonists, and that evidence has just been brought to light in North Carolina by the discovery of a Croatian Indian tribe. If anyone asks you if your forefathers came over on the *Mayflower*, you can with justification tell them, "No; but they met the boat."

The Croatians have enjoyed 12 centuries of independent statehood and in Europe have proved to be the most vigorous champions of freedom and democracy. They have everything that it takes to become good American citizens. Freedom loving, democratic, and hard working, they have contributed greatly to the growth and culture of our country. They were loyal followers of Franklin Delano Roosevelt and today they are in the forefront of the fight to achieve Truman's Fair Deal for all the people.

From my vantage point on this stage, I should judge that your celebration is a success in every respect and a notable contribution on this holiday eve of Independence Day to a better understanding among all peoples of all extractions in this great industrial center of our mighty Nation.

I know, both from experience and close study, that your Croatian Fraternal Union has been a most influential factor in the history of your nationality in this country * * * that its brilliant record of more than a half century of humanitarian service can be equaled by only a few fraternals.

I know that your society came to be organized on Pittsburgh's old Allegheny back in 1894 and has been a Pittsburgh institution—an American institution—ever since its inception before the turn of the twentieth century.

So, on this, your fifty-fifth anniversary, I want to offer you my warmest personal congratulations and extend you my very best wishes for many, many happy returns of this memorable day and year in your fraternal life.

America sorely needs organizations of your kind to maintain its democratic way of life. We need the concepts of fraternalism in our everyday dealings with our fellow men. We must uphold at home the precepts of brotherhood if we are to retain our station of respect before the world.

And by we, I certainly mean you and yours in this vast audience today. Yes; you must assume a share of these needs and these musts to help your Government in Washington thoroughly understand and pursue the cause of true peace in the world.

Your organization's membership is comprised of what is known in America as the little people. Make no mistake about it. These members of yours, these little people, are just as important to the present and future of these United States of ours as any given portion of our national population.

America needs your workingmen, your miners, your steel workers, your auto workers, your farm workers. America must depend upon your younger generation of intellectuals, professional men and women, politicians, artists, and white collar workers, for its future welfare in the world's family of nations.

Think of that might contained in your fraternal ranks and put it to work for your country and organization. Let no man rend assunder the good you have done as fraternalists. Let no man minimize your importance to the Nation. I say, in all sincerity, that you mean a great deal in the American picture. I ask you to continue your humanitarian work for the good of all of us as citizens.

I share in your pride over the all-time membership totals you are boasting of today. You most certainly are entitled to celebrate long and loud in this fifty-fifth anniversary year, ever thankful for your 100,000 strong ranks and assets worth over $17,000,000.

And I share in your pride over the fact that your organization is affiliated with no other organizations save such worthy ones as the National Fraternal Congress, that it promotes nothing save the Americanism contained in your program of humanitarian work and your promotion of athletic and cultural activities. More power to you and long may your fraternal kind live.

And now—as Americans—let us look at our Nation on this holiday eve of Independence Day of 1949 and acquaint ourselves with the pressing needs of every citizens of average means.

When our fledgling Nation observed its first independence day back on July 4 of 1776, the citizenry of those days was facing frontiers yet unconquered and political and physical barriers to try men's souls. Slowly, but surely, the little people came to triumph over the forces of nature and the often evil mind of man.

Today, 173 years later, we are facing barriers no less detrimental to our welfare than those met and eventually conquered by our pioneers of yesteryear. Throughout our history as a Nation, we have been called upon time and again to arise and seek the truth, to make our voices heard in Washington when the little people were being dealt with unfairly.

Such a time is again at hand, for I know that you, too, are deeply concerned—as workingmen—over the Taft-Hartley Act, the grave housing problem, adequate benefits for those sons of yours who fought in the last war, and many other governmental matters which are the needs of the people.

You know where I stand on the Taft-Hartley Act, right in the front ranks of those who

are marching with our President, Harry S. Truman, to remove it from the backs of the working class. And we won't cease fighting until this yoke against labor is removed—once and forever.

You know that I stand four-square for adequate housing and just as militantly against the real-estate lobby. You know that I believe in the needs of our veterans; that I will always fight to reward them for their heroic sacrifices.

You know that I believe in the little people, for you know that I came from their stock. I am fiercely proud of my heritage, of my background. And I want you to be just as fierce in your pride for yours. We, you and I, your parents and mine, helped build this wonderful Nation of ours and we're mighty proud of it.

And we're going to keep right on building it and stand beside it as it works for world peace and harmony among all nations. We owe that to our sons and daughters, the leaders of tomorrow. We dare not fail them again.

I know that you good people believe in peace and are willing to work—slave, if necessary—to secure it. I know that you are nauseated with the horrors of war and will never again permit them to snatch your loved ones from your midst. We must fight for peace, for a just and lasting peace for all mankind.

We have much to be thankful for on this Independence Day week end of 1949, but not so much—or too much—that we cannot give thought to our future. What that future holds hopefully for our children depends upon what we contribute toward it from day to day.

What shall we leave our children and generations yet unborn? Shall we leave them with onerous labor laws, slums, dire housing shortages, inadequate health protection, an insecure social security? Shall we leave them the atom bomb and the blueprints of war? Shall we leave them with a heritage of hatred against men?

Or shall we rededicate ourselves as Americans and leave our children with an America at peace with itself and the world? Surely no mother and father in this vast audience could will their children anything more wonderful.

Let us have faith in our Nation and strive to correct every evil which plagues it. Let us show this faith at the ballot boxes on election day. Let us realize our duties and responsibilities as citizens and speak up when they are being trampled upon. Let us stand up and fight when we must, no matter what the cost.

Above all, let us never lose sight of our own good judgment in times of national hysteria. The common sense of every person in this park—of every American—is needed to keep this Nation strong and running on an even keel.

And that common sense is the basis of fraternalism, the basis of your organization. Never let it become dulled or subservient to the wishes of others. We, in Washington, are depending upon you to exercise it at all times. Thank you.

The Alger Hiss Trial

EXTENSION OF REMARKS
OF
HON. HAROLD H. VELDE
OF ILLINOIS
IN THE HOUSE OF REPRESENTATIVES
Tuesday, July 12, 1949

Mr. VELDE. Mr. Speaker, yesterday the gentleman from New York [Mr. MULTER] and the gentleman from Ohio [Mr. HAYS] saw fit to rebuke Members of Congress for their criticism of the conduct of Federal Judge Kaufman during the Alger Hiss trial. This rebuke was entirely unwarranted and unfounded. The Constitution gives power to Congress, not only in the appointment of Federal judges, but also in the surveillance of their conduct after appointment. The Senate is given power and authority to confirm, or refuse to confirm, all appointments of Federal judges, and the House of Representatives is given the sole power to impeach. Congress is also invested with the authority to set up tribunals inferior to the United States Supreme Court. The framers of our Constitution were wise in this regard. They realized that Federal judges are the choice of one man, the President, and theirs is a lifetime appointment. A Federal judge is not an elective post, as most State judges are; therefore it becomes the solemn duty of the House Members to inquire into the conduct of the Federal judiciary.

As the Alger Hiss trial progressed through its 6 weeks course, there was a growing opinion among Members of Congress and the legal profession with whom I talked, that Judge Samuel H. Kaufman, by his rulings and his actions in the courtroom, was showing a marked bias for the defense that, to say the least, bordered on judicial misconduct.

An examination of the record shows that there is considerable foundation for this opinion, and a sampling of qualified observers who were in the courtroom daily bolsters that opinion even more. Here are six flagrant examples that are in the court record itself:

First. Alger Hiss claimed that he had known Whittaker Chambers only as "George Crosley." Chambers testified he had not used the name and that Hiss had known him only as "Carl." When Mrs. Chambers was on the stand, Judge Kaufman injected himself into her examination and informed the courtroom and the jury that Chambers had testified that he had used the name of "Crosley." Despite what the New York Times called a "gasp" from the courtroom and cries of "oh, no," the judge allowed his unwarranted perversion of the testimony to remain in the record, damaging to the prosecution and helpful to Hiss though it was.

Second. Judge Kaufman permitted parts of the grand jury record, containing Hiss testimony, to be turned over to the Hiss counsel, despite heated protest from the prosecution that grand jury records are secret.

Third. Judge Kaufman permitted a psychiatrist retained by Alger Hiss, one Dr. Binger, to sit in the courtroom in a prominent spot as a prospective defense witness, and take notes on the behavior of Whittaker Chambers, supposedly on his mental condition. When the prosecution protested in the strongest terms, the judge in his chambers ruled that Dr. Binger would not be allowed to testify. However, on returning to the courtroom, the judge permitted Dr. Binger to take the stand and be sworn, although in all other instances where he barred a witness, he refused to let them reach the witness stand. Next, Judge Kaufman allowed the defense counsel to address perhaps the most remarkable question in legal history to Dr. Binger. The supposed question was 45 minutes in length and actually amounted to an illegal midtrial summation of every charge and fact that the defense had mustered against the credibility of Whittaker Chambers, the Government's chief witness. Then, Judge Kauffman formally ruled that Dr. Binger could not testify and ordered the question stricken. But as Prosecutor Murphy cried, in a raging protest against this most undecorous judicial conduct, the damage had already been done.

Fourth. Although Judge Kaufman allowed the Hiss counsel to question Whittaker Chambers about a suicide in his immediate family, the judge refused the same privilege to the prosecution to question Hiss about two suicides in his immediate family, despite vigorous protests from the prosecution against such obvious bias.

Fifth. When Chambers was asked how had he first met Alger Hiss, he testified that he had been introduced to him by Harold Ware and J. Peters. When the prosecution asked for further identification of these two men, Judge Kaufman refused to allow an answer. Both were known Communist operators of Washington spy rings, but the jury was never permitted by Judge Kaufman to know more about these two men than their bare names, a ruling highly favorable to Hiss.

Sixth. On the third day of the 26-day trial, information reached the prosecution that the wife of the jury foreman, Hubert James, had stated her husband believed Alger Hiss innocent and would use his influence to convey this to the other jurors. Three days later additional information was received and this too was brought to the attention of the judge. Both reports originated with the FBI. Prosecutor Murphy, meeting in the judge's chambers with the defense counsel present, suggested that the foreman be excused and an alternate juror who had been present for 6 days, take his place. Judge Kaufman, after hearing a defense objection, declined to act, and, as was expected, Foreman James held out to the very end for acquittal of Hiss, assuring a deadlock of the jury that stood 8 to 4 for conviction when finally discharged.

These are a mere half-dozen examples; the record abounds with unusual rulings favorable to Hiss throughout the trial. But, according to qualified observers present in the courtroom, the most biased acts of the judge cannot be discovered in the record. His sarcastic and scornful voice employed when addressing key Government witnesses, and his impatient gesturings, chair-whirls, and head movements indicating disbelief of their testimony, do not of course show in the record, yet they are common knowledge and were the talk of New York during the trial.

On the other hand, Judge Kaufman's gentle, even friendly regard for Alger

Hiss and all witnesses who testified in his behalf was in shocking contrast to his treatment of prosecution witnesses.

One example of gross impropriety by Judge Kaufman which does not appear in the record will suffice: When Justices Frankfurter and Reed appeared as character witnesses for Alger Hiss, Judge Kaufman went to great lengths to lean down from the bench and shake hands with them approvingly before they took the stand, an act committed before the jury which could only be prejudicial to the prosecution and helpful to Hiss.

It is obvious to me that inquiry into the conduct of Judge Kaufman in this trial cannot be sidestepped. Nor can it be allayed by such statements as one issued yesterday by Robert P. Patterson, a former New Deal cabinet member and one of the original endorsers of Kaufman's candidacy for a judgeship, in which he attempted to rebuke Members of Congress who have seen fit to raise questions as to Judge Kaufman's lack of judicial conduct. I am confident if Mr. Patterson will reread the Constitution of the United States, which specifically imposes on Members of Congress—and no one else—the burden of surveillance on the conduct of Federal jurists, he will want to withdraw his untimely comment.

We Go Back To Deficit Spending

EXTENSION OF REMARKS
OF
HON. ROBERT F. RICH
OF PENNSYLVANIA
IN THE HOUSE OF REPRESENTATIVES

Tuesday, July 12, 1949

Mr. RICH. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following bulletin of the Council of State Chambers of Commerce:

WE GO BACK TO DEFICIT SPENDING

The 1949 fiscal year of the Federal Government ended ingloriously on Thursday, June 30, with the disclosure that the year's expenditures had exceeded receipts by $1,811,000,000.

Announcement of this sad news was made by Secretary of the Treasury John W. Snyder, who pointed out that the deficit was "a reversal of the trend of the two previous fiscal years when there were budget surpluses of $754,000,000 in 1947 and $8,419,000,000 in 1948."

Secretary Snyder's statement contained the following table summarizing budget results for the fiscal year 1949 as compared with 1948:

(In millions of dollars)

	Fiscal year—		Change, 1949 compared with 1948
	1949	1948	
Net receipts [1]	$38,246	$42,211	−$3,965
Expenditures	40,057	33,791	+6,266
Surplus (+) or deficit (−)	−1,811	+8,419	−10,231

[1] After deducting tax refunds and also pay-roll taxes which go into the old-age and survivors insurance trust fund.

SPENDING INCREASED, REVENUES DECLINE

Secretary Snyder explained that the $6,266,000,000 increase in expenditures over 1948 was principally due to increases for ECA ($4,041,000,000), National Military Establishment ($1,886,000,000), Commodity Credit Corporation ($1,789,000,000), and Veterans' Administration ($409,000,000). These increases were partially offset by spending decreases of $1,700,000,000 under the credit to the United Kingdom and $525,000,000 under the Export-Import Bank.

The $3,965,000 decline in 1949 receipts below 1948 figures was attributed by the Secretary principally to decreases of $1,595,000,000 in withholding taxes, $1,340,000,000 in sales of surplus war property, and $397,000,000 in miscellaneous receipts. Another factor, he pointed out, was an increase of $556,000,000 in the deduction from gross receipts due to refunds of taxes.

DEBT INCREASED BY $478,000,000

The Government's return into the shadows of deficit financing will not be welcomed by the American taxpayers. For 16 straight years—from 1931 through 1946—annual Federal deficits contributed to the piling up of a public debt on which today's interest payments alone exceed the entire total amount expended by the Federal Government for all purposes in any year between 1921 and 1934. The gross Federal debt in 1931 was $16,801,485,143. Sixteen years of deficit financing boosted it to $269,422,099,173 by the end of 1946. Rescissions of wartime outlays and 2 years of budget surpluses (in 1947 and 1948) reduced the debt to $252,292,246,513 by June 30, 1948.

Our return now to deficit financing starts the debt on another upward climb. By dipping generously into general fund balances the Treasury was able to hold the debt increase resulting from this year's $1,811,000,000 deficit to $478,000,000. The gross public debt as of June 30, 1949, therefore, is shown to be $252,770,359,860.

NO EFFORT MADE TO AVERT A DEFICIT

The 1949 budget deficit is a direct result of the administration's failure to pare Federal spending in keeping with the decline in Federal receipts which began to show up markedly last January.

The decline in Federal revenues was not the only portent of fiscal trouble ahead with the advent of 1949. The Federal Reserve Index of industrial production was showing a decline from 195 in November 1948, to 191 in January and 179 in April 1949. Shorter work weeks and lay-offs of workers began to produce a falling off of withholding-tax payments. Also, in January, a slight downward trend began in the income of the American people, as shown in personal income statistics published by the United States Department of Commerce. The month-by-month trend in the level of personal income since last July has been as follows: July, $214,800,000,000; August, $216,700,000,000; September, $217,300,000,000; October, $218,500,000,000; November, $219,900,000,000; December, $221,000,000,000; January, $219,200,000,000; February, $216,300,000,000; March, $214,600,000,000; April, $213,700,000,000.

The President was aware last January of an impending 1949 budget deficit. In his budget message he predicted a deficit of $600,000,000. Neither his message nor his subsequent actions, however, revealed any inclination to have the Government do what businesses and households must do when faced with an income shortage, namely, cut costs.

Instead, the administration sent to Congress deficiency appropriation requests which were approved in the amount of $1,975,000,000. These funds were thus made available for 1949 spending, in addition to sums regularly appropriated by last year's Congress.

Civilian employment in the executive branch rose from 2,095,559 on December 31, 1948, to 2,120,409 on May 31, 1949—an increase of 24,850—or about 5,000 per month.

Meanwhile, administration pressure for more than a score of brand new domestic and foreign-spending programs has continued unabated.

EFFECT OF 1948 TAX CUTS ON THE 1949 DEFICIT

Several of the prospending Members of Congress have sought to place the blame for the 1949 deficit on the personal-income-tax reduction bill passed by Congress last year. Their contention is not very convicing.

In the first place, there is reason to believe that the tax cuts have helped to bolster a peacetime economy which was already showing signs of sagging under the staggering wartime tax burdens still foisted upon it. To the extent that these tax reductions stabilized economic conditions, they also stabilized the tax base upon which governmental income must depend.

As for the $1,595,000 decrease in withholding taxes, it is quite evident that the decline in employment has taken a larger toll here than the increased tax exemption given to wage-earners under the tax-reduction bill. This is pretty clear from the most recent months for which statistics are available. It is probable that the $556,000,000 increase in tax refunds is less attributable to the current business decline than to the tax-cut legislation. On the other hand, to the extent that these refunds went into purchases of consumer goods, excise and other tax revenues of the Government were enhanced.

LOOKING AHEAD

In any event, the 1949 Federal deficit is now "water over the dam," except as it is used as an augury of what lies ahead. Senator HARRY F. BYRD, in his June 30 speech in the Senate, said that Congress "must soon make the fateful decision (1) whether to retrench drastically, (2) whether to impose staggering new taxes, and (3) whether to embrace deficit spending again."

He characterized the third course as the road to certain ruin and therefore discarded it. He believed that additional taxes would result in diminishing returns, revenuewise, for the Government. The only course remaining, he said, was "to reduce expenditures to the point of a balanced budget under existing taxes."

Senator WALTER F. GEORGE, chairman of the Senate Finance Committee, agreed with Senator BYRD's statement of the situation and said, "I wish to emphasize that I think the greatest service the President of the United States could render the American people today and tomorrow would be a clear, definite, and positive statement that at this time it would be inadvisable to undertake to increase the tax rates."

ALVIN A. BURGER,
Research Director, Council of State Chambers of Commerce.

Study and Investigation of Monopoly and Antitrust Laws

EXTENSION OF REMARKS
OF
HON. FRANCIS J. MYERS
OF PENNSYLVANIA
IN THE SENATE OF THE UNITED STATES

Tuesday, July 12 (legislative day of Thursday, June 2), 1949

Mr. MYERS. Mr. President, early this year I introduced Senate bill 1008, known as the moratorium bill on the basing-point question. It was a bill to provide a 2-year moratorium with respect to the application of certain antitrust laws to individual, good-faith delivered-price systems and freight-absorption practices. I suggested that we should have a full and complete con-

gressional study and investigation of the antitrust laws. I was happy last night to learn that the House Judiciary Committee had launched such a long-overdue investigation into the antimonopoly and antitrust laws. On June 9, 1949, I issued a statement that I hoped such a long-overdue investigation would result in a clear picture of what those laws should do. I ask unanimous consent that the statement which I made on July 9 be printed in the Appendix of the RECORD.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

The confusion and contradictions arising out of Supreme Court and circuit court decisions on the so-called basing-point issue have demonstrated not merely the need for clarifying legislation on the matter of freight absorption but for a thoroughgoing review of the whole pattern of antitrust laws.

S. 1008 has been bitterly attacked in some sources as a promonopoly bill, which it certainly is not. Its sponsors, as well as its endorsement by the Justice Department, should suffice to answer those attacks because it is inconceivable that Senator O'MAHONEY and I, and Congressman WALTERS and others, who have pushed it through both Houses would be interested in furthering monopoly.

The subject of antitrust law is so complex, the contradictions in the law so glaring, that the only way to remove doubts as to whether our laws are tight enough or flexible enough is through the vehicle of a congressional investigation into the entire field of monopoly.

I congratulate the House Judiciary Committee for undertaking such an investigation.

Hugh D. Scott, Jr., Chairman of the Republican National Committee

REMARKS
OF

HON. CHARLES W. VURSELL

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, July 12, 1949

Mr. VURSELL. Mr. Speaker, I regret to mention this matter on the floor of the House; however, I have read in the press that some members of the Republican National Committee are reported to be dissatisfied with the leadership of our colleague, HUGH D. SCOTT, JR., as chairman of the Republican National Committee, and are seeking outside of the Congress for a new chairman.

I think such action is a mistake and might prove extremely detrimental to the success of our party and could thereby result in a great loss to the people of the Nation.

The great mass of Republicans and other citizens who believe a change from the present national administration is imperative to the welfare of the Nation had hoped that question had been settled last winter at Omaha. I cannot understand why responsible members of the Republican National Committee would again raise this question. No good can come of it. It is the wrong move at the wrong time.

Now let us look at the record. For the 1946 campaign a Republican Member of Congress, Carroll Reece, was elected chairman of the Republican National Committee. He knew the party largely had to stand or fall on the record of its representatives in Congress. He was ably assisted and advised by our colleague, CLARENCE BROWN, of Ohio, as the executive chairman of the committee; by Congressman CHARLES HALLECK, the congressional chairman; and by our minority leader, JOSEPH W. MARTIN, JR. For the first time in 14 years, under such leadership, in cooperation with the various national committeemen, the party won an overwhelming victory, resulting in a Republican Congress.

The plan of our chairman to hold three regional conferences over the Nation with the members of the national committee this fall and winter to seek grass-root information from the members of the party and to perfect plans for the future is further proof of the practical, intelligent, and aggressive leadership of Mr. SCOTT.

With party harmony, we can repeat that performance again under the aggressive and very able leadership of our present colleague, HUGH D. SCOTT, JR.

The Congress is the political hub of the party. It is of great advantage for the national chairman to be fully conversant with the work and record of the Congress.

Further proof of the value of a chairman who is conversant with congressional activities can be seen by looking across the line to Senator MCGRATH, of Rhode Island, who successfully managed the campaign of his party, and who is still its national chairman.

Let us stop this bickering, close ranks in unanimous support of HUGH D. SCOTT, JR., our chairman, and win again in 1950.

Conduct of a Federal Judge

REMARKS
OF

HON. FRANCIS E. WALTER

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, July 12, 1949

Mr. WALTER. Mr. Speaker, the allegations of misconduct on the part of a Federal judge in a case recently tried in New York, relate for the most part to errors of law in rulings from the bench and conduct claimed to be generally prejudicial to the Government and unduly favorable to the defendant. Errors of law, if any were committed, are matters for correction within the judicial branch of the Government. The case has not by any means been concluded. There will be a new trial at which I assume a different judge will preside. During the new trial the judge will presumably have to rule on questions of law similar to those raised in the first trial and perhaps on other points. He should be free to do so on the basis of his own best judgment at that time, uninfluenced by findings that a congressional committee might choose to make under its own interpretation of the law and the facts. For a congressional committee to conduct an inquiry into a matter which is properly the subject of judicial inquiry at the same time is certainly an interference with and obstruction of the administration of justice.

If there are facts alleged of a nature to indicate misconduct on the part of the judge during the first trial, surely such facts can be equally well developed after the conclusion of the second trial. Surely, too, any attempt to inquire into any such facts on the part of a congressional committee would be prejudicial to the conduct of the second trial—the judge in that trial would be put on notice of the views of a congressional committee as to conduct properly to be observed in this particular case. Such a course of investigation and report on the part of any congressional committee would be a reflection upon the ability of the judge of the second trial to properly regulate his own conduct and would if known to the jury—and it would doubtless become known to the jury—have a prejudicial effect upon their attitude to the case.

I want strongly to impress upon the Members of the House the fact that the conduct of an investigation at this time may so prejudice the second trial as to enable the defendant, if convicted, to obtain a reversal, on that ground, upon appeal to the higher courts. Surely that is a result no Member of the House desires. Surely it is better for the judicial proceedings to take their normal course and to consider at a later stage whether or not any facts exist requiring investigation by a committee of Congress.

As stated by the Supreme Court in 1880—*Kilbourn* v. *Thompson* (103 U. S. 168, 194):

The case being one of a judicial nature, for which the power of the courts usually afford the only remedy, it may well be supposed that those powers were more appropriate and more efficient in aid of such relief than the powers which belong to a body whose function is exclusively legislative.

The Senate Committee on the Judiciary has concerned itself with the precise problem of investigations involving matters already before the courts and had a study of that subject made for it by the Legislative Reference Service—Senate Committee Print, printed for the use of the Committee on the Judiciary, January 6, 1947. With respect to this subject, the memorandum states, pages 10–11:

IV. INVESTIGATIONS INVOLVING MATTERS ALREADY BEFORE THE COURTS

Two Supreme Court cases, *Kilbourn* v. *Thompson* ((1880) 103 U. S. 168), and *Marshall* v. *Gordon* ((1917) 243 U. S. 521), furnish some indication of the attitude of the judicial branch where an investigation by a committee of Congress cuts across or involves matters pending before the courts.

The power of congressional committees to invade the judicial field is an undecided question. The courts will not permit a committee to sit in judgment over people or issues when the identical case or controversy is pending before a court of competent jurisdiction. The rule has been laid down that the implied power of legislative assemblies to deal with contempt is the least possible power adequate to the end proposed. The courts

seem disposed to apply this rule when a congressional inquiry becomes enmeshed with the judicial machinery.

The question is open as to what the congressional power is after the legal processes have been exhausted. There seems to be no reason or precedent against investigations involving matters which have been finally decided by the courts. It is the interference with the court systems while operating that is abhorrent to our theory of jurisprudence.

At this point I think I should state that inquiries of either character—rulings on the law and the nature of the conduct of the trial—must inevitably have as their purpose the question of impeachment or nonimpeachment of the judge. Such inquiries are properly matters for the Judiciary Committee of the House of Representatives. I frankly state that I do not believe that that committee should start an investigation at this stage. For the reasons I have just given, I believe that it would be highly prejudicial to the proper conduct of the second trial to have these issues publicly aired at this time. At any rate, that is a matter to be considered by the Judiciary Committee rather than the Committee on Un-American Activities.

Biweekly Report by Hon. Francis J. Myers, of Pennsylvania, to People of Pennsylvania

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EXTENSION OF REMARKS
OF

HON. FRANCIS J. MYERS

OF PENNSYLVANIA

IN THE SENATE OF THE UNITED STATES

Tuesday, July 12 (legislative day of Thursday, June 2), 1949

Mr. MYERS. Mr. President, I ask unanimous consent to have printed in the RECORD transcription No. 1 in the biweekly 1949 series of reports by myself to the people of Pennsylvania. This transcription was prepared for radio broadcasting.

There being no objection, the transcription was ordered to be printed in the RECORD, as follows:

I am indeed grateful to this radio station for making possible this series of regular radio reports to the people back home, a series of which this is the first broadcast.

Ever since I have been in the Senate, I have felt the need for some method of regular communication with the voters, with the people in the cities and towns and on the farms of Pennsylvania. Nearly every matter which comes before the Senate of the United States vitally affects some segment of Pennsylvania, either geographically or economically.

My mail is extremely heavy and is extremely interesting and informative, and helps to keep me abreast of what is going on back home, what people are concerned about, what they want their Government to do. And it opens up an avenue of communication in reply.

It was one of my boasts during my early years in the Senate that I answered all of my mail promptly and as fully as possible. My office staff, which is a very faithful and hard-working one, worked week ends, holidays, and long into the night almost every night in an effort to help me keep up that reputation for prompt answering of my mail. But we have reluctantly come to the conclusion these last few years that it is virtually impossible to give everyone who writes in to me in Washington a prompt and comprehensive reply.

Since I cannot write to each individual in the State and carry on a steady correspondence, and since I cannot even meet and talk with each representative group in the State, I have felt very strongly the need for a direct method of communication through which I can keep you informed on what I am doing and why, and thus perhaps make the process of government a little more personal to you. I issue news releases to the press from time to time, but these must of necessity be brief and to the point, covering only bare essentials, or otherwise most newspapers cannot use them.

How, then, does one who represents 10,000,000 Pennsylvanians in the Senate of the United States keep in contact with his constituents, keep them informed, and thus keep faith with them?

Radio is the obvious answer. Public-spirited radio stations, such as this one, which provide the time in which these broadcasts can be heard, are making it possible for me to tell you something of the problems which I face in the Senate of the United States, which are vitally important problems to you, and on which my vote is an important matter to you personally and individually.

The Government of the United States is a mighty complex—almost frighteningly complex—thing. It is literally impossible for any one man—be he the President or the head of the most elaborate news-gathering syndicate, or a Senator—to know all there is to know, and all which should be known, about how this Government operates. Certainly I am not an infallible expert on all things involving the Government, even though it is my business as your Senator to devote my time to the study of Government, and to the shaping of Government policy through congressional action.

That being so, I shall not attempt to pose in these broadcasts as the great expert on everything, the fount of all knowledge, the only oracle of the truth. Since we humans are subject to our limitations, there is not much sense in our trying to fool each other with pretenses of all-inclusive wisdom. I'm going to try to make these broadcasts factual and objective, but I'm not going to try to duplicate the efforts of the newscasters and commentators.

As your Senator, as one of two voices which you have among the 96 Senators who decide how this Government of ours should operate, and what policies it should follow, I feel it my obligation to keep you, as my constituents, fully informed on what I do, and why. Since the Congress cannot act on anything unless the House and the Senate agree down to the last word and punctuation mark on the legislation they pass, the actions of each Senator take on inescapable significance.

Let me sketch briefly what some of the current problems are. I shall go into them a little more thoroughly perhaps in subsequent broadcasts in this series, but for now, and in an effort to establish what might be called the tone of subsequent broadcasts in this series, I will merely outline the general picture.

President Truman, and the Eighty-first Congress which was elected with him last November, came into office on platforms containing a variety of rather specific promises. This applies to Republican Members of Congress as well as to Democratic Members. There were significant areas of disagreement between the Republican and Democratic platforms of 1948, but there were substantial areas of agreement, too. Much of what this Congress does will of necessity be based on legislation involving the area of agreement between the two parties. Depending upon the degree of fidelity with which individual Members of Congress from each party adhere to their platform promises, legislation covering these broad fields of agreement can be passed readily. And that constitutes a major portion of all legislation.

Therefore, when you hear of Congress falling apart at the seams in bitter disagreement, you can rest assured that a great deal of important legislation is still getting through in almost routine fashion, despite the fact that very little attention seems to be paid to it by the press. It is often in the realm of this obscure legislation that decisions are made by Congress of vital importance to you. You should know about them.

The big issues of Taft-Hartley repeal, higher taxes, or lower Government expenditures, housing, expansion of social-security benefits, health insurance, reciprocal trade—these and many more of that nature—are being thoroughly discussed in the newspapers, and public understanding of them is rather general. I shall of course touch upon these things from time to time, for they are important national issues in which I will have to participate, and on which I have to make decisions which affect every American.

At the same time it is one of my obligations, and a very important one, to pay particular attention to the Pennsylvania angle of all the legislation which comes up here. That can be a full-time job in itself, because there is hardly a national issue, with the exception, say, of irrigation and reclamation, which does not have its Pennsylvania aspect.

A good example of this is the annual civil functions appropriations bill of the Army Department, which recently passed the Senate, after first having passed the House of Representatives, where all appropriations bills must originate.

This bill was bitterly attacked in both the House and the Senate as a "pork barrel" bill, as a logical place at which to start in cutting millions, and hundreds of millions of dollars out of our $42,000,000,000 budget for the coming year. It is traditional to refer to these annual appropriations for flood control and river and harbor maintenance and improvement work as "pork." There was an effort in the Senate to cut the amount of the bill by as much as 40 percent, or $300,000,000, out of about $751,000,000. Fortunately, the effort was defeated.

I say fortunately, because such a reduction would have been a devastating set-back to flood-control projects now under way in Williamsport, Sunbury, and in Elk County around Ridgway, Johnsonburg, and St. Mary's. It would have delayed seriously progress on the huge Conemaugh Reservoir for the protection of Pittsburgh. It would have prevented the completion in the coming year of the Wilkes-Barre and Punxsutawney dikes. It would have set back planning work on the Prompton Reservoir in Wayne County, on the Shenango Reservoir in Mercer County, and the Bear Creek Reservoir for the protection of Allentown and Bethlehem.

It would have meant sharp curtailment in maintenance work in Erie Harbor, and in the Delaware River channel at Philadelphia, which is one of our main arteries of maritime commerce. Improvement work on the Monongahela River at Pittsburgh, and at Morgantown, W. Va., to speed the flow of vital commodities in river transportation, particularly coal, would also have been drastically affected. The start of Federal work on the long-range State-Federal "clean-up" of the foul-smelling Schuylkill River would have been made impossible in the coming year.

The question is, of course, how important are these things? Can we delay on them? Well, of course we could—and during the war, we did. And one of the reasons it takes $8,000,000 now to restore the shipping channel in the Delaware River to the authorized

depth sufficient to accommodate the newer type oil tankers, is the fact that we had to curtail the normal maintenance dredging work on the channel during the war. And by delaying on flood-control projects which are already under construction, reducing the construction pace to a snail's pace, the big investments we already have made in these projects will not give us any return whatsoever in terms of flood protection and will remain useless until completed. There is no economy in that sort of thing.

The issue of economy in Government is one of the most important before us. We face a possible deficit. We are reluctant to raise taxes. It is truly a dilemma. But we must make sure that the economies we do make are sensible economies, and not merely bookkeeping economies, which in the long run may be very expensive economies.

When you talk about a $750,000,000 appropriation bill, you are, of course, talking about a whale of a lot of money. Undoubtedly, as some Senators maintained during the debate, there is probably some "fat" in this appropriation, and the cry was to "fry out the fat." Yet in each instance in this particular bill of an appropriation involving a Pennsylvania project, I was able to satisfy myself thoroughly on several counts: first, that it involved work absolutely essential to the protection of life and of property, of industry and of jobs in those industries; second, that the work was of great, long-range economic value, in that the savings resulting from flood protection, and efficient river transportation more than made up in a few years for the entire cost of each of these projects; third, that the appropriations contemplated in the bill for this forthcoming fiscal year were conservative and fully justified. I know that most Senators were thoroughly satisfied that the projects in their own States were just as essential, and just as warranted.

As I have said, in this initial broadcast in this series I am trying merely to sketch out in rather rough outline the plans I have for future broadcasts which will be devoted to more detailed discussion of specific bills and situations. I hope you will listen to them. I shall try to make them on an informal basis, on what you might call a conversational basis, rather than seize this rostrum of radio time for the purpose of making political orations. Politics, of course, will have to enter into the discussions, because politics—the science of government—is fundamental in the democratic process of government.

I will invite and welcome your comments, your advice and suggestions and yes, even your criticisms. I cannot always promise to answer every communication immediately and in great detail, because, as I said, there are literally thousands of them pouring in here all the time, but I want to assure you that the mail is read, and read carefully, and whenever any letter contains information which is useful to me in presenting the issues in committee and on the floor of the Senate, I make use of it.

In one of these subsequent broadcasts, I shall tell you how letters from constituents, from rank-and-file voters, have helped to shape important legislation, just by providing me with information which they had accumulated out of their own personal experiences, and which they had taken the trouble to send on to me. I think I should also tell you how your letters can be most effective in achieving the purposes you seek to achieve, how to make sure that your letters are not only read by Members of Congress, but are acted upon. Some letters are more effective than others, and some are completely ineffective.

I have outlined here a rather ambitious project for myself in connection with these subsequent broadcasts, and I sincerely hope that I can carry through on it. If I can at all help the people of Pennsylvania to be better informed on what we are doing down here, I know that they can certainly help me in turn to do a better job. An informed electorate is a real challenge to any Member of Congress to do his best.

Warning in the Housing Bill

EXTENSION OF REMARKS
OF
HON. HALE BOGGS
OF LOUISIANA
IN THE HOUSE OF REPRESENTATIVES
Tuesday, July 12, 1949

Mr. BOGGS of Louisiana. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following editorial from New Orleans States for July 9, 1949:

WARNING IN THE HOUSE BILL

We bow to no one as a stauncher advocate of States' rights and individual freedom.

Because we believe that we would rather have seen private capital and industry provide the housing needed by thousands right here in New Orleans.

But thy did not do it. As long as 3 years ago they were warned, not only by newspapers, but by action in the Congress, that if private capital did not provide housing the Government would do it at the expense of every one of the taxpayers.

Well, it's here, now, and we welcome it.

We welcome it because it is needed.

Right here in New Orleans, you can go from any point you choose and walk 10 blocks and you'll see slums that are a disgrace to us as citizens, to us as landlords, and also to us as occupants. How can a city expect to raise decent law-abiding citizens in some of these rat traps and hovels? We have our own "tobacco roads" right here.

The Senate and the House both passed the multi-billion-dollar housing bill to provide 810,000 public housing units. It was passed over some of the greatest lobbying by private interests ever seen in Washington.

This is just another instance of our surrendering our rights to a centralized Government. But the point is that the job had to be done. And in the last instance it was Washington that had to do it.

Good housing has been provided in other towns. We had here a few attempts to put them up too. But on the whole, not only New Orleans' but the Nation's private enterprise failed to do so. Costs of materials, of course, were one main reason. Another was feather bedding and job languishment. Masons used to lay 1,000 bricks a day; now 400 is tops. A lot of folks are to blame.

But the housing was still needed, no matter who was to blame. And it was up to the Government, when all others had failed, to do what it could for those in need.

There is a warning, too, in this housing bill, for those who will see it. There is much outcry over the attempts of the Congress to pass antilynch and anti-poll-tax measures, and we make our share of the noise. But unless we do something about it, they are going to pass those laws, sooner or later. The States ought to meet these issues themselves. Texas passed an antilynch law just this week. Louisiana ought to follow. The same goes for equal recreational and educational facilities. If we don't do these things, somebody will do them eventually for us.

Operation of United Air Lines at Salem, Oreg.

EXTENSION OF REMARKS
OF
HON. WALTER NORBLAD
OF OREGON
IN THE HOUSE OF REPRESENTATIVES
Monday, July 11, 1949

Mr. NORBLAD. Mr. Speaker, under leave to extend my remarks, I include herewith another editorial from the Salem (Oreg.) Capitol Journal in protest to any attempt by the Civil Aeronautics Board to remove the operations of United Air Lines at Salem, Oreg.

The size and growth of this operation is attested to in the within editorial, and the facts cited make it clear that this air service at Salem should be continued.

WHAT'S WRONG WITH UNITED'S BUSINESS HERE?

Somebody is trying to treat United Air Lines' stop at Salem as they would an unwanted stepchild. This is evidenced by the hearing coming up before the Civil Aeronautics board on the possibility of substituting West Coast Airlines for United here.

But a look at the facts make such a substitution without real reason. And this is stated with no attempt to belittle the good feeder-line service offered by West Coast.

Salem is a profitable stop for United. The figures indicate that, or else many, many other stops on the mainliner route are worse than the capital of Oregon.

For instance, Salem had almost as much passenger revenue during the first 4 months of this year as did Baltimore, Md., a city seventeen times the size of Salem. Ogden, Utah, which is about the same size as Salem, did less than half as much business during the same period. Fort Wayne, Ind., with a population of over 100,000 persons, did about two-thirds the passenger business of Salem.

Even Providence, R. I., which boasts a population of five times that of salem, didn't do as well in that 4-month period. The list goes on and on, including South Bend, Ind.; Stockton, Calif.; and Cheyenne, Wyo.

What about air freight? Few cities on the United route, close to the metropolitan areas, can touch Salem in this. The airport here handled 63,314 pounds of air freight in the first 4 months of 1949. In this connection it should be noted that West Coast, suggested as a substitute, does not carry air freight.

United Air Lines' top officials might well take another look at the figures for the Salem stop and then judge for themselves that the stepchild here isn't bad at all. As a matter of fact, the Salem stop looks good on paper. And with a new field administration office coming up, the control tower in operation, and Oregon's second city's growth, the outlook should be worth more than casual consideration.

Salem means to fight to keep United service here. United ought to join the fight—on Salem's side.

Judge Kaufman

EXTENSION OF REMARKS
OF
HON. W. KINGSLAND MACY
OF NEW YORK
IN THE HOUSE OF REPRESENTATIVES
Tuesday, July 12, 1949

Mr. MACY. Mr. Speaker, questions have been raised during the past few

days about the conduct of Judge Kaufman who presided in the recent trial of Alger Hiss. One of my Democrat colleagues told this House that his conduct reflected discredit upon the bench. I think that the situation warrants an investigation by Congress.

Exercising their right under the Constitution, Members of Congress have expressed criticism of the judge's rulings and his attitude in connection with the defense.

Now I want to inform the House just who and what has come to the defense of Judge Kaufman. The New York Daily Worker, the official mouthpiece of the Communist Party prints a long editorial today defending the judge and attacking the Congress. And another left-wing publication, the New York Compass, follows suit.

Here Mr. Speaker is the irony of the situation: A Federal court judge under criticism by Members of Congress being defended by the Communist Party.

Under leave to extend my remarks, I include the editorials from the Daily Worker and the Daily Compass in the RECORD for the benefit of all Members so the Members may know the make-up of the forces alined with Judge Kaufman.

[From the Daily Worker of July 12, 1949]

CONVICT—OR BE CONVICTED

The failure of the FBI and Un-American Committee mob to get a conviction in the case of Alger Hiss has brought a yelp of rage from these frame-up artists.

Two members of the Un-American Committee demand an investigation of Judge Kaufman, who presided in the Hiss trial.

Kaufman's crime, in their eyes, is that he did not guarantee a conviction in a case involving the mythology and hysteria of the Red scare.

The "red-scare" terrorism can only work if every accusation is a conviction, if every indictment is automatically viewed as too dangerous to dispute. In such a set-up the existing system of legality, of proof, of constitutional guaranties must be ignored or swept aside. The "red scare" leads to lynch law. That is why Representative NIXON, Republican of California, of the Un-American Committee now shouts that there was "too much" observance of "technicalities" in the Hiss trial. These technicalities happen to be the constitutional guaranties and legal procedures of traditional law.

Law in a capital society is rigged to protect the system of private capitalist property. Judges are the instrument of that system. But within this system there is a traditional series of legal protections which; though limited, was achieved by the people when the capitalist class needed partial democracy against its feudal enemies.

In preparing the red-scare frame-ups, the Government must violate these traditional legal rights. It loads the dice from the start. The press deluges the Nation with hysteria. The juries are filtered through a controlled system of picking. The victims are called traitors to their country, and anyone who will not agree to hang them is in danger of being hanged, too.

But even this elaborate system of frame-up was, for the moment, punctured in the Hiss case where four jurors refused to abandon the traditional concepts of legality, proof, and decency. The rage of the Un-Americans against Judge Kaufman is the expression of their determination to guarantee convictions in advance in all cases involving the red scare and the spy hunt. They are now out to wipe out even the legalities which are rigged in their favor, but which are still an obstacle to their naked terrorism.

The Un-American Committee's threat against Judge Kaufman is not that he is a Communist, but that he failed to follow the model of Judge Medina in the heresy trial of the 12 Communist leaders at Foley Square. From this spectacle the unprejudiced people can get some idea of the kind of indictment and the kind of trial which the Communists face, with jail sentences of 10 to 20 years hanging over their heads.

The effort to hang the judge who refused to hang Hiss on the say-so of the FBI's secret police shows how timely indeed is the coming July 16 and 17 bill-of-rights conference called in New York.

Americans of all creeds will gather here to stand up for the United States Constitution against the police-state plotters who so gravely menace America behind the shoddy flag of anticommunism.

[From the Daily Compass of July 12, 1949]

SMEARING JUDGE KAUFMAN

The portion of the press and Congress—an uncomfortably large portion—which was eager to see Alger Hiss convicted of perjury—or something—is so disappointed over the verdict that it is turning its vengeful weapons now toward Federal Judge Kaufman.

The muttering is akin to that of members of a mob frustrated at a prospective lynching that failed to result fatally to the victim, who turns out merely to be permanently disabled but alive.

Somebody must be guilty of something and, of course, it can't be the mob to whom the lying Whittaker Chambers has become a White Knight leading a charge against the Red Dragons.

Ergo, the judge is guilty.

Guilty of what?

Guilty of presiding over a jury which failed to agree that Hiss was a perjured conspirator fitting into the lurid and dramatic roles Chambers' tortured imagination had assigned to him.

Guilty, according to portions of the press and Congress, of frustrating the Government's determined effort to justify the perjured Chambers' tales by getting a conviction of a once-trusted State and Justice Department functionary; so that the wild and extra-legal raiding, oppression, and Red-baiting of Tom Clark's Justice Department and the House Un-American Activities Committee could find some presumptive justification in the shout:

"We've caught one. We actually caught one. A subversive."

The judge is charged baldly with having refused to dismiss a juror accused of bias in favor of Hiss, despite vigorous Government demands that he be dismissed.

The accusation is a gross perversion of the truth.

1. Pretrial bias toward Hiss was not established.

2. The Government (the prosecutor) did not demand the dismissal of the juror. In fact, it was explicit on the point of not demanding such a dismissal.

The accusations centered around Hubert James, jury foreman.

It is being alleged that Judge Kaufman "refused a governmental demand" that James be dismissed.

The facts are so clear in the court record itself that the Daily Compass reproduces herewith, from the official transcript, what did transpire:

"Judge KAUFMAN. Well, if the defendant's counsel are willing, and if I should follow your suggestion and dismiss this juror, you may have a mistrial.

"Prosecutor MURPHY. Well, so we can understand each other right now, the Government is not moving for a mistrial in words, substance, effect, or inference.

"Judge KAUFMAN. Are you moving that this juror be disqualified?

"Prosecutor MURPHY. No, sir; I am not. I am merely calling the court's attention to some facts that have been told to the Government, and am asking the court to do what it thinks is proper under the circumstances."

This is an end to the portion of the transcript, which has been reproduced above in the exact language of the record.

Following are the headlines from several local evening newspapers relating to the story:

"Juror's pro-Hiss bias charged; United States effort to unseat him failed," World-Telegram. "Hiss judge kept juror United States protested on June 2," Journal-American. "United States objected to Hiss foreman but judge refused to oust James, said to have expressed belief in innocence," New York Sun.

That should dispose of the matter of Judge Kaufman's bias, although it is doubtful if it will do so.

The need for a record of actually having proved somebody somewhere guilty of something is becoming more of a necessity to the witch hunters. The great, vast public, consistently badgered with misinformation and exaggeration by organizations and individuals seeking permanent power to destroy democracy in the name of defending it, is beginning to sense that we are being driven toward war, and that fear, hate, suspicion, and apprehension over every demand for broadening our democracy are being built up in a persistent effort to link it all up with communism and some dire plot by the Soviet Union.

Incidentally, perjured testimony cannot, and should not, be condoned.

What kind of a deal, if any, did the Government make with Whittaker Chambers in exchange for his services as the star witness against Alger Hiss?

And if, as is protested, no deal was made, when is Chambers to be prosecuted for admitted perjury—repeated perjury—seven confessed instances of it being on the record of this trial?

There is more than a slight suspicion that the furore artificially created over Judge Kaufman is merely another diversionary tactic intended to draw public attention away from Chambers' freedom from Government action on the same charge it feels impelled to press against Hiss.

America, Land of Political Freedom

EXTENSION OF REMARKS

OF

HON. ROBERT L. RAMSAY

OF WEST VIRGINIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, July 12, 1949

Mr. RAMSAY. Mr. Speaker, under leave to extend my remarks, I include the speech given by Admiral Louis E. Denfeld, Chief of Naval Operations, before the American Legion convention, Department of West Virginia, Sunday July 3, at Wheeling, W. Va.:

It is an honor and a privilege to join you in this hour of solemn tribute to our fallen legions. To those heroic men, named and nameless, we give our humble thanks. And when we meet, as we meet here now, we do so in dedication to those who have made free assembly possible.

The eve of the Fourth—this is an eve of lasting significance. Historically, it marks a night long ago when only a few more hours of darkness remained before a new light

burst forth over an old world—a guiding star of political freedom.

The men assembled in Philadelphia on the evening of July 3 were few—a small "legion"—and they had come from all points, from all stations of life in the Colonies. But they possessed a singleness of purpose—the clear determination to assert the dignity of man. And to effect this principle, to make it a workable instrument of everyday national life, they bound themselves in common cause, pledging to that cause their fortunes and their lives.

This was, indeed, a bold resolve—one that had long smouldered in the oppressed hearts and minds of men everywhere.

For centuries there had been a code to guide men spiritually. The way of life expounded by Christ had spread beyond borders and oceans—but it wasn't until the Declaration of Independence was signed in Philadelphia that Christian principles were incorporated in a nation's political destiny.

Noble as that resolution was, its enactment was at a great cost. In its wake came revolution—but once caught in the turmoil of war, the struggling Colonies gave unsparingly of their goods and of their men.

We were not yet a rich nation—several generations had to pass before the new land would yield a bountiful harvest of material wealth—and more often than not, our forces on land and sea were poorly armed and worn by hunger. The days were grimly dark, and even the strongest, General Washington, struggled with the tribulations and privations, such as try men's souls.

But officer and man alike remained steadfast to the cause, although each knew full well that victory would bring neither ease nor riches. Rather that bright day of triumph meant only the time when men could go home and begin living the way of life for which they had fought so desperately.

That victory came—and the news of it quickly spread to other nations of the earth. Here in this new land, and under a new flag, were to be found not only treasures of material worth, but that which men's souls craved even more.

America was the land of political freedom.

Soon a tide of migrating peoples rolled toward our shores. They came from all lands, seeking the benefits offered by this new concept of man's duty toward man. To some the end of the voyage meant freedom of religious expression—others came to escape Old World militarism, political persecution—for many reasons and from many lands they came in ever swelling numbers. And from this generous fusion of peoples was distilled an elixir which has never failed to strengthen and sustain us in the trials which the subsequent years brought to our country.

In peace we have labored side by side, molding a Nation of which we are justly proud. In war we have answered the drum's beat together, each to his task, each to his talents—Americans all.

As a nation we mark tomorrow our one hundred and seventy-third year. For 173 years, the light kindled by that small band of men in Philadelphia has never ceased to shine. It is the same light that hovered over Chateau-Thierry, the Argonne, the beaches of Anzio and Normandy—that pierced the murk and stench of Belsen—of Dachau. It guided our men on Bataan, and beckoned the Marines at Iwo Jima. To realize how far this light of freedom has penetrated the corners of the earth, one has only to read the roster of our so recent war dead—the men from Irish, German, Jewish, Japanese, and countless other extractions.

Not so long ago we believed that we had fought our last war, that the list of honored dead was closed for all time. We believed that we and our allies, men of all races and creeds, standing shoulder to shoulder in common endeavor in war, would turn our mutual talents toward the establishment of an enduring peace.

But our men were hardly home, the soil of the battlefields dried of the blood that had won them, before that ideal was shattered. And today another ominous rumble rolls over the land. It is a tumult conceived in deceit and born of frustration, yet it would have us believe that ours is not the better way of life, that our efforts have been misguided, that our sacrifices have been made for base materialistic gains.

The physical abundance we employ for the betterment of our people is too well known to need further exposition. Socially, we have made and are making long and certain strides. We have accomplished much to banish old hatred and prejudices; much more is yet to be done in this direction, but our progress is heartening. And spiritually, it is clear that we have never deviated from the principle of religious freedom as first set down by our founding fathers.

These attributes of the national character have not been used selfishly, for the benefit of our people alone. After each war we have helped our allies and the vanquished alike. But until our time in history, plunder was the inevitable companion of the victor. They rode the same horse, and that which they could not devour, they trampled.

Today, by means of the Marshall plan, and other agencies both Federal and private, we are seeking to restore those nations and peoples so cruelly ravaged by war. To share with them the fortunes of all kinds which we have been able to amass under the doctrines established that first Independence Day has been our objective.

How could such a fullness of life be achieved by a people misguided for nearly 2 centuries. And if ours is not the better way of life, why is it that the roads leading to it are still swollen? For the hungry, the homeless, and the downtrodden, ours is the light that shines in darkness. To them we hold, still, the hope of refuge.

In all life we see side by side the positive and the negative, the builder and the destroyer. Our role on this earth has been from the first that of the builder. If we are to continue to play this preeminent part, great care and even greater vigilance must be taken. If we should fail, if this stately structure we have labored over so long and so lovingly were to crumble, the destruction will be borne by us all—and the fault will be our own.

It is not enough to guard the fortress from without; more important, we must protect it from within. To each of us, therefore, falls a task which can be performed by no other. The fate of our Nation depends not upon a handful of diplomats, but upon how well each one of us individually plays his part.

Equal opportunity entails equal responsibility. To this we have been committed down the years. Since the day of commitment to this and other truths, the world which then seemed so wide has steadily diminished until now each nation is ready witness to our deeds. The commemoration of our birth date has outgrown its original significance. Tomorrow, as we stand or march together, the eyes and the ears of the world will be upon us. It will not, therefore, be enough for us to pay homage to the past, to meet to honor our dead. We must give our sacred pledge to the future.

Thus far, the generations of our people have kept the beacon burning brightly. Our will and our strength are still equal to the task. And we shall go forward, ever onward, no matter what form the opposition may assume.

We shall advance calmly, without panic, our way illuminated by the light entrusted to our keeping.

Biweekly Report by Hon. Francis J. Myers, of Pennsylvania, to People of Pennsylvania

EXTENSION OF REMARKS
OF
HON. FRANCIS J. MYERS
OF PENNSYLVANIA
IN THE SENATE OF THE UNITED STATES

Tuesday, July 12 (legislative day of Thursday, June 2), 1949

Mr. MYERS. Mr. President, I ask unanimous consent to have printed in the RECORD transcription No. 2 in the biweekly 1949 series of reports by myself to the people of Pennsylvania. This transcription was prepared for radio broadcasting.

There being no objection, the transcription was ordered to be printed in the RECORD, as follows:

The news out of Washington these days reflects a Capital and Congress in an advanced stage of conflict and turmoil. Spy trials and investigations, loyalty inquiries into the explosive issue of atomic-energy administration, a probe into innuendoes of graft or corruption in military procurement matters, and, of course, the big issue of Taft-Hartley repeal, all command the headlines and the attention of nervous-sounding news commentators. And now the Atlantic security pact is out of committee, awaiting Senate consideration.

Of course, all of these things are vitally important to the country, and it is only proper that they receive the headline attention they deserve. But it is my feeling that in setting forth these extremely important developments as separate and unrelated sensations the public gets a misleading impression of the actual atmosphere of their Nation's Capital, which is not at all the demoralized and chaotic place the news would indicate it to be.

Some of the investigations under way are in the nature of side shows to the main spectacle. The news stories might indicate that practically all the Members of Congress are devoting most of their time to those side shows, whereas actually only the members of the particular committees involved are taking part in these well-publicized investigations.

Those of us who are not on the Joint Atomic Energy Committee or the House Armed Services Committee, or one or another of the investigation-minded appropriations subcommittees, are, nevertheless, extremely occupied in our own committees and on the House or Senate floor with important legislation which does not always attract headline attention, but whose influence on the activities of the people of America and on business or industry or labor or the consumer is of a very strong character.

I think I can point this up merely by giving a few items out of my own diary of committee hearings, policy meetings, conferences, and floor activities in recent days.

For the past few weeks I have been attending hearings of a subcommittee of the Senate Committee on Interstate and Foreign Commerce on the subject of natural gas. We are trying to decide, on the basis of expert advice from the Federal Power Commission and from the gas industry and from representatives of States and municipalities, whether or not the Congress should waive away all jurisdiction of the Federal Power Commission over independent producers and gatherers of natural gas who do not have their own pipe lines into consumer markets in other States.

On the surface it sounds like an easy question to decide. The original Natural Gas Act passed in 1938 specifically exempted from Federal control the "production and gathering" of natural gas. The Federal Power Commission has never exercised jurisdiction over the rates the independent producers and gatherers charge to the pipe lines which transport this gas to the distant markets. The Supreme Court, however, declared in a decision a few years ago that the Federal Power Commission could set rates charged by these independents engaged in interstate commerce.

In the intervening years we had in the Congress a determined drive on the part of the entire natural-gas industry, including the pipe lines, to get legislation through which would pretty much have crippled all effective Federal regulation of natural-gas rates. We blocked that in the Senate Interstate Commerce Committee in 1947 by a very narrow margin of 7 to 6—the six Democrats on the committee and one Republican, Senator TOBEY, of New Hampshire, joining together to kill the Rizley bill. We also killed a similar bill last year by a somewhat larger margin.

The current fight is not over the Rizley bill or over any bill remotely resembling it. The bill now before the committee seeks to guarantee by legislation the same results which those of us who last year and the year before opposed the Rizley bill said at that time we were willing to allow, that was to exempt specifically the rates charged by independent producers to the pipe lines.

In the last year, however, so many new pipe lines have been established or certified, particularly to take gas from Texas and bring it up to northern and eastern cities, that there is now, according to the Federal Power Commission, a strong sellers' market in natural gas. As a result, some of the big independents, primarily oil companies who develop natural gas as a byproduct of their oil production, are said to be raising the prices of their gas to the pipe lines arbitrarily and capriciously. And these increases will of necessity be reflected in the price for natural gas in Pittsburgh and in other cities of Pennsylvania where natural gas has been a fuel long in use and highly important to industrial processes.

This is just one of the issues which have commanded not only a good deal of my time, but a tremendous amount of study on my part.

On the subject of natural-gas rates and of utility rates generally, I think it appropriate here to mention the importance of the fact that Thomas C. Buchanan, of Beaver, Pa., has finally been confirmed by the Senate for a place on the Federal Power Commission. Mr. Buchanan, a former member of the Pennsylvania Public Utility Commission, where he distinguished himself by his energy in behalf of the consumers of utility services in the State, has been serving since last summer on the Federal Power Commission under recess appointments made by President Truman. The Senate Interstate Commerce Committee in the Eightieth Congress has pigeonholed his nomination following hearings in which he was accused of lacking, and I quote, "judicial temperament." The charges came largely from representatives of utility interests and from some of Mr. Buchanan's former colleagues on the Pennsylvania commission.

What these charges came down to actually was that Mr. Buchanan insisted, while a member of the Pennsylvania commission, that utility rates be set on a basis of fair return on investment—on actual investment—rather than on the basis which is still followed by the Pennsylvania Public Utility Commission of return on reproduction cost. Under this theory of rate making in utilities regulation, inflation inevitably brings higher gas and electric rates regardless of whether the utility has had to buy new equipment at higher prices.

Mr. Buchanan has always supported the theory which has been approved by the Supreme Court of the United States and which is followed by the Federal Power Commission of keeping rates down to a point where they reflect an eminently fair—but only a fair—return on the actual invested capital of the utility.

Is all this important to you people in Pennsylvania? It certainly is. With the present division in the Federal Power Commission of three to two on fundamental issues of rate making, particularly in the natural gas field, Mr. Buchanan's membership on the Commission on a permanent basis as a result of his confirmation by the Senate insures a fair break for the consumers of gas and in some areas, electricity, in Pennsylvania and for Pennsylvania industry, particularly in the western part of the State, which requires natural gas for certain of its operational techniques.

My own committee responsibilities and also my responsibilities as majority whip in the Senate have been so heavy lately that I had to forego an opportunity to sit in recently with the Senate Labor Committee when hearings were held on a bill I have cosponsored with Senator NEELY and others to enable the Federal Government to take action against unsafe coal mines. I wanted very much to hear John L. Lewis when he testified in favor of the Neely-Myers bill. His testimony, as always, was I understood, extremely dramatic. Probably no one can speak as eloquently as Mr. Lewis on the subject of the horrible toll of deaths and injuries to our coal miners as the result of unsafe conditions in the mines. The Neely-Myers bill would permit Federal mine inspectors to close down any unsafe mine until conditions considered imminently dangerous to human lives are corrected.

All of these committee hearings, important as they are in the process of shaping legislation and of uncovering facts, are, of course, secondary to the main show—to action on the House and Senate floors where legislation is actually enacted.

The Senate, as everyone knows, has before it as pending business the administration's bill to repeal the Taft-Hartley Act and to replace it with legislation in the spirit of the Wagner Act, but with certain changes recommended by President Truman as a result of our experience over the years with the Wagner Act.

Just what our bill will look like when it passes the Senate—probably not for several weeks at least—is anyone's guess—and everyone seems to be guessing. It will, I hope, not be a Taft-Hartley Act by another name. I think every reasonable business man has come to the conclusion by now, as did Business Week magazine last December, that the Taft-Hartley Act was bad legislation. The whole theory of the Taft-Hartley Act was that strong labor unions constituted a menace to the country's economy and safety. Individual provisions of the act by themselves have merit in many cases, but as part of a pattern of direction on legislation, those provisions formed a jig-saw puzzle which, when put together, reflected outright and deliberate anti-labor bias.

The fact that the main architect of the Taft-Hartley Act, Senator TAFT, has come forward with an amazing compromise bill which would remove from the law many of the original features which he had defended so strongly when the bill was passed 2 years ago, shows the trend of thinking—a sensible trend. In the 2 years or so since Taft-Hartley became law, much of the hysteria resulting from the post-war bread and butter strikes of labor has disappeared. I think both sides of this issue are trying to look at the problem a little more objectively than was true 2 years ago.

That does not mean that we are in virtually unanimous agreement on a new bill. Obviously that is not true. These issues of labor legislation are going to be fought over vigorously, almost bitterly, but this time in an atmosphere much closer to reason and common sense.

While seeking to remove some of the strait-jacket provisions of Taft-Hartley from labor's back, from the back of respectable labor unions which, in some cases, like the printers' union, have had management-labor traditions and customs and practices of 50 years standing outlawed overnight by an act of Congress, the Senate has just recently completed action on a bill with which I was closely identified which would give to industry, particularly to Pennsylvania industry, some assurances on the legality of legitimate competitive practices involving freight absorption, practices which have recently come into question as a result, first, of a Supreme Court opinion in a case last year involving the cement industry and second of a case involving manufacturers of rigid steel conduit on which the Supreme Court divided evenly, 4 to 4, with one justice not participating. In this instance the Supreme Court was unable to tell us just what the law was in regard to certain types of independent, noncollusive freight-absorption practices.

This is rather a technical subject, so technical in fact that the committees of Congress have been struggling with it for several years, failing in all that time to come forward with legislative language which would outline clearly the narrow dividing line between legal methods of doing business on a competitive basis and violations of the antitrust laws.

Since it is a technical subject, I do not intend to go into it here and now. I shall be glad to send full information on this to any manufacturer to whom the issue of delivered pricing is important or to anyone who is interested. What I want to point out here is that through the vehicle of a bill introduced by me, S. 1008, amended first in the Senate Judiciary Committee and then completely changed on the Senate floor following conferences between the notable Senate expert on antitrust matters, Senator O'MAHONEY, and spokesmen for both the Senate Commerce Committee and the Senate Judiciary Committee, we were able to work out language which we think and we hope will remove the cloud of possible antitrust prosecution from legitimate businessmen following what everybody seems to agree today are legitimate methods of competition but which the Supreme Court next month or next year may suddenly pronounce to be illegal.

Everyone who works for a manufacturing plant in Pennsylvania has a stake in this issue because if our plants cannot absorb freight, that is pay part of the cost or all of the cost of shipping their products to distant markets, they may not be able to compete in those markets with firms located closer to the market areas. Since many of Pennsylvania's plants serve the whole Nation, it is important that they can compete legitimately and effectively.

I mention this as an indication of the fact that this Eighty-first Congress is a Congress seeking to serve all the people—business, industry, the consumer, the public, labor—to serve them fairly and to enact fair legislation.

The New Senator From New York

EXTENSION OF REMARKS

OF

HON. KENNETH B. KEATING

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, July 12, 1949

Mr. KEATING. Mr. Speaker, the editorial comment from the New York

Times, which follows under leave to extend my remarks, is typical of the universal approval which has greeted the appointment by Governor Dewey of JOHN FOSTER DULLES to service in the United States Senate. His presence there will benefit not alone the State of New York, but the entire Nation. His distinguished and patriotic service to his country in the field of international affairs has already won for him a unique position of honor and admiration among his fellow Americans of both political parties.

The editorial follows:

NEW YORK'S NEW SENATOR

Governor Dewey did not have to search hard or to think long in order to find an admirably qualified successor to Robert F. Wagner as a Member of the Senate. The name of JOHN FOSTER DULLES must have come to his mind promptly, logically, and with gratitude that the services of so able and experienced a nominee were available to the people of New York. The issues of chief importance still awaiting action at the present session of Congress lie primarily in the field of foreign affairs. They are ratification of the North Atlantic Treaty, action on the pact of military assistance which is an essential supplement to it, implementation of the Marshall plan and extension of the Reciprocal Trade Agreements Act—which assumes increasing importance in the light of the "dollar shortage" that now troubles our democratic allies. In all these and other closely related matters Mr. DULLES has acquired a great wealth of first-hand knowledge and experience.

In his announcement of this appointment Governor Dewey suggests that Mr. DULLES may serve in the Senate only until December, and Mr. DULLES himself says that he does not expect to be a candidate in the November election. These are matters which may be left to another day. For the present it is enough to note that the appointment comes in sufficient time to enable Mr. DULLES to make a contribution to the discussion of important questions still on the agenda of this session and that it confers a well-earned honor on a citizen of this community who has served the whole American public faithfully and with distinction. For more than 4 years Mr. DULLES has willingly put aside his own affairs at the drop of the hat and rushed from one important commission and one critical international conference to another at the call of the White House. The title of "Senator" well rewards and excellently befits him.

What About the 25,000,000 American Children?

EXTENSION OF REMARKS

OF

HON. GORDON L. McDONOUGH

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, July 12, 1949

Mr. McDONOUGH. Mr. Speaker, the American people are always ready to rush to the aid of children in distress, children who are hungry, ill clothed, sick. The picture of a child on a poster brings a sympathetic response in donations from Americans. Relief packages flow across the sea to ease the suffering of children in Europe and in Asia. Many Americans even adopt war orphans and contribute monthly donations for the support of these unfortunate children.

But what of the 25,000,000 American children who are growing up in our own Nation? What are we doing to guarantee to them the most important of all their possessions, their heritage of personal freedom and liberty, the right to be self-dependent, the freedom to decide their own future?

Unless we act now to protect our American principles of individual freedom and defeat the growth of a socialist state which will guarantee a measure of planned security for the individual in one hand while it directs, orders, and decides each step in the life of the individual, our 25,000,000 children, the American citizens of tomorrow, will have lost their birthright.

In the June issue of the Tax Digest, the following article forcibly directs our attention to this dangerous trend. It should receive consideration, and I commend it to all members of Congress who still believe that our first duty is "to secure the blessings of liberty to ourselves and our posterity."

WHAT ABOUT 25,000,000 AMERICAN CHILDREN?

One little woe-begotten child on a poster can evoke the sympathy and generous outpouring of millions of dollars on the part of the American people. We're quick to rise to help the poor little children of China, or of Greece, or, in years gone by, of Armenia. Once in a while we even go to war to protect their freedom.

But what are we doing today to protect the freedom of the 25,000,000 little children in the United States who will be the men and women of the next generation?

Sure, their little stomachs are full. Their fathers and mothers are guaranteed unemployment insurance. We take them into school almost at the cradle—and apparently we plan to take care of them clear to the grave.

But what about their freedom? While we are guaranteeing them security, and jobs, and parity prices, and old-age insurance, and all the other things that our Government is holding out to them—what are we doing to their American birthright of freedom?

That American birthright is not freedom from fear, or want, or any other bad thing.

It is freedom of opportunity, freedom to make the most of themselves, freedom to be self-dependent, freedom to earn, to save, to invest—freedom to pursue happiness in their own way and at their own speed, be it slow or fast. In the end, it is freedom to decide what they will do with their own lives.

Today the American people are paying about 30 percent of their income to Government in taxes. And a big part of that 30 percent comes out of their pay checks before they get them. Any such enormous contribution for only one phase in the complexity that makes up our way of life seriously jeopardizes all the other parts.

Where an average of 30 cents out of every dollar of income goes for a mandatory cost of government, the home is left only 70 cents out of the dollar of income for all the essentials that have traditionally been the responsibility of the home and family in the United States of America.

Private charity, another American institution, has a hard row to hoe in the United States today—evidenced by the lack of success of many Community Chest drives this past year.

Few churches are rolling in wealth either—few indeed are there who can give a twentieth, let alone a tithe of their income to the glory of God.

The public schools, far from continuing as a grass roots institution, are clamoring to become Federal dependents.

We hear much in the newspapers about the "dearth of venture capital." What does that mean? It simply means that fewer and fewer Americans are able to save much and that the urge for security has so great a hold on the thoughtless that only a relatively small number are willing to invest their hard-won savings in enterprises where there is an element of risk.

Today the Federal Government is operating under a $250,000,000,000 debt. Talk of a $500,000,000,000 Federal debt is starting in Washington. Certainly there is little indication of much effort to cut Federal expenditures so that next year's Federal budget may be in balance—much less to cut Federal expenditures so that the people of this country may have some tax reduction. Senator BYRD has estimated that, without any more commitments such as socialized medicine, we will be $11,000,000,000 along the road to our second quarter trillion of national debt by the end of fiscal 1951.

California is due for a billion-dollar State budget for 1 year. It begs the question to point to all that goes into the State budget—all the local governments get out of it. The State must raise $1,000,000,000 next year, and that means increased and new taxes.

Local property taxes are mounting higher and higher, going up faster than the increase in population or in taxable valuation.

And local governments are invading other sources of revenue—notably cities going after the sales tax, as well as pressing for greater support from the State and Federal Governments. Most striking example, perhaps, is the public schools, which are promoting Federal aid for education, and in California, at least, demanding more out of the State treasury, as well as levying increasing property taxes.

There's good reason to expect that Californians will be paying higher taxes per person this coming year than they did in the peak year of war spending. And if the income of the people goes down, it means that an even greater proportion will go to government—and the other side of the equation, even less will be left for the personal use of the people.

But with all the danger flags flying there are those who, with their eyes wide open, promote bigger and greater invasion into the private lives of the people—more government paternalism, more spending, more control. And there are those who blindly follow, trading a little government service for a big slice of their freedom.

The parable about the man who traded his birthright for a mess of pottage has been repeated over and over. Seems like people don't learn from history, from the experience of the past.

Any American past 40 who isn't blinding himself to the past can remember when he was free to save, free to provide his own security, free to build a business and to compete for success—free to make his own life, liberty, and happiness.

What about the 25,000,000 children of the coming generation?

Biweekly Report by Hon. Francis J. Myers, of Pennsylvania, to the People of Pennsylvania

EXTENSION OF REMARKS

OF

HON. FRANCIS J. MYERS

OF PENNSYLVANIA

IN THE SENATE OF THE UNITED STATES

Tuesday, July 12 (legislative day of Thursday, June 2), 1949

Mr. MYERS. Mr. President, I ask unanimous consent to have printed in

the RECORD transcription No. 3 in the biweekly 1949 series of reports by myself to the people of Pennsylvania. This transcription was prepared for radio broadcasting.

There being no objection, the transcription was ordered to be printed in the RECORD, as follows:

When summer comes to Washington, the feeling begins to spread that adjournment of Congress can't be far away. Summer came to Washington a few days ago with all the fury of mid-August, and you will be reading repeatedly in the columns originating here in Washington about the congressional intention to go home and escape the heat.

I would discount that inside information if I were you, particularly if you are taking a real interest in your Congress and in what it is doing, and what it should do. We are not going to quit until we have accomplished a lot more than we already have.

Those of us in the leadership of the Congress have no expectation that we can in this first session of the Eighty-first Congress enact into law every provision and every broad promise of the 1948 Democratic platform.

As the chairman of the committee which drafted that platform at Philadelphia last July, I can tell you that we knew that the actual mechanics of writing that list of promises into law constituted a very difficult technical job for Congress. This is true the more so because despite what you sometimes hear about slipshod methods and hasty action by Congress, I can say to you honestly that this Congress is really trying to legislate with caution and with care. We have not used blitz tactics on any measure, even those on which the entire Democratic representation in Congress is almost unanimous, and on which we also have strong and influential bipartisan support among Republicans. The chairmen of the various committees of the Congress are giving all sides a full opportunity to be heard in the committee hearings. In connection with the North Atlantic security pact, for instance, Chairman CONNALLY and the members of the Senate Foreign Relations Committee—who have since unanimously approved the treaty—permitted Senators who were not members of the committee and who opposed the treaty to attend the hearings and to participate in the questioning of witnesses.

That may have delayed committee action on the treaty, but I think the delay was worth while in establishing clearly a determination on the part of our congressional leaders on foreign policy that blitz tactics would not be used, and that all questions about the treaty would be fully and openly explored.

In the meantime, the Senate is still hard at work on the new labor bill to replace the Taft-Hartley Act, and the debate is continuing into the third week. We have, of course, interrupted labor-law discussion from time to time to allow appropriation bills and other urgent measures which have deadlines attached to them to go through.

On the whole, although progress has been slow, I think this Congress is proceeding on the right track, and I am convinced that we will keep at the job here until a substantial portion of our program is enacted.

Of great interest to everyone who is concerned about the steadily mounting cost of Government, the numerous overlappings and duplications of Government functions by different agencies, and the need to make this Government of ours as efficient as it can possibly be without at the same time eliminating important work that the Government should do, was the passage a week or so ago of the Reorganization Act of 1949.

Under this law, the President will once again have the authority to recommend sweeping reforms in the way this simply tremendous Government of ours carries on its work. The Commission on Organization of the Executive Branch of the Government, which was headed by former President Hoover with the present Secretary of State, Dean Acheson, as vice chairman, did an outstanding job in analyzing the functions of the hundreds of Government agencies and showing how many of these agencies could be abolished and their work consolidated with that of other agencies in a more efficient set-up.

Ever since the Hoover Commission started to make its reports to Congress—and they have made them, one at a time, over a long period of time—I have received hundreds of letters from people all over Pennsylvania who wanted to know why these recommendations were not being put into effect immediately. The answer to that is quite simple.

Before the President could shake up the executive departments, and consolidate bureaus, and eliminate agencies, and transfer functions—nearly all of which are specifically provided for by law—he needed a special law to provide him with such authority. That was step number one. And such a law has now been enacted.

The law itself does not give the President blanket authority to do these things on his own. Either House of the Congress can prevent him from carrying out any of his reorganization plans simply by voting against it.

On the same day that he signed the reorganization bill, the President sent up to Congress seven reorganization plans which have already been worked out, all of them designed to help him improve Government housekeeping and bookkeeping and operations. The consensus is that all of them will go into effect, that neither the House nor the Senate will disapprove any of them. I am informed that other reorganization plans affecting nearly every department of the Government will be sent up to Congress from time to time.

In other words, the Congress is sincere, and the President is sincere, about the need for increasing efficiency in Government, and thus reducing expenditures. There are bound to be fights over particular reorganization suggestions, however, because nearly every agency of the Government has its own strong supporters both in Congress and among the general public, particularly among various types of businesses which deal with those agencies.

On another front, the housing front, Congress is also making real progress. Thanks to a change in the rules of the House of Representatives earlier this year, a very important change, the House was finally able to take up for debate and passage the long-range housing bill which all of our cities in Pennsylvania regard as essential to their growth and health through the removal of slums and the provision of decent housing for low-income groups. Every city in Pennsylvania which has a housing authority is supporting the low-rent public-housing program, which this administration is pushing so hard.

Speaking of legislation important to Pennsylvania, you may have read in recent days about the testimony I gave to the Senate Appropriations Committee in behalf of adequate appropriations for the Bureau of Mines. Everyone in the anthracite area of Pennsylvania knows how important this matter is to them, not only from the standpoint of the health and safety of the miners, but for the future of the whole anthracite region. The Bureau of Mines is building a research laboratory at Schuylkill Haven, which will have the job of finding new uses and new markets for anthracite, and also of developing new and better methods of mining it. I am very proud of the fact that the Senate Appropriations Committee 2 years ago at my request restored the funds for this laboratory, after the House had cut them out completely as the result of a squabble between individual Congressmen over its location.

The bituminous-coal industry of Pennsylvania also has a big stake in the work of the Bureau of Mines, particularly in the development of synthetic oil and gas from coal. This work is progressing largely at Pittsburgh.

Bureau of Mines experts are taking over the fighting of a stubborn underground mine fire at Mount Carmel, Pa., under a plan drawn up by the Bureau at my request, and funds for this work and for fighting other underground mine fires, including one at Latrobe, which are dangerous to the communities involved, are also provided in the bill.

Pennsylvania's crude-oil industry, which produces the finest crude oil in the world, has been given a new lease on life by research conducted by the Bureau of Mines in secondary oil-recovery methods, particularly around Franklin and Bradford.

And our steel and metallurgical industries benefit from the discoveries and the research of the Bureau of Mines all over the country, in connection with new sources of iron ore, tin, coking coals, manganese, and many other essential raw materials of industrial products which we make in Pennsylvania. Some of this research is done in our State, but all of it is vital to Pennsylvania, no matter where it is done.

To my mind, this sort of research, designed mainly to help private enterprise do a better job, is one of the essential functions of government. Naturally, I believe in doing my utmost to keep those programs going as effectively as possible. My concern was that in seeking means of cutting government expenditures, the Senate committee might mistakenly slash funds for this kind of research. The Eightieth Congress did that in 1947 and the following year learned to its horror what a bad mistake that had been. It restored in 1948 just about all the cuts it made in Bureau of Mines activities the previous year, but by then the Bureau had been forced to discharge many of its career technical experts who found much better-paying jobs in private enterprise and could not be enticed back to their old jobs in the Government. The whole program suffered as a result.

Now I want to tell you about a letter I received from a Pennsylvania veteran. Hundreds of letters pour in here in every mail, sometimes thousands. Nearly all those who write to me either want the Government to do something it isn't doing, or to stop doing something it is doing. Nearly everyone who writes to me is distressed about something. That the bulk of my mail should be of that nature is understandable because when people write to me as their Senator, it is usually to ask me to support or oppose a particular bill which affects them in one way or another. This letter was altogether different.

It came from Joseph A. Meyers, of 825 South Manor Street, in York. I thought so much of this letter that I inserted it in the CONGRESSIONAL RECORD. It was really a pleasure to find in my mail a letter from someone who at the moment wasn't angry at anyone, or distressed about anything particularly; who felt so good about an expe-

rience of his that he wanted me, and all Members of Congress who had anything to do with making that experience possible, to know how grateful he was. His letter reflects unshakable faith in the strength and future of America, and I want to read it to you now.

Here is what Joseph Meyers, a 24-year-old Navy veteran wrote to me:

"DEAR SENATOR MYERS: On June 6, 1949, I fulfilled an ambition I had held since my early high school days—to graduate from college. Like many thousands of men who entered the service earlier in the war, I had no idea that I would realize the ambition to enter college. Through the generous aid of the United States Government, I was given the opportunity to learn more of the American ideals and democratic ways of life which I had so wholeheartedly fought for in the Navy for 3½ years.

"When I had finished high school, my funds were not nearly enough to continue on in higher education, but you, and others in your capacity, as representatives of the people, enabled me to receive my diploma at Syracuse University on June 6, 1949.

"I cannot adequately express my appreciation and gratitude by a few written words, but I know you will understand when I say I sincerely thank you and the American Congress most humbly.

"I know that the GI bill of rights has promoted greater unity and understanding among our diverse peoples and that the money invested by the Government will be repaid tenfold through a more educated and a better adjusted veteran."

Joseph Meyers, of York, Pa., then added this in his letter to me, and I think it is worth public attention. He wrote:

"I believe I speak for most of the veterans when I say that we will not be daunted by talk of hard times in the future; nor discouraged over the slowness of peace movements. The tradition of the freedom of the individual has carried us through many hard times in our history, and each time has made our Government stronger and more united than ever before. I am not afraid of Russia because I know it can never destroy this faith in the freedom of the individual. It is as strong as the pyramids.

"I hope," this young veteran continued, "you will express my gratitude and extend my thanks to your fellow Senators and Congressmen for the aid you have given me toward improving my education.

"Very truly yours,

"JOSEPH A. MEYERS."

That was the letter which impressed me so that I inserted it in the CONGRESSIONAL RECORD for the attention of all Members of Congress. The faith demonstrated by this veteran in our Nation—a faith shared, I am sure, by all of us—certainly makes me proud of the fact that I had the opportunity as a Congressman to vote for the GI bill in 1944, even though my vote was just one of hundreds in the House in favor of the bill. That was before I was elected to the Senate.

This young Navy veteran from York, who has completed a prelaw course at Syracuse University under the GI bill, now intends to work his way through law school since his GI educational benefits are used up. I am sure that with his faith in the essential soundess of America he will make good on his ambition.

He speaks of the fact that he will not be daunted by talk of hard times in the future. That brings me to another subject which I see I do not have time to discuss on this broadcast, but which I certainly want to take up in my next one over this station 2 weeks from today at this same time—that is, the spreading picture of spotty unemployment in Pennsylvania and elsewhere.

S. 1008

EXTENSION OF REMARKS
OF
HON. RAYMOND W. KARST
OF MISSOURI
IN THE HOUSE OF REPRESENTATIVES
Tuesday, July 12, 1949

Mr. KARST. Mr. Speaker, I take this opportunity to include in this RECORD my reply to the letter of explanation of S. 1008 discussed in the House just recently. This letter sent to me by Mr. Rankin Peck was to me and I believe to my colleagues a masterpiece of explanation of S. 1008. I herewith submit my appreciation for all of us:

HOUSE OF REPRESENTATIVES,
Washington, D. C., July 11, 1949.

Mr. RANKIN PECK,
President, National Congress of Petroleum Retailers, Detroit, Mich.

DEAR MR. PECK: I want to thank you for sending to me your organization's analysis of bill S. 1008, which I inserted in the CONGRESSIONAL RECORD on June 27.

I sent a copy of this analysis to every Member of the House. Many of my colleagues either thanked me by letter or personally for having brought this analysis to their attention. In the House debate on S. 1008 on July 6 and 7, a number of members made specific reference to your organization's analysis of the bill, and I feel that it was a very important contribution to the victory which the supporters of small business achieved when they succeeded in materially amending the bill so as to safeguard the interests of the small manufacturer, retailer, and distributor.

Sincerely yours,

RAYMOND W. KARST.

What Shall Be Our Farm Program?

EXTENSION OF REMARKS
OF
HON. CHARLES R. HOWELL
OF NEW JERSEY
IN THE HOUSE OF REPRESENTATIVES
Tuesday, July 12, 1949

Mr. HOWELL. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following Newsletter on Economic Problems, of Friends' General Conference, Philadelphia, Pa. This newsletter, authored by Mr. Charles A. Collins, a successful fruit and truck farmer of Moorestown, N. J., comments in a very interesting and thoughtful way on the new farm program proposed by Secretary Brannan. I have taken no firm stand on this proposal, but believe many of its recommendations should be seriously considered for inclusion in any new farm program which Congress should adopt. The article follows:

WHAT SHALL BE OUR FARM PROGRAM?

Secretary of Agriculture Brannan's farm program or any other economic proposal should be evaluated in the light of fundamental economic facts as they exist today. What are some of these facts?

1. This country emerged from the war the most powerful country in the world. With great power goes a corresponding responsibility. Many of the peoples are looking to us for help and guidance to a better way of life. We cannot do our most effective job in that respect unless we remain strong and sound internally. We should approach our economic problems with all the intelligence at our command.

2. We have a national debt of some $250,000,000,000, on which the interest amounts to over five and a half billion dollars.

3. We have a national budget of about $42,000,000,000. Add to that State and local budgets of twenty to thirty billion dollars and we have a total tax burden of perhaps $70,000,000,000, or about one out of three dollars of our national income going for taxes. That is almost as much as our national income in 1939. If our national income should drop so that these taxes should be expected from one hundred and fifty to one hundred and sixty billion dollars national income, the burden would be terrific and our economy would suffer. Therefore it becomes quite obvious that our national income must be maintained at a high level.

HOW DO WE MAINTAIN A HIGH NATIONAL INCOME?

We should have full employment with fair incomes for all our people.

HOW DO WE MAINTAIN FULL EMPLOYMENT?

We must maintain a balance of purchasing power between industry, labor, and agriculture so that we can all buy the products of other folk's efforts. I would underline and repeat this fundamental economic principle. We might illustrate it by saying we have a three-legged stool—industry, labor, and agriculture. So long as the three legs remain the same length, the stool stands. When one leg gets too long or too short the stool upsets. Therefore, it seems that much thought should be given to the method or means of maintaining the balance of purchasing power between groups. Five years ago I suggested in a "Postwar Economic Report for Agriculture" that this country would be wise if it set up what I called an economic supreme court to watch this balance and suggest ways and means to Congress to maintain it.

IF THIS ECONOMIC PRINCIPLE IS FUNDAMENTAL WHICH GROUP, IF ANY, IS MOST LIABLE TO UPSET THAT BALANCE?

During World War I farmers stepped up production tremendously and continued producing to the same extent even after the wartime demand dropped away. In an 8-month period in 1920–21 farm prices fell almost 50 percent. Agricultural surpluses continued to develop. Farm prices as well as incomes and purchasing power were depressed. Certainly that fact was one of the potent influences leading to the depression of the thirties.

During World War II farmers again increased production about 40 percent over prewar and are still producing to the same extent while demand for agriculture products is beginning to drop off. Prices of grains fell 30 percent in 1948 and would have dropped more perhaps had there not been support prices. Prices of other farm commodities are also falling. At the same time prices of things that farmers buy have fallen practically none—some have gone up. Farmers have already become concerned and cautious and are only buying what they must have. It follows we will have a reduced purchasing power from the farm partly because of what has already happened and partly from fear on part of the farmer of what will happen. The farmer was a $31,000,000,000 customer of labor and industry in 1948.

Therefore, it seems we can well ask ourselves a few pertinent questions in light of this very brief statement of economic facts.

1. Did farm surpluses develop after the First World War and ruin farm prices, incomes and purchasing power and eventually largely cause the depression of the thirties?

2. Will the same thing happen again this time if we do nothing about it?

3. Is the farm group more susceptible to the effect of surpluses than other groups at this time, because in a period of falling prices the prices of industrial products and wage rates tend to stick while farm prices drop fast and severely?

4. Is it important to maintain farm income and purchasing power in order to maintain the balance between the groups?

There are many farm and nonfarm people who believe the answer to these questions is "Yes."

Therefore, let us explore the Brannan plan a bit and see how it proposes to help the agricultural situation and the rest of the economy.

If it is fair to the farmer to help to maintain farm income and if it is important to the rest of the economy that farm purchasing power be maintained and if the Brannan plan helps to do this without excessive cost to Government and gives the consumer abundant supply of food at reasonable prices, then perhaps the plan has merit.

HOW DOES A GOOD SOUND FARM PROGRAM SERVE ALL THE PEOPLE?

Mr. Brannan lists several ways:

1. It can help prevent depression. Most depressions have been farm-led and farm-fed. Shrinking farm prices shrink their income and purchasing power.

2. Farm production and price adjustment programs can help build markets for industrial goods and help maintain employment for labor.

3. Stable farm prices and incomes encourage high-level production with greatest assurance of reasonable prices to consumers.

4. A program that helps maintain farm income helps to maintain agricultural resources and conserve our soil. Hard times make poor farmers and poor land. Remember the Dust Bowl.

5. An effective farm program is essential to our national security and builds food reserves to protect us when crops fail. Our full granary served us well during the war. Who can measure the beneficial effect of support prices to the farmer during the war and since? The farmer had some assurance he would not suffer unduly if he produced to the limit.

6. A price-support program stabilizes the rural economy, stabilizes jobs in the city, and stabilizes the cost of living for everybody. It is the equivalent to labor's minimum wage, social security, and collective bargaining and to industry's tariff, Interstate Commerce, and Public Utility Commissions.

THE PROGRAM METHODS

1. The program sets up a minimum income standard below which it is not in the interest of farmers and general public to allow farm income to fall.

2. Next step sets up a formula to arrive at that income standard. Farm income and purchasing power would be maintained at a level equal to the average of the first 10 years of the last 12 years. That average cash income figure is $18,218,000,000 for the current base period. To calculate the income support figure of 1949 multiply the above figure by the index figure of prices paid by farmers in 1949 compared to base period (which is 144) and you have an income figure for 1949 of $26,218,000,000 as a minimum. It takes that many dollars to stabilize farm purchasing power at present-day costs.

3. After arriving at the total income standard figure the next step is to determine the prices for various commodities which in total will obtain the over-all standard. Support prices for 1950 would be computed as follows:

(1) Average cash receipts 1940–49 equals $20,980,000,000.

(2) Income support standard equals $26,234,000,000.

(3) Ratio between (1) and (2) equals 125.

(4) Price adjustment factor (125) is multiplied by 10-year average price of given commodity to give support price for the given commodity. Example: Ten-year average price of wheat was $1.50; $1.50×125=$1.88 the support price of wheat for 1950.

Next Mr. Brannan suggests that a list of commodities be designated to get first priority on funds available.

Group I: Includes corn, cotton, wheat, tobacco, whole milk, eggs, chickens, meat animals—hogs, beef cattle, and lambs.

Group II: Perishable products including all other commodities should be supported in line with group I taking into account available funds and authorities and ability of producers to keep supplies in line with demand and other relevant factors.

METHODS OF PRICE SUPPORT

Commodity loans and purchase agreements (as at present) are adapted to storable commodities which account for about 25 percent of our annual cash receipts of farm products.

For nonstorable and comparatively perishable commodities, which comprise about three-fourths of cash farm income, a new approach is suggested, i. e., "Production payments." This means the farmer would be paid in cash by the Government the difference between the support price and the average selling price in the market. This method of supports encourages farmers to produce abundantly and also gives the consumers a lower priced product when surpluses develop because the supply and demand creates the price in the market place. Production payments are authorized for 1950 under the Agriculture Act of 1948. This method would encourage consumption of many food products because of lower price at consumer level.

Another method of supporting perishables and nonstorable commodities is the direct purchase which would help the seasonable glut situation in perishables. These products would be distributed, as at present, to school-lunch program and to institutions. only about one-quarter of the country's school children have an opportunity to participate in the program at present.

CONDITIONS OF PRICE SUPPORT

It is recommended that full benefit of price supports should not be extended to farmers who produce without regard to general welfare and of their fellow farmers.

Eligibility for participation in any price-support program should be conditioned upon compliance with all applicable programs of production adjustment, marketing quotas and agreements and the carrying out of reasonable soil-conservation practices.

Farmers should always have the opportunity to vote on the question of invoking production regulation on themselves. That provision is now available for producers of "basics" before marketing quotas become effective. If two-thirds of producers vote favorably the quotas become effective on all producers of that commodity.

It should be remembered that this plan of Secretary Brannan, like those of the past, is a program which helps to close the gap between farm and nonfarm income. Last year, for instance, even with the help of some farm programs the net farm income per capita was $909 compared with the nonfarm average of $1,569 per capita.

In conclusion I would emphasize that:

1. A good farm program will help to stabilize our entire economy.

2. It will help to bring about the balance of purchasing power between industry, labor, and agriculture.

3. A program using production payments will be less costly to consumers.

4. To be eligible for supports farmers must comply with planned production efforts to fit supply with demand.

I personally believe that if we approach the farm-surplus problem with intelligence and a genuine concern we need not go into another depression. We must develop an awareness of the fundamental economic facts and then proceed on our economic path with faith and confidence. This will keep this country strong and we can help to bring about a better world in which to live.

CHARLES A. COLLINS,
Fruit and truck farmer.
MOORESTOWN, N. J.

America at the Crossroads—Future Depends on Fiscal Policies

EXTENSION OF REMARKS
OF
HON. GORDON L. McDONOUGH
OF CALIFORNIA
IN THE HOUSE OF REPRESENTATIVES
Tuesday, July 12, 1949

Mr. McDONOUGH. Mr. Speaker, the United States has reached the crossroads where a stand must be taken against further socialization of the state or we will follow in the footsteps of Britain and other nations toward the relinquishment of our individual freedom in return for the planned economy of state socialism.

In the following address before the 1949 convention of the California Bankers' Association, N. Bradford Trenham, general manager of the California Taxpayers' Association, analyzed our situation and emphasized the urgent need for appropriate measures to turn the tide against socialism and back toward the restoration of the procedures that made this country great and provided more human growth and development than any other system.

The facts which Mr. Trenham presents and his conclusions based on these facts are worthy of your attention:

AMERICA AT THE CROSSROADS—FUTURE DEPENDS ON FISCAL POLICIES

(By N. Bradford Trenham, general manager, California Taxpayers' Association)

This year, 1949, during which the spending programs for 1950 are being planned, may well be a turning point in American history.

From all indications this year is either the jumping-off place for what may be a fatal dive into state socialism and the end of the American dream, or it may be the year which starts the retreat and the defeat of the collectivists—the high-water mark of the social planners—the year in which free enterprise reasserts its validity and starts up the long comeback trail toward restoration of the procedures that made this country great and provided more human growth and development than any system that our ancestors tried.

In appraising prospects for 1950 it is well that we take a quick, but rather careful look at our recent history. How did we get where we are and what can bankers do about it?

In 1933, the total California tax bill was $449,400,000; the Federal Government received $94,700,000, the State $90,900,000, and property taxes provided the local governments with $263,800,000. Put another way, Uncle Sam took about 20 cents of the tax dollar, the State about 20 cents, and local governments 60 cents.

Eight years later, fiscal 1941—the last fiscal year before Pearl Harbor—the total tax bill

had risen to $1,075,000,000, of which $405,000,000 was Federal, $361,000,000 State, and $309,000,000 local. By that year the distribution of the California tax dollar had changed considerably from 1933. For 1941, it was about 38 cents Federal, 34 cents State, and 28 cents local.

By fiscal 1945, the total tax bill on Californians was $4,625,000,000, of which $3,722,000,000 or about 80 percent was Federal, $557,000,000 or 12 percent was State and $346,000,000 or 8 percent was property taxes for local governments.

In the 12-year period, the situation had been completely reversed. In 1933, 20 percent of the tax bill went to the Federal Government and 80 percent to the State and the local governments. In 1945, 80 percent was for the Federal Government and 20 percent for State and the local governments.

By fiscal 1948, Federal tax collections had dropped $600,000,000, while State and local taxes continued to climb, absorbing most of the Federal reductions. The total tax bill in 1948 was $4,517,000,000. The relative distribution had changed again to Federal 69 percent, State 19 percent, and local 12 percent.

During the war and postwar periods, the State and local governments in California were not cramped for funds. The State, particularly, was able to lay away hundreds of millions of dollars in State reserves. Many local governments were able to accumulate substantial balances.

The reason that the percentage standings, so far as Government levels is concerned, changed so drastically was, of course, the tremendous increase in Federal tax collections. During the period 1933 to 1945, Federal tax collections in California increased just about 40 times. In each of the last 4 or 5 years, California's tax bill has been more than twice as much as the Federal Government was able to collect in all of the 48 States from all sources at the bottom of the depression in 1932.

What about fiscal 1949?

After 3 years of declining Federal tax collections in California, it will be interesting to see if fiscal 1949 will shown an increase. State tax collections will approximate a billion dollars and local governments will take about $750,000,000 in property taxes and supplementary revenues. Thus, California taxpayers will be paying about $5,000,000,000 in taxes for all purposes for the year ending June 30, 1949, if there is only a small Federal increase.

If the 1948–49 tax bill on Californians were equally spread over the more than 10,000,000 people in the State, it would amount to a tax bill of about $500 per capita, $2,000 per family of 4, or approximately $40 per family of 4 for each week. Of course, relatively few families pay anything like $40 per week directly in taxes.

This emphasizes the point that it is somebody's business to remind the public constantly that they do not see all their tax payments.

A large part of the bill for government is paid by the taxpayer through withholding taxes, through taxes on business—which must be passed along to the ultimate consumer—and through taxes on corporations, which reduce their capacity to pay dividends, to pay wages, to replace or expand their facilities, or to reduce the price of their products.

In addition to the direct taxes they pay, the people pay taxes in the price of everything they buy.

For fiscal 1950, the tax bill on Californians threatens to be even greater.

Should the Federal budget be adopted as presented by the President in January, and should his request for $4,000,000,000 in additional taxes be granted by the Congress, Californians could expect substantially increased Federal taxes.

But there appears to be more danger of a Federal deficit than of increased Federal taxes. And this adds up to a very dangerous situation.

The House of Representatives has already passed all the major appropriation bills for fiscal 1950. This has been done with little more than lip service to sincere efforts at budget reduction. The 10 major supply bills for 1950 involve Presidential requests totaling $31,134,000,000. The House cut these by a net of only $299,000,000—and the $30,835,000,000 which the House approved was $4,216,000,000 more than the House approved last year in its consideration of the fiscal 1949 budget.

The reductions the House has made in these bills are only token reductions. And the Senate traditionally has been the one to allow funds somewhat more than those allowed in the House.

Perhaps we can take a little encouragement from the Senate vote on April 28 of 44 to 37 to recommit the Labor-Federal Security bill to the Appropriations Committee with instructions to cut 5 percent from the measure—an instruction limited to administrative funds and not related to the huge sums for matching and outright grants under various welfare and aid programs. Maybe a pattern of resistance is forming—maybe the Senate will do the job which the House has failed to do.

With tax revenues generally expected to decline, with spending obviously headed toward a record peacetime level, and with Congress apparently afraid either to vote new taxes or to effect real economies, we are apparently going straight toward another rash of deficit spending. Senator BYRD has predicted a defict of $815,000,000 for fiscal 1949, $3,200,000,000 for fiscal 1950, and $7,000,000,000 for fiscal 1951—a $11,000,000,000 total in 3 years.

Distasteful as higher taxation would be, there does not seem to be sufficient courage to cut spending enough to avoid the need for higher taxes.

Today we are spending about 30 percent of our national income for government. Great Britain, deep in the throes of state socialism, spends 40 percent. Great Britain recognizes the danger of its situation, for Sir Stafford Cripps recently said in the House of Commons that there could be no further increase in the social services except out of increased national production.

If we don't call a halt to mounting Government expenditures, we will soon find ourselves in the precarious position of Great Britain—where, the London economist warns, "* * * Unless the price of government is reduced, the British economy will strangle itself."

There seem to be forces at work, unfortunately for the most part with bipartisan support—or perhaps apathy—which ignore the seriousness of the situation.

We can, in all seriousness, say that we are at the crossroads of national fiscal policy. The spending decisions which will be made in the next 3 months will set a pattern.

Those legislative stalwarts who have fought long and hard for balanced budgets and economical Government are today pessimistic and frustrated. They must have encouragement from people like us if they are to go on with their uphill battle.

While the people of California constitute almost 7 percent of the American population, they provide nearly 9 percent of the revenues of the Federal Treasury. Nine percent of the proposed $4,000,000,000 increase in Federal taxes would mean a $360,000,000 addition to our present $3,000,000,000-plus Federal tax bill in this State.

The proposed $1,060,000,000 State budget also calls for increases in existing State taxes and a new tax on cigarettes.

Local governments generally are seeking more revenues for expansion of facilities, capital outlays, further employee salary increases, and so forth.

When we talk about the dollars and cents of taxation, we are not talking about money alone. We are talking about human endeavor, the sweat and tears and toil of the mental and physical producers of our Nation. It was old Cal Coolidge who said: "I am not interested in cutting taxes to save dollars but to save people." Dollars are the only common denominator with which 148,000,000 people can evaluate their operations and their efforts, and compare them with other times, other places, and alternative methods.

Our late "hot" war with one set of collectivist totalitarians and our present hot and cold "cold" war with another set, have brought responsible and thoughtful Americans face to face with fundamental realities that few of us have met squarely before. When thousands of miles of ocean protected us from foreign foes and nearly 2,000,000,000 acres of virgin soil made us a happy, carefree people, there was not the need to face realities that there is today.

Now it becomes increasingly necessary that each citizen ask himself: "What do I expect to get out of life and what types of social, political, and economic organizations are most likely to give me and mine the greatest satisfaction?"

Diverse as we Americans are, we are all activated in more or less the some way by similar basic urges. Leaving out the controversial aspects of mankind's yearning after something divine, our struggling arises from the desire to satisfy four basic urges.

First, there is the urge for survival, for life must go on.

Second, there is the urge for experience—to use our senses, to go places, and do things.

Third, there is the urge for recognition or prestige—to be looked up to, to be regarded as a worthy member of any group to which we belong.

And lastly, there is the urge for participation in life's activities—for response to our creative impulses.

From birth to death people are seeking to satisfy these urges, or pressures, or motivations, or whatever you want to call them. Some of them are satisfied individually, some in voluntary groups, others by governmental arrangements. Civilized people do most of their living in groups. One's life pattern is something like a series of concentric circles. One has a definite set of relationships in each of those circles, close and intimate with the inner circles of family and friends, neighbors, and close associates, and more remote and less intimate as the people in the group recede in time, or space, or intimacy of contact. Among the voluntary circles around the individual are the family, the neighborhood, the church, the job, the club, the lodge, and many such.

But superimposed on all these voluntary groups, we have another set of circles that are harder and sterner and that are becoming increasingly costly—our many governments. You may define government as an institution based on contract or in any other way you wish, but there cannot be government without the element of force and compulsion—the forcing of the individual to conform to laws and restrictions.

A typical citizen of California, and I would like to be so classed, is concerned with several of these concentric governmental rings. In the case of a citizen of Los Angeles, for instance, there are five of them close at home: the county, the city, the school district, the metropolitan water district, and the flood-control district. Practically every Californian has at least this many local governments with which to contend and to support by way of taxes. Then we have the State of California and the United States, each of which exacts taxes from us. A new ring has been added to the circle in the form

of the United Nations, but we don't yet pay direct taxes to that. There is a persistent rumor that Buck Rogers, of funny-paper fame, is setting up an interplanetary council which may become a definite issue before long. We have, then, at least seven circles of government helping us to be civilized, providing services for us, and, all too frequently, pushing to do things for us that we could do better for ourselves or could get along without.

The point I am trying to develop here is that, in this human pursuit of satisfaction for the basic urges, we use three agencies: Our individual selves, our voluntary group associations, and our governmental agencies.

The question that confronts every thoughtful American today is: Are these three agencies in balance?

We cannot have lived in our country this past half century and know anything of the history of mankind's struggle for order and liberty, without coming to the conclusion that we definitely are out of balance.

We have put too much of our life's health, safety, and happiness in the hands of government. We have yielded to herd instincts. We have weakened our independence and endangered our liberties.

I have not been developing this point as an academic exercise in philosophy but as background for the observation that if these four basic human urges are not satisfied by individual or voluntary action, there are those who will look to government for their satisfaction. There will always be those who will point out imperfections in persons, in businesses, and in other voluntary enterprises, and say: "Ah, this is a job for government." Bankers have a vital concern in this situation, for banking is one of the principal voluntary institutions for building security against old age and the hazards of living.

Taxwise, bankers should be far more concerned with the taxes on their customers than on the banks, for the prosperity of banking depends directly on the prosperity of the people. If the people's substance is wasted with excessive government, or ill-conceived projects, there will be no prosperity for banks—or anyone.

Bankers play a very important part in this country as advisers to individuals and businesses on everything from building a house or having a baby to starting a factory or developing a farm.

Is it possible that some bankers have abdicated some of their rightful position as community leaders and as sound advisers to the public?

Much of the recent governmental development in today's semisocial welfare state is in part attributable to inadequate business leadership—to lack of enough hard work—by all of us disciples of the free-enterprise system.

We cannot combat collectivism simply by inveighing against it. If freedom and liberty are to prevail in this country, we must do those things in the free-enterprise system which satisfy human wants without resorting to social and political collectivism.

The year ahead will be an even tougher one for taxpayers. There is little prospect of substantial reduction in Federal spending. But what prospect there is must be grasped and developed through the implementation of the Hoover Commission recommendations—by constant action on Congressmen. Thus some of the worst features of Federal waste and inefficiency can be eliminated or reduced.

In the State of California, some increase in State taxes appears inevitable. But here there are hopeful prospects also. The $112,000,000 gap between the proposed general fund budget and the anticipated revenues from existing sources can be narrowed, even if not entirely closed, by repealing proposition No. 4; by seeing to it that the economy recommendations of the legislative auditor to the joint legislative budget committee are adopted; by firm resistance to the $800,000,000 of special appropriation bills in the legislative hopper, and by neither asking nor permitting our State government to undertake new ventures, such as prepaid health insurance, at this time. Most of you had personal experience with California State finance when our State ran a deficit from 1933 to 1941. That can happen again and it will happen if the rate of expenditure increase exceeds the rate of revenue increase. And the rate of revenue increase cannot be allowed to go up much more without bringing the law of diminishing returns into play and actually throwing our economy for a loss.

In our 4,500 local governments in California, the problem is largely one of catching up with delayed construction, servicing 3,500,000 new people, and providing for the education of unprecedented large numbers of children. Some of these things must be done, but if they are to be done and done properly, then every penny of unnecessary expenditure must be squeezed out of ordinary operations and every unnecessary project must be stopped.

Certainly, so far as Government is concerned:

1. Rigorous economy should be the order of the day.
2. There should be no more deficit financing.
3. Personnel policies should be tightened.
4. Government invasion of the American competitive system should be vigorously resisted.
5. Every level of government should stand on its own feet.
6. The Hoover Commission recommendations should ge given most careful and prayerful attention.
7. The drive to "squeeze the water" out of operations should be intensified.
8. The fact that the preservation of a free people requires citizen action at the grass roots should be emphasized.

The challenge to bankers is even greater than it is to other businessmen, for bankers touch the economy at every point and the breadth of their vision and understanding is expected to be greater than that of ordinary mortals.

The job upon you is inescapable. If California is to absorb, digest, and assimilate all its new population and the millions who are planning to come, its business and its governmental affairs must be run at higher levels of efficiency.

Let the year 1949 be the year in which the bankers of California resolve to pick up their share of the burden—yes, more than their share, if necessary—to clarify the thinking of our people, to preserve our substance, to take those actions which lead to increase in our substance, and to guarantee that Americans, and especially Californians, shall have the opportunity of progressing as free beings.

Biweekly Report by Hon. Francis J. Myers, of Pennsylvania, to People of Pennsylvania

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EXTENSION OF REMARKS

OF

HON. FRANCIS J. MYERS

OF PENNSYLVANIA

IN THE SENATE OF THE UNITED STATES

Tuesday, July 12 (legislative day of Thursday, June 2), 1949

Mr. MYERS. Mr. President, I ask unanimous consent to have printed in the RECORD transcription No. 4 in the biweekly series of reports by myself to the people of Pennsylvania. This transcription was prepared for radio broadcasting.

There being no objection, the transcription was ordered to be printed in the RECORD, as follows:

Depending upon how you look at it, it's perhaps a shame that so many of the top radio comedians have gone off the air for the summer, for they would probably be having a field day right now over the new, temporary location of the United States Senate.

We had to move, you know, so that the roof over the Senate Chamber could be replaced.

Well, it's not true that the old roof was lifted off by an accumulation of senatorial hot air. We didn't blow our top, either—in case you may have heard that. The historic glass-paneled ceiling, decorated with the seals of the original States, became unsafe some years ago but could not be replaced because of the almost continuous sessions of Congress during and after the war.

The Congressional Reorganization Act passed in 1946 provided that under normal circumstances, Congress should adjourn early in the summer in order to provide Members with more time back home in their States and districts, and so in expectation of an early adjournment this year, contracts were let for a start of the roof-replacement work on July 1.

Consequently, when we returned from the Fourth of July holiday, the House of Representatives was forced out of its Chamber into the Ways and Means Committee room in the House Office Building, while the Senators' chairs, but not our desks, were moved into the tiny semicircle down the corridor which had for many years been the home of the Supreme Court and which was, for years before that, the original Senate Chamber in the Capitol.

When you remember that that room became too small for the Senate 90 years ago, after 32 States had been admitted and there were only 64 Senators, it is obvious, I'm sure, how crowded our conditions really are today.

The most unfortunate thing about the new temporary Chambers of both Houses of Congress is that they provide no space whatsoever for visitors' galleries. Even the accommodations for newspapermen who cover the proceedings are very limited.

The thought has been expressed that the absence of a visitors' gallery may cramp the style of some orators in the House and Senate and lead to a speed-up of proceedings because there is no gallery to impress. Personally, I believe that as long as the full proceedings of the Congress are printed verbatim in the CONGRESSIONAL RECORD, most Senators and Congressman will be just as inclined as ever to make the same sort of speeches they would otherwise make.

But I do think it is too bad that, for awhile, anyway, visitors to Washington will be denied the chance to sit in on the congressional debates because the sessions of Congress are great tourist attractions for the thousands of visitors who come to their Nation's Capital at this time of year.

Frequently, I know, the gallery visitor has been very disappointed by the apparent inactivity on the Senate floor, the seemingly endless talk, the obviously poor attendance except under special circumstances, such as the actual voting on bills or amendments. But whether a Senator is talking to full attendance or just to the Vice President and a few scattered Members—who may or may not be paying very close attention—I have found that most visitors really find the sessions of the Senate interesting and sometimes even historic.

It is rather significant that the first order of business of the Senate when we convened in our new Chambers was the North Atlantic security pact. In the little room where the

Monroe Doctrine was first proclaimed by a struggling little Nation far from secure in its independence, in the same room where profound questions of constitutionality were argued and reargued before the justices of the highest courts in the land, the Senate took up on Tuesday the fateful question of the extent to which we shall commit this Nation in concert with other nations to the principle of collective international security against war.

Most of us had hoped about 4 years ago that the issue had been met and settled at San Francisco in the drafting of the United Nations Charter. But the United Nations 4 years later still has no effective police force to guard the peace against aggressive war. The refusal of the Soviet Union to allow the United Nations to establish the police force which we all envisioned 4 years ago as an integral part of the United Nations has made the North Atlantic Pact imperative to the defense of free men and free nations.

The North Atlantic Pact, of course, cannot by itself guarantee peace, just as the United Nations Charter, by itself, could not guarantee peace. But this defensive pact against aggression, a treaty which says that those nations adhering to it regard aggressive war against any of them as an aggressive act against all of them, will stand as effective notice to any future aggressor that he can no longer anticipate an opportunity to knock off the free nations of free peoples one at a time as Hitler did, and as Russia had hoped to do.

But powerful as it is as a deterrent against aggression, the North Atlantic Pact is no defense against communism if it becomes merely a mutual assistance agreement among impoverished and bankrupt nations. Since the end of the war, it has been not only the armed strength of the United States which has bolstered the courage of free Europe; it has been the industrial and economic strength of our country, unselfishly and enlightenedly used to help other nations revive from the depths of wartime destruction and despair.

Thanks to the Marshall plan and to the various assistance programs which this Nation sponsored in Europe, the free nations have made remarkable strides in improving their economies, and thereby rebuilding their strength and their influence for peace. If, however, the United States were to be plunged into recession or depression, the whole structure of world peace could topple overnight by the removal of the keystone of world recovery which our country has been.

And that brings me to some comments I would like to make about the spreading unemployment in various parts of our State and in the Nation, which are danger signals we must heed. There is a tendency to look on every isolated shut-down of a plant as the start of recession. There is a tendency among Americans who have become familiar with full-production and full-employment economy to regard anything less than this as disaster itself.

There is always the danger that the crepe hangers and the pessimists and the viewers with alarm might talk us into a recession merely by instilling fear in the hearts of wage earners and businessmen that they had better retrench, hold off on expected purchases, cut all expenses to the bone, and wait and see what might happen.

Once a philosophy of that sort becomes ingrained, workers and businessmen alike would soon be retrenching themselves out of their jobs or their businesses for fear psychology can be disastrous to a high-production, mass-production, mass-distribution economic system such as ours.

So let's not scare ourselves into an economic tailspin.

On the whole, the statistics on employment and unemployment have many reassuring aspects. It must not for a moment be forgotten that we have more people gainfully at work in the United States this year than during any year in our history, with the exception of inflation-booming 1948. As Senator LUCAS, of Illinois, the majority leader, said at the White House the other day when we visited the President for a conference with the congressional leadership, if this is a recession, it is the most prosperous one we have ever had. There is no recession or depression in America when more than 58,000,000 Americans are at work.

Nevertheless, although we can find all sorts of reassurance in such factors as these—that a substantial percentage of our current unemployment represents students just coming into the labor market, housewives and farmers looking for part-time jobs, other persons already holding part-time employment but looking for full-time jobs, and so on—the fact remains that we do not at this moment, at this time, have sufficient job opportunities for all those willing and able to work.

And that is the problem we have got to solve.

Of course it can truthfully be said that, except for the war years and immediately thereafter when there were severe shortages of all kinds of workers, we never did in modern times have such a full-employment economy.

But this Nation officially decided in 1946, in enacting the so-called Full Employment bill, that it shall be the goal of this country of ours to achieve such an economy insofar as it is possible to do so, within the limits of constitutional government and constitutional restrictions and within the framework of a private-enterprise society.

The Employment Act of 1946 established a special joint committee of Congress, composed of an equal number of Senators and Congressmen, to review the economic reports made periodically to Congress and the people by the President and his Council of Economic Advisers, and, in effect, to keep its eye on our economic health and recommend congressional actions consistent with the achievement of a full-employment economy.

I am extremely proud of my membership on the Joint Committee on the Economic Report, which I regard as potentially one of the most important of all congressional committees. This committee, by the way, has been authorized to make a thorough investigation this summer into the factors and causes of unemployment in order, first, to find out exactly what are the basic causes of the trouble and second, to recommend corrective national policies. I asked to be placed on the subcommittee which is making that study and my request was granted by the chairman, Senator O'MAHONEY.

We are going to try to find out, if possible, to what extent slow-downs in purchases of consumer goods—reflected promptly in declines in employment in those industries—is the result of a wait-and-see attitude on possible price decreases.

The evidence available to us in preliminary form so far indicates that where business has the courage and foresight to bring prices down to the level of mass purchasing power, goods are moving and production is reviving.

On the whole, I think we have all recognized by now the fallacy of 1946 in taking the wraps off controls prematurely, letting loose an inflationary spiral which has drained off the savings of millions of our people, put other millions deeply into debt, and which has cut into consumer purchasing power for all except essential needs. Nevertheless, we do not have to and we do not intend to allow this inflation we have just experienced to end in the customary fashion of all previous periods of inflation—and that is in a big collapse.

With 58,000,000 or more Americans gainfully employed, generally at good wages, we have a simply gigantic buying power potential—and it will be felt in a healthy impact on our economy as prices come down to levels folks can afford.

In the meantime, however, we know very well that our railroad equipment building firms in McKees Rocks and Butler and Greenville and elsewhere in Pennsylvania are running into difficulties because the railroads aren't ordering new freight cars. The railroads aren't buying cars because their business is down. Their business is down for a variety of reasons, rates being one, lower industrial activity another. Steel mills supplying the freight-car builders are feeling the cut-backs in orders for steel. And so it goes.

A warm winter, a blessing to some, was a natural disaster for the coal industry. Radio, electrical, and other consumer goods manufacturers felt the cold breath of buyer resistance at high prices.

In my opinion, it is unfortunate that many businessmen, intent on skimming off top-dollar profits, refused to cut prices on their goods until the market turned sluggish for their products. By the time prices are cut to restore consumer demand, thousands of workers in those factories have experienced lay-offs and discharges.

I hope that our Subcommittee on Unemployment will have the opportunity to come into various parts of Pennsylvania for on-the-spot hearings, at which business, labor, and the public would be invited to present their views on our current economic situation, particularly with reference to employment. I want the committee to go into the hard-coal region of eastern Pennsylvania to study employment and unemployment in our mines and other industries there, to determine, if possible, if the coal industry itself is giving sufficient and effective effort to the promotion of anthracite in competition with other fuels. Far too few new homes being built today are designed to burn coal, and yet I think the anthracite industry could demonstrate far better than it has the competitive advantages of that fuel.

The steel industry seemingly only a few months ago was so beset with orders which it could not fill that a flourishing gray market operated in steel supply and steel prices. And now blast furnaces and open hearths are shutting down for lack of orders.

These things are real to us in Pennsylvania. Statistics which paint a rosy picture of future industrial needs and present industrial production cannot hide the localized distress of individual plant shut-downs and slow-downs and lay-offs.

Obviously, with a steadily increasing labor force—increasing at the rate of a million or more annually—we cannot have full employment unless we have a steadily expanding productive economy. And we can do that in this country—we must.

I hope to discuss some similar threats to our Pennsylvania industrial well-being in my next broadcast in 2 weeks.

Eightieth or Eighty-first Congress, Which Is Worse?—Here Is the Record

EXTENSION OF REMARKS

OF

HON. LAWRENCE H. SMITH

OF WISCONSIN

IN THE HOUSE OF REPRESENTATIVES

Tuesday, July 12, 1949

Mr. SMITH of Wisconsin. Mr. Speaker, Peter Edson, in his column which appeared in the Washington News July 11, 1949, stated that the Eighty-first Congress' batting average is low, as of this date. I insert the score at this

point, so all may read, including Mr. Truman:

EIGHTY-FIRST CONGRESS' BATTING AVERAGE LOW

Batting average of the Eighty-first Congress fell way below the record of the Eightieth Congress last year, when July 1 tabulations were made. Here are the comparative box scores:

	81st Cong.	80th Cong.
Public bills enacted into law	154	705
Private bills enacted into law	137	327
Appropriation bills passed	9	22
Total measures passed by Senate	522	1,048
Total measures passed by House	821	1,169

Last year the Eightieth Congress polished off its business by June 20 and adjourned to attend the Philadelphia political conventions. President Truman called it "the worst" Congress, summoned it back for special session.

This year's Congress has one, possibly 2 months of hard going still ahead. So far it has surpassed the record of the Eightieth Congress in only one respect. That is in number of bills introduced—8,605. Last year's total was only 3,871.

Old-Age Assistance

EXTENSION OF REMARKS
OF
HON. FRED MARSHALL
OF MINNESOTA
IN THE HOUSE OF REPRESENTATIVES
Tuesday, July 12, 1949

Mr. MARSHALL. Mr. Speaker, I have received an impressive petition from the people of Staples, Minn., urging the Congress to give immediate and full consideration to H. R. 2135 and H. R. 2136 to provide some measure of security for the aged of our country. This petition was signed by 1,048 persons in a community of 3,000. In circulating this petition, the members of the local Townsend club found that less than 10 persons chose not to sign their statement.

The members of this club are to be commended for their efforts to inform the people of their community of one of the most serious problems facing our Nation. We know that an informed and active citizenry is essential to the promotion of wise legislation and the zealous efforts of this organization might well furnish an example to others less aware of the important measures awaiting action.

The problem of the aged in the United States is a growing one. While only 76,000,000 persons, or 4.1 percent of our population, were 65 years of age or older in 1900, today we have 11,000,000 persons over 65, or 7.7 percent of our population. And it is estimated that the 22,000,000 aged in 1980 will constitute 12 percent of our people. The time to meet this problem is now. As we have been urged by the people of Staples, we ought to give full and honest consideration to a grave national problem.

Statistics will never present the mass of human tragedies among those men and women who have worked to make our country a great, wealthy nation, and who now must face the prospect of poverty in old age. Certainly this country can devise a realistic system to provide self-respecting security to those whose productive effort has contributed to our well-being.

We need a reasonable system of public old-age security that will meet the needs of our aged and still fit the bounds of our economy. We have made a notable beginning in the Social Security Act, but it alone cannot meet the present and future problem unless we conscientiously attempt to improve upon our efforts.

The problem of old-age dependency in an industrial nation is an unavoidable one and we must face it squarely. Certainly those people who have spent their productive years creating our national wealth should not be left to the relief rolls simply because we have not given thought to a realistic plan for real social security.

The people of Staples represent only one American community, but I am sure that all over the United States our people are becoming increasingly aware of the problem already existing. And like the people of Staples, they are looking to the Congress for an honest, forthright attack on the problem.

The Farm Problem

EXTENSION OF REMARKS
OF
HON. CHARLES H. ELSTON
OF OHIO
IN THE HOUSE OF REPRESENTATIVES
Tuesday, July 12, 1949

Mr. ELSTON. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following article by Louis Bromfield from the Cincinnati Enquirer of Sunday, July 10, 1949:

SEEDS OF OWN DESTRUCTION

(By Louis Bromfield)

It has been said that the democracy carries within itself the seeds of its own destruction and that the price of liberty is eternal vigilance. The two sayings go together as we are finding out more and more clearly every day. The seeds of destruction include the failure of the ordinary citizen to accept and practice his responsibility, the gradual tendency of the shiftless to vote to be taken care of, and the tendency of Government itself to turn emergency measures into permanent policies. When this happens, the democratic state becomes weakened and decays.

Evidence of all three of these evils is very strong in our modern world and seems to be embodied in such proposals as the Brannan plan and other proposals which encourage irresponsibility and existence by planless day-by-day, hand-to-mouth improvisation.

Farm subsidies, supports, and bribes began as temporary measures conceived to meet an emergency and under the New and the Fair Deal have become permanent policies. A temporary measure never solves any grave problem and its transmogrification into permanent policy merely serves to deepen and increase and make permanent the problem itself.

The Farm problem during the depression years was not entirely economic. It was also the foreshadowing of what happens to an agriculture when it becomes wasteful, expensive, destructive, and nonproductive. The good farmer during those years had a bad time but no worse and indeed a better time than most of his compatriots in other businesses and professions. The farmers who suffered were those who had the misfortune to be living on poor land, or land which they had helped to ruin. Another group of distressed farmers were those who overexpanded by buying more and more land at high prices when they could have increased the yields of the original home farm, sometimes as much as 50 percent, simply by farming it in a better fashion without increasing taxes and taking on heavy mortgages.

The truth is that farm supports and bribes become convenient for two principal reasons (1) because we have on the whole a very poor agriculture with low yields per acre and consequent high-production costs per acre for any given commodity, (2) overproduction of certain crops and resulting surpluses which run down the prices.

None of the Government support plans from the beginning have operated to correct either of these destructive factors except in the most superficial and transient fashion. The original triple A set-up did operate on the principle that if the farmer was to be subsidized, he should in turn make an effort to be a better farmer and adopt better practices, but this purpose has long been lost sight of in a wallow of bureaucratic and political hogwash. The effort to control planting and avoid surpluses has degenerated into a maze of bureaucratic and political controls operating to favor the bad farmer and penalize the good one. (This is one of the elements in the Brannan plan designed to appeal politically to the majority of farmers and the majority are bad farmers. In one sense it is the rankest class legislation.)

Most people do not realize that 50 percent of the Nation is fed by 10 percent of the farmers. These are the good farmers and consequently the prosperous ones. The remaining 50 percent of the population is fed by about 30 percent of our farmers who are pretty good. The remaining 60 percent of our agricultural population produces little more than it consumes. (These figures of course exclude the cotton, tobacco, and soybean farmers but among their ranks are some of the worst farmers in the Nation.)

Elaborate subsidies and support programs do not tend to improve our agriculture, check soil erosion or induce higher yields at lower costs and consequently lower prices to the consumer. They work in exactly the opposite fashion, to maintain and encourage the bad farmer and the absentee landlord to farm badly in a slipshod, inefficient manner and to go on ruining our good land. For no matter how little he produces per acre or how inefficiently he operates, he is guaranteed a profit paid by the taxpayers of the rest of the Nation.

In the case of surpluses, the price supports serve only to maintain and encourage overproduction. They guarantee the wheat, cotton, and potato farmer a nice profit to raise wheat, that must be piled outside on the ground, or cotton, left for years in the warehouse, or potatoes, to be covered with kerosene so that they will not find their way to market as food and lessen the living cost of the rest of the population.

Pull the support prices from under wheat or potatoes and you will not need any expensive bureaucracy to allot the acreage a farmer is permitted to plant. The acres of potatoes will diminish overnight and in the case of wheat, two or three millions of acres of land, unsuited by nature to cultivation, will be turned back into grazing land to produce more beef at low cost and bring down the price of meat to the consumer.

The whole price-support system operates to preserve a destructive agriculture and to

maintain high prices for the consumer either in prices, taxes, or both. Moreover, it serves to maintain on the land, at the expense to the taxpayer, some thousands of farmers who dislike farming to the point of hating their own soil but have not the energy to move off and make their land available to other men who could cherish it and build it up. In a country where there is no more land to be had for free, there are thousands of energetic young men, longing for farms now owned and occupied by farmers who in England would not be permitted to farm them. Their inertia and inefficiency are subsidized by agricultural price supports.

Mr. Truman is using the Brannan plan as a two-edged political weapon to buy farm votes and secure the support of labor at the same time. It is a dangerous plot not only to our economy but to our freedom, but it is not new. In essence, it is the same old plot cooked up by Henry Wallace when, as Secretary of Agriculture, he filled his department, not with agricultural experts or friends of the farmer but with fellow-travelers, Communists and men like Lee Pressman and Beany Baldwin, his present campaign manager.

Let me repeat. Democracy carries within itself the seeds of its own destruction and the price of liberty is eternal vigilance. There are enough people in the United States to defeat such demagogic destructive plans, if they go to the polls and do their duty and let their Congressman know how they feel. You do not make a prosperous agriculture by bribing farmers to plant what nobody wants and by subsidizing the man who is actually destroying our most fundamental natural resources, and the greatest renewable source of our real wealth.

The Housing Program

EXTENSION OF REMARKS
OF
HON. THOR C. TOLLEFSON
OF WASHINGTON
IN THE HOUSE OF REPRESENTATIVES
Tuesday, July 12, 1949

Mr. TOLLEFSON. Mr. Speaker, during the debate on the housing bill and prior thereto, Congressmen and the public generally were subjected to a great amount of propaganda both supporting and opposing the bill. Now that the battle has subsided somewhat, we should take a more calm look at the legislation which was enacted. The following editorial in the Evening Star impresses me as a fair and unbiased appraisal of the measure:

THE HOUSING PROGRAM

If it lives up to the claims of its supporters, the compromise housing bill—which now awaits the President's signature—will have an economically and socially wholesome effect on the future life of the Nation. A large number of builders and real-estate men have bitterly opposed it, but their arguments, according to its advocates, have been based on false premises. If that is so, then the program authorized by the measure is likely to result in a good deal of healthy progress, during the next few decades, in a field where there is certainly a very clear need for construction on an extensive scale.

The two most important features of the bill have to do with slum clearance and low-cost housing. As far as slum clearance is concerned, Congress has authorized the Federal Government to extend $500,000,000 in direct grants and $1,000,000,000 in interest-bearing loans to help communities get rid of blighted areas, the communities themselves paying two-thirds of whatever the total outlay may be. As for low-cost housing, the bill is aimed at enabling local authorities to build 810,000 units within the next 6 years. To that end, it provides for Federal subsidies—up to a maximum of $308,000,000 a year for 40 years—to cover the difference between what the projects cost and the amount of rent the tenants can afford to pay.

Critics of the bill hold that it will ultimately cost the country anywhere from $16,000,000,000 to $20,000,000,000; that it will lead to far-reaching Federal intervention in local affairs; that private industry can meet the current demand without Government help; that the program will endanger free enterprise in the field, and that it is not only economically unsound but also socialistic. In reply, its supporters insist that it will actually cost in the neighborhood of $10,000,000,000; that the law carefully assigns the dominant role to the localities; that private industry is definitely unable to do the job all by itself, and that the whole undertaking, far from being socialistic or a menace to free enterprise, represents a wise long-range investment promising to pay rich dividends in terms of contracts for independent builders, economy-bolstering employment in construction activities, and enduring social betterment for a large segment of the population.

The fact that thoughtful legislators like Senator TAFT have voted for the measure, after helping to shape it on the basis of a careful study of the situation, may be taken as evidence that its critics have exaggerated its potential weaknesses and overlooked the strong points in its favor. The strongest of these points is the simple fact that during the past decade blighted areas have grown more blighted and the construction of new low-cost housing has lagged far behind our population increase of 17,000,000 since 1940. In the circumstances, there certainly would seem to be ample justification for the program just enacted by Congress.

Deficit Financing Is Dangerous

EXTENSION OF REMARKS
OF
HON. THOMAS A. JENKINS
OF OHIO
IN THE HOUSE OF REPRESENTATIVES
Tuesday, July 12, 1949

Mr. JENKINS. Mr. Speaker, the editor of the Athens Messenger is a capable and well-informed gentleman. He writes on public matters with great facility and shows a remarkable knowledge of public matters.

The following editorial is typical of his efforts:

DEFICIT IS SHOCKING

The Federal Government's deficit of nearly $2,000,000,000 on June 30, the end of a year's spending, is a forceful reminder that the price of weakness and failure in handling the taxpayers' money is high. It is especially shocking in time of peace.

The deficit is three times as large as the President said it would be. It is the result of both declining revenues and rising expenditures. The Democrats say that the cutting of taxes by the GOP Congress is to blame, while naturally advocates of greater Federal economy say that excessive spending and declining revenues are at the bottom of the woodpile.

While we are spending billions each year in a cold war with Russia, it is a poor time to keep adding to the Federal domestic expenses just to maintain party power. It seems we must spend to halt Russia all over the world, and perhaps this money is well spent. Therefore, it is up to the administration, no matter what party is in control, to cut down on the home front.

Some Members of Congress are now demanding a general cut in Federal spending, but their pleas are greeted with jeers by the President. Congress votes the money and finds the spending habit easier to follow than the saving habit. There are all sorts of taxes which have become so oppressive that reduced spending by the public is at once reflected in Government income. As business activity drops, Federal taxes drop, and yet the President insists that the present spending level by the Government must be maintained.

The attitude of the public toward Government economy should be heeded by the President. If it had been taken as his guide, there would have been no deficit. It requires lots of nerve to reduce spending after moving for two decades toward a socialized state, but Members of Congress should be more responsive to the sentiment on the home front.

Peace Has Been Lost Politically, Economically, and Morally—United States Diplomacy Has Failed Our People

EXTENSION OF REMARKS
OF
HON. LAWRENCE H. SMITH
OF WISCONSIN
IN THE HOUSE OF REPRESENTATIVES
Tuesday, July 12, 1949

Mr. SMITH of Wisconsin. Mr. Speaker, American lives and American property were invested in the last war for the purpose of securing a just and lasting peace. As in the First World War, so in the second war the politicians sold the American public on fancy slogans and with the same identical result, namely, that we actually did not win either war. There is more real fear in the world today than ever before and injustice, hatred, and intolerance are rampant. In addition the world approaches economic disaster because of war.

At this point, Mr. Speaker, I include an article from the Christian Century of July 13, 1949, which is of timely interest:

HAVE WE LOST THE PEACE?

An amazing thing happened in Washington the other day. Six months ago (on December 20) Justice William O. Douglas joined with five of his brethren on the Supreme Court of the United States to deny the right of Japanese convicted in the Tokyo war crime trials to appeal to that Court. Two days later seven of these Japanese were hanged. Eighteen are serving prison sentences, some of them for life. Now Justice Douglas has handed down a written opinion on that decision in which he shared. (Justice Rutledge refused to vote on December 20, but stated that he would do so, and likewise render a separate opinion, later. To date, he has done neither.) He defends the decision, but not on the grounds on which it was rendered.

In December the Supreme Court held that it had no jurisdiction over the decisions of international military tribunals. Today Justice Douglas says it had jurisdiction, but the trouble was that the Japanese appealed directly to the Supreme Court. If they had made their appeal to the United States District Court for the District of Columbia, so that it had come up to the Supreme Court through regular channels, everything would

have been all right. The press sees Justice Douglas' opinion as a virtual invitation to the Japanese in prison to seek a rehearing. The impression which the opinion will make on the widows and families of the Japanese already hanged can be imagined.

The reasons which Justice Douglas gives for arriving at this senational opinion 6 months after the men most concerned have been hanged deserve the most thoughtful consideration. The war crime trials, in Germany and in Japan, were conceived as a means of lifting international justice to a new and higher level. Men in positions of power were to be held personally responsible for the acts of governments in breaking the solemn pledges of the Kellogg-Briand Pact by making or plotting war. They were to pay the penalty for their acts of international violence just as local law would require them to pay the penalty for acts of domestic violence. Thus international law was to be rescued from its amorphous state and given real majesty and authority.

That was the theory. It was given its clearest, most persuasive exposition by Justice Robert H. Jackson in his opening address as prosecutor to the Nuremberg court. But as the war-crime trials developed, legal and moral misgivings grew. Senator ROBERT A. TAFT early—while the Nuremberg trials were still in progress—denied their legal claims to justification. More important has been the growth of the moral misgivings which finally moved Justice Pal of India, in dissenting from the Tokyo verdicts, to call the tribunal on which he had served "solely an instrument of political power." Justice Douglas now agrees with Justice Pal as to this, but argues that there is nothing in the United States Constitution against an international court's being such a political agent. Naturally there isn't. The issue, as Mr. Douglas knows, is not constitutional, but moral.

It seems to us that, in this acknowledgment of misgiving by a Justice of the Supreme Court, there is something deeper involved than the justice of the war-crime trials. That has been under suspicion ever since the courts were constituted with only the victor nations, and no justices from nonbelligerent states, on the bench. Justice Douglas' belated opinion reflects, we believe, the fear now growing among thoughtful people throughout the Allied nations that they have lost the peace. Lost it politically—that was the ghost behind the recent Paris Conference of Foreign Ministers. Lost it economically—that is the ghost behind the current frantic negotiations between the ERP and the OEEC. Lost it morally—that is the fear most terrible of all to contemplate.

This growing fear that the nations which beat Hitler, Mussolini, and Tojo have morally lost the peace began to take root before the end of the fighting. It first stirred consciences when the realities of saturation bombing slowly began to slip through wartime censorship. Hiroshima brought the admission from the commission of theologians appointed by the Federal Council of Churches: "We have sinned grievously against the laws of God, and against the people of Japan." Potsdam, with its Morgenthauism, its final rejection of the letter and spirit of the Atlantic Charter, constituted an almost intolerable assault on the Christian conscience.

When all is said, however, we believe that it has been the revulsion against the postwar trials, national and international, which has most clearly reflected the sense of a morally lost peace. We reported last week (Can Europe recover a conscience? p. 813) the rising protest by Catholic and Protestant Christians in Holland and Belgium against the treatment given many accused of collaboration in those countries. The reaction is said to be as strong, or stronger, in France and Italy. On the international level, the way in which the United States Senate has stepped in to hold up the execution of German soldiers convicted of participation in the Malmedy massacre is enough to show the moral misgivings with which war crime trials are now regarded.

Here is a matter of the most profound importance, for this revulsion is growing in regard to the matter concerning which, as our nations turned from victory to win the peace, their moral pretensions and confidence were highest. They knew something of the difficulties they faced in winning the political or the economic peace, and consequently acted with a caution that was almost at times timidity. But they had no doubt of their ability to convict men of the responsibility for their evil deeds, and thus to enthrone an international justice. Consequently, they plunged into the war trials, domestic and international. Today, the moral standing of those trials is dropping down, down, down.

After World War I there came a period of revisionism which led to widespread repudiation of the moral claims of that crusade. But the reaction in that case was largely against the moral pretensions of the war origin myths, or against the devil theory of war responsibility as it placed all blame on the Kaiser. Today, despite the self-righteousness which permeates all documents of the victor nations, the heart-searching is deeper and concerned with other issues. On the matter of the war's origin, no one challenges the truth of the charges laid against the Nazis. As early as October 1945 the Council of the Protestant Churches of Germany, meeting at Stuttgart, was ready to say: "Through us [the German people in a great solidarity of guilt] has endless suffering been brought to many peoples and countries."

But the question which the conscience-smitten in the western democracies are asking after World War II is, What have we done with victory? Have we used it in a way to satisfy the demands of righteous moral judgment? Or have we degraded it for purposes of vengeance and the pursuit of power and to prepare the battle lines for another war? If the moral misgivings inspired by such questions continue to grow, it will not be long before the churches find their most devoted members raising the issue of the possibility of a just war—in the light of modern war's moral outcome and aftermath—with an intensity unknown since the days before Constantine.

At first glance there may seem no justification for connecting this growing moral distress with that felt by Justice Douglas. The misgivings which caused the Justice to render his belated opinion on the Tokyo trials on the surface appear to be legal or political, not moral. If the verdict rendered last December is not changed, he declared, it will leave international military tribunals beyond judicial scrutiny. Prisoners will be without appeal, except to the conscience or mercy of an executive. And thus the military will gain a new and alarming hold on us. Accordingly, Mr. Douglas now finds that such prisoners, if held by American officers, may seek writs of habeas corpus in American courts. No matter what the international status claimed for the military court, if the jailer is an American, sworn to support and defend the Constitution of the United States, he must answer to American court for the persons of his prisoners.

Here, it will perhaps be contended, is simply the anxiety of an eminent jurist for the protection of the majesty and impartiality of our law. Or here is simply the anxiety of a respected political leader for the preservation of our political institutions. But beneath this there can be discerned the anxiety of a thoughtful American lest, in the acts of this postwar period, the moral foundations of our law, our politics, and all our communal life be undermined. The anxiety felt by Justice Douglas takes a legal and a political expression, but at bottom it is a moral anxiety. Morally, are we losing, have we lost the peace?

It is no light thing to see a Justice of the Supreme Court acknowledge that there is something terribly wrong about at least one use we have made of victory. But if misgiving can so quickly and deeply penetrate that supposed source of judicial certainty, what can reasonably be concluded is happening to the thinking of the commonality of thoughtful men?

World Federation Resolutions

EXTENSION OF REMARKS
OF
HON. JACOB K. JAVITS
OF NEW YORK
IN THE HOUSE OF REPRESENTATIVES
Wednesday, July 6, 1949

Mr. JAVITS. Mr. Speaker, the widespread support being received by these resolutions introduced by 91 Members, shows the urging of all our people for peace, and the recognition that the way to find it is through world law and the means for enforcing it. The support of the Liberal Party of New York State, shown by the following letter, is most welcome:

LIBERAL PARTY OF NEW YORK STATE,
New York, N. Y., July 7, 1949.

Hon. JACOB K. JAVITS,
Foreign Affairs Committee,
House Office Building,
Washington, D. C.

DEAR CONGRESSMAN JAVITS: On June 7, 1949, a resolution on world federation (H. Con. Res. 64) was introduced in the House by 91 Representatives concurrently. If, to the very size of this group, is added the fact that 34 States were represented in the sponsorship, it becomes evident that the resolution is an expression of widespread approval of its aims.

The broad character of the representation behind the resolution makes it especially fitting—in fact, obligatory—that all segments of opinion be heard on the bill. The Liberal Party therefore urges you to use your good offices toward assuring that hearings on House Concurrent Resolution 64 be held as soon as possible in this session.

In giving its wholehearted approval to House Concurrent Resolution 64, the Liberal Party also wishes to reaffirm its endorsement of the Atlantic Pact. We believe that the pact, by its evidence of the cohesion of the western democracies, not only makes for world peace, but demonstrates that we can move toward world federal government. The Liberal Party therefore asks for ratification of the Atlantic Pact now, as well as hearings on House Concurrent Resolution 64.

For a united and peaceful world.

Respectfully yours,

MARX LEWIS,
Chairman, National Legislative Committee.
BEN DAVIDSON,
Executive Director.

Judge Kaufman and the Hiss Case

EXTENSION OF REMARKS
OF
HON. RICHARD M. NIXON
OF CALIFORNIA
IN THE HOUSE OF REPRESENTATIVES
Tuesday, July 12, 1949

Mr. NIXON. Mr. Speaker, a handful of administration apologists, who find

themselves unable to defend Judge Kaufman's conduct in the Hiss case on the facts, are attempting to turn the case into a political issue—which it is not. In seeking to block an inquiry by Congress, they are employing an old device that has served such attempts well in the past. They have set up a straw man and are now diligently engaged in knocking it down. The straw man is the false statement that any Member of Congress, publicly or privately, has advocated that the inquiry into Judge Kaufman's conduct be conducted by the House Committee on Un-American Activities. From the first moment I, and, as near as I can determine, all other Members of Congress similarly interested, have said that it is a matter for the Judiciary Committee of the House. By no stretch of the imagination does the judge's case come within the purview of the Un-American Activities Committee. What the committee should properly consider is the calling of witnesses who were either, first, not permitted to testify by Judge Kaufman, or, second, were not called by the Government, apparently because this testimony did not bear directly on the technical charge of perjury. This testimony should of course, as suggested by my colleague the gentleman from South Dakota, Representative FRANCIS CASE, be taken in secret session and should not be made public until after final disposal of the Hiss case in the courts. But it should be taken: the record of the most treasonable conspiracy in American history should be completed. I think it was most unfortunate that this proposal was turned down today by the Un-American Activities Committee, and I hope, and believe, that eventually the committee will reconsider its action.

Waterpower

EXTENSION OF REMARKS
OF
HON. THOMAS J. LANE
OF MASSACHUSETTS
IN THE HOUSE OF REPRESENTATIVES
Tuesday, July 12, 1949

Mr. LANE. Mr. Speaker, under leave to extend my remarks, I wish to include the following article from the Boston Advertiser, Boston, Mass., Sunday, July 10, 1949:

AUTHORIZED WATERPOWER PROJECTS WILL HELP REVIVE NEW ENGLAND INDUSTRY, BREAK COAL GRIP

(By George Brady)

Increasingly disturbed by the cost and scarcity of imported coal, New England is slowly developing her sadly neglected waterpower resources and breaking away from the clutches of Mine Czar John L. Lewis.

Although the six States which comprise New England still give Uncle Sam many millions of tax dollars every year for construction of mighty dams in the South and West and receive little or nothing from him for their own streams, they are waking up and facing the fact that electricity, produced cheaply and abundantly from rivers, is the only thing capable of saving dying mills and factories and rehabilitating doomed industrial centers.

Accordingly, New England is forging ahead—literally on her own, and the following projects are proof of her progress:

The New England Power Co. is spending $16,000,000 for an ultra-modern hydroelectric dam on the Connecticut River a mile and a half above White River Junction, Vt.

The Holyoke Water Power Co. has received permission from the Federal Power Commission to replace its obsolete facilities with an up-to-date installation costing $4,162,000 and will rush the redevelopment.

The Central Maine Power Co. is damming the almost-forgotten Dead River and creating a 26-mile-long lake to make electricity more plentiful and reliable in the Pine Tree State.

The New England division of the United States Army engineers is building a similar reservoir on the Natchaug River at Mansfield Hollow, Conn.

With congressional authorization, the Army engineers are completing plans for a $32,000,000 dam at Enfield Rapids on the Connecticut River, a $20,000,000 dam at Livermore Falls on the Pemigewasset River near Plymouth, N. H., and a number of smaller but equally important and necessary flood control and hydroelectric power installations on the Connecticut, Merrimack, Thames, and Housatonic Rivers.

The go-ahead signal for the revival of the mammoth tidal plant at Passamaquoddy, Maine, has been given by both the United States and Canadian Governments which have made a joint appropriation for blueprints and preliminary studies.

The New England Power Co.'s $16,000,000 dam in Vermont, currently called the Wilder redevelopment, represents a great forward step by this utility not only because it provides work for 500 men, but also because it replaces a 23-year-old dam, which has already become obsolete and inadequate, with a bigger, higher, and longer one yielding vastly more power.

SETS EXAMPLE

Our six States are littered with scores of these out-dated dams, many of which were built early in the last century, decades before the invention of the electric motor and incandescent lamp. The owners of all these antiques can rebuild and adapt them to the needs of the times, and they will do so if they follow the good example of the New England Power Co.'s Wilder experiment.

As a matter of fact, this is precisely what the Holyoke Water Power Co. is undertaking in the case of the site which it has occupied since 1849, and the people of that thriving industrial city, reaping the benefits of the investment, will have more than five times as much electricity as they now have for their homes, farms, and factories.

Comparable expansions are not only possible but essential in Lawrence, Lowell, Haverhill, Manchester, and Nashua, N. H. The Federal Power Commission has repeatedly expressed its willingness to assist in the modernization of the old-fashioned and wasteful power facilities in these languishing industrial centers and the members of the commission will support and sustain the present owners of the dams, as they did in the Holyoke instance, if the owners show the same enterprise and ingenuity.

Ten years ago it would have been impossible to flood an area a tenth as large as the Central Maine Power Co.'s 26-mile, man-made lake. Hundreds of persons would have protested the destruction of their homes and farm lands, and their legal and legislative representatives would surely have blocked the project.

Now all New England, wiser because of sad experience, realizes that the elimination of a few communities is both warranted and necessary when the economic life of hundreds of communities and thousands of people is at stake.

The Passamaquoddy plant, located at Eastport, Maine, where the land-locked tides rise higher than anywhere else in the world, will be one of the largest and most dependable sources of low-cost electricity on the North American Continent, superior to the TVA and a rival of the West's huge Herbert Hoover Dam.

Power from Passamaquoddy will bring the steel and aluminum industries to Maine and New Brunswick, Canada, and, at the same time, will encourage Maine to repeal its controversial Fernald Act and share its surplus power with New Hampshire and Massachusetts.

TWO HUNDRED THOUSAND JOBS

The companies which are ready to move into Maine as soon as Quoddy becomes a reality, will provide employment for at least 200,000 persons and contribute millions of dollars in taxes to the State and municipal governments.

And since more than 50 percent of New England's undeveloped water power is in Maine, the exportation of electricity to cities like Portsmouth, N. H., Lynn, Salem, and Boston will be a veritable godsend, for it will mean an immediate reduction in their lighting rates which are currently among the highest in the country.

United States Senator MARGARET CHASE SMITH is sponsoring legislation in Washington for the immediate appropriation of $100,000,000 for Quoddy, and she will press for action on it before Congress adjourns.

Five Jurors Confirm Charges of Prejudice in Hiss Trial

EXTENSION OF REMARKS
OF
HON. GEORGE A. DONDERO
OF MICHIGAN
IN THE HOUSE OF REPRESENTATIVES
Tuesday, July 12, 1949

Mr. DONDERO. Mr. Speaker, under leave to extend my remarks in the CONGRESSIONAL RECORD, I include therein a newspaper article from the New York Herald Tribune of July 12, 1949, giving the views of five of the jurors in the Hiss trial who believe that Judge Kaufman was biased for the defense.

This statement comes from those who had occasion to see the actions of the judge, note his entire demeanor on the bench, hear what he had to say and the inflections of his voice.

I am amazed that so many of the members of the jury believe the judge was biased and unfair.

This confirms charges made by Congressman NIXON, of California, and by Congressman CASE of South Dakota.

The article follows:

FIVE HISS JURORS EXPRESS BELIEF KAUFMAN WAS BIASED FOR DEFENSE—TWO OTHERS DOUBT PREJUDICE AND THE REST AVOID COMMENT OR TAKE NO STAND ON JUDGE

(By Mac R. Johnson)

Five members of the jury which tried Alger Hiss on perjury charges said yesterday that they received the definite impression during the course of the trial that Judge Samuel H. Kaufman was biased for the defense. On the other hand, two jurymen said they did not believe that Judge Kaufman was prejudiced for the defense and against the prosecution as charged by Representative RICHARD M. NIXON, Republican, of California.

Mr. NIXON called for an investigation of Judge Kaufman's conduct after the trial ended Friday night with eight jurors voting for conviction and four for acquittal. Mr.

NIXON said the judge's favoritism was obvious and apparent.

Three other jurors had no comment whatsoever, one declined to take any definite stand and the twelfth, Mrs. Louise A. Torian, a dressmaker, of 666 West One Hundred and Eighty-eighth Street, was visiting on Long Island and could not be reached. She voted for acquittal.

Meanwhile, Judge Kaufman reiterated that he had decided to stand on the record in regard to accusations made against his handling of the trial.

His one-sentence statement said: "After conferring with some of the judges in this court (United States district court) I have decided to stand on the record and not enter into any controversy."

The comments of the jury members, with the manner in which they voted during deliberations noted in parentheses, follows:

JUDGE BIASED

Mrs. Helen G. Sweatt, real-estate broker for Beechwood Lake, Inc., 70 West Fortieth Street (guilty): "I feel there was a great deal of bias against the prosecution. I tried not to take too much notice as I tried to be fair to both sides. But it was difficult due to Judge Kaufman's decisions. He should have permitted the witnesses and testimony that the prosecution wanted. I was interested in hearing Mrs. Hede Massing and the Cherner Motor Co. executive.

"After all, that Ford car and what became of it seemed to be important testimony, but the judge wouldn't permit the testimony. And it wasn't right for the judge to allow that psychiatrist, Dr. Carl Binger, to sit there all the while that Mr. Chambers was on the witness stand. At the same time he was watching the jurors and it made some of us nervous.

"Then I recall that the judge let them ask questions about a suicide in Mr. Chambers' family but would not permit the same kind of questions about suicides in Mr. Hiss' family. Then the judge didn't let the prosecution identify the Communists Harold Ware and Jay Peters. Their names were brought into the testimony by Mr. Chambers as friends of Mr. Hiss but it was stricken from the record. Mrs. Chambers' testimony opened my mind. It was the best and most fruitful. When she described the interior of the Hiss home and told of her visits, I knew she couldn't be making it up."

John S. Adrian, office manager for Walter B. Cooke, Inc., funeral home, 165 East Tremont Avenue, the Bronx (guilty): "The judge favored the defense as far as the admission of witnesses was concerned. I did notice such things. However, I didn't let it influence me. I paid particular attention to the evidence that was admitted."

Frederick W. Gaffney, delivery superintendent for Esso Standard Oil Co., 320 Freeman Street, Brooklyn (guilty): "Here's the way I'd explain it. Some of the judge's decisions were—well, let's call them one-sided. But again, that could have been made according to law. I did give thought to the fact that the judge seemed to be turning down a lot of prosecution requests.

"In the case of Mrs. Massing, I can understand why she was not allowed to testify as it was a perjury case we were trying—not a question of communism. If she had been allowed to testify, it might have influenced other people on the jury. If it had been proved that Hiss was a Communist, the other four might have swung the other way. All in all, none of the judge's decisions influenced me, although some of them were strange."

Robert W. Pitman, credit analyst for Dun & Bradstreet, Inc., 290 Broadway (guilty): "It's pretty difficult to decide if Judge Kaufman was biased. If we were lawyers we wouldn't have been on the jury. There were times when he showed a little preference to the defense. And I think it was poor taste to show so much deference to the two Supreme Court Justices, Felix Frankfurter and Stanley Reed. However, I can't say he did it deliberately to impress the jury one way or the other."

Mr. Pitman also accused some of the jurors who voted for acquittal of not weighing the evidence. He said that one of the persons voting for acquittal declared during deliberations that "you can't believe a word from an ex-Communist," meaning Mr. Chambers. "I told him that if that's the way he felt about it, then he should not have been on the jury. During the selection of the jury, one of the questions covered that exact situation," Mr. Pitman said.

Vincent E. Shaw, clerk for Penick & Ford, Ltd., Inc., 420 Lexington Avenue (guilty): "I'm surprised that Congress might investigate the case, but the judge did appear to favor the defense."

FAIR TRIAL

Arthur L. Pawlinger, employee of Advertising Distributors of America, Inc., 400 Madison Avenue (not guilty): "The judge was not prejudiced. I don't think he favored one side or the other."

Alen M. Blake, production manager for Cutler-Hammer, Inc., 430 Southern Boulevard, the Bronx (guilty): "Judge Kaufman's attitude toward the defense witnesses seemed to be different than toward the others. However, I don't think he was really biased in favor of Mr. Hiss. In fact, if all this hadn't been in the newspapers after the trial, I wouldn't have thought about it at all."

NO STAND

James Hanrahan, marine accountant, Overseas Tankship Corp., 551 Fifth Avenue (guilty): "I'm not versed in legal matters so I can't say the judge was right or wrong in barring certain testimony and witnesses. The judge's name was never mentioned in the closed room where we considered the case. There was no talk about whether he was biased or not. I'd go to Washington and testify if I was called, but I have no opinion now."

NO COMMENT

Hubert Edgar James, foreman, of 1067 Madison Avenue, a junior executive with General Motors Acceptance Corp., 1775 Broadway (not guilty): "I have no comment at all."

Louis Hill, secretary of the Manhattan Bargain House, Inc., 637 Broadway (not guilty): "I have no comment."

Thomas O. Bryan, of 126 East Fifty-seventh Street, an unemployed hotel manager (guilty): "I really don't want to comment on it. The day-to-day record is in the press."

Memorial Coal Stamp

EXTENSION OF REMARKS

OF

HON. CHARLES W. VURSELL

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, July 12, 1949

Mr. VURSELL. Mr. Speaker, since 1946, over 500,000 coal miners in the United States have been asking that the Government memorialize the contribution the owners of this great industry and the miners have made to the Nation with a Memorial Coal Stamp.

The year 1946 was the two hundredth anniversary of this industry. For some reason at that time the stamp was not issued, even though the effort had the joint cooperation of the mine owners of the industry and the miners.

During the past few months hundreds of letters have come to me from miners in support of a recent resolution asking for a Memorial Coal Stamp. Because of the number of organizations desiring memorial stamps, the authority for the issuance of these stamps in the future has been placed on the Postmaster General.

Mr. Speaker, I have had this matter up urging issuance of such a Memorial Coal Stamp with the Postmaster General several times within the past few months and up to the present time without definite success.

I know the Postmaster General has given the matter very careful and earnest consideration and what I have to say is not in any way a condemnation of his action. I have been informed by him that it is possible that further memorial stamps, out of the many requests before him, may be issued during this calendar year. If so why not the miners' stamp?

I raise this question in the hope that attention may be focused in behalf of this laudable cause, and with the further hope that the Postmaster General will decide to authorize that a memorial coal stamp be issued during this calendar year.

Mr. Speaker, I cannot conceive that the application for any stamp now pending before the Postmaster General should be given preference over the application asking for this stamp. What force is holding this matter up and why?

Over 500,000 miners feel that the Government should so honor their past sacrifices and the contribution they and the industry have made to the Nation. The issuance of this stamp is asked for as a memorial to the over 50,000 miners who in the past number of years have been killed on active duty in the mines of this Nation.

The authentic figures show that from 1930 to 1947, in 17 short years, 23,295 miners were killed in the mines; that 1,145,786 were injured.

In all fairness, can it be argued on any premise that any application for a stamp now on file should have priority over the memorial coal stamp?

Can those in charge of the administration of the Government today justify their continuous neglect and refusal in withholding this simple honor and memorial that would cost the Government not an additional 1 cent?

Governors, United States Senators, and Members of the House of Representatives have joined in this general appeal that during this year such a memorial coal stamp be issued.

I hope that speedy and favorable action will be taken in the issuance of such a stamp.

Mr. Speaker, in closing may I say that I hope the miner's safety bill, H. R. 3023, may come before the Congress for consideration and action before this session closes.

This bill as I understand it provides that the Federal mine inspectors will have the power to withdraw men from the mines where imminent danger exists. It would seem to me when one reads of

the mine explosions, the great loss of lives and a greater record of injuries in the mines, that it is the duty of the Congress to provide for greater safety in the mines and this is what H. R. 3023 seeks to do.

Certainly someone should have this power, and if it is lodged in the Government it will equally protect all of the miners of all of the States in the Union.

I think we, as Members of Congress, and the people generally, sometimes overlook the extremely hazardous occupation in coal mining. Certainly it is not too much for the Congress to attempt to provide greater safety to reduce so far as is possible deaths and accidents occurring in the mines of this Nation.

Italian-American World War Veterans

EXTENSION OF REMARKS
OF
HON. THOMAS J. LANE
OF MASSACHUSETTS
IN THE HOUSE OF REPRESENTATIVES
Tuesday, July 12, 1949

Mr. LANE. Mr. Speaker, under leave to extend my remarks, I wish to include the following address which I delivered at the fourteenth annual convention banquet, Italian-American World War Veterans of the United States, Inc., Department of Massachusetts, Hotel Manger, Boston, on Sunday, July 10, 1949:

Mr. Chairman, distinguished guests, men and women of Italian extraction from Massachusetts who have served in the armed forces of our country, coming from the city of Lawrence, which has a larger proportion of citizens who trace their heritage to Italy than any other community in Massachusetts, I feel like a pisano when I am with you.

Friendly, generous, with a love of nature and a love of family, the Italian is a very human person, the inheritor of the artistic glory of the Renaissance and the civilization of ancient Rome. It is this wealth of ripening wisdom that makes him a good neighbor and a good citizen.

All of us were deeply impressed a year or more ago when we read of the humble man who gave $1,000,000 to the Boston Public Library, and who is going to contribute further large sums during his own lifetime. It was not the gift as such but the history of the man himself that caught and held our admiration. As I remember, he started his life in this land of opportunity as a peddler. He had no family to help him, no formal education, no political influence, no position of power in finance or business. He was an average American who taught himself through the facilities afforded by the Boston Public Library. Through the knowledge gained, he amassed a fortune, but he spent next to nothing on himself. His was the satisfaction of developing and exercising his mind productively. His greatest joy came in turning this money over to the source which helped him to make it so that others may enjoy even greater opportunities. He was not a slave to a dictatorial state. Neither was he one to exploit others for his own selfish indulgence. In our country he grew and prospered because he made the most of this climate which offers to every person the most favorable conditions under which to develop his talents. And then, out of his fulfillment, he is increasing the opportunities available to the younger generations. He is an American of Italian extraction.

In this man's life we find a unique success, the realization of one man's ambition, bringing not only personal satisfaction but the benefits which flow to others from individual accomplishment. In this day when too many people, confused and fearful before the problems which beset us, are tempted to surrender all responsibility to Government, this man reminds us that freedom's way is the best way. In no other country in the world can a man become what he is capable of becoming as in the United States. This, and this alone, explains the high standard of living which the average American enjoys. It is because he has earned it by his own efforts, and by voluntary association with others in those matters where group action is necessary.

Association?

Yes. Our first regard is for the individual, allowing him the fullest opportunity for the expression of his special talents. But we also live together in communities, States, and nations. Sometimes it is necessary for individuals to make sacrifices in order to save their democratic institutions from those who would destroy them.

In my home city there is one family, the Campagnones, who gave three sons on the field of battle during World War II, the heaviest sacrifice of any family in the community. Before this solemn fact we are conscious of the evolution that is taking place in our American society. When the various waves of emigration landed on our shores there was a strangeness among the groups, and there was some intolerance born of ignorance. But as we learned to work together, to intermarry, there came the blessings of respect and friendship which is the core of our unity.

Yours is an organization which perpetuates the unselfish fellowship which you experienced as comrades in time of national emergency. You have formed an association to preserve those values, and to help those veterans who were disabled in the struggle. You work to teach the young who have not learned and, as we hope, may never have to learn through the grim ordeal of war the full meaning of Americanism, love, and devotion to those duties which each man owes to himself and to others.

The veteran knows that the overwhelming issue is that of the state versus the individual. In war and in peace the fight goes on. The veteran gave up his liberty because the regimentation of war requires it. He gave up his liberty, temporarily, to beat back those who sought to impose the iron hand of the state on democratic peoples. He and many other citizen-soldiers defeated the Axis, but this is not the end of the struggle. Other ideologies, wearing different uniforms, and shouting different slogans, pose a threat to his freedoms. He is determined that his Government shall contain this menace by every peaceful means, but he realizes that the final battle in this cold war will be won or lost in the minds of men. American veterans, through their organizations, are resolved that the American people shall be fully informed and on their guard against every device of propaganda and infiltration intended to confuse and divide us.

We face this issue frankly.

We know that in the past a few individuals, and a few groups of individuals, have used absence of authority as a justification for exploiting the people. We have done much to correct this situation and we shall do more but not at the expense of going to the other extreme.

By the Declaration of Independence we threw off the shackles of Old World absolutism. Our progress since then is shining proof that our forefathers decided wisely and well. We, in the years between, have conquered every challenge and have made every reasonable adjustment without sacrificing the basic principles of the Bill of Rights and the Constitution.

Today science and invention are transforming the world. The ability to earn a living is no longer under the control of the individual, as it was in the last century. A man works in a mill or factory whose operations in turn are decided by other economic factors beyond his personal reach. Only by joining with other men in voluntary compacts and through representatives of his choice can he have a voice in those decisions which affect his work and his income.

As Americans, we are taking the middle course in adjusting our lives to new realities.

In some countries, however, the people have become the victims of their own despair. Instead of trying to solve their problems through democratic processes, they have surrendered mind and body to an all-devouring state. In return for promises of food, shelter, education, and recreation they have abandoned their responsibilities. And now it is too late. They have become the prisoners of their own failures.

We shall not make that mistake.

We shall not be misled.

Thinking the problem out, we have come to the conclusion that we must have a social-welfare program only as a form of insurance, while accenting individual productiveness and enterprise as the mainsprings of our economy. In time, we shall extend adequate social-security coverage to all to protect our people against the hazards of unemployment and old age. We shall conserve our natural resources and develop atomic power in the public interest. We shall, by law, prevent any group from acquiring monopoly control. We must streamline government for a dual purpose, to improve its service and to hold its costs at a level we can afford to pay.

But at no time will we give blanket authority to any one man or group of men to do these things for us. By the sweat of our brains, informing ourselves on every public problem, and by participating as adult citizens in the shaping of policy, we shall continue to hold the reins of government in our hands—and by "our" I mean that of 148,000,000 people.

We believe in social insurance, but not in the nationalization of industry. Government without check or balance can grow like a weed, smothering initiative. It, too, can become a monopoly, and, like all monopolies, dangerous. The American philosophy is that government shall be the servant and not the master of the people. Although the area of its operations in this complex age is on the increase, its authority must ever be subordinate to those basic rights guaranteed to the individual.

For the protection of these, we rely upon the vigilance of our people. Conspicuous in the character of American thought and action is the individualism which those of Italian origin are contributing to our national life.

The immigrants who came from Italy to Lawrence at the turn of the century wanted a chance to work and to save. They had a goal in mind, and that was independence beyond the reach of any feudal overlord. That they have succeeded in such large numbers is a tribute to their sturdy qualities. Many of them own their own homes and their own small farms, won by their own efforts, and above trespass or control by any agency of government.

As long as we have such people we are insured against extreme or supergovernment in the United States. They and their fellow Americans who have minds of their own assure us that no problem is too difficult to solve if every one of us employs the creative faculties which God gave us to use. No people driven like slaves under the lash of a dictator can ever hope to match another people who, with a firm floor of security under them, have the confidence to climb higher on their own.

We have many problems, but the important fact is that we are working on them.

As we solved them in the past, we shall do so in the future. My message to you is: The middle road on which we travel is the main highway to the future. Nothing can conquer us except our own laziness or carelessness.

We are prepared to resist aggression. Spending $15,000,000,000 a year for the military budget alone is some indication that we do not intend to be caught napping. While necessary for some time at least, it is, nevertheless, merely defensive and places a real burden on our economy.

It is encouraging to note that we are also prepared in a more positive way. Despite temporary adjustments, still in process, our system is fundamentally sound.

We have the two good hands of freedom and productivity. The two work together. You cannot have one without the other. This is our answer to all Communist propaganda, past, present, and yet to be hatched. It is there for all to see in the material help we are giving to the free nations of Europe. It is heard in the Voice of America, which is as consistent as truth, without verbal acrobatics.

After all, it was the millions of letters which you sent to friends and relatives in Italy telling the facts about the United States which helped to turn the tide against communism in the land of your forefathers.

It is this same faith, open and above board, part and parcel of our everyday lives, that is the successful formula for meeting every domestic problem. To speak without fear, pro and con, brings out all the facts. It leads eventually to fair compromise.

I am glad to be with you at your fourteenth annual convention. It is a pleasure to meet old friends and to be given this opportunity to state in public my admiration for the work that your organization is doing.

Help our people to become better citizens; from your experience, constantly remind them that they must never take for granted the precious opportunities won for them at great cost by the men and women who have served in the armed forces of our Nation.

Continue to be the guardians of America's destiny.

Unbelievable But True

EXTENSION OF REMARKS

OF

HON. LOUIS C. RABAUT

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Tuesday, July 12, 1949

Mr. RABAUT. Mr. Speaker, under leave to extend my remarks in the Appendix of the RECORD, I include a letter from the Miami Typographical Union, No. 430, from the office of their public relations committee setting forth the distress that exists in the newspaper field in Miami, Fla., as the result of the iniquitous Taft-Hartley law. The letter follows:

MIAMI TYPOGRAPHICAL UNION, NO. 430,
PUBLIC RELATIONS COMMITTEE,
Miami, Fla., July 6, 1949.

Hon. LOUIS C. RABAUT,
House Office Building,
Washington, D. C.

DEAR CONGRESSMAN: This is an appeal from Miami Typographical Union, No. 430, to you, as a fair-minded statesman, to not permit the Eighty-first Congress to adjourn without the repeal of the Taft-Hartley law. That law which was so accurately described on the floor of the Senate recently by a worthy Senator as being a heads-I-win, tails-you-lose proposition for labor.

Had there been no Taft-Hartley law we feel certain there would have been no strike and lock-out on the two large daily newspapers in Miami. Over 300 men and their families would not now be struggling to maintain their homes here while out of employment.

Previous to the Taft-Hartley law, the typographical union and the publishers always had been able to sit around a table and formulate a contract acceptable to both management and labor. This is the first strike ever to take place in Miami in the 40 years' existence of the Miami Typographical Union. The publishers saw in the Taft-Hartley law the opportunity to break the typographical union; bring labor to its knees, if you will, and still be within the law.

It is unbelievable that a fair-minded body of legislators would, knowingly, uphold management and shackle labor to the extent of passing such a bill. It is the beginning of the abridgement of all liberties.

Newspapers always have been conceded a necessity—a necessity which keeps the public informed of the true facts of what is transpiring around them. Thomas Jefferson once wrote, while describing newspapers, "The basis of our government being the opinion of the people, the first object should be to keep that opinion right; were it left to me to decide whether we should have a government without newspapers, or newspapers without government, I should not hesitate to prefer the latter." How can newspapers reflect the true opinion of the people if the ones who produce them have no respect for each other? Labor must produce—management must direct. The two must go hand in hand if newspapers are to prosper and justify their being.

Once again, we implore you to see that the Eighty-first Congress does not adjourn until a fair labor law is on the books to take the place of the iniquitous Taft-Hartley law.

Sincerely,

LILLIAN M. YERKES,
Chairman, Correspondence.

Stevedore Strike in Hawaii Wrecking Economy of the Islands

EXTENSION OF REMARKS

OF

HON. THOMAS H. WERDEL

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, July 12, 1949

Mr. WERDEL. Mr. Speaker, under leave to extend my remarks in the Appendix of the RECORD, I include a portion of a letter received from Mr. A. G. Marcus, president and general manager of the Honolulu Dairymen's Association, transmitted to me by Mr. A. S. Goode, president and general manager, Peacock Dairies, Inc., Bakersfield, Calif., on July 6, 1949, wherein he has attempted to describe the devastating effect the existing stevedores' strike in Honolulu is exerting on the economy of the Hawaiian Islands, and the resulting suffering and hardship to the more than a half million Americans residing there. The excerpt is as follows:

We are now in the fifty-ninth day of the maritime strike. Really, it's a blockade, something the enemy could not do in 4 years of war. It isn't necessary to tell you how dependent we are on ocean shipping, yet 2,000 striking stevedores, led by a few powerful left-wingers, have brought Hawaii to its knees. This is true literally, for we have had to plead with them to load and unload relief ships hauling only the most essential foods and feed. This will keep us from starving, but all business and investments will be ruined. Five hundred and forty thousand Americans are subjected to the iron will of a few men, three of whom (Bridges, Schmidt, and Robertson) are presently under indictment on charges growing out of alleged Communist activities—at least on the part of Harry Bridges. The President has stated he has no powers of intervention, and that it is "our baby," anyhow. We have no votes in Congress, no influence except such as can be generated through others.

Truman's Prescription

EXTENSION OF REMARKS

OF

HON. KENNETH B. KEATING

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, July 12, 1949

Mr. KEATING. Mr. Speaker, in conjunction with my remarks on the floor today with reference to the President's message on the economic picture, under leave to extend my remarks, I include an editorial from today's Washington Post.

The editorial follows:

TRUMAN'S PRESCRIPTION

In his midyear economic report to Congress President Truman admits that the country is in the throes of a business recession that makes his anti-inflation program obsolete. Having belatedly recognized the economic facts of life, he accordingly emphasizes the present need for business stimuli instead of restrictive controls. Well and good, though there will be a difference of opinion as to whether the particular stimuli he recommends will really stimulate.

Withdrawal of the President's earlier demands for tax increases was inevitable. In view of the changed outlook, it was evident some time ago that they were totally out of place, and Congress would certainly have rejected them. Sound arguments can be advanced, too, in support of the recommendation to eliminate taxes on transportation of goods, and to liberalize the loss carryover provisions of the corporate income-tax laws. These changes, limited though they are, would provide some spur to business activity without any great loss of revenue. However, when the President declares that any cut in essential budget expenditures (meaning outlays that he himself considers essential) would drag down the whole economy he is no longer on firm ground. On top of the withdrawal of demands for new taxes needed to balance the budget, this proposition commits him to advocacy of deficit financing as a method of overcoming the downturn in economic activity.

We wonder whether Government spending as a panacea accords with the economic counsel of Dr. Nourse. In his recent testimony in public, at any rate, Dr. Nourse seems to have been sympathetic to the thesis that Government economy is the best impetus during the present period of readjustment—that the main object should be to encourage business incentive. Certainly he cannot agree with the Presidential argument in favor of deficit financing. Government spending is necessary, Mr. Truman says, in order to enlarge consumer purchasing power—as if there has been a curtailment of it.

The fact is, as Mr. Truman inconsistently notes, that the personal incomes of con-

sumers after taxes have decreased only 1 percent since the last half of 1948 while real consumer income has risen slightly owing to interim declines in prices. Here is clear evidence that consumer purchasing power does not need bolstering. Nor, for that matter, does consumer spending need stimulation. What is needed, rather, is a revival of business and banker enterprise. A Government spending program that will add to the size of an already huge Federal debt and tend to shake confidence in the credit standing of the Government is not the way to provide investment initiative. It is the way, on the contrary, to retard it. We do not believe that Congress, or for that matter the American people, can be converted to a belief in deficit financing as an easy road to future prosperity and full employment.

We agree that it is desirable, even urgent, for the Government to make systematic studies of investment and developmental needs and market opportunities both in domestic and foreign fields. There is also need for a reform of procurement and construction activities with a view to improved selection and timing of antislump public projects, as the President requests. Preparedness is necessary in the event that the recession turns into a slump, which, emphatically, far from describes the present situation that the President seeks to correct.

Most of Mr. Truman's other specific recommendations for counteracting recession are a repetition of demands made when he was still worrying about inflation, such as increasing the minimum wage to 75 cents an hour, broadening and liberalizing social insurance payments, and restoring the Reciprocal Trade Agreements Act. To sum up: the President has no startling plans to offer for arresting the business decline. And what is good about them is marred by his wholehearted acceptance of the pernicious doctrine that budget balancing is neither attainable nor desirable during a period which is still to be interpreted by the term used by Dr. Nourse as "disinflation," or a transition between a sellers' and a buyers' market.

Hawaiian Solution

EXTENSION OF REMARKS
OF
HON. WALT HORAN
OF WASHINGTON
IN THE HOUSE OF REPRESENTATIVES
Tuesday, July 12, 1949

Mr. HORAN. Mr. Speaker, all of us on the west coast feel that the time is here when real action should be forthcoming with regard to the Hawaiian shipping strike. Because of that reason, I am glad to include, under permission granted me to extend my own remarks in the Appendix of the RECORD, an editorial from this morning's Washington Post:

HAWAII SOLUTION

It is hard to have much patience with President Truman's contention that he is powerless to act in the Hawaiian shipping strike. Nevertheless, whether or not he actually has the power now to intervene, apparently he is not going to do anything about the paralysis in Hawaii. That is the essential reason calling for immediate passage of the Knowland-Farrington bill which has been introduced in both Houses of Congress. This bill would specifically authorize Mr. Truman to appoint a Presidential board of inquiry as a means of bringing agreement in the tie-up that has isolated Hawaii since May 1.

Actually, the board of inquiry probably can do little that has not already been done by the Territorial fact-finding board. Hawaiian stevedoring companies reluctantly accepted the recommendation of that board for a 14-cent hourly wage increase, but the report was rejected by the International Longshoremen's Union, which held out for arbitration. Now the ILWU has announced that it will abide by the findings of a Presidential board of inquiry, but the employers are balking on the contention that this will amount to arbitration.

Such heming and hawing amounts to a prima donna act with tragic overtones for the people of Hawaii. There is no reason to believe that a Presidential board would be unfair, or, indeed, that its findings would be materially different from those of the Territorial board. The important thing is to end the jockeying for position and get on with the settlement machinery. Surely it should not require a week of hearings before action can be taken on this simple bill to relieve the emergency.

This Changing World

EXTENSION OF REMARKS
OF
HON. DEWEY SHORT
OF MISSOURI
IN THE HOUSE OF REPRESENTATIVES
Tuesday, July 12, 1949

Mr. SHORT. Mr. Speaker, when economic aid was first voted by the Congress for foreign nations, under the Marshall plan, many of us predicted at the time that much of this money would go down a rat hole. We stated at the beginning it was our firm belief that we should not bleed America white by financing the utopian schemes of other nations and their noble experiments in state socialism.

Mr. Speaker, we also prognosticated, without any superpowers of prophecy, that by building up the trade and industry of other countries we would soon find them as serious competitors of the United States.

Rapidly changing events in Europe, and particularly in Great Britain, have proved the accuracy of these prophecies and the truth of these predictions.

Under leave to extend my remarks, I include two timely articles by one of our best analysts and commentators on foreign affairs and international relations, Mr. Constantine Brown, which appeared in the Evening Star, Washington, D. C., on July 6, 1949, and on July 11, 1949:

[From the Washington (D. C.) Evening Star of July 6, 1949]

BRITAIN SENDS FINANCIAL S O S TO UNITED STATES TO SAVE FAILING STATE SOCIALISM

(By Constantine Brown)

The British Government has sent an S O S to Washington for immediate financial assistance to save state socialism, the great experiment of the British Labor Party, which has proved a dismal failure.

Sir Stafford Cripps, its chief advocate, who was given more extensive powers by the Government and Parliament than any other peacetime administrator, realizes that this failure may deal a deathblow to the cherished utopian doctrines of those who insist that the only solution to our troubles lies in government paternalism. He is stubbornly fighting on, but his only hope of surviving, even temporarily, lies in assistance from the American Government.

Since 1946 the British Government has received more help from America than has any other western nation. We have financed the Labor government to the tune of more than $4,750,000,000 within a period of 3 years. Britain got a $3,750,000,000 loan from us in 1946 and has received more than $1,000,000,000 under the European recovery program.

LAGS IN RECOVERY

Yet, compared to continental European countries, like Belgium, France, Holland, and Norway, Britain is a long way behind in its recovery.

According to economic reports, Belgium not only has recovered but is enjoying a small wave of prosperity. The reason is to be found in the fact that while Paul-Henri Spaak, Belgium's former Premier, was a Socialist, he practiced political rather than economic socialism.

Although Belgium has the densest population in Europe, and although she has suffered from the war, she has managed her affairs so well with modest help from the United States that today she is probably the most prosperous country in Europe. Socialists did not attempt to nationalize anything, but adopted a policy of live and let live in its economic affairs.

Holland, which suffered from Nazi invasion of her home territory and Japanese occupation of her colonies, also is on a fair way to recovery, in spite of serious set-backs from Indonesian political troubles. The Dutch Government, realizing that socialism is still some time away, has refused to experiment with any form of state paternalism, and today, in spite of the Nazi devastation, is in a far better way than the British Isles.

Even France, where the political turmoil always has interfered with its economies, the situation is much better than in Britain. After the fall of the De Gaulle regime the frequently changing government was composed of a mixture of Socialists and Communists, with Maurice Thorez, Moscow's principal stooge in France, as Vice Premier. Under such administrations nationalization of some important industries and financial establishments was undertaken with devastating effects on the public finances.

NEW GROUPS IN POWER

Since the spring of 1947 a new administration, composed of political—not economic—Socialists has been in power, with the Communists excluded. As is usual in France, the administration changed three times in 2 years, but the drive toward nationalization and paternalism received a serious set-back. The result has been that France, while still in serious political difficulties, is better off and less dependent on immediate American financial help than Britain.

A similar situation exists in Italy, where the Christian Socialists, headed by Premier Alcide de Gasperi, who also removed the Communists from the Government, are doing a good recovery job. Italy, much poorer in raw materials and food than Britain, is far better off today than the United Kingdom is. State socialism and paternalism have not been seriously attempted in Italy.

Much of the $4,750,000,000 received by the British Government from the United States was wasted in admirable ideological experiments such as nationalization of industries, state medicine, and other measures still considered utopian, with the result that Britain today is on the verge of bankruptcy. Bankruptcy will become a fact unless additional and immediate support is received from the United States at once.

In the last 4 years, during which Britain's Labor government has had every opportunity to prove that socialism in our time is not a

mere dream, it has managed to place the most powerful industrial and financial country in Europe behind all other countries on that continent.

[From the Washington (D. C.) Evening Star of July 11, 1949]

COLLISION BETWEEN BRITISH TRADE POLICY AND UNITED STATES INTERESTS NOT SURPRISING

(By Constantine Brown)

Economic experts in Washington are not getting the pleasure out of Britain's revival as a competitor in the markets of the world which they expected when the Marshall plan was launched with the aim of restoring Europe's trade as a means toward the Continent's self-support.

The present collision between British trade policy and American interests was not altogether a surprise. It was freely predicted, when we began appropriating large sums for Marshall-plan aid, that, if we succeeded in reviving Britain's trade to the point where she could live by it, she would again become a serious competitor of the United States in world markets. In other words, we were creating a monster which would turn on us later.

The answer given at that time was that competition was the lifeblood of healthy trade, whether it be domestic or foreign, and that even though Britain did cut into some of our markets abroad, it would be better to have her supporting herself than feeding constantly at the American-dollar trough.

ARGENTINE PACT CITED

There is little disavowal of this basic view to be heard now among the experts, but there is remorse over the course British trade revival has taken, resulting as it has in British measures which discriminate against the United States—even if the discrimination has some valid reason—and public reaction in the United States which pays more attention to the fact of discrimination than it does to the reasons behind those measures.

The recent Argentine-British barter-trade agreement, which virtually freezes American trade out of the Argentine market, coupled with the more recent stoppages of new purchases from dollar countries, adds up to economically hostile action against the United States and repudiation of the principle of multilateral trade toward which we have tried to draw the British.

In perspective it is difficult to see why it was necessary for the British to preempt the Argentine market completely for themselves, at least in some commodities. It would have been good politics to leave some loophole for American trade, thus placating American public opinion.

In perspective it is also somewhat incomprehensible that Britain could not find a less antagonistic way of meeting her dollar shortage than to shut off practically all new purchases from the United States.

WILL HAVE TO MAKE CHOICE

Of the two recent actions there appears to be more sound justification for the latter than for the former, although it is not entirely clear that the British were unable to ease their dollar and gold crisis by returning to multilateral trade and full currency convertibility with a revalued pound which would permit British goods to compete on a par with the rest of the world's goods.

Such action, no doubt, would have involved domestic effects which are not entirely desirable, but if production costs would increase—with higher raw material prices due to a cheapened pound—then savings would have to be made in other factors of production, perhaps at a sacrifice of some of the Labor government's social program.

The British Government is going to have to choose between the pursuance of its socialistic program, and a resulting bitter struggle against those who have helped Britain back to her feet, or the rebuilding of foreign trade on a basis of cooperation with the rest of the world, and a resulting "standstill" in further social improvements until a more propitious moment.

As a matter of fact, the Socialist British Government is endangering its own life with its too-rapid program of nationalization and socialization. The Conservatives are fighting to return to power at the next election and dump overboard practically all that the Labor government has done. Continued economic chaos will speed a Tory victory.

The Plight of the Gold Miner

EXTENSION OF REMARKS

OF

HON. CLAIR ENGLE

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, July 12, 1949

Mr. ENGLE of California. Mr. Speaker, I desire to insert in the appendix of the RECORD an editorial from the June 30, 1949, issue of the Feather River Bulletin, Quincy, Calif., commenting on the inconsistency of our Government agencies demanding a revaluation of the $100 assessment work requirement on mining claims and at the same time refusing to permit a revaluation of domestically newly mined gold. The same facts which make one figure inadequate make the other inadequate also. The gold miners are required to sell their product to the Government at a price fixed by the Government which is below the cost of production. If it makes good sense to change the amount required to be spent on assessment work in the light of the fact that it now represents far less work than it did when this figure was adopted, then it makes just as good sense to permit gold miners to get a better price for their product. At least, the gold miners should be permitted to sell domestically newly mined gold freely on the market in the same manner as any other producer in the country. The editorial referred to is as follows:

MAKING IT OFFICIAL

President Truman in reluctantly signing the bill to grant another moratorium in assessment work for miners issued a memorandum in which he pointed to what he called "the desirability of reevaluting the adequacy of the $100 figure at which this requirement has been set for so long, in the light of the fact that it now represents far less work than it did when it was adopted in 1872."

Stating the idea in different words: Value of the dollar has gone down; therefore assessment work in terms of dollars should go up.

Nobody can quarrel with the basic truth of this statement. The exasperatingly stupid feature of the administration's attitude is its stubborn refusal to recognize the same basic fact of a dollar being worth less when it comes to fixing the price of gold.

True, the price of gold in terms of dollars has gone up since 1872, the year when the assessment work requirement was inaugurated. The fact remains that in the past few years while the actual value of the dollar was going down, and drastically, our beloved bureaucrats have persistently taken the attitude the trend shouldn't mean anything to the miner; The price of gold must remain the same in terms of dollars. Now these same bureaucrats—bless 'em—suddenly decide that the known devaluation of the dollar should be taken into account in dealing with the miner—that is, in what is required of the miner, not what is paid him for his product.

For what the miner takes in, the value of the dollar remains unchanged. For what he has to put out, the value of the dollar is reduced. All this in the same relationship between the same miners and the same government run by the same bureaucrats.

The dollar is worth less. The dollar is worth the same. The bureaucrat sets up both these assumptions at the same time and takes his choice, using the one where it will hurt the miner and then switching to the other where that will hurt the miner. The only consistent feature about the whole deal is this: The bureaucrats go for whatever hurts the miner. One moment they ignore fact in favor of theory and say the price of gold must stay unchanged. The next moment they desert theory and take up fact to say miners are doing less assessment work than they once did.

Heads, the bureaucrats win; tails, the miners lose.

For a long time the miner has been ground between the upper millstone of the Government's fixed price for gold and the nether millstone of rising costs of everything he must buy. Until now, though, it hasn't been official. Now the administration's official policy, as fixed by the bureaucrats and dutifully voiced by the President, is that more and more dollars shall be demanded of the miner, but no more shall be paid him for his gold. The laws of economics are in full force and effect all along the line—including the official attitude of the miner's own government—until it comes time for the miner to sell the gold he produces. Then immediately by Government edict the whole picture changes. The miner can't sell except to the Government (unless perchance he happens to have untreated gold) and the price is fixed by the buyer.

In the horse and buggy days blinders were sometimes used—on horses—to prevent the animal from seeing in certain directions. Today our bureaucrats manifestly have perfected a device which when used—on themselves—will enable them to look at an object and see both that object and something entirely different, all at the same time. Thus, they see the dollar worth less and the dollar worth the same—the same dollar, mind you, at the same moment.

These stupid gymnastics by which the miner is victimized remind one of Lewis Carroll's well-known lines:

"You are old, Father William," the young man said,
"And your hair has become very white,
"And yet you incessantly stand on your head.
"Do you think, at your age, it is right?"
"In my youth," Father William replied to his son,
"I feared it might injure the brain.
"But now that I'm perfectly sure I have none.
"I do it again and again."

They will, too. The tragic thing is that we American citizens so far have permitted them to take our country's economy right along with them.

Vince Caruso

EXTENSION OF REMARKS

OF

HON. GEORGE P. MILLER

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, July 12, 1949

Mr. MILLER of California. Mr. Speaker, from time to time small insignificant articles find their way into the

press that reaffirm our faith in our friends and neighbors. Too few of such little stories come to light. Here is one:

Vince Caruso is not a rich man. He does a good business as a mortician in a thriving community. He gets his share of business, but he gives in money, time, and energy to community security and welfare. It is men like Vince that make Pittsburg a thriving town and a good place in which to live.

Perhaps the fact that Vince Caruso spent his own money to hire equipment to level a lot for no other reason than that the kids could have a place to play is too trivial a thing to put into the CONGRESSIONAL RECORD, but it is at least interesting to note the reason he gives for doing it.

I am sure the youngsters who signed the letter of thanks feel it is important.

It would be nice to have a letter like his. I would highly prize it.

Here is the story from the Pittsburg Post-Dispatch:

SCRAPING OF LOT BY CARUSO WINS YOUTH THANKS

A letter, signed by 10 neighborhood children, today had been forwarded to Vincent R. Caruso, local mortician, expressing appreciation for leveling and scraping of a vacant lot which is used by the children as a playground area.

Located in the rear of Caruso's Funeral Home, the scraped and leveled lot will mean that there will be "no more applying first aid to cuts and bruises from the broken glass hidden in the tall weeds," the children said in tlheir letter.

"If there were more generous-hearted men like you, there would be fewer children playing in the streets and less accidents. Thank you again," the letter concluded. Signing it were Marlene, Madelyn, Louis and Rose Marie Salvetti, Norman Jean Russo, Roseann Russo, Loretta DaValle, Walter and Noel Nellis, and Mary Jean Nobile.

Help for Stranded Chinese Students

EXTENSION OF REMARKS

OF

HON. WALTER H. JUDD

OF MINNESOTA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, July 5, 1949

Mr. JUDD. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following editorial from the New York Times of July 4, 1949:

HELP FOR CHINESE STUDENTS

Representative JUDD's bill to use $4,000,000 of already appropriated Foreign Economic Cooperation Administration funds to assist Chinese students in this country should have strong support and prompt approval. The need is there and the money is there. What is required now is congressional action.

Much of the United States program of foreign assistance is rightly considered as something of an investment. We are investing in stability and recovery, progress and friendship. Certainly we have reason to believe that there are few if any fields for investment more inviting than the Chinese students. One of the outstanding landmarks in our relation to the Far East was the return of the Boxer Indemnity to China for use in the support of Chinese students in this country. It was a gesture of friendship and interest that has had far-reaching results. A substantial number of China's democratic leaders have been educated either in the United States or under American influence. The result has been not merely that they could make a valuable contribution to their own country but also that we could have in China a large number of warm and faithful friends. There is an old saying in the Far East that "when you're in a jam a Chinese friend is the best man to have in your corner."

We are now in something of a jam in respect to the whole of east Asia.. We need our old Chinese friends and we need to make new ones. There is no better place to make them than in the field of education. The plight of the Chinese students in this country who have been stranded by the effects of the civil war should elicit our quick compassion and our prompt relief. That in itself is the type of action that we should be eager to take on its merits. But beyond that plea there is this additional reason for taking action now. We need Chinese good will more than ever, since we are coming under a drumfire of attack on our own motives and attitudes from the Chinese Communists. We can gain some of that good will by taking an action that is manifestly unselfish, obviously moved by no design more sinister than the wish to help those who are in need.

Gen. Douglas MacArthur

EXTENSION OF REMARKS

OF

HON. THOMAS J. LANE

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, July 12, 1949

Mr. LANE. Mr. Speaker, under leave to extend my remarks, I wish to include the following article from the Boston Sunday Post, Boston, Mass., July 10, 1949:

URGES ALL SUPPORT MACARTHUR—O'MALLEY SAYS GENERAL DOING GREAT JOB IN JAPAN

(By Charles J. O'Malley)

I had the great pleasure of visiting Gen. Douglas MacArthur on my recent trip to Japan. The general is one of the most remarkable men I have ever had the pleasure of meeting. I have met hundreds of leading men all over the world, but I think MacArthur stands out, combining the qualities which we admire in a decent, honest and upright gentleman.

GREETED PROFUSELY

When I visited him a week ago Wednesday at his office in Tokyo, I was ushered in by his aide, Col. Larry Bunker, of whom I wrote a short while ago. As I entered, General MacArthur came to the door and greeted me most profusely.

He said: "I am very glad to see you, Charlie, for you are partly responsible for my becoming an officer of affairs in Japan."

I looked at him amazedly and said: "Why, General, this is an unexpected pleasure, to think that I had anything to do with your wonderful career."

IMPRESSED BY BOOK

Then he told me that when he was a student at college he read the famous novel by Lever entitled "Charles O'Malley, the Irish Dragoon." It had to do with the great wars of Napoleon, Wellington, and other notables of the last century. It dealt with Waterloo and other great battles. It so impressed General MacArthur that he decided to join the Army, his father, of course, being a general in the Federal forces when Douglas was a student at college.

Instead of sitting at his desk, the general suggested that we sit by the window, and for 2 hours I listened to the most enthralling exposition of common sense and decency and determination to advance humanity according to the standards of the United States. MacArthur is the man to do it.

STRONG FOR BOSTON

I asked him where his lineage started, knowing, of course, that it was in Scotland.

Then he remarked, casually: "I think I am as good a Bostonian as you are. In fact, my people came from New England. My father was born in Chicopee Falls and my mother came from Dighton. I have been in Boston many times myself and consider it one of the loveliest cities in the world."

"I noticed," he said, "that you presented two letters introducing you to me from Mayor James M. Curley and Hon. John W. McCormack, leader of the Democratic Congress in Washington. Both of these men are very close friends of mine and I wish that you would take with you my very best wishes for their happiness and I send both of them my love."

COMMUNISM BIG PROBLEM

Then we went into the details of the problem which confronts him. The most striking one is that of communism seeping in from Russia and China. He told me that he was bound to stop it and was using every effort at his disposal to crush the racket of communism which may try to get into Japan.

"As long as I am in command here," he said, "communism will not be tolerated. It is a menace to common sense, decency, and economic development. The purpose of the Communist is to create disorder and crime among the people of this nation and I will not tolerate it."

At this point, I drew attention to the fact that we had had a visit at my daughter's home that morning of two sisters of St. Joseph from Sapporo in Hokkaido. They had come to a convention on educational development in Japan. One of the sisters was a Japanese and the other was born in Germany. They told me that they had 1,500 children in their school at Sapporo and it was the policy of the Catholic Church not to attempt to proselytize their students. This sister stated that out of the 1,500, 500 of the pupils became Christians on their own volition. This was due to the excellent treatment accorded them by the sisters and by the fact that the Christian faith meant kindness, decency, and advancement of human emotions.

OPPOSED TO PREJUDICE

General MacArthur was much interested and I gave him this information direct from the sisters. He said that there are not over 300,000 Christians in Japan in a population of 80,000,000, but that he would do everything in his power to aid Christianity according to the best judgment of everybody concerned. He said: "I am opposed to any form of prejudice, no matter where it comes from, and I trust and pray that the Christian bodies will join together in advancing the cause which we all love. We need religion in Japan. The people here are saturated with Shintoism and Buddhism, neither of which, in my estimation, is up to what we need in making better and nobler human beings.

In bidding good-by to the general, I was impressed with the fact that I had had an interview with one of God's noblemen and a character who occupies an outstanding pinnacle, from which to advance humanity to its highest standards. MacArthur has made good in Japan and he deserves the support of every American in his efforts.

Someone suggested to me that if we wanted the best representative in the Orient for us, that we should do everything in our power to help Japan, and with that friendship to assist us, we need not fear the communism

of Russia or the feeble initiation of communism into Japan to prevent America from being the leading and most important force in helping the people of the Orient.

In order to aid in the economic development of Japan, the Foreign Investment Council, a subordinate organization to the Japan Chamber of Commerce and Industry, was organized recently by the 14 major companies established jointly by the Japanese and Americans. This organization has as its chief objectives:

1. Establishment of more expeditious procedures to facilitate restoration of American interest disposed of under the enemy property-control law during the war.

2. Reestablishment of investment relationships between these companies and their former owners.

3. Effectuation of new foreign investment of the earliest practicable date. The industrial structure of Japan, because of her poor resources, lack of capital, and low level of technology, has been to a great extent dependent upon foreign capital investments both direct and indirect since the Meiji restoration in 1872. This is particularly true in the fields of direct investment where foreign participation in Japanese corporations or in the establishment of joint undertakings resulted in the introduction of technological improvements which enabled such concerns to assume leadership in their respective industries.

United States Leadership and World Freedom

EXTENSION OF REMARKS
OF
HON. CHESTER E. MERROW
OF NEW HAMPSHIRE
IN THE HOUSE OF REPRESENTATIVES

Tuesday, July 12, 1949

Mr. MERROW. Mr. Speaker, under leave to extend my remarks in the RECORD, I include therein an article entitled "United States Leadership and World Freedom," written by me, which appeared in the New Hampshire Morning Union of July 6, 1949, also the Manchester Evening-Leader of the same date. Both papers are published in Manchester, N. H.:

UNITED STATES LEADERSHIP AND WORLD FREEDOM

(By Chester E. Merrow, Congressman, First District)

The United States finds itself in the highly responsible position of being the foremost leader in the effort of free nations to establish a decent international society based on liberty and the fundamental principles of human justice. We have been given a chance to demonstrate wise leadership and constructive statesmanship in the preservation of freedom, in the continuation of democracy, and in laying the foundations for a warless-world society. On our conduct in international affairs hinges our survival as a leader of free nations dedicated to freedom and founded on the ideals of democracy.

Great power entails heavy responsibility for bold and decisive action. The decisions we reach in the coming months will ultimately lead to a free or an enslaved world. International communism encompassing totalitarianism and tyranny must be arrested. Unless the sinister designs of the Communist philosophy are prevented from being realized, we have no future as a free people; our most cherished aspirations and our fondest ideals will be crushed under the unfeeling and calloused juggernaut of absolutism.

COMMUNISTS REFUSE TO COOPERATE

The Soviet Union is the core and source of the inspiration motivating international communism.

For years Moscow has pursued a policy of brazen expansion which apparently knows no limits. Puppet governments under the direction of the Kremlin exist in several nations extending from the Baltic countries to the states of southeastern Europe. Thousands of square miles of territory and millions of people have been brought under the suzerainty of the hammer and the sickle.

Communist activity exists on every continent. Pressure is being exerted in western Europe, Greece, Turkey, Iran, and in Asia. All sections of the earth feel the impact of the Communist drive for domination. The Communists are trying to prevent the success of the European recovery program. They are striving by every conceivable means to undermine the attempts of the west to restore a stable and prosperous Europe. The Red tide is rapidly inundating the Republic of China and the independence and integrity of southeastern Asia is being threatened.

UNITED STATES POLICIES

The unfortunate international developments following the end of hostilities in 1945 made imperative strong American action designed to halt the advance of the Communists. We belatedly took cognizance of the realities of international life and in the spring of 1947 Congress provided American aid to Greece and Turkey. This prevented these strategic outposts on the Mediterranean from falling into the Soviet orbit. In the fall of the same year a special session of Congress voted interim aid to France and Italy. And in the spring of 1948 the European recovery program was launched. The record shows that these policies have been successful in checking the movement of international communism in the Mediterranean area and in western Europe.

The unfolding of events in the postwar period has demonstrated that the policies we have already adopted are insufficient to guarantee our security. In order to further provide for the maintenance of national security, it has been necessary to formulate the North Atlantic Treaty now in the process of being ratified by the members of the North Atlantic community.

This treaty is essential as a defense measure for ourselves and for our friends who signed the pact with us. It is most important in buttressing our security against the possibility of future aggression. To date the Atlantic Treaty is the most important pronouncement attempting to clarify the stand of free nations on the matter of aggression.

This treaty will rank with the Magna Carta, the Declaration of Independence, the Monroe Doctrine, and the Charter of the UN as a historic landmark in man's long and never-ending struggle for a free and untrammeled world.

TEETH NEEDED

To be effective, however, the treaty must be implemented by a program of arms assistance to the nations of western Europe and to other countries resisting the movement of international communism. Such implementing legislation requires a majority vote of both Houses of Congress. The treaty goes far in making our position clear and in further strengthening the foreign policy of the United States. But it may amount to little more than a scrap of paper if it is not provided with teeth by an arms program adequate to develop the military defensive strength of western Europe. In addition to helping friendly nations we need to increase our own military power to such an extent that no one will dare to precipitate an armed attack on the Atlantic community or on any other area of the world. The military-aid program goes to the heart of a firm and realistic foreign policy for the United States. I believe that we should implement the North Atlantic Treaty by an arms-assistance program before Congress adjourns. Failure to do so will be tragic and disastrous.

Article 3 of the North Atlantic Treaty provides that "in order more effectively to achieve the objectives of this treaty the parties separately and jointly, by means of continuous and effective self-help and mutual aid will maintain and develop their individual and collective capacity to resist armed attack."

The words "capacity to resist armed attack" as employed by article 3 definitely indicate that we will make available arms assistance to the signatories of this document. The defense potential of the parties would be developed in relation to the possibility of unprovoked aggression. This would mean then that the defense potential to all parties would be developed by an arms program but the military force in being at any one time would depend upon the need for training and the nearness or remoteness of the danger of aggression in a specific area.

Evidence from all over the country reveals that the American people favor this treaty and furthermore desire the implementation of the North Atlantic alliance. I have long been urging the development of a strong foreign policy to meet the menace of international communism and the possibility of aggression.

RECOVERY AND CONFIDENCE

It should be abundantly clear that recovery and confidence are closely related. The Europeans are convinced that there is serious danger in the present state of affairs. They have every reason to believe that the economic progress which has been achieved during the last year and a half could be lost if military assistance is not forthcoming. With the ever-present specter of aggression casting its long shadow across the continent, they find it difficult to exercise the foresight, the drive and the imagination that can and will produce still higher levels of recovery.

The European recovery program has reached the stage where self-confidence is vitally important in stimulating new investments, in building new industries and in developing the capacity to bring into existence military establishments sufficient to guarantee the defense of the participating countries. For the recovery program to reach and maintain its full effectiveness, the capacity to resist an armed attack must be developed. By a program of arms assistance, we will increase this capacity and in my opinion adopt a policy that will avert another war.

The military-aid program for implementing the North Atlantic Treaty as a legislative matter has been kept separate from the ratification of the treaty. A grant of funds making available military equipment is needed at an early date. This is a pressing matter and should become the first business of Congress. Such a program would be enthusiastically greeted as a token of the seriousness of the purpose of the United States in carrying out the spirit of the North Atlantic Treaty. It has been estimated that $1,450,000,000 will be needed for the fiscal year of 1950. Of this sum, $1,130,000,000 will go to the members of the North Atlantic Treaty. The total for the arms program is small in comparison with the over-all defense

budget of the United States of approximately $15,000,000,000 for the same year. It is small in comparison to the appropriations for ECA, and small in comparison to the five times greater sum the west Europeans are spending themselves for military defense purposes.

It has been further shown that as much as 30 percent of this initial grant would be supplied in terms of surplus arms material at about 10 percent of the original cost of manufacture. This would have the twofold virtue of reducing the actual cash outlay while giving the European allies more immediate and more considerable aid than was indicated by the dollar size of the appropriation. The funds actually transmitted meanwhile would assist in rehabilitating western European armament industries. A growth of these industries would enable the United States greatly to reduce arms subsidies within a few years. Stipulations must be made that no portion of the arms and equipment to be supplied would find their way to nations outside the pact countries or those not specified by the arms-assistance laws.

OUR EASTERN FRONTIERS

Without any reference to the important North Atlantic Treaty, the United States must as a matter of self-preservation be cognizant of all the military and political matters relative to the continent of Europe. It cannot be denied that our eastern frontier lies well within this continent. We cannot avoid being gravely concerned over the state of military preparedness or unpreparedness in the whole of western Europe as well as the other countries friendly to us. We must make provision for our own defense in an insecure world. The United States in the light of its own self-interest must assume a considerable measure of the responsibility for the rearmament of the states in the Atlantic community and other friendly nations.

The atomic bomb, plus a joint-defense program, will provide security for free nations. The cost of a defense program, although heavy at the outset, will diminish as strength accumulates and risks decrease. A recovered Europe better able to provide for its own military needs will become a strong bulwark for the security of free nations. A Europe, united politically and economically, can be a determining factor in the future growth and development of western civilization.

A course of inaction, delay and indecision can result only in disaster. Such a course means the loss of friends, the sacrifice of positions, the dwindling of prestige, the sacrifice of self-respect and ultimately the disappearance of a final rallying point in any future struggle against aggression.

By implementing the North Atlantic Treaty with an arms-aid program, we will have consummated a most necessary action in the development of a realistic foreign policy. The Atlantic Pact and the arms-aid program will be a notification to any potential aggressor that if necessary we propose in the future to resist aggression just as we have done on two occasions within the memory of millions who now live upon this earth.

TO PREVENT A THIRD WORLD WAR

We have an opportunity to prevent a third world war. Our position before the First and Second World Wars was never clarified. Our course was one of inaction and uncertainty. By fearless decisions we should state our position realistically. By so doing another conflict can be prevented. The United States by continuing to develop firmness and realism in foreign affairs, by adhering to the North Atlantic Treaty, and by implementing the same with an adequate military-assistance program will be strengthening not only itself but all the free nations.

Straits of Mackinac

EXTENSION OF REMARKS

OF

HON. CHARLES E. POTTER

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Tuesday, July 12, 1949

Mr. POTTER. Mr. Speaker, the great State of Michigan has a problem peculiar to our State alone. Michigan has two great peninsulas, separated by the Straits of Mackinac, which condition presents a serious transportation problem. Every effort must be made by our public officials to close this natural gap between our peninsulas. It is hoped that in the not too far distant future, that the Straits of Mackinac will either be bridged or tunneled, in order to bring a closer unity between the Upper and Lower Peninsulas. It would aid the entire State, both economically and culturally, if this water barrier could be overcome.

The State Legislature of Michigan passed Senate Concurrent Resolution No. 44, requesting the Civil Aeronautics Board to give favorable consideration to the application of Nationwide Airlines in recognition of its service between the Upper and Lower Peninsulas of Michigan. This air-line service is an aid in uniting our people. Below is inserted the resolution I just mentioned:

Senate Concurrent Resolution 44

Concurrent resolution in recognition of the services rendered by Nationwide Airlines between the Lower and Upper Peninsulas of Michigan, and requesting the Civil Aeronautics Board to give favorable consideration to the application of Nationwide Airlines

Whereas Nationwide Airlines, Inc., is giving satisfactory service between Detroit and the Upper Peninsula and Lansing and the Upper Peninsula, serving the cities of Menominee, Escanaba, Marquette, Iron Mountain, and Houghton, which service is not rendered by any other air lines; and

Whereas it is the understanding of the Michigan Legislature that Nationwide Airlines, Inc., has filed an application with the Civil Aeronautics Board for a certificate of public convenience and necessity under section 401 of the Civil Aeronautics Act of 1938, as amended, to authorize the air line to engage in scheduled air transportation as an air carrier of mail, property and passengers covering service between the aforesaid cities in the Lower and Upper Peninsulas of Michigan, said application being listed under Docket No. 2832: Now, therefore, be it

Resolved by the senate (the house of representatives concurring), That the members of the Michigan Legislature recognize the service rendered by Nationwide Airlines between the Lower and Upper Peninsulas of Michigan, and respectfully request the Civil Aeronautics Board to give favorable consideration to the application of Nationwide Airlines for a certificate of public convenience and necessity to authorize the engaging in scheduled air transportation as an air carrier of mail, property and passengers between the Lower and Upper Peninsulas of Michigan; and be it further

Resolved, That copies of this resolution be transmitted to the Civil Aeronautics Board and Nationwide Airlines.

Adopted by the senate, June 23, 1949.

Adopted by the house of representatives, June 23, 1949.

FRED I. CHASE,
Secretary of the Senate.
NORMAN E. PHILLEO,
Clerk of the House of Representatives.

Socialist System

EXTENSION OF REMARKS

OF

HON. THOMAS J. LANE

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, July 12, 1949

Mr. LANE. Mr. Speaker, under leave to extend my remarks, I wish to include the following article from the Boston Post, Boston, Mass., Monday, July 11, 1949:

CRADLE-TO-THE-GRAVE "SECURITY" IS BRINGING ENGLAND TO HER KNEES—BRITAIN'S SOCIALISTIC ECONOMY BADLY OUT OF LINE—YET THIS CAPITALISTIC COUNTRY POURS HEAVY MONEY INTO IT

(By John Griffin)

All the financial experts and heavy thinkers are sounding off on the meaning of the British financial crisis, while experts from this country and the British Commonwealth nations are gathering in London to try to find a solution.

If they want to, they can fill their statements with all sorts of technicalities which the average person will find extremely difficult to understand. Boiled down and set forth in simple language, the situation is that British goods are not selling in America in sufficient amounts to get the dollars Britain must spend to obtain necessary supplies.

One of the principal reasons for this condition is that the cost of production and the cost of maintaining the present British economy is too high. And why is it too high? There may be many answers to that, but surely one of them is that the Socialist government is spending recklessly in all sorts of Socialist schemes that aren't working.

And when you get right down to it, the failure of the present system can be laid largely to that fact. The cradle-to-the-grave security that the British Government is promising to the people is costing a terrific amount of money, and furthermore it is destroying initiative.

SYSTEM DESTROYS INITIATIVE

The British system of socialized medicine was undertaken without any clear knowledge of what it was going to cost, and the cost has skyrocketed out of control. The unlimited and ever-expanding social security system is another extremely costly scheme. The nationalization of basic industries has resulted in further costs.

All these things enter into the cost of the goods that are produced, and bring the selling price too high to compete in the available markets. An instance of this is seen in the way the trade balance between Britain and Argentina has changed.

Argentina used to be one of the principal British markets, but with the cost of producing British goods running so high, that market is being lost, and Argentina is buying more and more from the United States.

But it is not only the cost of production that is causing trouble. Worse is the lethargy that has come over the British as a result of the Socialist sale of the theory that everybody will be taken care of and nobody need to worry about using initiative to get ahead.

Under the Socialist theory, getting ahead is not something to be admired.

The ordinary spurs that have led American workers to do their best in production are ridiculed by those who are now under the Socialist system. They no longer have an incentive. They have been told that the government will see to it that they are provided for, and being human, they are making the most of it.

The plain truth of the matter seems to be that the Socialist system won't work in Britain, and it is certain that it won't work unless the capitalistic United States comes forward with the money to support the Socialist government of Britain.

AN AMAZING FACT

It wouldn't have lasted as long as this if we hadn't contributed billions of dollars through the Marshall plan and other aids. That is an amazing fact when you study it at any length. There is a nation that is giving up in large measure its system of free enterprise and calls for help from a nation made great by free enterprise.

The help has been given, even though many people in this country have deplored the giving, and now we find that we are being blamed by some British leaders for the plight of Britain. That seems to be an old story.

The British, along with other Europeans, think that we are too materialistic. An outfit called the Common Council for American Unity has recently taken a survey in western Europe to find out how people there think of us.

It found that many Europeans think not only that we are too materialistic, but also that we are economic imperialists, and that "there is no home life and moral and cultural standards are low."

On that last item they must have been reading the divorce and remarriage antics of one or two of our leading families. As for the charge of materialism, there is a very effective answer to that, and it ought to be obvious to all of them.

If we are materialistic, doesn't it seem strange that we should tax ourselves in order to send aid to them? The average contribution of Americans to Europeans last year alone figures out as about $30 per person for every man, woman, and child in this country. And yet they think we are concerned only with materialism.

GENEROSITY ONLY MOTIVE

We are still paying high taxes in many forms 4 years after the end of the war, and a good deal of the tax money has been used to try to get those nations of western Europe back on their feet. Their plight was brought on by the war, and they can't be blamed for it; but certainly they could show some appreciation of the generous spirit of the American people.

And it has been a generous spirit. The statesmen may say that it was necessary for our own protection to give assistance to Europe, and in that sense we are considering everything from a selfish viewpoint.

But for the American people there has been no analysis along those lines. As far as the great bulk of the American people are concerned, the assistance to Europe was given because it was a help to human beings who needed help. Their approval of that assistance was, in the main, on the grounds of generosity and nothing else.

Well, now Secretary of the Treasury Snyder is in London to give advice to the British Government in its crisis. His words of advice will not be nearly as welcome as his promise of financial assistance, and it is a pretty sure bet that the "materialistic" Americans will be asked to give more and more.

There appears to be no end to it, and the way we are going now, we will be the main support of the Socialist movement in Britain. And, judging from some of the proposals for social welfare actions in this country, we are going to be following a system that isn't working in Britain, and which needs help from our own system in order to survive.

Excessive Excise Taxes Can Cause a Serious Business Recession

EXTENSION OF REMARKS

OF

HON. KENNETH B. KEATING

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, July 12, 1949

Mr. KEATING. Mr. Speaker, the unwillingness on the part of the Administration to consider any reduction in the Federal sales taxes, euphemistically referred to as excise taxes, may result in visiting upon us a serious business recession.

Furthermore, it is, of course, short-sighted, purely from a dollars and cents standpoint, if the amount of these sales taxes collected is less than the loss in revenue to the Government in the form of income taxes brought about through the imposition of such levies.

Specifically, a graphic illustration of the effect of these taxes on sales, income, and employment is furnished by the case of the highly discriminatory and excessive manufacturer's excise tax on photographic equipment, machinery, and supplies.

Back in 1941 photographic products, along with some other items, were made subject to a 10 percent manufacturer's excise tax. Then, in 1942, when the so-called luxury taxes were imposed, under a skill in semantics characteristic of those charged with selling an unpalatable dish, photographic products alone were singled out for a tremendous increase—photographic equipment from 10 percent to 25 percent, and sensitized goods from 10 percent to 15 percent. No other products were subjected to a comparable boost. The excuse given for this discriminatory treatment at the time was that the enactment was intended to discourage civilian consumption because of the pressing wartime necessity of diverting such equipment from civilian channels to military use. It is true, of course, that wartime shortages of materials and wartime controls practically eliminated for the next 3 years the manufacture of civilian photographic equipment, so that an excise tax of 25 percent had very little meaning to the industry.

At the present time, however, this industry is in competition not so much with the products on which there is still a wartime tax, such as jewelry and furs, but more directly with other manufactured products, such as radio, sporting goods, certain electrical appliances, musical instruments, woodworking and other hobby equipment and supplies, and other articles on which there is a substantially smaller tax burden or no tax burden at all. More important even than that is the fact that not to exceed 35 percent of the products of the photographic industry can properly be classed as recreational or luxury; 65 percent of all such manufactured good is devoted to commercial, industrial, and professional purposes.

Since these materials comprise a large part of the cost of doing business of several thousand small-business men, it is obvious that the tax rates of 25 percent and 15 percent are not only discriminatory, but are unfair and oppressive.

The tax is restricting the expansion plans of commercial photographers. The capital of thousands of small dealers throughout the country is tied up to an unwarranted extent in the tax portion of their inventory costs.

A comparison of the large volume of sales in the photographic industry with other manufactured products during the first 4 months of this year indicates a rather alarming situation for the thousands throughout the country who are dependent upon this industry for their livelihood.

Thus, in January, we find the sales volume of manufacturers generally up about 3 percent over January 1948, whereas sales of photographic products subject to a 15-percent tax were down 4 percent and those subject to a 25-percent tax down 31 percent.

In February we find manufacturers generally reporting sales up a fraction of 1 percent, whereas photographic products subject to the 15-percent tax are down 12 percent and those subject to the 25-percent tax down 41 percent.

In March, when all those manufacturers report sales volume down a fraction of 1 percent, photographic products subject to the 15-percent tax are down 15 percent and those subject to the 25-percent tax down 41 percent.

Finally, in April, when all those manufacturers report a drop in sales of about 2 percent, we find photographic products subject to the 15-percent tax down 18 percent and those subject to the 25-percent tax down 43 percent.

Although definite figures are not available to me since that time, I am informed that the trend is in the same direction since April. In other words, this discriminatory and excessive sales tax has a definite and direct bearing on sales volume. It is an important factor in the necessity which has developed for curtailment of orders, lay-offs and increases in the extent of part-time work in this important industry. I have had many letters on the subject not alone from business men who perhaps may have a nest egg laid aside to help tide them over a slack period, but also from many workers in factory and office who have either been laid off because of lack of orders or have been placed on part-time work.

There are about 366 photographic manufacturers in this country. Over 50,000 families, perhaps half of them from my congressional district, derive their livelihood from this industry. It is a line of activity vital to our Nation's present and future security and health. Business, Government, science, education, industry, possibly most important of all, the armed forces, now employ photography as an indispensable tool. The continuation of this excessive and discriminatory levy places this industry at a serious competitive disadvantage and leaves its future uncertain and in

jeopardy. Before the plight of this essential segment of our economy and the thousands who look to its success for a living becomes desperate, it is imperative that action be taken to relieve the industry of the unfair share of the tax burden which it now is forced to bear.

Apart from the unjustified suffering which will be entailed for thousands by a stubborn adherence to the policy of insistence on retaining these excise taxes, it will probably not in fact net the Government any substantial sum in the long run to pursue such a short-sighted course. Not only does it result in lowered income taxes and in some cases claims for tax refunds as the result of operating losses of those engaged in the manufacture and distribution of photographic supplies and allied lines of business, but also a loss in withholding taxes due to the widespread unemployment and reduced employment which such a policy fosters. At the same time this revenue is being lost to the Government it is being required to pay out increased amounts in unemployment benefits. If an honest analysis of the entire situation surrounding these photographic excise taxes were to be made today in terms of true net revenue to the Government, it would probably be found that already these taxes have passed the point of diminishing returns and are actually costing the Government money to continue in effect.

The success and vitality of this great industry are of paramount importance to the area which I represent. For that reason I have felt it necessary to make a particular study regarding it. Also, as I have pointed out, there is an element of discrimination present in the case of the tax on photographic products which does not exist with regard to most of the other taxes. Nevertheless, the principle of diminishing returns to which I have referred will be found true, I feel sure, with regard to many other products now subjected to these Federal sales taxes. Their prompt elimination or at least substantial reduction is essential to the prevention of a serious business recession.

Valley of the Dammed

EXTENSION OF REMARKS

OF

HON. WILLIAM LEMKE

OF NORTH DAKOTA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, July 12, 1949

Mr. LEMKE. Mr. Speaker, I include in the extension of my remarks parts 7 and 8 of the article by Bigelow Neal entitled "Valley of the Dammed." I feel the way to correct public abuse is by merciless publicity. Let the Government know what it is doing, and then the Government will reform itself.

Let the Government know when some of its servants violate any constitutional mandate. The Government is "we, the people" and we do not wish to do an injustice to individuals. Bureaucracy always become conscienceless, and in its own estimation all-wise and infallible, but bureaucrats are human.

I have heretofore put into the RECORD parts 1, 2, 3, 4, 5, and 6 of Mr. Neal's article entitled "Valley of the Dammed." All these articles are copyrighted. They are worth reading. They will make the Government conscious of its action.

Here are parts 7 and 8 of Mr. Neal's article:

VALLEY OF THE DAMMED

(By Bigelow Neal)

PART VII

"Thereupon he became entitled to have the just compensation safeguarded by the fifth amendment of the Constitution; that is the value of the land taken, and the damages inflicted by the taking—was a sum as would put him in as good a position pecuniarily as he would have been had his property not been taken."

Unanimous opinion of the Supreme Court of the United States and written by Justice Butler in a case referred to by lawyers as *Campbell* v. *United States* (266 U. S. 368, 45 Supreme Court Reporter 115).

Last week in telling you about the appraisers, I forgot one ironic touch. As I understand from them, the figures upon which they based their valuations were in a set of instructions concocted in Washington at some time in the dim past and, I imagine, by men who had never seen North Dakota and cared less.

If I am in error here and the Real Estate Division of the Army Engineers Corps cares to call my attention to it—and if I see any reason why I should believe what they say—I'll be glad to make the necessary corrections. On second thought, I believe, I'll have to have the word of Colonel Seybold that the information they give me is true.

To sum up in the matter of the appraisal then, we have found that this land was appraised by two very fine young men, following a set of rules which allowed little personal opinion and—again under orders of the Real Estate Division—refusing emphatically and point blank to tell the land owners a thing about the valuation of their lands.

Stop and think this over. The real estate division professes to be an agency of our Government. It comes to appraise our lands. It allows us nothing to say in the matter of the appraisal and then it refuses to tell us the amount of the appraisal.

The Government can take our lands. There's no question about that. But why this secrecy? If the intentions of the real estate division were honorable, what have they to hide? If they intend to carry out the mandate of the Supreme Court of the United States, why should they start out by being dark and mysterious? Why not appraise the land, total the figures, tear out a copy and leave it with the land owner and tell him he has a perfect right under a wise and beneficent law to have his case arbitrated by the United States District Court if he doesn't feel that the amount of the appraisal is "just and fair" or, "will put him in the position he occupied before."

Why this bickering? Why this dickering? I tell you, ladies and gentlemen, an option is a contract and under the common law and under every imaginable statute passed where the common law of England is recognized as a base, there can be no contact without what lawyers call a meeting of the minds of the contracting parties. There can be no meeting of the minds unless you have a willing seller. There can be no meeting of the minds when one party has the power to force another party into a contract. There can be no meeting of the minds as long as one party fears the other, no matter what the source of that fear.

Some of our people claim that they were threatened and frightened into signing the options. Some have gone into court and have sworn to this. There are many others who would be glad to do so. But even had there been no threats by the negotiators, the fact that behind him stands the whole power of the Department of Justice and the unquestioned power of the Government to condemn is enough in itself to throw fear into the heart of any man. Under such conditions no option can be morally sound and if it isn't, it must be illegal.

Right here I can imagine a lot of people asking—but were they actually threatened or did they dream it? I'll have lots more to say about threats later but right here I'm going to toss in one bomb just as a sample.

Mr. H. T. Burns was born and reared on a farm near mine. He is the owner—or was—of one of the largest farms in the country. Neither any farmer in this community nor any businessman ever heard of him doing a dishonest thing or telling a lie in a business transaction.

The negotiator tried to get Mr. Burns to sign the option. He failed. He went back to his headquarters and out came the chief of his division. Finding Mr. Burns still determined not to sign the option, the chief—in the presence of Mr. Wretling, a well-known businessman of Garrison and of a standing equal to that of Mr. Burns said, "Either you sign that option or I'll raise your rent so high it will drive you out of the country."

How about it? Remember that you, Mr. and Mrs. Taxpayer, are really the Government of the United States—was he speaking for you? Did you authorize these threats against your neighbors and friends and fellow citizens, that you might take their lands at a fraction of their value and frighten them out of their homes and scatter them like chaff across the prairies?

In the natural order of this story, I perhaps should pass now to the matter of negotiators but I'm letting that run over another week while I take up a point or two, that seems to creep in here.

Chiselers

Heretofore I have written pretty much as though there were only one side to my story. And in a large way that is true. But I should like to make it clear that I make no claim to sainthood for every man who owned or owns land along the river. Wherever men are gathered, there will always be those who would be unfair. Yes, there are men among us who, given their way, would be unfair to their Government. For all I know the word "chiselers" may be appropriate. Not only do I take no pride in their kind but I deplore them for financial reasons, because they, by their extravagant claims, have hurt all of us and have cost us a lot of money. But I do say that they are only a minority and a small one at that. Only about 1 in 15 of my neighbors has shown that unfortunate tendency.

Quick to take advantage of the presence of these unfair men among us, the Real Estate Division of the Army Engineer Corps has released story after story to the news-gathering agencies citing these extravagant claims. But here the Real Estate Division has shown that this tendency to chisel is not by any means confined to our ranks. Their propaganda has published far and wide the shortcomings of the worst of us, omitting to mention their scarcity as compared with the best of us, thus giving the impression that we were indeed one undivided group of would-be grafters. The truth is that the vast majority of us ask only that the Real Estate Division of the Army Engineer Corps make an honest attempt to carry out the provisions of the fifth amendment to the Constitution of the United States and the clear mandate of the Supreme Court of the United States as printed at the head of this article. When we receive the rights due us as above, we will fold our tents and steal silently into the night with malice and rancor toward none.

The author's status

My attention has been called to my failure to make certain facts clear as to my own

legal status with regard to these land actions in United States District Court. They are simple. My first offer was $6,000,000. The last offer was $7,000,000. A jury in that court gave me $3,500 or a total of $10,500, or as I have told you before, a total of $4,500 for refusing to sign the option.

It may amuse the reader to learn that it appears I lost some additional remuneration by being careless enough to tell the truth in court. From a letter over the signature of the United States District Attorney from Minnesota who tried the Government's side of my case I quote one line:

"Frankly, I admired your attitude but I knew it would not pay off in cold cash."

My warm thanks to him for them kind words. He's not only a great lawyer but one heck of a nice guy. And I want to repeat my pledge to him, to the Department of Justice and to every reader of the Independent: I shall follow that same policy here. I have told, am telling, and will tell the exact truth as I see it.

The negotiators again

There was a time when some of my neighbors were a little puzzled by things that, to them, didn't make sense. How I could be getting my neighbors together to make an organized effort to protect their rights under the law of the land and, at the same time, be on friendly terms with the very men who were causing the trouble was a bit difficult to digest. But the explanation was simplicity itself.

Early in the game, I realized that these men were fine men. Their appearance in a distasteful role was due to the fact that they were the heads of families whom they must support and educate. Either they did as they were told or they would be out in the cold world and someone else would do the job. Every man of them believed himself to have a clear conscience. He merely obeyed orders to the letter.

It follows then that my quarrel is with a policy and not with men. The policy is far older in their Department than any of them. Accordingly my friendship has been and is theirs. I hope that theirs remains with me as I know their hopes and best wishes have been thus far.

And so—I ask you once again, as I go on next week, please remember that what these men say is what they were told to say and not what they felt. Their words do not in any way portray their real characters and they cannot be judged by them.

VALLEY OF THE DAMMED

PART VIII

"Thereupon he became entitled to have the just compensation safeguarded by the fifth amendment of the Constitution; that is the value of the land taken, and the damages inflicted by the taking—was a sum as would put him in as good a position pecuniarily as he would have been had his property not been taken."

Unanimous opinion of the Supreme Court of the United States and written by Justice Butler in a case referred to by lawyers as *Campbell* v. *United States* (266 U. S. 368, 45 Supreme Court Reporter 115).

Coming now to one of the worst features of the land-acquisition program of our Army Engineers Real Estate Division, I want to repeat what I have said several times before. The men who appear as the villains of this drama are the Lon Chaneys of the Real Estate Division. Professionally and obeying orders, they supply the horror element in our story. But out of character and personally, they are honorable and good and kindly men. In other words, the horror that I bring to you now is not a matter of men at all. It is a policy. It is a cold, deadly, conscienceless thing, reaching out from a source long forgotten, to grip with its icy fingers at the throats of every home in the valley.

Actually the time has come when this policy is no longer human. It is incapable of kindness or of sympathy. It is a relentless machine without a conscience, speaking through the medium of men who, in order to support their families, do these things because, at the moment, they can think of no other way to make a living.

Before we plunge into the shadow, I have one more word. It's a little story of itself. The central character is, or was, perhaps the worst of all the negotiators because of his relentless energy, his extreme ability and his unquestioning obedience to the division's policy.

Knowing that I had been fighting him at every turn of the road, knowing that I spent my days and nights planning misery for him and his kind and knowing that I intended going on as long as I had anything to fight with, there came a night in the fall, when he appeared out of a blinding snowstorm. I learned that he had traveled first 200 miles to get his own car because he could not use a Government machine. Then he had made an over-Sunday dash involving another 550 miles and all of this to bring to my family the armful of packages at the opening of the Christmas season.

Now if you feel that I hate this man in any degree, you are terribly mistaken. If you feel that I would harm either him or his in any way, you are in great error. As long as I have a home, it will be open to him. But here, we talk of this man and of the others of his kind, not as men but as agents of this barbarous policy. What they do and how they do it is in obedience to orders. I might add that, while this man has been my guest many times, I hope he will be many times in the future.

He came one day as I worked with a garden tractor and a small irrigation outfit. It was windy and dusty. I was hot and pretty well plastered with grease. I had on as little as I could wear and maintain a sense of decency and what I had on was well patched. It was topped with a battered straw hat and held up by a pair of work shoes. Somehow I have a faint suspicion that he underestimated me just a wee bit. Thinking he was dealing with one of those poor cusses, cataloged by the real-estate division as least likely to offer resistance, he ran into a snag uncharted in the channel he followed. Whether that is true or not, I do know that he and all his kind have wished devoutly ever since that they never had run into me at all.

Anyway he came, not in the cheerful frame of mind in which I was afterward to know him but wearing that funereal expression of which I have spoken before. He was one of the saddest and most pessimistic men I ever met.

My garden looked to him like a total loss, the clouds were going the wrong way in the sky, the trees weren't green enough. And it seemed that he represented people who were very poor and wanted to buy some land for little or nothing so they could build one heap big dam and make a lot of other poor people rich. It seemed to me that his reasoning was a little mixed, trifle hind-side-to.

In the course of the conversation he wrote some figures on a little pad of paper. Then he shoved the pad under the steering wheel and way down between his knees. Thinking he had a bite and intended to scratch it, I gave the maneuver little attention. But he nudged me in the ribs and I looked down between his shins to read $6,000.

That made me sad too. So I shook my head and learned later I had made a thousand dollars by that first shake. As a matter of fact the four shakes I gave him were to add up to $4,500 because I found a jury in the United States district court that didn't agree with my sad-faced friend at all.

He drove away then, telling me to think it over and saying he would be back in a week. And the old saying about "death and taxes" had nothing on him. He did come back. Again he went down between his knees and now the figures were $6,500.

Please note that (knowing as we do now that the appraised valuation of my place was $7,500) he had disregarded the fifth amendment to the Constitution of the United States by actually trying to buy my land for a full $1,000 below its appraised valuation by his own department. What do you think of this? You who read this are the Government of the United States. Did he do this according to your expressed will or intent or according to your ideas of fair play?

The next week he was back and the figures were $6,800. And again he came and the figures were an even $7,000. And now a change. Evidently he had reached or approached the highest figure he could offer for his usual sadness became a trifle grim and suddenly he shot at me this question: "Do you want to live here after we take your land?" And when I said I wasn't sure he went on, "I was just going to say that—If we get this option signed up all right, I can fix it so that you can rent any part of your land you want."

How about this? What did he mean? Was he telling me that, if I didn't sign the option I would have to get off—or at least that I couldn't rent my land from the Government and that would amount to the same thing?

Is it possible that an agent of the Real Estate Division was trying to scare me into signing that option? Of course if he went into court he could swear he had never threatened me but I'm leaving it to you—what impression was he trying to make on my mind?—and in the cleverest way imaginable.

Then we got off on some other matters. I asked him what he was allowing me for my timberland. He shrugged his shoulders. "The Government isn't buying timber, we'll just have to burn it up."

"How about my irrigated garden?"

That struck him as amusing too. "Why should we pay for irrigated land when we're going to flood the whole country?"

"And about my coal mine?"

"No," he said, "we have no use for your coal mine."

"Then," I said, "I suggest we let a competent court thresh this thing out."

"Oh, well," he said, "if you want to fight a case against the Government in a Government court, I don't suppose there is anything I can do about it."

What did he mean by that? Supposing I had just come from the old country and didn't know much about United States courts, would that make me think it wasn't safe for a private citizen to risk his neck in a Government court? And later when a negotiator answered the same question from Fred E. Krueger, he said, "Try taking it into court and the Government will just clean you up in bunches."

And then the one to Mr. Burns, "If you don't sign that option, I'll raise your rent so high it will drive you out of the country."

AUTHOR'S NOTE.—Heretofore I have tried to make these installments more or less self-sustaining. But in this instance I come next to a series of extracts from court records which would make the total all too long for this week. I'll have to split it and begin next week where I left off above.

UN Is Doing A Job

EXTENSION OF REMARKS
OF
HON. HARLEY M. KILGORE
OF WEST VIRGINIA
IN THE SENATE OF THE UNITED STATES
Wednesday, July 13 (legislative day of Thursday, June 2), 1949

Mr. KILGORE. Mr. President, there appeared in the July 9 issue of Collier's magazine an article on the accomplishments of the UN which I invite to the attention of those persons who think the United Nations has been a failure. I ask unanimous consent that this article, UN Is Doing a Job, be printed in the Appendix of the RECORD.

The UN record of achievement, while not as complete as many of us hoped it might be, has certainly not been as bad as the skeptics would have the world believe. All too often, it is people who are unable to settle disputes with their next-door neighbor who are quick to denounce the UN—simple because it has not solved all the complicated world problems in a very brief period of time.

If world peace is to become a reality in our generation, it will be achieved only through the encouragement of the work of the UN. Screaming denunciations do not settle problems, whether they be minor and personal or issues of conflict between nations.

Instead of the faint-hearted negative reaction of the skeptics, every success of the United Nations, no matter how small, should be met with our quick encouragement. We must expand the areas of agreement instead of pointing the finger only at the areas of conflict. In this way, we may build a spirit of cooperation which will provide a foundation for world peace.

I ask unanimous consent that this article be printed in the Appendix of the RECORD. The article exceeds in length the amount that can be printed without an estimate from the Public Printer. I have obtained such an estimate. It is estimated that the article will occupy two and two-thirds pages of the CONGRESSIONAL RECORD, at an estimated cost of $213.34.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

UN IS DOING A JOB
(By A. M. Rosenthal)

In the offices of the low-lying plant at Lake Success, 5 miles from the town of Great Neck on Long Island, N. Y., they're all busy putting out the annual report to the stockholder.

As far as form goes, it will be pretty much the same as reports turned out every year by corporations all over the country—debits and credits, work done, prospects. But when this report is finished, it will be an official international document; copies will be printed by the thousands and read to millions who can get to a short-wave set; it will be debated, praised, and condemned.

And it will be examined carefully, word by word, point by point, figure by figure, by foreign-office experts in every capital in the world. The report will go by some long, properly pompous title, but it will amount to 150 or so pages of The Case for the United Nations.

Three thousand people who work at that UN plant think it is a pretty good case.

Chances are, this report will be different from all the United Nations reports that have gone before. It will certainly be different if it reflects the mood of aggressive self-defense that's been sweeping through most ranks in the Secretariat.

Ever since the UN was set up, it has been the world's favorite sitting duck. It's been blamed for what it hasn't done, blamed for what it has. It's been blamed for spending too much money, and it's been blamed for being penny-wise and stingy. It's been accused for taking too much authority on itself; it's been accused of doing nothing while the world slid into another war. It's been denounced as a sort of home base for Communist spies; it's been scolded for not having the full quota of Russians on the staff.

The pastime of let's take a crack at the UN has devoted fans in all 59 member countries. Some United Nations workers think that the worst offenders have been the people of the United States, the country that once pleaded for the United Nations to come and settle in our friendly land.

Proof is easily come by: Walk up to almost any member of the Secretariat and say in a loud clear voice, "Do you work for the United Nations?"

Watch the flinch. UN people have been through it all before and have a kind of classification of approaches:

1. "Bet you are glad to live in the good old U. S. A."
2. "Got it pretty soft." (Accompanied by a leer.)
3. "You can tell me what really goes on in that place."
4. "Don't they ever do anything but talk?"
5. "Why don't you admit the UN is the world's greatest boondoggle?"

UN people have been through them all and have taken them all. That's where the change in mood, the something different, comes in.

They just don't want to take it on the chin any more. All of them: typists and statisticians, industrial experts and translators, executives and $2,000-a-year clerks, the homesick and lonely and the contented foreigners who wouldn't go home on a bet—all are tired of taking it.

They have done a job; they know it, and they think the world should know about it before the idea of the UN is scrapped in a universal rash of petty irritability.

As they see it, these people who take the Long Island Railroad to Great Neck every day, the United Nations has not done everything it might have done, given a world of sweet good will. But the responsibility, they say, lies with the nations of the world and with their delegations. According to these staff workers, the delegates think of foreign-office chiefs back home first, of civil service lists second and of international cooperation a poor third.

But they are not singing "put the blame on Mame, or a sing of what might have been. They feel that when it was given a chance any kind of chance, the United Nations has given the stockholders more than their money's worth.

The man who heads up the works, Trygve Lie, think so too. Mr. Lie, a onetime alderman from Oslo, has been through the political mill and has had the optimism knocked out of him. But more and more these days, his friends are telling him to stop taking it and start dishing it out for the United Nations. He has been thinking about it for a long time now and, if he percolates over, this annual report should be a good one.

MOOD OF SECRETARIAT IMPROVES

While Mr. Lie and his executives are busy finishing up the report, the mood of the Secretariat lower down the ladder gets better and better. Mood is something almost tangible at Lake Success and it can be plotted on a curve. It's at a peak now, one of the highest peaks since the days of San Francisco, when the United Nations was being nailed together.

A lot of things make up that high peak.

The United States did its bit for morale when it told the world that the UN, after all, did come before the North Atlantic Pact. Dr. Herbert V. Evatt, the Australian who heads the General Assembly, gave the UN another shot in the arm by his tough determination to keep the United Nations in the middle of every major political development.

Other things pushed the mood-curve at Lake Success upward, notch by notch: Peace in Indonesia, peace in Kashmir, peace in Palestine, groping moves in the Balkans. The UN can take credit for them all. So if ar ordinary member of the Secretariat were writing Lie's introduction to The Case for the United Nations, it might read something like this:

The work of the UN falls into two general patterns: political and economic-social. The political job is to prevent wars from starting and stop them if they do. The other job is to make future wars less likely, by turning into a reality the old do-gooder's phrase: Raise the living standards of the people of the world.

A RECORD OF REAL ACHIEVEMENT

Politics comes first; there is just no way to get around it. The United Nations knows it and bases its hopes for the future on its political record. This is the score card:

World war, delayed, postponed, sidetracked or prevented: one.

Regional wars, stopped: three.

Armament races, stopped: none.

Atomic agreements reached: none.

The breakdown:

Almost from the beginning, the major influence of the United Nations has fallen into the mediation, conciliation, and negotiation fields. That's because the UN, as set up, just can't enforce its decisions. The Security Council has no army. It can issue directives, but if some country does not like them, there is no international fist to make it fall into line.

However, the facts of political life prove that as long as the United Nations stands, public opinion forces the countries in question to make an accounting to the world organization.

That's the wedge in the door for the United Nations. The idea is to keep 'em talking, keep 'em explaining.

Once things are out on the table of the Security Council, the way is open for the mediators to get their work in, for the commissions to go to the spot and see what's doing.

And while all that is going on, the eyes of the world are on the trouble area, and the events that lead toward war march slowly. Take away the Council, the commissions, and the mediators, and the tempo toward war steps up. It's not a guaranty against war but the UN budget is not much for the world to pay for the chance for peace—about the cost of a few bomb-bay loads.

That chance has been paying off, slowly, in the one UN trouble that outranks all other troubles—the east-west political line. United Nations people are realists. They know that everything comes second to what used to be called the cold war. And they feel that they have played their part in preventing that cold war from becoming red hot.

Everybody at Lake Success likes the word Berlin nowadays. It means accomplishment to them. In the summer of 1948, when Berlin was a word for headline jitters, there was talk that the whole problem would be dumped in the laps of the United Nations. Trygve Lie was asked about it. He nodded his big head, sighed, and said:

"Yes; they will give it to us when it becomes impossible to settle."

And it was given to the UN last fall when the Assembly met in Paris. It comes up before the Security Council, meeting those days in the theater of the Palais de Chaillot. Andrei Y. Vishinsky—he's the number one man now in the Kremlin Foreign Office—said loudly that the Russians would have nothing to do with the case, that it was none of the UN's business.

The Council, however, thought it was and started talking about it, talking, talking, talking, until the Berlin pot simmered down. Mr. Vishinsky, in the face of all that debate, just couldn't keep quiet and he gave way slowly and talked, talked, talked himself. Nobody gave an inch, then.

But so long as the case was before the UN, neither side would take the responsibility of causing a real flare-up in Berlin. So credit the United Nations with a damp towel, at least.

For months, that's where things stood on the Berlin situation. There was debate in Council and in committee, but it was no longer hysterical. One delegate put it this way:

"The consecutive translation system is one of the great inventions for peace. Invective gets to sound a little soggy after the second translation."

Then the break came. The United Nations is probably the world's worst place to keep a secret, but this one was kept under wraps for a long time: Philip C. Jessup and Jacob A. Malik had been meeting and talking things over. The Russians were willing to give way, the blockade would be lifted, a Council of Foreign Ministers would meet. As simple as that, almost.

And so far as the United Nations was concerned, this is what counted: The two men who ironed out the Berlin blockade were United Nations delegates, deliberately chosen because they were just that. The first break came on United Nations ground—in the delegates' lounge—and after that the UN kept its hand discreetly in the pie.

A few days before the announcement, Mr. Lie gave a dinner in his Forest Hills home. Soviet Deputy Foreign Minister Andrei A. Gromyko, Hector McNeil, of Britain, and Dean Rusk, of the State Department talked together for a long time and a very unofficial State Department communiqué said it was not about the weather.

So Secretariat people think that if it hadn't been for the physical existence of the United Nations as the only place left in the world where Russian and American officials meet together every working day in the year, if it hadn't been for the lid-on-the-pot quality of UN debate, Berlin might rank with the best in jumping-off places for new wars.

OMINOUS NEWS FROM NEW DELHI

While the Russians and Americans were looking at one another across a barricade in Berlin, the United Nations had other troubles on its hands, other troubles that could mean war. One day in January 1948, word came from New Delhi that made faces in London pale. India and Pakistan, two sister dominions, were on the verge of war.

The Indian Army, led by British-trained officers, was in battle gear. Pakistan's soldiers, who had fought together with the Indians until the Indian subcontinent was divided into Hindu and Moslem states, were being mobilized. In the camps of the tribes of the northwest frontier province, some of the best fighters in the world were preparing to march with Pakistan.

The battle cry was Kashmir.

Kashmir is one of the princely states that was left out when India was partitioned. India wanted it, Pakistan wanted it. India accused Pakistan of opening its borders to allow the tribesmen to make forays into Kashmir. Indian troops marched into the state.

Pakistan cried that India was overrunning Kashmir because it knew that the predominantly Moslem population wanted to join Pakistan. Fighting started in Kashmir.

For a few days, the United States press played the story, chiefly for the name appeal of Kashmir.

Then the story dropped. Kashmir is far away.

The British Foreign Office did not drop the story. To the men in Whitehall Street, war in Kashmir was disaster. They knew the truth: A fight between India and Pakistan could spill over into the world's bloodiest religious war. Millions upon millions of Hindus and Moslems would be butchered. In time, all Asia would be swept up in war.

The case came before the UN Security Council, and usually calm British spokesmen didn't bother with reserve and understatement. It was Philip J. Noel-Baker who looked around the Council table and told the 10 other delegates, "Gentlemen, if war breaks out in Kashmir, it may be the most terrible conflict in the history of mankind."

It has taken a long time, but the United Nations has prevented that bloodiest of all wars and has come near to settling the Kashmir dispute. It has taken dozens of meetings, meetings at which Indian and Pakistan spokesmen set new United Nations records for talkathons. It has taken the on-the-spot work of committees and commissions, experts and observers.

The job is in the hands of Adm. Chester W. Nimitz, who dropped building a new home in California in answer to a telegram from Mr. Lie asking him to be the United Nations administrator in Kashmir. It will be his duty to supervise a plebiscite that will determine whether Kashmir goes to India or Pakistan. The plebiscite awaited settlement of a formal truce, discusssions on which were prolonged by both India and Pakistan, as each jockeyed for a more favorable position. The principal point in dispute was troop withdrawal.

The admiral's explanation for taking the plebiscite job was quite simple:

"I like the United Nations, believe in it, and I want to help it."

News that the United Nations had stopped still another war—at least for the time being—reached Lake Success about noon on May 7. It came in a long cable sent from the Hotel des Indes in Batavia, where the UN Commission for Indonesia meets.

The Dutch and the Republic of Indonesia had agreed to call a halt to 5 months of jungle warfare. This 5 months was just the last stage in fighting that had gone on almost since the Japanese surrendered and the Netherlands administrators returned to the islands of the East Indies.

By the record, Indonesia is the oldest item on the agenda of the United Nations. Hundreds of hours have been given over to trying to find a way to bring the Netherlands and the Republic together. About a dozen resolutions have been passed and cease-fire orders have been ground out by the Council one after the other. Most delegates shudder and cancel evening appointments when anybody speaks the name.

After World War II, when the Dutch returned to Java, Sumatra, and Madura, they found that the independence movement had made headway during their absence. Leading the group of states that wanted out from the Dutch colonial empire was the Republic of Indonesia. Fighting began almost immediately and the Council stepped in.

With a good deal of backing and filling, the Council appointed a good-offices committee for Indonesia, while Australia represented republican interests, Belgium, the Dutch, and the United States was picked as a neutral.

The result of the committee's work was to bring both sides together one day on the U. S. S. *Renville* and get them to sign an agreement. That agreement provided for the establishment in 1950 of a United States of Indonesia, with the Republic as the most important member.

In December 1948, cables from Batavia announced that the Dutch had begun military action against the Republic, had swept over most of its territory, and imprisoned its leaders. The Republic, reduced to guerrilla fighting, seemed a dead cause. The United Nations effort in Indonesia seemed an even deader cause and with it died a lot of the Security Council's prestige.

The play shifted then to the General Assembly, the United Nations public forum, on which every member has a vote and a voice, and the veto doesn't exist. Technically, the Assembly can only make recommendations but actually it has become the most potent body in the UN. It has become a place where the small- and middle-sized nations can often outvote the larger powers. More, it has become the most powerful wielder of public opinion in the world.

Two members of the British Commonwealth that have always sided with the Republic — India and Australia — announced that they would demand full debate in the Assembly on the Indonesian case.

The colonial powers tried to put it off but were outvoted heavily. Then, a few days before Assembly debate was scheduled to begin, the dispatch from Batavia said the Dutch had given ground, had agreed to return to the Republic its one-time capital at Jokyakarta. The war was to stop, negotiations were to get under way at The Hague for the creation of the United States of Indonesia. The Republic was to get 50 percent of the seats in the new United States of Indonesia.

There was no doubt in any delegate's mind that this was a UN achievement, pure and simple. The Assembly, taking no chances, is keeping Indonesia on its agenda for September.

PEACEMAKING IN PALESTINE

The day that news of the Indonesian cease-fire came through, the Assembly was deep in a battle over the admission of Israel. The Arabs were still fighting hard to keep the new state out but by this time the knowledge of past accomplishment underlay the UN debate.

The United Nations, through its commissions and its mediator, Ralph Bunche, had brought peace to Palestine and had stopped war in the Middle East cold. It did it through the UN technique—bring them together, keep them together, dig, dig for an agreement, get kicked around, come back, and dig more.

Score: Three regional wars stopped.

The political record has not all been on the credit side of the ledger and nobody at the UN says it has. There is still trouble in the Balkans, trouble between Greece and her neighbors to the north, Yugoslavia, Albania, and Bulgaria. Dr. Evatt has held 70 meetings with the representatives of those four countries and has had tough going.

But there has been signs that there may be a break, that Russia may decide to pull out of the Balkan fight just as she dropped the Berlin fight. And for the same reason: The commitment was too deep, the returns too small.

So far as disarmament goes—atomic and just plain ordinary disarmament of old-fashioned things like air forces and navies—there has been nothing accomplished. The rift between the Soviet world and the Western World is still too large and deep.

The United States won't give up the atomic-bomb monopoly without the strictest sort of controls. The Russians think those controls mean United States domination of Soviet economy. They fought about it for a couple of years. The majority lined up with the United States, but the Russians didn't budge.

The United States wanted to drop the whole thing, said they were going around in circles. The Assembly in Paris didn't like that. It sided with the majority but announced that the United Nations Atomic Energy Commission must go on. An American said, afterward:

"We thought it was a waste of time. The Russians simply aren't having any. But if the Assembly thinks it is worth another try, okay. Maybe it is."

Politics. That's half the story of the case for the United Nations.

The men and women who don't make much news, just plug away every day in their windowless cubbyholes, can tell the rest of the story: of epidemics met, of children fed, loans made, trade agreements bargained out, food production stepped up, travel made safer, human rights set down on paper, backward regions given know-how, refugees housed and clothed, mass murder outlawed by convention, narcotics rigidly controlled. That is the do-gooders' part of the story.

Tied into the United Nations are 13 world-wide organizations who supply their own funds but are supervised by the United Nations and form an integral part of its machinery. They go by the dull name of specialized agencies.

Most Americans are scared away by the name. But, if they aren't and take the trouble to look into the specialized agencies they will find little items that may make them think twice about the world's greatest boondoggle.

Items like these:

On the island of Pakwachou in the Yangtze River, a team from the Food and Agriculture Organization showed a Chinese farmer just how a tractor worked. On Cape Cod, in the United States of America, a small girl was unhappy about a small lamb, dying from a gashed leg. Friends wrote to the FAO; the FAO took time out to send a detailed letter on the care and treatment of wounded lambs.

When it isn't attending to Chinese farmers and small girls from Cape Cod, the FAO tries to find more food for more people—the estimate is that 55,000 more people come into the world every day, all quite hungry.

All over the world FAO sets up conferences on increasing food production—in Cairo, Rome, Baguio, Terespol, Warsaw, Montevideo, Nairobi. It sends missions all over the world to teach farmers how to get more out of the land and fishermen more out of the sea.

CHINESE CATTLE INOCULATED

One went to China where subsequently more than 500,000 head of cattle and buffalo were inoculated against the black plague. Another FAO outfit fought a chestnut tree blight in Italy with blight-resistant strains from China.

Another mission spent 3 months in Siam, planning an increase in rice output. In Venezuela, FAO experts looked into the possibility of meeting a national lack of edible fats and oils by using palms and other plants.

The FAO uses international cooperation every day as a work tool. For instance, the job of dividing food stocks is one of the organization's chief tasks. A special international emergency food committee periodically goes over supplies of vital foods like rice, cocoa, fats and oils and makes suggestions on allocations. In one 12-month period, 475 allocations were recommended. In only 13 cases, did a government say no.

Paris is the headquarters for the United Nations Educational, Scientific, and Cultural Organization. So far, UNESCO has supervised the distribution of some $200,000,000 worth of supplies contributed by schools, organizations, and governments—books, microscopes, pencils, typewriters.

UNESCO has come through with $400,000 worth of its own money. On its own, UNESCO is fighting illiteracy all over the world. Test projects are going on in the Marbial Valley of Haiti and on the plains of Nyasaland in east Africa.

Then there is an organization called ICAO—the International Civil Aviation Organization, another specialized agency. Under ICAO agreements signed by member countries, part of the risk of traveling has been removed. Right now, a chain of weather ships is operating in the Atlantic, exchanging information and aiding in rescues.

ICAO cuts through red tape and sets up uniform stands for aeronautical maps and charts, rules of the air, licensing of personnel, and meteorological codes. That means that wherever a pilot flies he will face the same operating conditions.

The World Health Organization, WHO, set up in July 1948, is operating on a $5,000,000 budget and with it has declared war on malaria, tuberculosis, venereal disease. In Egypt, its doctors fought a cholera plague to a standstill.

All over Europe, millions came to know WHO through a campaign to immunize the Continent against TB. In Poland, Finland, and the Philippines, in Ethiopia and China, WHO is fighting epidemic, disease, plague, and filth.

One of its big weapons is an epidemiological intelligence station in Singapore, which receives information from 334 seaports and airports, and relays it via 12 radio stations to port authorities, aircraft, and ships at sea.

The International Refugee Organization in 1 year placed 374,000 refugees—sent them back home or found new jobs in more than 70 countries.

The International Bank lent $16,000,000 to Chile to build up its hydroelectric projects.

The UN International Emergency Fund, tied in with several other UN bodies, fed 4,500,000 children—a couple of billion meals—supplied cod-liver oil for a million German kids, in all four zones of occupation.

Up on the second floor of the UN's administration building is the office of A. H. Feller, the legal expert who untangles juridical knots for the UN. He used to be one of President Roosevelt's bright young New Dealers, and he is the man UN people go to when things get them down and they want to be told that they're not working for nothing.

As Abe Feller sees it, the UN isn't what it was designed to be at the time of the San Francisco Conference.

"The way they thought of the United Nations then," he says, "the responsibility would rest squarely on the United States, Britain, and Russia. It would be up to them to keep the peace. They would stick together and none of the little guys could start any wars."

It didn't work out that way and the Big Three became the Big Two and the Big One. To Mr. Feller that meant that the UN, the whole idea and operation, had to shift.

"Look, what we are now is a kind of lens. When something goes wrong, we can't pound any country into doing right. But we can turn the lens on the spot. It gets pretty hot under the lens. Things get done. Slowly, but done."

TALK AND VETOES IRK VISITORS

Visitors who come to the UN for a day have two main gripes—too much talk, too many vetoes. The 30 Russian vetoes in the Security Council are large in the visitor's mind. Mr. Feller tells them not to get too discouraged.

"The Council is not functioning as the big stick of the United Nations," he says. "It really never was meant to be a kind of international night stick. What is happening now is that the Security Council is emphasizing the mediation and conciliation angles of its job."

As for the long hours of talk:

"A man comes out to the UN," says Mr. Feller. "He sits through 2 or 3 hours of talk in a meeting. Nothing happens. He goes away. The UN is a talk machine he tells his friends."

Mr. Feller pointed through the window to the roof of the conference building stretched out below.

"We've got a dozen committees going every day in the work year. People come out here to tackle a problem. All right, in one room we are getting no place on housing. But next door we are hammering out a convention that every country in the world will enforce—a convention to stop the use of narcotics.

"All right, we are not getting any place on the atomic bomb. But in Geneva we've got an Economic Commission for Europe, pulling the Continent together industrially. Read the papers and you'll see they are getting someplace."

Mr. Feller leaned back and put his thoughts together for a minute.

"We've taken a lot of kicks on the pants, and we'll take more. But we have learned one thing: Peace is hard to come by. Nobody wants to lose face. It's easy to slide into war. But for peace, you've got to work at it every single day. A job and a half, believe me."

The United Nations Building is a labyrinthian place, and only an old-timer there could find his way easily through the winding corridors from Mr. Feller's office to the rooms where they deal in dollars and cents. The financial experts of the UN are preparing the 1950 budget for submission to the Assembly in September.

Last year Mr. Lie asked the 58 member nations to give him $33,469,587. For the 1950 financial year he may ask for a few hundred thousand dollars more to meet increased expenses of missions overseas. In September one of the Assembly's committees will go over the budget line by line, question every expenditure, haggle, and then decide it is worth it.

So for 1950 the United Nations will cost the world about $18,000,000 less than the department of sanitation costs New York City.

Testimonial for Francis P. Matthews

EXTENSION OF REMARKS

OF

HON. KARL STEFAN

OF NEBRASKA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, July 13, 1949

Mr. STEFAN. Mr. Speaker, by leave granted to me, I include in my remarks the address delivered by His Excellency, Gerald T. Bergan, Archbishop of Omaha,

on the occasion of the testimonial dinner given in Omaha, Nebr., in honor of Francis P. Matthews, the Secretary of the Navy, June 13, 1949:

Honor to whom honor is due. Never did I feel the practical aspect of that truism so much in its entirety as this evening, when old-time friends and neighbors gather round a common table and in genuine joy pay our meed of tribute to one of our own. There is a bit of selfishness too in our actions, for we of the family of Omaha, who try to share another's grief when sorrow's come, by desiring to carry our portion of the burden, so too in times of happiness secretly steal a morsel from the abundance of honest praise from him who has been so worthily recognized by the President of our beloved country, that we are honored, too, for he is one of us. And we live not unto ourselves alone and our distinguished guest would wish it so.

There are honorable positions and honorable persons. Common to all men is the respect for office, for dignity of place, for power and privilege, for the seats of the mighty. Many times from fear, place is worshipped and slaves cringe when raising their hands in forced salute as power passes by. Dangerous at times to the stability of men and nations is rampant force released unrestrained by reason, the gentle zephyr of fatherly authority, reaping the whirlwind of destruction.

Ever in the history of our country have there been persons worthy of honor. The vast majority of our citizenry, living their ordinary daily lives in loyalty, obedience, and service, walk down life's pathway, unnoticed and unsung. They are in truth America at her best, the great so-called middle class which lives only here and no place else. They ask for little and thank God for being just an American.

This evening a blending of both is the primary cause of this home-town celebration. A position of honor and dignity, filled by an honorable and dignified gentleman; a place of trust by one who can be trusted; a responsibility assumed by one who is indeed capable. The reverse of the modern order of the day—the office seeking the man in one of the most serious periods of our history. The rare phenomenon of a citizen asking nothing of his country but willing, if called, to give his all for her welfare. America owes me nothing; being ever in her debt, I will try to repay. What a lesson to those, whose numbers daily increase, that from the cradle to the grave, I shall offer nothing but be everlastingly receiving.

His mission is a peaceful one, though he now heads our first line of defense. In the mistrust and diplomatic dishonesty of today, his ships will be strong and mighty to keep the evildoer from our shores and they will be harbingers of good will and everlasting hope to the oppressed of every nation. Under his challenging leadership, his men will soon learn to respect and love him as we do at home and in his person will vision the embodiment of the Christian gentleman.

It may appear strange to some, but here is their new leader, a man of profession and business, successful according to worldly standards, who has battled his way upward from the lowest steps of the ladder from student days to a prominent place in secular affairs, who has done these things without forgetting his God. In a very worldly world, he has ever remembered that not by bread alone doth man live; that I have been made in the image and likeness of my God and must show forth in my life the principles which I have received from Him. That not only in the sanctuary of my own home nor in church on Sunday, but every hour of every day I shall as best I can show forth in poor human flesh, Him who is still the King of Kings, and the Lord of Lords and who holds the fate of nations in the hollow of His hand.

A man who knows that no nation can live long without its God, that above all ships and guns and atomic bombs, the strength of a nation lies in the integrity and sanctity of her people and that America shall fall when she forgets her God. And his days in Washington will open each morn with a private audience with his Maker, seeking light and guidance; and when weary eyes long for sleep, he will kneel down beside his bed to thank the great Navigator of his Navy for the blessings of the day. I assure you, ladies and gentlemen, the Navy and America are in safe hands.

Every honor demands its toll and sacrifice. He leaves Omaha where he was sheltered and protected by the love of his family and all of us. From the quiet shade of his front porch, he is ushered into the blazing light and piteous publicity of a cruel Capital. He knows by now that he is indeed the servant of the people, extremely exacting, demanding, the target for many an unjust blast, the gentle, patient victim of a thoughtless populace. But let him remember that B. B. shot and paper wads will never harm him. They are annoying and irritable but seldom fatal.

It will be consoling for you, Mr. Secretary, to remember that we of Omaha who knew you longest and love you best will remain steadfast in the golden ties of unbreakable friendship; that we are confident you will succeed in your most difficult and trying task; and we promise you our lasting support and a remembrance in our prayers. You will leave us for a while but you will always be our own, we who are so proud of you and from grateful souls we whisper, "Good-by," which in our hearts means "God be with you now and forever"!

Alger Hiss Trial

EXTENSION OF REMARKS
OF
HON. GEORGE A. DONDERO
OF MICHIGAN
IN THE HOUSE OF REPRESENTATIVES

Wednesday, July 13, 1949

Mr. DONDERO. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following editorial from the Detroit Free Press of July 11, 1949:

LET CONGRESS INVESTIGATE TRIAL OF ALGER HISS

Eight of twelve jurors found Alger Hiss guilty of perjury. This means they believed he lied to save himself from being exposed as a traitor to his country.

Now there is talk of retrial. We doubt if the case is ever brought to court again.

That is, unless some congressional committee bestirs itself and demands a complete investigation of the whole mess of "le affaire Hiss," including the trial.

Representative NIXON, of the Un-American Activities Committee, pledges a complete hearing on the trial judge's "prejudice for the defense and against the prosecution." * * * Also his "fitness to serve on a Federal bench."

There are so many strange angles to the Hiss case that it will probably go down in the annals of American jurisprudence as a historical mystery to be ranked with the arcanum of The Man in the Iron Mask in the days of King Louis XIV when the infamy of political intrigues could not stand the light of day.

It should be kept in mind that Alger Hiss, the brilliant, sneering, cynical protege of Justice Felix Frankfurter, was the personal adviser of Franklin D. Roosevelt at Yalta when the sick President agreed to give Stalin just about anything he wanted—a case of befuddlement which has already cost the United States some billions of dollars and many lives and still stands as a threat to world peace.

It was at Yalta that Roosevelt was induced to turn over to Moscow the fate of 100,000,000 eastern Europeans for slavery and slaughter. But nice Mr. Hiss must not be prosecuted. Just a red herring.

It was also Alger Hiss who did organizational work in the creation of the United Nations.

To have found him guilty would have been a terrible blow to the prestige of the New Deal State Department—long pervaded by Socialists, Communists, and fellow travelers.

All the left-wing columnists, apologists for New Deal totalitarianism, sense this. At least they moved in unison as though puppets pulled by one string. The Hiss trial, they screamed, is an attack on "our great leader Franklin D. Roosevelt." Even that middle-of-the-road sympathizer with the radicals, Marquis Childs, said in his column of June 24:

"Many regard Hiss as the symbol of the Roosevelt era. If he should be convicted, they will consider it a verdict of guilt against the dead President and the men who made the New Deal."

This, no doubt explains why Justice Frankfurter made the astounding gesture of voluntarily going on the stand to testify as a character witness for Hiss. Ironically the jury by an 8-to-4 verdict (not a 5-4 opinion) preferred to ignore the Frankfurterian encomiums.

It should also be kept in mind that this case was not initiated by the United States Department of Justice but by a congressional committee investigating un-American activities. Before this committee Whittaker Chambers, a reformed Communist, sought to right the wrongs he had done his country by telling of the Red boring-from-within tactics employed in our State Department—a charge well supported by the evidence in the Judy Coplon case.

Hiss was caught at last in the net by an indictment before a New York grand jury for perjury—not for the actual charge the congressional committee was seeking to make.

It was at this time that President Truman began shouting from the housetops about "red herrings" and "hysteria." He has never deviated from that line. He has let it be known how bitter he is toward J. Edgar Hoover and the FBI for its brilliant work in uncovering so much evidence. (If that is not the reason for his anger, what is it?)

We may be forgiven, perhaps, for not going all the way with anything that Mr. Truman says about the pursuit of crime following the calm manner with which he received the news that professional safecrackers had exploded the Kansas City vaults to steal the evidence of vote frauds in the defeat of Congressman Slaughter—whom he had ordered his old Pendergast gang to "purge."

And we cannot forget those Al Capone murderers and extortionists who were mysteriously released from the penitentiary with Truman's old campaign manager—and crony—as their lawyer.

Not the least fascinating phase of the long bitter trial has been the unorthodox conduct of the judge of the case, Samuel H. Kaufman.

He is a Truman appointee.

The President sent Kaufman's name to the Senate on May 17, 1948. It was not acted upon. He sent the name in again on July 29 after the Senate had reconvened. Again, it was not acted upon. Letters of objection against the appointment had been filed by the New York Bar Association and the American Bar Association but they were not followed up. After Congress had adjourned in

the fall of 1948, President Truman gave Kaufman a recess appointment, then submitted the name for the third time to the Senate on January 3, 1949. He now had a Democratic majority and the appointment was confirmed on January 31. The Bar Association protests were withdrawn and the Judiciary Committee reported without comment. Kaufman has long been a stanch New Dealer and ardent Trumanite.

Of his conduct in court the always ethical and painstakingly accurate New York Times has carried running comment in its daily stories of the trial. Discussion of many of his rulings and his obvious quirks has become widespread. A paragraph from the current issue of the magazine Newsweek is typical of the restrained comment from the objective press:

"On Friday the Government felt it could clinch the case by placing Mrs. Hede Massing, the first wife of Kremlin agent Gerhart Eisler and herself a former Communist agent who claimed she had known Hiss in the spy underground, on the stand. But Judge Samuel H. Kaufman, already under fire for his handling of the case and accused in press accounts of being in Stryker's political debt, refused to let her take the stand.

"Frustrated and outraged, Murphy called in another witness to contradict Hiss' testimony. Again Kaufman ruled him out."

Strangest of all—and perhaps unique in the history of American jurisprudence—Judge Kaufman refused to give any reason for not letting Mrs. Massing testify for the Government.

With an insouciant arrogance he declined to explain his ruling. Yet the warrant for the prosecution of the prisoner plainly says that it is the case of the "People against Alger Hiss." This newspaper thinks the People, as sovereign, have a right to know why Judge Kaufman so ruled.

In contrast to the sheet-iron protection given by the Court to Alger Hiss no holds were barred for the prosecution in seeking to discredit the testimony of Whittaker Chambers. Even such tricks as this: Defense Counsel Stryker put a psychiatrist on the stand. Stryker took 45 minutes asking this doctor one hypothetical question as to Chambers' possible insanity. But before the doctor could answer, he was dismissed. By this means the jury got an impression without evidence. The prosecutor denounced the stunt as a "grave injustice to the Government." That was a remarkable understatement. It was a cheap shyster trick that would not have been allowed in one of our lower police courts.

Any textbook on the laws of evidence would reveal that the defense was as full of holes as a screen for cobble stones. The fact that the stolen reports were copied on the Hiss family typewriter was never refuted.

One stunning example of evasion and falsehood came from Mrs. Hiss who swore that she could not remember ever having joined the Socialist Party. The prosecution showed by the voting register that she was a Socialist and had voted the Socialist ticket.

Marquis Childs and the other bleeding hearts of the welfare state proclaim that it is not Hiss who has been on trial but the New Deal and President Roosevelt and—some even say—humanity itself.

That's the way Judy Coplon talked before it was shown that she knew the wallpaper pattern of so many hotel rooms.

No, Alger Hiss is—or was—on trial, as the prosecutor said, for doing what Benedict Arnold had done.

If that is placing the New Deal on trial then we would suggest the New Deal was conceived and carried out in very bad company.

Hiss is—or, again, was—on trial and so was the Truman administration on trial and so is the entire cast of the actors who are seeking to take from the American people their ancient liberties and make of them subjects of a welfare state—first the opium of freedom from worry, freedom from responsibility, freedom from all work, freedom from political, economic, social, and moral obligations—then the yoke of abject totalitarianism for which Moscow waits.

The descent is down three steps: The welfare state, socialism, communism—unto the police state of Hitler, Mussolini, and Stalin.

Yes! Yes! Far more than Alger Hiss has been on trial and—God grant, for the salvation of this Republic—will forever remain on trial.

Colorado River Controversy

EXTENSION OF REMARKS
OF
HON. HARRY R. SHEPPARD
OF CALIFORNIA
IN THE HOUSE OF REPRESENTATIVES
Wednesday, July 13, 1949

Mr. SHEPPARD. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following statement:

The position of the California delegation in the House of Representatives, with regard to the Colorado River controversy, is made absolutely clear by the resolution attached to this statement.

California is facing a fight for the preservation of its legal share of Colorado River water that is vital to our future economy. This resolution, signed by all 23 Members of the California delegation, reaffirms our unqualified determination to safeguard and protect California's farms, industries, and homes.

Herein is expressed and demonstrated the united stand of California's Members of Congress to fight with all means at their command for an assured progress and development within the boundaries of our legal and just rights.

Whereas the central Arizona project sponsored by Arizona will require the use of water legally belonging to California; and

Whereas California has offered to negotiate, arbitrate, or litigate the legal title to said water with Arizona but all of said offers have been rejected and compromise appears impossible; and

Whereas 23 Members of the California delegation have introduced similar resolutions authorizing settlement of the controversy in the Supreme Court: Now, therefore, be it

Resolved by the California delegation at its special meeting of June 17, 1949, That this delegation affirms its unqualified opposition to the central Arizona project and reaffirms its unanimous support of the legislation designed to bring the entire question of water rights on the Colorado River to the Supreme Court of the United States for decision.

The foregoing resolution was adopted by unanimous vote of the California delegation present at said meeting.

HARRY R. SHEPPARD, Chairman, CLAIR ENGLE, Secretary, HUBERT B. SCUDDER, LEROY JOHNSON, FRANCK R. HAVENNER, GEORGE P. MILLER, CLINTON D. MCKINNON, JOHN J. ALLEN, Jr., GORDON L. MCDONOUGH, T. H. WERDEL, RICHARD J. WELCH, CECIL F. WHITE, DONALD L. JACKSON, ERNEST K. BRAMBLETT, NORRIS POULSON, JACK Z. ANDERSON, CECIL R. KING, CHET HOLIFIELD, RICHARD NIXON, CARL HINSHAW, JOHN PHILLIPS, CLYDE DOYLE, HELEN GAHAGAN DOUGLAS.

Government Financing

EXTENSION OF REMARKS
OF
HON. HOMER E. CAPEHART
OF INDIANA
IN THE SENATE OF THE UNITED STATES
Wednesday, July 13 (legislative day of Thursday, June 2), 1949

Mr. CAPEHART. Mr. President, I ask unanimous consent to have printed in the Appendix of the RECORD a radio address which I delivered over Station WGN, Chicago, Sunday, July 10. A digest of this same address was also broadcast during the last several days over the following Indiana stations: WGBF, Evansville; WAOV, Vincennes; WTTS, Bloomington; WOWO, Fort Wayne; WBAT, Marion; WIBC, Indianapolis; WHOT, South Bend; WFML, Washington; WIMS, Michigan City, WASK, Lafayette; WIOU, Kokomo, and WTRC, Elkhart.

There being no objection, the address was ordered to be printed in the RECORD, as follows:

A few days ago the people of this great Republic were told that the Government failed to meet its expenses with the amount of revenue taken in by $1,800,000,000.

That report alone is a shameful admission by a Government that had available the tax revenues from one of the two most prosperous peacetime years in the history of the country.

But even more shameful is the fact that the same Government never tells quite all of the story of its spending.

And it hasn't told the whole story of its spending for many years.

I am going to talk to you today about a phase of our Government spending that is not generally discussed.

First of all, I want to say at this point that the amount of money spent by a Government and the purposes for which it is spent are always two separate considerations.

We have no objection to Government spending for proper purposes and providing the spending is kept within the ability of the people to pay.

We cannot be progressive as a Nation through false economies.

By the same token we cannot survive as a Nation through false progression.

It is one thing to tell the people that we are progressing and another thing to actually progress along those lines.

For example, in the matter of social security, our country is actually being retrogressive.

We are going backward.

We are going backward because our Government leaders are not being truthful about the conditions under which social security programs are being conducted.

I said a moment ago that it is shameful that our Government does not tell all the story of its spending.

Let's look into the facts supporting that statement.

In the fiscal year of 1949 the Government collected a total of $2,610,000,000 in employment taxes.

That is the money deducted from the pay rolls of the Nation.

Of that total, the President's budget for 1949 showed that $1,754,000,000 was appropriated to the trust funds in which that money is supposedly held.

The balance, or approximately $900,000,000, was required for administration of the act

and for current benefit payments under the act.

Here is where the interesting part of this story begins.

The $1,754,000,000 was deducted from the amount of Government revenue available for the cost of Government because that money supposedly went into the trust fund.

However, that many dollars did not actually go into the trust fund.

Government bonds totaling that amount were placed in the trust fund.

The money became available, through the sale of the bonds to the trust fund, for general purposes.

The bonds, at the same time, became a part of the national debt of $252,000,000,000.

Since the $1,754,000,000 collected in employment taxes above and beyond the cost of the program for fiscal 1949 was used for general purposes, then our actual deficit for fiscal 1949 was not $1,800,000,000 as reported—but was $3,500,000,000.

In fact, the deficit should be counted as greater than that because the Government must pay interest to the trust fund on the amount of bonds held in the fund.

The money collected by the Government through pay-roll taxes is not designed for general purposes.

It is raised to be placed in funds from which unemployment benefits are to be paid.

It is raised to be placed in funds from which old-age and survivor benefits are to be paid.

It is raised to be placed in funds from which railroad-retirement benefits are to be paid.

It is not raised to fill the coffers of a paternalistic government that seeks to meet every problem with funds from the Government till.

True, the Government could not possibly continue to build such tremendous funds with idle dollars.

And equally true is the wise investment of those dollars in the bonds of the Government in which we should have our greatest faith.

Certainly if our Government bonds are not worth the investment, then we have failed as a nation.

But, let us look further into this financial paradox.

At this very moment the Federal old-age and survivors insurance trust fund has a total of $10,795,800,000 in Government bonds.

The railroad-retirement account holds $1,713,000,000 in Government bonds.

The unemployment trust fund has $8,170,400,000 in Government bonds.

This is over $20,000,000,000 in Government bonds in three trust funds.

There are other Government-held trust accounts that have additional bonds.

In fact, the Treasury report for June shows that the trust accounts own a total of $37,519,000,000 in Government bonds.

This total is a part of the Government's debt of $252,000,000,000.

That means the money, which was replaced by bonds, was used for other purposes—general Government expenditures.

Being factual about this matter requires anyone to admit that such an operation is purely in keeping with good business.

Private insurance companies do the same thing.

They invest the money collected beyond the current needs in order to build the balances required in the actuarial program.

That is what our Government set out to do and rightfully so.

However, the fallacy of the Government program lies in the fact that when it comes time to replace the bonds it must do so with funds collected by general purpose taxation.

Now I want to refer to the report on the trust funds which was made to the Eightieth Congress by a special advisory council on social security.

The council says in its summary that only about three out of every five jobs are covered by the program.

That means, then, that the money used out of the trust funds was paid in by three out of every five workers in the country.

When the time comes to replace the bonds the money with which the bonds would be retired would have to come from all of the workers—not from the three who had already paid into the fund.

Of course, the three who had paid into the fund would have to pay all over again.

Based on the actuarial study of social security programs made by the advisory council, the increased benefits and expanded security plans will call for increased pay-roll payments over future years.

The study shows, too, that the surpluses from increased pay-roll payments will serve to enlarge the surpluses and working balances for the years when benefit payments will be greater due to greater coverage and more beneficiaries.

However, my discussion of what has been taking place with respect to social security funds—what is taking place right today and what probably will continue to take place until the Government has the courage to be honest about how much it is costing to run this overgrown Government—is being done in the hope of bringing to light our great financing fallacy.

Strangely, the manner in which our Government is using the money collected through pay-roll taxation is not new.

Where was it done before?

This may be a shock to you, but Adolf Hitler used exactly the same means to build the German fascistic armed might which turned the whole world into a bloody turmoil from which we have not yet completely emerged.

I would like to refer to the book by Jurgen Kuczynski, expert on European economies.

The title of the book from which I will quote is:

Germany: Economic and Labor Conditions Under Fascism.

Mr. Kuczynski, in writing about the Fascist methods and policies of financing, said the following:

"Another way of decreasing the spending power of the people is by forced deductions from their wages or salaries, besides the usual tax deductions.

"Such deductions have been increased continuously since 1933.

"In 1939 they included, apart from taxes and social-insurance contributions, voluntary contributions to the party funds, the labor front, the N. S. welfare, the air defense league, the association for Germans abroad, the people's care, etc., and amounted to about one quarter of the worker's wages."

It is needless to explain where the money has been obtained by our Government to meet social benefit costs that are more than five times what they were just 10 years ago.

The people cannot get money from their Government unless the people put money into their Government.

But let us read further from Mr. Kuczynski's book.

"Part of this money is, of course, in some form or another, returned to the worker.

"If he falls ill he receives some benefit from the health insurance.

"But while the worker usually has to pay about 3 percent of his income on unemployment insurance, the amount paid in benefit is almost nil——

Now get this—and I am still quoting from Mr. Kuczynski's writings:

"Vast sums being used to support the Fascist war effort."

There you have an exact parallel to the manner in which we collect pay-roll taxes in this country and use the money for other purposes.

Let us proceed with more of the history of Mr. Hitler's tactics as described by Mr. Kuczynski.

Again I quote from his book:

"The amounts paid by the unemployment-insurance fund to support the Fascist war effort was about 1,880,000,000 marks from 1934 to 1937 and about 3,900,000,000 marks from 1938 to 1941."

That means that Mr. Hitler took the equivalent of nearly a billion and a half dollars from the unemployment-insurance fund to support the war effort.

He did the same thing with money paid into the famed German Krankenkasse, or health-insurance fund, and to other social-insurance funds.

You may ask by what means this parallels the experience I have cited with respect to our own method of operation of the trust funds.

Let me read again from Mr. Kuczynski's book:

"Why did fascism allow this rise in the social insurance fund to continue?

"The reason is a very simple one.

"Like everything else that fascism touches, the social insurance system was transformed into an instrument of war and oppression.

"Fascism did not reduce the contributions because this would have placed more money in the hands of the workers and this, in turn, would necessitate increased production of consumptive goods.

"The social insurance system, to a certain extent, became an auxiliary tax system, a method of taking money from the workers."

Let me repeat that—

"The social insurance system, to a certain extent, became an auxiliary tax system, a method of taking money from the workers."

Now, as I proceed to read from Mr. Kuczynski's book I want you to pay close attention to the similarity of operation of Germany's welfare funds with the manner followed by our Government.

"The funds which in this way accumulate are invested in Government bonds.

"That is, like unemployment insurance, the rest of the social insurance system was used as a means of financing the war preparations of fascism.

"During the 5 years under review the investments of the social insurance system in Reich loans rose by roughly 2,000,000,000 marks. * * *

"That is, during these 5 years the social insurance system, excluding unemployment insurance, financed armament expenditure to the extent of about 2,000,000,000 marks."

We collect our welfare funds from pay-roll taxes.

Hitler collected them from pay-roll taxes.

We have trust funds in which bonds replaced the funds.

Hitler had trust funds in which bonds replaced the funds.

We use the money, beyond immediate benefits and administrative costs, for other purposes.

Hitler used the money, beyond immediate benefits and administrative costs for other purposes.

Hitler used the money to prepare for war.

We are using much of our money to prepare for a socialist state.

As I said at the beginning of this talk, we cannot be progressive as a nation through false economies, but we cannot survive, either, through false progression.

The Government is not being fair when it fails to include the money used from the trust funds as a part of its total budget.

In his budget message to the Eighty-first Congress, President Truman submitted figures of the anticipated budget receipts for fiscal 1949 which just ended.

His message was sent to the Congress last January 3.

He listed among the budget receipts the estimate of $2,610,000,000 from employment taxes.

Then, in that same budget he deducted from the anticipated receipts the total of $1,754,000,000 which was to be appropriated to the various trust funds for which it was collected.

The truth is, of course, that bonds for that amount were credited to the trust funds.

What was done with the actual money?

It might have gone for European relief; it might have gone for reclamation projects; it might have gone for any one of the many subsidies.

No matter what it went for, it should have been included as an item of income and the expenditure shown in the budget.

We have more than $37,000,000,000 in bonds in those trust funds which some day will have to be retired.

The Government must retire them with funds collected from general taxation—it cannot do it any other way.

That money, as I said before, must come from not only those who have already paid into the funds, but also from those who get no benefits from the funds.

And to describe a wheel-within-a-wheel, I would like also to point out that the interest on the trust fund bonds is running at about $700,000,000 a year and that interest is being paid by those who have already paid and those who are not going to get anything out of the funds.

Oh, yes, and I might add that the $700,000,000 interest is also converted into bonds which also go into the trust funds to draw more interest next year.

Security is a wonderful thing—wonderful for the State and the individual and while we seem to at times meet with difficulties in hope of attaining that goal, I am sure Americans will not permit the experience of the Krankenkasse to be repeated here.

I think the social welfare advisory committee in its report t the Eighty-first Congress spelled out real security in these words:

"In the last analysis the security of the individual depends on the success of industry and agriculture in producing an increasing flow of goods and services."

In conclusion, I would like to point out that increased benefits in the unemployment compensation and social security programs can be made without considering an increase in pay-roll deductions.

The Government is now proposing increased deductions to meet increased benefits and additional benefits.

The figures and policies prove that pay-roll deductions do not form the pattern for the benefits which can be paid.

The Government has met existing benefits with current collections and replaced the balances with bonds.

If the Government is to continue this policy it must meet all payments, whether increased or not, from current revenues—either pay-roll deductions or direct taxation, or both.

Therefore it makes no difference how much the Government increases the benefits, or when it increases them.

Any increase now in pay-roll deductions will merely mean additional money for other Government expenditures and additional bonds in the trust funds.

Atlantic Pact—Atlantic Union

EXTENSION OF REMARKS
OF
HON. ESTES KEFAUVER
OF TENNESSEE
IN THE SENATE OF THE UNITED STATES
Wednesday, July 13 (legislative day of Thursday, June 2), 1949

Mr. KEFAUVER. Mr. President, I ask unanimous consent to have printed in the Appendix of the RECORD a discussion between me and Mr. Charles Parmer, a nationally known radio commentator, on the subject of the North Atlantic Treaty, on Saturday, July 9, 1949.

There being no objection, the discussion was ordered to be printed in the RECORD, as follows:

Senator KEFAUVER. Ladies and gentlemen, today I am honored to have in the studio with me Charles Parmer, a nationally known radio commentator, whose programs you have often heard from the Nation's Capital. Mr. Parmer and I will discuss the North Atlantic Treaty which is being debated in the United States Senate, and Mr. Parmer will bring up any matters about the treaty which he thinks will be of interest.

Mr. PARMER. This past week Senator KEFAUVER and his colleagues considered an important step in the direction of world peace. I refer, of course, to the North Atlantic alliance. So that you, who sent the Senator to this office to represent your interests, may better understand the situation, I am going to ask Senator KEFAUVER some questions, and we are going to discuss just what all of this Atlantic Pact discussion is about.

First, Senator KEFAUVER, what is the purpose of the North Atlantic Pact?

Senator KEFAUVER. The lessons of history show most conclusively that if we are to have stability and peace, it is absolutely necessary that the North Atlantic democracies join together and work together. This unity was necessary 30 years ago and it is more imperative today. We are living in an age of atomic energy, supersonic planes, guided missiles, and chemical warfare. Self-protection, the first law of nature, demands that we pool our defenses to survive.

Mr. PARMER. Well, now, Senator, is it not a fact that when a war starts the democracies of the world do join together for the mutual defense and mutual waging of war?

Senator KEFAUVER. Yes; of course. After a war starts military staffs of the democracies are combined; we lend-lease munitions and materials; our varying currencies are stabilized; we remove trade barriers and enter into such other agreements to enable the democracies to fight aggression with the greatest possible effectiveness. The whole question, to my mind, is "Why don't we do these things now before hostilities break out?" If we wait until a state of war exists, then our planning is for war. If we prepare now, then we are planning for peace.

Mr. PARMER. Then do I understand that you favor getting everything in order now for World War III?

Senator KEFAUVER. That is not my intention at all. If we are unified and prepared, I have an idea that the nations of the world will find some method short of war to settle international disputes. More important, perhaps, is the fact that any present or future dictator would stop, look, and listen before striding headlong into a loaded gun.

Mr. PARMER. Of course, Senator, we have the United Nations Organization. Wouldn't the ratification of the North Atlantic Treaty by the Senate weaken its position in world affairs?

Senator KEFAUVER. On the contrary, I think it would strengthen its position. The United Nations Charter provides specifically that the member nations may enter into these regional defense alliances. At the same time it is obvious that Russia, by a wholesale use of the veto power, will not permit the United Nations Security Council to function as it was intended. Added to this is the accepted fact that if the democratic nations of the world face aggressive action at the present time, it will come from Russia. All of these factors make the Atlantic Pact not only a supplement to the United Nations Organization but a necessary regional defense measure as well.

Mr. PARMER. I wonder if you would tell us briefly, Senator, just what the Atlantic Pact would do in practical operation.

Senator KEFAUVER. It is very simple. Stripped of all its legal language, the pact provides simply that an attack on one of the nations of the North Atlantic region would be construed by the others as an attack on them.

Mr. PARMER. But, what about the provisions in our Constitution that give Congress the right to declare war?

Senator KEFAUVER. There is no conflict there. The pact merely states that an attack on one of the agreeing nations shall be considered as an attack on all. The pact doesn't specify what we would do in such a situation. Of course, the spirit of the alliance would be meaningless, unless we did come to the aid of a member nation in the event of an attack. I know of no way that this country could be committed previously to declare war unless our Constitution were amended; and that isn't likely.

Mr. PARMER. In other words, we would not be in any different position than we are now, say, if an attack was made on Canada?

Senator KEFAUVER. That is correct. It would still be up to Congress to say what our action would be under the circumstances. This pact merely serves notice on would-be aggressors that it will be our policy to protect one another. That protection and assistance may take some form other than a declaration of war. It would show to the world that we intend to protect freedom and free institutions within our region.

Mr. PARMER. Senator, what has been the history of aggressor nations with regard to attacks on other nations?

Senator KEFAUVER. History shows that aggressors always attack the weak and defenseless nations first. The aggressors always gobble up these comparatively weak nations one by one, solidify their position, and then take out after the stronger ones.

Mr. PARMER. Then, as I understand it, it is your notion that the North Atlantic Pact is the best means of establishing a lasting peace?

Senator KEFAUVER. No, sir; not at all. I am all for the Atlantic Pact. I think it is a definite step in the direction we must go. But, I don't think it will solve our peace problem. We must remember that the North Atlantic Pact is an alliance. It is based on a treaty. Treaties are nothing more than mere promises, and our experience with treaties has not been good. We all remember the Treaty of Versailles, the Locarno Pact, and so forth.

Mr. PARMER. What then, sir, do you propose as a solution?

Senator KEFAUVER. Before we have real peace in this world, we must have a system of international law under which we can conduct international affairs. France and Great Britain agreed to protect the Rhineland in the Locarno Pact, yet Hitler moved right in unmolested. The Allies and Hitler

agreed at Munich that Czechoslovakia would not be invaded, yet again Hitler broke his promise and overran Czechoslovakia. Hitler wouldn't even keep his nonaggression treaty with Russia.

No, treaties won't do the job on a permanent basis. What we need is a peace based on law.

Mr. PARMER. In other words, it takes more than mere military alliance to bring a state of peace.

Senator KEFAUVER. Very definitely, it does. Economics is equally important. I should like to see a common approach to foreign policies, stabilization, at least in the North Atlantic region of our currency; an expansion of free trade; and a general military staff. A federation for limited purposes seems to me to be the final answer. But, let me say again, I think the North Atlantic Pact is a step in the right direction and I expect to support it.

Mr. PARMER. Perhaps, this isn't a fair question, Senator KEFAUVER, but I am wondering if you are doing anything to further the suggestion you have just made?

Senator KEFAUVER. Oh, yes. I have prepared a resolution, which I expect to introduce immediately the North Atlantic Treaty is ratified. This resolution, which is cosponsored by many of my colleagues, calls on the President to convene a constitutional convention. To the convention would be invited all the freedom-loving democracies of this region. This convention would take pretty much the form of the American constitutional convention, out of which came the most nearly perfect system of laws the world hase ever known.

Mr. PARMER. Do you mean the constitutional convention where the Thirteen Original Colonies met to set up our first Federal system of laws?

Senator KEFAUVER. Exactly. The differences existing among those Thirteen Colonies were as great as the differences between the various democracies of the world today.

Mr. PARMER. How do you think Russia would receive this news?

Senator KEFAUVER. Well, she wouldn't dare attack us in meeting. War would be certain if she did. Russia isn't ready for a war, by the way. Of course, we couldn't expect and, as a matter of fact, we wouldn't want Russia to join. But the latchstring would always hang on the outside so that other nations could join when we became strong enough and successful enough and when they adopted democratic forms of government.

Mr. PARMER. You really believe in this project, don't you, Senator?

Senator KEFAUVER. I certainly do, sir. To my mind, this is the surest means of unifying the free people of the North Atlantic region for military and economic purposes. The end result, with a little luck, would be a period of peace and stability which the world cries for today.

Government Bonds and Federal Finances

EXTENSION OF REMARKS
OF
HON. CLYDE M. REED
OF KANSAS
IN THE SENATE OF THE UNITED STATES

Wednesday, July 13 (legislative day of Thursday, June 2), 1949

Mr. REED. Mr. President, I ask unanimous consent to have printed in the Appendix of the RECORD an editorial entitled "Must It Be Done?" from the Phillips County Review published at Phillipsburg, Kans.

This is a very sensible editorial appearing in one of the leading weekly newspapers of Kansas.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

MUST IT BE DONE?

Who can buy the bonds when times get tough again?

You may think this question doesn't affect you, but you're wrong—so badly wrong. It affects the future of every person—the wage earner, the civil-service employee, the farmer, the individual businessman, the needy aged, the teacher—everybody.

Who can buy the bonds when times get tough again?

Government money comes from us. We're the only source there is. When times get tough again, we won't be making as much money and we'll pay less taxes of all kinds. At the same time, there will be more unemployed, and the demand for Government aid will go up.

With tax receipts going down and demand going up, the Government, to get funds, will ask us to buy bonds again, but who can buy the bonds?

The man who is out of a job?

The farmer who doesn't get a crop?

The businessman who is fighting lean years?

The public will be selling bonds to meet its needs when times get tough again.

How about the banks?

In 1941—that was a good year and most everybody made some money—in 1941, the First National Bank of Phillipsburg had $700,000 on deposit and $250,000 of that was invested in Government bonds.

In 1949, just 8 years later, there was $2,800,000 on deposit and $1,750,000 of that was invested in Government bonds.

If conditions would go back to 1941, the First National would be forced to sell at least $1,500,000 worth of Government bonds to meet the demands of its depositors and maintain its loaning service to this community.

Our bank is little different than other banks. Deposits are high everywhere, and most of the money is invested in Government bonds. Banks would be forced to sell bonds if the Nation's economy should revert to 1941. They would not be able to buy more.

If the Government cannot sell still more bonds, who will meet the civil-service pay roll? Who will pay the pensions? Where will funds come from for unemployment payments? From what source will the money come for farm price supports, reclamation projects, slum clearance, veterans' appropriations?

Printing-press money has ruined every country that ever tried it, but who can buy the bonds?

Nobody objects to the school-lunch program; farmers feel that price supports are essential to a sound agricultural economy; working men and women believe in social security; reclamation projects have their appeal in irrigated areas; an extra Government job in our town is rated a good thing—another wage earner; our aged persons in need must be cared for.

With Russia making threatening gestures throughout the world, we cannot quarrel with an adequate defense; nor with the idea of helping democratic peoples of the world become self-supporting.

We do not quarrel with worthy objectives, but some steps must be taken to insure the financial strength of our Government and protect the security of everybody.

The Government spent $3,000,000,000 more this fiscal year than last; at the same time tax receipts—for the period ending June 7—fell off nearly four billion. Every day the sun rises and sets, we are further in the red—and times are still good.

When depression hit us all in 1932, there were only a few Government bonds on the market. It was easy to sell bonds to finance Government aid. Who can buy the bonds this time?

What will your pension, your investments, and your savings plans be worth if this generation fails to find the right answer?

New programs calling for new expenditures are now advocated. The number on the Federal pay roll continues to increase. The proposed budgets for various governmental activities are higher than ever.

We will not try to pick and choose the most worthy projects. We think that nearly everybody favors one expenditure or another. But we will suggest a yardstick:

"Must it be done?"

We think that every questionable or unnecessary expenditure today is another nail in the coffin of national security. We urge you to write your Congressman or Senator and ask him:

"Must it be done?"

If every expenditure is examined with that question in mind, we believe that out of present tax receipts a little something can be laid by for a rainy day; that an emergency surplus can be acquired which will provide the means to avert financial chaos in a declining economy.

Frankly, we doubt that anybody can buy bonds when times get tough again, and a little cash on hand may save the day.

The Republican Party and the Labor Vote

EXTENSION OF REMARKS
OF
HON. MATTHEW M. NEELY
OF WEST VIRGINIA
IN THE SENATE OF THE UNITED STATES

Wednesday, July 13 (legislative day of Thursday, June 2), 1949

Mr. NEELY. Mr. President, I ask unanimous consent to have printed in the Appendix of the RECORD a very interesting article entitled "The Republican Party Doesn't Want the Labor Vote," published in the July 9 edition of the Nation.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

The Republican Party doesn't want the labor vote. There is some ground for wondering whether it ever again wants to win an election. That is the only political interpretation one can make of that party's approach to a revised labor law. Senator MORSE, the maverick G. O. P. Senator from Oregon, was heard to comment as he left the floor after the vote, "You just saw several Republican Senators committing suicide." And Thomas E. Coleman, a Stassen backer in 1948, resigned last week from the party's strategy committee because it had failed to develop anything like a strategy. Conversely, the administration is widely reported to be less upset over the Senate's renewal of the Taft-Hartley Act, in the spirit if not the letter, than such a reversal would lead the innocent citizen to expect. As compensation for its failure to deliver on one of its principal election promises, it hears President Green warn of the American Federation of Labor's determination to go after the preservers of the injunction, "with our sights trained on the 1950 election." It hears Philip Murray promise to submit their records to the "political judgment of the voters at the

next elections." Nobody seriously questions the contribution of organized labor to the Dewey debacle of 1948, nor the findings of Elmo Roper which we cited in the last issue of this magazine. The inescapable inference to be drawn from those findings was that the Republican Party was doomed to oblivion unless it found a way to appeal to the low-income voter. By enacting, with Dixiecrat help, what Senator PEPPER calls a bob-tailed edition of the Taft-Hartley Act, it has embarked on the search with its eyes shut tight and a long step backward.

Early Production of Iron in the United States

EXTENSION OF REMARKS
OF
HON. EDWARD MARTIN
OF PENNSYLVANIA

IN THE SENATE OF THE UNITED STATES

Wednesday, July 13 (legislative day of Thursday, June 2), 1949

Mr. MARTIN. Mr. President, I ask unanimous consent to have printed in the Appendix of the RECORD a letter from J. H. Hillman, Jr., to Mr. A. L. Moredock, president of the Greene County Historical Society, Waynesburg, Pa., which contains some very interesting material relative to the early production of iron in the United States.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

JULY 6, 1949.

Mr. A. L. MOREDOCK,
President, Greene County Historical Society, Waynesburg, Pa.

DEAR MR. MOREDOCK: I am in receipt of your letter of June 30.

In your letter you ask for the date of the first iron manufactured east of the mountains. I presume that what you really mean is west of the mountains, but I will endeavor to answer the question both ways.

EAST OF THE MOUNTAINS

In 1620 the Falling Creek Iron Works was set up about 7 miles below Richmond, which was the first attempt.

In 1643 a furnace, forge, and foundry were built on the Saugus River, near Lynn, Mass.

In 1652 at Taunton, Mass., near the town of Braintree, a furnace was set up to make anchors.

In 1658 a furnace was set up at New Haven, Conn.

In 1675 the first iron works was set up in Rhode Island, near Providence.

This is a geological upheaval that extends all the way from Rhode Island, across part of Massachusetts and Connecticut into the Salisbury and Lime Rock district in northwestern Connecticut and eastern New York State, and then takes a turn down through the Greenwood Lake district and northern New Jersey.

In this district there were hundreds of charcoal iron furnaces built in the old days. This extends down into Pennsylvania and then takes a turn westward and presumably the same seam appears around Cornwall, Pa., where 1,000,000 tons of ore a year are being mined by the Bethlehem Steel Co.

PENNSYLVANIA

The first iron made in Pennsylvania was made in 1692 in a furnace supported by William Penn. This came from a deposit of iron ore that crops up near Pottstown, and was quite a large development. These furnaces continued using charcoal as a fuel until about 1860, when they commenced to mix anthracite lump in the furnace and furnaces were gradually enlarged from 2½ to 9 tons a day up to 30 to 50 tons a day.

The writer himself can remember in 1896 and 1897 traveling down through the Pottstown to Bethlehem area and visiting these various furnaces and trying to induce them to use Connellsville coke made in hand-drawn, bee-hive ovens. Finally anthracite was thrown out and coke became their sole fuel.

The Cornwall Furnace, built in 1742 by Peter Grubb, operated until 1832, but the Robesonia Furnace, immediately adjoining, operated out of the same ore banks. The Robesonia Furnace had a right to use ore sufficient for one furnace, under a lease that ran as long as water runs and grass grows. We sold them a great tonnage of coke. Finally, they were purchased by Bethlehem Steel Co. in order to get their ore rights out of the Cornwall Ore Mines, which as I have stated before, are still running and are practically the only commercial ore mines in Pennsylvania now, and produce over 1,000,000 tons a year.

Southwest of Philadelphia in Maryland were the Muirkirk furnaces, which had quite a deposit of ore and made charcoal pig iron very similar to the Salisbury pig iron made in Connecticut. The writer was the Pittsburgh agent for this iron and sold a great deal of it to the rail makers.

WEST OF ALLEGHENY MOUNTAINS

You will find records of the iron masters having moved over to near Altoona, and then west. One of the furnaces was the Greenwood Furnace, near Milesburg, which made cold-blast charcoal pig iron which was very highly sought after. This furnace, if I remember correctly, was operating in 1896 and I think operated up to about 1903 or 1904, when it slipped by the wayside.

Near Bellefonte was the Curtain Iron Co., which operated, if I recall correctly, two charcoal furnaces. They had a seam of iron ore that was almost perpendicular, but was lined down about 125 to 150 feet. The miners had to go down in buckets and the ore was brought up in buckets. The writer was agent for the Curtain Furnace, but it did not operate long, as a nearby coke furnace was absorbing all the iron ore the district could supply.

I feel very positive that a more careful study of the history of iron will show that iron was made in the mountains between Altoona and Bellefonte many, many years before it was made in this district. However, there were many furnaces in Fayette County and in the mountains.

One of the first ones was the Union Furnace, about 4 miles from Connellsville, which was built in 1790. The writer once owned a large tract of timberland located in Fayette County and in the adjoining county of West Virginia—abut 15,000 acres. There were three or four abandoned charcoal furnaces on this property, as the mountains had heaved up the iron ore contained in the lower measures.

The first furnace built in Pittsburgh was in 1792 by George Anshutz. This iron furnace was used for making stoves and grates. The Anshutz family were still around when the writer went into business in 1896. This Anshutz furnace operated on charcoal pig iron, but the Pittsburgh market was flooded with pig iron sent in by barge and pack horses. The pig iron was hauled from the mountains in Fayette County and loaded on the Monongahela River and brought down to Pittsburgh on rafts and floats. The same thing happened on the Allegheny River, as there was more suitable hardwood timber for making charcoal in the mountain districts, and this made the iron more easily and cheaply obtainable.

The writer's grandfather operated charcoal furnaces in Kentucky between the Cumberland and Tennessee Rivers, and we have some old papers somewhere showing how Daniel Hillman, my grandfather, shipped pig iron to the Garrison Foundry here in Pittsburgh in 1845 and 1855 by water and took machinery, blowing engines and housings and rolls in payment for it. However, this is so very recent that it is hardly interesting.

Please give my best regards to the Senator also.

Yours very truly,

J. H. HILLMAN, JR.

Do Identical Prices Indicate Conspiracy?

EXTENSION OF REMARKS
OF
HON. WAYNE MORSE
OF OREGON

IN THE SENATE OF THE UNITED STATES

Wednesday, July 13 (legislative day of Thursday, June 2), 1949

Mr. MORSE. Mr. President, I ask unanimous consent to have printed in the Appendix of the RECORD an article appearing in the June 3 issue of the Christian Science Monitor entitled "Do Identical Prices Indicate Conspiracy?" The article was written by Mr. Harold Fleming.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

DO IDENTICAL PRICES INDICATE CONSPIRACY?

(By Harold Fleming)

NEW YORK.—Business lawyers here who specialize in antitrust law assert that in the last year or so the Supreme Court has made an alarming extension of the legal concept of conspiracy as applied to business conduct.

So widely has it stretched this concept of illegal action, they say, that it can now be applied to the commonest forms of ordinary competition. The definition of conspiracy has come to have a legal meaning, as Gilbert H. Montague recently stated, "very different in law from the meaning which most businessmen ascribe to it."

The process of this broadening, which has been vastly speeded up in the last year or so, has been roughly as follows:

TRUSTS AND "GARY DINNERS" BANNED

What the Sherman Antitrust Act of 1890 originally prohibited was "any planned course of common action, understanding, agreement, combination, or conspiracy" in restraint of trade.

This was originally aimed at the trusts. Trust was no figure of speech. It was a legal device of the 1880's, now as obsolete as handlebar mustaches, by which the stock of competing companies was put in a single voting trust, the operators of which could then dictate the policies of an industry, the usual aim being to hold up prices and choke off competition.

These trusts were obliterated and became as obsolete as dodos by the Sherman Act. But they were replaced by such things as the "Gary dinners," where Judge Gary of the United States Steel Corp. would announce what Big Steel's price policy would be, and the representatives of other companies present understood what was to be their policy also—or else.

The Supreme Court long ago ruled out such transparent—though fragile—forms of conspiracy. But it still considered legal the common custom in many industries in which some company usually has price leadership, and competitors usually follow for obvious and aboveboard competitive reasons.

MERE PARALLEL ACTION NOW CONSPIRACY

Now, however, in the Gypsum, Cement, and Rigid Conduit cases the court has indicated that mere parallel action is conspiracy. In fact, in the Rigid Conduit case it found that a company need only know and use the pricing methods of its competitors to be violating the law.

Since the FTC's and the business community's interpretation of competitively matched prices is so diametrically opposite, another change in the law has proved important. Under Anglo-Saxon law if a course of conduct had two possible explanations, one innocent and one guilty, the defendant is innocent. But in antitrust law this is rapidly being changed, and in such a way that only the lawyers seem to have noticed the change.

As an instance, the Clayton and Robinson-Patman Acts forbid certain business conduct whose effect may be substantially to lessen competition. As late of 1945 the Supreme Court was still insisting that the FTC must show a reasonable probability that the conduct it attacked was such. Now, however, in the Morton Salt case the Court finds that all the FTC needs to prove is a reasonable possibility.

The difference here between probability and possibility is fundamental. Even the FTC called this a radical intepretation of the law. It is the same difference as between a judge's instructing a jury that you must find the prisoner innocent unless the evidence is overwhelming and his instructing it that you must find the prisoner guilty if you possibly can.

For the above reasons it is now impossible for anyone familiar with business customs and ethics to know, in reading a report of a firm or trade group found guilty of price fixing and conspiracy to restrain trade, whether this group had actually been guilty of such practices and aims in the commonly accepted meanings of those words or was merely found guilty technically by the new interpretations of the law of doing merely what is normally considered in business both ethical and necessary.

BUSINESS HOBBLED IN THE COURTS

The increasing proportion of nolo contenderes being pled and consent decrees being signed by businessmen in antitrust cases is faintly reminiscent of the confessions in Soviet trials. Striking also, however, is the virtual unanimity with which they afterward say in effect to newspapermen, "The practices of which we are accused are ethical and above board by business standards and have heretofore been thought entirely legal."

Two serious implications are seen.

In the first place, if to consistently match competitor's prices is now illegal, businessmen will continue to be "sitting ducks" for Government prosecutions on a scale limited only by the number of lawyers the FTC and the Antitrust Division can hire. Regardless of what system or lack of system of price quotations is used, competitors cannot do otherwise than (except for the occasions when the price level is changing) match each other's prices.

In a falling market the competitor who fails to cut will lose business; in a rising market the one who fails to go up to "the market" will lose money. The very concept of "the market" implies matched prices.

The reductio ad absurdum of the new Sherman Act view is the new idea being expressed by FTC lawyers that the one road to safety in competition is not to know what your competitors are doing. This, in fact, is implicit in official efforts to break up price systems or commonly understood methods of quoting prices, like basing-point, zone, and other delivered-price systems.

BUSINESS NOW GUILTY OF COMPETITION

And this is the other major implication of the stretching of legal "conspirary" to include prices matched in normal competition. The matching is facilitated by these systems. It is what recommends these systems to businessmen and condemns them to the economic thinkers of FTC and Antitrust. Since the latter have the intellectual inside track with the Supreme Court, these systems will have to go.

The new interpretation will leave business sales departments fumbling in the dark. This will prevent them from conspiring, according to the Government economists, but, according to the businessmen, it will prevent them from competing.

Carried to its logical conclusions, the Government doctrine could be used to ban other aids to easy price reckoning, such as the regular publication of markets by dailies and weeklies. (The FTC has already criticized the American Steel Institute for publishing a convenient list of railroad tariffs on steel.) In fact, the common use of trade terms and of a common currency makes it easier for businessmen to "conspire" to "fix prices"—i. e., to compete. The possibilities in the view of antitrust lawyers are alarming.

Two Great Delusions About the A-Bomb

EXTENSION OF REMARKS

OF

HON. HARLEY M. KILGORE

OF WEST VIRGINIA

IN THE SENATE OF THE UNITED STATES

Wednesday, July 13 (legislative day of Thursday, June 2), 1949

Mr. KILGORE. Mr. President, the July 10, 1949, issue of the New York Times magazine contains an interesting article by Mr. Hanson W. Baldwin, military editor of the Times, who recently completed an extensive tour of service installations, including atomic centers. This article, Two Great Delusions About the A-Bomb, warns the Nation of the consequences of assuming the bomb means security, and that security requires secrecy.

Mr. Baldwin states that "a mental and emotional readjustment is necessary if we are to see the atomic age as an age of challenge and not merely an age of fear."

He tears apart the mistaken idea that security is secrecy, in these words:

Security is bases and things, weapons and research, men and facilities—intangibles as well as tangibles. It is, above all, spirit and morale, and progressive, advanced, and imaginative thinking. Secrecy and the atomic jitters are the enemy of these.

Mr. President, I ask unanimous consent to have this article printed in the Appendix of the RECORD, and I express the hope that every Member of Congress will have an opportunity to read and study it.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

TWO GREAT DELUSIONS ABOUT THE A-BOMB

(By Hanson W. Baldwin)

Americans are suffering these days from a great delusion—a delusion about the atom. We are blinding ourselves with two misconceptions—(1) that the atomic bomb insures complete security, and (2) that secrecy means security.

These fallacious conceptions have spawned many evils. The atomic-energy hearings in Washington, the spy investigations, the loyalty checks, the tendency to confer more power upon Government with less legislative control, the increased emphasis upon secrecy in nearly all fields—all these are symptoms of the atomic jitters.

The American reaction to the atomic age seems today to be compounded of one part self-congratulation upon our technical achievement in producing the bomb, of one part guilt because of the enormity of our accomplishment and our first use of the bomb, of one part fear of the Frankenstein monster we have created, and of one part anxiety lest our secret be purloined.

Our psychological and political disquiet has grown with the fading of our postwar dream of a brave new world, the failure of our international atomic-energy-control plan, and the tension induced by the cold war. Postwar revelations of Communist espionage, added to the public awe concerning the effects of the Hiroshima and Nagasaki bombings, have helped to develop in the public mind the two misconceptions about the decisive value of the bomb to our national security and the importance of secrecy about the bomb.

The first misconception—that the bomb means absolute security—stems from a notion that the bomb is the absolute weapon. The almost mystical awe with which the power of the atomic bomb has been painted by many writers, plus the dread and horror of a new unknown—radioactivity—contributes to this myth.

Bikini, carefully evaluated, should have lifted some of the curtain of mystery. For these tests—and the perspective of time—bring the bomb into proper proportion as a terrible weapon, more than just another bomb, but a finite, not an infinite, weapon. Bikini reduced the emphasis upon the power of a single atomic bomb.

A few bombs, it is clear, would not be enough to defeat a major power. Probably 500 atomic bombs would be required to produce damage equivalent to that done in Germany by conventional bombing during the past war. A well-prepared and large nation might withstand simultaneous or near-simultaneous attack by even 100 atomic bombs without defeat.

Yet the probabilities are—and probabilities are all we can deal with because of the second misconception, that secrecy is security—that the number of bombs in the United States atomic stock pile is small. Rich sources of uranium ore are few and limited; bombs are not made like Ford cars; they are produced by a difficult and lengthy process. The stock pile is too limited, probably, to provide as many bombs as, let us say, the number of major Russian industrial areas.

The atomic bomb, furthermore, is primarily a strategic weapon—an area weapon—best adapted to use against sprawling cities; of much less usefulness against dispersed land armies. The bomb, it is pretty clear, will not alone insure the defense of western Europe; it will not stop the Red Army; and the American frontier today is upon the Rhine.

But even if we had bombs unlimited in numbers—as we may some day have—the day will come when the present importance of the bomb as a deterrent to aggression and a key to strategy will be sharply reduced. When Russia acquires a stock pile of bombs our present atomic advantage will be largely neutralized.

The atomic bomb, moreover, is no proof against thoughts; it will not armor the spirit; nor will it build ramparts against an ideology. Bombs will provide no comfort

to the war-ravaged economy of the world; there can be no guns instead of butter today, if we are talking in terms of real security.

The second great misconception—that of equating absolute secrecy with absolute security—has been developed without its believers stopping to calculate whether or not the "absolutes" which make up this equation could in themselves exist. The facts are that there is not now, and never has been, any such thing as absolute security in any field—military, political, or economic—and that absolute secrecy, if it could exist, could only produce an absolute vacuum. The misconception that secrecy is security is as old as man; whenever it has triumphed, freedom has died—and security has proved illusory.

The vicious circle—that the bomb equals security equals secrecy equals the bomb—may, indeed, have weakened security instead of strengthening it. Partially because of the fetish of secrecy, Congress and the public have virtually abdicated their duties in the atomic-energy program.

The very character of the Atomic Energy Act reflects in some degree the fetish of secrecy. The greatest grant of power in the history of the Republic was given to the Atomic Energy Commission, and yet we hedged the Commission about with all sorts of secrecy restrictions which could not fail to hamper its work.

Secrecy restrictions have prevented the development of satisfactory teamwork with Great Britain and Canada on atomic energy research. Yet we stand to lose by these restrictions, for it was this teamwork and not native American genius alone that produced the bomb. Secrecy restrictions, translated into badly handled loyalty checks, rumor and innuendo campaigns, and smear investigations ad nauseam have deterred many scientists from Government service.

But above all, secrecy restrictions have blindfolded the logical development of military and foreign policy and have eliminated to a major degree the maintenance of any checkrein upon policy. The size of the United States atomic bomb stock pile, our production rate and the amount of uranium ore available are of major importance to the development of sound military, foreign and national policies. Yet, by the secrecy restrictions which Congress itself endorsed, our legislators who are called upon to pass upon policy, and most of our executives who are called upon to formulate and administer policy, have no knowledge of these vital facts.

This ignorance has led us to a dangerous dichotomy between political and military policies. On the one hand our military strategy has been tending more and more toward the one-weapon concept—the concept that a war with Russian could be won by long-range atomic bombing from bases outside Europe, even though little thought has been given as to whether or not the political aim of any war—a more stable peace—would be served by the widespread destructiveness of atomic bombing.

On the other hand our political strategy has established the Atlantic Pact, which has as its fundamental military postulate the defense of western Europe against invasion—not the reconquest of Europe after invasion. The latter—reconquest—might well be served by long-range atomic bombing; the former—defense—could be accomplished only by tactical air power and mobile land power, rather than strategic air power.

These inherent contradictions are the inevitable progeny of ignorance out of fear; we evolve policies with the atomic bomb as the keynote without knowing the size of our atomic stock pile.

How shall we escape from the vicious circle?

There is no simple answer. But Senator McMAHON'S suggestion that a group of responsible legislators, as well as a greater number of executives, ought to be briefed in the basic atomic facts—size of stock pile, rate of production, reserve of uranium—is worthy of serious consideration.

It is time, too, for Congress to reassess the whole atomic energy program and the legislation that frames it. The huge grants of power, with few strings attached, which were bestowed upon the AEC, should be reviewed; it is time for Congress to recapture some of its own authority. Major expenditures by the AEC should receive the specific approval of Congress before they are undertaken.

But Congress cannot assert authority without also exercising responsibility. The watch-dog committee must be one in more than name; if Senators and Representatives on this committee are too busy with their legislative duties to permit proper surveillance, a joint paid staff of much geater size than now exists must be established and maintained on a nonpolitical basis. And above all, the increasing tendency to interpret atomic energy—or, for that matter, national defense—in narrow terms of partisan politics must be reversed; that way lies danger.

Changes in the act itself should be considered, especially liberalization of the present provisions which dangerously dam up the interchange of information among ourselves, Britain and Canada. Publication of basic research papers must be encouraged, not discouraged, and far greater dissemination of atomic energy information must be provided for, so that the veil of ignorance and fear that now clouds our atomic perspective can be torn aside. Better administrative procedures for security and loyalty checks must be established; perhaps several members of the "watchdog committee" should participate in all reviews of doubtful loyalty cases.

But, most important, a mental and emotional readjustment is necessary if we are to see the atomic age as an age of challenge and not merely an age of fear. We must understand that security is not one weapon, it is many. It is not planes alone, not men alone, not ships alone—but all. Security is not only big battalions and not only bombs, but people. It is not only dollars, but ideas.

Security is bases and things, weapons and research, men and facilities—and intangibles as well as tangibles. It is, above all, spirit and morale and progressive, advanced and imaginative thinking. Secrecy and atomic jitters are the enemy of these.

United Air Lines Service at Salem, Oreg.

EXTENSION OF REMARKS

OF

HON. WALTER NORBLAD

OF OREGON

IN THE HOUSE OF REPRESENTATIVES

Monday, July 11, 1949

Mr. NORBLAD. Mr. Speaker, the proposed cancelation of the United Air Lines service at Salem, Oreg., would work a hardship not only on that community but on the surrounding territory. The following editorial from the Capital Journal, of Salem, Oreg., clearly sets forth the effect this change in air lines service would have on both the business and farming people of the area:

SALEM NEEDS AN EXPLANATION

Salem's case to hold United Air Lines service has enough merit to raise questions as to why the capital of Oregon is put on the spot: Will it keep main liner service or will it get feeder line service (West Coast Air Lines) instead?

The Civil Aeronautics Board has asked United to show cause why it should not cut out service to Salem. This is a strange situation, despite the Nation-wide move of the CAB to cut out duplication of air line service so as to pare air-mail subsidies to the lines.

In the case of Salem, however, there is no duplication of service. Furthermore, Salem is the only city on the Pacific coast on United's system that doesn't have another air line also serving the city. There is no feeder-line service already here as there is in the case of Bellingham, Red Bluff and other cities where show-cause orders have been issued.

Since Salem is on the direct air route of United between Portland and San Francisco, there is no deviation from course, so as to be served by the Mainliner outfit. By no stretch of the imagination could it be said to be costly for United to maintain service here under those circumstances. As a matter of fact, United's business has been increasing here year by year, according to local records. And a comparison with other United stations shows Salem doing well for its size and position.

For that matter, Salem should have some say in the CAB hearings. How about the local shippers of perishables who use air freight? The feeder-line system, which has a good record, still does not handle air freight. And if it did, there would be the problem of transfer at points which might force present enterprises using the air-freight system to move elsewhere.

Salem merchants affected by this air freight are florists, bulb growers, turkey and poultry hatcheries, and specialities like mushrooms. These enterprises have spent considerable money and time in developing a tie with air freight fast service. It takes no effort to understand the predicament they would be in if they lost the local United outlet here.

What about State officials, businessmen and others here who need an easy system of air travel? Perhaps a feeder-line is necessary, too, but, if anything, United's service should be augmented instead of curbed. The Capital Journal has repeatedly called for better service out of here.

Under the circumstances, the Civil Aeronautics Board should explain to the people of the city and area why they propose to cut off Mainliner service instead of having United explain why it should remain here. Salem's case stands on its own.

Feasibility of an Additional Crossing of San Francisco Bay

EXTENSION OF REMARKS

OF

HON. RICHARD J. WELCH

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, July 13, 1949

Mr. WELCH of California. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following letter of Hon. Louis Johnson, Secretary of Defense, and a statement by Rear Adm. John J. Manning:

THE SECRETARY OF DEFENSE,
Washington, June 16, 1949.

Hon. CARL VINSON,
Chairman, Committee on Armed Services, House of Representatives.

MY DEAR MR. CHAIRMAN: The views of the National Military Establishment with respect

to H. R. 4079 have been requested by your committee.

The Army, the Navy, and the Secretary of Defense are all on record in favor of what has come to be known as the "southern crossing" of San Francisco Bay, as the preferred location from the military viewpoint.

In view of our position in favor of the southern crossing, we recommend against the enactment of H. R. 4079.

A copy of an earlier letter on this subject, addressed to the mayor of San Francisco, is attached.

The Bureau of the Budget has been consulted and advises that, while there is no objection to the submission of this report, the expression for the preference of the southern crossing should not be construed as an indication that the National Military Establishment would support a request for Federal funds to assist in construction should that route be finally decided upon.

With kindest regards, I am,

Sincerely yours,

LOUIS JOHNSON.

My name is John J. Manning, rear admiral, CEC, United States Navy, Chief of the Bureau of Yards and Docks, Navy Department, which Bureau has cognizance of all Navy real-estate matters.

Pursuant to House Resolution 529, Seventy-ninth Congress, a Joint Army-Navy Board was appointed in 1946 to determine the need and feasibility for an additional crossing of San Francisco Bay. This Board concluded, which conclusion was approved by the Secretary of the Army and the Secretary of the Navy, that as regards the national defense a second crossing of San Francisco Bay was not imperative. It was recommended that if a second crossing were to be provided it should extend from the foot of Army Street in San Francisco to the vicinity of Fifth Street in Alameda.

The National Military Establishment still is of the opinion that the location recommended by the Board referred to as the southern crossing is the more desirable.

Not being required for national defense, the problem becomes one for local determination. If the will of the local people determines on a parallel crossing the Navy Department could interpose no objection to the granting of an easement across Yerba Buena Island for the accommodation of a parallel to the present crossing, providing all existing Navy facilities, destroyed or disturbed incident to the granting of this easement and subsequent construction on the easement, be restored to their full and present capacity and usability.

Teachers' Choice

EXTENSION OF REMARKS

OF

HON. JOE L. EVINS

OF TENNESSEE

IN THE HOUSE OF REPRESENTATIVES

Wednesday, July 13, 1949

Mr. EVINS. Mr. Speaker, at the recent convention of the National Education Association the members of that great organization saw fit to elect as their president a most distinguished educator, Dr. Andrew D. Holt, of Tennessee.

Dr. Holt is a teacher's teacher, who has served as a rural country school teacher and as a college professor. For several years he was president of the Tennessee Education Association and has ever been the champion of the cause of the advancement of education in Tennessee and the South. This latest honor which has come to him merely broadens his field of distinguished service. The National Education Association is to be congratulated upon its choice of Dr. Holt, a strong, dynamic person—able and farsighted. It is an honor which he has truly merited.

In this connection, Mr. Speaker, I include with my remarks a copy of an editorial which appeared on Monday last in the Nashville Tennessean, and which pays deserved attention to Dr. Holt's abilities and the critical job which lies ahead for him and the field of education.

The editorial is as follows:

TEACHERS' CHOICE

Election of Dr. Andrew D. Holt to the presidency of the National Education Association will give the public school teachers of the country a quality of leadership they greatly need during the year ahead.

His top assignment for the year will be to pilot through a Congress, which has had great difficulty mustering a majority to agree on any progressive measure, the Federal aid to education bill. The bill, at the top of NEA's legislative agenda for two sessions of Congress, has thus far been stalled by a coalition of States righters, economy advocates, and Congressmen with religious objections.

Dr. Holt has proven himself a master of legislative strategy before the general assembly of his home State, where he has ably served the Tennessee Education Association and the cause of public education for many years. If any man can smooth aside congressional objections to the Federal aid bill, he is that man.

During his year in the NEA presidency Dr. Holt also will be required to steer the course of the association through perplexing problems of race on which no clear policies were fixed by the convention that elected him. The sound thinking and tactful, but realistic, approach to social problems for which he is widely known at home will stand him in good stead in such matters.

Those interested in improved standards for public education in Tennessee will miss his resourceful and energetic leadership for the year, but they will surrender him unselfishly to a wider field of service and will wish him good luck.

The Spending Panacea

EXTENSION OF REMARKS

OF

HON. ANGIER L. GOODWIN

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, July 13, 1949

Mr. GOODWIN. Mr. Speaker, under leave to extend my remarks, I include the following editorial from the Boston Herald of July 12, 1949:

THE SPENDING PANACEA

President Truman yesterday committed the United States to a major change of economic course, a change which may rank as the greatest blunder of his administration. He established the principle of deficit financing in peacetime during a relatively high, though ebbing, prosperity.

Government spending, he says, can't be stopped now. It wasn't stopped during the inflationary boom. When, in the name of economic common sense, can it be stopped?

"When I submitted my budget for the fiscal year 1950 last January, the programs of expenditure that I then recommended were held to a minimum consistent with our basic needs in view of the inflationary strain upon materials and manpower then prevailing," the President said. "Now that this strain has been removed, it would be inconsistent with sound fiscal policy and common sense to make these programs smaller." Wherein he repeats the dictum of his economic advisers that "Government outlays have operated in the main as a salutary sustaining force, and the slashing of such expenditures at this time would aggravate deflationary trends."

The President does withdraw his demands for a $4,000,000,000 tax increase, which is well. But if spending must go on unabated, we face mounting deficits, higher than the $1,811,000,000 we ended fiscal 1949 on.

And this red-ink financing is occurring not in a depression, but at a time when civilian employment stands at 59.6 million and the gross national product of the Nation is up around $254,000,000,000, higher than any year except 1948. Indeed the President himself states that "our economy is still operating at high levels of employment and production."

This is a revelation of the President's philosophy. When the country is prosperous, let the government spend because it has the money. When prosperity ebbs a little, keep on spending to restore prosperity. And, we may presume, if prosperity slips still further, spend still more. Spending, it seems, is good for everything.

For 16 consecutive years, from 1931 through 1946, we had annual deficits, adding a quarter of a trillion (yes, trillion) dollars to the national debt. Then, however, we were first attempting to spend our way out of a depression and later fighting a war. We are now setting off on the assumption that anything less than inflation demands deficit spending.

The use of large public funds for a useful works program during the real depression might restore the economy. But only if Federal spending has been at a reasonably low level previously.

If President Truman is called upon to contend with a real depression, his emergency spending will have to be piled on top of a Federal budget of over $40,000,000,000 and a high tax level that has already largely dried up the revenue sources on which local and State governments can undertake public works. And during the last depression the local and State governments stopped spending faster than the Federal Government increased spending, so that the program was getting nowhere.

Senator BYRD the other day said Congress must soon make the fateful decision whether to retrench drastically, impose staggering new taxes or embrace deficit spending again. New taxes, he felt, as the President does now, would be unwise. Deficit spending he declared to be the road to certain ruin. The only course left was to reduce expenditures.

The "fateful decision" that Mr. Truman made yesterday was to embark the Nation on a course of deficit spending, the end of which no man can see.

The George Rogers Clark Memorial Bridge

EXTENSION OF REMARKS
OF
HON. GARRETT L. WITHERS
OF KENTUCKY

IN THE SENATE OF THE UNITED STATES

Wednesday, July 13 (legislative day of Thursday, June 2), 1949

Mr. WITHERS. Mr. President, I ask unanimous consent to insert in the Appendix of the RECORD an article by Maurice H. Thatcher, former Member of the House of Representatives from Kentucky, which was published in the Filson Club History Quarterly. Mr. Thatcher relates the story of the George Rogers Clark Memorial Bridge and tells something about the pioneer for whom it was named.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

THE GEORGE ROGERS CLARK MEMORIAL BRIDGE

(By Maurice H. Thatcher, Washington, D. C.)

At long last, within the city of Louisville and the Louisville region, there has been brought about a formal recognition of substantial character of the magnificent services of the city's founder, Kentucky's preserver, and the hero of the illustrious conquest of the Northwest Territory during the period of the American Revolution. Through the official action, on January 17, 1949, of Hon. GARRETT L. WITHERS, then State Highway Commissioner for Kentucky, now United States Senator, the new municipal bridge, spanning the Ohio River, and connecting the cities of Louisville, Ky., and Jeffersonville, Ind., was officially named the George Rogers Clark Memorial Bridge.

The reasons justifying this action, and accepted by the State highway commissioner, were many and altogether convincing. There had been several names proposed for the bridge, which were all worthy and given careful consideration. In behalf of the Clark proposal, some of the reasons considered were: his founding of Louisville; his identification with and residence in the Louisville, Jeffersonville, and Clarksville communities; his utilization of the Louisville site as the base of operations for his great campaigns waged in the Northwest conquest; and the inadequacy, through the years that have elapsed since his death, of any appropriate recognition by Louisville and Kentucky of his outstanding military exploits which, by eminent historians, are appraised as being second only to those of Washington himself in value to the Republic during the founding period. These considerations, it may be said, together with the further one that the Clark name has a secure and ever-enduring historical standing and is possessed of national and international significance, were of sufficient weight to influence Commissioner WITHERS in arriving at his decision. No informed man or woman—from any part of the Nation, however remote—in driving across this beautiful bridge, and reading the suspended inscription, George Rogers Clark Memorial Bridge, will fail to understand the meaning and significance thus involved. No contemporary name, of whatsoever merit, could be as widely understood and acclaimed as that bestowed by Commissioner WITHERS, and he is entitled to the highest praise for the wisdom of his action, which was reached only after the fullest and fairest study of all the arguments and factors involved.

These were the effective arguments presented through the press and to Commissioner WITHERS by proponents for the Clark name, among whom were the Louisville Courier-Journal and Times, the Filson Club, the Clark County Historical Society, and the board of trade of Jeffersonville, and other organizations and public-spirited citizens of Louisville and southern Indiana, including Lucien Beckner, Louis R. Faulkner, Miss Mary Verhoeff, Gustave A. Breaux, Joseph M. Hayse, D. B. G. Rose, John H. Chandler, and others of Louisville, who were fully familiar with the Clark history and the bridge story.

The idea of such a highway link across the Ohio River at Louisville had long been in the minds and hearts of the people of Louisville and southern Indiana. Exactly where and when it began, it is hard to determine. Undoubtedly, a vital seed was planted by the late Judge Robert Worth Bingham in an address before the Louisville Board of Trade at its New Year's reception, January 1, 1919. In February 1920, the Jeffersonville Rotary Club appointed Wilmer T. Fox chairman of its bridge committee and adopted a resolution calling attention to the need for a highway bridge between Louisville and Jeffersonville. In May 1920, Joseph Burge, president of the Louisville Board of Trade, appointed a bridge committee, headed by David B. G. Rose, to study the need for such a bridge, then referred to by Mr. Fox as the proposed wagon bridge across the Ohio River. In 1922, while Huston Quin was mayor of Louisville, a survey of the question of such a bridge was proposed by Alderman George W. Stege. Then followed action in 1923 by the Louisville Board of Trade in the appointment of a new committee, headed by Frederic M. Sackett, afterwards United States Senator for Kentucky, to make a study of the question. Mr. Sackett expended, personally, a considerable sum in the study. In September 1923, the Louisville Real Estate Board proposed a similar committee. In that month, Mayor Quin received two proposals for the building of the bridge. In the following month, the Louisville Board of Trade offered plans for the bridge; and this step, in turn, was followed by the mayor's recommendation urging specific action. These proposals involved the question of the issuance of bonds to finance the construction of the bridge and presented the issue of free bridge or toll bridge, which question and issue were debated during the following years.

It should be noted that under the constitution of Kentucky, a city of the first class, such as Louisville, cannot issue bonds based upon the faith and credit of the city unless issuance is authorized by a two-thirds majority of the votes cast in an election held for that purpose. And it should be further noted that before a bridge is built across a navigable stream in the United States, the consent of Congress must be secured; and Congress may prescribe the conditions of construction and operation, including provisions as to the tolls that may be charged.

In 1924, Mayor Quin created a bridge committee, headed by William Black, as chairman. Other members were: R. E. Filson, Alex E. Johnson, George W. Hubley, and Maj. W. H. McAlpine, of Louisville; and Wilmer T. Fox, W. Y. Fillebrown, Col. John R. R. Hannay, and Charles T. Hertzsch, of Jeffersonville. In November 1925, this committee reported in favor of a four-lane highway bridge, with the Louisville approach at some point between Third and Twelfth Streets. In January 1926, Mayor Arthur A. Will continued the "Mayor's Bridge Committee," with the same members appointed by Mayor Quin.

The matter having reached this stage, it was thought that a bond issue would have to be voted upon to provide funds for the building of the bridge. Accordingly, at the behest of the Louisville officials, the Kentucky Legislature, by act of March 20, 1926, authorized the appointment of a permanent bridge commission and the construction of a bridge across the Ohio River with a bond issue to be voted on therefor. Under the authority of this act, Mayor Will appointed as members of the commission, William Black, chairman, George M. Eady, Fred Forcht, and William Heyburn, with George W. Hubley as acting secretary.

In addition to the authority given by the Kentucky Legislature it was necessary, as noted above, to get authority from Congress. Accordingly, at the request of the officials of Louisville, I, as the representative of the Louisville and Jefferson County District in Congress, introduced in the House of Representatives a bill giving the consent of Congress to the construction of such a bridge to be begun within 1 year from date of enactment, with the power to impose tolls, over a period of 30 years from the date of completion, to defray the cost of maintaining, repairing and operating the bridge, and to provide a sinking fund to amortize the cost of construction. Through my efforts in the House, and with the cooperation of Senator Sackett in the Senate, the bill became a law April 2, 1926.

At the following November election of 1926, a bond issue proposal in the amount of $5,000,000, for the purpose of constructing a bridge across the Ohio River to be operated free of tolls, was submitted to the voters of Louisville. The proposal failed.

The city officials desiring to make another try of the bridge issue proposal, I introduced in Congress a measure extending the date of beginning construction, as provided in the act of April 2, 1926, 1 year and the date of completion of the bridge 3 years. This measure, again with Senator Sackett's aid and cooperation, was enacted, and approved by the President on March 3, 1927.

At the following November election of 1927, the citizens of Louisville voted a second time on a $5,000,000 bond issue based on a proposed collection of tolls, over a period of 30 years from completion of the bridge, sufficient to cover the cost of construction. At the end of that period the bridge was to be free. This bond issue proposal also failed.

Thus it became necessary to handle the bridge situation in such a way as to obviate the necessity of a bond issue approval by the voters.

During Mayor Will's incumbency, the suggestion was made by certain investment interests that the funds necessary for the construction of the bridge might be loaned to the city if the net tolls from the bridge might be pledged for the repaying of the loan. When William B. Harrison became mayor of Louisville, remembering the experiences of the defeated bond issues and having before him the offer of investment brokers to loan the city funds for building the bridge, based alone on the net earnings of the structure, he approved the idea of such a loan provided the necessary enabling legislation could be had. At the New Year's reception of the Louisville Board of Trade, January 1, 1928, he made an announcement to this effect.

Then it was that I, at the request of the city and the investment bankers who expected to make the loan to the city, introduced in Congress and pressed for enactment the necessary enabling measure authorizing the city, or any board of commissioners duly created for the purpose, to construct across the Ohio River to the Indiana shore a highway bridge; and providing for the fixing of tolls sufficient to care for operation and maintenance and the amortization of the

cost of the bridge, with interest charges, etc., over a period of 20 years. At the end of that period the bridge should be toll-free except to the extent that tolls would be required to operate and maintain the structure. The bill was referred to the House Committee on Interstate and Foreign Commerce. I urged a favorable report on the measure, and was aided by representations of the investment bankers who declared their willingness to make the required loan to the city of Louisville based alone on bonds of the city to be paid by net income from the operation of the bridge. The whole plan was novel but the committee saw the wisdom of such municipal bridge financing and gave its approval to the bill. The House passed the bill. It was later accepted and passed by the Senate, and became a law by Presidential approval January 25, 1923.

Also the Kentucky Legislature for 1928 passed an act, approved by Governor Sampson, February 16, 1928, creating a Louisville Bridge Commission and authorizing the construction of a bridge connecting Louisville with Indiana to be financed by revenue bonds. This bill was known as the Perry Act. It was introduced in the senate by Senator William A. Perry and in the house of representatives by Charles Ryan, at the request of Mayor Harrison, and its passage was due largely to their efforts.

Under the enabling acts of Congress and the Kentucky Legislature, the Louisville Bridge Commission undertook the construction of the bridge. The provisions of these measures were of sufficient breadth to permit its construction under the indicated terms. Accordingly, the city borrowed $5,000,000 from the investment bankers, Stranahan, Harris & Otis, of Toledo, Ohio, at 4½ percent interest, with the revenue bonds of the city given therefor with net tolls as a basis of security.

On the completion of the bridge, at a cost of about $4,821,000, it was formally dedicated on October 31, 1929, and thrown open to public use.

In the meantime, on March 11, 1929, due to efforts of Froman M. Coots, of the Jeffersonville Chamber of Commerce and D. B. G. Rose, president of the Louisville Board of Trade, the Legislature of Indiana, by act approved by Gov. Harry G. Leslie, exempted from taxation the real and personal property of the bridge located in Indiana. Thus the State of Indiana made its effective contribution to the bridge enterprise, as did the city of Jeffersonville.

In addition to those already mentioned who served as chairmen on the mayor's bridge committees and the Louisville Bridge Commission, appointed at various times, were George O. Boomer, William Black, David R. Castleman, and McKay Reed. At the time the bridge was freed—November 1, 1946—the members of the bridge commission were McKay Reed, chairman, Richard W. Hardesty, T. V. Hartnett, and Lew Ullrich.

It was exactly 17 years after the bridge was completed and open to traffic that all the bridge bonds were paid and the bridge was freed. Appropriate ceremonies on October 31 and November 1, 1946, marked the freeing of the bridge and its transfer by the city of Louisville to the Commonwealth of Kentucky. The printed program for these dedication ceremonies contains the following:

"October 31, 1929: Bridge dedicated with great throng present; free to pedestrians that day, to motorists the following day. Speakers at the dedication: Kentucky United States Senator Frederick M. Sackett; Kentucky Gov. Flem D. Sampson; Indiana Lt. Gov. Edgar Bush; Louisville Congressman Maurice H. Thatcher; Indiana Congressman James Dunbar; Louisville Mayor William B. Harrison; Jeffersonville Mayor Harry Poindexter; Louisville Bridge Commission Chairman William Black; Louisville Board of Trade President D. B. G. Rose. The Reverend W. N. Briney offers an invocation and Helen West, daughter of the bridge commission secretary, Edward H. West, cuts ribbon signalizing beginning of service."

When the bridge was transferred to the State it became a part of the Kentucky highway and bridge system, to be maintained and operated by Kentucky free from tolls.

Space does not permit the naming of various others—officials, organizations, and citizens—who made fine and effective contributions to the success of the bridge enterprise. The fact that so many thus served the bridge cause made it difficult to select a single contemporaneous name for the bridge.

It may be truly said of this great highway span across La Belle Riviere that many there were who did their indispensable bits in bringing to success this splendid and long-cherished dream. In the final memorial treatment of the subject, it is to be hoped that due recognition may be given all.

To complete the appropriate memorialization of General Clark at Louisville, there should be erected there, at or near the south approach to the bridge, a large statue of heroic proportions, vital in its poise and posture; and, as I would like to see, with sword pointed to the great Northwest which his valor and statesmanship brought into the American Union. I believe that Congress may look favorably on a measure providing for the execution and erection of such a statue, and it and the great bridge bearing Clark's name, would prove inspirational, in a high degree, to the millions who will cross this structure through the years to come. Such bill should provide that the National Commission of Fine Arts approve the statue, thus assuring that it will be a work of art. I have discussed the subject with Senator WITHERS, and he approves the suggestion for the statue, and has indicated his willingness to introduce and press for enactment a bill so providing. To aid in this proposal, as well as to arrange for full and adequate recognition of the work of the individuals and organizations who have contributed to the success of the bridge enterprise, it is suggested that the State and city officials appoint an appropriate committee. The time is ripe for such action and it should not be delayed.

Tax Break—Maybe

EXTENSION OF REMARKS
OF
HON. ANGIER L. GOODWIN
OF MASSACHUSETTS
IN THE HOUSE OF REPRESENTATIVES
Wednesday, July 13, 1949

Mr. GOODWIN. Mr. Speaker, under leave to extend my remarks, I append an editorial from the Medford (Mass.) Mercury of July 8, 1949:

TAX BREAK—MAYBE

Hundreds of millions of dollars in excise taxes paid by American consumers may well be kicked out the window if current moves in both branches of the United States Congress materialize.

Plan is to reduce those nuisance taxes which apply on theater tickets, furs, luggage, cosmetics, transportation fares, and telephone and telegraph usage. The public has been yelling for relief of these taxes in full; Congress is talking in terms only of reducing them. At any rate, if the movements carry through, and even survive a potential Presidential veto, your cost of living and mine will be reduced.

Everyone knows that taxes on many cosmetics are not taxes on cosmetics at all, but taxes on household and health necessaries. Transportation taxes and communications taxes fall readily into the same category. All of them were put over as wartime emergency measures, but like so many temporary and emergency taxes, once they get on the books it's almost impossible to get them off.

How effectively Congress follows through on what it has started will be watched with eagerness by millions of Americans, who would like, for a change, to get more for their dollar than they are now receiving when they pay for telephone service and all the other items now taxed at fantastically high rates.

The Women of America Are No Longer Bound by the Four Walls of Their Homes—They Now Are Taking Their Place of Responsibility, Seeking To Better the Government Under Which All Live

EXTENSION OF REMARKS
OF
HON. CECIL M. HARDEN
OF INDIANA
IN THE HOUSE OF REPRESENTATIVES
Wednesday, July 13, 1949

Mrs. HARDEN. Mr. Speaker, I have just come upon a truly enlightening and thought-provoking article by the Honorable FRANCES P. BOLTON entitled "Women in American Politics."

The article is most timely inasmuch as Congressman BOLTON traces women's activities in politics from the early days of the suffrage movement—and it was just a century ago that in the little town of Seneca Falls, N. Y., a group of women initiated the women's rights movement.

Mrs. BOLTON tells, among other things, of the part that women played in the long, hard struggle to enact effective child-labor laws, fair labor practices, and especially so with respect to minimum wage, hours of labor, social security, industrial and occupational diseases, and the sanitary and other conditions attending their employment.

Pointing out their many accomplishments, Mrs. BOLTON goes on to say that—

They are all monuments to those ever more potent and increasing groups of indefatigable and determined women who for the last 30 years have put their shoulders to the wheel in order to build the standard of living we enjoy, and which today the world acclaims as the American way of life.

Mr. Speaker, it was truly an inspiring statement written by one of America's greatest women, and certainly one of the most able and capable Members that ever sat in our Nation's Congress.

I want every Member of this House to have an opportunity to read the frank, candid, and nonpartisan statement about the part that women have played, and are continuing to play, in American politics.

It is because of that desire that I am including as part of my remarks the article by the Honorable FRANCES P. BOLTON, as published in the Pi Lambda Theta Journal entitled "The Place of Women in American Politics."

THE PLACE OF WOMEN IN AMERICAN POLITICS

(By FRANCES P. BOLTON)

In traveling, at home and abroad, I have frequently been asked: "Just what is woman's place in the field of politics?" At times it has been asked even more challengingly and abruptly: "What have been their achievements?" or even more abruptly still, "Just what have you American women done in politics?"

There are many—men as well as women—who continue to contend that the entry of women into the political world has not brought about a single change or benefit to more economic or better government.

It has been with long and deep interest that I observed the economic, sociological, educational, and other advancements that followed the enfranchisement of women during the past three decades. Moreover, I have availed myself of the opportunity of making these observations with respect to vastly differing people—and in various countries.

It is my studied finding that the degree of social, as well as all other, advancements that directly followed that enfranchisement, have been largely local in character, although the many benefits which have accrued are now indelibly stamped upon each nation.

The 1948 election returns substantiate the fact that in some parts of the United States but a very small percentage of our women avail themselves of the franchise. Percentagewise, the vast majority who do vote are found in the great metropolitan areas, with diminishing percentages in the "rurban," and a still smaller, even negligible, percentage in the rural areas of our country. In general, women of the South take far less interest in the local, State, or national issues than do women in the North.

Unfortunately, woman's vote has done far less to better civic government in city life than in the less densely populated areas. On the other hand, the benefits that inured to city dwellers have been inestimable.

It can, in truth, be said that the enfranchisement of women where political machines are in operation has been a deterrent to good government, and moreover has held back social progress in all areas in which machine politics are dominant.

In the great metropolitan city, cities such as New York, Memphis, and Chicago, politics have long been organized on a scale whereby only local, county, city, or even State jobholders are designated to act as precinct captains. To the precinct captain is given the task of specifically delivering to the polls every last supporter who will vote for the machine candidate—regardless of the issues. In fact, in the larger cities this political subdivision finds the city-hall clerk, a fireman, a policeman, an employee of the municipal highway system, or some other municipal employee, exclusively designed to act and serve as "block captain." It has been his historic and continuing duty under machine rule to provide the political headquarters not alone with the name of every man and woman eligible to enroll in the primary—or otherwise to be registered—but to bring to the polls in person every man eligible to vote. In addition thereto he has been charged with responsibility to cultivate the friendship of all "boys" in his block—to know their ages and to see that they, too, became enrolled as voters immediately upon reaching the legal voting age.

Moreover, it was his duty to know all foreign-born residents; see that they got their first-citizenship papers; follow up and attend to their naturalization; see that subsequently they registered and voted the machine ticket. Upon his ability to get out this vote, either in his block or in his precinct, depended the tenure both of his political appointment and subsequent advance in grades and in pay.

The records established under this system make it possible in every city, county, State, and even in national elections, for the bosses of the dominant political party to forecast, within a very small percentage, the total that could and would be delivered by the machine. Under this system the block captains, the precinct captains, and the ward heelers—regardless of climate or other conditions—would "get out the vote"—snow, rain, or hail. Too often we have heard it said that this is either good or bad Democratic or Republican weather. When the ballots were counted, and all names checked off the polling list, these hirelings could count upon losing their jobs if they had failed to "get out the potential vote in their bailiwicks."

It is indeed a sad commentary on the history of American politics that with the coming of the enfranchisement of women an active block captain or precinct worker in thousands of instances was actually enabled practically to double the majority that he delivered to his local political bosses and machine.

The records in innumerable instances support the fact indisputably that, under organized machine rule, as the male member of the family voted, so did his wife. The first principle of organized machine rule is to insure that every individual on the pay roll of the municipality, the county, or the State, votes at every election. Subsequent to the time when women got the vote, not alone did the officeholder himself have to register, work for, and vote the machine ticket, but his bosses insisted, and the block captain was there to insure the fact, that every man and every woman of his family—mother, sisters, relatives, and friends—were brought to the polls under the high pressures exerted through machine practices to insure the continuation in office of that particular employee.

Racial, nationalistic, and foreign-language-speaking groups, headed by men as well as women officeholding leaders, were active in every campaign. They made sure that every last woman in their particular sphere was enrolled and brought to the polls to roll up a big majority for the machine. The voting lists at each polling place were checked each hour on election day, and as the hour for the closing of the polls approached, "runners" were sent out to bring in such as had not already voted.

To the shame of our electoral system, the election returns in many municipalities too often disclosed the fact that under the power of machine politics, many men, as well as women, were legally voted at the polls even though they did not present themselves in person to exercise the franchise—and in many instances were not legal voters. Witness the recent disclosures of the nefarious election frauds in Kansas City, disclosures which rocked the Nation from coast to coast.

It is an indisputable fact that these practices were inflicted upon the political economy of the United States in a large measure because many women felt that "the place of women is in the home"; or they preferred to "let the menfolk do the voting"; or they thought that the "smoke-filled room" atmosphere was no place for ladies. Thus, women were unwittingly surrendering their rights and the inestimable benefits that would accrue to their children, and their children's children, rather than accept the responsibility of citizenship under the evils of such a system.

But fortunately for America, not all women were to be thus bounded by the four walls of their homes. All the while these conditions obtained, a daring, courageous, vocal minority of women kept pounding the pavements, pulling the doorbells, speaking to small literary luncheons and sewing circles, urging upon their fellow women that they stand in line with the men in excercising their franchise, seeking to better the Government under which we all live.

The establishment of civil service and other reforms has done much to abate the evils of the patronage system, with its ever-attending pay-roll evils. The disappearance from election headquarters of the high pressure minority racial and nationalistic groups and leaders, who politically exploited their peoples, gave first evidence to the political leaders in America that women, and the women's movement, were at last coming into their own.

How happy many of us women are for the parts, large and small, we have been permitted to play in the long, hard struggle to enact child-labor laws and fair-labor practices, especially with respect to hours of labor, industrial and occupational diseases, and conditions of the workers attending their employment.

Even in the days of the War Between the States, in the midst of slavery, there was a growing consciousness of the evils of child labor, but a significant milestone in the long struggle was the enactment, in 1916, by our National Congress, of the first Federal child-labor law.

What, in the essence, was the extent of child labor in many parts of our country, in sweatshops, in tenements and industrial homes, in street trades, and in agricultural pursuits? Even as late as the second decade of this century, over a million girls and boys, thousands of whom were but 6 or 7 years of age, were exploited as colony labor in the mines, the textile and other mills of our country. It was not an uncommon thing for a father to sell for a stipulated weekly sum his brood of little children to work as cotton pickers at so much money per week, to be delivered to him each week end. The only contribution the father made was to see that his children—ah, yes, and sometimes his wife—were in the mills or fields each sunup.

The first Federal law achieved little. All it did was to prohibit the sale of the products of child labor that were shipped across State lines. To our shame be it said that many States actually resisted the enactment of laws forbidding the employment of children under 14 years of age. But, little by little, there has been acceptance of the principle behind the Federal law, that children in their growing years must be protected from exploitation.

The United States Department of Labor's Publication No. 197, "Child Labor Facts and Figures," reports:

"In 1900 * * * nearly 800,000 children aged 10 to 13 years, inclusive, were employed. Between 1900 and 1910 the number of such workers increased by more than 100,000. In 1920 it fell off, and was reduced still further in 1930."

It is interesting that this decrease occurred during the first 10 years of woman suffrage and in spite of the fact that in 1918 the Supreme Court of the United States had declared the first child labor law to be unconstitutional.

But the sweat and toil of the innocent children continued to be exploited within the States themselves until various decisions by the courts and general enlightenment throughout the country finally culminated in the child-labor provisions of the Fair Labor Standards Act of 1938. Today, the products of child labor are declared to be subject to interstate law if the raw materials, the fuel, or the transportation of the raw materials

were necessary to the processing and production of the finished products of child labor.

The entrance of women into industrial life in mills and factories was fraught with many dangers and hedged about with difficulties. Besides the hazards of certain occupations, working conditions themselves were unpleasant and many times exceedingly bad. The enfranchisement of women gave fresh impetus to efforts to correct these conditions and carry on the good work accomplished by such pioneer groups as the National Women's Trade Union League, organized at the turn of the century. Once women had the vote, constructive action was inevitable. Among the far-reaching improvements of this period was that of forbidding the gainful employment of minors under conditions which subjected them to immoral influences.

Prior to the enfranchisement of women nationally, concerted efforts were made to abate commercial traffic in white slavery. Here again, small but courageous groups of women by constant, persistent, and concerted action influenced State and Federal officials and responsible party leaders. This resulted in the enactment of a Federal statute banning interstate traffic in commercialized vice. While the Federal statute cannot reach the traffic within the individual States, it was the first real step forward and has done much to bring about State legislation attacking the problem at its very roots. It rests upon us all to continue this attack with unflagging effort within the separate States.

It was not a simple thing for women to find ways through which they could make themselves felt in political life. Very wisely the first efforts were within the neighborhood, the community level, which, after all, is but an extension of the home. Here organized action programs were instituted. These were followed by the establishment of national women's organizations. Through never-ending labor, women have succeeded in establishing throughout the Nation, groups, small and large, which are keenly alive to the need for women's influence in all areas of living. Quite naturally, these groups soon found themselves contending with the problems of local, State, and National Government. These national organizations so proved their value that the major political parties organized what today are the Republican and Democratic Party women's organizations.

Notable among the early national organizations, whose influences have been far reaching, are the Daughters of the American Revolution, General Federation of Women's Clubs, National Council of Jewish Women, United Daughters of the Confederacy, the original National Association of Colored Women, American Pen Woman, the National Congress of Parents and Teachers, American Nurses Association, and the YWCA—to name but a few. Equally notable, but coming some 20 or 30 years later, are the National Woman's Party, the Federated Business and Professional Women's Clubs, the Women's Service Clubs, such as Altrusa, Zonta, and Soroptimists, Women's Farm and Garden Association, and the sodalities, whose consecrated purpose is to preserve the sanctity of the home. In 1920, upon the achievement of suffrage, the League of Women Voters was organized to instruct women in political procedures and to point up the issues. All of these, and many more, have done yeoman service to bring to women not only opportunities but a very real sense of their responsibilities.

American women have become a definite part of the political as well as the economic life of the Nation—as wives and mothers, as workers and citizens. Women are found today in a variety of gainful employment, in every type of industry. Women are everywhere filling positions of importance in commerce and trade in the applied and liberal arts. They sit among the judges; they play a vital part in medicine and surgery. They are enrolled among our scientists and our doctors of divinity. Only in politics do they seem to lag behind.

I wish that space permitted me to give you my recent impressions of the tremendous impact that women have made upon the countries of Europe; particularly has their contribution been great during and since the war years. The upsurge of the women of the Near East, as they begin to assume responsibility for the future, left a deep impression upon me when I traveled there in 1947. We read daily of what the women of Asia are doing with respect to improving the educational, hygienic, social, and economic conditions in those far-flung countries.

Out of the misery and travail which had long been Mother India has come the liberation of women. It stands in that great Orient, a "pillar of cloud by day and of fire by night," pointing the way to a newer, finer, happier, more healthful, and richer life for 400,000,000 people in that vast country. In India, today, there are 53 women members of central and provincial legislatures, in a government barely 2 years old. Contrast that number with our own country, where but nine women sit in the National Congress, eight in the House of Representatives and but one in the Senate—that lone woman being the first to be elected to the Senate without having first been appointed to fill a vacancy created by the death of her husband.

This brief glimpse of the women of other lands suggests that we must not rest; there is still too much to do. True, we can take heart from the accomplishments of recent years. Our aged, our indigent, our maimed, and our sick, our veterans and our large army of workers today find themselves, in the sunset years of their lives, better able to meet the burden of life because of the beneficent influence of men and women in the social fields of this country. The poorhouses, almshouses, pesthouses, that dotted our country not many years ago are to most of us no more than a memory.

We can take heart from the elimination of sweatshops in the cities, from the pleasanter and safer working conditions in our factories, from the tremendous advances in the open attack upon venereal disease and its social causes, all monuments to those ever more potent and increasing groups of indefatigable and determined women who for the last 30 years have put their shoulders to the wheel in order to build the standard of living we enjoy and which today the world acclaims as the American way of life.

But we women are realists. We know that unsolved problems in social and other fields are growing apace for want of our energies and our inspiration. I am thinking of the conditions in many of our mental institutions which continue to throw a dark shadow across our land. I am thinking of the intolerance and discrimination which still stalk abroad in our wonderful America. Most serious of all the problems which face our country today is one peculiar to this age of increasing speed, of liberty amounting, too often, to license. It is a problem, the solution for which we women must assume a major responsibility.

We have done much to stop child labor, but what of our children?

Ask that brilliant, dynamic, heartful young Administrator of the Federal Bureau of Investigation, as I have done, about juvenile delinquency and listen as he gives you arguments you cannot dispute—that it is not our children who are to blame. Only recently, Edgar Hoover said to me:

"Congressman, the family is the first great 'training school' in behavior or misbehavior * * * the problem of juvenile delinquency must be solved in the home."

Yes, State and Federal laws, important though they be, are not enough. His statement should present a challenge to all women—in and out of politics. We women know that in the hands of woman is the power, in her heart the motive force, to maintain and sustain our homes. We women know that children learn most by absorption of what goes on around them. Therefore, we know that to the problem of juvenile delinquency must be addressed the talents not alone of parents but of teachers and instructors, of script writers for radio and television, of comic-strip artists and the producers of moving pictures. All of these, and many other special talents, must be brought to bear upon that problem which is of such major importance to every last one of us. For are not the youth of today the America of tomorrow?

American women have never yet failed to measure up to their responsibilities when they knew what they faced. Surely they will not fail now.

Americans Are Lucky

EXTENSION OF REMARKS
OF
HON. ROY O. WOODRUFF
OF MICHIGAN
IN THE HOUSE OF REPRESENTATIVES

Wednesday, July 13, 1949

Mr. WOODRUFF. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following article by Charles Erwin Wilson, from American magazine:

AMERICANS ARE LUCKY

(By Charles Erwin Wilson, president, General Motors Corp.)

We Americans, I sometimes fear, don't half appreciate our good fortune. I dined not long ago with an auto manufacturer from Sweden who had come to Detroit to study United States production methods.

"You know," he said, "it's extraordinary; but in my country we have no word that's an exact equivalent for 'opportunity.' In fact, I don't believe there's any such word in German or Russian, either. In Swedish the closest we can come to it is our word for 'chance'; but I realize that's not at all the same thing as you Americans mean when you speak of 'opportunity.'"

His words put me in mind of a visit I paid to England last December. I had gone there at the request of the Economic Cooperation Administration in Washington. As we were motoring through London, the British official who was acting as my host turned to me and said, "What about the motto General Motors has been using—'More and better things for more people'—is that just an advertising slogan, or do you really mean it?"

The question flabbergasted me. Stifling my natural irritation, I tried as best I could to frame an answer he would understand. Before I could speak, however, the chauffeur who was driving us broke in.

"Over here, that's frowned on," he volunteered. "The chaps who are running the country don't believe that people should have the better things you talk about."

America's wealth is proverbial. It has been pointed out many times, but it bears repeating, that whereas we possess less than 6 percent of the world's land area and only about 7 percent of the world's population, we nevertheless enjoy 45 percent of the world's electric power, 50 percent of its radios, 55 percent of its steel output, 58 percent of its telephones, 63 percent of its life insurance, and 78 percent of its passenger automobiles.

Last January our company introduced its 1949 model cars to the public by a 2-week showing at a leading New York hotel. More than 300,000 people attended the display. Virtually every man and woman among them was at least a potential customer for some make of car. Nor did any of them think that to own one of those fine cars some day was a dream impossible of fulfillment.

I understand that about the same time that we were putting on this auto show the United States Government's information office in the capital of Yugoslavia placed on exhibit a single copy of an American mail-order catalog. The result was a near riot. Belgrade's traffic was disrupted as crowds blocks long stormed the office for a chance to examine a book written in a tongue they couldn't understand, gawp at illustrations of shoes and silverware and electric toasters they had absolutely no chance of buying.

These two incidents vividly depict the contrast between what Americans have to live on and what the rest of the world has to do without.

Folks in other countries likewise yearn for the sort of freedom you and I are all too prone to take for granted. Every so often you read in your paper how some daring group or individual has highjacked an airplane in order to escape from behind the iron curtain. Although we leave the door wide open, you never read of people here escaping to the Soviet Union. It is the other way around in America. Millions want in, but none want out.

Not only are we Americans favored far above the rest of the earth's inhabitants; today's young people are the luckiest of all Americans.

I heard a speaker describe the 1890's as America's golden decade.

Then, he said, would have been an ideal time to live in this country. During the 1890's, he pointed out, people here had boundless faith in their country and its institutions. We had conquered the frontiers. Our railroads were practically all built. We didn't have to worry about income taxes. We assumed we completely understood the physical sciences and the laws of nature.

I was born in 1890; consequently, I have some personal recollections of that golden decade. One of my earliest memories is that of sitting in a tin tub with my baby brother and watching my mother lug water for our bath from the pump on the back porch and the kettle on the kitchen stove. Our house and the houses of all our neighbors were lighted by kerosene lamps. There were no telephones in our small Ohio town; the only local form of transportation was by horse and buggy; the steam railroad and the telegraph line beside it that ran north 70 miles to Cleveland provided our only contact with the outside world. There were no washing machines, electric refrigerators, vacuum cleaners, radios, automobiles, and, of course, no airplanes or television sets.

In the 1890's Americans worked harder than they do today. Ten hours was then considered a normal working day; and the Saturday half-holiday had yet to be invented. The death rate for people from 6 to 60 was two-thirds higher than it is now, while four times as many children died before they reached the age of 6. Americans then had poorer health and less education. Tuberculosis claimed six times as many victims; epidemics of smallpox, typhoid, and scarlet fever recurred with disastrous regularity. In the 1890's only 1 boy or girl of 17 out of 3 attended high school, as against 2 out of 3 today. Technology and the progress that results have made possible a shortened workweek and improved health standards.

I learned from my parents that a good education is worth almost any sacrifice. They both taught school themselves. My father on graduating from college had accepted the post of principal of the little 4-room school at Minerva, Ohio; my mother was teaching there when he arrived. They met, fell in love, and married; and my mother abandoned teaching in order to raise a family.

When I was 4, my father, too, gave up teaching to become the cashier of the bank at nearby Mineral City, a community of about 1,200 people. A town of that size then afforded plenty of educational opportunities even outside of school. There was a blacksmith shop just one square down the street from where we lived. If you hung around and showed any interest in what he was doing, the blacksmith would let you pump the bellows, hold the horse that he was shoeing, or help him shrink a tire on a wheel.

Across the way was a lumber yard and planing mill. The men who worked there were glad to take time out to explain to us boys what they were doing. Whenever a carload of slate or tile arrived the owner of the yard would pay us a dime or a quarter apiece to help unload it.

Mineral City derived its name from a small coal mine at the edge of town. The father of one of my classmates was one of the seven miners employed there. I remember entering the mine the first time to take him his dinner. Although the day was hot and bright, it was cold and dark inside. Later I was allowed to help load the mine cars with coal so that the one old mule could draw them from the mine; this annoyed my mother, as I was sure to come home crow-black from coal dust. From the men I learned some of the simpler principles of mining; how you attacked the coal by undercutting; how you brought it down by powder charges, which you set off with squibs; how you ventilated the mine with a trapdoor and fire; and why you couldn't go into certain entries where the air was bad.

Among our nearest neighbors were two locomotive engineers. Charlie Diebolt ran the passenger locomotive up to Cleveland; his brother Bill hauled the freight. When his engine was on the siding, either of these men would pass the time of day with us. Often I took Charlie's lunch pail down to him or ran home with a message for Bill's wife. Then I'd clamber up into the cab and ask endless questions about how the steel monster worked. I got my first lessons in mechanical safety from listening to the Diebolt brothers discuss the newfangled air brakes that would hold the train coming downgrade from Sandyville and the automatic couplings that would save the brakeman from smashed hands.

When I was 12 my father decided that it was time for Mineral City to catch up with the march of progress. He persuaded the other council members to install running water and electric lights. I helped survey the line for the pipe that was to bring the water from Sandy Creek. After the power plant was built, the two men who ran it were always willing to let me lend a hand at shoveling coal, especially on warm summer days. In return, they showed me how to blow off the boiler, how to throw the switches, how the arc lights worked, and other wonders.

I learned my first lesson in the sanctity of contracts when I was about the same age. Across the lane that ran behind our house was an apple orchard. The grass in the orchard needed mowing, and I needed money to buy fireworks for the Fourth of July. I went to Mr. Davis, the owner, and offered to do the job for a quarter. I worked all afternoon. But the orchard was large, the grass was tall, the mower was dull, and I was just a little tyke. By suppertime I was only half through. When my father came to fetch me, I would have been only too glad to quit; instead, he silently surveyed the situation, then peeled off his coat and went to work beside me. An hour later, as we trudged wearily across the lane, toward home and a supper long since grown cold, he rested his hand momentarily on my shoulder.

"Remember, son," he said, "once you've given your word, always live up to it, no matter how much it costs you."

About 3 miles from where I lived there was a "communist" settlement called Zoar. It had been founded by Germans some 80 years before The community was pretty nearly self-sufficient. The folks there raised their own food. They smelted their own iron and cast their own implements in a primitive sort of foundry. They wove their own clothing; made their tile, crockery, and brick; had their own harness shop, and built their own wagons. They were a sturdy, independent lot; but they had some peculiar notions. For one thing, they all dressed alike; and, for another, everything they had—land, houses, barns, tools, and cattle—was owned in common. They had a dairy of 100 cows; and regardless of whether you needed 1 quart or 2 gallons, you got the same amount of milk as everybody else.

I used to go swimming in the Zoar Canal with the boys of the community, and got to learn a lot about their customs. Afterward I'd discuss what I'd learned with my father, and he'd explain why, in the long run, the set-up failed.

After a number of tough years the community finally seemed prosperous. The Zoar Canal was built right through their property, and the society had a contract for building a piece of it. This gave them cash to pay their debts and transportation to the market for their surplus products.

Prosperity and increased contact with the outside world, however, revealed the weakness of their system. Many left the village to seek new homes for themselves, especially the young and ambitious men to whom the broader freedoms of the outside world appealed. The older members of Zoar could not keep up the work, and they employed outsiders, which added to their difficulties. Finally it became clear that they could not operate a communistic society, even a religious form of communism, in competition with a free society. There was no reward for the industrious and no punishment for the idle, which ultimately led to universal dissatisfaction. By mutual agreement the Zoar society was finally disbanded; and the remaining Zoarites and their descendants became regular Americans.

I earned my first real money while I was in college, working summers in a lamp works in Pittsburgh, Pa., to help defray my tuition. My pay, as I recall, was exactly 12 cents an hour. After graduation I signed up with Westinghouse as an apprentice engineer at 18 cents an hour.

One of my earliest chores at Westinghouse was assembling electrolytic-type lightning arresters used on direct-current streetcar lines. They consisted of a series of aluminum disks with porcelain and felt spacers in between, stacked on a tripod in a big crock.

The way I'd been instructed to assemble them was to lean over the crock and put the pieces in one at a time, a tedious job at best. I finished the first lot that way. In about a week I got a much bigger lot to do. By that time I was a little smarter. I built myself some subassemblies; then I took my stacks of parts and put them in the crock. This way I leaned over two or three times, instead of maybe 40 times.

This speeded up the job and I finished about the middle of the afternoon. I was just writing out my work slip when one of the older workers sauntered up to me.

"Boy," he said, "what are you trying to do—kill that job?"

"What do you mean?" I countered.

"Look. You're one of these young apprentices. You won't be here very long. Already you've done 2 days' work in less than a day. If you turn in that slip, the standard

will be changed and I'll have to work twice as hard all the rest of my life."

I turned in my slip; but, so far as I know, nobody had to work twice as hard. Actually, the work was performed my way; even if the standard had been changed, no one would have had to work twice as hard to make good on the job, but would have accomplished more with the same effort.

About the beginning of my second year at Westinghouse my foreman told me that I was wanted in the chief engineer's office. When I got there I found that Mr. Benjamin G. Lamme, the chief engineer, needed a young engineer to chase up blueprints, make calculations, and do some clerical work for him. He told me afterward that I took the job before he was sure he had offered it to me. The 2 years I spent in his office were a very valuable experience for me, as they would have been for any young engineer. Not only was Lamme one of the foremost engineers of his time but he was an inventor. Also, he had a forward-looking approach to training young engineers which amounted to a hobby.

There were usually half a dozen other student engineers in Lamme's outer office, working on design and construction problems he had assigned them as part of their training program. One of the young men—the one in his office—helped supervise the others. All the young engineers who had special training under Mr. Lamme considered themselves lucky to have attracted the attention of such a remarkable man. How right we were is proved by the fact that a majority of his erstwhile students now occupy important positions in American industry.

Chance plays a part in every man's career. The Wilsons had come from Virginia and settled in Ohio when that part of Ohio was Virginia territory. Many of the neighbors were also of southern stock. When the Civil War broke out there was a big argument among the young men of the county regarding which side they should take. As neighbors, they didn't like the idea of fighting each other. Eighty-five of them decided to have a secret ballot and all go with the majority. The Union side won and they elected my grandfather captain; and all 85 enlisted together. I understand that is the way that my Grandfather Wilson became a Union officer instead of a Confederate private.

My first bit of business luck, of course, was being taken into Lamme's office. My second break was getting into the automobile business while it was still young.

I remember vividly my first sight of an automobile. Back in 1904 a promoter had come to Mineral City in a curve-dash Oldsmobile runabout—the "Merry Oldsmobile" they wrote the song about. The motor fumed and spluttered and made a fearful racket. Dogs barked; horses shied; and we boys ran along beside the machine, trying our best to keep with it. What a thrill.

A couple of years later in Atlantic City I had my first ride in an automobile. A man there was charging $5 for a short spin on the beach. In 1912, however, when I was assigned the task of designing an electric auto starter for Westinghouse, I neither owned a car nor knew how to drive one—a situation which I soon remedied.

Early in the year 1919 I received an offer to join the Remy Electric Co., a General Motors subsidiary. The war was over, and during the war the Westinghouse Co. had decided to move its automotive equipment plant from East Pittsburgh to Springfield, Mass. I faced the probability of moving my family anyhow, so I decided to take the job with Remy. I often think that if that factory had stayed where it was in East Pittsburgh, I very probably would be an electrical engineer today instead of an automobile manufacturer.

I have found that one way to make the most of your opportunities is to expand your knowledge in the direction you want to go, so that when you get a lucky break you can qualify for the opportunity. A doctor friend of mine observed not long ago that a man reaches the peak of his physical capacity between 21 and 24 years. After that, the only way he can continue growing is by expanding his mind.

I am a strong supporter of formal education. For more than 30 years I have been an ardent advocate of wider technical training both on and off the job for workers. However, I believe that what you learn in classrooms is only a beginning for what you can learn in your work and contacts with other people. To do this you must retain your youthful curiosity and maintain an open mind.

Sometimes what appears to have been a bad break ultimately turns out to have been a good one. For example, some years ago a certain Detroit school had a janitor who couldn't even sign his name. The school board decided the situation was undignified, not in keeping with the ideals of education, so they let him go. This was at a time when the rapidly expanding automobile industry was producing quite a lot of scrap for the disposal of which it had made no provision. So this fellow bought a hand truck and taught himself the business of buying and selling scrap. Before long he'd learned a lot about the business and had amassed quite a fortune, including a six-figure bank account, although he still signed his checks with just a cross. One day his business took him to the office of a member of the school board that had fired him.

"Mr. D," the member asked admiringly, "did you ever stop to think where you might be if you could read and write?"

"Sure," D replied. "I'd still be the janitor of your school."

Some people waste time and energy repining about the weather or other things that cannot be helped. There are enough things you can do something about without worrying about things that are beyond your influence. Perhaps, after all, the best approach is that life is a great adventure and be prepared to take it as it comes—plus or minus. Adaptability—the faculty of adjusting oneself quickly and easily to new and difficult situations—is a priceless asset, both in business and in private life.

You can improve your chances if you make it a habit always to give your current job your best. That is what I call exposing yourself to good luck. Work is really a normal part of living and in its broader aspects not just a means of staying alive. A man's work should give him a sense of fulfillment. That's why I say: Seek a job you know needs doing * * * one you feel you have the ability and experience to fill * * * one that's worth doing well, one you know will reward you for doing it that way. Once you've located that sort of job, you should find it easy to give it your very best.

A few months ago we have a letter-writing contest here at General Motors. The subject was My Job and Why I Like It. The contest was open to all employees not members of the executive group nearly 175,000 of them took part. A theme that ran through all 5,000 prize-winning letters was pride in the writers' work. One worker summed it up this way:

"A drop-forge operator is a peculiar sort of Joe. He has a tough job and he is proud of it. He makes forgings 8, 9, or 10 hours a shift. After work he makes them in the tavern, he makes them at the dinner table. In fact, he makes them wherever and whenever he can get anyone to listen, and he always makes them better than any other guy."

The harder and longer you work at your job the more rapidly you gain experience. After I had been in the Westinghouse shop a few months we got busy on some special orders and worked as much as 80 hours a week for 3 or 4 months. It was a little hard on the arches, but it paid off in experience.

You'll find it pays to make an extra effort to get along with people. In business, whether big or small, the human element comes first. The bigger the business, the more urgent is the matter of teamwork.

In the letter-writing contest I previously referred to there was a letter from a workman who wrote: "I have a good foreman, and for every reason that I think he is good I like my job just that much better. He thinks I have more ability than I think I have, so I consistently do better work than I thought I could do." You'll find a whole treatise on the art of getting along with people compressed into those sentences.

In General Motors we have manufacturing plants in many different cities. We turn out a wide variety of products, from automobiles to Diesel locomotives, from jet engines to home refrigerators and television sets. Last year we made more than 1,000,000 car radios. It takes an amazing multiplicity of materials to produce these things: An automobile, for example, requires no less than 8,000 individual parts. Many people often wonder how we ever get all these parts together and build these many products on time. It is only the teamwork of people that makes this possible—the teamwork of 380,000 GM employees, all working in a common effort to serve the millions of Americans who are the customers for our products.

To cash in on your luck it's a good idea, too, to acquire a reputation for keeping your promises and commitments. As you go through life, you'll discover that people judge you, not alone by what you do, but by what you do, in relation to what you say you'll do. It's almost as bad to make promises you have little or no chance of keeping as it is to make promises you don't intend to keep. I've never forgotten mowing Mr. Davis' orchard and my father's counsel at the time. Since then I've tried not to make promises that were beyond my ability to fulfill.

A final way to improve your luck is to look facts straight in the face. Facts are stubborn things. They must be reckoned with. If you attempt to brush them aside and ignore them you are sure to trip over them. An important lesson that all engineers must learn is that no one can build a bridge or a machine and substitute superstition, prejudice, or wishful thinking for facts. When physical and engineering facts are ignored, bridges collapse and machines fail. When other facts in our lives are ignored, the results may be just as disastrous, though the causes and effects may not be so clear.

In facing facts, moreover, it's a good idea to make certain you know exactly what they mean. You may have heard the story of the traveler who came to a stream and, wanting to get to the other side, asked a native how deep it was. "It averages just under 2 feet deep," the native told him. Nevertheless, the stranger drowned trying to wade across.

Right now the Russians seem to be twisting the facts of science. For them the party line is the truth rather than the physical facts. For example, American biologists and those of practically every other country have agreed upon certain scientifically observed facts about heredity. However, these facts fly in the face of Communist dogma. Therefore, the Russians, rejecting the fruits of more than a century of careful observation and experiment, have invented a sort of fairy-tale Marxist biology of their own. When the truth is recognized, as it is sure to be some day, a large hunk of Soviet ideology will collapse.

We Americans would be making a grave mistake if we were to follow Russia's example by refusing to look facts in the face.

We shall court disaster if, ignoring the facts about democracy, capitalism, and free enterprise, we attempt to substitute dogma or sheer emotionalism.

The important facts about America are these: First, our present system is the best that has ever been devised in history; second, it has an inherent ability to improve itself—and, in fact, is constantly improving; and, third, it is built on the desirability of progress and improvement. Therefore, to argue that we should scrap our system because it isn't already perfect makes no sense.

I look upon America today as I look upon a 1949 car. They have both come a long way from their early beginnings. Both can stand improvement. But each of them is far and away the best thing of its kind that has been produced to date. God willing, I hope to do my share toward building still better motorcars, and, as one in millions, to do my part toward creating a still better country.

Another fact we need to face is that we must be willing to work for the things we would like to have. The only way we can increase our prosperity, measured in terms of physical goods, is by producing more. You can't eat bread made of wheat that's not been raised; you can't ride in a motorcar that hasn't been manufactured. That's why increasing wages without increasing production won't give us a higher standard of living.

A friend of mine claims he has figured out a way to hand every man, woman, and child in the United States $1,000,000 cash. He asked a group of people how they would spend it.

After some deliberation one woman said she would go to Chicago and buy herself a number of things, including a sable coat.

My friend asked how she proposed to get there.

"I'd take the train," she said.

"Now, you've got to remember that the engineer and the fireman and the brakeman and the conductor each have $1,000,000," he reminded her. "Do you suppose they're going to waste their time riding you around the country?"

"Well, I'll go some other way. I might even walk."

"Of course, by the time you get there all the fur coats will be gone. And the trappers each have $1,000,000, too. Will they be willing to go out in the snow and cold and catch more animals for you? And remember, the furriers who have been making the coats and the clerks who have been selling them are also millionaires. They're hardly likely to bother with your order."

That stumped her.

"Well," she said at last, "I guess I'll just have to make my old coat do."

She was wrong, of course. Money, itself is not the answer. Money is essentially a medium of exchange and a common medium for valuing goods and services. In the final analysis we can enjoy only what we produce. But if the people of this country are willing to work for the things they'd like to have as they have been in the past, there's no reason why we shouldn't go on having more of everything.

To do so we shall need to step up our output per acre, per machine, and per man-hour. Our prewar rate of improvement in this respect was between 2½ percent and 3 percent a year. That doesn't sound like much; but it operates like compound interest. If we continue to maintain that rate, we shall have a standard of living 25 years from now twice as high as we enjoy today; and our great grandchildren, 100 years from now, will enjoy a standard of living 16 times higher than we have at present. Nowhere in the world and at no time in history has any other nation ever achieved, let alone maintained, such a rate of increase in its standard of living. Such progress, of course, assumes that we avoid disastrous wars, and that we do not artificially and rapidly shorten hours of work or dissipate in other ways the fruits of science and technology.

Changes that seem to take place slowly as you live through them appear in retrospect to have arrived from nowhere with the speed of jet propulsion. During my lifetime humanity has witnessed startling advances in science and technology. My boyhood coincided with high noon of the horse-and-buggy era. Henry Ford, Thomas Edison, George Westinghouse, and others had not perfected their inventions, which have revolutionized our entire way of living. The Curies had still to discover radium, upsetting the fundamental concepts of physics and pointing the way to the release of atomic energy.

I remember the first movies. I watched Glenn Curtiss fly one of the first airplanes. I even assisted, in some slight measure, in the development of radio. I do not know what the developments of the next half century will be, any more than I could foresee the developments of the past 50 years; but I do know that they will be equally startling. New and important discoveries are assuredly on the way; and human needs and human wants will continue to expand in the future, as they have done in the past.

Each new discovery opens up new opportunities for producing more and accomplishing more with the same amount of human labor. The opportunities for young people today are undoubtedly greater than when I was a boy. They will be greater still tomorrow.

Forty years ago, when I was launching my career, every boy expected to have to get out and hustle to make a living. This is true today; but the same amount of hustle will produce a much better living. Of course, those young people who expect to have things made easy for them are likely to receive benefits only in proportion to the value of their social contributions. The more there are of this sort the less will be the competition for the girl or boy who has the energy and ambition to work and improve himself.

America continues to be a wonderland of opportunity for those who are willing to invest a little extra effort. If we keep it that way, if we hold fast to the things that made our country great, no force on earth can halt this Nation's social and economic progress.

Address of Lt. Gen. Walter Bedell Smith Before the Conference of Governors

EXTENSION OF REMARKS

OF

HON. JOE L. EVINS

OF TENNESSEE

IN THE HOUSE OF REPRESENTATIVES

Wednesday, July 13, 1949

Mr. EVINS. Mr. Speaker, in the Department of State publication, The Bulletin, volume 21, July 4, 1949, there appeared a reprint of an address made by Lt. Gen. Walter Bedell Smith before the recent conference of governors. This is an excellent and thought-provoking speech by the distinguished military leader. General Smith, as we all know, was Chief of Staff to General Eisenhower during the course of the European War, subsequently serving the Army of Occupation and later as Ambassador of the United States to the Soviet Union. In his speech before the governors' conference General Smith discussed the European recovery program, the proposal of military assistance, the responsibility for leadership of the United States in world affairs.

I have asked unanimous consent that General Smith's speech be included in the RECORD, and I commend the reading of this address to the Members.

The speech is as follows:

I appreciate the honor of being invited to address the governors of the United States at their annual conference. I consider it especially significant that our Governors, preoccupied as they are with the special problems and interests of the respective States, should turn their attention to a consideration of foreign affairs, which in our time have come to affect the lives of all Americans in the most personal and intimate way.

The turn of events since the end of the war has placed upon the United States, as the citadel of freedom and the strongest of the free nations, the major responsibility for world recovery, world peace, and world progress, and at the same time has confronted this Nation with potentially the gravest challenge ever offered to our principles and our way of life. This situation results from the decision of the leaders of Soviet Russia to turn away from the cooperation which we hoped would prevail after the war, and instead to seek to impose communism upon the world. The consequent resistance of the free peoples of the world to subjugation and enslavement has brought about the world-wide struggle in which we are now engaged.

ELEMENTS OF SOVIET COMMUNISM

In any such conflict, the first requirement is to understand the nature of the opposing force. In analyzing Soviet communism, we can distinguish certain basic characteristics or elements. The first element is a group of ruthless and ambitious men, animated by a lust for power and bound by a fanatical doctrine which holds that the end justifies the means, no matter how brutal or unjust. The second element is the seizure by this group of absolute control of a large and powerful nation, whose strength and resources are used by the arbitrary rulers to carry out their aggressive and expansive policies. The third element is the control and manipulation by these rulers of subservient groups in other countries so as to subject those countries to the will of the dominant power, as has been done throughout eastern Europe, as is being done in China, and as will be done wherever freedom and democracy do not prove themselves strong enough to resist.

STRENGTH OF THE DEMOCRACIES

This combination of unrestrained power, based in a vast and lusty country and reaching out in all directions through the mechanism of international communism, makes Soviet Russia a formidable opponent. Yet the democracies, aroused to common action and dedicated to the preservation of their liberties, are substantially stronger.

I am convinced that the Soviets, although exasperatingly difficult to deal with, do not want to risk war and will modify their aggressive policies when confronted with firm resistance, backed by recognizable force. This opinion was not hastily arrived at but is based in large part on my experience as ambassador to Moscow.

It is extremely important for the democracies, and especially the United States, never to lose sight of the fundamental fact that we are engaged in a constant, continuing, gruelling struggle for freedom and the American way of life that may extend over a period of many years. We must not be thrown off balance by temporary ups and downs, indecisive triumphs and failures. We must anticipate that the Soviet tactic will be to attempt to wear us down, to exasperate us beyond endurance, to keep probing for weak

spots they can exploit. Obviously the Russians believe they are playing a game of patience, in which they can outlast us.

We need to keep reminding ourselves to take the long view, particularly at the conclusion of some dramatic or frustrating experience, whether it be the end of a blockade or the termination of a Conference of Foreign Ministers. We cannot allow ourselves to be swerved from our long-term purpose by the elations or the disappointments of the moment.

Regardless of from what direction one approaches the problem, he must inevitably arrive at the conclusion that the best assurance of peace is our determination and strength to support our convictions. It is not sufficient only to have strength to defend ourselves by military means if necessary. The potential must exist and by its very existence it serves its highest purpose, which is in preventing war. We all know now that while victory in war saves us from the imposition of solutions we are determined to reject, victory itself raises grave new problems in turn As one who has seen war, I am earnestly concerned with the creation of conditions that will assure peace.

This is the object of this Nation's policies in foreign affairs. As a member of the United Nations, we are pledged to the settlement of international disputes by pacific means. We are conscientiously trying to strengthen the United Nations as an effective instrument for preserving the peace. We are energetically working, both inside and outside the United Nations, to promote the economic and social conditions throughout the world that will minimize conflicts and remove the causes of wars. If we continue to pursue these policies vigorously and steadfastly we will succeed in throwing back the challenge of communism and at the same time preserving the peace.

EUROPEAN RECOVERY PROGRAM

One of the fundamental measures for achieving that purpose is the European recovery program, an essential and effective means of assuring peace. No one who has been in Europe for any length of time since the war can help but be profoundly impressed by the great change that has taken place since the Marshall plan has been in operation. Little more than a year ago, western Europe was disorganized economically, depleted physically, and depressed spiritually. The position of its free nations was precarious. It was a situation of crisis in which anything might happen. The prospects for peace were anything but promising.

The contrast between conditions in Europe then and today is remarkable. The free nations of western Europe have literally taken a new lease on life. They are working together as never before. The people have been given more than new hope, as important as that is. They have been given something to work with, and their production record proves that they not only are eager to work but that they also have the skill and the determination to reestablish themselves in the world. The Marshall plan has not been the only factor in effecting this transformation, but it has been the major force in the stabilization of Europe. I am certain that history will confirm President Truman's judgment that the Marshall plan marked the turning point.

In the marked increase of production achieved in Europe during the last year, the contributions of farm and labor groups both in this country and in Europe have been notable. The organized labor movement in this country and the non-Communist labor movements in the participating countries of Europe have strongly supported the Marshall plan. These movements on both sides of the Atlantic joined in establishing a trade-union advisory committee to assist in carrying out the recovery program. The support of the labor groups is essential to success, since the workers hold the key to industrial production. Similarly, the representatives of farm organizations in this country have testified for the Marshall plan in congressional hearings and likewise have been active in an advisory committee to assist the ECA. The farmers of Europe, favored by the weather, have substantially increased the production of food crops. Such interest and support is of great importance because it demonstrates that the Marshall plan is not just an arrangement among governments but basically a cooperative effort among the people of the countries concerned.

But we must not forget that the essence of the Marshall plan is that it is not a relief program but a recovery program and that it is based on calculations of the minimum requirements for recovery over a 4-year period. We knew this when we accepted the plan in the first place. This means that we must be prepared to follow this program through to its logical conclusion if it is to accomplish its purpose. If we turn back from the course we set ourselves little more than a year ago, or if we slacken our efforts, we not only risk losing the momentum achieved thus far, but we also run the danger of wasting what we have already invested in the program. Aside from the material factors involved, any sign of vacillation or indecision on our part will profoundly discourage our friends and strengthen the belief of the Communists that they have only to keep up the pressure until we grow tired and give up the struggle. We must understand that we are engaged in a contest of indefinite duration and that we must decide our course and stick to it through thick and thin.

The recovery of Europe is a primary requisite for the maintenance of the free way of life and the preservation of peace. But even European recovery is only part of a larger design. The economic revival of western Europe is necessary to make the peoples of that continent self-supporting and to enable them to resume their proper place in world affairs. Economic recovery also will provide them in time with the strength to assume their own security. But they do not have that strength at present.

All the nations of western Europe that engaged in the recent war, with the exception of Great Britain, emerged from that conflict practically defenseless. Since VE-day they have begun rebuilding their defenses, but it is a slow, laborious process, particularly since economic recovery has priority. The knowledge of their inadequate defenses, in the face of the aggressive and expansive tendencies of the Soviet Union, has contributed to a pervading sense of insecurity that weighs heavily on western Europe. Even while putting forth their utmost effort for recovery, the people have been haunted by the fear that they might be rebuilding only to have the fruits of their labor again usurped by an occupying army.

THE NORTH ATLANTIC TREATY

The sense of insecurity arising from these circumstances is in itself a serious detriment to recovery, stability, and peace. In order to achieve our objectives in Europe, the United States must use its own strength to shield the free nations of Europe from aggression while they rebuild their defenses, just as we are using our material resources to enable the people of western Europe to revive their economies. This is the purpose of the North Atlantic Treaty, which the Foreign Relations Committee of the Senate has unanimously recommended for ratification, and the legislation for military assistance, which the administration is now preparing to submit to the Congress.

The treaty, which is a pact for the mutual defense of the North Atlantic area against armed attack from any source, commits the 12 signatory countries to help each other to maintain and develop their individual and collective capacity to resist aggression. It is in partial fulfillment of that obligation that the administration proposes to provide $1,130,000,000 of military assistance to the European members of the treaty during the next fiscal year.

The purpose of this measure is to accelerate the rebuilding of the defenses of western Europe, both to increase the faith of the free peoples of Europe in their own ability to resist aggression and to make more effective their pledge to contribute to the mutual defense of the North Atlantic area. The promise that all of the 12 nations signing the treaty naturally including the United States will come promptly to the aid of any one of them which is attacked is in itself a strong deterrent to aggression. From what we know of the nature of Soviet communism, it is obvious that the effectiveness of that deterrent will be increased in proportion to the known ability of all 12 nations to resist and defeat an aggressor.

The great, the priceless benefit we expect to gain from this treaty is peace. We seek that benefit by making clear in advance our determination and that of our partners in the treaty resolutely to resist armed attack with all the strength available to us all. Determination is not enough; it must be backed by strength.

MILITARY ASSISTANCE

If war should nevertheless come, the advantages of this arrangement would not by any means accrue solely to the European members of the treaty. With the experience of two World Wars in mind, I think it is clearly apparent that there are tremendous advantages to the United States in having strong and loyal friends on the continent of Europe. In the event of war, these advantages are greatly increased if our associates in Europe are able to maintain their position until we are able to join our forces with theirs on the continent. Therefore, our assistance in strengthening the ability of our Atlantic pact associates successfully to resist aggression in Europe is equivalent to strengthening the defenses of the United States.

The conclusive reason for military assistance to the free nations of Europe is that it materially enhances the prospects for peace. The greatest single achievement leading to the creation of conditions that would assure lasting peace in the world would be the reestablishment in Europe of a group of strong, free, virile and progressive States, living together in harmony and cooperating closely in political, economic, and social matters for the good of their own people and the people of the world. This kind of Europe, no longer dependent on the United States or fearful of attack from the East, would be a stabilizing force with great influence in world affairs.

EUROPE AS A BULWARK OF PEACE

This kind of Europe would contain a population greater than that of Russia, much further advanced in science and technology, with resources much better developed and an industrial organization much more efficient and productive. Such a Europe would be able effectively to resist the encroachments of communism. By providing a living, dynamic demonstration of the superior values of the free way of life over totalitarian, such a Europe would inevitably exert a profound attraction for the repressed and impoverished peoples under the Communist yoke.

Above all, the kind of Europe envisioned as resulting from our present policies would be a great constructive force for peace. The free nations of Europe share our aversion for war. That aversion has been intensified by the tragic experiences of recent years. Strength in the hands of the free peoples of Europe will be strength dedicated to the de-

fense of peace. We can make no better investment for peace than the restoration of the strength of the free nations of Europe.

We can help make Europe a bulwark of peace by doing three things: First, continuing the European recovery program in full force until we have finished the job and attained the objective we set ourselves in the beginning. Second, entering fully and wholeheartedly into the North Atlantic Treaty for the mutual defense of the vital centers of western civilization. Third, providing military assistance as an effective step toward reconstituting the strength of western Europe as a positive force for peace.

BIPARTISAN NATURE OF UNITED STATES POLICIES TOWARD EUROPE

I should like to emphasize the bipartisan nature of these policies. The legislation providing aid for Greece and Turkey and for economic assistance to Europe and the Senate resolution which guided this Government in negotiation of the treaty were all passed by a Republican Congress with a Democratic administration and by overwhelmingly bipartisan votes. To me this is clear proof that these measures far transcend partisan politics and are recognized as representing the true basic interests of the American people.

In advocating these measures, I fully recognize that they are undertakings not to be lightly assumed. The continuance of the European recovery program and the initiation of the military assistance program require large public expenditures at a time when our commitments are already heavy and economic adjustments apparently are in progress. I support these measures out of a deep conviction that they are essential in the national interest. What is involved here is nothing less than the preservation of our way of life—the continued assertion of our right as freemen to govern ourselves as we see fit and to live according to the dictates of our own conscience.

SACRIFICES OF AMERICAN PEOPLE

This being true, we should not hesitate to make whatever sacrifices are necessary to defend our free institutions. The American people have repeatedly shown that they will willingly make great sacrifices for that purpose. Public opinion clearly favored the inauguration of the Marshall plan at a time when it appeared that the shipment of the necessary foodstuffs and other materials to Europe might cut drastically into our own supplies. That danger no longer exists. In fact, the procurement program for European recovery might become a valuable stabilizing influence in our domestic economy when production is declining. Certainly it is true that our foreign-aid programs and our domestic economy must be kept in balance as component parts of an integrated national policy.

The time has passed when foreign affairs and domestic affairs could be regarded as separate and distinct. The border line between the two has practically ceased to exist. Henry L. Stimson, who has served both as Secretary of State and as Secretary of War, has summed it up this way: "No private program and no public policy, in any sector of our national life, can now escape from the compelling fact that if it is not framed with reference to the world, it is framed with perfect futility."

UNITED STATES RESPONSIBILITIES IN WORLD AFFAIRS

Our great responsibilities in world affairs inevitably have their effect on every aspect of our national life, and every element of our national life enters into our actions with respect to the rest of the world. The strength which we must have to overcome the dangers that threaten and to accomplish the great task of achieving a just and decent peace is not military strength or economic strength alone, but the total strength of the Nation. It is a strength that encompasses such things as education, public health, family life, and opportunity and incentive for individual achievement. And basic to that strength is the passionate devotion of our people to the free way of life. We can maintain the material, moral, and spiritual strength of America if our democratic faith remains strong.

We in this country know that we can draw from this wellspring of faith the strength necessary to carry out the tremendous responsibilities of world leadership. We must express that strength in purposeful and resolute action. We must never give others cause to doubt our purpose and our resolution. The stakes are too high to afford even a suspicion of irresolution.

In this critical period of history, the United States cannot have a fair-weather foreign policy formulated under favorable conditions only to be abandoned or watered down when the going gets rough. We cannot embark on a certain course of action, advertised to the world, and then back down before the job is finished.

We have made a good start on a policy that has achieved a considerable measure of success. We need to keep at it. Hesitancy or delay at this time would only hearten the enemies of democracy and weaken the confidence of the free peoples in the leadership of the United States which has brought the world thus far along the road to recovery and peace. We can't march up the hill one day and down again the next. We must go forward, step by step, to world peace and security. Only in such a world can our own peace and security be assured.

Read Them and Weep

EXTENSION OF REMARKS

OF

HON. ABRAHAM J. MULTER

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, July 13, 1949

Mr. MULTER. Mr. Speaker, I am spreading upon the RECORD four articles written by Charles Van Devander, national-affairs correspondent for the New York Post, which appeared on July 5, 6, 7, and 8, 1949. Here we have again a full, fair, and factual résumé of how completely we have failed to destroy the monopolies and cartels which have twice before put Germany in a position to attack the peace of the world. Unless we implement our declared policy by acts which will fulfill it, we have every reason to expect trouble again in the not too far distant future. If the man in high places are not going to effectuate the President's policy, they should be replaced with persons who will.

TWENTY-SEVEN GERMAN INDUSTRIAL MONOPOLIES HIGH LIGHT UNITED STATES FAILURE TO BAN CARTELS

WASHINGTON, July 5.—Twenty-seven industrial monopolies listed for dissolution by the American military government 2 years ago are still operating without interference in the United States zone in Germany.

The Atlantic Charter, the Potsdam agreement, and numerous official statements by Presidents Roosevelt and Truman long ago committed the Army to an all-out effort to smash these powerful and war-breeding German industrial empires.

This is still the policy, officially, and has never been openly challenged, but the practical results are represented by a big, round, black zero.

In at least one case, involving war-essential ball bearings, the Army rule in Germany has converted an 80 percent monopoly into a 100 percent monopoly. This was done by grabbing up the lone competitor to the powerful VKF ball-bearing company and dismantling it for reparations. VKF was left intact.

FOUR YEARS TO LAY ONE EGG

Four years after VE-day, military government officials last month filed the first, and to date only, "deconcentration" order against a German company under Occupation Law 56, which is roughly comparable to United States Sherman and Clayton antitrust laws.

The order was directed against the Robert Bosch Co., which has a virtually complete monopoly on certain types of Diesel engine and automotive equipment. The deconcentration order failed to make even a dent in the main sources of the Bosch Co.'s industrial power, but merely required it to divest itself of some radio side lines. That lone order, subject to appeal, is the sum total of more than 2 years of effort to break up monopolistic concentrations of industrial power in beaten Germany.

The companies involved, without exception, were deeply involved in Hitler's bloody drive for world domination. Some notably benefited from Nazi conquests by swallowing up competitor firms in Austria after the Anschluss, and in Poland and the Balkans after they had been blitzed. Others profited by the "Aryanization" of German industry.

SABOTAGE IS CHARGED

A three-man investigating committee, appointed by former Army Secretary Royall and headed by Federal Trade Commissioner Garland Ferguson, reported last April that the decartelization and deconcentration drive had been "sabotaged" by AMG officials "unsympathetic" to announced United States policy.

The Army's formal reply last week suggested the basic reason for inaction; top AMG officials have set German "economic recovery" as their primary goal. And the banker-big business clique, dominant in AMG, regards trust-busting as inconsistent with economic recovery.

This contention was noted and answered in the report of the Ferguson committee, which said:

"* * * The economic advisers to General Clay generally took the position that deconcentration would interfere with German economic recovery. Although the matter was gone into extensively by your committee, we have found no support for the proposition that deconcentration would interfere (with recovery) when carried out along the lines of a sound policy. * * * Whatever the amount of production authorized or permitted, it should be accomplished under the same policy regarding cartels and deconcentration as it has existed from the beginning."

The issue between AMG trust busters and top officials who blocked them at every turn were directly joined in cases involving the Robert Bosch, VKF, and Henschel (locomotive) companies. Details of each of these cases will be set forth in subsequent articles in this series.

REVEAL HOW UNITED STATES MILITARY CHIEFS FOILED SPLIT-UP OF NAZI FIRMS

WASHINGTON, July 6—Henschel & Sohn, of Kassel, Germany (United States zone), is the largest locomotive-manufacturing concern in Europe. During the war it more than doubled its capacity and expanded into the manufacture of Tiger tanks, planes, trucks, etc.

Scavenging in the trail of Hitler's political and blitzkrieg conquests, it swallowed up the principal locomotive companies in Austria and Poland.

Now, according to an Army Department investigating committee, Henschel & Sohn

possesses between 70 and 80 percent of Germany's locomotive facilities, between 90 and 95 percent of its trolley-bus manufacturing capacity, and holds a commanding position in other fields of production.

It was one of four companies selected by American military government trust busters in June 1947 to be dissolved in 3 to 6 months. But to date top AMG officials have blocked all efforts to break up this industrial empire into two competing parts.

Philip Hawkins, head of the AMG Decartelization Branch at the time, said in a report to the Army Secretary on September 23, 1947:

"The Henschel combine cannot be left intact for the reason that its position in the German industrial world was so powerful that it could dictate the terms under which it would do business, and that it was beyond the reach of competitive influence; and that its size and influence rendered it impervious to the conditions of free enterprise."

The Henschel case issues are simple and clear.

The company was founded as a gun factory by George Kark Henschel in 1810, and subsequently turned to manufacture of locomotives as its main activity. After 1924 it also began making streetcars and motor vehicles. It is now owned exclusively by members of the Henschel family, all residents of Kassel, with Oscar Henschel owning 69 percent.

During the war the company built a huge new factory at Mittelfield, 6 miles from Kassel, where it produced Tiger tanks. The Mittelfield plant has now been converted to the manufacture of locomotives, and has twice the capacity of the original plant at Kassel, with which it had obtained a dominant position in the locomotive industry in Europe.

Finding Henschel in monopolistic possession of these two factories, the Decartelization Branch proposed a simple solution; that the company be required to sell one plant or the other to a competing firm.

This recommendation was vetoed by General Clay, presumably on the advice of General Draper, his first economic adviser.

The Army investigating committee headed by Federal Trade Commissioner Garland Ferguson recommended 2 months ago that Clay's decision "should be entirely reexamined."

In its reply last week the Army quoted Clay as saying he "did not believe that the breaking up of Henschel, the principal locomotive works in Germany, was a wise undertaking at a time when transportation was almost at a standstill, because of the need for repairs to rolling stock, and I am still of this view."

But there was never any proposal that the Henschel plants stop producing while there was a desperate need for rolling stock, but merely that the company be broken up into two competing systems.

Ball Bearing Cartel Protected by United States Army Chiefs in Reich

Washington, July 7.—A recital of the Army's decisions affecting the production of ball bearings in Germany exposes the heart of the issue over what kind of Germany is being rebuilt under military government auspices. Here is the chronological account.

1. The United States and other occupying powers originally decided to prohibit production of ball bearings in order to limit Germany's war potential.

2. Gen. Lucius Clay, United States military governor, authorized temporary production by VKF, a subsidiary of the world-wide Swedish SKF ball-bearing cartel, "merely while Germany was under military government as a means of getting the economy started."

3. Clay vetoed an attempt by the AMG Decartelization Branch to break up VKF into two or more competing units and force it to sever its ties with the parent company in Sweden. He ruled that, since future production was to be prohibited anyway, "nothing was to be gained by breaking up this enterprise."

4. MG officials meanwhile ordered the dismantling of the independent Kugelfischer ball-bearing plant, SKF's only competitor, under the reparations program. All the Kugelfischer machinery was ripped out and removed to the Soviet zone. VKF was left intact.

5. In April 1949 the United States-British-French foreign ministers removed ball bearings from the list of prohibited industries.

VKF back in business

As a result of these five steps VKF is permanently back in business and, thanks to AMG's elimination of its only competitor, it now has a 100 percent monopoly on production of ball bearings in Germany. Before the war Kugelfischer had about 20 percent of the business.

The proposal to dissolve VKF into at least two competing producers, by requiring it to sell two of its six plants, was contained in a proposed deconcentration order submitted to AMG officials by its decartelization staff in 1948.

After the draft of this order had been circulated, Lawrence Wilkinson, who had succeeded Maj. Gen. William H. Draper, Jr., as economic adviser to Clay, met with Swedish officials of SKF. An agreement was reached to suspend the deconcentration proceedings, in return for a promise that VFK would relinquish its idle equipment to Kugelfischer.

Officials accused

This agreement was communicated to Richardson Bronson, head of the Decartelization Branch, without any consultation with the staff members who had painstakingly worked up the antitrust case.

A civilian committee headed by Garland Ferguson, member of the Federal Trade Commission, examined this and other cases this year at the request of former Army Secretary Royall. It found that both Wilkinson and Bronson were "unsympathetic" with the official United States policy of breaking up German cartels.

Of the VKF incident, the Ferguson committeee recommended specifically:

"Under all the circumstances, this case should be completely reexamined."

Army defends men

But the Army's official reply to the Ferguson committee made last week by Assistant Army Secretary Voorhees, asserted:

"There is nothing in the record to justify reopening cases which General Clay has closed, unless changed circumstances in a particular situation may so require."

One additional striking fact in connection with this case is worth noting. The Justice Department has filed an antitrust action which is now pending, to force SKF Industries, the American branch of the world-wide ball-bearing cartel, to break its connections with the parent company in Sweden. But under the procedure followed by military government the relations between the German and Swedish companies remain undisturbed.

Army Cites Only Single Case of Final Action on Cartels

Washington, July 8.—In its defense of military government against the charge of sabotaging United States decartelization policy in Germany, the Army was able to cite only one instance in which final action has been taken to break up a monopolistic German combine.

Assistant Army Secretary Voorhees, replying to mounting criticism, said last week that in the case of the Robert Bosch Co., there had been filed a final determination and order for the company's deconcentration.

The fact is that this order, filed last month after the Army was already under heavy fire, merely attacks the Bosch monopoly on its fringes. It leaves unchallenged the company's major sources of industrial power.

In this case the AMG disregarded the recommendations of its own antitrust experts and of the Garland Ferguson committee, which investigated the decartelization program at the request of former Army Secretary Royall.

Before World War II the Bosch Co., with headquarters at Stuttgart, had achieved a virtual world-wide patent monopoly in the production and distribution of fuel injection equipment, which is essential in the operation of Diesel engines and is becoming increasingly important as a fuel feed system for high-powered aircraft.

From the time Hitler came to power, the Ferguson committee reported, "Robert Bosch was dominated by the Nazi government."

The company was alleged to have engaged in industrial espionage in the United States and to have received specifications and details on Army radio developments in the short-wave, high-frequency field.

Since VE-day, the giant Bosch combine has strengthened its monopolistic position in Germany. By its own estimate it now accounts for more than 50 percent (ranging up to 80 percent) of the entire German production in 13 separate classes of commodities. These include fuel-injection pumps, spark plugs, generators, starters, ignition distributors, and contact breakers, magnetos, etc.

Bosch was one of four huge companies which antitrust experts in the AMG Decartelization Branch selected in June 1947 for legal action to force their dissolution within 3 to 6 months.

A proposed determination and directive (similar to an antitrust complaint in the United States) was prepared and submitted to Richardson Bronson, head of the Decartelization Branch. Bronson is one of the economic advisers to AMG whom the Ferguson committee listed as unsympathetic to the anticartel program and responsible for its failure.

Major recommendation of the antitrust team was that Bosch be required to divest itself of ownership of Ernst Eisemann & Co., a former competitor. Bosch had secretly acquired control of the Eisemann company in 1925, but had continued to operate it as an ostensibly independent concern until 1937.

The proposed antitrust order would have reestablished Eisemann as a competitor to Bosch.

In addition, the order would have forced Bosch to break its ties with foreign companies in which it had an interest, and to make available technological information to competitors.

Bronson revised the directive, eliminating the principal requirement—that Eisemann be separated from Bosch—and watering down other provisions.

As finally filed last month, the deconcentration order does not touch or threaten in any way the Bosch monopoly in its main lines, which are fuel injection pumps and automotive parts.

Their World

EXTENSION OF REMARKS
OF
HON. HAROLD D. DONOHUE
OF MASSACHUSETTS
IN THE HOUSE OF REPRESENTATIVES
Wednesday, July 13, 1949

Mr. DONOHUE. Mr. Speaker, under leave to extend my remarks, I wish to include a very interesting editorial article

which appeared in the July 11, 1949, issue of the Framingham News, Framingham, Mass.

The editorial follows:

THEIR WORLD

There's a new word in the jargon of the Marxian dialectic. "Bourgeois" is becoming shopworn. The new word is fresher, more resounding, more complex. It's "cosmopolitanism."

As used in the Soviet Union, "Cosmopolitanism" is intended as a term of utmost opprobrium—a fighting word. The "putrid microbes of cosmopolitanism are a poisonous weapon in the hands of the instigators of another war," declares one Soviet writer. Webster's defines "cosmopolitan" as:

"Belonging to all the world; not restricted to any locality, field of activity or sphere of thought."

This is anathema to Communists. The aim of cosmopolitans is "to disseminate 100 percent Americanism in all cultural spheres." The concept of an abstract world science, knowing no boundaries, is denounced as anti-Marxist, an assault on Soviet patriotism, false to Leninist-Stalinist teaching.

It would all be so absurd, so illogical, so tiresome were it not the diet on which all who can read in the Soviet Union are being fed. But Marxists believe in the coexistence of opposites, so from their viewpoint there's nothing inconsistent in prating of peace and stirring up massive sentiments of prejudice and hatred.

That, after all, is their world.

Repeal of Excise Taxes

EXTENSION OF REMARKS
OF
HON. ANTHONY F. TAURIELLO
OF NEW YORK
IN THE HOUSE OF REPRESENTATIVES
Wednesday, July 13, 1949

Mr. TAURIELLO. Mr. Speaker, in my opinion, Federal excise taxes should be cut back to the 1942 levels generally. These are the taxes on such items as telephone bills, railroad, airplane tickets, silverware, luggage, cosmetics, furs, and so forth.

It is my intention to introduce my own bill in Congress to try to bring about this reduction. If this is possible, I am positive it will create a wave of buying on the part of the public and this, in turn, would stimulate business right down the line.

There are millions of people throughout the country who are purposely refraining from making any purchases because of the excise tax and will continue to do so until this tax is reduced at least 50 percent.

Taxes on the above-mentioned items were increased or put on as a wartime measure to raise revenues on the part of the Government for defense purposes and the American people were promised that these nuisance taxes would be repealed at the cessation of hostilities. The war has been over almost 4 years and certainly the people are entitled to some relief.

As a member of the Committee on Expenditures in the Executive Departments, I am going to support the Hoover Commission's recommendations on the reorganization of the Federal Government wholeheartedly. The time has come when we must reduce governmental spending by the consolidation, elimination, and streamlining of all bureaus and agencies.

Our Government has grown so top-heavy with bureaus and agencies and with functions being duplicated over and over again that it is almost ready to crumble under its own weight.

If the Congress will adopt the Hoover Commission recommendations for governmental reorganization, billions of dollars will be saved and eventually these excise taxes can be repealed completely.

I am not going to sign Representative MARTIN's motion to discharge H. R. 2100, his bill to reduce excise taxes to the prewar basis, because I do not believe that Republican efforts along this line are sincere.

It was the Republican-controlled Eightieth Congress, under the leadership of Mr. MARTIN who was then Speaker of the House, that passed legislation making these excise taxes permanent. President Truman had recommended that they be extended for a period of only 1 year.

The Democratic Party has always held the position that excise taxes are in effect sales taxes. It was the Republican Eightieth Congress that made permanent these excise taxes that had been levied for wartime purposes.

I believe that these taxes take their biggest toll on our American citizens in the lower-income brackets and generally reduce the purchasing power of the entire public.

To alleviate this condition, I intend to introduce my own bill to repeal these unfair, wartime taxes.

My bill would call for the following cuts in excise taxes:

First. All travel tickets from 15 to 10 percent.

Second. Long-distance telephone calls from 25 to 15 percent.

Third. Local telephone bills from 15 to 5 percent.

Fourth. Telegrams and leased wires from 25 to 10 percent.

Fifth. Theater and other amusement admission tickets from 1 cent on each 5 cents spent for tickets to 1 cent on each 10 cents spent.

Sixth. Jewelry, furs, and toilet preparations from 20 to 10 percent.

Seventh. Luggage and handbags, the present 20 percent tax at retail would be repealed. The old 10 percent manufacturers' tax would be restored.

Eighth. Electric light bulbs from 20 to 5 percent.

Dismantling of Ruhr Plants

EXTENSION OF REMARKS
OF
HON. KATHARINE ST. GEORGE
OF NEW YORK
IN THE HOUSE OF REPRESENTATIVES
Wednesday, July 13, 1949

Mrs. ST. GEORGE. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following article by Dorothy Thompson from the Washington Evening Star:

ON THE RECORD—UNITED STATES SHOULD ACCEPT RUHR INDUSTRY OFFER AND HALT DISMANTLING OF PLANTS

(By Dorothy Thompson)

LONDON.—The offer of Ruhr industrialists to cede the western allies complete ownership of the Ruhr plants in preference to dismantling those scheduled, which include—in addition to the great plants for distilling oil and byproducts from coal—eight large steel plants and 214 smaller factories, should be accepted immediately. The offer should also awaken the attention of the American taxpayer to the insanities committed at his cost.

Whether Germany eventually turns east or west will determine the fate of Europe and the issue of war and peace. We certainly cannot afford continued psychological blunders.

No measure taken by the western allies has had a worse psychological effect than the resumption of dismantling 4 years after the war. As the Communists triumphantly point out to their compatriots, this is in flat contradiction to the Potsdam agreement which specifically promised that dismantling would cease by October 1947.

WORST POLICY IMAGINABLE

The continuance of wanton destruction in the midst of a wilderness of ruins was, in the beginning, the worst peace policy imaginable. To begin it again now is unbearable to any rational mentality, especially as the theory that these industries would be "transferred" to operate elsewhere in Europe has never been proved to the German people.

Dismantling is not something that can be hidden. In the Ruhr you can see foundations and bits of walls of buildings that show no trace of fire or explosion. These buildings were not destroyed by bombs. They were taken down brick by brick and shipped, in some cases, hundreds of miles in fleets of railroad wagons, using labor, coal, and money enough to put up brand-new factories.

Nobody believes that neighboring countries or Czechoslovakia are going to rebuild factories of chipped, broken, and cement-encrusted brick. This has not stopped. Among the factories to be dismantled, there are still some whose receivers claim walls and windows. And this occurs in a territory where every building with a roof, wiring, and a water system is at a premium. Now the managers of the Ruhr say, "For God's sake take the factories, operate them, take their products, but stop a policy of wreck and ruin."

Any policy to be successful must be supportable in reason. Otherwise the German—and any rational visitor—feels that he lives in an insane asylum. It is sense to compel the Germans to contribute to the reconstruction of Europe. It is not sense to compel them further to contribute to its scrap piles.

FEW OBVIOUS FACTS

Sooner or later everybody will have to recognize a few obvious facts. The result of the Paris conference is that Germany remains divided. The result of the unilateral Polish and Russian action at the war's end means that nearly a fourth of Germany's pre-Hitler land is permanently lost. And as long as the division exists western Germany constitutes only half the territory of pre-Hitler Germany, and into this have fled or been deported some 9,000,000 extra souls, all destitute, making half of pre-Hitler Germany support five-sevenths of its pre-Hitler population. Whereas in 1936 Germany had 140 persons per square kilometer of territory, she has more than 300 in 1949.

Under these conditions Germany can approach her pre-Hitler level of prosperity only by (1) greatly increasing and intensifying

both her industrial and agricultural production—the latter being impossible on any vast scale, or (2) providing for the wholesale emigration of some 6,000,000 or 7,000,000 Germans, or (3) keeping Germany forever on American relief.

The offer of the Ruhr industrialists makes it possible for the western Allies to reverse the false policy they took last April. And the sooner they do so the better.

Federal Aid to Education

EXTENSION OF REMARKS
OF
HON. THOMAS J. LANE
OF MASSACHUSETTS
IN THE HOUSE OF REPRESENTATIVES
Wednesday, July 13, 1949

Mr. LANE. Mr. Speaker, under leave to extend my remarks, I wish to include the following editorial from the Tablet, Brooklyn, N. Y., Saturday, July 9, 1949:

THE CHURCH AND FEDERAL AID

The House of Representatives is expected to begin debate shortly on the Barden bill, which would grant Federal aid to the extent of $300,000,000 for education. The bill specifically prohibits the use of Federal funds for private and religious schools, even for such services as health and transportation. The bill, however, provides that all children of school age shall be counted for the purposes of allocating Federal funds. Cardinal Spellman and other members of the American hierarchy have denounced the bill as a piece of bigoted and discriminatory legislation. The Catholic press has been unanimous in vigorous opposition to the measure. On the other hand the POAU (Protestants and Other Americans United for Separation of Church and State) is organizing support for the bill and claiming credit for its discriminatory provisions.

The attitude of the Catholic Church in the United States toward this and similar measures which in effect make of parents and children who desire religious education second-class citizens, is based on solid American ground and upon the moral issues involved. First of all, a Catholic prelate is an American citizen and a spokesman for a very important group of American citizens. The Catholic press represents, likewise, the viewpoint of a large and important segment of American public opinion. Who dares to stand up and say that a member of the Catholic hierarchy or a unit of the Catholic press has no right freely to express approval or disapproval of any piece of legislation is thereby denying to an American citizen the right of freedom of speech and to a section of the American press the right of freedom of expression.

Despite POAU and similar groups, the American hierarchy and the American Catholic press will continue vigorously to express opinions on legislative matters which affect the interests of Catholic Americans, and will apologize to nobody for the exercise of their rights as Americans. We Catholics will take a back seat for nobody in asserting our rights and in demanding justice from our legislators. Our blood, sweat, and tears have gone into its greatness along with that of all other Americans. While we respect every American's right to state his opinion, we demand the same respect for our opinions. We will be heard.

This Barden bill counts our Catholic children and taxes our Catholic people but forbids any use of the taxes collected even for health services or transportation for the Catholic children counted. That is a rank and raw injustice. It penalizes American taxpayers for exercising their freedom of educational choice. It punishes Americans for defending their academic freedom. It forces one group of Americans to pay for the education of another group of Americans while forbidding their children any benefit from the taxes paid for the benefit of their neighbor's children. The thing is outrageously unAmerican, bigoted and discriminatory. The children of two men who fought side by side at Iwo Jima or in the Battle of the Bulge are divided and separated by the Barden bill. Because one of these men wants to train his children to be good Americans in a religious school, the Barden bill, having counted them and having taxed their father, forbids any use of Federal funds even to pay for a bus to take them to school.

Beyond these obvious American issues in the Barden bill, the spokesmen for Catholic Americans cannot be silent in the face of the moral issues involved without being derelict in their duty as the spiritual and moral leaders of their people. Any legislation which in its nature divides Americans from Americans, which makes fish of one and flesh of the other, which introduces a nonreligious qualification for Government benefits, plays directly into the hands of propagandists for communism. Communism thrives on disunity and dissension, on setting one group of citizens against another group. Witness what has happened in Yugoslavia, Hungary, Bulgaria and what is happening in Czechoslovakia! The very same non-religious qualification is set up for government benefits as a means of destroying free institutions and free government. Catholic spokesmen must be heard now lest America go the way of the countries behind the iron curtain.

Secondly, the Barden bill definitely establishes secularist education as the only recognized American form of education. By its prohibitions it establishes the principle that the future citizens of America can be trained properly only in nonreligious schools. This is a definite and clear-cut attack on religious education which, historically and traditionally, trained the citizens of America. The Barden bill legislates a preference for the kind of education that ignores God, the source of all human rights, and by inference bans God completely from the American school. With the horrible experiences of millions of freedom-loving people of eastern Europe in mind, Catholic Americans would be criminally delinquent in their spiritual and moral duties if they did not speak out against a measure which opens the way to the same horrible prospect for the future of this country.

Because our spiritual leaders have a right and a duty to protect the interests of their flock, and because they have a patriotic duty toward our country, they must be heard in the legislative halls of our Nation. The Barden bill must be defeated. Every Catholic American should make his will known to Congress.

T. R.'s Home

EXTENSION OF REMARKS
OF
HON. JOHN DAVIS LODGE
OF CONNECTICUT
IN THE HOUSE OF REPRESENTATIVES
Wednesday, July 13, 1949

Mr. LODGE. Mr. Speaker, under leave to extend my remarks in the Appendix of the RECORD, I am inserting an editorial from the New York Herald Tribune of Monday, July 11, regarding the home of the late Theodore Roosevelt and his family.

It should be good news to all Americans that Sagamore Hill is to be purchased by the Roosevelt Memorial Association in order to establish it as a national shrine. The greatest monument to Theodore Roosevelt is the enduring quality of his achievements. But it is entirely appropriate that there should also be this physical monument to the kind of Americanism which he represented. His talents, his lofty character, his outstanding statesmanship will light the way for the people of America for many years to come. It is good to know that Sagamore Hill is to be preserved as a tangible reminder of the outstanding service which Theodore Roosevelt rendered to his country.

T. R.'S HOME

As do few American names, Sagamore Hill evokes a sharp image. This house, which architecturally reflects so much that was typical of its period, was for several decades the center of a uniquely happy and devoted family life. Theodore Roosevelt lives safely in history, an innovating, precedent-setting figure; but there is a part of him that escapes the record and is most vivid among those who knew him and followed him in his time. The bright personality, the eager, bounding, ever-youthful spirit, expressed itself in relationships with those about him, and became embodied in the home which formed the background for his adventures. The announcement that the trustees of the Roosevelt Memorial Association propose to purchase Sagamore Hill and to establish it as a national shrine is one which will surely be greeted by widespread approbation.

An aristocracy lives by traditions; a democracy, if it is to be harmonious and vital, must live by myths which sum up in heroic form the virtues to which it aspires and the goal toward which it moves. Theodore Roosevelt was a myth-maker, and at Sagamore Hill, as present plans mature, the fountain of that myth can be continually renewed. Here Americans of this and future generations will come to catch a glimpse of something profoundly important to their Nation's life. The memory of T. R., alive in that place, will speak to them of family affection, of duty, of service, of victory and defeat borne with equanimity; and they will live as men who have drunk at a pure spring.

Chinese Communists Continue To Smash the Myths About Them

EXTENSION OF REMARKS
OF
HON. WALTER H. JUDD
OF MINNESOTA
IN THE HOUSE OF REPRESENTATIVES
Wednesday, July 13, 1949

Mr. JUDD. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following Associated Press dispatch from the Washington Post of July 11, 1949. The last paragraph is particularly informative. Most Americans stayed on in Shanghai because they believed the glowing myths about the Chinese Communists which were so skillfully propagated during the last 5 years by officials of our own Government and many western correspondents and writers on China. They diligently labored to tear down and discredit the

Chinese Government under the slogan that nothing could be worse. Those readers know better now—but too late. They helped destroy the government that was more friendly to America than any Chinese regime in history, and thereby helped bring in a Communist regime avowedly our enemy. What a record we have made in China since VJ-day.

SHANGHAI, July 10.—Foreigners in Red China were told by the Communist Liberation Daily today that police treatment of United States Vice Consul William M. Olive was an example of what they could expect.

United States Consul General John Cabot said Olive was "utterly, brutally beaten" by the police and forced to sign "apologies and confessions" during 3 days he was held handcuffed and incommunicado in jail because of a minor traffic altercation.

Olive, 32, from Ironton, Mo., was released Saturday after consular protests to high Communist authorities.

The Liberation Daily, in a lead editorial headed "Warning to American Imperialists," described the traffic incident as "imperialist provocative action." Olive, it said, was guilty of imperialistic arrogance.

The Liberation Daily editorial declared today, "The people's government will not tolerate foreign nationals to treat our people with arrogance, roughness or slight."

In another place the paper published a special warning to Americans, saying, "You must abandon your provocative action at once or you will reap the consequences."

A great many foreigners remained in Shanghai when the Reds took over because Mao Tze-tung, No. 1 Red, had promised protection of property and persons of all who obeyed the law.

It appears that the law is whatever local authorities choose to make it, and there is no higher authority. Consulates and embassies can offer little help because the Reds have no relations with foreign governments.

Whenever travel from Shanghai is resumed, it is certain there will be a big exodus of foreigners.

Tax Revision

EXTENSION OF REMARKS
OF

HON. AIME J. FORAND

OF RHODE ISLAND

IN THE HOUSE OF REPRESENTATIVES

Wednesday, July 13, 1949

Mr. FORAND. Mr. Speaker, I have today introduced a bill incorporating the recommendations made by the President in his midyear economic report relative to taxes.

I have gone somewhat beyond the President's recommendations to carry out what I believe to be a fair readjustment of the tax situation.

Under the provisions of my bill there would be a loss of revenue of $1,057,000,000, approximately, through the repeal of excise taxes, but that loss would be more than made up by restoring income-tax rates which were reduced by the Republican Revenue Act of 1948 on that portion of the adjusted gross income of married couples above $6,500 and of single persons above $3,250, and increasing the estate and gift taxes so that in the final analysis the bill would provide revenue amounting to approximately $1,100,000,000.

In other words, it would afford tax relief where it is badly needed and yet not reduce the tax revenue of the Treasury.

The bill has four principal features, each contained in a separate title, as follows:

A. INCREASE IN INDIVIDUAL INCOME TAXES ABOVE THE FIRST SURTAX BRACKET

Title I would restore the income-tax rate reduction made by the Republican Revenue Act of 1948 upon that portion of the adjusted gross income of married couples above $6,500 and of single persons above $3,250. The effect of this amendment is to equalize the tax-rate reductions made by the Eightieth Congress by insuring approximately the same dollar savings for everyone—whether in the highest or lowest surtax brackets. The $600,000,000 raised by this proposal can be utilized more equitably and wisely in the elimination of the wartime excise taxes, prompt postwar repeal of which was promised by Congress at the time of their enactment.

B. INCREASE IN ESTATE AND GIFT TAXES

Title II of the bill would increase estate- and gift-tax revenues, as recommended by the President, by repealing the 1948 estate- and gift-tax amendments. As President Truman said in his veto message of the Revenue Act of 1948:

> In the case of the estate and gift taxes, nearly all of the $250,000,000 annual reduction would go to only about 12,000 of the most wealthy families. The discovery that it is possible to make very substantial savings in the gift and estate taxes by dividing a family's wealth between husband and wife has brought forth much ingenious argument to the effect that the provisions in this bill are needed to equalize the application of these taxes in community-property and common-law States. In fact, this equalization was in all essential respects achieved by legislation enacted by the Congress in 1942.

Approximately an additional $250,000,000 to $275,000,000 would be derived by reducing estate-tax exemptions from $60,000 to $30,000, gift-tax exemptions from $30,000 to $15,000, and the annual gift-tax exclusion per donee from $3,000 to $1,500; and from "closing the loopholes in administration" of the estate and gift taxes, as proposed by the President.

Even with the changes made by my bill, estate- and gift-tax payers still would be subject to a far smaller net increase in prewar tax burden than that borne by income- and excise-tax payers.

C. LIBERALIZATION IN NET OPERATING LOSS DEDUCTION

As increased incentive to venture capital, title III of the bill would allow both corporate and unincorporated businesses to carry over business losses for the 5 years next following the year in which a loss is incurred, instead of the 2-year carry-over permitted under existing law. The 2-year carry-back of losses under present law would be reduced to 1 year. This amendment should stimulate new businesses by guaranteeing that any initial losses will be taken into account against future profits once the enterprise gets on its feet.

There would be little immediate effect upon revenue receipts under this provision of the bill.

D. REPEAL OR REDUCTION OF CERTAIN EXCISE TAXES

Titles I and II would increase tax liabilities by approximately $1,100,000,000, which would offset, roughly, the same amount of excise-tax reduction under title IV, as follows:

Tax	Present rate	New rate	Annual revenue loss
	Percent	*Percent*	
Jewelry	20	10	88,000,000
Furs	20	10	35,000,000
Toilet preparations	20	10	40,000,000
Baby oil, baby powder, etc	20	0	5,000,000
Luggage	20	10	57,000,000
Handbags, wallets, etc	20	0	28,000,000
Long-distance telephone	25	20	70,000,000
Telegraph messages	25	15	
Photographic apparatus	25	10	20,000,000
Photographic supplies	15		
Electric-light bulbs	20	0	27,000,000
Electric, gas and oil stoves, heaters, etc	10	0	80,000,000
Matches:			
Plain	(1)	0	10,000,000
Fancy	(2)	0	
Transportation of persons	15	0	245,000,000
Transportation of property	3	0	372,000,000
Total excise tax reduction			1,057,000,000

[1] 2 cents per M.
[2] 5 cents per M.

The excise taxes that would be reduced or repealed constitute a fixed charge that tends to reduce the consumption of the articles and services taxed. Their repeal will promote expansion of, and increase employment in, the industries affected. Moreover, as a group, these taxes are not based upon ability to pay, since in most instances they do not take into account the financial resources of the person paying the tax. They are in the nature of sales taxes, and the 1948 Democratic National Platform is firmly committed to opposition to a general Federal sales tax.

CONCLUSION

For the reasons indicated, my bill generally follows the recommendations made by the President. It can favorably be judged by the effect which it might have upon national income and purchasing power. It will have no significant adverse effects upon present economic conditions. The net effect of the changes, taken together, will be favorable to the expansion of business activity, without causing a significant net loss in total receipts.

The bill follows:

A bill to increase individual income taxes above the first surtax bracket, to increase estate and gift taxes, to reduce or repeal certain excise taxes, and for other purposes

Be it enacted, etc., That this act may be cited as the "Tax Adjustment Act of 1949."

TITLE I—INCREASE IN INDIVIDUAL INCOME TAXES ABOVE THE FIRST SURTAX BRACKET

SEC. 101. Computation of normal tax and surtax.

(a) Section 12 (c) of the Internal Revenue Code is hereby amended to read as follows:

"(c) Reduction of tentative normal tax and tentative surtax:

"(1) The combined normal tax and surtax under section 11 and subsection (b) of

this section shall be the aggregate of the tentative normal tax and tentative surtax, reduced as follows:

"If the aggregate is—	The reduction shall be—
"Not over $400	17 percent of the aggregate.
"Over $400	$68 plus 5 percent of excess over $400.

"(2) In no event shall the combined normal tax and surtax exceed 85½ percent of the net income."

SEC. 102. Changes in tax and withholding tables.

The Secretary of the Treasury is authorized and directed to make such changes in the tables in section 400 (optional tax tables) and section 1622 (withholding tables) as may be necessary to reflect the reduction in taxes provided for in section 101 of this act.

SEC. 103. Effective date of income-tax amendment.

The amendment to the Internal Revenue Code made by section 101 of this act shall become effective with respect to taxable years beginning after December 31, 1948.

TITLE II—ESTATE AND GIFT TAXES

PART I—ESTATE TAX

SEC. 201. Estates to which amendments applicable.

Except as otherwise expressly provided, the amendments made by this part shall be applicable only with respect to estates of decedents dying after the date of the enactment of this act.

SEC. 202. Specific exemption.

(a) Amount of exemption: Section 935 (c) of the Internal Revenue Code (relating to the exemption for the purposes of the additional estate tax) is hereby amended by striking out "$60,000" and inserting in lieu thereof "$30,000."

(b) Technical amendment: Section 821 (a) (3) of the Internal Revenue Code (relating to requirement of estate tax return) is hereby amended by striking out "$40,000" and inserting in lieu thereof "$30,000."

SEC. 203. Repeal of marital deduction.

(a) Repeal of deduction: Section 812 (e) of the Internal Revenue Code (relating to the deduction for bequests, etc., to surviving spouse) is hereby repealed.

(b) Amendment of related provisions:

(1) Gift-tax credit against basic tax: Section 813 (a) (2) of the Internal Revenue Code (relating to credit for gift tax against the basic estate tax) is hereby amended—

(A) by striking "subsections (d) and (e)" from subparagraph (A) and inserting in lieu thereof the following: "subsection (d)";

(B) by inserting "and" at the end of clause (i) of subparagraph (B); and

(C) by striking out clause (ii) of subparagraph (B).

(2) Gift tax credit against additional tax: Section 936 (b) of the Internal Revenue Code (relating to credit for gift tax against the additional estate tax) is hereby amended—

(A) by striking "subsections (d) and (e)" from paragraph (1) and inserting in lieu thereof the following: "subsection (d)",

(B) by inserting "and" at the end of subparagraph (A) of paragraph (2); and

(C) by striking out subparagraph (B) of paragraph (2).

(3) Optional valuation: The last sentence of section 811 (j) of the Internal Revenue Code (relating to optional valuation) is hereby amended to read as follows: "In case of an election made by the executor under this subsection, then for the purposes of the deduction under section 812 (d) or section 861 (a) (3), any bequest, legacy, devise, or transfer enumerated therein shall be valued as of the date of decedent's death with adjustment for any difference in value (not due to mere lapse of time or the occurrence or nonoccurrence of a contingency) of the property as of the date 1 year after the decedent's death (substituting the date of sale or exchange in the case of property sold or exchanged during such 1-year period)."

(4) Property previously taxed: Section 812 (c) of the Internal Revenue Code (relating to the deduction for property previously taxed) is hereby amended by changing the second paragraph to read as follows:

"The following property shall not, for the purposes of this subsection, be considered as property with respect to which a deduction may be allowed: (A) Property received from a prior decedent who died after December 31, 1947, and on or before the date of the enactment of the Tax Adjustment Act of 1949, and was at the time of such death the decedent's spouse; (B) property received by gift after the date of the enactment of the Revenue Act of 1948, and on or before the date of the enactment of the Tax Adjustment Act of 1949 from a donor who at the time of the gift was the decendent's spouse; and (C) property acquired in exchange for property described in clause (A) or (B)."

(5) Liability of life beneficiaries, etc.: Subsections (c) and (d) of section 826 of the Internal Revenue Code are each hereby amended by striking out the last sentence thereof.

SEC. 204. Community interests.

(a) Transfers of community property in contemplation of death, etc.: Section 811 (d) of the Internal Revenue Code (relating to revocable transfers hereby is amended by adding at the end thereof the following new paragraph:

"(5) Transfers of community property in contemplation of death, etc.: For the purposes of this subsection and subsections (c) and (1), a transfer of property held as community property by the decedent and surviving spouse under the law of any State, Territory, or possession of the United States, or any foreign country, shall be considered to have been made by the decedent, except such part thereof as may be shown to have been received as compensation for personal services actually rendered by the surviving spouse or derived originally from such compensation or from separate property of the surviving spouse."

(b) General rule: Section 811 (e) of the Internal Revenue Code (relating to joint interests) hereby is amended as follows:

(1) By striking out "(e) Joint interests." and inserting in lieu thereof:

"(e) Joint and community interests:

"(1) Joint interests."

(2) By inserting at the end thereof the following new paragraph:

"(2) Community interests: To the extent of the interest therein held as community property by the decedent and surviving spouse under the law of any State, Territory, or possession of the United States, or any foreign country, except such part thereof as may be shown to have been received as compensation for personal services actually rendered by the surviving spouse or derived originally from such compensation or from separate property of the surviving spouse. In no case shall such interest included in the gross estate of the decedent be less than the value of such part of the community property as was subject to the decedent's power of testamentary disposition, and was not bequested or devised to, or inherited by, the surviving spouse."

(c) Life insurance held as or acquired with community property: Section 811 (g) of the Internal Revenue Code (relating to life insurance) is hereby amended by adding at the end thereof the following new paragraph:

"(4) Community property: For the purposes of this subsection, premiums or other consideration paid with property held as community property by the insured and surviving spouse under the law of any State, Territory, or possession of the United States, or any foreign country, shall be considered to have been paid by the insured, except such part thereof as may be shown to have been received as compensation for personal services actually rendered by the surviving spouse or derived originally from such compensation or from separate property of the surviving spouse; and the term 'incidents of ownership' includes incidents of ownership possessed by the decedent at his death as manager of the community."

SEC. 205. Basis of surviving spouse's interest in community property.

Section 113 (a) (5) of the Internal Revenue Code (relating to basis of property transmitted at death) is hereby amended by striking out the last two sentences and inserting in lieu thereof the following: "For the purposes of this paragraph the surviving spouse's one-half share of community property held by the decedent and the surviving spouse under the community property laws of any State, Territory, or possession of the United States or any foreign country shall be considered to be property 'acquired by bequest, devise, or inheritance' from the decedent, if the death of the decedent was after December 31, 1947, and on or before the date of the enactment of the Tax Adjustment Act of 1949, and if at least one-half of the whole of the community interest in such property was includible in determining the value of the decedent's gross estate under section 811. In the case of property held by a decedent and his surviving spouse under the community property laws of any State, Territory, or possession of the United States or any foreign country, if the value of any part of the surviving spouse's one-half share of such property was included in determining the value of the gross estate of the decedent and a tax under chapter 3 was payable upon the transfer of the net estate of the decedent, then for the purposes of this paragraph such part of such one-half share of the surviving spouse shall be considered to be property 'acquired by bequest, devise, or inheritance' from the decedent, if the death of the decedent was after the date of the enactment of the Revenue Act of 1942 and on or before December 31, 1947, or was after the date of the enactment of the Tax Adjustment Act of 1949; but nothing in this sentence shall reduce basis below that which would exist if the Revenue Act of 1948 had not been enacted."

SEC. 206. Definition of property in the United States.

(a) Property within the United States: Section 862 of the Internal Revenue Code (relating to property within the United States) is hereby amended—

(1) by inserting in subsection (a) thereof immediately before "owned" the following: "(but not stock in a foreign corporation)";

(2) by striking out the period at the end of subsection (b) thereof and inserting in lieu thereof a semicolon and the word "and"; and

(3) by adding at the end thereof a new subsection to read as follows:

"(c) Bonds, notes, bank deposits, and other debts or obligations: Bonds, promissory notes, bills of exchange, moneys deposited with any person carrying on the banking business, life insurance proceeds, and any other debt or obligation owing to a nonresident not a citizen of the United States shall be deemed property within the United States if and only if the debtor or obligor is the United States, any State, Territory, or political subdivision thereof; the District of Columbia, an instrumentality of any of the foregoing, a domestic corporation, or a resident of the United States."

(b) Property without the United States: Section 863 of the Internal Revenue Code (relating to property without the United States) is hereby repealed.

(c) Obligations of the United States: Notwithstanding the provisions of subsec-

tion (a) of this section, bonds, notes, and certificates of indebtedness of the United States issued before March 1, 1941, beneficially owned by a nonresident who was not a citizen and not engaged in business in the United States shall not be included in the part of the gross estate which at the time of his death is situated in the United States; however, bonds, notes, and certificates of indebtedness of the United States issued on or after March 1, 1941, beneficially owned by a nonresident alien shall be included in such part of the gross estate.

(d) Treaty obligations: No amendment made by this section shall apply in any case where its application would be contrary to any treaty obligation of the United States.

SEC. 207. Transfers intended to take effect in possession or enjoyment at or after death.

(a) In general: Section 811 (c) of the Internal Revenue Code (relating to transfers in contemplation of, or taking effect at death) is hereby amended by inserting immediately after the words "to take effect in possession or enjoyment at or after his death" the following: "(including a transfer of any interest which is so limited as to take effect in possession or enjoyment at or after his death, irrespective of whether he retained a right or interest in the property)."

(b) Powers of appointment: Section 811 (f) (1) of the Internal Revenue Code (relating to power of appointment) is hereby amended by inserting immediately after the words "to take effect in possession or enjoyment at or after his death" the following: "(including a disposition of any interest which is so limited as to take effect in possession or enjoyment at or after his death, irrespective of whether he retained a right or interest in the property)."

SEC. 208. Transfers within 5 years preceding death.

(a) Transfers, etc., within 5 years of death: Section 811 of the Internal Revenue Code (relating to determination of gross estate) is hereby amended by striking "(l)" at the beginning of subsection (l) and inserting in lieu thereof "(m)", and by inserting after subsection (k) a new subsection to read as follows:

"(l) Transfers, etc., within 5 years of death: If within 5 years prior to his death the decedent (1) transferred any interest in property, or (2) assigned, quitclaimed, or released any right to the possession or enjoyment of, or to the income from, property, or (3) exercised, released, or relinquished any right to designate who should possess or enjoy property or the income therefrom, any power to change the enjoyment of property, or any power of appointment, or if within such period a joint tenancy or tenancy by the entirety is terminated or property is removed from such a tenancy or from any joint ownership with right of survivorship, and such transfer, assignment, quitclaim, release, exercise, relinquishment, termination, or removal has the effect of removing the value of any property or interest in property from the scope of subsections (a) to (g), inclusive, of this section, then the value of such property or interest in property shall (except in the case of a bona fide sale for an adequate and full consideration in money or money's worth) be included in determining the value of the gross estate as through such transfer, assignment, quitclaim, release, exercise, relinquishment, termination, or removal had not occurred."

(b) Repeal of contemplation of death provisions:

(1) Section 811 (c) (relating to transfers in contemplation of, or taking effect at death) is hereby amended by striking the words "in contemplation of or" from the first sentence thereof, by striking out the period at the end of such sentence and inserting in lieu thereof a semicolon, and by striking out the second sentence thereof.

(2) Section 811 (d) (relating to revocable transfers) is hereby amended by striking out paragraph (4) thereof.

(3) Section 811 (f) (1) (relating to powers of appointment) is hereby amended by striking out "with respect to which he has at any time exercised or released a power of appointment in contemplation of death, or (C)."

(c) Applicability to prior transfers, etc.: The provisions of subsection (a) of this section shall not apply with respect to any transfer, assignment, quitclaim, release, exercise, relinquishment, termination, or removal occurring on or before the date of the enactment of this act except to the extent that the value of any property or interest in property thereby removed from the scope of subsection (a) to (g) of section 811 of the Internal Revenue Code would have been includible in determining the value of the gross estate if this section had not been enacted.

SEC. 209. Proceeds of life insurance.

In determining, for the purpose of section 811 (g) (2) of the Internal Revenue Code, the extent to which insurance under policies upon the life of the decedent was purchased with premiums, or other consideration, paid directly or indirectly by the decedent, the total amount so paid by the decedent shall (notwithstanding the provisions of section 404 (c) of the Revenue Act of 1942) be included, whether paid before or after January 10, 1941, and irrespective of whether the decedent possessed at any time an incident of ownership in the policy.

SEC. 210. Repeal of deduction for support of dependents.

Section 812 (b) of the Internal Revenue Code (relating to deductions for expenses, etc.) is hereby amended—

(a) by inserting the word "and" at the end of paragraph (3) thereof;

(b) by striking out of paragraph (4) thereof the following: "and";

(c) by striking out paragraph (5) thereof; and

(d) by striking out "(3), (4), and (5) exceed" and inserting in lieu thereof "(3), and (4) exceed".

PART II—GIFT TAX

SEC. 250. Gifts to which amendments applicable.

Except as otherwise expressly provided, the amendments made by this part shall be applicable only to gifts made in the calendar year 1950 and succeeding calendar years.

SEC. 251. Marital deduction.

Section 1004 (a) (3) (A) of the Internal Revenue Code (relating to the deduction for gifts to spouse) is hereby amended by inserting immediately after "Revenue Act of 1948" the following: "and on or before the date of the enactment of the Tax Adjustment Act of 1949".

SEC. 252. Gift of husband or wife to third party.

Section 1000 (f) (1) (A) of the Internal Revenue Code (relating to gift of husband or wife to third party) is hereby amended by inserting immediately after "Revenue Act of 1948" the following: "and on or before the date of the enactment of the Tax Adjustment Act of 1949".

SEC. 253. Specific exemption of gifts reduced.

That part of section 1004 of the Internal Revenue Code (relating to deduction for the purpose of the gift tax) which precedes paragraph (2) of subsection (a) is hereby amended—

(a) by striking out "1942" and "1943" wherever they appear and inserting in lieu thereof "1949" and "1950," respectively; and

(b) by striking out "$30,000" and inserting in lieu thereof "$15,000."

SEC. 254. Reduction in gift-tax exclusion.

Section 1003 (b) of the Internal Revenue Code (relating to exclusions from gifts) is hereby amended by striking out paragraph (3) and by inserting in lieu thereof the following:

"(3) Gifts after 1942 and prior to 1950: In the case of gifts (other than gifts of future interests in property) made to any person by the donor during the calendar year 1943 and subsequent calendar years prior to 1950, the first $3,000 of such gifts to such person shall not, for the purposes of subsection (a), be included in the total amount of gifts made during such year.

"(4) Gifts after 1949: In the case of gifts (other than gifts of future interests in property) made to any person by the donor during the calendar year 1950 and subsequent calendar years, the first $1,500 of such gifts to such person shall not, for the purposes of subsection (a) be included in the total amount of gifts made during such year."

SEC. 255. Gifts of community property.

(a) Amendments to section 1000 (d): Section 1000 (d) of the Internal Revenue Code (relating to gifts of property held as community property) is hereby amended—

(1) by inserting at the end of the first paragraph thereof the following new sentence: "For the purposes of this subsection the term 'gifts of property held as community property' shall be deemed to include partitions of community property between husband and wife."

(2) by inserting immediately before the period at the end of the last sentence thereof the following words "and to gifts made after the date of the enactment of the Tax Adjustment Act of 1949."

(b) Gifts to which amendments applicable: The amendments made by this section shall be applicable with respect to gifts made after the date of the enactment of this Act.

SEC. 256. Definition of property in the United States.

(a) Property within the United States: Section 1030 (b) of the Internal Revenue Code (relating to property within the United States) is hereby amended to read as follows:

"(b) Property within the United States:

"(1) Stock in domestic corporation: Stock in a domestic corporation (but not stock in a foreign corporation) owned and held by a nonresident not a citizen of the United States shall be deemed property within the United States; and

"(2) Bonds, notes, bank deposits, and other debts or obligations: Bonds, promissory notes, bills of exchange, moneys deposited with any person carrying on the banking business, life insurance proceeds, and any other debt or obligation owing to a nonresident not a citizen of the United States shall be deemed property within the United States if and only if the debtor or obligor is the United States, any State, Territory, or political subdivision thereof; the District of Columbia, an instrumentality of any of the foregoing, a domestic corporation, or a resident of the United States."

(b) Obligations of the United States: Notwithstanding the provisions of subsection (a) of this section, the gift tax under section 1000 of the Internal Revenue Code shall not apply to a transfer by a nonresident not a citizen of the United States and not engaged in business in the United States of a bond, note, or certificate of indebtedness of the United States issued before March 1, 1941; however, such tax shall apply to a transfer by a nonresident not a citizen of the United States of a bond, note, or certificate of indebtedness of the United States issued on or after March 1, 1941.

(c) Effective date: The amendments made by this section shall be applicable with respect to gifts made after the date of the enactment of this act.

TITLE III—LIBERALIZATION OF NET OPERATING LOSS DEDUCTION

SEC. 301. Net operating loss deduction.

(a) Amendment of section 122 (b): Section 122 (b) (relating to amount of carry-back and carry-over) is hereby amended to read as follows:

"(b) Amount of carry-back and carry-over:

"(1) Net operating loss carry-back:

"(A) Loss for taxable year beginning before 1950: If for any taxable year beginning after December 31, 1941, and before January 1, 1950, the taxpayer has a net operating loss, such net operating loss shall be a net operating loss carry-back for each of the two preceding taxable years, except that the carry-back in the case of the first preceding taxable year shall be the excess, if any, of the amount of such net operating loss over the net income for the second preceding taxable year computed—

"(i) with the exceptions, additions, and limitations provided in subsection (d) (1), (2), (4), and (6); and

"(ii) by determining the net operating loss deduction for such second preceding taxable year without regard to such net operating loss or to any reduction specified in subsection (c).

"(B) Loss for taxable year beginning after 1949: If for any taxable year beginning after December 31, 1949, the taxpayer has a net operating loss, such net operating loss shall be a net operating loss carry-back for the preceding taxable year.

"(2) Net operating loss carry-over:

"(A) Loss for taxable year beginning before 1950: If for any taxable year beginning before January 1, 1950, the taxpayer has a net operating loss, such net operating loss shall be a net operating loss carry-over for each of the two succeeding taxable years, except that the carry-over in the case of the second succeeding taxable year shall be the excess, if any, of the amount of such net operating loss over the net income for the intervening taxable year computed—

"(i) With the exceptions, additions, and limitations, provided in subsection (d) (1), (2), (4), and (6); and

"(ii) by determining the net operating loss deduction for such intervening taxable year without regard to such net operating loss, to any net operating loss carry-back, or to any reduction specified in subsection (c).

For the purposes of the preceding sentence, the net operating loss for any taxable year beginning after December 31, 1941, shall be reduced by the sum of the net income for each of the two preceding taxable years computed for each such preceding taxable year—

"(iii) with the exceptions, additions, and limitations provided in subsection (d) (1), (2), (4), and (6); and

"(iv) by determining the net operating loss deduction without regard to such net operating loss, to any net operating loss for the succeeding taxable year, or to any reduction specified in subsection (c).

"(B) Loss for taxable year beginning after 1949: If for any taxable year beginning after December 31, 1949, the taxpayer has a net operating loss, such net operating loss shall be a net operating loss carry-over for each of the five succeeding taxable years, except that the carry-over in the case of each of such succeeding taxable years (other than the first succeeding taxable year) shall be the excess, if any, of the amount of such net operating loss over the sum of the net income for each of the intervening taxable years computed—

"(i) with the exceptions, additions, and limitations provided in subsection (d) (1), (2), (4), and (6); and

"(ii) by determining the net operating loss deduction for such intervening taxable year without regard to such net operating loss, to any net operating loss for an intervening taxable year, to any net operating loss carry-back, or to any reduction specified in subsection (c).

For the purposes of the preceding sentence, the net operating loss for any taxable year shall be reduced by the amount, if any, of the net income for the preceding taxable year computed—

"(iii) with the exceptions, additions, and limitations provided in subsection (d) (1), (2), (4), and (6); and

"(iv) by determining the net operating loss deduction for such preceding taxable year without regard to such net operating loss or to any reduction specified in subsection (c)."

(b) Rule for application of section 122: Section 122 is further amended by adding at the end thereof the following new subsection:

"(f) Law applicable in computing gross income, etc.: In computing the net operating loss deduction for any taxable year, the gross income and deductions for any other taxable year involved in such computation, and the exceptions, additions, and limitations (provided in subsection (d) in effect for such other taxable year) with respect to such gross income and deductions, shall be determined under the law applicable to such other year."

(c) Effective date: The amendments made by subsection (a) of this section shall be applicable in computing the net operating loss deduction for taxable years beginning after December 31, 1941, and the amendment made by subsection (b) of this section shall be applicable in computing the net operating loss deduction for any taxable year beginning after December 31, 1940.

(d) Carry-overs in the case of certain reorganized railroads: Subsection (c) of the first section of the act of July 15, 1947 (Public Law 189, 80th Cong.), entitled "An act to allow to a successor railroad corporation the benefits of certain carry-overs of a predecessor corporation for the purposes of certain provisions of the Internal Revenue Code," is hereby amended by striking out "three instead of two" and inserting in lieu thereof "one more than that prescribed in the Internal Revenue Code."

TITLE IV—REPEAL OR REDUCTION OF CERTAIN EXCISE TAXES

SEC. 401. Repeal of tax on baby oil, baby powder, etc.

Section 2402 (a) of the Internal Revenue Code (tax on toilet preparations) is hereby amended by striking out the period at the end thereof and by inserting in lieu thereof the following: "(except baby oils, baby lotions, baby powders, or similar preparations designed primarily for use in the care of infants)."

SEC. 402. Repeal of tax on purses, handbags, pocketbooks, etc., and reduction of rate of tax on luggage.

Section 1651 (a) of the Internal Revenue Code (retailer's excise tax on luggage, etc.) is hereby amended to read as follows:

"(a) Tax: There is hereby imposed upon the following articles (including in each case fittings or accessories therefor sold on or in connection with the sale thereof) sold at retail a tax equivalent to 10 percent of the price for which so sold:

"(1) Trunks, valises, traveling bags, suitcases, satchels, overnight bags, hat boxes for use by travelers, beach bags, bathing-suit bags, brief cases made of leather or imitation leather, and salesmen's sample and display cases.

"(2) Toilet cases and other cases, bags, and kits (without regard to size, shape, construction, or material from which made) for use in carrying toilet articles or articles of wearing apparel."

SEC. 403. Repeal of tax on transportation of persons.

Subchapter C of chapter 30 of the Internal Revenue Code (tax on transportation of persons) is hereby repealed.

SEC. 404. Repeal of tax on transportation of property.

Subchapter E of chapter 30 of the Internal Revenue Code (tax on transportation of property) is hereby repealed.

SEC. 405. Repeal of tax on matches.

Section 3409 of the Internal Revenue Code (tax on matches) is hereby repealed.

SEC. 406. Repeal of tax on electric-light bulbs.

Section 3406 (a) (10) of the Internal Revenue Code (tax on electric-light bulbs and tubes) is hereby repealed.

SEC. 407. Repeal of tax on electric, gas, and oil appliances.

Section 3406 (a) (3) of the Internal Revenue Code (tax on electric, gas, and oil appliances) is hereby repealed.

SEC. 408. Reduction of tax on photographic apparatus.

Section 3406 (a) (4) of the Internal Revenue Code (tax on photographic apparatus) is hereby amended by striking out "25 per centum;"; and by striking out "15 per centum" and by inserting in lieu thereof "10 per centum."

SEC. 409. Repeal of war-tax rates on jewelry, furs, toilet preparations, and long-distance telephone and telegraph, cable, and radio messages.

Section 1650 of the Internal Revenue Code (war-tax rates of certain miscellaneous taxes) is hereby amended by striking out everything after the colon and by inserting in lieu thereof the following:

Section	Description of tax	Old rate	War-tax rate
1700 (a)	Admissions	1 cent for each 10 cents or fraction thereof.	1 cent for each 5 cents or major fraction thereof.
1700 (b)	Permanent use or lease of boxes or seats	11 percent	20 percent.
1700 (c)	Sales of tickets outside box office	do	Do.
1700 (e)	Cabarets, roof gardens, etc	5 percent	Do.
1710 (a) (1)	Dues or membership fees	11 percent	Do.
1710 (a) (2)	Initiation fees	do	Do.
2800 (a) (1)	Distilled spirits	$6 per gallon	$9 per gallon.
2800 (a) (3)	Imported perfumes containing distilled spirits.	do	Do.
2800 (a) (1)	Still wines:		
	(1) Not over 14 percent of alcohol	10 cents per gallon	15 cents per gallon.
	(2) Over 14 percent and not over 21 percent of alcohol.	40 cents per gallon	60 cents per gallon.
	(3) Over 21 percent and not over 24 percent of alcohol.	$1 per gallon	$2 per gallon.
2800 (a) (2)	Sparkling wines, liqueurs and cordials:		
	(1) Champagne or sparkling wine	10 cents per half pint or fraction thereof.	15 cents per half pint or fraction thereof.
	(2) Artificially carbonated wine	5 cents per half pint or fraction thereof.	10 cents per half pint or fraction thereof.
	(3) Liqueurs, cordials, etc	do	Do.
3150	Fermented malt liquors	$7 per barrel	$8 per barrel.
3268	Billiard and pool tables; and bowling alleys.	$10 per year per table; $10 per year per alley.	$20 per year per table; $20 per year per alley.
3465 (a) (2) (A)	Leased wires, etc	15 percent	25 percent.
3465 (a) (2) (B)	Wire and equipment service	5 percent	8 percent.

SEC. 410. Effective date of amendments made by this title.

(a) The amendments made by sections 401, 402, 405, 406, 407, and 408 shall take effect on the first day of the first month which begins more than 20 days after the date of the enactment of this act.

(b) The amendments made by sections 403 and 404 shall apply to amounts paid on or after the first day of the first month which begins more than 20 days after the date of the enactment of this act for transportation on or after such first day.

(c) That part of the amendment made by section 409 which relates to the taxes imposed by section 3465 of the Internal Revenue Code (tax on telegraph, telephone, radio, and cable facilities) shall apply in the case of amounts paid pursuant to bills rendered on or after the first day of the first month which begins more than 20 days after the date of the enactment of this act for services for which no previous bill was rendered, except that such an amendment shall not apply with respect to such services as were rendered more than 2 months before the first day of the first month which begins more than 20 days after the date of the enactment of this act; that part of the amendment made by section 409 which relates to taxes imposed by section 3469 of the Internal Revenue Code (tax on transportation of persons, etc.) shall have the same effective date as the amendment made by section 403; and the remainder of the amendment made by section 409 shall take effect on the first day of the first such month which begins more than twenty days after the date of the enactment of this act.

Business Realists

EXTENSION OF REMARKS
OF
HON. HAROLD D. DONOHUE
OF MASSACHUSETTS
IN THE HOUSE OF REPRESENTATIVES
Wednesday, July 13, 1949

Mr. DONOHUE. Mr. Speaker, under leave to extend my remarks, I wish to include a very timely and thought-provoking editorial entitled "Business Realists," which appeared in the July 2, 1949, issue of America, a Catholic Review of the week.

The editorial follows:

BUSINESS REALISTS

Businessmen gathered in Chicago last week for conventions of the National Association of Cost Accountants and the National Association of Purchasing Agents heard some refreshingly realistic talk about their role in the American economy. Stealing some thunder from labor leaders, L. A. Peterson, president of Otis Elevator, who addressed the cost accountants at the Palmer House, urged industry to take strong, aggressive, forceful action to achieve an economy stabilized at the highest possible levels of production and employment. Other speakers made it clear that at the present moment strong, aggressive action involved a hard look at pricing policies. Prof. Joel Dean of Columbia University raised doubts about cost-plus pricing; denied that costs are the only consideration in pricing, or even the most important one. The dominant factor in pricing policy, he argued, is its effect on volume and sales, in other words, the pricing policies of business must contribute to stabilizing production and employment at high levels.

Similar talk was heard at the Stevens Hotel, where the purchasing agents were assembled. Robert C. Swanton, of Winchester Repeating Arms, urged industry to adopt a more realistic price policy. He contended that such a policy would help business to reach price stability sooner than present policies of token or "cut-and-try" reductions. In a dig at the steel industry, a committee headed by Fred G. Syburg, of the Chain Belt Co., reported that costs of coal and steel scrap are down, and efficiency is up. Mr. Syburg denied that rigid high labor rates would prevent steel price cuts dictated by other considerations. The report noted that steel is being consumed at a greater rate than it is being produced, and regarded this as a hopeful sign for the future.

If these conventions indicate that industrialists are beginning to think more of taking positive measures to head off a depression and less of trying to ride out the storm after it breaks, they are a harbinger of better times. They suggest that labor—which for the past two decades has insisted on positive action to deal with the boom-bust cycle—and management are approaching a common viewpoint on an issue which up till now has bitterly divided them.

Just Dollar Short, Not Broke

EXTENSION OF REMARKS
OF
HON. WALTER H. JUDD
OF MINNESOTA
IN THE HOUSE OF REPRESENTATIVES
Wednesday, July 13, 1949

Mr. JUDD. Mr. Speaker, under leave to extend my remarks in the RECORD, I include a bit of satire on the fancy words we use nowadays to prevent ourselves from facing unpleasant facts. It is by Jack Wilson, a Minneapolis Tribune staff correspondent here in Washington, who uses the pseudonym Martin Took when telling his story by parable rather than by straight reporting. The piece is from the Minneapolis Tribune of July 8, 1949:

SHY OF THE RIGHT KIND OF BILLS

(By Martin Took)

WASHINGTON.—I have just found out what is wrong with me, fiscally speaking, and it is worse than I thought.

I have a dollar shortage.

Here I have been going along thinking the reason I couldn't buy a nice light blue convertible or a piece of porterhouse was that I couldn't afford it.

It never occurred to me that the real trouble was my dollar shortage. Not until I read about how things were in England.

What it all adds up to is that I have got a crisis on my hands. A crisis is what happens when you have got a dollar shortage and two kids who want a television contraption.

We had a full-dress economic conference at our house as soon as I found out about this crisis, and took steps to relieve the same. I opened it by explaining to my kids about my dollar shortage.

MONETARY IMBALANCE

They said did that mean I was shy on dough, and I said that was a heck of a way to talk at an economic conference.

I said the fact of the matter was that I was in a state of monetary imbalance. I said the thing that was wrong at our house was that we bought more stuff from the grocery store than we sold to it.

My kids said we hadn't bought a television set from anywhere and they were getting pretty tired of not having a television set.

I said you couldn't have a television set and a dollar shortage at the same time, and they said they would just as soon get along without the dollar shortage if they could just have a television set.

I said I had a dandy plan. I said we would have an austerity program until the crisis was over.

They said they didn't want an austerity program, they just wanted a television set.

BED SLATS WORK

They said they did't even know what an austerity program was, so I showed them how it worked.

An austerity program means that instead of buying your kids a television set to keep them from yammering you give them a couple of crisp cracks with a bed slat.

The Human Situation

EXTENSION OF REMARKS
OF
HON. JOHN DAVIS LODGE
OF CONNECTICUT
IN THE HOUSE OF REPRESENTATIVES
Wednesday, July 13, 1949

Mr. LODGE. Mr. Speaker, under leave to extend my remarks in the Appendix of the RECORD, I am inserting a penetrating and helpful article by Walter Lippmann. The considerations which he mentions are, I believe, basic to a deep understanding of the dilemma in which we find ourselves with regard to our international relations.

The article follows:

TODAY AND TOMORROW

(By Walter Lippmann)

THE HUMAN SITUATION

Why, we are bound to ask ourselves, have all our plans for world recovery fallen so far short of what they were supposed to do? Beginning with the World Bank and the Monetary Fund, which were followed by the British and the French loans, which were followed by the Marshall plan, we have tried to reconstruct a world economy in which our partners and friends could earn their way toward a rising standard of life. Neither they nor we have wanted to think of the American subsidy as anything but a temporary and undesirable necessity. But we have not succeeded, and once again the economic relations of Europe and North America are at a crisis.

The easy temptation is first to deny that there is a crisis. Then to complain about the policies, measures, economic theories, or ideologies which we disagree with and do not like. And after that to look for trick remedies, like devaluation—or for utopian solutions, such as the unification of a Europe which is partitioned at the Elbe River—or to fix on counsels of perfection, as for example, that the relatively backward industries of western Europe should begin quickly to compete efficiently with American industry.

But if we are looking very honestly for the true answer, we must, I think, say that our error has been to underrate the tremendous consequence of the two world wars not only on Europe but on the United States as well. So we have allowed ourselves to believe, what we so much wanted to believe, that each successive project would be the one that would soon bring the world back to what was once the normal.

Now, having made these many disappointing experiments, we shall have to admit that the old normal is not being restored, that the problem of postwar reconstruction is unique, that within the near future it may be manageable but it is not soluble, and that even with the wisest statesmanship we

can hope only to assuage the difficulties, choose the lesser of the unpleasant choices open to us, leaving it to time and the much longer future to evolve a new relationship between Europe and America.

Because the crisis is being discussed in the technical terms of finance, the real issues become obscured. Yet beneath the chronic dollar deficit and the inconvertibility of the foreign currencies, there is a human situation the like of which the modern world has never seen before. The two World Wars, plus the cold war and the fear of a third war, have made western Europe dependent, as it never was before, on supplies from North America. This same warring and warlike epoch has made, indeed forced, the United States to become self-sufficient as it never was before. The crux of the problem and the heart of the crisis is that Europe must buy absolute necessities from us whereas there is almost nothing that we have to buy from Europe. Even in 1937, when the situation was more favorable than it is now, European finished manufactures imported into this country were less than 1 percent of our consumption. There were perhaps a dozen commodities, none of them necessities, of which our imports from Europe were more than 5 percent.

This is the hard and irreducible core of the problem of the balance of payments and its chronic dollar deficits, and of the unsuccess of the loans and of the Marshall plan. The baffling question has been, and is, how a businesslike relation can be maintained between the Europeans who must buy from us and Americans who do not have to buy from Europe.

The story has often been told of how the wars have exhausted the foreign investments, have depleted the capital, and have disrupted the markets of Europe, and of how the military partition of Europe, the cold war, and the colonial revolutions have reduced the earning power of Europe.

But an equally important chapter of the same story is not so well known. It is how the wars have affected the United States, causing by forced draught an increase not only in American productivity but also in American self-sufficiency. It is a malicious caricature of this development, often used by the Communist propaganda, to say that America has grown rich from the wars. America would be much richer without them. But it is true that the wars in Europe have compelled this country to save itself and to save Europe, including Russia, by developing its own industrial and agricultural production to a point where it is largely self-sufficient with great surpluses in addition.

Not only have the wars compelled us to grow more food than we would have grown, and to manufacture more of the goods that we used to manufacture. The wars compelled us also to make many things we used to pay dollars to import, such as chemicals, dyestuffs, optical glass, and rubber.

The result, as the economic survey of Europe points out is that our imports in 1948 at the peak of the boom, were a very much smaller percentage of our total production than they have ever been before. Compared with 1929 our imports had increased only 5 percent while our total production was two-thirds larger. The war has made this country self-sufficient and self-contained as it never was before, and yet the American standard of life is very high.

Therefore, while Europe must import or suffer, there is no corresponding necessity for America to import from Europe. On the contrary there is a strong resistance to European imports which would compete with the self-sufficiency of our own postwar economy. As a result the development of world trade with Europe is a matter of enlightened self-interest for America rather than of immediate and obvious need. This makes the problem of our relations with Europe essentially political, moral, and ideological, and therefore endlessly debatable, rather than necessary, profitable, and a matter of business.

These considerations do not provide a solution to the problem. But perhaps, as we reflect on them, they will make us tolerant, open-minded, and humble in the face of a problem which transcends our immediate capacity to solve it, which nevertheless we must live with for a long time to come.

Natural Tendencies

EXTENSION OF REMARKS
OF
HON. THOMAS J. LANE
OF MASSACHUSETTS
IN THE HOUSE OF REPRESENTATIVES
Wednesday, July 13, 1949

Mr. LANE. Mr. Speaker, under leave to extend my remarks, I wish to include the following article which appeared in the Daily Evening Item, Lynn, Mass., Monday, July 11, 1949:

TRUE LIBERALISM

What does it mean to be a liberal?

In the nineteenth century, liberalism meant a high degree of freedom from government restrictions in both the economic and political realms. It set the stage for the commercial and industrial growth that made over much of the world.

In the twentieth century, by an odd twist, liberalism seems to symbolize the very opposite tendencies: Bigger government, more restrictions, less room for free choice.

How can the term "liberalism" have any worth if it can be stretched to cover these extremes?

Let's wade into the confusion surrounding this sadly overworked term and see if we can determine whether it still has any value.

To have any continuing meaning, liberalism clearly must be defined in a manner that will make it adaptable to changing times and conditions.

To define it thus means to free it from any permanent association with a fixed pattern of ideas, whether social, economic or political. In other words, it can't be identified with a pat political doctrine, for political philosophies become outmoded and die.

Obviously, if liberalism means just the nineteenth century variety, it is practically dead today. If it means big government, it might wither away in some future time when trends perhaps veer in another direction.

Couldn't it be possible that liberalism is really an attitude, a way of thinking that shifts to meet the varying circumstances of an always changing society? But what sort of an attitude?

The record of history suggests an answer. The men who have earned the liberal label seem to have had in common a bold willingness to experiment, to try the new, to shatter old frameworks in quest of solutions to pressing human problems.

By contrast, conservatives appear most often to search for answers within the existing structure of society. They may be no less concerned with solving human problems; they simply are predisposed to solve them without breaking new ground.

If a liberal is properly defined as a ground breaker, then in one era he may favor fewer Government restrictions and in another he might seek more. His eye is on the problems facing society. He feels no allegiance to any cause but their solution.

Liberalism thus characterized is not a monopoly of any political party. It may exist side by side with conservatism—and does—in both major United States parties. By the same token, any individual may exhibit both liberal and conservative tendencies.

But the liberal attitude must show itself in action if it is to count. It is hardly enough to announce: "I am a liberal" in the hope that you thereby establish yourself on a high plane of righteousness. You earn the label solely by seeking liberal solutions to problems.

Furthermore, it is just as honorable and important to be a conservative. Society is not always breaking new ground in all directions; much of the time it is busy nurturing and improving ground already broken.

Liberalism and conservatism represent our most fundamental attitudes toward life. They are natural tendencies that ought to be honestly expressed. Nothing is sillier than to regard liberalism automatically as a cloak of virtue. It is a sound, useful attitude; but it is not the only one a man of good will can have.

Leaving Labor Law Decision to the People

EXTENSION OF REMARKS
OF
HON. EARL C. MICHENER
OF MICHIGAN
IN THE HOUSE OF REPRESENTATIVES
Wednesday, July 13, 1949

Mr. MICHENER. Mr. Speaker, the Ann Arbor (Mich.) News of July 9 carries an editorial concerning recent action in the Senate modifying the Taft-Hartley Act. The editorial is logical and well worth reading. It is apparent that there is no possibility of the Eighty-first Congress repealing the Taft-Hartley Act in toto.

President Truman did make the repeal of this law an issue in the 1948 campaign. The President was elected, not by a majority of those who voted in the 1948 election, but by a minority of the voters. Admittedly the repeal of the Taft-Hartley Act was an issue in the last election, not only so far as the President was concerned but, which is very important also, so far as Members of Congress in their respective districts were concerned; that is, while the President claimed to have a mandate from a majority of the voters, at the same time the respective Representatives in Congress have a mandate from their districts. In the district which I have the honor to represent this repeal was the most talked about issue. My opponent definitely and vociferously promised repeal. On the other hand, I voted for the Taft-Hartley Act and made it clear I would vote for any amendments which I thought would make it a better law, but would not vote to repeal it entirely. Therefore, if President Truman feels he has a national mandate to repeal the law, I certainly have a direct mandate from a majority of my constituents to oppose such repeal. This I shall do.

There are so many factors entering into a congressional, a senatorial, or a Presidential campaign that one is hardly warranted in saying any particular issue outweighs all the rest. Suffice it to say that the people in a majority of the

congressional districts in the United States did not promise to repeal the Taft-Hartley law and it is fair to assume that the Representatives from those districts are expressing the views of their own constituents in voting against such repeal.

Pursuant to permission granted me, I include the editorial, which is as follows:

LEAVING LABOR LAW DECISION TO THE PEOPLE

Despite the charges and countercharges surrounding defeat of President Truman's efforts to have the Taft-Hartley Act repealed there is something remarkable in the way both sides propose to settle this controversial question, namely, at the polls in 1950.

When Senator TAFT won a smashing victory over the administration last week by securing approval in the Senate of his substitute bill embodying most of the Taft-Hartley Act's provisions, Democratic leaders and labor bosses alike threatened revenge in the 1950 elections.

They appear determined to carry on an all-out fight between now and November 1950 against Senators who voted with Senator TAFT and who come up for reelection next year.

At the same time, however, Mr. TAFT and his supporters on labor legislation feel that their efforts to enact a fair labor law will be rewarded by the votes of people who believe that labor-management relations have been much, and could be further, improved by suggested modifications—not by repeal.

The significant aspect of this dispute is that both sides are willing to accept the vote of the people as the final word.

In many other countries of the world powerful men or groups do not always bow to the will of the majority.

In some South American countries, for example, issues are often settled by guns rather than with votes. Students of politics point out that a revolution in a South American nation is often about the same as an election here because it sometimes becomes the only means by which a change of government can be effected.

In other countries, notably those behind the iron curtain, there is no normal or democratic change of government because only one party is allowed to exist and it controls every phase of the individual's life.

Americans have been brought up on the theory that the best and by far the most successful form of government is that in which a majority of the people decide what is best.

The underlying factor in our system is that a party or group of individuals always has the chance to try out its own ideas if it can convince a majority of the voters that it has something better to offer.

The Wagner Act was a one-sided law—in favor of union leaders, union organizers, and segments of union labor. In practice it was often used unfairly against employers, against workers, and against the public.

The Taft-Hartley law sought to deal more fairly with employers, with workers, and with the public. It became recognized in practice that it had swung a bit too far to the other side. Senator TAFT sought to correct this and to provide a measure equitable to union labor, equitable to employers, equitable to workers, and equitable to the public.

Mr. Truman and the labor leaders, intent upon restoring the provisions of the one-sided Wagner Act, and as we believe, wrongly interpreting the feeling of the people of the country, would not compromise. And hence their defeat in the Senate.

Between now and November 1950, workers themselves, as well as the rest of the people will have a chance to think calmly over the issue and to reach sound conclusions as to the merits or demerits of the Taft-Hartley Act and of the proposed Taft substitute which would have corrected certain unsatisfactory features in it. They had little such chance for calm, sound thinking amidst the hurly-burly, the rantings and the wild statements of the 1948 campaign.

The labor debate in the Senate provided much food for thought for the workers, for the employers, and for the public. It may be helpful in arriving at sound decisions on this particular issue in the 1950 elections.

However, by the time of these elections other issues of equal or greater importance to the people at large may have arisen. And a wise constituency chooses its Senators and its Representatives not on his stand on one issue or on his favoritism to a particular group, but on his all-around service and his all-around worthiness.

Col. Charles G. Holle, Corps of Engineers, United States Army

EXTENSION OF REMARKS

OF

HON. F. EDWARD HÉBERT

OF LOUISIANA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, July 13, 1949

Mr. HÉBERT. Mr. Speaker, the blessings and privileges of victorious democracy are indeed many. One of the indulgencies that we can and usually do permit ourselves, between wars, is to forget about the professional military men who are so vitally necessary to these victories; to provide sparingly and grudgingly for their needs; to belittle their achievements and give free reign to all of the various peeves and prejudices of an essentially nonmilitary citizenry against them. But there are, among these professional soldiers, some whose inherent abilities and outstanding worth are so evident that they overcome prejudice and command the confidence and respect of all those with whom they come in contact throughout their entire careers in peacetime as well as in war.

One such outstanding officer is Col. Charles G. Holle, of the Corps of Engineers. He became known to many, if not most, of my colleagues in this Chamber in the years immediately following the war as the able executive officer of the Chief of Engineers. Last year, in recognition of his high qualifications he was made engineer of maintenance of the Panama Canal.

Under leave to extend my remarks in the RECORD, I herewith include an editorial of The Nation, leading newspaper of the Canal Zone, attesting to the esteem in which Colonel Holle is held in Panama:

THE CROSSROADS

(By Brodie Burnham)

The unexpected transfer of Col. Charles G. Holle from his post as engineer of maintenance of the Panama Canal to some mysterious assignment elsewhere has been greeted in all Isthmian quarters with a combination of dismay and puzzlement.

This is tinged with, in many cases, a touch of resentment, since he is widely liked and admired and it was agreeable to know he was on hand to act as Governor during General Newcomer's absences, and that it was he who was in line to succeed to the big office on the second floor of the Admin Building at the end of Governor Newcomer's term.

The resentment was at the jerking of a good man out of here, for we consider the Panama Canal to be a pretty important place.

The situation has not been aided by the element of mystery that surrounded the sudden transfer, particularly concerning Colonel Holle's next assignment. We might be able better to understand if it had been revealed, for instance, that he was to take a very important post in Germany (this in fact was one of the many rumors floating hereabouts) or at some other hot spot.

But everyone here claimed ignorance of where he was to be sent, and that included Holle himself and top Zone executives. Even today they were cagey despite the report from Washington that he would go to the Mississippi Valley engineer district.

What's more, the Defense Department held for 2 days that "the new assignment * * * has not yet been selected." A Defense spokesman told the International News Service, on our request, that Colonel Holle was to be reassigned shortly in what he described as a "routine transfer."

For my money the Defense Department had better get a new public relations man. This isn't any more a routine transfer than I am engineer of maintenance; Holle has been here less than a year; it is "routine" for an engineer of maintenance to occupy that post for 4 years and then succeed immediately to the governorship for another 4.

Further indication, as if we needed it, that the defense spokesman didn't know what he was talking about may be seen in his careless assertion to INS that the governorship of the Panama Canal "is not generally given to officers lower than major general in rank."

It is a fact, however, that Colonel Holle occupied a position of such importance in the office of Chief of Engineers that before his selection for his late Panama Canal post there was some doubt expressed among us guessers as to whether he would be considered for the maintenance engineership, but rather might be slated for something that would be, immediately at least, more impressive.

Among the disadvantages that go with unnecessary secrecy on the part of the armed services in cases such as this is the rumors, some of them harmful, that are bound to circulate. One current one asserts that friction between or among the topmost officials in the administration building led to the transfer. This has been flatly denied by a top man whose word I accept without question, who insists on the contrary that relations on the hill have been remarkably good and efficiency making. And indeed all my experience and observation there and that of numerous others with whom I've discussed it confirm the latter, more reasonable version of relations on the heights.

In the absence of believable information from Washington, all we could assume was that somebody who didn't know much about the Panama Canal situation got an idea, and it wasn't a very good one.

Either that or something big was in the offing for our departing friend. As one of our staff members put it:

"If it isn't a promotion for Holle, somebody ought to have his head examined."

Mr. Speaker, Panama's loss is New Orleans' gain. It is indeed a pleasure to welcome Colonel Holle and his family to New Orleans where he has been assigned as district engineer in the Lower Mississippi Valley Division.

Can Singapore Remain Free if China Goes Communist?

EXTENSION OF REMARKS
OF
HON. WALTER H. JUDD
OF MINNESOTA
IN THE HOUSE OF REPRESENTATIVES
Wednesday, July 13, 1949

Mr. JUDD. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following article by Stewart Alsop from the Washington Post of July 10, 1949. It reports another of the many costly and dangerous consequences which it is inevitable will flow from Communist conquest of China, if by indifference, indecision, or delay we allow that to happen:

"SILENT" WAR STIRS SINGAPORE

(By Stewart Alsop)

SINGAPORE.—This great strategic outpost of British power is really two cities, mixed and mingled together, a Chinese city and a British city. The Chinese city is precisely like any city in China proper—the monstrously crowded streets; the unending rows of open, boxlike shops; the smells; the steady chattering noise; the violent colors; the antlike energy. There are more than 700,000 Chinese in the Chinese city.

The British city is diluted Rudyard Kipling, with its dull but imposing colonial architecture, its cricket lawns, its clubs from which Asiatics are rigidly excluded, and its air, a little shopworn now, of conscious power-conscious rectitude. There are less than 8,000 British in the British city.

There is a facade of self-government in the crown colony of Singapore. But all real power stems from the heart of the British city—the governor general's palace, with its well-tended lawns and its well-oiled cannon. It is hard to believe that the palace has seen any changes since Kipling's time.

In the Chinese city a change is taking place. From the walls of the boxlike shops pictures of Chiang Kai-shek are being torn down. Furtively, pictures of Mao Tse-tung are being pasted up. What has happened in China is already clearly reflected here. How soon, and how decisively, will the great Chinese city challenge the power of the tiny British city?

RIOTING FIRST TEST

British power has already been challenged once—last summer—when the Chinese Communist high command ordered the Communist Chinese here to switch from agitation to direct action. When the riots and shooting started the British reacted swiftly and toughly. The Communist leaders were seized, and some were hanged. The Communist Party was broken in Singapore, and since then a great, uneasy calm has descended on the city.

The British believe that the calm will continue. They point out that they have certain assets in the struggle for power which is now silently being waged. In the first place, Singapore is an island, hemmed in by the power of British troops, ships, and planes. Armed resistance is easy enough in the jungle, but it is not easy in an island city.

In the second place, at least half of Singapore's population are aliens, and as aliens, deportable. This is a weapon which the British have already used, sparingly. From Singapore and Malaya they have sent upward of 5,000 Chinese back to China, which means from comparative prosperity to aching poverty. The mere threat of using this weapon may be enough to keep Chinese resistance down to the level of pasting Mao's pictures on walls.

In the third place (and here is a sharp contrast to the rest of colonial Asia) the native Malays are the allies of the British. They are allies of the British not because they love the British but because they fear the Chinese. After the Japanese surrender, when the Chinese Communists briefly seized power, the Malays learned a lesson—that if the British went, they would be reduced to near-surfdom by the richer and more energetic Chinese. The large and tough police force here is made up almost entirely of Malays.

ODDS REMAIN LONG

These are the assets which the British command. Yet the odds seem very great—thousands against hundreds of thousands. Much will clearly depend on the extent to which the Chinese city will support the new rulers of the Chinese homeland. This is, in fact, one of Asia's great political puzzles. For every city in southeast Asia has its own Chinatown, though none so huge as Singapore.

British officials who should know do not take the pasting up of Mao's picture too seriously. Of the 700,000 Chinese here, they say, probably 500,000 are wholly indifferent to such matters. These Chinese are concerned only with making a living. Most of the rest are pro-Communist only because they do not want to alienate whatever government holds power in China; they want to protect their property, their avenues of trade and their family connections. For these reasons, the rich Chinese here are already financing the local Communsits. But the rich men want no trouble.

Those who do want trouble, and are willing to take personal risks to make trouble, are probably less than 10,000 of the total Chinese population. And the weapons which the British command here will be enough to control this Communist hard core.

Thus the British reason. There are those who believe that, as they have been before, the British are too complacent. But there is one point on which all agree. If much more of Asia goes, the Communists will take the Chinese city. The Chinese city will at length take the British city, and another vital outpost of the West in Asia will be lost. Such are the appalling risks we have run by letting China go.

Good Neighbors, Good Friends: United States and France

EXTENSION OF REMARKS
OF
HON. EMANUEL CELLER
OF NEW YORK
IN THE HOUSE OF REPRESENTATIVES
Wednesday, July 13, 1949

Mr. CELLER. Mr. Speaker, what the good people of the United States and France must clearly understand—and to a considerable extent already do—is that the ocean between them does not make them any less neighbors. Contiguity, as the only factor in definition of "neighbor," is no longer valid, as applied to countries. It has now become a platitude that the ocean has shrunk to the size of a lawn or a fence, militarily, politically, and in the economic sense. But in essence, like most platitudes, it has grown out of an unassailable truth.

What happens in and to France is of most intimate concern to us. Not only because of the unbroken line of friendship that has existed between the two countries since the days of the American Revolution, when the French helped turn the tide of victory for the Colonies, and not only because of the political concept of French humanitarianism which influenced beyond calculation our own political structure, and not only because the clear, precise light of French culture has given a creative quality to civilized living which it could not otherwise possess is France of such concern to us. Had none of these reasons existed and were the whole past to be removed from our contemplation, yet would the survival and well-being of France today be of most vital importance in securing and maintaining the peace and security we seek.

In the cold war occupying the minds of men today, France's position is the most strategic. The Communists view France as its most coveted prize. A France, prostrate, and economically drained can be the Communists' most fertile field for exploitation. Nowhere in western Europe has the Communist drive for political control been so intensive because the Kremlin is well aware that political control by the Communists in France means the death of the Marshall plan, means the end of possibilities of trade revival in western Europe and, ideologically, would be the greatest propaganda victory for the Soviet way of life. We have not faced this situation squarely. By this I do not mean that our approach to France must be a negative one—that is, against communism and for nothing concrete. We must, to reach the understanding of France, reemphasize the words of General Marshall which he spoke in the memorable Harvard speech, "Our policy is directed not against any country or doctrine, but against hunger, poverty, desperation, and chaos."

In pursuing the cold war, we may very dangerously overlook the proper emphasis, placing the stress only where we in our wealth and strength see it. In rebuilding Germany, for example, we may see a future, strong, centralized Germany as a bulwark against Russia. But the position of the French with regard to Germany has a proven validity. France wanted the Ruhr internationalized after the Second World War. It must be remembered that 90 percent of Germany's coal, 70 percent of her cast-iron and steel and 70 percent of her rolled steel products are located in the Ruhr. When France learned that under the now famous law 75 of the British and American military government, ownership of the Ruhr would be finally determined by a freely elected German Government, it is little wonder, with the knowledge of two German invasions, she protested vehemently. With this tremendous war potential given back to Germany, what assurance had France, so she reasoned, that Germany would not make a bargain with Russia, and that Germany rebuilt as a bulwark against Russia, would not turn on her rebuilders as she has done before, and subject France to yet another agony of invasion? It was France who forced the two powers to make a more practical adjustment of the Ruhr problem, whereby other European powers will get fixed amounts of coal, coke and steel

from the Ruhr and provides for a system of inspection and investigation.

In viewing any disposition of the Ruhr and its powerful industrial potential, the proven fears and vulnerability of France must not for a moment be overlooked. What constitutes a danger for France constitutes a danger for all western Europe.

We must keep in mind, too, that France has taken the leadership in two closely-linked measures for the rehabilitation and strengthening of western Europe. One is for increased European production and freer, increased, intra-European trade, seeking to eliminate nationalistic patterns of preferences and blocs. It seeks to develop a program of foreign trade based on specialization of products and a joint program of information about European products, thus eliminating as far as possible the trade rivalries which are blocking the course to European recovery. Closely allied, is its leadership in fostering European union.

To these efforts of France, we must give understanding and aid, in addition to the Marshall plan and the Atlantic Pact, not only in terms of enlightened self-interest, but in the terms of common purpose and mutual friendship.

Flushing Meadow Park Tenth Anniversary

EXTENSION OF REMARKS
OF
HON. EUGENE J. KEOGH
OF NEW YORK
IN THE HOUSE OF REPRESENTATIVES

Wednesday, July 13, 1949

Mr. KEOGH. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following address by Commissioner Robert Moses, of the New York City Department of Parks. It is interesting to note how public improvements are maintained in a city such as New York under a great mayor, Gen. William O'Dwyer, and an excellent park department.

FLUSHING MEADOW PARK TENTH ANNIVERSARY

(By Robert Moses)

The tenth anniversary of the opening of the World's Fair of 1939 has recently been celebrated. This happens also to be the tenth anniversary of Flushing Meadow Park. Speaking in a sense as the residuary legatee of the fair, and assuming that the true perspective is arrived at from several angles, I am glad to tell the story from the point of those who from the very beginning planned to substitute a great park for the mosquito ridden swamp and hideous ash and garbage dump which blocked all the avenues from eastern Long Island into the city.

Our inheritance from the World's Fair was no accident. If I may say so with becoming modesty, on behalf of the little group of park enthusiasts who made it possible, this was quite an achievement in advance planning. Back in 1938 I wrote a pre-fair piece for the Saturday Evening Post entitled "From Dump to Glory." By way of introduction to this piece I quoted the description of the Corona dump in F. Scott Fitzgerald's famous novel The Great Gatsby. It ran like this:

"About halfway between West Egg and New York the motor road hastily joins the railroad and runs beside it for a quarter of a mile, so as to shrink away from a certain desolate area of land. This is a valley of ashes—a fantastic farm where ashes grow like wheat into ridges and hills and grotesque gardens; where ashes take the forms of houses and chimneys and rising smoke, and finally, with a transcendent effort, of ash-gray men, who move dimly and already crumbling through the powdery air. Occasionally a line of gray cars crawls along an invisible track, gives out a ghastly creak and comes to rest, and immediately the ash-gray men swarm up with leaden spades and stir up an impenetrable cloud, which screens their obscure operations from your sight.

"The valley of ashes is bounded on one side by a small foul river, and, when the drawbridge is up to let barges through, the passengers on waiting trains can stare at the dismal scene for as long as half an hour."

The new Grand Central Parkway had to run through this waste land, with its huge ash heap in which were buried 30 years of offscourings, tin cans, cast-off baby carriages, and umbrellas of the Borough of Brooklyn. There was no other place for it to go, and it seemed as if the best we could do would be to obtain a reasonably wide right-of-way, fill in part of the meadow, and cut through the middle of the dump, leaving two great mountains of ashes and refuse which we fondly hoped to cover with a thin layer of topsoil and to plant; if we could remove some of the grip of that extraordinary character, affectionately known as Fishhooks McCarthy, head of the Brooklyn Ash Removal Co., at a price which would not subject us to indictment. We studied every possible means of acquiring the whole meadow, ultimately if not immediately, but the whole thing seemed too big for the vision and means of the city in the face of competition of so many other urgent and worthy enterprises.

Then the miracle happened—the idea of the World's Fair. It was not, as the public seems to believe, a conception of those who have taken most of the credit for it. It was merely a gleam in the eyes of two quiet, unheralded, and comparatively uninfluential gentlemen who met casually in a tavern in Kew Gardens, and whose ideas were put into words by a young girl in high school, the daughter of one of them. One of these men was Mr. Joseph Shadgen, a Belgian engineer, whose young daughter acted as a sort of interpreter and public relations agent for him. The second was Col. Edward Roosevelt, relative of the other Roosevelts, who had lived for a long time in France and had worked in many parts of the world. These two men and the little Shadgen girl, between and among them, hashed up the idea of a World's Fair at Flushing Meadow, and they sold this idea to George McAneny who, in turn, sold it to me to sell to Mayor LaGuardia. I told Mr. McAneny that I would stop at nothing to help him if the fair were actually to be in Flushing Meadow, and if from the beginning the project was planned so as to insure a great park in the geographical and population center of the city.

The plan blossomed, received official, public and financial approval, and the project got under way with a complicated program of basic improvements, financed with city, State and fair exhibitors' money, and directed by a committee of distinguished city and State engineers. We drove what appeared to be a tough bargain with the fair based on division of ultimate profits. Flushing Meadow Park was to receive a total of $4,000,000. This proved to be wooden money because there was a deficit instead of a balance, and our main source of future development funds thus simply evaporated.

The relations of the fair and park gangs in this fantastic enterprise were at times strained, but this was really very superficial. Both George McAneny and Grover Whalen had been public officials, were genuinely interested in the future park and, along with the other directors, were concerned with what the fair would leave the city when the pageant faded. Most of the big exhibitors knew they would get their money's worth out of advertising, and even the bankers who took over in 1940 did not take too dim a view of the permanent improvements. Therefore, aside from a lot of good-natured joshing and rather primitive practical joking and occasional slugging, we got along famously.

Let me give a rough idea of the scope of this program. It began with leveling of the great ash dump, filling of a considerable part of the meadow, creation of two lakes north of the filled land, building of new approaches, boundary and intersecting traffic arteries; reclamation of the south shore of Flushing Bay; elimination of sewage pollution in the whole bay by the construction of disposal plants with trunks leading to them; bulkheading and riprapping of the bay front; construction of a permanent boat basin; building of permanent utilities for the park and temporary utilities for the fair, throughout the entire area; manufacture of topsoil out of earth, peat moss and mulch; planting of large trees, grass and shrubs on the basis of the final landscape design; and an endless number of other basic improvements, not to speak of permanent buildings, such as the city building, planned for ice and roller skating after the fair; the State amphitheatre, planned for swimming, concerts and shows when the fair ended; and other structures. The total cost of these permanent improvements reached the staggering figure of $59,000,000. Without them the fair could not have been held at all. Other great permanent public improvements some distance from Flushing Meadow were in a very real sense byproducts of the fair—the Bronx Whitestone Bridge, the Queens Midtown Tunnel and the removal of the Riker's Island ash dump to build LaGuardia Airport, an achievement which started Bill Somervell on the meteoric rise from lieutenant colonel to four star general.

It was obvious to all of us that the final program for Flushing Meadow Park and the parkway system would take a long time to carry out, and that after all the temporary buildings of the fair had been removed it would take years to finish Flushing Meadow Park. The war intervened and for a time stopped work. Then came the United Nations and the opportunity to convert a substantial part of Flushing Meadow into the world capitol. A distinguished committee offered this program, but it was finally rejected in favor of the site in midtown Manhattan on the East River. Those connected with the Flushing Meadow committee, however, went on. The architects and engineers became identified with the new site and its approaches, and much of the preliminary work which was done to attract the United Nations to Flushing Meadow proved in the end to be valuable at the location which was finally decided upon. At the same time, it was agreed that the city building at Flushing Meadow would be converted into an assembly hall for annual meetings of the United Nations until the new capitol was completed, and this gave us an opportunity to carry out a substantial part of the park program in the vicinity of the city building once dominated by the Trylon and Perisphere, and surrounded by the communications and power groups.

West of the city building and of the Grand Central Parkway, and across the bridges of wheels and wings, in the area where the transportation exhibits, courts of railways and wheels, were located, most of the ultimate park program has been carried out and little remains here of the old fair but the interesting stainless steel weather vane left to us by the Budd Co., and the nearby vistas, walks, and landscaping. It has been replaced by a well kept park, neighborhood recreation facilities and 20 football and baseball fields.

To the south, across the Empire State Bridge, the State Amphitheatre area is completed and in active use. No doubt Billy Rose will always feel that this is his Aquacade. Billy was the smartest trader at the Fair. He made a bid for a noble historic pageant at the State Amphitheatre and when he had gaily eliminated the academic historians who were his rivals, simply stripped the muse of history to her essentials, and put on a girlie pool show with historical undertones. A temporary wart on the amphitheatre nose housed the State exhibits during the fair and eventually followed other outhouses, extensions and butler's pantries into the wreckers' Valhalla. Those who recall the parachute jump, Terrace Club, Jungleland and Great White Way will always see in their minds' eye the amusement area where they had so much fun in 1939 and 1940. Never shall I forget the agricultural enclosure in which lovely lassies in brief bras and G-strings, bowed by the weight of centuries, as the poet said, leaned on their hoes and gazed pensively upon our synthetic topsoil. Grover's minions insisted that this was a perfectly terrific piece of symbolism, and scouted the idea that the appeal was deliberately aimed below the Adam's apple.

Our park men are still working for the final development of the amusement and lake areas, and we believe that the enormous increase in surrounding population will before long force financing of this work. Even now the view north over Flushing Meadow from Borough President Burke's office in the new Borough Hall is one of the finest in the entire city.

In the center of Flushing Meadow, Constitution Mall has been reconstructed, but our program for the segment where the Lagoon of Nations, Great Fountain, Court of Peace, foreign buildings, and the Court of States stood during the fair area was too far away from the United Nations Assembly to enable us to do any of the ultimate landscaping and development.

During the last decade, we held on to Gardens on Parade, and with the help of the borough president and interested citizens, these gardens are being developed into a permanent botanical and horticultural center. The New Jersey Building, constructed with stone excavated from the same quarry out of which one of the Washington headquarters was once built, now houses the police who protect the Flushing Meadow area. Three marginal playgrounds along Grand Central Parkway, one in Corona, another near Horace Harding Boulevard and a third in Kew Gardens, have been completed and are open to public use.

South of the boat basin on Flushing Bay and the parkway system, we have a huge parking field where a stadium and athletic center have been designed. No doubt part of this plan will be carried out. It seems likely, however, that some of the area will be devoted permanently to automobile parking accessible to the elevated railway. South of Roosevelt Avenue, the Board of Transportation yards are being expanded, and some park land will have to be given up for this purpose.

East of Flushing Meadow, we are making a tremendous addition to the park system in the development of the so-called Kissena Corridor, a swampy valley leading from Flushing Meadow Park through Kissena Park to Cunningham Park. The opportunity to acquire this entire corridor arose through the construction of a great storm-water sewer. We used sanitation material for fill. The trunk sewer is now almost completed. Many play fields, walks, basic paths, and other recreation facilities will be installed and Flushing Meadow in this way will become part of a continuous park and parkway belt extending along the entire north side of Queens to Alley Park. Grand Central Parkway itself, which was temporarily paved between Horace Harding Boulevard and the Kew Gardens Loop, is to be widened and the roadway system in the loop will be revised as an extension of the Van Wyck Expressway to connect the parkway system with the South Shore and Idlewild Airport.

People with short memories and no conception of the really prodigious difficulties in the way of a program of this scope have complained recently that Flushing Meadow is going back to its primitive condition, and is a haunt of rabbits, foxes, and even possums. If this were so, we would have a fine start on a zoo for the Borough of Queens. Some impatient nearby residents, and reporters and editors, would have you believe that, as Omar Khayyam said:

"The lion and the lizard keep
The courts where Jamshyd gloried
and drank deep."

This, however, is picturesque fiction emanating from those who must have been drinking the lions' milk cocktails served at the Turkish pavillion in the fair, two of which would convert Caspar Milquetoast into a raving Münchhausen.

The fact is that more than half of Flushing Meadow Park is now in general public use, that it is emerging as fast as the city budget will permit, and that, measured by previous accomplishments here or elsewhere under similiar conditions, this program has moved at an exceptional rate. Central Park was a reclamation project. It was not, as most people think, a natural park. It was man-made. Its acquisition was enthusiastically advocated for more than a quarter of a century before anything happened. It's initial construction took more than 15 years and could not have been accomplished if there had not been a depression and a contemporary WPA program. Many years passed before the entire park was opened, and in fact, it is not finished yet.

Patience, my fine critics, patience. Keep your shirts and shifts on. You were not conspicuous when we leveled the ash mountains, and rats big enough to wear saddles, with white whiskers a foot long, gazed wistfully at the bulldozers and junkies who disturbed their ancient solitary reign. The fair was a marvellous extravaganza. The park will be a great park when countless unheralded workers have raised it from dump to glory.

The Late Reverend Francis A. Wanenmacher

EXTENSION OF REMARKS
OF
HON. ANTHONY F. TAURIELLO
OF NEW YORK
IN THE HOUSE OF REPRESENTATIVES
Wednesday, July 13, 1949

Mr. TAURIELLO. Mr. Speaker, I desire to pay a tribute of respect to the memory of a friend of long standing, the Reverend Francis A. Wanenmacher, pastor of St. Mary of Sorrows Church, in my home town of Buffalo, N. Y.

Father Wanenmacher was distinguished for his service to his community, his country, and his church. His record was indeed a splendid one. He served as an Army chaplain during World War I and was chairman of the Bishop's Relief Committee for War-Devastated Areas after World War II.

He was rich in his devotion to duty; in his friendship, in his idealism, and in his courage, the mark he has left on the spiritual and educational institutions of Buffalo and the Nation will carry on through all time as a living monument to a great spiritual leader.

I feel deeply the loss that has come to the people of Buffalo and to the Catholic Church. However, it is a matter of great satisfaction to know that he has been called from his strenuous labors so faithfully performed, to his well-earned immortal reward.

I wish to include the following article from the Buffalo Evening News of July 8, 1949, which gives a history of Father Wanenmacher's brilliant career:

FATHER WANENMACHER, PASTOR OF ST. MARY OF SORROWS, DIES

Death today prevented the Reverend Francis A. Wanenmacher, J. C. D., pastor of St. Mary of Sorrows Church, from realizing one of his fondest wishes—to celebrate mass in his newly decorated and remodeled church at Genesee and Rich Streets.

The church was swept by a disastrous fire in January 1947, necessitating considerable repairs and alterations. Since then, the parishioners of the church have been attending mass in the parochial school hall.

Father Wanenmacher had been looking forward to officiating in the new church in about a month, when the extensive repair program was due to be completed. However, the first function in the church will be the solemn pontifical mass of requiem which will be celebrated for the priest at 10 o'clock Tuesday morning by the Most Reverend John F. O'Hara, C. S. C., bishop of the Buffalo Diocese.

TO LIE IN STATE IN CHURCH

Father Wanenmacher, one of the best-known diocesan priests, died at 1:10 o'clock this morning in Sisters Hospital, where he had been a patient for the past 2 months. He had been ailing since Easter.

Bishop O'Hara has appointed the Reverend Francis J. Hall, assistant pastor of St. Mary of Sorrows Church as administrator of the parish.

Diocesan priests will gather in the church at 4 o'clock Monday afternoon, when the dead priest's body will be taken from the rectory to the church, to recite the Office of the Dead. Father Wanenmacher will lie in state in the church from then until time of the funeral mass.

Burial will be in the Wanenmacher family plot in the United German and French Roman Catholic Cemetery at Pine Hill.

A native Buffalonian, Father Wanenmacher would have been 62 years old on November 22. His father, the late Francis Wanenmacher, was treasurer of the Buffalo Savings Bank.

ORDAINED IN 1913

Father Wanenmacher attended Canisius High School and College, graduating from the college in 1909. In September of that year he entered the famous theological school at Louvain University in Belgium. The following year he continued his studies for the priesthood at the University of Innsbruck in Austria.

Returning to the United States in 1913, Father Wanenmacher was ordained a priest on August 16 of that year in St. Joseph's Old Cathedral by the late Most Reverend Charles H. Colton, then bishop of the Buffalo Diocese. He celebrated his first mass the following day in Holy Angels Church.

His first assignment as a priest was assistant pastor of St. John the Evangelist Church. Later he became assistant at Our Lady of Lourdes and Sacred Heart Churches. When the United States entered World War I he volunteered as an Army chaplain, serving with the Twenty-sixth Field Artillery.

SERVED AS ST. BERNARD'S PASTOR

The regiment did not serve in France, but was in transport there when the armistice

was signed. After the war, Father Wanenmacher went to the Catholic University in Washington, D. C., for advanced studies in canon law. He received the degree of doctor of canon law from the university.

He then served for a time as assistant pastor of St. Mary Magdalene's Church, later becoming pastor of St. Cecelia's Church, Sheldon, in Wyoming County. While at Sheldor he also was dean of the county. He was appointed pastor of St. Bernard's Church, in Buffalo, on July 10, 1926, serving in that capacity until his appointment as pastor of St. Mary of Sorrows, March 1, 1943.

HEADED WAR RELIEF UNIT HERE

Father Wanenmacher has held one of the most important diocesan posts since May 1, 1937, when he was appointed Defensor Vinculi (defender of the marriage bond in the Matrimonial Tribunal). Widely regarded as an authority on knotty marital problems, he wrote a book, Canonical Evidence in Marriage Cases, which is used extensively as a guide in disposing of such matters.

Father Wanenmacher also authored another book, Liturgical and Biblical Stations of the Cross, for congregational use. He also was a diocesan synodal examiner, a former budget director for Catholic Charities, a member of the board of directors of the German Roman Catholic Orphan Asylum, and local chairman of the Friends of the Catholic University of America.

Two years ago Father Wanenmacher, at the request of Bishop O'Hara, was chairman of the Bishop's Relief Committee for War-Devastated Areas, and raised more than $100,000 in the Buffalo diocese for the cause.

EXPERT WOODCARVER

Ruddy faced and energetic, Father Wanenmacher also was an expert woodcarver. While at St. Bernard's Church, he did some hammered-brass handicraft work and also painted the decorations in the church.

When the late Most Reverend William Turner was bishop of the diocese, he carried a crozier which had been designed by Father Wanenmacher. The crozier, a staff which is the symbol of the bishop's pastoral office as shepherd of the people, was termed by ecclesiastical authorities as one of the finest in the country.

Father Wanenmacher is survived by two sisters, Mrs. John M. Hogan and Mrs. Percy J. Hunt, and a brother, Edmund L.

More DP Propaganda

EXTENSION OF REMARKS

OF

HON. ED GOSSETT

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, July 13, 1949

Mr. GOSSETT. Mr. Speaker, during the last several days I have noticed full-paged ads entitled "An Appeal to the United States Senate." Then follows a lot of sentimental demagogery about DP's. These ads are designed to put pressure on the United States Senate to liberalize the so-called DP act. These ads are signed by a number of leading Americans. It is my judgment that most of those signing these ads simply do not know the injury they would do their country. They are misguided humanitarians.

That millions of dollars has been and is being spent on propaganda for such legislation should startle all of those who love this country and who want to protect it from the infiltration of unfit and undesirable persons.

In this connection I wish to place in the record an article by Mr. St. John Waddell, which appeared in the Memphis Commercial Appeal on the 9th of this month. Such accounts could be multiplied a hundredfold.

The article follows:

SOME DP IMMIGRANTS ARE ALLERGIC TO WORK—ON OCEAN TRIP, 30 OF THEM ABOUT MATCH 6 SAILORS—QUALITY IS QUESTIONED

(At the invitation of the International Refugee Organization, St. John Waddell, assistant managing editor of the Commercial Appeal, was one of a group of American newspaper men to inspect the displaced persons situation in Europe. This article is one in a series of his reports.)

(By St. John Waddell)

Five of the displaced persons aboard the United States-bound Army transport General Howze last week, refused to work at the ship's housekeeping routine, a stint which they agreed in writing to do on their voyage toward freedom.

Threats of "no work, no eat," and of imprisonment in the brig, had to be used to bring the recalcitrants into line. The chief bos'n's mate, whose lot it is to supervise the displaced persons' deck duties, said that as usual the threats did not have to be carried out. He added that all of the rebellious immigrants were Polish Jews.

HAS HARASSED ATTITUDE

Chief Bos'n's Mate Louis Ware, a stout young southerner from Ringgold, Ga., near Chattanooga, has acquired a harassed attitude from his experiences in transporting displaced persons for the International Refugee Organization. He is supposed to keep a certain number of them busy at such jobs as sweeping the decks, the simpler kind of painting, and other nonskilled housekeeping work.

"Thirty of them will do about as much as 6 American deck hands," he said. "The big majority just plain don't want to work. The usual excuse is that they have already worked 1 day, and now it should be somebody else's turn."

He explained that women and children, old men, and very young boys, and those who are not in good physical shape are not asked to do anything except keep their own quarters shipshape. This, he said, takes a large cut out of the total number available to help on deck, in the engine room, the kitchens and the dining rooms. Result is that the effectives are called on for their 5 hours work almost daily.

"But you can't explain that to them," was the bos'n's skeptical comment.

He added that people are not asked to work if they are seasick.

Bos'n Ware shares the feelings of the ship's higher officers in being worried about the quality of the immigrants being brought over under the displaced persons program. It was pointed out that the ship's company knows nothing of the persecuted past of the refugees at first hand, and forms its impressions from observing the immigrants at close quarters during a 10-day voyage. Comments of the officers made it obvious that none was willing to describe their passengers as "all good" or "all bad." They based their conclusions on the comparative prevalence of the desirable future citizens over the undesirable, or vice versa.

RAW DEAL ON QUALITY

One of the mates, who asked that his name not be used, made this analysis: "We have some splendid people aboard, who will certainly become an asset to the Nation—musicians, skilled workmen, artists, scientists. But they are a small minority of the total passenger list. It seems to me the United States is letting itself in for a very raw deal on quality."

In resettling Europe's displaced persons the International Refugee Organization is operating what is probably the greatest fast mass migration in history. To do it IRO has chartered some 36 vessels on its world-wide runs. The United States Army transport *General Howze* is typical of about a dozen similar ships engaged in bringing the refugees to the United States and Canada.

Officials feel that Army transports are ideal for the task. They were designed to accommodate a maximum number of troops in maximum comfort and safety. Originally planned to carry 1,871 soldiers in addition to the ship's crew, the *Howze* on this trip had 943 displaced persons aboard, only a little more than half the troop capacity. So the ship was not crowded.

Except for the bridge, officers' and crew's quarters and A desk, which is dangerous for children, the DP's have the run of the ship. They use the deck chairs on B and C decks, the lounges and recreation rooms, the special service department where games and books are provided. They organize concerts, sing on deck in groups in the evenings. The rule is that all must be in their quarters by 10 o'clock at night.

On C deck there are 33 staterooms which are assigned to mothers with small children, usually four persons to the room. There are cribs for the babies whose ages require them, and a formula room where a registered nurse prepares the right kind of bottles for the infants at the right times of day. With 42 of these tiny DP's aboard, she was kept fairly busy.

DORMITORY COMPARTMENTS

The other passengers live on the lower decks in dormitory compartments, men and women separated. Double-decker bunks are used, and while they are not luxury liner style, they are sufficiently comfortable and the sanitation is unquestionable. Wash rooms and toilets are plentiful, and fresh water is not rationed.

Cafeteria systems are used in the dining rooms, except in the special one for mothers with smaller children above the infant age. There the passengers are waited on by other DP's assigned to the duty.

A typical meal consists of meat, at least two vegetables, bread, butter, dessert, coffee or tea. Sunday's dinner was marked by chicken and ice cream. The servings are plentiful.

For the voyage, each adult displaced person aboard was issued $2.50 in PX tickets, free, and each child $1.75. These are good for cigarettes, tobacco, candy, gum, toilet articles, and the hundreds of items usual to the average Army post exchange.

Cost of bringing the immigrants to the United States is borne by the IRO, with funds provided by the nations which make up the organization, including the United States. Each member nation contributes to the IRO budget according to its financial strength. This means that most of the money comes from the United States.

"A Little Debt Makes a Debtor, But a Great One an Enemy"

EXTENSION OF REMARKS

OF

HON. DANIEL A. REED

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Friday, July 1, 1949

Mr. REED of New York. Mr. Speaker, under leave to extend my remarks in the

RECORD, I include the following article which appeared in the July 12 issue of the Richmond Times-Dispatch:

TIME FOR A SHOW-DOWN

The Anglo-American financial agreement of 1946 pledged Great Britain not to set up import quotas discriminating against the United States. That promise, spelled out in article IX of the agreement, was a primary condition upon which we granted Britain a loan of 3.75 billion dollars.

In Washington last week the Socialist government of Britain submitted a formal request to be released from that promise, in order to implement the trade restriction plan outlined by Chancelor of the Exchequer Sir Stafford Cripps last Tuesday.

Three years ago when the Laborites signed that agreement, they assured our Government that the pact was epochal as a mutual step toward the freedom of world trade essential to its postwar recovery.

Article IX was intended to document and confirm the British Government's determination to abandon its prewar policy of trading via cartels and within a framework of special concessions granted to what was then known as "the Empire."

This reneging on a solemn pledge is not without precedent in the Attlee regime. Article VIII of the 1946 agreement was a promise by Britain to make her pound sterling "freely convertible" into dollars on most current transactions a year after ratification of the agreement, on July 15, 1947. The subsequent rush by nations to convert their earned sterling into dollars panicked the British to plead for release from the convertibility pledge. The request was laid before a congressional committee, and granted without legislative action.

Like the crawfishing on convertibility, which was dubbed "purely temporary," the proposed release from the antirestriction clause is said to be "transsitional," but as in the first instance, the emergency promises to become permanent.

Britain now pleads that it is necessary to establish a "soft currency bloc"—as a stepping stone toward the free-trade objective she claims to share with us. Thus far there are no signs that, once embarked on this trail of easy expediency, she will be willing to backtrack.

The Laborite government has not laid its cards on the table, face up. Advices from London last week confirmed an earlier report that Britain had initialed a secret trade agreement with Russia—a week prior, to the announcement of the Cripps plan to impose what amounts to a boycott of the "dollar areas." This Moscow-London deal had been kept secret since it was initiated 3 months ago. It binds Britain to purchase 1,000,000 tons of Russian grain during the next 12 months. Other trade agreements with Russia—in preference to the United States—are said to be under way.

A similar unilateral barter agreement was entered into by Britain less than a month ago, over our objection, when she agreed to buy more than half a billion dollars' worth of Argentine products, in return for $486,000,000 in exports to the country dominated by the violently anti-American Juan Peron.

It may be argued that Britain's desperate state forced her to do what she did, but the uneasy suspicion will remain, that she is using exports and imports in a trade war to exploit her strategic position between Russia and the United States.

In spite of these unappreciative tactics, the British are said to be making overtures to obtain new American loans to aid the British economy, at home and in the colonies.

Is this going to be the old game of international cutthroat poker all over again, and if so, are we going to continue to pump billions into a country taking advantage of our need for friends in the cold war, to impose on our friendship?

In the face of these "ultrarealistic" policies, shall we continue to indulge the quaint illusion of the British that we are somehow obligated, by a sort of unwritten law, to perpetuate the utopian follies of their Socialist government, chiefly responsible for Britain's economic anemia?

While fully aware of cultural kinship with Britain, we should not ignore our concomitant right to speak our mind in this instance with the brutal frankness of a blood relation.

The Late Honorable Fred E. Lewis

EXTENSION OF REMARKS

OF

HON. F. H. LICHTENWALTER

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, July 13, 1949

Mr. LICHTENWALTER. Mr. Speaker, on June 27, 1949, death came to the Honorable Fred E. Lewis, who was a Member of the House in the Sixty-third Congress, at his home in Allentown, Pa., after a brilliant and distinguished career.

Mr. Lewis, who was 84 years of age, was a member of one of the oldest and most prominent families of Allentown, where he was born and where his life was closely connected with the development of the city and surrounding communities. A leader in the life of the community for more than 60 years, Mr. Lewis served as president of two of its banks, was one of the oldest members of the Lehigh County Bar Association, headed the board of trade, served as Congressman at Large from Pennsylvania, and for years enjoyed the prestige of elder statesmen.

The political career of Mr. Lewis, which continued up until the closing years of his life and brought him high honors, began early. In fact when he sought the office of mayor of the city of Allentown for the first time in 1896 his chances were discounted because of his youth. He was elected again as the city's chief executive in 1902 and again in 1931, serving his third term from 1932 to 1936.

In 1912, Mr. Lewis was nominated by the Republicans and endorsed by the Washington party for Congressman at Large from Pennsylvania and won by a large plurality.

As a businessman, Mr. Lewis was always active. He organized the Lehigh Telephone Co. which later became a part of the Bell System. He was a leading figure in the founding of the Merchants National Bank in Allentown of which he was the first president and served in that office for 7 years. He was also the prime mover in the founding of the Dime Savings & Trust Co. and served as its president until it was consolidated in 1932 with the Lehigh Valley Trust Co.

As president of the Allentown Board of Trade, Mr. Lewis did much to arouse public interest and action in bringing new industries to the city to increase the prosperity of the city.

Mr. Lewis was very much interested in the affairs of firemen which continued from the time be became a volunteer firemen as a young man until his last illness. He held office for many years in the Pennsylvania State Firemen's Association and just recently we elected to his twenty-eighth consecutive term as president of the Allentown Firemen's Relief Association.

Another of Mr. Lewis great interests for many years was the Lehigh County Agriculture Society of which he was treasurer and took an active part in making plans for this year's great Allentown fair.

The memory of Mr. Lewis for his human qualities and his outstanding contribution to his community and the Nation will continue to live.

Address by the President on His Fiscal Program

EXTENSION OF REMARKS

OF

HON. JAMES E. MURRAY

OF MONTANA

IN THE SENATE OF THE UNITED STATES

Thursday, July 14 (legislative day of Thursday, June 2), 1949

Mr. MURRAY. Mr. President, I ask unanimous consent to have printed in the Appendix of the RECORD the speech delivered by the President of the United States from the White House last night, and broadcast over the country.

There being no objection, the address was ordered to be printed in the RECORD, as follows:

My fellow citizens, I want to talk to you tonight about our country, about its future, and about its importance to the hopes and aspirations of mankind.

It is a good thing to stop and think about where we are, where we are going, and what our national aims and objectives should be. The elected representatives of the people, and particularly their President, have a duty to report from time to time on these basic questions.

On Monday I sent the midyear economic report to the Congress. Tonight I want to tell you something about what was in that report, and also about the Federal budget, concerning which there has recently been much discussion.

The history of the United States is a story of constant economic growth and expansion. When I was a young man the population of the United States was between 90,000,000 and 100,000,000. Today it is nearly 150,000,000. Forty years ago the national income—the total of all the income received by all the people in the United States—was in the neighborhood of $30,000,000,000. Today the national income is well over $200,000,000,000. It has increased more than 10 times as fast as the population.

These figures are a measure of our rising standard of living—our increasing freedom from toil and poverty. They are the result of constant expansion in agriculture and industry.

In fact, unless we do expand our production steadily, we run into economic difficulties. We cannot stand still. We must expand if we are to stay prosperous.

A little more than 10 years ago President Roosevelt called for a national income of

$100,000,000,000 a year. This was a surprising figure when he mentioned it, but we have far surpassed it in the space of 10 years. Our national income last year was $225,000,000,000.

If we could make such progress in the past, we can go on making it in the future. Before long our national income should reach a total of $300,000,000,000.

But if we want to reach that goal, we all have some hard work ahead of us. We shall have to make wise decisions about our national policies. And we shall have to be sure that the selfish interests do not drive us into the ditch, as they have done before.

At the present time there is a drop in employment and in production in certain lines. I have been concerned about this and I have studied the facts carefully. I want to tell you what these facts are.

As to employment we now have more than 59,500,000 people working in civilian jobs. This is a tremendous number, but last year at this time we had a little over 61,000,000 employed. Furthermore, there are more people looking for jobs this year, because about a million young people and veterans have become available for employment for the first time.

Consequently, although the number of people with jobs is very high, the number of people without jobs is substantially larger than it was a year ago. Last year at this time the number of people out of work was as low as we can expect it to be in peacetime. It was a little over two million. Now the number out of work is almost four million.

While much of this unemployment is temporary and is part of the normal process of changing jobs, there are substantial numbers of people who have been out of work for some time, and are now suffering hardship.

As to production, the output of all goods and services declined slightly during the first half of this year. In some types of business, there has been no decline at all. In others there have been slight increases. In manufacturing, however, output in June had dropped 13 percent from the high point of last November.

In the economic message in January, I said that we should strive for a 3- to 4-percent increase in total output this year if we were to maintain maximum production and employment. Instead, we have fallen somewhat below last year's level.

These are the facts. I am not coloring them one way or the other.

Some people are saying, and saying very loudly, that these facts mean that we are in a depression. Many of these people, for political reasons, would like to have a depression. Others are saying that there is nothing to worry about and that an increase in the number looking for work is a good thing. This attitude ignores the human suffering caused by unemployment.

Both groups are wrong. We are not in a depression. But an increase in the number of people out of work is something to worry about, and is something that must be cured.

If we were in a depression, I would be the first person to tell you, and I would call upon all the resources of this Nation to stop it.

What we face today is not a depression, and if we follow the right course, it will not become a depression.

We are going through an economic change which is the result of the inflationary spiral that we were in until a few months ago. I warned repeatedly against the dangers of this inflation, and I asked the Congress time and again to take steps to curb the excessive rise in prices. I did this because I knew that if prices went too high, they would topple over and bring about a decline in production and employment.

Unfortunately, my recommendations were not accepted. Prices continued to climb. As the most urgent needs of the people and of industry were satisfied, these high prices cut down the sale of goods. As a result, production declined. Prices are now finding more reasonable levels—a fact which should stimulate sales and production again.

In this period of change, our national economy is protected by important economic reforms which the Government has adopted over the last 16 years. Unemployment insurance and social security are helping people who are out of work, and are helping to maintain consumer-purchasing power. The farm price-support program is keeping agriculture on a fairly even keel. The insurance of bank deposits protects us against bank runs. Our controls over the marketing and exchange of securities prevent wild speculative sprees and stock-market crashes.

Because of these and other Government policies, we have suffered far less in this period of declining prices than we ever have in a similar period before. These Government measures, all of which were bitterly opposed by selfish interests when they were passed, have proved their value in protecting the economy.

Furthermore, all groups in the Nation have gained a better understanding of economic problems since the 1920's, and this understanding, on the part of businessmen, consumers, and labor, has helped to cushion the process of price change.

Now all of us—business, labor, agriculture, and government—must take positive action together to restore the upward trend. The decisions we make in the next few months can prolong the present decline, or they can turn it into an upswing.

Our goal is maximum employment and production. The only way to reach this goal is to increase our economic activity. The needs of our people are constantly growing. Our skills are increasing. Every year brings forth new inventions and techniques, new opportunities for improvement and development.

The tools are at hand for continued economic expansion. All we need is the courage to use them.

Businessmen should take advantage now of opportunities for modernizing their plants and for new business investment, and together with labor should cooperate in achieving higher production and employment. Farm production should continue at high levels.

The Government likewise must direct its policies toward continued economic expansion. The country is growing and we need to preserve and develop our natural resources for this generation and the next. We must therefore press forward with programs of soil conservation and river-valley development and other public works.

Economic expansion requires constantly rising living standards for our people. We must therefore expand our programs of social security, education, health, and housing. We must build, as we are building, for the future.

There are men of little vision who say we ought not to go on doing these things. They say they cost too much. They say we are wasting money.

The truth is that an investment in the future of America is not a waste of money. The dollars we put into our rivers and our power plants will be repaid to us in fruitful valleys and prosperous communities. Expenditures for the health and education of our children will yield us untold dividends in human happiness.

But, say those who object, look at the size of the budget.

All right, let's look at the budget.

The budget includes the cost of almost everything the Government does. It is not simply the pay roll of Federal employees, as some people appear to think. In fact, the pay of Federal civilian employees is only about 12 percent of the budget. The budget includes all Federal expenses for national defense, for international aid, and for the conduct of the affairs of this Nation abroad. It includes Federal aid to the States, for roads and health, and other programs. It includes atomic energy, and dams, and soil conservation and flood control, and many other things essential to the growth of our country.

These things are necessary, but in the present budget we have not provided extravagantly for them. Let me make it clear that I believe in prudent financial management. That has been my rule in my private life and in my public life. I am working for the reorganization and better management of the Government to achieve greater efficiency. I believe in the economical use of the public's money—and the budget is based on that principle.

If we examine the items in the budget, we see, in dollar figures, the magnitude of the task which confronts this Nation in protecting the cause of peace and freedom. Over three-fourths of the budget is due to international events. Less than one-fourth arises from the domestic functions of the Government.

Let me explain to you why this is so.

The total of the whole budget today is about $42,000,000,000. Of this total, $32,000,000,000 is the result either of past wars or our efforts to prevent another war. Three big items make up this $32,000,000,000.

The first is the national defense. That accounts for over $14,000,000,000. The armed services, at the start of this year, wanted a much bigger sum than that, but I cut it down to the minimum necessary for our protection and for the preservation of peace in this troubled world. It is expensive to keep up the forces necessary to prevent war, but in the long run it could be a lot more expensive not to have them.

The second big item is the cost of our international programs. They will cost this year about $7,000,000,000, and they are worth every penny of it. This sum includes the cost of the European recovery program and our occupation responsibilities. These programs have kept western Europe out of the hands of the Communists, and are helping to restore the economic and social strength of the free nations. If we were to cut these programs, it would weaken our efforts to bring about peace. That is a risk we must not take.

These two items, national defense and international aid, add up to $21,000,000,000—more than half the budget. These are the expenditures we are making to prevent future wars. If anybody thinks it extravagant to maintain the peace, let him remember that it cost us not $21,000,000,000 a year but $100,000,000,000 a year to conduct the last war.

I do not believe that our defense and international expenditures will have to remain at their present high level indefinitely. I hope that they may be reduced as our program for peace takes effect. But, as of today, I regard these expenditures as the most valuable insurance we can take out against the enormous expense and the terrible loss of another war.

The third big item includes interest on Government bonds and benefits to veterans. Together these expenses total about $11,000,000,000. I don't believe anybody has suggested that we default on the Government bonds or on our obligations to our veterans by cutting this item.

These are the costs of past wars. Together with the $21,000,000,000 for preventing future wars, they add up to $32,000,000,000, more than three-fourths of the budget.

The remaining $10,000,000,000 of the budget provides for all other functions of the Government. The major items in this category are public works, farm price supports, education and housing programs, and payments for health and social security. For a country of this size, with a $200,000,000,000 economy, $10,000,000,000 for such essential programs is a reasonable sum indeed.

Today, after an increase of population and in spite of rising prices, this part of the budget is only 50 percent greater than it was 10 years ago. The other part of the budget—the cost of past wars and of preventing future wars—is the part that has shown such a tremendous increase. This part of the budget is 900 percent greater than it was 10 years ago.

The size of the budget reflects the world we are living in. We have to face the facts of the world of today. It does no good to retire into the world of the past and to wish that somehow the facts would just go away, so that we could have a small budget again.

The leaders of the Eightieth Congress thought they could wish the facts away. They insisted on passing a tax reduction against my advice and over my veto. I warned that this tax cut of $5,000,000,000 was almost certain to produce a deficit. It did produce a deficit. For the year ending July 1, 1949, the deficit was $1,800,000,000.

The economy was running at a high level when this untimely tax cut was made. People then could pay the taxes necessary to balance the budget and to provide a surplus for debt reduction. Today, because profits and incomes have fallen, taxes bring in less money. An increase in taxes now might bear too heavily on business and discourage the investment necessary to full production and full employment.

At this time, therefore, I am not recommending new taxes to make up the deficit. I do not like to have a Government deficit. But still less do I want to injure the economic health of the country.

Selfish interests were behind the tax reduction of the Eightieth Congress. They were also behind the failure to provide authority to stabilize prices. These two blunders of the selfish interests have had unfortunate economic consequences. They will continue to cause us trouble for some time.

Now these same selfish interests are urging us to commit a third great blunder. They are now urging drastic cuts in Government expenditures—cuts which would fall hardest on those expenditures which are most important to our domestic economy.

Making cuts of this type in the budget is just the thing you do not do if you want to help the economy expand. At a time when employment is already lower than it should be, cutting Government expenditures would cause more unemployment. At a time when more investment is needed, it would be foolish to cut down productive Government investment in national resources and public works. To slash Government expenditures now, would add to the downward trend.

Let us take public works, for example. It has been estimated that every billion dollars spent for public works gives employment to 315,000 people, and adds to the income, indirectly, of some 700,000 more. The current budget provides more than $3,000,000,000 for public works. These public works are greatly needed improvement. If we cut them out, we would not only hamper the growth of the economy, we would also increase unemployment by about a million persons, and weaken the position of over 2,000,000 more. This would be the most expensive kind of saving I can think of.

The people who unwisely urge that Government expenditures be slashed are for the most part the very same people who have long been opposing our social programs and our resource-development programs. They have resisted such things as social security, housing, the minimum-wage law, and public-power development, from the very beginning. They have opposed every improvement in these programs.

During an inflationary period, they are against these programs because they say they are inflationary. During a deflationary period, they are against them because they say they are deflationary.

Rain or shine, they are just against them.

It was programs like these, for the benefit of the people, that saved business in the thirties, that are supporting purchasing power now, and that are laying a foundation for increased prosperity in the future. Most of the people know this, even if the selfish interests don't.

In the long run, these programs are not only necessary to the welfare of the country—they are necessary if we are to balance the budget.

The very heart of sound government finance is to make the expenditures that are necessary to help achieve prosperity and peace. The items in the budget are consistent with this principle. That is why the Congress, in considering the details of the budget, has not made significant cuts. It has approved the particulars of the budget, item by item, because the Congress knows they are good for the country.

I achieved a budget surplus—before the Eightieth Congress tax cut—and I intend to achieve one again.

When we had an excess of receipts over expenditures, we applied it to reduce the national debt. We have already paid off more of the debt than the total size of the national debt after the First World War.

But you cannot achieve a surplus in the Government budget when you have a declining national economy. A Government surplus and national prosperity go together. The income and the expenditure of the Government are a very important part of the entire national economy. If we follow the wrong budget policy at this time and slash our expenditures, we will decrease employment, cut down investment, weaken our defenses, and injure our efforts for peace.

If we follow the right budget policy, and support the national economy, we can help bring the country back to our normal rate of growth and expansion.

Some of the measures which will be most effective in the present situation have either been enacted or are on their way to final passage. They include the housing program, the agricultural program, and an increase in the minimum wage.

In addition, I have proposed to the Congress in the economic report that it take added steps at this time to keep purchasing power up, to aid those who are suffering from unemployment, and to enable us to make plans so that we will be in a position to step up public works activities if necessary.

If these measures are adopted, the Government will be in an improved position to play its role in our expanding economy. But changing the course of our present economic situation is also going to require wise action by business, labor, and agriculture. If businessmen, labor, and farmers base their actions now on an expanding economy, we will work our way successfully through the present period of transition.

I have confidence in the unlimited capacity and in the unlimited opportunities of the American economy and the American people. I have confidence in our ability to master the international problems which confront us and to achieve world peace.

I have this confidence because of our achievements in the past and because of the present strength of our institutions.

Above all, I am confident because I believe that Almighty God has set before this Nation the greatest task in the history of mankind, and that He will give us the wisdom and the strength to carry it out.

Southern Crossing Over San Francisco Bay

EXTENSION OF REMARKS
OF
HON. RICHARD J. WELCH
OF CALIFORNIA
IN THE HOUSE OF REPRESENTATIVES
Thursday, July 14, 1949

Mr. WELCH of California. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following statement made by me before a subcommittee of the Committee on Armed Services:

Mr. Chairman and gentlemen of the subcommittee, after listening to witnesses establish their credibility and background, who were here to testify, I am prompted to ask your indulgence that I may also briefly state my experience with reference to the Golden Gate Bridge, the San Francisco-Oakland Bay Bridge and highways.

I am not an engineer. However, some of my practical background came from a San Francisco shipyard where, as a young man, I learned a trade, to read a blueprint, and to work from plans and specifications. I have sometimes regretted that I did not follow my natural bent. Instead, in 1900, upon the urgent request of neighbors and friends, I became a candidate for State senator from San Francisco. I served in the State senate for 12 years, nearly all of which time I was chairman of the committee on commerce and navigation. From the State senate I went to the board of supervisors, the legislative body of the city and county of San Francisco. I served on this body for 10 years before being elected to Congress.

During my service with the board of supervisors, I was made chairman of the committee on highways, streets, bridges, and commercial development. I was also a member of the important committee on public utilities. During this time the city built, at a cost of $150,000,000, its present water system to provide against the recurrence of such a catastrophe as took place in 1906 due to lack of water. During my service on the board, San Francisco's wholly inadequate transportation system, consisting of one road of ingress and egress and a ferry system gave me great concern.

After conferring with Mr. O. H. Ammann, Mr. Leon Moisseiff, Mr. Gustave Lilienthal, Mr. Ralph Modjeska, and Mr. Joseph B. Strauss, some of the world's outstanding long-span bridge engineers, on the physical and financial feasibility of spanning the Golden Gate and connecting the city of San Francisco with the east bay, I started a campaign to connect the great international seaport city of San Francisco with its natural hinterlands—the great valleys of San Joaquin, Livermore, Sacramenta, Napa, Sonoma, and Santa Clara counties—by a comprehensive system of highways and bridges. A small organization was perfected for that purpose. I named a committee of five citizens of which I was a member. We proceeded with a plan which required an act of the California State legislature to create what is known as the Golden Gate bridge and highway district consisting of the city and county of San Francisco, Marin, Napa, Sonoma, Mendocino, and Del Norte counties. We held an election within the district and bonded it for $35,000,000, and built the longest single span bridge in the world during the depth of the depression and without one dollar of cost to the Federal Government.

I was made chairman of the transbay bridge committee for the purpose of building what is now the world-famed San Francisco-

Oakland Bay Bridge. Our efforts were retarded. Strange as it may seem, both the Army and Navy were adamant in their opposition to building a bridge across San Francisco Bay. For all purposes, the bridge was as dead as a dodo. I finally appealed to President Herbert Hoover for help. The President responded by appointing a commission, known as the Hoover-Young commission, the late C. C. Young being then Governor of the State of California. President Hoover appointed a majority of that board and on it were engineers of his own choice. It will be remembered that Mr. Hoover is an able engineer. It was this Hoover-Young commission which went forward and made possible the San Francisco-Oakland Bay Bridge.

The geographical and strategic location of the great international seaport city of San Francisco has caused the Federal Government to establish on its shores and in the immediate vicinity more military and naval establishments than in any other section of this country. Navigation as it applies to clearance under a 200-foot high bay bridge with a 1,700-foot span or a 50-foot or more clearance over a combination tube and trestle is a minor matter in comparison with an adequate means of dispersion of a great city's population. The opponents of what has come to be known as the southern crossing over San Francisco Bay, the crossing recommended after a year of exhaustive studies by a joint Army-Navy board of engineers authorized by an act of Congress, and the recent report of the Secretary of Defense, the Secretary of the Army, and the Secretary of the Navy, seem to find comfort in reference to navigation.

Mr. Chairman, from the standpoint of navigation I would approve the carbon-copy parallel bridge proposed to be built 300 feet from the existing San Francisco-Oakland Bay Bridge knowing that its piers would certainly parallel the present bridge. I do not claim to be an expert on navigation. I am however, familiar with San Francisco Bay and its tributaries. I served for a number of years as harbor master (chief wharfinger) of that great international seaport. I held that position at the time of the earthquake and fire in San Francisco in April 1906. Gentlemen, I saw it all. Ten square miles of that great city were laid waste. The water mains leading to the city were burst by the earthquake and the city left to the mercy of the flames. The police and fire departments were demoralized. They, like all others, fled with their families and with what few belongings they could salvage beyond the reach of the flames. The chief of the fire department was killed before he could leave his bed that fateful morning.

Gen. Frederick Funston, who was personally known to me, was at the time military commander of the Presidio of San Francisco. It will be remembered that it was he who captured Aguinaldo, leader of the Philippine insurgents, and ended the war in the Philippines. All communication lines between Washington and San Francisco were broken. General Funston did not wait for orders but took the situation in hand. On the second day of the fire, which lasted 3 days, a United States cruiser came into port. I immediately provided the captain with a berth for his ship and shared my office with him. Between the Army and the Navy, looting and disorder were stopped and order was brought out of chaos.

Mr. Chairman, now I have come to a point I want to stress. San Francisco, like all of the State of California, is in an earthquake zone. Another major earthquake, which I fervently trust may never occur, could happen while I am here with others pleading for the safety of our people. In 1906 there were no bridges over San Francisco Bay and the Golden Gate. Instead, we had probably the largest fleet of ferryboats in the world. These made evacuation of the city by the Army and Navy possible. Since the building of the San Francisco-Oakland Bay Bridge and the Golden Gate Bridge this vast ferry fleet, with the exception of two or three antiquated ferryboats, has been dispensed with.

Construction of a parallel bridge 300 feet to the north of the present structure is tempting fate. It is conceded that the present bridge and the proposed parallel bridge could be destroyed by a single bomb, and not necessarily an atomic bomb, leaving some 800,000 souls without access to the continental side of the bay.

San Francisco is built on a peninsula and has an exceedingly hilly terrain, which has made possible the development of only three main arteries leading out of the city, these to the south.

Gentlemen, may I say to you that the Joint Army-Navy Board of Engineers had in mind dispersion, a word seemingly forgotten by the proponents of the parallel crossing. The Secretary of Defense, the Secretary of the Army, and the Secretary of the Navy, in following the recommendation of the Joint Army-Navy Board of Engineers, also had in mind dispersion.

The city and county of San Francisco comprises only 44 square miles. We cannot grow into the Golden Gate, into the Pacific Ocean, or into San Francisco Bay. We must, of necessity, grow to the south. May I repeat, the Joint Army-Navy Board of Engineers, the Secretary of Defense, the Secretary of the Army, and the Secretary of the Navy had that thought in mind when they recommended the southern crossing to be located 5 miles south of the present bridge.

The San Francisco Police and Fire Departments have objected strenuously to the parallel crossing, naturally, as it is their duty to save lives and protect property.

I wish to say that should your subcommittee deem it necessary to visit San Francisco for further proof of the imperative necessity of this southern crossing, you will observe that the proposed parallel crossing would double the traffic load no being dumped into the most congested section of San Francisco.

The first Army-Navy board provided for pursuant to House Resolution 158 in 1941, like House Resolution 529, also introduced by me in 1946, recommended a high-level bridge in the vicinity of the site of the combination bridge and tube recommended by the second joint Army-Navy board. In the meantime the high-level southern crossing was objected to strenuously by the Department of the Navy on the grounds of national defense. The Navy claimed that it would interfere with the taking off and landing of the large planes used by the Navy. Still, gentlemen, we are told by some that there are no national-defense features involved in the second bay crossing.

The Pump-Priming Record

EXTENSION OF REMARKS

OF

HON. ANGIER L. GOODWIN

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 14, 1949

Mr. GOODWIN. Mr. Speaker, under leave to extend my remarks, I include the following editorial from the Washington Evening Star of yesterday, which is illuminating and timely in connection with recent utterances of the President:

THE PUMP-PRIMING RECORD

Now that President Truman, in his economic report to Congress, has suggested that we are in for a period of deficit financing, and that such financing will help to check and reverse our current recession, it is interesting—and perhaps instructive—to look back into the 1930's, when the Federal Government resorted to a similar pump-priming policy to get the country out of the depression that followed the crash in 1929.

In 1929 our national income totaled $87,400,000,000 and only 1,550,000 Americans were unemployed. Thereafter our economy skidded downhill very fast. By 1933, when the New Deal first began, the situation was desperate, and it was not unnatural that the Federal Government started to spend much more than it took in. Actually, however, this deficit financing, or pump priming, did not solve the unemployment problem. The following table—showing the year-by-year deficits in round numbers, along with the total out of work—illustrates the point:

	Deficit	Unemployed
1933	$3,063,000,000	12,830,000
1934	3,989,000,000	11,340,000
1935	3,364,000,000	10,610,000
1936	4,829,000,000	9,030,000
1937	2,880,000,000	7,700,000
1938	1,242,000,000	10,390,000
1939	3,920,000,000	9,480,000

During the same period national income failed to get back anywhere near the 1929 total of $87,400,000,000. In 1933 it stood at $39,600,000,000, in 1934 at $48,600,000,000, in 1935 at $56,800,000,000, in 1936 at $64,700,000,000, in 1937 at $73,600,000,000, in 1938 at $67,400,000,000, and in 1939 at $72,500,000,000. Of course, had there been no deficit financing during the thirties, the income and employment figures might have been much worse. But the fact that they were not better seems to be proof enough that pump-priming has very decided limitations as a fiscal device designed to create employment, increase production, and make the economy generally prosperous.

To be sure, the Second World War had the effect of a tremendous pump-priming operation primarily responsible for the fact that our national income in 1949 is around $225,000,000,000, as against $87,400,000,000 in 1929, and that 10,000,000 more Americans are in jobs now. But that is hardly an argument in favor of unbalanced budgets. War is one thing, and peace another, and the record of the 1930's offers at least the suggestion that deficit financing is likely to perform as few miracles at this stage as it did then. And in those days, we must remember, we did not have the gigantic public debt that weighs so heavily on all of us today.

Address by Hon. Edward Martin, of Pennsylvania, to the Pennsylvania Newspaper Publishers' Association

EXTENSION OF REMARKS

OF

HON. EDWARD MARTIN

OF PENNSYLVANIA

IN THE SENATE OF THE UNITED STATES

Thursday, July 14 (legislative day of Thursday, June 2), 1949

Mr. MARTIN. Mr. President, I ask unanimous consent to have printed in the Appendix of the RECORD an address delivered by me to the Pennsylvania Newspaper Publishers' Association, in New York City, on April 28, 1949.

There being no objection, the address was ordered to be printed in the RECORD, as follows:

Mr. Chairman and my fellow Americans, I am happy to be here because no group in America has a clearer understanding of the real needs of the people of our country.

One of the problems before you is the provision in H. R. 2945 for a sharp increase in second-class postal rates.

From my study of that proposal I am convinced that this bill, if enacted, would destroy many newspaper publishers, and would be detrimental to the people of our country.

I shall, therefore, oppose the present bill. I am happy to report to you that a substantial majority of the Congress are opposed to it and, in my opinion, it will not be enacted into law.

There are many other proposals that would destroy other business and industries, but I won't take time to talk about them.

I do want to talk about one danger that threatens every business and the freedom of every individual.

The continued increase in the cost of Government threatens our country with national bankruptcy and the destruction of everything that America stands for.

Gentlemen, the most shocking experience I have ever had in my life has been to hear some of my Senate colleagues, of both political parties, say that there is nothing we can do to avert national bankruptcy.

Sitting around the luncheon table or in conference, I have heard the opinion expressed that we are over the hill, that we might as well go along with the tide, that the sooner it happens the better off we will be, because we will then still have an opportunity to pick up the pieces and make a fresh start.

Gentlemen, in recent weeks I have heard conversations like that not once but on numerous occasions. And I cannot describe the sinking feeling that came over me to think that this great Nation of ours has come to such a sorry plight that Members of the Senate of the United States are willing to suggest giving up in this struggle.

I am happy to say that there are men in the Senate like Senator BYRD and Senator GEORGE, and many others whom I could mention, who are not willing to take that attitude.

They feel, as I do, that the fight to keep America solvent and to prevent its destruction must be continued to the last ounce of our strength and determination.

I want to give you some facts and figures that to me are so shocking and so alarming that they have caused me many sleepless nights.

Consider first the cost of operating the Federal Government.

In 1930 it was less than $4,000,000,000. Ten years later it had gone up to nine billion. Today it is more than $42,000,000,000 a year.

On top of that enormous budget there have been proposed 15 new domestic spending programs to be financed out of general tax funds, and 3 new so-called welfare and health plans to be paid for by pay-roll deductions.

How much will they cost? No one knows.

But estimates by experts place the minimum added cost of these projects at $14,000,000,000 a year.

It has been estimated also that the full objectives of those promoting these new spending projects will push the costs of Federal Government up to the frightening figure of $84,000,000,000.

The nine appropriation bills for the support of the various departments and agencies of the Federal Government have now passed the House and are in the Senate for action.

An examination of these bills shows that the cash appropriations for the fiscal year 1950 exceed the appropriations made for 1949 by $4,277,000,000.

It shows that the contract authorizations for fiscal 1950 exceed the contract authorizations for the current year by $1,677,000,000.

That is a total increase in cash appropriations and authorizations of $5,955,000,000 over the amount appropriated by Congress for the same departments for fiscal year 1949.

But that's not all. We have before us the North Atlantic Pact and the cost of rearming the nations that have joined in that alliance.

The Secretary of State, Mr. Acheson, told the Senate Foreign Relations Committee the cost for the first year alone would be $1,130,000,000.

Keep in mind that was the price for the first year only. No one can begin to guess how much the total will be in addition to the sixteen billions already appropriated by the House for national defense.

Then there is the new farm subsidy plan, proposed by the Secretary of Agriculture, to cost the taxpayers about $6,000,000,000 a year, the housing program, Federal aid to education and other spending programs.

In 1940, only 8 years ago, tax collections for all levels of Government were only $14,000,000,000. That was nearly 19 percent of the national income, or $109 for every man, woman, and child in the United States.

In 1948 the total tax collections had skyrocketed to above fifty-five billion, better than 26 percent of the national income or $377 for each individual.

In 1930 there were less than 500 separate units in the Federal Government. Today there are more than 1,800 boards, bureaus, divisions, agencies and commissions.

The number of civilian employees has increased from 600,000 in 1930 to approximately 2,200,000 today.

Last year our national income, the greatest in our history, was approximately two hundred and twenty-five billion. It produced forty-two billion in Federal taxes.

Do you, as businessmen, anticipate that the national income in 1949 will be sustained at that high level?

I do not predict a depression in 1949, but I sincerely believe that the national income will drop and may go as low as one hundred and ninety-five billion.

If it does, it means a minimum loss in Federal revenue of approximately $5,000,000,000 and a similar amount for State and local government.

At present tax rates, this would mean that our Federal tax receipts would be about thirty-seven billion instead of forty-two billion. If we cannot have a balanced budget in these prosperous times, what in the name of heaven will we do in less favorable times when demands upon the Government will of necessity be increased?

Let us now consider the debt—which must be paid.

In 1930 the Federal debt was only $16,000,000,000.

In 1940 it had climbed to nearly forty-three billion, and today we owe approximately $252,000,000,000. That is about $1,800 per capita or $7,500 for the average family. In other words, the Federal Government owes $15 for every dollar it owed 18 years ago.

Let us look at the debt from another angle. In 1930, the total debt of all levels of government, plus the private debt, was $188,000,000,000.

That was 44 percent of the national wealth which then amounted to $428,000,000,000.

Today the same public and private debt has shot up to almost four hundred and forty-four billion, or 71 percent of the present national wealth of $620,000,000,000.

Is it not plainly evident that at the rate we are going it will not be long before the debt of our country will be greater than our entire national wealth?

Keep in mind that it is not the Federal Government alone that is expanding costs to an alarming degree.

In every part of the country State and local governments are reaching out for higher taxes and bigger spending.

Our own State is following the same pattern. Only 2 years ago our net bonded indebtedness had been reduced to a little more than $44,000,000.

Furthermore, we had wiped out nearly 49 million of indirect obligations by paying of the general State authority bonds.

I predict that if the soldiers bonus is approved at the November election our own State of Pennsylvania will end the next biennium with direct and indirect obligations in excess of $1,000,000,000.

In 1930 we taxed the people of Pennsylvania to the extent of $160,000,000. Last year the tax burden was above four hundred and thirty-two million.

In 1930, out of its own revenues, the State spent for welfare purposes, including public assistance, approximately $18,000,000. Last year the cost was almost one hundred and twelve million.

Forty-six and a half million dollars were paid out of State revenues for public instruction in 1930 and nearly one hundred and twenty-two million last year.

Salaries and wages of State employees in 1930 totaled thirty-five and one-half million. Last year one hundred and fifteen and one-half million were paid out in salaries and wages.

The figures, as applied to local government, boroughs, townships, and school districts, are equally startling but I won't take the time to go into those.

Recently, Senator BRIDGES pointed out that his home State of New Hampshire could be run for 8 years on what it now costs to run the Federal Government for 1 day.

Senator BRIDGES also told of arguing with an administrator about the necessity of an $8,000,000 project.

When the Administrator has exhausted his logical argument for the project, he hinted that Senator BRIDGES was making an awful fuss over a little $8,000,000 item.

That's the way they talk about such picayune amounts—$8,000,000—just a drop in the bucket.

The other day a CIO spokesman broadcast a demand that we spend $8,000,000,000 to replace inadequate school houses and build some new ones.

Just another drop in the bucket.

Remember that every time $1,000,000,000 is added to the cost of Government, the tax bill goes up $7 for every man, woman and child in the country—over $28 for the average family of four.

How many billions can we add before we all go broke?

This uncontrolled spending is based on the false philosophy that every one can look to the Government for aid and assistance—that security provided by the Government can take the place of self reliance, hard work and thrift.

Too many of our people not only want this enormous spending, but they are demanding it.

I have been shocked and disappointed many times to hear strong argument for economy in Government advanced by the same group or organization that demanded, with equal force, that State or Federal money be spent for their pet project.

I regret to state that this applies also to some newspapers.

The picture is perfectly clear to me. Unless this philosophy is shown to be false, unless we convince its followers that it is unsound and treacherous, it means the de-

struction of the United States and the loss of all freedom.

If the American people were given an opportunity to say directly whether or not they wanted a socialized form of government, I am sure what the answer would be.

I know they would respond in no uncertain terms—a loud and resounding "No."

But unknowingly and unwittingly, and assuredly as night follows the day, they are bringing about that very thing in America.

How, then, shall we stop it?

How shall we reverse the trend toward socialism and bring our people to a realization of the tragic fate that awaits a bankrupt nation?

That is why I am here today, not as a Republican but as an American, appealing to you men, not as Republicans, not as Democrats, but as Americans.

I urge you, for the future of our country, to take leadership in the crusade to save America.

I know of no group of men that has more influence in Pennsylvania or in the United States than the newspaper publishers. You can arouse the people to fight for the preservation of our freedom.

You can do it through the columns of your newspapers, through your affiliations with civic-minded organizations, and through your close contacts with community activities.

No objective is more worthy, no cause more sacred.

Again I appeal to you to accept a full share of the high responsibility for the survival of the American Republic.

The Threatened Steel Strike

EXTENSION OF REMARKS
OF
HON. HUBERT H. HUMPHREY
OF MINNESOTA
IN THE SENATE OF THE UNITED STATES

Thursday, July 14 (legislative day of Thursday, June 2), 1949

Mr. HUMPHREY. Mr. President, I ask unanimous consent to have printed in the RECORD a statement which I have prepared on the steel strike.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

Mr. President, I want to make a statement for the record in connection with the present steel strike. I want to congratulate Mr. Philip Murray and the United States Steel Workers of America, CIO, for again indicating their public spiritedness and concern for the public welfare in responding to the request of President Truman for a 60-day work continuation pending a public inquiry and recommendations. This action is to be contrasted with the callous disregard for the high office of the President demonstrated by the United States Steel Corp. in refusing to accept the President's proposal to bring about labor peace in the steel industry.

The President of the United States asked both parties to the steel dispute to put the public interest above their private interest. Both big business and big unionism have such a responsibility to the American people. President Truman requested that labor and management continue operations for 60 days and accept the appointment of an impartial board of inquiry which would study the problem and make recommendations. He did this, as is his responsibility, in the interest of the American people. A steel strike would not only be disastrous to the working men and women directly involved, but also to thousands of related industries and small businesses. The American people, through their President, had a right to expect both parties to accept this recommendation. I regret that the United States Steel Corp. saw fit to ignore the public interest and insist on its own way. The significance of this action will not be lost on the American people.

I sincerely hope that a strike in the steel industry will not be necessary. Should the disagreement between the parties continue, however, and should the steel workers come to feel that a strike is necessary in view of the irresponsible attitude of steel management, it is the United States Steel Corp. which will have to face the responsibility for many hundreds of thousands of American workers being thrown out of work and for production in this basic industry being paralyzed. With the letter of Mr. Benjamin F. Fairless, the United States Steel Corp. is making it clear that it prefers crisis to national welfare. This may well be the first real use made of the Taft-Hartley law by big business to crush trade-unionism. It is significant that the United States Steel Corp., in its reply to the President, uses the Taft-Hartley law as its shield.

Majority Leader Lucas

EXTENSION OF REMARKS
OF
HON. GARRETT L. WITHERS
OF KENTUCKY
IN THE SENATE OF THE UNITED STATES

Thursday, July 14 (legislative day of Thursday, June 2), 1949

Mr. WITHERS. Mr. President, I ask unanimous consent to have printed in the Appendix of the RECORD an article written by John F. Day, of the Courier-Journal's Washington bureau, which appeared in the July 10, 1949, issue of the Louisville Courier-Journal. Mr. Day writes of the work done by our distinguished majority leader, the Honorable SCOTT W. LUCAS, of Illinois.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

WASHINGTON, July 9—Until SCOTT LUCAS worried himself into ulcers and a consequent 2-week stay in the hospital last April, it looked as though he might not make the grade as Kentuckian ALBEN BARKLEY'S successor in the majority leadership of the United States Senate.

But that hospital visit did more than patch up the body of the man from Illinois. In fact, it is possible few hospitalizations have been more significant. For that one made a changed man out of SCOTT WIKE LUCAS. And LUCAS holds—and probably now will hold for some time to come—one of the most exacting, delicately balanced and important job in our complex Government.

To understand what happened at the hospital and subsequently, one must take a look at what happened before.

When the election returns came in last November and the Democrats learned to their surprise and the Republicans to their confoundment that the Eighty-first Congress was going to have a different complexion from the Eightieth's, it seemed apparent that SCOTT LUCAS would be the new majority leader.

NEXT TO BARKLEY

As Democratic whip in the Eightieth, LUCAS had been next in party rank to BARKLEY. He had been in the Senate 10 years, had served two terms in the House. Several Senators from the South had considerable seniority over him. But how could KENNETH MCKELLAR or WALTER GEORGE or DICK RUSSELL be majority leader after what had happened during the campaign and in view of the President's announced program? LUCAS had not always voted with the administration, but few legislators had a more consistent record of party regularity.

LUCAS never sought headlines, and he was not as well known as some Senators. Then, too, there were questions as to how LUCAS' temperament would fit into a job requiring so much tact, patience, persuasiveness, skill, give and take; a job requiring a careful balance between toughness and good humor; a job, in short, calling for a full measure of the quality called leadership.

But there was no getting around the fact that LUCAS was a party stalwart, a liberal and a pre-Philadelphia Democrat, and that he was the man who would get the job.

As a matter of fact, Time magazine, in one of its characteristically snippy sketches, said: "Illinois' handsome, athletic Senator is living proof of the virtues of party regularity. In his 14 years as a Congressman and Senator, he has sponsored little major legislation, made few headlines, shown no notable talent for leadership. But he has toiled long and loyally for the administration on Capitol Hill and had stuck stanchly by Harry Truman in the dark days before Philadelphia. A ponderous, prolix debater with an edgy temper, and a taste for snappy, double-breasted suits, SCOTT LUCAS likes to describe himself as just another Midwest farm boy."

ALSO A FOLLOWER

In a different vein, United States News and World Report said:

"In his prospective part as leader, LUCAS, a party man, also will be a follower. His directions will come from the White House. His job is to back the President's viewpoint and try to enact his laws. * * * LUCAS, like BARKLEY, is highly popular with other Senators of both parties. He is not the jovial, wisecracking mixer that BARKLEY is. If more reserved, he is, however, unfailingly kind, considerate, and courteous."

So SCOTT LUCAS did become Senate majority leader, and thereby took on trouble with a capital "T."

If he looked around for assets in the situation, he could be thankful for the facts that (1) he had been elected by unanimous vote of the Senate Democratic caucus; (2) there were 12 more Democrats (so-called at least) than Republicans in the Senate; (3) BARKLEY was still around to give counsel and assistance; and (4) LUCAS and the President were on thoroughly good terms.

From those points on, nearly everything was on the other side of the ledger.

First and worst, he was the leader of what amounted to three parties: The left-wing Democrats, the conservative Democrats, and the Dixiecrats. This division was not new, but it was definitely more pronounced. Especially bad was—and is—the North-South split. As a Kentuckian, BARKLEY had a measure of appeal to the southerners that LUCAS could not have. And even BARKLEY would not be able to bridge the chasm at many points.

ELECTION WAS LIABILITY

Then there no longer was the unity that war had enforced. It's one thing to hold your forces in line during the stress of war, and quite another during the entirely different stress of readjustment. And the country was just entering a period where some economists were warning of inflation and some of deflation.

Yet another liability was the election of 1950. The leader would have to keep his eye on that, both because he himself is up for reelection then, and also because he must

help to hold or increase his party's majority. The Republicans, too, have a few eyes on 1950, and every move they make in the Senate is made with at least a thought in that direction.

Then President Truman threw the book at Congress in the form of a vast Fair Deal program. He said in effect, "Now there you are. Get to work," and took off for a vacation in Florida.

Congress got to work, all right, but not the way Truman intended. SCOTT LUCAS found himself in the midst of a full-blown filibuster whose immediate aim was to block a rules change on cloture, but whose long-range aim was to knock the administration's civil-rights program for a loop.

FAT IN THE FIRE

No sooner had this ended—and in a southern victory—than the Senate began to harangue over the extension of Marshall-plan aid. Instead of the 3 days of debate calculated by the leadership, some 18 days were consumed.

During these earlier days of the current session, the new majority leader worried and fretted, pushed and denounced. He tried night sessions and Saturday sessions, begged for action, pleaded for action, shouted for action. He found that he couldn't get unanimous agreement on even the most minor points. During the filibuster, the President threw fat in the fire by coming out for simple-majority cloture, a change that LUCAS himself couldn't support.

The strain began to tell on LUCAS. His patience was shot and his flashing smile was seldom seen. His temper did indeed become edgy, and he sometimes snapped at reporters or others about him. He was getting blamed for the whole slow-down, which certainly wasn't his fault.

To anyone watching him on the floor, he appeared tired and ill—which he was—and to have lost his last friend—which he really hadn't.

Reporters began to ask one another, then "qualified sources," then the President himself, "Is Senator LUCAS going to resign the leadership?"

MAKES RESOLUTION

That question hasn't turned up recently. It's apparent now SCOTT LUCAS isn't going to resign, because he's growing in the job and has the difficult situation as well in hand as the next fellow could get it.

The change started, as pointed out at the beginning of this piece, in the hospital.

"Just what," I asked LUCAS this week, "happened in the hospital that changed your approach?"

"Well," he said, "while I was in there I began to review my history a bit; and it was impressed upon me that the Senate had operated for a century and a half without me, was operating without me right then, and undoubtedly would be operated a long time after I was gone. I resolved to take it easier, not to drive at things so hard, to be just as patient as humanly possible, and not to get mad when things didn't go as I thought they should. I realized that there was only so much a man can do, and that I wouldn't gain anything by worrying myself to death."

In other words, SCOTT LUCAS is a changed man today primarily because he resolved to quit knocking himself out.

That isn't to say that he is now a carefree guy who goes around slapping BOB TAFT on the back and whistling in the cloakroom like Bing Crosby. He is still a serious, determined, hard-working—and overworked—man. But he approaches things more gingerly, worries less, relaxes more, acts like a man bent on doing his best and not gnashing teeth because not everybody thinks his best is all it might be.

The mention of "overworked" brings up the question of why anyone would want such a man-killing job. LUCAS puts in many a 14- to 16-hour day. As a Senator from one of the most populous States (Illinois has a population of 8,670,000), he would be a busy man if he had no special job in the Senate. Always a conscientious and sympathetic workman, he gives personal attention to many, many constituents. His administrative assistant, Margaret McMahon, has a card file she estimates contains 50,000 cases marked "accomplished." They represent everything from improvements in a mail route to the obtaining of major construction projects for cities or communities. Letters received even before he became majority leader totaled around 10,000 a month. Now they hit 25,000.

He is a member of the Agriculture and Finance Committees, and he feels it is his duty to attend whenever possible. Any Senator is subjected to many pressures; but for the majority leader, they are doubled, tripled and quadrupled.

The labor unions want what they want, and they want it first. So do the civil-rights advocates, the farmers and the church and welfare groups, the foreign-policy associations, the builders and the landlords and the tenants, the bankers and the Lord only knows who else. Senators want to get their bills on the floor or they want to get something kept off. People by the hundreds have requests of one kind or another; and some of them don't mind calling LUCAS in the middle of the night to propound them.

LUCAS, as was BARKLEY, not only is the floor leader, but also is chairman of the Senate Democratic caucus. In the case of the Republicans, three men hold the three jobs. KENNETH WHERRY is minority leader, ROBERT A. TAFT is chairman of the policy committee and EUGENE MILLIKIN is chairman of the caucus.

So—why, Mr. LUCAS, do you want a job that put you in a hospital, that still presses on you so strenuously, that pays you no additional salary, that gives you virtually no time you can call your own?

"That one," said the Senator frowning a bit, "is hard to answer. Why does a person want any responsible job? Why does a man want to be President? I guess it is a part of the American tradition. Someone has to do jobs like this one, or our Government couldn't function. I hope the reason I was chosen was that I had demonstrated a sense of responsibility. I didn't ask for the job; but once in it, there's no turning back."

CAMPAIGN BLURB

Unmentioned was the ambition that has pushed SCOTT LUCAS along from tenant farm boy to one of the Nation's leaders. Born February 19, 1892, LUCAS was the youngest of six children. The following, from a campaign brochure, is overblown but basically true:

"The parents of the senior Senator were tenant farmers, who worked leased acres which they hoped some day to own. Thus SCOTT LUCAS grew up with the knowledge of what it means to yearn for economic security. His early years were days of sweating with the land in the hot prairie summers and gritting his teeth in the face of blizzard winds as he labored at his chores of the Illinois farm.

"Today as lawyer, soldier, statesman, SCOTT LUCAS is clearly a product of those early days of hard, farm labor and boyhood dreams of forging ahead. That labor and those dreams show in him now. They show in his consummate understanding of the problems of the farmer and his family, and in his sympathy for the problems of the average man of the cities—the worker and the small-business man. SCOTT LUCAS never had to learn about their problems from books, for he lived their lives."

He worked his way through Illinois Wesleyan University, receiving his bachelor of laws in 1914. (Thirty years later, he received an honorary doctor of laws from the school.) While studying law, he played professional baseball for a time with the Three-I League. He entered the Army in World War I as a private and came out a lieutenant.

FILLED RAINEY'S SEAT

His first political office was as State's attorney for Mason County, Ill., in 1920. He was chosen commander of the American Legion in 1926, and national judge advocate of the Legion in 1927. In the latter post, he served four terms. He was appointed chairman of the Illinois State tax commission in 1933, and was elected to the House of Representatives in 1934. He married a girl from his home town of Havana, Ill., Edith Biggs, in 1923. They have one son, Scott, Jr.

When LUCAS went to the House, he had the difficult job of filling the seat occupied for many years by Henry T. Rainey, who was Speaker at the time of his death in 1934. Thus when he became majority leader, he knew what it was to succeed someone who had built a reputation.

At first blush, LUCAS seems to suffer badly in any comparison with BARKLEY. But on closer examination, LUCAS comes out fairly well. The principal injustice is done in comparing the present-day LUCAS—new at the job—with the latter-day BARKLEY, an old and tried hand.

People forget that when ALBEN BARKLEY succeeded to the leadership in 1937 upon the death of Joe Robinson, he beat out Pat Harrison by just one vote in the caucus. That one decisive vote came from Theodore Bilbo—not because he loved BARKLEY more than Harrison, but because he hated him less. Additionally, BARKLEY was not really the choice of the Senate, but of President Roosevelt.

They forget that BARKLEY had to operate with one eye on Kentucky that first session because A. B. "Happy" Chandler was making noises indicating a hot race in 1938.

BARKLEY HAD TROUBLES

They forget that not everybody loved ALBEN in those days, that Time magazine dubbed him "Bumbling BARKLEY" and the name was picked up by many a Senator as well as by many a commentator.

They forget that the shrewd minority leader, Charles McNary, sometimes made BARKLEY look foolish, and that anti-New Deal Senators heaped abuse and vilification upon him.

They forget, in short, that while in the end he acquitted himself well, mighty well, he had a rough time of it. He developed into one of the greatest leaders the Senate ever had; but he found—as LUCAS has found these first few months—some mighty slippery track just out of the barrier.

In fact, the Kentuckian didn't really come into his own until 1944, when he boiled over at being taken for granted by F. D. R. and resigned the leadership with a blast at the President's wording of a tax-bill veto. After that, the caucus renamed him leader by unanimous vote.

LUCAS' method of operation varies considerably from BARKLEY's. That's partly from choice and partly from necessity. It's probable that no other Senate leader had the power of individual persuasion that BARKLEY had. He was master of the art of "buttonholing." With a telling argument here and a joke there, he could change many a made-up mind.

He was extremely effective on the floor, too. He could roar at the right time, and coo at the right time. He seemed to sense when he could gain a point by sheer bludgeoning, and when by gentle good humor. He was a master of parliamentary tactics. He could fence with TAFT or some other adroit tactician, parrying here, thrusting there,

stepping in, stepping back—and more often than not, winning. TAFT himself said BARKLEY's battle for OPA extension in the summer of 1946 was the finest legislative performance he had ever witnessed. In that same year, he demonstrated his ability by pushing through the $3,750,000,000 British loan. Odds were the Senate would reject it; but by cajolery and persuasiveness, by giving in at one point and standing stubbornly at another, he won approval by a majority of 12.

OPINION IS VARIED

BARKLEY seldom made use of the Senate Democratic policy committee, and just as rarely called a caucus meeting. In effect, he was the policy committee. He conferred with his colleagues, of course, but he did it individually rather than in group.

The policy committees were not formalized and provided with professional staffs until adoption of the Legislative Reorganization Act of 1946. The House still does not have formal policy committees, but the Senate has. And SCOTT LUCAS determined when he assumed the leadership to make full use of the Democratic group.

This he has done through regular weekly meetings of the committee and through employment and use of professional researchers and writers.

The policy committee LUCAS heads as one of his three jobs as leader was chosen by the caucus. It is composed of MCMAHON, Connecticut; TYDINGS, Maryland; RUSSELL, Georgia; O'MAHONEY, Wyoming; GREEN, Rhode Island; HILL, Alabama, and MYERS of Pennsylvania, who also is majority whip. There is one vacancy at present.

As can be seen from the home States, these Senators represent varied opinions. LUCAS calls them together every Monday, and BARKLEY usually attends. The meetings are closed, but LUCAS says there is full and frank discussion of legislative matters, the calendar, and procedures.

SEES TRUMAN WEEKLY

LUCAS does not necessarily have to follow, as majority leader, the decisions of the policy committee. But in general he chooses to do so. He says he believes it better for one man to hold the three jobs then for three men, as in the case of the Republicans. He points out that Floor Leader WHERRY and Policy Chairman TAFT sometimes disagree, and that WHERRY's vote often is contrary to policy committee decisions.

LUCAS has 19 staff assistants—14 as a Senator, 2 as majority leader, and 3 as chairman of the policy committee. The professionals he has employed keep minutes of meetings, prepare memoranda relating to precedents and other matters, analyze bills and resolutions, prepare summaries of facts and arguments, maintain liaison with the standing legislative committees, keep schedules of the exact stage of all legislation, tabulate votes on all matters of any importance, and perform varied miscellaneous duties relating to the work of LUCAS, the policy committee, and the caucus.

LUCAS regards his responsibility to the President very much as BARKLEY did. He, Vice President BARKLEY, Speaker RAYBURN, and House Majority Leader MCCORMACK meet with the President every week to discuss the status and timing of legislative matters. LUCAS says he is in accord with most of Truman's program—and his past voting record shows that to be so—and that he believes it his duty to carry out the program, so far as he is able.

He says he feels the greatest draw-back to his job as leader is loss of independence in voting. "I can't agree with the President in every detail," he explains, "but I feel I must accede to his wishes so long as I can do so in good conscience. If the time should come when I could not do so, then I would have to resign."

Flag Day Address by Hon. Edward Martin, of Pennsylvania

EXTENSION OF REMARKS
OF
HON. EDWARD MARTIN
OF PENNSYLVANIA
IN THE SENATE OF THE UNITED STATES

Thursday, July 14 (legislative day of Thursday, June 2), 1949

Mr. MARTIN. Mr. President, I ask unanimous consent to have printed in the Appendix of the RECORD a Flag Day address delivered by me at a meeting of the Masonic Scottish Rite Consistory, at New Castle, Pa., on June 14, 1949.

There being no objection, the address was ordered to be printed in the RECORD, as follows:

We meet tonight to honor the anniversary of a memorable day in the history of the American Republic.

On June 14, 1777—172 years ago today—we were completing the first year of American independence.

We were in the second year of the Revolution. Washington's army, ill-clothed, inadequately armed and poorly disciplined, was falling back before the trained regulars of the British Empire. Only the skill and daring of General Washington saved the patriot forces from total disaster.

The historic event we celebrate today was not enacted on the battlefield but in the sober atmosphere of the Old State House in the city of Philadelphia.

Meeting at a time of stress and discouragement the Continental Congress adopted a resolution authorizing the Stars and Stripes as the standard of the infant Republic.

Thus was established a new emblem of liberty and freedom—a symbol of those human rights that are the gift of God—the banner of a free God-fearing people that is today the oldest, the proudest and the best loved flag in the world.

In meetings such as this it is appropriate to discuss the meaning of the flag and to consider thoughtfully the significance of our pledge of "allegiance to the flag of the United States and to the Republic for which it stands."

To every loyal American, regardless of his ancestry or national origin, that pledge means solemn rededication. It means that we believe with all our hearts in the sacred ideals that guided the illustrious patriots and heroes of our Nation's struggle for independence.

It means that we pledge, as they did, "our lives, our fortunes and our sacred honor" in the cause of American liberty.

It means that we will work, sacrifice and fight to preserve and defend the American system of free government—not only when it is threatened from abroad but also from enemies who lurk within our own borders.

How proud we can be that in all its glorious history the Stars and Stripes has never been carried in a war of aggression. It has never been the banner of conquest or territorial gain. It has never brought tyranny or oppression to any people on earth.

Instead it has been loved and acclaimed as the flag of liberation from persecution and enslavement.

Wherever Old Glory has been unfurled to the breeze its noble and inspiring message has been: Here men shall be free!

Have we been faithful to that solemn declaration?

Twice within the lifetime of most of us here tonight we have gone forth to fight for human liberty at a stupendous cost in blood and treasure.

Twice within our generation the people of many nations, liberated from tyranny and oppression by the heroic sacrifice of our young men and young women, have looked to the Stars and Stripes as their last remaining hope for peace and freedom.

After World War I we believed we had emerged victorious from a war to end wars. But a jumbled peace and a confused foreign policy prepared the way for the rise of new men of evil intent with poisoned minds and lust for power. They brought us into more terrible conflict on a global scale.

Once more the Stars and Stripes were carried to victory on the battlefields of Europe, Africa, Asia, and the far-flung islands of the Pacific.

Once more the precious lives of young Americans were sacrified in the cause of liberty and civilization.

Once more the people whom we liberated from cruel, ruthless persecution welcomed Old Glory as the bright symbol of hope and happiness.

Where are they now—the little Baltic States of Lithuania, Latvia, and Estonia, eastern Germany, Poland, Czechoslovakia, Jugoslavia, and China?

They are behind the iron curtain, enslaved to godless, communistic Russia because we followed a blundering, double-dealing foreign policy.

We bartered away their freedom in a policy of appeasement. Because of that blundering policy we find ourselves today in a time of unrest, confusion, and crisis.

The pattern of freedom to which we subscribe as Americans is set forth in clear and unmistakable language. It is found in the Declaration of Independence, the American Constitution and the Bill of Rights.

Those are sacred documents. For the first time in the world they expressed a new concept of liberty derived from Divine rule in the affairs of men.

They enumerated human rights and privileges that are unalienable—that are not within the power of any ruler or any government to grant or withhold.

In their determination to prevent encroachment by government upon the liberties of the people the founding fathers limited the powers of the Government. Their aim was to assure everlasting protection for the individual against the misuse of power by the state.

Those principles are part of the sacred American heritage. They are the essence of individual freedom—the bright promise that America has always held forth as the torchbearer of human progress and self-government.

My fellow Americans, with deep regret I must report to you that we have reached a time when that promise is no longer valid.

It has been replaced by confused experiments in human relations which ignore individual freedom and would impose upon us and the free world a paternalistic pattern of government in which the state is supreme.

Let me call your attention first to the so-called Universal Declaration of Human Rights that has been adopted by the General Assembly of the League of Nations.

That is the document framed by international "do-gooders" to replace the Declaration of Independence and to establish standards of government contrary to the Constitution and the Bill of Rights.

In reciting the truths they held to be self-evident the authors of the Declaration of Independence listed life, liberty and the pursuit of happiness as the most precious blessings granted by the Creator of the Universe.

Mark well their well chosen words—pursuit of happiness. They recognized that government cannot guarantee happiness. They knew the tragic lessons of the past and

the record of disaster in nations where it had been attempted.

All history proves the wisdom of the founding fathers. Yet it is now proposed that we destroy the foundation they so ably built and erect a new system with everything guaranteed by the Government.

Self-reliance, industry and thrift would become forgotten words in our language. No man would find it necessary to engage in the pursuit of happiness through his own efforts. Food, clothing, housing, medical care, social services—all would be provided by the Government, together with security in the event of unemployment, sickness, disability, widowhood and old age.

Those are the rights represented as guaranteed in article 25 of the so-called universal bill of human rights. I urge that you give the whole document serious study and learn of the many other dangerous paths into which we could be led if it is ratified by the Senate of the United States.

Let me call your attention also to the fact that our Government had a large part in the framing of the new basic law for western Germany.

That document has been represented by our State Department as a constitution and a charter of liberty for that part of Germany occupied by England, France, and the United States.

The American people have been told and the press has reported that this charter is patterned after our Constitution and the unwritten British constitution.

But it is not, and cannot be, a constitution because it ignores the American principle that "governments derive their just powers from the consent of the governed."

The people of western Germany were not given an opportunity to ratify its provisions or to consent to its adoption.

The document denies the American principle of self-government and withholds the fundamental guaranties of the American Bill of Rights.

The whole charter is shot full of joker clauses that nullify the hope of individual freedom for the 46,000,000 people of western Germany.

In one section it recites high-sounding phrases about liberty and freedom and in another section it sets up machinery by which every right can be taken away by any tyrannical ruler who reaches a place of power.

And this, my friends, has the approval of our State Department and the British and French Governments.

Let me give you a few examples of how the fundamental guaranties of the American Bill of Rights have been so altered that their real meaning and purposes have been completely destroyed.

On the subject of free speech, article 5 of the basic law states:

"Everyone shall have the right freely to express and to disseminate his opinion through speeches, writing and illustration and, without hindrance, to instruct himself from generally accessible sources. Freedom of the press and freedom of reporting by radio and motion pictures shall be guaranteed. There shall be no censorship."

Up to that point it is fine—but it goes on to say:

"These rights shall be limited by provisions of the general laws, legal regulations for the protection of juveniles, and by the right of personal honor."

The American Bill of Rights guarantees free speech by the provision "Congress shall make no law * * * abridging the freedom of speech or of the press." But the people of western Germany can be deprived of that right whenever their rulers see fit to limit it by passing a law.

Article 8 deals with the right of assembly in the same un-American manner. It reads as follows:

"All Germans shall have the right without prior notification or permission to assemble peacefully and unarmed for open-air meetings."

But the next sentence snatches away the right of assembly by stating:

"This right may be restricted by legislation or on a basis of law."

Repeated over and over again in the 146 articles of this basic law there appears this pretense of guaranteeing rights to the people but providing for their limitation by the passage of a law.

"Details (of freedom of religion and conscience) may be regulated by Federal law.

"This right (of freedom of movement) may be restricted only by legislation."

"Contents and limitations (on the right of owning and inheriting property) shall be determined by legislation."

Furthermore, the basic law provides that the President of the new German Government shall be elected by a federal convention without discussion and that his nominee for the vastly more important post of Chancelor shall be voted upon in the legislative branch without discussion.

Clearly the so-called charter of liberty for western Germany is one of the greatest frauds ever perpetrated.

It pretends to establish a free republican form of government but actually it is a framework on which another pattern of socialistic dictatorship can be built.

In these days of conflicting philosophies of government it is our duty to our country and our flag to inquire into the motives which led to this abandonment of American principles.

Was it because there has developed in our own Government a lack of faith in the American system?

Does it mean that those responsible for the universal declaration of human rights and the new German code do not recognize as sacred the ideals of Americanism?

Do they propose to substitute policies of their own creation if given an opportunity to do so?

Would they destroy the American system and make the Government the master and not the servant of the people?

Are they working for the establishment of the planned, regulated, and controlled economy of the welfare state?

These are grave questions. They arise in a time of crisis as stern as those in which the founding fathers gave us our liberty. The ideals and beliefs symbolized by the flag are in danger.

On this day, dedicated to the glory of the Stars and Stripes let us honor all who died under the flag to keep it free. Let us declare unrelenting war against every force that would undermine or weaken the American plan of individual liberty and opportunity.

The Eightieth Congress Was a Good Congress to the American Farmer—Cash Farm Receipts From Sale of Farm Products, 1939 to 1949

EXTENSION OF REMARKS

OF

HON. REID F. MURRAY

OF WISCONSIN

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 14, 1949

Mr. MURRAY of Wisconsin. Mr. Speaker, under permission to extend and revise my remarks, I wish to state that it is manifest at this time that there is a great interest in the national farm income.

This is due to the fact that some agricultural products are selling for one-half the price of a year ago, while many are selling for one-third the price of just 1 year ago.

You will note that the cash receipts from sale of farm products under price controls averaged about $20,000,000,000 per year with an increase after the price controls were lifted.

Increased production and wartime prices account for the high cash receipts for the period 1943 to 1949. The wartime subsidy is also reflected in these cash receipts.

The following is an official table prepared by the Bureau of Agricultural Economics of the United States Department of Agriculture:

Cash receipts from sale of farm products

State	1939	1940	1941	1942	1943	1944	1945	1946	1947	1948 [1]
	1,000 dollars	*1,000 dollars*	*1,000 dollars*	*1,000 dollars*	*1,000 dollars*	*1,000 dollars*	*1,000 dollars*	*1,000 dollars*	*1,000 dollars*	*1,000 dollars*
Alabama	86,665	87,298	136,400	191,297	236,604	277,076	277,568	308,781	392,653	434,730
Arizona	52,178	53,114	75,145	97,187	130,866	124,990	140,958	161,751	191,842	208,743
Arkansas	137,275	138,078	223,129	262,458	315,744	334,270	311,930	437,897	500,053	576,819
California	606,007	651,116	860,437	1,148,351	1,575,165	1,726,347	1,832,668	2,148,778	2,164,705	2,207,639
Colorado	125,222	128,911	159,157	232,819	314,630	310,913	350,952	386,759	517,178	512,718
Connecticut	56,273	56,209	65,589	79,177	104,533	96,338	119,101	130,146	146,910	174,524
Delaware	24,977	31,277	41,624	58,285	77,051	76,228	95,348	86,763	86,524	106,352
Florida	131,853	115,009	149,126	205,475	322,215	352,504	384,136	412,142	345,476	340,446
Georgia	130,662	147,977	161,578	260,797	323,595	368,409	397,140	412,809	513,400	537,633
Idaho	88,965	90,371	127,448	176,734	227,762	252,283	264,927	299,788	362,685	364,540
Illinois	487,213	543,753	703,115	946,191	1,131,871	1,163,693	1,188,705	1,463,804	1,909,469	1,835,897
Indiana	258,384	276,601	385,854	539,818	645,462	671,521	703,603	857,547	1,066,147	1,051,393
Iowa	573,633	667,134	868,643	1,215,574	1,538,055	1,477,747	1,509,504	1,734,827	2,397,987	2,354,733
Kansas	246,746	244,608	386,706	571,258	715,120	721,101	791,306	888,470	1,240,213	1,198,063
Kentucky	141,605	148,888	186,176	264,782	341,812	360,468	425,279	435,896	588,007	577,930
Louisiana	109,565	92,857	117,832	183,719	243,883	232,303	259,036	255,457	329,723	393,161
Maine	51,975	51,825	55,436	84,009	119,718	125,819	130,109	134,629	175,802	191,417
Maryland	69,620	74,685	94,869	121,810	152,887	151,970	191,552	209,089	235,235	246,388
Massachusetts	77,482	76,724	92,017	112,552	142,788	140,271	159,092	175,913	191,038	207,471

[1] Preliminary.

Cash receipts from sale of farm products—Continued

State	1939	1940	1941	1942	1943	1944	1945	1946	1947	1948 [1]
	1,000 dollars	*1,000 dollars*	*1,000 dollars*	*1,000 dollars*	*1,000 dollars*	*1,000 dollars*	*1,000 dollars*	*1,000 dollars*	*1,000 dollars*	*1,000 dollars*
Michigan	216,801	230,432	298,350	390,000	465,459	502,575	523,665	651,050	713,473	731,602
Minnesota	335,885	378,047	487,704	669,997	871,660	803,280	859,237	1,057,468	1,344,108	1,356,883
Mississippi	134,967	105,072	200,973	267,924	330,863	369,898	331,691	305,990	489,203	547,952
Missouri	253,332	274,429	401,038	533,526	668,350	689,781	713,069	877,354	1,082,925	1,196,733
Montana	81,389	96,472	140,045	180,382	221,696	260,982	260,405	304,406	370,144	413,851
Nebraska	221,494	224,289	290,005	468,861	653,607	634,511	734,583	841,116	1,088,350	1,060,901
Nevada	13,307	13,851	16,162	21,005	23,360	23,311	29,028	33,451	45,872	45,078
New Hampshire	23,078	21,199	24,990	31,233	40,457	40,903	49,496	53,420	63,964	67,443
New Jersey	100,728	104,764	120,655	150,217	189,690	185,070	219,226	277,912	294,137	313,407
New Mexico	50,002	57,520	64,755	93,961	107,034	108,403	119,748	143,144	176,928	176,581
New York	310,236	326,605	397,281	501,507	597,929	619,146	679,008	806,562	871,028	946,521
North Carolina	219,475	201,241	283,102	424,200	481,796	604,612	629,069	745,428	762,350	759,670
North Dakota	106,455	127,093	208,836	311,428	410,087	445,054	472,810	511,689	711,457	726,061
Ohio	312,477	317,619	425,838	578,089	694,303	707,497	734,470	869,754	997,463	1,025,212
Oklahoma	172,217	188,947	253,227	354,292	383,729	438,067	458,497	510,758	649,495	706,359
Oregon	106,154	112,427	151,204	206,627	263,409	289,675	328,302	354,739	370,847	400,026
Pennsylvania	269,746	268,634	311,278	392,481	495,824	508,546	578,917	672,553	774,410	836,507
Rhode Island	9,723	9,421	10,976	13,137	16,213	16,507	17,760	19,926	21,980	23,594
South Carolina	98,508	99,453	94,034	160,481	185,667	261,243	246,255	318,170	325,286	334,983
South Dakota	102,053	119,502	170,715	252,233	353,877	352,600	425,199	487,772	686,181	645,240
Tennessee	118,185	126,129	189,336	237,339	298,432	312,576	340,216	394,467	473,632	502,959
Texas	469,523	510,367	706,592	931,932	1,192,653	1,233,662	1,274,009	1,381,907	1,942,542	1,953,014
Utah	45,091	46,601	60,411	83,451	102,157	117,034	126,234	136,761	155,442	164,360
Vermont	39,985	41,163	48,199	60,909	74,268	76,259	80,837	98,261	114,432	125,265
Virginia	116,453	122,482	153,610	213,358	273,485	301,221	334,088	369,541	410,370	448,265
Washington	146,974	143,845	216,363	317,743	406,035	464,638	484,295	516,772	879,706	607,186
West Virginia	40,245	39,083	48,831	64,611	80,895	84,190	92,333	109,102	117,334	115,748
Wisconsin	269,432	309,540	430,293	572,741	708,770	727,585	753,106	946,965	1,048,247	1,145,842
Wyoming	47,295	50,781	62,166	79,549	91,286	94,098	97,925	126,881	149,926	150,050
United States	7,877,610	8,343,443	11,156,656	15,316,418	19,341,752	20,237,831	21,526,452	24,863,965	30,186,299	31,018,703

[1] Preliminary.

The 1947 and 1948 farm receipts surely indicate that the Eightieth Congress was a rather good Congress. The consumer in 1949 is paying more for food in many instances than in 1948 even though the farm prices have been reduced materially below 1948 prices.

The Responsibility of Free Enterprise in Mid-1949

EXTENSION OF REMARKS

OF

HON. RAYMOND E. BALDWIN

OF CONNECTICUT

IN THE SENATE OF THE UNITED STATES

Thursday, July 14 (legislative day of Thursday, June 2), 1949

Mr. BALDWIN. Mr. President, I ask unanimous consent to have printed in the Appendix of the RECORD an address on the subject The Responsibility of Free Enterprise in Mid-1949, delivered by Walter H. Wheeler, Jr., chairman of the industrial committee of the New England Council, and president of Pitney-Bowes, Inc., of Stamford, Conn.

There being no objection, the address was ordered to be printed in the RECORD, as follows:

THE RESPONSIBILITY OF FREE ENTERPRISE IN MID-1949

The most important question we have to face today is the future level of business activity. Upon the right answer depends not only the welfare of New England, but of the Nation, to say nothing of the world. It seems fitting that we in New England, who cradled the American way of life, which now represents the hope of the world, should take aggressive action to see that the right answer is found.

We have it within our power as independent individuals, to turn the inevitable and healthy period of adjustment through which we are passing, into a sound stabilization on which to build an orderly and steady advance in the welfare of the Nation; or we can help it develop into a prolonged and deep depression—a long period of domestic and worldwide chaos—out of which will surely grow a degree of Government control and socialism which might well end in the loss of liberty and freedom for all.

No matter how we as individual businessmen may feel about our power and responsibility to avert this, the fact remains that politically, free enterprise is going to be blamed for failure if it comes. It will do us little good to rail against the mistakes of Government and organized labor, which we may feel has played a major part. We as a group will be held responsible, and the political repercussions suggested above cannot be averted, except in degree.

It is not my purpose to sound any Paul Revere cry of alarm and call to action. The present situation is certainly not serious enough to warrant any such attitude. It is only my purpose to give support to the appeal already coming from many significant sources for businessmen cooly and wisely to consider the implications of the present situation, and to move ahead constructively, to the maximum degree possible in their individual spheres.

I feel sure that the majority of businessmen today, while differing in many respects, do agree that while the cyclical movements of our economy are started by definite identifiable economic factors, their intensity and duration are largely the result of mass psychology—optimism or fear.

As free, independent, and influential individuals, we must lead in affairs affecting the economic well-being of the Nation, or the Government at the demand of the people, wisely or unwisely, will move in and do it for us.

Of course it is clear that nothing can be gained unless individual businesses maintain themselves in a healthy condition. However, it is equally clear that if we all overreach for security by retrenchment during a recession period, if we talk and act in terms of fear, we can certainly jointly bring about a degree of depression equal to our worst fears.

In the past period of depression, particularly in 1929 to 1939, there were such major, widespread, and real economic readjustments necessary that no effort to counteract the fear engendered by the instinct of self-preservation could hope to fully succeed. I refer to the collapse of the security market, the commodity markets, mortgage foreclosures, and bank failures. Later the rapid encroachment of Government into affairs affecting our economy and economic freedom, for which we were totally unprepared, not to mention socialization trends and unbalanced Federal budgets, all taxed our ability to acclimatize ourselves to new situations to engender the new vigor necessary to forge ahead.

Today, we are faced with an entirely different and certainly far more encouraging set of conditions. Fortunately, our security market has been the one thing which did not become inflated. Security values are so cheap today that surely future movements must be upward, unless we are actually to have a total collapse. Consumer purchasing power is still higher than it was a year ago, and savings have shown a marked increase. The Nation-wide survey just completed by the Federal Reserve bank clearly shows a reservoir of potential buying, waiting for more aggressive pricing and selling.

Mortgage loans are, for the most part, long-term with small yearly amortizations, many of them Government-insured; bank deposits are, for the most part, similarly insured, and banks are liquid. Farm-product prices are Government-supported. Wage rates are high and protected by yearly contracts and minimum-wage laws. Construction is on the increase.

Finally we have discovered that we can successfully operate our economy, even with a large degree of Government intervention, high taxation, and the Government spending, despite how objectionable we may feel these conditions are in many of their aspects. We have also learned to live and operate successfully with strong labor organizations. We are daily developing better techniques in industrial and public relations.

In short, we seem to have all of the economic and psychological fundamentals to warrant a reasonable confidence in the future. If we can't build on this foundation, we will have to admit that private leadership has lost its vigor and vitality.

This does not appear to be the case at present, at least not in New England. The overwhelming majority of New England manufacturers who were questioned on the status of their business in a survey recently made jointly by the NEC and the Federal Reserve Bank of Boston, have expressed confidence that they will hold their own or show improvement during the next 5 years. The analysis of the survey is yet incomplete, but

to date 78 percent of the first 450 manufacturers responding felt that they were doing fair business at present and expected improvement during the next 5 years. Another very significant result of the survey, pointing again to individual confidence, was that almost without exception individual manufacturers expected their own businesses would fare better than that of their competitors.

At a recent round-table discusion of general business, held in conjunction with the council's quarterly meeting in Manchester, Vt., on Saturday, June 11, a number of manufacturers cited plans for expansion, and gave chapter and verse of sales maintained at last year's levels, or increased as a result of aggressive pricing and selling policies.

There were, of course, instances, too, of a discouraging nature. It is no businessman's desire to play Pollyanna, but it is perfectly obvious that if the discouraging factors in the present situation are dwelt on, exaggerated, and repeated without counteraction by the more encouraging side of the picture, we can and will make matters worse.

The unwarranted and panicky shrinkage of inventories is probably the one factor which can do more harm than any other. The effect of substantial lay-offs and rising unemployment can only serve to create greater caution and shrinkage in consumer buying. The postponement of necessary plant renovations, replacements, and expansions due to the expectancy of lower prices or to lack of faith in the long-range future can go a long way to dry up the durable-goods industry.

Actually business buying and business action or lack of action, as the case may be, seems to be contributing more to the present situation than any other single factor. It seems to me it is clearly up to us to bring a real enlightened business leadership into play, or face the consequences.

I feel that in the critical months ahead every businessman should consider his acts, his conversation, and his attitude in the light of whether they will help or hinder the reversal of the general business trend of the past 6 months. Obviously there is a limit beyond which no businessman can go in placing public interest ahead of the security of his own business. But I am strongly of the opinion that our individual security will be greatly enhanced if we all search for that limit.

The New England Council has joined with other forward-looking organizations in stressing from time to time the great importance of industry's earning and obtaining better public and industrial relations. Its greatest problem of this nature—or of any nature any time—is to satisfy the American people that it can and will provide reasonably stabilized employment opportunities and a rising standard of living for all. The only way this can be accomplished is by each business recognizing its own social responsibility in the present situation and meeting it courageously and aggressively.

The Threatened Steel Strike

EXTENSION OF REMARKS
OF
HON. FRANCIS J. MYERS
OF PENNSYLVANIA
IN THE SENATE OF THE UNITED STATES

Thursday, July 14 (legislative day of Thursday, June 2), 1949

Mr. MYERS. Mr. President, I ask unanimous consent to have printed in the Appendix of the RECORD a telegram sent by me today to the presidents of the United States Steel, Bethlehem Steel, and Republic Steel corporations.

There being no objection, the telegram was ordered to be printed in the RECORD, as follows:

I join with the President of the United States in urging you to cooperate with the fact-finding board now being appointed in an effort to avert a steel strike.

I believe, and I certainly hope you do, too, that free American enterprise and free American labor together can reach mutually satisfactory agreements and relationships. I further believe, and I hope you do, too, that reason and good sense can prevail in industrial relations. A steel strike at this time would be an unfortunate admission on the part of management and labor that they cannot achieve satisfactory relationships.

The President of the United States has asked only that you allow impartial representatives of the public to look into the issues of the dispute in an effort not to dictate a solution but to help you and labor to get together in a mutually agreeable solution.

I do not think the request is unreasonable. Rejection of this request would imply, I think, that you insist upon the government actually intervening in the dispute on management's side through the injunctive process.

FRANCIS J. MYERS.

Alien Communists Throttle Hawaii

EXTENSION OF REMARKS
OF
HON. HUGH BUTLER
OF NEBRASKA
IN THE SENATE OF THE UNITED STATES

Thursday, July 14 (legislative day of Thursday, June 2), 1949

Mr. BUTLER. Mr. President, I ask unanimous consent to have printed in the Appendix of the RECORD an article entitled "Alien Communists Throttle Hawaii," written by Harry C. Withers and published in the Dallas (Tex.) Morning News of July 8, 1949.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

ALIEN COMMUNISTS THROTTLE HAWAII

(By Harry C. Withers)

Hawaii is calling upon the mainland to help it stop a strike that threatens to impoverish the islands. Since May 1 its ports have been blockaded by Harry Bridges' dockworkers' union. The food it must import to live is dangerously short. The products it must export to keep solvent are wasting or rotting on the docks, in warehouses, or in the fields.

Appeal has been made to Congress and the President of the United States, or which Hawaii is a Territory, but Truman replies that his inherent powers are inadequate to deal with the situation because, he says, it is not a national emergency. Perhaps it is just another red herring, which Hawaii can't eat.

Now the people of Hawaii have turned to the newspapers of the United States as a means of creating a public opinion so strong that its pressure will compel Congress to act.

Tear sheets from the Honolulu Advertiser and letters from relatives of Dallas residents have come to the News in large numbers, revealing a desperate food shortage, a suspension of the sugar harvest, the loss of many jobs, frequent business failures, and the slow strangulation of the economic life of the islands.

The Advertiser prints stories under such headlines as these: "Child-care centers to go on milk ration," "Army of unemployed grows," "Feed shortage cuts milk production," "13,000 chicks destroyed," "308 firms lay off 906," "Strike stops harvesting of cane," "Sugar firms will not pay dividends," "Three more firms cut pay."

The Advertiser claims the union has 2,000 members, only 500 of whom are American citizens. It protests that such a small group should not be permitted to throttle the lives of 540,000 people, whose welfare and rights the President of the United States is obligated to protect.

"During the past 15 years," the Advertiser says, "Bridges has made amply plain his ambition to subjugate the American people of Hawaii to his will, wreck their industries and reduce this free unit of the United States to poverty and serfdom.

"He has engineered five shipping tie-ups that have finally severed completely Hawaii's transportation lifeline. Three years ago his henchmen made heavy inroads into the Territorial legislature in an attempt to take over the Democratic Party, lock, stock, and barrel. Their failure to do so in 1948 was one of the motivating causes of today's blockade of the Territory.

" 'Bridges is the unseen Communist dictator of Hawaii,' Senator BUTLER told Congress. 'The Kremlin in Moscow regards Hawaii as one of its principal operating bases in the campaign for a Communist United States of America.'

"The Communists are softening up Hawaii in an effort to capture it as a base for operations against the American form of government.

"The Congress can save Hawaii and the country from this menace. It is the duty of every patriotic American to make sure his or her Member of Congress knows this. Give your Senators and Representatives at Washington the facts."

Kyle Palmer, political editor of the Los Angeles Times, has asked this question and made the following comment:

"If Harry Bridges and his union members can bring the people of Hawaii to their knees by reckless and ruthless exercise of arbitrary power, what is to prevent him—or others—from exercising that power elsewhere?

"True, neither Bridges nor any other union leader, even with the collaboration or collusion of a prolabor national administration, could get away with such tactics on the mainland now. But how about next year or the year after that or 10 years from now if the Hawaiian experiment succeeds?

"Here is a monopoly—a monopoly of power, of political pressure, and of economic control—that can say stop or go not only to business but to the workers, to the politicians, and to Government itself.

"Make no mistake about the dock strike in Hawaii. It goes far beyond the limits of an employer-employee dispute; is more fundamental than any struggle between capital and labor. It is a supreme bid for power.

"It is up to the people on the mainland to take cognizance of an unbearable and insufferable condition which, as it affects the fundamental rights of the few, affects the right of all."

JOSEPH H. FARRINGTON, Hawaiian Delegate to Congress, asked Truman to use his injunctive powers under the Taft-Hartley Act, and has introduced bills to give the Government power to operate ships plying between the United States and its Territories, to give the President injunctive powers, and to place the maritime industry serving Hawaii under the Railway Labor Act.

Congress has done nothing. FARRINGTON has some hope of getting a Senate investigation to determine if the strike is Communist-inspired.

Praising the Marshall plan as having halted communism in western Europe, Oscar Machado, president of little SMU at Porto Allegre, Brazil, writing for the News asks: "Now when are you American people going to help us hold back communism in South America?"

Communism has established a strong foothold throughout Latin America. The Moscow Journal on April 30, 1949, listed Communist membership in Latin-American countries, as follows:

Argentina, 30,000; Brazil, 200,000; Colombia, 15,000; Costa Rica, 7,000; Cuba, 50,000; Ecuador, 6,000; Mexico, 36,000; Nicaragua, 1,500; Panama, 5,000; Uruguay, 15,000.

Ratio of Communists to the population in most of these countries is higher than that in Russia when the Reds took over that government.

If they succeed in taking over our outposts, such as Latin America and Hawaii, the United States will become a democratic sea in an ocean of communism until such time as they take over this country.

Are We Forgetting India?

EXTENSION OF REMARKS
OF
HON. HUBERT H. HUMPHREY
OF MINNESOTA
IN THE SENATE OF THE UNITED STATES

Thursday, July 14 (legislative day of Thursday, June 2), 1949

Mr. HUMPHREY. Mr. President, I ask unanimous consent to have printed in the Appendix of the RECORD a statement entitled "Are We Forgetting India?" prepared by me.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

ARE WE FORGETTING INDIA?

Mr. President, during the past months the western part of the world has been sitting on its shores with telescopes trained on China. The vastness of her territory has been exceeded only by the vastness of her problems. China is an enigma. No one knows what will happen in the land where the earliest advanced civilization could not cut through the barriers to peace and plenty. But although nobody has known where the road leads to, there have been plenty of signs along the way. On November 1, the Communists took Mukden, a rail center, the same city that was the first point of Japanese invasion. On January 15, the Communists took Tientsin, a port significant for British imports. On January 31, the Communists took Peiping, the seat of some of China's most important universities. The road led unmistakably to Nanking, the government center. With the conquest of Nanking, the Communists are gathering up the reins of China to do with it what they will.

Mr. President, China is an enigma because the Western World has wrapped it up in its own mystery for 22 years. For 22 years China has suffered on and off from civil war between the Nationalists and the Communists. And for most of those 22 years we contributed to the vulnerability of the Chinese by our default. We did not see the portent of the three key factors in China: the newly awakened Chinese nationalism; the need for governmental and administrative machinery capable of meeting the problems of the modern world; and the pressure for improvement in the economic lot of the impoverished Chinese people—particularly the peasants who constitute a great majority of the population. When we came to the understanding that freedom was the stake in China, our help was too little and too late. We threw our money down the drain. I have read reports that of the $2,000,000,000 given Nationalist China in military aid, it is estimated that 90 percent ended up in Communist hands. When we finally moved to help China, we ended up, ironically enough, helping the Communists.

For almost 20 years we waited and watched while China withered. We couldn't take the responsibility for financing political and economic democracy in China.

Today, Mr. President, observers estimate that it will take about 1 year for the Communists to occupy and rule the entire Chinese mainland. Today we hear the Chinese Communists denounce American imperialism and we see their ideological tie to Moscow. Today we see with what futility the Chinese war lords resisted reform. We needed to discover and bolster democratic forces in China 22 years ago to save Chinese freedom. But the hindsight of all of us is clearer than the foresight. As we look back we see the job that could have been done in fostering Chinese democracy.

The implications and repercussions of the Chinese defeat compel us to look ahead now. We are spending billions of dollars and countless time and effort to stave off totalitarianism in Europe, to help put friendly countries in Europe on their feet economically, and to cement our friendship with them. How much foresight does it take to see that the problem is as real in the Far East and that it is time we cemented our friendship with the democratic elements in Asia?

Several weeks ago I stood before this body to present my reasons for looking to India as the bulwark of democracy in the Far East. Mr. President, the events in China in the last week have added to my conviction that it is imperative that our country take action to assure friendship with India, to encourage the democratic growth that has rooted itself in India, and to help India realize her potentialities.

India's new Ambassador to our country has arrived in this city. Mrs. Pandit has already indicated that she views her new assignment as an opportunity to develop American-Indian friendship. Having served as the Indian Ambassador to the Soviet Union previously, she knows full well the impact of totalitarianism. Her intimate knowledge of her country and her countrymen qualifies her eminently to interpret India's needs and India's role. Mrs. Pandit's residence in this country offers us an invaluable liaison with far-eastern democracy, and an opportunity to fulfill our responsibilities for freedom in Asia.

India's present situation is far more favorable than that of any other far-eastern country. She has vast riches emboweled in the earth. She has strategic and critical materials in abundance. She is a pivotal nation, geographically speaking, in our relationships with the Near East and the Far East. And, happily, she has great and proven democratic leaders.

India is a nation in which western ideals have been combined with native traditional culture. In order to attain the ideals of freedom with economic security, India needs help.

India needs help to bring her riches out of the ground, to hasten industrial production, to feed her expanding economy. As I have said before in this body, 85 percent of India's people are poverty stricken and illiterate. They look to their young democracy for relief from need. There is pressure in India for economic improvement just as there has been constant pressure in China. Experience after experience has shown us that hunger and need feed totalitarianism for a pittance reward. If their democracy cannot help them, India's people can fall prey to totalitarianism. We need to support India's new democracy, support it soon and adequately. Can we afford to wait 5 or 10 or 20 years again only to pour money down a drain? And if we let India cope with her problems alone while we aid Europe, what earthly gain will there be for democracy? If India should fall to the Communists as China has fallen through default, our aid to Europe will amount simply to a temporary reprieve.

No, Mr. President, it should not take much foresight to recognize the interdependence between India and the United States. It shouldn't take much foresight to see the potentialities of India as a democratic balance.

What can we do to strengthen our relationships with her? I would be presumptuous to offer a detailed program. I suggest that we give serious consideration to the formulation of a program in which educational opportunities are advanced for Indian students in our country on the basis of scholarships provided by our Government; a program in which direct financial assistance is given India under the same terms as our ECA or Marshall-plan program; and a program in which technical, scientific, and financial assistance is given to underdeveloped areas including India, as was stated by President Truman in his inaugural address.

I suggest that consideration of measures such as these begin immediately so that we can point to some concrete insurance against the hazards we overlooked in China far too long.

Mr. President, if we in our country do not take the opportunity to bolster and support virgin democracy in the Far East, then what a hollow victory we are winning in Europe.

Government's Antitrust Suit

EXTENSION OF REMARKS
OF
HON. JOHN J. WILLIAMS
OF DELAWARE
IN THE SENATE OF THE UNITED STATES

Thursday, July 14 (legislative day of Thursday, June 2), 1949

Mr. WILLIAMS. Mr. President, I ask unanimous consent to have inserted in the Appendix of the RECORD a letter written by Mr. Crawford H. Greenewalt, president of the Du Pont Co., under date of June 11, 1949, and addressed to the stockholders of that corporation, in which letter Mr. Greenewalt answers the recent charges made against this corporation by the Department of Justice. I think this letter should be read by every American who believes in our free-enterprise system.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

E. I. DU PONT DE NEMOURS & CO., INC.,
Wilmington, Del., July 11, 1949.

To the Stockholders of E. I. du Pont de Nemours & Co.:

An antitrust suit generally regarded as the most important filed in recent years has been brought against your company, General Motors Corp., and United States Rubber Co., along with more than 100 individual members of the du Pont family. I am writing

you in regard to this suit not only because of its great significance to your company but because of what it implies for business in general and for the welfare of the country.

The central theme of the charges brought by the Department of Justice is that the individual defendants, through their stock ownerships in the various defendant corporations, have required these corporations to purchase goods from each other, thereby serving to restrain trade.

For the du Pont Co., we deny emphatically that our business transactions with these companies have been illegal or improper in any sense. While not attempting to speak for the 100 or more individual defendants, we do affirm positively that no pressure has been exerted by these persons directly or indirectly on the du Pont Co.'s management to pursue the course of action alleged by the Government.

It is impossible for me in the space of this letter to deal with the many specific charges brought by the Department of Justice. They will be answered fully in court at the proper time. Many of them are of no substance, some are completely unfounded or grossly exaggerated, and even in the aggregate could not possibly justify the drastic remedies demanded.

For example, it is alleged that the du Pont Co. subsidized its expansion by using for such purpose the profits derived by it from the sale of its products on a closed market basis to General Motors and United States Rubber, as well as the profits derived by du Pont Co. from its ownership of General Motors stock.

This charge has no basis in fact. Du Pont has paid out as dividends a higher percentage of net earnings than has been the case in most industries. Furthermore, dividends from General Motors after taxes have traditionally been passed on intact to du Pont stockholders.

As to du Pont sales, the dollar volume as stated by the Department of Justice for the 10-year period 1938 to 1947 totaled $134,000,000 to General Motors and $72,000,000 to United States Rubber. These represent 2.6 and 1.4 percent respectively of du Pont's total sales during the period to all customers, which amounted to $5,090,000,000. During the same 10 years, du Pont's expenditures for new plant construction and equipment were $458,000,000. Can anyone seriously believe that profits from this small percentage of our total sales could support an expansion program of such magnitude?

The parallel charge that rebates on the $134,000,000 sales to General Motors made possible that company's expansion is also not supportable. Such allegations show either ignorance of the most elementary economics, or willingness to distort the significance of the facts.

Again, the charge that du Pont forced General Motors and United States Rubber to expand in lines outside their normal business to provide outlets for du Pont products is simply absurd. If du Pont's only means of increasing sales had been by the enforced expansion of customers, it would indeed have remained small, insignificant, and presumably virtuous.

The true purpose of this case was stated by United States Attorney General Tom C. Clark when he said that it was directed to the breaking up of the largest single concentration of industrial power in the United States. From this statement, coupled with the nature of the specific charges, we can only conclude that this suit arises out of a determination by the Department of Justice to attack bigness in business as such.

It is apparent that the Department of Justice is proceeding along this path with no real understanding of the nature of the American economy and with no realization of the consequences to that economy of a successful attack upon bigness in business.

It must be clear to anyone that there are many jobs which can be best accomplished by small business, but that there are others that can be accomplished only by large companies with many resources at their disposal. It is the cooperation between large and small enterprises that has contributed strength and vigor to our economy.

For example, the du Pont Co. was one of the leaders of the drive among American chemical manufacturers to make this country independent of Germany in dyestuffs. That effort required for your company an investment of $43,000,000 over a period of 18 years before profits offset accumulated losses. Only a large company could have afforded to take such a risk, or could have brought together the technical skills required for ultimate success.

The same risks were taken in the development of many new du Pont products such as nylon, neoprene synthetic rubber, plastics, moisture-proof cellophane, synthetic camphor, agricultural chemicals, "Cordura" high tenacity rayon, quick-drying lacquers that broke the manufacturing bottleneck in the automobile industry, synthetic ammonia, and the many products coming from high-pressure synthesis. In each of these there were investments running into many millions of dollars, and the lapse of a considerable number of years before there was any assurance that any of them would be successful or would ever return a profit. Today 60 percent of the sales of your company are in products that did not exist or were not being manufactured on a commercial scale in 1928.

Most of these products are now used chiefly as raw materials by other companies. Because they were created, literally thousands of small businesses were enabled to exist and prosper through the processing and distribution of these new raw materials produced on a mass scale at minimum cost.

During the recent war your company, already burdened with the huge task of supplying unprecedented quantities of manufactured products for the armed services, was asked by the Government to design, construct, and operate a plant to produce plutonium for the atomic-warfare program. This request was accepted upon the insistence of the Government that du Pont was uniquely qualified for that undertaking. A plant costing $350,000,000 and involving technical and industrial problems never before encountered was designed and built. It produced plutonium in time for its effective use.

Your company believes that bigness contributes its greatest public service when it performs those tasks for which it is uniquely suited. Because of this belief, we have made it our aim to tackle the difficult research and manufacturing jobs, jobs that are beyond the reach of companies less endowed with technical personnel and financial resources.

America's recent industrial history must make it apparent to anyone that without your company and others like it there could have been no successful synthetic rubber industry, no synthetic textile fibers, no 30,000,000 automobiles in use, no successful atomic-energy program, no victory in World War II.

It should be remembered that du Pont is a big company because its products have found favor with the American public, and for no other reason. Should the day ever come when du Pont does not warrant and gain this endorsement, du Pont will become a small business, or even cease to exist. That result would come about simply by the decision of millions of Americans that competing products could be obtained elsewhere of better quality or lower cost.

So it appears that the Department of Justice is proceeding against du Pont because du Pont has been successful in meeting the demands of the American public in the market place. It is seeking to penalize that success, and if it is able to do so, I have no doubt that it will proceed to penalize success in other enterprises.

Much is made by the Department of Justice of the fact that du Pont owns 10,000,000 shares of General Motors stock. Full factual details of this investment and its operation have been made public in du Pont annual reports and other published material over a period of 30 years.

Exhaustive studies of this same investment were initiated by the Federal Trade Commission and the Department of Justice in 1927; and as a result of those studies neither made any criticism of du Pont's interest in General Motors, no order was entered, and no suit was filed.

I should emphasize here that it has always been the desire and intention of the du Pont Co. to conduct itself in harmony with the public interest and in full accordance with the law. In antitrust matters this is not easy, even with the most competent legal advice available, for the Sherman Act is very general in character, and court interpretations of its meaning shift from year to year.

We firmly believe, however, that under any just interpretation of the antitrust laws the relationships between the du Pont Co. and the other defendants in the suit have been neither illegal nor detrimental to the welfare of the people of the United States. On the contrary, these relationships have served the public interest in a conspicuous way.

I assure you, therefore, that your company will fight this unjustified attack with all possible vigor.

The consequences of defeat in the suit are of major import to all stockholders. The Government asks among other things that the court issue a decree directing du Pont to sell all of its General Motors stock promptly and to distribute the proceeds to its stockholders forthwith as a cash dividend.

The sale of such a substantial block of stock on the market, if practicable at all, would be certain to depress seriously the market price of General Motors securities and perhaps many others to a lesser extent, and cause vast injury to the several hundred thousand General Motors stockholders, as well as to the 100,000 du Pont stockholders.

Furthermore, such sale and distribution would involve for your company and for its stockholders a very large tax liability. First there would be the capital gains tax on profits resulting from the sale of the stock. The subsequent distribution of the proceeds would then result in large cash income taxable as such to stockholders in the year of distribution. Hence the remedy demanded by the Department of Justice is largely punitive and confiscatory, since it would result in channeling perhaps two-thirds of the sum realized from the sale of this asset away from the du Pont stockholders and into the hands of the Government.

While the dangers contained in this suit are extremely serious not alone for those directly interested—the stockholders and employees of the companies involved, and many thousands of other Americans—the philosophy and way of thinking that lie behind it present an even greater danger. The ability of the United States to advance in peace and survive in war is threatened by this contention that bigness is bad in anything but Government.

In America, we can out-produce the world because we have here many able industrial organizations capable of producing goods in mass quantities for millions of people.

I hope, therefore, that we may have your wholehearted support in resisting this action by the Department of Justice, not only on your own behalf as du Pont stockholders but on behalf of the national defense and the national welfare.

CRAWFORD H. GREENEWALT,
President.

Basing-Point Legislation

EXTENSION OF REMARKS
OF
HON. ESTES KEFAUVER
OF TENNESSEE
IN THE SENATE OF THE UNITED STATES
Thursday, July 14 (legislative day of Thursday, June 2), 1949

Mr. KEFAUVER. Mr. President, I ask unanimous consent to have printed in the Appendix of the RECORD an editorial entitled "To End Confusion," having to do with basing-point legislation, from the Washington Post of yesterday.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

TO END CONFUSION

Both the House and the Senate have now approved bills designed to remove doubts as to the legality per se of noncollusive delivered price systems and absorption of freight charges. As amended from the floor, the House bill is similar to that recently passed by the Senate. If enacted, this declaratory legislation should put an end to the confusion resulting from different interpretations of court decisions outlawing basing-point systems and allay the fears of businessmen that the practice of absorbing freight charges in good faith to meet competition might subject them to prosecution for violation of the antitrust laws.

However, both the House and Senate have insisted on certain protective restrictions limiting businessmen's freedom of action to meet competitors' prices by absorption of freight charges. The Senate inserted an amendment proposed by Senator KEFAUVER to the O'Mahoney bill providing that freight absorption to meet a competitor's price could not be used as a defense in any suit charging that such absorption would substantially injure competition. The House bill, as reported out of committee, omitted this amendment, but it was subsequently modified to include a provision (considered by Senator KEFAUVER to be better than his own amendment) intended to protect small-business men against discriminatory kinds of pricing banned by the Robinson-Patman Act. In other words, the House amendment would make it illegal to absorb freight charges, in any case, if such actions violated the provisions of the Robinson-Patman Act. In our opinion, this qualification was essential to avoid weakening the Robinson-Patman Act. That certainly was not the purpose of the House in approving a clarifying measure. In trying to clear up the confusion about the legality of delivered-pricing systems and freight absorption, neither the House nor the Senate has any intention of removing safeguards against monopolistic or discriminatory practices banned by existing laws.

Senator O'Mahoney Urges United States Steel To Cooperate With President Truman

EXTENSION OF REMARKS
OF
HON. JOSEPH C. O'MAHONEY
OF WYOMING
IN THE SENATE OF THE UNITED STATES
Thursday, July 14 (legislative day of Thursday, June 2), 1949

Mr. O'MAHONEY. Mr. President, the press accounts tell us that Mr. Ben Moreell, president of the Jones & Laughlin Steel Co., has indicated his willingness to cooperate with President Truman in the latter's effort to prevent a steel strike. President Fairless, of the United States Steel Corp., on the other hand, has been quoted in the press as declining to cooperate with the President in any way, except under the Taft-Hartley law. The Taft-Hartley law does not provide an injunctive process by which a wage contract can be negotiated; and the attitude of the United States Steel Corp., if it should become the attitude of the steel industry, would merely mean that that industry wanted to change a controversy over a wage contract into a national emergency. This would precipitate a very serious condition.

I have sent a telegram to Mr. Fairless, of the United States Steel Corp., urging his reconsideration of his reported attitude, and I have sent a telegram of congratulations to President Moreell of the Jones & Laughlin Co. on his attitude. I ask unanimous consent that the two telegrams may be printed at length in the RECORD.

There being no objection, the telegrams were ordered to be printed in the RECORD, as follows:

Mr. BENJAMIN F. FAIRLESS,
President, United States Steel,
Pittsburgh, Pa.:

I cannot believe that United States Steel has clearly understood the dangerous implications of its declination to cooperate with the President of the United States in an effort to prevent the wage controversy in the steel industry from becoming a national emergency.

In saying that you will cooperate only in the method established by the Taft-Hartley Act, United States Steel is saying that it is willing to risk making a national emergency out of a wage disagreement which is now only a typical contest over the termination of a labor contract.

If the leadership of United States Steel is followed by the steel industry generally, it will mean that the industry is putting itself in the position of trying to create a national danger that will force the President to use the injunctive process to enable the steel companies to operate at a profit through the labor of men who are compelled to work at wage rates to which they have not agreed.

Such a policy on the part of the managers of the steel industry would mean only that they have lost sight of the fact that anything resembling a class conflict in the United States would be destroying all hope of establishing international peace. It is class conflict which has produced the present desperate situation in which mankind finds itself. Business leadership and Government leadership should leave nothing undone to prevent a national economic emergency from arising in the United States.

Steel is a commodity of such importance to our economy that United States Steel and other steel companies which take the risk of creating an emergency are assuming an awful responsibility which the country will know how to assess when the crisis arises as a result of their refusal to cooperate with the President.

Before the steel industry assumes this responsibility, let its leaders realize that the fairness of the injunctive process in the Taft-Hartley Act is still a matter of basic controversy, but more important that this act sets up no plan whatever to bring about a settlement of the wage controversy. Its only effect is to compel the workers to labor for 80 days and then the public will be left helpless with an economic crisis in which the whole country and the whole world will be involved.

There is no basis for the assumption that because the Taft-Hartley Act provides a temporary method for dealing with national emergencies, the President of the United States is barred from using any other method to maintain industrial peace and to prevent a national emergency from arising.

I have wired my congratulations to Admiral Moreell of Jones & Laughlin for his action in expressing willingness to cooperate with President Truman.

Let me urge United States Steel to take a similar position. Leaders in business and in government owe as great an obligation to their country now to avoid the danger of creating a national economic emergency as they did during the war.

JOSEPH C. O'MAHONEY.

Admiral BEN MOREELL,
President, Jones & Laughlin Steel Co.,
Pittsburgh, Pa.:

May I not sincerely congratulate you on the action taken by Jones & Laughlin in acceding to the request of the President of the United States to cooperate with him in an effort to prevent the controversy over wages in the steel industry from becoming a national emergency. This controversy now is nothing more than a typical contest over the termination of a labor contract.

It can be turned into a national emergency with disastrous results not only for everybody engaged in the steel industry but for the entire economy of the United States.

It is true that the Taft-Hartley Act provides a method for dealing, by injunction, with national emergencies, but it is not an effective method of dealing with such emergencies, not only because the fairness of the injunctive process is still a matter of basic controversy but also because it is limited in scope by the law itself.

Moreover, the wage controversy in steel is not yet a national emergency and it need not become one if the President's plan is followed. The great need now is to avoid an emergency.

Leaders in business and in government owe as great an obligation, in my opinion, to their country now to avoid the danger of creating a national emergency as they did during the war because we are now seeking to establish international peace, and the development in the United States of anything resembling a class conflict in a national economic emergency would be destructive to that end.

I congratulate you and I trust that other leaders in the steel industry will adopt your statesmanlike attitude.

JOSEPH C. O'MAHONEY.

Public Power and Private Power Cooperate

EXTENSION OF REMARKS
OF
HON. W. M. (DON) WHEELER
OF GEORGIA
IN THE HOUSE OF REPRESENTATIVES
Thursday, July 14, 1949

Mr. WHEELER. Mr. Speaker, five REA cooperatives and five municipalities, all located in extreme south Georgia, will receive large reductions in electric rates as well as assurance of an adequate power supply under an arrangement recently completed. The municipalities as well as the cooperatives purchase their power requirements for resale.

The municipalities and cooperatives, the Georgia Power Co. and the Georgia Power & Light Co., have entered into a

three-way agreement. Under its terms the Georgia Power Co. will deliver to the Georgia Power & Light Co. enough energy to meet the needs of the public agencies. The Georgia Power & Light Co. will in turn deliver an equal amount of energy to these customers at actual cost, taking into account transmission line losses.

The price charged by the Georgia Power Co. to the Georgia Power & Light Co. will be 6.5 mills per kilowatt-hour. The price charged by Georgia Power & Light Co. to the cooperatives will be 7.75 mills per kilowatt-hour and to the municipalities, 8.5 mills per kilowatt-hour. When the towns acquire their own transformer substations the price will be reduced to the same level as the price paid by cooperative—namely, 7.75 mills per kilowatt-hour.

The rate formerly paid by cooperatives averaged between 12 and 12.5 mills per kilowatt-hour. The price paid by municipalities varied from about 12 mills to 2.5 cents per kilowatt-hour. The reduction in price to cooperatives and municipalities will amount to approximately $130,000 per year, averaging about 30 percent for the two groups.

While the reduction in rates is of great benefit, an even greater advantage of the new agreement is that it encourages wide expansion of rural electrification in the Georgia Power & Light Co. territory. The area heretofore has been handicapped by lack of an adequate power supply. The enlargement of the power resources will be of equal benefit to the municipalities in that it will facilitate growth and industrial development. Thus the progress of the entire area will be stimulated, instead of retarded by lack of adequate electric power at low rates. The contract is for 5 years, but the cooperatives have the right to cancel it at the end of 3 years.

The Georgia Power Co. has recently added 145,000 kilowatts of modern, efficient steam-electric generating capacity to its State-wide system. In addition, it has 200,000 kilowatts under construction. It was the availability of these new power resources which enabled it to undertake the delivery of power to the south Georgia area.

The three-way agreement is a fine example of the constructive results which can be achieved by a spirit of mutual helpfulness between private utilities and REA cooperatives. It marks a milestone in electrical progress from which a whole region benefits.

Change in Lay-Off Rules

EXTENSION OF REMARKS

OF

HON. ABRAHAM J. MULTER

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 14, 1949

Mr. MULTER. Mr. Speaker, many of my colleagues no doubt have been flooded, as I have been, with requests from persons in the civil service who are being released from their positions because of reductions in force and for other reasons. Today's Washington News contains an article by John A. Overholt, of the United States Civil Service Commission, which gives a clear and concise explanation of the civil-service regulations applicable to lay-offs. I am sure that my colleagues will find here an answer to many of the inquiries which we have been getting.

OVERHOLT EXPLAINS CHANGES IN LAY-OFF RULES

(By John Cramer)

Civil Service Commission recently announced important changes in its lay-off rules for Federal employees. The man who drafted these changes is the man who knows most about them. He is Civil Service Commission's John Overholt.

Today, he takes over this column to explain just what the new rules are about—and how they fit in with the old ones.

(By John A. Overholt, U. S. Civil Service Commission)

Many people are curious about recent changes in the regulations governing reductions in force in Federal agencies. They are also curious as to former provisions which have not been changed.

No changes have been made in the basic principles. Competition is based on the four major points specified in the law, which are (1) tenure of employment, (2) veteran preference, (3) length of service, and (4) efficiency ratings.

Each of these points is considered under a ranking system. Permanent employees rank highest, in group A; war-service and temporary-indefinite employees are next, in group B; and temporary employees are lowest, in group C.

FOUR BIG GROUPS

Within each group there are four subgroups—subgroup 1, for war veterans whose efficiency ratings are good or better; subgroup 2, for nonveterans whose efficiency ratings are good or better; subgroup 3, for war veterans with efficiency ratings less than good; and subgroup 4, for nonveterans with ratings less than good.

EMPLOYEES COMPETE

Competitive areas and competitive levels are somewhat confusing, but the real point is that employees compete according to their jobs. All the jobs in which the employees can be shifted around in their daily work are in direct competition in a reduction in force. The employees in direct competition are ranked on a "retention register" by groups and by subgroups, and according to retention points within subgroups. They are then "reached for action" in direct order, beginning at the bottom of the register.

Then there is a second degree of competition based on qualifications of individual employees, according to subgroup preference. This means that a permanent status employee can displace or "bump" a nonstatus employee in a different line of work if he has the necessary qualifications. A permanent-status war veteran can displace any nonveteran in a job for which he is qualified, and a nonstatus war veteran can displace a nonstatus employee who is nonveteran. Furthermore, an employee may go back to a job from which he had been promoted, and a status employee with 5 years of service is considered for jobs in other cities. However, an employee with "bumping rights" cannot pick his job; the agency decides which jobs employees shall work in.

THIRTY DAYS' NOTICE

If an employee can't be kept in his own job in a reduction in force, and if no other job is found for him in the same grade, he is given a notice. This notice tells him of the action proposed in his case and the date it will become effective. The notice must be given at least 30 days in advance of separation or demotion or transfer to another city, and should be 30 days before going off active duty. However, an agency has authority to require an employee to take annual leave at any time and in an emergency can require employees who do not have annual leave to take leave without pay. The notice must also tell employees of their right to appeal to the Civil Service Commission within 10 days.

Under the former regulations, status employees in subgroups A–1 and A–2 were given 1-year notices before separation, which included all annual leave and extended furlough without pay. This extended notice was waived if the agency did not have sufficient appropriations to cover the total annual leave. Because of numerous waivers of this provision, most of the employees did not receive the benefits of 1-year notices.

The new regulations do not require 1-year notices at any time, but give reinstatement priority to status employes in A–1 and A–2 for 1 year after the date of their notices. Since reductions in force are usually caused by restricted appropriations, the savings in terminal-leave payments will permit more employees to be retained when reductions in force have to be made, and those who are separated will still have an advantage when there are vacancies to be filled.

RIGHT OF APPEAL

There is also a change with reference to exceptions to the provisions of the regulations. Hereafter when an agency wants to select an employee out of regular order, or deny him an offer of another job for which he is qualified, or to avoid his reinstatement priority, it must give him a statement of the reasons, and give him an opportunity to answer the reasons in writing. If the employee is not satisfied with the decision on his answer, he may appeal within 10 days to the Civil Service Commission. The test in any such case is whether the reasons will promote the efficiency of the service.

The new method will permit the retention of the best qualified employees in positions where their services are urgently needed, and the right of appeal should protect employees from decisions based on favoritism or prejudice. In any case where the facts clearly justify an exception in order to promote the efficiency of the service, the exception should be authorized, but exceptions which are not based on clear facts should not be made and will not be approved in appealed cases.

Although the regulations are still complex because of the many conflicting issues which are involved, they have been expressed more briefly and are perhaps a little clearer.

Federal Expenditures

REMARKS

OF

HON. ROBERT F. RICH

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 14, 1949

Mr. RICH. Mr. Speaker, this administration is the greatest spending administration of all time. Mr. Truman in his address last night gave us a philosophy that I have never heard of in all my life, that the only way to be successful is to spend, spend, spend, and squander, squander, squander. If we do that, just remember that the Congress is responsible for this action. It is the most outstanding piece of—I do not know

what to say—ridiculous advice I ever heard of. The speech last night was so ridiculous that I woke up at 5 o'clock this morning and I got to thinking about it. I never knew of anybody that made such a statement as that in all my life, as the President's address. It was ill advice, ill timed, and nothing sensible about it. If anybody in my business or anybody I associate with would make such a speech, giving such advice, I would want a psychiatrist to look at him.

Members of Congress, I thought you would be interested in the following figures relating to the financial condition of our country at this time, and I insert herewith table giving the population, the farm income, Federal receipts, expenditures, and gross Federal debt, showing Mr. Truman is the greatest spender of all time:

WOODROW WILSON, MAR. 4, 1913, TO MAR. 3, 1921

Year	Population	Farm income	Federal receipts	Federal expenditures	Gross Federal debt
	Mil.	*Mil. of dol.*	*Mil. of dol.*	*Mil. of dol.*	*Bil. of dol.*
1914	99.1	6,050	735	735	1.2
1919	105.1	14,602	5,152	18,515	25.5
1920	106.5	12,608	6,695	6,403	24.3

WARREN G. HARDING, MAR. 4, 1921, TO AUG. 2, 1923

1921	108.5	8,150	5,625	5,116	24.0
1922	110.1	8,544	4,109	3,373	23.0

HERBERT C. HOOVER, MAR. 4, 1929, TO MAR. 3, 1933

1929	121.8	11,296	4,033	3,299	16.9
1930	123.1	9,021	4,178	3,440	16.2
1931	124.0	6,371	3,190	3,652	16.8
1932	124.8	4,743	2,006	4,535	19.5

FRANKLIN D. ROOSEVELT, MAR. 4, 1933, TO APR. 12, 1945

1936	128.1	8,367	4,116	8,666	33.8
1937	128.8	8,850	5,029	8,177	36.4
1938	129.8	7,686	5,855	7,239	37.2
1939	130.9	7,877	5,165	8,707	40.4
1940	132.0	8,364	5,387	8,998	43.0
1941	133.1	11,181	7,607	12,711	49.0
1942	133.8	15,376	12,799	32,397	72.4
1943	134.0	19,434	22,282	78,179	136.7
1944	132.6	20,360	44,149	93,744	201.0
1945	132.0	21,520	46,457	100,397	258.7

HARRY S. TRUMAN, APR. 12, 1945–

1946	139.9	24,864	43,038	63,714	269.4
1947	143.4	30,186	43,259	42,505	258.3
1948	146.1	31,019	[1] 42,211	[1] 36,791	252.2

[1] Beginning in 1948 tax refunds were deducted from receipts and were not included among expenditures as had previously been done.

Depression Insurance

EXTENSION OF REMARKS
OF
HON. ANTHONY F. TAURIELLO
OF NEW YORK
IN THE HOUSE OF REPRESENTATIVES

Thursday, July 14, 1949

Mr. TAURIELLO. Mr. Speaker, I have before me an article and an editorial which are particularly timely in view of the President's Mid-Year Economic Report which was sent to Congress on Monday of this week. This article, entitled "Will the Economic Storm Break?" is from the July 1949 International Teamster, the official organ of the International Brotherhood of Teamsters. This article and the editorial, Time for Action, from the same magazine, stresses the importance of public works and advance public works planning. Although written before the President's report was issued, it is timely inasmuch as the President has made a strong recommendation on advance planning.

WILL THE ECONOMIC STORM BREAK?

(By a Teamster staff writer)

Are we headed for a depression?

If we have a slump, will it be as severe as the 1929 crisis?

Can public works play an important part in providing jobs in a slump?

How do we stand on our public works planning situation?

These are questions which disturb labor as economic storm signals become more and more evident on the horizon. What do the storm signals—production, sales, inventory, purchasing, prices, and unemployment—portend?

Production: From a postwar peak of 195 in the Federal Reserve Board's index, over-all production has skidded to 179 in April as compared with 188 in April 1948. Auto production is still up but machinery, textiles, shoes, leather, and furniture have suffered sharp cut-backs. The 1949 over-all decline is described as mild and gradual as compared with the 30-percent drop in 1920–21 production and the 25-percent drop in 1929 and sharp drop in the 1937–38 set-back.

SALES ARE HOLDING

The problem arises: How much and how long will the production decline continue?

Sales volume: Sales are holding up better than the economists believe we have a right to expect. High prices and lowering incomes are influencing this factor, however.

Inventory: Our production machine has been filling our pipe lines of supply, but since last fall we have stopped building inventory and have begun to cut into it. Temporarily, we are selling more than we are producing and eventually, when the production-supply situation gets more acute, production will be resumed in many lines, say observers. The inventory situation now is described as healthy.

Purchasing power: The purchasing power of the people has been edging down in the last several months. Economists tell us that there is still a tremendous reservoir of purchasing power in currency, savings accounts, and Government securities. It would be a good guess to say that most of this is not in the hands of the wage earner making $3,000 a year or less. It takes that much and more to support a family on a standard of living that is far from luxurious. That figure the experts call disposable income will be smaller this year than it was in 1948.

Prices: We have seen a general decline in prices, but not enough has been reflected at the retail level to make an appreciable difference. Moreover, there has been a slight push upward in the cost-of-living index. The Bureau of Labor Statistics showed 2 months of upward rise in the living-cost figure. But prices are flattening out, and if consumer resistance—simple refusal to buy—continues to assert itself, we can expect more pronounced declines. Price cuts in consumer goods due to competition are becoming more frequent also.

CONSUMERS CAUTIOUS

Consumers are becoming a far more positive force than they were 10 or 20 years ago. They know when prices are too high and are refusing to buy unless they have to these days. But the over-all declines have not been enough to cause any sharp stimulation in purchasing except in spots and in a few commodities. Moreover, businessmen, manufacturers, etc., are not buying at any price as they did in 1946, 1947, and 1948 because they knew they could make a profit. They, too, are becoming cautious.

Employment: Ewan Clague, Director of the Bureau of Labor Statistics, in a recent speech said that we have about 3,000,000 jobless, which is a figure more than three-quarters of a million above that of last year. He says the figure "is not likely to fall much below this level for the balance of this year."

JOBLESS RISE SEEN

Some non-Government economists believe this figure is short by a substantial margin. They believe that unemployment is nearer four or five million and will go up sharply during the next several months.

Unemployment is spotty, with severe suffering reported in some areas. The spotty character of the unemployment is shown in the latest issue of the Labor Market, official report of the Federal Security Agency.

"Nonagricultural employment declined in all but 10 areas—6 of these in the West—but losses were slight to moderate in a vast majority of cases * * * manufacturing down-trends predominated in every economic region in the country * * * individual area comparisons reveal less favorable changes this year as compared with last in 75 areas and more favorable changes in 20 areas," say excerpts from the Federal Security Agency's official report.

In addition to these danger signals, other factors play a part in demonstrating the general economic slow-down. Consideration must be given adjustments necessary due to the increases in population. Not only is our whole population growing, but more people are coming into the labor force, particularly from high-school and college groups. Moreover, with price levels still high many of the elderly workers, wives, mothers, and so forth, who cannot afford to retire or remain out of the work force, all add to the number needing jobs.

TECHNICAL CHANGES

Technological advances are being made in many fields and these usually result in some labor displacement. Over the long haul these changes and advances are becoming markedly important.

Business failures have shown an upward trend. The squeeze of competition and the lack of business experience are adding up to a sharp toll in business ventures, all of which cause distress to owners and hired hands as well.

The psychological attitude of both business people and ultimate consumers is another storm signal. Many business organizations have extensive plans for plant expansion which would provide considerable employment both in construction and in ultimate service requirements. The construction backlogs in this class of building is undoubtedly great, but an attitude of wait and see—one of caution—is prevailing and, as a result, expansion plans are slowed down. Thus, many thousands of useful and necessary jobs are denied due to the cautious attitude of business.

But do all of these factors add up to a slump? Do the signals portend stormy economic weather? Many, if not most Government economists have to date not exhibited any pronounced signs of alarm. But you can give no flat answer to the question: Will there be a depression?

In its third annual report the President's Council of Economic Advisers said that "No techniques of analysis can forecast with assurance the actions and reactions of a free people."

DIFFERENT FROM 1929

Even if we were to have a sharp economic nose dive—and most economists say we are

not headed in any such direction—the situation today or this year would be quite different from that after the 1929 bust. The Government has some real economic cushions which should help let things down easily.

The Nation has a vast social-security system providing against many hazards. Unemployment compensation is especially important, and today the Nation has on its rolls approximately 3,000,000 getting unemployment compensation.

Support prices for farmers are guaranties that the days of the penny auctions will not be repeated. The support system is by no means perfect, but it has prevented serious trouble in agriculture this far and would prevent headaches similar to those of 20 years ago.

We have guaranteed bank deposits under the Federal Deposit Insurance System. We will not have a flood of bank failures such as that leading up to the bank holiday of March 1933.

By the Employment Act of 1946, Congress established the Council of Economic Advisers. This board of three top economic experts and its staff makes continuing studies of the Nation's economic-fever chart. They advise the President on steps to take to prevent economic disaster. Although the Council knows it cannot crystal gaze the economic future, it also realizes the value of constant studies of our economic health.

The Federal Reserve Board has certain fiscal regulatory powers important in a crisis period.

The acceptance by businessmen of the concept of planning and the necessity of doing some decent planning and the employment of public works as mechanism is helping to provide a measure of confidence and stabilization.

PUBLIC WORKS STUDIED

These cushions are designed to take some of the severity out of economic declines. But to the man who is out of a job and has used up his unemployment compensation funds, the situation can be serious indeed. Working people as a whole are interested in jobs more than in cushions to soften the blow. They want jobs to provide a decent living for themselves and their families.

In this connection increased attention is being directed toward public works and public-works planning. All economists, whether leftist or rightist, agree that public works can be an important and strategic weapon against a business slump. It should be said at the outset that we are woefully behind in our public-works planning. We are years behind in planning and construction.

For some 10 years there has been relatively little building of public-works projects. We need schools, hospitals, sewer systems, public-utility improvements, highways, bridges, and numerous other items. The normal needs, quite apart from any necessity of fighting a depression, have not been met. As a result, we have an accumulation of needs of tremendous proportions—some say as much as $100,000,000,000—in the State and local areas.

This figure is predicated on needs for a 15-year period. Measured by today's costs, this figure is not abnormally large. We spent $40,000,000,000 in 20 years, and those figures were on prices and costs considerably below those of today.

Here is the way the experts break down the $100,000,000,000 backlog of need: $10,500,000,000 for schools; $9,500,000,000 for sewers and waterworks and sanitary improvements; $8,500,000,000 for hospitals; $3,500,000,000 for airports; $3,500,000,000 for public buildings; $2,500,000,000 for public service plants; $2,000,000,000 for recreational developments; $60,000,000,000 for roads and highways.

These figures add up to what top experts feel are justifiable needs of our growing population. At the present rate of expenditure four or five billion dollars per year, we would be nearly 25 years building and by that time we would have yet more needs—thus we would never catch up, really.

Construction is the basis of so much of our economy that we might turn to current figures a moment. Any drastic changes in the construction level can have sharp effect on the over-all economy. In 1949 estimates point to $18,250,000,000 in construction, of which $5,000,000,000 would be in public sources and the balance from private sources.

But what would happen if construction should go into a sharp decline—it has on previous occasions. If private building fell by one-half—which is unlikely—we would be faced with the serious task of shoring up the economic breach by filling some of our great public-works needs.

The question is: Are we prepared to go into action with a public-works program if it should become necessary? Unfortunately, the answer is "No." The sad fact is that we have blueprints for only $4,500,000,000—and some critics say less—worth of public works. This would include $2,000,000,000 which the Federal Bureau of the Budget says the Federal Government will spend and $2,500,000,000 in State-local projects.

PLANS NOT READY

"As matters stand today," says Maj. Gen. Philip Fleming, our leading expert in public-works administration and for several years Federal Works Administrator, "we simply are not ready with plans which could both stabilize the construction cycle and help to bolster the business cycle. In general, the States and municipalities are not ready and the Federal Government is not ready."

It takes from 6 months to 2 years to advance plans from the idea through blueprints until we are ready to put men to work on the site. If we have a sharp cut-back in the economy, we would be caught short and would soon exhaust our "shelf" of plans. We might see agitation for "made work" type of the old Works Progress Administration.

Made work gives immediate and quick employment, but too often adds little to the permanent resource of the Nation. Public works, on the other hand, has a "multiplier" effect—immediate jobs; jobs in related industries and substantial upward push in the whole economic machine.

Why aren't we ready? The Government has neither the funds nor the authorization to make advance plans. Authority expired June 30, 1947. Under this authority—title V of the War Mobilization and Reconversion Act of 1944—$65,000,000 was provided by Congress for repayable loans to State and local units for blueprints of some $2,500,000,000 in potential work.

Today S. 707, a bill sponsored by Senators CLAUDE PEPPER, Democrat, of Florida, and THEODORE F. GREEN, Democrat, of Rhode Island, is languishing in the Senate Committee on Public Works. Representative HALE BOGGS, Democrat, of Louisiana, introduced a House bill providing for advanced planning. No action has been taken on this measure, H. R. 3086.

One bill has passed the House and is before the Senate to provide for $40,000,000 in loans for advanced planning. While this would provide some help, the results would be woefully inadequate.

BILL STUDIED

Senator JAMES E. MURRAY, Democrat, of Montana, sponsor of the Employment Act of 1946, is collaborating with a number of Senate liberals in another proposed measure to be called the "Economic Expansion Act of 1949." This bill, in draft form to date and not yet introduced, would set up a National Economic Cooperation Board with management, labor, agriculture, and the Government represented. This would be a top-level economic study and planning unit which could recommend fast action to curb alarming inflationary or deflationary movements. The job of the bill would be to provide the authority for the brains and the know-how whereby the Nation could keep the economic machine working in the interest of high-level employment. Sponsorship of the bill includes with Senator MURRAY, Senators ELBERT THOMAS, of Utah; BRIEN MCMAHON, of Connecticut; PEPPER, of Florida; KEFAUVER, of Tennessee; HUMPHREY, of Minnesota; SPARKMAN, of Alabama; and KILGORE, of West Virginia. This sponsorship insures a decent hearing if and when the bill comes up.

In the meantime, the Nation marks time and hopes for the best. Those who know that public works have pronounced value as a depression weapon of the first order watch the various economic storm signals with mounting alarm. They know that these signals spell danger and they want to ward off that danger with weapons which can be forged in minimum time.

Labor has a real stake in this problem of advanced public works planning. Leaf raking and improvised work are unsatisfactory substitutes for useful construction. Public works add to the Nation's resources and reverberate into other job-giving lines of endeavor, thereby giving the whole machine a healthy forward push.

Labor can do itself and the Nation a real service by urging the consideration and passage of a comprehensive public works advanced planning program. And many economists as well as many labor leaders believe that time grows short and the storm signals now evident emphasize that positive and decisive action is imperative.

TIME FOR ACTION

Elsewhere in this issue of the International Teamster is a discussion of the problem of advance planning of public works as a necessary factor in providing depression insurance.

The economists are by no means uniform in their forecasts as to what is going to happen in the coming months or the next couple of years. Some say the high level of employment and purchasing power will continue. Others, and we believe a growing number, are far more pessimistic than their colleagues in reading the economic portents. This latter group looks at the curves on their charts and sees that most of them are going down.

Economists from these more pessimistic brethren differ among themselves as to how far the curves will go down and how long the levels indicated will remain low. But they all know that these lowering statistical curves expressed in human terms mean unemployment—how great we don't know. But the problem of unemployment is getting more and more acute.

We would be wise as a Nation if we did a bit of economic forearming—we should not wait till a serious depression starts. We have some excellent cushions to soften a depression blow. These are discussed in our article, but we cannot depend on "cushion." We know that jobs are the answer and we should be ready to get jobs moving in depressed areas or on a national basis if need be.

Economists generally recognize the usefulness of public works as against improvised or "made" work. But we cannot have useful public works without planning for it. And the plain fact is today we have a woefully small shelf of public-works blueprints and we would be in no position to go forward with anything like a decent program if we need it.

We hope that we will not need to draw on any shelf of blueprints to give jobs. But it is sheer governmental folly to be unprepared for an economic storm. And the clouds are getting darker by the week.

We hope that Congress takes as a major antidepression step the enactment of a real bill for advance public-works planning. The money appropriated would be about the best economic insurance we could buy.

The Communist, His Mentality and His Morals

EXTENSION OF REMARKS
OF

HON. ABRAHAM J. MULTER
OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 14, 1949

Mr. MULTER. Mr. Speaker, the following article, written by Harold Rosenberg, entitled "The Communist, His Mentality and His Morals," appears in the current issue of Commentary, published by the American Jewish Committee. It is one of the best articles of its kind I have read. In addition to being an excellent description of the current-day Communist it points a strong warning to those deluded persons who might affiliate with them, as to what may be expected as Communist expediency wavers back and forth.

THE COMMUNIST, HIS MENTALITY AND HIS MORALS

(By Harold Rosenberg)

"Much I prize the doubt"—Browning, Rabbi Ben Ezra.

The Englishman of Gilbert and Sullivan's era may have been born either a Liberal or a Conservative, but no one was ever born a Communist. Nor is this form of "greatness" ever thrust upon one. Nor is it something to be lightly grabbed, as the periodic party purges throughout the world attest. Becoming a Communist can only be achieved, the party chiefs often declare, through an intense process of self-transformation—a process that may never be relaxed without the risk of sliding back into an earlier condition of being. The psychological and ethical arduousness of making oneself a Bolshevik is also testified to by the Confessions of the Repentant Ex-Comrade which constitute such a lively branch of modern literature. As part of their Bolshevik discipline, the heroes of Koestler and others had to conquer every personal sentiment in themselves and attain the subjective state of professional executioners. The Communist's trained readiness to crush his sympathies, and the hallucinations that induce that readiness, cannot, however, be isolated from other aspects of his constructed character. In doing so, the confession literature, written from the point of view of moral disillusionment, tends to portray the Communist as a "sick" human being, rather than as a new coherent entity purposefully constructed out of human material.

The Communist, then, is an invented type into which a small fraction of contemporary humanity has been able to convert itself. This type was brought into the world by Lenin. He was, and is, its creator. We shall discuss later possible differences between the author and his creation. But reading the recent biographies of Lenin by David Shub (Lenin: A Biography) and Bertram Wolfe (Three Who Made a Revolution), one cannot fail to recoginze in the personality of the founder of bolshevism the primordial features of the Communist of today. Here is the man who struggles ceaselessly—"for 24 hours of the day" and even in his dreams, Axelrod noted—through organizational plot and counterplot to grasp unchallenged control of the revolutionary movement, first of Russia, then of the entire globe. This man is motivated, Wolfe wisely discerns, not by arrogance or lust for power but by his "unshakable conviction of his own rightness." Primarily, he is a man whose every act is impelled by the certainty that he, and he alone, knows what must be done on behalf of the future of the revolution, and hence of mankind.

Every Communist is a small replica of this man who knows. His knowledge is beyond human question, like that of the revolutionary leader in Sartre's movie the Chips Are Down, who through being dead has found out what will happen to the insurrection scheduled for the next day. The Communist, too, possesses a nonterrestrial prescience and can assert without the support of evidence what the situation is and what policy is required to meet it. Here, for example, in a prewar Soviet film, is a Communist who has arrived at a collective farm far out in the steppes. Trust him to know that it is best for the farmers to stop slaughtering surplus cattle and take to clearing overgrown land for fodder. Or here, in a war film or novel, is a Communist at a battlefront. He does not, like the directing personnel of other armies, confine himself to giving orders and getting them carried out. More like a scout leader than a commander of men, he bears an aroma of perceiving what has been ordained. He will recognize the moment chosen by history for his company to stand and die against overwhelming odds. And he will know, too, how to scare up some trick to prevent this lethal decision from yielding its logical results. In factory work, in mining, in forestry, his role is always the same. And above all, in the revolution, source of his authority. What is the drama of the October revolution to the Communist but the Bolshevik—from Lenin himself in his flat or at a caucus to the leather-jacketed emissary among the peasants of some distant village—foreseeing everything, bringing everything to pass? (Actually, of course even an account most biased on the side of historical necessity, like Trotsky's, cannot describe the Bolshevik seizure of power without creating an impression of improvisation and chance that verges on the farcical. One recalls, for instance, Lenin in disguise yet recognized by everybody; Kerensky leaving the winter palace in an open car waving to the insurrectionists; the commissar of war on a horse with a pistol in his hand galloping to the defense of Petrograd.)

All the other traits of the Communist are derived from his knowingness. For instance, his calm. This commissar seems a bit on edge as to the success of the revolutionary measure he has just proposed for planing pineboards or attacking a convoy. Don't worry. His anxiety is intended only to arouse suspense in his audience of disciples—like an acrobat deliberately missing a try in order to make his curtain act seem a greater triumph. Actually, the Bolshevik knows his plan will succeed, and is internally at rest. Indeed, his calm is deeper than that which comes from mere confidence in a specific outcome. For even if his project does not succeed, it will still have succeeded. It will have been the correct thing to do historically—there was no alternative—and if he was mistaken who could have been right? Since history is continuous, the present failure, like that of the Red Army in 1941, is inevitably a contribution to the larger success that will become visible in the long run.

The Communist's composure has a fatherly cast, almost divinely fatherly. Like a wise parent, he knows that growth and the victory of reason are compelled to issue by way of simple-mindedness, incomprehension, misguided exuberance. For those of his non-Communist fellow citizens who possess these handicaps he therefore keeps prepared the all-enduring smile with which toddlers are encouraged. Before him shines the pedagogical motto of Lenin: patiently explain. As we shall see, this slogan does not apply to disputes with intellectual opponents; it is reserved for the instruction of the guiltlessly backward. Who these are depends, of course, on the party line—even Catholics and capitalists may during "front" periods be included among the innocently lagging; at other times they are malicious schemers. Paternal affection streams from the responsibility-laden young Communist upon the gray head of the illiterate Ivan who remains folkloristically attached to his hand plow or machette until the superiority of the tractor has been explained to him; upon the liberal professor who is studying the rudiments of Marxism; upon the corpse of the boy of 14 who has blown himself up under a German tank. The love of the Bolshevik is the love of the shepherd for his flock; and its tolerant facial expression, made up of a mixture of smugness, boredom, and absent-mindedness, is duplicated on Sunday mornings in homes and chapels throughout the world. It is a physiognomical summary of the social worker's ideal of human existence. The pastoral species of affection comes into existence only in the presence of those standing in an acknowledged relation of intellectual inferiority. The response it aims at is the open mouth and widened eyes of sudden grateful comprehension.

Fables of sheep, idyllic as they are, contain the psychology of impending doom. The wolf is either lurking at the edge of the peaceful meadow or, disguised in sheep's clothing, has penetrated the flock itself. Without this ever-present threat, the shepherd's vocation would amount to but little. In each situation, fortunately, the Communist discovers the traditional lupine foe. "We must remember," said Lenin, "that we are at all times but a hair's breadth from invasion." Curiously, however, the Communist's wolf exists in a kind of double image—he snarls and shows his fangs at the frontier, yet at the same instant baas fraternally close at hand under his false sheep's head. Of course, he is really two separate wolves. One is the outside wolf, from Czarism to American imperialism; the other, the inside, or sheep's clothing wolf, from Menshevism to Trotskyism. But the Communist, perhaps because the sheep fable conforms in some profound way to his metaphysics, always insists that there exists but one monolithic wolf. In his factional struggles long before the Revolution, Lenin discovered the anisotropic formula: Menshevik-Czarist. Since then, Liberals have been white guardists; Socialists, British, German, French, Japanese, etc., imperialists; Trotskyists and rightists, "agents of fascism."

The wolf-in-the-sheep image is the most dire. Both Shub and Wolfe quote Lenin's characterization of his own attack on the Mensheviks as traitors in 1907: "That tone, that formulation, is not designed to convince, but to break the ranks, not to correct a mistake of the opponent but to annihilate him, to wipe him off the face of the earth." The wolfy wolf represents merely a physical opposition that may be evaded or pacified by compromise. The sheepy wolf, however, threatens to destroy the very ground of the Communist's existence, his shepherdom; and he must be annihilated. This enemy from within represents any opposition to Communist knowledge born not of ignorance but of contrary knowledge. The offending knowledge need not be political or historical; it is enough that it leads to informed, rather than naive noncooperation. This collective farmer opposes clearing brambles and favors eating the calves because, besides wanting meat, he has calculated that the land is not suitable for tillage—he is a social revolutionary white guardist. This worker withholds enthusiasm for a new speed-up, because in his experience such methods bring no increase either in wages or in output; he is a Trotskyist Fascist saboteur. Principle resistance to the Communist's historical omniscience is the malignant mark of the evil third person in the sheep

fable. Turned in his direction, the Communist's face has shed its benign ennui. The bored father has turned into the alert hunter. Now the pastoral vocation, which in Lenin's language makes it one's duty to wrest the masses from rival leadership, reveals its most active function—to exterminate.

The Communist belongs to an elite of the knowing. Thus he is an intellectual. But since all truth has been automatically bestowed upon him by his adherence to the party, he is an intellectual who need not think. The Communist is often crticized for his renunciation of independent thought. But what good is mental activity if one can know more by giving it up? The Communist is contemptuous of the non-Communist intellectual. The latter goes through all the motions of thinking, but at best he can only hope to arrive at what is already known. At best. More likely his thinking will lead him into error. Not one Bolshevik with a mind of his own who failed at one time or another to deviate from and betray Leninism. Actually, the intellectuals are superfluous people. Given the present unfinished state of history, they may have certain uses when friendly. But they have no future, and it is wise to be suspicious of them. The unlettered are much to be preferred.

In this connection, the mind of the Communist is involved in a profound gnostic mystery: thought reels on the rim of error, while knowledge is given to the simple. Ask the worker or the peasant and he will tell you what is hidden from the scholar and the genius. After he had moved into the Kremlin, Shub tells us, "Lenin enjoyed incognito contact with the common people of Moscow, talking with the man on the street, the common laborer and peasant, to get their honest opinions on the Bolshevik cause." Socialists who expressed their "honest opinions" were either banished or shot. In his debate with Trotsky on dialectics and logic some years ago, James Burnham cried out indignantly when his opponent spoke of "the dialectics of a fox." Why not? If the worker has his way of knowing that is superior to Martov's or Plekhanov's, why not a fox? Or better still a sheep, since the fox is notoriously tainted with intellectualism and besides must be harder to organize. Not that it is outrageous to speak of the wisdom of the simpleton, of animals, or even of things. It is in the best mystical and poetic tradition and is supported by the experience of great minds. But if messages of grains of sand or old women in the forest are more revealing than the discourse of intellectuals, why should one kind of intellectual, the Marxist-Leninist, be privileged?[1] I regret that it is not possible to develop further at this time this fundamental contradiction of Marxism.

Since he alone has the correct answer, the Communist everywhere seeks to control the activities of others. He does not always seek power—we have seen that with Lenin power was not a lust. Power itself is but one means, though perhaps the supreme one, for manipulating people. The Communist may consent to renounce this means temporarily, but never for a moment does he cease to reach for control. To this end he makes himself an expert in the mechanics of organization, for through it men can be controlled with or without authority. To the Communist the map of the world is an organization chart. Lenin's national program cannot be understood without taking this into account. From 1903 to 1917 the life of Lenin is a saga of contriving majorities in conventions, splitting and annihilating opposition factions, packing editorial boards and committees, challenging credentials, laying hold of membership lists, party funds, communication facilities. "His line of thought," said Rosa Luxemburg near the beginning of his leadership, "is cut to the control of party activity." Wolfe points out that factional disputes engaged Lenin's attention to a greater extent in 1912–14 than the impending World War.

To be engaged in combat without pause, for 24 hours in the day, is the Communist's way of being equal to his world, whose primary law is combat. (The history of all human society, past and present, has been the history of class struggles.) Courage is therefore indispensable to the Communist, and that he is courageous goes without saying. His courage, however, is of a different order than is met with elsewhere. The possibility of his own death simply does not interest him. Individual attachments, power over which gives death its terror, hold a secondary place in his existence. By temperament, understanding, values, the threatened curtailment of his personal future has no meaning to him. As for the future, he already knows what it will contain. Thus neither love nor curiosity contest his willingness to risk his life. In the face of torture, too, his own or another's, his courage preserves its distinction—since he lacks the reaction of horror. It is the strangeness of the inner state of the torturer, who resembles a human being, that freezes our spirit. We do not feel horror at the agony inflicted by the surgeon because we know why he "attacks" his patient. The Communist, accepting as sufficient his political explanation of torture, and knowing why his enemy inflicts it upon him, is never horrified by it. Thus enduring torture is for him a purely physical ordeal limited by the resistance capacity of his body. So far is he immune to the shock of mystery that even sadists among his tormentors appear to him in a political rather than a psychological or moral perspective; they only imagine they torture for pleasure, actually it is the policy they have accepted that turns them into fiends. Hence the Communist finds nothing questionable in the party's enlisting of former Gestapo or SS men in the service of communism. The only issue for him is: Have they abandoned the program that made them fascist murderers for one that makes them the vanguard of the working class?

The readiness of the Communist to clasp to his bosom the hated enemy of yesterday and to denounce as traitors and monsters his former allies and even adored leaders has often led him to be considered cynical or immoral. Quite the contrary; such reversals of judgment and feeling are the very key to the Communist's morality and the fullest expression of his constructed character. Accompanied by the strongest passions, they have nothing in common with switches in attitude resulting from a mere absence or relaxation of principles. Morally weak or indifferent people may, for the sake of expediency, collaborate with individuals whom they have denounced and drop former friends as a liability, but this is merely a shift in relations. With the Communist a change in the policy of the party transforms the nature itself of the former friend or ally. At one stroke the imperialist Roosevelt disappears and is replaced by Roosevelt the democratic champion of the peoples, while the isolationist peace-lover of this morning emerges this afternoon as a masked Nazi. It is as if Roosevelt or Hitler had never lived before the day of the change—as if their entire existence were conferred upon them by the party line. Thus the Communist's judgments stem from a metaphysics of being, and are the moral extension of that metaphysics. The question of what a Churchill or a Browder is having been decided, the Communist bestows upon thim the complete measure of his contempt or adulation. When a new decision is made, a new Churchill or Hitler or Browder appears, and the present judgment is extinguished in its opposite.

Since the way his being is defined by the party alone determines whether a man be good or evil, the private harm or advantage he has brought to the Communist plays no part in the latter's judgment of him. Non-Communists or incomplete Communists have been shocked to find themselves assaulted in the speeches of Communists who have been their close friends and who have accepted favors from them. Such an attack is no sign of either ingratitude or hypocrisy. It is an act consistent with the metaphysical-moral structure of the Communist type, in which individual experience has no place.

Accustomed to moral ambiguities, conflicting emotions, hesitations, doubts, we are constantly astonished both by the automatic workings of the Communist moral mechanism and the immediate and total character of the emotional responses it produces. In this area it is we, not the Ukranian peasant, who stand gaping before a twentieth-century supermachine. A narrative in the Dark Side of the Moon presents the contrast between old-style feeling and the Communist-made modci. It is told by a Polish girl who was deported to Russia during the Stalin-Hitler pact. In a settlement for delinquent girls she and other young Polish deportees had been threatened with death by Soviet fellow-inmates who resented their stubborn refusal to acknowledge that Poland "had ceased to exist." All this was suddenly changed when, after having been attacked, the U. S. S. R. signed the Polish-Soviet agreement. A political director brought the girls the glad tidings. "He was smiling and joking [they now belong to the flock]," the narrative continues. "This news was so unexpected that we were quite stunned. A thousand thoughts crossed my mind. The feeling of happiness was marred by a still stronger realization of the wrongs we had suffered. The Soviet girls cried 'Da zdrastfuiyet Polsha,' 'Hail Poland.' We kept silent. From that moment we were heroines, and Poland became a nation with a great past and a great future."

The Polish girls were stunned into silence by their conflicting feelings, in which personal resentment played a big part. In contrast the Russians forgot instantaneously that they had once thought these young people had earned death by choosing for themselves the nonexistence of Poland. The Poles had been reborn with a great past and a great future out of the new party line. As allies they deserved to be hailed for that heroism which pertained to all those united against the Nazis in the people's war.

The power to erase and restore human status is given to the Communist by his historical clairvoyance. For the Communist the humanity of an individual lies in his historical role and this role is at all times wholly visible to the Communist. Accordingly, his judgment is that of history itself. It states who exists truly and who has but a sham existence, in that his extinction is already under way. It is as if the evolutionary process announced its preferences in moral terms. Lenin's reference to an opponent as a political corpse is more than an estimate of the value of his views. Like Trotsky's favorite description of people as swept into the dust-bin of history it implies that he has entered into non-being in everything but the physical sense. Actually killing such persons or removing them to Siberian camps simply assists time in its hygienic tasks. "The prisoner is to get it

[1] The privilege is related, of course, to the Bolshevik conception of a party composed of professional revolutionists who introduce Marxist science into the directionless struggles of the masses.

into his head as soon as possible," testifies a Polish Socialist in the Dark Side of the Moon, "that he is nothing but a thing and that nobody has any reason to be particular about the way he treats him." Prisoners of other systems have also been treated as things. But with the Communist the separation of the individual from the human species is not a byproduct of the callousness of police, military, or colonial administrations. It flows from his metaphysics of man and his relation to reality, and he justifies it by that metaphysics. For him a person conceived to be in a situation that deprives him of his past and future, like the defendants at the Moscow trials, has literally lost his human identity. Vyshinsky's designation of Bukharin as this damnable cross of a fox and a swine and others as beasts in human form, terminating in his demand that they must be shot like dirty dogs, was not just hysterical vituperation. The animal images belong to a serious attempt to establish by analogy a definition of creatures who are another kind of animal than man.

Just as the traitor is made of a nonhuman substance, so also is the Communist leader. Regarding some human beings as nothings or submen always goes hand in hand with the adoration of other human beings as gods or supermen. Shub describes the surprise and distaste of Lenin at the adulation he received from his comrades; apparently, he could not comprehend what had made his creature into an idol worshiper. Yet the explanation is not so difficult. Most historians of the Bolshevik movement point to the strain of Nechaevism in it. Nechaev's Catechism of a Revolutionist centered on the training of the revolutionist, through the systematic elimination of all sentiment, in utilizing human beings, including his fellow-fighters, as things. In his figure of Nechaev in the Possessed, Dostoevsky exposed the idolatrous core of this discipline. "Stavrogin, you are beautiful," cried Pyotr Stepanovitch, almost ecstatically. "* * * You are my idol. You injure no one, and everyone hates you. You treat everyone as an equal, and yet everyone is afraid of you. * * * To sacrifice life, your own or another's, is nothing to you. You are just the man that's needed. It's just such a man as you that I need. I know no one but you. You are the leader, you are the sun and I am your worm." The utter contempt for persons historically worthless or "dead," and the resolve to utilize them and then cast them aside, which Lenin instilled in the Bolshevik, could not fail to complete itself in the adoration of the leader—the figure who for him is the world proletariat and its promise of human brotherhood, salvation, and transcendence.

Lenin's personality is without a trace of bad conscience—all his biographers concur in this. Of the Red terror he speaks with lightheartedness, almost with levity. History does not disturb itself with regrets[2]—nor does its personification, the Communist. "Don't you understand," Shub quotes Lenin as asking, "that if we do not shoot these few leaders we may be placed in a position where we would need to shoot 10,000 workers?" Even the latter need would reveal itself to him as beyond the possibility of doubt, as in the massacre of the Kronstadt sailors. Ruthlessness for him is an indispensable means for conserving human life. He does not resort to it on his own behalf or for his group or his nation—with him death is not in the employ of an ego, as with the Nazis. It serves the universal; it works for the good as such.

What deeper temptation can exist for the man awakened to the modern crisis than to accept this solution to the problem of action? He has seen increasingly large masses of people sentenced to enslavement and death. He has recognized that in his time the old issues of poverty and injustice, which earlier generations of humanitarians could approach with a certain softness and leisureliness, have given way to the issue of human survival itself. He knows that in such a situation action must be drastic, must be absolute. Yet this call to be "hard" torments his consciousness. He is wracked by the impermeable puzzle of how to preserve in the plunge into action the fragile contingencies of the humanly desirable—freedom, sociability, truthfulness. By becoming a Communist or even a fellow traveler he can dissolve this riddle and with it the mental anguish. Through the party he will inherit Lenin's "unshakeable conviction," he will know from moment to moment that his actions, no matter what they be, are necessary to rescue mankind from catastrophe. It will no longer be necessary to reconcile "hardness" with good will, for his violence will be benevolent by definition.[3]

But is not a doctrine of necessity in which benevolence is present as an abstraction the supreme formula of ruthlessness? Is not the inhumanity of "good men," of priests and zealots determined to control events for the sake of man's salvation, always more consistent, thorough, and fervent than that of the merely vicious? The ruthlessness of the Communist, composed of benevolence attenuated by "science," recalls once more the image of the surgeon. Knowing that his act is good in that it is necessary, he is morally obligated to make himself indifferent to the pain of the patient. The Communist has chosen humanity itself as his patient, and he has become a "true Bolshevik" when his inner peace is unmarred by the ills which his deeds bring to particular individuals.

The question of Lenin's relation to the communism of today continues to be a subject for debate. The discussion usually takes a rather abstract, not to say, theological, form. The writings of the master and details of his biography are combed for evidence establishing or refuting Stalin's claim to be his legitimate heir. In the following paragraphs I shall try to suggest why, if these doctrinal disputes remain inconclusive, perhaps the strongest link between the first Red occupant of the Kremlin and the second is the figure of the Communist.

Wolfe and Shub leave no doubt that the essence of Lenin's doctrine and practice was total control of the Socialist movement at the top. To this extent, Stalinism is indisputably a logical development of Leninism. So logical, in fact, that its main features were foreseen from the beginning. At the very founding congress of the All-Russian Social Democratic Labor Party in 1903, many Socialists fully recognized that the type of centralized organization for which Lenin was desperately battling would inevitably be composed of members who, in the words of Martov, had abdicated their right to think. The bitter debate on article I of the party constitution brought from Axelrod the query: "Is not Lenin dreaming of the administrative subordination of an entire party to a few guardians of doctrine?" And shortly after the Congress, Trotsky, who had sided with the opponents of Lenin on article I, wrote that Lenin's "egocentralism" would bring it about that "the organization of the party takes the place of the party itself; the Central Committee takes the place of the organization; and finally the dictator takes the place of the Central Committee."

All the quotations in the previous paragraph are from Wolfe's study, one of the great merits of which is its detailing of the struggle on this crucial issue of party democracy. Yet despite the evidence he presents that Leninism meant dictatorship, Wolfe is able to state: "Up to his seizure of power in 1917, Lenin always remained by conviction a democrat, however much his temperament and will and the organizational structure of his party may have conflicted with his democratic convictions." A democrat who felt, willed, and functioned as a dictator. If democratic convictions formed part of Lenin's doctrine, might not that doctrine have been something quite different from Stalinism? The issue cannot be decided by reference to the events of the revolution. Control by a man so contradictory in principle would inescapably produce phenomena in which one could discern, if perhaps but dimly, the suggestion of a Leninism to which that of Stalin bears only an outer resemblance. Thus Trotsky could point to the violent disagreements among members of the Bolshevik Central Committee even after 1917, to Lenin's yielding to majority decisions even on such vital issues as Brest-Litovsk. And Wolfe, too, testifies to Lenin's constant self-criticism and his willingness to admit errors openly, to his generosity in stretching out a hand to former political foes. These might have been but expedients to which Lenin was forced, as Stalin, too, has been forced into "democratic" moves. On the other hand, they might be glimpses of a democratic core in Leninism which under different circumstances might have revealed itself fully.

Plainly, there is no such core in Stalinism. And were bolshevism like other political doctrines, Lenin, though responsible for his own autocracy and terrorism, might be little more responsible for its perpetuation and intensification by Stalin than, say (though the comparison is admittedly far-fetched), Lincoln's Republicanism is responsible for Hoover's. Programs, especially revolutionary programs, are changed, if not reversed, in the attempt to realize them. "People who imagined they had made a revolution," Wolfe quotes Engels as saying, "always saw the next day that they did not know what they had been doing, and that the revolution which they made was nothing like the one they wanted to make." If, as Trotsky claimed, the revolution was betrayed by Stalin, it might be equally true that Lenin was betrayed by the revolution. Along these lines, one could go on arguing forever as to what the "pure" doctrine of Leninism really was.

But the doctrine of Lenin is not like other political programs; it is even more than a doctrine, and is distinguished from Marxism itself in this respect. It belongs to that type of modern political movement to which one pledges not only his action but his very being. One could be a pre-World War I Marxist without making himself into a type. Bolshevism turned ideas into flesh—and flesh into an abstraction. Lenin invented the Communist man. This act of creation, whatever Lenin's doctrinal democracy, makes the Communist of today into a Leninist regardless of his party's political program, regardless of whether it is right, left, or "centrist," regardless of whether it abandons revolutionary politics for collaboration or pushes revolution to the point of insane adventure.

Stalin saw in the existence of the Communist a fact above mere considerations of program and doctrine; it was here that the connection lay between Lenin and the movement. Having seized the leadership of the Bolshevik personnel, through laying hands on the organizational apparatus (a deed of proper Leninism), his strategy lay entirely in preserving his cohesion with it and reproducing

[2] On this score the Leninist imagination seems entirely deluded. History constantly repeats itself, preserves outworn modes, returns to the scenes of its crimes, and behaves generally as if it were overcome with guilt and nostalgia.

[3] The reader will recall the recent speech of Thorez on the attitude of the French Communists in the event of an invasion of France by the Red Army. He stressed that the Red Army was nonaggressive by definition.

or curtailing it to serve his purpose.[4] By this appropriation of the Leninist type, the Leninism of any program he proposed was guaranteed.

For his part, Trotsky strove to dislodge Stalin by doctrinal interpretations, in the center of which he placed Lenin's internationalism, his democracy, and his capacity to admit error—all irrelevant to the character of the Bolshevik. Fundamentally, the former non-Bolshevik despised the Bolshevik type, in which he saw only the bureaucratic flunky who had abdicated his right to think. He refused to acknowledge that Leninism had embodied itself once and for all in this very flunky, and that apart from him it had no reality. Yet to an extent Trotsky did acknowledge it, for more than to the non-Communists he continued to address himself to the minds of men whose nature is that their minds exist at the end of thought.

Granted that Lenin, for all the authoritarianism of his thought and action, did believe in democracy; granted that, for all his conviction of being right, he could acknowledge that the facts had declared him mistaken. Granting all this, the doctrine of Bolshevism is not, as Trotsky contended, changed thereby. It is to life itself, not to doctrine, that the recognition of others and the experience of fallibility belong. "That was the strength of Lenin as revolutionist," says Wolfe, "that, despite his passionate and dogmatic attachment to centralized organization and its rigid control of the masses, he could thrust both into the background whenever the foaming, tumbling, creative and uncontainable life of the million-headed mass in motion made their doctrinaire application dangerous to the party's life." This living intuition of Lenin did not create the Bolshevik type. The Communist was the product of this external formulations, as rigorous as those of any scientist or disciplined artist. Whatever else there was in Lenin was thus doomed to die with him. Out of his tomb was bound to rise Leninism, the doctrine without the living man, from which the dialectical possibility of Bolshevik democracy and Bolshevik doubt had vanished forever. What appeared now was not a different doctrine but the creature of the doctrine, as distinct from its author.[5]

All differences between Lenin and the Communist of today refer back to this difference between an author and his creation. For instance, one who is an authority to himself, as Lenin was in those areas of theory and party work into which Marx and Engels had not penetrated, is never, no matter how authoritarian he be, comparable to the one who takes the dead for his authority. The living man convinced of his own rightness was never to that degree excluded from perception and communication as is his invention, the man who knows. To restore Lenin's bolshevism in the face of Lenin's creature, Trotsky would have had to do nothing less than bring Lenin himself back to life. For without Lenin, party democracy and the admission of error were to the Bolshevik but alien thoughts—as Stalin said, thoughts of a Menshevik.

[4] After writing the above, I came across the following description of the Chinese Communist Party today; it indicates the degree to which Stalinism means the reproduction of the Leninist type regardless of program: "The bureaucracy for the entire country is developed in advance, in isolation, almost in laboratory fashion. * * * It deals with social groupings as a separate entity and by retention of its social independence determines the relationship between classes on the basis of the needs of its own rule. Thus Liu informs us that the policy for today is construction of a new capitalism but that the party retains the liberty to move against this new capitalism and its economic classes when it decides the time has come for socialism. It is the party—or more accurately the state-party-army—which is the bearer of historic change, no matter in whose name it acts at the moment." (The New International, February 1949.)

[5] Georges Sorel, in his Reflections on Violence quotes Bergson's observation that "the master insofar as he formulates, develops, translates into abstract ideas what he brings is already in a way his own disciple." He is not identical with the disciple, but he does resemble him by way of the doctrine.

The American Creed

EXTENSION OF REMARKS
OF

HON. JOHN R. WALSH

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, July 13, 1949

Mr. WALSH. Mr. Speaker, in these critical times when our youth is being subjected to attacks from those within our country that believe in false philosophies and foreign isms, I am proud to announce to this House that the Anderson College, of Anderson, Ind., is encouraging its students in the American way of democracy, and recently I had sent to me two manuscripts from recent history examinations given by Val Clear, one of the professors of that school, and these manuscripts very ably presented the views of two of the students on the subject of the American creed.

I would like for the entire House membership to have the opportunity to read them, and I am now inserting them in the RECORD:

THE AMERICAN CREED

(By Fred Strachel)

(A) A creed (credo), Webster: "is a brief presentation of essential doctrine."

My definition of the American creed, in the first person, June 2, 1949, is:

I believe that all men are created equal (the right to social status). I believe in "certain inalienable rights, among them life, liberty, and the pursuit of happiness."[1] I believe in the four great freedoms emphasized by President Roosevelt,[2] namely, "freedom of speech and expression, freedom of worship, freedom from want, and freedom from fear." Further, I believe in the 10 (at present) basic rights of man[3] (a right being that claim to a condition necessary for an individual to live at his best). These 10 basic rights are: The right (1) to health, (2) to education, (3) to freedom (of opinion, speech, religion, etc.), (4) to work and a living wage, (5) to security, (6) to love and a home, (7) to play and leisure, (8) to share in the control of the conditions of life, (9) to share in the cultural and spiritual heritage of the race, including art, literature, and religion (10) to be well born (access to the best hospital at birth to be born well). I believe in the "sanctity of the human personality."[4] I believe that one is born morally obligated to his society; that is, the responsibility to good citizenship. And I believe that a democratic form of government, a democracy,[5] is the best type of governing instrument through which my definition of the American creed can be justly administered, served, and preserved. [I believe in the several rights specifically enumerated in the three great American documents, the Declaration of Independence, the Constitution of the United States, and the Bill of Rights.]

The American creed means several things to different peoples and groups of peoples. To some this creed symbolizes the land of liberty, equality, and freedom; or it might symbolize to some the land of Christianity, or democracy, or the way of free enterprise or "rugged individualism." To others it may symbolize freedom from tyranny; to some carefreeness. The above-mentioned expressions of the American creed are really pieces of the creed itself. This creed means different things to different ages. Dr. G. Myrdal says that this creed, really our ideals, changes slowly but constantly and that we are leaving the period of rugged individualism for the present era of the other fellow's rights. To him, the creed is a culmination of the three above-mentioned American documents plus Wilson's Fourteen Points and Roosevelt's "four freedoms." To this I would add President Truman's Point Four in his State of the Union message.

The American creed is more than any one of the small pieces of liberty, free speech, or equality mentioned above. These expressions by themselves are ends in themselves. The American creed is a mixture of all of this, plus, but only as a standard or a means to reach an end. The American creed is a doctrine, a standard, a criteria. It is the rules by which we play the game of life within these physical boundaries on this hemisphere. The temporary goal might be peace, happy and cooperative living, progress, or all three, and the best way to attain this goal for the benefit of the majority of us is to obey the rules. As we grow, these rules might be changed or corrected or enlarged upon, but these rules are the American creed.

(B) The American creed changes, has changed. Hector St. John De Crevecoeur in a letter, on "What Is an American"[6] (written about 1782), considers just an occupant of this country an American if in feeling he is thankful to God and appreciable to his fellow men for being a freeman, for being part of the Government, for religious tolerance (surprise) for tax-free land, and especially for the lack of the distinctness common in Europe between tenant and lord, debtor and landlord, citizen and squire. He considered the racial mixture advantageous and good, already a melting down.

(a) Today, the recently arrived from abroad are sometimes ignored or looked down upon. This is a suspicious psychosis of which we in a complex society suffer. The chief cause might be as explained by David Lilienthal in his book TVA, Democracy on the March, as the resistance to change in the status quo. This change might occur at home and/or abroad. He would have us learn that the development of resources in Russia or in Tennessee are advantageous to all of us and that these studied changes of the status quo do not mean the end of democracy and the beginning of bureaucracy. He says that we are plagued with fear which enhances our ability to live freely. We are choking ourselves. This fear gives way to suspicions which exist because we fear an end to a limited interpretation of democracy or freedom that we hold, and to defend this limited interpretation, we must expose and accuse these killers of * * *.

(b) Democracy in itself is not the American creed. It is a phase of the American

[1] Declaration of Independence.

[2] From President Roosevelt's annual message to Congress, January 6, 1941.

[3] Ethics for Today: Titus.

[4] "America" (a speech): Dorothy Thompson.

[5] Webster: Democracy is "government by the people."

[6] The American Tradition: Wright and Swedenberg.

creed—and that which has to do with system through which we express our hopes and ideals. In line with democracy or governmental practices, we have since 1860 seen several negativisms (crimes) take place. We have seen: (1) the Constitution ignored, (2) allegiance between vested or special interests and Congress, (3) autocratic party organization control—(undemocratic in structure and corrupt in practice), (4) buying votes, (5) organizations based on prejudice arise like the Ku Klux Klan, (6) inferior forms of government.[7] Most of the above-mentioned are undemocratic, therefore, un-American or un-American creedal. And some of this is in evidence today.

(c) Very evident in our country today is the ignoring of this creed by the many. Myrdal points this out as he shows how our laws reflect our ideals but not our practices. Also, like the smell on Noah's Ark is this hypocrisy within the Nation as regards our creed. It is the church, the clubs, our institutions. This is the far distance between our practice and our preaching.

But we have a bright side in analyzing the present status of the American creed. With all of its hypocrisy, indifference, and ignorance of this creed has grown from the dream of De Crivecceus to Lincoln's endorsement of inalienable right, Wilson's 14 points, Roosevelt's "four freedoms," and Truman's point four. We have made progress. Titus says that the realization of the 10 basic rights of man mentioned in part A was realized about 1933. Myrdal says, "We're heading more and more into the era of the other fellow's rights." Also Myrdal says as regarding the issues that is most evident of irrelevance between ideal and practice, that "the conquering of the color caste in America is America's innermost desire."[8] He says that consciously all of the Americans realize or are aware of the implications and meanings of the American creed. If this be true, then we of all people are most fortunate. Patience and education might bring the American creed to reality.

Also, in times past we have responded to call of duty in that we: (1) Rebelled in sentiment against those who ignored our Constitution, (2) instituted law and the merit system to foil corruptness, (3) organized a third party to fight party autocracy, (4) safeguarded the voter, (5) and used popular democratic government to deal with corruption.[9]

We have a free press in a respected sense and have our many rights and freedoms. We can preserve and give as a heritage to future millions a real American creed especially by practice, tradition, and experience.

(C) Practical proposals for its implementation:

(a) Let us begin by furthering the Springfield, Mass., plan as demonstrated in a movie.

(b) This must be carried on to high school and college courses specifically dealing with the American creed and practical application. Also the furthering of interest organization as the IRC of Anderson College with its program of the American melting-pot dinner and model United Nations.

(c) We must begin an exchange of students and citizens with the world—the other nations thereof.

(d) We must educate the public—those who are the backlog of this present movie—this via educational movies as "Don't be a sucker," community and educational interest groups, and government policies.

(e) We must begin public planning in a democracy so that we may reap the benefits of earlier efforts—so that we can gain the full and complete benefit from nature. (D. Lilienthal.)

(f) We must practice the economic Golden Rule (D. Lilienthal, Roosevelt, and Churchill in Atlantic Charter.)

(g) We must get a world outlook. The Constitution says "all men"; Lincoln said "shall not perish from the earth"; Roosevelt said "all peoples, everywhere." Willkie coined it: "One world." Right, we are all one people. This means the sincere consideration, planning for universal government.

(h) We must practice positive democracy.[10] He says we must originate theory once again from wherein practice comes.

(i) And last, we must realize certain fundamentals: (a) Liberty is obedience to law, (b) the free are of all peoples most bond (notes); (c) our ideals must become forceful laws that we are as conscious of as the stop signs we do stop at. (In Anderson.)

THE AMERICAN CREED

(By Marcus H. Morgan)

I. The American creed is essentially a belief in the dignity of a man as a man that transcends all barriers of race, creed, or color. Its fundamental tenets are liberty and equality. It is a concept that holds that every man possesses by right of birth certain inalienable rights such as life, liberty, and the pursuit of happiness. It holds that the individual does not exist for the state but rather the state exists for the individual. It maintains that the "gains of the commonwealth are essentially mass gains" and that distribution of these gains should be on an equitable basis. The American Creed is a humanistic development derived from three roots, namely: (1) The age of enlightenment from Europe; (2) English law, and (3) Christianity. Thomas Jefferson enunciated the main norms of the American creed in the Declaration of Independence. "We hold these truths to be self evident; that all men are created equal; that they are endowed by their Creator with certain inalienable rights, life, liberty, and the pursuit of happiness. Abraham Lincoln in his immortal Gettysburg Address sounded the organ tones of the American creed when he said "Fourscore and seven years ago our fathers brought forth on this Continent a new Nation; conceived in liberty and dedicated to the proposition that all men are created equal. America then is a dream unfilled. "It is a dream of equality of opportunity, of privilege, and property widely distributed; a dream of a place where class is abolished and where a man is a man, a place where race and birth and color are transcended by the fact of a common brotherhood, a place where all our gifts and resources are held not for ourselves but as instruments of service for the betterment of humanity".

II. As Gunnar Myrdal aptly points out, we Americans have a unique habit of inserting our ideals into law that we never put into practice. Thus America is somewhat of a split personality struggling within itself. We have had considerably trouble with the little word "all". Since the founding of our Nation this little word has been sensitive to the American conscience. "All men are created equal," "With liberty and justice for all," the foregoing statements have never been implemented in our national life. Perhaps one of the basic reasons for our not giving equality to "all" is our fundamental doubt of the proposition that "All men are created equal." Intrinsically all men are not created equal for there are diversities in endowment. I believe rather that democracy should be founded on the belief that all men should have equality of opportunity "Equality of opportunity is the birthright of every man, and society can give that." I should like to briefly discuss with constructive criticism some shortcoming of the American creed as it is now being practiced.

1. We preach democracy, freedom, and equality for all, yet we refuse to extend it to those of another color. Without reservation we discriminate, segregate, and practice Jim Crowism against those whose skin happens to be pigmented. This is rather pagan and rude I think. Why should we judge a man by the pigmentation of his skin? That is not the most essential thing. Rather a man's character and ability should be the criterion upon which judgment if at all should be based. The evidence of science overwhelmingly attests the fact that the differences between classes and races are not biological but cultural. There are no permanently inferior races or classes; rather there are only undeveloped races and classes. If we make democracy to mean the rule of the white, we abandon true democracy and adopt a brutal and inhuman snobocracy. Unless democracy is extended to all, we cannot hold it for anybody. We are hooked by this little word "all." It will not let our conscience rest until we can say, "all men" without reservations and with complete abandon.

2. We have elevated property rights above personal rights. This is contradictory to the American creed. It seems to me that we have, in a figurative sense, put the "cart before the horse." I believe that wealth and privilege should be widely distributed. I am not opposed to property and privilege nor do I wish to be labeled a Red or a Socialist because of my belief. As a Christian I believe that everybody should share in the distribution of wealth and privilege.

E. Stanley Jones says, "Wealth and privilege are like manure: concentrate it in one pile and it is an evil smelling mass, but distribute it across the fields and it results in abundant harvests." Only as the little word "all" is applied pertaining to wealth and privilege will the American dream ever be fully realized.

3. We have hesitated to extend freedom and equality to peoples beyond our borders. We are endeavoring to practice pagan democracy at home and sanction pagan imperialism abroad. We are harboring the deluded belief that the white races are superior to the colored races. Democracy and imperialism cannot exist side by side without canceling out each other. The American Creed was not intended to be applied exclusively to America but rather was intended by God, I believe, to be a little leaven that would leaven the whole lump. Thus I concur with E. Stanley Jones in the belief that America is God's experimental ground where he has gathered segments of all races and nationalities under one government to test corporate living. If we succeed here then the whole world can lift up its head with hope for we are indeed the world's proving ground. I could go on and on but time is running out, so I will sum up this question by saying democracy must extend to every man equal opportunity to education, to meaningful employment, to culture, to political rights and power, to leisure, to adequate housing, to know and achieve the highest. Society gives the access or opportunity; the man develops the achievement. The America that is the lover of liberty and the believer in democracy I love dearly. This America has under God my complete allegiance and loyalty. On the contrary the pagan democracy that expounds the philosophy, "With liberty and justice for all white people," does not have my loyalty. It is alien to me. It is comparable to any other totalitarian ideology. It must be crucified and the true democracy as enunciated in the American Creed be made to live and grow abundantly.

III. In approaching practical proposals for the implementation of the American Creed I should like to discuss briefly four proposals.

1. Race prejudice is not inherent, it is socially imposed. Thus, if prejudice can be taught and assimilated, so also can race appreciation be put into our public school system. I feel if a program of this nature

[7] Responsible Citizenship: (Ralph Harlow) edited by Mosher.
[8] An American Dilemma, S. Myrdal.
[9] (Ibid. Mosher.)
[10] Positive Democracy: Feibleman.

were adopted that race prejudice could be eliminated in one generation.

2. The second solution is the Christian faith. Its teachings are crystal-clear on the race proposition as well as how to implement the little word "all." The church can be a formidable force in implementing the American Creed by practicing the principles of Christ. We would be well along the road toward ridding ourselves of prejudice, segregation, and discrimination if the so-called Christian folk would practice what they preach and testify.

3. The third solution is in the findings of modern science. Here science has given conclusive proof that there are no permanently inferior or superior races; there are only undeveloped and developed races. Science, both theoretical and practical, is corroborating what the Christian faith has always taught; the soul, brain, and body of humanity is basically one, modified here and there by culture.

4. The final solution is that of democracy. Democracy is essentially a belief in the possibilities of a man as a man. We must unconditionally surrender to the statement of the pledge to the flag which says, "One nation, indivisible, with liberty and justice for all." E pluribus unum. Out of the many one.

John J. Delaney

MEMORIAL ADDRESS
OF
HON. ARTHUR G. KLEIN
OF NEW YORK
IN THE HOUSE OF REPRESENTATIVES
Wednesday, May 25, 1949

On the life, character, and public service of Hon. JOHN J. DELANEY, late a Representative from the State of New York

Mr. KLEIN. Mr. Speaker, there is no sadder duty and privilege than that of attempting to put into barren words the emotion of loss and sorrow occasioned by the passing of one of our beloved colleagues. The task is particularly difficult when we are called upon to pronounce a threnody for a man so alive with personal affection and lovable characteristics as JOHN J. DELANEY.

JACK DELANEY'S ready wit, his zest for living, his personal exemplification of the virtues of his faith, all endeared him to everyone who came under the benign influence of his personality.

In his capacity as a member of the Committee on Rules he faithfully served his chairman, his President, his party, and his congressional district. He was a tower of strength to the administration in the crucial legislative struggles for progressive law-making, and was always able to ease tension with a quip.

Among the endearing traits of this departed colleague was his kindness to new Members of the House, and especially to the new members of the New York delegation. He was always ready with pungent advice and wise counsel in any situation, and his guidance was leavened by his salty humor and earthy kindness.

"JACK" DELANEY is going to be missed most sorely.

A token of the universal affection felt for this great gentleman is the overwhelming vote by which he had most recently been chosen as the Representative of the Seventh Congressional District; his sad and untimely death occurred before he could take his seat in the Eighty-first Congress.

JOHN J. DELANEY will not soon be forgotten, Mr. Speaker; his spirit will linger with us while our memory lasts.

Danger of Nazi Resurgence

EXTENSION OF REMARKS
OF
HON. JACOB K. JAVITS
OF NEW YORK
IN THE HOUSE OF REPRESENTATIVES
Wednesday, July 6, 1949

Mr. JAVITS. Mr. Speaker, the appended editorial from the Christian Science Monitor of July 11, 1949, presents a balanced point of view on the situation in Germany. It urges us not to forget the aggressions of World Wars I and II, and implies that we must maintain our perspective in the current ideological struggle, recognizing that the totalitarianisms of the right and of the left are natural allies in any struggle against free institutions:

ONE VILLAIN

Most people prefer to have only one villain at a time. For the Western World at present the villain is clearly communism. Hence comes the visible tendency to whitewash or at least minimize the villainies of fascism.

Multiplied items of news from Germany appear to fall on largely indifferent American ears: Non-Nazi officials being dismissed in increasing numbers and replaced by former Nazis; picayune sentences given by German courts to men and women proved guilty of atrocious crimes against humanity.

Typical of this last phenomenon are the sentences—18 months to 5 years—given to three doctors found guilty of slaughtering inmates of the Grafeneck Insane Asylum during the Nazi rule—in one case murdering more than 1,000 persons. The peculiar horror of such crimes lies in the intellectual arrogance and moral idiocy which convinced their perpetrators they had every right to kill as they saw fit. This is no mere brutality; it is the rotten fruit of a highly developed, highly perverted culture.

Vindictiveness and vengeance are not the answer to such horror, but neither is a loose and lazy attitude of "forgive and forget." The almost certain general amnesty which such offenders will have in another year or two can leave them free to practice again and to poison further the springs of German life. The healing that unhappy nation so sorely needs demands both compassionate insight and an unflinching confrontation of evil.

For that purpose evil must be seen as something more and something less than a system. It is not to be played down when it appears as yesterday's fascism, merely that it may be played up when it appears as today's communism—any more than it is to be excused and ignored when it appears in the democratic system.

There is, in an exact sense, only one villain—the dark ignorance of man's spiritual estate as the image and likeness of God, an ignorance from which springs every denial of freedom and brotherhood. When human justice copies the divine, it does not license this villain to roam at large, but holds it in check while education lets in that light in which is no darkness at all.

Postal Reclassification Bill

REMARKS
OF
HON. JOHN R. WALSH
OF INDIANA
IN THE HOUSE OF REPRESENTATIVES
Thursday, July 14, 1949

Mr. WALSH. Mr. Speaker, I have today placed a petition on the Speaker's desk, under the provisions of clause 4, rule XXVII, for the purpose of discharging the House Committee on Post Office and Civil Service from further consideration of H. R. 4495, better known as the postal reclassification bill. I cordially invite my colleagues on both sides of the aisle to join me by affixing their signatures to my discharge petition.

On June 20 I was given the courtesy of the floor to make an appeal for early hearings on postal legislation before the House Committee on Post Office and Civil Service. The distinguished chairman of that committee did schedule public hearings shortly thereafter. However, since under the terms of the Reorganization Act of 1946 the Congress should adjourn at the end of July, I believe something must be done to accelerate the legislation under discussion. I know the committee has a great volume of legislation before it; solely in the interest of expediting H. R. 1495, I have placed my discharge petition before you, Mr. Speaker.

I want to say further, Mr. Speaker, that I have been informed that hearings have been in progress before the House Committee on Post Office and Civil Service relative to postal salary and reclassification legislation since June 28. These hearings are being held before a subcommittee of the full committee. To date, I am told, no representative of any employee group has been called upon to testify for or against the pending bills. Moreover, there is no indication given these employee representatives as to when they might expect to be called before the subcommittee. Almost 7 months have elapsed since this session of the Eighty-first Congress convened. Now in the closing days of the session hearings are finally scheduled, but I am fearful lest the sands of time will run out before the employees are permitted to state their case. I know that all members of this body want fair play for our postal people, and so it appears to me that the best method of granting equitable treatment to the men and women in the postal service, at this late day of this Congress, is to bring H. R. 4495 before us. Give every member an opportunity to express himself or herself by vote.

Very briefly to outline the provisions of H. R. 4495, I might say that it contains six sections, each of which are modest and reasonable requests on the part of the employees. Section 1 of the bill provides for 26 days annual leave and 15 days sick leave. Enactment of this section will merely bring about an equalization of annual and sick leave, since the postal employees are presently about the only group in Government not granted

26 days' vacation time and 15 days sick leave.

Section 2 of the measure is designed to grant full credit for all past services for longevity awards. The maximum allowed any employee under the provisions of this section would be four steps of $100 each, the last payment being made at the completion of 22 years of meritorious service.

Section 3 would completely eliminate the present four lowest salary grades of Public Law 134. In effect, the starting wage in the postal service would then become $2,950 per annum. This is a most reasonable request, as I am certain that all of us appreciate the fact that with present-day high prices it is almost impossible to maintain a home and a family on anything less than $3,000 per year. I might also add that a majority of the postal employees in the low salary grades are honorably discharged veterans of the military. Certainly, we owe them an opportunity to maintain themselves and their families on the same level with their neighbors employed by private industry.

Section 4 of H. R. 4495 would grant all field service postal employees additional compensation at the rate of $150 per annum. Again, I am of the opinion that our postal people are being most modest in their ambitions. It will be recalled that last week this House took action on a bill that had reference to the compensation paid to Cabinet members and other top officials in Government. I voted for that bill, because I thought it was a good bill. If we are to retain skilled men and women in Government, and more important, if we are to attract competent personnel, adequate wages must be paid them—whether we are engaging the services of a Cabinet officer or an employee in the lowest pay grade.

Section 5 of the bill would grant a $100 uniform allowance for those employees to be designated by the Postmaster General. There is ample precedent for this type of legislation, as it is my understanding that our letter carriers and other uniformed personnel in the Post Office Department are the only employees, at least one of the very few groups of employees, in Government required to furnish a distinctive uniform at their own expense.

The last provision of H. R. 4495—section 6—would eliminate the postal service efficiency rating system. The present system is costly and its elimination should revert considerable savings to the Post Office Department. The present system is cumbersome and unworkable; moreover, the employees advise me that it is the greatest detriment to morale because it is basically a demerit system, with little or no provision for the award of merits.

Mr. Speaker, H. R. 4495 should be enacted before this session of the Congress finishes its business. The bill is just; it is reasonable. There must of course be some consideration of the cost of the measure. It is estimated that the bill would cost approximately $180,000,000. When we consider the great good the bill will do for our faithful and efficient postal people, that sum hardly seems unreasonable.

The Pump-Priming Record—No End to Spending

EXTENSION OF REMARKS
OF
HON. DEWEY SHORT
OF MISSOURI
IN THE HOUSE OF REPRESENTATIVES
Thursday, July 14, 1949

Mr. SHORT. Mr. Speaker, it is absurd to think that we can spend our way into prosperity.

Likewise it is utter folly to ignore an individual's or a nation's debt by baldly and stupidly stating that there is no need to worry because "we owe it to ourselves."

Yet, Mr. Speaker, this economic nonsense has been preached to the American people under both the New Deal and the Fair Deal. Unfortunately, too many of our people have fallen for this false philosophy.

Under leave to extend my remarks, I include the following editorial which appeared in last night's edition of the Washington Evening Star.

THE PUMP-PRIMING RECORD

Now that President Truman, in his economic report to Congress, has suggested that we are in for a period of deficit financing and that such financing will help to check and reverse our current recession, it is interesting—and perhaps instructive—to look back into the 1930's when the Federal Government resorted to a similar pump-priming policy to get the country out of the depression that followed the crash in 1929.

In 1929, our national income totaled $87,400,000,000 and only 1,550,000 Americans were unemployed. Thereafter, our economy skidded downhill very fast. By 1933, when the New Deal first began, the situation was desperate, and it was not unnatural that the Federal Government started to spend much more than it took in. Actually, however, this deficit financing, or pump priming, did not solve the unemployment problem. The following table—showing the year-by-year deficits in round numbers, along with the total out of work—illustrates the point:

	Deficit	Unemployed
1933	$3,063,000,000	12,830,000
1934	3,989,000,000	11,340,000
1935	3,364,000,000	10,610,000
1936	4,829,000,000	9,030,000
1937	2,880,000,000	7,700,000
1938	1,242,000,000	10,390,000
1939	3,920,000,000	9,480,000

During the same period, national income failed to get back anywhere near the 1929 total of 87.4 billion dollars. In 1933, it stood at 39.6 billions; in 1934, at 48.6; in 1935, at 56.8; in 1936, at 64.7; in 1937, at 73.6; in 1938, at 67.4, and in 1939, at 72.5 billions. Of course, had there been no deficit financing during the thirties, the income and employment figures might have been much worse. But the fact that they were not better seems to be proof enough that pump-priming has very decided limitations as a fiscal device designed to create employment, increase production and make the economy generally prosperous.

To be sure, the Second World War had the effect of a tremendous pump-priming operation primarily responsible for the fact that our national income in 1949 is around 225 billion dollars, as against 87.4 in 1929, and that 10,000,000 more Americans are in jobs now. But that is hardly an argument in favor of unbalanced budgets. War is one thing, and peace another, and the record of the 1930's offers at least the suggestion that deficit financing is likely to perform as few miracles at this stage as it did then. And in those days, we must remember, we did not have the gigantic public debt that weights so heavily on all of us today.

Mr. Speaker, under further leave to extend my remarks, I include a second editorial which appeared in today's Washington Daily News:

NO END TO SPENDING

Mr. Truman spelled it out last night and the un-good news is that we're in for a new peacetime era of red-ink financing by the Federal Government.

It's not because we're in a depression but because we've got to "follow the right course" to keep whatever it is from becoming a depression. And what is that "right course"? Why, it's just to keep on spending.

In fact, it would be a "great blunder" to make drastic cuts in Government expenditures now—"it's just the thing you do not do if you want to help the economy expand."

So Mr. Truman thinks a $42,000,000,000 budget (with a current deficit of $1,800,000,000) is the least we can get by with. He wishes businessmen would invest more, to help along full production and employment—and to that end he doesn't want to increase taxes now. But meanwhile the Government "must expand programs of social security, education, health, and housing."

"Men of little vision" and "selfish interests" think that is wasting money but no, says Mr. Truman, it's an "investment in the future of America."

So it appears solvency will have to wait—even though a lot of people seem to think a sound, solvent American economy is a good investment, too.

Unemployment in Connecticut

EXTENSION OF REMARKS
OF
HON. ANTONI N. SADLAK
OF CONNECTICUT
IN THE HOUSE OF REPRESENTATIVES
Thursday, July 14, 1949

Mr. SADLAK. Mr. Speaker, the weekly release prepared by the research and statistics division of the employment security division of the department of labor of the State of Connecticut released today, and an excerpt from the Hartford (Conn.) Courant of July 12 written by Keith Schonrock entitled, "$30,048,567 Paid in Year to Jobless," should be of much interest to the Members of this House.

This latest release for July 14 indicates a sharp increase in unemployment-insurance benefits in Connecticut from 83,607 to 86,434. This release makes no comment upon the number who have exhausted their benefits but the figure in the release of July 8 indicated that the

total of those no longer eligible to file, though unemployed, increased to 19,741 since January 1, 1949.

I ask that both, the latest release and the newspaper excerpt be included with this statement and I desire to make one comment as to what would be a normal opportunity for jobs. After reading the latest report on employment and unemployment in California, prepared by the research and statistics staff of the department of employment of the State of California, I noted that the greatest single influence in reducing their unemployment is the seasonal increase in farm jobs at this time of the year, thus maintaining that many who work in nonagricultural fields during part of the year accepted farm work. Unemployment, however, has remained relatively high in the metropolitan centers of that State.

In my district, the State of Connecticut, unfortunately, the number of nonagricultural employees who could find employment on potato farms, tobacco farms, truck gardens, and other agricultural jobs has been very small due to the unusual dry weather and continued drought that Connecticut and other New England States are experiencing.

[State Labor Department, Hartford, Conn., July 13, 1949. Release for afternoon papers, Thursday, July 14, 1949]

After leveling off for 3 weeks, the number of jobless claimants for unemployment insurance benefits in Connecticut rose sharply to 86,434 during the week of July 4–9 as compared with 83,607 for the previous week. The rise was due to widespread vacation shut-downs throughout the State in which those not entitled to vacation pay filed unemployment claims. A year ago the claims load was 36,090. Women claimants numbered 32,213 (37.3 percent) as compared with 29,551 (35.3 percent) for the previous week. Veterans filing under the servicemen's readjustment law totaled 16,148 as compared with 16,649 for the previous week.

Initial claims, which start new periods of unemployment, rose steeply to 16,681 from 13,025 for the previous week with the increase attributed to vacation shut-downs.

Lack of work lay-offs were obscured by the numerous vacation shut-downs.

Although in Bridgeport the number of claimants dropped slightly, this area still led the State with 16,020 followed by New Haven 10,489, Waterbury 9,628, Hartford 9,153, New Britain 6,294, Meriden 5,736, and Bristol 4,239. These seven offices made up 71 percent of the number of jobless claimants in Connecticut. The other 12 offices were each under 3,200.

[From the Hartford (Conn.) Courant of July 12, 1949]

THIRTY MILLION FORTY-EIGHT THOUSAND FIVE HUNDRED AND SIXTY-SEVEN DOLLARS PAID IN YEAR TO JOBLESS—HIGHEST SINCE 1938; TAX ON EMPLOYERS TO BE DOUBLED JANUARY 1

(By Keith Schonrock)

During the year that ended on June 30, a total of $30,048,567 was paid out in State unemployment compensation benefits to a total of 124,500 persons. This is the highest amount paid out in any year since the program was started in 1938. It is more than one-third of the total paid out in benefits during all the years of the program.

Because of the large volume of jobless payments, which are expected to be necessary for many more months, Howard E. Hausman, executive director of the State unemployment compensation division, announced Monday that the tax on employers will be doubled as of next January 1.

AUTOMATICALLY RISES

Mr. Hausman said Monday there is no danger of the State unemployment compensation fund being depleted, because the law provides that whenever the fund decreases the tax on employers automatically rises.

The tax on employers is based on total pay roll. It is a graduated levy, however, different for each employer, because credits are given for small amounts of labor turnover. Employees, who benefit from the fund whenever they are out of work, pay nothing into the fund. It is financed entirely by the tax on employers.

In addition to the 124,500 persons who received unemployment compensation benefits during the period, 10,170 veterans also received $7,143,454 in jobless benefits under the servicemen's readjustment allowance program. This veterans' program is financed exclusively by the Federal Government and had nothing to do with the State compensation program.

Under the terms of the State program persons out of work may collect a maximum of $24 a week for a maximum of 26 weeks. The Federal program for veterans allows $20 checks for 52 weeks. This program is due to expire on July 25.

The $30,000,000 paid out in unemployment compensation checks during the year that ended June 30 is the highest ever paid out in a single 12-months period. The previous high was in 1945–46 when the total payment was $27,293,641. This period was just after the end of the war and in the middle of the postwar readjustment period.

1944 TOTAL LOWEST

Lowest amount of compensation paid out in a single year was in the period that ended June 30, 1944. In that year only $753,218 was paid out. This was the period of the State's greatest manpower shortage and the midst of the peak wartime production boom.

The balance of the unemployment compensation fund as of last June 30 was $174,224,913.

Officials of the compensation division said Monday that the heavy drain on the compensation fund during the past several months is due to the large increases in unemployment and temporary layoffs. They are looking for the present situation to continue a while longer and for that reason the tax on employers has been ordered doubled the first of next year.

The 124,000 persons who collected the $30,000,000 in jobless pay during the past 12 months were not collecting it all at the same time.

Some collected weekly benefit checks only for a short time before they were able to get other jobs while many exhausted their maximum period of benefits which was 22 weeks. The period was lengthened to 26 weeks by the legislature and became effective on July 1.

Irish Partition Coming to an End

EXTENSION OF REMARKS

OF

HON. GEORGE P. MILLER

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 14, 1949

Mr. MILLER of California. Mr. Speaker, recently Mr. Frank Aiken, outstanding member of the legal profession in Ireland, presented a very considered discussion of the Irish border question at a gathering in Camlough, County Armagh, one of the six counties of Northern Ireland. In his clear, reasoned manner, Mr. Aiken sets forth the problem of partition and asserts with confidence that sooner or later this travesty on justice and freedom must and will come to an end.

Because the enforced partition of Ireland has become a stumbling block in the path of Irish international affairs, it likewise is a matter of grave concern to us in the United States. It is solely due to the continuance of the division of Ireland that the Republic of Ireland has not seen fit to join with other European nations in signing the Atlantic Pact. Ireland, the greatest bulwark against communism, thus becomes an outsider in the cold war against communism. Ireland, the northern gateway on the approaches to Europe, must continue to be isolated from the other western nations of Europe due to the shortsighted policy of Great Britain in continuing the separation of northeastern Ireland from the rest of the country.

Repeatedly Irish statesmen have been the leaders in promoting the Marshall plan in Europe, cooperating fully with our own American administrators, and frequently suggesting and advocating solutions to the many problems that have developed. That same Irish leadership and advice could prove of inestimable value in the working out of the problems involved in the Atlantic Pact, but the partition of Ireland by the British prevents Ireland playing a part. Likewise in the United Nations Ireland is denied a voice, but here it is the opposition of the Russians that bars the way. It is time that Great Britain realized that they are but playing a Russian game in maintaining the border in Ireland, a border that cannot be justified on any sound legalistic basis, on any historic basis, or on any basis whatsoever. That this is so, is very succinctly set forth in the address by Mr. Frank Aiken at Camlough and I therefore desire to include his remarks in this statement.

Addressing the meeting at Camlough, Mr. Aiken said:

It gives me great pleasure to report to my old comrades and neighbors that the disastrous division of 1921, caused by the partition and King clauses in the treaty, has come to an end. The way is open to all Nationalists north and south to concentrate on the sole remaining cause of quarrel between ourselves and Great Britain and for a sustained effort to make effective the second article of the constitution:

"The national territory consists of the whole island of Ireland, its islands, and the territorial seas."

No one who appreciates the situation will promise a speedy end to partition. But no one who realizes its unnatural and undemocratic nature and the abhorrence and resentment with which it is viewed by the Irish people at home, and by all true democrats abroad, can have any doubt that it will come to an end. And the sooner the better for the happiness and prosperity of both parts of Ireland.

Partition was the child of unscrupulous party politics in Britain; it is today a tawdry remnant of the vicious and discredited power politics of the Lloyd George era. The Tories of 1913 did not hesitate to raise a revolt against the British Crown, and did not hesitate to accept German arms in order to de-

stroy their rivals, the Liberal Government, by defeating home rule. Lloyd George imposed partition by act of the British Parliament in 1920 and confirmed it in the treaty, justifying it on strategic grounds. His letter to Sir Edward Carson of May 29, 1916, made his attitude clear. "Ulster" was only a pawn in his imperialistic game.

"My dear Carson," he wrote, "we must make it clear that at the end of the provisional period Ulster does not, whether she wills it or not, merge in the rest of Ireland."

DENY LIBERTY

The British Government of today denounce power politics and preach throughout the world, particularly in eastern Europe, the principles of self-determination and individual liberty which they deny by force of arms in the six northeastern counties of Ireland.

There are greater minorities of Greeks, of Poles, of Rumanians, of Czechoslovakians, of Bulgarians, of Yugoslavs, and of Hungarians who desire union with Russia than there are Irishmen who desire union with Britain. Apart from countries in eastern Europe, there are others in which a greater minority of the population desire union with Russia than there are Irishmen who desire union with Britain. There are few Britishers who support those who stand for unity with Russia in these countries or who would support Russia's desire to dominate them because of the pro-Russians in the whole or portion of any of these countries.

All parties in England supported the Greek effort to crush the pro-Russian Government in Greece.

As far as we Irishmen are concerned we shall continue until victory comes to assert the right for our own country which Britain denies to us, but which she advocates for Greeks and Czechs and Hungarians: The right to have a democratically elected government in sole and exclusive control of the affairs of all the people of the nation; the right to be free from foreign aggression and from a foreign imposed government.

The freedom of our island from British occupation, whether for financial or strategic reasons, is as dear to us as is freedom to the British people from French or German or Russian occupation. The British may fool themselves into believing that the result of these elections, in a carefully selected portion of our country and based on gerrymandered constituencies and an out-of-date register, gives them a moral right to continue the occupation of the six counties, but she can't fool the Irish people into believing it. And with every day that passes she can fool fewer people in the United States and the Commonwealth into believing it. And with every day that passes the British people themselves, the ordinary folk who have to do the work and who have to do the fighting, come closer to the final realization that their government by supporting partition in Ireland is strengthening the antidemocratic forces in Europe and sapping the morale of those whom Britain, in her own interests, desires to resist these forces.

WILL BE VICTORIOUS

Partition is going to come to an end. The will of the vast majority of the Irish people and of the Irish race abroad to end it will be victorious sooner or later. He is only a very short-sighted Irishman, orange or green, who will not help to bring it to an end quickly.

Old prejudices fostered by Britain are a poor basis for policy in the modern world. If either part of the country is to develop to the limit of its mental powers and its economic resources, the barriers to trade in ideas as well as in goods must be thrown down.

Irishmen of all classes and creeds have more in common than in difference, and more in common with each other than with any other people. To others we are naturally just all Irish, north or south, whose interests must be subordinated to those of their own people, the last depressed area to be cared for in peace, the first expendable material in war. Britain's idea of her own interests brought about the betrayal of one section of Irishmen who fought for the freedom of small nations; her future estimate may lead her to change her mind. It is natural that Britain should seek the interests of her own people first. All sensible Irishmen in the northeast should be wise enough to recognize that although Britain may be generous in prosperity or when she wants something in return, the only sure reliance in adversity is their brother Irishmen. And he would be a bold man who would prophecy that nothing but prosperity and peace lies ahead for any part of the world.

Valley of the Dammed

EXTENSION OF REMARKS

OF

HON. WILLIAM LEMKE

OF NORTH DAKOTA

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 14, 1949

Mr. LEMKE. Mr. Speaker, Governments are instituted to protect people, not to deprive them of their homes in violation of the Constitution. Under the Constitution, private property can be taken for public use by condemnation proceedings but not without just compensation. To obtain property by threats and bulldozing is not giving just compensation. In fact, it is a violation of the intent of the framers of the Constitution. It is extortion. It is obtaining property under false pretenses—the pretense that the Government wishes to drive a hard bargain.

Those guilty of threats should be brought to justice. It matters not whether they be the real estate division of the Army Engineer Corps or any other department of Government. The time has come that we make all governmental agencies humane and honest when dealing with the public.

In my remarks I include part 9 of Bigelow Neal's article, Valley of the Dammed, published in the McLean County (N. Dak.) Independent. This part, the same as the other eight parts of this article, is copyrighted.

Here is part 9:

VALLEY OF THE DAMMED

(By Bigelow Neal)

"Thereupon he became entitled to have the just compensation safeguarded by the fifth amendment of the Constitution; that is the value of the land taken, and the damages inflicted by the taking—was a sum as would put him in as good a position pecuniarily as he would have been had his property not been taken." (Unanimous opinion of the Supreme Court of the United States and written by Justice Butler in a case referred to by lawyers as *Campbell* v. *United States* (266 U. S. 368; 45 Supreme Court Reporter 115).

(Part IX)

Last week a combination of circumstances necessitated splitting what should have been one installment into two parts. In continuing this rather sordid portion of my narrative, I am asking permission to review just a little of last week's copy before going on with the new.

It is my contention that practically every option signed by my neighbors was signed because of some form of fear. Herewith I am presenting some of the statements alleged to have been made by officials of the real estate division and which caused or contributed to this fear.

First, drawing from my own experience when the negotiator had made me four offers and finally stopped dead in his tracks at $7,000 and I told him I thought we'd better adjourn our official relationship and meet again in the United States district court—came the following statement:

"Oh well, if you want to fight a case against the Government, in a Government court, I don't suppose there is anything I can do about it."

And then another statement:

"If we get this option signed up all right, I can fix it so that you can rent any part of your land you want."

Next a statement made to Mr. Fred E. Krueger when that gentleman mentioned taking his case to court:

"Try taking it into court and the Government will just clean you up in bunches."

And now a statement made to Mr. H. T. Burns—not by a negotiator but actually—believe it or not—by the Chief of the Real Estate Division in person:

"If you don't sign that option, I'll raise your rent so high it will drive you out of the country!"

Here's another. This taken from court records of statements made under oath by Mr. Lawrence Mahowald. It seemed that Mr. Mahowald owned a dairy business, split into two parts. One was a small farm with a lot of expensive equipment, near Garrison. The other part was land some miles away which he used for pasture and without which he could not operate his dairy business. The negotiator was trying to make him sign an option on the pasture land. I quote from a record in United States District Court numbered Civil 13891.

Mr. Mahowald speaking: "Mister," he said (the negotiator), "if you need that land to keep your operations going, you better sign on the dotted line."

Now turning to another case, we come to the record in Civil No. 13,892. Marie Fix is testifying in her own behalf as the owner of a half section of land. The questions are by her attorney.

Question: "He said what?"

Answer: "He said if I didn't sign those papers the Government would condemn that land and then we wouldn't get no more than what they offered us for it, maybe less."

Now comes Mr. Amos House testifying for his daughter, Maria Fix. Mr. House was present at the time of the conversations between Mrs. Fix and the negotiator.

Answer: "What I heard him say was that if she didn't sign the contract, it would be condemned and she would have to take what the Government offered or less. That is all he said to her."

Turning now to that portion of the same record in which Mr. George Fairbanks was the appellant. Mr. Fairbanks, being allowed to tell his story without interruption, said in part—speaking of his conversation with the negotiator:

"So he said, 'Well, that is the very best I can do.' I says, 'You are a stranger to me. We are strangers. Be honest between man and man. What will you give me for this land?' He said, 'The best I can do is give you what it is appraised for.' And so I says, 'Well, now, if I don't sign this agreement, what then?' And he says, 'Well.' And I says, 'Will my land be condemned and will I be forced to sell?' 'Yes.' 'Well, then in

that case, if I don't sign this agreement, my land will be sold and I will be forced to move even if I want to stay here to live on it?' 'That's it exactly.' I says, 'If I don't sign this, my land will be condemned and I will be forced out of here in 30 or 60 days, is that right?' He says, 'That is right.'

In addition to these there were, I believe, some eight or nine cases prepared for trial in the United States District Court where the appellants claim they were influenced in signing the option by some form of fear.

Again, I should like to introduce a bit of unique testimony. It is unique because no attempt is made to define the fear which deprived a man of his home at a fraction of its value.

For this I am introducing a neighbor of mine, Mr. John Horner, Mr. Horner is unique in himself. Few men, if any, in the community have a reputation so high. Originally, I believe, he came from Austria and the finer points of the English language have always been a difficult matter to him. But the fact remains that for many years, his name has stood as a symbol of generosity and kindness and absolute honesty. If he ever had a quarrel with a neighbor, I never heard of it. Among those who know him, to question Mr. Horner's word would be unthinkable.

Over a year ago I was surprised to learn that Mr. Horner had signed an option surrendering his home and land for $10,000 when he owned a half-section of the finest land on the river bottoms, had just invested some $3,000 in remodeling his barn and had in his granaries, grain raised that year worth more than the amount he was offered and had accepted.

A few days ago I asked him what had happened. His reply was, "I guess I got stuck."

"Yeah," I said, "anybody could see that but how did it happen?"

"Oh, gosh," he said, "I just got scared."

"What did the negotiator say that scared you?"

"Don't remember what he said but he scared me and I signed up."

I wonder if there is a man or woman in America, outside of the Real Estate Division of the Army Engineer Corps, who would say that John Horner received "fair and just treatment?" The single fact that he signed away everything he had for the ridiculous sum is proof that either he clearly was out of his mind or else he was afraid of something.

By no stretch of the imagination is my home worth half of that which John Horner gave away. By going into the United States district court, I got $10,500 for mine. He got $500 less because he was afraid.

Let's go back to that Maria Fix case a moment.

Maria Fix owned a half-section of land. It was all rough land, regular badlands, except that most of the hills were grass-covered. It has some valuable timber, springs that never freeze, shelter that allows cattle to graze out in all but the stormiest weather, and enough coal probably to supply the State of North Dakota a month or so. During the period from 1910 to 1930 that land was valued—for loan purposes—at $15 an acre, not considering the water or coal. The buildings on the land, according to an itemized statement submitted to the court under oath, show a replacement value of $3,239. As a matter of fact the five-room house alone probably would cost more than that. There were fences—3 miles of them valued at $600.

Now I'm not going to total the above values or even ask you to figure in a half-interest in some 2,700 tons of lignite coal, all uncovered but about a week's work.

But the negotiator saw Mrs. Fix one evening and postponed business until the following day because her father was away. On the next day the negotiator returned and went through with a conversation, a part of which I have given you from the court records. At the end of that time, because of some sort of fear, Maria Fix signed away evrything she owned in the world for $2,800.

How about it? Does that sound like "just and fair treatment?"

If it doesn't and you feel that it couldn't be worse, wait until next week. I have just enough of a flair for the dramatic to save my most deadly dope until the last.

One-Hundred-Percent Increase in Tax

EXTENSION OF REMARKS

OF

HON. ALVIN F. WEICHEL

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 14, 1949

Mr. WEICHEL. Mr. Speaker, the Director of Wildlife has been endeavoring to secure more money for spending. Not through the Committee on Appropriations after proper examination of his expenditures but by having his own legislation introduced. Such legislation is embodied in S. 1076, calling for more money by the Director of Wildlife without the screening of his expenditures by the Committee on Appropriations. This bill calls for an increase of 100 percent in the duck-stamp tax from $1 to $2, which passed the Senate and is now in the House for consideration.

The Director of Wildlife, outside of regular appropriations screened by the Committee on Appropriations, has at his disposal $10,000,000 a year from a 10-percent tax on cartridges, firearms, and hunting equipment for wildlife restoration, including selection, restoration, rehabilitation, and improvement in areas of land or water adaptable as feeding, resting, or breeding places for wildlife. Out of said $10,000,000 he has taken $800,000 annually for administrative purposes, in carrying out the set formula of allocating the balance of the $10,000,000 after he has used the 8 percent for administrative expenditures, and there is presently about $14,000,000 unexpended balance besides the $10,000,000 coming in this year, as indicated to the Committee on Appropriations.

In addition to the said sum of $800,000 spent administratively and not secured through the Appropriations Committee and being spent by the Director, he further has at his disposal approximately $2,000,000 a year by a duck-stamp tax of $1 for the location, ascertainment, acquisition, and administration as to refuges for waterfowl.

Now the Director, through S. 1076, has asked for a 100-percent increase in the tax so that he might have more funds for administrative spending. Outside of administration moneys given to the Director of Wildlife by the Committee on Appropriations the Director has more than a million dollars a year for so-called administration spending from the 10-percent tax on cartridges, firearms, hunting equipment and the duck-stamp tax. The duck-stamp tax has been bringing in about $2,000,000 a year out of which the Director uses 10 percent for administration and in the year 1949 it has brought in $5,000,000 which is 150 percent more than has been previously collected. In spite of the 150 percent increased collection of the tax the Director is asking a 100-percent increase in the duck-stamp tax, all of this when he now has nearly $1,250,000 for administration spending outside of that given to him by the screening of the Committee on Appropriations. And further, the Director is to pay to the States for the same purposes all the moneys which have been collected on the 10-percent tax after his using 8 percent for administration.

It comes with poor grace at a time when the people are saddled with taxes to have a bureau come in and ask for 100-percent increase in taxes, especially when there is no screening by the Committee on Appropriations of nearly $1,250,000 used for so-called administration spending out of nearly $15,000,000 collected annually in the name of preservation of wildlife, and I am including a statement of Edward Hunter of the Denver Post who testified before the committee in the Senate.

STATEMENT OF ED. M. HUNTER, DENVER, COLO.; DENVER POST WILDLIFE COLUMNIST AND DENVER BUSINESSMAN

Mr. HUNTER. I want to make it clear in the beginning that I am not a representative of any organized groups of sportsmen.

In opposing the passage of S. 1076, the bill which proposes to raise the price of duck stamps to $2 and to use the extra money for management and the acquisition of additional wildfowl refuges, I believe I reflect the almost unanimous sentiment of unorganized sportsmen who have not heretofore been heard on this matter.

There are in Colorado alone at least 25,000 of these unorganized duck hunters who buy duck stamps every year. They are not members of any of the sportsmen's organizations which have a total membership in Colorado of not more than three or four thousand. In this respect, I believe Colorado is typical of most of the other States in America.

I base my estimate of the sentiment of these unorganized hunters upon the mail which I receive as a result of my hunting and fishing column in the Denver Post and upon my extensive personal contacts with rank and file hunters and fishermen in all parts of the West.

These rank and file hunters are perfectly willing, even anxious, to approve a $2 duck stamp provided the extra dollar brings them more ducks to shoot. But we oppose the increase if it is to be used for so-called management which up to now has failed to provide adequate shooting for the hunters who pay the bill.

When the duck hunter buys a duck stamp and pays his special taxes on arms, ammunition, and other accessories, he is paying for shooting as distinguished from the mere protection of ducks or other game which cannot be harvested. Upon no other theory can the expense of maintaining the Federal Wildlife Service be saddled on the hunter instead of distributed over the entire national tax structure.

Ducks which cannot be harvested have no economic value. They are not a resource until they are available for shooting purposes. If they cannot be shot, or shot at, they are nothing more than an expensive nuisance. They are in fact so much of a nuisance that Representative LEMKE has introduced a bill, H. R. 4093, to raise the price of duck stamps to $2 so that Wildlife Service can pay farmers for crop damage done by ducks which the hunter is not allowed to shoot.

Likewise the Senate duck-stamp amendment would tax the hunter an extra dollar to expand a system which is fundamentally incapable of producing a sufficient number of shootable ducks for the 2,000,000 or more hunters who buy duck stamps every year. The present system has failed because it does not adequately promote the breeding of ducks.

The vast bulk of the ducks which fly over American shooting grounds, are bred in Canada and Alaska. This means that, as it now operates, the Federal Wildlife Service cannot touch the origin of the biggest part of the duck crop. Their efforts to increase the breeding of ducks are necessarily confined to a very small percentage of the total duck population.

The 200 refuges now possessed by the Service are mainly resting areas as distinguished from breeding areas. Their purpose is to conserve the seed stock of ducks, and to return enough breeders to Canada to produce a shootable crop of new ducks every year.

These refuges now cover 3,250,000 acres, acquired at a cost of $29,500,000, and maintained with duck-stamp money. Beyond the necessary function of preserving an adequate seed stock for return to Canadian breeding grounds, these refuges produce only a relatively small number of shootable ducks. No one has shown the duck hunter how the acquisition of more refuges or an increase in management can produce any worthwhile increase in the annual crop.

Under these circumstances, it seems obvious that the only way to produce more ducks for shooting purposes is to restore and develop additional nesting grounds in Canada where most of our ducks are bred. That such development is practical and successful is proved by the history of Ducks Unlimited. Ducks Unlimited is an organization of American sportsmen, financed by voluntary contributions from American hunters. Since 1938, with full cooperation of the Canadian Government, and with less than $2,000,000, this voluntary organization has restored and developed over 1,000,000 acres of breeding grounds in Canadian provinces, and has lifted the Canadian crop of shootable ducks which migrate over our shooting grounds to more than 110,000,000 in 1948.

Their engineers have surveyed and mapped out projects which could in a short time produce all the ducks we need for shooting purposes, at a cost far below the cost of our present system of refuges.

* * * * *

Mr. HUNTER. I notice in looking over the record of previous hearings that most of the people who have appeared before this committee have either been officials of the Wildlife Service; or the president of the Audubon Society, who, incidentally, last year said that the Wildlife Service had failed to handle the duck situation; and directors of State game departments. But I found nowhere in the hearings that I examined where there were any what you might call duck hunters, who were paying the bill, who have brought information before the committee.

The Soul of the Liberty Bell

EXTENSION OF REMARKS
OF
HON. B. W. (PAT) KEARNEY
OF NEW YORK
IN THE HOUSE OF REPRESENTATIVES
Thursday, July 14, 1949

Mr. KEARNEY. Mr. Speaker, under leave to extend my remarks in the RECORD, I wish to include the following editorial which appeared in the Hearst newspapers entitled "The Soul of the Liberty Bell":

THE SOUL OF THE LIBERTY BELL

(By Harry H. Schlacht)

"Proclaim liberty throughout all the land unto all the inhabitants thereof." Leviticus 25: 10.

Today we greet our glorious Fourth of July.

Today we remember the bell man, who, betwixt the earth and the sky, rang out proudly our liberty which, please God, will never die.

"Land where my fathers died,
Land of the pilgrim's pride,
From every mountainside,
Let freedom ring."

Today is the one hundred and seventy-third anniversary of our Declaration of Independence. It is the day our birth certificate as a Nation was signed.

It is a heartbeat in the march of time.

In the diary of our national life, how like yesterday, when it is past, that across the years we can almost clasp hands with the fathers of the Republic.

We see the knit brow, we see the fire-flashing eye, we see the firm step as they march for liberty across the pages of our history.

With reverence we whisper the names of those who live in the sleep of the ages.

Their blood has been transmuted with glory everlasting, and those who cherish the loftiest precepts of patriotism will ever worship at their shrine.

Our immortal Declaration of Independence demanded the equality of rights which God and nature intended man to enjoy.

Our sacred document embraced that simple and sublime declaration which comprehends in one short sentence the whole mystery of liberty and law—"I am a man."

It was the soul of the Liberty Bell.

It pealed like a trumpet blast throughout the world. It roused men and women of thought, of hope, and of action. It marked the fulfillment of the prayers of the centuries of every living soul.

That mighty spirit was rocked as an infant in the cradle of American liberty.

Here was a land where liberty is the property of every man.

Here was a land where freemen dare to speak, to think, and to write their convictions.

Here was a land where every man dared to go from any schoolhouse to any church house.

Here was a land where every man is a peer and no man cares to wear a crown.

They came, the pillars of all races, to our shores. They drank deep from the fountain of liberty. They helped to forge and build a new civilization. They wrought, fought, and died that liberty might live; that our flag might be unstained, that all men underneath its folds shall bear no chains, and that no man shall sigh for freedom, while a single star shall shine in the heavens.

America is truly God's country.

Today we grasp the spirit of our saintly sires. Today we yearn to hear the accent of their thrilling utterances.

Their words are as immortal as their immaculate glory. Their words will live as long in history as the guns of Bunker Hill.

Our hearts are stirred by the echo of their thoughts. Our hearts are filled with ennobling aspirations.

The rays of immortality flame around us as our whole being bows to the majesty of their mighty intellects.

By all the memories of the past, by all the impulses of the present, by all the noblest instincts of our souls, by the touch of their spirit upon us, we rededicate ourselves to the preservation of our blessed Nation.

Today we gaze at our God-given ship of state. It beams aloft the ensign of the 48 States. It is freighted with the destinies of 148,000,000 of American hearts. It is chartered by men of '76 to bear to future generations the liberty which they purchased with their blood.

Today we cry out, in the magnificent apostrophe of the poet Longfellow:

"Sail on, O Ship of State!
Sail on, O Union, strong and great!
Humanity with all its fears,
With all the hopes of future years,
Is hanging breathless on thy fate!"

Our ship of state must be guarded by the compass of God's word. Its helm must be firmly held by pure patriotism and pure religion. Its canvas must swell to the winds of His spirit.

It must be manned by American hands. It must be sailed under American colors.

Unless we do this—despite its well-laid keel and its massive ribs, its weighty anchor, and its majestic form, its towering mast, and its freighted charts—it will be the sport of angry waves of anarchy and communism.

Men of America—beware of the traitors in our midst who are plotting to destroy our liberty.

Guard our liberty with a watchful eye. Sleep not at your posts.

See to it that no stain sullies our Stars and Stripes. See to it that our glorious emblem waves ever from our shores.

Let us today renew our vow to our beloved country. Let us swear at her altar that the holy flame of patriotism shall burn "unquenched through the ages like Vesta's sacred flame."

The genius of American democracy will ultimately lead the hosts of liberty in Europe to certain victory.

The eyes of the world are upon us. The fate of communism is sealed. The people's hour is come.

May the God of our fathers ever be with us. May He ever guide us through shadow and sun. May He ever unite us. May He never divide us. May He keep us, the many in one.

This is the benediction of every American on this birthday of our Nation.

The Chickens Come Home To Roost

EXTENSION OF REMARKS
OF
HON. DANIEL A. REED
OF NEW YORK
IN THE HOUSE OF REPRESENTATIVES
Thursday, July 14, 1949

Mr. REED of New York. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following editorial which appeared in the July 12 issue of the Olean (N. Y.) Times-Herald:

The deficit of the United States Government for the fiscal year which ended on June 30 was much larger than administration spokesmen had predicted.

In fact, it was around $1,800,000,000—a figure large enough to give both Government officials and the average taxpayer quite a shock.

So much of a shock, indeed, that the realization has been reached by a considerable proportion of our people that with the deficit for the new fiscal year probably considerably greater than $1,800,000,000 the time is rapidly approaching when something will have to happen.

For even this great country cannot go in the hole to the tune of billions each year indefinitely.

There are only a few ways whereby the Government can balance its books—by deficit

financing, reduced expenditures, or increased taxation.

Increased taxation now is out of the question, and President Truman, who until quite recently demanded an increase of around $4,000,000,000 a year in Federal levies, has accepted the situation.

Indeed, there is an increasing sentiment throughout the country for a decrease in burdensome excise taxes as a means of stimulating business in general and combating a distinct deflationary trend.

And the Government knows, of course, that the more business declines, the more the Government's revenue shrinks.

As recently as the middle of May, experts of a Joint Congressional Committee on Internal Revenue Taxation estimated a drop of only $300,000,000 in receipts below the January forecast of $39,600,000,000.

But instead of only $300,000,000, the decline since the January estimate has been nearly $1,400,000,000; the net receipts of the Government totalling only $38,200,000,000 instead of $39,600,000,000.

A possibility that is disturbing Government economists is that receipts during the present fiscal year may drop even more than the congressional joint committee's experts estimated in May would be the case.

They predicted then that such receipts would be $2,100,000,000 less than was forecast in January.

And a drop of $2,100,000,000 would increase an estimated deficit of $900,000,000 to $3,000,000,000, assuming no reduction in expenditures.

We are beginning to sail quite close to the wind and we will have to trim ship if we are to navigate successfully.

Most of us are watching, with mixed feelings, the economic mess in which Britain now finds herself—a situation, let it be stated, that is far more serious than most of us have realized.

It would be foolish to delude ourselves that we must not begin to watch our own steps very carefully, lest we find ourselves floundering in a similar mire of stagnation and near-bankruptcy.

Reds Still Gain in East

EXTENSION OF REMARKS
OF
HON. DONALD L. JACKSON
OF CALIFORNIA
IN THE HOUSE OF REPRESENTATIVES

Thursday, July 14, 1949

Mr. JACKSON of California. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following article by Hanson W. Baldwin, from the New York Times of July 14, 1949:

REDS STILL GAIN IN EAST—COMMUNISTS HELD USING LULL TO ADVANTAGE AS WEST LOSES GROUND BY "DOODLE-DRIFT"

(By Hanson W. Baldwin)

Political and military thunderheads hang above the Orient and the present outward calm precedes a coming storm.

Events of the past 2 weeks reveal clearly that communism is still on the march in Asia and that the western world is still fighting a losing battle to contain it.

In China the Communists have halted to consolidate politically and economically their military conquests before pushing on to new victories, in much the same manner that the Russian Army halted periodically during the last 2 years of the war to consolidate its gains and to bring up supplies. But the lull had not been used by the democracies; we are still following a hands-off policy—a negative policy—in China.

There is no major military impediment to a resumption of the Communist advance toward Hong Kong and south China; nor has any support developed in the Communist-held areas of China for the fatuous belief that a Communist China might turn toward the west instead of toward Russia.

Political opinions do not necessarily follow trade routes, and even though Communist China may need the products of the west—as eastern Europe undoubtedly needs them—we should not expect economic exchanges to lead to political friendship.

There has been no evidence of any development of Titoism in China. It would be premature to anticipate any such development so soon. Those who comfort themselves with this hope are probably indulging in wishful thinking. There has been, on the contrary, a revival in parts of Communist-held China, notably Shanghai, of antiforeign feeling, led by the Communists. It is probably fair to say that the prestige of the United States and of the western world in this whole area has never been lower in modern times.

In Korea, there is a dangerous dichotomy between our foreign and military policies. At the very time our occupying troops—the only stabilizing influence in Korea—have been withdrawn Congress is asked to provide $125,000,000 for economic aid. But dollars will not stop the bayonets of the Communist-dominated North Korean army on the thirty-eighth parallel. The days of the South Korean Government probably are numbered unless there is a drastic change in our plans and policies.

In many other areas of the east, communism is emerging as a stronger force than had been anticipated. In Japan, the Communists have gained steadily in strength in the past year. The military phase of our occupation ended long ago. Gen. Douglas MacArthur now is coping with economic, political, and psychological problems of immense magnitude. He is working in fields in which he has no particular competence and his usefulness in Japan—great in the initial phase of the occupation—has come to an end. A new and bold policy and a civilian governor to administer it are needed.

In Indonesia, the Republic's first and probably growing problem will be communism. In French Indochina, the Communist-led guerrillas defy a nation that once possessed an army with an unrivaled prestige.

Our politico-military hands-off policy in the Orient is perhaps better described as a policy of "doodle and drift."

America Muffs DP Opportunities

EXTENSION OF REMARKS
OF
HON. ANGIER L. GOODWIN
OF MASSACHUSETTS
IN THE HOUSE OF REPRESENTATIVES

Thursday, July 14, 1949

Mr. GOODWIN. Mr. Speaker, in the Christian Science Monitor of July 12 is a very interesting and enlightening article by staff writer Josephine Ripley on our handling of displaced persons, and I include it herewith under leave to extend my remarks:

AMERICA MUFFS DP OPPORTUNITIES

(By Josephine Ripley, staff writer of the Christian Science Monitor)

WASHINGTON.—After opening immigration gates reluctantly for the admission of 205,000 displaced persons, the United States then closed its eyes.

It is the only country admitting displaced persons which does not hand-pick what it wants. It takes what it gets—and it is not getting the best.

That is the impression that I and other newspaper correspondents gained after touring displaced persons camps in Italy, Germany, and Austria and returning on a DP ship.

Other nations have missions on the scene to select the immigrants in accordance with national needs. Canada's mission is hand-picking farmers and lumbermen from among the Balts.

Australia made its first choice from among the Latvians, Estonians, and Lithuanians. It is now taking Poles, Czechs, Romanians, Yugoslavs, and more recently single Jews. It wants 100,000 DPs this year in line with a national population drive.

The Belgian mission has been selecting coal miners. Britain is hand-picking all types of labor. France is taking farm families.

In contrast, the United States is operating under what has turned out to be a flimsy, complicated, and almost meaningless piece of legislation. It requires that 40 percent of the immigrants shall be Balts—refugees from communism; 30 percent shall be farmers, and none admitted who came into the camps after December 1, 1945. This shuts out many of the most desirable and deserving refugees.

All must have the assurance of a job and a place to live before they can come in. With this, the Government washes its hands of the whole affair. Actual selection is left to individuals—employers looking for labor, relatives, or friends of the DPs—and to voluntary agencies.

It is the voluntary agencies, not the Government, which have missions abroad picking and choosing the immigrants. Biggest and most active among these are the National (Roman) Catholic Welfare Conference, the Hebrew Sheltering and Immigrant Aid Society, and the Church World Service, Inc., representing Protestant groups.

It has been protested that the legislation, in effect, discriminates against Jews and Roman Catholics. If so, this does not show in immigration shipping lists.

On the DP ship on which I returned there were 329 Roman Catholics, 268 Jews, 168 Protestants, 81 Orthodox, 74 Greek Catholics, 12 Evangelical, 5 Lutherans, 2 Greek Orthodox, 2 Adventists, and 1 Mennonite.

The majority of shipping lists show a similar religious and racial make-up, with little variation.

The requirement that all immigrants have specific job assurances has little meaning. There is nothing binding about these contracts. The prospective employer is under no legal obligation to accept the DP once he arrives. The DP may change his mind and take another job at any time.

The legislative requirement for farm labor is being liberally interpreted. Many are signing up as farmers who have little or no acquaintance with agriculture.

I talked with one young man coming in under that classification on the job assurance of a friend. The farm on which he will work is a back-yard flower garden in New York City.

The young man is a linguist, an intellectual, and a fine individual. He will make a first-class citizen, but not a farmer.

On the ship I saw and made friends with many fine prospective Americans among all races and religions. I felt that they had left the old for the new with a sober sense of obligation and loyalty to their new country.

I saw others whose objective in emigration was simply "to make a lot of money," as one of them put it bluntly. One of the ship's mates, who has seen a great many displaced

persons on their way to new lands, sized it up this way: "We have some splendid people aboard who will certainly become an asset to the Nation—musicians, skilled workmen, artists. But they are a small minority of the total passenger list. It seems to me the United States is letting itself in for a very raw deal on quality."

This should not be interpreted to mean that the United States should admit fewer DP's. On the contrary, it could profitably admit more. There are many highly desirable workers and citizens among the camps. They would make fine Americans.

The fault is not with admission, but with the system. Congress would do well, in considering revision of DP legislation, to review the whole program on a realistic basis, as other nations have done.

To Bring Peace

EXTENSION OF REMARKS
OF
HON. CHARLES R. HOWELL
OF NEW JERSEY
IN THE HOUSE OF REPRESENTATIVES
Thursday, July 14, 1949

Mr. HOWELL. Mr. Speaker, under leave to extend my remarks in the RECORD, I wish to include an editorial printed on July 11 in the Trenton Evening Times on the subject of world federation, in which I am most interested. It is my sincere belief that the future peace of the world rests on the creation of a strong world government built on the foundation of the United Nations. This same belief is expressed in the Times editorial, which follows:

TO BRING PEACE

The desire for peace on the part of every American is the reason for our support of the United Nations. We continue our support of UN although the veto power permits the Russians to muddy the waters of peace.

Coming before the Senate soon will be three proposals designed to strengthen our chances for peace. They are the Ely Culbertson suggestion, the Atlantic Union Committee, and the United World Federalist proposals.

A 30-YEAR WAR

Mr. Culbertson would have us say to Stalin: "You must submit to world government and if you don't join now we will be forced to use the atomic bomb. We'll give you 1 month to decide." Such a proposal is directly opposed to the United Nations and would justify Russia's suspicion of us. It would lead directly to a preventive war which General Bradley has estimated would take 30 years to win. It would be hard for democracy and freedom to survive such a struggle.

The Atlantic Union Committee, acting on the principles set forth by Clarence Streit before World War II comes closer to the mark but makes two false assumptions, that peace can be had through military measures in the atomic age and that the experienced democracies are superior and can best work toward peace by starting with an exclusive and partial federation.

NO BALANCE OF POWER

Nearly every responsible military leader, like Generals Eisenhower, Bradley, Arnold, and MacArthur, has stated flatly that another war would be disastrous, even in victory. Atomic bombs and bacteriological weapons are not made for balance of power, like planes and warships.

Morally, we would be trying the impossible to claim that our standards of democracy were the only standards for a world federation. The Communists would grab the chance to point out that Russia honored and welcomed all men while the imperialist democracies excluded most of the peoples of the world.

THE ONLY WAY

The plan of the United World Federalists does not compromise with peace or with freedom for all men. It insists that world federation, no matter how hard it may be to realize, is the only practical way of geting peace and freedom. It seeks to work through the UN without letting Russia's veto stop us. The World Federalists favor going ahead without Russia, if she won't join, but leaving the door open on our own terms. While it is true this would be only part of world federation, since the Russians and their friends would not be likely to join, the United States would be stronger. Our moral and military position, because we would be acting on a clear principle and because we would have joined with us nations from all corners of the world, would be unassailable.

The only way in which we can be truly prepared for peace and prepared, at the same time, for the worst that may happen, is by a world federation. We must leave the door open for Russia to join whenever the Communists see that we mean peace as much as we meant war.

American Youth Speaks for Democracy

EXTENSION OF REMARKS
OF
HON. B. W. (PAT) KEARNEY
OF NEW YORK
IN THE HOUSE OF REPRESENTATIVES
Thursday, July 14, 1949

Mr. KEARNEY. Mr. Speaker, under leave to extend my remarks in the RECORD, I wish to include the following article by Harry H. Schlacht, entitled "American Youth Speaks for Democracy," which appeared in the Hearst newspapers on June 24:

AMERICAN YOUTH SPEAKS FOR DEMOCRACY

(By Harry H. Schlacht)

Let every child learn from the cradle to the grave that his first and last duty is to his country.

Today we join with President Truman in honoring William Johnson. He is the 17-year-old student of McAlester, Okla., High School. He is the winner of the $1,000 prize in the national essay contest on Why Democracy Works.

We congratulate the all-American Benevolent and rotective Order of Elks for initiating this all-American contest.

It is a great organization of 1,000,000 patriots, who believe in the Constitution of the United States, who subscribe to the constitutional guarantees of liberty and equality, and who love our God-blessed country.

"We sponsored the contest to encourage the Nation's youth to study democracy and learn its fundamental principles for themselves," declared George I. Hall, the grand exalted ruler of Elks.

"The purpose has been gratifying.

"The essays written by these high-school students show that they understand that democracy's strength lies in the fact that it serves all the people."

Harold E. Stassen, president of the University of Pennsylvania, was national chairman.

Rabbi Dr. Samuel Belkin, president of Yeshiva University, and Rev. Francis X. Talbot were his associates on the committee.

Let young America speak for democracy, that noble heritage won with the sword of courage, baptized with the blood of patriots and cleansed with the tears of their loved ones.

Let us hear the voice of young America. The hope of our democracy, the salvation of our civilization. Our American youth will uphold our American tradition. Our American youth will crush any effort to undermine our glorious Nation.

Let us all read with glad hearts the winning essay—Why Democracy Works, by William Johnson

"We, in the United States, are truly heirs of all the ages, building upon a foundation of the vast experiences of others. From the years of the Anglo-Saxons to our present time, we have been building a democracy. A place where, guaranteed by our Constitution, all men are considered equal. Here men are given the right to worship when and where they may wish, an opportunity to enjoy their own leisure and to carry out their own desires insofar as these do not interfere with or endanger the rights, the privileges, and the lives of other people.

"But why is this possible? Why can we in the United States live in comparative peace and security while so many in the world suffer? One very good reason for this difference is that the people are themselves the best guardians of their liberty. If the people are the power in their country, no petty demagog or selfish tryrant can long take away their cherished rights. This is exactly what a democracy is. For democracy is that way of self-government by which the many choose the few who are to carry out their mandates instead of the few determining the will of the many. Democracy is, in the words of that great American leader, Abraham Lincoln, 'Government of the people, by the people, and for the people.' Democracy determines that the will of the many shall prevail, not the will of the few.

"Democracy encourages unhampered initiative in the individual, rather than placing him at the mercy of those who would regiment him to their own way of restricted working and living. As a civilized, intelligent individual, respected for his individuality, he has the right to protest against wrongs which may be done against him and other men and is encouraged to seek correction of these wrongs in an orderly and worthy manner in courts set up for his protection.

"This principle of living, based on the Golden Rule, is that which dictators dread and tyrants fear. Its deepest concern is to protect human rights insead of exploiting the people who should possess these rights.

"Democracy encourages and fosters the public school, whereby every child has the same opportunity to learn how to make a living, and also how to live a life which is useful and abundant, both for himself and his fellow men.

"Every person is given the right to speak whatever his mind and his heart may dictate; the right to say whatever he desires about his government and the defects in his society, provided, of course, he does not speak words of treason, or those which counsel the tearing down instead of the building up of free institutions, or the jeopardizing of the inherent rights of free men and women.

"Where all men are considered equal, the human spirit is exalted rather than crushed. Here men are granted an abundance of life instead of the pitiful existence which is the lot of millions who live under the dread shadow of dictators and the secret police or

even those in whose country freedom has been only partially achieved.

"Democracy is an ideal, a way of life that is embedded in the heart of every American citizen, conversely every American citizen is democracy.

"Throughout the years, since the establishment of our Government, we, as a Nation and as individuals, have made mistakes. Hence, we realize that democracy is not a perfect government, but we also realize that under our Constitution we can correct our mistakes and that we grow in stature by our experiences. Perhaps our American democracy will never reach perfection, because our ideals advance with our progress, but we can make it serve more and more people better as the years go on. Our goal is to put laughter in the eyes of little children, hope in the hearts of youth, and contentment on the faces of the aged, instead of leaving all these with the despair and the hopelessness which is the universal and grim bequest of all those who live in lands where democracy is unknown.

"The ultimate worth and value of a government is determined by its end results. The results of democracy are so evident that they prove beyond any shadow of doubt it is the finest form of government ever conceived by man.

"May we transmit to an invisible posterity our democracy, not tarnished but made brighter with careful use.

"May we transmit to unborn generations our blessed democracy, not diminished but made greater through its extension to liberty-loving people everywhere.

"May the glorious order of the Elks—dedicated to God, country, and our fellow man—shine on with increasing luster and glory.

"Guard blessed America. God bless America."

Chinese Communists Further Reveal True Colors

EXTENSION OF REMARKS

OF

HON. WALTER H. JUDD

OF MINNESOTA

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 14, 1949

Mr. JUDD. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following editorial from the New York Times of July 2, 1949:

MAO AGAIN ON RECORD

Mao Tze-tung, leader of the Chinese Communists, persists in putting himself on the record in contradiction of his apologists in this country and in contradiction of the wishful thinkers about China. The apologia and the wishful thinking center chiefly on these themes: (1) The Chinese Communists aren't really Communists but represent a popular reform movement; (2) Mao Tze-tung is not really deeply Soviet-oriented in his sympathies and will turn out to be some sort of Tito who will be friendly to us instead of to the Kremlin; (3) we can and should do business as usual with the Chinese Communists and if we deny them our aid we will prejudice all of China against us.

Mao is explicit on all those points in his most recent pronouncement. On the first he says that the experience of several decades tells the Chinese that they must have a democratic dictatorship. Freedom of speech, assembly, association and franchise is to be restricted to the people and not to reactionaries. In other words, to those who concur in the dictatorship. That is agrarian reform and people's democracy, Communist style.

Is Mao a potential Tito? This is what he says: "We belong to the anti-imperialist front, headed by the Union of Socialist Soviet Republic." "China," he says, must "ally (herself) with the Soviet Union, ally with the new democratic countries of Europe and ally with the proletariat and masses of the people in other countries to form an international united front." He has indicated that this position is based in part on gratitude for Soviet assistance, declaring that his victory would have been impossible without the aid of the Soviet Union.

There is still business as usual and the need for aid to China. Mao says clearly that he can look for aid only from the Soviet Union and not from the imperialist front. But after having reproached reactionaries for thus far forestalling the opening of trade and diplomatic relations he has indicated quite clearly upon what basis those relations can be set up. They will be achieved, he says, "if we unite all forces at home and abroad to smash domestic and foreign reactionaries." Of course, it is the foreign reactionaries, in his vocabulary, who are the ones who are urging business as usual. On the face of it, they can get the business if they cooperate in being smashed.

Presumably there will still be persons who content themselves with holding that Mao's bark is worse than his bite will prove to be. There is nothing on the record, however, to suggest that Mao doesn't mean exactly what he says and that he will not carry out his program as he has laid it out, if he can. There is certainly no suggestion in any of his utterances, or in his acts, that his program will by any stretch of imagination be friendly to the United States.

The President's Message

EXTENSION OF REMARKS

OF

HON. CHARLES W. VURSELL

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 14, 1949

Mr. VURSELL. Mr. Speaker, the President's message this week to Congress was an admission that he was wrong on every recommendation he made to the Congress last September when he convened it for political advantage.

At that special session he asked for the restriction of bank credits, for higher reserve deposits, restricted loans, and installment buying. The Congress gave him only about one-third of the restrictions he asked for, realizing that to grant him full power would bring on an immediate disastrous depression.

Every restriction given him has been thrown out the window as prices continue to decline.

In his message last week he still insists on greater spending, increase in the number of weeks, and higher unemployment pay; more and higher governmental assistance to all of the great bulk of voters; more politics.

Two weeks ago he said we must balance the budget and prevent deficit spending. Now he says we should not balance the budget and advocates deficit spending.

Let me explain deficit spending. The public debt now stands at $252,000,000,000. If the President and his administration continues to spend more than is taken in, the amount will be added to the increase of the national debt.

Ten days ago Senator GEORGE, a Democrat, said, "We should not increase taxes." The President quickly replied, in substance, "The Senator is wrong." With a straight face Monday the President said, "We should not increase taxes," as though it was his own idea.

He said the budget cannot and must not be cut. Take a look at this and you may see why.

The first act of his leaders in the Eighty-first Congress was to increase his salary from $75,000 to $100,000 a year. In addition they gave him $50,000 a year free of Federal taxes, which, added to the $40,000 he has for entertainment and travel, puts his cost at $190,000 a year. In addition the President is furnished with an expensive yacht, the presidential plane, cars and chauffeurs, as well as living quarters, all free.

Tuesday the President and his leaders forced through this Congress a bill increasing the salary of 240 of his top executives which gave them an average increase per person of $5,154; 240 men were given an increase of $1,237,173. Many of us Members opposed the increase to the President and to the executives referred to.

Thousands continue to be added to the expanding Federal pay roll. In May 9,180 persons were added and it will take $30,000,000 to pay for these added employees in May alone.

Let me throw some more light on the spending spree of this administration. In the fiscal year of 1949 the 14 executive departments of Government under the control of the President spent $5,000,000,000 more than was spent in 1948, yet the President says we cannot and should not cut the cost of government.

H. R. 5208

EXTENSION OF REMARKS

OF

HON. NORRIS POULSON

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, July 5, 1949

Mr. POULSON. Mr. Speaker, my colleague, Mr. D'EWART, has made a fine presentation of H. R. 5208. This legislation before us today is long overdue. When we read the history of our country, and I mean the authentic history, we find that one of the black marks against our record is our treatment of our Indians. Even since my membership on the Indian Affairs Committee, I have been dumbfounded and ashamed of our past treatment of the Indians.

We have violated our treaties with them. We have herded them like wild animals from one section of the country to the other. Discovering that the land upon which they were located might be

valuable in the future, we have traded them out or have moved them on to land which we were positive would be of little value.

The Navajo Indians are living in an area which can only be made livable through the assistance of such legislation as contained in H. R. 5208 now before us. This legislation has been thoroughly discussed and the amounts have been pruned down to the very minimum. There is no need for further debate. What we need is action; namely, the passage of this legislation.

Our Spanish Policy

EXTENSION OF REMARKS
OF
HON. LANSDALE G. SASSCER
OF MARYLAND
IN THE HOUSE OF REPRESENTATIVES
Thursday, July 14, 1949

Mr. SASSCER. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following recent communication of wartime Ambassador Carlton J. H. Hayes, an appointee of the late President Franklin D. Roosevelt. This important document was drawn to my attention by a Maryland scholar and friend, Dr. Joseph F. Thorning, associate editor of the Americas and World Affairs. According to former Ambassador Carlton Hayes, honor and gratitude alike suggest the importance of a United States Ambassador in Madrid, especially at a time when we have seen fit to appoint a chief of diplomatic mission in Sovietized Hungary, where His Eminence Joseph Cardinal Mindszenty, was submitted to a judicial lynching.

AFTON, N. Y., *May 21, 1948.*

MR. ANDREW GAHAGAN,
New York, N. Y.

DEAR MR. GAHAGAN: I deeply regret that a speaking engagement in Binghamton prevents me from accepting your kind invitation to dinner in Washington on Tuesday evening. I particularly regret not having the opportunity which the occasion will afford of greeting the distinguished Spanish Ambassador, Señor Don José de Lequerica, who was Minister of Foreign Affairs at Madrid throughout the last year of my ambassadorship there and whom I greatly esteem as a personal friend and a true friend of the United States.

It is very unfortunate that propaganda of the Soviet Union, and of its conscious or unconscious apologists and appeasers in this country, has served, especially during the last 3 years, to conceal from the American people the signal services which Spain rendered us in the critical war years from 1942 to 1945, and to induce our Government to adopt toward Spain a policy which I can only regard as contrary to American interests and derogatory of American honor. Our fellow citizens should be enlightened, not deceived, about the actual facts in the situation.

Under Señor Lequerica, as under his predecessor, Count Francisco Jordana, the Spanish Foreign Office, with the obvious approval of the head of the Spanish state, granted us more favor than did any other neutral government, whether Sweden, Turkey, Switzerland, or Portugal. Not only did the Spanish Government pledge itself not to interfere in any way with our fateful landings and campaign in north Africa; not only did it assure us as early as February 1943 that it would join us in the war if the Axis should attempt an invasion of Spain; not only did it permit us to use Spain as the base for invaluable espionage of Axis activities in France and Mediterranean; it also accorded us important positive favors. It allowed us to get over 1,200 American airmen safely across the peninsula, without any internment. It permitted the transit and exit of over 25,000 members of the French resistance movement as reinforcements for the Allied armies in north Africa. It choked off export of strategic war materials to Germany before any other neutral had done so. Spain, too, was the first country to conclude a permanent air agreement with us, and one whereby we were enabled to obtain landing rights for military as well as civilian planes.

In the light of all such facts, it is simply hypocritical to countenance the notion that Spain has been hostile to us and should, therefore, be treated as a pariah among the nations. It certainly belies the solemn assurances which President Franklin D. Roosevelt gave to the head of the Spanish state in writing in November 1942.

The policy which we have latterly been pursuing toward Spain has had, I believe, still another unfortunate effect. It has retarded the natural and otherwise inevitable evolution of the Spanish domestic regime toward greater liberty and democracy. No nation likes to be dictated to by foreigners, and when our Government joins Marshal Stalin in telling the Spanish people that they must get rid of the head of the Spanish state, the natural response is popular reaction in support of the existing regime. And how silly it is to allege that Spain, or the head of the Spanish state is a threat to world peace. The real threat to world peace is in Moscow and not in Madrid.

Whatever may be the outcome of our presidential election this year, I sincerely trust that then, if not earlier, we will reverse our Spanish policy of the last 3 years. We should resume full and friendly diplomatic relations with Spain, and counsel our other friends in western Europe to do likewise. We should seek to cooperate with Spain commercially, economically, and culturally, and foreswear any interference in its internal affairs. We should eventually help to secure Spain's admission to the United Nations or to any other world or regional organization which may supplant or supplement it.

For Spain is vital, as I see it, to American interests. The late war has abundantly demonstrated the great strategic importance of the Iberian Peninsula for any way in which the United States, unhappily, may henceforth be involved. Nor can the United States have enduring proper understanding with Spanish America without proper understanding with Spain.

My high and cordial regards to Señor Lequerica and your other guests, and also to yourself.

Faithfully yours,

CARLTON J. H. HAYES.

Our Korean Policy

EXTENSION OF REMARKS
OF
HON. DONALD L. JACKSON
OF CALIFORNIA
IN THE HOUSE OF REPRESENTATIVES
Thursday, July 14, 1949

Mr. JACKSON of California. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following article by Owen Lattimore, from the Buffalo Courier-Express of July 9, 1949:

SOUTH KOREA MILITARY LIABILITY, SAYS WRITER

(By Owen Lattimore)

WASHINGTON, July 8.—It is a foregone conclusion that the Truman administration and the Department of State are going to have a rough time with their Korean policy. By the same token, Republicans in Congress, together with Democrats who are critical of United States policy in Asia, are going to have a field day sniping at the official presentation of the policy of granting President Syngman Rhee's South Korea $150,000,000 for a recovery program.

As the record stands, it is now revealed that State Secretary Dean Acheson made a strong appeal for the $150,000,000 grant before a closed session of the House foreign affairs committee. Unless South Korea gets the money, he warned, it will fall within 3 months. The unspoken but well understood suggestion is, of course, that it would fall because of incursions from Soviet-dominated North Korea. Acheson went on to add that if we leave Korea without providing this deposit of $150,000,000, a shiver of fear would run through the Philippines, Southeast Asia, and India.

EVACUATION NOT COMPLETED

Simultaneously with this urgent appeal, however, it is also revealed that the evacuation of American occupation troops from South Korea, where they have been sitting on the lid ever since the end of the war with Japan, has now been completed. All that remain are about 200 officers and men who have the dismal and unpromising mission of attempting to train an anti Communist and anti-Russian defense force.

There is an ominous comparison between this mission and the magic force, or military advisory group in China, which found itself completely baffled by corruption and personal warlordism in Chiang Kai-shek's China.

This combination seems utterly preposterous. Why withdraw the troops and at the same time leave behind a wad of $150,000,000 to stem the revolution? It is hardly a secret, after all, that the military authorities are convinced that with the American forces gone, the Soviet-backed North Koreans could take South Korea in a few weeks, dollars or no dollars.

Yet there is logic to the course of action advocated by Secretary Acheson. It is, moreover, a perfectly convincing logic. What makes the utterances of the Secretary of State sound absurd is not the logic of United States policy, but the fact that the policy is now conducted under rules of protocol which have become as rigid as tribal taboos.

For the logic we must go back to the sad precedent of China. The truth is that Gen. George C. Marshall, on his mission to China in 1946, before he became Secretary of State, became convinced of several unpleasant things which, because of the state of political opinion in America, could not be stated out loud.

First, he was convinced that the Kuomintang would not be able to triumph over the Chinese Communists unless it took American advice. Yet it was obvious that some of the most powerful men around Chiang Kai-shek were going to see to it that American advice was not taken.

Second, he was convinced that politically and militarily America could not handle the situation in China by taking the Kuomintang by the scruff of the neck and the seat of the pants and making it behave. Yet, he could not, as a statesman, advise what seemed sensible to him as a general—that the United States simply pull out and abandon an untenable position. That would

have exposed the United States to criticism for abandoning a wartime ally.

COMPROMISE COURSE

As a compromise, American policy took a course of relative inaction, but not complete inaction. As it became more and more obvious that Chiang Kai-shek and the Kuomintang were doomed, the conduct of American policy became increasingly delicate. The problem was how to allow them to fall without making it look as if the United States had pushed them. Such a policy never succeeds completely, and critics have done their best to make the public believe that the United States did push Chiang and the Kuomintang over the cliff. The public, however, has shown itself hard-headed, and has realized that the Kuomintang, and especially the more violent militarists whom Chiang was unable to control, were responsible for their own doom.

Korea is another chapter in the same unhappy story. I have yet to meet an American who knows all the facts and believes that Syngman Rhee is either a popular or a competent President of south Korea. In spite of high-pressure elections, his legislature is more badly split against him than China's was against Chiang Kai-shek.

An Independent Judiciary

EXTENSION OF REMARKS
OF
HON. WAYNE L. HAYS
OF OHIO
IN THE HOUSE OF REPRESENTATIVES
Thursday, July 14, 1949

Mr. HAYS of Ohio. Mr. Speaker, under leave to extend my remarks in the Appendix of the RECORD, I include as a part thereof, an editorial from the Washington Daily News, a Scripps-Howard newspaper, of July 13.

No one has fought communism and its evil doctrines harder than I have. It was my vote in the Ohio Senate in 1941 which swayed enough doubtful votes to pass a law barring from the ballot in Ohio any group whose aim was the overthrow of the Government by force. I have introduced, in this Congress, a bill to prohibit groups advocating the overthrow of this Government by force, from using the United States mails. However, it is playing right into the hands of the Communists to have a constant uproar in Congress against the other branches of the Government. If Alger Hiss is guilty, I hope he receives a sentence for his crime. However, it is not the duty of the Congress to try him either on the floor of this House or in the public print. If the judge who handled his case has been guilty of any irregularities, let those who have been vociferous on the floor of this House bring charges against him in an orderly manner. This, incidentally, they have not done. The following editorial from the newspaper I think is timely and definitely American. I hope the membership will read it:

DON'T START IT

Two members of the House Un-American Activities Committee want a congressional investigation of Federal Judge Samuel H. Kaufman's conduct of the Alger Hiss trial.

We vote no. The judiciary branch of the Government traditionally is independent of the legislative and executive branches in our three-way balance. If the Un-American Activities Committee, or any other in Congress, should start investigating Federal judges just because their conduct of a trial, or its outcome, did not suit Congress Members, that independence would be undermined. And it would be only a step to congressional efforts to rearrange the judiciary to suit legislative whims and majorities.

Scripps-Howard newspapers 12 years ago fought strenuously against a court-packing plan attempted by the executive branch because of adverse decisions. Just as strongly we oppose any step in that direction now by the legislative branch.

Here Is One Farm Program of Established Soundness

EXTENSION OF REMARKS
OF
HON. SID SIMPSON
OF ILLINOIS
IN THE HOUSE OF REPRESENTATIVES
Thursday, July 14, 1949

Mr. SIMPSON of Illinois. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following editorial from the Quincy (Ill.) Herald-Whig:

HERE IS ONE FARM PROGRAM OF ESTABLISHED SOUNDNESS

Farm prosperity plays a major role in American economy, but the rightful role of government in agriculture is a debatable question. Perhaps the merits of the Brannan proposal, the Aiken law, and rigid parity will not be decided at this session of Congress. One plan important to agricultural health has, however, been accepted by both Houses of Congress. It is the grain-storage program.

This plan is neither new nor untried. The value of storing grains in lush years against the hazards of lean years was demonstrated by the ancient Egyptians. Prior to World War I it was an accepted practice of Midwestern farmers. As granaries fell into disrepair or were too small to handle greatly expanded crops, most farmers began selling small grains and some corn right from the harvest field.

The results were catastrophic. Through the twenties and thirties, grain was rushed to market within the space of a few weeks each year. Transportation systems were unable to handle it and buyers were lacking. Wheat lay in huge heaps on the Kansas prairies and everyone knows the story of tragic price declines. The farmer lacked the money to build granaries or to hold his grain even if space had been available. Bank loans on stored grain were practically unobtainable.

Under the Commodity Credit Corporation plan, farmers were enabled to borrow from the Government on stored grains. The parity price guaranty program insured them against ruinous prices. During the war there was more demand than supply for all produce despite big yields. Last year's bumper crops, however, topped demand and created what probably will become a normal condition of oversupply. There was not sufficient storage space.

The Crop Storage Act will permit the CCC to build additional storage space or to lend farmers up to 85 percent of the cost of bins. In order to secure a Federal loan, the farmers must be able to store his grain but the difference between the market price and the loan figure, on corn for instance, will almost pay the entire cost of new bins. The plan should result in a revival of on-the-farm storage, the simplest and most effective form of farm crop price control ever devised.

So, it seems, we are about to return to the old practice by which the farmer controlled the supply of grains and waited until demand lifted prices to a reasonable level before selling. Whatever the status of parity payments, the grain-storage program is sound, neither Government nor farmer can lose by it. It can be turned into a long-range automatic control program that will keep farmers prosperous whether or not Government takes a hand in farm crop prices.

Why the Marine Corps?

EXTENSION OF REMARKS
OF
HON. DONALD L. JACKSON
OF CALIFORNIA
IN THE HOUSE OF REPRESENTATIVES
Thursday, July 14, 1949

Mr. JACKSON of California. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following article from the Reserve Officer of July 1949:

WHY THE MARINE CORPS?

(By Col. Melvin J. Maas, U. S. Marine Corps Reserve; president, Marine Corps Reserve Officers Association)

The mere fact that we have always had marines—they are the oldest military servicemen in the United States—and that marines have always made a glorious record in peace and war, is not sufficient justification to continue having a Marine Corps.

If the Marine Corps is a duplication of the Army, as is frequently charged from some sources, and the Marine Air is a duplication of Naval Air and Air Force aviation, then there is no justification in maintaining the Marine Corps. The sole purpose of maintaining the Marine Corps is for spearhead-amphibious operations. In peacetimes, marines act as guards of naval installations and property and serve aboard capital ships as gunners, orderlies, etc. These peacetime functions, however, do not require a Marine Corps. They can be performed by civilian guards on shore and sailors at sea.

The fact is, however, that if the Marine Corps is abolished as a fighting arm of the United States' security team, then we may very well lose the next war. We will not lose such a war merely because there are no marines participating in the fighting, though their loss from our fighting forces would be felt seriously but that is not the major factor. The Marine Corps being small, homogeneous and a complete military organization possessing all weapons of warfare with the possible exception of submarines, are able to study the changing methods, techniques, and weapons of warfare, and plan the tactics to meet such changes in a way that no other military organization can. The marines were the only military men in this country who were ready for World War II when it came. Their combat organization, weapons, and methods were designed to meet the type of war with which we might be and as it turned out, were faced in 1941. The Army had to retrain almost completely after the war started. Even the Navy was not fully reorganized, equipped, and trained for the type of warfare that faced them in 1941. The marines on the other hand, immediately after World War I, realized that a future war would not be a duplication of World War I. They realized that they would not be fighting in trenches and that

signs of the times indicated that we would have to operate against shores held by hostile forces everywhere in the world.

In 1921 the Marine Corps was reorganized to prepare for such type of warfare. The Fleet Marine Force was born and a quiet but intensive study of modern amphibious tactics was begun. New weapons were designed such as the amphibious tank. Marine aviation was assigned the mission of close air support of amphibious landing operations. Their job was to assist in preparing the way for marines to land on hostile shores, by knocking out enemy shore defenses, and then to keep the enemy pinned down to reduce his resistance while marines waded ashore.

How successful the marines were in their concept, and the training and equipment they devised to carry out this concept, is evidenced by what happened in World War II. Not only did these tactics of the marines permit the Navy to conquer the entire Pacific island by island so that the Army and Air Force could ultimately get within striking distance of Japan, but it was these same tactics—taught to the Army by the marines—that enabled the Army to make its landings in Africa, Italy and finally on the shores of France. World War II was moving so fast that if these tactics and weapons to implement them, had not been ready when war broke out, there is little possibility that we could ever have won the war.

Already, the marines have forgotten World War II, as they immediately forgot World War I, and are developing techniques and weapons to be prepared against world war III, just as they started in 1921 to be prepared against World War II. It requires a completely integrated, small military force in which assault tactics are an entire military career, to make these kinds of studies and develop the necessary tactics, techniques, and weapons in time of peace to be prepared adequately for any future wars.

If the Marine Corps should be abolished in the name of economy or unification or for any other reason, we would be faced with the following alternative: either we would enter world war III unprepared for it and still with the techniques, tactics and weapons of World War II or the Army, Air Force and Navy would have to create by permanent assignment from their forces, ships, planes and ground forces to duplicate the Marine Corps. There would be no economy because these forces would have to be permanently and exclusively employed in the development and training of amphibious operations. Actually this would constitute no economy and in fact would be far more expensive than to continue to maintain the Marine Corps. The average cost of maintaining a soldier is $7,000 a year. The cost of maintaining a marine is $4,000 a year. Because of their highly specialized training, their highly developed skills in their specialty, the Marines are able to do a given military job with substantially fewer personnel and fewer weapons than any other branch of the service. This does not even touch on the question of that great intangible, the morale and esprit de corps of marines. This is important not only to enable the marines to do the job that they do as efficiently and expeditiously as marines always do it, but in itself is the right kind of stimulus to create the proper challenge to the sister services to spur them on in the performance of their own missions.

The Marine Corps of which marine aviation is a vital and absolutely essential component, is the sharp point to the spearhead of our defense forces. To destroy the Marine Corps would blunt the spear to the extent to which it might very well be destroyed as an effective weapon. In other words, our whole Military Establishment in its mission to provide security for this Nation, "must get there" to destroy the enemy's bases of operations. It is the Marine Corps through its peacetime developments and its wartime operations, which makes it possible for our great Army and Air Force to "get there." The Marine Corps has an even more vital role in the future security of this country than it has had in the past, as important as that has been.

William H. Newton

EXTENSION OF REMARKS
OF
HON. WAYNE L. HAYS
OF OHIO
IN THE HOUSE OF REPRESENTATIVES
Thursday, July 14, 1949

Mr. HAYS of Ohio. Mr. Speaker, under leave to extend my remarks in the Appendix of the RECORD, I include as a part thereof, two editorials from the Washington Daily News of July 13 and 14, 1949.

Bill Newton was a classmate of mine at Ohio State University and covered the Ohio senate in 1941 when I was a member of that body. He was my friend, yet he did not hesitate to criticize me when he thought I was wrong. He was eminently fair and forthright and in my opinion, one of the great newsmen of our time. The sorrow of his wife and family at his untimely loss will be shared by his friends, his employers, and his readers, who were legion. This country, in these perilous times, can ill afford to lose men like Bill Newton.

TRAGEDY IN JOURNALISM

The airplane crash that took the lives of 45 persons near Bombay, India, yesterday came as a particularly dreadful blow to the Scripps-Howard newspapers, including this one.

Among the dozen or more top-flight newsmen aboard the plane was our own William H. Newton and, in addition, Burton Heath of NEA whose dispatches often have appeared in the News.

Bill Newton, we think, was one of the great reporters of his time. The qualities of his greatness, which can only be suggested rather than defined, included an aggressive curiosity, a down-to-earth approach to the news he reported, an unquenchable love for the little people of all nations, and a forthright personality that could charm a story out of the most redoubtable sources.

The humanness of Bill Newton was rarely missing from his dispatches whether they came from Sweden, China, India, or Paris. Whether he reported a foreign ministers' conference or the plight of a stranded seaman in Shanghai there seemed always in his stories an underlying warmth and appreciation of man's effort to better himself. Yet he was explosively impatient with double-dealing, incompetency, or pettiness. Bill Newton couldn't be pushed around himself and he boiled over when he saw others pushed. Maybe that is why he loved the Russians and hated the Communists.

BILL NEWTON'S PHILOSOPHY

In the Scripps-Howard office, on the third floor of the Washington Daily News Building, one of Bill Newton's old friends was assembling his possessions for shipment to his family in Columbus, Ohio. It was a depressing task, for Bill had been killed the day before in an air crash near Bombay.

Among his papers was an old clipping of five lines of poetry by Galsworthy. The clipping had been pasted on cardboard and then covered with scotch tape so it wouldn't wear out. Those lines expressed Bill Newton's attitude toward life:

"Few would live so petty and unblest
That dare not hit at something ere he die
Rather than, screened by safe majority,
Preserve his little life to little ends
And never raise the rebel battle cry."

Freedom Is Not Bestowed, It Is Achieved

EXTENSION OF REMARKS
OF
HON. EDWARD H. REES
OF KANSAS
IN THE HOUSE OF REPRESENTATIVES
Thursday, July 14, 1949

Mr. REES. Mr. Speaker, under leave given me by the House, I include a copy of a speech delivered by Deane W. Malott, chancellor of the University of Kansas, before a meeting of the Kansas Wheat Improvement Association on June 17, 1949.

You will observe in reading this statement Chancellor Malott believes that planned programs are insidious and subtle and are weakening America. I commend the reading of this address, which follows:

Education calls for dedication, venturesomeness, and research—dedication of such men as Jess B. Smith, and Lee Marshall—venturesomeness, such as the $45,000 for wheat cleaning and treating assemblies—and research, that has added $55,000,000 to the wheat income of Kansas through crop increases of 35 to 40 million bushels.

The production and distribution of food is the world's largest industry, with about one-fourth of all economic effort in the United States devoted to this basic want. Grain handling, through the great grain handling mechanism, is said to be lower than the cost of moving any other standard food product. In this mechanism, hundreds of problems are solved, with hedgers, speculators, and processors all meshed into a most skillful and complicated mechanism in a free market, an expression of the ideals of democracy which has made America great.

A change is coming over America. Planned programs, insidious and subtle, and not much understood, are weakening the American fiber. Whereas it was never considered a sin to make money, or to practice thrift, that philosophy has changed so that now the amount of profit an individual or corporation can make is scrutinized by the Government, and the amount of income that may be kept has been set and controlled by the Government, which is attempting to be all things to all people. Before long, if the trend continues, every farmer will be told what he may plant, and how much he may market. The Government is wrapping its tentacles with a tightening embrace around every action of its citizens. It has allowed labor dictators like John L. Lewis to challenge the right of a man to remain on his job. In agriculture, through the Brannan plan, it proposes to keep income up, to farmers through subsidies, and prices down to consumers, through removing control. The difference between the prices to the farmers and their free level market must come from the pockets of the taxpayers. And remember the bureaucratic toll—the difference between what is taken from the taxpayers and

given to the receiving groups. If the farmers are to have the protection which would be afforded under the Brannan plan, then every group in the Nation is entitled to the same kind of protection. America would at last be, in every sense of the word, a socialized state.

The Government, this year, would lend 2 billions on wheat, cotton, and corn, plus millions for new Government storage. We are operating on the theory of an inexhaustible public purse. Federal grants to States, in 1930, were $147,000,000; in the fiscal year 1950, $2,480,000,000. There is Federal aid to schools—which includes everything, down to free lunches in communities which need it not at all. We have Federal aid for wildlife restoration and migratory bird conservation. We have aid to private enterprise as well as to States—$100,000,000 a year to air lines for carrying mail.

A day of reckoning will be forced upon us. The Federal debt is rising—now over $250,000,000,000, with $1,500,000,000 added this year, and $5,000,000,000 more to be added in the year beginning July 1. The current budget means a Federal tax of $312 on every man, woman, and child in America. Today, with $250,000,000,000 of Government debt and $230,000,000,000 of private debt, the debt is twice the national income. We can't tax enough to retire the debt. If we attempted it, business would be driven out. It must be done by reducing costs of Government.

Our Government spokesmen still occasionally mention free enterprise, but our own Government trade activities today constitute the second largest state trading operation in the world. The Government this year is spending $36,000,000,000 for goods and services. And, incidentally, it is spending $75,000,000 of your money and mine for domestic propaganda.

Our international responsibilities are not backed by sound policies. Politically, we are dealing with Russia as we once dealt with Hitler. We excuse today the totalitarianism we just finished fighting yesterday. In much of the world today we have peace without justice, and we excuse it and take our chances on tomorrow. Are we allowing slavery by default?

Every citizen has a duty to make himself heard in protest. Only public sentiment can bring the kind of cuts in expenditures which were recommended in the report of the Hoover Commission. Public opinion is the only answer. We cannot lay the blame at the door of President Truman. Congress is our stumbling block. The Congress will continue to yield to pressure groups and spend more and more money unless the voice of the majority of the people rises in a volume of protest which cannot be misunderstood.

Thomas Hobbes, the British political philosopher, wrote a monumental book away back in 1651, and he said: "Government is a necessary but dangerous monster which always devours men's freedom if it be not constantly subjected to appropriate controls."

And away back in the medieval Republic of Florence it was said: "The masses care little for the form of government. Their main interest is necessarily economic rather than constitutional. Their support is given to the government which raises their standard of comfort and provides diversion from their toil. Material results gratify the populace. They did not heed that the theory of government was being changed."

The danger is from within, not from without. The danger is from our own people who seek protection and security from the cradle to the grave. The ramparts of freedom are the citizens of the republic—with individual initiative, and the willingness to risk winning or losing, in the same indomitable spirit that built this great empire of the Middle West.

Lord Bryce, the great British publicist, commenting on our American political system, said that its greatest weakness was "the fatalism of the multitude; a sense of the insignificance of personal effort.

We can distribute wealth by political action, but not genius and character and leadership.

Freedom is not bestowed, it is achieved. It is not a gift; but a conquest. It does not abide; but must be preserved.

Pay of Postal Clerks

EXTENSION OF REMARKS
OF
HON. A. S. HERLONG, JR.
OF FLORIDA
IN THE HOUSE OF REPRESENTATIVES
Thursday, July 14, 1949

Mr. HERLONG. Mr. Speaker, under leave to extend my remarks in the RECORD, I include therein the very timely column written by one of my constituents, Henry McLemore:

[From the Washington (D. C.) Evening Star of July 13, 1949]

POSTAL CLERKS BADLY UNDERPAID

(By Henry McLemore)

The postal clerks of this country are seeking the passage of legislation which will give them a boost in pay, and here's hoping they'll get it.

They are almost as badly underpaid as school teachers which, in this day and time when the dollar doesn't have half the cents it used to have, means it is a wonder they have time to handle the mails for trying to make ends meet.

Working in a post office is a tough job. I trust someone will pop up and ask me how I know anything about it, because I have the perfect answer, namely, I worked in one; for one whole summer, to earn enough to finish my higher education, the benefits of which are now so obvious in this column.

TEMPTATIONS OF YOUTH

My first job was throwing mail—that is, distributing it in the boxes. Oh, the temptations of that job if you are young, in love, and in love with a girl who is in love with a fellow who lives in Providence, R. I., and who writes her every day.

Such was my situation, and to make it worse, the post office box of my sweetheart's father was in the section where I distributed. I had to handle those confounded letters from that confounded rival in Providence. No one will ever know how hard I had to fight with myself to keep from tearing up all the letters that came to Miss Lillian Burton from Rhode Island. They used to burn my hands. I'll have to admit that I often deliberately put them in the wrong box, thus making them a day late getting to Lillian.

But my worst trial came on the day when the low-life from Rhode Island sent what was obviously a picture of himself. I mislaid that for two full days while I debated with myself as to whether it wouldn't be better to tamper with the mails and spend the rest of my life in a Federal pen than to have my heart torn apart by the thought of that picture perched on my sweetheart's dressing table. I finally let Lillian have it, but I did kind of wrinkle it up the best I could before letting it loose.

BILLY-GOAT TACTIC

If all a postal clerk ever had to do was to try to put a Sears, Roebuck catalog in a post-office box he would deserve a halo as well as a raise in pay. We used to await the arrival of those monstrous catalogs with heavy, heavy hearts. The average-sized post-office box, in my time as a clerk anyway, was built more for the accommodation of a wren, thrush, or some other bird of similar size than it was for a catalog the size of a stick of firewood.

But they had to be put in the boxes. I didn't have the strength of arm to shove the things in, so I used to butt them in with my head. An hour or two of this billy-goat tactic left my head and temper in such a state that if I could have laid my hands on either Mr. Sears or Mr. Roebuck I would have done them in, and gladly.

Late in the summer, either because of merit or the fact that boxholders in my section were complaining of always getting mail that didn't belong to them, I was transferred to the general delivery window and placed in charge of the M to Z department. Being a general-delivery clerk is a hazardous business, because when people don't get letters when they think they should have letters they blame the clerk behind the wicket. I have had disappointed folks threaten to shoot me if I didn't come across with a letter.

Yes; let's give the post-office boys some more money. They're a deserving crew if there ever was one.

For the Chicken in Every Pot

EXTENSION OF REMARKS
OF
HON. EDWARD T. MILLER
OF MARYLAND
IN THE HOUSE OF REPRESENTATIVES
Thursday, July 14, 1949

Mr. MILLER of Maryland. Mr. Speaker, in these days of uncertainty, when the daily headlines report threats of economic, social, and even military disturbances, it is pleasant to be able to record a constructive and definite accomplishment—one of particular value to all lovers of good living.

Last Tuesday, in Salisbury, Md., the best way to cook a chicken was determined in the first national chicken cooking contest, held in that fine little city, in connection with the Delmarva Chicken Festival. The winner of the grand prize was Mrs. A. L. Karlik. For the edification and benefit of all, here follows her winning recipe as reported by the Baltimore Evening Sun. Although the recipe does not mention it, I am sure a chicken reared on the eastern shore of Maryland should be used to insure the most perfect results.

Mrs. Karlik's winning recipe:
One young plump chicken.
One lemon.
Two teaspoons salt.
One-fourth teaspoon black pepper.
One-half teaspoon paprika.
Melted butter or margarine.
Granulated sugar.

Split chicken in half, clean, and wipe as dry as possible. Rub entire surface with lemon. Sprinkle with salt, pepper, and paprika mixed. Coat well with melted butter or margarine and sprinkle lightly but completely with sugar. Lay chicken on broiler pan, without rack, skin side down (flatten as much as possible) and set under to cook evenly, and is done when meat on thickest part of drumstick cuts easily and there is no pink color near the bone.

"The Selfish Interests Who Still Oppose Unification Will Find There Is No Rabbit Blood in Louis Johnson—the President and the American People Everywhere Are Behind Him in His Fight To Compel a More Efficient and Economical Operation of the National Defense Establishment"

EXTENSION OF REMARKS
OF

HON. FRANK W. BOYKIN
OF ALABAMA

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 14, 1949

Mr. BOYKIN. Mr. Speaker, sitting in the Chamber yesterday, I came across an article in the Washington Daily News written by our good friend, Jim Lucas.

We in this House know Jim Lucas. We know him as a hard hitter and square shooter. We know him as a factual reporter who neither colors or editorializes his news column.

The article was headed "Just repeating rumors," and at the conclusion of these remarks I propose to insert that article into the RECORD.

Mr. Speaker, I do not know anything whatever about the merits of House Resolution 227, introduced into this House several weeks ago. I only know that it proposed investigation of the B–36's.

The gentleman from Pennsylvania [Mr. VAN ZANDT], who introduced that resolution has himself openly declared—and I quote his statement—that "he merely repeated ugly rumors which had reached him," and "that he did not say whether they were true or false."

Mr. Speaker, I do know about the rumors. They were planted in the cloakrooms and hawked around for a week or two in a hush-hush sort of manner in an endeavor to find somebody that would give voice to them on the floor of the House.

Even prior to the time that House Resolution 227 was presented to the House, the rumors were attributed to the forces which oppose the cancellation by Secretary Johnson of the contract to build the 65,000-ton superduper naval aircraft carrier.

Mr. Speaker, I do not know anything about naval air carriers, per se, but I would be very stupid and even lacking in the sense that God gave me if I did not know something about boat and ship construction. You will pardon a personal reference when I tell you that in World War I the company which I headed was awarded the pennant for having built more oceangoing ships than the total of all other shipbuilders on Gulf ports.

I need not remind you all of my long years of service on the Merchant Marine and Fisheries Committee nor of the fact that I served on that committee both in the prewar and the postwar period of World War II.

To me, the idea of building a superduper aircraft carrier has always seemed fantastic. The ship itself was to be so long that it would not even go through the Panama Canal and we would have been called upon to dig another canal at the cost of nearly $2,000,000,000 in order to get it from the Atlantic to the Pacific without sending it around the Horn. As I understand it, this was supposed to be the first one of a half dozen or more of these supercarriers. In fact, it was said that when this one was completed, the Congress would have been called upon to build six more so that the Navy would have a counterpart of the first supercarrier in each of the seven seas.

Mr. Speaker, my son Rob, who served in the Pacific with the United States Air Force, tells me that that "great, huge flat-top would have been duck soup for any enemy bomb or even submarine."

But that is not all. The carrier was to have cost $189,000,000 minus all of its aircraft equipment. Moreover, when such an aircraft carrier goes into action, it requires the protection and service of a fleet of heavy and light cruisers and destroyers, a flock of submarines, tenders, tankers, and a host of repair and other vessels, totaling 140 ships. Conservative estimate is that they would cost nearly $1,500,000,000, and certainly such a program would meet with the approval of the sponsors of the Navy League.

Mr. Speaker, moreover, the fleet of vessels necessary to the protection of the superduper naval aircraft carrier would have to be manned by nearly 45,000 commissioned officers and enlisted personnel. Every one of these would have been submitted to the heaviest possible enemy bombing, submarine, torpedo, guided missiles, and other attack in order either to destroy and render useless the aircraft carrier itself.

Now, Mr. Speaker, the carrier was designed to carry 28 bombers, not the great, large, intercontinental, 10,000-mile-range superbombers like our B–36, but smaller, short-range bombers that its pilots could fly off its deck with a prayer in their hearts that the carrier would be there and not at the bottom of the ocean when they got back.

Mr. Speaker, contrast the efficiency of that supercarrier and its attending fleet of naval vessels, and so forth, costing more than a billion and a half dollars with 28 of the greatest and fastest land-based, intercontinental superbombers that the world has ever known.

These, the B–36's, are ships that rise right straight into the heavens—a full 8 miles—and there travel at speeds upward of 350 miles an hour, costing but several million dollars as turned out by the Consolidated-Vultee, and each one of them manned by but 12 men.

In short, the B–36 is both an offensive and defensive aerial weapon. The total cost of 28 of the bombers—each carrying an effective pay load—would approximate something like $85,000,000, and expose at the very utmost only 308 men to death and destruction by the enemy, rather than the 45,000 in the task force attending the supercarrier.

Mr. Speaker, the reason that I know Louis Johnson had good reason for canceling that carrier contract is because I know Louis Johnson, and have been knowing him—good—and for a long, long time.

I know him as a good American and a good man. I know him as a man of character and of integrity. I know him as a good father, soldier, patriot, citizen, and his long service as Assistant Secretary of War constitutes a record of which any man can and should be justly proud.

I have no understanding of, or toleration for, the campaign of vilification and slander which now borders on the mental assassination of both body and soul of Louis Johnson. That is the very thing that brought this country to grief at the loss of the service of Louis Johnson's predecessor in the office of Secretary of Defense.

The selfish interests now opposing unification are going to find they are in for a fight, that there is no rabbit blood in Louis Johnson, and, moreover, that the President and the American people are behind him.

Mr. Speaker, I said that Louis Johnson was a soldier and a veteran. He saw action with the Fourth, Fifth, Eightieth, and Ninetieth Divisions in the Meuse-Argonne offensive, and was decorated by France with the rank of commander of the Legion of Honor. It was because of the trust they had in him that his buddies who knew him elected him to national commander of the American Legion.

He served as aide to the Secretary of War from 1933 to 1937 and as Assistant Secretary of War from 1937 until 1940.

Mr. Speaker, now hear me well on this. There is probably no man in these United States who did more to formulate and carry out the most difficult program of industrial mobilization necessary to the prosecution of World War II than did the Honorable Louis Johnson, now Secretary of Defense.

Even during that time he favored an expanded and an invincible Air Force for these United States and in that, I am sure, lies the source of the repeated slanderous rumors and innuendos which now assail him.

Of course, Louis Johnson is a party man—he has always been a Democrat and what was more natural than that he should support his party and its standard bearer, President Truman, in the last presidential campaign.

The President of the United States was himself a veteran of World War I. He knew Louis Johnson through all the intervening years, and as chairman of the Truman Investigation Committee, had first-hand knowledge of the marvelous service Louis Johnson had performed in preparing the country for World War II.

Was it not natural for the President then to select the man who had served as Assistant Secretary of War with such distinction—and place him in charge of the National Defense Establishment in order to bring about the unification and economies that are so sorely needed in our Defense Establishment today.

Let us be honest in this matter. Why should not President Truman make Louis Johnson his Secretary of Defense?

Would any Member of this House appoint a man whom he did not know to be his congressional secretary?

Is anyone gullible enough to believe that a Representative to Congress would refuse to appoint a good, faithful, experienced, trusted, and able friend as his personal secretary just because that his friend had helped him get elected to Congress?

The paid vassals of the "kept press" and the spokesman for the notorious Navy League are the ones that started this reaction when Louis Johnson canceled the building of the carrier, and I, for one, welcome the exposure of their nefarious activities.

Mr. Speaker, I need not elaborate further on this question. Now, in order that my every friend and colleague sitting on both sides of the aisle may read, I present the article by our friend, Jim Lucas, entitled "Just Repeating Rumors":

All Representative JAMES E. VAN ZANDT, Republican, Pennsylvania, knows about the B–36 bomber contracts, which are up for a congressional investigation, is what he reads in the newspapers, he says.

Mr. VAN ZANDT started the ball rolling May 25 when he demanded an investigation of "ugly rumors" about B–36 contract irregularities. In a House speech the next day he referred to the "political contributions" of Floyd Odlum, Consolidated-Vultee chairman. He said he had ugly rumors that Air Secretary W. Stuart Symington will resign to head a huge aircraft combine, and referred to the fact that Defense Secretary Louis Johnson once was a member of the Convair board. Convair makes the B–36. He dealt with Mr. Symington's past connections with Emerson Electric Co., of St. Louis.

Mr. VAN ZANDT said at the time he did not know if the rumors were true. He merely said they should be investigated in view of the seriousness of their nature, the insistence with which they are going the rounds, and the confidence with which they are asserted.

The House Armed Services Committee voted June 9 to conduct the investigation and was given $50,000 to hire counsel. Joseph Keenan, former Assistant Attorney General, and James Gillen, of Maine, have been employed. The probe will get under way late this month.

Committee Chairman CARL VINSON, Democrat of Georgia, says he wants to locate and identify the source of the rumors, examine the performance characteristics of the B–36, examine the roles and missions of the Air Force and Navy, establish whether the Air Force puts too much emphasis on strategic bombing, study the procedures of the Joint Chiefs of Staff in developing new weapons, study the effectiveness of the strategic bombing, and other pertinent matters.

Mr. VINSON said Mr. VAN ZANDT would be the first witness. Mr. VAN ZANDT doesn't see why. He says he still has no proof and hasn't tried to get it. He thinks it would be improper for him to testify before his own committee.

"I made no charges against anyone," Mr. VAN ZANDT said. "I merely repeated ugly rumors which had reached me. I did not say whether they were true or false. I want to know their sources and who conveyed them. I asked for an investigation of these ugly rumors."

Mr. VAN ZANDT says he is preparing to turn over his files to Mr. Keenan and Mr. Gillen. They consist, he says, of newspaper clippings arranged in chronological order plus extracts from letters he says he has received since the investigation was announced.

Mr. Symington has denounced Mr. VAN ZANDT's rumors as "lies." He categorically denied "Mr. VAN ZANDT's basic innuendo, that the B–36 picture is riddled with politics, influence, and disregard for the military security of the country." Mr. Symington is anxious to take the stand and deny each rumor point by point. Also he is anxious for Mr. VAN ZANDT to repeat his statements from the witness stand.

Mr. VAN ZANDT says there's no need for that. He concedes he is in no position to prove anything and would be quite happy if the investigation establishes that all of the ugly rumors are false. He says everyone concerned should welcome a chance to clear the atmosphere.

Mr. VAN ZANDT said today he has canceled plans to take a flotilla of LST's to Point Barrow, Alaska, as part of his summer training as a Navy captain in the Reserve. He will remain here in Washington throughout the investigation, he said.

Administrative Procedure Act

EXTENSION OF REMARKS

OF

HON. FRANCIS E. WALTER

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 14, 1949

Mr. WALTER. Mr. Speaker, my interest in the Administrative Procedure Act is continuously being stimulated by action, as well as inaction, of the Federal Communications Commission. In a recent statement to the House I observed that the Commission's penchant for delays had resulted in what appeared to be a deliberate slow-down by its legal staff, and it had thus avoided the requirement of the Administrative Procedure Act that the agency shall proceed with reasonable dispatch to conclude any matter presented to it. I stated then, and repeat now, that there is need for an inquiry into the causes and the ways and means whereby such avoidance is accomplished, and I intend to bring this information to the attention of the Congress in full detail as soon as the press of more immediate urgent business has somewhat abated.

Unfortunately, the Commission, or at least its legal staff upon which it relies for interpretation and construction of the Administrative Procedure Act, has not been responsive to the congressional intent nor the spirit of that act. The purpose of that act, as stated in the preamble, is "To improve the administration of justice by prescribing fair administrative procedure"; it is intended to uphold the law and yet lighten the burden of those on whom the law may impinge. The essential standard of fairness is applicable to the Commission, as an agency invested with executive authority; and it is equally applicable to those seeking such fair play from the Commission. Apparently that conception is not the Commission's. Its substantive rules, as well as general policy statements, are often so ambiguous that deciphering becomes a problem beyond the ken of lawyers, let alone that of laymen. For example, I might refer to a recent report of the Commission in the matter of editorializing by broadcast licensees which is couched in such legalistic abstractions and ambiguities that several of the Commissioners themselves felt impelled to state their additional or separate views because, as they said, the majority view leaves a licensee in a quandary and a state of confusion." It cannot be a government of law, rather than of men, if the persons regulated do not know and cannot determine what the regulation means, or if they must interpret at their own risk the meaning of an academic legal treatise released in the form of a regulation, a report, or a policy statement. Regulations and official statements of policy under the Administrative Procedure Act are intended as a guide for those regulated and not as an additional mental hazard for an industry already reeling from the impact of other constantly arising problems.

Moreover, in connection with the issuance of this very same report, I have been unable to determine, nor has anyone been able to advise me, whether it has the standing of a rule, regulation, or official statement of general policy adopted by the agency. The mimeographed release is entitled "Report of the Commission," but I am inclined to believe that the Commission intended it to be something more than enlightening, entertaining, or educational literature. It must have been intended as having some place in the scheme of regulation, and further intended that licensees, and persons subject to regulation, give heed to its contents. If such was its purpose, and I can find no explanation for any other, then the Commission again has avoided compliance with the Administrative Procedure Act by failing to publish it pursuant to law in the Federal Register either as a substantive rule or as a statement of general policy, formulated and adopted for the guidance of the public. Since the act further provides that "no person shall in any manner be required to resort to organization or procedure not so published," it is apparent that the Commission cannot legally expect licensees and other persons before it to abide by the dictum of the so-called "Report"; but, if past practice may be accepted as prognostication for the future, I assume that all those to whom it may apply will feel obligated to conform—provided, of course, that they can determine from the ambiguous language used what conformance means. I am hopeful that my proposed inquiry will shed light on the reasons for the employment of such a mode of regulation.

In a recent note in the University of Pennsylvania Law Review the Commission is severely criticized for its failure to properly construe and apply still other provisions of the Administrative Procedure Act. My curiosity being aroused, both because I am a Pennsylvanian and a member of the Judiciary Committee, I found that the criticism was based strictly on the legal premise that the Commission was misconstruing the intent and meaning of section 9 (b) of the act, which provides in substance that "no withdrawal, suspension, revocation, or annulment of any license shall be lawful unless, prior to the institution of agency proceedings therefor, facts or conduct which may warrant such action shall have been called to the attention of the licensee by the agency in writing and the licensee shall have been accorded opportunity to demonstrate or achieve compliance with all lawful requirements."

The purpose of this provision was to avoid costly hearings, both to the Government and to private parties, where it was possible to do so. This was a mandate from the Congress borne out forcibly by our committee reports and House debates. In detailing the scope and purpose of this provision of the act to the House, when the act was reported out of the Judiciary Committee, I, as chairman of the committee at that time, stated that the purpose of this section was to remove the threat of disastrous, arbitrary, and irremediable administrative action. Yet the very thing we were fearful of at that time comes to pass when the law is being administered by an agency content to relax within the confines meticulously mapped out by an ever-assertive, power-seeking legal department.

In order to maintain a greater club over station licensees, the Commission, by advice of its legal department, takes action on renewal applications in many cases rather than instituting revocation proceedings. The process is easier for the Commission since it throws the burden upon the applicant to prove why his license should be renewed instead of placing the burden on the Commission to show why it should be revoked. So, under section 9 (b), the Commission, upon advice of counsel, declares that licensees subject to renewal proceedings are not embraced within the same category as those subject to possible "withdrawal, suspension, revocation, or annulment" of facilities; and as a result the Commission need not afford renewal applicants the benefits of section 9 (b), namely, the opportunity to achieve compliance without a full-dress hearing. Disciplinary hearings which question particular activities of a licensee are in fact revocation proceedings in the guise of renewal proceedings, and the safeguards surrounding revocation must therefore apply to them; the law intended that they should. By denying renewal applicants the protection of section 9 (b), the Commission is reserving to itself the power to deal with licensees as it sees fit rather than as the law authorizes; and it thus defeats the very purpose for which the law was adopted. In this respect the law is not defective; it is misconstrued to feed the ego of legal satellites intent on maintaining the sword of Damocles over those persons who are subject to regulation by the agency.

I believe we should find out why, what is so clear when an act is passed, becomes so muddled when administered. The inquiry which I propose to make will, I hope, help to answer that question.

Make Stalin Sweat

EXTENSION OF REMARKS

OF

HON. EDGAR A. JONAS

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 14, 1949

Mr. JONAS. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following editorial which appeared in the July 13 issue of the Washington Times-Herald:

MAKE STALIN SWEAT

Only a bone-breaking, nerve-shattering attack on Russia with every weapon of diplomacy, economics, propaganda, and intrigue can save this country from open warfare with bombs and guns.

ONE OF US MUST CRASH

We all know perfectly well that the United States is locked in a death struggle with world communism. There can be only one end. One of us must crash. The vital question is, Which will crash? Only secondarily is it a question whether we can smash Russia without having to send planes and men in to do the job.

The more we put up with such conduct as this latest dirty-dog performance of the Reds in Berlin and in China the more certain we are making world war III. Every time the Russians get away with such things the more they are made bold to try another.

Just look at the record. At Yalta, our master minds allowed Stalin to intimidate them into handing over to him the keys to half the world as the price of his unnecessary and ineffectual "help" in the conquest of Japan.

The catastrophe started then has never ended. While we were pouring billions of dollars and incredible amounts of energy into an attempt—too late—to stop his conquests in Europe, he picked up the assets in Asia that we had made available to him. The railroad blockade of Berlin by the Russians was only to show the world Stalin's contempt for United States power.

The Berlin airlift itself was nothing but a confession of United States weakness and fear in the struggle for power, no matter how much we try to hide that by pointing to its excellence as a performance with airplanes.

As Churchill so rightly said, it merely showed Stalin that we could stand on our heads, indefinitely.

STALIN SHOWS HIS CONTEMPT

Now, he is needling us again with another blockade of Berlin. Truck traffic that ordinarily amounts to 450 vehicles a day has been cut back to 4 an hour.

Perishable goods paid for by the United States taxpayer, when all is said and done, are going to waste. People in Berlin are going hungry. And United States prestige before the world is going to pieces.

In China, just to demonstrate that the Berlin blockade is not an isolated incident but is part of the over-all pattern, a United States diplomat is brutally beaten. The idea is to show communism's contempt for us, east and west.

We are swallowing Stalin's insults humbly, whenever he chooses to dish them out, and you will notice that he has a regular schedule for doing so. As soon as we pacify him in one detail, he slaps us in the teeth on another.

It is long past time for us to quit standing on our head and instead to stand up on our feet.

A SOFT HAND WILL RUIN US

For better or worse, the United States of America has invested incredible treasure in blood and dollars abroad to check communism. Obviously we would have done the whole world much more good if we had put that vast treasure to work at home making this Nation an even greater living proof of the worth of individual enterprise and capitalism than it already is. But that our masters in the Government have chosen not to do.

Instead, they have poured our wealth out upon the Germans and the Greeks, the Turks and the British, the French and the Italians, anybody who has held out his hand and threatened to "go Communist." In short, we have undertaken to bribe the world not to commit suicide.

Yet, after all that, we risk ruin by playing soft hand with Stalin. We allow him to twist our noses whenever he condescends to do so. That's inviting our own national suicide and the world's with it.

Mr. Truman and Mr. Acheson say they want peace above all else. Mr. Truman claims his administration is dedicated to peace.

Gentlemen, you are inviting war, not peace. No power in history has ever insulted a people that it feared and no power on earth has ever kept the peace by being weak. Stalin would not blockade our trucks in Berlin if he thought you really want peace enough to fight for it.

You can fight for peace now without yet using the atom bomb. You can make Stalin howl for mercy if you will only use the terrible weapons that lie all around you.

Russia cannot live, economically, if the United States of America chooses really to clamp down.

THE ONLY WAY TO WIN PEACE

We can make the Moscow Politburo crawl and blow wide open every little tinpot imitation of it from Warsaw to London without firing a shot. We need only destroy their trade, corrupt their money, end their meddling in our domestic affairs, and kick their commissars in the face wherever they show up abroad.

Whenever they have one of our diplomats beaten up, as in China, let us beat up three of theirs in Washington. When they block our trucks into Berlin let us strangle whole nations of theirs dependent on us. We must do all this and more if we want to live.

Tough stuff, admittedly. But it is better than a shooting war. And if we allow our diplomats to be slapped, as in China, and our trucks to be blockaded in Berlin, we are going to end up in a shooting war anyhow, and probably not of our own timing.

The Late Honorable Hugh A. Meade

EXTENSION OF REMARKS

OF

HON. SCHUYLER OTIS BLAND

OF VIRGINIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 14, 1949

Mr. BLAND. Mr. Speaker, pursuant to consent to extend my remarks in the Appendix of the RECORD, I submit herewith a copy of resolution adopted by the Committee on Merchant Marine and Fisheries at a meeting held on July 13, 1949, relative to the death of Hugh A. Meade, of Maryland, general counsel for the committee and a former Member of this House:

Committee Resolution 6

Whereas on the 8th day of July 1949, the Committee on Merchant Marine and Fisheries of the House of Representatives suffered in the loss of Hugh A. Meade, of Maryland, general counsel: Be it

Resolved—

First, that the Committee on Merchant Marine and Fisheries recognizes in the death of Hugh A. Meade, general counsel, and during the Eightieth Congress a member of the committee, the loss of a devoted public servant, a sterling patriot, and a loving friend whose work was marked by industry, energy, ability, fidelity, zeal, and patriotism, and whose sound judgment and ability were of inestimable benefit to this committee;

Second, that the committee will ever cherish the memory of their association with Mr. Meade, and will find in the patience and

intelligence, with which he served as a member and as general counsel an example and inspiration;

Third, that the committee extends to the family which survives him its deepest sympathy in their sorrow; and

Fourth, that these resolutions shall be spread upon the minutes of this committee, printed in the CONGRESSIONAL RECORD, and that a copy shall be sent to the family of the deceased.

As chairman of the committee, I appointed an official delegation from the Committee on Merchant Marine and Fisheries to attend the funeral of Hugh Meade. The delegation was as follows: Hon. EDWARD A. GARMATZ, of Maryland, chairman; Hon. EDWARD J. HART, of New Jersey; Hon. DONALD L. O'TOOLE, of New York; Hon. VICTOR WICKERSHAM, of Oklahoma; Hon. ALVIN F. WEICHEL, of Ohio; Hon. EDWARD T. MILLER, of Maryland.

During my 31 years of service in the House, I have never known a man more faithful and diligent in the performance of his service than Hugh Meade. His untimely departure left a void which I never expect to see filled either in the point of devoted public service or in the hearts and minds of all who are privileged to have known him.

Communist Fellow Defenders

EXTENSION OF REMARKS
OF
HON. WALTER H. JUDD
OF MINNESOTA
IN THE HOUSE OF REPRESENTATIVES
Thursday, July 14, 1949

Mr. JUDD. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following remarkable article dealing with the type of liberal who today is probably the most effective obstacle in this country to any effort to deal decisively with the Communist menace, at home and abroad. The article is by Norbert Muhlen from the New Leader of July 2, 1949:

PSYCHOPATHOLOGY OF "CONFUSED LIBERALS"
(By Norbert Muhlen)

"There are some neurotics in whom, to judge by all their reactions, the instinct of self-preservation has actually been reversed. They seem to have nothing in view but self-injury and self-destruction."—Freud.

In the year of Lenin's birth, the Communist fellow traveler and his place in the plot of revolution were described with precise prophecy by Dostoevsky in his novel, The Possessed.

"Our party," the madman Verkhovensky, underground organizer of the great upheaval, said 80 years ago, "our party does not consist only of those who commit murder and arson, fire off pistols in the traditional fashion, or bite colonels. * * * Among officials and literary men we have lots, lots, and they don't know it themselves. * * * Do you know how many we shall catch by little, ready-made ideas?"

The Possessed of 1949 may still secretly boast of a similar success. Among professional people, professors, Protestant clergymen, among artists, actors, authors, and millionaires the Communists still have lots who themselves don't know that they are being "had," and the Communist mind catchers processed great, noble ideas into little, ready-made ideas in order to catch them. On a point of fact, the bona fide fellow traveler (to be sharply distinguished from the secret party member with or without membership card) can be recognized by his sincere, stubborn refusal to admit that the Communists manipulate, and exclusively benefit from, his political behavior.

With the recent change in Soviet-American relations, with the increasing determination of the American public to resist Moscow after it had been seduced and tricked into submission to Moscow, with the new image of communism prevalent in this country, there was bound to evolve a new type of unwitting American auxiliaries of the Communist secret battalion. Actually, the fellow traveler of 1949 seems somewhat different from the fellow traveler of the previous era which ended between 1946 and 1947, and the Communists are using him in different ways for new objectives.

The traditional fellow traveler was caught by his discontent with one or several features of democracy, by his will to change, by his enthusiasm for social improvements; the Communist took control of his political actions by inconspicuous and elaborate techniques, and exploited, in ways which were not always easily discernible, him and his socially desirable ends as means for their own, quite different, dictatorial ends. This was the era of Communist penetration, advance and conquest in this country.

In the present era, however, the Communists, being forced to defend their positions against American counter measures. While their agents at home and their power abroad against American countermeasures. While the traditional fellow traveler has been a secret instrument and objective of Communist advance, the new one is mainly used as an open weapon of Communist defense.

While he once defended his cooperation with the Communists for a great many objectively good causes, he now has to defend the Communists themselves in the name of good causes—of peace and civil liberties. For the sake of peace he has to oppose American resistance to Soviet violence and war-mongering abroad, and for the sake of liberty he has to defend the right of Communists to conspire against, and spy on, the American Republic.

To put him into this role, to organize him into that part of American public opinion which opposes the present policies, to create the sixth column of voluntary non-Communist defenders of the Communist fifth column, the Communists had to twist his mind into a new turn. Different from the traditional fellow traveler who saw in the Soviet Union a successful social experiment, and in the native Communists a group of efficient radical progressives, the new fellow traveler is not so sure about both points, and he may even admit his dislike for both; what he has to believe and proclaim now is that neither the Soviet Union nor the American Communists are a threat to this country, and that they have a right to act the way they do, while we have no right to oppose them, even if we dislike them.

To borrow a mot coined years ago by Claire Booth Luce, both of them are "Commybuts"; after affirming that he was not a Communist, the old fellow-traveler used to add: "But the Soviet Union is a great step forward, and the Communists are fine people," while now he prefers to explain: "But we endanger world peace if we don't give in to the Soviet Union, and we endanger our democracy if we won't let our Communists alone."

Apparently there is a paradox in the fact that people sincerely believing in peace and liberty criticize every lawful, democratic, peaceful measure in defense of peace and liberty; and this paradox cannot be explained by surface reasons, such as lack of intelligence and honesty. We may assume that those Nobel prize winners of peace, literature, medicine, and physics, those eminent teachers of psychology, law, and mathematics, those great pianists and painters who sponsor the cultural Cominform congresses, who sign telegrams of welcome to the sacrilegious heresiarch of Canterbury, who become ward heelers for Mr. Wallace, who, in short, have turned into full-time fellow travelers, are not just politically naive, as is sometimes explained with a shrug of the shoulders. They are as intelligent—politically and otherwise—as the great mass of Americans who have learned the truth about communism through those human events which are, as Mr. Churchill recently reminded us, better teachers than are mere words. If the fellow traveler seems unable to grasp the meaning of the headlines, it must have causes above and beyond his rational, intellectual capacities.

Neither can the apparent paradox be explained by blaming the new fellow traveler's attitude on self-seeking calculations and moral baseness. In some cases it may be true that there are advantages for, say, musicians or ballet dancers to exhibit the same fellow-traveling opinions as their mighty newspaper critic who happens to go all-out for the party line. In a few other cases a fellow traveler may believe in the possibility of an ultimate victory of communism and wants to play safe while risking little, but the majority of the new fellow travelers are hardly motivated by opportunism, as so many actually had been in the previous years when among numerous and especially intellectual groups, fellow traveling had been the right—and rewarding—thing to do.

The strange contradictions of the fellow defender, as we should like to call the new fellow traveler, have deeper roots. In many cases, they are the products of a conflict, an insecurity, an anxiety which has been mobilized by and for Communist propaganda, and which leads to a rather clear-cut case of a political neurosis which we may understand like mental disturbances of a more personal character.

"The liberals always have more guilt feelings than other people," Dr. Margaret Mead, an American anthropologist, remarked at the World Congress for Mental Health in London, in August 1948. "The reason is that the liberals are the defenders of the minority rights per se, and therefore take every curtailment of these rights more seriously than other people, whether these other people might think these curtailments to be necessary or not." This feeling of guilt, latently existent in every liberal believer in peace and justice, is the psychological basis from which the Communists can proceed to the production of their fellow defenders.

To mobilize the conflict in the minds of the fellow defenders, they must lead them into the belief that their noble political principles are violated by the American treatment of communism; they have to see American resistance as a persecution of the Communist minority and a militaristic provocation of the Soviet power—in other words, offenses against the rigid principles of liberalism and pacifism.

It is an old political truism, stated by Edmund Burke, that principles which are utterly inflexible in all cases are bound to prove impotent and self-stultifying. "Let us be clear about one thing," explained Mr. Max Lerner (in 1940, it is true), "ideals and ethics are important in politics as norms, but they are scarcely effective as techniques." This in his introduction to the works of Machiavelli, who himself had set down in his last discourse: "A republic that desires to maintain her liberties needs daily fresh precautions. In a great republic, there are constantly evils occurring requiring remedies which must be efficacious in proportion to the importance of the occasion."

Oliver Wendell Holmes gave, in a famous opinion in the year 1919, the formula as to when the freedom of opinion may be constitutionally curtailed: "The question in every case is," he wrote, "whether the words

used are used in such circumstances and are of such a nature as to create a clear and present danger that they will bring about the substantive evils that Congress has a right to prevent. It is a question of proximity and degree." This formula, in its wise and very American pragmatism outlined the limits within which the principles of liberty and peace might be adjusted to the reality principle of self-preservation without damage to these political principles themselves; there is no general prescription, no all-around recipe valid in and for every case; but—just as in the life of individuals—a healthy society finds its way to preserve itself as well as its political conscience, as this country has shown in the last 3 years.

Whoever read the reports of the Canadian spy case or the revelations of Soviet undercover work in this country must be aware of the fact that disloyal officials are able to bring about the "clear and present danger" against which the Government must protect itself by investigating its employees and eventually firing those who seem sufficiently suspect. Whoever followed the accounts of Soviet aggressions and their techniques in latter years, whoever knows the blueprints for world conquest designed and used by the Comintern and the Moscow leaders, whoever heard a radio commentator report on the violent advances of the Soviets in Europe and Asia, must be aware that, if unchecked, the Soviet power will create the "clear and present danger" of war, against which this country must defend itself by building up its power to resist.

In contrast to genuine pacifists who believe, and always have believed, that no danger whatsoever could justify a war, and that armed preparedness always attracts war; and in contrast to sincere liberals who defend everybody whose civil rights they believe infringed upon, the fellow traveler defends only the Communists, and opposes armaments only when directed against the Soviets. He did not protest when Nazis or alleged pro-Nazis were curbed in this country; nor did he ask for an understanding with the Third Reich, or for Mr. Roosevelt to travel to Berchtesgaden and to "settle his differences" with Hitler; as a matter of fact, he was in heartfelt agreement with every measure against Hitler Germany which curtailed the Bill of Rights or which meant war. And this significant difference in his attitude proves that it is not a particularly rigid conscience but his distorted estimation of the Soviet realities which makes him a defender of the Communists. This difference is the test of the fellow defender as a product of Soviet propaganda.

While there is today at least as much evidence of concentration camps, persecutions, suppression of every liberty, militarization and mass killings in Soviet Russia as there was known abroad about the same things in Hitler Germany, the fellow defender refuses to accept it fully, and prefers to accept the words, signs, symbols, and appeals of Soviet advertising which, the realities to the contrary notwithstanding, seem to him close to his own way of thinking. He sees the Communists as prodigal brothers rather than mortal enemies.

There is often an element of personal experience in this attitude: After cooperating with the Communists in progressive and anti-Fascist causes and committees, he is reluctant to break every sentimental tie with them, just because their comrades in this country advocate treason, or because their party in Hungary or in Bulgaria murders dissenters. "We don't know the whole story," he is likely to acquiesce. "After all, there is an immense difference between the Communists and the Nazis."

He seeks doggedly for reasons—rationalizations of deeper, purely emotional feelings, as a psychoanalyst would immediately (and correctly) suspect—to show that, if all is said and done, the Brown Fascists were much worse than the Red Fascists. He might have personal reasons to feel more threatened by the former than by the latter; and he might have a certain feeling of identification with the Communists. Their propaganda has linked him closely to themselves, making him believe that he will be the next victim. Here again, we see a victory of Communist advertising over American realities; despite the lack of evidence that Communist opinion has been suppressed or that liberals unjustly accused of being Communists have been wronged, he is caught by the Communist scare appeal.

To quiet his doubts about the realities and to appease his critical powers, the Communists have developed for his use a technique of distortion based on the formula that the mote equals the beam, the mote being of course in the eyes of America. By a sort of conditioned reflex, mentions of Soviet faults are immediately associated, and thus crossed out by mentions of American faults; their size, their context, and the chance to correct them, those coefficients are eliminated. Just as the hypocrite suffers from a black-out of self-criticism, the fellow defender, an inverted hypocrite, suffers from the enjoyment of his chronically fact-blind, badly inflated bad conscience.

He is, like Prof. Theodore Brameld, a sponsor and defender of the Waldorf Parade, unable to make up his mind between American and Communist positions, methods, goals; he resents the "oversimplified conclusion that we are faced with a black-or-white, either-or choice." As if this choice had not been created by what is called Marxism-Leninism-Stalinism and its Moscow practitioners, he blames those Americans who have chosen to defend the democratic "or" rather than the dictatorial "either" for their "destructive attacks."

The fellow defenders, the third sex of contemporary politics, turn their feelings of fear, confusion, and guilt into aggressiveness against self-evident facts which, were they not distorted by Communist advertising claims, would cut off their argument at once. With the Soviets attacking and this country resisting, so-called neutrality of liberals means support of the Soviets.

Our analysis shows that it is not legitimate concern for liberal and pacifist principles which makes the fellow defender protest against our policies, but his distorted, unrealistic image of the Communists, his emotional unwillingness to see them for what experience and evidence show them to be. Since the majority of the country has recovered from this somewhat hysterical blindness to the Soviet facts, the propaganda of Soviet harmlessness would have little chance to affect larger groups. Therefore, defenders must seem concerned with the preservation of allegedly threatened civil liberties and allegedly endangered peaceful relations to mobilize the national bad conscience which can be disturbed more easily than the national faculty of rational perception.

While it is certain that the number and influence of American fellow travelers have considerably decreased since the war and first postwar years, probably to less than half of their previous strength, their potential influence should not be underestimated. They represent a morbid self-criticism which, in times of strain, might prove infectious. If, according to Gunnar Myrdal, the American dilemma consists in the inability to live up to the high moral precepts on which the Republic is founded, the democratic dilemma may show itself in occasional difficulties to uphold peace and liberty in defense against their moral enemies. The fellow defender, cultivated by Communist propaganda on the soil of democracy and its discontents, will be a relatively lonely figure as long as the democratic dilemma exists not as a real fact, but only in his imagination.

Address by Sean MacBride on the Partition of Ireland

EXTENSION OF REMARKS
OF
HON. CARL HINSHAW
OF CALIFORNIA
IN THE HOUSE OF REPRESENTATIVES
Thursday, July 14, 1949

Mr. HINSHAW. Mr. Speaker, recently Mr. Sean MacBride, the Minister of External Affairs of the Republic of Ireland, visited in this country. During the course of his tour of the Nation he addressed a dinner in Los Angeles which had been arranged for by my good friend and distinguished constituent, Joseph Scott, prominent Los Angeles attorney and national president of the American League for an Undivided Ireland.

Mr. MacBride in his address clearly set forth the position of the Republic of Ireland regarding the question of partition, which is the sole remaining obstacle in the path of complete harmony and unity in the relations of Great Britain and Ireland. I feel that this excellent discussion of the matter should be brought to the attention of my colleagues in order that they may have a better understanding of this troublesome problem, which is constantly upsetting the relations between Great Britain and Ireland and adversely affecting Ireland's participation in vital international affairs.

The text of Mr. MacBride's speech reads as follows:

When I was first invited to come to the United States to take part in the Easter celebration and to celebrate the coming into operation of the Republic of Ireland Act, my first reaction was to decline. I felt that this was one day, more than any other, when I would have liked to have been in Ireland.

Then I began to think. Centuries of history flashed through my mind. It was always toward the west and the setting sun—to this land—that our people came when driven from their own shores by economic circumstances, by famine or by oppression. It was here that they came for shelter. It was here in the New World, too, that they worked and toiled to build this great Republic from which we derived so much inspiration. It was in this land that Mrs. Tone, the widow of the leader of the 1798 rising, came for shelter and died; it was here that Emmet's brother ended his days; it was from here that the Fenian movement was born and directed. It was here, too, that both my mother and my father came in the early days of this century, at the time of the Boer War, to enlist support for the cause of Irish freedom.

These quick flashes of history made me realize that if the Republic of Ireland was being internationally recognized on Easter Monday, 1949, it was largely as a result of the inspiration, the initiative and support of the freedom-loving people of the United States. Hence, I followed the old trail that so many of our forebears followed—to be with you on this historic occasion.

The Republic of Ireland Act came into operation on last Easter Monday. The true significance of this event is that today for the first time in the history of the world, the Republic of Ireland is internationally recognized and takes her place as such among the nations of the earth. That is an important milestone in the history of our struggle for independence.

It is not the declaration of the Republic or of our independence, for this was already

done, but it is the recognition of the Republic of Ireland internationally. An Irish Republic was first proclaimed as far back as 1798 by the United Irishmen. This first republican uprising, symbolically enough, originated in Belfast and was led in the main by Irish Presbyterians; in addition to being the mainspring of our first republican movement, they also fought for Catholic emancipation and freedom of conscience, thus laying the foundation of our present-day republic. Since then, the cause of Irish independence and of Irish republicanism have been synonymous. In this century on Easter Monday, 1916 the Irish Republic was again proclaimed and subsequently ratified by the will of the Irish people. But it is only today that the Republic of Ireland has been internationally recognized as such.

The Republic of Ireland Act is not the property of any one party in Ireland. By generous and wise leadership on all sides this measure received the support of all parties in our Parliament. This in itself was an important development.

In the eighteenth century, when the American people and the Irish people first began their struggle for the establishment of democracy and liberty in their respective countries, republics were few and far between; democratic principles as we know them today were practically unknown. Our respective peoples were, therefore, not only fighting for the freedom of their countries but were blazing the trail in the struggle for the establishment of democracy and the assertion of the rights of men.

The ebb and flow of the struggle for the establishment of democracy has not been an even one. You in the United States won your battle long before we did. Indeed we have not yet won ours fully for a portion of our country still remains cut away and occupied against the will of the overwhelming majority of the Irish people.

The continuance of the undemocratic partition of the historic Irish nation precludes us from rejoicing as fully as we should like to on this occasion, for there yet remains one final step in the road to the achievement of our national objective.

In that most memorable speech before his execution on the 19th of September 1803, Emmet made one request:

"I have but one request to ask at my departure from this world; it is—the charity of its silence. Let no man write my epitaph; for as no man who knows my motives dare now vindicate them, let not prejudice or ignorance asperse them. Let them and me rest in obscurity and peace; and my tomb remain uninscribed, and my memory in oblivion, until other times and other men can do justice to them.

"When my country takes her place among the nations of the earth, then, and not till then, let my epitaph be written. I have done."

THE PARTITION OF IRELAND

The nation of which Emmet spoke was the historic Irish nation and not merely a portion of it. In our Constitution our national territory is defined in the following words:

"The national territory consists of the whole island of Ireland, its islands, and the territorial seas."

When we finally succeeded in gaining control of our affairs in 1921, Britain retained six of our northeastern counties, which incidentally include the industrial areas of our nation. Since then our historic nation has been divided. We regard this as an undemocratic anomaly which cannot survive in this area.

Of all democratic rights the right to national self-determination is the one which is most fundamental. It is on this right that most other democratic rights ultimately rest; it is this right which is now being so flagrantly violated in the countries behind the iron curtain by Russian imperialism. It is that self-same right for which we are seeking recognition in the case of Ireland.

To put it very simply, we are merely seeking to establish the right of the Irish people to determine their own affairs without interference by any outside power. That, I think, cannot be said to be an unreasonable attitude.

If the democratic right to national self-determination is to apply to any country there is no country that fulfills the requisite conditions more clearly than Ireland. There are three well-established tests laid down to determine what constitutes a national entity:

1. The natural boundaries of the country. No country in the world can claim more absolutely defined natural boundaries than those made by the seas that surround our island. These cannot be subject to dispute.

2. A distinct national history. Few countries can claim a more clearly defined and age-long national history, dating back to long before the days of St. Patrick.

3. A homogeneous population. Our people are of the same color and speak the same language. Few countries have a more homogeneous population. True, there are Protestants and Catholics, but people of different Christian religions live in amity together in every country in the world. If that were to be a basis for the partitioning of a country, then every country would be split up into numberless small fragments.

I know of no other test whereby a national entity may be determined. Ireland complies more fully with this test than any other nation I know of.

But even if the application of this right were to be denied in the case of Ireland, and a completely new concept were to be accepted whereby a small minority could, with the help of an outside power, establish a separate state irrespective of the will of the people, the partition of Ireland still remains indefensible. In approximately more than half of the area which has been cut away, there is a majority which ardently desires union with the rest of Ireland. Why, then, should these areas be forcibly detached from us?

I know that a section of opinion in Britain likes to suggest that this is a problem to be settled by Irishmen and that Britain merely play the part of the "honest broker." I only wish this were true, but I am afraid that it is a somewhat superficial and evasive viewpoint.

The partition of Ireland was originally effected, and is now maintained, by virtue of an enactment of the British Parliament. British customs operate the artificial border. British troops occupy the area which has been cut away. British finances are inextricably mixed with those of the Belfast Government. Britain has never even give a clear indication that she desired to see partition ended. These are the realities of the situation.

There is now a growing volume of liberal opinion in Britain which realizes that the continuance of this state of affairs is not merely undemocratic, but that it is a short-sighted policy. It is being realized that, were it not for a survival of the colonial psychology, British policy would aim at securing the friendship of Ireland. Every conceivable method of dealing with Ireland has been tried except the obvious one of acquiring the friendship of Ireland on a basis of equality.

Contrary to a frequently expressed belief, there is a tremendous fund of good will in Ireland toward Britain. Indeed there are so many factors in common that were it not for definite obstacles such as partition, our two countries would have been much closer together.

I recognize that, largely because of artificial stimulation from outside, a section of our people in the six-county area which has got away from us feel that if partition were ended they might in some way be penalized. While I do not think there is the slightest danger of this, we realize that that fear is there, and we therefore are quite prepared to meet it by giving whatever guaranties that may be reasonably required. Our Constitution does provide very complete guaranties for minorities, just as complete as those contained in your Constitution. But if it were thought necessary, these could even be strengthened. We are also prepared to consider a federal solution whereby the minority in the Belfast area could maintain their own legislature with limited functions.

The first step, however, will have to be the transfer by Britain of the powers which she has presently retained in her own Parliament.

ATLANTIC PACT

There has been a good deal of confusion regarding our attitude to the Atlantic Pact. Most of this was unintentional but some of it may have been intentional. Ireland, as an essentially democratic and freedom-loving nation, is anxious to play her full part in preserving Christian civilization and our democratic way of life. We are, therefore, in complete agreement with the objects of the pact but there are some tangible reasons which preclude us, however, from becoming signatories.

The pact includes a military alliance between nations that adhere to it. In our case that would involve a military alliance not merely with the United States but with Britain. As already explained, we regard the occupation of a portion of our country by British military forces as an infringement of our territorial sovereignty and as a denial of the elementary right to national self-determination. We resent Britain's intrusion in our affairs and in our territory just as much as the people of Poland resent the intrusion of Russia in their affairs and in their territory. In these circumstances no Irish government could envisage a military alliance with Britain while partition continues.

A further difficulty arises by reason of the provisions of the Atlantic Pact itself. In the main, it provides for the defense of the "territorial integrity" and "political independence" of the participating nations. Unless, therefore, it was clearly recognized by all the participating nations, including Great Britain, that Britain had no territorial claims in Ireland and that insofar as Ireland is concerned the "territorial integrity" and "political independence" were matters which concern solely the Irish nation, by adhering to the pact the Irish government would in effect be sanctioning and guaranteeing Britain's rightful occupation of a portion of Ireland.

There are also strategic considerations standing in the way of our participation in the Atlantic Pact. The defense of a small island such as Ireland can be undertaken effectively only by a single central authority, having at its back the firm support of a decisive majority of the population of the whole country. In the economic field it would otherwise be essential to integrate the productive capacity of the Nation as a whole under a democratically elected central government.

In addition, there is a deep resentment among our people against the undemocratic practices used to insure the continuance of the unnatural division of our country. In the light of these circumstances no Irish

government could hope to find the necessary support from the people for a policy involving joint military commitments with the power which continues to lend the cloak of its sanction to evils of the very same nature which it is the object of the Atlantic Pact to oppose and prevent. I again wish to emphasize that we have no feeling of bitterness or hatred toward Britain based upon our past history. I think it is necessary to do so because often the mere statement of Britain's position in relation to Ireland sounds as if it were anti-British propaganda. I have no wish to engage in anti-British propaganda, but I do desire to make our attitude known.

We are most anxious to develop genuine friendly relations with Britain. Such friendly relations are in the interests of both countries as well as in the interests of the United States and other nations interested in the concept of Atlantic cooperation. It does occur to us in Ireland that if cooperation is to be achieved among any set of nations the first step to bring about that cooperation must be the elimination of points of friction. If the Atlantic nations desire our cooperation, which we are willing and anxious to give, we consider that they should be prepared to examine with us the obstacle which stands in the way of achievement of cooperation. If this were done I believe a solution could be found; if I were proved wrong, however, nothing will have been lost in trying to find a solution.

Barred from membership of United Nations Organization by Russia and with a portion of our country occupied by Britain, we live in hope that the democratic nations will help us to bring about a solution of what we consider to be an indictment of democratic rule in our own case.

Constructive and sincere statesmanship points to the necessity of ending once and for all the centuries-old conflict between Ireland and Britain. This would make an actual contribution toward strengthening the internal harmony and cohesion of all of the nations concerned with the survival of the democratic world.

I am glad to have had an opportunity of addressing you and thanking you on behalf of the Irish people for your unswerving loyalty to our small country. It was you and your forebears who helped the Irish people to make the progress which has already been achieved. You did this by your own unflagging faith in the destiny of Ireland and by your refusal to turn your back on the principles of liberty and democracy. We on our side are proud of your achievements in the building of this mighty American Republic. You were ever foremost in its defense whenever outside forces threatened its security. Even in the darkest hours, when liberty and justice were threatened, either here or in Ireland, you never broke faith with your tradition. When the light of our national being within Ireland's own shores was almost extinguished by the powerful conqueror, you preserved the flame and kept alive the faith that Ireland would one day take her rightful place among the community of nations.

In this interim period—with so much already achieved—we in Ireland want to assure you of our gratefulness for your contribution and that we are not unmindful of your toil and your sacrifices.

Our message to you is to be good and loyal citizens of the land you have helped to build. We pray that, consistent with your duties as United States citizens, you will be mindful of the Christian civilization and of the principles of liberty which are our common heritage.

May the Almighty watch over the destinies of our two nations and bring them ever closer together.

Arizona Project Cost Not Out of Line

EXTENSION OF REMARKS
OF
HON. JOHN R. MURDOCK
OF ARIZONA
IN THE HOUSE OF REPRESENTATIVES
Thursday, July 14, 1949

Mr. MURDOCK. Mr. Speaker, the columns of the CONGRESSIONAL RECORD, like the columns of the daily press, have been filled with a mass of material on the Colorado River controversy between Arizona and California. By far the largest portion of this propaganda has emanated from the California side of the river. Under leave to print, I hereby call the attention of my colleagues to a brief but well-prepared statement of the Arizona viewpoint, as found in one of Arizona's leading papers, the Arizona Republic, for Sunday, July 10, this year. This statement is by an authority on irrigation matters, J. H. Moeur, who is an official of the National Reclamation Association and therefore well acquainted with the entire reclamation achievement and program of development throughout the 17 Western States. The article is as follows:

ARIZONA PROJECT COST NOT OUT OF LINE

(By J. H. Moeur)

California agencies, in their desperate attempt to defeat the central Arizona project have disseminated propaganda that is deceptive and misleading.

The agencies always maintain that their primary objection to the central Arizona project is based on the fact that there is a dispute over the right to use the water of the Colorado River. If their opposition were confined to this one problem, the question might not be difficult to solve; for a reasonable solution is set forth in the proposed O'Mahoney-Millikin amendments to the central Arizona project bill, S. 75. With these amendments, the bill would authorize the project and yet give ample opportunity to California or any other State to bring a suit if any such State thought its water rights were jeopardized by the authorization bill.

The sincerity of the California agencies in the position that they take on the question of water rights is open to serious question. Do they honestly want a determination of this matter in court? Or, do they, as many people believe, seek this method as an excuse to delay not only authorization of this project but any similar project on the Colorado River, so that California, in the meantime, may build up its use of Colorado River water?

That this is their true objective is evident by the loud and repeated criticism of the central Arizona project from an engineering and economic standpoint. In recent statements they have gone so far as to contend that the authorization of the central Arizona project would so deplete, or as they express it, "dry up," reclamation funds that other reclamation projects would suffer thereby. This is an absurd position to take; is not borne out by the record, and is inconsistent with the very things that California is now doing.

THE TRUE FACTS

The central Arizona project bill proposes the construction of a dam at Bridge Canyon in Arizona. The report discloses that, by construction of this dam there can be generated a tremendous amount of electrical energy, approximately one-third of which will be used by the irrigation features of the project, leaving two-thirds available for commercial sale, all of which can be absorbed in Arizona. The undisputed evidence shows there is a great demand for this electrical energy in the Southwest. As a matter of fact, Arizona agencies have applied for all of this commercial power. The proposed price to be charged for this power is 4.82 mills per kilowatt-hour, and in that rate is included an irrigation subsidy of 0.72 mill per kilowatt-hour.

With this aid from power, plus revenue derived from the sale of water, the project is self-sustaining and self-liquidating and will repay to the United States Government the entire cost of the reimbursable features in the period of 70 years, and, of course, in addition thereto, will carry all maintenance, operation, and replacement charges.

Compare this with already authorized reclamation projects in the West. In the Central Valley of California the rate charged for power is 5.30 mills per kilowatt-hour with an irrigation subsidy of .68 mill. The Colorado-Big Thompson rate is 5.10 mills per kilowatt-hour with an irrigation subsidy of .89 mill. Missouri Basin is 5.51 mills per kilowatt-hour and the irrigation subsidy is 2.47 mills per kilowatt-hour. Does this make the central Arizona project absurd or out of line with other existing projects?

Authorizations for flood-control projects to date have been made in a sum in excess of $7,500,000,000; the total appropriations under these authorizations have been slightly less than $2,000,000,000. Actually these authorized projects, due to increase in costs, will beyond doubt cost much more than the amount originally authorized (Corps of Engineers—Department of the Army—June 22, 1949). The estimated cost of reclamation projects already authorized totals in excess of $2,000,000,000. This does not include the Missouri Basin development—the firm price of which has not been fixed but which is estimated at $2,700,000,000. Appropriations have been made for these projects to date in the amount of approximately $1,500,000,000 (see Report of Bureau of Reclamation Status of Authorizations and Appropriations, June 1, 1949).

IN LINE WITH ECONOMY

Authorizations should not be confused with appropriations. When a project is authorized, construction work on that project must proceed in accordance with appropriations. Most projects require several years for construction. The central Arizona project, with full appropriations, will require from 5 to 7 years for construction; and these appropriations are made by Congress from year to year in line with the national economy and from money available for that purpose.

For instance, although a number of reclamation projects had been authorized, appropriations were curtailed during the war years of 1944 and 1945. But, it is of particular significance to note that appropriations for reclamation construction have increased since 1939 from the figure of $44,391,654 for that year to the sum of $225,527,313 for the year of 1949.

From these figures it is obvious that the authorization of the central Arizona project would not in any way affect appropriations for already authorized projects; nor would it affect authorization of other worth-while projects. Indeed, it will only emphasize the necessity for full development of reclamation projects, particularly multiple-purpose projects. The power generated at Bridge Canyon Dam will obviate the necessity for generating that same power by use of oil, coal, or gas, and result in tremendous conservation of our natural resources. This is true of all multiple-purpose projects.

Reclamation interests in the West have long recognized that when these multiple-purpose projects are developed power should

aid irrigation. It is interesting in this connection to examine a few of the facts and figures in connection with the Central Valley project of California. Senator HAYDEN, in his testimony before the Senate Committee on Interior and Insular Affairs on S. 75 in June of this year, submitted a tabulation that reflects that in the State of California flood-control projects have been authorized in the total amount of $722,919,500. Of this amount, only $165,450,000 have been appropriated to date. Of these California flood projects, $337,733,000 are identifiable with the Central Valley project of California, and of this amount, $53,415,000 has been appropriated to date. Another tabulation submitted by Senator HAYDEN, at the same hearing, showed Federal reclamation projects in California already authorized for construction totaled $694,981,137. Of this amount, there has been appropriated $354,806,274. Of these reclamation projects $558,146,000 are identifiable with the Central Valley project of California, and funds appropriated for these projects through 1948 total $272,803,972.

CALIFORNIA ASKS BILLIONS

Money expended for flood control is not reimbursable. A portion of that authorized for reclamation is not reimbursable. There has been authorized to date on projects in the Central Valley of California, either for flood control or reclamation, a total sum of $895,919,000. The balance is either charged off as nonreimbursable or is paid for by power. But this is not the whole story. The Central Valley project of California is only partially authorized, and, when fully authorized, will cost many times more than that already authorized. Reliable sources estimate that when that project is fully complete the total cost will be in the neighborhood of $3,800,000,000 on the basis of 1946 costs.

This year, before the Eighty-first Congress, there were two bills seeking authorization of different features of this project: One was H. R. 165, known as the American River project, with a total estimated cost of $113,365,000; the other, H. R. 163, authorizing the construction of the Sacramento Canal system, with a total estimated cost of $81,402,000.

Apparently California is not bashful in the matter of seeking authorization for its projects which in the ultimate will cost many times more than the central Arizona project, and, to say the least, their position in asking for these projects in their own State is inconsistent with their opposition to the central Arizona project.

Arizona has never opposed the development of the Central Valley of California. Arizona believes that all western projects that are self-liquidating, within reasonable terms and time, are worth while and deserve support and, without question, are in the public interest. It has been emphasized again and again that the building of new reclamation projects creates new taxable wealth and returns to the United States Treasury many times more than the initial cost of a project within a reasonable period of time.

So, again, we are forced to the conclusion that California agencies, in telling these half-truths and disseminating this false and misleading information, must have their tongues in their cheeks, knowing full well that their own projects, for which they seek authorization and support, depend upon the same principle for their justification. Therefore, their opposition is only a smoke screen to try to defeat, or at least delay, authorization of the central Arizona project.

The need for the central Arizona project is undisputed. Without the supplemental water which this project will provide, the economy of the State will be seriously impaired with the resulting reduction in the contribution which this State now makes to the national economy.

Rugged Days for the Majority Leader

EXTENSION OF REMARKS

OF

HON. LISTER HILL

OF ALABAMA

IN THE SENATE OF THE UNITED STATES

Friday, July 15 (legislative day of Thursday, June 2), 1949

Mr. HILL. Mr. President, I ask unanimous consent to have printed in the Appendix of the RECORD an article entitled "Rugged Days for the Majority Leader," written by William S. White and published in the New York Times magazine for July 3, 1949. I may say that printed with the article is a very handsome picture of our distinguished majority leader. I am sorry that the RECORD does not carry photographs, but I ask that the article be printed, without the photograph.

The VICE PRESIDENT. The unanimous consent obtained by the majority leader was that no statements should be made in connection with matters inserted in the RECORD. The Chair feels obliged to enforce the rule.

Mr. HILL. Mr. President, the statement has already been made. Therefore there is nothing the Chair can do about it. [Laughter.]

There being no objection, the article was ordered to be printed in the RECORD, as follows:

RUGGED DAYS FOR THE MAJORITY LEADER—SENATOR LUCAS IS TRYING TO PUT OVER THE TRUMAN PROGRAM WITH A PARTY UNITY ONLY IN RARE CASES

(By William S. White)

WASHINGTON.—The public career of SCOTT W. LUCAS, of Illinois, the Democratic Senate leader, might be summed up currently by a slight paraphase of an old spiritual. Nobody knows the trouble he's seen.

At best, the life of a Senate majority leader is one of tribulation running a close race with prestige and power. But for "SCOTTY," as President Truman calls Senator LUCAS, tribulation is often well out in front.

As commander of a political force more numerous in theory than in fact, he again and again is compelled by the folkways of the business to take the offensive against a force nominally inferior but actually stronger.

In other words, Senator LUCAS theoretically leads 54 Democrats, but actually can be sure, day in and day out, of hardly more than 40. Firmly and consistently arrayed against him is an overwhelmingly majority of the 42 Republicans—say 35 at the very minimum—plus whatever roaming bands of southern Democrats may elect to go along with them on individual issues. The handful of irregular Republicans who cross over occasionally to Mr. LUCAS are of uncomfortably small help to him.

Though President Truman won the last election, he did not win control of the Senate—if by that one means an effective majority carrying out the President's programs. In the real sense, the President's control is the stuff of legend and of dreams and in such circumstances it is perhaps not surprising that the majority leader of the Senate has become worn and haggard. His task, to put it plainly, is heartbreaking and though Senator LUCAS has not suffered quite so dramatically as the phrase would imply, he has lost some of his ordinarily robust health in the fevered days since the Democrats returned to the majority side of Congress last January.

The sour jest of his alleged control of the Senate was neither the last nor the most punishing of a series of mischances to make sport of him.

Against all his better judgment and sometimes his own urgent recommendations, he has been driven by the harsh necessities of politics into legislative forays for which his only reward has been failure and the scorn or anger of some who helped to drive him into these hopeless positions. All this in the year before he stands for reelection to the Senate.

Twice, at least, he has been overruled on major matters or disavowed by President Truman—once when he wanted to hold back the civil-rights filibuster fight until the Senate accomplished other legislation on which southern Democrats would go along with him; more recently, when he sought to put a flat limitation on what the public could really expect from this session of Congress.

The result has been, as Mr. LUCAS himself is only too aware, that a large part of the public has come to think that it is only the leaders of Congress who somehow seem to stand, stubbornly and without reason, against that action which the White House so often demands. Mr. Truman, understandably, has never been willing publicly to forego a single major item of the vast program he sent to Congress. But the repeated proddings from the White House have not made it easy going for the President's lieutenants on the Hill. Spirit and high intention are all to the good, but legislative battles are still won by the man with the most votes.

But there is more to it. A Senate majority leader, unlike the Speaker of the House, does not enjoy the help of strong and Spartan rules by which he can cut down and all but silence the dissident. Nor does the Senate leader have in his grip the strategic baubles by which a Speaker can quickly and generously reward the faithful or, by withholding them, swiftly and mercilessly punish the rebellious—such baubles as advancement in the hierarchy of the House through good committee assignments.

A Senate leader's party associates may thumb their senatorial noses at him just about as they please without real pain of peril. He cannot even control from one hour to the next the order of business on his own floor. No one may tell any Senator how long he may talk, or about what, or when. If, for example, the pending business is a treaty pledging the United States to war in some circumstances, there is nothing at all to prevent "Senator Blank" from rising, in the midst of such foreign debate to speak for 10 minutes, or 2 hours, upon the misfeasance of the Department of Agriculture in regard to the hog raisers of his sovereign State.

Then there are the committees. No Senate leader can get action on anything on the floor until he has got action in a committee. And a committee chairman is very powerful in his own right, almost unchallengeably so, and woe to any majority leader who goes to him to demand anything at all. This is simply not done in the Senate.

So it is that a controlling party, from the President down, may be deeply pledged to many things and still not get them done. If the committee chairman himself is amenable, his colleagues may have quite other notions—not to mention the wary Republican opposition, which is not interested in making the Democratic train run on time. And if the Democratic colleagues themselves are amenable, there remains the larger hazard of floor debate, where it is so easy to sink an issue in the quicksand of rules that were made for deliberation, and even for obstruction, but never for speed and dispatch.

A Senate leader may wheedle and argue; he may thrash about and twist and turn in his frustration. But he does not succes-

fully give orders unless these happen to be welcome to the ostensible followers. He is good when circumstances have put enough firm votes back of him, as a football coach is good when he has a 240-pound line and the best backs in the State. A leader is bad when he hasn't got the votes, although there sometimes may be some collateral argument as to why he hasn't got them.

Frustration for Majority Leader LUCAS does not stop with this unpalatable and central fact. A big, hulking man—6 feet 3 inches, with the fine physical coordination of a former athlete—he recoils with unusually acute sensitivity from the other slings and arrows that inevitably come his way.

In the filibuster fight that he did not want so soon, Mr. LUCAS, who was trying to reform the Senate rules so that future filibusters might be broken and the civil rights bills brought forward, fell haplessly and simultaneously under the lashings of his southern colleagues and the counter blows of "liberal" associates who thought he was not pressing hard enough. When the voice of a GEORGE, of Georgia, was not raised in sad bass reproach at how far Mr. LUCAS was going, the angry treble of the pro-civil-rights press was heard intoning that Mr. LUCAS was not going nearly far enough. Thus caught "in the middle" in the most genuine and agonizing sense, Mr. LUCAS lost the battle to restrict the filibuster, lost the civil rights war, and then had to be taken off to the hospital for 3 weeks to recover from exhaustion. There (and since) his mail was heavy with the censure of the disappointed, but light with messages of approval for an effort well made.

Mr. LUCAS winces under these condemnations from right and left a good deal more than did his immediate predecessors in the post of majority leader. Senator TAFT, of Ohio, the real, if nontitular head man in the Republican-controlled Eightieth Congress, was supported by an iron, chill, self-control which in no circumstances ever had a visible chink. Mr. BARKLEY, of Kentucky, now the Vice President, in his rather short period as leader during the first Truman Presidency, was sustained by a thick outer layer of philosophic resignation and a lively sense of humor.

Moreover, Mr. TAFT, from 1947 until the roof fell in in November 1948, led an eager Republican array which, so long out of congressional power, had returned lean and disciplined and hungry for place and responsibility.

Mr. BARKLEY'S final months as majority leader came in the last blinding light and then the afterglow of the war when it was widely thought that Mr. Truman probably was going quietly and decorously out as soon as he had fulfilled his constitutional duty of standing in for his dead chief, Franklin D. Roosevelt. The pressure was not nearly so heavy then; the occupant of the White House had yet to prove himself and Congress pretty much ran its own show.

It was the misfortune of Mr. LUCAS to come to power in the morning after of what was to Mr. Truman's partisans—Mr. LUCAS among them—a totally unexpected election-night triumph. Too much, far too much, was expected by them all; the intoxicating hopes and assumptions of November began only slowly to give way to the recognition that in the United States Senate a Republican-Southern Democratic coalition had not fallen with the election returns.

Senator LUCAS, it now appears, understood rather early the implications of this menace to the administration's program. He sensed in time—had not the President overriden him—that the armistice was likely to be brief and that it would be well to hurry on to what could be accomplished before challenging the southerners to formalize, on the civil-rights issue, their latest alliance with the Republicans.

But as the first disappointments and disillusions began to appear, and Democratic majorities at times began to vanish suddenly into hostile coalition majorities, Mr. LUCAS began to make some little trouble for himself—how much is open to dispute.

In the first place, the Senator was, and is, a victim of what Hollywood calls typecasting. A very tall man with a hawklike, saturnine face, a sort of dark, Mephistophelean handsomeness, he looks a little angry even when he isn't and this often tends to set men against him. Then, as is common with men new to power and responsibility in the Senate, he had a tendency to fight every issue with a zealous violence that irritated that august and complex body.

Though he swears to friends almost daily that he is now taking it easy when matters go against him, Mr. LUCAS' mannerism in debate still imputes more vehemence than he feels. His voice often sinks so low it can hardly be heard at all, then, suddenly, rises to a harsh, pounding volume, while his cheeks sink into black, sardonic lines.

In these scenes, quite unintentionally, he presents an almost menacing figure, his heavy fists raised as if to strike. His words, meantime, seem to rise, half-strangled, through a fog of bitter indignation. "The eeeble (able) Senator * * *," he will cry, his eyes all but closed in a scowl.

So it began to be said that Mr. LUCAS had a temper too high for a majority leader; that he sometimes unnecessarily alienated other Senators; that he was insufficiently sensitive to one of the most individualistic and temperamental bodies of men in the world.

The Senator himself was hurt and honestly amazed at all this. By nature an intense partisan and coming from a tough political area centering around Chicago, he had never thought to pull a punch. Able to "take it," he had, as an individual Senator, always zealously handed it out. He saw no reason to stop. Moreover, deeply committed to most of President Truman's program, he saw it as his first function to persuade and, that failing, then to blast administration measures through the Senate.

The hostile estimates of his leadership were so incredible to him that he knew no way even to begin to cope with them. Far from being a tough, highly tailored, unforgiving know-it-all, he is, in fact, a man of vast tolerance, full of sympathy for the frailties and weaknesses of men, and quite humbly conscious that of these he has his share.

A little lost at times, but certainly not for lack of good will, Mr. LUCAS to the more pretentious Members of the Senate is like a fullback (he was, in fact, an end) who suddenly finds himself caught up in a meeting of the college's Marcel Proust Club.

He has not the piercing intellect of Mr. TAFT, nor the easy eloquence of CLAUDE PEPPER, nor the unquestioning self-assurance of HUBERT HUMPHREY. Not for him, either, the brilliant ability of HARRY BYRD to summon up supporters with a smile and a casual wave of the hand.

But, quite apart from the unmeant angry mannerisms, he is a formidable opponent in debate, and on his good days nobody goes out of the way to take him on. He has the sustaining strength of a fixed political credo, and so does not suffer from vain and spirit-consuming self-examination about where to stand on an issue.

On foreign affairs—a field in which he has remained in the wings, while leaving the spotlight to the principal actors of the Foreign Relations Committee—Mr. LUCAS for many years has been a powerful and sincere supporter of anti-isolationist policy, though he comes from a State where there is always considerable danger in holding such a position.

Although not exactly a New Dealer, he has a long record of moving with the main stream of successful American political action since the early days of Franklin Roosevelt. Mr. LUCAS, not a creative politician, did not dig the channel; nevertheless he is no Johnny-come-lately to the stream.

He entered the majority leadership, in his fifty-eighth year, as only a second-term Senator. It was, therefore, a rather quick climb as things go in the Senate, but one more or less routine. He had served before as the Democratic whip, meaning the party leader's principal assistant, and it was only natural that he got promoted—a promotion, incidentally, which he went after quite frankly, for there is nothing coy about him.

He came to Washington from Havana, Ill., his home, in 1934, as a Member of the House of Representatives, with about the average background, including a law degree from the small Illinois Wesleyan University. He drew rather quickly ahead of the common run with that same quality of playing for keeps against which some of his colleagues now shake their heads.

He has been a courageous Senate leader—showing patient good will to the rebellious southerners but never allowing friendship to sink to toadyism, and marching loyally with his administration colleagues without permitting the more extreme of them to call the tune.

He calls his wife "Mom," is speechlessly proud of his prep-school son and is just the sort of man to be found in countless reasonably well-heeled American country clubs.

He would be a good man to go hunting with, a good man to play poker with, a good man to go to an American Legion convention with, a good man to have a glass of bourbon whisky with, and an excellent man to have around if trouble started. He would be a good man, also, to have around if anyone started abridging the Bill of Rights.

Having said all this, it is, perhaps, hardly necessary to say that he is a good sport about criticism—unusually good for a man engaged so endlessly in politics at its most punishing. In the language of baseball, of which he is, of course, fond, he never really complains to the umpire who calls them. About the strongest protest he ever makes about unfavorable publicity is the mild complaint: "You fellows got me wrong on that one, I think."

A Dynamic Program for a Dynamic Republican Party

EXTENSION OF REMARKS

OF

HON. ALEXANDER WILEY

OF WISCONSIN

IN THE SENATE OF THE UNITED STATES

Friday, July 15 (legislative day of Thursday, June 2), 1949

Mr. WILEY. Mr. President, some time ago it was my pleasure to address the National Federation of Women's Republican Clubs in Madison, Wis., on the theme of a dynamic program for a dynamic Republican Party. At this time, for its possible interest to my Republican as well as my Democratic colleagues, I ask unanimous consent that the text of the address be printed in the Appendix of the RECORD.

There being no objection, the address was ordered to be printed in the RECORD, as follows:

A DYNAMIC PROGRAM FOR A DYNAMIC REPUBLICAN PARTY

I should like to submit to this splendid gathering of leading Republican women some 12 specific suggestions on a dynamic

program for a dynamic GOP. These suggestions are respectfully submitted on the basis of my own experience and evaluation of our present and future political situation. I know that my able listeners will in turn review them on the basis of your own broad background in political work. Here they are:

1. LOCAL ORGANIZATIONS

The Republican Party in 1950 and future campaigns must have a revitalized organization up from the grass roots of the Nation. As you know, there is absolutely no substitute for effective grass-roots organization in every voting ward and precinct in the Nation. One of the troubles with us in the past has been that we have tended to concentrate on GOP headquarters in Washington or in State capitals, or in a few of the larger cities. Our opponents have, however, shown us that we must have effective workers in practically every apartment house, every city block, every rural route if we are to win.

2. DOORBELL RINGING

Another obvious fact and one that must be reiterated is that our opponents have shown us that we must know how to use some "elbow grease." We must get out and work, we must ring doorbells, we must personally speak to our friends and neighbors, we must make telephone calls, write postal cards and letters. In other words, it is a very grave mistake to assume that simply by making out a few financial checks or printing a few pieces of literature, the party can gain victory. On the contrary, we must all be workers, meeting folks person to person, holding mass meetings wherever possible. We must try to convert folks who are not yet converted. We have spent too much time in the past talking to ourselves, so to speak, instead of getting out and talking to others who need to hear our message.

3. CONTINUOUS CAMPAIGNING

We have got to learn the lesson that the fight for the 1950 elections are being waged right now. We can't get the mistaken idea that 3 weeks before the 1950 primaries and a few weeks before the general election, we can all of a sudden get busy and start printing literature, start making radio speeches, and issue press releases. While men and women do change their minds in the weeks preceding election, they are in the continuous process of forming opinions right now. Thus, we have got to antidote the notion right now that the Republican Party is not concerned with the great mass of humble folks. We've got to antidote the notion that the party is antilabor, or that the Republican Party has forgotten the interests of America's farmers. That's a job, in other words, to be handled right now, not 6 months from now, not 1 year from now, but today.

4. SPECIFIC PROGRAMS FOR SPECIFIC GROUPS

We've got to plan our program in terms of each of the important groups in our Nation. What are those groups? They consist of America's 18,000,000 veterans, the 10,000,000 in the United States aged 65 or over, the farm group, the laboring group, the white-collar group, the businessmen, the housewives, the teachers, America's various religious and racial groups, and so on down the line.

Naturally, each of those groups has its specific interests, and it must be up to us to determine what those interests are and how we can serve those interests consistent with our basic ideals. Now please don't misunderstand me. I am not suggesting that we sacrifice ideals and cater to pressure groups simply for the sake of getting votes. On the contrary, I am saying that we must find out the legitimate interests of each group and then determine how we can coordinate those interests from the standpoint of a national program.

It is the public welfare with which we are most concerned, rather than the welfare of any single segment of our economy. However, we have seen in the past how the New Deal and Fair Deal administrations have talked the language of each of America's individual groups, have understood their problems, indicated sympathy with their dilemmas. It is up to us, therefore, to approach this problem realistically and to think in terms of each of these groups in a sincere, conscientious, helpful way. But always, I repeat, it must be from the standpoint of the role of that group in relation to the national well-being.

5. EFFECTIVE PUBLIC RELATIONS

One of the things that we must learn is how to use each of the new media of this technological age. Now, what do I mean by that? Too often in the past we have concentrated upon printed literature or upon long, boring radio monologs. It is up to us, therefore, to utilize dynamic, varied approaches. What do I mean?

A. Snappy, fast-moving television programs, as that particular medium advances and more and more sets become available to our people.

B. Variety radio programs featuring questions and answers with a peppy, interesting dialogue, drama skits, and so on.

C. Magazine reprints handsomely illustrated with simple messages, as well as other varied media.

6. SIMPLE TALK

One of the problems that we have always had is that our Republican Party tends to talk over the heads of the American people. We invariably use four- or five-syllable words like "regimentation," or "paternalism," or "bureaucracy"—meaningful words to be sure, and yet words which "lack a punch," which aren't simple enough to be understood by the humblest folks. I don't mean that we can talk or should talk down to the American people. On the contrary, our people have enough intelligence to understand our message.

But we should have learned that the greatest teachers have always used the simplest language, words of one and two syllables, words that are homey, words that convey a powerful memorable impression. We must concentrate on particular issues instead of spreading our fire over dozens of issues. This is all a part of effective straight-shooting public relations.

7. PSYCHOLOGICAL WARFARE

Now, my friends, in connection with these points, may I submit that the Republican Party must learn to master the strategy and technique of psychological warfare if we are to gain victory and maintain this Nation free. Let us take a brief look at the 1948 campaign. You and I recall that a change of something like 25,000 votes in three States would have elected Mr. Dewey. For many months previously, the Nation and the GOP had been treated to the phony psychology "that it was in the bag." The Republicans, as we know, by and large accepted the victory as a foregone conclusion and went to sleep. Not so the master psychologists who were back of President Truman's campaign. They analyzed the potential strength of both parties. They knew that every leftist group, every radical group, had to be pulled into the Democratic net in order for the Democrats to have a chance to win.

Of course, you remember that when Mr. Wallace announced his candidacy, the public-opinion polls indicated he would get up to six or eight million votes. So the Democratic planners started operating on those groups and they pulled most of them back into their ranks. They knew that those segments of labor that could be controlled by the labor leaders were already in their net. They knew that the millions employed in Government could be kept in the net by the assurance that if Truman were reelected their jobs would be safe.

On top of this, they knew they had hundreds of thousands of "favored sons" who were getting contracts and largesse from Government, and would, because of their personal interest, remain loyal. But here is the astounding fact, that when they had added up all these totals, the Democratic planners saw that the election was still not in the bag, so they went to work again. And where did they go to work, and how did they go to work? Well, here is where human psychology came into play.

They operated on the white-collar workers and on the farmers by instilling fear. Yes, they put on a repetitious campaign of fear—very quietly through every channel that could be utilized. They used a whispering campaign telling the farmer that if Dewey were elected he, Dewey, would reduce the prices that a farmer was getting for his commodities. (Parenthetically, I might say here that their campaign among labor was to the opposite effect, "Elect Truman, and he will cut the cost of living.") And among the white-collar workers they spread constantly the misrepresentation that "if Dewey is elected, your wages will be cut."

How did they do this? Very simply. They used the same pattern that Hitler used when he wanted to take over, as he did, country after country in Europe. Tell a big lie, tell it often enough, divide, and conquer. Well, what was the result? The election proved the result. The change in the farm vote and the white-collar vote did the job. Now, you remember that President Roosevelt said when he came into office, "The only thing we have to fear is fear itself." This interjection of fear into the campaign by the master psychologists is what we've got to fear, and what we've got to meet. It may not be the very same fear in the future. It may not be the same kind of rumor or propaganda, but it will be thought through by these master psychologists, and we'll have to be prepared to meet it this time. We can't sit back on our haunches and simply say it's in the bag.

You saw the effect of the same technique in relation to the Taft-Hartley law over radio, through the columns of the newspapers, by word of mouth, by public speeches. You heard the repetitious statement: "The Taft-Hartley law is a slave-labor law."

Here again the masters of psychological warfare succeeded in selling a phony bill of goods to the people—by lies, by fear mongering, by repetition of a single false theme. There is quite a challenge, my friends, to you and to me.

8. FUTURE THINKING

Let us continue now in relation to other problems of the GOP. Another thing that our Republican Party must do if it is to gain victory in 1950 is to talk in terms of the future to our people. It is all right to look at the lessons of the past. It is all right to learn from the past, but America is concerned with the problems of tomorrow. What, therefore, can we tell the young college graduate about his job of tomorrow? What can we tell the man of 45 or 50 years of age about the security he is going to have 10 years from now? What can we tell the veteran about the sort of business conditions he will face 5 years from now?

In other words, we've got to think in terms of the future, plan for the future, develop legislation for the future. It is no use crying over the milk which we have spilt in the past or which the administration has spilled. Let the dead past bury the dead, except insofar as we can learn some simple concrete lessons therefrom.

9. GRASS-ROOTS GOP FORUMS

Every leader who has ever been a real leader knows that in order to gain allegiance of his followers, he must encourage them to participate in his organization. Too often in the past we Republicans have handed down policy from above, from Washington, D. C., from the Congress, from the Republican national headquarters instead of developing policy from below.

We've got to give the average Republican a chance in his county, in his region, in his State to express his constructive suggestions regarding the party's program. I don't mean that it is not being done in large part right now. Just a few weeks ago at our State Republican convention in La Crosse, the grass-roots GOP voter had an opportunity to express himself. We need more conventions like that one—county conventions, regional conventions, and State conventions—not mere talkfests, but arenas for a constructive discussion of ideas, and then proposal of specific programs.

10. WOMEN'S ROLE

It is commonplace for a Republican speaker in addressing a GOP women's organization to say that our women must be given a larger role in GOP policy, strategy, and appointments. And yet, I feel that a look at the objective situation shows that the women of the Republican Party can and should play a larger role.

I am not simply tossing a bouquet to you when I say it was the women of this Nation who, enraged against OPA black markets, voted a Republican Eightieth Congress into being. Yes, it was the women of the Nation who have time and again courageously overturned the political apple-cart when their men folk were lagging in action. It is up to us, therefore, to mobilize the women of America more effectively than ever before into the GOP women's organizations. It is up to us to give women their proportionate role in GOP policy making, in GOP appointments, in GOP leadership. This is, of course, now being done to a considerable extent.

But is there one among you who can say that Republican women are being given today their due recognition by party leadership? I doubt it, and that is why I say that it is up to you, to me, to demand and to get an increasingly large role for women in GOP leadership.

11. POLITICAL CLINIC

Another thing we need to do is to hold a political clinic in every one of the States of the Union. It is up to us to determine exactly what is wrong with us in each of those States, to diagnose why we did not get a majority or why our majority was not still larger. We need, in other words, to make a realistic appraisal of our assets and liabilities. Who are our strong leaders and who are our weak ones? What issues mean the most to the people of this State and that State? What elements in the record of the party find the greatest endorsement or the greatest criticism by the rank and file of people?

We cannot attempt to diagnose the ills in a particular State 3,000 miles away. A political doctor in New York cannot diagnose for a political illness in Wisconsin or Oregon or Arizona. It is up to the people who are on the ground floor, so to speak, who are in the home bailiwick, who know their problems best to come up with the right answers.

12. CONSTRUCTIVE LEGISLATION

Basically, one of the greatest challenges to the Republicans is to advance a series of constructive bills in the Eighty-first Congress. Mr. Truman went up and down this country complaining that the Eightieth Congress was the worst Congress ever, that it had failed to act on some of his political nostrums. It is not enough to point out that the Eighty-first Congress—a Democratic Congress—has faults. Too often in the past, our approach has been entirely negative. We have contented ourselves with proving that there is corruption in Democratic Party ranks, etc. The people do want to learn such facts, but they are more interested in learning if we ourselves have any constructive program. Now, what elements should be in our program? Let me suggest the specific following points:

Endorsement of Hoover reports

(1) We must back the Hoover Commission reports for Federal reorganization and economy to the greatest extent possible. These reports are not a panacea that will accomplish the millennium. They have flaws here and there, and yet they present the greatest opportunity we have ever had to achieve Government streamlining and efficiency.

(2) We must fight for a balanced budget and must combat the idea of deficit financing. One of the most effective instruments we have thus far is Senate Joint Resolution 108, which has been unanimously endorsed by the Senate Republican Policy Committee. Under this resolution, of which I am proud to be a cosponsor, from $2,000,000,000 to $4,000,000,000 will be cut from the Federal budget by slashing appropriation bills from 5 to 10 percent. Of course, care must be exercised in making these cuts. At the same time we recognize that fortunately the American dollar is worth more today than it was 6 months or a year ago, and therefore we can naturally expect that a dollar spent for procurement of foreign supplies will stretch that much farther.

Tax reform and reduction

(3) We must fight for tax reform, and to the greatest extent that our budget will allow, tax reduction. In the Eightieth Congress a comprehensive tax reform and reorganization bill, H. R. 6712, was passed by the House, but because it was so late in the session it died in the Senate. There were some objections to that bill, but at least it sought a worthwhile objective—a revision of our confusing and chaotic tax statutes.

One of the necessary elements in tax reform is to get rid of certain nuisance excise taxes completely. I need hardly tell this audience that the women of this Nation are up in arms against the ridiculous taxes on cosmetics, purses, baby lotions, and a hundred other necessities. We all recognize that Uncle Sam needs revenue, but surely he is not so poor that we must tax the lotions that are used to soothe a baby's back.

Sound social security

(4) We must pioneer, as the Republican Party has always pioneered, in sound security plans. We have, of course, clearly indicated that we are not going to try to encourage our people to become leaners on Government, expecting hand-outs at every turn of life, from the cradle to the grave. The Republican Party, however, which played so magnificent a part in the earliest work on bank-deposit insurance, on social security, etc., must not let the Democrats pose as the only proponents of security for the average man.

It is, for example, quite obvious that the old-age-pension system in America is a travesty. How can our old folks possibly exist on pensions which are as low as $4 a week? At the same time, we want to make sure that in working out equitable security plans we do not place the American free-enterprise system in a financial strait-jacket by an impossible burden of taxes which our people cannot possibly support. The Democrats can glibly promise security for all, but it is up to us to point out that any security plan must be sound financially. One such plan should, of course, provide grants-in-aid to the States for improvement of our already high health standards.

Such an approach is completely opposed to the administration's idea of socialized medicine. We oppose Federal centralization of power over the physicians of our Nation. At the same time, it is clear that the Federal Government should encourage voluntary health insurance plans, and voluntary expansion of health facilities just as it is now encouraging hospital construction.

Little Hoover Commission

(5) One of the most constructive bills in this Eighty-first Congress is S. 1946, which would set up a little Hoover Commission to analyze the relations between the Federal, State, and local governments. This bill would, for example, analyze the whole system of grants-in-aid to States, just how much Uncle Sam can provide in aid, what taxes Uncle Sam should levy, and what taxes the States should levy so that there would be no duplication or overlapping as there is now. This bill (of which I am also proud to be a cosponsor) offers a tremendous opportunity for straightening out the chaos that exists in overlapping functions and authority between the Federal Government, the 48 State governments and the over 150,000 other units of government in the United States.

These then are some of the elements in a constructive Republican Party program. There are many more elements, but, of course, time is unavailable to discuss them in detail—a strong, open, nonappeasing foreign policy, true unification of the armed services without censorship, however, of the independent views of officers in the various branches, a flexible increase in the minimum wage and other necessary steps.

Alternative between GOP and Democrats

What alternative do we then present between our party and the Democratic Party? The alternative is between—

Decent, honest republican government versus corrupt government, where public office is not regarded as a public trust.

Sound, solvent government versus a deficit-spending government.

A government of checks and balances versus a government in which Washington, D. C., attempts to dictate to the citizens of all the 48 States.

An economic system leading to a higher standard of living, ever greater freedom, and civil liberties versus a system leading down the road to state socialism with civil liberties becoming more and more of an unhappy memory.

We ask our American people, "Which way do you choose, the Republican way, the American way—or the alien way, founded upon synthetic ideas imported from abroad by the ruling administration?"

We have reviewed, then, some specific proposals for our future strategy. With some of them you may agree; with some you may disagree. But that, after all, is a part of our free and open discussion. Let me emphasize that the greatest opportunity of the Republican Party is to demonstrate vigorous, energetic, virile leadership. We need to sell dynamic ideas in a dynamic way. We need the spirit of youth, and when I say that I do not speak in terms of the number of calendar years that a person has put in—rather the youthful outlook, the youthful approach, the fighting spirit. This is a quality which men and women of all ages can have and which our party desperately needs.

Spirit of self-dedication

We need, moreover, a spirit of self-dedication to the cause of freedom and the national welfare. All of the techniques I have enumerated would be meaningless and wasted unless they were employed on behalf of selfless objectives—peace, prosperity for all the American people—on behalf of their liberty and their well-being.

Unemployment in Bridgeport, Conn.

EXTENSION OF REMARKS
OF
HON. JOHN DAVIS LODGE
OF CONNECTICUT
IN THE HOUSE OF REPRESENTATIVES
Thursday, July 14, 1949

Mr. LODGE. Mr. Speaker, Bridgeport, Conn., an industrial city in my district, is suffering from widespread unemployment. All of it has not been caused by the so-called economic recession. Much of it is due to the administration-sponsored move of the Chance Vought division of the United Aircraft Corp. from Stratford, Conn., to Dallas, Tex., and the failure of the administration to make this plant available for reoccupancy.

Between six and seven thousand skilled workers have been thrown out of work by this Government decision.

This move has resulted in the loss of many other jobs in all forms of business in the entire greater Bridgeport-Stratford area and for miles around. It has resulted in the loss of needed revenue not only to the men and women employed in the aircraft industry who have been deprived of their livelihood but also to thousands of others who depend for their living on the purchasing power of these workers. The butcher, the grocer, the baker, the filling-station operator, the landlord, the local hardware man, the owner of the corner drug store, the merchant, and the banker have all felt the depressing impact of this Government-inspired action.

I shall not discuss the reasons for the removal of this plant. We are faced with an alarming condition which requires urgent action. In the present situation the Federal Government has a moral obligation to act and to act quickly. Here we have unemployment created by the administration. And yet time marches on and nothing has been done even to make this plant available for reoccupancy. The executive branch of our Government is so hopelessly snarled that no one has been able even to ascertain what agency has title and control of this vital plant. The people have been very patient. My patience has been sorely tried.

The administration created this problem. The least it can do is to cut the necessary corners, unravel the bureaucratic red tape, and without further delay make this plant available for sale or rent.

The Government's obligation to take effective action is equal to its responsibility in depriving the Bridgeport-Stratford community of this source of gainful employment.

Lip service and crocodile tears are no substitute for dynamic and successful action.

In connection with this distressing situation, I am pleased to insert two timely editorials which appeared on July 12 and July 13, respectively, in the Bridgeport (Conn.) Post:

THANKS FOR NOTHING, HARRY

Bridgeport as an industrial community has been harder hit than some other Connecticut cities as shown by applications for unemployment compensation.

The reason for this is not any backwardness on the part of employers in the Bridgeport area, nor for that matter any noticeable let-up in the ordinary industry of the community. Bridgeport was delivered a body-blow by President Harry S. Truman and his coterie of Fair Deal advisers who wangled the Chance Vought factory out of Stratford and down into Texas. It was a nice political job to get the big air plant where the Democratic votes grow.

It has been covered up with all kinds of mendacity and plausible reasons, but the fact simply remains, it was ordered done by the Fair Deal gang. One excuse given was that the Texas location would be safer than the Stratford location in case of an enemy attack. Of course that is all a lot of high-falutin' nonsense, because under present conditions any factory anywhere in the world can be attacked by air. Moscow isn't safe just because it happens not to be located on the Atlantic Ocean—as every Bolshevik knows. And Texas is no safer than Connecticut.

It was a nicely engineered political job that took 6,000 factory jobs outside of the Bridgeport area. When the President looks down his nose and mourns about unemployment, we for one would like to tell him a few things. He handed us plenty in Stratford.

BUREAUCRACY AT WORK

Here in brief is the history of the Truman administration's attitude toward getting a new tenant into the abandoned Chance Vought plant at Stratford:

Fiddle, faddle, procrastination, delay, excuse, evasion, and do-nothing.

For our part, we are heartily sick and tired of the statements coming from Washington about the difficulties in the way of disposing of this plant. The Government had no such difficulty in getting Chance Vought in there in the first place. It had no difficulty in moving Chance Vought to Texas when it wanted to do so. The only difficulties that have arisen since are difficulties which block the way toward use of this plant and toward the giving of work to thousands of displaced workers.

One large company which manufactures planes for the Army wants to come in, so it says. It has outgrown its present plant in New Jersey, and there's no room there for expansion. Chance Vought seems made to order for this concern. But when we ask why they cannot move in, all we get is an array of excuses.

If you want any job badly done, turn it over to the Washington incompetents. They will make a mess of it if it is humanly possible to do so.

Displaced Persons Situation

EXTENSION OF REMARKS
OF
HON. WALTER H. JUDD
OF MINNESOTA
IN THE HOUSE OF REPRESENTATIVES
Thursday, July 14, 1949

Mr. JUDD. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following report sent out by Elizabeth E. Heffelfinger, member for Minnesota, of the Republican National Committee, on her recent trip to Europe where she especially studied the displaced persons situation. It is reassuring to have her favorable reactions:

It's good to be home again. My month in Germany was well worth while because the special courtesies given me by General Clay, the International Relief Organization and the United States Displaced Persons Commission enabled me to obtain a very good picture of what is taking place in that political battleground of the world.

There are 500,000 displaced persons left in the United States zone in Germany, 40,000 of whom are Jews. By September the Jewish relief groups will have sent most of the group to Israel. I visited many DP camps and returned on an IRODP ship, the Army transport *Maurine Marlin*, which brought 847 Ukrainians, Latvians, Estonians, Lithuanians, Polish, Czech, and Hungarian immigrants to our country. That return trip was an experience I shall never forget and I was very much impressed with the caliber of that new American group with whom I worked. During the morning I conducted a kindergarten class, then served good Army food in the cafeteria, and in the afternoon I lectured, through an interpreter, on different phases of our American life. They were intensely interested in every aspect and were particularly interested in our two-party political system. Their hatred of Russia is intense and they feel as a group that Russian communism is far more insidious than German nazism.

The IRO, United States Displaced Persons Commission, assisted by the 11 volunteer agencies are doing a magnificent job and I was tremendously impressed by their keen understanding of the many problems which daily arise. Most of the DP's have been in camps for 4 years. The living conditions are crowded and the 2,000 calorie diet a day is monotonous. The extra rations provided for children, however, have made them a fine healthy group. In most instances several families must live together in one room separated from each other only by heavy paper. Some have been able to find jobs outside the camp and are on a free living basis but with 4,000,000 more people in the American zone in 1949 than in 1939, you can easily see what the unemployment problem is.

Besides the DP problem, the United States zone of Germany had to receive under the Potsdam Agreement, 2,000,000 Volkedeutsch (ethnic Germans) from Czechoslovakia and Hungary. I saw the results of that hideous Potsdam Agreement when at the suggestion of General Clay I visited some expellee camps which are set up to care for the Germans brought over from Czechoslovakia and Hungary. Military government officials feel that if something isn't done about getting these people out of Germany the entire situation may become the tinder-spark for a third world war.

However the immediate task is to take care of those 500,000 DP's still remaining in Germany. Our laws are cumbersome and involved and Australia and Canada are getting many people whom I would like to have seen coming into the United States. It takes months to process a DP for entrance into this country, during which time individuals in the United States who send in applications for entrance are apt to become discouraged and in many instances cancel them.

I flew into Berlin with General Clay and his staff immediately following the first ratification of the Bonn Constitution by the United States, France, and England and the Christian Democratic and Socialist Democratic parties of Germany. In Berlin the opportunity was presented me to visit with officials in the German Government and in relief organizations. With the return of governmental responsibility to the German people and the subsequent relinquishing of authority of our military government it has been necessary to guide and encourage the Germans to develop along democratic principles. Our military government under General Clay has done an outstanding job and for President Truman to accept his resignation at this time is

regarded by many in Germany as a "tragedy." News of the lifting of the blockade was greeted with "What are the Russians up to now? * * *" and "Will Germany again be flooded with money counterfeited by the Russians?" We need tried, experienced people at the helm in Germany if we are to prevent another war. There is at present too much friction between the military government in Germany and the State Department in Washington for any good to come out of the situation.

Returning from Berlin I was privileged to be allowed to ride the famous airlift. It was a remarkable procedure. As a plane arrived at Tempelhof Airdrome a truck met it and in 11½ minutes 10,000 pounds of coal were unloaded and the plane swept. As the last bag was lifted out of the plane the motor started and the plane was on its way back to Frankfort. Planes left every minute and a half, it was on one of these that I returned. Too much cannot be said for those valiant men who piloted those planes.

ELIZABETH HEFFELFINGER.

Address of Society of Mayflower Descendants

EXTENSION OF REMARKS
OF

HON. OWEN BREWSTER

OF MAINE

IN THE SENATE OF THE UNITED STATES

Friday, July 15 (legislative day of Thursday, June 2), 1949

Mr. BREWSTER. Mr. President, I ask unanimous consent to have printed in the Appendix of the RECORD an address by E. N. van Kleffens, Ambassador of the Netherlands, before the Society of Mayflower Descendants, on November 22, 1948.

There being no objection, the address was ordered to be printed in the RECORD, as follows:

ADDRESS BY E. N. VAN KLEFFENS, AMBASSADOR OF THE NETHERLANDS, BEFORE THE SOCIETY OF MAYFLOWER DESCENDANTS ON NOVEMBER 22, 1948

When I was pursuing my studies in law at the ancient University of Leyden, much longer ago than I care to think, there was hardly a day when I did not pass through a little, narrow street, with houses whose fronts seemed to bend over as if they were petrified old men. That was the Kloksteeg, Bell Alley in English. Today, it still is exactly as it was then, back in 1913. So if ever you walk through it, you will see what I used to see daily, and that is a very simple memorial stone placed near a door. When you read the inscription, you will at once realize why you, as a member of this society, have to approach that stone with reverence, for to all, and to you in particular, this is hallowed ground. The inscription reads: "On this spot lived, taught, and died John Robinson, 1611–25."

Yes, this is the place where for 11 years your ancestors found a haven of protection and security when, before they left Europe for good, they fled to Holland because of persecution in Britain. It was long before the Stadholder-King, William III, gave England her bill of rights, and there was no question in that country at that time, of protecting essential human rights as we recognize them today. You had either to conform, or else bear the consequences.

You know how it all came about. I know of no more precise and concise exposition than that given at Leyden University 24 years ago to a group of American students by the late Professor Eekhof, and so you will perhaps forgive me if I quote from his lecture, omitting here and there a passage which seems to me of lesser importance. I must be brief, for I do not want to tax your patience to the uttermost.

Professor Eekhof then said: "In the early years of the seventeenth century in the country about the borders of Nottingham, Lincoln, and York, a movement began, that accepted the ruling of the Church of England in articles of faith, but refused her judgment in points of discipline. They entered into a covenant to walk with God and with one another, in the enjoyment of the ordinances of God, according to the primitive pattern in the Word of God. A party was organized in Scrooby, about 10 miles west from Gainsborough, containing two prominent men: The layman, William Brewster, and the minister, John Robinson. Church discipline, which forbade their meetings, imposed a persecution upon them. After many trials they fled to Holland, and in August 1608, the whole party was safely in Amsterdam. There were there already two other English separatist parties, so Robinson, afraid there might come controversy, took the decision to move to Leyden. A formal petition was presented to the authorities, registered in the court daybook February 12, 1609, in which Robinson asks in the name of 100 persons, men and women, freedom to come to Leyden and also to carry on their trades, without being a burden in the least to anyone." The decision of the burgomasters was "that they refuse no honest persons free ingress to come and have their residence in this city, provided that such persons behave themselves and submit to laws and ordinances. The coming of them would be agreeable and welcome." And even when the English Ambassador Winwood complained, the authorities stated that the charge brought against the English was unjust.

So they stayed in Leyden from 1609 to 1620, taking up the commerce and the handicrafts of this busy town. They prospered and rose steadily in the esteem of the burghers. John Robinson bought a house "De groen poort" (the green gateway) in Bell Alley in 1611, at present the Jan Pesynhofje, where the congregation also met for worship. Bradford and others acquired the rights of citizenship of the city; Robinson, Brewer and Brewster became members of the university.

And then came the time for their emigration to America. Times in Holland were hard, the truce with Spain came to an end; how likely they were to lose their language, and their name; how little good they could do in reforming the Sabbath; how unable to give such education to their children as they themselves had received; they had a great hope and inward zeal of laying some good foundation for the propagating and advancing of the gospel of the kingdom of Christ in those remote parts of the world: yea, though they should be but even as stepping stones unto others, for the performing of so great a work, and many other reasons as Governor Winslow and Bradford tell us.

So in July 1620 half of the company decided to leave Leyden, as Bradford says, "that good and pleasant city which had been their resting place for nearly 12 years." The Pilgrims sailed by canal boats from Leyden, past the Hague to Delfshaven, where a little ship of 60 tons—the *Speedwell*—was ready to sail; the wind being fair, they went aboard and their friends with them and truly doleful was the sight of that sad and mournful parting as Bradford says; but the tide, which stays for no man, called them away, though loath to part; and their reverend pastor John Robinson, falling down on his knees, and all with him, with tearful eyes commended them with most fervent prayers to the Lord and His blessing. The *Speedwell* sailed away from Delfshaven and arrived in Southampton. Now in August 1620, the two ships *Mayflower* and *Speedwell* sailed from Southampton; but the *Speedwell* sprung a leak, and they had to return to Dartmouth. Again the voyage was resumed, but again the *Speedwell* sprung a leak and they returned to Plymouth, from which place September 16, 1620, with 102 passengers, the *Mayflower* went off to the New World. After a difficult journey and terrible storms, when a mainbeam of the ship was broken, which could be mended by a jackscrew, they came to Cape Cod."

I realize, of course, that some of the main elements of this story are very well known to you. If, nonetheless, I read that story to you, it is, first, to put the Leyden episode into its proper place, and, secondly, because I believe that so great an epic deserves being told each year in a gathering like yours. "The wood of the *Mayflower*," said John Masefield, "is changed into a forest of family trees;" should not this story be told and kept alive under their shadow?

Let me now once more take you to Leyden, where in 1611 John Robinson had bought from one Johan de Lalaing the house called the Green Gateway to which I referred. Robinson died there in 1625. In 1663 the house was pulled down together with some adjoining houses; on the site an almshouse was built, which is still in existence today. And the building giving access to that almshouse, the exact spot where John Robinson and your ancestors lived, has next to its front door the stone whose inscription I read to you in the beginning.

There are many records extant relating to your forbears' stay in Leyden. One of them contains a statement of the Leyden magistrates, declaring that never any lawsuit or accusation had been brought against any of them. They obviously were not only God-fearing, but also law-abiding people.

Nor did the relations between the Pilgrims and Leyden cease with their departure. There was in that city during most of the seventeenth century an English church, and from 1617 until 1661 the minister of that church, one Hugh Goodyear, kept up quite a correspondence with the Pilgrims in America, a correspondence rediscovered at Leyden in 1921, and published there with reverent care. Goodyear corresponded with Ralph Smith, the Mastersons, with Mr. Aspinwall, notary in Boston, and others. In that collection you will find a letter written by Gov. Thomas Prence in 1634, with the first seal of Plymouth on it. And it also shows that in 1639 one Francis Higgenson, Jr., was sent to Leyden to study there at the university, the first of the many students from this country (there were exactly 100 of them in the first quarter of the eighteenth century) who studied at my old university. This Francis Higgenson went back to Harvard as a teacher in what then was the brand-new Harvard College. Perhaps the most eminent American student, descended from the *Mayflower* group, Leyden ever had, was John Quincy Adams, sixth President of the United States, who matriculated on January 10, 1781.

Small wonder that there are, at Leyden, several visible tokens of abiding American awareness of that city's part in your forebears' peregrinations. I mentioned, in the beginning of my talk, the old memorial stone in Bell Alley. Quite close stands the venerable fabric of St. Peter's Church. Go inside, and visit the baptismal chapel, where you will find a tablet, erected in 1928 by the General Society of Mayflower Descendants in the United States, to commemorate John Robinson who, the inscription reads, "guided and developed the religious life of the Pilgrims of the Mayflower," adding that "his undying spirit still dominates the consciences of "a mighty nation in the land beyond the seas." There also is a tablet which in 1891 was affixed on the outside of the same church by the National Council of the Congregational Churches of America, and

recalls how at Robinson's prompting the Pilgrims went forth to settle New England.

Small wonder too that Leyden and its university received its share in the Tercentenary Celebrations performed on Plymouth Rock in 1920. There was a pageant, featuring, next to Leyden citizens and their wives, 20 Leyden University professors, each, in the language of the official program, bearing a torch, so that Leyden brings most light of all. Speaking at that sacred place, the President of the United States truly said on that occasion: "Hands of men alone did not build what was founded here; it was but a visible sign, the human symbol of a purpose which we may not understand, but for whose beneficence all men must give tribute and praise, and voice undying gratitude." That my country through Leyden should have fostered and favored so great an undertaking is a source of deep pride and satisfaction to all from the Netherlands, a bond forever between your great country and mine, and a justification for my presence here tonight.

The Brannan Agriculture Plan

EXTENSION OF REMARKS
OF
HON. STYLES BRIDGES
OF NEW HAMPSHIRE
IN THE SENATE OF THE UNITED STATES

Friday, July 15 (legislative day of Thursday, June 2), 1949

Mr. BRIDGES. Mr. President, I ask unanimous consent to have inserted in the Appendix of the RECORD a report of an interview which appeared in the New Hampshire Sunday News on July 3, 1949, regarding the Brannan agricultural plan. The interview was by Mr. Fred Beane, the farm editor for the News with Prof. J. R. Bowring, assistant professor of agricultural economics at the University of New Hampshire.

Incidentally, I see that Mr. Henry Wallace now claims the Brannan plan as his baby. He says that Mr. Brannan and the administration are muscling in on his plan.

There being no objection, the interview was ordered to be printed in the RECORD, as follows:

UNIVERSITY OF NEW HAMPSHIRE ECONOMIST FINDS FOUR WEAKNESSES IN BRANNAN AGRICULTURAL PLAN—CLAIMS PROPOSAL LACKS OVER-ALL INCOME STABILITY

(By Fred Beane)

DURHAM, July 2.—At least one economist in New Hampshire has dug deeply into the Brannan plan of correcting the ills of American agriculture in one fell sweep, made up his own mind, and is willing to tell others. He is Prof. J. R. Bowring, assistant professor of agricultural economics at the University of New Hampshire.

Professor Bowring, while crediting the Brannan plan with being "a worth-while contribution, reemphasizing the need for a forward looking farm policy," finds several weaknesses in this proposed balancing of the economic picture in America by rigid provision of guaranteed high income to farmers.

Thus, the UNH professor points to what he considers extreme weaknesses in the Brannan philosophy in the following four conclusions he has made.

First, he says, "stability in agricultural income cannot be maintained without disequilibrium and misuse of resources, unless comparable measures are undertaken to maintain nonagricultural income."

Second, he points out, "consumer benefits under the proposed agricultural plan are dependent on many more factors than the price-elasticity of demand for food."

Third, he maintains, "rigid support prices for grain may defeat the purpose of increased production and consumption of nonstorable foods," and finally, he adds, "surpluses of storable crops may be an asset in quantitative terms but only at a great cost."

Professor Bowring has been studying the Brannan plan ever since its detailed program was made public some weeks ago. He points out that control of farm income and no regard for nonfarm income, could bring on definite "disparity" between the two groups in certain areas. He says there's danger that with use of national average prices, regional fluctuations will not be reflected.

Again, he points out that demand for food by consumers may be affected as much by changing family income, rent, cost of clothes, heat, education, entertainment and other factors, as on the food price level of certain perishable commodities, allowed in quantity to seek their own market level.

Then too, he claims if the consumer managed to buy food at lower figure and make a savings, he might well decide to use this advantage to help out on the family car or some other need, not in the food list, and so not buy more food, although at lower cost.

Professor Bowring also sees the possibility, he says, of "putting prices on the political level, instead of as an economic tool, to direct production and consumption," and he adds, "a time lag involved may interfere with production plans of producers."

The Durham economist, having considered all points in the Brannan plan, gives New Hampshire soil tillers and their brethren in the cities who have to buy the food, his conclusions on the workability of the Brannan plan, in the following discussion—

The new Brannan proposals for an agricultural price policy have reopened for discussion the role of government in relation to national income, agriculture's share of the national product and the control of price in directing resource use. To this end it is of value and subsequent statements will undoubtedly reemphasize the meaning of parity for agriculture in terms of consumer welfare and nonfarm income.

The six main arguments given in favor of this farm and price stabilization program according to the statement by Secretary of Agriculture Charles F. Brannan, April 7, 1949, are as follows:

1. To help prevent a recession by maintaining farm purchasing power.
2. To provide a market for industrial goods and help maintain employment.
3. To maintain high level production of farm products.
4. To encourage conservation of resources.
5. To maintain stocks of raw materials for purposes of national defense.
6. To maintain the family type farm as a source of democratic strength and economic security.

Few will not agree that these objectives are worth while. The first two, however, are broader than a discussion of a farm program implies. They state categorically that agriculture shall be used as a medium for pumping purchasing power into the economy, and that income stability in this sector will be a powerful influence in maintaining stability at the national level.

This means that demand for nonagricultural goods by the farm population will exert a considerable influence on prices and production in those industries, which in turn will be reflected in maintained demand for agricultural products.

It is essential, therefore, to understand more clearly the relative effects on the two sectors of the economy if such a dichotomy can be envisaged. The basis of the new plan is that a certain total agricultural income be maintained which will represent an equitable purchasing power for agriculture.

The formula for this equity or parity is based on farm purchasing power of cash receipts during the 10 calendar years 1909 through 1948, and thereafter the base is to be the first 10 out of the last 12 years. The ratio of these cash receipts to the estimated minimum income standard for 1950 would then be applied to each farm commodity to arrive at current parity prices.

Total income to agriculture would be guided by the cost of things farmers buy. Can the price of things farmers buy be indicative of economic conditions in the nonagricultural population? Certainly there is the danger that with the use of national average prices, regional fluctuations will not be reflected, resulting in disparity between agriculture and nonagriculture in those areas.

More favorable agricultural prices will attract human and physical resources into agriculture, increasing the cost and the supply of agricultural commodities, just as they would move out of agriculture if the opposite condition existed. It is necessary, therefore to emphasize the difficulties of maintaining a balance between one part of the national economy with price stability and the other less homogeneous part without such stability.

If the agricultural program is to be used to reduce business cycle fluctuations, then to ensure success it is necessary that comparable measures be undertaken with emphasis on the nonagricultural economy.

An attractive phase of the program is that nonstorable commodities such as whole milk, eggs, farm chickens, and meat animals shall be supported at the new price standards but that the market price will be allowed to find its own level. Consumers will thus benefit from reduced prices and producers will receive in cash the difference between the support standard for commodities produced and the average selling price for these commodities in the market place.

The basic assumption here is that the market price will be less than the support price; otherwise there would be no additional benefit to consumers under this system. The extent to which the market price will fall is dependent on the supply and the elasticity of demand. The price will be more responsive to an increased supply in relation to an inelastic demand than to a commodity with an elastic demand. The extent of the benefits to consumers, therefore, must be dependent on some further knowledge of elasticities of demand.

The elasticity of demand for food is not merely the result of isolated decisions on the part of consumers which vary with the price of food. It is a function of available income, the cost of rent, clothes, heat, education, entertainment, and so on. A decrease in income or an increase in rent coincident with a decrease in the price of, say beef, may well mean that no increased beef consumption would result.

Even with no change in the price of other consumer expenditures a fall in the price of a food may be absorbed as savings for use elsewhere. Particularly is this true where the proportion of income spent on food is high. It cannot be stated categorically, therefore, that the market price of nonstorable foods released from the support program will automatically fall to a level which will increase consumption. Is the price of milk the most important determinant of the consumption of milk, for example, or is it economically dangerous to isolate consideration of individual foods or groups of foods in the consumer's budget?

A further example of the pitfalls in this argument is the reiteration of statements such as the following:

"Another price-support method which should be available for use on perishable commodities is the direct Government pur-

chase program * * * it is necessary for the Government to make direct purchases and divert supplies from normal trade channels.

"Those commodities not included in the group I or priority list should be supported in line with or in relation to group I commodities, taking into account the available funds and authorities, the ability of producers to keep supplies in line with demand, and other relevant factors."

The establishment of acreage allotment, marketing quotas and agreements is a tool for controlling supply. A condition for reduced price to consumers is that supply should exceed demand, until a market price is established at some level where they tend to be equal. Yet at what level is this equilibrium and how soon can market supply restrictions be imposed or "supplies diverted from normal trade channels."

This is of great interest to the consumer if he is to benefit from the program. The spread between market price and support price or "production payment" must be a limiting factor both in the cost to the taxpayer and his proposed benefits as a consumer.

Another branch of the consumers whose demand on the agricultural commodity market should not be overlooked are the consumers of raw materials. This group includes farmers buying the major proportion of their feed. There is differentiation in the price-support methods between storable and nonstorables. Storables include cotton, corn, wheat, and other grains, tobacco, oilseed crops, dry beans and peas, wool, and peanuts. This storable group is not included in the market-price production payment scheme. Their prices are supported at the agreed parity level.

Consumers of these products, therefore, such as dairymen or poultry farmers, cannot expect to buy at less than this level. They must operate within the margin of the feed price support and the price of their finished product. This introduced rigidities which may not be conducive to increased production, and may even reduce consumption of grains on psychological if not economic grounds.

The plan proposes to recommend to Congress certain adjustments in support prices for one or more of the group I commodities such as corn, cotton, wheat, tobacco, whole milk, eggs, farm chickens, and meat, animals—hogs, beef cattle and lambs, in order to maintain feed ratios or feed-value relationships. This may tend to put prices on the political level instead of as an economic tool to direct production and consumption, and the time lag involved may interfere with production plans of producers.

The accumulation of stocks of storable commodities has proved embarrassing to the Government in the past and may well do so in the future in spite of the effort to maintain stocks of raw materials for purposes of national defense. The inclusion of storable grains at least in the open market price plan may be necessary if the program for meats, eggs, and milk is to have meaning.

The aim of a parity income for agriculture as an antidepression measure is one phase of the problem. The other is the effect on the agricultural industry as a production machine. The use of price to augment parity income must be reflected in the behavior of producers. To maintain high level production of farm products is a worthy objective but should that level follow a pattern established during the last 10 years when exports played a more important part in the disappearance of farm products?

The answer in the new plan is not that price will reflect changes in demand but that marketing quotas and acreage allotments will be encouraged as a means of stabilizing supply and that the cost-price ratios conducive to the production of meat, milk, and eggs will be established by order and changed only on recommendation of Congress.

Anyone familiar with the acreage allotments scheme knows that this is an ineffective method of controlling production even if it may be one way of increasing intensity of agriculture. Certainly the increased role of central directives appears to place more responsibility in the Secretary and Congress and less on decisions of individual farmers.

In summary, the Brannan plan is a worthwhile contribution and reemphasizes the need for a forward looking farm policy. However, stability in agriculture income cannot be maintained without disequilibrium and misuse of resources unless comparable measures are undertaken to maintain nonagricultural income. Consumers' benefits under the proposed agricultural plan are proposed on many more factors than the price-elasticity of demand for food. Rigid support prices for grains may defeat the purpose of increased production and consumption of nonstorable foods and surpluses of storable crops may be an asset in quantitative terms but only at a great cost.

The Maritime Strike in Hawaii

EXTENSION OF REMARKS
OF
HON. HUGH BUTLER
OF NEBRASKA
IN THE SENATE OF THE UNITED STATES

Friday, July 15 (legislative day of Thursday, June 2), 1949

Mr. BUTLER. Mr. President, I ask unanimous consent to have printed in the Appendix of the RECORD an editorial entitled "Truman Refusal to Act Means Suffering in Hawaii, Mainland," published in the Long Beach (Calif.) Press-Telegram of July 13, 1949.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

TRUMAN REFUSAL TO ACT MEANS SUFFERING IN HAWAII, MAINLAND

Some months ago President Truman, in his fight against the Taft-Hartley Act, declared a labor law does not need a clause permitting the President to act in a strike affecting the national welfare.

The President asserted, and was widely quoted, that the Nation's Chief Executive has "the inherent right to act" in such an emergency through virtue of his office.

After the war Hawaii became one of the most highly unionized areas under the American flag. Labor strength there is largely concentrated in Harry Bridges' CIO International Longshoremen's and Warehousemen's Union. This organization has reached out from the waterfront into the vital sugar and pineapple industries.

On May 1, the 2,000 stevedores belonging to the ILWU struck, effectively tying up the shipping on which Hawaii is absolutely dependent. The union demands either a wage increase of 32 cents an hour, bringing the hourly rate to $1.72 (10 cents less than the rate for stevedores on the Pacific Coast), or arbitration of the dispute. The situation has been made worse by refusal of the employer group to arbitrate. A deadlock resulted.

The Territory has suffered severe economic damage, business has been curtailed, the tourist trade has sagged, unemployment has mounted, some foods such as butter and eggs are in short supply, and relations between labor and management have been seriously exacerbated.

Some ILWU chieftains have been accused of preaching a "hate the boss" campaign; some employers have been charged with being "labor haters and baiters." The entire strike has aroused much bitterness. The Communist issue also has played its part. Senator BUTLER, of Nebraska, urged that Statehood for Hawaii be deferred until the Territory stamps out Communist influence which, he said, was personified by the Bridges union.

In the past few days, the seriousness of the situation has intensified. It has become critical in many aspects and the American mainland is being called upon for more foods so that there may be no danger of starvation in Hawaii.

Here was the opportunity for the President of the United States to invoke and use that inherent power of which he had spoken so confidently, to stop this disastrous strike in Hawaii, one which has brought about a critical situation in the islands.

But the word from the Truman administration is that the strike in Hawaii is only a minor incident and therefore does not deserve the attention of the Federal Government. Most west coast business interests will disagree with this judgment, but, at least Mr. Truman was protecting himself from the charge of extending the authority he says he had some 2,500 miles beyond the mainland.

It was not, however, necessary that he go to extreme lengths on his own authority. Senators KNOWLAND and MORSE proposed measures that would permit special arbitration by a board under Federal auspices. The union agreed to the proposal. The stevedoring companies were reluctant, no doubt because of the history of their dealings with Harry Bridges. In any case, however, a means would have been established for bringing the disputants together before an unbiased body. But the Administration has shown no interest. And Hawaiians and their customers on the mainland suffer.

It will be interesting to see whether the Truman administration remains as lighthearted on this serious issue as it is on others.

German Occupation Policies a Farce

EXTENSION OF REMARKS
OF
HON. LAWRENCE H. SMITH
OF WISCONSIN
IN THE HOUSE OF REPRESENTATIVES

Wednesday, July 13, 1949

Mr. SMITH of Wisconsin. Mr. Speaker, E. L. Delaney, of radio station KPRO at Riverside, Calif., has been and is rendering the people of that community a real public service. On July 5 he had an outstanding broadcast on the German occupation situation. I am including it as part of my remarks:

Few persons in this country ever heard of a German monologist and humorist named Karl Perkert. Recently in a music hall in Frankfurt am Main this humorist drew hearty laughs from his audience with the following story:

A young German went to the American military government in Munich, asking to be directed to the denazification bureau. He said he wished to get his clearance papers. The man was told that the bureau was closed, and why had he not applied there a year or so ago?

"Because a year ago," replied the German, "I wasn't a Nazi."

That may not evoke any laughs in this country. On the contrary, it is rather tragic.

For when analyzing it we find it is an indictment against the United States. It shows all too clearly that while we may have purged the ideologies of Hitlerism from the majority—although it is doubtful if a majority of the people had such ideas—some activities of our army-of-occupation officials have retarded rather than advanced the cause of democracy. They have spawned a belief or at least a feeling among some of the Germans which, in effect, is that perhaps they were no worse off under the Nazi regime.

The reason for that is not difficult to find. It is extremely unpalatable for some to hear, however, after it is found. Instead of practicing the tenets of democracy, as we know it in this country, some of our military administrators have adopted many practices of the totalitarian regimes. Instead of setting examples of justice and real Americanism, they have, in many instances, reverted to the most inhuman policies of the police state. They receded to methods which the Germans and other peoples of Europe were led to believe had been stamped out with the arrival of the Allied forces.

Directives were issued to the military and civilian personnel of the American zone, impressing on them the fact that each and every one of them, were ambassadors of democracy. That America was being judged by their conduct and the manner in which they performed their duties. The State Department bureaus reiterated this and the Voice of America stressed the importance of adhering to democratic principles.

But more and more it becomes apparent that it takes something besides directives to uphold national prestige. Nor can that be purchased with Marshall-plan appropriations, European recovery programs and Atlantic alliances. The beneficial results of those may be nullified by the inconsiderate acts of a minority.

Curiously enough, there appears to be a change in the thinking and in the morals of some among the occupation forces—both military and civilian personnel—immediately they find themselves in a foreign environment. The codes and precepts of America are put off like a damp raincoat. Certain ones revert to what we must record as the basest and most reprehensible acts of the savage. For certainly the cruelties and violations of human rights which have been ascribed to some of our American ambassadors are enough to bring shame on us as a Nation. Unfortunately we and others form our opinions of the people of alien lands by those of their country with whom we come in contact.

We have heard evidence, pro and con concerning the tortures inflicted on the inmates of German prisons by Americans. The investigations ordered by the Washington authorities have not absolved from blame those whom it was obviously intended to whitewash. The trials of war criminals in Germany bring no credit on the United States. When Senator JOSEPH MCCARTHY, of Wisconsin, walked out of the Senate committee investigating the Malmedy trials he declared that the committee was attempting to whitewash a shameful episode which is now part of our armed forces history. Senator MCCARTHY, a marine veteran of World War II, went on to say that the "investigation had degenerated into such a shameful farce that I can no longer take part therein."

Furthermore, Senator WILLIAM E. JENNER, of Indiana, inserted in the CONGRESSIONAL RECORD recently an article from the Christian Century entitled "German Bishops on War Crime Trials." In that article the aged leader of German protestantism. Bishop Theophilus Wurm, of Stuttgart, is quoted as commenting on the denials made in Washington that the Germans were not tortured to obtain confessions of alleged crimes. "Never," declared the bishop, "will the people of Schwabisch Hall, who in the night heard the cries of pain of the tortured beyond the prison walls, be made to believe that those investigators were servants of justice and not servants of revenge."

Recently the Catholic bishop, Hans Meiser, charged in Munich that the United States authorities had used brutality and religious interference against inmates of the war crimes prison in Landsberg, which is near Munich. The bishop said he had protested to Gen. Lucius Clay against the abuses in the Landsberg prison last December. Promises to investigate had produced no results. He said that both Protestant and Catholic clergymen had charged the American officials with brutality. He declared also that chaplains who protested were discharged. He cited the case of a man named Muhlbauer who was chained upright to his cell door until he fainted. Then he was revived with cold water and forced to sign a statement that he had not been abused.

What an indictment against our form of justice and against those who were supposed to be laying the foundation on which to build a democracy patterned after that of the United States. Is it any wonder the music hall humorists tell of the man who said he was not a Nazi before—but having learned of what the Americans do—he now has strange ideas about their form of betterment for the world? For it was that disregard for human rights which caused millions of Germans to oppose the Nazis even when they were in supreme power in their country.

It may be some solace to the outraged feelings of decent Americans who become aware of these undeniable truths, that in a large number of cases where such shameful outrages were committed, the principal offenders and interrogators were former Europeans who had been admitted into the armed services and were not what we prefer to regard as representative Americans.

However, they were in the uniform of our country's defense forces and under the authority of our officers. Hence the odium is on the United States.

There are numerous well authenticated instances of inhumanities inflicted on German prisoners. The reports rendered by Judge Edward van Roden, of Pennsylvania and Justice Gordon Simpson, of the Superior Court of Texas, who had been sent overseas by former Secretary of the Army Kenneth Royall to review 129 death sentences by military courts, being but a few of the proofs given Congress that some of our "ambassadors" of democracy went about their missions in peculiar fashion.

The facts they found and revealed on their return were known to thousands of Germans, long before the American public were acquainted with them.

Is it any wonder that some of the people in the western zones will harken to the siren songs of the Soviet propagandists—especially to those who recite and substantiate for their audiences such instances of inhumanity as committed by persons in American uniforms?

Then too the Germans are aware of the inconsistency of the trials for mass executions by SS troopers, while the most horrible massacre of war prisoners during the entire war—that of 11,000 Polish officers in the Katyn Forest in Russia, is never referred to by the judges or prosecutors on the war trials tribunals.

The Germans know, as does the world by this time, that those 11,000 officers were slaughtered on orders of the Kremlin and the execution was carried out by Red murderers. If the United States condones that massacre—the Germans may well say there is little to choose between Nazi justice and what we are trying to inculcate in their minds.

Also our utterly stupid procedure toward denazification, as inaugurated in 1945, was a disillusionment to many in Germany who hoped and expected to observe justice and fairness in American policy. The figures tell the story. Originally 3,277,790 were listed for denazification and in the meantime barred from any but the most common labor. Relatively few of them were fitted for that, being doctors, lawyers, scientists, teachers, or others of similar occupation.

Of that original number, in excess of three and a quarter million, 11,357 were cited as major offenders. The final sifting acquitted all but 968. Less than one-half percent of the original number. Many of those were kept in concentration camps for months and even years with no charges brought against them.

The evacuation of Poles from their natal land by the Nazi war lords, and the mass movement of Ukrainians was a war crime meriting penalties. The expulsion of nearly 12,000,000 Germans from East Prussia, and from Czechoslovakia, of the Hungarians from Czechoslovakia and the almost complete obliteration of the Estonians, Lithuanians, and Latvians, by the Soviet dwarfs into insignificance the evacuations by the Germans during the war. Yet these far greater mass expulsions have the tacit approval of the United States.

The Germans were given stern reminders that they must work and pay their way in the program of rehabilitation of Europe. Then they witness the utterly insensate dismantling of factories in which they might work out their salvation. They observe that thousands of their people are made idle. The lame excuse that the factories (with rare exceptions) were producing war potential is arrant nonsense—which they know as well as do we. We must remember that German universities have been teaching economics and industrial science for generations. Thousands are able therefore to detect the spuriousness of the reasons advanced for the destruction of the plants.

If that is the way American democracy functions, they may well reason, then what is the difference between it and the arbitrary rule of a minority which they suffered under the Nazi regime?

While the Berlin airlift was a dramatic and stupendous achievement—demonstrating American air strength, initiative, and resourcefulness let us not forget one thing. The thinking Germans as well as intelligent Americans realize that it was nothing less than abyssmal folly on the part of the leaders of the western powers in not demanding and obtaining a land corridor into the city of Berlin isolated deep in the Soviet zone. That monumental blunder does not enhance the American record for political sagacity.

There would be no difficulty in implanting the concept and precepts of democracy in the Germans if we practiced them ourselves. That is much the thought expressed by Gen. Lucius Clay on his return recently. He was there long enough to know. The bias brigade and malcontents will disagree with him and with these words, but history will not.

The Threatened Steel Strike

EXTENSION OF REMARKS

OF

HON. FRANCIS J. MYERS

OF PENNSYLVANIA

IN THE SENATE OF THE UNITED STATES

Friday, July 15 (legislative day of Thursday, June 2), 1949

Mr. MYERS. Mr. President, a while ago, first the Bethlehem Steel Corp., second largest steel producer in the coun-

try, and then the Youngstown Sheet & Tube Co. announced that they would go along with the President in agreeing to go before a presidentially appointed fact-finding board designed to help management and labor in the steel industry reach agreement on issues which were threatening to cause a strike. I am now informed that Republic Steel and United States Steel have just agreed to cooperate with the President, according to word which has this moment come over the wires.

I am extremely pleased by this action, which means that at last the entire steel industry is demonstrating industrial statesmanship. Of course, the Big Three were nudged a little by public opinion, which had deplored their previous unrelenting attitude of holding firm.

Yesterday, I sent telegrams to United States Steel, Bethlehem Steel, and Republic, the so-called Big Three, urging that they demonstrate in this instance that free American enterprise and free American labor can together reach mutually satisfactory agreements and relationships.

This morning, the Washington Post carried an editorial entitled "Unbending Steel," in which it forthrightly put forward the basic issues in this dispute as they reflect industrial maturity and industrial statesmanship. I ask unanimous consent that that editorial be printed at this point in the RECORD as part of my remarks.

I am delighted with the outcome.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

UNBENDING STEEL

The reasons given by the United States Steel Corp. for rejection of the President's proposal appear to us to be singularly inadequate and ill-judged. Mr. Truman had suggested a board of inquiry to investigate the wage dispute with the steel union and make recommendations for its settlement before the end of a 60-day cooling-off period. United States Steel's alternative is that the President should invoke the emergency provisions of the Taft-Hartley Act. In so doing the company indirectly acknowledges that a strike would create a national emergency calling for Government intervention. Even Senator TAFT admits that the President has a perfect right to appoint such a fact-finding board and maybe "ought to appeal to both sides to make a further attempt to settle things." United States Steel's last minute announced willingness to cooperate on condition that the proposed fact-finding board makes no recommendations is equivalent to a second rejection of the President's proposal.

By calling on the President to follow the procedures laid down by existing law for dealing with disputes imperilling national health or safety, United States Steel and the companies following its lead may have hoped to embarrass him and gain public support for retention of the emergency provisions of the Taft-Hartley Act, including resort to injunctive relief. However, if a large proportion of the steel industry is forced to close down for any length of time, public demands for compulsory arbitration of labor disputes creating national emergencies may well eventuate. That method of settling differences between management and employees would be as unpalatable to the steel companies as it would be to the steel workers' union.

As the President said, when appealing to the Big Three—United States Steel, Republic, and Bethlehem—to reconsider their rejection of his proposal, "It is obviously more sensible to attempt to prevent such an interruption (to steel production) before it starts, than to wait and have the Government step in after a prolonged interruption has reached the point where it does imperil the national health and safety." Moreover, the case against fourth-round wage increases and the reasons advanced for company refusal to consider demands for a retirement pension system under the reopened wage contract would lose none of their cogency from repetition. Nor would the recommendations of the proposed fact-finding board be binding on assenting companies. In short, the dissenting steel companies stand to lose much more than they are likely to gain by a policy of noncooperation precipitating a strike.

By taking a stand in favor of industrial warfare as the solution of labor disputes, the heads of the "big three" have shown themselves to be poor strategists. Not only that; they have shown a surprising disregard for the consequences of inviting a strike at a very critical stage of industrial readjustment. If a large part of the steel industry should be forced to suspend operations, it would aggravate the downturn in business by throwing thousands of men out of work, including not only the strikers but sooner or later the employees of steel-consuming industries. The loss of consumer-purchasing power resulting from strikes in basic industries puts a severe strain on the economic life of the country at any time. Under present conditions it would not only accelerate the current downturn in business but it might convert what appears to be a temporary recession into a real depression.

A statesmanlike grasp of the problems confronting the executive heads of the big steel companies would have precluded hasty action based solely on a consideration of immediate issues. That is not equivalent to saying that the heads of the steel industry should submit meekly to the demands of their employees for wage increases and other benefits as the price of peace. But they ought to be willing to try all reasonable means of reaching a settlement before resorting to a tug-of-war that would merely postpone the day when a compromise of some kind will have to be reached. Meanwhile a prolonged strike would inflict heavy losses on the industry, the steel workers, and the public at large.

Socialism Under the Guise of Welfare Legislation

EXTENSION OF REMARKS
OF
HON. LAWRENCE H. SMITH
OF WISCONSIN
IN THE HOUSE OF REPRESENTATIVES
Wednesday, July 13, 1949

Mr. SMITH of Wisconsin. Mr. Speaker, I am including as part of my remarks a timely editorial that appeared in the Milwaukee Sentinel:

WELFARE LEGISLATION
(By E. F. Tompkins)

The Eighty-first Congress behaved with great unwisdom in passing a new Federal housing bill.

By its abject action, it has advanced—and perhaps confirmed—state socialism in the United States.

Events will show that the general welfare has not been served.

Another housing measure was not needed to meet any existing emergency.

Temporary dislocations in metropolitan housing—the so-called housing shortage, caused by war conditions and official ineptitude, and aggravated by rent controls, were rapidly being corrected; and the great majority of American farmers are amply able to look out for themselves.

But these essential facts were ignored by the propagandists for public housing—intentionally so, of course.

For, under its previous legislation and at a gross expense of billions of dollars, the Federal Government had contributed relatively little toward a solution of "housing problems," and it would have been politically inexpedient to acknowledge what industry had done, or what States and communities are capable of doing.

By subsidizing State and local authorities, the New Deal had established rather extensive colonies of privileged tenant voters in crowded urban centers, and had assisted in eliminating some slum areas.

But these performances were wasteful in expenditure and created a special problem: Federalized projects failed to provide for the removal of thousands of displaced persons who were compelled to vacate the substandard premises that were razed and whose own adversities were increased.

Moreover, except for Quonset huts and ramshackle cabins and barracks in undesirable locations, the Federal Government erected little wartime housing; and—apart from financially hazardous benefits to veterans plus a few more slum clearances—its showing in the postwar period has been hardly better.

Particularly, the New Deal's socialized housing has been of no value, and has, indeed, operated adversely, to the productive, self-supporting and overtaxed middle class, which is compelled to make its own investments in the procurement of family dwellings.

The genuine improvement in housing since 1945—and the improvement has been more than substantial—is due entirely to the efforts of free enterprise, carrying on in spite of bureaucratic restrictions and political obstacles.

As a substitute for competitive capitalism and individual initiative, federalized housing has been and will continue to be a fraud.

The new Federal housing legislation not only retains the unseemly defects of the old, but also introduces into our economy still more damaging elements.

Conjoined as it must be with continued rent controls, it will hamper free enterprise in building construction, force private investment out of the rental-housing field, and make housing shortages, calling for yet more public housing.

Quite evidently, the discouragement of investment has been calculated, since the housing bill itself contains socialistic substitutes for venture capital.

The first of these is a 40-year program for direct Federal expenditures in the forms of grants, loans, and subsidies.

The base cost to the Federal Government cannot, under the provisions of the bill, be less than $14,000,000,000; the ultimate cost is incalculable.

The second and more deleterious feature of the bill relates to State and local finance.

State and local housing authorities will borrow money on tax-exempt bonds which will be unconditionally guaranteed by the Federal Government.

Necessarily, the Federal Housing Administrator will be the Nation's housing dictator. And, in case of default, the Federal Government may foreclose on any project, itself becoming the landlord.

Not only will tax-exempt guaranteed bonds drive or draw private capital from private enterprise: State and municipal governments will be encouraged, and even subsidized, to make themselves vassals of

Washington at a costly sacrifice of democratic home rule.

There are at present 700 local participating housing authorities which are expected to borrow $1,125,000,000 a year in the next 6 years—a total of nearly $7,000,000,000 to be added to the floating debts of States and cities and to the contingent liabilities of the Federal establishment.

And there is no reason to assume that the process will end then.

Some day taxpayers will have to liquidate the unforeseeable debts, unless a nationalist socialist government is to confiscate all the mortgaged properties and repudiate its own guaranties.

Supplementary Convention to Broaden North Atlantic Pact

EXTENSION OF REMARKS

OF

HON. PAUL H. DOUGLAS

OF ILLINOIS

IN THE SENATE OF THE UNITED STATES

Monday, July 18 (legislative day of Thursday, June 2), 1949

Mr. DOUGLAS. Mr. President, I ask unanimous consent to have printed in the Appendix of the RECORD a statement prepared by me in support of Senate Concurrent Resolution 52, the so-called Thomas-Douglas resolution, calling for a supplementary convention to broaden the North Atlantic Pact.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

STATEMENT BY SENATOR PAUL H. DOUGLAS, OF ILLINOIS, IN SUPPORT OF THE THOMAS-DOUGLAS RESOLUTION (S. CON. RES. 52) CALLING FOR A SUPPLEMENTARY CONVENTION TO BROADEN THE NONAGGRESSION PACT

1. WHY THE NORTH ATLANTIC PACT IS DESIRABLE

The resolution which is sponsored by Senator THOMAS and me is not a criticism of or a substitute for the North Atlantic Pact which was signed on April 4 and which is being submitted to this body for ratification. On the contrary, as my votes will show, I am personally a supporter of this pact, since I believe that our security would be directly threatened were Russia to attack and take over the countries of western Europe. We cannot afford to have a hostile police state face us directly on the Atlantic at the same time that it controls all of Europe. For if that happened, we would be directly threatened and Communist prestige in Latin America and all over the world would be increased. It would mean that we would be the next subject of attack. We could not afford to let this happen when Nazi Germany was the aggressor. We cannot let it happen now when Communist Russia is the aggressor.

We had all hoped that the United Nations would prove strong enough to be able to check aggression and to provide relative safety for all. But in practice, Russia has taken advantage so many times of the veto clause in the Charter of the United Nations and has been at once so aggressive in her actions and so bitter in her attitude toward us that it is obvious she would refuse to let the Security Council take action against her even if she were openly the aggressor. In order to prevent western Europe from being absorbed by the Russian police state and to protect our own safety, we have, therefore, been forced to draft and ratify the North Atlantic Pact.

This pact is not a proposal for aggression. It is, instead, a proposal for mutual help in the event of attack by others. While I realize that there are risks which our country runs in any such venture, they seem to me to be far less than the great dangers which we would suffer if we refused to act. For then it would be possible for Soviet Russia, like Nazi Germany, to pick off the countries one by one and finally build itself up to the point where it would gravely threaten the very safety of the people of the United States and of democratic government. I, therefore, will not only support the North Atlantic Pact, but it is also my intention to vote for added appropriations to help the nations of western Europe to arm more effectively. All this, I repeat, is not for purposes of aggression, as is sometimes falsely charged, but to provide a better common defense.

The pact and the rearmament of Europe when taken together would appreciably increase the chances for peace. If western Europe were divided and politically isolated from us, the warlike elements in Russia would be tempted to attack some of the smaller countries in the belief that no one would come to their aid. This would inevitably lead to war.

But if Russia knows that the United States, Great Britain, France, Italy, and the other democracies are firmly joined together, she will be far less likely to take the aggressive and consequently war will be much less likely to occur. If the Kaiser had known in 1914 that his invasion of Belgium and his attack on France would range against him not only Great Britain but ultimately the United States as well, he would in all probability not have plunged Europe and the world into war. Had Hitler known that his invasion of Poland would bring Great Britain and finally the United States against him, I doubt whether he would have taken the fatal step. It was the belief on the part of both the Kaiser and of Hitler that America would stand docilely by and let them complete their conquests which helped to lead their nation and, in part, the world to destruction.

Similarly if Russia were to believe that we would isolate ourselves from the rest of the world, the Russian undercover agents would be quick to promote revolutions and the Russian troops would be quick to march. Our ratification of the North Atlantic Pact serves notice on the Kremlin that it cannot get by with any such policy, and it should, therefore, act as a deterrent to war and should definitely serve to promote peace.

2. WHAT THE THOMAS-DOUGLAS PROPOSALS DO

But much as I favor the North Atlantic Pact, I do not believe it should stand alone. I believe we should also show that we are opposed to aggression everywhere that it is threatened and not merely in western Europe, Greece, and Turkey. I believe we should make a strong effort to make the United Nations a more effective agency to resist aggression. It has recently done splendid service in reducing tensions in areas numbering one-fifth of the world's population. It has five teams of conciliators and observers in the field. I refer particularly to its work in promoting agreements between the Jews and Arabs over Palestine and between India and Pakistan over Kashmir. It has helped to make the Dutch more reasonable in Indonesia, although the real test on this matter still lies ahead. It was through the United Nations that Russia could sue for peace by lifting the Berlin blockade without losing too much face in the process.

The United Nations is now about to set up its own guard force to protect its missions in the field which will establish the principle of an independent world police force.

The United Nations is also valuable as a forum for discussing conflicting interests and for creating world public opinion. It has maintained a semblance of unity in a world torn by ideological differences and reconstruction problems. The cluster of welfare and economic agencies which have grown up around it are, despite all difficulties, doing good work. Its trusteeship department is giving hope to millions of colonial peoples. But due primarily to the Russian attitude and the right of the large states to a veto in the Security Council, it cannot stop aggression against the wish of a great power. The resolution which Senator THOMAS and I have introduced is designed to help it do just that. Building on suggestions originally advanced by Mr. Hamilton Fish Armstrong and by the American Association for the United Nations, and carrying out the principles of the Vandenberg resolution of July 1948, it calls for our taking the lead in submitting a supplementary convention to all members of the United Nations. The nations which sign this convention would thereby agree that, if any nation took the aggressive and the Security Council refused to act, then the signatory powers would agree to take concerted action against this aggressor upon the vote of two-thirds of the members of the General Assembly, including three of the so-called Big Five. Furthermore, such an agreement would itemize in advance the specific forces which each nation would set aside to restrain such an aggressor and hence would create the nucleus of an international police force.

It should, of course, be emphasized that such a supplementary convention would not interfere with a nation's right of self-defense which is expressly reserved under article 51 of the United Nations Charter. This right of self-defense can be exercised either individually by a country or collectively through such arrangements as the North Atlantic security pact or the pact of Rio de Janeiro for South and North America.

3. THE MERITS OF AN INTERNATIONAL NONAGGRESSION PACT UNDER THE UNITED NATIONS

What then may be said to be the merits of this proposal?

1. It aims to universalize the principle that aggression is a crime against the law of the world and should be put down by a police force. The aggressor, under this resolution, would not merely be attacking another country and hence starting a war against a nation or alliance. It would instead be attacking the peace of the world and could be put down by a police force organized to preserve the peace.

Such a proposal would make a great moral appeal to millions of people all over the world who are opposed to aggression and believe it should be stopped by law, but who shrink from the idea of alliances as the best method of protection. Ultimately, if the world is to survive and prosper, there must be an effective world system of law which by putting down aggression will enable the peoples to live in peace. Such a system of law should be as universal within the world as our national systems are operative within a country. Necessary as regional alliances are to furnish protection, they should not be a permanent substitute for that universal system toward which, despite all difficulties, mankind is nevertheless groping. The method proposed by Senator THOMAS and by me would conserve the Pan-American and North Atlantic Pacts but would move out beyond them toward a universal pooling of force and law to prevent aggression everywhere.

The proposed universal pact has this further advantage over a regional alliance in that the decision as to whether or not an act of aggression has occurred is to be made by a comparatively neutral body rather than by parties who are more immediately concerned. It is, therefore, more likely that justice will be done. Our policy is peace under the rule of law. That is why we joined

the United Nations and have sought to make it effective. That is behind our national foreign policy and the regional alliances. It is what Senator THOMAS and I are seeking to further under our resolution.

2. It would reassure countries which are outside the North Atlantic Pact by letting them know that we have not deserted them and would strengthen their hands in resisting Russian or other aggressors. Among these countries may be mentioned the nations of the Near East and of the Pacific. There is grave danger that in our present zeal to prevent Russia from taking over western Europe, we may ignore the danger of Russian expansion in Asia and the Near East.

While we have been checking Communist expansion in western Europe, the Chinese Communists have rapidly been taking over that country. While they will have a hard task to digest that huge country and may develop separatist tendencies which will cause them to split with Moscow, it would be unsafe for us to depend on these possibilities. There is, indeed, a strong likelihood that they may soon intensify their campaign within Indonesia and India and that their armies may within not too long a time threaten these countries from without. Iran is apparently in constant danger of this type and were it not for the Truman doctrine Turkey would be similarly exposed. A universal pact of this nature would be open to these regions. It should furnish them with approximately as great protection as a series of regional pacts between us and geographical groups of nations. But it would do so without being exposed to the criticism that it was provocative toward Russia. It would consequently be easier for these countries like India, Siam, Korea, and Indonesia to join an inclusive agreement than an exclusive one, since it would expose them to less criticism from their own people.

3. Such a pact would have, as a matter of fact, great propaganda value in India, Indonesia, and the democracies of the Southwest Pacific such as the Philippines, Australia, and New Zealand. Russian propagandists in the Pacific are actively misrepresenting American purposes and the motives behind the North Atlantic Pact. They are representing the pact as a purely European and American concern in which the signatory nations are only influenced by their national interests. This contention is untrue but the Communists have had more success than they deserve.

Such a supplementary convention as is proposed would serve to reassure these people that we are still seeking to prevent war in their area of the world as well as in the North Atlantic. Peoples and countries such as India who might wish to be neutral in a struggle between the United States and Russia would then have a direct interest in a general pledge which would make them not merely beneficiaries but also partners in the prevention of aggression. The free world should thus get effective allies and the overall strength of those who want to live in peace would be especially helpful in the case of India, the Indonesian Republic, Burma, Siam, and any democratic government which may develop out of French Indo China. These peoples and nations tend to feel hostile toward those nations in western Europe which have governed these countries. The color prejudices which the white races have unfortunately carried to Asia are barriers which already hamper us in getting these peoples to side with the free nations against Communist aggression. This has been partially offset by our unselfish policy of giving the Philippines their freedom. But it is still an impediment and a ground for suspicion. I do not pretend to be an expert on southwest Asia, since my division did all its fighting on the small islands of the Pacific. But from what I can learn, I believe it will be fatal if we permit the people of those countries to believe that the struggle there is merely as to whether Russia or the United States and the European imperialisms will dominate that area. Under those circumstances they are likely to say that they do not care which side wins. The best hope would seem to be in convincing the people of southwest Asia that the United States does not want to dominate them and that we will help them to prevent the Russians or anyone else from taking them over. Under the proposed plan, they would become full-fledged partners in the pact and would contribute to their own protection. By recognizing them, we will strengthen the newly developed nationalisms of this area to resist foreign aggression so that they may lead their own lives. In this way, Russian aggression could be exposed in its real light; namely, as an imperialist attempt by a foreign power to crush the nationalism of south and southwest Asia. It would prevent the Russians from disguising themselves as a native movement to free the yellow and brown races from white domination.

In this connection of course it is vitally important that we do not permit the Dutch again to break faith with the Indonesian nationalists. That would be fatal and would almost inevitably deliver Java and Sumatra to the Communists. But if nationalism can be recognized in Indonesia and in French Indo China along the lines which have been worked out in India, and if we can help to throw around these countries the generalized protection proposed in our resolution, we shall have gone far to enlist the forces of nationalism and the peoples of the east on our side, and this side, I again repeat, is merely the side of peace and orderly self-development.

4. WHAT WILL RUSSIA DO?

The first question which everyone is likely to ask about such a proposal is, "What will Russia do?" It will be seen that Russia and its satellites would be invited to join the universal pact along with all the other nations and would be equally eligible for membership.

But would she? Here let it be said that if Russia did join, she would subject herself to a common rule of law. Along with the other nations she would be willing to be judged by the assembly and if found guilty by two-thirds of its members, would agree to abide by the decision. If Russia were to agree to such a proposal, it would be a big step forward toward peace. It would give great reassurance to people everywhere and it would establish the United Nations as a powerful international agency. By freeing the United Nations from the veto it would clothe that body with real power and responsibility. I believe Russia and her satellites should be given this chance to cooperate and we can only pray that she would turn over a new leaf and sign the convention in good faith.

Yet it is more probable that Russia would refuse to consent to the two-thirds rule and hence probably would not join. Russia has again and again said that she would not consent to any weakening of the veto power and it is hard to picture her changing this policy.

But what harm would be done by this? The non-Communist nations would in all probability join in such a universal pact and we could build mutual protection with them. Moreover, Russia's refusal to join would distinctly weaken her in the propaganda war which she is waging for the loyalties of mankind. It would be difficult for her to explain away her unwillingness to abide by a collective decision and in consequence she would still further lose prestige in Europe, the Americas and the Near and Far East. Such a proposal, therefore, even if unsuccessful in attracting Russia would be of great propaganda as well as practical value to us.

But even if Russia refused to sign the proposed supplementary convention she would still be a member of the United Nations with all the rights and privileges which she now possesses. In this case we would have a league of peace inside the United Nations. The outer rim of members would still be under the veto provision but the inner core would be subject to the more effective two-thirds rule. Those who chose to enter the inner group would really be progressing from the first to the second degree of international cooperation.

5. THE VALUE OF AN INTERNATIONAL POLICE FORCE

For the United Nations to be effective, it must have ready a sufficient police force to put down at least small acts of aggression. Unless it has this its decisions will tend to be ineffective. We had all hoped that an international police force would have been created before this but again due to Russian opposition, this proposal has been strangled. Because of Russia's veto power, it is evident that she will continue to prevent the creation of such a force and will keep the United Nations helpless except for its moral force and the small guard detail which I have mentioned.

But the device which Senator THOMAS and I are advocating gets around this difficulty. We do not ask the United Nations as such to set up this international police force. We are merely asking that those who sign the supplementary convention designate the military units which they will furnish upon the call of two-thirds of the Assembly. In this way, the Russian veto will be inoperative and the United Nations can be furnished with at least a portion of the force which it needs. It should also be noted that the force involved will be designated in advance. This last point is very important. For if merely a general pledge is given to provide troops, planes, etc., but no specific units or elements are designated, the delay in assembling the force will be so great that the effectiveness will be lost. By designating the precise elements in advance, the assembling of the international force will be greatly hastened and its effectiveness increased. The size and composition of this force will, of course, be arranged by negotiation and conference with the other powers and the advice of the Senate can and should be used in this connection.

6. SUMMARY

The Thomas-Douglas resolution seeks to give to our country and to the world the security and cooperation which we thought we were getting when we helped to create the United Nations. For it should never be forgotten that the Charter of the United Nations declares that the first purpose of the United Nations is "to maintain international peace and security and to that end, to take effective collective measures for the prevention and removal of threats to the peace and for the suppression of acts of aggression or other breaches of the peace and to bring about by peaceful means and in conformity with the principles of justice and international law, adjustment or settlement of international disputes or situations which might lead to a breach of the peace."

That is what we agreed to when we ratified the Charter. But due to structural defects in that Charter and to the Russian attitude, we have failed to realize that purpose.

If the Thomas-Douglas resolution were adopted and carried out we would be able to carry out these purposes. We would not try

to do this as some propose by scrapping the United Nations in a fit of petulance or disillusion. Rather we adopt the more constructive attitude of building within the structure of the United Nations an open association of nations organized to preserve the peace by pooling force against any country which by a two-thirds vote including three of the Big Five, has been adjudged the aggressor. No nation is excluded if it wishes to come in. The gates are open. The United Nations can continue as before, but within it will be created a still firmer core of nations pledged to use pooled force against aggression and hence serving to deter it. A greatly needed step in the way of building up an international police will, at the same time be taken. Both Senator THOMAS and I hope that these suggestions will be seriously and sympathetically considered by the Senate, the administration, and the people of this country. We believe they have merit.

For the sake of completeness, I attach the text of the Thomas-Douglas resolution:

"Senate Concurrent Resolution 52

"Whereas the United States by repeated declarations and actions has clearly committed itself to the principle that the peace of the world can only be preserved by the use of pooled forces to resist and to deter aggression; and

"Whereas in furtherance of this principle the United States has cooperated wholeheartedly in the formulation and activities of the United Nations, in the pact of Rio de Janerio which was designed to protect the American hemisphere from attack and is now considering ratification of the North Atlantic Security Pact which is similarly designed to protect from assault states bordering and adjacent to the Atlantic; and

"Whereas all the members of the United Nations are bound to refrain in their international relations from the threat or use of force against the territorial integrity or political independence of any state, or in any other manner inconsistent with the purposes of the United Nations, and to give the United Nations every assistance in any action it takes in accordance with the present Charter to carry out its purposes; and

"Whereas one purpose of the United Nations is to maintain international peace and security and to that end to take effective collective measures for the prevention and removal of threats to the peace, and for the suppression of acts of aggression or other breaches of the peace; and

"Whereas the Charter permits member states to supplement the provisions of the Charter by regional or general arrangements for collective self-defense, and such an arrangement can give the General Assembly powers normally exercised by the Security Council; and

"Whereas the General Assembly of the United Nations is capable of meeting on short notice and acting promptly and justly to determine the fact of aggression when the Security Council is prevented from taking action against aggression because of the voting procedures requiring unanimity of the principal powers to authorize military action; and

"Whereas the Senate Resolution 239 of June 11, 1948, in addition to favoring the association of the United States with regional arrangements in accordance with the purposes and principles of the Charter, urged the United States to make clear its determination to exercise its right of collective self-defense under article 51 should any attack occur affecting its national security; to contribute to the progressive development of regional and other collective arrangements; to make maximum efforts to obtain agreements to provide the United Nations with armed forces as provided by the Charter; and to reaffirm the policy of the United States to achieve international peace and security through the United Nations; and

"Whereas the national security of the United States may be affected by attacks in areas other than the Atlantic area: Therefore be it

"*Resolved*—

"(i) That the Congress reaffirm its faith in the United Nations as the cornerstone of the international policy of the United States and as an institution which can progressively be made more adequate to assure the security of its members;

"(ii) That to this end the Congress pledges its support to a supplementary agreement under article 51 of the Charter open to all members of the United Nations, by which the signatories agree, if the Security Council is prevented from fulfilling its duties, to come to the aid of the victim of attack if requested to do so by a two-thirds vote of the General Assembly, including three of the permanent members of the Security Council;

"(iii) That such an agreement should specify the forces that each signatory agrees to maintain, under the spirit of paragraphs 1 and 2 of article 43, for immediate use of the United Nations (a) upon call of the Security Council, or (b) upon call of the General Assembly by a two-thirds vote, including at least three of the permanent members of the Security Council;

"(iv) That such an agreement should specify that if a matter pertaining to a threat to or breach of the peace, or act of aggression, is on the agenda of the Security Council, and the Security Council is prevented from fulfilling its duties, the signatories who are members of the Security Council will take such steps as may be required to remove it from the agenda of the Security Council; and

"(v) That such an agreement should come into force when ratified by a majority of the United Nations including three of the permanent members of the Security Council.

"Such an agreement shall not in any way impair the inherent right of the parties to engage in self-defense under article 51 of the United Nations Charter, individually or through other collective arrangements consistent with their obligations under the United Nations Charter, or the North Atlantic Security Pact, or the Pact of Rio de Janeiro."

S. 1008

EXTENSION OF REMARKS
OF
HON. JOHN A. CARROLL
OF COLORADO
IN THE HOUSE OF REPRESENTATIVES
Monday, July 18, 1949

Mr. CARROLL. Mr. Speaker, since the passage of S. 1008 by the House of Representatives last week, there has been considerable discussion of the effect of the so-called Carroll amendments to this bill. These amendments are identical in purpose to the Kefauver amendments approved by the Senate. The sole purpose of the Carroll amendments is the preservation of the Robinson-Patman Act, which has protected small business against monopolies for more than a decade.

A clear explanation of the necessity for the Carroll amendments appeared in the editorial columns of the July 14 Washington Post. Under leave to extend my remarks, I wish to include the following editorial from the Washington Post, which I commend to the attention of every Member of Congress who desires to protect our antitrust laws:

TO END CONFUSION

Both the House and the Senate have now approved bills designed to remove doubts as to the legality per se of noncollusive delivered price systems and absorption of freight charges. As amended from the floor, the House bill is similar to that recently passed by the Senate. If enacted, this declaratory legislation should put an end to the confusion resulting from different interpretations of court decisions outlawing basing-point systems and allay the fears of businessmen that the practice of absorbing freight charges in good faith to meet competition might subject them to prosecution for violation of the antitrust laws.

However, both the House and Senate have insisted on certain protective restrictions limiting businessmen's freedom of action to meet competitors' prices by absorption of freight charges. The Senate inserted an amendment proposed by Senator KEFAUVER to the O'Mahoney bill providing that freight absorption to meet a competitor's price could not be used as a defense in any suit charging that such absorption would substantially injure competition. The House bill, as reported out of committee, omitted this amendment, but it was subsequently modified to include a provision (considered by Senator KEFAUVER to be better than his own amendment) intended to protect small-business men against discriminatory kinds of pricing banned by the Robinson-Patman Act. In others words, the House amendment would make it illegal to absorb freight charges, in any case, if such action violates the provisions of the Robinson-Patman Act. In our opinion, this qualification was essential to avoid weakening the Robinson-Patman Act. That certainly was not the purpose of the House in approving a clarifying measure. In trying to clear up the confusion about the legality of delivered pricing systems and freight absorption neither the House nor the Senate has any intention of removing safeguards against monopolistic or discriminatory practices banned by existing laws.

Brannan Farm Plan

EXTENSION OF REMARKS
OF
HON. CLIFFORD R. HOPE
OF KANSAS
IN THE HOUSE OF REPRESENTATIVES
Monday, July 18, 1949

Mr. HOPE. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following article on the Brannan farm plan which I recently prepared at the request of the International News Service:

I agree with what Secretary Brannan says as to the need for a strong price-support program. In fact I am sure that there is agreement among our people generally on that point.

Both political parties have repeatedly endorsed price supports in their platforms and in Congress such legislation has had bipartisan support. The latest legislation placed on the statute books—the Aiken bill, titles II and III of the Agricultural Act of 1948—was worked out jointly by Secretary Anderson and his associates in the Department of Agriculture, including the then Assistant Secre-

ary Brannan and a subcommittee of the Senate Committee on Agriculture headed by Senator AIKEN, of Vermont. In the same Congress the members of the House Committee on Agriculture, both Democrats and Republicans, unanimously agreed in reporting a bill to extend the existing price-support program—with slight modifications—for a year. This measure, which became title I of the Agricultural Act of 1948, constitutes the program in effect during 1949.

Because we have had comparatively little experience in price-support operations during periods of low or declining prices, there are naturally differences of opinion concerning the method, level and extent of supports. In my opinion most of these differences must finally be resolved through the process of trial and error and it may be a long time before even reasonably satisfactory results are attained.

The Brannan plan does not contain any new or revolutionary ideas. Everything included in it is either in existing legislation or has been the subject of considerable discussion in agricultural circles. Yet it created a sensation. It has been more widely discussed than any farm plan ever proposed. A survey of the comment and discussion indicates that this great interest is due at least in part to two things: the plan's unquestionable political appeal and its questionable economic soundness.

The political appeal is very well described in an agricultural supplement to the April 18, 1949, issue of the League Reporter, published by the American Federation of Labor's League for Political Education, from which I quote as follows:

"In presenting the new farm program to Congress, Secretary of Agriculture Brannan did the following:

"1. To farmers generally, he offered an over-all Government-guaranteed and Government-subsidized income at the attractive levels of wartime.

"2. To consumers and labor he offered lower prices for meat, milk, fresh vegetables, eggs, butter and other perishable farm products and that represents the major part of the consumers' cost of living items.

"3. To southern cotton and tobacco growers he offered a Government-guaranteed and a Government-subsidized program for cotton and tobacco that would give the farmers who produce these commodities a better income than that provided by the so-called 90 percent parity formula which they have been demanding.

"4. To the Midwestern Corn Belt he offered increased Government-subsidized, Government-guaranteed price support levels for meat animals (and most corn is marketed in the form of meat).

"5. To producers of fresh vegetables and fruit he offered for the first time a real and permanent place in the Government-guaranteed and Government-subsidized price support system."

The article is too long to quote in full but the following paragraph is also of interest, particularly in view of the comparison made between the Brannan plan and the OPA, and the British system of food subsidies.

"The new program of a direct payment to the farmer and lower prices to the consumer is similar to the system used during the war under OPA and is similar to the British system which also uses direct payments of tax monies to the farmer."

It may be assumed from the above that the program has been enthusiastically accepted in labor political circles. This is confirmed by articles lauding the plan in many labor papers and by the active and dominating part taken by labor leaders at the recent Democratic rally at Des Moines.

But before this plan is accepted by farmers and by the public they will want more information that has been made available so far. One question as yet unanswered is: What will it cost? As described by its advocates the plan sounds like legerdemain, but it isn't. If farmers are to have high incomes and consumers low food prices, someone will have to pay the bill. What will really happen in that case is that the Federal Government will pay a part of everybody's grocery bill.

Secretary Brannan says he frankly does not know what the cost will be. Probably no one knows but I believe we can get some general ideas. Various interested and competent parties and organizations have made an effort to secure information on this point.

The department of agricultural economics of the University of Illinois has said: "It could easily be as much as the total Federal budget before the war." The same department, taking hogs as an illustration, has estimated that hog supports alone might cost $700,000,000 annually, and hogs represent only one-seventh to one-eighth of the output of our farms. The American Farm Bureau Federation, after a study of the cost of the plan as to milk alone, estimated it would amount to $2,480,000,000 annually. Other estimates as to the cost of the entire program have ranged from two billions to ten billions per year. Since the advocates of the plan have compared it to the British food-subsidy program, it might be well to point out that its cost in 1948 was $2,272,000,000. Our population is three times as large as that of Britain, so the cost of a similar plan here could run to more than six billions.

Secretary Brannan has frequently said that his plan would cost the Treasury no more than existing programs. In his article today he refers to the potato program as a horrible example and expresses the belief that his plan would be better on potatoes. His own figures, however, show that under the same circumstances it would be more costly. He estimates that in 1948 it cost the taxpayers $225,000,000 to support prices to potato growers at $1.75 per bushel. He says if his plan had been in effect the price of potatoes to consumers would have fallen to about a dollar a bushel. He doesn't say what it would be to the producers, but counting transportation, handling and marketing charges, it would be considerably less, probably 50 cents. Let's call it 75 cents. That would mean that to support prices to growers at $1.75 as was done last year, payments of $1 per bushel would be required. Since potato production was 445,000,000 bushels this would mean a cost to taxpayers of $445,000,000 plus administrative costs, or double what it actually did cost.

Of course I am not defending the past potato program with its waste and destruction. It was a hang-over from the war and could not be changed before this year without breaking wartime pledges and commitments. Potato growers themselves recognized the situation and recommended that changes be made in the program this year. These changes have been made by the Department of Agriculture and it is certain that the cost will be nothing like it was last year. Whether it will be satisfactory in other ways can only be determined by time. The point is that we have gotten away from the much criticized and expensive wartime program.

This brings up another point. Farmers have never asked for more than fair prices based upon the cost of the things they buy. They want farm prices to be in a fair relationship with other prices. That is the meaning of parity, a concept which has been accepted by farmers and nonfarmers alike. If parity prices are fair prices to producer and consumer, why should consumers pay less? Why should they expect Uncle Sam to pay part of their grocery bill? Yet that is what the Brannan plan implies. Do we want to establish that principle as a part of our Government policy in peacetime? And if we did establish it, would it be possible to ever get rid of it? The British food subsidy has increased every year since 1939 and every suggestion of even reducing it brings about a political crisis. Would the result be any different here?

What the farmer wants is a farm program which gives him fair prices in the market place—fair to him and fair to consumers. He does not want a dole from his Government. He does not want his income to depend on annual appropriations out of the Treasury. He doesn't like the uncertainty which this would entail and, more important, he doesn't want it from that source in any event.

Farmers have fought long and hard for the principle of parity and for fair prices in the market place. They know that there is much yet to be done in working out a satisfactory program. They want to cooperate in making it better and in keeping Government costs as low as possible.

I do not think that anyone has the final answer to the problem of farm price supports. I believe, however, that we are on the right track if we continue title I of the present act for at least another year and devote our efforts in the meantime to finding an acceptable substitute for the Aiken bill. I am satisfied that if the problem can continue to be considered in Congress and in the Department of Agriculture on a nonpartisan basis, as has been the case in past years, that with the help of farmers and all others sincerely interested persons a program fair to both farmers and consumers will be worked out.

Government as a Power To Destroy

EXTENSION OF REMARKS
OF
HON. FRANCES P. BOLTON
OF OHIO
IN THE HOUSE OF REPRESENTATIVES
Monday, July 18, 1949

Mrs. BOLTON of Ohio. Mr. Speaker, on March 27, 1878, the distinguished Senator from the State of Georgia, Benjamin Harvey Hill, spoke in that august body. It is interesting that after preparation in the University of Georgia he was admitted to the bar in 1845 and practiced law in La Grange, Ga., and served in the Georgia House of Representatives in 1851 and in the Georgia Senate in both 1859 and 1860.

In 1856 he was a Presidential elector on the American Party ticket and on the Constitutional Union Ticket in 1860. He was a delegate to the State convention in 1861 and an advocate of the Union. However, when the secession ordinance was adopted he, like many others, accepted the fact of secession and served as a delegate to the Confederate Provisional Congress in 1861 and as a Senator in the Confederate Congress from 1861 to 1865.

It is interesting to further note that 10 years later he was serving in the United States House of Representatives from which he resigned to enter the United States Senate in 1877. Unfortunately, he died in 1882 before the end of his first senatorial term.

The following excerpt from a speech he there delivered is so pertinent to our present-day situation that I place it before you, Mr. Speaker, with the hope that

all Members on both sides of the aisle will give it their thoughtful attention:

THE DREADED CORPORATION

(Excerpt from a speech made by Senator Benjamin Harvey Hill in the U. S. Senate, March 27, 1878)

But, sir, I have said I do not dread these corporations as instruments of power to destroy this country, because there are a thousand agencies which can regulate, restrain, and control them; but there is a corporation we may all dread. That corporation is the Federal Government. From the aggression of this corporation there can be no safety, if it is allowed to go beyond the bounds, the well-defined limits of its power. I dread nothing so much as the exercise of ungranted and doubtful powers by this Government. It is, in my opinion, the danger of dangers to the future of this country. Let us be sure we keep it always within its limits. If this great, ambitious, ever-growing corporation becomes oppressive, who shall check it? If it becomes wayward, who shall control it? If it becomes unjust, who shall trust it? As sentinels on the country's watchtower, Senators, I beseech you watch and guard with sleepless dread that corporation which can make all property and rights, all States and people, and all liberty and hope, its playthings in an hour and its victims forever.

The Naval Record of Capt. James E. Van Zandt, United States Naval Reserve, Speaks for Itself

EXTENSION OF REMARKS

OF

HON. F. EDWARD HÉBERT

OF LOUISIANA

IN THE HOUSE OF REPRESENTATIVES

Monday, July 18, 1949

Mr. HÉBERT. Mr. Speaker, let us keep the record straight. In the interest of fairness and accuracy, I wish to place in the RECORD the naval record of Capt. JAMES E. VAN ZANDT, United States Naval Reserve, the gentleman from Pennsylvania. That record speaks for itself.

I am moved to take this action because of the recent attacks made on the gentleman from Pennsylvania [Mr. VAN ZANDT] and his naval record. These attacks followed the introduction of House Resolution 227 by the gentleman from Pennsylvania. That resolution provided for the creation of a select committee of the House to investigate the military aircraft procurement, the B–36, and related subjects. The resolution, as the gentleman from Pennsylvania [Mr. VAN ZANDT] told the House at that time was based upon the ugly rumors and reports concerning military aircraft procurement and especially the B–36.

These ugly rumors and reports had been circulated for weeks, even months, and had been printed in newspapers and magazines. Every Member of the House had heard these rumors and read these newspaper and magazine reports. We were all disturbed by them. Yet, it was the gentleman from Pennsylvania [Mr. VAN ZANDT] who initiated an investigation to establish the truth or falsity of the rumors and reports, which added up to grave charges. But for motives known to themselves, certain people have sought to ridicule the action of the gentleman from Pennsylvania [Mr. VAN ZANDT] by belittling his naval record in both world wars.

JIMMIE VAN ZANDT is not a member of my party, but I believe that his motive in offering the resolution calling for an investigation of our national defense is as pure as the patriotism shown by his naval record.

Those of us who have known JIMMIE VAN ZANDT these past many years understand his devotion to his country and his advocacy over a period of 30 years for an adequate national defense. He has consistently championed a well-coordinated evenly balanced and powerful single Department of National Defense. It was his bill introduced in the Seventy-sixth Congress that planted the seed for unification of our armed forces.

Enlisting in the United States Navy in April 1917, as an apprentice seaman, Representative VAN ZANDT has maintained from that time active status as a member of the United States Naval Reserve. As an Enlisted Reserve he traveled weekly for many years from Altoona to Pittsburgh, Pa., a distance of several hundred miles, to attend drills.

As an indication of his interest in the Naval Reserve for the past 32 years, Congressman VAN ZANDT was awarded the Naval Reserve Medal with two bronze stars symbolizing the fact that he has had 30 or more years in the Naval Reserve, and has attended more than 95 percent of the required number of drills annually, and completed his summer training cruises.

The Navy Department has furnished me with a transcript of Representative VAN ZANDT's service in the United States Naval Reserve covering a period from 1917 to date. He is at present a captain in the United States Naval Reserve and commands Volunteer Naval Reserve Officers, Brigade W–1, at the United States Naval Gun Factory, Washington, D. C.

At this poirt I wish to call attention to the transcript of Representative VAN ZANDT'S naval service:

ENLISTED SERVICE

1917, April 30: Enlisted in United States Navy as apprentice seaman.

1919, August 22: Honorably discharged as quartermaster first class. Served in U. S. S. *New York*, U. S. S. *Albany*, U. S. S. *Santa Paula*. Served in various ships of the armed draft detail, New York, N. Y.

1921, July 29: Enrolled in United States Naval Reserve Force as quartermaster first class; no active duty other than for training.

1925, July 28: Honorably discharged as chief quartermaster. Served yearly training periods in U. S. S. *Wolverine*, U. S. S. *Reina Mercedes*, U. S. S. *Topeka*.

1925, July 29: Enlisted in United States Naval Reserve as chief quartermaster; no active duty other than for training.

1929, July 28: Honorably discharged. Served yearly training periods in U. S. S. *Lardner*; U. S. S. *Dallas*; U. S. S. *Charles Ausburn*; U. S. S. *Putnam*, U. S. S. *Brooks*.

1929, July 29: Reenlisted in United States Naval Reserve as chief quartermaster; no active duty other than for training; served one period of training duty in U. S. S. *Breckenridge*.

1934, July 10: Discharged under honorable conditions.

1934, August 11: Reenlisted in Naval Reserve as chief quartermaster; no active duty.

1938, August 10: Discharged under honorable conditions.

1938, September 1: Reenlisted in Naval Reserve as chief quartermaster.

1941, June 1: Enlistment terminated to accept appointment as lieutenant, United States Naval Reserve.

OFFICER SERVICE

1941, June 2: Accepted appointment as lieutenant, United States Naval Reserve.

1943, September 25: Appointed lieutenant commander for temporary service.

1944, September 28: Appointed commander (spot).

1945, November 29: Commander for temporary service.

1946, March 21: Appointed captain for temporary service.

1946, September 23: Commander.

1946, December 23: Released from active duty.

1946, December 23: Captain (entitled to have highest grade and rank in which served during World War II, Public Law 306, 79th Cong.).

SHIPS AND STATIONS

United States Naval Training Station, San Diego, Calif., from September 3 to 10, 1941.

U. S. S. *Plunkett* (convoy escort duty in Iceland), from December 19, 1941, to January 24, 1942.

Seventh Amphibious Force, southwest Pacific, LST *465* and LST *457*; LST *465*, duty under instruction, November 1 to December 7, 1943; LST *457*, commanding officer, December 7, 1943, to February 1, 1944 (combat duty); from November 1, 1943, to February 1, 1944.

LST Division 40, commander (U. S. S. LST *459*) flagship (combat duty) from February 1 to October 4, 1944.

LST Group 19, commander (U. S. S. LST *474*) (combat duty) from October 5, 1944, to January 19, 1946.

Executive Office of the Secretary, Civil Relations Division, Washington, D. C., from March 19 to December 4, 1946.

Designated to command the Organized Surface Battalion 4–4, United States Naval Reserve, at Altoona, Pa., from January 1 to February 28, 1947.

Authorization to be associated with a division of the Organized Reserve in a drill pay status. March 18, 1947.

Authorization to be associated with a division of the Organized Reserve in a drill pay status. August 22, 1947.

Volunteer Officers' Division W–1, assignment to in a nonpay drill status. October 31, 1947.

Authorization to be associated with a division of the Volunteer Reserve in a drill pay status. December 2, 1947.

Assumed command Volunteer Officers' Division W–1. December 3, 1947. Terminated March 22, 1948, by reason of transfer within the Volunteer Reserve.

Assigned as commanding officer, Volunteer Brigade W–1. Assumed command March 22, 1948. (Assigned as relief instructor to Volunteer Brigade W–1, U. S. Naval Gun Factory, Washington, D. C., effective March 23, 1948.) Pacific Fleet, October 23 to November 17, 1947. Tenth Naval District, November 24 to December 6, 1948.

DECORATIONS

Legion of Merit with combat V.

Bronze Star Medal with combat V.

Naval Reserve Medal with two bronze stars.

World War I Victory Medal with "Transport" clasp.

American Defense Service Medal with a bronze "A."

American Campaign Medal.

European-African-Middle Eastern Campaign Medal.

Asiatic-Pacific Campaign Medal with one silver star and two bronze stars.

World War II Victory Medal.

Philippine Liberation Ribbon with two bronze stars.

In the fall of 1941, VAN ZANDT, then a lieutenant, Naval Reserve, was called to active duty and served on the aircraft carrier *Saratoga* and the cruiser *Chicago* visiting all bases in the Pacific. December 8, 1941, he was transferred to the destroyer *Plunkett* in the North Atlantic convoy and escorted ships to England, Iceland, and Russia. He resigned his congressional seat, asked for and obtained assignment in the forward Pacific area, where he remained until January 25, 1946.

While in service Representative VAN ZANDT was twice promoted, each time in recognition of his courage, and leadership, his skill, navigation and gunnery efficiency, and each advancement carried with it additional responsibility which he readily assumed.

As commander of LST Group 19, he landed Navy, Marine and Army combat units, and serviced them, at Lae, Finschhafen, Cape Gloucester, Saidor, Admiralty Islands, Hollandia, Aitape, Tanahmerrah Bay, Waake-Sarmi, Biak, Noemfoor, Cape Sansapor, Morotai, Leyte, Mindoro, Lingayen Gulf, Parang, Tarakan, Brunei Bay, Balikpapan, Yokohama.

The daring, valor and efficiency with which he carried out the foregoing tasks won from Capt. R. M. Scruggs, USN., commander, Flotilla No. 7, (LST) the following commendation:

You have made a record for D-Day participation and troops and cargo carried, that, in my opinion, no other flotilla can equal. You have been bombed, shelled and torpedoed, but the fires were extinguished, the holes plugged and not a ship has been lost.

While a lieutenant commander, VAN ZANDT was awarded the Legion of Merit (combat) medal by Vice Adm. T. C. Kincaid, commander, Seventh Fleet, which citation reads:

For distinguishing himself by exceptionally meritorious service as commander of a division of LST's engaged in sustained operations against the enemy in the forward areas of the Southwest Pacific from December 1943 until July 1944. As an echelon commander of assault waves and resupply groups, subject to enemy air attack and gunfire he courageously and aggressively led his ships in carrying out their assigned tasks and thereby contributed materially to the success of amphibious operations in the Bismarck Archipelago and New Guinea. His splendid performance of duty was in keeping with the highest traditions of the Navy of the United States.

As the commander of Group 19, Flotilla 7, of the Seventh United States Fleet, Representative VAN ZANDT was awarded the bronze star medal with a combat (V). The citation follows:

For meritorious service in action against enemy Japanese forces while serving with the Seventh Amphibious Force in the Pacific war area, from July 1944 to August 1945. Actively participating in amphibious landings in the Philippine Islands area, Captain (then Commander) VAN ZANDT ably led the ships of LST Group 19 during the assault on White Beach, Lingayen Gulf, on January 9–10, 1945, resolutely beaching his vessels in the face of enemy fire and successfully unloading equipment and supplies despite the constant danger of artillery fire by day, mortar fire by night, and strafing attacks by enemy planes during the 24-hour beaching period. Through his inspiring leadership, sound judgment, and zealous devotion to the fulfillment of this vital mission, Captain VAN ZANDT rendered invaluable support to our forces on the beachhead during the early critical stage of the operation and contributed immeasurably to its over-all success. His gallant conduct throughout was in keeping with the highest traditions of the United States naval service.

Mr. Speaker, a study of Representative VAN ZANDT's naval service over a period of 32 years should reveal to anyone that he is not an armchair Naval Reserve officer and that the rank of captain he holds today was earned by his loyalty to his country and devotion to duty.

I commend Congressman VAN ZANDT's naval record to all fair-minded people, for it is an eloquent answer to the carping criticism of those who make such attacks for reasons known but to themselves.

Mr. Speaker, I assure you I have made these remarks and observations solely on the basis of fair play and justice. Partisanship does not enter into consideration when unjustified attacks are made on any Member of this House and his motives impugned whether he be Democrat or Republican. If he is an American that is enough for me, and I believe JIMMY VAN ZANDT is a good American.

Observations of a Reservist

EXTENSION OF REMARKS

OF

HON. ROBERT L. F. SIKES

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 14, 1949

Mr. SIKES. Mr. Speaker, there is in the July issue of the Reserve Officer Magazine a most interesting article which points to the heart of much of the difficulty encountered in maintaining a first line Army Reserve organization. It is entitled "Observations of a Reservist," and is written by Capt. David Brinegar. I recommend its reading, and further, I recommend that something be done about the things pointed out.

OBSERVATIONS OF A RESERVIST

(By Capt. David Brinegar, Ca-Res)

The Reserve program badly needs some fundamental changes.

It needs, for instance, a change in the pay plan, so that any officer who attends a training session can do so with the assurance he will draw pay.

It also needs some revision in the promotion policy, so that both officers and men can be kept interested in their own advancement. The present policy is discriminatory and cumbersome, and in respect to officers fails to recognize that there are thousands of officers who barely missed terminal promotions on separation and who today have developed strong resentment of the entire Reserve program because no step has been taken to show them how they can make up the week or month or 2 months they lacked for terminal promotion.

It needs, too, better administration from the top levels. May I say here that so far as I have seen, the administration at the unit and senior instructors' levels has been excellent. But at the Army and the Department of the Army levels there has been a lot of prejudice and confusion.

Most of all—because the material aspects are never so important in maintaining morale as the simple aspect of individual self-respect—the Reserve program very badly needs an end to the short-sighted, perverse, clannish discrimination it still feels among Regular Army personnel.

I am making these observations out of experience with the Reserves both before and after World War II. I am an active member of an active T/O unit—I use the word in a descriptive sense, and not in the sense it is used when one says active duty. I believe I have been normally aware of the problems of the Army and have done my small best to help their solution at the unit level.

Let us examine these major points I have made, one by one.

The theory behind the present pay policy, I have been told, is that it provides an incentive to officers to get out 60 percent of their units.

Nothing could be more remote from the facts.

The present pay plan, as I have seen it, operates something like this with an average T/O unit:

1. Personnel are told (circa the fall of 1948) that "we're going to get paid from now on." This is modified almost immediately with the statement that there isn't money enough to pay all units so a priority system has been set up within the Army area. But since, let us assume, our unit is within the proper priority, expectation of pay remains.

2. Faithful personnel show up every training session—and, in instances such as mine, seek other duties to not only make up an occasional missed night but also to augment the hours of credit.

3. Comes pay time and it is discovered that through the fault of none of the faithful, interested persons present night after night, no officer can get paid because not enough personnel have attended.

4. The officers whose fidelity to the program has been at a fever pitch for 3 months begin to lag in their interest. It becomes harder and harder to get personnel out to training sessions.

5. The downward spiral continues, until the program is hopelessly impaired and only those few who will go regardless of pay still attend.

If the present pay plan had been devised deliberately with the idea of clearly killing attendance of commissioned officers—and sometimes I think it was—it could hardly have achieved this purpose more thoroughly.

I dare say that whoever devised that pay plan would rise in wrath if his own military pay should depend on the uncontrollable actions of other personnel within his unit.

Reservists cannot be driven to meetings—they must be led. Thus far the leadership, from the standpoint of the high brass who devised the pay regulations, is pretty poor.

My own experience with the promotion polic· was that I was separated in May 1946 (terminal leave expiring in August) with only 1 month and 5 days to go for promotion. At that time I thought my situation comparatively rare, but I since have found that virtually three-quarters of the officers I know were approximately as close, or closer, to a boost in grade when they entered the Reserves.

Today—3 years later—I still have been told of no way to make up that month and

5 days. In fact, today I appear to be farther from promotion than I was the day I was separated. And as for my friends most of them are even farther than I, because they have just said to heck with it and have put forth no bother about the Reserve program at all.

And we are little better off than those persons who are trying to fit themselves into the cumbersome and intricate Reserve promotion system.

I have often thought how different the attitude of almost every officer toward the Reserve program might have been if, on separation, he had been handed a statement signed by some proper authority, preferably The Adjutant General, saying in effect: "You have missed terminal-leave promotion by 35 days. Here is how you can make up those 35 days and obtain your promotion."

In my own instance, as in many others which have come to my attention, I had been eligible under previous regulations concerning time in grade for the promotion, but had missed receiving the boost because of the imminence of my return home.

Many officers were victimized in a different way. During World War II commanders varied widely in their concept of ratings. I know of one officer of exceptional ability who during his first 2 years invariably received a Very Satisfactory rating because his commander, a tough old Cavalry colonel, considered it the highest rating which should be given for anything short of miracles. This officer, with ample time in grade for promotion and with a fine record in every respect except for the technicality of those ratings, virtually had his interest in Reserve work killed. No letter from any of his rating officers was acceptable in lieu of the average set by the regulations.

It still is not too late for the Department of the Army to back-track on its promotion policy. An immediate directive setting forth some common-sense plan—reverting to my own case, I would consider that I had more than made up those 35 days in 2 years of Reserve work—would bring thousands of good officers back into the Reserve program. A clearer forward policy could preserve the gains and keep the preponderance of all officers "age in grade."

Administrative changes are badly needed. Reserve officers in my area have been bombarded by questionnaire after questionnaire, asking for duplicate information, all of it obtainable from a quick consultation of 201 files.

Within the units the Department of the Army has provided for inadequate professional assistance on administrative problems. There should be room for at least one and perhaps two full-time enlisted clerks with every large T/O unit, or for paying Reservists to assume those duties without regard to limitations on training-period attendance.

I have found that the senior instructors (I have served under two) and the unit instructors and their enlisted staff are uniformly zealous and competent, working many overtime hours to see that units are accommodated. The trouble is not at the unit level or the senior instructors' level in most cases; it is at the level of the Army or the Department of the Army, where poor planning of Reserve work has been the rule rather than the exception.

In fact, in my own section of the country, Reserve work has been held together by the senior instructors and their staffs despite the bungling of higher echelons, and I am offering no one's opinion except my own when I make that assertion.

We had one visit from a well-intentioned and competent, though slightly misinformed, general, who took the attitude that the Reservists were at fault for all the ills of the Reserve program, including lack of attendance. The corrective measure he proposed was to establish week-end camps where Reservists would spend virtually all their free time, taking their wives and children along. I can only observe that with the class of Reservists with whom I associate, that would be the final blow to the whole program. If any unit attempted to pre-empt that much of my time I would have to withdraw from it unless it also provided money enough to support my family. Which, of course, the Reserve program does not do.

The Reserve officer needs a feeling of unity with officers of other components. In my own judgment, the only way this can be achieved is to cease considering Reserves, Regulars, and Guardsmen as "components" of the Army, and to begin considering all of us simply as Army officers. Whether we are on active duty temporarily or permanently, occasionally or frequently, or not at all, is simply a difference in our duty status, just as it was a difference in our duty status during the war whether we were in The Pentagon or on a battle front.

In my time overseas I ran into two exceptionally obnoxious Regular Army officers, one a mustang and one a West Pointer, who delighted in referring to all officers other than Regulars as "emergency officers" and who publicly thanked God there would come a day when "these emergency officers" would be back in civilian clothes and the Army would be like it was prior to World War II.

That attitude was extreme and exceptional; and yet there seems to exist more than a breath of it in the general attitude of the Department of the Army toward the Reservists.

Regulations could not be drawn to protect amply any officer seeking an Army or Navy career. He could be protected from summary separation, from unjust shelving, from lack of suitable assignments, from virtually everything else. He could be given that protection without in any way encouraging him to feel he was of a better or different breed than the competent officer who did not happen to have an active assignment. This is the only sensible attitude in an area of total war.

Concerning active assignments, I should add that it is imperative if Reservists are properly trained that an officer be able to obtain short periods of active duty virtually on 24 hours' notice. And I have known of an instance where an officer waited 5 months for a reply to a request for active duty.

Certainly if the Army could do nothing else with an officer it could send him to a school for 2 weeks. Many officers cannot take active duty at the time their units take it, but would be glad of a brief training period if, for instance, they could go in for a couple of weeks right after inventory time in January, or right after income-tax time in March, or at the tag end of the family vacation in midsummer.

From a high-policy level, the Reserve program has taken a terrific beating, leaving raw sores and gaping wounds all over its none-too-strong body. Sometimes it has seemed to us Reservists that there were people high in the Department of the Army who would like to see us beaten to death.

The facts are, of course, that the so-called Regular Army has been and probably always will be a teaching organization. Statistics published in the Reserve Officer indicate that it is not even a first-line shock-troop organization. The equally so-called Reserves have borne the brunt of our last two wars, along with their guardsmen comrades. I know of no effective way to change this scheme of things. However, I resent deeply being shoved around, patronized, dodged, and sometimes chastised by any class of personnel which on the fact of the record has so little reason to be patronizing.

Address by Hon. Hubert H. Humphrey, of Minnesota, at Dedication of Statue of Gen. Jose Artigas

EXTENSION OF REMARKS
OF
HON. HUBERT H. HUMPHREY
OF MINNESOTA
IN THE SENATE OF THE UNITED STATES

Monday, July 18 (legislative day of Thursday, June 2), 1949

Mr. HUMPHREY. Mr. President, I ask unanimous consent to have printed in the Appendix of the RECORD an address delivered by me at Montevideo, Minn., on July 10, 1949, during the Fiesta Day dedication of the statue of the Uruguay national hero, Gen. Jose Artigas.

There being no objection, the address was ordered to be printed in the RECORD, as follows:

Montevideo and Minnesota can well be proud of the Fiesta Day celebration. On this annual occasion, the good people of this community send greetings to their sister city of Montevideo in the Republic of Uruguay. In Washington, where it is my privilege to represent you, I am proud of the international vision, the very real spirit of international friendship, which you show every year in this celebration. Following out the spirit of the name of your city, and the name of your sister city of Montevideo, you look out across State boundaries, across national boundaries, across oceans, to another American community thousands of miles away, but still in this American family of nations.

It seems to me a particularly happy fact that this city and the great capital of Uruguay have become identified with each other. The bonds between the Republic of Uruguay and the United States have long been particularly close and cordial. There is a long-established tradition of solidarity and identification of ideals between our two countries. Many of us have become very well informed about the progressive qualities of the friendly people of Uruguay, and by now all of us know that Uruguay has long enjoyed a democratic and truly representative type of government. But, in addition to the similarity of institutions and ideals between Uruguay and the United States, a most significant aspect of that relationship is the spirit of complete sovereign equality between Uruguay and the United States. There is no question of the large nation intimidating the smaller nation. In other parts of the world, the relationships between big countries and small countries may be based upon fear and threats. But in the relations between Uruguay and the United States there is a frank collaboration upon a basis of juridical equality—the equality of freemen in two free democracies. Here, the small nation and the large nation are bound together in agreement for mutual and reciprocal defense, the Rio Treaty, which is a landmark in inter-American relations. Here, the large nations and the small nations as one have joined in the organization of American states and in the United Nations. This relation can truly be considered a forerunner of the world of the future. If the relations among all countries of the world were on this lofty plane, there would no longer be any need for the heavy burden of armaments and the concern about future peace and security.

Today, as a further symbol of the understanding between the people of Montevideo, Minn., and the people of Montevideo, Uruguay—as a further symbol of their com-

mon humanity, the patriotic citizens of Uruguay have sent us this handsome statue of their great national hero, Gen. Jose Artigas. General Artigas is the George Washington of Uruguay. At a time, in 1811, when great courage and determination were required to fight for the cause of liberty, Artigas led that great struggle in Uruguay. The site of this impressive statue can remind us of the Valley Forge of Uruguay, which was known as the Exodus of Ayui—when thousands of Uruguayan patriots followed the banner of Artigas into temporary exile rather than submit to the hand of oppression. We can be reminded of the great victory of Artigas at Las Piadras, which marked the first great achievement of independence. Here indeed was an intrepid warrior, a symbol of liberty, and this statue should serve as an inspiration to the people of this community.

It is particularly pleasing to me to see here today the distinguished Uruguayan representative, Ambassador Jose Mora, and his esteemed senora. I know that he will feel as I do that in taking part in the Fiesta Day celebration in Montevideo, he has truly felt the heartbeat of these United States. That in experiencing at first hand the warm hospitality and open friendship of the people of Minnesota—of Montevideo—he has come to know thousands of sincere good neighbors.

Atlanta Racial Study

EXTENSION OF REMARKS

OF

HON. GEORGE A. SMATHERS

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Monday, July 18, 1949

Mr. SMATHERS. Mr. Speaker, under leave to extend my remarks in the RECORD, I include a news clipping from the Washington Star of July 10. I think it would be of interest and information to those who are not at all familiar with our problem in the South, but who derive great pleasure and satisfaction from presuming that they are.

YANKEE SCHOOLBOYS GET SURPRISES IN ATLANTA RACIAL STUDY

ATLANTA, July 9.—Four Yankee schoolboys from North Andover, Mass., got two great surprises in a 4-day canvass of this city on civil rights.

The first, they reported today, was:

"So many colored people seem not really interested in the whole question of civil rights and their own status."

The second was:

"Most of them (the Negroes) did not seem to mind segregation, but they thought that it would be better for all concerned to maintain it."

QUESTIONED AND LISTENED

The four New England visitors are 17-year-old students of Brooks School at North Andover. They are Morgan H. Harris, Jr., Geoffrey Kimball, John S. Keating, Jr., and Guilford Dudley III.

They came South seeking to "know something of the people and the conditions." They went to all parts of the city asking questions and listening.

"We talked to churchmen and waiters," they said in a joint report—"to housewives and the school girls, to taxi drivers and to businessmen. We talked, talked, talked."

They were not surprised to find white residents against social equality between the races. But they were impressed, they said, by "the arguments and the sincerity of these people."

"The white people of Atlanta to whom we spoke," they related, "did not seem to mean a racial superiority, a destructive race-mania of the Nazi type.

FOUND NO PERSECUTION

"They not only merely respected the colored race, but wanted it to develop to the fullest extent possible. But they seemed wholeheartedly to believe that it would be better and more practicable if socially and culturally both races, in their own interest, continued to develop on their lines—with the same freedom and the same respect for each race.

"To call people who maintained such views 'racialists' or even 'Nazis' seemed to us utter nonsense. There was nothing destructive but merely constructive in their approach.

"There was no element of persecution but merely human feelings of understanding and development in their approach."

The four students signed their report "the New Voter," the name of a publication at their school. They were accompanied to Atlanta by F. P. Wiener, a faculty adviser.

They wrote out their report as a news story printed in the Atlanta Constitution.

My Part in America's Future

EXTENSION OF REMARKS

OF

HON. RALPH HARVEY

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Monday, July 18, 1949

Mr. HARVEY. Mr. Speaker, under unanimous consent to extend my remarks in the Appendix of the RECORD I include an essay by Miss Barbara Curlett, of New Castle, Ind. This essay won first prize in Indiana in a contest conducted by the Veterans of Foreign Wars and is entitled "My Part in America's Future."

MY PART IN AMERICA'S FUTURE

America's future has held no greater challenge to the youth of any period in its history than it holds today. As a high-school student planning for the future, I cannot help but wonder what it has in store for me. I believe that every youth has in his power the means of perpetuating his own future, if he has the will to use that means.

Much criticism is given today by the older citizens to the younger generation. Yet, the experts tell us that as a whole the youth of today are much like youth of any period in this Nation. Although we may appear to be gay and frivolous most of the time deep inside of us is the desire to do the right things.

The youth of today face the age-old problems of seeking security and happiness. We seek security and yet will grow into a world of insecurities.

My future will be governed largely by the foundation upon which it is built. Just as an architect would never expect to build a sturdy house upon a weak foundation, I cannot hope to build my future unless it is built upon a strong foundation. But what is this foundation of which I speak? It is a strong belief in God and that He will guide me.

The greatest problem of today and the coming years is that of world peace. If peace is but an interval between wars, it will never become a lasting reality. Yet, I believe that peace is a state of mind and living that can be made a lasting thing.

The adults in our world in countries with the desire to dominate others, have caused the past wars and will cause the future ones. Yet, if our country engages in another war within 5 to 10 years, or even sooner, the majority of the ones who will fight and die will be the youth of today; this has always been true, but need not remain so. I hope to contribute my part toward making the world a peaceful one. I believe that first, in order to have world peace, I must seek peace within myself, my home, and community. If everyone would dedicate himself to seeking peace in this way the world would not have an insecure future.

My part in America's future is to become the best type of citizen that it is within my power to become. I must not believe only in democratic ideals, but put them into daily practice.

The events in America's future are unknown to us. We as citizens of that future must have faith that the answers to its problems will be found. If we should become too pessimistic or worrried about the future we will be unable to take care of today's problems.

I feel my part in America's future can be made one of the best by living a life with a balance between the religious, physical, mental, and social factors in it.

Our Nation needs people who are religious, not to the point of fanaticism, but have a practical belief in God and His power to aid us. Religion is a practical part of our lives if lived by the example of Christ. A sound religious belief will set the standards for my actions as a future citizen.

Our Nation needs people who are physically well. A country cannot hope to progress unless its health standards are progressing. With the use of medical knowledge and plain common sense my second goal, that of being physically fit, will also be a great factor determining my part in America's future.

The third factor is mental well-being. We must have healthy minds to become the best citizens. I must resolve to use the knowledge learned in books and from others to develop my own thoughts to make the best decisions. The practical application and wisdom gained from knowledge helps to make a better citizen. A well balanced mind will be of great importance in my part in America's future.

The last factor is that of a well balanced social life. I must learn to live with others of different backgrounds and ambitions in a cooperative way.

It is hard to separate the four factors, for each is dependent upon the others. I cannot neglect any of them without lessening my worth as a future citizen.

Since I have resolved to try to be a worthwhile citizen, the thing that I most fear is the state of indifference. Regardless of what the future brings, I must be willing to face life's problems with the will to solve them. If I should be blind to the apparent problems in America, they will conquer me.

Aristotle once said, "None of us liveth to himself. We are members of one another." My part in America's future will be greatly dependent upon the lives of others. I will, no doubt, be a small part when you consider the vastness of our Nation. Yet I hope that it will be at least a small part in making America's tomorrow brighter than her yesterdays.

Ours is a youthful Nation. Many of its great citizens contributed much in their youth. As the Nation was built by youth, so will the future be determined by the young people of today.

I will play my part on the stage of America's future and I hope that when the curtain goes down upon my life, it will fall upon a life of worth and goodness.

Address by Hon. Edward Martin, of Pennsylvania, at Evacuation Day Ceremonies at Valley Forge

EXTENSION OF REMARKS

OF

HON. EDWARD MARTIN

OF PENNSYLVANIA

IN THE SENATE OF THE UNITED STATES

Monday, July 18 (legislative day of Thursday, June 2), 1949

Mr. MARTIN. Mr. President, I ask unanimous consent to have printed in the Appendix of the RECORD an address delivered by me at the evacuation day ceremonies held by the Valley Forge Historical Society at Valley Forge, Pa., on June 18, 1949.

There being no objection, the address was ordered to be printed in the RECORD as follows:

It is fitting that we assemble in this beautiful and historic Valley Forge Park to mark the one hundred and seventy-second anniversary of the departure of the Continental Army.

On this sacred soil were put into practice some of the great traits of the American way of life. Here the endurance of our troops was tested by suffering and hardship. Here the humility and faith of the American soldier was exemplified by Washington in prayer. Here patriotic self-sacrifice in the cause of liberty reached its noblest manifestation.

It is fitting that these exercises are held under the auspices of the Valley Forge Historical Society. As individuals and as an organization you are devoted to the perpetuation of American ideals.

You know the story well but let us briefly review the Colonial situation in 1777. The outlook for the Colonies was not promising. The Continental Congress had no money. Many of the people sympathized with the mother country. There was no unity among the colonies to inspire an army's confidence.

As an example, the choice of a site for the winter camp was made only after a bitter argument.

The Pennsylvania Supreme Executive Council, meeting in Lancaster, warned the army that if winter quarters were chosen outside of Pennsylvania, this State would furnish no more troops and no more supplies. It demanded that the army be encamped near Philadelphia. Thus Valley Forge was selected, not because of its value as a camp site, but because it was in Pennsylvania.

The army moved from Whitemarsh to Valley Forge, westward over smooth country, a distance of only 13 miles. Yet Washington's, tired, discouraged, poorly clothed, half-starved men needed more than a week for the march.

Well-equipped and trained men of World War II could have accomplished that march on foot with full equipment in half a day. Ill luck, cold weather, bad management and fear made this short march the most painful and most difficult ever undertaken by the Continental forces.

It would never have been accomplished except through the efforts of the inspired and determined George Washington.

The Signal Corps had guessed that the weather would be clear and warm and that the men would have no need for shelter. The tents and baggage were many miles away at Trappe. Through 4 days of snow, driving sleet and bitter cold, the troops huddled around their fires.

General Washington brought only a little army of 11,098 men to Valley Forge, a total of 62 regiments, with an average strength of less than 200 men. Even companies in World War II were larger.

There were great names among the generals at Valley Forge. They included the Commander in Chief, George Washington and Maj. Gens. Baron DeKalb, Greene, Marquis de Lafayette, Harry Lee, Mifflin, Baron Von Steuben, Sullivan, and Stirling.

The brigadier generals included Armstrong, Count Louis L. Duportale, Glover, Huntingdon, Knox, McIntosh, Muhlenberg, Patterson, Poor, Scott, Smallwood, Varnum, Wayne, Weedon, and Woodford.

Many of the leaders who were with Washington at Valley Forge rose to fame and greatness in the early days of the Republic.

Alexander Hamilton, later Secretary of the Treasury, was aide to General Washington.

So was Colonel Trumbull, a famous historical painter.

John Marshall, the great Chief Justice of the Supreme Court, who breathed real life into the Constitution, served in the Virginia Infantry.

James Madison, the real authority on the Constitution when it was drafted, who later became President, also served in the Old Dominion Infantry.

James Monroe, the President who gave us the famous Monroe Doctrine, was on the staff of Gen. Lord Sterling.

Other officers and men were later Senators, judges, and business, educational, military and spiritual leaders.

They took a commanding part in the Government of this Nation for years, and their descendants have been stalwart in support of the sacredness of individual freedom. Right now we should be thrilled and helped through the knowledge that those heroic spirits still look down upon this historic field.

Washington's men suffered a long, terrible, and bitter winter here at Valley Forge. They arrived on December 19, 1777, 76 days after the disastrous battle of Germantown. They were tired and discouraged. The outlook for independence was not bright.

At one time barely 5,000 men were fit for duty in that terrible winter. There was little food, clothing, or equipment. This small army, the last hope of the Revolution, was rapidly thinning out. Yet they continued to train under the masterful leadership and discipline of Von Steuben. They learned to obey and to suffer as men, soldiers, and patriots.

They were the first volunteer army of the world made up of men who wanted to fight for their own ideals of political freedom. Their secret weapon was freedom. When they came to Valley Forge the morale was low, but they left in confidence.

When the British withdrew from Philadelphia, Washington's troops began to leave Valley Forge on June 18, 1778, exactly 6 months after their arrival. When they marched away they left, either in hospitals or unmarked graves, between 3,000 and 4,000 of their comrades. One-third had made the supreme sacrifice. History has never recorded a finer example of devotion to duty.

Stedman, the English historian, who was a soldier under Howe, Clinton, and Cornwallis, said of the men of Valley Forge:

"The Americans had neither money nor credit, but they learned to stand in need only of a few things; to be contented with the small allowance that nature requires; to suffer as well as to act. Their councils animated by liberty, under the most distressing circumstances, took a grand and high-spirited course, and they were finally triumphant."

From Valley Forge to Yorktown is a long and historic road marked with great and gallant milestones.

In this day of vast armies, the total number of men who served in the Revolution is interesting. In 1790, General Knox, then Secretary of War, reported that the number of Continentals on the muster rolls, serving enlistments, reached a total of 231,959. Militia serving at different periods numbered 58,747 names. Men came and went. At no time did the Colonies have a massive field army.

Yet during the Revolution 1 out of 10 served with the colors. In World War II about the same percentage served with our armed forces. Then, as now, the Army was composed of a cross section of our country.

We had a real crisis in 1777. We have a terrible crisis now. Do we have the same courage possessed by Washington? Are we willing to suffer and sacrifice as his Army did here?

In this sorely troubled period our heritage of individual freedom should give us courage and strength to do our duty as it did our fathers at Valley Forge.

What are some of the problems confronting us?

One of the first is the growing power of centralized Government with its mounting costs, which is sapping away our economic strength and curtailing our liberties.

Washington's army fought for individual freedom and the right of a free people to govern themselves.

These ideals, for which they suffered and died, are threatened by the present tendency toward an all-powerful Central Government, maintaining its control by unrestricted and extravagant spending.

Expansion of the power of the Federal Government wipes out local authority and in the end will destroy the principle of home rule, which is self-government.

There is grave danger to American freedom in the high cost of government. Too many of our people are demanding that government do things for them that they should be doing for themselves.

Too many Americans believe that the Government can guarantee security without effort on their part. They forget that the Government can give nothing that is not paid for by the people.

To retain our freedom and to help the rest of the world America's financial strength must be maintained at the highest level. That cannot be done unless we reduce the cost of government.

We must curtail demands made upon the Government. We must not join in pressure groups who want to spend the taxpayers' money for their own special benefit.

We must reject all proposals for sectional advantage at the expense of the whole country.

As a nation we must live within our means by restricting government functions to those we can afford.

If we do these things we will bring down the cost of government and do it quickly.

Let us resolve, therefore, to do more for ourselves and ask less from the Government.

Looking back to the days when Washington was President we find that 1 person out of 4,000 was employed by the Government. If the same ratio prevailed today we would have 37,000 on the Federal pay roll. Instead more than 2,200,000 are working for Uncle Sam.

That is one of the reasons why the cost of Government is so high.

Another grave problem is the growing menace of communism—the philosophy which denies God and would destroy all the ideals we hold sacred.

Communism is a real threat to American freedom. It is a challenge to the American way of life and the economic stability of our free enterprise system.

It finds fertile ground in mass discontent and spreads its poisonous doctrine through hate and prejudice.

Vigorous and courageous patriotism is the strongest weapon against communism. We must preach to young and old the advantages of our freedom and our economic plan.

We must teach that freedom is man's most precious possession and that freedom of the individual has made America the material, spiritual, and cultural superior of any nation on earth.

The course of history has placed upon the American people the responsibility for peace and progress in the world.

The jet-propelled plane, the rocket, and the atomic bomb have changed the whole picture of offensive and defensive war.

The world must live in peace or bring about its own destruction.

Enduring peace cannot be achieved by force. It can be realized through truth, honor, justice, and devotion to high moral and spiritual standards.

But until these ideals have world-wide acceptance we must face facts that cannot be ignored.

It will take billions of dollars and hundreds of thousands of men to erect a frontier of freedom and stability in the western European countries.

Our task is made more difficult because 25 percent of the French vote communistic. This gives Russia a much stronger fifth column in France than Germany had in 1940. We know what happened there.

How much will we be able to spend to make the Atlantic Pact work for peace, freedom, and prosperity? Should there be additional pacts to defend ourselves against the ravages of communism in other parts of the world? Even with our great resources and our know-how, do we have the ability to maintain large armed forces 10,000 miles from our base of supplies?

Is there danger of spreading ourselves too thin? We have some vastly important decisions to make in our relations with the world. They must be made now.

One thing is certain. If we extend financial aid to the world we must curtail spending at home.

Materially we must speed up all along the line. We must have greater production resulting in lower prices. American living standards must remain high. Skills in craftsmenship must be greater and management more alert. Thus we may retain our standards of living in competition with the world.

Another thing we must remember is that disaster does not come as the result of war but through the selfish squabbles during peace. No nation can have freedom unless its people are imbued by the old-fashioned virtues of honesy, thrift, courage, tolerance, love of God, and self-sacrifice. The latter is patriotism which cannot be bought.

Governments sometimes become cruel and tyrannical. This is always true when there is government by men instead of government by law. Constitutional limitation of government must be strictly enforced.

Also remember that our rights of individual freedom are divine. God, not man, is the author of liberty. Freedom cannot be guaranteed to continue in America. We must attain a spiritual greatness that leads us to practice those virtues of tolerance, thrift, and fair play, and blot from our hearts hatred, jealousy, and revenge.

We have a rich heritage. To retain it America must have faith, confidence, and courage.

Memories of the heroic past enrich our patriotism. As long as we remember with appreciation Lexington, Valley Forge, Yorktown, Gettysburg, the Argonne, the Bulge, Iwo Jima, Okinawa, and the other places where thousands of Americans died, our Republic is safe.

When we forget sacrifice on the field of honor then our Nation, as the founding fathers planned it, is in danger. We must always diligently study the greatness of our past to develop strength for the future.

Remember there are stronger influences for peace than guns.

As far as numbers were concerned the savage Indians in this section were many times more powerful than William Penn's forces. But good will and peace were established in Pennsylvania because William Penn's real defense was honor, justice, and respect for law and order.

The same principles will serve the cause of peace today. If they are truly practiced with work, courage, sacrifice, and faith in God, they will maintain peace for us and the world.

Statement on Economy by Hon. Hubert H. Humphrey, of Minnesota

EXTENSION OF REMARKS
OF
HON. HUBERT H. HUMPHREY
OF MINNESOTA
IN THE SENATE OF THE UNITED STATES

Monday, July 18 (legislative day of Thursday, June 2), 1949

Mr. HUMPHREY. Mr. President, I ask unanimous consent to have printed in the Appendix of the RECORD a statement on economy issued by me.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

STATEMENT ON ECONOMY

It would be well to take a look at the budget by considering the budget dollar. Out of every budget dollar collected, 34 cents is directed to national defense; 16 cents to our international programs of rehabilitation and relief; 13 cents for veterans' benefits and veterans' care; 13 cents for interest on the public debt, which is primarily a war debt; 6 cents for social welfare, health and security; and 18 cents of the budget tax dollar is required for the general administrative expenses of Government, including such departments as Treasury, Labor, Interior, Commerce, Federal Works Agency, Interstate Commerce Commission, Federal Trade Commission, Securities Exchange Commission, and others. It should be noted that in this 18 cents of the budget dollar, all of our programs for agriculture, soil conservation, land reclamation, flood control, REA, and public works are included.

This means, then, that 76 cents out of every budget dollar is dedicated to national defense, European recovery, veterans benefits and hospitalization, and interest on the public debt. Only 24 cents of the budget dollar remains for other essential public services.

All of us can agree that we want economy in government. But real economy, which will provide relief to the taxpayers and permit, as some would suggest, balancing of the budget, cannot come at the expense of social welfare, health, security, and other public services.

There does seem to be room, however, for a saving to taxpayers in the national defense item in our budget, which takes 34 cents out of every dollar, without jeopardizing services and the security of the people. This is consistent with the recommendations of the Hoover Commission which categorically stated that a minimum of $1,000,000,000 can be saved in the national-defense establishment without in any way jeopardizing the defense of this Nation. The more optimistic members of the Hoover Commission insist that a minimum of $3,000,000,000 could be cut from the national-defense budget without in any manner weakening or jeopardizing the security or defense of the Nation.

One basic answer to our economy drive is a courageous and intelligent application of the basic recommendations for Government reorganization and economy suggested by the Hoover Commission in its exhaustive reports. Action on this program is already under way. It must be kept in mind, however, that for the Hoover Commission reports to be fully put into effect, the Congress must legislate the recommendations into law. It is my opinion that here will be the test of the courage and the sincerity of the Congress and will be the direct test of whether or not we really want economy. The Hoover Commission visualizes Government economy not merely in budget cuts but rather in the efficient use of the taxpayers money for the services which are required of the Government by the people.

This approach is the practical and the constructive one for promoting efficient administration and sound economy. Over-all budget cuts that are taken without study and without due consideration to essential services are at best haphazard measures. Waste in Government and inefficiency in administration can only be eliminated by proper reorganization of the executive departments. Those who are proposing budget cuts would be performing a real public service if they spent their enthusiasm and their effort upon improving and reorganizing the basic structure of Government.

The Senate Committee on Expenditures held extensive hearings on the matter of Government economy. Certain pertinent and vital information was brought to the attention of the committee. First of all, the over-all budget for the fiscal year 1950 is estimated to be $41,858,000,000. This figure includes expenditures for proposed legislation not yet enacted. Of the total budget, there is a sum of $8,966,000,000, which is irreducible since it is fixed by statutory law and cannot be touched by the Congress without breaking contractual obligations and seriously imperiling the credit of the United States through a reduction of the interest requirements on the public debt.

There is a second item of $5,097,000,000 which may be termed relatively fixed expenditures. This item includes such governmental expenditures as old-age and survivors insurance, old-age pensions, veterans' pensions, agricultural price supports and basic governmental research, along with grants to States which have committed themselves to making appropriations on the promise of the Federal Government matching those funds on the basis of an agreed-upon legislative formula.

There is an additional sum of money in the amount of $6,547,000,000, which is included in the 1950 budget, to meet prior commitments and contract obligations of the Government.

These three fixed-cost items total $20,610,000,000. The figures were presented to the Senate Committee on Expenditures in Executive Departments on June 1 and 2, 1949, in the course of hearings on Senate Resolution 94, by the Assistant Director of the Budget, Mr. Frederick J. Lawton, along with budget examiners, Mr. Howard Stone and Mr. Lynn Johnson.

It is obvious that with a total budget of $41,858,000,000, of which some $20,610,000,000 is fixed and cannot be curtailed, there is a balance of only $21,248,000,000 where over-all substantial cuts can possibly be made. I present this analysis because all too often there is an assumption that budget cuts can be effected by merely slashing off 5 or 10 percent of the total aggregate budget. Those who talk in terms of a 5-percent cut have assumed that the 5 percent would be from the $41,000,000,000 budget. It is now crystal clear, however, that the 5-percent cut, which has been so much in the news, could be made only on the figure of $21,000,000,000.

This $21,000,000,000, however, includes much of the national-defense budget, European recovery funds, and appropriations for

the operation of the executive and administrative agencies. I believe that the American people do not wish to cut back the pensions to veterans and to their older people. I believe that we are going to keep faith with the law in providing funds for the railroad retirement fund, the social security insurance system, and the payment of the interest on the public debt. Likewise, I believe that the American people desire to complete those public works projects which are within one stage of completion. Failure to complete such projects would result in a gross economic waste. I also believe that the Federal Government should fulfill its financial obligations to States, which have appropriated moneys in order to obtain Federal assistance provided under previous Federal law.

The problem of cutting expenditures is, therefore, a complicated one. Very wisely, the rules of the Senate place the responsibility for studying the budget on the Senate Appropriations Committee.

It should be noted that to date out of the $41,000,000,000 total budget there is still approximately $30,000,000,000 of budget requests in the Senate Appropriations Committee. It is the responsibility of the Senate Appropriations Committee to review these budget requests in light of the anticipated revenues of the Government and the Federal obligations as cited in the above paragraphs. Some of the Members of the Senate who talk most about economy in Government are members of the Senate Appropriations Committee. They have an opportunity in that committee to translate their talk into positive legislative policy.

It should be noted that both the Senate and the House follow in the vast majority of cases the recommendations of the respective House and Senate Appropriations Committees. Seldom, if ever, is the appropriation bill reported out of the Senate committee or the House committee substantially increased on the floor of the House or the Senate. Budget matters are complex and difficult. Therefore the Members of the Senate and of the House place great reliance and trust in their respective Senate and House Appropriations Committees. It is in these committees that there is ample time for testimony and hearings. It is in the Appropriations Committee that every item of the budget request is meticulously analyzed and studied. It is in the Appropriations Committee that budget cuts can be made without seriously endangering Government service. It is the Appropriations Committee which has the technical staff to review budget requests and to properly evaluate them.

It is for this reason that efforts made upon the floor of the Senate to drastically cut the budget are generally rejected.

Those of us who have not been privileged to sit through the months of hearings on budget items hesitate to use the financial meat axe on appropriations bills because we have no way of knowing what the effect will be upon Government services, many of which are vital to the life of our people and to the security of our Nation. Hence on two occasions efforts on the floor of the Senate to cut the budget by 5 percent were rejected.

It should be noted, however, when the Senate Appropriations Committee presented the appropriations bill for the Justice and State Departments—which appropriations bill was 7 percent less than the request of the Departments or of the Budget Bureau—the Senate quickly passed the bill. Here is positive evidence that a courageous policy on the part of the Appropriations Committee, which is equipped to do the job and under obligation to prepare the appropriations bill, receives the full support of the Senate. It is action such as this which I term to be responsible performance.

There is no one who has a monopoly on the desire for economy in government. I am prepared to vote for economy in government, but I hesitate to cast an uninformed vote in response to a political maneuver from the floor of the Senate. I believe that the recent 5 percent and 10 percent across-the-board appropriation cut resolutions offered on the floor of the Senate represent irresponsible fiscal management and irresponsible government policy. Economy in government does not come in seeking headlines or in giving speeches about politics and waste.

Those who are sincere about economy in government have their opportunity in the next few days. That opportunity will be afforded when the budget request for the armed services is presented to the Appropriations Committee. The armed services budget can be carefully scrutinized. The report of the Hoover Commission states quite frankly that a minimum of $1,000,000,000 can be taken out of the armed services budget without jeopardizing one iota of our national security.

Also, there is the proposal for European recovery, or ECA funds. I do not recommend any major cut in this appropriation. We are winning the cold war and this is no time to pull our punches. Europe is recovering. This is no time to take away the medicine that makes possible this recovery. However, the cost of items has been reduced not only here, but in other parts of the world. It is now estimated that the over-all cost of goods purchased under the ECA program is down approximately 6 percent. This means that out of a $5,000,000,000 appropriation, there can be a reduction of at least $300,000,000. It will be up to the Senate Appropriations Committee to carefully investigate the facts and to report the appropriation which it believes to be necessary.

There is also an item for the independent offices. Here, too, there is a possibility for saving. It is my considered judgment that with careful scrutiny of the armed services, with a reanalysis of the ECA request in terms of lower cost of goods, and with careful analysis of the requirements of the independent offices of the Government, that approximately $2,000,000,000 can be saved. This will be sufficient to ballance the budget.

If the American people want economy they had better speak to the members of the Senate Appropriations Committee and to the members of the House Appropriations Committee. It is in these committees that the appropriations bills are prepared. If the American people want long-range economy that is fundamental and does not jeopardize essential Government services, they should require and demand of their Congress the passage of the basic features of the Hoover Commission report.

Make no mistake about it—some people do not want these things. There will be some projects cut off and some people displaced from their jobs. You cannot have economy in government and have every pet project in every village, town, city, county and State. I would suggest to the chambers of commerce and to the civic leaders who call upon their Senators and their Congressmen for this project and that one, for new public works and for new aid to their municipalities and their States, that they must make up their minds what they want. You cannot dredge every river and have your own pet public works program—which may be vitally needed in your city—unless you are willing to pay the bill.

I have had the experience of receiving letters on Monday from prominent citizens urging me to vote for economy. I will receive letters on Friday from the same people requesting me to fight for an increase in the budget appropriation before the Appropriations Committee and on the floor of the Senate for Indian schools, for a hospital, for research, for a public-works project, or some other item. Frankly, I become a little confused. It appears that everybody wants economy but not where it affects them. The same organizations and people who write to me about economy—and the letters are pointed and direct—will wire me a week later asking that I resist the cut in the Veterans' Administration, or in the Reclamation Service, or in some other agency. I have had dozens of letters from my fellow Minnesotans protesting the closing of a VA office, and then have other letters from the same people wanting to know why I do not vote for a budget cut. I have had letters from people in Minneapolis asking for additional appropriations for the Upper Harbor project, and then within a week receive letters from the same people wanting to know why I do not support a cut in the budget—in other words—economize.

I have had many inquiries as to my position on taxation. I am opposed to any further increase in Federal taxes for the fiscal year 1950. My opposition stems from two points of view: First of all, we are beginning to see signs of a mild business recession. I believe that an increase in taxes at this time would be unwise. Secondly, it is my considered judgment we must reexamine the tax structure. Many taxes, commonly known as excise taxes, which were levied during the war, should be repealed, or at least modified.

I thought you might like to know how I look at these matters. I have stated my opinions frankly and honestly.

Not Intellectually Honest

EXTENSION OF REMARKS
OF
HON. GEORGE A. SMATHERS
OF FLORIDA
IN THE HOUSE OF REPRESENTATIVES
Monday, July 18, 1949

Mr. SMATHERS. Mr. Speaker, under unanimous consent, I insert in the RECORD a fine editorial which appeared in one of our State's outstanding newspapers, the Key West Citizen. This paper has rendered great service to the people of its community and, with editorials like this, to others throughout the State.

I feel confident that the reading of this editorial will be beneficial to every Member of the House.

NOT INTELLECTUALLY HONEST

Not everbody who stands up and shouts for academic freedom, freedom of speech and religious freedom mean what they say. It takes more than words to fight for the principles of freedom.

Not long ago, Senator WAYNE MORSE, of Oregon, pointed out that "academic freedom is not synonymous with license to destroy that freedom" because one must have a free mind to be a teacher and to lead students to the discovery of truth. Mr. MORSE was pointing out that Communists "do not possess free minds but rather are indoctrinated by a philosophy." They are not looking for the truth; they are trying to persuade other people to accept their idea of the truth.

The same observation applies to some of those who pretend to be for freedom of speech and freedom of religious worship. They are for freedom only when the views expressed coincide with their own and for freedom of religious worship only when they

can regiment the individual's acceptance of religious ideas.

It is worth noting that President Eisenhower, of Columbia University, and President Conant, of Harvard, recently served on a committee which advised that Communists be barred from the teaching profession and that while the doctrines of communism be taught in American schools they should not be advocated by those who pretend to teach others how to arrive at true conclusions.

The Communists and some of the other advocates of so-called freedom, are not intellectually free. They begin with acceptance of a conclusion which they propagate and support by specious arguments. They are utterly uninterested in anything except the propagation of their pet theory. They have no business in positions which require an objective search for the truth and the discriminate discussion of the facts bearing on the subject under inquiry.

The Political Parade in Congress

EXTENSION OF REMARKS
OF
HON. WILLIAM E. JENNER
OF INDIANA
IN THE SENATE OF THE UNITED STATES
Monday, July 18 (legislative day of Thursday, June 2), 1949

Mr. JENNER. Mr. President, I ask unanimous consent to have printed in the Appendix of the RECORD the column entitled "Political Parade," by George Rothwell Brown, published in the Washington Times-Herald for today.

There being no objection, the column was ordered to be printed in the RECORD, as follows:

POLITICAL PARADE
(By George Rothwell Brown)

Republicans in Congress who have been going along like sheep with President Truman's so-called bipartisan policies have only themselves to blame when they are paid off with a slap in the face.

The Republican Party has suffered heavily in public support, and it will continue to lose elections until it stops being a spineless "me, too," party.

Mr. Truman's thinly veiled attacks on the Republicans—not mentioned by name but clearly by inference—in his recent fireside chat on how to pull yourself up by your own bootstraps, reflected not one shred of gratitude for the fact that only by Republican votes was he spared that most crushing blow yet aimed at his international share-the wealth program.

Last week the Senate Appropriations Committee, by a 9-9 tie vote, narrowly missed writing into the ECA bill the amendment proposed by Senator KEM, of Missouri, which would have refused further foreign grants-in-aid under the multi-billion-dollar Marshall plan to any European nation which continued a policy of socialization of industries after the passage of the act.

It was aimed at the reckless, ignorant, and improvident Socialist-Labor government of Great Britain, which is only a prep school for communism, and which only the American taxpayers are keeping in office.

The interesting thing about this vote in the Senate Appropriations Committee is that the nine votes in favor of the Kem amendment were cast by six Democrats and three Republicans and that the Truman administration warded off defeat on the vital issue involved only because the other five Republicans on the committee voted with only four Democrats against the Kem amendment.

The President was turned down by a majority of his own party on the committee. Republican votes saved him.

Saved him for the time being, at least. This question cannot be evaded, whether the American people, hugely in debt and going broke fast, who cannot afford a welfare state themselves, shall be taxed indefinitely to keep in power a discredited British Government that has wrecked and ruined a great country and brought its people to increasing deprivation and misery.

In some form the sane and sensible proposition that the United States can no longer afford to sustain the sinking ship of British socialism will come before the Senate when the ECA bill reaches the floor.

There are too many Republicans in the Senate who give lip service to the American free-enterprise system but who give it a kick in the slats in secret whenever they get a chance.

A vote on this issue in the open Senate will show them up. Let's have it.

There are other things which the Senate committee and Congress should look into, in the interest of the overburdened taxpayers who are footing the bills.

How much of all these billions being poured out is being wasted? Is anybody in Congress looking into this phase of the dole system? Why not?

For example, a current official release of the Economic Cooperation Administration gives a list of the foreign purchasing agencies at present functioning under ECA.

It reveals that France is maintaining in the United States 17 separate missions under ECA, located in 9 separate offices in New York, Washington, and Baltimore, and 1 in Baden-Baden, Germany.

Presumably these 17 French missions in the United States are completely staffed and are maintained at no inconsiderable expense.

It smacks of international boondoggling on a lavish and wholly unnecessary scale, since Britain has only one such mission in the United States, a very modest one, for obtaining the usual lion's share.

No Common Ground

EXTENSION OF REMARKS
OF
HON. JAMES P. KEM
OF MISSOURI
IN THE SENATE OF THE UNITED STATES
Monday, July 18 (legislative day of Thursday, June 2), 1949

Mr. KEM. Mr. President, I ask unanimous consent to have printed in the Appendix of the RECORD an editorial entitled "No Common Ground," published in the Wall Street Journal of July 13, 1949.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

NO COMMON GROUND

The Associated Press the other day quoted Senator TAFT as commenting:

"The British have a planned economy and it just hasn't worked. They'll have to work out their problem for themselves by changing their system or doing something else. We can't be expected to give them more than we already have."

That statement is all right so far as it goes. But Senator TAFT has taught the country to expect from him unusual insight and courage. It seems to us that the mere suggestion of letting Britain stew in its own juice is not up to that standard.

The juice in which Britain stews is a potent brew, the name of which is economic totalitarianism. It will corrode whatever it contacts. And the British may be in a position to splash it around a wide area.

Britain already is discriminating against American goods—even though Washington winks at the procedure—which is contrary to her promises. Meanwhile we continue gifts. That seems foolish.

Britain is looking to the creation of exclusive bilateral trading contracts, which will further shut American goods out of the countries which make the agreements with Britain. Further than that the parties to these agreements will by their very terms be forced to adopt many of the trade restrictions and quota arrangements that the British have adopted. So we are doing more than condone restrictions against American interests. We are condoning by subsidy an extension of totalitarian economics, which is patterned after the Schacht methods of the Hitler regime. That seems more than foolish. It seems to us immoral.

Whether Britain nationalizes her own industries and commits her own people to a low standard of life would be Britain's business, if it stopped there. It does not stop. As a large trading nation Britain must attempt to create other economies in the image of her own.

All of these bad results seem to us to grow out of a policy based on the mistaken conception that there is some common meeting ground for an economy organized on totalitarian lines and one organized for the purpose of the utmost freedom in the exchange of goods.

If it was not clear from the beginning, it surely should be clear now that there is no such common ground. The two forms of economic organization seek different ends by wholly different means.

Under such circumstances merely saying that Britain can expect no further help from this country seems wholly inadequate. Not only should help be withdrawn but it should be made clear to the world that the United States disapproves of the policies and the methods which Britain pursues and will do its best to check them.

If you see a man pointing a gun at the neighbors, it hardly discharges your duty to say, "Certainly I shall never give that man another gun." The least you can do is to indicate your disapproval of such conduct.

It was not just Hitler with whom "you could not do business." It was any other form of the managed economy which to reach its end must be totalitarian. The more quickly we learn that and act accordingly the less money we will waste and the more quickly we will give other countries the courage and security to work out their own recovery.

Gift of Land by Paul Mellon to State of Virginia

EXTENSION OF REMARKS
OF
HON. EDWARD MARTIN
OF PENNSYLVANIA
IN THE SENATE OF THE UNITED STATES
Monday, July 18 (legislative day of Thursday, June 2), 1949

Mr. MARTIN. Mr. President, last Saturday there was published in the press an interview with Paul Mellon, who gave 420 acres of land to the Commonwealth of Virginia for research purposes. This

article, written by John W. Ball and published in a recent issue of the Washington Post, gives an interesting background of the great Mellon family. I ask unanimous consent that the article be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

PAUL MELLON GIVES VIRGINIA 420-ACRE FARM FOR RESEARCH

(By John W. Ball)

MIDDLEBURG, VA., July 15.—Paul Mellon, of Upperville, today gave his adopted State a 420-acre farm near Middleburg to be used for grass- and forage-crop research by Virginia Polytechnic Institute.

The gift includes this year's crops which Mellon has partly harvested, four houses, and other buildings, all equipment, and work stock so research can get going immediately.

The gift is about equal to an earlier gift of $125,000 by the late Andrew Mellon's son to help finance the grass research project.

"Although not a native of Virginia," Mellon told a large audience at Middleburg, "during almost 15 years of residence here I have come to love this State. I wished to do something for it, and it occurred to me that anything I could do to improve Virginia's soil and to further the economic well-being of a large portion of its citizens would be fitting and most gratifying."

Mellon's forebears, best known as bankers and industrialists, originally were farmers, Mellon said. In fact, when his grandfather, Thomas Mellon, father of the late Andrew Mellon, Secretary of the Treasury in the 1920's, decided to go to the city, his father made every effort to deter him. As Mellon told the story yesterday:

"My great-great-grandfather (Archibold) was a farmer when he migrated from Ireland early in the last century. My great-grandfather (Andrew) and my grandfather (Thomas) as a boy followed him shortly after.

"My great-grandfather cleared with his own hands the land in Pennsylvania that he first settled on, and with his own hands he built his house."

He told how his grandfather studied Murray's Latin Grammar and read Shakespeare's plays while following the plow.

"When my grandfather was 17 (in 1830) his thirst for education had become such that he gave up farming in a rather violent manner. His father wished him to remain on the land, and offered him a farm of his own."

He then quoted the early Mellon's idea of the professions, reading from his grandfather's autobiography: His grandfather's father felt, the former wrote, "that for me to abandon the honest and noble pursuit of an independent farmer, and become a doctor or teacher or miserly dependent preacher, or what in his eyes was worst of all, to enter the tricky, dishonest profession of law, was a proposition which seemed to him too preposterous to contemplate."

Nonetheless, his grandfather Thomas went to the city, studied law, and became a judge. "Later," Mellon added, "he became a banker and founded his own bank in Pittsburgh—and in recent years we have heard some pretty hard things about that profession, too.

"I do not claim to be a dirt farmer," Mellon said, "or a knowledgeable cattleman, or a soil scientist; but the soil is in my blood, and I feel a deep debt of gratitude to the soil of America."

In accepting the gift Dr. Walter S. Newman, president of VPI, declared he wished "to congratulate Virginia for having such people and qualities that it attracts men like Paul Mellon to become residents."

Chancelor John R. Hutcheson, of VPI, related the advances Virginia has made in recent years in agriculture. Potato yields have increased from 102 to 140 bushels to the acre, he said; tobacco from 685 to 1,161 pounds; cotton from 259 to 422 pounds; peanuts from 810 to 1,208; wheat from 12 to 18 bushels; corn from 22 to 35 bushels, etc.

Hoover Commission Reports

EXTENSION OF REMARKS

OF

HON. HUBERT H. HUMPHREY

OF MINNESOTA

IN THE SENATE OF THE UNITED STATES

Monday, July 18 (legislative day of Thursday, June 2), 1949

Mr. HUMPHREY. Mr. President, I ask unanimous consent to have printed in the Appendix of the RECORD a statement issued by me relative to the Hoover Commission reports.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

HOOVER COMMISSION REPORTS

The Commission on Organization of the Executive Branch of the Government—commonly known as the Hoover Commission—was established July 7, 1947, through the enactment of Public Law 162. This law declared as its purpose that it was "to be the policy of the Congress to promote economy, efficiency, and improved services in the transaction of the public business of departments, bureaus, agencies, boards, commissions, offices, independent establishments, and instrumentalities of the executive branch of the Government."

To achieve that purpose, the statute authorized the appointment by the President of a bipartisan Commission on Organization of the Executive Branch of the Government to consist of 12 members. The President appointed the following persons: Herbert Hoover, chairman; Dean Acheson, vice chairman; Arthur S. Flemming; James Forrestal; George H. Mead; George D. Aitken; Joseph P. Kennedy; John L. McClellan; James K. Pollock; Clarence J. Brown; Carter Manasco; James H. Rowe, Jr.

It is important to note that the Hoover Commission is a bipartisan organization of 12 men, 6 Democrats and 6 Republicans. Likewise, it should be noted that this Commission was established by an act of Congress and with the full support and active participation of the President. Furthermore, the Commission was authorized a sizeable sum of money to carry out its investigation and was authorized to hire or secure the best available administrative talent in the Nation. The work of the Commission was divided into many subcommittees, which subcommittees included representatives acquainted with the area of Government to which they were assigned for appropriate investigation.

The major part of the investigatory work was undertaken by groups known as task forces. These task forces operated under the general supervision of the 12-member Commission and its chairman. The task forces were well staffed with trained administrative personnel from accredited governmental research, institutions, and agencies. One institution that played an important part in the work of the Hoover Commission was the Brookings Institute, long recognized as a reputable professional research agency.

The task forces performed the meticulous and detailed work of administrative investigation. The reports of these groups were then submitted to the bipartisan Commission. This Commission was likewise well staffed with trained administrative personnel. All reports of the task forces were carefully gone over and evaluated. Following the analysis of the task forces reports, the Hoover Commission drew up its own recommendations pertaining to the agencies of Government. These recommendations were generally unanimous, having the support of the representatives of both political parties and, with but one or two instances, the full support of all members of the Commission.

The Hoover Commission submitted 19 reports, including a summary report. Life magazine recently stated, concerning the work of the Hoover Commission:

"No previous program has had the care, the pertinacity, the intellectual honesty and sheer brilliance which have gone into the making of the Hoover report."

It is my considered judgment that the report is a magnificent blueprint for lasting good government.

If its recommendations are adopted and vigorously supported, the reorganization of Government which will follow because of the adoption of the reports can save, according to very conservative estimates, a minimum of $3,000,000,000 per year. To say the least, this is substantial economy without jeopardizing much needed and vital Government services.

The following agencies or services of Government were thoroughly investigated and recommendations for their reorganization were submitted to the President and to the Congress:

1. General management of the executive branch.
2. Personnel management.
3. Office of General Services.
4. The Post Office Department.
5. Foreign affairs.
6. The Department of Agriculture.
7. Budgeting and accounting.
8. The National Security organization.
9. Veterans' affairs.
10. The Department of Commerce.
11. The Department of Treasury.
12. Regulatory commissions.
13. The Department of Labor.
14. The Department of the Interior.
15. Social security, education, and Indian affairs.
16. Medical services and activities.
17. Government business enterprises.
18. Part I—Overseas administration.
    Part II—Federal-State relations.
    Part III—General governmental research.
19. Summary report of the proposed recommendations and proposed legislation.

All of these reports and recommendations have now been submitted to the Congress and are in the hands of your Senators and Congressmen. These reports and the recommendations included therein have, in accordance with congressional procedure, been referred to appropriate Senate and House committees for action.

The report of the Hoover Commission contains some 300 major recommendations. A large percentage of them can be and will be effected by administrative action and through reorganization plans.

Some 18 major pieces of legislation must be passed by the Congress, in addition to the general executive reorganization bill, before the Hoover report can be fully carried out.

The Congress has been at work on these recommendations. The Senate Committee on Expenditures in Executive Departments has already approved the general reorganization bill and the General Services Agency bill. These were considered basic and fundamental legislative enactments.

The reorganization bill, which enables the President to transfer activities and agencies and to reduce the formless tangle of big departments and bureaus which report directly to him, has been adopted by the Eighty-first Congress and signed by the President. Al-

ready the President has submitted to the Congress seven basic plans of reorganization. These include the establishment of a Welfare Department, the reorganization of the Labor Department, reorganization of the Post Office Department, reorganization of the National Security Council and the National Resources Board, reorganization of the Civil Service Commission, reorganization of the United States Maritime Commission, and Reorganization Plan No. 7 transferring the Public Roads Administration to the Department of Commerce.

All of these seven reorganization plans will be law unless vetoed by the Congress. The above-mentioned reorganization plans of executive departments represent but the first step in executive reorganization as authorized under the Reorganization Act of 1949. I am proud to say that I was privileged to serve on the Senate committee which drafted this act, which worked out its details, and which presented it to the Congress. I supported and voted for this important basic reorganization law. It is to be expected that additional reorganization plans will come down from the President under the authority of the reorganization statute.

A second major piece of Hoover Commission legislation has been adopted by the Congress until the title of General Services Agency. This legislation was drafted by the Senate and House Committees on Expenditures in the Executive Department. Again I report that I was an active member of that committee and aided in the preparation of the legislation. The General Services Agency consolidates the following Government Bureau and agencies: Bureau of Federal Supply, War Assets Administration, Federal Works Agency, and National Archives Establishment.

The Senate bill dealing with the establishment of a General Services Agency was known as S. 2020. The House bill was known as H. R. 4754. These two bills were consolidated into one, which has been passed by both Houses.

The General Services Agency, as established under this legislation, will be charged with the responsibilities for the procurement or purchase of all Government supplies, for the utilization and disposal of all Government property, for maintaining a modern, up-to-date inventory of all Government property and facilities, along with control of Government transportation and communications services and facilities, as well as the maintenance of a modern system of records and accounting.

It is estimated that the enactment of this one measure will produce an economy in Government operation of approximately $450,000,000 a year.

Other Hoover Commission recommendations are in the process of being acted on. The Senate has passed the Tydings bill, S. 1843, giving the Defense Secretary authority to strengthen unification of the armed services. This bill also provides for modernized budgetary and fiscal procedures. This is extremely important, because the Military Establishment spends over one-third of the Federal budget. The Secretary of Defense has estimated that the enactment of this bill into public law will permit savings of $1,000,000,000 per year, in the management of the national defense program. A word of caution, however, is in order. The Tydings bill faces serious opposition in the House. It will need the all-out support of every advocate of reorganization.

The Senate Committee on Expenditures in the Executive Departments has approved the establishment of a National Commission on Intergovernmental Relations. This bill follows the recommendations of the Hoover Commission.

The Congress has passed and the President has signed a measure, S. 1704, to strengthen and improve the organization of the State Department. This bill was passed without a single dissenting vote in both Houses. It was the first major measure embodying the Hoover report recommendations to be enacted into law.

Other items of legislation embodying the Hoover Commission reports are now in congressional committees. For example, the Commission bill on general management of the executive branch based upon the Hoover Commission report has been presented to both the House and the Senate. The Senate bill is S. 1942 and the House bill is H. R. 2613. Likewise, there is a bill on the Federal Personnel Service, and another to establish a veterans' life insurance corporation. These have recently been submitted to the Congress.

The biggest business in the world—the Government of the United States—can no longer be managed with the political instruments of the eighteenth and nineteenth centuries. Government in the United States is no longer a simple thing that can be left to political chance and mediocre administration. A twentieth century economy propelled by the boundless energy of mass-production industry and constantly accelerated with new advances in the field of science cannot be managed or regulated with the mechanism of hodgepodge, unplanned, unrelated administrative establishment. The need for governmental reform and organization is imperative. It is a matter of sound economics and literally life or death for American political and economic survival. When 20 percent of the national income is utilized by the Federal Government, it is time to take stock of the means and methods which are employed in the use and expenditure of such a vast sum.

We must provide for our own citizens, but the cost of our Government is running perilously high. Our task is to obtain the maximum use and production use of every budget dollar. Economy in government does not necessarily mean spending less. It basically means obtaining the most that is humanly possible out of every dollar committed to public service. The question of economy in government could well be stated not in terms of dollar appropriations, but in the use of those appropriations. The effective use of public revenues is directly concerned with proper organization of administration. Modern tools of government are no longer matters of academic theory. They are absolute essentials if we are to continue our program of social welfare, public improvement, and international leadership.

It is for these reasons that I strongly support the basic recommendations of the Commission on Reorganization, commonly known as the Hoover Commission. This is not a partisan issue. It is not one of mere dollars or of the number of Government employees. It is an issue that runs deep into the very survival of free government and a free economy. Either we learn how to manage government, or the bigness of government will overwhelm us. Either we learn how to properly utilize the vast sums of public revenues and how to appropriately control and manage their use, or we will bleed our economy into an impoverished condition.

Influence Peddlers

EXTENSION OF REMARKS

OF

HON. HUGH BUTLER

OF NEBRASKA

IN THE SENATE OF THE UNITED STATES

Monday, July 18 (legislative day of Thursday, June 2), 1949

Mr. BUTLER. Mr. President, I ask unanimous consent to have printed in the Appendix of the RECORD an editorial entitled "Influence Peddlers," from today's Washington Post.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

INFLUENCE PEDDLERS

Sale of influence by former Government officials is an abuse of long standing, although the pickings were not so rich in the days when the Federal Government was one of limited powers and its expenditures were measured in terms of millions instead of billions of dollars. Today the Government is in the market as a heavy buyer of many kinds of goods and materials. It has a host of regulatory agencies whose officials make decisions that vitally affect the fortunes of private industry. The former Government employee who knows from personal experience how the governmental machinery works and has maintained close contacts with former colleagues, can render valuable service—in a perfectly legal way—to private corporations and organized groups by helping them to obtain contracts, securing a hearing for grievances, or possibly lobbying for changes in regulatory laws.

Mr. Thomas Corcoran, President Roosevelt's close confidant, who at one time served as a special attorney for the RFC, obtained more than $65,000 from a single concern that had been advised as to how to go about securing an RFC loan. Prior to our entry into the war, he drew down $100,000 in fees in 1 year on four defense contracts. The chief effect of these disclosures seemingly has been to increase the number of former Government officials who are selling their inside knowledge and exploiting their personal contacts. Senator BUTLER's demand for a congressional investigation of such activities is hardly necessary, since the practices of which he complains are matters of common knowledge. Moreover, it is highly improbable that any of the seven lawyers whom he has singled out for special mention as seekers of influence have committed illegal acts, however "questionable" their activities may be from the viewpoint of the public interest. The shocking aspect of the so-called "influence racket" is that it is so well entrenched that men who have had distinguished records in public life recognize no impropriety in going before Government agencies with which they were once connected to represent private clients.

It appears to us, therefore, that the time has come to pass restrictive legislation such as Senators BUTLER and LONG advocate, forbidding such officials to represent private firms or clients before Government agencies for at least 2 years following their withdrawal from Government service. A law of this kind would serve two purposes—it would tend to discourage (though it would not eradicate) the abuses at which it is aimed, and it would have a salutary effect on men still holding office. For the knowledge that their public records may commend them to private interests has undoubtedly influenced the decisions and conduct of some public officials. They may unconsciously favor private interests that are looking around for men to fill important positions or to represent them in a legal capacity. The insidious effect of this kind of external pressure would be greatly weakened by the proposed legal restriction.

If too many restrictions were imposed on retiring officials, the Government would find it difficult to recruit competent personnel to man its agencies. But it is quite feasible to impose legal restraints on the specific activities that are chiefly responsible for the flourishing state of the "influence racket" in this city. We feel sure that the public at large would welcome such action.

Appointment of John Foster Dulles To Be Senator From New York

EXTENSION OF REMARKS
OF
HON. ESTES KEFAUVER
OF TENNESSEE
IN THE SENATE OF THE UNITED STATES

Monday, July 18 (legislative day of Thursday, June 2), 1949

Mr. KEFAUVER. Mr. President, I ask permission to have printed in the Appendix of the RECORD a splendid editorial from the Nashville Tennessean of July 14, in which the appointment of Mr. JOHN FOSTER DULLES as a Senator is called a great contribution to peace. The editorial was written by the able Silliman Evans, president and publisher of the Tennessean, after he heard Senator DULLES' maiden speech in the Senate on July 13 last.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

GREAT CONTRIBUTION TO PEACE

WASHINGTON.—The maiden speech of Senator JOHN FOSTER DULLES as a stanch proponent of the Atlantic Treaty gives strong justification to the opinion that Gov. Thomas E. Dewey did the Nation and the cause of peace a great service in appointing this advocate of the bipartisan foreign policy to the upper House of Congress.

Mr. DULLES has been an official adviser for years at every conference devoted to shaping that policy. His experience and acumen have been at the service of several Secretaries of State. The position which he, though a member of the Republican Party, occupies in the American delegation to the United Nations is evidence of the high regard the administration has for his abilities.

The writer of this editorial was fortunate to have been present Tuesday in the Senate Chamber, temporarily located in the old Supreme Court chamber, to hear this maiden speech, which was both brilliant and profound. The new Senator from New York warned that failure to ratify this 12-nation treaty would drive the Communist offensive against western Europe and bring all our European plans crashing to the ground by encouraging the Germans to turn toward a Soviet alliance.

Ratification of the pact is essential to further progress toward European peace and stability and is as well an assurance that we will not lose what ground we have already gained in that direction.

As a measure of Senator DULLES' sense of responsibility and creative contribution to our foreign policy, it should be recalled that when the pact was first proposed he was troubled by some misgivings.

While applauding the objectives, he warned that great care must be exercised in drafting and interpreting the pact lest it serve as an excuse or provocation to bring on the very aggression it was designed to discourage.

The careful wording of the treaty, on which he was consulted, has erased these misgivings. He is now convinced that it is a purely defensive arrangement which Russian suspicion cannot twist into a threat to Soviet security and that it will contribute materially to the strength and security of the contracting nations.

Mr. DULLES, in the debate with Senator TAFT which followed his maiden speech, handled himself impressively under a barrage from one of the most skilled parliamentarians and determined opponents in the Senate.

The junior Senator from New York thus performed well in his first appearance in that role and, in doing so, showed himself ready to play an important part in securing approval for our participation, along with the other nations of the Atlantic community, in this strengthening of determination for peace in the world.

The Atlantic Pact

EXTENSION OF REMARKS
OF
HON. ESTES KEFAUVER
OF TENNESSEE
IN THE SENATE OF THE UNITED STATES

Monday, July 18 (legislative day of Thursday, June 2), 1949

Mr. KEFAUVER. Mr. President, I ask unanimous consent to have printed in the Appendix of the RECORD a thoughtful editorial entitled "A Strong Alliance First, Maybe Federation Later," from the Courier-Journal of Louisville, Ky., of July 11, 1949.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

A STRONG ALLIANCE FIRST, MAYBE FEDERATION LATER

The North Atlantic Pact, an alliance of 12 western democracies to resist aggression, is an immediate possibility in the struggle to preserve world peace. So, too, is the American program of helping to strengthen the armed might of the signatories. Both are practical measures that would implement the hope of the world for peace by creating such great unity of power that any would-be aggressor (and the only potential one in these times is Soviet Russia) would take second thought and probably never risk destruction by warring against it.

These are valid points to remember as the Senate begins its debate on whether the United States should ratify its adherence to the pact. Two hopefully idealistic groups in the Senate are offering alternatives or amendments to this practical program. One bipartisan group, headed by Senator MUNDT, urges a vetoless world alliance backed by an international army recruited from the smaller nations, owing its allegiance to the Atlantic Council, and pledged to outlaw atomic warfare along the lines proposed by Bernard Baruch. Russia might join if she liked—though no one faintly familiar with current history believes she would. And few persons, we dare say, believe that the United States would now surrender its own power of veto, or that an utterly new military organization recruited from essentially nonmilitary states could provide any hope of protection against the threat of Russian aggression.

The other group, headed by Senator KEFAUVER, represents the ideas of the Atlantic Union Committee, headed by Owen J. Roberts, former Supreme Court Justice. It stems from the decade-old Union Now program of Clarence Streit for a federalization of the Atlantic democracies not unlike that of the 48 States of this country, and it would leave membership open to non-Atlantic republics like the Philippines and to other nations as they achieved a democratic status. The Atlantic unionists argue that the North Atlantic Pact should be approved first, federalization of the signatory countries achieved later.

Of the two, it seems to us that the Kefauver-Roberts-Streit program is by far the more realistic. The difficulties confronting it in this nationalistic and badly divided world are enormous, but in seeking to build a federal structure on the cornerstone of the democratic kinship of the Western Powers, great and small, it holds great hopes for the future.

The present, however, is what the Senate must immediately consider. The first necessity is to ratify the North Atlantic Pact, to ally ourselves with 11 other nations pledged to resist aggression, and so beyond all tempting doubt inform Soviet Russia what she faces if she disturbs the peace of the world. The second necessity is for both the House and the Senate to provide the funds with which to strengthen the military establishments of this great combination of allies, and so to make it a real and not a paper power. This is the hard and costly and not guaranteed road to peace, but in 1949 it is the only road open to travel. And it may lead, in time, to that free federation of the world of which men dream.

Wage-Hour Legislation

EXTENSION OF REMARKS
OF
HON. ED GOSSETT
OF TEXAS
IN THE HOUSE OF REPRESENTATIVES

Monday, July 18, 1949

Mr. GOSSETT. Mr. Speaker, our colleague, the Honorable WINGATE LUCAS, of Texas, has been a serious student of wage-and-hour legislation. No one has worked more diligently with this problem than he. His tireless and patriotic devotion to duty in this matter has been a source of inspiration to his friends. Because of his expert knowledge of this subject, I am sure we will all benefit from the address delivered by him to the Riverside Lions Club of Fort Worth, Tex., on last Friday, July 15. I therefore take pleasure in offering his speech for insertion in the RECORD at this time:

NEEDED: COMMON SENSE IN WAGE-HOUR LEGISLATION—AMERICA MUST FACE THESE FACTS

In inviting me to speak on this pressing problem facing the country today, I assume that you know that I shall speak honestly and candidly upon the subject although it is not a pleasant task always to tell the truth. I cannot evade my duty. Today I feel compelled to relate to you some facts which have received too little emphasis for too long a period of time.

To my mind, the most important problem faced by the American people today is the instability of our domestic economy. The signs have never pointed in so many directions all at once. What has caused this instability? Why does this tremor of uncertainty shake our entire economy?

The answer is, in my judgment, that there is a chronic instability in the manner in which we are governed. The Federal Government in its unnumbered and endless ramifications reaches into the very management of every enterprise in the land. The National Government is, of course, a political organization which is necessarily subject to the whims of those in control. I do not imply that ours is not a government of laws, but I do assert in the interpretations of those laws, by those authorized to administer them, there has been and there still is a constant shifting, seemingly always away from the intent of the Congress which enacted them. Often, I grant, Congress has delegated too much power, but worse, too often powers delegated are abused, and perverted. Is it any wonder that businessmen, compelled to look to Washington every day before planning for the next, are demanding

that executive powers be clarified, defined and limited?

Today I am going to talk about just one of the laws which has been perverted in its enforcement beyond anything ever dreamed of by those who enacted it. The statute was one of the great forward steps taken by our Nation, humanitarian, practical, and sound. But in its application, as I will show you, it has promoted confusion and disturbance. It has simply not been utilized to achieve the goal of its authors.

I speak of the Fair Labor Standards Act, commonly known as the wage-and-hour law or the minimum-wage law, which was enacted in 1938. In essence, the law provides for 40 cents an hour for all workers producing goods for interstate commerce and for time-and-a-half after 40 hours a week, with certain exceptions. Its purpose was to promote efficiency in manufacturing and prevent the unfair competition of some employers who forced wages below minimum standards, and to spread employment. It was intended to be more than an employees' law, more than an employers' law, for it meant to provide a floor to our national income, a steady source of purchasing power. This is an example of Federal regulation of the highest order. Experience had shown that the States could not prevent the shipment in interstate commerce of sweatshop goods, and therefore could not protect the workers thus exploited or the employers who desired to pay decent wages. President Roosevelt, in his message requesting passage of the law for those who toil in factories proposed that "only goods which have been produced under conditions which meet the minimum standards of free labor shall be admitted to interstate commerce. Goods produced under conditions which do not meet rudimentary standards of decency should be regarded as contraband and ought not to be allowed to pollute the channels of interstate trade."

When the Congress debated the measure, Senator (now Justice) Black, said that it was not intended to and did not attempt to fix minimum wages and maximum hours in all the varied local businesses in the Nation, nor was it an effort to regulate wages and hours in the various service employments. The reasons for this limitation were, first, that the bill "rests squarely upon the interstate commerce clause" of the Constitution, and, second, because it was the prevailing if not unanimous sentiment of the reporting committee that "businesses of a purely local type which serve a particular local community, and which do not send their products into the streams of interstate commerce, can be better regulated by the laws of the communities and of the States in which the business units operate."

Mrs. MARY NORTON, chairman of the Labor Committee, in the debates in the House, more explicitly defined the scope of the proposal. She said that the bill leaves local business to the protection of the laws of the several States, and that despite purchases in other States local business was excluded. Not even by the "wildest stretch of imagination" and "regardless of any possible administrative interpretations" such businesses as the "local groceryman, druggist, clothing store, meat dealer—any merchant, in fact—laundry, hospital, hotel and even transportation companies operating solely within a State" were "absolutely not" in any way affected by the bill.

And the bill was passed, marking the beginning of a new era in commerce, guaranteeing to employees in interstate industries a certain, minimum income, and to their employers protection against the unfair competition of those who would press down the workingman to conditions of near-servitude; but more important, it provided purchasing power to support our national economy. It fulfilled the axiom that "good wages make good business" which we all recognize as the soundest philosophy.

These are the highest objectives and worthy of being sought by any people. But they have not come to the American people without blemish, for this great socioeconomic program, inspired by the highest ideals, has been dragged into the mire of political battles. It has been pushed around by pressure groups; it has been manhandled by maladministrators; it has been perverted beyond the preconception of the statesmen who sired it; it has been polluted by politics.

It has degenerated into a machine by which all industry, not just the large manufacturer, but the little retailer right down the street, can be harassed, threatened and intimated. It is an instrument of torture to the small-business man; in fact, there is hardly a man in business today who may not wake up tomorrow to find that he has been sued, under the interpretations that have been given to this law, for more than he is worth, including double damages, and even criminal charges might be brought against him. And, unless the Congress clarifies the law, he may find that he is utterly defenseless in court.

But you may wisely inquire that if this law is so beneficial, why should it not be made to apply to every business? It is simply impossible for the Federal Government to impose a single standard on all purely local businesses. This was tried under NRA only to result in abject failure. Even if it were constitutionally possible to legislate in this field, no national law could regulate the buying habits of the people, and retail and service establishments could not meet public demands by remaining open for business only 40 hours a week. President Roosevelt recognized this when he spoke of goods produced by those who "toil in factory," and added "there are many purely local pursuits and services which no Federal legislation can effectively cover." How then, could he have meant the clerk behind the counter in the clothing store?

Let us see if the Administrator is content with accepting the wisdom of President Roosevelt. Despite these past bitter failures, the most alarming extension of coverage by the Administrator has been in this area of local neighborhood business. The entire approach of the Administrator to the retail and service establishment has always been wrong. He should have sought to effectuate the plainly expressed congressional purpose that the law should not apply to local business. Instead of doing this, the Administrator has continuously created and applied artificial tests, which ignore the realities of local business, in an effort to bring under the law many retail and service businesses. This has been simply another strand in the whole skein, the ultimate purpose of which was to extend the hand of bureaucracy into the management of every plant, store, shop—into the operation of every business enterprise in America.

Under what pretext has the Administrator swept these businesses under the act? I will cite but one of many. The law includes employees engaged in "any process or occupation necessary to the production" of goods for commerce. Let me show you how that phrase "necessary to the production" has been treated. A custodial employee of a local real estate company was found to be in interstate commerce because some of the tenants of the building in which he worked were producing goods for interstate commerce. He was found to be *necessary* to such production (*Kirschbaum* v. *Walling* (316 U. S. 517)). Employees of a local coal dealer were held to be in interstate commerce because some of the customers were manufacturers (*West Kentucky Coal Co.* v. *Walling* (153 F. (2) 582)). Listen to these other interpretations: The act applies to employees of a local stationery store, one of whose customers is a local grocer within the same State, if the stationery printed for the grocer is later used to write a letter going out of the State (3 CCH Labor Law Reporter 4th ed., par. 25, 160.47). Employees of a local window cleaning company (*Martino* v. *Michigan Window Cleaning Co.* (327 U. S. 173)). Employees of a local nursery (1944–45 Wage and Hour Manual 125). Employees of a local automobile dealer (*McComb Adm.* v. *Deibert* (16 Labor Cases, pp. 64, 982). Employees of a local laundry (*Phillips* v. *Star Laundry* (149 F. (2) 416)). Employees of a local scrap iron dealer (*Bracey* v. *Luroy* (138 F. (2) 8)). Employees of a local architectural firm (1944–45 W. H. Man. 138–139). Employees of a local exterminator service firm (3 CCH Labor Law Reporter, 4th ed., pp. 25, 150.385). Employees of a local typewriter service and repair company (3 CCH Labor Law Reporter, 4th ed., pp. 25, 180.81). Employees of a local fertilizer company (*McComb* v. *Super-A Fertilizer Works* (165 F. (2) 624)).

Do you not agree that it is essential, nay vital, to our stability that clarifying legislation be enacted? Under such decisions as these, no one knows whether or not he is subject to suit. Every employer is vulnerable. At any time the Administrator may extend his control over your business, and you may find demands on your desk that you pay allegedly accumulated back wages to your employees of hundreds or even of thousands of dollars and your employees mort likely will be entirely satisfied. But that won't satisfy the Administrator. I am amazed, after studying this law and the tortuous decisions that have been made under it, that Congress has sat idle for 11 years without bringing it up to date. No such social experiment as this, on such a broad scale, could have been perfect from inception, and no one, not even the Administrator, denies that the law needs revision.

But how does the Administrator want this law clarified? It should be immediately assumed that he wants more power. That is the nature of a bureaucrat. He wants to cover everyone and every business establishment in the land. In testifying before our committee, the question was put to him as to who was exempt, in the bill he was supporting? The response was "The local barber—probably!" But I though even that was doubtful, because the barber's razor likely came from Massachusetts, and his soap from New Jersey—"stream of interstate commerce," it is contended—and his customer might be a traveling man!

Not content with all-inclusive coverage, the Administrator endorsed a flat 75 cents minimum wage. The Secretary of Labor wants a bill requiring a minimum of $1. Not another witness came before our committee who did not concede that even 75 cents would create unemployment, at least temporarily. Students of this subject all realize that this is too great a tampering with our unstable economy. Instead of increasing the national income, it would certainly decrease it, for the relationship of wages to production cannot be forced into such an unbalance in many industries without extensive lay-offs and closing of plants. It is unthinkable.

In order to carry out the intent of the Congress which enacted this law, and, if I may say so, the intent of the present Congress, I have introduced a minimum-wage bill. It has received almost unanimous acclaim among those who are being attacked so vigorously under the present statute, the retailers, the small-business people. My bill exempts "any employee employed by any retail or service establishment, more than 50 percent of which establishment's annual dollar volume of sales of goods and services is made within the State in which the establishment is located. A 'retail or service establishment' shall mean an establishment 75 percent of whose annual dollar volume of sales of goods or services, or of both, is not for resale and is recognized as retail sales or services in the particular industry."

This you see provides the particular industry test, for what way is fairer to determine an exemption than by having a competitor or another in the same line of business testify as to what is retail in that particular industry? Congress should reaffirm and settle once and for all, as is proposed in the Lucas bill, the exemption which is intended local neighborhood businesses to have.

In order to be realistic about the figure which should be legislatively established as the minimum wage I compared the cost of living in 1938, when Congress declared 40 cents as the minimum, with the cost of living in 1949. The resulting figure was approximately 65 cents, and near enough thereto to cause 65 cents to be chosen as the round figure upon which to start. More important than the sum of 65 cents an hour is another feature of my bill, that which ties the minimum wage to the cost-of-living index. My bill provides that the minimum wage shall vary, in whole pennies, annually, as the cost of living varies, and as costs rise wages rise, but as costs decline wages decline. But in no event—in order to maintain the floor under our national income—in no event shall the minimum wage go below 50 cents an hour. Under such a provision the workingman is guaranteed minimum standards, notwithstanding inflation or depression. The employer is assured labor costs in keeping with the times and is protected against unscrupulous competitors. And America gets a constant income of the same value—above 50 cents—in comparison to other costs. And the controversial question of the minimum wage is removed from the realm of party politics.

Good wages guarantee good business. Contented employees assure greater production. But when wages are so high as to be disproportionate to production, employment falls off. The loss of just one job is the loss to the community of that much buying power. Therefore, the soundest objective we can hope for is stabilized employment. I have heard of no proposal for maintaining steady employment in interstate industries more reasonable than that of adjusting the minimum wage to the variations of the cost of living. It is, to my mind, the only answer to this great national problem.

At the same time, let us keep in mind that the minimum wage fixed by law was never meant to be the American living wage. It is a subsistence wage from which the worker may rise to higher standards. It is, as Roosevelt phrased it, the "rudimentary standard" to guarantee labor health and decency, to prevent the sweatshops which feed into our society undesirable citizens, burdening the community with juvenile delinquency, disease, and all the other evils of dire poverty. No employer has a right to continue in business if he can survive only on sweated labor. And such an employer's competitors deserve protection against sweatshop competition in order that they might pay their employees decent wages and remain in business.

The present attempt to expand and enlarge the coverage of the Fair Labor Standards Act and to require a minimum wage which is unrealistically disproportionate to production and economically unsound is just one part of the alarming picture confronting Congress at the present time. This request for power would not only add thousands to the Federal pay rolls, and millions to our budget, but would so increase the hazards of doing business as to reduce immeasurably our tax receipts. But, as I say, this is just one phase of the greater picture which makes thinking people gasp.

Congress is faced with demands for legislation which if enacted would extend the state into fields never heretofore entered by a truly democratic government. Under the guise of combating communism we are drawing more and more close to it. Pressure groups are relentlessly driving us into socialized public housing, federalized education, socialized medicine, and other forms of pure statism, and small men in public office are bowing obsequiously to those whose aim is to destroy democracy. Can democracy survive if all power is to be reposed in the Central Government, which is to provide every citizen with such a security as to bring lassitude to all? Benjamin Franklin, one of the great thinkers of all time, said that "He who surrenders his liberty for temporary security deserves neither and in the end will lose both."

Resist and resist we must these demands to increase Federal power. Let me quote you from the writings of Thomas Jefferson:

"I see with the deepest affliction the rapid strides with which the Federal branch of our Government is advancing toward the usurpation of all the rights reserved to the States, and the consolidation in itself of all powers, foreign and domestic; and that too, by constructions which if legitimate, leaves no limit to its power * * *. When all government, domestic and foreign, in little as in great things, shall be drawn to Washington as the center of all power, it will render powerless the checks provided by one branch of government on another, and will become as venal and oppressive as the government from which we separated * * *. What an augmentation of the field for jobbing, speculating, plundering, office building, and office-hunting, would be produced by the assumption of all the State powers into the hands of the General Government * * *. It is not by the consolidation or concentration of powers, but by their distribution, that good government is effected * * *. The way to have good and safe government is not to trust it all to one, but to divide it among the many, distributing to everyone exactly the functions he is competent to do. Let the National Government be entrusted with the defense of the Nation and its foreign and Federal relations; the State governments with the civil rights, laws and police, and the administration of what concerns the State generally; and the counties with the local concerns of the counties; until it ends in the administration of every man's farm by himself * * *. What has destroyed liberty and the rights of man in every government which has ever existed under the sun? The generalization and concentrating of all cares and powers in one body."

These immortal words were given us by the author of the Declaration of Independence, the great mind who conceived democracy as we have known it here in America. How can free men, thinking men, disregard them?

To my mind, the skyrocketing costs of Government represent the most threatening challenge to our democracy today. In 1929 our Government spent three billion eight hundred million. In 1938, under the free spending, antidepression program of Roosevelt, we spent seven billion three hundred million. Today, in the year of our Lord nineteen hundred and forty-nine our budget is forty-one billion nine hundred million! And this does not include sums for the new housing bill, already approved, and for socialized medicine, socialized education, the new farm program, expanded social security, rearmament of Europe and parts of Asia, and many other programs. These will add at least twenty billion to the cost of Government to the taxpayer. Ask yourself, can you afford a 50-percent increase in your taxes?

While taxes are already too high it is inevitable that they must be increased, tremendously increased, if we adopt these new programs to inaugurate the welfare state. Under present taxes the Government's income is about three billions a month and Government spending will average, this next year, between three and one-half and four billions a month. Last year our deficit was nearly two billions and on the basis of present expenditures and income, not counting new programs, I cannot see how it can be kept below five billion next year. It will be suicidal for our Nation to enter into these programs of socialization of our own form of government while we are at the same time subsidizing what purports to be democracy all over the world. How long can a government stay on the brink of bankruptcy? We can secure little encouragement by looking to England. Do you want new taxes? Do you want inflation? Do you want repudiation of our debts? Take your choice. Unless we retrench, we must take one or even all of them.

What a time for statesmen. Statesmen! Statesmen who fear neither big business nor big labor; who bow to neither big-pressure groups nor selfish classes in our society. What a time for common sense in Government.

These are momentous days, and what a time for little men to hold our fate, small men who care only for their political fortunes as against the last best hope on earth, American freedom! What a time for the courage of the martyrs, the fortitude of our founders. What a time for men.

God give us men—
Strong men, courageous, and sincere;
Men far beyond the pale of fear;
Men who hold their lives not dear
When liberty's banner's sinking.

God give us men—
Men of principle, tried and true,
With love of freedom ever new;
Men whose courses ne'er pursue
Expediency's false lights blinking.

God give us men—
Men honest in their every act;
Whose honor is a public fact,
Dealing with pretense without tact
And damning treachery without winking.

"God give us men!"

The Courageous Finns

EXTENSION OF REMARKS
OF
HON. RUSSELL V. MACK
OF WASHINGTON
IN THE HOUSE OF REPRESENTATIVES
Monday, July 18, 1949

Mr. MACK of Washington. Mr. Speaker, the Finns are among the world's most courageous and liberty-loving people and they are preserving their liberties now by standing up against their ancient enemies, the Russians. The Soviet Union, despite its efforts to do so, has not been able to conquer the freedom-loving spirit of the Finnish people because the Finns have had the courage to stand up against Russia's Communist regime and say, "So far shall you go, but no farther."

Under leave to extend my remarks in the RECORD, I include a most informative article on Finland by Joseph C. Harsch that appeared in the Christian Science Monitor, for which he is a special correspondent. The article follows:

FINNS HOLD THE SOVIETS AT ARM'S LENGTH

(By Joseph C. Harsch)

HELSINKI.—One of the more interesting things about Europe in this transition year of 1949 is the similarity of attitude toward Soviet Russia of the peoples who live at the

opposite ends of what has come to be called the iron curtain.

I already have reported on, and described at some length, the extraordinary indifference of the Yugoslavs toward Cominform propaganda and Moscow blusterings. The Yugoslavs are not intimidated. And I found far less emotional dread of Russia there than you can find almost any day in western Europe or New York or Washington.

The same goes for Finland. The Finns aren't intimidated, either. On the contrary, they are so indifferent to both the blandishments and the complaints from Moscow that a visitor from the West finds himself constantly trying to understand how a country of only 4,000,000 persons, living on Russia's northern doorstep, can dare to be quite as hardy as it is.

At first it almost seems like foolhardiness, and one wonders if perhaps the Finns are living in a dream world which is going to explode under their noses at any moment.

DEFIANCE PERSISTS

The Finns are probably the only people in history who ever had a Communist minister of the interior and a Communist-controlled secret police, got rid of both, and act as though they were totally independent of Russia.

There are several reasons behind this ability of the Finns to survive as free people. Some Finns subscribe to what they call the romantic theory—that Russia rather respects them for their sturdiness and enjoys the luxury of allowing one independent country to survive on the Soviet frontier.

Perhaps there is something to that. Russian logic is a strange thing, unfathomable to a westerner. Perhaps also Finnish independence is tolerated, as some Finns think, because Lenin spent part of his exile in Helsinki and is said to have felt an affection for the Finns.

It would seem more plausible that the reason is compounded of two much more practical considerations. The first is that Finland is productive. It is paying its reparations to Russia on schedule; it is delivering commodities Russia needs under a trade agreement. All this would be lost were the iron grip of communism to be fastened on a resentful people.

The second is that without the slightest doubt the Finns would fight if they were invaded by the Soviet Army, or "coordinated" by a coup d'état on the Czech model.

That is to say, Russia could not have as much production out of Finland if Russia had more political control over Finland. The two are mutually exclusive. Moscow has had to choose between Communist control and Finnish goods. So far, at least, it chooses the Finnish goods.

To say that the Finns would fight does not mean that they could defend their entire country as they did in the 1939–40 winter war. The big coastal guns at Porkaala are in Russian hands, and those guns bear on Helsinki. Also, the garrison at Porkaala could cut the road and rail line between Helsinki and Turku—the two main ports and industrial cities of the country—within an hour after hostilities had broken out. And the Finnish Army has been reduced under the peace treaty to a level of impotence.

Certainly, if the Russians chose to use force, they could have whatever cities or strategic centers they wanted in Finland in a very short time.

DRAG ON COMMUNISTS

But the Finns never would submit passively to an occupation or a Communist regime. Almost every Finn has a rifle; many of them more than one. Finns have been fighting Russians for a good many hundreds of years—and liking it. Finns know their forests and swamps and lakes. Finns enjoy living out of doors.

Most of them, obviously, would take to the woods with the greatest pleasure and resume the ancient feud with Russia. Their attitude toward Russians is both primitive and vigorous. And they regard a Cominform Communist as being a Russian.

The Finnish Communists themselves only claim a membership of 34,000 persons, and it is to be doubted that their real strength even approaches this figure. Perhaps in some countries communism gains from its ties with Soviet Russia. But so strong is the basic anti-Russianism of Finland that Russia is actually a millstone around the neck of the local Communist Party.

Were Russia to undergo a right-wing revolution and reemerge under a czar, communism probably would become a much stronger force in Finland than it is today. The Finnish inclination is to move away from whatever Russia is.

In other words, Finland is today a strong item of documentation for the theory that the best defense against Russia and Communist expansion is the readiness of a people to fight for their independence. It isn't that the Finns could fight successfully. They haven't a chance. But they would fight.

The descent on Czechoslovakia did not threaten a general war for the Russians since the Czechs were not prepared to fight. But Finland, like Yugoslavia, is a different kind of story. The moral would seem to be that self-reliance and freedom from defeatism are the prime ingredients for the independence of any country wishing to remain master in its household.

This doesn't mean that the Finns are out of danger. There are two dangers in their path. The first spring from the degree of their own present confidence. It was more than a year ago—April 1948—that they defied Russia by turning the Communists out of their Government and liquidating the Communist-controlled secret police. Moscow blustered, but did nothing.

Then there was the period of anxiety over possible Russian reprisals when Norway and Denmark were brought into the Atlantic Pact. Many people dreaded that Russia would retaliate by clamping down on Finland. Again Moscow blustered. And again Moscow did nothing more.

POLITICAL STRUGGLE

To many Finns this means that they were safely out of the woods, so safely out that they can indulge the luxury of long-deferred local politics. So far the non-Communist parties have maintained a common front against communism. It has taken the form of a Socialist government supported by the Agrarians and the Conservatives.

While the danger from Moscow was obvious, Agrarians and Conservatives gave loyal and unquestioning support to the Socialist government. But this has put a strain on their tolerance. No political party enjoys responsibility without a voice in the government, or patronage. Both would like a share now, and political maneuvering has begun.

If Agrarians and Conservatives should force a government crisis and the Socialists went into opposition, then the Socialists and Communists would be associated at least in that they would be occupying the opposition benches together. And there might well be serious strikes. In that case Socialists and Communists would also be associated on the picket lines. That would be a dangerous association. The Communists would welcome it. Finally, strikes would delay reparations shipments to Russia, providing Moscow with an excuse for direct intervention.

The other danger is economic. Finland, like its bigger neighbor, Sweden, is in economic trouble due to the decline in world prices. The export of wood pulp and newsprint has fallen off disastrously. Production cost, due partly to wage increases, are higher than American costs. American newsprint already is underselling Finnish newsprint, even in Europe.

LABOR OPPOSITION

The first available remedy would be to devalue the Finmark, which is probably badly overvalued at present. But labor is opposed to that since it would increase the cost of imported consumer goods. Such an increase would amount to an indirect cut in wages.

Those are two big and difficult problems. They must be overcome successfully if Finland is to make good its march away from Soviet influence. It remains to be seen whether Helsinki will overcome them successfully.

But as of today Finland is morally free, internally independent of Russia, and safe from communism. Finland is an iron-curtain country only in that the Russian base at Porkaala and the terms of the peace treaty make Finland militarily indefensible. What saves this country is an almost unanimous will to fight, even though the end result would be inevitable defeat.

I was unable to find any Finn who believed there could be virtue in appeasement. They don't understand the word, any more than the Yugoslavs do.

Prosperity and Deficit Financing

EXTENSION OF REMARKS

OF

HON. CHESTER E. MERROW

OF NEW HAMPSHIRE

IN THE HOUSE OF REPRESENTATIVES

Monday, July 18, 1949

Mr. MERROW. Mr. Speaker, under leave to extend my remarks in the RECORD, I include therein an editorial from the New Hampshire Morning Union of July 15, 1949, entitled "Prosperity and Deficit Financing." The Union is published in Manchester, N. H.

PROSPERITY AND DEFICIT FINANCING

President Truman's about-face on fiscal policy, in which he has abandoned his demand for a balanced budget and public-debt reduction, with a tax increase if necessary, and has pulled out all the stops on deficit financing, is causing widespread concern.

Reports from Washington indicate that Congress is being flooded with letters from the folks back home calling for a halt in expanding Federal financing. The people apparently are wiser than their national leaders. Many have become convinced that the Government is rife with waste and inefficiency and that continued deficit spending can only lead to disaster.

In general, Mr. Truman's address to the people on Wednesday night contained the same mixture of false economics and politics that marked his economic message to Congress. His effort to place the responsibility for the present plight of the Government and the business recession on the tax cut last year and the refusal of Congress to adopt his anti-inflation program was too absurd to merit attention. The absurdity is deepened by the fact that with the exception of his abandonment of his former demand for a tax increase, he asks practically the same program now to meet deflation.

Mr. Truman is right in insisting that we are not in a depression but in process of economic readjustment that was bound to come. But he is unable to get away from the idea that the Government must play the dominant role in our economy, and that

prosperity depends on Government spending. That is a dangerous doctrine. The Government produces nothing. It is a distributing agency. And when it distributes more than it takes in, the result must inevitably be to weaken our economy. We have indisputable evidence of this fact today in Socialist Britain.

It is hoped that Congress will reject this dangerous doctrine. Had Congress not rejected Mr. Truman's appeal last January for a raise in taxes, an expansion of spending, and wide powers for the Government to control every segment of our economy as a check to inflation, there is no doubt that we would be in a depression today. Congress wisely refused to adopt that program. Now the same proposals are offered by Mr. Truman, with the tax increase eliminated, to curb deflation.

Under Mr. Truman's reasoning, production and purchasing power are not dependent on hard work, on the right of the people to spend their own money, and on private investment to expand industry. They are dependent on the Government taking the money away from the people by taxes and borrowing and handing it back as benefactions. That philosophy never has worked and it won't work today. Its only result is to lead down the blind alley to a socialized state.

Why 4,000,000 Are Unemployed, the Cause and the Remedy

EXTENSION OF REMARKS

OF

HON. COMPTON I. WHITE

OF IDAHO

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 7, 1949

Mr. WHITE of Idaho. Mr. Speaker, my office has been flooded recently with letters and telegrams imploring that the Congress do something to save our metal-mining industry. A drop of approximately 40 percent in the prices of lead, copper, and zinc has closed hundreds of mines and thrown thousands of miners out of work.

A few months ago, similar drops in prices of many agricultural products had our farmers badly worried. This is not merely the concern of our miners and farmers. It vitally affects our entire economy because agriculture and mining—the production of raw materials—form the arch which supports our domestic economy. Agriculture's income is always one-seventh of our national income, and every dollar of loss to agriculture causes a loss of $7 to our national income. In normal times, mining's income is one-fourteenth of our national income, so every dollar lost to mining brings a loss of $14 to our national income.

No segment of our society can escape the effect of this inexorable economic law—it affects the retailer, the wholesaler, the manufacturer, and the wage-earner alike. Labor may think it can escape this law by keeping wages high, but the percentage of reduction in our national income will be reflected in unemployment.

In acknowledging these letters and telegrams, I have endeavored to point out the underlying causes of economic maladjustments and suggest a remedy.

Pseudo economists and enemies of our system of Government will tell you that American capitalism and free competitive enterprise are responsible for "booms and busts" but it should be evident to everyone after reading the appended letters that unsound monetary and fiscal policies of Government are entirely to blame.

The instability of world currencies is responsible for the economic chaos that exists throughout the world today. In many countries all limits on the amount of currency issued have been removed; and while the United States has not yet gone to that extreme, we are rapidly approaching it. The redeemability, which acted as a final check, is gone; and without that, the other limitations can be easily overridden.

Currency that is not redeemable is fiat money; and the only way that fiat money or managed currencies can work is through collectivism, or completely government-controlled economy. This means complete coercion of individuals, controlled production, rationing and price fixing.

Socialism, communism, fascism, and all other forms of absolutism come into being and are sustained by a debauched currency. They cannot compete or survive in a free world and a free economy that operates under a sound monetary system; and however much loyal Americans may deplore the drift toward socialism, all efforts to reverse that trend will be futile until we replace our so-called "managed currency" with sound redeemable currency. The letters follow:

ARIZONA METALS CO.,
Kingman, Ariz., July 7, 1949.

Hon. COMPTON I. WHITE,
House Office Building,
Washington, D. C.

DEAR MR. WHITE: I am fully in accord with the contents of your letter dated the 13th of June. And I appreciate very much your support of the Murray-Engle bill, H. R. 976, and hope it will come before the House for a vote without more delay.

The copy of your letter to Bitco, Inc., which you sent me with your letter, is the best analysis of the money system of our country that I have read at any time. You have stated the situation more clearly and understandingly than I have yet elsewhere seen.

I would like very much to have about three copies of that letter—preferably on paper showing your letterhead if that is convenient—to send to some interested friends. Address the same letter to the same addressee—or to me as you prefer.

The base metal mining industry will surely be hit hard unless something is enacted to save it. A combination of the Murray-Engle bill and a tariff adjustment would restore the industry and greatly strengthen our national security.

Sincerely,

ARIZONA METALS CO.,
RALPH R. LANGLEY, *President.*

HOUSE OF REPRESENTATIVES,
Washington, D. C., June 6, 1949.

BITCO, INC.,
Wallace, Idaho.

GENTLEMEN: Reference is made to your recent telegram regarding a protective tariff for lead and zinc and urging my support of the Murray-Engle bill (H. R. 976; S. 240).

I am in favor of restoring the tariff on lead, copper, and zinc; and the Public Lands Committee, of which I am a member, has favorably reported the Engle bill. However, there is some doubt as to whether this bill will pass the Congress and be approved by the President.

While restoration of the tariff and enactment of the Murray-Engle bill will be helpful, I do not believe they will prove to be a solution of the mining industry's problems. Most of our troubles stem from the fact that we are operating under a so-called managed economy and managed currency, which is now subsidizing imports 60 percent and discounting exports 37½ percent; and, to make matters worse, we are permitting the ECA to ignore the clear intent of the stockpiling bill by trading agricultural products for foreign minerals, thereby using the taxpayers' money to wreck our own mining industry.

The first requisite of a sound economy is a sound monetary system. An unsound monetary system, such as is now current throughout the world, is more fruitful of human misery than war, pestilence, and famine, and has brought more injustice than all the bad laws ever enacted.

I will endeavor to show by simple arithmetic just what has happened to our money. From 1837 to 1934, 23.22 grains of gold constituted $1, and that was the amount of gold you could demand and receive, in suitable denominations, for every dollar of currency presented at any bank. Prior to 1934 our laws required that we back our currency with a monetary reserve of 40 percent, which for more than a century and a half had been universally recognized as the minimum reserve required to maintain currencies at face value and insure redemption on demand. Thus, it became axiomatic that currency was worth two and one-half times the reserve back of it, and whenever the monetary reserves of a country dropped below 40 percent the value of its currency fell proportionately.

Since there are 480 grains in an ounce, and 23.22 grains of gold constituted a dollar for the 97 years preceding 1934, simple division shows that this fixed the price of gold at $20.67 per ounce.

In 1934, the amount of gold constituting $1 was reduced to 13.71 grains—a reduction of 41 percent; and, again, simple division shows that this fixed the price of gold at $35 per ounce.

In 1945, Public Law 84 was enacted, reducing the monetary reserves from 40 to 25 percent. This caused a depreciation of the already depreciated dollar of 37½ percent, and caused prices to advance 60 percent. But because this occurred at the time price controls were eliminated, most people blame the advance in prices to the elimination of price controls rather than to the enactment of Public Law 84. As a matter of fact, if 1945 price controls had been kept in effect after the enactment of Public Law 84, every business in the United States would have been forced into bankruptcy.

From 1934 until the enactment of Public Law 84 in 1945, the amount of gold constituting a dollar was 13.71 grains. By reducing this 37½ percent, we find that the dollar is equivalent to 8.57 grains; and again by simple division, we find that it requires 56 of these depreciated dollars to equal in value an ounce of gold. Therefore, the price of gold should have been advanced to $56 per ounce. This would not increase the value of gold nor further depreciate the dollar, but would merely adjust the price of gold to the already depreciated value of the dollar. Rather than wasting our time talking about devaluation of the English pound, we can bring all foreign currencies into correct parity with the dollar simply by advancing the price of our gold to $56 per ounce. This also would have the effect of increasing our monetary

reserves to 40 percent thereby preventing further depreciation of the dollar and lessening the danger of a major depression.

But instead of raising the price of our gold to $56 per ounce, we are permitting foreign nations to buy our gold at $35 per ounce. This overvalues foreign currencies 60 percent and has the effect of subsidizing imports 60 percent, and discounting exports 37½ percent. This also permits foreign investors to buy our choicest industrial stocks at 37½ percent discount and sell them at a 60 premium. Small wonder that the stock market is no longer a barometer of American business and that our choicest industrial stocks are listed at 60 percent or less of their real value.

When you recall that the 1929 depression was precipitated when European banks permitted their monetary reserves to fall to 21 percent, you can appreciate the inherent danger in Public Law 84 of 1945, which not only reduced our monetary reserves to 25 percent, but left the door wide open for further reduction. And, as a consequence, our dollar is worth even less than 37 percent in foreign exchange.

For example, an American $20 gold piece will buy three times as many French francs today as can be bought with $20 of American currency. That is why you hear about an acute shortage of dollars in Europe because anyone fortunate enough to convert foreign currencies into American dollars can make from 60 to 75 percent on the transaction.

It is very evident that the objective of those responsible for this situation is to drain away our wealth so that we can no longer consume the major portion of our own production. Then many of our industries will be forced to seek foreign markets. So long as the American manufacturer has a good home market, he is not interested in foreign trade. He believes in paying good wages and good prices for raw materials because the factory worker, the miner, and the farmer are his best customers.

But once the American manufacturer is forced to seek foreign markets, wages and the prices of raw materials are merely items of cost to be kept as low as possible; and he is no longer interested in a protective tariff. Then foreign goods from slave-labor countries can flow into free-trade America to pay interest on foreign bonds; and American industry becomes a more profitable investment for the international bankers.

The only foundation on which a sound economy can be built is a sound monetary system, for unless money is sound, stable, constant, and dependable, nothing can be sound or dependable. Money is sound only when it is redeemable in something of a universally recognized and accepted value; and since there is not enough gold in the world to insure the redemption of currency, silver must be joined with gold at fixed and proper ratio to supply a monetary reserve adequate to insure the redemption of currency at face value on demand.

This will give money a value of its own, entirely unaffected by the credit or lack of credit of the countries in which it circulates; and will thus eliminate most of the trade barriers between nations. The right of redemption will not only restore confidence but will place in the hands of the people an effective brake against Government extravagance and unsound monetary and fiscal policies.

There never was a more opportune time to make a concerted drive for a return to sound money and bimetalism; and the American mining industry should spearhead such a drive. To procrastinate may be fatal; for until we adopt a sound monetary system, all of the present frenzied efforts to achieve world peace, economic stability, and national security are just so much sound and fury signifying nothing.

Sincerely yours,

COMPTON I. WHITE.

Joint Resolution To Establish a National Children's Day

EXTENSION OF REMARKS

OF

HON. CLYDE DOYLE

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 14, 1949

Mr. DOYLE. Mr. Speaker and colleagues, on June 20, 1949, I had the pleasure of filing in the records of this distinguished legislative body House Joint Resolution 277 which was referred to the Committee on the Judiciary. The resolution is as follows:

Joint resolution to establish a National Children's Day

Whereas the national interest requires that the children of the Nation receive the most careful and sympathetic training and guidance in order that they may develop as good citizens and community leaders; and

Whereas the national interest requires that attention be called to the social, recreational, political, educational, cultural, and spiritual needs of the children of all communities of our Nation; and

Whereas the national interest requires that the great value of children to the home and to the Nation be recognized and emphasized; and

Whereas the national interest requires that children develop individual responsibility toward their homes, churches, schools, and all community organizations during their formative years: Therefore be it

Resolved, etc., That the President of the United States is authorized and requested to designate the first Sunday in May of each year as National Children's Day and invite the people of the United States to enlist the participation of all community, civic, religious, social, and business organizations in such observance as will promote the intent and purpose of this resolution.

There was filed in the United States Senate the same text of House Joint Resolution 277 known as Senate Joint Resolution 110, by Senator KNOWLAND, joined in by Senators YOUNG, LANGER, and HUMPHREY.

Two days subsequent to June 20, 1949, at the International Kiwanis convention at Atlantic City, N. J., there was unanimously passed resolutions endorsing these two resolutions and in like manner approving the following outline of the purposes of a Children's Day in America:

A CHILDREN'S DAY IN AMERICA

I. POLICY

1. To build for world peace.
2. To promote democratic idealism and the American way of life.
3. To prepare for better community citizenship.

II. PURPOSE

1. To center attention on the social, recreational, educational, cultural, and spiritual needs of children in all communities.
2. To exhibit and demonstrate all available community facilities that can be used for an all-year program to meet the children's needs.
3. To develop individual responsibility toward the home, church, school, and all community organizations.

III. PROJECT

1. To nationalize a Children's Day through an act of Congress (not a legal holiday).
2. To designate 1 day in the year to be called Children's Day.

(a) Preferably the day before National Family Week, which is climaxed by Mother's Day.

3. To initiate action through each community organization in support of Children's Day.

IV. PLAN

1. To request all community organizations from the local level to the international level to support the project through their organizations.
2. To ask that these organizations present this idea to the Congress.
3. To enlist the support of all community, civic, religious, social, and business organizations in similar action that will assist in nationalizing Children's Day.

V. PROGRAM

1. Morning: "Open House," or "Community on Exhibition."

(a) All organizations, institutions, and agencies to hold an open house for parents to visit and become aware of program and become acquainted with personnel.

2. Afternoon: "Playtime"—fun and fellowship for all.

(a) Games, sports, contests, etc.

3. Evening: "Party Time" or "Team Time" (optional).

(a) Either in the home or community.

VI. PROCEDURE

1. Appoint a special committee for Children's Day (or a community civic committee) from coordinating or community council, or an already established community committee.
2. All groups to be represented on said committee.
3. Appoint a continuing committee to evaluate the project, make a report to each group, and maintain a file throughout the year in all other group projects of special interest to continue interest, such as, Boy's Week, Girl Scout Week, 4–H Clubs, etc.

VII. PERSONNEL

1. All leaders, workers, influential people in civic, religious, and business work.
2. All parents.
3. All children.

As it always takes some person or group of persons with objective outlook, high resolve, and vigorous determination and purpose to carry through on such matters, it is a pleasure for me to relate that the person who has chiefly taken initiative in this matter is Mr. James Roberts, of Lynwood, Los Angeles County, Calif. For many years, this citizen has worked to the end that the objectives of House Joint Resolution 277 shall receive due emphasis by the people of our great Nation. Throughout Los Angeles County, Calif., numerous chambers of commerce, Kiwanis Clubs, Lions Clubs, Rotary Clubs, and other civic organizations had endorsed the purpose of the National Children's Day prior to my filing of House Joint Resolution 277 or Senator KNOWLAND filing Senate Joint Resolution 110 and others, namely, YOUNG, LANGER, and HUMPHREY. As the resolutions themselves, supplemented by the outlined suggestions hereinabove set forth clearly

indicate, the worthwhileness and importance of the purposes of these resolutions, I take pleasure in commending them to your attention.

I will say that I had the pleasure of accompanying James Roberts to familiarize the President of the United States with these resolutions and the President expressed great interest in the proposal and asked that his secretary be furnished with copies of the resolution and any other material.

As soon as practical, we hope to further call this important matter to the attention of the respective committees to which it has been referred and your understanding and vigorous support of these resolutions is respectively requested.

Catholic Prelate Throws Back Charge Israeli Destructive to Church Holdings

EXTENSION OF REMARKS

OF

HON. HELEN GAHAGAN DOUGLAS

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 16, 1949

Mrs. DOUGLAS. Mr. Speaker, under permission to extend my remarks in the RECORD, I wish to include the following article and letter which appeared in the California Jewish Voice on Friday, July 8, 1949:

CATHOLIC PRELATE THROWS BACK CHARGE ISRAELI DESTRUCTIVE TO CHURCH HOLDINGS

NEW YORK.—It was learned today from a number of members of an American Christian Palestine Committee mission to Israel, which had recently returned from a study tour there, that the charges voiced by the Vatican radio last month—accusing Israeli troops of destroying church property and mistreating Catholic nuns at the Monastery of Ain Karem—had been emphatically denied by Father Terence, patriarchal vicar of southern Palestine.

In a letter written to Rabbi J. Herzog of the Israeli Ministry of Religious Affairs, Father Terence stated: "I have investigated the matter, and the Franciscan Sisters in Ain Karem tell me that nothing has occurred which, to their knowledge, would substantiate the exaggerated and inaccurate impression said to have been made public by the Vatican radio as reported in the Palestine Post of May 18, 1949."

(The Vatican radio had charged on May 17 that a group of Jews had invaded the chapel and residential quarters of the Franciscan Sisters at Ain Karem, near Jerusalem, and smashed a number of holy statues. The radio stated that the Sisters had previously been requested by the Israeli military authorities to leave the convent, which was to be requisitioned for troops.)

FATHER TERENCE'S LETTER

(Members of the study tour had brought back with them the text of the letter of denial written by Father Terence to Rabbi Herzog. The full text of Father Terence's letter follows:)

Rabbi J. HERZOG,

Director, Ministry of Religious Affairs, Department for Christian Communities, Tel Aviv, Israel.

DEAR RABBI: In some manner information has been communicated to the world concerning an incident which is said to have occurred or was to occur in Ain Karem.

One incident, the misguided effort of a social worker, has been made to appear as of great importance and the suspicious have drawn conclusions from it which are not warranted.

I have investigated the matter and the Franciscan Sisters in Ain Karem tell me that nothing has occurred which, to their knowledge, would substantiate the exaggerated and inaccurate impression said to have been made public by the Vatican radio as reported in the Palestine Post of May 18, 1949.

It is to be regretted that such stories received wide public attention in these days of intensive propaganda and thus build false impressions and create serious misunderstandings.

I shall call this matter to the attention of th Apostolic Delegation in Jerusalem and ask that a public statement be made.

With kind personal regards, I am,

Yours truly,

Father TERENCE, O. F. M.,
Patriarchal Vicar.

Britain's Financial Ills

EXTENSION OF REMARKS

OF

HON. CHESTER E. MERROW

OF NEW HAMPSHIRE

IN THE HOUSE OF REPRESENTATIVES

Monday, July 18, 1949

Mr. MERROW. Mr. Speaker, under leave to extend my remarks in the RECORD, I include therein an editorial from the Exeter News-Letter of July 14, 1949, entitled "Britain's Financial Ills." The News-Letter is published in Exeter, N. H.

BRITAIN'S FINANCIAL ILLS

Britain's current dollar crisis is indicative of the competitive plane upon which the postwar economy is emerging. Britain is pricing herself out of the world markets and this under a regime of socialism wherein 1 out of 4 of 23,000,000 working people looks to the Government for his pay check. The level of taxation is 40 percent of the national income compared to 24 percent in this country.

Prices for British goods are higher all along the line compared to those in the United States. Figures on the downward scale of British sales are quoted to the effect that British cars shipped to the United States have dropped in monthly numbers from 2,500 to less than 300.

A bright spot in the British economy, however, is a recent $5,000,000,000, 5-year agreement with Argentina wherein among other items England will receive in the first year 300,000 tons of meat from the South American country and in return sell Argentina 5,000,000 tons of oil—this in part at the expense of American trade in South America.

The answer to Britain's plight is said to lie in increased exports to the United States and Canada, but appears improbable under present British costs of production. Formerly when coal was produced by private interests British industry could buy coal at $7 a ton compared to the present price of $9.25.

Britain's predicament can be blamed as much on the socialistic principles under which she is now operating as upon any other factor.

Truth—Self-Evident

EXTENSION OF REMARKS

OF

HON. ROY O. WOODRUFF

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 16, 1949

Mr. WOODRUFF. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following editorial by C. B. Lister from the American Rifleman of July 1949:

TRUTH—SELF-EVIDENT

Ask the average American what we celebrate on the Fourth of July and he will reply, "We celebrate our independence from England." Ask how we gained that independence and the reply will be to the general effect that "Washington had a lot of frontiermen who knew how to fight in the woods and the British didn't so we licked 'em." All of which is a sad commentary on the teaching of the essentials of history to American youngsters.

In fact, our national independence from England did not come until years after the Declaration of Independence was given the world on July 4, 1776. What we really celebrate is that ringing statement of a fighting ideal—"We hold these truths to be self-evident, that all men are created equal, that they are endowed by their Creator with certain unalienable rights, that among these are life, liberty, and the pursuit of happiness. That to secure these rights, governments are instituted among men, deriving their just powers from the consent of the governed. * * * And for the support of this Declaration, with a firm reliance on the protection of divine Providence, we mutually pledge to each other our lives, our fortunes, and our sacred honor."

It was neither the amateur armies of Washington nor the professionals of the French which defeated the regulars and mercenaries of George III. The Americans won because the ideal which they publicized and dramatized with blood and sacrifice captured the fancy of men everywhere. In the Declaration of Independence the British people read the expression of their own hopes and aspirations, begun with Magna Carta 500 years before, for the establishment of a government "deriving its just powers from the consent of the governed." King George III might have won a war abroad where the issue was to be decided by the best-trained troops. He could not win a war both at home and abroad where the issue was to be decided by an ideal—the ideal of the dignity and independence of the individual.

The real issue of the American Revolutionary War was not the political independence of the Colonies from the mother country. The real issue was the political independence of the individual. The fight was not between the British people and the American people—it was between the idea that man exists for the benefit of the State and the idea that the State exists for the benefit of the individual. It is the same battle that goes on today all over the world between the Communist and Fascist on one side and free men on the other side.

So let's get our thinking straight on this Independence Day. The message of the Liberty Bell ringing at Philadelphia on July 4, 1776, was listened to with rapt attention by men all over the world because it proclaimed the freedom of man, not because it announced the freedom of a few colonies from the mother country. Always, heretofore, America has had to fight only physical aggression. Now, for the first time, the American ideal, the edge we have always held

over our enemies, is under direct attack. The people of the world are being told that the whole clarion call of the Declaration of Independence was wrong, was rotten at heart, should be now buried and forgotten along with the men who died to establish and maintain it. Americans have always seemingly preferred eventual violence to eternal vigilance in guarding their liberties. But, as we celebrate Independence Day, 1949, we are engaged in a fight which cannot be won by armed force. Just as George III lost America because he depended on force of arms instead of force of ideals we can lose today's cold war by depending on the atom bomb and Air Force instead of teaching, preaching, and living the American ideal. Nor can the job be done by Harry Truman, Dean Acheson, Tom Connally or Arthur Vandenberg. It has got to be done, brother, by John Q. Public, which is you and not two other guys.

Fish Restoration and Management Projects

EXTENSION OF REMARKS
OF
HON. GEORGE H. WILSON
OF OKLAHOMA
IN THE HOUSE OF REPRESENTATIVES
Monday, July 18, 1949

Mr. WILSON of Oklahoma. Mr. Speaker, there appears on the Consent Calendar today S. 1076 which is entitled "An act to amend the Migratory Bird Hunting Stamp Act of March 16, 1934." Immediately following this measure on the calendar is the closely related measure, H. R. 1746, entitled "A bill to provide that the United States shall aid the States in fish restoration and management projects, and for other purposes." I rise in wholehearted support of both of these proposed measures and state to the House of Representatives that I am of the opinion that these measures are both sound and that they have the support of sportsmen generally.

The Northwest Oklahoma Sportsmens Association which has member clubs throughout the Eighth District of Oklahoma which I represent has gone on record as supporting both of the measures which I have referred to. This organization which is affiliated with the Associated Sportsmen Conservation Clubs of Oklahoma and has a very large membership speaks for the majority of sportsmen in the northwest part of Oklahoma. The fact that S. 1076 and H. R. 1746 have the support of true sportsmen is in itself a splendid recommendation. I may add that every sportsman accepting membership in the Northwest Oklahoma Sportsmens Association solemnly pledges that—

(1) I will observe all State and Federal fish and game laws strictly to the letter; (2) I will specifically abide by the bag limit set by the State and/or Federal Authority; (3) I will not shoot any game bird while on the ground, unless such bird is wounded; (4) I will make an effort to kill at least 25 predators per year such as horned owls, blue darter hawks, crows, and stray cats; (5) I will never leave behind me in the woods or fields, any fire hazards in the form of cigarette stubs, cigar butts, smoldering camp-fires, etc.; (6) I will respect the farmers' rights, and carefully refrain from damaging fences, trees, livestock, or any other property of the owner or tenant. That I will also close all gates that have been opened by me; (7) I will make a sincere effort to make a sportsman out of the "game hog" by personal example and by verbal persuasion; (8) I will, in short, be a true gentleman-sportsman.

With the support of true sportsmen everywhere for this proposed legislation which would increase the fees for the Federal migratory bird-hunting stamp from $1 to $2 the House of Representatives should have no hesitancy in approving this measure. It will authorize the acquisition and development of wildlife hunting areas where hunting may be permitted, in addition to the development of inviolate sanctuaries. It will mean greater duck production and more shooting for duck hunters. That this measure has the support of State game officials as well I may quote from a communication previously received from Mr. Kelly E. DeBusk, Director of the Oklahoma Game and Fish Department and an able administrator, wherein he states:

The fees for the duck stamp would be increased from $1 to $2. This change seems necessary for the improvement of waterfowl conditions and it certainly has the support of those who regularly purchase migratory duck-hunting stamps. For many years such an increase has been advocated by the International Association of Game and Fish Directors. Our Department recommends that you give your support to this bill.

With reference to H. R. 1746 it is proposed that a program of Federal aid to the States for the restoration and management of the fish resources of the Nation be inaugurated. Over 11 years ago Congress passed the Pittman-Robertson Act with respect to other wildlife. Experience with this act has been so successful that extension of the principles of that act to the field of fish restoration seems indicated. The program would be paid for by the fishermen who enjoy the benefits of the program through a tax on fishing rods, reels, artificial lures, and baits, and flies. Equitable distribution of the funds among the States is provided and diversion of funds to other purposes is prohibited. I believe this program to be most worth while and in the light of experience with the Pittman-Robertson Act. I believe that the House of Representatives should favorably consider this constructive measure.

Manhattan Beach Veterans' Hospital

EXTENSION OF REMARKS
OF
HON. ABRAHAM J. MULTER
OF NEW YORK
IN THE HOUSE OF REPRESENTATIVES
Monday, July 18, 1949

Mr. MULTER. Mr. Speaker, I am making a part of the RECORD the following editorial which appeared in the Brooklyn Eagle of July 17, with reference to the Manhattan Beach Veterans' Hospital:

PLAN TO CLOSE VETS HOSPITAL SHOULD BE GIVEN UP

The plan of the Veterans' Administration to close the Manhattan Beach Veterans' Hospital in the fall and transfer the 400 patients to other hospitals—before the new 1,000-bed Fort Hamilton Veterans' Hospital is opened—doesn't make sense.

That the veterans are opposed to the plan is not surprising since no reason was advanced for the necessity or urgency of the move. That they want something done about it is understandable.

Many of the patients live in Brooklyn, are married and have families. The transfer will work a hardship on them. This is no idle talk. The veterans say so themselves, in a letter enlisting the Brooklyn Eagle's support in their behalf:

"Our families will be affected from the anxiety point of view, and also from the financial viewpoint. Our families will be required to spend unnecessary funds and time to visit us."

Of themselves, the veterans say:

"Our treatment, which is necessary for complete rehabilitation, is to be interrupted and possibly discontinued for most of us. Many of us will be discharged, even though our treatment is incomplete."

The concern is evident. Unless there is some really compelling reason that has not been disclosed for the Veterans' Administration to shutter the Manhattan Beach Hospital in the fall, the immediate transfer plan should be junked.

The Eagle strongly urges that the institution be kept open until the new Fort Hamilton Hospital opens its doors in February. A delay of a few months in the administration's plans cannot possibly be serious enough to put the veterans involved to such great inconvenience. They deserve better treatment from their Government for which they sacrificed so much.

The following is a copy of a letter which I this day forwarded to the Veterans' Administration in the hope that it will postpone transferring veteran patients out of the Manhattan Beach Hospital until such time as they can be transferred to the new Fort Hamilton Hospital:

DEAR GENERAL GRAY: I understand the situation with reference to the Manhattan Beach Veterans' Hospital is that the Public Health Service is entitled to have the hospital back in accordance with the terms of the original transfer to the Veterans' Administration. In view of the fact that the new hospital at Fort Hamilton should be ready shortly I strongly urge that you make every possible effort to retain the Manhattan Beach facilities until the patients there can be transferred to the Fort Hamilton Hospital.

I am sure it is not necessary for me to point out the advantages to veteran patients and to their families in accomplishing that end.

Sincerely yours,
ABRAHAM J. MULTER.

The following article written by Ed Reid, which appeared in the Brooklyn Eagle on July 15, 1949, tells the story much better than I can:

MANHATTAN BEACH HOSPITAL VETS SEE NO SENSE IN TRANSFER PLAN

(By Ed Reid)

When they were drafted and when they volunteered they did not ask any questions.

When they were sent to the South Pacific, to England, to France, or Italy, they did not ask any questions.

When their limbs were blasted and riddled by bombs and shrapnel on the no man's lands of World War II they still asked no questions. They had their country to defend against the enemy. You don't question things like that.

But today these veterans are asking plenty of questions out at the Manhattan Beach Veterans' Hospital.

DUE TO CLOSE IN FALL

There are over 400 heroes out there, recovering from the effects of wounds received in battle. They have heard that their installation is going to close down in the fall. They have also heard that the new 1,000-bed Fort Hamilton Veterans' Hospital will not open until next February. They do not know what is going to happen to them.

They are worried and afraid—not for themselves, but for their families.

So they got together and drafted a letter which they sent to the Brooklyn Eagle. It read as follows:

"We, the undersigned, all patients at the Manhattan Beach Veterans' Administration Hospital, have been given to understand that this hospital may be closed to make way for a nonveteran installation. The closing of this hospital before the opening of the Fort Hamilton Hospital in Brooklyn will affect us in the following manner:

Our treatment, which is necessary for complete rehabilitation, is to be interrupted and possibly discontinued for most of us.

WOULD AFFECT TREATMENT

"Our families will be affected from the anxiety point of view, and also from the financial viewpoint. Many of us are local residents, and our families will be required to spend unnecessary funds and time to visit us. They realize that our treatment is of the finest here at this hospital and fear that transfer to other installations already laboring under crowded conditions will affect our treatment.

"Many of us will be discharged, even though our treatment is incomplete.

"The morale of the personnel here at the hospital is low, knowing that their jobs are in jeopardy. This low morale factor definitely has an effect on our treatment. All the personnel here at the hospital are veterans with families.

"The fine record made by this hospital in rehabilitation and medical treatment is known Nation-wide. A team such as this one should not be broken up. Teams like this are not built up overnight.

"The cost of a temporary move for patients and personnel to other hospitals would be tremendous to the Government. It would be much more economical to maintain this installation from 4 to 6 months, until Fort Hamilton Hospital is opened.

"Most important, it means Brooklyn will be without a Veterans' Administration facility, prolonging the waiting period of veterans who need hospital treatment.

"We hope to enlist your aid to accomplish the following objectives:

"Have the Veterans' Administration hold the closing of this hospital until Fort Hamilton Hospital opens.

"In this respect, have the Public Health Service consent to wait for the complete activation of Fort Hamilton.

"We feel that this can be accomplished very easily if someone would only take an interest in the veterans who gave up their time and health."

The letter was signed by numerous patients at the hospital.

DAV LODGES PROTEST WITH WASHINGTON

Melvin Stallman, Kings County commander of the Disabled American Veterans today made public a protest to Washington officials against the proposed closing of the Manhattan Beach Veterans' Administration Hospital.

Mr. Stallman urged that the institution be kept open until all patients are absorbed in the new Fort Hamilton Hospital. He also asked assurances that Washington authorities would not furlough hospital employees, most of whom are disabled veterans, until they can be absorbed in other Government facilities.

"The transfer of hospital patients," Mr. Stallman declared, "from Manhattan Beach to other scattered hospitals will create undue hardship upon the families of the veterans."

Necessity of Tools for Industrial Production

EXTENSION OF REMARKS

OF

HON. WALTER F. GEORGE

OF GEORGIA

IN THE SENATE OF THE UNITED STATES

Monday, July 18 (legislative day of Thursday, June 2), 1949

Mr. GEORGE. Mr. President, I ask unanimous consent to have printed in the RECORD a statement written by James H. McGraw, Jr., president, McGraw-Hill Publishing Co., Inc. The statement is entitled "A Message to American Industry, Seventy-sixth of a Series—Give Us the Tools—Your Only Chance of Getting Ahead."

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

A MESSAGE TO AMERICAN INDUSTRY—SEVENTY-SIXTH OF A SERIES—GIVE US THE TOOLS—YOUR ONLY CHANCE OF GETTING AHEAD

Where is the brave new world so glowingly promised us by the politicians during and after the war? We were told then that postwar America would live 50 percent better than it had before. Why has that promise faded out? Why are men today discouraged and frustrated?

We have not yet made good 1944's promises because the American worker turns out no more in an hour now than he did in 1941. We are getting more total production in our country, but only because we have more people working, not because each one of us is producing more. American industry's ability to turn out more and more goods with less of each worker's time and effort has been stymied for eight long years.

Progress has been blocked because in some cases workers have not been willing to work as hard as they did before the war. In other cases unions restrict the use of labor-saving machines and methods. In some places obsolete building codes and ordinances prevent advances. In still other cases progress has been blocked by collusive practices between unions and manufacturers or operators.

But the biggest block to progress is the fact that our industry in the United States has been unable to provide our workers with all the new tools and equipment that they need.

Increasing productivity—that is, each one of us turning out more in each hour of work—is the key to higher living standards. Productivity depends directly upon the kind of tools workers use. His tools, more than anything else, determine how much a worker can turn out, and what his pay check will buy depends in large part on what he turns out—not on how long or how hard he works.

Look what happened in our country in the 40 years from 1900 to 1940. Productivity of the United States more than doubled. It doubled because:

Business investment in capital equipment gave workers new tools—tools that had three and one-half times as much power.

So Americans' living standard rose almost 50 percent while the average workweek was dropping from 61 to 43 hours.

Industry did continue to raise its output per man-hour, even in the depressed 1930's. But it did it because, with unemployment widespread, companies used only their most efficient equipment. Actually, the great depression saw industry fall far behind in the job of providing workers with new tools.

Then came World War II. Few new tools for peacetime industry were produced. As a result of depression and war, the United States fell behind in needed investment in new industrial facilities by more than $100,000,000,000.

Since the war business has spent almost $60,000,000,000 for new plants and equipment.

But the greater part of that money went to expand production to take care of the needs of our bigger population and to replace plants and equipment that were worn out and ready to be junked at the end of the war.

Only a small fraction of the $60,000,000,000 went to modernize equipment—the equipment that increases efficiency and improves productivity of the individual worker.

Right now industry is desperately trying to do the job of increasing efficiency of machines so that each worker can turn out more.

McGraw-Hill's national survey of business' needs for new plants and equipment shows that manufacturers plan right now to spend in the 5 years ahead three-quarters of their capital funds to replace and modernize facilities. The biggest part of the more than $55,000,000,000 industry plans to spend on its plants and equipment will go directly to improve efficiency of the individual.

If industry can carry through its plans—and expand them as it would like to and as it must do—the United States can catch up on its depression-wartime lag in progress within a few short years.

If American industry is allowed to earn the money to buy the equipment, it can raise the American standard of living 50 percent in our generation—in the next 25 years. No other nation can promise its people that much—and deliver on the promise.

But the promise can only be fulfilled by American industry. Wherever you turn, industry has dramatic new ways of doing things. Using oxygen by the ton, steel makers are increasing production from blast furnaces by 20 percent. New high-speed machine tools are doing three times the work of 1940 tools. A new coal-mining machine will multiply a miner's daily output 10 times. Diesel locomotives do the work of three steam locomotives on many jobs.

New products—and larger production of standard products—are already making their impact on American life. Two million Americans will get new television sets this year. Automatic washing machines, electric dishwashers, and home freezers are easing the daily tasks of thousands of housewives. Millions of homes that did not have them before the war now have telephones, automatic heat and refrigerators. Frozen foods, nylon clothing—these and many other things coming along now—will shape the real new world for Americans.

But industry can provide them only if it can keep on investing at least $15,000,000,000 a year now—and more in future years—in new plants and equipment.

Today Washington is taking a course which, if pursued, will make that investment by industry impossible. Government spending now strains our resources to the limit, and more multi-billion-dollar spending proposals are being piled on. But Government spending cannot improve American living standards. It never has, and it never will. Increasing Government spending now will

only block progress, because the Government proposes to pay for its plans by taxing away the profits industry is using, and must continue to use, to improve, and expand its plants and equipment—our only hope for greater worker productivity and higher living standards.

Better living can only be paid for with more production. And we can only get more production by increasing productivity—by each one of us producing more for each hour of work.

The first thing is to get the production—in peace and in war—for better living—for security. Industry is planning to provide it—and is using $13,000,000,000 of its profits this year to improve and expand its facilities.

The only sensible, the only safe national policy is to make it possible for American industry to do its job—not to terrorize private industry with proposals of ruinous taxation and paralyzing controls and threats of nationalization. For American industry is not a thing apart from the American people any more than is Government. American industry is the lifeblood of the American people and whatever makes industry do its work better contributes more to the common welfare than a bureaucratic government can ever hope to do.

JAMES H. MCGRAW, Jr.,
President, McGraw-Hill Publishing Co., Inc.

Catholicism Versus Communism

EXTENSION OF REMARKS
OF
HON. DANIEL J. FLOOD
OF PENNSYLVANIA
IN THE HOUSE OF REPRESENTATIVES
Monday, July 18, 1949

Mr. FLOOD. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following editorial from the Wilkes-Barre Times-Leader:

CATHOLICISM VERSUS COMMUNISM

Joseph Stalin, in an international conference, once asked sarcastically:

"How many divisions has the Pope?"

The head of the Roman Catholic Church has none, to be sure, but he is not without armaments. No one knows this better than the master of the Kremlin, for he realizes, as he has indicated on many occasions, that his chief adversary on the issue of communism is the frail ascetic who presides over the Vatican and its far-flung spiritual kingdom.

Yesterday, the Pope formally accepted the challenge of the Soviet dictator when he caused to be promulgated a papal decree of major excommunication against Roman Catholics who embrace communism. In effect, this means that an individual cannot be a Catholic and a Communist at one and the same time. A choice must be made.

In the countries of Europe, which are predominately Roman Catholic, this calls for a show-down between the two movements, for communism must win adherents from the Roman Catholic faith in order to expand. Likewise, it will tear the masks off atheists who have been masquerading as Catholics in carrying out the edicts of their Communist masters. If a person espouses the cause of communism, he automatically puts himself outside the fold of the Roman Catholic Church henceforth and no longer is entitled to its sacraments or comforts.

This crusade concerns itself with members of the Roman Catholic faith who "make profession of the materialistic and anti-Christian doctrine of the Communists." The church is not concerned with governments since it has lived under all forms. Because the Soviet Union and its satellites are promoting the spread of communism, this decree, however, to all intents and purposes, is a direct challenge to Moscow which pulls the strings on its puppets.

The increasing pressure Communists have been bringing on the Roman Catholic Church through persecution of clergy and laity is evidence that it is a major obstacle in the path of the Soviet Union. The battle between the two forces now has been joined. History well may record July 13, 1949, as one of its milestones.

Governor of Puerto Rico

EXTENSION OF REMARKS
OF
HON. ABRAHAM J. MULTER
OF NEW YORK
IN THE HOUSE OF REPRESENTATIVES
Monday, July 18, 1949

Mr. MULTER. Mr. Speaker, the following article concerning the Governor of Puerto Rico appeared in the July 1949 issue of the Democratic Digest:

MAY WE PRESENT HIS EXCELLENCY THE GOVERNOR OF PUERTO RICO

It was a proud day for Puerto Rico, and for the United States, when, on January 2, Luis Munoz Marin was inaugurated as governor. Puerto Ricans were proud because their first elected governor was taking the oath of omice; the United States was proud because his election was another proof of this Nation's belief in self-determination of peoples.

The Democratic Party was particularly proud because it was largely through action under Democratic administrations that such a gain had come to Puerto Rico.

Gov. Munoz Marin was born at San Juan, P. R., on February 18, 1898, the year in which the Stars and Stripes first flew over the island. Following his high-school education at the Colegio Moczo, he studied at Georgetown University, Washington, D. C., from 1912 to 1916. From that year to 1918 he served as secretary to the Resident Commissioner of Puerto Rico in Washington.

From 1918 through 1948 he was in the journalism field, and has been editor and publisher of several important daily newspapers in Puerto Rico. He also served in the secretariat of the Pan American Conference at Habana, Cuba.

He was a member of the Puerto Rican Senate in 1932 and became founder and president of the Popular Democratic Party in 1938. He was president of the Puerto Rican Senate from 1941 to 1948, and was elected Governor on November 2, 1948. The Governor is married and has one son and three daughters.

With the election of Luis Munoz Marin, Puerto Rico becomes the first among the Territories and possessions of the United States to elect its governor. It is interesting to recall the steps by which this important milestone in Puerto Rico's history was reached.

Puerto Rico was occupied by American troops during the Spanish-American War in 1898 and was ceded to the United States by the Treaty of Paris which ended that war. In 1900 the organic act passed by the United States Congress established civil government in Puerto Rico. Under its provisions legislative functions of the island were discharged by two bodies, namely, the house of delegates (whose members were chosen by the people) and the executive council (corresponding more or less to a senate). The executive council was composed of the heads of departments plus five citizens; both department heads and the remaining members of the council were appointed by the President of the United States. Until 1914 all department heads were Americans, but in that year, under the leadership of Democratic President Woodrow Wilson, a much more liberal policy was adopted and many Puerto Ricans were chosen for such posts.

In 1917, still in a Democratic administration, the organic act was amended to create a senate elected by the people. Appointment of department heads was vested in the Governor, a Presidential appointee, except for the attorney general and the commissioner of education, who continued to be appointed by the President.

In President Truman's administration, three more vitally important steps have been taken. In 1946, President Truman appointed the first Puerto Rican to serve as Governor of the island—Jesús T. Piñero. In 1947 the organic act was amended to provide for the popular election of the Governor, and in 1948 it was amended to empower the Governor to appoint all the members of his cabinet, including the attorney general and the commissioner of education.

Radio Reception at Ishpeming, Mich.

EXTENSION OF REMARKS
OF
HON. JOHN B. BENNETT
OF MICHIGAN
IN THE HOUSE OF REPRESENTATIVES
Thursday, July 14, 1949

Mr. BENNETT of Michigan. Mr. Speaker, under leave to extend my remarks, I include a letter from Mr. Ward L. Quaal, a former resident of my district, which discusses in detail the subject of radio reception at Ishpeming, Mich.:

CLEAR CHANNEL BROADCASTING SERVICE,
Washington D. C., July 15, 1949.

Hon. JOHN B. BENNETT,
House Office Building,
Washington, D. C.

MY DEAR MR. BENNETT: Knowing of your great interest in the Michigan Upper Peninsula and its people, I make reference to a recent letter sent to Hon. Rosel H. Hyde, Acting Chairman of the Federal Communications Commission.

The letter takes issue with my statement that Ishpeming, Mich., and vicinity does not receive adequate radio coverage, and goes on to imply that there are no areas in the United States which do not receive adequate radio service.

The Federal Communications Commission initiated the so-called clear-channel hearing because of the admitted inadequacy of broadcast service. Not a single witness who testified during the course of the 3-year hearing stated or inferred that present AM service is adequate. On the contrary, the inadequacy of present service was emphasized by most witnesses. As Chairman Wayne Coy stated on January 25, 1949, in Boston, "This is a big country and a lot of people live in it. Some 20,000,000 of those people have never had adequate radio service."

Sizable "white areas" do exist. The sizeable areas and populations throughout the entire country not receiving adequate service at the present time are spelled out in detail in the record before the Commission in FCC dockets 6741 and 8333 and in the hearings held before the Senate Interstate and Foreign Commerce Committee last year on S. 2231.

Let us inspect the service afforded my home community of Ishpeming, Mich.,

which the letter infers is adequate. The area receives primary service (i. e., satisfactory ground-wave service within the meaning of the Commission's Standards of Good Engineering Practice) during the day and night from its local station, WJPD. WJPD is not affiliated with a national network but is a well-managed, public-service-minded local station. It is virtually impossible for any 250-watt station to cover such wide areas as is asserted are covered by WJPD. Under the most favorable circumstances some 250-watt stations are able to deliver a satisfactory primary signal daytime over a radius of more than 30 miles (WSOO, Sault Ste. Marie, Mich., renders a daytime primary service of 37 miles) and a nighttime primary service of not more than 5 to 10 miles. For the most part, however, a 250-watt station is able to deliver a satisfactory primary signal daytime over a radius of not more than 20, or, at the most optimistic, 30 miles. In view of the fact that there are three other 250-watt stations operating on the same frequency (1240 kilocycles) as WJPD within a 187-mile radius of Ishpeming (WOBT, Rhinelander, Wis., is only 105 miles from Ishpeming) and in view of the poor conductivity due to unusual terrain and mineral deposits, it is impossible that WJPD could furnish an excellent primary service over 40 miles daytime and a good service over 30 miles area nighttime. WJPD does not render any satisfactory secondary (i. e., skywave) service within the meaning of the Commission's standards, let alone a secondary service over a 90-mile area daytime and 50-mile area nighttime.

The letter states that WDMJ, Marquette, Mich., renders excellent primary service both day and night to the Ishpeming area. WDMJ, a well-run small station, carries local features as well as the basic Mutual network program structure and renders a daytime service to Ishpeming, which is adequate for rural areas but not for city or residential areas. However, at night, because of the poor conductivity, static and interference from other stations, WDMJ does not provide the Ishpeming area with any degree of primary service. FCC exhibit No. 266, Docket 6741, shows that WDMJ serves from 5 to 10 miles at night an . that at 10 miles, WDMJ's nighttime signal would be free of interference on only 2» percent of the nights. Marquette is about 15 miles from Ishpeming.

The letter states that WJMS, WGN, WMAQ, and WBBM furnish good secondary service both day and night to Ishpeming. WJMS is located in Ironwood, Mich., about 132 miles from Ishpeming and operates with 1-kilowatt power. This station, a Mutual affiliate, does not render any satisfactory secondary service, day or night, to Ishpeming. WGN, WMAQ, and WBBM, all clear-channel stations located in Chicago and affiliated with MBS, NBC, and CBS, respectively, do furnish some nighttime secondary service to Ishpeming. However, it is a rarity when any one of these three Chicago clear-channel stations offers even a weak signal in the daytime, and an acceptable signal at night during the summer months. In winter, these Chicago clear-channel stations render fair secondary nighttime service to Ishpeming during those nights when the effects of the aurora borealis are not too great. The same is true of WENR and WLS, Chicago clear-channel stations sharing 890 kilocycles and affiliated with ABC, which are not mentioned in the letter.

The letter states that WJR, WCCO, KDKA, WLW, WBZ, and WTAQ furnish good secondary service nighttime. WJR, a Detroit clear-channel station affiliated with CBS, and WCCO, Minneapolis, also a CBS station, do not render a consistent satisfactory secondary service to Ishpeming. The same is true to an even greater degree, with respect to clear-channel stations KDKA, Pittsburgh, and WLW, Cincinnati, both NBC affiliates. To my knowledge, WBZ, Boston, an NBC affiliate, is seldom, if ever, heard in Ishpeming. WTAQ, Green Bay, Wis., does not furnish any secondary nighttime service to Ishpeming.

The letter states that WMIQ, WIKB, and WHDF furnish fair secondary service during the daytime. WMIQ and WIKB are both located in Iron Mountain, Mich., approximately 53 miles from Ishpeming. (WIKB is presently off the air pending approval of its application to move to Iron River, Mich.) Both are 250-watt stations—one is affiliated with MBS, and the other is unaffiliated. Neither of these stations furnish any kind of secondary service to Ishpeming, nor does WHDF, an MBS affiliate, located in Houghton, Mich., approximately 63 miles from Ishpeming.

Summarizing, Ishpeming receives primary service, both daytime and nighttime only, from one station—its local unaffiliated station—WJPD. It also receives daytime primary service from WDMJ, Marquette, Mich., an MBS affiliate. These are the only truly satisfactory services consistently received in the community. In addition, certain clear-channel stations affiliated with the four principal networks furnish occasional secondary nighttime service to the area. By the use of higher power on these clear-channel stations, these inadequate signals could be improved. I must emphatically disagree with the assertion in the letter that the Ishpeming area receives service "from 14 other radio stations," in addition to the service received from its local station. The facts are that Ishpeming does not receive adequate radio service. In the absence of better signals, it is forced to be content with what it can get, but this is no reason against improvement.

It appears to me that the Ishpeming area and the other inadequately served areas throughout the Upper Peninsula of Michigan and the rest of the country are entitled to at least four consistently dependable services, both during the day and the night. Higher power on clear channels is the only practical method of accomplishing this. The reasons for this viewpoint are set forth in the record before the Commission and the Senate Interstate and Foreign Commerce Committee. The operation of additional regional stations, as suggested in the letter, will merely increase radio service to city listeners who already have more than their fair share of service at the expense of the meager service presently afforded the underserved rural and small-town areas and populations.

With insignificant exceptions, no injury of any kind—technical, economic, social, or otherwise—will be done to other stations or to the public through the use of higher power on clear channels. On the contrary, the public, all classes of stations, and the industry generally will be greatly benefited.

Very sincerely yours,

WARD L. QUAAL, *Director.*

Error in Committee

EXTENSION OF REMARKS

OF

HON. GORDON CANFIELD

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Monday, July 18, 1949

Mr. CANFIELD. Mr. Speaker, pursuant to leave granted by the House today, I include the following editorial which appeared in the New York Herald Tribune for Monday, July 18, 1949:

ERROR IN COMMITTEE

A recent action of the Senate Appropriations Committee in cutting off pay allowances of $65 a month for cadets attending the United States Merchant Marine Academy and the State maritime academies in New York, Maine, Massachusetts, and California appears ill-advised and discriminatory. Out of their allowances, cadets must pay for uniforms, textbooks, various fees, dry cleaning, laundry, and a host of other expenses. Deprived of the funds, it is conceivable that a great many would be forced to resign unless their families are in a position to meet such expenses.

All those now in attendance at the five schools entered with the understanding that the allowance would be continued until they were graduated. The Government should not now default on such an agreement. Cadets at the United States Military Academy and at the United States Naval Academy receive similar allowances and no move has been made to discontinue these—as no move should be—because of the need of educating new officers for our armed services.

The recent war proved the need of a strong merchant marine and a strong reservoir of men to man it. The Senate committee's ruling, if enacted into law, will have the effect of narrowing the field of selection of potential candidates to those whose finances will permit attendance. Some friends of the maritime schools predict that such procedure would mean their end. It certainly is not in keeping with democratic procedure. The full Senate should correct the committee's error at once.

Planning Homes for Solid Fuels

EXTENSION OF REMARKS

OF

HON. DANIEL J. FLOOD

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Monday, July 18, 1949

Mr. FLOOD. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following article from the Anthracite Institute Bulletin of July 13, 1949:

PLANNING HOMES FOR SOLID FUELS

Nicely timed with the increased interest in solid fuel for new housing the Small Homes Council of the University of Illinois has just published a circular, Homes Planned for Coal or Coke, designed to give architects, builders, and home planners the latest findings on ways of simplifying the use of solid fuel in homes. The information contained in the circular was developed from a 3-year research project, under the direction of Rudard A. Jones, research associate professor of architecture and sponsored by Anthracite Institute, Bituminous Coal Research Inc., and the American Coke and Coal Chemicals Institute.

The circular demonstrates practical and simplified methods of handling solid fuel and ash in a home through the presentation of plans for a one-story basementless house, a one-story house with partial basement, a split-level house, and a two-story house.

With each plan, special features of fuel handling and ash removal are diagramed and discussed. Although each home shows a particular type of solid-fuel burning equipment, other stokers and hand-fired units may be used if slight changes are made and any of the principles may be successfully applied to all house designs. Many of the principles are not new, but the circular has the advantage of including under one cover all the best of the tried and proven principles along with new ones that have recently been developed.

Among the new ideas is an ash-set-out areaway, which affords the householder a labor-saving method of removing ashes from the basement as shown on page 82.

The areaway built outside the foundation walls of the house, is a cement box-like structure with a watertight lid. Ash cans may be set into the areaway from the basement through a door placed 30 inches up from the basement floor and even with the floor of the areaway. The householder opens the access door and places ash cans into the areaway without leaving the basement. The ash collector, in turn, opens the lid of the areaway and removed the cans. There is no need for him to enter the basement and both the householder and the collector save steps and time.

Important to the anthracite industry is the fact that this circular will reach 10,000 in the building trades—architects, building contractors, operation builders, and so forth—as well as reaching thousands of householders planning new homes, at a psychological time when practical economics have caused more of these people to give thought to the advantages of using solid-fuel heating equipment in new housing—particularly in the low-cost homes. Included in the booklet may be a simple principle or principles which will give many home planners the extra impetus required to convince them of the advantage of installing modern solid-fuel heating equipment in their new homes.

IT CAN'T SMOKE

New York city's board of estimate recently showed its recognition of the fact that anthracite can't smoke. The board had received a proposal from Dr. Edward M. Bernecker, administrator of the New York University-Bellevue Medical Center, that the city give up the Bellevue hospital power plant and instead purchase steam for the hospital from the New York Steam Co. In his letter Dr. Bernecker cited as one of his reasons for the change the fact that the "air pollution from the chimney discharges" kept the beds in the wards of Bellevue Hospital "constantly covered with a fine soot."

The matter was investigated by Deputy Controller Lewis F. Lang who reported to the board of estimate that air pollution at Bellevue was caused mainly by "privately-owned plants burning soft coal which emits heavy black smoke and fly ash." Mr. Lang pointed out that the chimneys at Bellevue were free of smoke and fly ash because the hospital plant uses anthracite. Mr. Lang's report also showed that the use of anthracite would be more economical than the purchase of steam with anthracite estimated to cost $420,872 annually against $870,465 for purchased steam.

The New York Times commenting on the incident stated that New York City through its action on the Bellevue proposal is considered to have turned its back on any significant reversal of the policy of generating its own steam for large hospitals and other major projects.

The inherent advantage of anthracite that "it can't smoke under any condition of use" has again demonstrated its value.

Limitations on Congressional Investigation

EXTENSION OF REMARKS
OF
HON. HOMER FERGUSON
OF MICHIGAN
IN THE SENATE OF THE UNITED STATES

Monday, July 18 (legislative day of Thursday, June 2), 1949

Mr. FERGUSON. Mr. President, I ask unanimous consent to have published in the Appendix of the RECORD an article from the Michigan Law Review of April 1949, on the limitations on congressional investigation. This article was written by George Meader, a member of the Michigan Bar and the District of Columbia Bar, who formerly served with distinction as chief counsel for the Senate War Investigating Committee.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

LIMITATIONS ON CONGRESSIONAL INVESTIGATION

(By George Meader)

I. USEFULNESS OF THE INVESTIGATORY FUNCTION

Increasingly, Federal laws embodying far-reaching national policies are being couched in broad and general terms. The effect of this type of legislation is to place wide discretionary powers in administrative officials and to throw upon the courts an immense burden of interpretation in applying general principles to specific factual situations. There have been sensational instances of hasty passage of corrective legislation made necessary by court decisions interpreting a poorly worded law in a way Congress did not intend, such as the portal-to-portal and overtime-on-overtime decisions. Meanwhile, the practicing lawyer is at a loss to advise his clients of the effect of such legislation upon their lives and businesses until the attitude of the administrative officials and the courts becomes known. Even then, there is no assurance that such attitudes will remain fixed.

The administrative tribunal exercising legislative, administrative and judicial functions in derogation of our doctrine of separation of governmental powers has evolved and flourished in the last few decades largely because Congress has been unable to do more than to state a broad policy in general terms and create a commission to carry it out.

This situation has developed because our national economy has grown rapidly in size, organization, and complexity while Congress has remained static. Until Congress equips itself with a sizable and competent staff, it will not be able to write its legislation in clear and specific terms and recall to itself the legislative power it has lost in the last few decades.

The foregoing should not be construed to mean that quasi-legislative powers should not be vested in administrative agencies. The question is one of degree. For example, the decision of the Federal Trade Commission relating to the basing point pricing system in the cement industry, recently upheld by the Supreme Court, involves a basic national economic policy of an order that should be determined by the elected representatives of the people, rather than by an appointive commission acting under a broad delegation of authority.

Congress must be strengthened if the balance of separate governmental powers is to be restored. That strengthening may best be brought about by the development and effective use of the congressional investigative function.

August 7, 1944, President (then Senator) Truman, in announcing on the floor of the United States his resignation as chairman of the Special Committee Investigating the National Defense Program, said:

"In my opinion, the power of investigation is one of the most important powers of the Congress. The manner in which that power is exercised will largely determine the position and prestige of the Congress in the future. An informed Congress is a wise Congress; an uninformed Congress surely will forfeit a large portion of the respect and confidence of the people.

"The days when Webster, Clay, and Calhoun personally could familiarize themselves with all the major matters with respect to which they were called upon to legislate are gone forever. No Senator or Representative, no matter how able or diligent, can himself hope to master all the facts necessary to legislate wisely.

"The accomplishments of the Truman committee—and I am referring now to the other members of the committee and its staff rather than to myself—present an example of the results that can be obtained by making a factual investigation with a good staff. Similar accomplishments can be made by other special committees, as well as the standing committees of the Congress, and I particularly urge upon the Senate that it be liberal in providing ample funds for the prosecution of proper investigations. The cost of a good investigation is negligible when compared with the results which can be obtained."

No reference to the investigative power of Congress can be found in the Constitution, yet its existence is well established. Before our Nation was born, the English Parliament and the Colonial legislatures exercised investigative powers. The power of Congress to "send for persons and papers" is said to be a necessary adjunct to legislative power, since it enables Congress to inform and enlighten itself before enacting laws.

The basis for implying the existence of the investigative power of Congress furnishes the guide to its proper exercise as well as the direction of its development into a more useful instrument of a democratic system of government. In our modern, complex national economy, with its intricate and multitudinous interrelationships, regulations and controls can no longer be adopted by simple, broad generalities but must be based upon thorough knowledge of the detailed facts, the conflicting special interests, and the general public interest. The effects of proposed legislative action may thus be intelligently calculated, wise policies decided upon, and enactments stated in clear and unambiguous terms.

II. SPECIAL INVESTIGATING COMMITTEES

Although the Legislative Reorganization Act of 1946 did not abolish special congressional investigating committees by its terms, the Eightieth Congress did not create new special committees and the Senate drastically reduced the powers of an outstanding special committee, the Special Senate Committee Investigating the National Defense Program (the former Truman committee). The Senate of the Eighty-first Congress has allowed another special committee to expire, the Special Committee To Study the Problems of Small Business. The theory of the Legislative Reorganization Act was that standing legislative committees should do the investigative work of the Congress. Senate committees were given the subpena power to that end. However, it is not alone the power of a committee but the ability and energy of its chairman and its members in exercising that power which determine the

extent and vigor of congressional investigating activity.

The history of congressional investigations shows that, for reasons unnecessary to discuss here, standing legislative committees have not demonstrated great interest in conducting penetrating investigations. The practical effect, therefore, of stifling the creation of special investigating committees is to weaken, not to strengthen and expand, the investigative function of the Congress.

III. PROPOSED LEGISLATION

A further limitation of the investigative function of Congress is contained in proposals now before Congress to establish procedural rules for congressional committees designed to prevent abuses to witnesses and others in committee hearings and reports.

On January 5, 1949, Senator LUCAS, majority leader of the Senate, introduced Senate Concurrent Resolution 2 to establish certain procedural rules for congressional committees. This resolution is identical with Senate Concurrent Resolution 44, introduced by Senator LUCAS on February 25, 1948.

Companion resolutions to Senate Concurrent Resolution 2 were introduced in the House of Representatives on January 3, 1949, by Representative MCCORMACK, majority leader of the House of Representatives, and on February 2, 1949, by Representative SABATH, chairman of the Rules Committee of the House of Representatives.

Similar resolutions and bills have been introduced by Representatives HOLIFIELD and BUCHANAN.

For present purposes, it is sufficient to discuss the rules contained in Senate Concurrent Resolution 2, which is set forth in full in the appendix to this article.

IV. PROCEDURAL RULES FOR COMMITTEES

The gist of Senate Concurrent Resolution 2 is to give certain rights to any individual considering himself defamed by evidence presented to congressional committees, to give certain rights to witnesses, and to impose certain limitations upon committees, their members and employees.

Any person who believes that evidence given in a public hearing of a committee defames him or otherwise adversely affects his reputation may (1) file a sworn statement for the record; (2) testify personally in his own behalf; (3) require the committee to produce up to four witnesses in his behalf; (4) examine such witnesses, either personally or by counsel; (5) require the committee to procure the appearance of adverse witnesses; and (6) cross-examine adverse witnesses, personally or by counsel, but for not more than 1 hour as to each such witness.

Persons granted these rights may file a petition with the committee, whereupon it is mandatory for the committee, within 10 days, to fix a time and place for a hearing to be held within 30 days after receipt of the petition.

Witnesses before committees, in either public or executive hearings, are given the right to be accompanied by counsel and to have a copy of the transcript of their testimony.

A committee is prohibited from (1) receiving evidence not relevant to the subject of the hearing, (2) publishing reports except after majority approval at a meeting called upon proper notice, and (3) publishing a statement or a report alleging misconduct or containing other adverse comment regarding any person without advance notice to such person.

Committee members and employees are prohibited from speaking or writing about the committee for compensation.

"Committee" is defined to include a standing or select committee of either House of Congress, joint committees, and all subcommittees.

Senator LUCAS, in discussing the introduction of Senate Concurrent Resolution 44, announced on the floor of the Senate his support of the proper exercise of the investigative function of Congress. He contended, however, that the Senate War Investigating Committee's investigation of Howard Hughes had brought that committee and the Senate into disrepute and cited a number of editorials in support of that contention. He argued that requiring committees and their members and employees to be fair would enhance public respect for congressional investigations, thus strengthening them.

It can be conceded that the strength and value of a congressional committee is derived from its public acceptance and prestige and that unfairness of congressional investigators detracts from the reputation of a committee and the Congress. However, it is doubtful that the provisions of Senate Concurrent Resolution 2 will succeed in preventing abusive action by legislators. On the other hand, the proposed rules will seriously impair both the investigative and legislative work of Congress.

V. COMMENT

Senate Concurrent Resolution 2 seeks to give persons claiming to be defamed their day in court. A legislative committee is not a court and cannot effectively discharge its investigative and policy-making duties operating as a court, with pleadings, motions, arguments, and rules of evidence. Furthermore, Senate Concurrent Resolution 2 gives persons claiming to be defamed more than a day in court. No court in which allegedly defamatory testimony might be received would halt the trial of the case to permit the aggrieved person to intervene and offer evidence as to the damaging remark.

Courts retain control of their proceedings at all times. The discretion of the judge is the final authority in his court, subject only to appeal. A legislative committee, however, under Senate Concurrent Resolution 2 would have no discretion whatever as to whether a hearing should be held, who should be called as witnesses, the propriety of questions asked upon examination or cross-examination, or the contents of statements to be filed with the committee as a part of its record.

If the committee sought to exercise such discretion, it would be subject to the charge that it was not sincere in its purpose to give a fair and complete hearing. If the committee does retain such discretion, the rules have little meaning because a majority of a committee can now insist upon fairness if they can agree on what is fair.

The fees and travel expenses of witnesses, stenographic and printing expense, and other costs incident to holding such a hearing would be borne by the committee out of its appropriation. In a court, litigants must bear the costs of litigation. This acts as a deterrent to excessive litigiousness.

The effect of the rules proposed in Senate Concurrent Resolution 2 will be to take the control of its proceedings away from Congress and place it in the hands of individual citizens. Senate Concurrent Resolution 2 would provide a means for spotlight seekers to indulge their proclivities in congressional hearings almost without limit.

The testimony or evidence considered by a person to be defamatory might consist of an irrelevant, gratuitous remark made by a witness before a committee, which the committee could not anticipate or prevent. Nevertheless, under Senate Concurrent Resolution 2, the committee would be required to sit and hear a petitioner's statement and the statements of four witnesses called in his behalf and a cross-examination of the alleged defamer or defamers for hours, if not days. It is likely that the petitioner in replying to his defamer might give testimony leading the latter to believe he had been defamed; whereupon another petition would be filed, requiring a further hearing by the committee. This could continue indefinitely.

A trial of Communists in New York in which weeks were consumed examining the jury selection system in Federal courts should furnish convincing proof that there is a real likelihood that advantage would be taken of the procedural provisions of Senate Concurrent Resolution 2 as suggested above.

The time of legislators is now inadequate for intensive study of problems of legislation. The forum of a legislative committee ought not to become the battling ground of vituperation and attack and counterattack, converted from a policy-making agency into a court for trying slander and libel cases. This would not enhance the dignity and prestige of Congress and would render investigations and legislation worse—not better.

Corrupt, unintelligent or unfaithful action against the public interest might well go unexposed because of the delaying, filibuster-like procedure of Senate Concurrent Resolution 2. Any lawyer for the defense is well aware of the advantage of delay. Maj. Gen. Bennett E. Meyers, Commander John D. Corrigan, former Congressman Andrew J. May, Henry and Murray Garsson, former Congressman James M. Curley and the participants in the Teapot Dome scandal, as well as many others, would have welcomed the procedural opportunities which would have been extended to them by the provisions of Senate Concurrent Resolution 2, had it been in effect when their activities were under examination.

Senate Concurrent Resolution 2 is not confined to investigative committees ferreting out wrongdoing, but is equally applicable to all congressional committees and subcommittees. Suppose, for example, a petitioner, who is not required to be a citizen, claimed before the Senate Foreign Relations Committee that some testimony given at a committee hearing had detracted from his reputation because it implied inefficiency or bad faith on his part. Under Senate Concurrent Resolution 2, he could compel the Senate Foreign Relations Committee to sit and hear him, his witnesses and cross-examination of his detractors at length. An even more interesting case would be presented if the petitioner claimed that a member or employee of the committee had been the detractor and, under Senate Concurrent Resolution 2, claimed the right to cross-examine the Senator or a member of the committee staff.

Any rules, in addition to existing parliamentary rules, should be adopted, committee by committee. The Bender subcommittee of the Committee on Expenditures in the Executive Departments of the House of Representatives, the Ferguson Subcommittee of the Committee on Expenditures in the Executive Departments of the Senate, both in the Eightieth Congress, and the Un-American Activities Committee of the House of Representatives of the Eighty-first Congress, have adopted rules. Such rules, if found unworkable, can be amended by the individual committee. Rules enacted in a statute would have to be amended by statute, subject to Presidential veto. Rules adopted by concurrent resolution could be changed only by action of both Houses.

In any event, any rules, whether adopted by a committee or by the entire Congress, should clearly specify that they do not give rights which would permit a successful challenge to the validity of committee or congressional action or would constitute a defense to proceedings for punishment of a contempt of Congress. Unless this effect is specifically precluded, the whole subpena power of Congress is undermined. Thus, a useful means of obtaining facts as a basis for the enactment of wise legislation and for observing the administration of laws will be destroyed.

Section 5 of Senate Concurrent Resolution 2 adds nothing to present practices regarding attendance of counsel except that it gives a witness a right to have counsel present at a private hearing. Since section 5 allows an attorney to do no more than observe, unless the committee permits otherwise, the question of the value of this right naturally arises; the presence of one more person makes the control of the confidential nature of an executive hearing more difficult. As a general practice the Truman-Mead Committee permitted counsel to be present in executive as well as public hearings. Situations may well arise, however, where it would be preferable not to have counsel present at executive hearings. The decision on this matter should be left in the discretion of the committee.

Section 6 of Senate Concurrent Resolution 2 adds nothing to present law since a witness may now refuse to answer any question not pertinent to the inquiry.

Section 7 of Senate Concurrent Resolution 2 gives witnesses at private hearings a right to a copy of the testimony. Members and employees of a committee are subject to committee control for breaking secrecy, but a witness is not. If a committee loses control of the executive character of its actions the effect is to put an end to executive hearings, a useful method of informing Congress on matters which, for one reason or another, are not appropriate for public release. The temptation to leak confidential information to favored sections of the press is a strong one; human curiosity about something kept secret lends a quality of news interest to the material which its substance would not justify.

Measures should be taken by Congress to prevent leaks of confidential material, but furnishing a record of secret testimony to witnesses is not one of them.

Section 8 adds nothing to present rules since all committee action must now be by majority vote.

Section 9, requiring committees to give advance notice of adverse comment, is unwieldy. What constitutes adverse comment is subject to a wide difference of opinion. It is difficult enough under existing practices to prepare and obtain agreement of committee members on a report. The requirement of giving advance notice to an indeterminate class of persons and allowing them a reasonable time to oppose the committee's findings and conclusions would slow down and make extremely difficult the issuance of reports.

The Truman-Mead committee made it a practice to submit, on a confidential basis, a draft of a proposed report to Government officials and interested private individuals for comment as to the accuracy of the facts and the soundness of committee conclusions and recommendations. This is a salutary practice. It improves the quality of committee reports. However, the practice should be discretionary with the committee, not mandatory.

Section 10, prohibiting speaking and writing for compensation by committee members and employees, raises a question of basic policy applicable to all public officials. Payment for lectures or articles may be an avenue for improperly influencing the decision of a public official. Where this exists, it can be and should be punished under existing provisions of law. However, it is in the public interest that public affairs should be widely discussed. To prohibit payment to all public officials for lectures or articles might limit the amount of information available to the public concerning national affairs. In any event, the principle would seem equally applicable to all public officials. Such a proposal should be carefully studied and adopted as a general provision of law, if its desirable, rather than being confined to legislative committee work.

VI. CONCLUSION

It is agreed that "headline seeking," "smear tactics," and "witch hunting" are reprehensible activities on the part of legislators or any other public officials. It may be more difficult to find agreement upon what constitutes those activities in any give factual situation. There are existing sanctions controlling such abuses in present parliamentary rules, in adverse press and public reaction, and ultimately in the defeat of a legislator at the polls.

Recognizing that legislators naturally seek to keep their names before their constituents, it is the writer's opinion that the great majority of Congressmen and Senators do not engage in unfair conduct. It seems unwise to destroy the flexibility of operations in legislative committees in their formulation of national policies and to impose limitations upon the discretion and power of all legislators merely for the purpose of restraining abuses by a few Members of Congress. Senators and Congressmen are entitled to the trust and confidence implied in their election to what, in effect, is the board of directors of the largest and most powerful institution in the world. Their responsibility is great. They ought not to be limited by inflexible, time-consuming procedures in discharging that responsibility.

A very thoughtful and judicious discussion of procedural rules for congressional committees was written by Charles E. Wyzanski, Jr., United States district judge of Massachusetts, in the March 1948, record of the New York City Bar Association. Judge Wyzanski opposes the adoption of procedural rules for congressional committees until after further study, except that he suggests a witness should have the right (a) to have counsel present, (b) to file a written statement before the hearing is concluded, and (c) to have an accurate record kept of his own testimony.

The avenue for strengthening the investigative power of Congress, and thus strengthening Congress itself, does not lie along the path suggested by Senate Concurrent Resolution 2. Rather, progress toward improved legislation will result from the acquisition by Congress of a staff of able employees, primarily for its committees, to study and investigate the facts of any subject and to advise, counsel, and assist committees and individual legislators in enacting legislation. Congress needs help in obtaining facts, not restrictions making it more difficult. When legislation comes to be based more upon studies of fact and less upon generalities, emotions, and prejudices, our system of government by the people through elected Representatives will have proved itself workable in a modern, complex society.

Socialism—American Variety

EXTENSION OF REMARKS
OF
HON. RALPH W. GWINN
OF NEW YORK
IN THE HOUSE OF REPRESENTATIVES

Thursday, June 30, 1949

Mr. GWINN. Mr. Speaker, what ails America?

Why do more and more of our citizens feel helpless and unable to take care of themselves in the midst of the greatest production of income we have ever known?

While acting as a good Samaritan, making gifts to socialist governments abroad, have we caught their socialism ourselves? Are we too washing our hands of personal responsibility to take care of ourselves and to do right voluntarily toward each other without compulsion? Or are we giving way to the management and control, the false promises, the corrupt politics of our own compulsory statism?

Let us avoid wishful thinking. Let us examine the recorded facts.

WHAT OUR GOVERNMENT TAKES FROM US

We know that our American Government has, in recent years, changed its character. It has become an overwhelming and omnipresent machine of controls and compulsions. It manages our money, credit, farming, rents and housing, foreign trade, social security, production, and education. It regulates, controls, and taxes all business to the point of extinction throughout all our lives. At death, inheritance taxes close the final chapter of exploitation. This Federal Government management and control of us costs us close to $50,000,000,000 a year out of our total income of about $200,000,000,000.

The Federal, State, and local governments combined take one-third of everything we produce. That means that, as a people, we work for ourselves only 2 out of every 3 days. With a 40-hour work-week, we have less than 27 hours, or about 3⅓ days per week to produce our food, clothing, and shelter, and to maintain our health and education. It cannot be done. So, as a consequence, the people cry out in increasing millions for the Government to do for them what they are unable to do for themselves in 3⅓ days' work per week. The only cure that Government proposes is that of extending Government management, increasing taxes, and thus reducing even further the number of days in which the people can work for themselves in the management of themselves, their property, and their happiness. Such management can only lead to scarcity and general poverty. Even so, in that state of abject dependence, the people worship the leader, the champion of their needs and wants, as in Russia.

WHEN IS A COUNTRY SOCIALIST?

Many enlightened scholars have expressed doubt as to whether any government can take more than 2 days in 10 from the people, or 20 percent of the nation's income, and still leave a people able to take care of themselves. Above that level, Socialist management becomes inevitable. We must remember that as recently as 1930, London and Paris managed only 21 percent of their national economy; Berlin managed 22 percent and brought on national socialism 3 years later. Moscow, after 13 years of socialisim, managed only 29 percent of the Russian economy. Can we be excused, if we fail to take to heart these facts and govern ourselves accordingly?

The present burden of our Government is already crushing the people now. Do you realize that we pay out more to Washington annually than we do to all of our 6,000,000 farmers for the food we eat? We pay in taxes 2½ times more to Washington to manage us than we pay in net income to all American corporations for all of their manufacturing, transporting, and other services to us.

A country is socialist whenever the central government manages the economy of the people instead of the people managing themselves voluntarily without government compulsion. With compulsion, freedom of action, of invention, of production, and of reward is gone. When work and rewards therefore are managed by the compulsion of the state that is socialism in contrast with freedom. It is political corruption that lives by more corruption with no healing power in it.

NUMBER OF AMERICANS MANAGED BY GOVERNMENT

Government already owns one-fourth of all the land in the continental United States. It has also become the biggest employer in the world. It now has more than 2,000,000 civilian employees. They receive a cold half billion dollars per month, and they with their wives, parents, relatives, and dependents are naturally interested in seeing the pay-roll receipts continued by keeping one and the same party in power. Since by conservative estimate each Government employee guides or controls at least four votes, our citizens fight for freedom against a monstrous central government having 8,000,000 voters with a direct monetary interest in keeping one party continually entrenched in power.

This is not the whole story. Many, many more million citizens have become dependent upon payments, benefits, subsidies, and hand-outs. Already one out of every six adult Americans receives checks regularly from Washington. A United Press dispatch sets the figure at 15,830,899. If each check went to a different family, it would mean that 42.7 percent or near half of the American families now balance their budget with money from Washington Each year our tax burdens increase. Each year others join the ever-increasing ranks of the 15,830,899 who are directly dependent on Washington's management of their lives in whole or part.

To make these payments the Government squeezes the very life blood out of the other half of the people who are still left to produce and pay the taxes. So we are now all managed, regulated, controlled, inspected, intimidated, threatened, subject to being jailed and generally bedeviled. Fear and anxiety drive many out of business entirely lest they run afoul of a thoroughly tyrannical and corrupt Government, itself infiltrated deeply by socialist and communist commissars who rule over us. Their rules and regulations, which they make themselves and administer arbitrarily, cover 47 volumes of thousands of pages that no single human being could read. They are so ridiculous and impossible of practical application and understanding that daily, except Sundays, Mondays, and holidays the agencies must issue a Federal Register of about 50 pages, 3-column, closely printed, containing amendments, corrections and additions, equally incomprehensible. Nearly every businessman is subject to the danger of fines or jail, humanly impossible to avoid.

These volumes cover such items as portal-to-portal pay. The longer one takes to walk to work in Washington the more pay he receives. Overtime on overtime!! No one understands that—not even the Supreme Court. Yet employers will all go broke when it is enforced. Then there are minimum wages and hours, fair-trade laws, fair-treatment laws and regulations and generally hell to pay all around. This is redistribution of wealth by the American complex.

THE FIRST MARXIST CONCEPT ADOPTED

The measures Marx outlined in the Manifesto include abolition of private property, a heavy progressive income tax, centralization of credit in the hands of the central government, extension of government ownership and production, and national control of the education of all children. Socialists the world over have acted in strict accordance with this 1848 dictum of Marx that "political power is merely the organized power of one class for oppressing another." Who can deny that we have followed and are now following these very precepts here in America?

The first and most important of these Marxist precepts came with our constitutional amendment of 1913, giving the Federal Government the right to tax individual incomes. Few persons then thought that it would become a transmission belt for the heavy progressive or graduated income tax prescribed by Marx. Congress debated then in terms of a 1- or 2-percent tax at most. A 10-percent tax was considered preposterous. Yet we have had taxes which exceeded 90 percent, and Washington today commonly takes more than three-quarters of the earnings of some of our most inventive and creative citizens. All of us are now liquidated to the extent of 33⅓ percent of all of our annual income in taxes which are added to the price of everything we buy from bread to houses. For example, gasoline enters into every item of living costs. Without excise taxes gasoline would sell, generally, for 14 cents a gallon; without income taxes, for much less than 14 cents. Taxes make living costs so high, especially to the low-income group, that they cannot manage for themselves. Think of it, free Americans clamor for the Socialist state, begging it for shelter, food, health, and education. We, too, have our cynical Goebbels who knows that if you tax and tax, spend and spend, you can vote and vote the people into socialism anywhere in the world. They can be fooled if you begin by feeding them the delusion that only the rich pay the taxes.

Plato described how exactly the same technique worked in ancient Greece. The "champion" of the welfare state is full of smiles and salutes, making promises in public and also in private, distributing land to the people and wanting to be good and kind to everyone. But said Plato he has another object:

which is that they (the people) may be impoverished by taxes, and thus compelled to devote themselves to their daily wants and therefore less likely to conspire against him. And the more detestable his actions are to the citizens, the more satellites and the more devotion in them he will require. * * * Thus liberty passes into the harshest and bitterest form of slavery.

All around our smiling, good-natured President are the tough guys who know their history. They work the techniques it shows will fool the people every time.

THE SECOND MARXIST CONCEPT

Washington took the second Marxist step in a big stride when it destroyed, or reduced by 41 percent all of our national monetary values in 1933. It went off the gold standard. By that act it robbed everyone of 41 percent of his or her savings up to that time. It started to enrich others by printing paper money and issuing it in exchange for nothing of value. All our people's savings were liquidated just as all socialist governments in Europe liquidated the property of their people. Thus 41 percent of the people's capacity to take care of themselves was destroyed by the Government forcibly taking away 41 percent of the value of their money and locking up all gold in the vaults at Fort Knox. Several millions of us became at once absolutely dependent on Washington.

THE THIRD MARXIST CONCEPT

This first became manifest of all among the old people when Washington adopted the third Marxist pattern some years later. It compelled the people to pay to the Government their future savings for old age and survivor's pensions. There are now already 2,736,800 people receiving old-age or survivors social-security benefits. They have actually become the wards of Washington and with 45,000,000 others who in this year of 1949 are being compelled to pay the Government most of their savings in taxes and thus must depend on Government for the management of all or a goodly part of their economic life.

Over a period of 12 or 14 years the unsuspecting citizens have paid their good dollars to Washington. The Government promised to reinvest for the security of all. It would be a Fair Deal. Instead of conserving and investing the people's savings, however, the Federal Government has spent and wasted nearly every dime of it on socialist experiments. It has dropped I O U's in the till—like any other embezzler—to take the place of the billions spent. The general taxpayers are further defrauded and liquidated by being compelled now to pay taxes to make good the Government's embezzlement. The original savings funds are gone, and, therefore, constitute no security to the old people.

The Government is actually paying them back by levying annually a second tax on the old people's present pensions and on the cost of their food and shelter and on the taxpayers generally to make good the present pension payments from a treasury that would be otherwise empty. As the people's capacity to pay increasing taxes weakens old-age social security is weakened.

Besides all this the old people, once promised security, are getting paid in the Government-inflated dollars worth only 50 percent of the good dollars paid in. The old and the sick are being exploited. They are desolate, hungry, and on the relief rolls, robbed and liquidated among the first even in America as was the case in every Socialist state abroad.

So 41 percent of the people's savings up to 1934 have been liquidated. The old people's savings have been wasted. The savings of everybody else since 1934 have

been cut in half by inflation and on top of this criminal mismanagement everybody is forced to pay out a third of his income in taxes.

MORAL CONFIDENCE GONE—MARXISM CONTINUED

In such a demoralized state of law and public morals, private lenders will not give loans and private citizens hesitate to borrow. So the Government walks into the vacuum created by it and starts doing business. By the end of 1947 Washington had made $10,109,000,000 in loans, one-fourth of all the loans our 15,000 private banks made. Washington furnished 70 percent of all the money that has gone into new housing since the war, because private lenders have come to have so little faith in the integrity of our Government that they refused to lend for private building. They could not invest with confidence in the future, not knowing what the Government would do on rent control or Government housing. This is what happens when, to use the exact words of Marx and Lenin, "centralization of credit in the hands of the state" takes place.

Private trade and investment in every Socialist nation are at a standstill for the same reason that free investment in housing and new business enterprises is stopped here. A moral collapse of the Government, causing the individual to lose faith in what his Government will do, breeds modern socialism everywhere. Since a Socialist government breeds and lives without any moral base, what is right and wrong is simply determined by an army of arbitrary commissars whose fanaticism is hardly subject to review. We are experiencing that situation now in agriculture, in export licenses, loans by Government, awarding of contracts to favorites, administration of rents to benefit tenants, allocation of space in Government houses to those who are faithful to the party, and so forth. Individual management and responsibility and, in fact, private enterprise in rental housing are dead and have been for 10 years.

It is false therefore to accuse private enterprise of failing to build and clear slums. The Government has been in complete charge for nearly 10 years. It has assumed full responsibility for conditions as they are. It is in complete control of all new housing. It owns a lot of slums itself either by direct ownership, by mortgage, by excess taxes, or by rent control that has caused abandonment of houses by owners. It is creating more slums. It owns a fourth of all the real estate in the 48 States and will take over a lot more of it soon by default of billions of mortgages it holds. But even so it can not make good its promises to build houses. The people will grow more desperate because private building for rent will not revive at all until confidence in Government and rights of property are restored. There is no 50–50, not even a 10–90 arrangement possible between socialism and freedom. One or the other must perish utterly. One is wrong and destroys confidence. The other is right and inspires confidence, invention, and production. One is compulsion, the other freedom.

SOCIALISM DEFINED

It is possible that most Americans have never stopped to define socialism. If we do not know what socialism is, how can we know when we have it? Socialism, simply stated, is Government ownership or Government management of the Nation's economy and the denial by the Government of the right and the capacity of individuals to manage themselves and their property. Socialists, fellow travelers, and Communists always move toward compulsion and violence and away from freedom. Socialism is directly opposed to American constitutional freedom and the inalienable right of the individual who produces property to dispose of it as he pleases. Socialism holds that its own nonproducing, uninventive, uncreative, compulsory, and corrupt bureaucracies are better suited to dispose of what the free mind and spirit of the individual alone can produce, than the individual himself. Socialism has absolutely no moral base on which to function. It operates by the rule of expediency. It lies and steals for its own ends. It is immoral and incomprehensible to a people disciplined in Christian tradition.

SOCIALISM AT WORK IN HOUSING BRINGS SCARCITY

The field of housing illustrates what is happening to morals and confidence under compulsion in a most dramatic fashion: Washington already is the landlord of some 537,000 American families. Allowing four persons to a family, we have 2,300,000 people who are beholden to our central Government for living space. The Housing Act of 1949 will add another 810,000 families in the next 6 years. The total then beholden to Government as a landlord will be 5,540,000 persons. That is more people than now live in any one of 42 States. As in Europe, the ruling party sees to it that the voting booths are placed conveniently in the basements of such Government socialized housing. Alas, we have witnessed how American voters living in socialized housing projects cast a 90-percent vote, or more, in favor of the controlling party that builds the houses.

We used to laugh when we heard about 80 or 90 percent voting in Fascist Italy for Mussolini, in Nazi Germany for Hitler, and in Communist Russia for Stalin. Now, it is becoming an American pattern for the big city vote to swing elections for the party that controls rents, builds houses, and, thereby, owns the votes of the favored tenants. We, too, allocate living space NKVD American plan in exchange for loyalty to the party and the votes that keep the political party in power.

For all this building, the Government induces big lenders to invest in the certificates of participation by exempting them from Federal income taxes. It compels the municipalities to exempt the housing projects from local taxes for schools, streets, police, and other services. It then rents the Government apartments at about one-half price and charges the bill to the general taxpayers. Since the individual investor has no such power over other people's money, he cannot compete in any field that the Government enters.

Thus, Government housing kills confidence, moral sense, and all possibility of equal opportunity, equality of taxation, and justice before the law. The individual quits cold. The story of house building in France is told by Bertrand de Jouvenel in No Vacancies. When the protection of property rights was abandoned, the Government simply expropriated and divided up what houses there were. New building has ceased for 33 years. Cannot we learn, either from our own experience or from that of Europe? Must we, as a nation, have our own experience by landing in the prison house of Marxism before we will learn?

RENTAL HOUSING DRIES UP

The general taxpayers are further liquidated. About 8,000,000 propery owners, having saved over the generations of free American enterprise $67,000,000,000 and invested it in 17,600,000 rental dwellings, are now forced by our Socialist-dominated Government to sell these dwellings at less than 60 percent of their values and quit business. Thus rental housing dries up just like the supply of shoes, shirts, dresses, and all sorts of foods dried up before OPA was repealed. Socialism never increases the supply of wanted goods. It always reduces the available supply.

In 1948, the "for-sale" dwellings were three and four times greater than in 1940. In August 1940, the New York Times advertised 6,322 houses, apartments, and apartment buildings for sale. In August 1948, it carried 23,036. The Chicago Tribune shot advertisements for sale of housing from 11,303 to 32,045; Los Angeles, from 18,930 to 78,925 for the same period. This fantastic increase in the number of houses, apartments, and apartment buildings offered for sale is found in every big city. We had, according to the Census Bureau, over 4,000,000 more dwelling units in 1948 than we had in 1940, but we had more than 2,000,000 less for rent than we had in 1940.

SOCIALIZED MEDICINE

Our Socialists propose to continue the march down the road to Marxist serfdom by bribing our doctors to socialize health and medicine from Washington just as the British Marxist government has done. The procedures are almost identical. Seven hundred and fifty-thousand doctors, nurses, and hospital personnel would enter our Government employment and cease the free practice of medicine. Washington would guide and control it all, drying up the voluntary source of skill, mercy, health, and hospitalization. Multiply 750,000 by 4 and you get another group who will vote according to the promises of appropriations for their particular benefit. The less fit will grab $8,000 a year in Government salary just as they grabbed 2,000 pounds a year in England.

There will be no more need to excel in skill and devotion to patients; there will be no more competitive effort for public favor. Payments by Government will be for quantity, not quality, of service. Yet, as a doctor in Nashville said recently, "Socialism is the syphilis of medicine. It is easy to take but rots the body to death." Government medicine is sterile. It never invents or discovers new cures. It can but appropriate and

try to take by force what the individual alone can give as a voluntary free servant of the people. He alone can have the heart of sacrifice and devotion and love of service. Without freedom in medicine, the art of healing itself disappears.

MINIMUM WAGES AND HOURS

The very devil himself devises humanitarian slogans, such as the minimum wage law, for example. In this manner, the Socialists hope to fool the people into thinking that goodness will come faster by compulsion of the Government than by the community spirit of free men. All Socialist compulsions are made to sound humanitarian. Its practical purpose, however, is always the same, viz, to rob or exploit one group to benefit another that has more votes. The Lesinski bill now before Congress proposes to make all employers engaged in interstate commerce pay the apprentice, the slow worker, the handicapped, the aged, the part-time worker, even the baby sitter, at least 75 cents an hour for 40 hours a week and $1.12½ for overtime.

This demagoguery disregards whether anybody can or will pay that or whether the worker can produce such value. The right to work itself is denied if the worker cannot induce somebody to pay the legal rate; otherwise, he must go on relief. He dare not take even 73 cents an hour. The bill in effect is a compulsory unemployment bill. It is planned economy. It is socialism in any country, including America.

FEDERAL CONTROL OF EDUCATION

In planning a Marxist America, our Government Socialists do not overlook the teachers and school personnel of America. There are a million of them. It is proposed to offer hundreds of millions of dollars for their allegiance to the party that makes the appropriation. If education is socialized by appropriations, influence, supervision, or control, then national elections shall go to the party promising to make the highest appropriations. With the control of the minds of our children centered in Washington, the last act in the tragedy of lost freedom will be over. God must be thrown out of education. Instead, the goodness of the pagan state will be taught in exchange for the favors it bestows. Private education in free schools ceases for sheer lack of funds.

SOCIALISM—AMERICAN VARIETY LIKE ALL OTHER SOCIALISM

The American people have deceived themselves far too long into thinking of our variety of socialism, just because it is ours, as being different from the Marxist slave state throughout the rest of the world. The fact is that our present Government trend is identical in principle to other central governments which manage their people and their people's property. But for its slower and more hesitant tempo, it is like the English nationalization and the French popular front. We simply have socialism, American variety, stealing from some citizens and corrupting other citizens with the proceeds derived from the first group. We are at about the halfway stop on the road to total socialism such as Italian fascism, German nazism, and Soviet communism. The Western Powers are not yet as rough and tough and cruel in the administration of the same socialism, namely, we do not yet torture or murder.

Thank God, here and there throughout our land there is a growing anxiety about the survival of our constitutional Government and a new appreciation of it that comes only from a real danger of losing it.

Our acceptance of socialism may have been caused, so far, by ignorance and unwitting apathy. This does not change the awful fact that the Socialist cancer has already spread widely in our political body. The only cure is a rebirth of the free spirit of men and women. It is like the free elements of light, heat, rain, and soil. Freedom is explosive energy, much more explosive than atomic energy. It is the precious possession of our American society. It must be our first concern, for on it society is wholly dependent for the very pressing essentials of food, shelter, and the opportunity for the good life. This question is that practical. Yet this creative and explosive substance that we call the free mind and spirit is so delicate that it cannot be managed, controlled, or made the subject of compulsion by other mere men. Under compulsion it dries up, and scarcity, even famine, follows. It has been so in the history of man since the beginning of time.

Our forefathers knew this. So they made the whole concern of our Constition that of maintaining, protecting and extolling the life, liberty, property and pursuit of happiness of individuals. That was the central function of our Government, which was instituted in the very beginning, for that purpose. History proved them right: The American way became a gospel to the peoples of all the earth for a hundred years.

THE CHALLENGE

Shall we extend further our brief interlude of American liberty, suspended as it has been between ages of darkness gone by and the age of darkness that threatens to follow us all?

That is the challenge of our moral decision. We dare not drift into the darkness of the Marxist atheist state god, his commissars and his tyranny. Instead, we must man the political trenches and the platforms which are the election districts throughout the land. In each district we must have captains of 10 and their auxiliary forces. Already our enemies are organized in the field literally with their captains of 10 in every industrial area. Just now they are winning the battle through lack of opposition.

We can win the freedom battle decisively. Vast unused forces and manpower wait to be enlisted and organized. There are 3,500,000 little-business men. There are 7,000,000 little-property owners being hurt and liquidated. There are farmers and laborers hurt by monopolistic pressures and restrictions. They want freedom and the right to work for themselves. There are millions of retailers, wholesalers, commission men, doctors, nurses, druggists, teachers, and preachers, all ready to fight for liberty again, if led by men who have convictions that burn in their hearts for the right as against the wrong. Liberty waits once more for volunteers like you, serving as the volunteer leaders and organizers of an American-freedom movement. Then socialism, even our own variety, shall be utterly destroyed, every root and branch of it. At the same time the victory over world sovietism will be won in this battle now drawn up right here on our own American soil. God give us strength to win that battle.

The Great Conflict

EXTENSION OF REMARKS
OF

HON. ABRAHAM J. MULTER

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Monday, July 18, 1949

Mr. MULTER. Mr. Speaker, many times before I have called the attention of my colleagues to the fact that attacks upon any religion are always the forerunner of attacks upon all religions. The evidence is piled high about the Communist's attempts to destroy all religion.

I am pleased to call the attention of the House to the following editorial on the subject which appeared in the Herald Tribune of July 15, 1949, which is indeed apropos:

THE GREAT CONFLICT

In the evolution of human government, many of the sharpest, many of the most delicate, problems have stemmed from the relationship between church and state. Nearly every faith and every sect have known, at some time in their history, the poignant dilemma posed by the need of deciding what things can be rendered unto Caesar without detriment to the things that must be rendered unto God. But it is doubtful whether the lines have ever been drawn so clearly or the issue set forth in such fundamental terms, as in the solemn excommunication decreed by the Sacred Congregation of the Holy Office of the Roman Catholic Church against Communists the world around.

This is not a matter of anticlericalism, a struggle over some facet of church government. Nor is it a question which concerns merely a single phase of the activity of a single nation. It is not, in fact, primarily a policial question. The Communist dogma does not recognize the bourgeois division of responsibility which allots certain functions to the individual, the family, the church, the state. It is all-embracing, it is a Caesar who denies God and arrogates all power to himself. As such it has not only opposed churches as temporal organizations, but the creeds upon which they are based, offering its own challenge to the moral code, to the conscience of mankind. And it is for this usurpation that it stands condemned.

The most immediate impact of the excommunication decree will fall, of course, upon the predominantly Catholic countries of Europe, on both sides of the iron curtain. In some it will be a contest between the machinery of the police state, the physical power of Communist governments, and the awesome spiritual penalties invoked against those who adhere or succumb to them. In others, those same penalties will stand against those who have sought to compromise between the material promises of communism and the known disapproval of the church. In all, the inescapable need of

making an absolute choice may be expected to have far-reaching effects.

For the United States, the number of outright Communists or even fellow travelers who will be affected doubtless will be relatively small. Some of the broader implications of the decree, touching on the reading of literature describing Communist activities and Communist doctrine, may be of concern to many more. But the principal significance to Americans of the Vatican's decision is that it emphasizes in unmistakable fashion that an allegedly political movement has trespassed sufficiently upon the sphere of faith and morals to raise against itself the most powerful spiritual sanctions of a great religious organization. It illuminates the problem already confronting American government and society—the threat which is already testing and straining the liberal institutions of this country. The papal decree of excommunication demonstrates the scope and the force of the great conflict dividing the world today, and the need for the utmost vigilance by all Americans, whose principles and way of life have never before been confronted by such a massive struggle between such tremendous ideological forces.

The Fabulous Past—100 Years of California's History Is the Foundation of the Golden State's Promising Future of Hope and Progress

EXTENSION OF REMARKS
OF

HON. GORDON L. McDONOUGH

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Monday, July 18, 1949

Mr. McDONOUGH. Mr. Speaker, the progress and development of California since the turn of the century and especially following World War I and since the end of World War II continues to astonish the world with record-breaking and precedent-shattering increases in population, industrial expansion, agricultural products, construction of homes, highways, schools, water development, and all kinds of public utilities; retail trade and per capita purchasing power, mineral production including peroleum, clay products, gold and other metals to the point that during this year in which California is celebrating its one hundredth anniversary the people of the great Golden State of California has every right to be justly proud of the great struggles of the past and to look forward with great hope for the future.

A brief review of some of the record-breaking progress made by California should be interesting to the Members of Congress.

POPULATION

California has shown a phenomenal population growth since the turn of the century. In 1900 there were 1,485,000 people in the State, a figure about equal to the population increase that has taken place in California since the close of World War II in 1945.

With a population of 6,907,000 in 1940, conservative estimates indicate that the State will reach a total of 10,382,000 by 1950.

The Graduate School of Business, Stanford University, recently completed a study of California's population growth and industrial prospects. Seven statistical methods were used and the 1960 population estimates ranged between 13,811,000 and 15,153,000. Final estimates, with allowances being made for reduced in-migration and a gradual decline in the annual growth rate, show an estimate that the State will have a population in 1960 of 14,015,000.

EMPLOYMENT

A recent study of employment trends made by the Pacific Coast Board of Intergovernmental Relations shows that the increase of employment since 1940 has been numerically greater in California than in any other State. Employment averaged approximately 1½ million higher during 1948 than during 1940 and substantially higher than during the peak of the war effort. A reasonably high level of employment in the State can be expected during the next decade on account of the continued expansion of agriculture, manufacturing, distribution, and service activities.

MARKETS

Markets are dependent upon income of the people. Per capita income payments in California have ranged from 24 percent to 39 percent above the national average during the past two decades. The per capita average for the States of the far West has exceeded the national average by 18 to 32 percent. Among the large urbanized and industrial States, California is only exceeded by New York in per capita incomes.

Customers of the western market not only have higher ability to buy but also a willingness to buy. It has been observed by one marketing authority that—

> This comes from people who own their own homes, who operate farms of stable production. * * * The West is an area blessed by a high percentage of home-owning population, a fertile soil, a mild climate, and progressive forward-looking inhabitants.

In the Western States, and particularly the Pacific Coast States, the markets far exceed the 14 percent of national total indicated by population and income, including the markets for farm products, lumber, mining and oil equipment, automobiles and equipment, construction, and homefurnishings.

RETAIL TRADE

Estimates of the dollar volume of sales by retail stores in California during 1948 are $11,600,000,000 or 7.3 percent above the total for 1947. This amount was more than 3½ times the dollar volume of retail sales in 1939 and 9 percent above the national total.

California's per capita retail sales averaged $1,164 or 31 percent higher than the national per capita average of $889 during 1948. The sales of durable goods continued to increase during 1948 with the largest gains recorded by motor vehicles, building materials, and hardware.

California leads the Nation in automobile registrations. During the past 3 years about 12 percent of the country's total sales of motor vehicles and equipment has been made in this State.

Being closely allied with population and income growth, it can be expected that the State's retail trade will continue its upward trend during the immediate future.

INDUSTRIAL EXPANSION

The postwar rush of companies to build new factories and expand their plants in California reached its peak in 1946–47 and has slowed down to a more adequate pace since then. The outlook, however, is for continued industrial development. It can be anticipated that there will be further growth of older established industries based upon raw materials; an inevitable expansion of the home-market industries that follow population and regional demands; a more than proportionate expansion of industries making products uniquely adapted to needs in this market (apparel, furniture, agricultural machinery, etc.); and a less inevitable but selective broad expansion along many fronts of manufactured products formerly imported into the western area, such as segments of the iron and steel fabricating industries, chemical industries, textile and apparel groups and components of automobiles and similar assembled products.

PRODUCTION

The most significant element in the long-term growth of the American economy has been the rising productivity of labor which may be measured in output of goods and services per man-hour. This has been due largely to the increased use of machinery, inventions, technological development and improved methods of distribution.

The Stanford University study of total production of goods and services in California—noted above—indicates that the output has grown at an almost constant rate since 1860, despite wide short-term fluctuations. The rate of increase has averaged 64.6 percent per decade, as compared with 44.6 percent for population. A further growth of 48 percent is predicted between 1948 and 1960 (or 41 percent for the decade 1950 to 1960) as against a 40-percent increase for population.

The anticipated 41-percent increase in economic expansion in the State during the 1950's may seem to be excessive. However, it should be noted that the estimated rate of growth is below that of the eight or nine past decades, and is more than a third under the average rate of growth for the entire period.

CONSTRUCTION

The volume of construction in California during 1948 rose to record-breaking levels of about $2,500,000,000 or 36.3 percent above the previous year and an increase of 244 percent over 1940 levels. Construction within the State during 1949 and the years immediately to follow should continue at a rapid rate in order to provide for the huge backlog which has accumulated in recent years for new plants, plant expansions, privately owned public utility installations, schools, highways, water development, street and sewer projects and housing.

STEEL CAPACITY

A recent survey by San Francisco's Federal Reserve bank indicates that steel capacity in California will reach 2.3 million tons in 1949, showing an increase of 180,000 tons over 1948. The potential, as indicated by the survey is that more than 2.7 million tons will be reached by 1950 representing an increase of 430,000 tons over 1949 and an increase of 610,000 tons over 1948. California steel capacity has increased more than two and a half times since 1941, when the State's rating was slightly over 1,000,000 tons.

Steel men recognize that the next great development to take place in western steel will be the diversification and improvement in facilities for turning out finished products. Already preliminary plans are being made for the additional electric furnaces in the area and one firm is planning to construct and equip a large open-hearth installation.

AGRICULTURE

The gross cash farm income of California's farmers during 1948 was approximately $2,200,000,000, the largest amount ever reported in the State's history. As one of the Nation's leading agricultural producers, the expanding economy in the West with its continued population growth indicates that the outlook for the State's farmers, in general, will be for continued development.

California's specialized agriculture has already taken a large part of the postwar readjustment which has more recently become apparent in the livestock and grain growing areas of the Nation. It has some further adjustments to make, but the long term outlook favors a further growth of this basic industry, particularly along lines which will serve the increased population of the West. Completion of the Central Valley and other water storage projects under way may not bring much new land under irrigation, but they will make possible more intensive use of areas already developed and a continued increase in productivity.

MINERAL PRODUCTION

California's mineral production in 1948 exceeded $1,000,000,000, with over three-quarters of this amount due to petroleum. Other large items included natural gas and gasoline, cement, stone, salines, clay products, gold, lead, and zinc.

Although production of petroleum from California fields may continue to increase during the next decade the western market may grow to the point where imports of oil will be necessary. Natural gas has already reached that point and sizable pipe-line projects are under way to augment this State's supply.

TRANSPORTATION AND UTILITIES

Economic trends of California's publicly regulated and privately owned utilities during the postwar years include a vastly expanded demand for services beyond that indicated by the population growth.

Between 1940 and 1947 the tonnage of railway freight originated or terminated in California increased by 90 percent; consumption of electricity gained 83 percent; use of natural gas expanded 74 percent; and telephone calls increased 62 percent. With a steady growth in population during the next decade, these services can be expected to continue a healthy growth in the years immediately ahead of us.

Schweitzer—Great Scholar, Theologian, Musician, Physician, Missionary

EXTENSION OF REMARKS
OF
HON. WALTER H. JUDD
OF MINNESOTA
IN THE HOUSE OF REPRESENTATIVES

Monday, July 18, 1949

Mr. JUDD. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following editorial from the Minneapolis Tribune of July 3, 1949:

FROM DARKNESS TO LIGHT

Many great, wise, good, and talented men have visited this land in the four and a half centuries foreigners have been coming to these shores.

It would be hard to think of one man who combines in his person as much greatness, wisdom, goodness, and talent—and humility—as a bushy-haired, white-mustached, 75-year-old missionary doctor who landed in New York last Tuesday.

He is Dr. Albert Schweitzer from Lambarene in French Equatorial Africa, come to talk about another man of many gifts—the poet philosopher Goethe—at Aspen, Colo.

We first heard of this remarkable man more than 30 years ago when we read a book by him which is still a classic—The Quest of the Historical Jesus. It was clear that the author was a man of profound erudition in history, theology, philosophy, and languages.

Later we learned that he was one of the greatest interpreters of Bach—on the organ as well as in letters.

But that indicated only two sides of this many-sided man. He could build as well as play organs. He could remove malignant growths from the body as well as help men to find peace of mind and loftiness of spirit.

For Schweitzer the scholar, theologian, philosopher, and organist became equally distinguished as a medical missionary in one of the most remote parts of Africa. He is as universal a man as was Leonardo da Vinci or Goethe—a remarkable achievement in an age of specialization.

But he soared to spiritual heights which other men of genius rarely succeeded in reaching—and remained humble all the while.

Thus when the reporters asked his opinion of this and that Schweitzer did not pontificate.

"One who comes out of solitude into the world can give no message to the world—just as those who come to us can give us no message."

When they pressed Schweitzer for his opinion on the atom bomb, communism, etc., he said "those questions do not exist in the forest." When the reporters persisted, Schweitzer modestly voiced his own personal philosophy: "Give all possible liberties to all peoples—spiritual and material." That was to be expected from a man who believes that he is:

"Truly ethical who shatters no ice crystal as it sparkles in the sun, tears no leaf from a tree, cuts no flower—the farmer who has mown down a thousand flowers in his meadow to feed his cows must be careful on his way home not to strike off in heedless pastime the head of a single flower by the roadside, for he thereby commits a wrong against life without being under the pressure of necessity."

Schweitzer would have each thing that grows and breathes move forward to its appointed destiny without undue impediment. That is what he understands as reverence for life.

It is given to few to understand, still less to live by, such a code. But when a man who has attained such emancipation from worldliness, such spiritual greatness, comes our way we can at least be glad that mortals are capable of such attainments.

Albert Schweitzer we welcome you. May your days with us be happy ones and may something of your spirit remain with us.

You Can't Do Business From an Empty Wagon

EXTENSION OF REMARKS
OF
HON. JOSEPH C. O'MAHONEY
OF WYOMING
IN THE SENATE OF THE UNITED STATES

Monday, July 18 (legislative day of Thursday, June 2), 1949

Mr. O'MAHONEY. Mr. President, Dun & Bradstreet, the nationally known mercantile agency of New York, has recently distributed an old-fashioned lithograph illustrating the slogan "You Can't Do Business From an Empty Wagon." It has circulated this lithograph with a brief and pointed explanation of why this slogan should now be followed by businessmen everywhere in the United States.

I received this material from Mr. A. D. Whiteside, president of Dun & Bradstreet. I ask unanimous consent that Mr. Whiteside's letter, together with the statement, may be printed in the Appendix of the RECORD.

There being no objection, the letter and statement were ordered to be printed in the RECORD, as follows:

DUN & BRADSTREET, INC.,
July 8, 1949.

Hon. JOSEPH C. O'MAHONEY,
United States Senate,
Washington, D. C.

DEAR SENATOR: We have had the most remarkable reaction from the distribution of more than 100,000 of the enclosed lithographic print.

Apparently the recession we have felt was due to a greater extent than we thought to the mental attitude of the businessmen of this country.

It may be that the underbuying which has resulted from this state of mind will reverse itself sooner than we had expected and that business conditions may reflect even better fundamental conditions than we had anticipated.

Sincerely yours,
A. D. WHITESIDE, *President.*

YOU CAN'T DO BUSINESS FROM AN EMPTY WAGON

The old peddler, once a mainstay of distribution in the United States, knew that important fact. His wagon creaked under the weight of housewares as he started out on Monday and rattled home empty by Saturday.

Knowing where to go and whom to sell at a profit is still a fundamental sales and credit principle.

Profits are made on goods sold and delivered. Profits are made on merchandise purchased and consumed. Profits are made on a confident approach to a market.

Pinchpenny buying of a dozen when a gross is needed is wasteful and expensive to the manufacturer, distributor, and consumer alike. Empty shelves create suspicion of fear. Full stocks of fresh merchandise stimulate confidence. Selectivity invites attention and action.

Inventories are dangerous when they are the result of wrong selection or poor timing. But good management means sufficient stock to meet the daily or seasonal needs.

Buy wisely, but confidently. Buy your known requirements and benefit by established quantity discounts. Act as if you knew you were going to be in business this year, next year, and the year after.

Stock and sell. Don't let the dust gather on empty shelves. You can't make a profit without a sale.

DUN & BRADSTREET, INC.,
WM. T. VAN ATTEN,
Vice President.

An Old Story

EXTENSION OF REMARKS
OF
HON. ROBERT F. RICH
OF PENNSYLVANIA
IN THE HOUSE OF REPRESENTATIVES
Monday, July 18, 1949

Mr. RICH. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following editorial from the Gazette and Bulletin, Williamsport, Pa., of July 13, 1949:

AN OLD STORY

President Truman is following an old trick in his approach to the heavy-spending program of the Government. He is seeking to put the economy-minded citizens of the Nation on the defensive and take himself from that position.

Mr. Truman has been under fire for some months because of the wild spending spree encouraged by his administration. It is not pleasant to be constantly on the defensive. Trying to get off that spot, he used his "fireside chat" to rant and rave against the people who are trying to bring our Federal Government back to a sound financial basis.

He employed his best form to try and put the sound-thinking people in a poor light. It is the old story of a strong offense being the best defense. In his case, however, his offense is far from strong.

What is wrong with trying to have our Federal Government operate within its means? Trying to tag "selfish interests" onto those sincerely seeking to strengthen our Government falls flat, because it does not make sense.

Everyone knows you can't go on spending more than you take in and for that reason the people of the United States know our Government cannot go on spending more more than it takes in through taxes. Extravagant waste by Federal agencies is so well known throughout the country that any effort of Mr. Truman to try and paint a different picture are futile. It is generally known that Federal expenses could be greatly reduced without harming efficiency and service, if there was a sincere effort made.

Too many successful men and women are urging a reduction in Government for Mr. Truman to try and call them "selfish interests." Their interests are to have a strong Federal Government from a financial view, because they know a debt-ridden Government is harmful to the people as well as inefficient.

It is time Mr. Truman stopped being a politician and started being an efficient administrator and director. As President of these United States he is supposed to administer its Government in an efficient, business-like manner, but he certainly has not done any better as President than he did as haberdasher back in the years after the First World War. Remember then he went bankrupt and now, after another war, he is striving for a program that will bankrupt the Nation.

Failures always try to blame others for their plight and Mr. Truman is no exception.

Operation of United Air Lines at Salem, Oreg.

EXTENSION OF REMARKS
OF
HON. WALTER NORBLAD
OF OREGON
IN THE HOUSE OF REPRESENTATIVES
Monday, July 18, 1949

Mr. NORBLAD. Mr. Speaker, the proposal of the Civil Aeronautics Board to cancel the franchise of United Air Lines to operate at Salem, Oreg., seems more than absurd when we examine the large increase of business by that air line at Salem since the war. Passenger revenue at that station in June of 1946 was $8,000; in the same month of this year it had grown to $29,000. In June of 1946 there was no air freight handled at Salem by United; in June of this year it totaled 20,000 pounds. Air express shipments increased over 700 percent in this period and air mail 300 percent. In the face of these facts how can the CAB in any way even consider making a change in this growing and profitable service which is of such benefit to this highly important part of the State of Oregon. Under leave to extend my remarks, I include herewith an editorial from the Capital Journal on this subject:

FIGURES CONTINUE TO FAVOR UNITED

Salem awaits with interest what West Coast Airlines has to say about its proposed serving of the city. That air line seeks to take the place of United Air Lines, which has been tying in the capital with Mainliner transcontinental service since 1941. West Coast will present its case to Salem next week.

Meanwhile, a comparison of United's service in and out of McNary field in 1946 and now, continues to make the Civil Aeronautics move to oust the Mainliner outfit here seem completely out of reason.

In June 1946, United passenger revenue for Salem amounted to $8,020. The same month this year the company took in $29,700 in passenger revenue. That is an increase of well over 300 percent—not bad in any business.

What about air freight? United handles air freight, but West Coast, which wants to be substituted, does not. In June, 3 years ago, United did not handle air freight out of here. But last month United showed 17,300 pounds put on here and 3,500 pounds taken off in air freight. These figures are for only 1 month. That's better than 20,000 pounds.

In air-express shipments, the McNary field station of United showed an increase of 775 percent for last month over the same month 3 years ago. In air mail handled by the air line, the increase for the month over the same month 3 years ago was 300 percent.

These United figures merely substantiate the case that Salem is drawing up to keep the United Air Lines station here. The city's position would be jeopardized if adequate, transcontinental air service were not offered. A feeder-line service, like that of West Coast, could be in addition.

The city has the right to expect—and demand—that the basic Mainliner service of United be maintained and not discarded as the CAB is considering doing.

Mental Suffering Under Chinese Communists

EXTENSION OF REMARKS
OF
HON. WALTER H. JUDD
OF MINNESOTA
IN THE HOUSE OF REPRESENTATIVES
Monday, July 18, 1949

Mr. JUDD. Mr. Speaker, under leave to extend my remarks in the RECORD, I include a very revealing letter just received from a city in China which has been for several months under the Communists. The writer is a highly cultured western woman married to a Chinese professor. The letter is adroitly written to get by the Red censors. It tells volumes regarding what actually happens when a community is liberated by the Chinese Communists who were sold to America by their apologists as being just patriotic peasants bringing the blessings of modern democracy:

MAY 20, 1949.

It seems that new mail has arrived in X, and so I am sure our mail must leave too. When for weeks we do not get anything, we do feel that we are living behind a kind of curtain. * * * But lately Christmas parcels have been arriving. If the duty is too high and it is at least a 100 percent of the value put on the parcel, we are forced to return it to the sender. I had two pair of nylon stockings, but the duty I was asked to pay amounted to just half of our monthly salary. So I had them return the parcel to the sender.

* * * We met a minister who is now registered as carpenter, and because of that he has been doing quite a bit of carpentry jobs * * *. I go to church whenever I am free. It is a very nice change to be sitting again with old friends * * *. Reading a good English book is one of the most stimulating recreations I can get now. I had a parcel of clothes from my sister (and fortunately there was no duty on it) and that made me extremely happy. Beautiful underwear, lovely slips, an evening dress. Then I realized with force how very reactionary my thoughts were, how very feudalistic; for I should not be wanting to wear lovely things, I should not mind dirt, I should abhor books written by people with imperialistic backgrounds. I should with all my heart believe in lowering of cultural standards, I should emphasize the importance of giving a medical degree after 2 years of study, of abolishing literature, law, social sciences, languages, history, even biology and chemistry, etc. I should keep in mind that anything coming from your side of the world is tainted with dangerous prejudices and wrong attitudes,

and above all, I must remember that materialism is the end and goal of all. I must forget completely that science has advanced to the knowledge that our existence is "physio-psycho" determined. All those new-fangled ideas are the product of false thinking and can only be produced by selfish capitalists. Yes, I have to learn very much. My husband thought he was going to lose his reason, but he has now learned to look at things from the right perspective.

* * * We long for news, we long for ideas, we long for peace. This world is filled with suspicion and fear. Yet, there should be love and generosity. Fear comes from a guilty conscience. It is really a dreadful waste of time and life to do anything wrong.

Life is one big lesson. There are a few simple truths and the rest is the application of those truths. * * *. Everything changes constantly. Human beings and their words can't be relied on. Change, change, but that also may mean for the better * * *. Prices have risen so rapidly that our income is far too small for our needs. Of course, we are all supposed to lower our standards; I must learn that. So you see how much I am still lacking and how much I should learn yet.

British Experience Favors Balanced Services

EXTENSION OF REMARKS

OF

HON. ROBERT L. F. SIKES

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Monday, July 18, 1949

Mr. SIKES. Mr. Speaker, I have repeatedly emphasized before the House the importance of adequate national security through strong and properly coordinated armed services. For ability to speedily strike paralyzing blows in the event of emergency, I have urged strong air arms, both Army and Navy. But in order that we may keep the sea lanes open and follow through by ground operations to a successful conclusion, I have urged that land and sea forces likewise be kept strong.

There are those who think we have arrived at the stage of push-button warf re, but we have not. While our experts are planning for the future and whatever threat it may bring, we must remember we are living in the present and we must be prepared to defend ourselves and to win against present-day actualities.

In order that we may not be transported into a dream world of dependence upon one weapon or even one service, it is just as well that we occasionally refresh our memories with the hard facts of experience.

In 1946 hearings on unification of the armed forces were in progress before the Senate Naval Affairs Committee. A great volume of testimony was offered and much of it was valuable. Some that struck me as extremely important was submitted by Capt. J. P. W. Vest, of the United States Navy. I want to call it again to the attention of the House and I know of no better way than through the very able pen of Frank A. Kennedy, Washington columnist who recently featured my interest in Captain Vest's testimony in his column.

I submit therefore Mr. Kennedy's entire column, followed by an editorial showing the interest of the Jacksonville Journal, and finally I submit the Vest report before the Senate Naval Affairs Committee.

CAPITAL VIEW—SIKES PRESSES SEARCH FOR PERTINENT DATA SUPPORTING NAVY AIR ARGUMENTS

(By Frank A. Kennedy)

SIKES FINDS ANOTHER DOCUMENT

Congressman SIKES has rediscovered—and is preparing to reemphasize another official document which bears directly and pertinently on the status of naval aviation in the field of strategic air warfare.

Some weeks ago he obviously shook up the Joint Chiefs of Staff when he chided them for classifying as top-secret a document known as the Scanlon report which, according to his earlier information, described the superb air cover which the Navy provided during the occupation of Leyte in the Philippines in the fall of 1944. His colleagues on the Armed Services Appropriations Subcommittee may hear more about it in a more formal manner later.

The new document which the Crestview Congressman has unearthed carries no confidential classification at all—but it is just as pertinent to the current controversy between the Navy and the Air Force. It appears on page 337 of the hearings of the Senate Committee on Naval Affairs, Seventy-ninth Congress, second session, on the Unification Act. Like scores of other documents turned out by the committees of Congress, its contents attracted only casual notice and it was promptly forgotten. Perhaps there are not a dozen Senators and Congressmen now serving on Capitol Hill who ever heard of the testimony of Capt. J. P. W. Vest, Chief, Aviation Training Section, in the Office of the Deputy Chief of Naval Operations (Air). It is Mr. Sikes' intention to bring it to their attention.

CAPTAIN VEST'S TESTIMONY

Congressman SIKES has little doubt that the brilliant testimony of Captain Vest had a heavy effect on the Unification Act as it later was approved by Congress. Most of the major recommendations of this distinguished naval officer were incorporated in the measure. Mr. SIKES now believes, however, that the Vest testimony, if perused by Congress again, may serve to reinforce the judgment of many Congressmen who in recent months have become uneasy about the future of the Navy's air arm. Many of the Members were reassured by Secretary of Defense Johnson's directive to refit two of the 45,000-ton flattops for strategic air service. Mr. SIKES now wants to bolster these reassurances by reviving the Vest testimony—and perhaps coupling it with the top-secret Scanlon report later. In his testimony before the Senate Naval Affairs Committee, Captain Vest reviewed and compared the development of air power by the United States and Great Britain between the two world wars. He pointed out that the Balfour committee, in setting up the Royal Air Force in 1923, took the opposite course from the American Morrow Board. The Balfour group created the Royal Air Force coequal to the British Army and the Royal Navy. The Balfour plan had the practical effect of creating a caste system, with the Fighter Command the elite top outfit, the Bomber Command in a slightly lower level, with the Coastal Command and the Fleet Air Arm trailing woefully. Assignment to the Fleet Air Arm was for a 2-year period only, with the loss of many shore privileges. Few fliers ever sought a second hitch with the Navy.

The Balfour plan carried these glaring faults into aircraft design and procurement. The Fleet Air Arm was forced to operate mostly with the cast-off planes of all the other services, and the Coastal Command was only an outfit on paper.

MORROW BOARD

Captain Vest then turned to the American Morrow Board which, acting virtually on the same information as the Balfour Committee, took the opposite course. Between the two wars, American air power was developed separately within the frameworks of the Army and the Navy. There was no priority systems, either, for personnel or appropriations. The results, Captain Vest pointed out, were startling, especially as they pertained to the American Navy's air power. He gave due credit to the British Spitfires of the Fighter Command which were unsuitable, however, for operation from carriers. He showed how the American carrier planes were 10 to 15 years ahead of their British counterparts, and that the British had realized their mistake too late. It was only 6 months before the outbreak of war in 1939 that Great Britain changed her system, and organized her Fleet Air Arm along American patterns—too late, of course, for effective fighting until very late in the war.

NORWAY-CRETE-SINGAPORE

The Vest testimony further outlined the tragic consequences of the Balfour Committee blunders. The disastrous campaigns in Norway, on Crete and at Singapore followed inevitably, he said, because the Royal Navy was without effective air power, either for its own defense or to give air cover to British troops ashore on a hostile coast. It was pointed out, too, that the British Fleet Air Arm did not become an effective striking force until all its carriers had been equipped with the latest type of United States Navy fighters and torpedo aircraft, and until the American Navy's administrative practices were adopted almost in toto. Captain Vest expressed the same fear which Admiral Richardson uttered in other testimony, that unification might ultimately destroy the identity and effectiveness of naval air power, a fear which the Unification Committee presumably felt, too, in protecting the Navy's Air Command from complete absorption into the Air Force.

SIKES FOR UNIFICATION

Congressman SIKES is not trying to unscramble the unification eggs—quite the contrary. He always has favored the unification of the armed services, and his chief criticisms have been directed at the slowness with which effective unification is being accomplished. He believes, as always, in the necessity for dominant American seapower, and he subscribes to the Navy's view that the Navy's Air Command should be autonomous but with close liaison with the other two services. It is for this reason that he is assembling and bringing again to the notice of Congress the most authoritative opinions from the most competent sources to bolster the Navy's case. Both in the Vest testimony and in the undisclosed top-secret Scanlon report, he believes that he has found such information.

The Crestview Congressman can reinforce the Vest testimony out of his own experiences, too. Hundreds of British fliers were trained at Pensacola during the war, and Mr. SIKES had occasion to talk with scores of them. He can report their amazement and admiration at the American Navy's training system—so far in advance of the British system that comparisons almost were impossible. The Congressman does not intend to drag any of his British friends into the current controversy, but he is assuring his colleagues that some of the British opinions of their own set-up were much more caustic

than anything Captain Vest told the Senate Naval Affairs Committee. The formal British adoption of the American system early in the war was proof enough. Mr. SIKES is convinced, that the British conceded our superiority quite frankly.

MORE TO COME

Congressman SIKES presumably is unready to concede that he has completed his case for seapower supported by air power. He feels sure that there are other pertinent documents like the Vest testimony and the Scanlon report, secret and nonsecret. When it was offered in 1946, the Vest testimony interested only a few members of Congress and made no imprint on the public mind at all. Now it is extremely pertinent to the current controversy over air power—Navy versus Air Force. Mr. SIKES is looking for more of the same.

Capitol Hill apparently is convinced that the real showdown may come next winter, when the 1950–51 budgets of the armed services are presented to Congress. These new budgets now are in course of preparation but will not be completed until sometime in December. The undercover tug of war between the three services assuredly is in full swing now, but Congress is so vitally concerned with the situation that it seems clear that Capitol Hill, not the Joint Chiefs of Staff, will make the final decision. Congressman Sikes hopes that his accumulating data will help to shape it.

[From the Jacksonville Journal of July 10, 1949]

REPRESENTATIVE SIKES IS ON THE JOB

Jacksonville is deeply interested in the controversy in Washington about "unification" of the armed services. There has been much talk that the Navy's wings would be clipped if certain plans went through. This, obviously, would affect this area, because of the large naval air station here.

One Congressman who has been diligently pursuing the facts about the armed services is ROBERT L. F. SIKES, of west Florida. His research has been noted from time to time in the articles by Frank Kennedy, the Journal's Washington correspondent.

On this page today the Kennedy column is devoted entirely to Mr. SIKES' activities in connection with naval aviation. It is recommended reading.

The armed services controversy is by no means resolved, though it seems evident that Secretary of Defense Johnson is intent on "knocking heads together" and getting things unified. It would appear, also, that he is not deeply impressed by the power of naval aviation. His precipitate action in canceling work on the Navy's supercarrier gave a good slant on his attitude.

Secretary Johnson caught plenty of criticism for that. In fact, some Congressmen talked about an official investigation, but that has been postponed.

Apparently, though, the criticism did register. For subsequently Mr. Johnson approved modernization of two Essex-class carriers to cost upward of $100,000,000. Presumably the improved carriers would be able to carry planes which could carry the atomic bomb.

This may have mollified supporters of a strong naval air arm, though it did not undue the cancellation of the supercarrier. In other words, continued alertness is in order by Congressmen and citizens. The Nation wants a strong Navy, a strong Air Force and a strong Army. And it doesn't want one gobbling up the others.

Mr. SIKES' alertness is commendable. It will do much to influence the course of the military reorganization plan.

(The following statement was submitted by Capt. J. P. W. Vest, Chief, Aviation Training Section, in the Office of the Deputy Chief of Naval Operations (Air), for the Record of Hearings before the Senate Naval Affairs Committee on S. 2044 (amended):)

JULY 11, 1946.

My statement has been prepared to cover two distinct matters. Part I deals with the experience of the British with their combined Air Force organization and the resultant effects upon British naval aviation and the Navy as a whole. In part II, I shall attempt to describe some of the specific implications, as concerns naval-air training, of the proposal to divorce land-based aircraft from naval control.

PART I

My comments upon the British experience are based primarily on personal observation and contact. In the spring of 1941 I was sent to England as a naval observer and remained there until the spring of 1942. Subsequently, in 1943, I served as a member of the Allied Antisubmarine Board, a combined organization of United States and British naval and air officers, at which time I was able to continue my close observation of the British organization. I am aware that the British experience has frequently been cited in connection with our own consideration of the advantages and disadvantages of a unified air force; nevertheless, I have been so deeply impressed with the lessons which we may learn from this British experience that I shall venture to trespass upon the committee's patience by reviewing in some detail the history and results of the British organization.

Very early in my tour of duty in England I was impressed with the inadequacy and ineffectiveness of British naval aviation as compared with our own. Naturally I was at some pains to discover the underlying causes for the glaring defects noted, and took occasion to discuss the matter with a great many British officers, both naval and air. Invariably these discussions led back to the reorganization of the British Air Forces which took place following the First World War, when the decision was made to place control of all air matters in a single department. No one reading discussions which led up to that decision can fail to be impressed with the similarity between them and the claims now advanced as to the advantages of such unification or to the arguments we now hear as to why the Navy should be limited in its control of certain aircraft types. It is quite clear that those who considered the question and made the decision had the benefit of every argument pro and con which is currently being presented in connection with the proposed reorganization of our own Air Forces. The basic difference is that the responsible British statesmen of 1919 were dealing with a theory; we, on the other hand, have the tremendous advantage of the actual experiences, in peace and war, which resulted from their decision.

In World War I British military aviation developed two separate organizations: The Royal Flying Corps and the Royal Naval Air Service—the latter an integral part of the navy, composed of both landplanes and seaplanes. In 1919 these two were combined into the Royal Air Force, which, under the Air Minister, was assigned operation of all military and naval aviation. In retrospect it is interesting to note some later British comment on this action. I quote from an article appearing in 1945:

"The history of exactly how it was put over has never, so far as the writer knows, been authoritatively presented to the public, particularly the Admiralty's side. In the official history the subject will be seen to be very lightly skated over. It must, however, be remembered that the Prime Minister was to all intents and purposes a dictator. The Board of Admiralty appears to have been somewhat supine, but it was probably subjected to very severe pressure. Whatever the cause, the Board of Admiralty seems to have been either unable or unwilling to put up any effective opposition to the proposal to rob the Royal Navy of its air force."

The moving spirit in this reorganization was Air Marshal Sir Hugh Trenchard, the Chief of the old Royal Flying Corps, who became Chief of the Royal Air Force and later, as Lord Trenchard, served as Air Minister. This remarkable man, possessing great force of character and an unusually strong personality, completely dominated British aviation for nearly 25 years. One cannot help but draw comparisons between Trenchard and our own Gen. Billy Mitchell. They were contemporaries in age and position and the ideas they advocated were very nearly identical. The difference lies in the fact that Trenchard achieved his objective and was able to establish his unified and independent air force. In this country, the Congress rejected General Mitchell's proposals for a similar organization.

In 1919 Trenchard submitted the basic organization for the Royal Air Force, which was approved by Winston Churchill, then Secretary of State for Air. This document, which remained an effective guide for the Royal Air Force throughout the interwar period, contained a most significant paragraph:

"The principle to be kept in mind in forming the framework of the air service is that in the future the main portion of it will consist of an independent Air Force, together with service personnel required in carrying out aeronautical research. In addition, there will be a small part of it specially trained for work with the Navy and a small part specially trained for work with the Army, these two small portions probably becoming, in the future, an arm of the older services."

Mr. C. G. Gray, the foremost British aviation writer and a great admirer of Trenchard, makes a very pertinent comment on this statement in his history of the Air Ministry:

"For years while he was Chief of the Air Staff, Sir Hugh Trenchard had to fight against continual attacks from the Admiralty, which did its best to get the Navy side of the Air Force into its own hands. Sir Hugh was determined that the RAF should not be split until it had grown big enough and strong enough and had acquired a powerful enough tradition of its own to place it worthily alongside the two senior services. Consequently he purposely shelved his own forecast that the two small portions which worked with the Navy and with the Army would become arms of the older services and insisted on keeping the Royal Air Force one and indivisible. So well did he build the service that the Fleet Air Arm was not handed over to the Navy until early in 1939, and by that time the expansion of the Royal Air Force had reached such a stage that the small portion which was lopped off for the use of the Navy was hardly noticeable."

I do not believe we can find a better example of the inevitable result of assigning a naval function to an air force. With the best possible intentions on the part of the responsible Air Force leaders the Navy function must gravitate to a minor position with consequent neglect and deterioration. This will be true whether the function assigned to the Air Force is the whole or a part of the naval air function.

The organization as set up in 1919 was so unsatisfactory that the Navy brought continued pressure to bear for a revision which would restore to the Navy control of its own aviation. In 1923 the question was referred to the Committee on Imperial Defense, then headed by Lord Balfour. Here, again, we run into a remarkable parallel between the history of this question in this country and in England. In 1923 the Balfour committee considered essentially the same questions which were presented in this country to the

Morrow Board in 1924. The essential questions before each of these boards were:

(a) A united air force, and

(b) The control of naval aviation.

The same arguments in nearly identical words were presented in each case, but the two boards arrived at diametrically opposite decisions. The Balfour committee reaffirmed the status of the Royal Air Force in its unified control of all aviation, including naval aviation, with only minor concessions to the Navy's position. The Morrow Board decided against a united air force and in favor of the retention of naval aviation as a part of the Navy. From that time until the outbreak of the recent war neither country deviated materially from these decisions. At the time they were made the whole question undoubtedly appeared largely academic to all but those immediately concerned. It is extremely doubtful if the general public or even the majority of the legislators of either country could have foreseen at the time the consequences of these two diametrically opposite decisions.

Nevertheless, in retrospect it may be seen that these decisions had a controlling effect upon the development of both British and American aviation, and particularly naval aviation, during the entire peacetime period, and a most profound effect upon the wartime operations of both services. I think it is worth while to trace these developments in broad outline.

A most important point to be noted in the British program, as confirmed by the Balfour committee, was that responsibility for design and production of all military aircraft was assigned to the Air Ministry. This was in accordance with all the arguments advanced at that time (and now being heard in connection with our own discussions) as to the advantages and economies to be achieved through centralized control of research, design, and production. I am not prepared to estimate the scale of possible economies under such a system, although I am personally convinced that they are far less than represented by the advocates of unification; but I am quite clear as to the disastrous results stemming from 20 years of this system in Great Britain.

Let me emphasize again that the organization adopted there made the Air Ministry, which was in effect the Royal Air Force, exclusively responsible for all aviation research development, design, and production, including that for the Navy and Army air requirements. The Navy was permitted to submit its requirements to the Air Ministry and in theory was given a voice in the final decisions and relative priorities. In practice this did not work out, and over a period of years the Navy was forced to accept aircraft in types and numbers only as permitted by the Air Force. As a result of 21 years of this system the British aircraft position, as I observed it in 1941 after a year and a half of war effort, was approximately as follows:

(a) The Royal Air Force had developed, in barely sufficient quantities, probably the best fighter plane in the world at that time, the Spitfire. This represented the major effort and the major contribution of the Royal Air Force to national defense. There is no question but that radar and the Spitfire saved England from invasion during the battle of Britain, and provided one of the critical turning points of the war. Nevertheless, the design and characteristics of the Spitfire made it essentially a defensive weapon which reached its maximum value only when the British found themselves literally with their backs to the wall. It did not have the capability of carrying offensive war to the enemy overseas.

(b) Aside from the Spitfire and its near copy, the Hurricane, all British aircraft were at best second rate. In the bomber category the Wellington and Stirling, the mainstays of the bomber forces were so inadequate that the Air Force was unable to mount any sort of an effective bombing attack until they were replaced with improved models. These improved models, the Halifax and Lancaster, were not available in effective numbers until late in 1943, and even then were inferior in nearly every respect to our own Fortresses and Liberators. In the Coastal Command, which was assigned the mission of overwater reconnaissance and antisubmarine warfare (those functions performed by our own land-based naval aircraft) there was in existence a reasonably good four-engine flying boat, the Sunderland, but in such small numbers as to be entirely inadequate for the task. Aside from this, the Coastal Command entered the war with only obsolete light bombers cast off from the Bomber Command and in no way designed for or suitable to the assigned tasks. The situation was so intolerable that almost immediately after the start of the war the Coastal Command turned to this country and purchased large numbers of the Lockheed Hudson, a twin-engine medium transport originally designed for commercial purposes. Even though a commercial design, this plane was so far superior in performance that it was preferable to any military design provided by the Air Ministry for overwater work, and for the first 2 years of the war was the mainstay of Coastal Command operations. I do not mean that it was entirely satisfactory, for it was not; it was limited in range and armament and was effective against the submarine only up to about 300 miles from land. By the end of 1944 the Coastal Command was largely reequipped, not with aircraft produced by the Air Ministry, but by American military and naval aircraft suitable for its purposes—Catalinas, converted Fortresses and Liberators, and Mariners. It is difficult to estimate the cost in money and lives and in lengthening of the war resulting from this inability of the Coastal Command to deal with the submarine menace, but it was enormous.

(c) In the purely naval category the situation can only be described as pathetic. The standard British carrier fighter was the Fulmar, a two-seater with a performance so low that only by courtesy could it be classified as a fighter. It was about equivalent to our own naval fighters of 10 years before. It was totally incapable of carrying offensive strikes to the enemy or even of protecting its own fleet. The Air Ministry had no improved shipboard fighters in production or even in advanced blueprint stage. The Spitfire and Hurricane fighters mentioned above could not be operated from carriers. The British Navy could only turn to the United States Navy for a suitable shipboard fighter, and by the end of 1942 replaced all the Fulmars with our own Grumman Wildcats. In the torpedo-bomber category the standard British plane was the Swordfish, an obsolete biplane very similar in design and performance to our own carrier torpedo planes of about 1932 (all of which were replaced by higher-performance modern aircraft in 1938). The Swordfish did useful work at Taranto and against the *Bismarck*, but at fantastic cost in losses. An improved design, the Barracuda was brought out in 1942, but was found to be greatly inferior to our own Avenger, and before the end of the war all British carriers were equipped with Avengers, designed and built by the United States Navy. As for dive bombers, which proved to be the most effective carrier type against both sea and land targets, the British had none, either land or carrier based. While the United States Navy was developing this weapon, from 1926 on, and the Luftwaffe was following far behind in our tracks, the Royal Air Force made the categorical decision that this type of attack was ineffective and rejected all development along these lines. The British Navy, perforce, had to accept this decision. It is interesting to note in passing that the United States Army Air Corps reached a similar conclusion; but because the Navy was independent of its control we were able to proceed with the development of the skills and equipment necessary for dive bombing and so bring it to the high stage of effectiveness which made it of such incalculably great value during the war.

(d) So far as the Army Cooperation Command, which was assigned the mission of supporting ground forces, was concerned, the situation was even worse than the Navy's. The Royal Air Force had produced not one single aircraft suitable for ground-force support, and in fact, the entire organization was largely on paper. The general plan had been that ground-force support would be drawn from the mass of Fighter and Bomber Command aircraft, but in the event it soon developed that not only were these aircraft not suitable for the purpose, but the pilots lacked any adequate training or interest to equip them for the task. As a result British ground forces throughout the early years of the war, in France, Norway, and Crete, were forced to fight with neither air cover nor air support. The disastrous results are history.

So much for the end results of 20 years centralized, dictatorial control of military aircraft design and production. If indeed this unified production resulted in any monetary saving during that time I am quite sure that such saving was wiped out many times over by the awful military losses which resulted from inadequate Navy and Army support aircraft in the early years of the war.

The same unbalance which I have described in terms of material development was apparent in the over-all status of the various branches of the air force. I believe these discrepancies were inherent in the organization and mission on which the concept of a unified air force is based. The primary task of an air force is to provide air power and on such a basis what we may term pure air power will always gravitate to a position of higher preference than air power designed for use as a part of the ground and sea arms. Certainly this is what occurred in England. As of 1941 the air forces were organized generally as follows:

(a) The Fighter Command: This represented the cream and the crowning effort of the entire RAF. Its mission was the defense of the British Isles, and over a long period of years it was given top preference for equipment, personnel, and funds. The highest goal of every ambitious Royal Air Force officer was to serve with the Fighter Command, and assignment to this force was used as a reward for merit and outstanding work. As a result, the best of the Air Force personnel gravitated to the Fighter Command, and the most rapid development of tactics and advanced thinking were concentrated there. The result was a highly effective force which paid valuable dividends in the critical Battle of Britain. But I think it important to note that this fighter force was not superior to our own fighter organizations in the Army Air Forces and the Navy; only, unlike our own fighter forces, it was developed at the expense of rather than in conjunction with the other types necessary to make up a balanced military force.

(b) The Bomber Command: This was second in preference only to the Fighter Command, both in material and personnel. The Bomber Command represented the concept of offensive air power, and following Dunkerque and the Battle of Britain, for a long period constituted practically the only offensive weapon within the British capabilities. Even so, it had suffered so many years of a second-rate position that it required nearly 4 years of strenuous effort after the outbreak of the war before the Bomber Command was able to mount a really effective attack.

(c) The Coastal Command: Its missions included overwater reconnaissance, protection of shipping, antisubmarine warfare and attacks on enemy shipping and naval forces. These missions, it will be noted, are those which in our own organization are the function of naval aircraft, both sea- and land-based. They are outside of the field of what may be termed pure air power. Holding at best a third-rate position of preference in the scheme of a separate and united air force, the Coastal Command entered the war poorly equipped, as I have previously noted, inadequate in size, and manned by personnel who had not been trained properly for operations in sea warfare. This latter defect became glaringly evident early in the war, and in 1940 in an abortive attempt to compensate for this mistake, operational control of the Coastal Command was transferred from the Royal Air Force to the Admiralty. This attempt at reform, however, occurred a great many year too late and was only a partial solution. It was not possible to overcome the inherent handicap of years of separation from the Navy, nor to make up for the lack of proper training and understanding of naval warfare on the part of Royal Air Force officers who manned the Coastal Command. Nor did the Navy, after years of being denied their own shore-based aircraft, have aviators or other personnel competent to take over these duties.

(d) The Fleet Air Arm: After 20 years under the control of the Air Force, it was handed back to the Navy in the spring of 1939, just 6 months before the outbreak of the war. This did not consist of all types of aircraft required by the Navy, but only of carrier- and ship-based aircraft, and a minimum of shore air stations for their support. I have already described the aircraft with which this Fleet Air Arm was equipped. The personnel situation was no better. Throughout the period of control the Royal Air Force, assignment to naval duty was considered as little better than punishment by most young Air Force officers. I quote here from a British naval publication which reviewed the subject:

"Service with the Fleet Air Arm was usually for 2 years. It was allowed to count as foreign service, even in home waters. Officers lost many of their shore allowances while serving in it, thus assuring its unpopularity among them. Having once served his 2 years, it was unusual for even a long-service officer ever to serve in it again, so that the time and effort spent in training him was lost to the Navy forever. Under this system it was obviously impossible for the Navy ever to train younger officers in naval aviation to fill the higher positions; later this became obvious when the Air Ministry had to nominate officers as wing commanders of carriers who were without previous sea experience. This is in no way to belittle the excellent work done by many wing commanders and squadron leaders, RAF, who served as senior air officers in aircraft carriers, but there was not sufficient continuity, there were divided loyalties, and no provision was being made for the future. Few, if any, Air Force officers would be prepared to jeopardize their careers by continuous service with the Navy, even if the Air Ministry would allow it.

"The Admiralty, continually prodded by the successive commanders in chief of the principal fleets, made several attempts to have the whole question reviewed, but without success. The Prime Minister eventually ordered that the subject was not again to be broached. Naturally, the situation was not hidden from the ambitious young naval officer who, having selected the Navy as his career, became doubtful of the wisdom of specializing in a branch whose future appeared shaky."

When after 20 years of muzzling and neglect the Navy was given back control of its own Air Arm its condition can best be described as being at least 15 years behind our own in development. And 6 months later the war burst upon it.

One of the most serious byproducts of this system was the lack of knowledge of the capabilities and limitations of aviation on the part of the senior British naval officers. This was the inevitable result of their being deprived as young officers of the opportunity either to participate in the employment of aviation or to serve as actual aviators and so to acquire an intimate knowledge and understanding of aviation. Consequently, as senior commanders, even when the Fleet Air Arm was returned to the Navy and the Coastal Command placed under their operational control, they lacked the background to enable them to use their air forces effectively. Many of the disasters which overtook the British Navy during the war may be traced to this lack of background.

(e) The Army Cooperation Command: The portion of the Royal Air Force assigned the task of furnishing support to the ground forces was, as I have already mentioned, even worse off than the Fleet Air Arm. It was essentially a paper organization, and what personnel were assigned to it were the leftovers from all of the previously listed commands. It was totally ineffective throughout the first 4 years of the war.

(f) The final element of the RAF organization was the Training Command. This command was well organized and reasonably well equipped to produce pilots, air crewmen, and mechanics for the Royal Air Force. However, the scheme of unification provided that all personnel for service with the Navy and Army elements should also be trained by this command. This system, from the standpoint of the Navy and Army, had the fatal defect that not only the technical training given but also the military training, tactical viewpoints and esprit de corps imparted to the students during this impressionable stage was strongly slanted to Royal Air Force concepts. Inevitably the young students came to look on the Air Force as the only desirable assignment upon graduation and, in fact, it became the general practice that only the lower standing students were assigned to flying duties with the Navy and Army. A number of thoughtful British naval officers stated to me their opinion that the denial to the Navy of the right to train students to the Navy standards and particularized requirements was, in the long run, an even more serious handicap than the Navy's inability to secure properly designed aircraft and equipment. I am strongly inclined to agree with this view. If aviation training included only the training of a student to fly an airplane it would undoubtedly be quite feasible and satisfactory to combine the aviation training of all services. In actual fact, however, the task of a training organization must include not only the teaching of flying ability but training in the tactics, the particular military requirements and the esprit de corps of the organization in which he is to serve. So long as these differ for the different arms it is essential that each service control its own training, particularly in the early stages.

In retrospect, the situation which I have outlined was the logical and inevitable result of the unified control of the military air resources of Great Britain being assigned to the RAF in 1919. By the very nature of segregation of aviation under an air commander, the needs of the Army and Navy were neglected in favor of the so-called pure air power. The proof of the pudding is appallingly evident in the history of the first 3 years of the war. In the Norwegian campaign the lack of carrier-based air power, either offensive or defensive, made it impossible for the British Navy either to intercept the German invasion or to support the ground forces landed there to oppose it. Without this air-naval support, which could not be substituted for by the Air Force, the humiliating defeat which occurred was a foregone conclusion. In France, in 1940, the RAF completely failed to furnish the air support which might have enabled the ground forces to check the German drive. Again, defeat was the logical result. In Crete, the following spring, the Navy had no effective carrier force to bring air power to the area, which was beyond reach of the RAF fighters. Lacking this air power, the naval forces were ineffective to oppose an invasion, and another humiliating and expensive defeat was inevitable. At Singapore the naval power represented by the *Prince of Wales* and the *Repulse*, which with proper air support might have smashed the entire Malaya invasion, instead was destroyed by unopposed Japanese aircraft. Thereafter, the fall of Singapore with its appalling consequences on the course of the war was only a matter of time. In the Battle of the Atlantic the British Navy's lack of suitable aircraft and properly trained air personnel to combat the submarine resulted in fantastic losses of ships and lives and incalculable lengthening of the war, and very nearly resulted in a fatal loss of control of the Atlantic sea lanes. This situation was not finally saved until the American Navy with its naval airpower was able to assert itself.

As I have said before, it is probable that in 1923 the question considered by the Balfour committee seemed largely academic to the general public and possibly to a considerable number of the members of Parliament. I have no doubt that Air Marshal Trenchard and the other enthusiasts who so vigorously urged unification of all air under a separate air force at that time were sincere in their beliefs as to the wisdom of their course, and the benefits to be derived by unified control and yet those decisions led inexorably to the disasters of Norway, France, Crete, and Singapore, and the near disaster of the Atlantic. In contrast, we can be thankful for the wisdom of the Morrow Board and the Members of the Congress who supported our recommendations for the balanced air, air-land, and air-sea power. Application of those principles enabled us to defeat the submarine in the Atlantic, transport and support our ground forces overseas, and, finally, by our magnificently equipped and trained carrier- and land-based naval air forces, to carry the war 5,000 miles across the Pacific to the Japanese homeland.

PART II

I come now to the second part of my statement, which is concerned with problems of training involved in the proposal to transfer the functions of antisubmarine warfare, fleet reconnaissance, and protection of shipping by land-based naval aircraft to the now Army Air Force. I emphasize the training aspect because I am presently serving as Director of Aviation Training in the Office of the Chief of Naval Operations, and in the event that such transfer were effected this problem would be my immediate concern. Because of this, I am naturally giving the matter considerable thought and study.

It is a little difficult to be entirely specific because the proposal itself is so broad and nebulous as to leave many questions unanswered. As a basis for consideration and discussion, I have been forced to make certain assumptions, which I set forth below:

(a) Aircraft units assigned the functions of overwater reconnaissance, submarine warfare, escort of shipping, and fleet support will be under the operational control of the Navy: This is so basic that it appears to me to require no discussion. May I remind the committee that one of the first steps taken by the British after the outbreak of the war was to place the coastal command of the Royal Air Force under the operational control of the Admiralty.

(b) Aircraft units assigned the above functions will be specifically and permanently assigned: This is a matter of vital importance. Any concept that these missions can be performed by aircraft and personnel drawn at random from the mass of land-based aircraft, such as the various bomber commands, is fallacious and potentially disastrous. The functions described above are highly specialized and can only be performed by personnel especially trained and aircraft especially designed and equipped for the purpose.

(c) Personnel assigned to such aircraft units will have sufficient permanency in this assignment to insure adequate training and experience in all grades: We have seen the difficulty experienced by the British Navy because of the failure of the Royal Air Force to observe this principle in personnel assignment. Unless this principle is carefully followed, I am convinced that no satisfactory state of training among these personnel can be achieved. I have in mind not only the initial training of junior personnel during one tour of duty with these units but also the requirement that more senior echelons be manned by officers with previous experience in this type of work. This, in effect, requires that a certain proportion of the officers initially assigned to this part of the present Army Air Force continue in such duties throughout their active careers.

(d) Personnel assigned must be satisfactory to the Navy: This is a corollary of the requirement stated above. I have described the practice which grew up in the Royal Air Force of assigning to the Fleet Air Arm and the Army Cooperation Command only the less desirable officers, and I am convinced that this pernicious tendency is so natural and inevitable under similar conditions of organization that it must be specifically provided against by legislation.

It will be immediately recognized that the above provisions will be distasteful to the Army Air Force and difficult of administration. Nevertheless, I am convinced that they are minimum requirements for the protection of the Nation's vital interests, if the Navy is to be deprived of its own land-based aircraft. Certainly if we can draw any conclusions from the British (and German) experience, this is true.

On the basis of the above assumptions I have made a study of the training requirements to inaugurate and continue the transfer of the functions now performed by land-based naval aircraft to what is now the Army Air Force. Starting with standard Army-trained personnel, I have outlined in detail a training program for pilots and flight crews for four-engine and twin-engine aircraft in numbers now operated by the Navy as currently provided by congressional appropriations. It provides specialized training for these personnel over and above the training which they have received to fit them for duty in the bomber commands, in order to give them the minimum proficiency required for the naval tasks. This training must include advanced overwater navigation, specialized gunnery training against surface craft and submarines, including use of depth charges, rockets, torpedoes, and special weapons, recognition of ships and submarines, naval tactics, submarine-detection devices, and familiarization with shipboard procedures necessary for a proper understanding on which air-surface cooperation is based, and similar matters not required for normal Air Force functions. I estimate that to train only the initial group of air-crew personnel would require about 10½ months, at a cost of $17,122,000, exclusive of station-maintenance costs, and pay subsistence and transportation of personnel. Thereafter a training program necessary to supply replacement personnel for normal attrition and rotation would have to be continued at an estimated cost of about $12,000,000 per year. This does not include ground maintenance and administrative personnel, who, it is assumed, would be provided by the present Army Air Force to meet the requirements for this service.

I wish to make it clear that the costs mentioned above do not represent merly a transfer of funds from naval to Air Force appropriations, with no net increase of cost to the Government. The $17,122,000 cited as initial cost would be over and above any expense of both services as now constituted. Of the $12,000,000 per year required for replacement training, I estimate that at least half and possibly two-thirds would represent a net increase over present costs of both services, since it would be necessary for the Navy to continue its training program for the seaplane squadrons remaining under its control. Thus, we would have two parallel training programs for the same function, and the unnecessary duplication would result in unnecessary expense.

In addition to Air Force personnel, I consider it a matter of vital importance that a certain number of naval officers likewise be trained in these duties and serve as active aviators with the Air Force units involved. If this is not done it is only a question of time before there are no naval officers with sufficient intimate background and experience in this particular type of operations to guide naval policies and requirements. Once this occurs we will find ourselves in precisely the position reached by the British Navy, that is, without officers in the command and flag ranks with personal knowledge and background for this important function of aviation. When this occurs, absolute divorce of the Navy and the shore-based aircraft on which it depends is a fact, and can only be changed by long years of rebuilding.

I do not by any means wish to give the impression that the costs I have mentioned above represent more than a part, perhaps a minor part, of the total cost involved. The aircraft used to perform the functions we are discussing must be designed and developed specifically for the purpose, as are the naval land-based aircraft at present. If we are to avoid the disastrous course followed by the British, the Navy must continue this design and development, even though the aircraft and equipment are eventually procured by the Air Force. The cost of such a program as this is outside of my immediate knowledge and my present duties, but I am sure that it will not be negligible. As examples, I cite the results of preliminary studies made by the Bureau of Ordnance and the Bureau of Aeronautics as to costs to the Navy in case of the proposed transfer:

(a) Additional cost of furnishing special ordnance shop equipment, required for maintenance of antisubmarine and other specialized naval weapons required for Army Air Force units assigned naval duties, $4,000,848.

(b) Design of new aircraft, technical liaison, operational development and research (additional cost), $1,158,660 per year.

Again I emphasize that these are but examples, and by no means a complete compilation of the additional costs involved.

I have been speaking here in terms of money costs involved in the proposed transfer of functions now performed by naval land-based aviation to the Army Air Force. Important and tangible though these costs may be, the sums mentioned, even multiplied a hundredfold, will be insignificant if it develops that by following in the footsteps of the British we incur the same penalties for faulty organization. The financial costs of such defeats as the British suffered in Norway, Crete, and Singapore are indeed tremendous; but the true costs cannot be estimated in terms of money alone, and may well lead to ultimate national disaster.

Grass Roots Hail Hoover Reforms

EXTENSION OF REMARKS
OF
HON. ANGIER L. GOODWIN
OF MASSACHUSETTS
IN THE HOUSE OF REPRESENTATIVES
Monday, July 18, 1949

Mr. GOODWIN. Mr. Speaker, coming at this particular time when the President has declared for increased Federal spending rather than reducing the costs of government, I direct the attention of the Members to the story of public reaction to the principle of economy in the Hoover reforms as so lucidly set forth in the article I append hereto by Max K. Gilstrap, chief of the central news bureau of the Christian Science Monitor:

GRASS ROOTS HAIL HOOVER REFORMS
(By Max K. Gilstrap)

CHICAGO.—It has caught fire at the grass roots. Enthusiasm for the Hoover reforms, fanned by enlightenment, is sweeping through the States.

Dr. Robert L. Johnson, president of the National Citizens Committee, told members of the Illinois Citizens Committee that growing interest in the Hoover report has brought forth 2,000 favorable editorials a week in the Nation's press. Less than one-half dozen papers have opposed the plan to reorganize the executive branch of the Government.

The Hoover report is leading in importance in mail received by Congressmen. Governors meeting at Colorado Springs, Colo., unanimously endorsed the general objectives of the commission. Labor support has been assured by Philip Murray, CIO chieftain, through James Carey, secretary-treasurer of CIO, and by William Green, head of AFL. More than 600 college presidents have offered to serve on commission committees.

State citizens' committees have been set up in 23 States to arouse interest in the reforms. A nucleus for committees has been formed in 20 other States.

Patriotic citizens realize that helping the Hoover Commission put over its objectives means helping save the country an estimated $50,000,000,000 in the next 10 or 20 years. More important, it means striking a tremendous blow for efficiency, economy, and good government, which constitutes a form of insurance for national prosperity and security.

Illinois and Massachusetts are out in front in efforts to arouse interest in the Hoover report. When the National Citizens' Committee tossed the ball to the States, 30 Illinoisans who had served on the Hoover Commission went into a huddle. Quickly they diagramed some sure-fire plays.

With Frank Bane, executive director of the Council of State Governments, as chairman to call the signals, they began to move toward their goal; a committee in every sizable town and county by the year's end. They first sat down with educators and prepared study material on the fundamentals of good government. Soon telephones began to trill over the State in offices of labor, civic, agricultural, religious, veteran, and women's organizations. "How about appointing a member of your organization to our State committee?" they asked. "Fine" came the replies.

When someone raised an objection to some part of the Hoover report, the committee explained that they were not asking everyone to be in favor of all the recommendations;

they were asking people to participate in work for the over-all objectives.

Groups were shown how to form Hoover committees of their own. They were requested to present at least one program a year explaining the Commission's work. Informational material was patterned to appeal to particular groups.

Mr. Bane said: "We make it our business to talk specifics; to convince people that Government isn't someone else's business; that Government is an organized agency established for service to the stockholders in the United States."

Some committee speakers are gladly giving 2 months of their time to explaining the Hoover Report. Financial support for the State committee is being sought through correspondence with thousands of community leaders.

Aside from helping the Hoover Commission, State committees are encouraging hundreds of thousands of people to become constructively and intelligently interested in government. They could well set a pattern for joint participation of citizens in other constructive public efforts.

Dr. Johnson believes that with the support given by the State committees, 50 percent of the Commission's recommendations will be put into effect within 1½ years. He expects that 85 to 90 percent of the proposals may be adopted in 2 or 3 years. Less than 6 months ago the Hoover Report was given almost no chance of enactment by many of the political analysts.

"Failure to put through the recommended reforms," Dr. Johnson said, "will result in serious inflation, deficit financing, a heavy relief load, and a business depression. And that is what the Russian Politburo hopes will happen."

State and city committees have a key part to play in the success of the national program. They are the sinews of national strength. They are directed from the national committee headquarters, 1421 Chestnut Street, Philadelphia.

Americans traditionally have been willing to pay the price of alert vigilance and work for their heritage of freedom. It is encouraging evidence of common sense that they now are willing to pay the same price for equally important good government.

In rallying to pursue a more vital democracy, the words of Abraham Lincoln can be remembered:

"With public sentiment nothing can fail; without it nothing can succeed."

California Conference Endorses Townsend Bill

EXTENSION OF REMARKS

OF

HON. FRANCK R. HAVENNER

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Monday, July 18, 1949

Mr. HAVENNER. Mr. Speaker, I am in receipt of a letter from Mrs. J. A. Ford, director of the Townsend Legislative Bureau of Washington, D. C., in which she quotes a letter from Dr. Norman W. Pendleton, who is in charge of the Townsend southern California headquarters in Los Angeles. Dr. Pendleton's letter read as follows:

It is my pleasure to inform you that the California legislative (nonpartisan) conference gathered in State-wide conclave at Fresno (State College Auditorium), Calif., unanimously endorsed H. R. 2135.

Delegates representing the list of organizations enclosed, all voted in the affirmative.

The organizations represented at the Fresno conference included a large number of labor unions, both A. F. of L. and CIO, and numerous lodges of the railroad brotherhoods, together with farm organizations, child-care groups, veterans' groups, minority nationality groups, and representatives of various political, professional, fraternal, and community organizations.

Loyalty of the American Negro

EXTENSION OF REMARKS

OF

HON. MORGAN M. MOULDER

OF MISSOURI

IN THE HOUSE OF REPRESENTATIVES

Monday, July 18, 1949

Mr. MOULDER. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following statement by Thomas W. Young, president and general manager of the Guide Publishing Co.:

STATEMENT OF THOMAS W. YOUNG

My name is Thomas W. Young. I am president and general manager of the Guide Publishing Company, Inc., publishers of the Journal and Guide, a weekly newspaper with a circulation of 65,000, principally in Virginia and North Carolina.

I am happy to accept the invitation extended me to appear before this committee because I feel very strongly the need for bringing into proper perspective some of the opinions that have been expressed publicly concerning the loyalty of the American Negro.

It would serve no useful purpose for me to dwell upon the more obvious manifestations of the Negro's loyalty. These have already been mentioned here by others. Instead I should like to address myself to what seems to me to be the flimsy foundation upon which the apprehension about the loyalty of this group rests.

Please bear this in mind that there is no evidence on record of the disloyalty to their country on the part of Negroes generally. It has not been charged even that there have been overt acts by Negroes on which suspicion of disloyalty could be predicated. On the other hand the entire record of the American Negro's service to his country from the Revolutionary War in which Crispus Attucks, a Boston Negro, was among the first to shed their blood for this Nation's independence, down to the recent World War II in which members of this group played important and heroic roles on every front, is a satisfactory refutation of such charges.

That record and the contributions of the Negro to this country's great peacetime achievements should render unthinkable any presumptions of inconsistent conduct at any time in the future. But there has been expressed a dissent by one who has at least won the attention of those for whom, and to whom he now purports to speak. And it is that dissent which occupies our thinking today. I think it will be helpful to recognize that simple fact, and deal with it directly and specifically.

What basis, if any, is there, for believing Paul Robeson when he says that in the event of a war with Russia the Negro would not fight for his country against the Soviets?

No matter how strongly we may believe it is false, that statement coming from Mr. Robeson is not easily disposed of. His own life story is an inspiration to the humble people for whom Mr. Robeson now presumes to speak. Whatever else we might think of his personal loyalties, it would seem highly improbable that Mr. Robeson could be unfaithful to his own people. So it must be conceded that his intemperate outbursts at Paris carried appreciable weight, however much we may dislike the notion.

Two things can be pointed out to discredit that statement. In the first place, Mr. Robeson is now so far out of touch with the Negro's thinking and his everyday emotions that he can no longer speak authoritatively about or for the race. His distant travels and his latter-day preoccupations with the affairs of the Soviets have broken the bond he once held with the Negro mind. He has so completely removed himself from the intimate affairs of the Negro group in America that he no longer has the opportunity to know nor the authority to speak about the aims and aspirations and resolutions of this group.

The plain truth about the matter is that in his Paris declaration Mr. Robeson has done a great disservice to his race—far greater than that done to his country. And if Mr. Robeson does not recognize the injury he has done to the cause of the Negro in this country, then that underscores his disqualification as a representative of the race. And if he does not recognize the injury he has done, he must also be cognizant of the extent of his betrayal of his race in the interest of the new cause to which he now devotes himself.

But the second point, while less obvious, is more helpful in arriving at a proper perspective. It is this: The Negro in this country is as basically American as any other element of the population. He has been on the soil as long; he has fought to protect and preserve its liberties, and he has toiled to help build the Nation during all the years of our history. The things he yearns for and strives for are entirely compatible with the aims and the shibboleths of Patrick Henry and Benjamin Franklin and George Washington and all the others who helped found this Nation.

We have to acknowledge that in some respects our democratic processes have slowed down or failed temporarily. But any overemphasis of these circumstances obscures the more important fact that despite these occasional reverses, the machinery which we in this country have embraced for the realization of our declared way of life is nevertheless accomplishing, however slowly, the most cherished aspirations of the Negro group. The evidences of this accomplishment are everywhere, although they are frequently corrupted by the miscarriages of the machinery.

I think it is very clear that what the Negro in this country wants is simply to have our democratic machinery functioning properly. We do not want to throw out the framework of our present plan of operation in favor of another that has never been exposed to the problems which frequently bog down our machinery.

The dissatisfaction so often shown for the manner in which our democratic processes are functioning is too frequently misunderstood. And a few opportunists with questionable motives have exploited this to the extent that it now becomes advisable to adopt effective countermeasures.

We have this disadvantage: The Communists have thrown what amounts to a picket line around our democratic establishment. And we are observing that picket line with the same blind reverence that is shown to all other picket lines in this country. Everyone accepts the righteousness of the cause of the pickets, no matter how unreasonable or how wrong it may be.

I experience some of that reluctance today, for I know that there are some who will ask: "Who is he to question the wisdom of Paul Robeson?" But until someone dares to cross the picket line thrown out about our establishment by these Communists, the true cause of the Negro will be lost by the default of those who discern its outlines and recognize the dangers it faces.

Mr. Robeson does not speak for the young men who served their country so well during the recent war. He does not speak for the common people who read and believe in the Negro newspapers. He does not speak for the masses of the Negro people whom he has so shamelessly deserted.

I have heard Paul Robeson declare his own personal disloyalty to the United States. He has no moral right to place in jeopardy the welfare of the American Negro simply to advance a foreign cause in which we have no real interest.

It is my firm conviction that in the eyes of the Negro people this false prophet is regarded as unfaithful to their country, and they repudiate him.

Threatened Steel Strike

EXTENSION OF REMARKS
OF
HON. FRANK BUCHANAN
OF PENNSYLVANIA
IN THE HOUSE OF REPRESENTATIVES
Monday, July 18, 1949

Mr. BUCHANAN. Mr. Speaker, under unanimous consent to extend my remarks in the Appendix of the RECORD, I include therein three editorials: First, The President's Plan, from the McKeesport Daily News, July 13, 1949; second, A Political Strike, from the Pittsburgh Post-Gazette, July 14, 1949; third, Impasse in Steel, from the New York Times, July 14, 1949.

President Truman's successful effort to avert a steel strike demonstrates that it is not necessary for the Government to crack down with an injunction just about the time somebody starts the cry "national emergency."

President Truman obtained a 60-day postponement of the steel strike of the CIO United Steelworkers by setting up a fact-finding panel to make recommendations for settlement of the dispute. While the board's findings are not binding on either party, labor, or management, nevertheless, they will have an effect on the settlement of the controversy.

The editorials follow:

[From the McKeesport (Pa.) Daily News of July 13, 1949]

THE PRESIDENT'S PLAN

Unless something sensible happens, the Nation's steel industry is scheduled for a strike-compelled shut-down Saturday.

Yesterday, President Truman tried to make a sensible thing happen. He suggested an extension of present labor contracts for 60 days while a fact-finding board looked into the dispute.

The board, composed of three men named by him, would study the wages-pensions controversy, and file its findings. Negotiations, then could resume on the basis of this study.

Philip Murray, head of the United Steelworkers with the authority to call the strike at his own discretion, has accepted the President's plan.

A scattering of the smaller steel companies has sent word to the White House that these companies will string along. But United States Steel Corp. and Republic have turned thumbs down. Similar rejections are expected from others.

Thus, a new stalemate is being fashioned, while a basic industry, in a period of economic readjustment, rests in danger of a prolonged stoppage which could have a disastrous impact on the Nation.

The trouble now is quibbling. President Truman, in his proposal, skirted the Taft-Hartley Act which, if employed, would permit the proclamation of a national emergency, the union-hated injunctions and a fact-finding board to operate under an enforced extension of the contracts.

He apparently had a mixture of politics and union preference in mind. By using Taft-Hartley, he would be in a position of personal embarrassment, in view of his futile fight against the measure and of opposition to the wishes of the union leaders whom he considers his chief supporters.

So his plan can be considered a preliminary to what might become an emergency, necessitating his use of the Taft-Hartley provisions. In the national interest it should be accepted as such. The President unquestionably is in a tight spot.

By refusing to go along the big steel producers appear to have forgotten that, in this impending crisis, it behooves all factions to seek a compromise if possible. Instead of agreeing to a compromise, they have struck back at the President in a manner which undoubtedly hurts.

They have advised him that Taft-Hartley still is the law of the land and applicable to the present situation. They are right, of course. But there is a question, 3 days before the strike date, whether being right is more proper than being sensible.

The President's requested 60-days' delay has a chance of succeeding if for no other reason than that time itself holds the potentialities of agreement. It should be tried. Certainly it should not be quibbled away when it stands as the only real hope of averting the hardships of a steel shut-down in a delicate era in which common sense, cooperation, and harmony are vitally essential.

[From the Pittsburgh (Pa.) Post-Gazette of July 14, 1949]

A POLITICAL STRIKE

Until yesterday we had supposed that the dispute between the United Steelworkers and the steel industry was economic. Now, however, it appears to be largely a political struggle over the Taft-Hartley labor law.

The union, we believe, would have been wise simply to have accepted Mr. Truman's proposal that the strike be postponed for 60 days while a fact-finding board went into the situation. That would have left the onus upon Big Steel and other producers who failed to accept the proposal and would have given the union a little more time in which to figure out another move.

But by deciding to strike a major segment of the industry Saturday morning, the union puts Mr. Truman squarely up against the question as to whether or not the strike constitutes a national emergency.

That will play into the industry's hands. Because if the strike materializes, the President will have no choice but to declare a national emergency and invoke the injunctive provision of the Taft-Hartley law, as Big Steel and other industry leaders want him to do. Thus the usefulness of the law which the union is now fighting to have repealed will be demonstrated again.

As for the public, the overriding consideration is the prevention of economic hardship that is bound to result from a strike in a basic industry. The President tried to intervene in a manner that would not antagonize labor. In doing so, he antagonized the industry. Now he must assume the role of an impartial referee under the law.

[From the New York Times of July 14, 1949]

IMPASSE IN STEEL

The present impasse in the steel industry, with a Nation-wide strike at the end of the week looming as at least a definite possibility, is a sobering illustration of what can happen when the Government plays politics with basic legislation.

Having demanded the repeal of the Taft-Hartley Act, Mr. Truman finds himself in the embarrassing position of badly needing the services of that instrument. Section 206 of the law, dealing with national emergencies—such as that now looming in steel—provides that "whenever, in the opinion of the President, * * * a threatened or actual strike * * * will, if permitted to occur or continue, imperil the national health or safety, he may appoint a board of inquiry to inquire into the issues involved in the dispute and make a written report to him within such time as he may prescribe. Such report shall include a statement of the facts * * * but shall not contain any recommendations."

Disregarding the machinery provided by the law, Mr. Truman has elected to employ a formula of his own. He has asked for a postponement of the strike for 60 days; in the meantime a board of inquiry, to be named by him, would study the facts in the dispute and propose a basis of settlement. The executive board of the CIO steelworkers has voted to accept the proposal, but at least three of the big steel companies have rejected it. The union therefore announced yesterday its intention to walk out, in the case of these companies, at midnight tomorrow night.

The steel companies would be justified if they were merely insisting that the President adhere to the procedure specifically laid down by Congress for dealing with such a situation as this. But they are not simply being legalistic and technical about the matter. As they see it, they are, in effect, being asked to submit to arbitration demands which, rightly or wrongly, they believe were not submitted in good faith but in the hope that some part of them could be obtained under threat of a Nation-wide strike.

If the steel industry is chary about leaving this issue to a fact-finding board, moreover, that reluctance is certainly not without historic justification. In the fall of 1945, capitulating to labor's demands for a general wage increase, the administration named just such a committee and the latter brought in a finding that the steel industry could afford to raise wages 18½ cents an hour. Even the Government abandoned the pretense shortly afterward that price ceilings could be maintained in the light of that rise in costs, and this basic wage award proved the initial impulse for a wage-price spiral that was to endure for 3 years.

That may have been good political strategy, but it was an economic blunder of major magnitude. It was a blunder whose repetition, even on a much smaller scale, the country could not afford at the present juncture.

Liberty Enshrined in Law

EXTENSION OF REMARKS
OF
HON. EDITH NOURSE ROGERS
OF MASSACHUSETTS
IN THE HOUSE OF REPRESENTATIVES
Monday, July 18, 1949

Mrs. ROGERS of Massachusetts. Mr. Speaker, under leave to extend my re-

marks in the RECORD, I include the following address delivered by me before the Overseas Women's League at Boston, on July 13, 1949:

Madam Chairman, members of the Women's Overseas League, friends and guests, with a deep sense of honor and pride I am greatly pleased you invited me to respond to the toast, "Liberty Enshrined in Law." Joining with you this evening in this national convention here in Boston brings back to me many memories of our association—memories arising from our service to the country which we so greatly cherish. I am happy to meet with you again, for as the years have seemingly melted away, your friendship has remained warm and strong. From year to year it has inspired me with fortitude and resolution to carry on.

Throughout the Nation today it is well known that I have the honor to represent in Congress the very historic Fifth Congressional District of Massachusetts. As in the early days of our country, it is the home now of fine, loyal, patriotic citizens. In this district is Middlesex County, and, among others, the towns of Lexington, Concord, and Bedford. It was through old Middlesex that Paul Revere rode through the night spreading the alarm. It was from these towns and villages and farms that the strong, brave men assembled together to fight for liberty. What they did then is admired and revered by those who cherish freedom throughout the world today. They were resolute and stood their ground, and a new Nation dedicated to liberty and freedom had its beginning. To gain this liberty and freedom our forefathers of those great eventful days of long ago paid an enormous price. You women of the Overseas League have paid a great price. Since those days up until this very moment we have been paying a tremendous price to maintain our freedom. Loyal Americans never have considered this price too high.

During the years since the war and particularly during recent months a great amount of criticism has been directed at the cost of maintaining our military services. You and I have seen the hue and cry of, "Let's cut down the huge military budget." "Too much money is being expended for our military forces." "Too much money is being wasted by our military forces." "The Nation can't stand the strain of paying these huge sums amounting to billions of dollars to maintain a great Army, a great Navy, and a great Air Force." "Whom are they going to fight?" "Why is it necessary to keep this huge military organization at this tremendous cost?" These and many more remarks like them are samples of the statements we have seen from time to time in the press. Yes, I am sorry to say, they are representative of statements that have been made on the floor of the Congress. My reply to these statements is just this: As long as we maintain a strong Army, Navy, and Air Force no nation or combination of nations can take away from us this precious thing we call liberty. Our military forces constitute the only protection we possess after all else has failed, to any challenge of our freedom, arising from the outside. It is vital they are adequately maintained.

In the process of keeping our military services completely modern in every respect, it is necessary to make drastic changes. These changes from time to time are very costly but in the process of timely development they are necessary. If a great airplane such as the B-36 becomes obsolete, it must be scrapped in favor of a weapon better able to do the job at the required time. This is costly but much has been learned in the process. If a great ship becomes obsolete it is far less costly to scrap it in favor of more effective means of accomplishing the necessary task at the required time. If a type of gun or tank or method of ground warfare, in the process of development, becomes ineffective then new advanced effective weapons and methods must be found regardless of the cost. A military organization is constantly developing, constantly improving, constantly striving for the best possible means of doing the job and upon the success of that job, ladies and gentlemen, depends the protection of our liberty and freedom.

During the many years I have had the honor of being a Member of Congress there has been no Government department more careful or more scrupulous, more exacting or more prudent in the expenditure of the people's money than has been the military departments. Many have written or have said in public addresses, "Cut down the waste in the military departments." What waste—I say, what waste? War is waste. War is waste of people. It is a waste of energy. It is a waste of living and progress. It is a waste of life and property. It might well end civilization as we now know it to be. The total casualties of killed and wounded occurring in all our wars amount to approximately 1,500,000 men and women—I repeat—1,500,000 lives have been sacrificed. This is tragic waste. Think of what all of those lives would have meant in accomplishment, in energy, and in relation to others. But they made a greater contribution, for without their sacrifices our country would not be free and all of us would not have the priceless privilege of liberty. If to save our liberty and freedom we must fight, then we will fight to the glorious end. This we have demonstrated to all humanity. Those who know freedom cannot live in chains. In the heart of every patriotic American there is deeply engraved a standard of life. Patrick Henry gave it to us years ago when he proclaimed, "Give me liberty or give me death!" If our liberty is worth our lives, it is worth our resources, it is worth our total energy, our every effort and our unselfish cooperation and loyalty to the country. This is our land and its free soil and air is a part of our body and soul.

What is this precious right we call liberty? Liberty is not a form of government. Liberty is not a means of making money or the accumulation of property. Liberty is not a religion. Liberty is not a philosophy. Liberty is a privilege. It is ours to enjoy while we are here. It is ours to protect for those who follow us. Liberty is a way of life. The desire for liberty and freedom is born in the heart of every man and every woman. Inwardly, liberty is truth, for if in our hearts we are truthful we experience freedom of conscience. If we live by truth we experience freedom of mind and soul. Outwardly, liberty means something more factual and tangible. In our associations with others liberty means the right of the individual to conduct his own affairs as he pleases with only such legal restraint as the public good may require. Freedom means the power of the individual to make a voluntary choice and that power is restrained by law only in its relation with the rest of society. This is the meaning of liberty and freedom and just as it is the meaning for us as individuals it constitutes the meaning for individuals formed together as a nation. This concept of liberty is as old as mankind. Inwardly, Christ was free because Christ was truthful. Outwardly, Christ experienced the cross because His spirit of liberty was not enshrined in law. It was not until seventeen hundred and eighty-seven years after Christ that a group of determined men decided to enshrine their hard-won liberty in law.

When our forefathers drafted the Constitution of the United States they molded the greatest document of law ever conceived in the mind of man for the protection of this way of life known as liberty. In the year of 1789, they wrote: "We the people of the United States, in order to form a more perfect union, establish justice, insure domestic tranquility, provide for the common defense, promote the general welfare, and secure the blessings of liberty to ourselves and our posterity, do ordain and establish this Constitution for the United States of America." This is the most glorious declaration of purpose ever written. To carry out this purpose our forefathers defined and established the blessings of liberty in the Bill of Rights. In this notable document they wisely stated there shall be no law respecting the establishment of religion or prohibit the free exercise thereof. There shall be no law abridging the freedom of speech. There shall be no law abridging the freedom of the press. There shall be no law abridging the right of the people to assemble peacefully and there shall be no law prohibiting anyone from the right of petition to his government for a redress of grievances. Then, there is established the right of the people to be secure in their person and in their homes against unreasonable search and seizure. Also, they provided and established the right of every citizen who is accused of wrong to a trial by jury. These are the guaranties which give to us the right to live as we desire, to make our own decisions and to make our own choices, restrained only in the relation of these decisions and choices to the whole of society. This is liberty enshrined in law.

The United States is the only nation on earth today founded and based on these concepts of liberty and the only country in which the individual's freedom is guaranteed by law. Possessing this liberty and given the privilege of living in freedom carries with it a great responsibility. The preamble of the Constitution speaks of liberty for ourselves and our posterity. Our fathers and forefathers preceding us never forgot for one moment the responsibility of protecting liberty for the present generation and their posterity. We have that same responsibility. It is our duty to protect the freedom which we have the priceless joy to experience, in order that the generations to come may likewise experience this free way of life. If we maintain our military forces with the highest quality of personnel and the highest degree of efficiency, we need have no fear of the destruction of our liberty from any combination of forces outside of the country.

All of us, however, must be alive to the fact it is possible for our liberty to be destroyed by forces now existing within our country. In all sincerity and with all the energy I can muster, I say to you that it is the duty of every loyal American to demand and fight for the annihilation of these forces. Any organization, any group, or any individual having the objective or intention to destroy our Government and the laws which enshrine our liberty should be exposed and declared by law as enemies of the country, denied the right of citizenship and summarily dismissed from this land of liberty and freedom. For many years in public addresses throughout this Nation and on the floor of the Congress, I have fought and exposed the power of communism in this country. I have experienced the retaliation of communism. So have my friends. I have experienced the sinister, underhanded viciousness of communism's effort to destroy. I have experienced its malicious method of character assassination. I have received their threats to destroy me. I have received their notes of death. I know what I am speaking about. I say to you that either communism must be destroyed in the United States or the liberty which we now so greatly cherish will no longer be enshrined in law. Freedom will be gone. Freedom will have disappeared from its last home on this earth and the decency and dignity of life which we prize so highly will be lost forever. Many of you saw the concentration camps of Europe. These concentration camps are factual symbols of what happens when people do not have the right of liberty. We must see to it that there are no concentration camps in America. Communism must go. If every loyal man and women in this

country would demand the abolition of communism in America it will be done. This is a Nation in which we operate by law and by the process of law we can protect this Nation from the devastating force of communism. In all of our legislation we must be very careful of the direction that legislation takes and the total effect it has on the country. Remember this—that just as it was possible to enshrine our liberty in law it is possible by law to take it from us.

For many years now I have taken an oath that I will support and defend the Constitution of the United States against all enemies, foreign and domestic. I know many of you have also taken a similar oath. We must, at all times, be true to ourselves. We must never forget that our solemn duty is to measure every act we do from the viewpoint as to whether or not it protects our country and our free way of life. This is our responsibility to posterity—to the generations to come who will depend on the acts we do during this—our time—when we are privileged to be here. We must do all in our power to protect our country, to constantly improve it, to continually make it a better place in which to live. We must strive to live together in friendship, for in friendship there is truth and understanding. With truth and understanding lighting the way it might be possible for this Nation to nourish and give to the world its constant hope of "liberty enshrined in law."

Medical Care

EXTENSION OF REMARKS

OF

HON. JACK Z. ANDERSON

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Monday, July 18, 1949

Mr. ANDERSON of California. Mr. Speaker, in all this clamoring for socialized medicine it is encouraging to note that some local communities have pretty well solved their health problems.

The Santa Clara County Medical Society in California has embarked upon a very interesting program which might well serve as a model for many other countries in the United States. For the information of the House membership I am including herewith a communication from the Santa Clara County Medical Society and excerpts from one of their various newspaper ads.

SANTA CLARA COUNTY MEDICAL SOCIETY,
San Jose, Calif., June 30, 1949.

Hon. JACK Z. ANDERSON,
House of Representatives,
Washington, D. C.

DEAR JACK: I thought you would like to know that the council of the Santa Clara County Medical Society was extremely pleased with your letter of May 30 which was read to the council at its last meeting. We plan to print the next of your letter in the next issue of our membership bulletin.

Last December you were kind enough to allow me the time to outline to you the work that the Santa Clara County Medical Society was doing to guarantee the availability of medical care to everyone, irrespective of income, in this county. At the time I also outlined to you the other public-service projects which the local medical profession were assuming as part of their community responsibility. Now that medical societies throughout the country are passing resolutions condemning compulsory health insurance I thought that it might be of assistance to you to know that the doctors in your own area are doing a great deal more than just passing resolutions in connection with this great problem of distributing medical care and medical-care costs. In Santa Clara a definite stand has been taken on certain fundamental obligations of the medical profession to its public and we are pleased to forward you now the attached copies of our first two newspaper advertisements which may serve as tangible evidence of the steps being taken by this county medical society. We solicit your particular attention to the two paragraphs in the second column of each advertisement, which paragraphs are headed "Service for all" and "Protection for all." The first advertisement ran in all the daily and weekly newspapers in this county. The second advertisement appeared in San Jose and Palo Alto dailies. More will follow on a continuous schedule.

It is the intention of the medical society to use these advertisements as a means of informing the public about the local medical profession guaranty that no resident of Santa Clara County will go without necessary physicians' services simply because they might not have the ability to pay for those services. While the public advertisement of such a policy is new, the principle of course is not, as doctors have been rendering such services for centuries in accordance with their oath.

The Santa Clara County medical society began to spread the word about the fact that this medical society had officially adopted this policy on an organizational basis just about 2 years ago, or at approximately the same time that Alameda County began published notices about their similar guaranty. Locally, all public health nurses, welfare workers and church and charitable organizations were advised of the society's interest in trying to locate any person who may be deprived in any way of needed care. From the period August 1, 1947, to April 14, 1949, a total of only 22 cases were called to our attention. Fourteen of these cases were referred to physicians who performed the necessary services without charge to the patient and without causing the patient embarrassment in any way for having received the services on that basis. The remaining eight cases were all found to require types of services which could be easily secured simply by referring the patient to an organization or service which was already available to persons coming in their classification. By this, we mean they were found to be eligible for county hospital admittance; were entitled to services under the California Crippled Children's Act, or could receive funds for their care from the Cancer Society or the national polio funds.

It was not with some fear of a possible avalanche of such requests coming in if we ran a newspaper advertisement proclaiming this guaranty, but on April 18, 1949, nevertheless, the first advertisement appeared. Nothing like Governor Warren's estimated tens of thousands medically uncared for persons appeared on the scene. We have since run a second advertisement and to date we have received a total of only 14 requests for consideration. Seven of these have been taken care of in the following manner: Four were referred direct to physicians and have received care. One was referred to the county hospital and received care; one was entitled to care under county hospital provisions in San Joaquin County (where the man was a resident) and the seventh case was given care under the provisions of the Crippled Children's Act. The other seven inquiries which we received did not require physicians' services under the terms of the guaranty, but were persons making inquiry as to whether or not they could secure physicians' services on an open credit account with a doctor. One of the cases was a lady asking if we could have a doctor call on a neighbor of hers who did not want to receive the services of any physician, but the neighbor believed those services were required.

We have noted that of all the cases considered, 40 percent of the inquiries were regarding prenatal and maternity care for medically indigent, nonresident persons. Since this was an indication that there does exist, in a minor way, one unfilled medical need within our community, the medical society's public-health committee made a thorough investigation and have made a recommendation to the county board of supervisors that may help correct this situation. The recommendation is to the effect that since any pregnant female in labor presenting herself either at a private hospital or a county hospital is required under California law to be admitted immediately as an emergency case, that the board of supervisors declare that the "emergency" officially be recognized at any time prior to labor commencing so that proper prenatal attention can be given all such cases. It is the sincere belief of this county medical society's officers that the ferretting out of unfilled medical needs is something that should be done on a local community basis, and that the correcting of any situation should be carried out through local planning and administration to meet the needs and desires of the people of the area.

In order to avoid the possibility that charges may be made that our advertisements were not read (despite the fact that they covered nearly a quarter page of each newspaper) we included and offered to send any inquirer a packet of information about various health-insurance plans that were available in this area. Our first advertisement brought in 51 requests for these pamphlets and our second advertisement brought in 18 requests.

As a further footnote, we should like to point out that prior to the first advertisement appearing an exact printed copy was mailed to each member of this medical society together with a postcard ballot and request for favorable or unfavorable comments. Sixty percent of the actively practicing members voted 125 to 4 in favor of the advertising program. One hundred and six to twenty-three voted to have the society issue this guaranty of medical care for those who needed it. One hundred and eleven voted "yes" (against nine votes of "no" to publicize the society's desire to be informed of anyone having been charged a fee that they believed was excessive. We mention these tabulations to indicate that this program in this county is not a propaganda device concocted by a small committee and activated by the officers of the society, but is, on the other hand, a sincere and continuing program which has the wholehearted support of practically all of our members.

We are pleased to submit the above information to you and hope that by having it in your files it may serve as a reference someday if you are ever called upon to indicate just how far beyond the passing-resolutions stage the doctors in your own area have progressed.

Most cordially yours,

JOS. F. DONOVAN,
Executive Secretary.

SERVICE FOR ALL

If you know of anyone going without a physician's care simply because of financial reasons—please call our medical society office, at once. The medical profession of this county, in keeping with its individual member's oath always to place the patient's welfare above every other consideration, guarantees that anyone needing the service of a doctor can get that service irrespective of the patient's ability to pay.

PROTECTION FOR ALL

Any professional act believed to be contrary to public interest or the charging of a

fee believed by the patient to be excessive, should be reported in writing to the society. The services of the medical society's ethical conduct committee are available to all.

Timely Observations

EXTENSION OF REMARKS
OF
HON. PHIL J. WELCH
OF MISSOURI
IN THE HOUSE OF REPRESENTATIVES
Monday, July 18, 1949

Mr. WELCH of Missouri. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following editorial taken from the St. Joseph News-Press of July 13, 1949, written by Harold M. Slater, city editor, St. Joseph News-Press, St. Joseph, Mo.:

TIMELY OBSERVATIONS

There are some scenes in most people's lives that do not die in memory. One that will not be forgotten by thousands came just a year ago this Friday morning at 2 a. m. It was the hot, sticky, stuffy, crowded Philadelphia convention hall as Harry S. Truman formally accepted the Democratic nomination for President and started on the most amazing underdog trail to victory in the history of the Nation.

Truman truly fitted into the legendary knight-in-shining-white category as he came before that dead-tired convention session. The man from Independence, dressed in sparkling white raiment, wasn't conceded as much as a prayer of a chance by most of those present when he came out on the platform. Only a few hours before, the weary delegates, who had been in session since 11 a. m. the day before, had seen the Mississippi and Alabama delegations stride out of the hall in indignation over the adoption of the civil-rights plank. The Wallaceites were planning to open their convention in less than a week. The Democrats were split wide open.

Everything seemed stacked against Harry. And he seemed to be the only one who didn't know it. While the convention had done its formal wrangling over the selection of a vice-presidential nominee, Truman sat on a veranda just outside the big hall, mopped sweat from his television make-up and chatted with friends. Then minutes later he and Alben Barkley appeared for their acceptance speeches. Someone had said the Democratic convention had a for-whom-the-bells-toll atmosphere. Truman vanished that with a fighting speech in which he declared the Democrats would win and the Republicans lose "because we're right and they're wrong."

It had been this kind of convention: Some of the delegates were so disheartened that when the time came to select a vice-presidential nominee they had whispered around an old story as appropriate for the occasion. It was about the man who went into a store and ordered a pair of trousers. "Brown or blue?" inquired the clerk. "It doesn't matter," said the customer, "they're for a corpse." And Jim Farley, great Democrat and great optimist, couldn't be talked into making a prediction on the outcome of the election. "I've got to protect my reputation," Jim smiled to newsmen.

Just 2 weeks before in that same hall the GOP had nominated Thomas E. Dewey in a gay, jubilant, and scrappy convention. The contrast in Republican Philadelphia then and at the Democratic convention was great. Some were saying you wouldn't know it was the same town unless you looked at the sign on the depot. As Dewey was nominated the night of June 24, a Republican publicity writer sitting next to this reporter proudly displayed the lead on his story. It was "Thomas E. Dewey received his Christmas present early this year. Just 6 months to a night before Christmas Eve he was handed the Presidency on a platter." Oh, brother.

The Republicans were so confident they had spent much of their convention time scrapping over the distribution of Federal patronage after Dewey was in. Some of the Democrats at their's were worrying as to how long civil service and merit systems would keep them in their political jobs. Then Harry Truman came along with his acceptance speech and changed things. If ever there was a convention that needed a tonic it was that queer and pathetic conclave, and Harry Truman provided it. He was the little man who didn't know he was licked and his courage from there caught the imagination and captured the votes of enough Americans to give him victory in November.

It hadn't been so many years before that Truman as a young farmer had been an usher at a Democratic national convention. That night last July he acted in his old capacity by showing the Democratic audience how the victory seats could be reached despite barricades.

Extension of 52–20 Unemployment Compensation for Our Veterans

EXTENSION OF REMARKS
OF
HON. BARRATT O'HARA
OF ILLINOIS
IN THE HOUSE OF REPRESENTATIVES
Monday, July 18, 1949

Mr. O'HARA of Illinois. Mr. Speaker, I have received many communications from the people of Illinois urging, as did the President of the United States in his memorable message to us last week outlining plans for keeping America prosperous, the extension of the unemployment-compensation provisions of the Servicemen's Readjustment Act, beyond its expiration date of July 25. We are only a week away from this date and the Congress must act at once if we do not wish the hazard of our war veterans again being forced onto the streets as sellers of apples.

We are being asked to do a very simple thing. At a time when there is unemployment and when the veteran who fought to save the very life of this country may be at a disadvantage because his years of war service kept him from the labor market, and in certain instances, caused his loss of seniority position, may be the first to be out of work, we are being asked to protect him in these moments which will be anxious ones for him and his family. We are being asked as well to continue a program which will protect the whole country by keeping some purchasing power in the hands of consumers—employed or not, that their temporary hardship may not cause further lay-offs and further unemployment—the way a depression starts.

I wish to enter into the record at this time a letter from Mr. Lyle D. Gumm, chairman of the Illinois State Council of the American Veterans Committee, which I am sure will carry great weight with my colleagues because of the well-known policy of the AVC in its approach to problems of viewing the veteran as a citizen first. The stand which this fine organization takes in urging extension of 52–20 must be accepted, therefore, as one motivated by concern for the welfare of the entire Nation as much as by the desire to obtain for veterans that protection against unemployment which AVC has found is absolutely necessary. Mr. Gumm's letter follows:

JULY 9, 1949.

Hon. BARRATT O'HARA,
Washington, D. C.

SIR: The Illinois State Council of the American Veterans Committee is in the process of conducting a campaign to extend the unemployment compensation provisions of the Servicemen's Readjustment Act (52–20). You know, of course, that these benefits are scheduled to expire on July 25 unless extended by act of Congress.

Some time ago, the national planning committee of our organization passed the following resolution unanimously:

"Whereas unemployment is increasing and has become critical in certain industries; and

"Whereas veterans of World War II are disadvantaged in that many have been unable to accumulate sufficient benefits under the Unemployment Compensation Act, or have returned to civilian employment so recently that they stand in immediate danger of being the first laid off, and

"Whereas World War II veterans recently discharged have not yet been fully rehabilitated in respect to obtaining employment: Be it

"*Resolved*, That the national planning committee of AVC urges the Congress to amend the unemployment-compensation-benefits provisions of the GI bill of rights by extending for 5 years the entitlement period inasmuch as the unemployment-compensation provisions of the Servicemen's Readjustment Act (GI bill of rights) expire July 25, 1949, except for a relatively small group of veterans who were not discharged from the service prior to July 25, 1947."

You are undoubtedly aware of the position AVC has taken with respect to bonus and veterans' pensions. We look upon the extension of 52–20 in a different manner; as must legislation for unemployed veterans at the present time. Here are some of the reasons:

One million two hundred and fifty thousand veterans have already used up their benefits under the Servicemen's Readjustment Act.

More than 750,000 veterans are now drawing unemployment compensation under the Servicemen's Readjustment Act. They will lose such benefits on July 25, unless 52–20 is extended by Congress.

In Illinois, 35,147 veterans applied for 52–20 on the week ending June 11, 1949, as compared to 18,659 who applied for similar benefits on the week ending June 11, 1948.

Thousands of veterans who have been in school since the end of the war will be unable to draw State unemployment compensation, not having accumulated credits under the State unemployment insurance law.

Because of the rapid rise in unemployment of veterans and because in some instances veterans have the least seniority and are the first to be laid off, it is our contention that unemployment compensation provisions of the Servicemen's Readjustment Act should be extended.

We respectfully urge you to use your influence to force this legislation out of the House Veterans' Affairs Committee in order to secure an early vote. We also urge you to sign the discharge petition which Representative HUBER is circulating, in order to force his bill, H. R. 1374, out on the House floor.

We would appreciate hearing from you regarding your attitude toward this legislation and specifically what you may be able to accomplish toward insuring its passage.

Sincerely,

LYLE D. GUMM,
Chairman, Illinois State Council.

I would emphasize the fact that in the demand for the extension of 52–20 AVC, which approached the bonus and pension propositions from a different viewpoint, is lined up with the other veteran organizations. There is no division of opinion among the spokesmen for the veterans. All are in agreement that 52–20, in view of present conditions of employment, cannot be permitted to lapse.

Common decency to our veterans, and a proper concern for the welfare of our Nation, demand that we act at once in conformity with President Truman's recommendation and vote extension to 52–20.

Washington County Production and Marketing Administration Report

EXTENSION OF REMARKS
OF

HON. JAMES W. TRIMBLE

OF ARKANSAS

IN THE HOUSE OF REPRESENTATIVES

Monday, July 18, 1949

Mr. TRIMBLE. Mr. Speaker, one of the most active organizations in northwest Arkansas in the soil-conservation program is the production and marketing administration in Washington County, headed by Eusel M. Coleman, county administrative officer, and ably assisted by his conservation committee composed of Shannon Pharr, of Lincoln, Ark.; L. E. Maupin, of Prairie Grove, Ark.; and Roe D. Stokenbury, of Elkins, Ark. These men and their communities are doing a wonderful job.

Under leave to extend my remarks, I wish to insert their 1949 report, as follows:

ANNUAL REPORT, 1948, UNITED STATES DEPARTMENT OF AGRICULTURE, PRODUCTION AND MARKETING ADMINISTRATION, AGRICULTURE CONSERVATION PROGRAM IN WASHINGTON COUNTY

(Presented by Washington County committee)

INTRODUCTION

We prepare this report in an effort to give you a better understanding of the objectives and accomplishments of the Washington County Production and Marketing Administration, known as triple A agricultural conservation program.

Production and Marketing Administration embraces several programs of the United States Department of Agriculture, price supports, marketing quotas, crop insurance, and the agricultural conservation program. Since agricultural conservation is the major program in Washington County, more space has been devoted to conserving soil and water.

This is a choice land. It came to us with its beautiful mountains, rich valleys, flowing rivers, but above all with an abundance of life-producing topsoil.

We have wasted our soil and ruined it faster than any other people in any other time have wasted theirs. The majority of our soil waste has been through the lack of knowledge and foresight on the part of farmers and the Nation as to assisting the farmers in a conservation program before a great portion of our soil was wasted by erosion. Through the lack of the use of conservation practices, growing an excess of soil-depleting crops in feeding the nations, these depleting crops were grown by the farmers during the two world wars at the request of our National Government for the purpose of aiding in the wars, and feeding our Allies and these countries since the war.

With population increasing more than 13,000,000 in 8 years, we can't afford to continue wasting our soil.

The real wealth of the Nation is the nitrogen, phosphate, calcium, and potash in the soil which makes possible the growing of vegetation from which comes our food.

The agricultural-conservation program encourages farmers to make widespread use of conservation practices that stop unnecessary soil and mineral losses and to maintain and rebuild the soil.

In behalf of Washington County farmers, whom we represent on this committee, we wish to express our appreciation to those who have helped in the AAA program's success. We invite your cooperation in the present and future programs.

W. SHANNON PHARR,
Chairman,
LINCOLN E. MAUPIN,
Vice Chairman,
ROE D. STOKENBURY,
Member.
Washington County Production and Marketing Administration Agricultural Conservation Association Committee.

GENERAL INFORMATION

The agricultural conservation program in Washington County is operated through the Washington County Agricultural Conservation Association. The conservation program is open to all farmers in the county, and each one is invited to participate regardless of the size, type, or location of farm.

This program is Government-farmer cooperation in the field of soil and water conservation. Congress makes appropriations to assist farmers in carrying out needed soil and water conservation practices. Money appropriated is allocated to States on the basis of conservation needs. The assistance represents a public investment in the maintenance and restoration of our soil. The farmer has to invest dollar for dollar plus his time and labor in putting the practice into effect.

The agricultural conservation program provides for a national program of soil and water conserving under the direction of farmer-elected farmer committees. With farmer-elected farmer committees directing the program the public is assured of getting the most conservation for the money spent. Farmers acquainted with local needs and conditions see to it that money appropriated for payments is spent on practices adapted to the county.

The Production and Marketing Administration soil and water conservation program is not only concerned with the needs of individual farmers but with the needs of the Nation. When the fertility of our farms is restored and maintained the public can be assured of a plentiful supply of better-quality products. We all depend on the soil for the necessities of life and have a vital interest in maintaining its productivity.

Farmers who participate in the 1949 triple-A program will be continuing to build on what has been done in 12 years of triple-A programs. This program, as before, will be open to every farmer and on every farm and all are eligible to share in the assistance offered for recommended practices. The program is entirely voluntary and the assistance is available to farmers to help them carry out conservation practices on a share-the-cost basis which amounts to about half of the out-of-pocket cost to the farmer for the practice and he furnishes labor in addition. The triple-A program is planned, developed, and administered by farmer-committeemen who are elected annually by their farmer-neighbors. Each year, in November and December, county and community committeemen are elected to serve during the following calendar year. The county committee, composed of three regular and two alternate members, is charged with the responsibility of administering the triple-A and other related agricultural programs dealing directly with farmers in the county. Community committeemen are elected to represent about 50 farms each and assist county committees in administering the program in their communities. These nonpartisan farmer-elected committeeman setups the the heart of the entire farm program and have proven effective in developing and administering the triple-A program. In addition, this organization is being used to administer the price-support programs of the Commodity Credit Corporation, marketing quotas, and production adjustments. The triple-A program is farmer-developed and planned with the assistance of technically trained personnel from the triple A and other agricultural agencies and organizations. Recommendations for programs are developed by farmers in county and community meetings each year.

In addition to farmers, representatives of the agricultural agencies are invited to attend these planning meetings. These recommendations are made in such a way that they help, not only the individual farm and farmer, but the community and State and add a lot to the over-all program so that conservation needs may be met. Leadership in developing county suggestions is furnished by the farmer-elected committeemen and through them are channeled the knowledge and experience of producers as to the needs for conservation practices in the individual county and community. County recommendations for practices are submitted to the State triple-A committee which in turn studies the recommendations in relation to national needs and advice from a State technical advisory committee composed of representatives of the College of Agriculture, experiment stations, and technicians of other agricultural agencies. The practices adopted by the State committee are forwarded to Washington United States Department of Agriculture officials and when approved become the practices for which assistance will be furnished by the triple A the next year. After practices for the State as a whole are approved, each county committee selects the practices which it believes are best adapted to the county and which will result in the most conservation and they become the program in the county for which assistance will be offered through the triple A. Individual plans are developed for each farm whereby the most effective use can be made of the assistance offered. These plans, made at the start of each program year, enable each farmer to take into consideration the availability of labor, equipment for engineering practices, supplies of materials, and the farmer's ability to contribute his share of the cost of needed and recommended practices. Assistance in executing individual farm plans is furnished by triple-A committeemen. This planned assistance to farmers makes triple-A funds more effective and makes assistance of other agencies more effective. In Washington County in 1948 farmers on 2,225 farms comprising 240,833 acres of farm land, 133,846 acres of cropland, 39,021 acres of pasture or range land, and 9,028 acres commercial orchard participated in the triple-A program. This is 59 percent of the farm land in the county.

OFFICE PERSONNEL

Eusel M. Coleman, county administrative officer, Fayetteville.

Parl C. Young, clerk, Fayetteville.

Marjorie S. Tannehill, clerk, Fayetteville.

Martha J. Gulley, part-time clerk, Fayetteville.

PARTICIPATION

A total of 2,252 farmers participated in the 1948 Triple-A conservation program. One or more approved conservation practices were put into practice on each of these farms and that 59 percent of the cropland in Washington County was included in the conservation program in 1948.

Fifty-eight thousand and fifty-five dollars were available as assistance to farmers for carrying out conservation practices in 1948. However, the value of all practices carried out and reported was $109,474.38.

In 1948 there were 248 acres of Bermuda sodded in developing of pastures; 1,823 acres of row crops were planted on the contour in 1948; 7,982,500 square feet of vegetative waterway were constructed in 1948; 8,565,000 linear feet of terraces were constructed in 1948; 52,544 pounds of rye grass were seeded to pasture and cover crop to 26,272 acres in 1948.

1948 administrative expense

County and community committeeman	$857.14
Office personnel	6,765.59
Travel	178.56
Bank charges, telephone, supplies, etc	313.83
Total operating expense	8,115.12

County data for 1945, 1946, 1947, and 1948

Year	Farms in county	Farms reported	Percent of farms reported	Cropland on all farms	Cropland on reported farms	Percent cropland on reported farms	County assistance	Practice earnings	Amount farmers contributed
1945	4,954	2,132	43	202,328	117,350	58	$118,528	$122,075	$244,196
1946	5,046	2,053	41	207,070	121,641	59	117,115	139,187	228,361
1947	5,168	2,297	44	212,848	136,741	64	119,728	187,843	375,182
1948	5,230	2,252	43	225,093	133,846	59	58,055	109,474	218,315

PRICE-SUPPORT PROGRAM

The price-support program is a branch of the Production and Marketing Administration and is administered by the same personnel responsible for the agricultural conservation program.

Price support provides that the prices of farm products be supported at rates fair to both farmers and consumers because of the importance of good farm prices in maintaining national prosperity.

Support levels for various commodities are represented as a percentage of parity. Parity means that the prices farmers receive for their products are comparable to the prices they have to pay for the things they buy. This allows support prices to vary up or down, depending on the price of nonfarm commodities.

Following is a brief of present price-support legislation:

First. The basic commodities—corn, wheat, rice, tobacco, cotton, and peanuts—will be supported at 90 percent of parity through June 30, 1950.

Second. The major nonbasic commodities will be supported at 60 to 90 percent of parity through December 31, 1949, except that milk and its products, hogs, chickens, and eggs are to be supported at 90 percent of parity for that period.

Third. Beginning January 1, 1950, the provisions of the long-range price-support program will go into effect. It provides that the basic commodities will be supported at 60 to 90 percent of parity, depending on the level of supply. All other agricultural commodities (this includes eggs, chickens, and hogs) may be supported at 0 to 90 percent of parity, depending upon the importance of each commodity to the national economy, its degree of perishability, the level of supply, and other factors.

ELECTION OF COMMITTEEMEN

A county convention, at which representative farmers from all communities of the county met in December 1947 and elected the following men to serve as the county committee during 1948: W. Shannon Pharr, Lincoln, chairman; Lincoln E. Maupin, Prairie Grove, vice chairman; Roe D. Stokenbury, Elkins, regular member; David L. Burnett, Greenland, first alternate; Jack Taldo, Springdale, second alternate.

The county committee holds regular meetings each month and in addition special meetings are called as the need arises.

The following is a part of the duties performed by the committee:

1. Recommended program practices, methods of establishing farm allowances and rates of payment for practices.

2. Designate needed practices for the county and recommended materials and services to be furnished on purchase orders and fair price for the materials.

3. Reviewed and passed on farmers' performance reports and approved applications for payment.

4. Approved association budget and certified monthly expense accounts.

5. Cooperated with all agricultural agencies in holding meetings in an effort to keep farmers informed concerning the objectives, provisions, and progress of the program.

6. Arranged for the annual election of community and county committeemen and encouraged farmers to participate in the elections.

7. Obtained conservation materials such as lime, phosphate, and seeds.

8. Informed the State committee on the progress of the work and farm problems.

CONSERVATION PRACTICES

Practices for which assistance was offered in Washington County in 1948 were recommended by the county committee and approved by the State committee on the basis of:

1. Practices that would fill a definite need in conserving soil and water.

2. Practices needed by a majority of the farmers.

3. Practices that would obtain the most conservation for the money spent.

4. Practices that could be administered in a practical manner.

APPLICATION OF MINERALS

The application of limestone, potash, and superphosphate is an important soil-conserving practice. These promote a rapid and heavier growth of grasses and legumes. The application of these minerals serves as a major conservation practice. In 1948 Washington County farmers applied 3,500 tons of ground limestone, 123,900 pounds of potash, and 4,516,719 pounds of 20-percent equivalent superphosphate to pastures, meadows, green manure, and cover crops.

ESTABLISHING AND IMPROVING PASTURES

Farmers established or improved 13,200 acres of pasture by seeding 257,063 pounds of adapted pasture grasses and legumes and controlled noxious weeds by mowing 29,389 acres under the 1948 program.

Sixty percent of the phosphate, limestone, and potash was used on permanent pasture and 40 percent used on winter and summer legumes.

COVER CROPS

In addition to conserving soil and water the use of legumes adds nitrogen to the soil.

In 1948 farmers seeded 36,018 pounds of winter legumes on 2,400 acres and 182,194 pounds of summer legumes were seeded on 9,100 acres.

PONDS FOR STOCK WATER

The construction of ponds for livestock water has been a big factor in developing our livestock program. Land that was of little use has become valuable as permanent pasture after constructing a pond to provide water.

Sixty-two thousand and forty-seven cubic yards of dirt was moved in constructing 79 ponds in 1948, and during the last 4 years there have been 547 ponds constructed in the county with the assistance of the AAA program.

The New New Deal

EXTENSION OF REMARKS

OF

HON. CHARLES H. ELSTON

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Monday, July 18, 1949

Mr. ELSTON. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following editorial from the Cincinnati Enquirer of Wednesday, July 13, 1949:

THE NEW NEW DEAL

While the deflationary process remains a gentle and comparatively painless one, there is no prospect of any rash grant of power to the Chief Executive to plunge into national economic planning. But the blueprints are drawn for such a headlong entry into a planned economy. And it is a safe guess that any speed-up of the deflation process would produce considerable support in Congress for such a policy.

According to United States News and World Report, the Truman administration is ready with a program that would pour at least $15,000,000,000 of public funds into new investments in the year ahead—if mounting unemployment should make it politically possible.

The proposal envisions Government action in several distinct channels—direct assistance to private business enterprises, subsidized expansion of plant capacity in selected lines, large-scale public works projects, systematic development of regions comparable to the Tennessee Valley Authority, deliberate channeling of Government contracts into areas of unemployment and increased control over price and wage policies.

That is a blueprint for a planned and controlled economy. It is not socialism, for it entails very little actual public ownership of economic enterprise. But it would write the doom of competitive free enterprise as we have known it. The threat does not sound as frightening as it would have sounded 15 years ago, because we all have become habituated to far-reaching public controls over business and large-scale Government intervention in the economic process.

Nevertheless, it is a fateful decision which lies in wait, probably to be made soon after the first impact of any serious economic depression that may be in store. For once the Government embarks on a conscious policy of creating economic opportunity for the whole population, of "guaranteeing full employment and prosperity," there will be no turning back. Any failure of such a plan

will lead only in on direction—to still greater public expenditure and still greater intervention in the national economy.

Fortunately, we have a Congress which is unmistakably hostile to any such abandonment of competitive free enterprise. But it is very important that the full meaning of this "guaranteed prosperity" program should be understood—its dangers as well as its allurements. For it would not take very much of a further slump in prices, production and employment to tip the scales in Congress and lead us into an adventure from which there could be no turning back.

Quota Restrictions on Oil Imports

EXTENSION OF REMARKS
OF
HON. CHARLES W. VURSELL
OF ILLINOIS
IN THE HOUSE OF REPRESENTATIVES
Monday, July 18, 1949

Mr. VURSELL. Mr. Speaker, recently on the floor of the House I discussed the danger of importing 700,000 barrels of oil a day to the oil interests of our Nation.

I pointed out that unless the administration would agree to quota restrictions to reduce the amount of foreign oil which is flooding this country that it would further curtail our exploration, production, and refining of oil products.

I also stated that thousands of workers engaged in production, refining, and distribution of oil were losing their jobs at a cost of millions of dollars to our Government, in paying them unemployment compensation. I urged that the administration reverse its policy, and that a percentage quota amount of imports be approved in a bill now pending before the Senate.

This is a matter that should be of interest to all Members of the House and Senate whether or not oil is produced in their State.

Mr. Speaker, as further confirmation of the position I took, I am inserting in the RECORD a clipping from the Cisco Daily Press, of Cisco, Tex., wherein that paper on July 3, 1949, published an open letter written to Senator TOM CONNALLY, of Texas, by Mr. Rudolph Kamon, of the Kamon Petroleum Exploration, Cisco, Tex., which I hope all Members will read carefully, because it contains further pertinent facts on this subject:

GEOLOGIST CHARGES OIL IMPORTS ARE THREATENING INDUSTRY WITH CHAOS

Rudolph Kamon, local geologist, charged Saturday that the importation of foreign oil into the United States is threatening Texans and United States oil men with chaotic conditions in a letter to Senator TOM CONNALLY.

Kamon spoke on the subject at a meeting of the West Central Texas Oil and Gas Association here last week. He sent a copy of his address to Senator CONNALLY.

Addressed to Senator CONNALLY, the letter follows:

"The economy-destroying, waste-creating problems caused by the imports of foreign oil into the United States by big importers and operators of foreign concessions, were taken up at the West Central Texas Oil and Gas Association meeting held here in Cisco on June 29, and corrective measures were explored in the discussion for stopping this waste.

"The economy-destroying and waste-creating practices of importing hot oil into the United States which has been produced from foreign oil concessions by a few operators integrated with ownership of oil wells in the United States, principally in Texas, must be stopped now.

"This interconnected ownership of foreign oil now being imported into the United States subjects this oil to Texas State regulations for being produced in violation of Texas proration rules to stop waste, those of the Interstate Oil Compact Commission, whose rules are violated by transporting illegally produced or hot oil in interstate markets or commerce, and their owners, are liable in the United States and Texas for such violations.

"Furthermore, these foreign concession oil fields have not been reported to the nations regulatory bodies by their owners, like they have reported their United States properties for regulation and production of oil to eliminate waste and are gutting their unrestricted foreign oil fields by unrestricted and unregulated production of oil wells.

"This practice of producing legal or regulated oil in the United States and Texas, and also unregulated unreported oil in violation of rules laid down for their United States, principally Texas, oil wells, gives these few operators the advantage running up to 5,000 percent in favor of the foreign imported hot oil over the producer in the United States, who is not violating the rules laid down by importing hot oil.

"Such oil producers, especially in Texas, are forced to drill up to 500 more wells for each 50,000 barrels of daily allowable oil, while the owners of foreign concessions can drain their field with two unregulated wells to make 50,000 barrels of oil to be imported into the United States markets. All this has been covered by my paper which I am enclosing.

"By shipping approximately 700,000 barrels of hot oil daily into the United States, it stops the outlets for that much refinery residium and fuel, backs this up into storage and indirectly makes tremendous waste in oil fields cut down to not enough time before oil congeals in the formations and is irrecoverably lost.

"This 700,000 barrels of imported hot oil stops the need for the drilling of approximately 7,000 oil wells, cancels the need for 40,000,000 feet of casing and 40,000,000 feet of heavy tubing which in turn makes up to 100,000 men jobless.

"This is only the beginning. The 100,000 men losing their jobs directly as the result of oil imports of hot oil will cause another 100,000 men and women to lose their jobs in allied industries supplying the needs of producing oil in the United States.

"Now we see 200,000 workers out of work as a result of the imports of unrestricted foreign oil into the United States. These 200,000 families with their earnings lost due to imports of the hot oil, cannot meet their payments on housing, ice boxes, nor can they buy clothes. The unemployed figure will go to approximately 700,000 men who have lost their jobs due to the importing of hot oil by the few owners operating also under our laws and subject to these laws which they are violating. These men are directly responsible for the beginning of a depression.

"Since we have now a great number of unemployed who worry and fret, who have no money to buy groceries, gasoline or oil, the market for oil products is shrinking, so that these same operators and importers of foreign hot oil can justify their insistence of further curtailment of the oil wells in Texas, so that more men are thrown out of work and the vicious conditions created by them are aggravated. The loss of tax money is tremendous, and is ignored. If there is no income, no taxes can be collected.

"It is my belief, and the belief of every Texan, that you can be instrumental in stopping the importation of this foreign hot oil into the United States. By stopping this unrestricted and unregulated hot oil from being imported into the United States and by prosecuting the violators responsible, you can restore the prosperity of the Nation and earn the gratitude of at least a million people who will again be able to make a living by getting their jobs back.

"This is an emergency.

"I have the honor to remain,

"Yours very truly,

"RUDOLPH KAMON."

Luxury Tax on Furs

EXTENSION OF REMARKS
OF
HON. HARRY J. DAVENPORT
OF PENNSYLVANIA
IN THE HOUSE OF REPRESENTATIVES
Monday, July 18, 1949

Mr. DAVENPORT. Mr. Speaker, in my capacity as publisher of a neighborhood newspaper in Pittsburgh, I am in close contact with many retail fur stores whose advertising I both write and publish. I was amazed in entering one of the stores a few weeks ago to find that this furrier, Jerome Litt, of East Liberty, Pittsburgh, Pa., had not one fur coat in stock. Instead his stock consisted of cloth coats and suits. When I asked Mr. Litt where his furs were his answer was: "Harry, I have had to go out of the fur business entirely because of the 20-percent luxury tax."

I talked to another furrier, Herman Rosenbloom, also of East Liberty, Pittsburgh, Pa., who told me that he has been in the fur business for more than 25 years and that the luxury tax has hit the furriers so hard that more than 300 furriers—wholesale and retail—have gone into bankruptcy in the past year. "Something must be done," said Mr. Rosenbloom, "or the retail furrier will be forced to the wall."

In my conversation with Max Azen and Jerome Wolk, two large Pittsburgh retail furriers, I was given the same story. Something must be done and done soon to save more retail and wholesale fur institutions from going into bankruptcy. With respect to consumers a great injustice is also being done because fur coats are certainly not a luxury—they are a necessity—in the cold climates of the northern States.

Under leave to extend and revise my remarks in the RECORD, I wish to include the following article which was reprinted in the Pittburgh Sun-Telegraph:

POCKETBOOK PLAGUE—LUXURY TAX COSTS FURRIERS JOBS, MANY FORCED INTO BANKRUPTCY

(By Mina Wetzig)

The so-called luxury tax on furs not only is unfair to the buying public, it has boomeranged itself right back into the teeth of the Federal Government.

The Government is losing money instead of making it—unemployment rolls have swelled because of the fur tax, resulting in a loss of income tax. Besides that, unemployment compensation is being paid to once financially independent citizens.

The fur industry isn't the only one blighted by the pocketbook plague—the 20 percent excise tax—but it is hardest hit. Since 1944, when the tax was boosted from 10 to 20 percent, there have been 4 bankruptcies in the luggage business, 9 in toilet goods, 108 in jewelry, and 334 in furs. All the bankruptcies listed more than $32,000,000 in liabilities.

And while in all these industries it's a case of the Government killing the goose that lays the golden eggs, the fur industry is the outstanding example.

There's been a decrease of $125,000,000 in retail fur sales during the past 2 years. Some 13,000 members of the industry are currently unemployed. Workers in fur manufacturing plants alone lost wages of about $25,000,000—and this is apart from earnings lost by department store employees, fur trappers, farm hands on fur ranches, and others connected with the industry.

MATERIAL COSTS GO DOWN

All this in an industry where the cost of materials has gone down an average of 30 percent since the war.

The fact that in 1946 the Government collected $98,994,000 from the fur tax and only $73,140,994 in 1948 is evidence that people are not buying as much—and do not want to buy until the tax is lifted.

Pittsburgh furriers know it—they lose sales because customers cannot see the point of paying 20 percent more for a fur coat when a cloth coat at the same price—or even more expensive—is tax free.

There's so much twisted thinking behind the fur tax that it almost boils down to whether you wear your coat inside or out. You can buy a mink-lined cloth coat without paying a tax. If the mink is on the outside, it's 20 percent more, please.

And manufacturers have even gone so far as to put expensive, hand-painted linings in $100 fur coats to make them tax free. This was under an Internal Revenue Bureau ruling that said the coat was tax-free if the value of the fur was less than three times the value of the material in the next most valuable component material.

WHAT'S A LUXURY, ANYWAY?

Hand-painted linings have recently been ruled out, however, but confusion on the definition of a luxury still abounds. For instance, where's the logic in paying a 20 percent tax on a $125 mouton dyed lamb coat—which will still be wearable five years later—while a $245 cloth coat with a Persian lamb collar is sold tax-free?

Fur coats are really investments instead of luxuries. Women don't throw fur coats away. After wearing them 5 or 6 years, they either pass them down to their daughters or re-do them into jackets or neckpieces, collars and cuffs for a cloth coat, or even hats.

One local fur dealer had a 50-year-old squirrel stole brought in for re-doing just yesterday. What's luxurious about an article that's durable for 50 years?

A Little Bit of Socialism

EXTENSION OF REMARKS
OF
HON. ANGIER L. GOODWIN
OF MASSACHUSETTS
IN THE HOUSE OF REPRESENTATIVES
Monday, July 18, 1949

Mr. GOODWIN. Mr. Speaker, the transition from moderate Government controls to a completely regimented economy with the people ultimately deprived of their liberty may very easily come about without our fully realizing the danger. The peril, however, is a very real one as is clearly set forth in the editorial which I include herewith from the Everett (Mass.) News Gazette:

A LITTLE BIT OF SOCIALISM

There is a saying to the effect that a little bit of socialism is a good thing for a country—that it puts free enterprise on its toes and keeps it humping.

However, having a little bit of socialism is much like having a little touch of leprosy. It always grows and feeds upon itself. And in time it consumes everything that stands in its way.

As an example, on June 8, the New York World-Telegram carried a revealing news story. It said that "Britain's Labor Government served notice that if it wins next year's parliamentary elections it will transform the United Kingdom into a collectivist state as soon as possible." It will demand and undoubtedly enact a law giving the Government permanent authority to impose rationing and other such controls. It has marked at least six more major industries for socialization, including sugar refining, meat wholesaling, cement making, and various forms of insurance. A high labor spokesman warned that people must be ready to change their jobs and managements to change their lines of production if the need arises. He said further that private industry must watch its step.

The meaning and intent of all this is certainly clear. If the Labor Party wins, a little bit of socialism will be made all inclusive, and a total, regimented economy established by the Government. All the principal instruments of production and employment will become possessions of the state. Labor will be a tool of the state, to be used in whatever way the bosses think best.

It is only a step from this to the police state that exists behind the iron curtain. When you have a dictated economy, you eventually have a dictator and lost liberty. Powerful political forces in the United States want us to go the way of Britain, and are using every subterfuge to sell us on a similar program, before the people are aware of the danger.

Fur-Labeling Bill

EXTENSION OF REMARKS
OF
HON. JOSEPH P. O'HARA
OF MINNESOTA
IN THE HOUSE OF REPRESENTATIVES
Monday, July 18, 1949

Mr. O'HARA of Minnesota. Mr. Speaker, I have just received this morning an interesting letter from New Orleans, La., with reference to H. R. 5187—the truth-in-fur bill—which I am sure is an example of the feeling of the public generally with reference to this legislation. The letter follows:

NEW ORLEANS, LA., *July 15, 1949.*
Congressman O'HARA OF MINNESOTA.

DEAR SIR: Enclosed is a page of the Louisiana Retailers Bulletin which you'll be interested in reading. It represents the opinion of one man.

Thousands of retailers are in favor of your bill to require proper labeling of furs. Customers—as you probably know—have been getting gypped for years by the crooks in the fur business. In the trade they say "It's a skin game in more ways than one." The hundreds of prosecutions in the files of the Federal Trade Commission will show how necessary your bill is. Those records are available for publication.

Do you know there are more than 150 trade names for rabbit skin alone?—including Baltic lion.

Women absolutely do not know what these trade names mean. They do not know that Chinese wolf, for example, is plain old dog. Not one woman in a thousand knows that a Marmink is a ground hog dyed to look like a mink. Northern seal I know has frequently been sold as genuine seal—although it's clipped rabbit dyed black.

The very best of luck to you—and God bless you for introducing that bill. The public will be grateful.

A SUPPORTER FROM LOUISIANA.

The North Atlantic Pact and What it Means

EXTENSION OF REMARKS
OF
HON. USHER L. BURDICK
OF NORTH DAKOTA
IN THE HOUSE OF REPRESENTATIVES
Monday, July 18, 1949

Mr. BURDICK. Mr. Speaker, the Senate approval or disapproval of this pact will come before the Senate for a vote this week. The people throughout the country have had too short a time to reflect on the import of this agreement and my fear is that it will pass without giving the people an opportunity to register their views.

We can only judge the future by the past. In looking over the beginnings of this Government, we find in the third section of the Articles of Confederation this language as used by the Colonies:

ARTICLES OF CONFEDERATION

ART. III. The said States hereby severally enter into a firm League of Friendship with each other, for their common Defence and Security of their Liberties, and their mutual and general Welfare, binding themselves to assist each other, against all force offered to, or Attacks made upon them or any of them on Account of Religion, Sovereignty, Trade, or any other Pretence whatever.

The Articles of Confederation was the foundation of our present unamended Constitution. In fact the Constitutional Convention at Philadelphia was not convened for the purpose of writing a new Constitution but the purpose was to amend the Articles of Confederation. During the first days of the convention much thought was given to these amendments, but making no progress, the convention scrapped the old Articles of Confederation and wrote a new pact, to be later known as our Constitution. The ideas of the old Confederation were not omitted but a plan in better language and definite meaning was brought forward.

Compare the purpose of this North Atlantic Pact with section 3 of the Articles of Confederation, and you will at once see that we are headed for a United States of the North Atlantic, and like the interpretation of the Monroe Doctrine, will include more states than those of the North Atlantic area. If this pact is agreed to, you can be sure that the agreement is not the end. It will be found necessary to strengthen this

document as times goes on and in the end we will find the United States of America a member of the United States of the North Atlantic. Since these other countries cannot finance any force to resist attacks on the members, the United States will be called upon to foot the bill and be embroiled in every fuss in the world.

In the debates in the Senate, Senator CONNALLY, leader of the approval of the pact, announced that senators can vote for the pact without giving up the right to vote against appropriations to husband the pact. This is entirely illogical, for when we put our name to a document promising to defend any member nation with force and without delay, it would be entirely dishonorable to refuse aid when an attack was made on any member. The new Senator from New York [Mr. DULLES] is more honest about it and he says that if we agree to the pact, we ought to support our promises to other member nations.

There are those in the Senate who say that this pact in no wise interferes with the United Nations organization. That is also absurd. We are to carry out what we agree to regardless of the United Nations. This pact, I wish you to remember, is the beginning of a United States of the North Atlantic and instead of remaining an independent Nation, we shall be no more independent than can be exercised by abiding by the Pact.

Wars have been fomented in Europe for centuries and wars will be fomented again and will continue just as long as the states of Europe are directors of colonies. Jealousies of trade, power and commerce will break out again no matter how much machinery is built to prevent war. We are able now to furnish money, men and natural resources to assist the world, but the day will come if we do not stop this policy, when we shall not have money and resources enough to defend ourselves.

We are at a critical period in our history. We should not agree to the pact unless we mean to keep our word, and to keep our word under this fact means the surrender of our sovereignty and also means the collapse of this Government in due time. The pact should not be approved at all.

The people back home want this Congress to balance the budget and be more careful about expenditures, but I ask you how this can be done unless we change our foreign policy. The people do not generally know it, but the fact is we have spent $92,000,000,000 in assisting other countries since the war ended; our income taxes collections are becoming less; we will be spending on borrowed money for at least another year, and the budget is out of balance now. The obligations assumed by the approval of this pact will commit us to greater spending—if we mean to be honorable and keep our word. Just how this can be done and save this country from utter ruin, I have heard no one explain.

It does little good to cut down essential spending here at home while we squander billions abroad. We could of course compel the aged, the crippled, and the blind to live on less than $32 per month; we could stop natural progress here at home; but these items are not a drop in the bucket when it comes to handing over not millions but billions and billions to other countries. Those who say we should cut our own appropriations in order to balance the budget, ought to hunt for larger game and assist in stopping this flow of billions to foreign countries. One way to stop it would be to refuse to confirm this North Atlantic Pact.

Fortify Alaska Now

EXTENSION OF REMARKS

OF

HON. E. L. BARTLETT

DELEGATE FROM ALASKA

IN THE HOUSE OF REPRESENTATIVES

Monday, July 18, 1949

Mr. BARTLETT. Mr. Speaker, dramatic testimony of the need for fortifying Alaska immediately and in an integrated manner was given last week before the Senate Appropriations Committee by Fergus Hoffman, member of the Seattle Post-Intelligencer staff. Mr. Hoffman, a veteran newspaperman who has served on several Alaska papers, has been delegated by William Randolph Hearst to spend his time exclusively on the Alaska defense situation and in my judgment is as well qualified to speak out on that subject as any layman. Mr. Hoffman has made many trips throughout the Territory in the postwar period. He has had opportunity given to few to inspect our defenses—or lack of them—in the far north.

Mr. Hoffman told the Senate committee there is grave danger that bases built during the war against Japan and now left unguarded might be seized and used against us by another aggressor. He recommended that it would be far, far better to demolish those bases than to leave them unprotected.

Even the present bases, according to Mr. Hoffman, are relatively unguarded and could be seized without any considerable difficulty by a determined enemy. That would make possible the turning against us, as it were, of magnificent air installations from which long-range bombers could devastate the States.

More than any other one thing there is need in Alaska now for housing—permanent housing—so that combat troops can be stationed in sufficient numbers at Alaska bases to protect them, Mr. Hoffman told the Senate committee. Building there is expensive because of high transportation costs and because of lack of local building industry. But, Mr. Hoffman pointed out, the cost of doing the job and doing it promptly would be only fractional to the cost to the Nation in every way if Alaska were to be taken by an enemy. Elsewhere in the RECORD last Thursday, Mr. Hoffman's testimony was inserted, and I urge every Member of the House to read it and read it carefully.

The job of fortifying Alaska, less than 60 miles distant from Soviet Asia at the closest point, ought to be No. 1 on our list of priorities. We are maintaining a great military establishment now because we are living in a troubled world. We should not allow that establishment to be lamentably weak at the point where the danger could be gravest.

Fake Hoover Plans Being Foisted Off on Congress

EXTENSION OF REMARKS

OF

HON. PAUL W. SHAFER

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Monday, July 18, 1949

Mr. SHAFER. Mr. Speaker, under leave to extend my remarks, I am inserting in the CONGRESSIONAL RECORD a copy of an editorial entitled: "Economy—How Not To Get It," from the July 16, 1949, issue of Business Week. This editorial reveals the unfair tactics of the "Fair Dealers" in trying to foist a fake Hoover plan off on Congress, knowing that Congress and the people almost universally favor the real Hoover plan and not the administration substitute. As always, the administration has attempted to capitalize on the favorable publicity regarding the famous proposals of Herbert Hoover by putting forward a tricky proposal that seems to resemble, but actually negates, the real thing. In other words, the administration uses the Hoover plan to make another assault on the American system of private enterprise and in favor of collectivism.

The editorial follows:

ECONOMY—HOW NOT TO GET IT

American business has been sold down the river again—this time in the name of Government economy.

How did that happen? We can tell you, even though we probably are putting the information on the record too late for much to be done about it. We hope, however, that time has not run out against us.

President Truman a few weeks ago signed the reorganization bill and promptly sent to Congress seven plans for revamping the Government's executive branch. He did some very careful picking and choosing. He selected from the recommendations made by the Hoover Commission—the Commission on Organization of the Executive Branch of the Government—those plans which obviously had political appeal. He junked anything in the Hoover Commission report that he apparently believed would not suit his political purposes.

One of the plans which President Truman wants to get in operation speedily relates to the Department of Labor. President Truman said: "Reorganization Plan No. 2 of 1949 strengthens the Department of Labor by transferring to it the employment-service and unemployment-compensation activities. This conforms to the recommendations of the Commission on Organization of the Executive Branch and reverses undesirable developments of recent years which have scattered various labor programs throughout the executive branch."

The transfer proposal wholly lacks any characteristic of economy. In fact, the transfer is almost 100 percent certain to cost more money. That is, more dollars will have to be raised through taxes to make the new operation work.

HOW THE SYSTEM IS RUN

The Federal Security Agency is now administering the employment-service program. It is doing this through its regional office system, which has about a dozen other programs under its supervision.

When Federal administration of unemployment compensation was originally established, it was lodged in the Social Security Board. Federal supervision of State employment-service activities was started in the Department of Labor. But State agencies had so much trouble handling two Federal programs and dealing with two Federal agencies that President Roosevelt finally transferred the Employment Service in 1939 from the Department of Labor to the new Federal Security Agency. There it was combined with Unemployment Compensation Administration.

The States' employment services were taken over by the Federal Government during the war, and the Department of Labor got the job of running the program. But Congress last year forced the Labor Department to give the operation of the employment service back to the States. Washington's over-all supervision was returned to the Federal Security Agency; there it was integrated again with Unemployment Compensation Administration.

What was the result? Money was saved. All that was necessary was to shoehorn field administration of the Employment Service into the work already done by FSA regional offices. At the same time, the elaborate network of regional and area offices set up by the Labor Department was knocked out of commission. The result was fewer Government workers to do the same job.

TOO COSTLY A COMPROMISE

It is quite true that Truman's proposal to transfer the unemployment-compensation and employment-service functions from FSA to the Labor Department is in accord with the Hoover Commission recommendation. However, the task force used by the Hoover Commission to study those functions did not recommend the transfer. Nor did it oppose the switch; it merely took a neutral position.

Rightly or wrongly, the Commission itself recommended the transfer. We suspect that the Hoover group may have taken this action in the belief that it was not particularly harmful and would help sell the whole reorganization program.

If that was the reasoning of the Hoover Commission, there might be good sense in going along—provided this transfer was used to get the whole economy package through. But Truman hasn't delivered the whole package to Congress. So we believe the price of this compromise is too great.

It is our considered opinion that Congress ought to toss back Reorganization Plan No. 2 on the ground that it will not contribute to the basic purpose of streamlining the Government.

WHY BUSINESS LOSES

American business, of course, is going to lose on this deal as a taxpayer if the proposed transfer of employment activities takes place. But American business stands to lose even more. Remember that the Department of Labor is set up "to foster and promote the interest of wage earners." It is not set up to give equal protection and consideration to the interests of wage payers.

If the Department of Labor gets the State unemployment-compensation and employment-service systems under its wing, American employers will be hurt. Organized labor will be helped, for organized labor knows that it can get Washington to bring pressure to bear on the State set-ups to suit the needs and fill the demands of labor unions. The unions will do everything in their power to get unemployment compensation freely dispensed to men on strike. The unions will do everything that they can to get eligibility requirements for unemployment compensation changed. They will see to it that unemployment-compensation and employment-service programs work to their advantage. And, thus, American business will be sold down the river again—in the name of Government economy.

Commies Train Sights on World Shipping

EXTENSION OF REMARKS

OF

HON. WILLIAM M. COLMER

OF MISSISSIPPI

IN THE HOUSE OF REPRESENTATIVES

Monday, July 18, 1949

Mr. COLMER. Mr. Speaker, a few weeks ago when the independent offices appropriation bill was up for consideration on the floor of the House, Congressman Boggs of Louisiana, Chairman PETERSON of the Public Lands Committee of Florida, and I, together with others, sponsored an amendment to that bill which would restore some $3,000,000 plus for the orderly operation of the merchant marine cadet-training schools located in New York, Florida, and Mississippi. At that time I pointed out to my colleagues here that this appropriation was opposed by certain left-wing Maritime Union officials; that, in fact, the Maritime Union, particularly that branch of it headed by the Communist leader, Harry Bridges, was opposed to having bright, stalwart, young American high-school boys train in these schools for officers in our merchant marine; that their scheme was to have these officers recruited from the ranks, where there are many Communists. After a spirited fight here on the floor, we succeeded in restoring these funds.

When the bill got over to the other body, certain misguided Senators took the responsibility for deleting our amendment from the bill.

In view of what is happening around the world in shipping circles today, with England, Canada and Hawaii having their commerce on the high seas brought to a virtual standstill as a result of these misguided efforts, I am very much in hope that these Members of the Senate, who have been given some misinformation, will realize what is going on and will withdraw their opposition to this amendment, and that these funds may be restored.

I am sure they will do so when they realize what is behind this movement for I know they are just as good Americans as I or any other Member of Congress.

Mr. Speaker, in this connection I submit for the benefit of those concerned the following article which appeared in the Washington Daily News on Tuesday, July 12, last:

COMMIES TRAIN SIGHTS ON WORLD SHIPPING

(By Charles T. Lucey)

World shipping has become a main target of the Communists. The Commies' proud boast today is of a seamen's strike which began in Canada and has bounced from one port to another around the world.

In London, with 8,000 stevedores and dockers out on sympathetic strike and with scores of ships unloaded, King George yesterday proclaimed a state of emergency giving the government wide powers to act.

In many other countries—by the Communist Daily Worker's count, they include such far-flung spots as Norway, Italy, Australia, New Zealand, British Guiana—Canadian ships have been tied up in sympathy.

Officials of Britain's Labor government repeatedly have blamed the Communists for the dock workers' strike. Many of the ships unloaded are filled with foodstuffs, and the strife has embarrassed the Government seriously at a moment when it is facing a climax in Britain's postwar economic troubles.

The dockers have ignored Government leaders' warning that they are playing into the hands of Communists whose interest is to injure the British economy by disrupting the island's vital shipping trade.

STRIKE IN HAWAII

Across the world in Hawaii another strike—again against an island community—is in progress. The immediate and legitimate trade-union issue is wages. But the union concerned is Harry Bridges' International Longshoremen's Union, and there have been charges that prolonging the strike and further disrupting shipping happens to suit the party line.

Senator HUGH BUTLER, Republican of Nebraska, recently prepared a report for a subcommittee studying Hawaiian statehood, in which he claimed Communist supporters, operating chiefly through the Bridges' union, had "persistently sabotaged the economic life of the Territory."

The strike the Communists have cheered began on the Canadian east coast and involved two unions. The shipowners' contract had been with the Canadian Seamen's Union, but when a prolonged battle occurred the owners signed up with the Seafarers International Union, affiliated with the AFL. Canadian Seamen's Union men who had taken ships overseas went on strike. In many cases they got seamen of other countries to go out with them.

Within the last few days two British Cabinet members and the Labor Party chairman have attacked Communist activity in the strike.

Sam Watson, the Labor Party official, said the London dock strike was the work of foreign agencies whose job was to throw a hammer in the works of British recovery. He declared the trouble was political and would be solved if anti-British agitators were tossed out.

Sir Hartley Shawcross, the attorney general, said the strikes either had been started or fomented by Communist agitation from abroad, aimed at damaging the British economy and wrecking the Marshall plan. Aneurin Bevan, Minister of Health, said there was evidence that "evilly disposed persons" were trying to end recent industrial harmony.

DAILY WORKER CHEERS

But here at home the Daily Worker cheers its cause. On June 21 it cited sit-down strikes on British ships and said:

"Support is growing day by day in foreign ports. Countries like Japan and the Philippines, both under the heel of American imperialism, are firmly behind the strike and will not touch any Canadian ship that reaches their shores."

On July 7 the Daily Worker reported 90 Canadian ships "tied up by class-conscious longshoremen in four continents of the world. And 800 dock workers in London are tying up 88 non-Canadian ships in solidarity with the strikers." The paper claimed the British workers were not officially striking but were locked out when they refused to work struck Canadian ships.

S. 1008, the O'Mahoney Bill, Unnecessary and Should Be Defeated—If Passed It Should Certainly Contain Kefauver-Carroll Amendments—Bill Would Help National Chain Stores Destroy Local Merchants, Especially Helpful to Atlantic & Pacific Grocery Co.

EXTENSION OF REMARKS
OF
HON. WRIGHT PATMAN
OF TEXAS
IN THE HOUSE OF REPRESENTATIVES
Monday, July 18, 1949

Mr. PATMAN. Mr. Speaker, representatives of small-business groups, aggregating millions of small-business people in all lines of business and industry were denied an opportunity to present their views in opposition to S. 1008. Typical of the wires to Representative EMANUEL CELLER, chairman of the Committee on the Judiciary of the House, pleading for an opportunity to be heard, is the following wire which was sent June 10, 1949:

Representative EMANUEL CELLER,
House Office Building,
Washington, D. C.:

Thirty-four thousand small independent retail druggists in our Nation represented by the National Association of Retail Druggists vigorously oppose any tampering with the Robinson-Patman Act. This legislation has been a lifesaver to small business. Monopoly cannot live with the Robinson-Patman Act, hence the desire to emasculate it. If you permit public hearings on S. 1008 we wish to be heard. A reply will be appreciated.

GEORGE H. FRATES,
Washington Representative,
National Association of Retail Druggists.

Not only did the druggists, but the representatives in many different lines of small businesses make similar requests. This bill was not considered by a Senate committee. It was offered on the floor as an amendment to a moratorium bill. It was not thought at the time that the bill was intended for any other purpose except to clarify rulings of the Supreme Court. To my mind there was no confusion in the decision of the Supreme Court, and there was no need for clarification, but this seemed to be the main purpose of the bill. It was later discovered that the bill, if enacted, would take the heart out of the Robinson-Patman act, in addition to accomplishing its avowed purpose of clarifying the law on the basing point.

When the bill reached the House, it was referred to the Committee on the Judiciary. Chairman CELLER was an opponent of the Robinson-Patman act when it passed in 1936. In fact, he was the leading and most vigorous opponent of the act. Notwithstanding his opposition the bill passed in the House by a vote of 290 to 16. Now, as chairman of the committee, Representative CELLER denied small-business groups an opportunity to be heard in opposition to the bill that would destroy the act that he opposed in 1936. I think this should be taken into consideration by the Members when considering whether or not the bill should get defeated.

SENATE ACTION NEXT

The bill is now in the Senate and can be called up at any time by the chairman of the Committee on the Judiciary of the Senate. When called up the question will be whether or not the House amendments by Representative CARROLL, of Colorado, should be agreed to, or whether or not the bill should be sent to conference. It occurs to me that there are very few differences between the Kefauver amendments adopted in the Senate, and the Carroll amendments adopted in the House. My personal hope is that the Senate will refer this bill to a Senate committee for hearings and give small-business men an opportunity to be heard before taking any action on it. If this cannot be done, I hope the House amendments are adopted as they kill about 75 percent of the damage to the Robinson-Patman Act. If the bill is sent to conference, all Members who are in sympathy with small business and against monopolies and trusts should be on the alert to prevent the scuttling of the Kefauver-Carroll amendments in the conference.

Dr. Vernon A. Munn, professor of economics, University of Washington, Seattle, Wash., presented a statement to our Committee on Small Business concerning the O'Mahoney bill. It is as follows:

THE O'MAHONEY BILL

The O'Mahoney bill (S. 1008), as I interpret it, is designed to set aside the law of count II in the Conduit case, so that there will be no way in which to challenge the use of a basing-point system except by proving the existence of conspiracy even where substantial lessening of competition occurs. In the absence of the Kefauver amendment, moreover, the bill appears to set aside the rule of law established in the Standard Oil of Indiana case. The bill thus appears to provide for the legalization of the most potent device of monopoly—discriminatory pricing—and for the reestablishment of the law of the jungle. The rules of fair competition are to be set aside for the principle that a practice which is profitable to politically important groups is good for the Nation. S. 1008 is a serious threat to the preservation of price competition which is fair and aboveboard. It should no tbe enacted if due regard is to be given to the national interest.

The efforts of Senator ESTES KEFAUVER to qualify the legalization of discriminatory pricing in the O'Mahoney bill, in my opinion, were noteworthy and laudable. Discriminatory pricing should continue to be made illegal whenever the effect is substantially to lessen competition. This principle is indispensable in a program of maintaining competition.

Insofar as large corporations, having plants in various places, are granted the right to discriminate to match or undercut the prices of distant rivals, they will be given a most powerful tool for discouraging new rivals and for frustrating and preventing the survival of small business upon the basis of productive efficiency. Small business does not need subsidies or special favors. It does, however, need an equal chance (1) to obtain the materials of production and (2) to continue in business without being crippled by the discriminatory pricing of large corporations to match or undercut the local prices of small business, while securing noncompetitive prices elsewhere.

The Federal Trade Commission and the Department of Justice all during the year 1948 insisted that no clarifying legislation was needed on account of the basing-point decisions. However, in 1949, evidently after great pressure, it was agreed by these agencies that if Congress was determined to pass some kind of legislation they recommended language along the lines of the O'Mahoney bill. I think their original decision in the matter was correct, that no clarifying language was needed. Any clarifying language will permit the same people who have been fixing prices for 25 years against public interest, to continue to fix prices by going into the courts and asking that the new words and phrases be defined. This will take from 10 to 25 years.

The Washington Post, in a recent editorial commenting on the O'Mahoney bill, had the following to say concerning the Kefauver-Carroll amendments:

In our opinion, this qualification was essential to avoid weakening the Robinson-Patman Act. That certainly was not the purpose of the House in approving a clarifying measure. In trying to clear up the confusion about the legality of delivered pricing systems and freight absorption, neither the House nor the Senate has any intention of removing safeguards against monopolistic or discriminatory practices banned by existing laws.

The passage of this bill without the amendments would definitely help national corporate chain stores in their present campaign to destroy local merchants. It would be worth millions a year to the Atlantic & Pacific Tea Co. alone.

Public-Works Program

EXTENSION OF REMARKS
OF
HON. GEORGE D. O'BRIEN
OF MICHIGAN
IN THE HOUSE OF REPRESENTATIVES
Monday, July 18, 1949

Mr. O'BRIEN of Michigan. Mr. Speaker, under leave to extend my remarks, I include the following article from the New York Times of July 16, 1949:

WASHINGTON, July 16.—A decade of war and postwar transition has built up throughout the country a tremendous backlog of needed public improvements that could be called upon to help absorb the shock of a serious business depression. However, the job of planning and blueprinting such projects is equally large, and it was this task that President Truman this week sought to get started.

In his economic report to Congress, Mr. Truman asked for funds to be used as loans to States and localities to get construction projects ready for the contractor. The idea is to build up the shelf of plans that would be ready to go, when, and if a public-works program should be desired to bolster the national economy. The shelf that exists today, while sizable, is held to be far from adequate to meet any serious emergency.

Government and independent surveys indicate that more than $100,000,000 could be

spent on public construction desired, or needed, at the present time by the States and localities. Other direct Federal projects could add as much as $30,000,000,000, it is estimated, to the total.

There is said to be a need for $10,500,000,000 worth of schools. States have noted that they could use $60,000,000,000 worth of new roads. Sewers and waterworks could take up another $9,500,000,000; hospitals, $8,500,000,000; public buildings, $4,500,000,000; airports, $3,500,000,000; docks and warehouse facilities, $2,500,000,000; and recreation facilities, $2,000,000,000.

LONG-RANGE PROGRAM

There is no thought that so much building could, or should, be started at once. It is regarded as enough work for a 10-, 15-, or even 20-year program.

But these estimates do show that a public-works program on a grand scale is available—one that is large enough to take up considerable slack in employment and industrial activity should the country's important building industry fall into a sharp decline. Such a decline, of course, is not seen in the immediate future.

The need for public construction derives from the comparative inactivity in the field since 1939. During the war years, both labor and materials were channeled into war output. The only roads built led to war plants or military posts, which accounted for almost all the building construction. Since the war, the emphasis has been on housing and reconversion of industry. According to the Federal Works Agency, there has been virtually no construction of Federal buildings, not even a postoffice, in 10 years. Meanwhile, the Federal establishment has grown much larger, and many communities need new post offices, among other things.

FOR FEDERAL BUILDINGS

This is not to say that public works as of today are at a standstill, but they are held to be considerably below prewar normal. Therefore, there is, in the view of the technicians, more than normal room for stepping up public construction if necessary in the interests of keeping the whole construction industry at a high level.

To show the importance of this industry to prosperity, it is pointed out that in the 20 years between the two World Wars, almost 11 percent of the national income was from new construction, public and private. In 1949 the percentage has fallen to between 8 and 9 percent.

In 1949 private construction is estimated at $13,000,000,000, while all public construction (State and local, including that federally aided) is running at $5,250,000,000. This means $18,250,000,000 for the whole industry, a total which some economists feel should not be allowed to drop too far. As private building falls off public building should be increased.

Such an adjustment, however, is held to be next to impossible without advance planning, without a well-stocked shelf of blueprints.

President Truman had this in mind last week when he urged Congress to pass a bill permitting the Government to help States and localities "intensify their advance planning and to acquire sites for useful projects."

He noted that the economic situation did not now call for an "immediate and sweeping expansion of public works," but he held it would be "dangerous" to "neglect the precautionary preparation" of measures that might be needed in the event of a serious business downturn.

The President was asking for such a bill as has been introduced in the Senate by Senator DENNIS CHAVEZ, of New Mexico, and a number of his colleagues on the Public Works Committee. This would authorize $100,000,000 to be used over a period of 2 years for loans to States and communities to prepare plans and specifications for projects.

PREPARED PLANS

This bill is similar to a provision in the War Mobilization and Reconversion Act of 1946 by which the Federal Works Agency received $56,000,000 to lend State and local governments for blueprint purposes. That fund was exhausted in 1947, and most of the shelf of plans it made possible is gone. As of today, it contains prepared plans for State and public works estimated to cost $2,500,000,000.

In addition, the Federal Government itself has plans for public works, chiefly dams, power plants and flood control projects, totaling about $2,000,000,000.

Thus, there are on the shelf at present a total of $4,500,000,000 worth of public works projects ready to go should an economic distress signal be raised. This is somewhat less than the total going into public construction this year, and, as an FWA official noted, the shelf is being exhausted day by day as States draw upon it for current projects.

Most of the advance planning to date has been done under the sponsorship of the Federal Works Agency (lately transformed into the General Services Administration). The constituent groups here directly involved in various phases of public works are the Bureau of Public Roads, Public Buildings Administration, Bureau of Community Facilities—which has coordinated the advance planning program of the States and cities—and the Bureau of Federal Supply, the Government's over-all purchasing agency.

In addition, such agencies as the Reclamation Service, Public Health Service, and Corps of Engineers are concerned with public works and construction programs in their respective fields.

Substitutes for Hoover Commission Proposals Are Offered

EXTENSION OF REMARKS
OF
HON. PAUL W. SHAFER
OF MICHIGAN
IN THE HOUSE OF REPRESENTATIVES
Monday, July 18, 1949

Mr. SHAFER. Mr. Speaker, inspired by numerous newspaper campaigns, Members of Congress are being deluged by letters, telegrams and petitions to enact the recommendations of the Hoover Commission. All such communications have been written by tax-burdened citizens who rightfully believe that Government costs should be reduced. However, the communications seem to be based on the premise that to object to any parts of the Hoover recommendations would be to endanger acceptance of the entire program.

The claim that you must accept all or nothing can have little validity unless there is good faith acceptance of the entire program by President Truman and others who are advancing that argument.

Actually, the reorganization plans so far submitted by President Truman ignore numerous Hoover Commission recommendations. For example, one relating to the Post Office Department ignores the recommendation that the Postmaster General should not be an official of any political party. Also ignored in other plans are the recommendations that all shipping operations of the Maritime Commission should be transferred to the Department of Commerce and that the Commission should function only as a regulatory body. In the plans sent to the Congress by President Truman to reorganize civil service, money-saving recommendations of the Hoover Commission are not included. In the President's plan to reorganize the Department of Defense, far more powers are recommended for the Secretary of Defense than were proposed by the Commission and the budgetary proposals were not included until provided in a Senate amendment.

Mr. Hoover himself has pointed out to the Senate Committee on Executive Expenditures that the President's Plan No. 2, transferring the Bureau of Employment Security from the Federal Security Agency to the Department of Labor, fails to include the Commission's recommendations that the Bureau of Employees' Compensation, the Employees' Compensation Board, and the Selective Service System also be transferred to the Department of Labor.

Many Members of Congress believe there is a real issue at stake in the Presidential reorganization plan No. 2. They feel that the commission's proposal to transfer the Bureau of Employment Security from the Federal Security Agency to the Department of Labor is ill advised; that it will make possible the long-sought desire by labor union officials to win their campaign to gain complete control of Federal administration of unemployment compensation and the employment services. Such a transfer will take place automatically unless, by August 19 of this year, either the House of Representatives or the United States Senate votes, by constitutional majority, to reject the plan.

Lodging in the Department of Labor all Federal authority over both unemployment compensation and the employment services, means control by labor union officials because, First, by law the Department of Labor officially is the promoter of labor interests and viewpoints, and is not even intended to be an unbiased, neutral department of Government; second, as a practical matter the Labor Department always is dominated by national officials of organized labor, with much of its executive personnel selected from organized labor ranks; third, efficiency in administration would not be promoted by tearing an important part of the social security program away from the rest of the social security program; on the contrary, coordination of policy and administration between unemployment compensation and old age and survivors' insurance, for example, would be destroyed; fourth, the Commission's argument that many of the Labor Department's former functions have been taken away from it and therefore the Department should be rebuilt, fails to recognize that these functions were taken away because the Labor Department proved by its actions that it was unfit to administer them on an unbiased basis; fifth, the argument that operation of the employment services offices is a proper

Labor Department function ignores realities; it fails to recognize that successful functioning of the employment service depends upon their voluntary utilization by employers—probably nothing can more thoroughly discourage such voluntary use than the transfer plan now proposed; sixth, the Commission gave no consideration in its report to the fact that the social security program is intended to be in the broad public interest, properly to be entrusted to an independent agency obligated to no single economic group—whereas to transfer unemployment compensation to the Labor Department is to label it solely as a "labor rights" program, to be administered exclusively from the labor standpoint.

Yes, there is much about the propaganda regarding the Hoover Commission recommendations that should be studied. Let us not be deluded into believing that all proposals before Congress are Hoover Commission proposals.

Federal Aid for Education

EXTENSION OF REMARKS
OF

HON. CHARLES A. EATON

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Monday, July 18, 1949

Mr. EATON. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following radio broadcast conducted by Ed Hart:

This is Ed Hart speaking from Washington. Every week this Nation spends $300,000,000 for national defense. An effort in Congress to obtain $300,000,000, not per week but per year, to improve our declining education system is meeting significant opposition. On May 5, the Senate did pass the Thomas Federal school-aid bill. But a companion measure in the House, the Barden bill, has suddenly aroused intense debate not only in Congress but throughout the country.

Support the Barden bill—it preserves the basic American principle of separation of church and state. Kill the Barden bill—it discriminates against Catholics and Negroes. So goes the debate, punctuated at times with ugly name calling.

But our guest today, despite provocation, has not resorted to name-calling. He is Representative GRAHAM A. BARDEN, author of the Barden Federal school-aid bill, a Member of Congress for the past 15 years, specializing in matters pertaining to education and labor. He was coauthor of the Barden-La Follette Act dealing with vocational education and the George-Barden Act concerning rehabilitation of the physically handicapped.

Before coming to Congress, while serving as a member of the North Carolina Legislature, Mr. BARDEN was one of the leaders in the fight for better public schools including both Negro and white, and he fought as an advocate of equal pay for Negro and white teachers. Congressman BARDEN, recently there has been a lot of heat but not too much light focused on your bill for Federal school aid. I have a notion it would be to everyone's advantage if you would explain precisely its content, intent, and purpose.

Mr. BARDEN. This is a very short bill, Mr. Hart, consisting of only about 125 lines of large type, yet it does the following things:

1. It authorizes the appropriation of $300,000,000 for the public schools of the United States and $14,500,000 for the public schools in Puerto Rico, Alaska, Hawaii, and the Virgin Islands.

2. It provides for a formula which would allot money to the States in direct ratio to the number of children between the ages of 6 and 17 and in inverse ratio to the financial capacity of the various States. This formula is virtually the same one used by the Senate in the Thomas bill. When applied it produces the same results in amounts to the various States. Both formulas provide for a $5 minimum per child to those States which under the formula would not participate, such as some of the richer States as New York and Massachusetts.

3. It provides that the Secretary of the Treasury, through the fiscal service of the Treasury Department, shall pay to each State the amount apportioned by the formula.

4. The bill provides for judicial review which does away completely with the necessity of an administrator in Washington directing, controlling, or interfering with the schools of the various States.

5. My bill provides for annual reports to be filed by the States with the Commissioner of Education, whose sole duty or power in connection with same is to convey it to the United States Congress.

6. It further provides a safeguard to prevent the States from reducing their appropriations, thereby shifting the burden to the Federal Government, by penalizing any State twice the amount of the reduction.

7. And finally, it defines current expenditures by excluding building construction, debt service, bonded indebtedness, transportation, and health program. All of these are excluded in the Senate bill with the exception of transportation. Therefore, my bill provides funds essentially for teachers' salaries, which is the greatest need in the American public school system today. Books, laboratory equipment, and similar necessary expenses may also be included.

Mr. HART. Congressman BARDEN, you have been most precise in stating what your bill is and what it seeks to do, but I wonder if we can't get a few thoughts clarified. Now, you want in effect to establish a minimum floor under the American education system. What sort of a minimum standard would you have established?

Mr. BARDEN. Mr. HART, in effect what I am after and what the bill provides for is that every child in America attending the public schools would receive an education that would cost no less than $60 per pupil per year. Being a little more specific, it would mean that every substandard school, whether white or Negro, would be brought up to that standard before the Federal funds could be applied in the more fortunate districts.

Mr. HART. What States then benefit mostly under the formula?

Mr. BARDEN. Most of our school-aid money would go where the need is greatest, and I think it is it is generally conceded that the Southern States are in the greatest need at this time. States like Mississippi, Alabama, and North Carolina would get more than some of the richer States who enjoy higher standards of schools. Bear in mind, Mr. HART, that the so-called poor States by and large have been making a greater effort and have been spending a higher percentage of their income for education than some of the wealthier States, even though the wealthier States have the best school systems.

Mr. HART. By the way, Mr. BARDEN, does your bill interfere with or restrict in any way whatsoever the use of a particular State's funds?

Mr. BARDEN. Absolutely not, Mr. HART, and on this point there has been a tremendous amount of misinformation. There is not one word in this bill that in any way hinders, restricts, regulates, controls, or even refers to the use of a State's own funds by that State. Furthermore, there is nothing that would prohibit a State from transferring funds from its teachers' salary funds to transportation or any other activity carried on by that State as a school expense and replacing those moneys from the funds received through Federal aid.

Mr. HART. You are most positive, Congressman BARDEN, regarding the States controlling its own funds and the Federal Government having a minimum amount of authority.

Mr. BARDEN. Yes. The Federal Government is not taking over the schools. This bill only seeks to aid them financially, not to control or interfere with them or the States.

Mr. HART. Without some form of Federal control, aren't you inviting discrimination, particularly in matters pertaining to education of Negroes?

Mr. BARDEN. The bill specifically protects against discrimination by providing that before any part of the Federal funds can be spent in the better or more fortunate schools of a State, all of the public schools, both Negro and white, must be brought up to the minimum standard of $60 per pupil This is the most forward step ever taken for the benefit of the substandard schools.

Mr. HART. Well, you have answered the charge that your bill does not discriminate against Negroes, but there have been voices raised claiming that the Barden bill discriminates against a great church.

Mr. BARDEN. That charge, Mr. Hart, is equally false and without foundation. First, you must get this clear in your mind, the funds provided for are for public elementary and secondary schools, which means—as defined by the bill—tax-supported grade schools and high schools which are under public supervision and control. It does not discriminate against the Baptist schools, the Methodist schools, the Episcopal schools, or the parochial schools. It simply says that no school except the public schools shall participate in these funds. This was well expressed in a statement issued by Congressman JACOBS, of Indianapolis, "As long as we have the same right to send our children to public schools as anyone else, we are not discriminated against." Further quoting, "Our parochial schools are an adjunct of our religion. The issue is clear—either you keep parochial schools and maintain them or accept public funds and convert the schools into public schools." Further quoting, "As Catholics, we do not have the right to a separate publicly supported school system nor does any other group of people have such right." Frankly, I am astounded at this question being raised in the year 1949 when I thought it was so clearly and well settled as far back as the days of Roger Williams, Lord Baltimore, Thomas Jefferson, and the Members of the First Congress of the United States who were not only great leaders in, but exponents of religious freedom and separation of church and state, regardless of the denomination.

Mr. HART. Congressman BARDEN, you resent the fact that the religious issue has been injected into the debate of your bill?

Mr. BARDEN. I certainly do. The people want the public schools improved. I propose that they should be improved through Federal aid. It is dangerous for the future tranquillity of this Nation that the question of whether our public school system should receive Federal aid has had injected into it by certain church officials the entirely irrelevant factor of religion. I do not think the American people as a whole want private or parochial schools, regardless of the denomination, subsidized by the Federal Government. Let those who think otherwise be honest and have a bill prepared which would, if passed, grant such aid, then we would know who among us would sanction the violation of the first amendment to our Constitution.

Mr. HART. Unfortunately, Congressman BARDEN, your bill has given rise to a national politico-religious debate.

Mr. BARDEN. I regret that it apparently has, but since this is the case may I remind some church dignitaries who start political controversy that they need not expect immunity from political blows. If they enter the political arena they are inviting such blows. They may lose some of their effectiveness as spiritual leaders in such combat, and if they resort to falsehood and name-calling as weapons, they run the risk of losing even their honor. As you know, Mr. Hart, there has been a personal campaign of vilification against me. What the effects of this are upon me is of little consequence, but those individuals behind this personal campaign apparently have a far greater design than merely attacking me.

Mr. HART. In the course of the debate statements have been made that your bill would direct that no private- or parochial-school pupils receive even the health benefits and transportation services provided for their companions attending public schools.

Mr. BARDEN. Actually, Mr. Hart, the Barden bill prohibits the use of Federal funds for such purposes as transportation and health services for either public- or non-public-school pupils—so how can there be discrimination on this score. But let me repeat, the bill does not in any way interfere with any program that the States are now carrying on or may desire to carry on with State funds.

Mr. HART. But, nevertheless, the charges I mentioned before still persists Congressman BARDEN.

Mr. BARDEN. I know that the misstatements you mention have been repeated many times. Such falsification concerning my bill is not accidental. It comes from those sources who are demanding as their right—their right, mind you—to receive Federal money for the support of church schools. It comes from those sources who charge bigotry to any who disagree with their political views. It comes from those sources who would whip their flock into a fanaticism which could destroy a first principle of American democracy—the separation of church and state. I say to these people, with Thomas Jefferson, "To compel a man to furnish contribution of money for propagation of opinion which he disbelieves is sinful and tyrannical." And there, Mr. Hart, I rest the case for the Barden bill.

Mr. HART. Congressman BARDEN, there are two juries—the Congress of the United States and the people of the United States.

Supreme Court Justices as Character Witnesses

EXTENSION OF REMARKS

OF

HON. KENNETH B. KEATING

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Monday, July 18, 1949

Mr. KEATING. Mr. Speaker, there have been varying reactions regarding the conduct of the trial judge in the Alger Hiss case. Many have been frankly and vehemently critical. Others, equally stanchly, have defended his impartiality and judicial demeanor. Lawyers and laymen alike are to be found on both sides of this controversy.

One incident of the trial, however, regarding which I have encountered complete unanimity in condemnation was the appearance on the witness stand of two Justices of our highest court to act as character witnesses for the accused. The legal admissibility of this evidence is not open to challenge. It is the impropriety of their appearance which has disturbed the American people, who look with awe and reverence upon our Supreme Court.

I intend no harsh criticism of Justices Frankfurter and Reed, both of whom are outstanding and able men. The former was one of my professors in the Harvard Law School. Yet I deem it my duty to state emphatically that they should have declined to give character evidence in a case which, by its very nature, might later reach the Court where they sit.

To avoid a repetition of such a regrettable occurrence, which has shocked the Nation, especially members of the bar, I am introducing today a bill to prohibit Justices of the Supreme Court from giving character or reputation evidence or testifying regarding matters of opinion in Federal courts. They should not, of course, be barred from giving evidence as to facts in any controversy of which they may have knowledge. In other words, if they have seen some actions done or heard words spoken which are material in pending litigation, there is no reason why they should not testify about them in the same manner as anyone else. Existing law would disqualify them from sitting in judgment on an appeal to their court, so that no litigant would be injured through permitting such testimony.

On the other hand, character evidence or opinion evidence seems to me to be in an entirely different category. No case comes to mind where this type of testimony from such a source would be essential to promoting the ends of justice. A Supreme Court Justice could conceivably have been the only witness to an automobile accident or the only person who overheard a crucial conversation. To deprive him of the right to testify in such a case might defeat the ends of justice. It would always be possible, however, to secure other expert or character witnesses without reliance on the Supreme Court as an exclusive source of supply.

Although it is reported that this question has never arisen before since no other Supreme Court Justice in all our history has sought to testify as a character witness in a criminal trial, it is important that a precedent for such action in the future be not established. Nine Justices sit on our highest court. If Alger Hiss had been convicted and a review of that judgment had taken place in the Supreme Court, Justices Frankfurter and Reed would, of course, have been disqualified, leaving seven to make the decision. If a larger number of the Justices, conceivably all nine, had elected to disqualify themselves, paralysis of our judicial system would have been the result.

Had a judgment of conviction been presented for review to the Supreme Court, extreme embarrassment would have been caused their brother jurists in sustaining the conviction of one to whose high character two associates had attested. In this zeal not to give undue weight to such testimony, it is conceivable that they might bend over backwards to the prejudice of the accused. It is simply a situation which should never arise.

In addition, the very presence in one of our Federal courts of a justice of the appellate tribunal, as a witness for either the prosecution or defense, results in an influence on the presiding judge and jury out of all proportion to the importance of his testimony, when he is there only to support someone's character. As we all know, those of previously spotless reputation often commit serious crimes. General character evidence is not of too great value at best. Its introduction should, therefore, be surrounded with the necessary safeguards to insure that its value and effect be not exaggerated.

I realize the serious implications surrounding the suggestion that anyone of high or low estate be deprived of the privilege of testifying in our courts. The extension of such prohibitions should be cautiously approached. Yet it is well established that physicians, lawyers, and clergymen are barred from disclosing confidential communications. The preservation of the sanctity of their relationship is considered of paramount importance. I can think of nothing more vital to the welfare and security of our Nation than the perpetuation of the position of eminence and respect which our highest tribunal has enjoyed throughout its history among our people. To permit the Justices of the Supreme Court to vouch for the character of defendants on trial in our Federal criminal courts represents a source of imperilment of the standing of that revered tribunal.

Demonstrably, reliance on the proprieties has failed. Legislation on the subject is the only alternative.

To avoid the possibility of any interference with defense plans in pending litigation, I have provided that this statutory change shall not take effect until July 1, 1950.

History of the Legislation Pertaining to the Garrison Dam in North Dakota

EXTENSION OF REMARKS

OF

HON. USHER L. BURDICK

OF NORTH DAKOTA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, July 19, 1949

Mr. BURDICK. Mr. Speaker, the first documentary report on the building of the Garrison Dam came into Congress on February 5, 1934, known as House Document No. 238, Seventy-third Congress, second session. This was the Army engineer's report on the development of water uses of the Missouri River and in that report the Garrison Dam was discussed. On page 799 of the report, we find the following language:

76. The Garrison site was considered of sufficient importance to justify underground explorations, in order to determine whether or not a high earth dam could be constructed with safety. These borings indicate that

the foundation materials at that point do not have sufficient crushing strength to support a high dam. The site was accordingly abandoned in favor of other sites on the main stem, above the mouth of the Yellowstone River. For a detailed discussion of foundation conditions at the Garrison Dam site, see the report by Dr. Warren J. Mead, appendix XIII. Dr. Mead is a structural geologist of international reputation, and the conditions disclosed by his report, based on actual underground explorations, indicate that further consideration of a dam at the Garrison site would be unjustified.

77. In view of the short period of usefulness (because of the probable high rate of silt deposition), and of the unfavorable topographic conditions, for the location of reservoir sites in the lower basin, also of the poor foundation conditions obtaining at the Yankton and Garrison sites, it appears that the best potential sites for flood-control purposes would be on the upper Missouri River, above the mouth of the Yellowstone. The Fort Peck, Garfield, and Iliad sites, located on the main stem between the mouth of the Yellowstone and Fort Benton, Mont., at river miles 1,877.6, 1,997.1, and 2,131.6, respectively, are favorable sites for flood-control reservoirs. The particular reservoir, or reservoirs, selected would depend upon the capacity required and the particular reservoir, or combination of reservoirs, that would furnish that capacity most economically. A detailed description of the reservoir sites is contained in appendix XII, together with a description, of the proposed structures and cost, of the reservoirs at different capacities.

The full scientific reasons for Dr. Warren J. Mead's advice against the safety of the proposed dam at the Garrison site are fully set forth in appendix XIII of the report. His advice against building the dam at Garrison was based on the fact that his examination disclosed the average depth of the mud below the bed of the river at Garrison to be, on the average, 85 feet. His conclusion that the dam would not hold was based on the fact that the extreme pressure of dirt dumped on this mud would be such that it would give way. Remember, also, that the amount of water to be impounded under this first proposal was 10,000,000 acre-feet of water. When we add 7,000,000 more acre-feet as proposed in the 1,830-foot pool, as authorized by Congress, you can see that the admonitions of Dr. Mead are even more worthy of consideration.

The quotations from this report will be significant in a further discussion of the matter of Garrison Dam.

Now, let us see what the law is:

After the first report declaring that a dam could not be built at Garrison with safety to withstand the pressure of a 10,000,000 acre-feet pool, the next report was House Report No. 475, presented to Congress March 2, 1944.

This—the Pick report—says that the dam at Garrison can be built with safety and that the amount of water to be impounded in the reservoir is 17,000,000 acre-feet. The report also says that from this pool water should be diverted to the Devils Lake area. It does not mention the diversion of waters from below Fort Peck to the Minot, Velva, and Sheyenne River areas, but only that diversion and irrigation can be had from the 17,000,000 acre-foot pool at the Garrison Dam.

This report was signed by Lewis Pick and, on page 28, the capacity of the pool is set forth at 17,000,000 acre-feet. That amount of storage was evidently sufficient, in the opinion of the present General Pick, to take care of all the multiple purposes of the dam.

The next report on the subject was Senate Report No. 191, submitted by the Bureau of Reclamation and filed May 5, 1944. This report is the document that contains the Sloan plan. It has no reference to the Pick plan and is entirely different. In this plan, irrigation, water use, flood control, and power development are provided for and the report states that sufficient electric power can be developed to supply the whole area as far as electricity can be economically transported without the use of a mainstem dam. The Garrison Dam is not discussed because they had no idea of building such a dam.

Congress, thus being confronted with two different plans for the development of water uses of the upper Missouri, decided to send both reports to four engineers; two from the Army and two from the Bureau of Reclamation, with instructions to bring in one comprehensive plan. This was done and Senate Document No. 247 was the result, signed by all four engineers, and it embodied a complete agreement.

The recommendation of the Army engineers contained in House Document No. 475 is not the law regarding the Garrison Dam; neither is the report of the Bureau of Reclamation, Senate Report No. 191, but the two controlling documents as to the law are found in this same Senate Document No. 247, the agreement reached by the Army engineers and the Bureau of Reclamation; and in Public Law No. 534. Within these two documents lies all authority which the Army engineers have at this time, and in no other law, save a limitation placed in the appropriation bills for the past 4 years respecting the Garrison Dam. You can look in vain for other authority, but there is none.

What did this Senate Document No. 247 contain?

It was an agreement reached by both agencies as to flood control, navigation, irrigation, and power development in the entire Missouri River Basin. Each side gave up certain recommendations in order to bring before Congress one unified plan, now commonly known as the Pick-Sloan plan.

This report was filed November 21, 1944, and the following language appears in the document:

OCTOBER 25, 1944.

To the SECRETARY OF WAR and the SECRETARY OF THE INTERIOR:

1. In view of the questions raised regarding the differences between the separate plans presented by the Corps of Engineers (H. Doc. 475, 78th Cong., 2d sess.) and the Bureau of Reclamation (S. Doc. 191, 78th Cong., 2d sess.) for the comprehensive development of the Missouri River Basin, a committee, composed of two representatives each from the Corps of Engineers and the Bureau of Reclamation, was appointed to review the engineering features of the two plans with a view of reconciliation between them.

2. The committee met at Omaha, Nebr., on October 16 and 17, 1944, discussed the various features of both plans, examined the supporting data for each plan, and prepared the enclosed joint engineering report. The joint engineering report points out that by making appropriate modifications, it is possible to eliminate existing differences between the two plans.

3. It was possible to bring into agreement the plans of the Corps of Engineers and the Bureau of Reclamation by recognizing the following basic principles:

(a) The Corps of Engineers should have the responsibility for determining main stem reservoir capacities and capacities of tributary reservoirs for flood control and navigation.

(b) The Bureau of Reclamation should have the responsibility for determining the reservoir capacities on the main stem and tributaries of the Missouri River for irrigation, the probable extent of future irrigation, and the amount of stream depletion due to irrigation development.

(c) Both agencies recognize the importance of the fullest development of the potential hydroelectric power in the basin consistent with the other beneficial uses of water.

4. For convenience in referring to the joint engineering report, the following comparable six subdivisions contained in the report of the Bureau of Reclamation, Senate Document 191, Seventy-eighth Congress, second session, have been used:

(a) Upper Missouri River Basin.
(b) Yellowstone River Basin.
(c) Missouri River—Fork Peck to Sioux City.
(d) Minor western tributaries.
(e) Niobrara, Platte, and Kansas Rivers.
(f) Lower Missouri Basin.

* * * * *

MISSOURI RIVER—FORT PECK TO SIOUX CITY

7. The plan presented in House Document 475, Seventy-eighth Congress, second session, contemplates the construction of five additional multiple-purpose reservoirs on the main stem of the Missouri River for flood control, navigation, irrigation, power, domestic and sanitary purposes, wildlife, and recreation, as shown in the following table:

Project, location, and approximate gross storage capacity

	Acre-feet
Garrison, near Garrison, N. Dak..	17,000,000
Oak Creek, near Mobridge, S. Dak..	6,000,000
Oahe, near Pierre, S. Dak.....	6,000,000
Fort Randall, near Wheeler, S. Dak.....	6,000,000
Gavins Point, near Yankton, S. Dak.....	200,000

The plan also provides that as soon as substitute storage is built on the main stem of the river, the Fort Peck Reservoir will be operated as a multiple-purpose reservoir primarily in the interest of irrigation.

* * * * *

9. After full discussion of the varous features of the two plans in this subdivision the following main-stem reservoirs were recommended in the joint engineering report in order to more fully utilize the water resources of the basin and to most effectively serve the present and ultimate requirements of flood control, irrigation, navigation, hydroelectric power, and other uses.

Project, location, and approximate gross storage capacity

	Acre-feet
Garrison, near Garrison, N. Dak..	17,000,000
Oahe, near Pierre, S. Dak.....	19,600,000
Fort Randall, near Wheeler, S. Dak.....	5,100,000
Big Bend, near Joe Creek, S. Dak..	250,000
Gavins Point, near Yankton, S. Dak.....	200,000

The final storage capacities to be selected for the above reservoirs will be jointly agreed upon after more detailed plans and cost estimates have been made.

10. The Garrison Dam, Reservoir, and power plant was included in the coordinated

plan as it provides a large volume of useful storage capacity for flood control, navigation, and irrigation, and permits the utilization of approximately 160 feet of head for the development of hydroelectric power in an area capable of absorbing the potential output and which, otherwise, has no prospective source of abundant low-cost power. A large reservoir at the Garrison site, situated immediately below the Yellowstone River with its large silt contribution, will prolong materially the life of downstream reservoirs.

It will be noted that the final authority over flood control and navigation is lodged with the Army engineers and that matters pertaining to irrigation are left with the Bureau of Reclamation, even to the extent of determining the height of the dam at Garrison. As this joint agreement is in all things approved by Public Law 534, the conclusion is inescapable that so far as irrigation is concerned the Army engineers have no authority over that in the slightest degree. The Bureau of Reclamation has already gone on record that a pool level of 1,830 feet at Garrison is sufficient for irrigation purposes. Notwithstanding that, the Army engineers have no authority over irrigation. They are constantly giving testimony before this committee and others, and are filling the newspapers with stories about the great irrigation plans they are formulating for a high dam at Garrison. They ignore the joint agreement under Document No. 247.

It will be noticed that in this joint agreement the capacity of the dam was agreed to at 17,000,000 acre-feet, and the following important language appears on page 3 of Document No. 247:

> The final storage capacity to be selected for the above reservoirs, including the Garrison Dam, will be jointly agreed upon after more detailed plans and cost estimates have been made.

That means that if the impounded waters are to be more than 17,000,000 acre-feet, the Bureau of Reclamation will have to agree to it. They have not so agreed, and from their testimony in various hearings on this matter they will not agree.

Yet even this provision does not daunt General Pick. He goes ahead arrogantly in purchasing land, unlawfully, to accommodate a water pool of 23,000,000 acre-feet.

Turning now to Public Law 534, which was an approval of this Senate Document No. 247, I quote section 9, that law, which reads as follows:

> SEC. 9. (a) The general comprehensive plans set forth in House Document No. 475, and Senate Document No. 191, Seventy-eighth Congress, second session, as revised and coordinated by Senate Document No. 247, Seventy-eighth Congress, second session, are hereby approved and the initial stages recommended are hereby authorized and shall be prosecuted by the War Department and the Department of the Interior as speedily as may be consistent with budgetary requirements.
>
> (b) The general comprehensive plan for flood control and other purposes in the Missouri River Basin approved by the act of June 28, 1938, as modified by subsequent acts, is hereby expanded to include the works referred to in paragraph (a) to be undertaken by the War Department; and said expanded plan shall be prosecuted under the direction of the Secretary of War and supervision of the Chief of Engineers.
>
> (c) Subject to the basin-wide findings and recommendations regarding the benefits, the allocations of costs and the repayments by water users, made in said House and Senate documents, the reclamation and power developments to be undertaken by the Secretary of the Interior under said plans shall be governed by the Federal reclamation laws (act of June 17, 1902, 32 Stat. 388, and acts amendatory thereof or supplementary thereto), except that irrigation of Indian trust and tribal lands, and repayment therefor, shall be in accordance with the laws relating to Indian lands.
>
> (d) In addition to previous authorizations there is hereby authorized to be appropriated the sum of $200,000,000 for the partial accomplishment of the works to be undertaken under said expanded plans by the Corps of Engineers.
>
> (e) The sum of $200,000,000 is hereby authorized to be appropriated for the partial accomplishment of the works to be undertaken under said plans by the Secretary of the Interior.

Here again the work on this common plan—Pick-Sloan plan—is divided between the authorities just as the Document No. 247 outlines.

It is obvious that the authority over irrigation, which was given up by the Army engineers when they signed Document No. 247, was approved by the law and that the Bureau of Reclamation alone has jurisdiction and authority over irrigation. General Pick has no authority whatever to be constantly issuing newspaper releases that a high dam will irrigate certain lands.

He stated before this committee that a high dam would irrigate some 750,000 acres, but says nothing about the 1,300,000 acres to be irrigated by the Bureau of Reclamation under their lawful authority.

There was written into this act an important amendment placed there by Congressman LEMKE, myself, and others which provides:

> (b) The use for navigation, in connection with the operation and maintenance of such works herein authorized for construction, of waters arising in States lying wholly or partly west of the ninety-eighth meridian shall be only such use as does not conflict with any beneficial consumptive use, present or future; in States lying wholly or partly west of the ninety-eighth meridian, of such waters for domestic, municipal, stock water, irrigation, mining, or industrial purposes.

Just what legal authority does General Pick have to do the following things?

To interfere with or destroy 40,000 acres of presently operating irrigation projects in the Williston area, consisting of the following:

The lower Yellowstone, the Buford Trenton, and the Lewis and Clark projects. Does this not conflict with this amendment?

To flood out a city of 10,000 people?

To destroy the railroad system into Williston?

To destroy the fresh-water system of this city?

To flood 90,000 additional acres in the Williston Valley and destroy the fields, ranches and homes in this area?

To disrupt our tax system and adversely affect an area containing 50,000 people?

The answer is that he has no such authority, but proposes to do it because of his own plans.

There is no authority anywhere to permit the operation of the normal pool level at the Garrison Dam above 1,830 feet, which would accommodate a storage pool of 17,000,000 acre-feet. There is no authority in law or by agreement with the Bureau of Reclamation to maintain a water reservoir capacity of 23,000,000 acre-feet.

A conservative estimate of the costs to the Government for the erection of this high dam—pool level of 1,850 feet—would be substantially as follows:

Cost of 90,000 acres of river bottom lands at and near Williston	$5,400,000
Flooding of 3 irrigation projects at or near Williston (Government cost)	5,000,000
Improvements	1,000,000
Cost of removing the Great Northern Railroad to a point 9 miles north of Williston, N. Dak.	1,000,000
Destruction of a city of 10,000 people	20,000,000
Cost of dikes around Williston, the railroad, and 3 irrigation projects	16,000,000
Total	48,400,000

Thus we have a total estimate of $48,400,000, not one item of which has been authorized by law. These figures do not take into account the annual crop production on this land of approximately 1,000,000 per year for all time to come.

This estimate does not take into consideration the future losses that may occur in life and property by the building of a dam that is unsafe. The higher the dam, the more pressure will be placed on a mound of dirt resting on a mud bottom of 85 feet, with no stone support anywhere from top to bottom. It will be risky enough with a pressure from a 17,000,000 acre-foot pool, and to increase it does not bring more safety, but more risk.

Now I wish to let this committee know that the Pick-Sloan plan as agreed to by Document No. 247 and as approved by Public Law 534 is satisfactory to the people of the Williston area, but the interpretation of the Pick-Sloan plan by General Pick is violently objected to. If the Army engineers could in some way be made to observe the law, no difficulty would arise. The constant and persistent advocacy of a high-water pool and irrigation suggested by the Army engineers, not authorized by law, has stirred up the people of northwestern North Dakota. It has divided the people of North Dakota. We find the Governor and the State water board following General Pick implicitly, while all four Members of Congress from North Dakota want the Army engineers to observe the law. The House of Representatives of the Legislature of North Dakota, by a vote of 77 to 31, approved the MVA plan of development, as in that they see a chance to break the arbitrary power of a determined Chief of the Army Engineers. Further evidence of the dissatisfaction of the people with the conduct of the Army engineers is shown by the attached

resolution—House Concurrent Resolution L—which was passed by the North Dakota Legislature with only a few dissenting votes.

The support for this plan will grow in strength just as long as the obstinate dictatorial attitude of General Pick continues. No board of directors of the MVA could possibly be as high-handed and arbitrary as is the Chief of the Engineers in his operations in North Dakota.

General Pick says he will build dikes around Williston. He will build dikes to protect the railroad when the Great Northern has already testified before Congress that, if the pool level is raised, the company will withdraw their railroad and run it on solid ground 9 miles north of the city of Williston. This means the destruction of Williston and a probable damage of $20,000,000. He says he will dike the irrigation project and that no harm will come to the people. Before Congress authorizes a higher dam they should inquire into the dike system. They should inquire into General Pick's fitness to promise and carry out this protection.

The law authorizes the Army engineers to build dikes along the Missouri River from Sioux City to the mouth of the river, but nowhere in the law is there any authority given for the building of dikes around the city of Williston and around the three presently operating irrigation systems at or near Williston.

We have illustrations on all sides that dikes along the Missouri and other rivers do not prevent seepage, which sours the land, and that these dikes from one end of the country to the other are in a constant state of repair. They do go out, as the Columbia River catastrophe of a year ago demonstrates. Is General Pick infallible?

The people of the Williston area will not live behind dikes, neither the farmers nor the city people. It is dangerous and they know it. It is dangerous enough to live below one of these earth dams, and it will be a miracle of the ages if they do not finally break and flood out thousands. The Fort Peck Dam has had two partial slides, one of which cost several lives.

The first report on this dam, contained in House Document 238, condemns the plan. This was done by Dr. Mead, whom the Army engineers themselves said was a structural geologist of international reputation. Does this mean anything to Congress? The dam at that time was to impound only 10,000,000 acre-feet, and this international authority said it was unsafe. Suppose we increase the pool to 17,000,000 acre-feet; will the pressure on the 85 feet of mud under the river bed be greater? If we increase it to 23,000,000 acre-feet, will the pressure on this mud be still greater? The answers are obvious.

This internationally famous engineer warns us against a 10,000,000 acre-foot pool. The law fixes the pool now at 17,000,000 acre-feet. Would it not be more sane to not increase the pressure and try out this experiment first—instead of wading in blindly and throwing all caution to the winds to blindly follow an engineer who is not infallible?

To stop this high-handed and arbitrary action of General Pick, the Congress is being appealed to now to limit the pool level to 1,830 feet and limit land purchases to accommodate that level.

This attitude of General Pick is not authorized by law, it is not compatible with the safety of the people in that valley, and it is not necessary. The Bureau of Reclamation says they can produce all the power we can use without a dam in the Missouri main stem. A 1,830-foot water level is enough for flood control and navigation, and at this time it is not an irrigation dam. Irrigation, and ample irrigation, has been provided for in the Sloan plan.

The conclusion is inevitable that a 1,850-foot water level is not necessary, and it may be highly dangerous to life and property.

The solution to this difficulty can be accomplished by Congress in the following manner:

Permit the dam to be constructed accommodating a water pool of 17,000,000 acre-feet and limit all land purchases to accommodate no greater pool.

Let experience demonstrate the workability of the dam and the safety of the dam. The admonition given us by Dr. Mead in 1934 should not be entirely ignored. The safety of the people in that area deserves careful consideration.

Congress should make appropriations for the Missouri-Souris or Sloan plan and develop that part of the Pick-Sloan plan as well as to build the Garrison Dam. It is apparent now from all the reports we have that the combined plan will be more apt to succeed than if we are to spend all of the tax money to build the Garrison Dam. Under the law, the Army engineers will have no control over furnishing electric power to cooperatives, municipalities, and enterprise. That authority belongs to the Bureau of Reclamation.

If the years demonstrate that a higher pool level is necessary, it can be built, and in the intervening years, as little damage as possible will be done to the flooded area.

All the people of northwestern North Dakota demand is that the Army engineers build the dam as authorized by law and give their attention to that work and not engage in a propaganda campaign for a higher pool level. The people of this area want the unified Pick-Sloan plan carried out as now authorized by law.

What the people of Williston, through their representatives in Congress, have been doing in past years, and what they are trying to do now is to limit the operating pool level of the dam to the authorized 17,000,000 acre-feet. This, up-to-date, has been done by an amendment to the appropriation bill, but this is not enough to stop the land purchases now going on to accommodate a higher pool. They never thought the Army engineers would do this or a limitation would have been offered before. This limitation should also be put in the bill and thus hold the Army engineers down to the authority in the law.

It will be at least 11 years before this water pool will come up to 17,000,000 acre-feet, hence, why destroy all this property before it is needed; and I also add, why destroy it at all before it is found by Congress to be necessary? The people of that area will comply with the will of Congress, but they do not want their lives and property put at the mercy, caprice, and arbitrary will of one man, whether he be in the Army or elsewhere. That is not the way of a democracy.

To give this committee all the evidence I can on the dispute as to the capacity of the Garrison pool of water, I want to say that in discussing a water pool of 17,000,000 acre-feet and a normal pool level of 1,830 feet above sea level that these statements are one and the same thing. An impounded pool of 23,000,000 acre-feet means a normal pool level of 1,850 feet. When we use the words 1,830 normal pool level, it means a 17,000,000-acre-foot pool, and when we use the words 1,850 normal pool level, we mean a water pool of 23,000,000 acre-feet.

Considerable light is thrown on this subject in Senate hearings on S. 1915 September 26 to October 2, 1944.

On page 34 of this report, from the testimony of W. G. Sloan, Assistant Regional Director, Bureau of Reclamation:

As a result, with the irrigation that is included in the plan and the reservoirs we have planned, we find that we can provide a uniform flow for navigation purposes in the lower river of approximately 17,000 second-feet during the navigation season, which is approximately 20 percent less than the amount the Army engineers have considered necessary. We have adopted this 17,000 second-feet as a compromise as we think that by uniform flows navigation can better be served than by erratic and irregular flows, such as have occurred in the past and such as would occur without this complete regulation of the stream. Power development has always been considered as incidental to irrigation and flood control, and in the lower part of the river, especially in the States of North Dakota and South Dakota, we have found that by regulating the stream to obtain a uniform power output, otherwise firm power, we would fulfill this obligation for navigation and for irrigation at the same time. So that the capacity of these reservoirs has been controlled more by the desire or the requirement of obtaining firm power than by any other feature, but it is tested by the requirements for navigation and flood control.

On page 36 of the report from Mr. Sloan's testimony:

We do not use all of the capacity of Fort Peck for this development. Of the total of 18,000,000 acre-feet capacity, 10,000,000 acre-feet will remain to supplement the navigation requirements in the lower region. The balance would be used for the development of power and diversion to the large Missouri-Souris project. The canal takes out below Fort Peck and diverts to a reservoir in Montana out of which we pump to lift the water over the divide into the Dakota lands. The return flow from all of these lands is gathered in the Souris River and diverted to the Sheyenne and James Rivers in North Dakota for several purposes, one of them to restore the level of Devils Lake, which is a large recreational lake and fishing lake which has been in existence in North Dakota prior to the last 20 years and has been gradually depleted, decreasing in size until it has virtually disappeared.

It was originally a lake of 60,000 acres and is now about 1,200 or 1,500 acres. It had many boats plying on the stream itself. It has long been the desire of those people to restore the level of that lake. That will be

one of the incidental benefits of the Missouri-Souris project. Likewise, we will furnish municipal water supplies in the Red River Valley and some 19 towns below Devils Lake and along James River and Sheyenne River.

From page 46:

Senator BUTLER. I don't think it would be out of line to ask you this question: Does the 17,000 feet which your plan provides amply cover the requirements as they can be estimated for navigation?

Mr. SLOAN. Well, I don't pretend to be an expert in that line, but I concluded in my own mind that the 17,000 would probably be adequate, and I base that on several considerations; that the conditions in the lower Missouri River would be so much improved by a lower uniform flow that they could probably easier maintain a 9-foot channel with those low discharges and low velocities. The velocities would be lower and, therefore, the cost of moving a boat upstream would be less, and the cutting and breaking down of the banks would be decreased by this uniform flow. It might require greater initial dredging to begin with to get the 9-foot channel, but once they had it it would be much easier to maintain it. Certainly that amount of water is adequate for any 9-foot channel that is required if properly maintained.

And from page 47, again from Mr. Sloan's testimony:

Now, perhaps I haven't satisfied all of the States; perhaps I have not satisfied North Dakota for instance, where there is actually an irrigable area of probably three or four million acres. The same is true in South Dakota. An additional three or four million acres could be irrigated. But in so doing, if I provided for all of that in North Dakota, there wouldn't be any water left for South Dakota, and if I provided for both of them, there wouldn't be any water left for navigation down below. And so I have adopted this (I call it a compromise plan) where I have distributed those benefits to the different States in proportion to their possibilities.

From page 49:

Senator GURNEY. Mr. Sloan, I think Senator BUTLER has brought up already the difference in the end result as far as it affects the navigation interests. In other words, there is a difference between your plan and the Army plan of 5,000 second-feet for navigation at Sioux City, Iowa. Those are not definite figures, but are as I remember them. Seventeen thousand second-feet for your plan is available at Sioux City, as contrasted with the Army plan of 22,000. And so I start to compare the two plans in my mind; as I understand your testimony this morning you said there was no large dam contemplated—in other words, you left out the Garrison Dam; is that right?

Mr. SLOAN. Yes, sir.

Senator GURNEY. As I remember it, the Army said that Garrison Dam was necessary to replace storage now obtained at Fort Peck which would naturally go for irrigation under your plan, and they originally had quite a large storage contemplated and they would overflow present lands, I think, in the Buford irrigation project; is that right?

Mr. SLOAN. Yes, sir.

Senator GURNEY. But later it was thought that the dam could be planned so as not to cover up the Buford project, and instead of having some 20,000,000 acre-feet, I believe, or 22,000,000, they would cut it down to 17,000,000; is that right?

Mr. SLOAN. Well, I haven't had any knowledge, I have never seen anything officially that has been proposed.

Senator GURNEY. Well, that is my understanding of it from listening to testimony for many days before Senator Overton's committee.

House Concurrent Resolution L

Concurrent resolution memorializing the Congress of the United States to investigate the procedure, amount of compensation paid, and policies of the United States Army engineers in acquiring and leasing lands for the Garrison Dam Reservoir

Be it resolved by the House of Representatives of the State of North Dakota (the senate concurring therein):

Whereas numerous and continued complaints have been made by land owners and organizations of land owners affected by the taking and renting of lands for the Garrison Dam Reservoir of certain procedures and policies of the United States Army Corps of Engineers in connection therewith, and particularly to the following:

1. That representatives of the Government have persuaded some farmers to sell their land at less than fair and reasonable prices, when they were not fully aware of their rights, and in some cases where they thought it would be useless to resist the Government, not knowing or realizing that land of equal or less value would be purchased for higher prices where the owner was better able to represent his own interests.

2. That the result of litigation has now proved that some land was purchased too cheaply, with the result that those who sold voluntarily and without causing the Government any expense have been discriminated against.

3. That the Government did not sufficiently tal › into account the hardship visited upon families required to relocate, where they had struggled for two or more generations to build a home which could not in any case be duplicated, and which consisted in many cases of buildings and improvements invaluable to the owner but of no value to the Government.

4. That the difficulty and expense of relocation was not in all cases given fair consideration.

5. That persons were forced to sell their property and in many cases thus exposed to income-tax liability which they should not under the circumstances be required to suffer.

6. That an unreasonable policy with respect to renting land to former owners during a delayed period before the land is flooded has worked an unnecessary hardship: Now, therefore, be it

Resolved by the House of Representatives of the State of North Dakota (the senate concurring therein), That the Congress of the United States be urged to investigate the procedure and policies of the United States Army engineers by means of a suitable committee or otherwise, as it may deem best, to determine whether such criticisms are just, and if so, to take the necessary steps to compensate persons equitably entitled even though there may no longer be legal liability so to do; to pay additional sums to those who voluntarily accepted less than fair prices; to reconsider the equities of those injured through force of circumstances in the difficulties of relocation; and to establish fair and equitable rules for dealing with tenants; be it further

Resolved, That copies of this resolution be sent to the President of the Senate and the Speaker of the House of Representatives of the Congress of the United States, and to each of the United States Senators and Representatives in Congress of the State of North Dakota.

PALMER LEVIN,
Speaker of the House.
GEORGE OLSON,
Chief Clerk of the House.
C. P. DAHL,
President of the Senate.
W. J. TROUT,
Secretary of the Senate.

Filed in this office this 5th day of March 1949 at 12:10 o'clock p. m.

THOMAS HALL,
Secretary of State.

Resolutions, Alabama Department, the American Legion

EXTENSION OF REMARKS
OF

HON. CARL ELLIOTT

OF ALABAMA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, July 19, 1949

Mr. ELLIOTT. Mr. Speaker, under leave to extend my remarks, I include the following letter from Maj. Joseph M. Dickerson, adjutant, Alabama Department, the American Legion, together with resolutions passed by the Alabama Department in its recent convention in Mobile:

THE AMERICAN LEGION,
DEPARTMENT OF ALABAMA,
Montgomery, Ala., July 11, 1949.

Hon. CARL ELLIOTT,
House Office Building,
Washington, D. C.

DEAR CARL: Enclosed herewith are copies of six resolutions adopted by our department convention. Subjects of the resolutions are indicated below:

Appreciation to our Senators and Representatives in Congress for their efforts to forestall bills in furtherance of civil-rights program.

Endorses and commends Committee on Un-American Activities and requests committee to continue.

Requests Eighty-first Congress to extend rights of veterans of World War II under title 5 of Servicemen's Readjustment Act of 1944.

Condemns acts of violence committed by mobs and hoodlums. Recommends Federal Government not interfere in handling of such matters by local authorities.

Recommends that lending machinery be provided so that all veterans may benefit by the GI bill of rights.

Recommends that war-housing units be transferred to local housing authorities for use as low-rent housing projects.

We earnestly urge that you give your full support to the resolutions where requested.

It was a good convention, and I am sorry you could not be with us. With kindest regards, I am,

Yours very truly,
JOSEPH M. DICKERSON,
Department Adjutant.

Whereas, the Department of Alabama, the American Legion, in convention assembled in Mobile, Ala., July 5, 1949, wishes to express appreciation to the members of Alabama's delegation in Congress for their efforts to prevent the passage of legislation in furtherance of the civil-rights program; and

Whereas the State of Alabama has satisfactory laws for dealing with the problem of lynchings; and

Whereas our present system of making the payment of a nominal poll tax a prerequisite to voting in the State is a State matter and of no concern to the Central Government; and

Whereas many of the provisions of the proposed bill to establish a National Fair Employment Practices Commission, will, if enacted into law, disrupt certain industries in our State, and are irreconcilable with our system of free enterprise and our present segregation laws; and

Whereas other provisions of the civil-rights program recommended by President Truman would be detrimental to the State of Alabama: Therefore be it

Resolved by the Alabama Department of the American Legion, That this convention applauds and expresses its appreciation to

Alabama's Senators and Representatives in Congress for their efforts to forestall the passage of all bills that have been introduced in the United States Congress in furtherance of the civil-rights program, particularly their fight against antilynching laws, anti-poll-tax laws, and the establishment of a National Fair Employment Practices Commission.

A true copy:

JOSEPH M. DICKERSON,
Department Adjutant.

Whereas the Committee on Un-American Activities of the United States House of Representatives has rendered outstanding service in exposing the efforts of Communist and other subversive groups to undermine our Government and spread among our people ideologies antagonistic to our American way of life; and

Whereas this committee is carrying on a work which is in line with our Americanism program: Therefore be it

Resolved by the annual convention of the American Legion, Department of Alabama, assembled at Mobile, Ala., July 3, 4, and 5, 1949, That we endorse and commend this committee and ask the Representatives from Alabama to vote to continue this committee; be it further

Resolved, That copies of this resolution be sent to the Honorable JOHN S. WOOD, chairman of this committee, and each of the nine Representatives and the two Senators from Alabama and that copies be given to the press for publication.

A true copy:

JOSEPH M. DICKERSON,
Department Adjutant.

Whereas the right of most veterans of World War II to receive readjustment allowances under title V of the Federal Servicemen's Readjustment Act of 1944 (known as the GI bill of rights) expires July 25, 1949; and

Whereas only about one-half of the unemployed Alabama veterans of World War II have rights to benefits under the Alabama unemployment compensation; and

Whereas unemployment amongst Alabama veterans is increasing; and

Whereas economic conditions in the near future may be such as to cause great hardship and financial distress to such veterans and their families: Now, therefore, be it

Resolved, That the American Legion, Department of Alabama, in annual convention assembled in Mobile on July 5, 1949, does herewith memorialize and petition the Eighty-first Congress of the United States of America now in session in the city of Washington, D. C., to extend the rights and privileges of veterans of World War II under title V of the Servicemen's Readjustment Act of 1944; be it further

Resolved, That a copy of this resolution be forwarded to the President of the United States, the Vice President, the Speaker of the House of Representatives and to each Congressman and Senator from the State of Alabama, and the members of the Veterans' Affairs Committee of the House.

A true copy:

JOSEPH M. DICKERSON,
Adjutant, Department of Alabama.

Whereas the American Legion was organized for the purpose of upholding and defending the Constitution of the United States of America, maintaining law and order, and fostering and perpetuating a 100 percent Americanism, to inculcate a sense of individual obligation to the community, State, and Nation, to promote peace and good will on earth, and to transmit to posterity the principles of justice, freedom and democracy upon which our Government is founded; and

Whereas there is widespread violation of the principles of trial by jury, of the security of the home, and of the freedom and liberty of the individual citizen by gangs and mobs, who seek to substitute force and violence for law and order; and

Whereas hundreds of thousands of the flower of American manhood have died upon the battlefields of the world to protect and preserve the principles upon which our country and the American Legion is founded and those of us who by good fortune were spared to meet here today, are determined to keep faith with the dead, and make certain that their sacrifice be not in vain: Now, therefore, be it

Resolved, That the American Legion, Department of Alabama, in convention assembled in the city of Mobile, July 3, 4, 5, 1949, hereby condemns each and every act of mob violence committed by mobs and hoodlums and thugs within the State of Alabama; and we hereby call upon each and every enforcement agency and official in Alabama to ferret out, arrest and bring to the bar of justice each and every member of each of said mobs, to the end that justice and democracy be preserved; and be it further

Resolved, That all law-abiding citizens of Alabama be and they are hereby each called upon to rally to the support of their respective local law enforcement officials and aid them to detect and place in arrest, each and every person guilty of acts of mob violence; and be it further

Resolved, That the American Legion, Department of Alabama, commend General Gorgas Post No. 1 for its prompt courageous and effective stand against mob violence and that this Department hereby express its stanch future support of each and every post in the State of Alabama required to act on the part of law and order for the good of the respective communities wherein they are located; and be it further

Resolved, That the Congress of the United States be advised that local self-government is the cornerstone of democracy, that government must be kept close to the individual citizen, that the integrity of State and local government must be preserved, and that the matter of the suppression of mob violence is for the State and local government and that said matters are now being appropriately handled by the people of Alabama without Federal interference.

A true copy:

JOSEPH M. DICKERSON,
Department Adjutant.

Whereas it has come to the attention of the American Legion, Department of the State of Alabama, in convention assembled in Mobile on July 3, 4, 5, 1949, that there are warhousing units in the Mobile and Gadsden areas and possibly other areas in the State of Alabama, which have been determined by the respective housing authorities in those areas to be needed as low rent housing units; and

Whereas under the present requirements of the acts of Congress, it is required that these housing units be demolished or disposed of by January 1, 1950; and

Whereas it is the opinion of this convention assembled that remedial legislation should be passed by Congress authorizing the transfer of such projects to the respective local housing authorities for use as low rent housing projects: Now, therefore, be it

Resolved—

1. That it is the sense of this convention that the Congress of the United States should immediately pass remedial legislation providing for the transfer of war housing units to local housing authorities for use as low rent housing projects, war housing projects which have been determined by the respective local housing authorities to be needed in the respective communities for use as low rent housing projects.

2. That such remedial legislation is urgently required in order to provide housing facilities for veterans in the respective areas involved.

3. That this convention assembled requests that the Senators and Representatives of the Congress of the United States from Alabama assist in the passage of such legislation providing for the transfer of war housing units to local housing authorities for use as low rent housing units.

4. That copies of this resolution be sent to each Senator and Congressman from the State of Alabama.

A true copy:

JOSEPH M. DICKERSON,
Department Adjutant.

Whereas the Congress of the United States in passing the GI bill of rights intended that GI loans be made available to veterans for certain worth-while purposes; and

Whereas the intention of this bill is being defeated by the fact that facilities of private lending institutions either are not available, especially in the rural areas, or lending institutions are not interested in making these loans in many instances, resulting in veterans being deprived of securing these GI loans: Now, therefore, be it

Resolved by the American Legion, Department of Alabama, in annual convention assembled in Mobile this 5th day of July 1949, That the Congress of the United States be called upon to provide the lending machinery and facilities to veterans wherever they might reside so that all veterans may benefit by the GI bill of rights in accordance with the legislative intent; be it further

Resolved, That a copy of this resolution be forwarded to each Representative and to each Senator of Alabama, and that they be requested to initiate legislation to this effect.

A true copy:

JOSEPH M. DICKERSON,
Department Adjutant.

Pressure in Shanghai

EXTENSION OF REMARKS
OF
HON. JOHN DAVIS LODGE
OF CONNECTICUT
IN THE HOUSE OF REPRESENTATIVES
Thursday, July 14, 1949

Mr. LODGE. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following editorial from the New York Times of July 18, 1949:

PRESSURE IN SHANGHAI

The Chinese Communists, after a somewhat faltering start, are beginning to put on the pressure in Shanghai. The censorship is now being tightened and foreigners are feeling the need to get out. Thus another illusion is being shattered. Obviously there will not be business as usual. Business in China has always been more or less on our terms. From now on we will be obliged to comply with the Communist terms, or else. That has been made plain.

It can be agreed that our terms of dealing with China were not always generous and that the occasionally stiff-necked attitude of the old China hand has invited retaliation. But our over-all relationship with the Chinese has been friendly and fruitful. Our enunciation of an open door policy was made on our own behalf, but it did prevent the partition of China. That policy, in turn, paved the way for the Nine-Power Pacific Treaty, in which the sovereign integrity of China was fully recognized.

What is happening now reverses the trend of half a century. The sovereign integrity of China has already been compromised. It was compromised physically when we agreed

to the return of Soviet economic control in Manchuria. It has been compromised spiritually by the installation of a regime in the Yellow and Yangtze Valleys that freely proclaims its moral subservience to a foreign state. It is not merely the economic open door that is being closed in Shanghai; it is the open door frame of mind. The Chinese Communists are not defending China's integrity by the present wave of antiforeignism; they are deliberately giving it away.

Similarly, what we are losing by our own calculated detachment at this point is not so much an economic or political advantage as it is a moral one. The amount of business as usual that we could do with China would be relatively insignificant in any case. But we have stood for certain concepts of government and behavior in the Far East. We have tried, honestly and earnestly, to align ourselves with progress toward larger freedoms and higher achievements. We have tried from time to time really to help China in the best sense of the word. At the moment we are standing aside and seeing some of our joint accomplishment lost. What the Communists in Shanghai have taken away from us is our moral initiative, and we have not made it plain how we propose to regain it.

Farm Legislation

EXTENSION OF REMARKS
OF
HON. RALPH HARVEY
OF INDIANA
IN THE HOUSE OF REPRESENTATIVES

Tuesday, July 19, 1949

Mr. HARVEY. Mr. Speaker, under unanimous consent to extend my remarks in the Appendix of the RECORD, I include an editorial from the Hoosier Farmer of July:

NEVER, NEVER, NEVER

Something dangerous and unexpected is happening to the farmers of America and it is not of their doing. It would appear that a few persons in high governmental positions are attempting to make a political football of current farm legislation and legislative proposals affecting agriculture.

In all of the history of farm legislation stretching back 50 years, farm legislation on the national level has been the product of both major political parties. On many occasions, able leaders among the Democrats and Republicans have joined hands to write and introduce farm bills. The best proof of the common sense of farmers in protecting their political self-respect during the trying years of the 1920's and the desperate early 1930's is reflected in the farm bloc that was formed of Congressmen and Senators of both political parties.

Any politician who would throw the serious economic problems of agriculture strictly into the political arena certainly doesn't have the welfare of the farmer uppermost in his mind. To decide the present and future farm problems on a partisan basis will divide farmers against themselves and will result in selling them down the river. There are Democrat farmers and there are Republican farmers; and, the only chance all farmers have to get desirable legislation, as well illustrated during the past 30 years, is to work together through their own organization in a united bipartisan program of direct action. Farm problems are not political problems.

The Agricultural Act of 1948, which will go into effect in 1950, was developed by farmers themselves, from grass-roots thinking throughout agricultural America. The American Farm Bureau Federation worked with the leaders of both major political parties in getting the law upon the statute books. A Democratic administration, including the present Secretary of Agriculture and President Truman, who signed it into law, cooperated in supporting the provisions of the 1948 act. A Republican-controlled Congress, after much consideration and lots of urging by farm organizations, passed the bill that became known as the Agricultural Act of 1948. Every step was on a bipartisan basis.

The Brannan proposal, which would do away with economic opportunity and substitute a scheme of cheap food for labor and industry and hopeful subsidies to farmers who would be tied down with governmental red tape and controls, is a dead duck as far as Indiana farmers are concerned. Hoosier farmers are thinking through on a nonpartisan basis this stabilized peasantry plan for agriculture and studying its dangerous philosophy more than any national legislative proposal ever made to them. Politicians who misinterpret that farmers favor the Brannan scheme of economic farm control are in for a rude awakening. Farmers want to try the Agricultural Act of 1948, which is in the tradition of farm legislation of the past 20 years.

Indiana farmers want no little Brannan program either. Some politicans and Government agents have suggested we try on a test basis the Brannan plan with hogs this fall. That would be harmful to farmers raising and feeding cattle, sheep, dairy cows, and poultry. President Schenck says it would mean consumers would stop buying all meats but pork, which would be subsidized to consumers at extremely low prices. This trial plan would cost farmers billions of dollars in loss of markets for all meats and dairy products, except pork, and it would add many hundred millions—maybe billions—of dollars to the national debt. There is no stopping place, once the Brannan scheme gets under way, until all farms become completely controlled by the Government.

There is but very little difference between Government-controlled farms and Government-owned farms.

GLENN W. SAMPLE, *Editor.*

Trade Treaty With Czechoslovakia

EXTENSION OF REMARKS
OF
HON. JAMES T. PATTERSON
OF CONNECTICUT
IN THE HOUSE OF REPRESENTATIVES

Tuesday, July 19, 1949

Mr. PATTERSON. Mr. Speaker, on June 22 I placed in the RECORD a resolution adopted by Frank A. Johnson Post, No. 758, of the American Legion in Johnson City, N. Y., concerning the reciprocal trade treaty negotiated by the United States with Czechoslovakia. It was pointed out, at that time, that a disservice was done to the American people by the administration and the State Department in concluding negotiations with Communist-dominated Czechoslovakia.

I submit now additional evidence that people from all sections of America are disturbed by the implications of this trade agreement. The national executive committee of the American Legion has adopted a resolution asking that the escape clause in the treaty be invoked so that there will be no further inroads in the American rubber and shoe industries because of importations of slave-labor products from Czechoslovakia.

In addition, I submit a resolution forwarded to me by the Young Men's Business Club of New Orleans, La., concerning the Czechoslovakian exhibit at the International Trade Mart in that city. It is evident that the illegally-installed Government of Czechoslovakia is determined to take advantage of the trade agreement signed by this country by increasing its exports to us as much as possible.

These two actions by geographically separated groups give an indication of the indignation which will soon be felt by many more of our citizens when decreased production and increased unemployment are prevalent because of the influx of the products of cheap labor from a Russian satellite country.

Whereas labor and industry, particularly those engaged in the manufacture and sale of rubber footwear are presently suffering by reason of a reciprocal-trade agreement negotiated by the Department of State concerning the shoe industries, such agreement having been last promulgated by Presidential proclamation dated April 22, 1948, effectuating general agreement of trade with respect to Czechoslovakia; and

Whereas this situation extends to about 125 well-developed lines of American industries including the manufacture and marketing of shoes, gloves, carpets, felt hats, glassware, and many other lines of consumers and capital goods; and

Whereas the terms of the reciprocal treaty have made possible the importation of goods from Czechoslovakia, manufactured through low labor standards and other methods abhorred by both capital and labor in this country, and importations have created unfair competition to American industries and are seriously threatening its continued existence and if permitted to continue will result in extensive unemployment and injury to the affected industries; and

Whereas the above-mentioned reciprocal-trade agreement contains a saving clause worded substantially as follows: "If, however, as a result of unforeseen circumstances, any of these concessions should result in such increased imports from Czechoslovakia as to cause or threaten serious injury to domestic producers in this country, the United States is free to withdraw or modify the concessions to the extent necessary to prevent or remedy the injury"; and

Whereas present conditions particularly in the rubber and shoe industries warrant that effective steps be taken to halt the increase of importations from Czechoslovakia; and

Whereas the American Legion is gravely concerned about the many veterans who are engaged both in employment and industry, as well as the welfare of the entire people of the United States, who will suffer unless the aforesaid action be taken: Therefore be it

Resolved, That the President and all appropriate officials of the United States be and are hereby urgently requested to take all necessary and appropriate action in the premises which will result in a termination of this extremely unfavorable situation; and be it further

Resolved, That copies of this resolution be forwarded to the President of the United States, the Secretary of State, and such other officials of our Government as may be deemed necessary.

Submitted by:

LEO V. LANNING,
National Executive Committeeman,
New York State.

Whereas on April 28, 1949, a Czechoslovakian exhibit was opened in the International Trade Mart in New Orleans for the

promotion of trade with the Communist regime of the Russian satellite state, Czechoslovakia; and

Whereas the International Trade Mart, a civic enterprise, is "dedicated to world peace, trade, and understanding (and to encourage) the development of trade with friendly foreign nations"; and

Whereas the Communist regime of Czechoslovakia has been condemned by the United States State Department; and

Whereas sufficient facts have been presented to us that this trade would not help the people of Czechoslovakia but rather their despised Communist overlords, by following this trade practice we would be feeding "ammunition to aggressive international communism," and to promote this trade is definitely "contrary to our national interests": Therefore be it

Resolved, That the Young Men's Business Club of New Orleans does hereby go on record as being in favor of the removal of Czechoslovakian exhibit from the International Trade Mart at the earliest possible date, and that this club asks the citizens of New Orleans, because of the dangers to national security and international good will, not to deal with governments professedly enemies of genuine democratic process; and be it further

Resolved, That the Young Men's Business Club of New Orleans request the International Trade Mart not to make available its facilities to such governments; and be it further

Resolved, That nothing herein shall be deemed to reflect in any manner on the integrity, progressiveness, business ability, patriotism, or good citizenship of the officials of International Trade Mart.

Blueprint for the Welfare State

EXTENSION OF REMARKS
OF
HON. A. L. MILLER
OF NEBRASKA
IN THE HOUSE OF REPRESENTATIVES
Tuesday, July 19, 1949

Mr. MILLER of Nebraska. Mr. Speaker, now we have it—the blueprint for the welfare state. Abandonment of private enterprise and adoption of Government planning and controls to cope with problems arising from the leveling off of the inflation spiral. While the President does not go the whole way with them in his midyear economic report his left-wing advisers led by Senator MURRAY and 17 other Senators have introduced a bill in the Senate as an amendment to S. 281 to do this very thing. Business analysts almost unanimously agree that this leveling-off process is healthy for our economy but the Fair Deal planners are beginning to worry about its effect on their continuance in office. The only thing they can think of is Government controls and regimentation.

Until recently the President has been urging Congress to give him powers to control production, fix prices, and increase taxes to stop inflation. Now that production under free enterprise begins to catch up with demand certain of his advisers get jittery and cook up an all-inclusive and costly plan of Government action. It proposes a completely planned and managed economy with a National Economic Cooperation Board to which the President shall appoint representatives of industry, labor, agriculture, consumers, and as far as feasible of State and local governments and regional development organizations. The functions of this Board shall be to "make recommendations with respect to the development of national economic policies to promote maximum employment, production, and purchasing power under the Employment Act of 1946, including the investment, price-wage-profit, and other policies set forth in this act." Nothing is to be left to the judgment of private enterprise which has brought to our people the highest standard of living the world has ever experienced. The plan proposes the extension of Government credit to private business "to encourage the satisfying of investment and production needs for designated essential expansion areas." To promote better Nation-wide understanding and better voluntary application of general price, wage, and profit policies which will help to further the objectives of this act the Board must study such things as minimum family budgets consistent with health and decency and the needs of investors. Here is the opening wedge to complete thought control. The people would be called upon to report every detail of their lives to this supersnooper agency. Cannot you just imagine what a huge bureaucracy this would set up, into which all the planners could be gathered. Think of all the interviewers you would have to entertain and the reports you would have to make out. One member of your family would have to spend their whole time giving interviews and making reports. If you were in business you would have to set up an information section to prepare for them.

Under the plan the Federal Government would grant money to political subdivisions for preparing public-works plans so that at all times there would be a shelf of plans for approximately 30 billions worth of works. Another proposal would give the President authority to designate serious unemployment areas in which he could place defense and other Government contracts, initiate or expand Federal works programs. The President is now putting this into effect. What a heyday that will provide for politicians to pull and haul for such works. Aid could be given to each worker in communities where unemployment is most serious to pay the cost of moving to a locality where work is more abundant.

As I stated above this plan would completely abandon individual enterprise upon which this country was built and substitute for it a completely planned economy. Since the proposal has reached the stage of a bill we will at least have the advantage of knowing the ultimate goal for which the planners are striving. They have already carried us a long way in that direction. This bill would take us much further on that route.

When I look at these proposals I cannot help but remember the days during the 1930's when the New Deal took us into debt to the amount of $60,000,000,000 trying out a lot of these plans but was unable to cure our economic ills.

Let us look at the record from 1933 to 1939. In spite of deficit spending and pump priming, this country had an average of about 9,000,000 unemployed. It took a war to cure the disease. The administration now proposes more deficit spending and calls those who would balance the budget and cut unnecessary expenditures selfish interests. It must come as a shock to folks who try to keep their own family budgets in line with their income. Saving for a rainy day is some sort of a sin.

In my humble judgment, Mr. Speaker, the Government should be no different than the individual. When incomes fall the average family stops buying those things they might want but cannot afford. President Truman and his left-wing advisers recommend the opposite course. It is an unusual philosophy that can only lead to bankruptcy and the welfare state.

Rome's Ban on Communists

EXTENSION OF REMARKS
OF
HON. PETER W. RODINO, JR.
OF NEW JERSEY
IN THE HOUSE OF REPRESENTATIVES
Tuesday, July 19, 1949

Mr. RODINO. Mr. Speaker, under leave to extend my remarks in the RECORD, I wish to include herein two editorials, one which appeared in the Newark Sunday News, July 17, 1949, and the other in the Progresso Italo-Americano on Sunday, July 17, 1949. Both deal with the question of Rome's ban on Communism.

There is little doubt in my mind, Mr. Speaker, that the Vatican decree banning adherence to or interest in Communism by Roman Catholics everywhere is an event which is as momentous as it will be far-reaching.

The imperative summons to countless individuals to stand up and be counted on the side of God or on the side of a godless faith leaves little room for equivocation.

True it is a drastic and unprecedented step. But there was little choice left against the aggressive policy of international Communism—the enemy of all religions.

The editorials follow:

[From the Newark Sunday News of July 17, 1949]

ONE STRUGGLE

Religious feeling is a part of the human consciousness. What are, or used to be, called the eternal verities are present both in the consciousness and in the hearts of men, who do not believe that all of life is to be explained in terms of science and reason alone, to the exclusion of the spirit.

Communism rejects this point of view. Its materialism rests on the thesis that the most powerful of all forces in human motivation is the force of economic selfishness. Whatever is opposed to this narrow dogma is denounced as superstition and reaction.

All religion falls into this classification, in the view of the Soviet Union. Religious organizations are the target of special scorn and restrictive action. The Soviet Union would like it to appear that this conflict

is one between church and state, whereas the fact is, and all Marxist writing proves it, that other worldliness in men's minds is regarded as destructive of the Communist ideal.

As concerns the Christian religion, two great pronouncements have just been made resisting communism's attack on religion. The first came from the Vatican, the second from the central committee of the World Council of Churches, meeting in England.

The decree of excommunication issued at Rome applies to Communists throughout the world, but it was designed, in large part, for the information and instruction of western European Catholics. It is, in effect, a warning to all Catholics not to waiver in their faith.

That is the purpose, likewise, of the appeal of the World Council of Churches issued at the close of its conference in England. Speaking in one voice 150 Protestant and Orthodox denominational bodies of 44 countries denounced totalitarianism as false and evil doctrine and proclaimed that there could be no social justice that did not recognize the rights of man and his duties to God.

These warnings are a solemn reminder of the great conflict in the realm of the spirit that separates the world. The struggle against communism is not a series of struggles, but one struggle, in which all that part of civilization which regards the individual as its base must participate, if the individual person and the individual soul are to remain intact.

[From Il Progresso Italo-Americano of July 17, 1949]

THE ENEMY OF ALL RELIGIONS

It would be extremely difficult to overestimate the importance of the decision of the Vatican that all Catholics who attach themselves to communism will incur the automatic excommunication of the Roman Catholic Church. Here is a declaration which will vitally affect the moral and even the material welfare of many millions throughout the world.

One of the costliest injuries inflicted on civilization by the totalitarian systems is the distortion and destruction of the meaning of words. Thus do these despots talk about their tyrannies as peoples' democracies. With shameless demagogy do these apostles of violence and bloodshed rave about their being lovers of peace. In fact, so successful have these overworked hypocrites been in their fraud and deceit that some people even call totalitarian communism a religion. We are sorry to say that too many in our own country and abroad have fallen for this poisonous piffle.

Here we have a most pernicious falsehood gaining currency among people who should know much better. It is true that Communists are fanatical in their devotion to their dictatorship and brutal bureaucrats. But fanaticism in the cause of evil and tyranny is certainly not the same as believing in religion. It is true that the Communists are often prepared to make reckless sacrifices of others (and sometimes even of themselves) in order to advance their totalitarian despotism. But not everyone who makes sacrifices is religious or devoted to ethical principles. Idolatry and crudest paganism are also rich in sacrifices, as certain periods of history will disclose. That does not turn idol worshipers into adherents of a faith which elevates their souls, raises their moral standards, and takes them beyond the crassest materialism in morality and callous contempt for all human decency.

DEVILISH DECEPTION

Nor does the fact that Communists believe in the infallibility of Stalin make communism a religion. Stalin is a hard, cruel, ruthless, and extremely vengeful man. He has become an expert at liquidating not only his political opponents but also his acquaintances, and even his best friends. Surely that does not make him infallible—except in cold-blooded murder. Certainly there is nothing godly about Stalin's purges, tortures, concentration camps, wrecking of churches, drugging of high Catholic and Protestant church dignataries, arresting of Zionists, and systematic revival of anti-Semitism.

All great religions have certain common moral virtues. They do not differ in essential moral values. Regard for human life, respect for the dignity of the individual, sacredness of the family, sanctity of the fruit of one's labor, equality before God—these great ethical standards are inherent in and inseparable from all great religions.

Totalitarian communism has only blind and bitter hatred of these moral values. The Communists have only utter disdain for the rights of others. They do not know or have the slightest comprehension of the Golden Rule. In short, communism is not a religion, but the very antithesis and mortal foe of all true religion.

Indeed, communism a la Russe has become the world's most dangerous racket. It pretends to be a movement of progress, when it actually is a force for and vehicle to total retrogression. It pretends to be highly social in its outlook, while it really is antisocial and utterly subversive of all progressive and constructive social relations. It pretends to be for basic reforms. In reality, Communists—as it has been so well said—are only assassins and gangsters masquerading as social reformers. Communists are highly antisocial creatures camouflaging themselves and parading as devoted social uplifters.

COMPLETE DEGENERATION

As we think of Communists making this claim because of some idealism in the first stages of the Russian revolution, we recall that other movements also began as social reform movements, but soon degenerated into venal expressions of international gangsterism. Fanaticism, dogmatism, slavish idolatry before the monolithic party boss, blind obedience, and recklessness of purpose and policy which characterize communism are the very opposite of true religion.

All lovers of liberty and honest progressives will, therefore, welcome the historic pronouncement of the Vatican in regard to the inherent antimorality of totalitarian communism as a dogma and its ruinous role as a destructive world force.

The Voice of Loyalty

EXTENSION OF REMARKS

OF

HON. GEORGE A. DONDERO

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Tuesday, July 19, 1949

Mr. DONDERO. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following statement made by Gen. Carlos P. Romulo, Philippine Ambassador to the United Nations, and chief delegate of the Philippines to the Far Eastern Commission that sits here in Washington. This statement was made by him in reply to a press release of our State Department of June 10, 1949, on the subject of Japanese reparations.

If the statement would have been made by anyone except by General Romulo, I would not call your attention to it. But, Mr. Speaker, we all know General, now Ambassador Romulo. He was once our esteemed colleague in this House. His loyalty to the United States is not a matter of lip service. It was tested in the crucible of battle. He fought for American ideals in Bataan, Corregidor, Leyte, Manila. In the words of that great American soldier, General MacArthur, "Romulo fought for the American flag with unsurpassed courage and devotion." He was awarded the highest American decorations. His four books, all best sellers, are among the best exponents of American idealism.

In the United Nations where in Paris he was elected the chairman of the important Ad Hoc Political and Security Committee of the General Assembly, he distinguished himself as an outstanding champion of American democracy and freedom. His words, therefore, carry weight not only because in war he fought courageously for democratic principles but also because in peace, in the councils of the world forum, his is a voice that is respected because it is a powerful one for those fundamental freedoms and human rights sacred to every true American.

On the subject of Japanese reparations, he speaks for a people close to us because for 48 years they were under the American flag and when that flag was threatened by Japan they rose to its defense. Let us give heed to what they address us in the following statement:

THIRD STATEMENT BY AMBASSADOR CARLOS P. ROMULO, CHIEF DELEGATE OF THE PHILIPPINES ON THE FAR EASTERN COMMISSION, ON THE PROBLEM OF JAPANESE REPARATIONS, WASHINGTON, D. C., JULY 13, 1949

The United States Department of State, in a statement of June 10, 1949, replying to the Philippine and Chinese representatives on the Far Eastern Commission who had expressed disagreement with the United States position on the problem of Japanese reparations, made the following observation: "These statements appear to this Government to be based on a number of serious misconceptions both as to United States policies toward Japan and the fundamental nature of the Japanese problem."

I believe it only fair to state that if there had been any misconceptions as to United States policies toward Japan, they arose not out of prejudice in our minds but rather as a reaction to the uncertainty that has hindered the efforts of the Commission during the past 2 years. If the discussion that has taken place in the Commission has served no other useful purpose, it has at least brought into focus a number of agreed facts and principles.

Accordingly, the Philippine Government is pleased to take note of the following declarations contained in the statement of the United States State Department of June 10, 1949:

1. That "Japan has been completely disarmed and the United States is determined that its war-making capacity shall not be permitted to re-emerge";

2. That it is not true "that the United States feels greater concern for the welfare of its late enemy than for the just reparations claims of its allies";

3. That "there are * * * elements in Japan which seek to take advantage of their country's plight for their own benefit";

4. That, by inference, the United States would welcome any "measures to enable the Japanese better to help themselves," short of compelling the Allies to abstain from further reparations;

5. That the Philippines, like any of the Allied countries, continues to have "the authority * * * to claim reparations" and

"the right and responsibility to submit its own reparations claims"; and

6. That the United States has "absolutely no intention of forming or allowing the formation of any national defense force for Japan."

To the extent that it has made these affirmations, the United States statement has contributed a certain measure of clarification which is most welcome. However, with all due respect, the Philippine Government is constrained to state that it cannot accept certain interpretations of established policy set forth in that statement.

In particular, the Philippine Government takes exception to the United States interpretation of paragraph 11 of the Potsdam declaration to the effect that it gives first priority to a self-sustaining Japanese economy, and second to reparations. We consider this interpretation to be an afterthought. The Potsdam declaration was punitive in spirit and intent, and understandably so, since it was promulgated in the heat of the conflict. It was a call issued by the principal Allied Powers, then at the threshold of imminent and certain victory, upon the Japanese Government to surrender unconditionally and avoid further useless destruction of life and property. It was, to be sure, a demand for the enemy's surrender radically different in character from similar proclamations issued by less gallant victors. Despite the magnanimous spirit of that declaration, it was nonetheless a statement of the victors' terms. The concern for Japanese economic revival was a generous and humane consideration, but it was not and could not have been the primary one. The primary consideration at that time was properly the determination to make Japan pay for her criminal act of aggression, and this was to be done by depriving her of her overseas territories, by destroying her war-making capacity, and by exacting from her just reparations in kind.

It would be a patent distortion of the stern purpose of the Allies to suggest at this late day that paragraph 11 of the Potsdam declaration gives Japanese industrial recovery priority over reparations. Since reparations were destined to be a primary source of assistance in the economic reconstruction of the countries devastated by Japan, that would have been like saying, in a document laying down the terms for the unconditional surrender of the enemy, that Japanese industrial recovery would take precedence over the economic rehabilitation of the Allies. That would be a logical absurdity.

Let us examine the language of paragraph 11. The word "permit" occurs twice in that paragraph, but in two quite different senses. Japan's right to maintain certain industries is carefully qualified by the first use of the word in the first part of the sentence: "Japan shall be permitted"—meaning the Allies would grant Japan the privilege of maintaining such industries. No such permissive meaning attaches to the use of the same word in the clause: "and permit the exaction of just reparations in kind." Here it means simply in order to enable Japan to pay reparations in kind. The grant of the privilege of maintaining certain industries was an act of generosity, and hence permissive with respect to Japan. The right of reparations, on the other hand, was subject to no such permissive qualification. It was a right that inhered in the victorious powers under the iron laws of war.

Under this interpretation, if the United States wishes to relinquish her reparations claims against Japan, nobody can stop her. But her decision to do so would be an individual act of self-denial which it would be unfair to ask the devastated allies like the Philippines to emulate. The United States can be as magnanimous toward Japan as she pleases; she has reasons of her own for choosing such a course, and she can afford it. But the Philippines is not so fortunate. With the best will in the world we must confess that we have not the means to match America's unprecedented gesture of renunciation.

The United States has pointed out that the Allies must bear their proportionate measure of sacrifice for the sake of a peaceful, democratic, and self-supporting Japan. Although we continue to share in the stated objective, we must emphatically declare that we cannot share in the means proposed. The call for further sacrifice cannot possibly apply to the Philippines, although it may apply to countries that suffered little or no direct damage or to those which, having suffered such damage, have in substantial part recovered their losses through the seizure of considerable war booty or valuable territories. It cannot possibly be suggested that the Philippines, which suffered such utter devastation in the struggle against Japan, must now again bear its proportionate measure of sacrifice for the sake of Japan. Our share of that sacrifice is minus zero.

It is a truism to say that economic want is the enemy of peace and democracy. That would be true not only in Japan but everywhere else including the Philippines. The United States considers herself committed to a peaceful, democratic, and self-supporting Japan. Because of the special ties between the United States and the Philippines and the special character of their alliance in the war against Japan, one may wonder whether the concern for the survival of a peaceful, democratic, and self-supporting Philippine Republic is not at least equally deserving of consideration.

Many of the Allies are not themselves self-supporting and the consequence menace to their internal order and democratic institutions is fully as grave as that which is said to confront Japan. Is it demanded that the victims of Japanese aggression, if confronted by the choice of their own self-sufficiency and the self-sufficiency of Japan, should nobly renounce their interests for the sake of Japan?

A more reasonable proposal would be to declare that Japanese economic recovery can only be achieved within the total framework of a reviving far-eastern economy. It is true, as the State Department has asserted, that "the programs of democratization and reform prescribed by the Far Eastern Commission for Japan could succeed only in a tolerable economic environment." But it is evident that such an environment cannot be created for Japan under hothouse conditions, but only in the context and milieu of the far-eastern economy as a whole. Any attempt to develop Japanese economy independently of the countries of southeast Asia would be short-sighted and unwise, and the Philippines, for one, is determined not to revert to its prewar position, with all the attendant risks, as mere supplier of raw materials to Japan and dumping ground for its cheap manufactured products. If this aspiration is unreasonable, we would like to know why.

The United States has disavowed any intention of showing greater concern for the welfare of its late enemy than for its allies. However, its latest statement contains no hint whatever of its intention to prove the contrary. It was completely silent on the representations of the Philippine Government to the effect that the expected reparations from Japan form an essential part of the Philippine economic rehabilitation program, and that we need reparations or their equivalent to enable us to develop a modest industrial base before Japanese industrial power has a chance to fully reestablish itself and menace us once more.

The United States statement was also silent on the argument that Japan is being treated, in the matter of reparations, altogether too leniently as compared to Germany, to the disadvantage of those countries that have claims against her and none against the latter. Yet, we have reason to believe that Japan's economic condition is not as critical as that of Germany. We have the authority of General MacArthur for the statement that Japan has achieved a greater postwar economic recovery, largely by her own efforts, than many European nations, and that Japanese production has doubled in 2 years while Japanese exports for the same period are about to be quadrupled.

In the face of these facts, we are asked to abstain from Japanese reparations even while the occupying powers in Germany other than the United States continue to exact reparations and are still transferring industrial plants from their respective zones of occupations, including the Ruhr.

Nor did the United States statement make any reference to the argument that the Philippines has a preferential claim to reparations as one of the worst devastated countries in the war against Japan. There is an established obligation that must be satisfied, and the concern over the economic difficulties of Japan, whether real or fancied, cannot cancel that obligation. We maintain that Philippine entitlement to reparations is indefeasible, and that such entitlement would stand as a matter of simple justice even if the concept of a punitive peace were discarded. Japan must pay in some acceptable form for the damage she has wrought in the Philippines. If it is now suggested that Japan be relieved of this obligation, then we have a right to know by whom the outstanding obligation shall be assumed and by what means it is to be satisfied.

The United States State Department in its reply denies that the United States implicitly agreed in the Philippine Rehabilitation Act that it would undertake to act as agent for the Philippines to collect reparations from Japan at least to the extent of the balance of the war damage claims not paid for by the United States. The term "agent" was used in our previous statement in a special technical sense. The relationship suggested arose from the special ties between the United States and the Philippines in the unusual circumstances obtaining at the time of the passage of the Rehabilitation Act, before the Philippines became independent, and the reference was not to the ordinary kind of agency involving profit but rather to an agency involving moral trust.

It was implicit in the Rehabilitation Act that the United States would not allow the discontinuance of Japanese reparations to the Philippines until the Philippine war damage claims are paid in full; on the contrary, that the United States would cooperate to the fullest extent with the Philippines in securing reparations from Japan to rehabilitate its economy.

The discussions of the bill in the congressional committee hearings, and particularly a letter of the State Department itself in connection with the reparations aspects of the bill, give additional support to this contention. The State Department letter referred to was submitted to the House Committee on Insular Affairs and set forth its views in connection with section 106 of the act (see p. 143 of the hearings of said committee). That letter stated in connection with section 106:

"It may be assumed that the Philippine Government, with the support of the United States, will be able to secure a fair share of reparations, including probably all the industrial equipment of the type available for reparations which the Philippine economy can absorb."

Another excerpt from the discussions of section 106 of the House committee which makes clear this implicit intention of Congress appears in a statement of Mr. McNutt, the then United States High Commissioner to the Philippines. In connection with an amendment of section 106 proposed by him (which was adopted by the committee and by Congress and is now the present section 106 (b) of the act), he stated (p. 76):

"Now the reason for the suggested amendment is this: The amounts so authorized to be appropriated, or surplus materials to be utilized, under this act are recognized as insufficient to fully rehabilitate the Philippines from losses and damages incurred in the war. It appears that this section 106 was to provide for full rehabilitation, provided sufficient reparations and indemnity could be obtained from the Japanese Government and the Japanese people."

Congress accepted this proposed amendment, and it is therefore clear that it agreed with Commissioner McNutt that the purpose of Section 106 was to provide for full rehabilitation of the Philippines by means of reparations and indemnity, both physical assets and money and bullion, sufficient to cover the balance of the war damage claims not paid for out of the United States Treasury. In such an intention, there is necessarily implied an undertaking by the United States to assist the Philippines in obtaining sufficient reparations to cover the unpaid balance of its war damage claims.

The Philippine Government has acted in its own behalf within the Far Eastern Commission in respect of its own reparations claims precisely because the Rehabilitation Act did not purport to settle completely the question of war damage to Philippine property. The enactment resulted from the peculiar relationship between the United States and the Philippines, and it sought to provide a means whereby the young Republic, which had been created by American magnanimity, would be able to secure the equivalent of immediate partial reparations instead of awaiting protracted settlement by an international commission.

As early as May 21, 1947, the New York Times reported that the United States had claimed the greatest share of reparations from Japan with the stipulation that it would keep none of the proceeds, but would distribute them among the Philippines and other ravaged countries, and in consequence of which the percentage share of reparations allotted to the Philippines would be decreased proportionately. On November 6, 1947, General McCoy declared in a statement to the Commission on behalf of the United States Government: "The United States Government proposes that if the Commission will accept the schedule now submitted by the United States, the United States Government will relinquish 18 of the 28 percent which it claims, and will allot this 18 percent as a fund to be distributed by the other states among themselves in any proportion which they deem advisable."

It, therefore, appears that the principle of agency as a moral trust arising from the American solicitude for the Philippines and other war-devastated countries, which was implicit in the reference to reparations in the Rehabilitation Act of 1946, was subsequently reaffirmed in an official United States statement before the Commission in 1947.

In conclusion the Philippine Government desires to request the United States Government to define in clearer terms the exact extent of its decision to discontinue reparations. It is important to the interests of the Philippine Government that it be made a matter of record at the present time whether or not this discontinuance is intended merely as a temporary supension of reparations until a later date, either before or after the Japanese peace treaty is concluded, since it is an established rule of international law that a sovereign state has an inherent right to reparations of which it cannot be deprived by another state. Finally the Philippine Government desires to be informed whether the United States Government contemplates a compensatory formula either as an interim measure before the peace treaty is signed or as final settlement in lieu of reparations in kind.

Treason's Strange Fruit—A Premium Upon Disloyalty

EXTENSION OF REMARKS
OF
HON. JAMES T. PATTERSON
OF CONNECTICUT
IN THE HOUSE OF REPRESENTATIVES
Thursday, July 14, 1949

Mr. PATTERSON. Mr. Speaker, in February of this year it was announced by the Library of Congress that the Bollingen award for "the highest achievement of American poetry in 1948" was granted to Ezra Pound, indicted for treason, for his Pisan Cantos.

I do not profess to be a poetry critic, and will make no contention regarding style or meter of this alleged work of art, but will confine my remarks to the content of this work and the background of the poet as well as the part played by the Library of Congress in the award.

Ezra Pound, a confidante of Mussolini's and an apologist and propagandist for this Fascist dictator, as indicated in Boston for his treasonous activities during World War II. A finding of insanity precluded his being tried for treason, and he is now comfortably confined at St. Elizabeths Hospital here in Washington.

It is certain that many persons in the literary field will protest that there should be no condemnation of literary efforts because of political convictions. Reasoning such as this in Pound's case is extremely fallacious and without basis. Pound is a moral degenerate completely devoid of sensibilities or logic. It is impossible and wholly indefensible to attempt a separation of Pound's poetic efforts from his treasonous convictions and activities. Should we encourage the activities in literature of moral lepers? Should we, through the Library of Congress, say to aspiring poets that Pound's work is laudable and worthy of imitation?

Let us examine the implications of the award-winning poem, portions of which are quoted in Robert Hillyer's article in the June 11 issue of the Saturday Review of Literature on the Bollingen award. The Pisan Cantos contain obscenities to an excessive degree, and make many derogatory references to Jews and Negroes. As Pound's anti-Semitism and hatred of minority groups is well known, this is not surprising. Pound states that Jews stimulate wars to make money, while the stupid Christians go out to fight and are slaughtered. How can we tolerate these expressions, when we all realize the great contributions made in World War II by many thousands of Negroes and Jews who laid down their lives for an ideal. We bear a burden of shame by giving public recognition to this type of literary slander.

Although the Library of Congress did not directly participate in the award for this travesty, it must bear partial responsibility because of the linking of its name in the grant, and because of its participation in the appointment of the jury which selected Pound's work for the award.

As the Library is an instrument of the Congress, and directly responsible to it, it would seem desirable for an appropriate committee of this body to investigate the circumstances surrounding this award. This would not be thought control, but rather a rational and pertinent investigation of a shameful act.

I include articles by Robert Hillyer written for the Saturday Review of Literature, and a reply from Luther Evans, Librarian of the Library of Congress, which deal more fully with the Bollingen award:

[From the Saturday Review of Literature of June 11, 1949]

TREASON'S STRANGE FRUIT—THE CASE OF EZRA POUND AND THE BOLLINGEN AWARD

(By Robert Hillyer)

Last February 20 the press announced that Ezra Pound, who was then under suspended indictment for high treason, had been awarded a new prize, the Bollingen-Library of Congress award of $1,000. The award was made by a jury of Fellows of the Library of Congress in American Letters, which had adjudged Pound's Pisan Cantos to be the highest achievement of American poetry in 1948. Except for those facts, the general public, even that part of it which is interested in literary matters, knows little.

It is my purpose in these two articles to provide information concerning the background of this award from two points of view, the political and cultural, which are in this case closely related.

Ezra Pound is quite simply under indictment for treason because during the last war he served the enemy in direct poetical and propaganda activities against the United States. The defense has been that he was insane, which may be an interesting commentary on his prize-winning poetry. His poems are the vehicle of contempt for America, Fascism, anti-Semitism, and, in the prize-winning Pisan Cantos themselves, ruthless mockery of our Christian war dead. That fact may place the award, and the committee on the Bollingen prize, in an observable relationship to our dead and to the Nation they died for. Lastly, the award was sponsored by the Library of Congress and its Librarian. The Library is the property of the American people; the Librarian is their paid custodian. Should this matter come up for investigation by Congress, neither the Librarian nor the Bollingen group will have the right to argue that it is an attempt on the part of Government to control literaure; on the contrary, this group has apparently invoked the sanction of Government for its own ends.

At my request, Luther H. Evans, the Librarian of Congress, furnished me with data about the background of the award. In 1936, through private generosity, a chair of poetry was founded in the Library of Congress, to which appointments are made on an annual basis. In 1942 Allen Tate, the incumbent, with the approval of Archibald MacLeish, then Librarian of Congress, established a group known as the Fellows of the Library of Congress in American Letters. I have been unable to discover from the Library how or by whom this impressively titled group of fellows is appointed. They first met on May 26, 1942. At the time of the 1948 Bollingen award, the fellows included Allen Tate, Katherine Garrison Chapin (Mrs. Francis Biddle), Katherine Anne Porter, Willard Thorp, Paul Green, Louise Bogan, T. S. Eliot (a native of the United States who has become a British citizen), Theodore Spencer (who died January 18, 1949, after the award had been decided upon), Conrad Aiken, Wystan Hugh Auden (a native of Great Britain who is now an American citizen), Karl Shapiro, Robert Penn Warren,

Robert Lowell, and Léonie Adams. The first five have been members of the group since it was begun. To quote Mr. Evans:

"Through the activities of this group, the Bolligen Foundation offered to the Library of Congress a gift of funds to enable it, over a period of 10 years, to make an annual award of $1,000 to the author of that book of verse published during the previous calendar year which, in the judgment of the Fellows in American Letters, represented the highest achievement of American poetry during that year. The fellows may, however, decline to make an award for any year if in their judgment no poetry worthy of the prize was published during the year."

In view of Pound's hatred for the democracy of his native country, it is ironic that among the conditions of the award is the stipulation that the recipient must be an American citizen. By some tenuous legality Pound may be a citizen, but he knows nothing and cares less about civil obligations. Louis Untermeyer describes him as the most belligerent expatriate of his generation. He has seldom set foot in America since he was 23. His country's elections, wars, aspirations, and exploits have left him untouched if not hostile. After a lifetime of writing characterized by William Butler Yeats as nervous obsession, nightmare, stammering confusion, this alienated citizen produced the Pisan Cantos, certainly the worst of the lot. Yet the Bollingen jury stretched a point to consider Pound a citizen and defied all critical standards by finding in the Pisan Cantos the best American poetry of 1948.

Even in this brief summary of facts, several questions arise and some of them can be answered. Where did the Bollingen money come from? Ten annual $1,000 prizes are not easily obtained in these days. The money was given by the Mellon Foundation and set up as the Bollingen Foundation at the behest of Paul Mellon, the son of Andrew Mellon, former Secretary of the Treasury.

Why was the prize named the Bollingen Award? Where does the name come from? At this point, I must cite an incident which illustrates the ignorance of the jury itself concerning the background of the prize. One of the members, Prof. Willard Thorp, of Princeton, when asked by a reporter where the name of Bollingen came from, responded that he did not know, but he thought "it must be a family name." If so learned a member of the committee was in the dark, how should his less gifted colleagues be better informed? If gold rust, what shall iron do? But the original sponsors of the awards must have known what the name meant.

Bollingen is the Swiss lakeside retreat of the psychoanalyst Dr. Carl G. Jung. It is near Zurich. There, in an idyllic cottage, dwell Dr. Jung and his wife, receiving the visits, adulation, and gifts of many, including such millionaires as Paul Mellon. It is said that his first wife was one of Dr. Jung's patients. There is no implication in what follows that Mr. Mellon had any knowledge of Dr. Jung's former connection with nazism.

The issue of Dr. Jung's pronazism has been hotly argued, though certain facts are a matter of record. For a time Dr. Jung's admiration for Adolf Hitler was warm, and his services to the Nazi cause, including propaganda activities during his trips to this country, were considerable. Among his sympathies were included such Nazi flourishes as racism in general, the superman, anti-Semitism, and a weird metaphysics embracing occultism, alchemy, and the worship of Wotan. Convincing proof of all this is to be found in special research by A. D. Parelhoff and in Edward Glover's article Freud or Jung in Horizon for March 1949. Here are a few quotations from Jung: "The American presents to us a strange picture: A European with Negro mannerisms and an Indian soul" (1930). "The Jew, as a relative nomad, never has had and never will have his own culture * * * The Aryan unconscious is a higher unconscious than the Jewish" (1934). "Hitler's first idea is to make his people powerful because the spirit of the Aryan German deserves to be supported by might, muscle, and steel" (1936). "The paean of the Italian nation is addressed to the personality of the Duce, and the dirges of other nations lament the absence of great leaders" (1939). "German policy is not made; it is revealed through Hitler. He is the mouthpiece of the gods of old" (1939).

I had personal contact with Dr. Jung's nazism. At luncheon during the Harvard Tercentenary of 1936, Dr. Jung, who was seated beside me, deftly introduced the subject of Hitler, developed it with alert warmth, and concluded with the statement that from the high vantage point of Alpine Switzerland Hitler's new order in Germany seemed to offer the one hope of Europe.

Through the generosity of Paul Mellon, the Bollingen Foundation supports the Pantheon Press, a publishing house which issues many outpourings of the new estheticism, the literary cult to whom T. S. Eliot and Ezra Pound are gods. More significant, it is apparently still congenial to Jung and his school, who have now dropped their Nazi allegiance but not necessarily the symptoms of nazism. Let me quote from a review which appeared in the New England Journal of Medicine of M. Esther Harding's Psychic Energy: Its Source and Goal, published by Pantheon Press, with a foreword by C. G. Jung:

"In this book the author, via a Jungian delving into the unconscious, attempts to answer the query whether or not the primitive and unconscious side of man's nature can be tamed effectively or even altered. She believes that contemporary culture and civilization afford but a poor facade covering unconscious roots that are essentially base, vile, and self-annihilating. * * * Men must regress to primitive levels of the unconscious, as seen in the totalitarian rationalization and the world conflicts of today. The author holds out little hope of changing the collective unconscious of a people but individuals may be saved. * * * The book is as pessimistic and ethereal as anything Jung himself might have written."

Among the acknowledgments in the foreword to Psychic Energy, Miss Harding pays this moving tribute: "Many thanks are due as well to Mr. Paul Mellon for much helpful criticism and for the time and interest he has devoted to this book." It would seem that the reservoir at Bollingen has many outlets, but I cannot recommend the water as potable. It is not my conception of a Pierian spring or a fountain of Bandusia.

It is appropriate that an award named after Dr. Jung's headquarters should be given to Ezra Pound. But it is extraordinary that it should be awarded by a committee of Americans and sponsored by the Library of Congress.

Pound's career in the service of Mussolini as propagandist and agent against the United States is too well known to need summary here. He was arrested in Italy on a charge of treason, was pronounced sane, and seemed ripe for hanging. As soon as he stepped on American soil, however, he officially lost his mind, and is now lodged in a comfortable room any of our wounded veterans would envy, in St. Elizabeths Hospital in Washington. Members of the jury and other apologists have argued that the writings of Pound and the actions of Pound are two different things and must be considered independently. Art is art and life is life and never the twain shall meet. Let us, then, devote our attention to the Pisan Cantos. Would they have won an award had they been submitted by an anonymous author? Have they any intrinsic merit as poetry?

It may be stated flatly that the Pisan Cantos are so disordered as to make the award seem like a hoax. If they are poetry at all, then everything we have previously known as poetry must have been something else. In no sense are they a work "of an extremely high order," as Karl Shapiro maintained even when dissenting from a committee's decision. In general, they are merely the landslide from the kitchen-midden of a heart long dead: broken memories, jagged bits of spite, splinters of a distorting glass wherein the world is seen at it is not, a hodgepodge of private symbols, weary epigrams, anecdotes, resentments, chuckles, and the polyglot malapropisms that pass for erudition among the elite. Some individual passages are clear enough, decked out with oddments of reading such as sophomores delight to identify. I have enough information to know that when Pound speaks of "broom plants" he is thinking of the Plantagenet kings, and I have enough languages to understand many of his not very recondite tags. Occasionally he deviates into sense, and on page 94 there is a fair lyric beginning. "Tudor indeed is gone and every rose." Most of the rest is rubbish.

There are scornful references to "niggers" and obscenities indicated by initials. In the opening lines, where even the most careless member of the jury could not have missed it, there is a tearful elegy, in the Pound lingo, on Mussolini and his mistress:

"The enormous tragedy of the dream
in the peasant's bent shoulders,
Manes! Manes was tanned and stuffed,
Thus Ben and la Clara a Milano.
That maggots shd/ eat the dead bullock,
Digenes, but he twice crucified
where in history will you find it?
You say this to the Possum: a bang, not a
whimper, with a bang not a whimper."

The concluding line of this touching dirge seems to be addressed to T. S. Eliot under the soubriquet of "Possum," a name used by Eliot in his mirth-provoking book on cats. The regret for the passing of the "twice crucified" Italian gangster is clear enough.

Clear, also, are the following four lines on page 17:

"From their seats the blond bastards, and
cast 'em.
The yidd is a stimulant, and the goyim are
cattle
In gt/ proportion and go to salable slaughter
With the maximum of docility."

The first line is an ironic travesty on American sentiments toward the Nazis. The last three lines tell us that the Jews stimulate wars in order to make money, while the stupid Christians (under the contemptuous term of "goyim") go out to fight and are slaughtered. As will be noted, the first line is merely another example of Pound's prevailing and brutal anti-Semitism. In the last three lines the Christian soldiers who were killed in the war are described as cattle who "go to salable slaughter with the maximum of docility." I doubt that living Americans will tolerate that sneer at their dead.

However, the lines were not only tolerated but applauded by a group of Americans and one expatriate on the Bollingen jury. Such an esthetic contempt for mankind, especially those best of mankind who in courage and loyalty laid down their lives, can scarcely be imagined. Cynicism and heartlessness have never gone further. Think of it: in the name of the Library of Congress, these esthetes crowned as their laureate the man who wrote those words.

The alien, or expatriate, T. S. Eliot, was not in the original group of Fellows in American Letters: he is a disciple of Dr. Jung; and he has been for years an intimate of Pound. Both Pound and Eliot, and Eliot especially, have a stranglehold on American poetry through the so-called new criticism. Their tastes are dissimilar in some ways, Pound's being of Bohemia and Eliot's of the

British country families. Likewise, the quality of their intolerance shows a difference. Pound has been outspoken straight through the Pisan Cantos. Eliot had his British respectability to think of and a wetter finger in the wind. His frankest anti-Semitism dates back to 1932, when in a speech at the University of Virginia he remarked that "reasons of race and religion combine to make any number of free-thinking Jews undesirable." A spirit of excessive tolerance is to be deprecated. It is probable that he would like to expunge this speech from the memories of men. Failing that, he has discovered quite recently that the Jew had a contribution and now mentions with approbation the "legacy of Greece, Rome, and Israel." This statement does not wholly cover his tracks, but, in any case, the man who made conversions fashionable surely has a right to avail himself of them. Harry Roskolenko, in the Cant in Pound's Cantos, appearing in the Congress Weekly for April 11, 1949, puts the matter succinctly:

"One may well ask if the Fascist is always an anti-Semite, or if the anti-Semite is the consistent political exponent of fascism. In the case of Eliot we do not see this consistency. Eliot is much too sophisticated a man, too weary with his turnings and squirmings, to bring his work into the Fascist focus. He has his small doses of anti-Semitism, noticed largely because he is a so important man of letters. * * * Eliot is chiefly a man of occasional, if subtle, ventures. But both Pound and Eliot stem from the same literary environment. * * * The Bohemian Pound and the sacred Eliot merged and then parted, each preparing his own elegy of the American."

Eliot's whole life has been a flight from his native St. Louis, Mo. He has gone far, and, doubtless, if he survives Masefield, he will be the next English Laureate. In America he is so enhedged with nebulous divinity that people are shocked, as by blasphemy, at anything said against him. This is occasioned not so much by his writings as by the awe for a man who managed to get contemporary America out of his system, an aspiration of many new poets and critics. Yet it is not only the folk who carry furled umbrellas on a sunny day and pronounce dictionary with one less syllable than their parents gave it, who are attracted to this queer figure. He has succeeded—where Oscar Wilde failed—in promulgating the doctrine of art for art's sake throughout all ranks, and even among left-wing critics and intellectuals he finds some of his most sedulous interpreters.

Yet the long, spectacular climb that has made him as it were the Diamond Jim Brady of poets, has left him winded and wincing. "It is possible," writes Lewis Gannett, "that a part of Mr. Eliot's disillusion with the contemporary world is the product of his own deracination. He repudiates at once the aspiration and hopefulness of his grandfather, who transformed the St. Louis public-school system, and of contemporary Labor England. He has made himself a man without a country, is uncomfortable about it, and rationalizes his own rootlessness."

This flaw has cracked the entire fabric. Eliot has long tinkered with humpty-dumpty in public, but, as was noted long ago, not all the king's horses and all the king's men can put humpty-dumpty together again. We observe a man homesick for an aristocratic society which is his neither by birth nor heritage; which, in fact (regrettably perhaps), has ceased to exist. He is a proponent of classicism swayed by the most whimsical and idiosyncratic vagaries of taste and performance. He is the advocate of a kind of humanism in which no trace of humanity can be found.

Eliot should never have been on the committee in the first place. An Englishman to the manor born would have declined to participate. Unless our ancestors made a grave mistake, and I have no doubt there are members of the committee who think they did, Eliot is a foreigner. He gave up this country in favor of one he liked better. That is a question of taste. But it does not seem quite cricket to move away from the house that had the plum tree in the back yard and then return for the plums. Many of his willing helpers, however, would agree with him that his present home is much more elegant and that he should be deferred to.

Eliot undoubtedly wielded great influence in an award which, under the auspices of the Library of Congress, degraded American poetry and insulted her dead. Unless he resigns, he might well have the next nine Bollingen awards in his grasp. And who, incidentally, appoints the Fellows in American Letters that so many come from the exponents and idols of the new criticism? Most important of all, is it proper or legal for such a group to exist, appointed privately, even secretly, yet speaking openly under the authority of the American Congress?

What is to be done? The 1949 Bollingen award is a permanent disgrace and cannot be expunged. But preventative measures against a similar choice can be taken. The first step would seem to be for the expatriate T. S. Eliot to be dropped from the jury.

[From the Saturday Review of Literature of June 18, 1949]

POETRY'S NEW PRIESTHOOD

(By Robert Hillyer)

In my first article I gave some data about the background of the Bollingen-Library of Congress award to Ezra Pound, under indictment for treason. I presented my reasons for believing that a key figure in the selection of Pound for the award was T. S. Eliot, an expatriate. In this second article I should like to consider what elements in modern American poetry and criticism are sufficiently stagnant to serve as a breeding place for influences so unwholesome. The statement of the Bollingen jury itself implies (which is the most definite word one can use in regard to such indefinite language) that a work of art should be judged entirely apart from its author, and, what is more important, from the content of the work itself. In other words, nothing matters but the mode of expression. On these grounds the Bollingen jury gave the award to Pound.

So far I have failed to meet the Bollingen jury on their own grounds, because those grounds seem to me to be indefensible. They would limit all discussion to esthetic values merely. For the next few paragraphs I shall seek to oblige them, although the apologia for their action runs counter to the whole record of literary experience and is patently disingenuous. Here it is as contained in the public announcement of the award:

"The fellows are aware that objections may be made to awarding a prize to a man situated as is Mr. Pound. In their view, however, the possibility of such objection did not alter the responsibility assumed by the jury of selection. This was to make a choice for the award among the eligible books, provided anyone merited such recognition, according to the stated terms of the Bollingen prize. To permit other considerations than that of poetic achievement would destroy the significance of the award and would in principle deny the validity of that objective perception of value on which any civilized society must rest."

It is difficult to deal with such meretricious verbiage, nor have I the space to copy for the curious reader any passage from the Pisan Cantos. I say with full confidence that no one, outside neoesthetic circles, who examines that opus will fail to agree that if it be poetic achievement then everything we have known of poetry in the English language from Chaucer to Frost is not poetic achievement.

The party line of Eliot and the new esthetes (including the self-styled new critics) is merely the old doctrine of art for art's sake titivated with plumes of voodoo jargon to overawe the young. Their power in academic circles is beyond appraisal because it is pervasive rather than defined. They have pooled their separate timidities and frustrations, gaining strength from each other's weakness, and have succeeded in an age unprepared by education against pretentious cheek. It reminds one of the scene in Molière's Malade Imaginaire, where the doctor discovering that his patient knows no latin, proceeds to amaze him with high-sounding gibberish. In their subsidized quarterlies they bandy polite disagreements back and forth to maintain an illusion of independent thought, but in all important matters they are at one. Their current preoccupation is a new vocabulary that has no purpose but its own creation. This may be examined in the pages of Poetry: A Magazine of Verse, November 1948–January 1949, in A Glossary of the New Criticism. I recommend it. They assume a superiority which cannot be attacked because it has no substance. To a world eager for the clearest vision of poets they offer only the analysis of disillusioned irony, word by word. Going further, they subtly undermine reputations of our great poets such as Robinson and Frost, lest contrast destroy the bases of their propaganda. They have shut the doors of poetry in the face of the public. Pound and Eliot are their unquestioned and almost their single point of reference. Otherwise, their pedantry is the easy kind that can be invented verbally as one goes along; they are neither scholarly nor deeply read. A few tags from Aristotle and Coleridge are threadbare from being handed about among those who never read them in their original context.

Yet their power is enormous, especially in the colleges and even the preparatory schools. A large proportion of funds for cultural purposes from the great charitable foundations is earmarked for their use. Poetry: A magazine of verse seems to be falling into the hands of the new esthetes. In their April number the editors comment on what a hard time poor Ezra Pound must have had from lack of appreciation and add that nothing is more understandable than that he should have adopted a rather cross attitude toward America. Some day someone is going to adopt a rather cross attitude toward the editors of Poetry. Maybe America. I will ask the reader to consider the childish frivolousness of such comment on the Bollingen award at a time when the clouds of the new fascism and the new estheticism have perceptibly met in that award.

Karl Shapiro, a dissenting member of the jury, provides an interesting example of how an honest mind may be confused by the miasmas of estheticism. In a letter to the Baltimore Sun, February 25, 1949, he said that he found the Pisan Cantos a work of an extremely high order. Yet, Mr. Shapiro continues, "Pound has been a confessed Fascist and a violent anti-Semite for many years. * * * The values I perceive in the Cantos are the subjective values * * * of an embittered expatriate who turns world destroyer." Values? Are we to believe that a work based on admittedly evil personal values can be of an extremely high order? Elsewhere in the same letter he speaks wholly at variance with the group whose doctrine he had previously embraced:

I disagree vehemently with the principle embodied in the library press release that to judge a work of art on other than esthetic grounds is to deny the objective perception of value on which any civilized society must rest. This is not a statement of principle but an apology; in no case is it a fact that can stand historical or logical inquiry.

* * * I think it can be pointed out that such an interpretation of literature stems directly from a coterie of writers called the new critics. This group makes the claim, in effect, that a poem is of such abstract and ethereal a fabric that its relation to the world of men is practically nonexistent. To break the hypnotic spell of detachment which the new critics have cast over poetry is one of the more serious literary issues of our time."

What is the origin of this "hypnotic spell"? In the first place, Pound and Eliot years ago began the practice of stuffing their text with oddments chosen from other writers without quotation marks or explanation. In the case of The Wasteland this method caused so much anguish that when the poem was printed in book form a glossary was added. A mind seeking the advantage of superiority over others gets a quick satisfaction from being able to recognize bits not known to his grosser fellows, and thus the author's own feeling of superiority in planting them there. I say without jesting that this common snobbery creates a warm bond between the new poet and the new critic. Then the critic becomes uneasy. Perhaps someone more learned than he is recognizing more excerpts. Then begins a polite rivalry in source hunting and interpretation, weaving back and forth as one new critic corrects or amplifies the pseudoscholarship of another in the beautifully printed pages of their subsidized magazines. To make sure that the public is excluded from this pathetic substitute for aristocracy, they then proceed to fabricate a language bearing little relation to the magnificent one they were born with but failed to master.

With the incorporation of passages from older writers in their works, Eliot and Pound very early set up the worship of irony. This quality, originally from the Greek eironeia, meaning a falsehood based on understatement, has come to be the vehicle of bitterness and sense of defeat without which no modern poet can be acknowledged modern or a poet. An example of what we may call the ironic travesty is found in one of Pound's early effusions. The original is the beautiful little cuckoo song from the thirteenth century, which begins—

"Summer is icumen in
Lhude sing cuccu."

In Pound's hands this becomes—

"Summer is icumen in
Lhude sing goddamn."

Eliot's Wasteland and his later works abound in such felicities. For example, there is Webster's haunted dirge from The White Devil, which Charles Lamb once compared with the dirge in Shakespeare's Tempest: the one of the earth, earthy; the other of the water, watery. It ends:

"But keep the wolf far thence, that's foe to men,
For with his nails he'll dig them up again."

Eliot improves the couplet thus:

"Oh keep the dog far thence, that's friend to men,
Or with his nails he'll dig it up again."

This version serves doubly to corrupt both music and meaning.

From such comparatively simple beginnings stem the indescribable ramifications of the new poetry and the new criticism, which, having exhausted referable quotations and symbols, proceed into semantics and private unintelligibility. They go further than the pioneer warlocks who first cut this trail for the lesser wizards and their followers unto the third and fourth generations. They have, as Ben Ray Redman remarks, "perfected a jargon that is a fright to read."

In this same article, T. S. Eliot in Sight of Posterity, Mr. Redman summarizes:

"To begin with, there is the overshadowing possibility—which I consider a probability—that our descendants will not like this generation's most characteristic poetry at all. They may well think that we have set too high a value on verbal mysteries, prosodic eccentricities, ambiguities, and ambivalent symbolism; that the satisfaction experienced by our critics in the presence of many contemporary poems has too often come, not from the poetry itself, but from the critical puzzler's sense of triumph at a riddle solved. Even if this does not occur, there is a chance that Mr. Eliot's extensive dependence on other men's words will prove a heavy burden for his poems to bear for very long—after all sources have been discovered by delighted discoverers—and that he will stand condemned by the rule of his own statement: 'The good poet welds his theft into a whole of feeling which is unique and utterly different from that from which it was torn; the bad poet throws it into something that has no cohesion.' * * * His [Eliot's] most serious and mature poems may, indeed, largely disintegrate into quotations."

The errors produced by this mosaic style among aspiring new critics are frequent and supply amusement for the well-read. Elizabeth Drew, in her T. S. Eliot, the Design of His Poetry, doggedly analyzes a passage about a bird, a kingfisher, quite ignorant of the fact that the kingfisher is the halcyon, and is so used in Eliot's symbol—with a wink at the knowing—to avoid the phrase "halcyon calm." Mistakes like that give the whole show away. Three years ago in an article in the Saturday Review of Literature (Meaning in Modern Poetry, March 23, 1946), Lloyd Frankenberg insisted at length that Eliot, in a reference to jug-jug, was thinking of a chamber pot, whereas in fact the master was directly quoting (with ironic intent) from an Elizabethan song about the nightingale. And so it goes. It is all quite clearly a case of the blind misleading the blind.

Lastly, I note a decline in critical honesty. Compare two comments, one of them written 17 years ago, the other, just recently. Both apply to one of Eliot's better-known anti-Semitic passages:

"My house is a decayed house,
And the Jew squats on the window sill, the owner,
Spawned in some estaminet of Antwerp."

In 1932 Ruth Bailey, in her Dialog on Modern Poetry, paraphrased these lines from Geronţion frankly and correctly: "The Jew is international, the scum of Europe and its landlord, and the house which he owns, the house of European civilization, is international, too; it belongs everywhere and nowhere." Now note carefully the sly euphemism with which Elizabeth Drew glosses over the obvious bigotry of the same passage in 1949: "As a result of not fighting for the values of a living tradition, the modern world is now owned and enslaved by the only proliferating element in it, the international money power." Where is Eliot's Jew?

What I have been leading up to in this sketch of the new estheticism is that its sterile pedantry, based on a sense of personal inadequacy, and its failure to command our common English, result in a blurring of judgment both esthetic and moral. I have said that in the Bollingen Award to Pound the clouds of an intellectual neo-fascism and the new estheticism have perceptibly met and on a horizon too near for comfort. I do not, however, accuse the jury as a whole or any member in particular of totalitarian or antidemocratic convictions. Some of them simply yielded to conformity. One member of the committee expressed regret, in a conversation with me, that another engagement had not provided an excuse for absence from the committee's deliberations, such as they were. Others had not thoroughly read the Pisan Cantos, and no one could understand them except in spots. One or two probably withdrew into quietism, not aware of the fact that there are times when quietists must be heard loudest of all. Half the committee were disciples of Pound and Eliot and sympathetic to a group which has a genuine power complex. The performance of the Bollingen committee is disagreeably reminiscent of what happens when a dictatorial will moves through a group wherein right and wrong are no longer clearly distinguishable from each other. History shows us that a civilization is always destroyed on the cultural level before the politicians and military take over.

Meanwhile Pound is settled in a comfortable room enjoying the books supplied him by his kind friends. He is quite sane enough to study Chinese. These surroundings, comparable to an expensive room in a private hospital, may with just indignation be contrasted to the crowded wards in which are herded the soldiers who lost their minds defending America, which Pound hated and betrayed.

Nothing can be salvaged from the disgrace of the Bollingen award of 1949. Nothing can be atoned for. It would be well for the Library of Congress to withdraw the prize, for no decent poet in the country would accept it. The future may profit if the award has rung down the curtain on the inglorious Age of Eliot with all its coteries and pressure groups.

An uncompromising assault on this new estheticism is long overdue. The award to Pound made it inevitable. In a spiritual morass where language, ethics, literature, and personal courage melt into something obscure and formless, a guided impulse has stirred the amorphous haze into something approaching form, something shaped out of stagnant art by grouping fascism. When I began the research for these articles I was quite unaware how deviously the trails would lead me toward one concept; totalitarianism. It is not genteel authoritarianism or the desire for order in a disordered world, as polite critics have called it. It is the mystical and cultural preparation for a new authoritarianism.

[From the Saturday Review of Literature of July 2, 1949]

A LETTER FROM THE LIBRARIAN OF CONGRESS

(EDITOR'S NOTE.—Realizing that no discussion of the 1948 Library of Congress-Bollingen Award to Ezra Pound for the Pisan Cantos would be complete without a statement of the position of the Library of Congress in the matter, Saturday Review of Literature is grateful to Luther H. Evans, Librarian of Congress, for the following letter in reply to Robert Hillyer's articles Treason's Strange Fruit and Poetry's New Priesthood (Saturday Review of Literature June 11, 18) and Saturday Review of Literature's editorial Ezra Pound and the Bollingen Award (June 11). In order to give the point of view of the Library equal prominence with Saturday Review of Literature's attacks on the award, this week we devote our editorial pages to Mr. Evans' answer, together with a rejoinder from the editors of Saturday Review of Literature.)

SIR: I am writing you in regard to the article by Mr. Robert Hillyer and the editorial by yourself and Mr. Smith in the June 11 number of the Saturday Review of Literature.

Mr. Hillyer said early in his article that he was unable to discover who appoints the Fellows in American Letters. Mr. Verner W. Clapp of the Library of Congress wrote Mr. Hillyer on April 22: "The fellows are appointed by the Librarian of Congress."

The Fellows in American Letters were first appointed in 1944 by my predecessor, Archibald MacLeish, to perform assignments of importance to the Library of Congress, and in his opinion and in the opinion of the distinguished workers in the field of American letters who could devote the necessary time to such onerous tasks, useful to scholarship and the advancement of literature. They accepted the tasks of advising the Library concerning the strengthening of its collections and the promotion of bibliographical and publication projects in American literary material. They also advised the Librarian on the choice of the annual incumbent of the Chair of Poetry in English. After almost 4 years of successful endeavor the fellows, in addition to their other work, which now included assisting in carrying forward a project to issue albums of contemporary poetry read by the poets themselves, hit upon the idea (in January 1948) of an award for the outstanding publication each year in American poetry. After I approved the proposal an approach was made to secure the funds, with the success which has been noted.

The implications in Mr. Hillyer's article that the Bollingen Foundation had a part in the award to Ezra Pound, or in some way influenced it, are particularly annoying to the Library of Congress, and if in your editorial column you intended to vouch for the validity of such implications, I am sure you were not acquainted with the facts.

So far as my own knowledge and belief go, neither the Bollingen Foundation nor any of its trustees, officers, or representatives had the slightest connection with the choice of the Pisan Cantos for the award. When, at the request of myself and the Library's fellows, the foundation agreed to make a grant to the Library, its purpose was to enable that agency of the Federal Government to grant a prize in recognition of outstanding achievement in American poetry. My idea in requesting the grant, and the sole purpose of the foundation's trustees in approving it, was to encourage serious endeavors in this field of American letters.

It was the foundation's definite understanding from the beginning that the award would be solely that of the Library of Congress, made on the basis of the choice of a panel made up of the Library's Fellows in American Letters. It should also be emphasized that the foundation had no connection with the selection of these fellows nor any of their activities. They were appointed by the Librarian of Congress, and their selection is the responsibility of that officer of the Federal Government. So far as concerns T. S. Eliot, he had not served as a member of the panel at any meeting when the gift to the Library from the foundation was made. He was appointed by me on my own responsibility, without any consultation with, or the knowledge of, the foundation. In short, from the beginning every step was taken to insure that the prize, when awarded, would in fact be that of the Library of Congress, made on its responsibility, uninfluenced in any way by the foundation. While the prize bears the name of the foundation, this was a courtesy which the Library of Congress wished to extend in appreciation of the donor's generosity.

It is extremely unfortunate from the viewpoint of future aid to the cultural activities of the Library of Congress that a public benefactor, such as Bollingen Foundation, seeking only to promote the welfare of the Library by a generous gift, should be subjected, because of the Library's application of that gift, to the unfavorable reflections appearing in Mr. Hillyer's article, which are apparently vouched for in your publication's editorial accompanying the article. Furthermore, you will understand that this is highly embarrassing to me and to the Library.

That Mr. Paul Mellon has through some diabolical and perverted motivation tried to influence the decision of the fellows, is an insinuation which I believe has no foundation whatever. I doubt seriously that Mr. Mellon knows personally a single member of the group of fellows. All the public can see how generously he has given to worthy causes, without going beyond the press headlines of the past week. Why cannot the traducing of persons of high personal character and integrity be reserved for officers of Government, who must by virtue of the nature of the democratic process put up with it anyhow?

The attack on the legality and the propriety of appointing persons to the staff of the Library of Congress for the purposes served by the Fellows in American Letters ignores the clear statutory authorizations under which the Library of Congress operates (U. S. Code, title II), and constitutes a challenge to a broad program of the Library for promoting the arts in America. Under the auspices of the Coolidge Foundation the Library has for decades commissioned the writing of music, has awarded medals for outstanding accomplishments in musicianship, and has provided concerts of high quality.

Surely, it is no service to American culture to make an ill-founded attack upon the effort made by this great institution to enrich the life of the people by such means. With the specific approval of Congress also, the Library prepares a publication known as the United States Quarterly Book List. This book list has as its purpose the review under the editorship of a regular Government employee of selected books which make a contribution to knowledge. The operation involves the editing by Government employees of evaluations of books made by the individual scholarly reviewers who contribute their services for this purpose. The editor has authority to rewrite reviews and to change the evaluations made of the books reviewed. The signatures of the reviewers do not appear.

The Congress has also during the past decade or more authorized a large appropriation to the Library of Congress, currently in the amount of approximately $1,000,000, for the provision of books for the adult blind readers of the United States. The selection of books to be put in this program is entrusted entirely to the Librarian of Congress and his staff. The operation involves the choice of a few books from the multitude from which the choice is made for the instructional and recreational reading of blind persons. The responsibility is a heavy one and it amounts, in effect, to calling some books bad and other books good.

I should like to observe that the question of propriety in a project of the type I have been discussing is intimately related to the Governmental arrangements for making the scholarly or artistic decisions involved. It would obviously be improper and an abuse of authority for decisions to be made as to what is truthful or what is beautiful or what is good as the arbitrary acts of an individual not especially qualified to make them. By this I mean, for instance, that I as the head of the Library of Congress would be acting arbitrarily were I to pass judgment on what is good music, assuming that I am not an expert in the field, or selecting books for the Quarterly Book List in fields where I do not have expert capacity or in picking a book of poetry for an award when I am not a qualified critic of poetry. The only way to insure that choices of this kind are legitimate and acceptable when made by a Government institution is to conduct affairs in such a way that persons who make the esthetic or the scholarly judgments are persons chosen for their competence in such work and divorced from general responsibilities for the management of the institution itself. This principle I have striven to observe, and I have, I believe, observed it in the present case.

The Fellows in American Letters are in all cases, I believe, persons of attainment and a high sense of responsibility for promoting and strengthening what is good in American culture. No such serious charge as yours, as far as I know, has hitherto been made against them of being politically motivated members of a clique or a school or a particular esthetic group, or of being under the domination of any individual. Now that your charge has been made I shall, of course, inquire into the situation with a view to the possibility if it should prove desirable of strengthening the representative character of the group. The insinuation which has been made is very damaging to the fellows and to the Library of Congress, since it amounts to a charge that the fellows have not acted, as they were charged to act, as public servants, but rather that they have abused the authority entrusted to them for evil ends. I think evidence should be produced, rather than pure supposition, to sustain such an insinuation. You and Mr. Hillyer are under a public duty to produce the evidence.

I personally regard the choice of the Pisan Cantos for the Bollingen prize as an unfortunate choice. I do not feel called upon to go into all of my reasons for feeling this. I think it is sufficient to say that from my poetically ignorant point of view, Mr. Pound's book is hardly poetry at all. I believe now, as I believed at the time of announcing the award, that I would be engaging in an improper interference with free scholarship if I were to substitute my own decision in this matter for the decision of the fellows. I think that for me to interfere with the work of scholars would be far worse than to award the prize for a book which did not deserve it. After all, a cure is available in scholarly terms for scholarly errors, but I know of no cure for the bureaucratic error of overriding scholarly judgment in cases of this kind. I feel that I would have been striking a blow against the cause of liberty by overriding scholarly judgment, and I do not feel that the blow for unrighteousness which the award may represent is nearly as grave.

You and Mr. Hillyer have treated Mr. Pound as though he had been proved guilty of treason. To me this is not the case. To me also it is irrelevant to the making of the award, since we did not say in the conditions of the award that a person had to be one who had not been convicted by courts or found guilty by the public of some crime or other. I should also like to observe that Mr. Pound is a citizen, no matter whether it may be desirable in the judgment of the Saturday Review of Literature that he should continue to be such. The matter of citizenship is one of law and not one of politics or poetry.

The Fellows in American Letters do not have to be citizens. Therefore, the criticism of Mr. Eliot's membership of the group on this ground is irrelevant. Persons are chosen for outstanding accomplishment in the field of American letters, either as creative writers or as scholars in the field. Mr. Eliot meets this test, and I have no intention of asking him to resign. Indeed, I should be very sorry if such a distinguished writer were to cease to be a member of the group.

As to whether a person who is insane can write distinguished poetry, that is something I would prefer to leave to the literati to wrangle over, rather than try to make a decision myself.

I am deeply disturbed by one point of view which you and Mr. Hillyer seem to share, and that is that poetic quality must somehow pass a political test. In my many years of study and teaching in the field of political science I came to regard a political test for art and poetry as a sign of dictatorial, illiberal, undemocratic approach to matters of the

mind. The alternative attitude is not necessarily the separation of art from life, or of form from substance. I think you really ought to admit that the principal charge you wish to bring against Mr. Pound's poetry is not that it is form divorced from substance or art divorced from life, but that it is a kind of substance and preaches a view of life which you do not like. I do not like them either. But the question of whether Pound's poetry is art, whether it is good poetry, is a different question. As to that question, my answer is also negative, but as I have said already, I do not feel that it would be proper for me to override the judgment of persons in whose competence I have confidence, and who were charged with responsibility to make the judgment.

LUTHER H. EVANS,
Librarian of Congress.

WASHINGTON, D. C.

A REPLY TO MR. EVANS

We were well aware that we were heading into a storm when we published Robert Hillyer's two articles and our supporting editorial on the United States Library of Congress-Bollingen award to Ezra Pound for the Pisan Cantos as the highest achievement of American poetry in 1948. Our objections were centered on the form and content of the poetry itself, as well as on the fact that Ezra Pound had been under indictment for treason and had been declared insane. More specifically, we objected to the name of the American Government, through the Library of Congress, being attached to an award which was as much an insult to good taste as it was to the basic values of a democratic people.

There are major and minor issues involved in Mr. Evans' reply for the Library of Congress. Perhaps the most important issue of all involves the familiar argument that art must be kept separate from politics. It is made to appear that SRL has ignored this most sacred of all critical canons in opposing the award to Pound. Indeed, Pound's defenders hold their ground on the art-for-art's sake principle. Such being the case, SRL is anxious to meet this particular issue head-on. Certainly, we do not believe that candidates for poetry awards must somehow pass a political test, to use Mr. Evans' phrase. But while one must divorce politics from art, it is quite another matter to use the word "politics" as a substitute for values. We do not believe, in short, that art has nothing to do with values. We do not believe that what a poet says is necessarily of lesser importance than the way he says it. We do not believe that a poet can shatter ethics and values and still be a good poet. We do not believe that poetry can convert words into maggots that eat at human dignity and still be good poetry. We do not believe that the highest function of art is to deny and corrupt the values which make art possible.

It is impossible to conceive of the Pisan Cantos as the winner of this congressional award without being concerned with the writer and his beliefs. Great art owns principles that are ordered and founded on some form of mental integrity based on truths that have been a part of the human consciousness since man began to record his thoughts and state his beliefs in the relationship between man and nature. We cannot accept Pound's totalitarian ravings as evidence of his genius. The occasional flashes of inspiration in the Pisan Cantos from Mr. Pound's past, the few stanzas that were intelligible did not give to this volume the right to be called the finest contribution to American poetry of last year. If pressed for our own nominations there are at least three poets whose books in 1948 seem to us worthy of the Bollingen prize: Mark Van Doren, Peter Viereck, and Archibald MacLeish.

To be sure, insanity and inhuman ideas are not unknown in poetry; but we do not agree that they are inherently a part of it. That Mr. Pound is insane and that he has been a traitor to the United States does not add luster to his verse. Nor is incomprehensibility, on which poetry's new priesthood depends for its claims to omniscience, a virtue in itself. We believe that the average established critic of poetry, the vast majority of our poets, and the readers who once found relief and joy in poetry will agree with Robert Hillyer's pronouncement that the Pisan Cantos are so disordered as to make the award seem like a hoax. We also believe that the award seems to make fools out of the American people who love poetry, and out of the Library of Congress, which appeared to be placed by its Fellows in American Letters in the position of having to disagree with an award made in its name.

Mr. Evans says that he personally regards the choice of the Pisan Cantos as unfortunate, and offers his own view that it was hardly poetry at all. He believes, however, that it was hardly his function as Librarian of Congress to impose his own views on the fellows of the Library of Congress who made the selection. We agree. We did not suggest that Mr. Evans should have substituted his own judgment for that of the fellows. Once the fellows made their selection, the fat was in the fire. We insist, however, that once the name of the Library of Congress was attached to the award it could not avoid responsibility. If the award was to have been an independent one, having nothing to do with a Government agency, then care should have been taken to dissociate the agency both from the committee making the award and from the award itself. But the United States Library of Congress cannot sponsor such an award as an integral part of its activities and then abruptly disclaim responsibility at the first sign of a fight.

Mr. Evans is a gifted and valuable administrator of what is perhaps the greatest library in the world. He is universally liked by his associates. It is no disparagement of Mr. Evans to suggest that he may not have been aware at the time that the fellows were landing the Library on top of a powder keg. Complicated problems of modern art and its attendant criticism were involved, apart from Pound's treasonable activities, his insanity, the character of the jury, or the award itself, or any of the other issues that have been brought up in retaliation. They concern, as Mr. Evans has said, art and politics, and beyond that the control of poetry and the other arts by small groups of the elite who now have the power to pronounce judgment, to confound our intelligence, and to give the Nation's highest cultural awards.

One of the sentences in Mr. Evans' letter reads: "It is of no service to American culture to make an ill-founded attack upon the effort made by this great institution [the Library of Congress] to enrich the life of the people." Our answer is that when a committee of the Library not only does not enrich the life of the people, but actually damages cultural values, we have the right of protest.

H. S.
N. C.

Farm Program

EXTENSION OF REMARKS
OF
HON. WAYNE L. HAYS
OF OHIO
IN THE HOUSE OF REPRESENTATIVES

Tuesday, July 19, 1949

Mr. HAYS of Ohio. Mr. Speaker, the appended letter is, I think, deserving of the attention of every farmer in the United States. I cannot see how any sensible person would disagree with the obvious fact that farm income must be maintained if the economic condition of this country is to remain on a sound basis. If this Congress fails to write a farm program which will protect the farmer's income, I believe that the American farmer should have a chance to take a backward look and see who was at fault. With that thought in mind, I am placing this matter in the RECORD so that it will be permanently kept for future reference. The following letter is self-explanatory:

DEAR COLLEAGUE: There are 171 Republican Members of the House, and if ever there was a time when these Members should all be present and voting, it is next week when the House begins consideration of H. R. 5345, the Pace-Brannan farm bill.

Upon the completion of the 6 hours of general debate, a substitute bill will be offered and voted upon within a short time. Accordingly, it is of paramount importance that every member be constantly on the floor Tuesday and Wednesday, July 19 and 20.

Every Republican Member who is on his feet and breathing, or shows any signs of life and is free from doctor's orders must be accounted for on the above-mentioned dates, and be ready to vote on this important and far-reaching legislative proposal.

We must defeat the Brannan farm bill. It can be done if all Republicans are on the job.

Your vote is needed.

Sincerely yours,

LES C. ARENDS,
Republican Whip.

Washington State Fraternal Congress Approves Adoption of Resolution on World Federation

EXTENSION OF REMARKS
OF
HON. HENRY M. JACKSON
OF WASHINGTON
IN THE HOUSE OF REPRESENTATIVES

Tuesday, July 19, 1949

Mr. JACKSON of Washington. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following letter:

WASHINGTON STATE
FRATERNAL CONGRESS,
Seattle, Wash., July 15, 1949.

Hon. HENRY M. JACKSON,
House Office Building,
Washington, D. C.

DEAR SIR: The following resolution was unanimously passed by the Washington Fraternal Congress in convention assembled at Tacoma, June 25, 1949:

"Whereas on June 7, 1949, 92 Members of the House of Representatives of the United States Congress, including Members from both parties, introduced a resolution entitled 'A resolution to seek development of the United Nations into a world federation' the text of which resolution reads as follows: 'It is the sense of the Congress that it should be a fundamental objective of the foreign policy of the United States to support and strengthen the United Nations and to seek its development into a world federation open to all nations with defined and limited

powers, adequate to preserve peace and prevent aggression, through the enactment, interpretation, and enforcement of world law"; and

"Whereas the members of the Washington State Fraternal Congress, together with all other people living in the United States or indeed anywhere in the world, are vitally interested in the prevention of war and the burdens of taxation and enslavement that war will bring about: Now, therefore, be it

"Resolved, That the Washington State Fraternal Congress, representing some 100,000 fraternalists in the State, in convention assembled at Tacoma, Wash., this 25th day of June 1949, commend the Congressmen who have introduced the foregoing resolution and endorse its purposes and aims; and be it further

"Resolved, That the secretary of the Washington State Fraternal Congress be directed to transmit a copy of this resolution to all Congressmen and Senators representing the State of Washington in the Congress of the United States.

"THE COMMITTEE ON RESOLUTIONS,
"CARROLL O. KARSCHNEY, *Chairman*,
"JENNIE N. BURNS,
"NORA E. DANFORD."

I certify that this resolution was passed by the congress June 25, 1949.

C. D. ROBINSON,
Secretary Emeritus.

National Service Life Insurance Appropriation

EXTENSION OF REMARKS
OF

HON. EDITH NOURSE ROGERS

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, July 19, 1949

Mrs. ROGERS of Massachusetts. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following letters:

COMPTROLLER GENERAL OF
THE UNITED STATES,
Washington, July 18, 1949.

Hon. EDITH NOURSE ROGERS,
House of Representatives.

MY DEAR MRS. ROGERS: I believe you may find of interest the attached copy of a special report to the Congress by the Comptroller General, dated July 15, 1949, on the subject of certain matters underlying an appropriation recently proposed in connection with the national service life insurance appropriation.

Sincerely yours,
FRANK L. YATES,
Acting Comptroller General of the United States.

COMPTROLLER GENERAL OF
THE UNITED STATES,
Washington, July 15, 1949.

The CONGRESS:

There recently has been submitted to the Congress a communication transmitting revised estimates of appropriation for the fiscal year 1950 involving a net increase of $239,399,000 for the Veterans' Administration in the form of amendments to the budget. (S. Doc. No. 78, May 20, 1949.) One segment of this revised estimate consists of an appropriation increase of $412,500,000 for the national service life insurance appropriation which was explained in a letter of the Director of the Bureau of the Budget, dated May 18, 1949, as follows:

"The Veterans' Administration has now completed studies relative to the excess mortality cost traceable to the extra hazard of military or naval service where life contingencies are involved, as authorized by the National Service Life Insurance Act, as amended. The additional amount required to be transferred from the national service life insurance appropriation to the national service life insurance trust fund in this connection is $202,170,000, and there must also be provided an amount of $210,420,000 to cover interest which would have been earned by the fund if it had been possible to make all reimbursements on time."

The Congress approved a similar request, involving $300,000,000 (not involving payment of interest, however) in the First Deficiency Appropriation Act of 1947, 61 Stat. 62. Accordingly, a total of $712,590,000 is involved in the matter being brought to your attention by this report. This sum is analyzed as follows:

A. The amounts estimated by the Veterans' Administration as being needed to reimburse the NSLI fund for extra (that is ,war) hazard death claims where settlement options selected result in a need for a principal sum that on the average, actually exceeds the face of the insurance policies involved:	
Approved in the First Deficiency Appropriation Act of of 1947 (61 Stat. 62)	$300,000,000
Request now pending before the Congress (S. Doc. No. 78)	202,170,000
	502,170,000
B. The amount of interest as estimated by the Veterans' Administration which would have been earned by NSLI fund from date of death in individual extra hazard cases to date of transfer of the money from NSLI appropriation to the NSLI fund (S. Doc. No. 78)	210,420,000
Total	712,590,000

As to part A: In brief summary, a perhaps unintended defect in the law relating to cases where the beneficiaries select a life income settlement results in the payment of about 15 percent more than the fact amounts of their policies. This is because the law calls for the use of an outmoded mortality table which does not reflect actual current experience. While the amount of each monthly payment is figured from the table, the comparative longevity of the beneficiaries results in many more payments, in the average case, than the table was based upon. In practice, therefore, the Veterans' Administration must set aside and put out at interest in each case about $1,153 for each $1,000 of insurance bought, paid for, and matured. The actual effect is to discriminate in favor of cases where the beneficiary selects a life income instead of a lump sum payment, to reduce the dividend otherwise due other policy holders and (in the cases of deaths due to war hazard) to charge the appropriation excessively.

The situation which has resulted in the current request for $202,170,000 and the earlier request for $300,000,000 for the NSLI appropriation was created by a defect in section 602 (e) of the NSLI Act, which provided for use of the same mortality table for calculating premiums and annuities, and did not prescribe a modern and more accurate annuitants' table for calculating annuities for male and female lives.[1] Section 602 (e) requires use of the American Experience Table of Mortality (with interest at 3 percent) in all insurance calculations under the act. The act provided for settlement options involving life contingencies (that is, payments at a fixed rate for the lifetime of the beneficiary) thereby creating an immediate need for appropriate annuity tables for male and female lives, based on current mortality experience with annuitants. Since the act provided for only one table in all calculations, namely, the American Experience Table of Mortality, and that without distinction between male and female lives, such obsolete table of mortality has been used in calculating settlement options involving life contingencies. The effect of such use of the American Experience Table is to select a monthly income rate for life based on a table that reflects a higher mortality rate than the current experience, thus resulting in paying out to beneficiaries over the years a sum (exclusive of interest) greater than the face[2] of the policies being settled. The amount of such excess above the face of the matured policies is determined by relating the monthly income rate, determined on the basis of the American Experience Table of Mortality and 3 percent per annum, to the lower mortality rate shown in the approved National Service Life Insurance Beneficiary Mortality Table which assumes a much lower mortality rate than is assumed in the 1937 Standard Annuitants Table. A brief comparison is given as follows:

Rate of mortality per thousand

Age	American Experience Table, male and female	NSLI Beneficiary Mortality Table		1937 Standard Annuitants Table	
		Male	Female	Male	Female
30	8.43	1.73	1.42	2.67	1.56
35	8.95	2.43	2.38	2.98	2.07
40	9.79	3.75	3.57	4.36	2.98
45	11.16	5.33	4.42	6.36	4.36
50	13.78	7.71	5.42	9.29	6.36

By using the NSLI beneficiary mortality table to calculate the Government's liability, the cost to the Government is even greater than it would have been if the 1937 standard annuitants table had been used. Also, it is estimated that policies settled under the NSLI beneficiary mortality table receive an additional amount equal to an average of 15.3 percent above the face amount of the policies. In other words, on a policy of $1,000 the Veterans' Administration pays out of the fund a principal sum of $1,153, plus interest, on that sum.

Since the Government bears the cost of extra-hazard deaths (sec. 607 (b) of the act) by transfers from the NSLI appropriation to the NSLI fund, it now appears that this extra 15.3 percent above the face amount of such policies is likewise to be borne by the Government because of the obsolete

[1] In the case of annuities it is necessary to distinguish between male and female lives because the mortality rates among females are much lower than among males and because a much more substantial proportion of annuities issued are on female lives than is true in the case of life insurance. It has been found, however, that the difference between the mortality of male and female annuitants can be represented with sufficient accuracy by taking for females the male mortality rate for an age 4 or 5 years younger.

[2] Hereinafter, when reference is made to the face of the policy, it is to be interpreted as meaning the face of the policy, less the reserve. The reserve on these policies is nominal in amount as most of them are 5-year-term policies.

mortality table authorized for use under section 602 (e) of the act for settlements with beneficiaries. This situation develops when recognition is given to a need for transferring more money into the NSLI fund than the face of the policies involved, to avoid having the fund bear a portion of the extra-hazard costs as it assumes the liability for the monthly income to the beneficiaries. The monthly income rate to the beneficiary is based on one mortality assumption (American experience table without adjustment for current experience and without adjustment for male and female lives), but such monthly income rate actually will continue for a much longer period of life than is assumed in the American experience table of mortality.

In summary, one table (American experience table of mortality) sets the monthly rate to be paid to the beneficiary but another table (the NSLI beneficiary mortality table) estimates the number of years the beneficiary will be paid such rate, thereby determining on extra-hazard cases the liability of the appropriation to the fund. Such liability, in all instances, exceeds the face amount of the policy.

The amount transferred from the NSLI appropriation to the NSLI fund from October 1, 1940, to October 1, 1948, to cover the face amount of matured policies, on death claims determined by Veterans' Administration to be due to the extra hazard of military and naval service is $3,278,575,601. It is estimated by the Veterans' Administration that the additional amount required to reimburse the fund for the excess payments referred to (when the above claims are valued on the mortality table approved by the Administrator pursuant to sec. 607 (b) of the act) is $402,170,000 (approximately 15.316 percent of $3,278,575,601).

The Veterans' Administration has estimated the average at 15.316 percent, but to be more specific there are given below certain examples prepared by the Veterans' Administration:

Female beneficiary age	Amount of monthly income provided by each $1,000 of insurance under option 3 (American Experience Table, sec. 602 (e))	Value of income on prescribed Mortality Table sec. 607 (b)
30	$3.97	$1,169.67
50	5.39	1,227.94
70	8.51	1,211.89
80	9.55	1,086.62

The use of the American Experience Table of Mortality for calculating settlements involving life contingencies on non-extra-hazard cases results in the NSLI fund bearing the excess average cost of 15.316 percent on such non-extra-hazard cases also. Accordingly, the beneficiary in either extra hazard or non-extra-hazard cases who receives a settlement under option 1 (lump-sum settlement) receives the face amount of the policy, while other beneficiaries selecting life income options receive more than the face amount of the policy. This arrangement appears to create an inequity between beneficiaries selecting lump-sum settlements and those selecting settlements involving life contingencies.

A revision of section 602 (e) of the act as it applies to future settlements on a life contingency basis appears to be the area for possible remedy. There should be provision for using the same annuity table, a modern annuitants' table reflecting current mortality among male and female annuitants, under the authority of both sections 602 (e) and 607 (b). Such consistency in the initial act would have made unnecessary the prior appropriation of $300,000,000 and the current appropriation request of $202,170,000. Accordingly, the following statutory language is recommended as a remedy for the mortality table problem as it relates to the future:

"Section 602 (e) of the National Service Life Insurance Act of 1940 (54 Stat. 1009) is hereby amended by adding at the end thereof the following: *Provided*, That with respect to insurance reinstated or purchased on or after the date of this amendment, any calculations involving life income settlements or annuities on such policies that mature, shall be made on the basis of an annuitant's mortality table approved by the Administrator of Veterans' Affairs, with interest at the rate of 3 percent per annum, which shall reflect current annuitants' mortality experience on male and female lives, and *provided further*, That with respect to these policies, later maturing by reason of the extra hazard of military or naval service, there shall be transferred from the national service life insurance appropriation to the national service life insurance fund, pursuant to section 607 (b) hereof (54 Stat. 1012) the face amount of the policy less the related reserve."

As to part B: There also appears to be need for review and consideration of the question as to whether or not there now exists a legal liability on the part of the Government under the NSLI Act of 1940, to appropriate the requested amount of $210,420,000 (S. Doc. No. 78), particularly since the Government has borne the cost of administration in connection with the insurance program, and the NSLI fund has been invested in 3 percent interest-bearing obligations of the Government, whereas the average interest rate for interest-bearing obligations of the United States is only about 2.2 percent.[2] The $210,420,000 represents estimated loss of interest earnings due to varying delays in making transfers from the NSLI appropriation to the NSLI fund of the face amount ($3,278,575,601) of the insurance on deaths traceable to the extra hazard of military or naval service and the additional delay in transferring the excess value ($502,170,000) of the benefits over the face amounts on all extra-hazard cases. Unless specifically provided by law, it has been the policy of the Government not to pay interest to creditors or sums not promptly paid to such creditors. (See for example the letter of June 4, 1813, by the then Comptroller of the Treasury and the committee report thereon, 26 Annals of Congress 794, and see also *United States* v. *North American Co.*, 253 U. S. 330.) In view of such policy, the failure of the act to require the payment of such amounts and the fact that the fund apparently has a surplus of approximately $2,800,000,000, serious doubt would appear to exist as to the propriety of the appropriation of such sum or the need therefor. Furthermore, it is understood that the Veterans' Administration proposes to calculate the estimated loss of interest earnings from date of death, making no allowance whatsoever for a reasonable average time in which transfer of moneys should or could have been made from the appropriation to the fund. I have serious doubt that this class of obligation against the NSLI appropriation was ever contemplated in the original framing of the act or in the subsequent amendments thereto. If, however, it be the purpose of the Congress to adopt a policy of bearing even this ultimate and rather refined element of the cost of the extra-hazard cases (possibly in line with the language of section 607 (a)), it would be necessary to amend section 607 (b) and change the measure or formula for the transfer of funds by adding (after the first sentence) the words: "plus interest, at the rate applicable to moneys in the fund, from the date of maturity to the date of transfer." Whether, as a matter of policy, that change should be made is not a subject upon which I feel called upon to make a recommendation, but I am convinced that without such change the present law does not call for this item to be borne by the NSLI appropriation.

In view of the extra costs developed on the basis of an obsolete mortality table for annuitants; the high interest rate paid on the invested fund; the administrative expenses being borne by Federal appropriations; the forthcoming special dividend payments of possibly $2,800,000,000; and the substantial implication of such factors on the Federal budget, the matters involved are deemed of sufficient importance to be brought to the attention of the Congress.

Respectfully submitted.

LINDSAY C. WARREN,
Comptroller General of the United States.

[2] An interest difference to date of over $148,000,000.

Farm Prices Must Be Kept in Balance With the Prices the Farmer Must Pay

EXTENSION OF REMARKS
OF
HON. COMPTON I. WHITE
OF IDAHO
IN THE HOUSE OF REPRESENTATIVES
Thursday, July 7, 1949

Mr. WHITE of Idaho. Mr. Speaker, so much is being said about parity prices and legislation to provide support prices for farm products that I have taken the occasion to review some past financial history and express my views concerning the necessity for the price support for agricultural products in a letter to the master of the National Grange. Mr. Goss' letter and my reply thereto are inserted herewith for the consideration of my colleagues:

NATIONAL GRANGE,
Washington, D. C., July 18, 1949.

DEAR CONGRESSMAN: I apologize for mimeographed letter but time does not permit an individually addressed letter.

The National Grange believes it would be a serious mistake to adopt H. R. 5345. The House Committee on Agriculture has held extended and constructive hearings on a long-range farm program and has adequate material to formulate a sound carefully thought-out program if given time to do so. Such a program should be, and can be, largely self-supporting. The measure before you abandons self-supporting policies and adopts as its main principle a direct cash subsidy program which our members have rejected repeatedly after full consideration.

We see great danger in such a drastic change in policy. There are far better ways. At this late hour it is not practical to bring in a sound and comprehensive long-range farm bill. We recommend that under the pressure of pending adjournment, no such drastic reversal of policy be adopted by substituting cash subsidies for fair prices at the market place.

We strongly favor temporary legislation to meet emergency requirements until long-range legislation can be carefully formulated on a sound self-supporting basis.

Sincerely yours,

A. S. GOSS,
Master, the National Grange.

JULY 19, 1949.

Mr. A. S. GOSS,
Master, the National Grange,
Washington, D. C.

DEAR MASTER GOSS: It was extremely interesting to receive your letter discussing the vitally important issue now before Congress, the farm price-support program.

In considering our present commodity price level and ways and means to maintain the stability of our national economy by keeping the price structure in balance, I am sure you appreciate the necessity of maintaining the equilibrium between the price of the products of the manufacturer which the farmer must buy, and the price of the products of agriculture which the farmer must sell. In other words, maintaining the balance of parity in the price level that will provide purchasing power in the hands of the farmer; purchasing power that is indispensable to the support of the market for the products of the manufacturing industry, together with the services of distribution and the transportation system, industries that are the big employers of labor.

If high prices are to prevail on one side of our price structure, it is vitally important, if we are to have a stable economy, that prices are in balance on the other side. If farm prices are permitted to drop out of line with the prices of manufactured products, to a level where those engaged in agriculture lose their purchasing power and their ability to support the manufacturers' and distributors' price structure, then our national economy will be upset, just as it was after the First World War, when credit was contracted and currency retired—a condition which is within your and my personal recollection.

It may be of interest to review some of the causes of the farm depression of that time.

In the first place, with a war on, business organizations and manufacturing companies found a long-sought opportunity to raise prices of their particular products. War conditions precluded any new competitors from entering the field which the big manufacturers found they had practically all to themselves in the war period, when you and I saw everything that the farmers must buy double in price. Barbed wire, theretofore selling at $1.50 per spool of 80 rods, went to $6; nails from 5 cents per pound to 8 and 9 cents per pound; a 5-foot McCormick binder from $175 to $350; baling wire from $2.50 to $6.50 a bundle, and so on through the entire list of every manufactured thing the farmer must have. And then what did we see? We saw the profits and cash reserves of these manufacturers and distributors piled up in huge cash surpluses, and we saw an inflated stock market get out of bounds, and we saw the manufacturers and distributors with their swollen profits, drained from those engaged in farming and the other basic industries keep these cash reserves, these winnings, from their stockholders, and avoiding income taxes by issuing stock dividends, and everybody was prosperous in an inflated market except the farmer and those engaged in the other basic industries. Then we saw the banks attempt to arrest this dangerous financial trend by curtailing loans and shutting off money to the speculators, only to have the industrial concerns, attracted by high interest rates, step in and support the inflated securities market, by lending their cash surpluses to the speculators—money that had been drained away from the farming and basic industries until the farmer, having lost his purchasing power, could no longer support his part of the national economy. The result was that the whole price structure tumbled into a depression that has cost the American taxpayers billions of dollars in an effort to restore a balanced economy. So we have come to hear much about price parity, and are devoting much time and money to devising schemes to support farm prices.

In considering our economic problems today, in order to demonstrate the necessity for support prices, for farm products, we need to take just one manufactured commodity for an example, barbed wire. Back in the days when the law of supply and demand and unfettered competition gave us price parity, the farmer bought an 80-rod spool of galvanized, barbed wire for $1.50 to $2 per roll. Now he must pay from $8.50 to $10 per roll, and so on through the list of farm necessities.

Now if the prices of farm products are permitted to drop, and the manufacturers and distributors are successful in holding up the prices of the things the farmer must buy as they did back in the twenties, our national economy will be upset, our price structure will be wrecked, and our financial pump will lose its prime—i. e., bank loans will be contracted and currency (money) retired. When value is gone, the bankers have no basis on which to extend credit, and without credit there is no basis on which to create and issue currency (money), making it necessary to adopt many expedients and take heroic measures to stabilize prices and again prime the financial pump.

When the farmer has lost his purchasing power and is unable to support his part of the national economy, the manufacturing, distributing, and transportation industries will suffer irreparable losses, along with the farmer, the miner, the lumberman and fisherman, representing our four great basic industries.

Let us preserve and protect the prosperity we now enjoy by maintaining a balanced price structure, with purchasing power in the hands of industry's best customer—the farmer. If we are to have permanent prosperity, we must maintain a stable national economy by establishing price parity, which can best be achieved by a constructive farm price support program.

Sincerely yours,

COMPTON I. WHITE,
Member of Congress.

The Political Parade

EXTENSION OF REMARKS
OF
HON. DANIEL A. REED
OF NEW YORK
IN THE HOUSE OF REPRESENTATIVES

Thursday, July 14, 1949

Mr. REED of New York. Mr. Speaker, I am taking this opportunity to bring to the attention of the House an article by George Rothwell Brown, which appeared on the editorial page of the New York Journal-American of July 12, 1949. The prophecy made by Mr. Brown with reference to the temptation of foreign nations to take not only our markets but to drain off our gold supply should be heeded.

Under unanimous consent heretofore granted, I am hereby inserting in the RECORD the editorial to which I made mention:

THE POLITICAL PARADE

(By George Rothwell Brown)

WASHINGTON, July 12.—The late Justice Brandeis once wrote a fascinating book on an intriguing subject, entitled "Other People's Money."

Perhaps there are no more people on earth more interested in other people's money than the French, nor are any people more gifted with fantastic ideas of what to do about it.

But even the French have excelled themselves this time, in their proposal at Paris that the United States raise the price of gold from $35 to $55 an ounce, as a means of easing the world shortage of dollars.

What the French are thinking about—and so are a good many other Europeans—is that $24,000,000,000 gold hoard at Fort Knox.

There isn't a statesman on the other side of the Atlantic who would not like to help us decide what to do with it.

As a matter of fact it was reported in the London newspapers in June that a new plan was under consideration by the Truman administration, for the granting of substantial gold credits to western Europe

"The underlying idea," said one British press report, "would be to put new blood into the Marshall plan by integrating it with President Truman's fourth point for the raising of the standard of living in the undeveloped areas."

Thus the British economic crisis revives an idea which was first advanced in England in the late summer of 1947, by Foreign Secretary Bevin, with what amounted to a demand that the Socialist-Labor government be cut in on Uncle Sam's gold stocks, as a part of the Marshall plan.

In essence the proposal was, and is, a plan to extend the old Roosevelt "share-the-wealth" scheme to the international field.

What basis there may now be for current London reports of plans by our Treasury Department to help Britain in her hour of crisis with an earmarking of some hundreds of millions of gold, this writer does not know.

They sound New Dealish enough to be true.

Not even the present Democratic Congress, with its sane Conservative coalition standing as a bulwark against its "lunatic fringe," as T. R. would say, would be guilty of such folly.

Moreover the number of those in both Senate and House who favor a return to the gold standard, as proposed by the bill of Representative DAN REED, of New York, now slumbering in the Ways and Means Committee, is slowly increasing.

This proposal is clearly the sounded proposition yet placed before Congress to correct the present economic dislocation in the United States, and thwart the designs of Communist Russia in western Europe.

The directors of the New York Board of Trade took note of such a possibility last March, when they went on record as declaring that any increase allowed in the price of gold would cause heavy losses by the United States, would disturb our economy, and "impair or destroy, for generations to come, the confidence of the people in the willingness and ability of Congress to maintain a fixed monetary standard for the people of our country."

The Fort Knox gold will become increasingly a temptation to the "have-nots" of all countries—including our own!

Congress will do well to keep an eagle eye on it.

S. 1008, the O'Mahoney Bill, Should Be Defeated To Protect Small Business and Discourage Monopolies and Trusts

EXTENSION OF REMARKS
OF
HON. WRIGHT PATMAN
OF TEXAS
IN THE HOUSE OF REPRESENTATIVES

Monday, July 18, 1949

Mr. PATMAN. Mr. Speaker, S. 1008 was first introduced for the alleged purpose of clarifying a decision of the

Supreme Court. Then it was discovered that the bill, as adopted by the Senate in the form of the O'Mahoney amendment June 1, 1949, would take the heart out of the Robinson-Patman Act, which has been so effective in protecting hometown merchants and all independent businessmen:

HEARINGS AVAILABLE SOON

The bill has never had a hearing before a committee, either in the House or the Senate. When the Judiciary Committee of the House refused to hear small-business representatives, the Committee on Small Business of the House, at the insistence of small-business men, granted hearings to the opponents of this measure. These hearings, in printed form, will be available some time this week. I do not believe many Members of the House or Senate will be willing to vote for this measure after these hearings have been read and considered. These hearings, reporting the testimony of competent witnesses, disclose that a great disservice will be done to small business in this country if S. 1008 is allowed to become a law. For instance, this bill, even in its present form with the Kefauver-Carroll amendments, strikes a devastating blow at the Robinson-Patman Act. The Great Atlantic & Pacific Tea Co. would benefit by millions of dollars a year if the Robinson-Patman Act is weakened. This concern has just been convicted of trying to unfairly and illegally destroy independent merchants. Under the Equity Opportunity Act of 1936—the Robinson-Patman law—a big manufacturer cannot give A & P special discounts without giving the independent merchants across the street who are competitors of A & P the same discounts under similar and like circumstances. This is the part that A & P wants repealed, and which would be repealed under S. 1008 as it passed the Senate.

It is my sincere hope that the bill, S. 1008, will yet be referred to a committee in the Senate for full hearings and report before acted upon. If this cannot be done, certainly the Kefauver-Carroll amendments should be agreed to. If the bill is sent to conference, one way of killing it would be for either the House or Senate to refuse to adopt the conference report.

In the interest of private enterprise, the free competitive system, and in opposition to monopolies and trusts, this bill should be defeated.

Sol Bloom

MEMORIAL ADDRESS

OF

HON. ARTHUR G. KLEIN

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 25, 1949

On the life, character, and public service of Hon. SOL. BLOOM, late a Represantative from the State of New York

Mr. KLEIN. Mr. Speaker, there is an intrinsic grandeur of tragedy in the passing of any man who has been prominent in his devotion to public service; but there is some special feeling of emptiness when a man departs whose identification with service to the public good has become so long identified with our thinking that he seems immortal.

Such is the feeling that we must all have as we contemplate the empty place of the late great SOL BLOOM, a Representative in Congress from New York since 1923, and a man to whom service to his country was a temperamental and not an economic compulsion.

There is little need for me to review SOL BLOOM's life and times in this place.

We all know how he was born in a small Illinois city, how he made a fortune in the amusement and music publishing worlds, and of how he was compelled by his desire to repay his debt to the Nation for his success by entering politics.

In Congress he served the Nation and the people of his congressional district faithfully and well. He championed world peace and international cooperation; he upheld the dignity of man and the divinity of humanity. Where there was a good cause demanding championship, there also was SOL BLOOM.

The intimate friend of the world's great figures, SOL BLOOM always had a moment to speak to the lowliest messenger or page boy.

The death of this servant of his country and of his God will leave an empty place in the hearts of all who knew him, and an empty place in the political arena which no successor, however beloved, can exactly fill.

Harry's Fireside Chat Not Fooling Everyone

EXTENSION OF REMARKS

OF

HON. CLARE E. HOFFMAN

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Tuesday, July 19, 1949

Mr. HOFFMAN of Michigan. Mr. Speaker, that Harry's fireside chat is not fooling everyone out in the "sticks" where local residents do not presume to "know it all," is evidenced from the following editorial which comes from a recent issue of the Allegan Gazette, for 75 years a Republican paper published in Allegan, Mich., my home town:

HE'S STILL SELLING SHIRTS AT A LOSS

Faced with a walk-out of 500,000 in the steel industry, a threatened strike in the Ford Co., a declining national economy, and increasing welfare costs, President Truman at long last gave in and, in a message to Congress, abandoned his demand for an additional $4,000,000,000 in taxes and said, "No major increases in taxes should be undertaken at this time."

This statement represents a victory for Congress which has steadfastly resisted all of Truman's efforts to increase taxation. No credit can be given Truman as his statement comes a little late in the year and now is merely an admission on his part that he has been wrong for the past 6 months.

Nor can Congress afford to gloat over this victory because Truman has and still refuses to reduce Government spending. In his message he sharply criticized legislators insisting upon reduced Federal spending and evidently intends to operate in the red.

This is what he says: "If we tried to avoid a budget deficit by cutting essential expenditures, we would contribute to lower national output and lower employment, Federal receipts would fall further, and the burden upon Federal expenditures would increase. There are economic and social deficits that would be far more serious than a temporary deficit in the Federal budget."

Since March the Federal pay roll has increased more than $100,000 a day and Truman still insists that we cannot achieve economy by reducing Federal spending. It is quite clear that he intends to keep on spending more money than the Government receives and thus force new and burdensome taxes upon the people at a later day. In other words, it is his intention to increase the national debt.

Briefly, Truman is still contradicting himself. He says that the people cannot afford new taxes and at the same time adds to their burden by planning to spend the country into a deficit for this year.

He is operating this Government on the same principles he operated his clothing store back in Missouri, selling shirts at a loss.

Big Step Forward in Indian Policy

EXTENSION OF REMARKS

OF

HON. ANTONIO M. FERNANDEZ

OF NEW MEXICO

IN THE HOUSE OF REPRESENTATIVES

Tuesday, July 19, 1949

Mr. FERNANDEZ. Mr. Speaker, in the Navajo rehabilitation bill passed by the House last Friday, one big forward step was taken in that the Navajo and Hopi Indians will, under this bill, be made subject to the laws of the State wherein they reside. This provision, if adopted into law, will make history.

Because of the press of time when the bill was up for debate, and because of the apparent unanimity in the committee and in the House with respect to this phase of the bill, this provision was not discussed.

The Committee on Public Lands should have been complimented in helping by these means to give the policies of the Indian Office a new and beneficial turn—one which will get the Navajos nearer the goal of full and responsible citizenship.

The manner in which the amendments so providing were adopted by the committee, in itself has made history. When it was before the committee for consideration, fears were expressed that the Navajo Indians might resent any effort to make them subject to the laws of the State. The Office of Indian Affairs clearly was of the opinion that they would resist, and it sought an opportunity to present the matter to the Indians themselves, with the full expectation, I am sure, that the Indians would condemn the amendments offered for that purpose.

At a regular annual session of the Indian Council, the amendment was submitted to them and its provisions and implications explained to them by their own attorney. It was discussed by the Indian Council at length and put to a vote. The council, by a vote of 37 to 20 approved the amendment with an addi-

tional requirement that in the administration of the schools, the State curricula should be adopted so far as possible.

Here we have the largest group of Indians in the United States, almost 100-percent full-blooded, choosing of their own accord, probably for the first time in history, to give full citizenship a trial. Here we find this group of Indians thinking ahead of the Office of Indian Affairs, and of many of us in Congress who have hesitated to take this step, required if the practice of segregating Indians from other citizens is ever to be ended.

The Navajo Indians realize that the enforcement of law and order in their huge reservation is fast breaking down, if in fact they have ever had an effective enforcement of law and order. With the rehabilitation provided by this bill, with full educational opportunities, and with full citizenship rights and obligations, I predict that the intelligent Navajo people will lead the way to the full integration of all Indians in our body politic.

In this determination the Navajo Indians have earned the plaudits of their fellow citizens of non-Indian blood, particularly in New Mexico. They too realize that so long as the Navajos continued completely segregated and beyond the laws of the State, the problem would become more difficult as the years go by. The Navajos are rapidly spilling over their own borders on the New Mexico side through the sheer pressure of numbers. The latest survey recently completed by the Pacific Southwest Inter-Agency Technical Committee, shows that though the Navajo Reservation consists of a total of 15,444,952 acres, only 3,437,115 acres are in New Mexico, and yet of the total 55,458 Navajos found to exist by that survey, 26,268 are in New Mexico—nearly half in one-fifth of the reservation on the New Mexico side.

As a sample of the reaction of the press in the State on this important amendment contained as section 9 of the bill, I include herewith under leave heretofore obtained two editorials. The first appeared in the Albuquerque Journal, a daily at Albuquerque, and the second in the Gallup Independent, a daily at Gallup, which has for years fought for a better deal for the Navajo people just across the reservation line from Gallup.

These editorials read as follows:

[From the Albuquerque (N. Mex.) Journal of May 18, 1949]

Congressman FERNANDEZ may not be successful in putting across his amendment to the bill proposing a 10-year, ninety-million program to make the Navajo and Hopi Indians self-supporting, but it is sound.

The amendment would have the Indians placed under authority of State laws as a necessary part of their rehabilitation program. He would continue the exemption of Indian lands and retain the Government responsibility for education and of the Indian children, but he would make them full citizens in fact of the States.

Inasmuch as the Indians have only recently won their full voting rights in New Mexico and Arizona, it is logical that they should be under authority of the laws of the State as any other citizen.

Some lawyers in the State subsequent to the decision granting the Indian the ballot right have noted the inconsistency of still classifying the Indians as wards of the Government and not subject to the laws of the State. Mr. FERNANDEZ' amendment would straighten this out.

[From the Gallup (N. Mex.) Independent of June 23, 1949]

NAVAJO COUNCIL, REPRESENTATIVE FERNANDEZ GET ORCHIDS IN SCHOOL FIGHT

The Navajo Tribal Council and Representative A. M. FERNANDEZ are to be congratulated.

The Tribal Council gets the first orchid for staying with 'ts demand for accredited schools on the reservation, and writing into the Fernandez amendment to the Navajo-Hopi rehabilitation bill the requirement that State curricula be instituted and followed in the Government schools on the reservation. The purpose of the amendment proposed by Representative FERNANDEZ was to give State police and courts jurisdiction over the Indians on tribal and allotted lands for the protection of ballot boxes and welfare assistance checks which are now being paid out of State public assistance funds under the social-security law.

Representative FERNANDEZ gets the second orchid for accepting the suggestion of the Navajo Tribal Council and writing into the amendment the provision that State curricula be followed in the reservation schools—thereby proving again his sincere and continued interest in the welfare of the Navajos.

The amendment containing the school clause was approved by the full House Public Lands Committee, and made a part of the Navajo-Hopi rehabilitation bill before the House. The Senate Committee on Public Lands also has approved a duplicate Navajo-Hopi rehabilitation bill with an amendment providing for a congressional watchdog committee to control the expenditures which in 10 years will run into $90,000,000. The House and Senate will work out a compromise measure to adjust the amendments, and it is expected each will accept the other's amendment.

Once the rehabilitation bill wins approval of Congress and gets the President's signature, the school policies of the Indian Office, which the tribal council declared ineffective and undesirable, will be out, and for the next 10 years during the life of the rehabilitation bill, reservation schools must be run according to State accredited scholastic standards. By the end of the 10 years the schools which have been required by the law of the land to teach accepted subjects to the Navajos should be well along toward accredited status, and the Indian children well grounded in American common-school courses.

The Navajos, through the persistence of their tribal council and the help of Representative FERNANDEZ, will have effected a major accomplishment in their struggle for education and recognition as full citizens. Congratulations to both.

Isthmian Canals and National Defense

EXTENSION OF REMARKS

OF

HON. THOMAS E. MARTIN

OF IOWA

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 14, 1949

Mr. MARTIN of Iowa. Mr. Speaker, for many months I have been studying the various proposals for Isthmian Canals, and for the so-called modernization of the Panama Canal—especially from the standpoints of national security and defense. In three previous extensions of mine in the CONGRESSIONAL RECORD during the present session, I commented, at some length, on the vulnerability of the proposed types of canal to the atomic bomb, and quoted the following named articles which appear in the Appendix of the RECORD dealing with the subject: The first by Lt. Gen. Leslie R. Groves, at page A169; the second by Maj. Gen. C. F. Robinson, at page A755; and the third by Lt. Col. A. W. Betts, at page A1713.

In the July 1949 issue of the Atlantic Monthly there was published another and extremely able paper on the much broader subject of the national defense of the United States, by Hanson W. Baldwin, the distinguished military editor of the New York Times, under the title "What Kind of War?"

Mr. Baldwin discusses the military policy of the United States in thoroughly objective fashion, and presents his concept of the probable form of a future war, with special reference to the atomic bomb. He does not even mention any project for a new Isthmian canal, either at Panama, or elsewhere. He does, however, warn against the danger of military programs contemplating the erection of impregnable Maginot lines in futile efforts to attain absolute security; and stresses the fact that in modern warfare the only actual, ultimate security must depend on our over-all strength and resources.

This able thesis—and the others just mentioned—are particularly pertinent to the recent canal proposals placed before the Congress in the name of national defense. The general theme of these authoritative pronouncements is that any type of construction would be vulnerable to atomic attack. Mr. Baldwin's main appeal is for a balanced defense program and the avoidance of squandering the Nation's wealth on futile undertakings.

His sturdy, well-considered views should aid in decreasing the hysteria induced by a magnification of the atomic bomb problem—though its gravity must ever be borne in mind—and should also serve to restrain those who, under the pleas of national defense, would heedlessly add to the existing burdens of the American taxpayer with Isthmian canal projects of doubtful value and astronomical costs.

A careful study of this most instructive and valuable contribution is respectfully commended.

WHAT KIND OF WAR?

(By Hanson W. Baldwin [1])

I

The prophets of doom—of a new Armageddon of atomic bombs and hurtling bombers—are loud in the land these days. The

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[1] Hanson W. Baldwin graduated from the United States Naval Academy in 1924, and after serving aboard battleships and destroyers in the east coast, Caribbean, and European squadrons, he resigned from the Navy in 1927 to devote full time to his writing. He joined the staff of the New York Times in 1929, was its military and naval correspondent (1937–42), and has been its military editor since 1942, the year in which he was awarded the Pulitzer prize. He is the author of six books, the most recent being Strategy for Victory and the Price of Power.

issue seems to be settled; most Americans take it for granted that a war with Russia is likely and that the atomic bomb will certainly be used; the only unknown is the date. Even the President, who believes that his policies will restore stability to the world, and who cherishes the hope that history may know him as the peacemaker, brandished an atomic bomb a few weeks ago. If war comes, we would not hesitate—he said—to use it.

There is, I think, a basic fallacy in this thinking—a fallacy so major that unless corrected it might well undermine our hopes for a quick victory if war should come, and our aspirations for a more stable peace after victory. The Nation's dangerous war psychosis, which has a good bit of the chip-on-the-shoulder attitude of the belligerent but frightened small boy, is delivering us into the hands of the political demagogues and bomb-rattling Douhets; we think war; we talk war and the bomb, but we never pause to figure out what the objective of a war with Russia should be.

Yet it is very clear that in a war with Russia, in any war, the kind of war we should fight should depend upon the objectives of the war—the kind of peace we want. We are putting the cart before the horse; we are following the same policies that we did in World War II—the goal victory, unconditional surrender, blitzkrieg—with no eye to the long grim road that lies ahead after the bombs are dropped and the radioactive ruins have shrouded the dead. If we fight a war with victory as the only objective; if we fight a war without first spelling out the political aims of the conflict, we can lose the peace again—as we have done twice in the last 30 years. The kind of peace we want dictates the manner of war we fight.

This is so self-evident that it should require no great emphasis, yet Americans always have been wishful thinkers and politically credulous people who have fought wars without knowing what they were fighting for. Wistful aspirations have too often been substituted for hard-headed political aims; we have seldom seen beyond victory. If we are to avoid the mistakes of the past, therefore, we must formulate first the things we want to fight for; only then can we determine the way we want to fight. In other words, sound military strategy stems from national policy, not vice versa.

If a war with Russia should come, what should be the objective of victory; what are our national aims? Do we want a Carthaginian peace? We might judge so from the delenda est Carthago threats of our Douhets and the incendiary words of some of our Congressmen. Is our objective to make Russia a desert, to tumble down the walls of the Kremlin, of Moscow, of Leningrad, of Rostov, of a score of cities, into the shards and dust of destruction, to plow the ruins and salt the fields? Is the aim of war against Russia annihilation of as much of the enemy population as possible and unbridled devastation and destruction?

These questions surely answer themselves. No war of attempted annihilation in history, save, perhaps, the destruction of Carthage by Rome, has resulted in a more stable peace, and Carthage was a compact city-state; Russia is a vast heartland of 200,000,000 people. We professed in the Wilsonian days, and in the recent trials, that our enemies were not peoples but the tyrants who ruled over them and the totalitarian ideologies they espoused; it would be hard by any amount of rationalization and on any basis of expediency to justify a war whose objective was primarily destruction, devastation, and slaughter.

There is no moral or ethical aim to a war of annihilation, nor could such a conflict be said to have aught but a negative political objective; certainly no such war could lead to a just peace or to a stable peace.

A war of annihilation, with the crushing consequences such a conflict would have upon the economy of the world and the world's political structure, could not help creating problems equal to, or worse than, those we now face. The wanton slaughter of millions—even if in the name of righteousness—would scarcely contribute to stability, much less to the triumph of ethics or justice; nor could we expect that political moderation—that antipathy for extremes which is the strength of the Anglo-Saxon democracies—would be fostered by such an aim. A war of annihilation is politically a senseless war, morally a reprehensible one.

What of the alternative aim of Balkanization? If Russia is not to be devastated as the Mongols once devastated Europe, should we not aim to split her into pieces, to amputate her provinces, to truncate her territory? But we do not want territory, and Balkanization always has led in past history to irredentism, to chauvinism and friction and future trouble. The greater part of the Soviet states proper have been Russian for centuries; it would be unjust ethnically and historically and politically to carve the Russian state into small bits. It would be, moreover, a most difficult and most impractical undertaking which would require the occupation of Russia—the largest land mass in the world—for years, and the constant policing of troubled artificial borders. Balkanization could provide the tinder for a fourth great war; it certainly would not lead to a more stable peace.

What, then, should be our peace aims? Are we out to loot Russia's treasures, to put an ikon in every fourth living room in America? Do we want the oil of the Caucasus, the minerals of the Donbas, the wealth of the Urals? The somewhat impatient answer is obvious: we do not covet any of these.

Our national aim in a war with Russia is—or should be—clear. The fangs of Russia should be drawn; that is, the power of the Soviet states to expand at the expense of their neighbors should be hobbled, and the aggressive expansionist philosophy of the Soviet Union eliminated. In practical political terms this means, I think, at least, two things—

1. The monopoly of the Communist Party upon the governmental structure of Russia and her satellites must be broken, and the false appeal of Communist dogma refuted.

2. All territories and all nations that Russia has enslaved or occupied must be freed and Russia must return to her traditional frontiers.

The practical definition of these aims in terms of frontiers and peoples would not be easy; peace aims are never easy. The Baltic states and the Polish frontier would be but two of the problems, and the Ukranian separatist movement, always strong throughout the centuries, might present another major issue. There might well be added, moreover, a third requirement—the disarmament of Russia. This, however, should surely be a condition of military victory, not per se a peace aim, or we have forgotten the lessons of the past; for no victorious cabal, remaining armed itself, can ever force permanent disarmament upon the vanquished and hope for a more stable peace.

The essence of our peace objectives if a war with Russia occurs should be to eliminate the threat of aggression which, by virtue of the marriage of Communist ideology with Russian power, now casts a long shadow across the world. We can, I think, carry the argument one step further; these should not only be the national objectives if a hot war—a shooting war—starts, but they should be the national objectives of the existing cold war.

II

These objectives are not easily attained, but we can make the ultimate goal harder and more difficult to achieve, or easier to reach, by the methods we use.

Two principles can guide us in the determination of these methods: (1) You do not defeat ideas with a sword. (2) Unbridled devastation leads to economic misery and political extremism.

These principles suggest that in cold or hot war we should emphasize political and psychological and economic methods. The old principle of war—concentration upon the objective—demands the focusing of our efforts upon totalitarian communism and upon Russian military power—the threat of Russia to the world—not the dispersion of our effort by an attack upon the Russian people.

There are, obviously, many weaknesses in the seemingly monolithic facade of communism; the fissures of Titoism are widening in many of the iron curtain countries, and even in the Kremlin itself the death of Stalin, almost certain to occur within the next 5 to 10 years, will exacerbate the differences that already exist in the Politburo and may produce, in the subsequent palace struggle for power, another Trotsky-like split and perhaps numerous defections. The peoples of the Soviet Union are not without their own differences; there are racial, religious, and nationalist minorities in Russia and dissidents such as the Ukranians and the Don Cossacks who object to the rule of the Russians as much as to the rule of communism. There are, after all, only about 6,000,000 members of the Communist Party in Russia, a nation of perhaps 200,000,000 and only about 120,000,000 Russians; the rest are a medley of races with their own cultures, traditions, and histories, their own nationalist aspirations.

The above facts, which are not subject to successful challenge, suggest that in cold or hot war we should try to drive a political, moral, and psychological wedge between the government and the peoples; that we should particularly encourage the oppositionism—underground but definite—in the iron curtain countries, and the separatism and nationalism of the Ukrainians and other minorities within Russia.

Lest such measures seem to be a weak reed for us to lean upon—and it is not suggested, of course, that these should be the only measures we should take—it might be well to remember that failure to exploit these Soviet weaknesses probably cost Germany the war, and that Ukrainian guerrillas, bearing arms against the Soviet government, still are fighting—though in small numbers—in the forests of this vast region.

Records produced at Nuremberg demonstrate that in the fall of 1941 the Nazi Party, disregarding objections by the German Army, transformed the invasion of Russia into brutal war against the whole Soviet people The party, instead of the Army, took over the military government of conquered areas, ruled with a rigid hand, and tried to crush the slightest spark of opposition with more and more repression. Hundreds of thousands of Soviet soldiers surrendered with little fighting, and scores of thousands—including the Soviet general Vlasov—deserted to the German side in the first months of war; but instead of encouraging this spontaneous revulsion against Communist totalitarianism, instead of actively fostering by all possible means a Ukrainian separatism, instead of acting as liberators, not conquerors, the Nazi Party, by its war of annihilation and its cruelty to Soviet prisoners and to the conquered areas of Russia, consolidated the opposition of all Soviet peoples and kindled the flame of hate, which later devoured the Reich.

The foregoing indicates, at the very least, the great importance of the political, the psychological, and the moral in any conflict with Russia. Yet it is precisely these factors which our present concentration upon the atomic bomb—first as the primary means of

deterring Russia from aggression; second, as a weapon of victory in war—tends to subordinate. The bomb has become the cure-all, the white hope of American foreign and military policy.

Perhaps it justifies this reputation. It is a terrific weapon; certainly it is more than just another bomb, though it is not the absolute weapon. Given enough atomic bombs and assuming they could be delivered to their targets—both major assumptions—there is no doubt they could create a desert of rubble out of a modern city civilization, even in a large country.

But it might well be that wholesale atomic assault upon the Russian people, rather than upon the Kremlin and the Politburo, would tend to consolidate the Soviet peoples instead of splitting them. Certainly we could not much hope to profit from the fissures in the Russian political structure if on the one hand we proclaimed we came to liberate, and on the other we slaughtered promiscuously millions of Soviet citizens—men, women, and children—regardless of their political beliefs or ethnic backgrounds or aspirations for freedom. In other words, the military weapon—if that weapon were unlimited atomic attack—might not complement our political and psychological warfare; as a matter of fact, even now in the cold war, there are strong evidences that the threat of the atomic bomb has been used by the Kremlin to unify the Soviet masses.

It is quite clear that atomic warfare—unless most sparingly used and unless the targets were most carefully selected—would fit into that category of senseless slaughter which so many authorities have rightfully condemned. If the aim of war be a more stable and just peace, promiscuous atomic bombardment cannot possibly contribute to that end. Even today, only 4 years after the war, the seeds of a new neo-fascism are sprouting in the bomb-ruined cities of Germany, and economically impoverished Japan is turning slowly toward extremism of left and right.

III

The primary question of atomic strategy is always the same: Will the atomic bomb stop the Red Army? If it will not, if—despite our devastation and destruction of scores of Russian cities—the Red Army marches into western Europe, then certainly we are undone. Gone are the hopes of a quick and easy victory, of a "three weeks war"; gone, too, are the objectives of victory, the very objectives we are working for today—the preservation of western Europe's free political traditions, large economic resources, and cultural and historical and spiritual institutions from the clutching hand of extremism.

There is pretty general military agreement that the Red Army can move into western Europe despite our possession of the atomic bomb. The bomb is not a good weapon against dispersed land armies; land armies can best be immobilized and their forward movement stopped by opposing land forces with great firepower and high mobility, supported by tactical air power—fighters, fighter-bombers, and light bombers, blasting with conventional bombs at bridges, railroad choke points, roads, and the enemy's supply lines and advancing spearheads. The sort of interdiction used in Normandy is a classic example of the use of tactical air power to slow down and immobilize a ground army, yet even with the overwhelming air superiority we enjoyed there, the stoutness and duration of the German defense and the successful retreat of the Germans to the West-wall attest the difficulty of interdicting an army by air power.

The advocates of the atomic bombardment of Russia do not contemplate the tactical use of atomic bombs against advancing Soviet forces: The atomic bomb is too precious and there are too few of them to warrant their attempted use against the well-nigh innumerable tactical targets. A bomb dropped in the Rhine at a key point might spread radioctivity over a fairly wide adjacent area and might contaminate the lower portions of that river for some time, but anyone who has seen the Russians clear mine fields—with their men as the human detonators—knows that this would not stop the Red Army; they would take their losses and keep moving.

The use of atomic bombs against the Russian home front, against Soviet cities, supply centers, oil supplies, factories, and nodal communication points in Russia, such as Moscow, would, however—some observers hold—hamstring the Red Army. The destruction of the factories in the rear would turn off the sluice valve of supplies; oil supplies would dry up; the destruction of railroad centers would cripple transportation. So the theory goes. Yet even the most hopeful theorists do not believe that this will halt the Red Army; while Soviet cities are being destroyed the Soviet Armies will be taking over western Europe's cities.

But once in posession of western Europe, it is held, these armies would be helpless: they would become more of a loosely organized rabble than an army; they would wither on the vine as did the beleaguered Japanese garrisons on the by-passed islands of the Central Pacific.

There are several fallacies in this assumption. In the first place, the effects of strategic bombing are those of attrition; the strength of an opponent is gradually worn down; the bombardment of rear-area installations is not immediately felt in the field. In other words, there would be a time-lag between the destruction of Russian factories and the drying-up of Russian front-line supplies—perhaps a long time-lag.

Destruction of home-front supply bases would have less effect on the Soviet Army than on a western army. For the Soviet army, unlike conventional western armies, lives to a large extent off the country; it utilizes captured supplies and does not depend solely or primarily on conventional systems of transportation. The advance of the Soviet Army is like the advance of a horde of locusts; its men move on foot, by horseback, clinging to tanks or busses, flatcars, trucks, in carriages, on mules, and in farm carts driving herds of cattle before them. The Soviet Army is much less motorized, and except for its heaviest equipment depends less upon railroads, than the western armies; its mobility is built upon human and animal muscle-power.

These facts are not comforting, therefore, to those who believe that atomic bombing would bring about a quick Russian collapse and would isolate the Red armies in western Europe and force them to wither on the vine quickly. But even if the atomic bombardment of Russia should produce fairly rapid deterioration in the fighting power of the Red Army, that would be of small comfort to Paris and Brussels and The Hague, overrun by the Mongol and the Tartar and the loosely disciplined fierce men from the plains of central Asia. Would such soldiers, knowing that the cities of their homelands were being destroyed behind them, be prone to offer mercy to the inhabitants of the west, or would there be sack and pillage and rapine unparalleled for centuries? Moreover, once taken, are not Paris and Western Europe hostages for Moscow and Leningrad? Would we bomb Paris with atomic bombs?

I think not, and I think that the Russian occupation of western Europe would mean, inevitably, not a short quick war, but a long and arduous one. The outcome would be certain; the United States and its allies with their greatly superior industry would eventually win, but at what cost. The reconquest of western Europe by invasion, by land armies, would probably be necessary, and the red tide of war would tend inevitably to lap over three continents. It is precisely this—invasion—which western Europe fears, and it would be precisely this—invasion—that would bring down into dust and ashes all we have been working to prevent since World War II, and all our aspirations for a better and more stable peace.

IV

If the atomic bomb cannot stop the Red army, what can?

The answer is not simple, but compound. The bomb cannot halt the Red army short of western Europe once that army has started to move, but as Winston Churchill says, it has been of persuasive value in influencing the men of the Kremlin not to order the Red army's advance. Yet it is immediately clear that the deterrent value of the atomic bomb will progressively have less and less importance as Russia stock piles bombs. She has none today, and the chances are that the United States will retain its atomic energy lead—quantitatively and qualitatively—for years to come. And even if Russia should produce her first bomb by 1952—the deadline usually mentioned—one bomb of hers against several hundred bombs of ours would have little strategic meaning.

As both sides stock pile bombs, the strategic advantage of the larger stock pile steadily diminishes. It would be small comfort to us to have 1,000 atomic bombs if Russia had 100. The deterrent value of the bomb, under such circumstances, would be considerably less than it is now, for we would be certain to face retaliation in kind if we used it to halt Russian aggression; whereas Russia would probably not employ it against us—thus provoking our retaliation—so long as our numerical superiority was pronounced.

It is because in time we shall lose our atomic advantage, and because the atomic bomb will not halt the Red army today, that the measures we have undertaken to restore some balance of power in Europe are of such pressing importance. That balance of power must be restored before Russia acquires a sizable stock pile of atomic bombs.

Any policy we follow must be a policy of calculated risk. The great danger is that we might try to follow the will-o'-the-wisp of absolute security—to disaster. The bones of nations that have tried to be too strong litter the graveyards of history. For a time in 1948, there was some danger that we might make this mistake; the military programs then outlined—and for a time supported by Congress—almost led to military expenditures of 20 to 30 billion dollars a year. This danger—the danger of trying to erect impregnable Maginot lines whether of dollars, planes, or tanks—still exists but not in the acute form of a year ago.

The measures that will stop the Red Army, that will contain—and perhaps in time destroy—communism, that will contribute to our national objectives, that will lead to a more stable peace, are not only, and not primarily, military in nature, but political, economic, psychological, and moral. We are trying to fill in the great political vacuums left by the war, to rehabilitate war-torn and war-ravaged nations, to give them some national self-respect by helping them to be self-supporting and self-protecting. Until these things are done, there will be no peace.

The first pillar in this program was the ECA, with emphasis on the ERP of it—not a program to be recommended to widows and orphans, but one without which Western Europe would have had no chance of resisting the onslaughts of communism. The second pillar was the Atlantic Pact, political backing for western Europe. The third and fourth pillars are military: lend-lease arms aid to Europe, and United States rearmament. The fifth pillar is moral and psychological: a reaffirmation of faith in the American ideal and assurance of United States support for all free institutions.

Obviously there must be balance in the development of this structure or it cannot

develop into an edifice of peace. If the military phases are overweighted, they may promote what we are trying to avoid—war. If the economic is underweighted there could be disaster. Without psychological and political backing there is no meaning to the whole program.

The Atlantic Pact, the lend-lease arms program, and a strong United States are essential elements of this structure. Europe cries for security. No economic measures can succeed unless European capital has faith in Europe's future; the continual fear of sudden invasion would force the continued flight of capital from the continent. The Atlantic Pact gives some measure of political security to Europe; it means, in effect, that the United States will enter any war brought about by Russian aggression. The arms-aid program and our own rearmament gives military backing to this political guaranty.

Neither, of course, provides absolute security for the United States or for western Europe; there is no such thing. But the Atlantic Pact, our own rearmament, and the arms-aid program—if properly implemented—can provide some relief from the insecurity which has pervaded Europe these past 2 years.

V

Since 1945 the real deterrent to the Red Army has been the presence of American troops in Germany, Austria, and Trieste, and the certainty that Soviet aggression in Europe would implicate the U. S. S. R. in a war against the most powerful industrial nation on earth, the United States.

Today Russia could probably start an invasion of the west (without any additional mobilization) with some 50 divisions and considerable tactical air superiority. Western Europe might be able to oppose this aggression with 10 to 15 divisions (including the equivalent of 2 United States divisions in Germany) and tactical air power grossly inadequate to the task of interdicting any army. It is these weaknesses in ground and close-support air power that our own rearmament plus European rearmament should remedy. Twenty-five to 40 highly trained, mobile, excellently equipped divisions, plus considerable tactical air superiority, could stop the initial rush of the Red Army at the line of the Rhine—stop it at least long enough to permit mobilization and the dispatch of United States reinforcements. Forty divisions are impossible now—will not be possible for some time to come—but this is not an impossible eventual goal and we must provide a steady increment of military strength for western Europe. As the years pass, ground and air power, armed with the new weapons, organized for the new tactics of tomorrow, must be prepared to substitute for the atomic bomb—in western Europe—as a major military deterrent to war.

This does not mean, of course, that the Navy is unimportant. Control of the seas must be the basis of all our strategy; without it we cannot defend America. The United States and its western Allies have tremendous sea superiority today—an advantage we must be careful to maintain—but we have no such advantage on land or in close-range tactical air power. Yet until an adequate ground and air force is built up in Europe, a balance of power cannot really be restored.

We have taken the first slow, painful steps toward the development of such a force today, but there are many who feel that the emphasis is insufficient, the plans too limited. The arms-aid program, it is true, stresses land power and tactical air power. But the scope of the latter development in particular is set in too modest a frame—all the more so since the United States tactical air strength is largely a shell, and present plans do not indicate the likelihood of quick improvement.

The overriding emphasis upon the atomic bomb and upon strategic air power is tending to subordinate tactical air power, close-support air power—the kind of air power that prohibits surface movement and stops ground armies. Our tactical air power today is the neglected stepchild of the Air Force; only the Navy, for its specialized purposes, has an efficient but small surface support arm.

The plain truth is that the United States today, on the eve of a crucial 5 years which may determine peace or war, has not formulated adequately our national objectives, nor have we even seriously considered any strategy that is not atomic strategy. The assumption that we will use the bomb to defeat Russia is the basic assumption underlying the dominant strategic concept that, with the advent of Louis Johnson as Defense Secretary, has now gained ascendancy, and it is the basic assumption underlying much of our political thinking.

It is in my opinion a dangerously oversimplified assumption; certainly neither our military nor our political planning ought to be based purely on one assumption. We must have alternative strategies. It may be, unhappily, that we shall be forced to use the bomb, but perhaps it can be avoided; as time passes and Russia acquires an atomic stock pile, we shall almost certainly find it to our advantage to avoid it. But even if we do use it, how we use it and against what targets deserve far more careful consideration than they have yet received. Our strategical thinking and our political thinking must not be imprisoned within an atomic concept.

It is clear that the military effectiveness of any atomic strategy depends first upon the number of bombs available, and second upon the number of bombs the enemy has—and also upon a great many other space, distance, and defense factors. Today our political planners—and even many of our key military planners—not only have to guess at Russia's atomic potential, but they do not know how many bombs the United States possesses. A powerful argument can be made, as Senator McMAHON has suggested, for stating that the secret has been too well kept; it is difficult to formulate sound military or political strategy without knowing the numbers of bombs available. This is the second lesson; we must not only plan alternative strategies, but at least our top political and military planners—and perhaps sooner or later the world—ought to know the numbers of bombs on hand.

The inevitable conclusion of such thinking and such planning and of a proper consideration of numbers of bombs as well as of the power of a bomb may well lead us to policies which may tend to limit war, if not to prevent it.

But above all, if we do put the horse where it belongs—before the cart—if we formulate national objectives and peace policies before we determine war strategy, we shall surely emphasize those factors now too often neglected which, if emphasized, could avert war. Political, economic, and psychological weapons, properly used, are more potent persuasion than the threat of an atom bomb.

For the past 3 years we have been engaged in a cold war with Russia. The threat of the atom bomb and the long shadow of military force always have loomed in the background, but the principal factors in this cold war have been political, economic, and psychological, and it is precisely where we have used these weapons wisely (western Europe) that we have succeeded in containing the menace of communism, and it is precisely where we have neglected them and have overemphasized military force that we have met checkmate or defeat (Greece and China). Russia and her satellites have great political weaknesses, and we possess enormous economic strength. Let us lead from strength to weakness. If we do so, if we win the political, economic, and psychological war already joined, there need be no shooting war.

Andrew Lawrence Somers

MEMORIAL ADDRESS
OF
HON. ARTHUR G. KLEIN
OF NEW YORK
IN THE HOUSE OF REPRESENTATIVES
Wednesday, May 25, 1949

On the life, character, and public service of Hon. ANDREW LAWRENCE SOMERS, late a Representative from the State of New York

Mr. KLEIN. Mr. Speaker, this is a time when I could wish that I had the eloquence of a Shakespeare, that I might speak of ANDY SOMERS in the lofty language of Marc Antony's funeral oration for the fallen Caesar.

Without exaggeration, in the frail body and great soul of ANDY SOMERS there was contained a touch of that imperial greatness extolled by Marc Antony; his will and his ability were greater than his physical capacity to bear the huge burdens forced upon it by his compulsion to master his environment and his chosen specialty of the intricate field of finance.

Whatever he did, he did with his whole being. He never spared himself, never leaned upon the uncertain crutch of assistants. His knowledge was his own, acquired by hard study and devotion to his task.

Nor was his mastery limited to any narrow band of human knowledge. Here was a versatile man, learned in many fields, swiftly adaptable to each new problem, and dedicated to its instant mastery. ANDREW SOMERS was, in many respects, a true statesman, and recognition of his fine qualities was implicit in his repeated election to the Congress by the people of the Tenth Congressional District of New York. His presence in our State delegation lent a distinction of which we were all aware and proud.

He possessed a rare intellectual and personal integrity which, in a crass and materialistic world intent upon worldly gain, stood out in vivid distinction.

Here, surely, was a man destined by nature for great accomplishments, only partially achieved when his career was cut short by untimely death.

Cost of Cement in Road-Repair Program for Next 10 Years Will Be Doubled if Basing-Point Pricing System Is Followed by Cement Industry

EXTENSION OF REMARKS
OF
HON. WRIGHT PATMAN
OF TEXAS
IN THE HOUSE OF REPRESENTATIVES
Monday, July 18, 1949

Mr. PATMAN. Mr. Speaker, in an estimate made public on Monday, June 20, by the American Public Works Association, it was predicted that $47,000,000,000 would be needed over a 10-year period to put all roads, streets and highways in condition to carry traffic with

reasonable efficiency and safety. It is estimated by the Public Roads Administration that approximately 92,000,000 barrels of cement a year would be used in a 10-year program of this magnitude.

If the basing-point pricing system is allowed to operate again as it was before the Supreme Court decision in the Cement Trust case, the cost of the cement used in repairing and constructing highways will be doubled over a 10-year period. That means that the taxpayers will be out an unnecessary cost of $243,000,000 a year if the big cement producers are allowed to maintain absolute control over the price of cement.

Cement is a commodity which can be made in practically every locality of our country. There are ample raw materials all over our country; yet as long as the Cement Trust controlled prices, there were 14 States which had no cement plants, and many other States where plants in competition with the "big boys" had to fight for their very survival.

Since April 1948 when the Supreme Court rendered its decision outlawing the basing-point pricing system, two new cement plants have been built in Virginia, one in South Carolina, and others are under construction. This in itself is an illustration of the fact that competition thrives when basing-point pricing is suppressed.

Cement can and should be produced in practically every State in our Union. Closer distances between the cement plant and the highways will mean substantial savings to our taxpayers.

The Doctor and Our Health

EXTENSION OF REMARKS
OF
HON. LISTER HILL
OF ALABAMA
IN THE SENATE OF THE UNITED STATES

Wednesday, July 20 (legislative day of Thursday, June 2), 1949

Mr. HILL. Mr. President, I ask unanimous consent to have printed in the Appendix of the RECORD an address on the subject The Doctor and Our Health, which I delivered at the centennial celebration of the Medical Society of Philadelphia County, Philadelphia, Pa., on May 11, 1949.

There being no objection, the address was ordered to be printed in the RECORD, as follows:

THE DOCTOR AND OUR HEALTH

More than half a century ago, a young Southerner walked into the offices of Dr. Samuel D. Gross, professor of surgery at Jefferson Medical College, and asked to be examined for enrollment. He displayed a medical degree from the University of the City of New York.

"You already hold a degree from a good medical school, young man. Why do you want to enter Jefferson College?" asked Dr. Gross.

"Because I wish to come to the fountainhead of American medicine and surgery, sir, and hear your lectures," the young Southerner answered.

Dr. Gross was only human and there were no examination questions after that. Instead the time was spent in conversation—about Alabama and a trip Dr. Gross had made there. As they walked to the door Dr. Gross put his arm around the young student and said, "God bless you, my son."

That young Southerner was my father, the late Dr. L. L. Hill, of Montgomery, Ala., a practicing physician and surgeon for some 50 years. After completing his work at Jefferson Medical College he studied in England under Joseph Lister, whose name I bear, and at other schools and hospitals in Europe. But throughout his life my father bore always a deep respect, admiration, and affection for Philadelphia, for Dr. Gross, and for the great teachers and the fellow students he knew there and with whom he maintained friendship throughout his lifetime.

So when I join with you in observing the centennial of the Medical Society of Philadelphia County, I come as one who has roots in the medical history of Philadelphia that I am honored and happy to nourish once again.

Philadelphia was the cradle of American medicine, as she was the cradle of America's political and financial and cultural life. Here the founding fathers proclaimed the Declaration of Independence and upon the anvil of debate forged the Constitution of the United States. Here Robert Morris and his associates began the building of American finance. And here the sturdy old philosopher, journalist, scientist, and public servant—Benjamin Franklin—blended so well the courage and common sense, the curiosity and intellectual power that symbolized our young and growing Nation.

Largely through Franklin's efforts, Philadelphia raised the first hospital in the United States—the renowned Pennsylvania Hospital which 3 years from now will celebrate 200 years of humanitarian service. The colonial legislature of Pennsylvania appropriated 2,000 pounds for the establishment of the hospital with the stipulation that the sum be matched by popular subscription. This pioneer example of government and private philanthropy acting together for the common welfare was an inspiration to us who fathered the Hospital and Health Center Construction Act 200 years later.

The Pennsylvania Hospital laid the enduring foundation stone of Philadelphia's medical history. In 1765 the medical school of the College of Philadelphia was founded—the first in America. This famed institution continues today as the University of Pennsylvania Medical College. In 1820 the Philadelphia anatomical rooms were established. The next year the first American school of pharmacy was founded here. In 1825 the Jefferson Medical College was founded and in 1840 the Pennsylvania Medical College was established. Soon after, Philadelphia took another pioneering step in the field of medicine with the founding of the Female Medical College of Philadelphia.

By the middle of the century, Philadelphia had become the medical center of the new world.

In her institutions, Philadelphia's medical history was made by men who were as truly pioneers as the frontiersman with ax and rifle. Into the unknown wilderness of human sickness, disease, and suffering they ventured with the frontiersman's courage and determination, for in the early days of medicine the doctor risked infection and death almost in the same degree as his patient.

Philadelphia built her medical heritage upon the faith and courage of men like Dr. William Shippen, Jr., who braved superstition and ignorance, even the threat of violence, to dissect the human body and learn its mysteries; men like Dr. John Morgan, founder of American medicine, who saw that medicine and surgery were separate fields in the art of healing, and men like Dr. Benjamin Rush, signer of the Declaration of Independence and early fighter against the dread yellow jack.

Here Dr. Philip Syng Physick did the work that made him the father of American surgery. Here Dr. Caspar Wistar wrote the first medical textbook and William P. C. Barton compiled the first American Materia Medica.

Following the path hewn by these pioneers have come later generations of great doctors, Joseph Pancoast, Richard Levis, Silas Weir Mitchell, and D. Hayes Agnew, Jacob M. DaCosta, J. Chalmers DaCosta, George Edmund de Schweinitz, John B. Deaver, and William W. Keen, and many others whose names are bright in medical history.

Here were the great teachers of American medicine, William B. Van Lennep, a founder of the American College of Surgeons, Solomon Solis-Cohen, Rufus B. Weaver, Chevalier Jackson, and many others. Some of you here tonight knew them, and studied and worked under them in the medical schools of Temple University, Jefferson College, Hahnemann College, and the University of Pennsylvania.

From this priceless heritage, it is not surprising that Philadelphia should give leadership in meeting the health and medical problems of today. I am indebted to your colleague, the president of the Medical Society of the State of Pennsylvania—Dr. Gilson Colby Engel, of Philadelphia—in the preparation of the voluntary health insurance bill which I introduced in the Senate of the United States only a few weeks ago. I conferred at length with Dr. Engel on his proposals for a 10-point program and important parts of his program constitute the basis of the bill.

The voluntary health insurance bill sets forth a program to bring hospital and medical care within the reach of every American.

It proposes to do this, not by setting up a strange and untried system of compulsion, but by making use of the practices of American medicine, tried and tested through the years, the fruitful products of our free American way of life.

We must preserve the freedom of the individual doctor. For only as the doctor remains free and uncontrolled and unregimented, only as he finds the inspiration and enjoys the right of individual action that freedom gives—to explore, to inquire, to discover, to serve in his own way—only then can we continue the marvelous progress of American medicine.

We must preserve the incentives of our free medical system—the incentives for individual effort, initiative and resourcefulness—the incentives to give the best we have. These incentives are not merely material rewards. They are the satisfactions that come from a job well done, that flow from the personal relationship of the doctor and his patient.

We must not destroy the American doctor's unique place of trust and confidence. The present system of medical care has been too valuable, too effective, and too useful to be abandoned. The course of wisdom is first to examine our existing health and hospital and medical resources. Then to strengthen and build upon them. This the bill will do.

The first and immediate objective of the voluntary health insurance bill is to provide hospital and medical care for persons who cannot pay, by giving them Government-supported membership in nonprofit, prepayment health insurance plans. These persons would receive the same type and quality of medical care provided regular subscribers to health insurance plans and they would not be identified as recipients of Government assistance. There would not be the delay or embarrassment of a "means test" at the time hospital care is needed.

Persons of limited income are encouraged to pay part of the cost of their hospital and

medical care. Medical protection would be assured, however, through the State health-insurance agency while the individual contributed to his protection within his own financial limits. It is important that we maintain this sense of individual responsibility. The independence of our people has been America's strength, and this is one way to maintain and encourage that independence.

Another basic purpose of the bill is to stimulate and encourage every self-supporting citizen to protect himself and his family against the cost of hospital and medical care by voluntary enrollment in the prepayment plans that now serve millions of Americans.

The most costly illness the average individual is likely to encounter is that requiring hospital care. The cost of hospital or medical care under the prepayment plans runs about $5 a month for the worker and his family. The hidden costs of a Government program would in the end be a greater burden upon the average individual. We can only imagine the infinite and vexing details of control that would have to be established for operation of a vast compulsory system affecting the lives and health of all the American people.

With universal participation the voluntary health plans can provide more comprehensive protection than they do now. The bill gives assistance to the States to survey the extent of enrollment and to develop methods of broadening protection and increasing the number of persons enrolled. The bill provides for pay-roll deduction of subscription charges for Federal employees who request it, and encourages similar voluntary deduction for State and local government employees. When persons enrolled in prepayment plans become unemployed, subscription charges will be paid during the period of unemployment compensation.

About a third of the American people now have some form of health protection through voluntary health-insurance plans. A recent survey shows that an estimated 52,500,000 people are protected by voluntary hospital coverage; more than 26,000,000 have voluntary surgical-expense coverage, and nearly 9,000,000 have medical-expense coverage. More than 31,000,000 of the Nation's 58,000,000 employed civilians are insured under some form of voluntary protection against loss of income due to sickness or accident.

If we believe there is a place in our American way of life for the voluntary system, here is a voluntary movement that cannot be ignored.

We have deliberately limited the bill to medical care provided in a hospital or diagnostic clinic. I do not believe we have sufficient medical resources—doctors, nurses, hospitals, and other facilities—to provide the care that would be called for if we immediately included office calls, home care, and minor illnesses. As present programs go forward and increase the number of doctors and nurses and provide additional hospitals and clinics, we can then provide in an orderly manner for the expansion of the services made available under the bill.

In its broadest effect the bill will stimulate the coordination and full use of the Nation's health resources. The bill does this by assisting the States to survey their needs and take steps to develop the highest possible efficiency and cooperation in the use of their medical, hospital, and health facilities.

In this the voluntary health insurance bill follows the tested pattern of the Hospital and Health Center Construction Act. Before ground was broken or foundations laid for a single hospital, the first year under that act was spent taking inventory of hospital and health-center needs in each State. Once the facts were in hand, the States were able to move promptly with a construction program suited to their particular needs. Under the act the Nation is now engaged in the biggest hospital construction program in our history. Some 768 hospitals, health centers, and other health facilities are being built or have been approved for construction.

The proposed surveys under the voluntary health insurance bill will, I am sure, reveal different needs for different areas. Some areas may find that the network of hospitals, health centers, diagnostic clinics, and the supply of doctors and nurses and skilled technicians can provide a well-rounded medical service. Other areas may need additional services or facilities in order to provide proper care. Cooperative use of certain facilities may be desirable for some areas. All of these matters can best be determined by the people right on the scene.

Thus the bill provides that the Federal Government pay half of the cost of the following types of surveys by the States and the local communities:

Surveys of existing diagnostic facilities: Proper diagnosis is a necessary element of medical care and the growth and development of diagnostic clinics will be encouraged, especially in rural areas, so that such services will be available to everyone.

Surveys of existing facilities and services and financing for mental illness, tuberculosis and chronic diseases: The surveys will provide the basis for programs to increase and improve these facilities, at present considered primarily a State responsibility.

Surveys of areas which at present do not have adequate medical care because of economic inability to support a medical practice: We know that many areas, especially rural sections, have not been able to attract the doctors they need and this is a matter of deep concern to all of us.

When the States have determined their needs, the States and the Federal Government then can and must take definite, intelligent action. From our experience with the Hospital and Health Center Construction Act we know that the surveys have led to specific programs to meet the deficiencies revealed.

Through the voluntary health insurance bill, the Federal Government will give financial aid, encouragement and wise guidance out of its vast resources, its broad experience, and its facilities for technical study and research.

But full control and administration of the program rests entirely in the hands of the States and local communities. The details of the program will flow from the needs, the customs, and the determinations of the people. The people will plan for themselves. The people will do for themselves. Here is the very antidote to centralization and regimentation.

Finally, and most important under the bill, our steps to extend adequate hospital and medical care to all the people will preserve the fundamental freedoms, the incentives, and the individual, personal relationships which have done so much to give America the highest quality of medical care in the world.

This is indeed the path of progress in a free democratic society.

The Hospital and Health Center Construction Act and the Voluntary Health Insurance Plan are only two of the many fields in which the local communities and the States must act jointly with the Federal Government to meet the health problems of modern living.

The foundation of a nation's health lies in the soil and the foods we obtain from the soil. I am sure you will agree that a successful health program calls for steps to restore and maintain the health-giving minerals and nutrients of the soil. With this objective I have joined in sponsoring the national soil fertility bill.

Preventive medicine through public health services is vital to the Nation's well-being. Last year the local communities spent more than $54,000,000, the States spent more than $40,000,000, and the Federal Government spent some $33,500,000 for public health services. The Public Health Service bill, of which I am author, will enable the local and county health units to strengthen and enlarge their services, and to intensify their never-ending fight against vermin, against food and water contamination, against tuberculosis, syphilis, malaria, typhoid and undulant fever, infantile paralysis, and epidemic diseases.

Medical research is health protection for tomorrow. The medical colleges, privately endowed foundations, and many private industries are carrying on great research work. The Federal Government is lending its support to research through the National Institutes of Health, the National Heart Institute, the National Institute of Dental Research, the National Mental Health Act, and the Atomic Energy Commission. We need the National Science Foundation provided for in a bill now before Congress, which will correlate and give coordinated direction to the research of the Nation.

The finest hospitals and health centers, the ultimate in medical knowledge have no value unless there are skilled doctors, nurses, and technicians. The State universities and the privately endowed institutions are expanding their medical schools and giving new emphasis to scholarships for medical students. Some States are offering special inducements to assure doctors for rural areas. The Federal Government is giving some help to train doctors and nurses and health workers through fellowships, grants to the States, and grants to universities and medical schools for teachers. The shortage of doctors, nurses, and health workers is so acute in so many places that this help of the Federal Government must be greatly increased.

Over all the Nation a vast effort for health is being put forth by individuals and private institutions, by the States and their communities, and by the Federal Government. But we must do infinitely more.

The very progress of our civilization brings new hazards to health—our freely moving population, modern transportation and industry, the mass production and handling of foods, the concentrated life of our cities. We must recognize that housing and economic security, crime and juvenile delinquency are factors in public health.

We are only hours away by plane from the yellow fever of the tropic jungle, less than 2 days away from the sleeping sickness of Equatorial Africa, less than 3 days from cholera and bubonic plague. The ramparts that you, the doctors, must watch are as essential to our strength and security as the military ramparts we guard.

Diseases of the heart and arteries cause one out of every three deaths in the United States and disable 8,000,000 Americans each year. The terrible death toll of cancer is rising steadily year after year. Mental sickness affects more people than any other illness.

All that we know about the human body, all that we know about nutrition and preventive medicine, all the wondrous drugs and chemicals and medical and surgical equipment we have—these are only the sinews and the tools of medicine. The doctor is the mind, the spirit, the genius of medicine.

Our hopes rest finally upon you. Yours is the challenge. And I have faith that you shall meet that challenge.

Since the days of Jan Petersen, the Swedish barber-surgeon who ministered to the needs of the earliest Pennsylvania settlers, the doctors of America have not waited for change to overtake them. They have sought change and they have created change.

They have recognized change as the essence of all life and all growth. The marvelous progress of American medicine tells their story.

The genius of those probing, questing minds which ventured fearlessly into the wilderness of early medicine, that same genius is with us today—in Philadelphia and Baltimore and Boston, in New Orleans and Chicago and Denver, in Minnesota and New York and California.

It is with us in the doctor who carrries his knowledge into the hills of Kentucky or Alabama, the mining towns of Pennsylvania, the bayous of Louisiana, or the mountains and plains of the West. It is with us in the operating room as the surgeon works deftly and swiftly and rescues human life. It is with us in the laboratory, where the scientist seeks always for new and more efficacious drugs, where he traces with atomic isotopes the attack of disease upon living cells, and delves ever deeper into the mystery and the miracle of human life.

The doctor of generations past has gone—he who was general practitioner, specialist, surgeon, psychiatrist, friend, and counselor all in one. But his generosity, his faith, his humanitarian spirit live on. I can find no better words to describe him than the words of J. Chalmers da Costa in his address on the occasion of the fiftieth anniversary of the Medical Society of Philadelphia County.

In words that live today Dr. da Costa said: "Our fathers did wonders with the resources they could command. The lesson of their lives is largely one of dignity, self-sacrifice, devotion to science, and regard for the bonds of professional conduct and duty, and carelessness as to wealth or fame."

Let us go forward today with this heritage into the ever-widening frontiers of medical discovery and medical progress, to serve as our fathers served—healing the sick and making whole the maimed, safeguarding the mother in childbirth and watching over the infant so new to this world, bringing life and health and happiness to our fellow man—following with humility and faith in the footsteps of Him who nearly 2,000 years ago was called the Great Physician.

Are Good Democrats Scarce?

EXTENSION OF REMARKS
OF
HON. CLARE E. HOFFMAN
OF MICHIGAN
IN THE HOUSE OF REPRESENTATIVES
Tuesday, June 7, 1949

Mr. HOFFMAN of Michigan. Mr. Speaker, it seems only fitting that political jobs not under civil service should go to capable party members who not only would perform well their official duties but be a credit to the party.

In the more than 10 years during which I have been in Washington, I have been puzzled as to why it is that so many top jobs in the Government and in the offices of those who are high in Government service are given to individuals who are later disclosed as having a rather bad reputation or who subsequently land in jail.

Attached is an editorial from the Chicago Tribune of July 19, which calls attention to two individuals who filled top jobs but whose records were subsequently disclosed to be not of the best:

ANOTHER OF FRANKFURTER'S HAPPY HOT DOGS

The proteges of Justice Felix Frankfurter of the Supreme Court are not doing very well these days. Edward F. Prichard, another graduate of Harvard law, who served his apprenticeship in Frankfurter's office and then became the "boy wonder" of the New Deal, has just been convicted of election fraud in Kentucky and sentenced to 2 years in the Federal penitentiary. He doctored 254 ballots in the general election last November, forging all but 1 for the straight New Deal ticket.

Mr. Prichard, a fat boy of 34 years, rose under Frankfurter's sponsorship to become an assistant to then Attorney General Robert Jackson, a Supreme Court Justice himself these days; chief counsel for the Office of Economic Stabilization under former Justice James F. Byrnes, Assistant Secretary of the Treasury under Fred M. Vinson, now Chief Justice of the Supreme Court; a long-range planner for the War Production Board, and counsel for the Democratic National Committee.

These posts of eminence under such New Deal luminaries do not appear to have given Mr. Prichard an elevated moral outlook, but perhaps the tone was set by his sponsors and political associates.

The conviction of Felix's bright boy follows hard upon the trial of another of his proteges, Alger Hiss, who was charged with perjury in denying that he purloined State Department documents and turned them over to Soviet espionage agents. Eight of the twelve members of the jury voted their belief that Hiss was guilty. Justice Frankfurter, who also steered Hiss into a post as secretary to a Supreme Court Justice and later planted him in the New Deal, turned up at the trial as a character witness for Hiss. The jury vote indicated a belief that he stood in need of someone to vouch for himself.

Justice Frankfurter did not check in with a similar affirmation that Prichard is an upstanding youth, but he is strategically situated should an appeal be carried to the Supreme Court.

Felix certainly can pick them.

Tops in Nation—Connecticut State Police

EXTENSION OF REMARKS
OF
HON. JAMES T. PATTERSON
OF CONNECTICUT
IN THE HOUSE OF REPRESENTATIVES
Wednesday, July 20, 1949

Mr. PATTERSON. Mr. Speaker, I call to the attention of the House the award bestowed upon the Connecticut State police by the National Safety Council.

Our Connecticut organization, of which we are all justifiably proud, was chosen as the most effective State law enforcement agency in the Nation. No praise is too great for every member of this sterling group from Commissioner Edward J. Hickey down to the industrious and able patrolman. Their combined efforts make Connecticut a grand State in which to live.

Not content with this honor, the Connecticut State police were instrumental in our obtaining high ratings in many other classifications as outlined in the following article from the July 18 issue of the Waterbury (Conn.) American:

STATE POLICE TOPS IN NATION

HARTFORD, July 18.—The Connecticut State Police Department last year was the most effective law enforcement agency in the Nation.

The top rating was bestowed on Commissioner Edward J. Hickey and his boys by the National Safety Council. Notice of the honor was received by the highway safety commission.

The council also awarded top 1948 national honors to the State's safety organization program. On other counts Connecticut was rated as follows: Traffic engineering, school safety and effective public safety education, second place; driver licensing, seventh; efficient use of traffic records, twelfth, and effective traffic laws, seventeenth.

The council did not like Connecticut's motor vehicle inspection program because it is voluntary and not required by law.

Brannan Farm Plan

EXTENSION OF REMARKS
OF
HON. CECIL M. HARDEN
OF INDIANA
IN THE HOUSE OF REPRESENTATIVES
Wednesday, July 20, 1949

Mrs. HARDEN. Mr. Speaker, under leave to extend my remarks in the RECORD, I wish to call the Members' attention to an editorial which appeared in the July issue of the Hoosier Farmer, official publication of the Indiana Farm Bureau. I feel that the editorial not only expresses my personal view of the Brannan farm plan but that it likewise expresses the viewpoint of a majority of the farmers of my district and my State.

The editorial follows:

NEVER—NEVER—NEVER

Something dangerous and unexpected is happening to the farmers of America and it is not of their doing. It would appear that a few persons in high governmental positions are attempting to make a political football of current farm legislation and legislative proposals affecting agriculture.

In all of the history of farm legislation stretching back 50 years, farm legislation on the national level has been the product of both major political parties. On many occasions, able leaders among the Democrats and the Republicans have joined hands to write and introduce farm bills. The best proof of the common sense of farmers in protecting their political self-respect during the trying years of the 1920's and the desperate early 1930's is reflected in the farm bloc that was formed of Congressmen and Senators of both political parties.

Any politician who would throw the serious economic problems of agriculture strictly into the political arena certainly doesn't have the welfare of the farmer uppermost in his mind. To decide the present and future farm problems on a partisan basis will divide farmers against themselves and will result in selling them down the river. There are Democrat farmers and there are Republican farmers; and, the only chance all farmers have to get desirable legislation, as well illustrated during the past 30 years, is to work together through their own organization in a united, bipartisan program of direct action. Farm problems are not political problems.

The Agricultural Act of 1948, which will go into effect in 1950, was developed by farmers themselves, from grass-roots thinking throughout agricultural America. The American Farm Bureau Federation worked with the leaders of both major political parties in getting the law upon the statute books. A Democratic administration, including the present Secretary of Agriculture and President Truman, who signed it into law, cooperated in supporting the provisions of the 1948 act. A Republican-controlled Congress, after much consideration and lots of urging by farm organizations, passed the bill that became known as the Agricultural Act of 1948. Every step was on a bipartisan basis.

The Brannan proposal, which would do away with economic opportunity and substitute a scheme of cheap food for labor and

industry and hopeful subsidies to farmers who would be tied down with governmental red tape and controls, is a dead duck as far as Indiana farmers are concerned. Hoosier farmers are thinking through on a nonpartisan basis this stabilized peasantry plan for agriculture and studying its dangerous philosophy more than any national legislative proposal ever made to them. Politicians who misinterpret that farmers favor the Brannan scheme of economic farm control are in for a rude awakening. Farmers want to try the Agricultural Act of 1948, which is in the tradition of farm legislation of the past 20 years.

Indiana farmers want no little Brannan program either. Some politicians and Government agents have suggested we try on a test basis the Brannan plan with hogs this fall. That would be harmful to farmers raising and feeding cattle, sheep, dairy cows, and poultry. President Schenck says it would mean consumers would stop buying all meats but pork, which would be subsidized to consumers at extremely low prices. This trial plan would cost farmers billions of dollars in loss of markets for all meats and dairy products, except pork, and it would add many hundred million—maybe billions—of dollars to the national debt. There is no stopping place, once the Brannan scheme gets under way, until all farms become completely controlled by the Government.

There is but very little difference between Government-controlled farms and Government-owned farms.

GLENN W. SAMPLE,
Editor, the Hoosier Farmer.

Civil Rights

EXTENSION OF REMARKS
OF
HON. ABRAHAM J. MULTER
OF NEW YORK
IN THE HOUSE OF REPRESENTATIVES

Wednesday, July 20, 1949

Mr. MULTER. Mr. Speaker, I commend to the attention of my colleagues an editorial which appeared in the Brooklyn Eagle of July 14. It is extremely apropos at the moment in view of the petition filed by our colleague, Congressman DOLLINGER, of New York, which seeks to bring before the House for its consideration his bill to prohibit the use of Federal funds for slum-clearance and public-housing projects in any State which permits segregation on account of race, color, or place of origin.

I voted against amendments seeking to accomplish the same purpose when they were offered as riders to proposed legislation, such as extension of rent controls and the public-housing bill, both of which are now law, but neither of which could have become law with such provisions incorporated in the bills. In taking that position I frankly stated that I was not receding from support of the President's civil-rights program. At the same time I stated that the question of civil rights should be met and decided by this House on its own merits. The Dollinger bill, H. R. 1641, presents at least a part of that program foursquare for action. There can be no hemming and hawing about it. The Members can be recorded in favor or against that precise principle with no side issues to mar their judgment or behind which they can hide. The editorial follows:

POWER OF DECISION ON CIVIL-RIGHTS ISSUE IN HANDS OF REPUBLICANS

Insofar as the current session of Congress is concerned, President Truman's civil-rights program may be considered as a dead letter. Any effort toward its revival would be the signal for the southern Democrat-Republican coalition to spring into action. The issue of equal rights is as much alive today, however, as it was before a bitter Senate filibuster stifled it by the threat of a complete disruption of the whole program of congressional action. Eventually, the principles which it embodies must be enacted more effectively into law.

President Truman, although recognizing the helplessness of his position on civil rights as matters now stand with Congress, has done wisely in reminding the country through his message to the National Association for the Advancement of Colored People that this fight must continue. It is a fight certain to be marked by reverses and disappointments and even by the fear of failure. Actually, as the President points out, there has been progress.

In the military organizations of individual States and in the National Military Establishment gains have been made in the elimination of segregation. In both public and private employment some of the racial barriers have been lowered. But the main objective—enactment of antipoll tax, antilynching, and antijob discrimination—has not been attained.

At a later date, when the way has been cleared somewhat by better understanding and a less tense feeling in the strongholds of the opposition, the effort will be renewed. It will be helped toward success by an enlightened, reasonable public support, since, as President Truman has reminded the movement's friends, "officialdom moves only as rapidly as an intelligent and persistent citizenry demands."

An alteration in the attitude of southern Members of Congress will be difficult to bring about. It has its origin in deep-rooted prejudices. But these votes are not necessary in order that the principles of civil rights may be given the status of law. Everyone knows where these southern Representatives stand on this issue. They are foursquare opposed.

And everyone knows where the northern Democrats stand. They are for civil rights. The power of decision, accordingly, rests in the hands of the Republicans who profess friendship for the principle but fail to meet the test of sincerity when the show-down comes. What this issue requires, if it is to be dealt with honestly and effectively, is sincerity among the Republicans in the Senate and the House. They should refer to the civil-rights plank in their party's platform last year for a reminder that they are on record as being opposed to lynching, to the poll tax, and to discrimination in employment. Then, when the issue comes before them again, as it will in the course of time, they should vote accordingly.

Federal Aid to Education

EXTENSION OF REMARKS
OF
HON. HARLEY O. STAGGERS
OF WEST VIRGINIA
IN THE HOUSE OF REPRESENTATIVES

Wednesday, July 20, 1949

Mr. STAGGERS. Mr. Speaker, May 5 the Senate passed a measure providing Federal aid to education by a vote of 58 to 15, an overwhelming bipartisan vote, and if the House of Representatives fails to take action on this most important bill we will be remiss in our duties as legislators and certainly as members of the Republican and Democratic Parties. Both parties carried this objective in their platforms, and we have a clear mandate from the voters of our country to complete the enactment of Federal aid to education before the adjournment of this session.

The present controversy which has arisen is no excuse for the leadership not bringing it to the floor for a vote and let the elected Representatives stand up and be counted. The action, or lack of action, on this bill will affect the future of our Nation more than any other single piece of legislation now before the Congress.

If we are to go forward as a united and strong Nation, we must provide adequate educational facilities for the youth of our country. America is only as strong as its weakest link. Whatever breaks down our standard of citizenship in one part of our country will lower it as a whole. We must have an enlightened citizenry if we are to hold our lead in the program for world unity.

It is the responsibility of the Congress to eliminate hardship, poverty, and inequality to the best of its ability. Federal aid to education is one way of doing this. To say we cannot afford the cost is to overlook the opportunity to enact a great piece of social legislation. The money spent on this program is an investment in America's human resources, making more able citizens who will carry on our democracy in the years to come.

Ignorance and the low standard of living that it produces are the most fertile soil for demagogy, communism, and dictatorship we can find. Instead of being an extravagance it is the soundest sort of economy and the best measure of national security.

The opponents cannot use the excuse, for their opposition to Federal aid, that they do not want governmental control of schools, as this has been clearly eliminated in the present bill.

Adult illiteracy in our country is shocking. This was brought to our attention very sharply during the last war, when we found that one in every seven adults in the United States, 25 years of age and over, cannot read nor write. If our country cannot afford to properly educate our children, then we cannot afford to set ourselves us as leaders of peace.

Equal educational opportunity of the children who are to be citizens of both the States and the Nation is the main responsibility of our constitutional Republic. The inequalities of educational opportunity that characterize the educational system today challenge American statesmanship.

Education can be made a force to equalize the condition of men. For most of the children the opportunity for anything more than a meager formal education is largely conditioned by place of birth. Since the most authentic research has shown that it is beyond the economic capacity of many of the States of the Nation to provide adequate educational facilities for their people without Federal assistance, it is clear that both the

local and national welfare demand greatly increased Federal participation in the support of our schools.

With democracy in retreat in most of the earth, America may give a lift to the democratic hopes of the forgotten millions in all parts of the world by a new declaration for equitable and democratic Federal aid to public education which will more equalize opportunity for all our children.

No one questions the fact that the shortage of teachers in our country is critical, yet we are not willing to provide a decent salary to the molders of our children's lives. How can we raise our boys and girls to be competent, loyal, and enthusiastic American citizens unless we have competent, loyal, and enthusiastic teachers.

The cost is greater to keep our youths in reform schools than it is to keep them in grade and high schools. With the increase in childbirth and the decrease in qualified teachers how are we going to teach our future citizens the advantages of a democracy and expose the false philosophies of communism. We cannot expect our young people to interest themselves in a career that offers small pay and little gratitude. Why should they spend years preparing for a job that pays less, after 4 years of college, than a job they could obtain upon completion of grade school.

It is the solemn responsibility of our teachers to inculcate the youth of our Nation with the principles of right living and clear thinking that make democracy work. Half of the child's formative years are spent in the schoolroom. It is there he develops the characteristics that will be his through adult life. Can we afford to longer neglect the crying need of our teachers?

This discreditable school situation is not a transitory one but one that will grow steadily worse from year to year, as school enrollments will increase a million a year, starting next fall. We have 7 years in which to meet an increase of more than 41 percent in elementary school enrollment. What are we going to do about it?

I advocate passage of the Senate bill S. 246 which avoids the controversial issue as to whether public funds should be appropriated to sectarian schools. In this bill this issue is left up to the individual State. As I stated earlier in my remarks, bill S. 246 passed the Senate 58 to 15, an overwhelming bipartisan vote.

Essay Contest in West Virginia

EXTENSION OF REMARKS

OF

HON. ROBERT L. RAMSAY

OF WEST VIRGINIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, July 20, 1949

Mr. RAMSAY. Mr. Speaker, this week I have had the privilege of spending some time with as fine a group of young folk as you will find in any section of this great land of ours. They are three young girls and two young men, the five winners of an essay contest conducted in three counties of the First Congressional District of West Virginia, which I have the honor of representing.

The Peoples Federal Savings and Loan Association of Wheeling conducted an essay contest open to high school students from Brooke, Marshall, and Ohio Counties. Eighteen hundred students participated. The subject of the contest was Freedom. The five winners are being given a tour of shrines closely identified with freedom. Saturday they left Wheeling and journeyed to Charleston, the capital of West Virginia, where they were received by the Honorable Okey L. Pattison, our Governor. Sunday they came to Washington and spent the next two days touring the high spots of this great citadel of freedom. While here they were greeted by Vice President Barkley; Secretary of Defense, the Honorable Louis Johnson; our two West Virginia Senators, Hon. Harley M. Kilgore and Hon. Matthew M. Neely; and myself. They were keenly disappointed, as was I, at not being able to see this great body in session and in not being able to see the Senate.

Today they are visiting shrines of freedom in Philadelphia, and will, on their return trip, visit Valley Forge and Gettysburg.

Mr. Alex Salvatori, president, Peoples Federal Savings and Loan Association; the institution's other officers, Mr. E. K. Meriner, contest director; and the three judges are to be commended for conducting this contest and providing such a memorable tour for these fine young folk.

Finally, Mr. Speaker, the winners of the contest are to be congratulated. They are representative of the splendid youth in our section of West Virginia. The five winners are Miss Sue Stranchina, Wheeling High School; Miss Carolyn Keucher, Wellsburg High School; Howard Conner, Sherrard High School; Robert Dragisich, Follansbee High School; and Miss Mary Agnes Lovinski, St. Joseph's Academy, Wheeling.

A Little Child Shall Lead Them!

EXTENSION OF REMARKS

OF

HON. ABRAHAM J. MULTER

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, July 20, 1949

Mr. MULTER. Mr. Speaker, a little child shall lead them! The bigots may rant and rave, the Fascists may hide under sheets as they attempt to destroy our liberty, the Communists may continue to undermine all that is good in America. All their concerted action will be to no avail.

The following prize-winning essay was written by a young American girl, Jennine Edwards, a member of the graduating class of Tupelo Senior High School of Tupelo, Miss. I am sure my colleagues will rejoice with me in reading this very fine exemplification of the true spirit of American youth. Too many of their elders must relearn the lesson this girl states so well.

WHAT AMERICANISM MEANS TO ME

(By Jennine Edwards)

I ask myself, What is Americanism? What are the things that give to each of us in America that sense of belonging? What are the things that make America mine?

Americanism is first the physical land. It is the rolling wheat fields of the West, the snowcapped mountains, the rocky coast of New England, the cotton fields and tobacco plantations, and the towering forests. It is the bustling cities with the roar of factories and the tall, still skyscrapers; it is quiet, comfortable villages with rows of white clapboard houses.

It is the people—every color and creed—who are impatient, generous, and slightly egotistical. It is people with the desire to weed out racial discrimination and prejudices and to cultivate unity and concord in living together.

Americanism is the institutions. It is the churches and the freedom of choosing any faith one desires—Protestant, Catholic, or Jewish. It is the schools and libraries where the youth of America may satisfy his thirst for education and infinite knowledge. It is the football, basketball, and baseball games in the vacant lots and huge stadiums. It is the drug stores and soda fountains, county fairs and hot dogs. It is the books, newspapers, radios and moving pictures which enables one to mold his unbiased opinions.

It is our Government, which decades ago granted to the future generations the noblest gift of mankind—liberty. It is openly voicing our honest opinions, giving our criticisms, exercising the privilege of voting and being given equality before the law and just trial by jury for crime.

Americanism is the opportunities so freely given to every man, regardless of his birth, to live, to work, to become whatever his manhood can make him. It is the fact that no man is excepted from his chosen field but is given an equal chance to succeed if he has the willingness to work hard and the backbone to stick it out.

Americanism is not only the present, but also the past. It is songs: Dixie, Sewanee River, Yankee Doodle, and Over There. It is the brave men who built the foundation for this democracy: George Washington, Thomas Jefferson, Abraham Lincoln, and Franklin D. Roosevelt. It is all the history recorded on the pages of time.

The failures and conquests of yesterday, the problems of today, and the destinies of tomorrow—these to me mean Americanism.

Maybe George Washington Was Wrong But I Still Think He Was Right

EXTENSION OF REMARKS

OF

HON. COMPTON I. WHITE

OF IDAHO

IN THE HOUSE OF REPRESENTATIVES

Wednesday, July 20, 1949

Mr. WHITE of Idaho. Mr. Speaker, as school children we learned of the Father of our Country and the heroic struggle he made in the Revolutionary War to win the freedom of our country and we learned of his wisdom and forbearance in establishing the United States as a new Nation. He left for us as guide in

carrying out the principles of government embodied in our national Constitution the advice and admonition bequeathed to us in his Farewell Address which we read anew in Congress each year on the solemn occasion of Washington's birthday anniversary.

I have taken the advice and admonition of our first President and the founder of our Nation to heart and I respectfully submit for the consideration of my colleagues some things Washington told us in his Farewell Address that ring as true today as they did when our Nation was new and untried 150 years ago:

To the People of the United States:

Friends and fellow citizens, in looking forward to the moment which is to terminate the career of my political life, my feelings do not permit me to suspend the deep acknowledgment of that debt of gratitude which I owe to my beloved country, for the many honors it has conferred upon me; still more for the steadfast confidence with which it has supported me. The basis of our political systems is the right of the people to make and to alter their constitutions of government. But the constitution which at any time exists, until changed by an explicit and authentic act of the whole people, is sacredly obligatory upon all. The very idea of the power, and the right of the people to establish government, presuppose the duty of every individual to obey the established government.

Towards the preservation of your Government and the permanency of your present happy state, it is requisite, not only that you steadily discountenance irregular opposition to its acknowledged authority, but also that you resist with care the spirit of innovation upon its principles.

As a very important source of strength and security, cherish public credit. One method of preserving it is to use it as sparingly as possible, avoiding occasions of expense by cultivating peace, but remembering, also, that timely disbursements, to prepare for danger, frequently prevent much greater disbursements to repel it; avoiding likewise the accumulation of debt, not only by shunning occasions of expense, but by vigorous exertions, in time of peace, to discharge the debts which unavoidable wars may have occasioned, not ungenerously throwing upon posterity the burden which we ourselves ought to bear. The execution of these maxims belongs to your representatives.

Observe good faith and justice towards all nations; cultivate peace and harmony with all. Religion and morality enjoin this conduct, and can it be that good policy does not equally enjoin it? It will be worthy of a free, enlightened, and, at no distant period, a great nation, to give to mankind the magnanimous and too novel example of a people always guided by an exalted justice and benevolence.

In the execution of such a plan, nothing is more essential than that permanent, inveterate antipathies against particular nations and passionate attachments for others, should be excluded; and that in place of them just and amicable feelings towards all should be cultivated. The nation which indulges towards another an habitual hatred, or an habitual fondness, is in some degree a slave.

So likewise, a passionate attachment of one nation for another produces a variety of evils. Sympathy for the favorite nation, facilitating the illusion of an imaginary common interest, in cases where no real common interest exists, and infusing into one the enmities of the other, betrays the former into a participation in the quarrels and wars of the latter, without adequate inducements or justifications. It leads also to concessions, to the favorite nation, of privileges denied to others, which is apt doubly to injure the nation making the concessions.

Against the insidious wiles of foreign influence (I conjure you to believe me fellow citizens), the jealousy of a free people ought to be constantly awake; since history and experience prove, that foreign influence is one of the most baneful foes of republican government. But that jealousy, to be useful, must be impartial, else it becomes the instrument of the very influences to be avoided, instead of a defense against it. Excessive partiality for one foreign nation and excessive dislike for another, cause those whom they actuate to see danger only on one side, and serve to veil and even second the arts of influence on the other. Real patriots, who may resist the intrigues of the favorite, are liable to become suspected and odious; while its tools and dupes usurp the applause and confidence of the people, to surrender their interests.

The great rule of conduct for us, in regard to foreign nations, is, in extending our commercial relations, to have with them as little political connection as possible.

Europe has a set of primary interests, which to us have none, or a very remote relation. Hence, she must be engaged in frequent controversies, the causes of which are essentially foreign to our concerns. Hence, therefore, it must be unwise in us to implicate ourselves, by artificial ties, in the ordinary vicissitudes of her politics, or the ordinary combinations and collusions of her friendships or enmities.

Why, by interweaving our destiny with that of any part of Europe, entangle our peace and prosperity in the toils of European ambition, rivalship, interest, humor, or caprice?

Harmony, and a liberal intercourse with all nations, are recommended by policy, humanity, and interest. But even our commercial policy should hold an equal and impartial hand; neither seeking nor granting exclusive favors or preferences consulting the natural course of things.

Constantly keeping in view, that it is folly in one nation to look for disinterested favors from another; that it must pay with a portion of its independence for whatever it may accept under that character; that by such acceptance, it may place itself in the condition of having given equivalents for nominal favors, and yet of being reproached with ingratitude for not giving more. There can be no greater error than to expect, or calculate upon real favors from nation to nation. It is an illusion which experience must cure, which a just pride ought to discard in relation to the still subsisting war in Europe.

After deliberate examination, with the aid of the best lights I could obtain, I was well satisfied that our country, under all the circumstances of the case, had a right to take, and was bound in duty and interest, to take a neutral position. Having taken it, I determined, as far as should depend upon me, to maintain it with moderation, perseverance and firmness.

A predominant motive has been to endeavor to gain time to our country to settle and mature its yet recent institutions, and to progress, without interruption, to that degree of strength, and consistency which is necessary to give it, humanly speaking, the command of its own fortunes.

GEO. WASHINGTON.

UNITED STATES, *17th September 1796.*

Mr. Speaker, there are more reasons why we should keep out of entangling foreign alliances today than there were in the time of George Washington.

Until the governments of the world are ready for real disarmament and the establishment of international policing power to prevent invasion and aggression to be administered under the direction of an international commission established to maintain peaceful international relations and safeguard the sovereignty of each country having an established government, I shall be opposed to any commitment to arm or fight wars for foreign governments.

Increase Consumption by Repealing Wartime Retail Excise Taxes

EXTENSION OF REMARKS

OF

HON. ABRAHAM J. MULTER

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, July 20, 1949

Mr. MULTER. Mr. Speaker, I commend to the attention of the House an editorial which appeared in the Brooklyn Eagle of July 16, 1949. No one can deny that increased production means continued prosperity, provided consumption keeps apace with production. At the present time consumption is lagging far behind production in many industries.

The wartime retail excise taxes were imposed to create consumer resistance. Those retail industries affected by those taxes now need consumer stimulation and one very good way to create that stimulus and provide more consumption is to repeal those wartime retail excise taxes. That can be accomplished by the passage of my bill H. R. 2324. I again urge those Members who have not yet signed my petition No. 6 to do so, so that we can bring this bill before the House for consideration.

The editorial follows:

TRUMAN CALLING FOR PRODUCTION, BUT MORE CONSUMPTION IMPERATIVE

President Truman's views on economic issues are in such harsh conflict with the convictions of many Members of Congress, including those of his own party, and his shafts at certain interests are so sharp that a critical reaction to his radio speech was to be expected.

In his charge that many people would like to have a depression "for political reasons" and his warning that we shall have to be sure "that the selfish interests do not drive us into the ditch, as they have done before," there is provocation to resentment.

Selfishness is an unfortunate human characteristic, and depression on a Nation-wide scale lends itself to exploitation, both political and economic. It is entirely conceivable that there are people who would welcome the opportunities for personal advantage which national adversity might hold. Their number and their power, however, could hardly influence the tide of events.

The question of whether unfavorable trends can be altered most effectively through policies of liberal spending or rigid restrictions is one which involves fundamental differences of economic philosophy. Conservative forces in Congress demand curtailment of appropriations. President Truman opposes cuts in the budget.

His theory is that of his predecessor, President Roosevelt, who used public funds in many different ways to lift the spirits of disheartened people, to give stimulus to business and industry, to create jobs and restore a sound economy. The present need is not so extreme or so urgent, but the an-

swer to the question of a declining economy still presents the same alternatives—to spend or to save.

The experience of the past supports the position of the President. Every possibility of reasonable and practicable savings should be utilized but the President properly recognizes the dangers attending cuts in Government expenditures that cause more unemployment. This is a trend, reflected dramatically in an increase from 2,000,000 to 4,000,000 jobless in a year, that must be stopped at all costs.

President Truman calls for production and more production. But he might well have completed the formula by appealing for consumption, consumption, and more consumption. It is becoming rather painfully clear of late as sales fall off and manufacturers' inventories of many mechanical appliances are piling up that consumption is the more imperative requirement.

It may seem an oversimplification of the problem to suggest that price readjustments might be a way effectively to stimulate consumption. There is little doubt, however, that a practical recognition of the reduced resources of many households would help ease the change to a strong peacetime economy.

Address by Hon. Homer E. Capehart, of Indiana, in Reply to President Truman's Speech to the Nation

EXTENSION OF REMARKS

OF

HON. HOMER E. CAPEHART

OF INDIANA

IN THE SENATE OF THE UNITED STATES

Wednesday, July 20 (legislative day of Thursday, June 2), 1949

Mr. CAPEHART. Mr. President, I ask unanimous consent to have printed in the Appendix of the RECORD an address delivered by me over a number of Indiana radio stations in reply to the address to the Nation by President Truman on July 13:

I am going to devote my entire program today to an analysis of President Truman's speech to the Nation on Wednesday, July 13, with respect to our economic condition.

I have been one of Mr. Truman's most severe critics on deficit spending; therefore, I must be one of the selfish people he is talking about.

However, he completely, 100 percent, misrepresents the facts.

I have not once advocated—and neither has anyone else—eliminating housing, Federal aid to education, flood control, conservation, and many of the other projects which Mr. Truman so indicated in his speech.

I voted for housing, Federal aid to education, flood control, conservation, and all other good constructive measures.

Honest people want their Government to spend within reason. They want it to balance its budget. They know that no government can continue to spend year in and year out more money than it takes in without eventually getting into trouble.

I say to you, Mr. Truman, there will be no happiness in this country when our Government, under your guidance, runs out of money—only a selfish, misguided politician would recommend bankrupting our country—as your policies will do if you do not listen to a little common horse sense.

Mr. Truman said farm production should continue at high levels.

Yet his Brannan farm plan would, if workable at all, call for the regimentation of our farmers—for curtailing production—for a reduction in acreage planted—and for a reduction in livestock.

It would limit each farmer's income.

There you have the President of the United States advocating big production, yet at the same time advocating a farm program to curtail production.

It doesn't make sense, Mr. Truman.

This doesn't make sense either, Mr. Truman:

Six months ago you referred to the 1948 national income of $225,000,000,000 as a year of inflation.

Yet on January 7, this year, at the same time you talked inflation, you said to the Congress in your State of the Union message—and I quote the very first words of your speech:

"The people of the United States have just enjoyed another year of bountiful prosperity."

In that same speech you even left the impression that you were responsible for that great income for you said—and again I quote:

"Let us all remember that our unparalleled prosperity has not been maintained by chance, and that we can lose it if we leave the future to chance."

Now, Mr. Truman, that was an entirely different tune than that which you used in Los Angeles, Calif., on September 23, 1948, just three short months before your address to Congress.

Do you remember what you said there? I will refresh your memory by quoting your own words:

"There is no great mystery about how to stop the cost of living from going higher and higher.

"The best way to stop it is with price control.

"A program that does not include price control will not, and cannot, hold down the cost of living. We have learned that from experience."

First you called it high cost of living.

Then you called it a year of bountiful prosperity.

It just doesn't make sense, Mr. Truman.

The President, likewise, selfishly misrepresented the facts in his talk last Wednesday night when he said normal running expenses of our Government were only $10,000,000,000—as he put it, only a 50-percent increase over 10 years ago.

Now, the President of the United States knows this is not a true statement. Let's look at the record.

The President said the total expenditures for the fiscal year of 1950 would be $42,000,000,000—three-fourths of which was for wars and future wars, divided as follows: National defense, $14,000,000,000; veterans' assistance and interest on the debt, $11,000,000,000; foreign aid, $7,000,000,000; total, $32,000,000,000.

He said, further, that the balance of the Government's expenditures of $10,000,000,000 were increased only 50 percent, while all other expenditures were increased 900 percent.

Here is what the budget was in 1939—10 years ago.

Let's take a good look at it and analyze where the President misinformed the people in his fireside chat.

The total budget in 1939 was $9,000,000,000.

The President took debt interests and veterans' assistance costs out of the 1950 budget; so we'll take a billion and a half out of 1939 for that purpose.

He set aside $14,000,000,000 for military costs.

In 1939 military costs were $1,650,000,000.

He took out foreign aid, but we can't take any out of the 1939 budget for that purpose because we had no foreign aid at that time.

That leaves about six and one-half billions in the 1939 budget for the same things which the President said cost $10,000,000,000 in the 1950 budget.

But here is the catch:

When you take out relief work, agriculture payments, etc., the 1939 budget showed a pay roll of $1,800,000,000 for 1,000,000 Federal employees.

When you take out public works, welfare, subsidies, etc., from the 1950 budget, you have $6,500,000,000 for a pay roll of over 2,000,000 Federal employees.

Now, Mr. Truman, there is the real cost of Government, and that increase is more than 300 percent.

Mr. Truman is going to spend us into prosperity, so he says, but let's take a look at the past record in this respect.

Following are the annual deficits created by trying to spend us into prosperity.

Along with those figures are the number of unemployed in each year.

	Deficit	Unemployed
1933	$3,000,000,000	Nearly 13,000,000.
1934	4,000,000,000	Over 11,000,000.
1935	3,000,000,000	Over 10,000,000.
1936	5,000,000,000	Over 9,000,000.
1937	3,000,000,000	Nearly 8,000,000.
1938	1,000,000,000	Over 10,000,000.
1939	4,000,000,000	Over 9,000,000.

It won't make any difference how much money you give Mr. Truman and his New Dealers—they will spend it all.

Except for the Congress, Mr. Truman and his selfish bureaucrats would take all your money and spend it.

They think they can spend it better than you can.

They are not only selfish, but likewise conceited.

During the two most prosperous peacetime years in the history of our country—1947 and 1948, when the Republicans controlled Congress—every man, woman, and child in the United States was employed at high wages and salaries.

Farmers were the most prosperous in the history of this Nation—as was business—and yet during this most prosperous of all times, Mr. Truman and his selfish boys ran a deficit.

If they cannot run this country without running it in the red in the most prosperous period in history, how can they do any better during a declining market?

Now, the selfish Mr. Truman (selfish with respect to wanting to spend your money) has spent $177,000,000,000 since the war—$10,000,000,000 more than all Presidents spent from 1789 to 1940, which included all wars during that period.

Yet, he is talking about a depression.

We have 4,000,000 unemployed and another 8,000,000 working short hours.

Mr. Truman talks about selfish interests without naming them.

Who are they?

I will tell you who they are:

They are Mr. Truman and his more than 2,000,000 Federal pay rollers.

America, wake up.

The greedy, selfish interests are here in Washington, headed by the President, and not among the one-hundred-and-forty-odd millions of Americans who pay taxes.

How can you have confidence in a man who only 6 months ago said we should increase taxes, and now says we should not?

Who said 6 months ago we should control prices, and now says we shouldn't?

Who said 6 months ago we should return to OPA, and 6 months ago said we were heading into inflation, and now says we should spend billions to head off deflation?

Who said 6 months ago high prices were due to selfish interests, without naming them, and now says low prices and unemployment are due to the same selfish interests, still without naming them?

Who said 6 months ago selfish interests were promoting inflation and high prices—and now says the same selfish interests want a depression, unemployment, and low prices?

Shame on you, Mr. Truman.

Quit playing politics.

You can't fool the people all the time.

I have given you an analysis of the President's economic message to the people so you might see how inconsistent and how unreasonable your present administration in Washington is.

You might as well make up your mind that we have again gone back to the old New Deal philosophy of tax, spend, and elect.

Mr. Truman, in his speech, reminded me of a spoiled boy who, regardless of what happens to him, always blames someone else.

These same selfish spenders have controlled the administration and the Congress of the United States for 16 years—with the exception of the two most prosperous years—1947 and 1948 when the Republicans controlled the Congress.

They should be men enough to stand up and admit their failures because they have had full and complete control over the economic life of this Nation for those 16 years and they have full and complete control over it today.

When things are going well they say: "Yes, we planned it that way."

The minute things get a little tough, they want to blame nameless people.

If I may be so bold as to offer advice to the President, my suggestion would be:

Quit blaming nameless people for his own shortcomings.

Stand on his own two feet and the record of his administration.

I know people are getting sick and tired of hearing alibis from those who have run us in debt to the tune of $252,000,000,000—particularly since the only promise held forth for the future is an ever-increasing tax burden and a never-to-be-balanced national budget.

I see my time is up.

This is HOMER CAPEHART saying good-bye until next week.

The Fellow Defenders—Psychopathology of Confused Liberals

EXTENSION OF REMARKS

OF

HON. ABRAHAM J. MULTER

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, July 20, 1949

Mr. MULTER. Mr. Speaker, I am pleased to direct the attention of my colleagues to the following article by Norbert Muhlen which appeared in the New Leader of July 2, 1949:

THE FELLOW DEFENDERS—PSYCHOPATHOLOGY OF CONFUSED LIBERALS

(By Norbert Muhlen)

In the year of Lenin's birth, the Communist fellow traveler and his place in the plot of revolution were described with precise prophecy by Dostoevsky, in his novel, The Possessed.

"Our party," the madman Verkhovensky, underground organizer of the great upheaval, said 80 years ago, "our party does not consist only of those who commit murder and arson, fire off pistols in the traditional fashion, or bite colonels. * * * Among officials and literary men we have lots, lots, and they don't know it themselves. * * * Do you know how many we shall catch by little, ready-made ideas?"

The Possessed of 1949 may still secretly boast of a similar success. Among professional people, professors, Protestant clergymen, among artists, actors, authors, and millionaires the Communists still have lots who themselves don't know that they are being "had," and that the Communist mind-catchers processed great, noble ideas into little, ready-made ideas in order to catch them. On a point of fact, the bona fide fellow traveler (to be sharply distinguished from the secret party member with or without membership card) can be recognized by his sincere, stubborn refusal to admit that the Communists manipulate, and exclusively benefit from, his political behavior.

With the recent change in Soviet-American relations, with the increasing determination of the American public to resist Moscow after it had been seduced and tricked into submission to Moscow, with the new image of communism prevalent in this country, there was bound to evolve a new type of unwitting American auxiliaries of the Communist secret battalion. Actually, the fellow traveler of 1949 seems somewhat different from the fellow traveler of the previous era which ended between 1946 and 1947, and the Communists are using him in different ways for new objectives.

The traditional fellow traveler was caught by his discontent with one or several features of democracy, by his will to change, by his enthusiasm for social improvements; the Communists took control of his political actions by inconspicuous and elaborate techniques, and exploited, in ways which were not always easily discernible, him and his socially desirable ends as means for their own, quite different, dictatorial ends. This was the era of Communist penetration, advance, and conquest in this country.

In the present era, however, the Communists, being forced to defend their positions against American resistance, must protect their agents at home and their power abroad against American countermeasures. While the traditional fellow traveler has been a secret instrument and objective of Communist advance, the new one is mainly used as an open weapon of Communist defense.

While he once defended his cooperation with the Communists for a great many objectively good causes, he now has to defend the Communists themselves in the name of good causes—of peace and civil liberties. For the sake of peace he has to oppose American resistance to Soviet violence and warmongering abroad, and for the sake of liberty he has to defend the right of Communists to conspire against, and spy on, the American Republic.

To put him into this role, to organize him into that part of American public opinion which opposes the present policies, to create the sixth column of voluntary non-Communist defenders of the Communist fifth column, the Communists had to twist his mind into a new turn. Different from the traditional fellow traveler who saw in the Soviet Union a successful social experiment, and in the native Communists a group of efficient radical progressives, the new fellow traveler is not so sure about both points, and he may even admit his dislike for both; what he has to believe and proclaim now is that neither the Soviet Union nor the American Communists are a threat to this country, and that they have a right to act the way they do, while we have no right to oppose them, even if we dislike them.

To borrow a mot coined years ago by Claire Booth Luce, both of them are "Commybuts"; after affirming that he was not a Communist, the old fellow traveler used to add: "But the Soviet Union is a great step forward, and the Communists are fine people," while now he prefers to explain: "But we endanger world peace if we don't give in to the Soviet Union, and we endanger our democracy if we won't let our Communists alone."

Apparently there is a paradox in the fact that people sincerely believing in peace and liberty criticize every lawful, democratic, peaceful measure in defense of peace and liberty; and this paradox cannot be explained by surface reasons, such as lack of intelligence and honesty. We may assume that those Nobel prize winners of peace, literature, medicine, and physics, those eminent teachers of psychology, law, and mathematics, those great pianists and painters who sponsor the Cultural Cominform Congresses, who sign telegrams of welcome to the sacrilegious heresiarch of Canterbury, who become ward heelers for Mr. Wallace, who, in short, have turned into full-time fellow travelers, are not just "politically naive," as is sometimes explained with a shrug of the shoulders. They are as intelligent—politically and otherwise—as the great mass of Americans who have learned the truth about communism through those human events which are, as Mr. Churchill recently reminded us, better teachers than are mere words. If the fellow traveler seems unable to grasp the meaning of the headlines, it must have causes above and behind his rational intellectual capacities.

Neither can the apparent paradox be explained by blaming the new fellow traveler's attitude on self-seeking calculations and moral baseness. In some cases it may be true that there are advantages for, say, musicians or ballet dancers to exhibit the same fellow traveling opinions as their mighty newspaper critic who happens to go all out for the party line. In a few other cases a fellow traveler may believe in the possibility of an ultimate victory of communism and want to play safe while risking little; but the majority of the new fellow travelers are hardly motivated by opportunism, as so many actually had been in the previous years when among numerous, and especially intellectual groups, fellow traveling had been the right—and rewarding—thing to do.

The strange contradictions of the fellow defender, as we should like to call the new fellow traveler, have deeper roots. In many cases, they are the products of a conflict, an insecurity, an anxiety which has been mobilized by and for Communist propaganda, and which leads to a rather clear-cut case of a political neurosis which we may understand like mental disturbances of a more personal character.

"The liberals always have more guilt feelings than other people," Dr. Margaret Mead, an American anthropologist, remarked at the World Congress for Mental Health in London, in August 1948. "The reason is that the liberals are the defenders of the minority rights per se, and therefore take every curtailment of these rights more seriously than other people, whether these other people might think these curtailments to be necessary or not." This feeling of guilt, latently existent in every liberal believer in peace and justice, is the psychological basis from which the Communists can proceed to the production of their fellow defenders.

To mobilize the conflict in the minds of the fellow defenders, they must lead them into the belief that their noble political principles are violated by the American treatment of communism; they have to see American resistance as a persecution of the Communist minority and a militaristic provocation of the Soviet power—in other words, offenses against the rigid principles of liberalism and pacifism.

It is an old political truism, stated by Edmund Burke, that principles which are utterly inflexible in all cases are bound to prove impotent and self-stultifying. "Let us be clear about one thing", explained Mr. Max Lerner (in 1940, it is true), "ideals and ethics are important in politics as norms, but they are scarcely effective as techniques." This in his introduction to the works of Machiavelli, who himself had set down in his last Dis-

course: "A republic that desires to maintain her liberties needs daily fresh precautions. In a great republic, there are constantly evils occurring requiring remedies which must be efficacious in proportion to the importance of the occasion."

Oliver Wendell Holmes gave, in a famous opinion in the year 1919, the formula as to when the freedom of opinion may be constitutionally curtailed: "The question in every case is," he wrote, "whether the words used are used in such circumstances and are of such a nature as to create a clear and present danger that they will bring about the substantive evils that Congress has a right to prevent. It is a question of proximity and degree." This formula, in its wise and very American pragmatism, outlined the limits within which the principles of liberty and peace might be adjusted to the reality principle of self-preservation without damage to these political principles themselves; there is no general prescription, no all-around recipe valid in and for every case, but—just as in the life of individuals—a healthy society finds its way to preserve itself as well as its political conscience, as this country has shown in the last 3 years.

Whoever read the reports of the Canadian spy case or the revelations of Soviet undercover work in this country must be aware of the fact that disloyal officials are able to bring about the "clear and present danger" against which the Government must protect itself by investigating its employees and eventually firing those who seem sufficiently "suspect." Whoever followed the accounts of Soviet aggressions and their technique in latter years, whoever knows the blueprints for world conquest designed and used by the Comintern and the Moscow leaders, whoever heard a radio commentator report on the violent advances of the Soviets in Europe and Asia must be aware that, if unchecked, the Soviet power will create the "clear and present danger" of war, against which this country must defend itself by building up its power to resist.

In contrast to genuine pacifists who believe, and always have believed, that no danger whatsoever could justify a war, and that armed preparedness always attracts war, and in contrast to sincere liberals who defend everybody whose civil rights they believe infringed upon, the fellow traveler defends only the Communists and opposes armaments only when directed against the Soviets. He did not protest when Nazis or alleged pro-Nazis were curbed in this country; nor did he ask for an understanding with the Third Reich, or for Mr. Roosevelt to travel to Berchtesgarten and to "settle his differences" with Hitler; as a matter of fact, he was in heartfelt agreement with every measure against Hitler Germany which curtailed the Bill of Rights or which meant war, and this significant difference in his attitude proves that it is not a particularly rigid conscience but his distorted estimation of the Soviet realities which makes him a defender of the Communists. This difference is the test of the fellow defender as a product of Soviet propaganda.

While there is today at least as much evidence of concentration camps, persecutions, suppression of every liberty, militarization, and mass killings in Soviet Russia as there was known abroad about the same things in Hitler Germany, the fellow defender refuses to accept it fully, and prefers to accept the words, signs, symbols, and appeals of Soviet advertising which, the realities to the contrary notwithstanding, seem to him close to his own way of thinking. He sees the Communists as prodigal brothers rather than mortal enemies.

There is often an element of personal experience in this attitude: after cooperating with the Communists in progressive and anti-Fascist causes and committees, he is reluctant to break every sentimental tie with them, just because their comrades in this country advocate treason, or because their party in Hungary or in Bulgaria murders dissenters. "We don't know the whole story," he is likely to acquiesce. "After all, there is an immense difference between the Communists and the Nazis."

He seeks doggedly for reasons—rationalizations of deeper, purely emotional feelings, as a psychoanalyst would immediately (and correctly) suspect—to show that, if all is said and done, the Brown Fascists were much worse than the Red Fascists. He might have personal reasons to feel more threatened by the former than by the latter; and he might have a certain feeling of identification with the Communists. Their propaganda has linked him closely to themselves, making him believe that he will be the next victim. Here again, we see a victory of Communist advertising over American realities; despite the lack of evidence that Communist opinion has been suppressed or that liberals unjustly accused of being Communists have been wronged, he is caught by the Communist scare appeal.

To quiet his doubts about the realities and to appease his critical powers, the Communists have developed for his use a technique of distortion based on the formula that the mote equals the beam, the mote being of course in the eyes of America. By a sort of conditioned reflex, mentions of Soviet faults are immediately associated, and thus crossed out by mentions of American faults; their size, their context, and the chance to correct them, those coefficients are eliminated. Just as the hyprocrite suffers from a blackout of self-criticism, the fellow defender, an inverted hypocrite, suffers from the enjoyment of his chronically fact blind, badly inflated bad conscience.

He is, like Prof. Theodore Brameld, a sponsor and defender of the Waldorf Parade, unable to make up his mind between American and Communist positions, methods, goals; he resents the "oversimplified conclusion that we are faced with a black-or-white, either-or choice." As if this choice had not been created by what is called Marxism-Leninism-Stalinism and its Moscow practitioners, he blames those Americans who have chosen to defend the democratic "or" rather than the dictatorial "either" for their "destructive attacks."

The fellow defenders, the third sex of contemporary politics, turn their feelings of fear, confusion, and guilt into aggressiveness against self-evident facts which, were they not distorted by Communist advertising claims, would cut off their argument at once. With the Soviets attacking and this country resisting, so-called neutrality of liberals means support of the Soviets.

Our analysis shows that it is not legitimate concern for liberal and pacifist principles which makes the fellow-defender protest against our policies, but his distorted, unrealistic image of the Communists, his emotional unwillingness to see them for what experience and evidence show them to be. Since the majority of the country has recovered from this somewhat hysterical blindness to the Soviet facts, the propaganda of Soviet harmlessness would have little chance to affect larger groups. Therefore, defenders must seem concerned with the preservation of allegedly threatened civil liberties and allegedly endangered peaceful relations to mobilize the national bad conscience which can be disturbed more easily than the national faculty of rational perception.

While it is certain that the number and influence of American fellow travelers have considerably decreased since the war and first postwar years, probably to less than half of their previous strength, their potential influence should not be underestimated. They represent a morbid self-criticism which, in times of strain, might prove infectious. If, according to Gunnar Myrdal, the American dilemma consists in the inability to live up to the high moral precepts on which the Republic is founded, the democratic dilemma may show itself in occasional difficulties to uphold peace and liberty in defense against their mortal enemies. The fellow defender, cultivated by Communist propaganda on the soil of democracy and its discontents, will be a relatively lonely figure as long as the democratic dilemma exists not as a real fact, but only in his imagination.

Moses Clears the Bulrushes

EXTENSION OF REMARKS
OF
HON. HENRY J. LATHAM
OF NEW YORK
IN THE HOUSE OF REPRESENTATIVES
Wednesday, July 20, 1949

Mr. LATHAM. Mr. Speaker, back in 1940 many of the Members of the House had the pleasure of visiting the world's fair in my home county of Queens in New York City.

When the fair was closed, almost all of the buildings, which were temporary, were torn down, leaving in their place an unattractive swamp area, overgrown with bulrushes.

I believe you will all be interested to know that under the skillful hand and keen vision of the master builder of America, Robert Moses, the world's fairgrounds will be made into an attractive park and playground, with botanical gardens, stadium, baseball diamonds, perhaps a zoo, and other recreational facilities for the benefit of the people of New York City.

Mr. Speaker, under leave to extend my remarks, I include the following editorial on the subject, dated July 13, 1949, from the Long Island Daily Press, one of the leading public-spirited newspapers in America:

FLUSHING MEADOW

Something in the Moses tradition of park development is going to emerge from Flushing Meadow one of these days. The park commissioner who gave us Jones Beach, Cunningham and Alley Pond Parks, among others, has big plans for what once was one of the most gigantically outlandish ash and garbage dumps the city has ever seen.

The World Fair 9 years ago started the ball rolling toward a realization of Commissioner Moses' plans for a Flushing Meadow Park which would be not only one of the largest in the city but one of the most complete.

Had the war not intervened, it is probable that Flushing Meadow today would be much further along toward development into what the commissioner has envisioned for it. Save for some areas around its margin, it is not even very much to look at now, much less to use for recreational purposes.

The commissioner's hope now is that Flushing Meadow Park can come into full use within 5 years through a series of annual appropriations to carry out his plans step by step. Because the commissioner has had a way of getting what he wanted, that is a hopeful augury for a complete Flushing Meadow Park in fewer years than hitherto has seemed possible.

The Moses blueprint focuses first attention on the section of the 1,200-acre tract

north of Horace Harding Boulevard where the city building, now the United Nations' temporary meeting place, will be restored to use as a skating rink.

At the northern end of the tract the commissioner plans to retain a 2,500-car parking field and to add baseball, softball, and football fields, tennis courts, and a stadium. (Let's hope the stadium is large enough to accommodate a crowd of thousands.)

The area around the world fair's gardens on parade, which has become the Queens Botanical Gardens, also is to be landscaped and will have playgrounds, baseball diamonds, and parking facilities.

The other end of the tract—south of Horace Harding Boulevard where the fair's aquacade provides public bathing facilities—the commissioner plans to turn into a picnic area overlooking Meadow Lake.

Commissioner Moses has yet to accede to suggestions from Queens that space be made available for an arts and crafts center and a children's museum, possibly in the New Jersey Building which is used in part now as a police station. Nor has he changed his mind, publicly, at least, about the prospective location of a zoo he plans for Queens.

Every time it mentions the Queens Zoo project, the park department states it will be in Forest Park. A zoo may be some time away, but when the department gets down to the actual task of establishing one, Flushing Meadow Park would seem to be by far the more suitable location.

For one thing, it would be more easily reached there from all parts of the borough. For another, Flushing Meadow, being largely undeveloped now, would lend itself more readily to spacious zoo planning than Forest Park, where the development is all but complete.

An arts and crafts center and a zoo would be attractive additions to Flushing Meadow Park. Together with the facilities officially proposed, they would make that area without any question one of the finest public parks in the city if not in the entire Nation.

Statement of Economists' National Committee on Monetary Policy in Support of H. R. 3262

EXTENSION OF REMARKS

OF

HON. DANIEL A. REED

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 14, 1949

Mr. REED of New York. Mr. Speaker, it is encouraging to know that outstanding economists throughout the country are in favor of establishing a sound gold-coin monetary standard and system in this country.

There will be no stabilization of economic affairs either here or abroad until such a standard is adopted and maintained.

Under leave to extend my remarks, I am inserting a statement made by the Economists' National Committee on Monetary Policy, which has recommended the enactment of H. R. 3262, which I introduced in the House on March 7, 1949:

FORTY-FIVE MEMBERS RECOMMEND ENACTMENT OF THE REED BILL, H. R. 3262, DESIGNED TO PROVIDE THE UNITED STATES WITH A GOLD-COIN MONETARY STANDARD AND SYSTEM

We, the undersigned, members of the Economists' National Committee on Monetary Policy, recommend enactment of the Reed bill, H. R. 3262, for the following reasons:

1. Restoration of a gold-coin monetary standard in the United States would reestablish integrity in the promises to pay issued by the Treasury and Federal Reserve banks. Most of the paper money of the United States carries promises to pay which, under present laws, are not, and cannot be, honored. Statements on some of these notes as to the nature of the security underlying them are not in accordance with fact. No nation, if it can avoid doing so, should permit its treasury and banks to issue and circulate such promises. Our country can and should avoid this practice.

2. A circulation of an irredeemable paper money permits and invites a much freer and less responsible issuance of circulating media than would be possible if these promises to pay were redeemable in gold on demand. Profligate Government spending and depreciation of the Nation's currency in terms of goods and services are natural consequences of the issuance of such a currency.

3. Restoration of a gold-coin monetary standard and system would return to the people a high degree of direct control over the Government's use and abuse of the people's purse. Under our system of irredeemable currency, the people's purse is at the mercy of pressure groups to which the majority of Congress have been yielding since such a currency makes it easy for Congress to spend the people's money as demanded by such groups.

4. Restoration of a gold-coin monetary standard and the return to the people of their proper control over the use of their public purse should provide them with a potent weapon against socialization and regimentation by their Government.

5. Restoration of a currency characterized by integrity in the promises to pay should, insofar as any currency can do so, inspire confidence and encourage saving, investment, production, employment, and trade.

6. The free flow of gold, silver, and our other money across our international boundaries should enable private ingenuity once more to go where it will and can, when it will, in search for goods, markets, and services with the consequence that foreign trade should expand and other nations should, sooner than otherwise would be the case, be able to develop their trade, obtain more gold and silver, reestablish redeemable currencies, and increase their production and wealth.

7. The monetary stock of the United States is ample in ratio and amounts to permit reestablishment of a redeemable currency.

8. Resumption should be at the established rate of $35 per fine ounce of gold. This standard has been maintained at our Treasury and Federal Reserve banks since January 31, 1934. Fixity is a basic requisite of good monetary standard, and there is no valid reason why the weight of our standard gold dollar should be altered.

Charles Cortez Abbott, Harvard University; Charles C. Arbuthnot, Western Reserve University; James Washington Bell, Northwestern University; H. H. Beneke, Miami University, Oxford, Ohio; Claude L. Benner, Continental American Life Insurance Co., Wilmington, Del.; Frederick A. Bradford, Lehigh University; J. Ray Cable, John B. Stetson University; Wilbur P. Calhoun, University of Cincinnati; Cecil C. Carpenter,[1] University of Kentucky; Arthur W. Crawford,[2] Chamber of Commerce of the United States, Washington, D. C.; William W. Cumberland, Ladenburg, Thalman & Co., New York City; Rev. Bernard W. Dempsey, S. J., St. Louis University; D. W. Ellsworth, E. W. Axe & Co., Inc., Tarrytown, N. Y.; Fred R. Fairchild, Yale University; Charles C. Fichtner, Buffalo, N. Y.; Major B. Foster, Alexander Hamilton Institute and New York University; A. Anton Friedrich, New York University; Roy L. Garis, University of Southern California; E. C. Harwood, American Institute for Economic Research; Hudson B. Hastings, Yale University; William F. Hauhart, Dean Emeritus, Southern Methodist University; John Thom Holdsworth, the University of Miami; Montfort Jones, the University of Pittsburgh; Donald L. Kemmerer, University of Illinois; William H. Kiekhofer, the University of Wisconsin; William H. Kniffin, Bank of Rockville Centre Trust Co., L. I.; J. L. Leonard, University of Southern California; Edmond E. Lincoln, du Pont Building, Wilmington, Del.; A. Wilfred May, Executive Editor, the Commercial and Financial Chronicle, New York City; Roy W. McDonald, Donovan, Leisure, Newton, Lumbard and Irvine, New York City; David H. McKinley, the Pennsylvania State College; Melchior Palyi, Chicago, Ill., Frank Parker, University of Pennsylvania; Clyde W. Phelps, University of Southern California; Charles L. Prather,[3] the University of Texas; Leland Rex Robinson, 76 Beaver Street, New York City; R. G. Rodkey, University of Michigan; Olin Glenn Saxon, Yale University; Carlton A. Shively, the New York Sun; Walter R. Spahr, New York University; James R. Trant, Louisiana State University; Rufus S. Tucker, Westfield, N. J.; Russell Weisman, Western Reserve University; Nathaniel R. Whitney, the Procter & Gamble Co., Cincinnati; Max Winkler, Bernard, Winkler & Co., New York City.

[1] Thinks bullion redemption would be adequate.

[2] Would prefer deferment of effective date.

[3] Prefers gold bullion to gold-coin standard.

THE REED BILL

A bill to restore the right of American citizens to freely own gold and gold coins; to return control over the public purse to the people; to restrain further deterioration of our currency; to enable holders of paper money to redeem it in gold coin on demand; to establish and maintain a domestic gold coin standard; and for other purposes

Be it enacted, etc., That this act may be cited as the "Gold Standard Act of 1949."

SEC. 2. The standard monetary unit of the United States of America shall be the gold dollar of fifteen and five twenty-firsts grains nine-tenths fine. Gold coins of not less than $10 denomination as the Secretary of the Treasury finds desirable shall be minted and issued upon demand.

SEC. 3. Nothing in this act shall be construed to change the size, weight, or fineness of the present lawful silver coins.

SEC. 4. Standard gold coin and gold certificates shall be full legal tender.

SEC. 5. All other money of the United States shall be maintained on a parity with the standard gold dollar by freedom of exchanges at par with standard gold.

SEC. 6. Standard gold bullion and coin as well as gold certificates shall be lawful money for reserves against deposits in Federal Reserve banks and in the 5 percent redemption fund against Federal Reserve notes.

SEC. 7. Standard gold bullion and coin as well as gold certificates shall count as part of the minimum reserve of 25 percent to be held by Federal Reserve banks against their Federal Reserve notes in actual circulation.

SEC. 8. All legally issued Treasury currency, except (a) fractional silver and minor coins as provided in section 9, and (b) bank notes and Treasury notes in the process of retirement, shall have the quality of full legal tender. Specifically, the following shall have the quality of full legal tender: Gold coin and gold certificates, silver dollars and silver certificates, and United States notes.

SEC. 9. Fractional silver coins shall be legal tender only up to $10. Five-cent pieces shall be legal tender only up to 25 cents.

SEC. 10. Federal Reserve notes shall be receivable for all debts, public and private, but they may not be counted as reserves against other notes or deposits of issuing banks.

SEC. 11. All provisions of law authorizing the President to alter the size, weight, or fineness of gold and silver coins are hereby repealed. The mint charges for assaying and coining gold and silver, limits of tolerance, and the alloys in gold and silver coins shall be those in effect in 1932.

SEC. 12. That part of section 43 of the act of May 12, 1933, as amended by Public Resolution No. 10, approved June 5, 1933, providing that all coins and currencies of the United States shall be full legal tender, is hereby repealed.

SEC. 13. The act of June 12, 1945 (59 Stat. 237), is hereby amended to provide that all Treasury currency, except that in process of retirement, shall be counted along with gold and gold certificates, as part of the lawful money for reserves against deposits in Federal Reserve banks. Specifically, all silver and minor coins, silver certificates, and United States notes shall be added to gold and gold certificates as part of the money that is lawful for reserves in Federal Reserve banks against their deposits.

SEC. 14. The Gold Reserve Act of 1934 (48 Stat. 337) is hereby repealed.

SEC. 15. This act shall take effect June 30, 1950.

Compulsory Isolationism

EXTENSION OF REMARKS

OF

HON. JOSEPH P. O'HARA

OF MINNESOTA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, July 19, 1949

Mr. O'HARA of Minnesota. Mr. Speaker, I submit that an article by Felix Morley in his weekly analysis for the American citizen, Human Events, issue of July 13, 1949, is an analysis of such importance that it merits the consideration of every Member of Congress and every citizen. The article follows:

COMPULSORY ISOLATIONISM

(By Felix Morley)

The British decision to embargo private purchases from the United States, and to develop barter treaties outside the dollar area, on the Nazi pattern, is bitterly ironical. After subjection to an intense and protracted campaign asserting the heinous character of isolationism, the American people suddenly find themselves more isolated than ever before. They can no longer even sell their goods freely to British colonies lying just off the American coast.

This shocking development comes at a time when it is increasingly obvious that not a single objective of our foreign policy during the past 4 years has been attained. The whole grandiose structure has simply collapsed, with officials of the Department of State reduced to a frantic scrabbling amid the ruins. An instance was when Secretary Acheson recently said, off the record, that unless we toss $150,000,000 more to southern Korea, it will go Communist in 2 or 3 months.

So it is not surprising that disillusionment is increasingly apparent—from Maine to California. The Atlantic Charter seems a sardonic memory. The reciprocal trade agreements program sounds like a bad joke. There is no faith in the United Nations; no confidence in the Marshall plan; no enthusiasm for the North Atlantic Treaty and rather less than no trust in the pending military-assistance program.

Indeed it is possible to believe that the long-suffering taxpayer is at last about to turn, at least sufficiently to repudiate this latest political panacea of arming western Europe, along with point four as the administration's latest economic nostrum.

It will be extremely significant if British policy, rather than that of Soviet Russia, serves to bring the American people to their senses. For while everyone knows that communism and capitalism will not mix, we have somehow been sold on the idea that British and American interests are inseparable and, in all fundamentals, identical.

This assumption is now being refuted by the British themselves. What they have done is merely to demonstrate that in an emergency self-preservation is the first law of nature. But there is also almost an element of contempt in the British decision to increase imports of cereals from Soviet Russia, simultaneously with the imposition of a license system limiting export of American grains to British territory.

The effrontery is sharpened by synchronizing this barter arrangement with the Senate debate on the North Atlantic Treaty. For article 2 of this alliance, directed against Russia, says piously:

"The Parties * * * will seek to eliminate conflict in their international economic policies and will encourage economic collaboration between any or all of them."

II

With the pathetic frustration of our post-war global planning there is now more than a little danger of a developing Anglophobia. We have seen how readily our commentators could turn from an actual deference toward "good old Joe" Stalin, to picturing him as Public Enemy Number one. A similar emotional volte face toward the present British Government is not at all impossible.

Therefore it should be emphasized that the British National Socialists, like the Russian Communists, have done nothing which could not easily have been foreseen by an intelligent officialdom in Washington. What human events has proved itself able to anticipate was certainly not too deeply veiled for the discernment of our presumably well-informed and certainly well-financed diplomacy.

The British Labor Government has now been in power for exactly 4 years—since July 26, 1945. During that period it has moved steadily to restrict individual freedom, in order to make Britain a completely socialized State. There has been no deception and no concealment about this policy. On the contrary, the imaginary virtues of an essentially isolationist economy have been stridently proclaimed.

Moreover, for a full generation before the Socialists assumed power in Britain, they were preparing their present program and announcing it to the world. If Americans failed to realize their objectives, the present political leadership in London is certainly not at fault.

Finally, every careful student of British history must have realized that the dominant political theory in England, ever since the Norman conquest, has been that of class government. There was no fundamental alteration in this theory when representatives of the wage earners achieved the political power which earlier had been wielded by feudal barons, by court and established church, by great landlords or—in time—by the rising manufacturing class. No new principle, of European federation or more effective international cooperation, was established when the representatives of organized labor began to change Great Britain into a national socialist state. The underlying theory of British Government is still wholly alien to that of our Constitution.

In 1776 Americans could see that all human interests—economic, social, and spiritual—are opposed to the theory of centralized class government. So they declared, fought for, and established the independence of this Federal Republic. But, in 1949, Americans are far less familiar with their traditions, and far less aware of the practical value of these traditions, than they used to be. For all the current talk of freedom, Americans today reveal in many ways that they actually welcome the encroachments of a paternalistic governmental elite.

III

Over a century ago that shrewd and sympathetic observer of American democracy, Alexis de Tocqueville, remarked:

"I know of no country in which there is so little independence of mind and real freedom of discussion as in America. * * * The majority lives in the perpetual utterance of self-applause, and there are certain truths which the Americans can learn only from strangers or from experience."

That governments are constituted to conserve, rather than to squander, the human and material resources entrusted to their protection would seem to be one of these truths. But we have come to believe that governmental dissipation of wealth is somehow admirable. Now, both from experience and from strangers, we shall perhaps relearn some political fundamentals.

First the Russians and now the British have told us, in so many words, that our feverish effort to discard something stigmatized as "isolationism" was, in their eyes, ridiculous. First Moscow and then London have informed us that from now on we can restrict our trading to the dollar area, whether we like it or not. The official "aim" is still "a pattern of world trade in which the dollar and nondollar countries can operate together within one single multilateral system." But the actual practice has no relation to the asserted aim.

If there is a continuation of this "disequilibrium"—as the British treasury euphemistically describes it—then our editorial writers will soon have to revamp their use of words, so that "isolationist" is no longer employed as an epithet. For years the practice has been to use the term in derision of those who think that the United States can do little for mankind unless it keeps its own inheritance bright. Now London politely says that the net result of our globaloney is "aggravation of deep-seated maladjustments."

When asked to be specific on the evils of "isolationism" the standard reply has been that the world has shrunk with the progress of science and invention. That is of course true, but because one may now travel to Europe overnight it does not follow that the American people should scrap their whole theory of government, to adopt the patterns of European socialism. Having done so much in this direction, it is disconcerting to be told by Sir Stafford Cripps that the effort was futile.

IV

There is nothing obscure about the distinctive American contribution to political thought.

It is found in the essentially Christian belief that the individual is naturally honorable, and Caesar (or the state) naturally tyrannical. To prevent subjection of the individual by the state, the powers of the latter should therefore always be balanced and circumscribed. The responsibility of the citizen—who with us is not a subject—is to show himself worthy of this idealistic system. In the memorable words of James Madison, we "rest all our political experiments on the capacity of mankind for self-government."

This virtue of self-government has been highly developed by the American people, and is still strong at the grass roots throughout the entire Nation. Yet, for some strange reason, it has become fashionable to argue that men can no longer govern themselves—that they need the controls of an all-powerful national, or even international, bureaucracy. Logically, it would seem that as the world shrinks in terms of communication its localities need more rather than less protection against the concentrated governmental tyranny which science makes both more probable, and more terrible.

Now, as the result of continuous frustration, two conclusions are forced upon us. One is that our political system is simply not designed to produce supermen in the field of world planning. The blunders of our officials have been so grotesque that we cannot fairly hold them personally responsible. They have been trying to do what our system of government makes impossible.

The second conclusion, currently rammed home by the British planners, is that other governments have no intention of scrapping their political philosophy, merely because we have lost faith in our own. Whenever our internationalism comes up against Russian or British isolationism, it is the latter which wins out.

In short, the alien philosophies we seek to adopt are bringing us nothing but domestic confusion and foreign contempt. But we may learn, as de Tocqueville said, from strangers and from experience.

Does the Marshall Plan Aid Socialism?

EXTENSION OF REMARKS

OF

HON. JAMES P. KEM

OF MISSOURI

IN THE SENATE OF THE UNITED STATES

Wednesday, July 20 (legislative day of Thursday, June 2), 1949

Mr. KEM. Mr. President, an amendment has been proposed to the ECA appropriation bill to forbid Marshall-plan assistance going to any participating country which, after the passage of the act, shall socialize or nationalize any of its basic industries.

My attention has been called to an article which appeared in the Christian Science Monitor of June 27, 1949, written by Mr. Roscoe Drummond, which purports to give the views of Paul Hoffman, ECA Administrator, regarding this amendment. Effective July 15, Mr. Drummond became Chief of the Information Division, Office of Special Representative, Paris office, ECA. It may be assumed, therefore, that the article is not inconsistent with the official views of ECA

I have written a letter to the editor of the Christian Science Monitor in which I discuss the propositions presented in this article. Some time ago I suggested to Mr. Hoffman that he and I discuss this question publicly. He declined. I think the article and letter may be of interest as indicating the respective points of view that would probably develop in such a public discussion.

I ask unanimous consent to have printed in the Appendix of the RECORD Mr. Drummond's article as it appeared in the Christian Science Monitor and also my letter to the editor of that newspaper.

There being no objection, the article and letter in reply thereto were ordered to be printed in the RECORD, as follows:

DOES THE MARSHALL PLAN AID SOCIALISM?—NO!

(By Roscoe Drummond, Chief, Washington Bureau, the Christian Science Monitor)

A frequent and beguiling criticism of the Marshall plan is that it helps the aided countries to nationalize their industries and thereby promotes socialism.

I have listened at length to the testimony of this point by ECA officials, including Administrator Paul G. Hoffman—who is a free-enterpriser from way back and would not want to inflict socialism on any country—and I am persuaded that the contention that the Marshall plan is promoting nationalization is without foundation in fact.

But it is a beguiling criticism because it has a surface plausibility, because it looks as though it might be true until it is examined, and because it is used glibly by a few Members of Congress who are eager to lay hold of any club with which to belabor the Marshall plan, which they have fought from the start.

This dispute will come into the open visibly in the Senate soon, when at least one senatorial opponent of ECA will seek to attach to the new appropriations a resolution which would require all countries to pledge as a condition of Marshall-plan aid that they will not nationalize any industry, or any part of any industry, under any circumstances at any time.

The answer which Mr. Hoffman has given to this proposal, and which thus far has been supported by a majority of both parties in both Houses of Congress, is:

That American assistance under ECA has not and is not either underwriting or furthering industrial nationalization in any of the aided countries.

That, in effect, the Marshall plan is a deterrent to nationalization, and that nationalization would have gone further in Europe today if it were not for the Marshall plan.

That the United States should not assume to dictate the internal economic affairs of any country, and that to attempt to do so not only would be morally wrong but would play right into the hands of Soviet propaganda by indulging in the very economic and political imperialism which Moscow charges—and falsely—is the real purpose of ECA.

That the United States should not consider attempting to impose upon any other nation a condition for financial assistance which it never for one moment—and rightly—would dream of accepting for itself.

The concept of the Marshall plan is one of intelligent generosity. It seeks to build European economic stability and health as an essential prelude to a stable peace and in recognition of the fact that European prosperity and American prosperity have been proved to be indissolubly linked.

Suppose, for example, conditions were reversed and France, say, were in a position to make needed money available to the United States. Obviously, the United States Government, however much it might need it, would refuse to be a party to any commitment through which a foreign power would tell the United States how to run its internal economic affairs.

But even if such a condition to ECA aid were proper and workable—and everyone connected with the ECA is convinced it is improper and unworkable—is it needed to insure that ECA funds do not promote nationalization?

It is the conviction of those closest to the facts that the condition is unnecessary and that the very existence of the Marshall plan is a shield which works against industrial nationalization.

Nationalization springs from depressed economic conditions, not from prospering economic conditions. In Britain, for example, it has been the depressed industries to which nationalization has been applied. Remember that in depression times in the United States, in the 1930's for example, businessmen rushed to Washington pleading for Government assistance and willing to accept the resultant Government regulations. But when prosperity returned, the first reaction of American business—very understandably—was to get rid of regulation as much and as fast as possible.

In Britain and in western Europe, the Marshall plan is helping to bring about improved economic conditions. These improved economic conditions inevitably are creating resistance to Government regulations and nationalization. That is why the effect of ECA is to lead away from, not toward nationalization. ECA funds do not at any point finance British or European nationalization. For the most part, they buy American goods needed in Britain and Europe.

If any country ever would accept the proposition that as a condition of getting Marshall plan aid it would run its internal economic affairs the way the United States wanted it to, that country ought not to get ECA aid because it would have shown it had lost the spirit of independence without which it hasn't any chance of recovery anyway.

DOES THE MARSHALL PLAN AID SOCIALISM?—YES

(Letter to the editor of the Christian Science Monitor from Senator JAMES P. KEM)

To the EDITOR:

I have proposed an amendment to the ECA appropriation bill now pending in the United States Senate. The purpose of the amendment is to forbid any Marshall-plan assistance going to any participating country which, after the passage of the act, shall socialize or nationalize any of its basic industries. No attempt is made under the amendment to unscramble what has been done. The intention is to prevent the use of Marshall-plan money in promoting any further nationalization.

My attention has been directed to an article which appears in the Christian Science Monitor of June 27, 1949, written by Mr. Roscoe Drummond, in which "the answer which Mr. Hoffman has given to this proposal" is set out. This "answer" presents three propositions which I should like to discuss very briefly:

(1) It is said that American assistance under ECA has not and is not either underwriting or furthering industrial nationalization in any of the aided countries.

The Socialist experiments in western Europe have been made possible only by Marshall-plan aid. Take the case of Great Britain, the largest beneficiary under the program. Here are five specific ways in which Marshall-plan aid has served to underwrite and further the socialization program in that country:

(a) When an industry is taken over by the Socialist government, the owners re-

ceive British Government bonds in payment. This automatically increases the British national debt. Marshall-plan counterpart funds—already over $400,000,000 worth of them—have been used to retire part of the British national debt.

(b) Under the Marshall plan, raw materials and machinery are furnished directly to the socialized industries of Great Britain. A large quantity of mining machinery, for example, has gone to the socialized coal industry.

(c) The socialized industries of Great Britain have operated, for the most part, at a loss. These losses must be made up. The British do it by short-term borrowing. Marshall-plan counterpart funds have been used and used profusely to retire British short-term debt.

(d) It is generally admitted by observers, including ECA Administrator Hoffman, that socialism slows down the production process. Under socialism, Britain is not producing goods in sufficient quantities at prices which the people of other countries are willing to pay. As a consequence, she has not been able to earn enough dollars through exports to pay for her imports. The Marshall plan makes up the resulting dollar shortage, about which we hear so much.

(e) Had it not been for the Marshall plan, the nationalization program of the British Socialist Party would have brought a standard of living to the British people they would not have been willing to accept. The Socialist politicians have been able to say to their people: "You get more money for less work than ever before." The Marshall plan has been used as a slush fund to keep these same Socialist politicians in power.

Winston Churchill recently said: "We have this extraordinary spectacle of a British Socialist Government living on Capitalist America while at the same time they denounce the American system. Does anybody in his senses suppose that could go on indefinitely? And what would happen to the British Socialist Government if the American subsidy did not arrive punctually?" We have Mr. Churchill's word for it that: "The Socialist Government and Socialist policy are living on the United States from month to month and from hand to mouth."

(2) It is said that, in effect, the Marshall plan is a deterrent to nationalization, and that nationalization would have gone further in Europe today if it were not for the Marshall plan.

Let us look at the record. The original Marshall plan law was signed by the President on April 3, 1948.

On April 12, 1949, a 5-year program for the Socialist Party in Great Britain was announced. In addition to the activities already socialized, including the medical profession, it is proposed that the government now take over—the cement industry, all suitable mineral deposits, cold storage facilities not already publicly owned, sugar manufacturing and refining, and appropriate sections of the chemical industry—and two great insurance companies, both of which have vast investments in other business enterprises. This program was approved on June 10 at a convention of the Socialist Party held at Blackpool, England. On May 1, of this year, the British Government took over the gas industry. On May 9, the House of Commons passed a bill to socialize the all-important iron and steel industry.

Does this look like the Socialist Party is turning back from its program in view of the golden flow of Marshall-plan dollars? If so, it is pertinent to ask what would have been the progress toward nationalization in the absence of the Marshall plan? And it is also pertinent to ask how would the British have financed the plan without American money?

I noted with interest Mr. Drummond's statement in his article that "Nationalization springs from depressed economic conditions, not from prospering economic conditions. In Britain, for example, it has been the depressed industries to which nationalization has been applied." Yet in an Associated Press dispatch carried in the Christian Science Monitor on July 13, 1949, it is stated: "The British iron and steel industry sent its production to the highest level in history for the first 6 months of this year. A total production of 7,949,000 tons was a new record and was 384,000 tons more than the first half of last year." Obviously the British iron and steel industry cannot be classified as a "depressed" industry. Nevertheless, the Socialist government is proceeding full steam ahead with its plan to nationalize this industry.

(3) It is said that the United States should not assume to dictate the internal economic affairs of any country.

This is the old argument that we should not place any strings on Marshall-plan money. It just doesn't hold water.

The money that the United States Government is giving to foreign peoples is only available from taxes taken from American citizens. There is no reason why the American taxpayer should pay for further socialization in western Europe if the American people believe it would be harmful to the participating nations and our own country.

The whole Marshall plan is an interference in the internal affairs of the countries of western Europe on a gigantic scale. The Marshall-plan law itself provides for bilaterial agreements between the United States and the participating countries. These agreements contain many restrictions on the use of our money.

At the outset of the Marshall plan, we said to Spain: "We don't like your government. You can't have any Marshall-plan money unless you change it." We interfered in the Italian election in 1948. The American Ambassador made campaign speeches there. I do not mean to criticize what we did there—but I do say it is too late to throw up our hands and say with sanctimonious piety, "Of course, we do not wish to interfere in either the government or the economy of a foreign country."

It is said in this connection that the British are a proud people. Greece has a glorious history too, but she has not been too proud to agree to restrictions. In early 1946, Britain loaned £10,000,000 (about $40,000,000) to the Greek Government. Britain placed 10 drastic restrictions on the use of her money. Among other things, the Greek Government was required to establish a system of price controls on rationed items and to give the British control over the issuance of new bank notes.

When the loan to Greece was being debated in the House of Commons, Mr. Lipson of Cheltenham, had this to say: "We ought to give the matter further consideration before we indulge in acts of generosity of this kind. We call it a loan. That is a euphemism for a gift. It is quite obvious that if Greece goes on as she is doing she will not be able to repay this loan. * * * The people of this country ought to have more explanation before a sum of money like that is lent to another country, and ought to be assured that the money will be wisely used."

It seems that when the shoe is on the other foot the British do not hesitate to place strings on the use of the money of their taxpayers.

In view of these facts, I cannot avoid the conclusion that when we think this thing through—at long last—we shall decide not to permit our money, earned under an American system of free enterprise and personal initiative, to be frittered away further in European experiments in socialism.

Sincerely yours,

JAMES P. KEM,
United States Senator.

WASHINGTON, D. C., *July 18, 1949.*

Socialized Medicine

EXTENSION OF REMARKS
OF

HON. HOMER E. CAPEHART

OF INDIANA

IN THE SENATE OF THE UNITED STATES

Wednesday, July 20 (legislative day of Thursday, June 2), 1949

Mr. CAPEHART. Mr. President, I ask unanimous consent to have published in the Appendix to the RECORD an essay on socialized medicine written by Miss Joyce Keller, 17-year-old Bluffton, Ind., high school student.

There being no objection, the essay was ordered to be printed in the RECORD, as follows:

SOCIALIZED MEDICINE

(By Miss Joyce Keller)

Since very few people go from cradle to grave without somewhere along the line needing the assistance of those in the medical profession, this subject of socialized medicine should be of deep concern to everybody. Certainly the outcome will affect the lives of everyone.

Behind the bill are the President, the labor bosses, the left-wing New Dealers, the professional liberals and a solid phalanx of commentators and columnists of the bleeding-heart variety. This is their aim: To make available enough medical services to go around, and to see that everybody has a chance to obtain these services. No more doctor or dentist bills. X-ray, laboratory work, and dental plates for free. Hospital and nursing services free, if you need them. Prescriptions filled without costs, etc.

Before you accept this sugar-coated pill, you had better examine it carefully. Don't be deceived by the word "free" because you are going to pay for it. The Government proposal for socialized medicine would cost the Nation more than $18,000,000,000 a year "just as a starter." Nobody can say for sure what the cost of "free medical care" would be for the individual wage earner, but it is estimated it would take from $4 to $8 out of every $100 of salary. In addition to this tax taken out of your pay checks, you would continue to pay Federal income tax, gross income tax, property tax and all the other taxes you are now paying. Things you buy would also cost more. In order to meet this extra tax imposed on them, the management of businesses would be forced to increase their prices. This measure outlines a compulsory pay-check deduction for every worker in the country to purchase a commodity, which to date, he has been able to purchase when and if he desired it.

A survey was recently conducted of 734 cancer cases trying to determine why these patients had delayed in consulting physicians after the actual onset of their symptom. This is what they learned: Of these 734 cases—

Forty-one percent delayed because they considered their symptoms insignificant.

Thirteen percent delayed because their symptoms subsided temporarily.

Five percent delayed because of their fear of serious findings.

Five percent delayed for miscellaneous reasons.

Thirty-four percent did not delay at all but went immediately to the doctor.

And only 2 percent delayed for financial reasons.

People often ignore the fact that the section of the population which is unable to pay for adequate medical care is equally unable to pay for the essentials of sustaining health standards—food, fuel, clothing, shelter, and a job with adequate wages. These

are so essential to the preservation of health that no plan of medical care will work if these requirements remain unfilled. You may ask if there is any way of providing these people with adequate medical care. Yes, there is.

In Michigan, for example, a man may have complete hospital costs paid, and all his surgery and obstetrical costs paid by the Blue Cross-Blue Shield, if he has an income of less than $2,500 a year—with not a penny of extra charge. It costs him only $75 a year for himself, his wife, and all his children. This is equivalent to $6.25 a month or 20 cents a day. That is the cost of one single package of cigarettes at 20 cents a pack. How many families cannot afford a package of cigarettes daily? We must admit though that there are many people who cannot afford, or who will not afford, Blue Cross insurance or any other type of insurance. These low-income groups can, however, be insured by their local welfare departments of the Government. It would be better to start at the bottom, and if we are to spend billions of dollars of our money it would be better to spend it on education, in matters of living conditions, nutrition, sanitation, immunization, in slum clearance, and in the prevention of disease rather than in the mere curing of disease.

The medical profession in this country has labored not a year, not for 5 or 10 years, but for a hundred years to try to find the proper solution that will preserve scientific medicine and preserve the art of medicine as it should be practiced, and serve the human interests of this Nation to the fullest possible extent. Because of the physician's education and training, only the medical profession is in the strategic position to decide what system of medical care is the best one.

There is no doubt that the quality of medical care under any system of socialized medicine has been definitely proven to be poorer under socialization than it is under the general practice that we have at the present time. A career is always preferable to a job. It stimulates earnestness in giving service and at a high quality. The new proposed system emphasizes quantity rather than quality of service. When physicians become employees and permit their services to be peddled as commodities, the medical services deteriorate and the public which purchases such services is injured. History shows that all schemes of furnishing complete medical care for large portions of the population on a prepaid basis, whether by private or governmental means, have been overwhelmed by a deluge of individuals with trivial or nonexistent complaints. The doctor's work is reduced to drudgery. He lacks time to examine carefully and care for his patients.

Socialized medicine is, in itself, a dreadful thing that has resulted in the deterioration of medical standards in every country in which it has been tried: Germany, Russia, England, New Zealand, and many others. As an example, take the office of a doctor in England. The doctor raises this question to the group of patients in his office: "How many persons here have headaches?" He then writes a common prescription for all of them. We all know that very few, if any, of these will gain relief from their headaches, because a headache may arise from many causes—eyestrain, a hangover, sinus trouble, psychic disturbances, brain tumor, or many others. The other patients he gives little more than a look and a promise. If they are really ill—and find that under the slap-happy methods of the overworked doctors they are not getting better but worse—they finally will, in desperation, consult one of those private physicians who refuse to join the assembly line, and atop all he has already paid, week by week, must pay a private fee. Is this the ideal medical care and competent treatment of illness and disease this marvelous medical plan will give us?

In the other countries where socialized medicine is practiced, it has been a powerful factor in the general lowering of standards of the medical profession. The fees received from this practice are so low that physicians are forced to seek devious ways and means to increase their income. This is done by treating patients superficially in order to handle as many as possible. For many, medicine is not any longer a profession, but a business based on cold calculations and the principles of mass production. Gone is the interest in performing thorough, scientific, honest work. There is certainly no reason for us to envy the health conditions of the people of those countries where "free medical service" is available for all.

There is no doubt that this service would be another step toward the breakdown of American democracy. "Socialized medicine is the keystone to the arch of the socialized state." If this compulsory system is adopted by our lawmakers, what is to stop the process from extending into other fields?

Address by Hon. Edward Martin, of Pennsylvania, Before Jewish War Veterans

EXTENSION OF REMARKS
OF
HON. EDWARD MARTIN
OF PENNSYLVANIA
IN THE SENATE OF THE UNITED STATES

Wednesday, July 20 (legislative day of Thursday, June 2), 1949

Mr. MARTIN. Mr. President, I ask unanimous consent to have printed in the Appendix of the RECORD an address delivered by me before the Jewish War Veterans of the United States, Department of Pennsylvania, at their 1949 convention, at Philadelphia, Pa., on June 18, 1949.

There being no objection, the address was ordered to be printed in the RECORD, as follows:

I am highly honored by your invitation to address this convention of loyal and patriotic American veterans.

You have come here from all parts of the Commonwealth of Pennsylvania. As individuals and as an organization you are rightfully proud of the ancient heritage of your Jewish faith.

You represent the finest attributes of American citizenship—devotion to the religion of your fathers and true allegiance to the ideals of our Republic.

Your organization has grown in power and influence because patriotic Americanism is the keynote of your service in peace as it was in war.

Every element in American life can rally behind your courageous and vigorous fight to perpetuate the principles of individual freedom, equal justice, and equal opportunity.

There is a wealth of patriotic inspiration in a meeting such as this held in the City of Brotherly Love where William Penn launched his holy experiment in free government.

Here for the first time in the world the founder of Pennsylvania enunciated the principles of social and political justice for all men, regardless of their form of worship.

Here the Declaration of Independence was adopted, giving the world a new concept of freedom, based on the proposition that life, liberty, and the pursuit of happiness are the most precious gifts of God to all mankind.

Here the Liberty Bell, sacred symbol of American independence, rang forth the exalted message from the Old Testament:

"Proclaim liberty throughout the land, unto all the inhabitants thereof."

Here in the darkest days of the revolution a great Jewish patriot, Haym Salomon, paused in his worship on the holiest day of his religious faith, the day of atonement, when General Washington appealed for funds to maintain his ragged and starving army.

Students of history have recorded the heroism and sacrifice by sons of Israel who were in the front line of the Continental Army in the struggle for independence.

From Valley Forge to the beachheads of Normandy and the islands of the Pacific, the roll of American heroes of the Jewish faith who made the supreme sacrifice is long and impressive.

Their memory calls upon all Americans for greater faith in all religions and deeper devotion to the sacred principles for which they gave their lives so heroically.

May they have eternal rest, everlastingly honored by the Republic they died to save.

Four years have elapsed since the guns were stilled in the most terrible conflict in world history. We had high hopes that our victory over tyranny and aggression would restore peace and good will the world over.

Instead we are still living in a time of confusion in world affairs and domestic unrest and mistrust.

We are faced with grave problems. The decisions we make today will shape the course of history of our country and the world.

I bring these matters to your particular attention because no group in our citizenship has a deeper realization of the dangers of a divided America.

No other group has a better knowledge of the perils to individual liberty that arise from hatred, prejudice, and intolerance.

Your ancestors through the centuries have suffered savage persecution at the hands of fanatics and bigots.

Still before us is the stark, murderous barbarism of Nazi insanity. Even today persecution again brings death and torture to innocent victims behind the iron curtain in godless Russia.

How fortunate we are that the God-given freedoms we enjoy in this blessed land are not the special possession of any class or creed. They are the sacred heritage of all men. They cannot endure unless we are a united people—all Americans—living in peace and harmony, respecting each other in good will and understanding.

That is the true spirit of America. It does not thrive under compulsion. It flourishes only where free men meet on common ground, equal in prestige and equal in dignity, working together and striving together to make a better life for all.

No task your organization has undertaken is more important than strengthening and revitalizing that spirit.

That is why I urge you, as Americans and as veterans, to redouble your vigilance against every un-American philosophy that would undermine and weaken national unity.

There is no room in America for hatemongers and bigots who poison the air with their vicious doctrines.

No true American spreads racial and religious discord.

No true American joins hooded mobs burning fiery crosses.

America has no room for plotted Bunds, for Nazis, Fascists, Communists, or any other conspirators who would tear down the American flag and would destroy all the freedoms that we hold sacred.

One of the tragic developments in American life is the tendency to take this menace too lightly.

Under the evil teachings of Communist and Fascist propaganda, misguided men and women have been diverted from truth and honesty.

They have forgotten that one who accepts communism or any other subversive teaching is not faithful to American ideals and does not belong in America.

Disguised under false patriotic titles the godless philosophy of communism has invaded schools, colleges, labor unions, and churches. Yes—even our Government itself.

In fighting communism or fascism or nazism you are fighting the same enemy in different colored shirts. You are battling to preserve the more precious element in the American way of life—freedom and dignity of the individual.

It is a hard, tough fight but it must be carried on with relentless determination until the safety and security of our Nation is freed from every corrupting influence.

There is another danger that threatens American freedom and therefore demands our immediate and serious attention.

I say to you bluntly, it is the danger of national bankruptcy. We cannot escape it unless we bring to an end the present wave of unrestricted and extravagant spending by government.

Today waste and inefficiency are taking billions of dollars from the pockets of the taxpayers.

On June 30 we will end this Federal fiscal year about a billion dollars in the red in spite of record-breaking national income and Federal revenues above $42,000,000,000.

If the same spending spree continues, I predict we will have a deficit next year of $6,000,000,000 or perhaps more.

Without regard for this danger that now confronts us, new and enlarged spending programs have been proposed that would eventually take another $40,000,000,000 a year from the wages of the workers and the profits of business and industry.

This cannot and must not continue if we are to remain a free people.

Without a strong, stable, expanding economy and sound fiscal policies, American freedom cannot survive.

My comrades, I appeal to you to join in a crusade for a solvent America because that means a free America. Excessive taxation to support the high cost of government can destroy our country.

I need not remind you that individual liberty and freedom of opportunity are the greatest blessings that we enjoy.

I need not remind you of the terrific price those of your faith have paid in their struggle to attain those priceless rights.

I appeal to you to reject the brazen plan of the demagog who offers a something-for-nothing program. Beware of the politician who tells you the Government can provide everything to make life comfortable and secure from the cradle to the grave.

Within your own lifetime you have had convincing proof that national bankruptcy and dictatorship are inevitable when people abandon self-reliance, work, and thrift. You have seen disaster overtake nations that followed false leaders and accepted their promise of security and a life of ease.

Hitler made that promise. Mussolini held out the same deceptive hope.

And the result was misery, suffering, enslavement and finally destruction because the people relied upon the government and not upon their own efforts.

Remember that in those days of darkness the minority groups were the first upon whom cruel suffering was inflicted. The minority groups were marked for mass murder in the most beastly crime of modern times.

Through centuries of persecution those of your faith have cherished freedom and human dignity.

Faith in God and reliance upon His promise to restore to them the holy land sustained them in their struggle.

A little more than a year ago, all men of good will rejoiced in the birth of a new nation—the Free State of Israel.

As good Americans, we are proud of the heroism and willing sacrifice of those who fought for the liberation of Palestine. They made a vast contribution to the cause of freedom.

If we Americans keep awake to the dangers that threaten our freedom and fight to keep America strong, this great Republic can continue as a shining light of liberty and happiness in all the world.

The Three-Horse Team

EXTENSION OF REMARKS

OF

HON. EDWIN C. JOHNSON

OF COLORADO

IN THE SENATE OF THE UNITED STATES

Wednesday, July 20 (legislative day of Thursday, June 2), 1949

Mr. JOHNSON of Colorado. Mr. President, I ask unanimous consent to have printed in the Appendix of the RECORD an address on the subject The Three-Horse Team, delivered by me on July 15, 1949, in Kansas City, Mo., at the aviation celebration of the chamber of commerce.

There being no objection, the address was ordered to be printed in the RECORD, as follows:

THE THREE-HORSE TEAM

I am pleased to be a guest tonight of the Kansas City Chamber of Commerce as it celebrates the twentieth anniversary of the inauguration by TWA of its transcontinental service through this throbbing hub of air transportation.

When we think of the age of this planet, 20 years is less than a flyspeck on the calendar of time; but when we think of the terrific progress of man's conquest of the air, these 20 years you celebrate tonight stretch out and mark a whole era in history.

In that triumphant period TWA has even had to change its name three times to keep pace with the ever-spreading air service it provides. Twenty years ago it was Transcontinental Air Transport; as it extended westward it became Transcontinental and Western; then when it burst its seams domestically and soared into the international field it was christened Trans World Airlines. Until it undertakes round trips to the moon or one of the planets its present name ought to stick.

Most of you were not yet born, but I remember well when a couple of screwballs from Ohio kept the *Kitty Hawk* in the air for an interval measured in seconds. But the wildest dreamer in those days never visioned supersonic air speed nor nonstop 10,000-mile flights nor mass transportation of persons in the air. No one realized that that novel experiment in North Carolina would in my generation alter and change drastically all thinking and all life on this planet.

Any Chamber of Commerce today which does not visualize the tremendous impact of air transportation on the life and welfare of its city is as dead and as worthless as the occupant of King Tut's tomb. This is not true of the Kansas City Chamber of Commerce, or this great city would not be the headquarters of two of the 16 major trunk lines, TWA and Mid-Continent.

Last November, when the fortunes of politics rather unexpectedly designated me chairman of the Senate Interstate and Foreign Commerce Committee, the press asked, "What are your plans and what will you do?" My reply was that, among many other things, I would do everything in my power to promote and improve the transportation potentials of these United States on land, on water, and in the air. I knew that commerce was the key which would unlock all the good things on this earth and that leadership in commerce would retain for these United States the world leadership her sons had won for her on the bloody field of battle.

For centuries commerce and trading have been the major influences in the progress of man. Intercourse with distant peoples has helped him emerge from the stone age to the scientific miracles of the twentieth century. Whatever good in any one era man has developed in religion, in culture, in science, or in art, through commerce these blessings have become the property of all.

AIR-LINE OUTLOOK AT CLOSE OF 1948

As the year 1948 closed its books on December 31 many question marks faced our most dynamic and spectacular transport facility—the air lines. On that day the air lines had every right to have fear in their hearts. The cost of doing business was going up hour by hour, and, try as hard as they might, red ink crept into and gradually took over their ledgers.

Competition was hitting them hard. Their credit was exhausted and their day-by-day revenues would not begin to sustain them. The CAB had slowed down to a snail's pace in awarding back mail pay long overdue. The outlook for a general recession in business was generally recognized as a virtual certainty. Its intensity and endurance were the only unknown factors. The mass-production lines were turning out much larger and much more efficient planes which the air lines could not afford to purchase, but if they were to remain in business neither could they afford not to purchase. What a dilemma. What a situation they faced.

In that dark hour I announced that the Senate Committee on Interstate and Foreign Commerce would undertake at once a thorough investigation of every phase and aspect of the air-line industry. This awakened the CAB, and in that ivory tower things long delayed began to happen. Today the picture is quite different.

Fixed charges and operating expenses now have registered slight declines. The morale of employees has shown marked improvement. The long-looked-for buyers' market has returned, and the almost forgotten traveling salesman is calling on the trade again. Merchants are playing their inventories close to the belt and watching the market with an eagle eye. This necessitates frequent and quick journeys, and so they travel by air. The new, commodious, efficient planes are leaving and arriving with more dependable regularity and nearly everyone can have a seat now without advance reservation. Air safety has made tremendous gains. The recent aircraft disasters in far parts of the world should not be confused with the excellent record of our certificated domestic air lines. For more than a year our domestic scheduled carriers have had no fatal accidents. The romance of flying went out with the war and now air transportation has its second wind and is settling down to a sustained business operation. Hope and faith have returned and charity is on its way out. January 1, 1949 was the turning point.

On June 29, my committee heard the seventy-ninth witness in the longest and most comprehensive aviation hearings in congressional history. Government agencies, air-line officials, airport management, organized labor, attorneys, economists, investment bankers, consultants, critics, and everyone who had anything to contribute were heard at length. However, our most important witness, the Secretary of National Defense, said he would not be ready to testify for some weeks. While this is a disappointment, we understand the necessity for the delay and we will wait patiently.

Due to the extremely heavy burdens of Congress at this particular time, our committee has not had an opportunity as yet

to study and analyze the recently completed hearing material and so has not reached a conclusion with respect to it. Therefore, the statements I make tonight are my own and do not necessarily reflect the thinking or the judgment of the Senate Committee on Interstate and Foreign Commerce.

In its efforts to be intelligently helpful, the committee has employed a small, but competent staff who during the balance of this year will continue a searching study into all phases of air-line operation, in order to assemble vital facts and pertinent statistics for the guidance of the members of the committee.

While the picture is much brighter today than it was 6 months ago, the air lines are not yet out of the woods. Much, very much, remains to be done by our three-horse team—the CAB-CAA, the air-line industry, and the Congress. If we pull together in friendly cooperation, we will keep them flying.

Most economists are agreed that the war boom is over. Industrial production is going down rapidly and unemployment is increasing steadily. Nearly 4,000,000 are unemployed and more than 4,000,000 more are only partially employed.

Gloomy reports from England continue in spite of all the billions the United States during the past 10 years has poured into that hapless country. In spite of all this generosity we now have the British plan to engage in barter trade on a huge scale with Argentina, Russia, and the Russian satellites, and quit purchasing here unless we make th-m bigger and better loans. Since the start of World War I, 35 years ago, the United States has given Europe $101,000,000,000 for which it has received not one thing. Even though we were willing to do so, we cannot give away our precious resources on such a lavish scale and not suffer shortages and heavy debt penalties ourselves. Every industry in the United States, and more especially the transportation industries, must give full thought to these unpleasant factors. This is a time in this country which will separate the men from the boys.

Immediately after the close of hostilities the bubbling spirit of unbridled optimism swept air transportation off its feet and a hectic wave of expansionitis ran its course. To keep pace with the potentials of the cruel mirage of unlimited volume and huge profits, air-line management imagination soared into the stratosphere and orders for large, luxurious, newly designed aircraft running into millions of dollars were placed; additional personnel were hurriedly hired and trained for the business that did not develop.

In 1945 the entire domestic route miles amounted to approximately 63,000. By 1948 it had grown to 139,000 miles. In 1946 the 16 domestic scheduled air lines were operating a total of 400 planes. In January 1949 this figure rose to 790, of which 313 were 4-engine planes with tremendously increased seating capacity. When it became evident the anticipated increased traffic had not developed and would not be developed, rapid maneuvers to reduce expenses to avoid complete financial collapse were taken. Great credit is due the air lines for the speed with which they reversed their field and ran for cover. Nevertheless, they have not gone as far, nor as fast, as the economic pressures demand.

CONSOLIDATED SERVICES AND FACILITIES

In Washington, the seven air lines serving it have established consolidated ticket offices in the United States Capitol, the Pentagon, and in the Navy Department. Only one manager, seven ticket agents and one auditor are necessary to run these three offices for the seven air lines. In 1948, they transacted more than a million dollars worth of business, and a careful check shows that almost half was for personal travel and not for official Government travel. According to one recognized aviation trade journal, this volume of business was done without a squawk from any air line about favoritism, service, etc.

The obvious query arises, Is this joint use of facilities and consolidation of services plan being carried out at each airport, and if not, why not? The attitude of the industry can best be summed up in the words of Mr. Patterson, president of United, who in his testimony before this committee said, "If we are really to have competition and real competition—we cannot be in consolidated ticket offices with employees working for all parties concerned. You just cannot have competition under those circumstances. They become order takers."

I am not subscribing to the theory that the combined office plan could eliminate all the individual ticket offices in every city, but I believe it can be done to a far greater extent than now practiced without injurying sales.

Once a passenger has determined the line he desires to travel, competition does not require duplication at the airport of ticket office, information booths, and other travel services. It is obvious that tremendous savings could be realized if ramps and loading equipment, such as tractors, tanks, and all of the other devices were pooled as one unit instead of maintaining a separate system for each carrier. The same applies with equal force to gasoline and oil and to air-ground communication systems. One group of personnel could operate all such services for all air lines instead of maintaining separate crews. We must not forget that more than 50 percent of an air line's expenses are the wages and salaries of its employees.

Following the war an interesting and revealing experiment in the consolidated operation of an airport took place at Willow Run. Unfortunately, it was not a conspicuous success due to petty quarrelling and jealousies and the sabotage of the personnel of the various air lines involved. Nevertheless, John Brown, an analyst for the corporation which conducted the operation, testified that there was a saving of 30 percent in manpower and in terminal building space. He also maintains that individual air lines received better and quicker service under the consolidated operation. A more aggressive approach by the air lines in this direction would, I believe, produce savings without sacrifice in service. If the CAB eliminated some of these lone-wolf duplicating operations as legitimate expenses in determining mail pay, we would have a very different story, as I see it.

INTERCHANGE ARRANGEMENTS

Interchange of equipment provides another way to save money. It would provide through traffic arrangements without extending the route of a carrier and without increasing overhead cost to the extent that would be necessary in the event a route was extended by a carrier. The theory of interchange is very appealing to the passenger because he remains aboard the same plane over two or three different routes of different carriers.

The advantages are threefold: (1) cost of operations are much lower than in extending a route of a carrier; (2) it may be a means of strengthening a short-haul or regional carrier, who ordinarily does not receive the benefits of traffic moving beyond his terminal; and (3) elimination of what is now branded excessive competition between points, since instead of duplicating routes, such an interchange avoids the necessity of duplicating or extending routes, but at the same time offers substantially the same service to the public. It can well be said that had interchange agreements been entered into more extensively during the postwar expansion period, we might have had a more constructive development of the air-route pattern without duplicating route certifications. This might well have contributed to the elimination of the losses sustained by many carriers during the past 3 years.

COACH SERVICE

In my opinion, air transportation is about to become the most attractive and economic transportation in history. It has already outdistanced all competitors in the element of speed. I still look for a tremendous increase in air traffic volume. During the past year or so we have seen three basic approaches in this direction.

First, we have the so-called coach service offered at off-hours by the scheduled carriers, and at more convenient hours by the irregular carriers at approximately 4 cents per mile compared to the standard 6-cent fare. Second, the inauguration of the family plan system wherein reduced rates are made available on off-days during the week; and third, the excursion fares offered to points by various scheduled carriers during the off seasons.

No matter how you view these proposals, they all simmer down to reducing fares as an inducement to the public to use air transportation so that the carriers might build higher load factors, increase utilization of equipment, and augment their badly needed revenues. Of the three, no one will deny the fact that air coach service has had the most spectacular effect on the development of real mass air transportation.

For some months nonscheduled operations have been conducted by the so-called irregular carriers at reduced rates between main traffic points, such as San Francisco to New York, Los Angeles to New York, New York to Miami, and Puerto Rico to New York. In each instance, the public responded with enthusiasm.

In September 1948 Pan American Airways was the first scheduled carrier to increase seating capacity, remove some of the frills, and inaugurate the coach type service between Puerto Rico and New York. They reduced the one-way fare from $100 to $75 in order to compete with the nonscheduled carriers who were carrying hundreds and hundreds of passengers. The phenomenal success of Pan American can best be illustrated by referring to its operations in the first quarter of 1948, when it was operating a deluxe service only. At that time it carried 4,360 first-class passengers between New York and San Juan. During the first quarter of 1949, it carried 7,399 first-class passengers and in addition 10,984 coach passengers. The record shows there was little diversion of first-class passengers to the coach service. A new market of mass air transportation was opened up, and for the first time was exploited by an established operator.

A "wait and see" attitude had been adopted by the domestic carriers until Capital Airlines, in November 1948, with the approval of the CAB, inaugurated a New York-Chicago coach service. It proved to be an immediate success in spite of the fact that this service was available only in the inconvenient early morning hours. The customary lack of travel between midnight and 7 a. m. requires facilities and planes to remain idle, and idle plants and planes eat profits. The fare between those two cities for this early morning travel was reduced from $44.10 to $29.00. The development of the traffic was spectacular, as were the load factors. In the entire year 1948, Capital Airlines carried only 1,002 passengers in its regular first-class service between Chicago and New York, while in the month of December 1948 alone, the second month of its coach service operations, it carried three times as many passengers, or 3,072 in air-coach service. In the first 4 months of 1949 Capital carried 10,242 air-coach passengers. Again the growth was not at the expense of its regular scheduled service; in fact, it had exactly the contrary effect. It helped strengthen the first-class service.

Northwest's air-coach experiment has enjoyed the same phenomenal success and has averaged 80 percent load factors on some of its coach flights. Mr. Hunter, its president, testified the air-coach passengers come from "an entirely different market; they look different, they come out to the airport differently, they come out to the airport with their own lunches, bananas, and orange peels clutter up tourist coaches." Northwest contends that its surveys indicate that 40 percent of its air-coach passengers would not have traveled by air if it were not for the low fares. Similar statements have been made with even higher percentages by practically every nonscheduled operator who has appeared before our committee.

The CAB still regards coach service as a limited experiment and permits it to be conducted only to evaluate its soundness. It has limted the scope of the experiment so as not to lead to a general break-down of the fare structure of the regular service. Low coach service to date has been approved by them for only six carriers. While the Board is slowly accumulating data for evaluation, there are definite signs that this is one way of opening up a new class of traffic.

AIR FREIGHT SERVICE

While it cannot be denied that air freight has a real place in the field of air transportation, practically every certificated carrier appearing before our committee roundly and caustically criticized the recent action of the CAB in tentatively certificating four all-cargo carriers. The question is whether the potential is sufficient to warrant the certification of specialized freight carriers at the possible expense of the present certificated carriers in that field.

However, severe criticism has been directed toward the certificated carriers for failure to develop the air-freight business after the war. The amount of freight carried by them before the independent cargo carriers entered the field was negligible. Whatever the reason, the total freight tonnage carried was small. The keen competition between the independents and the certificated carriers has increased the volume of freight tremendously. In 1946, 16 certificated carriers transported approximately 18,000,000 ton-miles of cargo, while the noncertificated carriers transported 25,000,000 tons. But in 1948 the certificated carriers transported 70,000,000 ton-miles, while the noncertificated carriers, which had decreased in number, handled only 48,000,000. This is only a small fraction of the recognized potential.

During this period the noncertificated freight carriers have lost millions of dollars. Nevertheless, while the CAB has tentatively certificated four all-cargo carriers to operate, the Board made it a vital part of the proposed franchise that the operation would be without mail pay. We in Congress are very much interested in the decision by the Board, and particularly the opinion wherein it states that no mail pay is to be given to the tentatively certificated cargo carriers.

AIR-MAIL PAY

During the past 3 years Federal appropriations for mail pay have been increasing and numerous questions have been asked as to why, during this period of unprecedented prosperity, air lines should require additional mail pay when there was no substantial increase in the volume of mail carried. In 1946 the total mail pay for domestic and international carriers was $42,967,000; in 1947, it was $69,489,000; in 1948, it was $111,521,000; and in 1949, it is expected to reach the huge total of $125,000,000. Clearly the CAB is underwriting the air line commercial losses with mail pay. No one knows how much of these payments are subsidy and how much is compensatory.

Last January some air-line officials took the position that there is nothing wrong with the industry, which bigger and better mail pay will not cure. During the hearings, a few air-line presidents accused the United States Government of bad faith because their mail pay was being held to a minimum. However, many air-line presidents urged that compensatory mail pay be separated from subsidy to create an incentive to all air lines to get on a self-supporting basis, and to remove the stigma of subsidy from the air lines which are now earning every cent of their mail pay. It is my considered view that to mix mail pay with subsidy is a sloppy and wasteful way to do business. The CAB should recognize the element of abuse inherent in it and correct it. Naturally, the privilege of awarding mail pay without specific standards and without limitation gives CAB a lot of power over the air lines which it might well like to retain.

With greater commercial business of all kinds since the war, the trend toward increased financial dependence upon Government support in mail payments, airport facilities, and navigation aids, is one of the basic paradoxes that has given rise to the investigation we are not conducting. On its face there would appear to be something radically wrong with air-line management, the CAB, or the statutory provisions for promoting air transportation.

It seems to me that if we are to find out if the air lines are a subsidy-ridden industry devoid of incentive to be commercially successful—which they vigorously deny—the first thing to do is to find out the fair compensation that should be paid for the services rendered and how much subsidy is now being paid, and precisely for what it is being paid.

Captain Rickenbacker of Eastern and C. R. Smith of American have proclaimed that the present method of meeting of the carrier's need through air-mail payments penalizes the efficient carriers. C. R. Smith put it this way to the committee:

"The complete lack of standards in payment for the transportation of mail obviously represents a discouraging situation to the efficient operation. One company transports mail between two terminal points, with modern equipment and adequate schedules. Another company operates along the same route, serving the same terminal points, but providing a mail service of substantially less utility than the first. But the second of the operators receives 2 to 10 times as much as the first operator for transporting a pound or ton of mail between the two identical points. And not only that, if the first operator finds a way of reducing his cost, he is quite apt to have his rate reduced. He may, at the same time, find the rate of his competitor increased by reason of greater need for additional mail compensation.

"I know of no system which will produce less incentive, or act so much as a drag on the exercise of the highest degree of management ability. Often, rather than an incentive to do your best, the present system of mail payment seems to offer reward for lack of result."

There is much merit in this position, and much to be said for the establishment of mail rates which will provide identical rates for the performance of identical services, provided, of course, the services performed by any two carriers can be identical.

Since the war, the method provided in the Civil Aeronautics Act of determining air-mail payments for future periods seems to have broken down and the Board has resorted to the establishment of temporary rates, which place the carriers on cost-plus, a basis never contemplated by the framers of the Civil Aeronautics Act.

I am of the opinion that it is very important to arrive at the amount of subsidy in some acceptable manner in the near future, and if the CAB cannot or will not do so, it will be necessary for the Senate Committee on Interstate and Foreign Commerce to make such a determination.

Congress should do what it can to point the way to a healthy and self-sufficient network of aggressive air lines adapted to the present and future needs of the commerce, the postal service, and the national defense. In directing the CAB to encourage the development of commercial aviation, the Civil Aeronautics Act has not differentiated among these three cardinal objectives. Clearly these are three distinct national-interest objectives, and they should be differentiated for the purpose of determining the amount of the payments made.

While it is true that none of the three objectives are susceptible to valuation in terms of dollars, nevertheless, a reasonably acceptable approximation can be reached. It is my belief that if the national defense of the country makes it advisable to augment civil aviation facilities beyond their natural economic level, then this objective should be recognized as a cost to be attached to the military budget. Sound Federal bookkeeping requires that the expenditure of public funds for the postal service, the national defense, and commercial transportation services should all be specifically labeled as such, and no longer be wrapped up in one package and called mail pay.

In classifying the support to be given the certificated carriers, we have four distinct groups with four distinct sets of problems:

First. The Big Four—American, United, TWA, and Eastern. They received identical compensation for the transportation of mail which the Civil Aeronautics Board deems to be a service rate. The Big Four contend there is no subsidy in this service rate, although early in 1949 three of them received additional retroactive payments which made their corporate balance sheets much more attractive.

Second. The regional carriers, into which classification fall the rest of the intermediate and small trunk-line carriers, are known as need carriers. There is no uniformity in the need rate paid to these carriers for the transportation of mail as the rate is based on the anticipated deficits from their commercial revenue over their anticipated allowed expenses based on their past operating record.

Third. The feeder lines. Twenty-one of these local and feeder carriers have been certificated by the Board for a 3-year experimental period. The objective of the Board in creating the local carriers was to provide adequate air service to the local communities throughout the country. Nonetheless, their dependence upon the Government has been considerable and now their mail pay bill is approaching $15,000,000 annually. When and if all of them get under operation, their payments may exceed $23,000,000.

Fourth. International air carriers. The problems of this class of carrier differ from that of domestic carriers because of our national interest abroad. Previous to World War II, only one United States flag line (Pan American) operated overseas. Today there are 12 United States flag lines in international air carriage, exclusive of at least seven additional noncertificated carriers operating under temporary specific exemption.

Superimposed on these four types of certificated carriers are the irregular and contract carriers, and the cargo carriers recently tentatively granted temporary certification without mail pay.

I am gratified, of course, that the CAB has announced that it will undertake a detailed examination of the cost to the carriers of handling the mail for use in determining compensatory rates and of the factors which enter into the determination of fair compensation for carrying the mail. This intent was announced in the Board's Statement of Economic Program for 1949,

and I certainly hope that it was not just another New Year's resolution.

Some carriers have testified that the cost of rendering service to many of the smaller nonprofitable points has caused their losses, which service, if discontinued, would put their whole system in the black. For example, one carrier serves 38 small cities on its system. Those 38 cities provide the carrier with 8 percent of its total revenue. However, it is necessary that 40 percent of its mileage be flown to acquire that 8 percent of revenue. For serving those 38 small cities the carrier receives $20,000 a month in mail pay. The carrier claims that if it could discontinue service to those 38 cities it would save $4,000,000 a year for the company.

The argument contained in the foregoing example is a logical one. However, this company petitioned the Board for the right to serve these cities, and it convinced the Board that these points should have service. The Board did not arbitrarily say to this company "you serve these points." This problem of over-expansion of route systems and service to nonprofitable points is not solely the Board's fault; the carriers share the responsibility for wanting to be certificated to serve every community in sight before a possible competitor got there. Expectations of receiving generous mail pay for such operations may have contributed some incentive.

CAB DELAYS AND EXPENSE

In April I made a report to the United States Senate on communications in which I criticized the Federal Communications Commission by stating:

"Through the Commission's failure to make decisions, great harm has been done, not only to individuals, but to whole communities * * * in many instances, failure to take any action is far more deadly and disastrous than an adverse action might be. When pending matters are delayed year after year the Commission's victims are tied up without recourse. They can make no plans for the future and they cannot go to the courts for relief."

To a great degree this same condition appears to prevail in the Civil Aeronautics Board. For instance, at the present time the eyes of the entire industry are focused on the Air Freight case. A prehearing conference report was issued in April 1946, and a final decision has not yet, after 3 years and 4 months, been issued. I realized that this is an important decision in which complex and complicated issues are being considered, but to wait more than 3 years to have an application decided is far too long.

The delays, expense, and time consumed in trying such a case can lead the average citizen into financial ruin. Mr. Slick, of Slick Airways; Mr. Playford, of United States Airlines; Mr. Prescott, of the Flying Tigers Airlines, and Mr. Willis, of Willis Air Service have all testified that it has cost them so far between $70,000 and $100,000 each to prosecute their applications in this case. I wonder how much the ATA and the certificated carriers have spent in opposing them? The responsibility for completing such policy decisions as the Air Freight case rests with the Board. Perhaps it would be helpful to require the CAB to report to Congress the status of all applications periodically that are over 6 months old.

AIR-LINE FINANCE

Many a ship has been wrecked on the rocks of unwise financial policy. Some of the air lines have failed to learn this vital lesson. One basic rule of sound corporate financing is to provide a balanced structure. This means maintenance of a reasonable ratio between debt financing and equity financing. Of course, it would be ideal if every corporation—air lines included—could finance itself primarily by the issuance of common stock. There would then be few fixed charges to meet, and stockholders, although disappointed, could not reasonably demand that dividends be declared unless the company had earned them.

A year ago the composite debt-equity ratio of the 16 so-called trunk air lines was 58 debt to 42 common stock. This is definitely too high. One air line's ratio is 95 to 5; another 75 to 25; and several others 85 to 15. On the other hand, a few of the trunk lines are in the fortunate position of having put their financial houses in order by the issuance and sale of adequate common stock when the market was absorbing such issues readily.

Since it is unrealistic to expect a new, unproved and rapidly growing industry like the air lines to finance themselves solely through the issuance of stock, the question arises: "What is a safe and proper ratio between long-term indebtedness and equity financing through preferred and common stock?" No hard-and-fast rule can be laid down because the circumstances of the various carriers obviously differ. The consensus of informed opinion, however, condemns the use of long-term debt in any percentage greater than 50 percent of the dollar amount of the total capital structure.

The proposal has been made that all future issues of air-line financing require a "no objection" report from CAB before being consummated. As might be expected, air-line executives are unanimous in opposing such control. They point to the delays encountered in all their present contacts with the CAB, and predict that the vesting of control over security issuances in the Board would generate similar delays in this new field. Moreover, since the timing of security sales is all-important and market conditions fluctuate so rapidly, not only from month to month but from day to day, the inevitable delays incident to CAB approval would make future air-line financing extremely slow, unpredictable, and costly.

Against these arguments stands the disagreeable fact that in the absence of such restraints a majority of the air lines have recently put themselves into a difficult and tight financial situation with the threat of bankruptcy just around the corner. From the standpoint of American business theory, and my own personal philosophy, I am reluctant to advocate further encroachment by Government upon the domain of business management's normal functions, but the unpleasant facts disclosed by our current inquiry cause me to favor the imposition of CAB control over security issues.

But there is another side of this problem. As a condition precedent to making a loan to an air line, the RFC now is required by law to obtain from the CAB its approval and, except for equipment loans, its certification that the borrowing air line is expected to be able to meet its fixed charges. To the average citizen this would appear to be entirely normal and proper. The CAB is a specialized aeronautical agency presumably endowed with expert knowledge concerning air-line operation problems and traffic potential, including their financial requirements and the justification for borrowing additional funds. What more natural than that Congress should require such approval to enlighten the RFC in deciding whether or not to approve the loan and disburse the funds? The joker in the picture lies in the apparent connection between loan approvals and mail subsidies.

The implications are obvious. Civil Aeronautics Board approval is a condition precedent to an RFC loan. By law CAB has both the power and the duty to set air-mail rates at figures high enough to cover the reasonable expense of air-line operation under economic and efficient management. Interest on indebtedness, whether incurred through a bank or through RFC, is a legitimate item of expense, as is the gradual amortization and repayment of the principal of such a loan. Can we honestly expect the RFC—realistic and hard-headed bankers evaluating the loan application of an air line—not to be governed by the fact that the CAB through air-mail payments can fix rates sufficiently high to service and amortize any loan, even though such loan be economically unjustifiable?

In the light of these facts, can we avoid the question, has the CAB committed itself in approving an air line's loan application to the RFC, to see that air-mail rates are fixed at a sufficiently profitable level to assure the repayment of the loan? This is a grave question. The RFC has more than $70,000,000 of air-line and air-line-equipment loan applications (or conversations preliminary to loan applications) now pending. This whole financing and refinancing problem could become quite serious.

SAFETY

The principal deterrent to air travel is the public's belief that it is not sufficiently safe; and the next most important deterrent is that air lines are not sufficiently punctual and reliable in meeting their schedules.

It is always annoying and sometimes disastrous for a prospective passenger to find that the scheduled flight, around which he has constructed important travel plans, has been canceled. In 1948 a total of 11,400,000 scheduled flight-miles was canceled by domestic trunk lines. Seventy-three percent of these were canceled in the five winter months. Lines flying northern routes are particularly vulnerable. During January 1948 one air line was forced to cancel over 26 percent of its scheduled mileage. On this line the odds were only 3 to 1 that a passenger during that month would have been able to complete his contemplated flight. Modern business organizations run on a tight time schedule. Unless the air lines can meet the demand for reliability of schedules they cannot hope to serve their maximum market, particularly among business travelers. A few disrupting cancellation experiences are sufficient to make many existing and potential customers change their minds in favor of the comparative reliability of railroad schedules.

Much is being done to improve regularity and safety. By far the most important attack is being sponsored by the Civil Aeronautics Administration. This is the technical safety program worked out by the Radio Technical Commission for Aviation, and known as the SC–31 program. In addition to the instrument landing system (ILS), ground-controlled approach system (GCA), and precision beam radar, this expert committee recommended the universal adoption of three new technical devices, in order to increase the reliability and safety of aircraft operations:

1. The omnidirectional range, or omnirange: This device enables the pilot to fly by eye instead of by ear. He holds his course by watching the movement of an indicating needle on his instrument panel.

2. Distance measuring equipment (DME): This equipment will enable the pilot to read directly on his DME dial the exact distance in miles to or from the omnirange to which his instrument is tuned.

3. Course line computer: This device makes it unnecessary for the pilot to fly straight toward or directly away from the omnirange. Instead he can fly a straight course between any two selected points.

In 1948, the domestic air lines operated at a net loss of $20,702,000 prior to receiving increased retroactive mail pay. Had the SC-31 program been functioning, even in its transitional state, the Civil Aeronautics Administration estimates that the air lines would have broken even in 1948.

No one can estimate the tremendous boost air travel will receive when these devices

make air travel safe and dependable. It is encouraging and significant that in spite of the recent air-line tragedies among the independent and foreign carriers, no major domestic certificated air line has had a fatal crash during the past 10 months. Eventually air travel is likely to be the safest method of all travel. For us in Congress, that is our hope.

FEDERAL AIRPORT PROGRAM

In 1946, Congress enacted a statute establishing a national airport plan for the construction or improvement of civil airports throughout the country over a period of 7 years on a matching-funds basis involving an aggregate 7-year Federal expenditure of $500,000,000. This program is well under way. These civil airports are being constructed according to the most modern plans and specifications. Including airports constructed under this program, the total number of civilian airports in this country today is approximately 6,000. A great majority of them have short runways, however, and can handle only small planes. Only about 1,000 can handle planes the size of the DC-3 or larger. Cities and towns have shown a commendable willingness to provide their share of the funds necessary to match the Federal funds appropriated by Congress.

Your own municipal airport here in Kansas City has cooperated with and benefited from this program. I am informed that the present improvement project on your municipal airport will cost over $500,000 and that it is well on the way to completion. Furthermore, that the list of proposed large airport projects submitted to the Congress by the Civil Aeronautics Administration for construction in the fiscal year 1950 includes a proposal to expand one of the Kansas City airports from a class 4 airport to a class 6 major air terminal at an initial cost of $1,100,000. If and when this proposed enlargement is constructed, Kansas City will have airport facilities substantially equal to those of any city of its size in the country.

REVAMPING AIR ROUTE PATTERN

One of the more important questions which the board and our committee will have to weigh is the reconstruction or revamping of the present very unsatisfactory air route pattern of this country.

The domestic air route pattern has grown up like Topsy, without much rhyme or reason. It gives the impression that neither the domestic air route pattern as a whole, nor the individual systems of the 16 trunk carriers, shows evidence of a well-planned, orderly air-line system designed to fit into a balanced over-all transportation network.

The duplication and triplication of competing air service over many routes has led, in the opinion of such industry leaders as C. R. Smith and Eddie Rickenbacker, to "wasteful competition and low load factors and in substantial and continuing operating losses" and has left the country "with a pattern of routes and services which cannot be supported on a self-sustaining basis by the existing or probable volume of traffic."

Throughout the growth of the air-line industry the CAB has had neither format nor conception of a national route structure which would generally prove to be economically sound for carriers to operate. I believe that all business, whether it is strictly private enterprise or under Government regulation, should anticipate the future with well-considered planning. There is no excuse for failure to plan in an industry which grows and expands only by permission of a Government agency.

Some of the trouble may be due to the illogical grandfather routes, which Congress perpetuated in 1938, but since the enactment of the Civil Aeronautics Act the Board has doubled the certificated domestic air routes and has greatly increased point-to-point competition. The criticism, however, cannot be dismissed that the illogical route pattern is due in part to the case-by-case method and to changing personal philosophies of CAB members, the hotly contested struggle for new routes and guaranteed mail subsidies, the overoptimistic traffic and cost estimates on the part of the Government and industry alike, and last, the absence of clear standards as to what kind of an air-transportation system the Congress really wanted the CAB to promote.

Our Senate committee has been told by a segment of the industry that a route moratorium is desirable. Some of the Big Four carriers have advocated this and there would probably be unanimity in this view among the Big Four, if Eastern Air Lines did not have an application pending before the Board for an extension to the west coast. It appears that regional carriers are opposed to a route moratorium. They desire to tie up loose ends of their route systems with extensions and new routes into areas where the grass looks greener. It is their ambition to grow bigger.

In the feeder experiment, it is too early to make an evaluation along this line, although one feeder certificate has been terminated and another threatened. It is not surprising to find these operators petitioning the Board for case-by-case route adjustments and extensions. It is my hope that the CAB will adopt an over-all policy in determining the extent to which the feeder line is to be continued.

AIR-LINE CONSOLIDATIONS

Many witnesses coming before our committee say there are too many air lines and that many of the illogical conditions in the domestic route pattern can be cured by merger or consolidation of carriers and by the elimination or transfer of separate routes and points. Reconstruction of the present domestic route pattern is both important and urgent.

Witnesses have told the committee that over certain segments of their route system there is too much competition; that the CAB has certificated too many lines to operate between certain points or areas; that if one carrier is eliminated, the one or more remaining carriers could conduct a profitable operation and provide adequate service. If we have excessive competition it is because the CAB authorized this competition and after once authorizing it, even though they may have erred in judgment, the situation remains to be corrected. An air line losing money under these conditions is not too concerned because such losses are generally considered in the computation of the carrier's mail rate.

Following his appearance as a witness, Capt. Eddie Rickenbacker of Eastern Air Lines made a sweeping proposal to me in a letter. He magnanimously offered to take over the entire domestic system of five carriers operating east of the Mississippi and competing generally with Eastern, and stated he would render the same quantity of mail and passenger service presently offered, and do so without mail subsidy payments, at an estimated saving to the taxpayer of over $10,000,000 annually. This touched off shouts of monopoly, and counterproposals by the lines which would be gobbled up.

A more fundamental question to be considered is to what extent regional monopolies such as Captain Rickenbacker suggests, can be encouraged without undue sacrifice of the quantity and quality of service obtained through competition. One must consider whether competition should be restricted to large traffic terminals which can be operated without subsidy. Before any of these decisions can be made we need to know what routes are now being subsidized and the economic potential of each route segment. A major problem will be to determine whether a reduction in the number of individual carriers, or the transfer and elimination of specific route segments will preserve the necessary quality, service, and schedules, and at the same time produce a more nearly self-sufficient system. Not without reason, Captain Rickenbacker contends, "competition which requires subsidy is wholly unjustified."

Changed economic conditions in the industry and new long-range flight equipment dictate drastic route pattern changes. However, before we can expect to bring substantial order out of chaos through mergers, consolidations, and route transfers, it is clear that the Congress, as well as the Board, may have to give consideration to the fundamental objectives to be achieved, and the means to be used to induce carriers to transfer routes, and to merge or consolidate on reasonable terms and in the best interest of the public. In any event I believe action along this line is needed now. I urge air-line management to consider carefully possible mergers, and hope that I personally may hear more of industry thinking on this important question.

Related to this, consideration must be given the possibility of improving the revenue-expense ratio of carrier systems by increasing traffic density through various means such as:

(a) Elimination of uneconomical parallel competition.

(b) Elimination of notably uneconomical intermediate stations.

(c) Revision of company route patterns so as to promote more advantageous scheduling.

(d) Elimination of stations located at uneconomical distances from traffic centers.

The committee expects to go into these problems in the course of its inquiry. It had hoped to receive substantial help from the Civil Aeronautics Board. More than a year ago, pursuant to recommendations of the President's Air Policy Commission and the Joint Congressional Aviation Policy Board, the Civil Aeronautics Board undertook an exhaustive study of competition and the existing route pattern which was expected to indicate the inherent weaknesses of the present route pattern and point the way to its correction. In its statement of an economic program for 1949, the Board stated that it expected this study would be available July 1, 1949, but I have been advised by the chairman that we must expect further indefinite delay. In the meantime, the serious faults in the present air-route structure demand correction and this committee intends to find a way to accomplish it—this must be done if the unsatisfactory financial situation of many individual carriers and their mounting dependence upon Government financial support is to be remedied.

Furthermore, it is of the utmost importance for the Board to use all its economic and judicial wisdom in considering all factors in the granting of international routes because of the effect on our national interest. Whether we have too many United States flag international carriers is a problem currently being studied by the Board in the PAA-AOA merger case.

PUBLIC UTILITY OR FREE ENTERPRISE

Congress ought to make up its mind whether the air lines are to be a regulated public utility or live under the cruel law of the survival of the fittest. Today air lines are neither beast nor fowl and, therefore, receive support from the Public Treasury to insure competition. I find keen cutthroat competition everywhere—shown by excessive scheduling, luxurious passenger "extras," and extravagant promotional advertising of all kinds. To me excessive competition purchased with Federal funds is ridiculous. It seems to me the present "Dr. Jekyll and Mr. Hyde" arrangement of Federal support with "limited competition" must be reexamined. I am impressed with this statement of Juan Trippe, president of Pan American Airways:

"As I see it, the Congress and the Civil Aeronautics Board must make up their minds

whether or not they want to return the airline industry to its intended status as a regulated public utility. If they don't, the relevant provisions of the Civil Aeronautics Act of 1938 should be eliminated. The air lines, as unregulated businesses, would then be free to operate where business was good and to abandon service where business was bad. They would be free to make high profits or go bankrupt, as the case might be."

I have grave doubts whether the air lines can consistently resist the temptation to buy greater flight capacity at a rate faster than the commercial demand will absorb as long as the CAB is virtually obligated to cover the losses by mail pay arising from management's well-meaning optimism. Either the industry must submit to full Government regulation with less competition or run the risk of financial failure resulting from its own mistakes. At the same time a way must be found to provide adequate air service to local and intermediate cities that will benefit and can reasonably support air service.

CONCLUSION

During this postwar crisis in the air-transportation industry there have been plenty of justifiable criticisms of the air lines, the Civil Aeronautics Board, and the Congress. The carriers have been accused of overexpansion and inadequate cost controls, while the Board has been denounced for being too quick to authorize competitive services and too slow in determining the mail rates. The Congress has been blamed for not giving the Board sufficient guidance, power, or funds to do a job that has been too big for a comparatively small and underpaid staff.

But the picture grows brighter. The airlines, more and more, are getting down to earth in their operations and planning. The Board has been functioning more proficiently, and has announced an aggressive economic program for 1949, which seems to forecast a progressive approach to some of the fundamental problems.

The air services of the United States have come a very long way since TWA made its first transcontinental flight 20 years ago, and there are tremendous opportunities ahead for further growth and improved public service. It would be impossible to try to define the limits of future expansion. But I can tell you that Congress is awake to its responsibilities with its role as part of the three-horse team, responsible for the quality and quantity of American civil aviation. I am certain Congress will do its best to help the Civil Aeronautics Board provide wise regulation. The balance of the job, the heavy part of the load, rests squarely on the broad shoulders of the air-line industry itself.

There are far more problems than answers. Nevertheless, I repeat, the air-line industry, the CAB, and the CAA, and the Congress must cooperate in solving them. As chairman of the Interstate and Foreign Commerce Committee, I want to do my full part toward this end without fear or favor, and with only the public interest to serve. I am confident that, working as a team, we three can make American aviation safe, sure, and solvent.

The Administration's Fiscal Policies

EXTENSION OF REMARKS

OF

HON. HARRY FLOOD BYRD

OF VIRGINIA

IN THE SENATE OF THE UNITED STATES

Wednesday, July 20 (legislative day of Thursday, June 2), 1949

Mr. BYRD. Mr. President, I ask unanimous consent to insert in the Appendix of the RECORD an able article written by Mr. Vermont Royster in the Wall Streat Journal of July 18, 1949, entitled "No Day of Ending."

There being no objection, the article was ordered to be printed in the RECORD as follows:

NO DAY OF ENDING—TRUMAN ADMINISTRATION HAS BECOME HOPELESSLY ENMESHED BY DEFICIT FINANCING; IT CAN NEVER SLOW SPENDING

(By Vermont Royster)

The Truman administration, following the stars of the new economics and old-fashioned politics, has drifted into a position from which it can never propose a balanced budget.

Nor, though it promises everything else, can it ever promise the people an end to high taxes, to inflation, or to economic emergencies of one sort or another. So long as these present stars are ascendant, we must keep acclimated to the winds of perpetual crisis.

Thus the administration, if it has its way, must go on and on spending billions, scraping up what it can from taxes and capital levies, cheapening the dollars to get more of them, handing out more and more lulling benefits—it must keep on until someday it finds it can go no further. That day, it hopes, is still far off.

The administration's position is simply stated.

The Government cannot balance the budget in boom times because it must spend billions to subsidize food, housing and other necessities against the high prices; it must help people get the things they can't afford because of inflation.

The Government cannot balance the budget in depression times because billions are then needed for relief and for priming the pump.

The Government cannot balance the budget in in-between times (which is what Mr. Truman thinks we have now) because billions are required to do both things at once. And always, boom or bust, there are a host of social services which the Government must be continually enlarging to reassure the people that it is doing something for them.

On what day, then, do Mr. Truman or his advisers think it will be possible for the Government to stop spending more than it receives?

THE HOPE IS WISTFUL

Quite possibly the President does not know how he got into this position. He may not even know he is there, because he still speaks wistfully of the day when he can balance the budget. But it was, in fact, inevitable that he should arrive there.

It became inevitable the day the politicians succumbed to the ingenious theory that a government could control an economy, avoid both booms and busts, by a simple bit of money mechanics. That theory, of which Lord Keynes was the prophet, held that the government should pump out money in depressions and vacuum it off in booms. The Government's fiscal actions—its spending, taxing, borrowing—should be viewed solely as a device for compensating whatever was at the moment wrong with the economy.

A lot of economic jargon obscured the simple economic flaw. That is that the Government can only distribute what it takes away. It creates nothing, and, therefore, it cannot add an iota to the total wealth of a nation. Even when it seems to be making new dollar bills it adds nothing new because it decreases the value of all dollars by an equal amount. At best it robs Peter for Paul.

But the surface logic gave it a strong appeal for politicians. It gave them a theoretical justification for doing in the depression what they always want to do anyway, that is, spend money wholesale. The political flaw was that playing with this spending theory was like playing with an opium pipe.

The progression in this country was interesting. A little inflation was all right; it could be controlled. The deficits would be short-lived because inflation, by raising prices and wages, would increase business and the Government will balance the budget from the increased revenue resulting from a greater national income. There was in those days some conscience about the matter; inflation was never offered as anything but a temporary expedient.

CLEVER JARGON

This timidity showed in the high-flown names for what was being done. The theory was variously known as "compensatory spending," "cyclical control," "monetary management," "balancing the economy." None of the titles suggested that deficits and inflation were anything but temporary.

Briefly, in the late thirties, there was a moment of sanity. There was a feeble attempt to stop the spending merry-go-round. But to the politicians it quickly became clear that if it was stopped everybody could see we had gotten no place at all; that our previous feeling of economic pick-up had been merely dizziness. The carousel must not be allowed to revolve at constant speed; it must go ever faster. The war did that—and it also made it harder to stop.

Soon we began to hear that the Government must provide "full employment"—continuously. It must "keep production up," it must keep "purchasing power" rising by spending and support yearly wage increases, it must cushion farm prices. It must hold up not only the domestic economy but the world economy as well. And it must somehow keep people ahead of the inflation by providing them with shelter and medical care and subsidized food. Nothing must be allowed to slow down.

SHIFT TO A MINOR KEY

The tune changed key. Nowadays the melody is that the Government can make you rich by spending your own money.

For again the theorists came to the rescue of the politicians with moral support for continued inflation. We began to be told that Government debt is a minor bookkeeping matter. Internal government debt "should hardly be called a debt at all"; "we only owe it to ourselves." Immorality was rationalized until it ceased to be thought immoral. This was all the cue the politicians needed.

In one respect, the administration acted expediently in abandoning the pretense of economy and turning again openly to inflation spending. To stop inflating would probably be political suicide.

For as soon as the Government stops inflating—even if it only allows past inflation to be absorbed in a new wage-price structure—the sham would show up. The wage earner would find that after running himself to death he has actually got nowhere. People would very quickly see that the welfare the Government is providing is exorbitantly costly. They would see that there are no free services, that they pay for them in both taxes and the hidden levies of inflation.

The administration has abandoned new taxes, for the cost here is too obvious. It has become reconciled to deficit financing, for the cost there is obscured, at least in the beginning. Inflation is a quiet thief; the victim does not know he has been robbed until it is too late.

If left unchecked, this will go on, with dollars getting worth less and less, until eventually there will be no room for more inflation. This is the tragic, classical course. The only alternative is for people to nerve themselves to the shock of stopping these repeated hypodermics and to fire the doctors. This is the hard way of political reformation.

But with the present administration there can be no day of ending.

The Future of Europe's Medical Profession

EXTENSION OF REMARKS
OF

HON. FRANCIS J. MYERS
OF PENNSYLVANIA

IN THE SENATE OF THE UNITED STATES

Wednesday, July 20 (legislative day of Thursday, June 2), 1949

Mr. MYERS. Mr. President, Mr. Ray Sprigle, a Pittsburgh newspaperman who holds the Pulitzer prize, a headliners' award and many other honors for his fact-finding ability, has been touring displaced person camps in Europe and writing vigorous stories of the tragic plight of these men and women who seek only the chance to live in freedom.

Mr. Sprigle's article of July 13 tells of the situation of many doctors in these camps, particularly at the Blomberg DP camps in the British zone of Germany. Those who have been lucky enough to gain admission to free nations have been accepted in the role of laborers, janitors, wood cutters, and so on.

Mr. Sprigle makes some excellent suggestions to the Commonwealth of Pennsylvania and to the American Medical Association for working out arrangements whereby the precious skills of some of these doctors can be used to great humanitarian advantage here in the United States.

I ask unanimous consent that the article Many Doctors Idle in DP Camps be inserted in the Appendix of the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

MANY DOCTORS IDLE IN DP CAMPS—PHYSICIANS EAGER FOR ANY KIND OF JOB AS SHORTAGE OF MEDICAL EXPERTS GROWS IN THIS COUNTRY

(By Ray Sprigle)

BLOMBERG DP CAMP, BRITISH ZONE, GERMANY.—That evening in the spring of 1942, when the ward chiefs turned in their nightly bed check, Dr. Ansis Karps, head of the Riga Hospital for Mental Diseases found that he had a few more than 800 patients in his institution.

The next morning he was still superintendent, but he had exactly no patients. Because that night a German SS detachment backed up a fleet of trucks to the hospital entrance, loaded every patient, hauled them to a nearby wooded section and there machine-gunned most of them to death. A few escaped in the darkness. German soldiers had excellent sport the next few days hunting them down like rabbits.

In a single month the Germans killed every mental patient in Latvia that they could lay their hands on. The same in Estonia and Lithuania. And for that matter, the same in Germany, too. But in Germany the SS used comparatively humane euthanasia while the patients slept. For the lesser breeds machine guns were cheaper and more expeditious.

DISCUSS DOCTORS' DARK FUTURE

Dr. Karps and I sit here in the doctor's smoking room of this little hospital which is part of Blomberg camp, while we discuss the dark future of the members of Europe's medical profession. This Blomberg DP camp is like no other we have visited in our 5,000 miles up and down Europe. The DP's, there are 880 of them, are housed in quite comfortable residences in Blomberg. And also, like no other town in all Germany there are no Nazis in Blomberg. The British, with a fine sense of justice, just turned every Nazi in Blomberg out of his house 4 years ago and moved the DP's in instead. Everybody's very happy about the whole thing—except possibly the Nazi leaders of the community who are still scattered all over the landscape—mostly living with relatives.

Across the table from us is Dr. Alexander Dumbrys, lately one of the most famous surgeons in Lithuania. He was chief surgeon of Ukmerge Hospital, and assistant professor of surgery in the University of Kaunas.

SPECIALIST TO DRIVE AMBULANCE

While we talk, in drops Dr. Jonas Elvikis, one of the outstanding specialists on tuberculosis in Europe. He is TB officer in the little hospital here. No longer does he lecture to half a hundred medical students in the clinical theater of the medical school of the University of Kaunas where he was associate professor for internal diseases.

Dr. Dumbrys and Dr. Elvikis both have received wonderful news in the past week. Both are going to the United States. Their "assurances" are being processed now.

So, once more they will take their part in a larger field, to take up their careers of fighting human suffering. * * *

Well, not that exactly. You see Dr. Dumbrys, it is true, is going to a hospital, to Alexis Hospital in Elizabeth, N. J., but not as a surgeon. This European specialist will be assigned to other duties. He will drive the hospital ambulance.

THOUSANDS OF DOCTORS IDLE

And Dr. Elvikis, he is going to a hospital in America, too. To a great Chicago institution. It is hardly likely that the good doctor will be able to devote much of his future career to the fight against the white plague. Because Dr. Elvikis is going to be a night watchman in the hospital.

And here in this dingy little hospital room in this dingy little German city is the complete picture of the tragedy that has overtaken the medical profession of most of Europe.

Nowhere in the world apparently are the famous medical specialists of Europe wanted—least of all in America that is literally crying for more doctors.

In all the DP camps of Europe thousands of doctors wear out the weary years of waiting while their careers rot. Hundreds of them have tried by every subterfuge they can think of to erase from their DP camp records that dreadful blot on their dossiers that damns them—the notation, "doctor" or "surgeon." Because Australia or Canada dont even want them for wood choppers if they are doctors.

LATVIAN LECTURES AT PITT

In the almost 2 years of its existence IRO has succeeded in resettling only 300 of Europe's displaced physicians and surgeons. Of these, some 200 have gone to Australia as common laborers. All over the world some of the foremost medical brains of the profession of healing are devoting themselves to the best methods of handling a coal shovel and some of the world's most skillful surgeons' hands are being destroyed on ax helves or pick handles.

Of the 300 resettled less than 10 have been resettled as medical men. Notable among this half dozen or so is Dr. Jacob Priman, sometime professor of anatomy in the University of Latvia.

He is lecturing on anatomy in the University of Pittsburgh. His friends here in Blomberg camp tell me he's living at 4105 Aliquippa Street and they often hear from him. Dr. Karps, who studied with him has hopes that Dr. Priman may be of assistance in getting him an assurance—if not as a doctor, then maybe as a furnace tender. I've got a better idea than that.

MENTAL HOSPITALS NEED EXPERTS

This is for Jim Duff—Gov. James H. Duff. For the past 3 years I've been writing about the low estate of Pennsylvania's mental hospitals. In every hospital I visit the story is the same—the utter impossibility of getting enough competent help.

All right then. Right here in these camps that I've been visiting for the last 30 days is the greatest reservoir of outstanding mental specialists the world has ever seen. They're not even hoping for jobs as doctors. They're long past that. But think what marvelous chief attendants they'd make in the wards of Pennsylvania's hopelessly undermanned mental hospitals.

So why doesn't Pennsylvania's Governor order a couple of his mental chiefs to draw themselves expense vouchers and hotfoot it over here to Bad Kissingen where IRO has its headquarters and pick out about a hundred or so of the best mental hospital attendants in the world? Charley Rayner, IRO boss at Bad Kissingen, will afford them every facility.

TWO THOUSAND DOCTORS, SURGEONS AVAILABLE

They could stop off at Washington where Herb McGushin of IRO and Alex Squadrilli of the United States Resettlement Commission will see to it that red tape is cut to a minimum. Thirty days at the outside ought to see these displaced mental specialists on the job back in Philadelphia and Norristown and Mayview and Woodville. The thing ought to be worth thinking about anyway.

Scattered through these DP camps, mostly in the United States sector are still 2,000 outstanding physicians and surgeons. Incredible as it seems, with all the world in need of doctors, these are the men whom nobody wants.

Dr. Dumbrys put it pretty well when he told me:

"The healing art should know no frontiers and no nationalistic boundaries. It is our own fault. Some of us may have been good physicians but we had no vision. It was the same with us in Lithuania.

"MEDICAL FENCE IN LITHUANIA

"We put a medical fence around our little country. It was rare indeed that an Estonian or a Latvian could produce a license to practice in Lithuania. We wanted the field to ourselves. All over the world it was and still is that way. That is why 2,000 of us have no place to go, why our knowledge and skill is being wasted despite the world's need."

Well, here's another idea—this one for my good friend Dr. Wendell Gordon, one of the officials of the Allegheny County Medical Society and highly regarded in the councils of the American Medical Association.

We've often discussed the need for more and better medical service for many areas in the United States where doctors are loath to settle. It seems that here again the AMA is missing the boat.

CHANCE IN NEGLECTED AREA

Why wouldn't it be a good idea for the AMA to send a commission of physicians and surgeons familiar with examination and licensure proceedings to Europe? Let them determine the qualifications of a selected group of these displaced medical men.

Then let AMA itself provide the necessary "assurances" for a sufficient number of properly qualified men. Put them under a 2 or 3 year sponsorship of the association, perhaps under contract. Spot them throughout the country where physicians are most direly needed but where our own doctors do not want to go.

It would provide adequate medical service for Americans who haven't got it now. And it would thoroughly spike another argument of the socialized medicine boys who keep harping about the refusal of young doctors to set up practice where they are most sorely needed but also where they would have a reasonable certainty of starving to death.

Why not think about it?

Bradford, Pa., Flood-Control Project

EXTENSION OF REMARKS
OF
HON. EDWARD MARTIN
OF PENNSYLVANIA
IN THE SENATE OF THE UNITED STATES

Wednesday, July 20 (legislative day of Thursday, June 2), 1949

Mr. MARTIN. Mr. President, I ask unanimous consent to have printed in the Appendix of the RECORD a statement submitted by me on July 13, 1949, to the Senate Committee on Public Works in support of the Bradford, Pa., flood-control project.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

Mr. Chairman, I greatly appreciate the privilege of submitting to your committee this statement in support of the Bradford, Pa., flood-control project.

I am hopeful that after you have heard the testimony of the representatives of the Bradford area you will concur in the opinion that this proposed improvement is completely meritorious and that you will recommend including its authorization in the omnibus flood-control bill.

The record of recurring floods in the Bradford area presents convincing evidence of the great need of relief from the tremendous losses to which the people and its industries have been subjected.

To touch briefly on the importance of the Bradford area, I would like to point out that it is a center of production, refining and processing of the world-famous Pennsylvania grade crude oil. It is the oldest oil-producing region in the world, where the skills and techniques now used in every other oil field were developed.

It is now the center of research in secondary recovery methods by which production in the Bradford area has been increased by 194 million barrels a year. This will be substantially increased as new developments and advances are made in secondary recovery methods.

In addition to the extensive oil industry, Bradford and McKean County have developed large scale and diversified manufacturing of oil well supplies, machinery and parts, metal and glass products, chemicals, leather and rubber goods, aircraft and parts.

I point to these facts to show that Bradford is going forward and that protection from the severe flood damage it has suffered is amply justified from an economic standpoint.

Other witnesses who will appear before you will submit statistics showing the extent of the damage to property by reason of floods. I would like to call to your attention the fact that the entire cost of the project would be more than covered by the savings that would be made in a 6-year period.

That estimate is based on damage to physical property alone in the last 3-year period covering 1946 to 1948, inclusive. It does not take into consideration the large amount of additional damage represented by loss of wages, loss of production and decline in real estate values in the districts of greatest damage where flood insurance is not obtainable.

The project has been approved and concurred in all along the line by the Corps of Engineers from the District Engineer through the Division Engineer, the Board of Engineers for Rivers and harbors and forwarded to Congress by the Chief of Engineers.

The Commonwealth of Pennsylvania has submitted its approval to the Department of the Army clearing the way for participation by the State in its share of the cost. The local subdivisions have likewise submitted assurances of participation in their share of the cost.

My own study of the proposal has convinced me that the improvement is urgently needed to promote the welfare and further progress of this important district.

Harry Bridges

EXTENSION OF REMARKS
OF
HON. HUGH BUTLER
OF NEBRASKA
IN THE SENATE OF THE UNITED STATES

Wednesday, July 20 (legislative day of Thursday, June 2), 1949

Mr. BUTLER. Mr. President, I ask unanimous consent to have printed in the Appendix of the RECORD a news item entitled "Bridges Is Named WFTU Union's Head," and an article by Louis Stark, both published in the New York Times of July 20, 1949, and that preceding the news item and the article there may be printed a statement by me in connection therewith.

There being no objection, the matters referred to were ordered to be printed in the RECORD, as follows:

STATEMENT BY HON. HUGH BUTLER, OF NEBRASKA

Mr. President, I ask unanimous consent to insert in the RECORD a news article which appeared in the New York Times this morning, entitled "Bridges Is Named WFTU Union's Head."

This article deals with the fact that Harry Bridges, president of the International Longshoremen's and Warehouse Men's Union, has just been elected president of the International Union of Seamen and Dockers, a subsidiary of the World Federation of Trade Unions.

The WFTU, as it is called, is the worldwide federation of Communist trade unions. It is strictly a creature of Moscow and has been so identified by the House Committee on Un-American Activities. Although the CIO was formerly a member of this organization, it finally realized that it is impossible to cooperate with Communist-led organizations. The CIO renounced its affiliation with the WFTU last spring, and since that time it has opposed having any dealings at all with the organization. Much earlier, the A. F. of L. had likewise branded the WFTU as an instrument of world revolution directly under the control of the Kremlin.

Harry Bridges, as president of the ILWU, has been responsible for an 80-day shipping blockade of the Territory of Hawaii, in which over 540,000 Americans have been sacrificed to his ambitions. On June 24, I submitted a report to the Committee on Interior and Insular Affairs, documenting the Bridges blockade of Hawaii as a maneuver of world communism.

Harry Bridges' election yesterday as president of the WFTU shipping union came at a time when Bridges was in Washington seeking the intervention of the Government of the United States to save his union in Hawaii in the current strike situation, through requiring the employers to grant at least a major portion of his demands. I submit that no officer of the United States, even the President, has any right or authority to exercise the powers of his office in behalf of a union officer publicly acknowledged as president of a WFTU subsidiary.

Harry Bridges and his union have refused to avail themselves of the rights and privileges guaranteed to them by the labor laws of the United States through their repeated refusal to sign non-Communist affidavits. As a Communist-controlled organization, the ILWU is beyond and outside the law. Under these circumstances, no representative of the United States Government has any right to force the people of Hawaii to recognize or sustain such a union. The threat to our national security created by this situation is very concisely expressed in a statement made by the well-known analyst, Mr. Hanson W. Baldwin, in the New York Times of January 9, 1947.

"Complete control of these unions by the Communists could hog-tie America in time of international crisis. * * * The Congress must make impossible a repetition of last summer's catastrophic blow to Alaska and the Aleutians, a geographical area of tremendous strategic importance. Any shipping strike that virtually strangles Alaska as the recent strikes did, and that also imperils an adequate defense in the Hawaiian Islands cannot be tolerated."

Despite the cold war we are supposed to be waging today against the forces of communism, that situation still exists. It is still true that Communist unions could hog-tie vital parts of America in time of crisis or war. That will continue to be true so long as Harry Bridges completely controls the ILWU, and through it the shipping of Hawaii, Alaska, and the Pacific coast.

BRIDGES IS NAMED WFTU UNION'S HEAD—LEFTIST SEAMEN'S AND DOCKERS' BODY, FORMED AT MARSEILLE, PICKS MARITIME CHIEF

PARIS, July 19.—Harry Bridges, shoremen's union on the United States west coast, was elected yesterday president of the International Union of Seamen and Dockers, which has just been created in Marseille under the aegis of the Communist-led World Federation of Trade Unions.

Mr. Bridges, who is under indictment in the United States for perjury and conspiracy because he allegedly concealed membership in the Communist Party when he became a naturalized American citizen in 1945, was elected unanimously by representatives of maritime unions from 25 countries.

Serving on the executive board with him as vice presidents will be a Russian, an Australian, an Italian, and eventually someone from Communist China. The seat of the new union will be Marseille.

Louis Saillant, head of the WFTU, said the new union would have 750,000 members in an address at the closing meeting last night. He asserted:

"For the first time in history a true international union is created. It is a powerful tool for peace. On all the oceans, in all the ports of the world, 750,000 seamen and dockers are henceforth fighters for peace."

Mr. Saillant and other speakers praised the social progress being made in the Soviet Union and the "popular democracies." He said that the formation of the new union was judged necessary to fight against the harmful effects of capitalism and the menace of war.

It was resolved that the first task of the new organization would be to bring "immediate and effective aid" to striking London and Canadian dockers.

(By Louis Stark)

WASHINGTON, July 19.—Harry Bridges said tonight that he hoped that the national Congress of Industrial Organizations would recognize his union's interest in affiliating itself with a new world maritime labor body sponsored by the WFTU.

The chief of the CIO longshoremen's and warehousemen's union said he had been advised by his San Francisco office today that he had been named president of the newly formed maritime labor organization.

As to whether his leadership in the new organization and his union's affiliation with it conflicted with CIO policy Mr. Bridges said he felt unable to say.

However, in the absence of Philip Murray, CIO president, officers at CIO headquarters said that the latest developments merely "aggravated the picture." They indicated that Mr. Bridges already had defied the national CIO policy by insisting that he had a right to oppose severing ties with the WFTU. Now, they said, he will apparently defend his right to maintain an organic tie with a WFTU affiliate.

The CIO, one of the founding unions of the world labor federation, left that organization last spring when it decided that the federation was Communist dominated. Subsequently the WFTU decided to form special trade organizations of specific crafts. One of them is the new maritime labor body that has been meeting in Marseille.

Mr. Bridges' defiance of CIO policy, as interpreted by high CIO officials, will go to the CIO executive board just before the next convention of the national organization in October or November. The board will then make recommendations to the convention which may call for the ousting of the dissident left-wing unions.

Monongahela River Navigation Improvements

EXTENSION OF REMARKS
OF
HON. EDWARD MARTIN
OF PENNSYLVANIA
IN THE SENATE OF THE UNITED STATES
Wednesday, July 20 (legislative day of Thursday, June 2), 1949

Mr. MARTIN. Mr. President, I ask unanimous consent to have printed in the Appendix of the RECORD a statement submitted by me to the Senate Committee on Public Works in support of additional authorization for the Monogahela River navigation improvements, on July 14, 1949.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

It is impossible to overemphasize the importance of the Monongahela River in the economic life of the Nation.

For many years the Monongahela has carried a volume of tonnage exceeding that of the Panama Canal and greater than that of the famous Suez Canal.

Ninety percent of the traffic on that busy river is coal and coke for the steel-production empire of the Pittsburgh district, the greatest steel center of the world.

The enlargement of navigation facilities on the Monongahela River will provide far-reaching benefits, not for the Pittsburgh district alone, but for the whole country.

It will open for development vast coal fields in northern West Virginia, the last big reserve of metallurgical coal, which is becoming scarce.

It has been estimated that the fields which would be opened for development by this project have more than 1,600,000,000 tons of coal in the ground. This is a reserve sufficient to insure Pittsburgh's supply for many decades to come.

More coal, faster and cheaper, is the lifeblood of steel production. It means prosperity for Pittsburgh and the Nation.

Furthermore, the upper Monongahela project is most important as a vital factor in national defense. In the event of another war emergency it will assure this country of a continuous supply of metallurgical coal to support and expand the Nation's steel productive capacity.

While coal is the most important cargo in the Monongahela's tremendous traffic, it is by no means the only one. Coke, fluorspar, iron and steel, petroleum products, sand, gravel, and sulfur are carried in great quantities to and from its shore-line plants.

The Monongahela has been a vital American waterway since the earliest days of our Republic.

I respectfully submit that favorable consideration of the projects now before this committee would be an essential step in the further development of its usefulness in the national economy.

Release of Conscientious Objectors

EXTENSION OF REMARKS
OF
HON. WILLIAM LANGER
OF NORTH DAKOTA
IN THE SENATE OF THE UNITED STATES
Wednesday, July 20 (legislative day of Thursday, June 2), 1949

Mr. LANGER. Mr. President, I ask unanimous consent to have printed in the Appendix of the RECORD an editorial from the Hartford Courant, and also an article from the Christian Century of July 13, 1949, both in favor of immediate release of conscientious objectors.

There being no objection, the editorial and article were ordered to be printed in the RECORD, as follows:

INDEPENDENCE DAY EDITORIAL

[From the Hartford Courant]

Not a man is being drafted for the existing, unused draft law. The war ended 4 years ago. Yet somewhere in these United States today are 42 young men who are locked up because they refused for religious reasons to obey the peacetime draft. More than half of these young men are Quakers. Most of the others are men who belong to churches from whose teachings they have evolved such a deep-rooted opposition to war that they chose prison rather than betray their religious principles.

A time of national emergency is one thing. But the failure to respect the right to religious freedom cannot be justified now. Members of the Quaker faith have consistently upheld their opposition to war, and their faith has been respected for four centuries. Indeed, their peaceful activities during and following the modern wars have more than justified the admiration of the world.

The sentences the conscientious objectors are serving are severe enough. But apparently discrimination continues, for while white slavers and counterfeiters are paroled, not one of these young men, mostly farmers and students, has yet won a lessening of his sentence. It all adds up to a policy of petty spitefulness that ill becomes a powerful Nation that preaches to the world that it is the citadel of religious freedom.

Is this handful of conscientious objectors a threat to national security? That is ridiculous. Does a national emergency exist that justifies keeping these 42 young men behind bars? That is also ridiculous. Then why not release them?

[From the Christian Century of July 13, 1949]

The biggest peril to religious liberty (in the conscientious objector prosecutions) is not the imprisonment of 42 men, who knew what they were doing when they refused to register on grounds of conscience. It is the lethargic indifference of the majority of citizens, including church people, to the steady encroachment of the state on the liberties of us all. These conscientious objectors are attempting to warn the American people concerning the gravity of these encroachments, and few pay any attention to what they have to say. A healthy protest demanding the liberation of these men might help to clear the air. So long as one man remains in prison because his conscience cannot sanction participation in military service, none of the rest of us is free. The Department of Justice has ordered its attorneys to register men who cannot conscientiously do so themselves, so presumably the number in prison will not go above 42. It should wash its hands of the whole business by freeing those whom it has placed behind bars because they could not violate their conceptions of Christian responsibility.

(NOTE.—Since these two editorials were written, some men have been granted parole, and additional men have been sentenced. As of July 15, 1949, the total in prison stands at 48.)

New England's Undeveloped Water Power Resources

EXTENSION OF REMARKS
OF
HON. LEVERETT SALTONSTALL
OF MASSACHUSETTS
IN THE SENATE OF THE UNITED STATES
Wednesday, July 20 (legislative day of Thursday, June 2), 1949

Mr. SALTONSTALL. Mr. President, I ask unanimous consent to have printed in the Appendix of the RECORD an editorial entitled "How Much Power?" published in the Boston Herald of July 18, 1949.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

HOW MUCH POWER?

The Federal Power Commission's recent memorandum to Senator SALTONSTALL throws some additional light on the question of New England's undeveloped water power resources. But it is far from reconciling the differences between public and private figures, which it set out to do, and its main effect is to give added weight to demands for an official survey.

The power survey committee of the New England council has recently estimated the region's new hydroelectric potential at only 500,000 kilowatts. The FPC claims that more than 3,000,000 kilowatts can be developed, or five times the private group's figure.

A large part of the difference, as FPC now frankly points out, results from the assumption on the part of the council that power developments will be privately financed at relatively high cost, and the assumption by FPC that cheap Government financing will be employed. Obviously a great many marginal developments would be feasible in the latter case, and not in the former.

About a third of the projects envisaged by FPC, moreover, would be justified by attributing part of the cost to flood control and other public purposes. The private survey did not include any such multipurpose projects. All of the above differences stem

largely from the different starting points of public versus private power.

But a broad gap still remains. The FPC includes a number of potential developments which, on any basis, the private group would reject as unfeasible. For example, it includes the Passamaquoddy Bay project, which the FPC itself considered too costly before the war. And in its latest report it admits that 65 percent of its proposed developments are in Maine, where the power could not be used, and from which, under present law, it could not be exported.

The one thing that the FPC memorandum does demonstrate beyond dispute is that those who have been counting on large scale public water-power developments to provide an industrial panacea are doomed to disappointment. Not more than a third of the FPC projects are of proved value and many are tenuous in the extreme. It is not likely that FPC's own estimates of minimum new power needs here could be met by hydro during the next decade.

This does not mean that the true possibilities should not be investigated. Indeed, we are rapidly coming to the conclusion that the false hopes raised by the more rabid public power advocates must be counteracted by a new study. But there is obviously no value in having another survey by the FPC (or the private utilities) now. Congress should authorize an impartial study in which the interested parties would be heard, but would not dominate.

Ordinary New Englanders have a right to unvarnished facts.

A Program for Asia

EXTENSION OF REMARKS
OF
HON. WARREN G. MAGNUSON
OF WASHINGTON

IN THE SENATE OF THE UNITED STATES

Wednesday, July 20 (legislative day of Thursday, June 2), 1949

Mr. MAGNUSON. Mr. President, I ask unanimous consent to have printed in the Appendix of the RECORD an article entitled "A Program for Asia."

There being no objection, the article was ordered to be printed in the RECORD as follows:

A PROGRAM FOR ASIA

United States policymakers were known to be worrying, somewhat belatedly, over the Communist advance in Asia; but even after weeks of behind-the-scenes study and discussion no new program had emerged. The immediate question was whether to extend diplomatic recognition to the Communist-dominated government now being formed in China. Washington tended to discuss this in terms of procedural technicalities. Actually, the arguments pro and con would be meaningless until a broad political policy was decided upon.

Refusal to recognize a Chinese Communist Government, for instance, would be an inane gesture if the general Asiatic policy was to be one of drifting with the Communist tide. On the other hand, recognition would be hypocritical if the general policy was to begin active resistance to communism in Asia.

The United States can continue its present passive attitude toward Asiatic communism. This is a well-worn track and needs no further exploration. It means a little money here, and a diplomatic note of protest there. It is easy, cheap—and useless. Judging by past experience, this policy would end with Communist domination of Asia.

On the other hand, a policy of active resistance to communism in Asia is hard to envisage because it is so remote from United States political experience. It would be much more difficult than United States anti-Communist strategy for Europe as worked out in the Marshall plan and the Atlantic Pact.

TO STEM A TIDE

A policy of active resistance in Asia might include:

The use of United States sea-air power against communism, under all circumstances, to hold key coastal and off-shore positions—Japan, Korea, Formosa, Hong Kong, the Philippines, Indonesia, Singapore. Militarily, this program is within present United States capabilities. It would not save Asia, but it would save the Pacific, at least temporarily.

Coordination, under United States leadership, of British, Dutch, French, and Portuguese policy in Asia: Out of desperation, the French and the Dutch, in the past few years, have taken some unwise steps; these could have been avoided if the inevitable retreat from imperialism had been organized jointly with strength and confidence.

Creation of a regional grouping of independent, non-Communist Asiatic nations to work in cooperation with the United States and the western nations for the economic and political progress of all non-Communist Asiatic areas, free and colonial: This would involve development programs sponsored by the United States and other nations, using public and private capital. The key to this program is the example of recent British-Indian relations. When India surprisingly decided 2 months ago to stay in the Commonwealth with Britain, the Communist press howled with disappointment and rage. Well it might. India's decision does not balance the loss of China, but it does point the way to a constructive relationship between the western and the Asian democracies. Some immediate tasks of an anti-Communist democratic grouping would be: Retrieving Burma from its present chaos; helping the Indonesians make a go of independence; stopping the economic and political "slide" in the Philippines.

Help from the United States and its allies in all areas under military attack by Communist-led forces: This would include vast regions of west and south China, Burma, and Indochina. Goal: The liberation of Asiatic areas now held by Communists.

A pledge by the Western Powers that all Asiatic peoples will be free and self-governing as soon as possible.

Recognition by the Asiatic nations that the right to national independence does not include the right to place themselves under the Communist imperialist dictatorship. No moral contradiction is involved here; the individual's right to his own life does not include the right to suicide. The Chinese Nationalist Government, for instance, has been committing suicide. Its absurd raids on Shanghai by a poltroonish air force can only have the effect of making more and more Chinese turn toward the Communists.

WITH BOTH FEET

Such a program would be a large order indeed. Perhaps it would be beyond the vision and determination of American leadership, as the steps necessary to stop Japan before Pearl Harbor were beyond it.

Half of such a program, however, would be worse than none at all. There is no use trying to hold Indochina, Burma and Siam out of Communist hands if the United States is going to build up the Communist regime in neighboring China by trade and recognition. There is no use squandering money on aid to the kind of anti-Communists who cannot make the aid effective.

If the United States goes into Asia, it has to go in with both feet, with money and authority, with the will to help Asians build their own strong, free societies and with the responsibility of preventing them from committing national suicide under the strains of that painful process.

The North Atlantic Treaty

EXTENSION OF REMARKS
OF
HON. ESTES KEFAUVER
OF TENNESSEE

IN THE SENATE OF THE UNITED STATES

Wednesday, July 20 (legislative day of Thursday, June 2), 1949

Mr. KEFAUVER. Mr. President, I ask unanimous consent to have printed in the Appendix of the RECORD an editorial written by Alfred D. Mynders, editor of the Chattanooga Times, which appeared in the July 13, 1949, issue of that publication.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

MR. KEFAUVER'S APPEAL

In his first major statement on foreign policy, Senator KEFAUVER has called for prompt ratification of the North Atlantic Treaty. Mr. KEFAUVER sees the pact primarily as a device to give free peoples of the North Atlantic area time to work out a union strong enough to attain and preserve the true peace which the world so desperately needs.

The State's junior Senator boldly advocates and firmly believes in the formation of a limited federal union of the western democracies. In this aim he finds himself in distinguished company. Men like former Supreme Court Justice Owen J. Roberts, former Secretary of War Robert Patterson, and Mr. Will Clayton favor such a program.

Mr. KEFAUVER says he believes the people of the United States generally would support this type of superstate to which the United States and other nations would surrender a portion of our sovereignty.

We do not know the extent to which public opinion has jelled on this point. Perhaps it is not as firm as Senator KEFAUVER believes. But it is evident, as he says, that the people of the United States are ahead of the Congress in their thinking on means to preserve and strengthen the ideals of democracy in a free and peaceful world.

It is also evident that Mr. KEFAUVER, in his scholarly address, has made a persuasive appeal for an Atlantic union.

He recognizes the urgency of favorable Senate action on the pact in support of the "prime purpose of our foreign policy," which he sees as the effort to "secure our free way of life without having to fight a recurring world war to do so."

Failure to ratify the treaty after we have signed it "because it fails to remove entirely the uncertainty that makes for war, would not lessen that uncertainty, but increase it to the highest degree."

He points out the unquestionable fact that the treaty represents a departure from precedent, but "if wisdom counsels us not to abandon lightly policies that have long proved good, it tells us, too, not to cling to them blindly when they are producing worse and worse disasters."

He adds: "We cannot be more entangled by a treaty than we already are by the facts of modern life, and it behooves us to remember that these conditions of life tend to entangle us more and more every year, not less and less."

There is a dilemma, he says, in making the pact as strong as possible without endanger-

ing our constitutional processes. On the other hand, it will do no good to write in reservations which serve only to weaken the treaty. "The situation is such that we are bound to be entangled in any major war, treaty or no treaty, and no matter what reservations are added to it."

Mr. KEFAUVER takes a dim view of the efficacy of alliances aimed at preventing or even winning wars. "The great weakness in the alliance method which is responsible for this sorry record is the uncertainly that lies at the heart of any such treaty."

He believes the North Atlantic Treaty possesses this same weakness, but if it is followed by the convocation of a so-called constitutional convention looking toward the formation of an Atlantic union, then it will indeed serve as a war deterrent until a stronger preventive method can be worked out.

The convention he proposes will not commit the United States to anything save to explore, "as earnestly and carefully and honestly as we can," the possibility of an Atlantic union on the basis of American constitutional principles.

We are not convinced that an Atlantic union is the only, or indeed the feasible, way to gain and maintain world peace. We do recognize with Senator KEFAUVER that: "To overcome dictatorship and would-be world conquerors without war has proved a far harder thing than to vanquish it by war. It requires wisdom, vision, boldness, sacrifice even more than does victory by war."

Mr. KEFAUVER is speaking with the boldness he advocates. Perhaps he also has the vision of the way to gain the ends we all so earnestly desire. In any event, his Senate address provides the Nation with a thought-provoking thesis worthy of closest consideration.

Robinson Versus Robeson

EXTENSION OF REMARKS

OF

HON. HERBERT R. O'CONOR

OF MARYLAND

IN THE SENATE OF THE UNITED STATES

Wednesday, July 20 (legislative day of Thursday, June 2), 1949

Mr. O'CONOR. Mr. President, in these days of divided loyalties and allegiances among so many people in so many countries, the testimony of Jackie Robinson of the Brooklyn Baseball Club, before the Committee on Un-American Activities, on behalf of the millions of loyal Negroes in this country was a wholesome thing.

Every Senator here who has had much contact with the Negro communities of his State knows that Paul Robeson, who has prospered under the American system, did not represent the attitude of the Negroes of America when he blared forth his belief that this large group of citizens would refuse to support the United States in the case of war with Russia. Nevertheless, to complete the record, it was highly desirable that another member of Robeson's race, whose eminence in one field compares favorably with that of the singer's, should state in clear and unmistakable terms his conviction that Robeson had maligned his fellow countrymen by impugning their patriotism.

The editorial in today's Washington Post, entitled "Robinson Versus Robeson," discusses the matter so well that it should be brought to the attention of all our people.

I therefore ask unanimous consent that it be inserted in the Appendix of the CONGRESSIONAL RECORD.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

ROBINSON VERSUS ROBESON

It seems to us that the Negroes in the United States owe a good deal of gratitude to Mr. Jackie Robinson of the Brooklyn Dodgers for defending them the other day against the insulting libels of Mr. Paul Robeson. Mr. Robeson has made no secret of the fact that his own loyalties are pledged to a Communist regime, which has reduced millions of human beings to a condition of servitude infinitely more degraded than that of Negroes in any Southern State. But then Mr. Robeson's recent conduct has been such that if he had said that his first loyalty was to his own country, it would have been difficult to believe him. When he said, however, that his views are shared by Negroes generally, he was actually betraying them in the interest of Communist tactics to the advocates of white supremacy.

Nevertheless, it took a good deal of courage for Mr. Robinson to speak his mind about Mr. Robeson. A great deal of pressure, as Mr. Robinson admitted to the Committee on Un-American Activities, was brought to bear on him in an effort to dissuade him from doing so. As the first of his race to rise to unquestioned eminence in a field from which it has hitherto been excluded, Mr. Robinson has been placed in an extremely delicate position. The nature of his work places him in intimate daily association with white men, many of them Southerners, with whom it is necessary to remain on terms of friendship; at the same time his great success has made him a symbol of Negro aspirations.

Thus it might have seemed the part of discretion to have kept aloof from matters of public controversy, thereby avoiding the possibility of making enemies among either whites or Negroes, and to have allowed his professional exploits to speak for themselves. Mr. Robinson's statement to the committee was, however, a masterpiece of candor. He left the committee under no illusions concerning how Negroes, even those who are prosperous and successful, feel about the disabilities imposed on them by social prejudice in the United States.

But at the same time Mr. Robinson was bold enough to acknowledge that there are freedoms which even Negroes enjoy in the United States and which they find preferable to a regime which would deny them any freedoms. He also acknowledged that the equities in American life that Negroes have already won, and the further equities they are demanding, involve a recognition of their responsibilities as citizens. "I can't," he told the committee, "speak for 15,000,000 people any more than any other one person can; but I know that I've got too much invested for my wife and child and myself in the future of this country, and I and many other Americans have too much invested in our country's welfare, for any of us to throw it away for a siren song sung in bass."

Already Mr. Robinson is paying the penalty of his courage. He has become the target of abuse in the Communist Daily Worker, and the cry is likely to be echoed in other quarters of the extreme left—an unpleasant situation for a man whose business, as he said himself, is not politics but baseball.

The Responsibility of Greatness

EXTENSION OF REMARKS

OF

HON. ESTES KEFAUVER

OF TENNESSEE

IN THE SENATE OF THE UNITED STATES

Wednesday, July 20 (legislative day of Thursday, June 2), 1949

Mr. KEFAUVER. Mr. President, I ask unanimous consent to have printed in the Appendix of the RECORD an editorial from the Washington Post of Thursday, July 14, 1949, entitled "We Must Buy Peace." This article is written about the debate on the Atlantic Pact in the United States Senate and it deserves the consideration of Members of Congress and the American people.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

WE MUST BUY PEACE

It is a pity to see so much debate on the Atlantic Pact consumed by talk on the negative side of the obligation. Senator DULLES said there was no more reason for the United States to arm France than for France to arm the United States. Nor is there any prior commitment to supply arms to a particular country or any prior commitment to support a particular arms program. All this is incontestable. The pact is an "all-for-one and one-for-all" treaty providing for a common defense in organized form. The emphasis is on organization. Article 9 sets up a council, which, after ratification of the pact, shall "consider matters concerning the implementation of this treaty," particularly the appointment of a defense committee which in turn shall recommend mutual-aid measures.

A military mutual-aid program and the pact are thus two halves of the same walnut. Senator TAFT scored a point when he said that if none of the parties understood that any arms obligation was implied in the treaty, then none of the parties could object to reservation to that effect. His point has been taken up by Senator WHERRY. The Nebraskan proposes a declaration of intent that no legal or moral obligation exists to send arms to Europe till the attack actually occurs which Article 5 recognizes as an attack on all the signatories. This would be a crippling amendment. It would deny to the defense organization the preparedness and the training with which to defend Europe, for neither preparedness nor training is possible without arms. A declaration of intent had much better be pinned on Article 9, and read that only a collective military establishment will be munitioned under the Atlantic Pact. That would needle the Europeans to continentalize their defense—a step in the development of a real unity of the Atlantic community.

Let us think on the eve of a vote in terms of affirmations. Toward the end of Tuesday's debate, under pressure from straight thinkers like Senator MORSE and oppositionists like Senator DONNELL, Senator DULLES appeared to admit there is an obligation to a defense organization, or the collectivity—to be determined later. Surely this is inter alia to ship arms. The Atlantic Pact is the military corollary of the Marshall plan. Through ECA the United States is supplying the major portion of the sinews in return for a pledge of self-help. The interest of this country would

not be served by insisting that the other parties in the defense group should find their own paraphernalia. They cannot afford it. Their economic recovery would be imperiled. What has been stressed all along is that there shall not be too much diversion of western European energies into the making of munitions. Undoubtedly the signatories expected America to be the main arsenal if only to standardize weapons.

We regret Senator TAFT's decision to vote against the treaty because he does not want to commit himself to the obligation implied in it. He would subscribe, evidently, to the unnecessary piece of paper that the Atlantic Pact would become under the Wherry amendment. Surely these are days that call for affirmations. The "craven fear of being great" is unbecoming to a Nation upon whose shores there is banked so much world power—power that will not keep the peace unless accompanied by a policy firmly declared beforehand and bolstered by collective preparedness. History records that the lack of such a policy by America's predecessor, Britain, condemned humanity to the agony of two world wars. What a statesman Senator TAFT would be if the bent of his mind were affirmative. These are dangerous times when, with an aggressor walking the earth, the United States needs to say a resounding "Yes" to the responsibilities of power. But Senator TAFT's public cerebrations on foreign affairs, winding up as they do in votes which lack the interconnection of a principle or a policy, leave a trail of uncertainty which diminishes his leadership.

Editorial From Los Angeles Daily News

EXTENSION OF REMARKS
OF
HON. CLYDE DOYLE
OF CALIFORNIA
IN THE HOUSE OF REPRESENTATIVES
Wednesday, July 20, 1949

Mr. DOYLE. Mr. Speaker, the following is an editorial which appeared in the Los Angeles Daily News, Saturday, July 16, 1949. I think it is especially appropriate to call it to your worthy attention and consideration.

NOTHING TO FEAR BUT FEAR

When the late President Franklin D. Roosevelt said in the early thirties that "we have nothing to fear but fear itself," he may not, as certain Republican opponents have asserted, been wholly original. He was, however, forcefully truthful.

That statement is singularly appropriate at this time when there is so much talk about the grave possibility of another recession. Psychologists long have known that fear begets fear and by the same token, inversely used, confidence begets confidence.

Alfred P. Sloan and C. E. Wilson, the two highest-ranking executives of the General Motors Corp., recently have echoed the Rooseveltian pronouncement and given new assurance that industry and our economic life generally are sound. General Motors itself has demonstrated the validity of the statement by its chiefs by reporting an output of 265,280 cars for the latest month for which complete figures are available. This is the largest volume of production in GM's history.

There have been other assurances. Hardheaded businessmen, not versed in political propaganda but intensely interested in facts, are telling us something like this. We paraphrase and do not quote directly:

Business, which in effect means national income, goes up and down. That is the nature of business. The current national income as last reported is approximately $217,000,000,000. Yes; that's a drop of $4,000,000,000 from last year's peak. But it is also three times as much as the $70,000,000,000 prewar peak. It would be as impossible to force national income to remain static as it would be to force personal income to remain at the same figure and for the same reason.

A change in income, however, is not always too significant. It is not always the best gage of how things are going. It is not a fever chart unless the change is sudden, great, and lasting. A rise in incomes does not prove a rise in prosperity or the standard of living by any means. In China it takes 100,000,000 Chinese dollars to buy what one Chinese dollar would buy 20 years ago. It is a poor Chinese indeed who is not a millionaire. Yet, a Chinese may have $10,000,000 and go without breakfast.

We are giving away and lending much money, we Americans. Opinions differ as to the rightness and the value of doing it. Those who advise the administration and Congress are of the opinion that we should do it, in fact must do it, and that it pays. We believe so, too, within limits.

But giving or lending money that enables most of the world to compete with us as buyers of commodities we produce means the price goes up and the relative amount each of us can buy goes down. Hence, a national income of $217,000,000,000 may not mean we are richer or better off. It may mean merely that the available supply of what is for sale brings into the tills more in dollar units.

If the national income goes down $4,000,000,000, or any given number of billions, there may still be as much to buy and it may be worth as much. There are simply fewer monetary units to buy it with which, in turn, may mean only that each unit can buy more. In fact, unless there is a serious slump in production that is exactly and only what it means.

The important thing in America is to keep as many persons usefully employed and self-supporting as possible. When we can reckon national income in terms of food consumed, clothing worn, gasoline consumed, movies visited, fun had and other useful and pleasant things and a few of the cultural items, then we are talking about real income. If and when we get a large section of the population, say the 15,000,000 or so we had during the depression of the thirties, that are short on the necessaries and totally minus on the cultural things, we have a drop in income that should concern us.

Our Congress and our State government should never lose sight of the importance of two duties. Duty No. 1 is to keep a sharp look-out for new ways of developing our resources and sustaining old ones so that prosperity, including jobs, may remain at peak. The other duty is to provide, sustain, and develop those legitimate social remedies for social disasters that we have not yet found a way to prevent.

In California we have been backward in this regard. Nearly every effort to provide an agency for surveying and developing resources, especially human resources, such as have been suggested by both Gov. Earl Warren and leading Democrats in the legislature, has been ignored or turned down. California still must depend largely on the Federal Government for long-period relief aid aside from a pension system which we may not have with us much longer.

For many decades to come America will prosper through business and private enterprise. If conditions force us into further extensions of social security they can be directed to aid private enterprise and not destroy it.—L. E. C.

A Defense of the ITU

EXTENSION OF REMARKS
OF
HON. HUBERT H. HUMPHREY
OF MINNESOTA
IN THE SENATE OF THE UNITED STATES
Wednesday, July 20 (legislative day of Thursday, June 2), 1949

Mr. HUMPHREY. Mr. President, I have received a communication from the Youngstown Typographical Union, No. 200, in Youngstown, Ohio. They have brought to my attention certain facts which, in my opinion, ought to be inserted in the CONGRESSIONAL RECORD, in view of the fact that in the course of the recent debate on the repeal of the Taft-Hartley law their reputation was attacked. I ask unanimous consent to have the letter printed in the Appendix of the RECORD.

There being no objection, the letter was ordered to be printed in the Appendix of the RECORD, as follows:

YOUNGSTOWN TYPOGRAPHICAL
UNION No. 200,
Youngstown, Ohio, July 13, 1949.

Hon. HUBERT H. HUMPHREY,
United States Senate,
Washington, D. C.

DEAR SENATOR HUMPHREY: My attention has been called to a speech made by Senator TAFT in the United States Senate June 9, 1949, in which he stated in part:

"It is not the employer about whom I am concerned. The employer is of very little concern to me. What I am concerned about is the individual man. The union has so limited the number of people who can become printers that today we have a shortage of printers. If that policy were pursued in all industries, we should have so much unemployment that the Government itself could not support it.

"As an example, take the case of a printer who came from a small town in Ohio, where there was only one shop, a nonunion shop. He learned his printing in that shop. He went to Youngstown and sought a position on the newspaper. He was sent to the union and the union told him, 'No; we will not take you into this union. You learned in a nonunion shop. If you want to go through 6 years of apprenticeship, all right. Otherwise you cannot be a printer in Youngstown.' Every shop in Youngstown is a union shop.

"It is that arbitrary power against the individual to which I object in the closed shop. It is a matter of civil rights of members of the union and of various persons who seek employment. Those rights are just as important as any of the other civil rights which have been discussed on the floor of the Senate."

To the best of my knowledge, no printer has ever been denied membership in Youngstown Typographical Union, No. 200, in the more than 65 years of its existence because he learned his trade in a nonunion shop.

It is not now, nor has it ever been, the policy of Youngstown Typographical Union to deny membership to men or women who learned their trade in other than union shops. Nor has it ever been the policy of any union affiliated with the International Typographical Union to bar any printer because he learned his trade in a nonunion shop. I myself joined the union in 1912, after having learned my trade in a small town, a nonunion town. I made application direct to the International Typographical

Union, giving my experience, age, time spent at the trade, etc. I was accepted into membership without any question. During 37 years' continuous membership no one has ever asked me whether I learned my trade in a union or nonunion office. I was taken by the members for what I am—nothing else.

The following list of applicants for the past 12 years, taken directly from our files, shows the complete error of Senator TAFT's statement.

The column headed "Initiated" shows the date on which the applicants formally were taken into the union following their acceptance by a vote of the membership.

You will note that of a total of 30 applicants only 2 were rejected, 3 withdrew their applications before being acted upon, and 34 were accepted. Of these 34, 15 learned their trade in union shops and 19 learned their trade in nonunion shops. I believe this record is certainly conclusive evidence that Youngstown Typographical Union does not put the bars up because a man happens to have learned his trade in other than a union shop.

Name	Initiated	Learned trade	Union
R. Roath	Jan. 26, 1937	Vindicator Printing Co., Youngstown, Ohio	Yes.
Harry Kacher	Feb. 1, 1937	Barberton Herald, Barberton, Ohio	No.
Robert Pushish	Feb. 3, 1937	R-B Printing Co., Cleveland, Ohio	No.
George Williams	Feb. 13, 1937	Truscon Steel Co., Youngstown, Ohio	No.
J. E. Bartholomew	Feb. 18, 1937 (rejected, insufficient experience).	Youngstown Schools	No.
Patrick Valentino	June 24, 1937	J. Young Printing Co., Akron, Ohio	No.
James Coplin	Withdrew application July 19, 1937.		
Henry Kappelhof	Withdrew application July 17, 1937.		
John Hill	do		
John Peter Robek	Nov. 11, 1937	Youngstow. Printing Service, Youngstown, Ohio.	No.
F. M. Little	Nov. 23, 1937	Vindicator Printing Co., Youngstown, Ohio	Yes.
M. P. Tannehill	Apr. 25, 1937	Youngstown Printing Company, Youngstown, Ohio.	Yes.
Dominic Camp	June 9, 1938	Bell & Evans Printing, Youngstown, Ohio	
James McVerry	June 8, 1939	Vindicator Printing Co., Youngstown, Ohio	Yes.
Harold Thomas	July 14, 1939	do	Yes.
George Barstow	Sept. 24, 1940	Republic Steel Corp., Youngstown, Ohio	No.
Edward Games	Sept. 24, 1940	Youngstown Sheet & Tube Co., Youngstown, Ohio.	No.
Alva Riley	July 23, 1940	Telegram Printing Co., Youngstown, Ohio	Yes.
Joseph Fleming	Oct. 28, 1941	Vindicator Printing Co., Youngstown, Ohio	Yes.
Alex D. Cochrane	do	Gulf States Steel Co., Birmingham, Ala	No.
George Krok	Dec. 23, 1941	School Print Shop, Youngstown, Ohio	No.
Alfred Bahr	August 1941	Vindicator Printing, Youngstown, Ohio	Yes.
Stephen Seifert	April 1943	United Printing Co., Youngstown, Ohio	Yes.
Ralph R. Shanks	May 23, 1943	Struthers Print Shop, Struthers, Ohio	No.
Sally Coplin	Rejected, April, 1944	Moscow, Russia	?
Edward Games	Oct. 27, 1944 (reentry)	Youngstown Sheet & Tube Co., Youngstown, Ohio.	No.
Alex E. Calvin	Jan. 25, 1945	Martinsville (Ind.), Democrat, Martinsville, Ind.	No.
James A. Martin	Dec. 23, 1946	Martin Printing Co., Robings, Calif	No.
Albert T. Marsch	May 1945	Youngstown Printing Co., Youngstown, Ohio.	Yes.
Louis A. Gaal	Oct. 28, 1945	United Printing Co., Youngstown, Ohio	Yes.
Harry Gerber	Nov. 27, 1945	Vocational School, Bayonne, N. J	No.
C. H. Petrarca	Dec. 29, 1945	Eagle Printing Co., Youngstown, Ohio	No.
J. F. Painter	May 26, 1946	Louisville Herald, Louisville, Ohio	No.
William G. Glaros	Sept. 22, 1946	Sun Printing Co., Youngstown, Ohio	No.
George J. Glaros	do	Glaros Printing Co., Youngstown, Ohio	No.
Mary Jimenez	Oct. 2, 1948	Italian-American Printing, Youngstown, Ohio.	No.
Carl D. Jones	Dec. 28, 1947	Vindicator Printing Co., Youngstown, Ohio	Yes.
Alva V. Riley	Aug. 20, 1948	Telegram Printing Co., Youngstown, Ohio	Yes.
James F. Martin	Dec. 6, 1948 (reentry)	Martin Printing Co., Robings, Calif	No.
C. W. McWilliams	Jan. 2, 1949	Vindicator Printing Co., Youngstown, Ohio	Yes.
Ralph A. Valentino	Feb. 6, 1949	Kaufhold Printing Co., Akron, Ohio	No.

Another statement of Senator TAFT is not true. He says that "Every shop in Youngstown is a union shop." I wish that were true, but, as in most other cities, there are plenty of nonunion shops here. And it is certain that any competent printer who learned his or her trade in any of these shops would be welcomed into the union if he is competent and of good character.

The following list of union and nonunion shops in Youngstown gives the number of printers in the union shops. I am unable to give an approximate number in the nonunion shops, because that would merely be guesswork. There may be a few nonunion shops I have overlooked.

UNION SHOPS IN YOUNGSTOWN

	Approximate number printers
Bell & Evans Co., 850 Market St	6
City Printing Co., 114 S. Champion	8
Glaros Printing Co., 234 Rayon Ave	2
Hardy Planographing Co. 3931 Market St	1
Royal Printing Co., 208 W. Wood St	1
United Printing Co., 450 W. Federal	9
Youngstown Printing Co., 787 Wick Ave	6
Youngstown Vindicator, Vindicator Square	90
Youngstown Typesetting Co., 1505 Market St	2

NONUNION SHOPS IN YOUNGSTOWN

Coplin Printing Co., 225 Wood Street.
Duplex Service Co., 622 Market Street.
Griffiths Press, 109 East Boardman Street.
Kelty Printer, 2827 Ridley.
Quality Printing Co., 211 Kyle Street.
Standard Printing Co., 289 Arlington.
Sun Printing Co., 1730 Market Street.
Williams Printing Co., 313 East Boardman Street.

INDUSTRIAL SHOPS (ALL NONUNION)

Sheet & Tube Co., 2679 West Federal Street.
Truscon Steel Co., 1315 Albert Street.
General Fireproofing Co., East Dennick Avenue.
Youngstown Manufacturing Co., 70 South Prospect.

I understand Senator TAFT also has been broadcasting over the radio the story of the nonunion printer from a small town in Ohio. But this is the first time, to my knowledge, that he has named Youngstown as the city where he wished to make application to join the union.

Youngstown Typographical Union, No. 200, deeply resents those statements made by the Senator from Ohio with reference to our union and our great international union.

Confronted with the evidence which we have presented, we believe Senator TAFT should retract his statements and the inference he has drawn in trying to lead the Senate and the country into believing Youngstown Typographical Union and other typographical unions bar nonunion printers from membership in our organization.

Youngstown Union is only one of about 900 local unions affiliated with the International Typographical Union, but we are glad that Senator TAFT pointed his finger at us, because it gave us an opportunity of showing how ridiculous some of these false charges against our great union really are.

If Youngstown Union can be of any service to you, be assured we are ready and willing to help you in any way possible.

Thanking you again for anything you can do in bringing these facts to the attention of the Senate, and for the splendid efforts you are putting forth for the cause of labor, I remain,

Very respectfully yours,

M. M. MARTIN,
President.

P. S.—If you think it necessary, I shall be pleased to furnish you with sworn affidavits of those persons who were admitted into the union although trained in nonunion shops. I have these affidavits in my file.

The Responsibility of College Graduates as Citizens

EXTENSION OF REMARKS
OF
HON. CHARLES A. PLUMLEY
OF VERMONT
IN THE HOUSE OF REPRESENTATIVES

Monday, July 18, 1949

Mr. PLUMLEY. Mr. Speaker, under permission heretofore granted me, I wish to include in the RECORD the commencement address delivered on June 13, 1949, at Middlebury College, Middlebury, Vt., by the Honorable Samuel B. Pettengill, graduate of Middlebury in 1908 and our good friend and former colleague.

The address follows:

THE RESPONSIBILITY OF COLLEGE GRADUATES AS CITIZENS

A great lawyer of the old South said, "He who saves his country saves all things, and all things saved shall bless him. But he who lets his country die lets all things die, and all things, dying, curse him." No one has a future outside of the future of his country. I shall, therefore, talk today on the responsibility of college graduates as citizens of their country and their community. This is a good day to discuss it. Tomorrow is Flag Day—a day of dedication to our Republic.

Buckle, the great English historian, says that the advance of civilization depends solely on the knowledge possessed by the ablest, and how far that knowledge pervades the whole society. Otherwise the uninformed and mediocre control the course of events.

This theme should be stressed on every campus and in words that bounce along the sidewalk. Our country is fast drifting into a condition of deep concern to all of us, but especially to young men and women. The Government is rapidly passing out of the hands of the American people. A vast and arrogant bureaucracy, greedy for lifetime jobs on public pay rolls, is fighting every effort to reduce their powers or prevent their waste of the people's money. This Frankenstein challenges Congress itself. It

is the superlobby of all history. The bureaucrats are becoming the "untouchables" of the western world. Sober and patriotic men like Senator BYRD, of Virginia, and former President Hoover are given little or no support in their struggle to keep our country solvent, upon which depends the fortunes of every one of you. While workers in private industry are now being laid off daily, the Belshazzar's feast of Government spending and taxing goes on. The thoughtless mob follows the pied pipers of the social-welfare state.

Never before has there been such a desperate need for analytical, discriminating minds able to "debunk" the sloppy slogans of the crowd which never thinks, but only feels. The abdication of college men from their responsibility to give leadership in political affairs is almost universal. How many college graduates can you name who are mayors of a city?

ABRACADABRA

For thousands of years mankind has been raised from childhood on stories of good fairies, the magic wand, the magic carpet, the magic key, the lucky stone, "Jack-the-Giant-Killer," "St. George and the Dragon," "David and Goliath," the Medicine Men of the American red Indian or the voodoo of the African savage. Always some easy escape from difficulty, if one can but find the right magician or political party. These superstitions help to explain why we are returning today to the divine right of the state when our fathers once rejected the divine right of kings.

That the 12-year-old mind believes the prevailing nonsense can be understood. But that college graduates promote the myth of the state, indicts our educational system. Yet certain "intellectuals" are more responsible than blacksmiths and farmers for the naive belief that the Federal Government has a magic cornucopia; that it can "aid" the States with funds which it does not get from the States to return to them, less the political brokerage; that society can get something for nothing; that any social service is "free"; that if the Government prints enough dollar signs on pieces of paper called money or bonds, it can make a Nation rich. Printing-press money is the magic key today. The age of witchcraft has come back. John Law and the Mississippi Bubble have returned. Ponzi is here again.

The politicians, of course, thrive on these nursery tales. Their jobs depend on them.

But in their failure to expose this black magic, too many college men and women have defaulted as citizens. As the New York Times has pointed out, thousands graduate with little knowledge of American history; few have any grasp of the meaning of constitutional liberty. Thousands swallow political propaganda as if it were divine revelation. Thousands view politics as too sordid for the Phi Beta Kappa intellect, and wonder why a fine man like Charles Evans Hughes ever got into the dust and dirt of the political arena. They should remember Emerson's words: "The scholar loses no hour that the man lives." Sophistries which cannot stand the simple test of grade school arithmetic have become the abacadabra of the political medicine men. The experience of the ages and the convictions of great statesmen molded in the long struggle of men to be free are tossed recklessly aside. Shrill voices fill the air telling us that there is a magic substitute for work.

DEFAULTING AS CITIZENS

Because of this default of the educated mind—if you can call it "educated"—the tides of mass ignorance and class hatreds are sweeping America into the maelstrom of discredited European systems which our fathers thought they were leaving behind forever. When I think of the high proportion of college graduates who did accept the responsibility of citizenship in writing the Declaration of Independence, the Federalist Papers, and the Constitution of the United States—men who had pondered deeply all that history had taught of the blight of Caesarism, today's default of college men and women as citizens is tragic indeed.

Putting aside for the moment any sense of the obligations of patriotism, this belief in the magic of political medicine men is the direct personal concern of ambitious college men and women in three respects. One is in your capacity as the loyal alumni of alma mater. Big government is slowly throttling the privately endowed colleges. Second, big government is putting a ceiling on the attainment of those rightful ambitions which led you to spend 4 years on the campus. You are being ambushed in a cold war against success—against the thrifty middle class. And third, this concerns your responsibility toward the less fortunate—the uneducated.

At first blush you may say, "Well, aren't we doing all right under big Government? Look at our prosperity." All right, let's look at it—closely. Is it solid or do the magic mirrors of the medicine men make it look solid?

Consider the following: Today's prosperity is measured in 50-cent dollars. That makes it seem twice as big. It is based on the effort to catch up with the production of goods postponed by 4 years of war. It is the result largely of mortgaging, almost up to the hilt, the wealth and savings of four centuries of toil. A debt of a quarter trillion dollars is now called a great national asset. We are told that immense purchasing power is to be found in what we owe. No Svengali ever equalled such hypnotism as this. In large part, the recent boom is based on huge exports which will never be paid and which, perhaps, will never cease this side of financial collapse. The "break-even" point of business has risen which means that the cushion between good times and bad has grown thin. Due to artificial support given, however necessarily, to the price of Government bonds, no one knows what they are actually worth—how solid our foundation is. Our books of account have been doctored. The billions paid in for social security have all been spent. Forty-three new spending programs have been proposed to the present Congress to be superimposed on bigger spending under old programs.

THE BRAKES ARE OFF

Ninety percent mortgages of the public's money are being made on houses with payments strung out so that the first old-age pension check may possibly be used to pay the last installment of the mortgage. Government having taken from the people their century-old yardstick to measure the value of money—convertibility into gold—no one knows what the dollar or any foreign money is worth or will be worth. The brake which the people could once clamp down on profligate Government spending by demanding gold for paper is gone. The Chinese maze of 1,800 Government bureaus in Washington, all fighting like wildcats to perpetuate themselves, have reached a state of chaos, as the report of the Hoover Commission shows.

Pompous plans are in the hands of little men. Their eager desire to manage the affairs of other men varies directly with their inability to manage their own. Our political leaders were completely taken in by the masters of the Kremlin. As a result, the peace they promised the boys who died has been lost. After being grandiloquently told there would be no more balances of power, we now have the Atlantic Pact and are arming one-half the world against the other. We are now burdened with a weight of nonproductive armament no free people ever were called upon to carry or can, perhaps, carry and remain free. We are threatened with the permanent militarization of our country and the conscription of our youth, thus removing them during important years from contributing to the economic growth of the Nation.

These are some of the facts behind the propaganda.

This is Santa Claus without his mask. Behind him comes the tax collector.

A large part of the economy of the Nation rests on economic stilts and statistical falsehoods. Every country in the world, including our own, has repudiated its obligations in whole or in part, either outright or by devaluation of the currency. In order to cover up, the politicians and Socialists have seduced the masses with the superstition that Government can create purchasing power by writing dollar signs on pieces of paper called money. If that were so, counterfeiters—every good counterfeiter—should be honored as a public benefactor rather than be put in jail. As long as his money is accepted, it certainly creates a market for goods and jobs producing them. But don't you see that the counterfeiter is a thief? He creates no wealth, yet obtains it from those who worked to create it, with the result that they have less. Every government that prints money to pay its bills is a moral counterfeiter. It pours water into milk. It dilutes every dollar. Like a thief in the night, it reaches, its stealthy fingers into every purse—into every college endownment. It robs the poorest the most.

POINT OF NO RETURN

In the meantime the waste of the people's wealth goes on. Taxes are now above the point at which a free society can long survive if the fiscal history of centuries is worth anything. Taxes have already passed the point of diminishing returns.

A man from Vermont, Calvin Coolidge, once said in substance, "If you tax a man 30 percent of what he makes on Monday, 40 percent on Tuesday, 50 percent on Wednesday, and 60 percent on Thursday, he won't show up for work the rest of the week." Taxes are destroying the incentive to work. Every tax tells someone not to do something. They discourage the enterpriser and tell the investor not to risk his capital. Last year only $1 in $25 which went into the expansion of business represented risk capital—the lowest percent in history. Consequently, the limitless promise of human happiness which the "great multiplier" of science, technology, and power has made possible for mankind, is being curtailed.

THE CHALLENGE

If there is any group who should now accept the responsibility for exposing this evil spell, it is the young men and women because they have the longest to live and the most to lose. It is time for you to stick a harpoon into this political blubber.

I return now to my first point: that the privately supported colleges of America are in process of being liquidated. This should appeal to college graduates—as graduates—and to all of us as citizens because of the priceless spiritual and cultural contributions which these colleges have made to our country.

The endowments of private colleges made by public-spirited men and women when taxes on their earnings were light made it possible for every student to obtain his education at less than cost. That has enabled hundreds of thousands of poor boys and girls, myself among them, to go to college when they otherwise could not. Every graduate of these colleges—and America itself—has been a beneficiary of the system that permitted the ambitious to succeed, and then to help build the colleges that help build our country.

But money spent in taxes cannot be given to colleges. Did you ever buy groceries with a tax receipt? In the height of war prosperity, the per capita contribution to private

charities was one-third less than in the worst year of the depression. Moreover, in order to borrow as cheaply as possible, our debt-ridden Federal Government forces down the interest rates on money. As a result, college endowments earn less and less, while inflation adds to the cost of maintaining our colleges in the pay of every professor or janitor and in the price of all equipment. So, as a result of the cheap money policies of the "pied pipers" of the welfare state, colleges find their expenses going up and their income going down. Meantime, for the same reasons, their possible benefactors are being liquidated by income taxes up to 77 percent and their estates cut in two by inheritance taxes, which are a capital levy.

So, as in Germany under Hitler, colleges are to be subsidized by the state and their professors morally intimidated into silence or told outright to teach nothing critical of the politicians in charge. A congressional committee might investigate them. Or reduce their appropriations. Educators who defend intellectual freedom and at the same time clamor for Federal aid are political babes in the woods.

As Rudyard Kipling wrote:

"This is the law and the law shall run
Till the earth in its course is still
That he who eateth another's bread shall
do that other's will."

As President Wriston, of Brown University, says, "Professors in endowed colleges no longer look to endowment * * * They have become dependent on government funds * * * They are not likely to oppose the expansion of governmental activities."

FREEDOM MUST SURVIVE

As the difficulties created by the political medicine men increase, the needs of our colleges—of Middlebury—multiply. I hope there are men and women here who still believe in the philosophy of freedom—some unbuyable Americans. I hope they will give generously to the college on the hill so that it will not be forced to become a beggar at Washington, D. C. We must not sell our colleges or country short. We must fight to preserve our island of freedom in this rising sea of world-wide slavery to the state. We should do for our children what our fathers did for us. I want to pay back the scholarship I received from others—together with interest, and more. I intend to do so.

The second plank of the Communist Manifesto of 1848 called for a heavy progressive income tax, and its third plank, for the abolition of the right of inheritance. These doctrines are moving to their logical end here as elsewhere. The power to tax is the power to destroy, and is being used to destroy, either blindly or deliberately. We spend billions to fight communism abroad and adopt its major planks at home.

Spendthrift government is thus slowly strangling our free private colleges. It is, of course, all being done under the banner of "humanitarianism." But no dictator ever rose to power except on the claim that he was "a protector of the people."

POLITICAL CANCER

Aside from the Communists, few advocates of the welfare state are either smart enough to see or honest enough to tell what they are doing. President Peron of Argentina is the exception. He says frankly that the old American ideal of "equal justice under law"—words inscribed on the portal of our Supreme Court building in Washington—must be thrown into the ash can. He says that the welfare state exists for the express purpose of treating men unequally. In short, to tax the successful in order to provide bread and circuses for those who vote to keep the political humanitarians in power.

So naked power usurps the throne of the blindfolded goddess of justice. The cement of a free society—the old-time faith that all men will be treated equally before the law—and by the law makers—crumbles away. The flag of fraternal union is torn in a cold war as pressure blocs struggle for the favors of the welfare state, a war of all against all—the most deadly struggle known. This is democracy gone to rot. The question in legislative halls is not—What is right?—but who has the votes?

We have seen this alliance in Jersey City under Hague, in Kansas City under Pendergast, in New York under Tammany. Yet, for lack of leaders, millions are so naive as to believe this cancer will not—has not—spread into the heart of our Republic at Washington.

Two thousand years ago Plutarch wrote, "The real destroyer of the liberties of the people is he who spreads among them bounties, donations, and benefits." Something for nothing. Everything for nothing. When the "gimmes" outnumber the taxpayers, a nation begins its decline. Sixteen million people now receive Federal Government checks. Many, of course, are honestly earned, but the number grows ominously.

The Constitution says that certain rights such as trial by jury and habeas corpus are beyond the power of government. But there is no limitation on its power to tax. History has not yet proved that any republic can long endure when the unlimited right to vote is coupled with the unlimited power to tax. You should support a constitutional limitation on the peacetime taxing powers of government. England's sun began to set 37 years ago when Lloyd George promised "9 pence for 4 pence"—something for nothing. The pressure blocs and crushing taxation have done to England what war alone could not achieve.

WHO BUYS THE "FREE LUNCH"?

So here. It is reported that in the State of Illinois 48 percent of those drawing unemployment compensation quit their jobs voluntarily! The professional loafer and job jumper is encouraged to take a vacation on public pay. You can find similar conditions everywhere. The pressure blocs, aided by the bleeding hearts, demand longer unemployment vacations at higher pay. Strikers demand to be supported by taxpayers while on strike. Many veterans who came back from war wholly unscathed demand huge bonuses and lifetime care for non-service-connected disabilities at taxpayers' expense.

Members of chambers of commerce demand Federal pork for local improvements. They want someone else to build their schools and dredge Mud Creek. Labor unions demand more for doing less. The welfare state having promised to care for everyone from the cradle to the grave, the stampede to get on the gravy train gathers speed. The mayors of American cities have formed a lobby in Washington to get the easy money of the political medicine men.

Political charity beyond a certain point releases forces no democratic government can hold in check. It explains how the big city boss stays in power. He levies toll on the productive members of the community to distribute to his retainers. The latter wink at his personal graft so long as they get theirs. It is a sign of the times when high Federal officials are voted huge expense allowances free both from taxes and all public accounting.

Yet, after seeing enormous tolls collected from saloons, race tracks, red-light districts, prize fighting, slot machines, road building, and municipal supplies, in one city after another, people who claim to be educated hanker and yearn to turn the control of all business, trade, farming, commerce, and industry over to the bigger politicians on the Potomac who perpetuate themselves in office by similar methods, and with the same corrosion of public honor and private morality. Finally, some supergangster rides to power on the ruins of liberty. It is this evil course—camouflaged as the welfare state—which colleges and college men and women should expose with the passionate intensity of the prophets of the Old Testament.

Such is the "degradation of the democratic dogma" to use a phrase of Henry Adams. Here is the rotting cancer of our free society—something for nothing.

Economics has been called the dismal science. Nevertheless every sound book on that subject can be boiled down to a few words: There is no such thing as something for nothing; nothing is free; everything has its price; someone must pay it.

If you shy away from economics, all that is necessary is to bring the moral sense to bear on these questions. The Bible says "In the sweat of thy face (not of another man's face) shalt thou eat bread. * * * Thou shalt not steal * * * nor covet anything that is thy neighbor's."

I am amazed that so many men in the Christian ministry do not see the ultimate immorality of the welfare state. It is finally and politically based on this question: "What is my fair share of what you have earned?" The pulpit condemns a candidate who gives his own money for a vote. That is bribery. But when the candidate asks for the vote of A on the ground that he will take money from B to give to A, he is acclaimed a great humanitarian. Thus the wants of rogues become the rights of man.

THE FRUITS OF HONEST TOIL

I make no defense of wealth acquired by monopoly, force, or fraud. I am talking about the fruits of honest toil. Who has any legal claim to it superior to the man who worked for it? The thief and defrauder should be forced to make restitution to those they have despoiled. That is a function of government. But the political redistribution of honestly acquired wealth is a path no Christian nation should tread. It cannot survive the cancer of the soul of something for nothing. President Coolidge said that he was for economy in government not merely to save money, but to save men.

Political charity gives the recipients the power, by their votes, to continue to live at public expense. Why work when you can compel others to work for you, or sell goods to you, or rent houses to you at less than the price established in a free market? As Lord Acton said of Machiavelli: "In the name of the public's good he destroyed the conscience of the individual."

This brings us to the next point—your responsibility to the less fortunate—the uneducated—those at the base of the economic pyramid. "Would you let them starve?" is the question that is always asked as if it had no answer except to seize the power of government to rob Peter to pay Paul.

No, I would not let them starve. To care for the truly lame, halt, and blind is an obligation of Christian civilization binding on every conscience. But how is that best done? That is the only question.

I submit that as political humanitarianism runs wild, the loafers and the cheaters will rob our storehouse of wealth so that we will be less able to care for those in genuine distress.

Let us reduce this problem to simple terms. In every society in every age—true among the pioneers in a wilderness cabin or in a great city—it is the well who take care of the sick, the strong who take care of the weak, the able who care for the disabled, the foresighted who care for the foolish, those in middle life who care for the little child and the aged. Who else can care for them, regardless of how it is done, whether within a family or through a Government bureau? Because this is true, we should not overtax

the strong. We should give incentives to the ambitious, rewards to the industrious, security to thrift, honor to achievement, praise to success.

In 1928, Congress gave its highest civilian honor, the Gold Medal, to Tom Edison. In the official citation Congress placed a value of $15,000,000,000 as the worth of his brain to his country. At that time that was one-twentieth of the national wealth. Millions of jobs flowed from his workshop. If Edison made a few millions it was only because in a free market he gave more than he got. No one had to buy his inventions. They did so only because they were worth more to the buyers than the price they paid. Why should we take the heart out of such men, stifle them in the red tape of a politically planned economy, and tolerate the hissing against them by those with a foreign accent?

LABORATORIES—OR LEGISLATURES

Your jobs depend on the freedom of creative minds. Your jobs depend on a dynamic expanding economy which can only be tooled from private savings—not from public spending. High taxes are fencing you in.

We have had 400 experiments with socialism in America, such as the Plymouth Rock Colony, New Harmony, and Brook Farm. They all failed. They failed, because in time the industrious got tired of supporting the drones. So they quit. On a Nation-wide scale the result can only be the same.

Let the ambitious and industrious continue to build up our country. That is the only way the lame, the halt, and the blind can hope for better conditions. The spendthrift supports no charities—no colleges. He steals from them.

The strong should help the weak, but you cannot help the weak by weakening the strong. You cannot make sick people well by making well people sick. You cannot lift up the wage earner by pulling down the wage payer.

When the world's hard work could finally be done by machinery cheaper than the cost of keeping slaves alive, the emancipation of mankind from a life of hopeless, ceaseless drudgery began. Not until then did the weary and heavy laden have a chance. Life was once so hard and brutish that philosophers said no man could call himself fortunate while he lived. What has changed his condition so much for the better? It is the private property system, which the social welfare state would tax to destruction. It is the profit-and-loss system, with its incentives to succeed, when lightly taxed by government. It was not Karl Marx who took the women out of the coal mines in England a century ago. It was the steam engine and the power of machinery. Inventions and technology have done more to abolish slavery and child labor than the reformers. The laboratories do more for mankind than the legislatures. The plow that turns the sod under does more to feed the hungry than any act of Congress.

If some calamity forced us back to the same crude tools and horse and ox and man and woman power that we had when Franklin caught the lightning from the sky, our production of wealth would at once go down 90 percent; wages would go down in proportion; hours of toil would increase to the limit of human endurance, and nothing that Government or the political medicine men could do would prevent it.

The economic progress of mankind is chiefly measured by the substitution of giant slaves of iron and steel for the puny strength of animals and human backs. Under the hood of a 50-horsepower automobile is the strength of 500 men. Yet it is this system—sparkplugged by the hope of economic rewards—which has lifted more burdens from the backs of more people than any other system the world has ever known, that is derided in many college lecture halls today.

SUCKING THE NEST EGGS

How does all this concern you young men and women? You hope to climb the ladder of success. What do you hope to get for your effort? The satisfaction of achievement? Yes. Recognition? Yes. But you must have dollars to live. So let's look at these dollars.

The president of a great life insurance company said recently that the American people have taken out $70,000,000,000 life insurance more than they had in 1940 yet, collectively, they are no better off. Why? Because dollars have become cheap. And because taxes on dollars have gone up. If you bought a Government bond 10 years ago for $75, the $100 you get for it today will buy less than the $75 you paid. You have lost your interest and part of your principal. And you are 10 years older. If you save $1,000 and put it in a savings bank, you get from $10 to $20 in interest as against $40, 20 years ago. So you have to work twice as many years as your father did, when he was your age, to provide the same income for old age. As the welfare state goes up, individual security goes down. The cards are stacked against the independent, thrifty, hard-working American. His chance to get ahead grows less.

Except for the action of Congress last year, taxes are going up everywhere, every year. In some cities a man pays three income taxes. If he has invested his savings in building up his country, and gets dividends, he pays four income taxes. His savings earn less, they are taxed more, and what is left buys less. His pension or social security card buys less. Men old enough to retire are unable to do so. So they hold on to their jobs. This reduces the opportunities for young men and women.

This downhill course was speeded up by the cost and waste of war. But high taxes and cheap money were doing their deadly work before the war began, as any college president can testify.

THE RESPONSIBILITY

Young ladies and gentlemen of the class of 1949, I hope I make myself clear as to your responsibility to yourselves, your college, and your country. A lot of folks want to be taken care of, and a lot of other people want the job of taking care of those who want to be taken care of. But it should be your ambition, as honest men and women, to stand on your own feet, make your own way, demand to be permitted to keep the fruits of your toil, and not have the job of providing a job for those who want to take care of you.

Your future depends not only on your education, but upon your taking an active part in public affairs, in promoting a public opinion in a free society that is friendly to honest success. Modern science, technology, and power have placed in your hands searchlights to progress that make Aladdin's lamp seem dim. Don't let the medicine men take them from you.

I have one dream for my old college and my old State—that whatever is taught on other campuses or whatever is done in other States, that you will not bow the knee to the false gods of big government; that you will look shrewdly at the glib promisers who would strengthen society by weakening the individual. My dream for my old college and State is that they will continue to honor the sturdy virtues of those who laid your foundations in days long gone; that you will kindle a fire on these Green Mountains that will guide our country from darkness into light.

Editorial from Press-Telegram, Long Beach, Calif.

EXTENSION OF REMARKS

OF

HON. CLYDE DOYLE

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, July 20, 1949

Mr. DOYLE. Mr. Speaker and my colleagues, following is an editorial which to me is not only informative but significant in its record of the development of what is commonly called the West. Being a native son of the Golden State of California, I know that you will make all allowances for my again calling to your attention the presently achieved position of this western portion of our great country. Also I cordially invite and urge you to visit it at your earliest possible convenience.

The following editorial appeared in the Long Beach Press-Telegram, Friday, July 15, 1949. I am pleased to present it for your cordial consideration.

PACIFIC WEST IS STILL GROWING AS CITADEL OF AMERICAN YOUTH

World-wide lure exerted by the Pacific West persists—and it is good.

There is a great economic and political significance in the war and postwar move of population westward. In a decade the number of residents in California, Oregon, and Washington has doubled.

This represents the most prodigious migration and transformation in American history, and its import is not yet entirely developed. Since 1940 the Nation's population has increased 10.6 percent, but California has added 44.3 percent; Oregon, 49.3 percent; and Washington, 41.6 percent.

When Hitler's legions overran France and began to pump shells across the English Channel at the cliffs of Dover, 9,732,000 inhabitants of the Pacific coast learned that this region had become a citadel of shipbuilding, aircraft, and aluminum. Today, 14,144,000 persons dwell in these three States, some 10,000,000 of them in California.

Shortly after VJ-day, however, the west coast expected to lose its avalanche of newcomers. A flurry of departures back East, to the Midwest, and Southwest, coincided with diminution of activities in the shipyards and aircraft factories.

But for each welder or mechanic who moved out, a former soldier or sailor moved in. Then the migrants who had left the coast immediately after the war, began coming back. Women confessed to employment interviewers that other sections had not seemed so congenial after California sunshine and Oregon scenery.

Who are these newcomers to this region, and how will they behave in the West?

For the most part, they are young. Some 83 percent are under 44 years old, 41 percent under 35. Many are former veterans who trained in the West during the war and have decided that the California climate or the Northwest mountain lands carry more appeal than the temperature extremes of the prairie country. At least one-half of the migrants are from the industrial and agricultural Midwest and so constitute excellent settlers.

There is a profound political and economic independence.

California has 23 Congressmen at present, but probably will have 30 after the 1950 census. Washington will advance from six

to possibly eight, and Oregon from four to six. New York will drop from 45 Members in the House of Representatives to 42; Pennsylvania from 33 to 31; Illinois from 26 to 25; Kentucky from nine to eight. New Jersey, Missouri, and Oklahoma are also due to be affected adversely by the next apportionment.

Political might is shifting toward the Pacific, for after the 1950 census, the three States washed by the western sea will have a total of 50 electoral votes and so will have a greater say in national elections.

This development will also lead to changes in industry and economics. Already California, Washington, and Oregon are a greater market, in terms of people, than all of Canada. Indeed, California alone is altering the commerce of its neighbors. Once these States, to sell their products, had to sustain the costly train haul clear across the continent. Now the bulk of Columbia Basin lumber, cheese, apples, and flour is shipped to California's 10,000,000 buyers.

The West now follows the South in attacking freight rates which it feels have kept it a colonial dependency of the East. It has come to believe it should process its own raw materials, in which it is rich.

No longer is this area mainly one of lonely farms and isolated ranches. California now has 83 communities of 10,000 or more population. Only New York and possibly Pennsylvania have more of their citizenry on pavement.

The Capital of this Nation may still be on the Potomac, but, figuratively, it is much nearer the vast Pacific.

It is well with the West.

A Civil Rights Commission

EXTENSION OF REMARKS
OF
HON. HUBERT H. HUMPHREY
OF MINNESOTA
IN THE SENATE OF THE UNITED STATES
Wednesday, July 20 (legislative day of Thursday, June 2), 1949

Mr. HUMPHREY. Mr. President, I ask unanimous consent to have printed in the Appendix of the CONGRESSIONAL RECORD an editorial which appeared in the New York Times of July 13, 1949.

There being no objection the editorial was ordered to be printed in the RECORD, as follows:

A CIVIL RIGHTS COMMISSION

Now for the first time Congress is considering the establishment of a permanent Federal Commission on Civil Rights. Full hearings are scheduled in several committees and Democratic leaders are hopeful that a bill can come to a vote at this session.

Three bills, two in the Senate and one in the House, are under consideration. An omnibus bill introduced by Senator MCGRATH provides primarily for creation of a Commission without the power of subpena. A specific bill, sponsored by Senator HUMPHREY, is concerned solely with a Commission which would have the subpena power. The subpena is stressed because without it the commission would be in the position of publishing facts based on incomplete evidence. A House bill, introduced by the gentleman from New York, Representative CELLER, is a counterpart of the Senate's omnibus proposal.

A permanent Federal Commission on Civil rights could be a central fact-finding agency concerned with assembling information on the status of basic individual and group rights, a function not now performed by any Government agency. Public hearings would be held to examine alleged denials or curtailments of rights guaranteed under the Constitution and the Federal codes. The Commission would compile information regarding existing legislation and public policy in this field, and make it generally available—as in the case of the widely publicized President's report which served as an inspiration for these proposals.

But the Commission would be more than an assembly line for collecting information (though the strong light of shining facts would also be an instrument to strengthen civil rights). The Commission would be prepared to offer recommendations for the improvement of civil rights practices and would call attention to emerging problems domestically and on higher levels. Furthermore, the Commission would notify the attorney general of alleged violations of civil rights laws. Thus the Commission's facts could be put to work effectively, under existing law, by the Government's enforcement department.

A permanent Federal Commission on Civil Rights was recommended by the President's committee in its report to the country 2 years ago. One way of insuring that a greater effort will be made to protect individuals and groups would be to create a Commission empowered to study—and recommend enforcement—on a permanent, year-round basis.

Farm Price Supports and the Pending Bill

EXTENSION OF REMARKS
OF
HON. JACOB K. JAVITS
OF NEW YORK
IN THE HOUSE OF REPRESENTATIVES
Wednesday, July 20, 1949

Mr. JAVITS. Mr. Speaker, the interests of the consumer of food are of the most material importance in the current consideration of the Agricultural Act of 1949 by the House. Last March the American Magazine published an article by me on this subject in which I advocated the Hope-Aiken plan incorporated in the Agriculture Act of 1948, and containing the flexible support price program ranging from 60 percent to 90 percent of modernized parity as against the present flat 90 percent of parity, as being best for the consumer. I urged that the farmer should consider that he had the most to gain by cooperating in the attainment of a stable economy and the least to gain from getting temporarily a bigger share of the national income by high fixed support prices. The article is appended hereto:

WHAT'S KEEPING PRICES UP
(By JACOB K. JAVITS, Representative from New York)

Government figures say the cost of living generally at the beginning of this winter was up about three-fourths over what it was in 1939, the last normal year, but the cost of foods was up well over twice the 1939 prices. Why the disparity? Are government supports responsible? What has Congress done about it, and what is Congress going to do about it?

Uncle Sam does have a good deal to do with high food prices, and if you and I are going to have substantial relief in the cost of our food, Congress will have a lot to do with it in the law it makes. At present, laws administered by the Department of Agriculture designed to assure most farmers who grow our food and other basic commodities a living, are supporting prices. Although this fact is by no means the only reason for the high cost of living, it is a powerful force influencing the cost of living. There is a good deal, also, to be looked into in the additions put on the cost of food to the housewife by the whole chain of middlemen, by transportation costs and by labor costs. However, there is real evidence that a readjustment in Government farm price supports will imply constructive price adjustments for food and will help to counter the threat of a business and industrial recession.

The housewives never did get the point when, back in 1933, the Government destroyed more than 6,000,000 pigs, while many persons went hungry. Recently, people have been shocked by news of the deliberate destruction or waste of millions of bushels of potatoes. As they pay high prices for eggs, milk, and bread, and for cotton and woolen clothing, they feel they want to know why, when they hear that the Government is supporting these prices through its program.

Bumper crops are here now. More are coming. Already, we are warned of oversupplies in many farm products. Housewives have been waiting eagerly for these times, when they thought the law of supply and demand would relieve the strain on the budget. Now they realize that it is not that simple, and that man-made laws must cushion the shock of price readjustment, while striving to protect the consumer.

In 1949 the Federal Government will lend from $1,500,000,000 to $2,000,000,000—some authorities say even more—to help support the prices of food, tobacco, cotton, and wool. Every family not only will continue to buy these commodities, but will be taxed to finance this price-support program. It's all devised to help directly the 27,550,000 people who live on farms, at a heavy expense for the 118,000,000 who do not; and it's the job of Congress to see that it's worth it in terms of the interest of all.

The farmer has a big point in his favor in this price-support program. In the past, the farmers and their families have gone through dust storms, mortgage foreclosures, and poverty. Throughout World War II, they did a magnificent job in feeding our civilians, our vast Army, Navy, and Air Force, and a large part of the world as well; and after the war they kept our wartime allies, and even our erstwhile enemies, from starvation and anarchy. Few people will deny that every reasonable effort should be made to keep up the farmer's standard of living, to make sure that he gets fair prices for his products. The big depression of the 1920's had as one of its principal origins a collapse of farm-buying power. When the farmer suffers, we all suffer. However, neither we nor the farmer want an unfair share of the national income at the expense of all the rest. The farm price-support program has given us some unhappy moments, and the revision the last Congress made was certainly overdue.

The Department of Agriculture, under existing law, acts immediately in sections of the country where overproduction is breaking prices. There was a time, for instance, when producers of honey had too much; butter was expensive; honey, at a lower price, might be used as a spread for bread, but honey didn't reach a lower price. During the last fiscal year the Government bought $638,000 worth, resold it at a loss of $404,000, to buyers who would not allow it to compete with the regular markets, and the price of honey to the housewife stayed up.

The Government has on hand millions of pounds of frozen and dried eggs, purposely bought to be kept off the regular markets, and, as a result, the housewife gets few bargains in eggs. When far Western growers produced too many raisins, prunes, dried

apples, and peaches last year, the Government, during the fiscal year ending June 30, in support of the growers, bought $33,962,000 worth and resold them outside the domestic market at a loss of $15,563,000. The housewife paid high prices for dried fruit, and taxes helped pay that Government loss. Those are only a few examples of past performances.

Let's look at a few others:

The price-support program operates by two methods—loans and purchase. Loans are made on wheat, corn, tobacco, rice, peanuts, and cotton. If the Government establishes a support price of $2.05 on wheat, for instance, the farmer can borrow $2.05 a bushel on his wheat. If he can sell it at more than $2.05, he does so, takes his extra profit, and pays off the loan. If he can't, the Government takes the wheat and he gets the $2.05. Other commodities are generally bought outright. The worst situation has been in the enormous overproduction in potatoes. The action on potatoes is important, because it shows what might happen in other commodities in which we have similar overproduction.

The Government began buying potatoes in 1943. The years 1919–28, instead of 1909–14, were used for a base period. In those good years, potatoes brought an average of $1.12 per bushel. The parity price paid for millions of bushels which mostly were destroyed or wasted, has been as high as $1.86. Retail prices, of course, were higher. Potatoes are comparatively easy to raise and to harvest, and, with a good profit guaranteed, farmers went in for potatoes in a big way. In addition, new methods in production increased the average yield per acre from 139.3 bushels for the period 1937–46 to 212 in 1948. In San Joaquin County, Calif., one farmer harvested 1,188 bushels on 1 acre.

In the period 1942–47, the Government bought about 195,000,000 bushels of potatoes. It sold some and held its loss to $170,000,000. The average price paid on the 1948 crop was $1.55 a bushel. This year's crop is expected to bring an additional loss estimated at $125,000,000.

To get rid of the surplus potatoes, while housewives are paying around $2.75 a bushel for them, a few are used in school-lunch programs, some are sold to distillers for $5 a carload, some are turned into potato flour, which costs more than wheat flour and isn't as good. Some are dehydrated at great cost and shipped abroad. Some are being sold for livestock feed to farmers, who must guarantee they will not be eaten by human beings. A few were destroyed, but this action caused such protest from housewives that the Department of Agriculture now destroys no more, but wastes more money by shipping them and practically giving them away for industrial and other uses. It is fair to add that the Department of Agriculture has been asking for remedial legislation for the year.

The Government also bought $4,891,578 worth of grapefruit juice last year, to keep it off the domestic market. It bought $8,332,000 worth of dried milk.

Wool growers received $96,497,385 from the Government in the last fiscal year. Secretary of Agriculture Anderson reported last January that the Commodity Credit Corporation owned 460,000,000 pounds of wool. Under the present law—there is a change in the law which will take effect January 1, 1950—it can't sell under the parity price. Wool prices are up, foreign fine wools are higher than domestic, and the price of wool clothing remains high. Some of the Government's store has been sold, the Government is reported to have held 132,000,000 pounds on October 31 last, but American wool growers still raise quantities which are bought and stored by the Government because it is felt in the national interest that we must have sources of domestic wool.

Loans on tobacco last fiscal year were $122,426,000 and purchases were $1,543,019, but disposal of the crop was simplified by allotments for Marshall plan relief for European countries, which include 238,000 tons of tobacco. Although the Government lost only $59,799 last year on its tobacco purchases, the price was held up, and tobacco for America's cigarettes cost more.

Price-support losses by the Government in the fiscal year of 1947 were $42,784,595 and they rose to $125,382,594 in 1948. These figures do not include probable future losses on loans and on commodities that have been bought and stored. Government bookkeeping is so complicated that even Congress cannot discover all the details. Government losses for 1948–49 may well be higher because of the enormous production, particularly, of wheat, corn, and cotton. We have a grain harvest more than 1,250,000,000 bushels greater than in 1947, an increase in cotton of more than 3,000,000 bales.

It is estimated that the Government, through the "loan" plan, may pay storage charges on 300,000,000 bushels of wheat. The price will be about $2 a bushel. Estimates on probable corn loans run from 300,000,000 bushels to 500,000,000 at about $1.35 to $1.40 a bushel. The Government is expected to make loans on about 5,000,000 bales of cotton at $150 a bale. More than $1,500,000,000 will be tied up in those three crops.

The problem of price supports for farm products is a knotty one, and it has worked out badly on occasion. Farmers recall recent history as well as the rest of us, and realize that no one economic group can get too much power or misuse it in our country without a reaction. It is certainly not in the public interest for the farmer to get into any position where he might be penalized because the city dweller feels that he has been called on to pay tribute to the farmer. Yet many a white-collar worker, Government employee, pensioner, or teacher, whose income now has a purchasing power almost half of what it had before the war, would like a Government guaranty of his income, too.

Government farm-price supports, as we now think of them, started back in 1933. Extensive changes were made from time to time since 1933, but they were drastically revised for the first time in the closing days of the regular session of Congress in 1948. Let's see first the way the law stands now.

In the Agricultural Adjustment Act of 1933, Congress started the plan of supporting the farmer's prices. All of us know what happened to farmers in the days of sheriffs' foreclosures, milk strikes, and violence during the big depression of the early thirties. This plan was the Government's answer, and it has been with us since, though the conditions responsible for it have changed very materially.

An abundant supply of food is necessary, and production is encouraged by assuring the farmer of good prices. The theory of the price-support program is sound; without it, we would have no increased supply when we needed it—and perhaps not even a sufficient supply—of food. During the war, we guaranteed producers of war goods a reasonable profit, because we had to have the goods. Properly, we could make similar guaranties to the producers of food.

The Government's program is based on "parity," a word describing a formula that too few people understand. The purpose is to adjust the prices of farm products to meet the fluctuations in the cost of things the farmer buys. Here is the formula: The basic period for reckoning is 1909–14, when the farmer was making a good living. To get a parity price on an agricultural product, the experts first take the prices of 179 articles in 1909–14. These include clothing, food, farm machinery, building materials, furniture, fertilizer, seed, etc., plus an allowance for taxes and mortgage interest on farm real estate.

Next, they record the present-day prices of those 117 articles, and note how much they have increased. For instance, last June the average cost of those 117 items had gone up 2½ times over the 1909–14 level. Corn sold for an average of 64.2 cents a bushel in 1909–14, and wheat brought 88.4 cents. Multiplying those prices by 2½, you get the parity price of $1.61 for corn, and $2.22 for wheat. The Government makes loans available at 90 percent of parity for all supported products except cotton, which is priced at 92½ percent.

Under wartime laws, the farmer was to be protected particularly for the 2 years after the official end of the war—a period ending on December 31, 1948. It was expected that farm prices would slump in the postwar period. Instead, mainly because of high domestic income and the enormous demand for food from the war-devastated regions of the world, prices soared in most basic commodities. Little Government aid was necessary, and the farmer was better off than he had been in the period 1909–14. Corn went to $2.46 a bushel, and wheat's top price was $2.81.

Farmers, through those 2 years, were receiving greater cash income than anybody had forecast, and housewives were suffering because the costs of food and clothing were soaring. Congress, at its last regular session, had to wrestle with this problem. Farm pressure to renew the present price-support plan was great, and consumers' pressure against price supports was also great. Congressmen from the big cities, like myself, were made to feel very keenly that with farm income double and more than in normal years, and with the cost of living going out of sight, the Government should certainly not spend huge sums to hold up farm prices which might want to come down and help balance the whole economy. Yet we, too, had to recognize that stable farm prices were a key element in the Nation's prosperity, that city dwellers, as well as people in the war-ravaged lands, had to be assured of plentiful food supplies, and that the nature of the farmer's risks and what he had suffered in the past made minimum guaranties for him necessary. After a considerable struggle in the very last days of June of 1948, Congress passed the Agriculture Act of 1948, which the President approved on July 3.

The farm bloc won some concession in continuing the present price-support plan to December 31, 1949, but on January 1, 1950, a new and flexible price-support plan takes effect. This new plan makes two major changes in the present program. First, the parity price under the new formula reflects the relationship of the price of the individual commodity to the average of the prices received by farmers for agricultural commodities generally during the most recent 10-year period. This is done in order to modernize the parity-price formula to take into consideration changes in demand and changes in production, like increased yields per acre. Second, the guaranty is no longer for 90 percent of the new parity, but on a sliding scale between 60 and 90 percent, depending upon whether there is overproduction or underproduction based on a normal supply. So, if there is overproduction, price supports can be reduced and can go as low as 60 percent of parity; while if there is underproduction, price supports can be increased, but not any higher than 90 percent of parity. In most items, this will result in lower Government support prices. So, for example, the parity price for wheat, which last June was $2.22 per bushel, would under the new formula have been $1.82. The parity price for corn, which was $1.61 per bushel, would under the new formula have been $1.42 per bushel.

Farmers generally seem quite satisfied with the new flexible price-support plan to take

effect on January 1, 1950, which will lower support prices in the major commodities as well as make certain other reforms, such as enabling the Government to sell its stocks at prices lower than those it paid; in this way, also helping keep prices down. But many farmers and some farm leaders are not satisfied, and will make a drive on the President and on Congress to repeal the new plan during 1949 so that it cannot even get started, and to continue the old parity price program. Such a course, if joined in by the majority of farmers, could really put them on the wrong side of the public, with ultimate inevitable retribution.

But a fight is brewing on this new, more rational price-support program, because the President, in his successful campaign for reelection, promised the farmers support for high prices, at the same time he promised the city dwellers lower food prices.

The real hope of the farmer should be, not in governmental price supports, but in a higher level of consumption for all our people because they are more prosperous. This is very important right now, because, owing to abnormal conditions, so much of our wheat, cotton, and other basic commodities has gone for export. But a normal export business will cut these quantities materially—in wheat by as much as a half to two-thirds—and make our farmers even more dependent on the domestic market. This market is far from saturated, and has all the potentials for increased consumption our farmers need. The Secretary of Agriculture, in an interesting analysis, showed that if our consumptive objectives could give all Americans the amount of food now enjoyed by the Americans having incomes of $3,000 or more, our farmers would have nothing to worry about; but, as yet, about half of America's families are under this income level.

The farmer has the most to gain by cooperating in the attainment of a stable economy. This means even more to him than high support prices temporarily giving him a bigger share of the national income. For farmers, like the rest of us, are Americans first and everything else second. We have a right to expect that no responsible American farmer will seek to nullify the newer and more realistic price-support program of the 1948 act before it gets started, and that he will cooperate in the days ahead in further efforts to contribute to higher food consumption, lower food and clothing prices, and the stability of the whole economy. Under this stimulus, city dwellers will cooperate, too; without it, the far more numerous city dwellers may crack down on farm price-support programs, with resultant harm to us all.

Lackawaxen River Basin Flood-Control Project

EXTENSION OF REMARKS

OF

HON. EDWARD MARTIN

OF PENNSYLVANIA

IN THE SENATE OF THE UNITED STATES

Wednesday, July 20 (legislative day of Thursday, June 2), 1949

Mr. MARTIN. Mr. President, I ask unanimous consent to have printed in the Appendix of the RECORD a statement submitted by me on July 14, 1949, to the Senate Committee on Public Works in behalf of additional authorization for the Lackawaxen River Basin flood-control project.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

On behalf of the people of Wayne County, Pa., and the communities in that area which have suffered extensive flood damage through the years I desire to express their deep interest in the additional authorization for the Prompton and Dyberry Reservoirs in the Lackawaxen Basin flood-control project.

As you know, the House Committee on Public Works has approved the additional authorization of $6,000,000 for this important program.

My purpose today is to endorse the additional authorization and to request favorable action in order that the planning of the Lackawaxen River Basin flood-control project may go forward for the protection of this important area of Pennsylvania.

Statehood for Hawaii

EXTENSION OF REMARKS

OF

HON. MIKE MANSFIELD

OF MONTANA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, July 19, 1949

Mr. MANSFIELD. Mr. Speaker, on June 23, 1949, the Honorable HUGH BUTLER, a Senator from Nebraska, released a report on statehood for Hawaii under the title, "Communist Penetration of the Hawaiian Islands."

Without questioning Senator BUTLER'S statements of fact in the report, former Senator Edward R. Burke, also of Nebraska and now counsel of the Hawaii Statehood Commission, answered Senator BUTLER and took sharp issue with the stated conclusions, pointed out the specious reasoning, and indicated that the subject of communism has no real bearing on the question of statehood for Hawaii.

Former Senator Burke's letter follows:

TERRITORY OF HAWAII,
HAWAII STATEHOOD COMMISSION,
Washington, D. C., July 5, 1949.

Hon. HUGH BUTLER,
Senate Office Building,
Washington, D. C.

MY DEAR SENATOR: Please accept my thanks for the copy of your report on Communist Penetration of the Hawaiian Islands which you were kind enough to have sent to my office. May I say further that I greatly appreciate the expression of your high regards for me endorsed thereon. I have read the report with deep interest. It seems appropriate that I should comment on some phases of it.

Others may question certain statements of alleged facts, but that is not my purpose. I shall assume that the individuals you name are Communists, and that the party objective is as stated by you. In fact, without the service of a private investigator, or the testimony of witnesses unwilling to permit disclosure of their names, everyone knows that there are some Communists in Hawaii and that they would like to dominate the life of the islands. All this has long been a matter of public record. See the Roberts report, report of House Committee on Un-American Activities, etc.

For my part, it is your stated conclusions with which I take sharp issue In my judgment you make a strong case, not for the indefinite postponement of statehood, but rather for favorable action at this session of Congress.

Of the people of Hawaii, you say:

"An overwhelming majority are hard-working, law-abiding citizens, devoted to the fundamental principles of responsible self-government in the American tradition. * * * The Territory of Hawaii stands high in the scale of education, achievement, culture, business acumen, and fine civic spirit."

Again you state:

"An overwhelming majority of the people of the Territory desire to see Hawaiian communism put down."

In view of these unequivocal statements of yours, which are fully substantiated by every investigator who has visited the islands, how can you possibly reach the conclusion that statehood should be indefinitely postponed because of the danger that the Communist Party would "control a clear majority of the delegates who write the new state constitution?" Who will choose the delegates who will sit in that convention and write the new constitution? The answer is obvious. The electors—of whom the overwhelming majority, you correctly testify, are "law-abiding citizens, devoted to the fundamental principles of responsible self-government in the American tradition." The delegates will be chosen by electors—of whom the overwhelming majority, to use your own language, "desire to see Hawaiian communism put down."

You cite Russia, Yugoslavia, and other countries behind the iron curtain to show that a militant minority may override the great majority. The cases are not at all comparable. Illiteracy is practically nonexistent in Hawaii. There is a free press. There is complete freedom of expression on all public questions. Personal and property rights of the citizen are protected by the courts as faithfully as in Nebraska. There are no restraints on free thinking and freedom of expression. Are any of these fundamentals present in Russia or the other countries you mention?

You must be familiar with the fact that a larger percentage of the electorate goes to the polls and votes in every election in Hawaii than in any State on the mainland. The ballot is secret. The voters are informed, made so by a completely free and vigorous press, a widespread radio coverage, and by untrammeled public discussion. Is it not fair to conclude that the delegates chosen to sit in the constitutional convention in Hawaii will beyond any question represent the views of that great majority of citizens devoted to the fundamental principles of responsible self-government in the American tradition and who desire to see Hawaiian communism put down?

There is a further consideration. When the new State constitution has been written it must be submitted for approval. To whom? Why, in the first instance, to these same intelligent citizens who, in overwhelming majority, are thoroughly devoted to American ideals. If by any chance, which is unthinkable, subversive influences should prevail in dictating any part of the new constitution, you must know what would happen. Such a constitution would be rejected by that great majority of voters who hate communism.

There is still a further safeguard. When a constitution has been written by the delegates chosen in a free and honest election by those loyal citizens of whom you speak so highly, when that constitution has been discussed and debated in every home and hamlet throughout the islands, and has met with approval by a majority of those same intelligent and loyal Americans, before it has any effect it must be submitted to the

President of the United States and approved by him.

In view of all this, is it not specious reasoning to argue that statehood should be postponed because of the danger that Hawaii might become a State under a constitution dictated by Communists? The fact is that the selection of delegates, the deliberations of the convention, the submission of the proposed constitution to the electorate for approval, all of this will create the most favorable atmosphere for that great majority of loyal and patriotic citizens of Hawaii to present a united front against any subversive groups that may be in existence.

You recite the efforts prior to the last election of the Communist leaders to take over one of the political parties in Hawaii. I doubt whether such an effort could ever, or long, be successful. I know a great many members of that party in Hawaii whose loyalty to America is beyond question. In any event, there is significance in the fact that you carry that recital only to election eve. You were in Honolulu on election day. Do you not think it should be stated that not a single follower of the Communist Party line was elected to any office of importance in the entire Territory? On that day the voters gave their answer to the fear of Communist power that disturbs you.

You say that the Communist Party in Hawaii favors statehood. If they are as smart and resourceful as you seem to think they are that might be their idea of the best way to defeat or postpone statehood. Whatever may be the truth of that, it is believed that more than 90 percent of the 540,000 people who live in the Territory, strongly favor immediate statehood. These believers in statehood are convinced that they will be fully as able—better in fact—to control communism as a State than as a Territory. That seems to me sound reasoning. If so, this whole question of communism has no real bearing on the question of statehood at all.

Hawaii was an independent sovereignty. It gave its consent to annexation because it believed that in due course it would be welcomed into the Union as a State. Fifty years have passed. I leave with your conscience the proper answer to the question that seemed to disturb Chief Justice Fuller when he asked whether: "if an organized and settled province of another sovereignty is acquired by the United States, Congress has the power to keep it, like a disembodied shade, in an intermediate state of ambiguous existence for an indefinite period"?

Sincerely yours,

EDWARD R. BURKE, *Counsel.*

The Basic Principle of Fair Employment

EXTENSION OF REMARKS

OF

HON. HUBERT H. HUMPHREY

OF MINNESOTA

IN THE SENATE OF THE UNITED STATES

Wednesday, July 20 (legislative day of Thursday, June 2), 1949

Mr. HUMPHREY. Mr. President, I ask unanimous consent to have printed in the Appendix of the CONGRESSIONAL RECORD an editorial which appeared in the Minneapolis Morning Tribune, Minneapolis, Minn., on July 16, 1949.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

A BASIC PRINCIPLE

Opponents of fair-employment-practice legislation in Minnesota have sometimes pointed to the New York State law as a disconcerting example of what might happen here.

But here is what the New York Herald Tribune had to say about that law in an editorial this week:

"The successful working of New York's pioneering law has given impetus to a Nationwide movement to insure equal opportunity in employment. The law recognizes that economic opportunity is basic in improving the lot of the Negro and other minorities. A change in old hiring habits, too often influenced by unthinking prejudice, was required to provide that opportunity. Change is being gradually achieved in New York where employers, unions, hiring agencies, and the public are coming to accept the law's principles as just and necessary. That 1,450 complaints of discrimination have been settled or are in process of settlement without fanfare is warrant both of the soundness of New York's law and of its wise administration."

Here is a tribute to FEPC legislation made by a newspaper of conservative leanings which has had ample opportunity to judge its workings first hand.

A good many persons still think of such legislation as Communist-inspired. But is it not sound Americanism to write into the law this simple, basic principle of equal opportunity?

Rural Telephone Bill Will Aid Extension of Service

EXTENSION OF REMARKS

OF

HON. HAROLD C. HAGEN

OF MINNESOTA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, July 13, 1949

Mr. HAGEN. Mr. Speaker, the House is now considering the Poage bill, H. R. 2960, to provide rural telephones through the REA.

I have been genuinely interested in this measure ever since it was introduced, not only because it is needed in my district, but because I firmly believe it would be beneficial to this entire country.

We all recognize that our farmers should have telephones, and that it is even more necessary for them to have telephones than it is for the town or city dwellers.

Our present telephone systems, both large and small, have done a good job toward increasing their services to farm areas. And I know they have had to face many problems in trying to extend service, such as the shortage of materials, a condition which I understand has now been largely corrected.

This bill would be a supplement to the service by present telephone lines—a supplement which would provide the opportunity to private and cooperative lines to extend service in cooperation with the REA, and a supplement which would extend telephone service to farm areas where it is so badly needed.

When the bill was reported out by the House Agriculture Committee, I sent copies of the report along with the bill to the many farmers and townspeople who had written me previously about such a program. I asked them to review the report, and then let me know their views in line with the improved changes in the bill which were made by the committee and later here on the floor. The replies I received show that the people in my district believe the Agriculture Committee reported a good, beneficial and needed bill. The farmers and townspeople expressed the hope that the House would soon act.

I am glad the House is now acting. We will pass this bill, I feel sure, and will then look to early action by the Senate.

The Case Against Steel's Big Three

EXTENSION OF REMARKS

OF

HON. HAROLD D. DONOHUE

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, July 20, 1949

Mr. DONOHUE. Mr. Speaker, under leave to extend my remarks, I wish to include a very timely and revealing article by Mr. Thomas L. Stokes, which appeared in the July 18, 1949, issue of the Evening Gazette, Worcester, Mass. The article follows:

THE CASE AGAINST STEEL'S BIG THREE

(By Thomas L. Stokes)

WASHINGTON, July 18.—Occasionally motives are suddenly revealed, unconsciously and unwittingly, as when someone blurts out the hidden purpose in his mind before he can catch himself, before he has taken time to think.

Something of this sort is suggested in the initial refusal of steel's Big Three—United States Steel, Bethlehem, and Republic—to accept President Truman's proposal for voluntary arbitration of their dispute with the steel-workers' union. Instead, Big Steel insisted upon the letter of the Taft-Hartley Act with its injunction procedure to stop a strike, though other smaller units of the industry acquiesced.

Big Steel's attitude served to recall the charge so often made by labor that the real purpose behind the Taft-Hartley Act and its injunctive weapon was to cripple and hamstring labor, and eventually to crush unionism. Labor contended that such an aim, and such an effect, would become very clear in event of a depression when conditions naturally would make unions weaker and less able to defend themselves.

Big Steel's attitude in this case created suspicions and provoked criticism. It is often referred to in our industrial set-up as "the leader" because of its power and influence and its ramification into all sorts of other industry and finance, much of which is dependent on it. Its current example of leadership and stewardship certainly does not appear enlightened.

SENATOR MORSE OPPOSED

It brought a severe stricture from one recognized expert and authority on labor relations, Senator MORSE (Republican, Oregon). The Senator, a member of the War Labor Board and a foe of the Taft-Hartley Act, said Big Steel's attitude showed that what it wants is an automatic injunction.

"I think the position of Fairless (Benjamin F. Fairless, president, United States Steel) and his cohorts is a demonstration of how big industry seeks to use the Taft-Hartley Act to break strikes and unions," he said. "What his position amounts to is urging that industry should be allowed to create its own national emergency by refusing peaceful procedures for settling of disputes and thus

to use the Taft-Hartley Act to break strikes with an injunction.

"The American people are not going to be fooled by this repetition of Big Steel's anti-labor tactics."

The injunction procedure which Big Steel sought to invoke is reserved for national emergencies. The Senate already has approved a modification of this procedure, which so embittered labor, in the bill it passed recently and on the initiative of Senator TAFT, himself. By its modification the Senate clearly recognized the unfairness and injustice of this procedure. Proponents of complete elimination of such injunctive procedure lost by only two votes, a further indication of the need for a change.

TRUMAN USES DEFEATED BILL

President Truman, in his proposal for a 60-day continuance of work without a strike and for appointment of a board to make a finding of facts and to make recommendations for a settlement, follows very closely the provision which the Senate substituted in its recent bill. Under the Taft-Hartley Act such a board is not permitted to make recommendations for a settlement, only to find facts and review the strike issues. President Truman has explained that in the present case the parties would not be bound by the board's recommendations.

The injunctive power was left in the Senate bill recently passed, but an alternative of plant seizure also was included.

President Truman very properly pointed out to Big Steel that this is not yet a national emergency. It should not have been necessary for him to urge upon big business, which always has complained against interference by Government, that an attempt should be made for a settlement by voluntary arbitration before Government interference with labor by an antistrike injunction.

In saying to the Big Three, "Surely you are not afraid to have your side of the dispute examined in the public interest," the President emphasized the public interest with which the steel industry is naturally endowed. The wages and working conditions of its employees, its prices, and its profits are all a matter of public interest, and the facts as to their relationship are the public's business and are necessary for an equitable settlement in the public interest.

Take a Look at the Record

EXTENSION OF REMARKS
OF
HON. JOSEPH R. BRYSON
OF SOUTH CAROLINA
IN THE HOUSE OF REPRESENTATIVES
Wednesday, July 20, 1949

Mr. BRYSON. Mr. Speaker, representing, as I do, the greatest textile district in the world, naturally I am greatly concerned with everything pertaining to the textile industry.

At this time there is an increasing number of patriotic, hard-working, industrious textile employees who are unable to find the full employment they have enjoyed in the past. We are proud of the textile industry. It has been through the efforts of the textile employees, coupled with the labors of those who till the soil, that we have been able to astound the world by our production.

In this connection, I attach hereto a timely editorial from the Spartanburg Herald of July 19, 1949:

TAKE A LOOK AT THE RECORD

Any citizen of this country who lived through the days of the depression in the 1930's should be thoroughly impatient with those who are aiding and abetting the idea that the country must inevitably go into another such period, and there are the prophets of doom, who are operating—and operating deliberately and for selfish reasons—to spread fear and anxiety as to the economic security of this country.

The American people should recognize their duties and responsibilities in a world of conflicting conceptions of government, determine their course, and ride out the storm. The American people are all in the same boat. Mutiny is what the enemies of the country hope for—and the thing they are encouraging.

The country is still prosperous. There is not only a national demand for its goods and its products but a world need to be met, and it is our duty to do our part in supplying need. On farms of the country great abundance is promised by all reports. That means labor in the harvesting and labor in their storage and distribution.

Industrially the country is not stagnant. Demand continues at home and abroad for materials, supplies, and commodities. In bringing the industrial situation home to South Carolina, only yesterday the Federal Reserve Bank of Richmond issued a report in which it said industrial expansion in South Carolina "far exceeded any other State" in the Fifth Federal Reserve District. That was for the period 1939–47. And this industrial expansion in South Carolina continues. Manufacturing increased in this State during that period 369.3 percent, and the total value of manufactured products in 1947 amounted to $794,600,000.

According to an Associated Press dispatch: "The bank made this break-down of the value added by various manufactured products in South Carolina during 1947:

"Textile-mill products, $558,700,000; stone, clay, and glass, $11,600,000; furniture and fixtures, $6,500,000; chemicals and allied products, $16,600,000; lumber and allied products, $59,400,000; paper and allied products, $36,900,000.

"Also, food and kindred products, $34,900,000; printing and publishing, $9,000,000; fabricated metals, $1,500,000; all others, $59,600,000.

"South Carolina mills accounted for 10.47 percent of the Nation's textile products in 1947, the bank's report showed."

Spain's Military Capabilities

EXTENSION OF REMARKS
OF
HON. JACOB K. JAVITS
OF NEW YORK
IN THE HOUSE OF REPRESENTATIVES
Wednesday, July 20, 1949

Mr. JAVITS. Mr. Speaker, there is appended an informative report on this subject:

ON-SPOT STRATEGISTS FIND SPAIN OFFERS PITFALLS FOR WESTERN DEFENSE—CAST-OFF ARMS FORTIFY NATION; RAILWAYS WOEFULLY RUN DOWN

(By Joseph G. Harrison)

MADRID.—Recent statements by United States Senators referring to Spain as a bulwark against a possible Russian advance in Europe do not correspond to the facts available here.

As the Spanish Army, Navy, and Air Force now stand, they would afford less opposition to a strong Russian push than did the Poles against the Germans in September 1938, when all of Poland fell in a matter of weeks.

This does not mean that Spain, by the use of truly vast sums of American money, could not be made a strong military base. But it does mean that Spain is not one at the moment. It shows little likelihood of becoming one in the foreseeable future.

In the opinion of non-Spanish military experts, whose task it is to assess Spain's value in the event of war, it is incorrect to speak of merely arming Spain's land, sea, and air forces.

Rather, it is necessary to create them. By any standard of judgment on modern warfare, Spain's armed forces would be virtually helpless in the face of a major foe.

While it is true there are some 400,000 men under arms in Spain today and that Spain could, in a severe crisis, probably mobilize up to 2,000,000, it is equally true that there is hardly a single up-to-date weapon of any sort in the length and breadth of this country. Except at sea, the tiny state of Israel probably has as large a stock of really modern weapons as does Spain.

EXPENSIVE TASK

To bring Spain to the point of being able to give sizable help in the event of an all-out Russian attack against western Europe—and it is only in this connection that Spain is discussed—would take not hundreds of millions but probably billions of dollars. Here is why:

The Spanish Army is completely without modern tanks, having only a handful of cast-off German and Italian models built 15 years ago.

It is equally lacking in all types of artillery, necessary to defend the Pyrenees passes and its long shore line.

It has enough rifles for perhaps half its troops but soon would run out of ammunition.

It has little or no signal equipment, field hospitals, trucks, and mortars.

Furthermore, because of this lack, it never has been able to train either officers or troops in their use.

AIR FORCE IMPOTENT

The air force is virtually nonexistent. In a world where only jet-propelled planes are coming to count and where the B–29 Superfortress already is outmoded, this country has only a few hundred fighters which were scrapped by all major powers, before World War II broke.

As for bombers, it has none which could not be swept out of the air in the first half hour of war.

Here again, Spain has been unable to train pilots, navigators, bombers, and technicians because it had no equipment.

In this country, even the very ground facilities for such training would have to be built.

The navy is a little better off, but only slightly, having 5 cruisers, 18 destroyers, 5 submarines, and half a hundred or so small auxiliary craft.

All of these are outdated and have no protection against aircraft worth speaking of.

Weak as Spain is in arms, it is equally weak behind the lines. The Spanish railroads, without whose efficient operation no modern war can be fought over large spaces and in such open country as Spain are so run down as to be comparable to those of the Balkans rather than of western Europe.

Vast sums and much equipment would be needed to give them a safe wartime operating efficiency.

Good indication of the state in which Spain's armed forces find themselves—despite the fact that they, along with the police, take more than 47 percent of Spain's 1949 budget—is the fact that Spanish officers are so lowly paid that large numbers of them, even up to the rank of full colonel, find it

necessary to take a second job, which they work at in the afternoon.

The younger officers are so ill-paid that they are considered to be an element of possible danger to the government, since there is always the possibility, although remote, that they may be driven to a "putsch" to better their position.

ARMY PAMPERED

Yet, despite this low pay, the Spanish Army, particularly the officer corps, gets the best of everything available—food, housing, social position, and even political appointments.

Indeed, there is a saying here: Spain is the only country in the world whose own army is an army of occupation.

These conditions notwithstanding, the United States undoubtedly could create a strong army and air force in Spain, strengthen its railroads and turn this country into the formidable anti-Soviet Army bastion which many persons now mistakenly believe it to be.

But to do so would take not only tremendous sums of money and equipment which might preferably be spent in arming the democratic armies of Great Britain and France, but it also would take time. Thus, from a practical viewpoint it might well be better to forget about Spain and concentrate upon strengthening democratic allies farther north, whose armed forces are already in a better state of preparation and whose rail system is already adequate.

As for the argument that while France is riddled with communism Spain is free from it, this is easy to say but hard to prove.

Long-time diplomatic residents here point out that millions of Spaniards supported the Republican side in the civil war, that they fought for three long years and that, although beaten, they remember that it was the Soviet Union which gave the republic its only effective military help.

CLASS ENMITY

Furthermore, even sincere supporters of Generalissimo Francisco Franco have told me that uncounted numbers of lower class Spaniards, who lost kith and kin during the war, nourish a bitter hatred against the upper classes now running the country.

While one can assume that many French Communists would help an invading Soviet Army, it is very far from being proved that the Russians would not find similar help in Spain.

It is true that General Franco has seized and executed large numbers of Communists and malcontents, but it is equally true that he has not taken the practical economic and social measures to correct the injustices which create such opponents.

Thus, whenever a prominent American arises with words of praises for General Franco and his regime, persons here are inclined to ask skeptically where he got his information.

Desert Gardens

EXTENSION OF REMARKS
OF
HON. ANTHONY F. TAURIELLO
OF NEW YORK
IN THE HOUSE OF REPRESENTATIVES
Wednesday, July 20, 1949

Mr. TAURIELLO. Mr. Speaker, on Saturday last, it was my privilege to view one of the most spectacular garden displays I have ever seen.

Dr. Louis E. Blanchard, a physician from my home town of Buffalo, N. Y., has a hobby which should go far to dispel the notion that the cactus is essentially a desert plant. At Crystal Beach, Ontario, his collection of over 25,000 cacti plants is visited by thousands every year. It is valued at more than $125,000, and was accumulated during 20 years of travel throughout the world.

Dr. Blanchard has written an article entitled "Desert Gardens" which was the feature story of the October 1948 issue of Your Home and Garden. The magazine's cover displays color photos taken by Dr. Blanchard in his gardens of rare, exotic, and colorful cacti plants, located in southern Ontario, far from the usual haunts of most cacti. Under leave to extend my remarks, I insert Dr. Blanchard's article in the Appendix of this RECORD:

DESERT GARDENS

(By Dr. Louis E. Blanchard)

Desert plants represent highly specialized forms of plant life adapted to arid conditions and consist of cacti and other succulents, such as agaves, echeverias, stapelias, and sempervivums. Although widely scattered, most of the succulents are found in Africa, Mexico, and many parts of the United States. Cacti are native to the Western Hemisphere and are descendants of the leafy pereskia, the ancestor of all cacti. There are about 2,000 species of cacti and many more thousands of species of other succulents.

Groups of plants growing in widely separated places under similar climatic conditions develop a similarity known as parallelism. The euphorbias of Africa resemble the cacti of the Americas, but are definitely not related. The size of these plants ranges from a fraction of an inch to that of tall trees. The giant saguaro of Arizona grows 50 feet high and by the time it reaches its maturity in about 200 years weighs 10 to 15 tons.

Desert plants in the distant past flourished in tropical climates and had leaves and woody stems. As the geological changes produced deserts and mountains with dry air and limited rainfall, these plants had to adapt themselves to these changes of environment or perish. Undoubtedly, many species succumbed, but those that met the challenge were successful because they acquired the essential physical change known as succulence.

Thick, juicy stems or leaves, especially adapted for water storage in periods of prolonged drought, made life possible in such depressive periods. Thick leathery leaves of the opuntias, waxy coatings of the astrophytums and hairy coverings of the Old Man cactus (Cephalocereus senilis) are further examples of protection against loss of moisture. The plants also assumed many unique and bizarre forms, all of which were evolutionary changes in the development of a defense mechanism. Multiple ridges with accordionlike contours allowed for contraction and expansion in periods of drought and rain. Absence of leaves and branches allowed heavy plants to have a minimum of surface exposed to evaporation. Spines served as a protection against enemies and also gave partial shade.

The sugars in the plant juices were converted into pentosans which are thick and sirupy. In this form losses by evaporation or injuries are trivial. Brilliant pigmentation prevented chlorophyl destruction in prolonged brilliant sunshine, and in some species like the Sacred Mushroom (Lophophora Williamsii), large fleshy roots stored food and water. These and other similar defense mechanisms made it possible for succulent plants to withstand long periods of drought, even as long as several seasons. In times of depression these plants have the ability to become dormant and will patiently wait for months, if necessary, to burst forth in extreme activity with the appearance of favorable conditions. In a very short time the desert plants come into bloom, bear fruit, and store up water for future emergency. Time is of the essence. It is a question of life or death. These plants are with us because they are champions.

Although desert plants can endure hardships, they naturally, like all living things, prefer favorable conditions. In pot culture or in the garden the soil should be kept moist (not wet) during the growing period. Excess water causes rot and interferes with respiration. In the winter watering should be less frequent, possibly once every 3 weeks. Never allow the soil to become powdery dry as this will damage the roots.

These succulents, due to their ornamental shapes and varied colors, are the jewels of plant life and lend themselves admirably to realistic scenery in dish gardens. Most dish gardens have no drainage and it is essential that a measured amount of water be used. A small dish garden about 6 inches in diameter will require about one-half cup of water weekly in the summer. Larger dish gardens will need about one cupful of water. In the winter the same amounts will be ample for 3 weeks or more. In case of doubt, dig a hole into the soil for proper inspection. If moisture is present do not add water. Overwatering in dish gardens is the major cause of failure.

Desert plants make excellent garden displays. Use elevated beds, about 1 foot deep, to provide good drainage. Place several inches of coarse gravel on the bottom and fill with coarse sand, preferably sharp or builders' sand. Potted plants plunged into this sand with mound formations, make fascinating desert scenes. This method conceals the pot rims and makes the scenery more realistic. Take plants indoors before frost and keep them in a cool room or use them in a window garden. Water springly during this resting period and do not apply any fertilizers. In the spring when the plants show signs of activity, increase the amount of water.

If plants are pot-bound they should be shifted into larger pots. Increase the pot size by 1 inch. A good potting soil consists of one-third top soil, one-third leaf mold or rotted cow manure, and one-third sharp sand. To this add about 5 percent each of chick charcoal, lime, and bone meal. Mix thoroughly. The epiphyllums (such as the Christmas cactus) do best in an acid soil and lime must not be added. Good drainage and considerable shade are essential in this species. They also like a steady supply of moisture and will probably require watering twice a week. A layer of fine gravel on top of the pot will help discourage the growth of algae and keep the plants clean.

Such prepared soils will require no additional fertilizer for one season. After this period, complete liquid fertilizers, properly diluted, are beneficial. Several applications a season are ordinarily sufficient. Desert plants as a rule are slow growers and, therefore, do not require frequent feeding. Excessive applications of fertilizers will either cause root damage or build up such a high osmotic pressure in the soil from soluble salts that water absorption by the root hairs becomes difficult.

Many desert plants, particularly the epiphytic species of cacti, have gorgeous blooms in many colors. Cacti are either day or night bloomers and their exotic blossoms equal the beauty of the choicest orchids. Their fragrance is delicate and one flower will perfume an entire garden.

Although cacti and other succulents are comparatively free of pests and diseases, some varieties may get infested with mealy bugs, scale, thrips and red spiders. Contact sprays regularly applied will keep plants clean. An oil spray will be necessary for mealy bugs.

Root mealy bugs may cause considerable trouble. The pot may require dipping in a contact spray or the soil may be completely washed away until the roots are clean and then repotted.

Succulent plants can be propagated from seeds, offshoots and cuttings. It is advisable to sterilize the cactus soil and the container to prevent damping off. Sift enough sterile sand over the seeds to cover them. Do not allow the surface to become dry.

Offsets (called pups on cacti) may be removed from the parent plants with a sharp knife. Dip the cut ends in sulphur and plant in cactus soil. If cuttings are taken dust the open surfaces with sulphur and do not plant for about 1 week or until a callus is produced. The cuttings may then be rooted in clean sterilized sharp sand and as soon as there is root formation, they may be planted in soil. Many erroneously believe that desert plants grow in pure sand. This is not true. Succulents placed in sand will starve. The desert is rich in minerals and leaf mold and only requires water to convert it into a good growing soil.

American Business

EXTENSION OF REMARKS
OF
HON. THOMAS J. LANE
OF MASSACHUSETTS
IN THE HOUSE OF REPRESENTATIVES
Tuesday, July 19, 1949

Mr. LANE. Mr. Speaker, under leave to extend my remarks, I wish to include the following address of Irwin D. Wolf, vice president, Kaufmann Department Stores, Pittsburgh, and of the May Department Stores Co., and chairman of the NRDGA Vendor Relations Committee, at the merchandising convention of the National Retail Dry Goods Association, on Tuesday, June 21, 1949, New York City:

Probably every businessman in the United States has often thought what I now have the opportunity to say. I welcome the occasion and feel grateful for the privilege.

There will undoubtedly be those who honestly disagree with one of my words here, a sentence there * * * an entire thought perhaps, or a suggested procedure. I am not apprehensive about that, because the basic ideas are so much more important than their presentation. Nor do I anticipate that I shall be accused of offering criticism for its own sake, since what I have to say is followed by suggestion.

In that spirit I want to confer with you.

We are participants—you and I—in combat that is realistic and purposeful. Ours is more subtle battle than armed conflict. Economic power, political philosophies, and national resources are the weapons with which our war is being waged. The scope of our conflict is international; it extends to the far borders of those nations who have signed the North Atlantic Pact. American business, because of its part in this battle, stands at bay to the forces of regimentation, almost as did England not quite 10 years ago. If we fail in our battle, the last substantial bulwark of free enterprise will be swept away, and American business will be swept away with it.

Ever since the end of World War II, American business has been the big force used to influence, if not to shape, the political pattern of the world. To make the point clear, I need only cite the billions expended to date for European recovery. Our very way of life and the product of our sweat have been used, and are still being used, as potent instruments of persuasion on the international scene. Substantial alteration, if not destruction, of our standard of living has long been the target of our Nation's political antagonists.

As world events took form, American business became an instrumentality of state. As world affairs have now evolved, American business will be employed as a continuing instrumentality of state.

Business must accept that responsibility and must equip itself to meet the demands which that role entails. Government, on the other hand, must now make it possible for business to discharge the responsibilities which have been thrust upon us.

Gr ater responsibility has never rested upon any element of society than has devolved on business in consequence of its part in world politics. Upon our success in meeting these obligations depends not only the strength of our own Government, but also the welfare of untold millions who thus far have had the courage to decline the embrace of autocratic philosophies.

The very scope and importance of the role which our statesmen have assigned to business make it the prime duty of government to strengthen business and foster conditions under which it will thrive. Specifically, the structure of business endeavor must be reenforced and, at the same time, out-dated concepts and out-moded techniques must be discarded. Unnecessary and useless procedures, with which we have been burdened, must be eliminated. All of this is imperative if we are to succeed in the policies we have undertaken to support. For if we fail there will be no future. In war we were the arsenal of democracy * * * today we are the arsenal of peace.

But are we equal to the responsibility which has devolved upon us? Are we able to maintain the velocity of business necessary to support our own standard of living, provide for our own needs, meet our own fiscal problems * * * and at the same time contribute to the welfare and needs of others throughout the world? I am confident we can, provided we recapture for business the basic principles of democratic life which have made our Nation great. To a large degree they have slipped from our hands and we must set ourselves to the task of regaining them. While they are lost to us momentarily, those great principles are still within our reach.

Nothing that I have just said is even remotely in the nature of an attack on this administration or any single administrator. I am entirely aware, as are all of you, that many of those things which we businessmen seek to remedy are consequences of rapid growth and the increasing complexity of the world in which we live. But I do challenge government to eliminate an evil which, like any other parasitic growth, has attached itself to a strong body and is feeding upon it.

All right, then, what must we do? At the outset, we must examine the position in which we find ourselves. It is not a happy one. There is danger from within as well as danger from without. Business, instead of being the prime concern of Government, is once again the favorite whipping boy of Government administrators. Although the velocity of business is of vital importance to the Nation, hardly a day passes without presentation to Congress of additional and dubious proposals for further regulation or control of some phase of commerce.

We have developed a singular and highly unique tendency to label every disputed practice as a national menace. Our legislators are urged toward indignation at such practices and to legislate on ever-broadening fronts to suppress what is invariably a narrow and often isolated evil, fully capable of being suppressed through the enforcement of existing local law. The very number of such regulations often provides legal justification for "fringe" operations. And it frequently happens that Federal regulations create the very evils they are designed to eliminate: for example, some retailers have been forced into manufacturing—in order to avoid conflict with the Robinson-Patman Act. Many manufacturers are determined to sell only large users to avoid the awkward policies by which this act has been administered. The integrated operation has made its debut—why—because of such laws and the way they are administered. And to those who begot such laws are now sponsoring divorcement legislation to eliminate their self-created evils. That is our example of how ill conceived our business laws are.

Unfortunately the moving considerations which underlie most of our Federal laws governing business are those which were generated in a spirit of suppressing evil practices and abuses. Many other regulations were born in the clamor and outcry generated by those who desired to attract votes or to extend the boundaries of their own private kingdoms.

We have become so zealous in our endeavor to discourage what some are pleased to call sin, or at any rate what politicians conveniently call sin in order to denounce it, that we legislate and administrate against those who are innocent. Why? Because of fear and apprehension that, unless they are regulated, they may tend toward forbidden practices. And when we do legislate in these matters we invariably use such loose terms as to authorize political appointees not answerable to us and obviously unschooled, to do such things and promulgate such regulations as in the judgment of such administrator may be necessary.

However, we are a nation richly populated by farsighted administrators—some, in fact, are really seers—who unblushingly profess to be expert in all things. Hence, it is said, we are safe from error or abuse. But experience and fact deny such assertions, and the contrary is true. From those to whom we have entrusted the power and authority to encourage a high velocity of business, we have received nothing but a high velocity of regulations.

Our administrators have really labored. They have formed a gauntlet of penalties for business to run. They have constructed a Chinese Wall to circumscribe our activities. They have erected an enduring monument which arrogantly challenges what man has known for many long years, "Those are governed best who are governed least."

Laws enacted by Congress, having as their objective the protection of commerce, have been so administered and interpreted as to have a burdensome and deterring effect. Others have given rise to administrative techniques from which the specter of another NRA is already plainly discernible on the immediate horizon.

Our administrators are indeed prolific. All the laws enacted by Congress in the period from 1789 to date have been codified in four volumes known as the United States Code, whereas the rules and regulations of Federal agencies known as the code of Federal regulations comprise 47 volumes of substantial size. Do not think for a moment that their job is ended. Not at all; in fact theirs is an unending project. Not a single issue of the Federal Register fails to carry voluminous additions to the mass already in existence.

Rulings by administrators embodied in hundreds of volumes of agency reports bid fair to overshadow in immensity the reported opinions of our busiest judicial tribunals. The Harvard School of Business Administration has published three volumes on the Robinson-Patman Act alone.

Business, of course, and businessmen are supposed to keep abreast of all this prolific outpouring. Where, indeed, is the fortunate individual who can operate a legitimate enterprise for one day without innocently tangling in some thread of this incredible web? And once you have tangled, you have

"sinned." If this be "sin," are you free from it?

We have had some odd and startling results from our Federal business laws and their administrators; for example, the portal-to-portal controversy, the wage-and-hour rulings, overtime on overtime, the basing-point controversy, and the frantic appeals which they have caused to be presented to the legislative and executive branches of our Government. What man is bold enough to say that he can reconcile the administration and interpretation of the Robinson-Patman Act, the Miller-Tydings Act, the Sherman and Clayton Acts, the fair-trade laws of our various States, and other such regulations, with the needs and best interests of our Nation.

It is utterly wrong for the business of this Nation to be conducted in an atmosphere of doubt, uncertainty, and apprehension. It is utterly wrong for business today to be governed by the existing patch quilt of legislation which has been sewn without an over-all or cohesive pattern in mind. It is utterly wrong for business to be subject to the personalities and whims of transient administrators and the philosophies they harbor. It is utterly wrong for business to be subject to the rule of men and not the rule of law.

Why is there no tribunal, with judicial status, to function in the sphere of business law and the problems arising under it? Almost every other specialized disagreement may be resolved in an appropriate court. I submit that business is entitled to the advantages of orderly process and unbiased rulings, which such court would render. The determination of problems under business laws ought to be free of the considerations which motivate, impel, and influence our present administrators and administrative tribunals. Let our administrators concern themselves only with administration of the law. Let us take away their present license to be investigator, prosecutor, judge, and jury.

The boundaries of lawful and allowable conduct for business endeavor ought to be the subject of uniform and simple laws and no longer a hazardous field of conjecture and doubt in which even the justices of our highest Court can rarely agree.

There is ample hazard in business itself. The creation and perpetuation of additional hazards by the legislative or administrative route is totally unwarranted and a risk we cannot afford to take.

The task we have before us is plain. There are certain things we must do. And here they are:

1. We must no longer endure the merger, in the administration of Federal business law, of legislative and judicial and executive functions. In the structure and enactment of laws affecting business, and in their administration, we must insist upon adherence to the doctrine of the separation of powers which made this Nation strong and protected its people from star chamber rule.

2. We must no longer endure Federal business laws, which are so loosely phrased that they leave doubt as to the allowable limits of appropriate conduct for men of legitimate endeavor. We must strive for simplicity and uniformity in all laws governing business and commerce, and for simplification and uniformity in their administration.

3. We must resist further Federal centralization. We must encourage action by State and local government in local affairs, as a means of discouraging the expansion of Federal power and forestalling its further expansion into, and interference with, local business.

4. We must promote the elimination of State burdens upon, and barriers to, interstate trade. Such regulations tend to incite demands for Federal regulation.

5. We must insist upon recognition of the indisputable fact that the overwhelming percentage of businesses are honest * * * must be so or they would not prosper. It is a retail maxim that an unscrupulous competitor will eventually crowd your store; and what is true of a store is equally true of all business. We must seek greater freedom in business by promoting self-regulation as distinguished from Government regulation.

6. We must foster a study of business laws by all segments of business and we must propose the adequate revision of existing law with unselfish interest for the welfare of the Nation.

7. We must encourage the Government to reactivate the Department of Commerce so that it may function as a more effective voice in national decisions as have, for example, the Departments of Agriculture and Labor for so many years past.

These are not easy tasks. They constitute a challenge which every sound-thinking citizen of our Nation should accept. It is a goal to which we must dedicate our thoughts and our deeds.

We who cherish freedom, its institutions, and all the priceless liberties we hold indispensable to worthy survival, will be opposed by those who lust for greater and greater authority. Their power is entrenched and their resourcefulness is substantial. Courageous and wise statesmanship, coupled with forthright action, is needed now. Make no mistake about it: The rewards are high and very precious, the battle lines are drawn.

The part you play by actively espousing our cause will count on our side of the ledger. The part you play through inactivity, through mere passive interest or polite but meaningless applause, will militate against us and give aid and comfort to our antagonists.

If American business is to succeed in discharging the task to which it has been assigned by our statesmen, the dead hand of bureaucracy must be lifted from the shoulders of legitimate business enterprise. Just as the tenets of political freedom for man were wrested from despots by the Magna Carta, so now we must unshackle business from bureaucratic control by formulating and causing to be ordained a business bill of rights. It should be backed up, as I have already suggested by a business practice court in which the business bill of rights will be dispassionately enforced according to rules of law and not to fancies of administrators.

Men who are eager to support their Government rather than be supported by it will champion our cause. Distinguished statesmen in public and private life have long recognized our need and will rally to our support.

Let the retailers of America come to the forefront in launching this worthy, urgent, Nation-wide effort. Let us invite retailers, manufacturers, and all other business to join in a coordinate effort to assure study and revision of all business laws in order that they may be classified, codified, and simplified. Let us prove by our fight to regain democratic procedures, that we are worthy of the liberty to which we aspire.

Let all who feel as I do join with me in this enterprise.

Central Arizona Reclamation Project

EXTENSION OF REMARKS

OF

HON. DONALD L. JACKSON

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, July 20, 1949

Mr. JACKSON of California. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following editorials from the Mirror, the Los Angeles Daily News, and the San Diego Journal:

[From the Mirror of July 9, 1949]

ARIZONA TAX GRAB DEFIES CREDULITY

Arizona is cleverly engineering a colossal tax swindle through Congress.

The Senate Interior Committee put the Arizona flimflam one step closer to success last week by reporting favorably on Arizona's "compromise" bill in the California-Arizona controversy over Colorado River water.

The Arizona bill is a fraud full of jokers. The bill authorizes the preposterous central Arizona project, but purports to make appropriations for the scheme contingent on a United States Supreme Court finding that water is available for the irrigation plan.

However, the clause in the bill making the allotment of funds contingent on the Supreme Court ruling was amended out of the bill in committee.

In short, Arizona has arranged things so the case would go to the Supreme Court, all right, but they could still get the money for CAP, even if the Supreme Court decision was against Arizona.

The central Arizona project is itself a fraud on the United States taxpayer. Arizona wants us all to foot the bill for irrigating 260,000 acres at the incredible price of $1,750 an acre. (The average of all western irrigation project costs is $157 an acre.)

But that is not half of it. Some 55 percent of those 260,000 acres are owned by only 420 men. So what their scheme amounts to is simply subsidizing 420 wealthy landowners to the tune of more than $500,000 apiece.

Think of it, 140,000,000 American citizens paying income taxes for the benefit of 420 rich Arizonians, each one getting a $500,000 chunk of your money, for nothing.

[From the Los Angeles Daily News of July 12, 1949]

ARIZONA'S WATER TRICK

The proposed $738,000,000 central Arizona reclamation project is a dangerous threat to California's share of Colorado River water.

The Daily News has long advocated that this project be shelved until the central issue of the Arizona-California water fight can be resolved. This issue, which is concerned with riparian rights, has remained unsettled for 25 years, despite numerous compacts and conferences between representatives of all the Colorado Basin States.

Settlement of the controversy by United States Supreme Court adjudication is the logical, intelligent step to be taken.

But thanks to political maneuvering, the central Arizona project and the Supreme Court adjudication idea have been tied up in the same package. Recently, the Senate Interior and Insular Affairs Committee approved the $738,000,000 project bill with a rider attached calling for Supreme Court settlement of the inter-State water conflict.

The public's attention should be called to the dangers involved in this first legislative move toward sabotaging southern California's water supply—a supply vitally needed for 28 cities in this area with a present population of more than 3,500,000. Says the local Colorado River Association:

"The committee action cannot by any stretch of the imagination be construed as a partial victory for California in its fight with Arizona, even though it carries a Supreme Court proviso.

"Neither, as the sponsors of the Arizona bill assert, can the measure approved by the committee be classed as a compromise.

"The Supreme Court rider that has been tied to the costly and fantastic central Arizona project is a smoke-screen designed to confuse those who want a clean-cut Court ruling on the hotly debated question of water rights.

"The amendment approved by the Senate committee has been craftily worded in such a way that the project is authorized to be built even if the Supreme Court should rule against Arizona's water claims. The intent of this legalistic scheme is to give the Arizona project the green light, whatever the outcome of the high court ruling.

"Once built, the project would of course take Colorado River water because it is inconceivable that an irrigation system built with Federal funds, at a cost of $1,000,000,000 or more, would be permitted to stand idle.

"In other words, Arizona proposes to accomplish by political maneuvering and trick phrases what it is afraid it cannot accomplish through prescribed legal channels. Southern California homes, industries, and communities would pay the price of this squeeze play by being drastically cut down in their own use of Colorado River water.

"California public officials and the Colorado River Association, a citizen organization representing the men and women of California, will continue to press for a clean-cut Supreme Court settlement, with no '$738,000,000 strings' attached. This fair and proper way of ending the interstate controversy can be accomplished through prompt passage of Senate Joint Resolution 4 and House Joint Resolution 3.

"Meantime, the California official position on the dangerous Central Arizona project bill, as approved last week by the Senate committee, remains unchanged: S. 75 must be defeated as a matter of self-preservation for the people and the cities of southern California.

"We may well face the fact that we have lost the first round. The committee count was 9 to 3 against California. These odds must be changed before the issue comes to a vote on the floor of the Senate and the House. An informed and aroused citizenry is essential to a final victory that will protect California's indispensable Colorado River water supply."

[From the San Diego Journal of July 9, 1949]

ARIZONA PITCHES A CURVE

It looks to us as though Arizona has outsmarted, outmaneuvered, and outguessed California in the latest development affecting future use of Colorado River water.

For those who missed some of the early innings, it might be well to review the score.

Arizona is sponsoring a $738,000,000 Central Arizona project bill. Considering the benefits per inhabitant, this probably would be a record Government expenditure.

But California's opposition to the measure is not on the grounds of wastefulness and cost. California holds that its already signed contracts entitle the State to water rights which would be superseded if the water went to Arizona.

And, to settle the matter once and for all, California long has fought for an enabling bill to get the matter before the United States Supreme Court.

Arizona has opposed this, which may or may not connote that the State feels its legal ground is shaky.

It was at this point that Arizona came up with a tricky hipper-dipper pitch that, thus far, has California swinging wildly and futilely.

The tricky delivery was a rider attached to the bill which permits a high court ruling but which is so worded that Arizona would get its project regardless of the judicial outcome.

In all probability, the bill would come before the Supreme Court after the project was already a going concern.

And it's inconceivable that an irrigation system, built with close to three-quarters of a billion dollars of public money, would be permitted to stand idle.

At any rate, California struck out before the Senate Interior and Insular Committee, and the committee count was 9 to 3.

We hope this result can be upset on the floor of the Senate and in the House.

Despite all the legalistic flimflamming, the basic issue remains the same. Is California entitled to the water or isn't it? In a dispute between States, the obvious place to settle the question is in the Supreme Court.

We hope California's Senators and Representatives will spread that simple doctrine forcefully.

A Call for Public Opinion To Combat Extravagance in Government

EXTENSION OF REMARKS
OF
HON. THOMAS J. LANE
OF MASSACHUSETTS
IN THE HOUSE OF REPRESENTATIVES
Tuesday, July 19, 1949

Mr. LANE. Mr. Speaker, the following editorial appeared on the front page of the Lawrence Evening Tribune on Friday, July 15, 1949. It is a ringing summons to the people, asking them to make their wishes heard on a matter of vital interest to all Americans. The dominant issue of our times concerns the role of Government, local, State and National. What are their duties, where do they begin, and where should they end? How can we make Government efficient so that it will perform its rightful functions without breaking the back of the people who support it? Whatever our views may be on these questions, it is heartening to see the searchlight which the free press of the United States is directing to them. The merit of this editorial is that it does not assume a position of infallible wisdom, but asks the people to do some hard thinking on these problems and then express its will through effective democratic action.

GOVERNMENT ECONOMY—A MUST

Economy in the administration of Government looms today as America's number one must.

This is a different kind of an editorial because it is intended not only for the readers of this paper but for publishers and editors of other papers throughout the land.

It is really intended to be a challenge editorial, one that will rouse the ire of people everywhere who are critical of the extravagances of government but are doing nothing about it.

Extravagance, yes wild extravagance, in government is the tape worm that is sapping the strength of the greatest Nation on earth and public indifference and acceptance constitute the greatest contributing force.

This editorial is not offered as any great masterpiece, or the product of the mind of any genius of thought, or of any expert in government administration. At best it is offered as a humble and honest effort to bring a common-sense argument before the largest possible number of Americans in a common-sense way. It is hoped that individual leaders will respond by informing their representatives in government, local, State, and National, that they are forcefully for greater economy in government and that from now on they intend to vote only for those who favor economy and relief from the taxation load that is now severely testing to the very limit, the patience, tolerance, and endurance of American individuals, industry, and business.

It is suggested and hoped that other publishers and editors will accept this friendly and constructive challenge by reprinting in whole or in part or merely using the general idea of this editorial as a pattern or inspiration to impart to their readers the encouragement to do something about this wild orgy of spending of public funds.

There is no greater agency for the accomplishment of this necessary economy in government administration than the American free press. The people of America possess the power to bring about economy and the newspapers of America have the power to harness the force of public opinion so that it will be heeded by those officials of government administration who are responsible for the scandalous waste of public funds.

The reckless and extravagant spending of public funds that is so prevalent today is one of the greatest contributing forces to the development of unhappiness and discontent. These are vehicles upon which the enemies of the American democratic form of government thrive and make headway and progress. And let none of us fool ourself by making light of their progress.

A well-informed and soundly guided public is the greatest potential force for good that it is possible to muster.

This is the time to start the offensive that can result in a healthy revival of the great American spirit that has consistently overcome all destructive forces that have crossed the path of American progress.

Americans must become militant for a greater program of public economy. Stifling and smothering government pay rolls and expenditures must be constructively reduced if the greatness of the American Government is to remain great.

Government economy is a must.

Let us start militant action toward that goal now.

Economic Expansion Act of 1949

EXTENSION OF REMARKS
OF
HON. WRIGHT PATMAN
OF TEXAS
IN THE HOUSE OF REPRESENTATIVES
Wednesday, July 20, 1949

Mr. PATMAN. Mr. Speaker, I am inserting herewith an explanation of a bill introduced by me today which is the second part of the bill on the same subject I introduced Monday. It is as follows:

SECTIONAL EXPLANATION

TITLE I—ECONOMIC EXPANSION THROUGH TAX POLICIES

Amortization incentives for private enterprise

Section 101: This section provides a stimulus to private investment in the form of a shortened period of amortization similar to that used during the war. A taxpayer who so desires may deduct amortization of his investment in facilities which add to, or improve the efficiency of, productive capacity over any period that the taxpayer elects of not less than 5 years and not more than the normal depreciation period under the Internal Revenue Code. This privilege is extended to investments made prior to the enactment of this act to the extent that they have not been depreciated for tax purposes. A certificate of approval is required. The President is authorized to suspend this amortization incentive altogether or as to major industries, or thereafter to make it available again, as may be required to help achieve the objective of maximum employment, production, and purchasing power.

This section is intended to be of primary benefit to small and new businesses, both in

terms of helping them to repay short-term loans, which is frequently the only form of financing available to small business, and affording them operating capital when needed, including those small businesses with high-cost capital structures which would be among the first to be squeezed out if economic conditions were to continue to decline.

Special bipartisan Tax Commission

Section 102: This section creates a special bipartisan Commission of 18 members to examine the Federal, State, and local tax systems. The purpose of the examination is to determine whether existing tax structures and policies are a deterrent to sustained economic expansion and to make recommendations for such changes as may be desirable to provide incentives for private investment and consumer purchasing power and to provide for the financing of necessary public investment and social services on the part of Federal, State, and local governments.

TITLE II—ECONOMIC EXPANSION THROUGH PAYMENTS TO THE UNEMPLOYED

Payments to unemployed veterans

Section 201 (a): This subsection provides for an extension to July 25, 1950, of the unemployment benefit provisions of the GI bill of rights.

Section 201 (b): This subsection provides for increasing the weekly benefit from the flat $20 per week set in 1944 to $25.

Section 201 (c): This subsection provides that the Federal Government will pay only the extra cost above whatever rights an individual has under a State unemployment insurance law. For instance, if a single veteran is entitled to $15 a week for 10 weeks under a State law the Federal Government will pay the $10 extra for 10 weeks to bring his payments up to the $25. After the veteran has exhausted his State benefits the Federal Government will pay the entire cost up to the 52-week maximum in the GI bill of rights.

Section 201 (d): This subsection provides for increasing the $100-a-month maximum payment to self-employed veterans to the comparable monthly amounts of the increased weekly unemployment benefits.

Section 201 (e): This subsection provides that the increased amounts of weekly and monthly benefits will begin on August 1, 1949.

Payments to unemployed nonveterans

Section 202 (a): This subsection provides that State provisions requiring that the compensation applicant must "actively seek work" is not to be applied indiscriminately in all situations but only where it is necessary to insure an unemployed individual's exposure to suitable jobs and his availability for suitable work.

Section 202 (b): Under this subsection, a State cannot disqualify a person for benefits when the work available is less favorable in terms of wages, hours, or other conditions, than for similar work in the community, or before it is ascertained that the job offered utilizes the worker's skill as well as other available job opportunities in the community.

Section 202 (c): This subsection adds four new requirements to the six requirements which States must meet under the Federal law. These new requirements are as follows:

One new requirement specifies that the minimum percentage of wage loss which the weekly benefits based on the claimant's weekly earnings must provide shall be not less than 50 percent of wages up to a maximum not less than $30.

A second new requirement provides for payment of compensation for 26 weeks of total unemployment within a benefit year.

A third new requirement sets the maximum elegibility conditions in State laws. Since States provide eligibility conditions based on the weekly benefit amount, or high-quarter earnings, or weeks of employment, the new provision establishes three alternative bases as permissible maximum requirements in the year prior to unemployment—30 times the weekly benefit amount, 1½ times the high-quarter earnings, or 20 times the weeks of employment.

A fourth new requirement provides for maximum disqualification provisions, as follows—1 week as a waiting period in all cases; 4 weeks, where applicant left suitable work without good cause or was discharged for misconduct, or where applicant refused suitable work without good cause; and disqualification for period of work stoppage in a strike.

Section 202 (d): This subsection clarifies section 1607 of the Internal Revenue Code by adding definitions covering the base period, and weekly wages.

Sections 202 (e), (f), and (g): These subsections relate to converting the present Federal unemployment account from a loan fund into a reinsurance fund making outright grants under certain specified conditions to the States whose unemployment funds run low.

Section 202 (f): This subsection establishes on a permanent basis the Federal unemployment account which would otherwise expire on December 31, 1949.

Section 202 (g): This subsection provides that a State unemployment fund is deemed to be low if the fund has a balance of less than the benefits paid out during the two prior quarters. The State is then entitled to a reinsurance grant from the account if the benefits exceed 2.7 percent of payrolls. The amount paid to a State is three-fourths of the cost above 2.7 percent excluding any benefits paid in excess of 52 weeks. The division of benefit cost in a State where fund ran low would be as follows (measured as a percentage of pay rolls):

Cost of unemployment benefits in a quarter	Federal reinsurance grant	State share of cost
Percent	*Percent*	*Percent*
2.7	----------	2.7
3.0	0.225	2.775
3.5	.6	2.9
4.0	.975	3.025
4.5	1.35	3.15
5.0	1.725	3.275
6.0	2.475	3.525

Extended duration of payments to unemployed nonveterans

Section 203: This section provides for extending the duration of benefits beyond 26 weeks up to 52 weeks in any State which wishes to make an agreement with the Secretary of Labor. This section is optional with each State. The Federal Government will pay the cost of such extended benefits. This optional provision only comes into operation when unemployment in a State is in excess of 10 percent of the workers covered and more than 10 percent of such unemployed individuals have exhausted 26 weeks of benefits.

The purpose of sections 201, 202, and 203 is to equalize unemployment compensation for non-veterans and veterans with respect to the duration of payments when States with serious unemployment obtain the supplement to extend the period of payments from 26 to 52 weeks. These adjustments will help to assure the sustained purchasing power needed for economic expansion, and will also help to alleviate the suffering resulting from unemployment.

Maritime Training

EXTENSION OF REMARKS
OF
HON. VICTOR WICKERSHAM
OF OKLAHOMA
IN THE HOUSE OF REPRESENTATIVES

Wednesday, July 20, 1949

Mr. WICKERSHAM. Mr. Speaker, a Senate Appropriations Subcommittee recently recommended a 50-percent cut in the Government funds for maritime training for the fiscal year ending June 30, 1950. This drastic cut, if it becomes law, will mean the eventual death of the youngest of the Federal academies, the United States Merchant Marine Academy at Kings Point, N. Y. As a member of the 1949 congressional Board of Visitors to this institution I was privileged to observe the efficient manner in which this Federal Academy is serving the future of this country. Through the building of well-educated, loyal citizens with a high degree of technical skill, it is combating through its graduates, the communistic trends in the merchant marine. Its graduates are among the best-trained merchant marine and naval officers in the world, who are educated to be self-sufficient in time of peace and immediately available to the armed forces in time of national emergency.

On Saturday, July 16, 1949, Lt. Gen. Walter Bedell Smith, United States Army, commanding general of the First Army, reviewed the regiment of cadet midshipmen at the United States Merchant Marine Academy. Following is his introduction by Rear Adm. Gordon McLintock, Superintendent of the Academy, and the subsequent remarks of General Smith:

Admiral McLINTOCK. General Smith, officers, and guests, gentlemen of the regiment, we are greatly honored to have as our reviewing officer this morning the commanding general of the First Army. Gen. Bedell Smith has sailed over from Governors Island to Kings Point at my invitation which was extended to him during the Army Day parade when he was reviewing officer of the great march-past on Fifth Avenue. He watched you then and his presence here today is a direct result of the good impression you made. I am sure you will not disappoint him or me today as he reviews you again on your own field.

General Smith is a native of Indianapolis, Ind. He is a veteran of both World Wars and between wars served with the Infantry in many parts of the United States and in the Philippine Islands. During the recent war he was Chief of Staff in the European theater of operations with headquarters in England and subsequently became Chief of Staff of the allied forces in North Africa and the Mediterranean area. He was General Eisenhower's chief of staff and helped to plan the invasion and carry it through successfully, and it was he who, on behalf of General Eisenhower, signed the surrender of Italy and the unconditional surrender of Germany. As the most able soldier and diplomat of his day he was then assigned to Moscow as our Ambassador, and filled that most difficult post with the highest distinction for 3 years. He is now Commanding General of the First Army with headquarters at Governors Island, N. Y. I will not recite his many decorations as that would

take all day. He has received the highest honors within the gift of his own country, and the highest decorations from 14 allied countries. Gentlemen of the regiment, you are in the presence of one of the really great men of our generation, who has made history, and been part of history's most breathtaking moments. On your behalf, as well as my own, I offer him our heartfelt thanks for the great honor he has paid us by coming here today. Here he is, Lt. Gen. Walter Bedell Smith.

General SMITH. Admiral McLintock, Your Excellency, Admiral Holden, and gentlemen of the regiment of cadet-midshipmen; as your superintendent says, I first saw you in formation on last Army Day. To you that might have been just the additional chore that always falls to a well-organized corps near a large city, but I want you to know that to me and to everybody else who saw you pass, you were an inspiration just as you are again to me today when I watch you in ranks. I want to thank you for that appearance and I want to take this opportunity to pay to your service a tribute from the United States Army which admires and respects what it is proud to think of as a sister service—the merchant marine. You young gentlemen are heirs of a great tradition.

We in the Army saw the miracles performed by the merchant marine during the war when you were our life line and I want you to know that if ever your pride of service needs further inspiration, read as I have recently done the heroic epic of the Murmansk run, and you will realize that the merchant marine has won victories in all our wars which are no less great and no less significant than the victories won by the other services, including the armed services; you will then understand why General Eisenhower said just before our invasion in Normandy: "When the final victory is won, no service will share the final credit more deservedly than will the merchant marine." It is a very significant thing, gentlemen, that the founders of this country in their first law enacted by their first Congress made provision as they thought for an adequate merchant marine and for a school for seamen. They looked into the future and realized then as we do now that this Nation will be as great as its merchant marine is strong.

I want to thank you and I want to thank your superintendent for giving me the opportunity to see you here in ranks. I compliment you on your appearance—I have never seen better—and I appreciate the privilege of being with you.

Bill To Plug Up Serious Loophole in Clayton Antitrust Act Approved by Judiciary Subcommittee—Now Before Full Committee—of Utmost Importance in Stopping Monopoly's Acquisition of Competitors' Physical Assets

EXTENSION OF REMARKS
OF
HON. WRIGHT PATMAN
OF TEXAS
IN THE HOUSE OF REPRESENTATIVES
Wednesday, July 20, 1949

Mr. PATMAN. Mr. Speaker, a bill (H. R. 2734) to plug up a serious loophole in the Clayton Antitrust Act has been favorably reported by a subcommittee and is now before the House Committee on the Judiciary. It is most urgent that prompt and favorable action be taken on this bill by the Committee on the Judiciary and by the Congress.

The effectiveness of section 7 of the Clayton Act in preventing mergers and acquisitions of competing corporations has been practically nullified and destroyed by the fact that the language of section 7 prohibits the acquisition of stock for the purpose of restraining trade or creating a monopoly, but does not prohibit the acquisition of physical assets of a competitor to accomplish the same monopolistic purposes.

Since the 1920's when the Supreme Court in three decisions affirmed the fact that the Clayton Act did not prevent acquisition of physical assets, groups intent upon destroying their competitors have acquired enough shares of stock in the competing corporation to enable them to have sufficient voting power to force the sale to themselves of the competitor's physical assets. In other cases the competitor's assets are acquired directly without using the rigged voting approach. This loophole in the Clayton Act is one of the factors which has contributed to the acceleration of the merger trend in our economy. As a result, competition is already a lost cause in many of our industries.

The question arises as to why action was not taken years ago to amend language which represents such an obvious weakness in our antitrust laws. The answer, which is apparent in this brief summary of the legislative history of bills designed to amend the section, is that many bills have been introduced, but they have not passed Congress.

From 1945 through 1948 companion bills designed to close the loophole in the law were regularly introduced in the Senate and the House by Senator O'MAHONEY and Senator (then Representative) KEFAUVER. In both the Seventy-ninth and the Eightieth Congresses, the House bill was approved by a subcommittee of the House Judiciary Committee, and twice was approved by the full Judiciary Committee, but twice failed to emerge from the House Rules Committee. On the Senate side, the bill was approved in the Eightieth Congress on May 17, 1948, by a subcommittee of the Senate Judiciary Committee, headed by Senator LANGER. But, like the House bill, the Senate bill never reached the floor for debate.

In this Congress, Senator O'MAHONEY has introduced S. 11, a similar bill, which was referred to the Senate Judiciary Committee, where no action has been taken. Representative HOBBS and Representative CELLER have introduced bills to accomplish the same purpose. Hearings have been held on H. R. 2734 (Mr. CELLER's bill) before Subcommittee No. 3 of the House Judiciary, and as I stated above, the bill is now before the full committee.

VOLUMINOUS EVIDENCE TO SUPPORT NEED FOR BILL INCLUDING PRINTED HEARINGS BEFORE FIVE CONGRESSIONAL COMMITTEES

The body of evidence which has been presented to Congress in support of this bill is voluminous. Principal items in this body of evidence which have been presented to Congress since the end of World War II may be listed as follows:

1. A general report by the Federal Trade Commission issued in 1948, entitled "The Merger Movement: A Summary Report."

2. A report by the Commission in 1947 entitled "The Present Trend of Corporate Mergers and Acquisition."

3. A printed volume of hearings before the subcommittee of the House Judiciary Committee of the Eightieth Congress. (Hearings on H. R. 515, to amend secs. 7 and 11 of the Clayton Act.)

4. A printed volume of hearings before the subcommittee of the House Judiciary Committee of the Seventy-ninth Congress. (Hearings on H. R. 2357, to amend secs. 7 and 11 of the Clayton Act.)

5. Approximately 700 typewritten pages of transcript of hearings before the subcommittee of the Senate Judiciary Committee of the Eightieth Congress.

6. A printed report of the House Judiciary Committee of the Eightieth Congress, approving the bill. (Rept. No. 596, to accompany H. R. 3736, June 17, 1949.)

7. A similar printed report of the House Judiciary Committee of the Seventy-ninth Congress. (Rept. No. 1820, to accompany H. R. 5535, March 26, 1946.)

8. Other information consisting of material presented before the Temporary National Economic Committee in the form of printed hearings and monographs as well as other printed reports of the Federal Trade Commission, going back nearly one quarter of a century.

The need for amendment to the Clayton Act is obvious, as shown in the reports and hearings listed above. Further study on this subject is unnecessary. What is required now is immediate action. I hope opponents of monopoly and monopoly power take concerted action to insure that H. R. 2734 does not meet the fate of similar bills in previous sessions.

Real Fight on Water Begins

EXTENSION OF REMARKS
OF
HON. NORRIS POULSON
OF CALIFORNIA
IN THE HOUSE OF REPRESENTATIVES
Wednesday, July 20, 1949

Mr. POULSON. Mr. Speaker, under leave granted to extend my remarks in the RECORD, I include the following editorial from the Los Angeles Times which gives the real picture of the Central Arizona project:

REAL FIGHT ON WATER BEGINS

New circumstances which have just developed in the long controversy with Arizona over water of the Colorado River make it imperative that all Californians clearly understand the issues. It is impossible intelligently to deal with a complex engineering and political question like this without appraising each new happening as it occurs. Lack of clear thinking or lack of interest at this point could result in deplorable results for all of southern California.

UNIVERSITY OF MICHIGAN LIBRARIES

GOOD AND BAD NEWS

Both ominous and encouraging developments have taken place in this latest phase of the fight.

In Washington, the ominous matter was the approval by the Senate Insular and Interior Affairs Committee of a confusing bill which, in effect, gives approval to the $738,000,000 central Arizona project, subject to a determination of water rights by the Supreme Court. This bill is bad. There should be no connection whatever between the uneconomic and fantastically costly central Arizona project and the question of water rights in the Colorado.

Suppose, for instance, that Arizona should be awarded by the Supreme Court a certain amount of main stream water from the river; that has nothing to do with whether the central Arizona project is feasible or should be built. If the American taxpayer is to be saddled with the three-quarter of a billion dollar Arizona "rescue" plan to raise water 1,000 feet and take it 250 miles, why is it any more justifiable merely because Arizona owns some water?

THERE'S NO CONNECTION

It would be worse than foolish, therefore, for Califorina to be lulled into any lessening of opposition to the central Arizona project merely because the misleading Supreme Court rider has been attached to the bill. This is a deliberate device to becloud the major question. The only test to be applied to the central Arizona project is whether it conforms to reclamation standards, according to all the business practice of the past. If it does not, it should be rejected, regardless of the availability of water.

Another matter with which Arizona has sought to muddy the logic of this whole issue concerns the fact that southern California is not yet using much of its share of Colorado River water. The inference, from the Arizona viewpoint, seems to be that because we are not yet using the water, this weakens our right to the water.

Nothing could be more ridiculous.

Los Angeles traditionally has planned for the future—and paid hard cash for its foresightedness—in regard to its water supply. In 1908, with a population of a mere 300,000 it began constructing the Owens River aqueduct to take care of the future. In 1949, with the city's population at 2,000,000, the Owens River aqueduct has just about reached its capacity. That was farsightedness. Should California in 1920, let us say, have been deprived of its Owens River water merely because it was not yet using it all? Again, in 1925 planning began for the Colorado River aqueduct. In 1931, the job began. Of course, we are not yet using the full supply. Nobody expected that we would be. This Colorado aqueduct was built for years to come, to take care of the future.

It is plain stupidity to try to base an argument on water rights on present water use. But Arizona, attempting desperately to cover up the pitiable weakness of her scheme, has tried to talk about everything but the facts involved, has sought to go off on pointless tangents.

TWO POINTS OF STRENGTH

California's strength lies in this: That her basic rights to Colorado River water are protected by solemn contracts with the Federal Government, and that California not only has offered but is actively campaigning to have all water matters in dispute decided by the only agency empowered to do so, the Supreme Court.

The one great point to be kept in mind is that we must not permit ourselves or Congress to be gulled by any such obvious trick as is embodied in the Senate "compromise" bill. Let's decide water rights in the Colorado; yes. But let's not pretend that settlement of the rights automatically authorizes Arizona to grab $738,000,000 of the taxpayers' money to "rescue" her central valley.

Requirements for the Labeling of Whisky

EXTENSION OF REMARKS
OF
HON. THRUSTON B. MORTON
OF KENTUCKY
IN THE HOUSE OF REPRESENTATIVES
Wednesday, July 20, 1949

Mr. MORTON. Mr. Speaker, within the very near future the Treasury Department, through the Alcohol Tax Unit, will hand down a ruling in the matter of requirements for the labeling of whisky. This ruling will be of great importance to the distilling industry, not only in Kentucky but throughout the Nation. It also might have a great effect upon the white oak cooperage industry. It is important to all Members of Congress having in their districts distilleries, white oak timber stands or cooperage plants that the present ruling remain unchanged. Any change would, of necessity, be retroactive in nature and could result in serious inequities and substantial unemployment.

Under leave to include extraneous matter, I submit an article on this subject from the United States News and World Report:

MILLIONS IN A FEDERAL RULING—WHISKY DECISION SHOWS POWER OF OFFICIALS

Businessmen are finding they can't take their eye off Government. A ruling by Washington can make or break a company.

Whisky barrels help tell the story. Order allowing old kegs for new means big profit to some distilleries, big loss to others.

New rules keep turning up unexpectedly. Government, branching out, has more and more to say about how a business is run.

How Government, expanding its power and scope, influences the fate of business is coming to light in more and more ways.

A snap decision of a high official can influence the spending of hundreds of millions of dollars—and determine which company or which industry gets the money. What a board decides will determine whether a company is to stay in business with a Government loan or shut down, bankrupt. The finding of a minor official can determine who gets a valuable television license. It is the word of an employee of Government that often decides what rates a company can charge, how much profit it may keep.

Businessmen, day by day, are bumping against Government regulations that determine what they can do, or influence their chance to make a profit. The whim of an official well down the line may make the difference between success for one company and failure for another. Valuable rights and privileges are being passed out or denied every day by Government on a scale that steadily grows.

An example of how Government can tangle up business is being provided by the recent experience of the distilling industry. An apparently routine Government decision, not one made at the top level, suddenly changed the value of at least $84,000,000 worth of whisky inventory, greatly benefited some firms at the expense of others, and has caused an uproar within the industry.

What happened in the particular instance is this:

For years, United States whisky makers have aged their product in new charred-oak barrels. Cost of these barrels has been a substantial part of production costs. Idea is that the raw whisky extracts something from the charred oak of new barrels, and the reaction produces a superior product. This tradition of using only new barrels for aging has been guaranteed, since 1936, by a regulation of the Treasury Department's Alcohol Tax Unit, one which requires labels on whisky bottles to claim as the product's age only the number of years spent in such new barrels.

In wartime, however, priorities for making these oak barrels were low and the supply dropped out of sight. After war's end, production of whisky-aging barrels was limited because an OPA price ceiling made them unprofitable to build. Some liquor firms then bought out cooperage concerns in order to build their own barrels. But other distillers decided to reuse barrels, that is, to age their whisky in barrels that had been used for that purpose before. This saved those distillers up to 45 percent in the initial cost of producing whisky.

It was inevitable that holders of this inventory of whisky in used barrels should try to get full age credit on their labels for the time their product was aging in old barrels. An effort was made in 1947 to get the existing Government regulation changed so that whisky aged, say, 2 years in reused barrels and 1 year in new barrels could be labeled 3 years old. In that case, it would be labeled just the same as whisky that had spent 3 years in a new barrel.

That effort got nowhere. A deputy in the Bureau of Internal Revenue responded that such a change in Government regulations would be highly improper. It would, he said, deceive the public. Moreover, it would apply only to whisky produced in a short period when barrels were scarce—whereas, if the idea were sound, it should apply to all whisky. His final point was that such a change would have to be retroactive, applying to whisky produced in the past, and therefore capriciously altering the relative values of all whisky then in storage.

Now, 2 years later, this same official suddenly has issued the very order he turned down in 1947, changing the Government regulation to permit full-age credit for whisky stored in used barrels during the production period of 1944–46. This was done without preliminary hearings. No notice was given beforehand in the Federal Register, as normally required by the Administrative Procedure Act. The order was not approved by, or apparently even shown to, the Secretary of the Treasury.

Yet, by having the standard by which whisky is usually judged refer to two different types of processing, industry representatives claim, the ruling has changed the value of nearly all whisky stocks. Millions of dollars are involved. Result is said to be lowered values of inventories for some and increased values of inventories for others. Bankers who accept whisky warehouse receipts as collateral for working-capital loans also are affected.

In this case, reaction from the industry has been violent enough to cause a suspension of the recent Government order and scheduling of a series of hearings before a final decision.

But, whatever the final outcome, a single Government decision is to have a basic effect on the multi-billion-dollar distillery industry, just as hundreds of other Government decisions are having a bigger and bigger effect on the fortunes of other businesses all over the United States.

Hearings on Committee-Procedure Bill

EXTENSION OF REMARKS
OF
HON. CHET HOLIFIELD
OF CALIFORNIA
IN THE HOUSE OF REPRESENTATIVES
Wednesday, July 20, 1949

Mr. HOLIFIELD. Mr. Speaker, I am pleased to note that the Senate Committee on Rules has opened hearings on Senator LUCAS' bill which seeks to prescribe a code of fair procedures for its investigating committees. This is a subject which should have been handled legislatively long ago by both the Senate and the House.

The importance of this matter was indicated by the introduction of bills on this subject by both majority leaders of the House and the Senate on January 3, 1949.

It is my considered opinion that certain procedural abuses of witnesses by the House Committee on Un-American Activities, during the Eightieth and preceding Congresses, had grown to the point where the confidence of the American people in the fairness of congressional committees, was in serious question.

Realizing the seriousness of this problem, I introduced four separate bills treating with this matter on January 3, 1949. The numbers of those bills are as follows: House Concurrent Resolution 4, House Resolution 16, H. R. 74, and H. R. 191. I regret that the House Committee on Rules has not seen fit to schedule hearings on this subject. I hope that the Senate hearings will impress the Congress with the importance and necessity of setting our own House in order.

Mr. Speaker, under unanimous consent, I insert with my remarks a pertinent editorial which appeared in the Washington Post on July 18, 1949:

CONGRESSIONAL CODE

Congress has at last begun to examine the necessity of prescribing a code of fair procedure for its investigating committees. The current hearings before the Senate Rules Committee come in response to a formidable public demand that congressional fact-finders respect the rights of citizens to remain free from irresponsible smearing. That demand was crystallized last January when Majority Leaders LUCAS and MCCORMACK of the Senate and House, respectively, introduced a resolution to guide the conduct of all committee hearings. The problem was effectively stated by Senator LUCAS when he declared at the opening session of the hearing on Thursday that "if Congress does not have the statesmanship to reform itself, I am afraid its investigations will fall into disrepute."

In the light of recent history, we think it is safe to start with the assumption that a code of fair investigating procedure should be adopted. The real question is what that code should contain. The Lucas-McCormack resolution is a good beginning, although its sponsors would doubtless be first to say that it needs to be critically scrutinized. For, while the chief objective of any such code must necessarily be the elimination of abuses from congressional hearings, an equally important aim must be improvement of the means by which Congress brings vital information to light. In other words, this investigative power is so essential to Government by the people that its effectiveness should be enhanced instead of being impaired. Any satisfactory code, in our opinion, must serve both to eliminate abuses and to make the legislative investigation a more useful tool in the hands of Congress.

This latter objective seems to be lost to sight in one provision of the Lucas-McCormack resolution. It would give a person defamed or adversely affected by testimony before a congressional committee the right not only to file a sworn statement for the record and to testify in his own behalf, but also to have the committee summon up to four witnesses to testify for him and to cross-examine witnesses appearing against him for a period up to 1 hour each. The result might be serious obstruction of important committee investigations. Communists summoned before any committee, for example, would be quick to claim damage to their reputation and thus win the right, under the proposed rule, to waste hours or days of time. While protecting citizens against loose slander, Congress ought to avoid fashioning unnecessary hobbles for itself.

In our series of editorials entitled "Turning on the Light," in which we pleaded for the right of defamed persons to defend themselves before investigating committees, we also pointed out that limitations upon this right are essential "to avoid disruption of inquiries or their diversion to irrelevant issues." Where that limit is to be drawn is probably the most difficult issue the Rules Committee will have to decide. We have no doubt, however, that it can be drawn so as to afford maligned citizens much greater protection than they now have without interfering with any legitimate investigation.

Overtime on Overtime

EXTENSION OF REMARKS
OF
HON. RICHARD M. NIXON
OF CALIFORNIA
IN THE HOUSE OF REPRESENTATIVES
Wednesday, July 20, 1949

Mr. NIXON. Mr. Speaker, I have followed the progress of H. R. 858 with particular interest throughout because of its great importance to many people in California who are faced with overtime-on-overtime claims. In reading over the congressional debate and reports on H. R. 858, I believe some further statement as to its retroactive provisions is desirable.

Retroactive relief is an extraordinary remedy not to be granted lightly. It is a remedy that has been previously used, however, not only in the portal-to-portal situation but in many other situations during the last 50 years where such relief was necessary to achieve justice or promote the public interest. The purpose of such retroactive legislation is not to reverse the Supreme Court but to correct an inequity which has come to the attention of Congress either by reason of a decision of the Supreme Court or otherwise. Where legislation has been proven inequitable or harsh Congress must act promptly to correct it lest such legislation become an instrument of oppression and impede the progress of liberal legislation for the future.

These overtime-on-overtime claims arose because the Seventy-fifth Congress failed to define the term "regular rate" just as the portal-to-portal claims arose because the legislature failed to define the term "workweek." In both types of cases the claims were in violation of the intent and spirit of bona fide collective-bargaining agreements of long standing and the filing of these suits was deplored by responsible labor officials. In both situations employers who had attempted in good faith to comply with the law found themselves faced with enormous liabilities by reason of an interpretation of the Fair Labor Standards Act, 10 years after its enactment, which was never contemplated at the time of its passage. This result was harsh and inequitable in the extreme.

The only claims that will be affected by this legislation have been denounced by Judge Rifkind, an outstanding friend of labor, on the ground they would convert collective bargaining into a device for obtaining money under false pretenses and have been characterized by another liberal jurist, Judge Goodman, of the district court of San Francisco, as a species of synthetic afterthought. Even Judge Cooper, of the district court in Puerto Rico, who failed to sustain portal-to-portal defenses in these cases stated that the claims violate both the spirit and letter of a contract duly negotiated through collective bargaining. These overtime-on-overtime claims are mere windfalls never contemplated by the employees and would have benefited only a small portion of the workers in this industry, in contrast to the majority who followed the advice of their union leaders and did not join in the suits.

Under these circumstances it was manifestly just and proper that the Senate, without objection, and the House, by an overwhelming majority, voted for an amendment providing that the provisions of section 1 of H. R. 858 would be deemed to have been in effect since 1938 when the Fair Labor Standards Act was enacted. This amendment thus provides a consistent interpretation of the act from the beginning and, in my opinion, carries out the intent of the Seventy-fifth Congress. Obviously, if this clarification of the Fair Labor Standards Act is fair for the future, as was unanimously agreed by all segments of labor, industry, and the Government, it is equally fair to apply the same principles to the past.

Justice Frank Murphy

EXTENSION OF REMARKS
OF
HON. GEORGE G. SADOWSKI
OF MICHIGAN
IN THE HOUSE OF REPRESENTATIVES
Tuesday, July 19, 1949

Mr. SADOWSKI. Mr. Speaker, it is with great sorrow that I learned of the death of the Honorable Frank Murphy, Associate Justice of the Supreme Court of the United States.

Justice Murphy was born at Harbor Beach, Mich.; he studied law at the University of Michigan and served in World War I overseas as a captain.

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Justice Murphy was profoundly religious, a great humanitarian, and a man who constantly fought for the underprivileged. I first became acquainted with Justice Murphy when I was a law student at the University of Detroit; at that time Frank Murphy was one of our professors. The law students at the University of Detroit learned to admire and love this young professor. Many of these law students in later years became his staunch political supporters.

Frank Murphy's first political appointment was that of Assistant United States District Attorney at Detroit. Then he was elected judge of the Recorders' Court in the city of Detroit; after serving 7 years as judge he was elected mayor of Detroit. This was at the time the depression of the early thirties struck at the city with devastating fury. As mayor, Frank Murphy met the challenge—he fed and housed the city's jobless. It was a costly program, and he was subjected to much criticism, but he met the challenge boldly and bravely, and the city of Detroit was saved from rioting and looting.

While still mayor of Detroit, Frank Murphy became very friendly with Franklin D. Roosevelt, at that time Governor of the State of New York. This friendship between Roosevelt and Murphy grew and blossomed as they wrestled with plans to give food and employment to the poor victims of the depression. These two men had much in common. They were honest, fearless men, liberal, humanitarians, real students and followers of the great Jefferson and Jackson.

Shortly after Roosevelt was elected President he named Frank Murphy as Governor to the Philippines in which position he served with honor and distinction. The Filipinos still regard him, and always will think of Murphy, as the greatest friend they ever had. In 1936 he was recalled from the Philippines to run as Governor of Michigan.

The people of Michigan loved this honest and humane leader, and he was elected Governor of the State. Both as mayor and as Governor of the State of Michigan, Frank Murphy served during the most troublesome times and the toughest depression years in the history of our city and State. He would not turn machine guns upon the starving and struggling masses of people. He extended a friendly and helping hand to the poor and unemployed. He became a national figure. Everyone knew and heard all about the great Governor of the State of Michigan.

In 1939 President Roosevelt appointed Frank Murphy United States Attorney General. From that position he was elevated to the Supreme Court bench.

Justice Murphy possessed a deep sense of justice and righteousness, and great l ve for his fellow man. He was a courageous fighter who was unafraid of political criticism. His goal in life was to serve the common people, and not the special interests. The people of Detroit and the citizens of Michigan will mourn the loss of this great Democratic leader. Justice Murphy will always be remembered as the great fighter for human rights, and a vigorous opponent of bigotry and intolerance. He possessed an unbounding love for the poor, the oppressed, the meek, and the humble. He was truly a great servant.

Rehabilitation of the Navajos

EXTENSION OF REMARKS
OF
HON. HAROLD A. PATTEN
OF ARIZONA
IN THE HOUSE OF REPRESENTATIVES
Wednesday, July 20, 1949

Mr. PATTEN. Mr. Speaker, I have just received a report from the Red Cross on its relief activities on the Navajo and Hopi Indian Reservations during this spring. I am including it as a part of my remarks. This report is additional proof of the necessity for the Navajo rehabilitation program which is incorporated in S. 1407. This bill is now in conference between the two Houses and I hope will be approved in a fully adequate amount.

REPORT OF RELIEF ACTIVITIES OF THE AMERICAN NATIONAL RED CROSS ON THE NAVAJO AND HOPI INDIAN RESERVATIONS IN ARIZONA DURING THE SPRING OF 1949

Relief operations in those sections of the Navajo and Hopi Reservations in Arizona seriously affected by the snowstorms last winter were completed during the month of June 1949. Among the significant facts brought out in the reports of our field staff were the following:

1. More than half the Navajo families in this area were in need of assistance.

2. Of the 2,002 families given food orders, approximately 75 percent had not previously been on the welfare rolls of the Navajo and Hopi Agencies.

3. Records of interviews with 1,610 families—very few of whom had previously been welfare cases—provided the statistical information given in the following paragraphs and indicated some of the problems confronting the Navajo people.

4. Forty-eight and six-tenths percent of these families had health problems, involving one or more members, that were obvious to the layman.

5. There were 4,244 children under 16 years of age in these families, and of this number only 481 were in school. If one-half the children were of school age, this means that only 22.6 percent were in school.

6. In 57.8 percent of the families there were employable males, but no opportunities for employment were available to them on the reservation and no employment outside the reservation would be available until the late spring and summer months.

7. Livestock losses were heavy. Mature sheep amounted to 15.6 percent of the herds of these families. Losses of lambs amounted to 42.2 percent, goats and kids, 10.3 percent, horses, 15.5 percent, and cattle, 24.5 percent. This information was obtained at the time of the first interview with the families. Both mature sheep and lambs continued to die beyond that point, and lambing was not completed.

The Navajo Reservation is located in eastern Arizona, western New Mexico, and southeastern Utah. It is a wild, rugged country of mountains, canyons, mesas, and deserts, situated at altitudes varying from 4,500 to 9,000 feet. It encompasses an area of 16 million acres, approximately 25,000 square miles, almost completely devoid of roads and other means of communication.

There are approximately 65,000 Navajos living on or adjacent to the reservation—the largest Indian tribe in the country. There are no towns or villages on the reservation as the Navajos live in isolated "hogans." These are octagon-shaped single-room, adobe-covered buildings varying from 12 to 20 feet in diameter, the only openings being a door, always facing the east because of religious beliefs, and a smoke hole in the roof. They are widely scattered all over the reservation. The economic status of the Navajo is extremely low, the average income per family ranging between $400 and $500 a year. Sustenance is provided mainly by sheep raising and rug weaving and, during certain seasons of the year, by employment off the reservation.

The Hopi Reservation, located in northern Arizona and completely surrounded by the Navajo Reservation, has a population of 6,300. Economic conditions among the Hopi Indians are much better than among the Navajos, and relief needs were minor in comparison with those of the Navajos.

The winter of 1948-49 was unusually rigorous. A series of very severe blizzards and unprecedented snowfalls accompanied by bitter cold created a condition of destitution and disaster among the already impoverished Navajos. The fury of the elements was unleashed with greatest intensity in the western section of the reservation. This section comprises an area of 4,500,000 acres in which live approximately 2,500 Navajo families. The loss of livestock was heavy, but fortunately only a few human lives were lost.

Red Cross relief activities were conducted in two phases. During the storms in January and February the Red Cross participated in a coordinated relief operation with the Army, Navy, Federal Works Agency, State of Arizona, Civil Air Patrol, and the Navajo Service Agency. Approximately 95,000 pounds of food and a small supply of drugs, blood plasma, cots, blankets, and fuel were provided by the Red Cross for delivery by airplane or truck into the affected area. Red Cross expenditures for these relief activities amcunted to approximately $16,000.

The second phase of the Red Cross relief activities resulted from a request by the Honorable Julius A. Krug, Secretary of the Interior, when the funds of the Bureau of Indian Affairs available for welfare activities became exhausted. Early in March a survey of conditions among the people in the snow-affected area was made by the Acting Commissioner of the Bureau of Indian Affairs and the National Administrator of Disaster Services of the American Red Cross, as a result of which a Red Cross emergency relief headquarters was established at Window Rock, Ariz., and Red Cross disaster representatives assigned to the districts affected.

The duties and responsibilities of these Red Cross staff members included visiting and interviewing families, surveying and recording losses and needs, promptly providing the essentials of life as needed, and referring to the Navajo Service Agency (the field unit of the Bureau of Indian Affairs) welfare cases that involved long-time care brought to light by these surveys and that could properly be handled by the Agency when new appropriations of funds were made available by Congress. By reason of the fact that only about 20 percent of the Navajos speak English, an interpreter was employed by the Red Cross and assigned to each of its representatives.

Because of the exhaustion of Agency funds, 565 families that were on the regular rolls of the Navajo and Hopi Agencies were given assistance by the Red Cross. Many of these families had had small herds of sheep and lambs, which were lost as a result of the

storms, and their friends and neighbors who in normal times could be counted on to assist them if Government funds were not available were unable to do so this year because of their own heavy livestock losses.

The customary Red Cross disaster relief policies and procedures were applied insofar as it was possible to do so under the unusual physical, social, and economic conditions prevailing on the reservation.

The Red Cross representatives issued to families official Red Cross disaster relief disbursing orders drawn on the trading post of the family's choice, for specific amounts, usually 1 month's supply. This system consequently did not disturb the customary dietary or trading habits of the people. Each disbursing order carried a statement in the Navajo language indicating the purpose of the order. All traders were advised as to commodities that would be acceptable or unacceptable to the Red Cross.

A Red Cross accountant was assigned to the headquarters office at Window Rock, Ariz., to audit all disbursing orders and traders' bills, and payment of all bills was made from that office.

The relief given consisted almost wholly of food supplies, augmented in a few instances by medical supplies and feed for livestock. It was not necessary for the Red Cross to supply clothing at this time as sufficient stocks were available through other agencies to meet minimum needs.

It was found that the medical service of the Navajo Service Agency was suffering from an acute shortage of nurses, as a result of which medical and nursing service to the Navajos had been curtailed. In view of the dire health situation as revealed by the statistics quoted above, the Red Cross undertook to put on a nurse recruitment program and was successful in recruiting 20 nurses. These nurses were assigned on arrival to the Navajo Service Agency, and responsibility for their salaries was assumed by that agency.

The entire Red Cross emergency assistance program was carried forward in close collaboration with the Bureau of Indian Affairs, the Navajo Tribal Council, the Navajo Service Agency and its field staff of district supervisors and range riders, the missionaries, and the traders, all of whom were kept currently advised of developments and gave every possible assistance to the Red Cross.

In May and June employment opportunities, mainly off-reservation, in connection with railroad and agricultural work became available, and it was possible to discontinue the issuance of relief. Additional funds appropriated by Congress also made it possible for the Navajo Agency again to resume responsibility for families normally on its relief rolls and the additional welfare cases that the Red Cross survey had indicated would probably be long-time relief cases.

The expenditures of the Red Cross for this second phase of the relief program amount to approximately $187,000.

The Junior Red Cross supplemented the primary relief program by alloting $11,000 from its National Children's Fund for the purchase of recreational supplies and equipment and medical supplies to be used for the benefit of the Navajo school children.

American Red Cross relief expenditures in this operation totaled $216,000.

It was the unanimous opinion of the Red Cross representatives assigned to this relief operation that:

1. Temporary relief programs such as those engaged in by the Red Cross and other agencies from time to time were merely palliative and will never solve the problems of the Navajos.

2. The only hope of solving the Navajo probem is the economic rehabilitation of the reservation as a whole, probably along the lines of the 10-year rehabilitation program now under consideration by Congress.

3. Unless such a program is undertaken, there is every reason to expect that conditions on the reservation will become progressively worse and that eventually the cost to the Federal Government to maintain the reservation and its inhabitants will be much greater than if the long-range rehabilitation program were now undertaken.

Concluding Act in the Bentley Farce

EXTENSION OF REMARKS

OF

HON. CHET HOLIFIELD

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, July 20, 1949

Mr. HOLIFIELD. Mr. Speaker, the concluding act of the Bentley farce which was foisted on the public by the hysteria of certain members of the Un-American Activities Committee during the Eightieth Congress was reached recently in the payment by the taxpayers of Miss Bentley's Washington hotel bill.

As the wave of postwar spy-hunting hysteria subsides, we can reflect on the foolish and sometimes dangerous excesses which jittery superpatriots were wont to exercise.

We can also thank God that democracy has again proven its basic strength and stability, despite the frantic actions of those who doubted its ability to withstand its foes from within as it had vanquished its foes without.

Mr. Speaker, under unanimous consent to have my remarks printed in the Appendix, I include an editorial from the Washington Post of July 18, 1949, on this subject:

SMALL CHANGE

It would have been extremely niggardly, not to say ungallant, on the part of the House of Representatives to refuse to pick up the tab for Elizabeth T. Bentley's stay in Washington while she was the guest of the good-time Charlies of the Committee on Un-American Activities. Miss Bentley gave the boys quite a whirl while she was here. They painted the town red in her honor; it's a little late to start complaining about the size of the check the morning after. Besides, Miss Bentley's $526 hotel bill must be reckoned a very minor item in comparison with the value of other gifts conferred on her and with the cost of the spree to Congress in terms of its own prestige.

Miss Bentley seems to have pretty heartlessly jilted her beaux on the Hill. When the opportunity came to back up her charges about William Remington, she just couldn't be found; very properly he was completely exonerated by the Loyalty Review Board. It is rather significant, moreover, that not a single one of the numerous persons she named as members of the espionage rings she said she served has been indicted or charged in any way with violation of the law. We can conclude from this only that the Department of Justice, which has shown no reluctance to prosecute in espionage cases, prudently assumed that no jury could be persuaded to give credence to her testimony.

Why Miss Bentley herself has not been indicted for espionage is rather more difficult to explain. Her situation is substantially different from that of Whittaker Chambers, who confessed to having acted as a Communist courier only in the peaceful period of the 1930's. Although what Mr. Chambers says he did was clearly violative of the Espionage Act, the statute of limitations gives him immunity from punishment for that crime. But Miss Bentley says she did her espionage work while the United States was at war. The Espionage Act provides that whoever shall violate its provisions forbidding disclosure of information relating to the national defense in time of war "shall be punished by death or by imprisonment for not more than 30 years." And according to title 18, section 581a of the United States Code, "An indictment for any offense punishable by death may be found at any time without regard to any statute of limitations." It would appear that either the real price of Miss Bentley's wild party was a promise of immunity—or else there was no evidence to corroborate her story.

University of Louisville

EXTENSION OF REMARKS

OF

HON. THRUSTON B. MORTON

OF KENTUCKY

IN THE HOUSE OF REPRESENTATIVES

Wednesday, July 20, 1949

Mr. MORTON. Mr. Speaker, under leave to extend my remarks, I include a letter from the president of the University of Louisville to my distinguished colleague, the Honorable NOAH M. MASON.

The University of Louisville is the oldest municipal university in this country and provides the only medical school for the State of Kentucky. It is clear from Dr. Taylor's letter that the university will not be engaged in operating Churchill Downs nor any other business enterprise.

JULY 14, 1949.

Hon. N. M. MASON,
New House Office Building,
Washington, D. C.

MY DEAR MR. MASON: I have before me a news release issued from your office under date of June 20, 1949, concerning your 30-minute address to the House in support of bill H. R. 5064. Among other things, the release states: "* * * Mr. MASON told the Members that the famous Churchill Downs race track has just been taken over by a tax-exempt organization and that nearly a half million dollars a year that it has heretofore paid as income taxes will now go to the University of Louisville and other tax-exempt institutions."

In relation to the foregoing, may I state: First, that the board of trustees of the University of Louisville, as well as the administration of the university, has had no contact with the American Turf Association (the present owners of the Churchill Downs race track). The board knows nothing of the proposed purchase of the Churchill Downs race track by the Churchill Downs Foundation other than what has been published in the local press. Secondly, the university, therefore, would stand in the same relation to the Churchill Downs Foundation as it would, and does, to any educational foundation, such as the Ford Foundation, the Rockefeller Foundation, the Kellogg Foundation, and the like. If the university should receive an offer of a gift from the Churchill

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Downs Foundation, or from any other foundation, it would then act through its board of trustees in the matter of acceptance or rejection of the offered gift. Thirdly, according to press stories in the local newspapers, a meeting is to be held by the stockholders of the American Turf Association this month to consider the possible sale of the Churchill Downs race track to the Churchill Downs Foundation. It has also been stated in the press that the proposed foundation would devote half of its net annual earnings to the support of the University of Louisville School of Medicine. The source of this information is unknown to me, as well as to the official governing body of the university, its board of trustees. As far as we are concerned, the possibility of receiving a gift from this foundation, should it take over the Churchill Downs race track, is purely conjecture.

I would appreciate a correction of the facts as stated in the news release on the subject, dated June 20, 1949.

Very sincerely,

JOHN W. TAYLOR,
President, University of Louisville.

Sleeper in ECA Appropriation Bill

EXTENSION OF REMARKS
OF
HON. CHET HOLIFIELD
OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, July 20, 1949

Mr. HOLIFIELD. Mr. Speaker, on June 20 I called the attention of the Members to the shocking failure of our decartelization program in western Germany. I gave in detail specific cases and incidents which, in my opinion, proved that decartelization was being sabotaged by our military administrators in Germany, and also called attention to facts which indicated that personnel in favor of decartelization were being persecuted and purged by their superiors.

In the Washington Evening Star of July 18, 1949, the highly respected columnist Thomas L. Stokes wrote an article on this subject. He points out very clearly that the cartel protectors are busy in our legislative halls as well as in western Germany. Mr. Stokes charges that a "sleeper" has been added to the ECA appropriation bill which in effect will authorize further protective policies encouraging German cartels and their American financial collaborators. This "rider" opens a dangerous door, and it is my fervent hope that it will be eliminated in conference.

Mr. Speaker, under unanimous consent to extend my remarks, I include Mr. Stokes' article with my remarks in the Appendix of the RECORD:

"SLEEPER" IN ECA BILL—GERMAN CARTELISTS AND UNITED STATES ALLIES WORM THEIR WAY UNDER SENATE TENT

(By Thomas L. Stokes)

The German cartelists, now represented here personally, and their American big-business allies, finally have wormed their way under the tent in the United States Senate.

Through a "rider" attached to the pending ECA appropriation bill by the Senate Appropriations Committee, they hope to exploit the Economic Cooperation Administration that administers the Marshall plan to preserve and restore the great industrial and financial monopolies in Germany which were so useful to the Nazi war machine. Their specious grounds are European recovery, saving the American taxpayer, and protecting German workers.

This "sleeper" in the ECA bill provides that "the list of limited and prohibitive industries scheduled for destruction in, or removal from, Germany shall be reviewed and the Administrator of the Economic Cooperation Administration shall seek to obtain the retention in Germany of such plants on this list as would best serve European recovery if left in Germany."

ONE HUNDRED AND FIFTY-NINE PLANTS DUE TO BE RAZED

There are now 159 plants which under a downward revision of the original Potsdam reparations agreement list at the recent Paris Conference of Foreign Ministers, are on the list to be destroyed or dismantled and removed to nations participating in reparations. The object of the rider is to compel Paul Hoffman, ECA Administrator, to retain in Germany plants which this Government has pledged, along with its allies, to destroy because of their potential for war by a revived Germany, all in keeping with our war aim to break up the cartel system that fastened itself on Europe and helped to promote the Second World War.

Both Mr. Hoffman and Secretary of State Acheson are very much embarrassed by this little conspiracy. It would endanger the whole European recovery venture as it would antagonize our western European allies. Their struggle to revive and survive economically would be seriously impeded by a new German industrial giant that would flood Europe with goods in competition with them, not to mention their fear of a revived military Germany which again might pounce on them as in the First and Second World Wars.

The eventual aim of this conspiracy, which is really an old conspiracy that ramifies into much of the European economy, is to restore the old cartel system. Immediately the objective is to retain steel plants on the limited list that were to be removed and to save plants on the prohibitive list that were to be destroyed because of their direct war potential.

INTRIGUING STORY

How this rider got into the appropriation bill is an intriguing story.

It brings in V. L. S. Loesch, managing director of the Deutsche Edelstahl steel combine in Germany, who came to Washington on his mission for the steel interests. He interested Senator MALONE, Republican, of Nevada, who arranged conferences for the German visitor with Under Secretary of State James E. Webb, Mr. Hoffman, and William C. Foster, ECA Deputy Administrator. Senator MALONE enlisted Senator MCCARRAN, Democrat, of Nevada, who got the rider in the appropriation bill.

Mr. Hoffman and his aides now are working feverishly to have it defeated in the Senate, where the bill is expected to be taken up late this week.

Any further modification of the plant destruction and removal program would be resented particularly by the British, who agreed only very reluctantly at the recent Paris conference to the downward revision of plants to be included.

All of the plants involved in the current episode are in western Germany and none are assigned to Russia. Only three nations in the Russian orbit—Czechoslovakia, Yugoslavia, and Albania—would receive any plants in reparations, and their share is negligible.

Address by the President of the United States to the Imperial Council of the Shrine of North America

EXTENSION OF REMARKS
OF
HON. SCOTT W. LUCAS
OF ILLINOIS

IN THE SENATE OF THE UNITED STATES

Thursday, July 21 (legislative day of Thursday, June 2), 1949

Mr. LUCAS. Mr. President, the two Senators from Illinois had the opportunity of accompanying President Truman to Chicago on July 19, where we heard his magnificent address before the Imperial Council of the Shrine of North America. I ask unanimous consent that the address be incorporated in the Appendix of the RECORD.

There being no objection, the address was ordered to be printed in the RECORD, as follows:

I am happy to be present at this Imperial Council of the Shrine of North America and to participate in your diamond jubilee celebration.

Among the many activities of the Shrine that have contributed to progress, I have always been especially interested in their program to aid crippled children. It seems to me that this program illustrates one of the best features of our way of life—concern for the unfortunate without discrimination as to race, color, or creed.

The people of the United States have never limited this attitude of concern for their fellow men to the boundaries of our own country. As the activities of the Shrine in Mexico and Canada demonstrate, we join with the people of other countries in the relief of human suffering. Especially since the end of the war, Americans, through their churches and other organizations and as individuals, have extended the hand of help and friendship to the unfortunate of many lands.

We do this because we think of the people of other countries as human beings, not as pawns in the game of power politics.

During the war, we established warm ties on comradeship and common purpose between ourselves and other peoples in the struggle against tyranny. We hoped that an enduring peace could be built on these ties of friendship. In part, these high hopes have not been realized. Leaders of some nations have cut off communications and built barriers of suspicion between their people and the outside world.

WILL SPREAD FACTS ABOUT UNITED STATES POLICIES

But, in spite of this, there persists in this country a sincere feeling of friendship and sympathy for those peoples who have been cut off from us by force or political intrigue. We are convinced that if they were permitted to know the facts they would return our friendship.

We shall therefore continue in our efforts to help them learn the facts. We believe that the people of the world should have the facts, not only about ourselves, but about all the things that concern them most deeply. Only if men know the truth are they in a position to work for a stable and peaceful world.

In this country, where the facts are readily available, we have a special obligation to inform ourselves concerning world affairs and important international issues.

This is vitally important if our country is to carry out the responsibilities of world leadership that it has today. For, in this Nation, foreign policy is not made by the decisions of a few. It is the result of the democratic process, and represents the collective judgment of the people. Our foreign policy is founded upon an enlightened public opinion.

The importance of public opinion in the United States is not always understood or properly evaluated. Public opinion in a country such as ours cannot be ignored or manipulated to suit the occasion. It cannot be stampeded. Its formation is necessarily a slow process, because the people must be given ample opportunity to discuss the issues and reach a reasoned conclusion. But once a democratic decision is made, it represents the collective will of the Nation and can be depended upon to endure.

PUBLIC OPINION BACKS FOREIGN COMMITMENTS

Those who rule by arbitrary power in other nations do not understand these things. For this reason, they do not realize the strength behind our foreign policy.

The major decisions in our foreign policy since the war have been made on the basis of an informed public opinion and overwhelming public support.

For example, in 1945 the people of our country were almost unanimously in favor of our participation in the United Nations. The Senate reflected that public sentiment when it approved the Charter by a vote of 87 to 2.

In 1948, after almost a year of discussion and debate, it was clear that a substantial majority of the people of this Nation approved our participation in the European recovery program. The Congress translated that approval into legislative action by a vote of approximately 4 to 1.

SAYS UNITED STATES SEEKS TO IMPROVE UN WORK

Our people continue to support the United Nations as fully as they did 4 years ago, in spite of the fact that some nations have obstructed its work through the misuse of the veto. We want to improve the United Nations. This desire was expressed in Senate Resolution 239, which called for the strengthening of the United Nations and the development of regional and other arrangements for the mutual defense of the free nations. This resolution was approved by the Senate last year by a vote of 64 to 4.

As a means of carrying out these desires of the people for stronger support of the principles of the United Nations, the North Atlantic Treaty has been negotiated and is before the Senate. The Senate is now engaged in discussing the treaty with the deliberation and close attention that is part of the democratic process. All points of view have been made known. Public opinion among our people is overwhelmingly in favor of ratification of the treaty, and I am sure that the Senate will give its approval.

These momentous decisions are the decisions not of the Government alone but of the people of the United States. For this reason it is clear that this country will steadfastly continue, together with other nations of like purpose, along the path we have chosen toward peace and freedom for the world.

The formation of foreign policy on the part of the democratic nations may be a slow and painful process, but the results endure.

It is only in the totalitarian states, where all decisions are made by a few men at the top, that foreign policies can be reversed or radically altered in secrecy, or changed abruptly without warning. Between totalitarian states, disagreements can suddenly become open conflicts, and allies can change into enemies overnight. The democratic nations, by contrast, because they rely on the collective judgment of their people, are dependable and stable in their foreign relations.

DECLARES MANKIND WANTS WORLD ORDER

Today, the great quest of mankind is for a world order capable of maintaining world peace.

Just as the democratic nations formulate their foreign policies after due consideration for the opinions of their citizens, so they formulate their plans for international order with due regard for the independence and the sovereignty of other nations.

The kind of world organization for which this Nation and the other democratic nations are striving is a world organization based on the voluntary agreement of independent states.

We are familiar, in our own history, with this kind of organization. Our country began as a federation—an association of local democratic sovereignties within a larger whole. The existing states, whether large or small, were brought together on the basis of voluntary agreement.

This principle of mutual respect and voluntary agreement is essential to the creation of a strong world organization for maintaining a just peace. In this respect, associations of nations are like associations of individuals—they will not survive and prosper unless the rights and the integrity of the members are respected.

This is the principle on which the United Nations is based. The United Nations is designed to give every nation a share in forming decisions on world issues. Such an organization will have its difficulties. We all know, from our experience in business, in unions, cooperatives, or fraternal groups, how much hard work and honest give and take is required to make this kind of organization successful. But we also know that in the long run an organization based on voluntary agreement among its members will command greater loyalty, speak with greater authority, and have a greater chance for success than any other kind. We must therefore continue to support and continue to improve, the United Nations, as the way to lasting peace.

CITES HISTORY TO SHOW RULE OF FORCE FAILS

In contrast to the United Nations is the concept of a world order based on the rule of force. In the past, attempts to organize the world by force have always failed. The most recent failure was the attempt of Nazi Germany to establish European unity through the rule of force. This attempt to create an empire by conquest lasted only a few years.

In spite of the record of history, the leaders of some nations today appear still to be relying on force as a method of world organization. Their doctrine calls for the destruction of free government through the use of force and the effort to create class warfare. To achieve their aims, they make a false appeal to men's sense of justice; they play upon the common desire of men to improve their condition of life.

But, in practice, this system of world organization is no better than the old tyrannies that have failed. It is incapable of satisfying the needs and desires of man for a better life. In its inner structure, it manifests the fatal weaknesses of all dictatorships. Within the circle of its control today, tensions and conflicts appear to be increasing. It may have temporary triumphs, but in the long run it must either destroy itself, or abandon its attempt to force nations into its pattern.

Some people would have us believe that war is inevitable between the nations which are devoted to our concept of international organization and the concept which now bears the name of communism. This is not the case. I am optimistic as I look toward the future, because I believe in the superior attraction for men's minds and hearts of the democratic principles which have been tried and tested in free nations, and which are now winning the allegiance of men throughout the world.

DEMOCRATIC FAITH SEEN AS MORE APPEALING

In the battle for men's minds our faith is more appealing, more dynamic, and stronger than any totalitarian force. The world longs for the kind of tolerance and mutual adjustment which is represented by democratic principles.

This country has had a revolutionary effect in the world since it was founded. Our democracy was born in a world of absolute monarchies. The idea which we made a living reality spread throughout the world and brought the day of the absolute monarchy to an end. We have always been a challenge to tyranny of any kind. We are such a challenge today.

Our idea prevailed against the absolute monarchies of the nineteenth century. It is prevailing against the new and more terrible dictatorships of the twentieth century.

The reason is clear. Our idea of democracy speaks in terms which men can understand. It speaks of opportunity and tolerance and self-government. It speaks of the dignity of the individual, his freedom of conscience, and the right to worship as he pleases. It does not exact blind loyalty to false ideas or improbable theories. It does not make a god out of the state, or out of man, or out of any human creation.

The world is tired of political fanaticism. It is weary of the lies, propaganda, and hysteria created by dictatorships. It is disgusted by the practice of torture and political assassination. It is sick of the kind of political allegiance which is inspired solely by fear.

RIGHT TO OWN THOUGHTS DECLARED FUNDAMENTAL

Men want to live together in peace. They want to have useful work. They want to feel themselves united in brotherly affection. They want to enjoy that great privilege—a privilege denied to millions throughout the world today—the right to think their own thoughts and to have their own convictions.

These desires of mankind are satisfied by the democratic principles which we have put into practice. These principles are at work today as they were in the past. In the conflict that exists throughout the world, these are our greatest advantages. They should give us confidence that we shall eventually succeed in establishing the kind of international organization to preserve the peace for which men yearn.

In working toward this goal, we must act wisely and steadfastly. We must realize that many dangers yet lie ahead, and that there are many tasks and problems which will be difficult to master. We must also preserve in this country full enjoyment of those basic democratic principles which are our greatest assets.

In this period of history when our country bears the major responsibility of world leadership, our domestic and foreign policies are inseparable. We must maintain a strong and stable economy as the basis of our own well-being and as the primary source of strength of the free world. We must also support economic health and democratic ideals in other countries, if we ourselves are to remain strong and prosperous.

Both these objectives require action now.

We must take proper steps to see that our economy moves safely through the present transition period, and that employment and production start expanding again. If we were to make our plans on the assumption that employment and production will get smaller, we would only make matters worse, and waste much of our potential economic

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strength. What we must do, instead, is to make all our plans, private and public, in such a way as to give us more jobs and more output. This is the way toward a stronger economy.

Furthermore, we must take action to insure that the hard-won economic recovery of other free nations does not revert to stagnation and despair. One of the most foolish things we could do right now would be to slash our appropriations for European recovery. If we did that, we would be deliberately throwing away gain for peace and freedom that we have painfully made. Only the Communists would profit if we took such a short-sighted course.

We have been making progress in working toward peace and freedom because we have been willing to make the investment that was necessary. It would be disastrous now to change our policy and settle for halfway measures.

It would be disastrous to lose or impair the understanding and support we have gained among the other democratic peoples. These are priceless assets in the great task of constructing a peaceful and orderly world.

The kind of peace we seek cannot be won at a single stroke or by a single nation. Peace worthy of the name can be assured only by the combined effort of many peoples willing to make sacrifices in the cause of freedom.

The peoples of the world look to the United States for the leadership of this great crusade for peace. We have not taken up this task lightly, and we will not lay it down.

We must go resolutely forward, step by step, toward the creation of a world in which we, and all people, can live and prosper in peace.

Address by Vice President Alben W. Barkley to the Democratic Midwest Conference

EXTENSION OF REMARKS
OF

HON. SCOTT W. LUCAS

OF ILLINOIS

IN THE SENATE OF THE UNITED STATES

Thursday, July 21 (legislative day of Thursday, June 2), 1949

Mr. LUCAS. Mr. President, the Vice President of the United States, the distinguished Presiding Officer of the Senate, delivered a most unusual address on June 13 at the Midwest Conference of Democrats at Des Moines, Iowa. I ask unanimous consent, and I hope it will be granted, that the address be incorporated in the Appendix of the RECORD.

The VICE PRESIDENT. The Chair should probably object, but he will not. Is there objection?

There being no objection, the address was ordered to be printed in the RECORD, as follows:

Mr. Chairman, distinguished governors, distinguished guests, ladies and gentlemen, I wish in the first place to say for the radio audience that I have, I believe, only 15 minutes over the radio, but I shall probably talk longer than that. Therefore, if I am unavoidably cut off in the middle of a sentence at the end of the 15-minute period, you will understand that it was impossible for it to be otherwise.

I am very highly honored not only by the invitation which brings me here to participate in this Midwest Conference, but I have been unusually honored by being introduced to this great audience by two of my best friends, Mayor Kelly and Jake More.

I, of course, realize the importance of this great meeting. I appreciate the presence here of men and women from all over this section of the United States, whether they are farmers, laboring men, or industrialists because they recognize, as we all do, that the economic stability of the United States depends upon a coordinated prosperity of all classes of our people.

I am not here to speak to you this afternoon simply as Vice President of the United States, although I am that. I haven't quite gotten used to it yet. There are a good many others who haven't. There is some confusion about what people should call me. My answer is that I don't care what you call me so long as you call me.

The President is telling a very amusing story about me around Washington which I am in no position to deny. He says that on the day after election last November when he and I were elected—which was a surprise to four or five people—I returned to my home in Paducah, and being the only Vice President in captivity and the only one that we had had lately, and being the only one produced by my home town of Paducah, they made quite a to-do over it. They closed the stores 2 or 3 hours, built a platform in the middle of the street, and closed off about four blocks, and we had a big time there celebrating our victory.

It seems that according to the President's story, I started into the Irvin Cobb Hotel during the process of the celebration and started into some place where I wasn't supposed to go, and the guard or policeman grabbed me and said, "Hold on. You can't go in there," and I said, "I am the Vice President." He halted for a moment. I stepped forward about two paces, and then he grabbed me again and says, "What are you vice president of?" I said, "the United States." "Oh," he says, "I thought you meant the Cobb Hotel."

I am here not only in that capacity, but I am here as a farmer also because I am a farmer. My son and I together operate two or three farms in western Kentucky. I have always been interested in agriculture. I was reared on a farm, lived there until I was grown, and my ancestors for six generations have been farmers, and my father died as a farmer.

He was what was called a woodsman. He believed that any winter that didn't see his family clear up about 12 acres of new ground was a total failure. As soon as I was big enough to put an ax on my shoulder or pull one end of a cross-cut saw, I was taken to the woods and it usually fell to my lot to break it up in the spring, to prepare the new ground for the crops. Anybody who ever did that, any boy who ever did it, knows what it will do for his disposition, to say nothing of his religion.

During my 36 years in the House of Representatives and in the Senate, I participated in all the legislation that was enacted in behalf of the farmers of the United States. I even voted for the McNary-Haugen bill because it was the only thing offered at the time that held out any hope for a remedy of the agricultural situation in this country, and I voted for it hoping that it might do some good.

Twice it was passed and twice it was vetoed by the President of the United States who wasn't a Democrat.

Now, I do not wish to indulge in any partisan politics here in what I have to say today, but there is no way to escape a discussion of politics in its real sense as the science of government. We are told by the dictionary that politics is the science of government, and it is in that sense that I may advert to it, as the science of government, and in that sense there is an inseparable connection between politics and economics.

While politics is defined as the science of government, economics is defined as the science of production, distribution, and use of the things which man makes for his utility and for his advancement and his comfort.

There is an indispensable and inseparable partnership in that sense between politics and economics because the kind of politics we have, not only in this country, but in all countries, may determine the sort of economics we have, and by the same token, the sort of economics we have may determine, and frequently does determine, the kind of politics we have.

So whatever I may say that has any political intonation will be in connection with that partnership between politics and economics, and between government and economics.

I wish to reemphasize the relationship between agriculture and labor and industry. It may have been done earlier in the day before I arrived because, coming in late at a meeting of this sort is like going into a theater during the third or fourth act without knowing what has happened before.

Nevertheless, it is worth while to keep in mind the connection, the inseparable partnership, between agriculture, labor, and industry. There has been a rather strange and significant parallel between the income of the farmers of the United States and factory pay rolls in the United States.

As an example of that, we might take the year 1928, the year 1932, and the year 1948. In 1928, which was the year of a hectic prosperity, but a fairly good year for farmers, which did not last long, but in that year 1928 farm income in the United States amounted to $11,700,000,000. In that same year, factory pay rolls in the United States amounted to $11,300,000,000, so that there was a very significant parallel in 1928 between the income of the farmers of the country and the income of factory workers, as indicated by factory pay rolls.

Nineteen hundred and thirty-two was a very bad year not only for farmers but for everybody else. Farm income in 1932 amounted to $5,300,000,000 and in that same year factory pay rolls amounted to $5,400,000,000—practically the same figure for farm income and factory pay rolls in 1932.

Last year, 1948, farm income in the United States amounted to approximately $30,000,000,000, six times as much as in 1932, nearly three times as much as it was in 1928. While farm income in 1948 amounted to approximately $30,000,000,000, factory pay rolls also amounted to practically $30,000,000,000. So that these three citations, these 3 years somewhat separated from one another, indicate that there has been over a long period of time a parallel trend between farm income and factory pay rolls.

Now, it is true that the farm income, as a rule, over the last two generations, has amounted to about 15 percent of the national income. Last year the national income was a little more than $210,000,000,000. Farm income being about $30,000,000,000 means that one-seventh, or about 15 percent of the total income of the American people, was farm income.

But while farm income constituted only about 15 percent of the total income of the American people, farmers bought about 25 percent of all the products made by the men who labor in the factories, and that comes about because the farmers produce much of the things which they consume themselves and that gives them a wider margin of income with which to buy the things that are made in the cities and in the factories.

I mention these things in order that we may emphasize the fact there is an interdependence, an indispensable, essential relationship, between farm income in the United States and factory pay rolls, which means the income of laboring men, which, by the same token, means profits to industry; and any man no matter what his profession or politics who seeks to array

agriculture against labor or labor against agriculture is no friend of either agriculture or of labor.

Now, it might be interesting to note briefly something which has transpired in the United States with reference to agriculture in the last half century. At the turn of the century in this country, on the farms, the only power that was known to a farmer was manpower and horsepower. The automobile had but scarcely been thought of. It had not been developed. The tractor was unknown to the American farmer. The first rural electrical line ever laid in the United States was strung in 1913, only 36 years ago.

Today, among the 6,000,000 farms and farm families in the United States, nearly 5,000,000 of them now are within reach of electrical power and that electrical power was made available to them through the Democratic Party and its administrations. We shall not be contented until every farmer in America and every farm housewife is close enough to electrical power to enable them to cultivate the soil by electrical power and lift from the backs of housewives all over the Nation the drudgery of a part of the housework.

The total value of all farm property and the equipment in the United States is more than a hundred billion dollars today. That amount was insignificant 50 years ago, and it was less than half that 20 years ago. Not only is the value of farm and farm equipment more than a hundred billion dollars today, but in the last 15 years farmers have been able to save in savings accounts more than $20,000,000,000.

That has come about by cooperation between Government and farmers. Agriculture is no longer an individual enterprise. The ownership of a home or a farm is, of course, an individual matter; the ownership of the equipment necessary in the cultivation of that farm is an individual matter unless it comes under a cooperative arrangement among a number of farmers, but the enterprise of agriculture, the great business of agriculture, is no longer an individual matter. It is a matter of cooperation among farmers themselves, and it is a matter of cooperation between farmers as a group and the Government of the United States, because the Government of the United States is the only agency available to the people and the farmers, particularly, which can do the things which individual farmers cannot do.

You may talk all you want to about the Government of the United States trying to regiment the farmers, as we hear now and then—a speech was made over in Nebraska a day or two ago about the Government of the United States trying to regiment the farmers, trying to control them, tell them when they should plant, what to plant, when to eat, and what to eat, and when to sleep or drink.

I want to say this. I have been a part of every farm program that has been enacted by the Congress of the United States. Those programs were not enacted with the caprice or the whim of the Members of Congress. Those programs were enacted because the farmers of the United States, who in 1932 found themselves nearer to the brink of disaster and collapse than ever before in the history of America, demanded that Congress do something to lift them out of the ditch, place their feet on the solid foundation of prosperity so that they might look to the future with some degree of assurance, and it was in response to that demand by the farmers of the United States, which was reflected in the political platforms of both political parties back as far as 1920. Congress tried to enact legislation that would bring the power of the Government to the service and use of the farmers of the United States.

I might say by way of digression here for a moment that I am proud that the party of which I am a member has been the pioneer in all legislation for the benefit of the farmers of the United States. I am not talking politics now. I am talking the science of government.

It was in the administration of Grover Cleveland that the first rural free delivery mail route was established in the United States of America. Now, the whole Nation is covered by a system of rural mail routes that brings newspapers, magazines, the mail, and information to the farmer's door every day in the year save Sunday.

It was under Woodrow Wilson the first act of Congress was ever passed giving Federal aid to the States and counties in the construction of highways throughout the Nation in order that the farmers might have better roads over which to haul their produce and send their children to school. That was in 1916.

No Congress and no administration has ever yet dared to repeal the law granting Federal aid in the construction of highways throughout the United States. That was a democratic recognition of the needs of the farmers for better transportation facilities in order that he might carry what he produced to the markets of the world.

It was under this same administration—this same great President of the United States—that in the Clayton antitrust law was written for the first time in the history of the Nation a provision that farmers should not be prosecuted as violators of the antitrust law if they formed a farmers' cooperative organization in order that they might produce and market their products to greater advantage.

In that same statute it was provided that a laboring man should not be prosecuted as a violator of the antitrust law if he joined or formulated a labor union in the United States, thus linking labor and agriculture together again in the law of the land.

It was in the administration of Woodrow Wilson that the first farm-credit law was ever enacted, called rural credits at that time, now known as the Farm Credit Administration, the great proposal to give to the farmers of the Nation an institution under which they might have long-term credit and low rates of interest because commercial banks were not organized or designed to meet long-term credit demands of the farmers.

It was in the administration of Woodrow Wilson that the first farm-credit law was enacted which was a success. It met the needs of agriculture all over this Nation until the debacle of 1932 when for one whole year not a loan was made to a farmer in the United States because people had lost faith in farm-loan bonds, because they lost faith in the Government of the United States, they lost faith in their own economy.

They had lost faith in themselves, and they were waiting for a great Moses to come above the horizon to lead them out of the desert, out of the wilderness. That Moses came in 1932 and 1933 in the person of Franklin Delano Roosevelt.

It was under his great administration that the farm-credit system was revived, that new life was injected into its lungs and new blood into its veins. It was started on another highway of successful operation and is today one of the great going concerns of agricultural credit in the United States.

It was under that same administration that farmers' cooperatives were permitted to organize in order that they might market their produce, that they might buy their farm equipment, and a bank for cooperatives was set up by the administration to help in furnishing the funds for these cooperatives to carry on.

It was under this same administration that the Farm Security Administration was inaugurated, designed to aid tenants in the purchase and ownership of farms in the United States. There was some opposition to it on the theory that once a tenant always a tenant. The man who is a tenant ought never to have the ambition to own his own farm. I was never in sympathy with that theory, for I know, as you know, that every man who has his feet in the soil, every man who has a stake in an American home, is a patriotic American no matter what his politics may be.

It was under this same administration that all the agricultural legislation was enacted I need not category here, because you are familiar with them. It brought new hope to the farmers of the Nation. It reduced to a minimum the mortgage sales of farmers throughout the Nation. It gave the farmer a support price. It gave him the parity formula which he wrote himself through his organizations, designating that period in the past which seemed most favorable and most fair to agricultural prices.

I mention these things in order that we may not forget what this great political party which we represent and which honored us with public responsibility has done to bring economic stability and security to the one indispensable occupation of mankind, and that is the tillage of the soil, for out of the soil comes everything on which man lives. Everything that he eats and wears and uses in some form or fashion comes out of the soil of the United States.

I often quote that little couplet about unbelief, regardless of our religious denominations or our political complexions, regardless of the fact that sometimes the lips deny the sentiments that the heart feels when it says there is no unbelief: "Whoever plants a seed beneath the sod, and waits to see it push away the clod, he trusts in God."

I believe that as a farmer. I believe it as a Christian. I believe it as an American.

Now, the laws which we have enacted since 1932 I think no one can deny, on the whole have been beneficial to agriculture. They were not perfect laws. The parity formula itself was not a perfect formula. The triple A was not a perfect law any more than the Federal Reserve Act was a perfect law when it was passed in the Wilson administration—and it was opposed by many if not most bankers at the time of its enactment, but which has turned out to be the fortress of our financial defense, without which we could never have financed two great World Wars. But it wasn't a perfect law. It had to be amended. Experience showed where it might be deficient here and there, and Congress and the administrations which have followed have sought to correct whatever deficiencies or shortcomings were found by experience in the original act.

So the triple-A was not a perfect law. The formula for parity was not a perfect law. The farm security law was not perfect, and no man has ever claimed that it was because man himself is an imperfect fine art being and his works are not perfect. They are subject to trial and error. They have to be modified as experience determines their modifications to be necessary, but on the whole I believe I can say that no political party and no administration or any combination of political parties or administrations ever gave to the farmers as good a program as we gave him in 1933, 1934, and 1935, and from that day until this very hour.

It wasn't all politics. It wasn't all partisanship. We have tried to look at agriculture as a fundamental occupation of mankind, one indispensable occupation of man because without it all other occupations would fail.

Last summer some of our friends on the other side of the political and economic aisle decided that they wanted to try their hand at farm legislation. They not only tried their hand but they tried the patience of the American farmer.

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I remember how that law was enacted. I was the minority leader of the Senate—the temporary minority—after I had functioned for a good many years as a majority leader and had had a part in the writing of all this farm program and knew a little something about it, I thought.

I recall one Sunday morning, at 4 o'clock in the morning on Sunday, they were getting ready to adjourn the special session of Congress. Their convention was in session at Philadelphia. The platform committee was engaged in writing a platform, and after 48 hours of unceasing day and night labor to bring forth something, the Committee on Agriculture, meeting off the Senate floor, word came out that they would not be able to write a farm bill. Congress would adjourn without writing a farm bill.

Then word came down from Philadelphia that there must be a farm bill, that they couldn't go before the country in the election without writing a farm bill, and so at 4 o'clock in the morning they got together a crazy quilt and wrote across it, farm bill, and brought it out and passed it.

It reduced the farm support prices from 90 percent of parity, as we had provided, to as low as 60 percent, and it did many other things that were unwise and impractical. They did another thing as bad if not worse. They took away from the Commodity Credit Corporation the power either to rent, lease, or build, or buy storage facilities for farm products in order that a farm-support price could be continued, because the Government cannot support prices unless there is adequate storage facilities, unless there is security in the product itself.

So they have a farm bill on the statute books which takes effect on the first of next January, and therefore it is essential that we do not allow that farm bill to take effect, it will nullify much of the good which has been done in the last 16 years by the farm program which we inaugurated under the Roosevelt administration.

If by any chance we should not be able to complete a farm program by that day, in my own judgment, it would be better for the farmers to go back to the program which we inaugurated instead of taking up the one which they put into effect on the first of next year.

I am glad that Mr. Brannan has come out here with his colaborers in this great farm section of the American Continent to talk about the new program which he has inaugurated. I am not going to undertake to discuss that program in detail. Mr. Brannan has done it and will do it. He is more qualified than I am. I don't even have a vote on it except in case of a tie. There hasn't been one since I became Vice President. I have been sort of dehorned.

They tell me it isn't even proper for a Vice President to go before a committee to advocate a bill in which he believes or he thinks should be enacted. Maybe not. But when Vice President Dawes was Vice President, he called me up to the desk one day. It seems he and Mr. Coolidge didn't get along very well, and it was mutual.

Dawes had more friends on the Democratic side than on the Republican side. I happened to be one of his good friends. One day, he called me up to the desk and he says, "BARKLEY, this is a hell of a job I have got." I said, "What is the matter with it? You still have it. I haven't seen where you resigned." He said, "I can't do but two things." I said, "What are they?" He said, "One of them is sit up here and listen to you fellows talk and I can't reply, and the other is to look at the papers every morning to see how the President's health is."

I often wondered if a Vice President didn't cast a furtive glance now and then at the sick list, but I have got an iron-clad agreement with Harry Truman I will never look at any sick list in any newspaper of the United States because he and I are a team and we are working together for the American people.

I am not out here with permission to speak for him, but I have no reason to suppose that what I say will be displeasing.

Now we are engaged in an effort to write a program, not a complete program for the farmer because the Brannan program does not deal with soil conservation, which is a separate subject. We have dealt with it—and by the way, ours is the only administration that ever inaugurated soil conservation in this country. We woke up not long ago to find a third of our soil had been wasted, one-third of all the soil in the United States.

We discovered that when the Mississippi River is at its height in flood time, gathering all the water and all the soil from all the hillsides and valleys in the Mississippi Basin, it deposits at the mouth of the Mississippi River in the Gulf of Mexico 40 acres or rich land every minute while it is in flood, and the same thing in variable proportion goes on all over the United States.

We discovered if we did not arrest this soil erosion, this waste of our land, as our population increases and each acre must support more people than it did the year before, the time would come when we would be like China or India, all our rich land, rich inheritance, gone and our children and children's children compelled to live an impoverished life upon a wasted land.

So we inaugurated soil conservation not only to preserve the fertility we now have but to reclaim that which has been lost, and as its handmaiden, we inaugurated flood control, which is a long way from completion, but which is an essential part of any full, comprehensive agricultural program.

We are not dealing with all that in this bill, this particular program. We are not dealing in it with the question of farm housing, which is a matter of such urgent need. For not only is there an inadequacy of homes in the cities, but we all know there is an inadequacy of homes in the country.

I believe every child born of American parents, whether in city or country, is entitled to a decent home in which to live and be reared, decent schoolhouses in which to acquire the knowledge, the vast knowledge, that is now available to our institutions of learning, the church house close by so that the principles of religion without regard to denominational differences may be imbedded in the very lives and characters of our people, because it is upon these foundations that our great American civilization and our great American way of life have been built. These things are not dealt with in the Brannan program for price supports and for agricultural income stabilization.

Now, there may be things in the Brannan program that we do not quite understand because any comprehensive farm program will be complex. There are complexities. There are technicalities involved that may not be easily understood at first glance, but it is an honest program. It is an honest proposal made by an honest man, working with honest colaborers, in order to bring American agriculture to a long-term, permanent economic stability to which they are entitled.

If there is anything about it that anyone does not understand, then let's try to make it plain by asking questions and having them answered candidly and frankly. If there is anything about it that is not workable, let's ascertain that fact by inquiry and by mutual conference, but it serves no purpose for politicians of one party or another to go over the country denouncing it as a scheme to bankrupt the American people and to put farmers under the control of the Government.

We have had controls in a measure ever since the first agricultural program was adopted, but these controls cannot be imposed unless the farmers themselves vote in favor of them by a two-thirds majority. Is that not a democratic way to ascertain whether farmers want to be a part of the program?

In my State, where we raise tobacco and corn and wheat and livestock, but tobacco is one of our great money crops, every time we have had an election among growers of tobacco as to whether they want acreage allotments or quotas or farm control, 90 percent of the farmers have voted in favor of it, whereas only two-thirds were required in order to put it into operation.

It is a democratic way, not partisan, but a democratic way in the sense everybody has a chance to express himself, to determine whether he wants it to be in operation.

Every farmer knows that without it, agriculture would drift back to the disastrous days of 1932, and if agriculture drifted back, every other industry and labor—our entire economy would drift back. We would not any longer be able to exercise the power of leadership in the world in order to try to fortify the economic and political stability of the liberty-loving free nations of the world in order to stem the tide of that alien and brutal ideology that seeks to destroy free men everywhere, freedom of worship, freedom of speech, freedom of thinking and of writing, freedom to assemble like we are assembled here today to discuss freely and frankly the great program for agricultural stability.

We realize, of course, that when the devastated regions of the world are restored and agriculture assumes its normal production there, there may be a reduction in the markets for agricultural products elsewhere. We have got to look forward to that. We have got to try to make provision for it, and that requires a searching out in the world of new markets and new uses of agricultural products, and that requires research, and that research cannot be made by individual farmers. It cannot be comprehensively made by educational institutions. It can only be made by the Government of the United States, though the Department of Agriculture and other departments of the Government, in order that we may find new uses for agricultural products in order to bring greater income to the farmers of the Nation.

I can give you one example. It has been discovered by research that four pairs of nylon hose can be made from a bushel basket of corn cobs. That is a new use. When I was a boy, we used to build fires with them.

I was telling my son the other day that they could make four pairs of nylon hose out of a bushel basket of corn cobs and he said, the next time his wife asked him for some nylon hose he was going to give her a basket of corn cobs.

That is a serious matter. It has been discovered that that can be done, and that is only one example of the many uses to which agricultural products now going to waste may be put to bring new income to those who till the soil, those who bend their backs under the blistering rays of the sun and who endure the vicissitudes of the weather and the seasons in order that mankind may be fed and clothed and housed.

So, my friends, it is a great adventure upon which we have entered. We have not entered upon it with any selfish motive except that selfishness which comes from a desire to live among happy people in a contented community in a prosperous and happy economy where all segments of our people feel that they are enjoying the equal rights about which Thomas Jefferson and Abraham Lincoln talked in the Declaration of Independence and in the immortal Gettysburg Address.

This is a challenge that ought to inspire the best that is in every American. It is a challenge to our leadership, to our wisdom and to our foresight. It is a challenge to our own unselfishness, the same kind of un-

selfishness that we are exhibiting in our effort to stabilize the economic and political life of the world. It is an expensive experiment, but the thing we are trying to preserve is priceless, my friends. It cannot be measured by any monetary standard.

I speak today out of the fullness of my heart and out of long experience and as a descendant of a long line of farmers going all the way back to North Carolina where my grandfather was born, reared, and lived on down to my own father who died at the age of 80 years, still on the farm, and of my mother who died at 89 years of age, still on the farm.

I do not want to get out of my system the atmosphere of agriculture, and whether I remain in public life long or short, I shall always thank Almighty God for the opportunity He has given me in a full and active life to render my service to this great body of Americans, men and women, without regard to political or religious or racial differences, who now and then go down into the very valley of the Gethsemane in their hardship and in their sacrifices in order to preserve the American way of life, the American traditions, which are planted deep in the soil of a glorious country.

I am proud of my country. You are proud of it. Proud of its leadership, proud of its opportunity, hopeful and prayerful to the God of Heaven that out of the turmoil of chaos and frustration that now faces mankind, somehow or other we may be able to lead them out of the wilderness into the promised land, out of the chaos and miasma of hatred, intolerance, and misunderstanding on to a firmer, more solid foundation of cooperation and understanding, among not only all the nations but all the peoples of the world and all occupations and there is no segment of our population that has a greater opportunity nor, in my judgment, a greater desire to contribute to that great desideratum than the farmers, their wives, and their children all over these United States.

I thank you.

Invitation to the Theater

EXTENSION OF REMARKS

OF

HON. JACOB K. JAVITS

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, July 20, 1949

Mr. JAVITS. Mr. Speaker, this is an invitation to Members from 26 of our most populous States to go to the theater. When I introduced the national-theater bill early in this session of the Congress few Members realized the widespread interest it would evoke. A visit to 1 of the 250 summer theaters in States from Maine to California will show the richness of America's cultural resources and the intense interest of millions of Americans in them.

The aridity of most of these areas in the theater—other than in the summer, when cheap costs make theater possible—shows the urgent need for a national theater establishment to bring theater to all our people. I have always emphasized that the national-theater bill primarily seeks to bring theater to the people—not to bring a great brick-and-mortar structure to New York or Washington.

The following is a list of 250 summer theaters compiled by the American National Theater and Academy, chartered by act of Congress in 1935. ANTA is the guiding spirit of country-wide theater activities in America.

AMERICAN NATIONAL THEATER AND ACADEMY PUBLICATION OF 1949 SUMMER THEATERS

Listed below are the names and locations of over 250 summer theaters in 26 States.

The New York Times revealed that, in the aggregate, from the end of May through the end of September (1948), there had been close to 200 summer theaters of all types along the Atlantic seaboard covering 14 States. The States were New York, New Jersey, Connecticut, Delaware, Massachusetts, Maine, Pennsylvania, New Hampshire, Maryland, North Carolina, Rhode Island, Virginia, West Virginia, and Vermont. May 30, 1948, there were two summer theaters operating. The end of September saw all but two closed for the season.

Some of the summer theaters represented colleges and universities, others repertory groups. One or two theaters specialized in spectacles or pageantries while several continued their bills for 3 or 4 weeks at a stretch. Some theaters were part of schools of drama and in a number of cases were non-Equity. Equity itself had bonds posted for over 125 summer theater stock companies. Nevertheless, Equity or non-Equity, co-op or university, repertory or spectacle—they are represented summer theater.

During 1948 New York had no less than 54 barn theaters. The runner-up was Massachusetts with 30. Pennsylvania had 20, New Jersey 18, Connecticut 14, New Hampsire 11, Maine and Vermont 10 each, Rhode Island and Virginia 5 each. The 1949 returns indicate the same relative standing as before. In addition to the 14 States mentioned the authors have included 12 more with summer theaters. They are California, Colorado, Georgia, Illinois, Kentucky, Michigan, Minnesota, Missouri, Ohio, Tennessee, Texas, and Wisconsin. Canada has also been included.

It must be stated that in the past the barn circuit has been concentrated in the East but the trend points to a large number of summer theaters springing up in the Midwest and far West, particularly in California.

Summer theater, as an active force on the American scene and as a positive means of decentralizing theater, is here to stay—and grow.

CALIFORNIA

Beverly Hills: Theater.
La Jolla: Actors Co.
Newport: Repertory.
North Hollywood: Horseshoe Theater.
Pasadena: Playhouse.
San Mateo: Hillbarn Theater.
Santa Barbara: Lobero Theater.
Tustin: Holiday Stage.

COLORADO

Denver: Broadway Theater.
Denver: Elitch Gardens.

CONNECTICUT

Canton: Show Shop.
Clinton: Playhouse.
Guilford: Chapel Playhouse.
Ivoryton: Playhouse.
Litchfield: Summer Theater.
New Milford: Theater in the Dale.
Newton: Edmond Town Hall.
Norwich: Summer Theater.
Ridgefield: Summer Theater.
Rock Hill: Grange Hall.
Sharon: Pitchford Playhouse.
Southbury: Playhouse.
Stamford: Summer Theater.
Unionville: Group 20 Players, Town Hall.
Westport: County Playhouse.

DELAWARE

Arden: Acorn Theater.
Arden: Robin Hood Theater.
Rehoboth Beach: Henlopen Playhouse.

DISTRICT OF COLUMBIA

Washington: Washington Theater Festival.

GEORGIA

Atlanta: The Stage Inc.
Newman: The Three Theaters.
St. Simons Island: Georgia Players.

ILLINOIS

Highland Park: Tenthouse Theater.
Marengo: Shady Lane Playhouse.

KENTUCKY

Louisville: Musical Stock Co.

MAINE

Bar Harbor: Playhouse.
Belgrade Lakes: Playhouse.
Boothbay: Playhouse.
Bridgton: Riverside Theater.
Camden: Camden Hills Theater.
Harrison: Deertrees Theater.
Kennebunkport: Playhouse.
Ogunquit: Playhouse.
Peak's Island: Greenwood Garden Playhouse.
Portland: Summer Theater.
Skowhegan: Lakewood Theater.
Surry: Playhouse.

MARYLAND

Braddock Heights: Mountain Theater.
Lutherville: (Baltimore) Hilltop Theater.
Olney: Olney Theater.

MASSACHUSETTS

Bass Rocks: Theater.
Boston; New England Mutual Hall.
Beverly: Summer Theater.
Brewster-on-Cape Cod: Summer Theater.
Cambridge: Brattle Hall Theater.
Cape Cod: Provincetown Playhouse.
Chatham: Monomoy Theater.
Chestnut Hill: Campus Playhouse.
Cohasset: South Shore Players.
Coonamesset-on-Cape Cod: Falmouth Playhouse.
Dennis: Cape Playhouse.
Duxbury: Playhouse.
Duxbury: Summer Theater.
Fairhaven: Summer Theater.
Falmouth: Tanglewood Theater
Fitchburg: Lake Whalom Playhouse.
Gloucester: Bass Rocks Theater.
Holyoke: Valley Players.
Lennox: Lenox Theater.
Lowell: State Theater.
Manomet: Plymouth Drama Festival.
Marblehead: North Shore Players.
Marion: Harbor Playhouse.
Martha's Vineyard (East Chop): Rice Playhouse.
Martha's Vineyard (Oak Bluffs): Martha's Vineyard Playhouse.
Mashpee on Cape Cod: University Playhouse.
Medford: Tufts Arena Theater.
Nantasket: Actors' Theater.
Nantucket Island: Straight Wharf Theater.
Plymouth: Priscilla Beach Theater.
Stockbridge: Berkshire Playhouse.
Sturbridge: Town Hall Theater.
Ware: Shariwood Lodge.
Wareham: Summer Theater.
Wellesley: Summer Theater and school.
Westboro: Red Barn Theater.
West Newbury: Summer Theater.
Woods Hole: Theater by the Sea.
Worcester: Drama Festival.

MICHIGAN

Bloomfield Hills: Will-o-Wam Playhouse.
Detroit: Shubert-Lafayette Theater.
Detroit: Open Air Theater.
East Jordan: Center Stage '49.

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MINNESOTA

Duluth: Comedy Theater.
Lake Minnetonka (Excelsior): Old Log Theater.

MISSOURI

St. Louis: St. Louis Municipal Opera (Forest Park).

NEW HAMPSHIRE

Castle Heights: Theater.
Charlestown: Old Fort Players.
Keene: Summer Theater.
New London: Players.
North Conway: Eastern Slope Theater.
Peterborough: Players—Stearns Farm.
Pike: No name Theater, Lake Tarleton Club.
Salisbury: Theater in the Round.
Swanzey: Potash Bowl.
Tamworth: Barnstormers Theater.
Whitefield: Chase Barn Playhouse.
Windham: Playhouse.

NEW JERSEY

Atlantic City: Auditorium Theater.
Atlantic City: Chelsea Playhouse.
Bloomsburg: Summer Theater.
Bound Brook (State Highway No. 29) (between Bound Brook and Somerville): Foothill Playhouse.
Cape May: Cape Theater.
Cedar Grove: Theater Showcase.
Clinton: Music Hall Theater.
Deal: Conservatory Theater.
Jutland: Hunterdon Hills Playhouse.
Lake Hopatcong: Lakeside Theater.
Lynhurst: Footlight Theater.
Millburn: Paper Mill Playhouse.
Montclair: Theater.
Ocean City: Beach Theater.
Orange: Theater Showcase.
Pompton Lakes: Summer Theater.
Princeton: McCarter Theater.
Red Bank: Playhouse.
Ridgewood: Chapel Theater.
Sea Girt: Millstream Playhouse; Ringside Theater.
Trenton: Contemporary Theater.

NEW YORK

Albany: Stock Co.
Alexandria Bay: Thousand Islands Playhouse.
Annandale on Hudson: Bard Playhouse.
Batavia: Horseshoe Lake.
Beacon: Theater.
Bedford Hills: Theater.
Bellport, Long Island: Summer Theater.
Blauvelt: Greenbush Theater.
Bolton Landing: Barn Playhouse.
Bridgehampton, Long Island: Hampton Playhouse.
Bridgeport: Playhouse.
Bronx: University Theater, Fordham University; Windsor Theater.
Brooklyn: Brighton Theater; Flatbush Theater.
Buffalo: Boulevard Playhouse.
Chautauqua: Repertory Theater.
Clinton Hollow: Provincetown Theater Studio.
Cooperstown: The Duke's Oak Theater.
Cragsmore: Summer Theater.
Derby: Lake Shore Playhouse.
East Durham: Playhouse.
East Hampton, Long Island: John Drew Theater.
East Northport, Long Island: Alviene Tivoli Playhouse.
Ellenville: Playhouse.
Elmira: Chemung County Theater.
Ferndale: Grossinger Playhouse.
Fishkill: Cecilwood Theater.
Garden City: Adelphi College.
Germantown: Sail-Loft Theater.
Highland Grange: Gotham Players.
Ithaca: Finger Lake's Drama Festival.
Kiamesha Lake: Monticello Playhouse.
Lake Pleasant: Tamarack Playhouse.
Long Beach, Long Island: Crest Theater.
Mahopac: Putnam County Playhouse.
Malden Bridge: Playhouse.
Manhattan: Cherry Lane Theater, Provincetown Theater, Interplayers, Inc.; Six Fifth Avenue Theater; Stanley Woolf Players.
Middletown: Stratton Theater.
Monticello: Forestburgh Summer Theater.
Mount Kisco: Westchester Playhouse.
Mount Vernon: Summer Theatre.
Northville: Auditorium.
Oneida Castle: Playhouse.
Pawling: Starlight Theater.
Peekskill: County Playhouse.
Pelham: Community Theater Guild.
Rochester: Pittsford Summer Theater.
Rockaway Park: Summer Theater.
Saratoga Springs: Spa Theater.
Sea Cliff, Long Island: Summer Theater.
Skaneateles: Summer Theater.
Smithtown Branch, Long Island: Old Town Theater.
Southhold: Long Island: Island Theater.
Stamford: Legend Playhouse.
Suffern: Playhouse.
Watkins Glen: Summer Theater.
Westtown: Orange County Playhouse.
Woodstock: Playhouse.

NORTH CAROLINA

Manteo (Fort Raleigh): Waterside Theater.
Tuxedo (near Asheville): Lake Summit Playhouse.
Waynesville: Theater In the Sky.

OHIO

Cleveland: Cain Park Theater.
Columbus: Hartman Theater.
Yellow Springs: Summer Theater.

PENNSYLVANIA

Allentown: Hayloft Summer Theater.
Bryn Mawr: Summer Theater.
Bucks County: Yardley Theater.
Buck Hill Falls: Players.
Eagles Mere: Playhouse.
Easton: Summer Theater.
Ebensburg: Hi-Way Summer Theater.
Galilee: Wayne Co.-Chicopee Playhouse.
Irwin: White Barn Theater.
Jennerstown: Mountain Playhouse.
Milford: Summer Theater.
Millville: Penn-Mill Theater.
Mount Gretna: Playhouse.
Mountainhome: Pocono Playhouse.
Moylan: Hedgerow Theater.
New Hope: Bucks County Playhouse.
Nuangola: Grove Theater.
Orwigsburg: Deer Lake Theater.
Philadelphia: Coach House Theater.
Pittsburgh: Civic Light Opera.
Reading: Green Hills Theater.
Reading: Theater Guild.
Wayne: Oak Lane Players.
Williamsport: Summer Theater.
South Williamsport: Knickerbocker Summer Theater.

RHODE ISLAND

East Greenwich: Summer Theater.
Matunuck: Theater By the Sea.
Newport: Casino Theater.
Tiverton: The New Yorkers.
Westerly: Ward Auditorium.

TENNESSEE

Memphis (Overton Park): Open Air Theater.

TEXAS

Dallas: Civic Theater; Starlight Operetta (State Fair of Texas).
Fort Worth: Theater Guild.

VERMONT

Bennington: Drama Festival (high school).
Brattleboro: Summer Theater.
Dorset: Playhouse.
East Barnet: Red House Theater.
Lyndonville: Red House Players.
Middlebury: Green Mountain Playhouse.
Putney: School Theater.
Stowe: Wyck House Players.
Waitsfield: MacArthur Theater.
Weston: Playhouse.
Winooski Park: St. Michael's College Playhouse.

VIRGINIA

Abingdon: Barter Theater, Robert Porterfield, State subsidized.
Bailey's Cross Roads: Summer Theater.
Charlottesville: University of Virginia Summer Theater.
Norfolk: Center Theater.
Richmond: Summer Theater.
Roanoke: Patchwork Players.
Virginia Beach: Summer Theater.
Williamsburg: Matoaka Lake Amphitheater.

WEST VIRGINIA

Charleston: Summer Players.
Wheeling: Carriage House Theater.

WISCONSIN

Fish Creek: Peninsula Players.
Oconomowoc: Port Players.

Let's Keep the Record Straight on the B–36 Investigation and Related Matters

EXTENSION OF REMARKS

OF

HON. JAMES E. VAN ZANDT

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, July 20, 1949

Mr. VAN ZANDT. Mr. Speaker, the front page of the July 19 issue of the Washington Evening Star displayed a startling and significant cartoon. It was the work of the nationally famous cartoonist, Clifford Berryman, who is noted for his kindliness and conservatism. Above the caption, "Clouds Over the Pentagon," the artist depicted the labyrinth of the building which houses a large and vital part of this Nation's Military Establishment. A low-hanging black cloud, labeled "5 percent" hangs awesomely over the Pentagon, the heart, the brain, the nerve center of America's security.

It is startling and significant to me, and it must be to every Member of this House, that the cartoonist, who usually selects the top news of the day as his subject, should have decided that the most important topic in the news was the dark and disturbing cloud hovering over the Pentagon. It would be disturbing enough if the only black cloud of suspicion lowering over the Pentagon were the scandal involving two major generals connected with the procurement offices of two branches of the Army, Maj. Gen. Hermar Feldman, the Quartermaster General of the Army, and Maj. Gen. Alden H. Waitt, Chief of the Chemical Corps of the Army, have been suspended pending the outcome of a Senate investigation of Army contract handling. In this connection I would like to quote from an editorial in Monday's Evening Star, which enjoys a reputation for accuracy, objectivity, and conservatism. The editorial runs under the caption, "Full inquiry essential." It reads:

Army Secretary Gordon Gray has acted promptly and properly to get to the bottom of a military procurement situation that, on the surface, has disturbing implications. The implications are yet to be reinforced by proof of illegality. But the integrity of the Army inevitably is clouded when the integrity of two of its department heads is ques-

tioned, and it is essential, therefore, that the most thoroughgoing sort of investigation should be made by the Inspector General, working in cooperation with the senatorial investigators who are delving into "5 percenters' " activities.

Pending completion of these simultaneous inquiries, it was wise to suspend the two high officers whose names have been brought into the investigation in a way that reflects, at least, on their good judgment. When officers of the military services become involved in any matter coming before a board or court of inquiry it is customary to relieve them of active-duty assignments until the inquiry is completed. The public should keep in mind the fact that no charges whatever have been placed against Generals Feldman and Waitt. The investigation may show that they are completely innocent of any wrongdoing. These veteran officers have yet to be given an opportunity to tell their sides of the story—a story first broken by the New York Herald Tribune as a result of some extraordinary journalistic enterprise by members of its Washington Bureau. Until the two generals have explained what their relations—if any—were with an alleged official influence racket in Washington, the story must remain unfairly one-sided.

The Herald Tribune has rendered a public service by bringing to light allegations and rumors that are serious enough to warrant senatorial investigation. The bandying about of such reports, without any effort to determine their reliability, would have been unfair to the Army and to the persons involved. Generals Feldman and Waitt should be glad of the chance for a public show-down with their accusers.

That is the end of this thoughtful and thought-provoking editorial.

As I was saying, it would be disturbing enough if the only black cloud hovering over the Pentagon were this scandal involving two major generals. It is far more disturbing when ugly rumors, which have been aired in the press for months, and which if verified, would amount to a major scandal, involve their superior, the Secretary of Defense, the Honorable Louis Johnson, as well as the Secretary for Air, the Honorable Stuart Symington. High-ranking officers though they be, Generals Feldman and Waitt are mere underlings by comparison with Johnson and Symington.

Just to keep the record straight, I wish to draw attention to the difference between the time and manner in which the two charges and ugly rumors were received and handled by the two Houses of Congress. First, let us take a look at the prompt and proper official notice taken by the Senate Committee on Executive Expenditures, headed by Senator CLYDE HOEY, of North Carolina, of the so-called 5-percenter scandal.

The first dispatch dealing with the 5 percenters was sent from the Washington bureau of the New York Herald Tribune on June 20, 1949, and published the following day. That same day, June 21, Senator HOEY issued a press release announcing that his committee would investigate the charges made in the New York Herald Tribune. That inquiry reached a point on Saturday, July 16, which caused the Secretary of the Army Gordon Gray to suspend Generals Feldman and Waitt. The Associated Press stated that Secretary Gray took this drastic action "because of evidence turned up by a subcommittee of the Senate Committee on Executive Expenditures." And that's that.

Now, let us look at the situation involving Secretary Johnson and Secretary Symington and others, including their good friend, Floyd Odlum, the head of the Atlas Corp., the holding company for the Consolidated Vultee Aircraft Corp., the makers of the B–36 bomber. The two cases are not entirely on all fours, but there is sufficient similarity between them to draw a parallel.

The story involving the B–36 goes back to 1947, but the first time I took notice of it was in January 1949, when Secretary Symington, appearing before the House Armed Services Committee, complained about somebody doing "a hatchet job" on the B–36. At that time, I asked Mr. Symington who was doing the "hatchet job" and why, but I got no satisfactory reply from him. Even before that time, I am informed that rumors, reports, and gossip concerning the B–36 were afloat in aircraft and Army circles. They were also published in the magazine Aviation Week and the American Aviation Daily.

The first story that I recall in the daily newspapers was published in the St. Louis Post-Dispatch on April 13, 1949. It was written by Marquis Childs, who has the reputation of being a fine reporter and not given to sensationalism. Childs wrote—and I quote:

> Johnson is reported to be privately pushing his friend, Floyd Odlum, the utilities operator and promoter, for Chairman of the National Security Resources Board.

It cited the fact that Odlum's Atlas Corp. owns 418,000 shares of Consolidated Vultee Aircraft Corp. Also that Johnson, prior to his appointment as Secretary of Defense, was a director of Consolidated Vultee. Then it added this, which I quote:

> Johnson recently approved a shift of approximately $157,000,000 in Air Force funds from other types of aircraft in experimental production to the B–36, which is made exclusively by Consolidated.

Senator WAYNE MORSE, of Oregon, thought the Childs' story was of sufficient importance to place in the CONGRESSIONAL RECORD on April 26, 1949.

Meanwhile, Washington was full of ugly, disturbing rumors and reports concerning the B–36 and the military aircraft procurement policies generally. In all of the rumors and reports the names of Johnson and Symington were linked with that of Odlum. Another story broke into print on May 15, 1949, in the Washington Times-Herald. It was written by Jerry Greene, of the Washington bureau of the New York Daily News, a reporter with a fine record. It was headed "New Scandal Looms on United States Plane Deals." It reads, in part—and I quote:

> A bipartisan, dynamite-packed probe of Government aircraft procurement policies which will rock the administration is set to break momentarily in both Houses of Congress. The investigation will run from the heyday of Maj. Gen. Benny Meyers, the kiss-and-tell plane-procurement expert now doing time for perjury, to the present.
>
> House Speaker RAYBURN, Senator TYDINGS (Democrat), of Maryland, chairman of the Senate Armed Services Committee, and both Republican and Democratic members of the House Armed Services Committee have assembled preliminary data on which the probe will be based.

A little further down in the story, it was stated—and I quote:

> Known to the Congressmen also is the name of one witness who has reported that an aircraft procurement officer, before the end of World War II, tried to put a $200,000 bite on a manufacturer. This company refused to go along and lost a lot of business in consequence.

There were more rumors, more newspaper stories, magazine articles, and radio broadcasts, but the foregoing is a fair sample of what was in the public prints. Every Member of Congress heard the rumors and read the reports. There also was the mysterious memorandum that was seen by many Members of the House, including the gentleman from Georgia [Mr. VINSON], the chairman of the House Armed Services Committee.

But, what happened, Mr. Speaker? Nothing happened. No action was taken by any committee of the House or by any individual Member. Speaker RAYBURN, the majority leader, Mr. MCCORMACK, the chairman of the House Armed Services Committee, Mr. VINSON, and Senator TYDINGS of Maryland, the chairman of the Senate Armed Services Committee, all are reported to have heard the rumors and reports affecting a vital arm of our national defense. President Truman and his White House staff must have heard the same things that I did, and perhaps much, much more. Any man in public life in Washington must have heard and read these reports unless he was deaf, dumb, and blind.

The national defense has been the subject of absorbing interest to me all of my life, and naturally I was disturbed by this rapidly spreading scandal in connection with our Air Force. However, I am a member of the minority party in the House. I had read on May 15 that Speaker RAYBURN, Senator TYDINGS, and the gentleman from Georgia [Mr. VINSON] planned an investigation. I defered to Chairman VINSON as the proper person to call for an investigation of these rumors and ugly reports.

When no move toward an investigation had been made and apparently none was to be made by the majority party in Congress, I determined to do something about it, and on May 25 I offered my resolution—House Resolution 227—providing for such an investigation. On the following day I told the House there was sufficient evidence at hand to demand an investigation, devoid of any whitewashing or soft-pedaling tactics. I said the American people are entitled to a fair and impartial investigation so that the truth may be known. I repeat that statement now with all the emphasis at my command.

I did not get action on my own resolution, but eventually action was taken, and that is what I wanted. On June 1 Chairman VINSON offered House Resolution 234, which was adopted by the House on June 8, ordering an investigation into all the facts relating to the procurement of the B–36 bomber and collateral matters, and providing that Chairman VINSON's committee, the House Committee

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on Armed Services, should conduct the investigation instead of an independent committee provided for in my resolution.

It is gratifying to me, and should be gratifying to all concerned, especially the American people, that the House has ordered this investigation to clear the air by determining the truth or falsity of the rumors and reports we heard so long without any action. It should be particularly gratifying to Secretary Johnson that he now has an opportunity to clear his name, which has been so deeply involved in the ugly reports. The same thing should be true of Secretary Symington, whose name also has been linked with these disturbing reports. It is likewise gratifying to have the assurance of Chairman VINSON that the investigation by the House Committee on Armed Services, as he put it, "Will go clear down to the bottom" and that "everybody will have an opportunity to lay their cards on the table."

The fact that the Armed Services Committee will be acting under Chairman VINSON's resolution instead of mine is a matter of indifference to me. I have no pride of authorship in this matter. When I first urged the House to authorize this investigation, I denied that politics was involved in my resolution. And the fact that Chairman VINSON offered a substitute resolution, which was unanimously adopted by the House, should absolve me of any political motives.

However, I cannot fail to note the difference in the attitude of some persons toward the investigation proposed by me and the investigation proposed by Chairman VINSON. For instance, in his letter to Chairman VINSON on June 2, 1949, Secretary Symington wrote:

> The Air Force heartily concurs in the resolution which you have offered calling for an investigation of the B–36 and collateral matters. You may be assured of our full cooperation in the conduct of the investigation.

Perhaps I should feel slighted. There was Secretary Symington smarting under the scandalous rumors and reports being peddled all over Capitol Hill and appearing in the press. Eight days before Chairman VINSON acted, I offered a resolution which would give Secretary Symington an opportunity to clear his name. But did I get a letter from him heartily concurring in my resolution? I did not.

And yet, Mr. Symington wrote to Chairman VINSON on the very day after he had offered his resolution—and again I quote—

> On May 26, Mr. VAN ZANDT made a speech in the House of Representatives repeating certain anonymous statements attacking the integrity of the Air Force action concerning the B–36. The rumors he publicized should be answered now.

So, Secretary Symington writes Chairman VINSON on June 2, that the rumors "should be answered now." Nine days earlier, I was trying to give Secretary Symington an opportunity to answer the rumors. Weeks before, the same rumors were flying around Washington. Did Secretary Symington or Secretary Johnson come up to Capitol Hill and ask someone to give them an opportunity to answer the rumors then. If they did, I have not heard of it. And the fact remains that I was the first to offer Secretary Symington an opportunity to answer the rumors. His own good name and the integrity of the Air Force were attacked, says Secretary Symington. Yet it was not until Chairman VINSON offered his resolution did Secretary Symington say anything about "heartily concurring" or offering "full cooperation" in the conduct of the investigation.

Secretary Symington's letter goes on—and once more I quote—

> Mr. VAN ZANDT's basic innuendo is that the B–36 picture is riddled with politics, influence, and disregard of the military security of the country. I deny this categorically.

I am more than glad to have Mr. Symington make his categorical denial. I only hope that he can make it stand up to the satisfaction of the House Armed Services Committee. I am not out to smear Mr. Symington or Mr. Johnson or anybody else. I offered my resolution calling for an investigation in good faith. I want to remove this dark cloud from the Pentagon. I want to hush this gossip if it is untrue and clear the names of the officials involved, if they are innocent. If they are guilty, I want to see them ousted from their posts of honor and responsibility for the security of this Nation. And then I would like to see them punished to the full extent of the law. For if any men deserve punishment, it would be the men who would jeopardize the security of our country for a few dirty dollars.

Secretary Symington does not protest against Chairman VINSON's resolution—the resolution under which this investigation will be conducted. No, sir; he heartily concurs. He offers full cooperation. Yet he complains about the rumors which he says I publicized, and what he calls my basic innuendo.

Just for the record, Mr. Speaker, I did not first publicize the rumors to which Secretary Symington refers. He is neither deaf nor blind and he certainly is not dumb. If he read the newspapers and magazines, and he has a public relations staff, to keep him informed, Secretary Symington must have seen and heard the same rumors and reports that I did. Yet, he complains that I publicized the rumors. Surely, Secretary Symington is not so dumb as to think the Members of this House will believe the first he knew of the rumors was when I called them to the official notice of the House.

And how does Mr. Symington make a distinction between the rumors, which he says I publicized, and the rumors upon which Chairman VINSON acted when he demanded an investigation of the B–36 and related matters? It is a distinction without a difference. The rumors are identical and the same. They do not differ one iota, except perhaps in Mr. Symington's mind.

In asking the House Rules Committee to approve his resolution Chairman VINSON said on June 7:

> Prior to the time Mr. VAN ZANDT made the speech there were rumors and memorandums and gossip about the B–36, and some memorandums were passed around among Members of Congress, and some of my colleagues have handed to me those memorandums. It was laid before the Armed Services Committee, and the Armed Services Committee feels this matter should be cleared up.

At the same meeting of the Rules Committee, Chairman VINSON said:

> We should go to the bottom of it and see where the source of these innuendos originates and see what is behind this thing.

Just to keep the record straight, I did not originate these rumors and innuendos, and neither did Mr. VINSON. We both acted in good faith on exactly the same set of reports. Yes, I was the first to call the attention of the House to the rumors and innuendos and thus saved Chairman VINSON the trouble of doing so. But Chairman VINSON based his resolution on the same rumors and the same innuendoes that I did. And the only difference is that Mr. Symington complains bitterly about what he calls my basic innuendo, but he heartily concurs in the basic innuendo which is embodied in Chairman VINSON's resolution.

Secretary Symington is understandably overwrought about this whole matter. Perhaps he should be forgiven if he does not see that the only difference between my action and that of Chairman VINSON's is that I was the first to offer him an opportunity to clear his name and the name of the Air Force. Simply because Chairman VINSON was a bit tardy with his resolution, he is now reaping the harvest which I had sown. But the fact remains that Chairman VINSON and I had the same objective in view—to investigate the truth or falsity of all the ugly rumors and reports. He gained the approval of the House for this imperative investigation, and I am satisfied with the result. If there is any glory in doing one's sworn duty, certainly there is glory enough for all.

Whether Mr. Symington ever changes his mind and decides that I was trying to give him an opportunity to clear himself, in which he now heartily concurs, is a matter of no consequence. But Chairman VINSON never had any illusions about the sincerity of my purpose. When Chairman VINSON appeared before the Rules Committee in behalf of his resolution, in which I supported him, the gentleman from Georgia [Mr. COX] apparently had a misconception of the whole matter, as well as my objective. Mr. COX suggested that I should withdraw the charges to which I had called the attention of the House and apologize for them. Chairman VINSON quickly set him straight. He clearly indicated that he was proceeding on the same set of rumors that I was and proposed the same sort of investigation that I had proposed. As a matter of fact, it is commonly known that for weeks previous Chairman VINSON toyed with the idea of introducing the resolution himself. Mr. COX appears to have been convinced of the purity of Chairman VINSON's motives, otherwise Mr. COX would never have agreed to the resolution of investigation.

My affable friend the gentleman from Alabama [Mr. BOYKIN] likewise appears to have labored under a misapprehension of my purpose. Last Thursday Mr. BOYKIN told the House that he did not "know anything whatever about the merits" of my resolution. "However," he said, "I do know about the rumors." My genial friend from Alabama did nothing about the rumors, but I did. And after I had acted, Chairman VINSON suddenly became convinced of the gravity of the rumors, and went into action.

My friend from Alabama usually bubbles with good humor, but he was scathing in his denunciation of the supercarrier, which was authorized by Congress and which Secretary Johnson sank without a trace. Mr. BOYKIN quoted his son Rob, who served in the Pacific with the United States Air Force, as saying that this "great, huge flattop would have been duck soup for any enemy bomb or even submarine."

I shall not argue with my friend from Alabama or his son Rob. For his information, my resolution did not mention the supercarrier or contemplate an investigation of that controversy. However, Mr. VINSON'S resolution would include an inquiry into the carrier controversy.

Now, Mr. Speaker, there are some differences between the "5 percenter" scandal and the charges involving Secretary Johnson and Secretary Symington. The chief difference lies in the fact that if the charges against Secretary Symington and Secretary Johnson are true, the "5 percenters" were playing a penny-ante game by comparison. The charges concerning the tops of the defense department not only involves contracts amounting to millions of dollars, but the military policy upon which the security of the Nation depends. And because the scandal involves the top men in our Military Establishment, it may be more difficult to dig out the truth. But that is the duty of the full Committee on Armed Services of the House since the Vinson resolution gives authority to that committee and not to an independent committee provided for in my resolution. The members of the House Committee on Armed Services know the American people will not be satisfied with a whitewash or a glossing over of the facts.

The scandal involving the Government aircraft procurement policies has been building up since 1947. It was mentioned with irritation by Secretary Symington in January 1949, before the House Armed Services Committee. It has been thoroughly aired in the press, aircraft trade publications, and on the radio for months. Yet the House is just getting around to investigating these rumors, which add up to grave charges. No one seemed willing to "bell the cat" until I offered my resolution on May 25.

As I have said all along, I do not vouch for the published reports or the whispered rumors about the B–36. I do not know any more than Chairman VINSON does about the truth or falsity of the reports upon which he based his resolution and upon which the House acted. All that I know and all that Chairman VINSON knows is that the reports were written by reputable newspapermen and printed in reputable newspapers and periodicals. Both the writers and their publications subscribe to the first tenet of American journalism, that accuracy is the prime requisite of good reporting. Yet these grave charges were written and printed with the full knowledge that the publications could be held accountable under the libel laws. Thus far, I have heard of no libel suits being filed against any publication which published these reports.

Just as the American people and the Congress are indebted to the New York Herald Tribune for publishing the stories about the "5-percent" scandals, so are they indebted to the alert reports and their publications for ferreting out the asserted facts concerning the B–36. Now the committee can sift the charges and establish their truth or falsity. That is all I ask.

I have heard that some members of this House have complained that I acted upon flimsy evidence, mere newspaper reports. It has been suggested that I should be the first witness before the committee and that I should be compelled then and there to prove the charges to which I was first to call to the official notice of the House. To anyone who makes any such suggestion, I say it would be far more logical to call Chairman VINSON as a witness before his own committee and compel him to prove the charges upon which he based his resolution, which was approved by the House. I stand on my responsibility as a Member of the House, just as Chairman VINSON does. I did not originate these charges nor did he. But we both felt that the nature of the charges were of such gravity that an investigation was imperative. I will furnish the committee and counsel with every shred of information in my possession to facilitate the investigation, and I know Chairman VINSON will do likewise. And I will take my place on the committee and exercise my right as a member to question witnesses to the end that we shall get to the bottom of this unpleasant business.

So far as the question of the investigation being based upon newspaper reports, let me recall to those who may have forgotten that one of the greatest scandals in Government in modern times—the Teapot Dome and Elk Hills naval reserve oil scandals—were unearthed as a result of newspaper reports. The same thing is true of the scandals involving the Department of Justice during the Harding administration. As a result of congressional investigations and legal action that followed, the then Secretary of the Interior, Albert B. Fall, went to jail. The Secretary of the Navy, Edwin Denby, and the Attorney General, Harry M. Daugherty, were both dismissed from office as unfaithful servants.

Mr. Speaker, I am not going to prejudge this case either way. I am not going to make the mistake of condemning Mr. Johnson, Mr. Symington, Mr. Odlum, or any others who may be involved in this investigation before the evidence is taken. Nor am I going to allow my feelings to lead me into such a statement as that made by the gentleman from Georgia [Mr. COX] when the Vinson resolution was before the House Rules Committee. Mr. Cox said that no man in Congress or in Washington or anywhere else that knows Stuart Symington would give any credit whatever to this statement—meaning the reports, the sum total of charges involving Mr. Symington and the B–36. I recall that when Attorney General Harry Daugherty was first under attack, he was defended in the Senate by the late Senator Frank B. Willis, of Ohio. Senator Willis rose up in righteous wrath and declared that Harry Daugherty is as clean as a hound's tooth. But as it turned out, Mr. Daugherty had very dirty hands, and nobody knows just how dirty they were because the investigation of his official acts and possible prosecution sort of petered out after Daugherty was ousted from the Cabinet.

Under our laws, a man is presumed innocent until he is proven guilty. Mr. Johnson, Mr. Symington, Mr. Odlum, and any others who may be involved in this investigation are entitled to the traditional benefit of the doubt until and unless they are shown to be otherwise by the evidence. I shall reserve judgment and I commend a similar attitude to my colleagues.

Law-and-Order Enforcement in Navajo Reservation Critical

EXTENSION OF REMARKS

OF

HON. ANTONIO M. FERNANDEZ

OF NEW MEXICO

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 21, 1949

Mr. FERNANDEZ. Mr. Speaker, under leave heretofore obtained, I include with these remarks an editorial appearing in the Gallup Independent, a daily published in Gallup, N. Mex., which emphasizes the need for the provision contained in section 9 of the rehabilitation bill passed by the House on last Friday. We from New Mexico sincerely hope that the Senate and House conferees on the rehabilitation bill will agree on the adoption of that amendment. As I have heretofore pointed out, the people of New Mexico are more acutely concerned and alarmed at the conditions described in this editorial because of the fact that although only 3,437,115 acres of the total area of 15,444,952 acres is in New Mexico, we have in that State 26,268 of the total 55,458 Navajos in the reservation. The Navajo Council is in favor of this amendment which will make possible assistance and cooperation on the part of the State in the enforcement of law and order in the reservation. The editorial from the

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Gallup Independent of June 8, 1949, reads as follows:

NAVAJO RESERVATION BECOMING LAND OF LITTLE LAW AND NO ORDER

Last week the Navajo Law and Order Department was faced with four murders and suicides. The job kept the department busy night and day along with the time they spent in testifying in district court in cases involving Navajos living off the reservation. The law and order department now consists of one chief and eight Indian officers to preserve the peace over an area of 16,000,000 acres.

There is no law in the checkerboard country lying to the east of the Navajo Reservation. Until recently a law officer needed a surveyor and an agent from the land office to determine the status of the land on which the offense took place before he could take jurisdiction. Then the Indian police were pulled out. The Eightieth Congress passed an act before it adjourned which repealed parts of many acts. The United States attorney has ruled that under the blanket repealer an Indian Service officer is without official status outside reservation boundaries. It is questioned whether he even has a right to carry a gun. Off the reservation he has no more authority than any other citizen and can make arrests only after obtaining a warrant. Before he can make an arrest in the Indian checkerboard he must come to Gallup for a warrant while the offender against the law disappears into the hills.

Some whites have been boldly running liquor by the truckload into the reservation on pay days. Sam Akeah, chairman of the Navajo Tribal Council, tells of an Indian living near Farmington who has a regular delivery route for liquor and peddles the bottles from hogan to hogan to regular customers. A Navajo GI got a loan with which he purchased a pick-up. He used the truck to run liquor to the reservation, spreading the word by messenger where he will be and at what time.

A chief and eight men is an inadequate force to cope with the Navajo job. The fact they are also hampered by lack of communications when in the field also prevents what few officers there are from working efficiently.

This is not a criticism of the Navajo Service officers. A criticism would be out of order coming from Gallup because our own law enforcement problems are far from being solved. But the information is presented in hopes that some recognition will be given to the problem by those who fix the policies, and by those who furnish the money.

Proposed Amendments to the Federal Credit Union Act

EXTENSION OF REMARKS

OF

HON. WRIGHT PATMAN

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 21, 1949

Mr. PATMAN. Mr. Speaker, there is pending before the Banking and Currency Committee of the House a bill, H. R. 3201, which was introduced by me sometime ago, proposing certain amendments to the Federal Credit Union Act. Efforts are now being made to get early hearings and passage of this bill.

I have prepared and am inserting herewith in parallel columns the present law and the changes proposed in this bill. The statement is as follows:

PROPOSED AMENDMENTS TO THE FEDERAL CREDIT UNION ACT

PRESENT FORM	PROPOSED FORM BY H. R. 3201
1 Section 7:	1. Section 7:
"Powers: A Federal credit union shall have succession in its corporate name during its existence and shall have power—	"Powers: A Federal credit union shall have succession in its corporate name during its existence and shall have power—
• • • • •	• • • • •
"(5) To make loans with maturities not exceeding 2 years to its members for provident or productive purposes upon such terms and conditions as this chapter and the bylaws provide and as the credit committee may approve, at rates of interest not exceeding 1 percent per month on unpaid balances (inclusive of all charges incident to making the loan): *Provided*, That no loans to a director, officer, or member of a committee shall exceed the amount of his holdings in the Federal credit union as represented by shares thereof. • • •"	"(5) To make loans to its members for provident or productive purposes upon such terms and conditions as this chapter and the bylaws provide and as the credit committee may approve, at rates of interest not exceeding 1 percent per month on unpaid balances (inclusive of all charges incident to making the loan): *Provided*, That no loans to a director, officer, or member of a committee shall exceed the amount of his holdings in the Federal credit union as represented by shares thereof. • • •"
2. "(7) To invest its funds (a) in loans exclusively to members; (b) in obligations of the United States of America, or securities fully guaranteed as to principal and interest thereby; (c) in accordance with rules and regulations prescribed by the Governor, in loans to other credit unions in the total amount not exceeding 25 percent of its paid-in and unimpaired capital and surplus; (d) and in shares or accounts of Federal savings and loan associations."	2. "(7) To invest its funds (a) in loans exclusively to members; (b) in obligations of the United States of America, or securities fully guaranteed as to principal and interest thereby; (c) in accordance with rules and regulations prescribed by the Governor, in loans to other credit unions in the total amount not exceeding 25 percent of its paid-in and unimpaired capital and surplus; (d) in shares or accounts of Federal savings and loan associations; and (e) in shares of central credit unions."
3. Section 10:	3. Section 10:
"Members' meetings: The fiscal year of all Federal credit unions shall end December 31. The annual meeting of each Federal credit union shall be held at such time during the month of the following January and at such places as its bylaws shall prescribe. • • •"	"Members' meetings: The fiscal year of all Federal credit union shall end December 31. The annual meeting of each Federal credit union shall be held at such time during the following January, February, or March, and at such place, as its bylaws shall prescribe."
4. Section 11, subsection (d):	4. Section 11, subsection (d):
"No loan shall be made to any member which shall cause such member to become indebted to the Federal credit union in the aggregate, upon loans made to such member, in excess of $200 or 10 percent of the Federal credit union's paid-in and unimpaired capital and surplus, whichever is greater, or in excess of $300 unless such excess over $300 is adequately secured. • • •"	"No loan in excess of $500 shall be made without adequate security and no loan shall be made to any member which shall cause such member to become indebted to the Federal credit union in the aggregate, upon loans made to such member, in excess of $200 or 10 percent of the Federal credit union's paid-in and unimpaired capital and surplus, whichever is greater."
5. Section 12:	5. Section 12:
"Reserves. All entrance fees and fines provided by the bylaws and 20 percent of the net earnings of each year, before the declaration of any dividends, shall be set aside, subject to terms and conditions specified in the bylaws, as a reserve fund against possible bad loans."	"All entrance fees and fines provided by the bylaws and 20 percent of the net earnings of each year, before the declaration of any dividend, shall be set aside, subject to terms and conditions specified in the bylaws, as a reserve fund: *Provided, however*, That when the reserve fund thus established shall equal 10 percent of the total amount of members' shares on deposit, no further transfer to the reserve fund from net earnings shall be required except as needed to maintain this 10-percent ratio: *And provided further*, That no transfer to the reserve fund in excess of fees and fines and 20 percent of net earnings shall be required in any one year."

Communist Progress in China

EXTENSION OF REMARKS

OF

HON. F. EDWARD HÉBERT

OF LOUISIANA

IN THE HOUSE OF REPRESENTATIVES

Monday, July 18, 1949

Mr. HÉBERT. Mr. Speaker, under leave to extend my own remarks, I herewith submit to the attention of the House a radio interview which I had last evening with Gen. Claire L. Chennault, the famous commander of the Flying Tigers.

Anything that General Chennault has to say about China is always of interest and importance, especially during these times.

The text of the radio interview follows:

Representative HÉBERT. It gives me the greatest pleasure to introduce my old friend of many years and one of Louisiana's most distinguished sons and one of America's greatest war leaders, Gen. Claire Chennault. We all know the heroic story of Chennault and the Flying Tigers—how in the black days of 1941 when it seemed that nothing could halt the sweep of Japanese arms throughout Asia, General Chennault and his handful of American volunteer pilots met and stopped the invincible Japanese Air Force. This ac-

tion kept China in the war fighting on our side and saved India from conquest. Later in the war as commanding general of the Fourteenth Air Force, General Chennault drove the Japanese Air Force out of China and contributed decisively to the final defeat of Japan. A few months ago he published his book of war memoirs, Way of a Fighter, in which the whole story of these fighting years is set down.

General Chennault has lived and fought in China for 12 years. He knows personally most of the leaders of modern China and is probably the best-informed man in this country on what is happening there today. He has recently come back from China on a brief visit and has agreed to answer at this time some questions on what may be the most critical problem facing Americans today—the problem presented by the sweeping Communist victories in China. General Chennault has retired from the Army. He has no connection with either the United States or Chinese Governments, and in giving us his views he is speaking solely as a private citizen.

General Chennault, will you tell us how far, in your opinion, the Communists can go in their present drive toward South China?

General CHENNAULT. Congressman, that will depend on us as well as on the non-Communist Chinese. I am certain that the Communists will meet fierce resistance before they can take all China. But whether that resistance will be enough to stop them depends upon what we do. If we do nothing but wait for the dust to settle, then I think in the end the Communists will take all China, and after that I don't believe they can be stopped until they have swept through all of south Asia, India, the islands of the East Indies, and finally the Philippines, Formosa, and Japan.

Mr. HÉBERT. Supposing that the Communists do take all China and even all Asia—how would that affect us?

General CHENNAULT. Winston Churchill said some months ago that the Communist advance in China at that time was the worst defeat which the democracies have suffered since the end of World War II. Although he has rarely been charged with such an offense, I am convinced that Mr. Churchill is guilty of an understatement in this connection. In my opinion, if the Communists go on to conquer all Asia, that would be the greatest disaster in our national history and the greatest threat to our security that we Americans, and our allies, have ever faced.

From the military point of view alone this would mean that the inexhaustible manpower and natural resources of Asia would become incorporated into the world-wide Communist war machine. The result of this would be to upset drastically, in favor of world communism, the present precarious balance of power between the eastern and the western worlds that I firmly believe that we would be put in a position where we would have to fight a bitter third world war of survival and would have to fight it with the odds heavily against us.

This is just the military effect of such an event. The economic consequences would be just as serious. If all China is communized, we will be cut off from the essential raw materials of Asia. We would be denied access to Asiatic markets. The Communists will permit a carefully controlled trade with us. But it would have but one object, that is, to get the products of our industries which they need to strengthen their war machine and then one day to turn that war machine against us. Trade with Communist China will be exactly like our trade with imperialist Japan from 1931 to 1941. It was during this 10-year period that Japan exchanged her silk for our cotton, gasoline, and scrap iron, which were all used against us later.

Finally, with a Communist Asia we would also be confronted with the necessity of supporting the people of Japan—and the peoples of many more islands of the Pacific—or else watch them go Communist. Japan has to trade with Asia if it is to be self-supporting. Without this trade the Japanese people will starve, unless we step in to feed them at enormous cost to the American taxpayer. I don't think we can stand this cost, and so I believe that if Asia goes Communist, Japan and the Philippines and the other Pacific islands will sooner or later go Communist too.

Mr. HÉBERT. General, isn't that assuming that the Chinese Communists are just like the Russian Communists? Many people including some American businessmen in China and some very influential people in our Government feel that the Chinese Communists are different, that they are more nationalistic than Communist, and that when they come to power in China they will resist and oppose the Russians the way Tito has in Yugoslavia. Consequently these people say that we have nothing to fear from the Chinese Communists, that they will not bring all Asia into the Soviet orbit, and that we can work and do business with them on a friendly basis. What would you say to this point of view?

General CHENNAULT. I am quite familiar with that sort of wishful thinking, Congressman, but I don't see how anyone who reads the newspapers can be deceived by such arguments any longer. The final word on that has been said by the man in the best position to know what he is talking about—Mao Tsu Tung—the boss of the Chinese Communists. A few days ago Mao made a speech which should settle the matter once and for all. He said:

First, that he is a real Communist, and not a harmless democratic agrarian. Mao said, quote, "We belong to the anti-imperialist front headed by the U. S. S. R."

Secondly, that of course the Russians have been helping him conquer China, quote, "The victory of the Red revolution in China would have been impossible without the aid of the U. S. S. R."

Thirdly, that of course the government of Red China is a dictatorship. This government, he said "Was and for the immediate future would continue to be a dictatorship."

Fourthly, that as for the wishful thinking businessmen who have visions of great profits through trade with Red China, Communist China does not want their business or their profits. "We can only look for genuine friendly aid from the nonimperialist front and not from the imperialist front."

And, fifthly, that "Not only in China, but also in the world, without exception, one either leans to the side of imperialism or on the side of socialism. Neutrality is a camouflage."

Finally, in this same speech, Mao summed up his uncompromising hostility to the western world in these words: "You have to choose between the alternative of killing the tiger or being eaten by it."

It seems to me that Mao Tsu Tung himself has ended the argument. The brutal beating which the Communists in Shanghai have just given our vice consul, William Olive, shows that they are not just talking, and the reports coming in from Shanghai and other Communist-held cities make it clear that the American businessmen who have stayed behind there have already lost any hopes they may have had about the good business to be done with the Communists.

Mr. HÉBERT. General, there is a great deal of talk over here about a complete breakdown of China's morale and its will and capacity to resist. People say that the government is corrupt and has lost so much popular support that soon there will be no organized resistance to the Communists. Would you like to comment on this? In other words, is there anything we can do to save the situation or is it already too late?

General CHENNAULT. I believe, Congressman, that there is a great deal that we can do. There are still millions of Chinese who will resist conquest by the Communists, and we can see to it that their resistance is effective. There is no denying that the Chinese Government is in a desperate situation at this moment but it is still an organized, constitutional government. There are many reasons why the government is in distress at this time and it would take a long time to go into them all. Right now it is enough to say that what has happened is due not only to the weaknesses and faults of the Chinese Government but also to our own mistakes of past policy.

However, the important thing now is not the past but the future, and I say again that there is a great deal we can do. Of course, we can't do now what we could have done a year ago. We can't hope to get back for a long time what the Communists have already seized in China and Manchuria—but we can at least see that they are stopped and held from taking the remainder of Asia. We can make sure that a sanitary area is set up to hold them back and to keep them spreading into south Asia.

Mr. HÉBERT. How do you think this can be done?

General CHENNAULT. By giving limited help to the Chinese Government, to the leaders, and the peoples of the provinces along the western and southern borders of China. If you look at the map you will see that this area is a broad belt of mountain country running down from the barren deserts of central Asia to the South China Sea. It cuts off the rest of China from Burma, Thailand, French Indochina, and the other rich lands of south Asia. The people in this area are hardy mountaineers with a tradition of local independence and freedom. I have visited most of their leaders within the last 2 months and I know that they are ready and determined to resist conquest by the Communists. They live in high, rugged country which is easy to defend and difficult to conquer. There is no question about their will to resist but whether that resistance will be effective will depend upon whether we give them a minimum of military and economic support, and the encouragement and hope that our support will bring. If we give them the help they need they will defend their native provinces against all comers. These are the mountains which the Japanese could never conquer and the Communists can be kept out of them, too.

Mr. HÉBERT. So you feel, General, that by giving some assistance to these border provinces communism can be stopped in China?

General CHENNAULT. I believe that such help given now will be enough to halt the advance of the Communists and to give us a breathing space. It will establish a free area between Communist China and the troubled and chaotic regions of southeast Asia. It will hold back the Red tide which is now at its flood and threatening to engulf the entire continent.

But of course this immediate military solution to our immediate military problem is not the final answer to communism in Asia. It is merely the first step which we need to take in order to win for ourselves the time in which to find a final answer. The Communists will not be stopped permanently until the peoples of Asia can be shown that the democratic way to security and the good life is a better way than communism offers. It will take time and patient effort and support from all the democratic world to build up the free areas of Asia to where they will have the internal strength to resist communism permanently and in the

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long run to win away from communism, the people now under its sway.

In other words, it will take more than guns to stop communism permanently—it will take a long-range program of rehabilitation and development of the backward areas of free Asia—the sort of program President Truman spoke of under point 4 of his inaugural speech. The important thing is that these areas are under armed attack and their people need guns to defend their freedom and to win the time which they, and we, must have if we are to develop and put in operation any such long-range program.

Mr. HÉBERT. General, can you tell us how much the action you are recommending would cost? A lot of Americans are afraid to send aid to China because they feel we are already so heavily committed elsewhere in the world that we may be spreading ourselves too thin if we undertake further burdens in Asia.

General CHENNAULT. Within limits, Congressman, our assistance can cost about as much or as little as we want to spend. One thing to remember is that in the country I am talking about there are few roads or other means of transportation and communication. This puts a top limit on what you can spend. The only military assistance that these people can use, which will do them any good, are light arms that can be moved by hand or pack animal, rifles, machine guns, and ammunition. The economic aid they require now is also relatively small, consisting of such items as seeds, tools, fertilizer, and machinery.

Added to this must be the cost of transportation and American supervision. American supervision of any assistance we may give is absolutely essential. We owe it to ourselves and to the Chinese to make sure that every penny is spent wisely.

I think we can spend as much as half a billion dollars a year on this program and that it would be cheap at the price if we thereby stop communism in Asia. I also believe, however, that we can do the job on a bare, minimum basis for much less and that the entire cost of our assistance, both military and economic, could be kept as low as $200,000,000 a year, which is comparable to what it costs us to run the Berlin airlift just to keep part of a single city in Germany in our control. Considering all that we have at stake in Asia, $200,000,000 is a trifling investment in our national security.

In thinking about cost there is one other thing we must remember, and it is very important. If we can keep an area of free China, which includes Formosa, Hainan Island, and her western and southern provinces, we are keeping a supply ground for goods and raw materials with which the economy of Japan can be integrated and which will make her self-supporting. This will save the United States the choice either of supporting Japan indefinitely at terrible cost or of permitting it to go Communist.

The other day Congress was asked to appropriate $150,000,000 for Southern Korea—$150,000,000 for the southern tip of one peninsula in northern Asia. I have the deepest sympathy for the Koreans and I have no doubt that this expenditure is wise and necessary, but it will be obvious to anyone who looks at the map that spending this money in Korea will not help stop the Communists from overrunning Asia. And it will be equally obvious that unless the Communists can be stopped, this money and all that we have spent will be completely wasted and lost.

Before I finish I want to say just this: I am firmly convinced that by taking decisive action now we can, at relatively little cost, stop the Communists before they overwhelm all Asia. But the time left to us is very short. If we are to act, we must act now.

Mr. HÉBERT. Now, General, there is one question which I would like to ask you which would brighten the picture more clearly in the minds of the American people. It is the general conception that all China is becoming completely communistic controlled and it is just a question of days and hours when there will be no Nationalist Government in China. There is a prevalent opinion here that for all intent and purpose China is completely wiped out. Directly, give the picture for Americans to understand on the basis, by comparison, of an area in the United States as to that area which is still in the Nationalists hands? Will you draw the picture for Americans to understand as compared to the United States?

General CHENNAULT. There is a great deal more area in China and many more people outside of Communist control today than there was outside of Japanese control even during the year 1935, after 1 year of war with Japan. I estimate that an area considerably larger than one-half the size of the United States including more than 150,000,000 people who do not desire to be communized and will fight against communism in that area.

Mr. HÉBERT. There are more people under the Nationalist Government today than there are Americans in this country? I believe the American population figure goes around 140,000,000, and you say there are yet 150,000,000 Chinese under the Nationalist Government, which means more people than the population of the United States.

General CHENNAULT. That is right, Congressman; I have really underestimated the number of people outside of communistic control. There are more than 150,000,000 people outside of communistic control in China today and the land area is at least one-half the size of America today.

Mr. HÉBERT. Does that area now occupied and controlled by the Nationalist Government lend itself to adequate defense?

General CHENNAULT. It does. If you will look at the map you will find that there is a barrier, a northern barrier of desert and mountains; in fact, there are only two highways in this great zone. The Japanese Army which from 1938 to 1945 was considered to be one of the best in the world was unable to penetrate this great zone.

Mr. HÉBERT. What significance do you place on the meeting of Chiang Kai-shek with the President of the Philippines last week.

General CHENNAULT. I think their meeting had great significance. I think it was the first step in an effort to bind together the non-Communist area in China in resistance to the spread of communism in Asia.

Mr. HÉBERT. Then, specifically, do you believe in a Pacific pact similar to the Atlantic Pact as a weapon against communism. What kind of an alliance do you propose?

General CHENNAULT. I firmly believe that the pact should include both military and economic aid. As I have said before I don't believe military aid alone can stop the spread of communism. Resistance to communism should be built up from the grass-roots level and in order to do that we must build up the ways of living of the people themselves. Economic aid is most essential.

Mr. HÉBERT. Military and economic aid are very close to one another, they sort of work hand in glove.

General CHENNAULT. That is right, but they should be closely coordinated.

Mr. HÉBERT. How long, with the proper aid, do you think it would take the Nationalist Army to gain back that part of China they have lost.

General CHENNAULT. I do not recommend at this time that any effort be made to recapture those parts of China already lost to the Communists. In this zone that I have described can be set up as an area to prevent the further spread of communism. In this zone with economic aid we can raise the living standards of the people through their homes, so that there will be a greater contrast with the people themselves in the other areas that, within a short period of time, a period of 2 or 3 years, they will throw out the Communist leaders.

Mr. HÉBERT. That is a most important point and will clear up something in the minds of the American individuals which I don't think has been cleared up heretofore. I think the idea has been in the American mind that we mean to give the Nationalists armies and assist them to recapture the territories that have been lost. We would hold on to what we have and set up an example to those in the Communist part of China. You advocate no plan to recapture the great cities of Shanghai, Peiping, and Tsingtao from the Communists.

General CHENNAULT. That is exactly what I have in mind. I do not recommend that we try to gain back the enormous resources already lost. In order to maintain the great defense in China in the zone I have already described we should enable the Chinese themselves to defend their homes, to increase their way of living, to increase the production of their lands, to improve the breeding of their stock, and to encourage their communities and home industries so that their way of life will be so much better than that of the people under communistic control so that communism will fall because of the uprising of the people themselves and not by military means.

Mr. HÉBERT. Then any assistance from America would be for defensive and not offensive purposes.

General CHENNAULT. Yes, sir; it is to be considered offensive only that we would halt the further spread of communism by economic aid or military needs.

Mr. HÉBERT. Nobody knows more about China than you do, General, and let me thank you for coming here today to be with me. Before I close I have a personal message from Governor Jimmy Noe. I talked with Jimmy over the telephone this afternoon and told him you would be on with me today and he said to extend his very best wishes to you and Mrs. Chennault. You have been most kind and generous tonight, General Chennault, and I express to you my sincere thanks and gratitude.

Statement of Views of National Federation of Small Business

EXTENSION OF REMARKS

OF

HON. R. WALTER RIEHLMAN

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 21, 1949

Mr. RIEHLMAN. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following statement of the National Federation of Independent Business, Inc., George J. Burger, vice president, Washington, D. C.:

In individual signed ballots sent to their Congressmen this month, thousands of independent business and professional members of the National Federation of Independent Business have expressed definite views on five current legislative issues ranging from reduction of excise taxes to barring of Communists from Government office. This is revealed today in the federation's report on the results of its latest sounding of Nationwide independent business and professional opinion. The ballots have been forwarded directly to Members of Congress by federation district chairmen representing business and professional men in almost every congressional district in the Nation.

Here is the summary of independent business and professional opinion on these matters:

	For	Against	No vote
	Percent	*Percent*	*Percent*
1. H. R. 2100. Eliminate wartime excise tax rates	86	12	2
2. S. 776. No interest penalties on taxpayers who make honest mistakes in preparation of tax returns	81	13	6
3. H. J. Res. 120. Stop Communists from running for office in Government	92	6	2
4. Present Army policy of awarding prime defense contracts	25	67	8
5. H. Con. Res. 20. Congress investigate insurance companies	71	22	7

Overwhelming support was given in these ballots to the move in Congress for reduction of present high wartime excise tax rates on business goods and services. Eighty-six percent of the thousands of signed ballots called for favorable legislative action on House Resolution 2100, a bill sponsored in the lower House by Representative JOSEPH MARTIN, Republican, Massachusetts. This bill would lower excises on a long list of items including luggage, purses, handbags, theater and sports events admissions, photographic supplies, cabarets and roof gardens, telephone, telegraph, radio and cable messages, bowling alleys, billiard and pool tables, jewelry, furs, toilet preparations, electric light bulbs and tubes, and railroad and bus fares. In comments on their ballots federation members have charged that wartime excises help keep retail prices high, that they have kept consumers out of the market. They contend that a reduction in these taxes, by permitting a corresponding reduction in retail prices, will bring many consumers back into the market for the goods and services they need and desire. This, they say, will help stabilize business at a time when conditions are not quite stable.

A large majority of federation independent business and professional members called on their Congressmen to pass a bill that would protect taxpayers from unfair punitive Treasury Department action. In their thousands of signed ballots they insisted on favorable congressional action on Senate bill 776, a measure introduced in the upper House by Senator RAYMOND BALDWIN, Republican, Connecticut. This bill provides that taxpayers who make honest mistakes in the preparation of their tax returns shall not have to pay interest penalties for these errors. Federation members assert that preparation of tax returns today is such a complicated procedure that it defies, sometimes, even the skilled efforts of experts. They say that present punitive provisions of tax law are an unfair hazard for smaller business and professional people who must prepare their own returns.

Subversive influences in Government were raked over thoroughly by federation members, with 92 percent of the signed ballots demanding that Congress refuse registered members of the Communist Party the privilege of running for office. This overwhelming majority of independent business and professional opinion demanded that Congressmen approve House Joint Resolution 120, a bill sponsored in the lower House by Representative ROBERT SECREST, Democrat, Ohio. House Joint Resolution 120 would make it unlawful for members of the Communist Party to be candidates for elective Federal office. The bill would also provide for immediate deportation of aliens found to be members of the Communist Party.

Sixty-seven percent of these independent business and professional people called on their Congressmen to force changes in certain Army procurement policies to give small business a fairer share of the multibillion national defense orders. The thousands of individual signed ballots sent to Congress in effect severely criticized the present reported Army practice of using statistical service financial reports as an important norm for determining defense contract placement. Federation member balloting on this issue is in line with the stand taken on the House floor by Representative FRED CRAWFORD, Republican, Michigan, when he declared that the Army policy, which consists of awarding no prime defense contracts to firms with under $1,500,000 in assets, represents poor utilization of our existing manufacturing potential. Mr. CRAWFORD sharply questioned the practice on grounds that it might add tremendously to our national defense budget by forcing additional Government subsidies to giant firms for expansion of their facilities at a time when so much smaller factory potential is not being used. The federation vote constitutes approval of the position taken on the House floor by Representative WRIGHT PATMAN, Democrat, Texas, who has indicated that the situation is so serious that it is one of the major subjects before his House Small Business Committee.

A majority of federation members called on Congress to determine the extent to which insurance companies are complying with Federal antitrust laws. This they did in their favorable vote on House Concurrent Resolution 20, a bill sponsored in the lower House by Representative EMANUEL CELLER, Democrat, New York. House Concurrent Resolution 20 provides for an investigation of the life-insurance industry with particular regard to the applicable antitrust laws and to the extent to which the operations of the industry comply with these laws. In repeated Nation-wide signed ballots, federation members have insisted that Federal antitrust laws be applied forcefully and impartially to all segments of our economy, including business and labor and consumer cooperative organizations. Federation members have indicated repeatedly their belief that the Federal antitrust laws are the most certain guardians of freedom of opportunity and continued democracy in our Nation. Seventy-one percent of the balloting federation members approved action on this bill; 22 percent voted against it; 7 percent voiced no opinion on the issue.

The National Federation of Independent Business, Inc., is a nonprofit organization of independent business and professional people Nation-wide. It has the largest membership of any organization covering all vocations of business and professional effort in the United States. It is the only such organization supported entirely by small business and professional people in the Nation. Ballots sent to Congress this month are from the latest of the federation's regular soundings of business and professional sentiment on national legislative issues of prominence and vital interest to the business and professional community.

Marshall Plan Fund

EXTENSION OF REMARKS
OF
HON. THOMAS J. LANE
OF MASSACHUSETTS
IN THE HOUSE OF REPRESENTATIVES
Thursday, July 21, 1949

Mr. LANE. Mr. Speaker, under leave to extend my remarks, I wish to include the following recent editorial from the Daily Evening Item, Lynn, Mass.:

WRECKING MARSHALL PLAN

The $3,778,000,000 Marshall-plan fund approved by the Senate Appropriations Committee should bear the title "United States farm-relief bill."

It deserves this label because of a secret proviso earmarking an estimated $1,500,000,000 exclusively for purchase of American surplus farm products to be dumped in European countries.

Reporters unearthed the clause after the committee avoided any mention of it in announcing its recommendations.

How did the earmarking feature get into the bill?

During the committee hearings on Economic Cooperation Administration funds, Senator WHERRY, of Nebraska, Republican floor leader, asked Paul Hoffman, head of ECA, to furnish estimates of the surplus farm commodities each ECA nation would need in the current year. It was a hostile challenge, for the Nebraskan didn't think it would be met.

Reporters said WHERRY appeared surprised when Hoffman produced the figures some time later. They gained the impression that many Senators promptly lost interest in cutting ECA funds sharply after they learned how much of their home-area farm production would likely go into the program.

But ECA never intended to stick rigidly to the estimates, either for particular commodities or particular countries. They were simply offered as a rough guide to committee action.

The effect of the secret clause is now to freeze these estimates into rigid legal requirements. It would mean ECA must buy surplus farm products in the estimated amounts or not use the money at all. In other words, it could not be transferred for other useful purchases.

Britain, for example, would get $200,000,000 worth of cotton under the estimates. Optimistic forecasts of textile exports lay behind the figures. If the export market should contract severely, Britain would have either to take cotton it doesn't need, take some other farm commodities it has no use for, or do entirely without part of the money allotted to it.

This provision is thus a cruel twist of the aims of the Marshall plan. That program is directed toward getting Europe back on its feet economically, not toward providing a handy dumping ground for products America can't sell at home.

The clause represents a disheartening display of national and regional selfishness by the committee at the very moment high-minded statesmanship is most urgently desired.

The current British dollar crisis symbolizes the deep-seated difficulties the Marshall plan seeks to solve. Sincere doubts have recently been raised as to the plan's effectiveness. All the wisdom we can muster is needed to attack the problem of western Europe's future economic course.

But this attempt to distort the plan into a farm relief program stems from no reasonable doubt. It reflects no regard at all for legitimate Marshall plan objectives.

Hoffman believes the secret clause would wreck ECA overnight. He says that sticking to rigid earmarking of funds might well waste hundreds of millions of dollars.

If this feature should become law, Hoffman and his whole ECA crew could be forgiven for resigning in a body. Certainly the Senate would merit a severe shock for bowing to narrow nationalism in the face of compelling international responsibilities.

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Address of Hon. Jay LeFevre

EXTENSION OF REMARKS
OF
HON. W. STERLING COLE
OF NEW YORK
IN THE HOUSE OF REPRESENTATIVES

Thursday, July 21, 1949

Mr. COLE of New York. Mr. Speaker, for nearly a hundred years, the Republican Party has been a powerful factor in the development of this great country. During most of that period, our Government has been guided by the principles of that party administered by its members. The principles of the Republican Party have been fundamental and basic in the preservation of human liberty, the encouragement of individual opportunity and the development of a government financially sound and impartially administered to all classes of people.

Recently, the Republicans of Ulster County, N. Y., held their annual convention at Kingston, N. Y., and it is my pleasure to offer for your consideration the following excellent address delivered at that time by our colleague, the Honorable JAY LEFEVRE:

Mr. Chairman, honored guests, and fellow Republicans, as an underprivileged Member of the Eighty-first Congress, I am happy to be back home. It was very fine of Art Wicks to invite me to attend your meeting. County conventions are much more important than most people believe. It is here where rock-ribbed Americanism stays put. I make this statement not only from an appreciative but also from a selfish standpoint. At this convention our party candidates are selected. The voters have favored our selections of committee candidates as evidenced by the past elections. You show me a county with elected Republican county officials and I will show you a Republican district. Whenever we lose our county Republican officers, we are liable to lose our Republican district and Republican State officials. No house is any stronger than its foundation and in our area the foundation is our elected Republican home officials. These same officials are the ones who come in daily contact with our local citizens. They can make or break us. If we elect good Republican officials, I am not worried about electing Republican State officials and from a selfish standpoint, incidentally, a Republican Congressman.

Having just arrived from Washington, I am not too familiar with the program you have before you today. I know there are some important county candidates to nominate and from all accounts, I know the usual high calibered, responsible men will be selected.

I think it is most fortunate that this convention comes shortly after the President made his midyear economic report to Congress on Monday, July 11. Editorials following his message in Washington were headed something along these lines, "Harry sees the light—late," but let us not be ensnared or befuddled in believing that the President has given up his Fair Deal program. If I can read between the lines, there is still the threat of the Government going in business. They say this decision, on his part, is better late than never and, therefore, we were all happy when the President finally admitted that we are in a period of deflation. Up until last Monday morning, however, the theme song at the White House has been—that inflation was the real menace. The Republican position has been, what any schoolboy could see, a recession was in course. The Republicans have been urging the elimination of tax deterrents in order to stabilize business and insure jobs and pay rolls. Mr. Truman only acts after a fellow loses his job and pay rolls are down. Up to very recently, the President has insisted on higher taxes, plus stand-by powers to restore rationing and price controls, and other police-state nuisances that we had during the war. We all remember them and we don't want them back. Now the President tries to bow out gracefully and say good-by to all that.

Let's not be fooled. He has not changed fundamentally. In his message he failed to liberalize excise taxes. Oh, yes, he suggested taking off the 3-percent transportation tax on goods—but what about the 15-percent transportation tax on passenger tickets which is an added burden to the salesmen who should be scurrying abound the country to sell those goods. Not a word was said about JOE MARTIN'S bill which would help all of us—putting wartime excise taxes back to prewar 1941 rates. Such a tax cut would encourage business; such a tax cut would help the three-million-odd unemployed find jobs and, I believe, would help increase Federal revenues. Every man and woman here today would like to see the electric-light bulbs which we use in our homes have the present tax cut from 20 to 5 percent, luggage from 20 to 10 percent, general admissions to entertainment cut from 20 to 10 percent, toilet goods cut from 20 to 10 percent, telegraph messages from 25 to 10 percent, telephone calls, local, from 15 to 6 percent and long-distance calls from 25 to 15 percent. Many other items such as jewelry, cameras, films, and furs are included in this tax-cut bill. And don't let us New York citizens forget that every time $18 of your tax money goes to Washington, our State receives approximately $1 in return benefits. The first duty of Government today is to reverse the tide of business recession. These excise taxes are slowing down business and creating unemployment.

I am sure you will agree with me that his 6,000-word message was optimistic and for this we should be grateful. As a small-business man, however, I must say that it irks me when he piously states that businessmen must be courageous, lower prices and maintain wages on the theory that there will be an increased turn-over in the volume of business and in the same breath makes no reference in his message to reduce the high cost of Government. On the contrary, the President says that the Government must go on spending at the present rate. Remember we have a national debt of $252,000,000,000. On June 30 we had a deficit for fiscal year 1949 of $1,800,000,000, and it has been estimated for fiscal year 1950 we will be in the red anywhere from three and one-half to five billions due largely to commitments made.

The administration faces deficit spending without a qualm. When Mr. Truman estimated our deficit for this year being between $750,000,000 and $800,000,000, he surely was misinformed—he missed it by better than 50 percent. Selling bonds to take care of deficit spending isn't going to be too easy either, especially during peacetimes. The money will have to be raised on the faith of the people in their Government. When our Government elects the easy course and shuns the desirability of expenditure retrenchment on many items that could be lopped off—faith weakens. Businessmen and housewives would quickly curtail and not go on borrowing under similar conditions. Why does Government have to be so unrealistic? I would just like to make a little prediction right here and that is that next year this same administration will be for reducing the excise taxes and come forward with some other political bromides in order to line up a few more votes.

Speaking of votes, I feel forced to say a little about the National Labor Relations Act, improperly called Taft-Hartley. Regardless of the terrible Eightieth Congress the Eighty-first, having a Democratic majority, has failed to repeal the National Labor Relations Act. Republican Congressmen with some Democratic support made an outstanding effort to maintain the best features of the Taft-Hartley Act in order to produce a fair code, so management and labor would be afforded a basis of adjusting their differences. The Republicans tried to achieve a code that would bring enduring stability for both the worker and the employer. Instead of giving his cooperation to meet this end, Mr. Truman has been conniving with certain labor leaders who have promised him political support and has blocked in every way a revision of the labor law. He is unwilling to repel the union demands—the right of the Government, on behalf of the people, to apply an injunction against strikes which vitally affect the public interest. Mr. Truman seems to think that it is politically beneficial to him to have the Taft-Hartley law made an issue in the 1950 campaign. He thinks that by holding off any revision of the act until then he can keep the strength of the labor leaders and thus help swing the election. I think I know the attitude of the average workingman pretty well and the day when the labor leader can pull him around by the nose is past.

My friends, Mr. Truman has not given up his socialistic plans. He is merely soft-pedaling now to make some bids to business. He believes in giving selective aid to specific segments of our population and priming the pump where it will do the most good for him. This is one of my main reasons for opposing the Federal public housing bill. I have stood for progressive legislation where that legislation will benefit the greatest number. Legislation which might possibly benefit two people out of every 1,000 is far from equitable. About all we will get will be a splinter from the Federal housing bill.

Our people cannot afford the Truman spending spree. Today the average American family is paying more than $100 a month in Federal and local taxes—a burden which is depriving many homes of their basic necessities. To keep our leading place among nations we must keep America the financial citadel of the world, or all of our efforts abroad and here at home will be lost. Let's continue electing Republicans right here in this county and our day in restoring efficient management in government in Washington is bound to come.

The Late Van Bittner

EXTENSION OF REMARKS
OF
HON. AUGUSTINE B. KELLEY
OF PENNSYLVANIA
IN THE HOUSE OF REPRESENTATIVES

Thursday, July 21, 1949

Mr. KELLEY. Mr. Speaker, the Nation has suffered an appalling loss in the premature death of Van A. Bittner, vice president of the United Steelworkers of America. His entire life was devoted to the cause of labor, and in his going we have lost a man wise and experienced in that field, a person who was always a credit to the cause he served.

I knew Van Bittner well, and many members of his family live in my community. He should have had many productive years before him, but with the strains and stresses of his unrelenting

activity in organizing labor groups, it is not difficult for me to see that the physical toll of his work had shortened his life.

It is with real regret and a keen sense of loss that his many thousands of friends mourn the passing of Van Bittner. The sympathy of all of those friends goes out to Mrs. Bittner and his family at this time.

Kaufman Should Be Impeached

EXTENSION OF REMARKS
OF
HON. LAWRENCE H. SMITH
OF WISCONSIN
IN THE HOUSE OF REPRESENTATIVES
Thursday, July 21, 1949

Mr. SMITH of Wisconsin. Mr. Speaker, under leave to extend my remarks, I am including an article by Westbrook Pegler which appeared in the Washington Times-Herald on Saturday, July 16:

FAIR ENOUGH

(By Westbrook Pegler)

Many rulings by Judge Samuel H. Kaufman in the Alger Hiss trial were favorable to the defense and to the Roosevelt cabal and the Roosevelt myth.

Whatever his reason, I would say he saved Felix Frankfurter from demolition when he curtailed the cross-examination of Old Weenie by Thomas F. Murphy for the Government. Murphy thereby was forbidden to bring up the names of Communists and fellow travelers in the Government and put these people right in Weenie's lap.

For years Frankfurter had been getting away with a clever little scheme to pack the Government of the United States with people of a mind and politics agreeable to his own.

In fact, in this very court one of the few intelligible statements that could be dredged out of his evasive replies to Murphy was an unwise boast that he had been consulted by private and official employers far and wide on the selection of trustworthy help.

Alger Hiss had been one of those, but you would have to divine that because Felix did not say so flatly in his testimony. Although Frankfurter brashly rushed in, showing off as always, to give Hiss a good character, he stalled and filled in and, in total effect, was not clever but clumsy.

There is no use of his pretending that his evasiveness was not intentional because he would readily admit that he is a man of superior intelligence and skillful in the use of language. When a man of such gifts resorts to double talk and chews up masses of words he is hiding out.

An elderly magnate of our economy told me years ago that when he and Felix were serving in the peace conference in Paris at the close of the First War, Frankfurter remarked that a smart fellow with determination and energy could control the Government of the United States by causing the appointment of individuals to key positions.

I doubt that he would permit me to name him because his company already has been put through one exhaustive and expensive investigation and an antitrust prosecution because of some resistance to the grafting rapacity of a member of the royal set early in the New Deal.

But I call your attention again to the spotting of Frankfurter men in the Government—Nathan Witt as secretary of the Labor Relations Board during the riots and the raids of the CIO's dragoons on whole communities of men; Henry L. Stimson in the War Department; and now, Frankfurter's intimate friend and his mouthpiece of record, Dean Acheson, in the Office of Secretary of State, the Department in which Hiss formerly served and where he is alleged to have filched secret papers for transmission to Russia through an apparatus of traitor and other spies. And all the while David K. Niles in the White House.

The deflation of this gas bag has been one profitable result of this trial, and Thomas F. Murphy deserves honor for that eminent public service, the more so in view of the fact that he did it with two strikes on him and was not permitted to take Felix down the list of his appointees and protégés.

Incidentally, Mr. Murphy's attack on Alger Hiss in his summation must have given him a personal satisfaction above and beyond his professional pride of artistry because Hiss had digged him dirty by faulting his grammar during the cross-examination, and Murphy's neck had lit up like a neon sign on a gay saloon.

Murphy had said "had ran" or something like that and Hiss, icily, had replied, "had run."

"Are you correcting me?" Murphy inquired. "No," Hiss said, "I am testifying."

To be sure, to be sure, Frankfurter was not the defendant, was not on trial in this case. But are we so sure, after all?

He certainly did put his own character up for inspection when he presumed to stake the power of his name and the prestige of the Supreme Court, such as it may be after the vicissitudes and degradations of the Roosevelt years, on Hiss' case. And the curtailment of the examination lest Felix be forced to admit relationships with Communists and persons merely questionable left the details still behind a rather transparent but substantial curtain.

Many of us know what is behind the veil, but revelation of this stuff bit by bit is less convincing to the public than a dramatic exposé of all of it at once in court would have been.

So, although Murphy did take him down appreciably and send him away wilted, Frankfurter survives.

A layman would resist the temptation to believe that Judge Kaufman was biased, whether consciously or no, but for the fact that so very many lawyers have given us ignoramuses aid and comfort in our opinions.

I do not recall any case in the past in which the lawyers did not put themselves on the side of the judge and the court and deplore the instinctive but erroneous judgments of the people.

But in this case, many lawyers have spoken out in criticism of Judge Kaufman's rulings and one publication, the Lackawanna Jurist, of Scranton, Pa., carries an editorial condemning Frankfurter's conduct as "inexcusably thoughtless or wanton disregard" of his exalted office.

It gives Frankfurter and Justice Stanley Reed, who also left the bench and took the stand for Hiss, a terrible going over and concludes with the observation that "this is clearly a case of condemnation and reprimand."

The Cold War

EXTENSION OF REMARKS
OF
HON. THOR C. TOLLEFSON
OF WASHINGTON
IN THE HOUSE OF REPRESENTATIVES
Thursday, July 21, 1949

Mr. TOLLEFSON. Mr. Speaker, under leave to extend my remarks in the Appendix of the RECORD, I include therein the following thought-provoking article written by a constituent, Mr. Archie Carter, and appearing in the Tacoma Times:

READER OUTLINES COMMIE COLD WAR PROGRESS; SAYS DEPRESSION NEXT ON AGENDA

EDITOR, THE TIMES:

The last week of February marked the third anniversary of the declaration of war on the United States inside its borders. Yes, I said war, not just cold war. For while it is Russia's intention to avoid a shooting war with this country until the United States is sufficiently weakened, it is war—just like the phony war Hitler carried on until he was ready to move in for the kill.

And the phrase was used, "inside the United States," since it was the last week of February and the first week of March 1946, that the United States Communist Party officially adopted its program, and had everything in readiness to announce it to all the Communist locals in the United States. However, this program had been in the process of planning for some time, as are all wars, and one cannot determine as to just when the Kremlin set its world campaign in motion.

Events indicate that some 3 or 4 months prior, the European Communists had been given their orders. But war was officially adopted as party policy just 3 years ago this week. Unfortunately, too many people are not yet ready to acknowledge that fact.

It almost seems as though no one wanted to learn that there is a plan to this war. It didn't, like Topsy, just grow. It is planned just as ruthlessly and heartlessly, and as thoroughly as any of Hitler's seeming mad escapades. A detailed report of the plans was made to every Communist local in the United States the early part of March 1946. And so the cold, hard words of an actual war to the death between the United States and Russia was outlined in detail.

That for the first 5 to 7 years this war was to be economic—a process of economic strangulation—makes it all the more necessary that we understand the plan and the timetable of aggression. While Russia wishes to avoid a shooting war on a major scale, it was only during this period while she was getting her stock pile of atom bombs ready. When she felt she was strong enough to make the move, the first surprise attack with her atom bomb, then an actual war would come.

We cannot consider ourselves at peace. And, least of all can we consider our present national budget as a peacetime budget. It is a war budget, even though it is at present an economic war budget. We need to review the Russian plans for war, and assess the extent of her success, so that we can take an intelligent view of our budgetary needs, and understand how close we stand to having already lost this war.

The plenium, as the Communists call their party councils, apart from their conventions, was attended by representatives of all the Communist parties of South and Central America, Mexico, Cuba, and various European nations.

Foreign representatives ridiculed the Communist Party in the United States as being the weakest and most ineffective politically of all, save those in Canada and Great Britain. In all European countries where they were not strong enough to win actual power, the Communists were strong enough to break any government by strikes or otherwise, in case any of them attempted to join a war against the Russians.

Communist deputies held seats in Cuba, and in several Central and South American countries even though under other names. In the United States there has been a Senator elected who has been a party member for some 15 or more years. But perhaps, the organizer reported, there may be those who

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might be surprised that American Communists had more power than credited, and could demonstrate that they could turn a few tricks.

By common agreement, Communist parties were placed under strict orders not to initiate or engage in any independent moves which would interfere with the Kremlin timetable. Not even to launch political campaigns until such time as it was decided by those who must necessarily guide such a program to completion.

They must remain inactive, specifically in certain South American countries, even though it led to their disintegration, so as not to arouse United States opposition. In many cases it would be necessary for party members to go underground. When the time was ripe for their part, they would be given ample reinforcements.

The United States was to be brought under Communist domination or reduced to the status of a third-rate world power, while Russia became the world's dominant power.

The time schedule might be accomplished in 5 years.

Or if there were minor setbacks, it might take seven.

Chief ally was to be a depression in the United States, which always came after every war. But the efforts of the American Communists were to be concentrated in efforts to quicken its coming by aiding inflationary moves, and repeated well-timed strikes which would aid the depression.

A depression in the United States would automatically lead to a depression in all Latin American countries, and our potential allies in Europe. The United States would be so isolated that her people would have neither the will, the ability, nor the allies to inaugurate or carry on even a defensive war.

The order forbidding any independent action was necessary since the time table was divided into three parts. First called for gaining and consolidating power in Europe. Second phase was the gaining of power in the Orient. Third and final phase would be renewed activity in Mexico and Central and South America so as to shut us off from our final sources of raw material, and make certain we could not effectively wage either offensive or defensive war.

It is a coolly calculated job of economic strangulation. However, no party member was to be afraid of coming afoul of the United States law charging conspiracy to overthrow the Government by force. In no modern state, where there are modern police facilities, could revolutions be planned or carried out. But members must be prepared to take part in economic movements, designed to cripple the anti-Russian campaign.

So, statements made by Communist Party members that they are not members of a revolutionary party (in the United States) are half true. Revolutions are reserved to weak countries. But the party is in no sense independent. There is no will to be independent.

Now the Kremlin time table is about half over. How far have they accomplished their plan? Can they complete their economic encirclement? Can we defeat their plan?

The Russians will probably have the atom bomb by 1952, and possibly in quantity sufficient to make an adequate surprise attack. Professor Urie and Dr. Bradley made this adequately clear on Town Meeting of the Air recently. Further, the new underwater bombs are found to be far more destructive, and could be planted in major ports by submarine, in the development of which the Russians have been in the forefront. There can be no doubt that Russia will have the atom bomb on schedule, and could plant it where it might do the most damage.

That job would be more effective if we were cut off from allies, and raw materials. So what about this economic strangulation business?

Our State and military departments seem to have forgotten there is such a thing as geopolitics. So let us recall a little history.

On September 1, 1939, Hitler marched into Poland. I can remember some discussion which took place that day. Almost all concerned were sure that America could avoid war.

This writer disagreed, pointing out that the war would not come from Europe, but from the Pacific.

It would come because my observation of the moves of the Rome-Berlin-Tokyo powers indicated they followed certain theories marked out by geopolitics. Japan would strike when she was ready to take the Philippines away from us. And when she did, Japan would be able to shut off our basic raw materials of rubber, tin, and kindred items from the Orient, so that our entire industrial machine might be crippled, and we would face defeat as a result.

Perphaps if the Japanese strategists had proceeded to take over Malaya, Borneo, Java, Indochina and the remainder of China without attacking Pearl Harbor, our isolationist element would have kept us out of war. We might have suffered tire rationing and not made any effort to aid in the defeat of Hitler in Europe. But we would have been reduced to a third rate economic power, ready for a final Hitler-Japanese attack.

Russian cold war strategy has produced almost the desired situation in the Pacific today. There are strong Communist-sponsored revolutions in all oriental countries with the exception of the Philippines and India. It is not necessary that Communist governments be successful in the next few years. It is only necessary that these governments be able to keep the United States from securing raw materials, or bases, or allies when she decides to attack.

The failure of the State Department and our military department to permit adequate support for some nationalist government has been the equivalent of accepting the Pearl Harbor of the world war III with no countermove. In the Orient the timetable is surely on schedule. We have no allies there. Officers in Japan and Korea evidently believe we intend to withdraw from there shortly, or would make no attempt to defend them.

The European stalemate is not serious for the Communists. Their internal strength in any country has not been broken. They could paralyze all Europe except Britain in any crisis. We have few friends left, after the purges, in eastern Europe.

There are indications that Mexican Communists are to begin active anti-United States operations within the next year. The only item not on schedule is the next depression in the United States.

Keeping that depression from turning the corner becomes the most important thing to require the attention of every American citizen.

ARCHIE CARTER.

TACOMA.

Arms and Pump Priming

EXTENSION OF REMARKS

OF

HON. ROBERT F. RICH

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 21, 1949

Mr. RICH. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following editorial from the Bristol (Pa.) Courier of July 19, 1949:

ARMS AND PUMP PRIMING

Is the arms end of the Atlantic Pact, in which we are to be called upon to furnish weapons to our partners in this treaty for the next 20 years, simply another of the ingenious pump-priming boondoggles which the New Dealers have been so prolific in inventing?

It's a little too early to say whether this is the main reason for the almost hysterical support for the arms program displayed by Washington's "brain trusters."

But it certainly isn't too early to look into the way the plan adapts itself to freewheeling spending programs by the Federal Government.

And the planners at Washington badly need some new excuse for supercolossal spending programs. They've used up their old ones.

Think it over. The feed-Europe business is about done for. Europe is tired of being the dumping ground for our surplus crops—and fretful over being asked to look pleased at getting foodstuffs she doesn't want and doesn't know what to do with. Moreover, that's the spending scheme which backfired so badly in 1946. It sent prices skyrocketing, and created artificial scarcities in the midst of bumper crops—and the housewives got mad and voted Republican majorities into control of both Houses of Congress.

The get-tough policy with Russia created an excuse for fifteen to twenty billion dollars extra spending by Uncle Sam, some of it for rebuilding our own military resources (thrown away at the end of the war) and some of it for pumping vast sums into such obscure corners as Greece and Korea.

That immense spending created the strictly artificial prosperity which lived barely through the Presidential elections last year. It ran its course about last Christmas.

Yet from the point of view of the New Deal brain trusters in Washington, it's all a case of "spend or perish." They are converts to an economic philosophy which is somewhat like the conditions in that mysterious land described in Alice Through the Looking Glass—the one where you must run fast as you can just to stand still.

We have been plunged into a rat-race economy, where the only way the experts have figured how to avoid the impact of our national debt, the biggest in all history, is to pump new Government money into circulation faster than the old supply dries up.

Read President Truman's recent address again, and note his constant emphasis on "expansion." That alone is almost enough to be a tip off on how completely he is sold on the Keynesian ever-expanding theories.

But where to spend?

There was a day, some 15 years ago, when Federal spending of a couple of billions extra represented a lot. At that time it primed the pump for about a year and a half. Today it would be only a drop in the bucket. This ever-expanding business means that some 10 to 20 times that much must be spent, according to the Washington calculations, during the coming year—and still more each year thereafter. This is over and above the regular national budget, which itself is four times bigger than it ever was in the spendingest prewar year of the New Deal.

The New Dealers have poured out extra billions in many fields since the war. They have poured out in veterans' benefits, in housing schemes, and in a host of other ways. But this has been, in the Biblical phrase, like water spilled on sand—it has disappeared, with no visible effect on the national economy.

Something infinitely bigger is in order. Something comparable, let us say, with the public-medicine and cradle-to-grave boondoggles in England, where the Socialists are trying to cure bankruptcy by bigger and better spending programs.

The Marshall plan has been a disappointment to the spending boys. Its food-dumping provisions are in hot water in Europe, and in the United States as well. It has financed a good deal of heavy machinery and production-line equipment, most of it to set up direct competition abroad with America's own workers—and this is backfiring.

It has given away a good deal of material without making anyone happy. The Americans who made these articles for sale are faced with the need for paying the purchase price out of high taxes. The foreign recipients are disturbed because they are beginning to see they will never get rich sitting around letting us give them the things they could be manufacturing for themselves.

The world is getting hungry for peace. The war-scare is a dog that may not be going to hunt much longer. Also, the present trend of the Marshall plan is to plunge the world into a gigantic and vicious trade war.

Is the arms-give-away program just the answer to the prayers of the many schemers who can visualize nothing but more spending as cure for the ills which too much past spending has brought upon us?

Consider how this plan is to work.

Congress will authorize the President and the brass hats to give away, to our cosigners in the Atlantic Pact, "surplus" war equipment up to a certain valuation. The ceiling now being discussed, for the first year, is a little over a billion dollars.

But neither the ceiling, nor the requirement that the weapons be "surplus," really means a thing. Anything in the military line which the brain trusters want to give away can always be described as either "surplus" or "obsolete"—certainly during times of peace. And as to value, who can question the figure set upon it by the "experts"? A bomber that cost $100,000, and would cost $150,000 to replace can be called obsolete and valued at 30 cents—and who can raise objection?

There has been a move to compromise the fight in Congress over the arms program by whittling down the "ceiling"—cutting it from its present level of $1,100,000,000 to a much smaller figure; possibly the $200,000,000 suggested by Senator DULLES.

This is purely shadow-boxing. It means nothing. The War Department could give away precisely the same list of weapons under both ceilings—merely devaluing them more for the smaller sum.

War equipment is the neatest give-away prize found yet. There is no limit to the amount which our foreign "friends" will accept—especially those who have private war schemes of their own up their sleeves.

But for that matter, these Socialist governments, which we have been financing with our taxes since the war, are many of them only one jump ahead of revolutions at the hands of their citizens.

That's one of the interesting phases of the arms program.

Freedom-loving Americans, having financed these Socialistic potential dictatorships, now are being asked to arm them. And in several cases, the main reason the governments want the arms is to be protected from their own semienslaved citizens.

The arms gifts compete with no local industries in the recipient countries. These domestic industries are trying frantically to get themselves into position to export regular civilian products—largely in direct competition with our own mills and factories.

Consider the possibilities. Once we sign up—and when we do we can't back out for 20 years—and once the arms program is authorized, no limit to the extent to which our Government might go in arming these foreign countries. Weapons which we declare to be obsolete, and send to them, might in a year or so be determined to be obsolete in the hands of their new owners, and, therefore, subject to replacement.

Now, here is the joker:

Regardless of whether the weapons and military equipment we give away are called surplus or obsolete, once it is gone there will be an immediate drive to replace it.

That's where the spending comes in. Competent observers in Washington say that the first year's give-away program, regardless of whether the congressional ceiling on it is a billion and a third, or less than a quarter of a billion—that the 1-year's give-away of arms as apparently already blueprinted will call for replacements in the sum of about $10,000,000,000.

Do you see how it can work? The more that we give away, on the theory that we don't need it ourselves, the more we will have to spend replacing it, on the theory that we can't afford to do without it.

Here is the making of a boondoggle of bigger proportions than anything else ever conceived by the master minds at Washington.

And it is fantastic to hope that such vast quantities of war-making devices should be poured out in such a fashion, without some reckless nation somewhere starting a war to use it.

Almost inevitably, sooner or later, we will be dragged in, and presently find our own sons and brothers, fathers and husbands, being shot down with these given-away American weapons.

Veterans' Housing

EXTENSION OF REMARKS

OF

HON. THOR C. TOLLEFSON

OF WASHINGTON

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 21, 1949

Mr. TOLLEFSON. Mr. Speaker, Collier's magazine for July 23, 1949, carried an article by Frank D. Morris entitled "Our Shameful Record in Veterans' Housing," which I recommend for reading to those persons opposed to the recent public-housing legislation. This article follows another one written 2 weeks earlier by Senator PAUL DOUGLAS entitled "Democracy Can't Live in These Houses."

Collier's editorially commented on both articles, and I include herewith an excerpt from that editorial which should help to allay some of the fears expressed concerning public housing:

Senator PAUL H. DOUGLAS told Collier's readers about Congress' start on nonveteran slum clearance in Democracy Can't Live in These Houses, which appeared 2 weeks ago. He pointed out that if private business could put up decent low-cost houses profitably it almost certainly would have done so. But that isn't possible. The only complete solution is to do the job with public funds—most of them from the Federal Treasury.

One reason why the job has been put off for so long is that a lot of Congressmen have shied away from the very mention of public housing as if the subject were mined and booby-trapped. It's the beginning of the end of the free-enterprise system, they moan.

How come? Government isn't competing with private business when it takes on a job that business can't touch without losing money. And far from hurting private business, a big public-housing program should give it a tremendous boost.

You don't buy a vacuum sweeper when you live in a Quonset hut that can be swept with a broom. You don't buy a refrigerator or a stove when you're doubled up with your in-laws, because the in-laws already have them. But think of the new, country-wide market for all sorts of appliances and furnishings if thousands are moved out of barracks, spare bedrooms, and cold-water flats into places of their own.

This, with the work that a housing program would give the building and building-supply industries, can be a healthy stimulant to the whole American business community. In spite of congressional fears, the housing program is not a plot to kill the goose. It is a plan that promises to step up the production of golden eggs.

The Supreme Court Outsmarts Itself

EXTENSION OF REMARKS

OF

HON. NOAH M. MASON

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 21, 1949

Mr. MASON. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following editorial from the Chicago Daily Tribune of July 18, 1949:

THE SUPREME COURT OUTSMARTS ITSELF

Maj. Gen. Benny Meyers, the Air Force's percentage boy, thinks he sees a way to get out of prison. He is doing 20 months for inducing a witness to commit perjury before a senatorial committee that was investigating Meyers' private profits at public expense when he was chief buyer for the Air Force.

His attorneys have filed habeas corpus proceedings contending that the committee before which the perjury was committed did not have a quorum present at the time. They cite the recent opinion of the Supreme Court in the case of Harold Christoffel, the Milwaukee Communist. Christoffel was convicted of perjury before a congressional committee but the Court freed him on the ground that there was no proof that a quorum of the committee was present to hear his lies. There was no proof, either, that a quorum was not present.

It was pretty evident in the Christoffel case that a left wing majority of the Supreme Court decided that it wanted to let Christoffel off, and having reached that decision, looked around for some law to make the decision look right. As numerous lawyers have pointed out since, the supposedly learned justices made an extremely unfortunate choice. If it works for a lying Communist, why not for a crooked major general? And if for a crooked major general, why not for thousands of other convicts sentenced under laws passed without positive showing that a quorum was present when Congress enacted them? Justice Jackson stressed this danger in his dissent in the Christoffel case.

Ever since Congress first convened in 1789, its two Houses and their committees have transacted business on the assumption that enough Members are always present to do business legally unless some Member calls attention to a deficiency of attendance. Then it is proved by a roll call and the sergeant at arms rounds up enough statesmen to make the session legal.

One consequence of this practice has been that thousands of pages of the CONGRESSIONAL RECORD have been filled by

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oratory delivered to a half dozen Members of the House or Senate who didn't have anywhere to go at the moment. No one ever mentions the lack of a quorum in such instances, because if he did, his fellow Members would have to come back and listen to the orators. Similarly, many bills have been passed without proof that the constitutional quorum of a majority of the membership of each House was present to vote on them.

It will be interesting to watch Justices Murphy, Frankfurter, Black, Douglas, and Rutledge wriggle out of the situation in which their casuistry has placed them, when the appeals start rolling in.

Paralyzed Vet's House Warming

EXTENSION OF REMARKS

OF

HON. EDITH NOURSE ROGERS

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 21, 1949

Mrs. ROGERS of Massachusetts. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following article by John Wessells, from the Richmond Times-Dispatch of July 17, 1949:

PARALYZED VET'S HOUSE WARMING IS STAGED IN HOMELIKE ATMOSPHERE

(By John Wessells)

The Congressmen had to look twice last night to make sure that Bernard E. Shufelt's house was one of those designed for a wheelchair.

Shufelt, who is persident of the Paralyzed Veterans of America, threw a house-warming for some of his Washington "friends" in the home he built with the help of their legislation. Senators and Representatives, Republicans and Democrats came down.

Four of them are Members of the House Veterans' Affairs Committee, including Representative EDITH NOURSE ROGERS, Republican, of Massachusetts, chairman of the committee in the Eightieth Congress, who authored the paraplegic veterans' housing bill.

Representative OLIN E. TEAGUE, Democrat, of Texas, who lost an ankle and 3 inches of one leg in World War II, but led the fight against the Rankin veterans' pension bill, was on hand, as were Representative WALTER B. HUBER, Republican, Ohio and Virginia's Representative J. VAUGHAN GARY.

The Senate delegation was led by HARRY P. CAIN, Republican, Washington, and included Senators JOSEPH R. MCCARTHY, Republican, Wisconsin, and WARREN G. MAGNUSON, Democrat, Washington. They all vowed with Senator CAIN that they had come to shake the hand of this man Shufelt.

But they saw no ramps and no elevators, and they had to mount a very purposeful step to get in the front door. The reason was simple. Shufelt and his wife, Winifred, had spent weeks designing it that way.

"We didn't want a lot of people stopping to point their fingers at us," the paralyzed veteran explained.

The special features were there—doors 3 feet wide, a concrete floor with no interior sills, special bathroom fixtures—but they are far from obvious.

Some are artfully concealed. One of the two concrete strips which form a driveway is wider than the other—just wide enough to let a wheelchair roll up. It is inconspicuously flush with the concrete side porch at the top, to let a wheelchair roll on into the house.

Inside, there are no rugs, and each room is big enough to turn a wheelchair on the asphalt-tile floor covering. A few conveniences are necessary to Shufelt, because the wheelchair has become part of him. He even takes a shower in it, by means of a specially designed stall.

Otherwise, the house at 1108 is indistinguishable from others on East Forty-eighth Street. Modified colonial Cape Cod, it has two guest bedrooms up a conventional flight of stairs, which the owner has never seen. In a conventional, though carefully planned kitchen, Shufelt yesterday prepared a Virginia ham for his housewarming. There, like many another husband, he has to wash dishes.

He prefers it that way. A veteran paralyzed from the waist down needs some help from his Government to get financially and socially "on his feet." Beyond that, according to Shufelt, he wants only to be as normal as possible. The least acceptable gift to him is sympathy.

CHUCK VA PLANS

In planning their home, the Shufelts, like many others in their circumstances, chucked the fancy plans prepared for them by the Veterans' Administration, and sketched their own.

"We didn't want a house with ramps sticking out all over," he said.

And they want you to know they have $12,000 of their own savings in that house. Congressional legislation has given the paraplegic one-half the cost of his home up to a maximum allowance of $10,000. The Shufelt's house, when all the decorating was completed last week came to $22,000.

Last night, the paraplegic himself changed the subject when it veered to house-building. As full-time representative of some 2,400 paraplegics, he is more interested in a Nation-wide program to help them.

"Our goal," he said, "is to get every possible paraplegic out of the hospital and into a normal environment. We feel that a home of his own will help."

A veteran also of many a congressional committee hearing, Shufelt was a force behind the housing provisions for his organization, and has closeted himself with committee members on points of hospital administration, treatment and other special problems.

His long-range dream is the embryo Paraplegic Research Foundation, by means of which two fellowships to medical graduate students already have been awarded. The foundation, he hopes, will some day endow beds for paraplegics, veteran and nonveteran, over the Nation.

The trend is toward including some of the 85,000 civilian paraplegics in the foundation's activities. An immediate goal is an easing of VA restrictions to make rehabilitation facilities available to civilians.

IMMEDIATE PROBLEM

The immediate problem, strangely enough, is in the realm of sports. Up until recently, paraplegic basketball games, besides being excellent rehabilitation, were a major source of PVA chapter funds. Two chapter teams, playing in New York, cleared $20,000, all of which went to help other paraplegics.

"We have our own league," Shufelt said, "and we have pretty strict rules to keep it on an amateur basis."

The stumbling block is a recent VA ruling forbidding paraplegics who are patients in VA hospitals to play in a game where admission is charged, even though PVA regulations stipulate that all profits shall go to finance chapters of the foundation.

Shufelt is far from discouraged. He is out to get the ruling changed, but meanwhile, he is making plans for a funds drive on behalf of his beloved foundation.

Ironically enough Shufelt went through 4 years overseas without a scratch, only to suffer a spinal injury in a motor-vehicle accident on an airfield at Asheville, N. C.

"I was born in New York, raised in North Carolina, and hospitalized in Virginia," is the way he puts it.

Mrs. Shufelt, whom he met before the war, was a classmate at High Point College, High Point, N. C., and yesterday was jittery at the prospect of entertaining half a dozen Congressmen.

Mint juleps were the feature of the evening, the recipe coming from a local hotel.

"Tell you the truth," said Shufelt, "neither of us ever mixed a mint julep before."

White Paper—Will It Be an Apology for Foreign Policy in China?

EXTENSION OF REMARKS

OF

HON. LAWRENCE H. SMITH

OF WISCONSIN

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 21, 1949

Mr. SMITH of Wisconsin. Mr. Speaker, I am including as part of my remarks an article by George Sokolsky which appeared in the Washington Times-Herald this morning which deals with the question of our foreign policy in China:

THESE DAYS

(By George Sokolsky)

Usually when a government issues what is often called a white paper, its object is to take an immovable stand, to lay a foundation for the justification of that stand.

Often such documents are issued on the verge of a declaration of war or immediately thereafter. Once a white paper has been issued, it is assumed that the government's policy has been established, come what may.

The American policy toward China was generally fixed from 1843 to 1943. At the Tehran Conference, Mr. Roosevelt abandoned the traditional American policy of maintaining the territorial and administrative integrity of China and of resisting recognition of territorial changes accomplished by force.

Instead, he accepted Soviet Russia as the successor to Japan's rights, claims, and assumptions in Manchuria. This was done a few days after he had reached a contrary agreement with Chiang Kai-shek at Cairo.

Since then, it has been one of the fixed functions of the State Department and of the New Deal to defend what Roosevelt did, while not admitting that he did it.

Since 1945, particularly since VJ-day, the Government of the United States has taken step after step leading to a Communist victory in China and the hegemony of Soviet Russia over that country.

As a result of a series of obvious blunders it is not beyond historic possibility to assume that soon eastern Asia will fall to Soviet Russia.

The State Department caused the American people to accept the following as truths, although they are demonstrably false:

1. That Chiang Kai-shek is incompetent, inefficient, and does not understand China. This is the Stilwell thesis.

2. That the Kungs-Soongs-Chens and their associates are crooks, thieves, grafters.

3. That Gen. George Marshall, when he spent more than a year in China, pursuing instructions prepared for him by John Carter Vincent of the State Department, was sabotaged by Chiang Kai-shek and his generals and, therefore, his sojourn in China was a miserable flop.

4. That aid to China is wasted because it is always stolen.

All this the white paper will tell if it is ever published. Dean Acheson's document is full of facts and figures it will be important; if it is a mere recapitulation of hearsay it will make the United States ridiculous.

For instance, Chiang Kai-shek, in power since 1925, conquered all of China against military resistance, set up a national government in Nanking, prevented Soviet Russia from establishing a Communist state there in 1927, and fought Japan from 1931 to 1945.

It is difficult, in view of such a career, to say that he is incompetent and inefficient and that he did not understand China and the Chinese people as well as "Vinegar Joe Stilwell" did. Chiang was born in Fenghua, near Ningpo; Stilwell in Florida.

I happen to know a good deal about the Kungs and Soongs, having enjoyed a friendship with all the members of that family—three generations of them—since 1919. Of course, I never counted their money; perhaps Dean Acheson or someone in the State Department has. This I do know: Most of their possessions, including Dr. Kung's ancestral home in Shansi, which has been in his family for many hundreds of years, have been confiscated by the Communists.

Now, the State Department is in a position to obtain and publish every dollar of possessions of every member of this family in American funds.

Such information is in the possession of our Government. Further, it ought to be possible for our State Department to publish evidence of possessions in other countries. If Dean Acheson's "white paper" fails to state specific amounts in specific places, it will fail to be convincing.

There is no room in this limited space to discuss Gen. George Marshall's activities in China. Suffice it to say that he failed to grasp that a union between the Nationalists and the Communists was as impossible in that country as it has been anywhere else.

He also failed to grasp that the Chinese Army was based on personal loyalty and not upon a national command.

These two errors of knowledge and judgment may be forgivable in a man of General Marshall's training, but it cannot be defended from the standpoint of history.

Navy Calls Events in Asia Disaster for United States

EXTENSION OF REMARKS

OF

HON. WALTER H. JUDD

OF MINNESOTA

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 21, 1949

Mr. JUDD. Mr. Speaker, when the able and responsible men who head the United States Navy publish an article entitled "United States Disaster in China" as the leading article in the July 1949 issue of the Proceedings of the United States Naval Institute, it is high time every Member of Congress and, even more, every official of this Government dealing with foreign policy give it sober attention. Must we always ignore warnings until too late before we wake up? Under leave to extend my remarks, I include the article:

UNITED STATES DISASTER IN CHINA

(By Capt. E. M. Eller, U. S. Navy)

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Motto: Let no man despise the snake which has no horns, for who can say it will not become a dragon.—Chinese proverb.

Historians of the future, writing of these fateful years in which we live, may well record that 1948 and 1949 disasters in China set the stage for disaster in the United States. We, in the Navy, who must think not only of the United States and its coast line, but of the world seaways and air-seaways converging on our shores, have a particular interest in Asia. We have just completed the greatest naval war of history to destroy hostile dominion over China and southeast Asia. Are we losing today what only yesterday we expended billions of dollars, hosts of ships and airplanes, and thousands of live to preserve?

Both Russia and the United States have long looked on China and the fabulous Indies to the south with the deepest interest. Before the present Communist regime, the czars of Russia saw in the northern provinces of China opportunity for growth to the great seas denied them in Europe. The Communists see not only this opportunity but the greater opportunity of world communism. Each Communist expansion provides but a base for starting the next. "We are living not merely in a state," says Stalin, quoting Lenin to reinforce his views, "but in a system of states, and it is inconceivable that the Soviet Republic should continue for a long period side by side with imperialistic states. Ultimately one or the other must conquer. Until that end, a series of terrible conflicts between the Soviet Republic and the bourgeois states is inevitable." [1]

According to the Committee on Foreign Affairs, Eightieth Congress, in the powerful document, Strategy and Tactics of World Communism, compounded from the Communists' own declarations, examination of these statements leads to some deeply disturbing conclusions:

1. The Communists have one goal—world revolution.

2. They assume that the revolution will be violent.

3. They are incapable of accepting the idea that peace can endure from now on, and they expect one more catastrophic war.

4. The Soviet Union is regarded as the main force of the revolution.[2]

China is important to the achievement of world communism, according to Lenin, for the "Far East is the back door of the capitalistic and imperialist powers."

While we strive to lock the front door in Europe, the house is being entered from the rear in Asia. As was written in the Confucian Analects two millenniums ago, "The days and months are passing away; the years do not wait for us."

Columbus, in search of the wealth of the Indies, voyaged westward with no livelier hopes than have stirred the minds of Americans in every generation looking to Asia. Scarcely had our War of Independence ended when the 55-ton sloop *Harriet*, out of Boston, and the larger *Empress of China*, out of New York, sailed on trading ventures to China. There lay riches. There dwelt an ancient, cultured, and talented people who produced silks, "Nankins," teas, lacquer, porcelain, carvings—all hungrily sought by Americans and gladly brought to them by American ships which, if fortune served them, might receive a quarter of a million dollars in a single voyage, from an investment in ship, outfit, and initial cargo of one-sixth that.

Changing times and the rapid industrial growth of western nations, including the United States, brought a decline in the relative importance of the China trade. Fabulous fortunes came to mariner merchantmen as late as the clipper-ship era when on the wings of the sky such jewels as *Flying Cloud*, *Romance of the Seas*, and *Great Republic* raced around the Horn freighted with cargo for the gold fields of California and thence sped homeward by way of China. Fortunes continue to be made today, though on a lesser scale and with lesser romance than in the days of our stirring maritime youth. China, in 1948, is of less importance to us commercially than she was a century ago. Tomorrow, with her vast population and boundless need for capital equipment, she could become in trade one of the most important areas to us on earth.

At times consciously, always unconsciously, America has realized what China means to her destiny. The golden land of Han was the dominant power in Asia when savage tribes still roamed most of Europe. She has given the west many inventions, including probably the mariner's compass. She has demonstrated the possession of a mysterious formula that has bestowed upon her the power to live through a recurring cycle of greatness and decline. Other nations, like all living things, grow to maturity of greatness, then fade into death or permanent impotence. She alone holds the secret of finding in decay the spark that drives her upward again—youthful, vigorous, great.

Looked at in the dangerous short view, China is an industrially backward, disorganized, overpopulated, impoverished land, suffering many revolutions simultaneously, incapable of aiding us or harming us in this immediate time of peril. Looked at in the long view (and it may be much shorter than some think) after her necessary time of travail, accompanied by chaos and destruction, China will experience renascence once more, becoming, as for most of her long history, a decisive force in Asia.

There are few reasons why this rebirth should not come to China, many why it should. She holds in rich measure those elements which, woven together and fused by the flame of national purpose, shape national greatness. She is situated in the North Temperate Zone, in the climatic belt whence sprang our own European civilization and most of the other civilizations that man has shaped. She has an extensive coastline with some of the world's first harbors on the world's greatest ocean. Within her boundaries are such vast and fertile lands that some 20 percent of the earth's population somehow find food, even though the farming is primitive and less productive than it might be made to become under a settled government with modern methods, machinery, and scientifically selected seed.

These 450,000,000 to 500,000,000 people—three times the population of the United States and more than twice that of Russia—have demonstrated a tenacity for living, a tireless energy in labor, a limitless skill in handicraft, and a social culture designed for everyday happiness in human contacts which have few if any peers in the records of other nations.

Anyone going to China and looking at superficials compares her very unfavorably with the United States. He sees incompetence in her dirt, her lack of hygiene, her scarcity of bathtubs, radios, television sets, telephones, and automobiles (which for some people are the measure of progress). He sees weakness in the illiteracy and poverty of much of her population, matched only in our own slums and tenant farms. He sees impotence in her deficiency in modern industry and her widespread canker of cumshaw and graft. He may come to a different conclusion, however, if he looks more closely at China of both today and yesterday, with her possibilities for tomorrow, and compares her with European nations of, say, a century

[1] Letter to Comrade Ivanov, February 12, 1938.

[2] H. Doc. 619, p. 4.

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or half century ago, in scientific and industrial development. Looking thus closely he may decide that the transformation that Japan accomplished in a generation and a half, and Russia in less than one, may well be accomplished even more speedily in China.

In their long history the Chinese have demonstrated remarkable skill in every field of human endeavor. Still today there is no nation that can match them in multiplicity of lovely handiwork: silks, embroideries, porcelain wares, jewelries, brasswork, artificial flowers, carved jade and ivory, wood and silver, lacquer, inlays, cloissoné, furniture. To name Chinese handicrafts is to name beauty. A thousand generations of skill and culture animate their patient, tireless hands. They are creative masters.

Although they lack our scientific agricultural methods of this generation, the Chinese are masters, too, in farming, whether the measure be in quantity, variety of product, or the esthetic loveliness of a Chinese miniature garden with its dwarf trees and specially bred flowers. As merchants they combine skill in getting along with people and skill in merchandising to such a degree that they are the tradesmen of the Western Pacific from Singapore to Manila.

As voyagers they have conquered deserts, mountains, and sea. They are particularly able fishermen and seamen, as many in our Navy can testify after witnessing their junks ride out typhoons. Long before the Vikings dared their heroic voyages, the Chinese ventured on longer ones in equally tempestuous seas to southeast Asia and India. To make their wanderings safer, they early invented the double bottom for their junks, one of their several contributions to the ancient art of the sea.

In social ethics and the relationship of man to man they are still today, despite all the unrest and chaos and misery in the land of Han, probably ahead of any other great people. Buddha, the Teacher of Contemplation, Mohammed, the Prophet of Paradise, Christ, the Prince of Peace (though Christians have attained little enough of it), all promise the blessed hereafter to the pilgrim who has trod well the stony and troubled way of earth. Confucius taught a way of life for life itself that man may make pleasant, peaceful, and happy daily contacts with other men. Once in answer to a question on the hereafter, Confucius replied, "Until you are able to serve man, how can you serve gods?"

The Golden Rule is a foundation stone of Christianity, but only one of many such, all directed to well-deserved rewards in the land of golden streets. The Chinese on the other hand are educated in a semireligious code of ethics which in some measure enters into every human relationship—imperfectly, of course, since the Chinese, too, are human. It enters strongly enough, however, so that though they may be callous to suffering and death of those in their immediate family (a characteristic in varying degree of most human beings), they attain a higher degree of happiness in their daily face-to-face contacts than most peoples. The ready smile, the childlike curiosity, the lightness of heart, the philosophic poise of the average Chinese, however miserable his worldly lot, are real, not artificial. They come to him from an ancient philosophy woven into the fibers of his being.

"The superior man," says Confucius, "holds righteousness to be of the highest importance. * * * He hates those who proclaim the evil of others. He hates the slanderer. The goal he sets for himself is perfect virtue, which is composed of gravity, generosity of soul, sincerity, earnestness, and kindness. He begins to learn in his earliest days that youth when at home should be filial, and abroad, respectful to his elders. He should be earnest and truthful. He should overflow in love to all, and cultivate the friendship of the good."

Whatever their backwardness in scientific and engineering invention today, the Chinese have a proud record in the past that may be repeated in the future. Among their many gifts to the Western World appear certain ones that have revolutionized our lives: Movable type, paper currency, gunpowder, probably the compass that made possible the age of great discoveries starting with de Gama and Columbus. They have contributed greatly in textiles, in handicrafts, in fruits of the soil.

Although far behind occidental nations of this century in engineering works, China once led all nations. Her great canal network (some 40,000 miles of these waterways are still in use), her system of paved roads and couriers that equaled those of Rome in efficiency while surpassing them in mileage, her mammoth earthen dikes harnessing her rivers of sorrow, her Great Wall winding wide and sturdy over mountain, valley, and desert a distance equal to that from New York to Francisco—these are not works of an ineffectual race. As someone has said, "The soul of China is a titan. Dwarf trees grow in China, but not dwarf souls." If anyone questions whether this tenacious skillful people can repeat such achievements, he has only to observe what they accomplished in the industrialization of Manchuria within a decade under a settled government and Japanese direction:

This statement leads us to some of the weaknesses of China. These exist partly in her graft-ridden government, partly in the anarchic self-seeking of the privileged classes, partly in the impact of many revolutions striking her in the down curve of one of her ever-repeating cycles of decay and growth, partly in a strange somnolence resulting in a measure from these observable forces, in other measure from unconscious realization that all this has been before and will be again, that human beings live and labor and die, that cycles rise and fall, that change comes inevitably, and that all flow on into eternity which ever appears different, ever remains the same.

"If the fleeting world is but a long dream,
It does not matter whether one is young or old."

sighed Po Chu-i more than a thousand years ago. And a thousand years before him sang another poet in this ancient land of sun and sorrows:

"In infinite succession light and darkness shift
And years vanish like the morning dew—
Man's days are but a brief sojourn."

Men say the Chinese are not patriots. This cannot be true. One has only to talk with them to understand their deep love for China, their faith and culture rooted in centuries of greatness, their belief that the civilization of Cathay is the best that man has evolved, with more to give than to receive from the West. They serve their people ill politically, or not at all, in some degree because of an old custom. It is the custom to oppress financially, to graft and bribe. These faults, that exist in every country are kept under control in our own, run wild in China today. The traditional habits of cumshaw or commission and devouring taxation have degenerated into a vicious drain on China's strength, just as similar evils have degraded some of our own municipalities. They destroy like a malignant disease.

China's citizens are not different today than in the past. Greed is an evil as old as Eden. Probably before the dawn of writing the Chinese had set down the duality of man in a proverb, the conflict of good and evil: "Prisons are shut day and night, yet they are always full. Temples are open day and night, yet they are always empty." When controls are strong, evil is repressed; when weak, it gains ascendancy. Prominent in the controls is government, and, as Confucius noted, "Bad government is more destructive than tigers."

Corruption in office, like many other state ills, spreads riotously under a weak national government. Without checks to keep the disease in bounds, it becomes an epidemic. The social creature, man, goes with the crowd. A wave of corruption is one expression of mob psychology. A human reaction is, "This corruption is wrong, but everybody is getting his, why shouldn't I get mine?" Strong souls resist the tide. Weaker ones go along with it. They can be redeemed only by an equal wave of revulsion which may come from several causes, the most common and effective being the establishment of a strong central government which stamps out corruption by example and punishment. "It is the duty of the government," said Gladstone, "to make it difficult for people to do wrong, easy to do right." "Advance the crooked and set aside the upright, then the people will not submit. Advance the good and teach the incompetent, then they will eagerly seek to be virtuous," observed Confucious; and at another time. "Let your evinced desires be for what is good and the people will be good."

China has been sick throughout this century, and before. Two great men, Dr. Sun and Chiang Kai-shek, almost succeeded in lifting her the first step out of the quagmire. They would have succeeded had it not been for outside interference that has continued to this day. Just when Chiang had unified China and she showed promise of reviving strength, Japan struck, first in Manchuria, next in China proper. As for the Communists, like time they have worked ceaselessly to destroy through internal gnawing and external assault.

World War II, coming in part because of our failure to check Japan in Asia, in shaking the foundations of the world likewise aggravated China's ills. Her problem became more acute. It is possible that Chiang Kai-shek could not have solved them in any event. It is certain that the solution became almost impossible when the Communists, with vast stores of Japanese arms, intensified their pressure and with the aid of their comrades across the border got control of the industrial empire of Manchuria which has no counterpart elsewhere in China. (Manchuria provided the Communists more manufacturing facilities, and denied them to the Nationalists, than Chiang had in the rest of China or was able to get from other countries.)

Chiang, tough, sincere patriot, and resolute in his mistrust of the Communists, may by some miracle and sufficient aid come back to provide the strong government which China needs, which she must have to start solving her problems and to become again a first power in the world.

Whatever Chiang Kai-shek may or may not accomplish, the Communists will provide the dictatorial government, direct and ruthless, that will solve the problems in the part of China they dominate. They know what to do, are doing it, and will continue to do it. Will they, in solving the problems and in bringing strength, bring blessings or otherwise to China and the world?

Some observers say that the Communists, like all past conquerors of China, will sink in the morass and be absorbed by the Chinese. In weighing this prophecy we must consider several differences between this conquest, if it may be called such, and those of the past. In the first place, this is not a subjugation by external armed forces, whatever the aid may be from outside, but a conquest from within, the conquest of an idea. This is true even though Moscow-trained Communists lead and direct the fighting and subsequently the communization of the areas they take over.

Fragmentary evidence indicates that communization is proceeding at high speed following the fashion laboriously learned in Russia and recently perfected in central European countries. To begin with, workers and farmers are promised and given relief from taxes, and gain ownership of industry and land. Their most pressing problems are solved; they are given their heart's material desires. Why not? All can be taken away later. Give anything. Temporize as necessary for the moment. When the hour is ripe, all can be undone. Meanwhile, to insure that the backing is there to undo it, training schools are established so that promising youths may immerse themselves in the doctrine.

Regardless of the efficient direction from outside, the communization of China rolls on essentially as an internal change. Organized and controlled by a few, with the great mass (as in Russia 30 years ago) passively accepting because of promised and some immediate temporary benefits, this is conquest of China by her own people. A new dragon has risen from the fields and villages, hurling his coils around China. New masters take over from the old. Will they be less successful than native Communist dictators elsewhere, less cruel and ruthless and competent in bringing the masses into line? Will these few who merely displace another few be less successful in enslaving the many?

A second difference over past conquests exists in the industrial potential of the two halves of China. Wars today depend predominantly upon coal, steel, other minerals, and large industrial plants. Whatever her latent resources, Nationalist China south of the Yangtze is a weakling today compared with north China and Manchuria, the Ruhr of Asia, which, with outside aid, early fell to the Communists and was only in small part and temporarily retrieved at high water of Nationalist operations.

A third difference is that the Mongols and Manchus were a handful of rude nomads who rode in to establish themselves as rulers of a people not only far advanced over them in civilization but outnumbering them as the waves of the seashore outnumber footsteps on the sand and eventually obliterate all trace of them. The pressure of Soviet communism, a powerful force in Chinese Communist victory over and above any direct aid being rendered, does not derive from scattered nomads. It bears down vast and overpowering with the weight of one of the world's first nations back of it. Soviet Russia provides a base for communism too extensive and powerful ever to be absorbed by even the tenacious culture of China. The python swallows the pig, and not the reverse.

Another group of prophets say the native Communists will not accomplish much because the Chinese lack organizing and administrative ability. All their past record negates this false concept. Their brilliant achievements, not in one period but in repeated golden ages of power, give promise of what they will do again. But more of this hereafter.

Still others say that China's problems will weigh down the Communists as they have the Nationalists, or at any rate that their gravity and complexity will delay solution for a generation or longer. As they put it, "Let the Communists have the mess. It is good riddance from our shoulders. May it break their backs, and welcome to it." They also add that the character of the Chinese and the nature of their civilization both oppose communism. No, communism cannot get control of China. This rationalization, too, must bear closer scrutiny, for if the proponents are wrong, the disaster of tomorrow will be no less terrible because of our deliberate self-delusion. Indeed, in face of the great danger ahead of us we might do well to heed the Chinese proverb, "Let no man despise the snake which has no horns, for who can say it will not become a dragon."

China's problems press upon her with the weight of centuries. So did those of Japan in the 1880's. So did Russia's in 1917. The solution for the Chinese rests in a powerful central government that will harness and give direction to the immeasureably powerful forces that lie latent in them. The Communists will cut the Gordian knot as they did in Russia. They know and ruthlessly follow Napoleon's dictum that "Exclusiveness of purpose is the secret of great success and great operations."

It is profitable at this point to compare conditions in North China-Manchuria today after World War II with those in Russia in and after World War I. In 1917 there existed a number of Russian Communist leaders, toughly trained by years of revolutionary activity in prison and out. When the corrupt Czarist Government collapsed, some of these leaders were underground in Russia, some like Stalin were in Siberian imprisonment, others like Lenin were in Switzerland whence they were transported by the Germans to Russia to accelerate the breakdown of Russian power. These leaders had some backing in the Russian universities and among the liberal elite. They had followers on a small scale in the four industrialized areas around Moscow and St. Petersburg and in the Donetz and Dnieper Basins. The total number of Communists added up to only a few tens of thousands, was for many years under a million, and to this day amounts in party members to not over 6,000,000, only 3 percent of the whole Russian population.

Russia was a great amorphous mass of many peoples speaking many languages. Sprawling across two continents, she had built some important railway lines, chief among them being the Trans-Siberian, but here railroads were then and are to this day but a beginning of what she needs. She had and still has few hard surfaced roads. As a consequence, internal transportation and communication are so difficult that they have been major handicaps in her development.

The picture so far sounds almost like China today. But we have more to add. Some 80 percent of Russia's population scratched a living out of the soil, as in China of 1948, though with less efficiency than the Chinese but with larger reserves of arable land and therefore with better chance of expanding output, though collectivization might produce some expansion in China. Russia's basic industries were in their infancy, textiles alone having experienced considerable growth (as in China, and as in most countries in the early stages of the industrial revolution).

Records of 1917 list considerable mineral resources for Russia and some beginning at exploiting them in industry. Yet compared to what lay hidden, what was to be discovered and developed within 20 years, the known resources of 1917 were but the first buckets from a deep well.

Russia's coal resources in 1917 appear as 130,000,000,000 tons, of which she mined about 29,000,000 tons annually. In 1937 the resources had grown more than 10 times to 1,654,000,000,000 tons, mostly in Asiatic Russia, with about 130,000,000 tons mined that year. Iron ore reserves went up 5 times, copper more than 10 times, other minerals similarly.

At the start of World War I Russia mined 9,200,000 tons of iron ore, producing from it some 4,200,000 tons of pig iron and an equivalent amount of steel from the pig. By 1937 these figures had tripled and were on the way to quadrupling. In 1917 uranium (which my 1941 reference book prosaically lists as "a rare white metallic element") was not dreamed of as a metal of world interest. Between then and 1937 Russia took sovereignty, previously loosely claimed by China, over the mountain girded land of Tannu Tuva, abutting the northwest tip of Mongolia. This land, little known to the outside world, is said to contain many mineral deposits, including possibly rich ones of that "rare white metallic element," uranium.

"Disease," say the Chinese, "can be cured, but not destiny." Under a strong government vigorously pushing development, miraculous transformations of national power today can occur within a few swift years.

The picture of Russia in 1917–21 compares in many repects strikingly with that of China in 1945–49. There are the same groups of revolutionary leaders, long trained in sabotage, resistance, and revolt, but with the added strength of having been carefully schooled in tactics by successful masters of the art. There are the same small numbers of followers (small compared with the teeming millions of China) yet more dangerous and effective because they are relatively more numerous than they were in Russia and are tempered through decades of warfare. There are the same fears of communism in outside nations which led the Allies of 30 years ago to aid the White Russians with supplies and funds (on an ineffectual scale) and with military forces as well. The assistance this time to the anti-Communists has been likewise inadequate. As for assistance to the Communists, there is a striking difference. They possess not only relatively greater numbers, but this time the whole outside world is not hostile. Backing them up to the north, aiding them along the thousands of miles of Russian-Chinese border, and pushing them on is one of the world's great powers, mother of their ideology, openly professed base for world communism.

There exists the same nucleus of industrial proletariat, somewhat but not measurably smaller in north China-Manchuria than in Russia 30 years ago. There exists the same predominantly agricultural society, with the mass of the population peasant farmers filled with a mass land hunger, eager to swallow the bait of land riches for their initial support of Communism—and we have no reason to believe that millions will not die as they did in Russia nor that they will be more effective in resistance when the land is taken from them again.

In China we have likewise the same awakening of peoples in the early stages of the industrial-scientific revolution, an awakening accompanied by the pull of powerful forces, of ideologies, of crumbling structures, of instability and fears and dark emotions which prepare a perfect setting for demagogs who would free a people from old slavery by crushing them under another more brutal and cruel.

Those who seek to persuade themselves that the disaster in China is not a disaster to us declare that there is one crucial difference (among others) between Russia of a generation ago and China of today. Russia has impressive mineral resources and an important start in the industrial revolution. China, they say, has neither. (It would be interesting to determine if the same people made the same remarks about Russia not being a danger just a generation ago.)

Earlier in these pages we have noted how in 20 years the known mineral resources and the heavy industrial production of Russia multiplied manyfold. Strong evidence may be found that the same development can occur in north China-Manchuria. Indeed, we already have record of startling development in Manchuria alone under the Japanese within the amazingly brief span of 8 years.

Same 1,500 years before coal was discovered in the United States, natives of Manchuria mined it for the manufacture of

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pottery. When Czarist Russia moved in during the last years of the nineteenth century building a railroad to Port Arthur, coal mining increased measurably. Other minerals attracted some interest. Practically all of the mining took place within a few miles of the railroad and its spurs.

The Chinese-Japanese war of 1894–95 and the Russian-Japanese war a decade later introduced the power politics struggles of this century for the material resources of Manchuria. Following the Treaty of Portsmouth in 1905, and particularly in World War I, Japan made progress in developing this rich region, including discovery of many promising new mines. Subsequently, however, as Chiang Kai-shek gained strength and progressively extended his authority northward, Japan realized the approaching danger of losing her sphere of influence in Manchuria. At the time she was steadily expanding industrially and understood more than ever before what the wealth of Manchuria meant to her destiny. Thus there occurred the Mukden incident and in 1932 the establishment of the puppet state of Manchukuo.

In the quarter of a century of Japanese paramount interest in Manchuria (but not the full control which began in 1932), she had extensively built up Darien with its surrounding leased area of some 1,200 square miles in Kwantung peninsula. To a lesser degree she had also developed the territory adjacent to the South Manchurian Railroad, expanding the production of the great Fushan open-cut coal mine, for example, from about 200,000 tons annual output in the early 1900's to over 3,000,000 tons 20 years later.

Yet the resources of this "Ruhr of Asia" and her industrial potentiality had scarcely been touched when the Japanese took over completely in 1932 ready for large-scale development. Although varying figures exist, the most common estimate of Manchurian coal resources in the summer of 1932 is 4,800,000,000 metric tons. Seven portentous years later, after swift general surveys, with new discoveries still coming in, the estimated reserves had multiplied four times to 20,000,000,000 tons and were still rising. Coal mined likewise shot up, approaching 20,000,000 tons in 1939 and over 30,000,000 tons in the year of Pearl Harbor. Fushan alone, the world's largest mine of its type, poured out a black torrent of over 9,000,000 tons annually, approximately one-third of Manchuria's total output (and incidentally one-third of the total coal output all Russia had achieved in the last years under the Czars).

Anyone reading about China or her Province of Manchuria in a book printed before the great world depression of the 1930's will learn that Manchuria, in addition to coal, had considerable iron deposits. Unfortunately, however, these were of low grade and therefore not competitive on an equal cost basis. Undeterred, the industrious Japanese early built a large iron foundry on the South Manchurian Railroad at Anshan and developed a process for handling the ore. By 1932, the year they formed the puppet state, they were almost ready to commence making steel here, and subsequently did so on an increasing scale.

It is said in China that "The tiger cares nothing that the cow is lean." The Japanese would have gone into Manchuria for what resources it was known to have. That these proved many times larger only shows the possibilities in other parts of China once a stable, vigorous government begins to push development.

In the 1920's the total iron ore deposits of Manchuria, all of low grade, appeared to be something under 400,000,000 tons. In 1939 these reserves (with surveys still under way) had jumped eight times to over 3,000,000,000 tons. This total is a billion tons greater than the total reserves known to exist in all of Russia in 1917. An even more pleasing feature of the new discoveries were deposits amounting to 130,000,000 tons of rich ore containing 60 to 85 percent iron. Much of this had been discovered in a single region along the Korean border, in the provinces of Eastern Peace and Eastern Flower, previously not considered of importance in mineral deposits.

In our great United States we accept as commonplace the need to ship ore long distances to smelting and refining plants. Iron, for example, travels from the Mesabi Range (whose rich ores today are approaching exhaustion) hundreds of miles to the lake ports and inland steel manufacturing areas. Or it may travel much greater distances over the high seas, from far away Brazil and other lands to Bethlehem's plant in Baltimore. Copper ores may come to us from distant Chile. Some of our richer aluminum ores make the long sea journey from South America. It is sobering, therefore, to look on a mineral resource map of Manchuria of 1940 and to notice the mass of mineral symbols concentrated in the southeastern sector. There lie iron and coal side by side, and next to them limestone, magnesite, copper, aluminum. Zinc, lead, and oil shale also abound.

The Japanese were so excited over their rich finds of huge underground deposits that in 1937 they formed the Manchuria Development Corp. to push the expansion of heavy industry. By 1939 it had unified the important industrial companies operating in Manchuria, had organized many new ones, and had greatly expanded production. Establishing her 5-year plans, in the latter part of 1938 she reached the rate of installing a new pig-iron furnace at the Showa works every 2 months. In the early years of the war she had built up pig-iron production in South Manchuria to almost 2,000,000 tons, in addition to a million tons of steel—all this from a standing start 10 years earlier.

In China's province of Manchuria alone, then, we have one of the earth's great industrial empires of the future; in fact, one that already has a long start. Taking our belt of great mining-industrial-agricultural States from Minnesota east to Pennsylvania and New York (which besides these three States includes Wisconsin, Illinois, Indiana, Ohio, Michigan, New Jersey) and throwing in all of the New England States to boot, we obtain an area roughly the size of Manchuria. The natural wealth of this rich and populous section of the United States (something less than one-half our population resides in this belt) may also be compared with the potential wealth of Manchuria which currently has a population of some 45,000,000. Under a powerful government, which the Communists should provide, there is every indication that the proved resources, the industrial capacity, and the population will all steadily increase.

This being the one area of China with a large agricultural surplus for export, and with lands still untilled, its population can increase to 70,000,000 or more. One can easily understand why the Japanese so coveted Manchuria. It was rich, far richer than Japan, richer than their dreams or hopes. It provided not only the raw materials for the industrial empire on the home islands, but the possibility of a far more powerful empire on the great continent, leading Japan on to all Asia. Who now sees this dream of empire?

Such was Manchuria at the outbreak of World War II—a new center of world power, revealed in a few years under Japanese rule. What will happen under Communist direction not only in Manchuria but in the larger and more populous domain of North China, no one can prophesy. However, as the Chinese might say, "Long robes can hide heavy feet."

The added possibility of industrial greatness resulting when we include north China with Manchuria is only a guess, but we can make at least a reasoned guess. No similar concentrated effort having been made to uncover hidden mineral wealth or to industrialize north China, it is impossible to say whether it will reveal similar resources to those of Manchuria (vast deposits of coal amounting to over 200,000,000,000 tons and some important deposits of iron ore are known to exist). Surveys and statistics indicate that a large expansion of known reserves will not occur. But for that matter they indicated the same results for Manchuria before the Japanese opened the secrets of the earth—secrets apparently not known to some of our current writers and speakers who still obtain their data from books that the passage of a few years has outmoded.

It would be folly to shut our eyes to the possibility of marked expansion of resources. To believe a business impossible is to make it so for oneself, but not for the other fellow who does not so believe. Without attempting to investigate the possibilities in all minerals, we can take time to look at two in which impressive changes of estimated reserves have taken place quite recently.

Widespread surveys of China by Americans before World War I led to the conclusion that she had negligible oil resources. By 1937, however, estimates placed her oil reserves at 1,375,000,000 barrels. Explorations during the war uncovered other reserves including a claimed 400,000,000 barrels in Szechwan and lesser quantities in Sinkiang and Kansu, northern provinces that are inherently part of the Communist sphere. Oil shale has been known in Manchuria many years, but no evidence of petroleum in commercial quantities. Consequently the Japanese went ahead with construction of plants for extraction of oil from the rich deposits of over 7,000,000,000 tons of shale. By 1936 they were producing 50,000 barrels of oil per month; by 1940, 250,000 barrels per month with a schedule doubling that rate to some 6,000,000 barrels for the next year. That same year of 1940 they brought in an oil well in Jehol, southwestern province of Manchuria, portent perhaps of discoveries yet to come.

As late as 1934 able geographers and general authorities on China set forth her reserves of aluminum as small or "modest." Within a year new discoveries and clearer knowledge of existing fields resulted in estimates of 188,000,000 tons of aluminum ore in what are now Communist-controlled Shantung and Manchuria, enough to supply the world for a hundred years at the then rate of consumption. Within 10 years these estimates had shot up again several times, the holy province of Shantung along being credited with 271,000,000 tons.

The possibilities of industrial development, then, in North China and Manchuria combined are far greater than in Manchuria alone. Perhaps all of China will come under Communist domination, perhaps only the northern half we have considered in this discussion. If only the latter, the Communists will control a quarter of a billion Chinese with their many skills and ready adaptability to mass industrialization, as already demonstrated in Manchuria, whose population consists essentially of Chinese immigrants and their descendants from Hopeh and Shantung. Considering what the Communists accomplished in a brief span in Russia, and the Japanese in a briefer one in Manchuria, we may with reason conclude that the Communists can develop this north half of China into an industrial nation for peace or war comparable to Russia of today, by the mid-1960's.

They will do it by the very means Stalin employed in Russia, as he himself related in a speech on February 9, 1946. After giving essentially the same industrial figures (brought up to 1940) as presented in the foregoing paragraphs on Russia, to demonstrate the major achievement of the Communists in preparing for World War II, he goes on to say that such an unprecedented leap from an agrarian to an industrial economy was achieved by forced industrialization and collectivization. In his words, "The Soviet method of industrializing the country differs radically from the capitalist method * * * (which) begins with light industry. Since in light industry smaller investments are required and there is more rapid turnover of capital, and since, furthermore, it is easier to make a profit there than in heavy industry, light industry serves as the first object of industrialization in these countries."

After decades in which light industry accumulates capital, heavy industry gets its turn. Understanding this delay and understanding "that a war was coming, that the country could not be defended without heavy industry," the Communists, to save the Soviet order from perishing, "began the work of industrializing the country by developing heavy industry. It was very difficult, but not impossible. A valuable aid in this work was the nationalization of industry and of banking, which made possible the rapid accumulation and transfer of funds to heavy industry.

"There can be no doubt that without this it would have been impossible to secure our country's transformation into an industrial country in such a short time."

As for collectivization, "In order to do away with our backwardness in agriculture and to provide the country with greater quantities of marketable grain, cotton, and so forth, it was essential to pass from small-scale peasant farming to large-scale farming for only large-scale farming can make use of new machinery, apply all the achievements of agronomical science, and yield greater quantities of marketable produce."

Despite extensive resistance from "not only backward people," but "Trotskyites and Rightists" of the party, the true believers carried on unswervingly to victory.

By the same methods can China be transformed within the next decade and a half.

This does not purport to be a prophecy. It is merely an effort to discover what might be accomplished in the great empire of China and what we might have to contend with. It is part of the estimate of the situation that any wise leader digests in his mind to determine what his various courses of action may be and which will most likely bring him to his objective. Those who have written off China's problems as insoluble, who say that even the ruthless Communists will bog down in them, may be right. It may be that this disaster in China is not a disaster to our policy of containing world communism with its oft announced purpose of destroying the United States and all our cherished democratic institutions.

It may not be. On the other hand, it may be a disaster of the first magnitude. Unless we are sure it is not, and pending the remorseless unrolling of the future to show us what it is in fact, we would be advised to consider the possibility of the worst.

"The dark of night is profound and in its midst each man is alone in perplexity," says Lao Tze. The future in which we move is indeed dark and perplexing. However dark, our only salvation is in facing it with open eyes and without delusions. If there is a way through the darkness, only by looking carefully and preparing wisely shall we find it.

The Mission of the Jew

EXTENSION OF REMARKS
OF

HON. ABRAHAM J. MULTER

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 21, 1949

Mr. MULTER. Mr. Speaker, I am sure that the following article which appeared in the current issue of Liberal Judaism will prove most interesting. I set it forth in full together with the editor's illuminating comment about it:

THE MISSION OF THE JEW

(By David E. Lilienthal)

(With the new-born state of Israel's application for membership favorably voted by the United Nations, the following thoughts assume a singular, almost prophetic significance. Delivered in a six-State-wide collegiate contest, 31 years ago, its author has since risen to unique eminence. David E. Lilienthal, then a senior at De Pauw University, to whom Rabbi Morris Feuerlicht of the Indianapolis Hebrew Congregation refers as "one of my boys," is now chairman of the all-powerful Atomic Energy Commission. In granting us permission, at the behest of Rabbi Feuerlicht, to reproduce "that kid oration" three decades later, Mr. Lilienthal writes: "While that oration, as I recall, was rather ornate in style and certainly more elaborate than my present speaking style, I shall be glad to see it republished in Liberal Judaism, for its central theme is one in which I verily believe." Rabbi Feuerlicht, who found a copy of the address while "rummaging through local history notes," regards young Lilienthal's winning oration as "a very beautiful and dramatically timely presentation of the Jew's historic relationship to world affairs."—Editor.)

The most baffling force in history is the Jew. His very origin wrapped in the purple of obscurity; his strange mission down through the years never yet spelled out; his destiny still unknown—he stands as the great enigma of the world. He remains the unsolved riddle of antiquity; and amid today's world convulsions, the torch bearer of a faith, mysterious, inextinguishable.

The meaning of this tragic nationality is beyond human ken. For the story is not a blending of defeat and victory, but rather one of cumulative vanquishment. Beholding his country swarming with pagan foes; passing beneath the yoke of kinglier clans; treading the slave path to the land of the conqueror; falling prey to insidious luxury; prostituting his high powers to servile fawning in heathen courts; suffering exile ages old, he became at last a nationality without a country, doomed through centuries to play the rôle of despised wanderer—a mockery of his pristine glory.

PARADOX OF THE WORLD

The telling of this tragedy is bitterness unspeakable, for I am a Jew. The anguish of my people is my anguish; the immortal yearning of my people, thank God, is mine too.

And yet, however fatal may have been the tale, the Jew endures. His very persistence is the sublimest racial paradox. History, we say, pictures the rise and fall of nations; yet the Jew, though flung afar, remains essentially the same. Singing in the midnight watches of Egyptian bondage; building cities to the pride of hated kings; standing amid the ruins of the last dark hour of national life; enduring the horrors of the Spanish Inquisition; lifting his low moaning amid the bloody scourgings of Germany; cringing through the centuries before the anathemas of Italy, France, and England; patiently accumulating wealth for the plunder of the Russian; through all the burnings at the stake, the crucifixions, the tortures inflicted even in the name of Jesus—through the bleak tragedy making bloody all the years, the Jew has remained the paradox of the world.

No less amazing than his tragedy and his persistence is the unconquerable faith of the Jew. Every national catastrophe, every racial calamity, every period of enslavement, every bloody butchery, has but fed the torch he lifts against the sky. Nations have died; philosophies given place to larger conceptions of truth; religions grown effete; yet through all the years of change the Jew has continued bowing his head in the solemn celebration of the Passover, and breathing out across the world his prayer of faith, "Next year in Jerusalem."

Custom persists after belief is dead. Yet while the religious life of other men is replete with change, the Jew, through all the evolutions in ceremony and belief, has reverently read the changeless Torah of his fathers. And while other sacred scripts have withered before progressive revelation and scientific investigation, the Bible of the Jew stands out, the book of books, the indestructible, immutable message from his God.

Prophets too of other peoples have arisen, proclaiming redemption from evils through self-abasement; or through decoration of the paternal sepulchers; or through the subjugation of the world to Allah and his prophet. And yet, as darkness fades before the dawn, all these once mighty prophets are passing into oblivion. But still today clearly and distinctly shine the Ten Commandments of the Jew Moses; a million tongues daily extol the Almighty through the songs of Israel's psalmist David; and a fifth of the people of the world prayerfully beseech the blessing of God in the name of a Galilean prophet, Jesus the Jew.

Thus runs the tragic, persistent story of the Jew. But what of him today, when the drunken earth lifts to heaven the scream of charging soldiery, mingling with the wail of starving women and children? Through all time the paragon of sufferers, he is today one of the most pitiful victims of all this orgy of blood. A citizen of every belligerent nation, he is in the army of every country now at war.

The Jew presents the anomaly of a nationality arrayed against itself—of blood fighting blood. The Austrian Jew fires across "no-man's land" into the heart of a brother Italian Jew; the German Jew must starve the wife and children of a Belgian Jew. Every gory charge is against his own. Every day runs livid with accounts of the massacre of Russian Jews in counter-revolutions; of their starvation in pillaged Poland; their shameless slaughter in the streets of Jerusalem by the besieged Turk.

IDEAL OF PEACE EVERLASTING

No wonder that an age-old shroud of mystery gathers about the thoughtful Israelite; no wonder he lifts the cry Jews in every age have lifted: "Why has my nationality been delivered from the greedy maw of time?" No wonder he asks: "Is my mystic people but a freak of fate?" No wonder he cries: "O God, will the morning never come?" No wonder that as the Hebrew child at the Passover asks the meaning of the ceremony, the Jew today asks the meaning of his strange, persistent tale.

And from the depths of his being comes a sure reply: "This gruesome night shall have an end. The day toward which my fathers yearned draws nigh. The ideals of

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my scattered people shall prove the saving spirit of the world, and lead to universal brotherhood and peace everlasting." But this intuition, welling up from within, must find a rational statement as to the ultimate mission of the Jew.

It is the mission of the Jew to help establish among men, as the inexorable principle of all life, the law of unity. The mission of the Jew is to teach the reunion, the refraternization and internationalization of mankind; to make all men feel that they are one, that they have one loving Father— this is the mission of the Jew. It is toward this worthy goal that for a score of centuries his bloody feet have trod a path of thorns—it is for the accomplishment of this end that Israel has persisted through these terrifying ages of hatred and persecution.

"But," it may be asked, "what can the Jew accomplish—negligibly scattered, a subject people, without a country—how can they help the world to realize the dream of prophets and seers?" This despised people can hasten world harmony because of their unified dispersion. His physical and spiritual home destroyed, the Jew, embodying the message of unity, went forth the messiah of nations. And where do we not find him today? In the Wall Streets and ghettos of the world is this mysterious Jew. In the marts of Italy, in the crowded Judengassen of Germany, in the seats of power in France, is the persistent child of Abraham. In the blood-stained pale of Russia, in "darkest Africa," and in the arid steppes of Siberia, is this "man of the wandering feet and weary breast."

The eternal man of tears is everywhere, among rich and poor, high and low, free and oppressed, of every clime. He is a universal citizen, a potential world patriot.

DIVINE UNITY IS ISRAEL'S HERITAGE

In the second place, the Jew will help establish enduring harmony because unity is the major tenet of his religion, therefore of his life. The creed of divine unity, "Hear, O Israel, the Lord Thy God is one," is the eternal foundation of his spiritual temple. This mighty confession of divine unity he chanted from the golden sanctuary of Solomon; this glorious anthem he lifted, too, from the anguish of his captivity. Clear as a silver lute above his shrieks of agony at the stake; whispered with the last tortured breath on the fiendish inquisition rack; gasped in terror beneath the cruel hoof of Cossack cavalry—his persistent cry, proclaiming the unity of God, has never been silenced.

Neither gag, nor executioner's ax, nor hangman's rope could stifle the cry of his faith. In the prattle of little children, in the slow, measured accents of patriarchs, in the early morning and in the twilight, in meditation and in action, in the shriek and clang of battle, in the calm and peace of the fields, through every moment of Israel's day has risen the prayer, "The Lord is one."

In the unity of God, the basic principle of his religion, we find also the dominating idea of the unity of man, of his common brotherhood and common fatherhood, the true basis of democracy. "All men are brothers," says the Jew, "for they are all descended from the same mortal parents. All men are sons of God," says the Jew, "for all are created after the fashion of one Jehovah."

But how can this people, so few, so scattered, so weak, aid in the unification of the world? We are prone to think in material terms. But this unification of the world is not to be temporal but spiritual. Not with the thunder of cannon nor the ingenuity of diplomacy can the world be brought into a great brotherhood; "not by the sword but by My spirit, saith the Lord"; not by the blare of trumpets nor the crash of cymbals shall redemption of the world come, but quietly, through the spirit incarnated in this people of sorrows.

Nineteen centuries ago, on the shores of Galilee, a humble tradesman, a Jew, spoke to a handful of ignorant, untutored fellow Hebrews; yet thus were the foundations laid for a spiritual empire today embracing 500,000,000 souls.

And so shall come the accomplishment of the eternal task of my people; not by force but by the spirit of the Lord—the same spirit that keeps aflame in the breast of this Messiah Nation, their mission, the unity of mankind.

And so, with eyes filled with the light of that eternal "hope which is of God," the Jew cries—

"We have traveled the highways of the world,
Staff and sandal and pack;
And the way we came is strange and far,
But the night is bright with an ancient star,
And we follow its golden track."

Enlightened Leadership at Marquette University

EXTENSION OF REMARKS
OF
HON. LAWRENCE H. SMITH
OF WISCONSIN
IN THE HOUSE OF REPRESENTATIVES
Monday, July 18, 1949

Mr. SMITH of Wisconsin. Mr. Speaker, during the war years my alma mater, Marquette University, prepared thousands of young Americans for hazardous duty all over the world in the service of their country. Some of them never returned, they fell on D-day night at Iwo Jima or on the battlefields of Europe; they were lost at sea or flamed high in the clouds. Today, Marquette University is still sending young men and women into the world of peace to work and, if need be, fight for God and country.

Because of my rightful pride in this great Jesuit institution which bears the name of one of our country's most distinguished missionary explorers and which today is one of the largest Catholic institutions of higher learning in America, I wish to insert in the RECORD the commencement address of the Very Reverend Edward J. O'Donnell, of the Society of Jesus, Marquette's distinguished young president, himself an alumnus of the university and a recent missionary.

Father O'Donnell's remarks, although addressed to the graduates, are eminently worthy of repeating, especially his call for leadership in the political, intellectual and spiritual fields:

There are moments in the lives of all of us, brief moments it may be, that sum up a whole period of effort; vivid moments that light up the long night of waiting; thrilling moments that climax the steady march toward achievement. Graduation is such a moment. It is a time of varied emotions. We look before and after, back over the years of striving for this goal, and forward, wondering what lies beyond. Looking back you see a long succession of daily efforts culminating in the triumph of today. Looking forward, you see a world-wide battlefield, calling you to enter the combat and justify the long years of training.

You are leaving your university to join an ever-increasing company of alumni. From today until the end of your lives, your honor, your success and your achievements are intertwined inseparably with the honor, the success, the achievement of your alma mater. Graduation, therefore, is not a day of parting; rather, it is a day of new consecration. Your college bestows upon you the accolade of a diploma, and you cease to be students. But you assume a new responsibility. You become ambassadors of your college to places far and near, symbolizing her ideals, her beliefs, her loyalties.

Your alma mater congratulates you sincerely upon the achievement of graduation. She reacts with you in the healthy pride you feel over a work well done. She is as genuinely interested in your future career as she has been in preparing you for it. Ever since the day she took you by the hand as a freshman, she has led you with wise devotion, friendly counsel, and personal attention through four happy years. She has treated you as though you alone sat in the classroom. She has rejoiced with you in your success, helped you in your difficulties, and today does you honor as though you alone were her only graduate. In a word, she has looked upon you as an individual given to her by God to love and cherish and form into that beautiful thing we call a Christian gentleman.

The solemn occasion of graduation warrants, I think, my recalling to you once more before you leave how fortunate—indeed, how blessed—you are to have received a religious education. You are far better equipped because you have received here a religious education. You must know that education in America has been following what is popularly called the secularist trend. I mean there are strong forces at work in this country to eliminate God from the classrooms and lecture halls of our schools. Paradoxical as it may seem, education for democracy has come to mean in our day education without religion, without God. To Washington, as to the Congress of the Confederation and founding fathers of our Republic, the school was the normal means of teaching religion and morality. Theirs was the American spirit in education. The spirit that has replaced theirs of the completely secularized school is an atheistic importation. If the founders of our Republic had anticipated the terrific storm of propaganda for nonsectarian education that beats upon the citizen today, they would have left more prayerful admonitions to their countrymen to beware the satanic delusion that a country can grow apart from God, that a spiritual culture can be achieved in our land if for the 12 most acquisitive years of a child's mental development we immerse him in an entirely Godless environment.

I think you will agree with me that it is preferable to live in an age when the fight is in the day, not in the twilight. For some time now the battle for religious education and for religion itself has been fought largely in the dark. I do not mean we have become a prey of centrifugal forces driving us apart, or that we have lost our purpose, or yielded up our God-given right as Catholic educators. I mean the atmosphere in which we live is so charged with materialism that we fail to see as clearly as we should our present danger. In the old days of the Roman Empire, Christians saw with logical clearness that it was imperative for them to cut themselves adrift from the social life in which they lived—from its tastes, practices and amusements. The line of demarcation between pagan and Christian life was sharp, clearly defined and obvious. Modern Christians have not been so favorably situated. We are the inheritors of a movement that has been eating away slowly at the foundations of Christian culture and Christian reli-

gion for over three centuries. The loss of the principles of a Christian civilization is now almost complete. Rejecting God, denying all religious, spiritual, moral and even intellectual standards, the philosophy of naturalism has inevitably issued in the complete and reasoned abandonment of all hitherto accepted human values.

Two frightful wars have hastened the process of dissolution, so that today we stand at the watershed of our history. Whether man in this atomic age will go down in the struggle for survival, is a question I would hesitate to answer. Even the scientists whose creative activity has brought atomic energy into being assure us that the most important consequences of atomic power are in directions as yet unpredictable. But of this we can all be sure: It will not be in the resources of the world that men shall find refreshment, light and peace, for those resources have uttered their last word of power. The earth has given up its possessions for the satisfaction of man's material needs; and yet man, narrowing down his ambitions to those that circumscribe the animal world, still cries out for a solution of the problems that beset him—the general incomprehension, the social instability, the psychological crises, the political chaos of our time.

I do not think that I am painting the picture too black. We know the world may at any time burst into flames, or be blown to bits without notice. We know that we are soon to become active members of a country and a civilization which—to speak frankly—are in the greatest peril of their history.

No wonder fear grips the hearts of men. No wonder men are uneasy about the future. No wonder men are groping for a way out of their misery. There is only one way out. That is the way indicated to men by Jesus Christ. It is the way you have learned at Marquette University. It lies in going deep down into, in exploring the riches and utilizing the resources given to us by God Himself through His Son. The religion of Christ our Lord is literally our only hope. We shall save ourselves only by the most tremendous efforts to carry out the obligations of our faith. If we are serious about the matter, if we wish to assist bewildered and tortured humanity in the present crisis, we should devote ourselves wholeheartedly to the task at hand. This university has tried to give you convictions about your religion. It has tried to make you faithful to the practice of your religion. Either you have these convictions deeply rooted in your souls, or your education has been irrelevant. You have learned here to live your life in conformity with the law of God and the dictates of your conscience, or you have learned practically nothing. The transformation of the minds and hearts of its students, under the Divine influence, has been your university's chief task.

You may say that there is a disproportion between the end which your university pursues and the practical concerns of life. You may say that there is no going against instinct. A man must get on in life. He must earn a living. He must provide for the future. The university realizes this fact. That the student should seek to embrace all those branches of learning that will help him in his chosen profession is not only natural but necessary if a realistic purpose is to be given to his studies. The doctor, lawyer, artist, writer, historian, sociologist, engineer are thus brought into being.

But apart from the greater professional opportunities offered by the university, there is a moral purpose which education must always fulfill, namely, the formation of God-fearing men and women. If ever there was a time for men to take up the challenge for the things of the spirit—for truth and justice, for reason and godliness—that time is now. Our university graduates have a greater task today to perform than ever before. Evil influences, the infiltration of unbelief, materialism, and mediocre conventionalism were never so widespread as they are today. You, as graduates of this institution, will soon learn, if you have not learned already, that the present world is not Christian. Your amusements, your pleasures, your pursuits, your books, your papers, your associations will offer serious temptations to mediocrity and conformity and abandonment of one's principles. These objects of gratification will be of much the same kind as are those of the people with whom you mingle, and who may not have a vestige of a Christian principle left in their minds. Too many with an education equal to yours have allowed themselves to become absorbed exclusively in secular interests soon after leaving school. Too often the result has been a growing divorce between religion and life in the soul of the individual graduate. Little by little his faith ceases to exercise a determining effect on the bulk of his ideas, judgments, and decisions. His character as a social being no longer bears trace of the formative effect of the beliefs he professes. And his faith rapidly becomes a thing of tradition and routine and not something which is looked to as a source of life that is real.

It is one great advantage of an age in which the forces of evil speak out that the forces of good can speak out too; that if falsehood assails truth, truth can assail falsehood. You are closer to the truth than you will ever be again. You have read and studied and come in contact with the accumulated knowledge of mankind. You can use your culture to influence others. You can enter into life and take part in it. You can contribute to the rebirth of goodness in the souls of men. You can make those interested for the better things of life who are now detached. Of the ignorant and the unheeding you can make men of knowledge and action in the interest of the world which you as a graduate should help to rebuild.

You have the power to give and the power to make an effort. You have the enthusiasm of youth. Here, in whatever else it must yield, youth has the advantage over age. Youth can make itself be and can make itself do what more mature years cannot. Youth has optimism. Youth possesses enormous possibilities for good. Youth has high ideals, and its idealism can lead it to heroism. God calls the youth of America in this decisive hour for a dynamic, heroic Christian life. Take your stand, then, before time saps your enthusiasm, before the practical concerns of life engulf you and the world invites you to surrender your ideals. The appeals ring out over the world; but especially here and now, it is echoing throughout America. It is a call for leadership, not only political but intellectual and spiritual as well. Go forward, then, in the strength of your faith, in the name of Marquette, to answer the call.

The Evidence of the President's Military Aide

EXTENSION OF REMARKS
OF
HON. KENNETH B. KEATING
OF NEW YORK
IN THE HOUSE OF REPRESENTATIVES
Thursday, July 21, 1949

Mr. KEATING. Mr. Speaker, it was disappointing to observe from press reports that it is not the intention of the committee established by the other body to call before it the President's military aide, General Vaughan, in connection with its investigation of those involved in Washington in selling their influence. He is reported to have volunteered the information that he knows 300 people here engaged in this questionable practice. It is difficult to imagine any evidence which could possibly bear more directly on this inquiry.

If the man who is the daily boon companion of the President has such crucial facts and is prepared to disclose them, certainly he should be given the opportunity. By the same token, if he was talking through his hat, it is equally important to lift the cloud he has cast over the White House and every procurement agency in the Nation's Capital.

The President himself is said to have given a complete green light to the Senate investigators. That is, of course, commendable. Yet this injunction against covering up anyone loses much of its force unless he directs his aide to tell all he knows, if given the chance. General Vaughan should be pounding at the door demanding to be heard.

A Great Exemplar of Peace Diplomacy

EXTENSION OF REMARKS
OF
HON. FRANCK R. HAVENNER
OF CALIFORNIA
IN THE HOUSE OF REPRESENTATIVES
Thursday, July 21, 1949

Mr. HAVENNER. Mr. Speaker, California is proud to claim Dr. Ralph J. Bunche as one of her most distinguished sons.

A fitting tribute to the magnificent work which has been done in the cause of peace by this great American is contained in the following editorial from the San Francisco Chronicle:

Dr. Ralph J. Bunche's question—"Where would the world be today without the UN?"—is a reminder we need. In the sweep of events since the war, with their record of failure to achieve the spirit of total peace, the constructive things UN has done tend to be forgotten. Dr. Bunche ticked them off:

Kashmir, Berlin, Indonesia, Palestine—each had the elements necessary to start a war. And each, as he says, has been reduced in tension from the potentiality of explosion to a relaxed state in which no dangerous imminent threat to peace is presented.

"Now, we can work at the problem; we couldn't before."

This is a heartening expression of faith from a man who must many times have felt the strain of his own faith being tested as he labored to mediate the struggle in Palestine.

The United Nations has been given a job to do that is as complex as any in the world. It was supposed to be given an implement of enforcement, a peace force, but that was withheld. Yet, despite all the despair of the pessimists and the I-told-you-so's of the cynics, its staff men—men like Dr. Bunche and his predecessor, the late Count Bernadotte—have hammered away with infinite patience and devotion to create a pattern for the settlement of tensions. The formula is truce, armistice, treaty. It is an old formula of diplomacy, and the historical record is full of glaring examples wherein it

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hasn't worked. But there is this fact, too often lost sight of, that the diplomacy of the United Nations is not power diplomacy, but single-minded peace diplomacy. It is, moreover, backed up by the most formidable moral force in the world.

The men who carry this moral force with them into the arena of disputes have an intangible implement at their hands which, as we see, works. The very existence of it makes them dedicated men, of which fact Dr. Bunche is a present and visible demonstration.

Frankfurter a Voluntary Witness in the Hiss Trial

EXTENSION OF REMARKS
OF
HON. LAWRENCE H. SMITH
OF WISCONSIN
IN THE HOUSE OF REPRESENTATIVES
Monday, July 18, 1949

Mr. SMITH of Wisconsin. Mr. Speaker, for 3 days I tried to find out if Justice Frankfurter appeared as a voluntary witness in the Hiss trial or upon subpena, but without success. He apparently was absent from Washington on vacation and there was no response at his office. Justice Reed, I was informed, appeared at the trial in response to a subpena.

This morning, Mr. Speaker, the Associated Press reports, from Heath, Mass., that the judge "deemed it an unnecessary formality to be formally served with a subpena." The quotes, Mr. Speaker, are from the judge's own statement, according to the news account. Obviously he was so interested in the welfare of Alger Hiss, one of his boys, that regardless of the propriety of his appearance as a member of the United States Supreme Court, he jumped into the case with both feet, to the utter disgust of an overwhelming majority of the American bar.

Mr. Speaker, I am including the news item referred to above which appeared in the Washington Post today:

HISS SUBPENA NEEDLESS, SAYS FRANKFURTER

Justice Frankfurter said yesterday he "deemed it an unnecessary formality to be formally served with a subpena" to testify as character witness at the Alger Hiss perjury trial in New York.

Frankfurter and Justice Reed testified as character witnesses for Hiss. Mrs. Reed said Tuesday that her husband was subpenaed by defense lawyers.

The question whether the Justices appeared voluntarily was raised as the result of a move in Congress to exempt Supreme Court members from any compulsion to testify in such circumstances. Reached at Heath, Mass., where he is vacationing, Frankfurter told the Associated Press by telephone:

"I appeared as a witness in the trial of Alger Hiss because his counsel deemed it their duty to put my testimony before the jury. They had a right to my testimony because, under the Constitution, every accused has the right to produce evidence relevant to determining his guilt or innocence. The reputation of an accused is such a relevant matter, especially under a charge of perjury. Since counsel felt they must draw on the testimony I was under duty to give, I deemed it an unnecessary formality to be formally served with a subpena.

"Of course, no member of the Supreme Court should needlessly disqualify himself from participation in a case that may come before the Court. But the circumstances that qualified me as a character witness at the trial would necessarily disqualify me from sitting in any case involving Alger Hiss, even if I had not been a witness in his case. As is patent from the public records, every year members of the Court abstain from participation in cases because of some past relation to a party litigant or any other interested party in a litigation."

Hiss, a former State Department official, was charged with perjury in connection with charges that Whittaker Chambers, one-time Communist courier, obtained secret Government documents from him. The jury failed to reach a verdict. The Government has said it will try Hiss again in the fall.

Senator O'CONOR, Democrat, Maryland, yesterday described as ill-advised and ill-timed legislation to bar Supreme Court Justices from testifying as character witnesses in a criminal trial.

"Such a law, if enacted, would be improper interference with the judiciary and it is extremely doubtful if it would stand the test of constitutionality," he said in a statement.

A bill to bar Supreme Court Justices as character witnesses has been introduced by Representative KEATING, Republican, New York.

O'CONOR said the three branches of Government are "separate and distinct and must be kept so."

It's Nice Work, If You Can Get It

EXTENSION OF REMARKS
OF
HON. KENNETH B. KEATING
OF NEW YORK
IN THE HOUSE OF REPRESENTATIVES
Thursday, July 21, 1949

Mr. KEATING. Mr. Speaker, under leave to extend my remarks, I include the following three editorials from the Rochester Times-Union, pricking the bubble known as the Brannan farm program, debated and, fortunately, defeated today.

LOWER FOOD PRICES, HIGHER FARM INCOME, IS NEAT TRICK

The corn States Thursday got their gold star for good conduct in November. The Secretary of Agriculture unwrapped a new farm program, and politically it's a daisy. It will raise farm income but lower food prices, it says here, which is the neatest trick of the Washington week.

How can either a dirt-farm Congressman or a sidewalk Congressman oppose a deal like that?

The only way we can imagine is by seeing the catch in it. This shouldn't be hard to do.

The bill would let the free market set prices on meat, milk, butterfat, eggs, poultry, fruits, and vegetables. These are the foods people prefer and should eat more of.

But if the unsupported market lets people buy them too cheaply, Uncle Sam would sit down and write a check for the farmer who produced them, covering the difference between what the Government thinks the farmer should have received and what the people were willing to pay.

There is no better recipe than a fat check to turn people into satisfied voters.

But don't go away, there's more to it than this. Where do meat, milk, butterfat, eggs, and poultry come from? They come from feeding animals and fowls corn, wheat, and other grains.

And this same bill jacks up support prices on these, along with cotton, tobacco, peanuts, soybeans, flaxseed, dry beans, peas, and wool. All the apparatus of loans, "surplus" purchases and Government-built storage space would be continued and strengthened to raise prices on these.

Then how is the price of meat, milk, butterfat, eggs, and poultry to come down, if the price of grains that produce them is propped higher?

There is more than a little flim-flammery here.

Besides this bill's hokum, it contains some ideas that surely need far more exploration than they have had.

There is the question of the Government's guaranteeing the income of one portion of our people regardless of other portions' price judgment on the value of their output.

And if that is desirable, is it good policy to attempt to freeze one portion's income at distorted wartime high levels—which is the effect of the new base period for computing parity, a price index of what farmers buy?

But the most reprehensible thing about the plan is that Secretary Brannan presented it to Congress without a single estimate on what the program would cost.

Without solid cost estimates, adequately documented, Congress really has nothing to work on. We have surely not come to the point that we buy every bauble that looks pretty politically without asking the price. Or have we?

SEEKS TO SUBSIDIZE AND CONTROL FARMERS

The more one looks at the administration's new farm program the more extraordinary it appears. As noted in these columns on April 8, the plan is tricky. It proposes to let the free market set the price of preferred foods—meat, milk, butterfat, eggs, poultry—but at the same time actually raises support prices on grains which feed farm animals that produce these foods. Also, it involves subsidies to keep farm income at or close to recent levels.

Long-range results of such a program would be even more startling than its immediate effect. All farmers, except the big commercial growers who are 2 percent of their number but produce 25 percent of the Nation's crops, would receive these high support prices on their storable crops and cash subsidies on meats and other perishables.

Thus a two-way system is introduced to favor the smaller farmers—who represent the most votes.

Even so, indications are that with lower foreign demand, continued high support prices for grains, cotton, tobacco, peanuts and other storable products would tend to increase production above what the market would absorb at such prices.

Here comes in the allotment system for farmers who get the benefits of the plan. This will become more and more rigid as surpluses pile up. Thus Government controls will work, as usual, to promote scarcity.

Under the law passed by the Eightieth Congress price supports were to be reduced in 1950 to a basis which, while protecting the farmer against a disastrous price break, did not guarantee his income level.

The administraiton's program would by price supports and by direct subsidies undertake to maintain farm income. The general body of taxpayers, whose incomes are not guaranteed, would pay the subsidies and the support price costs.

SELF-DEFEATING FARM PLAN

As we understand Secretary of Agriculture Brannan, the Nation has been guilty of great

follies in its price-support policies and it must therefore embark on still greater follies to cure them.

He says we are spending a million dollars a day to keep potatoes scarce and the price high.

We have spent $37,000,000 thus far this year to keep the price of eggs beyond the reach of many breakfast tables.

We have bought butter to keep its price up while compelling most housewives to color their own margarine if they can't pay the butter price.

We are about to do the same thing with pork products, making sure that the benefit of last year's bountiful corn crop will not be passed on.

But this, says Secretary Brannan, doesn't do the consumer any good. It surely doesn't.

So he has a plan. You let the market set supply-and-demand food prices. Then you pay a consumer's subsidy. You don't pay it to the consumer. You pay it to the farmer. It is the difference between what the farmer would have received at wartime price levels and what consumers are now willing to pay.

And then to limit taxpayers' costs—Mr. Brannan steadfastly refuses to estimate whether they will be five or ten billion or what—the Department tells the farmer how much he can raise.

This production check not only destroys the farmer's control of his own farm but counterchecks declines in food costs to consumers by limiting supply.

Working both ends against the middle is not unique. It is the almost uniform pattern of Government planning. It would be too simple to give consumers reasonable potato prices by refraining from doing the things that make potato prices unreasonable.

Federal Aid to Education

EXTENSION OF REMARKS
OF

HON. LEON H. GAVIN

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 21, 1949

Mr. GAVIN. Mr. Speaker, in view of the great interest in my district in the proposed legislation for Federal aid to education, I would like to make my position clear.

I am vigorously opposed to and will vote against the bills for Federal aid to education now before Congress.

Now, Mr. Speaker, this country of ours was set up as one in which the people would be masters of Government, not the Government masters of the people. And I hope it will continue to be a Government that believes that the right to assume self-responsibility will always be more precious than life itself.

It was founded and developed by people who sacrificed comfort and security in order to secure and ever preserve liberty and freedom of operation in this Nation.

The growing menace of bureaucracy and governmental control over the fundamental rights of the citizens in recent years is not only alarming, but if it continues, can lead only to some form of regimented bureaucracy or statism. In fact, bureaucracy has grown so in the past several years that it really constitutes a fourth branch of our Government. Bureaucracy has grown to the point where it has become master of the citizen and the citizen has become the servant rather than the master of Government.

The degree to which people of all classes have been brought into dependency upon the whim or bounty of bureaucracy is not only alarming but it is dangerous to the very concept of the sovereignty of the individual and self-government of the people.

So today the question before us is whether or not we are going to maintain our American way of doing things; whether we are to continue good, sound governmental policies to maintain the solvency of this Nation and the preservation of our American way; or, degenerate into some over-all economic plan with a regimented, regulated people being told what to do, when to do it, and how to do it by the Government.

The challenge before us is whether we are to surrender to these new philosophies of government or restore sound governmental policies and thinking; whether we will let freedom of opportunities we enjoy pass on, or whether we have the determination to change the trend of thinking and preserve in America those rights, ideals, and principles which have been handed on to us.

In my opinion this Federal aid to education is just another one of the programs that they are seeking to establish that would inject the Government into our educational system. They are requesting $300,000,000 to initiate this program, but once they get their foot in the door this program will be expanded and expanded with more taxes and more taxes which have now become a burden on the backs of every American taxpayer. High taxes are a millstone around the necks of all our citizens. They stifle initiative. They are a drag upon production and are a major factor in the cost of living because they enter into the cost of everything.

Instead of reducing taxes, we are concocting more ideas to increase taxes. Under the circumstances, if taxes were reduced the Federal Government would function more efficiently by eliminating waste and extravagance. Rather than create new formulas for spending, let us return these responsibilities to the States where they rightfully belong.

In the Senate S. 246 has been passed, and in the House H. R. 4643 is still before the Committee on Education and Labor. Both are for Federal aid to education. It is my intention to vote against any bill for Federal aid to education in event one is presented to the House for consideration.

It is my opinion that the proposed program for Federal aid to education will not do what it purports to do—reduce the inequalities of educational opportunities. Much of the $300,000,000 it would appropriate for such purposes would be distributed to States which already are doing a more than adequate job of financing education as evidenced by their high per-pupil current expenditures for schools.

Between 1936, when the first real drive began for $300,000,000 of Federal aid and 1947, the most recent year for which the United States Office of Education figures are available, State-local support for schools rose from $1,656,800,000 to $3,124,550,000, an increase of $1,467,750,000, or 5 times the 300 million offered as a door-opener to more Federal money and controls.

In the 2 years since 1947 the States and their local subdivisions have increased their school-purpose taxes by another $900,000,000-plus—or three times $300,000,000.

The $300,000,000 aid to education is not needed. Increasingly, the States are raising more and more money for the support of their schools. In Pennsylvania, I have been advised, our recently adjourned general assembly appropriated approximately three hundred million to education for the coming biennium, which represents an increase of over 200 percent since a decade ago. Our State, like others, has been aware of education's problems and has taken concrete action to effectuate solutions. For example, Act 481 of the 1947 session was an answer to the need for more adequate revenue sources of school districts in the Commonwealth. Throughout the country, State legislatures have appropriated almost $2,500,000,000 in the last 12 years as increased school support.

From a financial viewpoint alone, the Federal Government, with its debt now amounting to $252,000,000,000 and with a deficit in the offing of an estimated four or five billions for this fiscal year, and a budget of almost $42,000,000,000 should not undertake this educational project which starts at $300,000,000 but which will ultimately cost many times that every year. This is a responsibility that belongs to the States.

The total school expenditures for the year 1948 were estimated at more than $3,500,000,000, an increase of 60 percent over the 1939–40 total. In Pennsylvania funds allotted for public instruction in the biennium 1947–49 total $239,124,000 or 40.2 percent of all general fund appropriations as compared with $97,896,000 for the biennium 1939–41, which represented 23.3 percent of general funds for that period. These figures show clearly the ability of Pennsylvania and the States generallly to take care of their own educational problems. Under this new bill the States would receive financial benefits but they would also pay into the program. Pennsylvania's share of the receipts would be $10,410,000 but her part of the expense would be $22,020,000—a net loss of $11,610,000 to the Commonwealth.

Now important as financial considerations are, the most compelling reason in my opinion that this legislation should be defeated is the danger inherent in Federal control of education. Permit me to say that "he who pays the piper, calls the tune." And if this legislation is enacted Federal bureaucracy will eventually find the ways and means to exercise direct or indirect control over the schools. Therefore, I intend to vote against this legislation.

Certainly these programs are a snare and a delusion. There is no such thing

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as free money. Eventually all the people through taxes will pay the cost of these plans.

Recently Harold W. Arlin, member of the Education Committee of the Ohio Chamber of Commerce, made a statement in opposition to S. 246 before the Subcommittee on Education of the House Education and Labor Committee, in which he said, and I quote:

Although the proponents of this Federal legislation declare that it provides for no Federal controls, the fact remains that the Federal Government must establish certain supervision over the expenditure of this money. Definite controls will be established. It cannot be otherwise. Certainly, it would be unwise and poor public policy for the Federal Government to distribute public funds without exercising control over the expenditure of such funds and without demanding an accounting by those who do the spending. The Supreme Court is correct, we believe, in its finding that "It is hardly lack of due process for the Government to regulate that which it subsidizes." As a matter of fact, section 7 of the Senate bill 246 establishes at least seven definite controls, some of which delegate wide discretionary authority to those who exercise such controls. For example: Item E, of section 7, provides "that the State educational authority shall make such reports, in such form and containing such information concerning the administration of this act as the Commissioner may reasonably require, and give him upon request access to the records on which such reports are based, which reports the Commissioner shall transmit to the Congress with recommendations for such revisions of this act, as, in his judgment, the Congress should consider, with particular reference to recommendations arising from changing conditions in our national economy." Such language and such delegation of discretionary authority is broad enough to include most anything.

Section 2 of Senate bill 246 declares, "Nothing contained in this act shall be construed to authorize any department, agency, officer, or employee of the United States to exercise any direction, supervision, or control over, or to prescribe any requirements with respect to any school, or any State educational institution or agency, with respect to which any funds have been or may be made available or expended pursuant to this act," etc.

Despite this laudable effort to prohibit Federal intervention in "the administration, the personnel, the curriculum, the instruction, the methods of instruction, or the materials of instruction," the danger of Federal controls being applied to the Federal subsidy is recognized by the proponents.

When this proposal, then designated as Senate bill 742, was before the Senate last year, Senator SCOTT LUCAS said, quite frankly, "I cannot go so far as to tell the States we are going to grant this money to you * * * and after we grant the money we will have nothing to do with it except audit the funds."

Senator TAFT, one of its sponsors, when asked what assurance he could give that "some subsequent Congress will not change materially the chief sections of the bill," replied forthrightly, "We have no assurance. That is one of the dangers of any Federal-aid program, I quite agree."

The framers of the Federal Constitution were under no illusion as to the real nature of Government. They took every precaution to assure that the Federal Government would be a government of balanced authority and of written law rather than a government by men. George Washington warned that "government is not reason, it is not eloquence—it is force. Like fire, it is a dangerous servant and a fearful master." Not satisfied that the specific rights of individuals had been sufficiently protected by the framers of the Constitution, the Congress, with consent of the States, quickly added the bill-of-rights amendments, the tenth of which says specifically: "The powers not delegated to the United States by the Constitution, nor prohibited by it to the States, are reserved to the States, respectively, or to the people."

Public education in the United States has, from the beginning, been recognized as a local responsibility. The founders of our country had fought for their freedom and they proposed to keep it. To this end, they determined that education was a matter to be left entirely to the States, and to local communities in particular. Their purpose was to develop a society based on the assumption that freedom is the primary condition of worth-while existence, and that the development of the individual and of his community life can never be realized under the coercions of government. It is upon this basis that parents, educators, and public officials developed, in this country, the first truly democratic system of education in the world—a system free from government domination. When the first universities were chartered, and when public schools were being established, the Federal Government gave them grants of land as an endowment, so that they might remain as free as possible from the political pressures of even their own State governments. This localization of public education has been a great safeguard of our freedom and should be maintained as the surest guarantee of that freedom.

This fine, clear, forthright statement is one in which I heartily concur.

So I want to state that it is time for a reawakening on the part of the American people to what is happening in Washington because in spite of the excellent philosophies underlying the American way, attempts are being made to ease onto the American people various programs with the technique of controlled and regimented government. A type of government that will eventually nullify our American system.

Therefore, we must be realists and proceed with caution on all these programs or it is a question of whether we can maintain our American way and the solvency of this Nation. Let us not delude ourselves into thinking that any planners will produce a utopia, without somebody paying the bills.

So I want to be recorded as being opposed to this program of Federal aid to education and will vote against any legislation that may be presented.

Understanding the Delinquent Boy

EXTENSION OF REMARKS

OF

HON. ABRAHAM J. MULTER

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 21, 1949

Mr. MULTER. Mr. Speaker, I direct the attention of my colleagues to an article by Russell J. Fornwalt, which appeared in the June 1949 issue of the Big Brother Bulletin:

UNDERSTANDING THE DELINQUENT BOY

(By Russell J. Fornwalt, vocational counselor, Big Brother movement, Greater New York)

The delinquent boy gives every one of us a great deal of concern. But sometimes we allow ourselves to get so excited about the delinquent that we forget about the boy. Often we fail to realize that the so-called problem boy is just as healthy and normal as the lad who never gets into any juvenile devilishness or mischief. We forget, too, that the traits which now get a boy into trouble may later help to make him successful in some business or profession. * * *

So often we label a boy delinquent merely because he gives the normal response to an abnormal situation. Then we throw the lad into a reformatory, which is probably the most abnormal of all abnormal situations in the world. While in the reformatory, the boy learns to perfect his technique of giving natural responses to abnormal conditions. And then we wonder why it is so difficult for him to adjust to a new and different society after his release.

ENVIRONMENT, NOT BOY, NEEDS REFORMING

What needs to undergo reforming is not the boy, but the social, spiritual, and physical environment in which he finds himself. If a boy did not respond in an antisocial or nonsocial way to such conditions as a broken home, lack of parental guidance and affection, emotional insecurity, and overcrowded neighborhood and overstimulating movies and magazines, he would not be normal.

On the other hand, if two boys become delinquent as a result of seeing a gangster movie, why not the other 998 who live in the same neighborhood and see the same picture? The answer is simply that delinquency does not depend solely on what happens in the movies. It depends largely on what takes place in the home and what has taken place there since the child was born.

Now while the antisocial or nonsocial response is the normal reaction for the boy to make in a given situation, I am not implying that it is the most desirable response. On the contrary, it is often the least desirable and the most costly for the boy and society.

Running away from home, breaking into grocery stores, vandalism, and excessive profanity are unwholesome yet quite normal forms of behavior for the boy whose training and environment are not what they should be.

How can all this be changed? If we do not want truancy and other juvenile offenses, we must change the conditions (including our own attitudes) that bring them about. Fundamental changes must be made in the social, spiritual, and physical surroundings in which our children live. Unless properly handled, a boy's natural reactions may be the forerunner of a serious behavior pattern.

DELINQUENT MUST BE TREATED INDIVIDUALLY

The abnormal conditions that prevail in the school, home, and neighborhood must be studied in relationship to the individual boy. No two cases are alike.

You cannot prescribe a cure for any delinquent boy unless you know what is ailing him personally. Unless we tackle every case of delinquency individually, we are apt to spend a lot of time, money, and effort in a hopeless cause.

The cure lies in individual diagnosis and treatment. In the Big Brother movement we have found the individual approach to be highly successful. Delinquency cases referred to us are subjected to a thoroughgoing analysis. Programs to meet individual needs and objectives are carefully planned and followed through. We have

found that 9 out of 10 boys are never rearraigned in court after having been under the personal guidance and influence of the right type of Big Brother who is assisted by a staff of professionally trained counselors.

Most delinquents are exhibitionists. Most of us are exhibitionists in some very harmless way or another. Boys are the same way. They'll cut up in classes, or commit some offense as an outlet. It is normal, and its development should be encouraged along more constructive and wholesome lines.

UNDERSTANDING CAN REDIRECT DELINQUENT'S TRAITS

Aggressiveness is another common trait of the delinquent boy. Yet it is an asset in hundreds of occupations. Delinquent boys are usually highly imaginative, capable of concocting all sorts of schemes. It is nevertheless a quality which they might capitalize on later in life.

It would be difficult, indeed, to name one evil influence in a boy that cannot be directed toward some useful purpose. But whether his will be a career of distinction or one of crime will depend upon the understanding and guidance provided. Every normal boy has enormous possibilities for social, civic, and vocational success. Often he is lost in the shuffle because of our failure to treat and respect him as a human being or because of our failure to provide constructive outlets for his interests, drives, intelligence, aptitudes, and personality. He compensates by becoming delinquent. It is only normal to do so.

Supreme Court Justices as Character Witnesses

EXTENSION OF REMARKS
OF
HON. KENNETH B. KEATING
OF NEW YORK
IN THE HOUSE OF REPRESENTATIVES
Thursday, July 21, 1949

Mr. KEATING. Mr. Speaker, whether or not Justices Frankfurter and Reed were subpenaed as witnesses in the Hiss case is utterly immaterial. The propriety of their appearance does not hinge on any narrow technicality. It is now stated by Justice Frankfurter that he appeared voluntarily since service of the subpena would have been "an unnecessary formality." On the other hand Justice Reed, speaking through Mrs. Reed, defends his appearance on the ground that he was forced by subpena. Of the two, Justice Frankfurter's position is the more defensible. Every lawyer knows that a witness to give character or opinion evidence, as distinguished from testimony as to the facts, is never served with a subpena unless all preliminary arrangements have been made in advance and the witness has requested that he be subpenaed.

It is obvious that one who is to testify as to the character or reputation of an accused would never be called against his will or unless the accused knew in advance that his testimony would be favorable.

Clearly the course which the Justices should have pursued, when approached by Mr. Hiss or his counsel, should have been to point out the impropriety, embarrassment to their associates, and unfortunate precedent resulting from the appearance, thus breaking a tradition as old as the Supreme Court itself. Such a simple statement would have ended the matter and preserved the lofty dignity of our highest tribunal.

Again I repeat my respect for the two Justices and the high position they occupy. There is nothing whatever personal in my remarks or in the introduction of legislation to prevent a recurrence of an incident which has shocked the Nation. The deluge of approving communications, however, which I have received from the bar, the bench, and the public since my bill was offered on Monday has convinced me that the country is back of legislative action in this matter.

Another contention is reported to have been advanced by Justice Frankfurter and a member of the other body to the effect that barring Supreme Court Justices as witnesses might be an infringement of a defendant's constitutional right to produce evidence relevant to determining his guilt or innocence. It may be highly relevant and material for a priest to disclose facts given to him in the confessional, or a lawyer, or a physician, facts elicited from a client or patient. Yet to seal their lips does not violate the constitutional protection. No more certainly does it infringe on constitutional guaranties to provide that nine men, while sitting as Justices on the highest Court in the land, shall not serve as character or reputation witnesses for a criminal defendant in a subordinate Federal tribunal from which an appeal may be taken to the very bench they occupy.

Ireland and Israel

EXTENSION OF REMARKS
OF
HON. ARTHUR G. KLEIN
OF NEW YORK
IN THE HOUSE OF REPRESENTATIVES
Thursday, July 21, 1949

Mr. KLEIN. Mr. Speaker, it is not new or startling for me to restate the often-noted parallel between the history of the Jewish Nation and that of Ireland.

Nevertheless, the parallel is so striking that it can bear repeating.

Both nations have suffered under the heavy hand of the British Empire. Both nations, under the extremes of adversity, have kept alive the eternal flame of independence and liberty. Both nations, in spite of the broken promises of England and with the sympathy of world opinion, have achieved their dream of freedom. Yet both nations still find the road to full fruition of their national dreams made rough by the arrogant antagonism of Great Britain, even though England has lost the imperial effort to block national aspirations completely.

ZIONISTS AND IRISHMEN HAVE COMMON AIMS

It is not alone because of this strong and striking parallel in the national histories of Eire and Israel that, in common with most of my coreligionists, I have an interest so deep and so sympathetic with Irishmen and with the magnificent descendants of the Irish who now owe fealty to our own land or others.

There are other qualities which bind the two peoples with bonds of idealism—the idealism of freedom, of human dignity, of refusing to acknowledge defeat.

It is true that the Jews were driven from their homeland two milleniums ago—driven from the homeland to which they have been able to return as an organized government only in the last year; and it is true that the Jews had a high state of culture and civilization when all Europe was still in the stone age. It is true that the Irish, with magnificent tenacity, were able to maintain in their own country a sturdy and rebellious population able ultimately to wrest control of their own homeland from the oppressors against incredible odds.

PARTITION THREATENS BOTH

Those are minor differences which but accentuate the basic bonds; and meanwhile both nations march onward, against British resistance, toward ultimate realization.

I was struck by an even closer parallel in a statement I received from the Irish Legation on partition.

The British have used partition in Israel to weaken the new nation there; and they have used partition in Eire to weaken the new nation there.

Under consent, I am inserting in the RECORD the full text of the Irish statement on partition, with the hope that Members will take time to read it and see what kind of a bully England is in close relationships, regardless of the splendor of the British Commonwealth as a wartime ally:

"It is hereby declared that Northern Ireland remains part of His Majesty's dominions and of the United Kingdom and it is hereby affirmed that in no event will Northern Ireland or any part thereof cease to be part of His Majesty's dominions and of the United Kingdom without the consent of the Parliament of Northern Ireland." (Clause 1 (2) of Ireland Act of British Government, June 1949.)

"That area was created by an act of the British Parliament. * * * For British purposes and was created with the express design and object that in that area there should always be a Tory majority." (Mr. John A. Costello, Prime Minister of Ireland, speaking in Dail Eireann, May 1949.)

THE PARTITION OF IRELAND

WHAT BRITAIN HAS TAKEN FROM THE IRISH NATION BY PARTITION

By partitioning six of the counties of Ulster, Britain has taken the great shipbuilding and linen industries; the magnificent harbors of Lough Foyle and Belfast, and Leough Neagh, Ireland's largest lake.

Partition has also taken from the Irish Nation many of the most hallowed and cherished places in the age-long history of the country.

Armagh: The see of St. Patrick.

Down Patrick: Where the great saint is buried and where also rests Brian, who drove the Danish invader from Ireland at Clontarf.

Bangor: The site of one of Ireland's most ancient and greatest schools.

Derry of St. Columkille.

Tyrone of the O'Neills.

Belfast: The birthplace of the United Irishmen, organization founded by Presbyterians for the attainment of an Irish Republic.

Mac Art's Fort (Belfast) where Wolfe Tone, the great Protestant patriot, with others of

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his coreligionists undertook a solemn obligation not to cease their efforts until Irish independence was secured.

These are but some of the national historic shrines which have been cut out of the very heart of the Irish Nation.

Never will Ireland abandon her fight to regain this territory rich not alone in material wealth but hallowed by the most sacred memories and the scene of many of the most heroic incidents of Ireland's history.

Yet, seemingly, Ireland is expected quietly to acquiesce in the mutilation of her territory.

Would Americans acquiesce if a foreign power exercised sovereignty over a number of American States, peopled by Americans with a passionate desire for unity with their fellow countrymen, and having within their borders such national shrines as Mount Vernon, Monticello, Gettysburg, and the Alamo?

Partition, by its very fruits, stands wholly condemned, but the problem remains and must be solved.

It is a problem not unknown in other nations, indeed the problem of a dissenting minority is an ordinary problem of national governments. But, if every such problem were to be settled by detaching part of the nation and attaching it to another country, there would not be a bodily whole nation in Europe or America.

In addition to the wrong inflicted on Ireland by partition, its attempted perpetuation by the Ireland Act recently passed by the British Parliament has caused a swift ebbing of the wave of good will toward Britain which had been built up over the last few years, and has replaced this good will by a deep bitterness in the hearts of the Irish people, both at home and abroad.

And this, when today more than ever before, it is imperative for the preservation of the democratic way of life that all nations should seek to strengthen the links that bind free peoples together.

How can the Irish people be expected to believe in the sincerity of the utterances being made regarding the principles of democracy and self-determination for all countries behind the iron curtain, when those principles are denied in their own country—and denied by a country which proclaims its adherence to those principles?

The Partition of Ireland and the Atlantic Pact

(Extracts from speech made in Dail Eireann on July 13, 1949, by Mr. Sean MacBride, Minister for External Affairs)

I need hardly refer in any detail to the events leading up to the passing of the Republic of Ireland Act. The house is already fully informed on all these matters. This period was a crucial one from the point of view of the department, as many steps had to be taken, very often in a nonspectacular way, in order to insure that on and from the 18th of April last the Republic of Ireland would be internationally recognized. As the house learned, official recognition was accorded, and in every case messages of recognition and welcome to the Republic of Ireland were received.

Since the passage of the Republic of Ireland Act, a number of countries have expressed their desire to extend diplomatic representation to Ireland. In particular, the Government of India propose to open an embassy in Dublin. Discussions are also proceeding concerning the opening of diplomatic or consular missions here by Norway and Egypt.

ATLANTIC PACT

I do not think that it is necessary on this estimate to deal with our attitude to the Atlantic Pact and to the Ireland Act which was passed by the British Parliament. The Government's attitude on these matters has already been made clear to the house on other occasions. To a certain extent, the introduction of the Ireland bill in the British House of Commons exactly 1 month after the signature of the Atlantic Pact emphasized the wisdom of the Government's decision in declining to adhere to the Atlantic Pact without a clarification of the attitude of the other nations concerned regarding the territorial integrity of Ireland. As the house knows, the Atlantic Pact was intended to guarantee the territorial integrity and political independence of the participating nations. It is, I think, of some significance that within 1 month of the signature of the Atlantic Pact, Britain should have, unnecessarily and without justification, introduced a statute in her Parliament reasserting her claim to a portion of our territory.

PARTITION

In our view, and I think I can say that I am speaking for every member of this house, the essence of democratic rule lies in the right of the people of a nation to determine democratically by their free votes, their form of government and their internal affairs, without outside interference. It was the infringement of this rule which was largely responsible for the last war and which is now responsible for much of the tension existing in Europe today. Interference in the affairs of another nation, whether it be by Germany, Russia, or by Britain, is destructive of the basis upon which democratic government rests and must lead to friction.

Our sole claim is that the Irish people should be allowed to determine their own affairs democratically and of their own free will, without interference by Britain. The fact that Britain succeeded, over 25 years ago, in retaining a corner of our island and that she has since occupied it, in no way entitled her to divide the historic Irish Nation and to pretend that our island now consists of two separate nations.

British propaganda often seeks to justify Britain's attitude on the ground that Britain is merely protecting a minority. This, of course, does not bear examination. In the first place, in an area approximating four of the six counties which have been cut away from us, there is a majority in favor of unity with the rest of Ireland; the Nationalists population in these areas is coerced undemocratically and against its will, to remain separated from the rest of Ireland.

We have no wish or desire to in any way penalize or interfere with the civil or religious liberties of those who in the northeast choose to describe themselves as the British king's men. On the contrary, as has been repeatedly stated, we are quite prepared to afford them any constitutional guaranties that may be reasonably required to allay any fears, real or imaginary, that they may have. We cannot, however, accept the claim of a small minority supported by Britain, to divide our nation in defiance of the express will of the Irish people.

The continuance of partition and of Britain's support of it, is a constant indictment of democratic rule in this part of the world. We urged that this was a matter which should be discussed between Ireland and the nations participating in the Atlantic Pact. We felt that, if the concept of cooperation and democracy was to be given reality, one of the first essentials was to remove from the midst of western Europe this dangerous undemocratic anomaly. The first essential of cooperation is the removal of causes of dissension. We regret that, no doubt through Britain's influence, even our suggestion to discuss these matters was not accepted.

ATTITUDE OF STATE DEPARTMENT

I have noticed in the papers recently, reports to the effect that the State Department in Washington had stated that American policy would not allow President Truman to intervene between Ireland and Britain in order to secure the ending of partition. I am fully aware that that has always been the attitude of the State Department; indeed it is a matter about which I cannot complain, as the question of American policy is essentially one to be decided by the American people. I cannot help, however, regretting that the leading democratic Republic in the world should not at least take an interest in and assist in ending a situation which, in addition to being undemocratic, is dangerous and damaging to the unity which should exist in the democratic world.

While I know that the United States administration did not intentionally desire to do so, its attitude of indifference in the matter has been and is being construed by the British Government as a definite encouragement for Britain's interference in our affairs and the continued denial of the right to self-determination by the Irish people. That is evidenced by the fact that before the ink on the Atlantic Pact was dry, the British Government felt at complete liberty to reassert by statute, its claim to interfere with the territorial integrity of Ireland. It is even being suggested now that the United States have, under the provisions of the Atlantic Pact, undertaken to defend Britain's invasion of our territorial integrity. In these circumstances it would not seem unreasonable that the United States should at least offer its services for the purpose of bringing about a discussion and an ultimate solution of this question.

Partition is the sole remaining issue between Ireland and our neighboring isle. Its solution would end the century-old struggle that the Irish people have waged for liberty and self-determination. It is obvious that, by bringing about a solution of this question, the United States would render a service, not merely to Ireland and Britain, but to the democratic world.

It does seem extraordinary that in this era there should be a reluctance even to discuss grave problems that mar the enthusiasm and unity of the democratic peoples. I know that we are but a small nation and that Britain is a powerful one, but I cannot believe that that consideration alone should stand in the way of a democratic solution.

One of our most important tasks in relation to partition and to Britain's interference in our affairs is to make our point of view known in America, in Australia, in New Zealand, in Europe, and in Britain itself. I have no doubt that if the issues involved were clearly explained to world opinion and particularly to those who help to form world opinion, this denial of democratic rule could not survive.

Let's Not Make a Habit of Asking Federal Aid

EXTENSION OF REMARKS

OF

HON. ANTONI N. SADLAK

OF CONNECTICUT

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 21, 1949

Mr. SADLAK. Mr. Speaker, under leave to extend my own remarks, it is my desire to incorporate into the RECORD an editorial from the Hartford (Conn.) Courant for Wednesday, July 20, 1949, which is a very timely comment as well as a warning to proceed slowly and with great caution in asking for Federal aid and assistance. To the justification for the request for help at this time por-

tion of this editorial may I also add the notice that Connecticut was last night visited with a very severe electrical storm breaking the extended drought but causing the loss of lives and millions of dollars of damage to crops that may have possibly survived complete ruin and loss if the long-awaited downpour of rain had not been accompanied by lightning, hail, and wind.

The editorial is as follows:

LET'S NOT MAKE A HABIT OF ASKING FEDERAL AID

Governor Bowles has had two busy days of conferences, speeches, and press interviews in Washington. We are told he found prospects encouraging for Federal aid to Connecticut in housing, in channeling contracts and public works into this area, and in agriculture. Most residents of this State, probably, will be glad to know this aid is on the way.

Our growing dependence on the favors and benefactions of officials in Washington does, however, provoke a few reflections. We in Connecticut yield to no one in our dislike of excessive centralization in Government. Since the days of the Hartford Convention 135 years ago most of our people have felt that way. We have a strong distaste for undue dependence on the Federal Government. The eagerness with which some of us turn to Washington for economic help thus is a bit incongruous.

There is, of course, some justification for seeking outside aid at this time. As the Governor told President Truman on Monday, Connecticut, like most of New England, has been particularly hard hit by the recession in business. Our high degree of industrialization makes us especially vulnerable. There is no harm in asking that the Federal Government, in letting contracts that will go to some State anyway, bear that in mind. There is no harm in coordinating the efforts of State and Nation to cope with a distressing situation.

Then, too, the drought we are sweltering through this year is something special. Seldom has it been so dry so long at this particularly critical part of the growing year. Connecticut, and the immediately adjacent areas, again, are singled out as victims of a punishing drought that has already ended nearly everywhere else. While the skies continue to smile ironically upon us, it is prudent to take steps acknowledging our unusual plight.

It is heartening to see, though, that Connecticut's farmers, for all their troubles, are not ready to give up completely. They have asked that the State be declared a drought emergency area, but they say the dry spell still does not rank as a disaster. They are not eager to seek disaster loans from the Farm Home Administration. They are backing the request that this be declared an emergency area only after taking every step they can themselves to maintain production. Some are still not convinced even this request is necessary.

There are times when hard-hit cities and States are justified in looking to the Federal Government for aid. The present may well be one. But let us not get into the habit, as too many other groups and interests have done, of turning to Washington as a matter of course. Statistics have made clear that Connecticut contributes more in taxes to the Federal Government than it gets from it in grants and aids. It is up to us, always, to do whatever we can for ourselves before succumbing to the delusion that in Washington there is an answer to all our problems. Cooperation between State and Nation is healthy and constructive; dependence on the Federal Government is not.

The People Fear Depression

EXTENSION OF REMARKS
OF
HON. JOHN A. BLATNIK
OF MINNESOTA
IN THE HOUSE OF REPRESENTATIVES
Thursday, July 21, 1949

Mr. BLATNIK. Mr. Speaker, the fear of another 1929 economic crash is today uppermost in the minds of the people, and they are watching the Congress with the hope that action will be taken to check the present recession. Under leave to extend my remarks in the Appendix of the RECORD, I include the July 14 editorial from one of the most outstanding weekly newspapers in Minnesota, the Chisholm Free Press, which reflects the growing public concern regarding the economic state of the Union:

CAN WE DIVERT A DEPRESSION?

There's a growing anxiety about our country's economic condition. This fear and indecision is doing none of us any good. Like a parasite it is feeding on all of us and infesting a creeping paralysis.

Most fearsome right now is the drift policy. This is disturbing because the economic conditions and trends may well lead us into wholesale depression. Inaction now is just increasing the problems which we eventually have to face. Ours is still a healthy and vigorous economy. But it is not an economy that runs itself on some pattern or formula of automatic or mechanical self-stabilization, or just private capital and business enterprise. Our economy responds to human decisions, human will, human effort.

In 1946, the American people, through their Congress, made an important, far-reaching decision when they passed the Full Employment Act. This was a measure enacted to attack the problems of mass unemployment and ruinous depressions. It was a commitment by the Government to the people—a commitment to take any and all measures necessary for a healthy economy, one that provides opportunities for those able, willing, and seeking work.

Industry itself is unable to put and keep more than 60,000,000 people on the job. In the laws of supply and demand, there is also the profit motive and the personal desire for wealth and power. Unless there is a complete reorganization, industry never has been and never will be able to absorb the millions in manpower who want to work. For almost 2 years, the majority of our Congressmen and industry have supported increased armaments and foreign aid, thinking this will divert a slump and depression. Both groups have refused to face the fact that internal development is the only answer. They have not reached the obvious conclusion yet that the economic crisis developing in the United States is also taking place in western Europe. Unemployment is growing in western Europe, Britain's gold reserves are melting away fast, dollar shortages in South America are cutting United States exports. And in spite of the Marshall plan, a recent United Nations report showed that eastern Europe has recovered faster than western Europe.

Let's get our facts straight—as straight as we can. And then let's act as intelligently as we can, as boldly as we must, and in time to get going along the road to continued high levels of employment and full use of our resources. The main point is that the present situation is too serious to ignore. It requires the careful and immediate consideration of the President, the Congress, organized labor, organized business and organized agriculture. It deserves the attention of all thoughtful citizens.

In the past, the Government played a decisive role in achieving full wartime employment; we climbed out of a depression through Government action and we sustained a postwar economy through Government assistance. Only the Government has the statutory obligation and power to help in this economic crisis.

The Government should consider immediately the reduction of taxes and raising of exemptions in the lower income bracket. The veterans' readjustment benefit program which expires this month must be extended for at least another year and the payment of the national life insurance premium should be made in the latter half of 1949 instead of 1950. Old-age retirements should be increased, restrictions on public assistance removed and have the Federal share of public assistance be matched by the States to at least $2,000,000,000 for 1950. Education is a vast program in itself and students with incomplete training cannot be thrown into an already scarce labor market.

Employment can be directly provided if a sound program of reconstruction is begun. We need to build homes, highways, bridges, irrigate desert areas, construct power dams; bring electricity into the rural areas and reforest the cut-over lands.

We need new tax, wage, and price policies. We need liberal credit policies and a fair amount of profit. Those who can't live on $25,000 clear profit a year had better revise their mode and attitude of living. There is many a laboring man who brings up his family and educates his children on less than $2,000 a year. We need a national labor and wage policy designed to stimulate free collective bargaining, rather than restricting it, and a minimum wage standard that will be a credit to our country.

Yes, we need all of these revisions. We also must work, and work hard, if we are to accomplish these goals.

The World Situation

EXTENSION OF REMARKS
OF
HON. CHESTER E. MERROW
OF NEW HAMPSHIRE
IN THE HOUSE OF REPRESENTATIVES
Thursday, July 21, 1949

Mr. MERROW. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following editorial from the Keene Evening Sentinel, published in Keene, N. H., of July 19, 1949, entitled "The World Situation":

THE WORLD SITUATION

In Europe and Asia, the military forces of the Soviet Union constitute a dominant power, at present unbalanced by any group of nations.

In the world at large, the strength of the United States is dominant, outside of the land areas of Europe and Asia, and the possession of the atomic bomb makes this country almost irresistible in warfare for a limited period of years.

The impasse in Europe constitutes something of a deadlock between eastern and western Europe, which could be broken, no doubt, by the use of Soviet force. That Russia does not attempt to solve these problems by force, as she did in eastern Europe, is due entirely to our possession of the atomic bomb, in the opinion of Mr. Winston Churchill, who is a man with great knowledge of world affairs.

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The burden of the United States in international affairs will be greatly lightened, when the nations of Europe, outside the Communist orbit, become strong enough to balance the preponderance of might that now belongs to Russia. When this happens, the United States, separated by the Atlantic and Pacific oceans, will be the decisive factor in world affairs. We will occupy the position that Great Britain held for many centuries in Europe and if we use the position intelligently, we can largely determine the course of world affairs.

Federal Aid to Education

EXTENSION OF REMARKS
OF
HON. ANTHONY F. TAURIELLO
OF NEW YORK
IN THE HOUSE OF REPRESENTATIVES
Thursday, July 21, 1949

Mr. TAURIELLO. Mr. Speaker, much has been said on both sides of the question of Federal aid to education which has been under discussion recently.

I have received the following letter from the Council of Churches of Buffalo and Erie County, N. Y., on this important subject. This council occupies a respected and unique place in my hometown of Buffalo and has achieved an enviable record in religious, educational, and community matters and in bringing about cooperation and mutual understanding among the churches of various denominations in western New York.

While my views with regard to Federal aid to education do not coincide with theirs—since I have repeatedly stated my position in favor of a Federal educational aid bill which would aid all schools—I think this letter is important enough to bring to the attention of the United States Congress so that the Representatives may be given the benefit of the council's thoughts on this question. Accordingly, under leave to extend my remarks, I insert this letter in the Appendix of this RECORD:

COUNCIL OF CHURCHES OF
BUFFALO AND ERIE COUNTY,
Buffalo, N. Y., July 11, 1949.

The Honorable ANTHONY F. TAURIELLO,
House of Representatives,
Washington, D. C.

DEAR SIR: This letter is concerned with one phase of the subject of Federal aid to education. It is written pursuant to direction of the officers of the Council of Churches of Buffalo and Erie County, on recommendation of the civic committee of the council.

This council wishes to record itself as strongly in favor of the principle that any legislation extending Federal aid to elementary or secondary schools, if enacted, should confine such aid to public tax-supported schools.

The council is aware that the principle which it is here supporting is the subject of some controversy. Vigorous and even intemperate arguments have been made both for and against the principle. Out of the welter of argument, however, there emerge two considerations which in the council's view are of special significance.

First: Simply as a matter of historical fact, public education in this country has been built on a few well-known principles:

That free public elementary and secondary education should be open to all;

That such education should be guaranteed to its citizens at public expense;

That parents preferring to send their children to private schools, religious or secular, have the right to do so (a right which was legally vindicated in *Pierce* v. *Society of Sisters* (268 U. S. 510 (1925));

That parents exercising this preference may not look to the taxpayers for financial support.

These principles may fairly be said to represent American tradition today. They owe their persistence, it is believed, to the fact that they have well served both education and the public interest and have made the public schools one of the chief unifying forces of our Nation. Traditions can, and on occasion should be changed, but anyone who, in the face of our favorable national experience, wishes to alter this particular tradition bears a heavy burden of proof.

Second: Public aid for private schools inevitably raises the question of aid for schools conducted under church auspices. Any grant of public funds to support such schools is, under recent decisions of the Supreme Court, a violation of the fourteenth amendment of the United States Constitution, if the grant is made by a State, and of the first amendment, if made by the Congress. The views of the Court on this point are too clear to admit of doubt; consider, for example, the following sentence from opinion in *Everson* v. *Board of Education* (330 U. S. 1, 15 (1947)), reiterated in its opinion in *Illinois* v. *Board of Education* (333 U. S. 203, 210 (1948)):

"No tax in any amount, large or small, can be levied to support any religious activities or institutions, whatever form they may adopt to teach or practice religion."

Unless and until the Supreme Court modifies its views in the orderly course of constitutional adjudication, its interpretation of the first and fourteenth amendments remains the supreme law of the land, binding upon all of us.

This letter is being mailed today to those Members of the House of Representatives whose districts include parts of Erie County and to the Senators from New York State. Copies will be released to the press tomorrow.

Respectfully yours,
HARLAN M. FROST,
Executive Secretary.

Society Indicted by New York Court

EXTENSION OF REMARKS
OF
HON. ARTHUR G. KLEIN
OF NEW YORK
IN THE HOUSE OF REPRESENTATIVES
Thursday, July 21, 1949

Mr. KLEIN. Mr. Speaker, under consent, I am inserting in the CONGRESSIONAL RECORD a news story from the New York Times of July 16 which tells the pathetic story of a Brooklyn family trying to obtain urgently needed medical attention for their child.

The story speaks for itself and, in its indictment of a society as rich as ours in which such an incident can occur, it speaks for all forgotten people:

COUPLE WIN MERCY IN FOUNDLING CASE—COURT DROPS CHARGE AGAINST PARENTS WHO LEFT THEIR SICK BABY AT HOSPITAL

A charge of child abandonment against Michael Zaccaro, 21 years old, a $41-a-week stock clerk, and his wife of 974 East Ninety-sixth Street, Brooklyn, was dismissed in Felony Court yesterday afternoon.

The two admitted leaving their partly paralyzed 6-week-old son, Michael, Jr., in a hallway of Bellevue Hospital with a note asking that authorities give it badly needed medical care.

In granting the dismissal motion by Oscar Robinson of the Legal Aid Society, Magistrate Philip B. Thurston said:

"These two are the unfortunate victims of nature's inexplicable developments. I'm inclined to credit their lack of judgment to the unusual combination of circumstances. There apparently is a serious gap in our services, but this case cannot be considered a precedent for these two or for anyone else in the future to try to gain admittance to a hospital this way."

The child, born May 28 in Beth-El Hospital, Brooklyn, remained there until June 30. It was then suggested that it be transferred to Kings County Hospital.

TREATMENT NOT AVAILABLE

Admittance was refused there with the explanation that the hospital was not equipped to give the child the treatment it needed. The parents said that after the child had spent a sleepless night in their apartment they decided to force its entrance into Bellevue.

In his plea for dismissal Mr. Robinson said:

"It is only fair to state, to underscore, that no one is to blame for the lack of facilities for this infant. The responsibility for it rests solely with society, a society of which we are all a part. Perhaps the desperate act of these parents, lacking facilities for their infant and finding none available, will result in some positive good.

"It is hoped that provisions will be made so that hereafter no decent parents will ever again under similar circumstances be compelled to such extreme measures in order to secure care for their infants."

The child, suffering from a meningitis type of disease, will remain in Bellevue for the present. Its condition was reported as critical.

Housing Shortage at Greenwich, Conn.

EXTENSION OF REMARKS
OF
HON. JOHN DAVIS LODGE
OF CONNECTICUT
IN THE HOUSE OF REPRESENTATIVES
Thursday, July 21, 1949

Mr. LODGE. Mr. Speaker, under leave to extend my remarks in the Appendix of the RECORD, I am inserting an article written by Bernie Yudain which appeared in the Greenwich Time on Monday, July 18.

This is a notable and heartwarming example of the responsible functioning of the private-property free-enterprise system. These people of Greenwich, Conn., are giving an inspiring example of a generous community spirit. They are demonstrating in concrete and irrefutable terms that they appreciate that freedoms and responsibilities are inseparable.

The article follows:

THE RAMBLER
(By Bernie Yudain)

THE HOME PROVIDERS

In their own quiet way, a number of men and women in Greenwich are doing their bit to help lick the housing shortage. The Greenwich Home Providers, Inc., sparked by an indominable housewife, are in the process of getting another multiple dwelling into shape which will rent to modest or low-income families who are now residing in substandard dwellings.

Mrs. Kenneth Van Riper, the spark plug of the unique Home Providers movement, points out that a number of business houses, artisans, and volunteers are, with no fanfare or thought of recompense, contributing to the establishment of these homes.

For instance, Maher Bros. donated all the building materials needed for remodeling of the latest house acquired by the nonprofit Home Providers on Delevan Avenue. The firm delivered the gratis goods to the site, too.

Bill Hennessey, the gregarious plumbing contractor, donated materials, and his own time, for installing a new bathroom and renovating an old one.

Bob Craig at Craig Electric has given materials, and supplied labor, for wiring and lighting.

Some of the others who have pitched in with materials, labor or assistance include: Peel's Hardware Store, Belmont Fuel, Greenwich Hardware, Colman's Paint Store, D. K. Allen, Post Road Iron Works, George L. O'Brien, William Carlson, Ernest Drenckhahn, Greenwich Gas Co., New England Chimney Co., Garrish Roofing Co., Chimblo Bros., Connecticut Light & Power Co., and Joseph Tiriolo, refuse collector. In whatever way they were able, they helped put these old houses into order so that Home Providers could move in the families considered in most urgent need.

On the honor roll of workmen who have given their off-duty time to the project are: Harry O'Connor, William Lawlor, Wilfred Cameron, Peter Driscoll, Sr., Jerry Burke, Peter Driscoll, Jr., Andrew DeRosa, John Atherlay, Andrew Bridge, Andrew Scales, George Scales, Edward Wilson, Ernest Mannetti and Frank Leach.

Then of course, there's the invaluable contribution of the corporation's officers, especially Mrs. Van Riper. And the anonymous residents who have contributed money for the down payment on the houses. And others, too.

All in all, it's pretty swell. And only the beginning.

Veterans' Problems

EXTENSION OF REMARKS
OF
HON. JOHN McSWEENEY
OF OHIO
IN THE HOUSE OF REPRESENTATIVES
Thursday, July 21, 1949

Mr. McSWEENEY. Mr. Speaker, under leave to extend my remarks in the RECORD, I am including excerpts from two letters that I have received from my friend and comrade, Gen. William L. Marlin, manager of the Veterans' Administration, Cuyahoga Building, Cleveland, Ohio. General Marlin's letters are self-explanatory and will bring to my interested colleagues and comrades very vital and worth-while suggestions.

I have had a personal pride in the fine service of General Marlin in the Veterans' Administration since World War I. He served with distinction as an officer in the Thirty-seventh Ohio Division; this division made an enviable record in the first world conflict. I was aide-de-camp to Major General Farnsworth, the commanding officer of this division, and had the pleasure of standing on the main street of Brussels in Belgium, after the Armistice in 1918, and watching the King and Queen of the Belgians head the triumphal procession which entered their capital city. At the head of a select body of troops from the Thirty-seventh Ohio Division rode, with pride and dignity, our own, then colonel, William L. Marlin. So you can see that the suggestions that he makes in his letters come from a true soldier who not only serves in time of war but carries that interest for his comrades and his country into his peacetime activities. I should like to call special attention to this phrase from the closing paragraph of his letter of July 18, 1949, which should become a slogan, "Transfer the unemployed from the pool room to the school room." Quoting from General Marlin's letter of June 29, 1949:

Many veterans returned from military service and immediately entered industry at very good pay. They have acquired seniority and would, no doubt, be recalled whenever the company increased production. If these veterans take advantage of some type of improvement training the cost would not be much greater to the Federal Government than to apply for and accept unemployment compensation. Returns, however, to the veteran, industry, and the general good of the country would be much greater.

Under the provisions of Public Law 346 the Veterans' Administration is not in a position to counsel and supervise large numbers but through the cooperation of industry and the employment service it is believed that many veterans can be directed into types of training which will be of material benefit to them upon a return to original employment. This has been brought to the attention of the educational director of the Cleveland Chamber of Commerce and, through him, to the presidents of personnel associations and training directors' associations, who appear to believe that the plan is good and well worth a trial.

I bring this to your attention as I know you are vitally interested in veterans' affairs. There seems to be a difference of opinion as to whether unemployment benefits will be continued and just what form any veterans' legislation may take in the future. Mr. Huber has introduced a bill for unemployment compensation and there are several bills pending or being considered with reference to pension and bonus. It appears to me that if Public Law 346 is properly used great benefit will result to all concerned. Here, the use of the public and private nonprofit schools are being stressed rather than the high pressuring of veterans into vocational schools where they may take a course for the purpose of securing subsistence only but not with any intent to use the course as a means of livelihood. That situation is already overdeveloped and many of the trade objectives of the profit schools have reached a saturation point. Personally, I think that in some instances if the unemployed veteran goes to school and learns to read and write it would be of great benefit to him and the country.

P. S.—I have always been interested in the men at the crossroads and intend to bring this matter to the attention of the smaller cities as well as larger ones. In Cleveland we have full facilities for services of this type but we will also endeavor to build up the service in less populated areas.

CLEVELAND, *July 18, 1949.*

Hon. JOHN McSWEENEY,
House of Representatives,
Washington, D. C.

DEAR JOHN: I have your letter of the 15th and note your request for permission to print my letter of June 29 in the CONGRESSIONAL RECORD. I did not write the letter on that basis and after reading over a copy I am not sure you would want to print all of it, but you have my permission to use it in any way you desire. Thanks very much for your interest in the matter and your very kind suggestion.

Incidentally, the committee had a meeting today at which time it approved the copy for a small pamphlet which is to be distributed through various sources to unemployed veterans. Funds have been donated to provide for 50,000 copies which should pretty well blanket Cuyahoga County. The pamphlet will be available in about 2 weeks and it is expected that the movement will be under way about August 1, 1949. The committee includes members from the schools, industry, labor, employment service, ex-service organizations and the Urban League.

I have suggested to the committee that the welfare of the community can be advanced by transferring unemployed veterans "from the pool room to the school room."

Kindest regards and good wishes.

Sincerely,

WM. L. MARLIN.

Out at Second

EXTENSION OF REMARKS
OF
HON. THOMAS J. LANE
OF MASSACHUSETTS
IN THE HOUSE OF REPRESENTATIVES
Thursday, July 21, 1949

Mr. LANE. Mr. Speaker, under leave granted to extend my remarks in the RECORD, I include the following editorial from the Christian Science Monitor of July 20, 1949:

OUT AT SECOND

We don't know whether the national pastime or a college education taught Jackie Robinson how to do it. But nothing could be better calculated to deflate Paul Robeson's Red-tinged fearsomeness into proper perspective than his fellow Negro's comment on it. Of the famous singer's assertion that the Negro American wouldn't fight in a war against Russia, Brooklyn's famous second baseman observes:

"The statement, if Mr. Robeson actually made it, sounds very silly to me. But he has a right to his personal views, and if he wants to sound silly when he expresses them in public, that is his business."

There is essential power and sanity in the whole of Jackie Robinson's statement—made despite his reluctance to risk being muddied by the political waters which swirl around the House Committee on Un-American Activities, and because of what he guesses boils down to a sense of responsibility.

It carries power because it puts in forthright language what every sane American, of whatever color, must know:

That in the event of such a war the Negro Communist would act just like any other native Communist; that the Negro pacifist would act just like any other pacifist; and that the average Negro would behave just like any other average American—try to keep his country out of war, then help his country win the war.

It carries power because Jackie Robinson says out loud what any other self-respecting American expects any self-respecting Negro American to feel: That because he is willing to fight communism on the battlefield doesn't mean that he won't keep on fighting racial discrimination at home.

"The more a Negro hates communism because it opposes democracy, the more he is going to hate any other influence that kills off democracy in this country."

Straight-talking, clear-eyed eloquence which, coming from an expert on being a colored American, should make about as admirable a contribution to better race relations as anything that has happened in a long time.

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Federal Excise Taxes Are Rough Locks on American Prosperity

EXTENSION OF REMARKS

OF

HON. ARTHUR G. KLEIN

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 21, 1949

Mr. KLEIN. Mr. Speaker, it is my settled opinion that Federal excise taxes are rough locks on American prosperity and, of all business hazards, at this time, constitute the gravest threat to the industries affected by them.

Excise taxes, sales taxes, consumer taxes of all kinds, by whatever names they are known, are unfair and discriminatory taxes which have no place in the American fiscal structure in peacetime, and in wartime only have a claim to serious consideration as brakes on inflation and diversion of manpower and materials.

When we are caught in an inflationary spiral, excise (or other sales taxes) taxes accelerate the speed of the inflation; and when the crest is reached they operate in the opposite direction to hasten the downward cycle.

EXCISE TAXES FOR REVENUE ABANDONED

With the adoption of the Sixteenth amendment to the Constitution we abandoned the principle of Federal excise taxes for revenue except for needed social and governmental controls over narcotics and intoxicants.

By adoption of that amendment the people of the United States dedicated themselves to the principle of the graduated personal and corporate income tax—and again, in my view, this is the fairest and most equitable tax yet devised for the support of the vast governmental activities demanded by the people.

The income tax falls with greatest burden on those best able to pay.

The excise tax, by whatever euphemism it is called, falls with greatest weight on those least able to bear it.

The income tax is proportioned to the individual according to his ability to help support the Government which insures him maximum standards of living; the excise tax—a tax on consumption—is the very opposite in its principle.

EXCISES HURT BUSINESS

Ever since adoption of the sixteenth amendment there has been a constant effort by the wealthy, unwilling to bear their just share of the public expense, to return the burden of taxation to the bowed shoulders of those of small and uncertain income.

In the strain of the Hoover depression this Congress took a backward step, even in the midst of progressive reforms, by resorting to Federal excise taxes as emergency measures. Numerous States took the same backward step by adopting sales taxes, and history shows that, once adopted, the sales tax is difficult to get rid of, for it is supported by vested interests with concentrated power, and opposed only by the unorganized consumers and retailers. In New York the sales tax was adopted as an emergency source of relief revenue, and remains as a shackle on local business.

Inescapably, Federal excise taxes hurt business.

Since our present wide system of Federal excise taxes were justified, after the passing of the national emergency of depression into the national emergency of near war and war, by the argument that the taxes would discourage inflationary pressure and would help conserve manpower and materials, it fell on many industries which had a luxury tinge in total war.

WARTIME EMERGENCY PASSED

The wartime emergency is passed but the excise taxes linger on.

The list of articles subject to tax is long and varied.

Americans pay taxes to travel, they pay taxes to use the telephone or telegraph. They pay taxes on their luggage. There are Federal taxes on jewelry, women's handbags, cosmetics, fur coats, and amusements.

Obviously, every industry picked out as a target for this kind of tax is placed at a competitive disadvantage with untaxed industries.

Where something approaching a monopoly exists in a given field, the discrimination is lessened; but in such industries as furs, jewelry, cosmetics, and luggage, where the firms are small and varied and highly competitive, thousands of small businesses are fighting for their very lives.

PARTY PLATFORM PLEDGED AGAINST SALES TAX

The 1948 platform of the National Democratic platform has an unequivocal pledge against the Republican scheme for a national sales tax.

The Democratic platform adopted at Philadelphia says:

"We shall endeavor to remove tax inequities and to continue to reduce the public debt.

"We are opposed to the imposition of a general Federal sales tax."

This Democratic Congress owes it to the people to start carying out the mandate of that platform by repealing the Federal excise taxes that rough lock small business.

FUR INDUSTRY SUFFERS MOST

Mr. Speaker, the fur industry is being prostrated by the Federal excise tax on furs and fur coats.

The processing and sale of furs is centered in New York City; but the blight spreads to the swamps and bayous of the Southland, to the mountains of the West, and to the Arctic regions. It brings hunger to little people in the wilds of central Asia and depresses business in South America.

The processing of furs alone absorbs the labor of 100,000 Americans, most of whom live in New York City and its vicinity; and probably a majority of these workers live in my own congressional district on the lower east side of Manhattan.

They pray for relief.

But they are not alone.

This is a problem in which labor and management, producers and retailers, clerks, salesmen, and bookkeepers, join with unanimity—and, of course, this unanimity exists equally in the jewelry trade, the cosmetic and pharmaceutical businesses, the luggage and handbag industry, in the telegraph and telephone companies, the theatrical world, and wherever this heavy-handed discriminatory tax threatens depression and bankruptcy.

CRISIS EXISTS NOW

The summer is normally the peak season in the fur industry and full employment might be expected at the present time. In actuality, however, in this summer of 1949, one-third of the fur workers ordinarily employed in fur processing and manufacture have no work at all; one-third are working part time; and only one-third are working full time.

The businessmen face bankruptcy at worst and heavy loss at best.

The continued imposition of the 20-percent excise tax, and the adverse effect of the peculiar loopholes found in this part of the law, are undoubtedly the most substantial factors in this unprecedentedly severe unemployment crisis.

But the impact is more far reaching.

The excise tax is uneconomic. It destroys other sources of revenue, and, in addition, imposes burdens on the Government which may well be greater in cost than the revenue derived from the excises.

The difficulty of administering the tax—which is particularly flagrant in the fur industry—makes it administratively inexpedient.

AN INDUSTRY OF SMALL ENTERPRISES

From the raw fur to the retailer, the fur industry is one of small enterprises.

The capture of the raising in captivity of fur animals is an important source of income to hundreds of thousands of farmers and ranchers, or to professional trappers and fur raisers, all of whom have income and resources well below the national average.

More than 5,000 firms are engaged in dressing, dyeing, fabricating, and selling fur garments. A typical fur manufacturing plant employs only 10 persons; and the average employment in other branches of the industry will not vary greatly from that figure.

The effect of the excise tax on furs is to stifle a large number of highly competitive small businesses least able to withstand the current stagnation in sales—estimated to be a reduction of 30 percent below the peak.

TAX SELF-DESTRUCTIVE

The self-destructive nature of the tax and its harmful effect are demonstrated by the revenue figures themselves. They show a drop in fur excise tax receipts from $97,000,000 for the 1947 fiscal year to $79,000,000 for the 1948 fiscal year. Receipts for the fiscal year 1949 are even more drastically cut, being $53,000,000 for the first 9 months (complete figures are unavailable). Since the three unreported months are the spring months when virtually no business is done, the $53,000,000 figure probably closely approxmates the total. These figures in turn reflect a loss of $90,000,000 in business for the 1948 fiscal year and $120,000,000 for the 1949 fiscal year.

The effects of this drop are particularly tragic insofar as the labor force of

the industry is concerned. Workers in the fur industry require a high degree of specialized skill developed over many years of training and experience. Most of the workers in the industry are of middle age or over. The great skills acquired in this trade are not transferrable to other work. Consequently, lack of work in the industry for these workers means unemployment for them in this or any other industry.

The burden of maintaining these workers on unemployment insurance and, increasingly, on relief and dole allowances, will shortly, if not already, consume a substantial part of the revenue from this tax and, if the present decline in sales continues, soon exceed it.

INTOLERABLE BURDEN ON CONSUMERS

I have said, Mr. Speaker, that in my view any sales tax, by any name, bears most heavily on those least able to carry the burden.

This is borne out strikingly by the discriminatory and pernicious effect of the excise tax on furs, which has created its greatest havoc in the low-priced and medium-priced garments.

These are the garments which are purchased by working women and the wives of working men, whose incomes are small and who must be efficient and economical in their purchases.

In the northern part of the United States fur coats and accessories are not luxuries but are the most economical outer garments.

They give protection against cold which cannot be provided by any other material of common use, and they last for many seasons.

FURS ARE ONLY GARMENTS TAXED

The tax on furs is the only tax on articles of clothing. This discrimination has lent itself to allowing manufacturers of cloth coats, and particularly fur-trimmed cloth coats, no longer to fear the competition of the fur coat. They are thus able to take advantage of consumer resistance to a 20-percent tax by overpricing their products to take advantage of the 20-percent differential which the tax imposes. Unquestionably, if fur coats could meet free competition in the garment market, the effect would be to lower for the consumer the price on cloth coats and fur-trimmed coats.

This competition is especially unfair in the light of the figures which establish that the vast bulk of the fur garments produced are made of rabbit fur, mouton, and other inexpensive materials to retail at prices which compete with the cost of cloth coats. Such garments are usually purchased by working people. It is precisely this section of the fur industry which has suffered an almost complete collapse due largely to the 20-percent tax. The customer who is able to purchase a fur coat for several thousand dollars does not offer as much resistance to the excise tax as the consumer who can spend only a modest sum. Yet, the best present estimate of sales in the industry discloses that in excess of 60 percent of the units made and sold are sold at $300 or less.

Considering the long life of a fur garment, which averages between 6 and 10 years, such garments are by no means luxuries, but necessities, in the long run more economic than the shorter-lived wool garment. Yet, under the present tax law, a $200 cloth coat with fur trimming is tax free, while a fur coat at a cost of $100 is subject to the 20-percent-tax burden.

REPEAL OF EXCISES URGENT

Mr. Speaker, I want to repeat and underscore that I am opposed to excise taxes in principle and favor repeal of all Federal excise taxes, with complete reliance on income taxes for the great bulk of Federal revenues.

But I wish to urge upon you the dire consequences of the excise taxes in basic industries catering to consumer necessities.

In accord with the principles I advocate, it is just as important to repeal the excise tax on theater admissions as it is to take the tax off fur coats; it is just as important to free railroad transportation from Federal excise as to deliver the luggage and leather-goods industries from its burdens.

As a matter of practical politics and national interest, however, it is, quite obviously, more difficult to plead the same urgency about the taxes on articles of general consumption which fall into the categories of luxuries.

There can be no question of the basic necessity of furs, luggage, and pocketbooks in our contemporary stage of culture.

My secretary regards her lipstick, her compact, and her cologne as necessities, and she resents paying a Federal tax on them; but I can recognize that to many of my colleagues this argument seems frivolous, even though I agree with my secretary.

There is no frivolity about furs and leather goods.

These are necessities which come only after shelter and food in the budget of every American family; indeed, in a broader sense they are a part of the shelter item of the household budget, and on an equal footing with shoes, dresses, suits.

Yet this Congress is literally destroying these industries by its procrastination in carrying out the pledges of the party platform.

The annual season of summer sales is only a matter of days away.

The small business units in these industries have little or no resources to withstand the disastrous results of small sales in this season. Their resources already are strained; last January we saw the unheard-of spectacle of full page retail advertising of fur sales at the peak of the season.

Two basic industries are being jeopardized.

Mr. Speaker, I urge you and the leaders of the Congress, and our national leadership, to take a decisive stand, to help bring to the floor swiftly, a repealer of the burdensome taxes on fur and leather goods, at once.

RIDERS NOT GOOD LEGISLATIVE PRACTICE

It is my view that the attaching of irrelevant riders to substantive legislation is a device of doubtful legislative sagacity; and I hope that I shall not be forced to decide if I must vote to adopt H. R. 2905 as it stands now before another House.

But, Mr. Speaker, my people are so desperate, the fur and leather industries are so desperate, that I greatly fear that I shall have no choice when and if the time comes. I shall be constrained to vote for that bill, no matter how much I disapprove of the device used; and I think that other members are going to feel the same way.

This is not an orderly method of legislation, and it is my sincere hope that the legislative committee having jurisdiction will agree to report an emergency repealer on these two excise taxes at once, and will then move rapidly toward the elimination of the remaining excises early in the next session.

Federal Housing Law

EXTENSION OF REMARKS
OF
HON. ANTHONY F. TAURIELLO
OF NEW YORK
IN THE HOUSE OF REPRESENTATIVES

Thursday, July 21, 1949

Mr. TAURIELLO. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following editorial from the Buffalo Evening News of July 18, 1949:

INVITATION TO HOUSING—R. S. V. P.

Now that the Federal housing bill has been signed into law and there is no longer any point in calamity howling against it, this would be a fine time for real-estate men, builders, bankers, and others who have fought the bill from the beginning to settle down and calmly reread it.

Viewed rationally and not emotionally, the law has a lot of interesting possibilities for the very people who have opposed it most steadfastly. This is so because the fundamental aim is to encourage private enterprise and local communities to take on the lion's share of the slum-clearance task. Though the fight waxed hottest on the issue of public housing, this long-term national-housing policy makes public housing strictly secondary. It is there only for that part of the market on which private industry defaults or which, for elementary economic reasons, it cannot serve unaided.

The real worth of this new Federal program lies in its slum-clearance and urban-redevelopment sections. Public housing was included as a necessary part of the whole. The reason the public heard of little else during the long campaign for this legislation is that extremists on both sides made this their principal battleground. The militant public housers were continually reaching out for more, while the much-maligned real-estate lobby fought the whole idea with tooth and claw. As a result, the casual spectator might have gathered that there was nothing in this bill other than a program for providing federally built houses for the masses.

Actually, the emphasis in this law is the reverse—and public housing will now be maximized or minimized depending on what private industry and local communities are able to do to abate the need for it. The policy of the law is clearly stated in the preamble: "(1) private enterprise shall be encouraged to serve as large a part of the total

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need as it can; (2) governmental assistance shall be utilized where feasible to enable private enterprise to serve more of the total need; (3) appropriate local public bodies shall be encouraged * * * to undertake positive programs of encouraging and assisting the development of well-planned, integrated residential neighborhoods, etc. * * *; and (4) governmental assistance to clear slums, to facilitate community development and redevelopment, and to provide adequate housing for * * * families with incomes so low that they are not being decently housed * * * shall be extended to those localities which estimate their own needs and demonstrate that these needs are not being met through reliance solely upon private enterprise."

It is to that slum clearance section particularly that Buffalo civic, industrial, and financial leaders should look for ways to combine individual effort, community action and Federal assistance in a broad, imaginative program for the redevelopment of our worst-blighted residential districts. This is a job it behooves the city administration to tackle with zest. But even more it is a challenge to those very private interests that have been the most implacable foes of public housing. With Uncle Sam definitely committed to this program, the surest way for the building industry's fears of socialization to come true would be for it to default on redevelopment, thereby leaving it to the eager public housers. Right now, the field is vast and beckoning. But the invitation contains an urgent R. S. V. P.

Letter of Commendation

EXTENSION OF REMARKS
OF
HON. EDWIN ARTHUR HALL
OF NEW YORK
IN THE HOUSE OF REPRESENTATIVES
Thursday, July 21, 1949

Mr. EDWIN ARTHUR HALL. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following letter:

CONKLIN, N. Y., *July 6, 1949.*

Hon. EDWIN A. HALL,
House of Representatives,
Washington, D. C.

SIR: This is a letter of thanks, appreciation, and commendation.

I thank you for the sincere and heartening letter you wrote me when my husband was in the OSS in 1945.

I appreciate the books on child care you sent me when my children were born.

I commend you for your promptness, thoroughness, and above all, your kindness.

There must be thousands of people in this community who have been viewing with increasing distaste the smear publicity which has been accorded you lately by the Gannett papers. It is only serving to make you new friends and is strengthening the regard of those who have been your friends from the start.

From Ye Olde Binghamton Press, I see that you are considering running for mayor. Well, if you do, I am sure you will win that easily. That job has needed a good expediter for a long time.

Because I feel that your earnest efforts in behalf of people like myself cannot be measured, the most I can say is, you may count on me. If you ever need help on this end, call me and I shall be glad to serve you promptly, thoroughly, and gratis.

Respectfully submitted.

Mrs. A. L.

Further Probe Needed of Commodity Credit Corporation's Multi-Million-Dollar Accounts Discrepancies

EXTENSION OF REMARKS
OF
HON. J. CALEB BOGGS
OF DELAWARE
IN THE HOUSE OF REPRESENTATIVES
Thursday, July 21, 1949

M BOGGS of Delaware. Mr. Speaker, more than 3 months ago, I directed the attention of the Members of this House to the multi-million-dollar discrepancies in the accounts of the Commodity Credit Corporation, disclosed by the distinguished senior Senator from Delaware [Mr. WILLIAMS].

As a part of my present remarks, I include an article by the able columnist, Herman A. Lowe, which appeared in the Philadelphia Inquirer on June 1, 1949.

This fine article presents some startling information. It also shows what a splendid service has been rendered to the people of this Nation by Senator WILLIAMS in bringing to the public's attention some of the facts concerning the Commodity Credit Corporation's missing $366,643,129. Furthermore, it serves to emphasize the fact that extreme care should be exercised in delegating any additional authority to the Secretary of Agriculture.

Mr. Lowe's splendid article discussing this serious matter follows:

MISSING MILLIONS—NEW INVESTIGATIONS HINTED IN UNITED STATES AGENCY SHORTAGES

(By Herman A. Lowe)

WASHINGTON, May 31.—With a Senate committee finally preparing to probe the Commodity Credit Corporation's missing $366,643,129, there are rumblings here that the books of still other corporations are far out of "kilter."

It is quietly claimed, for example, that an amount far greater than the CCC's $366,000,000 cannot be accounted for in the records of the Reconstruction Finance Corporation. The General Accounting Office, the Government's own official accountant, which has been unable to balance and bring up to date the snarled books of CCC, is understood to be finding equal difficulty in trying to unravel the records of other agencies.

Not much is being said of the other corporations at this time. However, if and when the CCC mess from July 1, 1942, to June 30, 1945, is ever clarified, several Members of Congress are waiting to take the lid off the story of unaccounted-for millions in other Government corporations.

Meanwhile, Senator JOHN J. WILLIAMS, of Delaware, who forced the inquiry into the Commodity Credit records, has come forward with more specific charges than he made originally. He now declares flatly that some of the missing $366,000,000 is attributable to either dishonest or careless dealings with private traders and operators. He denies that the missing $366,000,000 is merely the result of lost or destroyed records of transfers of commodities from one Government agency to another during the war, as alleged by Secretary of Agriculture Charles F. Brannan.

How much of the $366,000,000 of taxpayer's money was lost as a result of these private deals will probably never be known. The missing records conceal that.

And whether two former convicted embezzlers, later hired by CCC to serve in responsible positions during part of the period, had anything to do with the losses, is likewise not known thus far to Congress.

When Senator WILLIAMS recently uncovered the scandal of the unaccounted-for $366,000,000 Secretary Brannan promptly came back with a statement that: "These wartime operations were the subject of an extensive investigation by a House committee (in 1945) under the leadership of Judge Tarver (Representative Malcolm C. Tarver, of Georgia). * * * All questions of fraud or loss to the Government were fully explored and the committee fully satisfied that there was no evidence of either."

Senator WILLIAMS broke the back of that whitewash last week by laying before the Senate the report of the Tarver committee, which expressed anything but approval of the wartime operations of CCC—called the War Food Administration from 1943 through 1945.

The Tarver committee found:

1. CCC (or War Food Administration) sold as surplus to private dealers commodities it did not have and that it then had to go out into the open market and purchase these commodities at more than it was selling them for.

2. "Dereliction of duty" on the part of some officials and employees.

3. The agency's own records were in such poor condition (whether deliberately or carelessly) that it accepted the word of private merchants on transactions, even where such records as were in its files showed entirely different information.

4. CCC (War Food Administration) gave deliberately false information to Congress to cover up its own blunders.

Here are some direct quotes from the report which Secretary Brannan sought to use as proof that the missing $366,00,000 is only the result of bookkeeping transactions and that no money was lost for the taxpayers:

"We are of the opinion that inefficiency and dereliction of duty have occurred on the part of some of the officials and employees of the War Food Administration (now CCC) and that such derelictions are clearly indicated by the record of the hearings."

"There has been no reconciliation of the inventories submitted monthly by the various warehouses with the records of the WFA and that storage and service charges are being paid solely upon the word of the warehousemen that such storage and service charges are due and accurate, without checking against any storage records of the WFA.

"With respect to the sale of commodities to individuals and corporations, in some instances final settlement for the transaction is based upon the quantities which the purchaser states that he has received. Instances have been brought to the attention of the committee where the amount stated by the purchaser disagrees with the amount reflected by the inventory records of the WFA, and the final settlement has been made based upon the quantities reported by the purchaser."

H. R. 5602, Authorizing the Secretary of State To Provide for the Relief of Chinese Students in the United States

EXTENSION OF REMARKS
OF
HON. JACOB K. JAVITS
OF NEW YORK
IN THE HOUSE OF REPRESENTATIVES
Wednesday, July 20, 1949

Mr. JAVITS. Mr. Speaker, ever since the United States authorized the moneys promised by China as a result of the Boxer Rebellion in the last century to be

used for educational purposes, there has been a steady stream of students from China coming to this country to study and bringing back to China with them the American concepts of democracy. The Committee on Foreign Affairs of the House, in order to preserve this cultural link of long standing under present exigencies which prevent many students from getting support from home, has approved bills making available $4,000,000 of ECA funds to selected Chinese students. Appended hereto is a letter from Dr. Clarence Linton, president of the National Association of Foreign Student Advisers and adviser to students from other lands at Teachers College, Columbia University, on this subject:

THE NATIONAL ASSOCIATION OF FOREIGN STUDENT ADVISERS,
New York, N. Y., July 19, 1949.

Hon. J. K. JAVITS,
Member of Congress,
House of Representatives Office Building, Washington, D. C.

DEAR CONGRESSMAN JAVITS: Thank you very much for your recent letter reporting the favorable action of the Committee on Foreign Affairs on the bills to make $4,000,000 available to selected Chinese students.

I am very hopeful that favorable action by both houses of Congress will be possible this session. Many worthy students are completely without funds either to continue their studies or to return to China.

Sincerely yours,

CLARENCE LINTON,
President, National Association of Foreign Student Advisers.

The Brannan Plan

EXTENSION OF REMARKS
OF
HON. JAY LeFEVRE
OF NEW YORK
IN THE HOUSE OF REPRESENTATIVES
Thursday, July 21, 1949

Mr. LEFEVRE. Mr. Speaker, under unanimous consent to extend my remarks in the RECORD, I include the resolution passed by the Eastern Federation of Feed Merchants at their annual convention held at the Hotel Commodore in New York City on June 21 this year.

Manufacturers and retailers of livestock feeds, with business operations scattered over 11 Northeastern States, who constitute the membership of the organization, are naturally interested in the welfare and prosperity of the farmers. When farmers are prosperous, the feed merchants are prosperous. The Brannan plan unquestionably will lower farm-production efficiency. Balancing of supply and demand by competition free from Government subsidies is the only practical stabilizing process.

The resolution follows:

Whereas the Eighty-first Congress of the United States is now considering legislation embodying the so-called Brannan Farm plan which proposes a Government-guaranteed income for agriculture; and

Whereas in the opinion of the members of the Eastern Federation of Feed Merchants, Inc., said Brannan farm plan is not in the best interests of either farmers or consumers because it is unsound economically; and

Whereas to implement said Brannan farm plan, agriculture would be regimented and controlled by government bureaucracy to its detriment and its loss of freedom of management and operation; and

Whereas the cost of implementing said Brannan farm plan threatens the solvency of our Government because of its costly implications; and

Whereas Congress is at this time being particularly urged to try the operation of said Brannan farm plan on a few specific agricultural commodities, particularly on hogs; and

Whereas the said Brannan farm plan in general and particularly its proposed trial run on hogs is outstandingly dangerous for the welfare of northeastern agriculture: Now, therefore, be it

Resolved, That the federation, now in annual convention, go on record in vigorous opposition to the adoption of said Brannan farm plan by Congress in any form whatsoever; and be it further

Resolved, That the said federation go on record in accord and support of the position recently taken by the New York State Conference Board of Farm Organizations in reference to said Brannan farm plan, to wit:

"1. The Brannan plan proposes to center complete control of production, marketing, and prices in the hands of a Government agency.

"2. It is developing with frankly political implications which will leave the welfare of farm peope subject to the whims of a bureaucracy and dependent upon congressional appropriations.

"3. It will stop the long-time trend toward greater efficiency in farm production, a trend which is in the interest of consumers as well as producers.

"4. It would be, under most conditions, a consumer subsidy paid by taxpayers in the name of farm relief"; and be it further

Resolved, That a copy of this resolution with an accompanying letter outlining the background reasons upon which it is adopted, be dispatched to each of the Congressmen representing districts in the 11 Northeastern States in which the federation has its membership and urging each of said Congressmen to support the position of said federation as outlined in said resolution.

Wisconsin Has 2,250 Dairy Plants

EXTENSION OF REMARKS
OF
HON. REID F. MURRAY
OF WISCONSIN
IN THE HOUSE OF REPRESENTATIVES
Thursday, July 21, 1949

Mr. MURRAY of Wisconsin. Mr. Speaker, under leave to extend my remarks, I submit the following article appearing on July 14, 1949, in the Colby Phonograph, of Colby, Wis., a fine newspaper in my congressional district:

WISCONSIN HAS 2,250 DAIRY PLANTS

There are now 2,250 dairy plants operating in the State of Wisconsin, according to a report compiled July 1, by the dairy division of the State Department of Agriculture.

The plants produce about a dozen different types of manufactured dairy products.

Cheese factories are more numerous than any other type of dairy plant, with a total of 1,313, the report reveals. Ice-cream plants and milk distributors rank second and third in number.

Following is a tabulated report of the number of plants now operating in the State:

Butter factories	316
Cheese factories	1,313
Receiving stations	353
Condenseries	101
Powdering plants	127
Ice-cream plants and counter freezers	620
Milk distributors	15
Process plants	15
Cheese food compounds	5
Cottage cheese manufacturers	175
Cooked cheese manufacturers	1
Concentrated whey manufacturers	11
Canned cream	1
Total	2,250

Wisconsin's agricultural economy, as this article indicates, is very much of a livestock economy—85 to 90 percent of the farm income is derived from livestock and livestock products, and about 50 percent of this farm income is derived from milk. When one realizes that Wisconsin milk prices in 1948 were more than 50 percent higher than the present prices, it is quite evident that the economy of the State is seriously affected. The present cheese price of 27 cents per pound is a rather sudden drop from the 45 cents per pound price enjoyed in 1948.

Certain forces, like the CIO, for instance, who were trying to pass the oleo bill, were evidently willing to make thousands of dairy employees lose their jobs. Wisconsin alone produces one-eighth of the milk produced in the United States, and combined with Iowa and Minnesota the production is one-fourth of the total in the United States.

We now witness cheese selling for 5 cents per pound below the legal lawful support price, and milk being sold to the evaporating plants for 50 cents per hundredweight below the support price set up by law. The welfare of 2,250 dairy plants and thousands of employees in the dairy industry stands in jeopardy because the provisions of the support law are not being carried out at this time. We are entitled to more performance of the support law and less deceiving promises.

An Answer, Including a Lesson in Law

EXTENSION OF REMARKS
OF
HON. ABRAHAM J. MULTER
OF NEW YORK
IN THE HOUSE OF REPRESENTATIVES
Thursday, July 21, 1949

Mr. MULTER. Mr. Speaker, on July 18, 1949, I was granted a special order for July 19, 1949, which I intended to use for the purpose of answering the unfair and unwarranted attack made by the gentleman from Wisconsin [Mr. KEEFE] upon United States District Court Judge Samuel H. Kaufman. Unfortunately, the death of Supreme Court Justice Frank Murphy intervened, necessitating the postponement thereof.

The gentleman from Wisconsin laboriously demonstrated that no Member of this House, on or off the floor, should attempt to review the rulings of a trial court, and that it was in exceedingly

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bad taste for any Member to review the evidence while the defendant Hiss is still subject to being retried.

Intent upon proving the judge's unfitness, he set himself up as a grand jury and indicted Judge Kaufman. Then, under the role of judge and petty jury he presented his proof, most of it hearsay, little of it of probative value, and immediately proceeded without further deliberation to find the defendant Hiss and Judge Kaufman both guilty as charged.

The distinguished gentleman from Wisconsin prides himself on being a trial lawyer of vast experience. I daresay that if a lawyer came into a court of law and made the charges he made and failed so miserably to sustain them with legally admissible evidence of probative value he would be severely censured if not held in contempt.

It is unfortunate that so many Members of this House take the privilege to address it on matters not before it, as a license to take unto themselves immunity from criminal libel prosecution and from liability for damages.

The gentleman in question correctly stated the rule that Congress has no right to review a judge's rulings and then he proceeded to attack each of the rulings he did not like. I mean just that. By his own statement, he is too good a lawyer not to know that Judge Kaufman's rulings were legally correct except in one instance where he ruled against the defense and in favor of the prosecution.

I will discuss each of those rulings seriatim, in a moment.

The gentleman very carefully pointed out the correct ruling of law that a congressional inquiry must be limited and I quote him, "solely to any allegations of misconduct on the part of the trial judge." To keep within that salutary rule, the gentleman then launched into a tirade about the judge's background and antecedents, all of which had been considered by the Senate before it confirmed Judge Kaufman's nomination long before this trial.

Few laymen know and many less understand the principle of law oft referred to as res judicata. It means the matter has been adjudicated. No doubt some lawyers, even experienced ones, have never learned it or its application, despite the fact that it is found in every system of law, including both the Roman and the Anglican. It applies even in impeachment trials. Matters once finally adjudicated are not subject to further review or to new trial.

The reference to the trial judge's activities as a lawyer before he became a judge, like the inadvertent reference to the firm made up of his former law partners as "his law firm" were unworthy of any advocate and even more to be condemned when, uttered at a time and a place which permitted no answer by the accused.

Those are the tactics which caused the activities of a committee of the Eightieth Congress to be labeled "un-American."

The reference to political contributions by persons other than the judge after his appointment were just as invidious. The gentleman's statement about there being no record in New York of political contributions is just as incorrect as most of what he said. I suggest he spend some time reading the New York State election and penal laws. Possibly before he reads that he should study the law of evidence and learn that in American courts we do not prove a man guilty of a crime by showing his past conduct.

The worst offense a prosecutor can commit in New York State is to attempt during the presentation of his direct case to show that the defendant had been charged with or even convicted of other crimes.

Now I do not pretend to know the law of every State in the Union, nor the procedure of every Federal jurisdiction. I do know it differs very radically in many respects in many States. That is the principal reason for the rule that a lawyer must be separately admitted to practice in each Federal and circuit court. I do claim to know the law and the rules of evidence as applied in New York State and in the Federal courts there. Not by way of boasting but merely to demonstrate the accuracy of my statement, let me say that I devoted 25 years to specializing in trial and appellate court work, a very substantial part of it being referred to me by other lawyers.

With that background, I now intend to take apart, in a lawyerlike way, each of the appellate rulings made by the distinguished lawyer from Wisconsin as he reviewed the New York Federal Court's decisions and rulings.

ASSIGNMENT OF THE CASE FOR TRIAL

The assignment of the case for trial to Judge Kaufman was neither unusual nor irregular. I do not know and care less about how many adjournments of the trial were had before it reached Judge Kaufman. Certainly no one can charge that he had anything to do with any of that. Our Wisconsin friend approvingly says that attorneys seek to have their cases heard by a favorable judge. That goes for the prosecuting attorneys as well as the defense attorneys with one very important limitation. In New York the defense attorney never has an opportunity to pick a judge to his own liking. The prosecuting attorney always has. Anytime the prosecutor does not like the judge he asks and gets an adjournment for any one of a number of reasons. If he does not like a particular judge or group of judges he can usually get another judge assigned.

With the summer vacations long since assigned and fast approaching, I am certain that very few of the New York judges would have undertaken the assignment to the trial of this case, which everyone knew would be protracted and trying.

PICKING THE JURY

The Federal court rule was changed some time ago so as to eliminate the criticism leveled at the manner in which lawyers conducted the impaneling of juries. It is now the exceptional case in which lawyers query prospective jurors in the Federal courts in New York.

What Judge Kaufman did in impaneling this jury is accepted and proper procedure known to every lawyer practicing there.

To say that the presiding judge limited counsel to the exercise of peremptory challenges is to fly in the face of the record. Both sides were given every opportunity to submit to the court proposed questions to be asked of the prospective jurors and counsel had every opportunity to make a record on which to base challenges for cause and to make such challenges.

I have no doubt that our friends now throwing the brickbats would be just as vehement if the trial judge had allowed any longer time to be consumed in picking the jury. No matter what this judge would have done would be subject to their condemnation.

THE OPENING STATEMENTS

Because a Wisconsin lawyer does not like a New York lawyer's opening statement is no ground for criticizing the court. I am sure our friend would be just as fascinated as most people are listening to Mr. Stryker. The Wisconsin gentleman's statement that he was never permitted to sum up in an opening to a jury indicates he has tried to. A perusal of the defense opening shows that no matter how dramatic, it was an outline of what the defense intended to prove. At least four jurors believed the defense proved that Chambers was "the thief, liar, blasphemer and moral leper" as painted in the opening statement.

THE ADMISSION AND EXCLUSION OF EVIDENCE

It is impossible to give here a complete lecture on the law of evidence and keep within any reasonable limits. I must, however, point out some very important though much misunderstood principles.

Neither side may impeach or attempt to destroy the credibility of its own witnesses. A lawyer may do nothing to impugn the credibility of his own witness by showing he is unworthy of belief or that he is hostile, biased or prejudiced. As a part of the prosecution, the prosecutor may not offer such proof about the defendant or the witnesses he may call. A defendant's credibility is never an issue in a criminal case unless and until he offers himself as a witness. Guilt must be proved in American courts beyond a reasonable doubt. It cannot be pinned on a defendant by proof of association with criminals or persons of ill repute. Although proof may be circumstantial it must relate to the crime and not merely create an inference from which one might draw another inference.

Collateral matter adduced from a witness may not be contradicted. Even a defendant called as a witness in his own defense on cross-examination may be made a prosecution witness as to such collateral matters thus binding the prosecution by the answer and precluding the right of the prosecutor to offer proof to the contrary.

Confusing as all of this is to most people it should be obvious that, if in a case charging the simple crime of perjury about the alleged delivery of documents, unless this rule was adhered to the court and jury would soon be trying a dozen different people for as many different crimes.

It must also be borne in mind, that in every criminal case greater latitude must be given the defense in the presentation of its case. The reason for that is also little known by laymen.

In the event of a conviction, the defendant has an absolute right of appeal.

In the event of an acquittal, the Government has absolutely no right of appeal. It is therefore of the utmost importance that defense counsel have a record which will present his points that he may seek to review.

Government counsel have no such problem. If an offer of proof is made and rejected it cannot be reviewed, so that it matters not if the record is incomplete on that score.

The defense must not only make the offer of proof but it must be technically correct in form and in substance or the appellate court may refuse to review it.

THE PSYCHIATRIST

The foregoing makes clear the necessity for the course followed by the judge in allowing a question to be addressed to the defense witness, Dr. Binger, knowing in advance that the witness would not be permitted to answer.

The only proper way for the defendant to "make his record" was to call the witness. First, defendant had to prove the witness, Dr. Binger, was qualified to testify. Secondly, defense counsel was required to include in his question every material fact adduced at the trial. No matter how qualified the doctor was proven to be, no matter how much he knew about the defendant, unless every material fact was made a part of the question, the court would have refused to permit him to testify.

In reviewing that point an appellate court would have to resolve both those questions in favor of the defendant before coming to the vital question of whether the physician should be permitted to testify about Chambers' sanity. As to that question I believe the court erred in favor of the prosecution and against the defense.

One of the leading treatises on the subject is Richardson on Evidence. The rule is there laid down as follows:

> After a witness has been sworn, evidence as to his mental condition may be received for the purpose of affecting his credibility. The extent to which such an inquiry may go is largely in the discretion of the trial court, but in cases where it appears that, in the interests of truth and justice, such inquiry is necessary, it is error to exclude all evidence which is offered for the purpose of attacking the sanity of the witness.

THE JUDGE'S DEMEANOR

In the Federal courts a trial judge—even in a criminal case—has the right—and many times the duty—to give his opinion of the evidence. The only restriction on that is that the jurors must be advised that they are the ones who must determine the facts—and that the judge's opinion is only for their guidance. If Judge Kaufman had been biased in favor of either the prosecution or defense, he could have, with propriety and without being subject to censure, indicated his feelings in his charge to the jury. I believe that he carefully indicated to the jury what the law was in the case, and I do not believe he undertook to influence the jury either way.

THE SUPREME COURT JUSTICES

I cannot recall a single instance where a judge did not act exactly as Judge Kaufman did when his court was graced with distinguished public figures. There was absolutely no impropriety in his action in greeting them, and I do not believe it had the slightest effect on the jury. Knowing the defendant as well as they did, it is obvious that Justices Frankfurter and Reed would feel called upon to disqualify themselves in the event the case ever reaches the Supreme Court. They had the same right to testify that any American has. I believe it was their duty to testify.

There is some talk about changing the law to prohibit such testimony in the future.

I have no doubt that any such law is unconstitutional. No legislature has the right to deprive any defendant of a full and fair trial at which he may submit every last bit of evidence available to him.

TECHNICAL RULINGS

The exclusion of the Government's testimony sought to be offered through Mrs. Massing was in every respect proper. It was purely collateral and had no bearing upon the crime charged. Even a police court judge knows that it is his duty to exclude evidence upon collateral issues that do not relate to the specific charge. Alger Hiss was being tried on perjury charges—and on perjury charges alone. Even if he was guilty of treason—and I do not in any way intimate that he was—he was not on trial on that charge. Therefore, any evidence that did not relate specifically to the charges in the indictment should not have been admitted.

As Prosecutor Murphy himself pointed out in his opening, the issue was: Did Chambers tell the truth—or did Hiss tell the truth? Rulings on evidence are highly technical. But they have become part of our trial law as a result of hundreds of years of experience, and no one—least of all a member of a legislative body—has the right to ask that technicalities be waived unless and until that procedure is changed by law.

THE GRAND JURY MINUTES

Grand jury records are usually secret. But there are exceptions even to that rule. The law requires that the grand jury minutes be made available to the defendant when it can be demonstrated that a witness made one statement before the grand jury and conflicting statements elsewhere. In this case, Judge Kaufman was entirely within his rights in ruling that the defense could look at some of the minutes. In fact, if he had not permitted the defense to have access to them, he would have committed reversable error—requiring a new trial—in the event there had been a conviction.

SHOULD THE FOREMAN HAVE BEEN DISQUALIFIED?

Probably most unfair of all the charges is the one that the court should have disqualified the foreman of the jury in view of rumors that the foreman had made up his mind about the case.

Do not take anyone's opinion on that score. The record is crystal clear on that. Here is the verbatim quote from the record:

Judge Kaufman, speaking to Prosecutor Murphy:

> Well, if the defendant's counsel are willing, and if I should follow your suggestion and dismiss this juror, you may have a mistrial.
>
> Prosecutor MURPHY. Well, so we can understand each other right now, the Government is not moving for a mistrial in words, substance, effect, or inference.
>
> Judge KAUFMAN. Are you moving that this juror be disqualified?
>
> Prosecutor MURPHY. No, sir, I am not.

CONCLUSION

There is no need for me to point out in greater detail the many other errors of fact and of law that are found in our colleague's statement of his case against Judge Kaufman.

It does not withstand analysis. His charges fall of their own weight, when measured by the rules of law he himself lays down for his own case.

I repeat what I said before on the floor of this House. Judge Kaufman is a good lawyer and an excellent judge. His honesty and uprightness are unassailable. He is every bit as loyal and patriotic as his attackers. I referred to his loyalty and patriotism because a charge of connivance with an alleged traitor necessarily impugns one's loyalty. The charges made against Judge Kaufman are the more unfair because he cannot fight back. Since Alger Hiss must be retried, it would be unethical and improper for Judge Kaufman to make any comment upon the first trial, lest it affect the conduct of the new one. And I think that if some of my colleagues in Congress had any regard for the rights of the defendant to a fair trial, they would not have unfairly prejudiced him by their comments.

President Truman says Samuel H. Kaufman is a good judge.

Robert Patterson, president of the Association of the Bar of the City of New York agrees and says that his conduct of the Hiss trial is not subject to censure.

Case closed.

Spending

EXTENSION OF REMARKS

OF

HON. RICHARD B. WIGGLESWORTH

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 21, 1949

Mr. WIGGLESWORTH. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following copy of my statement in reply to a letter from Mr. George E. Lane of the Weymouth Gazette Transcript, Weymouth, Mass.:

> If the Eighty-first Congress does nothing else, it has established a new all-time record for peacetime expenditure in the United States. As we move into the new fiscal year beginning July 1, 1949, there is mounting concern throughout the Nation over the enormous Federal spending program by which we are confronted.

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Unwarranted Federal expenditure means inevitably high prices with the danger of widespread suffering for all through inflation; it means high taxes with the danger of increased unemployment; it means expanding Government competition with private enterprise; it means increasing Government control and regimentation in the lives of all.

From 1933 to 1946, under Congresses controlled by the New Deal, due to depression, World War II and gross waste and extravagance on the part of the National Administration, we pursued year after year the policy of spending more than we could collect in taxes, of taxing more than the national economy could stand in the long run and of piling up a national debt without parallel in our history for our children and our children's children.

During the years of 1947 and 1948, the Eightieth Congress, controlled by Republicans, made a determined effort to reverse these policies and to put our financial house in order. Initial responsibility fell upon the Appropriations Committee of the House, of which I have been a member for many years, and of which I was in effect vice chairman.

Under the so-called Reorganization Act which had been recently passed, the committee for the first time in its history established a nonpartisan, expert investigating staff. Some 8 or 10 permanent employees were appointed, with contemplated expansion. The regular staff was augmented by a group of consultants from private enterprise, who gave generously of their time in the interest of economy. In this manner skills far beyond the ability of the Government to provide were made available to the committee. Numbered among these men were 10 of the country's outstanding accountants. All of these men were, of course, certified public accountants of national standing and one is currently president of the New York State Certified Public Accountants Society. The remaining men were business executives and research assistants of considerable standing. There was no partisanship in the activity, as the group was very representative of both political parties, although all were united in behalf of Government economy. In addition to the day-to-day work of the staff, major studies of many departments and agencies were completed which were invaluable to the committee and to Congress.

The over-all result was that it was possible to effect savings or recissions of some $9,800,000,000 in the 2 years in question, making possible a balanced budget for the first time in 16 years, making possible a reduction in our national debt by some $7,000,000,000, making possible a reduction in our tax burden of some $4,800,000,000, 71 percent of which went to those with incomes of less than $5,000, some 7,000,000 persons being removed from the tax rolls entirely. The staff made a splendid contribution to the Nation in terms of lower prices, in terms of lower taxes, in terms of a stable economy.

With the convening of the Eighty-first Congress, controlled by the Truman administration, in January of 1949, we returned to the philosophy of spending more than our income and of increasing the national debt with all the dangers inherent in this course of action. The expert staff to which I have referred was abolished. I predicted at the time that this would cost the people of this Nation literally billions of dollars. I have not changed my mind.

The House has completed initial action on all appropriations for the fiscal year ending June 30, 1950. It has made available for that year, funds in excess of those made available for the fiscal year just ended to the extent of over $4,439,000,000, an increase of more than 12 percent, a figure which will almost certainly be increased as a result of action in the Senate and as a result of further funds which may be required for implementing the Atlantic Pact or as a result of the enactment of additional legislation recommended by the President.

The expenditure in the fiscal year just ended, amounting to some $40,000,000,000, is the largest expenditure in peacetime in our history. Expenditure in the current fiscal year is likely to reach $45,000,000,000, or about $1,500 for every family of five in the United States.

Instead of the surplus of some $8,000,000,000 as in the case of the fiscal year ending a year ago, we have for the fiscal year just ended a deficit of $2,000,000,000 with a further deficit in view for the fiscal year ending June 30, 1950, estimated at from $3,000,000,000 to $5,000,000,000. A 10-percent recession in the aggregate personal income, we are advised, would result in the loss of $5,000,000,000 of taxes in revenue.

We have a staggering national debt of over $250,000,000,000, increased to the extent of about $500,000,000 by expenditures in the fiscal year just ended, representing something like $8,300 for every family of five in the country. The total assessed valuation of all taxable property in the United States in 1940 was $142,000,000,000.

Our present Federal tax burden "paid in the sweat of every man that labors" is more than six times our pre-Pearl Harbor tax burden. When State and local taxation is added the total burden is well over 30 percent of our total national income.

The financial integrity of our Federal Government and the financial stability of our free-enterprise system are of paramount importance. To impair our national solvency would be a tragedy not only for America but for the entire world. It could destroy freedom at home and remove all barriers to the spread of communism abroad.

Speaking at the two hundredth anniversary of Washington and Lee University, my friend for many years, former Secretary of State James Byrnes, said among other things, and I quote:

"We are going down the road to statism. Where we will wind up no one can tell, but if some of the new programs seriously proposed should be adopted, there is danger that the individual, whether farmer, worker, manufacturer, lawyer, or doctor—will soon be an economic slave pulling an oar in the galley of the state.

"We are not only transferring too much power from the individual to government, but we are transferring too many powers of State governments to the Federal Government.

"Some of the proposals now suggested, which would curtail the liberties of the people are offered in the name of public welfare and are to be made possible by Federal aid. That phrase is an opiate. It is deceptive. It leads people to believe that Federal-aid funds come from a Christmas tree. The truth is there are no Federal-aid funds except those taken from your pockets. If the people generally will ever come to understand this, there will be less demand for Federal aid.

"Our first line of defense is a solvent American economy.

"Every segment of society is demanding special privileges.

"The only wise course is to reduce expenditures and live within our income. In the light of changed conditions we should estimate our revenue and then determine how the revenue should be allotted."

These are not the words of any Republican. They are the words of a lifelong Democrat giving distinguished service over the years under the New Deal as a Representative, as a Senator, as a member of the Supreme Court, as wartime Director of Economic Stabilization, and as Secretary of State.

There are two proposals pending before the Congress at this time. One consists of the recommendations of the Commission on Reorganization headed by former President Hoover, estimated to save annually from three to four billions of dollars. The other is a proposal for what is in effect a single appropriation bill in each session of Congress so that the American people can compare the total expenditure recommended, against the total revenue available.

I believe that the proposals of the Hoover Commission, insofar as practicable, should be put into effect at the earliest possible moment. I am inclined to believe that the other proposal, originally suggested by Senator BYRD, should also be put into effect and given a trial.

Let us not forget, in the face of the tremendous demands by which we are confronted both at home and abroad, the words of the great Communist leader, Lenin.

"Some day," he said, "we will force the United States to spend itself into destruction."

Address by Hon. J. Howard McGrath, of Rhode Island, at Jefferson-Jackson Day Dinner, Pensacola, Fla.

EXTENSION OF REMARKS

OF

HON. CLAUDE PEPPER

OF FLORIDA

IN THE SENATE OF THE UNITED STATES

Friday, July 22 (legislative day of Thursday, June 2), 1949

Mr. PEPPER. Mr. President, on last Saturday evening the senior Senator from Rhode Island [Mr. MCGRATH] made a very able and eloquent address at a Jefferson-Jackson Day dinner held at Pensacola, Fla. I ask unanimous consent that this outstanding address by one of our colleagues be printed in the Appendix of the RECORD.

There being no objection, the address was ordered to be printed in the RECORD, as follows:

It is good to be in this great Democratic stronghold of Florida. I want to pay a special compliment to all of you Florida Democrats for the high caliber of your lawmakers in the Senate and the House, for the fine quality of your State officials, and for the fine leadership that has been shown by those you have chosen as officials of the Democratic Party in your State. At national headquarters, we are proud of all of them.

I wish we could export the enthusiasm of Florida Democrats to the rest of the country as widely as you ship your Florida oranges. Maybe next winter you can let some of your 14-carat Florida democracy rub off on some of the misguided persons from States like Vermont and Kansas who come here to escape the chill Republican winds which blow in their own homes. If that won't work you might try injecting some Democratic vitamins in the oranges which you ship into States which voted Republican last year.

I want to congratulate all of you for the fine job you did last November in contributing to a victory that was not only a victory for the Democratic Party but a victory for every American who believes in the American people, who believes in a fair deal for everyone, and who believes that America can and must keep on growing bigger and better.

We are celebrating that victory here tonight and such celebration is fitting and proper. But I believe we should also make this an occasion for girding ourselves for the fight that will take place in 1950 when the same forces we fought in 1948 will return

to the battle with fresh money and the same old ideas they had 2 years ago and 20 years before that.

The first skirmishes in the battle of 1950 are already under way. Republican snipers and sharpshooters have already started a sporadic fire. I want to give you some ammunition for our side, to tell you what your Democratic Party is doing.

I want to give you a brief report on the stewardship of your national administration—where we stand today and what we propose for the future.

First let's talk about the international situation. Call it what you will—cold war, armed truce, uneasy peace—none of us are happy about the state of the world at this moment.

We are in a struggle, not of our own choosing, between two basic political and normal beliefs—a struggle between those who believe in Christianity and democracy and those who believe in Godlessness and dictatorship.

We know that godlessness and dictatorship lead to hatred and war, to bloodshed and suffering amongst the innocent and guilty alike.

We knew that Christianity and democracy lead to peace and to a respect for the rights of others.

After the shooting war ended, the forces of dictatorship took the initiative against those who believe in freedom—freedom of the spirit, freedom of political choice, freedom of economic opportunity.

But these forces of evil did not long hold the initiative unchallenged.

President Truman's leadership brought quick action on a positive program to stop the spread of communism toward the west and to give economic aid to the nations which share our belief in democracy and human rights.

We gave military assistance to Greece and Turkey. Without that assistance, there is no reason to doubt but that these nations would be Communist satellites today.

We devised and put into effect the European recovery program—the Marshall plan. This plan is helping western European nations get back on their feet through their own hard work. It is giving them the tools with which to lick the want and idleness upon which communism thrives.

Even now the Senate is moving toward ratification of the important Atlantic Pact.

All of these actions, over and above our participation in the United Nations, are concrete evidence of our desire for a just peace and of our constant opposition to communism and its totalitarian repression of human and economic rights. And we are making slow, sure progress on the road to an enduring peace for which we have all prayed and yearned. The world situation today is far better than a year ago and this improvement is based clearly on our own course of action.

We have assumed the mantle of world leadership among nations which believe in freedom and which honestly desire peace. It was a mantle of leadership which was not sought but which for the benefit of all of the world we were forced to assume.

This has cost money. This year the cost will be about seven billion. But what would be the cost of the alternative? It would either be the cost of another war, a more horrible war than the last one, with the bill to be paid in blood and treasure to an amount undreamed in the past, or the equally terrible cost of becoming a slowly strangling democracy squeezed into economic and moral chaos by an active, spreading communism surrounding us on all sides.

Our international program is a bargain insofar as its monetary cost and the fact that we have no dreadful drain on the lifeblood of our young men. But more important, could we Americans look one another in the eye with self respect if we were not taking positive, constructive action to build a peace and help other nations which share our belief in democracy? I don't think we could.

The bold course of action has always been the American way. Our foreign policy carries on that fine tradition.

But while we have no aggressive designs and have made no aggressive moves, we cannot afford to let ourselves become helpless against possible attack by those who prefer force to reason.

That is why our national defense has been so important during the troubled postwar era.

Politically it would have been easy to sit back and say that we have the atom bomb and that there is no need to spend money on keeping up our armed services. But that would have been the worst possible thing we could have done. Fortunately our President and those he has appointed to head our national defense have not chosen the easy way. We have kept our defenses strong and we are keeping them strong.

It is costing money. This year the cost will be about $14,000,000,000. But I say that we are making a good investment in spending that money. There are powerful forces in this world who respect nothing but force. That is why we need a strong and efficient military defense establishment.

Let me add that your administration is working hard to cut the cost of national defenses without weakening our strength. Stronger unification, greater efficiency in the Military Establishment are the goals of our President, our Congress, and our Secretary of Defense. We are moving steadily toward those goals.

Don't be misled by screaming headlines and wild charges of a few who think politics is more important than national security. Your national defense is in good hands, competent hands, honest hands.

But a sound foreign policy and a strong national defense establishment are not enough to give us complete security.

Our foreign policy and our national defense depend in the final analysis upon the general good health of our domestic economy.

Last week our President laid the economic cards out on the table—all of the cards, the deuces and treys along with the aces and kings.

He gave to the Congress and to the people a frank, clear, understandable statement on the economic picture.

He showed that our economy is in good shape and he gave us a sound, middle-of-the-road program to keep it in good shape.

Now, I realize that there has been a lot of talk lately, and a lot of words written and printed about a serious recession or a depression.

Who wants a depression?

Well, overseas, the Communists want an American depression. The Kremlin wants an American depression. Stalin wants an American depression. That is understandable. There were more Communists in America during the last Republican depression than ever before or since. The Communists want—if they prayed, they would pray for—a serious depression in America. They want our free-enterprise economy to collapse. They want our system of good wages and good profits to collapse. They think their way of low wages and no profits is better. So the Soviet wants a depression here in America.

In fact the Moscow newspapers run articles frequently which say that America is in a serious depression.

Who else wants a depression?

Well, those peculiar people who live in the United States but think that Russia does things better, they also want a depression. They would like to talk us into one. The Communist paper, the Daily Worker, is very depression-minded these days.

But lately something new has been added to the pro-depression group. Who else wants a depression? Why, some Republicans are whooping it up for a depression. They think it would make a nice political issue in 1950. Well, maybe a depression issue would be a good issue for the Republican Party. It governed the country longer during the Nation's worst depression than any other party. It has the experience. Of course, one Republican weakness is that the GOP seems to know more about the care and preservation of depressions than it does about how to get rid of them.

It took the Democratic Party to get rid of the last depression after a Republican administration got us into the worst economic mess in our history.

Recently the distinguished Senator who is the head of the Republican senatorial campaign committee said categorically that "we are now in a state of depression."

Other Republicans agreed with him and some of them offered their plan for a remedy. They suggested we go back to the things that we were doing in 1931 and 1932.

Let me quote to you from an official news release of the Republican National Committee:

"The pitiful thing is that the needy cannot expect as much relief as was available in the last depression, notwithstanding the present high cost of living. Sufficient relief would be possible if the administration were willing to end its wild spending. During the last depression we were not trying to feed the world, did not have all the expensive Government bureaus we have today, were not carrying on a multi-billion dollar cold war with half the world, and did not have all of the other countless, unnecessary, frill expenditures in Government which we have today."

Remember this is an official statement by the Republican National Committee. It says in effect that we should abandon the Marshall plan, abandon our national defense expenditures as "frill expenditures" which should be junked in order to provide money for a relief dole.

Presumably the statement means that the Republicans would also do away with unemployment insurance, old age pensions, end the FDIC and the SEC and divert the funds they spend to a relief dole.

In any event, the Republican National Committee and the Communists in Moscow find themselves in agreement on three major points: that we should abandon the Marshall plan, abandon our national defense, and frighten ourselves into a depression.

In moving in with its Moscow bedfellow, the Republican Party has had to turn its back for the moment on some of its big business friends. For the day after the Republican National Committee tried to scare the wits out of the public with its gloomy release on unemployment, Alfred P. Sloan, Jr., chairman of the board of General Motors warned that "we can frighten ourselves into a real recession."

And the day after that a magazine that is not noted for espousal of Democratic Party programs (U. S. News and World Report) listed in detail the reasons why 1949 cannot be another 1929.

Here are some of the major reasons:

1929

Wild stock-market speculation.

Backlog of needs filled.

Building boom over. Small public construction.

Bank failures widespread.

Mortgage loans unprotected, foreclosures on large scale.

Cash and bank deposits only $55,000,000,000. No savings bonds.

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Personal incomes and purchasing power helped by only $1,000,000,000 in Government benefits.

Farm prices skidded down.

Unions weak, wages spiraled down.

Exports slumped.

Gold hoarding added to money squeeze.

Private debt was larger than public debt.

1949

SEC blocks dangerous market gambling.

Big backlog of needs still exists.

Building cycle in early stage. Five-billion-dollar rate public building.

FDIC insures deposits, keeps banks sound.

Mortgage loans insured.

Cash and bank deposits $165,000,000,000; $48,000,000,000 in bonds.

Personal incomes supported by $12,000,000,000 in Government benefits such as social security, unemployment insurance, etc.

Farm prices supported by Government.

Strong unions and minimum-wage law protect wage income.

Marshall plan supports export market.

Gold no longer automatic regulator of money supply.

Public debt, not subject to forced liquidation, now larger.

That is what an independent probusiness magazine thinks about the wise safeguards which the Democratic Party has erected to prevent another Republican crash in our economy.

But let's look now at our current economic position. Business and employment have declined as we reap the harvest of our failure to adopt a stronger anti-inflation program. But how seriously are they off?

Here are the high lights of our present situation taken from the President's message to the Congress. They are honest figures, giving the bad along with the good.

Let's look at employment. It averaged 58,000,000 during the first half of this year, a little lower than a year before. The number of unemployed is about a million more than a year ago, but we have added another million to our job force.

How about production, the real key? Production of all goods and services is only off 1½ percent over the last half of 1948. But industrial production has dropped 13 percent. Farm production is remaining high.

Personally, I think the news about prices is good. They are lower. We have shifted from a sellers' market to a buyers' market. We have more good, old-fashioned American merchandising competition. But I don't think it's quite cause for a panic when you can walk into a store and buy a white shirt for less than a suit of clothes used to cost before the war. I don't think we have reached economic collapse because clerks in stores have started to speak to shoppers as though the customers were human beings. We certainly have not had any disastrous slide in prices. Wholesale prices have gone down 9 percent, while consumers prices have only gone down 3 percent from highs of last August.

If we cannot take changes like that without getting the jitters, we have a nation of economic hypochondriacs.

Now let's look at wages. They have increased in some industries. But less work and less overtime have reduced take-home pay in manufacturing. The cost-of-living drop has helped to alleviate this.

Finally, how about profits? We're for them. Profits are the key to our free-enterprise economy. Well, during the peak of inflation profits set all-time records. I think some profits got too high for the good of the country. Profits have gone down, but not seriously. Corporate profits are down about 13 percent, other profits have fallen only 7 percent. Profits are still good.

What about the farm picture? Farm income has gone down about 8 percent with some danger signs ahead for the farm economy. We propose to do something about that.

And how about purchasing power? It's still in good shape. Personal income has gone down only 1 percent and prices have fallen more than that on consumer items.

Those are the facts. They show a mild decline in our economy. They also point to danger signals ahead. Now the question becomes, What should we do about it?

The President and the Democratic Party say that everybody concerned, agriculture, labor, business, government, should roll up his sleeves and pitch in to get more production and to keep on expanding our economy.

On the other hand, many Republicans say that the thing to do is to institute the sort of blind, damaging government economy that would bring on the very things we want to avoid.

I'll talk a little more about both ideas, but first let me tell you briefly what the President's program is. Here are the things he wants the Congress to do at this session:

1. Repeal the tax on the transportation of goods, liberalize the provisions for carry-over of losses by corporations, and raise estate and gift taxes. No major increase in taxes should be undertaken at this time.

2. Extend the maximum time limit now fixed by law on the maturity of loans to business made by the Reconstruction Finance Corporation.

3. Provide for a broad study of investment and development needs and market opportunities in an expanding economy.

4. Adopt an improved program of farm income supports.

5. Increase the minimum wage to at least 75 cents an hour and broaden its coverage.

6. Strengthen the unemployment compensation system by increasing the amount and duration of benefits and extending coverage.

7. Extend to July 25, 1950, the availability of readjustment allowances for veterans not protected by State unemployment compensation laws.

8. Raise benefits and extend coverage under the old-age and survivors insurance system and improve the public assistance program.

9. Enact legislation to permit Federal agencies, and assist States and localities, to intensify their advance planning and to acqure sites for useful projects.

10. Enact legislation to provide technical assistance to underdeveloped areas abroad and to encourage investment in such areas.

11. Restore the Reciprocal Trade Agreements Act.

This is not an extreme program, because we have no extreme problem which calls for extreme action. It is a preventive program and it is a confident program because it reflects the faith that the future is going to be better, not worse.

It reflects confidence that we can increase our national production to $300,000,000,000 a year, the goal set by our President.

On the other side is the pessimistic program. The pessimists say we should cut down on everything, that we should retreat instead of pressing forward.

They want economy in government, but they want the wrong kind of economy, cuts that would hurt us instead of helping us.

Everybody wants the right kind of economy based on more efficiency and the paring of expenditures that can be made without depriving the people of essential Government expenditures.

That is the kind of economy your administration is bringing about by Federal reorganization, prudent administration, and careful pruning of Federal funds.

Let's see where the money is going in our present $42,000,000,000 budget.

Fourteen billions for national defense. Arbitrary cuts there would endanger our national security.

Seven billions for foreign aid and occupation expense. Heavy arbitrary cuts there would jeopardize chances for a lasting peace, would aid Communist expansion in Europe.

Eleveien billions for aid to veterans and interest on Government war bonds. We don't want to default on our bonds or on our debt to our veterans.

Thus we have thirty-two billions in the budget which we can charge up to the cost of war or to the cost of preventing war. That leaves ten billions for all the rest of the Government, public works, farm price supports, education and housing programs, payments for health and social security.

To chop these expenditures drastically would be a severe blow at the stability of our economy and would encourage a depression. In a nation with a $200,000,000,000 economy, ten billions is not a large sum to be spent on such sound investments as a good farm economy, social security, better health, and better education.

The President's budget is a sound budget, composed of programs that are necessary. As the President said the other day, "the very heart of sound government finance is to make the expenditures that are necessary to help achieve prosperity and peace."

The President outlined the choice we face between those who want to work harder and produce more and those who want us to pull ourselves down into a depression by our own bootstraps.

Here is what he said:

"To restrict business investment, curtail production, reduce employment, or slash wages, because our economy has declined somewhat, would only serve to drag us further downward. But if in every field of action we do the things that are consistent with a strong and growing economy, we will have a strong and growing economy.

"Yet there are those who assert that the decline in national income requires that we cut essential national programs. Nothing could represent greater economic folly than to follow this course of action.

"It would contribute to the very recessionary forces that we should be counteracting. It would be a defeatist admission that we cannot prevent our economy from running downhill and that those programs which are vital to the international security and domestic welfare of our people, as well as to the strength of our economy, must be steered in the same downward direction.

"This issue is fundamental. Are we going to admit that the forces of progress in our economy have become so feeble that we must content ourselves with lower levels of education, health and housing, international and domestic security, and national development?

"Or are we going to move forward toward making our economy as strong and productive as our resources and skills permit, and adopt the programs which are consistent with that kind of economy and necessary for its attainment?

"I propose that we follow the latter course."

Those words echo the fighting words made by another great Democratic President who aroused the Nation from despair to fighting action with the rallying cry, "We have nothing to fear but fear itself."

President Truman has the same faith in America that Franklin D. Roosevelt had. Both have the same vision of a better tomorrow built by the partners of our free-enterprise economy.

Most Americans share that vision. While the Communists and the petty politicians of the minority try to talk us into worrying ourselves into a depression the majority of us will be on the President's team, too busy to worry as we work for prosperity. Let's roll up our sleeves and get to work.

Is There a Limit to Our Folly?

EXTENSION OF REMARKS
OF
HON. CLARE E. HOFFMAN
OF MICHIGAN
IN THE HOUSE OF REPRESENTATIVES
Tuesday, July 19, 1949

Mr. HOFFMAN of Michigan. Mr. Speaker, consider the following: Experience teaches us that the friend of today may be the enemy of tomorrow.

Witness Hitler's invasion of Russia, notwithstanding a treaty of mutual aid. Russia's present attitude toward us, though we aided in saving her in World War II.

Britain's policy of advantageously dealing economically with our potential enemies, while we are extending aid to her.

Britain's treaty with Russia, though the grass is barely green on the graves of hundreds of thousands of Americans who gave their lives to save her from destruction—England from invasion.

Our Government and our people have accepted the thought that Communists, back of whom stands Russia, are driving to overthrow our Government by force. To meet this threat of the Communists, of a potential enemy—Russia—we spent billions of dollars to develop the atomic bomb and superbombers to carry that destructive weapon to wherever an enemy may threaten.

We alone possess the know-how, the material, and the ability to make the atomic bomb. It is our greatest safeguard, the most powerful weapon on earth. The Congress is attempting to safeguard the secrets which made its creation possible.

Judy Coplon was convicted because she attempted to disclose some of those secrets to the agent of a foreign country. Hiss will shortly go on trial. It has been said that he disclosed vital, secret information to Communists. The technical charge against him is perjury.

Our military strength has been a deciding factor in two world wars. Our experts now claim that, because of the atomic bomb and of long-range bombers, we can force peace upon the world, need fear no foreign foe.

Our desire is for world peace. Our possession of the atomic bomb, a destructive force which tends to prevent any other nation becoming an aggressor, puts us in a position to prevent war. Why, then, should we be so foolish, knowing their warlike dispositions, as to pass on to other nations secret information which will enable them to create for themselves and use the most destructive implement of war the world has known—the atomic bomb?

If communism or Russia threatens our national security; if we prosecute a Coplon and a Hiss because they attempted to give vital, secret information to agents of potential enemies, are we not extremely foolish if we permit President Truman, as he now proposes, to pass on to the British the secrets which make possible the atomic bomb, when we know, as we do, that they have always—not sometimes—but always—made treaties and followed policies in their dealings with other nations which they conceived to be beneficial to their own economy and political interest, even though those dealings were detrimental to us, strengthened our potential enemies?

If I possessed and passed on to the agent of a foreign government, even to the British, the secret of the atomic bomb, I would, and rightly, be subject to prosecution for treason.

The administration during the past week has evidently considered favorably the giving of such information to Britain. Apparently Britain is pressing for that secret information and is using her demand for that information to force us to give her dollars to meet the present economic situation which threatens her with disaster—a situation for which she, herself, is responsible, because of the adoption of socialistic practices.

We have been more than generous to her. We do not need to entrust to her a weapon which, in the hands of Russia, might destroy us.

Why play Samson to her Delilah?

Is there not a limit to our folly?

Hitler's Heirs

EXTENSION OF REMARKS
OF
HON. JAMES O. EASTLAND
OF MISSISSIPPI
IN THE SENATE OF THE UNITED STATES
Friday, July 22 (legislative day of Thursday, June 2), 1949

Mr. EASTLAND. Mr. President, I ask unanimous consent to have printed in the Appendix of the RECORD an editorial entitled "Hitler's Heirs," published in yesterday's Wall Street Journal.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

HITLER'S HEIRS

Great Britain has induced her dominions to join with her in cutting purchases from America by 25 percent.

The reason advanced is that Britain and her economic satellites cannot find the dollars to pay for their purchases.

The reason is phony; just as phony as the statement of the Russians that they blockaded Berlin because of some "technical difficulties" in transportation.

In the first place the number of dollars which might be conserved by the cut in purchases is only a small part of what the British call the "dollar deficit." If the cut in purchases should work out as the British claim it will, the difference between what the British sell to the United States and Canada and what they would like to buy from those countries will still remain very large; the problem will not be broken; in fact, scarcely dented.

In the second place the British will have to seek substitute sources of supply for the goods that they do not take from the American Continent. These substitute purchases will be at higher prices and generally speaking of lower quality than would come from the normal sources of supply. They will increase British production costs and make her even less able to compete in world trade than now.

In the third place Britain will pay pounds sterling for the purchases substitutes for American purchases and the recipient of these pounds will find ways to convert these pounds into dollars.

The real purpose of Britain is something far more cunning; in light of her promises, the correct word is "sinister."

Britain sees the end of the sellers' market in the United States. By withholding purchases of American goods at this time, she hopes to accelerate a downward movement. When American sellers have felt the effect of this, they will then—so the British reason—be ready to enter into a bargain with the British so that they can again move their products into British hands.

The price which the British will demand for taking American products once more is a bilateral-trade agreement, such as her Socialist government is attempting with other countries. Along with this will go a world stabilization agreement on certain raw materials of which Britain is the main producer.

Thus the United States will agree to take British cocoa, rubber, and tin at stabilized prices—which means more than they are worth. There may be additional considerations. Then the British will resume their purchases, or more correctly they will consent to take American products as gifts.

The Daily Telegraph of London has this to say in a news story:

"Proposals for what would be in effect a bilateral-trade agreement with the United States are believed by many observers to be the implication behind Sir Stafford Cripps' speech. * * *

"It was clear that the import reductions he announced are in the nature of marking time until the Washington talks in September. They are also a pointer to the course which British policy must take if nothing arises from those talks to alter it.

"The effect on American exports * * * was not difficult to deduce. There is little doubt that the Chancelor intended to present that aspect of the situation as plainly as possible to American opinion."

The story goes on to explain that there is expected to be a sharp reaction from American tobacco and cotton producers and these are then expected to demand that Washington knuckle under.

So there you are. Britain has made repeated commitments to work for a less restricted world trade. She now rejects those commitments. The next step is to try to use America's desire to help Britain to bring America into the network of restricted bilateralism.

It has been said that Hitler won the war in the person of Stalin.

We would amend it to say "in the persons of Stalin and Sir Stafford Cripps."

For just as Stalin has adopted the cultural and political methods of Hitler, Sir Stafford Cripps has adopted the economic method of Hitler.

Message by Hon. Irving M. Ives, of New York, to First Annual Conference on American Foreign Policy

EXTENSION OF REMARKS
OF
HON. IRVING M. IVES
OF NEW YORK
IN THE SENATE OF THE UNITED STATES
Friday, July 22 (legislative day of Thursday, June 2), 1949

Mr. IVES. Mr. President, I ask unanimous consent to have printed in the Appendix of the RECORD the text of a message which I am sending to the First

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Annual Conference on American Foreign Policy, which convenes today at Colgate University, at Hamilton, N. Y.

There being no objection, the message was ordered to be printed in the RECORD, as follows:

On the occasion of the first annual conference on American foreign policy at Colgate University, I send warm greetings and felicitations to all participants. I congratulate Colgate University upon its leadership in a concerted effort thus to contribute to the development of an informed public opinion with regard to matters of foreign policy at the grass-roots level.

At the same time, it seems to me that, through the medium of your conference, substantial progress can be made in clarifying and reconciling conflicting views and ideas concerning American foreign policy. The distinguished group of national and international authorities on our foreign policy, who are to participate in the panels, symposia, and round-table discussions, can perform a most valuable function in helping to remove the confusion and misunderstanding which all too frequently nowadays are bedeviling the consideration of serious questions pertaining to America's present-day role in world affairs.

Your conference assembles at a most significant time in the development of our foreign policy. We have just ratified the North Atlantic Treaty. We are about to consider the implementation of that treaty with an armament program.

The long debate on the treaty itself, which preceded its ratification, provided unhappy evidence of the differences which still exist in the thinking of the American people with regard to our responsibilities in international affairs and our relationship toward the rest of the world. A core of isolationism still exists in our country. Offsetting this isolationism are a conflicting body of ideas and theories which make concerted, united effort in our approach to the solution of international problems, in which we are involved, extremely difficult of attainment.

A divided, uninformed or misinformed America cannot provide the type of leadership which today is so essential in world affairs. A united, informed, and determined America can lead the way out of present international difficulties an toward the goal of lasting peace. For, after all, regrdless of differing ideas as to method which may exist among us, the principal goal all of us are seeking is peace.

As I have stated, conferences such as yours can contribute much, not only to clarification of thought and understanding, but to the realization of concerted and united action. May wisdom and truth attend your deliberations. May all possible success crown your efforts.

Our Distinguished Allies

EXTENSION OF REMARKS

OF

HON. DANIEL A. REED

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Friday, July 22, 1949

Mr. REED of New York. Mr. Speaker, under leave to extend my remarks in the RECORD, I am inserting an editorial which appeared in the Washington Times-Herald on July 22, 1949:

OUR DISTINGUISHED ALLIES

The Senate yesterday voted 82 to 13 for the North Atlantic Treaty. The scrap of paper is thus ratified by considerably more than the required two-thirds majority of Members present when the vote was taken.

TREATY SEEMS A PUSH-OVER

This, despite the gallant efforts of Senators ROBERT A. TAFT, Republican, Ohio; RALPH E. FLANDERS, Republican, Vermont; FORREST DONNELL, Republican, Missouri; ARTHUR V. WATKINS, Republican, Utah, and a few others to block this remarriage of the United States to 10 of western Europe's most cantankerous and quarrelsome nations.

Let's stow the baloney and the double-talk and admit that here is a treaty creating a military alliance which contemplates war on Soviet Russia.

So, having gotten ourselves some allies, let's look them over, one by one, and in alphabetical order.

Belgium: A nice little country. But in World War II, Belgium lasted only 19 days after Hitler started his real attack on the West May 10, 1940.

Canada: Not a European nation. A big, powerful, friendly North American nation which, like the United States, suffered no bombing during World War II. An ally well worth having. For our money, the only such ally on this entire list. But for all practical purposes we are allied with Canada anyway, and long have been.

Denmark: Another nice little country, which produces a lot of bacon and eggs. But in World War II, Hitler took Denmark virtually by telephone, in 1 day.

France: An ancient nation with a relatively glorious history—up to, say, 1936. In that year, France failed to slap Hitler down when he remilitarized the Rhineland. When Hitler struck in 1940, France lasted just 44 days. Its vaunted army crumpled, its air force was a pathetic joke, its civilian population was honeycombed with Communist traitors.

Great Britain: Rolled up an honorable but singularly slewfooted record in World War II. Routed by the Germans in Europe in 1940. Proved unable to hold its Far East empire, or to help us importantly in the war on Japan. Now run by a bevy of Socialists, who hate most Americans' guts but keep panhandling us—and with notable success to date—to finance their government in large part. Weak as to land, sea, and air fighting forces.

Holland: Same comment as on Belgium, above—except that Holland knuckled under to Hitler in 5 days.

Iceland: Neutral during World War II. Quite possibly a good way-station for our bombers in case of a war with Russia. Ability to fight—practically nil. Has a considerable Communist element.

Italy: Was on both sides in World War II, first on Hitler's and then on ours. A military liability, not an asset, to both Hitler and ourselves. A nation of generally charming and witty people; but they don't like foreign wars, and in modern times, when it came to fighting, they have put their backs only into squabbles among themselves.

Luxemburg: Practically the same comment as for Denmark, above.

Norway: Has a short common frontier with Russia. Attacked by Hitler April 9, 1940, Norway put up the best fight it could but did little better than Poland. It was largely gutted of its wealth by the Germans, has staged only a slow comeback, and lives in fear of the Kremlin.

Portugal: Neutral in World War II. Strategically valuable in a possible war with Russia—if Spain were also included in the North Atlantic Treaty. But Spain isn't, because Secretary of State Acheson doesn't like Dictator Franco's politics and various Americans don't like his Roman Catholicism. The fact that he has been and is western Europe's most successful foe of communism cuts no ice with these ladies and gents.

And there is the roll call of our allies-to-be.

PLENTY OF NOTHING

In ratifying the North Atlantic Treaty, the Senate sewed us up for 20 years to a bunch of foreign dead-beat and stumble-bum nations whose World War II record was generally pitiable and which would be slaving for Hitler today if we hadn't come to their rescue. (Canada, to repeat, is excepted from these remarks.)

Worse, we are put in the position of a grown man who promises to help a gang of small, mischievous, combative kids in their battles with the gang on the next block. That is one of the surest ways known to man of guaranteeing yourself frequent and bloody fights.

It was one for the book when, at the signing of the North Atlantic Treaty in Washington last April 4, a Marine band played It Ain't Necessarily So, and I Got Plenty of Nothin'.

Happenings in Washington

EXTENSION OF REMARKS

OF

HON. EDWARD MARTIN

OF PENNSYLVANIA

IN THE SENATE OF THE UNITED STATES

Friday, July 22 (legislative day of Thursday, June 2), 1949

Mr. MARTIN. Mr. President, I ask unanimous consent to have printed in the Appendix of the RECORD the texts of three broadcasts entitled "Happenings in Washington," which I have made.

There being no objection, the texts were ordered to be printed in the RECORD, as follows:

HAPPENINGS IN WASHINGTON

(Program No. 1)

My fellow Pennsylvanians, this is ED MARTIN speaking to you from the Nation's Capital.

In these discussions of happenings in Washington, I hope to bring you a better understanding of developments in your Government.

I shall endeavor to keep you advised about legislation that is being considered in Congress and how it would affect Pennsylvania.

In preparing for this first broadcast I turned to the mail from my constituents—the folks I work for.

I wanted to find out what Pennsylvanians were thinking about and what was giving them concern.

I was surprised at the increasing number of letters dealing with taxes—urging tax reduction—and asking me to support the economy recommendations of the Hoover Commission.

So today I want to talk to you about taxes—Federal taxes.

Our Government has grown very big, very complicated, and very expensive. Its functions have developed over long years.

It is not surprising therefore, that so much overlapping, duplication, and nonessentials have added to the cost.

The average man pays for all this but it is almost impossible for him to get a clear idea of what is taking place.

Every man, woman, and child in Pennsylvania pay Federal taxes. It doesn't matter whether you are a Republican, a Democrat, or a member of no party at all.

From the time you get up in the morning until you retire at night, you pay many Federal taxes without being aware of it.

Let me give you a few examples.

When you go to the movies, you pay a Federal tax.

When you buy a package of cigarettes, or a pound of oleo, or gasoline for your car, you pay Federal taxes.

If you ride on a railroad train, or an intercity bus, or an airplane, there is a tax on those things.

Your telephone is taxed by Uncle Sam and so is any telegram you may send.

If you drink beer, or buy wines or distilled spirits, Uncle Sam gets his tax.

If you buy an automobile, an electric-light bulb, a handbag, cosmetics, or baby oil, you pay Uncle Sam his tax on all these things.

If you buy a wedding ring you pay a 20-percent Federal luxury tax on that, too.

In fact, if you consider all the hidden taxes, you can't make a single purchase without the Government reaching out for its tax money.

Then, of course, there is the Federal income tax which is being paid today by more than 2,500,000 Pennsylvanians, and the corporate taxes paid by the incorporated businesses in the State.

I bring these matters up because it is so important for people to become more tax conscious.

One major reason we pay such high taxes today is that our people have not kept their eyes on the cost of their Government. The people have become careless and indifferent.

It is easy to tax those who don't seem to care. That is why tax rates have increased. That is why so many new taxes have been levied in the past decade or so.

I would like to see an America in which the people are very much alive to the taxes being taken from their earnings.

I would like to see an America whose people demand that their elected representatives in Congress keep taxes to a minimum and insist that Government stop unnecessary spending.

I would like to see an America whose people insist that they receive a full dollar's worth of services for every tax dollar spent.

I would like to see our people back up their State delegation in Congress in demanding economy in Government.

If you will do this, and if the people of other States will do it also, we will get better, more thrifty Government than we have known in years. You will have more money to spend for the things you need.

Do you know that Pennsylvania pays about one-twelfth of all the Federal taxes? We Pennsylvanians now pay into the Federal Treasury each year about three and a quarter billion dollars.

Think of it.

Pennsylvania today is being taxed more money by the Federal Government than the entire 48 States produced in taxes in 1934, only 15 years ago.

You know, a few States like ours—the wealthier States—carry the great bulk of the burden. Some States get back from the Federal Government far more dollars in benefits and services than they pay in taxes. Others, like Pennsylvania, contribute so much and get back so little.

Of course, in a government like ours, richer States must help the less-favored ones. The point we Pennsylvanians should make is that Congress and the Federal Government must cut down on waste and extravagance. We are willing to contribute our share, but we don't want our taxes spent wastefully.

You all know that the last Congress—the Eightieth Congress—authorized a commission to study all the departments and agencies of our Government to see where we could cut down and merge and save money for the people.

President Truman gave the project his blessing and appointed some of the members. Others were named by the House and Senate.

The Commission, with former President Herbert Hoover as Chairman, was made up of both Democrats and Republicans. A few weeks ago this Commission completed its work.

It made many specific recommendations for increasing efficiency and saving money. The Commission found that if the water were squeezed out of our Federal bureaucracy the taxpayers would save from four to five billion dollars a year.

A Nation-wide committee of leading citizens—patriotic Americans—has been organized to push for adoption of the Hoover Commission plans. Its chairman is Dr. Johnson, president of Temple University in Philadelphia.

That committee, I regret to say, will have hard sledding.

Already many departments and bureaus are agitating against the proposed changes. These agencies would be made smaller. Some of their functions and pay rollers would be cut away. A lot of their duplication and waste would be eliminated.

And they don't like it at all.

So, directly and indirectly, they have been lobbying at Government expense against the parts of the Commission recommendations which would cut them down.

Their efforts are making headway. Many phases of the proposed reorganization have been quietly shelved.

There is only one way that economies can be achieved to save the taxpayers from four billion to five billion dollars a year.

That is for you to make Congress hear you and heed you.

Another thing: Bills were introduced early this year authorizing the President to reorganize the executive departments. The House passed one version of the bill. The Senate passed another.

When that happens in Congress, the House and Senate each appoint a conference committee. These committees sit down together and try to compromise the differences.

I am sure you and most Americans would appreciate a little economy for a change. Only a few want to continue the present sprawling, wasteful inefficiency.

But the few are organized—they are exerting pressure to block economies.

The majority are mostly unorganized and doing nothing about it.

I said earlier in this talk that our people have become indifferent to taxes. I said they should arouse themselves and demand an end to unnecessary spending.

These Hoover Commission recommendations provide something specific. All good citizens can rally behind them.

We people in Pennsylvania should become aggressive in our demands for the end of waste. The people of all the other States should join us.

If this is done, believe me, we will get better government and government at lower cost.

On June 30 we shall end a Federal fiscal year. During this year, despite a record national income and heavy taxes, our Government has been operated at a deficit—in the red.

The financial experts agree that next year—the period starting July 1—the deficit will be much, much higher.

There are many Members of Congress—Republicans and Democrats alike—who are opposed to increasing taxes. They believe that the way to meet the situation is to cut down the high cost of government.

But others argue there is only one thing to do—increase taxes next year by four or five billion dollars.

That means 2,500,000 Pennsylvanians will be called upon to pay higher income taxes. The tax reduction given you last year will be taken away.

Many of our people in the lower-wage brackets have been taken off the income-tax rolls completely since the end of the war. Last year, under the tax-reduction law, about 700,000 Pennsylvanians stopped paying income taxes. But if these taxes go up, many—if not all—of these people must start paying again.

Do you want that?

I predict there will be no tax increase this year but unless we get economy in Government, unless we follow the advice of the Hoover Commission and stop the waste of our money, there will be no alternative for Congress next year except to raise your taxes.

This is not a party issue. Many prominent Democrats, as well as Republicans, have been urging economy rather than higher taxes.

Now is the time to make your voices heard in Washington. If you wait it may be too late.

I am grateful to this station for its public-spirited cooperation in making its facilities available for this message on the happenings in Washington.

It is my plan to invite your attention at frequent intervals and to bring you further reports on the activities of Congress.

This is ED MARTIN—speaking from the Nation's Capital—and assuring you of my sincere appreciation of your attention.

HAPPENINGS IN WASHINGTON

(Program No. 2)

This is ED MARTIN, speaking to you from the Nation's Capital and bringing you another discussion of happenings in Washington.

First I want to tell you how much I appreciate the many fine letters I have received since I spoke to you 2 weeks ago on the dangers of the high cost of Government. They have been most encouraging.

Since then, I am happy to report, some progress has been made for efficiency and economy at Washington.

In line with the recommendations of the Hoover Commission, Congress has authorized the President to submit reorganization plans. Mr. Truman has offered seven reorganization proposals. They will become effective unless voted down by Congress within 60 days.

That is a good beginning—but of course it is only a beginning.

We cannot stop there. Much more must be done if we are to achieve the $5,000,000,000 saving outlined by Mr. Hoover and his bipartisan Commission.

I assure you the fight to reduce the cost of Government will continue with increasing vigor. You must continue your efforts to make Congress and the President hear you and heed you.

Let me turn now to a subject that has been causing more and more worry. That is the problem of increasing unemployment.

Do you know that 3,300,000 workers are unemployed in the United States today, and that 344,000 are without jobs in Pennsylvania? Thousands of others are working part time.

Those are official figures and a break-down shows that the biggest increase in unemployment has been in manufacturing.

For seven successive months the number of unemployed workers in Pennsylvania has gone down steadily.

Tomorrow your job may be at stake, or your husband's job, or your father's or your son's.

I have had hundreds of letters and telegrams from individual working men and from local unions of the A. F. of L. and the CIO, asking me to do something to protect their jobs.

They came from Philadelphia, Pittsburgh, Erie, my own home town of Washington, Pa.; Greensburg, Jeannette, Glassport, Clarion, New Kensington, and many other places.

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I also have had letters from businessmen and owners of small factories asking for help to keep their plants going.

Now the question is—what has caused this sharp increase in unemployment? What can the administration do to correct it? What can Congress do? Surely every one of us is interested in saving the jobs of the American worker at high wages. Everyone wants to maintain the American standard of living at its present high level.

Let me tell you about a meeting I attended here in Washington a week ago last Tuesday. I think it will throw some light on the subject. It was a meeting arranged jointly by officials of organized labor and representatives of manufacturers in the glass, china, and pottery industries.

They invited Members of Congress to meet with them to discuss the situation.

My fellow Pennsylvanians, that meeting was a splendid example of American cooperation—labor, management, and Government sitting down together to find the solution to an American problem.

Now, what was their complaint? They pointed out that the importation of glass, china, and pottery from foreign countries, produced with cheap labor, was stealing the American markets. As a result they were losing their jobs and their plants were closing.

Furthermore, they complained that they were being taxed to provide the dollars to send to Europe to build the most modern industrial plants to compete against them in their own markets. They also pointed out that we are furnishing the best technical skill in America to teach foreign producers the American know-how.

In Pennsylvania, particular western Pennsylvania, we have a considerable glass, china, and pottery industry. It is an old-established industry. Recently it has been hard hit by a flood of low-price imports.

In a single year Pensylvania's hand-blown glass industry has been cut down 50 percent. That means part-time employment or complete unemployment for many of our people.

Let me tell you what was brought out at the meeting. In Pennsylvania our glass workers earn an average of $1.42 an hour.

Glass made in Belgium is taking some of our market. The workers there are paid 31 cents an hour.

Another part of our market is being taken away by French glass. Those workers are paid 33 cents an hour.

Plenty of Czechoslovakian glass is coming in. Its workers are paid 20 cents an hour.

Pottery and dishes are being imported from occupied Japan to compete with our Pennsylvania products. There the workers are paid 7 to 10 cents an hour. They are also being brought into this country from occupied Germany where the worker receives 30 cents an hour.

Well, what are we Pennsylvanians supposed to do? Certainly we do not want to cut wages to meet this competition. Certainly we do not want these old American industries to die and go out of existence. That is exactly what will happen unless something is done about it.

It is not surprising, therefore, that the principal things talked about at that meeting were the tariff on foreign-made goods and the reciprocal trade agreements.

Labor is getting wide awake to the tariff situation now. Pennsylvania labor is worried over the loss of industry in our State because it means fewer jobs, lower wages, and a reduced standard of living.

Now, these men that I met with were greatly concerned because awaiting Senate action is a bill which has already passed the House. This bill continues for two more years the power of the President to make reciprocal trade agreements with other countries.

It would permit the President to cut our tariff rates even lower than they are now—and they are now the lowest in our history.

These men were urging me and other Members of the Senate to support an amendment which Senator MILLIKIN, of Colorado, has offered known as the peril-point amendment.

Now, what is this peril-point amendment? It is something that protects the jobs and wages of thousands of Pennsylvania's workers. This amendment provides that before the President enters into any reciprocal trade agreement the Tariff Commission shall make a study of the particular products covered.

It shall then indicate tariff rates below which there would be danger to American industry, business or agriculture.

These peril-point rates would be certified to the President. If he determines on rates below the peril point fixed by the Tariff Commission, he may do so. But, first, he must publicly tell the Congress and the American people his reasons.

That is all the peril-point amendment does. But there is much opposition to this simple amendment offered to protect the American worker. Those opposed to it say it places a hampering restriction upon the President.

My fellow Pennsylvanians, there are more than 17,500 factories and mills in our Commonwealth. We have approximately 1,600 mines and quarries, and about 170,000 farms. In Pennsylvania we employ 4,500,000 people. I am deeply interested in the welfare and prosperity of our workers and their dependents. That is why am I supporting the peril-point amendment.

Now I'm not against reciprocal trade agreements so long as they are truly reciprocal. But in recent years they have stopped being reciprocal. Our tariff rates have been cut to the lowest level in our history. Other countries which have signed these agreements with us have raised their tariff barriers to the highest levels.

Reciprocal trade agreements should be two-way streets—not one-way. They should be beneficial to both countries concerned; not favoring one while harming the other.

What is happening in the glass, china, and pottery industries of Pennsylvania is also happening in other industries of our State.

The rayon industry in Marcus Hook, Lewistown, and Meadville has already felt the blow.

Production of shoes and other leather goods in eastern and central Pennsylvania has been hard hit.

Textile workers in Philadelphia and other parts of the State know the story from bitter experience.

The watch industry of Lancaster is battling against foreign competition. More than 85 percent of the watches sold in America today have movements made abroad.

I know of one rug factory in Pennsylvania that was forced to close. Japanese imports put it out of business.

Pennsylvania is not alone in this difficulty. Recently, as a member of the Finance Committee of the United States Senate, I have heard the same complaints from many other parts of our country. They came from the clothespin manufacturers of Maine and Vermont, the textile industries of Massachusetts, and the oil fields of 27 States. Even the cherry orchards of Oregon are threatened by a flood of low-priced imported cherries.

And so it goes—clear across the Nation.

This is the issue that the Senate must soon consider when the extension of reciprocal trade agreements comes before us.

You can readily see what an important bearing this legislation has, not only upon the well-being of our workers and their families, but also upon all the people of Pennsylvania.

If this situation today has no other beneficial value, it is teaching labor and management a lesson so many factory owners and so many workers seem to have forgotten—that one cannot get along without the other.

When industry is threatened by ruinous tariff rates and ill-considered trade agreements, then the jobs of the workers are also threatened. One cannot thrive unless the other thrives. Without the pay roll of the factory worker, what becomes of the small retail merchant, the butcher, the baker, the grocer, and all the others?

Obviously, they will be in trouble, too.

And the farmer will be in trouble. The workers are his market.

The legs of the tripod upholding American prosperity and strength are labor, management, and agriculture.

Collapse any one leg—management, labor, or agriculture—and the whole structure must fall.

We are in the Fourth of July week end. It is the greatest of all American patriotic holidays—the commemoration of the birth of our independence.

My fellow Pennsylvanians, the way to keep that independence is to remain strong. We are strong when labor, management, and agriculture are all strong. We cannot remain strong if we continue to give away to foreign countries the jobs of our American workers.

This is ED MARTIN, speaking from the Nation's Capital and assuring you that I sincerely appreciate your attention.

HAPPENINGS IN WASHINGTON

(Program No. 3)

This is ED MARTIN, speaking to you from the Nation's Capital and bringing you another report on happenings in Washington.

Two weeks ago I told you about the reciprocal trade agreements and how they were taking jobs away from our Pennsylvania workers.

Since my talk with you the United States Department of Commerce has released figures showing that another half million men and women have lost their jobs across the Nation. That brings the total of unemployed up to nearly 4,000,000

Today I want to bring to your attention another international question. It involves one of the most important decisions our country has ever been called upon to make.

I want to discuss the North Atlantic Treaty and how it will affect us right here at home.

Not many years ago foreign relations and international agreements were far removed from Main Street. They didn't seem to touch the average man in his home, his job, or his daily life.

But two world wars have changed all that. Death and destruction on a global scale have transformed our way of thinking.

Today we know, through tragic experience and vast cost in blood and treasure, that peace and freedom cannot be taken for granted. We know that we continue to pay for war long after the shooting has ended.

The military cost of World War II has been estimated at $1,117,000,000,000.

Of course, none of us can possibly visualize a trillion dollars. But that's not all. In addition, property loss in World War II has been estimated at more than $230,000,000,000.

The United States share of this most costly of wars was about $330,000,000,000 up to the time victory was achieved over Germany and Japan.

When I speak of these unbelievable sums of money I am not unmindful of the greater and more tragic cost in suffering and in precious lives that were sacrificed in the hellfire of war.

Remember that we are still spending billions upon billions to pay for the wars of the past and to strengthen our country's defense.

It is therefore clear that we must do everything within our power to maintain peace in the world.

That is exactly what the North Atlantic Treaty aims to accomplish. It was planned to end the threat of aggression against any of the North Atlantic Nations.

Now, what is the North Atlantic Treaty? It is a contract signed by 12 North Atlantic countries. They are Belgium, Canada, Denmark, France, Iceland, Italy, Luxemburg, the Netherlands, Norway, Portugal, Great Britain, and the United States.

It is a contract not to make war but to preserve peace. It is a defensive agreement containing 14 short articles.

The principal provisions may be found in articles 3, 5, and 11.

In article 3 these countries agree "to maintain and develop their individual and collective capacity to resist armed attack."

Article 5 states "that an armed attack against one or more of them—shall be considered an attack against them all."

It is further provided that all will assist the country so attacked by taking, forthwith, such action as each country deems necessary—please note that phrase—as each country deems necessary—"including the use of armed force, to restore and maintain the security of the North Atlantic area."

Article 11 provides that the treaty shall be carried out by each country according to its own constitutional requirements.

You will note, as has been pointed out on the Senate floor, these articles do not commit the United States to go to war, and do not violate the constitutional provision giving Congress the sole authority to declare war.

On the other hand, it was argued on the Senate floor, that even though no nation is legally bound to go to war in the event another is attacked, there would be a strong moral obligation to do so.

Now let me point out that the theory of the North Atlantic Pact is not new. In 1776, at the signing of the Declaration of Independence, Benjamin Franklin said: "We must all hang together or assuredly we shall hang separately."

If each of the thirteen colonies had stood alone they would have been wiped out one by one.

If the peace-loving countries of the world had been united in a defensive pact such as this I dare say that Kaiser Wilhelm and Adolf Hitler would not have dared to move their armies beyond the German boundary.

Had the German warlords known that the United States would come to the defense of the invaded countries World War I and World War II probably would have been prevented.

We had no defensive pact then but we could not and did not keep out of either of these wars.

For many years I have advocated a defensive compact against the enemies of civilization.

In a speech delivered in Philadelphia early last year, I said:

"We must, without delay, take leadership in bringing the God-fearing peace-loving nations of the world together in a defensive pact, joining the old world and the new, for mutual protection against communistic domination and enslavement. We must tell the aggressors, clearly and forcefully, that if any one of these nations is molested all will fight to preserve its freedom. We must leave no room for doubt.

"That policy, if backed by military strength will avert war.

"We must take decisive action before it is too late. Delay will prove costly to us and the world."

That is what I said on March 9, 1948. Perhaps some of you now listening heard me express the same thought when I was Governor. I urged such a defense alliance as far back as World War I.

I am satisfied that this treaty will be recorded in history as one of the most important steps ever taken for the preservation of peace.

I am equally satisfied that my vote for the treaty is in the best interest of our country and the world.

Now the President proposes a second program. It calls upon the United States to supply arms to the other countries in the pact for mutual defense.

The two programs are not inseparable. Senator CONNALLY, of Texas, chairman of the Senate Foreign Relations Committee, who is the administration's floor manager for this legislation, made that very clear. He said and I quote:

"Each program should be passed upon separately by the Congress. Each should be accepted or rejected on its own merits."

The present proposal is to give these countries about $1,250,000,000 worth of arms in the first year.

That is just a start. More and more billions will follow.

Now this is the part of the program that has given me the greatest concern and worry.

The worry is not over the question of whether these countries should be rearmed but whether, in view of the present rate of Federal spending and our financial condition, we can possibly rearm these nations without destroying our own country.

Where are we going to get the money? We have a debt of nearly $253,000,000,000, which must be paid. In spite of a record-breaking national income last year we ended the fiscal year on June 30, with a deficit of $1,811,000,000. Business is falling off, national income is decreasing, but new schemes for spending are springing up all the time.

If the present rate of spending continues we will end next year at least six to eight billion dollars in the red.

That is something to which you and I must give the most serious thought. If we continue to adopt all the fuzzy-minded spending proposals we will be signing our own death warrant as a free Nation.

Is it better to gamble and take a calculated risk that the North Atlantic Pact alone, with its warning to aggressor countries, will in itself prevent war?

The Monroe Doctrine, enunciated 126 years ago, has prevented foreign aggression against the Western Hemisphere without the purchase of a single gun or the firing of a single shot.

We have but one other sound course.

We must review our whole spending program. We must cut away all the waste. We must eliminate all the fancy frills developed in the years of extravagance. We must reject socialistic experiments disguised as social welfare projects. Nonessential functions and services must be discarded. The Federal Government must be streamlined in accordance with the Hoover Commission recommendations.

We must decide whether we will continue to spend billions of dollars in Europe to support socialistic programs that are proving day by day to be complete failures.

The cost of Government must be cut and cut to the bone. Economy must be installed as a major objective in every department of the Government.

Let me say frankly to you, my fellow Pennsylvanians, unless I can see a definite policy to economize and cut the cost of Government I don't know how I can conscientiously support the program to rearm the North Atlantic countries.

I am your representative in the Senate. I need your help. Together we must arouse public opinion and convince the entire Congress of the urgent need for the strictest economy.

Many in Congress know it is possible, without endangering sound and efficient government, to cut four or five billion dollars out of the present budget. Some of us, Democrats as well as Republicans, will continue to work, fight, and vote for these economies.

Strong and solvent we are the hope of the world, the cornerstone of the North Atlantic Treaty—insolvent, debt ridden and tax burdened, the North Atlantic Treaty will become nothing but another scrap of paper.

That must not happen.

This is ED MARTIN, speaking to you from the Nation's Capital.

I will be with you again in 2 weeks. Thank you for your attention.

The Brannan Farm Program

EXTENSION OF REMARKS

OF

HON. JOHN J. WILLIAMS

OF DELAWARE

IN THE SENATE OF THE UNITED STATES

Friday, July 22 (legislative day of Thursday, June 2), 1949

Mr. WILLIAMS. Mr. President, I ask unanimous consent to have inserted in the Appendix of the RECORD a statement which I made over Station WCAU, Philadelphia, on July 10, 1949, during a debate with Representative FLOOD, of Pennsylvania, on the question, "Should Congress adopt the Brannan farm program?"

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

You have just heard Congressman FLOOD, of Pennsylvania, give some rather flowery arguments as to why he thinks Congress should adopt the Brannan farm program. As he describes the Brannan plan we find that:

1. For the farmer it promises greater security and higher income than under any previous legislation.

2. For the consumer it promises lower prices for the kind of food that he wants.

3. For the taxpayer it promises no higher costs.

In other words, simply stated, the Brannan farm program is another New Deal pipe dream which promises to give something to everybody for nothing. This program is the prime objective of the bureaucrats for a planned economy, repealing the law of supply and demand and setting up in its stead a welfare state here in America.

The truth of the matter is that the proposed new Brannan farm program is one of the most socialistic pieces of legislation which has ever been proposed during the past 16 years. If adopted, it would mean that we would be placing in the hands of some bureaucrat in Washington the power to control production, marketing, and distribution of all agricultural commodities in America.

Under this proposal, the Secretary of Agriculture is seeking the authority to tell every farmer how many pigs or chickens he can grow or how much of any specific crop he can plant and how much of that crop he can sell. Under his proposal any farmer who fails to carry out his instructions as to the filing of required reports, or exceeds his acreage allotments, or produces more livestock

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than he is told to produce, would be subject to legal penalties which could result in the loss of his farm to the Federal Government.

As a specific example of how this program would work, let us assume that the Secretary of Agriculture was supporting the price of potatoes at $2.50 per hundredweight. Under his proposal, the farm price of potatoes would be thrown on a free market; and if the potatoes were sold for $1.50 by the farmer, he would apply for the difference of $1 from the Government. If the farmer sold potatoes for $1 per hundredweight, he would receive $1.50 from the Government. All other commodities would be handled on a similar basis.

Mr. Brannan attempts to justify this by pointing out that the commodity thus sold would be moving to the consumer markets at lower prices. He fails to recognize that the adoption of any such proposal which removes incentive from the farmer to realize a good price for his crops would pave the way for the greatest era of graft and racketeering since the days of OPA.

Since it would make no difference to the farmer whether he received $1 or $1.50 for a product which was supported at $2.50, it is only natural that a group of unscrupulous operators and corrupt Government employees working together would have a field day at the expense of the American taxpayer.

Another and by far the most misrepresented part of this program is the ultimate cost to the American taxpayers. In the first place, no one in any responsible position—not even the Secretary of Agriculture, Mr. Brannan—has as yet dared to estimate the cost of this utopian plan.

Theoretically, since this program embraces all types of agriculture, many with which the Department of Agriculture has had no previous experience, it is impossible for anyone with any degree of accuracy to estimate the ultimate cost. No one disputes the fact that at the minimum the cost to the American taxpayer will run into many billions of dollars annually. In fact, some economists estimate its cost as high as $10,000,000,000 or $12,000,000,000 a year.

And where will this money come from to pay the cost of this program? It will come from additional taxes levied against the same farmers and consumers who are supposed to reap these benefits, or else through deficit Government financing, it will be charged against your children and grandchildren. Do not overlook the fact that during the past 16 years we have already levied a mortgage of about $2,000 against each and everyone of these children.

No stronger argument has ever been given against these so-called Fair Deal or socialistic programs than that which was given by the Honorable James F. Byrnes, former United States Senator, Supreme Court Justice, Secretary of State, and one-time administration stalwart. Here is what he said in his speech of June 18, 1949:

"Every segment of society is demanding special privileges—the farmer wants higher prices, the wage earner wants increased wages, pensions, and hospitalization. Too many people want more pay for less work. We are going down the road to statism. Where we will wind up, no one can tell, but if some of the new programs seriously proposed should be adopted, there is danger that the individual—whether farmer, worker, manufacturer, lawyer, or doctor, will soon be an economic slave pulling an oar in the galley of the state."

I agree that the Government does have an obligation to safeguard the interests of the American farmers, but it has always been my contention that a support price on any agricultural commodity should never exceed the cost of production and all formers regardless of geographic location or type of crops produced must be treated on a basis of equality. I do not believe that the support price of any agricultural commodity can successfully be maintained above the cost of production without the adoption of strict acreage controls and the complete regimentation of the American farmer.

If America will only wake up and think this plan through, I am confident this socialistic give-me-something-for-nothing program will be rejected. Let us never forget the wise words of Benjamin Franklin, who once said, "He who trades freedom for security will lose both."

Tribute to A. F. Whitney, Late President, Brotherhood of Railway Trainmen

EXTENSION OF REMARKS
OF
HON. WAYNE MORSE
OF OREGON
IN THE SENATE OF THE UNITED STATES

Friday, July 22 (legislative day of Thursday, June 2), 1949

Mr. MORSE. Mr. President, I ask unanimous consent to have printed in the Appendix of the RECORD an editorial in tribute to A. F. Whitney, late president of the Brotherhood of Railway Trainmen, who died during the past week. Mr. Whitney was a great general among the labor leaders of the country and a devoted believer in the future of American democracy. Labor has lost an effective spokesman and the country a dynamic crusader for the democratic way of life.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

A. F. WHITNEY, UNION CHIEF—A WARRIOR

The American labor movement has lost one of its sharpest fighters in the death of Alexander F. Whitney, long-time head of the Brotherhood of Railway Trainmen, at 76.

His New England ancestors and minister father bequeathed him courage, iron of the soul, and readiness to meet hard circumstances with hard tactics. In his career, he drove as hard as he could for the elevation of the railroad worker, for the political power of the labor union, and for the socializing of America. His faith in his three objectives never could be shaken.

With the political revolutions of the 1930's and the Rooseveltian cultivation of the labor vote, his prestige, brains, and will power came into the national limelight. He became as powerful as John L. Lewis, yet he was somewhat more humble about his power. He veered as far to the left as any other intelligent union chieftain, yet he refused to be put off as a mere radical—he could produce the blueprints for his highways to utopia.

He dabbled in all political parties at one time or another, but always with the justification that his views were founded on the separate welfare of his Brotherhood of Railway Trainmen. That enabled him once to support President Hoover; and once to spurn as enemy, then accept as an ally, President Truman, after the rail strike threat of 1948 and its collapse under Washington pressure.

Privately and personally, he was a man of wit, education, distinction, and great ability to express himself. It was his leadership which raised a union badly hit by mismanagement and depression to one of the most influential, well-managed trade-unions in history. He will not soon be forgotten.

Use of Economic Report for Campaign Purposes

EXTENSION OF REMARKS
OF
HON. JOHN J. WILLIAMS
OF DELAWARE
IN THE SENATE OF THE UNITED STATES

Friday, July 22 (legislative day of Thursday, June 2), 1949

Mr. WILLIAMS. Mr. President, I ask unanimous consent to have inserted in the Appendix of the RECORD an article entitled "Truman Seen Using Economic Report as Campaign Speech" which appeared in the Washington Evening Star on Thursday, July 14, 1949.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

TRUMAN SEEN USING ECONOMIC REPORT AS CAMPAIGN SPEECH—STATEMENTS IN ATTACK ON EIGHTIETH CONGRESS ARE CALLED MISLEADING

(By David Lawrence)

President Truman had possession of the major radio networks in order presumably to give an economic report to the country, but he used the occasion in large part to make a political campaign speech lambasting the Eightieth Congress which was controlled by the Republican Party.

Mr. Truman made several misleading statements. The principal one was his repetition of a claim which he first gave to a press conference last May and which has been contradicted again and again since. In the radio speech just delivered, Mr. Truman said:

"When we had an excess of receipts over expenditures, we applied it to reduce the national debt. We have already paid off more of the debt than the total size of the national debt after the First World War."

CLAIM WITHOUT FOUNDATION

This claim is without foundation. Just after World War II ended there was left on hand the proceeds of a victory loan which were not needed because hostilities were terminated sooner than expected. This amounted to $20,000,000,000.

The only amount of debt retirement that can be called an "excess of receipts over expenditures" in the sense in which such a phrase should be used is $7,000,000,000, and that was accomplished in the early part of 1948 when the Eightieth Congress had kept the expenses of Government down to a minimum.

The debt that remained after World War I was approximately $27,000,000,000, so when Mr. Truman contends that his administration has reduced the public debt by more than the total size of the national debt after the First World War and that this has been accomplished by an "excess of receipts over expenditures," he has certainly given a misleading impression of what really has happened.

Mr. Truman has "ghost writers" who help to prepare his speeches, and doubtless this inaccuracy was due to the carelessness of the ghost writers, though it is a puzzle why they should have made the same error now that was made last May.

Another error in the President's speech relates to the tax cut made by the Eightieth Congress. He said:

"The leaders of the Eightieth Congress thought they could wish the facts away. They insisted on passing a tax reduction against my advice and over my veto. I warned that this tax cut of $5,000,000,000 was almost certain to produce a deficit. It did

produce a deficit. For the year ending July 1, 1949, the deficit was $1,800,000,000.

"The economy was running at a high level when this untimely tax cut was made. People then could pay the taxes necessary to balance the budget and to provide a surplus for debt reduction. Today, because profits and income have fallen, taxes bring in less money."

WHAT HE DIDN'T TELL

What the President didn't tell the people over the radio was that the deficit of $1,800,000,000 in the fiscal year ending June 30, 1949, was largely because of refunds of about $3,000,000,000 paid to taxpayers because they overpaid their income taxes for the calendar year 1948 due to the delay in passing the tax cut till almost the middle of the year. There was more than enough surplus in 1948 to take care of the tax cut, provided expenses had not been increased in 1948.

What the President also failed to note was that if the tax bill had not been passed over his veto, the high rates in effect until mid-1948 would have brought in far less tax money this year. For the national income started to drop in the latter part of 1948, and hence during this calendar year the individual income payments of the Nation are estimated to be only at the rate of about $207,000,000,000 as compared with $219,000,000,000 in the calendar year 1948.

Certainly keeping the high tax rates in effect as of January 1949 might have merely started the recession sooner. For it is significant that the tax cut last year did not increase purchasing power to the point of augmenting inflation. The deflationary trend started anyway in the autumn of 1948.

Mr. Truman failed to tell the people that the Nation got along with a $38,000,000,000 budget 2 years ago, and now he has increased it to $42,000,000,000 at a time when receipts have come down from a peak of $44,000,000,000 to $37,000,000,000.

If the 1950 budget had been trimmed to the level of fiscal year 1948, there would be no deficit ahead.

The whole theme of the Truman speech was that an unbalanced budget of several billions is needed. He opposes the idea of pruning expenses as tax receipts fall off. This doctrine can produce a return of inflation and a lack of confidence in the integrity of the dollar.

League for CVA Terms Pacific Northwest Development Association "Front Group" for Private Power Companies

EXTENSION OF REMARKS

OF

HON. HUGH B. MITCHELL

OF WASHINGTON

IN THE HOUSE OF REPRESENTATIVES

Friday, July 22, 1949

Mr. MITCHELL. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following editorial regarding CVA from the Oregon Teamster, of Portland, Oreg.:

OVERSTEPPING THE BOUNDS

The hotly controversial issue of a Columbia Valley Administration has witnessed a spirited exchange of opinion between the pro-CVA and anti-CVA forces.

Up until now this verbal tilting has been, for the most part, within the bounds of reason, decency, and common sense.

Now these bounds have been overstepped by an organization which calls itself the Pacific Northwest Development Association.

The association is opposed to a Columbia Valley Administration. In a propaganda skyrocket, dated July 4, it hysterically alludes to the CVA proposal as a national Socialist-Fascist superstate, and, by strong implication, labels as Fascists the people in Oregon who want a CVA.

This is scraping the bottom of the barrel when it comes to invective. To tag the name "Fascist" on thousands of Oregon workers and farmers who want a CVA is to display a type of intellectual delinquency that hasn't been seen in these parts for many a year.

When the name calling starts in any battle, it's pretty generally accepted that the caller has run out of ideas and arguments. The Fascist smear will win no friends for the anti-CVA forces and it would not be surprising if many who are opposed to CVA now find the Pacific Northwest Development Association's brand of ojective discussion a little more than they can stomach.

As an interesting sidelight on this name calling, the facts behind the Pacific Northwest Development Association should be brought to public attention.

Private power companies are required by law to file statements of financial expenditures. The League for CVA recently delved into the 1949 expenditures of power firms doing business in Oregon. These statements are on record at the State capitol in Salem.

The league says it found that the Mountain States Power Co., Pacific Power & Light Co., Portland General Electric Co., and the Idaho Power Co. all had made contributions or donations to the operation of the Pacific Northwest Development Association.

The League for CVA has termed the association a front group for the private power interests.

It will be interesting to see whether these private power firms continue to support an organization which has recklessly smeared thousands of workers and farmers in Oregon with the Fascist epithet.

Economic Aid To Spain

EXTENSION OF REMARKS

OF

HON. JOHN W. McCORMACK

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Friday, July 22, 1949

Mr. McCORMACK. Mr. Speaker, under leave to extend my remarks in the CONGRESSIONAL RECORD, I wish to include the statement of my friend, Dr. Joseph F. Thorning, associate editor of the Americas and World Affairs, explaining the benefits to the United States of economic aid to the Spanish people in a letter appearing in the New York Times of July 20, 1949, and I recommend his views to the attention of the Members of the Congress and to the general public:

FOR COOPERATION WITH SPAIN—RECORD OF PRESENT LEADERSHIP HELD JUSTIFYING ECONOMIC AID

To the EDITOR OF THE NEW YORK TIMES:

When we needed Spain and cultivated the friendship of the same head of the Spanish state that the editors of the New York Times criticize as a mean and vindictive little man (the Times, July 16, 1949), an editorial was published in this newspaper praising the appointment of Dr. Carlton J. H. Hayes.

Throughout his mission in Madrid, wartime Ambassador Hayes was upheld by President Roosevelt, who had appointed him. Whatever opinions our fellow citizens may entertain about Spanish policy throughout the war, it is agreed, I believe, that Dr. Hayes carried out his instructions in the national interest of the United States and made a substantial contribution to our victory.

Now that we are face to face with the grave threat of totalitarian Marxism, it may be important, from the standpoint of fairness and national honor, to study the claim of the Times that the head of Spain's Government is not only a bad credit risk but also a bad moral risk.

In this connection I will cite the judgment of Professor Hayes, available in the CONGRESSIONAL RECORD, July 14, 1949, pages A4737–4738:

WAR SERVICES

"It is very unfortunate that propaganda of the Soviet Union, and of its conscious or unconscious apologists and appeasers in this country, has served, especially during the last 3 years, to conceal from the American people the signal services which Spain rendered us in the critical war years from 1942 to 1945, and to induce our Government to adopt toward Spain a policy which I can only regard as contrary to American interests and derogatory of American honor. Our fellow citizens should be enlightened, not deceived, about the actual facts in the situation.

"Under Don José Félix de Lequerica, as under his predecessor, Count Francisco de Jordana, the Spanish Foreign Office, with the obvious approval of the head of the Spanish state, granted us more favor than did any neutral government, whether Sweden, Turkey, Switzerland, or Portugal. Not only did the Spanish Government pledge itself not to interfere in any way with our fateful landings and campaign in North Africa; not only did it assure us as early as February 1943 that it would join us in the war if the Axis should attempt an invasion of Spain; not only did it permit us to use Spain as the base for invaluable espionage of Axis activities in France and the Mediterranean, it also accorded us important positive favors.

"It allowed us to get over 1,200 American airmen safely across the peninsula, without any internment. It permitted the transit and exit of over 25,000 members of the French resistance movement as reinforcements for the Allied armies in north Africa. It choked off export of strategic war materials to Germany before any other neutral had done so. Spain, too, was the first country to conclude a permanent air agreement with us, and one whereby we were enabled to obtain landing rights for military as well as civilian planes.

"In the light of all such facts, it is simply hypocritical to countenance the notion that Spain has been hostile to us and should therefore be treated as a pariah among the nations. It certainly belies the solemn assurances which President Franklin D. Roosevelt gave to the head of the Spanish Government in writing in November 1943."

TESTIMONY ON RECORD

This is the same Professor Hayes who, in 1949 as in 1942, is a true liberal, open-minded, Catholic and patriotic. If his present testimony is compared with the Times editorial, it indicates that morally Spain's record is better than that of some of our own leaders who sought and received help in an hour of need and then subordinated the claims of honor and gratitude when it was deemed expedient to appease the Soviet Union and Soviet sympathizers.

Our diplomacy under Secretary of State Cordell Hull and wartime Ambassador Hayes was glad to utilize the strategic Iberian Peninsula. Our morals did not demand a change

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in the leadership of the Spanish state from 1942 to 1945. The one and only loan, negotiated by the Export-Import Bank to Spain for cotton purchase in 1939, was repaid in full. How do the credit records of European countries, many of which accepted United States gifts, compare with the dollar-for-dollar repayments from the Spanish people and the Spanish Government?

If we sincerely sympathize with the people of Spain, who want no more bloodshed, still less, Soviet domination on the style of what prevails in Czechoslovakia, Hungary, eastern Europe, and the Far East, we will express that concern by practical measures of cooperation, diplomatic and economic. This is suggested by good ethics as well as by enlightened self-interest.

JOSEPH F. THORNING.

WASHINGTON, *July 18, 1949.*

Our Flag

EXTENSION OF REMARKS

OF

HON. EDWARD MARTIN

OF PENNSYLVANIA

IN THE SENATE OF THE UNITED STATES

Friday, July 22 (legislative day of Thursday, June 2), 1949

Mr. MARTIN. Mr. President, Dr. James A. Reese, of Waynesburg, Pa., has written a very fine poem entitled "Our Flag," which was used in various parts of the world during the war. I ask unanimous consent to have it printed in the Appendix of the RECORD.

There being no objection, the poem was ordered to be printed in the RECORD, as follows:

OUR FLAG

Ofttimes our flag seems commonplace,
Quite like a mother's smiling face
Whose ever-present word of cheer
Is always sure to greet the ear
Of those who chanced to pass that way
From early morn till close of day.
Then like a bolt from out the blue
Our mother's tender voice is stilled;
We never knew until the day
Our loving mother went away,
How much she really meant to us.
And so the emblem of our land,
Though oft neglected by our hands,
Keeps flying from her mast on high,
Proclaiming to the passer-by
That this is free and sacred soil.
And then the sullen mists of war
Are wafted o'er our native shore.
So not until that very hour
Do we really know how much
The Stars and Stripes do mean to us.

Murphy Stores Head Sees Sales Topping 1948

EXTENSION OF REMARKS

OF

HON. HARRY J. DAVENPORT

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Friday, July 22, 1949

Mr. DAVENPORT. Mr. Speaker, under leave to extend my remarks in the Appendix of the RECORD, I would like to include a news item from the Pittsburgh Sun-Telegraph which is a report of a speech made by Paul Sample, president of the G. C. Murphy Co. stores, in which he takes a highly optimistic view of present business conditions and is critical of those who are causing harm to our national economy by their too much "viewing with alarm." I am in perfect agreewith Mr. Paul Sample. We must not allow chronic pessimists talk us into a recession or depression. There is plenty of business to be had for the wide-awake firms which employ smart, modern, aggressive, streamline methods of getting it.

MURPHY STORES HEAD SEES SALES TOPPING 1948'S—SAMPLE REJECTS ALARM OVER BUSINESS AS RETAIL FIRM OPENS CONFAB HERE

Paul L. Sample, of McKeesport, president of the G. C. Murphy stores, yesterday refused to go along with men who view with alarm the business situation.

Mr. Sample said sales for the firm's 214 stores are expected to hit the $150,000,000 mark this year, as compared to $137,000,000 in 1948.

"Our sales to date are running 8½ percent ahead of the same period in 1948," Mr. Sample said at the outset of the Murphy stores' semiannual fall and Christmas merchandising convention at the William Penn Hotel. "We expect the last half of 1949 to show a modest increase."

OPTIMISTIC OUTLOOK

Mr. Sample said store executives are optimistic about fall and winter business.

"Part of this optimism," he said, "is due to the fact that many items have been reduced in price, yet are improved in quality and workmanship. Lower prices are here and it is foolish to wait for them to drop even lower. Manufacturers have pared their costs and have passed on lower costs to retail stores which in turn are passing them on to their customers."

Mr. Sample said his firm's optimistic viewpoint is reflected in the opening, in the near future, of new stores in Clarendon, Va., and Oak Hill, W. Va.; the recent opening of a modern store in Parkersburg, W. Va., and remodeling programs at stores in Erie and Harrisburg and Fort Wayne, Ind.

FIVE HUNDRED ATTEND PARLEY

The 4-day meeting of Murphy executives that opened yesterday brought together approximately 500 store managers and buyers, district and division heads and key salespeople from the stores, located in 12 States and the District of Columbia.

Basic Power Policy for the Northwest

EXTENSION OF REMARKS

OF

HON. WAYNE MORSE

OF OREGON

IN THE SENATE OF THE UNITED STATES

Friday, July 22 (legislative day of Thursday, June 2), 1949

Mr. MORSE. Mr. President, I ask unanimous consent to have printed in the Appendix of the RECORD an editorial entitled "The Basic Power Issue," from the Oregonian of Tuesday, June 21, 1949.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

A BASIC POWER ISSUE

An appropriations subcommittee of the Senate will decide this week, after many hearings, an issue of basic policy for the Northwest. It is whether the Bonneville Power Administration (or its CVA successor) shall transmit electricity from a fully integrated system to major load centers in Montana and Idaho, or whether private power companies will be permitted to take deliveries at isolated dams, such as Hungry Horse, and build their own transmission lines.

The dispute does not involve any proposed change in distribution of power to individual customers, which still would be by private utilities, PUD's, municipalities, REA's, and cooperatives. It does involve, first, the interconnection of Federal dams, and second, transmission of power to the big centers of need in Idaho and Montana.

The main fight in the Northwest involves Hungry Horse Dam on the Flathead River in Montana, but the decision on this dam will affect the later decisions on Hells Canyon Dam on the Snake River in Idaho and Oregon, as well as interconnections with Anderson Ranch Dam in Idaho and others. Hungry Horse will be completed in 1952, a year before McNary Dam on the Columbia, and will be the first important source of new energy following completion of the installation of generators at Grand Coulee in 1951.

The House of Representatives approved an appropriation to build an interconnecting line between the main Bonneville System at Grand Coulee and Hungry Horse Dam, via an intertie with the Montana Power Co.'s Kerr Dam on the lower Flathead, as well as funds for a 230,000-volt transmission line south from Kerr Dam to Anaconda.

Montana Power Co. has attacked both these proposals in Senate committee hearings. It has been supported vigorously by Idaho Power Co., which wants to block a similar invasion of Idaho by Bonneville lines extending from authorized Hells Canyon Dam and interconnecting with Anderson Ranch and the Montana line.

The Senate can scarcely deny the wisdom of tieing Hungry Horse Dam into the main Columbia River system. As an isolated project, providing some but not a great deal of firming-up advantage to Grand Coulee by water storage and release alone, Hungry Horse could produce only 77,000 kilowatts of firm power though with a rated capacity of 285,000 kilowatts. Intertied with the Columbia grid the firm power benefits would increase the 399,000 kilowatts—a gain for the entire Northwest of 322,000 kilowatts.

Such an intertie has been approved by a conference in which private power-company engineers participated, and were in agreement.

Montana Power Co., while objecting to an intertie via its Kerr Dam, is not adamant against a connection between Spokane and Hungry Horse by a northern route via the proposed and distant Libby Dam on the Kootnai—a more costly line and one not needed for many years, and then only if Libby is approved by Congress.

Here is the nub of the opposition. Montana Power wants to take Federal electricity at the bus bar at Hungry Horse and transmit it via Kerr Dam to Anaconda on its own 230,000-volt line. Similarly, it may be assumed that if Congress appropriates money to build Hells Canyon Dam on the Snake, Idaho Power Co. will seek to take the power at the bus bar and transmit it via its Snake River Dam interconnections to Boise and other Idaho load centers.

The fundamental controversy is not so much interconnection as it is the question of whether the Bonneville Power Administration will have authority to transmit power to areas of demand throughout Montana and Idaho—phosphate beds, mines, and other industrial centers—in the grid pattern developed in Washington and Oregon—or whether the responsibility assumed by the Federal Government for development of energy from the rivers of the West shall end at the generators of widely separated dams.

Adequate Health Service for School Children

EXTENSION OF REMARKS
OF
HON. HUGH B. MITCHELL
OF WASHINGTON
IN THE HOUSE OF REPRESENTATIVES
Friday, July 22, 1949

Mr. MITCHELL. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following testimony which I submitted on my bill, H. R. 5284, to provide for more adequate school health services, before the Subcommittee on Public Health, Science, and Commerce of the House Committee on Interstate and Foreign Commerce:

Mr. Chairman and members of the committee, it is a privilege for me to join with other members in support of legislation to provide adequate health services for our school children. As a sponsor of H. R. 5284, I appreciate that no pride of authorship, no claim of party, can be stamped upon a measure so profoundly important to the health and welfare of our Nation. The proposed legislation was the subject of extensive hearings in the preceding Congress; during the present session it was wholeheartedly sponsored and endorsed by the Senate Committee on Labor and Public Welfare and passed the Senate on April 29 of this year. I urge this committee in the House to take prompt and favorable action.

We have here a bill to help the States improve health services for the prevention, diagnosis, and treatment of physical and mental defects of school children. This measure of assistance is inspired by a declaration of high and noble purpose; namely, "that no American child shall come to adult life with physical or mental defects or conditions which can be prevented or corrected at an early age." Every right-thinking person will subscribe to that purpose; enactment of this bill is a modest but necessary step toward its realization.

Your committee undoubtedly has been informed that three-fourths of the States now provide some kind of physical examinations for school children. My own State of Washington, for example, has a law allowing hearing and sight examinations by physicians or nurses, and the hearing test has been made mandatory. However, the evidence is compelling that among the several States, the scope and quality of health services vary greatly and in many, these services are grossly deficient because of inadequate financial support.

The formula specified in H. R. 5284 for allotting $35,000,000 each year insures that all States will receive aid, but takes into account the greater financial needs of the poorer States. This formula has been utilized in legislation for allotment of hospital construction funds. State initiative and responsibility is recognized by the requirements in the bill for the preparation of approved plans and the contribution of funds for school health services.

It is important to note that all children in public or nonpublic schools, whatever their race, creed, color, or nationality, will have access to the services contemplated in the bill.

The available statistics on child-health defects show an appalling drain on the vitality of American youth. Some 4,000,000 children are estimated to have defects of vision, 1,000,000 of hearing, one-half million with rheumatic fever, 200,000 with epilepsy. Possibly one-fifth to one-fourth of all the children in the country have diseased tonsils or adenoids, and 75 percent need some kind of dental care. Many so-called problem children are shown, upon examination, to be suffering some simple ailment that can be remedied by proper treatment. Children of normal intelligence often do poorly in school because they cannot see or hear or speak well.

Although we may debate the exactitude of the statistics, we cannot argue away the fact that remedial defects blight the health and life of so many American children. It is our moral duty to give these children their rightful opportunity to live and grow and learn without handicap and to become useful citizens of the community. It is also good common sense to check these ailments at an early age. Ill health is costly to the community as well as to the individual. The sooner it is treated the better for all concerned.

Too often we ignore the wastage of human resources until some great national emergency falls upon us with sudden impact. In the late war we were shocked to learn that 5,000,000 young men—30 percent of all those examined—could not meet the standards for military service. How many of these millions were needlessly unfit because of defects that could be corrected earlier I cannot say; it is agreed that the number is large. Manpower in the mass becomes a precious commodity during war, when the very life of the Nation is at stake.

In peace, let us regard each individual life as a precious thing, giving to our children the basic advantage of good health.

Address Before Luggage and Leather Goods Salesmen's Association

EXTENSION OF REMARKS
OF
HON. HARRY J. DAVENPORT
OF PENNSYLVANIA
IN THE HOUSE OF REPRESENTATIVES
Friday, July 22, 1949

Mr. DAVENPORT. Mr. Speaker, under leave to extend my remarks in the CONGRESSIONAL RECORD, I wish to include the following speech which I made before the National Council and the Luggage and Leather Goods Salesmen's Association in New York City:

Mr. Chairman, distinguished guests, ladies, and gentlemen, I appreciate your kind invitation to meet with you here this evening.

On the shoulders of the salesmen rests a tremendous responsibility. They have the open sesame that means the difference between depression and a sound economy, and that word is "order," when they produce the orders there are jobs for labor. The factory wheels keep turning, the assembly lines keep rolling, and the manufacturers stay in business. The salesman is the big link on which both labor and businessmen depend because it is the results of his labor that keeps them alive. If he can't sell, nobody can buy and nobody can manufacture. Now only by united effort on the part of the salesmen can they carry on the important task and at the same time they can protect themselves in this picture of economy—labor on one side and business on the other.

In these days of clannishness among our different economic groups, let me say at the outset how pleased I am to be addressing an audience composed of different levels of American business. I am not particularly pleased by the partisanship growing up in American life. There is a tendency to meet only with those who agree beforehand with everything you have to say. I deplore this trend. For within my own experience I have learned that whenever groups can be brought together to listen to the viewpoints of others, mutual understanding is most often reached. This I have found to be true of people generally.

Understanding requires a willingness to listen to new ideas. The words of the late Chaplain of the Senate, Dr. Peter Marshall, come to mind:

"Oh, Lord," he said, "let us never be afraid of new ideas or unreceptive to a new thought, lest we pull down the shades of our mind."

Understanding the other fellow's viewpoint and being willing to bargain with him on that basis is the first essential to the unity Americans need today. Understanding is the keynote of democracy.

Well, we are finally undergoing our postwar readjustment. Predictions of economists that we would have 8,000,000 unemployed in 1946 did not materialize. Since then the economists have been wary of predictions. I don't blame them. But you don't need a crystal ball to see that the buyers' markets which came into existence for the first time last year, have now become widespread. They are not alarming, though they are serious. They cannot be ignored. They point the direction we are now traveling. The state of our economy is a serious matter both to ourselves and to the world in general. We account for more than one-third the total world production of industrial goods. Without our continued high production economic recovery in those countries devastated by war will be seriously impeded.

In 1949, the whole of the democratic world will be looking toward the United States to show the rest of the world what a free people can accomplish. The nondemocracies are basing their postwar plans on our disillusioning people generally. They repeat and repeat that the United States will soon undergo another depression. If they are right, we will have indeed lost the peace. A depression would cut sharply into our influence abroad.

Under the Employment Act of 1946, the United States Government is pledged to use all practicable means * * * to promote maximum employment, production, and purchasing power. So far with employment, production, and purchasing power at all-time highs, the Government has wisely refrained from stepping in and upsetting the boat. In the future, Government activities to stimulate the economy will tend to increase. We can expect such things as public-works programs to increase. But we can't expect the Government to do the whole job. Most of the job will be the responsibility of private business.

In order to maintain an employment level of 62,000,000 persons and a national income of more than $200,000,000,000, the greatest efforts will have to be made by sales forces throughout the Nation to dispose of manufactured products at a steady and high rate.

If this is not accomplished, business profits will fall, business failures will jump, unemployment will increase, consumer expenditures will decline, and more and more Government action will be necessary. Private enterprise and its sales forces have a real responsibility.

A great American, Franklin Delano Roosevelt, once said that "The liberty of a democracy is not safe if its business system does not provide employment and produce and distribute goods in such a way as to sustain an acceptable standard of living."

One thing we have learned is that economic stability is something we must work for. It is not a natural force.

I do not wish to imply that salesman have the whole burden of the economy resting on their shoulders, but I do wish to point out that in 1949, each wholesale salesman will mean the livelihood or unemployment of about a dozen men on the production line. That is indeed a great responsibility. Every successful sales campaign will mean that much less Government action.

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I believe in organization. Before I entered Congress I was an employer. No one has to tell me what little chance a small-business man has against the giant corporation unless he organizes with other small-business men in the protection of their interests. In this world no one will speak for you unless your name is Charlie McCarthy.

The same applies to workers, to teachers, to retailers, and to salesmen.

While Americans enjoy the reputation of being great joiners—who doesn't belong to at least three groups?—it wasn't until a few decades ago that they took seriously the need of economic organizations. They came to realize that on the economic front as well as on the social-front organization could do them much good. I can remember when to belong to a union earned you the title of a radical or a Red. And I can remember when to belong to a businessman's association earned you the title of "A tool of Wall Street." But these days are gone fortunately and we now accept organization as necessary and democratic.

Organization means stature. Organization means strength. Stature brings dignity. Strength brings respect. An organization adds a moral tone to the activity of the individual member.

Let me give you an example: On the international level we have the United Nations Organization. It is nowhere as strong as we should like it to be. Yet it has more stature and it has more strength than any single country. To the individual country it means acceptance into the company of other nations.

Strength can be misapplied. I am well aware of this. Yet if an organization is founded on need and its methods and structure are democratic, I shall never fear it. I shall welcome it.

Many times it is only through organization that employers become aware that better employer-employee relations are not only possible but can be had at no cost. I know this well from experience. Good employer-employee relations can benefit both sides many times over.

I do not profess to know much about the relationship of manufacturers to their wholesale salesmen. But from my experience in related fields, I should conclude that both groups have much in common. Because of our need to stabilize our economy at a high and productive level during 1949, I should like to point out that it is in the interest of the entire Nation that each manufacturer and each salesforce realize this.

Speaking from my end, as a Congressman down at the Capitol in Washington, many things can and will be done by Government to make your task easier in stabilizing the economy at a high level. I want to go on record as saying that I shall be pleased to do everything in my power to correct the injustices that impede your efforts.

I am against the 20 percent Excise Retail Sales Tax. It may have some meaning during the peroid of inflationary spirals when we wanted to discourage consumer purchases. But today we must think in terms of selling more goods and increasing consumer expenditures. The excise retail sales tax is diametrically opposed to our objective. It must go.

As for the Government's 15 percent excise tax on communication services and on transportation, the need for their continuation has gone the way of the excess retail sales tax and other attempts to drain off excessive purchasing. Let our income-tax laws be used to raise revenue and not penalize those persons who must travel for a livelihood.

I should like to repeat and repeat that our big problem this year is to increase purchasing power and not to reduce it. I am agreed that in good times we should utilize higher Government revenues to lower our national debt. But I see no reason why excise taxes should be used to lower our national debt if they cut into our mass purchasing power.

The other day I was reading a document which does much to explain the difference between small business and big business. This was the third annual report of the Council of Economic Advisers to the President. This is the organization set up under the Employment Act of 1946 to advise the President on the economic health of the Nation and the means to achieve economic stability.

The Council of Economic Advisers concluded that the instinct of the small-business man is to expand his production, to seek new markets, and to improve his sales efforts. As for big business, the Council had this to say: "If market demand falls"—and please note these words carefully—"he may try to sustain the market price by reducing his volume of output."

This is only one difference between small and big business, but this difference alone may spell disaster to this country. High production is part and parcel of our general need for high levels of employment and purchasing power.

Again quoting from the annual report of the Council of Economic Advisers:

"With more than 3,000,000 centers of business initiative, the realm of small business offers a moving panorama of self-employment and responsibility for the employment of others, of competition for the patronage of customers, of new ideas and trials and errors that, taken together, make for a dynamic society and insure the American economy against sterility."

Concentration seriously impairs the economic effectiveness of private enterprise. I shall propose and support legislation to reduce the cartels and monopolies that exist in American life.

Small business is the life-blood of this great democracy of ours. Hurt the more than three million retailers in this country and you hurt the greatest champions of individual rights and freedom. Make small business a losing proposition and the great mass of the middle class of this country will disappear. Eliminate the middle class and this great country will be reduced to extremes and bitterness.

Congress is amenable to facts. But the facts must be presented on the excise retail sales tax and on anything else that impedes the efforts of small-business men to stay in business and the efforts of salesmen to sell their products. Sometimes the facts must be presented over and over again. Do it. Congress is busy. More than 10,000 bills and resolutions are introduced each session. These must all be studied. Committee hearings go on almost continually on the Hill. Congressmen read their mail. They talk to visitors. But to do a thorough job, I would strongly urge you to act in unison, in organizations as well as individually, to contact and relate the facts to each of my 530 colleagues. I would also urge you to appear as witnesses at hearings.

I take a personal interest in our social security laws. I believe that every American is entitled to social security. I see no reason why salesmen should be deprived of benefits under those laws. It makes no sense to me that 30,000,000 nonemployers are still unprotected. The Gearhart amendment to the social security law, which excluded 1,500,000 wholesale salesmen on the ground that they were independent contractors, was a selfish and narrow action.

If I had a salesman working for me who was selling my product under agreed-upon terms, I certainly wouldn't consider him an independent contractor. I would consider brokers and independent sales agents who were in business for themselves to be nonmembers of my business. To me the test would be to ask the salesmen whether they consider themselves to be part of the firm or independent contractors.

President Truman and the Democratic Party are on record to extend the benefits of the social security laws to those not covered today. I have faith that the Eighty-first Congress will abolish this wrong to salesmen before it adjourns this summer.

Other injustices affecting sales of goods need organization and continued reminder to correct. Over these I have no real voice.

Mobility is the keynote to effective salesmanship. To do an effective job, salesmen have to be able to move about with a maximum of speed and comfort and with a minimum of expense and hardship. The parking ban in the downtown areas of many American cities cuts into the number of daily calls. It works a severe hardship on those salesmen who must carry heavy sample equipment. The parking bans cut drastically into vital orders. They hurt sales. They hurt production. They affect profits and employment and purchases. This problem must be taken up with city authorities wherever it exists. I hope manufacturers and sales organizations are doing this.

The high—I should say excessive—transient hotel rates for sleeping rooms and showrooms is another problems to the salesman, who must watch his costs in order to make his travels profitable. So few hotels have been built since the end of the war that it will take concentrated effort to convince the managers of decontrolled hotels that their rates should not be increased to excessive levels.

Rugged individualism is not the way of 1949. It sounds good to say that you did everything yourself and that you are not dependent on others. But what is actually the case? Can we exist today without the help and cooperation of countless others?

Beware in 1949 of opportunistic politicians who agree that we need better housing, international cooperation, better health plans, better education, et cetera and et cetera. But pin them down with a detailed plan on any subject and they will retort that they didn't mean that. We must watch out for these abstract do-gooders who are realistic do-nothingers. We have too much at stake.

We all have responsibility for each other. We cannot let the individual suffer because of society's deeds. Neither can we let society suffer because of the individual's deeds.

We are in this all together. We are in this all the way. There is no turning back. Let us face the future with an understanding of our common problems and an understanding of each other's needs. Let us help each other whenever we can. Let's keep this great country of ours a shining example for the rest of the world. Let us work together for the good of ourselves and the faith of our friends in other lands.

In conclusion, let me say that I have known Louis A. Capaldo, the president of the National Council of Salesmen's Organizations for many, many years. He has an excellent knowledge of the salesmen's needs—for he has been one for 35 years. He is the most unselfish man I know. Give him your full support, and he will lead you in the right direction, fighting all the way for the best interests of the salesmen of America in obtaining for them all the protections under our laws that rightfully belong to them.

A Judge Ought To Be Appointed

EXTENSION OF REMARKS

OF

HON. HALE BOGGS

OF LOUISIANA

IN THE HOUSE OF REPRESENTATIVES

Friday, July 22, 1949

Mr. BOGGS of Louisiana. Mr. Speaker, under leave to extend my remarks in the

RECORD, I include the following editorial from New Orleans States of July 20, 1949:

A JUDGE OUGHT TO BE APPOINTED

The vacancy created on the United States Supreme Court by the death of Justice Murphy is one that should be filled by the President and the Senate with due regard to the ill repute into which the Court has fallen in the past dozen years.

Appointments to the Court have been made, ever since President Roosevelt tried unsuccessfully to pack it, with more consideration paid to the political persuasion of the nominee than to either his learning in the law or ability as a judge.

The result of this has been a collection of ideological entrepreneurs and judicial prima donnas who have succeeded in upsetting respect for the Court by their quarrels and in creating turmoil in the legal profession by their antic decisions to such extent that there is little precedent left to which lawyers can point with any reasonable expectation that prior rulings will be upheld.

The most sensational rupture in the court occurred in June 1946 when Associate Justice Robert H. Jackson issued a statement from Nuremberg, where he was chief prosecutor at the war-crimes trials. This statement charged Associate Justice Hugo Black with threats of a Court vendetta if Jackson did not refrain from issuing a dissenting opinion in a coal-mine case which Black's former law partner, Crampton Harris, won. Jackson said at the time that Black's vote was the deciding one in favor of Harris' client.

Charges and countercharges flew about Washington, with Senator LUCAS, now Democratic floor leader, demanding that both Justices resign their positions. Neither, of course, did.

Fred Vinson was then named Chief Justice in an attempt to settle the quarrels. And, if memory serves, Vinson once had to virtually gavel Frankfurter into silence in one case to prevent another open rupture on the Court.

The latest examples of questionable conduct occurred when Frankfurter and Reed appeared as character witnesses for Alger Hiss, being tried by the Government for perjury, in a case which might have come before their Court upon appeal if he had been convicted, and which might still come before the Supreme Court if his second trial results in conviction.

One of the most recent decisions placing the Supreme Court in rather peculiar legal light was that written by Justice Murphy which held that since a quorum was not present when Harold Christoffel testified before a House committee that he was not a Communist, Christoffel could not be found guilty of perjury. In other words, a lie is not a lie unless you've got a quorum. The minority opinion held this decision to be "quite contrary to all recognized parliamentary rules, our previous decisions and the Constitution itself."

The cause of all this can probably be found in the lack of prior judicial experience of the Justices. Only two, Vinson and Rutledge, had ever been judges before their appointment to the highest court of the land. The others had been law professors or Attorneys General, or Members of Congress.

Thus, of nine, only two have had the sort of strict legal training on the bench which, in our opinion, the Supreme Court necessarily demands. It should be no forum for ideology; it should be no extra-legal legislature; but it has been both too often in the past.

The President ought to submit the name of a qualified Federal appeals court judge to the Senate, and if he doesn't the Senate ought to force the issue by holding up confirmation. The Supreme Court ought to be composed of judges, not politicians and emotionalists.

The Small-Business Man

EXTENSION OF REMARKS
OF
HON. RAYMOND W. KARST
OF MISSOURI
IN THE HOUSE OF REPRESENTATIVES

Friday, July 22, 1949

Mr. KARST. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following quotation from a small-business man in St. Louis, Mo., Milton J. Burns:

A small-business man: He may be a grocer, druggist, jeweler, furniture dealer, confectionery owner, or a drygoodsman. He is a good guy. He is the most sought-after man when the school patrons, mothers' clubs, or organizations need a prize—he is allowed the privilege of buying tickets from five customers, for the affair he gave the prize. He is a cowardly individual; he is afraid to go to the polls on primary day because he is afraid he will hurt himself by offending some precinct captain. He is a good taxpayer—he is small—so he does not have an auditor who can show him just exemptions. He is the neighborhood stand-by—he loans money in times of sickness or sorrow; no interest, and many times he does not get it back, but is abused if he asks for it. He may need money. He goes to the bank—pledges everything but his eye teeth, plus cosigners. He has never heard of RFC and that a smug financial statement can get aid from the Government—for the chosen few.

MILTON J. BURNS.

The Region's Responsibility in the "Fill-up" Campaign

EXTENSION OF REMARKS
OF
HON. DANIEL J. FLOOD
OF PENNSYLVANIA
IN THE HOUSE OF REPRESENTATIVES

Friday, July 22, 1949

Mr. FLOOD. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following article from the Anthracite Institute Bulletin of July 20, 1949:

THE REGION'S RESPONSIBILITY IN THE "FILL-UP" CAMPAIGN

Residents of the anthracite-producing region can do much to make the industry's "fill-up" campaign a success and at the same time help to maintain good business conditions within the region by anticipating their winter's requirements of anthracite now and filling their bins. The anthracite-producing region considered as a whole uses more domestic sizes of anthracite than any city in the United States or Canada except New York City and more than any State except New York, Pennsylvania, and New Jersey. When it is considered that there are over 300,000 dwelling units in the five principal producing counties, it is not surprising that the region consumes 2,250,000 tons of domestic sizes of anthracite annually.

Unfortunately, however, most residents of the region have developed the habit of purchasing their anthracite requirements as needed, with needs being dictated by the severity or mildness of the weather. This is demonstrated in the table below which shows that shipments of anthracite within the region during the months of July, August, and September represent only 18 percent of annual region shipments whereas shipments outside the region during the same months represent 36 percent of annual outside-the-region shipments.

Quarter of coal year average of last 3 years	Percent of shipments within the region	Percent of shipments outside the region
April-May-June	22.6	24.9
July-August-September	18.0	36.1
October-November-December	28.9	26.3
January-February-March	30.5	22.7
	100.0	100.0

For the past few years consumers outside the region have bought their anthracite requirements during the summer months in sufficient quantities to sustain maximum production with resultant full working time for the industry during the summer months. This year we cannot be sure that outside-the-region shipments will be sufficient to maintain full working time during the balance of the summer, and August will be a crucial month in the current fill-up campaign.

Every segment of the industry is engaged at the present time in urging upon dealers and consumers the necessity of filling their bins to capacity in order that anthracite may be shipped as produced. Maximum production during July and August is vital to insure adequate supplies of anthracite to meet a normal heating season. Therefore, if region anthracite users will buy now and during August, they will not only save money at prevailing prices, but will do much to insure full working time for the balance of the year with all the additional benefits which sustained high pay rolls can give to the region.

Improve the Waterway

EXTENSION OF REMARKS
OF
HON. JAMES V. BUCKLEY
OF ILLINOIS
IN THE HOUSE OF REPRESENTATIVES

Friday, July 22, 1949

Mr. BUCKLEY of Illinois. Mr. Speaker, under unanimous consent to extend my remarks in the RECORD, I include an editorial from the July 20 issue of the Chicago Daily Tribune entitled "Improve the Waterway." This relates to the Great Lakes to the Gulf waterway for which Chicago, and particularly the communities in and around the Calumet region, have been fighting for many years, not only for what this improvement will mean to the great Calumet region but to the industries in the entire Middle West and the country as a whole.

I agree wholeheartedly with what the Tribune advocates and believe the Congress should go further and authorize an appropriation sufficiently large to complete the work which has been recommended by the Army engineers.

This project is in the heart of my district and I have worked for it for the past 40 years. I will bend every effort to bring about the realization of this long sought development and I am sure I will have the support of all the Democratic Members of the House from Illinois, as well as that of the two United States Senators from Illinois, and from my colleague the Honorable RAY MADDEN, of Indiana, whose district adjoins mine.

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The editorial is as follows:

IMPROVE THE WATERWAY

Traffic on the Illinois waterway connecting the Great Lakes and the Mississippi River has increased so rapidly that the present system of locks has become inadequate. As a result, the Army Corps of Engineers will conduct a public hearing in Chicago August 10 to consider whether it is advisable to build a duplicate set of locks.

There seems little doubt that a favorable report on the project will be forwarded to the Army Chief of Engineers and to Congress. This year the waterway is carrying about 12,000,000 tons of freight, and the temporary failure of a single lock would be a serious matter. When the proposed widening of the Calumet Sag Channel is completed, the total tonnage on the waterway is expected to reach 27,000,000 tons, far more than the capacity of the present lock system.

Ultimately, and the sooner the better, the present 9-foot channel on the Lakes to Gulf waterway will be deepened to 12 feet. A survey of the feasibility of the deeper channel on the entire Mississippi River system is now being made by the Army engineers, with attention to economic as well as engineering aspects of the problem.

The studies unquestionably will show that the cost of a 12-foot channel would be met by the cheaper transportation that it would make possible, especially on the Illinois waterway, which not only serves the great Chicago industrial district but provides a link for water-borne commerce between the Great Lakes and the inland rivers.

Chicago's industries require immense quantities of bulk commodities such as coal and petroleum products. A deeper channel would permit the handling of larger tonnage in barge tows, with consequent savings to shippers and consumers.

For many years Congress has been generous in its hand-outs for little-used rivers and harbors, especially those in the East and South. Chicago business interests and our representatives in Congress need have no apologies for demanding a 12-foot channel on that primary artery, the Lakes to Gulf waterway.

The Hour Is Later Than You Think

EXTENSION OF REMARKS

OF

HON. JOHN PHILLIPS

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Friday, July 22, 1949

Mr. PHILLIPS of California. Mr. Speaker, many Members of this House are acquainted personally with Mr. Fay George Child, of Maynard, Minn. For years he was secretary to the gentleman from Minnesota [Mr. HAGEN]. Always interested in printing, and always ingenious in handling ideas in type, he furnished some of us, year after year, with our Christmas or New Year's cards. Later he went to Maynard, bought the local newspaper, the Maynard News, and now holds that position for which some of us would willingly exchange our seats in the Congress, that of publisher of a country newspaper.

I represent a California district, Mr. Speaker, and Maynard is in the home district of my good friend, the very able Representative from the Seventh District of Minnesota [Mr. H. CARL ANDERSEN], with whom I had the pleasure of serving on the Subcommittee on Agriculture of the House Committee on Appropriations, and who is now the ranking minority member of that subcommittee. However, I see a copy of the Maynard News occasionally and I read Mr. Child's editorials with increasing interest.

He wrote one, in the issue of April 29, which 3 months later is even more prophetic and pertinent than it was at that time. It defines the path by which socialism and communism is being brought into this Nation, to our eventual destruction.

Although it applies primarily to Minnesota, it should be read by all our citizens. I have asked permission, Mr. Speaker, to extend my remarks in the Appendix of the RECORD, and to include the editorial to which I have just referred.

Mr. Child's editorial follows:

THE HOUR IS LATER THAN YOU THINK

A few short years ago, Communists conspired in dark cellars in New York with little or no hope of promoting a successful revolution in the United States.

In Russia, Trotsky, one of the leaders of the successful revolution, was exiled to Mexico, because he persisted in advocating that the new Communist regime launch a world revolution. Lenin and Stalin knew that the people of Russia were tired of fighting and wanted "peace, bread, and land." To participate militarily in revolution in other countries would have doomed the new Communist government within Russia. It was then that the popular-front theory of infiltration into other countries became the policy of the Kremlin—and that technique has worked alarmingly well.

Communists and fellow travelers have been trained and have found their way into thousands of organizations and political groups, and through intelligent and persistent effort, they have used those groups to further the cause of socialism and communism in the United States.

These groups have been used to apply pressure on Congress and Government agencies.

Propaganda was cleverly manipulated through the radio and press to build up the prestige of fellow travelers and smear those who opposed communism or socialism.

Minority groups were stirred up and made fearful.

Segments of our population were convinced they were being exploited by the rest of the country, and they became resentful and pugnacious—ready tools of the Communists.

The American of yesteryears, who could take what life had to offer without a whimper, is now on his knees imploring his Government for security that does not exist and, fool that he is, he cannot see that he is traveling at breakneck speed toward socialism and ultimately communism.

Taxation is driving to the wall our system of free enterprise.

How did all this come about?

Not by accident—and not because the socialization of America is inevitable, as Ed Morrow recently stated over the air. It has come about because socialism is being fanatically promoted by the best brains in the country.

These fanatics have the advantage because they can resort without compunction to trickery, deceit, indirection, and if necessary, sabotage and treason. They are like a prizefighter with a horseshoe concealed in his glove.

Probably the most effective radical leadership ever to be projected on the American scene was that of the late Sidney Hillman, who came to America from Russia in 1907.

Sidney was trained in revolutionary procedures, and his own historians have described how he had participated in earlier revolutions in Russia (source material p. 73, H. Rept. No. 1311), March 29, 1944—United States Congress).

Sidney Hillman, by a process of divide and rule, became the president of the Amalgamated Clothing Workers Union in New York City.

About this time Hillman made numerous trips to Russia where he conferred with Lenin and Stalin, and as a result he organized the Russian-American Industrial Corporation for the purpose of building textile factories in Russia. This venture failed, but Hillman did succeed in funneling several millions of American dollars into Russia at a time when our Government did not recognize the Communist regime and had forbidden the sending of American dollars to Russia to help finance their program of oppression.

It was Sidney Hillman, aided by others, who organized the CIO, and through this new industry-wide type of organization, he has exerted unprecedented control over the political thinking of the laboring men and women of America.

It was Sidney Hillman, aided by others, who conceived of and organized the CIO Political Action Committee, and through this organization collected money from over 6,000,000 members of the CIO. This money was spent under the personal supervision of Mr. Hillman, who was the national president of the PAC. Because of his control of tremendous blocks of CIO votes, and huge campaign funds, Hillman became a powerful influence in America, from the State level of government right up to the White House. His protégé, Mrs. Francis Perkins, became Secretary of Labor. The attorney for the Amalgamated Clothing Workers and Hillman's close personal friend, Felix Frankfurter, was appointed to the United States Supreme Court, and Hillman himself, held several important policy-making posts in the Government during the last war. Many more of his friends now hold vital jobs in our Government.

With excessive power within the Government and adequate funds with which to operate, Hillman succeeded in attracting the best brains in the country to promote the political-action program.

He has succeeded only too well.

Not content to confine his operations to Washington, D. C., and New York, Hillman invaded Minnesota with his money and his workers. His union took an active interest in the campaign of Elmer A. Benson for governor. At that election the Communists in Minnesota were instructed to support Benson's campaign for reelection and not to place a candidate in the field against him.

After his defeat Benson became chairman of the board of directors of the Citizens Political Action Committee, a wing of Hillman's PAC.

While extending the hand of friendship and cooperation to the Democratic New Deal, Hillman was working behind the scenes, setting up counter political groups which harassed and drove to the left, the Roosevelt and Truman administrations. It is a technique so effectively used by Communists in Europe and Asia.

When Sidney Hillman died about 2 years ago, his organization work went on unabated. The spirit of Sidney Hillman still permeates the ranks of radicals in America who are seeking frantically to make all good Americans wards of a paternalistic, socialistic government.

While many of the leaders of the Political Action Committee were officially supporting President Truman for reelection, a great many others were campaigning vigorously for Candidate Henry Wallace.

Louis F. Budenz was a former editor of the New York Communist Daily Worker. In an article in the October issue of Collier's magazine titled "How the Communists Cap-

tured Wallace," he told of how Wallace visited Russia, and while he was there, the executive committee of the Communist Party in New York received a message from Stalin to the effect that the Communists of America would be expected to support without reservation, any political ambition Wallace might have. Mr. Budenz was present at that meeting and he quoted the message verbatim in his article in Collier's.

It is significant that Elmer A. Benson was national chairman of Wallace's campaign for President.

It is also significant that the Wallace candidate, James M. Youngdale, of Benson, Minn., who ran against Congressman H. CARL ANDERSEN last November in the Seventh District, received from the Amalgamated Clothing Workers of New York City $500 for his campaign. A record of this contribution is in the hands of the Clerk of the House of Representatives in Washington, D. C. Because of the clever manner in which his campaign was handled for him; and because he promised everyone the world with a fence around it, Youngdale came within 6,000 votes of defeating our experienced and capable Representative in Washington, Congressman H. CARL ANDERSEN.

Youngdale is still active. He is circularizing a bulletin each month throughout the district which unswervingly follows the line adopted by the Communists.

Yes, the Communists have come out of their cellars. They now number among their fellow travelers some of the most prominent and able people in the country. Their plan is going well. Even the President of the United States has been forced to advocate socialized medicine, more socialistic bureaucratic controls over production, distribution, and manpower. In his message to Congress in January he openly advocated the ultimate socialization of the steel industry of this country.

No, the President is not a Communist. Nor would this publication venture to accuse the late Hillman, Frankfurter, Perkins, Benson, or Youngdale of being Communists. Very likely they are sincere, do-good fanatics the like of which have unwittingly or otherwise aided Communists in other lands to win bloodless revolutions.

It is important for us to know who is serving the cause of socialism, and then withhold from them any of the responsibilities of molding Government policies.

Add to this action a real upsurge of democracy that will unite the people of America behind a progressive program that can be confined within the framework of our free-enterprise system and democratic way of life.

We've lost the most of the battles thus far—let's not lose the war.

The hour is late.

Wake up, America.

Hon. John A. Danaher

EXTENSION OF REMARKS

OF

HON. JOHN A. McGUIRE

OF CONNECTICUT

IN THE HOUSE OF REPRESENTATIVES

Friday, July 22, 1949

Mr. McGUIRE. Mr. Speaker, this is a rather unusual speech to come from a rabid organization Democrat. I am a great believer in the two-party system, and I feel that America will be the better if the Democratic Party and the Republican Party both remain strong.

Therefore, it was with deep regret that I heard John A. Danaher would not accept the chairmanship of the Republican Party.

John Danaher was born and raised in Meriden, Conn., which is in my congressional district and only 6 miles from my home. He and his entire family are highly respected by both Democrats and Republicans in Connecticut. In fact, the Danahers are known as the royal family of Connecticut politics. At one time, while John A. Danaher was United States Senator, his father, Cornelius J. Danaher, a lawyer, was State labor commissioner; his brother, Cornelius J. Danaher, Jr., a lawyer, was judge of the city court in Meriden; and another brother, Francis A. Danaher, a lawyer, was mayor of Meriden.

For your information, John A. Danaher is an excellent lawyer, he served as secretary of state of Connecticut in 1933 and 1934, was a member of Gov. Wilbur Cross' State board of finance and control, and was United States Senator from 1939 to 1945. In 1942 the entire Senate Press Gallery voted that Prentiss Brown, of Michigan, was the most valuable to the Democratic Party and John A. Danaher was the most valuable to the Republican Party.

John Danaher knows politics from the ground up. He is honest, capable, and a deeply religious family man.

If he cannot be persuaded to reconsider, I hope that the person who does eventually take the position will compare favorably to John A. Danaher.

Critics Wouldn't Dig Coal at Twice Miners' Pay, Asserts Doctor in Tribute to Lewis

EXTENSION OF REMARKS

OF

HON. DANIEL J. FLOOD

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Friday, July 22, 1949

Mr. FLOOD. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following article from the United Mine Workers Journal:

CRITICS WOULDN'T DIG COAL AT TWICE MINERS' PAY, ASSERTS DOCTOR IN TRIBUTE TO LEWIS

"Industry will survive if the miners receive the pay and comforts deserving them because of the hazards of their occupation"—that is the plain-spoken challenge directed to the public and the powers-that-be by a Colorado doctor who has witnessed unforgettable scenes of suffering among miners who fell victim to the perils of the coal industry and has watched with a highly critical eye the perennial attacks on the leadership of the UMWA.

Dr. Byron B. Blotz, in an analytical commentary published recently in the letters-to-the-editor column of the Pueblo (Colo.) Chieftain, laid it on the line, asserting:

"Over 1,000 miners died last year from accidents, besides those whose lives have been shortened through the inhalation of the fumes and dust. No other group, surely not editors or doctors, would accept employment under those hazards at twice the pay. * * *

"Neither you nor I nor society in general raised a hand in their behalf.

"John L. Lewis made the fight. A much better American today than many who are on the Federal pay roll breathing God's pure air above the ground. May we all unite in asking that the huge fine against our miners be suspended and that the press may in the future evaluate Mr. Lewis' activities in a truer light."

Telling of the misery he witnessed many years ago while an interne at the Denver General Hospital, Dr. Blotz, who now lives in a farming community, said: "I stood at the bedside of miners dying before their time with 'miner's consumption,' unheralded and unsung, in a charity hospital, every breath difficult until death brought relief. These scenes would affect the hearts of the most callous observers."

State Veterans' Bonus

EXTENSION OF REMARKS

OF

HON. HARRY J. DAVENPORT

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Friday, July 22, 1949

Mr. DAVENPORT. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following radio talk made by me over Pittsburgh Station WCAE, Wednesday, July 20:

One of the most important issues to come before the people of Pennsylvania is the State veterans' bonus. Already, in Connecticut, Illinois, Indiana, Ohio, Michigan, New York, and 14 other States a State bonus law has been passed. Reports from these States bear out that it was highly successful legislation. As a matter of fact, it has been revealed after extensive study of the bonus laws in these States that more than a third of the vets used their bonus as a down payment on a home or an automobile, and certainly we all have to agree that every vet is entitled to a car and a home where he can raise a family after the job they did for all of us.

Of course, the vets need the bonus—they should get the bonus, but my purpose in coming back to Pittsburgh and talking to you by way of radio, is to point out to you that the only way you are going to get the bonus is to go out and vote for it. The Pennsylvania Constitution requires a referendum which means that the only way for you ex-GI's to get your bonus is by your votes on election day. You cannot vote if you are not registered. Now get this, this is important to you: You have only 3 days—Thursday, Friday, and Saturday—to register. Go to the registration commission office in the county office building, at Ross and Diamond Streets. The office will be open tonight until 9 p. m. and Thursday, Friday, and Saturday from 9 a. m. to 9 p. m. Not only is it important that you vote your preference for the bonus, if you desire such, but you must take an active part in the bonus question in order that it is not used as an excuse to pass a sales tax, for we all know that once a sales tax is on the statute books, even for such a good reason as to pass a bonus, it is impossible to repeal it even after the expense of the bonus is paid.

Now as to the 52–20 law, let me quote to you from a speech that I made on the floor of the House the day before yesterday: "Unless the 52–20 benefits now provided for our veterans are extended beyond the deadline of July 25, we will have committed an unworthy deed toward these boys.

"In Allegheny County more than 10,000 veterans will lose their benefits unless Congress acts. These are mostly persons who have not earned sufficient money to qualify for State unemployment benefits. In addition to the 10,000 veterans in Allegheny

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County who are now receiving 52–20 benefits, there are almost 15,000 other veterans now unemployed and not getting Federal benefits.

"I have introduced H. R. 5569, to extend the 52–20 benefits until February of next year. By this time Congress will be able to make a more permanent and just settlement. In any case the continuation of benefits beyond the current period is most essential since current business lay-offs have chiefly hit the young veterans with little seniority. In addition many veterans recently graduated from school have not been able to find jobs in the shrinking employment market. In order to help the young unemployed veterans with little seniority and those who have graduated recently from school, it is unfair to cut off their benefits. For a Nation which threw away hundreds of millions of dollars in 1948 for unneeded potato subsidies, the cost of continuing the 52–20 benefit program would be negligible. We must act quickly to extend these benefits or we shall not have acted fairly to our veterans.

"I appeal to the members of the Veterans' Committee to get this 52–20 legislation to the floor of the House for a vote as soon as possible."

During the war Congress passed a law to give unemployment compensation to veterans. The terms of eligibility were clear. If a veteran was to be entitled to a total of $20 per week for 52 weeks it was to have gone 2 years after the end of the war. Now everybody knows what the end of the war is; the war does not end until peace treaties are signed, so we are actually still at war with Germany and Japan, so what happened? The Eightieth Congress, acting almost secretly, passed a law which said that for certain purposes only the war would be declared at an end as of July 5, 1947, and that means that the veterans' rights to unemployment compensation expires July 25, 1949. While the battles were going on we made promises to our GI's. It's up to us now to redeem those promises in good faith. Only you, the voters, can see that this is done. Write or wire your Congressman. Do it now. Tell him that you want 52–20 extended.

The bonus that you will win by going out and voting for will help many a vet to buy a home, and the 52–20 is just as General Bradley explained, "like money in the bank to be drawn upon as needed." When General Bradley was Administrator of Veterans' Affairs he repeatedly urged them not to draw their unemployment compensation right away, but to hold it as sort of a reserve for lay-offs which might be expected and which are actually happening now after the postwar boom.

I cannot urge the veterans too strongly to take an active part in city, county, State, and national politics for their own benefit.

My local office on the fifth floor of the Federal building is open every day; vets with problems are welcome to come in.

Arizona's Colorado River Program

EXTENSION OF REMARKS

OF

HON. WALTER S. BARING

OF NEVADA

IN THE HOUSE OF REPRESENTATIVES

Friday, July 22, 1949

Mr. BARING. Mr. Speaker, recently the State of Nevada was accused by the Arizona Governor as being paid off by the State of California for opposing Arizona's Colorado River program. Gov. Dan E. Garvey, according to newspaper information, made the accusation upon his return from Washington, D. C., where he had gone to urge consideration of establishment of Army projects in northwestern Arizona. The Governor is quoted as saying that on two occasions the Federal Government had planned to establish projects in Arizona, and that in each instance Nevada got them instead. It is reported that he also made the statement, "We have the idea that Nevada is getting paid off by California for its support in the water fight."

Such a preposterous charge cannot go by unanswered, although it is ridiculous enough to warrant no reply. There are many reasons why there is opposition in my State toward Arizona's fantastic Bridge Canyon project, but receiving bribes from California is not one of them. We, in Nevada, believe that Arizona is proposing a program which would constitute a severe threat to Nevada's share of Colorado River waters. We oppose this project because it is a billion-dollar plan that would have to be paid for by the general public, and not the Arizona irrigators.

The State of Nevada needs its share of the Colorado River for irrigation and low-cost power in the rapidly growing southern section of our State. We intend to protect our rights, and we do not have to be paid off by anyone to do so. The Arizona Governor did not explain in what manner one State goes about paying off another State for favors granted. This would be interesting to know. It is not very likely, however, that California would cede some of its territory to Nevada, when we Nevadans are not given even the special privilege of being spared quarantine inspection when crossing over California's State line. It would be a real pay-off for us Nevadans if we could accomplish that, and no longer have to be subjected to California's intensified, to say nothing of distressing, search for plant pests, when a Nevada car pulls up at the checking station. Anyway, it is a thought worthy of consideration, and maybe the Arizona Governor will be responsible for putting some ideas into our heads. Seriously speaking, the State of Nevada is not interested in making any demands upon the State of California for opposing the Arizona project. We have some exceedingly good reasons of our own, to make our opposition to the project legitimate.

Postal Reclassification Bill

EXTENSION OF REMARKS

OF

HON. ANTHONY F. TAURIELLO

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Friday, July 22, 1949

Mr. TAURIELLO. Mr. Speaker, under leave to extend my remarks in the RECORD, I herewith insert my remarks before the House Post Office and Civil Service Subcommittee this morning:

POSTAL RECLASSIFICATION BILL

Mr. Chairman, may I say that I very much appreciate the courtesy of the Chair in permitting me to make a brief statement in support of the postal legislation pending before your committee. I particularly want to place my endorsement on H. R. 4495, introduced by our colleague, the distinguished gentleman from California, [Mr. GEORGE MILLER]. I think it is a very good bill. I do not think it is excessive in its demands and I believe that if this committee decides to report the bill to the House, it will meet with overwhelming favor among those of us who are interested in the welfare of our postal people.

I might say that my mail during the last several weeks has increased considerably and in almost every instance the people in my District in Buffalo, N. Y., who are employed by the Post Office Department, are asking that something be done at the earliest opportunity to provide certain much-needed benefits. They further advise me that the provisions of H. R. 4495 would best provide for their needs and desires at this time.

From my own personal standpoint, I am particularly glad to learn that H. R. 4495 carries a provision to grant the men and women in the Post Office Department a modest increase in their salaries. While it is true that from time to time during the last several years post-office people have been given slight increases, nevertheless, those increases have not been in sufficient amounts to enable the postal people to stay at a level with the cost of living. I think, if we are to insure the progress of our social and economic way of life, we must make available to the greatest number of our citizens the riches we find in this Nation. We are a rich and bountiful Nation, and as long as the Government is an employer it is up to the Congress to provide a living wage for its employees. I feel that the $150 that would be granted postal workers through the enactment of H. R. 4495 is a very modest request. I doubt seriously that it can be considered more than a token wage adjustment, since from that amount there will be the usual withholding-tax deductions as well as the retirement contributions which the employee makes on every dollar he earns in his basic wage. At this point I should like to interpose that if I were a member of this committee, I would vote for a flat increase to all postal employees of an amount between four and five hundred dollars.

There is another section which particularly appeals to me from a standpoint of justice. I am referring to section 3 of the bill, which would do away with the four lowest salary grades of Public Law 134, which now determines salaries in the post-office service. I have made inquiries among the carriers and clerks and railway mail people in my own district and other employees elsewhere and it appears as if at least 50 percent or possibly more of the new recruits in the postal service are veterans of the recent war. If these men were asked to start in the post-office service for a wage of $2,550 per annum, it stands to reason that their take-home pay will be considerably less after income-tax and retirement deductions are made. I do not think the continuation of low wages in the postal service is going to attract the caliber of employee we all want to see in that Federal activity.

President Truman, in a recent message to Congress, voiced the sentiments of the American people when he said: "We may justly take pride in the achievements of the Post Office Department." If we are going to continue to make that boast, we are going to find it necessary to make the job attractive for young men starting out on life's highway.

There are two other sections in the bill which I want to touch on briefly and then I will conclude my statement as I realize the committee has a great many witnesses who will want to testify and, for that reason, I will merely confine my remarks to the sections of the bill which I consider most worthy.

One other provision which I think is commendable and which I hope the Committee will favorably report without amendment is the section providing for an equalization of the sick and annual leave law. There is no justification for the seeming discrimination which exists against postal employees in the matter of annual leave and sick leave. I do not want to leave the impression that I oppose the 26 days annual leave and 15 days sick leave which most Federal employees receive, rather I want to impress upon the record the fact that I believe postal employees should be brought up to the same level of other Federal workers. I do not think there is any one of us who will say that a postal worker's job is an easy one. The letter carrier is out in all types of weather day in and day out. A great majority of the men who work in the terminals and post offices throughout the country perform their duties at night. Because of the arduous type of work these employees perform, it would seem that a request for an increase in their vacation allotment and sick leave time is justifiable, particularly so when we find that almost every other group within the Federal Government receives this extra dividend for relaxation and recuperation in the event of illness.

The final section in the bill which I want to commend to the committee is the provision which would grant a $100 uniform allowance for those employees who would be directed by the Postmaster General to wear a distinctive type of uniform in the performance of their duties. I received a letter the other day from my district in which the writer pointed out that Postmaser General Donaldson has on two different occasions indicated his approval of legislation that would grant a uniform allowance for carriers and possibly other employees whom he would designate. It is well known, I think, to the committee that the Postmaster General is a career man in the postal service. I think we all have great respect for his judgment in matters pertaining to the postal service. I know he has been before this committee and I am sure he has impressed you with his knowledge and the sincerity of his devotion to the postal service. I think we could well go along with his recommendation of a uniform allowance for employees.

Again I want to say that I hope the committee will see the wisdom of approving H. R. 4495 at the earliest possible date. I know the postal employees in Buffalo are interested in this bill. I have promised them repeatedly that I will support the measure when it is brought before the House. I hope I will have that opportunity in the very near future.

Thank you, Mr. Chairman, for the courtesy afforded me. I also want to express my appreciation to the members of your fine committee along the same lines.

District of Columbia Home-Rule Bill

EXTENSION OF REMARKS

OF

HON. JOHN L. McMILLAN

OF SOUTH CAROLINA

IN THE HOUSE OF REPRESENTATIVES

Friday, July 22, 1949

Mr. McMILLAN of South Carolina. Mr. Speaker, under unanimous consent to insert my remarks, I include a statement on the pending home-rule bill made by the Washington Board of Trade. I would like to state that the Washington Board of Trade has gone to a great deal of expense and time in effort to give the Congress a true picture of the bills now pending before Congress on home rule.

I hope that every Member of Congress will read the statement made by the Board of Trade.

Following is a tabulation of the results of a poll mailed to members of the Washington Board of Trade to secure their views respecting S. 1527, the Kefauver home-rule bill. The poll was taken during the week ending July 12, 1949.

Washington Board of Trade home-rule survey, July 1949

Number of ballots mailed	7,867
Number of ballots returned	2,357
Percentage return	29.96

Question No. 1: You have just read the major provisions of the Kefauver bill, S. 1527. Do you favor its adoption?

	Total ballots	No answers	Total answering	Yes	No
				Pct.	*Pct.*
Total	2,356	8	2,348	20.0	80.0
District of Columbia	1,552	5	1,547	18.8	81.2
Maryland and Virginia	804	3	801	22.2	77.8

Question No. 2: If you answered "Yes" to question No. 1, would you oppose this bill if it meant a lower Federal payment? Or, would you favor this bill regardless of the effect upon the Federal payment?

	Total ballots	No answers	Total answering	Opposed if lower Federal payment	Favor bill regardless of Federal payment
				Pct.	*Pct.*
Total	469	8	461	60.3	39.7
District of Columbia	291	5	286	61.9	38.1
Maryland and Virginia	178	3	175	57.7	42.3

Question No. 3: Do you think persons now voting in other States and Territories should be allowed to vote in the District of Columbia for: (a) District Council members? (b) the District to incur debt?

	Total ballots	No answers	Total answering	District Council members		District to incur debt	
				Yes	No	Yes	No
				Pct.	*Pct.*	*Pct.*	*Pct.*
Total	2,356	57	2,299	13.7	86.3	10.9	89.1
District of Columbia	1,552	37	1,515	11.7	88.3	8.6	91.4
Maryland and Virginia	804	20	784	17.3	82.7	15.4	84.6

Question No. 4: Under the present system, the Board of Education is appointed. The Kefauver bill proposes it be elected. Do you favor election of the Board of Education?

	Total ballots	No answers	Total answering	Yes	No
				Pct.	*Pct.*
Total	2,356	65	2,291	30.0	70.0
District of Columbia	1,552	44	1,508	28.5	71.5
Maryland and Virginia	804	21	783	32.4	67.6

Question No. 5: Do you think local suffrage without representation in Congress is desirable?

	Total ballots	No answers	Total answering	Yes	No
				Pct.	*Pct.*
Total	2,356	76	2,280	9.6	90.4
District of Columbia	1,552	46	1,506	9.1	90.9
Maryland and Virginia	804	30	774	10.6	89.4

Question No. 6: Do you believe this bill provides real home rule for the District of Columbia?

	Total ballots	No answers	Total answering	Yes	No
				Pct.	*Pct.*
Total	2,356	61	2,295	6.0	94.0
District of Columbia	1,552	41	1,511	5.8	94.2
Maryland and Virginia	804	20	784	6.5	93.5

Question No. 7: Do you live in the District of Columbia? Maryland? Virginia?

Total (100 percent)	2,356
	Percent
District of Columbia	65.9
Maryland	23.8
Virginia	10.3

Question No. 8: If you live in the District, how long have you lived here?

	Total ballots	No answers	Total answering
Total	1,552	26	[1] 1,526
			Percent
Less than 5 years			5.7
5 to 10 years			9.0
11 to 15 years			7.6
16 to 25 years			16.4
26 to 50 years			43.4
Over 50 years			13.2

[1] This figure represents 100 percent.

Question No. 9: If you live in Maryland or Virginia, is your business located in the District? Do you own property in the District?

Total living in Maryland and Virginia	804
No answers	5
Total answering	[1] 799
Business located in the District:	*Percent*
Yes	92.4
No	7.6
Own property in the District:	
Yes	27.7
No	72.3

[1] This figure represents 100 percent.

MEMORANDUM BRIEF IN BEHALF OF THE WASHINGTON BOARD OF TRADE

This memorandum will be addressed directly to the bill, S. 1527, which passed the Senate on May 31, 1949, and is now pending in the Committee on the District of Columbia of the House of Representatives which, we understand, will be at least the central point of discussion on the whole subject of home rule for the District of Columbia.

The Washington Board of Trade has taken and held a consistent position throughout its history which was expressed to the Senate Committee on February 17, 1949, by the board's representative, in the following language:

"We have concluded, after study over a period of many years, that local suffrage in the District cannot be effective unless the

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people of the District also have full representation in the Congress of the United States.

"No bill to grant local suffrage for the District of Columbia will be complete unless it is accompanied by provision to amend the Constitution of the United States in such a manner as to permit local residents to send representatives to the Congress and to vote for President and Vice President of the United States.

"Referring to that last point I realize, as the chairman pointed out in his opening statement, that it involves the proposal of a constitutional amendment; I also realize that while in the Senate everything that has been embraced in my statement comes within the jurisdiction of this committee, the Senate Committee on the District of Columbia.

"In the House of Representatives there is a divided jurisdiction between the Committee on the District of Columbia and the Judiciary Committee, but I do not regard that division of jurisdiction as presenting an insurmountable difficulty."

That is the position of the Washington Board of Trade today. The two great political parties expressed themselves on this question in their national platforms adopted by their conventions in 1948, as follows:

The present majority party:

"We favor the extension of the right of suffrage to the people of the District of Columbia."

The present minority party:

"We favor self-government for the residents of the Nation's Capital."

They were interpreted by us as declarations that the citizens of this District should have representation in the Senate and House of Representatives, presidential electors in the electoral college and, if that participation in our Government was granted, then that our citizenry should assume the rights and responsibilities of the franchise in the election of a local government, but not otherwise.

The bill, S. 1527, contemplates the abolishment of the commission form of government and the substitution in its place of a partly elected, partly appointed District Council, a District manager appointed by that Council, and 12 departments, each headed by a director appointed by the District Manager, and various boards and commissions, some appointed by the District Council and some by the District Manager. These 12 departments are to be created by abolishing, in most instances, substantially similar departments and immediately setting up new departments under new directors, selected by the District Manager.

This complete change is to be made almost overnight and, so far as is known, may involve the removal of the competent, tried, and true heads of those departments now functioning in a government which has frequently been called the best municipal government in the United States of America.

We challenge anyone to find any substantial group in the established business and professional fields in the Nation's Capital who will say that this change is not a pure gamble; and who will not say that it is likely to produce a less desirable municipal government than the one which Washington had had from 1878 until the present day.

THE DISTRICT COUNCIL

The provision creating the District Council is as follows:

"SEC. 301. (a) There is hereby created a Council of the District of Columbia consisting of 11 members, 9 of whom shall be elected as provided in title XII, and 2 of whom shall be appointed, without regard to political affiliation, by the President by and with the advice and consent of the Senate."

The functions of the Council are stated as follows:

"SEC. 321. (a) Except as otherwise provided in this act, all functions granted to or imposed upon the Board of Commissioners of the District are hereby transferred to the District Council."

By subsequent provisions, the District Council is empowered to pass ordinances and to make to Congress legislative proposals. A legislative proposal passed by the Council shall take effect as law only if after it is reported to Congress, as provided in title IV of the bill, it is not rejected by joint resolution of the two Houses of Congress within 45 days, and is not disapproved by the President within 10 days thereafter.

These provisions will not grant self-government for the residents of the Nation's Capital, nor the right of suffrage in any real and full sense.

Here we have a city council made up of a majority of members elected by the voting residents of the District of Columbia, but with two appointees of the President, confirmed by the Senate, in their midst who are not beholden in any manner to those voting residents.

It would be a strange thing, indeed, if in an act of a State legislature granting a charter to a city in which would be included the setting up of a city council, there should be retained the power in the governor to appoint approximately one-fifth of the members of the city council by and with the advice and consent of the State senate. Any attempt to do this would be rejected by the voting citizens of the area to be chartered as a city as being an absurdity and an attempt to deprive them of their right of autonomy. The present provision for the appointment by the President of 2 out of 11 members of the District Council, by and with the advice and consent of the United States Senate, stands on a par with such an action in a State. If this provision should be enacted into law, the President and the Senate would retain a string to be pulled at any time which might affect every action of the District Council. It would tend to deprive the members of the Council of their freedom of thought and action.

The qualifications for membership on the District Council are stated in the bill as follows:

"SEC. 302. No person shall hold the office of member of the District Council unless he (1) is a qualified elector, (2) resides and is domiciled in the District, (3) holds no other elective public office, and (4) holds no appointive office for which compensation is provided out of District funds."

These qualifications are objectionable on at least two grounds, namely:

1. There is no requirement of domicile in the District for more than the 1 year required for a qualified voter. This should be extended to at least 3 years.

2. The language as to holding other office is such as to permit a Federal employee holding a high position, whose office is not elective and whose compensation is not provided out of District funds, to be a member of the District Council. This should not be permitted.

LEGISLATIVE PROPOSALS

Title IV provides that such a legislative proposal shall become a law only if it is not vetoed by joint resolution of the two Houses of Congress within 45 days after it is presented to them, and if not disapproved by the President within 10 days after it is presented to him. By this provision, every proposal by the District Council is left subject to attack in the Congress by any Member of the House or Senate and the complete power over its becoming effective as a law, or failing to become effective, is retained in the hands of the Congress and the President. On this subject of enactment of general laws, the present bill wholly fails to grant the effective right of suffrage to the people of the District of Columbia, as promised by the majority party, or real self-government for the residents of the Nation's Capital, as promised by the minority party.

THE DISTRICT MANAGER

The provision for the District Manager is as follows:

"SEC. 501. The District Council shall appoint a District Manager who shall serve at the pleasure of the Council and who shall be chosen solely on the basis of his executive and administrative qualifications, with special reference to his experience in, or his knowledge of, the administration of the affairs of local government."

There is no requirement that the District Manager shall ever have lived in the District of Columbia, nor that he shall have experience in the executive affairs of any city of the size of the District of Columbia. Obviously, it is intended that he shall be chosen from outside of the District of Columbia; therefore, he would be a man not acquainted with the administration of local government as extensive and complex as ours.

According to the Municipal Year Book of 1948, all cities in the United States having a population of 500,000 or over were governed by a mayor and council. Only 6 cities having a population ranging from 250,000 up to 500,000 had the city manager and council form of government. The problem of governing a city of nearly 1,000,000 population, soon to be more than a million, by the city manager form of government presents an utterly untried field.

In section 502, the District Manager is made the chief executive officer of the District government, responsible to the District Council; and by section 504, the functions of the various principal divisions of the District government are transferred to him, with the power to reorganize or abolish any agency and to create new agencies, and to abolish the position or office of any officer or employee (other than a member of a board) transferred to his office, and to create new offices and positions.

In title IX, section 901, 12 executive departments are created, each to be headed by a director who shall be appointed by, and serve at the pleasure of, the District Manager.

By succeeding sections of title IX, the various present departments of the District government are abolished and new departments created, each under the direction of a director to be appointed by the District Manager. It is not even required that the heads of these departments appointed by the District Manager shall be subject to confirmation by the District Council, which fixes the amount of their salaries.

Under these provisions, it is entirely possible for some person who may have been the city manager of a small city in some remote part of the country, without experience in handling the affairs of a great city, to be appointed city manager and he, in turn, to select and appoint 12 directors of executive departments of the city's government who may come from 12 different parts of the United States to direct the affairs of the Nation's Capital. This would not be home rule, and it certainly would not be within the language heretofore quoted from the 1948 platforms of the two great political parties. This certainly would not be self-government for the residents of the Nation's Capital.

SPECIFIC DEFECTS IN THE BILL S. 1527

There are certain specific defects in the bill S. 1527 upon which we wish to comment:

1. Department of Law: The placing of the office of the Recorder of Deeds in the Department of Law, under the Director of that Department, who would be the successor to the present Corporation Counsel, would be an example of undesirable mingling of inconsistent functions.

2. Department of Public Works: Section 908 of the bill is as follows:

"SEC. 908. (a) The functions of * * * (lists all engineering departments and officials) are hereby transferred to the Director of the Department of Public Works.

"(b) The Department of Construction, Sanitary Engineering, Inspection, and Highways are hereby abolished."

Under the above-quoted provisions, all the functions now exercised by Army engineers, as Engineer Commissioner, and Assistant Engineer Commissioners of the District of Columbia, would be transferred to a Director of the Department of Public Works, who might be a civil engineer, of more or less experience and capacity, but who almost certainly would not have the experience and ability which has been devoted to the engineering affairs of the District of Columbia by the various men who have held the office of Engineer Commissioner and Assistant Engineer Commissioners from 1878 to the present day. These men have functioned to the greatest possible benefit of the District of Columbia in its engineering affairs and with no public or official criticism so far as the Board of Trade is aware. We respectfully urge that this provision of the bill be changed so as to require that the Director of Public Works shall be an officer of the Corps of Engineers of the United States Army, and that his assistants shall also come from that corps. * * *

4. The Chairman of the District Council: Section 331 provides for the election of a Chairman by the District Council from among its members, but does not limit the chairmanship to an elected member of the Council. This would permit the election of one of the Presidential appointees who, under the provisions of section 331, "shall be the presiding officer of the District Council, the official spokesman for the District, and the head of the District for ceremonial purposes." Certainly, if there is to be an elected home-rule government, the Chairman should be one elected by the qualified voters.

5. Department of Libraries: In title IX of the bill, S. 1527, 1 of the 12 executive departments created is the Department of Libraries. In section 909 of title IX the functions of the Board of Library Trustees and of the Librarian are transferred to the Director of the Department of Libraries, and the office of Librarian is abolished.

This is contrary to the best recognized library experience and practice. If the bill should be enacted, its provisions regarding the public library should be such as would continue the Board of Library Trustees and the office of Librarian, "together with all powers and duties as provided under existing law."

6. Board of Education: In title XI, sections 1101 and 1102 (a), a new Board of Education is created, consisting of seven members elected as provided in title XII, and the present Board of Education is abolished and its functions transferred to the new Board.

These sections do not define the qualifications for membership on the new Board of Education, which we suggest should not be less than 5 years' domicile in the District preceding their election.

7. Board of Elections: In title XII, section 1201 (a) (1), there is created by the bill, S. 1527, as an agency of the District government a Board of Elections, consisting of five members who shall be appointed by the President by and with the advice and consent of the Senate. The further provisions of said section contemplate the appointment of the successors of the first Board of Elections in the same manner. This Board of Elections is given complete power over elections to the District Council and to the Board of Education, and thus a very powerful string, it might almost be called a rope, is tied to the so-called home rule tendered by Congress to the citizens of the District of Columbia in the bill, S. 1527.

8. Department of Labor: Section 910 (a) (1) provides that the functions of the District Unemployment Compensation Board are transferred to the Director of the Department of Labor.

We believe that the functions of the District Unemployment Compensation Board should not be made a part of the Department of Labor, nor that the Director of the Department of Labor should have the authority to appoint the public representative of such Board. * * *

9. Public Utilities Commission: By the provisions of section 1002 (a), the present Public Utilities Commission is abolished and its functions are transferred to the new Public Utilities Commission created by subsection (c).

Subsection (c) creates the new Public Utilities Commission, of three members, all to be appointed by the Chairman of the District Council with the approval of the Council. This method of appointment is a startling departure from the manner of appointing such commissions in the States, where they are appointed by the governor and confirmed by the State senate. That procedure is long established and now generally accepted as a salutary method of establishing a commission to regulate public utilities which will impartially represent the interests of the citizens of the State and needs of the utility companies. As such as commission is a quasi judicial body, the only proper authorities in the Federal District to appoint and confirm its members are the President of the United States and the Senate. If the bill is to pass, it should provide that one member of the Commission be an officer of the Corps of Engineers of the Army.

ELECTIONS

Title XII, section 1201 (a) (2), provides that the members of the board of elections shall be appointed from among the qualified electors who reside and are domiciled in the District.

In contrast to this requirement, section 1206 provides that a qualified elector of the District shall be any person who has maintained a domicile, or a place of abode, in the District continuously since the beginning of the 1-year period ending on the day of the next election or, if such period has not begun, maintains a domicile or place of abode in the District, with other requirements specified as to citizenship, age, etc. It further contains the following:

"SEC. 1206. (a) To be qualified to vote in the District, it is not intended that a person be required to relinquish his rights in another jurisdiction."

The effect of the above last-quoted provision of section 1206 will be to permit the civil-service employees of the United States Government who have a place of abode in the District, but consider themselves as only temporary residents thereof, not domiciled therein, to be at least the balance of power in the local elections of the District Council and the Board of Education. Such persons, under the provisions of the bill, would have the right to vote at such elections even though they come from American Samoa, Guam, Virgin Islands, Panama Canal Zone, Puerto Rico, Hawaii, or Alaska, all of which are included in the provisions of the Civil Service Apportionment Act. This provision is an attempt to legalize dual voting, with one vote in the District of Columbia and the other in the voter's home State, * * *

This is a far cry from self-government for the residents of the Nation's Capital, and from the extension of the right of suffrage to the people of the District of Columbia.

BORROWING FOR CAPITAL IMPROVEMENTS

Under title VII, the District is authorized to incur indebtedness by issuing its negotiable bonds to finance any capital project which it may lawfully construct or acquire, to a maximum amount not exceeding 5 percent of the taxable real property in the District.

Such a bond issue must be approved in a referendum to be conducted by the Board of Elections, but all qualified electors may vote in such referendum, and thus a bond issue indebtedness may be laid upon the District of Columbia by the votes of the people who are here only for a period of years, perhaps much less than the 30 years maximum maturity of the bond issue, and who intend to return to their home States, Territories, or islands, and doubtless will do so, leaving the actual residents of the District of Columbia to pay the bond issue debt.

COMMISSION FORM OF GOVERNMENT SATISFACTORY

The Board of Trade wishes to be recorded as well satisfied with the high-type of municipal government which has prevailed from 1876 to the present time in the commission form of government, the two civilian commissioners and one engineer officer of the Army constituting the same. From our study of the several proposed so-called home-rule bills, we are convinced that none of them offers a better form of government for the District of Columbia than it now has. Therefore, until some better proposal is brought forward, the Board of Trade will be opposed; and any such better proposal in order to obtain the support of the Board of Trade must have as one of its essential features voting representation in Congress and the right to vote for President and Vice President.

Congress necessarily is, and we believe always will be, the legislative body which, alone, can make final enactments of law for the District of Columbia, and no subordinate form of government will constitute home rule and franchise for the citizens of the District of Columbia that does not afford such representation.

CONCLUSION

The Board of Trade respectfully submits that there can be no real home rule for the District of Columbia, no real grant of suffrage to the citizens of the District of Columbia, unless the following elements are included in such grant:

First. That, in elections in the District of Columbia, only the genuine citizens, resident, and domiciled within the District, who maintain no domicile elsewhere, and who do not claim exemption from taxation by the District of Columbia by reason of a domicile elsewhere, shall be permitted to vote.

Second. Voting representation in the Congress of the United States, in a number in accordance with the population of the District of Columbia, and in the electoral college. * * *

The Board of Trade hereby proposes that, if the bill, S. 1527, or any similar bill, is to be passed by the Congress and approved by the President, it should contain a further condition as to its effective date, substantially as follows:

"The charter shall take effect only if and when the following constitutional amendment shall have been proposed by the Senate and House of Representatives, as provided in article V of the Constitution and ratified by the legislatures of three-fourths of the States within 7 years of the date of its passage, namely:

" 'The Congress shall have power to provide that there shall be in the Congress and among the electors of President and Vice President Members elected by the people of the District constituting the seat of the Government of the United States, in such numbers and with such powers as the Congress shall determine. All legislation hereunder shall be subject to amendment and repeal.' "

The provisions of title XVIII, of S. 1527, as to effective dates, should be modified accordingly.

Respectfully submitted.

E. F. COLLADAY,
General Counsel, Washington Board of Trade.

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Excise Taxes Should Be Cut Now

EXTENSION OF REMARKS
OF
HON. CHARLES A. WOLVERTON
OF NEW JERSEY
IN THE HOUSE OF REPRESENTATIVES
Friday, July 22, 1949

Mr. WOLVERTON. Mr. Speaker, there is a decided demand upon the part of our people—farmers, merchants, industrialists, workers, transportation and communication industries, businessmen of every kind and description, and consumers generally—for repeal of the excise taxes adopted during the war period.

These taxes were adopted for war purposes. The reason for them has long since passed. Their present continuation constitutes a drag upon business. The revenue that would be lost to the Government as a result of their repeal would be more than made up in increased sales and greater utilization of our transportation and communication facilities by our people. The additional business promoted thereby would result in increased income and corresponding increase in Federal income tax revenue.

An editorial appearing in the Courier-Post newspapers of Camden, N. J., in the issue of July 20, 1949, on this subject is entitled to the careful and serious consideration of Members of Congress, and, I am therefore including it as part of my remarks under the unanimous consent granted to me by the House. It reads as follows:

FIGHT SHOULD BE PUSHED TO CUT EXCISE TAXES NOW

Prospects of any cuts in Federal excise taxes by Congress this year are extremely dim, according to latest reports from Washington.

The Senate Finance Committee last week voted, 7 to 6, to roll these wartime emergency taxes on such items as transportation, telephone calls, and various so-called luxury goods, back approximately to their 1942 levels.

The bill embodying the reductions now takes its place among the many on the Senate Calendar awaiting action. It is believed to stand a fair chance of passage should it come to a vote.

Chairman DOUGHTON, of the House Ways and Means Committee, however, has told Senate leaders that even if the Senate passes the tax cut the bill will be pigeonholed in the House. DOUGHTON, who dominates his committee, is in position to see that the bill is denied consideration unless public sentiment is shown to be strongly for it.

DOUGHTON has formerly been in favor of revising the excise taxes, but believes that the issue now should be postponed until the next session because of the threat of a Federal budget deficit.

In spite of DOUGHTON'S stand, industrial and business groups, including those whose members are affected indirectly as well as directly by the taxes, intend to put up a determined fight for reductions now.

Chambers of commerce are among the organizations on the side of revision, and President Howard C. Wickes, of the Camden County chamber, has just sent a letter to all members urging them to write, and to ask consumers to write, to New Jersey Senators and Representatives demanding a vote on the tax reductions.

"Reduction," says the letter, "is decidedly in the public interest."

"Because of the stimulus to sales and employment," Wickes points out, "the loss in receipts by the United States Treasury would be substantially less than would appear on the surface, for a lower tax will increase sales and tend to offset the loss in excise tax receipts, in addition to increasing the Government's revenue from corporate and individual income taxes."

Wickes notes that these wartime excise taxes "were designed not to raise revenue but to discourage the use of scarce materials and skilled labor in commodities not deemed essential to the war effort. These wartime-imposed excises are now having their greatest influence as deterrents of consumption, as evidenced by the declines in production and sales and the increase in unemployment in many of the affected fields."

These arguments for reduction of the excise taxes are difficult to refute. So is the argument that they are actually selective sales taxes against certain businesses that have been singled out for discrimination from among all others—sales taxes at rates far higher than any rates imposed under a general sales tax.

Though the term "luxury tax" has been loosely applied to these levies, it actually is a misnomer and completely erroneous save in perhaps one or two instances.

The main classifications of products and services they cover are: Transportation; telephones, telegrams, and leased wires; electric light bulbs; toilet preparations and cosmetics; theater and amusement tickets; jewelry; furs; luggage; and cameras and photographic equipment.

By no stretch of the imagination can light bulbs, transportation, telephones, and some of the other items be classed as luxuries, rather than necessities. Cosmetics and toilet goods are indispensable in our modern life. Some jewelry may be in the luxury class, but these taxes cover the lowest-priced fields. An excellent case could be made out against calling any of the products covered real "luxuries."

Obstructionist legislators who seem to think they are elected only to tax and tax, never to make economies and reduce expenditures, are perhaps our biggest "luxuries" today. They are certainly not necessities, and we could spare them far easier than the "luxuries" affected by the excise taxes.

Advocates of excise tax reduction are wise in determining to fight for it now. If the issue is longer deferred these imposts will tend more and more to become a permanent part of our tax structure, as is historically the way with all such levies.

Unquestionably, this was not the intention when they were originally enacted. This is one of many compelling reasons for action on them now.

The Pursuit of Happiness—Commencement Address at Wilson College, Chambersburg, Pa.

EXTENSION OF REMARKS
OF
HON. JOHN C. KUNKEL
OF PENNSYLVANIA
IN THE HOUSE OF REPRESENTATIVES
Friday, July 22, 1949

Mr. KUNKEL. Mr. Speaker, under permission to extend my remarks, I include the commencement address delivered by me, on June 6, 1949, at the seventy-ninth commencement of Wilson College. On that occasion the bachelor of arts degree was conferred on 88 young women representing 10 States, the District of Columbia, and 3 foreign countries—the Philippines, Liberia, and Spanish Guinea, West Africa. The honorary degree of doctor of letters was conferred upon Marianne Moore, whom literary critics consider America's outstanding woman poet. The honorary degree, doctor of laws, was awarded to Mabel Lindsay Gillespie, one of Pittsburgh's outstanding civic leaders.

Dr. Paul Swain Havens, president of Wilson, paid special tribute to Dr. Cora E. Lutz, associate professor of classics, and to Dr. Dorothy W. Weeks, professor of physics, who have won Guggenheim fellowships for study and research during the coming year. Only 17 of the 144 Guggenheim fellowships awarded were assigned to women; and of these 17, 2 were awarded to Wilson faculty members. Dr. Weeks is only the second woman to receive a Guggenheim fellowship in physics.

Wilson College at Chambersburg is situated in the beautiful and historic Cumberland Valley of Pennsylvania. It is one of the Nation's pioneer colleges for women, being chartered in 1869. Today its 4,900 graduates and former students are scattered on every continent. The great majority are married and the survey of their activities has shown how widespread is their constructive influence in their homes and communities. Wilson alumnae are also serving successfully throughout the world in every avenue of endeavor open to women. Whether career or homemakers, Wilson graduates have risen to the challenge given to them on the opening day of college in 1870 "to be leaders, not followers, in society."

The address follows:

THE PURSUIT OF HAPPINESS

This is my first speech to a college graduating class. I am as thrilled over it as you are over receiving your diploma and marching forth to take your places in this fascinating, intriguing world.

Congress is like a college. We have to study but we never know what our next courses will be. Our curriculum covers all national issues and reaches across the seven seas. We have our tests to pass, our essays and papers to prepare. The world's our stage. The campus has been yours. The same emotions interplay. There is the same conflict of varied interests, the same need for decision and judgment. Ours is more intense, perhaps more varied, certainly upon a larger scale. The difference is in scale, rather than in character. If this be true in these two varied spheres of action, would it not be wise to select a leit motive to guide you, wherever destiny may call?

Why not make your leading motive the pursuit of happiness? This is not a selfish thought because no one can win happiness for herself without giving it in full measure to others. The founders of this Nation in the Declaration of Independence proclaimed happiness one of man's inalienable rights—ranking only after life and liberty. But many have substituted material welfare in its stead. Others have confused it with power, influence, social position, or fame.

Thirty years ago, my class graduated from Yale. At that time we were certain there would never be another big war because the war to end wars had been gloriously won a few months before. You do not have that illusion. You are aware that building an enduring peace is a slow and arduous task. We aren't worried about conflicting philosophies. The world had just been made safe for de-

mocracy. The value of our republican form of Government was given at least lip-service by all nations. Today democracy is challenged and must prove its worth on a world front. This opposition is undoubtedly a thorn in our flesh but its stimulation can do more good than harm. If we are wise the constant nudging should urge us on to speedier progress.

Despite the turmoil of the war years, we counted upon a quick return to normalcy. Indeed, "Back to normalcy" was the slogan of the Presidential campaign of 1920. You know that change is ever present and that the past will not return. We had pretty definite ideas about what we intended to do and paths to our goals seemed clear and well-charted. In general, these goals were centered around material welfare. The prospects for gaining wealth were bright, for in those days high taxes did not interfere with starting or expanding a business or with saving out of earnings. Now, men and women seek reasonable safety and security. Possession of property is not so determining of social values. So you will not be so easily tempted from the pursuit of happiness by the lure of gain. If the feverish tempo of the times does not distract you too greatly, you will learn earlier than we that the happiness of men and women depends far more upon peace of mind than upon money or fortune.

After all, it is not so different today. Your awareness of the speed of change and the imminence of problems, which must be faced and conquered, are the chief distinctions. New problems arise like magic to replace those solved. Life demands a zest for the new. If one door shuts, another one will open. Training alone is not enough—you must have brave caution and high courage to succeed in your pursuit of happiness.

More men and women than ever before in the history of the United States are receiving college educations. Between 1930 and 1948, the number of persons graduating from college more than doubled. In 1946, 1,677,000 young men and women attended these institutions.

What does this mean to you? Competition for the better jobs will be keener than ever. Technique, know-how, and specialized training are at a premium. Graduate schools are filled to overflowing. Noncollege graduates are at a disadvantage. In many areas of both Government and private industry, practical experience will not be taken in substitution for required college work. So you start the race with an advantage.

However, a college education does not guarantee success. Your training is a means to an end—not an end in itself. Indeed, the main purpose of a college education is better to equip you to continue your education in the school of life. Intelligent self-education has enabled many to outstrip the university men and women. Abraham Lincoln was a self-made man. He studied a few great classics over and over again. The keystone of Lincoln's education was a deep knowledge of human nature, gained slowly over the years by a sympathetic and kindly study of his fellow men in every walk of life. "The proper study of mankind is man." There is an old Arab proverb: "Let me never judge another until I have walked 2 weeks in his shoes." You can acquire and develop this quality. We admire the moral and religious aspects of Lincoln's sympathy. We are apt to overlook how much this helped him to reach the pinnacle of success and to be a great national leader. Everyone alive today has something to give you which you do not already possess. Conversely, you have something to give each of them. You cannot get if you do not give. "With what measure ye mete, it shall be measured unto you." Here the thread of education weaves into the pursuit of happiness closely. By understanding others, you educate yourself.

The rate of change has never been so rapid, nor the future more uncertain. No one can tell what is going to happen. Boundless opportunities more than offset the risks. In this shifting, social structure, training is of far more value than in the static periods of the past. No matter what turn the wheel of fortunte takes, no one can take from you the skill and knowledge stored in your mind. That is why your parents and your teachers have made sacrifices to give you the best in education.

What will you be doing in this new world of ours? According to the official United States Census Bureau reports, about 75 percent of the girls of America marry. I am cautious indeed when I predict the marriage of one-half of your class within the next 5 years. Check up on this at your fifth reunion. So, it isn't old-fashioned to say that marriage is still the principal career of the American woman—whether college graduate or not.

Marriage will continue with increasing importance and greater responsibility. The family is the basis of custom. Custom sprouts in the family and then spreads outward in an ever-widening circle. Upon custom and social usage, our day-to-day relationships are woven together. Finally, laws recognizing and sanctioning some of these customs are established. Thus the family charts the direction of Government. It will be a sad day for our Nation and for civilization, if we ever allow this process to be reversed. As mothers, you must recognize and accept a large portion of responsibility for forming the world of tomorrow.

The present era of scientific development began some 400 years ago. Science is an endless frontier. Man has made amazing strides in understanding nature. Man is now seeking to understand himself. Psychoanalysis and psychiatry are in their infancy. It is a scant 50 years since Freud first began to apply the principle of cause and effect to human behavior. Present theories are constantly being revised and changed in the light of new experiments and added knowledge. Here is a field in which woman, with her intuition and acute sensibilities, should have a distinct advantage over men. Child psychology offers the chance of making your home a greater success. Through your children you will be able to project yourself into the future and from your study of your own children and their friends, you may be able to contribute to the science of human behavior which is now in its infancy. By rearing your children properly and thereby adding to the success of your marriage, you will improve your own character while following the broad highway on the road to happiness. Marriage is a glorious career of new and magic possibilities.

Marriage no longer implies a quiet retreat into the home and nothing more. You must be prepared to become a full partner to men engaged in any of the many modern occupations and callings—a scientific manager of the home and active in all kinds of community work, according to your taste. Those of you who marry and do not accept employment have an opportunity to become strong influences for good in your community. This assumes that you will be able to spare some time from the innumerable duties and obligations of marriage for the study of the world picture. In this era of specialization—of learning more and more about less and less—few have the time or opportunity to obtain a well-rounded picture of human events. Those who do acquire an over-all viewpoint of the national and international scene qualify at once for sound leadership.

One of the most significant social developments in recent history is the increase of married women in industry. The number has grown from less than 2,000,000 in 1910 to more than 8,000,000 in 1940. Let us consider a few of the trends and effects of marrying and pursuing a career at the same time. A decision on this issue will face most of you, sooner or later.

The extra job in the family means added income, a higher standard of living, the preservation of old talents and skills, the development of new ones. It establishes economic equality in the marriage partnership. It gives a sense of security in case of the illness or death of the husband. But there are disadvantages. There's a distinct loosening of home ties, for the working wife spends half her waking time away from home. Many statistics show a distinct relationship between the working mother and juvenile delinquency. A busy day at work does not make it easier to meet the needs and wants of husband and children at night. There's a tendency for the birth rate to decline. The absence of the mother from home during the child's early years has it effects. A demand for institutionalized day care for children develops. The home becomes less and less the center of all family activity and turns into a place for eating and sleeping. If this tendency increases, it will mark a distinct change in our folkways. You should determine consciously and, oh, so carefully which path fits in with your capabilities, ambitions, and desires. Which road will lead to happiness?

What of the 25 percent who do not marry? Suffice it to say there are no limits to your activities. Every avenue open to men can be chosen by women today with equal chance of success. And there will be new jobs and positions within the not too distant future about which we do not know or even dream today.

During the First World War, Josephus Daniels, Secretary of the Navy in Woodrow Wilson's Cabinet, asked Will Rogers how the seemingly insurmountable submarine menace could be overcome. Will replied, "Why don't you set the ocean on fire and burn them all up?" Mr. Daniels replied, "Fine, but how would you go about doing that?" Rogers answered, "I've given you the big idea. All you have to do is to fill in the details." I know this talk is somewhat of that nature. But, this is your commencement, your life, your future. I am trying to emphasize that you, and you alone, can fill in the details, that each item is important and that you should bring your training and knowledge into action in connection with all that you do, work, or play, momentous or trivial.

A character in one of Moliere's plays asked the question, "What is prose?" Imagine his delight in learning that he had been speaking it all his life. Just as everything you have done or experienced through your life has been a part of your education, in like manner all you will do and think from now on will be part of your education and training. It was Michaelangelo, a genius in so many spheres of activity, who said, "Trifles make perfection, but perfection is no trifle." If a stroke here and a touch there will transform cold marble into a masterpiece, shouldn't the same be true of a life? Aristotle, another great thinker, taught that character is a habit formed by the daily choice between right and wrong. Commencement, that great milestone in your lives, is the ideal time to emphasize this truth so that you will enbrace it more and more in your conscious daily thinking and acting.

Actions are influenced, if not entirely controlled, by thought. In making this discovery modern science merely reaffirms the teachings of Christ. "As a man thinketh, so is he." A few months ago Dean Burchard, of the Massachusetts Institute of Technology, stated that the ability to control man's thoughts with precision is by no means out of the question. I hope we will never be able to control each other's thoughts. Our ambition should be to stir up and stimulate thoughts, not to lay down dogmas. However, I am convinced that we can control

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our own thoughts to some degree, at least, if we consciously and continuously make the effort. We have all seen physically weak men and women make themselves strong by careful and patient exercise. So we know this can be done from personal observation. Then why cannot men and women of weak thoughts make themselves strong by exercising themselves in right and intelligent thinking? You have seen instances of this kind right here in Wilson College. What have these fine, sincere, teachers of yours been doing? While guiding you through laboratory experiments, the study of irregular verbs, the background of history, and a thousand and one other facts, they have been training you, first of all, to think and then to have that thinking take a right direction. If you can make this right thinking a part of your day-to-day existence, part of the trivial, of your sport, of your play, instead of leaving it up on the shelf for use only in case of emergency, then proper action will follow naturally. You will be able to meet each of the myriad problems of life without undue worry, in stride, and with the zest of a conqueror. You will have exercised that neglected, ofttimes forgotten inalienable right of every American citizen, the right to the pursuit of happiness. You must freely give of your time and patience, sympathy, and understanding, kindness, and love to capture the bluebird of happiness. Happiness is a state of mind and is found in all men and women who are in sympathy with their fellow men and in harmony with the universe. It is within the reach of all of you at all times. May you find and hold forever your bluebird of happiness.

The Late Van A. Bittner

EXTENSION OF REMARKS
OF
HON. FRANK BUCHANAN
OF PENNSYLVANIA
IN THE HOUSE OF REPRESENTATIVES
Friday, July 22, 1949

Mr. BUCHANAN. Mr. Speaker, under leave to extend my remarks in the Appendix of the RECORD, I wish to comment on the deep loss to labor circles of one of its great leaders.

Mr. Van A. Bittner, trouble-shooting international vice president of the CIO United Steelworkers, died Tuesday, July 19, in the Mercy Hospital, Pittsburgh, Pa., of a heart attack. He was 64 years of age.

The fiery labor leader, who was head of the CIO southern organizational campaign, was stricken several months ago in Atlanta, Ga., where he had established headquarters for the CIO's big organizing push into the South.

Mr. Bittner, veteran official of the United Mine Workers before joining the United Steelworkers in 1936, was a close friend and confidant of CIO-USW President Philip Murray. Together they represented the CIO's biggest one-two punch.

Mr. Bittner's career with both unions, coal and steel, was packed with action. He passionately hated Communists in labor unions and fought them all his life. He banned them from helping to organize the South and refused to accept contributions from Communist-front organizations.

In recent years, Mr. Bittner waged a bitter war against labor legislation, particularly the Taft-Hartley law. To him, efforts to legislate industrial peace were like "trying to pass a law to compel a man to love his wife."

Industrial representatives regarded him as a friend. They respected his word and admitted he was shrewd and tough.

Labor has lost one of its greatest leaders, but his efforts will live on to help spiritually in the forward progress of the labor movement.

To his widow and family goes the expression of sympathy of every public official interested in the labor movement.

Following is a sketch of his life:

VAN A. BITTNER

Van A. Bittner, director of the new CIO organizing committee, had 50 years of trade-union organizing experience to draw upon when he opened the CIO's drive in the South.

Fifty years ago, when he was 11 years old, Bittner went to work in the coal mines near his home in Bridgeport, Pa., and joined the United Mine Workers after getting his first pay envelope.

Five years later, at 16, he was elected president of his mine workers local. When he was 23 he was elected a vice president of UMW district 5, centering around Pittsburgh, and 3 years later he was elevated to the district presidency.

Bittner went south for the first time 30 years ago as an international mine workers representative. He was 31 years old when he began organizing miners in Tennessee, Alabama, and West Virginia.

He remained in West Virginia for 18 years, 9 of them as president of UMW district 17. Under his direction hundreds of thousands of coal miners were organized into the union.

While he was an officer and member of the United Mine Workers, he served as a member of the Appalachian Wage Conference from 1933 to 1941.

At the start of the CIO's first campaign to organize the Nation's mass industries, Bittner became director of the CIO's drive in the Great Lakes-western area.

Bittner's direction of the CIO's program of higher wages and better working conditions brought thousands of workers in the steel mills, the farm equipment factories, and packing houses into the CIO as active members.

In 1942, Bittner was elected assistant to president Philip Murray at the first constitutional convention of the CIO United Steelworkers. As a representative of the steelworkers, he became a member of the CIO executive board.

When war struck, Bittner was recommended by Murray to represent the CIO on the National War Labor Board and was appointed by President Roosevelt in 1942. He served until December 1945.

Peace opened the way for the CIO's new organizing campaign which, as Mr. Bittner said, would be carried on in the South just as it was carried on when the steelworkers flocked into the CIO.

"This campaign is a single-minded organizing drive," he explained, "We will organize the workers so that they can get the same good wages and working conditions that the CIO has secured for all of its members."

Bittner was born in Bridgeport, Pa., on March 20, 1885. He was married and had one daughter and two grandchildren. He was a member of St. Matthews Lutheran church.

How To Turn the Tables on Russia—By Arnold J. Toynbee

EXTENSION OF REMARKS
OF
HON. HENRY M. JACKSON
OF WASHINGTON
IN THE HOUSE OF REPRESENTATIVES
Friday, July 22, 1949

Mr. JACKSON of Washington Mr. Speaker, under leave to extend my remarks, I include the following article by the eminent British historian, Arnold J. Toynbee, entitled "How To Turn the Tables on Russia" appearing in the Woman's Home Companion for July 22:

HOW TO TURN THE TABLES ON RUSSIA

(By Arnold J. Toynbee)

For the last year or two we have been grimly facing the possibility of a war with Russia. It is easy to see why. Twice in our lifetime we have been forced into a world war by an aggressive power. So now we say to ourselves: Well, if we are going to be put through it a third time at least we won't be caught napping.

That is a natural reaction. The past is all we have to guide us in guessing the future. And in the light of our own generation's experience, it certainly seems common sense to insure against the worst that might occur.

Probably most of us believe that the Atlantic Pact is a wise political insurance policy. I, for one, believe that it is not merely an insurance. It is a preventive. At the risk of being proved a fool, I will venture to state that there will be no third world war in the sense of a "shooting war." In fact I don't believe that anything sensational is going to happen in international affairs for a long time.

A third world war seems unlikely to me because we know that the western countries are not going to attack Russia and I do not see what could induce Russia to attack us with physical weapons. In a "shooting war" with the west, Russia would be at an enormous disadvantage. The west's technological superiority is crushing. For as far as one can see ahead, Russia has no prospect of drawing level with us, even if she does manage to get hold of this or that bit of know-how. So why should Russia ask for trouble by starting a "shooting war," especially when she is already waging another kind of warfare—the "cold war," as we have learned to call it—in which she seems to think that the know-how is her own monopoly?

The prospect before us is not a third war of the shooting kind. But if we believe this consoling idea we must also be careful to remind ourselves that a reprieve from catastrophe does not mean a release from trouble and anxiety. In our personal lives we may win freedom from fear and want but first-hand experience teaches us that in this mortal life there is no hope of winning freedom from worry. This is equally true of public affairs. The worry of the cold war is already with us and we can be sure it will long keep us under a strain. Perhaps we shall have to live with it all our lives and our children through their lives too. In public, as in private life, we have to learn to live with our troubles. But it does lie in our hands, if we choose, to turn unavoidable worries to good account.

Let us get to grips with our political worries by translating them into familiar terms.

We believe that competition is the life of free enterprise. Well, the Russians have entered the idea market with the offer of a competitive substitute. In competitive business we believe in advertising. Well, advertising is merely the businessman's name for propaganda. Our business experience tells us that the one advertisement that stands all tests is to produce the best goods on the market. And isn't that just what our Russian competitors are forcing us to do?

They wish to impose their way of life on the rest of the world. I don't believe they will succeed. But I do believe that by being there and worrying us they will cause us to do all kinds of things in our own way which will change our way of life, develop it, and I hope improve it—and thereby make it quite impossible for the Russians to impose their way of life upon us.

Perhaps I can make my point clear by telling an English story. In England we are herring-minded because we have an inexhaustible herring pond off our east coast in the North Sea. So long as herrings choose to browse there, we shall not starve; but there is all the difference in the world between a fresh herring and a stale one. Our fishermen are always competing with one another to bring their fish fresh to their customers. Dead herrings soon turn flabby and tasteless, so the fishermen took to building tanks into their trawlers and keeping their catch alive till they could bring them into port. Even those tank-trapped herrings, though, came to market the worse for wear. They were prisoners and they felt it. They felt it and turned sluggish. They turned sluggish and lost their savor, almost as if they had been already dead.

Was there no trick for keeping them, not just alive, but lively? Evidence showed that there was. One captain used always to bring his catch in so beautifully fresh that the buyers tumbled over one another in their eagerness to take their herrings from him. What was his secret? One day the successful captain whispered it to a friend of mine.

"It is really very simple," he said. "With every thousand herrings I put into my tank one catfish and that catfish can be trusted to keep the herrings lively. To be sure, he will eat one or two of them on the way to port; but that is the catfish's wages. And he is worth his keep for, my, those herrings do come in fresh and the price that they fetch on the market pays for the catfish's toll on them 50 times over."

I am suggesting now that in the herring tank we call the Western World Russian communism is the obliging catfish and Providence the resourceful captain. The Russians' providential mission (and, for all we know, we westerners are performing the same service for them) is to keep us westerners fresh and lively—to make sure that we carry out alertly and efficiently all kinds of things which we long ago placed on our agenda, things which we may have always meant to do but which—being human—we might not have done so quickly or so thoroughly if Providence hadn't tossed that Communist catfish into our tank.

The joke is that this mission, which looks like communism's deep historic role, is the opposite of the mission that the Russians have fancied for themselves. What they actually are going to do for us—if we seize the opportunities that the cold war is thrusting into our hands—is to stimulate us to improve our own way of life along our own lines by our own choice. What the Russians want to do, of course, is to impose their Russian way of life on us in place of ours. For the Russians the actual outcome of their activities is going to be exasperatingly disappointing if we take their challenge in the right spirit. It is exasperating to produce great effects which are the reverse of what you intended; but such is life.

What we westerners can do in this cold war which the Russians have started is to let the Russians keep us lively in getting on with our own business. The cold war is a kind of wager. Each of the two competitors is betting that he can make his own way of life so manifestly superior to his rival's that all mankind is bound to become his customer and thereby put the rival firm out of business.

In such a cold war you cannot put your competitor out of action by dynamiting his plant. And your rival cannot prevent you from defeating him by improving your own product to any extent you choose. On your own premises you have a free hand. Your competitor cannot frustrate you. You can go straight ahead. It is up to you, and you alone.

In our democratic social plant we have a free hand in two senses. We are free to do whatever we set out to do, without being exposed to frustration through Russian interference. And we are free from being bound by any uniform blueprint of our own making.

This freedom within our own family to pursue common aims in different ways is one of the strong points of our western way of life. It is well illustrated in the Constitution of the United States. Within the framework of the Federal Constitution each State is free to follow its own policy, enact its own legislation, and maintain its own standards. This freedom is the strength of the Union. The lessons of local experience are at everybody's disposal to apply, if he chooses, to his own situation with any necessary modifications. But the unregimented variety in the parts is balanced by an unforced unity in the whole community's way of life.

What is true of the relation between the States and the Union in this country is also true of the relation between the United States and the other countries of the western world on both sides of the Atlantic. Our common way of life and common aims give us mutual understanding, sympathy, and confidence. In this spirit we can profit from one another's experience without feeling constrained either to take our neighbor's particular path toward our common goal or to push him into taking ours.

What is the main objective of our western society in our time? I should say that it is to go on extending to the whole of society the material and spiritual benefits already enjoyed by the middle class. We have been moving fairly steadily in this direction for the last 100 or 150 years and have made such progress that the great majority of people in all classes in all western countries have fixed their hopes on it as an obviously attainable ideal. When people believe that they are going to obtain substantial social justice by agreement, the Communist doctrine of class war does not attract them. The effect that communism will have on the course of our social evolution in the west can be, not to deflect us into its own path of violence but to keep us on the move along a path of our own—a path we were following in the west before communism was ever heard of.

The distinctive feature of our western philosophy of social progress is our belief that a humane and Christian end ought to be pursued by humane and Christian means. Good will toward underprivileged sections of the community is ill-served, we believe, by vindictiveness toward privileged sections. Our aim is to make our common life better for all without making life impossible for any.

The general improvement we seek for the majority can be provided for partly out of the general increase in our wealth resulting from our continuing advances in technology. Yet even in the United States it also requires adjustments demanding considerable sacrifices from a minority. And this minority, being human, is always likely to be conservative-minded about social reforms that have to be made somewhat at its expense. So if there were no catfish in the herring pond, the pace of social change might be in danger of slowing down to an unwarrantably sluggish rate. The catfish has his use in keeping the herring moving at a maximum velocity. The Russians will stimulate us to put our own house in better and better order.

In different western countries, of course, the same amount of general social betterment will demand different amounts of sacrifice from a well-to-do minority and of planning from society as a whole. Western countries possessing the largest margin of capital resources and productivity can achieve the same social results with the least degree of socialization. It all depends on the local circumstances at the time. In our western world the issue between the advocates of more or less private enterprise and of more or less socialism is not an ideological question of principle or a political question of liberty versus tyranny. It is a practical question of business management. We can afford to tolerate one another's diverse day-to-day trial-and-error solutions of these social problems because we are aware that on the fundamental question of principle—the issue between freedom and coercion—we all see eye to eye.

States whose people share a common ideal are capable of entering into an intimate political association with one another, as the history of the United States has demonstrated. Are the western countries that have entered into an Atlantic Pact for mutual defense likely to go forward to some closer form of cooperation? No states, of course, have ever come closer together just for the fun of it. When sovereign states have federated, for instance, they have always turned out to have been moved by some strong practical consideration. The Original Thirteen States of the American Union joined forces because they saw that if they remained single and separate they would not be able either to secure themselves against European intervention or to develop the resources of the North American Continent. Does this precedent have any application to the states of our Western World today?

In our time, owing to our enormous and rapidly continuing progress in technology, the scale of military and economic operations has become so vast that separate political units the size of England or Holland have perhaps come to be out of date, just as separate political units of the size of Pennsylvania or Rhode Island were put out of date by the opening up of this continent. Today it seems about as unbusinesslike for the west European countries and Canada to go on trying to do their local housekeeping as separate concerns as it would be for the Commonwealth of Massachusetts or the Empire State of New York to apply for release from its partnership in the Union in order to set up in business by itself. Even New York State would soon go bankrupt on that footing. Its huge assets in population and equipment would be transformed into huge liabilities by the stroke of the pen that changed the State line into a frontier.

Conversely, might not the western world enormously increase its business efficiency by making the boundaries between Atlantic Pact countries less like a frontier and more like a State line? For Luxemburg or Belgium the answer to this question is obviously "Yes." But might it not, under modern technological conditions, even benefit so large and rich a country as the United States?

Private enterprise seems to flourish best in an expanding economy and the expansion of the American economic system within the frontiers of the United States has been perceptibly slowed down in our time by the restriction of immigration a quarter of a century ago and the halt in the advance of the farming frontier a quarter of a century before that. I can see a possibility of business advantages for the United States as well as for Belgium in a closer partnership between the Atlantic Pact countries and we

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can none of us afford to be unbusinesslike with the Communist catfish at our tails.

What countries would be the last to come into a world community with its nucleus in North America and western Europe? Presumably those countries whose conditions of life today are the most unlike our present conditions in the West. When we put the question in these terms, the name of Russia will probably be the first to rise to our lips. Can the catfish turn into a herring any more easily than the leopard can change his spots? Any intimate association of the Soviet Union with the western countries is no doubt still very far off. But in the long run I fancy the greatest problem for the architects of "One World" is going to be, not Russia, but that majority of mankind which is neither western nor Russian but Asiatic.

A majority of the human race today still consists of a primitive peasantry living just above the starvation line in Pakistan, India, Indonesia, Indochina, China, and Japan. With the Communist catfish chasing us, we western people cannot afford to say of the Asiatic majority of mankind that we are not our brother's keeper. These Asiatics are underprivileged with a vengeance. Their dawning awareness of the possibilities of technology is arousing among them expectations and resentments which they have never felt before. Their continent, rather than Europe, is today the main battlefield between the western and the Communist ideology. In the competition between the two, the Asiatic peasantry may have the last word. We cannot afford to leave them in the lurch. The famous point 4 of President Truman's inaugural address, it seems to me, has an even greater part to play in Asia than in Europe.

[The President said: "Fourth, we must embark on a bold new program for making the benefits of our scientific advances and industrial progress available for the improvement and growth of underdeveloped areas."] As I read it, Mr. Truman is aiming at restarting the normal flow of private investment from the United States and any other countries where private individuals have savings to dispose of, into countries that need more capital investment in order to make their latent resources productive. To make this happen, conditions would have to be worked out that would be satisfactory to both the lenders and the borrowers. A fresh flow of private investment would be of great value in supplementing, and perhaps eventually relieving, the present flow of loans or gifts between governments.

"What, Asia next?" you may exclaim. "Why, we have hardly begun to see our way through the problem of Europe and already you are telling us that we must be worrying about Asia too. Are we to have no rest from toil and trouble?" Well, no, would be my frank answer. That would be more than mortal man could expect. While there is life there is always trouble, as well as always hope. One can't expect freedom from trouble but one can hope and pray and plan that one's trouble and toil may bear fruit in something that is constructive and worth while. If we found that through our labor we were building up a better world to hand on to the next generation I believe we would not resent the cost in trouble and anxiety. I also believe that this rewarding goal is within our reach today.

We can be of good hope, I believe, because if we take the opportunity of the cold war, if we are inspired by it to set our own house in order, to improve our own conditions in the western world, the future lies in our hands. We shall create a social and spiritual climate in the world which eventually, in a rather undramatic and gradual way, will affect the Russian one sixth of the world, and make one world, not in our lifetime, but in the lifetime perhaps of our children or our grandchildren.

Why Such a Drastic Slash in Shipbuilding Fund?

EXTENSION OF REMARKS
OF
HON. CHARLES A. WOLVERTON
OF NEW JERSEY
IN THE HOUSE OF REPRESENTATIVES
Friday, July 22, 1949

Mr. WOLVERTON. Mr. Speaker, under date of July 13, 1949, the newspaper, Courier-Post, of Camden, N. J., published an editorial entitled "Why Such a Drastic Slash in Shipbuilding Fund?" Under the unanimous consent granted to me I am including this editorial as part of my remarks. The article plainly sets forth that while economy in Government expenditures is desirable, yet it would be false economy to cut appropriations for shipbuilding to an extent that would handicap our shipping and shipbuilding interests in maintaining that high level of efficiency and sufficiency so necessary today to meet the competition of foreign interests.

The editorial to which I have referred, and which deserves the careful consideration of all Members of Congress, reads as follows:

WHY SUCH A DRASTIC SLASH IN SHIPBUILDING FUND?

In general, Congress has been having a terrible time of it trying to effect economies in Government expenditures and has shown a disposition to lay the whole problem on the doorstep of the White House.

Not so in all cases, however.

Comparatively negligible in the whole Federal budget, but far from being that to the agency affected, is the slash in the Maritime Commission's construction fund just voted by the Senate Appropriations Committee.

In submitting its budget in January, the Commission asked a rather modest $100,000,000 for its shipbuilding program, designed to restore our merchant marine to a competitive position with other nations and to maintain the nucleus of an adequate skilled working force in our shipyards in peacetime.

The House slashed $15,000,000 from the request, setting the fund at $85,000,000. When the bill was reported out for consideration on the floor of the Senate this week, another $20,125,000 had been lopped off, leaving only $64,875,000 available for new construction in the next fiscal year.

It is possible, of course, that part or all of the cuts may be restored on the floor of the Senate or in the House-Senate conference after the upper House has voted on the appropriation bill.

If the present Senate figures stand, the Maritime Commission will be permitted to use $14,875,000 as a cash outlay during the year with the remaining $50,000,000 committed against future contracts.

Construction contracts already signed are not expected to be affected by the fund reduction. These include the American President liners being built at the New York shipyard here, the new superliner for the United States Lines, the two luxury liners for American Export, and a few other vessels.

The reductions are likely, however, to throw a monkey wrench into plans for ships projected by Moore-McCormack and Grace lines and will be regarded as a go-slow signal by the shipbuilding and operating industries as a whole.

The congressional desire for economy is laudable but those connected with our shipping industries will be mystified as to why this particular fund is being singled out for such a heavy cut.

At present, for the first time since the war, the shipbuilding industry is just beginning to get on its feet and our obsolete and obsolescent merchant fleet is in prospect of being raised to standards more nearly equal those of other maritime nations by the addition of a few modern passenger and passenger-cargo vessels.

If the Senate committee reductions in construction funds are finally approved, our merchant shipping program will be given a severe set-back, all the more discouraging because it comes at a time when some progress was being made after years of fruitless effort.

There would be no serious complaint if the Maritime Commission fund were subjected to a whittling of 5 or 10 percent, such as Congress is seeking for appropriations as a whole.

With the needs of our merchant marine and shipping industry what they are, however, a cut of 36 percent in construction funds seems drastic and out of line with what most Government agencies are being asked to take.

The South Cannot Afford To Continue To Lose Its Human Resources

EXTENSION OF REMARKS
OF
HON. CARL ELLIOTT
OF ALABAMA
IN THE HOUSE OF REPRESENTATIVES
Friday, July 22, 1949

Mr. ELLIOTT. Mr. Speaker, the South is rich in undeveloped natural resources. The district, which I have the honor to represent, has great deposits of coal, iron ore, clay, sand, gravel, chalk. Timber is a most important resource. It is believed that oil and natural gas will soon be found. Our waterways—the Warrior, the Tombigbee, the Sipsey, the Mulberry, the Locust, Blackwater, and Bear Creeks, to name only a few—have great potential uses, and are waiting to be developed for navigation, flood control, electric power, and other uses.

Our good climate, an adequate labor supply, our many natural resources are awaiting capital for their employment and development. A lack of local capital and inequitable freight rates militate against our development. These handicaps, however, are gradually being overcome.

Our farms produce good crops of cotton, corn, hay, strawberries, and truck crops. Our district has a great future in dairying.

But, Mr. Speaker, the greatest and most precious resource the South has is its boys and girls. And, we are losing that resource from year to year. Some 300,000 of the more than 2,000,000 Southerners who were separated from the armed services at the end of World War II did not return to the South. One hundred fifty thousand of the more than 1,000,000 boys and girls who were graduated this year from the high schools and colleges of the South are seeking employment in other sections of the country. The South is suffering untold economic loss in the migration of its human resources.

In the South we must seek a better balance between agriculture and industry to the end that our people can find employment in the South.

As a part of my remarks, I include an editorial from the Anniston Star which was carried in the Mountain Eagle of Jasper, Ala., in its Thursday, July 14, 1949, issue:

SOUTH LOSES TALENT

More than 2,000,000 southerners served in the armed forces during World War II; yet one-seventh of them did not return to the South after their separation from the service.

And of more than 1,000,000 students who were graduated this spring from the high schools and colleges of the South, an estimated 15 percent are seeking jobs elsewhere.

In such circumstances, no complicated computation is required to establish that the South is suffering a great economic loss. After its young people have been trained and educated for leadership, too many of them continue to migrate to other regions in search of employment.

Our task is to develop in the South a social and an economic climate that will serve to retain in this region the talent that is being developed here. This is a prerequisite to the South's continued progress.—Anniston Star.

In Support of Extension of the Servicemen's Readjustment Allowance Act

EXTENSION OF REMARKS
OF
HON. GEORGE G. SADOWSKI
OF MICHIGAN
IN THE HOUSE OF REPRESENTATIVES
Thursday, July 21, 1949

Mr. SADOWSKI. Mr. Speaker, under leave to extend my remarks in the RECORD, I wish to include a letter which I have received from Dr. Robert M. Ashley, commissioner of the Michigan Unemployment Compensation Commission:

MICHIGAN UNEMPLOYMENT
COMPENSATION COMMISSION,
Wyandotte, Mich., July 20, 1949.

Hon. GEORGE G. SADOWSKI,
District Representative,
House Office Building,
Washington, D. C.

DEAR CONGRESSMAN SADOWSKI: I feel that I should be remiss in my duty to the 700,000 veterans of Michigan if I were to fail at this eleventh hour to call your attention once more to the imperative need for extension of the servicemen's readjustment allowance title V provision of the GI bill of rights. This provision expires July 25, unless extended.

More than 200,000 Michigan veterans will be without unemployment compensation whatsoever.

Even now, with a declining claims load, there are some 19,500 veterans now receiving benefits from SRA, who will be transferred to the State unemployment compensation rolls, and draw nearly $490,000 per week, or $20,280,000 per year, from the State unemployment conservation reserve fund. You can imagine what this will mean to experience ratings of Michigan covered employers

At the end of this week, there will be, according to the current claims load, approximately 6,400 Michigan veterans lopped off the SRA benefit rolls, who have no other protection against unemployment from which they are now suffering. They probably will be forced to appeal to welfare agencies for assistance for themselves and for their families.

Add to this number the comparable numbers of veterans in the various States who meet the same fate, and you may view the Nation-wide picture in its proper perspective.

Add to the cost of administering the State unemployment compensation program the cost of administering the claims of the additional 19,500 veterans transferred from SRA to the State rolls (now borne by the Federal Government) and you will have another viewpoint.

The GI's in schools, who are graduating every day, the GI's in hospitals who are being released every day (they total about 50,000 in Michigan in both categories) next Monday will lose the benefit rights they have had under the current law, even though they never have been called upon to ask for their just share of the unemployment benefits.

I want to thank you once more for the courtesy and attention you have shown all of us who have been interested in extending the SRA unemployment benefit provisions, and for your own efforts in behalf of the service men and women who wore their country's uniform to such good purpose and effect.

Should there be anything at all which you can do to expedite or assist in any manner at all, in the passage of this proposed extension, please be assured that you will have our sincere appreciation.

Respectfully yours,
DR. ROBERT M. ASHLEY,
Commissioner.

States' Rights—Soldiers Voting Bill

EXTENSION OF REMARKS
OF
HON. JOHN E. RANKIN
OF MISSISSIPPI
IN THE HOUSE OF REPRESENTATIVES
Friday, July 22, 1949

Mr. RANKIN. Mr. Speaker, on next Monday the so-called anti-poll-tax bill, which is another one of those vicious measures designed to destroy the rights of the various States, is to be brought before the House for consideration.

In 1944 a similar attempt was made to take over the election machinery of the various States under the pretense of helping the servicemen. We exposed its vicious provisions on the floor of the House, and defeated it by an overwhelming majority.

Under permission granted me to extend my remarks in the RECORD, I am inserting at this point my speech on that subject, made in the House on February 2, 1944, which I trust every Member will take the time to read before he commits himself to this monstrosity which is now being proposed.

Remember that this is just the first step toward the destruction of the election machinery of every State in the Union.

The speech referred to follows:

Mr. RANKIN. Mr. Chairman, as I listened to the gentleman from Virginia [Mr. ROBERTSON], who seems to have strayed so far from the beaten path of his usual constitutional attitude, to follow a will-o'-the-wisp of an opinion rendered by the attorney general of Virginia, I said to myself, "Shades of John Marshall, shades of Thomas Jefferson, shades of James Madison, shades of Patrick Henry. When did an attorney general of Virginia assume the right to read a clause out of the Constitution of the United States." He reminded me of that expression of Shakespeare:

"Man, proud man,
Drest in a little brief authority,
Most ignorant of what he's most assured,
His glassy essence, like an angry ape,
Plays such fantastic tricks before high heaven
As make the angels weep."

If that opinion is sound, we might as well abolish the Supreme Court, not only the Supreme Court of the United States, but the supreme courts of the various States of this Union. Public Act 712 attempts to fix the qualifications for voters in violation of section 2 of article I of the Constitution of the United States, which provides that—

"Electors of each State shall have the qualifications requisite for electors of the most numerous branch of the State legislature."

After that provision had been in the Constitution for 126 years, and for 35 years under the eagle eye of John Marshall, Chief Justice of the Supreme Court, and the greatest in all probability that the Union has ever had, it was reenacted in the seventeenth amendment without any qualification. So, when the attorney general of Virginia attempts by that verbose argument to read that provision out of the Constitution and hold valid a law that is conceded by almost everyone else will be held unconstitutional, in order to induce us to tie into it legislation that would not only violate the Constitution, but would wreck the election machinery of the various States, I must say to my friend from Virginia that I cannot follow the argument of that attorney general. I say that with all deference to the gentleman from Virginia [Mr. ROBERTSON], whom we all love and admire.

Mr. COCHRAN. Mr. Chairman, will the gentleman yield?

Mr. RANKIN. Not at this time.

Mr. COCHRAN. I would like to ask the gentleman from Mississippi a question pertinent to the remarks that he is making.

Mr. RANKIN. I yield.

Mr. COCHRAN. The gentleman has read from the Constitution. Will the gentleman read section 4, of article I, of the Constitution, which reserves to Congress the right to change the laws and regulations of the States?

Mr. RANKIN. With reference to the Representatives in Congress?

Mr. COCHRAN. Will the gentleman read that provision?

Mr. RANKIN. It does not say anything of the kind.

Mr. COCHRAN. The gentleman can read the English language?

Mr. RANKIN. It does not say anything of the kind.

Mr. COCHRAN. Yes; it does, if the gentleman will read it, and he understands the English language.

Mr. RANKIN. The gentleman from Mississippi who is now speaking understands exactly what it means. He does not need any lecture from the gentleman from Missouri. It reads as follows: "The times, places, and manner of holding elections for Senators and Representatives shall be prescribed in each State by the legislature thereof, but the Congress may at any time by law make or alter such regulations, except as to the places of choosing Senators."

That is what it says. It does not say it shall alter the qualifications of electors.

Mr. COCHRAN. The gentleman from Mississippi knows this reserved to the States the right to make or alter such regulations except as to the places of choosing Senators.

UNIVERSITY OF MICHIGAN LIBRARIES

That is no longer operative because of the provisions of the Norris amendment.

Mr. RANKIN. I do not yield further. The gentleman is so far wrong that it is useless for me to argue with him.

Mr. O'CONNOR. Mr. Chairman, will the gentleman yield?

Mr. RANKIN. I yield to the gentleman from Montana for a question.

Mr. O'CONNOR. I would like to have an interpretation of the Supreme Court decision in the case of United States against Clason.

Mr. RANKIN. I am not going to go into any interpretation of a Supreme Court decision. I want to speak on this bill.

Mr. O'CONNOR. This has to do with this bill.

Mr. RANKIN. God knows if the present Supreme Court rendered the decision I would certainly have to scrutinize it with care. I am backed up in that by Justice Roberts, one of the ablest lawyers on the Supreme Court, this morning. One or two men on the Supreme Court of the United States have pulled that august tribunal down to the lowest level it has ever reached in the estimation of the American people.

The last hope of constitutional government, which is democracy as we know it, rests in the Congress of the United States, and especially in the House of Representatives. For that reason I have gone through this battle to preserve the Constitution and to preserve the rights of the States and guarantee to those boys who are fighting our battles that when they come back they will find that flag flying over the same institutions their fathers established. That is the reason I am going through all this punishment at the hands of those who would deprive our soldiers and sailors of their rights.

Now, Mr. Chairman, a day or two ago the gentleman from Illinois [Mr. SABATH] supposedly representing the Committee on Rules, but really attacking the attitude of the majority of that committee, took the floor and questioned us who are trying to pass this constitutional bill, and said we were trying to keep the soldiers from voting. That statement is absolutely without foundation. Of all men on earth for him to make that charge against, I ought to be among the last. The last one to make such a charge should be the gentleman from Illinois [Mr. SABATH].

Whether I have been right or wrong, if I have sinned with reference to the servicemen of this country, it has been in leaning to their side, because I have gone through the fiery furnace for two decades, fighting for the servicemen who have fought our battles.

Years ago, when I did not hear the verbose gentleman from Illinois protesting, we discovered a racket against ex-servicemen in St. Elizabeths Hospital. One man had 98 ex-soldiers in St. Elizabeths Hospital, for whom he was the guardian. He paid little or no attention to them, but he had almost a million dollars of their money in the bank. I went after him. It resulted in a very serious physical difficulty, but I finally convinced President Coolidge and he removed him from office. We went out to St. Elizabeths Hospital and on writs of habeas corpus released 19 of those men who were not crazy, and some of them never had been crazy. Go back and read my brief at that time in the CONGRESSIONAL RECORD. Oh, where was Roderick then? Where was the gentleman from Illinois then, when I was trying to protect those helpless ex-servicemen who were incarcerated in St. Elizabeths, and some of whom were not crazy and never had been.

In 1933, when the Democrats came into power, one of the first bills that came before the House was the economy bill. When I think of it I feel like transposing the words of Addison and instead of using the word "eternity" exclaiming "Economy, thou pleasing, dreadful thought."

Poor old Billy Connery, of Massachusetts, who has now passed to the Great Beyond, and I, were the two men who were called to the White House who stood up and opposed the cutting down or taking away from those disabled men the compensation they were getting. We knew that many of them were dying in the hospitals of this country of tuberculosis and other fatal maladies. We knew that they knew that if they were cut off; that is, if these presumptive cases were cut off their wives and children would be left, in many cases, without anything to live on; a great many of them would be left entirely destitute. When they heard of the passage of that bill, several of them turned their faces to the wall and died of the shock. Oh, where were these critics of mine then who are now playing politics and clamoring to give the soldiers a bob-tailed ballot that they will probably resent?

After the last war we decided we had not paid the soldiers enough. They were entitled to $60 a month. It took a 17-year battle to get it paid and we had to override the veto of every President it was put up to; and I helped to do it.

In 1930 those boys came here. They called it a march on Washington. I saw those men; I was out there among them. They were nothing in God's world but ragged, hungry soldiers who had fought our battles and who had come here asking the Government of the United States to pay them the money that we had already said we owed them. I have no apology to make for that. They were within their rights.

It was my bills that put the widows and orphans of these men who had service-connected disabilities, but who died from other causes, on the roll during those years of depression through which we passed. By the way, I want to say with reference to the economy bill, they took that money away from those disabled soldiers and put people on the pay roll who had never worked or fought either, and probably some of them never will. Am I to be criticized by men who say, "Give us this bill, and we will go to town"? What town? Chicago?

I introduced a bill here, or a resolution, to straighten out the jurisdiction of veterans' legislation. We sent it to the Committee on Rules, and the representatives of the great veterans' organizations went with me before the Committee on Rules and asked for it to be voted out. The chairman of the Committee on Rules [Mr. SABATH] never did give us a vote on it. It stayed there a solid year, and we had to file a petition in the well and get 218 signers to get it before the House. The resolution was passed and, through what I consider an erroneous ruling, there was some question raised as to whether or not we have cured the evil. I am asking the Committee on Rules now to override the chairman, if necessary, and bring that corrected resolution out.

In the meantime the Senate put a rider on a bill that came before the Committee on Ways and Means affecting veterans' insurance. Unfortunately, they left a loophole that is one of the most unjust propositions to disabled veterans I have ever known. The men of the First World War who kept up their insurance and who have become permanently and totally disabled may collect their insurance monthly, as long as they live or remain in that condition. But in this legislation they left that provision out of the bill. When these boys that we have in the service now come home, permanently and totally disabled, they cannot collect their insurance. It is payable only after the death of the veteran. Now, if that measure had come before the Committee on World War Veterans' Legislation, where it belongs, that would have been straightened out. I still have a resolution for a rule on a bill to take care of the widows and orphans before the Committee on Rules. Many of those boys died really from service-connected disabilities that they could not prove. But their widows have gone on and tried to rear and care for their little children and educate them as best they could.

Today many of those children are fighting the battles of this Nation on every front in the world.

Not only that, but last year I told you in advance that when the time came I was going to raise the base pay of the men in the armed forces to $50 a month. I meant what I said. I offered an amendment for that purpose and it passed by a vote of more than 10 to 1. Strange to say, some of the very stalwarts who are now fighting me and criticizing me in the press and on the floor of both Houses voted against that amendment.

Go to the men in the service and ask them how they regard me. Go to the men in the hospitals in your State, do not come to my State but go to your own State and ask them. Go to the widows and orphans of World War veterans and ask them if they think I would take from the servicemen of this country anything that belongs to them and see what answer you will get.

Mr. MAY. Mr. Chairman, will the gentleman yield?

Mr. RANKIN. I yield.

Mr. MAY. In my State election officers are required to sign——

Mr. RANKIN. If the gentleman from Kentucky does not mind, please let us take that matter up a little later.

So much, Mr. Chairman, for my services to the servicemen. I have never attempted to ride the veterans politically. When I go home to make a campaign I have something else to talk about, besides playing up to the servicemen. But I am not going to sit idly by and have a man strut down here in the well of the House and accuse me of trying to keep the soldiers from voting when I am doing my eternal best to give them the right to vote in a constitutional election for everything from President to constable—and also to vote in the primaries.

Now, Mr. Chairman, I yield to the gentleman from Kentucky for a question.

Mr. MAY. I was going to say to the gentleman that in my State the State law requires that two election officials of opposite political faiths endorse the backs of the ballots. It provides a penalty to the extent of being a felony and carrying imprisonment in the penitentiary for willful failure to do so, and provides also that the ballot cannot be counted unless it is so endorsed. How would they count one of those ballots under that law without going to the penitentiary?

Mr. RANKIN. If they counted the ballots provided for in the Worley bill, this bobtailed ballot, they would go to the State penitentiary; and if they did not count them they would be subject to the Federal penitentiary.

Mr. MORRISON of North Carolina. Mr. Chairman, will the gentleman yield?

Mr. RANKIN. I will after a while.

The same thing applies to my State.

I now yield to the gentleman from North Carolina.

Mr. MORRISON of North Carolina. Is it not a fact that the Federal law would supersede the State law in every respect, provided the Federal law were constitutional?

Mr. RANKIN. Listen, I cannot yield further. The gentleman has answered his own question. It is not constitutional; there is no use to argue that point any longer; the Worley bill is not constitutional. I just read the sections of the Constitution it violates. Not only that but it violates the constitution of practically every State in the Union, certainly of my State.

Mr. MORRISON of North Carolina. Mr. Chairman, will the gentleman yield for a further question?

Mr. RANKIN. I cannot yield further.

Mr. MORRISON of North Carolina. I yielded to the gentleman yesterday and tried to be courteous.

Mr. RANKIN. I will have to yield to the Governor again.

Mr. MORRISON of North Carolina. I certainly would appreciate it if the gentleman would not look at me so ugly and get so mad.

Mr. RANKIN. The gentleman is seeing things. He is evidently thinking of his opponent, Governor Hoey.

Mr. MORRISON of North Carolina. If I was I was also thinking of an opponent who would not be discourteous to anybody under any circumstances.

Mr. RANKIN. All right; go ahead.

Mr. MORRISON of North Carolina. My point is this and I should like to get the gentleman's answer to it: If this law is constitutional, or insofar as it is constitutional, would there be any danger of anybody's going to the penitentiary in any State for respecting it as the supreme law of the land?

Mr. RANKIN. A fellow asked John Sharp Williams a question like that one time. John Sharp said: "That makes me think of a question I have been wanting to ask you. Do you think if the moon was made of limburger cheese that moonshine would smell bad?"

Mr. MORRISON of North Carolina. Mr. Chairman, will the gentleman yield for a further question, just one more question?

Mr. RANKIN. I will yield when the House quits laughing, so I can hear.

Mr. MORRISON of North Carolina. I am certain my friend's recollection must be wrong because I cannot believe that John Sharp Williams ever dodged a question as the gentleman has dodged this.

Mr. RANKIN. I doubt if John Sharp Williams ever had a question of that type put up to him, because he knew that if a law was unconstitutional, that settled it.

Mr. MANASCO. Mr. Chairman, will the gentleman yield?

Mr. RANKIN. I yield.

Mr. MANASCO. I want to call the gentleman's attention to a brief placed in the CONGRESSIONAL RECORD on September——

Mr. RANKIN. Wait a minute; let me finish with the gentleman from North Carolina. I want to say to the gentleman from North Carolina [Mr. MORRISON] that the law he refers to is unconstitutional, this Lucas-Worley bill, and Public Law No. 712 passed last year, both violate those clauses of the Constitution; and all the perfumes of Arabia would not sweeten them. Nothing he could do would help them, they are unconstitutional, null and void.

Mr. MORRISON of North Carolina. That is the opinion of the gentleman, but just as good lawyers as he is and who love the South as well as he does do not agree with him.

Mr. RANKIN. I am one who loves not Caesar less but Rome more. Some of those lawyers in the South, I fear, love their own political positions more than they love the Constitution of the United States; and for that reason they bend, they warp their judgment to try to make something constitutional that is not only not constitutional but dangerous in the extreme.

I now yield to the gentleman from Alabama.

Mr. MANASCO. I wanted to call attention to a statement made by the attorney general of Virginia on September 22, 1942; the junior Senator from Virginia inserted in the RECORD an opinion by the attorney general declaring that the poll-tax bill was unconstitutional.

Mr. RANKIN. Why, of course. The attorney general seems to have changed his position as the gentleman from North Carolina, Governor Morrison, did on yesterday. He was making an argument, and when I asked him if he would be opposed to a bill that was unconstitutional, he answered—well, his answer reminded me of the colored fellow who was stealing a ride on a railroad train one night when it was wrecked. He was thrown clear of the wreck and ran from the train so fast that he hooked his chin over a clothes line. When he finally quit spinning he was turned around in the opposite direction and continued running so fast that he ran back into the train and broke his leg. That is what the gentleman from North Carolina did on yesterday in his argument; he met himself coming back with such a collision that I am surprised he is able to be on the floor this afternoon.

Mr. MORRISON of North Carolina. Mr. Chairman, will the gentleman yield?

Mr. RANKIN. I cannot yield further.

Mr. MORRISON of North Carolina. Then let me alone.

Mr. O'CONNOR. Mr. Chairman, will the gentleman yield?

Mr. RANKIN. No; I am sorry, I cannot yield.

Now, Mr. Chairman, who is behind this bill? Who is the chief sponsor of it? The chief publicist is PM, the uptown edition of the Communist Daily Worker that is being financed by the tax-escaping fortune of Marshall Field III, and the chief broadcaster for it is Walter Winchell—alias no telling what.

Mr. HOFFMAN. Who is he?

Mr. RANKIN. The little kike I was telling you about the other day who called this body the "House of Reprehensibles."

Now, let us see what this bill does. I have been trying to find out who wrote this Lucas-Worley bill, and I want to give the gentleman from Texas a clean bill of health; he did not write it. I want to go a step further and give him a little more clearance because I do not think he knows who did write the original bill. I am sure that the distinguished gentleman at the other end of the Capitol did not write it. We are told that the original Green-Lucas-Worley bill was prepared by a man who pronounced his name "Wexler," but who spells it W-e-c-h-s-l-e-r, Herbert T. Wechsler, down in the Department of Justice—I mean in the Attorney General's department.

Mr. SABATH. Mr. Chairman, will the gentleman yield?

Mr. RANKIN. No; I will not yield further.

Mr. SABATH. For a correction?

Mr. RANKIN. No.

Mr. SABATH. The original bill was drafted by the gentleman from West Virginia [Mr. RAMSEY].

Mr. RANKIN. No; the gentleman from Illinois is just as wrong on that as he is about some other things.

This man pronounces his name "Wexler." I want to connect up this PM now. If you are going to bring in the Communist Party to write the legislation for Congress, let us find it out. This man Wechsler—and I will put this in the RECORD—was a member of the legal advisory committee of the International Labor Defense, legal arm of the Communist Party, together with Joseph R. Brodsky, attorney for the Communist Party; Ben David, Jr., Communist councilman of New York City; David J. Bentall, Communist attorney and candidate of Chicago; Carol King, attorney for Harry Bridges; and others connected with Communist cases such as Leo Gallagher, Edward Kuntz, Edward Lamb, Yetta Land, Saul C. Waldbaum, A. L. Wirin, and so forth. Now, let us take a look at today's issue of PM. On page 4 appears the names of Members who voted for the previous question on yesterday. On the next page there is a venomous attack on every man who voted to uphold the rules of the House or who voted for the previous question, and it is signed by James A. W-e-c-h-s-l-e-r, spelled exactly like the name of the man that they say prepared the original Lucas-Worley bill. He comes out in PM to denounce us Members of Congress because we do not fall for their propaganda.

The other day the gentleman from New Mexico, our angelic friend from the Far West [Mr. ANDERSON] almost sprouted wings talking about the fraud we were going to perpetuate and lo and behold, as a result the gentleman from New Mexico has his picture in PM with approval; which ordinarily is the kiss of death. I certainly hope if they ever put my picture in that scurrilous publication they will denounce me for everything they can think of, because every time that thing shows up in my district, when the people learn that this is a part of the old Trotsky International—these are Trotskyites running this paper, PM, trying to browbeat Congress into wrecking the Constitution—when they realize that I am in bad standing with that bunch of communistic kikes, they will have more respect for me.

Mr. Chairman, it is useless for me to comment on the message that came in here the other day. I am going to say this in all deference: Franklin D. Roosevelt never had a better friend than I have been when he was following the lines of the Democratic Party as laid down by Thomas Jefferson. I have fought with him when these men were fighting him at every turn. It is unfortunate that he let that message come in here a few days ago that I am sure he did not write and I am afraid he did not read. Even today in the New York Times he is quoted as saying he could not cast an intelligent vote in an election without knowing how his Congressman voted.

Nobody has a right to try to browbeat Congress into calling the roll on a measure that is not before the House. The rules of this House were written by Thomas Jefferson. Turn to the rule book, and you will find that to be true. They have in them the parliamentary wisdom and experience of English-speaking legislators for a thousand years. We have followed them down to now. Never in our history has a message ever come in here demanding that the Congress call the roll on a bill not before the House.

I want to say, Mr. Chairman, that I am for giving every serviceman the opportunity to vote in the coming election. But this Worley bill will not do that. I want to show you this bobtailed ballot that they figure on sending him. They tell you that a State ballot will be too heavy to send. I heard the gentleman from Virginia quote some figures which I hope he will correct before they go into the RECORD, because I did a little figuring myself. Assume there are 12,000,000 men in the Army, and they use troy weight which I presume they do. That will be 1,000,000 pounds, because none of these ballots will weigh over an ounce. I showed you that on yesterday. Two pages of the New York Times will only weigh six-tenths of an ounce. Suppose they weighed a full ounce! that would only be 1,000,000 pounds. I believe there are 2,000 pounds in a ton, so that would only be 500 tons. That would not overload the mail and it would not overburden the traffic.

Let me tell you something else: I like Secretary Stimson personally, and I like Secretary Knox personally, although I do not agree with their political views all the time. The last time they tried to run a political party they carried both Maine and Vermont, in spite of all I could do.

The CHAIRMAN. The time of the gentleman has expired.

Mr. WORLEY. Mr. Chairman, I yield the gentleman 10 additional minutes.

Mr. RANKIN. Mr. Chairman, my proposal today is to leave the election machinery in the hands of the States. Every State in the Union is moving its primary elections back so they will have ample time to send these ballots. Everyone who is trying to stall off and delay this legislation is keeping the soldiers of Illinois and Pennsylvania from having the opportunity to vote in the primaries which takes place in those States in April.

Now, let us see about this ballot. They are moving their primary back to allow 90 days before election. Mississippi, Georgia, Iowa,

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Ohio, and other States are doing that. Let us see what you propose to send them. This bobtailed ballot is not a printed ballot with your name on it. The one we propose to send them is a ballot with the names of all candidates printed on it. If your name is printed on here so the man can read it he will not have to fill out any blanks. This bobtailed ballot does not give him a chance to vote for anything but President, Senator, and a Member of Congress. Those men are just as much interested in their brothers, perhaps, who may be running for sheriff, or an uncle, who is running for clerk, or some one who is running for county attorney as he is in voting for President, Vice President, or Congressman.

Sometime ago they had an election in New York. I think the President must have had that election in mind when he spoke about fraud, because that was known as the Aurelio election and the nearest comparison I can make is that this is the Aurelio ballot.

They had a provision on there for them to vote just opposite the party name. In my State we do not put any party name on the ticket. You must read the name and vote for the individual. This bill here would disfranchise every serviceman in Mississippi, and I am informed by a well-informed man in that State that it would disfranchise everyone in Texas. I think it would disfranchise them in Ohio and in Pennsylvania and in practically every other State of the Union. But they had this man Aurelio up, and the Democrats met one night and nominated him. I see my friend Fay laughing. He did not have anything to do with that nomination.

Mr. BUCKLEY. Will the gentleman yield?

Mr. RANKIN. For a question only.

Mr. BUCKLEY. I suppose that if every sailor and soldier——

Mr. RANKIN. I decline to yield further.

Mr. BUCKLEY. Would sign an affidavit that they were all for President Roosevelt, the gentleman would favor the ballot?

Mr. RANKIN. Let me answer that. I want to clear that up. I voted for President Roosevelt every time he has run and I expect to vote for the Democratic ticket this time no matter who is the nominee. I voted the Democratic ticket in 1904 when President Roosevelt voted the Republican ticket. I voted the Democratic ticket when Mr. Knox was running on the Republican ticket. I voted the Democratic ticket when the Taft administration was going down to defeat with Secretary Stimson as a Republican in the Cabinet. I voted the Democratic ticket when Mr. Ickes was a Bull Mooser. I voted the Democratic ticket when Harry Hopkins was a Socialist.

I do not want any fly-by-night or fair-weather Democrats try to tell me how to vote.

Mr. Chairman, they nominated this man Aurelio. The Republicans thought they had picked a good man and nominated him on their ticket. Fine, there was going to be an election of a judge without a contest. But it developed this man had been handpicked by one of the most crooked underworld racketeers in New York. The decent Democrats and decent Republicans tried to get him off the ticket, but they could not do it, unfortunately. They appealed to the people of New York to vote against him and put independent candidates on the ticket. I wonder if the gentleman from New York [Mr. BUCKLEY] voted for Aurelio? When they went to vote they voted by machines.

Mr. BUCKLEY. I will answer the gentleman from Mississippi.

Mr. RANKIN. Yes or no.

Mr. BUCKLEY. Will the gentleman let me answer it?

Mr. RANKIN. No; I do not care for any other answer. All I want to know is whether the gentleman voted for Aurelio or not. I decline to yield for any other purpose.

Mr. BUCKLEY. Did the gentleman vote for Al Smith when he was running for President?

Mr. RANKIN. Mr. Chairman, I am glad the gentleman asked that question. I not only voted for Al Smith, but I stumped both Kentucky and Ohio for him. I had nothing personally against Herbert Hoover, of course. I regard Herbert Hoover as one of our greatest living Americans. But Al Smith was the candidate of my party, and I supported him and spoke for him for weeks.

Let us get back to this Aurelio matter and the ballot that you are trying to ram down the throats of the people of other States. This is just a denatured copy of the Aurelio ballot, I might say. They voted by machine and many of them just voted blindly. Where they saw the party label they voted opposite the name. They were either too indifferent or too lazy or too ignorant to read the names and vote for the man that the best people in New York were appealing to them to vote for; therefore, this man Aurelio, since he was on both tickets, this man selected by an underworld racketeer, was foisted upon the people of the State of New York as supreme court judge to preside over the destinies of the people of New York, the best people of New York, for 14 years at a salary of $25,000 a year. Now, they want us to adopt that kind of a ballot and have it sent to the soldiers, denying them the right to vote for State and county officers, because if you ever send that ballot to them no other ballot will ever reach them.

What we propose to do is to send the entire State and National ballot. More men will vote that ballot than will ever vote that bobtailed monstrosity.

Another thing, I have been jibed and criticized by a lot of these reformers from other States who want to reform the South. We have been reformed at before.

We had a little misunderstanding at one time. Gov. Bob Taylor, of Tennessee, once said that when you won you put Yankee Doodle on the pension list and Dixie on crutches. I presume if we had won we would have put Dixie on the pension list and Yankee Doodle on crutches.

The other day one of the gentlemen on the other side of the aisle was apologizing for the carpetbaggers you sent us. I said, "Look around and think what we might have sent you if we had won."

Mr. Chairman, we are all Americans. We are fighting to maintain our American institutions. Yet some people accuse me of being in an unholy alliance with northern Republicans, me and my southern Democratic friends, because we are trying to give the men in our armed forces an opportunity to vote for everything from President to bailiff, in a constitutional election.

Do you think it was an unholy alliance when George Washington and Benjamin Franklin and James Madison and John Adams worked to frame the Constitution of the United States? Do you think it was an unholy alliance when Thomas Jefferson, the greatest political philosopher of all time, joined hands with that glorious old statesman from Massachusetts, John Adams, to bring about the Declaration of Independence? Do you think it was an unholy alliance when Thomas Jefferson and Alexander Hamilton joined hands to write into this Constitution a Bill of Rights, which this Worley bill would destroy? If they were unholy alliances, then please brand me as being in an unholy alliance with some Americans on the other side of the aisle in this fight for States' rights and constitutional government.

Mr. Chairman, they have told you we would not have time to get these ballots to the soldiers. This is all nonsense. I pointed out only yesterday that these ballots can go anywhere in the world and come back within a few days.

The CHAIRMAN. The time of the gentleman from Mississippi has expired.

Mr. LECOMPTE. Mr. Chairman, I yield 5 minutes to the gentleman from Mississippi.

Mr. RANKIN. The figures show that they can go to almost any corner of the globe within a very few hours: to Cairo, Egypt, in 21 hours; to Bombay, India, in 32 hours; to Auckland, New Zealand, in 37 hours and 36 minutes; to Australia in 42 hours. These ballots can all go and come back in ample time to be counted. They will be stamped so that everybody will know what they are. If the Army and Navy will only lend their assistance, we can get these ballots to every man and every woman in the armed services, and get them back in ample time for the election, and thus save not only the Constitution but the rights of the various States.

Mr. COX. Mr. Chairman, will the gentleman yield?

Mr. RANKIN. I yield to the gentleman from Georgia.

Mr. COX. Will the gentleman state to the House the number of terms he has served in this body?

Mr. RANKIN. I have served since 1921.

Mr. COX. Has the gentleman had to take an oath of allegiance to the Constitution each time?

Mr. RANKIN. Yes; and I meant it every time. I am going to come to that in a moment.

Besides, our bill provides free air-mail service for ballots for the primaries. You deny that to us and you will disenfranchise every serviceman south of the Potomac River. What about the people in Pennsylvania who are going to vote in the primary in April? What about the people in Illinois who are going to vote in the primary in April? Pass this bill, S. 1825, with amendments, call on the Army and Navy to do just what the bill provides, give them free air-mail service, and those ballots will go to them and come back in plenty of time.

Mr. Chairman, I have taken more time than I expected to. This is one of the greatest questions that has ever come before the Congress of the United States. This is one of the greatest assaults that has been made on constitutional government and on States' rights since 1890, when the fires of reconstruction were still burning, and burning to the detriment of the people of every section of the Nation. I hope you will stay with the committee and pass this bill and send it to the Senate and the White House. Let it become a law at once and preserve in its entirety that great document, the Constitution of the United States, the ship of state upon which our destiny depends.

They can abuse me all they please, and I will answer them all in due time. Since I have been a Member of this House, I have not submitted to being browbeaten or intimidated by anyone. I have tried to follow my own conscience and to represent the people of the First District of Mississippi. I have tried to do what I thought was right. When my conscience is clear and when I have studied a question as I have studied this one, I am not afraid of all the forces of evil, from Drew Pearson to PM and back to Walter Winchell.

When I turn to behold for the last time that flag behind the Speaker's desk, or to take a last long-lingering look at the receding dome of this Capitol, I want to feel in my heart that I have done my best, that I have fought a good fight and have kept the faith.

In all sincerity, I can say that—

"Out of the night that covers me,
Black as the pit from pole to pole,
I thank whatever gods may be
For my unconquerable soul.

"In the fell clutch of circumstance
I have not winced nor cried aloud.
Under the bludgeonings of chance
My head's been bloody, but unbowed.

"Beyond this place of wrath and tears
May loom the horror of the shade,
And yet the menace of the years
Finds and shall find me unafraid.

"It matters not how strait the gate,
How charged with punishments the scroll,
I am the master of my fate:
I am the captain of my soul!"

[Prolonged applause, the Members rising.]

Suit Against the Du Pont Co.

EXTENSION OF REMARKS
OF
HON. JOHN J. WILLIAMS
OF DELAWARE
IN THE SENATE OF THE UNITED STATES

Friday, July 22 (legislative day of Thursday, June 2), 1949

Mr. WILLIAMS. Mr. President, on July 14, 1949, I had inserted in the Appendix of the RECORD a letter from the president of the Du Pont Co., Mr. Greenewalt, to the stockholders answering the antitrust charges of the Department of Justice. I now ask unanimous consent to have inserted in the appendix of the RECORD a statement by Mr. Merwin K. Hart, president, National Economic Council, which appeared in its letter under date of July 15, 1949, entitled "It's a Crime To Be Successful." This article discusses the motives of the suit and points out the real meaning behind the action of the Government against the Du Pont Co. I believe this letter too should be read by every American who believes in our free enterprise system.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

IT'S A CRIME TO BE SUCCESSFUL

On June 30 the Attorney General of the United States filed a suit in Federal court "to dissolve the du Pont industrial empire," as reported in the New York Times. It was loudly hailed in the leftist press of the Nation as "an attack upon monopoly."

In the American language "monopoly" implies something reprehensible, and it is a part of American tradition to be as much against it as we should be against sin. But some people disagree about both sin and monopoly, because they haven't agreed on definitions.

So, if one is to "come into court with clean hands," what is his record on monopoly? Does the accuser favor it for himself?

WHAT IS A MONOPOLY?

Webster's New International Dictionary defines it as:

"a. Exclusive possession of the trade in some article or exercise of some business. b. The exclusive right, privilege, or power of selling or purchasing a given commodity or service in a given market; exclusive control of the supply of any commodity or service in a given market; hence, often, in popular use, any such control of a commodity, service, or traffic in a given market as enables the one having such control to raise the price of a commodity or service materially above the price fixed by free competition. * * *"

In simple words, a monopoly means possession of all, or substantially all, of something the holder offers at an unreasonably high price which the purchaser must pay because he can get it nowhere else. In the political-legal jargon now current, such a price is called "administered."

Keeping this definition in mind, it isn't hard to see what makes a real monopoly bad. In a society based on the principle of free competition, monopoly stifles free competition. The only form of monopoly which our laws have consistently protected is that given a holder of a patent. That a man should be able to enjoy the fruit of his own inventive skill seems right and just to almost everybody. Yet even this right is limited: First of all, it runs only for a specified term of years and, second, it has increasingly been provided in our laws that holders of patents must be willing to license their use by others—even competitors—upon payment of a fair fee. Moreover our bureaucracy has increasingly tended to undermine the value of patents.

Any genuine objection to monopoly, then, includes two related beliefs. The first is that a free market, in which prices are fixed by competition, with the public the final judge of what it will pay, is sound and good. The second is that any combination of forces which renders the free market helpless or inoperative, is bad.

DIFFERENT KINDS OF MONOPOLIES

There are differing kinds of monopolies. Government is given rightly by our Constitution a monopoly on the use of force to preserve law and order to provide for the common defense.

But there are those who seek to extend the monopoly power of Government beyond simple and necessary fundamentals. What we call statism—whether Communist, Socialist, or Fascist—is in its essence the extension of political monopoly power over the whole economic and social life of a people. Classical socialism, for example, wants to make Government monopolies of most basic manufacturing, transportation, and distribution facilities, and to turn control of natural resources into a political monopoly.

Communists, Socialists, and Fascists, therefore, are not really against monopoly at all. They believe in it. They believe in administered prices. They sneer at the free market. Their basic objection to a private (that is, nongovernment) monopoly is merely that prices are being administered by the wrong people. According to them, prices should be set by monopolist-politicians and not by monopolist-businessmen.

As believers in the free market, we do not like monopoly, either governmental or private. But that ought not to blind any of us to the fact that when a socialist-minded politician starts to cry "monopoly," he is insincere, for he is raising the cry in order to establish his own kind of monopoly.

IF WE HAD TO CHOOSE

If we ever should have to choose between private monopolies administered by businessmen, and political monopolies administered by bureaucrats, we should unhesitatingly choose the former. For private monopolies, when and if they exist, can be taken into court and, if they are proved to be violators of law, can be broken. But monopoly of the statist variety, once it gets its grip on the economic life of a nation, is almost impossible to dislodge. For there will be no court or other human power above it to compel it to desist. Such economic monopoly, administered by politicians, has almost unlimited power over the daily life of the individual—such power as a private monopoly could never dream of achieving.

It is important to understand all this before it is possible to evaluate the real meaning of the action of the Attorney General, professedly designed to dissolve a du Pont monopoly.

Just what is it the Washington administration is really trying to do?

The answer can be found in the record of the administration itself. It is a collectivist-minded, statist-tending, National Socialist-bent administration. It is a matter of record that many Communists have been, and some are still, in its employ. It does not believe in the free economy and the free market. Both as legatee of the unlamented New Deal, and in its own right, this administration is driving hard for a controlled economy, to be directed by itself. Its passion for controls is not hidden but notorious.

It is silly, therefore, for anyone to imagine that in suing du Pont or any other corporation this administration is the friend of the ordinary citizen and is seeking to preserve for him the competitive prices of a free market. So far as monopoly is concerned, this administration does not come into court with clean hands. It is using the cry of monopoly to deceive the people in order to get power to fasten upon them real monopolies of its own, or monopolies the administration is willing to license its specially favored minorities to establish and administer in return for votes.

IS DU PONT A MONOPOLY?

The question to be answered is—do the du Pont holdings constitute a monopoly, in the only sense in which the word represents something harmful to a free economy with a free market? Not even Attorney General Clark was so bold as to say they do. The du Pont holdings represent about a quarter of the outstanding stock in General Motors. They represent stock control of E. I. du Pont de Nemours & Co., producers of rayons, plastics, nylon, cellophane, antifreeze, and a multitude of other products—better things for better living. General Motors and the du Pont Co. together own Kinetic Chemicals, a maker of refrigerants. Together with Standard Oil of New Jersey, the du Pont Co. owns the Ethyl Corp., owners of an antiknock gasoline compound. The du Pont family holds about 17 percent of the stock of the United States Rubber Co., but the du Pont Co. itself has never owned a dollar of United States Rubber stock.

That, in brief, is the du Pont empire. Its total assets are estimated at about one and one-half billion dollars—roughly about 3 percent as much as the Federal Government is spending this fiscal year alone. And the entire capital is owned by roughly 100,000 stockholders.

General Motors certainly has no monopoly on the manufacture and sale of automobiles. Everybody knows that. Kinetic Chemicals has no monopoly on the manufacture of refrigerants. Ethyl Corp. does have a patent right in its component, but it sells that compound to any manufacturer of gasoline who wants it and will pay for it. If the du Pont empire were dissolved, Ethyl Corp. would still possess its patent rights secured to it by law—assuming that in the future our laws are held to mean what they say.

E. I. du Pont de Nemours & Co. is not the only manufacturer of many of the items it produces. It is true that on some of its products it holds patent rights guaranteed by law. But even on many patent-protected processes du Pont, in accordance with law, issues licenses to other manufacturers, some of whom then compete with du Pont in the free market. It holds no monopoly among American manufacturers of chemicals, which is a thrivingly competitive segment of our economy.

United States Rubber Co. unquestionably does not have a monopoly in the manufacture of automobile tires or the other articles

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it produces. With such competitors as Goodyear, Goodrich, Seiberling, Firestone, and others, nobody of intelligence could make such a claim. Moreover, for 10 years, while the finances of United States Rubber were being put into shape, the company paid no dividends even on its preferred stock.

CLEARLY NOT

So we find this curious situation: In no case does any component part of the du Pont empire have a monopoly on goods offered for sale, so that prices may be administered by the du Ponts, rather than set by the operation of the free market. And if the parts do not exercise monopoly, it is certain that in combination they cannot be a monopoly. That they may be helpful and cooperative among themselves in reducing their costs and in the transaction of their respective businesses, does not make them a monopoly. If any of our readers owned two businesses which could be helpful in buying and selling to each other, he would certainly consider such helpfulness ethical and businesslike. If one of his companies could save money by buying from the other and avoiding a higher price, why should he not do so, and pass the saving along to the consumer? If he should decide to go out and pay more elsewhere, resulting in a higher price for his final product, he would be rendering no economic service. He would only prove himself a poor businessman.

The spirit in which the Department of Justice has brought this du Pont suit reminds us of the Federal suit 2 or 3 years ago against the Lincoln Electric Co., of Cleveland. That company, by a system of incentives, had long paid large bonuses to employees. The suit was for some $2,000,000 alleged to be due on the theory that the purpose of the bonuses was really to evade additional corporate taxation. The Lincoln Co. pointed out that through its bonus system it had been able to sell the Government at prices far less than those of its competitors, thus saving the Government alone some $150,000,000. Government representatives implied they were not interested in that—that the Government was interested only in recovering the $2,000,000 of taxes allegedly due.

WHY THIS PURSUIT OF DU PONT?

Why, then, does the administration pursue the du Pont Co. and the du Pont family as monopolists, and ask that they be forced to sell their interests in General Motors and United States Rubber?

It is not because du Pont enterprises have cornered the market in any manufactured goods or commodity, thus forcing the people to pay artificial prices.

It is not because the administration is following in the steps of the trust busters of 30 to 50 years ago. In those days we had administrations which really wanted to preserve the free market, and which acted only to preserve it. This Socialist-bent administration has done more already to destroy the free market than the du Ponts and other large enterprisers could do if they made every effort.

As realists, we must find the true reasons for this action elsewhere. And those true reasons are of vital concern to every American.

ALL SOCIALISTS HATE COMPETITION

All Socialists hate, with religious fervor, the principle of competition—the mainspring of any free society. "Cooperation, not competition" is their favorite theme—a false, dishonest slogan designed to deceive good people who do not happen to know much about economics. Cooperation, of course, is an economic and social necessity. On balance, no greater example of cooperation—voluntary cooperation—can be found than in private enterprise. But to have either economic or moral value cooperation must be voluntary. Socialist cooperation is not voluntary. By its very nature it begins with a little compulsion and winds up as completely compulsory.

The real antithesis, then, is not between those who cooperate and those who wickedly compete against each other. It is between compulsive work (Socialist cooperation), and work done freely in the hope of reward. This hope of reward we call incentive, and it is incentive that leads men to compete with each other to produce a better and less expensive product, to win a greater reward. Those who do this perform a real economic and human service. It was the encouragement of incentive that gave us our magnificent machinery of production and distribution.

What is it that creates incentive? What nourishes the dream of success in the minds of young men and women in business or the professions? Is it not the example of those who have been successful? Without that example what reason would they have to feel that great effort, intelligent effort, will result in great reward?

HERE IS THE REAL MOTIVE

This, we think, is the primary motive behind the suit against the du Ponts. The du Pont story, like the Ford story, is a saga of American success. It had small beginnings almost a century and a half ago. It has been characterized, not by ruthless smothering of possible competitors, but by an almost uncanny genius for providing new and better products that have incalculably raised the standard of American living. How immeasurably du Pont has added to feminine enjoyment af day-to-day living through the single item of nylon!

But one can almost hear the slow wheels turning and meshing in the socialist mind: "du Pont is a shining example of what private enterprise, spurred on by incentive of reward, can do. We must smash it. We must destroy what such an example means. We must make it a crime to be successful!" The attack upon du Pont is an attack upon the nerve center of our free society.

We think there is also a second reason for this attack. A hint of it is given in the statement of the Department of Justice in instituting the action. The Department said the suit was directed "to breaking up of the largest single concentration of industrial power in the United States."

Mr. Crawford H. Greenewalt, president of the du Pont Co. remarked, we think rightly, that this means the Government is attacking "bigness in business as such." But to say only so much is not to uncover the inwardness of the attack. Why does the Truman palace guard want to attack bigness as such? If we look for a moment at a historical parallel, the answer becomes apparent.

LET'S GO BACK INTO HISTORY

During the last 50 years of the Wars of the Roses in England, the contest became one between the crown and the great barons. The stake was political power. The crown, in order to gain the power later to be exercised by the despotic Tudor and Stuart Kings, had to smash the great feudal landholders, with their ability to maintain forces strong enough to resist centralized power. The crown did not need to attack the small landholders or the merchants, because they were not sufficiently strong to form centers of resistance except in combination with the barons. But the crown and its advisers knew that once the great centers of resistance were smashed, they could impose the royal will on everyone—small landholders and merchants alike. In other words, to achieve absolute power the crown attacked "bigness as such."

The parallel is, of course, not wholly complete. But the essence, the heart of the parallel is freighted with meaning for our times. An administration whose inspirers, like the Yorkist kings, are driving for complete and absolute control over a whole nation must, if it is to be successful, attack possible centers of resistance, and reduce them one by one. The du Pont empire is, it suspects, such a possible center of resistance. And it is a possible center of resistance to tyranny precisely because it is big.

Just as Edward IV got the small merchants on his side by telling them hypocritically that he was fighting for them against the barons, so the alien-minded Truman palace guard tell American small business that in attacking du Pont it is fighting monopoly on their behalf. But just as Edward IV, after he had disposed of the barons, turned on the merchants and instituted the tyrannical mercantilism against which the American Revolution was a final revolt, so if the Truman palace guard can rid itself of resistance from large business organizations, the small business that remains will inevitably be easier to reduce to servitude.

PART OF THE DRIVE FOR COLLECTIVISM

The drive to collectivize America is now in full blast. The attack is from every quarter. It is in the light of what the collectivists are trying to do in the large, that every separate tactical move must be understood and weighed. When that is done, these salient facts emerge:

1. In defending itself, du Pont is not defending monopoly. For the du Pont enterprises are not a monopoly.

2. The purpose of the attack is to advance the creation in America of an American national socialism indistinguishable in any essential sense from German national socialism (Hitler's nazism), fascism, or British national socialism.

3. The present administration has no interest in preserving the free market for goods and services. Its profession of "opposing monopoly" is purely hypocritical, since its real interest is in destroying the free market and substituting state monopoly for it.

4. In attacking du Pont, our National Socialist planners are seeking to destroy the psychological basis underlying the free economic society. In place of the expectation that effort and ingenuity will find great reward, they would discourage ambition by making it a crime to be successful.

5. In attacking "bigness as such," our alien-minded Fascist palace guard shrewdly recognizes that before statist monopoly can be fastened upon the American economy large centers of potential resistance must be ruthlessly crushed. When the fortresses are reduced, the small householders in the countryside, the small merchants in the towns, can be "mopped up" at will.

THE REAL INNER MEANING

Here is the inner meaning of the anti-monopoly suit against du Pont. It is being presented cleverly by the administration as a device to help small business and the consumer.

It is neither. It is another step in a superbly designed plan to reduce all Americans into the servitude of the monopoly state.

The du Pont company has announced it will fight this Government suit with every resource available. We welcome this news. For du Pont will thus be fighting the battle of the many millions of men and women who, trusting in the American system of private enterprise, have invested their savings in corporate securities.

It is a fight between bungling Government bureaucracy and free American citizens.

MERVIN K. HART,
President,
National Economic Council, Inc.

Cream and Skimmed Milk—A Challenge

EXTENSION OF REMARKS
OF
HON. BARRATT O'HARA
OF ILLINOIS
IN THE HOUSE OF REPRESENTATIVES
Friday, July 22, 1949

Mr. O'HARA of Illinois. Mr. Speaker, responsive to the wishes of many of my constituents I appeared today before the subcommittee of the House Committee on Post Office and Civil Service at the public hearings being held on the bills affecting postal and other workers in the Federal service. Under the leave granted I include the following statement made by me to my distinguished colleagues sitting on the subcommittee:

Mr. Chairman, my purpose in appearing here today in response to your gracious and appreciated invitation is to give a positive assertion to the sentiment of my constituents in the second district of Illinois in the matter of fair treatment to the men and women in the Federal service who do the hard work and are never paid more than a sufficiency for bare necessities.

I could not return to my district and face my constituents unless while here I had done everything within my power to help these humble workers attain some measure of relief. The Eighty-first Congress has given consideration to Federal workers in the high salary brackets. If the Federal workers in the low salary brackets do not receive the same consideration, I do not know of any explanation that any Member of the Eighty-first Congress can give on his return home which will satisfy his constituents.

I wish, Mr. Chairman, at this point to compliment this subcommittee on its industry in conducting these public hearings covering in all some 75 or more bills, most, if not all, of them, meritorious. I am sure that my distinguished colleagues on this committee, after they carefully examine all of the bills which is their responsibility, intend to report out in the proper forms and with such amendments as may seem to them advisable at least the best of these bills. I think, in all fairness to my colleagues on this committee, that such a statement should be made.

I do know, and am certain that my colleagues on this committee are fully aware of the fact, that there is such an overwhelming sentiment in favor of these bills that their passage when once they reach the floor of the House by a great majority is as certain as the coming of daylight tomorrow morning. We cannot accept the recommendations of the Hoover Commission in increasing salaries already large, and at the same time ignore the recommendations of this same Commission which apply to wages of Federal workers always too low.

Let me quote from page 26 (personnel management) of the report of the Hoover Commission:

"Pay adjustments for white-collar and postal workers have tended * * * to lag behind similar adjustments in industry."

And again from the report of the Hoover Commission, on page 29:

"OUR PERSONNEL POLICIES

"Our personnel policies committee has concluded that the present efficiency-rating procedures in the Federal Government have the effect of undermining supervisor-employee relationships. * * * This system is not used to the extent that it should be as an aid in the development of the employee and for the purposes of measuring the employee's potential usefulness to the organization."

In respect for your time, and in consideration of many of my colleagues who are here also to testify, I will make my remarks brief. I would not want to contribute to a delay, which might prove fatal, by discussing the bills in too much detail or even a considerable number of them. The important thing—and I say this in all respect and with the utmost confidence in my colleagues on this committee—is that your committee take action as promptly as possible and that it report at the very earliest moment possible at least some of the bills now under discussion.

As to H. R. 4495, there is very little difference of opinion among the Members with whom I have talked. There is, in all truth, a growing impatience that this bill has been so long delayed in reaching the floor of the House. Again, I wish to make it clear that I do not intend in any way to reflect upon this committee or any of its members. I fully realize the studious attention to details which it is your duty to give as members of the committee. I fully realize, too, how hard you have been working and the great demands that nave been placed upon your time by the multiplicity of bills of the nature of that under discussion. Now that H. R. 4495 by the petition of a majority of the Members of Congress, of which I was one of the first signers, seems assured of early passage, your committee may have the greater opportunity to study the remaining bills, which are of vital concern to the Federal workers.

Our constituents at home are letting us know how they feel about the delay. I just cannot tell a single man or woman in the Second District of Illinois that it is an urgent matter to give a salary boost to a Federal worker who is now making considerably more than many or most of the people in my district, and that there is no urgency at all in even giving consideration to the request of a Federal worker on a wage pretty close to the bread line.

I have heard it said that some of this legislation does not have the approval of the Bureau of the Budget, the Civil Service Commission, or the Post Office Department itself. I do not know about that. I have not taken the time to run the reports down. If it is the fact, and I hope that it is not, that these agencies are opposed to legislation which would help the rank and file employees, then I regret exceedingly that my vote was cast in favor of giving very substantial increases in wages to the heads of these departments.

I just do not have any use at all for any man who looks out for himself and dips into the cream for himself and then begrudges giving to someone else a little larger portion of skimmed milk.

I do not see any vestige of right that we in the Eighty-first Congress have to delay any of the very modest requests that these humble Federal workers have made. Certainly postal workers are entitled to 26 days vacation and 15 days sick leave, as are classified Federal employees. Why shouldn't they be? What argument can possibly be made against the granting of that request? What is there unreasonable about a $100 uniform allowance and the longevity increases? I mention these items as being fairly reflective of the features covered in all of these 75 or more bills now before your committee. Our constituents believe that they are good bills. And if they all die, or most of them die, with our adjournment along about Labor Day, I can assure my colleagues that there will be a lot more labor involved for us in 1950 in coming back to Washington.

If the little fellow working for Uncle Sam has to take it on the chin while the big fellow gets the orchids, then I think the American people would do a mighty good job in picking out for themselves another Congress.

I know that this committee is doing a most thorough job in a most conscientious manner, but people who are standing pretty close to the bread line and needing a little help do grow a little restive over debates and deliberations and conferences that delay the relief immediately needed. I repeat again that in what I have said and in urging immediate action by this committee I intend no criticism upon the hard-working members of the committee. I have told my constituents in letters I have written them and in radio programs that I was confident that this committee would report the bills out and that the delay up to this time had been occasioned only by the time which the committee necessarily had to give in conducting these public hearings and in the proper consideration which as members of the committee they are charged to give to each of these legislation proposals.

In what I have said, I have been speaking the sentiments of my constituents. Also I have been speaking my own deep and abiding convictions. Aside from that, or perhaps supplementing it, has been a circumstance of a personal nature. My eldest son and my namesake, Barratt O'Hara, Jr., at the present time a partner in my law firm in the city of Chicago, while in the service of the Government, was the president of Lodge 146 of the American Federation of Government Employees, a lodge which covered completely the Civil Service Commission, Department of Justice, and Treasury employees in the Chicago area. There are 24 lodges of the American Federation of Government Employees in the Chicago area, covering practically all the Federal agencies, departments, and instrumentalities. Among the leaders and those who worked day and night with my son for the advancement of the interests of Federal workers are such men as William I. Conners; the brilliant Harry O'Reilly, director of organization for the A. F. of L.; John F. Griner, national vice president of the organization and beloved by every Federal worker in the Middle West; and our own distinguished and admired former colleague, the Honorable Thomas O'Malley, now regional administrator of the Wage and Hour Administration with headquarters in Chicago. Numbered among the membership of this organization are some of the finest men and women in our city of Chicago, all doing well and brilliantly the hard work of Federal Government. For my son, I am happy to have had the opportunity to present to this committee the endorsement of the legislation you are now considering from such a fine organization and such a worthy group of public servants.

From the CIO, from the A. F. of L., from the National Federation of Post Office Clerks, from every labor organization, I have received solicitations of my support for this proposed legislation. Organized labor is unitedly behind it and for no selfish reason. But the demand comes not alone from organized labor. It comes from the rank and file of our people. It comes from manufacturers, merchants, housewives, from the veteran organizations, from the women's clubs, from the churches.

If ever the American people with one voice have demanded something of the Congress of the United States, it is for this legislation benefiting the postal and other Federal workers in the low-salaried group. It is a challenge to common decency that we cannot refuse. If the Eighty-first Congress has found that it is hard for some men and women in Federal jobs to live on $10,000 a year, the Members of that same Congress will be hard put to it to find a good reason why a low-paid Federal worker can carry along merrily and in abundant comfort on the $2,600 a year of a postal clerk.

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Good Prices for Wisconsin and All American Farmers

EXTENSION OF REMARKS
OF
HON. ALEXANDER WILEY
OF WISCONSIN
IN THE SENATE OF THE UNITED STATES

Monday, July 25 (legislative day of Thursday, June 2), 1949

Mr. WILEY. Mr. President, I send to the desk a statement which I have prepared on the subject Good Prices for Wisconsin and All American Farmers—an answer to misrepresentations which have been spread among the farmers for a long time now. I ask unanimous consent that this statement be printed in the Appendix of the CONGRESSIONAL RECORD.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

WISCONSIN FARMERS ANSWER ADMINISTRATION "BUNK"

The farmer of Wisconsin and America is a realist. He can spot truth from falsehood, fact from fancy. He knows bunk when someone tries to hand it to him. Well, for a long time now, the administration has been handing him "bunk" and lots of it. But the Wisconsin farmer has seen through it.

I would like to set forth now some basic facts as we of Wisconsin agriculture see them. I would like to answer, just as Wisconsin farmers in letters answer, the baloney handed out by the Fair Dealers.

ADMINISTRATION FIGHT TO HURT DAIRY FARMER

1. The present administration pretends to be the friend of the dairy farmer. It makes believe that it is deeply concerned with his declining income.

That, however, is so much "bunk."

This Democratic administration, which is the supposed friend of the dairy farmer, consists of the very same group of people who are trying to cut the dairy farmer's throat by bringing about oleo fraud against the farmer's natural product, butter. The Southern Democratic segment of the administration has, of course, always led the fight to cut the economic heart out of the Midwestern farmer. Right now, too, the Democrats are trying to rescind the 18-year prohibition on sale of oleo to the armed forces. We Republicans of the Midwest are, of course, fighting that move.

LABOR "BIG SHOTS" FIGHT DAIRYMEN

Who is it that is helping to cut the dairy farmer's throat? The labor "big shots" who testified before Senate and House committees on behalf of repeal of oleo taxes and free shipment of yellow-colored eleo in interstate commerce. Thus, these labor bigsters who pretend to be the farmer's friend are actually lobbying for an action that will result in disaster to butter production and the slaughter of 2,000,000 dairy cows. How is the dairy farmer going to buy the workers' manufactured products if his livelihood is destroyed?

I should like to quote at this point an important editorial from last Saturday's edition of the Janesville Daily Gazette. This is what the Gazette said in its editorial column of July 23, 1949, pointing out the interconnection between Wisconsin dairying and the economic level of Wisconsin city folks:

"WHAT'S HAPPENING TO WISCONSIN'S DAIRYING

"All citizens of Wisconsin, regardless of whether they are in factories, offices, or on farms, should be vitally interested in what is happening to butter and other dairy products. They should be concerned about the loss in this rich area of southern Wisconsin where dairying brings in millions of dollars yearly to our farmers.

"Wisconsin butter production last year skidded to 100,000,000 pounds or 15,000,000 pounds less than the production in 1927, Senator WILEY states in his weekly news letter. Except for the year 1946 the butter output last year was the smallest in nearly 30 years. Total cheese production in Wisconsin last year dropped to 482,000,000 pounds or 10 percent less than 1947. The number of milk cows throughout the country, now 23,300,000, is the smallest number in the last 10 years although the average milk production per cow has gone up to 5,000 pounds compared to 4,625 in 1940.

"Wisconsin, the Nation's foremost dairy State, feels this contraction more than any other. Our farmers whose milk checks are received every month notice the difference.

"The cow is a very essential factor in conservation of the land. She demands grassy meadows which prevent erosion. She helps to fertilize the fields and this is no small factor in the productivity of this rich soil in the southern tier of counties. She is an essential part in the conservation cycle.

"We in the cities cannot ignore the effect of the dairy industry upon our economy. We can't ignore the fact that our cows are in smaller numbers, that our cheese production has dropped, that our butter production is less, and that the sale of margarine has jumped. These changes affect all the community including those who work in offices and factories as well as those who work on the farm."

Yet, when we of the Midwest demand action on the Wiley amendment to prevent interstate shipment of yellow-colored oleo, the great mass of opposition comes from Democratic sources.

DEMOCRATS SEEK TO REGIMENT FARMER

2. Now, second, this same administration is constantly yelling about freedom for the farmer and supposedly everybody else. "Liberty," "liberalism," "democracy" are terms used (or rather misused) constantly by the administration.

They're telling just so much "bunk," however.

The dairy farmer knows that this same administration is planning all sorts of controls on the farmer and is planning to regiment him as badly as the Soviet Government regiments the collective farmers.

NO SINGLE FARM CURE-ALL POSSIBLE

3. The administration holds out the false hope that one single bill, whether it's called the Brannan bill or any other bill, is going to be a cure-all for the farmer's problems. Its tactics remind us of the old medicine man who claimed that his snake oil would cure any ailment.

That is so much "bunk and baloney."

The Wisconsin farmer knows that nothing but a comprehensive farm program consisting of many constructive pieces of legislation will meet the farmer's needs.

REA, COOP, CONSERVATION LEGISLATION ALL NECESSARY

The farmer knows that in addition to price-support legislation, there must be sound bills to promote further rural electrification so that the farmer and his wife and family can enjoy the electrical conveniences that the city folks enjoy.

Wisconsin farmers know that the Government's investment in REA co-ops pays itself off with interest in the manner of a sound loan. This idea of a repayable loan (in order to help produce wealth and assure a high standard of living) is the very same principle that we are fighting for in the Great Lakes-St. Lawrence Seaway bill, of which I was a cosponsor in the eightieth and in the present Eighty-first Congress. Significantly enough, the opposition to the Great Lakes Seaway—a project which means so much to Wisconsin farming—again stems in large measure from southern ports represented by Democrats who needlessly fear competition with Great Lakes ports.

Let's go on, however, and point out that the farmer knows that in addition to sound REA legislation, there must be helpful soil-conservation bills in addition to measures to promote nutritional standards, so that the people of the Nation will consume more milk, more cheese, more butter, more ice cream.

The farmer doesn't believe in single cure-alls. He has been burnt too many times by fellows with starry-eyed ideas of concocting some theoretic bill by a slide-rule formula.

HOKUM ABOUT FARMERS' PRICES

4. There is the notion foisted by the labor big-shots that farmers are profiteering, that they are price-gougers and chiselers, that they have made a pile of money during the war and postwar years.

That is so much bunk.

The farmer's income has always been far lower than the city dweller's income. During the base years of 1935 to 1939, the average income of the individual on the farm was $243 compared to $603 for the nonfarm individual. Even during the postwar years, average farm income was always merely around 50 percent of what it was in the cities.

Moreover, about the only farmer who made a large income was the huge wheat farmer with lots of hired hands and a tremendous amount of machinery. The small family-sized farmer trying to make a living in the face of rising costs, barely made his cost of production plus a reasonable profit.

INEXPENSIVENESS OF MILK

The Democrats have been telling the American people that the farmer is getting too much for the food he produces. Since when, however, is man's most nutritious food, milk, high-priced when a quart can be bought for 17 to 20 cents. It is just about the most inexpensive of all foods or liquids that men and women consume. Why complain about 20-cent milk when Democrats do not seem to encourage complaints about booze that costs $6 for a fifth?

Moreover, let's point out that the milk bought by the consumer for 17 cents to 20 cents a bottle gave the farmer perhaps 5 or 6 cents (for all his investment, his cows, his machines, his barn, his back-breaking labor) or perhaps 9 or 10 cents if he lives near a big city milkshed.

DEMOCRATS LIED TO FARMERS ABOUT PRICES

5. During the 1948 presidential campaign, the Democrats started a rumor campaign among the farmers to the effect that if Dewey were elected he would force farm prices down. At the same time as they were telling that story in the rural areas, they were telling a completely opposite story in the city areas. They were telling the city worker that if Dewey were elected, he would skyrocket food prices. Actually, of course, both rumors were inconsistent, but the Democrats didn't mind lying from both ends. It was a fact that Governor Dewey believed in a sound farm structure which would give the farmer his cost of production plus a reasonable profit, and which would give the city consumer nutritious food at fair prices.

Now, however, the 1948 campaign is only a memory, but farm prices which Mr. Truman was supposed to save have been dropping

through the floor. The Democrats promised prosperity and instead they bring us recession.

Read what a farm organization leader in Wausau, Wis., states:

"DEAR SENATOR WILEY: Compare our milk prices and the price of butterfat. A year ago we were getting $1.28 per pound for butterfat, now we are getting 80 cents per pound. Hay is from $5 to $7 higher per ton. Machinery average price is about the same. Labor is from $5 to $10 higher. I think you will agree that one need not be very much of a mathematician to see that the ends will not meet. If agriculture is to go through another session like it did in 1939, then our Nation will be in a sorry state of affairs.

"Thank you for your past favors and personal interest in the farmers."

Here is what another farmer in Cato, Wis., writes to me:

"Cheese dropped another cent last Friday. This brings the price of milk down to $2.50 a hundredweight or 5 cents a quart. How in the world will we dairy farmers exist? Enclosed is just another sample of auction posters. Thousands of farmers throwing up their arms. Right in our own community, the heart of dairyland, every other farm for sale with the finest buildings and cattle and no buyers."

NEW LIES BY DEMOCRATS

Well, in face of this evidence, what are the Democrats doing? They are inventing new lies.

In fact, they are never at a loss to spread new rumors and lies. Now, they are telling the farmer that the recession is due to the Aiken law enacted by the Eightieth Congress (even though that law has not as yet even gone into effect and would not go into effect until next January.) As a matter of fact, the House of Representatives has just decided to extend 90-percent parity support and to kill the Aiken flexible-parity system completely.

Let's get the facts straight. The Republican Party is committed, has been committed, and will always be committed to a sound agriculture.

MEMORIES OF DEPRESSION

Turn back a few years and look at the record. While the Democrats were still plowing under land and killing little pigs, the Republicans were urging constructive measures in the interests of the Nation's farmers.

The farmer has a long memory. He doesn't forget the crises he experienced in the past. When I came to the Senate in 1939 (6 years after the start of the New Deal), one of the first bills I introduced was a measure to prevent the foreclosure of federally held mortgages on farms throughout Wisconsin. At that time, milk, which was costing me on my farm in Barron County $1.80 per hundredweight to be produced, was being sold for 90 cents to $1.10 per hundredweight. The farmer doesn't want to go back to those days. He doesn't want to go back to the days of $1.10 milk, 5-cents-a-dozen eggs, 10-cent corn, 25-cent wheat, $3-a-hundredweight hogs.

Now let's point out some more Democratic "bunk."

FARM-LABOR COST MUST BE INCLUDED IN PARITY

6. The administration has always refused to include the cost of labor in determining the farmer's parity. It says that would be "inflationary." That is so much hogwash.

The farmer knows that it is ridiculous to talk in terms of 90 percent of parity, or 100 percent of parity, or 110 percent of parity, unless the farmer's heavy labor costs are computed in defining parity in the first place. For years and years I have recommended that labor costs be included in farm parity. Twice the House of Representatives has passed legislation for that purpose, but the Senate has never confirmed it.

ADMINISTRATION IS SEEKING TO DESTROY CO-OPS

7. The administration pretends to be the friend of farm cooperatives.

That is so much more hokum.

Actually the present administration's plans would severely damage dairy cooperative marketing associations as well as other cooperatives by turning all power and all control over dairy affairs over to the Secretary of Agriculture and his hirelings.

DEMOCRATIC BALONEY ABOUT HELPING FIND FARM LABOR

8. The administration pretends to help the farmer in helping to meet the problem of a serious labor shortage. It tells the farmer that it is trying to help get him the necessary hands.

That is more "bunk and baloney."

Wisconsin farmers know that the administration has been constantly promoting the phony idea that working people could sit on their dignity all day and draw huge wages with little productivity. The administration has constantly been promoting the idea that city wages could be increased indefinitely without continuous increases in prices. The administration has encouraged a few big labor racketeers to call unnecessary strikes which, in turn, have been translated into shortage and high cost of farm machinery. For many months the administration complained about the present displaced-persons law, under which many DP's could be brought to help man Wisconsin farms. Now, however, we Republicans in the Eighty-first Congress have been leading the fight to revise the DP law, but in the administration-led Senate our efforts to revise the law have been blocked thus far.

THE FARMER DOES NOT FORGET OPA RUIN

Yes; the farmer has a long memory. He remembers the days following the war when it was impossible to get a farm tractor or machinery. Why? Because the administration was recklessly shipping tractors abroad to lands which didn't have the vaguest idea about how to maintain the equipment. What was the result? The machines rotted in the field. The farmer remembers that this same so-called friendly administration is the one which almost wrecked Wisconsin's 1,300 cheese factories, 620 ice-cream plants, 300 butter factories, its milk-powdering plants, its cottage-cheese plants, its condenseries by fantastic OPA orders.

Wisconsin farmers remember all these things and more. They will not be fooled or hoodwinked by the siren songs of the administration.

I remember that during the days of the great depression the administration was spending a billion dollars a year on the Department of Agriculture. But how much of that was actually going to the dairy farmer? Let me quote from a statement that I made in the Senate March 19, 1940:

"The only item in the entire bill that is earmarked for the dairy industry is an appropriation for the Bureau of Dairy Industry * * * $731,405 * * * of which amount $353,000 would be expended in Washington, D. C. That does not leave much for dairy farmers. The bill is top-heavy in its administrative costs and lopsided in the benefits."

OUR PAST FIGHTS TO SAVE BADGER CROPS

That same condition of overcentralized personnel and spending still exists. The farmers of Wisconsin recall the troubles we had when we tried to assure enough farm hands to harvest crops so they wouldn't rot in the fields. They remember the continuous battle that we fought with OPA in order to save Wisconsin peas, Wisconsin cherries, Wisconsin sauerkraut, Wisconsin beans, Wisconsin sweet corn, Wisconsin tomatoes, Wisconsin beets. The farmer does not forget his friends nor does he lightly forget the deeds of his enemies.

FARMERS BELIEVE IN FREE ENTERPRISE

The farmer of Wisconsin and of America has always been the strongest believer in our free-enterprise system. He doesn't go in for the New Dealers' or Fair Dealers' alien ideas of socialistic experimentation. Wisconsin farmers are not hoodwinked by the phony appeals of the same men who have consistently coddled and befriended Communists in the Government's executive branch.

During the past decade millions of people have left the farms, and the trend still continues. The administration, of course, would prefer our people to congregate in our already overcongested cities so they could become the tools of corrupt city machines and could become a center for agitation.

Our farmers know that upon their prosperity depends the prosperity of the town, the village, and the city. Unless the farmer can go to market and sell his products at a fair price he and his wife and children can't go into the town to buy clothes and machines produced by the city worker and sold by the businessmen.

The administration is constantly trying to gets its stranglehold clutch on food-processing companies in order to bring them under administration regulations. We have had a constant battle with the Wage and Hour Administration on this issue, but still it is reaching out its tentacles to strait-jacket the canneries and other processing plants.

CONCLUSION

Let me sum up by pointing out as follows:

1. Wisconsin farmers insist on fair prices, and they recognize that the principal champion of fair prices to the farmer is now, and always has been, the Republican Party.

2. Wisconsin farmers recognize that there is more and more of a trend toward State socialism in our land and that the Democratic Party has been aiding and abetting that trend. Our farmers know enough to live within their own income, even if it means sacrifices. But they know, too, that the national Democratic administration, in a crazy spending spree, wants our Government to increase its already huge $250,000,000,000 debt. Wisconsin farmers believe in Government economy, in tax reform, in balancing of the budget, and they know that the principal advocates of such sound principles are to be found in the Republican Party.

3. Wisconsin farmers see through the lies that have been spread by the Democratic Party. They recognize the bunk and baloney which the national administration has been handing out for these many years.

Let me point out that I don't believe that the Republican Party consists entirely of angels. We have made our mistakes, and we are far from perfect, but one principle to which we have always given our unwavering allegiance is the principle that the American farmer shall not be crucified, but that he shall get a fair living for the back-breaking toil that he and his family put in.

GOP Disunity

EXTENSION OF REMARKS

OF

HON. MATTHEW M. NEELY

OF WEST VIRGINIA

IN THE SENATE OF THE UNITED STATES

Monday, July 25 (legislative day of Thursday, June 2), 1949

Mr. NEELY. Mr. President, I ask unanimous consent to have printed in the Appendix of the RECORD an important editorial entitled "GOP Disunity," published in the Charleston (W. Va.) Gazette of July 19, 1949.

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There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

GOP DISUNITY

Relatively unimportant in itself, the current row in the Republican Party over who will be the national chairman shows how deep-seated is the disaffection upon the leading figures of the party.

Realistically speaking, whoever is selected will be plopped into a thankless and, probably, fruitless job.

It has been apparent for a long time that there was no cohesiveness in the party and little, if any, vitality.

This has been demonstrated by happenings in Congress, but it remained for the North Atlantic Treaty to emphasize the deep and widening split in a party that has been hopelessly in the minority for more than 18 years.

It is a party that has been crushingly defeated in five consecutive national elections.

In the last one, with everything apparently overwhelmingly in its favor, it somehow managed to bungle things so that it lost the farmer vote of the Middle West—a vote which up until that time had been regarded as impregnably Republican.

Recent developments show the lack of dependability of its Members in Congress as well as the hopelessness of attempting to weld the many different factions of the party into anything resembling a working unit.

The other day Senator TAFT was triumphantly leading his Republican-Dixiecrat coalition to a victory to retain the Taft-Hartley labor law upon the books and only a few days later we find him leading a few die-hard isolationists against the majority of his party on the North Atlantic Treaty question.

Now, the GOP as the minority party—with a capital M—cannot afford serious splits in its ranks.

But it faces two incontrovertible and never-ending differences among its leaders.

When the reactionary, big business, monopolistic wing of the party combines with the die-hard Southern Democrats to pass antilabor laws and oppose progressive social legislation, it alienates a large liberal group and it may have caused a permanent break in its once solid farmer bloc.

On the other hand, when its internationally minded Senators stand up to be counted for world progress they butt their heads squarely against the isolationists in the party.

There is no conceivable compromise here and these rifts do not heal easily; indeed every evidence points to the fact that they are constantly widening.

It is obviously hopeless to expect a national victory while this condition exists.

If any proof were needed it was furnished in abundance last November, when Mr. Truman won with four Southern States and their 39 electoral votes lost to him, and the two big States of New York and Michigan handed over to the GOP by the Wallace defection.

This was an open rift in the Democratic Party yet it could not prevent Mr. Truman from winning handsomely.

Is anyone so fatuous as to claim that the Republican Party could stand such a rift?

Actually, the Republican Party right now has a much worse split in its ranks even though it is operating more or less under cover and not yet actually in the open.

This split, from a national standpoint, has reduced the Republican Party to impotency.

It is an opposition party with no program to offer the voters other than a "Me too" or a "We can do it better" or, more naively, "Let us try it awhile; it's our turn."

It has a few able men but not a single national leader of the first rank, and by that we mean a leader who could command the united support of his own party without alienating great chunks of independent voters.

And there is evidence that the State machines are floundering just as hopelessly as the national one.

Certainly, no one in his right mind would contend that the Republican Party as at present constituted offers any serious threat to the Democratic Party in West Virginia.

And, equally certainly, no sensible person will seriously maintain that the national Republican Party is any serious menace to the national Democratic Party.

The bald fact is that there are many more Democrats than Republicans.

The GOP is a minority going steadily downhill.

The Democratic Party is a majority that has been steadily growing.

It has some idea of what it wants to do and of where it is going.

Beyond the old trick of name-calling and epithets such as socialism and communism the Republican Party doesn't know what it wants and it certainly is not going anywhere.

The old adage still holds good:

"You can't beat something with nothing."

Promotion of Artificial Alarm

EXTENSION OF REMARKS

OF

HON. WILLIAM LANGER

OF NORTH DAKOTA

IN THE SENATE OF THE UNITED STATES

Monday, July 25 (legislative day of Thursday, June 2), 1949

Mr. LANGER. Mr. President, I ask unanimous consent to have printed in the Appendix of the RECORD an editorial entitled "Astonishing Statement Made by Mr. DULLES," published in the Fargo (N. Dak.) Forum of July 20, 1949.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

ASTONISHING STATEMENT MADE BY MR. DULLES

There was an astonishing reference in the first speech made in the Senate by New York's new Senator JOHN FOSTER DULLES. He was discussing the meeting of a short time ago of the Council of Foreign Ministers in Paris.

Said he:

"At Paris last month there was discussion as to whether to accept at all the Soviet-proffered truce and to resume, even on a tentative basis, four-power consultations. Some feared that any relaxation of east-west tension would bring a corresponding relaxation on the part of the American people and that they should artificially be kept alarmed."

After the statement had been made by Senator DULLES, Secretary of State Acheson confirmed it in its entirety.

We are facing critical facts in the world of today, and there is reason for awareness of them on the part of the American people.

But it is amazing that there are those in position of trust, apparently, in the American Government who would go so far as to advocate that the American people be kept artificially alarmed.

Mr. Acheson was at Paris, of course. So was Mr. DULLES, as an adviser to the Secretary of State. They have revealed this information, and it is perhaps logical to assume that, because of that, they probably were against promoting artificial alarm.

But Mr. DULLES says that some were for it. Mr. Acheson says it is so.

This is a serious charge.

The American people are entitled to the facts from their elected or appointed representatives. They are quite capable of drawing their own conclusions. It is not in keeping with our way of life that representatives of the Government should even suggest that the thinking of the American people should be managed through falsifications, through methods of attempting to keep matters stirred up in order to make things appear worse than they are.

The American people cannot but resent such tactics.

Now that we have been told that some wanted to create artificial alarm, the natural question is: Who are those included in this word "some"? It is not enough to say that, since they were not successful in getting their idea across, it doesn't matter. It does matter. Representatives of the American Government who will advocate that sort of thing should not be in the Government service.

Private Building of Grain Storage Facilities

EXTENSION OF REMARKS

OF

HON. KENNETH S. WHERRY

OF NEBRASKA

IN THE SENATE OF THE UNITED STATES

Monday, July 25 (legislative day of Thursday, June 2), 1949

Mr. WHERRY. Mr. President, I ask unanimous consent to have inserted in the Appendix of the RECORD an article which appeared in the Wall Street Journal today. The article describes how the shortage of storage facilities for grain has been considerably overcome through private efforts and with inconsequential aid by Secretary of Agriculture Brannan.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

WHEAT SURPRISE—NEW PRIVATE BUILDING GETS BIG CREDIT FOR PREVENTING STORAGE GLUT—CROP SHRINKAGE ALSO FACTOR; BUT ON-THE-GROUND LOANS PLAYED ALMOST NO PART—FARMERS PAY CASH FOR BINS

The great wheat storage squeeze of 1949 that never came off was avoided largely because farmers and private grain companies—without Government help—put up enough new bins and elevators to prevent it.

That's the consensus among farmers and grain experts survey by the Wall Street Journal through the wheat country from Texas to Nebraska. All say the smaller-than-expected crop helped. All say the Federal program of price-support loans for wheat piled on the ground had practically nothing to do with sidestepping the squeeze.

Before the combines started humming a few weeks ago, agricultural economists were sure they saw super-congestion ahead. Big elevators in key grain marketing centers bulged with last year's wheat. It was expected that more new wheat would be piled on the ground than ever before.

CLEAN GROUND IN KANSAS

Then last week end a Kansas City grain man was able to say: "There is less wheat on the ground in these parts than there has been at this time of year in the past decade. Some of the temporary storage space is going begging for grain."

At Tribune, Kans., the Greeley County Grain Co., with a capacity of 225,000 bushels, advertised that it had space available for 150,000 bushels of wheat.

All over the wheat country there's evidence that farmers, since last year's harvest,

have been making more extensive storage preparations than most people realized.

Says Oscar Nelson, president of the big grain bin manufacturing firm, Butler Manufacturing Co., in Kansas City, Mo.: "Farmers bought more bins this year than ever before. We turned out more than 10,000 of them this year at our Kansas City, Minneapolis, and Galesburg, Ill., plants. The chief request was for the 1,000-bushel size."

REPORT FROM WICHITA

In Wichita, Kans., alone one firm sold 60 1,000-bushel steel bins this year, and another sold 40.

H. L. Collins, Federal agricultural statistician at Topeka, Kans., estimates that storage space on Kansas farms has been increased by some 13,000,000 bushels since last year's harvest.

"Farmers early this year," says L. R. Perkinson, general manager of the Pearlstone Mill & Elevator Co., Dallas, "just got out and put up enough facilities to rely on for emergencies."

And at Enid, Okla., C. M. Newberry, of the W. B. Johnston Grain Co., declares: "Failure of the jam to materialize can be traced primarily to a lot more storage space than anyone believed we had." The Johnston firm alone sold 350 steel bins, each with a capacity of 2,200 bushels, during the 4 or 5 weeks just ahead of harvest. Farmers paid $500 cash for each of them. Some took as many as five.

CASH, NOT CREDIT

This report of farmers paying cash for their bins is echoed in all parts of the wheat country. Early in June, when the Agriculture Department announced its decision to give price-support loans for wheat piled on the ground, it also announced it would give loans up to 85 percent of cost of construction for storage put up on farms. Grain men say the effect of this building loan offer was almost nil because (1) farmers had by then about finished storage preparations, and (2) they didn't need to borrow money to do it anyhow.

But farm bin expansion hasn't been alone in providing new housing for wheat. Commercial elevator building has boomed—and is still booming.

It is estimated that, since last year's harvest, about 12,000,000 bushels of commercial space has been added in Kansas alone. Dodge City has elevator facilities for 2,000,000 bushels more than it had a year ago.

Within 100 miles of Liberal, in southwestern Kansas, some 4,000,000 bushels of new commercial storage has been built—including four elevators in Kansas, six in Oklahoma, and four in Texas.

ENID'S BIG ONE

At Enid, Okla., the Union Equity Cooperative Exchange, which claims the world's largest wheat storage elevator (18,500,000 bushels) has added 4,225,000 bushels to its capacity since last year's crop was harvested.

Grain men in Nebraska say about a dozen new elevators, with capacities ranging from 60,000 to 235,0000 bushels, have been built in that State this year. Small country elevators, they add, have substantially expanded their storage space.

Blueprints point to still more elevator building just ahead. Plans recently have been announced for construction of about 6,000,000 bushels of new elevator facilities in Kansas.

The Kansas Milling Co. is building a 1,000,000-bushel addition at Wichita and the Wichita Terminal Elevator, Inc., will add 2,000,000 bushels. The Farmers Cooperative Commission Co. is expanding by 2,000,000 bushels capacity at Hutchinson. The Dodge City Co-op is adding 500,000 bushels of space at Dodge City. And at Ellsworth the Farmers Union is planning a 250,000-bushel elevator.

CROP DAMAGE FACTOR

While some grain experts still think the storage squeeze would have been pretty severe had the harvest turned out as big as expected, most think the new wheat could have been handled with reasonable smoothness even if the crop had been as large as earlier estimated.

One Kansan puts it this way:

"The latest official estimate places the Kansas crop at about 181,000,000 bushels. As of June 1 it had been estimated at 251,000,000 bushels. Adding that June figure to some 90,000,000 bushels of grain brought over from last year would have given a total of about 341,000,000 bushels. But it is now estimated that farmers have a total of about 282,000,000 bushels of permanent and temporary storage space which, added to about 150,000,000 bushels of commercial space, gives a grand total of 432,000,000 bushels of storage in the State."

The most Kansas wheat reported on the ground at one time this year was 2,000,000 bushels.

"We can take care of more than that in Wichita," says D. L. Mullen, secretary of the Wichita Board of Trade. "We have room right now for 3,090,000 bushels in public elevators and bills, with further space for 3,000,000 bushels as soon as new construction is completed."

Mark Foote

EXTENSION OF REMARKS
OF
HON. ROY O. WOODRUFF
OF MICHIGAN
IN THE HOUSE OF REPRESENTATIVES
Monday, July 25, 1949

Mr. WOODRUFF. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following article by James J. Butler, Washington correspondent of Editor and Publisher, from the issue of July 16, 1949:

MARK FOOTE, CAPITAL DEAN, SERVES SINCE 1913

WASHINGTON.—It is, perhaps, conservative to say that not one of 100 correspondents working the Washington beat today were on the Capital assignment when Mark Foote arrived here in 1913 to represent the Grand Rapids (Mich.) Press.

And it probably is safe to say that, since the retirement of Arthur Sears Henning of the Chicago Tribune, Mr. Foote, who celebrates his sixty-seventh birthday anniversary this week—July 21—is the dean of Washington major bureau chiefs (Booth Newspaper Syndicate) in point of age and continuous active service.

Mr. Foote is passing the birthday anniversary on a brief vacation from his desk. Next week, he'll be back pounding the Capital corridors, reporting political and legislative doings to a readership which includes subscribers who have followed his writings for more than 4 decades.

With the exception of 1 year with System magazine in Chicago, after his graduation from the University of Michigan in 1903, his journalistic career has been in association with Booth Newspapers of Michigan.

WIDELY TRAVELED

While he is nationally known as an authority on politics and news generally affecting Michigan, he has traveled extensively and was the author of a newspaper series on the Far East, in 1935, which became important background for the holocaust which was to flare half a dozen years later. With a small group of journalists he had been invited on a trip which took the party through that region in a combination of work and touring.

Honors have been numerous during the long newspaper career enjoyed by Mr. Foote. In 1941, his alma mater, the University of Michigan, called him back to bestow an honorary degree upon him. His colleagues in journalism have elected him to the presidency of both the Gridiron Club and the National Press Club—a dual distinction enjoyed by only a few. He also is a member of the Overseas Writers and other organizations of his profession.

Frank Murphy

EXTENSION OF REMARKS
OF
HON. GEORGE D. O'BRIEN
OF MICHIGAN
IN THE HOUSE OF REPRESENTATIVES
Monday, July 25, 1949

Mr. O'BRIEN of Michigan. Mr. Speaker, the late Justice Frank Murphy was one of the most distinguished citizens in the history of the State of Michigan. He was a soldier in World War I. He was thereafter a lawyer in the city of Detroit and his natural gifts, his earnestness, and zeal would have won him high attainment had he confined himself solely to service in that profession. In addition he had a remarkable personal magnetism and was one of the most brilliant public speakers of his day with impressive power to sway audiences with his eloquent speech. It was inevitable therefore that he should be attracted into the political arena where he displayed his prowess in achieving election after election to high offices in his native State. He was never personal in his campaigns and confined his appeal to his eloquent presentation of public issues. His service as mayor of Detroit and as Governor of Michigan revealed administrative ability of outstanding character. As the last Governor General of the Philippines and the first High Commissioner he guided the people of those islands toward the organization and establishment of their present Republic and won for this Nation the enduring good will and friendship of the Filipinos. In Washington, he received appointment to the two highest law offices within the Government, Attorney General and Justice of the Supreme Court of the United States. No one can question that he carried into the performance of his duties in those offices the high ethics and the distinguished ability which had characterized his career and that he left a record for posterity in his State and in the Nation.

Miss Loula Dunn for Secretary of Welfare

EXTENSION OF REMARKS
OF
HON. CARL ELLIOTT
OF ALABAMA
IN THE HOUSE OF REPRESENTATIVES
Monday, July 25, 1949

Mr. ELLIOTT. Mr. Speaker, a few days ago, I inserted in the CONGRESSIONAL

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RECORD an editorial from the Mobile Press Register, nominating Miss Loula Dunn for Secretary of Welfare in President Truman's Cabinet, if and when the Congress approves the reorganization plan, providing for the creation of a Department of Welfare in the Cabinet.

Since that editorial was inserted in the RECORD, Miss Dunn has accepted a position as executive director of the American Public Welfare Association with headquarters in Chicago, Ill. Her brilliant record as director of the Department of Public Welfare of the State of Alabama led to the Nation-wide recognition which she has received.

In an editorial under date of July 22, 1949, the Mobile Press Register again points out that the new job of executive director of the American Public Welfare Association does not make Miss Dunn ineligible for the Cabinet position of Secretary of Welfare, but instead this new recognition which she has received increases her stature for the Cabinet post.

As a part of my remarks, I include the editorial of the Mobile Press Register of July 22, 1949, entitled "What Others Think of Loula Dunn."

WHAT OTHERS THINK OF LOULA DUNN

When the Mobile Press several weeks ago nominated Loula Dunn for Secretary of Welfare (a job yet to be created) in President Truman's cabinet, this newspaper had no idea that this week she would accept a position almost as big—executive director of American Public Welfare Association.

But lo and behold. What happens? Miss Loula does accept this new job, presently the highest welfare post in the United States. She is leaving Alabama, her native State, which she has served with distinction, and going to Chicago, her new headquarters, in September. In the new job she will serve the 48 States and United States possessions. Thus there will be afforded an opportunity for greater use of her exceptional talents.

Since the Mobile Press already had paid Miss Loula what it considered the highest compliment, that of nominating her (and seriously) for the Secretary of Welfare post in the cabinet, there was little more to be said, from this newspaper's standpoint, when the other new job bobbed up.

We're leaving that to the other newspapers in Alabama. Here's what some of them had to say when Miss Dunn announced her resignation as director of the Alabama State Department of Public Welfare:

Birmingham News: "The loss of Miss Dunn's services will be a blow to the State. That does not mean, of course, that there are not capable persons left in Alabama to carry on her work, but she will be sorely missed. We congratulate her for having found a larger field in which to work and for having performed here in such noteworthy fashion that others have coveted her abilities."

Montgomery Advertiser: "She was an altogether admirable and high-type Alabama public servant. The Advertiser is more than passing gratified to see her abilities recognized in such an impressive manner, but we are not gratified about the loss to the public service of this State."

Alabama Journal: "The departure of Loula Dunn * * * to become executive director of the American Public Welfare Association is not only national recognition of the great task Miss Dunn has performed in Alabama but is national acknowledgment of the sort of people Alabama produces. Alabama will miss her talent, her genius and her charm, but wherever she goes she will shed luster upon her native State."

And now is as good a time as any for the Mobile Press to have another word or so.

The United States Senate Committee on Expenditures in the Executive Departments is considering President Truman's proposal for setting up a Department of Welfare, administered by a secretary with full Cabinet rank.

The plan would automatically become law on August 19 if Congress should remain in session through that date and if, in the meantime, neither the House nor the Senate had disproved the plan by a required constitutional majority.

Here and now, the Mobile Press renominates Loula Dunn to head this new Department, if it is created. Her new job does not make her ineligible; it increases her stature.

Veterans Readjustment Allowances

EXTENSION OF REMARKS

OF

HON. PETER W. RODINO, JR.

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Monday, July 25, 1949

Mr. RODINO. Mr. Speaker, it is a regrettable fact that this day will mark the end of the so-called 52–20 Club. As a member of the House Veterans' Affairs Committee, I had hoped that in view of the increase in unemployment among our veterans that action would have been taken long before today for an extension of the readjustment allowance benefits. It would seem that such an extension would have been justified when it is noted that most deserving veterans will now be precluded from enjoying any GI benefits at a time when they are in actual need. It is significant that many of those hard hit by unemployment are veterans who did not seek any aid from the Government, but who immediately upon their discharge from the service sought to make their own way.

In one county alone in the district which I represent, as of May 1949, there were some 7,700 unemployed veterans. And the number has been steadily rising. A substantial number of these veterans are in fields of uncovered employment; that is, they are not entitled to State unemployment compensation.

Under leave to extend my remarks, I wish to include excerpts from a letter addressed by Harold A. Keats, national commander of the AMVETS, wherein I believe a good case is made out for the continuation of these benefits:

It is the contention of this organization, a contention borne out by a multitude of reports from the field offices and individual members of our organization, that due to economic conditions within the Nation at the time of the mass discharges in late 1945 and early 1946, which were due to the conditions within the body politic of America, the period of readjustment chaos that was expected by your committee and by our Nation did not happen in the degree expected. However, it is our contention, that now as the first signs of real unemployment due to the reversal of our economy from inflation to deflation hits the country, that period of readjustment that we expected then is now occurring. The veteran who served from 3 to 5 years in the armed services is now the low man in seniority scales in the employment field. Therefore, quite naturally the veteran is the first man to be displaced in this period of growing unemployment. It is therefore an actuality that the period of readjustment that was considered in the enactment of the servicemen's readjustment allowance, is now upon us.

One of the very basic questions in consideration of the extension of the readjustment allowance is its past performance. In this connection we are indeed proud of the veterans of World War II and the method by which they have utilized this benefit. It is true, undoubtedly, that there have been some few veterans who have taken unfair advantage of a generous offer by their Government, but the vast majority of veterans have utilized the serviceman's readjustment allowance constructively and in keeping with the intent of the act. AMVETS has made an intensive survey of this subject and has these figures to report. During the period of readjustment allowances, 49.3 percent of the total veterans in our survey have filed a claim. By this we mean that only this percentage, which is less than half the veterans surveyed, have filed any claim. Actually, only 38.1 percent of them have drawn any payments from the Government in this program. Of those 38 percent who have drawn, only 31.06 percent of all the veterans surveyed drew unemployment benefits, the remainder drawing self-employment benefits, at which no criticism has been leveled. Therefore, less than one-third of these veterans have drawn any benefits as unemployment compensation under this program. Out of that one-third who have drawn, a further review of our figures reveals that the veteran has drawn an average of 21 weeks, or approximately one-half of his entitlement.

We draw particular attention to the fact that only 3.6 percent of the veterans surveyed have exhausted their benefits. We therefore believe conclusively, that there is no foundation whatsoever in fact to the statement that veterans have made use of the readjustment allowance as a gravy train.

We particularly call your attention to the fact that with an extension of readjustment allowance as provided in H. R. 1374, which provides for no duplication of benefits, those few veterans who have exhausted entitlement would continue in a stage of exhaustion of the benefits. Further, without passage of this act, 50 percent of the veterans who have never filed a claim will never have the opportunity, although this period in the economic history of America will probably be the first time that they have had any real need for the benefits. Also the 96.4 percent of the veterans who have drawn less than their full amount will definitely be in need of this protection during this oncoming period.

At the same time we would like to draw your attention to the fact that 41½ percent of the veterans surveyed are in so-called uncovered employment. That is, they are not entitled to State unemployment compensation. A report from the State of Michigan reveals that there are approximately 36,000 veterans now drawing this readjustment allowance, who will not be covered by State unemployment-compensation programs. This is a typical thing. In this connection, we would also draw your attention to the fact that there are no duplications of benefits between State unemployment-compensation and servicemen's readjustment allowances.

Therefore, we plead with the members of this committee to consider this bill, to hold hearings, and to favorably report it to the Congress, for it is our contention that, by failure to extend this bill, you are breaking faith with the veteran who has shown good faith with his Government during the period since the end of the war and who now faces the cold shoulder of unemployment. The unemployment that strikes at the veteran today, strikes at the veteran for but one reason, because of his loss of seniority, experience, and time on the job due to his service for all of us.

Sincerely yours,

HAROLD A. KEATS,
National Commander, AMVETS.

Farm Program

EXTENSION OF REMARKS
OF
HON. WALTER NORBLAD
OF OREGON
IN THE HOUSE OF REPRESENTATIVES
Tuesday, July 19, 1949

Mr. NORBLAD. Mr. Speaker, under leave to extend my remarks, I include herewith an editorial written by Mr. C. L. Ziegler in the Carlton-Yamhill Review, of Carlton, Oreg., which contains a very interesting discussion of a proposed permanent farm program:

MAN IS CAPABLE OF FINDING SOLUTION

Agricultural prices bid fair to become the top domestic question of the day. Certain commentators state the Brannan plan will be used to return the Democrats to power at the next election. Some even point to the fact that Brannan himself will be the new fair-haired boy of the party because he has come forth with the plan that promises most to producer and consumer.

If it were not for the fact that the "gravy" which he promises to both producer and consumer must come out of taxes, and that these taxes must come out of the pockets of these self-same producers and consumers, the plan might attract widespread support. As it is, that is still a possibility for producers and consumers have not yet become sufficiently aware that it is they who must pay the taxes.

Therefore, our biggest economic question will become a political football and men will put their political fortunes ahead of their country's welfare.

Sometimes it is wise to restate our problem, in order that we do not stray too far from the subject.

Food prices fluctuate. When they go too high, the cost of living goes up, and that starts a vicious cycle of price and wage raises, inflation, and many unorganized and unprotected groups are caught in the squeeze and suffer.

Then when food prices fall the farmer receives less than cost of production and loses his farm. Then everything else tumbles and we have deflation, depression, high Government spending for relief, and more taxes.

Extreme fluctuation, gambling, and speculation which thrive on fluctuation, must be eliminated before our problem will be solved.

The principal excuse given for fluctuation in prices is shortage and surplus. When analyzed, it is not shortage and surplus so much as it is the absence of orderly and planned marketing.

As an example, in the Oregonian of July 8 is the following:

"The glutted cattle market which developed at Portland Union stockyards at midweek continued and perhaps was even more so Friday. Heavy marketings found little or no interest on the part of buyers.

"About 400 head were unsold at the close and were without bids for the most part.

"The sudden increase in marketings was attributed by observers to two main factors. Producers, it was said, lacked confidence in the market later in the season, and were seeking to unload now in anticipation of a possible price break."

No crop can be mentioned but what has its fluctuation, either due to local manipulation, lack of planned marketing, or overwhelming cheap competition from foreign imports, encouraged by free trade.

So much for the problem. Now for the solution.

It is nothing short of criminal to allow such a fundamental problem to become a political springboard for power-hungry politicians.

The problem cannot be solved by farmers' organizations or co-ops, because farmers' organizations do not pull together and are more or less political in themselves.

It will require participation of the Department of Agriculture to act as a planning and coordinating agency.

In order that taxes may not be increased, it will require payment by the farmer out of crop money into a stabilization fund to take care of cost of handling surpluses. Something on the order of Federal Deposit Insurance for the protection of banks; pension and social-security premiums on the part of labor.

The farmer is the only producer in America who, when he sells, says "How much will you give me for my produce?" Therefore, farm commodity prices should be set by the farmer, through his triple A committeemen, acting in conjunction with the United States Department of Agriculture.

As an example, instead of wheat fluctuating between $1 and $3, set the base price of a base grade for the 1950 wheat crop at $2 per bushel. Each grower pay a predetermined amount, say 10 cents per bushel, into a stabilization fund. If a surplus develops which is beyond our ability to store against a possible shortage, then it can be sold at a reduced rate or given away to some nation that needs it, the loss to come out of the fund set up by the grower.

It might be necessary to impose restrictions and set a lower price the following year if production became too plentiful. It might even be necessary to vary the protection according to the size of the unit, in order to protect the family-size type of farm and protect farming as a way of life.

Is this advocating a planned economy? Yes. Would it destroy freedom of enterprise and the American way of life? No. General Motors adopted a planned program when it decided strong dealerships were necessary to the success of their organization.

With the help of a revolving fund they established and strengthened one of the most successful distribution organizations in the automotive industry. The dealers paid the money back. They stand on their own two feet, entirely independent. Did the use of a plan ultimately result in their control? No. Did it go contrary to the American way of life? No. In fact, it is intelligent planning which has built the American way of life, and it will be further planning that will preserve it.

The whole point is, if we remove politics and put forth an honest effort toward solution, a workable solution will be found, for man is capable of it.

Political School Bells

EXTENSION OF REMARKS
OF
HON. FRED L. CRAWFORD
OF MICHIGAN
IN THE HOUSE OF REPRESENTATIVES
Friday, July 22, 1949

Mr. CRAWFORD. Mr. Speaker, under leave to extend my remarks, I include the following from a letter which I have sent to some of the residents of the Eighth Congressional District of Michigan:

Political school bells are ringing as students from labor unions wend their way to summer schools to learn how to take over in the 1950 elections. It's all a part of the drive for a labor-socialist Government in this country. Labor itself makes no bones about it. The United States News reports some labor leaders feel if they gain 15 seats in House and 5 in Senate they will have clear control of Eighty-second Congress. In their own private publications, however, labor leaders are talking in terms of need for 39 House seats for safe margin.

Labor has opened its campaign to win the 1950 election. On July 1, Phil Murray, CIO boss, issued an edict to all CIO members declaring, "I issue this call for political action now" and directing "each member of the CIO to contribute his dollar now to our Political Action Committees." AFL's Labor League for Political Action has voted to call on the 8,000,000 AFL members for $2 each.

Leaders in this vote drive throw a flimsy screen of "nonpartisan politics" around their campaign but in their own private union publications they reveal they seek to set up a Labor Government by using the Democratic Party as the vehicle and by ousting old-line Democrats and "put in their place liberal Democrats."

CIO summer schools giving courses in political action will start in August and run through September. The schedule follows: for Indiana, Kentucky, and Illinois, at Bloomington, Ind., August 7–13; for Michigan at Port Huron August 14–September 2; for New York, Pennsylvania, New Jersey, Massachusetts, Vermont, and Connecticut, at University of Connecticut August 21–26; for northern New York, at Farnham August 25–28; for Georgia, North Carolina, Alabama, Maryland, Virginia, Florida, Delaware, Tennessee, and South Carolina, at Black Mountain, N. C., August 27–September 2; for Ohio-Pennsylvania, at Camp Muskingum, Ohio, August 28–September 3; for Missouri, Texas, Colorado, Arkansas, Oklahoma, Kansas, and Louisiana, at Hollister, Mo., September 4–10; for Illinois and Wisconsin, September 12–17, at Waukegan. Schools for Pacific coast States scheduled late September or early October. AFL's UAW summer school has already been held at Madison, Wis.

There is nothing new about labor schools. Under the guise of "workers schools" the Communists have operated the Abraham Lincoln school in Chicago, the California Labor school in San Francisco and the Jefferson school of social science in New York. All are on the Attorney General's subversive lists. Current conspiracy trial of red leaders in New York reveals workers attending these schools were told how to take over the country through a third-party movement. This they tried in last election when the Communists supported Henry Wallace. However, the two major labor groups of the country plan to get control of Congress through the two-party system.

CIO leads training of labor politicians. In 1946 the CIO launched a school of political action in Washington. It was the first practical school of political instruction of its kind attempted. A representative of this office attended and a complete file of the course is on file here. The scope of the course covered the entire political field from building precinct organizations, raising funds, organizing the clergy, veterans, nationality groups and others to advertising and election-day techniques. The school was so successful that courses are now given in regular labor summer schools throughout the country.

This is labor's right. The question is, Does the country want a labor-socialist government? If not, what do those who oppose current ideological schemes propose to do? If members of both major parties who are opposed to the drift to a socialist state continue to slumber, they may have a rough awakening November 8, 1950—the day after next election. To date we have heard little about any activity within the two major parties except that stirred up by labor over the Taft-Hartley law and socialized planning.

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Is this the way you taxpayers want it? Too many Republicans awakened last November to learn the wages of their political inactivity. You can't buy good government. You have to vote it.

CIO GOAL CLEAR

The United Auto Worker, the paper that speaks for Reuther's union, declares in its July issue, "A switch of 39 votes would make the next Congress definitely prolabor." Then it points out, "There are 64 districts now represented by Republicans where a 5 percent shift in voting would make a difference. This CIO union leaves the nonpartisan field when it states, "Labor and liberal forces, if properly organized, can unseat scores of conservative northern and western Republicans in the next election and put in their place liberal Democrats."

AFL's auto workers union will designate a leader in each congressional district to head up a political organization which is to begin work at the precinct level, listing union members, getting them registered, seeing that they vote and even determining the number of favorable votes expected so the local union committee will have a constant finger on the political trends of the community.

Its call to action appears in the CIO News under the heading "No Time to Cry—So Go to Work" and said regardless of what happens on Capitol Hill during the remainder of this congressional session we have a job cut out for us. It's political action of the same type we engaged in last year, but more of it. A lot more of it.

Directions have gone forth for labor to begin now and not only set their sights on congressional seats but also on State and county and even city and township offices. CIO ties its dollar-per-member to the laborer's pocketbook. It says (CIO News, July 18), "There's a definite and close connection between the buck you give to PAC and the bucks you get—or don't in your pay envelope. The amount withheld to pay your income tax, the charge imposed on you for water and sewage service, the kind of a school your children attend and the type of roads you drive on are determined to a large degree by political action.

Artificially Alarmed

EXTENSION OF REMARKS

OF

HON. THOMAS J. LANE

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Monday, July 25, 1949

Mr. LANE. Mr. Speaker, under leave to extend my remarks, I wish to include the following article from the Boston Sunday Post, Boston, Mass., Sunday, July 24, 1949:

DULLES' REPORT POINTS NEED OF WATCHING OUR OWN REPRESENTATIVES—THIS POLICY OF "SCARE" METHOD NOT NEW IN WASHINGTON PLAN TO CREATE DESIRED PUBLIC OPINION

(By John Griffin)

One of the most revealing statements ever made by an American diplomat was uttered in the United States Senate during the debate on approval of the North Atlantic Pact. It was made by JOHN FOSTER DULLES, recently appointed to the Senate by Governor Dewey, of New York.

Senator DULLES, who is one of the most influential Americans and through his specialized knowledge of foreign affairs has represented the United States on many occasions, was arguing in behalf of the pact and in order to bolster his point, told something about the Paris meeting which resulted in lifting of the Berlin blockade but which failed to achieve a working agreement with Russia.

Senator DULLES said: "At Paris last month there was some discussion as to whether to accept at all the Soviet-proffered truce and to resume, even on a tentative basis, Four Power consultations. The reason was that some feared any relaxation of east-west tension would bring a corresponding relaxation on the part of the American people, and, therefore, they need to be kept artificially alarmed."

Take note of that phrase which says the American people "needed to be kept artificially alarmed." It is an amazing statement, any way you want to look at it, and it is a startling confession.

AN APPALLING SUGGESTION

At the time Senator DULLES made the statement it was hardly noticed, but later, when he was questioned about it, he said the suggestion came from some American diplomats on "a lower level." In other words, it was not offered by any of the official representatives who were at the top of the group.

But it was made by representatives of the State Department, and it is an appalling thing. Here is a democracy in which the people should at all times be fully informed, for theoretically decisions affecting important affairs are supposed to represent the thought of the American people.

And yet some of their representatives hold to the theory that the people must be played for suckers. Now, this is no shock to those who have kept track of the way things have developed in the last few years, for there has been evidence right along of the fact that some Washington officials believe in fooling the people.

But this is the first time the bald fact has been stated, and all the explanations can't erase the fact. Senator DULLES went on to say that "that thesis we rejected. We believed that the American people could be trusted with the truth."

That's what he felt, but that isn't what some members of his delegation felt. They wanted to keep the American people "artificially alarmed."

If the United States Senate passes up the obvious duty to investigate into that attitude of mind on the part of American representatives, it is going to find a great loss of confidence will result.

EXTREMELY DANGEROUS ATTITUDE

That viewpoint on the part of State Department representatives is an insult to the American people, but, more than that, it is extremely dangerous. It is putting things over on the people who are supposed to make the decisions on matters involving a departure from traditional American policies.

But it isn't only in the State Department that such views are held. There are others in Washington and in high places in the Capital who have acted on that theory for a long time. It was evident throughout the discussions on the draft and universal military training.

This column has remarked on it many times, but people are reluctant to believe that their own officials would deliberately set out to sway them through propaganda. And that is just what it amounts to; propaganda used by American officials against the American people.

It doesn't require a remarkable memory to recall the use of that technique in the fight over the draft and universal military training. The scare method was widely used, and the effort was to make people believe that if they didn't support compulsory training there was great danger of immediate war.

It was phony all the way, but some people took it all, hook, line, and sinker, and never realized they were being played for suckers. The scare technique has been so widely used that it has become almost commonplace.

It is being applied almost every time an important question arises. The people are artificially alarmed as every sort of argument designed to stir up the people was attempted by those in favor of universal military training, and although most of them were disposed of long ago, there are still advocates who insist on prolonging the discussion.

DIDN'T WORK THAT TIME

But most of those who honestly believed in such a program finally got down to the point of admitting that the only legitimate reason for such a program is military necessity. Others, who have a stake in it one way or another and stand to benefit by it, offered such inducements as health benefits, civil loyalty, and educational values.

When it was realized by the people that military necessity was the only possible justification, the scare technique was brought into play and the people were artificially alarmed.

It didn't happen to work that time, but from the statement of Senator DULLES, it is clear that that technique has not been abandoned by some American officials.

To say that the American delegation decided at Paris not to undertake such artificial alarming of the people doesn't dispose of the fact that it was seriously suggested by members of the delegation. Whether they were on a high level or a low level makes little difference; they were in responsible advisory positions.

Apparently the American people need to be on guard not only against foreign encroachments, but also against some of their own representatives.

Roosevelt Wrong Again—British Blame Him for Present German Program

EXTENSION OF REMARKS

OF

HON. LAWRENCE H. SMITH

OF WISCONSIN

IN THE HOUSE OF REPRESENTATIVES

Friday, July 22, 1949

Mr. SMITH of Wisconsin. Mr. Speaker, the British now charge that President Roosevelt is responsible for the policy of "unconditional surrender" which has led to the present situation in Germany, including the dismantling program. It seems strange that this charge would be made when the accused is dead and cannot reply. Winston Churchill is thus in a bad light. But there is corroboration for his charge right here in Washington. The Associated Press reports, "that former President Roosevelt was solely responsible for the unconditional surrender policy."

And so, Mr. Speaker "unconditional surrender" and all that has happened to Germany since is in the same category with Tehran, Yalta, and Potsdam. In all of our history there has been no more dismal failure of foreign policy than those I have cited. Hate, revenge and vindictiveness has led us down a blind alley and today our "ship of state" is swamped.

Mr. Speaker, I am including a news article that appeared in the Washington Post today:

SURRENDER POLICY DECRIED—BEVIN BLAMES ROOSEVELT FOR DIFFICULTIES IN GERMANY

(By Ned Russell)

LONDON, July 21.—President Roosevelt's demand for unconditional surrender of

Germany was blamed today by Foreign Secretary Ernest Bevin for most postwar difficulties of remodeling Germany into a western-type democracy.

Bevin clashed with wartime Prime Minister Winston Churchill in the House of Commons over the German problem, particularly in connection with the Labor government's policies on dismantling Germany's potential war industries and the trials of accused German war criminals.

Churchill wanted the dismantling and trials stopped now on grounds their continuation discourages the German people from their tendency to align themselves with the West.

Bevin struck back bitterly at his Conservative critics and forced Churchill to explain his attitude toward Roosevelt's famous declaration at their Casablanca conference in 1943.

"Our German policy," Bevin said, "began with the declaration at Casablanca of unconditional surrender, on which the British cabinet or any other cabinet never had a chance to say a word.

"But it did leave us a Germany without a law, without a constitution, without a single person with whom to deal, and without a single institution to grapple with the problems. We have had to build absolutely from the bottom with nothing at all."

Bevin said the first time he heard about unconditional surrender was when he read it in the newspapers.

Churchill said he never had heard of the idea of unconditional surrender until Roosevelt announced it at their press conference after the Casablanca meeting. He revealed also he seriously considered disassociating the British Government from the declaration, but he could not. Anyway, he said, he still does not think it had any "very evil consequences."

"Hitler * * * and those guilty men around him were in the position that they could not look for pardon or safety for their lives, and they certainly would have fought to the death," he said.

"I have not the slightest doubt," Churchill said, "that the British Cabinet, if they had considered the phrase around the table, would have decided against it. But working in a great alliance, we have to accommodate ourselves."

Bevin acknowledged his share of responsibility for British indorsement of the President's declaration. He was Minister of Labor in Churchill's coalition government.

"I am not making any complaint," Bevin said. "In war all things arise. * * * When this matter was reported to me I said (to Churchill): 'Well, it's done. We have got to make the best of it.'"

But Bevin insisted that the "unconditional surrender" demand was responsible for the shambles in which Germany ended the war. As a result, he said, the German problem had been made enormously complicated and he admitted that there is a new danger of nationalism emerging in Germany.

"All the difficulties of remodeling Germany," he said, "have largely come undoubtedly from that very grave decision."

On the dismantling issue Bevin also criticized the United States for its numerous changes in policy. Harold MacMillan, who had opened the debate for Conservatives, had accused him of unnecessary delays in carrying out the original dismantling agreements and warned against the danger of "a new Russo-Germanic coalition" resulting from German dissatisfaction at the policy of the Western Allies.

"America took one view of dismantlement (the severe Morgenthau plan) and then altered it. Then they had inquiry committees and put up entirely different proposals," Bevin explained.

After dropping the Morgenthau plan, so named because it was proposed by then Treasury Secretary Henry Morgenthau, Jr., the United States later proposed stopping almost all dismantling in order to leave equipment for rebuilding Germany. Britain insisted on continuing substantial dismantling operations and a compromise was reached this spring.

Bevin recalled how the United States originally had urged a maximum of only 5,800,000 tons of steel production for Germany, while he had to argue for 2 years to get the limit raised to 11,000,000 tons.

Pointing out that most of the disputed German plants were in the British zone, Bevin said: "I had to hold up all this dismantling for months while two committees were trying to decide what to do. I promised Moscow that I would clear up this No. 1 war plan by June 19, 1948, and here I think the Russians have a grievance.

"I said I would try my hardest to do it, but I was completely upset by the Allies. America took one view at one time and then altered it and then put up an entirely different proposal."

Churchill, however, thought the dismantling program should be stopped where it is.

Discussing the Morgenthau plan, Churchill said:

"It was a document published by Morgenthau on this (Quebec) conference. There was an agreement, and it was initialed by the President and by me and it undoubtedly proposed treatment of Germany which was harsh in the respect that it largely limited her to being an agricultural country.

"But," Churchill said, "it all came to nothing because the American State Department as well as the British Foreign Office rejected it."

"Anyhow," Churchill said, "If the document is ever brought up to me I shall certainly say: 'I did not agree with that and I am sorry I put my initials to it'."

Both Churchill and MacMillan criticized the long delay in trying some German generals and field marshals.

Bevin admitted the delays were disturbing, but he added: "Many privates, corporals, and sergeants have been shot and I cannot see why an eminent field marshall who is alleged to have given the orders should not be tried for giving the orders."

Then he taunted Churchill: "I don't find any Conservative who subscribed one penny for the defense of a single private.

SURRENDER-POLICY LINK NO SURPRISE TO CAPITAL

(By the Associated Press)

Statements by British leaders that former President Roosevelt was solely responsible for the unconditional surrender policy in World War II caused no surprise among American officials.

Top American wartime leaders have reported that Roosevelt did initiate and insist on the policy.

There was no immediate comment on Foreign Minister Bevin's complaint this policy caused difficulties in Germany.

The Indonesian Situation

EXTENSION OF REMARKS

OF

HON. JOHN DAVIS LODGE

OF CONNECTICUT

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 21, 1949

Mr. LODGE. Mr. Speaker, under leave to extend my remarks in the Appendix of the RECORD, I am inserting four newspaper articles by the late S. Burton Heath which appeared in the Washington Daily News on July 13, 14, 15, and 16.

S. Burton Heath met a tragic and untimely death in the terrible disaster which overtook a Dutch passenger plane at Bombay a short while ago. Mr. Heath was 1 of 14 newspapermen whose lives were lost in this lamentable catastrophe.

These articles are highly illuminating and substantiate the contention that many of the so-called Indonesian republicans are hardly imbued with the spirit of '76. I place them in the RECORD in order that my colleagues may read this valuable testimony by a reputable and talented man who lost his life in the process of collecting it. I insert this evidence also in order that those who have been under a misconception about the Indonesian situation may learn the truth before Indonesia, too, has been enslaved by godless Communist imperialists.

[From the Washington Daily News of July 13, 1949]

OUR BLUNDER IN INDONESIA

(By S. Burton Heath)

BATAVIA, JAVA.—United States diplomacy has committed another major blunder in the Far East. Having lost China, we have now given Moscow the opportunity, for which she has been waiting and working, to move into Indonesia, an area that might prove the key to a major war in the Pacific.

Directly and through the United Nations, we have forced the Dutch to free Indonesia so quickly and suddenly that, for the next 5 years, during which world war III may be made either unavoidable or improbable, there will be no stable government here.

We have thrown our wholehearted support to the least democratic, least western-minded political group in the islands, thereby giving it a position of dominance in the coming new government.

Military and businessmen feel sure that Washington must be aware of the strategic importance of Indonesia, in any possible war between Russia and the democracies. There are two major reasons for this:

First, because these islands are an aerial cross roads of the South Pacific. From Batavia to Australia is only 1,600 miles; to the Philippines is about 1,400 miles; to Singapore is only 500 miles. From Java, from Borneo, from Sumatra, from Celebes, modern long-range bombers could harass the Philippines, Australia, the sea routes of the Indian Ocean, the South China Sea, the South Pacific in general.

Second, because the islands are rich in vital oil. There are known reserves of a billion barrels. A. Wright, acting general manager for Standard-Vacuum, has no doubt that another billion could be discovered when needed.

SOVIET AGENTS BUSY

China is pretty thoroughly in Moscow's hands now. Soviet agents are operating diligently in Indochina, Burma, Malaya. Observers who have studied that area would be surprised if the Communist push is not continued southward from China toward Indonesia.

This fear is strengthened by statements made in Moscow the other day by Evgency Zhukov, corresponding member of the Soviet Academy of Sciences. In a report shortwaved to this area, he told of the role played by the Soviet Union in independence movements here, in Malaya and Burma and Viet Nam and elsewhere.

TREMENDOUS STAKE

Many non-Dutch observers here believe that the United States, Britain, and other western democracies have a tremendous

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stake in the maintenance of a stable government here. Such a government would be anxious and able to resist Soviet aggression, and, against a real attack in force, could be trusted to call upon the western military powers for assistance.

There was a chance to get such a government here. The United State deliberately turned its back on that opportunity, and gave its whole-souled support to a group whose intentions are questionable and whose ability is yet more doubtful.

[From the Washington Daily News of July 14, 1949]

INDONESIA NEEDS 5 YEARS' HELP TO RESIST THE REDS

(By S. Burton Heath)

BATAVIA, JAVA.—Before the end of 1949, the Indonesians probably will be free, after more than 300 years as a Dutch colony. Their freedom will be complete and unconditional.

It will be at least 5 years, after that, before the government of the United States of Indonesia will be stable enough to resist strong pressure from Moscow.

That is the estimate of Sutan Sjahrir, political adviser of the government of the republic, which the United States has backed unreservedly against the Dutch and a majority of Indonesians.

Even that 5-year period, Sjahrir says, depends upon assistance from the Western World. Without such aid, stabilization might take much longer, or Indonesia might have to turn to Russia.

But President Soekarno said he could not imagine any circumstance in which he would invite the Dutch, or the Americans, or the British, to help resist Soviet or native Communist interference.

He expressed complete confidence—which few impartial observers feel—that he has enough loyal troops to handle anything that might arise. He says there are only a few hundred armed Reds in Indonesia. He did not account from some 30,000 Communists who were arrested by his government in the Stalinist coup last September, and released from prison in December when the Dutch attacked Djokjakarta in the second military action.

President Soekarno and Vice President Mohammed Hatta have been bitterly attacked for their collaboration with the Japanese during World War II, on the one hand, and have been branded as Communists on the other.

Sutan Sjahrir, who led the anti-Jap underground during the war, says it was formerly arranged that Soekarno and Hatta should pretend to collaborate, while he and Amir Sjarifuddin—who is supposed to have been executed as a leader in last year's Red revolt—served under cover.

REDS IN CABINET

Most credible observers, including most of the Dutch, do not believe that either Soekarno or Hatta is a Communist. But they have appointed 17 recognized Reds and fellow travelers to their cabinet. The general opinion is that Soekarno is a sincerely patriotic rabble rouser, a figurehead but not a strong man.

His army—the TNI—appears to include a large proportion of genuine patriots who believe they are fighting for liberty, and who, in a guerrilla fashion, are organized. But it also includes organized bands of Communists, and other organized bands who seem to be little better than bandits, who use the TNI as a cover for their activities.

STABILITY REMOTE

It has been difficult to find any indication, beyond the mere words of the Republic's leaders, that they possess sufficient control over their followers to set up that stable government which is so badly needed here in the next few years.

[From the Washington Daily News of July 15, 1949]

INDONESIAN REPUBLIC JUST ONE STATE IN NEW NATION

(By S. Burton Heath)

BATAVIA, JAVA.—The Republic, proclaimed out of Japanese headquarters by two wartime collaborators, will be only one negara—state—of the United States of Indonesia that is to be created this fall in The Hague.

There will be six or eight others. The exact number, and their territorial limits, have yet to be decided.

These and other details of the constitution will be debated by a provisional parliament that will be convened after independence has been formally granted.

But because the United States has boldly and unswervingly backed this Republic in all its controversies with both the Dutch and the rest of Indonesia, the Republic—and President Soekarno and Vice President Mohammed Hatta—will go into the constitutional convention in a very strong position.

The Republic has never held an election for any office—executive or legislative—in the almost 4 years it has been in existence. On the other hand, the negara of East Indonesia has held elections by secret ballot for all local offices, and in September will elect a negara parliament by secret ballot. And Borneo is preparing to establish an island-wide negara with democratic elections.

So the American action has served to give undue weight, in the framing of a constitution for the United States of Indonesia, to the least democratic of all major groups in the islands. This creates a possibility of trouble next year that would be just what any Communist group would love.

The Federalists—typified by the East Indonesians and the Borneans—and the Republic are meeting in an inter-Indonesian conference to agree on a provisional government to which the Dutch, at The Hague, can turn over sovereignty.

Since both groups are anxious for freedom, some observers feel they will avoid every possible ground for disagreement, putting it off to the constitutional convention.

At The Hague, these observers reason, the Dutch will sign almost anything to get out of this mess.

UNSOLVED QUESTION

The Indonesians will get their independence without having solved the question that has caused bloodshed and rioting ever since 1945—how far can the Soekarno-Hatta republic impose itself on the rest of Indonesia?

Then, probably next year, the constitutional convention will meet. If both sides are of good will, there is no question that cannot be solved.

But, with the Dutch gone, with the only important armed force the Republic's TNI, the Republic is going to have an argument out of all proportion to its importance or the logic of its position.

CIVIL WAR?

It may well be able to force its will on the rest of Indonesia, or start a long period of civil war as an alternative.

[From the Washington Daily News of July 16, 1949]

OBSERVERS CONVINCED REPORTS ON INDONESIA ARE DISTORTED

(By S. Burton Heath)

BATAVIA, JAVA.— Two years ago, the United States still had two choices in Indonesia. Desiring a stable, strong, friendly government as a bulwark against communism, it could have chosen the republic—which it did—or the Federalists.

Our State Department took the Republicans at their own face value. It ignored the collaborationist wartime records of President Soekarno and Vice President Mohammed Hatta. It waived the strong infiltration of Moscow-trained Communists, most of them now dead or gone, but all then in high places.

It accepted as democrats a self-appointed oligarchy which had never gone through the pretense of democratic processes—and has not to this day.

The State Department, and the United Nations under American leadership, refused to listen to a delegation of four eminent Indonesians who went to the United States to tell the world that the Republic did not represent all of Indonesia, but only one part.

WHO SOLD BILL OF GOODS?

A group of American newsmen, circulating freely through the islands, has been trying unsuccessfully to discover who supplied the State Department with the information on which this course was based.

Only two things have been established beyond doubt:

One is that representatives of the State Department here actively resent the coming of American newspapermen, who almost unanimously condemn the State Department's Indonesian policy as a menace to United States security.

ANTI-DUTCH BIAS

The other is that American and Australian junior officers, assigned as field observers for the United Nations, are convinced that their factual reports are being disputed before they are passed on to Washington, Canberra, and Lake Success. They say it is useless to submit anti-Republican or pro-Dutch reports.

(NOTE. — Scripps-Howard correspondent, William H. Newton, killed in the same crash as was Mr. Heath, reported the same thing in a dispatch which was published in the News.)

These reports pass through the hands of Australian Brig. C. E. Prior and United States Col. W. B. Carlock, whose responsibility it is to blend them into a homogeneous picture of what is going on.

There is no question, in the mind of anybody who has traveled around these islands, that all the Indonesians want independence, as quickly as possible. There is no question—even the Dutch here admit it—that the Dutch have been most inept in handling a touchy situation and in presenting their side of the controversy to the world.

STATE DEPARTMENT CHOSE

The question for Indonesia was simple: Should the self-appointed Republic oligarchy, representing principally Java, impose a unified national state on some 39 other nationalities, scattered over an area almost as big as the United States? Without even hearing the other side, the United States answered that one "yes."

The question for the United States, also, was simple. Should the change-over be in the hands of a moderate group—free alike from Jap collaboration and from Stalinism—that would welcome advice and assistance while they were getting on their own feet? Or should it be in the hands of Soekarno-Hatta, who wants every Dutchman out at once, and cannot conceive of needing help from the United States?

The State Department chose Soekarno and Hatta.

Churchill Says Britain Must Earn Its Way

EXTENSION OF REMARKS

OF

HON. DANIEL A. REED

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Friday, July 22, 1949

Mr. REED of New York. Mr. Speaker, I notice that Mr. Winston Churchill, in

his July 23, 1949, speech at Wolverhampton, said among other things:

Never before in the history of human government has such great havoc been wrought by such small men.

I note also his denunciation of "Socialist spendthrifts and muddlers." We have been cursed over here, I would say to Mr. Churchill, with New Deal incompetence, social quackery, blundering planners, interventionists, internationalists, all of them trying to support with our taxpayers' money the very socialistic government in England which Mr. Churchill indicts and condemns.

Now we are about to arm, at our taxpayers' expense, the continental governments which from time immemorial have not infrequently been England's enemies. When billions have been spent to arm a group of foreign nations, then will it be another case of furnishing not only the materials but the money, the men and the cost of maintenance required by this great military Frankenstein. Are we to repeat the blood fiasco of arming Japan. God forbid.

I wish our spenders and those in both our political parties would, before our people become more deeply mired in the New Deal swamp of financial quicksand, listen to this observation of Mr. Churchill's, that—

Our Socialist spendthrifts and muddlers have dissipated every overseas asset they could lay their hands on and, in addition, have exacted and extracted from our people a higher rate of taxation than was required at the very height of the war.

Under a unanimous consent heretofore granted, I am inserting an article as a part of my remarks which appeared in the New York Herald Tribune under date of July 23, 1949:

CHURCHILL SAYS BRITAIN MUST EARN ITS WAY—LINKS LABOR'S POLICY WITH COMMUNISM—ASSERTS THAT NEVER BEFORE HAVE SUCH SMALL MEN WROUGHT SUCH HAVOC

WOLVERHAMPTON, ENGLAND, July 23.—Winston Churchill said today that the Conservative Party's main aim is to restore the greatness of Great Britain, and "the first essential step is to regain our economic independence by earning our own livelihood."

Socialism and communism, he charged, differ only in methods.

The wartime Prime Minister, speaking before a sell-out crowd of 40,000 in the Wolverhampton soccer arena, said the Labor Government had steered Britain near to a ruin which would "carry many other nations with us into chaos and communism."

"Never before in the history of human government has such great havoc been wrought by such small men," declared Mr. Churchill, departing from his prepared text. The aside recalled his tribute to the Royal Air Force fighters in the Battle of Britain: "Never in the field of human conflict was so much owed by so many to so few."

DENOUNCES "SPENDTHRIFTS"

Mr. Churchill denounced "Socialist spendthrifts and muddlers" in a major policy speech bidding for public support in the Parliamentary election due some time before the expiration of the Labor Government's 5-year term in mid-1950.

The crowd that jammed the stadium here, the home of the national champion Wolverhampton Wanderers soccer team, gave Mr. Churchill a hearty reception. There were cries of "good old Winnie" as he entered, standing in the rear seat of an open car. He waved his high-crowned derby and, with the inevitable cigar jutting from his lips, gave the "v-for-victory" sign.

Mr. Churchill, in his speech, elaborated on the Conservative Party platform made public a few hours earlier today.

EXPLAINS PARTY PLATFORM

"We mean to set the people free, so far as possible and as soon as possible, from wrong-headed planning and from official interference with our daily life and work," he said.

"Our Tory (Conservative) faith is that the gifts and genius of our men and women, if released, will not be found unequal to the first task and duty of every community, namely, to earn its daily bread."

He declared socialism is a costly fallacy and "its most direct expression, nationalization, is a failure." The Socialists "have brought Great Britain low alike in prosperity and reputation, both at home and abroad," he said.

"They have squandered the reserves and resources which had been gathered in the past and have darkened and narrowed the future of every man, woman and child in this famous island," Mr. Churchill said.

"It is all the more amazing that they should have brought us down like this and given us such hard times during 4 years when they have not only been eating up our savings but have enjoyed the enormous advantage of outside help on a scale never known in the history of any country in time of peace.

"The United States and the Dominion of Canada together have given to us subsidies which amounts to nearly £2,000,000,000—£1,750,000,000 ($7,000,000,000) have come into this island by loan or gift from these two great capitalist countries, who also have their own troubles and burdens to bear. * * *

"Our Socialist spendthrifts and muddlers have dissipated every overseas asset they could lay their hands on and, in addition, have exacted and extracted from our people a higher rate of taxation than was required at the very height of the war."

Mr. Churchill said the sterling area's dollar holdings of $1,600,000,000 are the last reserves that stand between us and insolvency.

"The present Government," he said, "have obviously no effective plan for dealing with this imminent peril."

Mr. Churchill said the greatest help Britain can give the world is to stand erect in her native strength. "Every country west of the iron curtain has made a better postwar comeback from Britain," he said.

He charged that nationalization spells the doom of trade unionism and that the workers themselves, in nationalized industries, are far from content because of the wage freeze, rising costs, and loss of freedom of bargaining by union leaders. Labor unions form the backbone of the Labor Party.

It is impossible to "undo the harm that has been done by nationalism," he said, "but a conservative government would decentralize the management of industries already under state control, such as coal and railways, and stop further steps in the same direction."

Very Rev. Mortimer A. Sullivan

EXTENSION OF REMARKS

OF

HON. THOMAS J. LANE

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Monday, July 25, 1949

Mr. LANE. Mr. Speaker, under leave to extend my remarks, I wish to include the following excellent eulogy in final tribute to the Very Reverend Mortimer A. Sullivan, a native of the city of Lawrence, Mass., and provincial of the eastern province of the Order of St. Augustine. It was delivered by the Very Reverend Vincent A. McQuade, O. S. A., Ph. D., president of Merrimack College, North Andover, Mass., at St. Mary's Roman Catholic Church, at Lawrence, Mass., on Wednesday, July 20, 1949:

FATHER M'QUADE'S TRIBUTE

(Very Rev. Vincent A. McQuade, O. S. A., Ph. D., president of Merrimack College, delivered the following eulogy in tribute to the late Father Sullivan:)

"Blessed is the man that is found without blemish; and that hath not gone after gold, nor put his trust in money nor in treasures. Who is he, and we will praise him, for he hath done wonderful things in his life." (Ecclesiasticus 31: 8–9.)

Dearly beloved in Christ, we are gathered here today to pay a final tribute to a beloved priest. A merciful God has called a faithful servant to his eternal reward. We are sorrow-stricken and grieve because we have lost a true friend and loyal priest, but our hearts are comforted and our sorrow softened in the realization that a loving God has taken to Himself the soul of Father Sullivan.

The Old Testament tells us that when the chosen people of God were still living in the wilderness, and when Aaron, the newly chosen high priest was about to offer the first sacrifice, fire fell from Heaven and consumed the offering. The priests had thereupon taken that fire into their custody and it had accompanied the Israelites in all their wanderings. Finally, it was placed in a quiet place in the temple. Day and night the priests had to tend and feed that fire for from it all the lamps and altars in the sanctuary were fed and nourished. And thus, one divine fire was increased a hundredfold and it furnished warmth and light to God's chosen people in all their religious deliberations.

The church, since it was founded by Christ, needed a sacred fire which would be the source of light and warmth for the Christians throughout the world who would require encouragement and example if they were to preserve and live according to the teachings of Christ. Since the early days of the church, that sacred fire has been found in the many religious men and women who have offered their lives as a living sacrifice to God. God is the beginning and end of all things and it is a happy resolve for any man to consecrate himself to the Lord. And even though the world does not understand, yet it respects and feels the force of religious living, for it is the fire that enkindles hope and inflames the lukewarm to come to Jesus and grasp the salvation that is available for all men.

Today as we pay tribute to the earthly remains of Father Sullivan, we are reminded that we honor a religious priest who was most zealous and kindly in his priestly duties and exemplary in his religious life. By his deeds he clearly revealed how completely he had dedicated himself to the service of God. Truly his life was a sacred fire enkindling hope, encouraging the weak and counselling the afflicted. Well may we exclaim in the words of Ecclesiasticus "Blessed is the man that is found without blemish; and that hath not gone after gold, nor put his trust in money, nor in treasures. Who is he, and we will praise him? for he had done wonderful things in his life." Father Sullivan dedicated his life to follow in the footsteps of Christ, and he hath accomplished many wonderful things.

Born and educated in this parish, Father Sullivan heard the call of the Master at an

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early age. Leaving home and friends, he entered Villanova College; there his religious superiors recognizing his outstanding attributes, soon sent him to Rome where he was ordained to the holy priesthood on July 4, 1909. Returning to the United States shortly thereafter he served the 40 years of his ministry as a loyal follower of the Master. Called upon to serve in responsible positions, Father Sullivan was tireless in the service of God. Throughout the troubled years of the First World War he was a naval chaplain and spent nearly all of his tour of duty on the turbulent waters of the North Atlantic. When he was called upon to serve Villanova College as president, that institution, under his leadership, further expanded and developed its facilities. During the critical years of the great depression and again admidst the confusion and uncertainty of World War II, Father Sullivan was guiding the destinies of the order serving as provincial, the highest honor the order can bestow in this country.

Between times he served as pastor of various churches under the guidance of the Augustinians. All of these responsibilities he carried humbly and fulfilled honorably. Unmindful of self, he worked diligently to fulfill his mission. The years of labor took their toll; he gave freely of his vigorous strength; finally, death, sudden death, brought an untimely end to a brilliant career. The God whom he loved and served faithfully and well called him to eternal life.

Throughout his life, Father Sullivan was the instrument whereby God accomplished many good works. Among the many outstanding deeds of his career, I would like to dwell for a few moments on his great contributions in the field of education.

Well acquainted with the modern trends in education and understanding the underlying philosophy which canonizes the positivism of modern science, Father Sullivan vigorously pursued measures which would combat these ends. His experience in the armed forces had taught him that the best citizens are those who have a deep and abiding faith and belief in God. Half-educated men who are unmindful of their obligations to their Creator, even though they may have deep scientific learning, are a menace to society and the peace of the world. The frontiers of science and the horizons of knowledge must constantly be extended, but unless men vividly realize that the brotherhood of man can endure only when it is founded on the fatherhood of God, the peace we desire will never be achieved.

Foreseeing the results of secularism in education, Father Sullivan followed a policy whereby the order expanded and enlarged the training of its members so that they would acquire the knowledge and theological wisdom. He encouraged members of the order to acquire proficiency in various fields of specialization, stimulated activities and placed the men in strategic places where they would be in a position to do the greatest possible good.

Under his inspiring leadership the order has attained a new and greater recognition. He was the founder of the Catholic University of St. Thomas in Habana, Cuba, He was the founder of our own Merrimack College. His counsel, guidance, and encouragement were invaluable in the founding of both institutions.

Visualizing the process of education as a full and complete training for wholesome living, he believed that the immediate end of Christian education was to form the true Christian, the finished man of character who would act consistently in accordance with right reason, be faithful to his God, and loyal to his country. Death has stilled his heart, the call of God has muted his lips, but the work which he nurtured and cultivated will endure because it has been built on the rock of truth and founded on the principles of Christ.

Our heartfelt sympathy is extended to his sisters and his many relatives and friends. The order has lost a great man here on earth but I feel sure we have placed another bright star in the heavens. We treasured his guidance and counsel on earth, I trust that his intercession in heaven will be even more helpful and valuable. I feel sure that if Father Sullivan had the power to address to you a last request he would but repeat the words of the dying Monica to her son Augustine: "Lay this body where you will, let not any care thereof disquiet you; this only I entreat, that you will remember me at the altar of the Lord wheresoever you be" (Con. 9: 11). In your charity I know you will frequently pray for the repose of his soul.

Death is the gateway to eternity, the dawn of a new life. Every faithful priest has an abiding love for Jesus. It is the love of Jesus that inspires his life and leads him on to do great things. In the words of the Imitation of Christ: "The love of Jesus is noble and generous; it spurs on to do great things and excites us to desire always that which is most perfect. * * * Love feels no burden, values no labors, would willingly do more than it can; complains not of impossibility. It is able, therefore, to do anything. * * * The lover gives all for all, and has all in all, because he rests in one sovereign, God above all, Jesus Christ." (111: 5). I am sure that when a loyal priest dies, the Son of God and the angels in heaven escort him to Paradise. May the Divine Master receive the soul of his beloved servant; may he find lasting rest in his true heavenly home. May his soul, and all of the souls of the faithful departed, through the mercy of God, rest in peace. Amen.

The President and the Labor Monopolists Versus the People

EXTENSION OF REMARKS

OF

HON. RALPH W. GWINN

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Monday, July 25, 1949

Mr. GWINN. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following article, entitled "The President and the Labor Monopolists Versus the People":

THE PRESIDENT AND THE LABOR MONOPOLISTS VERSUS THE PEOPLE

The threatened steel strike can be stopped by the Taft-Hartley law, but the President and the labor bosses don't like the Taft-Hartley Act. The people do, but the President and the labor bosses want to repeal it outright. The people want to keep it and their representatives refuse to repeal it. It is the law today.

The President and the labor bosses propose to raise wages and make the people pay. Since the people are not being protected by the President under the Taft-Hartley Act and since the steel industry is helpless to resist the fourth round of wage rises, the people, too, are at the mercy of this labor monopoly. The President, the steel companies' biggest customer, and the absolute Nation-wide labor monopoly are able to force the steel industry to do what they ask.

What happens in steel will set the pattern in all labor-controlled industry as it has on three previous occasions. Fundamentally the Taft-Hartley law was enacted to stop this. The law says:

"Whenever in the opinion of the President of the United States a threatened or actual strike or lock-out affecting an entire industry, or a substantial part thereof, engaged in production for commerce, will, if permitted to occur or to continue, imperil the national health or safety, he may appoint a board of inquiry to inquire into the issues involved in the dispute and to make a written report to him within such time as he shall prescribe. Such report shall include a statement of the facts with respect to the dispute, including each party's statement of its position but shall not contain any recommendations."

Under this law the Government must remain neutral. It is the guardian of the whole people—the collaborator and partner of no special group. The law provides for finding the facts. It denies the President the power to appoint political boards to make political decisions on wages and prices.

The exposition of the facts without political compulsions would help both labor and management reach the right decision under the influence of public opinion. If the facts show that the total national income justifies a fourth round of wage rises, then the people will support such a rise. They will have the money to pay it. They will not pay higher wages if their income is declining. The national income now enables the people to pay an average wage of only $1.26 an hour. Any monopoly attempt to force the average wage to $1.45 an hour will put the wage beyond the total amount of pay-roll money available. That means everybody can't be employed. Even now the average wage of $1.37 is 12 cents above the national ability to pay. As a result unemployment must follow as it has. When total national income decreases total wages must fall in proportion if everyone is to remain employed. If the average wage is not reduced some must lose their jobs. There is no other solution.

President Truman and the labor bosses have now put themselves in a position not only to reject the Taft-Hartley law but the law of economics itself. They place themselves above the economic law of supply and demand. They act as though they were the law. They propose to use compulsion and prestige of office to force acceptance of higher wages for the organized monopoly with lower real wages and unemployment for the rest.

This conclusion is obvious because both the President and the labor bosses are committed to the proposition that a fourth round of wage increases will create buying power and prosperity. Such reasoning is fantastic but the deception is the more obvious because of failures already demonstrated. The conspiracy of a President and labor bosses to set aside constitutionally enacted law and become themselves the makers of arbitrary personal rule must fail. All arbitrary monopoly power must fail whether it be in business combinations, Government assumptions of power, or labor-boss monopoly. Especially is this true in the face of the disastrous experience we had between 1929 and 1939. Then they set in motion a wage rise spiral that kept 10,000,000 workers unemployed. We don't want to see that again. The President should save himself and the country from the disaster of violating the laws of the lawmaking side of government as well as the laws of economics.

The Truth Will Out

EXTENSION OF REMARKS

OF

HON. CHARLES B. HOEVEN

OF IOWA

IN THE HOUSE OF REPRESENTATIVES

Monday, July 25, 1949

Mr. HOEVEN. Mr. Speaker, under leave to extend my remarks in the REC-

ORD, I include the following article which recently appeared in the Unionist and Public Forum, a labor newspaper published at Sioux City, Iowa. The article simply confirms the general impression that the Brannan meeting at Des Moines last June was entirely political in nature.

DEMOS LAY FOUNDATION FOR 1950 ELECTION AT DES MOINES MEET

Farm leaders and labor leaders put their heads together at a 2-day conference in Des Moines several weeks ago and laid the political groundwork for the 1950 election. It was frankly and openly a political meeting, sponsored by the Democratic Party, at which farm and labor leaders cemented their political future with the Democratic organization.

The Democratic Party was represented by hundreds of party officials from the 16 Mid-West States. While the conference was called to discuss the Brannan farm program, the presence of the politicians made it obvious that the Democrats intend to make the most of the new farm program as a political issue, and that they intend to gain more offices in the farm belt next year.

We were at the registration table in the Fort Des Moines hotel when ex-Mayor Kelly, Jake Arvey and a few of their boys from Chicago came in and heard a Life magazine writer say "here come the Chicago farmers." Senator McGRATH of Rhode Island, Democratic national chairman was very active all through the 2-day meeting.

It was Charles Brannan's show, however, and he made a good impression—not so much by his eloquence as by his seriousness and willingness to discuss his farm program. He admits that his plans are not full grown, but he insists that it is a practical program in the spirit of the old New Deal program. The important features are that the floor price principle, implemented by Commodity Credit, will be extended to most farm products; and that prices be permitted to fluctuate on the market so that consumers can get the benefit of lower prices. It is this latter principle that has attracted labor, and that has given the opposition its argument that the program will cost too much.

Vice President BARKLEY stole the show Monday afternoon. He knows the history of farm legislation for the last 30 years and did a fine job of showing that the Republican Party has consistently opposed farm legislation. Mr. BARKLEY is a liberal by instinct rather than by economic philosophy—it was a relief from the fact-and-figure speeches.

There was a shortage of top farm organization leaders. The Farm Bureau wasn't represented—which is understandable, since they are leading the fight against Brannan's bill. The Grange had the State president of their Ohio organization present and he made a few favorable comments.

Even the Farmers Union played cautious. The top-flight leaders stayed away and sent several State officials. It apparently was too much of a political rally and not enough of a farmers' meeting.

Labor leaders had no reservations about their understanding of the importance of the farm program or of the political necessity to work with farmers.

The labor leaders included A. F. Whitney, president of the Brotherhood of Railroad Trainmen; Joseph D. Keenan, director of the American Federation of Labor League for Political Education; Jack Kroll, head of the CIO political action committee, and James B. Carey, secretary of the National CIO.

Address of Dean J. L. O'Sullivan

EXTENSION OF REMARKS
OF
HON. JOHN W. McCORMACK
OF MASSACHUSETTS
IN THE HOUSE OF REPRESENTATIVES

Monday, July 25, 1949

Mr. McCORMACK. Mr. Speaker, Dean J. L. O'Sullivan, of the Marquette College of Journalism, is a man preeminent in his field and one to whom the Nation owes much for his tireless efforts, and so it was with real appreciation, as one who has also been honored by Boston College, that I noted the honor paid him by Boston College at its recent commencement exercises, June 8, when he became an honorary doctor of the college. Dean O'Sullivan's remarks bear repeating, and under leave to extend my remarks I include herein his major address at the recent commencement:

A year ago this month Boston, famous for its religious and educational traditions and accomplishments, honored the city of Milwaukee by sending its foremost citizen, His Excellency, your Most Reverend Archbishop, to speak at the Marquette University commencement exercises. This year Boston again honors Milwaukee by inviting me to participate in the graduation ceremonies at Boston College. While I am sure that you are conscious of the contrast, I hope you are not as sensitive to it as I am at this moment.

I have been invited here this afternoon mainly because I have been a teacher for 25 years in a sister Jesuit institution.

A quarter of a century is a short time in the life of a college, especially when consideration is given to the emphasis on tradition in education. However, when we realize that in only 4 years a generation of students who entered a freshmen, depart as alumni, experiences gained by a teacher are multiplied with astounding rapidity.

From these experiences I know that you as members of this graduating class have encountered many difficulties and faced many obstacles in achieving your goal. You have been forced to sacrifice much the modern man holds most dear. You may well take pride in those sacrifices which were not easy or simple but were necessary for intellectual development. The world offers appealing reasons for not following the difficult roads leading to wisdom. That is why tradition is highly regarded in educational circles. It is a force that assists men in maintaining true objectives in their search for knowledge.

Its effect is observed even in families. Where there exists a tradition that each child shall be educated to the full extent of his intellectual capacities, one by one without question they enter those institutions deemed best suited for their development. When the family tradition calls for training under Catholic auspices there most probably will be not even a suggestion that a child turn to secular agencies for guidance. Regardless of obstacles, the care and development of the young mind will be confided to proper authorities.

Unfortunately the traditions of education treasured by many are those that have developed as the result of the yielding of true principles to materialistic thought. You who will be graduated today may cherish highly the tradition in which you have received your training. It is a tradition that was developed by St. Ignatius of Loyola at the Monastery of Monserrat and has been effective for more than four centuries in producing for every generation armies of men to whom development of the intellect and will are more important than skills, social graces, and methods for acquiring material goods.

But of greater significance than the system of training are the principles of life which you have acquired. The principles taught by the Jesuit fathers at Boston College are the same that were ennunciated nearly 2,000 years ago on the shores of Galilee. They furnish the only sound guidance for mankind, the only reasonable explanation of existence.

The confusion and chaos that we witness in the world about us result largely because much of what we know as education has neglected these principles; because man has tried to turn from the supernatural to the natural, a feat which Chesterton says is impossible because when we fail to recognize the supernatural then we can only succeed in becoming unnatural. What other explanation is there for our present disorganized civilization? We see the result of love of self and the love of wealth substituted for the love of God. Men educated in this tradition face a world described by Matthew Arnold:

"For the world which seems
To lie before us like a land of dreams
So various, so beautiful, so new
Hath really neither joy, nor love, nor light,
Nor certitude, nor peace, nor help for pain:
And we are here as on a darkling plain
Swept with confused alarms of struggle and flight,
Where ignorant armies clash by night."

In pursuing your studies at Boston College members of this class have demonstrated their fidelity to have knowledge of the highest order. It was to this purpose that you dedicated yourselves when you were enrolled as freshmen; it was this spirit that guided your formal education.

You have maintained a firm grasp on the principle declared in the Psalms of David and reechoed in the Proverbs of his son, Solomon, that "the fear of the Lord is the beginning of wisdom."

The world highly regards technical training and accomplishments. It gives the accolade to acquirement of skills and amassing material wealth. But it fails to show proper regard for intellectual achievement. This is one of the tremendous pressures that you have been forced to resist in obtaining your education; one of the great obstacles you have faced and successfully overcome.

Real wisdom has little place in a world where the lives of men are dominated by their desires and emotions rather than by intellectual principles. Education implies at least an approach to wisdom which means acquiring of knowledge of the highest things in their ultimate causes.

Wisdom is prized when men's souls are prized. That is why the beginning of wisdom is fear of the Lord. We of Catholic tradition seek wisdom because we know ourselves to be intellectual beings; because the highest knowledge perfects our intellects in the highest way and because genuine wisdom helps us save our souls.

Man acquires wisdom by his own study and mediation but his efforts must be based on what he obtains from others, especially the enlightenment that comes from God. This means that the student must learn to lean on faith. Saint Thomas said the best light he received came from above.

The diploma you receive today signifies that you have made the approach to wisdom and that you have learned to depend upon faith as an aid to reason. This has required struggle and sacrifice in a world that prizes not men's souls but material goods; that esteems an education concerned with

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imparting information on how these goods may be acquired.

The Gospel of St. Luke tells of a man whose wisdom was concerned only with producing a bountiful harvest. He said: "I will pull down my barns and build larger ones and into them I will gather my produce and my goods. I will say to my soul: Soul thou has plenty of goods laid up for many years; take thy rest; eat, drink, be of good cheer."

It is a story that is typical of modern times. By modern standards the man's life had been successful.

But the tragedy of his life became clear when God said to him: "Thou fool, this night they require thy soul of thee and whose shall those things be thou has provided?"

Malignant effects of this distortion of the objectives of man's intellect; the loss of understanding of the nature of highest wisdom; and attempts to ignore the necessity of dependence upon faith, may be seen in practically every activity of modern life. In the writing and publishing fields, with which I am most familiar, the emphasis is on material success; production of copy that will be interesting; that will be read; that will obtain a tremendous circulation without thought being given to the nature of the content or its effect on the readers.

Modern writers instead of looking upon their work as a means of communicating truth regard it as a way of accumulating wealth and attaining fame.

Man reads because he wants to know. His intellect is constantly searching for knowledge. Writers who would furnish the food to satisfy this hunger of man to know by giving him useful knowledge must first acquire that knowledge before trying to impart it through the printed page. They must be concerned with the highest knowledge that man needs for his welfare. Readers of today cry for the writer who understands, who thinks in the terms of the fundamentals of life, in the objectives of final ends; for the writer who believes.

Much of the writing and publishing of today is concerned with knowledge that is trivial and unimportant; writing that is useless for the welfare of readers. It doesn't even furnish them with salutary entertainment. Writers of such copy are praised for being realistic but, as one critic remarked, "I notice they don't include any realism that would not aid in the sale of the publication." Their first duty, said one publisher, is to survive. Rather dishonor than death.

At Boston College you have had the good fortune to be taught a certain and positive philosophy. Because of lack of such teaching in a large proportion of schools, we see youth lacking in conviction—young men and women who are timid morally and intellectually. This is bound to be the result of education that holds nothing is certain; that what is true today may not have been true yesterday and need not be true tomorrow. There is no standard by which men may order their lives, and disorder is the result.

Our way of life is ill because of the domination of the philosophical thought that man can live by his own standards. Without fixed standards there can be no honest criticism of writing and the other arts. It is the obligation of the critics to see that the various arts maintain the standards upon which they are established. A break-down in the function of the critics degrades the cultural life of the people. Yet without standards there can be no true performance of the critic's function. Instead of criticism we see the commercial promotion of the press without competent evaluation of the work.

Of course, it would have been much easier for you to obtain what passes for education if principles and standards were ignored; if the true intellectual and spiritual were neglected. It is never easy to give the necessary time and effort to preparation especially in an impatient world.

The struggle is not over because of the degrees you are granted here today. Father Allan Farrell quoted an old schoolmaster as saying that an educated man is one who can be safely entrusted with the continuation of his own education. Influence and pressure of a world that has lost its way will attempt to force you to surrender the principles you have been taught at Boston College. You will find it necessary to sacrifice much if you are unwilling to compromise those principles; if you are to continue to grow in wisdom and understanding.

Many of you are veterans of the recent World War. In preparation for various duties in the armed services you were subjected to a most rigorous period of physical discipline. In basic training you ran obstacle courses to harden you physically and to develop your agility. You were constantly participating in maneuvers and marches in preparation for the trial that was ahead.

In your years at Boston College you have been hardened intellectually and sharpened mentally. Here you have been prepared not for physical combat, but for warfare in the realm of ideas. You become stewards of the teachings and traditions that have come down from Judaea and Manresa. I congratulate you upon your heritage, your training, and the honors that come to you today.

Adequate Defense

EXTENSION OF REMARKS

OF

HON. THOMAS J. LANE

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Monday, July 25, 1949

Mr. LANE. Mr. Speaker, under leave to extend my remarks, I wish to include the following article from the Boston Sunday Post, Boston, Mass., July 24, 1949:

UNITED STATES DEFENSE NOT ADEQUATE—FIFTEEN BILLION DOLLARS A YEAR IS COST—SERVICES PILING UP LOTS OF OBSOLETE WEAPONS

(By Lester Allen)

The poorest buy in the market today for the American people is the $15,000,000,000 they spend annually for defense, which doesn't guarantee adequate defense, doesn't promote anything but interservice rivalries, and succeeds only in piling up inventories of obsolete weapons, now estimated as worth $20,000,000,000.

The most immediate, pressing need is for enactment of a bill that will make certain of full military unification and economy that will end waste, duplication, and mismanagement. The bill offered in the Senate by Senator TYDINGS meets the approval of the Hoover Commission, and it would save $1,000,000,000 or more a year, if enacted.

SPECIAL INTERESTS

Too many special interests in the armed services, ranging from myopic admirals with pet theories to crackpot relatives and friends of politicians with a yen for a chunk of public money seem to have a hand in saying how the people's money will be spent for the Nation's defenses.

It is much later than the American people think on questions of defense. The disquieting move of the British to either be handed over the secret of the ultimate assembly and manufacture of the atomic bomb or to cut the American supply of uranium from the Congo isn't a patch on the real danger of our present situation.

The Army, in its present state and present strength couldn't fight its way out of a cellar full of cobwebs. The Navy has an enormous laid-up fleet which might just as well be at the bottom of the Atlantic—a fleet made obsolete by the development of the hydrogen peroxide fueled submarine engine, which can drive submarines under water faster than most of our escort and submarine hunting ships can travel on the surface.

When the collapse of Germany and the sportsmanship of the western allies permitted the Russians to grandstand their way into Berlin they also let fall into Russian hands virtually all of the technicians and facilities for producing the Walther submarine engine, which uses hydrogen peroxide for fuel. The Russians went to work producing the engine and building submarines which use the engine.

The United States got one engine out of Germany—and precious few technicians who knew anything about it. Over a period of several years since the end of the war there has been fitful work developing the Walther engine for use by American submarines. It is still in the experimental stage here. The Russians are operating it. The Navy is now seeking authorization to spend $2,000,000 on a submarine propulsion testing plant in Maryland, and $191,700,000 for all its other test and research projects.

NO SUCH BUILDING

Take a ride down the harbor on a Nantasket boat and look at the laid-up carriers jammed like sardines at the piers in South Boston. And, having taken a look at them, forget them, for they are worthless—unable to outrun a submarine equipped with the hydrogen-peroxide engine.

And then take a look at the navy yards. You won't see any submarine building there. There are a few conversions of wartime submarines to the use of the German snorkels which permit the submarine to remain under water, but our snorkel-type conversions bear the same resemblance to the Russian hydrogen engined submersibles as an outboard motor does to a 24-cylinder racing engine.

All this is supposed to be top secret merely because the Navy, having read the newspapers in which complete accounts of this deficiency has appeared, decides that their officers shall close their minds to it and keep the information in a top secret classification.

The high-ranking brass is well aware of the almost fatal lack, but the admirals can't be of one mind, and have no one who will make their minds up for them. There are carrier admirals, battleship admirals, and submarine admirals. The carrier admirals just lost a round when the building of a supercarrier was halted, a supercarrier which incidentally would have difficulty running away from a hydrogen-powered submarine such as the Russians are building in quantity.

DISPUTE RAGES

Then there is the dispute between the bomber enthusiasts and the jet fighter enthusiasts. It has been learned recently that, to the stunned astonishment of the British who are fairly good on aviation, too, American wartime B-36's were able to cope with jet fighters at high altitudes during air maneuvers over Britain. While the B-36's sailed serenely in at 5,000 feet toward a target, the jets were slowed and rendered inefficient by the thin air at high altitudes.

The American monopoly of the A-bomb has never been thought through to the point of how much cooperation and sharing would be done with Britain and France, or whether it is feasible to cooperate and share.

The Socialist government in Britain has been playing footsie with Moscow in trade pacts to get cereals in exchange for machinery. It would be a fine mess if they traded

off a little atomic information to the Russians in exchange for food.

Similarly, there are great scientists available in France to assist in atomic development, but the top man in French atomic energy administration is Frederick Joliot Curie, an avowed Communist, who, if he did what he is supposed to do as a Communist, would promptly hand everything learned about the secret of the A-bomb to the Russians. In fact, no responsible and informed atomic energy expert in the United States has ever given the American people any inkling of whether the Russians have or have not the A-bomb. If they have, there's no point to keeping it a secret any longer. If they haven't—every bit of information about atomic energy should be classified and protected.

The first priority should be given, however, to actually unifying the armed services and spanking the quarreling brass into line and tossing them out on their brass-bound ears.

The big advance would be restoration of civilian control of the defense forces—and today civilians are interested in getting their money's worth. We are saddled with a bill for the war and can't afford to spend our way out of a tight corner again.

It would be possible to save from $1,000,000,000 to $1,500,000,000 annually, a waste of about $20,000,000 a week. Not a little of this spending finds its way into the pockets of the 5 percenters, whose only contribution to the national defense is a neat 5 percent of what the Government spends to make the Nation secure. The 5 percenters know a politician or an admiral or a general and they wangle contracts, and their cut is, of course, added to the bill the Nation pays.

CAN'T SCRAP THEM

In the case of the Navy, any of the high brass will admit privately that the laid-up fleets are virtually worthless, but, they are terrified of public opinion which has been shaped to believe that the Nation built naval superiority during the war which makes it the greatest naval power in the world, and will not advocate scrapping and building new ones.

In the case of the Army, which always gets its brains beaten out when a war is over, about its only hope is a strong National Guard, and this is reflected in the equipment which the Guard's divisions took to training camp with them. But, on its Organized Reserve program it has nothing except files full of papers carrying a lot of names.

The bill before the Senate would place the National Security Council into the executive department, subject to the President's control and direction rather than leaving security matters to a statutory committee which the high brass have been able to outmaneuver and outvote.

It would also make the National Military Establishment an executive department in which the Army, Navy, and Air Force would be military departments without cabinet rank. It would give greater power to the Secretary of Defense, who now can't direct anything but must use the gentle powers of persuasion on high brass, who are about as amenable to persuasion as a herd of colicky mules.

What the country needs is defensive forces built along the best tactical and strategic plans for the Nation's defense, second to none in the world and within reach of the purse of the American people, without any consideration for the sensitive feelings of spiritually impoverished Europeans who can't seem to make up their minds whether the Communists are friends or enemies.

We decided quite a while back that the Russians mean no good for us, and it would seem about time to get to work on our chest expanders and biceps exercisers to beef up our muscles and make certain of getting in the first and the decisive punch in the fight.

Declaration of Independence, July 4, 1949

EXTENSION OF REMARKS

OF

HON. RALPH W. GWINN

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Monday, July 25, 1949

Mr. GWINN. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following article entitled "Declaration of Independence, July 4, 1949":

DECLARATION OF INDEPENDENCE JULY 4, 1949

"All experience has shown that mankind are more disposed to suffer, while evils are sufferable, than to right themselves by abolishing the forms to which they are accustomed. But when a long train of abuses and usurpations, pursuing invariably the same object, evinces a design to reduce them under absolute despotism, it is their right, it is their duty, to throw off such government, and to provide new guards for their future security." (July 4, 1776.)

Such is the story of every people in every nation from the beginning of history. Such is our own present-day experience. We bear today more insufferable burdens of an evil government than our forefathers bore in 1776. Those burdens are increasing without promise of abatement. Up until now it has been easier to endure them than to abolish the administration of Government that imposes them. That endurance has been stimulated by false promises by Government to take by force from those accused of being greedy and selfish and giving their property to others alleged to be more deserving in the socialization or redistribution of wealth. The undertaking of the Government to take by force houses and food and health and provide security for others for the people's benefit seemed for a time easier than the imposition of moral discipline and personal responsibility on themselves. The result has been the loss of our liberty by the conquest of corrupting forces from within.

In ways too numerous and unnecessary to enumerate we have been intimidated and robbed outright of our monetary values, our savings and security, and we are exploited by such unbearable taxes that we have not sufficient means left to support ourselves. Millions of our people after paying taxes are unable to provide for themselves the bare essentials of shelter, food and health. Millions more have been deprived of the use and value of their property both by exploitation and taxation for the use and benefit of others without their consent and without due process of law to the degredation of all. Without any promise of reduction of our burdens we are threatened with even greater taxes and with deeper exploitation.

The administration of Government has created a multitude of new offices from which it has sent hither swarms of officers to examine, intimidate and render personal judgment against us from which there is no adequate appeal to the courts of law. They eat out our very substance.

Armies of bureaucrats appointed over us for the duration of war have not been reduced but actually increased in peacetime. They grant favors and patronage and exemptions to some and withhold the same arbitrarily from others. They have abandoned all semblance of rendering equal justice and affording equal opportunity for all before the law. They take personally by force the property of some and make outright gifts to others of housing, food, pensions, subsidies, allowances, loans, public works, contracts, jobs, and patronage of every conceivable variety. It is all made the more shameful by the exaction of votes in exchange for such favors to keep themselves in power. They have excited domestic disturbances, set class against class, and granted to certain powerful organized groups total exemptions and immunities from the observance and operation of ordinary law and order. They have packed our courts.

Our form of government, instituted to secure and maintain and even to extol life, liberty, right to property, and the pursuit of happiness by the people for themselves, is now dedicated to the proposition that the people are no longer fit for liberty. It denies the capacity of the people any longer to do right as self-governing, self-disciplined people under God's laws and His Commandments.

It separates the right of property from the right of life and liberty itself. It pretends to make human rights higher than property rights as a justification for seizure of other people's property without compensation. The right to individual property and its disposition has been generally violated. The administration of government, mere men themselves, assume to know best how to divide and redistribute and do charity with the inventions, discoveries, and production of their fellow citizens. They observe no rule of equality but use the power of taxation to destroy whomsoever they will. This Government holds that its own nonproducing, uninventive, uncreative, compulsory bureaucracies are better suited, more just and merciful to dispose of what the free individual alone can produce than the individual himself. Thus it dries up invention, discovery, and production for he alone is capable of it, and society is denied the blessings that come from the free mind and spirit of man.

It ascribes to itself alone the true sentiments of charity while it denies the capacity of the free citizen to do charity. What is clearly recognized in all legal systems as outright robbery when done by an individual is made to appear legal when done by the same individual acting for the crowd which gave him the power to rob for it and keep a goodly part for himself.

Finally it appears that by the exploitation and waste by government of other people's property, who alone supply the taxes and make good the losses of Government enterprises, the welfare state now in possession of us is liquidating its very source of support. It consumes the seed stock of the people. Its conduct of economic and political affairs is so immoral and unpredictable that freedom to plan individual life and enterprise is not only unrewarding but impossible. Thus the productive and inventive elements in our society are constrained from production and progress. Their savings and experiments and inventions, discoveries and science languish because of uncertainty of the law and the rights of persons and property.

We hold that the citizens of this great land ought to be free and independent once more in the exercise of their inalienable rights to life, liberty, property, and the pursuit of happiness. Therefore, we hereby resolve to recover liberty from the encroachment and powers of the tyranny of the world Socialist welfare state so "that this Nation, under God, shall have a new birth of freedom."

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GOP Anti-Scott Fight

EXTENSION OF REMARKS
OF
HON. RICHARD M. SIMPSON
OF PENNSYLVANIA
IN THE HOUSE OF REPRESENTATIVES
Monday, July 25, 1949

Mr. SIMPSON of Pennsylvania. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following article by Herman A. Lowe from the Philadelphia Inquirer of July 23, 1949:

BITTER ENDERS GAIN LITTLE IN GOP ANTI-SCOTT FIGHT

(By Herman A. Lowe)

WASHINGTON, July 22.—This is a good time to get some facts on the record about HUGH D. SCOTT, JR., who is quitting as chairman of the Republican National Committee, how he came to get the job, and what happened afterward.

There's been a lot of heat but little light on the subject lately. SCOTT is a Philadelphia Congressman. The least he deserves is to have the home-town folks know the truth. This story starts in June of 1948 at the Republican National Convention, shortly after Senator ED MARTIN and National Committeeman G. Mason Owlett had swung the bulk of the Pennsylvania delegation behind Dewey. They were a major factor in putting him across for the nomination.

But, contrary to what is generally believed, that did not ask Dewey for the national chairmanship as a reward. And SCOTT neither asked for it nor dreamed he would get it. Politicians from many States approached Dewey and asked for the job. They said it should go to their States for the support given the nominee.

Things got a little embarrassing. Then Herbert Brownell, Dewey's political adviser, approached MARTIN and Owlett and said in effect:

"We can't give the job to any of those fellows without causing hard feeling among the others. However, if it goes to Pennsylvania, there will be no complaints. They all recognize Pennsylvania's importance. It will solve our headache, so please take the job."

With that settled, Dewey asked that the Pennsylvania selection be a Member of Congress. "I'm a Governor and Earl Warren is a Governor," he said. "We've got to have a Member of Congress to balance this."

The convention ended with no selection made. ED MARTIN left for Washington. Owlett finally felt that SCOTT could do the job best, and brought the Congressman around to meet Dewey. In the early morning hours, Dewey telephoned MARTIN at Washington to inquire whether he had any objection.

MARTIN had none. He warmly indorsed the selection of SCOTT. And that is how it happened.

But at the same time that SCOTT was named chairman, Dewey appointed Herbert Brownell as his campaign manager. This eased SCOTT out of the picture until after the election. SCOTT has been attacked because Dewey did not win. But every Republican politician, including the ones who hatcheted the Philadelphian, knows it to be a fact that SCOTT did not run the campaign.

After the campaign, SCOTT began stumping the country, handshaking, speaking at meetings, and spreading Republican gospel. The fact is that he made a lot of friends in the Midwest and far West. Proof of this is that, immediately after he announced he was resigning, 26 members of the GOP National Committee from the West banded together to refuse to accept his resignation.

But while SCOTT was working to rebuild his shattered party, a group of dissenters went after him hammer and tongs. Among them were national committeemen like Colonel Krieger, of Texas; Clarence Buddington Kelland, of Arizona; John Jackson, of Louisiana; Harrison Spangler, of Iowa—men whose States went for Harry Truman in the election in which HUGH SCOTT's Pennsylvania was giving Dewey a 150,000 plurality.

They tried to drag down SCOTT at the Omaha meeting last spring. It was interesting that these fellows—the party's isolationist wing—teamed up that time with Victor Johnston and others who supported Harold E. Stassen for President (and not of the University of Pennsylvania, either).

SCOTT won at Omaha. But the rule-or-ruin boys continued a whisper campaign, backed up by hired press agents, all aimed at ousting SCOTT. At a time when he should have been working to build up the party, he found himself forced to defend himself from increasing attacks within the GOP.

This crowd, whose brain trust was mainly Senator OWEN BREWSTER, of Maine, and Sam Pryor, former national committeeman from Connecticut, threatened to file an ouster petition against SCOTT.

That brought a quick reaction. They were told to go ahead and file. But they did not have the votes to oust SCOTT. They never filed their petition. As a matter of fact, there is no doubt that SCOTT could rally a majority of the national committee votes today.

However, that would not solve the problem of the cold war within the party.

So SCOTT and his friends here met and talked over the situation. They decided that for the good of the party, when things died down, SCOTT would resign.

The occasion came last Monday. SCOTT discussed his statement with Senator MARTIN and Representative LEONARD HALL, of New York, a spokesman in Washington for Dewey.

The statement was approved by MARTIN and HALL and was issued. Neither Dewey nor Senator ROBERT A. TAFT, the party leader here, was consulted.

And that is the way it happened. Just what the Stassen faction can gain is pretty vague. They haven't the votes to do anything about SCOTT's successor. They are liable to get a new chairman who will be a lot less to their taste than SCOTT.

The Farm Bill

EXTENSION OF REMARKS
OF
HON. EUGENE J. McCARTHY
OF MINNESOTA
IN THE HOUSE OF REPRESENTATIVES
Monday, July 25, 1949

Mr. McCARTHY. Mr. Speaker, under leave to extend my remarks in the RECORD, I am including an editorial from the St. Paul Dispatch of July 22. This editorial repeats the basic argument against the Gore bill which was adopted by the House last week. I am hopeful that the Senate bill on agriculture will provide a support program insuring farm income and at the same time provide for adjustments to meet the changing agricultural market.

I am hopeful also that the Members of the House will reconsider their ill-advised action of last week and accept in conference such a bill.

PUTTING OFF

The House of Representatives has voted to postpone for another year the day of reckoning for agriculture. The reckoning in this case is merely the readjustment of farm production to the long-run needs of the postwar world.

This postponement of itself would not be so bad, except that it reflects a high affinity in Congress for the easiest political course. Since every year is a political year nowadays, it seems as if Congress will stall along this way until it gets hit flat in the face by a major calamity.

By the votes taken Thursday, the House repealed the Aiken plan enacted last year by the Republican Eightieth Congress, and also rejected the administration's revision of that act with a slight installment of the Brannan idea added as an experiment. It voted to keep the support policy at a flat 90 percent of parity price. The Aiken Act would have discouraged surplus production by lowering the supports in proportion to supply. The Brannan plan calls for more direct regulation. The plan that will stay in effect unless the Senate decides differently is long on support of prices and very weak on controls.

There, of course, is something to be said for supporting farm prices at 90 percent or even 100 percent of parity. That just means that the farmer's prices come down, stand still, or rise in tune with the general price level. But the intention of the support policy is to avert a drastic smash of farm prices and to allow an orderly readjustment. Farmers, who were expected to push production up during the war, are entitled to this protection, but Congress is not doing the farmers any favor by doing this in a way that can be expected to have a bad result over the long run.

Over the years public opinion will not support huge outlays to subsidize production of undisposable surpluses, and when that happens Congress will be the first to ditch the farmer, for the simple reason that there are fewer farmers than taxpayers and consumers.

Will Your Answer Be "Lack of Funds" to Old-Age-Pension Groups?

EXTENSION OF REMARKS
OF
HON. JAMES E. VAN ZANDT
OF PENNSYLVANIA
IN THE HOUSE OF REPRESENTATIVES
Monday, July 25, 1949

Mr. VAN ZANDT. Mr. Speaker, the first session of the Eighty-first Congress is reaching its final stages and as yet nothing has been done about relieving the dire situation in which our aged folks find themselves. I deem this issue one of the most important before the American public today and am taking this opportunity to urge this Congress to do something about it now. The first great need for pensions is to provide security for our deserving elder citizens. For years I have been emphasizing the importance to our way of life—our Americanism—of the great need of security for those whose long service and great sacrifice have made America the envy of the world.

This is a national problem that will not solve itself. In fact, our aged folks find themselves in worse circumstances than even a year ago. Unemployment is on the increase throughout the country and the national income is on the down grade; both of these conditions affect the livelihood of our elders more than any other class of our citizenship.

The first to be discharged when industry cuts down its pay rolls, are the older employees. When replacement is made it is usually with younger workers.

I sometimes wonder if Members of this House give serious thought to this question of security against squalor and starvation for those who reach the sunset period of life without a job, income, or resources.

We find our national population expanding at a phenomenal rate. We have some 145,000,000 people living in our country today and growing at the rate of more than 2,000,000 annually. The major factor in this increased growth in population is the increased age span. As a result of medical care, hygiene, hospitalization, and so forth, people are living longer. About 70 years is the life expectancy now as compared to 53 or 60 a quarter of a century ago.

All this means more and more people being graduated into the old-age pension class. From the best information I can get there are some 16,000,000 people in this country who are 60 years of age and over and it is conservatively estimated that 10,000,000 of these are dependent upon someone else for living support. Oh, yes, the most desperate ones, to the extent of about two and one-half million, are getting old-age assistance of slightly more than $40 a month. Is there one of you, my colleagues, who thinks that any man or woman can possibly live in health or even decency on $10 a week? I remind you that these aged folks are good old-fashioned Americans, yes, they are our very own friends, neighbors, and relatives. They are in need now, and the situation is getting worse from day to day.

Mr. Speaker, we boast about our generosity, about our great humanitarianism, and how we are aiding the backward countries of the world. In fact, this Congress is appropriating billions to foreign nations for every conceivable purpose, yet we who strive to alleviate suffering among our own people and seek to have charity begin at home find our old-age pension legislation meeting with little or no consideration by the congressional powers that be.

Every Member of this House knows that there is an avalanche of old-age-pension applications in his district. It is Nation-wide and is increasing from month to month. I ask you, my fellow Congressmen, just what is your answer going to be when you face your old-age-pensions groups and they ask you why their legislation did not receive consideration in this session of Congress? Can you plead lack of funds? No; that answer would fall flat after authorizing the most lavish expenditure of money in the history of our Nation. Are you going to offer the excuse, lack of time to study the proposition? My colleagues, this has been a national issue for more than 10 years. Committees have held hearings, witnesses have testified, articles have been written, speeches made, and conferences held, all without number. But at this late date in this session of the present Congress nothing has been done about it.

There are perhaps a dozen bills before the Congress dealing with this old-age-pension question. I am sure that if any one of them were enacted into law it would be an improvement on the present social-security set-up. It is not a question of whose bill it is or what title it bears. The real issue at stake is, are we going to measure up to our responsibilities, face the facts, and do something about them, or are we going to continue to sidestep and again let time take its fatal toll. If we do the latter, we cannot in good conscience face our elderly constituents and attempt to answer their questions.

Yes, Mr. Speaker; now is the time to provide for our own needy aged. It is up to this Congress to protect them now against privation and suffering that may result from a prolonged economic recession.

Hugh Scott's Decision

EXTENSION OF REMARKS
OF
HON. RICHARD M. SIMPSON
OF PENNSYLVANIA
IN THE HOUSE OF REPRESENTATIVES
Monday, July 25, 1949

Mr. SIMPSON of Pennsylvania. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following editorial from the Sioux City Journal:

HUGH SCOTT'S DECISION

Republicans should be proud of Representative HUGH D. SCOTT, Jr., the man who has announced he will resign as chairman of the Republican National Committee next month to promote unity within his party. In making public his decision, Mr. SCOTT said: "The Republican Party is bigger and its policies more important than any group or individual. Personal pride and ambition must be put aside by all concerned if we are to have harmony in our ranks. Because my only concern is for our country and for the Republican Party as the means of saving it, I have decided to issue a call for a meeting of the national committee (and) I shall then submit my resignation as national chairman * * *"

It should be made clear that Representative SCOTT's action is purely voluntary. An attempt to oust him at the committee's Omaha meeting last January failed by four votes and Mr. SCOTT contends he now has more support than he had at that time.

Among those leading the attack against him were Iowa's national committeeman, Harrison Spangler, of Cedar Rapids, and Carroll Reece, of Tennessee. Mr. Spangler himself says he has no desire for the chairmanship, which he once held, but the Tennesseean is said to be eyeing the job again.

Neither Mr. Spangler nor Mr. Reece showed particular brilliance while serving as Republican national chairmen. Like Governor Dewey, they have had their chance and it is now time for a fresh start made possible by Representative SCOTT's forthcoming resignation. When his successor is chosen—whether he is acceptable to the Spanglers and the Reeces or not—it is up to the national committee to realine its ranks, abolish dissension and petty bickering, and get on with the one and only job confronting the Republican Party—fighting the Democrats tooth and nail.

Thanks to the courageous and unselfish action of HUGH D. SCOTT, Jr., of Pennsylvania, the Republican National Committee has a golden opportunity to reaffirm its position and leadership, both of which have suffered immeasurably from back-biting and disagreement. That can be done if the dissenters will act as courageously as has Mr. SCOTT.

Where the Poles Will Never Yield

EXTENSION OF REMARKS
OF
HON. GEORGE G. SADOWSKI
OF MICHIGAN
IN THE HOUSE OF REPRESENTATIVES
Thursday, July 21, 1949

Mr. SADOWSKI. Mr. Speaker, under leave to extend my remarks in the RECORD, I wish to include an article which appeared in the June issue of the Polish Review and East European Affairs:

WHERE THE POLES WILL NEVER YIELD

Throughout the ages Poland has been confronted with a German-Russian problem, that is, keeping itself safe from attack by either Russia or Germany, or both. This Polish situation, resulting from its geographical position, has been the point of departure for all Polish diplomatic and military procedures throughout the entire course of the nation's history.

The international situation at present is such that the political pressure of democracy from the west is directed toward Germany, which, hitherto only a passive factor in international policy, is with each day now coming nearer and nearer to being the active factor in that policy. It is therefore high time that statesmen of the west understood that there are certain points on which the Poles, no matter to what factions among themselves they may belong, will never yield.

There is complete unanimity among Poles, with regard to the western boundary—that it should follow the Oder and Neisse Rivers. They consider this due Poland not only as a matter of historic justice but also as compensation for the vast number of murders, the immense destruction, and the suffering inflicted upon Poland by the Nazis; likewise, it is a guaranty of future security and free development of the Polish people. Western statesmen should understand that a repetition of Yalta in a settlement of Poland's western frontiers cannot take place, for there is no Pole today who would put his signature to such a settlement.

It should be kept in mind that the Oder-Neisse boundary is the boundary not only of Poland but of all east-central Europe with its 100,000,000 population. On the maintenance of this boundary rests the economic base of a future union of the free nations of this region, assuring for all time the independence of these nations of either Germany or Russia.

All attempts on the part of the Western Powers to turn back the clock of history and move the boundary to the east, necessitating the removal of millions of Polish settlers in that area—all such attempts would drive the people of central-eastern Europe, quite against their will, into the arms of the Soviets, whose propaganda pictures the United States and England as encouraging a reviving German imperialism.

It should be remembered that the European union, now much talked about as a means of insuring peace, justice, and prosperity in Europe, requires that Germany be permanently deprived of those geo-political conditions that made it possible in the past

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for Germany to undertake the conquest of the old continent. One of the chief of these conditions was the strategic control of central-eastern Europe, which was in German hands because of the location of Germany's former eastern boundary and German control of the Baltic.

As a result of this control, in their war plans the Germans could regard these eastern areas as a normal source of supply for labor, food, and raw materials. It also permitted them to develop their potential war industry on a scale greatly surpassing their normal economic resources.

With the Polish frontier on the Oder and Neisse, Germany is deprived of the privileged position discussed above, making possible a European union without danger of it falling under German domination.

These arguments are part of the foundation on which the idea of Polish independence rests. Surely they will be taken into consideration by the Americans and British when the time comes to decide questions of such importance for the future not only of Europe but the entire world.

Air Force Association Statement of Policy

EXTENSION OF REMARKS
OF
HON. PAUL W. SHAFER
OF MICHIGAN
IN THE HOUSE OF REPRESENTATIVES

Monday, July 25, 1949

Mr. SHAFER. Mr. Speaker, under permission to extend my remarks I include a statement of policy of the Air Force Association, adopted at the third annual convention at Chicago July 2, 1949:

AIR FORCE ASSOCIATION STATEMENT OF POLICY

The Air Force Association, at its first annual convention in 1947, expressed steadfast belief in a strong United States as the best insurance of world peace, and in air power as the key to that strength.

Meeting for its third annual convention, the Air Force Association can take justifiable pride in the soundness of its concept. The events of the past year, as of the year previous, have confirmed its original premise. Air power has been peace power.

Although since 1947 a war of nerves has prevailed throughout the world, it has not resulted in global combat. That it has not done so is attributable in greatest measure to the influence of the United States. Nor can any successfully deny that the chief implement of American influence has been air power, existing and potential.

The expressions of this air power are known to all—the Berlin air lift, the presence of United States strategic air forces in Europe, the evidences of progress in supersonic flight and electronic control, the experience of the Air Force with nuclear weapons. These and kindred expressions of yet unveiled air power have been mighty deterrents to aggression.

Challenged and outmaneuvered in many ways by aggression, the free world has been able to offer its first effective checkmate through air power.

But while we take pride in the proven efficacy of air power as peace power reflected by world events, the Air Force Association cannot be complacent over the degree of recognition afforded air power's supreme importance.

The objective findings of the Presidential and congressional Air Policy Boards have not been implemented so as to produce maximum air power for the dollars expended. We attribute this deficiency to three major causes.

First. The United States has not achieved true unification—full unified direction of its armed services. The compromises necessary to the passage of the National Security Act of 1947 left it "lacking in strength, rife with duplication, inefficient, and saturated with waste." This conclusion the Air Force Association has pointed out previously. The Hoover Commission has come to a similar conclusion.

Second. The United States has no settled conviction concerning the strength of the air force required. Within a period of months we have seen the President's Air Policy Commission make one set of recommendations. Conversely we have seen the national administration make another and very different set. In one year Congress authorizes an air force in being of one size. The next year the unit strength of that air force is drastically cut.

Third. The United States is basing its defense budget not on strategic requirements but rather on political compromise. We do not suggest that air force is the sole line of national security. We recognize the importance of balance in military economy and planning. On the other hand we contend that a new strategic concept of security is requisite and that that concept rests primarily on air power. We believe with Winston Churchill that "air mastery is today the supreme expression of military power, and fleets and armies, however necessary, must accept a subordinate rank"; and that "this is a memorable milestone in the march of man." As we view our strategic requirements in the present world of cold war, we contend that effective balanced forces cannot be achieved merely by allocating substantially equal expenditures to each armed service.

We advocate revision of the National Security Act of 1947 (1) to give the Secretary of Defense the authority required by his responsibilities over the Departments under his charge along lines contemplated by the original unification bill; (2) to provide under that authority a National Military Establishment with a threefold organization—a Department of the Army, generally responsible for surface operations on land; a Department of the Navy, generally responsible for operations on and under the water; and a Department of the Air Force, generally responsible for all operations in the air; and (3) to provide for transfer of personel from one service to another;

We advocate legislation establishing the Air Force in being on the basis of the strategic requirements of this cold-war world. We seek necessary provision for procurement planning, programing, and actual procurement on a 5-year basis as recommended by the President's Air Policy Commission;

We advocate that the Chief Executive, the Secretary of Defense, the armed services, and the responsible committees of the Congress take every precaution to assure that budgets of the respective services be established on the basis of but one criterion—the strategic requirements of world peace and the security of the United States.

Turning to the civilian components of the Air Force—an important element in the air power of the United States—we have advocated at an appropriate time and under appropriate conditions, necessary steps to combine the Air Reserve and the Air National Guard into one federalized Reserve component.

We highly value the local support and organization which makes the Air National Guard effective. We believe that these underlying principles should be carefully preserved. We agree that the combination should not be initiated until it is clear beyond doubt that equivalent funds and organization will be as available to the federalized component as to the National Guard units.

The concept of 48 State air forces is, however, so foreign to the penetrating power and range of modern aircraft that we favor the ultimate well-planned and thought-out merger of Air Reserve and Air National Guard activities in one national component—when it is certain that the combined component will be more effective than the present divided strength.

Our belief in the principle of unification of our armed services and of our airpower already has led to us to seek unification of the organizations of former air force personnel, the objectives of which are the support and development of air power. We have within the last year given concrete evidence of our will to bring about such unity. We shall continue to do so.

We believe that United States airpower in being is the condition precedent to the survival of western civilization. We also believe that improvident and uneconomical expenditure of public moneys will be as disastrous to our security as a paper air force. We must constantly bear in mind that military defense must be phased with all aspects of our national life. Defense must be achieved at the minimum cost commensurate with reality. Our people are entitled to a dollar's worth of airpower for every tax dollar spent.

The total objective of peace and security for ourselves and a free world at a cost which permits a free and acceptable national economy is not an easy target. Yet with sound strategic concept based on the efficacy of airpower, and with careful budgeting based on the balance involved in that concept, we believe that objective attainable. To the furtherance of this objective the air force association once again dedicates its influence and its resources, with the firm conviction that air power is the balance between a world dominated by tyranny and a free world.

Are We Killing Our Leaders?

EXTENSION OF REMARKS
OF
HON. ABRAHAM J. MULTER
OF NEW YORK
IN THE HOUSE OF REPRESENTATIVES

Monday, July 25, 1949

Mr. MULTER. Mr. Speaker, the following article which appeared in the New York Herald Tribune of July 24, 1949, might well be reproduced by every Member of Congress and sent to each of his constituents:

ARE WE KILLING OUR LEADERS?

(By Carl Levin)

We are killing our national leaders. The tragic death of former Defense Secretary James Forrestal is just one count in an indictment which grows more and more ominous—for America and the world—as you learn the facts.

The biggest fact, and hardest to swallow, is that there are no tougher, crueler taskmasters than we Americans. Under our whiplash—call it our system if you wish—we have been working, driving, worrying, nagging, and harassing our most important officials into break-downs. We have been doing it, without even noticing it, ever since we inherited our new role as top dog and guardian of the Western World.

Even those of us on the spot do not know all the details of our national sadism in deal-

ing with our leaders. Many of them are concealed in confidential memoranda, in unpublished letters of resignation, and all too often—in the confidential talks between doctor and patient.

This, though, is evident. The upper echelons of our National Government are plagued today by a new kind of Potomac fever. Its symptoms, say the doctors, run from "occupational fatigue" to ulcers, coronary thrombosis, gastroenteritis, colitis, or any of a hundred other ills. It results from overwork, pressure and tension, from frustrations, personal attacks, and heartbreak.

A STRENUOUS ORDEAL

Potomac fever is an epidemic which has crept upon us, without our realizing it. We were surprised, for instance, but thought no more of it when Cordell Hull collapsed after strenuous years of guiding our foreign policy through war and peace. We didn't quite understand why George Marshall wanted to quit as Secretary of State—until he moved over to the Army's Walter Reed Hospital.

But this is just part of the story. Senate Majority Leader SCOTT LUCAS, complaining of unbearable pressures, recently collapsed under the strain of trying to guide President Truman's globe-encompassing legislative program through the Senate. Lt. Gen. Walter Bedell Smith, like many others pressed into cold-war duty after winning the hot war, went from the Moscow Embassy to Walter Reed Hospital with a painful case of ulcers. The Navy has had its hospital list too, including Admirals King and Leahy.

We released General of the Army Dwight Eisenhower to take up the serene life of a university president while, miraculously, he still had his health. Then we called him back for temporary duty as chairman of the feuding Joint Chiefs of Staff. He collapsed under an attack of gastroenteritis and had to be rushed South for rest and treatment.

We were shocked when James Forrestal, broken in mind, body and heart after 9 years of uninterrupted service to his country, dropped to his death from the monumentlike tower of the Naval Hospital at Bethesda, Md. In the press and in Congress indignant voices were raised against those who had maligned the Secretary. But in their next breath those same voices were ganging up on another public servant, David Lilienthal, Chairman of our Atomic Energy Commission. And a few days later we were reading about intemperate, insulting congressional attacks on ECA Administrator Paul Hoffman, a man who gave up an upper-bracket business position to serve his country.

IT LURKS EVERYWHERE

We employ men's talents in high office until political expediency demands that they be cast aside at the high mark of their careers. Then we are amazed when they are seized with fits of despondency.

This is national tragedy, and it lurks in every important inner office in Washington today. It raises a crucial question. How long can we continue to drive our best men into hospitals and graveyards without finding our fate and fortunes in the hands of phlegmatic second-raters?

Ask the doctors, and they will tell you that Washington is ripe for more Forrestal tragedies. They make it plain that we don't know half of the story.

Maj. Gen. Paul H. Streit, commanding general, Army Medical Center (Walter Reed Hospital), warns bluntly, "Our Government officials are working too hard. They do not realize a man can't do it without burning out."

Dr. Leonard A. Scheele, Surgeon General of the United States, puts it this way: "Government service demands from Government executives today an output that is too much for the bodies of many men to take. The body psyche just cannot absorb that kind of punishment; the strain is terrific."

The American Psychiatric Association, meeting in Montreal the day after the Forrestal tragedy, added its warning in these words: "The war has shown that there is a breaking point for every offe of us, if the pressures are great enough. No one is immune from the effects of strain and exhaustion."

HE KEEPS WATCH

President Truman recently referred to the Capital's peculiar pressures when he said that only iron men could hold Government office today. The President himself is under as great strain and pressure as any man in the world. But he has his personal physician, Brig. Gen. Wallace H. Graham, to keep a constant watch on his health. He receives preventive therapy, too, including his physician's aid in mastering the art of mental relaxation. And when the General notes excessive fatigue, he orders the President away for a complete rest and change of scenery.

In a single week not long ago the strain not only had Majority Leader Lucas in Johns Hopkins Hospital, but also had a score of other Members of both Houses away ill.

That was the week, too, that Senator RAYMOND E. BALDWIN, of Connecticut, wan and weary, was explaining to his friends and colleagues that after two backbreaking years he was quitting the Senate for the relatively tranquil life of a Connecticut judge. His reason, he could no longer subject himself to the strains and frustrations of Washington without depriving his wife and children of the benefits of a normal life expectancy for the head of their family.

Dr. George W. Calver, congressional physician, agrees. "Any man will live longer who gets out of this rat race," he says. His principal task is keeping a watch on the hearts of Federal legislators. But he asks, "How can this be done—when they are so busy that they send office boys for heart medicine instead of taking time out for an examination?"

It has never before been disclosed, but Secretary Forrestal, at the urgent pleading of a Government physician, made four successive appointments to go into a hospital for a rest. He canceled each one because of the pressure of his work.

You may say that the problems in Washington are not very different from the kind which our most important business executives must face and solve. To an extent that is true, but find the executive who is buffeted by the pressures stalking our national leaders.

Like eddies in a turbulent stream, the pressure currents build up from all directions. The Soviets and the cold war pressures the western world, including Washington; the rest of the western world pressures Washington for aid in defense and recovery; the people pressure the administration, and the administration pressures Congress. Over and above all that, the "social lobby" pressures all influential persons in Washington, feeding them cocktails, indigestible snacks, and small talk instead of rest and relaxation.

Finally, if this combination isn't enough to break even the strongest men, add the terrific awareness of responsibility our leaders must feel in every major decision. Rear Adm. Clifford A. Swanson, Surgeon General of the Navy, rates this realization of responsibility for actions which affect the welfare and even the lives of millions of people, here and abroad, as a major cause of Washington's peculiar fever.

ANOTHER VICTIM

When the signs show up—increasing fatigue, difficulties in sleeping, impaired appetite, increased irritability, inability to make decsions, depression—the doctors know that another man has fallen victim to our system, perhaps to be replaced by stolid mediocrity.

It doesn't have to be that way. We can alleviate the problem, if not solve it altogether. Many suggestions have been made, some by men who have learned from bitter experience themselves.

The most important proposals may be summarized as follows:

1. Adopt the major recommendations of the Hoover Commissions on the Organization of the Executive Branch of Government, particularly those which would straighten out lines of authority, reduce jurisdictional sniping, give our best men higher salaries to free them at least from financial worries, and provide more assistants to relieve top administrators of secondary problems.

2. Install a special office of medical consultants who would be charged with checking the health of high-level officials at regular intervals.

Navy doctors, during the war, had special staff assignments to keep an eye on admirals, and they could see to it that the admiral was ordered to rest when he needed it, not when it was too late.

3. Establish procedures under which competent, experienced officials would not be cast aside in the middle of their careers, whether for political reasons or because they have "gone stale." Instead, provide for their rotation to other important positions, as has been suggested by Columnist Walter Lippmann.

Such a change would be as good as a rest, and this would eliminate the heartbreaking experience some of our greatest leaders have suffered, of finding themselves suddenly unwanted after years of devoted and distinguished service to their country. Incidentally, it would also help solve another problem: finding qualified men for high Government posts.

4. Regulate lobbying and pressure groups in a way which would reduce the demands they make on the time of Members of Congress.

Withdrawing the privilege of ex-Congressmen to buttonhole Members on the floor of Congress would help. More important, every constituent should resist the temptation of taking up his Congressman's time with trivial requests and pointless visits.

5. Official Washington should gang up to overthrow the Capital's social lobby. A few dowagers have amassed so much influence and prestige that an invitation from them is considered a command. Many an important official, dog-tired from his day's work, has to rush out to a dinner party—if he declines too often, he may find his job given to a more gregarious man.

6. The public should insist that criticism of public officials should be honest, informed, and fair. This is tremendously important. Capt. George N. Raines, Navy psychiatrist, rates venomous criticism as the straw which can break the already overburdened backs of our leaders.

Finally, we need to realize that Potomac fever is a disease which can in the long run cripple us all. Our very survival in these times depends on attracting and holding in positions of national leadership the very best that America has in the way of brains, ability, and character.

Civilization—After the Civil War And—Now

EXTENSION OF REMARKS

OF

HON. COMPTON I. WHITE

OF IDAHO

IN THE HOUSE OF REPRESENTATIVES

Wednesday, July 20, 1949

Mr. WHITE of Idaho. Mr. Speaker, there is submitted herewith for the consideration of my colleagues an article appearing in the Sunday, July 24, issue

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of the Washington Star containing a compilation of the figures of unemployment insurance payments made to war veterans, which I believe has a bearing on the national housing shortage.

When Lee surrendered his sword to Grant at Appomattox and the veterans of the two armies headed for home the forests and plantations of the South and the prairies of the Central States and the forests of Michigan, Wisconsin, and Minnesota were waiting the hands of the returning soldiers. What they did in reclaiming the lands and building the towns, cities, and communities of our country by going to the woods and felling the trees and manufacturing lumber from the sawlogs and brick from the clay beds—quarrying building stone from natural deposits to build homes for themselves and rear great cities and construct plants to house factories to supply the needs of our American commonwealth presents a matchless record of human accomplishment.

Today with manufacturing plants, power and transportation facilities undreamed of in the days of the veterans of 1861, the growth of our country languishes and we hear the incessant demand for houses to shelter the rising generation. The woods are there—miles and miles of uncut timber to the west and south of us—sawmills, big and little, are readily available in a country traversed in every direction by hard-surfaced roads gridironed with railroads. Transportation by truck and rail was never as comprehensive or easy as now. Our clay banks and quarries are opened and equipped waiting a complement of manpower to go into production. Our manufacturing plants, for the processing and production of every building necessity, were never more plentiful and efficient.

Now we have 10,000,000 young men released from the Army, boys who left their rooms in their homes in the cities and on the farms to do their part in the Nation's armed forces in the defense of our country. These men and the women who left home to join the armed forces have reached maturity—now they want homes of their own. Many of them are married and are seeking houses and employment to their liking where they can settle down as their fathers and mothers did before them. A benevolent government has come to their assistance to tide them over the period of transition from Army life to a career in the everyday world, by making liberal cash payments and provide them with unemployment insurance.

When we add up the figures of war veterans' unemployment insurance with industrial unemployment insurance and consider the effect on the incentive to work, we begin to see one of the causes of the critical housing shortage.

An analysis of the figures printed in the article clipped from the Star, inserted herewith, is revealing:

52–20 BENEFITS END LEGALLY TOMORROW, BUT MANY STAY ON ROLLS

The 52–20 program dies tomorrow night but thousands of veterans may be eligible for its benefits for years to come.

The program since its beginning in September 1944, has funneled $3,600,000,000 into the pockets of some 8,770,000 World War II veterans during their periods of unemployment.

By contrast, State unemployment agencies, functioning for 13 years for the benefit of the whole public, have paid out $6,000,000,000.

The 52–20 benefits paid through May were (1) $3,051,958,059 in unemployment allowances which allow a maximum of $20 a week up to a total of 52 weeks, and (2) $570,882,765 in self-employment allowances. The latter includes $100 a month for not more than 10⅔ months for unemployed agricultural workers and others working for themselves who earn less than $100 a month.

Despite the amounts paid and the number sharing, only 839,737 veterans had exhausted their full benefits. The World War II veteran population at the end of May was 15,163,000, all of whom were entitled to unemployment aid.

Teaming Up With Freedom

EXTENSION OF REMARKS

OF

HON. KARL E. MUNDT

OF SOUTH DAKOTA

IN THE SENATE OF THE UNITED STATES

Monday, July 25 (legislative day of Thursday, June 2), 1949

Mr. MUNDT. Mr. President, our great American success formula of private ownership and political independence is today being attacked on many fronts by many men and nations. If we are to retain the sturdy strength which has made this country the envy of the world and the exchequer of the non-Communist areas of our times, it is imperative we do not yield to the siren calls and the luscious lures of various defunct and dying systems of collectivism, socialism, communism, fascism, and just plain authoritarian statism which dot and deface the world today from London to Leningrad and throughout so much of Europe and Asia.

In this connection, Mr. President, I desire to call to the attention of the Congress and the country a short editorial from the Radford News Journal, published in Radford, Va., and commenting on a recent address which I delivered in Atlantic City to the International Convention of the Kiwanis Clubs of Canada and the United States. I ask unanimous consent that the editorial be printed in the RECORD.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

TEAMING UP WITH FREEDOM

One of the most challenging statements we have seen in the past few years was delivered to the delegates to the annual convention of Kiwanis International last week in Atlantic City by Senator KARL E. MUNDT, of South Dakota.

The distinguished Senator asked the Kiwanis clubs of the United States and Canada "to team up with freedom in taking an active, leading part in turning back the tides of totalitarianism now threatening to engulf the fates and fortunes of all people still privileged to enjoy the basic freedoms of political independence and private, competitive enterprise."

He stated bluntly that "the issue today is tyranny, the source of our trouble is communism and its treacherous associated creeds, and the successful survival of our free institutions depends upon the degree of active attention which the voters of America devote to the all-important business of protecting our basic concepts against the seductive lures of today's false doctrines."

The South Dakota Senator continued by saying, "the decisive battles for freedom in our generation—both political and economic—are to be won or lost on American soil. Victory or defeat will depend upon the action or the apathy of the men of Kiwanis and other similar groups of patriotic people in the United States and Canada.

"All over the world the tempting offerings of the welfare state are being offered unwary citizens as the artful camouflage of total State controls and ownership which unerringly throughout human history have resulted in political tyranny. Sometimes the bait is communism, sometimes it is nazism, or fascism, or socialism, or statism, or collectivism, or nationalization, or the planned economy."

Senator MUNDT did not indulge in weak generalities. He gave the Kiwanians and other organizations in the country a specific program. He asked that they form what he called American enterprise committees charged with four specific community responsibilities. He recommended what he called a 12-word, 4-sentence program of action to protect freedom in which each of these so-called American enterprise committees could promote community activities which would:

1. Prepare our youth by making certain that in each high school of the land at least one course is taught which can accurately, appropriately, and consistently be called a course in what's right with America.

2. Publicize our creed by making each Kiwanis community set aside 1 week each year for a community program dedicated to dramatizing the basic concepts which have made America great through radio programs, editorial campaigns, public meetings, essays, and oratorical contests, pageants, window displays, special movies, posters, and public parades. He suggested these be called Know Your America Week.

3. Protect our dividends by an organized community continuing effort to give better opportunities and standards of living to the least fortunate folks of every community so that their dividends from freedom will help them become better apostles for the American way of life.

4. Protect our freedoms by helping to ferret out and expose un-American influences within the community which are corrupting the youth, polluting our minds, and undermining the private, political, and economic morals of the people.

It is hoped that these delegates will come back to their respective communities and put into action this program. It is hoped that Kiwanians everywhere will take the lead in this project—there is a definite need here in Radford, as there is elsewhere, for the people to realize that "The path toward the mirage of something-free-for-everybody and come-and-get-it Government is always different but the destination is always the same—at the end of the road the state is supreme and the individual is reduced to the subservient servant of the state."

Let's hope that this challenge will not go unheeded and that Rotary and Lions and other organizations will join in with Kiwanis to team up with freedom on an all-out war with tyranny in any form.

Arthur M. Rosencrans

EXTENSION OF REMARKS

OF

HON. ABRAHAM J. MULTER

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Monday, July 25, 1949

Mr. MULTER. Mr. Speaker, another distinguished Brooklynite was recently honored by Mayor O'Dwyer by appointment to membership on the board of higher education of the city of New York. The Brooklyn Eagle has further honored him by naming him Brooklyn's man of the week. He is indeed one of Brooklyn's leading citizens. I am pleased to set forth a copy of the article about him which appeared in the Brooklyn Eagle of July 24, 1949:

BROOKLYN'S MAN OF THE WEEK—BOROUGH EDUCATOR A MAN OF BALANCED PERSONALITY

(By Jane Corby)

Arthur M. Rosencrans, the new Brooklyn representative on the board of higher education, comes under the heading of a balanced personality.

He is old-fashioned enough to live in a big, tree-surrounded, easeful house at Manhattan Beach, but modern enough to believe education today needs some renovation and a lot of revitalization; has built up one of the biggest insurance underwriting firms in the city, but in the words of his wife, "is too soft-hearted for his own good"; is realistic about the current world, but collects signed editions of all kinds of books, from historic records to poetry.

STRICT WITH CHILDREN

Believes in strict upbringing for children, but takes delight in trying to spoil his grandchildren.

Is a bit of tease where his wife is concerned, but, says she, "is the grandest person to live with."

Anyway, his teasing only amounts to saying such things as "tell the children the hardships you had to endure when you were going to school and had to ride a horse."

It was a Shetland pony named "Pet" that Mrs. Rosencrans used to ride to the little schoolhouse in Foxboro, Mass., where she lived as a child.

Arthur Rosencrans talked about education a lot and himself a little in his private office at the Irvin Agency, Inc., at 148 Montague Street, one of the three affiliated insurance underwriting firms of which he is president and which has offices here and at 107 William Street, Manhattan.

A HANDSOME COUPLE

His wife, auburn-haired and green-eyed, in slim black and pearls, had dropped by in the course of a shopping trip. They're a handsome, graceful pair—Mrs. Rosencrans, a mermaid, in her fondness for swimming. Mr. Rosencrans, though he has neglected his tennis arm, still keeps his tennis-trim figure.

They've been together since high-school days. Arthur was captain of the tennis team at Alexander Hamilton High School, the future Mrs. Rosencrans was a student at Eastern District High School, when they met at a high-school dance. He was with a young man whose sister had gone to the dance with her best girl friend, a bright-haired youngster who caught Arthur's eye. He went home with her from that dance, and their marriage, not much later, was no surprise to their friends.

Meanwhile Mr. Rosencrans had gone on to New York University and was toying with the idea of getting into the insurance business. He organized his own underwriting agency 30 years ago, subsequently acquiring the Irvin Underwriting Co. and after organizing its affiliate, the Irvin Agency, merged several companies with his two original corporations.

He considers himself an average man.

TALKS FOR AVERAGE MAN

"I'm talking for the average man when I say that I think that a stronger emphasis on business education is what is greatly needed today," said Mr. Rosencrans. "Particularly, I believe that the schools of civic and business administration, such as City College possesses, should be instituted in the other colleges under the direction of the board of higher education. I also am a strong believer in the further development of the field of adult education.

"I haven't thought these things through, but I have been told that considerable study is being given along these lines by competent authorities at the present time."

Mr. Rosencrans, businessman though he is, has been in close touch with educational problems many years. He has been a member of local school board No. 40 since 1942, and chairman of the board for the last 3 years. School District No. 40 is the largest in greater New York, and includes 26 schools, among them several junior high schools.

As a member of the board of higher education, he will be one of the group, made up of representatives for each borough, which acts in an administrative capacity for all four city colleges, and takes charge of such details as the appointment of college officials, approval of curriculums, budget recommendations, etc.

ACTIVE IN ORGANIZATIONS

His interests have been community-wide, and he is an active member of a score of organizations. For a number of years he was president of Temple Beth El of Manhattan Beach, where he is now an honorary life trustee.

Mr. and Mrs. Rosencrans brought up three children, now all married. Leslie M., an army veteran, and a Penn State graduate, is a member of his father's firm. One daughter, the former Edith Rosencrans, now Mrs. Angel Barnes, enlisted in the Coast Guard during the war, after taking her master of arts degree from Columbia University, and toured the country as a member of the Tars and Spars.

The elder daughter, Janet, who was graduated from New York University, is Mrs. Samuel Z. Jacobs of Manhattan Beach. There are three grandchildren in the family, which, said Mr. Rosencrans, "helps to keep me in touch with the problems of primary education."

Tireless in his civilian war efforts during the last war, he served as chairman of the National War Fund, Manhattan Beach Division, chairman of the Red Cross, and a member of the Kings County Price and Rationing Board.

LEADER IN JEWISH WORK

He has been a leader in United Jewish Appeal and Federation work for years, active in the Boy Scouts, the Men's Club of the Eighth Avenue Temple, the Grand Street Boys Association and various other civic, community, social, and fraternal organizations. He is a member of John Hancock Lodge, 70, F. & A. M., and BPOE 22.

His one hobby, the collecting of signed editions, he has pursued with such enthusiasm that the walls of the library of his home are filled with books, and two walls of his den had had to be fitted with floor-to-ceiling shelves to make room for more.

His collection of autographs is extensive. Among the important items is a complete illustrated volume of original letters signed by Napoleon and his marshals. The original draft call of New York City issued and signed by Abraham Lincoln in 1863, the year of the draft riots, is another. Not so popular but of great historical interest are various original documents signed by Adolf Hitler and many of his followers, including most of those who met their fate at Nuremberg. The collection is further varied by documents signed by Presidents—including Washington—kings, generals, authors, and poets.

"They make me feel akin to the great events of the past as well as the present," said Mr. Rosencrans. "I think that's why I like to collect them. I recommend my hobby. It revitalizes the past and helps one achieve a better understanding of the world we live in."

Address by Hon. Elbert D. Thomas, of Utah, on Point 4 of President Truman's Message on the State of the Union

EXTENSION OF REMARKS

OF

HON. ELBERT D. THOMAS

OF UTAH

IN THE SENATE OF THE UNITED STATES

Tuesday, July 26 (legislative day of Thursday, June 2), 1949

Mr. THOMAS of Utah. Mr. President, I ask unanimous consent to have inserted in the Appendix of the RECORD an address of mine entitled "Point 4," which was broadcast over radio station KSL, Salt Lake City, Utah, July 20, 1949.

There being no objection, the address was ordered to be printed in the RECORD, as follows:

POINT 4

President Truman in his state of the Union message made a recommendation which is now called point 4. Point 4 is the simplest and most basic idea in connection with rehabilitating a broken world and putting nations and people on their own feet. It is the surest way of raising the standard of living. It is the cheapest method for bringing economic relief and aid. But it has the most vigorous and, in a sense, the most wicked opposition that any part of the Government's program draws.

The coalition between BYRD and his 18 Dixiecrats who line up with the Republicans in defeating the administration's program is evident on every hand. For example, I will give an illustration. The House bill for the last ECA appropriation set aside a few millions to be used to support one provision of the point 4 program. The provision was a simple one, tried often in our country without costing the people a cent. It is the principle used in FHA loans; that is, the Government guarantees the interest on investments made with private capital. The Government has never lost money because there is the best kind of supervision over investments where the interest is so guaranteed. The House of Representatives assumed that if private money became available for investment abroad in keeping with the theory of the Marshall plan, the American people with their surplus funds could associate themselves in rehabilitation projects. In this way there would be a restoration of normal conditions brought about in a normal way and invested money would come back to the American people with a profit. There was no opposition to this provision until someone suggested that this might be the beginning of the operation of point 4. When that was said, every one of my four

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colleagues on the Senate side of the conference table objected. Finally, we were only able to preserve the point by making changes.

Put it another way. Here was a group of men willing to spend $5,000,000,000 if there were no guaranty on any return, but unwilling to spend a few million dollars if there were good promise of its return.

There is never any question of a military bill for money to be spent for running tanks, airplanes, or just in practice for defense. But if someone suggests spending money for a house which will be lived in and paid for out of its rent and which bill add to the wealth of the Nation there is always opposition. The appropriation for the Atomic Energy Commission to create more bombs is never questioned. But if it becomes known that the Commission is experimenting on some new way of producing energy for productive purposes you may rest assured there will be all of the opposition in the world. That, of course, can be explained. People who supply that which produces the old type of energy feel that their business will be jeopardized.

I had something to do with the setting up of a commission which went to Palestine years ago to study the economic possibilities of that land. The report of the commission was conclusive. It showed that between six and eight million souls could be maintained if the economic possibilities of the land were developed. Who can estimate the water power possibilities in the Jordan drainage. Who can estimate the mineral wealth in the Dead Sea. You might just as well try to estimate the mineral wealth in the Great Salt Lake. But it is easier for the Jews to return to Palestine now they know the land's economic possibilities rather than for purely sentimental reasons.

I saw so much of teaching and showing new methods when I was a missionary in the Orient. I saw the first sheep brought to Japan. I showed new methods to a group of students, professors and helpers at the agricultural college at Sappora, Japan, when that great school imported an American team of horses and a harness. I say new methods. They were not new to me, but the Japanese had never seen a horse driven. They knew how to hitch the horses up, lead them and the hayrack on to the hay fields. Then they unhitched the horses, and women carried the bundles of hay over to the wagon and loaded it. We say, of course, stupid people. But if you had never seen a horse driven you would handle a horse the way you were used to doing. I laughed and jollied them for a minute or two then I told them to hitch their horses up again. I jumped on the seat, took the reins, drove the horses and the rack to every little stack of hay. The Japanese workers were almost terrified. But as soon as they realized that the rack could be taken to the hay instead of the hay carried to the rack they saw the point. Point 4 of the President's program is, in its simplest form, merely, a way of teaching know-how, if I may use an American colloquialism stolen from the Chinese.

Everyone in Utah knows of the great studies carried on by President Franklin S. Harris, of the Utah State Agricultural College, for the Jews in Siberia and for Persians in Persia. His work was also connected with what is now called point 4. It cost very little, but the results of his activities produced great economic wealth. Dr. Walker, also from the Utah State Agricultural College, was lent to Burma. He, too, left ideas in that land that will pay back a thousandfold.

One of our great American corporations in Central America is experimenting with its worn-out banana lands and produces mahogany trees and manila hemp and other products needed in our country. They have established a world-renowned school to teach the Central American Indians modern agricultural methods. They have established schools to increase the health and welfare of their employees. The Americans who work for this corporation in those tropical lands have fine homes and recreational facilities furnished by the corporation so that their families can be happy. A past president of the great corporation said that to have good and happy employees the wives and families of the employees must also be happy. Does it pay that great corporation to carry on business in this way? Last year, two of the regular quarterly dividends to stockholders were tripled. Yet it would be hard to describe this corporation as just a money-making enterprise. It is in reality a great American economic, education institution. The aim of the men who are doing these great things, of course, is always to sustain and keep safe the investment which the American people put into their enterprise. That is merely point 4.

The Government has never subsidized this great institution unless their ships carry United States mail. But when they build ships, they build them in accordance with Government specifications so that if an emergency comes the Government can buy ships that are useful. The Government, of course, can ruin such a company by putting a prohibitive tariff on its products, but it does not.

Everyone receives Government aid. When you turn on the water you are getting water because the Government through the waterworks sends it to you. This notion that the Government is something that one is not related to is as silly as mothers in this day and age who try to scare their children by turning the policeman into a bogeyman.

Why did the Japanese not know how to drive a horse? They had never had occasion. Do you know how many hundred years men had domesticated horses without knowing how to ride one? The most commonplace things to us are wonderful beyond belief to some people in the world. The Chinese to this day do not know how to milk a cow, but they showed genius enough to domesticate both birds and insects and made silk from bugs and hatched eggs by incubators hundreds and hundreds of years before we of the West tried it. Point 4 will merely teach people now to help themselves.

In writing the constitution for the United Nations Food and Agriculture Agency with which I helped and which President Harris had so much to do with, our thought was merely to help people help themselves. Why should we be afraid of such a simple thing? The idea is not even new. Why the opposition? But I receive letters and one of them lately came from a thoughtful Utah man who wrote asking why we did not do more things like sending Dr. Walker to Burma instead of spending all of the billions in indirect help. I explained to him that if I told him that what Dr. Walker was doing was merely a part of point 4 he would probably be against it because all he had read about point 4 was bad and therefore he had become prejudiced against an expression and not what point 4 stood for. Someday maybe the American people will stand for or against great principles and mighty fundamentals instead of against a name.

Shield Against Aggression

EXTENSION OF REMARKS

OF

HON. E. E. COX

OF GEORGIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, July 26, 1949

Mr. COX. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following editorial from the Washington Evening Star for today:

SHIELD AGAINST AGGRESSION

In his message calling upon Congress to enact a $1,450,000,000 arms-aid program to strengthen the defensive position of our friends abroad, President Truman has based his arguments on essentially the same logic as has led us into such other great and far-reaching enterprises as our assistance to Greece and Turkey, the Marshall plan for European recovery, and the 12-nation North Atlantic Treaty for mutual security against direct and indirect aggression.

The logic is the compelling logic of the cold war—the logic of the tumultuous and threatening events that have impelled the United States, in concert with the rest of the free Western World, to build up, step by step, a powerful defensive wall against the dominance-seeking forces of Red totalitarianism. Thus, our aid to Greece and Turkey has been designed, with telling effect, to save those two countries from being subverted and dragged behind the iron curtain. Similarly, the Marshall plan has been put into operation—again with telling effect—to prevent the kind of economic and political disintegration which for a time threatened to hand over the whole of Europe to Soviet control. On top of that, more or less evolving out of the Brussels Pact uniting Britain, France, and the Benelux trio, has come the Atlantic Treaty—an undertaking calculated to deter the Russians from further European aggression of the one-by-one sort that has wiped out the liberty and independence of such lands as Poland, Rumania, Bulgaria, Hungary, and Czechoslovakia.

But the defensive wall is not yet as effective as it can and should be. Accordingly, to strengthen it, to make it more formidable as a shield against aggression, the President has now asked Congress to provide for foreign assistance of three types: (1) Limited dollar aid to enable our overseas friends to make some increase in their own armaments production without impeding their economic recovery; (2) direct transfers of certain items of American military equipment; and (3) the assignment of experts from this country to help the recipients train personnel and familiarize themselves with our equipment. The program—though it would coordinate all our arms-aid projects, including that for Greece and Turkey, into a single operation—would be concentrated chiefly on improving the defensive position of the Atlantic Pact countries by making them capable of maintaining internal order and resisting the initial phases of external aggression. Its duration would depend largely on whether or not Soviet policy changed for the better. In administering it through the State Department, the President would have very broad discretionary powers.

Such a program obviously is wide open to debate, and Senator VANDENBERG, who has been one of the key architects and most eloquent supporters of our bipartisan foreign policy, has made clear that he is far from convinced of its soundness and intends to challenge it. In his opinion—still tentative—it seems too wide in scope, too generous in its grant of Presidential authority, too armaments-minded, and too heedless of the machinery set up in article 9 of the Atlantic Pact to effectuate the self-help and mutual aid envisioned in article 3. In short, his first impression of the project is unfavorable enough to make him feel that a curtailment may be necessary—a fact indicating that the undertaking faces real trouble in Congress.

Nevertheless, the program has been drafted with such apparent care that Mr. VANDENBERG and men of similar vision are not likely to modify it drastically unless facts can be produced to warrant such action. In essence, in principle, in purpose, the proposals are

both sound and necessary. If Congress decides to curtail them, it should do so in a way that will not make us lose any of the ground we have gained against Russia. For it is true, as the President has said, that wise application of the arms proposals can help the free west hold on to the initiative it has now and form a common front strong enough to persuade the Kremlin that its own welfare lies in the direction of mutual tolerance and peaceful foreign relations.

Parity Wins

EXTENSION OF REMARKS
OF
HON. BOYD TACKETT
OF ARKANSAS
IN THE HOUSE OF REPRESENTATIVES
Tuesday, July 26, 1949

Mr. TACKETT. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following editorial from the Arkansas Gazette:

PARITY WINS

It is curious how a system of Federal farm subsidies, which was admittedly experimental at its inception and has been bitterly criticized in the past, has become something to be cherished and defended by congressional conservatives.

A coalition of Republicans and farm State Democrats in the House has rejected not only the experimental Brannan plan offered by the administration, but the Aiken farm subsidy plan approved by the Republican Eightieth Congress. Unless the Senate reverses this action, which is doubtful, it means that the old New Deal system of rigid commodity supports will continue through the next growing season.

The Brannan plan was, of course, untested and for that and other reasons was open to question. For one thing nobody could even give a fair estimate of what it would cost. But the plan at least had a commendable objective—to alter the system of Federal price supports so that the consumer might benefit from the working of the law of supply and demand, which the present farm program largely nullifies.

The system which the House chose to continue rests fundamentally upon the philosophy of scarcity. It calls upon the Government, through outright purchases or loans, to take enough of any crop off the market to guarantee an arbitrary parity price. In the case of perishables like eggs and potatoes this has resulted in the destruction of millions of dollars worth of produce at a great loss to the Government. As a result of the war-born demands for such nonperishables as cotton, which is taken off the market under the loan and stored, the situation has been somewhat better. But even here the Government is committed to the ultimate purchase and storage of each year's cotton surplus with little prospect of ever finding a market for it in normal times.

The Brannan plan may not have offered a feasible answer to the farm problems with which the Government apparently intends to deal from now on. But the House was unwilling to even consider a limited test run of the plan on a few selected commodities, as it was also unwilling to test the Republican plan providing for more flexible price supports. This attitude would be understandable only if it could be argued that the present price support system is completely sound—and we see no reason for such an assumption.

Amending the United Nations Participation Act of 1945

EXTENSION OF REMARKS
OF
HON. ROBERT B. CHIPERFIELD
OF ILLINOIS
IN THE HOUSE OF REPRESENTATIVES
Monday, July 18, 1949

Mr. CHIPERFIELD. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following thoroughgoing analysis of the bill to amend the United Nations Participation Act of 1945. This analysis was prepared by a member of the professional staff of the Committee on Foreign Affairs, Mr. C. B. Marshall. I commend it to the members' attention because of the light it sheds upon the nature and purpose of the legislation before us:

The first step in making clear the purpose of the bill H. R. 4708 might well be to make known 10 things that the bill does not do.

1. The bill does not change—it does not increase—in any way the obligations of the United States toward the United Nations.

2. The bill does not alter in any way the standing of the United States with respect to the United Nations Charter. It does not relate to the veto or any other controversial part of the Charter.

3. The bill does not increase the powers of the United Nations or any member thereof.

4. The bill does not affect the arrangements regarding the Untied Nations headquarters.

5. The bill does not relate to the status of United Nations personnel in this country. It does not add to their immunities in any way.

6. The bill does not relate in any way to the imposition of sanctions or any other such action under chapter VII of the Charter.

7. The bill does not increase the President's powers to deal with United Nations affairs.

8. The bill does not increase the United States' contribution to the United Nations.

9. The bill does not increase or otherwise affect our participation in the specialized agencies of the Unted Nations.

10. The bill does not give anything away.

The list of things which the bill does not do is stated not as an apology but merely to clarify the point that this is a simple piece of legislation. This bill is all to the advantage of the United States. It is merely a pattern for doing better some things that we are already doing. There is no reason why anyone should fail to support it.

Now that we have seen what the bill does not do, let us see what it does do.

1. The bill provides a deputy for the drastically overworked United States representative to the United Nations.

2. The bill provides for better continuity in representation before the United Nations.

3. The bill ends a pay discrimination against our United Nations diplomats by putting them on the same pay schedule as our regular diplomats.

4. The bill improves the quality of administration and operation of United States activities in the United Nations.

5. The bill makes possible the rendering of more efficient assistance to the United Nations in the peaceful settlement of disputes—in a manner better suited to United States interests than at present.

6. At the same time the bill puts limitations on the President's already existent and unrestricted power to use military resources and personnel in support of peaceful settlement of disputes under the charter.

7. The bill protects the rights of United States military personnel serving on such detail.

8. The bill makes it possible for the United States to collect repayment for such services rendered to the United Nations.

9. The bill actually opens the way for a saving, on balance, to the United States of $325,000 a year—based on experience figures.

10. The bill serves comprehensively and exclusively the interests of the United States.

Every one of the above 10 points is further discussed below:

First, as to the need for a deputy representative of the United States to the United Nations. This is provided for in section 2 (a) of the United Nations Participation Act as amended by section 1 of this bill.

It should be kept in mind that at the time of the enactment of the United Nations Participation Act of 1945 there was no experience on which to draw. No one had any notion as to what the load of business necessary to be handled by our United Nations representative would be. It was then thought that a representative and a deputy to sit in the Security Council would be sufficient for topmost representation.

Two factors have made this number insufficient.

For one thing, the volume of problems before the United Nations has been far greater than was considered likely in the more optimistic days when the United Nations was founded. The lessen of 4 years has been that the work of the United Nations has been many times as difficult and as great in scope as was then anticipated.

Also, the United Nations headquarters was established in the United States—be it remembered at the invitation of this Government. To the other duties incumbent upon our representative have fallen the obligations deriving from the fact that he is representative of the host Government. This adds greatly to the burdens of his post. It multiplies the demands upon his time. It results in many situations where our representative is required to be in three or four places at once.

Actually, Ambassador Austin has become one of the most seriously overworked men in the Government. He has never made a complaint about this. He has not pushed the plea, before the committee or elsewhere, for providing him with a full deputy.

Nevertheless, it is not in the interest of the United States to exploit its servants, even those who are uncomplaining. The best results in representation cannot be obtained so long as our representative is required to attend to a volume of problems beyond the span of any one man. This statement is in no wise a reproach to the quality of the work that has been done by Ambassador Austin.

An example to prove the point may be cited from what happened at the time of the Paris meeting of the Security Council last fall concurrent with the General Assembly.

Ambassador Austin became ill and was sent to the hospital. Overwork was a factor in the case. Then Ambassador Philip Jessup, deputy representative to the Security Council, also succumbed to the strain of overwork and had to be hospitalized. The result was, for a time, that the United States was without any representation authorized by law to deal with high-level matters in the Security Council. This incident amply illustrates the need of having a third high-level man in the delegation—not only to serve in emergencies but also to ease the strain on those already carrying the excessive load of work.

The answer to the problem is to provide a deputy with plenary power to act for the representative. This bill does that.

Second, as to better continuity in representation—this is provided for in section 2

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(a) and (d) of the United Nations Participation Act of 1945 as amended by section 1 of this bill.

It is provided that the representative and the deputy representative may serve on any organ, commission, or other body of the United Nations. An exception is made only for the specialized agencies, such as the World Health Organization, or the International Refugee Organization, which deal with limited fields of operation and for which autonomy of representation and operation is necessary.

The bill provides also that any officer of the Department of State may be appointed by the President to represent the United States in the Security Council for a limited time incident to disability of the regular representatives or in connection with a special problem. This is limited to State Department officers subject to senatorial confirmation—in other words, the Secretary, the Under Secretary, the assistant secretaries, the legal adviser, and the counselor. This provision should take care of emergencies which might otherwise result in an interruption of United States representation. It also will enable State Department men who have developed great familiarity with a particular problem to follow it through its various United Nations stages. In some instances that might be of particular advantage to the United States.

Third, as to the question of compensation—this is provided for in several places in the bill as reported. Since then, however, the committee has developed an amendment which more amply states the principle in mind. This amendment is to be offered at the proper time.

The amendment strikes out all specific salary references in connection with the particular posts affected. It writes in a new subsection of section 2 of the United Nations Participation Act of 1945. This new subsection states the principle that compensation of United Nations diplomats of the United States shall be paid at the same rate as allowed by sections 411 and 412 of the Foreign Service Act of 1946 for people in our regular diplomatic service doing regular diplomatic work of a bilateral character. The basis must be the importance of the work done as determined by the President.

It should be kept in mind that the Foreign Service Act was enacted a year after the United Nations Participation Act of 1945. It did not occur to the Congress at the time that in providing for more substantial compensation for one sector of its diplomatic representation, it was overlooking another equally important sector.

Actually, multilateral diplomacy has become every bit as important as bilateral diplomacy, and in some senses of even greater importance. It is certainly not in the interest of the United States to make it more difficult to attract top-rate men and women into the United Nations sector of its diplomacy than it is to get them to work in the field of relations with other countries.

The bill wipes out the discrepancy and the discrimination.

Under the committee amendment it will be possible to grant Ambassador Austin the same status as a chief of mission, class 1. Surely no one can contest that the job of representative to the United Nations is just as important as the job of being ambassador in any of the world's major capitals.

It will be possible under the committee amendment to establish the new deputy's post on the level of a chief of mission, class 2. Surely again no one can contend that the number 2 man in our United Nations delegation will not be in as sensitive and important a post as any of the ambassadors in one of the capitals of secondary importance.

For such posts as our representative on the Trusteeship Council and the Economic and Social Council and our deputy representative in the Security Council it will be appropriate to establish a level equal to that of a chief of mission, class 3. The same goes for the members of special field commissions of the United Nations, such as those acting in the India-Pakistan problem, the Palestine situation, and the like. Also it will apply to our public delegates to the General Assembly. These latter, however, serve only for a few weeks out of the year and their number does not run over four or five.

How much will this cost? It is apparent that the increased cost in our representation will not be more than $75,000 a year. For our No. 1 representative the difference will be $5,000 a year. For his deputy—a new post—a salary of $20,000 will be appropriate. For the others mentioned an increase in the rate from $12,000 to $15,000 or $17,500 at most will be in order.

This must be weighed against four considerations.

For one thing, the rates will merely bring them into line with the people in other sectors of our diplomatic front.

For a second consideration, the increase in pay will reflect itself in an increase in status that will improve the prestige of our representation.

For a third thing, this is not an open-ended raise. The officials concerned are subject to senatorial confirmation. There will be this restraint to insure that the standards envisaged by the Congress are complied with.

Finally, the bill provides for savings to the United States which more than balance this extra cost. This will be explained in detail further on (eighth and ninth points).

Fourth, the bill improves the administration and operation of United States participation in the United Nations. This is just a way of summarizing all that has been said above regarding the changes in representation. The point is repeated here to emphasize the idea that this is not a bill to do anything about the United Nations. It is simply a bill to improve our manner of taking part. It does it in a way not to the advantage of the United Nations as a whole or to any other member of it. It does so in a way that will benefit this Nation alone. This is a bill clearly in the national self-interest.

Fifth, as to improvements in the basis on which the United States renders assistance to the political commissions of the United Nations engaged in the peaceful settlement of disputes between nations—these are concerned in a new section 7 of the United Nations Participation Act of 1945 as amended by section 4 of the bill as reported.

It must be emphasized that the President has power now to call upon the Departments of the National Military Establishment to assist the United Nations in such activities. This results from his inherent constitutional power as Commander in Chief of the armed forces and as primary agent of this Government in the field of foreign affairs.

The President at present, however, may detail such personnel or make equipment available only to some American serving on such a commission. The result is dual control and administrative confusion. For example, under existing law a vehicle of the United States Army detailed to the assistance of such a commission would have to be driven by an American driver at all times. Technically it could be used only by an American.

Section 7 (a) (1) of the United Nations Participation Act of 1945 as it will be amended by this bill will make it clear that the President can detail personnel and equipment to the United Nations. It will not be necessary to maintain the legal technicality that the detail is to American officials.

It is entirely in the interest of United States foreign policy that such assistance be rendered without impediment to the political commissions which are in the field or which may be established as new problems now unforeseen arise.

Such agencies as the Special Committee on the Balkans, the Commission for India and Pakistan, the Commission for Indonesia, the Commission on Korea, and the Palestine Commission represent activities which stand at the very apex of United States foreign policy interests. They represent the effort to settle problems by international action short of war and without the use of force.

Such Commissions must operate in the field under situations of extreme difficulty as to communications and supply. They could not operate without assistance from governments capable of supplying it, as the United Nations alone does not have the resources necessary. By providing a statutory basis rather than relying upon inherent constitutional powers, we can make such assistance more efficient. We also make it far less costly to the United States. We can define the limits of such assistance. All these things the bill does.

Sixth, as to limitations on assistance—these are found at various points in the new section 7 of the basic act as provided in section 4 of this bill.

The detailing of personnel and the loan of equipment is confined to peaceful settlements.

The number of personnel to be involved at any one time is limited to 1,000—a precaution lest there be any tendency to exploit unduly American resources of manpower.

The loan of equipment is put on the basis of the "agreed fair share." The terms of application must be worked out between the President and the United Nations in particular instances. It is intended to insure against any tendency to take undue advantage of American willingness to help and to emphasize that the United Nations can realize its potential only with support of governments on a broad basis.

The disclosure of secret information is specifically forbidden.

The bill also authorizes the President to set up other conditions and limitations in rendering such assistance. It is the committee's understanding that these conditions and limitations, whenever a vessel crewed by American personnel is made available, will invariably include the stipulation that the vessel is to remain under United States control while on such mission.

Seventh, the rights of United States personnel on such missions are protected by provisos in paragraph (1) of subsection 7 (a) of the act as amended by section 4 of the bill as reported. These provisos entitle such personnel to accept per diem recompense from the United Nations and to maintain their rights under law as members of the United States armed forces while so engaged. The right of members of our armed forces to accept such per diem payments has been called in question by the General Accounting Office. This legislation will clear up the legal technicality.

Eighth, under the present basis, with the President making personnel and equipment available only in pursuance of purely United States objectives rather than making them available to the United Nations directly, there is no way of collecting from the United Nations for the services rendered.

Section 7 (b) of the act as amended by section 4 of the bill as reported changes this. It directs the President "to require reimbursement from the United Nations for the expense thereby incurred by the United States." An exception is made only whenever and insofar as the President may determine that extraordinary circumstances and the national interest justify a waiver.

The out-of-pocket costs to the United States in assisting the United Nations field

commissions in the last year and a half have been approximately $1,000,000.

Had this law been in effect, we could have recovered that sum.

Since the United States pays approximately 40 percent of the United Nations budget, the United States, on balance, would have been ahead $600,000 had it provided assistance on a reimbursable basis as authorized in this bill.

There is every prospect that field commissions will continue to operate in substantial numbers for the calculable future. Some of the present ones may soon complete their missions. But there is no prospect that the world will become so calm and international relations so peaceful in the foreseeable future that the need of such work will die out. We can count, therefore, on this legislation as representing substantial savings to the United States.

Ninth, just how much of a savings does the bill represent?

As seen above in the discussion under the third point, it involves the outlay of about $75,000 a year more in salaries for top-level people.

But now we get to the compensating factor of a saving of about $400,000 a year by putting on a reimbursable basis our assistance to field commissions of the United Nations.

The bill thus involves a net saving, based upon experience figures, of $325,000 a year.

The Foreign Affairs Committee has often been reproached for reporting bills that involve a drain on the United States Treasury. But this time it has a bill that will result in a net saving.

In that connection, it is interesting to note that the Department of State already has a statement of account ready to go to the United Nations in the event this legislation passes. It is for $26,000 for repayment of expenses incurred by the Palestine Commission. There is no authority to collect the money without this legislation.

The State Department estimates that in all $100,000 of the expenses recently put out in connection with field missions will be recoverable if this legislation is enacted.

Thus it is accurate to say that the salary expenses added by this legislation will be compensated for by reimbursements already in sight—for the year.

Tenth, the bill is in the United States interest. It is in our interest from a dollar standpoint. It is in our interest from the standpoint of strengthening our conduct of foreign policy. It is in the interest of the United States in protecting the welfare of its servants.

The committee went over this bill most carefully. It held hearings for 3 days. It then wrote the bill detail by detail. It took every step necessary to make this bill entirely in harmony with the interests of the United States. It is an uncontroversial bill, worthy of unanimous support of the House—just as it had unanimous support in the committee.

Address by Hon Robert A. Taft, of Ohio, in Answer to the President

EXTENSION OF REMARKS
OF
HON. ROBERT A. TAFT
OF OHIO
IN THE SENATE OF THE UNITED STATES

Tuesday, July 26 (legislative day of Thursday, June 2), 1949

Mr. TAFT. Mr. President, I ask unanimous consent to have printed in the Appendix of the RECORD a radio broadcast I made on July 15, 1949, in answer to the President.

There being no objection, the address was ordered to be printed in the RECORD, as follows:

DANGEROUS TAXATION

As I listened to President Truman Thursday evening I got the impression that he had only one solution for every economic difficulty of the Nation—more spending by the Federal Government. He insisted that Congress should not cut a cent off the budget of a thousand Federal activities and he insisted that the necessity of Government spending was enough to justify every project.

Last January he wanted more tax money. Now while blaming the Eightieth Congress for reducing taxes by $5,000,000,000, he prefers a deficit to the restoration of those taxes. He opposes all cuts on the ground that we must spend ourselves into prosperity, and accepts the philosophy of those who believe that under present conditions the more the Government spends the better. Huge Government spending has from the beginning been one of the essential features of Mr. Truman's program to follow the Labor Socialist Government of England into a totalitarian state, directing the lives and activities of its citizens.

When we returned to Washington at the beginning of this year he presented a complete program to achieve that result. He demanded the right to fix prices, to fix wages, to ration commodities. He insisted that the Government undertake to go into a business whenever its left-wing economists thought that private industry was not expanding at a sufficiently rapid rate. He has since supported the Brannan plan which would necessarily result in a control of agriculture which would tell every farmer what he could raise and what he could not raise; pay the farmer the price he would like to have and sell the goods to the consumer at the price at which he would like to buy. The Brannan plan has that complete disregarded for the taxpayer which was so evident in Mr. Truman's speech last night, for such subsidies would amount to about $6,000,000,000 a year if they were on the same scale which is now in force in England in the socialized government. Furthermore the farmers and the consumers who supposedly would be benefited by this plan are the very taxpayers who would have to pay the taxes. The third item of President Truman's program was his plan to socialize and nationalize medical care and the medical profession. This is called compulsory health insurance. Actually it is a plan to increase the pay roll and other taxes about $6,000,000,000 and give this money to a Federal bureau to pay all the doctors and hospitals in the United States to give free medical care to all the people of the United States including those who can afford to pay for it themselves. Fourth, Mr. Truman proposed the repeal of the Taft-Hartley law to restore all the special privileges given to the labor union officials by the previous laws. Those laws were completely one-sided and while they regulated employers they made labor unions and their officials exempt from any liability either to the employers, their own union members, or to the public. The Taft-Hartley law, based on free collective bargaining, attempted to give complete equality in that bargaining. It has brought fewer strikes because when men no longer have arbitrary power they are less likely to make arbitrary and impossible demands.

Fifth, Mr. Truman proposed a system of universal military training to cost ultimately $4,000,000,000 a year. But finally the key to his whole program was a budget proposing that the Government spend $42,000,000,000 in the next 12 months, $8,000,000,000 more than Mr. Truman himself spent in 1947 under a Republican Congress. If we had followed his other recommendations the Federal budget would have been close to $60,000,000,000 annually in the course of the next 5 years. Already, if we include the taxes collected by the States and local governments, the tax burden is $60,000,000,000 or about 28 percent of the national income. We all work, on an average, more than 1 day in 4 for the Government. Such a burden kills the incentive of individuals and it particularly discourages those who want to start new businesses and create new jobs.

Mr. Truman is indignant at the Eighty-first Congress as he was at the Eightieth Congress for only one reason—because it will not approve his idea of a government which undertakes to do spending for all its citizens and direct all the details of the billions of transactions which occur each week in the United States.

Mr. Truman denounces Congress because it believes in a system assuring liberty to our people; because it believes that we have become the greatest Nation in the world only because of that liberty; because the high production, high national income, and high standard of living of which he boasts has been reached under a free system which Congress at any rate does not propose to abandon. Mr. Truman has no comprehension of the effect of the tax burden of $60,000,000,000 on the American people. These taxes affect the price of everything that you buy. Besides the direct taxes deducted from your pay roll, many taxes are passed on in the price of every product bought by consumers. Take the case of leather shoes. The producer of livestock adds in his tax to the price of his beef. The packer adds in his tax, and so does the purchaser of the hides, the tanner and the shoe manufacturer so that when you buy a pair of shoes at least 20 percent of the price represents taxes paid along the line to the Government. Pay-roll taxes become part of the cost of production and prices must be based on that cost. There are direct taxes on cigarettes, freight, transportation, passenger fares, leather, furs, jewelry, cosmetics, handbags, and many other products which of course directly increase the price. Taxes are almost as much of a burden on those who do not pay a direct income tax as they are on the income-tax payer.

Mr. Truman said "Businessmen should take advantage now of opportunities for modernizing their plants and for new business investment," but taxes are so heavy that any man who takes a risk and succeeds will have to pay the Government a large proportion of his profit, whereas if he loses he loses his own money. To maintain full employment, Mr. Truman admits that there must be a constantly expanding economy, new plants, new services, new machinery, and more jobs. But if taxes are so heavy as to discourage all investment there will be no expanding and there will be fewer jobs. If taxation becomes too heavy the Government will be forced to take over more industries and finance expansion itself. With more expense to the Government and a smaller private industry to pay the tax bill we will soon reach a point in which the Government alone can operate industry. Excessive taxation is about as certain a way to socialize the country as any other way.

Mr. Truman says that his programs are supporting "purchasing power" because the Government is paying out a lot of money. If the Government would let the people keep their money instead of taking it away in taxation you would have just as much purchasing power and a lot more freedom, because you would spend your money for what you want, instead of having the Government spend it for services which you may or may not want and may never receive. The prosperity of this country has been built not on

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Government spending but on the vast market for goods provided by 140,000,000 independent Americans. No; we have reached a point where increased taxation will prevent the very prosperity necessary to produce the taxes. We have come to a point where we must determine the limit of our tax burden and then cut our expenses to meet our income and pay something on the national debt. Every individual in this country has to give up things he would like to have because he hasn't got the money to pay for them. The Government is no different from any individual.

It is complete nonsense to say that the Government cannot cut its expense. There is not a bureau in Washington which couldn't cut out 10 percent of its personnel and be more efficient. There are lots of desirable projects, some of them we could do without and every one of them can be cut. An average 10-percent reduction would balance the budget. Any President except one obsessed with the panacea of Government spending would have cut his budget to meet the revenue provided by the people.

President Truman blames Congress for not cutting the budget more than it has. When we adjourn there will be substantial cuts in his recommendations but we should have done a much better job. Unfortunately, whenever any economy is proposed the President and his departments rush to the public with their propaganda and stimulate a sentiment in favor of that particular project. Many people who are in favor of economy in general insist on their favorite spending proposals. Many of them today insist that we increase President Truman's budget by a billion and a half dollars this year and many more billions in the future to build up the armies of every country in western Europe. The welfare of the world depends more than any other one thing on the prosperity of the United States. We cannot afford to wreck it by going too far in subsidizing the entire world.

The Eightieth Congress reduced taxes by $5,000,000,000 and took 7,000,000 taxpayers among the lowest-income groups off the income-tax rolls altogether. They did it because they determined that the then existing tax burden was dangerous and a threat to future expansion. The President refused to accept that judgment of the people and now insists on a deficit-spending policy when the country is enjoying an average prosperity.

If we wish to recover from the present recession, if we wish to get back to full employment and a steady annual increase in the standard of living, then the first firm foundation must be a solvent efficient Government spending economically for those projects which the people can afford and which they approve. That spending must be within the means of a private enterprise system and not so great as to destroy the freedom and liberty which alone can make that system succeed. Congress disagrees with Mr. Truman because they represent the belief of the American people that government shall be the servant of the people's interest and not their powerful dictator.

The present Congress is not a negative Congress although its great merit will be that it has prevented changes which would affect the whole nature of our Government and the character of the American Republic. Affirmatively its program is (1) reduce expenses and avoid a tax increase; (2) adopt a welfare program to give Federal aid to States to help them do a better job in education, health, housing, and relief. This whole program would cost about a tenth of the President's compulsory health insurance alone. (3) Revise the Taft-Hartley Act to correct those features to which sound criticism has been directed but retain its basic principles of equal collective bargaining and union responsibility. The Senate passed that kind of a bill. (4) Maintain our aid to foreign countries but only to the extent absolutely essential to maintain peace without sacrificing the liberty and the security of the United States.

We have an educational job to teach the people what the administrative program really means. We have a job to convince them that no central government can cure all the ills of the people, particularly by spending more money; that no central government knows better than the people themselves what is good for them. Congress is fighting for the cause of free government, the cause of liberty, the cause of our local communities, our farmers, our workmen, our businessmen, to live their lives as they want to live them, the cause of the American Republic.

The Military-Assistance Program

EXTENSION OF REMARKS

OF

HON. JOHN FOSTER DULLES

OF NEW YORK

IN THE SENATE OF THE UNITED STATES

Tuesday, July 26 (legislative day of Thursday, June 2), 1949

Mr. DULLES. Mr. President, I ask unanimous consent to have printed in the RECORD a statement which I made yesterday relative to the military-assistance program.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

My impression is that Congress should rewrite the administration's military-assistance program to bring it into harmony with the North Atlantic Pact. The present program does not implement the Atlantic Pact. The State Department says so flatly. Since that is so, it should be held to a minimum until it is possible to proceed under the pact. By the time Congress reassembles next January it will have recommendations of the defense committee under the pact as to how to develop a cooperative defense of the area. Until Congress can act on the basis of such recommendations, there is need only of a modest, noncontroversial interim program. Instead the administration proposes an ambitious 1-year program to cost over a billion dollars to build up individual military establishments in the treaty countries.

If we stick closely to Atlantic Treaty procedures, we may be able to unite the 12 nations into a single defense program which will be economic and cohesive. If we start out on a large scale without awaiting the establishment of treaty procedures, we may end up with 12 independent military establishments, the cost of which will be crushing and the unity of which will not be assured. The present proposal seems to start off in the wrong direction.

Failure of Marshall Plan

EXTENSION OF REMARKS

OF

HON. KENNETH S. WHERRY

OF NEBRASKA

IN THE SENATE OF THE UNITED STATES

Tuesday, July 26 (legislative day of Thursday, June 2), 1949

Mr. WHERRY. Mr. President, in the Washington (D. C.) Times-Herald of July 26, 1949, there appears an article entitled "Marshall Plan Is Wasted, Baruch Reports After Study." The first few paragraphs read as follows:

ABOARD THE STEAMSHIP "QUEEN MARY," July 25.—Bernard Baruch, American financier and adviser to Presidents, returns to the United States tomorrow with a gloomy view regarding the effectiveness of the Marshall aid plan.

Baruch is convinced that the billions of dollars poured into financially distressed nations have helped neither them nor the interest of the United States taxpayer as much as could be expected.

That is his conclusion after spending a month in England, France, Holland, and Belgium, and conferring with such leaders as Winston Churchill (who in a Saturday night speech accused the Laborite government of squandering nearly $8,000,000,000 of American and Canadian aid).

Baruch believes that loans or gifts to Western Europe were not sufficiently conditioned upon European nations helping themselves regain their prewar economic stability.

As a consequence he found that peoples abroad are not being required to produce to capacity and that their governments have not inaugurated obvious moves to improve business.

In short, both peoples and governments have come to look to America to keep them going, Baruch feels.

He found in England, for example, that the country could balance the budget if 40,000,000 more tons of coal were produced annually; instead, miners are working a short week.

I ask unanimous consent that the entire article be printed in the Appendix of the RECORD. I suggest that this is ample support of the amendment which I am sponsoring with the Senator from Missouri [Mr. KEM].

There being no objection, the article was ordered to be printed in the RECORD, as follows:

MARSHALL PLAN IS WASTED, BARUCH REPORTS AFTER STUDY—LAZINESS CHARGED TO EUROPEANS FOR CUTTING DOWN PRODUCTIVE WORK

ABOARD THE STEAMSHIP "QUEEN MARY," July 25.—Bernard Baruch, American financier and adviser to Presidents, returns to the United States tomorrow with a gloomy view regarding the effectiveness of the Marshall aid plan.

Baruch is convinced that the billions of dollars poured into financially distressed nations have helped neither them nor the interest of the United States taxpayer as much as could be expected.

That is his conclusion after spending a month in England, France, Holland, and Belgium and conferring with such leaders as Winston Churchill (who in a Saturday night speech accused the Laborite government of squandering nearly $8,000,000,000 of American and Canadian aid).

GOVERNMENTS FAIL, HE IMPLIES

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He found in England, for example, that the country could balance the budget if

40,000,000 more tons of coal were produced annually; instead, miners are working a short week.

In his opinion France appears to be recovering rapidly, but though in deadly fear of Russia and Germany the country is not requiring the full production of raw materials and manufactured goods to increase the national wealth.

Holland and Belgium appear to Baruch to be making the most progress. But they, too, are not working to full capacity.

In contrast, Baruch feels that American workmen and business are being taxed heavily to permit Europeans to continue to evade hard work demanded by a serious situation in which they have been engulfed by the drains of war years.

Baruch believes that a war with Russia can be averted.

He says the policy to be formulated by John J. McCloy, United State Military Governor and High Commissioner Designate in Germany, concerning the future of Germany will determine the question of peace with Russia.

Baruch believes that McCloy is an exceptionally able official and he is optimistic of the future in this respect because he feels that up until now America has not had a German policy.

REDS LACK TROOPS, HE FEELS

From his experience with the Atomic Commission Baruch does not believe Russia has got the atom bomb or the knowledge to make one.

Baruch also declares that Russia does not own the satellite nations and knows that all would revolt in event of war.

Russia, in his opinion, has not sufficient troops to maintain both satellite control and operate a war.

Reduction of Excise Taxes

EXTENSION OF REMARKS

OF

HON. HERBERT R. O'CONOR

OF MARYLAND

IN THE SENATE OF THE UNITED STATES

Tuesday, July 26 (legislative day of Thursday, June 2), 1949

Mr. O'CONOR. Mr. President, in the current discussion regarding reduction of excise taxes it is particularly important to have the considered views of representatives of the jewelry industry. In this large group of our business population the greater number come under the category of small business, about whose progress and well-being the Congress has been rightly concerned during the past few years.

In a letter released for publication Mr. Leon J. Engel, chairman, Jewelry Industry Tax Committee, has put forth the case for himself and associates in convincing fashion that deserves the attention of every Member of this distinguished body.

I ask unanimous consent that it be printed in the Appendix of the RECORD.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

EXCISE TAX VIEWPOINT

To the EDITOR OF THE EVENING SUN.

SIR: As chairman of the Jewelry Industry Tax Committee, I must refute some statements that you made in your editorial of July 11 captioned "Cut expenses first." I feel that the people of Baltimore and Maryland are entitled to a true picture of the excise-tax situation so that they may raise their voices in protest against these unfair taxes.

You state that a reduction in excise taxes (and I assume that you mean a reduction to the prewar level) would mean a loss in revenue to the Government of $550,000,000. That figure, I claim, is very erroneous. A reduction in excises would serve as a real stimulant to business, and with a greater volume of business there would be an increase in income taxes, both personal and corporate, in payable taxes, etc. I contend that if there were a loss in collections of excise taxes that loss would be negligible, and there is a good possibility that collections from those taxes would increase.

A definite surge of public sentiment against excise taxes has arisen throughout the country, and it is high time that our men in Congress pay attention to the wishes of their constituents and disregard the administration's attitude toward tax reductions.

I am very happy to say that our Senators O'CONOR and TYDINGS and Congressmen FALLON, GARMATZ, MILLER, and BOLTON are definitely in favor of excise-tax relief. I do not know the attitude of the other Maryland Representatives.

I must take sincere exception to a sentence in the latter part of your editorial: "Until they [appropriations] have been brought into line with revenue, it is premature to talk about the excises." The time is not premature; 2 years ago corrective legislation should have been passed to reduce excises at least to prewar level.

The wartime rate was imposed not to raise revenue but to discourage business in those particular industries so that material, money, and manpower would not be diverted from the war effort. The Government's obligation was to remove that additional rate 6 months after the official termination of the war—and Truman declared the war officially ended in December 1947. Has Washington no sense of obligation to the people of this country?

I do hope that the voters of Maryland will express themselves in letters and telegrams to the men in Washington. We stand an excellent chance of gaining some relief during this session of Congress, but it can only be obtained if every interested person makes his voice heard in the Capitol.

LEON J. ENGEL,
Chairman, Jewelry Industry Tax Committee.

BALTIMORE, *July 12.*

Arming of Europe

EXTENSION OF REMARKS

OF

HON. STYLES BRIDGES

OF NEW HAMPSHIRE

IN THE SENATE OF THE UNITED STATES

Tuesday, July 26 (legislative day of Thursday, June 2), 1949

Mr. BRIDGES. Mr. President, I ask unanimous consent to have printed in the Appendix of the RECORD two articles regarding the arming of Europe, from the Evening Star of today, the first by David Lawrence, the second by Gould Lincoln.

There being no objection, the articles were ordered to be printed in the RECORD, as follows:

CONGRESS TO EXPLORE WHOLE QUESTION OF STRATEGY IN PACT—QUIZ WON'T BE LIMITED TO QUANTITY OF ARMS TO BE SENT TO EUROPE

(By David Lawrence)

More than the mere question of quantity of arms to aid Europe is now to be debated by Congress. In fact, the whole question of what the strategy of the North Atlantic nations is to be toward the only potential enemy now in sight—Russia—is about to be explored.

For several months now the American people have been sold a bill of goods on armament. They have been told that the next war can be won in a blitz of about 30 days, that strategic bombing is the first line of offense, that land armies are virtually obsolete, that carrier aviation is really superfluous, and that unification means that hundreds of millions of dollars can be saved by putting most of the armament money into the United States Air Force.

But the American people now are going to begin asking questions. If the United States Air Force is right in the argument it has been propagandizing for several months, then why is it necessary to send $1,500,000,000 to European nations for armament, as President Truman now recommends? If the next war is to be a short war, why isn't the amount that has already been appropriated for armament by the United States quite sufficient?

BOMBER CLAIMS RECALLED

The intercontinental bomber has been exhibited as a plane that can fly from the United States to Europe and back and that can bring the enemy to its knees by carrying the atom bomb to 70 targets inside Russia.

So the problem of what the over-all strategy of America is to be in the next war comes into question.

If, indeed, land armies are really after all, of some use, then the argument in favor of building up several divisions among the members of the North Atlantic Pact on the Continent of Europe becomes pertinent. If, also, the intercontinental bomber is not what has been heralded and overseas bases are necessary on the Continent, then the United States needs to build airfields abroad and to arrange with the European members of the North Atlantic Pact to police and garrison such bases and to provide ground crews for their operation.

The moment the United States starts a flow of money for arms aid to Europe, that moment America becomes dependent on the whims of political governments abroad. At any time, if the Communist infiltration becomes effective, all the material and armament supplied to such nations could fall into the hands of the potential enemy. That's why the Navy proposed supercarriers as floating bases, independent of foreign politics.

INCONSISTENCIES SEEN

Speeches by W. Stuart Symington, Secretary of Air, and General Vandenberg, chief of the Air Force, have indicated that the Air Force can do the job by strategic bombing. Certainly under this line of reasoning, not a dollar of aid should be given to European nations for strategic bombing or for air power, inasmuch as the United States Air Force is ready to do everything that has to be done.

Surely it would be inconsistent to spend a lot of money to build up air power in European nations when at the same time the United States Navy and the Ground Forces of the United States Army are being denied money for air protection.

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There is no way out of the dilemma except to reexamine the whole war plan to which $16,000,000,000 is being allocated. Sooner or later the question of how much armament expenditure the American economic system can stand will have to be decided.

If the European nations need armament aid in order to boost their morale, then a cut in the appropriation for armament for the United States alone would seem to be in order as some money is transferred to Europe. The whole job can be done for much less than $16,000,000,000 if what the Air Force enthusiasts say is true—namely, that all that is needed in the next war is air power, that land armies are obsolete, and that navies are important only as a cargo-carrying service across the Atlantic and perhaps to take care of the menace of submarines.

THE POLITICAL MILL—TRUMAN'S CALL FOR PACT AID PUTS CART BEFORE THE HORSE—TREATY ARTICLE PROVIDES FOR COUNCIL TO MAKE RECOMMENDATIONS FIRST

(By Gould Lincoln)

President Truman very properly recommended to Congress the implementation of the North Atlantic Security Treaty. But in the bill which he sent to Congress the President puts the cart before the horse. The treaty itself provides in article 9 for a council whose duty shall be the preparation of a long-range program for military defense against aggression. Instead of waiting for the creation of this council and for its recommendations, the President asks Congress for $1,450,000,000 to extend aid in building up the armed forces of other signatories to the pact—and asks carte blanche for the expenditure of the money. His word would be the last word in the distribution of arms, etc.

There is no use blinking the fact that ratification of the treaty by the United States meant that this country would begin arming the nations of western Europe. The ratification, too, was definite warning to Russia that if she moved against any of the signatories of the treaty, the United States would fight. Having won an impressive victory in the treaty vote, President Truman now runs the danger of minimizing that victory, of diluting it, by submitting a program which he must have known in advance would be seriously attacked and perhaps defeated.

IGNORED WARNINGS

During the Senate debate of the North Atlantic Treaty, again and again Senator VANDENBERG, of Michigan, the ranking Republican member of the Foreign Relations Committee, who strongly supported the treaty—and other proponents of the treaty—said definitely they were not committed to the program which the President has now transmitted to the Congress. The President and the State Department apparently ignored these warnings. They did not take Mr. VANDENBERG into their confidence, although he has been their chief ally in the bipartisan foreign policy, so successfully maintained up to now.

Almost in the twinkling of an eye, when the President's message and the accompanying bill, drafted by the State Department, were received at the Capitol, the opposition lowered the boom. Statement after statement was issued by Senators who had stood stanchly in support of the North Atlantic Treaty, including VANDENBERG; DULLES, of New York; SALTONSTALL and LODGE, of Massachusetts; GEORGE, of Georgia, indicating their opposition to the present program of arms assistance—at this time. One and all demanded that either all appropriations be delayed until after the still-to-be-created council, under the treaty, submits its recommendations or that what Senator VANDENBERG has referred to as an "interim" appropriation—presumably much smaller than the sum asked by the President—be made immediately.

The Vandenberg proposal for an interim appropriation—to be available before the council formulates a program—was made publicly Saturday. The administration was not ignorant of his stand. But the administration gave no heed to the warning. Almost it looks as though Mr. Truman was intent upon tossing the bipartisan foreign policy into the ocean.

WON'T GIVE "BLANK CHECK"

It is becoming more apparent that Congress does not intend, either, to give the President a blank check, with which he may do anything under the sun he desires. The issue of the atomic bomb and its secret is involved. Senator VANDENBERG, it is known, believes that a long-range program may give to various nations signatory to the pact various assignments. For example, Britain, with its seapower may be assigned the protection of much of the territory involved from attack by water. France eventually may become the main reliance for land forces. What would be more natural than to assign to the United States the atomic bomb for defense? And why should billions of dollars be expended to set up atomic bomb factories in European countries?

The President's message and the proposed legislation were disappointments to friends of the pact on Capitol Hill. If the administration sticks to these demands, not only will there be a long drawn-out fight but the administration stands in danger of a disastrous defeat. Such a defeat would not merely be a blow to the prestige of the President in this country, but it would be a set-back for the whole North Atlantic defense against Communist Russia's aggressive tactics.

Prompt readjustment of the program, with the President acquiescing, can improve the situation immensely.

Canadian Aid to Great Britain

EXTENSION OF REMARKS

OF

HON. WILLIAM LANGER

OF NORTH DAKOTA

IN THE SENATE OF THE UNITED STATES

Tuesday, July 26 (legislative day of Thursday, June 2), 1949

Mr. LANGER. Mr. President, I ask unanimous consent to have printed in the Appendix of the RECORD an article entitled "Finance Minister Says Canada Plans No More Loans to Britain; Sterling Area Problems Are Called Internal," published in the Wall Street Journal of July 23, 1949.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

FINANCE MINISTER SAYS CANADA PLANS NO MORE LOANS TO BRITAIN; STERLING AREA PROBLEMS ARE CALLED INTERNAL

OTTAWA.—Canada does not intend to make any further loans to Britain, Finance Minister Douglas Abbott said yesterday on his return from international financial discussions in London.

"The problems of the sterling area are internal problems," said Mr. Abbott, "and temporary expedients such as loans are not the real answer to the problem.

"I think as far as Canada is concerned we have gone about as far as we can in the way of loans."

He said, however, that no further loan had been asked for. The essence of the British problem, said the Minister, is to get costs of production down and to raise productivity. The eventual solution must come from action of the British Government itself.

INCLINES COMMENT ON ACTION NEEDED

What action he felt the sterling area should take Mr. Abbott declined to say. He refused to discuss sterling devaluation, wages and hours standards in Britain, or the effect of increasing British expenditures on social services.

As to the accomplishments of the London meetings, Mr. Abbott said "I didn't expect too much from this conference. Situations of this kind cannot be settled by conferences."

"The real solution," he said, "lies in the expansion of trade rather than the imposition of restrictions." He said he had expressed regret that Britain had found it necessary to continue its policy of bilateral deals.

These, he said, resulted in Britain buying from nondollar countries at higher than world prices and they made more difficult the eventual return to normal multilateral trading.

"These bilateral deals increase the inflationary forces inside the restricted group," he declared, "and because they don't buy from dollar countries, they increase the deflationary forces outside the restricted group."

BRITISH PLANS WOULD AFFECT CANADA

As to the expressed determination of Sir Stafford Cripps, British chancellor of the exchequer, to cut imports of the sterling area by $700,000,000 next year, Mr. Abbott said the British Government might succeed in cutting United Kingdom imports by $400,000,000 as planned, but there might be more difficulty in getting other members of the group to cut their imports by the state figure of $300,000,000.

He said that Canada would certainly be affected by the British intention to curtail imports of lumber, nonferrous metals, and pulp products.

He was asked whether, as a consequence, Canada would gear its economy more with United States and less with Britain.

"Canada has to look to every source where she can look advantageously for markets and where we can get paid for our exports," he answered.

Conquest of Czechoslovakia by Russia

EXTENSION OF REMARKS

OF

HON. HERBERT R. O'CONOR

OF MARYLAND

IN THE SENATE OF THE UNITED STATES

Tuesday, July 26 (legislative day of Thursday, June 2), 1949

Mr. O'CONOR. Mr. President, the column by Marquis Childs in today's Washington Post, entitled "Czech Warning," is most timely and pertinent to the ECA debate now current in the Senate.

As Mr. Childs so well remarks "the West will ignore the object lesson of Czechoslovakia at its peril."

I ask unanimous consent that the column be printed in the Appendix of the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

WASHINGTON CALLING

(By Marquis Childs)

CZECH WARNING

The greatest single victory of Russian communism since the end of World War II was the conquest of Czechoslovakia. The de-

struction of the Roman Catholic Church now being systematically carried out is the final move in a campaign planned step by step in Moscow.

The West will ignore the object lesson of Czechoslovakia at its peril. Perhaps the best analysis of the downfall of the once democratic Czech republic has just been published and it is "must" reading for everyone, but especially for those who take the complacent view that the cold war is subsiding.

The author is Ivo Duchacek, now in this country, who was formerly in the Czech diplomatic service. After the liberation in 1945, he was chairman of the foreign relations committee of the Czech Parliament. His memorandum, called "The Strategy of Communist Infiltration: The Case of Czechoslovakia," is being circulated among top-policy planners here. It was put out by the Yale Institute of International Studies.

Czech democrats trying to resist Communist infiltration had a feeling of being abandoned by the West, Duchacek says. After the war ended, Great Britain and the United States seemed to have no positive policy. American forces in Europe were reduced so rapidly that American power appeared negligible.

Just across Czechoslovakia's border was the might of the Soviet Union, which seemed to be expanding without any restraints imposed on it. Czechs schooled in the Communist underground during the war and in Moscow were taking over key positions in the country in accord with a detailed plan worked out long in advance.

This came on top of the tragic blunders made by the western allies as the war was drawing to an end; conspicuously, the command to stop the victorious western armies short of Prague, leaving the capital to be liberated by the Russians. And always in the background was the bitter memory of Britain's appeasement of Nazi Germany at Munich.

"It was Soviet power on the one hand and the lack of an active western policy and of cohesion among western European nations on the other," Duchacek writes, "that were mainly responsible for the self-assurance of the Communist minority and for the feeling of helpless isolation on the democratic side. The sharp contrast between the active influence of the east and the hesitant policy of the west in Europe was not only the background, but the chief cause of Communist success in Czechoslovakia, of the number of opportunist fellow-travelers and of the democratic defeats. The checkmating of Soviet power thus seems the first condition of an awakening of democratic courage and resistance in Europe."

This, of course, has a direct bearing on what Congress does or does not do about President Truman's request for arms for western Europe. If, as some Senators insisted in the debate on ratification, the Atlantic Pact must not mean even a moral obligation, then in both western and eastern Europe they will take it as a sign that while America's intentions are good, there is no real determination to back up those intentions.

Those who believe in western democracy fail to realize, Duchacek points out, that communism is a revolutionary conspiracy employing every kind of stratagem, legal and illegal, to overthrow democracy. Communists in Czechoslovakia's coalition government after the war used their control of the Ministries of Interior and Agriculture to consolidate their power. The author emphasizes that in no European country was the Communist Party able to gain a majority in free elections

Peasants who did not vote for the Communists out of fear of the Ministry of Interior, voted for them because of the Ministry of Agriculture's promises. These promises doubled and tripled those of the Agrarian Party. As one democratic leader bitterly expressed it:

"We have asked our peasants to vote for the philosophical heritage of Thomas Masaryk. They have voted for fertilizers instead."

Duchacek closes with a final note of warning to the West: "It is up to the Western World to develop a courageous political and economic program, a daring program of social reform. * * * It must be borne in mind that Communist seduction operates at its best when obvious social injustice or lack of respect for basic human rights is met by a negative or faltering attitude."

The Eighty-first Congress has ignored or sidetracked a long list of reforms called for by the party in power. Here, too, the world is watching to see whether good intentions have any relation to practical performance.

Steel Strike Must Be Averted

EXTENSION OF REMARKS
OF
HON. RAY J. MADDEN
OF INDIANA
IN THE HOUSE OF REPRESENTATIVES
Tuesday, July 26, 1949

Mr. MADDEN. Mr. Speaker, H. B. Snyder, editor of Gary Post-Tribune, Gary, Ind., reflects the sentiment of the American Public when he expresses the hope that a settlement of the threatened steel strike can be brought about by the facts assembled by President Truman's fact-finding board.

LET'S HOPE FOR STEEL ACCORD AT CONFERENCE TABLE

Calling off of the proposed steel strike is exceptionally good news for Gary because a cessation in the production of steel would mean that the entire productive income of the city had been completely stopped. A stoppage of a few days would not have been of particular moment, but no one could have been assured that the strike would not have lasted for weeks.

Certainly a stoppage of that sort could not be contemplated with any high hopes by anyone in Gary. The history of long strikes is that no one is benefited. Even when a wage increase is won, the loss of weekly wages over a considerable period often is not made up by the increase for months or years. At the same time the business of the concern which pays the wages is lessened and the employer thereby becomes less able to pay wages.

It therefore should be the serious endeavor to settle the controversy at the council table rather than on the picket line. We realize that this is easier said than done for a settlement usually calls for a compromise. Yet when one speaks of a compromise in a labor dispute it means the employer grants some part of the demands while the workers merely compromise what they have asked. It is possible some companies cannot always give something more.

It would, of course, be highly desirable for Gary workers to receive a wage increase. What helps them helps the community. Higher wages, if they do not raise prices to the point where production declines, bring about a higher standard of living and that is part of the American system. Nevertheless, it is conceivable that the employer might be right and that he cannot afford to pay more.

In this case the CIO hired the services of a former New Deal economist, Robert Nathan, who reported that his studies indicated the companies could pay 20 cents more an hour with the retention of June's prices, as long as operations remained at 90 percent of capacity, and still have profits equal to the first quarter's. Nathan's report also said the corporation's profits are so large that it should not only increase wages but also cut prices. It is Nathan's contention that the cost of raw materials has fallen enough to make possible the wage increase.

Not being economists, we have no way of agreeing or disagreeing with these conclusions, but we have no doubt that other economists will be heard from and they won't all agree with Nathan. That is one way economists and statisticians have, so we can't get too excited over the Nathan findings.

But assuming that Nathan is right in his facts, it does not necessarily follow that the profits of steel companies will remain where they are. For even steel is now in a buyer's market. The day of production of anything for any price is over and steel is feeling the effects of the new day.

Thus what Nathan says about the future is supposition. His facts are from the recent past, but the steel industry must deal with developing conditions day by day in its search for markets. And so even if its raw materials are cheaper, there is no basis for assuming that profits will be what they have been. What a lot of people fail to understand about business, any kind, is that the conditions under which it operates may show vast change within 24 hours.

However, now that the controversy is to be presented to the President's board, the facts should be made evident in the near future. Let us hope a settlement can be made on those facts and the threat of a Nation-wide steel strike eliminated at a time when the country faces all the other uncertainties that it ought to be bothered with for the present.

Constitution of the Chinese Communist Party

EXTENSION OF REMARKS
OF
HON. DONALD L. JACKSON
OF CALIFORNIA
IN THE HOUSE OF REPRESENTATIVES
Thursday, July 21, 1949

Mr. JACKSON of California. Mr. Speaker, for many years past there has been a widespread ignorance of the Chinese Communist. The Communists of other nations, together with their fellow travelers and professional apologists have aided and abetted a world-wide campaign to picture the Chinese Marxist as something different than the real thing. So it was that many people considered the Chinese Red nothing more than a simple agrarian reformer, quite unlike his revolutionary brethren in other countries.

In his translation of the constitution of the Chinese Communist Party, Prof. H. Arthur Steiner, of the University of California at Los Angeles, has rendered a great service to a public understanding of the goals and the aspirations of the Communists in China.

Marxists are as alike as peas in a pod, whether they go about their party-disciplined tasks within the shadow of the Great Wall or the shadow of Judge Medina's court in New York City. The words are the same, the phrases are the same, the deeds are the same, the goal is the same.

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The Chinese Communist is a Marxist Communist. His leaders are and have for many years past been advocates of world revolution under the leadership of Moscow. Mr. Steiner's translation should serve once and for all time to lay the ghost of the simple agrarian reformer concept, and to paint the Chinese Communist in his proper color, Russian Red.

CONSTITUTION OF THE CHINESE COMMUNIST PARTY, ADOPTED BY THE SEVENTH NATIONAL PARTY CONGRESS, YENAN, JUNE 11, 1945

(Translated under the supervision of, and edited by H. Arthur Steiner, professor of political science, University of California, at Los Angeles)

INTRODUCTORY NOTE

This translation of the constitution of the Chinese Communist Party, in the revised form in which it was adopted by the seventh national congress of the party in Yenan (Shensi Province) on June 11, 1949, is based on the Chinese text given in Liu Shao-ch'i, Report on the Revision of the Party Constitution [in Chinese], third edition, Hong Kong, 1948. Liu Shao-ch'i, a leading member of the central committee of the Chinese Communist Party, and vice chairman of its central political bureau, was the party official chiefly responsible for preparing and justifying the revision.

Most of the geographic terms employed are those used in customary Chinese public practice, except for region, that is, regional area, a term which relates to the structure of the so-called liberated areas, which may be constituted in such a way as to have jurisdiction over portions of two or more adjoining provinces: for example, the Shensi-Kansu-Ninghsia border area, or the Hunan-Shensi-Hupeh liberated area. The boundaries of these regions constantly shift, particularly in proximity to combat areas; they are frequently redivided or amalgamated according to the situation. In party practice, the region is the analog of the province.

No objection is raised to the reproduction of this translation, in whole or in part, and without special permission, if the source is indicated.

H. A. S.

LOS ANGELES, CALIF.,
June 27, 1949.

GENERAL INTRODUCTION

The Chinese Communist Party is the organized vanguard of the Chinese working class, the highest form of its class organization. Standing for the interests of the Chinese nation and people, its task in the present stage is to struggle for the realization of new democracy in China. Its ultimate aim is the realization of communism in China.

The Chinese Communist Party is based on the principles of Marxism-Leninism and the combined principles derived from the practical experience of the Chinese revolution—the ideas of Mao Tse-tung—as the guiding principles of all its work; it denounces any tendencies toward formalism and empiricism. The Chinese Communist Party is based on the dialectical and historical materialism of Marx, accepting with a critical attitude its historical heritage both in China and in other countries, and denouncing any idealistically or mechanistic materialistic conception of the world.

Because present Chinese society, except in the new democratic liberated areas, remains semicolonial and semifeudal; because the dynamic forces of the Chinese revolution are the working class, the peasant class, the petty bourgeoisie and other democratic elements; because a powerful Chinese Communist Party is already in existence; and because of present international conditions, the Chinese revolution in the present stage must take the form of a new bourgeois-democratic revolutiton—that is, an anti-imperalist, anti-feudal, new democratic revolution of the masses under the leadership of the proletariat. This revolution has extensive allies at home and abroad. Therefore, the tasks of the Chinese Communist Party in the present stage are: Internally, to organize and unify Chinese workers, peasants, petty bourgeoisie, intelligentsia, and all anti-imperialist and antifeudal elements and national minorities on its side; and, externally, to unite with the world proletariat, with all oppressed peoples, and with all those nations which treat us with equality—to emancipate the Chinese nation from foreign imperialist aggression, to liquidate the feudal oppression of the masses, to establish an independent, free, democratic, united, and prosperous and strong new democratic federated republic based on the union of all revolutionary classes and national liberal allies, and to struggle for the realization of world peace and progress.

In the future stage of the Chinese revolution, after the complete victory of the national democratic revolution, the task of the Chinese Communist Party will be to struggle, by necessary steps according to the requirements of China's social and economic development and the will of her people, for the realization of socialism and communism.

In China, a semicolonial and semifeudal country, with a vast area and a huge population, but not yet a unified country, there is on the one hand, a heroic and bold revolutionary tradition among the masses of the people, particularly the workers and the peasants; but, on the other hand, there are formidable obstacles along the revolutionary road. Because of these conditions, the Chinese revolution is unbalanced, its duration is prolonged, and the character of the revolutionary struggle, which must, for a very long time, find primary expression in armed struggle, is complicated. Before the victory of the revolution in the large cities, it will be preeminently important to consolidate the villages as a revolutionary base and it will also be necessary for the party to undergo a long period of work among the popular masses. In view of all the characteristics of the Chinese revolution, the Chinese Communist Party must therefore be very bold, well experienced and always alert to mobilize and organize the great masses to overcome all difficulties and avoid all dangers in its path so it may march toward its goal while continually developing its own strength.

In its revolutionary struggle, the Chinese Communist Party must endeavor to establish itself as the core of all revolutionary mass organizations and of the revolutionary organizations of the nation. It must proceed to carry on a solemn struggle against everything of internal or external origin which threatens to undermine the unity of the working class, the alliance of all revolutionary classes, and other revolutionary tasks.

The Chinese Communist Party cannot tolerate the existence within its ranks of right or left opportunism. It must wage an effective unhesistant struggle within the party to liquidate opportunists, surrenderists and adventurists, and must expel from party membership all those who are obstinate in their errors in order to maintain unity among the rank and file.

The Chinese Communist Party should not conceal its own mistakes or the errors committed in its work. It should use the methods of criticism and self-criticism constantly to rectify its own mistakes and errors, and should educate its own party members and staff to correct their own mistakes speedily. It objects to false pride, to being afraid to acknowledge its own mistakes, and to fear of criticism and self-criticism.

Chinese Communist Party members must, with wholehearted spirit and will, serve the Chinese people in close cooperation with the masses of workers, peasants and other revolutionary elements, and must constantly enlarge and intensify this cooperation. Every party member must realize the harmony of interests between the masses and the party and the necessity of being responsible to the party and the people, must listen carefully to the voice of the people to understand their pressing demands, and must help them become organized to struggle for their attainment. With revolutionary spirit, every party member must be determined to learn from the masses, while at the same time tirelessly educating them and developing their mass consciousness. The Chinese Communist Party must constantly guard against the danger of being separated from the masses and must prevent and liquidate within its rank and file such incorrect tendencies as "tailism," dictation, isolationism, bureaucracy, militarism and any other cause of its separation from the masses.

The Chinese Communist Party is a unified, combat organization, built on the principle of democratic centralism, and based on the self-consciousness of its members. All party members must observe its discipline. The strength of the Chinese Communist Party rests on its solid organization, unified will, and integral action. The party cannot tolerate any internal action which deviates from its program and constitution or is detrimental to discipline; it cannot tolerate any demand for autonomy within the party, factionalism, or equivocal lip service which pretends to obey the party while opposing it in practice. The Chinese Communist Party must constantly purge from its ranks those who violate the program, constitution, and discipline of party membership, if they are incorrigible in their mistakes.

The Chinese Communist Party demands that every party member carry on his work positively, in the spirit of self-sacrifice, so that its program and measures for the complete liberation of the Chinese nation and the Chinese people will be realized.

CHAPTER I. MEMBERSHIP

ARTICLE 1. Those who accept the program and constitution of the Chinese Communist Party, participate in the activities of its organizations, comply with its regulations, and pay membership fees may become members of the Chinese Communist Party.

ART. 2. Members of the party shall perform the following duties:

(a) Endeavor to raise the degree of their consciousness and study Marxism-Leninism and the basic ideas of Mao Tse-tung.

(b) Observe party discipline strictly, participate positively in the political life of the party and in domestic revolutionary movements, carry out resolutely the party's policies and the decisions of party organs, and struggle to overcome all internal and external obstacles detrimental to the interests of the party.

(c) Serve the masses, attain unity between the party and the masses, respond speedily to the needs of the masses, and explain the policies of the party to the people.

(d) Observe exemplarily the disciplines of the revolutionary government and revolutionary organizations, be proficient in their own affairs, and set examples for the people in all revolutionary undertakings.

ART. 3. Members of the party shall enjoy the following rights and privileges:

(e) Participation in free and practical discussions on the enforcement of the policies of the party, either in party meetings or in party publications.

(b) The right to vote and hold office within the party.

(c) Submission of suggestions or proposals to any organ of the party, from the lowest to the highest.

(d) Criticism of the work of any member at party meetings.

ART. 4. Persons below 18 are not eligible for party membership.

All persons seeking admission into the party shall comply with the admission procedure set forth in the following sections:

(a) Applications for membership by workers, coolies, farm laborers, poor peasants, urban paupers and revolutionary soldiers shall require the recommendation of two regular party members. The application shall be discussed and decided upon at a meeting of the party cell and be referred to the district party committee, or corresponding committee, for approval. New members shall undergo a probationary period of 6 months before they become regular members.

(b) Applications for membership by middle peasants, salaried employees, intellectual elements and free professionals shall require the recommendation of two regular party members, one of whom must be a regular member of one year's standing. After the decision of the party cell meeting, the application shall be referred to the district party committee, or corresponding committee, for approval. The probationary period for such new members shall be 1 year.

In areas where the revolution has only recently been developed, the Central Committee or its representative organ, or the provincial party organization or regional party committee, may establish temporary regulations with regard to the qualifications of sponsors and the probationary period of new members as provided in this and the preceding section.

(c) Applications for membership by persons who have any other social background than provided for in the two preceding sections shall require the recommendation of two regular party members, one of whom must be a regular member of three years' standing. The application shall be discussed and decided upon at a party cell meeting and approved by the county party committee, municipal party committee, or other committee corresponding to the county party committee. The probationary period for such members shall be 2 years.

(d) Applications for membership by persons who have withdrawn from another party in which they were ordinary members shall require the recommendation of two regular party members, one of whom must be a member of 3 years' standing. The application shall be discussed and decided upon at a party cell meeting and approved by the county party committee, or its equivalent. If the applicant was a responsible officer of his former party, his application shall require the recommendation of two regular party members, one of whom must be a member of 5 years' standing. The application shall be discussed and decided upon at a party cell meeting and be approved by the provincial party committee, or its equivalent. (If the applicant was an important responsible officer of his former political party, his application requires the approval of the Central Committee.) The probationary period for such new members shall be 2 years.

ART. 5. Under special circumstances, committees of the county or higher level, or their corresponding organizations, shall have authority to decide directly on the membership of individual applicants.

ART. 6. The sponsors shall be responsible for representing faithfully to the party the ideology, character, and background of the applicant; and before making their recommendation they shall carefully explain to the applicant the constitution, program, and policies of the party.

Before deciding upon the membership application, the party committee shall designate a working party member to interview the applicant carefully, and no decision shall be made without appropriate investigation.

ART. 7. The purpose of the probationary period is to provide preliminary instruction for probationary members and, for the security of the party organization, to observe the political character of such members in the light of their activities.

The duties and rights and provileges of probationary members are similar to those of regular members, except for the right to vote and hold office.

ART. 8. The promotion of probationary members to the status of regular members at the termination of the probationary period shall be decided upon at the party cell meeting and approved by the party committee with which the original application was filed, or by the higher party committee, or their corresponding organizations.

The probationary period may be lengthened or shortened by the appropriate party committee.

If observation of the probationary member indicates that he is not qualified to join the party, he may be dismissed.

ART. 9. The seniority of a member is determined by the date on which he acquires the status of a regular member.

ART. 10. If a regular or probationary member is transferred from one party organization to another, he shall be considered a regular or probationary member of the new organization.

ART. 11. Regular or probationary members who wish to withdraw from membership shall make formal application to the party cell, which will be acted upon at a cell meeting and reported to the higher party committee for its records.

ART. 12. A regular or probationary member of the party who, without justifiable reason, has failed to participate in the work of the party continuously for a period of 6 months, or to carry out the work assigned him, or to pay membership fees, shall be considered to have voluntarily withdrawn from party membership; the revocation of his membership shall be decided upon at a meeting of the party cell and reported to the higher party committee.

ART. 13. The expulsion of regular or probationary members shall take effect after the question has been carefully discussed and decided upon at the party cell meeting and approved by the higher party committee.

Under special circumstances, party committees higher than the cell may decide upon the expulsion of regular or probationary members, subject to the approval of the next higher committee.

CHAPTER II. THE STRUCTURE OF PARTY ORGANIZATION

ART. 14. The party structure is organized on the principle of democratic centralism. The principle of democratic centralism is centralism based upon democracy. Such democracy is expressed through centralized leadership in accordance with the following principles:

(a) The directing organs of all levels of the party shall be established through elections.

(b) The directing organs of all levels of the party shall submit periodic reports to the organizations by which they are elected.

(c) Individual members shall obey the organization of the party; the minority shall obey the majority; lower organizations shall obey higher organizations; all organizations shall uniformly obey the central organization.

(d) Party discipline shall be strictly observed and party decisions shall be enforced unconditionally.

ART. 15. Organizations of the party shall be established on the basis of the localities or branches of production to which the members belong.

The organizations which take over-all charge of party activities in certain localities shall be deemed higher than the individual party organizations within the locality.

ART. 16. The system of party organization shall be as follows:

(a) On the Chinese national level, there shall be a national congress of party delegates, a central committee, and a national conference on party representatives.

(b) On the provincial, regional, and local levels, respectively, there shall be: Provincial congresses of party delegates, provincial party committees, and provincial conferences of party representatives; regional congresses of party delegates, regional party committees, and regional conferences of party represenatives; and local congresses of party delegates, local party committees, and local conferences of party representatives.

(c) On the county level, there shall be county congresses of party delegates, county party committees, and county conferences of party representatives.

(d) On the municipal level, there shall be municipal congresses of party delegates, municipal party committees, and municipal conferences of party representatives.

(e) On the urban or rural district level, there shall be district congresses of party delegates (or district general party meetings), district party committees, and district conferences of party representatives.

(f) In each factory, mine, village, enterprise, street, military unit, public organization, or school, there shall be a general party meeting, a party cell committee, and a conference of party cell representatives.

ART. 17. The supreme authority at the various levels of party organization shall be: In the party cell, the general meeting; in districts, counties, municipalities, localities, regions, and provinces, the congress of party delegates; for the whole party, the national congress of party delegates. When these are not in session, the committees elected by them are the supreme authorities at the various levels of party organization.

ART. 18. The directing organs at the various levels of the party organization shall be established through election, where possible. If it is impossible, because of environmental or other restrictive conditions, to hold general meetings for direct elections, the directing organs may be elected by the conferences of party representatives, or be appointed by the higher authorities.

ART. 19. The election of party committees at the various levels shall be conducted according to nomination lists by secret ballot or open vote. The right of electors to criticize or challenge any of the nominees is guaranteed.

ART. 20. Party committees at the various levels may call staff meetings or meetings of active members to transmit and discuss important decisions of higher party organs or to study or prepare for their own work.

ART. 21. All members of the party may participate in proceedings and discussions and may freely express their own ideas on any party policy or problem at meetings within the structure of the party organization, but after decisions have been adopted they shall be obeyed and enforced unconditionally.

ART. 22. The directing organs at the various levels or party organizations shall conduct their activities in accordance with the principle of intraparty democracy so that the revolutionary positiveness and constructiveness of its members may be developed and party discipline strengthened. Party discipline shall be enforced self-consciously rather than mechanistically, so that the directing organs may perform their functions effectively and the system of centralism may be solidly constructed on a democratic basis. But the directing organs of the various levels of party organization, in performing their functions, shall not violate the principle of centralism within the party. Democratic criticism within the party which is legitimate and beneficial for centralized action, shall not be misconstrued as anarchistic deviation (such as autonomy and extreme democracy).

ART. 23. To insure that the principle of intraparty democracy shall be enforced in a manner helpful to the undertakings of the party; that there will be no danger of weakening combat morale or solidarity of the party in case of emergency; that there will be no possibility for any conspirator, renegade, or factionalist to utilize the principle of democracy to injure or divide the activities of the party; and that no small minority will be able to take advantage of the unawareness in thinking of the overwhelming

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majority to attain its private ends, the broad and general consideration, discussion and examination of party policies on the national or local scale shall be conducted only under the following conditions:

(a) They shall be conducted with sufficient notice and under such objective conditions that there is no sense of strain;

(b) They shall be based on the decisions of the central committee or of local directing organs of the party; and

(c) They shall be conducted only on the proposal of more than one-half of the lower organizations, or on the proposal of the higher authority.

ART. 24. Party organizations at the various levels shall insure that all publications under their direction propagate the resolutions and policy decisions of the central or higher organizations.

ART. 25. Prior to their determination by the national authorities, local and other party organizations, or their responsible officers, shall discuss questions of a national character only among themselves, or submit their proposals respecting such questions to the central authority. In no case shall they make a public announcement of their views or actions. Local party organizations shall have the right to make decisions concerning questions of a local character, so long as they are not inconsistent with the decisions of the central or higher organizations.

ART. 26. The establishment of any new party organization must be approved by its immediately higher authority.

ART. 27. To facilitiate the operations of local party organizations, the central committee may, according to the requirements of the situation, establish a central bureau or central branch bureau with jurisdiction over several provinces or regions. Such central bureau or central branch bureau is the representative organ of the central committee; it shall be appointed by, and be responsible to, the central committee. These representative organs of the central committee may be dissolved or amalgamated whenever they are found to be no longer necessary.

ART. 28. To facilitate the conduct of their routine work, party committees of the various levels may, according to the requirements of the situation, establish different departments or committees for the administration of party affairs, propaganda and education, military and economic matters, or mass movements. Such departments or committees shall perform their respective functions under the direction of the party committees of the various levels.

To perform certain temporary or special functions, party committees of the various levels may establish appropriate temporary working committees or departments.

CHAPTER III. THE CENTRAL ORGANIZATION OF THE PARTY

ART. 29. The National Congress of Party Delegates shall be convened by the central committee. Ordinarily, it shall meet every 3 years; but under special circumstances the central committee may either postpone it or call it in advance.

The central committee shall call the National Congress of Party Delegates at the request of local party organizations representing one-half of the membership of the party.

The National Congress of Party Delegates, to be constitutional, must be attended by delegates representing one-half of the membership of the party.

The number of delegates to the congress, and the procedure for their election, shall be determined by the central authorities.

ART. 30. The national congress of party delegates shall have the following functions:

(a) To hear, deliberate upon, and approve the reports of the central committee or other organs of the central organization;

(b) To adopt or amend the program and constitution of the party;

(c) To determine the basic guiding principles and policies of the party; and

(d) To elect the central committee.

ART. 31. The number of members of the central committee shall be determined, and they shall be elected by, the national congress of party delegates. Vacancies in the central committee shall be filled by reserve members in order of seniority.

ART. 32. The central committee shall represent the party in maintaining relations with other political parties or groups, and shall be responsible for establishing all of the organizations of the party, directing their activities, and allocating financial and human resources.

ART. 33. Plenary sessions of the central committee shall be convened by the Central Political Bureau every 6 months. The Central Political Bureau may either postpone or call them in advance, as the situation warrants. Reserve members of the central committee shall have the right to speak at plenary sessions.

ART. 34. The Central Political Bureau, the central secretariat, and the chairman of the central committee shall be elected at the plenary sessions of the central committee.

Between plenary sessions of the central committee, the Central Political Bureau shall be the directing organ of the party and shall direct all its work.

The central secretariat shall perform the routine functions of the central authorities under the Central Political Bureau.

The chairman of the central committee shall serve concurrently as the chairman of the Central Political Bureau and the central secretariat.

The central committee, according to the requirements of the party work, shall establish departments of organization, propaganda, and other departments; the military affairs committee, the party publication committee, and other committees; and other working organs to administer the different functions of the central authorities under the direction and supervision of the Central Political Bureau, the central secretariat, and the chairman of the central committee.

ART. 35. In the intervals between party congresses, the central committee may call national conferences of party representatives from various area party committees for the consideration and determination of current questions of party policy.

ART. 36. Members of the national conference of party representatives shall be elected at a meeting of the national committee, which shall consist of the provincial, regional, and other party committees immediately subordinate to the central committee. The number of representatives to the conferences shall be determined by the central authorities.

The quorum of the national conference of party representatives shall consist of representatives of more than one-half of the area party committees.

ART. 37. The national conference of party representatives shall have the power to remove regular or reserve members of the central committee who are found to be incapable of performing their duties, and to elect part of the reserve members of the central committee. But the regular or reserve members removed from, and the new reserve members elected to, the central committee by such conference shall not exceed one-fifth the total number of regular and reserve members of the central committee at one time.

ART. 38. The resolutions adopted by the national conference of party representatives, and the removal or election of regular or reserve members of the central committee by it, shall require the approval of the central committee.

After approval by the central committee, the resolutions adopted by the national conference of party representatives shall be enforced by all party organs.

CHAPTER IV. PARTY ORGANIZATIONS IN PROVINCES AND REGIONS

ART. 39. Provincial or regional congresses of party delegates and provincial or regional party committees shall be under the direction of the central authorities or their representative organs.

ART. 40. Provincial and regional congresses of party delegates shall be called every 2 years by the provincial or regional party committees. Under special circumstances, the provincial or regional party committees may either postpone or call them in advance. But they must be convened by the provincial or regional party committees if more than one-half of the lower party organizations request, or on the proposal of the central committee or its representative organ.

The number of members of the provincial or regional congresses of party delegates, and the procedure for their election, shall be determined by the provincial or regional party committees, with the approval of the central authorities or their representative organs.

ART. 41. Provincial or regional congresses of party delegates shall hear, deliberate upon and approve the reports of the provincial or regional party committees or other party organs of the province or region; they shall deliberate upon and determine the problems and activities of the provincial or regional organizations, and shall elect the provincial or regional party committees and the delegates to the national congress of party delegates.

ART. 42. The standing committee, secretary, and deputy-secretary of the provincial or regional party committee shall be elected at the plenary session of the provincial or regional party committee and shall administer its routine affairs. Secretaries and members of the standing committees of provincial and regional party committees must be party members of 5 years' standing and must be approved by the central authorities.

Plenary sessions of the provincial or regional party committees shall be held at least every 6 months.

ART. 43. Provincial or regional party committees shall enforce within their jurisdiction the resolutions adopted by the congress of party delegates and the central authorities, and shall establish all party organs, allocate the human and financial resources of the party, and direct the activities of party nuclei in nonparty organizations outside the party.

ART. 44. In the intervals between congresses, the provincial or regional party committees may summon the representatives of local, county, or other party committees directly under them to provincial or regional conferences of party representatives to deliberate upon and determine various questions affecting the work within their jurisdiction.

Provincial or regional conferences of party representatives shall have the power to remove and elect a part of the members of the provincial or regional party committees, but such number shall in no case exceed one-fourth of the total.

ART. 45. Resolutions adopted by provincial or regional conferences of party representatives, and the removal or election of members provincial or regional party committees by them, shall require the approval of the provincial or regional party committee.

CHAPTER V. PARTY ORGANIZATIONS IN LOCALITIES, COUNTIES, MUNICIPALITIES, AND DISTRICTS

ART. 46. Party organizations and their working methods in localities, counties, municipalities, and districts are similar to the organization and working methods of party organizations in the provinces and regions as set out in the preceding chapter. They shall be subject to the direction of their respective higher authorities.

ART. 47. Congresses of the party delegates in localities, counties, municipalities, and districts shall be held every 2 years. In in-

tervals between congresses, conferences of party representatives may be held.

ART. 48. Local and county party committees shall hold plenary sessions at least four times yearly. Municipal and district party committees shall hold plenary sessions at least monthly.

Members and secretaries and deputy secretaries of local, county, municipal, and district party committees shall be approved by the higher party organization. Secretaries of local, county, and municipal party committees shall be elected from party members of more than 3 years' standing. Secretaries of district party committees shall be party members of more than 1 year's standing. In areas where the revolution has only recently developed, the regulations concerning the seniority of members to hold office may be modified with the approval of the provincial or regional party committee.

CHAPTER VI. THE BASIC ORGANIZATIONS OF THE PARTY

ART. 49. Party cells are the basic organs of the party.

A party cell shall be established in a factory, mine, village, enterprise, street, military unit, public organization, school, etc., where there are three or more party members. Where the party members thereof are less than three, they shall join the nearest adjoining party cell.

The establishment of party cells shall be approved by the county or municipal party committee.

ART. 50. Where a party cell has a relatively large membership, the members shall be organized into sections based on a natural residential or vocational basis. Each section shall elect a leader; a deputy leader shall be elected where necessary.

Where there are more than 50 regular and probationary members in a village, or more than 100 regular or probationary members in a factory, public organization, or school, a principal party cell may be established, under which members shall be organized into a number of branch party cells according to their residence, vocational affiliation, branch, or shift. Branch party cells shall enjoy the same privileges as ordinary party cells.

ART. 51. In large villages, factories, public organizations, and schools where there are more than 500 regular and probationary members, there may be established, through election, with the approval of the provincial or regional party committee, a village committee, factory committee, public organization committee, or school committee, under which members shall be organized into different party cells according to residence, vocational affiliation, branch, or shift.

ART. 52. Party cells shall unite the masses closely with the party.

Party cells have the following functions:

(a) To carry on propaganda and organizational work among the masses with a view to enforcing party principles and the decisions of higher party organs.

(b) To reflect constantly to the higher party authority the aspirations and demands of the masses, to pay close attention to the political, economic, and cultural life of the masses, and to organize them for the solution of their problems.

(c) To instruct new members, to collect party membership fees, to examine and decide upon admissions to membership, and to enforce party discipline among the party members.

(d) To educate the party membership and organize members for learning.

ART. 53. At its general membership meeting, the party cell shall elect the cell committee, which shall administer its routine functions. The tenure of the party cell committee shall range from 6 months to 1 year. The number of members of the party cell committee shall be determined by the size of the party cell membership, with a minimum of 3 and a maximum of 11. A secretary shall be elected by the committee; a deputy-secretary may be elected in case of necessity. The distribution of functions among other members of the committee shall be determined according to practical needs.

Where a party cell has no more than 7 members, there shall be elected only a secretary, or a secretary and deputy-secretary, and there shall be no party cell committee.

CHAPTER VII. UNDERGROUND ORGANIZATIONS OF THE PARTY

ART. 54. In areas where it is impossible for the party to maintain legal existence or conduct open activities, the structural forms and working methods of the underground organizations shall be especially prescribed by the central authorities in directives based on the party constitution. Where the provisions of this constitution cannot be applied literally to the structural forms and working methods of underground organizations, they shall be liberally applied.

ART. 55. Underground organizations of the party shall be very careful in considering the admission of new members. New members shall be required to comply only with those admission procedures which are practicable under secret conditions.

CHAPTER VIII. CONTROL ORGANS OF THE PARTY

ART. 56. A central control committee and local control committees may be established whenever the central committee deems it necessary.

ART. 57. The central control committee shall be elected by the plenary session of the central committee. All local control committees shall be elected at the plenary sessions of the local party committees with the approval of the higher authority.

ART. 58. The duties and powers of the central and local control committees shall be to decide upon or review punishments and conduct prosecutions against party members.

ART. 59. The control committees of the various levels of party organization shall perform their functions under the direction of the various party committees.

CHAPTER IX. PARTY ORGANIZATIONS OUTSIDE THE PARTY

ART. 60. In Government organizations, labor unions, peasant's unions, cooperatives and other mass organizations in which three or more party members hold responsible positions, there shall be established a party nucleus. The duty of the party nucleus shall be to direct the work of the members in the leading organ for the purpose of strengthening the party's influence and carrying out the party's program and work.

ART. 61. There shall be a secretary in each party nucleus. Where the party nucleus has 10 or more members, a party nucleus staff section may be established to conduct the routine work. The party nucleus staff section and secretary are designated by the party committee to which the nucleus belongs.

ART. 62. Party nuclei in nonparty organizations at the various levels shall be under the direction of the corresponding party organizations, and shall enforce their decisions. Leading elements of the party nuclei may be permitted to participate in the party conferences of the various levels.

CHAPTER X. REWARDS AND PUNISHMENTS

ART. 63. Party members and party organizations which in the performance of their tasks, display their complete loyalty to the interests of the party and the people, set themselves as models in maintaining the discipline of the party and of the revolutionary governments, manifest distinguished and constructive resourcefulness in executing the party program and the policies and decisions of the central and higher authorities in the course of party work, and win over the sincere support of the popular masses, shall be rewarded.

ART. 64. Those which fail to execute the resolutions of the central and higher authorities, or violate the constitution and discipline of the party organizations of the various levels, may be punished, according to the concrete situation, in the following ways:

(a) The punishments to be imposed on party organizations shall be: Censure; partial reorganization of the directing organ; dissolution of the directing organ and appointment of a temporary directing organ; and dissolution of the whole organization and the reregistration of its members.

(b) The punishments to be imposed on individual party members shall be: personal advice or warning; public advice or warning; cancellation of assigned duties; subjection to party surveillance; and expulsion from party membership.

ART. 65. If a regular or reserve member of the central committee commits any act which seriously offends against party discipline, the central committee shall have the power to deprive him of his regular or reserve membership; but the expulson of regular members shall require a two-thirds vote of the central committee.

ART. 66. When punishment is imposed on a party organization or an individual party member, the party organization or member shall be informed of the reasons for the punishment. If the party organization or member so punished has any objection to the punishment, proceedings may be instituted and petition may be filed for reconsideration and appeal to the higher authority. The party committees of the various levels shall transmit such petitions without delay, and in no case shall they be withheld.

ART. 67. Expulsion from party membership is the most severe punishment within the party. In deciding upon and approving such punishment, party organizations of the various levels shall maintain a punctilious position in hearing the case of the appellant and in analyzing the offense in the light of the circumstances under which it was committed.

ART. 68. The positive aim of reward and punishment for party members is to educate them and the masses, including the members rewarded or punished. It is by no means intended to encourage exhibitionism or to enforce any principle of mere punitivism within the party. To reward party members who have distinguished records is to create good practices within the party and to set up models among the members. To criticize or impose punishment upon members who commit offenses is a method of correcting past errors and guarding against future errors, of curing malfeasance and saving regenerate individuals.

CHAPTER XI. FINANCES

ART. 69. The revenues of the party are derived from membership fees, profits from all kinds of production and enterprises operated by the party, and outside contributions.

ART. 70. Membership fees for regular and probationary members shall be determined and enforced by the provincial or regional party committees, or other corresponding organs.

United States and State Water Policies

EXTENSION OF REMARKS

OF

HON. HELEN GAHAGAN DOUGLAS

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, May 17, 1949

Mrs. DOUGLAS. Mr. Speaker, under permission to extend by remarks, I wish

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to include the following letter to the editor appearing in the Los Angeles Times, Monday, June 6, 1949:

UNITED STATES AND STATE WATER POLICIES

Re "Great Issue in Water Policy" editorial, May 25.

Indeed it is, as you say, "imperative that the public become aware of the vital issues involved."

The experience gained by Los Angeles in supplying its needs with water from Owens Valley and the Colorado River and the principles invoked by law to collect the cost of such public improvements provide a valuable record. Most of this public work was accomplished without any State or Federal subsidy.

Until about 1935, all important irrigation improvements in California were built by local governments, irrigation districts formed by local initiative, to which the State delegated power to collect the cost of dams, canals and other improvements from the holders of land benefited by the irrigation systems by way of an annual direct tax or assessment levied on the land and which tax must be paid irrespective of how much water is used.

The Imperial irrigation district is one of the more than 100 irrigation districts authorized under this venerable State law (Stat. 1897, p. 254, as amended).

These districts are in no respect private companies, the Supreme Court having ruled that all of their water rights or other propery is property "owned by the State," and that all land within their boundaries, together with its rents, issues and profits, is a public trust, dedicated to the uses and purposes of the law. (See Cal. 2d 365/389; 131 Fed. (2d) 513.)

Your editorial refers to the contract between the Imperial district and the Bureau of Reclamation to pay the cost of building the All-American Canal advanced by the Federal Government. But when this district wanted to flout the applicable State laws, governing its powers, duties and responsibilities, it sought refuge under a Federal law (11 USCA 401–403), which it now says governs its fiscal affairs, regardless of applicable State law and decisions.

In short, when State governmental agencies want to violate applicable State laws, they now contend that Congress, by simple statute, can allow them to flout State law and that the Federal power governs, but only when influential economic interests want the Federal power to be paramount. The fact that where the Federal power exists no State can increase or diminish the exercise of the power is settled. Where Federal power exists, it is paramount.

But when money collected from taxpayers in all the States is put into a Federal project, such as the Central Valley project, no interest is charged and Congress is not allowed to collect the cost of the project from the holders of the benefited land, like our irrigation districts have traditionally done in California.

This interest-free Federal financing reduces the cost of water to landholders. To prevent monopolization of this subsidized water, Congress in 1902 prohibited its use on more than 160 acres in one ownership. At least a dozen drives have since been launched to repeal this water limitation provision, which have been defeated in both Republican and Democratic-controlled Congresses. It was not Secretaries Ickes or Krug, but President Theodore Roosevelt and his contemporaries who fought for this so-called 160-acre law. Secretary Krug and Reclamation Commissioner Straus are protecting the law, as all public officials are customarily supposed to do.

The Kings River project, if the Army engineers are allowed to build it, will cost the holders of the land benefited nothing at all as landowners. Congress allows the Army engineers to construct costly public improvement works and use money extracted from all the people, in all the States, as taxes to provide irrigation water and to protect land from floodwater, all without making any direct charge against the benefited land.

The May 14 Saturday Evening Post carried an article on the Army engineers and Bureau of Reclamation policies in this field.

Manifestly it is discriminatory to allow the holders of land to be benefited by the Kings River project to appropriate the unearned increment in land values, created by the expenditure of Federal funds, when the holders of neighboring land are being charged the cost of similar public works built by the Bureau of Reclamation.

The traditional principle, long ago adopted and applied in this State, is that the cost of land reclamation improvements be paid by the holders of land benefited by the public improvement works. (See Water Code, State. 1943, ch. 368, div. 10, 11; 164 U. S. 112.)

This principle has served as a curb on land speculation by making it unprofitable for big absentee landholders to withhold land from its appropriate use. It has exerted economic pressure on many big holders within the Central Valley. Its effect is clearly visible in the oldest irrigation districts, such as Modesto and Turlock, where the one-time big holdings are now the scene of thousands of small orchard and farm and vineyard holdings, averaging about 30 acres in size.

Under this law the industrious farmer who erects fine buildings and makes other improvements is taxed no more by the irrigation district than if the same land had been left idle and waste.

The State legislature has authorized these districts to make contracts with the Bureau of Reclamation to pay back the Federal money invested in the Central Valley project by assessing the cost on the land benefited, irrespective of improvements. Several districts have executed such contracts already. The big absentee landholders fought this State law as implacably as the so-called 160-acre Federal law is now being resisted.

In fact, the California irrigation district law was attacked as communism and confiscation under guise of law in 1895, as can be proven by referring to the argument of Counsel George Maxwell preceding the decision by the United States Supreme Court in *Fallbrook ID* v. *Bradley* (164 U. S. 112). Of course the United States Supreme Court approved this law and ruled that no right protected by the Constitution is infringed by its operation.

Contrary principles were used in Italy. See "Land Reclamation in Fascist Italy," Political Science Quarterly, September 1937.

Let us hope that our people, rich and poor, escape some of the mistakes Italy made. A new civilization is arising in California. We all hope to escape totalitarianism whether from extreme left or extreme right.

The economic and political principles necessary to protect our basic equal rights need careful study and general discussion.

J. RUPERT MASON.

PASADENA.

What Do the Wounded Say?

EXTENSION OF REMARKS

OF

HON. MIKE MANSFIELD

OF MONTANA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, July 26, 1949

Mr. MANSFIELD. Mr. Speaker, I am inserting an article by Mr. Richard Neuberger which appeared in the August 1949 issue of Foreign Service, the official publication of the VFW.

Dick Neuberger, so well known for his articles on the Northwest and Alaska, has undertaken to write in another field in which he is extremely well qualified. A veteran himself, he knows whereof he speaks. The article is enlightening and is well worth the attention of the Congress in its consideration of the welfare of our veterans.

WHAT DO THE WOUNDED SAY?

(By Richard L. Neuberger)

What do they think of our tortured old planet, these men who lost health and limb to carry the colors to victory? Are they satisfied with their treatment and lot in the postwar world? What are the specific complaints from the men who have the most right to complain?

From the perspective of white-runged beds in hospitals of the Veterans' Administration, 54,387 Americans look out on the society which they sacrificed legs and lungs and nervous systems to keep secure. This may not seem a large number in a national population of nearly 150,000,000, but for each of these men every waking hour is crowded with a desperate impulse to get well, to overcome the wound or illness that dooms him to a counterpane.

Some will take their normal place in the community again. Others never will leave their beds alive. Yet most of these hospitalized veterans have a cheerfulness and buoyancy which should shame the rest of us. Certainly they voice their gripes. No pollyanna optimism tints their view of the world. But, basically, they do not moan about their fate. They lost in the great raffle, and that is all.

These wounded and ailing men concede it was the luck of the draw that a bullet stopped them in Normandy, or amoebic dysentery ulcerated a colon on Guadalcanal.

"If not me it would have been the next fellow," volunteered a black-haired young man of Italian descent, whose chest had been shattered. The doctor outside the bedroom door said the veteran never would go back to weighing bananas at his father's fruit stand in San Francisco. He would cough out his life in the hospital.

Yet this veteran's complaints were few. He had received fine care. Doctors, nurses, attendants—all had been wonderful to him. The doomed man mentioned General Bradley. Hadn't General Bradley seen to it that the veterans' hospitals gave such marvelous attention? It was too bad General Bradley couldn't shake up Congress. Why didn't Congress move faster to protect housing, resources, and the people's health?

This thread ran through many of the bedside comments. The quality of medical care has made a profound impression on the men who are still on their backs 4 years after Japan's surrender. Of dozens of patients interviewed in veterans' hospitals spread over a wide geographic area, none complained of the care he was receiving. In fact, the experience has made most of the men favor some kind of national health plan.

"I'd like to see every sick person get the kind of attention I've had," said a 35-year-old infantryman whose arm was shot off in the Aleutians.

"What would I have done without this care?" echoed a captain who has had chronic malaria ever since the Philippine campaign of 1942.

Few of these men with disabilities that originated directly in combat would close the veterans' hospitals to ex-GI's whose ailments are not service-connected. A lanky former Arizona storekeeper, with scar tissue on his lungs from pneumonia contracted overseas, gestured down the long, scrubbed corridor.

"There's a chap a door or so away with cancer of a vital organ," he confided. "He's going to die of it, but I don't think he or his wife has been told. He's had every possible surgery and help. The poor fellow is an ex-sergeant in the field artillery, but I guess he didn't get the cancer in service. Why shouldn't he be taken care of in a veterans' hospital? I don't know a man on this floor who wouldn't share some of his own attention with that fellow down the hall who's going to die."

Men who have lost a limb or lain on an operating table half a day are close to realities. This may be why they criticized the Republican Eightieth Congress and the Democratic Eighty-first Congress with equal impartiality. "Why doesn't Congress do something?" they asked. Many of the sick men said that, on recovery, they might go into politics themselves. Others said they intend to lobby for worthwhile bills. A veterans' bonus was on this list.

Jack Frost, age 22, has constrictive pericarditis. This is a rare disease characterized by calcium formations around the heart. Chest specialists operated in relays on Jack for 12 hours. He is expected to recover. What are his hopes for the future?

Jack's work must be light. No longer can he plow a furrow on a farm. He would like to repair small instruments such as radio sets and toy electric trains. He also is interested in poetry. He reads constantly from the hospital library. His ambitions are very modest. Perhaps a disability pension will enable him to support himself with only a morning-to-noon stint at a soldering bench. Then he can write the rest of the time. He is not too concerned about selling his poems. Mainly, he wants to express his feelings in lyrical words.

Security is a dominant ambition with these men whom the war has invalided. They hope to emerge into a world where they can provide for themselves and their families. To add financial worries to sickness and disability would be too much. all of them admit that. A solvent exchequer is of great importance.

Harold Foreman, 26, sold sporting goods in a little fishing town on the Washington seacoast. He was on a 20 percent pension from a war injury when he came down with peritonitis of the bowel. It will be a year, the doctor advises, before Harold can go back to work. His wife has a job as a housekeeper to be near him in the city where the veterans' hospital is located.

Harold is grateful that he had group insurance at his place of employment. It paid him $25 a week for 13 weeks. Now his goal is to learn skilled cabinet work. He was restless after the war. For a long time he could not settle down. His illness has given him perspective. He knows what he wants to do. Perhaps the hospital can arrange for him to take on-the-job training.

Harold is cheerful. Suppose he had not been a veteran or that such good hospitals had not been provided. Where would he have received such thorough care?

This is a prevailing theme. Few of the bedded veterans, particularly after receiving a doctor's gruff but kindly reassurance or the pat of a nurse's cool hand, can resist voicing impulsively a genuine gratitude for the attention provided by the Veterans' Administration.

Misfortune brings flexibility. Practically all the men in beds or wheel chairs have had to adjust their ambitions. The entire pattern of their lives has been changed. Yet they grumble far less than would the average healthy person on the street. "I guess we're just glad to be alive with a prospect of recovery," one of the veterans explained.

Twenty-six-year-old Jack Pickett was in the grocery business in Phoenix until the Navy sent him to Iwo Jima. He has had surgery on one lung and is awaiting an operation on the other. Doctors say his malady is definitely service-connected. Jack will get a disability pension. This is fortunate, for the grocery required him to enter the cold-storage room getting meats and fruits. The doctors forbid this in the future. Jack's lungs cannot stand it.

Jack Pickett must undertake sedentary work. He will study business administration at Phoenix Junior College. Although he must enter a wholly different field of employment, Jack is optimistic. He hopes eventually to get a university degree so his new task can be at the executive level. He also intends to be active in veteran organizations, which he thinks are essential to assure the ex-GI a decent break in competition with those who had the war years to accumulate a grubstake.

"I've no complaints," said Pickett. "I didn't realize this fine hospital was available until I needed it. I've also had veterans' rehabilitation and I've drawn pay since my first operation. The country has been good to me and I hope to be a useful, healthy citizen again very soon."

Jack has a radio and listens to the news flashes. He heard a prominent national political figure claim the veterans' hospitals should be denied to men whose disabilities were not incurred while in service.

"That was the wrong thing for that politician to say," observed Jack. "The patients in this ward decided that after closing the hospitals to one group of veterans, he might then shut out another group and so on, until the whole system of veterans' hospitals could be destroyed."

A bullet struck Leo Fanning's spine in Africa. Leo, 30, was from Colorado. He lay on the battlefield 24 hours before the medics got to him. He does not like to recall that agony. But Leo was in good spirits in the veterans' installation, even though his right leg had been amputated a year ago. He described his hospital care with satisfaction.

Leo listens to the radio, reads books and magazines, and works innumerable crossword puzzles. He lies on a special narrow cot in one position, but can be moved upright. The Government has provided him with an automobile. It has hand controls, so Leo can leave the veterans' hospital for drives in the green countryside. He is not envious when he sees other men engaged in strenuous physical tasks. He is grateful to be as well off as he is.

Indeed, gratitude is Leo's dominant emotion. Before the war ended he was in Army hospitals. He didn't think too much of his care. But he insists no one could ask for more than he has received from the Veterans' Administration. He receives 100-percent disability. Leo has no high regard for politicians as a class, but tears come into his eyes when he speaks of the governor of a western State who had him transferred to his present place of convalescence.

This characterizes many of the wounded and sick men who fought in the service of the Nation. They are critical of politicians in general, but often extremely fond of some individual in politics who has taken a personal interest in their own cases. A surprising proportion of the hospitalized veterans plan to take a hand in public life themselves after they are well. This does not necessarily mean running for office. It frequently refers to activity in veteran organizations.

"I'm going to teach," said a man from a tank destroyer unit, who had lost an arm. "My disability won't prevent me from doing that, and I think I can urge the next generation to do something about making our country happier and more secure."

A pretty nurse, with a trim figure, said her patients were surprisingly industrious. This is applicable to most of the hospitalized veterans. Edwin Warren, 27, ex-captain of Infantry, lay on his back recovering from polio. This was aggravated by malaria contracted in South Pacific fighting. To restore use of his hands and arms, he was doing weaving, sewing, stenciling, and leather tooling. He also was taking correspondence courses in English and business law from the University of Wisconsin.

"I wish I could type my papers," said Edwin, "but I haven't quite enough use of my hands back to do that. I'll do it pretty soon, though."

Warren's wife works at the hospital to be near him. She was a nurse when they were married. His sister takes care of their 3-year-old daughter. This is typical of the improvisations made by the families of many stricken men.

Even on days that the creamed chicken is pasty, or the floor interne is late in changing dressings, the gripes of the patients are directed not at the hospital, but at so-called phonies far beyond the hospital grounds. Most of the complaints are reserved for men who exaggerate their contributions during the war. A veteran, sallow with jaundice and malaria, put down his home-town paper angrily and pointed with indignation.

"See that guy's name?" he asked. "He made a speech at a big bond rally, calling on his fellow veterans to make sacrifices. He was in service less than 100 days. Then he got a discharge because of some sort of ankle injury and went into the real-estate business at home. Now he rents shacks to real combat veterans for $30 a week. To hear him talk about his war experiences, you'd think he took Iwo single-handed."

The angry veteran slumped back on his pillow, but from all over the ward came similar tales. Every man, it seemed, knew of someone in his particular community who posed as a war hero yet had spent only a few casual months in training camp. A story such as this always was good for a long round of indignation. A chunky man with one leg told of a lawyer with political aspirations at home who posed as a paratrooper.

"I was a paratrooper," said the man with one leg. "It cost me a perfectly good right leg at Sicily. I don't think I ever resented it, however, until I read about that four-flusher back home pretending he was in the paratroops. He never got closer to a 'chute than I got to the South Pole."

Few other episodes cause anger in a veterans' hospital ward. Nearly all other things, no matter how crushing, are accepted phlegmatically. A tall, 28-year-old corporal of Norwegian ancestry had just been told he would have to give up his lucrative job as a traveling salesman for a millinery firm. He had a wife and two small children to support. He had picked up a rare blood disease in the tropics which would leave him a semi-invalid. No more 350-mile days in the sedan with a lot of suitcase-rustling at the end of it. He might be able to do light work at a desk—perhaps keeping books or making out bills.

His career in pieces, the slender Norwegian nevertheless managed to smile. "Who am I to kick?" he said. "I'll live, the doctors say, and I'll get a pension. I guess we will make out. My family won't be so bad off by the the time I put all the income dribbles together." He grinned wanly as he lay against the pillow.

In the gloom of the unlighted hospital room the tufted blond hair of the ex-soldier suddenly appeared like a knight's plume.

Mr. Farley on Advertising

EXTENSION OF REMARKS

OF

HON. ANTHONY F. TAURIELLO

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, July 26, 1949

Mr. TAURIELLO. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following editorial

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from the Geneseo (N. Y.) Leader of June 16, 1949, entitled "Mr. Farley on Advertising."

The Honorable James A. Farley, who is now chairman of the board of the Coca-Cola Export Corp., has served the Democratic Party ably and with distinction for many years. He was Democratic State chairman for New York State and later served as Democratic national chairman when he guided two Presidential campaigns to successful victories. He served faithfully in the Cabinet as Postmaster General and established a splendid record in the postal service. He has always maintained a deep personal interest in Democratic politics and it is a pleasure for me to bring to the attention of the House Members Mr. Farley's views on advertising:

MR. FARLEY ON ADVERTISING

Hon. James A. Farley says advertising speeds the sale of goods and is no different from a machine tool that cuts man-hours from a manufacturing operation. It is, in fact, the same thing in a different form. The final justification for advertising is not that it is customary, or that you do it because a competitor does it, but that it cuts cost. You advertise simply because it costs less to send a message to a customer through the printed word than it does to send a salesman to call on everybody door to door.

Advertising, says Mr. Farley, is thus part of a complex system—a routine, a know-how—that includes inventiveness, organization, machine tools, and skilled labor and workmanship, and that has resulted in the more universal distribution of more goods at lower cost than the world has ever known.

Peace in Palestine

EXTENSION OF REMARKS

OF

HON. ABRAHAM J. MULTER

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, July 26, 1949

Mr. MULTER. Mr. Speaker, the following editorial, which appeared in the New York Times of July 22, 1949, entitled "Peace in Palestine," together with the article which appeared in that paper the same day written by Gene Currivan, are further indications of the need for the immediate enactment of the House joint resolution cosponsored by about 60 Members of this House for the appointment of a Near East Survey Commission.

PEACE IN PALESTINE

Conclusion of an armistice between Israel and Syria is good news in itself and good news because it is a considerable triumph for the United Nations. Reports from Tel Aviv, Washington, and Lake Success all agree that great credit for the settlement is due to Ralph J. Bunche, the acting UN mediator, and his assistants. Their untiring work and persistent efforts to find a solution, despite the difficulties, have been crowned with success, for armistice agreements have now been reached between Israel and all her neighbors.

The scene now shifts to Lausanne, where another UN body, the Conciliation Commission, can take heart in renewing its efforts to establish a permanent political settlement between Israel and the Arabs. There are large and serious problems—notably the problem of the Arab refugees and the problem of Jerusalem—but with good will and a spirit of compromise that has sometimes been lacking in the past it should not be impossible to reach agreement. Now that the military questions are out of the way, we can hope that through the good offices of the Conciliation Commission, composed of representatives of the United States, France, and Turkey, a new era may really be about to dawn throughout the Middle East.

DOUGLAS FORESEES ARAB RENAISSANCE—JUSTICE ENVISAGES TEACHING ROLE FOR ISRAEL AS MIDDLE EAST ENDS FEUDALISM

(By Gene Currivan)

HAIFA, ISRAEL, July 21.—After touring the Middle Eastern countries Justice William O. Douglas, of the United States Supreme Court, said today he had observed what he believed to be an awakening in the form of a political and economic renaissance that, if allowed to prosper, would give new meaning to this entire area.

He said he felt Israel, with her advanced civilization and scientific progress, could well be the nucleus of this potential movement.

Speaking before the Hebrew Institute of Technology, Justice Douglas said he foresaw Israel as the teacher of the Middle East.

"Here in Israel great and stirring experiments are going on," he declared. "New and different projects in economic and social organization are going forward. They have great diversity. And in their diversity lies their great strength."

SEES SOCIAL REVOLUTION

He said that in Israel "there is rejection of the feudal system that has long held the people of the Middle East in its grip," and "in Israel is a force that can give both direction and content to the social revolution that is on its way."

Justice Douglas had observed rumblings of discontent, prophecies of tumultuous times to come, and beginnings of vast social revolutions, in the Middle East. He felt that these forces of unrest had reached the point where they could not be turned back.

"Rulers will attempt to abolish them by decree," he continued. "Cabinets may offer palliative measures but the voice of these people will not long be stilled."

He declared that these conditions offer special opportunities under point four of the program which the United States has offered to underdeveloped nations; but they also have a special challenge to educational institutions, especially those such as Hebrew Institute of Technology. "You of Israel know what a people who have desire for an ideal can accomplish," he declared.

PLANS FOR RECLAMATION

"There are now plans to reclaim great areas of land in this region," Justice Douglas continued. "Everywhere one goes in the Middle East he hears of these plans—flood control, drainage of swamps and sour lands, and vast irrigation projects that will put unused land into cultivation. These projects are greatly needed. They must go forward if the standard of living is to be raised.

"But they present only a partial picture of problem. If they are used to fasten the hold of a few landlords on the economy, they will bring new misery in their wake. If they are to be used to raise the standard of living of the farming class they must be accompanied by land-distribution programs which will insure that benefits go to the workers. They must not be allowed to strengthen the hold of a few economic barons over the people."

National Housing Act

EXTENSION OF REMARKS

OF

HON. JOHN C. KUNKEL

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, July 26, 1949

Mr. KUNKEL. Mr. Speaker, under permission to extend my remarks in the RECORD, I include a radio speech made over Station WHP in Harrisburg and Station WLBR in Lebanon on July 3, 1949. The subject covered is the National Housing Act recently passed by the Congress.

FEDERAL HOUSING BILL

My chief personal objection to the housing bill is: it is a hoax. It will not increase the net amount of housing in the Nation. Indeed, it will decrease it.

It will not take care of the lowest income groups. Many kindly, well-meaning people have been led to believe that those without funds and in dire straits will be taken into these projects. They claim it is a welfare measure, but it really is not at all. Practically no one who does not have an assured, steady income can obtain admittance. The bill itself places no limit whatever on incomes; the net income being determined purely by regulations. A large percentage of those now in present housing projects do have substantial net incomes. No one denies this. Amendments offered to limit the occupancy to those with incomes below a certain level were defeated by advocates of this idea.

It does not clear slums. Indeed, the requirement for slum clearance in the 1937 Act has been carefully removed. Why, even the wording of the title on slum clearance has been changed. It is no longer just plain slum clearance. It is now slum clearance and urban development and redevelopment. The local authorities can take an obsolete subdivision with no houses at all on it and use that for a housing project, while allowing all of the existing slums to remain. The bill even prohibits the clearing of slums until June 30, 1951, unless the local authorities determine that removing them will not adversely affect housing conditions. If removing existing substandard dwellings does not adversely affect housing conditions, then there would be no need for the Government to go into the housing field.

We found that in actual operation the slum clearance section is clearly an adjunct of public housing. In practice, the housing authorities will generally go to the outskirts of towns and cities to get the sites to sell to local public-housing authorities instead of using the Federal money to clear existing slums.

There is no requirement whatever making the local communities enforce health, building and sanitary codes in parts of the town outside the area limits of the housing authorities. If this is not done, new slums will be created faster than old ones will be ended. Mayor d'Alesandro, of Baltimore, an ardent advocate of this bill, frankly and definitely stated to me while he was on the witness stand during hearings, that unless you insist upon good standards and enforcement of health and sanitary provisions, you can never eliminate slums. To quote him, he said: "That is your starting point, no matter what you do from there." Since the bill does nothing on this, the legislation does not even touch the root of the slum evil at all. It perpetuates the condition which it is alleged to remedy.

If time permitted, I would like to discuss the farm section at length. It is so ridiculous. The Department of Agriculture is trying to get marginal farms out of production in this era of agricultural surpluses. This section loans or gives money to farmers of nonproductive farms which cannot support themselves, thereby keeping them in use, and gives the Secretary of Agriculture the broad power to cancel the interest and principal on many of the loans he makes. This is simply fantastic. It was included in the bill as a log-rolling device in order to give people from the farm sections some excuse for going along with the proposal. No farmer in the East or the Middle West would use this and probably few in the South, because in order to obtain the money they would have to put their farm under the direct control of the Secretary of Agriculture, who would tell them what to plant and how to farm.

The compelling argument against the bill—one which should appeal to everyone irrespective of his or her political philosophy—is this: We simply cannot afford it today. Appropriations for the regular Government departments have been running way over those made for the corresponding departments and agencies in the Republican Congress in 1948. Many new authorizations, some not budgeted for fiscal 1950, have been approved and will require more money. They total $1,500,000,000 already this session. Revenues have been dropping, due to the business recession. If we are ever going to economize at all, the first essential step is to refuse to take on new, expensive spending programs at this time. If you do take them on, and if you still attempt to hold a balanced budget, then you must do that at the expense of the legitimate, previously recognized constitutional functions of the Government. Can we afford deficit financing in a period of relative prosperity, when national income and revenue is near its all-time peak?

I have good reasons for my conviction that this bill will cause fewer houses to be built in the United States than would otherwise be the case. I supported the Veterans' Emergency Housing program in 1945, when Wilson Wyatt promised Government controls and Government operations would produce 2,700,000 houses in 2 years. I wanted to take the chance in the hope that such legislation would produce houses. And I remember all too well what a failure that was. Construction of housing was cut down to a minimum—around 450,000. After that bill was repealed, after the mistake was discovered, but only after much damage was done, residential-housing construction in the United States soared to over 800,000 dwelling units in 1947 and to 935,000 dwelling units in 1948. The threat of Government competition and of the Government stepping in and taking over and accumulating and hoarding building materials, and all that is a definite threat to private industry, causing private industry to be reluctant to enter the field of residential construction. After the election last November when it became fairly evident that this bill would pass, the drop in the amount of private construction of dwelling units was much greater in proportion than the recession in other lines of industry.

Since this bill has passed, from this point on, there is no question but that the maximum amount of housing and slum clearance in this country will be the top limit for which Federal funds are provided. No State or community is going to do anything on its own when they see the "pie in the sky" of Federal funds. Naturally, the State and communities will wait for the pie to drop in their laps. The agitation for this bill during the past years has had this effect. There is no question about that. Now that it is about to become law, you will see every State waiting for Federal funds before doing anything.

Under section 506, the Central Housing Authorities in Washington can assume all obligations of all projects built since January 1, 1946, by the States or communities. If that is done, and if the Federal Government takes them over and agrees to use these annual contributions for the purpose of paying subsidies to these houses already constructed, then clearly those funds will not and cannot be available to the Federal Government to use in the construction of new houses. If so, there will not be 810,000 houses built. And this is another of the hoaxes in the bill.

This is no ordinary authorization bill regarding which the Appropriations Committee can later study and decide what appropriation should later be made. The full faith and credit of the United States is pledged in the bill itself. This contractual obligation becomes binding the moment the contract between the local housing authority and the central authority is signed here in Washington. From that point on the United States has no choice about what to do. It must pay $308,000,000 per year over a 40-year period. The United States Government is just as much obligated to pay the money as it is to supply the funds needed to pay the interest and to provide for the retirement of the Government bonds of the United States. There is no retreat except by repudiation and that would mean national ruin and bankruptcy.

Who amongst us is a good enough judge or prophet to foretell what the financial condition of the United States will be 2 to 5 years from now, let along 25 or 35 years from now? If the program is broadened as advertised, and if a total of 6,500,000 units is eventually provided for, then by that time the United States will have undertaken obligations forcing future Congresses to appropriate $2,500,000,000 each year, over a 40-year period. That would total $100,000,000,000. In my judgment, it is suicidal national policy to undertake such long-range commitments in any field. Any housing program we might adopt should be based on annual appropriations whereby the Federal Government appropriates what it can afford in that year, pays the money, and then is free to do in the future what fiscal conditions warrant.

These houses are neither low cost nor are they low rent. A few weeks ago we held hearings on another bill. Government witnesses testified then that 17 percent more had to be paid by the Government for its construction than was paid for the same type of construction work done by private industries. The only question is: Who is going to pay the rent? The occupant of the dwelling or the Government? The Government means you, the taxpayer.

The annual subsidy by the Federal Government can be $381 per year for each unit. Then you must add the local subsidy to this. This is brought about by the tax exemption of all local taxes, including State realty taxes and more particularly all school taxes. All of you know how high-school taxes necessarily are. These exemptions are written into all the contracts and are binding on the State and community for the 40-year period of the contract. Payments in lieu of taxes can be made, but they are limited to about 25 percent of what the project would have to pay to the localities if taxed on the same bases as other property in the community. Hence, this burden is thrown upon the other residents living in the communities, so, in the long run, there will have to be either an increase in your local taxes or else more Federal control by shifting more of the burden to the Federal Government in Washington.

There is a grave danger in political control of human shelter. We have some experience with political control over some jobs. Where there is a selection of some from among many, then you must choose. I am not saying whether this selection will be good, bad, or indifferent. The point is, somebody somewhere will have the power to say to Mr. A "You can come in," and to Mr. B "You cannot." Therefore, this problem of discrimination is inherent in public housing. There is discrimination between States, between towns and cities in the State, and then finally among individuals in each of the towns and cities in which a housing project is placed.

Invention of First Practical Typewriter

EXTENSION OF REMARKS

OF

HON. ALBERT RAINS

OF ALABAMA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, July 26, 1949

Mr. RAINS. Mr. Speaker, Mr. John Jonathan Pratt, of Centre, Ala., invented the first practical typewriter. Official records show that the machine was completed in 1864, and in 1866 was granted a patent in London, England. Too little is known about this great and outstanding American. For that reason, I include herewith an article which appeared in the Montgomery Advertiser on Sunday, July 10, by Joe Azbell:

PRACTICAL TYPEWRITER INVENTED BY CENTRE, ALA., MAN

(By Joe Azbell)

If John Jonathan Pratt, of Centre, Ala., had not suffered from writer's cramp, it would require three times as long to put this story down on paper.

Pratt invented the first practical typewriter.

There are some people who dispute this claim.

However, official records in patent offices of London, England, and Washington, D. C., seems to prove that Pratt is entitled to the honor, although the fact is not generally known.

RESTLESS NATURE

Pratt, born April 14, 1831, in Union, S. C., came to Alabama with his family while still a young man. A man of unsettled and restless temperament, he jumped from law practice to a reporter's job; from an editor's desk to teaching school, and then to inventing typewriters before he had reached 30.

He prized his law studies because it was while studying under Judge Porter at Greenville, Ala., that he met, fell in love with, and subsequently married, the judge's pretty daughter, Miss Julia Porter.

After he was admitted to the bar, he practiced his profession, and edited a newspaper, called the National Democrat, at Centre.

WRITER'S CRAMP

In the early fifties, he was register in chancery at Centre and did so much writing that his fingers became cramped, often rendering them useless for short periods.

One night, he jokingly told some friends, "I am going to invent a writing machine, so my fingers won't ache so much, when I am writing."

After he spouted the idea, it stuck in his mind, "Why not?" he asked himself, "other things have been invented. A writing machine shouldn't be impossible to develop."

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He was a part owner and editor of the National Democrat, had a sizable law practice and some property—which afforded him a comfortable livelihood—and could without too much strain fool with "silly ideas."

NEELY HELPS HIM

As the idea grew into a practical plan, he sought the aid of his employee, John Neely, a practical printer and mechanical thinker.

Neely scoffed at the "writing machine idea," but after the plan was explained and he was instructed to fashion type for it, he took a "fancy to the machine."

Platt's idea was no longer a joke. Soon he was fashioning a drawing for the complicated little machine, called the "Pterotype." Simultaneously his friends were spreading the rumors that the invention was a "silly idea" to start with and that the newfangled machine would be impractical.

Nevertheless, while many viewed the machine with pessimism, several encouraged and helped Pratt, for his confidence in the machine proved that he was determined to make it a success.

BUYS KNITTING NEEDLES

One hot afternoon, Pratt rushed into John Coker's store and asked to buy all the knitting needles he had.

A bit puzzled, Coker said he did not have any needles on hand, but would send to Rome, Ga., for two gross—"if you really want them."

A few days later, the shipment arrived and Pratt carefully tucked the boxes of needles under his arm and walked toward his home where he worked secretly on the machine.

"I've got the first parts for my machine," he told questioners who asked about his package. "I'll have a writing machine built in a few more weeks."

The needles were used in experimenting and building the typewriter. Wooden blocks were placed at one end of the needles. To these were fastened the type which Neely had made or selected from newspaper printing fonts. He now worked on the machine at every opportunity.

MODEL COMPLETED

Finally on a proud day in 1860 the model—complicated and crude in appearance—was completed. Pratt was ready for the difficult end of his venture—securing proper manufacturing facilities and financial backing.

But the wiry little attorney-editor-inventor failed to get the financial backing in this country. A War Between the States was around the corner and money was as tight as wet shoes.

Pratt sold his slaves, property, and business interests, and sailed for England, where he was to exhibit his model for British scientists. After proving he had a practical machine he was given a British patent on December 1, 1866.

A short while later Pratt was demonstrating his machine for skeptical merchants and sold a few at $15 each. But he found the buying market flimsy.

Magazine editors, however, recognized in the odd-looking contraption something that their readers could whet their curious minds upon and exclaim, "What are they going to invent next?"

In 1867 a London magazine, "Engineering," published a story and illustration of the original machine. "Scientific American" in a July 1867 issue also bugled the "wonders of man's mind" with an article describing the invention, complete with etched illustrations.

MACHINE PATENTED

The following year Pratt filed papers with the United States Patent Office for his typewriting machine.

His machine, according to the United States Patent Office, had 36 types, mounted in three rows on a type wheel, the rotation of which brought the required character opposite the printing point. Paper with a carbon sheet intervening was pressed against it by a hammer worked by the keys.

In 1868 an American patent also was taken out on a typewriting machine by C. L. Sholes and C. Glidden, and in 1875, after effecting various improvements, they finally placed the manufacture of the machine with a Ilion, N. Y., gun maker firm called Remington & Son. At first the Remington machine worked on the type bar principle. Each of the 44 bars had only a single character so that the writing was in capitals only. But in 1878 type bars with two characters were introduced so that a machine with 40 keys, two being change keys, could print 76 characters, with both capital and small letters.

MONUMENT SOUGHT

For many years Tol Shropshire, who with his brother, Charles, operated the Coosa River News at Centre, published claims that Pratt was inventor of the first practical typewriter. He was ably supported by John Williams, editor of the Talladega Home, in an effort to induct court reporters to erect a monument for the inventor.

The Alabama Business and Professional Women's Clubs took up the fight to prove Pratt invented the first practical typing machine. At an annual convention in 1921, Miss E. Grace Jemison of Talladega, made a report of investigation on the typewriter invention.

In her extensive collections, she produced copies of patent illustrations, descriptive matter, and magazine articles, filed by Pratt in official places.

She also showed three copies of the Journal of Society of Arts, containing Pratt's speech, discussing the machine and giving specifications and full description of it, more than a year before Sholes' invention was patented.

PRAISED BY JENKINS

Miss Jemison also quoted Henry Charles Jenkins' speech before the Royal Society for Encouragement of Arts, Manufacturers, and Commerce, in which he said of Pratt's machine, "This machine was a portable and practical typewriter, and with it, the experimental stage of typewriting machine as a class may be said to end."

Models of Pratt's typewriters are on display at Kensington Museum, London, (now known as Victoria and Albert Museum) and the National Museum in Washington. The Alabama Department of Archives and History has on file pictures of the machine, samples of its writing and other personal properties of Pratt's.

After devoting years to the typewriter invention, Pratt became editor of the Gadsden Times, during the great depression of 1873, but held the position for only a short period. He returned to the job in 1883, and stayed for several years.

Some authorities believe Pratt wrote some of his editorials on the first typewriters and that the Times printed the first typewritten editorials in history.

Pratt's home in Centre was a colonial mansion, known as "Pine Knoll." It has since been torn down.

If Pratt had lived "up north," many say, he might have benefited more fully from his invention.

Sholes—whose Remington typewriters became, and still are, successful—did pay Pratt a small pension, it is said, for taking over the great invention.

True, Pratt did not get much money or honor out of his invention, but he had achieved what he set out to do.

He had invented a writing machine, that ridded the world of writer's cramp—for those who learned to use his invention.

Pratt's first typewriter later became known as the Hammond Brand typewriter.

The inventor died in 1905 and is buried at Centre, Ala.—near where he first got the idea for his typewriter.

Time for Compromise

EXTENSION OF REMARKS
OF
HON. LLOYD M. BENTSEN, JR.
OF TEXAS
IN THE HOUSE OF REPRESENTATIVES
Tuesday, July 26, 1949

Mr. BENTSEN. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following editorial:

TIME FOR COMPROMISE

Barring a miraculous return from its congressional grave, the Truman administration's 1949 labor law is a dead duck.

It was a measure that would have repealed the Taft-Hartley Act. It would have brought back into force some of the features of the old Wagner Act. But the Senate took little time to show that it was not in favor of such legislation, and Democratic Party leaders were among the first to admit the administration's defeat.

That left open the door for a series of amendments to the Taft-Hartley Act. These the Senate approved but they have little or no hope of getting through the House. The net result of labor legislation in the Eighty-first Congress, therefore, is exactly what even union labor leaders have admitted: Two more years of Taft-Hartley.

Labor's leaders as a result of this defeat have proclaimed a fight against reelection of the Senators who scuttled the Truman program. That is their right. But they leave many wondering whether spite or statesmanship is guiding their intended political-action program.

Neither labor nor business in this country in recent years has exhibited any generous amount of statesmanship. Each has utilized more selfishness than foresight or understanding in dealing with the labor-management problems that have arisen. In the middle has been the American public, bearing its suffering with considerable patience.

That public has long realized that excesses were the rule rather than the exception in attempts to settle the labor-management squabble. It saw the pendulum swing far to labor's side under the Wagner Act, then veer far in the opposite direction under Taft-Hartley.

The American public also knows that no strong prolabor or promanagement law is the long-range solution. It knows that a reasonable compromise between the two will be the ultimate answer.

The Eighty-first Congress has been in no mood to return to Wagner Act provisions. In spite of the great political upset in the 1948 presidential election with its choice of a leader devoted to Taft-Hartley repeal, the prospects for that repeal have never been bright. Now they are indeed gloomy.

That fact alone underlines the need for compromise. A violent campaign by organized labor against those who opposed it in Congress will not produce any such accord, nor will radical action by management. Both need to relax and strive to serve the public good with reasonable legislation.

Please Sign Petition No. 6

EXTENSION OF REMARKS
OF
HON. ABRAHAM J. MULTER
OF NEW YORK
IN THE HOUSE OF REPRESENTATIVES
Tuesday, July 26, 1949

Mr. MULTER. Mr. Speaker, I have said on many occasions that enactment

of my bill H. R. 2324 for the repeal of wartime excise taxes on retail sales will not result in any net loss to the Government. The items covered by my bill are the only items subject to retail excise taxes. Removal of these excise taxes will be a stimulus to trade in those industries, resulting in increased income taxes to the Government. The following article which appeared in the New York Times of July 25, 1949, fully bears out all that I contended in that respect. I again urge the Members to sign my petition No. 6 to bring that bill before the House for consideration.

NO TAX LOSS SEEN IN EXCISE REPEAL—INCREASE IN FUR SALES VOLUME WOULD OUTWEIGH ANY DECLINE, MERCHANTS GROUP ASSERTS—GOVERNMENT MIGHT GAIN—TRADE SINCE 1943 UNDER LEVY CUT ONE-THIRD WHILE OTHER RETAIL FIGURES DOUBLED

To prove its assertion that the Federal Government will derive little difference in income whether the excise tax is repealed or retained, the American Fur Merchants Association has submitted an analysis of the financial operating structure of the entire fur industry, from farmer-trapper to retailer.

The study, to be filed today with appropriate authorities in Washington was prepared for the association by the American Management Counsel, a staff of economists who perform independent research in the marketing, economics, and statistical fields for leading industries and special tax studies for Government offices.

According to David R. Hochberg, president of the Fur Merchants Association, it was agreed that its files were to be open to the management counsel, that its investigators would be free to speak to any members of the trade, and to check any estimates given by the association against published statistics of the Government, "with the understanding that we would accept the results of their analysis regardless of whether they were favorable to the industry's argument for relief."

ESTIMATE EFFECT OF TAX

The method of the economic investigation was to estimate the net effect of the 20-percent excise tax upon: (1) the profit structure of the industry; (2) the profits of those industries whose revenues depend in part upon the activity of the fur industry, and (3) the volume of employment in the fur industry.

Knowledge of how the 20-percent excise tax would affect sales, costs, profits, and employment, in turn, would enable the economists to objectively estimate how much taxes the Federal Government would receive if the excise tax on furs would be removed.

"It was also a part of the program to investigate by an off-the-street poll of consumers, the precise extent to which the tax acts as a deterrent to sales," Mr. Hochberg said. "This last was done, in part, to support our responses to those Congressmen who have asserted that the fur trade is merely experiencing a recession similar to other industries."

Highlights developed by the study are:

1. As compared to last year's return of $73,000,000, and $99,000,000 in 1946, it is probable that the Government will receive $63,000,000 this year by retaining the 20-percent excise tax, but would receive $65,000,000 with the tax removed.

2. If only 10 percent of the tax is removed the Government may receive roughly $89,000,000.

3. Regardless of the reason given as to why the 20-percent excise tax on furs may have deferred the purchase of a fur coat, the fact remains that the excise tax was considered by the fur-consuming population in the past few years to have been a sales deterrent by 41 percent of those interviewed.

4. Ever since the Revenue Act of 1943 increased the excise tax from 10 to 20 percent, sales of the fur industry have declined. Retail sales soared from 100 in 1943 to 204.1 for 1948, whereas fur sales dropped, in the safe years, from 100 to 66.6.

5. Most startling development of the study was that the index of retail fur sales by unit volume has decreased each year from 100, in 1943, to 42 in 1948. This conclusion does not except the boom years of the war or the postwar inflation years.

6. A pretest market analysis of the fur-consuming population conducted in June 1949, indicates that if the 20 percent excise tax were removed, the dollar volume retail sales of fur garments would be increased by 46 percent. A subsequent industry estimate of the effect of 10 percent reduction in the tax revealed that the trade would benefit approximately by 75 percent of this figure (75 percent of 46 percent).

"The tax study presented fairly establishes more than we had heretofore argued: That the Government will lose very little by giving relief," Mr. Hochberg said. "It seems to me that we have a right to expect that, with Congressmen almost unanimously agreeing on the merit of our case, an industry as old as ours, giving income to several million farmer-trappers and employment to some 50,000 persons in the marketing operation, should not be permitted to expire because of the specious excuses of complicated parliamentary procedure or the venality of party politics."

Copies of the analysis will be filed today with the Senate Finance Committee, the House Ways and Means Committee, the Joint Committee of the Senate and House on Taxation, and Treasury officials. It is also made available for use by the National Fur Tax Committee.

Navy Rockets Fired 65 Miles Up in Cosmic Ray Test in Pacific

EXTENSION OF REMARKS

OF

HON. JAMES B. HARE

OF SOUTH CAROLINA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, July 26, 1949

Mr. HARE. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following article by Ansel E. Talbert, from the New York Herald Tribune of July 25, 1949:

NAVY ROCKETS FIRED 65 MILES UP IN COSMIC RAY TEST IN PACIFIC—AEROBEE MISSILES LAUNCHED FROM TENDER'S DECK AT EARTH'S GEOMAGNETIC EQUATOR

(By Ansel E. Talbert)

Rockets fired from the deck of a United States Navy surface ship cruising 700 miles off the west coast of South America have roared aloft to altitudes of more than 65 miles, headquarters of the third naval district announced last night at 90 Church Street.

The announcement was the first official word from the Navy about actual firings of rockets and guided missiles at sea since the disclosure almost 2 years ago that a captured German V–2 had been launched successfully from the flight deck of the 45,000-ton carrier *Midway*. On that occasion the German-built rocket rose erratically only 6 miles and exploded in the air.

Admiral Louis E. Denfeld later made known his opinion, however, that the rocket-powered guided missile is the basic naval weapon of the future. Although all existing missiles are relatively short-ranged, Admiral Denfeld said that they would become transoceanic when launched from the deck of a ship off an enemy coast.

Last night's announcement stated that the 65-mile high firings took place aboard the U. S. S. *Norton Sound*, a tender fitted out specifically to study the launching of guided missiles at sea. This ship has been cruising about in the Pacific and according to official Navy sources is scheduled to visit the Arctic as well as the tropics in gathering data about phenomena recorded at high altitudes by telemetering equipment carried in the rockets fired from its decks.

NAVY-BUILT MISSILES

These rockets used by the Navy tender's crew were not captured German missiles but pencil-shaped Aerobees, a rocket-missile type developed for the Navy Bureau of Ordnance by the Aerojet Corp., of Azusa, Calif. The development work on the Aerobee was under the technical supervision of the Applied Physics Laboratory of Johns Hopkins University, center of Navy guided-missile research, and the actual construction was done by the Douglas Aircraft Corp., of Santa Monica, Calif.

The firings mentioned specifically in the Navy announcement were stated to have taken place in March and to have obtained data about cosmic-ray intensity.

Dr. James A. Van Allen of the Johns Hopkins Applied Physics Laboratory, a scientist who has predicted future construction of satellite space platforms circling the earth continuously, was said to have made a preliminary study of the information recorded by two rockets fired at sea during that month.

From other sources, however, it was learned that later rocket firings from decks of submarines as well as surface ships have taken place, although no details will be revealed until an evaluation of the incidents can be made by Navy scientists.

COSMIC-RAY DATA FOUND

Dr. Van Allen's preliminary examination of the telemetering records obtained by the *Norton Sound* firings indicates that the cosmic-ray intensity above the atmosphere at the geomagnetic equator where the firings took place is about one-third that found above White Sands Proving Ground near Las Cruces, N. Mex. At White Sands considerable cosmic-ray data was obtained through firings of both German- and American-built rockets since the war.

The intensity found, however, is twice as great as had been estimated, according to the Navy announcement, for previous experiments with balloons and airplanes indicated that the cosmic-ray intensity at the geomagnetic equator was between one-sixth and one-eighth that found at White Sands.

Each rocket fired from the *Norton Sound* carried 150 pounds of scientific instruments for recording data at high altitudes.

Address by Hon. Robert A. Taft, of Ohio, on Drew Pearson Hour

EXTENSION OF REMARKS

OF

HON. ARTHUR V. WATKINS

OF UTAH

IN THE SENATE OF THE UNITED STATES

Tuesday, July 26 (legislative day of Thursday, June 2), 1949

Mr. WATKINS. Mr. President, I ask unanimous consent to have printed in the Appendix of the RECORD a radio address delivered by the senior Senator from Ohio [Mr. TAFT] on the Drew Pearson hour on July 24, 1949.

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There being no objection, the address was ordered to be printed in the RECORD, as follows:

All week I have been asked two questions. Why are you talking on Drew Pearson's hour? Why did you vote against the Atlantic Pact? Well, I am talking on this hour because Mr. Pearson invited me and I knew he had one of the best listening audiences in the United States, better than any of us Republican Senators can get on our own time; and of course, I do have an election contest in 1950 and I don't want to miss a good listening audience. I suspect he invited me because he wanted to go on a nice cool vacation, and knew that we Senators had to be here working whether the weather was cool or hot—and it is hot. At any rate, he still gets the fee for the commercials. I thank him for the opportunity and appreciate his being willing to give time to one with whom he so frequently differs. That is the American way—to recognize that those who differ with you have a right to be heard.

Why did I vote against the Atlantic Pact? I wanted to vote for it—at least I wanted to vote to let Russia know that if she attacked western Europe, the United States would be in the war. I believe that would be a deterrent to war. The Kaiser might not have started the First World War or Hitler the Second if they had known they would encounter the great economic and human power of the United States. We issued just this warning in the Monroe Doctrine, and though we were a much less powerful Nation, it prevented aggression against Central and South America. That was only a President's message to Congress, and there were no treaty obligations, and no arms for other nations. But it was one of the most effective peace measures in the history of the world. I would favor a Monroe Doctrine for western Europe.

But the Atlantic Pact goes much further. It obligates us to go to war if at any time during the next 20 years anyone makes an armed attack on any of the 12 nations. Under the Monroe Doctrine we could change our policy at any time. We could judge whether perhaps one of the countries had given cause for the attack. Only Congress could declare a war in pursuance of the doctrine. Under the new pact the President can take us into war without Congress. But, above all the treaty is a part of a much larger program by which we undertake to arm all these nations against Russia. The President is sending up the first installment of this arms program tomorrow to add a billion and a half dollars to his budget already showing a large deficit. To my mind this turns the whole project into something completely different from the Monroe Doctrine. I found that at least some of the European nations were induced to sign the pact by the promise of arms. A joint military program has already been made. The State Department says arms are a necessary corollary of the pact. No person can be a realist and not know that it is one united project. It thus becomes an offensive and defensive military alliance against Russia. I believe our foreign policy should be aimed primarily at security and peace, and I believe such an alliance is more likely to produce war than peace. A third world war would be the greatest tragedy the world has ever suffered—even if we won the war, we this time would probably suffer tremendous destruction, our economic system would be crippled, and we would lose our liberties and free system just as the Second World War destroyed the free systems of Europe. It might easily destroy civilization on this earth.

We cannot build up the armaments of western Europe without stimulating the Russians to increase still further their development of war forces. Every armament race in history has finally ended in war. I was delighted this morning to see Senator VANDENBERG's suggestion to the President that he postpone this program until a new effort was made to reach an agreement with Russia to reduce arms and strength on the United Nations.

There is another consideration. If we undertake to arm all the nations around Russia from Norway on the north to Turkey on the south, and Russia sees itself ringed about gradually by so-called defensive arms from Norway and Denmark to Turkey and Greece, it may form a different opinion. It may decide that the arming of western Europe, regardless of its present purpose, looks to an attack upon Russia. Its view may be unreasonable, and I think it is. But from the Russian standpoint it may not seem unreasonable. They may well decide that if war is the certain result, that war might better occur now rather than after the arming of Europe is completed.

The arming of western Europe cannot be achieved overnight; in fact, it will be years before the European nations could resist an all-out Russian attack. During that period, I feel that the arms policy is more likely to incite war than to deter it. The distinguished junior Senator from New York [Mr. DULLES], who has had so much experience in foreign affairs, said on March 8:

"While the Soviet Government has no present intention of resorting to war as an instrument of national policy, nevertheless, it can be assumed that the Soviet state should use the Red Army if its leaders felt that their homeland was imminently and seriously threatened.

And he warned particularly against the bringing of United States military might directly to Russia's Scandinavian border.

How would we feel if Russia undertook to arm a country on our border, Mexico, for instance?

Furthermore, can we afford this new project of foreign assistance? I think I am as much against Communist aggression as anyone, both at home and abroad; certainly more than a State Department which has let the Communists overrun all of China. But, like Mr. Dulles, I think they contemplate more headway through infiltration and propaganda than through military might. But we can't let them scare us into bankruptcy and the surrender of all liberty, or let them determine our foreign policies. We are already spending $15,000,000,000 on our armed forces and have the most powerful Air Force in the world and the only atomic bomb. That, and our determination to go to war if Europe is attacked, ought to be sufficient to deter an attack by armed force. We are spending $7,000,000,000 a year on economic aid to build up those countries to a condition of prosperity where communism cannot make internal progress. Shall we start another project whose cost is incalculable, at the very time when we have a deficit of $1,800,000,000 dollars and a prospective deficit of three to five billions? The one essential defense against communism is to keep this country financially and economically sound. If the President is unwilling to recommend more taxes for fear of creating a depression, then we must have reached the limit of our tax-paying ability and we ought not to start a new and unnecessary spending project. It is said that western Europe must have a minimum of 60 divisions to be safe against Russia. That would cost $24,000,000,000. We are deluged here in Washington with those who want us to economize. This new project would cost more each year than the housing, education, and limited health plans combined.

The justification for the arms aid rests on the necessity of defense against Russia, but remember that once these arms are provided they are completely within the control of the nation receiving them. They are subject to the orders of those who, at the time, control the government of the country. Those governors may be Communists or Fascists, they may be peace-loving, or they may be aggressors. In future years these arms may be used against us instead of on our side. If Russia should choose to go to war within the next year or two, they might easily be captured by the Russians and turned against us. We would be playing a dangerous game if we encouraged every country in Europe to arm itself to the teeth. Modern arms are not toys.

Some years ago our Army officials were obsessed with the idea that we ought to arm the South American nations and send American military missions to each. Since that time, there has been a revolution in South America every 2 months, on the average. The arms which we might have supplied would have been used in civil war and would have fomented civil war. I have the highest regard for our Army officials, but they regard everything in the light of some particular war for which they are preparing, and fail to consider the political changes and the political problems which may arise long before that war occurs, if it ever does.

But, finally, I believe there is only one real hope of peace in the world to come—an association of nations binding itself to abide by a law governing nations and administered by a court of legal justice. Such a judicial finding must not be subject to veto by any nation and there must be an international force to enforce the court's decree. Such a plan can only succeed if the public opinion of the world is educated to insist on the enforcement of justice.

The United Nations looks in this direction but it can be improved and should be. This pact might have set up such a system between the nations of western Europe. It unfortunately did not do so. We should undertake to make it a model to which the United Nations may later conform. But as set up, it is a step backward. A military alliance of the old type where we have to come to each others' assistance no matter who is to blame, and with ourselves the judges of the law.

And now for a few predictions—if the proposal comes up as a new lend-lease program with wide-open power in the President to give away all American surplus material including perhaps atomic bombs, Congress will reject it. If a more modest request is made, Congress may approve an abbreviated form of aid. I wouldn't mind helping a country if it can be shown that that country is really threatened by Communist military aggression, like Greece or China. But, I don't want to give the President (and that means the State Department) unlimited power to go out and arm the world in time of peace. Congress will go on helping Greece and Turkey, but there won't be any great amount of military aid for anyone else at this session of Congress.

Garrison Dam, N. Dak.

EXTENSION OF REMARKS
OF
HON. WILLIAM LEMKE
OF NORTH DAKOTA
IN THE HOUSE OF REPRESENTATIVES

Tuesday, July 26, 1949

Mr. LEMKE. Mr. Speaker, there have been several conflicting statements in the dispute over the pool level of the Garrison Dam in North Dakota. The Army engineers are still fighting for a pool of 1,850 feet above sea level while North Dakota's Senators and Representatives are unanimous in their support of the lower pool of 1,830 feet.

Mr. Speaker, under unanimous consent to have my remarks printed in the Appendix, I include a news story printed

in the July 21 issue of the Williston Daily Herald:

WASHINGTON, D. C.—Congressman USHER L. BURDICK, Republican of North Dakota, today introduced a new word—aggradation—into the dispute over the water level of Garrison Dam in North Dakota.

BURDICK told newsmen that aggradation, defined by the dictionary as "modification of the earth's surface by deposition, as in a river bed," will cause damage and hardship if the Army engineers are allowed to go through with their plan for an 1,850-foot Garrison pool level.

BURDICK criticized engineers who he said have promised to dike the threatened city of Williston and nearby irrigation projects. He charged that the artificial lake to be formed by a high pool would be forced over the tops of the dikes by aggradation of silt carried into the Missouri River by the turbulent Yellowstone, a tributary.

"It is inevitable," BURDICK continued, "that no matter how high the dikes are built the displaced water will eventually overflow.

"We would then," stated BURDICK, "see the countryside near Williston flooded, and the damage would be wholesale."

BURDICK said it is not generally known, but 40,000 acre-feet of silt in the Missouri River pass Williston every year.

"That means," said BURDICK, "40,000 acres to the depth of 1 foot could be covered annually by this silt deposit." When the river is active and flowing, this silt cannot settle, and much of it is carried down into the Mississippi.

"But," he warned, "should the Army engineers finally have their own way and build a dam to hold back 23,000,000 acre-feet of water, the west end of the lake so formed would be close to Fort Buford, 12 miles west of Williston."

From that point east would be a dead lake and BURDICK said the mucky waters from the surging Yellowstone, stopped by this dead body, would start to drop the silt, depositing the greater part of it at the upper end of the lake.

BURDICK said should the west end of the lake be located about 12 miles east of Williston, as would be the case with the 1,830-foot pool level, silt deposits could cause only a fraction of the damage in dollars and cents that Williston would otherwise suffer.

The North Dakota Congressman said the Bureau of Reclamation has opposed the 1,850-foot pool on the basis of aggradation theory. "Army engineers will not be turned loose to do this unnecessary damage until the Congress and the courts say," BURDICK declared.

"The lobby they have built up in Congress through favoring certain projects, and transporting Members of Congress in Army planes may be strong enough to give them their way in Congress. But I don't think they'll get through the courts."

China Reds—Officially—Give Russia Credit for Victories

EXTENSION OF REMARKS
OF
HON. JOHN DAVIS LODGE
OF CONNECTICUT
IN THE HOUSE OF REPRESENTATIVES

Thursday, July 21, 1949

Mr. LODGE. Mr. Speaker, under leave to extend my remarks in the Appendix of the RECORD, I am inserting an article by Clyde Farnsworth, Scripps-Howard staff writer, which appears in the Washington Daily News of Tuesday, July 26.

This article seems to substantiate what some of us have for some time known; to wit, that the stresses, strains, and conflicts created by the Soviet Union in Europe and particularly in Germany were designed as a diversionary operation in order to make possible the Communist victories in China. I think it important to underscore these sad and dangerous events as they flow past us in the stream of history, for if we do not take effective action soon the momentum which they will gather may eventually encompass our own destruction.

The article follows:

CHINA REDS—OFFICIALLY—GIVE RUSSIA CREDIT FOR VICTORIES

(By Clyde Farnsworth)

CANTON, July 26.—Chinese Communists are now giving full credit to the Soviet Union for Red successes in China.

The new refrain has something to recommend it—truth. It goes like this:

After the defeat of Japan, the Soviet Union and the eastern European satellites have pinned down the United States in Europe, while international communism went to town in Asia.

OFFICIAL SOURCE

Anti-Communists have long said the same in pressing for a stronger stand in China by the western democracies. But now it's official in statements of the Chinese Communists' leaders recently broadcast by the New China News Agency.

Chou En-lai and Chu Teh, No. 2 and No. 3 in the hierarchy of Chinese communism, hailed the birth of the Chinese-Soviet Friendship Association at Peiping. Madame Sun Yat-sen was identified as chairman and Chou as one vice chairman. The New China News Agency quoted Chou as saying:

"The present great victory of the Chinese people's liberation army is inseparable from the sympathy and assistance rendered by the broad masses of the Soviet Union and other countries. Because the Soviet Union, the eastern European new democratic countries, and the broad masses in Europe pinned down the main forces of imperialism in the west, the Chinese people were able to win victory in the east where the imperialist forces were weaker."

And Chu Teh said:

"It is clear that the victory of the democratic revolution of the Chinese people is inseparable from the friendly aid of the Soviet Union. Without the Soviet Union, without the victory of the anti-Fascist Second World War led by the Soviet Union, and without the unprecedented growth of a world democratic peace camp headed by the Soviet Union during the past 4 years, the Chinese revolution wouldn't have won its present speedy and great victory, and the consolidation of victory wouldn't be possible even when won."

With remarkable similarity and phrasing, the All China Writers and Artists Federation, one of many mushrooming organizations with which the Communists are trying to clinch their victories, said:

WORD TO STALIN

"If the British and American imperialist forces in the west had not been pinned down by the Soviet Union and the European new democracies, defeat in the east for American imperialism and its running dog, the Chiang Kai-shek reactionary clique, wouldn't have been possible."

The Chinese Friendship Association telegraphed Stalin:

"Your instruction will be a powerful weapon in the hands of the people in safeguarding the fruits of the revolutionary victory and in carrying out peaceful reconstruction."

The declared purpose of the association is to "introduce the experience of the Soviet Union in the national reconstruction and Soviet science and technology, and to strengthen the friendship of the two countries in the struggle for lasting peace."

In Communist propaganda you can read "Communist world revolution" for such phrases as "lasting peace."

Chou En-lai, who once impressed Gen. George C. Marshall with his sincerity by crying real tears—when General Marshall was in China trying for a Kuomintang-Communist coalition—told the founders of the new association that the Chinese-Soviet treaty (under which Russia gained predominant position in Manchuria) was "wholly in accord with the revolutionary interests of the Chinese people."

Chou anticipated no friendly relations with non-Communist countries. He said the Chinese people "must be prepared for a blockade of 8 to 10 years."

Youth and Talent Wasted

EXTENSION OF REMARKS
OF
HON. ABRAHAM J. MULTER
OF NEW YORK
IN THE HOUSE OF REPRESENTATIVES

Tuesday, July 26, 1949

Mr. MULTER. Mr. Speaker, I am pleased to direct to the attention of the House the following article entitled "Youth and Talent Wasted" by Harold L. Ickes, which appeared in the New Republic of July 25, 1949:

YOUTH AND TALENT WASTED

(By Harold L. Ickes)

The American people have much to think about now that a jury has found Judith Coplon guilty of taking Government documents to be turned over to an agent of Russia, and another jury has heard Henry Julian Wadleigh admit that, for a period in his life, he was engaged in supplying the American Communist Party with classified information to which he had access as a trusted Government employee.

These two instances of disloyalty have tended to obscure the trial before Federal Judge Harold R. Medina in New York of 11 Communists on a charge of conspiracy to overthrow the Government by force and violence. In that case, New York City Councilman Benjamin J. Davis, Jr., testified that, in defending Angelo Herndon in Atlanta in 1933, he had to familiarize himself with many of the Communist books and they made sense to him.

Davis holds a bachelor of arts degree from Amherst College, where he played on the football team for 3 years and where his tuition fees were reduced because of high grades. He also has a Harvard law school degree. Miss Coplon was an honor student at Barnard College, and Julian Wadleigh was educated at Oxford, the London School of Economics, the University of Kiel (Germany) and the University of Chicago. His father, an Episcopalian minister, was rector of the American church in Florence during much of Wadleigh's youth. All three—Davis, Wadleigh, Coplon—held high scholastic rank. All three enjoyed an economic status that was satisfactory considering all of the circumstances. All three, making due allowances for the racial prejudice that undoubtedly was felt by Davis, and perhaps by Miss Coplon, had an assured position in their country; all three, as educated Americans, must have known how favorably American institutions compared with those of Russia. And yet all three have been charged with betraying their loyalty to these institutions.

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American laws and mores are not perfect. We realize that Americans, to a greater degree than many other peoples who claim to be civilized, are inclined to be scornful and impatient of any strange custom, social development, or racial difference. However, it is beyond my comprehension how any American citizen, nothwithstanding the occasional imperfections that still abide in our system, can tolerate, even for a second, the notion that life would be happier and more satisfying if there were imposed upon us such an oppressive dictatorship as exists in Russia.

It might be that if I were a Negro, as are Davis and Paul Robeson, who has boldly declared his admiration of the Soviet system, I might react to Ku Kluxism and the brutality of segregation as they have. And yet both men might well consider whether, under communism, they could have reached the heights that they have scaled in America which, after all, is giving Negroes an increasing measure of respect, along with the legal rights that are theirs. I believe that in time both of these men will see in better perspective what communism has to offer in comparison with the ever-growing acceptance by the American people generally of a man on the basis of his worth, regardless of race, color, creed, or origin. If such men as these would make a careful appraisal of the position of the Negro in this country today, as compared with 25 years ago, they would have to admit that the recognition of the Negro as a human being has made enormous strides.

There undoubtedly has been a lamentable backsliding into anti-Semitism in the United States. Nevertheless, the Jewish strain has come to be not only accepted but appreciated in America. Our arts and sciences, as well as our literature, owe to the Jew an immeasurable debt. The liberal political aspirations that have pushed America constantly forward would greatly lag, and perhaps even stop altogether, if it were not for far-seeing and devoted American Jews.

Wadleigh, a white Protestant, belongs to the dominant group in American life, the group that has always governed the country and reaped its richest rewards. Yet he finds himself today in the position of attempting to explain, through the facilities of a metropolitan newspaper, how he came to engage in Communist activities to the damage of a nation which has provided him with a climate in which he might develop politically, economically, and spiritually to a degree that would not be possible under Communist institutions that are just as oppressive as those of a Hitler or a Franco.

The jury in the Coplon case, consisting of six whites and six Negroes, and comprising women as well as men, has vindicated our system of justice. If guilty, Judith Coplon deserves the sentence that the court imposed upon her. Coplon and Davis and Wadleigh—what a shameful waste their histories reveal of youth and talent and ability. Fortunately, the heart of America, despite transient hysterical fears, is sound.

Hon. August N. Hand

EXTENSION OF REMARKS
OF
HON. EUGENE J. KEOGH
OF NEW YORK
IN THE HOUSE OF REPRESENTATIVES
Tuesday, July 26, 1949

Mr. KEOGH. Mr. Speaker, for a man to live beyond the biblical span is one thing—for him to have lived a life of great service to his community is another. It is fitting, therefore, that the New York Times in the following editorial which appeared today pauses to pay tribute to a great judge and a distinguished American—the Honorable August N. Hand, judge of the Court of Appeals of the Second Circuit. The editorial is as follows:

AUGUST HAND AT 80

"Four things," said Socrates, "belong to a judge: to hear courteously, to answer wisely, to consider soberly, and to decide impartially." In the thirty-five years he has graced the Federal bench, August Noble Hand has more than met this ideal. No appointment to a United States district court has ever been happier than Judge Hand's appointment by President Wilson; none to the circuit court of appeals more fitting than his promotion by President Coolidge. To courts already distinguished Judge Hand has added great distinction. His lucidity, and thoroughness, his breadth of view and his liberalism have earned for him universal respect.

A colleague and disciple has written of him: "What will always count most in the drama of his life will not be the story of his actions but the impact on others of his character—of his selfless equanimity." His clarity of mind and keenness of judgment have not been dimmed by the passage of time; and today, on his eightieth birthday, we join with the host of his friends and admirers in wishing him much happiness and many more years of fruitful service.

Resolutions of Georgia Federation of Women's Clubs

EXTENSION OF REMARKS
OF
HON. JAMES C. DAVIS
OF GEORGIA
IN THE HOUSE OF REPRESENTATIVES
Tuesday, July 26, 1949

Mr. DAVIS of Georgia. Mr. Speaker, Mrs. Gertrude Harris, the distinguished president of the Georgia Federation of Women's Clubs, of Atlanta, Ga., has forwarded to me resolutions recently adopted by the executive board of the Georgia Federation of Women's Clubs. One of these resolutions opposes the enactment of compulsory health insurance legislation, and another endorses legislation to provide sufficient foresters to educate, assist, and advise Georgia's 162,000 small timber owners in practicing forest conservation.

These resolutions are worthy of the serious consideration of the Members of this body, and pursuant to leave previously granted I insert them herewith:

Whereas it is proposed that the Congress of the United States enact a compulsory health-insurance bill to be financed through pay-roll deductions; and

Whereas under our system of private operation of business with an independent medical system, the practice of medicine in the United States and the advancement of medical science are without equal in the world; and

Whereas the term "free medical service" is a misnomer and a lure for the uninformed because any such service must be paid for, and under a compulsory health-insurance plan operated by the Government the person who only works half time would be entitled to as much free medical service and sickness benefits as he who works full time, thus penalizing the industrious, the clean living, and the thrifty in favor of the lazy, the shiftless, and the immoral; and

Whereas we believe that under socialized medical care the average citizen would find himself getting a lower grade of medical care and paying more for it: Therefore be it

Resolved, That the executive board of Georgia Federation of Women's Clubs go on record as opposing any plan of compulsory health insurance where the Government is given power, control, and direction of what should be an intimate and personal relation between the physician and the patient; be it further

Resolved, That a copy of this resolution be sent to all Members from Georgia of the House and Senate of the United States Congress this 28th day of June 1949.

Mrs. Z. V. PETERSON,
Chairman of Department of Legislation.
Mrs. GERTRUDE HARRIS,
President.

Resolution on conservation of small timber land tracts

Whereas the bulk of Georgia-grown timber that goes into the manufacture of pulp and paper, lumber, poles, piling, furniture and many other wood products comes from the lands of the small timber owner; and

Whereas there are 162,000 of these small timber owners in the State of Georgia with holdings averaging less than 99 acres each; and

Whereas better than 70 percent of the timber cut on the lands of the small timber owner is not harvested under good forestry practices, resulting in destructively cut timberlands; and

Whereas much of the damage to the Georgia timberlands could be avoided through an expansion of the cooperative State-Federal program to provide technical assistance to small-timberland owners, and adequate education and demonstration of good forestry; and

Whereas there are sufficient funds for the employment of only one extension forester for educational work throughout the State and two farm foresters in the State forestry department for furnishing on-the-ground assistance; and

Whereas many more farm foresters and extension assistants are needed in the State of Georgia to help stop the destructive cutting of small timberland ownership within a reasonable time: Therefore be it

Resolved, That the executive board of the Georgia Federation of Women's Clubs does urge our congressional and State representatives to support legislation that will furnish the State of Georgia with sufficient foresters to educate, assist, and advise Georgia's 162,000 small timber owners in practicing forest conservation; be it further

Resolved, That copies of these resolutions be sent to the Governor of the State, the Georgia Forestry Commission, and the legislators in each congressional district, and the United States Forest Service.

Mrs. GERTRUDE HARRIS,
President.

Mrs. E. L. BARNES,
Chairman, Conservation of Natural Resources Committee.

Texas to New York

EXTENSION OF REMARKS
OF
HON. EUGENE J. KEOGH
OF NEW YORK
IN THE HOUSE OF REPRESENTATIVES
Tuesday, July 26, 1949

Mr. KEOGH. Mr. Speaker, under leave to extend my remarks in the RECORD, I set forth the following timely editorial which appeared in today's New York Times. It is interesting to note the contents of this editorial in view of the fact that the House will shortly con-

gider the bill, H. R. 1758, to amend the Natural Gas Act of 1938. The editorial well points out the importance of natural gas as a fuel. It is as follows:

TEXAS TO NEW YORK

The use of natural gas in New York City will soon begin with the conversion, starting August 1, of household appliances in Staten Island homes. This development culminates years of study and research on ways to distribute this natural resource economically from the oil and gas fields in the West to the country's metropolitan areas. The lack of satisfactory pipe to withstand the high pressures needed to move the gas overland was a major obstacle for a long time, but with the development of welded steel pipe in the twenties this was overcome. Since then, the use of natural gas has been widely extended, and now pipe lines are stretching long fingers in all directions from the Texas and other fields.

Before that, and even since then, incalculable quantities of gas had to be burned at the wells because it couldn't be delivered to the places where it was wanted. Its value, however, had long been recognized, and more than 2,000 years ago the Chinese used the gas to evaporate brine for making salt. In this country, its first use in buildings was in the little western New York State town of Fredonia, where in 1824 some enterprising citizens laid a wooden pipe from a gas well about 10 miles away and thus brought the gas into the community. But by that time, manufactured gas was coming into wide usage and it soon displaced the natural product.

The pendulum now has already swung in the other direction, but how far it will go is still a matter of speculation. Experts believe that vast quantities of natural gas will be available for a long time, but they point out that if and when it runs out we can always depend on our huge coal deposits to supply gas to cook the family meals, as is now the case. Meanwhile, the lower cost and higher heat value of natural gas compared with the manufactured product justifies its extensive and ever-widening use.

Housing Construction in Alameda County, Calif.

EXTENSION OF REMARKS
OF
HON. GEORGE P. MILLER
OF CALIFORNIA
IN THE HOUSE OF REPRESENTATIVES

Tuesday, July 26, 1949

Mr. MILLER of California. Mr. Speaker, I am happy to report to the House of Representatives that the president of the Oakland (Calif.) Real Estate Board, Mr. Ray D. Nichols, realtor and builder and an honored and respected citizen, has written the President of the United States a letter, offering his fullest cooperation in securing the needed homes in rapidly growing Alameda County.

Because Mr. Nichols' letter sets the pace for others to follow I am including it in these remarks:

OAKLAND, CALIF., *July 11, 1949.*

Hon. HARRY S. TRUMAN,
President, United State. of America,
Washington, D. C.

DEAR MR. PRESIDENT: Now that your administration housing legislation has become the law of our land, it would seem time for realtors, builders, and Government to bury the hatchet and to take up the hammer and work together to secure much needed homes.

Only by complete confidence in each other, and with full cooperation, can Government, realtors, home builders, labor, and financing institutions make this program work.

I know that you will find builders and realtors in every precinct, and I know they realize that part of our people must rent and part must own homes. It is the duty of the home builder and realtor to know this local situation and to secure these rentals and this home building. With the housing law now passed, we are ready to go ahead.

I offer you my help in this community. I will read the law and will see how it can work here. I will secure the cooperation of local groups, and local agencies, to give to our community the housing that is needed in the places that it is needed. I know that in every community in our land there are other realtors ready to work with you.

Our code of ethics says: "Under all is the land. Upon its wise utilization and widely allocated ownership depend the survival and growth of free institutions and of our civilization. The realtor is the instrumentality through which the land resources of the Nation reaches its highest use and through which land ownership attains its widest distribution. He is a creator of homes, a builder of cities, a developer of industries and productive farms."

Let us, as realtors and builders, accept this creed and, united with Government and labor, meet the challenge of a decent place to live for every American family within a price that they can afford to pay.

United we can reach this goal.

Respectfully yours,
RAY D. NICHOLS,
Realtor and Builder,
1948 President, Oakland Real Estate Board.

I for one thank Mr. Nichols for his wholesome letter.

Ray D. Nichols represents the type of men who have made democracy work.

Brannan Frying Pan

EXTENSION OF REMARKS
OF
HON. ANGIER L. GOODWIN
OF MASSACHUSETTS
IN THE HOUSE OF REPRESENTATIVES

Tuesday, July 26, 1949

Mr. GOODWIN. Mr. Speaker, I was one of the small minority of 24 who voted in the House last week against the passage of the farm subsidy bill as amended. With the history of the legislation already on the books, I could not vote for a continuation of rigid farm supports. Under leave to extend my remarks in the RECORD, I am including, in support of my position, the following editorial from the Boston Herald of July 25, 1949:

BRANNAN FRYING PAN

The House last week jumped out of the Brannan plan. It refused to consent even to a trial run of the scheme to let prices of three farm products drop to natural levels while providing the farmers a subsidized income at 100 percent of parity. But having escaped this frying pan, the House promptly jumped into the fire of rigid support prices. It voted to cancel the section in the present Hope-Aiken bill providing for flexible supports after January 1, 1950, and to continue a 90 percent of parity system.

Thus the House returned to the one feature in the Brannan plan that is most unsound. Will the House never learn that rigid farm supports are bad?

The general idea of subsidizing farm income may not be too tough, in this increasingly controlled economy. Take potatoes. We now support prices by having the Government buy the surplus for alcohol, animal feed, flour, etc. It's expensive business. If instead we let the price fall to world market levels, and used the same Government money to make up to the farmer directly his loss of income by the price drop, we might have both happy farmers and happy consumers, even if we didn't have happy taxpayers.

If we replaced some of the income subsidy to the farmer with useful soil-conservation aid, we might even come out better than we do now. At least no one knows how it would work.

The bug in the thing is that Secretary Brannan proposed to make 100 percent of parity the measure of the income subsidy. In fact, a farmer who raised no more than he raised during the war was to be assured a wartime income. If he raised more, he got more.

In the case of cotton, a grower would receive $84 per acre if the yield was 300 pounds per acre, in contrast to $56 on a 200-pound yield. Naturally, the growers would sweat out the biggest production possible year after year, no matter what the carry-over or condition of the market. As fast as prices fell, the income subsidy would rise.

Now, in the ordinary market, an average 300-pound yield brings less per acre than a 200-pound yield. This has tended to curb excessive expansion.

A Brannan plan that promised a parity income only on a reasonable total crop might succeed. At least it isn't quite as absurd as the scheme the House rejected.

Now, however, the House has voted to maintain a rigid support-price plan, by which the basic crops would be held, so far as possible, at 90 percent of parity. This would give up the present arrangement, sponsored by Senator AIKEN, by which after this year prices will be supported at 60 to 90 percent of parity, depending on the size of the crop. So the House simply jumped from the uncontrolled expansiveness of one plan to the only slightly less uncontrolled expansiveness of the other.

The Aiken idea doesn't sit well with the farm bloc, however. They shudder at the possibility of getting only 60 percent of parity. There is, however, a modification of the Aiken plan, suggested by the able Harvard economist, John D. Black, which might meet both objections.

This is the adoption of a variable price arrangement under which big crop yields would sell at the most for only enough more per acre to cover the extra costs of harvesting. This might assure in effect a parity return on the normal portion of the crop, but much less on any production above that. The farmers would get their safeguard against catastrophic price collapse, and yet would be restrained from excessive production. This plan could be adapted equally well to the income scheme.

The solution the House chose is simply the retention of the one bad feature of both schemes. We can hope the Senate has more sense.

Reduction of Federal Expenditures and Tax Relief

EXTENSION OF REMARKS
OF
HON. THOR C. TOLLEFSON
OF WASHINGTON
IN THE HOUSE OF REPRESENTATIVES

Tuesday, July 26, 1949

Mr. TOLLEFSON. Mr. Speaker, the Hoover Commission recommendations

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have created a great deal of public interest in the subject of reducing Federal expenditures and in the corollary subject of tax relief. Letters from constituents indicate some dissatisfaction with the progress Congress has made in this direction. I am in receipt of a parody on a current popular song hit which may describe in musical terms the present situation in Congress. I include it herewith:

BOILING DOWN THE BUDGET

(Tune: Cruising Down the River)

Boiling down the budget
On these sunny afternoons
Mid spending spree and gifts for free's
Like reaching for the moon.

The old piano player
Sings us the same old tune.
He asks as much in August
As he asked of us in June.

The folks at home with weary groans,
All plead for tax relief.
But music round here makes a sound
That taxes their belief.

We'll all go broke together,
And this may happen soon
If we don't boil down the budget
On these sunny afternoons.

1952 is Now

EXTENSION OF REMARKS

OF

HON. JOHN C. KUNKEL

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, July 26, 1949

Mr. KUNKEL. Mr. Speaker, in 1947, I was the chairman of a subcommittee of the House Select Committee on Foreign Aid which studied and reported upon conditions in the United Kingdom and the British Dominion. The gentleman from Pennsylvania [Mr. WALTER] was my valued associate. In the report, which we filed and signed jointly, we called attention to the crisis which would occur in the United Kingdom when the existing buyers' market had ended. We urged that steps be taken to prevent that expected condition from arising. I quote from our subcommittee report on that subject:

11. The United Kingdom has been forced to concentrate on production. This has been done with a relative disregard of the cost of production. Exports had to be secured. There was a seller's market. In general, anything produced could be sold. The United Kingdom's problem was to produce. At some time in the future this seller's market will end. The United Kingdom will then be faced with another crisis, this one requiring it to meet cost of production standards in a competitive world market. In the planning and administration of any program, this future situation should be foreseen. Preparations should be made to meet it. It is as certain as is any future condition. We cannot stress its importance too strongly.

Unfortunately, the present situation in the United Kingdom is exactly as predicted and for the reasons pointed out above. In that connection, the comment contained in the London Economist of July 2, 1949, is of great interest and value to all Americans interested in the welfare of the United Kingdom and in the economic and political relations between the United Kingdom and the United States. The article follows:

1952 IS NOW

The much advertised difference of opinion between the governments of western Europe which has been creating an atmosphere of crisis in Paris and Brussels and London this week is, on the surface, concerned with the technicalities of the intra-European payments scheme. These technical difficulties can undoubtedly be removed—they may indeed have been settled by the time these lines appear—and a compromise can be worked out by which the strict bilateralism of the present arrangements can be relaxed without costing Britain any gold. But the technical details of the dispute are not at the real root of the crisis. The conflict over drawing rights and transferability is a symptom, not a cause, of Britain's present difficulties. Sir Stafford Cripps' insistence that no scheme should threaten Britain's reserves springs from his knowledge that once again those reserves are draining away. The figures for the 3 months from March to June, to be published next week, will show a sharp fall, and it is this knowledge of a steadily diminishing reserve which accounts both for the Chancelor's rigidity in the discussions on the payments scheme and for the violent attack of nerves that has overtaken the London money market.

The truth is that the crisis which the British did not expect until 1952—and hoped to be prepared for by then—is already upon them. It has always been recognized that by 1952 the stream of external assistance—whether by loans or Marshall aid—which has gone on uninterruptedly since 1945, would have come to an end and the British by then would have to live on what they earned in a competitive world. In the long run, nobody owes the British people a living and the point must come when they enjoy only that standard of living for which they are prepared to work. What had not been expected was that Britain's difficulties in paying its way would remain so dire that even with Marshall aid the books would not be balanced and the eating up of the reserve would continue unchecked, or might even be accelerated. As in the phony war of 1939, the belief that time is on our side has again proved a myth. Time, now as then, is on our side only if we use it. And, now as then, time has not been used to sufficient effect. The crisis, staved off 2 years ago, is returning in a more acute form.

Such is the present prospect. The biggest cause of the sudden transformation has been the change, in the past 6 months, in the economic climate of the world. Britain's present trading methods do not equip it well for trade in a buyer's market. A large part of its commerce is regulated by tightly drawn payments agreements in which the sterling earned by sales to Britain may be spent only within the sterling area. British producers thus tend to feel themselves insulated from price changes in the rest of the world economy. The incentive to lower costs is slight. But in a world which will no longer buy anything that is available and in which the price at which goods are offered is again becoming a decisive factor, sterling which can only be spent in the increasingly high-cost sterling area loses its attraction. For every export placed through bilateral dealing, some other export is lost through the growing unwillingness to hold sterling.

This unwillingness has been accentuated by the belief that a currency which traders are increasingly unwilling to hold must of necessity be overvalued. And the suspicion that the pound will have to be devalued has in turn discouraged countries from holding sterling which might at any time begin to fall. Thus the method of trading based upon strict bilateralism and upon discriminatory trade, which is designed and only defended as an attempt to secure Britain's final reserves, is beginning to fail in its acknowledged task. In the seller's market that has prevailed in the last few years these methods of trading have been technically effective; they have protected Britain's slender gold and dollar reserves. But in the new circumstances, where traders increasingly have choice of supplies and a choice of markets, these methods will no longer work. In spite of all that can be done by bilateral deals, the reserves are again running out. If the policy continues unchanged, the British economy threatens to settle by the stern long before 1952.

What can be done about it? There seem in fact to be only three courses before the British people. The first, the easiest to slip into and the most dangerous would be to attempt to make no change at all and to continue the policy of strictly controlled, strictly discriminatory, high-cost trade within an insulated sterling area. Such a policy is economically impossible and politically disastrous. Other countries can be made, by bilateral deals, to take high-cost British goods only to the extent that they feel themselves compelled to do so, and the degree of compulsion is falling every day. To continue with such a policy now, twisting into ever new Schachtian ingenuities, would simply mean that the volume of imports that could be paid for by British exports would steadily fall. It might perhaps be a feasible policy for a self-contained country that did not have to import a certain minimum quantity of food and raw materials to live. But for Britain it would be disastrous at home and ruinous abroad. The partners in the sterling area would hardly support an association designed to maintain an overvalued currency denuded of all financial backing. At home, the end of the reserve could only mean huge cuts in imports, and the resulting dislocation and unemployment would create precisely the type of crisis which the maintenance of the present controls is supposed to prevent. Politically, an insulated sterling area pushed to the limit would cut Britain off from the United States and from its trading partners in Europe and thus undermine all hope of achieving through cooperation an expanding world economy and freer world trade.

A second course would lie in seeking further subsidies, but the proposal has only to be named for its impossibility to be clear. There is no likelihood whatsoever of the American Congress—the only source of such a subsidy—providing still more dollars for a Britain which gives much less promise of moving toward solvency. And if by some wild chance such a policy were conceivable, it would at this stage do a disservice to the British people. The principle of the Marshall plan is that dollars will be provided as a free gift for Britain while policies are pursued that will restore the financial independence of the British community. For a brief period last winter it looked as if it might be working. But it is now apparent that this was an illusion. There has not been nearly enough progress toward self-support. Indeed, if the American critics of the Marshall plan say that the dollars have merely removed from the British people the harsh pressure of circumstances that would otherwise have compelled them to make the necessary adjustments, it is very hard at this moment to quarrel with them. At some point, the readjustment must come. The community cannot perpetually consume more than it earns and now that the aftermath of the war has been overcome in Europe, any increase in subsidies or extension of them beyond 1952 would only reinforce the British illusion that by controls at home and bounty from others, a gallon of living standards can be got from a pint pot of production.

There remains a third course, the most difficult, perhaps, but certainly the most realistic and in the long run the only one by

which economic salvation can be achieved. It is in simple terms a policy designed to compel the country to pay its way, to produce enough goods cheaply enough to pay for its imports and to increase the competitive efficiency of the British community to such an extent that the desired standards of living can be achieved without subsidies from neighbors and without brandishing the dangerous weapons of trade by compulsion. It would be good to believe that this concentration upon productivity and efficiency—which has been on Ministers' lips often enough in the last 9 months—could be achieved by exhortation alone. If explanatory and encouraging speeches could bring management and labor to new efforts, the tide would surely have turned already. The unhappy fact is that neither side feels the compulsion to cut costs. Business concerns selling all they care to produce at fancy prices, workers going slow or seeking a shorter week in return for higher pay are still protected against the cold wind of competitive economic reality. Now, however, there is no choice. One way or the other, in a period that has to be reckoned in months rather than in years, the reserves will run out. Can the change in economic climate be linked to a genuine change in policy or will it simply bring on the helpless bankruptcy of what has gone before?

There is nothing impossible about a policy of adjustment. The inherent advantages that have made Britain a great trading nation are still there. This island still stands at the crossroads of the world; raw materials and food can be brought to it from the ends of the earth more cheaply than they can be moved internally in continental countries; there is a large supply—now the second largest in the world—of skilled and experienced craftsmen; there is a well-articulated structure of industrial capital that, for all the neglect it has suffered, is still one of the largest and most varied in the world; there is a homogeneous population and an efficient—an all too efficient—machinery of government. These are formidable advantages. They mean that the British people should find it much easier than most to give what the world accounts value for money. But value for money they must give. The adjustments that are necessary before Britain is again giving value for money are not very large. It may be necessary to reduce the standard rate of real wages, but probably not by very much. It will certainly be necessary to increase the standard of effort and effectiveness, but not above what is already often achieved in this country. But, large or small, the adjustments must be made, and since it is now manifest that the prevailing mixture of good intentions and restrictive actions—what passes by the name of planning—is only making the situation worse, some other policy must be tried.

Nor is it necessary to assume a change in political direction. What has been at fault in these years has not been the deliberate policy of one party, but the illusions and the wishful blindness of a whole people. What will put matters right is not a switch from something called socialism to something called conservatism, but a switch from policies (to which both sides of industry have contributed) making for steadily rising costs of production to policies that concentrate on pulling them down. This cannot be done without at least the collaboration of political labor. But if Socialists really believe that their policies can make the British economy more efficient, now is the time for them to prove it.

The years that have been wasted mean that there is now very little room for maneuver or choice left to the British economy. Within a very short time from now, it must be competitive. That time will come not in 1952 but this summer and autumn. Having failed to plan and exhort themselves into competitive efficiency when the world was ready to buy them time to do it in, the British people must now, willy-nilly, submit themselves to the harsh compulsions that will force them into self-support.

There is, however, one choice left—to face the crisis with new policies and a new spirit, or to drift into it crippled by clinging to the rigidities of the last 4 years. The choice is admittedly difficult, since to abandon the defense mechanisms of today involves changes in habit and effort and outlook which a democratic community rarely makes except in time of war. But the gains may be correspondingly great. It is clear that an isolationist, self-insulating Britain is rapidly exhausting not only its monetary reserves but the stocks of constructive good will available among its friends and trading partners. But a resurgent, creative, risk-taking Britain would arouse new responses and create new possibilities of international cooperation. Few people knew in the lonely defiance of 1940 that cash and carry would soon make way way for lend-lease, but the decision was taken all the same to use the last pitifully inadequate reserves as a base for action, not to try to husband them by playing safe. The challence today, if less sensational, is no less testing. It is not a trick of rhetoric but solid truth to say that Britain needs the same effort, the same audacity, and the same greatness of spirit to survive.

Home Rule in the District of Columbia

EXTENSION OF REMARKS
OF

HON. JAMES C. AUCHINCLOSS

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Tuesday, July 26, 1949

Mr. AUCHINCLOSS. Mr. Speaker, as a number of my colleagues know, I have been interested and active in promoting legislation to give as much home rule to the residents of the District of Columbia as is possible under the Constitution, and I am very pleased to learn of the letter which the President of the United States has written to the Speaker urging that the House take prompt action on the legislation pertaining to this subject, which is now being considered by the Committee on the District of Columbia.

I hope that the majority leadership in the House will take the President's request seriously and implement it to the fullest degree.

At the present the Subcommittee on the Judiciary of the House District Committee is holding hearings on the different measures providing for home rule and has heard a number of witnesses. Recently the chairman of the District Committee inserted in the Appendix of the RECORD a statement made by the representatives of the Washington Board of Trade and I have asked permission to include in my remarks the statement made by the Washington Home Rule Committee before the Judiciary Committee. The Washington Board of Trade has been consistently opposed to allowing the residents of the District of Columbia to vote for a local council to manage their affairs and their attitude is difficult to understand. Any people in this great free country who are taxed for the expenses of their Government should have the fundamental right of electing their own government. This is the basic right of American democracy.

The Washington Home Rule Committee is made up of a group of residents in the District who are businessmen, professional men, Federal employees, and housewives. Many of them own their own homes and a number of them were born in the District. They are taxpayers and they want to have a say in how their municipal government is run. This committee was of great help to the subcommittee which studied this great question in the Eightieth Congress, and of which I had the honor to be chairman.

I hope the Members of the House will read this statement carefully because I believe the arguments presented are unassailable, sound, and merit thoughtful consideration.

STATEMENT OF THE WASHINGTON HOME RULE COMMITTEE BEFORE THE JUDICIARY SUBCOMMITTEE OF THE HOUSE COMMITTEE ON THE DISTRICT OF COLUMBIA, IN SUPPORT OF S. 1527, JULY 15, 1949

The Washington Home Rule Committee supports and urges immediate passage of a bill patterned along the lines of the Kefauver bill, S. 1527, as a realistic and workable means of presently providing a measure of home rule for the District of Columbia.

Our committee was organized solely because of our desire for home rule. We are not presenting the views of any particular business or social group or of any special interest. Our members include people in the legal and medical professions, businessmen, Federal employees, and housewives. We have representation on the board of trade and the District Bar Association. Most of us own our homes. A number of us were born here. We pay taxes here. We would like to have a say in how our municipal government is run.

We believe that the right of local self-government is a basic right of our American democracy which must be open to all citizens. We do not see why we who live in the District should be denied that right.

We have previously expressed our views in testimony before this committee on the Auchincloss bill last year and before the Senate District Committee on the Kefauver bill this year. We believe that we have been helpful in both cases. We hope that our appearance here will be constructive. We would like to help the committee reach a decision recommending that the House of Representatives join the Senate in providing a sound structure for local self-government. Technical difficulties or minor necessary changes in the bill must not stand in the way of its early passage.

There is no point in arguing about the details of the various bills unless the basic merits of home rule are first accepted. This subcommittee has indicated that it still has some doubts as to the merits of home rule as such. We would first like to address ourselves to the general objections which have been voiced by the members of this committee in the hearings to date.

ARGUMENT THAT THE KEFAUVER BILL DOES NOT PROVIDE TRUE "HOME RULE"

Some of the committee members have suggested that the various home-rule bills are misleading because they do not provide true "home rule." Some witnesses have suggested that true "home rule" could be obtained only by an amendment to the Constitution to permit District of Columbia participation in national elections and district representation in Congress. We have nothing against such a constitutional amendment, but we would like to have a measure of self-government now. If we cannot achieve the status

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of a self-governing State we would at least like to achieve the status of a self-governing city. That would be a start on home rule, at least. It would put us roughly in the position of Hawaii, Alaska, or Puerto Rico. These Territories have been told that they must prove that they can govern themselves before they are granted the right to participate in national elections as States. That is all we are asking for now.

ARGUMENT THAT WASHINGTON SHOULD NOT HAVE LOCAL SELF-GOVERNMENT BECAUSE IT IS THE "FEDERAL CITY"

It has been argued that because Washington is the seat of the Federal Government it would be improper to permit local citizens to participate in local government by the electoral process.

Of course Washington is the Federal city. Washington's Federal buildings and monuments and parks and its Federal functions belong to the people of the United States as a whole. Obviously the people of Washington should have no more control over these Federal properties and functions than any other group of people living in any one part of the country should have.

On the other hand there are thousands of private homes, privately owned stores and businesses in the District, which are no more the property of the inhabitants of California or Texas or Minnesota than the homes and stores in these States are the property of the residents of the District.

Similarly there are governmental functions here of a strictly local nature which are of no interest to the inhabitants of the 48 States. These have always been recognized by the Congress as District matters, as distinguished from Federal matters. This distinction between District and Federal affairs is the basis for the present division of responsibilities between the District government and Federal authority. There is nothing in the Kefauver bill that would change this basic principle. If it is proper for the Congress to grant some strictly local powers to the appointed Commissioners of the District, as Congress has already done, it is equally proper for the Congress to grant to an elected council slightly broader powers of a strictly local nature. In both cases the local government is absolutely answerable to the Congress. In neither case is any measure of control over Federal matters vested in local governing body. We agree with the committee that essential Federal interests in Washington must remain under the direct control of Congress. The Kefauver bill is designed with these basic principles in mind.

ARGUMENT THAT THE KEFAUVER BILL DOES NOT RELIEVE THE CONGRESSIONAL BURDEN

It is of course true that the Kefauver bill would leave the congressional Committees on the District of Columbia with some continuing burden of work and responsibility. This of course is necessary and proper, since the Congress continues to be constitutionally charged with over-all supervision of District matters. The Kefauver bill affirms the continuing responsibilities of the committees, but lightens their burden of detailed work, by shifting the bulk of it to the locally elected city council. The bill relieves the full Congress of the cumbersome burden of spending 2 days of each valuable month on District details.

The shift of work to the council is exactly like the delegation of duties which the top management of any well-run large organization, whether public or private, must make today to its operating organization down the line. Today most large organizations are too complex, and the number of decisions too great to permit the top management to spend its time on daily details. Decisions must be made down the line, though over-all responsibility remains at the top. Occasionally, of course, a decision made down the line is reversed by top management upon review, but these are rare.

In the same way under the Kefauver bill, it is recognized that a decision of the city council may occasionally be reversed by the Congress. It is our firm belief that this will happen only rarely. The near presence of Congress' continuing power to investigate and overrule will bring ready conformity of District legislation to congressional policy.

The Kefauver bill will relieve the District Committee of such details as starling and weed control, but will preserve its continuing control over the policies of the District government.

ARGUMENT THAT THE KEFAUVER BILL IS UNCONSTITUTIONAL

The subcommittee naturally desires such assurance at it can obtain that the Kefauver bill is constitutional.

This question divides itself in two parts, whether home rule itself is constitutional, and whether particular features of particular home-rule bills are constitutional.

On the first question, there is hardly any room for argument. The Federalist Papers were written by Madison and other drafters of the Constitution, for the specific purpose of explaining the recently drafted Constitution and urging its ratification by the States. In one of these papers (No. 43) Madison said of the residents of the proposed Federal district that:

"A municipal legislature for local purposes, derived from their own suffrages, will of course be allowed them."

The constitutionality of the particular bills is equally clear. A large number of eminent constitutional lawyers in private practice have rendered exhaustive opions on the constitutionality of the Auchincloss bill, both in its original and in its final form in the Eightieth Congress. In addition, the legislative counsel of the House of Representatives has rendered an opinion on the subject. Most of these opinions appear in the hearings on the Auchincloss bill; all are available to the subcommittee. In addition, the Kefauver subcommittee of the Senate received further legal opinions during its consideration of S. 1527 and other bills in this session.

Without reviewing these opinions in detail in the short space of this letter, it is sufficient to say here that they overwhelmingly support the constitutionality of a delegation of legislative authority to an elected city council of the district. These conclusions were based on the Supreme Court cases which have consistently upheld the constitutionality of delegations of legislative authority to the legislatures of the Territories, and on the decisions of the courts holding that the power of the Congress over the District is analogous to its power over the Territories—an absolute, plenary power. A major feature of the Kefauver bill is the provision for a concurrent resolution to override legislative proposals of the district council. The constitutionality of such a procedure has recently been sustained by the Attorney General in an opinion rendered in connection with its proposed use in the Presidential Reorganization Act of 1949. (S. Rept. 232, 81st Cong., 1st sess., pp. 18–20.)

We believe that these many favorable opinions should convince the committee that at the very most there is so little doubt as to the constitutionality of the Kefauver bill that the Congress should pass it, since only by court test after enactment can the matter ever be resolved. It is our considered opinion, after lengthy study of the authorities, that there is no doubt as to the general validity of the Kefauver bill.

ARGUMENT THAT THE SO-CALLED "DUAL-VOTING" PART OF THE KEFAUVER BILL IS ILLEGAL OR IMPROPER

At the outset it should be emphasized that the term "dual voting" is a misnomer. No one under the Kefauver bill could vote in two places for the same official. The vote in the District would be for District officials only. The vote in the home State would be for President, Senators, and Congressmen, State officials and possibly minor local officials of political subdivisions of the State.

Despite the fact that there is no overlapping vote permitted by the bill, some witnesses have attacked the voting provisions of the bill as being fundamentally wrong or improper.

It is true that the voting arrangements in the bill are unusual; however, they are not unique. It is an unusual arrangement designed to take care of an unusual situation. That does not make it illegal or improper. On the contrary, it is unquestionably desirable to give the local vote to the many Federal employees who are resident here during their entire adult lives but who must maintain legal domicile elsewhere in order to maintain their civil-service position. Similar arrangements have been allowed in some of the outlying towns in Maryland for the same reason that they are included in the Kefauver bill—in order to allow the large number of resident, taxpaying Federal employees to vote. Accordingly, unless there is a clear legal ground for condemning the arrangement, it should be permitted to remain in the bill.

A question has been raised as to whether the so-called dual voting provisions would cause difficulties in determining the domicile of a person who voted both in local elections in the District and in national elections in one of the States. The place of voting is of course only one of the indicia which enter into the determinations of questions of domicile. We believe that any difficulties in this regard can be effectively cured by striking the period at the end of section 1206 (a) of the Kefauver bill, and by adding the following: "nor shall the registration for or the casting of a vote in any election provided for herein be construed as evidence of his domicile in the District."

In this way it will become clear that it is the intention of the Congress that the question of the person's domicile shall not be governed by the fact that he happens to vote in the District.

Apart from the domicile question above discussed, a further objection to the so-called dual voting provision has been raised because of the fact that, during the hearings on the Auchincloss bill, 8 of the 48 States indicated that voting in District elections by registered voters in those States might disqualify them for the time being for further voting under the laws of such States. Two other States expressed no opinion as to whether such voting in District elections would affect home voting rights. Thirty-six States expressed the opinion that there would be no objection to the proposed arrangement.

The temporary difficulties with respect to voting in these States should of course be straightened out. The remedy lies with the States, however, and not with the Congress. If the dual voting provisions are retained and the bill is enacted there will be an incentive on these States to amend their election laws so as to take care of their voters who live and wish to vote in the District. There would be no incentive to pass such amendatory legislation until and unless the Kefauver bill is passed. Until such legislation is passed, the voters of those States who live here could simply refrain from voting here.

It may be of some interest to note that the population of the eight States in question constitutes less than 10 percent of the country's population (1940 census). Assuming that the Federal employees in the District come from those States in the same proportion as the population of their States bear to the total population of the country it is evident that 90 percent of the Federal employees

in the District would benefit from the dual voting arrangements, while only 10 percent might have the problem of whether to forbear from voting in one place or the other until their home State election laws were amended.

We believe that the above arguments demonstrate conclusively the need for and practicality of the dual-voting provisions of the bill. If after consideration of these arguments, however, the subcommittee for any reason considers the provisions to be undesirable, we would urge it to eliminate them from the bill. The main goal is to enact a realistic bill for local self-government. The dual-voting provisions, if determined to be unworkable, should not stand in the way of enactment of the bill as a whole. Perhaps after a period of practical operation under the bill, the out-of-State voting matter will appear to be less troublesome, and can be handled by a simple curative amendment to the charter.

ARGUMENT THAT WASHINGTONIANS DON'T WANT LOCAL SUFFRAGE

There is only one way to determine whether a majority of Washingtonians favor the Kefauver bill. That is to have the referendum which the bill itself provides. Straw votes within small special-interest groups are notoriously inaccurate indications of the will of the majority of citizens. In the largest straw vote held to date, and the only one which was open to all citizens of the District without regard to group, the vote was three to one in favor of local suffrage. Outstanding men of business and civic leaders during the past 2 years have indicated to the House District Committee their support of home rule. These include such leaders as Frank Jelleff, John Lord O'Brian, Chauncey G. Parker, William J. Flather, Jr., Mrs. J. Borden Harriman, and E. R. Finkenstaedt. Citizens' associations, church groups, and labor groups have added their endorsement. The number of organizations and individuals who have requested time to testify in support of the home-rule bill and the number and variety of people who have written to the committee to endorse it are too many to disregard. It is clear that a large number of people in all walks of life in Washington want this bill; whether a majority want it can be determined only by the referendum which the bill provides. We are bold to believe, however, that the city would decide in favor of the new charter.

It must always be borne in mind that this bill does not in and of itself provide local suffrage—it merely makes it possible for the people here to decide authoritatively for themselves whether they want it.

THE SEGREGATION ISSUE

One of the most widely spread reasons for opposition to the bill, both expressed and unexpressed, is the large Negro population of Washington. There is fear that under home rule segregation might be abolished, there is fear that the Negro vote might be the deciding factor in elections, and there is fear that unscrupulous political groups might gain control of the Negro vote for their own purposes. In reply to these fears, the Washington Home Rule Committee calls attention to other cities with large Negro populations. Baltimore and Richmond, whose Negro populations are approximately proportional to that of Washington, have local suffrage without being subject to the calamities which have been predicted should Washington be given similar local rights. Richmond has substantially the same city-council system.

Our committee was formed to urge home rule, not to solve the problem of segregation. The segregation issue has nothing to do with home rule. We do not see any reason why segregation should be handled any differently in the District than elsewhere in the Nation. If it is regarded as a national problem for the Congress, the District should be treated the same way as the whole country, by comprehensive national legislation, not by withholding home rule. If it is regarded as a local problem, the District should have the same right as any other community to decide the issue in its own polls and in its own way.

THE KEFAUVER BILL IS A GOOD BILL AND SHOULD BE ENACTED IN SUBSTANTIALLY ITS PRESENT FORM

The Kefauver bill is the product of much careful work by many people over a long period of time. Our committee endorses it only after long and careful study. Perhaps it is not a perfect bill. No bill of such a comprehensive nature can please everyone, but the bill as a whole is a good one. Any defects in detail can be changed by subsequent amendment if practical working operation under it shows that to be necessary. The fact that it may at some future time have to be amended here and there is no reason to hold up its enactment now.

We all must recognize that the success of the local suffrage government which the Kefauver bill will provide will depend upon constant and intelligent teamwork—teamwork by the citizens of the District with the members of your committee. We are confident that this teamwork will be developed and maintained effectively under the Kefauver bill.

As we see it, the basic task of this committee is to provide a workable self-government for the District of Columbia. Everyone agree that the self-governing process at the local level is the basis of our American way of life. In the consideration of the comprehensive provisions of the Kefauver bill we must now allow differences over minor details to obscure that basic and uncontrovertible fact.

We are under no delusion that the bill will make Washington into a Utopia or solve all its problems in the years ahead. We believe firmly, however, that the bill in general provides a workable structure of local government within constitutional limitations, that its enactment will be of real assistance to the Congress and to this committee, and that under it the government of the city will be effective, efficient, and responsive to the will of the electorate. Most important of all, perhaps, it will provide the citizens of Washington, who are proud of their city, with a real opportunity to participate actively, effectively, and democratically in making the government of this community a credit to the Nation.

Respectfully yours,

WASHINGTON HOME RULE COMMITTEE,
By LLOYD N. CUTLER.

Communism Is Antichrist

EXTENSION OF REMARKS
OF
HON. PETER W. RODINO, JR.
OF NEW JERSEY
IN THE HOUSE OF REPRESENTATIVES

Tuesday, July 26, 1949

Mr. RODINO. Mr. Speaker, Nutley, N. J., is but a small part of America. It is one of the thousands of towns that make up the American scene. It is just a town—typically American, and its townspeople are typically American, too. They are proud of their little town and they are proud of their community spirit. They are a God-loving and God-fearing people. They worship in their own way—and according to their own faith.

In an editorial which appeared in the July 22 issue of the Nutley Sun, the editor points with pride to what he terms democracy in action in the town of Nutley in contrast to the horrible machinations, the false philosophy of communism.

Under leave to extend my remarks in the RECORD, I am happy to be able to include the editor's thoughts herein:

COMMUNISM IS ANTICHRIST

Right here in Nutley, today, there is evidence that there is more democracy in Christianity than there is in communism.

Msgr. James J. Owen took occasion to state today that, building prices having decreased, a new half-million-dollar church will be built for St. Mary's. It is intended to provide even greater facilities for worship and for an expansion of the vital work the priests and the sisters of St. Mary's are doing for a big segment of the youth of Nutley.

Today, in contrast, in Czechoslovakia the nonelected Communist government of a predominantly Catholic people defied Pope Pius' threat of excommunication by proceeding with plans for the confiscation of all property owned by the church in that unhappy land. Priests will be put on the pay roll of the Red government and all Catholic activities passes under the control of the Minister of Religious Affairs.

Communist leaders in Italy and France are attempting to persuade their followers that communism and Catholicism can exist side by side despite the Vatican's recent excommunication decree.

Pope Pius XII has told German Catholics, and through them Catholics everywhere, that no government that denies God can survive.

Palmiro Togliatti, Italy's leading Communist, told 2,500 of his followers in Rome last Sunday that they could be Communists and good Catholics at the same time.

The Vatican says not. An edict issued Wednesday by the Vatican informed Catholics throughout the world that they subject themselves to excommunication by supporting communism and thus deprive themselves of the church's sacraments and association with the faithful. Defiantly denying that excommunication can ever destroy communism, Togliatti called the Vatican's action "tactics dragged from the darkest ages of humanity's history."

Here in Nutley, today, the contrast must convince all that in Christian action there is true democracy. A congregation which includes the rich and the poor will shoulder a burden of a half-million dollars to erect, not a monument to destruction but an edifice of Christian action, a church where all may enter to share that basic freedom of President Roosevelt's pronounced four freedoms of democracy—the freedom to worship God as you wish.

A Fighting Faith in America

EXTENSION OF REMARKS
OF
HON. SIDNEY R. YATES
OF ILLINOIS
IN THE HOUSE OF REPRESENTATIVES

Tuesday, July 26, 1949

Mr. YATES. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following article by Charles Luckman, from the Christian Science Monitor of July 24, 1949:

A FIGHTING FAITH IN AMERICA—A BUSINESSMAN DEBUNKS RECESSION THREAT

(By Charles Luckman)

Fear has won a beachhead in America, and the people of this country, although victorious in history's most devastating wars, are

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retreating before the shadows of an uneasy peace. Fear, unknown in war, is producing an astonishing paradox in the richest and strongest nation in the world—it is persuading the American people to talk themselves into a depression.

A defeatist attitude is encountered on all sides—from board rooms to barrooms. Whether it's a group of clerks in a cafeteria, or a group of corporation big shots at a banquet, the main dish is likely to be despondency, seasoned with dire rumors, and garnished with gloomy statistics.

These dim views of America's economic health have apparently gained wide acceptance, although the facts of America's economic strength are known to everyone. On the radio, in magazines, in our newspapers, the basic soundness of America's economic position has been clearly pointed out. Because they do not fit into the melancholy fashions of the hour, such statements fail to register on the public mind. But they are startling facts and should be repeated again and again. Here they are:

1. Fifty-nine million workers on the job.
2. Two hundred billion dollars in liquid savings.
3. Two hundred and fifteen billion dollars personal income for 1949.
4. High purchasing power—53 percent greater than prewar.

AMERICA FACES GRAVE PROBLEMS

No one can deny that America faces many grave problems today, both at home and abroad. No one can deny that American business has an ample share of these problems which it must solve itself, if it is to continue its robust tradition of individual competitive enterprise. But I do deny, and most emphatically, that these problems present any logical reason for doubt. I deny that challenge is a cause for fear.

There is all the difference in the world between being aware of complex problems and being afraid of them. This moment demands a clear-eyed appraisal of the facts—not an emotional concern with shadows. * * *

Not as a politician; not as a historian; not as an economist; but as a businessman, I call for a renewal of faith in the vitality of our American way of life.

By faith in America, I do not mean a listless reverence for the past or a mere submission to the present. By faith, I mean a certainty based on the principles for which America stands; by which it has progressed, and through which it will realize its full potential of greatness in the future. Faith in America is not blind acceptance of things as they are—it is the belief that we, in America, can make them better. * * *

Now, of course, nothing in this world is perfect—and the American economy is no exception. * * *

This may surprise those of us who believe that simply because we have the highest living standard in the world, we have everything we need. Some of us have become complacent through reading statistics about the number of bathtubs and telephones, motorcars, and radios, owned by Americans as compared with Russians.

Such comparisons are significant—yes. But they are phenomenal only by the Communist standard. By American standards they are not nearly good enough.

LET'S FACE THE COLD FACTS

Twenty-seven million Americans have no kitchen sink.

Eighteen million Americans lack washing machines.

Twenty-five million Americans lack vacuum cleaners.

One million American families need new homes this year.

Forty million Americans have neither bathtub nor shower.

So, let's not talk about what we've got. Let's be more concerned with what we haven't got. We must be concerned for two reasons: First, because these are human needs that should be met; and, second, because these needs provide dramatic illustration of the fact that we haven't finished anything—we're only beginning.

There is enough urgent work on hand for every business now in existence—and for industries yet unborn—to keep busy for generations to come. In common sense, we have no excuse for a recession, let alone depression.

So much for the domestic picture. Now, what about the situation abroad?

Solid progress in the rehabilitation of war-wrecked countries is being made through the Marshall plan—one of the most far-seeing and generous enterprises in human history. The member nations of the plan have already returned to a prewar level of industrial output. This has taken 4 years, but a return to a prewar level of production after World War I took almost 7 years.

SALVAGING CIVILIZATION

Our investment in this superb job of salvaging civilization is also beginning to pay dividends in trade. History shows that industrial nations are the best customers for American products. Before the war, for instance, the ERP nations took 38 percent, or the largest share, of our exports. Thus, only by increasing the living standards of other areas can we expect to find a wider market for American goods.

And through its economic achievements to date, the Marshall plan has already paid off politically. The tide of Communist chaos that threatened to engulf all Europe has been turned back.

Sound progress abroad, and the stability of our own economic strength are, therefore, among the cold, practical reasons for having a vigorous faith in the future. These are the only reasons that have any substance, and only by such realistic appraisal can we prevent frustration.

It is at this point that we must face the fact that customers are not as eager to buy as they used to be. They tend to shop around and to hold back for lower prices. They are in a mood to make the salesman really sell. What we are witnessing today is the transformation of a sellers' market into a buyers' market. And that is as it should be. For in the free economy to which we all give lip service, a sellers' market is a reversal of the natural order of things. And in the long run it is an abomination to business itself.

INCREASED PRODUCTION URGED

If business is to do its share in revitalizing America's faith in the vigor of our economy, there is the corollary necessity for reducing costs through careful study of production and distribution methods and procedures. The first objective of such a study should be to increase the output of the plants we now have—in other words, to increase productivity. The second, to eliminate procedures which do not contribute to the quality of the product, or to its efficient distribution, salability, and use.

Greater productivity necessarily depends upon the mutual and ungrudging participation of both labor and management. Management and labor must progress together, and, as they advance to new standards of mutual achievement, so the Nation will go forward with them. And America must go forward.

The great and inspiring fact about America is that its citizens can plan and work together for the common good, their horizons of hope unlimited by the cold ambitions of the state. It is within their power to build the future of their choice and, if they build on faith in themselves and in their country, neither the hazards of postwar change nor Communist greed can stay them from their goals.

OPPORTUNITY BELONGS TO ALL

The opportunity we enjoy in America today belongs to us all—it is not the exclusive property of any class or segment of society. This opportunity is ours in trust. There is only one way by which we can discharge this trusteeship with the honor and integrity that will make it proof against the tides of change now sweeping the world. That way is through the sincere cooperation of Government, labor, business, and agriculture to sustain our way of life and to develop its magnificent promise for the future.

This is a four-way partnership in which each one has a vital role to play. As I see it, the role of business is:

1. To lower prices wherever possible.
2. To continue sound wage policies.
3. To increase productivity in cooperation with labor.
4. To develop new products, new methods, new services.
5. To have an eagerness for enterprise, a willingness to expand, and a revitalized initiative.

This is the platform on which we can build, if we abandon our foxholes of fear and regain the faith that made America—faith in ourselves, faith in our ability, and faith in our future.

(This is the partial text of an address prepared for delivery before the Los Angeles Chamber of Commerce by Charles Luckman, president of Lever Bros. Co., Cambridge, Mass., on the day that his company broke ground for its new $55,000,000 plant in Los Angeles County.)

The Proposed Federal Anti-Poll-Tax Statute

EXTENSION OF REMARKS
OF
HON. JOSEPH R. BRYSON
OF SOUTH CAROLINA
IN THE HOUSE OF REPRESENTATIVES

Tuesday, July 26, 1949

Mr. BRYSON. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following article by William J. Bryson:

THE PROPOSED FEDERAL ANTI-POLL-TAX STATUTE

(By William J. Bryson)

In 1938, the Southern Conference on Human Welfare began agitation for the enactment of a Federal statute to abolish poll-tax payment as a suffrage requirement. The following year, a bill for that purpose was introduced in the Seventy-sixth Congress, but failed to pass the House Judiciary Committee. That bill was reintroduced in the Seventy-seventh Congress and passed the lower House, but was defeated in the Senate by a group of southern Members. In each Congress that has followed, a similar measure has been introduced, passed by the House of Representatives, and defeated in the Senate by filibuster.[1] Despite the disposition of it in the past, however, since the measure is advocated in the platforms of the Democratic, Republican, and Progressive Parties, there is little doubt but that the next Congress will be faced with this measure and that it will reach its highest mark toward passing.

Regardless of the economic, social, or political desirability of the removal of poll-tax payment as a suffrage requirement, it should not be attempted in this manner, that is, by Federal legislation. For, although the point has been disregarded by the majority of Congress, such a statute would have no

[1] 45 Mich. Law Rev. 717–732.

constitutional basis.[2] The lack of that necessary foundation is obvious from an examination of the depositories of congressional and State authority as to Federal suffrage.

Article I, section 2, of the United States Constitution provides that, "The House of Representatives shall be composed of Members chosen every second year by the people of the several States, and the electors in each State shall have the qualifications requisite for the electors of the most numerous branch of the State legislature."

That the States and not Congress should determine the qualifications of Federal electors is the plain intent of this section. Hence, poll-tax payment, being of the qualifications determined by the States, cannot be abolished by the Congress. Nor is there any semblance of congressional authority to do so under the companion section 4 of article I, which provides that, "The times, places, and manner of holding elections for Senators and Representatives, shall be prescribed in each State by the legislature thereof; but the Congress may at any time by law make or alter such regulations, except as to the places of choosing Senators." Congressional authority to regulate under this section is limited to times, places, and manner and has no connection with qualifications. To assume that the makers of the Constitution would include in one section that which it had included in a companion section, which is necessary to find the requisite authority under section 4, would be, to say the least, an injustice to their intelligence.

Not even the all-inclusive clause 18 of article I, section 8, can furnish the necessary authority to Congress for the enactment of the proposed anti-poll-tax statute. That clause provides that, "The Congress shall have power * * * to make all laws which shall be necessary and proper for carrying into execution the foregoing powers, and all powers vested by this Constitution in the Government of the United States or in any department or officer thereof." The powers which Congress would require, in order to enact necessary and proper executory laws for this purpose, would have to include power over qualifications, which power, as has been demonstrated, is of the States.

That it was the intention of the makers of the Constitution that the above sections would reserve to the States the control of Federal suffrage, and likewise, the positive intention to exclude such control from the Federal Congress, is demonstrated by the history of those sections as found in the recorded debates of the constitutional and ratifying conventions.

At the Constitutional Convention, three methods for controlling Federal suffrage were considered, to wit, (1) to provide a uniform rule for fixing qualifications, (2) to provide that Congress have the power for fixing qualifications, and (3) to provide that the States have the power to fix qualifications. Many delegates to the convention favored the uniform rule. Madison, for example, personally preferred a definite statement of qualifications in the Constitution, and expressed the opinion that the "freeholders of the country would be the safest depositories of the republican liberty."[3] However, since at that time, every State had suffrage qualifications based on tax payment or property ownership, or both, and since the adoption of a uniform rule would have required changes in every State's suffrage requirements, which would have lessened the chances of ratification, the uniform rule was rejected by the committee on detail.

None of the delegates spoke in favor of the second proposal, that the power to control suffrage should vest in the Congress. In fact, the over-all sentiment seemed to be strongly against such a power. For example, Col. George Mason of Virginia said, "A power to alter the qualifications would be a dangerous power in the hands of the legislature (Congress)."[4] Madison was of the same opinion. He said, "The right of suffrage is certainly one of the fundamental articles of republican government, and ought not to be regulated by the legislature (Congress)."[5]

The third proposal, which provided for State control of suffrage, was the only one generally acceptable to the Convention and which seemed possible of adoption by the States. Hence, on August 6, 1787, the committee on detail reported the State rule, and despite a long debate led by Gouverneur Morris of Pennsylvania in favor of the uniform rule, it was passed by the Convention without dissent.[6]

Further evidence that it was the intention of the Convention to reserve to the States the power to control Federal suffrage and to deny that power to the Congress, is found in the Federalist Papers. In No. 52, one of those ascribed to both Madison and Hamilton, the author says, "The definition of the right of suffrage is very justly regarded as a fundamental article of republican government. It was incumbent on the Convention, therefore, to define and establish the right in the Constitution. To have left this open to the occasional regulation of the Congress would have been improper for the reason just mentioned. To have submitted it to the legislative discretion of the States would have been improper for the same reason; and for the additional reason that it would have rendered too dependent on the State governments that branch of the Federal Government which ought to be dependent on the people alone. * * *

"The provision made by the Convention appears, therefore, to be the best that lay within their option. It must be satisfactory to every State, because it is conformable to the standard already established, or which may be established, by the State itself. It will be safe to the United States because, being fixed by the State constitutions, it is not alterable by the State governments, and it cannot be feared that the people of the States will alter this part of their constitutions in such a manner as to abridge the rights secured to them by the Federal Constitution."

In No. 60 of the Federalist Papers Hamilton, in speaking of the danger that the wealthy or well-born would be favored by regulations of Congress, said, "The truth is, that there is no method of securing to the rich the preference apprehended, but by prescribing qualifications of property either for those who may elect or be elected. But this forms no part of the power to be conferred upon the National Government. Its authority would be expressly restricted to the regulations of the times, places, the manner of elections. The qualifications of the persons who may choose or be chosen, as has been remarked on other occasions, are defined and fixed in the Constitution, and are unalterable by the legislature (Congress)."

The intention of the makers of the Constitution as to suffrage control is also shown in the recorded debates of the adopting conventions in the several States. In Massachusetts Mr. Rufus King, who was a delegate to the Constitutional Convention from that State, in answer to an inquiry as to whether or not Congress could prescribe a property qualification of £100, said: "The idea of the honorable gentleman from Douglass transcends my understanding; for the power of control given by this section extends to the manner of election, not the qualifications of the electors." In North Carolina another Constitutional Convention delegate, John Steel, said: "Who are to vote for them (representatives)? Every man who has a right to vote for a representative to our legislature will ever have a right to vote for a representative to the General Government. Does it not expressly provide that the electors in each State shall have the qualifications requisite for the most numerous branch of the State legislature? Can they, without a most manifest violation of the Constitution, alter the qualifications of the electors? The power over the manner of elections does not include that of saying who shall vote. The Constitution expressly says that the qualifications which entitle a man to vote for a State representative. It is then indubitably fixed and determined who shall be the electors; and the power over the manner only enables them to determine how these electors shall elect—whether by ballot, or by vote, or by any other way."[6]

The assertion that a Federal anti-poll-tax statute would be unconstitutional, since the power to determine qualifications vests in the States, need not rest on statements made by the makers of the Constitution. The United States courts have repeatedly held that the power vests in the States subject only to the limitations found in the fifteenth and nineteenth amendments and in section 2 of the fourteenth amendment. That such has been the holding of the courts, and that poll-tax requirements do not violate the limitations of those amendments is illustrated by the following cases:

Minor v. *Happersett* ((1874) 21 Wall. 162): "Certainly, if the courts can consider any question settled, this is one. For nearly 90 years the people have acted upon the idea that the Constitution, when it conferred citizenship, did not necessarily confer the rights of suffrage. If uniform practice long continued can settle the construction of so important an instrument as the Constitution of the United States confessedly is, most certainly it has been done here. Our province is to decide what the law is, not to declare what it should be" (pp. 177–178).

United States v. *Reese* (92 U. S. 214): "The fifteenth amendment does not confer the right of suffrage upon anyone. It prevents the States or the United States, however, from giving preference, in this particular to one citizen of the United States over another, on account of race, color, or previous condition of servitude. Before its adoption, this could be done. It was as much within the power of a State to exclude citizens of the United States from voting on account of race, etc., as it was on account of age, property, or education. Now it is not. If citizens of one race having certain qualifications are permitted by law to vote, those of another having the same qualifications must be. Previous to this amendment there was no constitutional guaranty against this discrimination; now there is."

Ex parte Yarborough ((1884) 110 U. S. 651): "The States, in prescribing the qualifications of voters for the most numerous branch of their own legislatures, do not do this with reference to the election of Members of Congress. Nor can they prescribe the qualifications for those eo nomine. They define who are to vote for the popular branch of their own legislature, and the Constitution of the United States says the same persons shall vote for Members of Congress in that State. It adopts the qualifications thus furnished as the qualification of its own electors for Members of Congress" (p. 663).

McPherson v. *Blacker* (146 U. S. 1): "The right to vote intended to be protected (by the fourteenth amendment) refers to the right to vote as established by the laws and constitution of the State. There is no color for the contention that under the amendments every male inhabitant of the State,

[2] Rept. No. 947, 80th Cong., 1st sess., House of Representatives.

[3] 5 Elliot's Debates 386, et seq.

[4] Id. 387.

[5] Id. 389.

[6] 4 Elliot's Debates 71.

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being a citizen of the United States, has, from the time of his majority, a right to vote for Presidential electors."

Pope v. *Williams* ((1904) 193 U. S. 621): "A State, so far as the Federal Constitution is concerned, might provide by its own constitution and laws that none but native-born citizens should be permitted to vote, as the Federal Constitution does not confer the right of suffrage on anyone, and the conditions under which that right is to be exercised are matters for the States alone to prescribe, subject to the conditions of the Federal Constitution, already stated; although it may be observed that the right to vote for a Member of Congress is not derived exclusively from the State law. The questions whether the conditions prescribed by the State might be regarded by others as reasonable or unreasonable is not a Federal one" (p. 663).

Guinn v. *United States* ((1915) 238 U. S. 347): "It says State power to provide for suffrage is not disputed, although, of course, the authority of the fifteenth amendment and the limit on that power which it imposes is insisted upon. Hence, no assertion denying the right of a State to exert judgment and discretion in fixing the qualifications for suffrage is advanced and no right to question the motive of the State in establishing a standard as to such subjects under such circumstances or to review or supervise the same is relied upon, and no power to destroy an otherwise valid exertion of authority upon the mere ultimate operation of the power exercised is asserted" (p. 359).

Breedlove v. *Suttles* (302 U. S. 277: "To make payment of poll taxes a prerequisite of voting is not to deny any privilege or immunity protected by the fourteenth amendment. Privilege of voting is not derived from the United States, but is conferred by the State, and save as restrained by the fifteenth and nineteenth amendments and other provisions of the Federal Constitution, the State may condition suffrage as it deems appropriate" (p. 283).

Every source of constitutional interpretation, then, supports the conclusion that a Federal anti-poll-tax statute would be unconstitutional. Nor is this deduction weakened by the fact that the Servicemen's Ballot Act contained such a provision. That statute was assented to by the States in a time of war. There is no doubt but that that statute would have been declared void, except for the acquiescence of the States.

"Lay of the Land" in Germany

EXTENSION OF REMARKS

OF

HON. HAROLD D. DONOHUE

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, July 26, 1949

Mr. DONOHUE. Mr. Speaker, under leave to extend my remarks, I wish to include a very timely editorial, entitled "Lay of the Land in Germany," which appeared in the July 16, 1949, issue of America. The editorial follows:

LAY OF THE LAND IN GERMANY

John J. McCloy, American zone High Commissioner-designate and currently military governor, has been touring western Germany "to look over the lay of the land." There is much for Mr. McCloy to see and ponder—much that is good and not a little that is bad about our occupation of Germany to date.

There is, for example, the excellent new extension farm program at the University of Geisen, where German farmers are being taught much-needed modern agricultural methods. Already functioning in Bad Schwellbach is the first training school for community leaders, while in Felbach and Schorndorf German citizens are learning the practices and procedures of democracy in community councils.

Although Mr. McCloy has not mentioned it among the objectives of United States policy, we presume that democratization remains one of our major aims for Germany. Hence we hope that projects like those named above will be encouraged and multiplied. For the same reason, we hope Mr. McCloy will put an end to practices that bring democracy into disrepute.

He would be well advised, for instance, to look into the records of United States "liaison and security officers" in each Kreise (county). The success of our occupation depends largely on the conduct of these officials. Ex-army officers for the most part, they know little of community administration.

What is worse, it is reported that too many of these proconsuls are not trying to sell democracy at all. They are, in fact, selling it short by conduct that scandalizes and often infuriates the Germans.

Mr. McCloy has received proposals for the improvement of our occupation practices from the division chiefs of OMGUS. One suggests that a training school be set up for 50 married "liasion and security officers."

Mr. McCloy should give serious consideration to that proposal. The representatives of the United States and of Mr. McCloy should not only be above reproach, they should, in the circumstances, be trained community educators, dedicated to the permanent democratization of Germany.

Central Arizona Project

EXTENSION OF REMARKS

OF

HON. HAROLD A. PATTEN

OF ARIZONA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, July 26, 1949

Mr. PATTEN. Mr. Speaker, under leave to extend my remarks, I am inserting in the CONGRESSIONAL RECORD an excerpt published in the Daily Sun, Flagstaff, Ariz., by W. W. Midgley.

I think it is pertinent in that it reveals some of the ways in which California is disseminating propaganda adverse to the central Arizona project.

MIDGLEY REVEALS SLICK CALIFORNIA "PRESSURE" METHODS OVER WATER

(By W. W. Midgley)

Has southern California slipped into the category of bootlegging Colorado River propaganda? Has Los Angeles forgotten the Owen's Valley troubled days, when, it is truly claimed, the hoggish brain itch was born to southern California? Do you think St. Peter will ever whittle his initials on any footwear endorsing such activities? Where does your fist go, when you open your hand? Same place your lap goes, when you stand up. Where does 2,000,000 acre-feet of Colorado River water evaporation go; page southern California.

Here it is, old-timers, read it all, circular letter received in Cornville, Ariz., by Mr. Grant W. Asher on June 17, 1949, signed by Karl F. Geiser, president of the State University of Iowa, Southern California Alumni Association, mailed in Pasadena, Calif.:

"DEAR FELLOW HAWKEYE: The local water supply situation is critical and we are writing to you to ask for your help in meeting this emergency.

"This is the third year of subnormal rainfall in southern California and, combined with the steadily increasing population, our dependence upon outside water supplies such as the Colorado River is more important than ever before. In the face of this fact, we are confronted with the possibility of losing all or a substantial part of the share of Colorado River water that has been granted to us by Federal contracts.

"The help of every California citizen is needed immediately. This is what you can do to help protect your water supply:

"Write a letter today to your friends, family members, or business contacts back East. Ask them, in turn, to write to their Representatives and Senators in Washington, D. C., in your behalf. The kind of letters to be sent by you and by your friends are shown in the attached samples. These may be signed and mailed if desired, but it would be better if you and your friends would write original letters on your own stationery. As you can see, the threat to the water supply, that is intended to serve 28 of our neighboring cities and a total population of more than 5,000,000 people, comes from the attempts of Arizona to put through Congress bills calling for an irrigation project that would cost $738,000,000 and more. In self-defense we are obliged to oppose that measure with every resource at our command. At the same time our only hope for settling finally and fairly this 26-year water controversy with Arizona is through the United States Supreme Court.

"Your cooperation in sending at least one letter today to someone back East will be a major contribution in the community fight that is now under way to protect our indispensable Colorado River water supply.

"Thanks for your help.

"Sincerely,

"KARL F. GEISER, *President.*"

Could it be that Mr. Geiser has never heard of the all-gravity flow, common-sense, Marble Gorge, Verde Tunnel, river route?

There was also one headed, "Dear Fellow Alumnus," pleading for help to defeat Arizona's just share for her (should not be disputed) Colorado River water and copy for open letter to our Senators and Representatives in Congress and a list of all the names from States in Eighty-first Congress for mailing same.

This reminds one of a California camp meeting and a man who had a wife, son, and daughter-in-law, who got religion.

He was reminded next morning at breakfast to say grace, a little red in the face and shaky, said, "O Lord, bless me and my wife, my son, George, and his wife and to hell with everybody else—Amen."

Oh, brother, here is where Mr. Grant W. Asher replies to Karl F. Geiser, president.

Read on, good people, it's tops.

(Mr. Asher's letter:)

CORNVILLE, ARIZ., *May 23, 1949.*

Mr. KARL F. GEISER, *President,*
Southern California Alumni Association,
Pasadena, Calif.

DEAR MR. GEISER. I was today surprised to receive your undated circular letter and accompanying material relating to the Arizona-California problem concerning the use of the Colorado River water. I was even more surprised that this letter and material emanated under the apparent authority of the Southern California Alumni Association of the State University of Iowa. In my experience, I do not know of any alumni associations,

and not excepting that of the State University of Iowa, which led themselves to any kind of action on controversial issues. On the contrary, I have found that these associations are principally social in nature and function, having originated through common educational bonds of their members. As it happens, I have been a resident of California for 19 of the past 22 years. At present, I am a resident of Arizona. In the whole of the Southwest our water problem has reached proportions of extreme urgency. It is a regional problem which I have followed both in California and in Arizona. Vast Federal aid has come in the past with California being the principal beneficiary in the use of Colorado River water and power. Even greater Federal aid must come in the future in order fully to utilize the Colorado River water and power for the benefit of the whole of the Southwest, directly, and of the Nation, indirectly. No one State can by any stretch of the imagination assume a kind of divine right of priority to the exclusive use of the Colorado River water and power.

Mr. Geiser, consider this an unequivocal protest against the letter and accompanying material sent out by the Southern California Alumni Association of the State University of Iowa over your signature as president. I regret, too, the hysterical and garrulous nature of the letter and material which is hardly in keeping with the dignity expected of the alumni of any college or university. It is to my sorrow that in this instance the university must be identified as the State University of Iowa.

It is requested that copies of this letter be sent to all persons on the mailing list to whom your letter and material were sent. Under the circumstances, I feel that this request is entirely fair and reasonable. I reserve the right, also, to publish my criticism of this act in California, Arizona, or elsewhere, as I may deem necessary.

Yours truly,

GRANT W. ASHER.

Israel—Security and Reconstruction

EXTENSION OF REMARKS
OF
HON. JACOB K. JAVITS
OF NEW YORK
IN THE HOUSE OF REPRESENTATIVES
Tuesday, July 26, 1949

Mr. JAVITS. Mr. Speaker, an editorial and a news story of the same day from the New York Herald Tribune demonstrate Israel's emergence from war into territorial security, her vast internal reconstruction program, and her mission in the Near East. They are appended hereto:

THE LAST ARAB ARMY

At Mahanayim in Galilee, where Jacob once met the angels of God on his way to make peace with Esau, Israel and Syria have signed the last armistice in the war in Palestine. Except that it will bring about demilitarization of a once bitterly disputed border zone, the agreement perhaps is of no great intrinsic significance. The war has been over for months; the new state established firmly in the world scheme; the Middle East temporarily as stable as it seems capable of becoming. Now the last Arab army, which has lain immobile on the edge of Israel, will retire into its own territory and the end of hostilities will become formalized.

Moshe Sharett, Israeli Foreign Minister, says the armistice agreement means the end of an era in Israeli-Arab relations and he hopes, a step toward peace. Both sides made concessions: Syria gave up the last strip of territory allocated to Israel by the United Nations, and Israel relinquished some of its sovereign rights in the area. The significance of the agreement is that it finally transfers the dispute from the battlefield to the conference table and opens the way for a permanent agreement. The United Nations, which righted itself after a shaky course in the Palestine affair, offers an opportunity for settlement through the Palestine Conciliation Commission now meeting in Lausanne, where both sides can thrash out the questions of boundaries and refugees.

Perhaps it is possible to exaggerate the symbolism of this latest armistice, but few world problems have seemed as insuperable as the differences that separated Arabs and Jews, with the subtle interests of outside nations providing additional and almost overwhelming complications. Much wrangling is to be expected in Palestine, as elsewhere, before peace can be achieved, but the contestants may yet echo the words of Jacob, struggling with the angel: "I will not let thee go, except thou bless me."

JUSTICE DOUGLAS SEES ISRAEL AS LEADER IN EAST—SPEAKING AT HAIFA HE SAYS NEW STATE CAN DIRECT SOCIAL REVOLUTION THERE

(By Kenneth Bilby)

HAIFA, ISRAEL, July 21.—Supreme Court Justice O. Douglas foresaw today the beginning of tumultuous times and of vast social revolutions in the Middle East.

To Israel he assigned the future role of the great teacher in this dominantly Moslem region. He described the new state as a testing ground for vital projects and new ideas, and a force that can give both direction and content to the social revolution that is on its way.

In an address this afternoon at the Hebrew Institute of Technology, Justice Douglas gave his first public report on conditions as he has just observed them in a tour of the Moslem states and Israel. He criticized feudal conditions in the Arab world, and he suggested the application there of the Truman program to aid backward areas.

One of the first American public figures to visit both the Arab states and Israel since the war ended, Mr. Douglas found Israel to be on a path far more to his liking. In effect, he warned the Arab governments they had better begin to heed the social stirrings among their common people or face serious trouble.

He spoke of the oppressed people's movement toward destruction of age-old feudal encumberances, and added: "These are active movements, though they have not become political as yet. They have no ideological slant. * * * They are the rumblings of discontent, prophecies of tumultuous times to come, the beginnings of vast social revolutions. These forces will not, I think, be turned back."

He described the devastated and eroded lands to the east and north of Israel, lands getting poorer and poorer through overgrazing and reckless cutting of timber. Then he related his impressions on driving from Jerusalem to Tel Aviv.

"I saw a beginning of a reversal of the cycle," he said. "I saw forests of newly planted pine. These were young trees only a few years old, but they were building reservoirs of water through millions upon millions of tiny roots. Erosion would now end." He added that Israel's revegetation program might well change weather conditions in the whole region.

Atlantic Union

EXTENSION OF REMARKS
OF
HON. HALE BOGGS
OF LOUISIANA
IN THE HOUSE OF REPRESENTATIVES
Tuesday, July 26, 1949

Mr. BOGGS of Louisiana. Mr. Speaker, the gentleman from Minnesota [Mr. JUDD], the gentleman from New York [Mr. WADSWORTH], the gentleman from Florida [Mr. SMATHERS], the gentleman from Tennessee [Mr. DAVIS], and myself have joined today in introducing an Atlantic union resolution. The same resolution has been introduced in the other body by Senator GEORGE, Senator KEFAUVER, Senator HENDRICKSON, and Senator ECTON.

The purpose of the resolution is to permit timely, fruitful investigation of the possibilities of overcoming, through a federal union of the Atlantic democracies, the international difficulties we face. It aims also to give the United States and the cause of freedom and peace the maximum psychological advantages of leadership, without our writing any blank check or incurring any dangerous commitment.

It calls on the President to invite the other six sponsors of the pact to meet with American delegates "in a federal convention to explore how far their peoples, and other democracies whom the convention may invite to send delegates, can apply between them, within the framework of the United Nations, the principles of free federal union."

We face in the Atlantic area, and particularly with Canada, Britain, France, and Benelux, a complex of problems—political, military, economic, monetary—which we are now trying to solve separately, piecemeal, by the ECA, the pact, rearmament, and so forth. We are also trying to solve them only on a diplomatic or government-to-government basis.

Calling the proposed convention would not prevent continued efforts along these lines, but it would permit us, in company with the other pact sponsors, to try also to solve this complex of problems by tackling them as a whole, and on the man-to-man basis of our own American Federal union system. It would commit us to nothing more than an earnest exploration of this way out.

So great has been the success of the Federal system wherever it has been tried that for us to decide even to explore its possibilities in the Atlantic community would rouse great hope. It would seem wiser to begin this exploration now while we have time to do it carefully, rather than risk waiting until events force hasty, ill-considered action.

The proposed resolution has the support of many eminent citizens, led by former Justice Owen J. Roberts, president of the Atlantic Union Committee, and its vice presidents, Robert Patterson, former Secretary of War, and Will Clayton, former Under Secretary for Economic Affairs.

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Remote Control by Definition

EXTENSION OF REMARKS
OF
HON. HAROLD D. DONOHUE
OF MASSACHUSETTS
IN THE HOUSE OF REPRESENTATIVES
Tuesday, July 26, 1949

Mr. DONOHUE. Mr. Speaker, under leave to extend my remarks, I wish to include a very timely editorial, entitled "Remote Control by Definition," which appeared in the July 16, 1949, issue of the magazine, America.

The editorial follows:

REMOTE CONTROL BY DEFINITION

Last week, America suggested that the Communist leaders on trial in New York City suffer from an occupational disease, which might be called the case of the encysted mind. Self-indoctrination has encrusted them with a hard, impenetrable shell of Stalinist ideology, from which they cannot emerge to live as normal human beings. Currently this occupational disease manifests itself in their desire to get on the witness stand in their own defense. Unless Judge Medina prevents it, all eleven of them, together with scores of other progressive witnesses, plan to give endless explanations of the Party line to unenlightened Americans. As defendants in a criminal trial, they have no obligation to take the stand, for once they do so, they expose themselves to the sharp cross-examination of United States District Attorney McGohey. Since they voluntarily put themselves in jeopardy, the question arises: what motives drive them to such conduct?

It won't do to say that they are stupid, and let it go at that. Theirs is not a case of stupidity in the usual sense of the term. These men have the mental capacity to execute the routine tasks of party leaders, to make propaganda speeches, etc. Yet they deliberately take the stand, knowing full well that cross-examination will prove them to have lied many times under oath. For example, John Gates, editor of the Daily Worker, quietly admitted that he had sworn falsely in order to get to Spain during the Civil War. He gave as justifying reason that the good of the United States required his services to Loyalist Spain. In his turn, Gilbert Green, head of the Illinois branch of the Communist Party, confessed that he had perjured himself in order to obtain a Federal position and also to travel abroad. Such admissions under cross-examination voluntarily sought are hard enough to explain.

What amazes the ordinary American even more is the fact that the Communist leaders presented evidence on direct examination which helped to strengthen the Government's case. On June 28, Green disclosed under questioning of his own counsel that the Party teaches its members to answer lies about the advocacy of force and violence and about its allegiance to the Soviet Union. More than once, Judge Medina has intervened to explain to the defendants and their counsel that they are under no obligation to prove the Government's case.

Another observation by Judge Medina goes a long way toward explaining why the Communist witnesses act the way they do. Several times he has remarked: "You Communists seem to think that if you say a thing, that makes it true." For years the Communist leaders have isolated their minds from normal ways of thinking. In place of critical thought, they have disciplined themselves into accepting the interpretation of their leader unquestioningly and absolutely A thing is true if Stalin says it is. No need to check on the fulfillment of the 5-year plan, when Stalin says it has been attained. Recently, the leader of the Commnist Party of France, Maurice Thorez, declared that the Red Army is by definition nonaggressive. Stalin defines, and the issue is closed.

Because the Communist leaders in this country accept Stalin's definitions as making reality instead of describing it, they find no objection to admitting acts of perjury. Stalin has approved Lenin's definition, and recommends Lenin's use of Aesopian language, or downright misrepresentation of Communist intentions, about force and violence. On the one hand, their lies are truth, because they did just what their Soviet leaders wanted them to do. But on the other hand, they may use mild, evasive language which will deceive stupid non-Communist minds. Gates and Green admit to lies and perjury, and Foster in a statement discussed elsewhere in this issue tries his hand at evasive slave language. What the befuddled Communist leaders desperately need are more definitions by Stalin. If he were only to "define" the situation more thoroughly, there would be no problem as to whether they should go on admitting openly to what the bourgeoisie call lying, or should try to deceive with Aesopian fables. The Communist leaders have conditioned themselves to accept Stalin's "definitions" as making reality. But when his definitions conflict, or prove to be inadequate, where are they to turn?

Thus, the really stupid one on trial in New York City is Stalin himself, since he has neglected to define which tactics are true for this objective situation. If he will only tell the Communist leaders what to think, they will do so exactly as he orders it. But being busy with many other countries at the present time, he lacks the leisure to define the American situation in detail, with the result that the American party leaders are finding remote control by definition inadequate.

The Arms Program—Its Aims and Problems

EXTENSION OF REMARKS
OF
HON. JOHN DAVIS LODGE
OF CONNECTICUT
IN THE HOUSE OF REPRESENTATIVES
Thursday, July 21, 1949

Mr. LODGE. Mr. Speaker, under leave to extend my remarks in the Appendix of the RECORD, there follows a most interesting and provocative article by Mr. Hanson W. Baldwin, the military analyst for the New York Times. I believe that a reading of this article will prove helpful in connection with the forthcoming military assistance pact.

THE ARMS-AID PROGRAM: ITS AIMS AND PROBLEMS—IT RECOGNIZES FIRST OF ALL EUROPE'S RIGHT TO BE DEFENDED, NOT LIBERATED

(By Hanson W. Baldwin)

A new chapter in the history of the United States of America opened last week when the Nation decided that in the atomic age security could not be found within the national borders.

The overwhelming approval of the Atlantic Pact by the Senate, which can properly be interpreted as emphatic repudiation of the political doctrine of isolationism, was, however, merely a prelude to even more intensive debate on the arms-aid program.

Debate on the arms-aid plan—or military-assistance program, as it is officially called—which waxed and waned throughout the Senate's discussion of the Atlantic Pact, will come to a head this week when the President submits to Congress, probably tomorrow, his program for putting teeth into what is essentially a defensive alliance.

UNITED STATES COMMITMENT

The Atlantic Pact commits the United States to resist aggression in Europe; the arms-aid program implements that commitment with power, and, in effect, binds us to a strategy of defending western Europe, not merely to its liberation after invasion.

The distinction—defense rather than liberation—is highly important in the minds of Europeans already somewhat fatalistic about the overwhelming Russian strength near their frontiers. They fear that the Continent will again be made a battleground and they are worried by the continued emphasis in the United States upon the strategic concept of victory through air power and the atomic bomb.

To the European citizen, it would be small comfort to know that Russian cities and industries were being devastated by atomic bombs dropped from American bombers if his own country were occupied by Russian ground troops. European generals, the French particularly, have been troubled by the often-publicized assertions in this country that western Europe could not possibly be held and that our strategy, in the event of war with Russia, should be to bombard Russia with atomic bombs from bases outside Europe.

BASIC IMPORTANCE

In other words, the basic importance of MAP, at least in the European mind, is strategic and psychological; it commits the United States to defense of western Europe rather than to its liberation. The Atlantic Pact commits us to resist aggression; MAP to the European mind, would give assurance that the frontier to be defended is along the Rhine or the Elbe and the Alps, not along the English Channel.

The underlying problem of the whole MAP program, therefore is the interpretation and the implementation of the Atlantic Pact.

But there are innumerable lesser problems. In addition to the assurance that the European signatories of the Pact want and that MAP would give them they want long lists of items of arms and equipment to rebuild their military strength.

The total aid asked is tremendous—and probably unreasonable and unnecessary—but the individual requests have, in some instances, already passed through the screening process set up by the western European Union, and our own State-Defense-ECA-Budget sieve in Washington. Turkey, at one time, for instance, wanted heavy bombers; Greece wished to put most of her naval effort into a single cruiser (formerly Italian). Both were persuaded with the use of tact that fighters, fighter-bombers and light bombers, and minesweepers, and light patrol craft would better meet their needs.

No final assessment of the amounts equipment required, or the costs, to give the European members of the Atlantic Pact (with United States backing) a reasonable degree of relative security, has been totted up. The program that will be presented next week calling for $1,450,000,000 (including aid to Greece, Turkey, and other nonsignatories) is for the first year only; it will mark only a beginning, and will be chiefly useful in the rehabilitation of existing military units, not in the creation of new ones. The eventual goal of the whole program, which may extend over a period of 5 years or longer, it has not yet been possible to calculate, but will probably involve the creation of a well-equipped, well-trained European force of

perhaps 40 to 60 divisions, supported by more than 100 squadrons of jet fighters, fighter-bombers and light bombers, and backed up by perhaps 100 to 200 light war vessels, exclusive of strategic bomber forces, United States forces and main battle fleets.

NO GOAL FORMULATED

This eventual goal is, however, at best, an educated guess; the military-assistance program suffers today from the fact that no final goal has been formulated and Congress is being asked to start a program whose end it cannot see. The first job, then, is the formulation of a complete, rather than a 1-year program.

The general objective, however, is clear; western Europe wants to build up a mobile ground force—with considerable numbers of tanks and mechanized equipment, backed up by short-range tactical air power—which could defend its frontiers against the great massed ground armies of Russia until the United States could rush reinforcements.

The military-assistance program raises many fundamental questions for us, which will doubtless be aired in the forthcoming debate. First and foremost is the added commitment—strategic and economic—which it means. There is no doubt that it would help to strengthen and secure our allies, and to bind them to us. The price, however, will be not only in dollars but, in one sense, in a less flexible strategy than otherwise. We must henceforth plan and prepare to defend western Europe.

In order to do this, we must focus greater attention upon a land force and short-range tactical air power to support it. This would have to be done, in any case, as the years pass, since the long-range bomber and the atomic bomb will have less influence as a deterrent to aggression when Russia has an atomic stock pile.

The economic commitment promises, also, to be a difficult one—though not in terms of our financial capacity to support it, for the first year's program is clearly well within our means.

CONTROLLING VOICE

Administration of the program is another problem. This will be done, in part, by a special organization set up in Washington in which the State Department will have the controlling voice, and through special missions in each country, with military advisory groups attached to each embassy. However, these administrative groups must utilize or work with the military and logistical machinery, with Field Marshal Viscount Montgomery as one focal point, already established by the western European union, and with whatever additional military organization—its exact nature undecided—may be established as the command and staff apparatus of the Atlantic Pact.

Proper coordination will be difficult at best, not only because of personalities, but because of the multiplicity of agencies that must be coordinated.

Moreover, there is almost certainly bound to be some conflict between two basic requirements—the requirement for as much military integration as possible and the requirement (imposed by us) for as much United States control over the program as possible.

Another conflict that will develop may be between own rearmament and that of western Europe. Today, and for the next year or so, the European rearmament program, which is just starting, cannot be expected to reduce materially our own military budget, but later on, as Europe gains strength, our own budget ought to be susceptible of safe reduction, or else MAP has no meaning. But any such reduction is almost certain to be opposed by our own military men and economic isolationists.

There will be innumerable minor problems. How are we going to insure that the arms do not fall into the hands of politically dissident armed forces? The French and Italians, for instance, are known to have numbers of Communists in their armies. What will we do about requests from Britain for B–29 bombers? If we equip western Europe with United States-designed weapons, how will we prevent them from being constantly dependent upon us for spare parts? How much standardization of arms and equipment is possible, or desirable?

OTHER IMPORTANT QUESTIONS

What about atomic weapons, or help in the development of atomic energy? Is any change in the restrictive Atomic Energy Act, now strictly limiting such information, desirable? What about common use of islands like the Azores? How many European officers will be trained in this country? How will communications and administrative and tactical procedure be standardized?

There are, in other words, innumerable technical and administrative problems, as well as problems of broad policy, to be solved if MAP is passed. The mere act of passing it will not make it work; the hardest part of the task will just begin. Above all, as the background of all the problems will be the problem of balance: To make Europe strong defensively, but not provocative or aggressive, to make it strong militarily but not so strong as to imperil its economic health, to keep the Atlantic Pact a defensive alliance, not to transform it into an offensive alliance.

DISILLUSIONED ALLIES

The debate, beginning this week, on these and other points, will be lengthy. It is likely to be complicated by demands for arms aid to China. All in all the outcome is uncertain.

Yet as Gen. Omar N. Bradley has said, "It must be perfectly apparent to the people of the United States that we cannot count on friends in western Europe if our strategy in the event of war dictates that we shall first abandon them to the enemy with a promise of later liberation. Yet that is the only strategy that can prevail if the military balance of power in Europe is to be carried on the wings of our bombers and deposited in reserves this side of the ocean. It is a strategy that would produce nothing better than impotent and disillusioned allies in the event of a war."

Anti-Poll-Tax Bill

EXTENSION OF REMARKS

OF

HON. JOSEPH R. BRYSON

OF SOUTH CAROLINA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, July 26, 1949

Mr. BRYSON. Mr. Speaker, under unanimous consent, I insert in the Appendix of the RECORD the following editorial from the Washington Post of March 29, 1948:

ANTI-POLL-TAX BILL

It is not necessary to accept all the excited statements made by opponents of the anti-poll-tax bill to see that it is a bad piece of legislation. The bill owes its popularity to the fact that it seeks to bring about an overdue reform. We heartily agree with its sponsors that all taxes as prerequisites as to voting should be abolished. The preferable method is action by the States. Since a few States are stubbornly holding out against abolition of this undemocratic requirement upon voters, however, we should be delighted to see Congress propose and the States ratify an anti-poll-tax amendment to the Constitution. At least two resolutions for this purpose are before the House. But these are not the proposals that are being advanced by vote-hungry Members of Congress. The bill accepted by the House and now under study by the Senate Rules Committee is an attempt to amend the constitutional requirement as to the qualifications of voters by act of Congress.

The Constitution says in unmistakable terms that the voters entitled to choose Congressmen "in each State shall have the qualifications requisite for electors of the most numerous branch of the State legislature." This does not give the States power to prescribe the qualifications of voters for Members of Congress as such. It simply makes use of the various yardsticks laid down by the States to serve a Federal purpose. Since that requirement of the Constitution no longer meets with public approval, it can be changed, but surely a constitutional amendment is the proper way to effect the change.

The anti-poll-tax bill attempts to effect the desired reform by changing the meaning of words in the Constitution—an underhanded and undemocratic process. It says that the requirement of paying a poll tax before voting "shall not be deemed a qualification of voters or electors voting or registering to vote at primaries or other elections for said officers, within the meaning of the Constitution, but is and shall be deemed an interference with the manner of holding primaries and other elections for said national officers and a tax upon the right or privilege of voting. * * *" If this bill were law, citizens in the poll-tax States could vote for Congressmen without payment of a poll tax. But the same citizens could not vote for members of the most numerous branch of the State legislature. The requirement of the Constitution as to who shall vote for Congressmen would thus be clearly defeated.

We recognize that it is more difficult to pass a constitutional amendment than a simple act of Congress. But expediency has seldom been recognized in the United States as a valid substitute for principle. At a time when we are engaged in a world-wide struggle against short cuts to power it seems especially deplorable that the Congress should be advancing so devious a scheme to accomplish a desirable reform.

How Politicians Are Made

EXTENSION OF REMARKS

OF

HON. JOHN F. KENNEDY

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, July 26, 1949

Mr. KENNEDY. Mr. Speaker, it is a great personal pleasure for me to place in the RECORD an editorial from the Bangor Daily News of July 8, 1949, on a speech by the Honorable James A. Farley:

HOW POLITICIANS ARE MADE

We have sometimes wondered just what rules a human had to follow to become a good politician.

Though the 10 ingredients may in some instances appear debatable, they come from an authoritative source—none other than James A. Farley, presently a businessman, but formerly Postmaster General and the guiding hand most responsible for the ascension of the Roosevelt star in the political heavens.

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Mr. Farley lists the 10 requirements—some altogether obvious—as personality, native ability, faculty of recognizing ability in others, aggressiveness without being offensive, being able to sense a situation, ability to make decisions, understanding of the word "compromise"—not compromise of principles, but occasionally accepting less than one had in mind, then going ahead from that point.

Then come additional qualities rarely thought to be a part of the average politician's make-up. One is character, or which Mr. Farley translates into being a substantial human being.

"Only a man who can impress his constituents with his character can continue to build up confidence," said Mr. Farley, "and he can sometimes do this even when certain other qualities are lacking."

These qualities were showmanship and color, both of which made Franklin D. Roosevelt, Jimmy Walker, and Al Smith great politicians. But he cited Senator ROBERT A. TAFT as a great politician despite his complete lack of showmanship and color.

Then, too, the former Postmaster General places truth high among the qualities necessary for success in politics.

"The politician who says one thing to one man, and an opposite thing to another, the office holder whose word cannot be relied on, the political leader who tries to gain his ends by other than honest means—these types create resentments which fester long and rarely heal."

Another prime qualification is the ability to secure teamwork, or the ability to get other people to work as one and with him.

"The best politicians build up corps of aides who will go through hell for them. Governor Dewey's team has stuck with him since he first entered government, and so strong is its loyalty that not even successive defeats have alienated its members from him. Politicians who haven't this particular quality may go a certain distance, but rarely very far."

Mr. Farley prefaced his recipe with the definition of politics written more than 150 years ago by Andrew Oliver in Boston:

"Politics is the most hazardous of all professions. There is not another in which a man can hope to do so much good to his fellow creatures—neither is there any in which by a mere loss of nerve he may do widespread harm—nor is there another in which he may so easily lose his own soul—nor is there another in which a positive and strict veracity is so difficult. But danger is the inseparable companion of honor. With all the temptations and degradations that beset it, politics is still the noblest career any man can choose."

Some may conclude, however, that politics has changed over the last century and a half.

British Dollar Stringency and Near East Politics

EXTENSION OF REMARKS

OF

HON. JACOB K. JAVITS

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, July 26, 1949

Mr. JAVITS. Mr. Speaker, the following editorial in the July 15 issue of Aufbau, American weekly in German and English, portrays what may seem to the British mind a dilemma, but to the American mind seems hard to understand. In a time of dollar stringency all resources should be employed. Britain's influence in the Arab world is great enough so that a Near East peace, so urgent to her own economic position, should be the prime objective of her policy. Britain found that her obstinacy in maintaining a large force in Palestine finally had to yield before her financial necessities and she will inevitably come to the same conclusion with regard to the Arab economic blockade of Israel.

In its issue of July 15, 1949, Aufbau, American weekly in German and English, carries the following:

WHY ARE THE HAIFA REFINERIES KEPT SHUT?

OPEN LETTER TO THE BRITISH FOREIGN OFFICE

DEAR SIRS: The American public, friends of Britain, have learned with great regret that your country, our ally in war and peace, is in dire financial straits. We admire the efforts of the Labour Government to overcome the consequences of the devastating war which has ravaged your country; it is with friendship and sympathy that we follow the valiant struggle of the British people against so many overwhelming odds. But in all sincerity and modesty we would like to ask a question.

You do your utmost to cut down all dollar expenditures, and the recent years show that the citizens of Britain have willingly followed the lead of their government. You will probably agree with us that one of the most important items of your dollar budget is oil. Therefore, we are wondering why it should not be possible to increase the production of sterling oil and sterling petrol very considerably by reopening the Haifa refineries. According to statistics, the Haifa refinery is able to process 4,000,000 tons of crude oil per month. Yet, for 13 months deadly silence has hovered over this part of the Haifa harbor.

Do you really think that the Iraqi Government would resist a strong-worded note requesting permission to reopen the flow of oil through the Mossul pipeline? We realize that British ships had certain trouble in the Suez Canal recently; but do you really think that Egypt would go so far as to prohibit British tankers from shipping oil from the Persian Gulf to Haifa? We have never heard about His Majesty's Government taking any steps in this direction.

You ask the American people—and you have a right to do so—to sympathize with your needs. We belong to those who feel that the fullest possible cooperation with, and help to, Britain is in the best interests of the United States. Nevertheless, we fail to understand why the British Foreign Office ignores the possibility of turning near eastern oil into dollars, just because the old prejudice against Israel still clouds the minds of certain representatives of your Government.

George Peabody

EXTENSION OF REMARKS

OF

HON. THOMAS J. LANE

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, July 26, 1949

Mr. LANE. Mr. Speaker, it has been brought to my attention by Mr. William F. Carlin, of Silver Spring, Md., that application was made with the Post Office Department some time ago for the issuance of a stamp commemorating the deeds and accomplishments of the late George Peabody.

Mr. Peabody, although born in Massachusetts, removed at an early age to Baltimore, Md., where he became very successful as a merchant businessman. He was noted throughout his entire life for his charity and benevolence and for his philanthropic deeds. Gifts in his memory have been made, such as the Peabody Institute and Library in Peabody, Mass.; the Peabody Conservatory and Library, Baltimore, Md.; and museums of natural history, archaeology and ethnology have been established at Yale and Harvard Universities, but the principal beneficiary from his endowment was the George Peabody College for Teachers at Nashville, Tenn.

I am advised that many of the Members of Congress from Massachusetts, Maryland, and Tennessee, and countless others recommend the adoption of such a commemorative stamp. I am submitting for your consideration the condensed biography by Mr. Carlin which will enlighten the Members of Congress as to the history and life of George Peabody:

George Peabody was born in Danvers (now Peabody) in Essex County in Massachusetts, February 18, 1795. At an early age he moved with his family to Baltimore, Md., where he engaged in business, and attained success as a merchant. Later in life he made an immense fortune as a railroad builder and financier, and his business interests brought him finally to London, where he died November 4, 1869.

Ten feet or so from the tomb of the Unknown Soldier in Westminster Abbey is a slab on the floor bearing the name of Mr. Peabody, the only American who was ever interred, even temporarily, in that shrine sacred to England's great dead. Later his remains were taken up and placed aboard a British warship, H. M. S. *Monarch*, which, escorted by a French and an American naval vessel, bore them across the Atlantic to their final resting place in the town of Peabody (the name having been recently changed to Peabody in honor of that great citizen), the burial taking place February 8, 1870. The *Monarch* landed at Portland, Maine, and the body was escorted from that city to Peabody by a company of English soldiers, part of the trip being made in a blinding snowstorm.

Such extraordinary honors were bestowed upon a man who was really worthy of the honor, for it can be argued with great plausibility that George Peabody was in a sense the founder of modern philanthropy. It is recorded that he strongly influenced both Johns Hopkins and Enoch Pratt, and his benefactions to education and music throughout the United States are many and far-reaching. His benefactions to Hopkins and Pratt certainly stimulated others. He made gifts to the Peabody Conservatory and Library at Baltimore; to Yale and Harvard Universities for the establishment of museums of natural history, archaeology and ethnology, and his gift to Peabody, Mass., his place of birth was the Peabody Institute and Library. Many other institutions of education in and around his birthplace were the recipients of the benefits of his endowments.

Probably the most important of all of his gifts in the United States was the establishment of the Peabody Education Fund for the promotion of education in the South, the amount of this gift being in excess of $3,500,000 which prior to the sixties was a fabulous bounty. The principal beneficiary from this endowment was the George Peabody College for Teachers at Nashville, Tenn., which has grown to be one of the leading institutes of

learning in the United States, and which has played an important part in the educational advancement of several of the Southern States.

His success in the financial world led him to London, and while there he made a gift to the city of London of $2,500,000 for the establishment of what was probably the first large-scale slum-clearance project in the world. He also paid for the American exhibition at Crystal Palace in London in 1851, and sent a ship in search of Sir John Franklin, the missing Arctic explorer, at his own expense.

One of his most curious deeds, which stands out as a striking example of his sterling character as a citizen, was in 1835, when the State of Maryland was bankrupt. Mr. Peabody, on his own credit, borrowed $8,000,000 for the State and refused to accept a penny of commission.

Queen Victoria, ruler of the British Empire at the time of Peabody, offered to bestow upon him a baronetcy, but he refused the honor, choosing to remain a plain American citizen, so she had her portrait painted by the celebrated Peal, set in a beautiful frame with gold ornaments and presented it to Mr. Peabody. This painting together with a gold box containing the tender of the freedom of the city of London, a gold box from the Fishmongers' Society of London, and a gold medal and memorial from the United States Congress in recognition of the Southern Educational Fund are on exhibition at the Peabody Institute and Library, in Peabody, Mass. Contained in a letter which accompanied his first gift to his birthplace was the expression of his sentiment toward education: "Education—a debt due from present to future generations." This sentiment has been perpetuated as the motto of every graduation class of Peabody, Mass.

To preserve the memory of this generous and honorable citizen a movement has been started in Baltimore to raise $125,000.

Human Rights and International Law

EXTENSION OF REMARKS
OF

HON. LAWRENCE H. SMITH

OF WISCONSIN

IN THE HOUSE OF REPRESENTATIVES

Monday, July 25, 1949

Mr. SMITH of Wisconsin. Mr. Speaker, under leave to extend my remarks, I am including a highly interesting and pertinent address by Mr. Carl B. Rix, former president of the American Bar Association. The address was delivered at the annual meeting of the American Society of International Law held in Washington on April 29, 1949. It is very appropriate that we should consider the subject matter of this remarkable address in view of the fact that there is now before the Senate the Genocide Convention agreement, which, in my opinion, should be defeated.

The address follows:

Human rights and international law as a composite until recently was a nonexistent problem. In an International Bill of the Rights of Man, page 5, Prof. H. Lauterpacht says:

"In fact, the individual became only to an imperfect degree the object of the law of nations. Treaties of a humanitarian character were concluded for protecting the individual in some specific spheres, but the fundamental claims of human personality to equality, liberty, and freedom against the arbitrary will of the state remained outside the orbit of international law save for the precarious and controversial principle of humanitarian intervention."

In the April 1949 issue of the American Bar Association Journal, page 358, Mr. Moses Moskowitz says:

"There is no such thing as recognized human rights in international common law. The idea of affording international protection of certain human rights and freedoms can be realized only within the framework of treaty provisions establishing the rights to be placed under international protection, defining their content, limitations, and prohibitions."

International law, by treaty or otherwise, is not made in the twinkling of an eye or by the demands and ideas of the few. Sufficient time for seasoning and practice has always been a fundamental of international law. Aspirations and alleged necessities for social changes, no matter how meritorious, do not justify tremendous revolutionary changes in a slowly developing structure like that of international law. A heavy burden of proof rests on proponents of those changes, admittedly not to be secured by an evolutionary process of building customary law but by the summary process of contract or treaty law, the purpose of which is to create a code of conduct of individuals and nations for more than a billion of the people of the world of diverse languages, concepts of government, and standards of living.

In this country we had a significant experience with a noble experiment which ended in ignoble failure due to impossibility of enforcement and change of public sentiment. Emotional actions and resulting propaganda must be analyzed and weighed. What changes in existing structures will be effected? It isn't enough to say that there must be a law and then all will be well. Who says it and why, on what authority and experience? Who is to administer this new body of treaty law, what methods of enforcement will be available, what trials for offenders, individual or State? Dr. Jessup, in his book "A Modern Law of Nations," page 186, discusses intervention in civil wars and internal matters and cautions "that international interference in such matters may lead to undesirable domination of the internal situation in a state and be productive of more international friction than it eliminates."

There is a surge throughout the world for freedom of men as individuals, for assurances of such freedom from their governments, of assurances of minorities that great programs of destruction shall not be repeated anywhere in the world, that common action hereafter shall not be wanting in prevention and stopping such things in their tracks. The peoples of many countries, through the treaty of mutual assistance and now the Atlantic Pact, are united in common defense of the gains in self-government they have made. They unite in defense against a system of government which is determined to spread its tentacles of enslavement of freedom of thought and action, against the machinations of 13 men running a government of tyranny and deceit to spread their power over the world. The way of the aggressor will be hard. When the question was asked of American lawyers if they were ready to proscribe aggression in the world, the answer was not expected so soon.

At the same time, in firm belief that the freedom of man cannot be destroyed, many nations of the world move forward on a tremendous campaign for peace in an harassed world, for things of the spirit, for supremacy of the mind of man, for the right of the individual to live his own life. They move forward in a desire of those who have been favored to help those who have not, to exchange of ways and means to higher and better standards of living everywhere. It is always hard to understand altruism but, there it is, creating problems of accommodation with the practical. We come to you as representatives of a great association of men devoting their lives to problems of government and justice, of individual rights, in a spirit of accommodation, if possible, of the conflicts of action to be solved, and solved they must be. As a great leader in the slow, imperfect task of human freedom, this country, as the possessor of a constitutional bill of rights, is asked and looked to for assumption of leadership.

In cooperating with this task, problems arise for the people of this country. How can their constitutional structure, their bill of rights, be fitted into the developing international picture of human rights without destruction of a cherished system of our division of powers of government, of our ideals and practical necessities? This is the task to which the American Bar Association has set itself and is the reason why we, the common garden variety of American lawyers, come to you—experts in international law.

Among many other questions, we present these for discussion:

1. What will be the probable result of the induction into international law of the general principles of individual responsibility for international law?

2. What is the effect of treaty law as domestic law of the land, as supreme law under the Constitution?

3. Is there no limit to the power of Congress acting under a treaty except that of prohibition in the Constitution?

4. Shall the treaty-making power be used as the basis for enactment of domestic legislation in the United States?

5. What is the effect of provisions in the Charter of the United Nations as to human rights, as a surrender of the provision of article 2 (7), the reservation of jurisdiction as to domestic questions? What will be the effect as to surrender of domestic questions if the Genocide Treaty and a Human Rights Treaty are ratified?

6. Shall the American people, with their guaranties of protection in the trials of individuals not present in other countries, agree to extradition and trials of Americans before foreign or international tribunals for violations of international law?

7. What means are available to fit our structure into the international picture without destruction of our basic principles?

We are not now ready to supply the answers to these questions. We believe that the American people should be fully advised on these matters; that if you, with your knowledge of international and constitutional law, cannot supply the answers, all of us shall devote unremitting time and toil to their solution. We are gratified that the campaign of the American Bar Association to this end, through Judge Ransom and President Holman, is bearing fruit and that sufficient time will be available for full and complete discussion and study.

In the meantime, these questions and others are taken to the lawyers of this country and Canada in a series of conferences of which 12 out of 20 projected in this country have been held. Much of value has been learned, much study by individuals and groups is now under way.

We have before us one signed treaty, that of Genocide, to be submitted for ratification. A great treaty on human rights is in process of drafting and we have for study the preliminary drafts of the commission on human rights.

Now, in the limited time available to me, for a quick look at the problems.

I

What will be the probable result of the induction into international law of the general principles of individual responsibility for international law?

Traditional international law is the law of States and their relations to each other, with

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all enforcement and negotiations in the States alone. Hamilton put it, "The law of sovereign and sovereign." Now there is another concept of individual liability in international law which already appears in four fields:

1. Offenses against the laws of war and other war crimes.
2. The Genocide Treaty.
3. The human rights covenant.
4. The Habana Charter.

Brig. Gen. Telford Taylor has said, in An Outline of the Research and Publication Possibilities of the War Crimes Trials, on page 2:

"International penal law—a mere embryo a few decades ago—has developed with phenomenal rapidity. * * * Almost overnight, international penal law has become a living reality."

Again he says, on page 11:

"The war crimes trials, at least in western Europe, have been held on the basis that the law applied and enforced in these trials is international law of general application which everyone in the world is legally bound to observe. On no other basis can the trials be regarded as judicial proceedings, as distinguished from political inquisitions. On any other basis, the trials will become a sorry reproach to those who sponsored them, and will surely have a damaging rather than a beneficent effect in Germany. No task which confronts international lawyers and statesmen today is more important than that of solving the numerous and difficult problems which surround the project of making international law a hard reality throughout the world."

Article IV of the Genocide Treaty provides:

"Persons committing genocide or any of the other acts enumerated in article III shall be punished, whether they are constitutionally responsible rulers, public officials, or private individuals."

The human-rights covenant is predicated on individual responsibility and will present acute problems in a much wider form. The matter of individual right of petition and responsibility under the covenant has already had lively discussion in the Commission. The problem was sidetracked until the declaration was approved. It will break forth with renewed vigor. The United States, China, and other states propose references of disputes to a committee for opinion and conciliation at the request of states only, thus approving the traditional practice. India asked instantly for the right of petition and inclusion of liability and rights of individuals. France did the same in the memorandum of Dr. Cassin. In that is a suggestion of an attorney general for the United Nations for investigation and prosecution of complaints. Australia presented a plan and a charter of a World Court of Human Rights.

The United States, it will be noted, is for individual liability in genocide and for the traditional state liability and rights in human rights. Where do we go from here?

We speak of individual liabilities only—are there correlative individual rights? Again I quote Dr. Jessup, page 137, who has definite views:

"With the acknowledgment of the individual as a person of international law, it will no longer be necessary to speak solely in terms of rights of states when dealing with privileges and rights conferred by commercial treaties and other treaties dealing with economic and social rights. States may still conclude treaties on behalf of their nationals; they may be, so to speak, convenient instruments for collective bargaining. The state may retain its own right to proceed against another state in case of a treaty breach, but the individual citizen may likewise have his own procedures for vindication of his own rights. Thus the infringement of a trademark or patent under the protection of an international convention may be the basis for a cause of action in an appropriate forum by the individual possessor of the right, which he would derive immediately from the convention and not mediately through some national law passed for the implementation of the treaty. Procedurally speaking, it may prove advantageous to have suits instituted first in national courts, but there might be subsequent review by an international tribunal, as already discussed in claims cases. Likewise the individual, black or white, would have a cause of action in case he or she were the victim of a breach of an international slavery convention. More prosaically, the individual businessman, air line, or steamship company, would not have to wait on the slow wheels of diplomacy to secure damages for a violation of rights under a bipartite treaty of commerce or a multipartite convention concerning commerce and navigation."

In a Progress Report on Human Rights, Department of State Bulletin, August 8, 1948, by James Pomeroy Hendrick, legal adviser to the chairman of the Commission on Human Rights, we find:

"If the covenant is to attain widespread adherence, it is essential that its provisions should not interfere unduly with the domestic jurisdiction of member states. The theory of the covenant in itself is revolutionary; an undertaking by international treaty to insure certain rights which have traditionally been regarded as being solely of national concern. * * * To allow an individual to appeal from a decision of his country's last resort is a serious step; yet this might be the consequence of recognizing the right of individual petition."

My own study convinces me that the foregoing statements are substantially correct. I cannot believe that individual responsibilities and liabilities do not create correlative rights and privileges—in the instant matter to an utterly unknown degree and extent.

II

The full impact of the proposed treaties of genocide and human rights in the United States is revealed in the next question: What is the effect of treaty law as domestic law of the land, as supreme law under the Constitution?

In your discussions at the meeting last year of the effect of customary international law as domestic law, Dr. Hyde referred several times to the question of treaties as domestic law under the Constitution of the United States, but the subject was not pursued. It took an English lawyer, Professor Lauterpacht, to make clear to us anew our constitutional position in these words (p. 179):

"The distinction between 'domestic law' and 'constitution' is deliberate. As to the first, it is clear that in the absence of a special enactment or declaration by the National Legislature, the Bill of Rights, even when ratified, would not, in most countries, necessarily become part of the municipal law of states ratifying it. In the United States, article VI (2) of the Constitution provides that all treaties made, or which shall be made, under the authority of the United States, shall be the supreme law of the land, and the judges in every State shall be bound thereby, anything in the constitution or laws of any State to the contrary notwithstanding.

"To that article the courts of the United States have given a generous interpretation, amounting occasionally to an attribution to a treaty of an effect dangerously approaching that of a constitutional amendment. But in other countries a duly ratified treaty is not part of municipal law until it has been made so by an express act of the national legislature. In Great Britain treaties affecting private rights—and these include practically all treaties—do not become the law of the land unless they have been made so by a special act of Parliament."

Since the above was written in 1944, to a limited degree the same effect is had in France. Involved herein is the difficult question of a treaty which is self-executing in whole or in part. The mere fact of the necessity of implementation by legislation, such as the definition of crimes under international law and fixing penalities, does not make a treaty non-self-executing. It seems to be plain that the essential portions of the genocide treaty and the proposed human rights treaty are self-executing, in spite of the note of the drafters of the latter to the contrary. Only clear intent in the treaty itself can prevent the automatic operation of the Constitution of the United States. Thus there may be created, as law, a third body of treaty law in this country with no constitutional basis whatsoever, of equal dignity with our Constitution, as supreme law of the land, superseding all State constitutions, decisions, and laws of the States covering the same subjects, and probably superior to all prior enacted laws of Congress on the subject. Of course, it is no answer that subsequently enacted laws by Congress may abrogate or terminate a treaty. This country is not in the habit of ratifying treaties with the intention of repudiation. The effect in this country of a ratified treaty of human rights and, in a limited degree, the genocide treaty, in a field which has been almost exclusive in the States, is so far-reaching in its consequence that the word revolutionary is not fully descriptive. Again, it is no answer to say that the treaty is non-self-executing. Under international law the duty to implement a treaty fully and completely is of the same high moral order as the obligation of the treaty itself. It is asserted that Congress has never failed to so implement a treaty.

The case cited by Professor Lauterpacht is the famous migratory bird case, *Missouri* v. *Holland* (252 U. S. 416), in which Leviathan, with deep concern for the food supply of wild duck for a suffering people, blithely asserted that there is no limit in the United States to the treaty-making power and legislation enacted thereon unless it is prohibited by the Constitution.

The problem is aggravated by the recent series of cases in the Supreme Court which deal with the power of Congress to appropriate entire fields of legislation to the exclusion of the States. I leave to your imagination as to what would happen in the field of administration of municipal law if subversive elements should teach minorities that the field of civil rights and laws had been removed to the field of international law, with the consequences outlined by Dr. Jessup, as quoted herein.

The paucity of discussion of these constitutional features is difficult to understand. Is it possible that discussion would not comport with propaganda?

III

Is there no limit to the power of Congress acting under a treaty except that of prohibition in the Constitution?

This subject was discussed fully at the annual meeting of the society in 1929. In spite of the sweeping statements in *Missouri* v. *Holland*, there is highly respectable authority that there are sharply defined limits.

Illustrative are these cases: *U. S.* v. *Pink* (315 U. S. 203); *Asakura* v. *Seattle* (265 U. S. 332); *Holden* v. *Joy* (84 U. S. 211); *Geofroy* v. *Riggs* (133 U. S. 258); *U. S.* v. *Belmont* (301 U. S. 324).

No treaty has ever been held unconstitutional in any court, Federal or State, in the United States.

In the 1929 meeting Chief Justice Hughes, in closing the discussion, said in part:

"So I come back to the suggestion I made at the start, that this is a sovereign nation;

from my point of view the Nation has the power to make any agreement whatever in a constitutional manner that relates to the conduct of our international relations, unless there can be found some express prohibition in the Constitution, and I am not aware of any which would in any way detract from the power as I have defined it in connection with our relations with other governments. But if we attempted to use the treaty-making power to deal with matters which did not pertain to our external relations but to control matters which normally and appropriately were within the local jurisdictions of the States, then I again say there might be ground for implying a limitation upon the treaty-making power that it is intended for the purpose of having treaties made relating to foreign affairs and not to make laws for the people of the United States in their internal concerns through the exercise of the asserted treaty-making power."

IV

Shall the treaty-making power be used as the basis for enactment of domestic legislation in the United States?

It would seem that the wise words of Chief Justice Hughes just given would be sufficient answer to this question.

From part 10 of the report of the Committee on Civil Rights, appointed by the President, comes this sinister and cynical suggestion following a full discussion of the restricted limits of Federal power of legislation in the field of civil rights:

"10. Power derived from the treaty clause in article II, section 2 of the Constitution, to protect civil rights which acquire a treaty status.

"In its decision in *Missouri* v. *Holland* in 1920, the Supreme Court ruled that Congress may enact statutes to carry out treaty obligations, even where, in the absence of a treaty, it has no other power to pass such a statute. This doctrine has an obvious importance as a possible basis for civil rights legislation."

This is the report the President advised us to read as a bedtime story. The road to Federal absolutism is being made very, very easy.

V

What is the effect of provisions in the Charter of the United Nations as to human rights, as a surrender of the provisions of article 2 (7), the reservation of jurisdiction as to domestic questions? What will be the effect as to surrender of domestic questions if the genocide treaty and a human rights treaty are ratified?

The necessity for extreme care and skill in drafting a treaty is shown by the construction and interpretation of the language used in the Charter of the United Nations as to human rights.

It will be assumed that you are entirely familiar with articles 1–3, 55, 56, and 62 of the Charter, which refer to human rights.

Note how carefully those provisions call for promoting, assisting, encouraging, recommending, the cause of human rights, without the creation of any contractual liability for recognition of human rights by any state.

But, as we have been reminded by high judicial authority, plain words do not always mean what they say. The reservation of domestic questions, known as article 2 (7), is perfectly plain and concise. Certain it is that when the Charter was ratified by the United States and other countries, full force and effect was given to that reservation of domestic questions. Full assurances on that point were given to the Senate of the United States and the people of this country by the Secretary of State and the President.

It may be of interest to know that in the 1947 meeting of the International Law Association, at Prague, a resolution was adopted to set up committees for studying and reporting to the next conference on the legal effects of the Charter in relation to article 2 (7). A distinguished committee, headed by Lord Porter, was set up with Professor Lauterpacht as rapporteur. The report to the human rights committee of the International Law Association at the Brussels (1948) conference is now available for study and to a layman in this field it is of startling import. Distinguished scholars from all parts of the world sent their comments and observations. A substantial majority of the members of the committee who sent in their comments and observations expressed general agreement with the preliminary report. Comment is made that Dr. Jessup sent a personal note showing on which points the preliminary report differs from the official attitude of the United States. Professor Eagleton expressed a view different from that propounded in the report with regard to the nature of the provisions of the Charter of the United Nations in the matter of human rights and fundamental freedoms. In his view the relevant provisions of the Charter do not impose upon the members of the United Nations the legal obligation to respect human rights and fundamental freedoms.

Now for some of the surprising conclusions.

"The provisions of the Charter in the matter of human rights and fundamental freedoms express legal obligations binding upon the individual members of the United Nations." (P. 9.)

"As a matter of wider principle, it is probably legitimate to assert that the duty of the State to promote the observance of and respect for human rights extends to the obligation to prevent such denial, from whomsoever emanating, of human rights and fundamental freedoms." (P. 21.)

The report then passes to the position of the individual under the Charter:

"Finally, one of the results of the provisions of the Charter in the matter of human rights and fundamental freedoms is to effect a far-reaching change in the position of the individual in international law. * * * They transfer the inalienable and natural rights of the individual from the venerable but controversial orbit of the law of nature to the province of positive law, of international law." (P. 22.)

Having reached these conclusions as to the binding effect of the provisions as to human rights in the Charter and the position of the individual under it, the report at length argues against the declaration and a covenant as retrogressive steps because the favorable situation under the Charter will be greatly weakened.

As to the difficulties of draftsmanship this is said:

"Any attempt to draft them in the hurried atmosphere of conferences, through a procedure of voting and rapid adoption or elimination of proposals made there, must result in instruments the clauses of which will be often prolix, deficient in form and substance, and lacking in organic unity. * * * The task of drafting an international bill of rights is confronted with all the difficulties which beset the formulation of the most intricate clauses of the constitution of a State, namely, those in the sphere of determining the fundamental rights and duties of the individual and his relation to the State. On the international plane these difficulties are considerably greater." (Pp. 40 and 41.)

Then follows this discussion:

"Undoubtedly after months of arduous work, such as the Commission on Human Rights has devoted to the subject, there is a tendency, natural in the circumstances, to adopt an instrument showing some results of the prolonged effort. Any such tendency, which may be the product not of conviction but of fatigue, must be resisted. * * * To attempt, in the political and psychological atmosphere of international relations following upon the Second World War, to give final shape to a fundamental and historic instrument the essence of which must be some distinct measure of surrender of exclusive rights of sovereignity, may mean serious and irreparable injury to the cause of human rights. This is a case in which delay may be preferable to fostering the illusion of achievement." (P. 55.)

If these comments are compared with the demands for immediate action expressed by Mr. Moskowitz in the American Bar Association Journal, and the reply of President Holman, it must be apparent that repeated demand of the House of Delegates, on the advice of President Holman and Judge Ransom for sufficient time in the preparation of the convenant and its study by the citizens of this country, are completely justified.

Then follows a still more remarkable position:

"The United States was to a large extent responsible for the idea of a declaration which is neither binding nor enforceable and which is to be accompanied or followed by a binding convention—provided there is a sufficient number of States ready to accept it. The United States has opposed what must be regarded as an indispensable feature of an effective protection of human rights, namely, the recognition of the right of petition by private individuals and groups. * * * The historic part which the United States, since the Declaration of Independence and its own Bill of Rights, has played in promoting human freedoms, as well as its rapidly increasing part in international cooperation, permit the expectation that that country may yet make a decisive contribution to an effective international protection of the rights of man. In the meantime it is preferable to leave to the forces of democracy in that country the opportunity to vindicate fully through the slower processes of education and persuasion the idealistic and libertarian tradition of its people in relation to human rights." (P. 56.)

In an editorial in the Journal of the Association, Judge Hudson paid his respects to the contention that positive law as to human rights was created by the Charter in spite of article 2 (7):

"It is difficult to conceive of the possibility of making substantial progress in the development of international law unless a scrupulous respect obtains for the integrity of international instruments. Yet a tendency now seems to prevail in some quarters to undermine that respect by torturing the meaning of great international instruments and by forcing them to serve purposes for which they were never designed, purposes at variance with the desires entertained by Governments when the instruments were brought into force.

"The usefulness of the Charter of the United Nations should not be misconceived. The Organization will endure only if its provisions are respected. A frame for a picture must not be mistaken for the picture itself, and the United Nations may need to be protected against some of its more ardent friends.

"When reforms cannot be achieved through agencies of local government, it is often a temptation to seek to have them ordained from above and afar. Problems take on an illusory guise of simplicity if the forum of their consideration can be shifted to a distant state or national capital. And a failure there easily begets a further temptation to seek their solution by international action. Perhaps such progression is not to be condemned, but it should not be permitted to place strains on existing international legislation.

"If governments cannot have confidence that the instruments by which they bind themselves will not be made to serve unintended purposes, if respect is not paid to

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the terms and tenor of the obligations imposed by such instruments, the result may be a reluctance to assume further commitments and the progressive development of international law may be seriously retarded. An important function of the United Nations might thus be frustrated. (The American Journal of International Law, vol. 42, No. 1, pp. 105, 107, 108.)

VI

Shall the American people, with their guaranties of protection in the trials of individuals not present in other countries, agree to extradition and trials of Americans before foreign or international tribunals for violations of international law?

With the possible exception of divided opinion as to prosecution and trial for war crimes, our experience in the 12 conferences with lawyers in various States furnishes an emphatic "no" to this question. It is said by lawyers participating in the war trials that there were many privileges of the accused in criminal trials under our system which were not present in those trials. Add to that the problems of extradition, language, procedure, and cost of defense, and it is easy to see why American lawyers should be of decided opinions on the subject. The difficulty in securing approval of the United States for the World Court may point the way for our representatives in the United Nations on considering proposals for other international tribunals.

Judge Orie L. Phillips phrased this question in connection with the Genocide Treaty thus:

"With respect to article VI, in the event we ratify the convention, should we, by reservation, expressly provide that citizens of the United States and persons within the territorial jurisdiction of the United States, charged with genocide, will be subject to trial and sentence only by a competent judicial tribunal of and sitting within the United States, vested with jurisdiction over such offense by Federal legislation; that a citizen or other person so charged shall be presumed to be innocent until his guilt has been established by lawful evidence beyond a reasonable doubt; that a citizen or other person so charged shall be protected by all the safeguards embraced within the Constitution of the United States, including the rights guaranteed by the fourth, fifth, sixth, and eighth amendments to the Constitution of the United States, to an accused charged with a domestic crime; and that such citizen or other person shall not be subject to be charged, tried, or sentenced by any international penal tribunal?"

VII

What means are available to fit our structure into the international picture without destruction of our basic principles?

Must we have a constitutional amendment to put the United States on a parity with other nations on the effect of treaties as domestic law? If, from the many fields of effort of the United Nations more treaties covering domestic questions are offered, such action may become absolutely necessary. If not, the Senate of the United States may be obliged to refuse ratification.

The reservation route did not work in the case of the League of Nations. The subject must be explored and it must be understood by the people that reservations may be necessary in order to secure adjustment of the covenant of human rights and other treaties to our Constitution.

Sympathetic advice and counsel, based on careful continuing study of the subject and the work of the Commission on Human Rights, is called for. The American Bar Association will continue to function in this way, broadening its work as more citizens become familiar with international law. Education and more education is the order of the day.

By trial and error the United Nations will find its way and gradually its successes will be greater than its inevitable failures.

If it is thought that the difficulties have been overemphasized in this address, let me remind you that only if the tremendous size of the job is understood can any progress be made. It is no time for orations and emotions on human rights, for propaganda and recitals of wrongs and hardships. Professor Lauterpacht, one of the greatest scholars of the subject of human rights, devotes four pages of his book to a recital of the difficulties and the problems to be faced. He then makes these statements:

"Yet, when all has been said, the fact remains that any attempt to translate the idea of an international bill of the rights of man into a working rule of law is fraught with difficulties which disturb orthodox thought to the point of utter discouragement." (P. 2.)

This, from his book, may be the lesson for all of us:

"In view of all these difficulties, it may be felt that indulgence in the idea of an international bill of the rights of man is a regrettable dispersion of effort, of the futility and utter impracticability of which the student of law and politics ought to warn both governments and public opinion at large. It may be his business to do so. At the same time, however, it is his duty to assist in uncovering the hidden springs and the enduring core of the matter—a matter which is the abiding theme of political and legal thought throughout the ages. It is possible that in the contemplation of the continuity of ideas and aspirations on the subject we may find assistance in approaching the solution of that persistent problem of law and government." (P. 15.)

"Aviation Constitutes the Dominant Arm in Warfare, in Any Kind of Warfare—To Deny This Painfully Self-Evident Fact of World War II Is To Forfeit the Respect of a Public Which Is, on This Point at Least, Admirably Well-Informed"

EXTENSION OF REMARKS

OF

HON. HENRY M. JACKSON

OF WASHINGTON

IN THE HOUSE OF REPRESENTATIVES

Tuesday, July 26, 1949

Mr. JACKSON of Washington. Mr. Speaker, the words which I have quoted are taken from one of the most unbiased, thought-provoking, and challenging articles on air power I have ever read. Written by Mr. Stuart B. Barber, it is entitled "What Do We Want From Air Power," and was published in the July 25 issue of the Washington Post.

Mr. Barber emphasizes the fact that ascertainment should be made and determination reached with respect to the specific objectives which this country should seek—in order to subdue and vanquish the enemy if and when we might be called to mobilize in defense of our country.

The editor of the Washington Post, in discussing this article, poses these questions:

Is the objective to spread mass destruction, obliterate cities, and leave an enemy prostrate; or is it to concentrate on knocking out communications or a few key industries on which the enemy's war potential depends without inviting the creation of the same kind of millstone which was caused by the indiscriminate devastation in Germany? These are political decisions which must precede an effective military war plan, for, without them, the military cannot know in other than a general way what may be expected of it.

Mr. Barber emphasizes the fact that "considering war as a whole," the air arm is and must be dominant. He points out that this does not mean "that the Air Force must dominate. American air power," he states, "consists of all planes which would contribute to the control of the air over land and sea."

Mr. Barber challenged the idea of constructing a military plan for the conduct of war without a clear and lucid understanding of the objectives of the United States in case of war. "That," he states, "is something which neither the armed services nor the Joint Chiefs of Staff can write." He makes that decision the sole responsibility of the National Security Council for "There and not in the Joint Chiefs of Staff is the responsibility for writing the basic war policy of the United States."

The article is so altogether reasonable, unbiased, and free from service prejudice and looks so completely to the best interests of our own national security—that I am placing it in the RECORD in full.

I am doing so in order that it might be brought to the attention not alone of my colleagues in this Congress and others charged with the economical and effective defense of the country but to all the people of our country.

The article is as follows:

WHAT DO WE WANT FROM AIR POWER?

(By Stuart B. Barber)

Admiral Yarnell's letter in your issue of July 15 serves to focus attention on why the national defense of the United States is the subject of incredible and dangerous confusion and bickering.

To begin at the end of the admiral's letter, he states: "There is no dominant arm in warfare. All are equally essential." With all due respect to the distinguished former commander in chief of the fleet, I submit that this statement is nonsense, and that its constant reiteration by Navy spokesmen has done the Navy—and our national security—more harm than all the machinations in the Air Force.

Aviation constitutes the dominant arm in warfare—in any kind of warfare. To deny this is not only to deny the painfully self-evident facts of World War II, but to forfeit the respect of a public which is, on this point at least, admirably well-informed. For as the Strategic Bombing Survey so succinctly stated, control of the air was essential to the success of every military operation, air, land, and sea.

To say that aviation is the dominant arm is not to say that ground surface and subsurface forces are not essential. They are. Nor is it to say that they must be mere auxiliaries to the air arm. They must not be. On appropriate occasion they must contribute to the national objective as primary combat forces in their own right, to which, on such occasions, the air arm will be the auxiliary. But let there be no lack of repetition: considering war as a whole, the air arm is and must be dominant.

To say that aviation is dominant is not to say that the Air Force must dominate. For

American air power consists of all planes which can contribute to the primary purpose of controlling the air and to using that control, over land or sea, be they Air Force, Navy, or Marine. The Air Force would have us make the simple identification: Air power equals Air Force. Our obsolescent cruiser admirals amiably assist them by insisting that naval aviation is merely a part of sea power, and not air power at all.

Naval aviation, to be sure, does help to control the sea, but its airmen can tell you that their job, first and foremost, like that of any other airmen, is to defeat the enemy air force—or be driven from both air and sea. One can be sure that enemy air leaders in calculating their opposition, do not fail to include the planes of the Navy and Marines. Let us be as wise as they and think of our air power as a whole, however for convenience of operation it may be divided.

To say that aviation is dominant is not to say that we must build our military strength around the B–36, or around any other single weapon or single narrow concept of air warfare. Air power is far broader and more versatile a force than its multiple boards of specialists know, or would have us believe. It is not unreasonable to say that its greatest enemies are those bomber fanatics, or fighter enthusiasts, who, with all too little understanding of air power as a whole or faith in its broad potentials, would limit its development to the narrow sphere which they do understand.

For air power is not bombing alone, nor destruction alone. It comprises that total array of military missions proven and potential, constructive as well as destructive, which can be accomplished through control of the air power to do, as the essential preliminary to determining what our air power shall be, and with it what our total power shall be.

It is impossible to comprehend the means of American victory in war against a major power except through major reliance on strategic air attack. It is possible, however, to inquire into the means, the objectives, the timing, and the byproducts of such attack. It is essential to inquire what else we must do besides strategic air attack, and to support that attack and to follow through to inquire whether our present total air power is properly balanced and properly developed to do those things which we must do at the start of a war, if we are to accomplish maximum results with minimum expense, waste and danger.

In making such inquiries we should forget for the time the old arguments of which service shall have what roles and missions, and what weapons to carry them out. If we can determine the necessary shape of our national air power considered as a whole, for all the tasks which American interests require to be done, it will become relatively simple to dispose the pieces of this air power among the services in accordance with standards of combat as well as dollar efficiency.

As Admiral Yarnell so correctly points out, it is not possible to determine what the shape of our air power, or our military power as a whole shall be, until there is agreement on the war plan and its objective. On this he says, the three services must agree.

Here, I believe, we come to the heart of the controversy. We cannot decide the nature of our military forces without a war plan. But we cannot construct a war plan for the military without first having a statement of the objectives of the United States in case of war, and of the political and economic war plans with which the military war plan must be meshed, which it must support, and by which its nature and objectives must be limited.

This latter statement neither the armed services nor the Joint Chiefs of Staff can write. The day has passed when the armed forces unilaterally determined objective and plan of war. Admiral Yarnell has missed the point; the services cannot write a sound war plan until they are given an objective and a framework from above. There is ample public evidence that the military plan of today is built around terror bombing and bears little relation to our political plans and objectives. The fault for this must be hung squarely on the members of the National Security Council, individually and collectively. For there, and not in the JCS, is the responsibility for writing the basic war policy of the United States.

In war we shall oppose a power capable of gaining control of the vast areas and populations of Europe and Asia. These areas and populations contain resources which we need, and which we must at any event keep from being productively used by the enemy power. That power is a political power operating in the realm of ideas as well as a military power.

Immediately we come to questions which the military cannot answer. To what extent shall we combat those ideas by bombs, and to what extent by political means? To what extent shall we hold or occupy those areas and populations with our own troops, and to what extent by political means?

How shall we conclude a war and restore peace? By destruction and indefinite occupation, or by somehow encouraging the formation of nonhostile governments from the populations of each area, which can maintain order and restore productivity with minimum cost to us? To what extent, to accomplish these things, must we limit the potential destructiveness of our weapons, and guide them into channels of greatest political advantage?

These questions have neither been answered nor faced. Because they have not been, the Joint Chiefs argue interminably about what, in the end analysis, are opposing views of political objectives rather than military methods of attaining a prescribed set of objectives. Each service tries to keep alive a full set of weapons adequate for all possible tasks because the exact tasks to be accomplished have not been defined.

Meanwhile, impatient advocates of economy and efficiency bellow and cast their weight about, demanding the abolition of this, that, or the other force, or its merger and disappearance into something else. If they succeed, they will narrow the range of what we could do in war, and inevitably limit our eventual choice of objectives and strategy. But they will be doing this through the back door, and not on the basis of a well-constructed, positive plan for using the total resources, political as well as military, of the United States to accomplish its basic objectives in war.

There is more than a little suspicion that those who clamor so loudly for unification on the service level do so to cover their inability to face and solve the problem of unification at the level of policy and strategy on the national plane.

For this vacuum of national strategic planning few members of the National Security Council can be held blameless. Ultimate responsibility is, of course, the President's as its head. But the Secretary of Defense should certainly be somewhat curious as to what objectives his Department must prepare to accomplish unless he intends to decide these himself. And should not the Secretary of State be somewhat apprehensive of whether certain professed military objectives might make political and psychological warfare and the reestablishment of peace impossible?

The Air Force, of course, finds the policy vacuum most pleasant; its quasi-official minions can continue to sell the panacea of city bombing without regard to its effect on political warfare. Why then has not the Navy raised the question of our objectives and over-all strategy in war and insisted that the Security Council bring it to decision?

Here, I think, we complete the circle. Aside from any question of their leadership and courage, the Navy's surface-minded leaders cannot propose to the National Security Council an alternative basic concept for fully accomplishing the national objectives in war. They cannot do this because they do not understand, or are unwilling to admit, that the dominant force in war must be aviation.

They continue to talk of "occupying the enemy nation." They appear to have no conception of the potentialities of strategic air warfare in its broadest sense, as distinguished from the narrow one-way street of city bombing. They talk of strategic and tactical aviation—just as do the heavy bomber fanatics—although they were two different things instead of merely two different ways of applying the same weapons and forces.

They will not let the Navy's aviators—who are airmen first and seamen second—discuss what American air power should be, as the balance whole needed to carry out specific national policies, and apart from any squabbles over the roles and missions of specific services. The Navy thus serves to perpetuate, instead of to initiate, the reform of an American defensive system swollen at both ends and weak in the middle.

Now is the time for military statesmen. They need not be airmen, but they must understand the dominance of air, the great potential variety and flexibility of air weapons—and their dependence upon surface as well. They must understand also the relations between military and political force in opposing a power which has both. They will not be found among the bomber, fighter, or submarine fanatics, but wherever they may be found it is time the services let them come to the top, to lead our thinking for a while until these issues can be clarified.

Meanwhile, astute political thinking, and courage, and some willingness to admit previous error, are also required if we are to survive. The Washington Post might lead this parade by admitting that its insistence on putting the form of service unification ahead of the substance of unification of national policy, is putting the cart before the horse.

It might also withdraw its proposal that the three service representatives be removed from the National Security Council. Now, if ever, we need the fullest, broadest presentation to the council of the varying alternatives which we could adopt, rather than a determination by one man whose breadth of vision and capacity for sober reflection are, shall we say, as yet unproved. Beyond this, it is up to the vision and courage of the members of the council, if they would truly serve their country.

ARLINGTON, VA.

Public Works To Restore Employment

EXTENSION OF REMARKS

OF

HON. GEORGE D. O'BRIEN

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Tuesday, July 26, 1949

Mr. O'BRIEN of Michigan. Mr. Speaker, under leave to extend my remarks, I include the following article from the Washington Evening Star of July 23, indicating the need for congressional action to provide a public-works program to restore employment:

An official report of soaring Government payments to jobless workers gave a push today to congressional antidepression campaigns.

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The Bureau of Employment Security announced that unemployment insurance payments hit a record monthly level of $154,696,000 in June.

Robert C. Goodwin, director of the Bureau, said the largest previous total for any one month in the history of the law was $152,096,345 in March this year.

Nearly 100,000 more jobless workers received unemployment benefits each week in June than in May, he said.

Already moving to check this trend, the Senate Public Works Committee yesterday approved unanimously its so-called antidepression bill authorizing the Government to advance $100,000,000 to States and communities for planning a public-works program.

VETERANS' AID EXTENDED

The Senate Labor Committee approved, also unanimously, a year's extension, with some modifications, of the 52-20 jobless veterans' law which is due to expire Monday. This law authorizes Federal payments up to $20 a week for 52 weeks to jobless veterans.

President Truman, who already has launched his own program of directing Government buying and spending in areas hardest hit by unemployment, had urged extension of the law.

The employment security agency said that total unemployment benefit payments during the first 6 months of this year were about $800,000,000. This was almost twice the amount paid out during the same period last year.

The average weekly number of claimants in June was 1,814,000, compared with 1,716,000 in May.

NEW CLAIMANTS INCREASE

Initial claims, representing new unemployment, rose from 337,400 to 341,600 during the week ending July 16, latest on record, the Bureau said.

Continued claims, representing weeks of unemployment among covered workers rose from 1,962,000 to 2,182,600—a new weekly high.

All but five States reported increases during the July 16 week.

"The largest increases in continued claims—46,200 in Pennsylvania, 29,300 in New York, and 16,000 in Alabama—were primarily due to postponed claims (from the July 4 holiday)," Mr. Goodwin said.

He said there were scattered reports of recalls of workers, but they were not extensive enough to be significant.

Alaska Should Have Received Forest Highway Funds

EXTENSION OF REMARKS

OF

HON. E. L. BARTLETT

DELEGATE FROM ALASKA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, July 26, 1949

Mr. BARTLETT. Mr. Speaker, the attention of the House was called the other day to a letter which Mr. Felix S. Cohen wrote to the Washington Post and which was printed in that newspaper commending the House Appropriations Committee for refusing to approve budget estimates of $9,000,000 for highway construction in the national forests of Alaska. In his letter Mr. Cohen made reference to a communication which had previously appeared in the Post from Mr. William L. Baker, editor and publisher of the Ketchikan (Alaska) Chronicle, urging that the appropriation be made. Mr. Cohen described the effort to obtain the appropriation as one which sought "pulp mill access roads in Alaska which would have been spent to consummate a scheme which competent critics have called the most outlandish land grab since Teapot Dome." Further, Mr. Cohen goes on to say:

This scheme * * * contemplates relieving the Alaskan Indians of valuable timberlands and turning their timber over for a song to favored companies. * * * Several responsible firms have decided not to deal in hot timber. Mr. Baker and some of his associates have therefore undertaken to secure substantial Federal subsidies for less squeamish investors. Scruple-swallowing timber companies were informally promised $9,000,000 of public funds for private timber roads which they would otherwise have had to pay for themselves. Such roads would serve no public purpose, they would lie within a private lumber company empire.

Mr. Speaker, there is no doubt whatsoever that Mr. Cohen is a great expert on Indian law. There is no doubt whatsoever that he has ever at heart the interests of the Indian people. I acknowledge those facts freely; likewise I want to say that I hold Mr. Cohen in high personal esteem. Nevertheless, I cannot permit to go unanswered the charges he has made in his letter.

Undoubtedly the "land grab" referred to is in connection with Public Law 385 of the Eightieth Congress. What was the occasion for the passage of that legislation? Briefly, it was passed by the Congress and signed by the President in order that there might be reasonably early utilization of some of the vast timber resources in Tongass National Forest in southeastern Alaska. There was general agreement that Indian land claims—whatever their validity—provided a complicating factor which made venture capital hesitate to enter the area and make the heavy investment necessary in construction of pulp mills and pertinent works. One such installation, Mr. Speaker, will cost anywhere from twenty to thirty million dollars. This is not a case of big business freezing out small business. It is a case of big business or no business at all and to date in Alaska it has been nothing. This is true although there are truly magnificent stands of hemlock and spruce timber to be found there. About the time that House Joint Resolution 205—which became Public Law 385—was introduced there was a change in the economic outlook which made it seem highly probable that investment capital could be induced to enter Alaska and construct pulp mills. It was equally obvious that unless the companies interested could obtain a clear and undisputed right to the timber which they needed they would not make any investment at all. The Indian claims had been pending for years and in 1947, when House Joint Resolution 205 was considered and acted upon, they seemed no nearer determination than when they were first initiated. The same statement could be made in July 1949.

So, the Congress, through the medium of the joint resolution, gave the Forest Service authority to enter into contracts with timber companies, notwithstanding any claims made or to be made by the Indian people. Provision was incorporated so that the money which would accrue from the sale of the timber would be placed in a separate account in the United States Treasury. In the event the land claimed was found to be owned by the Federal Government the money would be retained in the Treasury; if it were found to be the property of the Indians then it would be turned over to them.

The law specifically states that "nothing in this resolution shall be construed as recognizing or denying the validity of any claims of possessory rights to lands or timber within the exterior boundaries of the Tongass National Forest."

This is what is now being referred to as the greatest land grab since Teapot Dome. I fail to see that it was any such thing or that there was any "land grab" at all. Those who joined in the effort to have House Joint Resolution 205 enacted are by implication in the letter referred to above accused of having joined in a plot so nefarious that the Teapot Dome scandal is the only one which truly compares with it. That is arrant nonsense.

If the accusation is correct it must lie against the House Committee on Agriculture. It must lie against the Senate Committee on Agriculture. Both committees reported out the bill. It must lie against the House of Representatives and the Senate of the United States. Both Houses passed the bill. It must lie against the Secretary of the Interior. He, who, above all other officials in this Government, is charged with responsibility for the welfare of the Indians, gave personal time and personal attention to House Joint Resolution 205 and endorsed it. The accusation must lie against the distinguished junior Senator from New Mexico, then Secretary of Agriculture. He likewise endorsed the resolution. It must lie against the President of the United States for signing it. It must lie against the Chief of the Forest Service and Mr. B. Frank Heintzleman, regional forester for Alaska. They were for the resolution. In equal degree the accusation is lodged against Hon. Ernest Gruening, Governor of Alaska. He supported House Joint Resolution 205. In just the same manner the charge must be placed against the Delegate in Congress from Alaska. He was for the joint resolution, and to this day has no guilty conscience on account of the position he took.

This alleged grab was not carried out in stealth or secrecy. Complete hearings were held before the House Committee on Agriculture. Both sides were heard.

The timber at stake is found in Tongass National Forest. It is now the property of all the people of the United States. Its extent is such that from it 25 percent of the newsprint needs of the United States could be met. Its utilization, on sound principles of conservation, would be of material benefit to Alaska. It would provide a year-round industry for southeastern Alaska and if all the timber which could be taken each year under conservation practices were moving toward the pulp mills it is estimated that the population of that area would be doubled. It is obvious what that would

mean to the business of that region. It is obvious likewise that the Indians there would benefit along with their white neighbors in that there would be additional employment and the whole economy would be bettered.

The reference made in Mr. Cohen's letter to turning timber over for a song to favored companies is wide of the mark and grossly inaccurate. The Forest Service called for bids on one block of timber following enactment of House Joint Resolution 205. A successful bid was entered. Anyone could have made an offer. Advertising in media of general circulation preceded the sale which has been made. Parenthetically, it might be said that the very fact that no other timber has been sold is proof positive that the Forest Service has no intention of allowing private companies to secure timber rights until it is made clear that those companies are adequately financed and prepared to start local industries. Had the Forest Service been inclined to divest the southeastern Alaskan Indians of opportunity to make claims to lands, then by now it would have been possible to have transferred all the valuable stands to private companies under long-term contracts. No such thing has been done. That offers an eloquent answer, I should think, to those who believe as Mr. Cohen apparently does.

I can say of personal knowledge that the statement that "scruple-swallowing timber companies were informally promised $9,000,000 of public funds for private timber roads which otherwise they would have to pay for themselves" has absolutely no basis in fact. The decision to ask Congress for a specific appropriation for the forest highways of Alaska was not made until late summer of 1948. The roads sought would not have been roads for private companies. They would have been community roads. One reason why it was felt necessary to ask for a special appropriation was pointed out by Governor Gruening, of Alaska, when he testified before the Senate Appropriations Committee. Governor Gruening said:

> Now, in the forest areas where we are included, it is rather striking that under the formula we are entitled to certain amounts, but the actual appropriations are very different.
>
> I have here the figures for the last 17 or 18 years and during these years we have received something less than $6,000,000 than we were supposed to receive under the formula.
>
> In 1933 under the formula, we were supposed to receive $945,000 for the construction of highways in the forest areas. We received $350,000.
>
> There was a special appropriation that year, and under the formula we were supposed to receive $497,000. We got nothing.
>
> The next year, 1934, under the formula, Alaska was to receive for forest highways, $1,400,000. We got $350,000.
>
> And so it goes on. With the exception of 3 years, we never got what we were entitled to. In most cases we got a relatively small amount of the proportion we were entitled to.

When Mr. Heintzleman, regional forester of Alaska, testified before the Senate Appropriations Committee, he was specific in stating that if appropriated the road money would not go for private roads. He said:

> If we are to get these plants in southeastern Alaska, it is going to be necessary to have better community facilities. We want these plants in existing towns. * * * But one of the things especially needed is roads and the Government is looked to to build the roads to serve these communities. The Tongass National Forest, which is Government-owned land, covers most of southeast Alaska and extends practically to the limits of the towns. Therefore, the roads of this entire region are logically national forest roads and are built and maintained by the Government.

I for one am not going to lose any sleep over being accused of having gone before the Appropriations Committee to ask for $9,000,000 for roads for private companies. I did no such thing. I asked for proper Federal attention to road construction on Federal land in an area of 35,000 square miles which has now about 175 miles of highways. And I do not believe that Governor Gruening and Senator Magnuson, who also urged the appropriation be made, will agree any more readily than I that they made their arguments for this money in other than the public interest. Mr. Baker, to whom Mr. Cohen pays his respects, is labeled as being out of order in asking Congress to do something constructive after all this time so that roads might be built over federally owned lands. Mr. Baker has demonstrated himself time and time again to be a friend of the Indian people of Alaska. It is most unfair to attack him if he desires some roads to be built in southeastern Alaska and some pulp mills to be established there.

Ever since I have been Delegate in Congress I have maintained that the Indian people of southeastern Alaska—and I want to say here they are a superior group of citizens—should have every last opportunity to make their claims to land and to have those claims fairly investigated and adjudicated. In fact, I introduced a bill whch met with the hearty approval of the Alaska Native Brotherhood to bring about a final and definitive conclusion to this long-standing and irritating problem, one which has troubled both the Indian and white people. I have always said that I would resist to the utmost any move to extinguish arbitrarily any rights which they asserted. I do not consider Public Law 385 to be such an extinguishment.

One difficulty in all of this is that too many of those who aline themselves with the Indian cause—and who do not happen to live in Alaska—state categorically but altogether improperly that the lands which the Indians claim are theirs without any doubt whatsoever. Of course, this is simply not so. That is what we must find out. To date there has been more talk than action, and the time has come when something ought to be done. It ought to be done in all fairness to the Indians. If they are found to own land in southeastern Alaska or in any other section of Alaska they should receive it as their right. Their claims if proved would override the Government's claims insofar as they are contained in the Executive order creating Tongass National Forest because that order expressly stated that the lands included within the boundaries of the forest were subject to existing rights.

I have made this rather lengthy explanation because I do not believe it is right to let go unnoticed the kind of attack which has been made in this case. It has no basis in fact, it is founded on a set of misstatements and it does a grave disservice to the cause of Alaska and Alaskans—Indians as well as whites.

Soviet Union Committing Genocide

EXTENSION OF REMARKS

OF

HON. LAWRENCE H. SMITH

OF WISCONSIN

IN THE HOUSE OF REPRESENTATIVES

Tuesday, July 26, 1949

Mr. SMITH of Wisconsin. Mr. Speaker, "genocide" is the newest legal term in international law. In brief "genocide" means "race murder" or "nation murder." It was defined by the Convention of Genocide as an act which is committed "with intent to destroy in whole or in part a national, ethnical, racial, or religious, group as such." The General Assembly of the United Nations which met in Paris last December and accepted the Convention on Genocide, said that it was the intent of the Convention that persons committing any of these acts of genocide are to be published not only if they are public officials but even if they are state rulers.

Mr. Speaker, I submit that if the information which is contained in news articles today is correct, then Joe Stalin and his official family should be charged and tried for violation of the acts of genocide as approved by the United States at the Genocide Convention at Paris last December. The report, Mr. Speaker, charges that the Soviet is uprooting 400,000 Jews from the Ukraine and White Russia and deporting them to Archangel and Siberia. Here is a challenge to the United Nations to ferret out the facts and to report if these news stories are correct. If they are, the United States should promptly repudiate the Convention of Genocide, which is now pending before the Senate for ratification.

Mr. Speaker, under leave to extend my remarks, I am including a news article which appeared in the New York Times on Monday, July 25, 1949:

> SOVIET IS ACCUSED OF UPROOTING JEWS—ANTI-COMMUNIST LEAGUE SAYS BORDER AREAS ARE CLEARED FOR POSSIBLE WAR
>
> LAKE SUCCESS, July 24.—The Soviet Union was accused today of uprooting thousands of Russian Jews from the Ukraine and White Russia in brutal and sudden deportations to clear its border zones for possible war.
>
> In a letter sent to Trygve Lie, Secretary General of the United Nations, the American Jewish League Against Communism, Inc., charged that the Moscow government had been dispatching secret police squads into the two Republics to round up the anti-totalitarian Jews, cram them into railroad

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cars and ship them to forced-labor camps in Archangel and Siberia.

The charge was made by the executive director of the league, Rabbi Benjamin Schultz, who told the House Committee on Un-American Activities 2 weeks ago that there was a deliberate Communist conspiracy to inflame religious and racial minorities against this country. Rabbi Schultz said he was appealing to Mr. Lie in the name of humanity to use United Nations facilities to end the infraction of human rights.

Estimating that the total Jewish population affected by the alleged deportation program had reached 400,000 in the two Republics, Rabbi Schultz said that Premier Stalin, like the Czar in 1914, was shifting the Jewish families because he did not trust their loyalty to his tyrannical regime, and as suspected recalcitrants they must be kept safely in the interior and not left at the borders when war threatens.

NOTES AREAS AT BORDER

Specifically, on the issues of war preparations, the executive director of the League noted that "White Russia and the Ukraine are at the borders of the Soviet Union" and said that Stalin was "preparing for an international conflict."

There is a second motivation for the anti-Jewish program, Rabbi Schultz contended, and that is the desire of the Kremlin authorities to appease the anti-Semites in an area where "anti-Semitism has always been strong." With the Soviet regime "currying favor" at the expense of the Jews, Rabbi Schultz continued, the Jewish masses are for the first time feeling the effect of Moscow's "new anti-Semitic policy, heretofore confined to the intellectual classes."

According to Rabbi Schultz, Russia's secret police arrive suddenly with patrol wagons "and in a few hours Jews are prisoners on trains, bound for forced labor in the frozen wastes around Archangel or in Siberia."

"In towns that the NKVD has not yet reached," according to Rabbi Schultz' letter, "the bazaars are filled with Jews selling all their possessions to the peasants for a song in anticipation of being deported."

"This latest enormity came to light when Jews in Poland tried to maintain their regular correspondence with relatives in the Ukraine and White Russia," the league official said. "For some weeks all letters have come back marked 'Vozvratit adressat vibil,' meaning 'returned to sender—addressee has left'."

The league charged also that a purge of intellectual Jews was under way, and it was specifically charged that Itzik Pfeffer, described as a leading Jewish writer, has been missing for months.

Rabbi Schultz said that he was appealing for United Nations action and for cancellation of the deportation orders. Also, he said, he is asking for the return of the Jews to their homes and for the insuring of their civil rights, when and if they are returned.

Officials of the organization were not available tonight for comment. A spokesman for the league said that the appeal was being made on moral grounds rather than legal grounds.

OTHER DEPORTATIONS REPORTED

WASHINGTON, July 24—Russia, seeking to suppress any internal dangers along her frontiers, is reported to have removed perhaps as many as a quarter million persons in mass deportations. This appeared to be one explanation today for obscure references in the Russian publication Komsomolskoya Pravda.

A Moscow dispatch by Associated Press Reporter Eddy Gilmore, discussing the general economic and political situation, referred to the article. It mentioned that the function of military suppression inside the country now had been removed but said the function of military defense against attacks from outside still remained. This suggested that the Soviet Government now was confident about its own internal areas.

Information current in Europe and now reaching official Government observers here includes reports of mass deportations of peoples of non-Russian birth or descent from the perimeter zones of the Caucasus and Baltic regions, it was learned.

These reports say that in the Caucasus, particularly along the Iranian border, Soviet security forces have removed an estimated 50,000 persons. This is a sizable number for such a sparsely inhabited region. They include peoples of Greek, Turkish, and Iranian birth or parentage, with a higher percentage of Turkish peoples involved.

To the north, deportations in the Baltic area may have reached as many as 200,000 in Lithuania, Latvia, and Estonia, it is reported.

Income-Bearing Property Ought To Pay Tax

EXTENSION OF REMARKS

OF

HON. NOAH M. MASON

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, July 26, 1949

Mr. MASON. Mr. Speaker, as further proof that this tax-dodging racket is becoming so common as to become a serious menace to Government Treasury receipts, I include an editorial from the Courier-Journal, of Louisville, Ky., which cites another plan by which the University of Louisville can profit through another tax-dodging scheme.

Mr. Speaker, twice on the floor of the House I have called attention to the fact that the University of Louisville, Louisville, Ky., is to benefit from the receipts of the famous race track known as Churchill Downs because the race track is to be taken over by a tax-free foundation, and a large part of the profits from the tax-free admission tickets, tax-free paddocks, and tax-free parimutuel percentages is to be turned over to the university. I have received a protest from the university concerning my statement with an explanation of the situation regarding the proposed future relationship that will exist between the university and the foundation—an explanation that did not explain. That letter of explanation was inserted in the RECORD by the gentleman from Kentucky [Mr. MORTON].

The editorial from the Courier-Journal of Tuesday, July 19, 1949, follows:

INCOME-BEARING PROPERTY OUGHT TO PAY TAXES

The University of Louisville is the object of local pride and interest, one of the city's great social assets. It is easy, therefore, to plead such a case as that which is presently being discussed. This is the idea that the university buy part of Lincoln Park, build on it and rent the property. From the operation, it is calculated, there will be enough to pay off the investment in 33 years and leave a balance, about $25,000 a year, for the university budget.

The result would be obtained by invoking the principle of tax exemption for property of educational institutions. However, tax exemption in this case would be an abuse of the principle. The Courier-Journal has long felt, and many times has expressed an opinion to this effect, that it is unfair and dangerous to exempt from taxation the income-bearing property of schools, charitable institutions, or churches.

Supporting this thought, in recent years there has been a trend of courts to look critically at historic exemptions under section 170 of the Kentucky Constitution. Three years ago, in an opinion that a church-owned property rented to a private business should be taxed, Judge Lawrence Speckman said: "The courts must stand firm against any abuse of the exemption allowed under the constitution and the laws of the Commonwealth so that the burden of carrying on the government may be borne equally by all its citizens."

What the judge seemed to say was that exemptions of the sort are unfair because they force all other property owners who do pay taxes to contribute to the tax-free church or institution.

But these are worthy causes, you may say. To be sure. However, everything else that a government supports through its tax revenue is a worthy cause, or else it has no place in the budget. City taxes on a development such as proposed at Fourth and Guthrie are calculated at $63,360 a year. This would be lost if the exemption were allowed to the university as owner. By extension of the principle, more and more valuable property might be acquired by churches, schools and eleemosynary institutions until larger and larger chunks of the public tax assets would be gone. There would be less and less public money for services.

The problem of tax exemptions is very real to Louisville. The title of much valuable downtown property rests with institutions claiming immunity—the Kenyon Building, the Greyhound Bus Station, the Steiden and Kaufman-Straus stores on Fourth Street, for example. The title holders include Union College of Barbourville, the Baptist and Presbyterian seminaries, the Free Public Library, the Home of the Innocents, the Children's Free Hospital and many others. While the court of appeals in 1946 began upsetting old concepts of exemption rights, there is still need of definitions.

The Lincoln Park proposal is the third of the sort heard in the last year in behalf of the University of Louisville. There were also suggestions, however vague, involving the street-railway system and Churchill Downs. Motives in every case have been mixed and hazy. It is greatly to be feared whether the cause of the university, its place in the public regard, has been enhanced by natural human suspicions (whether or not justified) that stockholders, brokers, or promoters had their eyes on the results; that the university could just possibly be a convenient worthy cause.

And we find it doubtful that the University of Louisville or any other institution would profit in the long run by the additional revenue from such investments. The addition might very well turn out to be fictitious. For it is obvious that public budget makers, aware of the institution's commercial revenue, would be influenced by the natural thought to cut off their appropriations.

The arrangement, then, leads to a temptation to evade responsibility all around. The budget makers would feel their responsibility lessened. The institution—a church, a school, a charity service—would find it natural to resort (and it has happened here) to the plan of long-time leases to commercial establishments. In the case of a 99-year lease, for example, who might be said actually to own either land or buildings?

Federal Taxes and Small Business

EXTENSION OF REMARKS
OF
HON. JACK Z. ANDERSON
OF CALIFORNIA
IN THE HOUSE OF REPRESENTATIVES
Tuesday, July 26, 1949

Mr. ANDERSON of California. Mr. Speaker, the following newspaper article from the Redwood City Tribune in California is a graphic example of what the present Federal tax system is doing to small-business enterprises throughout the country.

The failure of Congress to repeal the wartime excise taxes is working a definite hardship on producers and consumers alike. It is high time that the Congress took steps to remove these unjustified taxes at the earliest possible date.

The editorial from the Cincinnati Enquirer further emphasizes the existing situation and should be of interest to every Member of the House.

[From the Redwood City (Calif.) Tribune of July 21, 1949]

JAY-DEE LEATHER CO. TO HALT OPERATIONS

The Jay-Dee Leather Products Co., 803 Shasta Street, will close operations of its Redwood City plant this week, Charles Weeks, president of the plant, announced today.

Weeks said that the failure of the Government to remove the wartime excise taxes, amounting to a 20-percent tax on the company's products, was the factor that resulted in the closing of the factory.

The president said that the disastrous long-range effect of the excess-profits taxes, renegotiation of contracts, and continuing heavy taxes of all kinds had stripped the company of its operating funds.

Since the end of the war, Weeks stated, other factors beyond the control of the factory have prevented profitable operations of the company. He cited sharply increased freight rates which he claimed excluded the company from doing business in eastern markets. Weeks also said that the transportation and warehouse strikes in San Francisco and elsewhere prevented the company from continuing its operation here.

The Jay-Dee Co., which manufactured leather goods, started in operation in San Carlos in 1938.

J. D. Lynch created the business originally in 1935 as a "bedside" enterprise. Lynch had been ordered to bed by his doctors because of ill health and opened the business at his San Carlos home. The business grew and developed, and in 1940 the manufacturing company moved to Redwood City. At peak operation, Jay-Dee provided employment to 185 persons and had an annual pay roll in excess of $500,000.

During the war years the firm manufactured articles for the Navy.

The firm experienced its first production cut in 1947 and Weeks announced that the active pay roll had shrunk from 185 to 50.

The company had experienced a previous set-back in business after the refusal of meat packers to sell hides at OPA prices in August of 1946 had practically shut down operations at the plant.

Weeks said today that the directors of the corporation had taken action to close the business and wind up the affairs of the company at once.

He did not indicate whether there was any possibility that the Jay-Dee Co. would open again or what would happen to the company's Shasta Street building.

[From the Cincinnati (Ohio) Enquirer of April 28, 1949]

SOME OUT-OF-DATE TAXES

During the war, and for a time thereafter, there was justification for special taxes on so-called luxury items. Under this program some things which were not strictly classifiable as luxuries also were taxed—quite frankly, to discourage public use.

This was the case particularly with travel fares, telephones, and telegraph. These facilities already were jammed to capacity, and the function of the tax upon them was to make them as unpopular as possible, as well as to raise some additional revenue for wartime needs.

The justification for the special taxes upon such items now has disappeared completely. The National Federation of Independent Businessmen, an organization which represents the grass roots of American business, announced the results of a poll of its membership the other day, and 56 percent favored elimination of the so-called luxury taxes on such items as women's handbags, theater and sports tickets, telephones, and travel fares.

A woman's handbag is hardly a luxury (ask any woman who tries to do without one). Sports and theater tickets hardly can be classified as luxuries in peacetime, when almost every family budget makes some allowance for entertainment or recreation, however slight.

Canada has removed the wartime luxury taxes, and as a result a very incongruous situation has arisen. Travel tickets intended for use in the United States can be purchased through a Canadian ticket agent for 15 percent less than in the United States. In the case of a round-trip transcontinental air-line ticket, the tax differential amounts to $44.96.

We do not think that Congress intended for the wartime luxury taxes to remain as a perpetual burden on goods and services which certainly are not in the luxury class in peacetime.

Straw Man for 1950

EXTENSION OF REMARKS
OF
HON. JOHN C. KUNKEL
OF PENNSYLVANIA
IN THE HOUSE OF REPRESENTATIVES
Tuesday, July 26, 1949

Mr. KUNKEL. Mr. Speaker, the Christian Science Monitor has long enjoyed the reputation of being fair and impartial in its views and opinions on controversial current issues; consequently, when the Christian Science Monitor states its views, its analyses carry added weight. I strongly feel that their editorial on July 22, called Straw Man for 1950, should be read by everyone. It is directly in line with my own views concerning the tactics used and I also include an extract from a radio speech of my own delivered over Station WHP in Harrisburg and Station WLBR in Lebanon on July 10, 1949. This is something the general public is beginning to realize more and more with each passing day.

For their own protection, everyone should know it. Otherwise we will never secure the fair and impartial kind of labor-management law which the vast majority of the American people demand.

[From the Christian Science Monitor of July 22, 1949]

STRAW MAN FOR 1950

Washington observers are saying that there is no chance of any kind of labor legislation this year. One labor expert believes the Taft-Hartley Act will stand unchanged at least until after the 1950 elections, and that union leadership would have it so.

If these opinions be correct, here is a situation which should not go unchallenged. Purposefully maneuvering to keep the very law on the statute books that they so manifestly want repealed, because a more lenient law would be harder to attack, may be smart politics for the unions. But it is also bad politics in the eyes of those who are interested in bettering labor-management relations.

We believe most Americans care neither about a victory for industry nor a victory for labor. They care very much about better teamwork between the two, and they are interested in a legislative framework which promises to further it.

It would still be wiser, in our view, to have improvements on the Taft-Hartley Act bear the names of such Congressmen as Senators IVES, MORSE, and DOUGLAS. For one thing, the sooner labor relations becomes a nonpartisan issue the better for the country. For another, the unions have made the name TAFT into a shibboleth. Regardless of the gross injustice to Senator TAFT, it is a needless handicap to labor legislation.

Nevertheless, the Taft amendments would appear to improve the Taft-Hartley law greatly. Strangely enough, in the light of the unions' attack, these are largely improvements which would meet many of labor's most vigorous and valid objections to the 1947 law. If the amendments offer the most expedient answer for opposition to this do-nothing stratagem, we would support them.

If Taft-Hartley is not to be preserved as a straw man for labor to point to and knock down in 1950, then it is up to probusiness conservatives as well as to middle-of-the-roaders to do something about it. Energies hitherto devoted to defending every jot and tittle of the current law, and even to adding tougher syllables, might now be directed toward more promising goals.

TAFT-HARTLEY LAW TACTICS

(Radio speech by Hon. JOHN C. KUNKEL, Member of Congress, of Pennsylvania, over Station WHP, July 10, 1949)

The Senate has now passed a labor-management relations bill revising the Taft-Hartley law. In substance, it is much like the Wood bill which was recommitted several months ago in the House. It knocks out those provisions which experience has shown were unworkable and also those which were unfair to labor. No one ever contended that the Taft-Hartley law was the final answer to the labor-management problem, but I believe the great majority of the American people find that it was a necessary step in the right direction—laying a foundation upon which an intelligent policy to secure the maximum of industrial peace could be built. There are 28 changes in the new bill. These changes are based on experience and recognize all the just complaints of labor against the Taft-Hartley bill. They are all in line with the Republican pledges to correct any errors in that law while preserving the good features of it. It is the kind of a law the American people want because what the great majority in this country do want is a law fair to management, fair to labor, and which protects the interest of the general public. It preserves the injunction in the form used in the Taft-Hartley law, only by petition of the Attorney General and only if the strike or threatened strike would interfere greatly

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with the national welfare. Plant seizure is also authorized as another means of preventing such strikes.

No one knows what will now happen in the House. President Truman still insists on complete repeal of the Taft-Hartley law. The Wood bill, which the administration succeeded in having recommitted by a three-vote margin, was substantially the same as the new Senate bill. President Truman considered it a great victory to have this law, which cured nearly all of the sound objections of labor to the Taft-Hartley law, recommitted to the House Committee on Labor. I disagree thoroughly with Mr. Truman about this. There is a strong feeling on Capitol Hill that the President wants to keep the Taft-Hartley law on the books intact, particularly to keep its bad features on the statute books, because he and his political advisers feel that an unrevised act is worth more politically than a revised one. In other words, he wants to keep all the objectionable features of the Taft-Hartley law in operation because he expects in that way to increase the opposition to the Taft-Hartley law. Then he will try to capitalize on the opposition to the Taft-Hartley law in the 1950 and 1952 elections. I don't believe that he will be able to put this one over. The American people realize that the Republicans have made a sincere effort to work out this law to be fair to everyone—to labor, to management, and above all to the public. If the President insists on using his influence to choke off the efforts to write a better and more sound labor-management relations law, workers—nonunion and union—and the public will be aware of the tactics used and the reason for them.

Bob Taft, a Great Statesman

EXTENSION OF REMARKS

OF

HON. NOAH M. MASON

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, July 26, 1949

Mr. MASON. Mr. Speaker, who in the Congress today might be considered the "greatest Roman of them all"? Senator ROBERT A. TAFT. His leadership in the Eightieth Congress and his masterly handling of the attempt to repeal the Taft-Hartley Act in the Eighty-first Congress have placed him head and shoulders above anyone else.

BOB TAFT may have neither mass appeal nor political color, but he does have what it takes, brains, guts, and integrity—qualities altogether too scarce today in legislative halls. Taft is not a dodger; he meets issues head on. In the Eightieth Congress the labor issue was a red-hot one. He accepted the chairmanship of the Senate Labor Committee and assumed the responsibility of drafting legislation to straighten out the labor troubles that were threatening to strangle our national economy. This brought upon him all the abuse and the dead cats that the labor bosses could throw at him, but he kept right on. Almost single-handed he won a clear-cut showdown fight to retain the main features of the Taft-Hartley Act.

Another red-hot issue that BOB TAFT refused to dodge is the proposed Atlantic Pact and the obligation under the pact to rearm Europe. TAFT met that proposal head-on and pointed out just what it means. In this matter he took issue with both Senator VANDENBERG and Senator DULLES.

Mr. Speaker, labor bosses, New Dealers, internationalists, and others have already made plans to defeat BOB TAFT for reelection to the United States Senate in 1950. I predict that more money and effort will be expended in Ohio against TAFT than will be expended against all other senatorial and congressional candidates combined. Why? Because the labor bosses would rather defeat TAFT than all the other Members of Congress who voted to override President Truman's veto of the Taft-Hartley bill.

BOB TAFT is the foremost figure in American public life today. If he comes through his senatorial battle in 1950, nothing can stop him from becoming the Republican presidential candidate in 1952. That means Bob and Martha would occupy the rebuilt White House.

Excise Taxes Can and Should Be Cut

EXTENSION OF REMARKS

OF

HON. WILLIAM L. PFEIFFER

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, July 26, 1949

Mr. WILLIAM L. PFEIFFER. Mr. Speaker, under permission to extend my remarks, I include the following editorial which appeared on July 13, 1949, in the Union Sun and Journal of Lockport, N. Y.:

EXCISE TAXES CAN AND SHOULD BE CUT

The deficit of nearly $2,000,000,000 in the Federal budget operations in the year ending June 30 may seem to give some color to the administration argument that taxes cannot be cut. However, if the $2,500,000,000 or $3,000,000,000 of savings the Hoover Commission reports say are possible should be put into effect, taxes could be cut.

A new demand came along with the budget deficit announcement that the excise levies at least be cut, if not repealed. These are those high sales taxes which you pay on railroad tickets, telephone service, luggage, cosmetics, baby powders, and so on. They definitely add to the price, by as much as 25 percent in some instances. They are an unfair form of levy, particularly upon parents of babies, and business concerns which have much wire and trave' operations connected with them.

We don't mind definite luxury taxes, such as on alcoholic drinks, tobacco, and other nonessentials. But when they hit hard at your car, your gasoline bill, and other necessities, they form a drag on living on accustomed standards.

In some instances, these excise taxes could be cut in half and the Government would be no worse off. The additional sales possible under a 10-percent tax would bring in revenue to make up what is now taken with a 20-percent levy.

In other cases, there might be revenue losses. Highest estimates of possible decrease if these levies were halved run from $550,000,000 to $750,000,000 in taxes. But that's not an insuperable loss if the Government would put some of the Hoover economies into use.

The fault with the excise tax is that it is politically easier to place. The buyer often confuses tax with price—as you do if you say gasoline costs 25 cents a gallon—and blames the seller. The latter, of course, is helpless. At his own expense he has to collect a quarter or more or less of his price for Uncle Sam. This artificial price-booster system should be beaten down.

A Word to the Wise Should Be Sufficient—Are We Wise Enough To Learn Anything From the Failure of Socialist Britain?

EXTENSION OF REMARKS

OF

HON. GORDON L. McDONOUGH

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, July 26, 1949

Mr. McDONOUGH. Mr. Speaker, the socialist experiment in Great Britain has given us an opportunity to examine its effects upon the freedom of the individual and upon individual initiative and enterprise. And the reports that we are receiving on this experiment bear grave warning of what we must expect if we continue to follow the British into socialism.

The following article is a reprint from the Sunday Post, a Glasgow, Scotland, newspaper, and it contains a preview of what we can expect in the United States unless we wake up to the rapid encroachment of socialism which is going on and is being promoted in the United States every day:

THEY DON'T LIKE IT OVER THERE

One of our subscribers in Socialist Britain sends us this clipping from the Sunday Post—a Glasgow, Scotland, newspaper:

"The Midland Electricity Board is to operate a sales and repairs service for radio and television.

"It will do this from more than 90 centers, covering 966,000 customers.

"This is the first time the Government has come into the open in their policy of competing with the small-shop keeper.

"But the policy has been going on insidiously during the last few years. More and more different goods and services are coming within its scope.

"Did you know, for instance, that the Coal Board retails coal as well as producing it? The board has 840 retail businesses.

"This means they are supplying direct to industrial and domestic consumers 35 percent of our home consumption of coal.

"The board also runs 83 brick works. These produce 10 percent of the output of bricks in this country. These are sold direct to builders' merchants.

"The state already owns 211 pubs; 178 are in the Carlisle area, 15 in Gretna district, and 18 in the Cromarty Firth area.

"With the coming of state towns, the Government has power to set up more pubs. Forty new towns with an average population of 60,000 are planned. This means roughly 1,600 new pubs owned by the state.

"Moreover, Mr. Ede has made it clear the state has powers, which it will not hesitate to use, to run its own breweries.

"There are 678 British restaurants. The Ministry of Food can refuse licenses to small men who wish to start restaurants. At the same time, they can grant licenses for state-run restaurants.

"The state also has power to provide whatever entertainment it thinks fit in its restaurants. So it isn't far-fetched to envisage the government even going into the dance band business.

"If the Steel bill goes through, the state can take over 107 firms and 250 subsidiaries dealing in such varied products as umbrellas, hairpins, tennis rackets, bedstead parts, fertilizers, and insecticides.

"A growing practice of late has been to steer new tenants in housing schemes into buying furniture from cooperative stores and big combines.

"On taking over a new house, some tenants have actually been handed a chit telling them where they can get furniture on favorable terms. You can be sure it's not the small man who benefits from this.

"Recently a new housing estate on the outskirts of London was found to be so badly sited that tenants' furniture was ruined by dampness. The local authority admitted responsibility. It offered to replace the furniture, but tenants were allowed to get replacements at a big store nominated by the authorities.

"Under the new housing bill, published last week, powers are sought for local authorities to sell furniture, or supply it on hire purchase, to tenants of housing schemes.

"The running of laundries and restaurants by local authorities at these schemes is also provided for.

"If the small man could compete on equal terms with the State, it wouldn't be quite so bad. But in these days of short supplies and controls, the odds are heavily against him getting a square deal.

"For example, in selling electrical equipment, from lamps to cookers, the electricity board gives customers 3 months' credit. How many small shopkeepers can compete with that?

"But the most significant feature of municipal trading is that there's no need for the authorities to produce a balance sheet. If they trade at a loss, they do so at the ratepayers' expense.

"The ratepayer doesn't know how his money is being squandered.

"There's nothing to stop local authorities subsidizing their trading from the rates. It's suspected this is happening in some cases.

"What's the retail trade's answer to all this?

"They defy the Government or town councils to compete with them on equal terms.

"As it is, more and more small shopkeepers are being forced out of business. Since the war 3,000 have gone bankrupt or given up because they know they don't stand a fair chance against State or municipal trading."

Harry Truman, the CIO, and millions of bemused voters in the United States: Please note.

The Problem of Fats and Oils

EXTENSION OF REMARKS

OF

HON. CHARLES B. HOEVEN

OF IOWA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, July 26, 1949

Mr. HOEVEN. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following statement made by Carl H. Wilken before the Committee on Agriculture today in support of legislation which would establish an average parity price for fats and oils and aid in maintaining such parity price to producers. Mr. Wilken's statement is most informative and should be brought to the attention of all Members of Congress and the country.

STATEMENT OF CARL H. WILKIN, ECONOMIC ANALYST, RAW MATERIALS NATIONAL COUNCIL, SIOUX CITY, IOWA, BEFORE THE HOUSE COMMITTEE ON AGRICULTURE

Mr. Chairman and members of the committee, I am appearing in behalf of the Raw Materials National Council of Sioux City, Iowa, and the Tung Council of America. The first organization is a research organization and the second is an organization of tung growers and producers of tung oil, a strategic material both in peace and war.

First of all, I would like to point out that the Granger bill, providing for an equalization fee on all principal fats and oils, is similar in purpose and wording to the Colmer bill. The Colmer bill specifically names the fats and oils which are to be considered as principal fats and oils.

Knowing as I do the consumer complex within the Department of Agriculture, I feel that it is necessary to specifically name the fats and oils which are to be affected by the bill in order that an arbitrary ruling by some official will not rule out tung oil, corn oil, and some of the other important oils because of their relative volume.

In my opinion, the type of legislation incorporated in the Granger bill is long overdue and the most important legislation to come before the session of Congress. In fact, I don't give it second place to the funds provided for European relief, the European pact, or funds for our national defense.

Why do I consider this legislation so important? On May 18 I testified before the Pace committee on farm legislation and pointed out that each $1 of gross farm production creates $7 of national income. Many of the members of this committee will recall that I have continuously pointed out this simple fact for the past 10 years.

The experts in the various departments of Government have never refuted this factual ratio but on the other hand they have failed to use it in pointing out to the public that we cannot maintain full employment in the United States and create a national income which will permit our economy to operate solvently unless the farmer is paid an average of 100 percent parity at the market place by the rest of society. Further that in supporting farm prices at parity we automatically support the wage income and income of every other segment of our economy.

In spite of the reluctance of the so-called experts to recognize this seven times turn of gross farm income, it is gradually receiving recognition. I was rather interested on June 13 this year to hear Governor Turner of Oklahoma use it in a short talk to an audience in Des Moines, Iowa. A few minutes later I heard Vice President BARKLEY use it in his discussion.

In 1947 I prepared our research material in book form and sent a copy to all Members of Congress, under the title "Prosperity Unlimited—The American Way." I was therefore much interested when I heard the Honorable Vice President use the almost exact tabulation which I set out in the book to point out to his audience that gross farm income and factory pay rolls rise and fall together.

Knowing these facts, I also know that unless we can maintain an average of 100 percent of parity for agricultural production, that the United States cannot operate at a solvent level, that we cannot fulfill our promises to the rest of the world and we will ultimately land in a depression which will be of more aid to communism than all the armies that they may be able to put in the field.

PRICE SUPPORTS

Congress for 20 years has been actively considering farm legislation that will sustain the income. Most of it has been of a temporary nature, thus adding to the continuous confusion within our own economy and that of the entire world.

At the present time conferences are being held in London and in our own capital because we suddenly find ourselves and the rest of the world in a state of depression. In our own country, instead of having full employment as we did in 1948 and a surplus in the Treasury of approximately $8,000,000,000, we now find ourselves with approximately 10,000,000 workers either unemployed or working on a part-time basis and a deficit in the Treasury as of July 1 of approximately $2,000,000,000.

What caused this change? The seven times turn of gross farm income. In the year 1948 35 leading commodities averaged approximately 186 percent of the 1926 price level (Associated Press commodity index). During the month of September last year the average was 186. At the present time it is approximately 151. This change represents a drop of approximately 19 percent.

In 1948 our national income was approximately $225,000,000,000. Assuming that we maintain the same physical production, the 19-percent drop in our price structure represents a potential drop of approximately $42,000,000,000, if prices of these commodities stay at their present level and finished-goods prices adjust themselves downward to conform to the base price of our new wealth production.

The depression has been somewhat confused and alleviated by wage payments to those who are unemployed and other Federal spending from current tax receipts. The change from an $8,000,000,000 surplus to a $2,000,000,000 deficit in 12 months reveals this fact.

WHAT CAUSED THE PRICE DROP?

The drop in commodity prices was precipitated by the administrators of the fats and oils control program voted by Congress. Senator MAYBANK in a hearing before the Senate Banking and Currency Committee said they handled the program miserably and Senator GILLETTE in a hearing on fats and oils before a subcommittee in the Senate of which he is chairman, said they handled it ineptly.

Anyway as a result of their failure to make proper allocations for exports of fats and oils and permitted unlimited imports, we had a net import of 840,000,000 pounds of fats and oils in 1947 and 1948. This destroyed the price level for all our fats and oils—the price of lard dropping from 28 cents a pound to approximately 11 cents and all other fats and oils in proportion.

In the case of tung oil which had a price ceiling under the OPA of 38–28 cents per pound the current price is 19 cents. Our total production of fats and oils is approximately 10,000,000,000 pounds. The price drop was approximately 15 cents per pound or a total drop of $1,500,000,000. Applying the 7 times turn of gross farm income into national income this represented a potential drop of $10,500,000,000 of national income.

At various times I have made the statement that if I had the power to control the prices of fats and oils, I could control the income of the world. Fats and oils are nature's concentrated food product with each pound having approximately 4,080 calories as compared to approximately 1,680 in a pound of dry-wheat flour. Fats and oils are the end result of much of our agricultural economy.

The drop in the price of fats and oils pulled down the price of hogs because of lard production. It pulled down the price of corn because of the drop in the price of corn oil a byproduct of the corn-refining industry. It pulled down the income of our dairy industry through lower butter prices. It curtailed the income of our cotton producers through lower prices for cottonseed oil. In fact it started the endless chain of lower

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prices and loss of national income which has brought us face to face with a serious situation in our own economy and that of the entire world.

Lower prices for the 35 leading commodities many of which are produced in the British Empire, particularly in the areas dominated by pound sterling, has destroyed the income and in turn the market for British goods and she faces bankruptcy.

WHAT CAN WE DO ABOUT IT?

First, the Congress of the United States ought to make the frank declaration to our own people and the rest of the world that we must maintain our farm price structure with at least minimum price floors at 90 percent of parity and protect them with any and every means at our disposal.

Second, that we cannot support our farm prices at parity without an import or equalization fee at the parity level for all commodities.

Third, from that as a foundation, we stand ready to help the rest of the world reorganize its foreign exchange and price level in line with the value of the American dollar and the American price level which in terms of gold should be 69 percent above the 1925–29 price level in order that we have a parity between the price of gold and commodities, the production of which through price determine our income or ability to consume.

In the past 6 months there has been a slow realization among Members of Congress that the reciprocal trade agreement policy of tariff reduction is jeopardizing our price structure.

For example, on June 30, the Senate extended the controls over imports of fats and oils because we might find it necessary to keep out fats and oils in order to protect our price structure.

Senator DOUGLAS, of Illinois, on page 8731 of the CONGRESSIONAL RECORD of June 30, pointed out that without these controls, the imports of linseed oil would completely undermine our price supports for flaxseed and force us to support the price of all the flaxseed in the world. Senator PEPPER on the same page asked whether the controls could be used to protect the tung-oil industry which is facing bankruptcy because of the importations from China.

I might add that in the next 12 months unless we have legislation of the type incorporated in the Granger bill, our oil wells in Texas, Oklahoma, and other States will be operating on a quota basis while imports from the Far East supply our market. Iron ore will be coming in from Africa and Brazil to supply our blast furnaces in the Pittsburgh area and also in the steel production area in Alabama. I could give you many other illustrations. This displacement will increase our unemployment and further reduce our national income.

In the case of fats and oils, they will continue to flow toward the United States while the rest of the world starves for the lack of fats and oils. In this connection I want to point out that the 10,000,000,000 pounds of fats and oils produced in the United States represents approximately 25 percent of the world's production. We have 6 percent of the world's population and are consuming 25 percent of the world's supply. I challenge any economist to bring forth an economic law that indicates that we should increase our consumption above 25 percent at the expense of the rest of the world and the destruction of our own income and economic welfare.

In my own opinion the so-called reciprocal trade policy of tariff reduction is, and has been the greatest economic misconception in the history of the world. It has made liars and cheats out of every nation that has signed them, including our own.

Hundreds of direct violations of the entire program have been forced upon other nations because of realities rather than the theories which foisted the program upon them. Of recent date are the bilateral agreements of England with Argentina and Russia.

I don't blame England for taking the course she has been forced to take. I blame the theorists and the manipulators of the program for forcing England and other nations into a position of having to accept the program to obtain our aid, with the full knowledge in my opinion on their part that they would be forced to evade their agreement at a later date.

In the same way if we are to operate our economy on a sound basis we are going to be forced to evade the provisions of the treaties which we forced others to accept. If we have the courage to do so we can simplify our whole farm price-support program. With an equalization fee or a tariff at the parity level we can indirectly support the price of 85 percent of American production without any further legislation and what is more important on a permanent basis.

For example we produce about 20 percent of our needs of tung oil. This type of legislation would assure them an American price without question. Then we have wool, legislation of this type would support the price of wool. It would support the price of all our fats and oils, and in turn our feed grains, and livestock prices. It would support the price of petroleum, copper, lead, zinc, manganese, etc.

It would give us the greatest possible amount of foreign trade by protecting the national income and purchasing power for foreign goods.

In my testimony before this committee on May 18, I incorporated as a part of my testimony a tabulation of imports for the past 20 years. The average import during that period was approximately 3.1 percent of our national income.

Therein lies the fallacy of the reciprocal-trade policy as now administered. The United States requires approximately 3 percent of imports to supplement its economy while the European nations approximate a need of 50 percent. To attempt to level off this fundamental difference in natural resources and needs by free trade is the height of economic stupidity. We are merely giving aid and comfort to communism.

In fact Karl Marx in a speech in Brussels in outlining the communistic doctrine said that he was for free trade "because it was destructive and would hasten the day of the revolution."

Our present economic situation is proof of the accuracy of his conclusion. If we persist in trying to support the price structure of the entire world without any protection against the chaotic condition of foreign exchange and political ideologies, we will eventually find ourselves in a state of bankruptcy and Karl Marx's conclusion will be a proved fact. With a bankrupt United States as the result of a low price level forced upon us by free trade, the world will be in a state of economic confusion and chaos, the ideal soil upon which communism thrives.

In conclusion, I would like to point out that an import fee at the parity level is not a barrier to trade but merely an adjustment between price differentials resulting from currency values and wage levels in other nations. It is merely an extenison of the fair trade practice act in our own economy which prevents the deliberate destruction of competitors by large combinations of capital that dominate the markets within the United States. The bill if passed would permit the maximum imports of fats and oils which we may require to supplement our own needs. It merely protects our price level against the importations of fats and oils that we do not require and that the rest of the world so badly needs.

Without such protection the price of fats and oils will destroy our entire economy. We cannot create the national income required for full employment and prosperity with fats and oils selling at 1939 price levels.

The Granger bill recognizes the real fundamentals of the tariff problem as set forth in the Constitution of the United States. I have been unable to find anyone, even among the theorists who is willing to do away with all tariff protection.

Therefore tariffs at the parity level on our agricultural products are merely a matter of equity—equal protection for all groups at a level that will protect our national income and prosperity.

Tribute to Former Congressman Claudius U. Stone

EXTENSION OF REMARKS
OF
HON. HAROLD H. VELDE
OF ILLINOIS
IN THE HOUSE OF REPRESENTATIVES
Tuesday, July 26, 1949

Mr. VELDE. Mr. Speaker, I should like at this time to pay tribute to an outstanding American citizen, a native son of Illinois, former Congressman, lawyer, educator, and outspoken newspaperman, Claudius Ulysses Stone.

Claude Stone was born on May 11, 1879, and was reared in Greenview, Ill., a small town in Menard County. After completing his education, he taught in rural village grade and high schools, and spent a short time as a college instructor. During the Spanish-American War he served as a private and corporal in Company K, Fourth Illinois Volunteer Infantry.

At the early age of 23, he was elected to his first term as county superintendent of schools for Peoria County. During his second term, he was elected president of the Illinois Association of County Superintendent of Schools. In 1911, he was elected to the Sixty-second Congress as a Democrat from the Sixteenth District of Illinois. Subsequently he was reelected to the Sixty-third and Sixty-fourth Congresses and in 1924 was a delegate to the Democratic National Convention which nominated Davis and Bryan in New York City.

It may seem strange that I, as a Republican, should extol the life and works of one who was once so ardent a member of and spokesman for the Democratic Party—but I mention it for a purpose.

The brilliance of Claude Stone's career, his shrewdness, clear thinking, and sound policies could not be reconciled with the New Deal philosophy of the early thirties. He recognized the fallacies of New Dealism and foresaw it as an incurable plague of the Democratic Party. He knew there could be no return to the principles upon which the Democratic Party stood, up to the advent of Roosevelt New Dealism; so he switched his allegiance and political affiliation to the Republican Party.

As editor and publisher of the Peoria Star, Claude Stone has worked diligently and untiringly to further the cause of

good government through Republican administration. He has been an outspoken foe of corrupt machine politics. His service as postmaster of Peoria from 1917 to 1920 and master in chancery of the circuit court of Peoria from 1928 to 1945 will long be remembered by the grateful citizens of central Illinois.

His contribution to education, devotion to duty, record of public service, courageous newspaper work, and unending string of personal accomplishments is seldom, if ever excelled. There are many men who reach the age of threescore and ten, but few there are whose lives have been as fruitful as that of Claudius Ulysses Stone.

Rules of Procedure for Congressional Committees

EXTENSION OF REMARKS

OF

HON. FRANCIS J. MYERS

OF PENNSYLVANIA

IN THE SENATE OF THE UNITED STATES

Tuesday, July 26 (legislative day of Thursday, June 2), 1949

Mr. MYERS. Mr. President, a subcommittee of which I am chairman of the Senate Committee on Rules and Administration has recently been conducting hearings on Senate Concurrent Resolution 2 introduced by the distinguished majority leader, Senator LUCAS. The hearings, I believe, have been most valuable in demonstrating the need for a simple code of ethics for congressional committees so as to protect individuals from unfair and defamatory treatment, instances of which have occurred not often, it is true, but too often in that they should not occur at all.

Senate Concurrent Resolution 2 is not intended to prevent committees from exercising their utmost zeal in uncovering abuses and scandals, and in getting the facts. Its intent is to provide persons who believe their reputations have been defamed by actions of committees or by witnesses appearing before committees an opportunity, under our rules, for a fair defense.

Some decidedly relevant questions have been raised about specific provisions or language of the resolution but on the whole the idea of a fair opportunity for self-defense by individuals against arbitrary committee conduct is generally endorsed. We intend to continue our study into this resolution and hearings will be resumed shortly.

Meanwhile, I think the comments of two outstanding Pennsylvania newspapers, the Philadelphia Bulletin and the Pittsburgh Post-Gazette, on this matter, are of sufficient interest to warrant their insertion in the CONGRESSIONAL RECORD and I ask unanimous consent that they be inserted.

There being no objection, the editorials were ordered to be printed in the RECORD, as follows:

[From the Philadelphia (Pa.) Evening Bulletin of July 22, 1949]

A SHOCKING STORY

The story Dr. Edward U. Condon, Director of the Bureau of Standards, told Senator MYERS' subcommittee about his treatment at the hands of the House Un-American Activities Committee is nothing short of shocking.

The subcommittee is holding hearings on the Lucas resolution which would establish definite procedure for all congressional investigating committees, to protect the public from unfair and unwarranted attacks.

Dr. Condon was branded publicly as one of the weakest links in our atomic security, and then was hounded for 2 years by periodic committee "leaks" which kept the scientist under a cloud. But he never was called before the Un-American Committee, never was questioned and never given a chance to speak for himself. To this day the committee has not even said what the shooting was all about.

It is a blot on the country that this could happen under the dome of the Capitol; and Senator MYERS' subcommittee can hardly find better proof of the need for passing the Lucas resolution before Congress adjourns. It is just as urgent as some of the other matters crowding the calendar.

[From the Pittsburgh (Pa.) Post-Gazette]

CONGRESSIONAL REFORM

A reform of congressional investigative procedures, such as is now being undertaken by a Senate committee, has long been overdue. But the problem is by no means easy. For what is involved here is not just one important right—that of the individual to be free of irresponsible smearing—but two.

No one will deny that a grave danger to the liberties of private citizens exists as long as lawmakers or congressional witnesses may hurl accusations without regard for judicial fair play. At the same time, no one who has studied the history of congressional investigations can deny that the right of free inquiry by the Legislature is essential to the proper conduct of our form of government. And, to be truly effective, that inquiry cannot always be circumscribed by the same code which governs the procedure of a court.

A good start toward reconciling Congress' right of inquiry with the citizen's right of just defense has been made in a resolution sponsored by SCOTT W. LUCAS, the Senate majority leader. In general, Senator LUCAS' proposal would permit any person who believes he has been defamed by testimony before Congress to file a sworn statement in rebuttal to be entered into the record of the hearing. It would give congressional witnesses the right to be accompanied by counsel, and would allow an accused person to testify in his own behalf. These, we believe, are sensible reforms.

A further provision of the proposal, however, is more controversial. Under this, the accused could have the committee call four witnesses in his behalf and cross-examine accusing witnesses for a period up to 1 hour each. Some observers, notably the Washington Post, point out that this procedure could obstruct a congressional committee's work—that, indeed, it might be used for the very purpose of obstructing and wasting time by, for example, Communists.

Though the Post-Gazette does not concur in this particular criticism, we do think it emphasizes a sound principle. Congressional probes have accomplished great good in our history, even though certain lawmakers participating in them have abused their prerogatives. It is important that when taking steps to curb some of the more flagrant of those abuses, Congress does not unnecessarily diminish the prerogatives.

Political Parade

EXTENSION OF REMARKS

OF

HON. KATHARINE ST. GEORGE

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Monday, July 25, 1949

Mrs. ST. GEORGE. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following articles by George Rothwell Brown, from the Washington Times-Herald:

POLITICAL PARADE

(By George Rothwell Brown)

The $24,000,000,000 gold hoard at Fort Knox—which British political leaders of both parties are hoping to share—has been accumulated as the result of some of the most fantastic maneuvers in the whole history of money.

The return of some billions of it to Great Britain, to prevent the downfall of the Socialist-Labor government by replenishing its fast-dwindling supply of dollars, would be no more cockeyed than was the manner of its acquisition.

For this scheme to give away the gold bought by Uncle Sam on the world market at a fabulous premium was Roosevelt New Deal in its origin.

To this fact the British statesmen who will attend the three-power economic conference in Washington in September will be able to point to bolster the claim which it is now apparent they are going to make.

On February 20, 1940, Representative AUGUST H. ANDRESEN, of Minnesota, who had been appointed by the House Republican leadership to follow every step in Roosevelt's devaluation policy, told the House of Representatives that the New Deal proposed to "get rid" of "this King Midas hoard" in two ways. He said:

"In the first place Mr. Morgenthau and Mr. Hull suggest that we lower our duties on farm and manufactured products and that we permit the foreigners to produce more competitive manufactured and farm products for shipment into the United States, and that these imports shall be in excess of our exports. Then we are to pay the difference back to the foreigners in gold.

"That is part of this reciprocal trade program; and so they are lowering the duties and want this law continued for additional reductions."

This is precisely what the Truman administration is undertaking to do today, precisely the reason why it is negotiating lower tariff schedules at Annecy, France, and why the President is demanding Senate action to restore the expired trade-agreements law.

"But we have a much more clever suggestion," continued Mr. ANDRESEN, "coming from Mr. Adolph Berle, Jr., who is the Assistant Secretary of State. On January 3, in a speech made at New Haven, I understand he suggested that we give this gold back to the people who sold it to us and let them sell it back to us again at $35 an ounce. That was his proposal. It just seems to be that we are continuing to be the prize Santa Claus of the world.

"You will hear more of this suggestion as time goes on."

Well, we are hearing it now.

Mr. ANDRESEN then showed that up to January 1, 1940, the United States Treasury had paid to Great Britain for gold at $35 an ounce, which Roosevelt had increased from $20.67 per ounce, or a premium of $14.33 an ounce, or 69 percent, the sum of $4,916,352,000.

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This represented an outright gift by the United States Treasury, to the foreign gold dealers of the United Kingdom, of $1,966,540,000.

As the result of Roosevelt's gold purchases from Japan we made that country a clean gift through the year 1939 of $232,325,000, which she invested in war materials.

We got it all back--at Pearl Harbor.

Our gold policy helped to finance Hitler.

We helped to finance Russian communism—which we are now seeking to checkmate at a cost of many billions of our wealth—by paying $35 an ounce for Russian gold produced by slave labor at from $7 to $10 an ounce.

Now as the result of Roosevelt's act of political treachery in taking the United States off the gold standard, and making it a penitentiary offense for any American to refuse to surrender his gold to the Government at $20.67 an ounce, we have $24,000,000,000 of gold at Fort Knox, toward which all the itching palms of Europe are now being turned.

The way to save the American economy is to undo Roosevelt's crime of 1934, and return the United States once more to the honest gold standard.

For 23 weeks the DAN REED bill to do just that has been pigeonholed in ways and means, while that House committee has wrestled fruitlessly with a bill to extend Roosevelt-Truman social security farther into the welfare state.

The Republican Party today hasn't even got brains enough to make the gold standard question a winning paramount issue of the campaigns of 1950 and 1952.

POLITICAL PARADE

(By George R. Brown)

It may be merely a coincidence that when, come next September, the heads of the British Socialist Labor Government make formal application in Washington for some billions of the $24,000,000,000 gold stock at Fort Knox, American economists at New York will be proposing the one sensible thing to do with that inert hoard—its use toward a return to international monetary stabilization.

If a coincidence, it is a most timely one.

The New York conference, called for September 8, has been arranged by the Economists' National Committee on Monetary Policy.

Dr. Walter E. Spahr, executive vice president of the committee, and a leading advocate of a return to the historic gold standard and hard-money policy of the United States, has announced a program covering the whole field of gold-standard philosophy, including the facilitation of international trade, the stimulation of private investments abroad, and a proposal that immediate steps should be taken in the direction of international monetary stabilization.

An interesting debate in the British Commons has just revealed how one of Franklin D. Roosevelt's amateurish offhand remarks, demanding the unconditional surrender of Germany, resulted in a large part of the mess with which we are grappling in Europe today, 4 years after the defeat of Hitler.

It prolonged the war. It stiffened German determination to a bitter-end struggle. It cost thousands of precious lives that might have been spared.

So also did Roosevelt's amateurish dabbling in economics and his political dishonesty in taking the United States off the gold standard prolong the depression, and thoroughly dislocate the American economy for 16 years.

These twin errors by an underestimated politician and an overestimated statesman, have cost American taxpayers billions of dollars, and will cost them billions more.

Mr. J. M. Keynes started the explosive political year 1932 off with a prophecy that in that year many countries would follow Britain off the gold standard.

During the fateful Presidential campaign the suspicion grew that the Democratic Party then controlling fiscal policies in Congress would force the United States off the gold standard.

President Hoover made the charge, and was contradicted on October 8, in the closing days of the campaign by Senator Carter Glass, spokesman for the New Deal, then casting its fateful shadow before.

In July the World Bank had declared that the gold standard was the best and it urged countries which had abandoned it to return to it. This was endorsed by the French bankers.

British economists demanded return to the gold standard as a means to end the depression.

Earlier, in January, amid increasing rumors of a retreat from gold, a Guaranty Trust Co. survey reported on the solidity of the gold standard.

There was persistent propaganda in favor of abandonment of the gold standard by the United States, which President Hoover resisted.

Early in 1934 at the Capitol, Senators Glass, McAdoo, and Gore led in opposition to Roosevelt's taking over of gold held by the Federal Reserve banks.

The British financial juggler, Keynes, rallied to the support of Roosevelt's dishonest gold policy.

And on February 1 F. D. R. issued a proclamation revaluing the dollar at 59.06 cents and raising the price of gold to $35 an ounce. At the same time he took title to the Federal Reserve gold.

Every advocate of continuing economic demoralization and inflation in this country will resist a return to the gold standard.

It is to be hoped that the proposed New York conference will convince the people that only by a return to sound money and the abandonment of the printing-press dollar can full employment and prosperity be restored.

Maybe it is too much to hope that this conference can open the eyes of the Republican Party to an honest American political issue.

Near East Survey Commission

EXTENSION OF REMARKS

OF

HON. ABRAHAM J. MULTER

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Monday, July 25, 1949

Mr. MULTER. Mr. Speaker, the following two articles which appeared in the New York Times of July 25, 1949, show the necessity for immediate adoption of the joint resolution which I introduced on May 18, 1949, House Joint Resolution 257, calling for the appointment of a Near East Survey Commission. The one article, entitled "Syrian-Turkish Plans to Strengthen Middle East Said to Ask United States Aid," written by Albion Ross, and the second, entitled "Israeli Outlines Negeb Farm Plans," written by George Barrett, are both extremely interesting.

SYRIAN-TURKISH PLANS TO STRENGTHEN MIDDLE EAST SAID TO ASK UNITED STATES AID

(By Albion Ross)

DAMASCUS, SYRIA, July 24.—The capacity of the Middle East to resist pressure from the north may be increased by Syrian and Turkish plans to develop the great curve along the Mediterranean coast, thus joining Asia Minor to the Levant coast as a gateway to the Middle East, according to sources here.

This development accounts for the argument in certain quarters here that Syria is vitally related to the issues involved in continued aid to Turkey and Iran now before the United States Senate. Washington's suggestions for dealing with the Palestine refugee problem are related to this situation, it is stated, as are the efforts of Turkey and the United States to bring about a Palestine peace settlement.

The suggestion has been made recently in some quarters that the situation calls eventually for some form of concrete United States aid to Syria.

The projected plans, when completed, would add to the map of the threatened Middle East an area of modern railway lines, roads, and a developed economy about 200 miles wide from a new trade and traffic center on the Mediterranean coast to the northern Iraqi oil basin and linked to the key pressure area of southeastern Turkey and northwestern Iran at the gates of Mesopotamia.

The Syrian calendar of priorities, as explained here today, is intended to avoid any grandiose effort beyond the capacity of the country. At the top of the list is the draining of the extensive marsh area of El Ghab, in the Orontes Valley just behind Latakia, and the regulation of the river for extensive irrigation. This gives more than 20,000 hectares (a hectare is 2.471 acres) of land by drainage and an additional 40,000 hectares by irrigation.

The area is in the center of the most thickly populated region of Syria, which is in the northwestern corner of the country, the highly overpopulated Alouites Mountain district lies to the west, between the valley and Latakia. Ministry of Public Works estimates indicate that the entire development would cost about £45,000,000, Syrian, the equivalent of about $15,000,000.

Plans for the new port of Latakia call for a first stage in which the port would be equipped to handle about the same tonnage as Beirut, now the chief port on the Levant coast. The progressive development of the broad area stretching to northern Iraq would call for expansion of the port.

The next step would be a railroad to Aleppo, the principal commercial and industrial city of Syria and strategic crossroads of the entire region.

From Aleppo a new trans-Syrian railway, according to plans of the Ministry of Public Works, will go down the Euphrates Valley, cut over the vicinity of Deir ez-Zor to the valley of the big Euphrates tributary, the Khabur River, on through the now sparsely populated Jezira grain country to link with the historic Berlin-Baghdad railway near Iraq. This line, running along the Turkish-Syrian frontier, is hopelessly inadequate. It dips down to Aleppo in a great detour before it reaches the Mediterranean through a line to Alexandretta.

The Turkish Government plan calls for rerouting the line north of the Syrian-Turkish frontier to make a direct connection into Alexandretta, considered with its immense bay to be the best natural harbor in the eastern Mediterranean.

Two major irrigation projects in the Euphrates and Khabur Valleys would bridge the gap between Aleppo and Latakia, the Syrian gateway region, and the wide rain-watered plains of Jezira, on the frontiers of northern Iraq.

Hydroelectric development of the Euphrates will provide cheap power for both irrigation pumping and Aleppo industry. The existing asphalt highway to Deir ez-Zor will be extended eastward with other roads to link with the isolated highway network just beginning at Jezira and linked in turn with roads of northern Iraq. Such economic de-

velopment of the entire region, it is believed, justify an additional linking of the railway line and paved highway down the Euphrates from Deir ez-Zor to Baghdad.

ISRAELI OUTLINES NEGEB FARM PLANS—RECLAMATION OF DESERT AREA IS SUBJECT OF REPORT PREPARED FOR UN RESOURCES PARLEY

(By George Barrett)

LAKE SUCCESS, July 24.—Plans for harnessing water resources on a vast scale to transform much of the parched wastes of Israel's Negeb Desert into a livable, crop-bearing region are outlined in detail in a report submitted here for study during the first United Nations Scientific Conference on the Conservation and Utilization of Resources.

Writing for the conference, which is opening here on August 17 to provide world-wide exchange of views on how to enrich living standards through improved means of exploiting resources, S. Irmay, of the hydraulics laboratory at Haifa's Hebrew Institute of Technology, predicts that an all-out technical attack on the 3,000,000-acre desert can reclaim almost 600,000 acres for farming. It is to the Negeb that Israeli officials are looking to help solve their immigration problem and to strengthen the new state's agricultural and industrial potentialities.

The main obstacles hindering conversion of the sandy stretches into croplands are lack of water and organic matter, Mr. Irmay notes, but by employing a sprinkling irrigation system the Jordan Valley Authority alone can increase its present goal of 60,000 acres to 87,500 acres, enough to support an agricultural population of at least 60,000.

In addition to the proposed enlargement of the valley authority program, the Hebrew Institute expert suggests, another 500,000 acres of land in the Negeb could be enriched again by dry-farming methods, which involve underground water storage, soil conservation, and terracing, and contour plowing to reduce run-off and soil erosion.

Numerous small-sized and medium-sized reservoirs are necessary to store imported water, the sparse rainfalls and the heavy night dews to supply sudden demand during hot spells, to conserve week-end surpluses and to regulate supply to meet local demands, Mr. Irmay declares.

The Israel expert, who has traveled widely in the United States to study various conservation and irrigation systems that might be used in the new state, lists three possible approaches to answering the Negeb problem—establishment of the dry-farming system, development of a pipe-line system to pump water from the coastal plains to reservoirs built on high places in the parched desert, and creation of the Jordan Valley Authority, which envisages the building of 12 dams or reservoirs with an annual storage capacity of almost 300,000,000 cubic meters.

In another paper on middle-eastern resources to be presented to the conference, Y. M. Simaika, deputy inspector general of Egypt's Nile Control Department, gives details of plans to harness the Nile for a multiple program to aid in irrigating farm lands, developing fertilizer and steel industries and combating the menace of floods.

Mr. Simaika emphasizes that accurate predictions of the Nile's water levels are vital to avert flood disasters. He reveals that the search for safe advance "polling" has produced one unique system based upon a connection between such distant phenomena as the Nile flood, the temperature at Dutch Harbor in Alaska on the borders of the Arctic Circle, the temperature in Samoa in the Pacific Ocean, and the pressure at Port Darwin in northern Australia. However, the Cairo expert adds that the unorthodox approach to forecasting has "not up to the present attained sufficient accuracy to be of practical use."

Arms and the Pact

EXTENSION OF REMARKS
OF
HON. FRANCIS J. MYERS
OF PENNSYLVANIA
IN THE SENATE OF THE UNITED STATES

Tuesday, July 26 (legislative day of Thursday, June 2), 1949

Mr. MYERS. Mr. President, throughout the debate on the North Atlantic Pact, I was struck by the historic difference in attitude of the United States as it is now constituted when compared with the attitude of the Senate 30 years ago when President Wilson, after conceiving of the League of Nations as a means of keeping the peace, came home from Europe with a treaty of alliance—of defense—with Great Britain and France. That treaty, as we all know, was thrown into the ashcan. It had sought to pledge each of the Big Three nations of that era to a common program of aid in defense against aggression.

Fortified with such assurances, neither Great Britain nor France, I am convinced, would have felt it necessary in the thirties to yield and appease and retreat to the point where further retreat was impossible, where war was inevitable, and where their defeat was imminent and—in the case of France—actual.

The North Atlantic Pact is a belated recognition by free nations that their safety is indivisible, and that aggression is a threat to all.

Immediately after the Senate approved the historic pact, the Pittsburgh Post-Gazette declared editorially that, since the United States is committed to the mutual defense of free Europe, and that since it is now largely a strategic problem, in the military sense, of how that defense might best be strengthened, "even the most cursory examination of the problem, we believe, dictates that Congress should follow up the pact at this session with an arms-aid program of the sort the administration has proposed." I ask unanimous consent that the editorial be printed in the CONGRESSIONAL RECORD.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

NOW VOTE THE ARMS AID

The overwhelming majority by which the Senate ratified the Atlantic Pact is proof to our friends and foes abroad that the American people firmly support this historic turn in United States foreign policy .

The pact was adopted without any of the crippling reservations which certain Senators sought to have inserted. In this regard, it is important to note that the real opposition was not directed at the pledge to go to war, if necessary, in the event one of the 11 treaty associates were attacked; but rather at article 3, which commits the signatories to mutual military aid.

Thus, the voting on one of the proposed amendments to the treaty showed that almost all the lawmakers agree that an attack against free Europe is in effect an attack against the United States—a dramatic reminder of how much this country has outgrown its isolationism of the past. There is, however, an evident difference of opinion over whether the United States should now provide some measure of arms aid for its European allies.

From the beginning, it has seemed obvious to us that unless the pact is followed up by a lend-lease undertaking it will be little more than, as Senator MORSE has said, "a museum piece for Stalin's repository of diplomatic scalps." Unfortunately, the efforts of bipartisan sponsors to win approval for the treaty led them to soft-pedal, if not belittle, this fact. That may have been good legislative tactics; but, as the Post-Gazette held throughout the debate, it was hardly good, clear logic.

Now, at any rate, the fog has been lifted. The United States is committed to the mutual defense of free Europe, and hereafter it is largely a strategic problem, in the military sense, of how that defense might best be strengthened. Even the most cursory examination of the problem, we believe, dictates that Congress should follow up the pact at this session with an arms aid program of the sort the administration has proposed.

Such a program, of course, will be costly. But the cost can and should be squeezed out of the whopping budget which has been drafted for our own armed services.

The Military Aid Program

EXTENSION OF REMARKS
OF
HON. JOHN M. VORYS
OF OHIO
IN THE HOUSE OF REPRESENTATIVES

Tuesday, July 26, 1949

Mr. VORYS. Mr. Speaker, I am for a military aid program, but the President is asking for Europe too much, too soon, and this can be as bad as too little, too late. On economic aid we had at least the report from the 16-nation Committee on European Economic Cooperation before Congress acted. We came through, but they have fallen down badly on carrying out mutual aid agreements between themselves. If we do not demand a plan and promise on mutual defense from those countries before Congress acts, they will never get together. We ought to put through quickly a small program with conditions to show we mean business and then wait for their over-all proposals. We could authorize communications equipment, which will require cooperation for efficient use, spare parts for present American equipment over there, and possibly a few other emergency items. That should be enough for this session.

We ought to get a policy statement on China that safeguards our security in Asia before we pass any military aid program, for this is one world, as far as American military security is concerned. Now that this bill has been referred to our committee, I suggest that the Foreign Affairs Committee invite representatives of the Armed Services Committee to sit with us in the hearings on MAP, to interrogate witnesses, participate in discussions and, if permissible under the rules, to vote on amendments and on the bill. I suggest a subcommittee of five, consisting of the chairman and two ranking members of each party.

While this bill is clearly within the jurisdiction of our committee, it deals

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so much with military phases of our foreign policy that the Armed Services Committee and staff could be very helpful in its consideration. If this is to be arranged, it should be settled before the hearings start.

Therefore, I urge prompt consideration of this suggestion.

America at the Crossroads

EXTENSION OF REMARKS
OF

HON. J. WILLIAM FULBRIGHT

OF ARKANSAS

IN THE SENATE OF THE UNITED STATES

Wednesday, July 27 (legislative day of Thursday, June 2), 1949

Mr. FULBRIGHT. Mr. President, on September 8, 1941, 3 months before Pearl Harbor, Col. Louis Johnson then, but presently the Secretary of National Defense, delivered a very fine address in Atlantic City. Like so many good speeches, it probably was not appreciated at that time, but passing events have demonstrated its good sense and farsightedness. I believe the Members of this body will enjoy reading it, and I ask unanimous consent that it be printed in the Appendix of the RECORD.

There being no objection, the address was ordered to be printed in the RECORD, as follows:

AMERICA AT THE CROSSROADS

H. G. Wells said that ours is a generation which has an appointment with destiny. Few will doubt that statement—only the foolish will contend that we can avoid that destiny.

In one of Somerset Maugham's books is the story of Sammara. A merchant from Bagdad sent his servant to the market place to purchase the day's supplies. In a little while the servant returned, white and trembling. He said: "Master, may I borrow your horse that I may ride away?"

The master replied: "What has happened?"

The servant said: "I went to the market place as you ordered, and there I saw an old woman, and she was Death, and she made a threatening gesture at me. Now I want to borrow your horse and ride away to Sammara that I may avoid my destiny."

The merchant gave the servant his horse, and the servant rode away as fast as he could to Sammara. A little later the merchant, curious as to what had happened, went down to the market, and there he saw the old woman who was Death. He approached her and said: "Why did you threaten my servant?" The old woman answered: "I did not threaten your servant. When I saw him I made a gesture—it was a gesture of surprise, because I had an appointment with him in Sammara tonight, and I wondered what he was doing in Bagdad."

I firmly believe that our Nation has been established and honored not alone for its own sake, but for the sake of the world. It has been made powerful, and rich, and free, and exalted—powerful, not to make subject, but to serve; rich, not to make greater gains, but to be the more efficient; free, not simply to exult in freedom, but to make free; exalted, not to look, but to lift up.

This, I believe, is our destiny. To achieve it we must begin to understand that the wave of the future is the wave of destruction that must be curbed if the world of freemen is to survive. Despite the discordant voices that lack understanding, the men of the legal profession must carry to the Nation the reasons why America cannot sit idly by and see freedom pass from the rest of the world. Even if we are quite selfish, we must do that, for if freedom passes from the rest of the world, then it would surely pass from this, its last and greatest stronghold, and if freedom passes, so would pass the civilization which our fathers and forefathers have known and for which they fought.

We do not know when man first came into the world, but when the curtain first rises on history we find in the more favorite spots nations already venerable with age. These tribal people, as historians point out, had one code for their own government; a code of justice and fairness that recognized that "before man made us citizens, great nature made us men." But in addition to this tribal code of fairness they had another—an intertribal code. It governed their relations with other tribes and in it there was nothing but hatred, unfairness, and contempt. Down through the ages has come this distinction between tribal and intertribal justice, and even in Europe of the seventeenth century we find deception and falsehood the usual weapons in diplomacy.

But with the coming of the American nation a new era was ushered in. We established a new government because we felt that we had been unjustly treated; we instituted a democracy because we believed that thus could the greatest impartiality to the individual be obtained. We became the most equitable of all nations because our sense of fairness was not based entirely on that of any one. It is rather a blended, purified justice that is not alone Anglo-Saxon. Intermingled with it is the justice of Brutus, of Martin Luther, and of Charlemagne. We took from them their purest and best, and far removed from the turmoil that shook Europe, slowly and calmly we constructed our tower of justice with its beacon light for all nations.

Around it we have builded our institutions; by its light Washington and Jefferson formed our policies; and under its protecting shadow we have perfected our theories of government.

While historians and philosophers have disagreed as to how the state originated, we of America from the foundation of our Government have subscribed to the theory that the family is the source and prototype of the state. As men multiplied they gave way to groups of families. Gradually, villages grouped themselves into cities, and the city, according to Aristotle, most famous exponent of the family theory, was "first founded that we might live but continued that we may live happily."

The other school of thought maintains that the state originated in a contract among individuals. If we trace the evolution of this theory, we again find the basis for the modern state in the same yearning for law and order. As far back as Protagoras, the Greek philosopher of the fifth century before Christ and a contemporary of Pericles, the idea of a social contract creeps into the teachings of the western philosophers.

Whether the state is the "City of God" that St. Augustine beheld, a member of a world society of law-abiding nations that Grotius pictured, an absolute monarchy which Hobbes in his Leviathan urged, a constitutional form of government which guided Locke and inspired the Declaration of Independence, or even the extremely individualistic system advocated by Rousseau, it owes its origin, according to all of these philosophers, to a social contract resulting from the desire of man to escape from the dangers of constant warfare and to find greater security in an organized state. Even the social contract theory ended (until the advent of Hitler) the rule that might makes right and provided for a system of mutual rights and obligations.

Whichever of these two principal theories may be accepted as the true origin of the state the result is the same, but I repeat that we of the United States throughout our history have tried to carry through our various governmental organizations the idea of justice inherent in the family theory, and, indeed, we have tried to consistently apply it in the creation of a family of nations in which we might survive as freemen. Justice—family justice, if you please—as it is applied in the broader phase, must be the end of our Government. It must be the end of our civil system, or we shall have arisen to greatness only to fall. We shall, if we depart therefrom, be but another nation in the sad procession of world tragedies, for "it is written by the finger of the Almighty God on the tablets of the universe that no nation or state can endure unto whose life justice does not enter and enter to stay."

The Axis Powers do not believe in family justice, tribal justice, or, indeed, in the family of nations. They seek world domination for themselves and their theories of government. In fact, Hitler has abolished the very family foundation from within which justice inherently must spring. Camps for young girls have been established beside camps for young men. Illegitimate children are encouraged—indeed, children born out of wedlock are subsidized by the Fascist government. We must make the American people understand that with the passing of the family and the sanctity of the home the concept of government of the nation subscribing thereto must never touch these shores.

I would have you remember that even if Britain is successfully defended, we will still have a huge military machine on the Continent of Europe, and directed by a country gone berserk which has departed from the fundamentals of justice, and which has threatened the safety of every nation and every family in the world.

Rapidly the world is dividing into two camps—perhaps it is already divided into two camps—the countries which are prepared to accept the abolition of family life and the sanctity of womanhood, to surrender the concept of family justice, and indeed surrender to complete Axis domination; and the countries which propose to continue their belief in the family and family justice, and resist to the limit. We are obviously required to assist the countries which do resist with arms and ships, and to make it possible for the arms and the ships to go where they are needed. We have to assume that the communications will be cut by the Axis Powers wherever possible; and that if it is expedient for the Axis to try to cut these communications somewhere near us they will do so. We have to be prepared to prevent any such action against our own safety.

I should like to be able to talk these things theoretically and to eliminate military terms. I cannot do so, because unfortunately ideals today mean little unless they are defended by adequate force. It was no act or design of the United States which called this need for force into existence; and certainly we were the last great nation of the world to recognize that force alone was our ultimate safety. Today we do recognize that fact; and in my judgment, we must accept its implications.

America is indeed the most fortunate of countries and we, its citizens, are the happiest of peoples, but we are honest enough to realize that we have not yet reached the millennium. There is still much to be done.

Our standards of living must be made even broader. Our business and our Government can be made stronger. Our lives can be made happier. It is toward these desirable ends that we should eternally strive.

We have a civilization that is worth keeping for ourselves and saving for our posterity. At all times we should be ready and willing to give our lives, if need be, to preserve it.

You and I are the fortunate heirs of a great human achievement. It is our solemn duty to keep inviolate the ideals of liberty and of democracy for which man has struggled for thousands of years and has begun to realize only in the short span of the existence of the American Republic, and to pass them down to his children for their security and for their happiness. America calls us of the legal profession to be "strong in will. To strive, to seek, to find, and not to yield."

If you will permit me, for the days are troublesome and treacherous, I shall be serious for yet a little while; I hope not for too long. Quite as the musical ear, in listening to the latest opera, isolates strains from earlier music; so the educated or historical eye, in scanning the morning newspaper, detects in this contemporary scene much shameless imitation of things that have gone before.

Three and one-half centuries before Christ, the Greek peninsula and the hinterland were the modern world in miniature. The area, due to the chopped-up topography, was divided into city states, some democracies, some military dictatorships. Athens, Sparta, and Thebes were traditionally stronger than most of the others. Now in Macedonia to the north there was a king named Philip who had learned the secret of the phalanx during a visit he made to Thebes (and parenthetically exactly as the Germans learned about the tanks in the last World War from the British). Philip secretly trained a number of men in the use of the phalanx and started out on a career of conquest. Philip was a practical fellow. He softened his opponents wherever possible, history tells us, by what we would now call the fifth-columnist method. "No war" was his motto—except as a last resort. Philip announced, as history shows, that his idea was to unite the Greek people whether or no, saying in so many words that democracies had failed.

Down in rich and comfortable Athens, as Philip progressed on his conquest, the people and the leaders of the people divided, even in those days, into isolationists and interventionists. Demosthenes became the speaker for the latter; the Roosevelt-Willkie of his time. The Philippics, the three most famous orations ever delivered by mere man, were devoted almost entirely to the attempt to stir democratic Athens to the positive action of going to war with Philip while there were still allies to aid Athens. On the other hand, there were those in Athens who declared that Demosthenes was a war monger, who said that Philip only wanted living space and that when he had achieved living space then he would be different and they could get along with him. Don't say bad things about him, they advised. They opposed war taxes, and argued against military expenditures because they threatened inflation. They even fought proposed conscription for the army and labor, and cried "traitor" at those who in those days appealed for "union now" with Thebes.

They arose in the forum of Athens and asked how many times Athens had made war with Thebes. They demanded to know why Thebes had never given dominion to—let me go modern and instead, say India. They asked if Thebes hadn't sold the last League of Nations down the river. Indeed, history shows that they asked what Athenian would be such a weakling—so unpatriotic, as to refer to Thebes as the first line of defense for Athens. "Never," they said.

Icarus, the young man who attempted a nonstop flight from Crete to Syracuse, had fallen into the sea and had been lost, but there were other favored and publicized young men of Athens who argued that perhaps Philip represented the wave of the future. Plenty of people were willing to attend these meetings, even in those days, because many of the wealthy feared the loss of their property more than they feared the loss of Athens—while many of them were merely poor at mathematics, and could not figure the difference between the gamble today, with Allies, and the gamble tomorrow, without them.

So Philip sardonically advanced, reducing the city states one by one because Athens would not bring itself to assume the leadership of a defense league. In each place Philip set up a quisling government to the humiliation of decency and patriotism. Finally, he overawed the Phocians, who guarded Thermopylae; and with that pass, close to the walls of Athens, in his hands, it was all up with Athens. Too late the people of Athens realized that they were about to lose their comfort. They marched out at last, but they marched without allies, and were done to death at Chaeronia. Athens should have trained and built for the hour of crisis without reservation. It should have recognized Philip for what he was—destruction on the march. History says that Athens was a fool. I fear we have been highly foolish too.

It will avail us naught to ride the borrowed horse of isolationism from Bagdad to Sammara. We must intelligently do our part that there may be a world of freemen in which America may achieve its destiny to be a Nation of freemen.

Citation for Degree of Doctors of Laws Conferred Upon Hon. Francis J. Myers, of Pennsylvania, and His Commencement Address at Loyola College

EXTENSION OF REMARKS

OF

HON. HERBERT R. O'CONOR

OF MARYLAND

IN THE SENATE OF THE UNITED STATES

Wednesday, July 27 (legislative day of Thursday, June 2), 1949

Mr. O'CONOR. Mr. President, at the ninety-ninth commencement of Loyola College in Baltimore on July 24, there was conferred upon a distinguished Member of the United States Senate, the senior Senator from Pennsylvania [Mr. MYERS], the degree of doctor of laws—honoris causa.

The Senator from Pennsylvania has been the recipient of numerous degrees not only from his own college, St. Joseph's in Philadelphia, but from other institutions, including Temple University, Philadelphia; St. Vincent's College, Latrobe, Pa.; and Villanova College.

In connection with the most recent award, however, there was presented a citation which so well portrays the outstanding accomplishments of the distinguished senior Senator from Pennsylvania, that it deserves the attention not only of the Members of the Senate but of all the citizens of our country.

From his rich experience in matters of government, the distinguished Senator addressed the graduates of Loyola in a scholarly yet thoroughly realistic manner, and made a profound impression upon the large gathering.

I ask unanimous consent that both the citation for the degree of doctor of laws and the Senator's splendid address be printed in the Appendix of the CONGRESSIONAL RECORD.

There being no objection, the citation and address were ordered to be printed in the RECORD, as follows:

The president and associated professors of Loyola College extend to all who shall behold this document, greetings in the Lord:

The Society of Jesus regards with pride and cherishes with affection the students who have been instructed and formed in the educational institutions conducted by it, whether these be in Baltimore or in Philadelphia, in Chicago or in St. Louis, in Los Angeles or in San Francisco. The students of the Jesuit high schools and colleges throughout the United States receive in their formative years an identical training in the arts and the sciences, in religion and morality according to the precepts and the principles of the traditional Jesuit Ratio Studiorum. Hence it is that the graduate of one Jesuit college is equivalently a graduate of all Jesuit colleges.

FRANCIS JOHN MYERS attended our allied College of Saint Joseph in the neighboring city of Philadelphia. After a brilliant course of studies he was granted the degree of bachelor of arts, and turned to the profession of law. His talents and ability being speedily recognized, he was appointed assistant to the district attorney in Philadelphia and later to the attorney general of Pennsylvania. In 1938 he was elected to the House of Representatives, and so enviable was his record that his constituents in Philadelphia chose him as their Congressman for three successive terms. For the past 5 years he has been Pennsylvania Member of the United States Senate.

During the 11 years that he has served in Congress, he has proved himself a statesman of action and of vision, a legislator of wisdom and integrity, a crusader for human rights and international stability. He enjoys not only the confidence of the citizens of Pennsylvania but also the respect of his fellow Senators.

Wherefore, seeking to signalize him as a Jesuit alumnus, recognizing his achievements as a Member of Congress, and lauding his uncompromising fidelity to his faith, by virtue of the powers delegated to us by the sovereign State of Maryland, we hereby make and declare FRANCIS JOHN MYERS, doctor of laws, honoris causa.

That all the rights and privileges attaching to this degree be preserved unto him we have issued these letters patent from our hand, sealed with the official seal of the college on this the 24th day of July in the year 1949.

ADDRESS BY HON. FRANCIS J. MYERS, OF PENNSYLVANIA, AT COMMENCEMENT EXERCISES, LOYOLA COLLEGE, BALTIMORE, MD., SUNDAY, JULY 24, 1949

Commencement exercises—or at least the commencement exercises I sat through as a member of graduating classes a quarter of a century or so ago—had some pretty chilling aspects about them. Of course, we were all pretty excited on graduation day from preparatory school, then college after that, and finally, from law school. Each of those days

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represented something completed, a job done, a kind of climax to what had beeen a considerable period of time, and, generally speaking, a good bit of work.

What chilled us, though, wasn't our elation at having finished a goal we'd undertaken. We were chilled by having the commencement speakers tell us—and they told us this every time—that the affairs of the planet were being dumped in our laps. We were told that it was up to us to straighten things out.

Now I'll confess that when they told us this, back in the twenties, it didn't look like too bad a prospect. At least, the prospects didn't appear as bad to us at the time as they must have looked to those who followed us and graduated in the early thirities when the world was locked in a terrible depression, or to those who a few years later graduated in the face of a war which enflamed most of the civilized world—as well as a large part of what wasn't very civilized.

As you leave college today there is another goal ahead of you—the great goal of peace—and to attain it, you share responsibility with every person in the world.

Quite evidently, not everyone in the world looks at peace through the same eyes as we. Peace, as we see it, is not any kind of peace—not peace that is bought with dollars and kept with guns—but peace that is based upon understanding and good will, and the knowledge and firm belief that we must love God and keep his commandments as nations as well as individuals.

Such peace is the fruit of wisdom.

I am not minimizing the importance of economic and military measures that have already been adopted or which are shortly to be considered in the cause of world peace. These measures—the European recovery program, the North Atlantic Pact, an adequate military defense here at home, the reciprocal trade program, the point-4 doctrine, and our participation in the United Nations—are, all of them, part of a closely interrelated whole. They are affirmative. They are constructive, and as effective tools for building peace, they are serving, and will serve us well.

They are the immediate safeguards of peace.

But in the larger view of things, peace must be built upon a more permanent foundation. An understanding of the causes and conditions of peace—and knowledge of the principles and institutions which make it possible are absolutely essential to its maintenance. True understanding is possible only when we know freedom from ignorance, freedom from prejudice, freedom from oppression, hatred, and fear—good habits of thinking—the ability to make critical judgments—and the desire to love what is right and just.

These form the firm foundation of peace. They are the fruits of education, of true liberal education in a liberal arts college like Loyola.

As technological advance has catapulted the world from the era of the water wheel and the horse and buggy into one in which we are daily amazed by some new miracle of science, there has arisen a disturbing tendency in our education system to emphasize atoms at the expense of the soul—to teach the mechanical workings of material things to the increasing neglect of the fundamentals of understanding which reflect the dignity of man and morality and true Christian living.

To a certain extent, I think it is understandable that increased attention has been devoted to mechanics and materialism. There certainly isn't any doubt whatsoever that scientific advances have added greatly to our capacity for a fuller and freer life in this world. And I am equally certain that none of us seriously contemplates a return downhill to a primitive standard of living. In the first place, none of us want to do so—and in the second place, it's entirely unnecessary for us to do so.

What we must do is restore a needed balance to large segments of our educational system. We must guard against substituting the adulation of a cathode-ray tube for the worship of God. We must be the masters, not the slaves, of materialism. And we must preserve the dignity of man, in the image and likeness of God, if life is to have any meaning.

I feel that our drift toward technical and vocational education is understandable—or to some extent understandable, at least. The complexities of the modern world demand experts—demand skills which take long years to develop. Specialized training is an obvious practical necessity if we are to operate the involved machinery of the twentieth century world.

Young people undertaking to train themselves for this kind of world have felt numerous pressures—pressures forced largely by time. They realize, of course, that many years must be devoted to preparing themselves for some vocation. They know that more and more schooling will be necessary if they are to compete for the best jobs. On the other hand, a great many have but limited resources for education. They are reluctant to continue draining their families for support—and are painfully aware that working their way through school is a difficult job at best. A great many young people have given serious thought to marriage while they were yet in school.

These pressures are realities, and all of us I know, have felt them, or some of them, at any rate. Under the circumstances, it isn't particularly surprising that young people in school would respond to them by demanding a kind of vocational training to acquire skills that they could put to work in the shortest possible time. These reactions are perfectly understandable, reasonable human reactions.

Without doubt, the interests of our people—and the lack of interest, for that matter—have had an important influence in shaping the course which many of our schools have followed. I say many, but certainly not all of them.

The pendulum swung far—very far—in many of our schools as the tide of materialism advanced. In recent years, I feel, the tide has turned in some of our great secular schools. The so-called Harvard report, which has generated so much comment, has asserted the need for balancing our educational methods with a strong emphasis on the humanities as a basis of building an informed, active, intelligent civic leadership and citizenry. Other schools, large and small, have in varying degrees adopted a similar view on this subject.

I believe that you in the class of 1949 at Loyola College may consider yourselves very fortunate indeed to have received the kind of education you have been able to obtain here from the Jesuit fathers. All of you will be able to go forth into the world with the assurance that you have trained your intellects in the methods of straight, clear-headed thinking; that you have learned tolerance and justice, understanding and reason.

Four hundred years of splendid scholastic achievement mark the traditions of the Society of Jesus in its struggle to preserve humanism in learning. Steadfastly, it has clung to its original objectives, firm in the conviction that it was rendering the highest possible human service in seeking first the greater glory and honor of God. Through the humanities and wisdom studies, philosophy and theology, it has sought to develop the intellect, the conscience and the taste in the light of both reason and revelation—and with the force of both passion and grace, it has striven to develop the whole man, the complete person. It has endeavored to equip a man spiritually, mentally, and morally so that he might live happily with himself and his fellow man. For four centuries, Jesuit colleges have been producing Christian gentlemen—true and finished men of character. And the art which tends to make the true man of character is as useful as the art of health or the art of wealth, and in the long run, of more service to mankind than both because ultimately it makes health possible, and gives wealth meaning.

You who leave here today carry with you this tradition. In the conduct of your personal lives, in the exercise of your duties and responsibilities as a neighbor, as a citizen, and as a human being, first class, you will find that this tradition will light for you the way to a full life and to a meaningful life.

One of the true lessons in the business of men living in the same world at peace and in harmony with other men is the lesson of the good example. Incumbent upon every one of you here today is the duty to carry out your own lives in order that you may always teach the lesson of the good example. This is a duty larger than a duty to yourself and your family. It is a duty to your country, to all mankind, and to God. And you here know the meaning of that lesson.

If we truly intend to achieve our goal of lasting peace in the world, the lesson of the good example is at this moment more necessary than ever before in all history.

Our sorest national and international problems have their roots in ignorance and hate. In your tolerance and understanding, you must carry forth with you the fruits of your learning. Now, more than ever, the influence of your tradition of liberal education is needed upon society. It becomes the sacred duty of those of us who have received so fully of its rich rewards to work strenuously to restore it to its proper place in our national way of life.

The problems of the future which must be solved in order that we attain peace, are, fundamentally, problems of human dealing with humans. There are no equations for solving these—and no pat formulas. Human answers are the answers to human problems. No thought-control machine, no lightning calculator, can do the trick.

Yes, you men of the class of 1949 have been trained to use your minds. This is the best possible preparation you can take on the great adventure that lies ahead.

By using your minds with the aid of grace to know the right; and by using your wills with the aid of grace to love the good, you can help good men reach the great goal of our time: Peace.

This year marks the four hundredth anniversary of the death of the first graduate of Loyola—St. Francis Xavier. I would like to close by repeating to you in full the graduation message which he heard from the lips of Loyola before he sailed for India: "Go and set the world on fire."

How Best Can We Preserve World Peace?

EXTENSION OF REMARKS

OF

HON. ESTES KEFAUVER

OF TENNESSEE

IN THE SENATE OF THE UNITED STATES

Wednesday, July 27 (legislative day of Thursday, June 2), 1949

Mr. KEFAUVER. Mr. President, I ask unanimous consent to have inserted

in the Appendix of the RECORD an excellent address submitted by John Rodman, of Memphis, a student, in the Veterans of Foreign Wars oratorical contest, which he won.

There being no objection, the address was ordered to be printed in the RECORD, as follows:

HOW BEST CAN WE PRESERVE WORLD PEACE?

(By John Rodman)

The air is calm now—calm compared with events of recent history. The breeze is dying, and the dark clouds hang imminently overhead. Lightning flashes faintly in the distance, and the low, ominous roar of thunder follows sluggishly. It is the lull before the storm. By no means an ordinary storm threatening our immediate future, for this tempest of war is mortal; it can be averted, not by the generals nor by the politicians, but averted by an element so important, so essential to our democracy that it has been practically forgotten. The omnipotent element of which we speak is the individual. You, I, all of us not taken as a group but as a person. Each individual, separate and distinct, each with likes and dislikes, each with personalities and temperaments, each with distinct peculiarities that differentiate us from other individuals. Too often today are these millions of eccentricities and characteristics lumped together in the term "average man," "common man," or "the man on the street." It is when the individual sleeps in a lulling sense of security or blindly follows without doing his own thinking that we have disasters. Such a disaster is now impending. There remains only for the individual to take his bearings, choose the best route out of the storm belt, and follow that route, letting nothing stop nor retard him.

It would be an easy choice if he considered peace alone as his objective, for peace may be had almost too easily. Simply submit to dictator rule and enjoy peace and tranquillity. But peace without liberty is worse than war. Together, liberty and peace make up 99 percent of that condition called happiness. Separately, they amount to less than 1 percent each. How can we attain them both? Of the many highways and byways out of our present predicament, which shall we choose?

We might take the highway of nationalism. It leads to State sovereignty, isolationism, and points right. It's a proud way, flags flying, national anthem playing, that good old "let the rest of the world take care of itself" attitude. Peace, prosperity, happiness—for a while. First the boom, then the bust—a nation finds out that it isn't totally independent of the rest of the world, finds that it can't exist shut off from sister and brother nations. The road to isolationism ends abruptly at the edge of a cliff over which nations spending too fast to see how the road ends must plunge headlong.

What has our individual to gain in nationalism? It would seem that nationalism and individuality of man can never be reconciled, for one is the very negation of the other. Nationalism is not government of, by, and for the person. The individual simply exists as a means of making the nationalistic state great and glorious. It was to the individual that Hitler wrote, "Thou are nothing, thy nation is everything." And only too often that type of nationalistic state reminds us of Mussolini's classic understatement, "I am the state."

If we do not choose the highway of nationalism, alias the road to ruin, what other alternatives have we? The highway of leagues, alliances, treaties, and confederations seems to be a peaceful enough route. It's a historical way with many ancestors. Remember the Articles of Confederation after the Revolutionary War, the League of Nations after World War I, today's United Nations, and now the Atlantic Pact? The Articles of Confederation failed miserably as a form of government; the League of Nations was unsuccessful in its primary purpose of keeping peace; the United Nations has fallen far short of the task for which it was intended; the Atlantic Pact as it is now is just another turn in the same old road. Who will deny that there are supreme representatives of the league system? Yet what has humanity gained from any of them?

The reason for failure lies not in the separate organizations but in the basic principles behind all such alliances. The smallest unit of any league is a nation, for it is an association of sovereign states rather than of individuals. It is a general assumption that civilization necessitates laws to insure each man's protection. When a law is broken, who is to be punished? In a Union, the individual who broke the law; in a league or alliance, the nation. How do you punish a nation? Either you boycott it or you invade it with armed might and destroy it. But how do you punish a sovereign state without punishing its thousands of innocent citizens? You do not, you cannot punish the state, for it does not exist. It is an abstract, collective term meaning the citizens of a certain locale. Will not the citizens then destroy the league, this Frankenstein their governments have created?

Thus it is that leagues collapse from the inside rather than from external pressure.

Also contributing to the downfall of this system is the fact that it is undemocratic. Its equality is the equality of nations, not of individuals. One vote would be given to the 4,000,000 Swiss, the same one vote to the 40,000,000 French, and likewise one vote to the 130,000,000 Americans. After man has so many times followed this road, never getting anywhere, it is inconceivable to think that he would do anything but avoid it in the future.

Shall we take one of these worn-out roads of league or of nationalism or shall we take the path to union? The union road is a gradual climb upward until you reach the highest peak, the pinnacle of individuality, world government. The union way is not a radical, new idea but a time-tested way, appearing new only because man discovered but 10 years ago the direction in which he has been heading all his life.

Ever since creation men have seen the advantages in forming unions, have formed them, and have been generously rewarded for their efforts. David Cort in his pamphlet The Great Union presents the basic, sensible reasons behind all combinations and mergers. One man alone would have to stand guard over his family and possessions 24 hours a day. If 24 men combine, each must stand guard only 1 hour a day. If millions combine, they are able to work and produce so freely that they can afford to hire men who do nothing but stand guard against fire, war, robbers, etc. It's the same principle applied in a mutual life insurance company: the larger the combination, the safer is the individual man; the larger the combination, the less contribution must be made by the individual and the freer he is to go about his business, liberated from fear and interference.

World government cannot be attained by one step but must be the final result of years of work and waiting. First must come understanding, then the will to do, next a nucleus must be formed of the world's free democracies to pioneer the way. With only democratic nations eligible for admission to this Federal Union of the Free, other countries seeing the advantages of union could join after changing their form of government. Eventually, the Federal Union would get to the point where it would comprise all the nations on the face of the globe except Soviet Russia. If, by that time, communism has proven unsatisfactory, as we believe it must, and the people of Russia bring about a change to democratic government, the Federal Union would then become a world union. If, by that time, communism has not proven unsatisfactory, it will mean that we have made the classic blunder of all time by believing in the rights and dignity of man.

Only by union can we achieve peace without sacrificing freedom. The nationalistic state enslaves the individual; the league system recognizes him not, for it is a merger of governments, not of individuals; only union, first partial then universal, recognizes and insures the rights of the individual, exists simply for his benefit, and gives him what he wants—liberty, peace, and happiness.

An Experience in Washington

EXTENSION OF REMARKS

OF

HON. KENNETH S. WHERRY

OF NEBRASKA

IN THE SENATE OF THE UNITED STATES

Wednesday, July 27 (legislative day of Thursday, June 2), 1949

Mr. WHERRY. Mr. President, each of my colleagues and I have a great respect for the judgment of the small country newspapers throughout the Nation, which faithfully report and represent their communities and surrounding areas. One such newspaper has come to my attention from the State of Wisconsin. Its editor, Mr. William Hawley, recently visited the senior Senator from the Badger State [Mr. WILEY]. When Mr. Hawley went back to his home town of Baldwin, Wis., he wrote a very interesting description of his experience in Washington. Incidentally, he commented most favorably upon our colleague. I ask unanimous consent that the text of Mr. Hawley's very fine and deserved write-up be printed in the Appendix of the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

AN EXPERIENCE IN WASHINGTON

One of the very rare experiences that we had on our journey through this wonderful land took place in Washington. Wandering around the corridors of the Capitol Building, I ran onto Senator ALEXANDER WILEY. He asked about my family and immediately we went up to the gallery, picked them up, and proceeded to the Senate restaurant with the Senator. There we met Mr. and Mrs. Jon Lid, of the Norwegian Broadcasting System. The children, my wife, and I especially appreciated being in the Senate dining room, seeing the Senators as they came in, and, naturally, we enjoyed visiting with Senator WILEY and the Lids.

This all brings up the idea that the 1950 election is not far away, and while we were in the East we were informed that the Republicans at the convention in La Crosse decided to endorse candidates for the coming campaign. Incidentally, it was the first Republican convention I have missed in 25 years. I was sorry I was not able to be present.

While we were in Washington we were impressed with the fact that everybody seemed to know our senior Senator and spoke highly of him. It is significant that in the course of the short period of 10½

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years there are only two Republican Senators who have higher seniority than Senator WILEY—namely, Senators VANDENBERG and BRIDGES.

Let me ask and answer a few questions about our senior Senator.

Does Senator WILEY know farm problems? Yes. For over 30 years he has owned and operated a dairy farm in Barron County, Wis. When Senator WILEY came to Washington farmers' mortgages were being foreclosed throughout Wisconsin. One of the first bills Senator WILEY introduced was to prevent the foreclosure of these mortgages. Ever since then he has been fighting the farmers' battle.

Is he a hard worker? Definitely. He works an average 80 hours a week these days. Folks who have called upon him in Washington or who have phoned him long distance have found him working far into the night, often on holidays.

What has he done to protect the dairy industry? The facts speak for themselves. He has fought for legislation to prevent farm prices from nose-diving and his bills would help insure the farmers' cost of production plus a reasonable profit.

Does he know the value of a dollar? Absolutely. ALEX WILEY started out his career working in the sawmills of northern Wisconsin for 15 cents an hour, 11 hours a day. He worked his way through college selling insurance, painting houses, clerking in the store.

What sort of a family man is he? He has raised a fine family with four grand youngsters and eight grandchildren—a model family of which he could be proud or any dad or grandad could be proud.

Is he a man of the people? He certainly is. There are no airs or pretenses about ALEX WILEY. He is plain speaking, plain acting, straight-shooting.

Is he respected in the Republican Party? Perhaps the best answer to this question is that in the La Crosse convention he was introduced by the Republican National Committeewoman from Wisconsin as the "most beloved Republican in Wisconsin." We should note, too, that he is the first ranking Republican on the Senate Judiciary Committee and the second ranking Republican on the powerful Foreign Relations Committee. This means that at long last, Wisconsin has a man high up in the ranks of the Senate who can be and is a real help to his people.

ALEX WILEY talks the farmers' language, because he knows farm problems from first hand. He fought the farmers' battles for manpower during the war when the farms were being stripped of all hands; he fought to assure foreign markets for farm produce. He fought against OPA rules that were damaging to the Wisconsin cheese industry, he fought to bring in foreign laborers to help meet the manpower shortage when Wisconsin crops were rotting in the fields. "Write to Senator WILEY and you will get fast and polite attention" has become a by-word which farmers in Wisconsin have rightly told one another.

For these and many other reasons, it was a pleasure for my family and I to visit our senior Senator.

Louvain Gets First Books From CARE

EXTENSION OF REMARKS

OF

HON. WALTER H. JUDD

OF MINNESOTA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, July 26, 1949

Mr. JUDD. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following article from the Washington Post of July 24, 1949. I hope it may soon be possible to bring before the House my bill, H. R. 5186, to allocate to CARE the money earned by conscientious objectors working on farms and in hospitals during the war. The total amounted to almost a million and a quarter dollars and was placed in a special account in the Treasury. To what better use could it be put than CARE's book program?

LOUVAIN GETS FIRST BOOKS FROM CARE

(By Shirley Barshay)

Last week a thousand dollars' worth of new books arrived at the library of the University of Louvain in Belgium. If about $5,000,000 worth more arrive, the Louvain library will have regained its prewar status.

Add to that the cost of rebuilding thousands of demolished schools and restoring and restocking countless libraries and museums, and you have some notion of the enormous task of educational and cultural reconstruction facing much of the world today.

The Louvain contribution was the first to be made under the new CARE book program, according to an announcement yesterday by Paul C. French, CARE's executive director.

"We feel that the book program is a logical extension of CARE service," French said. "Just as the CARE food and textile program indicates a willingness on the part of the American people to share those aids in personal rehabilitation, so the book program is a symbol of aid in community rehabilitation."

A professional committee, headed by Dr. Luther Evans, Librarian of Congress, has selected 1,200 titles of the latest outstanding scientific and technical books. These books will at least provide some connecting link with the vast and varied program in the United States in the last decade.

The whole program has been developed in cooperation with UNESCO, the Library of Congress, the American Library Association, medical and scientific associations, and governmental authorities overseas. The advisory committee on voluntary foreign aid of the State Department has approved the project.

MANY COUNTRIES LISTED

The aim is to help fill the needs of as many universities, libraries, medical centers, and scientific institutions in as many countries as possible. So far, the list of countries to be served includes Austria, Belgium, Czechoslovakia, Finland, France, the American, British and French zones of Germany and Berlin, Greece, Italy, Japan, the Netherlands, Norway, and the United Kingdom.

With the assistance of UNESCO and the ministries of education in the various countries, CARE's mission chiefs abroad have determined the areas of information which will be of the most immediate and practical value to the reconstruction effort. The major categories cover health and welfare, medicine, dentistry, applied science, nursing, agricultural and veterinary science, English language instruction, and teacher training.

The almost rudimentary book needs are pointed up in letters received by CARE missions. From the training school for kindergarten teachers in Frankfurt on Main came this request:

"Our building was occupied for more than 5 years by the Wehrmacht, and a proportion of our book stock was lost, which we have never been able to replace. We urgently need books on psychology, sociology, chemistry and physics, English instruction manuals and grammars, maternal and child welfare."

The Sankt Georgen College, also in Frankfurt, wrote: "The Sankt Georgen libraries were entirely destroyed by air raids. In addition, we lost many reference works which our professors attempted to store in hiding places, but which were found and confiscated by the Gestapo.

"Our book budget is now inconsequential because of the expense of rebuilding our ruined dormitories and lecture halls. We cannot even afford the most urgently needed scientific publications or second-hand books."

PURCHASED IN BULK

From priority listings of each country's institutions in greatest need, and from the institutions' own priority requests, CARE makes it possible for Americans to contribute to this fundamental area of rehabilitation.

The physical operation of the book program is similar to that of CARE's food and textile package program, except that books will be sent to institutions rather than to individuals. Bulk purchases of books are made directly from the publishers.

Delivery of the books abroad is guaranteed at the publishers' list price, with no extra charge for transportation or distribution. The discounts allowed CARE by publishers and ECA subsidies for bulk shipping make this possible.

CARE hopes that the majority of the contributions will be undesignated, but donors of $10 or more may specify the country, type of institution, and category or categories of books.

So far, CARE is the only organization providing this broad service. Of course, some help has already been sent from this country. For example, the Rockefeller Foundation gave to the University of Heidelberg a complete set of technical journals—the only one in Germany. And there is a constant pilgrimage of students and professional people from all over Germany to use the journals.

The directness of the CARE book program has already appealed to students in this country. Catholic University here is using a traveling poster exhibit describing the program, and students are making contributions. Library of Congress employees, who have been sending CARE food and textile parcels for more than a year, have already made one collection for the book program.

General Marshall, along with many other prominent individuals, has endorsed the program by saying that he hopes it will receive the widespread support it deserves.

Valley of the Dammed

EXTENSION OF REMARKS

OF

HON. WILLIAM LEMKE

OF NORTH DAKOTA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, July 26, 1949

Mr. LEMKE. Mr. Speaker, connected with every national improvement there are damages. This is especially true of irrigation, navigation, and flood-control projects. There is the taking of property and the destruction of homes. Not only do we take the homes of the living but we take the last resting place of the departed.

Our forefathers realized that private property rights would have to yield to public necessity, but they also realized that a just Government would compensate those whose property was taken. The constitution provides "that private property shall not be taken for public use without just compensation."

I leave it to the reader's good judgment whether Melvin and Louise Engel, who happened to have lived in the Valley of the Dammed, received just compensation or whether they were bluffed and threatened out of their home.

I include in my extension of remarks part 10 and 11 of the "Valley of the Dammed" by Bigelow Neal:

VALLEY OF THE DAMMED
(By Bigelow Neal)

PART X

"Thereupon he became entitled to have the just compensation safeguarded by the fifth amendment of the Constitution; that is, the value of the land taken and the damages inflicted by the taking was a sum as would put him in as good a position pecuniarily as he would have been had his property not been taken." (Unanimous opinion of the Supreme Court of the United States and written by Justice Butler in a case referred to by lawyers as *Campbell* v. *United States* (266 U. S. 368; 45 Supreme Court Reporter 115).)

In the foregoing chapters of this document I have attempted to show how a small body of men, known collectively as the Real Estate Division of the Army Engineer Corps, came to the valley of the Missouri to purchase or take or to condemn our lands.

I have shown you how they have openly defied the fifth amendment of the United States Constitution. I have shown how they have ignored the ruling of the United States Supreme Court as quoted above. I have told you of the things I have seen and heard them do and of what my neighbors have experienced at their hands.

Now I propose to take a piece of jetsam from the backwash of their destructive passage and lift it far enough out of the mire so that you can see this deadly machine, plowing its way up the river, in actual operation. You can see it in all its self-generated horror, a machine built and operated, not for justice or generosity or mercy, but solely for the taking of homes and the dispersal of peoples. And when you have finished, no matter how nauseated you become, I ask you to believe I shall have done here exactly as I have done throughout this narrative—told my story with every word picked to show you the pure and unvarnished truth.

And when you have finished, I ask you as one American of another, whether you be of the men and women who make up our legal and judicial system, members of the Department of Justice, Members of Congress, the Army Engineer Corps, or just the plain taxpayers who really are supposed to run this country, how long will you let this thing continue? Remember it affects not only North Dakota but every State and territory under our flag. It has been going on its cruel way for years. As it goes it gathers power, even the power to defy its own Government, its own superiors, its own conscience, every concept of Christianity, and every tenet of right. In the name of all the people—men, women, and children—hundreds of thousands of them, who must suffer much even under fair and just treatment, I plead with all of you to stop this cruel thing in its tracks and show to the world that we can extend the same justice and charity to our own people that we can show and boast of over all the world.

All right. We're all set LOW. Here we go with a story that a year and a half ago I would have sworn never could have been told in our country as long as the Stars and Stripes flew against the sky. It is the story, first, of a boy and a girl. I shall write it as they told it to me, as I have read it in their voices and as I have seen it in their eyes. It is the story of:

Melvin and Louise Engel

Melvin and Louise were married on a capital of hope and faith and strong hands. They had little else.

Melvin came from Iowa, just a boy in search of that thing which drove Columbus and his flyspeck squadron those thousands of lonely and hostile miles across the Atlantic. Slowly, a few miles at a time, he worked his way west into South Dakota. But there he couldn't find the thing he sought. So he turned north, following the Missouri up and up until at last he came to Garrison and to a job on a farm only a mile from where he lives or exists today. There at last he knew that he had come to the promised land.

It was a place in the valley of the Missouri where a strip of small but very bad Bad Lands broke into the high prairie and turned the land into a wild jumble until the last of the buttes was cut squarely at its base by the great river.

Here Melvin found areas of farmland sloping gently toward the timber and the river, while around and towering above them, were the buttes and peaks, the gray and the white of the clay, the blue and black of the coal veins and the whole splashed with the vermilion of scoria.

Then, too, as a born adventurer he was a hunter and a fisherman at heart. Here in the age-old hills were the deer and the badger, the wildcat and the skunk, the grouse and the prairie chicken, the catfish and the wall-eyed pike. What more could he ask? Nothing. At last he was satisfied.

Louise was a true daughter of the prairies. In fact, she was the kind of a girl the moving picture people try so hard to reproduce on the screen. Always she had lived on the prairies, a large share of it on the fighting top of a horse. The women in her family rode with their men on equal terms. And they rode without pulling leather.

But there were times when Louise could put aside her boots and spurs and overalls to appear at parties and dances as a very pretty girl indeed. And there Melvin met her or she met Melvin, or whatever it is that happens under those circumstances. So, of course, there had to be some slight changes in local history.

Now the wages of a farm hand didn't take into account a family or even a wife. If Melvin and Louise were to be married, it called for a home of their own and a self-supporting institution. In theory, 300 acres of crop would send them on the way to the happy everafter. But in practice, there was the matter of horses and machinery and household goods—even if there were a house. But something had to be done. So they did it. They got married.

Next followed the purchase of a cow or two, a few horses and a set of harness, a plow, and the renting of a farm from a man whose good judgment seems to have been even worse than theirs.

In turn came a baby, followed by drought, grasshoppers, and a full-grown depression. With responsibilities up one notch and assets down several, Melvin took his licking, sold out what little he had, set up housekeeping in an old cook car, and got a job 90 feet underground in a lignite mine.

With the low wages of the time, they lived. But they were both unhappy. This was not their dream at all. What had become of the green of the hills and the great valley they loved so much? Now it was only hard grueling, blistering, dangerous work for Melvin and endless hours of listening to the prairie winds roar over the cook car, while Louise wondered if her husband would ever come to the surface of the earth again—and if so, would he be alive?

And so, in the evenings, they went on with their dreaming. Not of the home they had almost won but of a newer and bigger and better home, a place that would be all their own. And the best way to dream of such things is to look in the catalogs for pictures of baby chicks and incubators and mowing machines and the like. In that way you can create a home out of nothing and actually live in it a good deal of the time—that is if you have an imagination worth its salt.

Finally after some years of hard work and pinching to save a little money, something happened in an unlooked-at direction. Louise's sister, Maria, came into possession of a half section of land, right exactly where Melvin and Louise wanted to live. Melvin saw a chance of a coal mine, at least half his own. So he purchased an 11-acre tract in one corner of Maria's farm and set out once again to make a home for Louise and the babies.

But now things were different because they were starting from scratch, without even a building. And his first task was to find some sort of shelter.

He found it in an abandoned house many miles away. The house had once been good. Its construction was standard, a story and a half with a liberal lean-to on one side. Ordinarily it would have been far out of reach for Melvin but the depression was still on; houses were worth about a dime a dozen and he got the building for $200.

The next question was to get it moved. Finally he hired a moving man with some equipment and agreed to pay $100 and 2 weeks' work for the actual moving. So with the help of neighbors and the incurring of a lot more bills for return work, the house finally came to rest on the hallowed 11 acres.

Next came the matter of a cellar; thence the discovery that too many hail storms had made leaks in the roof. The siding was badly weathered, too, and Melvin found that the windows and doors had to be new.

So they began, little by little, to put the house back into living condition. As it improved, it contained grain money, coal money, garden money, and even catfish money.

Too, the time had come when the catfishes had to do double duty because the first baby had become two and then the two had become five and they were going to be seven by the time this was written.

But the house wasn't all. They had to have a barn; they must have a place for chickens and pigs. There had to be a well and a fence around the land with likely another to enclose Louise's garden. And everything they bought meant that they had to go without many things that they sorely needed; sometimes it was even food.

But who cared. This was their home. It was all theirs. And they would sacrifice for it in real pleasure because of what it meant to all of them for the future.

And so they went on. They farmed and they worked the mine and both began to really pay. Because of the mine they incurred a heavy indebtedness in a tractor and a truck and some mining machinery. But they were sure they could pay for them because, after so many long years, luck was coming their way.

It was a beautiful location. The butte of the badlands threw a protecting arm around them on the north and west while to the south the land sloped away over fields to the timber, the river, and the bluffs beyond.

And so in the fall of 1947 a check of their house, made carefully and by disinterested persons, showed that it would cost $2,500 to replace the building, without figuring hardware or paint or wallpaper, cellar, foundation, or sales taxes.

Their other buildings, while not much to boast of, but fully serving their various purposes, figured on the same basis came to another $2,000. Then there was the coal mine where another 10 days' work would make ready for sale 2,700 tons for which they were getting $3 per ton. And, lastly, the value of the land, fences, and improvements.

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And then one day late in October, the lightning struck. The bolt came fittingly just at dusk when its effects would be all the more blinding. It came in the form of a man. Of a man who said he represented the Army engineers and who had to have their home for the building of the dam.

When they asked him how much they would get and they heard the figure, they were actually numb with disappointment. But when, as they allege, he told them that, if they didn't sign the option, the Government would take the land anyway and they might get even less and when he said that, if they refused, they probably would have to get out of their home in a month or two, they saw the cold winter closing in and the utter hopelessness of it all. With nobody to go to for advice, given little time to think, knowing that they dealt with an all-powerful Government, able to drive them and the seven children out into the snow at will, Melvin and Louise signed the option, giving away all that they had worked and drudged and slaved for and the total sum they received was $900.

PART XI

Last week, in telling you the story of Melvin and Louise Engel, introducing the actual figures on the value of their buildings would have turned the story into a lesson in bookkeeping. Nor do I intend to do it here. But I do want to tell you how the figures were obtained and their totals.

You are to understand that no claim is advanced as to the actual sale value of the buildings. These buildings were built, part by part and from time to time, as Melvin and Louise were able to find the money. In some instances—like the granaries and the house—the construction is standard. Others are put together as the occasion seemed to warrant. Nevertheless, each building has been built well enough to serve its purpose and if these young people are to replace them on a new farm, it is fair to figure them stick by stick at the cost of lumber today. To be exact the figures are as of December 1947, the time the land was taken. Here they are for each building:

Granary	$276
Do	186
Do	134
Brooder house	114
Barn	373
Garage	258
Toilet	56
Hog house	92
Chicken house	141
House	2,503
Total	4,148

In the above figures labor was figured at about one-third of the cost of lumber but no figures are included for sales tax, waste in cutting, paint, hardware, interior shelving, or built-in fixtures.

The value of the land would run between $20 and $30 per acre. Here we take the lower figure and go on:

Land	$220
Fences	100
Well pump	15

This brings the valuation to $4,483.

Now we have the value of coal uncovered, except for 10 days' to 2 weeks' labor. The coal measured 2,700 tons. Melvin was getting $3 per ton.

Because the coal was on his sister-in-law's land and I'm not certain as to the terms of the deal between them, we'll play very safe here and show that he lost a half of the total or some $3,050, if we disregard the labor yet involved.

And so on the fatal night when the "negotiator" called, Melvin and Louise had a sum, probably in excess of $7,533 in lands, goods, and equities. And through that fear that came to them during their conversation with the negotiator, they signed away all they had for $900.

Here insofar as the purchasing of these lands is concerned, I rest the case of more than 100,000 men, women, and children in the hands of public opinion. Do you who read this feel that we should tolerate this policy?

Next week we'll devote largely to options. The week after, we'll begin with the land rental phase of this policy. Right now I'd like to clean up a few odds and ends.

I'd like to extend my thanks to all of those good people, newspapermen, Congressmen, employees of the Government, State officials, farmers, and just plain neighbors, for their many words of appreciation. I sat out here, actually one man alone with many powerful enemies and without a single visible friend. For a time, the only comment I had came from those who prophesied that I would spend the rest of my years in Atlanta or Leavenworth.

I went ahead on the theory that somehow God would take care of any man as long as he followed steadily in the footsteps of his own conscience. I reasoned that, as long as I told nothing but the truth, no harm could come to me. So far my reasoning has been correct and the men, who might have been my worst enemies, have joined the ranks of my friends.

But it did take more courage than I ever have needed before and I hope that I shall face no such call again.

So many requests have come in for the publication of The Valley of the Dammed in book form that some, at least modified, action may be necessary. First, we'll see how the calls total up. But many thanks to you who have made the requests to date.

When I started this story, filled to the brim—as it is—with highly explosive matter, I fully expected to be apologizing to someone oftener than once a week. I'm tempted to brag a bit by claiming that to get this far without being obliged to apologize proved not only that my cause is just but that I haven't told you a thing that the other fellow doesn't know doggone well I can prove.

But I have learned of two instances when I have hurt the feelings of other people unnecessarily. To them, then, I am dedicating this space, because neither I nor my unfortunate neighbors would have anyone hurt through the publications of this manuscript.

First, there's a lady. She's a mighty nice young lady, too. And she's one of those marvelous beings who can sit in a courtroom and put down on paper every word that is said in the room, no matter how excited the people who are talking become. She's not only the court reporter but, in addition, she's personal secretary to Judge Charles Vogel of the United States district court. In those various capacities she seems to have made a real hit with many of my associates and they have told me how she encouraged them by a smile at the proper time or a word or two of encouragement when they needed it most. Then I have another way of proving she is nice: Her name is Miss Betty Good.

And so, Miss Betty Good, I want to apologize to you publicly, that it may be read all the way from the CONGRESSIONAL RECORD to the sands of Waikiki, for ignoring you when I introduced the personnel of the United States district court to my readers. My idea was to teach my neighbors not to be afraid of your court and I seem to have omitted entirely one of the most effective fear smashers in the whole group.

When I advised my neighbors to go to Miss McMichael when they wanted to know whether it would be proper to speak to Judge Vogel, I meant only when they had cases of their own before the court, and any other means of attempting to see him might end in embarrassment to someone. I still believe I was correct. But I did fall down, and I fell badly, when I neglected to say that, if they wanted to talk to Judge Vogel on matters of ordinary business, or in a social way, that they should come to you because you truly do rule the roost in Judge Vogel's outer office. How about it? Do you feel better? I hope so.

Now we turn to a man. And, believe me, he's a man well able to take care of himself. But I did hurt him a little bit a few weeks ago and I want to make that right too.

About a year ago an agent of the Real Estate Division—let's not blame this on to the negotiators—told me that his department was much dissatisfied with the work of the Department of Justice. He said, "If we have any more trouble, we're thinking of setting up another Federal court in North Dakota, bringing in an outside judge and district attorney." Wouldn't that make you a little sore? It did me.

Later in a conversation with another agent—still not a negotiator—he said, "We don't like at all the work of the Department of Justice, but I suppose the hay is in their meadow and they'll have to put it up."

Still later, when I went down to the trial of my own case and found that our United States district attorney had been apparently superseded by Mr. Landrum, I jumped to the conclusion that the Real Estate Division had in some way made good its threat and in this story some time ago I said so.

But it seems that I was in error. Mr. Lanier tells me that he himself called in Mr. Landrum, simply because the combined business of his office was too much for one man to handle. And it follows—of course—that Mr. Lanier was not superseded in any sense.

I am truly sorry to have hurt him and so to him also goes my humble apology. Additionally, I might add my thanks because his action gave me something I value highly, the personal friendship of the other district attorney, Mr. Landrum, and an invitation to go fishing at Detroit Lakes. To both of these men go my best wishes and the devout hope that they get a royal licking every time they try a case against my neighbors.

Now I wish the United States district attorney for North Dakota and the court reporter for the United States district court would get together and cook up a policy of forgiveness to beam in my direction.

The Man Who Pays

EXTENSION OF REMARKS
OF
HON. KARL E. MUNDT
OF SOUTH DAKOTA
IN THE SENATE OF THE UNITED STATES

Wednesday, July 27 (legislative day of Thursday, June 2), 1949

Mr. MUNDT. Mr. President, the money we are appropriating so freely in the Eighty-first Congress is not free money. Every dime and dollar that we spend comes out of the wages, out of the monthly income, and out of the family budget of some of our fellow citizens. Every time we make a Federal appropriation we reduce the net price that some farmer receives for his produce or the net profit that some merchant makes on the sale of a sack of flour or a suit of clothes; every time we spend more

than is necessary we decrease by more than we should the opportunity of some fellow American to save something for a rainy day or to enjoy lower costs of living so that he could provide better for himself and the education and enjoyment of his family. Controlling the public purse strings is a tremendous responsibility, Mr. President, and we must act with wisdom and prudence lest we build Government so large or Federal costs so high that opportunity and security cease to be the birthright of all Americans, both young and old.

In this connection, I ask unanimous consent to have printed in the RECORD a stimulating editorial from a significant newspaper—the World-Herald, published in Omaha, Nebr.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

THE MAN WHO PAYS

"There is no free money flowing out of Washington."

Senator KARL MUNDT, Republican, South Dakota, reminds his constituents of that basic, but often forgotten, truth.

"We should all realize," says the Senator in his weekly newsletter, "that a big reason why it costs so much to buy an automobile, a tractor, a windmill, a plow, or a pair of pants is that the hidden taxes which Government places upon all production pyramids up so that the consumer pays the freight and that these tax payments are just as real as though they were deductions from one's take-home pay or quarterly payments on one's income tax. When Uncle Sam gives you something, he always sends along the due bill afterward. Only sometimes you find it is in the cost of the new shoes you have to buy or in the price of the shirt on your back."

The Senator believes that the hidden nature of these taxes causes a lot of illogical thinking about Washington's "free money." The emphasis is too much on personal income taxes and not enough on the pyramiding hidden taxes that boost the cost of living and help to maintain those high prices that somehow won't come down.

Taxes are paid in the sweat of every man who toils, as Franklin Roosevelt once said. There is no getting around it. One way or another, he pays, and all the big talk about running the Republic on the revenues derived from taxing corporations or wealthy individuals at higher rates is politically inspired "hooey." The little man always pays. The more his Government spends, the more he pays, and no amount of scheming and contriving can change the fact or soften its consequences.

What can happen, however, is that the people can be misled into believing that they get something for nothing; that somehow the huge $42,000,000,000 Government that watches over them takes less from them than it gives.

For the average American—for the overwhelming majority—that is simply not so. They are providing the "free money," not only in the direct tax payments they make to the Federal Government but in the purchase of almost everything they buy.

If all of us realized this, as Senator MUNDT says, Uncle Sam would look less like a benefactor and more like the waster of the people's substance he has become.

Mr. MUNDT. Mr. President, as indicated by the foregoing editorial, big government frequently becomes bad government. Placing too much power in the hands of too few men for too long a time has become one of the greatest plagues from which the people of the world are today suffering.

Self-government is the precious heritage of every American, but unless each of us works at this trade of governing ourselves and takes an active interest in what is done with our taxes and what is planned by the politicians we are apt to find this country suffering from the same evils and vices of centralized government that doomed Germany under Hitler, that destroyed Italy under Mussolini, that today condemn millions of Russians and others to the tyrannies of communism under Stalin, and that have reduced Great Britain from a thrifty, vigorous nation of tradesmen to a worried island of bewildered citizens staggering along under the top-heavy political and economic burdens of socialism.

Our American success formula of individual initiative, private ownership, political independence, and decentralized government has been neither equaled or approximated by any other era or area of the world. Let us work steadily at making it better and at extending its dividends increasingly to more and more people, but let us resist, like the plague, all attempts to scuttle it by substituting for its glorious freedoms the discarded and distorted political and economic systems which have brought unhappiness and misery to so many people of other lands.

The decisive battles for freedom in our generation—both political and economic—are to be won or lost on American soil. Victory or defeat will depend upon the action or the apathy of the average citizen as he accepts or rejects the fake lures of political and economic medicine men.

All over the world the tempting offerings of the welfare state—more accurately called the security state—are being offered unwary citizens under an artful camouflage which conceals but does not change the total state controls and state ownership which unerring throughout all of human history have resulted in political tyranny. Sometimes the bait is communism, sometimes it is nazism, or fascism, or socialism, or statism, or collectivism, or nationalization, or the planned economy. The path toward the empty mirage of something-free-for-everybody and come-and-get-it government is always different, but the destination is always the same—at the end of the road, the state is supreme and the individual is reduced to the cringing servant of the state.

Mr. President, the problems and the perils which we face are neither new nor novel. In concluding these observations, I ask unanimous consent to have printed in the RECORD a pertinent and thought-provoking excerpt from a speech made by Senator Benjamin Harvey Hill in the United States Senate, March 27, 1878.

There being no objection, the excerpt was ordered to be printed in the RECORD, as follows:

Sir, there is a corporation we may well dread. That corporation is the Federal Government. I dread nothing so much as the exercise of ungranted and doubtful powers by this Government. It is, in my opinion, the danger of dangers to the future of this country. If this great, ambitious, ever-growing corporation becomes oppressive, who shall check it? If it becomes wayward, who shall control it? If it becomes unjust, who shall trust it? As sentinels on the country's watchtower, Senators, I beseech you watch and guard with sleepless dread that corporation which can make all property and rights, all States and people, and all liberty and hope, its playthings in an hour and its victims forever.

Repeal Excise Taxes

REMARKS
OF
HON. T. MILLET HAND
OF NEW JERSEY
IN THE HOUSE OF REPRESENTATIVES
Wednesday, July 27, 1949

Mr. HAND. Mr. Speaker, we have now apparently reached the point where everyone in and out of Congress is demanding the repeal, or the drastic modification of wartime excise taxes. I am glad to see the demand for action increase. As a matter of fact, I have always opposed the continuance of these wartime nuisance taxes, and was one of a small minority who voted against them 2 years ago.

There is no excuse for levying taxes on transportation, telephone calls, handbags, luggage, cosmetics, jewelry, and many other items. They are more than a nuisance; they tax people who can least afford to pay, and hamper and discourage business.

Mr. Speaker, the so-called cabaret tax raised from 5 percent to 20 percent during the war is an excessive tax, and in these days of business recession is proving ruinous to the business, and is causing increasing unemployment. There is no reason for it except the insatiable demand of the spenders for more money for the Government to squander.

The Hotel and Restaurant Employees Union, Local 508, of Atlantic City, has passed a resolution on this subject, and I want to call it to the attention of the House. The resolution follows:

RESOLUTION ON THE FEDERAL CABARET TAX

Whereas the wartime Congress raised the Federal tax on cabaret checks from 5 percent to 20 percent, with assurances to the public that with the end of hostilities the extra tax would be removed; and

Whereas this unfair tax is still in effect 4 years after VJ-day, with no sign of its reduction to the prewar rate by the Eighty-first Congress; and

Whereas this excessive levy has already exacted a heavy toll of unemployment among workers in the culinary, hotel service, and bartending trades by discouraging patronage of establishments offering entertainment with meals; and

Whereas such a tax is a discriminatory levy upon the public's right to recreation; and

Whereas with increasing signs of reduced spending by the public, there is certain to be a further loss of jobs by waiters, cooks, bartenders, and others employed in places

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subject to the 20-percent cabaret tax unless this unjust impost is removed; and

Whereas it ill becomes our Government, at a time when unemployment is rising, to continue in force a measure which can only swell the jobless total, thus undermining living standards and accelerating an economic collapse: Therefore be it

Resolved, That Local 508, Hotel and Restaurant Employees and Bartenders International Union (AFL) go on record with the demand that Congress repeal the 20 percent cabaret tax outright, or reduce it to the prewar rate of 5 percent; and be it finally

Resolved, That copies of this resolution be forwarded to the chairman of the House Ways and Means Committee of Congress; to both United States Senators from the State of New Jersey; to all Congressmen representing members of this Local Union; and to our International Union.

Mr. Speaker, the Republican leader in the House the gentleman from Massachusetts [Mr. MARTIN] is demanding action on these excise taxes, and in that demand he is joined by almost all Republicans and a great many Democrats as well. I respectfully call upon the administration to respond to a universal demand for such tax relief, and to give us action now.

Has the Need Passed?

EXTENSION OF REMARKS
OF
HON. HUBERT B. SCUDDER
OF CALIFORNIA
IN THE HOUSE OF REPRESENTATIVES
Wednesday, July 27, 1949

Mr. SCUDDER. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following editorial from the Santa Rosa (Calif.) Herald of July 8, 1949:

HAS THE NEED PASSED?

According to a recent survey announced by the Federal Housing Administration, building contractors the Nation over are entering the low-price housing field in increasing numbers. The market for expensive architectural show places has been saturated, the report showed, and virtually all homes now being built are in the moderate and lower cost brackets.

Most builders cooperating in the FHA survey reported, too, that shortages of materials no longer plague the industry. And construction time has been reduced in the past year from an average of nearly 5 months per home to 4 months.

All the signs indicate that supply is fast catching up with demand for housing—that the home market is becoming more and more a buyers' one. That being so, Congress' action in passing a $16,000,000,000 public housing bill seems peculiarly ill-timed.

If such a program was ever advisable, 4 years ago was the time for it, when returning veterans were finding operation house-hunting a dismal experience—not now, when the housing shortage is finally being alleviated.

The natural decline in the market for homes means a substantial loss to hundreds of thousands of veterans and others who have bought homes at high prices since the end of the war. A still more drastic decline, forced by the artificial competition of socialized building, seems less than fair. And in addition, home owners will be in the position of subsidizing, through their taxes, a good share of the cost of Government-built homes for people who were unwilling to make the same personal sacrifices they did.

If the need for large-scale building of low-cost homes ever warranted the Government's entrance in the field, that need seems definitely to have passed.

Luxury Tax

EXTENSION OF REMARKS
OF
HON. HARRY J. DAVENPORT
OF PENNSYLVANIA
IN THE HOUSE OF REPRESENTATIVES
Tuesday, July 26, 1949

Mr. DAVENPORT. Mr. Speaker, under leave to extend my remarks in the RECORD, I wish to include the following reprint from the Pittsburgh Sun-Telegraph on the wartime 20 percent luxury tax:

WOMEN, CHILDREN NICKED FIRST BY WARTIME 20 PERCENT LUXURY TAX

(By Mina Wetzig)

Is your baby's comfort a luxury?

Congress thinks so—it taxes you 20 percent every time you buy a bottle of baby oil or a box of baby powder.

And that's only the beginning—scores of items that junior's mama considers essential to her personal appearance fall under the "luxury" classification in the Federal government's 20 percent excise tax law.

Pity the poor working girl, too—she's a victim of the pocketbook plague that adds 20 percent every time she buys a "luxury" like a dollar lipstick. She'd be a mighty pale petunia in an onion patch of yelping men without it.

Congress wasn't being chivalrous when it tabbed "women and children first" to get nicked by the 20 percent tax on toilet preparations.

But to get back to the baby—the kid who needs a little something besides his three-cornered pants.

IF LITTLE TERRY ONLY COULD TALK

If 6-month-old Terry Connell could talk he'd likely say that the powder his mother sprinkles on him at certain crucial periods of the day was pretty much of a necessity. He's no diaper dandy—that powder's essential.

Terry's the son of Mr. and Mrs. Terrence J. Connell, 220 Lynn Drive, Pleasant Hills. And while he gurgles cheerfully during the powder sessions, they don't think his comfort is a luxury. And neither do other proud parents—Congressmen excepted.

While Mrs. Connell knows the luxury tax affects a lot of the necessities of her husband's life—his brief case, his alarm clock, his wallet—she agrees that it chiefly discriminates against women.

The tax on cosmetics is the big discriminatory factor. A woman's good grooming necessities are taxed, while there is no tax on the masculine counterparts of razors, shaving creams, razor blades.

GOOD GROOMING MILADY'S BUSINESS

Mrs. Connell is a former Conover model, so she is particularly aware of the pocketbook plague of the words, "plus 20 percent Federal tax." Good grooming is her business—and it's the business of every woman—housewise or typist.

Husbands and bosses alike would soon blow their tops if the women around them trotted about with their hair messy and their faces shiny.

Yet every woman pays an additional 20 percent every time she buys lipstick, powder, talc, shampoo, hand lotion, powder base, nail polish, deodorant—or any of the multitude of things a woman needs to keep that "sweet and neat" appearance.

It all boils down to one question: Is it a luxury to be attractive?

(If you're fed up with paying a tax on necessities, tell the Sun-Telegraph about it. Drop a letter to your Congressman, too, and enclose this clipping.)

Minding Our Own Business

EXTENSION OF REMARKS
OF
HON. EDWARD MARTIN
OF PENNSYLVANIA
IN THE SENATE OF THE UNITED STATES
Wednesday, July 27 (legislative day of Thursday, June 2), 1949

Mr. MARTIN. Mr. President, I ask unanimous consent to have printed in the Appendix of the RECORD an editorial entitled "Minding Our Own Business Still World's Best Plan," written by E. T. Leech, editor of the Pittsburgh Press, and published in last Sunday's edition of that newspaper. I think the editorial will be of great interest to all Americans.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

MINDING OUR OWN BUSINESS STILL WORLD'S BEST PLAN

(By E. T. Leech, editor, the Pittsburgh Press)

This country of ours is a system of free individuals. That is what Lincoln meant when he called it a "Government of the people, by the people, for the people."

A lot of countries have claimed or now claim to be free. So long as a nation is not conquered and controlled by some outsider, that claim is true to a degree. But the real test is whether its individual citizens are free. Throughout history, most peoples have lost freedom not by conquest but to their own governments.

Outside governments may be dangerous, but none is so dangerous as the one at home. That is the one supreme lesson of political history. And the greatest wisdom of those who established our Government was that they knew it.

GREAT ENEMY

They thought of freedom in terms of the individual. And they realized that government—including the one they were setting up—is the great enemy of personal liberty. So they tried by all sorts of checks and balances and safeguards to put government in its place. The Constitution above all else is a document of restraints and prohibitions designed to restrain officials.

It is at this point—the emphasis on individual liberty—that the freedom established in America differs from the general definition of such freedom as has existed through most of mankind's life. And it is at this point that our liberty is now in danger.

We of this generation have worried a lot about losing our freedom to some outside system—personified first by the Kaiser, then by Hitler, and now by Stalin.

But the real danger is at home.

We can keep free from Stalin and any other outside dictator and still lose our liberty. We can lose it to Washington easier than any other way.

What we have had for 160 years is the right to mind our own business. To run our personal affairs. To succeed or fail, to

gain or lose, according to our own personal merits, efforts, and desires.

EXCESSES BARRED

These rights had to be curbed, of course, to bar excesses. One man's liberty must be limited when it infringes on that of another. But, by and large, we have had the highest type of freedom—individual.

Those 160 years are just a minute in the long course of time. Yet no other nation has enjoyed such a minute of liberty. In that short time, we have achieved higher living standards, more wealth, a wider distribution of goods, greater leisure, better health, a bigger reduction of poverty and suffering, and larger opportunities than any other people ever knew.

The job isn't perfect or finished, of course. Much that is bad remains to be corrected. Much that is good still is faulty or barely started.

So a lot of people become impatient. They want a short cut to utopia. And that short cut turns out to be the oldest, roughest, longest road in the world—worn by the tired feet of untold millions—the road to State control and lost liberty. It is strewn with promises never fulfilled and hopes which were dashed. It is littered with State planning which failed.

Yet, it is always tempting. Because there always are those who beckon us onto the road with promises that government will give something for nothing. They offer personal security at the cost of individual freedom.

CAN'T DO IT

That is the price which always is paid, and the security never is delivered. For government can't provide it. Government never created anything. It never built an industry. It never perfected an invention. It never created a moral code, produced a work of art or made a dollar.

All progress has come from the personal efforts of individuals. Of a very few people—just a tiny percentage of the whole. Yet, by their hard work, inspiration, superior mentality or plain desire to forge ahead, they did something of benefit to their fellows. That is the only way mankind has progressed. Civilization is the sum total of many personal accomplishments.

Man has done best only when allowed to mind his own business. He has done worst when government tried to mind it for him. That is why our American plan of free individuals has worked better than any other.

Financial Aid to Britain

EXTENSION OF REMARKS

OF

HON. JOHN J. WILLIAMS

OF DELAWARE

IN THE SENATE OF THE UNITED STATES

Wednesday, July 27 (legislative day of Thursday, June 2), 1949

Mr. WILLIAMS. Mr. President, I ask unanimous consent to have printed in the RECORD an editorial entitled "Symptom, Not Cause," published in the Wall Street Journal of July 27, 1949.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

SYMPTOM, NOT CAUSE

Senator KEM, of Missouri, has proposed to deny foreign aid funds to nations that continue to nationalize basic industries. There is a growing disposition in the Senate to so amend the bill appropriating money for continuation of the Economic Cooperation Administration.

The proposal obviously is aimed primarily at Great Britain, which is proceeding with plans to nationalize the steel industry. If Congress adopted the Kem proposal and Britain afterward nationalized steel, American aid would be cut off.

There is a good deal of sense to the proposal. Preponderant opinion in this country certainly is against government ownership—even our "liberals" have to sugar-coat proposals which look to that end. Furthermore nationalization has been anything but a success. So it is a little difficult to see why the American people should pay taxes to buy an expensive plaything for some British Socialists.

Just the same the ban on nationalization does not attack the real weakness in the European Recovery Program. Britain could nationalize steel tomorrow or refrain from nationalizing and—unless a great many other things were done—Britain would not be appreciably strengthened or weakened; her ability to benefit from American aid would not be changed.

The reason Britain's situation deteriorates is the attempt at centralized management of her economy. It happens to be a Socialist management and nationalization is a Socialist fetish. But if the attempt were made under different auspices, the effect would not be radically different.

The managed economy demands that the citizen even in most trivial affairs must conform to a set of rules. In addition to the specific rules, the Government managers have the more powerful controls of taxation. The result is to destroy incentive to venture and to stifle ambition.

And that system cannot stop at national borders; at least not in a country like Britain, which must export and import in a large way. Through a system of quotas, prohibitions and currency juggling the system must be protected from impact from without.

Whether the Government owns the basic industries or whether it controls them through power to issue orders to private managers, the effect is the same. All production costs are inflated and rendered noncompetitive.

It is just as useless to think that financial assistance will help this situation as it is to think that loans will help a business conducted without regard to costs. Any money put in will be sooner or later swallowed by the wasteful practices.

Nationalization is a spectacular phase of the British program. But it is not the fatal flaw in the program; rather it is a symptom of the flaw. That flaw is the thought that production is no problem and that modern man only needs the right machinery to distribute the fruits.

Possibly if Senator KEM's amendment were passed the British would refuse further American aid because they would refuse to meet the condition set up.

We think that would be good both for the people of this country and the people of Great Britain.

Phoney War Scares

EXTENSION OF REMARKS

OF

HON. WILLIAM E. JENNER

OF INDIANA

IN THE SENATE OF THE UNITED STATES

Wednesday, July 27 (legislative day of Thursday, June 2), 1949

Mr. JENNER. Mr. President, I ask unanimous consent to have printed in the Appendix of the RECORD an editorial entitled "Phoney War Scares," from the Washington Daily News.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

PHONEY WAR SCARES

President Truman and the State Department are undermining the public's confidence in their foreign affairs leadership by blowing hot and cold on the Russian situation.

In Chicago on July 19 Mr. Truman told a Shriner's convention the Russian threat was waning. Six days later, in support of his arms-for-Europe program, he told Congress the "massed might of the Soviet Union" was such that it might again resort to the threat or use of force.

To back that up, the State Department has disclosed that it will lay before Congress secret intelligence reports indicating United States agents had broken through the iron curtain and found that Russia is arming for war. Oddly enough, however, no responsible official in the Army could be found who seemed aware of any new information on this subject.

The President resorted to the dire-warning procedure when he was seeking reenactment of the Selective Service Act in March 1948.

The Russian problem is serious enough without whipping up war scares to frighten the American people into supporting the administration's program. Moreover, this wolf, wolf business has worn so thin that a reaction is inevitable if there is much more of it.

There is every reason to assume that communism will continue to be a threat to world peace for a generation or longer—if a showdown does not come sooner than that. Our plans should be made accordingly, for a long, trying, costly period of continuing vigilance. If the public understands that, support for essential preparedness measures will not be lacking.

But distrust and distaste will be created if the policy of recurring crises is pursued further on the theory that the American people are a lot of boobs who have to be artificially alarmed whenever the President wants an act passed by Congress.

Pay of Postal Workers

EXTENSION OF REMARKS

OF

HON. HARRY J. DAVENPORT

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, July 27, 1949

Mr. DAVENPORT. Mr. Speaker, under leave to extend my remarks, I wish to include in the RECORD the following statement which I made before the Murray subcommittee of the House Committee on Post Office and Civil Service, on H. R. 4495 and Senate bill 1772, on Friday, July 22:

Now that the waning days of the Eighty-first Congress are on hand, postal employees across the length and breadth of the land are anxiously wondering what action the present session of Congress will take to alleviate the long-existing financial distress of the faithful, loyal postal workers.

Recently I have had a series of conferences with the leaders of the various postal organizations at the Pittsburgh Post Office, namely: Walter Skad, National Association of Railway Mail Service and Post Office Mail Handlers; Edward Coll, National Association of Postal Supervisors; A. P. Dudich, National Federation of Post Office Clerks; Thomas Flaherty, National Association of Letter Carriers; Seth Gambrell, National Alliance of

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Postal Employees; Paul Letzkus, United National Association of Post Office Clerks; Mr. Johnston, custodial employees; and Vincent Dugan, MVS employees.

In the course of these conferences, I have come to a better understanding of the problems that beset the average postal worker, and it is with this new understanding that I urge the present Congress to enact the bills—H. R. 4495 in the House and S. 1772 in the Senate.

These bills contain the following provisions, among others: They provide for a general salary increase, which is so necessary to remove the present wage discrimination that now exists against the postal workers in these days of high prices. They provide for increased longevity grades to reward the faithful postal worker for his years of service. They eliminate the first four salary grades, thus enabling the Post Office Department to attract the highest type of personnel into the civil service who are not now willing to start at the extremely low salary grades presently in effect. They grant the postal employees equal parity with other Federal employees in the matter of annual and sick leave by increasing the present number of days to 26 and 15, respectively. They provide for the crediting of all past service in order that the older employees in point of service may enjoy the longevity grades which are so rightfully theirs.

Therefore, it is with the objective of securing the passage of S. 1772 and H. R. 4495 that I would like to present the following facts:

There are 495,000 employees serving the public in the United States post offices. They, together with their families, total up to millions of law-abiding hard-working American citizens. They represent a sizable segment of the Nation's population. It is an important segment, reaching into every city, village, and hamlet.

No one has better expressed the spirit of the post office and what it means to the national economy than Charles Sumner, noted public figure of the past, who wrote as follows: "Of all existing departments, the post office is most entitled to consideration, for it is the most universal in its beneficence. That public welfare which is the declared object of all the departments appears here in its most attractive form. There is nothing which is not helped by the post office. Is business in question? The post office is at hand with invaluable aid, quickening and multiplying its activities. Is it charity? The post office is the good samaritan—omnipresent in all the highways of the land. Is it the precious intercourse of friends? The post office is carrier, interpreter, handmaid. Is it education? The post office is schoolmaster, with school for all and scholars by the million. Is it the service of the Government? The post office lends itself so completely to this essential work that the national will is carried without noise to the most remote corners and the Republic becomes one and indivisible. Without the post office, there would not be that national unity with irresistible guaranty of equal rights for all, which is the glory of the Republic."

Yes, it is the postal employee who is "the ambassador of Uncle Sam to the American home." He, in what he represents, is one of the most important persons in the life of every American.

It is imperative, therefore, that he be permitted to earn an adequate livelihood. It is important that he be able to decently and adequately feed, clothe, and shelter his family. But he has not had this opportunity in the past many years. In spite of the admittedly inadequate pay raise given him recently, he is still debt-ridden. He is still forced to work at other jobs to the detriment of his health and well-being. He is still unable to give his children the opportunities enjoyed by so many others.

The passage of S. 1772 and H. R. 4495 means much to the postal employee. It means much more to the welfare of the entire Nation. Why? Let me tell you why.

1. Many postal employees are now working at part-time jobs. According to labor experts, an increase of a few hundred dollars annually in many of the low-pay public employment categories (such as the Post Office) would "take most of these part-time workers out of the competitive employment market. This, they point out, would result in a general economic improvement that would more than offset the additional cost of government." In these days of rising sporadic unemployment, this would be an important factor in alleviating such unemployment.

2. Increased wages to postal employees will mean increased spending. Most postal employees have done without many necessities they need in the home, such as refrigerators, washing machines, clothing, and a host of others. With increased wages, they will be able to buy some of these articles, thus creating a totally new market and providing a new stimulus to business. It is important to remember that this is a potential market of millions of new customers.

3. Presently, it is increasingly difficult to secure personnel for the Post Office because of low beginning salaries and the generally inadequate pay schedule. Furthermore, the labor turn-over is abnormally high. The expense involved in training postal employees to that high degree of efficiency so necessary to the expeditious handling of the mails is doubled and trebled, when such highly trained employees leave the service. Actually, it would be a measure of economy to so increase postal salaries that labor turnover will be reduced to the minimum. Furthermore, with the increasing of low starting salaries, the postal service will be able to attract the very highest type of personnel, who will be eager to make the service their career, if they can earn an adequate living.

4. Also, such a salary increase may mean much to the future of America. The hundreds of thousands of children in postal families will not be denied their chance in life to secure an adequate education, which may even include college, because of the inability of their parents to support them while they are pursuing their education. Those thousands of boys and girls presently attending high school, who desire to enter schools of higher education and who now are unable to do so because of their parents' need, may be able to do so if Congress grants an adequate postal salary increase. This will mean a better-educated, a better-trained group of citizens, who will some day guide the destinies of our Republic. The rewards of an adequate postal salary increase, in this instance, are incalculable.

5. Such salary increase will strengthen the morale of all postal employees, who have long labored under increasingly difficult financial conditions. And, as it is well known, it is the satisfied employee who is the best employee.

6. To those who say that salary increases would not be now in the interests of economy, I reply that inadequate salaries, in the long run, are not true economy. Rather, such economy should be secured by eliminating unnecessary services and improving the necessary activities of the Postal Department.

Therefore, it is for the above-enumerated reasons that I earnestly request the passage of S. 1772 and H. R. 4495. They are necessary bills. They are good bills. They should be enacted into the law of the land.

How Congress Treats Itself

EXTENSION OF REMARKS
OF
HON. LOUIS C. RABAUT
OF MICHIGAN
IN THE HOUSE OF REPRESENTATIVES
Wednesday, July 27, 1949

Mr. RABAUT. Mr. Speaker, under leave to extend my remarks in the RECORD, I include an excerpt from an article entitled "Nothing Quiet Along the Potomac," by Lawrence E. Smith, appearing in the July 1949 issue of the Independent Petroleum Association of America.

This article brings to light the interesting fact that Congress frequently gets the short end of the deal when its efforts at economy are thwarted by the multi-million-dollar expenditures of many of our executive agencies and bureaus.

There are times when one feels that Congress needs a good talking to. One of the occasions is when the hearings on appropriations for the legislative branch are published and all of the soul-searching over expenditures are revealed. Here is the branch of Government without whose authorization not a dime of the public money can be spent, planning all sorts of economies for itself, trying apparently to do all the economizing at its own expense. We would like to see a like degree of scrutiny of the budget requests of the bureaucracy.

The Appropriations Committee in effect puts Congress in the witness chair and challenges nearly every item outside the regular run of fixed necessities, such as salaries of Members and their staffs. Take this last time on May 20 when a subcommittee on the House side took testimony of such employees as the Architect of the Capitol, the Public Printer, the Librarian of Congress, and others. They had to make every statement stand up. Little things, such as replacing three revolving doors. Too expensive, said one of the Congressmen. Why can't you patch up the present ones? He dropped his objection when he was told that the present ones were hazards. Tourists were getting their feet and hands caught in the rickety things.

Mr. NORRELL, of Arkansas, was chairman of the subcommittee. He opened the proceedings by saying that the thought "We ought to take the leadership in practicing economy and doing the right thing, so that we may be an example to the executive departments." A worthy ambition and Mr. NORRELL deserves applause, but we are pretty certain that no executive department or agency is going to notice the example. Senator BYRD's latest report for the Joint Committee on Reduction of Nonessential Federal Expenditures said that in April the number of civilian employees in the executive departments increase by more than 350 per day which meant roughly a million dollars a day added to the pay roll.

The House subcommittee went into a lot of things. Mr. STEFAN, of Nebraska, called attention to the waste of cooled air in the summer and heat in the winter by leaving the front doors of the House Office Building open. The Architect promised to look into the matter. Snow removal turned out to be no problem last winter and only $60 of the $5,000 appropriated for the purpose was spent. There was promise of continued economy, for by spending $850 for a power mower

of a new type, the grass can be cut and when the time comes, the machine can be turned into a snow plow, also a sweeper that will do the work of 10 men. Some of the bureaus would not only buy the machine but would keep on the 10 men, too. Maybe another man would be added to drive the power unit.

It's going to cost $2,000 to run the little subway railway system from the Senate Office Building to the Capitol. That is for the coming year. Tourists love this feature. Senators sometimes can't get places in the cars and have to walk, although it was designed for them. The Botanic Garden, which is near the Capitol, needs $188,000, so the landscape gardener testified. About 200,000 visitors see the gardens each year. Mr. SCRIVNER, of Kansas, was a bit concerned over this nonlegislative activity, which began in 1820. Mr. NORRELL said the only consolation he got out of keeping this recreational feature was that if the Department of Agriculture ran it the cost might be $2,000,000 a year instead of less than $200,000.

Well, from the sound of things, Congress is going to wind up as usual by allowing itself to spend the bare minimum it can get along on. It even takes chances on its own safety. The Architect would like to do several things to strengthen the Capitol, making certain lasting repairs. The tendency, though, is to go on and patch. About a 10-percent cut in the budget of any of several of the big departments would enable the Architect to do the kind of job that would assure that the Capitol roof will not fall in, and the public welfare would not be disturbed in the slightest. But that's the way Congress is. It will go on half-soling its shoes and wearing patches on the seat of its britches. The departments will go on wasting dollars where Congress saves pennies until Congress itself does something about it.

Fourth of July Editorial in the Panama City Star and Herald

EXTENSION OF REMARKS
OF
HON. CLARK W. THOMPSON
OF TEXAS
IN THE HOUSE OF REPRESENTATIVES

Wednesday, July 27, 1949

Mr. THOMPSON. Mr. Speaker, as chairman of the Special Subcommittee on Panama Canal Tolls, I have had many occasions to observe the people of Panama and to appreciate their underlying friendliness toward the people of the United States. There are so many outstanding examples of this fine trait that to attempt to enumerate them in the CONGRESSIONAL RECORD would be to fill a great volume. I have from time to time inserted in the RECORD some evidences of mutual regard which seem to me to be especially worthy of notice.

The attention of Members of Congress is invited to a copy of an editorial which appeared in the Panama City Star and Herald on July 4, 1949, and which follows below.

Special interest is always attached to expressions by this particular newspaper which publishes a daily edition, both English and Spanish. When I had the honor of visiting the office of this paper last spring, I was impressed by its up-to-date and altogether modern atmosphere, by its excellent news coverage, and by its objective and understanding editorials.

It is particularly noteworthy that the files of this newspaper go back to 1849 and so they provide the student of history with a matchless source of information concerning the use of the Isthmus of Panama for overland traffic, and later for the Canal, ever since the days of the gold rush.

ON THE FOURTH OF JULY 1949

Today we salute the great American democracy of the Western Hemisphere, the United States of America, on the one hundred and seventy-third anniversary of the proclamation of its independence as a free and sovereign nation, the first to be so constituted in the New World.

And today the Republic of Panama, the youngest of the sister republics of the United States, sets aside all senseless prejudices, suspicions, and unwarranted complexes to join officially with its elder American sister in the celebration of this anniversary.

Official Panama takes a day off today and all Government offices will be closed as an expression of official solidarity with the great northern nation. This action is the expression of the determination of President Domingo Diaz Arosemena to halt the drift away from the norms of solidarity and friendship which prevailed during the early days of association between the North Americans and the Panamanians. It was one of the pledges he made in his inaugural address that the old order of cordial relations should be restored in order to maintain and advance that very necessary good understanding which must exist between the two peoples brought together by the inscrutable designs of providence to live in close association on the Isthmus of Panama in perpetuity—forever and forever.

There can be nothing derogatory of sovereignty or national prestige in this display of solidarity by the younger republic toward the elder, because the United States of America has developed into an organism of which all men—men of every nationality and race—can be proud, because it is the creation of common workingmen who carved it out of a wilderness where they had fled in order to live in freedom.

The average red-blooded man can be proud of the effort which created the North American democracy without the aid of the audacious claimants of divine rights. It was created by the calloused hands of pioneering men and women, all inspired by a single desire: to be free to shape their lives as they thought best. They wanted to be free politically, free economically, and free to worship God as they thought proper. There can be nothing derogatory in joining such people in celebrating the anniversary of the advent of such a significant achievement.

And there is much to be gained from close and emulatory association with such people. From them we can learn that there is great profits for those who resolutely seek to enrich the natural fertility of the soil with the sweat of their brow. And we can learn also from their devotion to the Godhead to whom they looked for approval of their efforts, seeking to live in the ways of His laws. And because God was ever in their thoughts as they labored, He blessed their efforts abundantly and they prospered and became great spiritually and materially.

There is nothing derogatory in being friendly, cordially friendly with the Nation whose foundations were laid in that far away day in 1776, because its example is worth studying and emulating. Today, in the one hundred and seventy-third year of its national life, it stands at the forefront of the civilized nations of the world, materially and spiritually powerful, and generously shouldering the great burden of assisting a war-devastated and dislocated world back to economic normalcy through the unselfish use of the abundant resources with which God has blessed the efforts of its people. Panama, any nation, any free people can only feel pride in association with such a nation.

Today, the President of the Republic officially leads the Panamanian people in a welcome gesture of solidarity with Uncle Sam in the celebration of the Fourth of July. To President Diaz, therefore, is due the acknowledgments of the community for his moral courage in proclaiming the necessity of eliminating distorted prejudices which may have been engendered and fostered mainly for the purpose of serving political expediency.

We join with the Diaz administration and the rest of the Panamanian community in felicitations to Uncle Sam and his progressive Nation.

Protection of Government Employees Against Employment Hazards

EXTENSION OF REMARKS
OF
HON. WALTER B. HUBER
OF OHIO
IN THE HOUSE OF REPRESENTATIVES

Tuesday, July 26, 1949

Mr. HUBER. Mr. Speaker, several weeks ago the newspapers of our country carried flaming headlines calling attention to the maiming and killing of hundreds of our citizens over the Independence Day week end. It is, of course, more sensational to be drowned at a public beach, or to be killed or crippled on the highway, yet a frightful toll of injuries and deaths occur yearly that do not make headlines.

Industry generally has recognized the problem of preventing industrial accidents, and great strides have been made. However, one segment of our society—those employed by municipalities, States, and the Federal Government—unfortunately, are all too frequently not afforded protection to the same degree.

I have here a letter which I received from Mr. George B. Hay, chairman, statistics committee, public employee safety committee of the National Safety Council, and safety and claims examiner of the city of Akron, Ohio, that I believe should be of interest to every Member of the Congress. Mr. Hay has made a study of this subject and was recently invited by the President to attend the Safety Conference in Washington.

NATIONAL SAFETY COUNCIL,
Chicago, Ill., July 11, 1949.

Hon. WALTER B. HUBER,
House of Representatives,
Washington, D. C.

DEAR CONGRESSMAN HUBER: I should like to call to your attention the undue risks incurred by persons in the employ of local, State, and other services of the Government. Since my subject involves, rather literally, matters of life and death and personal injury, as well as substantial financial loss to public employers, the letter is in the public interest

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According to recent figures from the Bureau of Labor Statistics, Government employees currently total 5,773,000 persons. Of the total of State and local employees, some 2,330,000 are employed in noneducational pursuits. In other words, about 2,333,000 men and women are engaged on the State and local levels in occupations with hazards comparable to those of private industry. A large proportion of the 1,885,000 Federal employees are comparably engaged.

On the basis of data available, employees of government have by no means the protection against the hazards of their work that is provided employees in the major private industries in the country. Let me be specific: Industries reporting to the National Safety Council in 1948, representing an exposure of 13,600,000,000 man-hours, experienced an average of 11.49 injuries per million man-hours of labor. The average severity rate for these industries (days lost plus time charges per thousand man-hours of work) was 1.12.

Because local governments do not generally keep injury records on the American Standard Code basis, comparison with private industry experience must be made on the basis of figures collected by this committee from those standard-basis cities which have been cooperating with us.

Eight large cities have reported more than 40,000,000 man-hours of experience to this committee as of this date. The employees of these cities engage in public utility, public works, construction, maintenance, and other occupations directly comparable to those of private industry. The average frequency of these cities, as of June 14, 1949, was 30.7 lost-time injuries per million man-hours of work, and the severity rate was 1.34.

In other words, public employees experience almost three times the number of lost-time injuries under roughly comparable exposures as do the employees of private industry. The severity rates are favorably comparable.

The absence of a broad base of information on the injury experience of public employees is itself evidence that there is lacking among public employing agencies the kind of accident-prevention program, with essential records, that is used in private industry to control accident, health, and fire hazards.

Three years ago a group of public officials, aware of the problem, organized under the auspices of the National Safety Council to start a program of fact finding, publicity, and practical assistance, with the hope of interesting public employers, not only in the humanitarian reasons for safety work, but also in the tremendous direct cost of accidents in terms of compensation, public liability, and fire-insurance premiums, and the indirect losses in the form of personal skills, damage to equipment, and other consequences of accident.

The success of this committee's project has been only moderate. It will be substantially greater only when we have the attention of public executives in high position who see the accident problem as one directly affecting the cost of efficiency in government. Police officials, mayors, city managers, county commissioners, and governors are more and more coming to see the incongruity between highly publicized and successful campaigns to protect the public and the lack of comparable effort for their own employees.

The strength of this committee's position lies in the fact that accident rates have been drastically reduced by means and with materials already available. Forty years ago the working force in some of the more hazardous private industries were suffering injuries at the rate of 90 to 100 per million man-hours. These same industries, following intensive efforts to control hazards, are now reporting as low as two and three injuries per million man-hours.

Municipalities have, too rarely, also achieved reductions, though none that I know of has achieved an accident record substantially below the all-industry average of 11.49 reported above. In 1944 an aggressive safety program was undertaken, as in other cities, by San Diego. The San Diego efforts are indicated by the frequencies listed below.

Employee accident experience, city of San Diego—Number of lost-time injuries per million man-hours

(Yearly average)	1944	1945	1946	1947	1948	[1]1949
Department of Public Works	82.3	46.63	37.39	30.11	35.16	29.09
Entire city average	37.03	28.35	23.33	23.34	24.22	18.25

[1] 5 months.

We think the figures are significant because they show the seriousness of public employment hazards without organized safety work (1944), and the control over these hazards which the public employer can have if he chooses to have it.

The San Diego experience is by no means isolated, but it serves the purpose of this letter. Milwaukee, Akron, Detroit, Baltimore, Cleveland, Tuscon, and Phoenix, and other cities have taken steps to put occupational hazards of their employees under centralized administration, with gratifying results. Their efforts are bright spots, they serve also to illuminate the fact that they are exceptions.

The members of this committee shall appreciate your interest and the use of whatever means you may find to inform employers in Government of the seriousness of their accident problem as it affects operating efficiency and expenditures.

There is an abundance of technical resource for the use of safety engineers in public service, and a large and increasing supply of safety training materials for supervisors and other employees. The public employer can, if he wishes, greatly reduce the current serious drain of public money and waste of human capabilities.

Accident costs are not costs at all. A cost implies that we get something for our money. For the public money spent on accidents which have already happened, the public gets nothing. Money spent for prevention, on the other hand, has been proved beyond doubt to be an abundantly fruitful investment of public funds, as well as a debt we owe to the people whose time and toil we buy.

Respectfully yours,

GEORGE B. HAY,
Chairman, Statistics Committee, Public Employee Safety Committee, and Safety and Claims Examiner, City of Akron.

The United States Should Not Withdraw From Berlin

EXTENSION OF REMARKS

OF

HON. JACOB K. JAVITS

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, July 26, 1949

Mr. JAVITS. Mr. Speaker, the news reports about possible withdrawal of important elements of the United States military government from Berlin to which I referred in my remarks on the floor of the House today are appended hereto:

WEST EMPHASIZES ITS DETERMINATION TO STAY IN BERLIN—PLEDGE MADE AS PROGRAM IS OUTLINED ON SHIFTING KEY PERSONNEL FROM CITY—PRESTIGE IS STILL ISSUE—UNITED STATES MUST REPLACE SEVERAL TOP OFFICIALS IN SHAKE-UP—CLAY ADVISERS TO LEAVE

(By Drew Middleton)

BERLIN, July 26.—Both the United States and British military governments announced today their intention of transferring key personnel from Berlin to western Germany and their unswervable intention to maintain the cause of the West in Berlin.

Whether in the face of German opportunism and Russian pressure these two objectives can be achieved is a matter of grave concern to a majority of western officials and German supporters of western policy here.

The British have an easier task than the Americans. During the present delicate period when the military-government organization is giving way to a German Federal Republic and an Allied High Commission they will lose only one chief of division, Sir Cecil Weir, economics adviser to Gen. Sir Brian Robertson.

The United States on the other hand faces the loss of a number of experienced officials. Against this must be balanced the possibility that John J. McCloy, United States High Commissioner-Designate, will be able to recruit men as able although naturally less experienced on his trip to the United States early next month.

LOSS OF KEYMEN EXPECTED

According to one highly placed United States Government official here, the American military government must prepare for the resignation or transfer of nine key officials. This is in addition to the transfer from Berlin to Frankfort of the remaining important officers of the military government, a move that understandably will increase present uncertainty in military-government offices.

This uncertainty and future loss of key officials led this source to describe the present situation as "disintegration of the American military government without means of reconstruction at hand."

Such descriptions of the present situation should be considered in the light of the warm personal loyalty that many of these officials feel for Gen. Lucius D. Clay and that they have expressed to the writer during the last week. This condition has been aggravated, in the view of American observers, by the contention that Mr. McCloy, General Clay's successor as military governor, has consulted more often with the group of experts that he brought with him from Washington than with the men who have had 3 and 4 years of experience in Germany.

HAYS SLATED TO LEAVE

A partial list of those who expect to leave the military government in Germany or who have expressed their desire to go includes Maj. Gen. George P. Hays, deputy military governor; Joseph A. Panuch, special adviser to the military governor; Brig. Gen. Charles A. Gailey, chief of staff of the military governor; Lawrence Wilkinson, chief of the economic division; Philip Hawkins, deputy chief of the economics division; Dr. Alonzo G. Grace, chief of the education and cultural relations division; Brig. Gen. Clarence L. Adcock, chief of the American section of the bipartite board; Col. Gordon Textor, chief of the information services division, and Maj. Gen. William Hall, director of intelligence.

In some cases, such as those of Generals Hall, Hays, and Gailey, the transfer is a

matter of Army routine. However, United States observers here believe that these experienced officers could remain if they desired to do so.

Dr. Edward H. Litchfield, director of the civil administration division of the office of military government (United States), announced tonight that he was resigning under protest.

Dr. Litchfield, it is learned from a reliable source, has agreed to remain in his present post for another month. It may be that a post will be given him under the new administration, a move that would be applauded by those who admire his grasp of the political situation in western Germany.

UNITED STATES FACES TWO PROBLEMS

The present situation, whether it can be called "disintegration" or "readjustment," comes at a difficult period. American political observers with no personal stake in the present changes hold that the United States faces two grave problems in Germany that cannot be solved to the satisfaction of the United States without the presence of an integrated and "happy" United States administration.

The first of these is the problem of returning power to Germans in the federal republic. This is complicated by the fact that during the present election campaign in western Germany leaders of all parties have called upon chauvinistic sentiments in German life, thus encouraging extreme nationalism which has been present for almost a year.

The second problem is that of Berlin. Gradual reduction of the airlift. Transfer of key United States and British personnel from the city and withdrawal of a strong segment of the United States Army garrison will by September 1 result in a situation in which the position of the western powers in the city will be weaker than it has been since the beginning of four-power organization.

Announcements by the American and British military governments tonight skirted this salient fact, in the opinion of some United States officials here.

The American announcement said that Mr. McCloy was "consolidating certain operations now being carried out in Berlin into operations already functioning in the Frankfort area."

Mr. McCloy stated, according to the announcement, that the shift could not be described as a shift in headquarters since he would maintain headquarters both here and in Frankfort and divide his time between the two cities.

Inevitably under the charter of the allied high commission, Mr. McCloy, as United States High Commissioner, must spend most of his time with the government of the federal republic. And since most of his policy-making officials will be transferred from Berlin to Frankfort it is likely that he will have less reason to visit Berlin than formerly, whether or not it is described as headquarters.

The announcement stated that "all elements of the high commission" dealing with four-power matters would remain in Berlin and that the United States military government for the Berlin sector as well as military and Air Force units would remain here.

The American and British statements both emphasized the intention of the two powers to retain the present position in the city.

UNITED STATES TROOPS SLATED TO LEAVE BERLIN—SIXTEENTH INFANTRY, GARRISON BACKBONE, TO BE WITHDRAWN UNDER OCCUPATION REORGANIZATION

BERLIN, July 25.—The Third Battalion of the Sixteenth Infantry Regiment, which has been the backbone of the United States Army's garrison in Berlin through the last year of the cold war, will be withdrawn this summer in accordance with a general realinement of the administrative and military organizations in Germany, a reliable source said tonight.

As far as can be learned at present no replacement is expected for this battalion although it is expected that a group of officers of the United States Air Force will be moved to Berlin sometime this summer.

These, however, will not constitute a tactical reinforcement and the task of maintaining order in the United States sector of the city will be left to the Sixteenth Constabulatory Squadron of four men and a single battalion of military policemen.

The troops withdrawal will follow soon after the completion of the transfer of about 200 key officials of the office of military government (United States) from Berlin to Frankfort, a move that is viewed with strong anxiety by a number of officials here because of its probable political consequences.

There are others, however, who feel that while at first the move may damage the west's position in eastern Germany and eastern Europe, in the long run it will not prejudice the west's standing in Berlin and the eastern zone.

The view as expressed by one of these officials is that although the west will try to paint the United States military and civilian shifts as a withdrawal, western deeds in Berlin during the last 18 months will outweigh eastern words.

The details of the transfer of military government officials have not been communicated to those involved, although there is general knowledge, as there has been for the last week, that the move is planned.

At present there are between 500 and 600 American employees in the office of military government in Berlin. Of these about 200 are scheduled to move to Frankfort, including most of the chiefs and assistant chiefs of divisions.

In many cases their transfer will necessitate the transfer of a considerable number of secretarial help and clerks so that the total number involved in the transfer arrangements this summer will eventually be close to 400.

At a military government staff meeting today it was reported that the schedules of those slated for transfer were being worked out. One official said that the number of key officials who would go first might be fewer than 200, but declared that the complete transfer would involve that number or more.

UNITED STATES TO SHIFT STAFF FROM BERLIN; BOON TO SOVIET FEARED—MILITARY GOVERNMENT TO SEND 200 OF ITS KEY OFFICIALS TO FRANKFORT BY AUGUST 10—PLAN SHARPLY CRITICIZED—GRAVE POLITICAL CONSEQUENCES SEEN IF RUSSIA INTERPRETS IT AS AMERICAN WITHDRAWAL

(By Drew Middleton)

BERLIN, July 24—An administrative shuffle that will move the bulk of United States Military Government officials out of Berlin by August 10 will be announced this week, according to reliable sources in the military government.

Transfers of more than three-quarters of the key officials of the Office of Military Government (United States) from Berlin to Frankfort has been ordered for administrative efficiency, but it has aroused deep concern on the part of many officials who believe it will produce grave political consequences in the cold war.

One important official went so far as to describe the effect of this move, which German Communists and Russians are sure to interpret as American "withdrawal, as catastrophic."

According to the plan as it now stands, about 200 key officials will move from Berlin to Frankfort. All work in the Office of Military Government, which has had its main headquarters here despite the fact that most of its administrative functions have been performed in the United States zone of occupation.

SIXTY TO REMAIN IN BERLIN

About 60 officials of this office will remain in Berlin to continue the four-power talks that are now going on at three levels.

In addition the United States military government (Berlin sector) headed by Brig. Gen. Frank L. Howley will remain at approximately its present strength for the time being. No reduction is contemplated immediately in the garrison maintained here by the United States Army.

It is understood that the British military government contemplates a similar transfer in the near future.

News of this plan has caused the liveliest concern among many officials who have been fighting the cold war in Berlin. While they sympathize with the efforts of High Commissioner John J. McCloy to achieve administrative efficiency they doubt that efficiency is more important than the political consequences of the projected transfer.

A number of officials with whom this correspondent discussed the plan expressed fear that there might be a tendency during the present period of reorganization, which they agree is necessary, to forget the human factor in the struggle for Germany.

Here are some of the main objections to the plan as summarized by United States officials well informed on the tactical situation in the cold war in Germany.

1. The departure of so many key officials will be seized upon by the Russians as the principal theme for propaganda that the west is giving up Berlin and all ideas of German unity.

2. While there is strong opposition to allowing United States policy to be swayed by what Soviet propagandists may and may not do, the effects of such a campaign upon a nascent resistance movement in the Soviet zone of occupation and upon friends of the west in Poland and Czechoslovakia will be serious and perhaps decisive. "Is administrative efficiency more valuable than maintaining hope in the hearts of our friends in eastern Europe?" is the way one official put the problem.

3. News of such a move cannot help having an important effect upon the people of the three western sectors of Berlin who have considered themselves as supporters and even allies of the west against the Soviet Union and who are already troubled by the refusal of the western powers to allow the admission of Berlin as the twelfth laender [state] in the German federal republic.

4. Frankfort is already extremely crowded. It will be difficult to find billets for 200 officials, let alone their families who will follow them to the west German city.

The officials are to go first on temporary duty. Their families are to follow later. Because of the crowding in Frankfurt the best that can be promised officials at the moment is a bed.

Perhaps the most important immediate effect of moving the key officials is that it will be used in the midst of the west German election campaign by German Communists and by Nationalist Germans to prove that the Americans are more interested in partition that eventual German unity.

"It is absolutely necessary that we impress upon the Germans the United States' intention to continue to press for the unification of Germany," one source said.

Another said the United States stand in Berlin in the face of the Soviet blockade was a beacon to all eastern Europe. "We should try to maintain the position of Berlin as the bulwark of democracy behind the iron curtain," he declared.

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The Strength of the Marine Corps Should Be Established at 6 Percent of All Our Armed Forces

EXTENSION OF REMARKS
OF
HON. MIKE MANSFIELD
OF MONTANA
IN THE HOUSE OF REPRESENTATIVES
Wednesday, July 27, 1949

Mr. MANSFIELD. Mr. Speaker, I am inserting in the RECORD the approval of the Marine Corps Reserve Officers' Association of S. 2177 and H. R. 5403–5457 providing for a Marine Corps established at a minimum of 6 percent of the strength of our armed forces. I am also calling to the attention of the Congress an article on these bills carried in the Government Standard of July 8, 1949. In addition, Mr. Speaker, I am inserting A Marine's Prayer by Maj. A. M. Watson, USMC, retired.

It is my hope that the Committee on Armed Services will either hold hearings on these measures in the near future or incorporate their provisions in the Tydings-Vinson so-called unification measure now under consideration.

The Marine Corps Reserve Officers Association today voiced approval of legislation introduced yesterday (S. 2177 and H. R. 5403–5457) providing for a Marine Corps established at a minimum of 6 percent of the strength of our armed forces. In this connection, following is a copy of the bill, and the statement of Col. Melvin J. Maas, United States Marine Corps Reserve, national president of Marine Corps Reserve Officers Association:

"A bill to create and assign duties to the office of Assistant Secretary of the Navy for the Marine Corps, and to fix the personnel strength of the United States Marine Corps in relation to that of the other armed forces

"*Be it enacted, etc.*, That there shall be in the Department of the Navy an Assistant Secretary of the Navy for the Marine Corps who shall be appointed by the President, by and with the advice and consent of the Senate, and shall receive the same compensation as the other Assistant Secretaries of the Navy. The Assistant Secretary of the Navy for the Marine Corps shall, under the direction of the Secretary of the Navy, be charged with the supervision of the United States Marine Corps and the coordination of its activities with other governmental agencies, and in addition, such other duties as may be assigned to him by the Secretary of the Navy.

"SEC. 2. The first sentence of section 206 (c) of the National Security Act of 1947 is hereby amended to read as follows: 'The United States Marine Corps, within the Department of the Navy, shall include land combat and services and such aviation as may be organic therein, and the personnel strength of the Regular Marine Corps shall be maintained at not less than 6 percent of the combined personnel strengths of the Regular Army, the Regular Navy, and the Regular Air Force.'"

STATEMENT OF COL. MELVIN J. MAAS

"The Marine Corps Reserve Officers Association strongly endorses the legislation introduced by Congressman MIKE J. MANSFIELD, and DONALD L. JACKSON, and Senator PAUL H. DOUGLAS and other friends of the Marine Corps, to provide that the strength of the Marine Corps shall be maintained hereafter at not less than 6 percent of the total strength of the armed forces. As a matter of fact, through recent history that is just about the strength at which the Marine Corps has been maintained. Sometimes it was a little more, sometimes it was a little less, but it has averaged about 6 percent of the total strength of the Army and Navy. The enactment of this bill into law would have a very fine effect all the way around. It would set at rest the rumors and fears that the Marine Corps was to be abolished, or reduced drastically. At the same time, it would enable the Marine Corps to do a much better job on its long-range planning. The Marine Corps is charged with the principal responsibility in time of peace, of taking leadership in developing amphibious warfare, and new weapons and techniques for amphibious operations. With the Corps' future settled and its relative strength known in advance, the marines can plan most effectively their part of the country's military security. Amphibious operations are the keystone of American defense plans. It is the marines who, in conjunction with the Navy, must seize and hold overseas bases from which the Army and Air Force can operate to strike at the enemy in his homeland, when and if we are attacked. The 6 percent proposal merely means that for every 94 soldiers, sailors, and airmen, there will be 6 marines. This is essential to give us a balanced security team."

MARINE CORPS STRENGTH SET AND ASSISTANT SECRETARYSHIP ASKED IN SENATE-HOUSE BILLS

Creation of the post of Assistant Secretary of the Navy for the Marine Corps and setting the personnel strength of the United States Marine Corps at 6 percent of the combined personnel strengths of the Regular Army, the Regular Navy and the Regular Air Force is proposed in S. 2177.

The bill was introduced by Senator DOUGLAS for himself and Senators GRAHAM, MCCARTHY, and FLANDERS and it was referred to the Senate Committee on Armed Services.

This measure, and its House counterparts, are strongly supported by AFGE as a means of safeguarding the proud and traditional role of the Marine Corps among the United States armed services.

STRONGLY SUPPORTED

There are 59 bills similar to S. 2177 introduced by Members of the House of Representatives, indicative of the widespread support that this proposed legislation has already received in Congress.

The National Executive Council of AFGE is interested in protection of the Marine Corps and national President Yaden declared that AFGE will give full support to these bills.

Full text of the Senate bill:

"A bill to create, and assign duties to, the office of Assistant Secretary of the Navy for the Marine Corps, and to fix the personnel strength of the United States Marine Corps in relation to that of the other armed forces

"*Be it enacted, etc.*, That there shall be in the Department of the Navy an Assistant Secretary of the Navy for the Marine Corps who shall be appointed by the President, by and with the advice and consent of the Senate, and shall receive the same compensation as the other Assistant Secretaries of the Navy.

"The Assistant Secretary of the Navy for the Marine Corps shall, under the direction of the Secretary of the Navy, be charged with the supervision of the United States Marine Corps and the coordination of its activities with other governmental agencies, and, in addition, such other duties as may be assigned to him by the Secretary of the Navy.

"The first sentence of section 206 (c) of the National Security Act of 1947 is hereby amended to read as follows: 'The United States Marine Corps, within the Department of the Navy, shall include land combat and service forces and such aviation as may be organic therein, and the personnel strength of the Regular Marine Corps shall be maintained at not less than 6 percent of the combined personnel strengths of the Regular Army, the Regular Navy, and the Regular Air Force.'"

A MARINE'S PRAYER

Now not to those
Who seek to write us off
By extinction complete,
Or failing that
To shackle and enthrall us
Into a state of impotence.
All our deeds in all our years
Plus all the glories we have won
Bespeak for us no such fate.
Our record fashioned in the flame
And thunder of war entitles us
And those who hold us in high esteem
To be heard ere the blow is struck
That will destroy us,
Or make of us
But a shell of our former selves.
Rise up all you
Now enrolled under our banner
And you who once have worn
The emblem that has set us apart
For a full hundred seventy years.
Rise up all you
Whose sons have served and died with us
Lift up your voices
To those in legislative halls
Protesting the wanton deed
That imperils our existence.
Make it crystal clear
That if our power to serve
The common cause
In true effectiveness be curbed,
You will in such event
Pray that our battle flags be furled
And our trophies of victory
Be vouchsafed a haven,
For all the Nation to treasure
And to see.

—A. M. W.

(Maj. A. M. Watson, U. S. Marine Corps, retired.)

MAY 1949.

The Military Housing Bill

EXTENSION OF REMARKS
OF
HON. ABRAHAM J. MULTER
OF NEW YORK
IN THE HOUSE OF REPRESENTATIVES
Wednesday, July 27, 1949

Mr. MULTER. Mr. Speaker, the objection that has been raised to the conference report on the military housing bill, that it does not contain a provision against segregation is, in my opinion, captious. No suggestion was made that such a provision should be incorporated in the bill during the course of the hearings before the committees of either House. No such suggestion was made on the floor of the House when we passed it originally. The bill contains no grants, nor for that matter any loans. It merely insures loans that may be made for military housing. The objection is now urged by way of a motion to recommit the bill. To support such a motion

would effectually kill the bill, preventing the initiation and completion of that part of the President's program. It is essential that the motion to recommit be defeated. Those who are sincerely interested in antisegregation legislation can show that sincerity by signing Discharge Petition No. 7 initiated by Congressman DOLLINGER which presents the issue foursquare and will have equal application to this bill as it will to all other housing bills.

Section 132 of the Legislative Reorganization Act of 1946

EXTENSION OF REMARKS

OF

HON. EARL C. MICHENER

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Wednesday, July 27, 1949

Mr. MICHENER. Mr. Speaker, a few minutes ago the Speaker of the House, in response to a parliamentary inquiry propounded by the gentleman from Massachusetts [Mr. MARTIN], the minority leader, interpreted section 132 of the Legislative Reorganization Act of 1946. This ruling may become of great importance to future legislation considered in this session of Congress. Section 132 provides:

Except in time of war or during a national emergency proclaimed by the President, the two Houses shall adjourn sine die not later than the last day (Sundays excepted) in the month of July in each year unless otherwise provided by the Congress.

It seems to be generally conceded that there will be an attempt on the part of the leadership to continue the House in session after July 31 next, this prohibition in the Reorganization Act to the contrary notwithstanding. There are many Members of Congress who conscientiously feel that the intent of the Reorganization Act should be meticulously complied with insofar as sine die adjournment is concerned. There are other Members of Congress who do not feel that the Congress should adjourn sine die on July 31; however, regardless of what our feelings are concerning the advisability of adjournment, I am sure we all want to do that which is in strict compliance with the law.

It is conceded if our country is at war on July 31 or if there exists a national emergency proclaimed by the President, then section 132 will have no force or effect on adjournment. It is also agreed unanimously, I think, that the Congress can, regardless of whether a state of war exists or a national emergency has been proclaimed, by concurrent resolution of the two Houses of the Congress, totally destroy section 132 and determine a date of adjournment which will be positive and not subject to doubt or technical interpretation or misinterpretation. If this is true, then such a concurrent resolution would resolve all doubt as to the legality of acts of Congress performed after July 31, in this session of Congress.

This legal question has given me some concern and, to the end that we might have a legal opinion rendered by a nonpolitical, legal agency of the Congress, I requested such an opinion from the Legislative Reference Service—American Law Section—of the Library of Congress. The request was made on yesterday. I received the opinion this morning. The conclusions of the Legislative Reference Service are not in all particulars as I had interpreted the law; however, it seems to me it is well to have the views of this agency a part of today's CONGRESSIONAL RECORD to be considered along with the Speaker's ruling above referred to.

I attempted to have this brief inserted in the body of today's RECORD immediately preceding or following the Speaker's ruling. It was my thought that for future reference this procedure might be most helpful; however, there was objection on the part of a Member, whereupon I obtained the permission of the House to insert this brief in the Appendix of today's RECORD.

Since receiving the brief, I have not had an opportunity to read all of the Supreme Court cases cited upon which the conclusions in the brief are based. Reserving my right to differ with the conclusions reached, I include the brief, which is as follows:

THE LIBRARY OF CONGRESS,
LEGISLATIVE REFERENCE SERVICE,
AMERICAN LAW SECTION,
Washington, D. C., July 26, 1949.

To: Hon EARL C. MICHENER.
Subject: Section 132 of the Legislative Reorganization Act of 1946.

The first question is: Is the United States now at war under the provisions of this section?

War is that state in which a nation prosecutes its right by force. (*Prize Cases* ((1863) 2 Black 635, 666); *Verano* v. *DeAngelis Coal Co.* ((1941) 41 F. Supp. 954, 955). See also *Gitlow* v. *Kiely* ((1930) 44 F. (2d) 227, 233) and *Commercial Cable Co.* v. *Burleson* ((1919) 255 F. 99).) And the courts have held that generally speaking a period of war extends to the ratification of the treaty of peace or the proclamation of peace. (*Hamilton* v. *Kentucky Distilleries & Warehouse Co.* ((1919) 251 U. S. 146); *Commercial Cable Co.* v. *Burleson, supra.*) In *Stinson* v. *New York Life Insurance Co.* ((1947) 69 F. Supp. 860) the court declared with respect to World War II that "The United States continues to be engaged in war until the legislative or executive authority, or both, recognize and declare that the United States is no longer so engaged."

Section 132 of the Legislative Reorganization Act of 1946 (60 Stat. 812, 831) specifically provides that "Except in time of war or during a national emergency proclaimed by the President, the two Houses shall adjourn sine die not later than the last day (Sundays excepted) in the month of July in each year unless otherwise provided by the Congress." Inasmuch as the exception is based on two contingencies, viz, war or a national emergency, and neither contingency is defined, the exception "in time of war" would appear to be governed by the above court decisions and would extend to the proclamation of peace.

It should be noted also that the mere facts that hostilities have actually ceased or that various peaceful activities, such as demobilization, discontinuance of certain wartime controls or agencies, or the like, have been undertaken, do not of themselves terminate the war or the war emergency. (*Fleming* v. *Mohawk Wrecking & Lumber Co.* ((1947) 331 U. S. 111); *Woods* v. *The Cloyd W. Miller Co.* ((1948) 333 U. S. 138); and *Lewis* v. *Anderson* ((1947) 72 F. Supp. 119).) A "state of war" or a "period of war" still exists notwithstanding the unconditional surrender of the so-called Axis countries and the cessation of hostilities there being no final termination of the war, especially in view of the fact that in Germany there is no present existing government with which a treaty of peace could be negotiated. (See *Citizens Protective League* v. *Byrnes* ((1946) 64 F. Supp. 233, 234).)

For the purpose of completing the picture, some attention should be given to the exception relating to a national emergency. To clarify this provision we invite attention to the following statement taken from *Brown* v. *Burnstein* ((1943) 49 F. Supp. 728, 732).

"The various acts of Congress authorizing the President to take action in the event of a national emergency show that Congress throughout the years made little or no distinction between a state of national emergency and a state of war.

"Justice Story on February 2, 1827, in the case of *Martin* v. *Mott* (reported in 12 Wheat. 19, 27, 6 L. Ed. 537), expressed the opinion of the Supreme Court of the United States in a matter concerning emergency powers of the President. In that case defendant had filed a demurrer to an avowry, which demurrer alleged that a fine and forfeiture imposed by a court martial for failure to enter the services of the United States as a militiaman when thereto required by the President of the United States, was in error, because the necessary authority therefore was lacking. In the opinion Justice Story stated,

"'The Constitution declares, that Congress shall have power "to provide for calling forth the militia, to execute the laws of the Union, suppress insurrections, and repel invasions;" * * * In pursuance of this authority, the act of 1795 has provided, "that whenever the United States shall be invaded, or be in imminent danger of invasion from any foreign nation or Indian tribe, it shall be lawful for the President of the United States to call forth such number of the militia of the State or States most convenient to the place of danger, or scene of action, as he may judge necessary to repel such invasion, and to issue his order for that purpose to such officer or officers of the militia as he shall think proper." * * *

"'The power thus confided by Congress to the President, is, doubtless, of a very high and delicate nature. A free people are naturally jealous of the exercise of military power; and the power to call the militia into actual service, is certainly felt to be one of no ordinary magnitude. But it is not a power which can be executed without a correspondent responsibility. It is, in its terms, a limited power, confined to cases of actual invasion. If it be a limited power, the question arises, by whom is the exigency to be judged of and decided? Is the President the sole and exclusive judge whether the exigency has arisen, or is it to be considered as an open question, upon which every officer to whom the orders of the President are addressed, may decide for himself, and equally open to be contested by every militiaman who shall refuse to obey the orders of the President? We are all of opinion that the authority to decide whether the exigency has arisen belongs exclusively to the President, and that his

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decision is conclusive upon all other persons. We think that this construction necessarily results from the nature of the power itself, and from the manifest object contemplated by the act of Congress. The power itself is to be exercised upon sudden emergencies, upon great occasions of state, and under circumstances which may be vital to the existence of the Union. A prompt and unhesitating obedience to orders is indispensable to the complete attainment of the object. * * *

" 'The power itself is confined to the Executive of the Union, to him who is, by the Constitution, "the Commander in Chief of the militia, when called into the actual service of the United States," whose duty it is to "take care that the laws be faithfully executed," and whose responsibility for an honest discharge of his official obligations is secured by the highest sanctions. He is necessarily constituted the judge of the existence of the exigency, in the first instance, and is bound to act according to his belief of the facts. * * * Whenever a statute gives a discretionary power to any person, to be exercised by him, upon his own opinion of certain facts, it is a sound rule of construction, that the statute constitutes him the sole and exclusive judge of the existence of those facts. * * * It is no answer, that such a power may be abused, for there is no power which is not susceptible of abuse. The remedy for this, as well as for all other official misconduct, if it should occur, is to be found in the Constitution itself. In a free government, the danger must be remote, since, in addition to the high qualities which the Executive must be presumed to possess, of public virtue, and honest devotion to the public interests, the frequency of elections, and the watchfulness of the representatives of the Nation, carry with them all the checks which can be useful to guard against usurpation or wanton tyranny.' "

We assume from the foregoing that the type of emergency contemplated by section 132 is exemplified by the "limited emergency" proclaimed by the President on September 8, 1939 (Proclamation No. 2352; 4 F. R. 3851; 54 Stat. 2643) or by the "unlimited emergency" proclaimed on May 27, 1941 (Proclamation No. 2487; 6 F. R. 2617; 55 Stat. 1647) neither of which has been terminated to date.

Perhaps it should be noted that Congress could have ended the war and the two emergencies for the purpose of this section when it enacted Senate Joint Resolution 123, Eightieth Congress (61 Stat. 449). By that act Congress terminated many emergencies and war powers by stating that in the interpretation of certain statutory provisions the state of war and the national emergencies should be deemed to have terminated.

The second question is: If Congress adjourns in the usual way on July 31, without taking any prior action, will it have adjourned sine die in accordance with section 132? Or what will be the situation?

The answer to this question is that if Congress adjourns in the usual way on July 31, it will not have adjourned sine die in accordance with the provisions of section 132. As we have indicated in answer to the first question, the United States technically is still in a state of war, and furthermore the terminations of the limited and the unlimited emergencies have not been proclaimed.

It is doubtful if section 132 in its present form is of any legal significance insofar as legislative acts of Congress are concerned. Supporting this assumption is the failure of codifiers to take cognizance of the provision either in the United States Code or in the United States Code Annotated. This section is part of title 1 of the Legislative Reorganization Act of 1946 and is subject, among other things, to the limitation found in section 101 which reads:

"SEC. 101. The following sections of this title are enacted by the Congress:

"(a) As an exercise of the rule-making power of the Senate and the House of Representatives, respectively, and as such they shall be considered as part of the rules of each House, respectively, or of that House to which they specifically apply; and such rules shall supersede other rules only to the extent that they are inconsistent therewith; and

"(b) With full recognition of the constitutional right of either House to change such rules (so far as relating to the procedure in such House) at any time, in the same manner and to the same extent as in the case of any other rule of such House."

Of interest, but not controlling, are the views expressed by President Jackson in opposition to an effort of the two Houses to fix by law the time for adjournment. Citing applicable provisions of the Constitution, the President said, among other things: "* * * The question of adjournment is obviously to be decided by each Congress for itself by separate action of each House for the time being, and is one of those subjects upon which the framers of that instrument did not intend that one Congress should act, with or without Executive aid, for its successors * * *." See 5 Hinds' Precedents of the House of Representatives, section 6638, page 855. It appears that Messrs. Webster, Clay, and Calhoun disagreed with the reasoning of the President.

For the purpose of this memorandum, we do not deem it necessary to resolve these differences or to determine whether or not the two Houses of Congress may fix a date certain, by the adoption of specific rules, which would automatically adjourn Congress without the necessity of further action on the part of either of the two Houses.

We do not deem it necessary to review the legislative background of section 132. For the present, the most that need be said of that section is that it merely represents an exercise of the rule-making power granted by article I, section 5, clause 2 of the Constitution to state a time limitation as a goal for the completion of the work of a session. This cannot substitute for the usual adjournment resolution at this time. The form of the resolution for adjournment sine die is set out in the House Rules and Manual, section 969, House Document No. 766, Eightieth Congress, second session.

Even if section 132 read, "The two Houses shall adjourn sine die not later than the last day (Sunday excepted) in the month of July of each year unless otherwise provided by Congress," and the Congress continued beyond that date and passed bills which were approved by the President, it is doubtful if the courts would go behind the certified copy as approved by the President to search for possible procedural deficiencies or conflicts in the rules of the two Houses. See *United States* v. *Ballin* (1892) (144 U. S. 1, 4), *Field* v. *Clark* (1892) (143 U. S. 649, 669–670, 673); and *Hubbard* v. *Lowe* (1915) (226 Fed. 135).

SUMMATION

The foregoing suggests the following conclusions:

1. Section 132 is at present of no legal consequence because a state of war still exists and the proclamations of the limited and unlimited emergencies are still in force.

2. Adjournment by Congress in the usual way on July 31, without taking any prior action, will not operate as an adjournment sine die.

3. While the question was not asked, there are doubts as to the effectiveness of section 132 even in the absence of a state of war or a state of emergency, and if Congress were to remain in session beyond the date fixed it is doubtful if items of legislation passed after the date could be successfully challenged.

Foreign Competition With American Industries

EXTENSION OF REMARKS
OF
HON. CHESTER C. GORSKI
OF NEW YORK
IN THE HOUSE OF REPRESENTATIVES
Wednesday, July 27, 1949

Mr. GORSKI of New York. Mr. Speaker, is it possible or could it be possible that our industries which have been established in the United States for years are to suffer the effects of closing their doors, of utter ruination because of our policy of doing business with foreign countries, who through the cheap labor they can employ can sell their goods in the United States at prices lower than our American industries can produce the same merchandise?

I cannot conceive of a policy that permits of goods being brought into the United States, at such ridiculous prices, that we are going to have to say to our American workingmen, "We are sorry, folks, but we must close down on our production, we simply cannot sell our merchandise, the goods that through your efforts and your conscientious endeavors to produce for your brother Americans, have enabled us to employ you and through you produce, because we cannot compete with the slave labor and the peon wages paid, in foreign countries."

Are we unduly alarmed over this situation? I must admit that I am. I do not presume to speak for all of the United States, though on this particular matter I feel that I could. I will confine my remarks to Buffalo and vicinity. If others, believe as I do, so much the better.

How can we say that such competition is so comparatively inconsequential, as far as American trade is concerned, that no harmful effect upon American industry and employment is to be anticipated and, therefore, American labor and industry should not be alarmed or unduly concerned because of the present competitive situation? Somewhere back in history, I seem to recall an old adage, that has left an indelible mark on many a memory, that it was a very poor policy to "lock the barn after the horse had escaped."

Our American industries and our taxpaying American citizens and employees are losing their means of livelihood because they are losing orders to the large wholesale buyers because they are underbid from 20 to 40 percent by representatives of these foreign industries. Have we forgotten the important part that taxes play in the operation of our Government?

It seems that somewhere during the past few months I have read of the fear of another depression, of the unemployment situation throughout the country. I have been concerned with the unemployment question but I have not become hysterical at the thought of another depression as I realize that the leaders of our Government and our industry can prevent such. If these foreign goods keep coming into this country at the present

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rate of purchases made, we will find our next-door neighbor out of work because we have closed our eyes to the fact that the American standard of living cannot be lowered to the class of other countries.

Footwear, toys, religious articles, jewelry, pottery, and countless other pieces of merchandise are finding their way into this country at ridiculously low prices and we sit idly by and say there is nothing to worry about.

To the proposal that the Government should plan a construction program looking ahead toward the relief of unemployment, we hear nothing but shrill cries of fear and alarm at the thought of a socialistic government being set up. But do those same people who cringe at the thought of a proposed program for unemployment jump to the call of American industry and the American workingman when these afore-mentioned facts are vividly brought to their attention.

I have been corresponding with the pottery industry of Buffalo and our State and Interior Departments relative to the importation of Puerto Rican pottery. Perhaps it could best be said that the matter is being held in abeyance.

The pottery industry is one of Buffalo's oldest and one of which we are proud. Employer and employee have enjoyed a long and successful record of collective bargaining. The employer has been guaranteed a profit throughout these years and the employee has been able to maintain his home and family in what we have come to know as a decent American standard of living. This has been possible through fair competition but under existing regulations, these conditions are gone with the wind.

Let me cite the obstacles to a continuance of our American way of life. Prevailing rate of pay per hour, in the Puerto Rican pottery industry, 30 to 40 cents per hour. Am I justified in saying that such is slave wages. The average rate of pay for men and women in the American pottery industry is $1.45 per hour. Can I be ridiculed for asking for protection for the city in which I was reared and for the people with whom I have lived and worked. If the people of Buffalo are thrown out of work because there is no concern shown for their welfare, then we have reached the bottom of democracy in America.

I have asked the Department of the Interior the following questions as to Puerto Rico and existing conditions in the pottery industry and await a reply:

First. All Puerto Ricans are American citizens and therefore products made for export to the mainland are entitled to entry duty-free.

Second. All Puerto Rican enterprises are not subject to the Federal income tax law.

Third. The Puerto Rican government has exempted new enterprises (such as the Crane China Co.) from all insular income and property taxes for 12 years and a partial reduction for an added 3 years.

Fourth. A plant operating in Puerto Rico is not subject to the old age law of the Federal Social Security Act.

Fifth. Puerto Rico has also no unemployment under Social Security Act.

Sixth. A plant in Puerto Rico is subject to the Fair Labor Standards Act, but this minimum may be lowered if the welfare of the plant is somewhat jeopardized.

Seventh. The wage rates for Puerto Rico average only 36 percent of those for the mainland.

The Puerto Rican situation like that in other countries is extremely serious. The prices quoted by their representatives has demoralized the market. The uncertainty of continued business flowing into the plants has placed our workingmen in a limited area of doubt and darkness.

Yes, I believe that we should live and let live but not to the extent that our own are not considered in the same category as others. Let us have competition, it is a healthy condition but let us not have it one-sided. If we are to help build other countries then guarantee the citizens of those other countries the same right to live decently as that guaranteed to the American workingman. Pay them a living wage not a slave wage. We were all born equal, let us live that way.

[From the Buffalo Courier-Express of July 22, 1949]

LABOR—AS SEEN BY VICTOR RIESEL

WASHINGTON.—I don't know who Moscow's radio Comrade Lapitsky is, but he seems to have set himself up as an authority on me—and has been using the Soviet's Central Overseas Broadcasting Service to smear this column. Since the comrade beams his stuff in English at the United States, his hysteria is a tip-off to the local Reds to start some bullying of their own. Well, nobody will bully nobody. There are stories to be told—and they will be told.

Such as Truman's and State Secretary Acheson's softness for Russia's iron-curtained industries, for example, a tenderness and quiet appeasement which I learn here is throwing thousands of United States workers out of jobs and slashing the wages of others by as much as 50 percent.

It is Acheson's deliberate policy to do little to keep Soviet-controlled factories from flooding this country with hats, glass, kitchenware, jewelry, pottery, and scores of other items sold so cheaply that our factories are closing down and aggravating our unemployment situation.

Union leaders who complained in the past few weeks tell me they've gotten a fast brush-off from such men as the State Department's Richard Peltier and Willis Armstrong, acting on orders from Acheson and the White House.

These State Department people use some double talk about how the cold war would become Arctic-like if we irritated the Russians on this front. And that any further talks with labor people would so annoy the Soviets that future four-power negotiations would be affected, because Russia will be petulant and uncooperative.

In the words of one CIO chief, who has been lobbying for congressional help because he's disgusted with the frigidity of the State Department toward the job problem:

"There is little hope of anything being done for us as long as people remain in the State Department who believe you can still deal with Russia."

What the union people want is a higher tariff on imports, at least from the iron-curtain countries. These use forced labor so cheaply they can undersell American goods right in America. For example:

One New York hat manufacturer has complained that his mill in Czechoslovakia was seized by the Russians and nationalized with no payment to him. Now the products of his old plant have been flowing into America's market and underselling his local stuff. He offers his berets at about $6.50 a dozen. The Soviet-controlled Czechs, using his old mill, send similar berets to United States stores at $3.20 a dozen.

Can you compete with that?

And then there's the glass and pottery industry, about which the A. F. of L. has complained to the aloof State Department.

The striped-pants crowd today knows full well that since foreign imports began hitting our markets working hours in these allied industries have been hacked 40 to 50 percent below a year ago.

In pottery, many men are working 50 percent less than they did. Plants have shut down. Heavy curtailment is reported. In many areas the industry is dividing the work among its people rather than fire them.

In West Virginia, some employees have taken voluntary 20-percent wage cuts rather than see their employers go out of business. This is becoming a pattern.

A critical stage has been reached.

The "peril point" is one at which cheap foreign goods come in so fast, our own manufacturers can't sell their stuff and must lay off workers. But investigation here shows that Truman and Acheson are not alarmed by the peril point of Soviet imports at this moment.

Result: Increased joblessness.

And the problem isn't confined to Russian-controlled territory. The glass and pottery union leaders met here with Army people to see if they could stop Jap competition. Fishing unions, too, are worried about Jap imports, and have also called on the State Department, which swiftly passed the buck to the Fish and Wildlife section of the Interior Department. Real helpful, that State Department.

Also, the Japs are sending in about $1,000,000 worth of plastic toys. There are similar problems for men selling everything from fruits to nuts, to wrist watches.

But the administration isn't interested. Its specialty is the brush-off.

The Long Trail Ahead

EXTENSION OF REMARKS

OF

HON. MIKE MANSFIELD

OF MONTANA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, July 27, 1949

Mr. MANSFIELD. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following remarks of United States Reclamation Commissioner Michael W. Straus, July 22, 1949, at the ground-breaking ceremonies for the Canyon Ferry Dam on the Missouri River, near Helena, Mont.:

This is a happy day for you, this valley, and for reclamation. Today marks a milestone in our progress and partnership. Today, after much long and good work, we actually start construction on Canyon Ferry Dam—a major development for the Nation, the Missouri Valley, and Montana. Nothing can and nothing will stop us now until this job is done.

But in our jubilation today, let us not lose perspective. Let us appraise the facts. This ground-breaking is but a turning point in the efforts of you and your Government for this area to achieve its destiny. The main

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contract alone calls for 1,500 days of work before the dam alone is scheduled for completion, and a hundred other contracts still must be let. We must not rest until we have completed the long trail and our program is carried out.

We are late on this job. On this very site 144 years ago this morning our predecessors of the Lewis and Clark Expedition broke the first Government camp on this land and pushed on with the mission that added a vast new frontier to the expansion and enrichment of the United States. These works here today are but widening that frontier of natural resources, on which our health, happiness and economy rest. Since our predecessor pioneers on the ever-widening American frontier came by this spot, many men have used and abused these resources and this river. Our purpose here is to harness it and permanently put it to work to serve you, to irrigate your lands, to raise your food, to produce the low-cost electrical energy that sparks your industry and lightens your burdens and those of the Americans who will come after us.

We are late on this job. It was after years of effort that in 1944 the Congress authorized these works. Since then we finished winning one World War and went through a world economic convulsion, moving from a wartime economy of destruction to a postwar economy of construction. And all that time you and your Government performed the many necessary tasks that preceded making the dirt fly at Canyon Ferry. All honor to you and those who did those tasks well and thereby made this day possible.

Today we start building for the future and for permanence in a valley that Captain Lewis, who was the more articulate member of the Lewis-Clark partnership, described 144 years ago as a "beautiful plain, 10 or 12 miles wide," which has since that day witnessed stirring chapters of American history. Those pioneers did not foresee these chapters, including the story of the gold strike at Last Chance Gulch or the parade of the fortune seekers through Grasshopper Gulch to Confederate Gulch, any more than they foresaw this scene here today when we start fitting a permanent cornerstone into the economy of the great Missouri Valley near the top of which we stand.

Look beyond this dam site and this builder's gear, plant, and camp. What you see is important all right, and able technicians, craftsmen, and builders will do a good job in erecting this mighty structure. But don't let the dramatic scene here and the spectacular construction that will go on at this site for months and years blind or bedazzle you. Canyon Ferry is a truly major structure. Reclamation has built smaller and larger dams for the people of the West before and will do so hereafter. But nobody should be permitted to build dams just because they like to. Their only justification is the service they render and the benefits they bring. So, look beyond this dam site hundreds, and even thousands, of miles away to see the real significance of why we gather here today, with the Nation watching, to perform this significant ceremony.

Canyon Ferry is one of the key structures of the whole Missouri Basin program—a program that, in turn, is the high point of man's advance planning to date to conserve and put his limited water resources to work. The Missouri Basin plan could not exist, as now conceived, without Canyon Ferry, and Canyon Ferry could not exist without the Missouri Basin plan. Canyon Ferry is not a separate individual project; it is one unit of a basin-wide program—the Missouri River Basin project—a program that you, the people of Montana, assisted in developing to meet your vital needs. It also happens to be your principal part of that program, made possible by all the people of the United States through the act of Congress in 1944 adopting the Missouri Basin program. This program stretches from the farthest reaches of the river in the high country of Montana down through many States to the river's juncture with the Mississippi. A sixth of the Nation is embraced in the Missouri Valley and there the waters are to be conserved and put to beneficial use through a coordinated series of reservoirs, power plants, transmission lines, irrigation facilities, canals, and navigable channels. All these works together will only yield full benefits if planned and operated together. And it is to secure these benefits that all the basin States have banded together. And to insure them that, all of the contributing local and Federal agencies meet together with the governors of the States as they have been meeting in Helena the past 2 days.

Canyon Ferry is not the first of these works. Since work began on Kortes Dam in Wyoming in the spring of 1946 as the first unit to reach construction, Basin residents have from time to time met at gatherings such as this to take part in appropriate ceremonies. Each marked another big step in the titanic job of putting the Missouri to work. There are a number of yardsticks that could be used to measure the progress made on that program during the past three years, such as dollars, kilowatts of power, tons of crops, man-hours of labor, or acre-feet of water. But by any of those yardsticks, I am happy to report that the job on the Missouri Basin program, which you have entrusted, in no small measure, to your agents in the Bureau of Reclamation for irrigation and power production in the upstream States and along the tributaries, and to the Army Corps of Engineers for flood control, navigation and power in the downstream main reaches of the river, is going forward in high gear. Wherever you travel in the Missouri River Basin, you can hear the roar of dirt-moving machinery, the clatter of mixing plants, the snorts of bulldozers, and observe all other activities that indicate a construction crew is on the job. Today Reclamation has, under the Missouri River Basin Project, 11 major dams under construction and eight more to be started, I hope, within the year—a total of 19 dams to chain the Missouri to the plow and the power plant in our current construction program. Our vision must be truly wide and not limited by what the eye can see from where you stand or even by what can be seen anywhere in the basin in this year of 1949. Ultimately, about 100 dams will be built under this one basin-wide project. Whether it takes 100 years or less to do it, you and the people of this Nation will decide.

Today we are interested primarily in just one of these jobs—the Canyon Ferry Unit. The dam and power plant will cost some $30,000,000 at today's prices. That money is being advanced you by taxpayers all over the country, and the beneficiaries, irrigators, and power users, under the Reclamation Law, will pay back Uncle Sam over the years. But this single structure at this point will make possible initial irrigation of some 310,000 acres of new lands, as well as providing supplemental water to 196,000 acres, a total of approximately half a million acres—all in that part of the upper Missouri Basin above Fort Benton. It will do that in many ways, not only by holding and conserving water for irrigation in the reservoir behind Canyon Ferry, but also providing power which, in turn, will not only pump irrigation water but will also provide power for industry and farms and, in addition, bring back revenues which make possible the whole Canyon Ferry multiple-purpose project and aid the Missouri Basin program.

I won't waste my breath trying to sell irrigation to the people of this section of Montana—that's too easy. It could be about as hard as selling a sandwich to a starving man. We are only a few miles from famous Gallatin Valley, where irrigation has been practiced since the first settler who uncoupled his oxen from a covered wagon and broke ground. In many of your tributary mountain valleys can be found irrigation fields of hay, grain, and other feed crops—the economic backbone of your livestock and food industries. Any school child, teacher, farmer, banker, or public official hereabouts can tell you, as well as myself, what another half-million acres of irrigated land can do for the economy of the upper Missouri.

I will raise my voice to tell you about the power program. There has been some quibbling about it. So let's get it straight. Canyon Ferry was conceived, was designed, and is authorized as a multiple-purpose project. It is a public-power project. It embraces powerhouses and transmission lines. They are as much a part of Canyon Ferry as Canyon Ferry is a part of the Missouri Basin program. These power features are part and parcel of Canyon Ferry. The irrigation won't and can't stand up and pay off without the power. You can't have the Canyon Ferry with irrigation alone and without power any more than you can have ham and eggs without the eggs.

The reason for this is simple and no secret. The irrigation is going to need pumping. Pumping needs cheap power. Canyon Ferry can provide that cheap power for pumping. It can also provide a vast amount of power that can be sold with priority, as required by law, to public bodies and also to private corporations on a widespread market at low cost to make new industries possible and lighten your household and farm chores. And this widespread sale of the people's power to the people at low rates to perform these tasks gives us the market that makes the power possible and also provides the revenues to aid the irrigation.

You people sought and wanted a multiple-purpose dam at Canyon Ferry—a power dam as well as an irrigation dam. The State of Montana sought such a structure. The Congress of the United States authorized a multiple-purpose project and the law says that such projects shall be built with powerhouses and transmission lines by your Government to insure its feasibility, to insure low-cost power as an aid to irrigation and to be marketed with preference to public bodies, such as rural electrical cooperatives, municipalities, irrigation districts. The authorization act of Congress provided for federally owned transmission lines to secure these benefits. It did not provide that the power be penned into the powerhouse without public transmission lines so that private lines stand between the power-hungry people and the people's dam. The Bureau of Reclamation designed and today starts building such a project. I, for one, am satisfied that that is the way this project is going to be completed.

I say this because there has been some quibbling—there is even some today. At the moment, the local utility monopoly, the Montana Power Co., is engaged in an endeavor to persuade the Congress to nullify the reclamation law by withholding funds to prevent your Government from building the Canyon Ferry powerhouse and transmission lines. The company says it will do all that for the Government and all that the Government has to do is to build the dam itself for the power company. All the company wants is the Government to provide the dam, which costs much money, and the company will build the power plant, which costs comparatively little. The utility company will be a customer for some of the power anyway, but now it seems that the company thinks so well of the project that it wants to be the exclusive customer, preserve its monopoly, and let the public bodies, the REA cooperatives, and the like come second—and that's not what the law says. Such efforts, which I think are doomed to failure, are being made to change this program. The law will be followed by reclamation and it

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won't be changed if you, the people of this area in the State of Montana, and your Representatives in Congress preserve and carry out the plan and program that you are embarking upon.

Here we are undertaking to add one link in the reclamation chain of the West—and a most important one. Under the reclamation program in the 17 States in which the people of all the United States have made an investment of over a billion and a half dollars to date, water has been brought to some 5,000,000 acres of arid and semiarid lands that in the last crop year alone produced crops valued at over half a billion dollars plus the greatest amount of electrical energy generated by a single organization anywhere in the world. In that 1 year $30,000,000 of public power revenues came into the Treasury from reclamation. That part of this national investment spent on purely irrigation works has produced crops in the last 3 years in excess of the total Federal investment in reclamation during the past half-century. That's a good investment of anybody's money.

During the past 50 years of the Department's century of conservation, the reclamation that western people have developed, working in cooperation with the Federal Government, was one of the firmest contributions to the Nation's strength and economy. It has been accomplished through reclamation laws that you of the West developed and the Congress of the United States passed.

There are certain basic principles of the reclamation law that you have developed, particularly, that one of the greatest of your basic resources, water, should be developed for the greatest good of the greatest number of people. The power policy of the Department of the Interior is a result of the expression of the desires of the people through congressional enactments. You have requested it, and past Congresses have written into reclamation law that reclamation should generate public power, transmit, and distribute it widely with preference to public bodies. Therefore, the Bureau of Reclamation's plans for the Canyon Ferry power plant provide for the Government's producing and transmitting a possible 300,000,000 kilowatt-hours of electrical energy a year. That is low-cost energy that will pump irrigation water, light farm homes, milk cows, process food and, through its sale, help pay for the project construction works. Just the same as the power from Grand Coulee Dam in Washington, the power from Shasta Dam in California, and the power from Boulder Dam down on the Colorado River perform their tasks, so in the years to come Canyon Ferry will take its place along with these other structures as a monument to the genius of the men of the West.

So many men of the West have already contributed, by their devoted efforts, to the point Canyon Ferry has reached on this day that I cannot enumerate them all. I must, however, mention some, including my admired friend, O. S. Warden. It is fitting that today he breaks this ground. Men of vision made today possible, and Mr. Warden is one. He came from the East, from Dartmouth College, from which college also came Daniel Webster, who once said about the mountain area—the area right here where we find ourselves today: "Not worth a cent. * * * A region of savages, wild beasts, shifting sands, whirlwinds of dust, cactus, and prairie dogs." While I don't think that O. S. Warden was a classmate of Daniel Webster, he didn't believe that statement. And when he came to Montana, somewhat after Lewis and Clark, he started to prove it wrong. Over the years wherever men of the West have planned to develop their water resources, I have found and been guided by the gentle, persuasive wisdom of Mr. Warden, who took me almost as a grandchild and showed me what could be done. In meetings in Phoenix, Omaha, Sacramento, Denver, Salt Lake City, Reno, as well as innumerable Washington conferences, Mr. Warden gave leadership and vision. He did not confine himself to this project for he was interested in all western and reclamation developments. But some way or other, before we parted, we always talked about Canyon Ferry and he sought ably to hasten the coming of this day. So, we all rejoice that Mr. Warden is here today to make his vision come true.

Before I left Washington, I sought to persuade your Senator, JAMES MURRAY, and Congressman MIKE MANSFIELD, of Montana, to fly here with me for they have long labored to bring this day to us. They told me to report to you that the only reason they are not here is that they can serve Canyon Ferry, as well as Hungry Horse over the divide to the west, and other Montana reclamation projects better right now at their posts in the Congress where matters of appropriations for this job and preserving the Canyon Ferry project as conceived and embarked upon are under discussion.

The real work of reclamation here will be done by veterans who are not from Washington but are the Bureau of Reclamation's field force and part and parcel of your community. Here today is Kenneth Vernon, the regional director of the upper Missouri Basin, and Bill Price, the Canyon Ferry project engineer, as well as many of their associates. They are your resident partners in this endeavor. Reclamation never has built and never can build a project without the aid of the community. These men will need help in the months and years ahead, and I know that you can trust and will help them.

So we can view Canyon Ferry in a broad perspective beyond the scene that here meets our eyes. We are building permanently for the happiness and welfare of posterity. This is but one milestone in the struggle of men, and achieving that milestone is your accomplishment. Another great day will come when this structure is complete and is put to work. It is built by men of Montana, and men of Montana must guard and cherish it and see that it serves its mission of providing power to lighten our burdens and food from irrigated acres down through the years. Serve and protect it on the long trail ahead, and it will serve and protect you in time of need as long as water runs downhill—perhaps, forever.

Error in Committee

EXTENSION OF REMARKS
OF
HON. HALE BOGGS
OF LOUISIANA
IN THE HOUSE OF REPRESENTATIVES

Wednesday, July 27, 1949

Mr. BOGGS of Louisiana. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following editorial from the New York Herald Tribune of July 18, 1949:

ERROR IN COMMITTEE

A recent action of the Senate Appropriations Committee in cutting off pay allowances of $65 a month for cadets attending the United States Merchant Marine Academy and the State maritime academies in New York, Maine, Massachusetts, and California appears ill-advised and discriminatory. Out of their allowances, cadets must pay for uniforms, textbooks, various fees, dry-cleaning, laundry, and a host of other expenses. Deprived of the funds, it is conceivable that a great many would be forced to resign unless their families are in a position to meet such expenses.

All those now in attendance at the five schools entered with the understanding that the allowance would be continued until they were graduated. The Government should not now default on such an agreement. Cadets at the United States Military Academy and at the United States Naval Academy receive similar allowances and no move has been made to discontinue these—as no move should be—because of the need of educating new officers for our armed services.

The recent war proved the need of a strong merchant marine and a strong reservoir of men to man it. The Senate committee's ruling, if enacted into law, will have the effect of narrowing the field of selection of potential candidates to those whose finances will permit attendance. Some friends of the maritime schools predict that such procedure would mean their end. It certainly is not in keeping with democratic procedure. The full Senate should correct the committee's error at once.

Real Income of Military Men

EXTENSION OF REMARKS
OF
HON. WALTER NORBLAD
OF OREGON
IN THE HOUSE OF REPRESENTATIVES

Wednesday, July 27, 1949

Mr. NORBLAD. Mr. Speaker, under leave to extend my remarks, I include herewith an interesting article from the current issue of United States News and World Report regarding the proposed military pay bill:

REAL INCOME OF MILITARY MEN—SIDE BENEFITS MAKE THE SERVICES ATTRACTIVE

Pay for the armed forces of this country now amounts to $3,980,000,000 a year. It is about to be increased by $304,000,000 a year, barring a last-minute hitch in Congress.

Raise in pay for men in military service is designed to bring their incomes plus allowances and pension benefits, into line with pay for comparable jobs in industry and civilian branches of Government. There is some confusion over the scale of income for different military positions at present and under the proposed plan. Confusion is related to the fact that income of men in service is made up of several elements.

A general, for example, gets much more than his base pay. Along with his job often go many perquisites, including car with chauffeur, or plane with pilot, many servants, all kinds of personal service that would cost much in private life. His direct income is to be much larger than it has been, under the new pay plan.

Base pay is to go up to $11,115 a year for a major general. It has been $8,800 a year.

Allowances will add to his pay. Rent and food allowances will rise to $2,304 a year. Since those allowances are tax-free, there will be a tax saving of $530 a year. Total value of these allowances will be $2,834 instead of $2,311 as at present. Value of allowance for a four-star general is $5,001 now, will be $5,898 a year.

Pensions will be higher. A general pays nothing toward a retirement fund, so any increase in retirement pay will bring another addition to his real income. The United States Bureau of the Budget figures that pensions and other deferred benefits available to a major general will cost the United States Government $2,823 a year at the new rates. Present value is $2,640 a year. The new schedule offers a man retiring as a major general

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after 30 years' military service a pension of about $8,600 a year. The average executive in private life would find it highly difficult to save enough for retirement income of that size.

Total compensation for a major general is to have a value of about $17,000 a year if plans go as written. With flight pay, the total can reach nearly $19,000, compared with a top of around $16,000 possible now.

A major, for another example, will collect about 14 percent more income at the new rates.

A major with 13 years' service is a typical case. He will get a new base pay of $4,617 a year. Longevity pay will be $513; rent allowance, $1,260; food allowance, $504; tax saving, $290. It adds up to $8,518, including the value of higher pension benefits. At the old rates he got $7,475.

The major's opposite number in industry gets $6,852 a year, according to the Advisory Commission on Service Pay. A comparable Federal civil servant will get $6,400 a year if a pending raise of about $125 a year is passed. The major's income advantage is increased by free medical care, the privilege of buying at cut-rate prices in post exchanges, low-cost insurance, and so on.

A master sergeant is to share in the higher pay, too. With the raise, his base pay will be $2,381; longevity pay, $530; food and rent allowances, $1,188; tax saving, $180; value of retirement benefits, $815. He will continue to get about $240 worth of food, clothing, and shelter on a general-issue basis. Total compensation will jump to $5,334 a year, where it was $4,407, assuming the sergeant has 15 years' service. After 20 years' service, he can retire on about $159 a month, at the new rates.

The average man in industry gets $4,752 a year for work involving the same general responsibilities as those of a master sergeant, according to the Advisory Commission on service pay.

Privates first class get only $30 a year more in base pay under the new plan. No raise is proposed for recruits just beginning service. At present, privates get $2,526 a year and recruits, $2,448. That assumes a value of $1,296 a year for food, clothing, and shelter furnished by the Government.

Military pay in these lowest grades is slightly below the return from comparable work in civilian life, as long as no allowance is made for indirect benefits open to the soldier.

Main objective of the new pay scale is to make military careers more attractive, especially for middle-bracket officers. The armed forces say they cannot attract and keep career officers, of the caliber desired, at present pay rates. In their view, higher salaries are needed to offset some disadvantages that military life can hold.

The new pay system also is wanted to modernize the pay structure, in the belief that injustices have crept into it since its last overhauling, 40 years ago. Congress apparently is convinced of the need for pay revision, despite its added costs.

Federal Anti-Poll-Tax Act

EXTENSION OF REMARKS
OF
HON. DANIEL A. REED
OF NEW YORK
IN THE HOUSE OF REPRESENTATIVES
Tuesday, July 26, 1949

Mr. REED of New York. Mr. Speaker, the issue involved in H. R. 3199, which seeks to make unlawful the requirement for the payment of a poll tax as a prerequisite in a primary or other election, is whether the Congress can legally enact such a law without violating article I, section 2 of the United States Constitution. Article I, section 2 of the Constitution provides as follows:

The House of Representatives shall be composed of members chosen every second year by the people of the several States, and the electors in each State shall have the qualifications requisite for electors to the most numerous branch of the State legislature.

I maintain that to vote for H. R. 3199 is to violate the oath of office which every Member of the House of Representatives is required to take before he can perform an official act as such representative or legislate as such. The oath is this:

Do you solemnly swear that you will support and defend the Constitution of the United States against all enemies, foreign and domestic; that you will bear true faith and allegiance to the same; that you take this obligation freely, without any mental reservation or purpose of evasion, and that you will well and faithfully discharge the duties of the office in which you are about to enter.

I wish to place emphasis not only on the obligation to defend the Constitution, but upon the words "That you take this obligation freely, without any mental reservation or purpose of evasion." These words were to prevent any sidestepping the sacred character of the obligation.

Why was article I, section 2, made a part of the Federal Constitution? It was put there to placate the fear of the several States that the new government then being framed would be so all-powerful that eventually it would destroy the States. The members of the Constitutional Convention were fully aware that unless this fear could be allayed on the part of the people of the States, ratification by the States would be impossible.

Now then, let me produce a witness on this point, one who sat in the Constitutional Convention. I refer to James Wilson, of Pennsylvania, who after his able and conspicuous service in the convention was appointed by President George Washington as an Associate Justice of the Supreme Court of the United States. It will be recalled, too, that Hon. James Wilson gave a series of lectures in 1790–92 as professor of law in the College of Philadelphia. Speaking on the provisions of article I, section 2, of the Constitution here are the words of Mr. Wilson:

By the Constitution of the United States, the Members of the House of Representatives shall be chosen by the people of the several States. The electors, in each State, shall have the qualifications requisite for electors of the most numerous branch of the State legislature.

This regulation is generous and wise. It is generous for it entrusts to the constitutions or to the legislatures of the several States, the very important power of ascertaining and directing the qualifications of those who shall be entitled to elect the most numerous branch of the National Legislature. This unsuspicious confidence evinces in the National Constitution the most friendly disposition toward the governments of the several States. For how can a proper disposition be evinced more strongly than by providing that its legislature, so far as respects the most numerous branch of it, should stand upon the same foundation with theirs, and by providing further that this foundation should be continued or altered by the States themselves.

This regulation is wise as well as generous. An attention to its genuine principle and tendency must have a strong effect in preventing or destroying the seeds of jealousy, which might otherwise spring up, with regard to the genius and views of the National Government. It has embarked itself on the same bottom with the governments of the different States: Can a stronger proof be given of its determination to sink or swim with them? Can proof be given of a stronger desire to live in mutual harmony and affection?

Now then this question of paying a tax as a qualification to vote was known and practiced by the Colonial States when article I, section 2 was made a part of the Federal Constitution. In the very lecture in which Mr. Wilson expounds, and explains the provision, article I, section 2 of the Constitution, he takes State by State and shows the qualifications requisite for electors of the most numerous branch of each State legislature. Referring to his own State of Pennsylvania he points out:

In the Constitution of Pennsylvania, the great principle, which animates and governs this subject, is secured by an explicit declaration, that elections shall be free and equal. This—

Continues Mr. Wilson—

is enumerated among the great points which are excepted out of the general powers of the government, and shall forever remain inviolate. The practical operation of this great and inviolable principle is thus specified and directed: In elections by the citizens, every freeman of the age of 21 years, having resided in the State 2 years next before the election, and within that time paid a State or county tax, which shall have been assessed at least 6 months before the election, shall enjoy the rights of an elector. (Constitution of Pennsylvania, arts. 3.31.)

Then Mr. Wilson refers to the State of New Hampshire with these words:

By the Constitution of New Hampshire, every male inhabitant, with town privileges, of 21 years of age, paying for himself a poll tax, has a right to vote, in the town parish wherein he dwells in the election of representatives." (Constitution of New Hampshire, pp. 11, 14.)

A review of the State constitutions of the time that article I, section 2 of the Constitution was formulated had more restrictions as a qualification to vote than any H. R. 3199 seeks to remove in violation of the Federal Constitution. Yet in the face of this, Mr. Wilson in his lecture delivered in 1790 after reviewing the qualifications of electors of the several States, says this:

By the same enumeration, we are enabled, with conscious pleasure, to view and to display the close approximation, which, on this great subject, the constitutions of the American States have made, to what we have already seen to be the true principles and the correct theory of freedom.

Again the same enumeration places in the strongest and most striking light, the wis-

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dom and the generous confidence, which rested one of the principle pillars of the National Government upon the foundation prepared for it by the governments of the several States.

It never was the intention of those brave and able men who framed the supreme law of our land to insert article I, section 2, as a part of it to inspire confidence in the States to obtain their ratification and then insert a provision to enable Congress to disregard the pledge to the States. Those were not the days of duplicity and demagoguery. The true way, the honest method to meet this annoying question is by a constitutional amendment, not by an illegal usurpation.

I cannot support H. R. 3199 and be true to my oath of office.

Presidential Interference in Steel Controversy Is a Threat to Free Collective Bargaining

EXTENSION OF REMARKS
OF
HON. LAWRENCE H. SMITH
OF WISCONSIN
IN THE HOUSE OF REPRESENTATIVES
Wednesday, July 27, 1949

Mr. SMITH of Wisconsin. Mr. Speaker, when President Truman projected himself into the dispute between labor and the steel industry he unwittingly struck at the principle of free collective bargaining. It was a move, no doubt, to gain political support but if carried to its logical conclusion might boomerang against organized labor. Political experts say his action was motivated by a desire to discredit the Taft-Hartley law and if an agreement is reached between the contesting parties the President and labor will say that the present law is not needed.

Mr. Speaker, Charles R. Hook, chairman of Armco Steel Corp., has issued a statement in which he points out some pertinent facts and conclusions. Under leave to extend my remarks I am including it at this point:

The reluctance of the steel companies to accept President Truman's plan for settling their dispute with United Steelworkers (CIO) by appointing a fact-finding board with powers to make recommendations instead of applying the Taft-Hartley Act has aroused many questions locally.

In an endeavor to shed light on the subject, Charles R. Hook, chairman of Armco Steel Corp., was asked to comment.

"Undoubtedly the President realized that a curtailment of steel production would be a severe blow to already declining business activity and wished to prevent it. However, the procedure he adopted is a step in the direction of breaking down the principle of free collective bargaining between the employer and employee, which principle the Administration has consistently advocated. This is not in the interests of either employee or employer," Mr. Hook said.

"The seriousness of the situation is because the procedure adopted may establish a pattern for settling labor disputes in the future," he continued.

"When the negotiations between the steel companies and United Steelworkers reached a deadlock, the President decided to appoint a fact-finding board, and that board has been charged with making a recommendation for settlement.

"The National Labor Relations Act of 1947 authorizes the President to appoint a fact-finding board when there is a national emergency, which board is required to report the facts to the President but without recommendation for settlement.

"The President has said there is no national emergency. However, in the present case he has gone beyond the National Labor Relations Act and has charged the appointed board not only to report the facts, but to make recommendations," Mr. Hook declared.

"We have no hesitancy in disclosing to the board any facts relevant to the situation. I repeat, we are opposed to the board including recommendations in its report because this breaks down the principle of free collective bargaining in connection with the settlement of the dispute by prejudicing the position of the respective parties before they have had an opportunity to negotiate upon the facts reported by the board.

"It is well known the President does not like the National Labor Relations Act, but since it is now the law of the land, I can see no justification for going beyond the provisions which would be used to cope with a national emergency. There are laws with which most of us do not agree. If all of us took the position we would ignore laws which we do not like, respect for law would be broken down," Mr. Hook concluded.

The Future of Alaska

EXTENSION OF REMARKS
OF
HON. E. L. BARTLETT
DELEGATE FROM ALASKA
IN THE HOUSE OF REPRESENTATIVES
Wednesday, July 27, 1949

Mr. BARTLETT. Mr. Speaker, under leave to extend my remarks, I wish to include an address delivered at the University of Alaska on July 1 by Hon. HENRY M. JACKSON, of Washington, on president emeritus day.

That day honored Dr. Charles E. Bunnell upon his retirement as president of the University of Alaska, a position which he held with great distinction for over a quarter of a century. Alaska and Alaskans owe a heavy debt to Dr. Bunnell and president emeritus day was a fitting occasion to acknowledge that debt.

Congressman JACKSON was a happy choice as principal speaker to do honor to Dr. Bunnell. His long-standing friendship with Alaska was reaffirmed by his excellent speech setting forth his belief in Alaska's future. At the conclusion of the ceremony an honorary degree of doctor of laws was conferred upon Congressman JACKSON by the university.

I am very pleased to be here with you today. For a number of years I have had a very deep and sincere interest in Alaska. Sometimes my interest has been commended—not rarely, I have been censured for it, and I am quite sure that oftentimes, even the staunchest friends of Alsaka have been somewhat preplexed by it.

Perhaps my interest in Alaska stems from my mother, who was born above the Arctic Circle in Norway. Maybe I have the aurora borealis in my birthright.

Seriously, though, the explanation is very simple. In Congress I represent your closest neighbor—my native State of Washington. Our future, and indeed that of the entire Pacific Northwest, is inseparably linked with yours; your prosperity is ours; your adversity we share; and unless your defenses are sound, we are vulnerable.

We are gathered to mark a milestone in the growth of an institution of higher learning. We honor a man who has devoted half a lifetime to the development of this institution from the day it opened its doors—to admit only 6 students—until today. We wish Godspeed to his successor, knowing that he assumes great responsibilities as he takes up the presidency of the University of Alaska.

There are many things which serve to pay tribute to Dr. Bunnell far better than I could ever hope to in words:

The buildings that stand on this campus;

The growth of the university from its initial enrollment of 6 to its present student body of well over 400.

The prestige the university has gained in its short lifetime;

The faculty which the university has been able to attract;

The spirit that pervades the university;

The many successful alumni who have left the university to make their contributions to society.

All these things pay their tribute to Dr. Bunnell. But perhaps the most eloquent tribute of all lies in the many people who have journeyed to Fairbanks—many of them from great distances—to honor their president emeritus.

As well as marking a milestone in the growth of this university, this day marks a milestone in Alaskan history. The Russians first settled in Alaska near Kodiak in 1784. They stayed for 83 years, until 1867, when they transferred the Territory to the United States. Today, July 1, 1949, Alaska has enjoyed an identical period of time under the American flag.

How has Alaska fared under that flag?

I think it is safe to say—as President Truman has said of the United States—that the state of the Territory is good. Settlement proceeds, overcoming past difficulties. New industries and businesses come into being. The population, like the cities, continues to grow.

But what is more important, Alaska is beginning to take shape in the minds of the Western Hemisphere as a place of great potential and a Territory of growing importance in the world of today.

For one thing, Alaska has grown in political stature in the minds of the Western World. The activity permitted to you Alaskans is limited by your organic act. Within those limits, though, you are doing your part to develop Alaska. You are signifying your good faith and energy in the way you are handling your own programs.

You have been ahead of many of our States in many social movements.

You gave women the right to vote even before the constitutional amendment took effect in the States.

This is extremely encouraging to those of us in Congress who are anxious that Alaska receive her due consideration. The reputation of Alaskans as a people capable of governing themselves is growing.

One might say that there has been a rediscovery of Alaska. While the Territory was actually discovered for the first time by the Western World 208 years ago this month, it might be said to have been discovered by the United States only 10 years ago. It was discovered partly because the spotlight of world affairs was focused more strongly on Alaska than it had ever been before. The strategic importance of Alaska was realized.

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All of us are proud of the decade of leadership that Governor Gruening has given to Alaska. It is a record of courage and achievement.

This second discovery of Alaska has meant increased Federal activity in the Territory which has meant much to your economy.

But while Alaska's strategic importance from a military view may have been largely responsible for this rediscovery, it is time that America began to realize Alaska's importance to America in numerous other ways. For example, with American mineral resources dwindling, she will soon come to depend more and more on the rich storehouse of minerals that remains untapped in Alaska. The paper and pulp industry of Alaska has a bright future, and is destined to attract capital, income, jobs, and people—Alaska's greatest need.

Much remains to be done if Alaska is to realize the bright future that could be hers.

What does that future hold? Alaska has always had a predominant industry. Furs were replaced by gold. Gold was followed by fisheries, and fisheries by the mushrooming program of Federal construction.

But there is no reason why Alaska should depend upon one predominant industry, for the Territory possesses, virtually untouched, the keystone to diversified industry: Hyrdoelectric power—8,000,000 kilowatts of it, more than three times that of TVA. This is a resource which, during the brief period I have been in Congress, has brought about an economic revolution in my section of the United States. We know how to put that electric power to work in chemical industries and, what is more important, in the processing of metals. Bauxite ore is even shipped 2,000 miles to the source of low-cost power in the Northwest to be processed into aluminum. That will give you an idea of the almost magnetic attraction that hydroelectric power has for industry.

Less than one-half of 1 percent of your hydroelectric potential has been developed. Its development will have to be a job largely for the Federal Government. I hope that this potential will be efficiently developed in the interest of the public—so that the public will derive the maximum benefit from a blessing nature has given us.

I am told that it is highly likely that pulp and paper can become major industries here in Alaska bringing greater wealth and employment to the Territory.

Your Territorial Government is not blind to the potential that is Alaska's. The Alaska Development Board and other agencies are working with one industrial prospect in the field of hydroelectric power which alone would be responsible for increasing by 50 percent the present population of the Territory.

There is one problem that lies at the heart of Alaska's economic future which has concerned me greatly. That is the problem of securing efficient low-cost transportation to Alaska from the States. Some of you may know that I was the author of a bill in 1947 to subsidize Alaska shipping. While that law was not as effective as it should have been, I am hopeful that we will be able to formulate very shortly permanent legislation that will secure for the Territory the low-cost transportation that is so essential to its development.

I have indicated that the future of Alaska will depend largely upon the actions of the Federal Government. And those actions will never reach their maximum until Alaska has reached statehood. I am for statehood, and the sooner the better—the better for Alaska and the better for the Nation.

But along with statehood, there will come certain responsibilities for the people of Alaska. This university will play a great role in helping Alaskans meet this challenge. This is an institution of higher learning that stands on one of the few remaining frontiers of the world today. As we mark this milestone in the life of this university, we must also note some of the great responsibilities that fall upon it.

Whether we like it or not, America is today the trustee of Western civilization. We are without doubt the political and spiritual leader of the Western World. We strive, through the political and economic health of our Nation, to prove that our way of life is effective. We hope to win for the world that way of life.

We are the leaders of the world today partly because of our sheer physical power. We are first in our ability to make things—last year our economic machine turned out $250,000,000,000 in goods, and there was the buying power to consume it.

We are first in extending our citizens the highest standard of living the world has ever known. We are first in equality of opportunity.

And we are first militarily. We won the race of discovery. We have the atom bomb.

It is easy to sit back and look at that impressive list of "firsts" and be satisfied. But that is precisely what America cannot afford to do today—sit back and look at itself and be satisfied. We are leaders precisely because we have never been satisfied.

Instead of merely looking at the record, we must try to discover the reason for our achievement. And then we must, more zealously than ever, pursue that dynamic purpose.

I am convinced that we are the leaders of the world today because we have encouraged diversity. We have fostered competition. Our Nation is the home of nearly 150,000,000 people of all nationalities. In them we have the greatest amalgamation of ideas known to history.

We have not, by and large, been afraid of ideas. We have encouraged the adventurous mind—the striking out for new and better things.

Most of us believe strongly in our system of competitive enterprise. We can safely say, I believe, that our economic preeminence is due to it, not forgetting, of course, the wealth of resources given us by a bountiful nature.

But we must not forget that our political health and strength grow out of a like competition of ideas.

Our whole political system is founded on the principle that all ideas—save those which advocate the overthrow of our system by force and violence—are entitled to be entered into an open market place of ideas. But there they must take their chance with the rest. We believe that if ideas are good, they will, in time, prevail. If they are bad ideas, or if they are not suited to the times, they perish.

In my opinion, the greatest danger we face today is that we might, of our own volition, in fear and hysteria close that market place to some ideas.

To my mind, that would be an American disaster.

It would mean the undermining of our entire system.

It would mean the loss of our superiority.

Let me emphasize—closing the marketplace to certain ideas would not mean the stamping out of those ideas. The idea of dictatorship, whether of the right or left, has been compared to a cancerous growth. It flourishes in darkness; when exposed to the light, it withers away and dies. We cannot combat it so long as it remains in American darkness.

I strongly believe that those who would see the American market place of ideas closed to any system of human thought have lost faith that our American way of living and thinking has the strength to survive open competition.

I have not lost that faith. I am convinced that communism, or any other ism, will best be conquered in this country if it is brought head-on with our ideas—in the open.

Today, the question of our security is uppermost in the minds of most Americans—and I'm sure in yours also.

Is America strong and secure?

I am here to assure you of my personal belief that America is strong and secure.

But, as I have said, it is not sufficient to rest on that statement. It is essential that we examine the source of our strength.

Many share the mistaken belief that our security rests wholly in the atomic bomb. They believe that the most important thing to American security is keeping the secret of the bomb.

But security does not lie in secrecy alone. There is no doubt that the bomb gives us a tremendous political as well as physical advantage at the moment. But the Joint Committee on Atomic Energy, of which I am a member, has been told by one of the outstanding physicists in the world that keeping the secret of the bomb is a holding operation. True, it is a highly important holding operation, and it is being done with the utmost competence. But we cannot expect to be the sole possessors of the bomb forever.

We live in a fast-moving world. Today's weapons may be on tomorrow's scrap heap.

We won the race of discovery only because American leaders had courage and vigor. A full year before our entry into the war, this country began to pour great sums of money into a project which they knew might not succeed in time.

Where would be be today if President Roosevelt had not had the courage and the foresight to undertake such a venture?

What if he had been a man who said "It can't be done"?

There was a chance that it couldn't be done—in time. But we took the chance. We embarked on a Nation-wide effort at discovery. We enlisted the greatest brains available in the land.

Many of those brains were not American brains: as Edward R. Murrow pointed out, Albert Einstein, a German refugee, and Enrico Fermi, an Italian, might well have been among the displaced persons of modern Europe, and we might have lost the battle of the atomic scientists.

But America took those men in. It gave them freedom and let their great minds roam where they might.

America took vigorous action.

We refused to say, "It can't be done."

Therefore I say our security lies not in the bomb itself, but in our ability to keep pace with invention. It lies in our freedom, our ingenuity, our courage.

The problems of our modern world grow more immense each day. As an example:

The peace and prosperity hang perilously upon the health and well-being of the American economic machine. Yet what a delicate machine it is. A small piece gets out of adjustment, and the whole machine wants to fly to pieces.

We cannot afford to let it do so any more, not only for our own sakes, but for the sake of the world.

Personally I am not a defeatist. I believe the machine can be kept in good operation. But to do that will take vigorous and courageous action.

A half-hearted step may be worse than none at all. A half-hearted step may be like tightening a bolt on the machine half way, and then counting on the bolt to withstand any strain. There will be no room for the people who like to say, "It can't be done."

Defeatism must be a thing of the past.

I believe that these thoughts carry two main lessons for this university.

Over half of the university is devoted to a liberal arts curriculum. Through this curriculum the university shapes the minds of students who are destined to become citizens of this leading Nation of the world.

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In my opinion, it is highly important that this university make very sure that its students are exposed to a market place of ideas that is truly open.

The dean of Harvard College has recently said:

"The world is full of dangerous ideas, and we are both naive and stupid if we believe that the way to prepare intelligent young men to face the world is to try to protect them from such ideas while they are in college. Four years spent in an insulated nursery will produce gullible innocents, not tough-minded realists who know what they believe because they have faced the enemies of their beliefs. * * * We have confidence in the maturity and intelligence of students. We have confidence in the strength of American democracy. There is no danger from an open Communist which is half so great as the danger from those who would destroy freedom in the name of freedom."

I believe that this university must share this confidence in its students. We do not kill ideas by trying to ignore them; we only hamper the creation of new ideas.

Many of the fields of knowledge taught in the liberal arts curriculum are not exact sciences. I refer particularly to the so-called social sciences—history, political science, and economics.

These are comparatively young studies. They do not lend themselves yet to exact formulas. We are still groping for many of the answers in these fields. This groping has torn the world in two.

But because these are inexact sciences, it becomes all the more important that none of the avenues of thought be blocked to student or teacher. For if any avenue remains unexplored, then we shall never know whether or not it contains the truth.

Our American strength grows out of the interplay of many kinds of ideas from many kinds of people. Just as we would not limit the variety of people in America, so we should not want to limit the variety of ideas.

The University of Alaska will bear another great responsibility. With the completion of the Geophysical Institute, the university will devote more and more of its time to basic Arctic research. An essential companion institute for which we are all working at the University of Alaska is an Arctic Institute of Health. May it soon become a reality. The question of survival of the free peoples of the world have now turned to these northern latitudes. We must not leave a stone unturned in this vital field of Arctic research. Our survival may depend on it. We are now behind. We must overcome the lag without delay. This university should be the center of that research for the Western World. Let us marshal our forces for this great task.

Basic research represents the greatest adventure known to modern man in his search for knowledge. It represents the type of thing at which Americans have excelled, and in which the strength of America lies.

For the basic researcher sets out not even knowing what he expects to find. He sets out on an unmarked sea of the unknown, trying to find the signposts that may lead the scientists who follow to new continents of truth.

In a sense, the project to develop the atomic bomb might be considered basic research. It is true that the end result was in the minds of the scientists from the outset. Yet time was a factor; if the bomb had been perfected too late, its value would have been small indeed. The atomic scientists knew this. Yet they took the chance. They expended money, energy, and ingenuity, because they refused to believe that it couldn't be done.

In this field of basic research, it is equally important that no avenue of research be blocked. The mind of the scientist must be completely open to observe the facts as he sees them.

I have said that the problems of the world grow daily more complex. I have said that their solution requires vigorous action. But vigorous action without intelligent understanding may be worse than no action at all.

This places one final obligation and responsibility upon this university—merely because it is an institution of learning in a part of the free world.

Those who study and learn here will depart to become citizens of the leading Nation in the world. If that Nation is to be a good leader, its citizens must be informed. They must know their responsibilities. They must understand precisely what these responsibilities mean. They must understand the problems that face this Nation and that face the world. They must know the source of America's strength.

The University of Alaska is the sole place of higher learning in its part of the world. It stands in a country where men have not been afraid to strike out into unknown lands. It must preserve this tradition in the fields of knowledge that remain unexplored.

Frontiers lie neither north, south, east, or west. They lie whether man and his mind meet a barrier and an opportunity. The frontiers of the mind are everywhere. They provide an opportunity—a challenge.

May this university and those who study here regard these frontiers as challenges—not as obstacles. May they cross these frontiers as Americans always have—without fearing the unknown.

Why I Voted Against the Gore Agricultural Bill

EXTENSION OF REMARKS

OF

HON. ADOLPH J. SABATH

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Friday, July 22, 1949

Mr. SABATH. Mr. Speaker, for over 40 years I voted for all bills in aid of agriculture, for I believed that agriculture should receive a fair compensation for its livestock and crops. Such compensation resulting from the fruits of their labor provides the farmers with sufficient purchasing power to enable them to obtain necessities for themselves and their families, and also the necessary farm implements which absorb the output of manufacturers and naturally creates work and employment for the manufacturer, the businessman, and laborer.

The financial crash of 1929 increased in velocity until 1932, when it had engulfed not only business but extended to cover every phase of our economy. Sixteen million people were unemployed, and an additional 16,000,000 people were employed part time on extremely meager wages, which made it virtually impossible for them to purchase sufficient food for their families. Consequently the prices of farm products fell far below the cost of production.

President Roosevelt relieved somewhat the sad plight and condition of agriculture by recommending legislation that aided the farmer, the manufacturer, and provided work for those unemployed. I naturally voted for all legislation which aided, among other things, agriculture as such.

During the war, I continued to support farm-relief legislation, which had as its purpose the stimulating and encouraging of greater production. This aid to agriculture in the form of price-support provisions increased the cost of food to the consumer. But the same conditions do not exist today. The farmer is prosperous today and does not need that aid and support of the Government which has cost the Government since 1933 directly over $15,000,000,000, and indirectly an additional $11,000,000,000. Unfortunately, this aid to the farmer which took the form of price-support programs in the main, did not hold down the cost to the consumer at a reasonable level commensurate with his ability to pay.

Therefore, I have supported the principles advocated and urged by Secretary of Agriculture, Mr. Brannan, some of which were embodied in the Pace bill. This bill intended to bring about the reduction of food costs to the consumer, but unfortunately, the Republicans, aided and assisted by the Dixiecrats, prevailed in their combined vote against relief to the consumer.

Yes, I advocated and supported the Pace bill because it tended to give some relief for the first time to the consumers by bringing down prices of foodstuffs they buy. Since the intended relief was voted down by the Republicans and reactionary Democrats, I cast my vote against the Gore bill knowing that it would be the incentive to continue the high prevailing prices on all foodstuffs.

What I feared is already taking place, for on Friday, July 22, the newspapers published the fact that the prices on foods such as meats, poultry, fruits and vegetables are increasing and will increase still further, thus making it impossible for the wage earner to provide sufficiently for his family on his present wages. Consequently he will be compelled to demand an increase in his wages.

The situation calls for early and favorable action on the minimum wage bill which I shall insist upon and demand. Properly on Friday, the day following the vote on the agriculture bill, the House Chaplain prayed for equity and justice and rightly so, because he must have realized that the vote on the agriculture bill demonstrated a lack of both equity and justice—indeed was entirely devoid of the necessary virtues of equity and justice.

Mr. Speaker, I read with interest an editorial appearing in the Chicago Sun-Times of July 26, 1949, which I recommend for reading by the Members of the House. It is entitled "A High-Price Vote" and comments on the action of the House with respect to this legislation as follows:

A HIGH-PRICE VOTE

What the House did last week in rejecting a trial run of the Brannan farm program was to vote for higher 1950 prices on farm products.

The House, through a coalition of 79 Democrats and 160 Republicans, voted to retain for another year the high wartime levels of price support.

It rejected both the Aiken law, which would have lowered the support levels substantially next year, and the administration's modified Brannan plan, which would have changed the method of supporting farm income on certain test commodities, in such a

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way as to permit the consumers' price to find its own level.

If the House had retained the Aiken law, the Government next year would have supported the price of eggs at 45.3 cents a dozen or less. Instead, the House voted to support eggs at 47.6 cents a dozen. Under the Brannan plan, the market price would be allowed to find its own level, while the Government paid the farmer enough to bring him a return of 45.8 cents a dozen.

Clearly, then, the House did not reject the Brannan plan because it contemplated too high a level of price support. On eggs, at least, the Brannan support level was actually lower than the wartime level which the House voted to continue.

Nor did the House reject the Brannan plan because it might cost too much. The high wartime supports will cost a great deal; Senator AIKEN says it may come to $5,000,000,000.

What the bipartisan coalition voted for was a particular method of supporting farm prices at a high and rigid level. It voted to keep farm prices up by keeping consumers' prices up. It voted for the expenditure of public funds to buy farm products and keep them out of the hands of consumers.

We hope that is not going to be the verdict of the Senate as well. The Brannan plan should have a fair trial. On some commodities, such as hogs, it contemplates what may well be too high a level of price support. But that could be adjusted.

The important thing is that the Brannan plan, while supporting farm income, would permit consumers to consume any surpluses. We think that is much better than destroying the surpluses, or dumping them overseas. If Congress decides otherwise, the issue should be taken to the country in next year's congressional elections.

Judges and Politics

EXTENSION OF REMARKS
OF
HON. THOR C. TOLLEFSON
OF WASHINGTON
IN THE HOUSE OF REPRESENTATIVES

Wednesday, July 27, 1949

Mr. TOLLEFSON. Mr. Speaker, an editorial appearing in the Washington Post July 26, 1949, points up a situation which is of serious concern to all thinking people who believe that our judiciary should be nonpartisan and nonpolitical. It is to be hoped that the Attorney General will not only give consideraiton to the appointment of at least one Republican to the District Federal bench but will actually recommend it. However, the record of appointments to the Federal bench since 1933 does not offer much encouragement.

The editorial follows:

JUDGES AND POLITICS

There have been reports that the Attorney General is considering the desirability of recommending a Republican for one of the six new judgeships being created for the District's Federal courts. This is a story which might be labeled: Interesting if true.

Of the 18 judges on the Circuit Court of Appeals for the District and the District Court, one is a Republican. Should all of the new appointees be of the opposite political faith, that would result in a division of 23 Democrats, 1 Republican. A check made not long ago showed that of the Federal judges appointed throughout the country since 1933 there were 222 Democrats and 9 Republicans.

It is very true that partisan political affiliations should never be a controlling consideration in the selection of a judge. But it is also true that one important source of strength of the Federal judiciary arises from public confidence in its nonpolitical character. That confidence ought not to be impaired by overloading the courts with judges of one political faith, if, when all factors are considered, equally competent men can be drawn from the ranks of both parties.

The Future of Great Britain

EXTENSION OF REMARKS
OF
HON. USHER L. BURDICK
OF NORTH DAKOTA
IN THE HOUSE OF REPRESENTATIVES

Wednesday, July 27, 1949

Mr. BURDICK. Mr. Speaker, just now the economic situation in England presents a startling situation. With all the money we have dumped into the British lap, they appear to be no better off, obviously worse, than when we started backing her up with our money. Each side, the Conservatives and the Socialists, blame the other. It appears from this distance that neither side is to blame for the proximate cause of the situation. To explain just what I mean let me say that England is too small a country to maintain her population. The following table will be of interest:

	Square miles
England	50,328
North Dakota	70,665
Montana	147,138
Texas	267,339

In other words, North Dakota is larger in area than England, Montana is three times as large, and Texas is over five times as large.

England, Scotland and Wales together only have an area in square miles of 88,745. Here again North Dakota is nearly as large as England, Scotland, and Wales, while Montana is almost twice as large as the combined area of the British Isles. Texas is three times as large as the British Isles. The populations range as follows:

British Isles	47,835,000
North Dakota	557,000
Montana	509,000
Texas	6,414,804

The total population of North Dakota, Montana, and Texas is 7,480,804. The total population of England, Scotland, and Wales is 47,835,000 or nearly seven times the population of these three States. The combined areas in square miles of North Dakota, Montana and Texas is 485,142 square miles. The area of England, Scotland, and Wales is 88,745 square miles. That means 500 people to the square mile are trying to live in England, while in the three States named 15 people per square mile inhabit the area.

Does Great Britain have great agricultural areas? No.

Does England have coal? A poor grade coal and down deep; it costs too much to mine it. The supply is also limited. North Dakota alone has more coal than all of Europe.

Does England have forests? Nothing of consequence.

Does England have any natural resources that could ever hope to sustain the population. No.

England in the past has survived because it has been a colonial empire, and the resources of her colonies have been brought to England by exploitation of the people who produced the raw material. England then manufactured this material into goods and shipped them in international trade around the world. This trade made her a great sea power which was necessary to protect this shipping. Heretofore many countries traded raw materials to England for manufactured goods. We used to send most of our cotton to England. But a great change has taken place in recent years: The British Empire is breaking up. For centuries India kept England going, but only through the exploitation of the people of India. India now is an independent nation, and England will have to give up more of its colonial possessions just as soon as the people of the other colonies are able to free themselves.

Added to this, other nations like the United States are beginning to do all of their own manufacturing. New England became a great manufacturing center and no doubt interfered with manufacturing in England. The process is going on further in this country, for now shirts, once made in England or New England, are made right down there where the cotton grows. The whole movement, even in America, is to recede from the large centers and build plants all over the country. North Dakota alone has two packing plants and one large flour mill. You can see how this process is going on even in America. Minneapolis was once the largest flour manufacturing city in the United States, but other points are developing, like Buffalo, N. Y., and local mills all over the West. It is a movement of decentralization.

North Dakota, for example, has no ill feelings against the large manufacturing centers of the country, but they have discovered that its immense virgin soil that once could stand exploitation cannot always stand the strain. What is the logic of paying freight on cattle to Chicago and freight on the processed meat back again when both of these charges can be eliminated and just to that extent bring more money to the producers? What is the logic of paying freight on wheat to Minneapolis, and Buffalo or Liverpool, and paying the freight on flour back to the starting point, when both charges can be eliminated, to the great advantage of the producers?

The day of the great foreign trade of England is over. She will soon have to rely on her own resources. She has weathered along since the war because this country has loaned her billions. We, for some unknown reason, are trying to tail up a decaying empire. The statesmen of England should tell the people that it is impossible for 47,000,000 people to maintain themselves in a tiny country without resources. There must be, and there inevitably will be, a decentraliza-

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tion of the people of the British Isles. A large part of the population will have to move out and find locations where there are natural resources, and where these people can make their own living. They cannot rely on our present weakness in sending them billions to be taken out of the hard-working taxpayers of the United States. We will soon reach a point, if we have not already, where we cannot collect taxes or borrow money enough to prop up an empire that is now wholly unnecessary. English pride may be all right, her kings and queens may be all right, her nobility may be all right, but she must make up her mind to support them herself. That is her business and not ours.

A Serious Charge—If True

EXTENSION OF REMARKS
OF
HON. JOHN R. MURDOCK
OF ARIZONA
IN THE HOUSE OF REPRESENTATIVES
Monday, July 25, 1949

Mr. MURDOCK. Mr. Speaker, at the close of the House session today, I listened carefully to the remarks of the gentleman from California [Mr. JACKSON] in a lengthy address in which he painted the central Arizona project in colors so black as to make a pile of coal look like a snowdrift by comparison. I listened, even though I had heard the same thing said many times before by well-paid, clever lawyers who appeared as witnesses before my committee and other committees of the House and Senate during recent years. Time after time, one of these lawyers, who is revealed by the registration of lobbyists to be one of the highest-paid lobbyists in Washington, has appeared as a witness against diverting any Colorado River water into Arizona and has painted Arizona's efforts in the same dark colors that the gentleman from California [Mr. JACKSON] used today. Always I have thought on hearing him of the lawyer described by Abraham Lincoln, who "by an arrangement of words could prove that a horse chestnut is a chestnut horse." The 2,000 pages of printed testimony given before committees over which I have presided amply demonstrate the ability of those who oppose Arizona's effort to get her own water out of the Colorado to surpass even the old Athenian sophists in making the worse appear the better cause, with this difference that these modern sophists make the best appear the worst cause. They not only attempt to prove that black is white, but in this case they make a tremendous effort to prove that white is black.

About the only thing I found in Mr. JACKSON'S address today with which I could agree was, in substance, that something big is involved here and that Congress and the American people should look into it. I heartily agree with that sentiment, and I thank the gentleman for his powerful influence in attracting attention to the controversy between our States over the vital waters of the Colorado River. Let my voice be heard above the voices from southern California as I ask my colleagues to give this problem the serious study which it merits and not to jump to any hasty conclusions. The very future of more than one great State in the lower Colorado River Basin hinges upon this problem and hangs in the balance.

I thank the gentleman from California [Mr. JACKSON] for yielding to me several times today, although he did not yield as often as I asked him to yield. The gentleman from California [Mr. JACKSON] followed the trend of the opposing witnesses in various committee hearings to the effect that the Bureau of Reclamation engineers and other officials in the Department of the Interior have been worse than stupid in favoring and justifying the legislation for the central Arizona project. Other high officials of Government have been quoted as opposing the plan, whereas I was under the impression that some of these same officials even outside the Department of the Interior are friendly toward the proposal. That is as much of a puzzle to me as is the quotation which he attributes to the Commissioner of Reclamation in opposition to the project, when I know that he personally favors it.

The gentleman from California [Mr. JACKSON] read a lengthy list of contributors to a fund to promote the central Arizona project and to assist the sponsors in the enactment of legislation now before Congress in behalf of it. He seemed to think that there was something sinister about large sums of money being thus donated. I am interested in knowing how the sum of money raised and spent in central Arizona to promote this legislation compares with the sum of money raised in southern California and spent mostly in Washington to defeat it. There is a comparison of expenditures that ought to be made known for the information of Congress, and in that connection this curious fact ought to be explained as to exactly who the real opponents of the central Arizona project are and why they oppose it. Apparently the opposition comes mainly from southern California. Is it possible that only southern Californians can see the terrible thing, as they picture it, that the representatives of Arizona are attempting?

Along with the list of contributors helping to finance the move for the central Arizona project, the gentleman from California [Mr. JACKSON] also included a list of large landowners whom he implied would profit enormously by this use of the taxpayers' money. I interrupted him to call attention to the fact that, when this project is put through, the reclamation law with its 160-acre limitation will take effect, and no such large holdings as he mentioned will profit the present landholders. We made satisfactory arrangements in regard to more than a million acres of land in the State of Washington, which were formerly privately owned by large landowners, that they might be irrigated by the Bureau of Reclamation without speculative gains by the former owners. That is a matter which can be easily attended to and will be attended to in the carrying out of such a program.

So far as the land within the Salt River Valley project, a Federal reclamation project, is concerned, there is no violation of the 160-acre limitation, excepting the very small percentage which is unavoidable. Testimony before my committee reveals that the 242,000 acres of land within the Salt River Valley project are owned by 14,000 owners and that the average ownership on that large portion of the contemplated project now averages less than 20 acres to the owner. These are facts.

If one will take the two lists which the gentleman from California [Mr. JACKSON] furnished for the record, it will be interesting to examine the names on each list. It will be seen that with one exception the large landowners mentioned are not the contributors either as individuals or as associations. The largest contributor mentioned, of course, is the Salt River Valley Water Users' Association, but the $36,000 contributed is merely 15 cents per acre. Some of the other large contributors are mining companies like the Phelps-Dodge Mining Co., which does not own a foot of land to be irrigated. How much land does the telephone company, another contributor to this fund, own? Is there anything sinister about the chain of Safeway stores contributing to this effort? Why should not big business and little business, with heavy investments in Arizona which are about to be periled, contribute money to sponsor legislation which will save the economy of the State? There is nothing hidden about these lists and figures which Mr. JACKSON gave us. I presume he got them from the Clerk of the House of Representatives. If he did not, he might have done so, for they are on file there. This list is also contained in the hearings on H. R. 934.

To my knowledge, not a dime of the money which has been put up to sponsor and help this legislation, of which I am one of the authors, has been spent to give parties in Washington hotels to influence Members of Congress to favor this legislation. Yes, we have had lobbyists from Arizona here, but they have been jostled by more numerous lobbyists from southern California. There are lobbyists and lobbyists. The ones whom I know from Arizona are here fighting desperately for the future of that great and promising commonwealth, which is the youngest in the sisterhood of States.

During the hearings on H. R. 934, many authorities were quoted, and I—seeking to support the bill—threw in a quotation from the very highest authority. That quotation was: "Where there is no vision, the people perish." I do not think I gave the wrong impression by giving only a part of a quotation, but a wrong impression can be given by partial quotations. Many partial quotes heard in this controversy are comparable to condensing the quotation: "Let him who stole, steal no more" into this: "Let him who stole, steal." I urge my colleagues not to get a wrong impression from any opponents of Arizona in her desperate struggle for her own water by any partial quotations or half-truths.

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Court Picketing

EXTENSION OF REMARKS
OF
HON. HALE BOGGS
OF LOUISIANA
IN THE HOUSE OF REPRESENTATIVES

Wednesday, July 27, 1949

Mr. BOGGS of Louisiana. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following editorials:

[From the San Francisco Chronicle of July 19, 1949]

BAN COURT PICKETS

There is irony, as well as danger, in the fact that a conference setting out to protect civil rights should wind up with a rousing invitation to delegates to join in picketing a Federal courtroom.

Yet this irony occurred over the week end at the Bill of Rights conference in New York. Thirteen hundred delegates from 33 States were invited to form a national picket line outside the Federal Building where 11 Communists are on trial for conspiracy to overthrow the Government. Owing to the fact that the trial was adjourned by Federal Judge Medina for the day, the picketing did not come off yesterday, as planned. But picket lines have previously been thrown about the same court.

Picketing a court is a direct impairment of the judicial process. Maintaining the integrity of the judicial process is one of the main concerns of the Bill of Rights. Thus the delegates to a Bill of Rights conference make a mockery and fraud of their profession of concern with the Bill of Rights if they picket a court.

The sham of this particular conference's interest in the Bill of Rights is not surprising on being revealed. What is illustrated by the call for a court-picketing line, however, is the need for a law banning this type of outrage upon justice. We have urged Congress to make it a Federal offense to picket a Federal court anywhere in the land. Recently, the House Judiciary Committee approved a bill to punish this activity by a $5,000 fine or a year in jail. We again urge Congress to speed the bill's passage. There should be no further toleration of courtroom picketing. It is a plain abuse of and obstruction to justice. It is indeed an act which, if frequently repeated and not checked, would lead in time to the overthrow of the American form of government just as surely as would any of the acts with which the 11 Communist defendants inside the courtroom are charged.

[From the New Orleans States of July 23, 1949]

THE BILL THAT WOULD STOP COURT PICKETING

The legislative branch of the Federal Government appears ready to take positive action soon toward helping the judicial branch. That welcome assistance, expected in a matter of weeks, would be enactment of a proposed law to outlaw the picketing of a Federal court.

Impetus to the passage of the antipicketing measure comes from the conduct of sympathizers surrounding a Federal court in New York, where 11 Communist Party leaders have been on trial for 6 months. Before the trial plods to its end, the present bill is likely to be law.

Reports from Washington say the bill has been approved unanimously by the Judiciary Committees of both Houses and has been placed on the docket of measures which are expected to pass with unanimous consent. Sponsors of the bill say messages of endorsement have come from all parts of the United States. Bar associations and judicial conferences have given their approval.

The pending legislation is aimed at remedying a special difficulty. That is to prevent an obstruction of the administration of justice where contempt and intimidation-preventing statutes are not applicable. The new law would apply to those who picket a Federal court or the homes of judges, jurors, or witnesses, "with intent to interfere with, obstruct, or impede the administration of justice."

That was the intent, obviously, of the pickets in the New York case. At times their antics have been so boisterous as to interfere with the free movement of witnesses and attorneys. Their placards have been bold attempts to influence the action of the judge—even to the point of making demands.

Fundamental in the system of justice under which we operate is the tenet that guilt or innocence will be decided by a dignified court, as free as possible from pressure, influence, and bias. The system is designed to preclude mob rule. Court picketing, as in the New York case, constitutes an attempt to inject an element of mob-rule procedure into our courts.

We hope Congress will avoid delay in completing action on the antipicket legislation. We hope special care will be taken to keep the bill from being lost in the shuffle, should Congress speed up its efforts to get out of Washington in a hurry this summer. The judicial branch would be denied necessary assistance if the proposed measure were allowed to die.

Speeches Before Americans for Democratic Action, Full Employment Conference

EXTENSION OF REMARKS
OF
HON. JAMES E. MURRAY
OF MONTANA
IN THE SENATE OF THE UNITED STATES

Thursday, July 28 (legislative day of Thursday, June 2), 1949

Mr. MURRAY. Mr. President, I ask unanimous consent to have printed in the Appendix of the RECORD a series of speeches given before the Americans for Democratic Action Full Employment Conference, held at the Shoreham Hotel, July 19, 1949, and a resolution adopted at that conference.

I have checked with the printing clerk and have found that the material will take up 6¼ pages in the RECORD and the printing cost will be $500.

There being no objection, the speeches and resolution were ordered to be printed in the RECORD, as follows:

SPEECH BY CHARLES M. LAFOLLETTE, NATIONAL DIRECTOR, AMERICANS FOR DEMOCRATIC ACTION

On behalf of Americans for Democratic Action, may I express our appreciation of your presence. You will note, I believe, that I did not say, "I welcome you." That would have implied that this was ADA's conference. It would have implied that you had come to hear what we had to say. Neither is true. This is your conference as much as it is ADA's. I believe you have come here for the same reason we have: to try to find ways of expanding the American economy to the point where full production, full employment, and adequate purchasing power can be assured.

We are here because we agree that those who are able and willing to work must have that opportunity. We believe that empty pantries in the homes of American workers and unsalable crops on our farms are un-American. We declare that those who shrug off the hunger of the children of the unemployed as necessary to normalcy are guilty of subversive activity. We say that the loss of billions of dollars' worth of goods and services through unemployment and production cut-backs must not be forced on the American people by those who shout for economy—for this is waste, not economy.

In opening this conference, I could dwell on the fact that today, just as they did 20 years ago, a significant number of corporations are advising the magazine, Factory Management and Maintenance, that a depression, difficulty in getting jobs, and even breadlines are the things that will help most to increase productivity. But I shall not, for there are men here today who stood in those breadlines. I could point out that one Ralph B. Blodgett, writing in the University of Illinois Bulletin of August 25, 1945, said, "It is to be hoped that depressions are never abolished, for they have many desirable features. * * * Smart folks take advantage of the boom, they are ready for depression-time bargains, bargains in everything from a suit of clothes to a railroad." I could elaborate on this despicable philosophy, but I shall not, because there are men here today who have suffered more from that philosophy than I.

I could point out that the basic purpose of the congressional sponsors of the Economic Expansion Act of 1949 is to afford a climate wherein competitive free enterprise can confidently enter a period of expansion with an assured adequate consumer purchasing power, so as to avoid the dislocation of 1929 to 1933. But the sponsors are here to speak for themselves far more comprehensively than I.

Perhaps, however, it will not be remiss for me to call for an understanding of the seriousness of the circumstances under which we meet and of the basic rightness of the cause which we do not plead but assert.

We assert that the people of the United States do not exist to sustain an economy, but that the economic system of this country exists to meet the legitimate needs of the people. By every test of the American ethic, it is clear that those who own the means of production and distribution hold it at the sufferance of the American people and subject to their power. Acting through their Government and within the limits of the Constitution, the people exercise the right to have such property used for the promotion of their welfare. Any other construction of the American democratic ethic would define the United States as a nation in which the people were given the freedom to assemble in debating societies and the monopolists and extortionists the freedom to pick their pockets. We refuse to be frightened into the hands of domestic reactionaries by a Hallowe'en pumpkin labeled the Welfare State, held in the quaking hands of elder statesmen whose own welfare is adequately cared for and who never believed in the New Deal anyway. The masses of the people who voted the New Deal into power still await the full life it gave them the vision to see was theirs—and the promise that some day they would attain it.

Our heritage includes the unalienable rights to life, liberty, and the pursuit of happiness. It was to secure these rights that this Government was instituted. The pursuit of happiness is far different from spending our lives in the pursuit of a job controlled by a man whose sole right to own job-producing property is that given him by the government of the people. Liberty is the right to enjoy equal treatment and justice under law. It is not the license to use property in such a manner that a vast percentage of the American people cannot get

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enough real wages to consume the goods produced. And the law, unless it represents the consent of the governed, is not the law which the Declaration of Independence guarantees us as a part of our heritage.

The American people have accepted the proposition that a private enterprise economy regulated by the people through their Government can be so managed as to give us the heritage which the Declaration of Independence proclaims. But the burden is not upon us to prove our right to insist that this system be run for our welfare. The burden is upon the forces of privilege, the elder statesmen, and those for whom they speak, to prove their willingness to help assure the realization of our heritage while they continue to enjoy the personal bounty which the system has brought them.

The issue is clear. We assembled here are determined that the American heritage shall be fulfilled. We demand the end of un-American economic exploitation, and the complete realization of the full life to which the people are entitled.

EXCERPTS FROM REMARKS OF LEON H. KEYSERLING, VICE CHAIRMAN, COUNCIL OF ECONOMIC ADVISERS

I am glad to be with you this morning, because your very name—Americans for Democratic Action—strikes a responsive note in my own thinking. I believe that economic policy in the United States must draw its sustenance from our native American experience and problems, which are too different from those of other lands to make analogy useful; I believe that whatever we do must be democratic in concept and execution—must grow out of popular understanding and acceptance—in order to be successful; and I believe in action rather than in drift.

I shall begin by departing from meticulous observance of the topic assigned to me—the current economic situation. Every literate person knows the detailed facts about the current economic situation, and has been regaled or perplexed, according to his lights, by recent reports setting forth these facts in full. All that I want to say specifically on the assigned topic is this: We have seen once again that our economy is not self-stabilizing and that an inflationary boom contains the seeds of its own undoing. A careful reading of the reports of the President and of the Council of Economic Advisers since January 1947 will reveal that the dangers in the inflationary boom were clearly depicted, and that the descent to lower levels of employment and production has occurred almost precisely in the sequence and manner which was foretold in the absence of sufficiently strong preventive policy. This should afford some confidence in the value of economic analysis, although that analysis has by no means reached perfection. We also know that many affirmative policies adopted to strengthen our economy in this generation have thus far served as braces to hold the decline within moderate proportions, and this should give us faith in the value of affirmative policy.

Aside from the facts being well known, there is still another reason why I do not want to concentrate my discussion upon the details of the current economic situation. We are now in no economic emergency which would make it necessary for us to rush pell-mell into an improvised program of action that discarded longer-range considerations. With more than 59½ million people employed now, as against 46 million in 1939, and with about 4 million unemployed now as against 8 million then, the prime significance of our current concern is not that we are in great difficulty but rather that we have become sufficiently conscious of our domestic obligations and our place in world affairs to be satisfied with nothing less than full employment and full production. The attainment of this objective is an enormous task never before so consciously undertaken. It requires that we begin now, but it demands that we concern ourselves not only with matters of the moment. A full employment program is in its essence a long-range program, and the current economic situation fortunately gives us the time to start working in this direction.

So instead of discussing a lot of detailed facts about the economic situation, I want to set before you some ideas and principles relating to a full employment program. To achieve and maintain full employment requires an enormous reorientation in our thinking—a reorientation which should be shared by industry, labor, agriculture, and Government—a reorientation which rests in the final analysis upon the arduous task of popular education.

In short, whether or not we regain and maintain full employment and full production depends upon policies easily within our reach if they gain popular acceptance. Unlike other countries, we are not confronted with the almost insuperable problems of inadequate resources, wartime decimation, industrial underdevelopment, or intense internal friction. We have all the resources, and I believe we have sufficient knowledge, to achieve any reasonable goals that we may set.

Because our future depends so largely upon the climate of popular opinion, it may be helpful to trace four successive stages in our thinking about our economy.

In the first stage, the prevalent view was that the business cycle was as immutable as the laws of the seasons, and that there was nothing mankind could do about it except to be resigned. This stage is gone forever, and we do not need to set up artillery to knock over straw men.

In the second stage, beginning with 1933, the prevalent view was that we could take action to work our way painfully out of the depths of a great depression. But in sober retrospect, we realize now that action forged in the heat of a Nation-wide economic conflagration could not be wholly effective. As I have said, we still had 8,000,000 unemployed even in 1939. We made gains in humanizing the concept of government, and in strengthening our economic system, but the cost of the depression was a higher price than we should ever want to pay again.

The third stage in popular thinking came with the passage of the Employment Act of 1946. Not many people have noticed that this act says not one word about dealing with a depression. It centers attention upon preventive action, upon using all of our available resources to maintain maximum levels of employment and production so that a depression is avoided before it has a chance to get started. In this connection, the anti-inflationary program repeatedly urged by President Truman had a vital significance which transcended its details. Never before in American history, in a time of such high prosperity, did a President of the United States focus so much attention upon the steps needed to maintain that prosperity. Unfortunately, public opinion was not quite ready for this course of action, and we are not so well off now as if it had been.

The unique importance of the Midyear Economic Report of the President, sent to the Congress last week, is that it does not move backward from the third stage of preventive action to the second stage of taking action after a depression is upon us. Instead, it moves forward to a fourth stage—the recognition that we must set affirmative goals, not merely to hold our own or to avoid or overcome an economic downturn, but instead to define the character and composition of an expanding economy and to devise policies to achieve that expansion.

The heart of this new approach, popularly expressed, is the goal of lifting our national output to $300,000,000,000 within a few years. I want to devote the rest of my remarks to bringing before you the dynamic quality and implications of this approach.

First of all, the goal of a $300,000,000,000 economy releases us from the bondage of economic forecasting, as that useful device has too frequently been misused. We used to be prone to worry ourselves so much with attempting to forecast when or how a recession or a depression was coming, when and how much unemployment would increase, when and how much businessmen would start to cut down on their investments, that we became distracted from realization that instead of forecasting the evils that might or could happen if we did nothing we should be concentrating attention upon what we want to have happen and marshal our resources toward that end. President Truman does not forecast a $300,000,000,000 national income; he simply states that we have the resources and ability to get a $300,000,000,000 national income if we roll up our sleeves and go to work. This goal involves a program, not just a promise.

To grasp the significance of this goal and to move toward its achievement, it is not sufficient to state it in aggregates alone. As we start striving for a $300,000,000,000 economy, there are seven broad areas in which our efforts should concentrate.

First, the end objective of our economy is to improve standards of living and to spread those improvements more widely over the whole population. This is not only a social objective; it is also an economic objective, because we cannot have full demand for what we can produce without higher levels of mass consumption, particularly among middle- and low-income groups. Therefore, as one facet of the objective of a $300,000,000,000 economy, we should ask ourselves what minimum standard of living are we aiming to achieve for the American family, whether it be $3,000 a year, or four thousand, or five thousand, depending upon the facts. The idea of a minimum health and decency budget for urban areas, already endorsed by the Congress in the authorization of specific studies, should be expanded into an all-embracing target for American living standards that we can and should attain.

Second, we should work out systematically a definition of and the policies necessary to achieve agricultural abundance. I believe, personally, that the Brannan plan is an encouraging step in this direction. We need to examine further what agricultural output, in the context of a $300,000,000,000 economy, will be sufficient to provide the kind of nutrition and variety of diet which every American family should enjoy, as well as to service the needs of industry at full production. Simultaneously, since agricultural price-support policy has already involved us in the task of determining what part of the Nation's dollar should go to the farmer, we need to think through still further what levels of farm income related to other kinds of income will move us toward the achievement of parity of income and standards of living and cultural opportunities for those living in rural areas.

Third, we need to appraise the amount of expansion in our basic industries, and in our transportation systems, which will support and nourish a $300,000,000,000 economy.

Fourth, we need to look upon resource development and the expansion of social security and health and other welfare activities, not as programs to which an economy in distress turns for temporary relief, but rather in terms of the magnitudes that a flourishing economy can afford to undertake and should undertake.

Fifth, we need to rationalize our foreign economic policy with our domestic economic policy so that each complements the other at expanding levels of output and income.

Sixth, we need gradually to build our tax system into the framework of our general economic objectives, so that taxation will serve the dual purpose of raising sufficient

public revenues and making its maximum contribution to those business incentives and that income structure which will help us to achieve a $300,000,000,000 economy.

Seventh, and in some respects most important of all, the wage and price and profit policies of private enterprise must be geared to the concept of economic expansion. The same analysis of goals for the economy and requirements to meet these goals which will furnish a better guide to public economic policies, will also provide a better orientation for collective bargaining and other private economic policies. Once management and labor start working together with a high goal in sight, they will have a frame of reference for the resolution of their secondary differences and for the placement of prime emphasis upon their common stake in a larger prosperity for the country as a whole.

My understanding of those seven basic elements in the effort to achieve a $300,000,000,000 economy should not be misinterpreted to imply vast new efforts in central planning or direction from the top. The seven matters to which I have referred have long been the subject of treatment through both private and public economic policy. But better perception of the relationship of these seven elements to the general purpose of a steadily expanding economy will provide a better environment for both private and public policy. Instead of judging a policy solely by its internal composition, it will become feasible to judge it in terms of its impact upon vastly important national economic considerations. This will bring to our farm policy, our fiscal policy, our wage-price policy, etc., a keener perception of their significance and a better judgment of their consequences.

Most important of all, this weighing of various policies in terms of the objective of a $300,000,000,000 economy will promote a better working relationship between enterprise and Government, and among businessmen, workers, and farmers. It will substitute, instead of vague preachments that each should consider the general interest rather than his own self-interest, a clearer vision of the stake which each and everyone of us has in the general interest.

It will thus provide an answer to the central and paramount problem of a modern democracy, which is to achieve accord without force, purpose without compulsion, and unity without stereotype.

The challenge we now face is not how to avert a depression so much as how affirmatively to advance prosperity. This poses a great moral test, because it is not so difficult to act in the face of disaster as it is to reach out for higher goals when the going is not particularly bad. Yet the latter obligation is forced upon us by the compulsions of the world situation and by the needs and desires of our own people. We can afford to do no less than our best, and if we do our best the next decade can witness the practical liquidation of the "economic problem" in America and the turning of more and more of our energies to the cultivation of those attributes of civilization for which material sufficiency is only the foundation.

SPEECH OF HON. JAMES E. MURRAY, OF MONTANA

On July 11 of this year President Truman, in his Midyear Economic Report, pointed out that unemployment has been gradually rising and that production, profits, and farm income have been gradually falling. He warned against our relying on "letting nature take its course" and advised that "the way to prevent our economy from shrinking is to take affirmative action that will help it to expand." He gave us as a target for the immediate years that lie ahead a national economy running at the level of $300,000,000,000 a year.

In making economic expansion the keystone of the Fair Deal, President Truman gave expression to the aims and ideals of an overwhelming majority of the American people.

Most American businessmen want economic expansion.

The farmers of America know that they can sell their products only in an expanding economy.

The workers of America know that only in an expanding economy can they improve working conditions and obtain a more adequate standard of living.

But let us not blissfully deceive ourselves into thinking that everyone is for economic expansion.

There exists in this country today a small but powerful minority who look forward eagerly to recession and growing unemployment. This group is made up of finance capitalists who know how to ride the business cycle and pick up "depression bargains." It is made up of monopolists who view a depression as the easiest way of putting their small competitors through the wringer and forcing them out of business. It is made up of those economic Bourbons who see depression as a means of weakening organized labor. It is made up of those economists who view the recent increases in unemployment as a "healthy readjustment."

There is much talk about who is loyal and who is disloyal to America. There is much talk today about subversive activity. I submit that the most dangerous type of disloyalty and subversion can be found among those who work toward scarcity instead of abundance, who regard booms and busts as inevitable, and oppose the objective of a sustained expansion in the American economy.

I submit that it is disloyal to America to maintain that "depressions are the price we pay for freedom." It is alien to the hopes and aspirations of our people to maintain that the American system "needs a floating pool of unemployed."

I submit that there could be no more subversive philosophy than the declaration by a leading American banker that "corrective recessions are necessary to reduce costs and prices." There could be no more subversive propaganda than the editorial in the Wall Street Journal observing that a recession to dispel the boom psychology would be "a welcome guest."

I submit that those wild-eyed, harebrained reactionaries who propagate the philosophy of corrective recessions are the most dangerous enemies of American capitalism. If they succeed in their efforts they will lead us down the road to fascism or communism.

Fortunately for the future of our country, there are Members of Congress who believe in the good old American idea that this great country of ours should be a land of expanding and abundant opportunity. Fortunately, there is a growing group of Senators and Representatives who are dedicating themselves to the task of saving American capitalism by working toward the President's goal of a $300,000,000,000 national economy.

On Friday, July 15, on behalf of 16 Democratic Senators and two Republican Senators, I laid before the Senate the Economic Expansion Act of 1949. This measure is designed to carry out 7 of the 11 points in President Truman's legislative program and to provide a number of additional measures needed to achieve the President's objectives and carry into action principles he has often advocated.

Those who joined with me in sponsorship of this measure are Senators ELBERT D. THOMAS, Democrat, of Utah; CLAUDE PEPPER, Democrat, of Florida; THEODORE F. GREEN, Democrat, of Rhode Island; LISTER HILL, Democrat, of Alabama; HARLEY M. KILGORE, Democrat, of West Virginia; WILLIAM LANGER, Republican, of North Dakota; WARREN G. MAGNUSON, Democrat, of Washington; WAYNE MORSE, Republican, of Oregon; GLEN H. TAYLOR, Democrat, of Idaho; JOHN J. SPARKMAN, Democrat, of Alabama; J. HOWARD MCGRATH, Democrat, of Rhode Island; GUY M. GILLETTE, Democrat, of Iowa; HUBERT H. HUMPHREY, Democrat, of Minnesota; ESTES KEFAUVER, Democrat, of Tennessee; MATTHEW M. NEELY, Democrat, of West Virginia; FRANK P. GRAHAM, Democrat, of North Carolina; and DENNIS CHAVEZ, Democrat, of New Mexico.

On Monday, July 18, this measure was introduced in the House of Representatives by Congressman WRIGHT PATMAN, Democrat, of Texas, supported by a substantial number of other Members of the House.

The economic expansion bill is a broad and well-rounded measure. It addresses itself in a comprehensive and wholehearted fashion to the promotion of economic expansion through private investment, production, and employment. It provides methods of helping to maintain purchasing power at a level adequate to absorb the products of industry. It provides methods of placing the budgetary policies of the Federal Government on a sound and businesslike basis. It provides for the long-range planning and regularization of resources development and public works projects. It equips us with the weapons needed to deal with serious unemployment wherever and whenever it arises in any industry or area of the country. Its enactment would be the single greatest contribution that could be made to dealing with the present economic situation.

But it would be a great mistake to regard the bill as merely an emergency measure. It is a bill not only to deal with declining employment and production but to prevent declining employment and production. If it is true that its provisions are needed today to deal with the present economic situation, it is also true that its provisions were needed 4 years ago when the war came to an end. It is also true that the bill's provisions will be seriously needed once the present downward trend in the economy has been reversed. They will be needed then to promote the steady and sustained expansion in employment and production required for the health and survival of American capitalism.

Some of the more important points in the bill are as follows:

1. The extension of payments to unemployed veterans under the GI bill of rights, with benefits raised from $20 a week to $25 a week (sec. 203).

2. A requirement that the States liberalize unemployment compensation by raising maximum benefits to $30 a week and maximum duration to 26 weeks. Provision is made for Federal supplementary payments to the States to extend the duration of benefits from 26 weeks to 52 weeks (sec. 204–5).

3. The creation of an emergency reserve fund for urban and rural unemployment. This fund could be used in emergency situations in expanding authorized Federal programs in the field of resources development, public works and public services. It could be used for stepping up Government procurement programs. Part of the fund would be allocated to the Secretary of Agriculture for a conservation works program in rural areas (sec. 503).

4. The creation of a $1,000,000,000 fund in the RFC to help city and State Governments obtain long-term, low-interest funds for the construction or operation of public works and resources development projects (sec. 404).

5. A large-scale shelf of city, State, and Federal public works and resources development projects. With $500,000,000 to help cities and States in preparing blueprints and acquiring sites, and with $100,000,000 for advance planning by Federal agencies, the goal would be to have at all times a reserve of useful projects valued approximately at $30,000,000,000 (sec. 403).

6. A program to provide the capital needed for the economic development of the under-

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developed countries of the world. This would be done primarily through authorizing the United States to guarantee or purchase the securities of the World Bank, thereby freeing the World Bank from its present dependence upon the Wall Street securities market. The lending authority of the Export-Import Bank would also be increased (sec. 105).

7. The development under the RFC of an FHA-type of insured loan industry, designed particularly to aid small business in obtaining long-term capital at low interest rates. This would be of great help in fostering business expansion in industrially underdeveloped areas of the United States (sec. 103).

8. Accelerated amortization for tax purposes of private business investment in plants and equipment. Small and independent producers need an incentive of this type to put them in a stronger competitive position in relation to the big monopolistic enterprises which currently exercise such a dominating force in American industry (sec. 102).

9. Broad provisions to assist in combating monopolistic restrictions upon economic expansion. These include the promotion of technological research, regional surveys of developmental needs and market potentials, a new inventory of Government-built war plants which are not in substantial operation and which may be leased to small and competitive business enterprises, and a continuing investigation of monopolistic restrictions by the Federal Trade Commission (sec. 104).

It is my hope and that of my colleagues that everyone who participates in this conference will study this measure very carefully. We do not regard this bill as the last word. We know that certain of its provisions may, upon careful examination, prove to be in need of improvement. We intend to make such improvements before the bill becomes law.

The sponsors also recognize that the economic expansion bill is not the only measure that must be written into law if we are to reverse the present trend toward contraction and promote a steady and stable expansion of our national economy.

The farm program proposed by President Truman and our great Secretary of Agriculture, the Honorable Charles F. Brannan, is also essential. In fact, the Brannan farm plan and the economic expansion bill can be regarded as companion measures. Both are required to carry out the Fair Deal program; both are required to assure a prosperous future for American industry, agriculture, and labor.

To supplement these two key measures, prompt action is also needed in the field of taxation, on minimum wages, and on the MVA and CVA legislation.

With so many important legislative matters before the Congress, it is difficult to see how anyone could seriously propose that the Congress adjourn for the rest of the year. If the Congress does take a brief recess later in the summer, it should be expected to come back in September and go to work on those measures, the enactment of which is essential in the interests of our people. So far as the economic expansion bill is concerned, it is the hope of the sponsors that preliminary hearings might be arranged for in the very near future and that these hearings could serve as the basis of an intensive set of studies and investigations backing up every section of the bill. Shortly after Labor Day, we could then press forward for full and complete hearings and for passage in both Houses well before the end of the year. Such a schedule is called for by the possibility—and I make no predictions—that unemployment may increase. Such a schedule will be entirely feasible if full employment conferences similar to today's conference can be convened throughout the country for the purpose of telling the people at the grass roots about the economic expansion bill and the other measures essential to the prosperity and well-being of the American people.

Excerpts From Speech by Gov. Chester Bowles, of Connecticut

The No. 1 question facing America and the world today is whether our Nation can maintain a high and expanding level of production and employment.

The importance of this question cannot be overstressed. Unless we as a nation are able to keep our economic activity at a healthy, dynamic level, we will have to materially reduce our individual living standards.

Equally serious, we may also be forced to rewrite our entire foreign policy and forfeit our position of world leadership.

Should the United States become subject to a disordered internal economy, we would lose the strength which is absolutely necessary to shoulder the heavy world responsibilities we have assumed since before the Second World War.

The cause of democracy at home and abroad requires that the blood and bone of our American economy remain healthy and continue to grow in vitality. The leaders of Soviet Russia recognize—in some ways better than we—the significance of this crucial question of American prosperity. They are watching us closely and hopefully to see what our economy does next.

Their reasoning is simple, cold, and logical. They know that their best hope of a smashing, bloodless victory in the cold war against the democracies lies in an America beset with severe economic problems which it is either unable or unwilling to face.

I sincerely believe that their hopes are misplaced. We have in our country both the power and imagination to solve our problems. But we must utilize this power and imagination. The time to do so is now.

The handwriting on the wall is already beginning to take shape. As Governor of a highly industrialized State—Connecticut—which is in the midst of a serious unemployment problem, I can report from first-hand observation that we must come forth with some new thinking and vigorous action.

It is not enough to go back to the days of the New Deal for the answers. We must face up honestly to the fact that all the New Deal achievements, while great, never succeeded in eliminating large-scale unemployment.

I am glad to be able to say that already top people in our Government have taken forthright steps to insure our economic health and prosperity. President Truman's message on the economic situation was particularly gratifying.

He emphasized in clear-cut language the need for broadened social security, of minimum wage legislation, and other national measures to stabilize our national economy. He also proposed the elimination of transportation taxes, and a special effort to channel Government orders wherever possible to those sections of the country where unemployment is most serious.

The employment and production riddle we face today is more than a short-range one. Perhaps we may solve in a short time the unemployment and production problems that at present affect certain areas of our national economy. But we still have the long-range questions to answer.

One of those long-range questions is: What happens if and when our cold war spending program is cut back severely?

A sharp reduction in our military requirements would confront us with a major economic problem. We will have two alternatives. We shall have to find new outlets for capital investment, in order to keep up a high level of production. Or we shall have to cut back our industrial output so severely that its effect on our employers, working people, and consumers alike would be devastating.

I am sure that we do not want to take the latter alternative. If we do not, then it is our problem to use all of our ingenuity and natural resources to make the transition from military and reconstruction production to the normal production of a peacetime economy.

A challenging approach to this problem is the bill proposed by Senator James Murray, which seeks to establish a full and expanding level of production and employment. Likewise, the farm plan advanced by Secretary of Agriculture Brannan, to assure farmers a steady income and lower food prices to the consumer, is a bold effort to solve the problems of the farmer whose prosperity means so much to all of us.

In my opinion, we have met here to discuss the ways and means whereby this goal may be reached.

Speech of Lawrence Tibbett, President, American Guild of Music Artists, AFL

Mr. Chairman and fellow participants in this very important conference on full employment, I come here today to talk briefly about the problem of unemployment as it exists today in one of the most depressed industries in America, the entertainment industry.

I have read statements to the effect that from the national viewpoint the rise in unemployment has been nothing to worry about. That is certainly not true in the entertainment field. The members of my own union, the American Guild of Music Artists, have already been hard hit; 90 percent of our employers are nonprofit civic organizations which are finding it extremely difficult to maintain their sources of revenue. Last week in Cincinnati the long-established and highly successful summer opera series closed down after losing an average of $3,000 a day for the first 2 weeks. We are afraid that a similar fate may be in store for other groups in other cities.

The other unions in the entertainment field face an even more grievous predicament. I am informed that only 50 percent of the members of the Screen Actors' Guild are currently employed. Only 10 percent of the members of Actors Equity are currently employed in theater productions. The membership of the American Guild of Variety Artists has been hit by the decline in the operations of night clubs. The members of the American Federation of Radio Artists have been seriously affected not only by the fact that the coming of television has channeled more funds toward new equipment than toward the production of entertainment, but also by the fact that the advertising budgets upon which the radio industry subsists are being drastically slashed.

I am afraid that there is a mistaken notion that the people in the entertainment industry make so much money when they are working that they can easily afford long periods of unemployment. This is sheer nonsense. I recently checked through the records of the American Guild of Music Artists and found that 80 percent of our membership make less than $2,000 annually. Another 10 percent are paid less than $3,000 a year. Only 2 percent make over $7,500 a year. Remember, this is gross pay; taxes and personal expenses must be deducted before you reach the amount of money that our members can take home to pay for food, clothing, medical care, and the other necessities of life. We cannot afford unemployment. We cannot afford corrective recessions or periods of healthy readjustment.

In large part, the predicament of the entertainment industry is a symptom. It is a symptom of the general contraction in the American economy. When business and employment start to turn down, cultural activities are the first to be curtailed. Hence

our union and the other unions in the entertainment field are of necessity intimately and deeply concerned with any effort that can be made to restore prosperous conditions.

When the preliminary draft of the economic expansion bill was first made public, we set up a joint committee representing our various unions to study it carefully. Although we have not yet had an opportunity to make a full analysis of the bill as finally introduced, I should like to make a few brief comments on it.

First of all, the bill, as I understand it, provides for Federal assistance to cities and States for both the planning and the construction of public works. This could go a long way toward meeting the shortage of community centers and other modern facilities for the theatrical arts.

Second, the bill provides for an unemployment emergency reserve fund that could be used for stimulating useful employment in the field of public services as well as of public works and resources development.

I am informed that under this provision city or State governments could obtain grants from the Federal Government for a broad variety of public service operations in the recreational, cultural, and entertainment field. This would be of tremendous benefit to members of my union and the other unions in my industry.

I hope that the sponsors of this measure will look into the question as to whether or not the requirement that $30 in non-Federal funds be supplied for every $70 in Federal grants may not be too limited. In certain cases a larger proportion of Federal funds—possibly even 100-percent grants—may be needed.

Finally, the economic expansion bill as a whole is geared toward providing a steady annual increase in job opportunities and in the production of goods and services. All of its provisions that would help achieve this goal would be of direct assistance to our people. We cannot have steady employment in the entertainment industry—nor a flourishing cultural life in the United States—unless we succeed in maintaining maximum employment and production.

Of course, the economic expansion bill by itself—and its sponsors are the first to admit it—is not enough. Other legislative action is also essential. The most immediate additional step that our members are interested in is the removal of Federal excise taxes upon cultural and entertainment activities—particularly those excise taxes which are levied upon public and nonprofit civic enterprises. We are also interested in the development of a long-range Federal program for the promotion of the arts.

In conclusion, I appreciate the opportunity of being with you today. The people in the entertainment industry have as much to gain from economic expansion—and as much to lose from economic contraction—as the workers in the automobile, steel, or construction industries. We stand ready to work with you at all times in mapping out a practical program for the restoration of full employment. In every city and town in which we have members, we stand ready to work with you in dramatizing for the American people the necessity of affirmative action to maintain a healthy and expanding economy.

ADDRESS BY SECRETARY OF LABOR MAURICE J. TOBIN

THE PRESIDENT'S ECONOMIC EXPANSION PROGRAM

In a statesmanly report to the American people on the economic condition of the Nation, the President took stock of recent changes in our national economic health. It was a noteworthy report because it embodied a discriminating analysis of economic developments during a very complex period of economic transition.

The President struck a delicate balance between the elements of strength in the economic situation and the potential dangers. He noted the downtrend in production and employment during the past half year, but concluded the trend could be reversed. The situation is not a depression. Hence the economic measures that would be appropriate for doing something about a depression are not appropriate now.

But this does not mean, the President was careful to point out, that there is nothing that needs to be done now. Thus in discriminating fashion the President distinguished between appropriate and inappropriate measures for dealing with the actual problems we face today as we seek to achieve our national economic objective of full employment and production.

This approach to the problem of employment and economic policy is extremely important. If we are to succeed in achieving the objectives of the Employment Act of 1946, to maintain conditions of maximum production, employment, and purchasing power, we must at all times apply those measures which are appropriate to the situation we are in and consistent with the objectives of a balanced, stable, and growing economy.

The kind of economic situation we are now in, which is neither too good or too bad, provides perhaps the most difficult test of national policy in furtherance of the objective of full employment.

If we were faced by the immediate danger of a serious depression, there would be little disagreement as to the need for vigorous governmental action.

Now we are in a position where production is declining, with employment below what it should be, and with unemployment rising. It is exactly this kind of situation that provides the real test of our ability as a people, acting through our Government, to take the right kind of action, and to take it soon enough, to maintain a healthy economy.

The goal of national economic policy is not to do something about depression once we find ourselves in that situation. The real goal is to make our economy operate, so far as we can, at the highest level possible at all times, in order to assure a growing standard of living for the Nation's families and to make us strong both against the physical force of aggressors and against the anti-democratic propaganda directed against a free and democratically managed economy.

The President was not complacent, and we cannot afford to be complacent, about the drop in production and employment, and the rise in unemployment, that has taken place in the last 6 or 9 months. "There is nothing healthy," the President said, "about more unemployment or less production."

The President then outlined a program of action to deal with the special problems of the present situation and to provide a sound basis for the expansion of the economy in the years ahead.

Perhaps the most significant feature of the President's program was his vigorous recommendation that the Federal Government itself, in its own activities, should help to offset the current downward tendencies in business activity and purchasing power, rather than to aggravate or accentuate such tendencies. The fiscal policy of the Federal Government ought to be used to maintain a stable economy, and not to unstabilize it. This is a time to go ahead with those socially important enterprises, such as housing, which we postponed before. It is not the time to withdraw funds from the consuming public by increased taxes.

To remedy one special shortcoming of Federal policy, the President recommended enactment of legislation to facilitate the advance planning of necessary public works by Federal agencies and States and localities. If public works are to be initiated promptly when and where they are required, the plans ought to be prepared well in advance. Moreover, resource development and public works are not simply emergency measures but are basic to the normal expansion of our economy, and ought to be planned in an orderly fashion in close cooperation with the States.

The President's program includes specific recommendations for dealing directly with the problem of unemployment, in addition to his general recommendations for stabilizing the economy by appropriate fiscal measures, by encouragement of private investment at home and abroad, and by strengthening underlying supports to purchasing power in the form of minimum-wage legislation, more adequate unemployment compensation and social-security programs, and an improved agricultural income-support policy.

While pointing out that unemployment is not now at a very high level for the country as a whole, the President pointed out that there are many localities and some States where it is serious. This calls for concentration of special efforts to deal directly with unemployment in those areas where unemployment is particularly serious.

Many a mayor and governor will tell you that with unemployment between 3 and 4 million nationally, as at the present time, they have situations in their cities which they would not like to regard as normal. They will also tell you that without the cushion to community purchasing power which has been provided by unemployment compensation, the situation would be much more serious than it is. The President has already taken action to direct special assistance to local areas within the limits of existing Federal procurement and construction programs.

The new Federal programs of the past 15 or 20 years, such as social security and the farm support programs, have proved a strong defense against the kind of economic collapse we experienced in 1920–21. There is quite general agreement on this fact. I read from the Monthly Letter of the National City Bank for June: "These elements of strength have been widely discussed and recognized."

It is a curious fact about American politics—or human nature—that these economic reforms which are so praised in retrospect have always raised cries of socialism or—in the phrase now popular—the "welfare state" when they are first proposed.

Bankers, investors, and big and little business alike, including the butcher, the baker, and candlestick maker, have all benefited from these economic reforms and activities of Government.

If the unemployment-compensation and social-security programs have proved such a boon to economic stability, as they have, there should be no objection to extending these programs to make them more adequate.

If the Tennessee Valley Authority has proved such a dynamic force in the economic development of the South, as it has, we should explore the possibilities of public capital investment in resource development in other underdeveloped areas of the Nation.

If there are measures of general economic policy, as contemplated in the Employment Act of 1946, such as Federal fiscal policy, which can contribute to the objective of maximum production, employment, and purchasing power, we should use them to whatever extent practicable.

The American enterprise system, throughout our whole history, has combined the initiative of both private and public enterprise. Private enterprise has been given the broadest possible role consistent with the public interest as determined by legislative policy. The expansion of the economy we look forward to in the future requires the cooperation of Government, business, labor, and farmers for the fullest utilization of our economic resources. The objective is not simply maximum production, employment,

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and purchasing power, but the strengthening of democratic society at home and abroad.

EXCERPTS FROM REMARKS OF MILES PENNYBACKER

In the opening remarks which Mr. Lawrence Tibbett made in his illuminating talk, he expressed surprise that he should be invited to speak at such an important conference when he represents a relatively small group. You can imagine my surprise at being asked to speak for a still smaller group—liberal businessmen. Mr. Tibbett also indicated—and quite properly—that the artists whom he represents carry weight in our society far beyond their numbers. If I were representing reactionary business interests, I could say this also.

It is certainly true that businessmen in general do have recognition and prestige beyond that accorded to other equally significant specialists in our culture, such as educators, legislators, economists, etc. In searching for the cause of this, I am reminded of advice given me by an old professor at MIT when I asked him about the choice of a career. "Miles," he said, "a career if it is to be most significant has to be chosen with regard to the era in which one happens to have been born. There was a time when the greatest recognition went to the explorer, the adventurer; at another time it was the military man, the conqueror; then the churchman; later the political leader, the statesman. Today, and probably during your lifetime, it will be the businessmen."

Now, I am not one of those who believes that the ability to meet a pay roll is a criterion for understanding economic affairs. The problems of meeting a pay roll and operating a business are in an entirely different category from those of maintaining purchasing power in the economy as a whole. As a businessman, I have learned to depend on experts with regard to various phases of my business—for example, engineering, accounting, law, etc. Hence I should like to leave the discussion of the economic aspects of full employment and of the Murray bill to the competent experts who are here today. If I have a contribution to make, it is perhaps along the line which was repeatedly emphasized in the conference this morning—the need for public education.

One of the things that is needed most in this connection is to have the public realize the contrast between what business says in opposition to social legislation and what business does. Businessmen are usually so busy meeting pay rolls that they do not have time for the study of broad or abstract economic problems. Hence they are inclined to echo the voice of big business as spoken by the National Association of Manufacturers and the United States Chamber of Commerce, for example. There are many exceptions to this general rule. Even though their views do not achieve much prominence, many small or independent businessmen are beginning to recognize that what is good for the American people is good for American business, though more conservative business leaders do not seem to recognize this fact. But, regardless of the differing sentiments expressed by businessmen, their actions under similar economic conditions bear an astonishing resemblance. In many cases this is quite contrary to what their statements have predicted.

Business leaders repeatedly make the assertion that Government intercession in economic affairs—for example, the increase of public works during recessions — would "shake business confidence." As a result of this loss of confidence, they say, private investment in plant equipment and inventories would be drastically curtailed, thus more than offsetting any favorable effect from Government investment. This argument assumes that the businessman makes his decisions not on the basis of the market and purchasing power but on the basis of political preference. I can assure you that in my acquaintanceship Republican businessmen, Democratic businessmen, and even socialistic businessmen base their decisions entirely on the market for their products.

As an example of this, I can give you the story of one of my friends in Connecticut who has had absolutely no confidence in our Federal policies since 1932. He had a complete lack of confidence in Washington before the war. He had a complete lack of confidence during the war, and he has had a complete lack of confidence since the war. When taxes were increased one time about 1940 he actually took a week off to meditate as to whether he should continue in business or not. He felt that with the high taxes then in effect he would merely be working for the Government. Needless to say, he continued in business. Today he is the largest manufacturer of X-ray tubes in the world. Obviously no alert and energetic businessman will quit business through lack of confidence as long as the market for his products has a chance of expanding. If he should do so, or if he should curtail activities, he knows that some competitor will fill the need.

We have a very striking example of this drawn from the recession of 1937-38. You recall the very sharp recession which developed in the fall of 1937. At first the Government did nothing about it. But finally in April of 1938 President Roosevelt persuaded a reluctant Congress to authorize a vastly expanded WPA program together with a new PWA program. The WPA immediately set to work putting out its increased appropriations, and the PWA was a bit slower. Many of the businessmen were quite skeptical of the effect of this Government pump priming. I recall a letter that Alfred Sloan, chairman of General Motors, sent out on June 13 to his stockholders in which he said: "The recession has now become a depression." He went on to say that the Government spending program had undermined business confidence, and that there was no hope whatsoever. That was June 13. In the meantime Harry Hopkins and his aides kept expanding the WPA program, and business started to improve.

Then during the first week of October the New York papers carried a big story about General Motors calling back tens of thousands of its laid-off workers and expanding its production. The market in Wall Street responded with a burst of optimism.

In short, "the recession which had turned into a depression," as Alfred Sloan had told his stockholders, had been stopped dead in its tracks by Government action. And who was the first to recognize the fact? Why, none other than the head of General Motors himself.

Another objection to any kind of Government spending is the statement that if the money, whether raised by taxes or by borrowing, were left in private hands, it would be spent more wisely. Let's see how business action differs from business words on this. If a businessman thinks that prices are going down, he curtails his buying and he defers investment in new construction and new machinery. This is obviously sound business practice for him and, unless he follows sound business practice, he is not likely to stay in business very long. However, what is sound for him is unsound for the economy as a whole, since curtailment when prices start to decline accelerates the drop in business. The Government, on the other hand, can time its spending so that it increases to compensate for any declines in private spending. What is unsound for business is sound for the Government on this question of investment timing.

The objectors say also that taxes will increase. The answer is that decreasing taxes in 1930 and 1931 did not stop the depression at that time any more than the substantial decrease in the higher brackets of individual income taxes last year prevented the present recession. Businesses and individuals who have high earning power are well able and should pay high taxes during a period of prosperity, and their doing so counteracts inflationary tendencies. I would far rather pay high taxes during a period of prosperity than medium or even very low taxes during a depression. The Murray bill will not call for higher taxes now nor during any period of recession. From the standpoint of public education, the thing to remember is that cries from business about higher income and corporate taxes should not be taken too seriously, since such taxes will come only when they will be well afforded.

There is a very interesting argument used by business leaders against Government action to bring about full employment. They say full employment produces inefficiency, that "moderate" employment such as we have now is necessary to achieve maximum productivity. They cite instances showing that output per man-hour is increasing, and these figures are true. If we follow this line of reasoning, we would be content to keep on improving the output per man-hour by increasing unemployment. No doubt the ultimate productivity per man-hour might be achieved by selecting a single remarkable worker and putting him on part time, with everyone else out of a job. This would make good statistical material in terms of output per man-hour, but I am sure that even the most conservative business leaders do not want to practice what they preach on this subject.

It is said by the objectors that Government intervention will bring about a complete loss of the freedom which we now enjoy. You may be sure that many business leaders who say that now will not hold to it firmly in the event we have a depression serious enough for them to seek RFC loans or other Government aid.

The people of this country have repeatedly voted their overwhelming confidence in the ability of the Government to intercede in economic affairs. The obligation is definitely on the shoulders of our political leaders. Failure to make good this obligation is a loss of freedom, since it is contrary to the democratically expressed will of the people.

Another favorite argument is that natural forces will eventually bring about a healthy correction of a slump in business. As Senator MURRAY so ably pointed out this morning, there is a minority group in business who are so well-heeled financially that they can take over a still higher percentage of the Nation's assets in times of depression. People who speak for this group certainly do not speak for the interests of small-business men who are driven to the wall in such large numbers in times of war or depression.

It is the fear of these natural cyclic trends in business which causes me and other businessmen to withhold our earnings rather than plow them into expanded plants. It would be of the greatest help to me to know that the Government is committed to a long-range program which will insure a gross national product of $300,000,000,000 per year. This would be the best possible assurance I could have for the long-range planning which is so essential if my plant is to have maximum productivity in the years ahead. The guaranty of positive and adequate action by the Government would serve to release private savings. Just as with Federal Deposit Insurance, the mere act minimizes the need. The more positive the guaranty, the less money the Government will need to spend. Note that this would not in the least remove the element of competition. It would simply mean that I would be competing for a share of an expanding

market instead of a diminishing market as at present.

The word "expansion" leads me to a final thought, which I should like to leave particularly with our luncheon chairman, Senator HUMPHREY, and the other Congressmen who are sponsoring the Murray bill. I have been corrected by some of the conservative members of the Business Advisory Committee when, during meetings at which this group consults with the Council of Economic Advisers, I have cited the Full Employment Act of 1946. They have pointed out to me that the word "full" was omitted from the title of this act. I hope, Senator, that when the Economic Expansion Act of 1949 becomes law the word "Expansion" will not be omitted.

SPEECH BY EMIL RIEVE, PRESIDENT, TEXTILE WORKERS UNION OF AMERICA, CIO; CHAIRMAN, CIO FULL EMPLOYMENT COMMITTEE

Let me begin by expressing my thanks to the ADA for calling this meeting. Many of us in the CIO have been astonished by the calm and rather blase way in which people in Washington seem to be treating unemployment at the present time.

Too many people in this country have fallen into a rut of believing that unless unemployment hits the six, eight, ten, or twelve million mark, it is nothing to worry about. As the president of a union which is operating in an industry already hard hit by unemployment, let me assure you that this is no problem for the future. It is here with us already.

There is nothing more galling to an unemployed worker or an organization which is trying to care for and assist large numbers of unemployed workers than to read that the present situation we are passing through is "merely a healthy readjustment." Don't anybody tell me that, when as many as 200,000 textile workers are unemployed and thousands of others are working short hours, there is something healthy about the present situation.

Even if there was some reassuring evidence that the present situation would work itself out, and we would return to full employment and full production once more, the situation would be unsatisfactory. You simply cannot take four or five million people, put them on the shelf, and tell them that they are being readjusted. They won't stand for it, and they shouldn't stand for it.

From the experience of the union which I am privileged to serve, I think certain lessons can be learned. As some of you doubtless know, several of the textile cities of New England and elsewhere have been very badly hit. In several instances, our people live in what are sometimes described as one-industry towns and even in some cases one-company towns. Shut-downs and lay-offs in such towns generally have a particularly disastrous nature. In a sense, they give us a preview of what this country may face if unemployment once again reaches the monster proportions it attained in the thirties.

Here are some of the things we have found on the basis of the experience of unemployment in some such towns. In the first place, the unemployment-compensation system, which was one of the major achievements of the New Deal, is proving its worth. Mind you, we are by no means satisfied with 48 different State systems with different benefits and different qualifications in every State, but the fact remains that in even some of the textile towns that have been very hard hit, people have been able to preserve at least a modicum of decency and self-respect, primarily because they have been able to draw unemployment-compensation benefits. A writer surveying Lawrence, Mass., for example, recently noted that in spite of tremendous lay-offs the city still had a reasonably prosperous appearance since stricken workers were managing to get by on their unemployment-compensation benefits. Naturally, they were trimming purchases to an extent, but the difference between what unemployment meant to them back in the early thirties and what it was doing to them today was simply enormous. Experience with unemployment compensation certainly points up the fact that there is a role for government action. Indeed, it should encourage us to look beyond and see what else can be done.

As I have indicated, in some of the New England textile towns many workers have been riding out the present recession without as yet falling onto relief rolls or into the arms of poverty and charity. But I think any fair-minded American who might look into the situation in these towns must also conclude that they are a wonderful breeding ground for communism. All the agitation in the world by the Communist Party in the United States during the years of full employment bore almost no results. During the past few months, however, it is clear that in desperation many of the unemployed workers are at least giving an ear to demagogic appeals of the Communists. You don't have to like communism or be sympathetic to it to realize that so long as unemployment continues and grows in the United States, the Communists will have a field day. I am speaking of this now simply on the domestic scene. I need hardly say that from an international point of view unemployment in the United States is perhaps an even more disastrous development.

While I have already mentioned the fact the unemployment-compensation system which was set up during the New Deal has been a great help in this period, I think it goes without saying that labor, and, indeed, any sensible American, can never be content with this method of tackling unemployment. It is clear that our country must work its way toward a system which will make use of all the abilities and talents of all the people.

These four or five million people who are on the shelf are a two-way drain on all of us. They are not producing and contributing to the general welfare, on the one hand. On the other hand, they are a drain on the production of all those who are still fortunate enough to have jobs.

In conversations with Government officials over the past few months I have heard much talk about the need for preserving businessmen's confidence. Somehow, it is argued, if we don't talk about this unemployment, businessmen will experience a renewed surge of confidence, and recovery will be at hand.

Meanwhile, so the argument runs, we must undergo this sometimes cruel but necessary readjustment.

Well, let me say that I agree, to some extent, that business confidence is a volatile factor, and we must take it into our plans. But I can't forget that back in the late twenties every element in the picture was calculated to give confidence to businessmen. The great engineer was in the White House; taxes on business and businessmen had been lowered almost to the vanishing point. Businessmen had loads of confidence, but no orders, and our economic luck ran out.

I believe that maintaining the housewife's confidence is every bit as important as the businessman's. I also feel that nothing undermines this confidence of the housewife so much as unemployment and the failure to do something about it.

I simply refuse to accept the notion that four or more millions Americans must be unemployed in some kind of readjustment. It is inconceivable to me that free men cannot order their lives well enough to stamp out unemployment. Must we abdicate this field to the totalitarian?

Elsewhere I have had the opportunity of expressing my views on the bill being sponsored by Senators MURRAY, SPARKMAN, HUMPHREY, and others. I feel it makes a very important step in the direction we must move—the direction which takes as its cue the conviction that unemployment is not an inevitable or healthy adjustment.

I am hopeful that this meeting can serve as a springboard to improve this proposed bill, and make other necessary proposals which may add up to an all-out attack on the present unemployment and recession.

EXCERPTS FROM THE RESOLUTION ADOPTED JULY 19, 1949, BY THE AMERICANS FOR DEMOCRATIC ACTION FULL EMPLOYMENT CONFERENCE

I

The downhill turn of production and employment in 1949 is a stern warning that we have not yet learned to manage our economic affairs wisely. Already we are losing production at the rate of $20,000,000,000 a year.

We face today a twofold challenge: First, reversing the present decline in economic activity; second, providing for a high and expanding volume of economic activity in coming years. This is not simply a domestic problem. Upon our response to the challenge depends the future of democracy the world over. If we fail, Stalin wins; for the yardstick by which the world measures the effectiveness of our way of life is the economic well-being of our people.

In this struggle between the democratic and totalitarian ways of life, we are handicapped by blindness and selfishness in our midst. They invited inflation by destroying price controls. They intensified it by an ill-timed $5,000,000,000 tax cut. These are the dangers we warned against—and the consequences which we predicted have come to pass.

II. NINE STEPS TOWARD MEETING THE IMMEDIATE ECONOMIC PROBLEM

Our immediate economic problems call for immediate action and not for a wait-and-see policy. We strongly commend the recommendations of the President in his midyear economic report. We agree with him that existing cushions against economic decline must be strengthened promptly. We agree with him that a reduction of Government expenditures at this time to appease the false-economy bloc would merely speed the current decline. Fully to meet the President's objectives now calls for the following program:

1. Unemployment compensation should be federalized, increased in amount, its coverage broadened to include more workers, and its period of payment lengthened. The present program of GI unemployment payments, scheduled to expire shortly, should be extended another year and increased in amount. Minimum wages should be increased to at least 75 cents and the area of the law's protection extended.

2. Our system of social security for the old, the disabled, and the needy must be overhauled and equalized. Payments should be lifted well above the present disgracefully low level; coverage should be extended to all those who need assistance.

3. Congress should enact the Brannan farm income support and production program which will not only assure farmers a decent and stable income but will assure consumers a high volume of farm products at reasonable prices.

4. To insure a high level of consumer buying, we strongly support wage increases wherever they can be absorbed without raising prices. The Taft-Hartley Act must be repealed in order to reestablish our system of free collective bargaining as the best means of achieving a healthy balance among prices, profits, and income. Stable industrial relations are a requirement for a stable economy. We commend the action of the President in

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refusing to permit the use of the Taft-Hartley Act to destroy the bargaining power of the steelworkers. Moreover, wartime experience has shown that full employment does not guarantee fair employment, and full employment without fair employment will divide our people. We strongly urge the enactment, at this session of Congress, of a Federal Fair Employment Practices Act.

5. The Federal Government should give special emphasis in its public works programs and purchasing activities to the goal of eliminating unemployment in those industries and geographic areas where help is needed most. As the Nation's biggest buyer, the Government should put its dollars to work where private business needs orders and where men need jobs.

6. All those wartime-excise taxes which were designed to curb consumption should be repealed immediately. Our goal today is to increase consumption, not to discourage it.

7. Congress must provide money for the new housing program, and the administration must act swiftly to get the program under way. This program must serve both to provide more housing and more jobs.

8. Congress must take action to help American business to do business abroad. With adequate safeguards for the democratic rights of the people of other nations, legislation should be enacted to protect and to stimulate private investment abroad. Handicaps imposed by the Eightieth Congress on the existing reciprocal trade-agreements program should be removed. A high level of international trade will contribute to a high level of domestic employment and production.

9. We call upon private business to cut excessive prices to reasonable levels as one of the immediate steps which can be taken to end the hold-back of consumer and business spending, to provide a broad stream of orders to business and to transform lay-offs into rehiring. Last year's fabulous earnings prove that there is ample room in the present cost-profit structure for substantial price cuts. Without such cuts, business will suffer further volume reductions and profits may vanish altogether.

III. IMMEDIATE STEPS TOWARD LONG-TERM GOALS

We cannot be content merely with steps to reverse the current economic tide. We must also take action now toward the larger goal of a fully-employed and ever-expanding economy. Attainment of the goal demands a high and rising level of consumer buying and of fruitful investment by both private industry and Government. We must plan now for the welcome day when the present high level of military expenditures for the cold war can be sharply reduced. We will then face the problem of replacing these expenditures by others. But, more important, we shall then have the opportunity to forge ahead more rapidly toward higher living standards for all of our people.

The two most important steps which we can take at once are the enactment of the Brannan farm program and the enactment of the Economic Expansion Act of 1949, with such safeguards and improvements as the hearings may show are advisable. Taken together, these measures will go far toward insuring a larger degree of security and prosperity for both our farm and urban population. And businessmen no less than farmers and labor have a stake in expanding markets. We call attention specifically to the following features of more long-term importance in the Economic Expansion Act:

1. The setting of high and expanding economic goals to serve as guides for private and public planning and action.

2. Creation of machinery for examining specific needs of our declining and underdeveloped areas and industries, coupled with measures for meeting these needs.

3. The preparation of a large shelf of local, State, and Federal public works and resource development projects.

4. Stimulation of investment by private enterprise with priority for small, new, and competitive business.

5. More effective weapons for removing monopolistic road blocks to private investment expansion and higher consumer real income.

The nine steps listed earlier (in part II) toward meeting our short-term problems are also vital in meeting our longer term needs. Beyond these steps we need to reexamine our entire tax structure with the aim of closing loopholes, insuring adequate business incentives and reducing the tax burden on lower-income groups.

We must be ever mindful that America's production gains to date—and our promise of economic progress in the future—are founded upon our rich endowment of human and physical resources. We must work increasingly toward the protection and strengthening of these resources and toward their full and efficient use.

There is vast room for strengthening our human resources through broad programs of health, housing, education, and recreation. Such programs will provide profitable outlets for our productive energies while at the same time raising our ability to produce and above all increasing human enjoyment of our production resources.

Our physical resources—our stores of mineral deposits, our river valleys, our fields and forests—have been subjected to scandalous waste and plunder. This waste must be stopped.

We see in Congress an evolving pattern of events which indicates a concerted drive to deliver public sources of power into the hands of private monopolists. Public power projects have been gutted by the Senate Appropriations Committee; the Kerr bill favoring the natural-gas industry has been favorably reported out of committee; there has been ominous inactivity in the Senate Commerce Committee on the renomination of Leland Olds to the Federal Power Commission; the attack on David Lilienthal, a known advocate of public ownership of power resources, goes on; the monopolists have not given up in their fight to grab tidelands oil and to prevent the future use of atomic power under public control and for the maximum public good.

We call these matters to the attention of the Celler Monopoly Investigating Committee and to the proposed Special Congressional Committee on Lobbying. We ask them to probe fully into these manifestations of growing monopoly power, which make for a contracting economy rather than an expanding one, and which jeopardize our democratic political institutions.

We reject the morbid theory that depressions are the price we must pay for freedom. We assert, on the contrary, that our freedom will become the price we pay for depressions unless we eliminate them.

But the goal we seek is not merely to eliminate depressions, not simply to stabilize our economy within its present limits. We seek to raise those limits steadily through economic expansion.

We firmly believe that these are the goals the majority of our voters accepted when they went to the polls last November. We call upon our fellow citizens now—businessmen, labor, and farmers alike—to demand of the Congress immediate action to provide the highest living standards which the vast human and material resources of our country can provide.

Deficit Financing Ominous

EXTENSION OF REMARKS

OF

HON. KENNETH B. KEATING

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, July 26, 1949

Mr. KEATING. Mr. Speaker, under leave to extend my remarks, I include editorial comment by Mark Sullivan, published in the Rochester Democrat and Chronicle, warning of the serious effect of continued deficit financing on everyone who has $100 invested in bonds or in a bank account, or who owns a $1,000 life insurance policy to protect his widow and children.

The program recently announced by the administration, through the President, reaches in every such bond or bank account and takes out a part of its value. It discounts the face value of every insurance policy.

DEFICIT FINANCING OMINOUS

(By Mark Sullivan)

Preceding President Truman's radio address to the country and message to Congress last week, and causing him to make them, was a condition of the country. The condition had been growing for some 5 months, the core of it was:

Government expenditures under way, with additional expenditures proposed by President Truman and some of them under consideration in Congress, make a total which would be more than the Government's income. In other words, anticipated deficit, anticipated increase of the Government debt.

For meeting the condition there were three possible courses. Each of them was dealt with by Mr. Truman.

One possible course, the most direct and surely effective one, was to reduce Government expenditures. This Mr. Truman did not adopt. While giving qualified assent to reduction as an idea, he specifically urged some new expenditures. As respects Mr. Truman, reduction of Government expenditures as a cure for the country's condition is out. If that course is yet to be followed it must be by Congress and through pressure of public opinion.

The second possible course is increase of Government income by increase of taxation. This Mr. Truman dismissed. He withdrew the proposal for an increase which he made 6 months ago. Increase of taxation is in fact impracticable under present conditions.

The third course is to go on with Government expenditures in excess of income and get the money by increasing the Government debt, spoken of as "deficit financing." This is the course Mr. Truman adopts. He in part tries to justify it. He said he would favor ending deficit financing after economic conditions are better. He said that some of the Government expenditures which create deficit contribute to the national economy. "The total of Government expenditures," he says, "is already the most influential single factor in the current operation of the economy." Thus arguing, he puts his acceptance of deficit financing in a curious form of words. "The appearance of Government deficit must be accepted." Mr. Truman's qualifying words, "appearance of," can be dismissed as a soft condoning of something disagreeable to face.

Acceptance by Mr. Truman of a course of deficit financing contains the seed of a

potential future condition, extremely serious if it is not averted by Congress and public opinion. The three possible courses—reduction of Government expenditures, increased taxation, and deficit financing—were carefully surveyed last April by the realistic Senator HARRY F. BYRD, of Virginia. About deficit financing, he spoke a solemn warning, saying that course is unthinkable. He explained why.

There were deficits, increases in the public debt, every year from 1932 until 1941. With the war, the deficits continued and increased greatly. With the ending of the war, deficits ended in 1947. That ending was thought to be permanent. The country expected that there would be no further increases in the Government debt, that on the contrary the debt would be greatly reduced, and in fact reductions were made in 1947 and 1948. This created confidence.

If it now turns out that the ending of deficits was not an ending but only an interruption, an apprehension might arise. Such an apprehension is what Senator BYRD warns about. His warning is blunt:

"Under current circumstances it (resumption of deficit financing) would shatter public confidence in Federal securities. * * * Citizens who own bonds would ask themselves: If the Government cannot balance its budget in this period of prosperity and in time of peace, will it ever be balanced again?"

The possible apprehension Senator BYRD alluded to has to do with the purchasing power of money invested in bonds, or in savings banks or insurance policies or similar securities. Increase of the Government debt, especially if there should be apprehension that the increase might go on indefinitely, is a primary cause of inflation; it tends to reduce the purchasing power of money, whether as money or as invested in this kind of securities. The very large group who hold such securities, in the aggregate nearly everybody, have a direct concern in preventing continuation of deficit financing.

Alleged Invasion of Sovereign Rights by Regulation of Money Spent Abroad

EXTENSION OF REMARKS
OF
HON. JAMES P. KEM
OF MISSOURI

IN THE SENATE OF THE UNITED STATES

Thursday, July 28 (legislative day of Thursday, June 2), 1949

Mr. KEM. Mr. President, I ask unanimous consent to have printed in the Appendix of the RECORD an article entitled "Sovereign Rights Not Necessarily Invaded if We Have Say on How Much Is Spent Abroad," written by Ralph Hendershot and published in the New York World-Telegram of July 27, 1949.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

SOVEREIGN RIGHTS NOT NECESSARILY INVADED IF WE HAVE SAY ON HOW MUCH IS SPENT ABROAD

(By Ralph Hendershot, financial editor)

When a corporation runs into financial difficulty and seeks credit from a bank, it usually is prepared to accept the terms of the bank in order to secure the loan. And these terms at times may be rather harsh. If the banker knows his business, however, such loan provisions usually work out to the benefit of the borrower.

But even when we are willing to make gifts of money, or its equivalent in goods, to the nations of Europe, we are told that we must not interfere in the manner in which this money is spent because that would be a violation of their sovereignty.

It might be smart for the people of this country to look into the validity of that argument a bit more closely. True, we do not wish to interfere with the affairs of others. But their affairs cease to be strictly personal when our interests also are involved. When they come to us for assistance they automatically make their affairs our affairs.

MUST SEE THE RECORD

The banker does not go about the country butting into the affairs of corporations or individuals. But when the corporation or the individual goes to the banker for a loan, he knows in advance that he must put his record on the line. The banker has no other way of determining whether to accept the risk. And if certain changes are necessary to justify the loan, the borrower must be prepared to make them or sweat it out in his own way.

Some of the nations in Europe either have accepted Socialism formally or under some other name. This means that their industries have been taken over by their governments. Our experience has been that serious inefficiencies creep in when this happens, with the result that money is wasted.

Should we, as a Nation, tax our people to make good the losses of another nation under such a set-up? Should we weaken our own economy to support another which shows little promise of standing on its own feet and which was created to bring a new group of politicians into power? Are the affairs of such a nation no affair of ours under the circumstances?

A COMMON-SENSE APPROACH

Selfishness does not enter into the picture when the banker insists that a borrower conduct his business on sound principles. Nor is that an invasion of the rights of the borrower to live his life any way he pleases. It is only a common-sense approach to a problem which should be solved in the interest of all concerned.

Nevertheless, this approach has been called dollar diplomacy. It has been made to appear as something very low and base. In other words, it has been worked over by the propaganda bandits. We seem to need someone occupying a high place in our Government who has the courage to say, "if this be dollar diplomacy, make the most of it."

The Excise Tax on Furs

EXTENSION OF REMARKS
OF
HON. HERBERT R. O'CONOR
OF MARYLAND

IN THE SENATE OF THE UNITED STATES

Thursday, July 28 (legislative day of Thursday, June 2), 1949

Mr. O'CONOR. Mr. President, ever so often, among the many communications received from our constituency, one will be most impressive, in that it seems to express pertinently the true picture of a problem concerning which legislation is pending in the Congress.

One such letter received today, from a furrier in Baltimore, Md., Alfred A. Greenhood, voices the conviction that the excise tax imposed upon his particular industry is not only destructive of the business of that industry but thoroughly discriminatory in that other costly apparel items in the higher price ranges, in some of which furs are used lavishly, escape the heavy tax which has burdened the fur industry since the early years of the war.

I ask unanimous consent that the letter of Mr. Greenhood, who is a respected citizen of our State, be inserted in the Appendix of the RECORD because it points up clearly a matter which I hope we will soon have an opportunity to pass upon.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

GREENHOOD'S FURS,
Baltimore, July 21, 1949.

Hon. HERBERT R. O'CONOR,
United States Senate,
Washington, D. C.

DEAR SENATOR O'CONOR: As one of your constitutents who has voted for you consistently since 1932, for whatever public office you were running, I am writing to you to enlist your help in a struggle that could be labeled "life or death." I write not only for myself but for hundreds of Marylanders in the same position as I am and for thousands upon thousands throughout this country.

I am a retail furrier. I started in business in 1946, (after the war years during which it would have been possible to build up a reserve), when the country was in strong economic condition. Income was so high that the weight of the burdensome millstone in the form of the 20 percent excise tax was not yet felt.

Then the President declared the official cessation of hostilities. Despite the announcement that the excise taxes—which were promised and intended to be removed at the end of the war—would be continued, a great majority of consumers felt that excise tax relief was around the corner. This feeling was engendered by injudicious reporting in the public press and by irresponsible statements made by certain Members of Congress. On the front page of many newspapers—and also from the mouths of nonthinking radio commentators—would be a story that Representatives or Senator So and So was in favor of reducing or removing excise taxes and that there was a chance of such a bill going through. After a short time, when it was apparent that these mouthings were just so much eyewash for the folks back home, the story would die, maybe on page 3 or 10, or perhaps no mention made of it at all. Yet the seed of doubt and confusion had been planted, by that page 1 story in the minds of millions. This mass teasing has happened so many times during the last two and a half years that it begins to look like a game or experiment in mass psychology.

The sum total of all of this has been to suffocate and hamstring the fur industry. It has grown to such a point today that the great majority of the industry—wholesale and retail—is in financial stress. We have a real depression on in our industry when 50 percent of the workers are unemployed and when only 33⅓ percent are working full time. We are in urgent need of relief, even if only a reduction in the tax, to spur the public into buying furs they want and can afford but are delaying their purchase because of the exorbitant tax. I venture to say, without any fear of overstatement, that if some kind of relief is not forthcoming in the near future, there will be a wave of bankruptcies among the various branches of the fur industry seen only during the depths of the depression.

The fur tax is so discriminatory and hypocritical that it approaches the ludicrous. The theory behind it presupposes furs to be luxuries. If so, what about men's overcoats

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for $300 to $400. (no tax)? What about ladies dresses for $700 to $1,000 (no tax)? What about ladies shoes for $40 to $60 a pair (no tax)? What about infants' christening dresses for $100 to $200 (no tax)? These are all examples of merchandise that has been advertised in the public press. If they are not luxuries then there is an awful lot to be learned about how the other half lives.

The hyprocritical angle of the fur tax is its application to fur-trimmed cloth coats. It farcically permits and condones the manufacture of garments retailing to the hundreds of dollars without being taxable. Because a garment is lined with fur inside of a cloth shell it is nontaxable. Yet if this same fur were used as an outer shell with an ordinary lining it is taxed 20 percent. Is it not ridiculous?

As you know there is a bill known as H. R. 3905 to which an amendment has been added by Senator JOHNSON and which was reported upon favorably in committee. This amendment would reduce the percentage of excise taxes.

I ask—even beg—of you to act favorably upon his bill (or amendment) when it comes to a vote. I ask of you, too, to please try to convince your colleagues of its merit and advisability now when conditions are so deplorable and discouraging. Its passage and subsequent enactment would be a veritable shot in the arm to not only ours but many allied industries. Despite the cry that will be raised among the die-hards that this is no time to cut taxes, and reduce revenues—such would not be the case. The resultant increase in fur sales and income returns would take care of the difference and, perhaps, then some.

Moreover, it will put thousands of people back to work and alleviate the ever-increasing drain on unemployment funds. It will save hundreds, if not thousands, of small businesses from collapsing, thereby eliminating the possibility of chain-reaction when such things happen on a broad scale. Above all, it will give thousands of people new hope and encouragement, a brighter outlook, and a new faith in our Government, a Government that is mindful of the problems of its smaller people, not only of Big Steel, big this, or big that.

This has not been a crank letter—it is the first I have ever written to a Member of the Senate or Congress. I have been motivated by the extreme necessity of the moment, knowing it as I do first-hand.

I again implore you to do your utmost to see that H. R. 3905 with the Johnson amendment is passed. The unfailing gratitude of thousands affected by it will be yours.

Respectfully,

ALFRED A. GREENHOOD.

County Agricultural Building Program

REMARKS

OF

HON. BROOKS HAYS

OF ARKANSAS

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 28, 1949

Mr. HAYS of Arkansas. Mr. Speaker, I want to talk about the county agricultural building bill for a moment. There is a great deal of interest in this measure (H. R. 402), and hearings were begun today by a subcommittee headed by the gentleman from Alabama [Mr. GRANT]. Mr. Arthur B. Thatcher, of the Department of Agriculture, submitted an excellent statement regarding this program.

Mr. Speaker, I ask unanimous consent to include his statement as a part of my remarks.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Arkansas?

There was no objection.

The statement is as follows:

STATEMENT BY ARTHUR B. THATCHER, CHIEF, OFFICE OF PLANT AND OPERATIONS, ON H. R. 402

Mr. Chairman, I appreciate the opportunity of appearing before your committee to testify in behalf of H. R. 402. Secretary Brannan has asked me to convey to you his support of the bill and his belief that its objectives will substantially aid in the administration of agricultural programs at the county level. In considering long-range plans for agricultural programs, consolidated housing of all agricultural agencies has received favorable consideration. This is particularly important because of the democratic process which the Department of Agriculture uses in the administration of its programs at the county level.

On October 8, 1947, the then Secretary of Agriculture stated to the House Committee on Agriculture and the subcommittee of the Senate Committee on Agriculture and Forestry that he hoped the Congress would consider a cooperative building program with the States and counties. He pointed out that it might be necessary for the Federal Government to provide as much as half the cost of construction, excluding the cost of land.

I think it might be well to take a few minutes to give you a bit of background concerning the program which is now crystallized in the purposes of H. R. 402. Prior to 1939, a rather spotty interest developed at the grass roots concerning this problem of housing agricultural activities at the county level. I say "spotty" because it was confined to a very few States and a very few agricultural agencies. As a result thereof, there was constructed under the WPA program quite a number of so-called county agricultural buildings. They were generally small in size and limited as to occupancy by agricultural agencies. In view of this interest at the grass roots, and the apparent need for further consideration in this field, the larger concept of consolidated housing of agricultural agencies developed in the Department subsequent to November 1940. The success of the limited number of county agricultural buildings which were of sufficient size and possessed the maximum facilities for administration of agricultural programs provided much valuable information for consideration in the planning of a more comprehensive program of housing agricultural activities at the county level.

Since November 1940 there has been considerable correspondence with practically every State concerning the potential possibilities and advantages of consolidated housing of agricultural activities. The Department has endeavored to answer each query as intelligently as possible in the light of the fact that no legislative authorization was in existence for concrete action. We have, however, developed an inexpensive booklet which reflects the need for better housing at the county level and indicates some lines of thinking as to what might be done to meet the problem.

Throughout the period of time which the Department has given consideration to the problem which H. R. 402 seeks to solve, there has been ample evidence provided by the counties to confirm our belief that there is an inadequate housing situation at the county level which should be met in some way. It seems incredible at times that the Federal, State, and local offices administering agricultural programs at the county level should be so widely separated in their physical location. We have found this to be true, however, in the vast majority of counties, and in comparison with the limited number where the agencies are housed together, it demonstrates quite boldly the problem of effective coordination of administration of farm programs and the problem to the farmer in getting the type of assistance which he is after.

We have lived through an era of all kinds and types of housing at the county level, ranging from basements of post-office buildings and county courthouses and other free space, generally not adequate to the needs, to rented quarters in commercial buildings of all types. It would seem that as important an industry as agriculture merits facilities of a more adequate type of servicing farm programs.

We have been able to secure adequate housing in some Federal post offices but, as you know, occupancy of these buildings is restricted by law to Federal agencies.

It has seemed important to us, as we depend more and more on farmer committees, that the facilities for administering programs should be sponsored, owned, and managed by the local people. In so doing, there is greater flexibility in meeting the needs of agencies which occupy space in a county agricultural building. It would seem that a county agricultural building would go far in aiding the farmer to secure the help which his Federal or State Government has provided in his interest.

Probably the best way to find out just how great the need exists would be if it were possible to have every local community testify as to the merits of this bill. Certainly, if the correspondence we have in our files is any true indication of interest, I think you would find real support for the purposes of H. R. 402.

I was particularly interested in an incident which took place a year or so ago when after testimony as to the need for consolidated housing at the county level, one of the farm journals published a picture of a county agricultural building in one of the county seats in New York State which had a caption over it, "We are way ahead of you, Mr. Secretary." Below it was described their county agricultural building and its value in service to the community. Representatives of my office visited that county and found that even though they did not have the finest county agricultural building that could be built, the spirit of cooperation and service on the part of all agricultural agencies housed in the building was of the very highest order.

In another case, local people acquired a large residence for a county agricultural building. Other cases might be cited where the ingenuity of the local people has been amply demonstrated as they developed ways and means for bringing the administration of agricultural programs under one roof for the convenience and facility of the farm people. If our farm people will go to such lengths to accomplish this purpose, then I say it must be good and should have the support of the Congress in providing even better facilities wherever possible.

The Department recognizes that many problems would be involved in the administration of the proposed legislation should it be enacted by the Congress. It might be well to state here that we are not presently advised as to the relationship of the proposed legislation to the program of the President. Because the purpose of the bill is dedicated to the proper housing of the agricultural agencies serving the farmers, it is believed that its administration should, therefore, be vested in the Secretary of Agriculture. On the other hand, however, there will be the many technical phases with which the Department of Agriculture is not familiar and has not had day-by-day experience. For that reason, a very recent conference was had with the Bureau of Community Facilities of the General Services Administration with a

view to utilizing the technical services of that agency should Congress give favorable action to this proposed legislation. Obviously, by the very nature of the work of the Bureau of Community Facilities, it becomes apparent that there are valuable skills in that agency which would facilitate the technical phase of the administration of this program. Whereas the legislation, as proposed, contemplates grants not to exceed 50 percent of the construction cost, exclusive of land, it may be desirable to consider legislation which may permit loans to counties as well.

It might be well to mention right here that one of the most severe problems which has confronted counties which now have county agricultural buildings has been that of maintenance and upkeep of the buildings. As you are readily aware, it is possible for a building, even the newest building, to have a run-down appearance in a very short time if it is not properly maintained.

It is natural for agencies of the Department which may be limited as to their funds to seek free rent whenever possible. I think it is worthy of consideration that if this program of county agricultural buildings should be legislated favorably, some consideration should be given to payment by the Federal Government of at least a maintenance rental for Federal occupancy in order to insure upkeep of the building.

It might be that in some communities, although the building would be known as a county agricultural building, other local activities would be housed therein, such as county boards of welfare, health, or education. Whenever this is desirable, we favor it because these types of activities are also concerned with the farm families of the community.

I feel that the value of this program cannot be measured in terms of dollars, but I do know from the experience gained so far in those counties where county agricultural buildings are in existence, that service to the farmers has been greatly facilitated and there is a higher degree of coordination possible than where agencies have to operate from many and varied locations. We need to give agencies administering farm programs in the field good tools with which to work. The enactment of H. R. 402 would be a desirable step in meeting this need.

Adjournment of Congress

REMARKS

OF

HON. RALPH E. CHURCH

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 28, 1949

Mr. CHURCH. Mr. Speaker, I take this time to urge as strongly as I know how upon the leadership of the House that a resolution be promptly adopted to provide for the sine die adjournment of Congress on Saturday, August 20. For this purpose I am introducing such a resolution. And I make this appeal for its immediate adoption because I am anxious that we proceed in such manner that there may be no question whatever as to the validity of our proceedings after July 31, which is the date set by the Legislative Reorganization Act for the usual adjournment of each session. And I also believe that the American people are anxious that Congress adjourn at the earliest possible date.

I listened attentively to the discussion yesterday with respect to the question of the adjournment of this session of Congress. As I listened to the statement of our able minority leader, the gentleman from Massachusetts [Mr. MARTIN], and that of our distinguished Speaker [Mr. RAYBURN], it was evident that this matter of adjournment presents two distinct questions: When should Congress adjourn and, secondly, what is the proper procedure under the rules of the House for postponing adjournment.

As explained by the Speaker and the minority leader, the Reorganization Act provides that Congress adjourn sine die on the last day of July "except in time of war or during a national emergency proclaimed by the President," or "unless otherwise provided by Congress." The Speaker expressed the view that there is no necessity for Congress to "otherwise provide" by a formal resolution in order to continue this session beyond the last day of this month, because this is a period of national emergency proclaimed on several previous occasions.

I do not intend to engage in any legalistic argument as to whether this is or is not a period of national emergency within the meaning, purpose, and intent of the sine die adjournment provision. But this may well be a legal point upon which someone will rely at some future date in challenging some act we may pass or some other action we may take after July 31. While I can think of several answers to such a challenge in the courts and while I believe the courts should overrule such a challenge to the legality of our proceedings, it seems to me that we should settle this question so that it may never even be raised. It seems to me we should definitely remove the possible uncertainty. And all that need be done is simply to pass before July 31 a resolution, such as I have introduced, for the adjournment of the session at some date after July 31.

I cannot understand why the Democratic leadership is unwilling to bring in such a resolution. It would remove this uncertainty, and at the same time, it would give definiteness to the adjournment date. I suppose it is the unwillingness of the administration for political reasons to set any definite date for adjournment that the leadership has seen fit to rely on the questionable national emergency feature of the law. In view of the little that has been done by this Democratic Eighty-first Congress, in comparison to the splendid record of notable accomplishments of the Republican Eightieth Congress, I well understand the administration's political embarrassment as we approach the regular adjournment date.

It is my conviction, and I believe it is shared by the vast majority of the American people, that Congress should adjourn at a very early date. The reason I am not urging adjournment at the end of this month and have suggested it be postponed until August 20 is the fact that there are reorganization plans pending that will not become effective until August 19. These plans are important for economy, and I should at least like to realize the savings they would accomplish.

There are eight reorganization plans pending. All except the last, Reorganization Plan No. 8, which was submitted on July 18, will become effective on August 19, unless affirmative action is taken to set them aside. We need not concern ourselves too much with Reorganization Plan No. 8 as the essence of it is embodied in the so-called Tydings bill, which has passed the Senate and is pending with the House Committee on Armed Services. And we have already passed a bill which embodies a reorganization of the budget and fiscal management of the National Military Establishment. In other words, we have already passed the economy section, so to speak, of the Tydings bill. In a few days it can be made law.

I can see no valid reason why this Congress should not adjourn on August 20. There are compelling reasons why it should.

The obvious intent and purpose of the adjournment provision in the Legislative Reorganization Act of 1946 is to put some compulsion on the Congress to avoid extended sessions. The purpose of requiring adjournment after 7 months in session is not to give the Members of Congress a vacation or to avoid work. Its purpose is to make it possible for the representatives of the people to get back to their districts to learn what the people themselves are thinking and want done.

This is a representative Government. If it is to function properly we, the representatives of the people, must keep in close touch with the people we represent. There must be opportunity to discuss with the people their various problems, possible solutions, and the various national and international issues.

It may be that the Democrat leadership of this Eighty-first Congress wants to keep us in extended session so that we will not know what the people are really thinking, how discouraged they are over what has been done and how alarmed they are over what has been proposed. The administration appears fearful that once we go home and come in intimate contact with the public sentiment in the country against extravagant spending and socialization much of the proposed legislative program will necessarily fail of enactment.

It was not until the opening of this session of Congress last January when President Truman submitted his message embodying his legislative program that the people began to realize the extent to which he would impoverish the people and socialize our economy. It was not until this Congress opened that the American people realized the reckless, dangerous promises he made in a campaign for votes. And let me remind you that many of his recommendations to this Congress, notably the Brannan plan for the nationalization of agriculture and the extensive military-aid program, were not even mentioned in the last election campaign. Nor did the people then realize that President Truman would go so far in his spending as to have us follow the dangerous road of deficit financing.

If to keep the Congress out of touch with the people, and continue with these closed sessions where the people themselves cannot even see the Congress in operation—if to keep the Congress in

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Washington under the whip of the administration—is not the reason to extend this session to a late adjournment, what other reason is there? The excuse may be offered that there are several pending bills in the administration's program not yet acted on. Such an excuse is a confession of a weakness on the part of the administration. You will recall that President Truman, at his Democrat convention last July, told the people that the Eightieth Congress, which he called into special session, could adopt his extensive program in something like only 10 days. We have been here 7 months in this Eighty-first Congress and very little of that program has been passed. Practically the only thing of any importance this Congress has done is to devise ways and means to spend more of the people's money. The people want us to come home. They know the shorter time this Eighty-first Congress is in session the better off the country will be and the fewer the dollars that will be spent.

Some of us have been trying in every way possible to obtain some economy. Thus far our efforts have been without success. A good way to economize from the point of view of the people is for the Eighty-first Congress to stay in session as short a time as possible.

I urge early adjournment. I urge the immediate adoption of my resolution for the adjournment of this session of Congress on August 20. I urge it in the interest of orderly legal procedure, and I urge it in the interest of the country as a whole.

The People Want Real Economy

EXTENSION OF REMARKS
OF
HON. THOMAS A. JENKINS
OF OHIO
IN THE HOUSE OF REPRESENTATIVES
Thursday, July 28, 1949

Mr. JENKINS. Mr. Speaker, on many occasions I have said on the floor of this House that at no time during the term of Mr. Roosevelt did he in person or by message recommend economy in any expenditures.

Now, I am afraid that Mr. Truman, who apparently wants to outspend Mr. Roosevelt, is never going to do anything or say anything about economy.

Just recently two great American newspapers conducted a widespread poll on several national spending programs. The following is a copy of the results of these polls:

REAL ECONOMY DRIVE

Heretofore Congress has merely talked economy. Now it is going into action. Before first session of Eighty-first Congress ends, President Truman, by joint resolution, will be directed to make over-all reduction of "not less than 5 percent or more than 10 percent" in Government expenditures. With a 1949–50 budget of over $40,000,000,000, this economy move would mean a saving of $2,000,000,000 to $4,000,000,000. If Mr. Truman complies with congressional directive, it would probably forestall a tax hike, help offset 1948–49 budget deficit of about $1,000,000,000.

Democratic Senator MCCLELLAN, of Arkansas, is circulating petition in Senate to force consideration of 5-to-10-percent plan. Sixty-one Senators (24 Democrats and 37 Republicans) out of total Senate membership of 96 have already signed. Says MCCLELLAN: "I hope the leadership will be responsive to the will of the great majority and immediately bring it out and reach a final vote." Majority Leader LUCAS, Democrat of Illinois, will oppose plan; he thinks it is duty of Congress, not President, to cut costs. But MCCLELLAN has votes to put plan over in Senate. House will speedily follow suit.

Sudden congressional interest in economy is caused by big barrage of mail from back home. For first time in many years, constituents are putting on the heat. They are demanding that Congress cut costs to prevent tax increases. Indicative of public temper are two recent polls. One was conducted by Detroit News, published in heart of a great industrial center where CIO has great strength. Other was run by Omaha World-Herald, published in large farming community. Both newspapers asked specific questions and requested their readers to send answers not to Detroit News or Omaha World-Herald, but to their Senators and Representatives. Here are questions asked and division of votes:

Do you favor—	Detroit News		Omaha World-Herald	
	Yes	No	Yes	No
Spending to arm western Europe	3,982	5,293	980	4,886
Large Economic Cooperation Administration appropriations	3,832	5,553	553	4,927
Administration's housing bill	1,265	8,265	214	5,704
Federal aid to education	2,293	6,959	514	5,320
Brannan farm program	528	8,870	102	5,834
Administration's health plan			99	5,828
Increased taxes to pay for Truman social program			96	5,876
Proposal to cut Government spending by 10 percent	8,941	559		
Adoption of Hoover Commission reorganization plan	9,251	245		

Members of Michigan's congressional delegation say ballots reach them appear to come from ordinary citizens. One Senator received 20 letters with returned ballots critical of administration spending policies. Nebraska's Senator WHERRY, Republican, says he received 6,003 pieces of mail as result of World-Herald poll.

Is Farm Income Dependent on Hand-Outs?

EXTENSION OF REMARKS
OF
HON. KENNETH B. KEATING
OF NEW YORK
IN THE HOUSE OF REPRESENTATIVES
Tuesday, July 26, 1949

Mr. KEATING. Mr. Speaker, the farmers in my area want to stand on their own feet and do not want to have their income voted to them each year by Congress. That is the essence of the article by L. B. Skeffington, published in the Rochester Democrat and Chronicle, which follows under leave to extend my remarks.

Mr. Skeffington, one of the leading agricultural journalists in New York State, knows the farmer's problems. He speaks with authority. Along with the American Farm Bureau Federation and the National Grange, he has opposed the administration's farm program from the outset, as have the vast majority of those who are more interested in the true welfare of the farmer and the maintenance of a sound economy than they are in political advantage gained through the purchase of votes.

The article referred to is as follows:

IS FARM INCOME DEPENDENT ON HAND-OUTS?

(By L. B. Skeffington)

Opposition of the principal farm organizations to the program of Agricultural Secretary Charles F. Brannan has been made clear. Essential of the Brannan plan is to let farm prices fall where they will, and then for the Government to make up the difference between farm prices and a fair price to farmers. Consumers would get the benefit, but the cost to the Treasury might be almost beyond reckoning.

Objections of the farm groups have been on the cost basis and against the controls which such a program would impose upon farmers. Without controls the program would get out of hand, with farmers producing surpluses of easy crops primarily to receive Government checks. To prevent this, the Secretary proposed controls which in effect would tell each farmer how much he could produce or how much he could sell.

With little chance of the program being adopted by Congress, the next move of the Brannan supporters was for a trial run on certain selected commodities. (A Senate subcommittee has rejected this.) They made it sound nice: "Let's take two or three commodities, including hogs, so we can get an idea of what will happen."

What would happen, in the view of producers of competitive commodities, is that the bottom would drop out of the market for them. With the skids put under pork prices, they say, there would be no markets for beef, poultry, eggs, cheese, and such things.

This brings out the fact that prices of single products seldom stand by themselves. If consumers think the price of cream is too high they buy the cheaper whip substitutes. If they don't care to pay the price for butter and oleo sells for much less they will buy oleo. If pork took a nose dive in price, lots of folks would buy pork and prices of other meats or meat substitutes would come tumbling down.

Likewise when the Government supported hog prices at high levels it made it more profitable to feed corn to hogs than to sell it for making dairy and poultry products. So prices of the latter rose. When there were ceiling prices on corn and black market swung into operation and prices mounted more than they would have in a free market.

So any price-control program that affects one major commodity is bound to affect many others.

The American Farm Bureau Federation has told Congress that the proposed trial run of the Brannan program would be to set a precedent for extending the program to all other commodities. Producers of these commodities naturally would turn to the Government for relief, it says.

The federation is opposed to direct subsidies, or compensatory payments, to farmers. It believe that any such plan has the tendency to make farmers more dependent upon Government, with necessary imposition of more controls. It favors the flexible support program enacted by Congress last year and due to become effective next January 1. Under this plan prices to farmers would be supported at levels varying from 60 to 90 percent of parity, instead of at a straight 90 percent as now.

The theory here is that when a commodity is scarce the higher range would be invoked to encourage production, while the lower

range would discourage excess production for sale to the Government. The flexible supports were designed to put the farmer more nearly on his own feet, and at the same time to give him some protection against going broke.

The Brannan plan is looked upon by several of the national farm organizations as a political expedient to win votes by providing cheap food to consumers and easy money to farmers. The farm organization spokesmen know that the general public would regard it as merely farm relief, and that if its costs reached staggering proportions, farmers would be blamed for it.

The Farm Bureau position was reiterated to a Senate committee by Hassill E. Schenck, president of the Indiana Farm Bureau Federation. He said: "Income of American farmers should not be made dependent upon an annual appropriation from the Federal Treasury. No economic group in this country would be willing to stake its future welfare on such a precarious possibility."

Of the trial run on hogs, he said: "If such a plan were tried on hogs, producers of other livestock would find themselves in serious price trouble.

"If this happened, as we believe it would, recommendations presumably would be made to extend the subsidy plan to cattle, sheep, poultry, eggs, and dairy products.

"This has been the pattern of development in foreign countries which have had experience with this type of program. None of us want to get into a situation which will provide an excuse for the adoption of this sort of crisis experiment."

Schenck told the congressional committee the Government is committed to supporting hog prices at 90 percent of parity March 31, 1950. He said it has the power and authority to do this under existing legislation. Hog prices now are well above parity.

Secretary Brannan's proposal originally was that the Government fix the income of farmers, rather than support prices. The Farm Bureau directors have opposed this bitterly on the basis that "the farmer's only hope for a fair income would depend upon Government hand-outs from annual appropriations by Congress."

This would mean that in any given year farmers would have no idea of what their income might be until Congress had voted the money—and in any year it might see fit to change its mind.

The American Family, 1949

EXTENSION OF REMARKS

OF

HON. CHARLES B. HOEVEN

OF IOWA

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 28, 1949

Mr. HOEVEN. Mr. Speaker, the breakfast group of the House of Representatives has heard many fine speeches throughout the several years of its existence. One of the finest speeches dealing with a subject in which every person in America should be vitally interested was given by Mr. Samuel R. Davenport, of Falls Church, Va., at the group meeting on July 28, 1949. Mr. Davenport is a former resident of Sioux City, Iowa, in my congressional district and only last year was awarded the title of "Father of the Year" by the Washington Post. His speech is herewith included as a part of my remarks:

THE AMERICAN FAMILY, 1949

The institution of the family has become so much a part of our lives that it has become increasingly difficult for any of us to look at it objectively.

We even think of the family with a sort of tolerant irony. We are prone to paraphrase a statement attributed to President Lincoln: "God must have loved families. He made so many of them."

The family has been accepted, and, with that acceptance, our appreciation of its deeper values has been stored away in some seldom-used attic of our minds. We know we have it with us. Yet the miracle of its existence has been dulled by its very nearness.

This is not an isolated situation. In fact, it closely follows the pattern of thought common to all overcivilized peoples. Wonders, continually employed, become commonplaces. The intricate mechanism of the alarm clock is forgotten as soon as it is shut off. The marvels of the electric light, the safety razor, the gas stove, the electric refrigerator, the printed newspaper, the automobile are thrust out of mind when we have finished using them. We walk out of the heat into an air-conditioned building. The comfort we get is not considered. We take it as our right. We ride the elevator to our offices without appreciating its mechanism. We use our phones constantly without mental tips of the hat to Alexander Graham Bell.

All these great boons to mankind we take in stride. They will still be around whether or not we decide to use them.

The modern attitude toward the family is no different.

We set the family aside. When we need it it will be there. Why bother about it? The family is accepted.

Now, let us examine another—and a distinctly related—aspect of present-day thought. What happens if we are deprived of the conveniences which we have come to expect? What takes place if there is a cave-in on the water main or the gas main? What do we do if lightning strikes the wires, temporarily halting our electricity and telephone service?

Without water we send Johnny or Mary across the street with a pitcher. Without gas for cooking we reluctantly eat cold meals. Without electricity we scurry about looking for candles. Without phone service we feel shut off from the world.

When our conveniences are taken away we first grumble, then adapt ourselves to their absence. Above all, we appreciate them, remembering how they helped us when we had them.

This chain reaction of modern living also applies to the family. Any accident, any tragedy, any change in the family circle, causes us to take the family by itself out of its figurative mothballs and makes the family the center of all of our waking hours. Then the family is no longer accepted; it is appreciated. The change may be a death. It may be a son going away to college. It may be the daughter getting married and leaving home. It may be illness which sends the husband and father or the wife and mother to the hospital. It may be even the entertaining of guests in the home.

Whatever the change is, the more permanent it is in nature, the more difficult it is for us to adapt ourselves to that change. There is no substitute, no improvisation, for son, for daughter, for husband, for wife. And, once such a change has taken place, there can be no returning of the family to its former resting place in a mental or emotional attic.

Those of us who have experienced these changes in the family circle can more readily understand that passage in the Scripture which tells us that he who would find life must first lose it.

For our own peace of mind, for our individual psychological well-being, the family should be kept to the forefront. It should never repose in an obscure storehouse. It should be out in the open, with each of us always. That is little enough to do for those who mean so much.

Keeping the family on the institutional active list contributes to the advancement of the most significant human association we have thus far achieved. The 1949 family represents a high point of progress. It is one of the truly reliable yardsticks of our civilization.

We are too apt to think, while reading of divorces, of the incidence of broken homes, of juvenile delinquency, that the family has deteriorated today. Yet, the very fact that these maladjustments are news cannot help calling to our attention that they would not be news unless they were considered sufficiently different from the usual to attract attention. It isn't sensational to be a good mother nor is it deemed newsworthy to be a good son, a good daughter, or a good father. Apparently, the good are still not the exceptions.

It has become an axiom of anthropology that the tribe is older than the family: that is, the family as we know it. Moral relationships were nonexistent in prehistoric times. Quick likes and short memories were the rule. The child, therefore, was the child of the tribe and not the child of a particular family. The males hunted and foraged while the female tended the fires and cared for the community children. Variations of this situation prevail even now among primitive peoples.

Over a long period of years changes were made in the family concept. A single strong man assumed leadership over the tribe. If he was not actually the father of the younger males, he was certainly their master. If he was not the mate of the females, he was in a position to determine what males should mate and what males should not. He was feared and hated. And, when his strength waned, he was killed by one of the younger males who, then, took his place. He was the "old man." He was the Patriarch. This stage had not been left far behind at the dawn of written history.

There is little doubt that genuine affection found its way into the family group early in mankind's recorded history. Among other indications of this within-family attraction is the Joseph-Benjamin relationship. But, alongside of this story, we see the ease with which Abraham could deny he was the husband of Sarah and abandon her to the Pharaoh. We can see the priest-father in action in the dramatic story of Abraham and Isaac.

These early peoples were striving to perfect the family. The commandment to honor thy father and thy mother was one of the Ten Commandments. Family law occupies an important part of Hammurabi's Code. A significant portion of the first books of the Bible has been devoted to procedures and practices to be followed and to be avoided in family life.

Yet, in spite of these specific regulations, there was one law for the rich and another for the poor; one law for the ruler and another for the peasant. There was little difference between the polygamy practiced by Solomon in his harem than that practiced by the cave dweller patriarch thousands of years before Solomon. The oriental customs of pagan neighbors were openly practiced in Solomon's Jerusalem to the extent that honor thy father and thy mother was, to all intents and purposes forgotten.

It was only in the centuries of adversity which followed the glory of Solomon—where parents were torn from children, where

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homes were broken—that the Hebrew family become strong again. The ideal of father-priest, which had been embodied in Abraham, was almost reattained.

Rome, especially early Rome, gave discipline to the family. A Roman father could legally kill a child for disobedience. But the Roman father ruled by law. Most of them were stern, yet just. That combination of traits left its mark on humanity. I can never forget that my father often referred to his strict father as "my old Roman." Monogomy gained a powerful foothold in old Rome under the pater familias. The Roman wife, while not as free as the 1949 American wife, knew her rights. They were set down in black and white in Roman law.

But the most far reaching of all steps in the progress of the family stemmed directly from Jesus Christ. He lived for, taught, and died for the fatherhood of God and the brotherhood of man.

The Roman Catholic Church was the first to utilize to the full the direct gift of our master to the family. Monastics were known as sisters and brothers. The presiding official of a nunnery was Mother Superior. Priests were fathers of their flocks. Images of the Virgin Mary and the Infant Jesus appeared in every church.

Yet, greater than any of these outward symbols was the association of ideas which was clear to the knight in his castle and to the serf in his hovel—God the Father, and God is love. Love of another had become the cornerstone of the family.

There have been other contributions to the development of the family since Christ, but none which could compare with the power of His concept of the fatherhood of God.

Knighthood brought chivalry to the family, encouraging courtesy among its members. The guilds of the Middle Ages made the family a depository for skills. Our own American gift to the family has been to make it a timeless vehicle for carrying on to future generations the ideals of patriotism contained in the Declaration of Independence and the Constitution.

The American family, 1949, is a cumulation of all progress factors contributed in all ages. It is a culmination as well as a cumulation. My faith in the American family, 1949, is strong, unwavering, abiding—in spite of all the assaults against it.

This is my family creed. Yours may be different. This is mine:

I believe in the American family, 1949, because it draws from the early Biblical idea of the priest-father.

I believe in the American family, 1949, because it fosters courtesy and understanding.

I believe in the American family, 1949, because it is the time capsule of devotion to democracy and the republican form of government.

I believe in the American family, 1949, because it maintains Christ's gift of the fatherhood of God and the brotherhood of man.

I believe in the American family, 1949, because it is based on love.

That Gold Standard

EXTENSION OF REMARKS
OF
HON. DANIEL A. REED
OF NEW YORK
IN THE HOUSE OF REPRESENTATIVES
Thursday, July 28, 1949

Mr. REED of New York. Mr. Speaker, it is most encouraging to those of us who believe in a sound currency system to note the favorable editorial response to the proposal contained in H. R. 3262 designed to provide the United States with a gold-coin monetary standard and system. The approval of this proposed legislation by a long list of distinguished economists is most gratifying to me and others who believe in a sound currency.

I am inserting an editorial in the RECORD, under unanimous consent, which appeared in the July 25, 1949, issue of the Olean Times Herald, an outstanding publication, which has served a large area of the Forty-fifth Congressional District of New York since 1860:

THAT GOLD STANDARD

Of more than passing interest to all of us in this Forty-fifth Congressional District is the fact that Representative DANIEL A. REED, ranking Republican member of the potent House Ways and Means Committee, has placed in the CONGRESSIONAL RECORD a statement of 45 members of the Economists' National Committee on Monetary Policy, endorsing Mr. Reed's bill that would provide for a return of this country to the gold standard.

This measure, it might be explained, is designed to restore the right of American citizens to freely own gold and gold coins, return control over the public purse to the people, restrain further deterioration of our currency, enable holders of paper money to redeem it in gold coin on demand, and to establish and maintain a domestic gold coin standard.

Representative REED believes that the enactment of such a measure not only would confer tremendous benefits on the people of this country, but that a return of this country to the gold standard is necessary to stabilize world economy.

In fact, the Dunkirk solon is convinced that there will be no stabilization of economic affairs, either here or abroad, until such a standard is adopted and maintained.

But let the Economists' National Committee on Monetary Policy take the floor for a moment.

These experts believe that the Reed bill would reestablish integrity in the promises to pay issued by the Treasury Department and Federal Reserve banks.

They point out that most of the paper money in the United States carries promises to pay which, under present laws, are not and cannot be honored.

They give it as their conviction that profligate Government spending and depreciation of the Nation's currency in terms of goods and services are natural consequences of the issuance of such a currency.

And they are convinced that the restoration of the gold standard in the United States would bring the following results:

First, it would return to the people a high degree of control over the Government's use and abuse of the people's purse. Such control, they add, should provide them with a potent weapon against socialization and regimentation by their Government.

Second, as far as any currency would be able to do so, a resumed gold standard in this country would inspire confidence and encourage saving, investment, production, employment, and trade.

And third, a gold standard regime would expand foreign trade and enable other nations to develop their own trade sooner than otherwise would be the case.

More and more, those who should know the intricacies of national and international currencies and finance seem to be veering to the opinion that one of the best moves this country could make, not only in its own behalf but in that of the other nations of the world, would be to return the American financial to a gold standard base.

As to the difficulties that there may be in the way of such return most of us laymen are not qualified to speak.

But when large groups of expert economists advocate such a course, it would seem that the utmost consideration should be accorded it by the powers that be in Washington—and that Congress, especially, should give every consideration to the bill that is being sponsored by Representative REED which would return this country to a basic standard of gold.

Basic Church-State Issue

EXTENSION OF REMARKS
OF
HON. JOSEPH R. BRYSON
OF SOUTH CAROLINA
IN THE HOUSE OF REPRESENTATIVES
Thursday, July 28, 1949

Mr. BRYSON. Mr. Speaker, I attach hereto one of the most logical presentations of the controversial issue of Federal aid to education that I have seen.

This editorial comes from my hometown newspaper, the Greenville News, Greenville, S. C., with which I am in full accord:

BASIC CHURCH-STATE ISSUE

As numerous American citizens will undoubtedly see it, Cardinal Spellman, of New York, is taking an indefensible position in denouncing as bigoted or anti-Catholic those who wish to see Federal school-aid funds restricted to the public schools.

But this whole controversy brings up an issue which is of basic importance to the people of this country. It has grown, as will be recalled, out of the school-aid bill offered by Representative BARDEN, of North Carolina, which contains provisions limiting the distribution of these funds to public schools only.

Cardinal Spellman reportedly has expressed the view that Catholic schools should share in these Federal-aid funds. Granting his sincerity, of course, in that belief, he can hardly fail to recognize that if such a policy were adopted, the schools of any religious sect, denomination or faith would have just as much claim to share in these funds as Catholic schools. And our constitutional principle of separation of church and state certainly appears to preclude the use of public funds for the support of any sectarian educational or other institution.

Those who oppose the use of public funds for private or religious educational institutions are therefore no more "anti-Catholic" then they are anti-Baptist of anti-Methodist or anti-Jewish or anti any other religious group.

They simply believe, with great conviction, that if taxpayers' money is used to support religious schools, any religious schools, it would be a grave impairment of our principle of separation of church and state. And it seems to this newspaper that this position is entirely sound.

This newspaper has often disagreed with the views of Mrs. Franklin D. Roosevelt, but it seems to us that she has taken a completely logical stand in this controversy and that she in no way deserves the cardinal's charge that she is conducting an "anti-Catholic campaign."

Mrs. Roosevelt said that "those of us who believe in the right of any human being to belong to whatever church he sees fit, and to worship God in his own way, cannot be accused of prejudice when we do not want

to see public education connected with religious control of the schools, which are paid for by taxpayers' money." And she pointed out that "the separation of church and state is extremely important to any of us who hold to the original traditions of our Nation. To change these traditions by changing our traditional attitude toward public education would be harmful, I think. If we look at situations which have arisen in the past in Europe and other world areas, I think we will see the reasons why it is wise to hold to our early traditions."

And we think the basic question is: Can we use taxpayers' money to support the teaching of the religious doctrines of any sect or faith without violating the principle of separation of church and state?

Democracy's Challenge to the Educated

EXTENSION OF REMARKS
OF
HON. SIDNEY R. YATES
OF ILLINOIS
IN THE HOUSE OF REPRESENTATIVES
Thursday, July 28, 1949

Mr. YATES. Mr. Speaker, under leave granted me to extend my remarks in the RECORD, I quote an article which appeared in the Lincoln-Belmont Booster, Chicago, Ill., written by Leo A. Lerner, entitled "Democracy's Challenge to the Educated":

THE FIRST COLUMN
(By Leo A. Lerner)
DEMOCRACY'S CHALLENGE TO THE EDUCATED

I have been looking forward to an opportunity to say what is on my mind about the results of the educational process in this country.

We have taken a statistical approach, boasting of the larger number of schools, the larger number of graduates, and the fact that these graduates seem on the whole to get the best jobs and make the most money.

Our progress in education has been measured the way a rich man measures his money, in figures only, yet I am sure we can all agree that it is no more possible to measure the results of sending young people to school with numbers than it is to pull the rich man, like the proverbial camel, through the needle's eye.

We have hypnotized ourselves into believing that the very fact we have many schools, including many good schools and many free schools, and that we are graduating numerous young people into commerce, trades, technology, and home life with a so-called education, necessarily means we have a better world, or at least better people in the same old world.

I ask you to consider a few very simple facts, like the one that in the period between 1910 and 1950 the world built the largest number of colleges and turned out the largest number of graduates, but had the two worst wars in world history and the worst depression.

Against the number of colleges are the number of submarines, bombers, and battleships; against the number of educated are the number of dead. Against promoted toleration, look at the promoted hate.

The statistics about the number of colleges and the number of graduates are impressive, unless you compare them with the statistics about the number of jails and the number of inmates (growing enormously, I assure you), or the number of insane asylums and the number of patients (also growing enormously).

I think it is time right here to say that I don't want to be misunderstood. I believe in education, and I have spent a lot of my life trying to help expand and extend it from the kindergarten to the adult education level. It is simply that I have higher hopes for the results of learning than we have thus far realized.

Not long ago a learned teacher at the University of Chicago, Dr. Bernard Iddings Bell, took the foundation out from under our educational institutions, putting down in plain words the failures of modern educated society to deal with its simplest problems.

Dr. Bell suggested to us that it was possible to be educated and at the same time to be a fool.

My belief is that education has been overadvertised and under-done. It has been sold to the public as a cure-all for the sicknesses of civilization. But I'm sorry to say that civilization is not cured.

At Harvard they have been worried about this for a long time. Some of the important educational experts at Harvard got together and studied this problem for several years and came out with a book called "Education in a Free Society."

They concluded that the day of the gentleman and the scholar is past, that the only thing that counts today is citizenship—worthwhile, constructive citizenship, and that, therefore, we must forget about the "gentleman and scholar," and think only in terms of the gentleman and the citizen.

It is the failure of educated people to accept their responsibility as citizens which has put us in a pickle at a time when we ought to be getting the advantages of having spent so many billions and billions of hours educating ourselves.

A man named Pace at the University of Minnesota made a survey of some 900 graduates of the University of Minnesota to see what they were interested in long after graduation. He called this book "They Went to College," a significant title. Mr. Pace found that more than two-thirds of the graduates freely admitted that they had no interest in community affairs outside their own families and their own selfish living problems.

Do me a favor sometime and go down to the city council and spend an hour. Go down to Springfield for a day and listen to our State senators and State representatives, or go to Washington and spend a day or two in Congress. Just listen and think, then come back and tell me how well you think our statistically educated world has handled itself in the selection of representatives who govern our lives and help determine our futures.

You will find, with some exceptions, educated morons, more intent upon log rolling and pork barreling than upon solving sincerely the problems of the day.

The republican form of government we call democracy (the Republicans prefer to call it a republic, and the Democrats prefer to call it a democracy, but I don't think the labels matter) requires people who will get as much pleasure from active citizenship as they do from bowling, going to strawberry socials, or breaking open a keg.

Democracy needs the active help of those who have been selected for education and those who have been given superior opportunities for knowledge and wisdom.

Democracy has paid out in cold, hard cash free education for millions of American boys and girls from prekindergarten to college level. It could be a wonderful step forward that would benefit all of us, if those who have been treated so royally by the treasury of democracy would feel their responsibility for the community after they have taken their education home with them in their heads.

It's wonderful to go to college. It's a pleasure to be with teachers, to read the great books, to learn to find information and to learn how to think and analyze. Education is the most wonderful thing that has ever been bought with money, more precious than rubies. But if afterward we lock in a vault what is more precious than rubies, what good does it do?

I think those who have sought education for the purpose of making a living, or beating the next fellow in competition or being able to answer quiz programs on the radio have made a mistake. They will join the legions of the educated dunces. They live in the never, never land that Jonathan Swift described in "Gulliver's Travels," where solemn looking professors in caps and gowns go around beating each other over the head with balloons half filled with water.

To avoid being reduced to the (alas!) common denominator of stupid though educated, each of us must feel his own deep down inside obligation to help build a better world and to make living worthwhile.

There is one more thing that should be said about education. I learned this most poignantly in the days when I served on the Chicago public library board. And that is that education is a continuing process—it does not end with a diploma.

Life is a continuous, endless constructive process, and so is education, which is destined to take man to undreamed-of heights of peace and prosperity after we find out how to use our education to live together successfully and to respect one another as human beings.

Guide to Confident Living

EXTENSION OF REMARKS
OF
HON. CARL T. DURHAM
OF NORTH CAROLINA
IN THE HOUSE OF REPRESENTATIVES
Thursday, July 28, 1949

Mr. DURHAM. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following article, Guide to Confident Living, by Dr. Norman Vincent Peale, which appeared in the Durham Morning Herald, Durham, N. C., on July 25.

Today, we still live in a world distraught with fear and apprehension, and such guides as outlined by Dr. Norman Vincent Peale are very helpful and worthy of adoption.

GUIDE TO CONFIDENT LIVING
(By Dr. Norman Vincent Peale)
CHAPTER 16—TEN RULES FOR MASTERING THE ART OF CHURCH GOING

To attend church successfully, skill is required. Worship is not a hit-or-miss affair. There is an art to it.

Those who study and practice to become expert in churchgoing master one of the greatest of all skills, that of spiritual power. That you may learn to go to church efficiently, I suggest the following 10 rules to guide you in mastering the art of churchgoing. Consequently put these rules into practice and one of these days the great thing may happen to you.

1. I think of churchgoing as an art, with definite rules to follow, an art you can acquire.

2. Go regularly to church. A prescription designed by a physician to be taken at regular intervals is not effective if taken once a year.

3. Spend a quiet Saturday evening and get a good sleep. Get in condition for Sunday.

4. Go in a relaxed state of body and mind. Don't rush to church. Go in a leisurely manner. The absence of tension is a requisite to successful worship.

5. Gain a spirit of enjoyment. Church is not a place of gloom. Christianity is a radiant and happy thing. Religion should be enjoyed.

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6. Sit relaxed in the pew, feet on floor, hands loosely in lap or at the side. Allow the body to yield to the contour of the pew. Don't sit rigid. God's power cannot get through to your personality through a tied-up body and mind.

7. Don't bring a "problem" to church. Think hard during the week, but let the problem "simmer" in the mind over Sunday. God's peace brings creative energy to help the intellectual process. You will receive insight to solve your problem.

8. Do not bring ill will to church. A grudge blocks the flow of spiritual power. To cast out ill will, pray in church for those you do not like or who dislike you.

9. Practice the art of spiritual contemplation. In church do not think about yourself. Think about God, think of some beautiful and peaceful thing, perhaps even of the stream where you fished last summer. The idea is to get mentally away from the world into an atmosphere of peace and refreshment.

10. Go to church expecting some great thing to happen to you. Believe that a church service is the creation of an atmosphere in which a spiritual miracle can take place. Men's lives have been changed in church through faith in Christ. Believe it can happen to you.

Increase in Duck-Stamp Fee

EXTENSION OF REMARKS

OF

HON. JOHN PHILLIPS

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, July 27, 1949

Mr. PHILLIPS of California. Mr. Speaker, when S. 1076 came up on the Consent Calendar last week, a request was made that it be passed over without prejudice and I understand it is the intention of the Committee on Merchant Marine and Fisheries to bring it up again on the Consent Calendar on Monday, August 1.

In the meantime I have been asked by several Members of the House to secure and place in the RECORD a statement of the expenditures of the Fish and Wildlife Service for the past several years. I therefore ask unanimous consent to extend these remarks in the Appendix and to include the table which shows the funds available and the sources of the money, for the fiscal years 1942 to 1949 inclusive, together with the expenditures for those same years.

The bill itself was introduced in the Senate and provides an increase in the cost of a duck stamp, from $1 to $2. The arguments in support of the bill include the following:

First. It would permit the acquisition of more management areas.

Second. It would increase the number of birds.

My secretary, to whom I referred the bill for analysis, adds the following third reason; apparently based on a few years experience, as the secretary to a member of the Appropriations Committee, with the inclinations of many Government agencies:

Third. It would increase the tax from $1 to $2.

Apparently, the only opposition to the bill was based on a general opposition to the theory of conservation and the desire to shoot as many ducks as possible, or the feeling in some areas that ducks are nuisances. The gentleman from North Dakota [Mr. LEMKE] has introduced a somewhat similar bill, the object of which is to reimburse the farmers for the damages the ducks may do to their crops.

I have long been a friend and supporter of conservation and of the Fish and Wildlife Service. I have no objection to the intent of this bill. Whether or not, as its proponents say, the farmers and hunters all know that they will have to pay twice as much for a duck stamp next year, and are satisfied to have this cost doubled, remains to be seen. If they do not know about this bill and they do not like the idea of paying $2 instead of $1 for a duck stamp, I have no doubt but the Members of Congress will hear direct from them, without any of us having to think about it today. Personally, I do not think many of them will be concerned, as one of the uses of this money is to provide for management areas, which not only increase eventually the number of ducks available for hunting, but protect the crops, by providing other feeding grounds.

There is, however, one detail of the bill in which I am interested, and to which I intend to offer an amendment. That amendment will strike out the period on page 1, at line 6, and will insert a semicolon and add the following:

Provided, That the money derived from the sale of such stamps shall not be spent without specific authorization from the Appropriations Committees of the Congress.

The intent should be obvious. Like almost all Members of the House Committee on Appropriations, I am allergic to revolving funds.

During the Eightieth Congress, the Committee on Appropriations was able to improve bookkeeping methods, and accounting methods, and to wipe out various revolving funds. I am not at all sure that this has ever been considered, by the Fish and Wildlife Service, as other revolving funds have been considered I think in all probability the Fish and Wildlife Service has presented its justifications and that the expenditures have been approved, just as they have had direct appropriations approved.

However, my amendment removes any uncertainty.

If the Congress adopts the amendment, then there is no question but that the expenditures from this particular revolving fund will be made only on specific approval of and with the knowledge of the Appropriations Committees of the House and the Senate.

I am glad to add that I am informed by various members of the Committee on Merchant Marine and Fisheries that they approve of the amendment and that they will support it on the floor on Monday. I have also been informed that the representative of the Fish and Wildlife Service approved it.

Under those circumstances, I think, so far as I know, that the bill S. 1076, can go through on the Consent Calendar on Monday without objection.

Department of the Interior—Appropriations, Fish and Wildlife Service, and obligations, by objects, fiscal years 1942 through 1949

	1942	1943	1944	1945	1946	1947	1948	1949
Funds available:								
Annual appropriations	$5,833,915	$4,661,570	$5,012,490	$5,185,548	$5,842,125	$7,302,602	$6,582,810	$9,028,509
Appropriations of receipts:								
Migratory bird conservation fund	1,430,568	1,368,752	1,162,906	1,498,848	1,743,149	2,062,332	1,775,985	2,181,312
Federal aid in wildlife restoration	[1] 2,750,000	[1] 1,250,000	[1] 1,000,000	[1] 900,000	[1] 1,000,000	[1] 2,500,000	9,031,273	11,276,687
Other			135,000		39,700			291,283
Permanent appropriations	33,745	29,073	59,022	63,427	87,346	113,512	109,561	127,094
Transferred funds	−93,355	−69,677	252,116	35,000	−40,589	918,097	374,728	[2] 2,777,752
Working funds and reimbursements		53,451	30,322	2,755	475,330	181,972	529,080	213,103
Total funds available [3]	9,954,873	7,293,169	7,651,856	7,685,578	9,147,061	13,078,515	18,463,437	26,795,740
Obligations by objects:								
01 Personal services	4,316,701	4,317,353	4,427,443	4,527,654	5,182,259	6,747,829	7,018,429	9,561,900
02 Travel	413,541	384,801	357,175	380,887	459,267	671,415	736,684	924,070
03 Transportation of things	77,006	43,848	53,662	49,579	104,031	124,417	155,182	162,523
04 Communication services	46,427	51,912	50,868	34,272	39,043	53,158	65,596	69,921
05 Rents and utility services	103,996	108,618	125,794	145,666	139,248	144,096	183,148	230,861
06 Printing and binding		2,500	23,663	25,000	26,826	34,200	57,799	41,500
07 Other contractual services	262,803	181,678	219,795	273,822	346,624	932,682	580,586	2,133,122
08 Supplies and materials	850,903	575,243	598,066	639,005	874,816	1,296,558	1,457,288	2,154,762
09 Equipment	373,014	36,384	119,867	169,695	463,809	860,518	454,159	727,445
10 Lands and structures	329,366	46,957	245,503	805,120	477,690	693,557	241,189	898,508
11 Grants, subsidies, and contributions	2,414,011	1,289,304	1,340,180	733,404	1,049,624	2,054,900	6,576,084	9,794,677
13 Refunds, awards, and indemnities		733	212	2,557	193	373	740	
Total obligations	9,187,768	7,039,361	7,562,318	7,786,691	9,163,430	13,513,703	17,526,884	26,699,292

[1] Direct appropriation under which expenditures were limited to the aggregate receipts covered into the Treasury under the provisions of the act of Sept. 2, 1937, as amended (16 U. S. C. 669–669j).

[2] Includes $517,896 for Columbia Basin flood repair and $1,100,000 for work in connection with flood-control projects in the Columbia Basin.

[3] Excludes prior-year balances available.

What We Owe Our Country

EXTENSION OF REMARKS
OF
HON. GEORGE A. DONDERO
OF MICHIGAN
IN THE HOUSE OF REPRESENTATIVES
Thursday, July 28, 1949

Mr. DONDERO. Mr. Speaker, under leave to extend my remarks in the CONGRESSIONAL RECORD, I offer an item which appeared in the August issue of the Reader's Digest of 1949, by Gen. Omar N. Bradley, entitled "What We Owe Our Country," which is a pertinent item on the responsibility in which every American home should be interested:

WHAT WE OWE OUR COUNTRY

(By Gen. Omar N. Bradley, Chief of Staff, U. S. Army)

At Fort Myer, where I have my home, I sometimes slip down to the post movie. Dressed in a civilian suit, I am treated to soldier talk, especially when the lights are out. One evening an 18-year-old, who let it be known he was a 1-year volunteer, complained to his companion that he had put his neck in a noose when he came into the Army. "What's it going to get me?" he asked. "Not even the GI bill. My old man was in the First World War—and what did he get out of it?"

By some standards the young man was a realist. He was simply asking the question it is the fashion to ask today: "What's in it for me?" It is time we provided the answer for that youngster and thousands like him, time we reminded him—as well as ourselves—that freedom is not a prize to be given a man for his distinguished achievement in having been born an American.

A nation's strength is not to be found in its treasury statements. It lies instead in the character of its people, in their willingness to sacrifice leisure, comfort, and a share of their talents for the welfare of the nation of which they are part. Democratic self-government tries its people with a sterner challenge than any other system in the world. It is weighted as heavily with obligation as with privilege. Scorning the brutal coercion of totalitarian states, it asks that its people cooperate willingly and voluntarily in order that each person may benefit equitably according to his merits. And while the imperfections of our system—like all man-made institutions—have brought injustices to some, advantages to others, it nevertheless has helped us to achieve greater personal dignity and more material wealth than any other nation in the world.

Why have we come to believe that democracy is a free ride without the need for earning our way? Probably the greatest single cause for delinquency in citizenship can be traced to our declining sense of responsibility in the home, the church, the school, and the community in which we live. Although many turn their eyes toward the mountainous issues that crowd our national scene, few have the humility to start down where citizenship counts.

Because the family is the basic unit of our society, it is there that responsibility begins. The necessity for doing one's daily round of little jobs made the youngster of earlier generations feel part of the household and planted in his mind the seed of responsibility to someone other than himself. Much as we welcome the leisurely comforts of indoor plumbing, oil heat, electric lights, and the family car, we nevertheless lost a primary lesson in good citizenship when twentieth-century convenience rendered the tradition of chores old-fashioned.

When I was a youngster in the farm lands of Missouri, my chores were neither painful nor unpleasant. Each morning I filled the wood box with chips and kindling for the big kitchen stove. I kept the buckets filled with water from the deep well out back. When there were cows in the barn I helped with the milking. I helped feed the chickens, kept the henhouse clean. At the end of summer I combed the woods in search of bee trees; one August I put down, in the great earthen crocks Mother gave me, 200 pounds of wild-bee honey. I knew that if there was no wood by the stove, no water in the kitchen, there would be no breakfast of home-cured ham, warm milk, and bright yellow-yoked eggs. If I didn't find the bee trees, there would be no honey-bread after school. And if I didn't help Mother clean the lamps, there would be no light for the evening.

The modernization of our living habits has made too many of today's youngsters look upon their home as a shelter, a meal ticket, a refuge during their period of adolescence. A family is no longer a group whose members depend on one another for companionship. The urge of each individual to pamper his own wants has put the emphasis on selfishness and suffocated the instincts of good citizenship at the very source.

The church, too, has suffered in our automobile age. No longer is it the civic and social center of the community. Today the impermanence of transient family groups has denied to millions a church in whose activities and problems they can share responsibility.

A friend told me that during the depression, when the church he belongs to was hard pressed by mortgage payments and too poor to keep a janitor, each member of the vestry devoted one Saturday every month to cleaning and scrubbing the building for the Sunday service. Those who loved the church best worked the hardest—and loved it all the more.

Today that church is fully paid for and a janitor is hired to keep it clean. The congregation contributes far more liberally than it did because now it can afford to. But the devotion of its members has faded with a waning of their obligations. Two dollars in the Sunday offering has replaced those Saturday labors. And another of the compelling obligations which produce a sense of responsibility in that community is gone.

When I recall the political illiteracy of our young troops at the start of the war I am moved to charge education with gross dereliction in its responsibility to teach the value of the great spiritual possessions to which we are born. As the Army struggled through the summer of 1941 with rebellious soldiers who muttered constantly of their raw deal it became apparent that the fault lay not with the Army but with the failure of the American people to grasp the threat facing free, democratic self-government.

The blame does not lie on education alone. It must be shared with the people as a whole. Their shocking apathy to the sterility of their school curricula is responsible even today for the political immaturity, the economic ignorance, the philosophical indifference and the spiritual insolvency of so many young men. Throughout Europe, wherever our armies were stationed, the people were bewildered by Americans who appeared indifferent to the political and philosophical origins and nature of the most powerful and progressive nation in the world. When driven into a corner intellectually our soldiers were forced to fall back on our wage scale, our automobiles, our refrigerators—and eventually and triumphantly to the American bathroom—for their defense. Here is an indictment not only of American education but of irresponsible citizens who have permitted this vacuum to remain.

Recently, when I charged education with these derelictions, my audience of leading citizens nodded comfortably.

"How many of you," I asked, "are members of a school board?"

Of the more than 60 men in the room, not one raised his hand.

"How many of you know the name of your child's teacher?"

There was a showing of a scant half-dozen hands.

"How many of you," I pressed, "have ever asked your child's teacher home to dinner to measure her worth for yourself?"

Not a single hand went up.

Here was an audience of successful business and professional men, too busy each in his own affairs to determine for himself the character and quality of education furnished his sons and daughters. Victims of the checkbook habit, each was quite content simply to pay the bills. This is citizenship by the dollar sign; it cannot and will not work. The American people must shake themselves out of this appalling lethargy and make their schools a matter of their personal concern.

Many men of good will today admit having a fear that our wartime generation has become too dependent upon Government, that initiative has waned, and that too many of us are inclined to see Washington as the source of the bountiful life. Apart from its economic implications, this habit of turning to Washington with our troubles conceals a political danger as well. We cannot look to Government purely for its benefits and deny it our obligations, for overdependency on Government is the road to enslavement.

Good citizenship under democratic government springs from an appreciation of the great values of our institutions and from active participation in them. It is immoral for us to claim freedom of the ballot unless we are ready to share that freedom with every other American. It is ungodly for us to claim freedom of religion unless we are prepared to be tolerant of all beliefs that differ from ours. It is hypocritical to insist upon freedom of opinion unless we grant equal freedom to those who oppose us. And it is fraudulent to insist upon freedom of the press if we deny that right to others. Democratic institutions will continue to prosper and flourish only so long as they are fed on freedom for all, not on abridgment for some.

This contest that we are engaged in today over the integrity of the individual versus the integrity of the state is one that can conceivably last to the end of our lifetime. Theoretically the odds lie with us. For, where the state is an instrument of government employed by individuals for their common welfare, the progress of the state is propelled by the progress of the individual. And there can be no doubt in our minds that a free people, unfettered by fears, threats, and terror, will advance further and faster in spiritual truths, social improvement, and material reward than any slave people, irrespective of the lash under which they labor.

A democracy such as ours cannot be defeated in this struggle; it can only lose by default. It can only lose if our people deny through indifference and neglect their personal responsibilities for its security and growth.

Our danger lies not so much in a fifth column whose enmity is avowed. It lies in a first column of well-meaning American citizens. A first column of unconscionable men who are 100-percent Americans in their daily protestations and 10-percent citizens in their daily routine of neglect.

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New Hampshire Old Home Week

EXTENSION OF REMARKS
OF

HON. CHESTER E. MERROW

OF NEW HAMPSHIRE

IN THE HOUSE OF REPRESENTATIVES

Tuesday, July 26, 1949

Mr. MERROW. Mr. Speaker, under leave to extend my remarks in the RECORD, I include therein an article written by me entitled "New Hampshire Old Home Week," which recently appeared in some of the New Hampshire newspapers.

NEW HAMPSHIRE OLD HOME WEEK

During the month of August 1949 the State of New Hampshire will celebrate with appropriate ceremonies in the cities and towns the observance of the fiftieth anniversary of its outstanding and unique institution—Old Home Week. The commemoration of this anniversary will be recorded as a landmark in the history of the Granite State. Due to its great significance, the attention of the Nation will be focused on the notable and highly commendable New Hampshire practice of conducting an Old Home Week.

ORIGIN

His Excellency, Frank W. Rollins, Governor of New Hampshire from 1899–1900, was the first to suggest the idea of an Old Home Week. He did this at a banquet of the Sons of New Hampshire held in Boston. In explaining his idea, the Governor stated:

"I have a scheme which I think promises to help the State and which I hope to see put into execution. It is this, to have a week set apart, to be called Old Home Week, and to make it an annual affair. I would have every town and city in the State make up lists of all its native-born sons and daughters living in other States and send them an urgent invitation to be present through the week. I would have at Concord during the week appropriate exercises of a literary character, and also an exhibition of the products and industries of the State. I would make it a carnival week there. Is it not possible that such a plan would result in much benefit to the State and also in the returning to her of many of her sons who have wandered afar?"

Governor Rollins suggested that the State board of agriculture take charge of the first meeting, and in response to the call of the board hundreds of people from all parts of New Hampshire met in the statehouse at Concord on June 6, 1899. Governor Rollins presided over the meeting and summarized the purposes of his proposed new organization. Speakers who voiced approval of his plan included: N. J. Bachelder, secretary of agriculture; F. E. Roby of Chester; Hon. John C. Linehan; Hon. Joseph B. Walker, and Hon. Moses Humphrey of Concord; Hon. Charles McDaniel of Springfield; Charles B. Hoyt of Sandwich; George A. Tyrrell of Grantham; E. C. Hutchinson of Milford; E. C. Bean of Belmont; James Drew of Newington; Dr. O. B. Douglass of Pembroke; Curtis B. Child of Henniker; Col. W. B. Rotch of Milford; and S. B. Whittemore of Colebrook.

In commenting upon Old Home Week at the initial meeting, Governor Rollins said:

"During this week, I hope we may have a more or less elaborate program to interest the visitors—a review and parade of the National Guard, for instance, a musical program by New Hampshire musicians, a literary program, with orations by talented native and resident speakers. These exercises would take place in Concord and occupy 2 days. Then the vistors would go to their old homes in the towns, where there would be reunions and picnics and all sorts of pleasant entertainment. This would help the towns by bringing in money or by stimulating interest in the old home among the visitors, who might be induced to benefit the town by building a library or a schoolhouse or a town hall, or by doing something to improve the roads. We need to secure everybody's cooperation to make the idea a success. I do not think it is a fad, but I think it is possible of great and beneficial development."

OLD HOME WEEK ASSOCIATION

The Old Home Week Association which was formed in 1899 has continued for half a century without interruption. An annual meeting is held in Concord, the State capital, every June. The first officers of the Old Home Week organization were:

President: Gov. Frank W. Rollins, Concord.

Vice presidents: Joseph B. Walker, Concord; Joseph D. Roberts, Rollingsford; John W. Sanborn, Wakefield; Charles McDaniel, Springfield; Bertran S. Ellis, Keene; George T. Cruft, Bethlehem; Gordon Woodbury, Manchester; True L. Norris, Portsmouth; Charles E. Tilton, Tilton; Chester E. Jordan, Lancaster.

Treasurer: Harry H. Dudley, Concord.

Secretary: Nahum J. Bachelder, Concord.

Executive committee: Edward N. Pearson, Concord; William N. Stinson, Dunbarton; Henry H. Metcalf, Concord.

Coincidentally, the annual meeting for 1949 was held in the city of Concord on June 6, the same date as the first meeting of the association. The following officers for the ensuing year were elected:

President: Dr. Robert O. Blood, Concord.

Vice Presidents: Gov. Sherman Adams; Charles A. Rollins, West Alton; Dr. M. Gale Eastman, Durham; Mrs. Sarah W. Fisk, Charlestown; A. Clifford Hudson, Canterbury; Charles R. Eastman, Kensington; Miss Ethel Johnson, North Stratford; Edwin B. Edgerly, Tuftonboro; Mrs. Marie H. Wells, Deering; Mrs. Sherman Fletcher, Bridgewater.

Secretary: Perley I. Fitts, commissioner of agriculture.

Assistant secretary: Clement A. Lyon, Concord.

Treasurer: F. Gordon Kimball, Concord.

Executive committee: Arthur W. McDaniel, Nottingham; John A. Reid, Litchfield; Mrs. Eva J. Felker, Laconia; Mrs. Marion H. Atwood, Sanbornton; Fred W. Fitzpatric, Belmont; George L. Frazer, Monroe; W. LeRoy White, Sandwich; Wallace P. Mack, Londonderry; Lewis C. Shaw, Boscawen; Lucius Nichols, Lempster; Dr. J. Duane Squires, New London; Mrs. Lena A. Read, Plainfield; William Haskell, Jr., Plymouth; Alfred L. French, Henniker; Mrs. Emily Hinze, Newport.

Auditors: Herbert D. Swift, New London; Lewis C. Shaw, Boscawen.

THE CONSTITUTION

A constitution of seven articles was adopted at the initial meeting in 1899. This document is as follows:

"ARTICLE 1. This association shall be known as the New Hampshire Old Home Week Association.

"ART. 2. The object of this association is to promote the welfare of New Hampshire by increasing the interest in the State among her citizens and among natives of the State located in various parts of the world.

"ART. 3. Any resident of New Hampshire, or any person born in New Hampshire, is eligible to membership in this association.

"ART. 4. The State association may have subordinate branches known as Local Old Home Week Associations.

ART. 5. The officers of the State association shall consist of a president, one vice president from each county of the State, secretary, treasurer, and executive committee of three, who shall constitute the executive board.

"ART. 6. The annual meeting of the association shall be holden upon Tuesday of the week designated as Old Home Week at such place and hour as the executive board may determine.

"ART. 7. Local Old Home Week Associations may be formed and managed under such rules and regulations as the State association may prescribe, and the presiding officers of local associations shall be voting members of the State association."

This constitution was printed in the first published report of the Old Home Week Association of New Hampshire. A report is published annually by the association. In the report for 1948, an article by George W. Parker (this first appeared in the Concord Monitor, August 1948) was reprinted. Mr. Parker wrote an excellent article on Old Home Week and many of the facts which he presented are included in this statement.

LEGISLATIVE ACTION ON OLD HOME WEEK

The first observance of Old Home Week in New Hampshire was held from August 26 to September 1, 1899. On February 20, 1901, the State legislature voted that "Towns may raise money to defray expenses of observing Old Home Week (New Hampshire Session Laws, sec. 1, ch. 17; Revised Laws, 1942, ch. 51, sec. 4).

Prior to 1913 the officers of the Old Home Week Association designated Old Home Week and no State appropriation was made for the purpose of financing a program. From 1913 to 1947 the legislature made an annual appropriation of $300 to assist in the observance of Old Home Week. In 1947, this grant was increased to $600.

The legislature in 1913 enacted the following law:

"CHAPTER 261

"Joint resolution relative to Old Home Week and appropriating money therefor

"Whereas the custom of observing what is known as Old Home Week originated in, and was inaugurated by the people of the State of New Hampshire in 1899 and has since spread throughout the country and to foreign lands, and

"Whereas this custom has been of immense benefit sentimentally and practically in the State of New Hampshire, and

"Whereas the value of this observance has never been fully realized or officially recognized by the State, Therefore be it

"Resolved by the Senate and House of Representatives in General Court convened That the week beginning on the third Saturday in August is hereby designated as Old Home Week in New Hampshire, and that the sum of $300 annually be and hereby is appropriated to be expended by the New Hampshire Old Home Week Association for promoting Old Home Week observance and for publishing and distributing reports thereof, subject to the approval of the Governor and council, and the Governor is authorized to draw his warrant for the same out of any money in the Treasury not otherwise appropriated.

"Approved May 21, 1913."

OLD HOME WEEK PROGRAMS

Every year, over the last half century, the people of New Hampshire have sent invitations to the sons and daughters who have moved out of the State asking them to return during the time designated as Old Home Week. Each year during this period, the towns arrange a variety of programs including dinners, picnics, entertainments, athletic tournaments, parades, receptions,

exercises by school children, plays, family dinners, band concerts, musicals, and speeches by prominent citizens and political leaders. Religious services are conducted in the churches on Old Home Week Sunday. Many families are brought together for reunions at this time.

Many towns and cities in New Hampshire have observed an Old Home Day in Old Home Week for years without interruption. This Granite State institution has proved of inestimable value in bringing back to the State the people who have moved away to seek their livelihood elsewhere. The exercises of an athletic, literary, and musical character, the exhibits of the products of the State, and the general good time enjoyed by all who attend the festivities of Old Home Week are of a distinct benefit to the social and cultural life of the community.

FIFTIETH ANNIVERSARY

Mr. A. C. Hudson, president of the Old Home Week Association for 1948 in his message printed in the Old Home Week Association report for that year stated:

"Old Home Week in New Hampshire in 1948 was an outstanding success and will long be remembered by the many friends of New Hampshire who participated in the local Old Home Day associations' programs.

"The report indicates that many additional towns and communities observed Old Home Day during 1948 and it is especially gratifying to note the large number of family reunions that occurred throughout the State of New Hampshire.

"We plan to celebrate the fiftieth anniversary of Old Home Week in New Hampshire during the month of August 1949, and programs are in preparation for a State-wide observance which will be outstanding in our history * * *."

In the mid-century mark of Old Home Week observances, it is proper that particular attention be accorded this significant and cherished custom. It is anticipated that during the month of August 1949 there will be many and varied activities in connection with this anniversary. From one end of the State to the other, these observances will give new impetus to this valuable custom. Old Home Week will continue in future years as one of our most important Granite State events.

The idea of Old Home Week has developed constantly since its inception in 1899 and will continue to grow in the years that lie ahead. With its emphasis on pride in the State, on religious and home life, and on reunions of families, it touches a responsive chord in the hearts of all our citizens. It would be most commendable if this custom were adopted by all of the 48 States. New Hampshire takes pride in Old Home Week and the people of the Granite State are convinced that this unique custom has made an invaluable contribution to the life of New Hampshire. Old Home Week is symbolic of and calls attention to the ideas and ideals which constitute the core of the American way of life.

Reorganization Plans

REMARKS
OF
HON. WALTER H. JUDD
OF MINNESOTA
IN THE HOUSE OF REPRESENTATIVES
Wednesday, July 27, 1949

Mr. JUDD. Mr. Speaker, it has been repeatedly stated that one reason the Congress must not adjourn by July 31, 1949, as required by law, is because adjournment before August 19 would kill the Hoover reorganization plans. Under the Reorganization Act they do not go into effect until 60 days have elapsed without the passage of disapproving resolutions by both Houses. There is, however, another way to adjourn earlier than August 19 without killing them. I am today introducing a joint resolution which provides that the provisions of Reorganization Plans Nos. 3, 4, 5, 6, and 7 of 1947, submitted to the Congress on June 20, 1949, shall take effect at the close of August 19, 1949, notwithstanding the provisions of the Reorganization Act of 1949. If that resolution is passed, and I think it will be passed easily if brought to the floor, it will eliminate any confusion in anybody's mind lest these most important reorganization plans be lost through an early adjournment.

The House will note that I did not include plans 1 and 2. There are two reasons for that. One is that there is controversy about each, the second is that neither would save any money. Plan 1 just changes the name of the Federal Security Agency to the Department of Welfare. The Hoover Commission recommended that health activities be separated from the other functions of that agency. Plan 2 shifts the Bureau of Employment Security from the Federal Security Agency to the Department of Labor. There is opposition to that which will require extended debate. Since the adoption of neither of these two plans is urgent, there should be no objection to setting them aside while acting at once on the other five plans which are not particularly controversial, I understand, and which are important from the standpoint of economy.

Mr. Speaker, it seems to me it would be wise for us to pass this joint resolution promptly and settle matters beyond doubt.

Deficit Financing and Shrinking Dollars

EXTENSION OF REMARKS
OF
HON. ROBERT F. RICH
OF PENNSYLVANIA
IN THE HOUSE OF REPRESENTATIVES
Thursday, July 28, 1949

Mr. RICH. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following statement distributed by the Committee for Constitutional Government:

DEFICIT FINANCING AND SHRINKING DOLLARS

According to John W. Snyder, Secretary of the Treasury, the Federal Government incurred a budget deficit of $1,811,000,000 in the fiscal year ended June 30, 1949. This means that, in time of peace and outstanding prosperity, our Government is not paying off part of its enormous debt. On the contrary, in the last 12 months it spent nearly $2,000,000,000 more than its income.

The administration says that tax reduction is to be blamed for the deficit. The fact remains, however, that the year's revenue receipts amounted to $38,246,000,000. If we deduct from this sum the $6,000,000,000 required to pay fixed charges such as interest on the public debt and social security disbursements, and also the twelve billions for national defense, and then divide the remainder by 2, to allow for the fact that the price level has doubled since 1939, we arrive at a total not far from ten billion prewar dollars. This is more than three times what it cost to pay the nonmilitary expenses of the Federal Government in 1927. Since that date, our population has increased less than 25 percent. Therefore, it seemed hard to dodge the fact that our $1,811,000,000 deficit in the fiscal year just closed has not been due to any shortage of revenues, but is, instead, the result of reckless overspending.

During the last score of years, Americans have become so accustomed to seeing our Government finances in the red that the report of a $1,800,000,000 deficit in the last year, with a much larger one in prospect for the coming year, is likely merely to provoke the comment: "So what?"

The answer is that there is grave danger that our Government will cover the deficit by creating new money or money substitutes.

"But," someone will say, "never since Civil War days has our Government printed money to pay its bills." Perhaps this is literally true, but it has repeatedly arrived at the same end by using a slightly devious route.

Between the beginning of 1934 and the end of 1946, the Federal Government (mainly by borrowing from the banks) increased our supply of circulating medium by more than $111,000,000,000. Nearly $88,000,000,000 of this addition consisted of demand bank deposits—that is checking accounts—but more than $23,000,000,000 was pocket-book money, mostly new Federal Reserve notes turned out by the printing presses.

Twenty years ago, the average American family possessed about $160 of real money (not counting bank deposits). Now, it has around $760. Under the circumstances, we are not in good position to cast too many aspersions on the Germans, the French, and the Italians for printing money to pay Government expenses. People who live in glass houses should not throw stones.

And remember that the $88,000,000,000 of new demand deposits which our Government induced the banks to create out of thin air had effects just as inflationary as did those produced by the $23,000,000,000 of new pocket-book money. The creation of that $111,000,000,000 of new money and money substitutes explains fully why your dollars, your insurance policies, your bonds, and your bank accounts, when valued in terms of goods in general, are today worth only half as much as they were before World War II. And this inflation, like inflation in other countries, has had just one basic cause—Government deficits—that is spending in excess of revenues.

Most authorities agree that the incurring of a Government deficit in time of peace and prosperity indicates bad financial management. But the Keynesians hold that sound policy calls for deficit financing during depression—the resulting debt to be paid off from surpluses accumulated during the next period of prosperity. Ample experience both here and abroad shows, however, that the auspicious moment when the surplus is available for debt retirement never arrives. It follows that the only sound policy is to balance the budget every year—whether times are good or bad.

But, today, all the signs indicate that the Truman administration, in an endeavor to check the recession, will go in for deficit financing on a huge scale. The chances are, therefore, that the banks will soon be called upon to conjure up out of nothingness billions of new money to pay for unemployment insurance, farm subsidies, veterans' bonuses, boondoggling projects of one kind or another, and direct relief for the needy. All these measures will discourage production, and hence will intensify and prolong the depression. And, in addition, they will debase

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the currency, and thus rob thrifty Americans of their savings.

Centuries of experience throughout the world prove that, without sound money, it is practically impossible to have prolonged prosperity, and that, furthermore, it is extremely difficult to maintain the soundness of a paper currency unless it is kept freely redeemable in gold or silver on demand.

If the depression grows worse, and if overspending makes our dollars shrink in value, most Americans will denounce the President, his economic advisers, or Congress. But who will really be to blame? It will be the voters who are demanding that Uncle Sam dish out billions of dollars to pay for unemployment insurance, aid to education, farm subsidies, socialized medicine, public works, low-rent housing, and relief to the indigent. Have you, by any chance, given aid and comfort to any of the pressure groups asking for some of these hand-outs? Have you? Think it over.

WILLFORD I. KING.

Were We Justified in Demanding Germany's Unconditional Surrender?

EXTENSION OF REMARKS

OF

HON. GEORGE G. SADOWSKI

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 21, 1949

Mr. SADOWSKI. Mr. Speaker, to the question "Were we justified in demanding Germany's unconditional surrender?" my answer is an emphatic "Yes."

My answer remains the same, whether the question is measured by the historical context of the meeting at Casablanca; by the record of cruel oppression established by the German nation over the years; by the failure of the Allied Powers to destroy the German war potential after the First World War; or by the danger of war and conquest in the future.

At this moment, my greatest concern is that in our anxiety to establish postwar stability, and to avoid world depression, we seem to have unconditionally surrendered Germany's unconditional surrender.

The lessons taught by World War I were not well learned by the American people. The basic lesson is that neither the German leaders nor the German people can be trusted by the rest of the world. Some Americans, however, learned that fearsome lesson, and never let its sharpness dull against the dead weight of pan-German propaganda and hypocrisy. One of those Americans was Franklin D. Roosevelt, and another was Gen. John Pershing.

Pershing as allied commander and Roosevelt as Assistant Secretary of the Navy, through the First World War, and in their public life in the uneasy peace which followed until Hitler destroyed even the fiction, recognized the unending threat of German aggression. Both believed that German imperialism, in all its manifestations, should have been crushed in 1919, beyond hope of revival.

Certainly that is my own opinion; and certainly it is my own opinion that one of the major postwar tasks of the United Nations is to make sure that Germany shall not arise from the dead rubble of the Hitler empire into a new force of aggression.

The battle cry of unconditional surrender was proclaimed at the Casablanca conference in January 1943. Go back in memory to those critical days. All Europe, and most of Asia and the Pacific, was in the hands of the Axis Powers; and there was nothing yet to show that the Axis Nations had exhausted their strength, that the tide had turned to victory for the Allied Nations.

Rommel held north Africa. The Nazis had been thrown out of Morocco. Italy had been virtually untouched. England was in agony; Nazi armies were deep in Russian territory. The allied supply lines were so overextended that our collective muscles strained with the effort of feeding and arming fighting men in every quarter of the globe.

Seldom has the power of words been so dynamically proved as in the electrifying effect of "Unconditional surrender."

Col. Elliott Roosevelt tells us in his book, As He Saw It, that the phrase was President Roosevelt's own; that Winston Churchill and the other VIP at Casablanca approached the phrase coolly, but were won over by its smashing impact on their own imaginations.

Not only did the magic words summon new and superhuman efforts from the people of the democratic world; they also clarified the issues; they separated the true crusaders for democracy from the latent sympathizers with the Nazis in the civilized world.

The latter denounced "unconditional surrender" as inhuman and baldly declared it would incite the German people to new efforts of resistance; the former hailed the phrase for its clarion ring of total victory after total war, and knew that it had struck terror to the hearts of Hitler and his base companions of the Nazi horror.

We know from the testimony of the survivors of the Nazi holocaust that "unconditional surrender" demoralized the German home front, and that only the rigid system of police spies and swift punishment maintained the appearance of a living nation.

"Unconditional surrender" as the battle cry of freedom did, in fact, in my belief, shorten the war by years.

It took the heart out of the German defenses. It put heart into the world at bay against Nazi terror and conquest.

Germany collapsed under the onslaught of the armies of the free world; but the Nazi spirit has never surrendered. At this moment the Junkers, the pan-Germans, the Nazi die-hards, the fanatics of hatred and retrogression, the gnarled souls who hate and distrust the people, are deviously trying to rob humanity of the fruits of the war. They are trying to betray the Atlantic Charter, the Potsdam agreement, and our bold and challenging declarations to a new and challenging world of peace and opportunity. They are white-washing Germany and her criminals and smearing our allies. They are trying to rebuild Germany; they are trying to surrender world peace to a new war potential, for Germany is, and must be, by definition and history, a potential warmonger whenever Germany has the strength to make war—total war—on helpless neighbors.

Certainly we were justified in demanding unconditional surrender of Germany in 1943; and we are justified in demanding that no conditions be granted now to the reviving Nazis of postwar German chaos.

Truman, a Terrific Spender

EXTENSION OF REMARKS

OF

HON. THOMAS A. JENKINS

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 28, 1949

Mr. JENKINS. Mr. Speaker, a very capable editor of one of the newspapers in my district has written a very interesting editorial showing that Roosevelt spent three times as much money as all the Presidents preceding him put together.

This editorial also shows that Truman, during his short tenure, has spent nearly fourteen billion more than the Government has collected during his tenure.

The editorial to which I refer is, as follows:

WORLD'S MOST COSTLY LUXURY

President Roosevelt was considered the greatest spender in history. First, he had a depression to whip, and he did it with money. Then he had a World War to prepare for and to win, and that was pretty costly. So that during the 12 years he was president, FDR spent an annual average of $31,020,854,000.

By comparison with Harry Truman, however, Franklin D. Roosevelt was a penny-pinching piker. Mr. Truman has managed to spend a total of $45,016,855,863 per year.

The 30 presidents who preceded Roosevelt, namely Washington to Hoover during 144 years, spent a total of $112,203,000,000. Mr. Roosevelt then spent during his 12 years a total of $372,242,000,000. It might be excusable considering everything that Roosevelt's deficit spending (in excess of revenue, that is) totalled $206,482,000,000, but—

Mr. Truman in 4 years has spent $180,067,000,000, which is $13,314,000,000 more than the revenue during his time. So the public debt is still $252,770,000,000.

George Washington spent at the rate of about $4,000,000 (four million dollars) a year. Had he taken office 9,000 years before the Christian era, and if he had spent money at that rate right up to the present day, he would by now have drained the Treasury of exactly the same sum of money that Mr. Truman spends in 1 year—every year.

Of course the country has grown a lot since George Washington's day. Geographically the area of the United States and its possessions and territories is 4 times as large, and it has nearly 40 times as many people. Also, the national income of all these people perhaps is 400 times as much as it was in 1789. But nothing about the United States has grown as much as has the Treasury. Under President Truman, it spends nearly 11,000 times as much as it did under Washington, and collects more than 10,000 times as much from its people.

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Home Rule for the District of Columbia

EXTENSION OF REMARKS
OF

HON. JAMES C. AUCHINCLOSS

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 28, 1949

Mr. AUCHINCLOSS. Mr. Speaker, in the Eightieth Congress I had the great privilege of serving on the Subcommittee on Home Rule of the District of Columbia Committee of the House with my very able colleague the gentleman from North Carolina [Mr. DEANE], and that association has ripened into a warm friendship between us.

The members of that committee did not always agree on the various matters which we discussed but the gentleman from North Carolina was always ready with constructive and helpful suggestions. He contributed in no small degree to the thoughtful legislation on home rule which was finally developed and which now, after various revisions, is under the consideration of the Subcommittee on the Judiciary of the House Committee on the District of Columbia.

Recently, Mr. DEANE appeared before this committee and made a statement, which, under the permission already granted to me, I am glad to append to these remarks. It is written in his clear, concise, and logical style and I hope that the Members of the House will read it, and I feel sure they will then have a better idea of just what the proposal for home rule in the District of Columbia means.

STATEMENT OF HON. CHARLES B. DEANE, OF NORTH CAROLINA, ON S. 1527, TO PROVIDE HOME RULE AND REORGANIZATION FOR THE DISTRICT OF COLUMBIA

At the outset, Mr. Chairman and gentlemen of the committee, I desire to express my appreciation for this opportunity to appear before your committee.

I do not come contending that I know all the answers to this exceedingly important subject of home rule, but I do come with the belief that I am conversant with the subject of home rule for the District.

During the Eightieth Congress it was my pleasure to serve on the House District Committee. I gave up my assignment on this committee with a great deal of reluctance, and did so only in order to accommodate the leadership of the House incident to the Democratic majority in this Eighty-first Congress.

If the opportunity should come, I would again welcome an opportunity to serve the people of Washington, representing as they do a great cross section of this Nation of ours.

You gentlemen of the committee recall that I was a member of the home rule subcommittee during the Eightieth Congress, that reported out H. R. 6227, introduced by the gentleman from New Jersey [Mr. AUCHINCLOSS]. I hesitate to burden the committee with the details about those hearings. I hope that I will not appear presumptious in pointing out that there were 28 days of hearings on H. R. 6227 introduced by Mr. AUCHINCLOSS. I was present on 21 of those days. Our subcommittee heard 178 witnesses, received 51 statements and resolutions, and developed 1,178 pages of testimony. In making reference to these lengthy hearings and recalling the outstanding service rendered to the committee by an expert and sincere staff, it is my opinion that no other committee gave a more complete, full, and thorough study of the problem of local self-government for the District of Columbia than did this subcommittee of the Eightieth Congress.

My participation in those days and days of hearings convinced me beyond any reasonable doubt that the citizens of the District of Columbia should have restored to them the right to participate in their own local government. I repeat, the citizens of the District of Columbia should have restored to them the right to participate in their own local government. It can be rightly stated that the proposed legislation is an effort to promulgate to some degree, at least, what the founding fathers contemplated for the Nation's Capital. Surely Madison had this in mind when he stated that a "municipal legislature for local purposes derived from their own suffrage" would be extended to the residents of the District of Columbia.

Local self-government was promised the people of Washington by James Madison, chief architect of the Constitution. This District Committee, therefore, will not be setting up any precedent in adopting the principle of home rule because, when the Federal Government moved into Washington, the people of this city enjoyed self-government from 1802 until 1874, a practical construction of the Constitution.

Far be it from me to pose as any constitutional authority, but I am constrained to point out, in view of statements that have been made before this committee, that the home-rule bill of the Eightieth Congress and the bill now pending before you have been upheld by the Attorney General of the United States, by House and Senate legislative counsel, and by several eminent constitutional lawyers with whom this distinguished committee is most familiar. For my part, these eminent authorities immediately dispel the constitutional doubts that may be expressed by others.

A study of S. 1527, frequently referred to as the Kefauver bill, will show that in many respects it is largely patterned after H. R. 6227 that I have mentioned before. I shall not take up the time of the committee to compare the two bills or argue their special merits so far as construction is concerned.

To me both bills represent an intelligent and sincere effort to make democracy real and make it work in the Nation's Capital. A denial of the right of some form of self-government to the disfranchised citizens of this great city violates every principle of democracy.

My colleagues of the committee, I have often wondered what the many thousands of young people reaching voting age here in the Nation's Capital, who have had the advantage of the very best educational opportunities, think of Members of Congress who stand on the floor of the House and demand that free elections be granted to certain down-trodden people of Europe and Asia and then deny any form of local self-government to the people of this great city, the only capital in the world where the voices of the citizens are completely silent. I regret, gentlemen, that I had to make that statement because this is the best fuel that Moscow needs to show that democracy and freedom are denied in the very Capital of the Nation that champions the "four freedoms."

The urgent plea I make, gentlemen, in behalf of a teenie-weenie voice in local government for this great city, I make not so much in behalf of the adults of our Capital City but for the many thousands of choice young people now present in the District of Columbia, and who will be joined by countless thousands in the immediate years ahead.

Frequently, since I became a Member of Congress, in contemplating the plight of voteless Washingtonians, I have pictured myself as a disfranchised father in Washington, the father of a son of voting age. This son has fought through the battles of Africa, Normandy, and the isles of the Pacific. He did so in order to preserve and make free the ballot and to have a voice in his Government. This son wants to know why he is denied some participation in the operation of his Government. He recalls the sacrifices he made to preserve democracy and the right to vote. I am forced to admit that he is entitled to this participation as an American citizen; yet, an intelligent Congress continues to deny him one of the most cherished rights given to an American citizen.

Gentlemen of the committee, that illustration is multiplied many, many times in this Capital City. In my opinion our continued failure to extend some form of home rule to the District of Columbia is going to warp and stint scores of youthful minds in this great city. I am convinced that the continued denial of some voice in their government is going to lead them into organizations that will not be healthy. On the other hand, it is my candid belief that if we extend home rule and thereby invite the two great major political parties to come in and compete for the loyalties of the people, young and old, of this District, you are going to set up a healthy city government that the Congress and the Nation will be proud to recognize.

The recent passage of a sales tax is going to greatly emphasize among the people of the District that they are denied the right to have a part in their government, and they are not going to feel good about it. Yet, on the other hand, if they are given some form of self-government, they are not going to voice much objection to this sales tax. And furthermore, I am convinced that the intelligent people of this District will seek out and elect the outstanding citizens of this community to run the affairs of this beautiful metropolis.

Time will not permit me to go into the type of opposition made against home rule. It generally falls into two categories. One group contends that it will be dangerous to grant home rule. As indicated previously, I contend it is going to be dangerous if the Congress does not grant home rule. The others who oppose home rule are not sincere when they say, "We don't want home rule as contained in the bill because it represents only half a loaf." These "half a loaf" individuals who contend that they are opposed to home rule because it does not give the District representation in Congress are shadow boxing. It indicates a lack of courage to oppose outright home rule. You distinguished lawyers on this committee know that these "half a loaf" individuals who talk so much about national representation for the District know full well that we will never have national representation until there is some type of home rule. National representation will come only through a constitutional amendment passed by two-thirds of the House and Senate and approved by three-fourths of the States. Such a resolution likewise must emanate from the Judiciary Committees and not from the Committees on the District.

The second division of my statement, that I appreciate the opportunity of expressing to the committee, concerns the cumbersome city government.

The Congress is highly commendable in its praise of the work of the Hoover Commission. The Congress saw fit to appropriate a large sum of money for the careful study of the many bureaus and commissions of the Federal Government in an effort to streamline and make more efficient and more economical the operations of the Government agencies. It may be interesting to the members of the committee to know that early in the deliberations of the Hoover Commission, Prof. James K. Pollock, of the University of Michigan, a member of the Hoover

Commission, conferred with Dr. George B. Galloway, staff director of the Subcommittee on Home Rule and Reorganization of the House District Committee in the Eightieth Congress, and raised the question of whether or not the Commission should make a study of the government of the District of Columbia. Dr. Galloway advised Professor Pollock of the extensive investigations of the District government during the Eightieth Congress by the House District Committee. The lengthy hearings, including the extensive investigations carried on by the members of the staff of the District Committee during the Eightieth Congress, and the House District Subcommittee recommendations were made available to the Hoover Commission. The upshot of the matter was that the Hoover Commission decided not to make a study of the District government. I am led to believe, therefore, that the Hoover Commission recognized as being worthy of consideration the findings and recommendations of the House District Committee in the Eightieth Congress concerning the complex structure and interrelationships of the District government.

I do not wish to burden the committee with too many details, but I have heard members of the present House District Committee who oppose home rule say without reservation that there is urgent need for the complete reorganization of the District government.

Our subcommittee in the Eightieth Congress made an exhaustive study of Washington's government. We found that it was incredibly complicated and cumbersome. From a mere handful of agencies in 1878, it has grown haphazardly until today there are about 125 major units of government rendering services in the District of Columbia, of which 48 are Federal and 77 are District agencies. And there are as many more subunits.

Washington's government baffles description. It is unique among American cities. Federal, State, county, and municipal functions are scattered among a host of governmental agencies without any apparent rhyme or reason. Authority over District affairs is divided among many independent boards and commissions. A dozen agencies share the ordinance-making power and executive authority is likewise splintered. At the top of this set-up is a Board of three Commissioners who exercise a split supervision of local affairs. None of the local officials is elected. Members of the Board and other key posts in the District government are appointed by the President. Vacancies in local posts are often left unfilled for long periods by a busy President preoccupied with larger affairs and outsiders are frequently selected for these places to the neglect and disappointment of local talent.

At the present time, five governmental agencies in the city of Washington are charged with police protection, three with recreation, two with water supply, two with road building, and two with the care of trees. Nor is there any unified personnel system for the employees of the local government.

Intertwined with this tangled network of local agencies are more than two score Federal agencies which operate in the District of Columbia and render services to it, such as National Capital Housing Authority and the United States Employment Service. At the hearings held by the subcommittee last July, it took Federal officials 4 days and 120 printed pages to explain the intricate relationships of their agencies and services to the government and people of the District.

Mr. Chairman and gentlemen of the committee, a challenging opportunity equal to the commendable work of the Hoover Commission rests on this committee's doorstep in coming to grips with the cumbersome government of this city.

Washington is today a great city with almost 1,000,000 inhabitants, yet it is still trying to function through bureaus, boards, and agencies that are not only hoary with age but antiquated to the nth degree. In outward appearance it is the fitting Capital of a Nation now at the pinnacle of its power and prestige; yet, it is still governed by a charter adopted almost three-quarters of a century in the past.

Mr. Chairman, I am very grateful for this opportunity to express these views.

In a Land of Plenty, Where Are We Drifting?

EXTENSION OF REMARKS
OF
HON. WALTER NORBLAD
OF OREGON
IN THE HOUSE OF REPRESENTATIVES
Thursday, July 28, 1949

Mr. NORBLAD. Mr. Speaker, under leave to extend my remarks, I include herewith an excellent address by Mr. T. M. Medford, of Salem, Oreg.:

IN A LAND OF PLENTY, WHERE ARE WE DRIFTING?

Let me say in the beginning that I speak for no political party or economic group, I am just an ordinary, everyday kind of American citizen who is proud of his country's past, but who thinks we are straying from the tried and true path that leads to fundamentally sound national security.

America is a land of plenty. No other race, no other people have been nor are so fortunate. It is very important for all of us to understand why our America is a land of plenty, so that we may not get off the high road that has brought us safely this far and that can take us still farther.

America is a land of plenty because adventurous and sturdy people have come to our shores since the days of Plymouth Rock, because the brave and the strong have escaped from oppression to America's blessed shores while the timid and the weak stayed in their own countries—in their own homes.

The mingling of the blood of adventurous and sturdy people of many races has brought us something of the genius of each race.

The United States has a temperate climate and great natural resources. But this, while important, explains little.

Across the seas, to the north, to the south, around the globe other peoples, other nations have temperate climates and natural resources equal to ours but have made much less progress.

The American savage and civilized Indian had our productive climate and our same rich natural resources of iron, coal, copper, zinc, aluminum, lead, and forests, yet they were living in the Stone Age of arrowheads, war paint, and tomahawks, when Columbus landed on America's blessed shores, and yet, some as late as Custer's Last Fight in 1876.

There are other reasons than temperate climate and natural resources for the unexcelled progress, for the material and spiritual greatness of America:

The Declaration of Independence.

The Constitution of the United States.

And the fact that we are the greatest tool-using people of all ages on the face of the earth.

The Declaration of Independence freed us from the planned economy of British kings. The writing and adoption of the Constitution was the greatest act of statesmanship in the world's history. It combined on a continental scale the strength of a central government in matters of national and international concern, together with the freedom of people of our local and State governments to plan and manage their own affairs.

The Constitution was the greatest blueprint for prosperity mankind has known.

The chief virtue of the blueprint was that it gave Americans freedom to plan their own lives rather than have their lives planned for them.

The Constitution brought opportunity to men with ambition. The Constitution released the wellsprings of energy and invention in the breasts of millions of men and women. The Constitution protected patents and copyrights. The Constitution protected men with ideas.

The result astonished the world. Work, sweat, thrift, ambition, and hope were turned loose in this rich and blessed land.

With the further results that we have become the greatest emancipators in progressive history. Inventing mechanical slaves of iron and steel to lift the burden of soul-killing drudgery from human backs, inventing devices and gadgets which have turned luxuries into mass production within the reach of everybody, inventing mechanical slaves that do not tire as human workers do, mechanical slaves that work 24 hours a day, 7 days a week, months into years, mechanical slaves that have taken women out of coal mines and children out of factories, mechanical slaves which have emancipated man from a life of hopeless, ceaseless drudgery.

These mechanical slaves, these tools, these inventions, these luxuries we call capital, our system that encourages free men to invent, improve, and create new tools, new mechanical slaves is called capitalism.

This country the envy and marvel of the whole world was built by men willing to risk their capital—their very shirts on the chance to make their pile.

Now what has this capitalism done for us as a nation? Capitalism has made way for Edison, Ford, Packard, Ben Franklin, Chrysler, Whitney, Fulton, Westinghouse, McCormick, Watt, Burbank, Goodyear, Babe Ruth, the Wright brothers, and untold other inventors and creators. Henry Ford who was still born while Lincoln lived. Henry Ford who built his empire with no capital except courage. Henry Ford who enriched peoples' lives everywhere by low-cost transportation. Henry Ford who reinvested capitalism in better tools, better manufacturing, lifted wages, and raised everybody's scale of living.

Henry Ford whose career was possible only in America with constitutional government and competitive free enterprise unhampered by present-day Government harness and regulation.

What governmental bureau back in the 1890's, for example, would have picked Henry Ford, the powerhouse helper, to pioneer the production of low-priced automobiles?

Capitalism produced Thomas Edison, the inventor of the incandescent light bulb, Thomas Edison who turned night into day. Thomas Edison who exerted the most far-reaching and beneficial influence of any man since the Constitution was written. Thomas Edison whose life's work should cause every high school and college student, every business and professional man and every editor to thrill with inspirational pride.

Capitalism which has been reinvested in better tools to raise output per worker, to cut working hours almost in half to usher in the greatest rise in the scale of living the world has ever known.

Capitalism which has made us a nation on wheels. Capitalism which has proven that system of business is going to survive that does most for most people.

Capitalism which has proven that the miracle of economics is high production per man-hour which brings costs down.

Capitalism which has proven that high production per man-hour is possible only

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because of better tools, better mechanical slaves, more mechanical horsepower helping human backs to do the work.

Capitalism which has proven that workers' high wages and purchasing power come from enterprises created by savings of the rich.

Capitalism which has brought telephones, bathtubs, radios, gas stoves, refrigerators, electric lights, vacuum cleaners, automobiles, and medical care within the reach of everybody.

Capital invested in new tools has cut physical workers' time 43 percent since the Constitution was written. Capital invested in new tools has given the physical worker 30 hours per week additional time for leisure and recreation and transformed the factory worker from a worn-out drudge to a self-respecting citizen who can do his work without undue physical fatigue and sufficient time left to enjoy fully. Capital invested in new tools has made it possible for today's worker to put in 16 hours of labor per week and live as well as his great-grandfather who worked 69 hours per week.

Today, in America, there are tools, mechanical slaves, and power equal to the strength of at least four horses at work in the service of every man, woman, and child. One horsepower equals the strength of 10 men. Therefore, there is at work for every man, woman, and child the equivalent of at least 40 human slaves. A 60-horsepower motor under the hood of an automobile is equal to the labor of 600 men.

In America to a greater degree than in any other country there has been opportunity for self-expression, self-development, and advancement on the basis of merit. It has been estimated that our superior tool equipment (mechanical and labor-saving devices) have expanded our natural human energies to the equivalent of 1,000,000,000 extra human workers.

A railroad moves 1 ton of freight 1 mile for 1 cent. That's why Americans are not forced, like Chinese coolies, to slave from dawn to dark carrying heavy burdens long distances on their backs.

Man's material progress equals natural resources plus human energy multiplied by the use of mechanical tools created by our savings which we call capital.

President Truman said recently we need to invest $50,000,000 in new tools, machinery, factories, inventions, and mechanical slaves. But investment in new tools is drying up in this country.

In 90 years—1850 to 1940—the investment in tools per factory worker increased 10 times—$500 to $5,000. But in 1940 it was $1,100 less per worker than in 1930.

The reason investment in new tools is drying up in America is because of high taxation.

Since 1939 the total gross Federal taxes paid annually by the American people have increased from $5,500,000,000 to $40,000,000,000. Direct taxes on individuals for this same period have increased from one to nineteen billion. Direct taxes on corporations have increased 400 percent since 1939.

Industry pays 75 percent of all taxes collected in the United States.

Our Federal Government employs over 2,000,000 civilian workers with an annual payroll of over $6,000,000,000. Has 1,800 special bureaus, occupies 48,000 separate offices. The combined area of these equal 170 times the space occupied by the Empire State Building.

Interest on our national debt is $5,000,000,000 annually. That is more than the annual cost of operating the entire Federal Government before 1934.

It costs over $42,000,000,000 to run your Government each year, that's $1,500,000,000 more than the Federal Government collects in annual taxes. The ablest men in the United States predict it will cost $50,000,000,000 in 1951. One of your greatest and most respected authorities in the United States predicts a $60,000,000,000 budget in 1954 without undertaking to do any new things before the Congress.

In 1929 Federal expenditures equaled two-thirds of income of all Californians. In 1938, United States expenditures equaled all income of citizens of Washington, Oregon, Nevada, California, Idaho, Utah, Arizona, Montana, Wyoming, Colorado, and New Mexico.

In 1947 United States expenditures equalled the earnings of all citizens of Washington, Oregon, Nevada, California, Idaho, Utah, Arizona, Montana, Wyoming, New Mexico, North Dakota, South Dakota, Nebraska, Kansas, Oklahoma, and Texas; the total annual earnings of 17 States.

Today all taxes, Federal, State, and local are taking 31 cents out of every dollar the average American earns.

The weight of this Government burden becomes more apparent when we realize that we pay out more to Washington annually than we do to all of our 6,000,000 farmers for the food we eat.

The Post Office Department employs 498,000 people and has an annual deficit of $500,000,000. Every time you buy and mail a 1-cent post card, it costs the Government 2½ cents. It takes 20 percent more money to operate the Post Office Department's fleet of motor vehicles than it does to operate large-scale private transport fleets.

Machinery is available which can sort 3,000 items per man-hour as compared to 1,600 items per man-hour by hand. But the Post Office Department has few of these mechanical slaves—these labor-saving inventions.

Not only private enterprise, but also churches, YMCA's, colleges, and philanthropies previously supported by free enterprise face the prospects of at least partial liquidation.

A spendthrift Government marching toward national socialism is stabbing a knife in the back of the Christian church, the mother of democracy.

With $67,000,000,000 more income in 1942 over 1929, the gifts to churches was $160,000,000 less. High Federal taxes are competing in every family budget with the individual church contribution.

It is a solemn situation when we find after 16 years of profligate spending that the American church as an institution is going down hill financially.

Its future is becoming less and less secure. United States citizens who hold in high esteem our schools, churches, and colleges should bear in mind that no government ever spent its people rich or taxes them to prosperity.

There is startling evidence of repeated attempts by Federal officials to make big governments bigger and to extend, by another vast grant of power, the authority of the state over the lives of all of us.

Government employees have backed and are backing a campaign to pressure Congress into passing a national compulsory health insurance law. This campaign was and is planned inside the Government, on Government time, supported by the Government's publicity and propaganda machine and paid for by the taxpayer.

Compulsory health insurance—cornerstone of every socialist regime—proposes to solve our health problems, not from the community up but from Washington down.

Socialized medicine has been tried and used in Russia, Germany, Austria, Great Britian, France, and New Zealand.

Karl Marx worked out the theory of socialized medicine in Russia in 1848—just 100 years ago.

Bismarck introduced it in Germany in 1883.

Austria tried it in 1888. Socialized medicine started in Great Britian in 1911—it was started in France in 1918.

Each attempt has been a dismal, heartbreaking, tax heaping failure.

Reliable estimated costs to set up the personnel machinery for this socialized medicine, compulsory insurance run as high as $7,000,000,000 annually. It would swell by over 1,000,000 the number of employees in the Federal bureaucracy.

There are at least 10 Communist fronts working for social insurance. Do you think they are trying to improve conditions in the United States? Do you have the idea they are trying to build a strong nation able to stand up against Soviet Russia?

Millions of American citizens today propose to subject your education to the healing strength of money and call on the compulsory power of the Federal Government to make the towns, counties, cities, and States do what the Federal Government think they should do.

The principal registered lobbyist for Federal aid is the National Education Association. It has a membership of 370,000 (many Communists) paying annual dues of one and one-third million dollars. The headquarters and personnel are greater than the Republican and Democratic headquarters combined.

It is the vicious circle of statism. Add to the present 2,000,000 Federal employees, one and one-third million for processing socialized medicine and compulsory health insurance, a million Government controlled or influenced teachers and public-school personnel. Then add a million tenants in the proposed $7,000,000,000 Federal housing program; keep on pouring new billions into—

1. Expanded social security;
2. Veterans' bonuses and pensions;
3. Maintenance of farm prices at wartime levels;
4. Subsidies to shipping;
5. Larger donations or loans to foreign Socialist governments;
6. Support for tottering European currencies; and
7. Expansion of Federal bureaucracy; and then you will have attained the socialized state which you will probably have to keep indefinitely, and you will have completely forgotten Abraham Lincoln's philosophy on limitation, when he said:

1. You cannot bring about prosperity by discouraging thrift.
2. You cannot strengthen the weak by weakening the strong.
3. You cannot help small men by tearing down big men.
4. You cannot help the poor by destroying the rich.
5. You cannot lift the wage earner by pulling down the wage payer.
6. You cannot keep out of trouble by spending more than your income.
7. You cannot further the brotherhood of man by inciting class hatred.
8. You cannot establish sound security on borrowed money.
9. You cannot build character and courage by taking away a man's initiative and independence.
10. You cannot help men permanently by doing for them what they could and should do for themselves.

If you are a supporter of constitutional government as established by Washington, Jefferson, and Lincoln; if it is your desire to escape paying still higher taxes and to retain economic freedom, then write your Representatives and Senators, wire your Representatives and Senators, and tell them repeatedly to vote against spending projects which will unbalance the budget and enlarge the sphere of Government. Because America's future will be just what you make it, not necessarily what your Congressmen are willing it should be.

Only organization, community by community, and willingness of individuals to do the work themselves can ever stop the undermining of our constitutional freedom.

You cannot hire someone else to save your liberty. You yourself must fight for it or you will lose it.

You have a vote. You have influence. Please take advantage of the pamphlets I have placed at your plate. Use them. Join the Committee for the Extension and Perpetuation of Constitutional Government.

Again, I want to state: I speak for no party or economic group. My client and your client is our country. And I close with all the words of a great lawyer of the old South:

"He who saves his country, saves all things, and all things saved shall bless him. But he who lets his country die, lets all things die, and all things dying shall curse him."

Fair Deal Is a Misdeal

EXTENSION OF REMARKS
OF
HON. PAUL B. DAGUE
OF PENNSYLVANIA
IN THE HOUSE OF REPRESENTATIVES
Thursday, July 28, 1949

Mr. DAGUE. Mr. Speaker, in asking leave to extend my remarks in the Appendix of the RECORD, I am pleased to call to the attention of the House an editorial which appears in the current issue of the Saturday Evening Post. Particular emphasis is placed on the fact that much of the legislation urged upon us and many of the messages we receive are largely for propaganda purposes and it behooves us to regird ourselves for the campaigns of 1950 and 1952 so that we may be able to meet these absurdities with facts and truths. The able article herein referred to follows:

THE FAIR DEAL IS PART OF TRUMAN'S PROPAGANDA MILL

Those who have read George Orwell's fascinating and terrifying book, Nineteen Eighty-four (Harcourt, Brace), must have noted disquieting resemblances between the excesses of statism in Orwell's hideous Utopia and conditions which already exist practically everywhere. The perpetual war which didn't exist except as a figment of public relations, with occasional bombs dropped by the Government to keep up morale; the portentous economic plans which could never be fulfilled, but were useful as a pretext for liquidating deviating officials; the bureau whose duty it was to rewrite history in accord with the latest dictates of the party line; are these so unfamiliar that we can afford to haw-haw at Mr. Orwell's cute concepts?

As a matter of fact, there is a considerable amount of 1984 in the so-called Truman program, which appears less and less like a program and more and more like the raw material for future Fair Deal propaganda. The administration introduces a fantastic and unworkable measure like the Spence control-everything bill, knowing perfectly well that it has no chance in Congress. In fact, the administration would probably go crazy if its passage were remotely possible. But in 1950 and 1952, Mr. Truman, or whoever takes over his role, can beat the bushes from one end of the country to the other, explaining to the customers that "we had a program of great benefit to the people, but the reactionaries, Fascist beasts, and Wall Street speculators, not to mention the real-estate lobby, beat its brains out."

It's an old idea, but the means of implementing it are improving. More disquieting still, the disposition of supposedly responsible officials to put power before principle is increasing. This trend has terrified an old Democratic wheel horse like Jimmy Byrnes.

The conduct of the Truman administration on the Taft-Hartley law is a case in point. Had the administration wanted a fair and workable labor law, it had its chance to put one on the statute books. The White House knew from the outset that there was no chance of persuading Congress to surrender to the labor leaders on every issue and leave the Government without any means to stop even such a strike as the drastic affair which has strangled the economy of Hawaii. It is doubtful that the Truman forces wanted any such surrender, but they wanted to pose as the uncompromising friends of labor—or rather of the labor leaders. In contrast to the wise and courageous statesmanship of Senator TAFT, who was always willing to compromise wherever that was possible in the public interest, and whose purpose was to write a decent labor law, the Truman administration stood pat on the position that nothing short of complete Government impotence in time of emergency would do. The more charitable judgment is that this stand was pure fakery, designed to lay the groundwork for another Dave Niles campaign. To accuse the Truman forces of sincerity in such a dubious cause would be a judgment too harsh for humane men to accept.

There are times when 1984—a time when, according to Orwell's book, achieving power and keeping power will be admittedly the be-all and end-all of our new and determined governing class—seems just around the corner.

Are They Traitors or Patriots?—What Are the Motives and Objectives of Those Responsible for Our Policy in the Orient?—The American People Have a Right to Know

EXTENSION OF REMARKS
OF
HON. JOHN SANBORN
OF IDAHO
IN THE HOUSE OF REPRESENTATIVES
Thursday, July 28, 1949

Mr. SANBORN. Mr. Speaker, I believe the American people are entitled to know the motives and objectives of those responsible for our policy in China and the Orient.

While directing all our attention to Europe which has nothing that we need or want, the pro-Russian group in our State Department has delivered Asia into the hands of the Communists who can now seize and control the tin, raw rubber, manganese, bauxite, and other critical materials so essential to our economy and our national safety.

There is not the slightest doubt but that the State Department has been suppressing the news and misrepresenting the facts in Indonesia and playing directly into the hands of the Indonesian Communists; and when 13 top-flight American newspaper men went down there to investigate and were prepared to tell the American people the truth, their plane was wrecked and they were all killed in an accident that had every indication of sabotage and murder.

Moreover, there is much ground for suspicion that international banker cartels, or their agents, have been financing the Indonesian Communists and that their price for such financing is to be a monopoly on those strategic materials so that they can make American business and industry pay through the nose for them.

The following article by Constantine Brown, eminent authority on international affairs, which appeared in the Washington Evening Star of July 24, 1949, gives a restrained and conservative appraisal of the effect of the policy of our State Department in the Orient:

STORM SIGNALS ARE RAISED BY OUR AGENTS IN FAR EAST—ACCELERATED WORK BY SUBVERSIVES IN ASIA BLAMED ON DISASTERS OF CHINESE NATIONALS AND LACK OF UNITED STATES SUPPORT

(By Constantine Brown)

From India, Burma, Indonesia, and Siam, American diplomats and other agents are sending alarming reports to Washington.

All of them, in effect, say the same thing: The disasters of the Chinese Nationalist Armies have strengthened the Communist subversives in those countries and unless something is done to restore the prestige of the United States—which is the main prop of western democracy—it will not be long before these countries also fall behind the iron curtain.

In spite of the State Department's formal statements that it is doing its utmost to support the new democracies in the Far East, the record is not particularly favorable to those who formulate and apply our foreign policies.

TRAGEDY SILENCES PRESS

The tragedy which occurred nearly 2 weeks ago near Bombay, when 13 top American reporters were killed in an airplane accident on their way back from Indonesia, silenced our journalistic fact finders. All of them had looked into the situation in Indonesia and had obtained much material for an extensive exposé of our blunders in that part of the world.

Little had been published about their findings before their deaths. They had gathered material proving conclusively that we were acting ideologically rather than rationally in our policies toward Indonesia. The few dispatches which reached the United States from these correspondents made it clear that official observers in the field were reporting their findings factually to their superiors, but that these reports were doctored to suit an ideological pattern aimed at showing the Dutch completely in the wrong and the Indonesian politicos—mostly inexperienced emotional men who easily could fall into the Communist trap—completely in the right.

The Netherlands Government has been taken harshly to task in official and unofficial quarters for having used high-handed methods when it intervened in the affairs of the Indonesian Republic, which was threatened with Red infiltrations in spite of the sincere desire of its leaders to keep the Communists out.

DUTCH REVEALED CONDITIONS

Nations which have become free without ever enjoying the benefits of home rule know little of the pitfalls of Communist imperialism. The Indonesians have been under Dutch tutelage for nearly 300 years. Before the Dutch came in their own satraps gave them no freedom, because in those days the people were the servants of their rulers.

The Dutch Government last year approached the Joint Chiefs of Staff with the true facts of the situation that was brewing behind the backs of the leaders of the Indonesian Republic. They placed substantiated evidence squarely before our top military

men, who, after consulting President Truman, are believed to have told the Dutch that as police operations were necessary, they had better go ahead, provided that the Netherlands Government's pledge to give the Indonesians freedom was respected.

On the strength of that approval the Dutch began their police operations, which were bitterly denounced by our own State Department as well as the governments of western Europe. At the January meeting of the United Nations in Paris the American representative, Dr. Philip Jessup, was instructed to make a strong statement against the Netherlands Government, which was threatened with dire actions, including the denial of Marshall plan funds, unless it changed its policies in Indonesia. The State Department's draft was toned down considerably by President Truman, who knew the background of the Dutch police operations, having been apprised of them beforehand.

CAUSED CONFUSION

The uncertainty of our policies, which at first quietly encouraged the Dutch authorities in their police action and later brought an official spanking, has caused more confusion than anything else in Indochina. It also encouraged Communist agents to continue their work, fully realizing that the West would not disavow its official stand.

Outside of a minority of western-educated persons, the Asiatics have not yet had the opportunity to become familiar with self-government and the real meaning of democracy. Among these educated persons there are some who are so utterly selfish that they would join any movement or any country which offers the best promise of rise to power. Soviet agents are taking full advantage of this.

Political leaders in the West—particularly in the United States—say that we all look to improvement of the lot of the common man and are offering economic and ideological support for the creation of a better world in the Far Eastern countries. The Russians use these same pleasant words in their broadcasts, but they, in fact, support with arms and ammunition all those who are willing to serve Russia's imperialistic aims.

REDS HELPED WITH ARMS

While the American Government lamented the fact that the Nationalist Government could not be helped properly because it was undemocratic and corrupt, the politburo was sending all kinds of help to the Communists, after making sure that they were reliable tools in its hands. The result has been a spectacular defeat for the Nationalist forces.

In the eyes of all the Asiatics who remember how much we helped the same corrupt government in by-gone days, the defeat in China was not Chiang's, but ours. And with this deeply embedded belief, Moscow's agents are working now throughout the Asiatic Continent.

MOSCOW'S AGENTS OVERRUN ASIA

Moscow's agents in India, Indochina, Burma, Siam, and Indonesia are losing no opportunity to incite people to follow Moscow's hand-picked leaders and rid themselves of the domination of the west. Even President Truman's program to assist the economically backward nations is being used against us. Soviet agents explain that Mr. Truman's plan is nothing but an attempt to enslave forever the people who happen to possess raw wealth.

The consequences are visible to the naked eye. In India, where a group of statesmen are at the helm and know the score, there is increasing agitation. Premier Nehru, while expecting to weather the storm; is in a difficult position which, according to reliable reports from all ports of India, will become untenable if one of those periodical famines occurs again. As things now are, he is being harassed and bitterly attacked by a small but active group of Communists who have infiltrated India in the last 10 years.

Prime Minister Nehru, faced with this serious potential problem, has put between 5,000 and 8,000 saboteurs in concentration camps. But he has only scratched the surface, as we have in this country, by sentencing a few proven Communist spies or by exposing their subversive front organizations. In a country like India, which suffers from hunger perennially, the work of these agents is not difficult.

OPEN WARFARE STIRRED UP

A similar situation exists in Burma, which also became independent of Britain after the war ended, as well as in Siam, where the government has to deal with a cleverly organized subversive organization. In Indochina and Malaya, the remaining outposts of British and French colonial empires, there is open warfare stirred up by Moscow. Communist bands from China reinforce the native elements. This warfare is draining the French treasury and is causing a severe headache for the London government.

So long as the United States was willing to support the Nationalist Government of China these movement in other parts of Asia were negligible. The Russians were preparing the ground, sending their agents to the most strategic spots. But it was only after the summer of 1946, when the American Government decided to abandon military support for China, that Communist work became aggressive and more effective.

Up to that time whatever assistance was given the Chinese Communists was surreptitious. But when it became obvious that the forces of the Nanking governmen would have to fight on their own, assistance to the Reds in the form of war material was speeded up and military strategy was applied more extensively.

At the same time cells in the other far eastern countries, which had just obtained their freedom were increased. Arms were sent from Soviet ports in Asia by freighter and submarine, and the people were encouraged to rise against the established governments.

MORE TROUBLE EXPECTED

Nothing spectacular has happened in India yet, although serious trouble is expected after all China falls into the hands of Russia. But in Burma, Siam, Indochina, and Malaya full-fledged guerrilla warfare already is in progress and the government forces are fighting with their backs to the wall.

The responsibility for this tragedy—which could still be averted by positive and energetic actions—falls to a great extent on our State Department. Our diplomats in the field and many trained officials in Washington have seen the writing on the wall. But their advice is obscured by policy makers who insist on making over the world. These men speak glibly about liberating hundreds of millions of Asiatics from exploitation by the colonial powers, but they do not bother to determine whether those peoples are ready to enjoy the same freedoms we do in this country, or whether a change in their leaders will mean simply a change of masters.

STATE DEPARTMENT WOULD RECOGNIZE CHINESE COMMUNISTS

No one in the State Department seems to bother about whether the Asiatic leaders are Dimitrovs, Bieruts, Rakosis, and Paukers with different colored skin. None of our policy makers appears to worry about a period of political transition in those countries, which are backward not only economically but politically as well.

A number of high-ranking State Department officials would like very much to see the Chinese puzzle solved by recognizing the Chinese Communists, but they never ask whether Mao Tse-tung and the other Moscow-appointed leaders of the Reds are as venal and corrupt as the Kuomintang crowd.

Meanwhile, storm signals are reaching Washington from all of our observers who are stationed in Asia.

Address of Hon. Antoni N. Sadlak, Congressman at Large, Connecticut, at State Convention of Disabled American Veterans, Bridgeport, Conn.

EXTENSION OF REMARKS

OF

HON. ANTONI N. SADLAK

OF CONNECTICUT

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 28, 1949

Mr. SADLAK. Mr. Speaker, under leave to extend my remarks in the RECORD, I wish to include an address that I delivered at the State convention of Disabled American Veterans at the Hotel Stratfield, Bridgeport, Conn., Sunday, June 12, 1949:

I'm very happy to address this fine gathering of patriotic Americans. I emphasize "patriotic Americans," because I am sure that each one here carries in the book of his life glowing chapters of heroism, valor, and the kind of spirit that helped us, as a country, to defeat the enemy and to achieve victory in two world wars.

I want to assure you that Congress and the American people have not forgotten your great sacrifices in the war. In the past, Congress has passed laws benefiting all veterans. And continually, it is planning legislation to provide the returned veteran with many opportunities for happy living. Today, I'd like to discuss with you some of the opportunities, particularly, for the disabled veteran. Opportunities in education, employment, and in everyday life.

First, let us consider a disabled veteran's chances for an education. The Government provides five different types of schooling. They are: (1) classroom education in schools, colleges, and universities, plus foreign duty; (2) apprentice training, combining actual shop work with classroom work; (3) on-the-job training as distinguished from regular apprentice training; (4) vocational rehabilitation, available only to veterans having a compensable service-connected disability and in need of vocational rehabilitation; (5) institution on-farm training, which combines classroom instruction with practical farming.

These opportunities are afforded each veteran under the GI bill and Public Law 16. In all cases, the Government not only takes care of the tuition, but also provides a subsistence allowance for the veteran. Education is a benefit of which every veteran should avail himself. It's an opportunity of a lifetime.

Secondly, let us look into the employment opportunities for the disabled veteran. As you all know, civil-service positions are now based on a system of veterans' preference. In other words, a system of rights and benefits established by various acts of Congress by which most veterans are given advantage over the general public in obtaining and keeping jobs in the Federal Government. Most veterans' widows, certain widowed mothers of deceased or totally disabled veterans and a few wives of disabled veterans also may benefit under the preference system. Every honorably discharged veteran who served in wartime is entitled to a 5-

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point preference; whereas, a disabled veteran, who served in peace or war and who is honorably discharged, is entitled to a 10-point preference. His disability can range from 1 percent to 100 percent. A Purple Heart veteran is entitled to 10-point preference even if his disability is only 0 percent.

I'd like to add here that veterans are receiving their share of civil-service jobs. There are now more than 900,000 veterans on the Federal pay roll; about two-thirds of whom are World War II veterans. The percentage of Government jobs held by veterans increased from 13 percent in 1944 to approximately 45 percent in 1949. While obviously, there is not a Federal job for every veteran, veterans did receive 55 percent of the permanent appointments made in 1948.

In connection with veterans' preference, I introduced a bill last January, H. R. 547, which provides that the name of a veteran eligible shall not be deemed to have been passed over if another preference eligible is selected from a certification of eligibles by the Civil Service Commission. Very fine hearings were held on this measure last Thursday before the subcommittee, of which I am a member, and executive sessions will take up this issue next week.

Veterans also have many other rights and privileges relating to Government employment. Various types of Government work reserved for them exclusively include patrolman, guard, railway postal clerk, custodian, VA contact representative, and lockman. Nonveterans can be appointed to these positions, only if there are not enough eligible veterans available for appointment. A disabled veteran and other 10-point preference eligibles have the right to reopen most examinations, after they have been closed to the general public. This privilege, applying to a more limited number of examinations, is extended to nondisabled veterans for a period of 120 days following discharge.

Now that we've discussed briefly education and employment opportunities, let's see what other benefits the disabled veteran can enjoy.

One law, due to expire the 30th of June allows amputees of World War II up to $1,600 for a new automobile. I am hopeful that this benefit will be extended for a longer period. As a matter of fact, I introduced H. R. 3641, which would authorize payments by the Administrator of Veterans' Affairs on the purchase of automobiles by certain disabled veterans for another 3 years. In my bill, I also ask that the Government pay the tax on vehicles in addition to the $1,600. Also that this benefit be extended not only to arm and leg amputees but to veterans who lost their eyesight in the war. I understand that many of the veterans who would be eligible for this benefit are still undergoing treatment in hospitals. If this law was extended, as I earnestly hope it will be, it would enable these veterans to benefit by it as soon as they are discharged.

Also, the Government provides for special homes for paraplegics. A veteran of peacetime service or wartime service may qualify for Federal aid to buy a home especially designed for wheel-chair living, if he has a permanent, total, service-connected disability due to a spinal cord disease or injury which results in paralysis of the legs and the lower part of the body. The Government will allow this disabled veteran up to $10,000.

The Committee on Veterans' Affairs has many bills pending that would benefit disabled veterans; some of these are: H. R. 288, to encourage employment of veterans with tensionable or compensable service-connected disabilities through Federal reimbursement to any employer, insurer, or fund, of amounts or workmen's compensation paid on account of disability or death arising out of such employment; H. R. 1574, to grant permanent and total disability ratings to veterans suffering from severe industrial inadaptability as a result of war service; H. R. 3050, a bill to amend Public Law 702, Eightieth Congress, to extend assistance to certain veterans with wartime service-connected blindness in acquiring specially adapted housing which they require by reason of the nature of their service-connected disability; H. R. 4837, to provide electric typewriters for veterans of World War II who, by reason of the loss of an arm, have suffered an impairment in their ability to write. The Veterans' Affairs Committee is now awaiting reports which were requested from the Veterans' Administration on all these measures, which reports must be submitted before further action can be expected.

I can't promise you that all of this legislation will be heard and brought to the floor for action during this session of Congress, but I will urge you to write to your Congressman and your Senators to try to expedite action on any bill that is of particular interest to you. For my part, I'd like to offer my cooperation in introducing any legislation beneficial to you. I feel that we owe the disabled veterans a great debt of gratitude which we can never repay by material means. I also do feel that if we, as a country, can afford to spend billions of dollars in building up foreign countries wrecked by the war, then, by the same token, we can afford to spend a few million dollars to make life more comfortable for our boys who fought so bravely to win the war. Their sacrifices preserved for us our democracy. I, for one, cannot lend a deaf ear to your voice now.

As for your organization, the Disabled American Veterans, I have only the highest respect and esteem. It has consistently, over the years, concerned itself only with the purpose for which it was chartered by the Congress of the United States, the aid and assistance of the wars' disabled, their widows and orphans.

Here in Connecticut you have on numerous occasions brought to my attention, and that of other legislators, various inequities that exist with reference to the wars' disabled, their widows and orphans and I have consistenly endeavored to aid and assist in correcting them whenever possible. This I shall continue to do.

I congratulate you on your selection of auxiliary and department officers and I wish them a most successful and harmonious administration.

Reorganization Plan

EXTENSION OF REMARKS

OF

HON. HUBERT B. SCUDDER

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 28, 1949

Mr. SCUDDER. Mr. Speaker, under the leave to extend my remarks in the RECORD, I include the following article published in the New York Times of July 26, 1949:

FEDERAL AGENCY MOVE OPPOSED—REORGANIZATION PLAN CRITICIZED AS NOT IN INTEREST OF PUBLIC HEALTH

To the EDITOR OF THE NEW YORK TIMES:

Government by default has never been the American way. Yet unless the people of the United States, through their elected representatives in Congress, assert themselves quickly on a vital matter of public health, they may be saddled with an undesirable change in he executive branch of our Government.

There is before Congress at present a request from the President that the Federal Security Agency be given full Cabinet status as a Department of Welfare. The present Federal Security Administrator would become acting Secretary of Welfare until the President appointed a Secretary of Welfare.

This request has been referred to the Committee on Expenditures in the form of Reorganization Plan No. 1 under the recently enacted reorganization law. It will automatically go into effect unless the House of Representatives or the Senate by affirmative action of a majority rejects it before August 19. No modification or amendment of the request is possible under law; it must be accepted as drafted or wholly rejected.

I believe the public is entitled to know the implications of this little publicized request.

HEALTH AGENCY ADVOCATED

Since 1884 the American Medical Association has advocated the creation of a Federal Department of Health with a Secretary who is a physician. It has always believed that the health of the American people is sufficiently vital to justify an independent executive department. Point No. 1 of the 12-point program for the advancement of public health adopted last February by the American Medical Association recommended the establishment of such a department.

We have always been opposed, however, to having health activities of the Government combined with other governmental affairs, because we believe such activities can best be administered by a physician occupying high Government office dealing exclusively with health. It WAS the recommendation of the Hoover Commission that such a policy be adopted.

We believe that this reorganization plan would nullify the very purpose of the Reorganization Act of 1949.

This plan does not follow the Hoover Commission's recommendation. It states correctly that the Commission "recommended the creation of a department to administer the social security and education functions of the Federal Government." By giving the proposed Department of Welfare all the functions and duties of the present Federal Security Agency it is, however, going far beyond the Commission's recommendation.

CHECK TO PROGRESS

There is real danger in combining health activities with other important activities in an executive department. We believe that a physician is better equipped to deal with a health emergency, for example, than a layman who is not solely concerned with problems of health. In a mixed department there is also the danger that public health would be subservient to other departmental interests and, finally, it would probably long postpone establishment of an independent health department which we believe would be of inestimable advantage to the health of the American people.

The American Medical Association is strongly of the opinion that a Department of Health with a Cabinet officer who is a physician at its head, is warranted. It recognizes, however, that such a department might not be feasible at the present time. Therefore, it believes it would be preferable to group-health activities in an independent bureau instead of bringing them within the jurisdiction of an executive department that is not primarily concerned with health.

Since, by law, amendment or modification of the current reorganization plan is not possible, the only alternative is rejection of Reorganization Plan No. 1.

Surely our people are entitled to full information on the meaning of so important

a proposal before it is adopted. Surely Congress, recognizing this right of the people to know, will not permit enactment by default.

GEORGE F. LULL, M. D.,
Secretary and General Manager
American Medical Association.
CHICAGO, *July 20, 1949.*

Letter of Prof. Albert B. Newman

EXTENSION OF REMARKS
OF
HON. KATHARINE ST. GEORGE
OF NEW YORK
IN THE HOUSE OF REPRESENTATIVES
Thursday, July 28, 1949

Mrs. ST. GEORGE. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following letter:

JULY 5, 1949.

Mr. FREDERICK J. LIBBY,
Executive Secretary, National
Council for Prevention of War,
Washington, D. C.

DEAR MR. LIBBY: Only within the past few days I have seen for the first time part of the Washington Agreement of April 13, 1949, dealing with prohibited and restricted industries. I am amazed to learn that the so-called Fischer-Tropsch process has been prohibited in Germany by agreement of the United States, Great Britain, and France, and that the western zone plants are to be removed from Germany or destroyed as soon as possible.

I can conclude only that the American authorities who consented to this provision must have been misinformed as to the nature of the process. At a time when American policy is supposed to favor peacetime economic activity in Germany for the purpose of establishing that country as a self-supporting democratic unit and to relieve the American taxpayer of underwriting the German deficit, it is not possible for me to see any justification in destroying the existing Fischer-Tropsch plants which are now partly in operation and which could probably produce about $80,000,000 worth of peacetime products annually, and probably double that value of refined products when the necessary industrial research gets well under way. These eighty to one hundred and sixty million dollars worth of values would otherwise have to be imported into Germany largely at the expense of American taxpayers.

Somewhere along the line these plants were called "war plants," presumably because they made some contribution to Germany's war supply of gasoline. It should have been noted, however, that all synthetic fuels constituted only 29 percent of Germany's requirements at the peak of the war and that only about 6 percent of the 29 percent came from the Fischer-Tropsch process. The balance was made from coal by the Bergius hydrogenation process. It should have been also noted that there was no wartime expansion of Fischer-Tropsch facilities, as they were not considered important in the synthetic-fuel picture on account of the fact that it was more feasible to expand Bergius capacity.

To understand the economic role of the Fischer-Tropsch process in Germany, it is necessary to give a brief description of the process. In the process itself a gaseous mixture of hydrogen and carbon monoxide is processed through a bed of catalytic material. The main operating variables are the ratio of hydrogen to carbon monoxide in the synthesis gas, the nature of the catalyst, the temperature, and the pressure. By controlling the variables, the process can be made to produce mainly gasoline or mainly a mixture of oils and waxes which can be converted by known chemical industrial processes into detergents, plastics, solvents, plasticizers, and many other commercial products. In Germany, the economics of the situation make it more profitable to operate the process in such a way as to produce a minimum of gasoline and a maximum of the materials which form a basis for a very substantial peacetime chemical industry.

The hydrogen and carbon monoxide mixture is normally made from coke and steam, and the coke used can be of low grade, unsuitable for metallurgical purposes.

The Fischer-Tropsch process, modified to a large-scale operation by American engineers, is being developed in the United States. The only interest here is apparently to use the process for synthetic fuel. The economics of chemical industry raw materials in the United States does not make Fischer-Tropsch operation for this purpose feasible at this time. The enormous steel production in this country as compared with Germany means a correspondingly greater production of coke and the byproducts of the coke production furnish correspondingly great quantities of raw materials for American chemical industry. The Fischer-Tropsch plants are owned by the coal-mining industry of Germany, one of the reasons being the opportunity for profitable disposal of the lower grades of coal and coke.

The question naturally arises why the Humphrey committee did not recommend the preservation of this industry. As far as I can gather, the instructions to the Humphrey committee restricted its study to a comparatively small group of the industrial plants remaining in Germany. Among other groups of plants, they were not instructed to investigate the so-called "prohibited industries," and I believe that they did not study the Fischer-Tropsch plants.

As you know, I was chief of the chemical-industry section of the American Military Government in Germany for the first year of the occupation. By an arbitrary division of functions to which I was not a party, synthetic fuels were not under the chemical-industry section, but were made a petroleum section. I had my hands full trying to work out with the Russians, British, and French some kind of orderly approach to the very complicated chemical industry for which we were responsible. I had no special knowledge of Fischer-Tropsch, but assumed that it was almost entirely a synthetic fuel project. If at that time I had known what I know now, I certainly would have had that process transferred to the chemical-industry branch. Unfortunately, Fischer-Tropsch installations were all in the British and Soviet zones, and, therefore, the matter did not come to my attention. I feel sure that this entire matter would have had a very different outcome if one or more of the plants had been in the American zone.

When I left Berlin the chief of the petroleum section was a man whose background for the job was filling-station experience in the United States. If the advisers at the Washington conference were men with those qualifications, it is not difficult to understand why the chemical-industry aspects of Fischer-Tropsch were not understood.

The recent phrase "a vested interest in error" is appropriate to this situation, and it appears that Members of the Congress, who were not parties to this series of errors, are the only ones who can call a halt to this needless destruction of productive property. I shall be glad to have you use this letter in any way you think best.

There is no doubt in my mind that the British and French authorities are aware of the implications of Fischer-Tropsch destruction in Germany, and it is possible that the pressure they exerted was due to agreement between the two great chemical companies, British and French, to eliminate a peacetime competitor in an important chemical development. This elimination of competition by force is contrary to American ideals and should be repugnant to every American.

Sincerely yours,

ALBERT B. NEWMAN,
Professor of Chemical Engineering,
College of the City of New York,
and Past President of the American Institute of Chemical Engineers.

The Pulp and Paper Industry in the United States

EXTENSION OF REMARKS
OF
HON. RUSSELL V. MACK
OF WASHINGTON
IN THE HOUSE OF REPRESENTATIVES
Wednesday, July 27, 1949

Mr. MACK of Washington. Mr. Speaker, during the first year of ECA the ECA nations of Europe are reported to have purchased pulp and paper valued at $59,700,000.

Of this total only $10,229,000 was spent with the United States pulp and paper mills. Canadian mills, I understand, received orders for most of the remaining 75 percent of this pulp and paper.

Furthermore, Canadian mills received their orders at a time when the pulp and paper industry of Canada was operating at full capacity, while similar pulp and paper plants in the United States were operating at only 80 percent of capacity and that lower rate of operations still was continuing to decline.

WORKERS LOSE EMPLOYMENT

As a result of this favoring of Canadian pulp and paper producers over those of the United States, many workers in United States pulp and paper plants have lost their employment and many others, who are still employed, are working on curtailed working schedules which have materially reduced their take-home wages.

To produce one ton of pulp requires 22.8 man-hours or 2.85 man-days of work by those employed in the industry. When one considers that approximately three people are supported by each pulp company employee, one finds that approximately 8.55 persons are entirely supported for 1 day by each ton of pulp that is manufactured. Furthermore, many suppliers of materials and services also are dependent on the operators and employees of the pulp and paper mills for their livelihood.

When one considers that thousands of tons of pulp are being purchased in Canada by the ECA nations that could be bought just as well as not in the United States, the unemployment created by this discrimination against the United States pulp and paper industry adds enormously to the number of the American unemployed.

Not only are these thousands of American pulp and paper workers thrown into unemployment but we, the American people, who supply by our taxes the money to European nations to buy this pulp and paper, must then pay additional taxes to provide unemployment benefits

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to those American workers who have been made idle by this discrimination by the ECA nations against the American pulp and paper industry and their favoritism to the Canadian producers.

ECA was not instituted to aid Canada, which the record will show has an abundant supply of American dollars.

MANY TOWNS HARD HIT

The American pulp and paper industry, dependent as it is on a bulky raw material drawn from the forest, has as a matter of sound economy established most of its plants in small cities of 5,000 to 20,000 population.

A single large pulp and paper mill in a small city of such population is usually the only industry in the city. When that industry closes down, the whole community suffers.

It is important to the American economy that these plants be kept operating.

If such plants do not operate the Federal Government loses the corporate taxes that the owners of such plants, if operating, would pay.

If these plants do not operate the personal income earned by the workers in such plants declines and the Federal Government loses personal income taxes it otherwise would collect.

Also, the Federal Government will be called upon to pay out large sums in relief or in unemployment taxes while the Canadians, who get the business we should have, prosper. The Canadians already, due to their increased prosperity because of ECA, removed all excise taxes on railroad fares, telephone and telegraph charges, jewelry, cosmetics, and furs, while our President has urged a $4,000,000,000 increase in taxes on the American people.

In my own district there are pulp and paper mills at Hoquiam, Shelton, Longview, Vancouver and Camas which normally give steady employment to thousands of workers. Already these workers have suffered, some by losing their jobs entirely due to close-downs and others by having their incomes reduced due to curtailed operations of the mills. Others will be adversely affected if present ECA practices continue.

They want to support the Government in every way possible, but they cannot support it financially as much as they would like to if ECA nations are permitted to place most of their orders for materials with Canadian industries that do not need American dollars and while our American workers do need jobs.

A Friendly Comment on the President's Speech

EXTENSION OF REMARKS

OF

HON. HARRIS ELLSWORTH

OF OREGON

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 28, 1949

Mr. ELLSWORTH. Mr. Speaker, under leave to extend my remarks in the RECORD, I include an editorial column written by Mr. Frank Jenkins, publisher of the Herald and News at Klamath Falls, Oreg. The daily column written by Mr. Jenkins appears also in the Medford (Oreg.) Mail-Tribune and in the Roseburg (Oreg.) News-Review. All three newspapers printed the following editorial which, I believe, is worth careful reading:

(By Frank Jenkins)

President Truman, in his fireside chat, laid the blame for everything that may be wrong with us on the Republican Eightieth Congress. These wicked highbinders, he tells us, cut taxes. They refused to give him spurs and a Spanish bit with which to ride the inflation broncho.

Then he adds:

"Now these same selfish interests are urging us to commit a third great blunder. They are urging drastic cuts in Government spending—cuts which would fall hardest on those expenditures which are most important to our domestic economy."

I understand the President's position, of course. Last fall, when it seemed that he didn't have a chance, he pulled his belt a couple of holes tighter and went out and, in his own words, "gave 'em hell."

It worked. People love to see hides hung on the fence (except, of course, those whose hides are being hung). President Truman is a workmanlike hide-hanger. He has the knack for it.

He has been having some trouble with his own Eighty-first Congress and so it seems quite reasonable that he should revert now to the strategy that worked as well last autumn. No one can hold that against him.

But, in all seriousness and with complete good will, I should like to offer this comment as an individual:

Mr. President, I think you're wrong in your views on spending. I'm a businessman. Like most businessmen, I've been in bad business trouble more than once. Always it has been because I had spent too much in relation to what I was taking in.

I've tried your way of getting out. I've said to myself, that the way to make money is to spend money—recklessly, if need be. It never worked. It just got me deeper into the hole. I know it sounds good, but it just doesn't seem to work.

The only way I've ever been able to pull myself out of a business situation that was beginning to go sour has been to tighten up on my spending, to see to it that each dollar goes further than it has been going in the past; in a word, to spend less than I'm taking in.

That way works. The other way—the spend it with both hands in an effort to play even way—just doesn't seem to work. I think most American businessmen have had the same experience. I think, in your insistence on spending and your somewhat biting references to the penny pinchers who want to spend less, you're off on the wrong foot.

I hope, Mr. President, that you won't take amiss what I'm saying. I like you. I'm fond of you. We owe it to those we like to speak plainly in an effort to help them. Plain speaking nearly always does more good than lally-gagging.

You were a businessman yourself in your younger days before you got into politics. If I'm not mistaken, you got into bad business trouble, like a lot of the rest of us. You went broke, as I recall it.

I think, Mr. President, that if you had had the right kind of advice, and had taken it—if some tough old bird who had been through the mill had convinced you in time that the thing to do was to cut down your spending until it was less than your income—you might have escaped the harrowing experience of going bankrupt.

Again, please, don't get me wrong, Mr. President. There is nothing discreditable about going broke as an individual—especially when, as I understand you did, you pay up all your honest debts so that no one else suffers by your lack of business acumen. Many a good man has gone broke and has come back better than ever.

But here is something I feel I must say to you, and I think you will agree that I am right:

The difference between running an individual, private business into bankruptcy and running a nation of 150,000,000 people into bankruptcy is as wide as the distance between our earth and the farthest tiny twinkling star in the solar system—and that distance has to be measured in millions of light-years.

An individual who goes broke can come back. The nation that goes broke never comes back. Greece and Rome point that moral for us. The sorrow, the suffering, the grinding poverty that ensue when nations go broke are beyond description.

I don't think you want to be responsible for anything like that, Mr. President. But when you talk of spending more than we take in in a time like this when our debt is already physically greater than any nation's debt ever was before, you're steering our boat into a rapid at whose lower end lies a destroying cataract.

I hope you'll pardon me, but I just couldn't help saying this to you as a friend.

Paternalism in Government

EXTENSION OF REMARKS

OF

HON. JAMES C. AUCHINCLOSS

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 28, 1949

Mr. AUCHINCLOSS. Mr. Speaker, under authority granted me by the House, I am very glad to have printed in the RECORD an address made by Mortimer E. Sprague, president of the New York Board of Trade, before the Fort Worth Chamber of Commerce, Fort Worth, Tex., on May 18, 1949. Mr. Sprague is also vice president of the Home Insurance Co. of New York City, he being only another example of a citizen of Texas who has been given a position of responsibility in the industrial East.

Mr. Sprague clearly sets forth the objections to paternalism in Government and deplores in his remarks our trend toward socialism. It is very appropriate that this warning comes from a Texan, because the people of Texas are a free people who enjoy the development of their own lives and their own businesses along the lines of the American system. It has been my observation that the people of Texas have big minds and generous hearts, and are always in favor of Americans standing on their own feet and working out their destiny without paternalistic interference of a centralized Federal Government.

I hope my colleagues will read this excellent address by an excellent citizen.

The address follows:

It is with a deep and sincere feeling of appreciation that I am here today in response to your invitation to address this distinguished body. Although I am supposed to do so in the capacity of President of the New York Board of Trade, I would rather think

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of it as one fellow Texan talking with another. We should have no difficulty these days in finding a subject in which all Americans should have an undivided interest.

Perhaps it would be appropriate to open my remarks with a quotation of a great American: "How little do my countrymen know what precious blessings they are in possession of which no other people on earth enjoy."

This reflection and timely warning might have come recently from one of our representatives at the halls of the United Nations. They might have been an expression of a so-called reactionary observing the wheels going around in Washington where a new and changing philosophy of American Government seems to be emerging. They may have been the soulful words of someone attached to Judge Medina's Federal Court in New York City where 11 top Communists have been on trial since January 17, charged with the indictment of seeking to overthrow the Government of the United States by force and violence.

This lament, however, does not spring from any of these. This regret that some of our countrymen do not appreciate their precious blessings, which no other people on earth enjoy, was expressed by none other than Thomas Jefferson. It is from the inspiration of his words that I have chosen my theme of today—"Paternalistic Government."

We have heard, on many occasions in the past few months, that commerce and industry are faced with another struggle with socialistic forces—that business will be conducted in an unfriendly or even antagonistic climate—that an internal cold war is inevitable. That there is some basis for this belief is undoubtedly true.

We should have matriculated in the schools of international politics and policies through our experience in the past decade or so. Certainly, we should have become more astute in economics as well. Our observation of state socialism in other countries, as well as our own exposure to some modified measures prior to and during the late war, should cause us to look to the future with a careful eye. Unwittingly, perhaps, but nonetheless true, we have paid little attenion to the advance of special group interests in the control and administration of our Government policies.

The danger today lies in the general inertia and passive attitude on the part of the great mass of people, particularly the businessman, which allow these special groups to assume the voice of the great majority as they make up in intensity of effort that which they lack in sound backing.

We have been alerted to the more obvious attacks on our ideals and standards in government, education, and general way of life, but we seem to have a blind side when presented with evidence of the more insidious attacks upon our economic system. Perhaps it is a willful blindness for usually such attempts are cloaked in plans which hold out the promise or gain for a particular group or class. Perhaps it is the unthinking acceptance of the belief that we may accept parts, but not the entire scheme of state socialism. It is a common experience of all of us to hear someone damn the absolute state with fervor and, in the next breath, to endorse some phase of economic control at complete variance with his basic tenets. Can he be totally blind to fail to see the connection between Government control of industry and the eventual and corollary control of the freedoms in the Bill of Rights?

I need not come to an audience in Texas and warn them of the potential dangers of this problem, nor to ask that we in America gird and defend ourselves against this aggression to our American way of life and free enterprise. However, I do not feel that it would be amiss if you and I should take counsel between ourselves.

We businessmen in New York, you businessmen down here in Texas, the men on the west coast, the Great Lakes—yes, from one end of the country to another—should ask ourselves seriously if we may not be yielding, and by this yielding, destroying some of the basic foundations of America by permitting the growth of paternalism in our midst. Not all of our future is dependent on that which takes place east of the Oder River. We should give even more consideration to the socialistic philosophies in Washington, which already have been diagnosed as malignant to our freedom.

Please let me make it emphatically clear that nothing I say here today is intended to have the least partisan political tinge. I am not so much concerned with which party is elected as I am with the socialistic philosophies of the individuals who are put into public office. I want to be sure, and I hope that you will want to assure yourselves, that the quality of public service which is being rendered is consistent with those concepts of government which we term American and that they are not changing us or ultimately destroying us.

As a fellow Texan, I believe that we have even a greater feeling for free enterprise, the Constitution and the Bill of Rights. We all share in the pride of the accomplishments of the Lone Star State. We are proud of the history of Texas, for through the years the indomitable spirit, the courage, and the faith of Texans have molded and built a tremendous empire. Here, men took risks, ventured capital, and in the main, prospered under a system of free enterprise. The culture of this State has benefited materially with the growth of wealth in the State. Churches, hospitals, museums, and educational institutions have all received part of the award. Texas University at Austin has a private endowment of $88,000,000; Rice Institute $30,000,000; Texas Christian, Baylor, and Southern Methodist all have sizable endowments.

I did not come here today to eulogize my native State and boast of your accomplishments (for that I like to do in New York), but rather to say that thoughtful businessmen all over the country are becoming more and more gravely concerned by this insidious growth of paternalism in government.

We took our first faltering step on the road to paternalism when the WPA went into operation, giving to those out of work opportunities for employment and frequent occasions to lean on shovel handles. Relief was handed out by the Federal Government. Through the whole history of America, up until those occurrences, the American people were imbued by the sound philosophy that the people supported a government. This was the beginning of the theory and practice that government could, should, and would support citizens.

This individual dependence on government was like a shot in the arm. Expressed in the vernacular, it was taking social and political dope. It was, therefore, much easier as we took succeeding doses of these same opiates, more insidious than the most vicious habit-forming drugs.

Voters quickly learned the power of organization and politicians quickly learned the art of counting the votes of the "gimmies."

We, in New York, witnessed hundreds of spectacles of demonstrations by the unemployed. Our city hall was picketed on dozens of occasions, as were the offices of the Relief Administration. "Something for nothing and let the other fellow pay" became the rallying cry of those who would go to the polls and vote for the candidates who pledged the greatest return.

The past 20 years has seen in America a radical departure from our original concepts of the functions of government. We seem to have departed from a desire to elect to public office the most capable statesmen, the wisest administrators and, generally speaking, we are electing those who make the greatest number of promises to the greatest number of people.

It seemed to be the aim and purpose of both parties last November to attract the greatest number of labor votes because of their pledges of what they would do or refrain from doing which organized labor demanded.

Appeals were made to agriculture that somehow or other farm prices would be maintained arbitrarily "come hell or high-water" to the rest of our economy. Appeals were made to race prejudice—appeals were made by both parties for the votes of those who had strong nationalistic leanings.

So this virulent opiate which we started to employ in the early 1930's has become such a fixed habit on our people that we have yielded our responsibilities to government in the vain hope that government, in some form or other, will be responsible for its citizens beyond the objectives of protecting life, securing liberty and affording the opportunities for happiness.

If we are honest in our thinking and if we are fair to ourselves and to our country, we must conclude that all authoritative and, therefore, paternalistic government is not located within he boundaries of some foreign state. We must conclude that its roots are going deeper into the soil of free America.

Is it not time that our individual States concern themselves with this growth of paternalism in our Federal Government, for sooner or later we must gird ourselves to resist the Federal Government usurping the rights, inherently and constitutionally, reserved for the States alone?

With this as a background, let us briefly examine a few of the main problems before our Congress today.

We should be encouraged by the recent failure of the Administration to pass its labor law and by the very welcome support that the Wood labor law received in Congress. However, we should not be lulled into a false sense of assurance.

Gentlemen, we Americans must ask ourselves, in all fairness, if the America conceived here in liberty and justice should be changed to an America yielding to the demands of certain self-appointed and politically anointed labor leaders. Do we want a law which is fair and just and equitable to employer, employee, and to the public—or do we want a law which will give all the advantages to organized labor which will tie the hands of employers behind their backs? Do we want a law which will countenance violence? Do we want a law which will permit Communists and other subversive leaders to dictate labor policies in this country?

Please believe that the purpose of this address is not a defense of the Taft-Hartley law, nor a condemnation of the old Wagner law. What I mean to convey is that the concept of America has been one of equality, justice, and freedom—and I do not want to see those attributes of government, our American Government, surrendered because of political expediency.

We, in this country, used to make a rather sharp distinction between the field of politics and the field of economics. We believed that politics was a science of living together under an organized state and that economics was the production, distribution, and exchange of goods serving that society.

Today, we are confusing politics and economics. We are now flirting with the idea that because we have elected an officeholder who has promised to be all things to all people, we should now turn over to him the complete destinies of this American enterprise system.

I have just recently had the occasion to study very carefully a bill currently before

the Congress of the United States, identified as H. R. 2756. Here is a bill designed to place in the hands of the President unprecedented and sweeping powers of control over practically every line of business in the United States.

This bill would enable the President to say that which was going to be produced and, in a large measure, how it should be produced. It would empower the President to lend your money and mine, meaning from the Treasury, up to an amount of 75 percent to any person or any company to engage in business and give the President power to cancel not only interest, but principal of that loan. It would not only determine the items which would be made and who could make them, but it would say who could buy them and the President could set the price.

The President may obtain such information from, require such reports and the keeping of such records by, make such inspection of the books, records, and other writings, premises or property of any person and make investigation and conduct such hearings as may be necessary or appropriate, in his discretion, to the enforcement and administration of the provisions of this legislation.

Sixty days' notice must be given of intention to raise prices and the President may require any seller who has filed such a notice to appear at a public hearing with respect to the justification for such price increase.

Whenever in the judgment of the President the conditions set forth in section 402 for the establishment of maximum prices for a commodity have been satisfied, the President may, by regulation or order, establish such maximum price for the commodity as, in his judgment, will be generally fair and equitable and will aid in effectuating the purpose of this act.

The adjustment of wages and salaries—through collective bargaining to reflect increases in productivity, to protect and improve standards of living, and to afford an equitable distribution between wages and profits—is stated to be in accord with the policy of the United States.

This bill would empower the President to determine wages, and the bill states specifically that an increase in wages would not mean increased production costs, except under certain conditions.

Gentlemen, this is paternalism in a dangerous degree. It is frightening to one who conceived of an America founded on a few clear, simple concepts of government.

We, in the New York Board of Trade, at our last directors' meeting early this month, passed the following resolution with respect to this proposed legislation:

"*Be it resolved*, That the New York Board of Trade, Inc., is opposed to the enactment of H. R. 2756 introduced by Congressman Spence, which is entitled 'A bill to implement the established national policy of promoting maximum employment, production, and purchasing power, and for other purposes.'

"This bill proposes to vest in the President of the United States the power to delegate all and any authority to various departments, the power to make rules and regulations with respect to complete control over promotion, production, and supply of industry and agriculture, and the power to regulate prices and wages, all of which in peacetime is contrary to our form of Government and is socialistic in substance. The vesting of such extraordinary power in the Federal Government will retard and inevitably revolutionize the economy of the United States and change the relationship of the Government to a form detrimental to America.

"The result and effect of such control in peacetime over American economy would be the creation of a paternalistic state. During wartime the people gladly submit to all authority and controls necessary in the emergency. But no continuing emergency exists in this peacetime justifying this legislation and it should not be enacted."

The administration is also insisting upon the passage of another bill, known as the public health bill, which will cost billions of dollars. You have been reading about it in papers and magazines because the floodgates of Government propaganda have been opened.

We have read a lot about the operation of socialized medicine in England. I often wonder if the economy of England could long withstand the impact of this and other social measures without the continuing financial aid of the United States. Last year, our Government advanced to Great Britain $1,263,000,000. Significantly, our Government's tax collection for the State of Texas last year was $1,285,123,000. In other words, all except twenty-two-million-odd dollars of the enormous Federal tax income from Texas was used under the Marshall plan for Great Britain.

In no place in the world have hospitals and charitable institutions grown to the extent which they have here in this country under our private American enterprise system where they have been supported by public benefactors and have been the logical fruits of our American economic system. Should we now yield that system for one born of a philosophy of despair?

General of the Army Dwight D. Eisenhower, in a recent speech at Columbia University, made this significant prediction, "If we are ready to accept the paternal atitude of government, if we allow this constant drift toward centralized and bureaucratic government to continue, there will be a swarming of bureaucrats all over the land." He warned that finally a dictatorship would be necessary to manage the bureaucracy adding, "This is what we must guard against."

Dr. Edwin G. Nourse, the Chairman of the President's Council of Economic Advisers, said recently in a Chicago speech that he did not believe that a group of bureaucrats in Washington could replace the functions of the free enterprise system. "What the country needs is a new set of workable price and income relations which can be accomplished only by the managerial skill and ingenuity, by the courage and the moderation, of many men in the myriad operational posts of America's gigantic business system." And he adds that, in his opinion, it is through "the tirelessly wagging jawbone of publicly debated legislation and privately but collectively negotiated wage bargains, or radio commercials and voluble salesmen that we find out how to fit production and supply to demand and consumption, that we raise standards of living and believe that we can maintain maximum employment, production and purchasing power on the basis of free competitive enterprise enjoined in the Employment Act of 1946."

Indecision and a sense of futility must be overcome if we are to be successful in combating this menace of governmental paternalism and return to democracy in economics which we call the private-enterprise system.

There must come a time when each faction in our country will cease to believe that its future lies only in the continuation of its vested interests. Never in the Nation's history has there been presented a more latent opportunity to merge the forces of American labor and business with an enlightened government in moving ahead toward the goal of a greater America for all Americans. Business has its responsibility to do its share in this unified effort. We should move toward that goal with a feeling of confidence and enthusiasm.

The Living Theater a Forceful Argument for American Democracy in Germany

EXTENSION OF REMARKS

OF

HON. JACOB K. JAVITS

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, July 26, 1949

Mr. JAVITS. Mr. Speaker, the need for country-wide theater is eloquently testified to by the appended letter from a high military source. It was written on the occasion of the ANTA performance of Hamlet on June 6, 1949, at the Wiesbaden Opera House in Germany for American forces stationed there. Coming from a completely unbiased source, it strongly supports the reason for my efforts and those of Senator IVES, of New York, and Senator THOMAS of Utah to bring theater to the people of the United States and our sponsoring of the national theater bill, House Joint Resolution 104 and Senate Joint Resolution 40.

HEADQUARTERS, UNITED STATES
AIR FORCE IN EUROPE,
OFFICE OF THE COMMANDING GENERAL,
APO 633, July 15, 1949.

MR. BLEVINS DAVIS,
American National Theater,
New York, N. Y.

DEAR MR. DAVIS: Many people tend to underestimate the receptivity of our American troops to the very finest and highest entertainment. It was a matter of great pride to me to observe the keen enthusiasm our men exhibited during and after the presentation of your production of Hamlet at the Wiesbaden Opera House on June 6. You could have heard a pin drop during the quiet moments, and the ovation at the final curtain was proof of their thorough enjoyment.

The soldier, sailor, and airman audience is an uninhibited audience. If they are not pleased, if they detect a false note or become bored, the rest of the audience and the actors know it immediately. I am very conscious, therefore, of the danger you faced in presenting not only a classic but a great tragedy. I realize that you and your director and designer could very easily have used the traditional approach. That you presented the production with certain innovations to make it continually exciting, yet kept the full integrity of this immortal tragedy was both astute and in keeping with the highest artistic standards.

How well you and your company have succeeded is demonstrated not only by the tremendous enthusiasm of the audience and the packed houses, but also by the great number of highly favorable reports which have come to my ears. I have heard armed forces personnel stationed here for some time say that your production was the finest entertainment they have had to date.

That other productions of high caliber, if presented with the acumen used in preparing Hamlet, are needed and wanted, there is not a shadow of a doubt. Over and above the reception from troops, and very important indeed is the effect on the German civil population. The Germans begin to understand that America is not devoted solely to better plumbing and more chewing gum, but that it also has artistic vitality and creativeness. We Americans have been all too reticent about our own cultural accomplishments, bowing before those of the European Continent.

The Hamlet production was a great triumph for you and Mr. Breen and everyone of the other artists involved. We hope that you will find ways to bring us many more such productions.

Sincerely,

JOHN K. CANNON,
Lieutenant General, USAFE, Commanding.

Military Aid Program

EXTENSION OF REMARKS
OF
HON. HUGH J. ADDONIZIO
OF NEW JERSEY
IN THE HOUSE OF REPRESENTATIVES
Thursday, July 28, 1949

Mr. ADDONIZIO. Mr. Speaker, with hearings on the military-aid program scheduled to commence tomorrow before the House Foreign Affairs Committee, I think it is timely to call the attention of the members to the editorial on the subject which appeared in the Newark News of July 26. The editorial, which is inserted below, summarizes the President's arguments for the program and recommends its adoption:

MILITARY-AID PROGRAM

President Truman makes a convincing case for the appropriation of $1,450,000,000 for various kinds of military aid to nations vital to American security. Here, summarized, are his arguments:

Economic recovery requires a peaceful environment. The creation of such an environment has been prevented by Russia, whose policies have caused many nations to fear another war and the loss of their freedom. To overcome this fear, they need military force to defend themselves. The nations of western Europe are spending for defense all they can afford. This is not enough. The deficit must be met by the United States, in the form of dollar aid to increase their own military production, of the transfer of certain essential items of equipment and in the services of production and training experts.

The President contemplates no indiscriminate distribution. In his message to Congress he lays down important limitations on American aid. It must go only to those in greatest need. It must be carefully allocated. It must not be wasted. It must be initiated promptly. Unless we act without delay, we may lose the momentum already gained toward recovery and political stability, especially in western Europe.

In approving the Atlantic defense pact, we accepted the thesis that we have a community of interest with other nations struggling to defend western political and economic ideals, to retain the right to live as they choose without interference or intimidation. With or without the treaty, as we have learned from experience, we cannot long remain aloof while an aggressor sets in motion forces which threaten our own freedom and independence.

In two world wars we delayed too long in going to the aid of our friends. Lend-lease and the destroyer deal with Britain came late. Premier Reynaud's 1940 plea for clouds of airplanes was met, but not until years after it was made, and then at terrible cost.

The history of the last three decades sustains President Truman when he says:

"It must be made clear that the United States has no intention in the event of aggression of allowing the peoples of western Europe to be overrun before its own power can be brought to bear. The program of military assistance now proposed is a tangible assurance of our purpose in this regard."

There may be room for honest differences about the bill which spells out the terms of the military-aid program. Congress properly may ask for more assurance against waste. The amounts and kinds of equipment that are to be transferred may require discussion. But on the message itself, on the President's basic premises, there can be no intelligent dissent. Not, certainly, without contradicting the whole course of our foreign policy since the end of the war. Not without retreating to that isolationism which we have learned is mere self-deception.

Farmers Have a City Stake

EXTENSION OF REMARKS
OF
HON. SIDNEY R. YATES
OF ILLINOIS
IN THE HOUSE OF REPRESENTATIVES
Thursday, July 28, 1949

Mr. YATES. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following editorial from California Grange News for June 20, 1949:

FARMERS HAVE A CITY STAKE

Facts brought out in a study of urban consumer's spending habits are of great import to farmers. It is to the urban dwellers in our centers of population, themselves nonproducers of food and fiber, the farmer must look for his prime market. A fully employed, well-paid urban population means a greater effective demand for farm products at good prices. But even full employment and fair income for this great bulk of consumers of farm products can mean a diminishing market for food at fair prices if too great a demand is made on them for other necessities of life. Food, clothing, and shelter remain, and always will be, the prime essentials of living, with food first named because everyone must eat. Clothing is second and that item, also, is prime with the farmer because he produces the fiber from which clothing is made. The third item, shelter, seems more remote from the farmers' interest. In the complex problems surrounding that human necessity, shelter, the entire modern industrial and commercial structure is enwrapped and interwoven. In fact, so complex has become the problem of shelter, the so-called housing situation has held the center of the stage in the public mind for the past 3 or 4 years, ever since World War II brought about unprecedented congestion of population with attendant housing shortages. But when the cost of shelter, for any reason, soars out of proportion to the costs of the other two prime essentials of living, food and clothing, an economic unbalance quickly upsets the family budget. Hence, when city landlords clamor for an end of rent-control laws so that they can demand a lion's share of the average family income for shelter, the farmer, producer of food and clothing fiber, has a vital stake at issue. The current rent-decontrol hearings now being held to determine how much of the city family's budget the landlords are to be allowed to demand, and get, are or should be of almost equal interest to the farmer as they are to the tenant. Stated cold-bloodedly, it is just plain good business for the farmer to help see to it that his city customers are not gouged out of too large a share of their buying power for any one of the three basic living essentials. Food comes first.

Arcadia Means Contentment

EXTENSION OF REMARKS
OF
HON. CECIL M. HARDEN
OF INDIANA
IN THE HOUSE OF REPRESENTATIVES
Thursday, July 28, 1949

Mrs. HARDEN. Mr. Speaker, under permission to extend my remarks in the RECORD, I wish to include the following editorial which recently appeared in the Indianapolis Star, Indianapolis, Ind.:

ARCADIA MEANS CONTENTMENT

The year 1849 was notable for two events, the discovery of gold in California and the founding of Arcadia in Hamilton County, Ind. A hundred years later there is no question as to which cast the greater shadow on history. Neither is there any doubt in the minds of Hoosiers who know the prosperous up-State farming community as to which assays highest in unalloyed blessings conferred on pioneers and their descendants.

Arcadia today is typical of the small towns which have been the backbone of the Nation in a century of progress, shaping its character and nurturing its genius. The values it gave do not rise and fall in the market places. They are the root of all that is lasting in this land of the free.

Like Fortville, Peru, Fairmount, and other adornments of the Hoosier scene which are 100 years old in 1949, Arcadia has much to remember. Its centennial program, which opened yesterday to run through Sunday, will honor the stout-hearted men who founded the community and their sons and the sons of newcomers who made its slogan—Arcadia has everything that a good town should have—no idle boast. Old-timers will recall the natural gas boom-and-bust of the nineties and the changes that have come with each passing decade.

But native Arcadians returning from the outside for the celebration will find their home place basically unchanged. Like its counterpart in ancient Greece, Arcadia signifies peace and contentment. "Love must kiss that mortal's eyes who hopes to see fair Arcady," a poet once sang. Love of family, neighbor, and country remains the key to modern Arcadia's pleasant charms, a century after its birth. It would be a fine thing if we all could live in Arcadia.

A Tribute to Manitowoc, Wis., Originator of I Am An American Day

EXTENSION OF REMARKS
OF
HON. JOHN W. BYRNES
OF WISCONSIN
IN THE HOUSE OF REPRESENTATIVES
Thursday, July 28, 1949

Mr. BYRNES of Wisconsin. Mr. Speaker, the whole State of Wisconsin—and I am sure the whole Nation—is proud of the fact that the idea for I Am An American Day, or, as it was originally called, Citizenship Day, was born in Manitowoc, Wis., and was fostered and developed by the forward-looking citizens of that city.

Manitowoc is a thriving, alert, and patriotic community situated on the shores of Lake Michigan in the district I have the honor to represent. Not the

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least of its contributions to a better America has been the pioneer role it played in the development of this special day dedicated to impressing our youth with the responsibilities and privileges of citizenship.

Manitowoc not only originated the idea for I Am An American Day; it was instrumental in the spread of this celebration throughout the Nation. Its efforts for national recognition of the importance of this day culminated in the establishment of Citizenship Day, later changed to I Am An American Day, by Congress in May of 1940. The first Citizenship Day celebrated anywhere was held in Manitowoc on May 21, 1939. In a simple but impressive ceremony, attended by dignitaries from throughout the State, the oath of citizenship was administered that day to young men and women of Manitowoc. It was the first community attempt to bring to these future leaders the full meaning of their rights and duties as good American citizens.

I know the Members will join me in saluting the city of Manitowoc and its patriotic citizens for giving to all of the Nation the inspiration we find in I Am An American Day. The full story of the origin of this day is graphically told in a letter I have received from the mayor of Manitowoc, Mr. George Sladky. Mayor Sladky's letter is included as part of my remarks so that the Nation will know the splendid role of Manitowoc in the establishment of I Am An American Day:

CITY OF MANITOWOC, WIS.,
OFFICE OF MAYOR,
July 21, 1949.

Hon. JOHN W. BYRNES,
Member of Congress,
Washington, D. C.

DEAR CONGRESSMAN BYRNES: For the purpose of the record and, in the event that future claims may be made regarding the origin of Citizenship or I Am An American Day, I would like recorded, on behalf of the citizens of the city of Manitowoc, the facts leading up to, and the establishment of, a national Citizenship Day.

I think it important that these facts be recorded at this time, considering the ever-increasing numbers of individuals seeking credit for such origin.

We are fully aware that an occasional celebration has been held honoring newly naturalized citizens; also, that the Indians considered it a cause for celebration when one of their braves attained his majority, but nothing has ever been done in a concerted way to bring together at a special ceremony both newly naturalized and the youth of a community or communities upon attaining the voting age of 21, in an effort to impress upon them the importance of their new assignment and privilege.

It was during an adult class in government at the Manitowoc Vocational School, conducted under the direction of Prof. R. J. Colbert, head of the University of Wisconsin's extension social science department in the fall of 1938, that Dr. Colbert, in stressing the importance of citizen participation in local government, remarked, "I think it would be fine if we, by counties, annually would induct all boys and girls becoming 21 into the electorate after giving them some idea of what a democratic government expects of them, especially explaining to them the issues and problems of local government. If democracy bogs down in local rule, it certainly can't work on a broader scale."

This chance remark gave the class food for thought, and a newspaperman, a member of the class, commented on Dr. Colbert's idea in an editorial, which set other people to thinking.

When the class met again, former Judge Albert H. Schmidt, now retired, proposed that the class sponsor, as a project, Dr. Colbert's plan for a Citizenship Day for Manitowoc County. The motion passed unanimously and Mr. A. L. Nimtz, director of the vocational school, was drafted to head the general committee. A diligent search was then begun in an effort to round up all persons eligible to vote for the first time, and all received a personal invitation to attend classes in citizenship. Thirty-eight different classes were organized in the county and were conducted by businessmen, municipal and county officials, and teachers, under the guidance of Dr. Colbert. A handbook of procedure and instruction was provided by Dr. Colbert through the University of Wisconsin. Things moved right along with the program being given much radio and press publicity throughout the country, in an effort to promote and spur other communities to follow step during a period when war hung heavy over the Nation. A resolution was sent to Washington requesting that a National Citizenship Day be observed and which also requested that the American Vocational Association to be assembled in convention at St. Louis, Mo., November 30, 1938, to December 3, endorse this new movement.

After many months of continuous work the classes culminated in a single yet very impressive and colorful ceremony on the third Sunday of May 1939 (May 21, 1939), the first Citizenship Day. Chief Justice Marvin B. Rosenberry, of the Wisconsin State Supreme Court, was on hand to administer the oath of citizenship, with President Clarence A. Dykstra, of the University of Wisconsin, Gov. Julius P. Heil, and Judge Albert H. Schmidt as well as other dignitaries taking part in the ceremonies. Homes and business places alike displayed the American flag and buntings and, while bands played, a very lovely parade, in keeping with the spirit of the day and including the young and newly naturalized citizens alike, wound its way to the beautiful campus grounds of the Lincoln High School where the ceremony was to be held in the bowl. This marked the first community attempt in America to bring citizens to a realization and awareness of their duties and privileges as citizens.

Following the program in Manitowoc, Mr. Hugh S. Bonar, our superintendent of city schools, carried on correspondence with the National Education Association of the United States, stressing the importance of such program for each community in the Nation. He also prepared an exhibit of materials used in planning and carrying out the project here and set this up for the San Francisco convention of the National Educational Association. The officers and executive committee of the National Education Association were so impressed with the possibilities of this project known as the committee on induction into citizenship, and appointed Mr. Bonar as chairman, under which committee all States in the Union provided preparation and recognition projects for their new voters, as correspondence on file indicates.

The support of the American Legion and various other organizations was enlisted in order to bring to the fore the great importance of undertaking such program on a national scale. Thereupon a resolution was sent to Congress asking that citizenship day be observed throughout the Nation on a day especially set aside for that purpose.

To bring this project to its ultimate conclusion, and which was an inspiration to the Nation as a whole, meant many months of constant vigil on the part of our educators, finally meeting with success in the passage of a joint resolution in Congress, House Joint Resolution 427, Senate Joint Resolution 227, in May 1940 becoming Public Resolution No. 67 of the Seventy-sixth Congress, third session. (United States Statutes at Large, vol. 54; pt. 1, p. 178, ch. 183). The measure was introduced in the House by Representative Joshua L. Johns, Republican, Wisconsin, while Senator LISTER HILL, Democrat, Alabama, introduced it in the Senate. Suggestion for the joint resolution coming from the State of Wisconsin. Senator Hiram W. Johnson, Republican, California, proposed amendment changing Citizenship Day to I Am An American Day (H. Rept. 2008, 76th Cong., 3d sess.) (Foregoing information secured from Library of Congress.)

I take the privilege of quoting excerpts from several of the many editorials on the event held in Manitowoc in 1939:

Manitowoc Herald-Times, October 24, 1938, Judge Albert H. Schmidt said, referring to Dr. R. J. Colbert's proposal that Manitowoc institute an annual program to install persons who have reached the age of 21 into the status of citizenship: "Let us organize at once this initial, promising, vitalizing youth citizenship fraternity, not only for Manitowoc and Wisconsin, but on a national scale for the whole United States."

Manitowoc Herald-Times, December 17, 1938, referring to Mr. Bruce Catton's editorial Manitowoc Does Something for the American Way under the NEA service which enjoyed a daily circulation of 730 newspapers in the United States, "will spread the name of Manitowoc and Manitowoc's citizenship program throughout the country," and "all of which adds up to a first-rate idea—one which, judging by the inquiries the Manitowoc people have received, is going to be widely copied in other cities, and which fully deserves to be copied."

Tulsa Tribune, Tulsa, Okla., January 15, 1939, editorial by Richard Lloyd Jones, Colbert Has the Big Idea, and letter to R. T. Bayne, editor of Manitowoc Herald-Times, January 16, 1939:

"DEAR MR. BAYNE: If you fellows up there can do this thing with the drama and richness and color that our traditions deserve, and so sell America to the voters of tomorrow, Manitowoc will have launched a national practice and education which will become universal in the land.

"If the news reports, on which I base this editorial, are true, Manitowoc today bears the flag in the forefront of our national procession.

"Congratulations and good wishes.

"Cordially yours,

"RICHARD LLOYD JONES."

December 31, 1938, Mr. Clarence Dykstra as president of the University of Wisconsin hailed a National Citizenship Day as the answer to the very apparent need not only for the youth of the Nation but also as a time for all citizens to reaffirm their belief in America, and offered the services of the university to promote and assist in carrying out such program, as did John Studebaker, United States Commissioner of Education.

Also submitted for inclusion in the record are the thoughts expressed by Dr. Colbert in an interview with the reporter from the Christian Science Monitor in an editorial dated December 31, 1938:

"I

"Question. Is this a new idea in this country? Is there any similar movement in the United States?

"Answer. I think the idea of Citizenship Day, as planned here, is something new to the United States. Here and there, and now and then, we hear of a patriotic organization, a political party local, a social settlement, a church, or a local school, staging an evening program in honor of a small class of foreigners who have completed their naturalization requirements and, sometimes, as a round-up

of voters just before a primary or an election. Then, too, there are several national movements which aim, in one way or another, to intensify a sort of nationalistic zeal; for example, a national committee on Constitution Day, the national rededication committee. However, Citizenship Day, as here planned, is quite a different idea:

"(a) It is based on and emphasizes the county and local government—unless democracy is a success in these units, it cannot be expected to function effectively in State and Nation.

"(b) It is fostered and carried out under the leadership of the public-school authorities—the agency that has long been recognized as being responsible for citizen training.

"(c) It is developed and staged through community organization and cooperation, including participation of every agency and organization in the county—it is, in other words, a demonstration of community spirit and responsibility.

"(d) It is planned as a twofold program: (a) To reach and instruct the new voters (native-born) and (b) to give all citizens an opportunity to think together and get a livelier interest in governmental affairs.

"(e) It is staged after spring primaries and elections are over to purposely avoid any possible political tampering. It is nonsectarian and nonpartisan.

"II

"Question. Do you expect the idea to spread? Do you hope to make the ceremonies an annual event?

"Answer. There seems little question about the idea spreading. It has already received favorable newsplay and editorial comment in papers from coast to coast. There are two ways in which social movements are started: (a) by proclamation or turning ideas loose to be acted upon as interested groups see fit; (b) by setting a pattern from which it may spread. We have discussed the merits and weaknesses of each and concluded to set an example. It is expected to make Citizenship Day an annual event all over America.

"III

"Question. What is the prime purpose? Is it something to the effect of making Americanism active rather than passive, as are the nationals in other nations? Is there any situation in the United States which calls for such a move?

"Answer. The prime purpose of this movement does not relate to nationalism, the way in which the question implies. It is not a flag-waving, eagle-screaming sort of active Americanism we desire—quite the contrary. The point is, each year the duties and responsibilities of government become more complex and affect the citizen's daily life at an increasing number of points. Therefore, self-government today requires that the voter take a more active and more intelligent interest in his government than was required of the citizen of yesterday. He needs to know more about the new demands on elected officials as well as the duties of the increasing number of appointed officials. He should know something about civil service and what it means to build a modern democracy which requires the skills of highly trained minds. The old saddlebags standards do not meet modern needs—'Time makes ancient good uncouth.' All citizens are interested in the tax dollar, in what it buys, and how it can be made to buy more. The aim of this program is to give the voters a chance to get acquainted with their government, beginning at home, and to learn how to run it to their liking—and take a wholesome pride in it. We are not concerned about what Italy or Germany is doing. We are not spreading dreads, fears, and prejudices. We are not mentioning these nationalistic nightmares. We need not fear any 'isms' if our citizens are enthusiastically active in their local governments, and we believe that this will insure their intelligent participation in State and national affairs. Emphasis, therefore, is on local government, township, village, city and county—the county unit. The State and Nation rightly have their place next, and so it is arranged in the program.

"We cannot be blind to the fact that there is much sentiment abroad these days tending to confuse and undermine the confidence of the young American in regard to his government. This leads to all sorts of negative actions and organizations. It gives the rabble-rouser fertile soil to cultivate. We are attempting to find a sound, wholesome, genuinely democratic way to cure this negativism.

"IV

"Question. Is the purpose of the instructional meetings of new voters similar to that of youth camps and organizations in other countries? (That is, in the teaching of nationalism. There is a difference, of course, in the kinds of nationalism taught.)

"Answer. The purpose of the meetings with the young voters is not similar to that of youth camps and organizations in other countries. This fact should be very clear. The materials we are assembling for the 38 discussion groups of new voters of Manitowoc County (one for each township, village, and city ward) reflect three aims: (a) To acquaint the new voters (and others) with the set-up of their local government—as to what officers are elected, which ones are appointed, and their respective duties and their place in the daily lives of the citizens. It also, through charts and brief outlines, gives them a view of the State and Federal Governments. (b) The plan is arranged to encourage and stimulate discussion and questions without partisan prejudice or effort to restrain expression of viewpoints. (c) It also aims to inspire and create a more dynamic enthusiasm in governmental affairs. Each discussion group will elect its own chairman and plan its participation in the events of Citizenship Day. Some competition among these units will be a bit of the spice of Citizenship Day.

"V

"Question. How many persons are expected to take part? Young voters only, or new citizens and perhaps the general public?

"Answer. Participation in Manitowoc County is involving the whole community—young and old. There are now several hundred people meeting weekly to discuss various aspects of the plan and program. Such an event is not achieved by merely sending out invitations. It is a continuous educational project with Citizenship Day as the climax each year. As to the program itself—there are approximately 1,200 new voters in Manitowoc County; the music organizations are to be massed, bands, drum corps, and choruses; the entire citizenry, individually and by organization, are helping both prior to and during Citizenship Day. It is hardly possible to estimate the number who will have a hand—some have guessed 40,000 at least.

"VI

"Question. Who will the instructors and directors of the educational program be?

"Answer. The directors of instruction will be University of Wisconsin extension teachers, high-school civics and history teachers, farm agents, and other qualified persons in the community. A committee of school administrators of the county and city systems select these discussion leaders, and approve the materials that have been developed from the weekly round-table discussions. The school buildings, as far as possible, will be used for meetings."

I thought it well to include the foregoing in the record as it explains more clearly than I could Dr. Colbert's aims and ideals in promoting a project of this type to bring about a more alert and better informed individual, and therefore a better citizen and ultimately a greater America.

Respectfully submitted.

GEORGE J. SLADKY, *Mayor.*

Proponents of Aid to Education Should Watch Their Figures

EXTENSION OF REMARKS
OF

HON. PAUL B. DAGUE

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 28, 1949

Mr. DAGUE. Mr. Speaker, under leave to extend my remarks in the Appendix of the RECORD, I bring to the attention of the House an editorial appearing in the Saturday Evening Post for July 30, 1949. This article points up the inaccuracy of figures used by the proponents of Federal aid to education and serves to substantiate the belief of many of us that there is small justification for this program which has been urged upon the American people. The editorial follows:

EDUCATION-BILL SUPPORTERS USE SOME QUEER FIGURES

For months on end we have had to dig the desk out from under heaps and heaps of propaganda, most of it sent out by the National Education Association, in favor of the bill to set up a Federal subsidy for education in the United States. Sometimes we wish we had saved more of this voluminous material from the rendering works because, had we done so, we might not have missed a nice piece of statistic fixing which caught the eye of President Laurence M. Gould, of Carleton College.

The item, which was not from NEA but is contained in the report by the Senate Committee on Labor and Public Welfare, was this:

"According to United States Census estimates for 1947, about 4,000,000 children between the ages of 5 and 17 attend no school whatever."

This was obviously intended to set everybody to moaning and groaning about how many underprivileged children there were in the United States of America and how they would never become privileged until education had passed under the control of another costly Federal bureaucracy.

President Gould thought about it long enough to analyze the figures. In an address in Washington in May he pointed out that "in many States compulsory education does not start until 6 or 7 years of age and some end compulsion at 16. Of the 4,000,000 referred to above, 2,063,000 were only 5 years old, 156,000 were 6, and 1,406,000 were 16 and 17." In sum, 3,625,000 of these 4,000,000 underprivileged were either too young to go to school or old enough to be legally excused from further education. Of the remaining 375,000 children not in school in 1947, it is likely that many were physical or mental defectives. Certainly not all of them were tiny blue-veined waifs or sharecroppers' slaveys denied an education and whimpering pitifully for Uncle Sam to give them one. At any rate, the figure isn't 4,000,000.

It is possible to make a case for limited Federal support of school systems in poor States which ask for such support. Grants to State-highway systems and Federal subsidies of agricultural education have worked well in the past and, with actual administration left by statute in the hands of the

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local authorities, similar aid might safely be advanced to necessitous communities.

However, the advocates of Federal aid do their cause no good by crooking the figures and belittling the progress which the States, even the so-called backward ones, have made in recent years. Further, their disclaimers of any intent to interfere with local school administration or to use school systems for propaganda purposes have not allayed the suspicions of those who predict that the old rule will still prevail, that he who pays the piper calls the tune. So deep is this suspicion of Federal intent that, according to Representative GWINN, of New York, a member of the House committee which dealt with the bill, "not a single State authority of any kind, no State board of education, no county or municipality has appeared to support it."

Tung Nuts Mit Honey

EXTENSION OF REMARKS
OF
HON. BENJAMIN F. JAMES
OF PENNSYLVANIA
IN THE HOUSE OF REPRESENTATIVES
Thursday, July 28, 1949

Mr. JAMES. Mr. Speaker, I have a problem—a terrifying problem.

How can I explain to the Pennsylvania Dutch farmers why I vote for price support for tung nuts when they ask me, "Was iss der tung nuts?"

How can I save my political skin when my suburban constituents ask, "What if we ain't got no tung nuts? Who cares?"

What can I say to all of them if I vote to drop a few dimes of their taxes into the tin cups of the tung nutters when not more than a dozen of them know what a tung nut is?

My people know about potatoes and such things, but I will have to know the answers to a lot of questions if I vote for this "tung nuts mit honey" bill. Do you eat them raw or do you cook them? If you do not eat them, what are they good for?

A kind colleague has told me you make paint out of them, but I think he was kidding. Another told me something I must not repeat here, and I am going nuts about this thing because I think I ought to vote for every bill that gives away money to everybody for nothing.

I know I can talk my way out of voting billions of dollars for this and that, and I know I can make my people weep and wring my hand in pride when I explain my heroic stand in building a solid gold road block across the path of Stalin's march into Europe. I can even get away with voting away millions and millions for anything my people have read about—heard about or seen about—but a tung nut is something else again.

Now, Mr. Speaker, I ask to know:

Just what would happen to this country of ours if the price of tung nuts just went along with the craving for tung nuts. It cannot be that every taxpayer in the country is so nuts about tung nuts that he would want them at the highest possible cost.

And now about the honey. I have noticed that the bees do about all the work of making honey, and they don't belong to unions, so the wages have not changed in the past several thousand years—furthermore, they do not vote.

If the guy who owns the bees wants to live a little better than he does—all he has got to do is get some more bees. He just cannot miss. Like most everybody except farmers, the keeper of the bees and the tung nutter are just common businessmen—and therefore not entitled to any consideration whatever.

I hope I can find a good line to feed my constituents—if I vote for this bill.

Melt the Irish Border Peacefully Away

EXTENSION OF REMARKS
OF
HON. GEORGE H. FALLON
OF MARYLAND
IN THE HOUSE OF REPRESENTATIVES
Thursday, July 28, 1949

Mr. FALLON. Mr. Speaker, there recently appeared in the Irish Press an article concerning the discussion by Sir Basil Brooke, the six-county premier in Belfast, of a statement made by Mr. Frank Aiken in the Irish Dail. Mr. Aiken, who besides being a member of the Dail is also an outstanding leader of the Irish bar, replied in an open letter which frankly answers Sir Basil and refutes any attempt of the officeholders in Belfast to justify the continuance, or even the existence, of the northern border.

Because the letter of Mr. Aiken is so frank in calling the shots on the reasons for partition, the evil results which ensued, and the undemocratic processes by which those in office contrive to retain their jobs, I feel that this article including the letter should be made available to my colleagues. I am therefore requesting that this article from the Irish Press be included as a part of my remarks.

The article reads as follows:

Mr. Frank Aiken has written under yesterday's date an open letter to Sir Basil Brooke. The letter arises from a speech at Belfast by the six-county premier in which he referred to recent statements by Mr. Aiken in the Dail.

Mr. Aiken, on the motion for the adjournment of the Dail, on Wednesday night week last, raised the matter adjourned from the previous Thursday—his appeal to the Taoiseach to get in the guns in the possession of the "I. R. A."—and again urged that this be done, so that the temptation to use force for the restoration of territorial unity would be taken from the young men who have the force.

Mr. Aiken said that the undoing of partition would have to be accomplished by constitutional methods.

Speaking at a Unionist meeting in Belfast on Wednesday night last, Sir Basil said: "Should any young men attempt to create trouble in this country as we are told by Mr. Aiken, I can only assure you that the Government will deal with them in such a way that they will regret ever having come here to disturb the peace."

QUESTION OF FORCE

Mr. Aiken's letter is as follows:

"MY DEAR SIR BASIL: Referring to your allusion the other day to a recent speech of mine, there's no need for you and me to beat about the bush on the question of force. You claim the right to use force to maintain partition in spite of the wishes of the Irish people, and I hold they have a thousand times better right to use force to restore unity.

"In order to keep your party in power you want, subconsciously perhaps, a little force to be used ineffectively against partition. Just what would keep the B men out of bed an odd night a week would keep your friends cosy in Stormont. I don't want, and I will do my utmost to prevent, the use of that measure of force. Neither do I want to use force at all, even overwhelming force, to settle the matter. When the Irish people have gathered such force, and I believe long before it, the border will have melted away peacefully.

"To the young and innocent force seems a simple, direct, and sure way to achieve a just and desirable end. Indeed, as you know, there are some who think the use of force is good in itself. But oldsters like us have seen strange results even from its successful use. The German rifles the British Tories supplied you with in 1913 undoubtedly defeated home rule, but they brought out the rifles of Easter week and of 1919–21.

"Lloyd George's threat of immediate and terrible war, of which he had given the Irish people a foretaste, brought about the defeat of De Valera's proposals for peace and cooperation with the Commonwealth and secured the acceptance of the partition and King clauses in the treaty; but where is the sensible Englishman who would not have welcomed that solution in recent years for Burma, India, and all Ireland?

OFFICE AND POWER

"But whatever difficulties the great and glorious victory of partition brought to Britain elsewhere it brought office and power to your selected friends and satisfaction to your British Tory patrons. The Liberal Party in Britain was smashed; Ulster was the right card for the Tories to play, as Lord Randolph prophesied.

"For 29 years the Nationalists have hewn wood and drawn the water for you, and your fellow top-levelers. That is a very long time in these days when victories stay won for such a short time.

"During this period hundreds of governments have fallen; dozens of countries have been conquered and many of them freed again; many empires have expanded and contracted like concertinas; booms have burst and slumps have soared; even the Bank of England fell; but, all the while, your party, particularly the inner circle of your party, gerrymandered and grew from strength to strength.

"Some day the calculation may be made as to what partition will have cost in blood and tears to the six counties, to Ireland, to Britain, and to the world. I don't want to exaggerate our importance as a nation among nations. But we were and are still a test case—and a well-known test case. What Britain judged right in her treatment of her neighbor Ireland became the legal precedent governing the relations of strong nations with weak.

"If, for strategic reasons, it was right for England, the champion of small nations, to partition and hold portion of Ireland against the wishes of the vast majority of the people, how could it be wrong for Japan to seize portion of China, or Italy to seize Abyssinia and Albania, or for Germany to seize Denmark and Norway and Holland and Belgium, or for Russia to seize Finland and Latvia and Poland and Hungary.

"Indeed, if tomorrow Russia suddenly swooped on the 40,000,000 Britons to improve the strategic position of the 200,000,000 Russians, what right has a British partitionist to object? If it was right for England to

partition and hold portion of Ireland because her friends had a local majority, how could it be wrong for Germany to grab Sudetenland or for Russia, after judicious infiltration, liquidation, and plantation, to grab and hold every country she can reach.

"You and I as Irishmen, as Ulstermen, and as six-county men, might gain a certain satisfaction in seeing Britain reap the whirlwind. Dear as you are to John Bull's heart when he wants help in war, in peace he tries to run you on the cheap. We know the location of the last depressed area to be aided in the past, and we suspect we know it for the future.

THERE'S THE RUB

"But if our neighbor's roof is swept away, will the whirlwind blow itself out before it reaches us? There's the rub. It would be wiser for us, I think, to unite in persuading him to mend his ways and sow peace while he has still the strength.

"I remember as a child the weary trudge home from school being enlivened by the excitement of shouting 'To hell with King Billy' in reply to the salutation 'To hell with the Pope.' Neither I nor the other toddlers knew then that His Holiness the Pope and His Majesty King William had been allies on the Boyne. But we, all of us, know today that both Catholics and Protestants on the Continent are allies in defense of common principles now subject to relentless attack and persecution.

"Britain today is having her last chance of doing good with the resources still at her disposal. But her military potential is vitally reduced by the weakness of her moral position. The success of western civilization in the struggle that is warming up depends not only upon military weapons but upon the actions of peoples who know the principles they fight for and who have seen them practiced by those who ask them to fight. Atomic bombs, alone, can only put the finishing touches on a Europe allowed to be occupied by peoples who have no definite standards by which they are prepared to act on all occasions and for which they are prepared to die.

"Has Russia no right to occupy any part of a country in Europe against the wishes of its inhabitants? If not, her right can only effectively be denied by those whose slate is clean of such offenses. Britain's military contribution cannot offset the handicap she is to western civilization so long as she continues to occupy any portion of Ireland against the wishes of the overwhelming majority of its inhabitants.

"It is a situation worth thinking about.

"Yours faithfully,

"FRANK AIKEN."

Effect of Trade-Agreements Program on American Petroleum Industry

EXTENSION OF REMARKS

OF

HON. PAUL J. KILDAY

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 28, 1949

Mr. KILDAY. Mr. Speaker, we have all read the President's message of July 11. He has recommended to industry and business that production of goods and commodities be increased so that a high level of national income can be sustained.

The program or goal thus indicated must be broken down into its specific parts, so that we can discover whether there are hindrances and restrictions in the way of each particular industry of such nature as to prevent the achievement of its proper part of the expansion. At this time I want to call attention to certain conditions which will prevent the petroleum industry of the United States from going forward.

Acting under authority delegated by the President, the State Department is taking more than $2,000,000 a day from our domestic oil industry and giving it to five or six large companies operating outside the United States. Through the trade-agreements program as administered, we are giving our domestic markets in petroleum to these large companies. Through various ingenious devices in the form of subsidiary companies, vast amounts of income are siphoned away from our domestic economy. It has already been brought out in congressional investigations that there has been an avoidance of taxes to the Federal Government on earnings which were made by selling foreign oil to the armed services. The effect is disastrous to thousands of independent operators in this country.

Many of these giant companies have subsidiary companies operating in my State of Texas. These local companies now face reduced income and reduced employment while their brother subsidiary companies which operate abroad continue to increase their income. Some of them are incorporated in countries where little tax is paid and in such cases none is paid in the United States.

There is still time to correct the weakness of the trade-agreements program. If the administration cannot or will not act—and it has thus far given no sign that it means to do so—then it is the duty of Congress to do so. We should attend to it that the correction applies not only to future trade agreements but to all that are now in force.

Petroleum is the vital fluid of our economy today. The expansion program which has been recommended cannot be carried out without a large supply of oil products. The needs probably will be greater than they now are. At the moment we have the assurance that all needs can be met. Such would not be the case if development of known reserves and the discovery of new reserves should come to a stop. We have two known facts as to the ability of the domestic oil industry to meet our domestic demands. First, there is the assurance, backed by 90 years of successful effort and by the expanded knowledge of petroleum geology, that the presently undiscovered reserves are of great magnitude. Second, we know that a continued high rate of drilling must be carried on to convert undiscovered reserves into available supply.

The threat to the domestic industry is grave. The owners of huge concessions abroad are steadily encroaching on the markets which naturally belong to the industry here at home. The volume, now about 600,000 barrels daily, has steadily increased since the close of the war. The April ratio of imported petroleum and products to the daily production from the fields of the United States was 11.8 percent. Prewar, 1932–41, it was 5.6 percent. That is one measure of the inroads that are being made upon an industry which carried the major part of the oil-supply burden in two wars and which we have no assurance will not be called upon again to serve in the same way.

Each tankerload of foreign oil reaching the ports of the United States has its noticeable effect upon the welfare of the domestic industry. Since the beginning of this year the domestic production of crude oil has fallen and at this time it is 800,000 barrels per day below the average in December 1948. It did not decline for natural reasons; it was restricted by orders of State conservation authorities to prevent the waste that always accompanies production in excess of the ability of the market to absorb it. In some instances it has been the crude-oil purchasing companies that have initiated the reductions. Their refusal to buy more than a certain percentage of production in a field or a State has compelled the producers who lack other outlets to reduce the flowing and the pumping production of their wells.

The domestic industry has started to tighten its belt. Future drilling programs are being revised downward. Oilfield labor is growing uneasy. The shrinking market and the reduced income compels the oil operator to cut costs. A great many lay-offs have taken place and more are in prospect. Bankers are beginning to call in oil producers for discussions of reduction of loans now in effect. Some of the independent refiners have curtailed their operations, some have shut down.

Aside from the essentiality of its products, the petroleum industry is in itself an important part of the national economy. It distributes to owners of land many millions—hundreds of millions—of dollars each year in royalties, lease bonuses, and rentals. It is a major employer and is one of the high-wage industries. The taxes on oil producing and refining properties are the mainstays in hundreds of communities for the support of schools and other public institutions. It is a large source of tax revenue to the Federal Government.

The problem of oil imports is not local. It is not of concern alone to the States and the communities where oil is produced. Even on that basis, it would be occasion for national action. The implications of the present destructive course are, however, much deeper. The expansion program which the President has said is desirable cannot possibly succeed if a segment of industry as important as the oil industry loses ground. That is what it is doing now.

The domestic petroleum industry is regulated in the States where it exists. Producers are not permitted to produce at wasteful rates. No such regulation is imposed on the industry in the countries which are swelling the tide of imports. No limitation is in effect on the amount of oil that can come into our markets. The export business in oil has already been largely taken by foreign sources. It is certain that with the excess of production abroad no export market will exist in a short time.

The producing States, like the domestic oil industry, are helpless. States

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cannot regulate imports. The executive department of the Federal Government has refused to do certain things within its present authority which would afford some relief. It now appears that Congress is the only source of help to an industry which is day by day seeing its energy destroyed.

The Mess

EXTENSION OF REMARKS
OF
HON. ROBERT HALE
OF MAINE
IN THE HOUSE OF REPRESENTATIVES
Thursday, July 28, 1949

Mr. HALE. Mr. Speaker, under leave to extend my remarks in the RECORD, I wish to call attention to an article by Stewart Alsop entitled "The Mess," in which the writer discusses the situation in Burma as an aspect of the general demoralization in Asia resulting from the Communist conquests in China. I believe that the State Department is to give us shortly a white paper on China. It would be more appropriate to call it a "black paper." When are we going to decide that the Communist conquest of Asia cannot be ignored by this country?

Mr. Alsop's article reads:

THE MESS
(By Stewart Alsop)

RANGOON, BURMA.—"Anybody, when asked about the political situation in our country," remarked Burmese Premier Thakin Nu recently, "will answer that it is an awful mess. There can be no other answer." This ranks as about the frankest statement on record by any chief of state—and also the most accurate. The situation in Burma is the messiest in Asia, which is saying a great deal. Yet the mess is not, essentially, a hopeless mess.

It looks hopeless enough on the surface. What is going on in Burma is not so much a civil war as a kind of nation-wide riot. No less than five major groups—and countless minor groups—are taking part in the riot. To give some notion of just how messy the mess here is, the major groups may be briefly listed and described.

1. The Government, or what is left of it. The higher officials of this Government can be found crouching in a comfortable concentration camp, surrounded by barbed wire and armed guards in the suburbs of Rangoon. Even inside this concentration camp, as Thakin Nu has also plaintively remarked, the Government officials sleep with revolvers under their pillows. Such precautions are necessary simply because most of their predecessors have already been assassinated.

These officials are not, by nature, violent men. Like Thakin Nu himself (who has a strong and not unnatural desire to retire to a Buddhist monastery), they are bookish left-wing intellectuals whose knowledge of government, before they inherited power from the British, was derived wholly from the printed word. They are now learning certain lessons which were not spelled out in the Socialist tracts they read in their university days. In the process of learning, however, they have completely lost control over the country they are supposed to govern.

2. The white-flag Communists. The Communists were the first to take up arms against the Government. This they did in the late spring of last year, at about the same time that the Communists in India, Malaya, and Indonesia also resorted to direct action, obviously as part of Moscow's over-all strategy for Asia. The white-flag Communists are the orthodox Stalinists and their leader is Thakin Than Tun, a former friend of Thakin Nu.

3. The red-flag Communists. These are led by another former friend, Thakin So. Thakin So is called a Trotskyite, but he is actually merely a proud fellow who refuses to take orders from Thakin Than Tun. The Communists have also split into warring camps in Indonesia and India and for much the same reason. This tendency of Asiatic Communist movements to split apart is interesting and may be significant.

4. The wartime resistance movement, called the People's Volunteer Association. The PVA, like everything else in Burma, has come apart, splitting into the Yellow Band, unreliably loyal to the Government, and the White Band, unreliably allied to the white-flag Communists. The White Band—and this again is a phenomenon common to all southeast Asia—consists largely of young men who discovered during the war that it is pleasanter to call yourself a hero and to rob villages than to work.

5. And most important, the Karens. Burma is a jumbled patchwork of races, and the 3,000,000 or so Karens constitute one of the biggest patches. The Karens are the best fighting men in Burma. Recently they came within an ace of capturing Rangoon itself. The Karens want a semi-autonomous state within Burma, which the Government is willing to concede in principle. The trouble is that the size of the state the Karens want grows with their military successes. The Karens are far more powerful than the other groups fighting the Government, and thus a settlement with the Karens is an absolute prerequisite to reestablishing the Government's authority.

All these groups are intermittently fighting not only the Government but each other. While this nation-wide free-for-all is in progress, the Chinese Communists are edging nearer the long, undefended Burma-Chinese border. Chinese Communist Chief Mao Tse-tung is reliably believed to have offered Thakin Than Tun a secret mutual assistance pact last February. The pact envisages material aid from the Chinese People's Liberation Army in liberating Burma. Thus it would seem reasonable to assume that the new Communist imperialism in Asia will swallow Burma as easily as a boa constrictor swallows a crippled lamb.

Yet, given certain conditions, this need not necessarily be so. The first and wholly essential condition is time, time to begin to clean up the awful mess. Everywhere in southeast Asia, but especially here, it is blindingly obvious that any measures which may slow the advance south of the Chinese Communist armies are in the hard practical interest of the United States and the whole Western World.

An Appeal for Fair Play and Decency

EXTENSION OF REMARKS
OF
HON. JOHN SANBORN
OF IDAHO
IN THE HOUSE OF REPRESENTATIVES
Thursday, July 28, 1949

Mr. SANBORN. Mr. Speaker, as you are well aware, I am a regular Republican who believes in and supports the high principles of that Grand Old Party which I believe has contributed more than any other force to the upbuilding and welfare of our glorious country.

However, I have a keen appreciation of the fact that under our system of government there must be two strong opposing parties, and I have the greatest respect for the opinions of real Jeffersonian Democrats.

But in recent years there has sprung up a maverick breed inoculated with foreign isms and ideologies who sometimes masquerade as Republicans and sometimes as Democrats in the hope that they can so corrupt and weaken the two old parties that they may be able to replace our system of government with some type of totalitarian state.

Many of these subverters of doubtful loyalty have been surreptitiously infiltrated into key positions in our Government, and from such vantage points they seek to destroy those who dare expose or oppose them in their sinister designs.

Their favorite device is to feed gossip, half-truths, rumors, and lies to a certain type of columnist and commentator who make a specialty of waving the flag with one hand, while chiseling away the foundation of our Republic with the other. Voltaire must have had this type in mind when he made the following comment:

When engaged in performing a discreditable action, there is nothing so advantageous as to utter loudly virtuous sentiments.

Such a venomous smear campaign has been launched quite recently attacking the honesty and integrity of a man without a scintilla of evidence to support their vicious charges, merely because that man happens to be the military aide to the President of the United States and had the courage to tell some of these subverters where to get off. It is very evident that this smear campaign against General Vaughan is intended to embarrass the President; and while I strongly disagree with Mr. Truman on many issues, nevertheless he is the President of the United States, and I bitterly resent this method of attacking him. Probably you will have a better understanding of the motives behind this attack after reading the following articles from the New York Journal-American of July 20, 1949, and the Washington Times-Herald of July 23, 1949.

[From the New York Journal-American of July 20, 1949]

MORE ON DREW PEARSON AND KARR, HIS "LEG-MAN"

(By Westbrook Pegler)

The quality of the journalism of Drew Pearson has been revealed by the incident related yesterday in which David Katz, alias Karr, Pearson's "leg-man," frankly threatened that Pearson would blast Gen. Harry H. Vaughan, President Truman's military aide, on his Sunday broadcast unless Vaughan withdrew opposition to a project in which Pearson had a financial interest.

Karr named a zero-hour for compliance. Pearson was trying to get a passport for George C. Vournas, a naturalized Greek lawyer, so that Vournas could latch onto an economic mission to Greece as a hitch-hiker in the guise of journalist. His own politics was dubious, and he had a brother in the Communist guerrillas.

When it became plain that Vaughan had blocked the passport for Vournas, who had secret, undeclared intentions to make contact with Drug Tito, the Communist dictator of Yugoslavia, Karr made a final call on Charles G. Ross, the President's secretary,

and delivered his threat in the White House. This was the most brazen act yet.

Karr has been associated with Communists for years. He was on the staff of the Daily Worker, and he wrote for other Communist publications. During the war he dug in as chief of the foreign language section of the Office of Facts and Figures, later the Office of War Information, although he later admitted under oath that he could neither read nor write any foreign language.

Karr is now a vice president of the William H. Weintraub Advertising Agency in New York, which handles the broadcasts of Pearson on Sunday nights. When I telephoned the Weintraub agency, I was told that Karr could be reached at Drew Pearson's offices in Washington.

Nevertheless, Harry Trenner, my informant at the Weintraub agency, said Karr was no longer employed by Pearson. He knew nothing of Karr's past traffic with the Communists. He said Mr. Weintraub himself was in Europe.

There has long been abroad in the journalism and official and bureaucratic life of Washington a fear of abusive attacks by Pearson against any person who should refuse to give him exclusive news for his broadcast and column.

The tragic death of James V. Forrestal, the first Secretary of Defense, whose mental condition Pearson harped upon with gusto until Forrestal jumped out a window, finally brought down on Pearson a storm of resentment by newspapers and magazines. Most of it was gutless generality and therefore as much a reproach to the journals which thus ducked a fight as to the lying blackguard whom they were too yellow to name.

Even during the very time that Pearson was hounding Forrestal and taunting him about his condition, his own sponsor, Frank Lee, of Lee Hats, of Danbury, Conn., himself was in a hospital and enjoying a privacy which Pearson denied to Forrestal.

Lee's own paper, the Danbury News-Times, killed two dispatches dealing frankly with Pearson's treatment of Forrestal. Lee could underwrite abuse of good men, but he couldn't take fair, honest discussion.

Pearson's "column," a jerky, inaccurate journal of jottings, most of it dull beyond the power of all but the most dogged reader and abominably crude in expression, is now secondary to his broadcast both as a source of revenue and as a weapon. Nevertheless it still has a fearsome reputation among the bureaucrats.

Its rise was concurrent with the development of a grapevine in Washington by which clerks and higher underlings could get even with their bosses or others by trickling into print embarrassing if not always scandalous, or even thoughtful, gossip.

But it would be incorrect to give Pearson credit for this sordid phenomenon. Tipsters, sneaks, eavesdroppers are on every hand. Secretaries are suspect. The fellow listening alongside at a cocktail party may be getting $10 a week for items of "dirt."

Most victims refuse to fight. Norman Littell, a lawyer who came to Washington in the New Deal and remained to resist much of that counterfeit which is offered as liberalism, has sued Pearson for accusing him of a crime. Pearson said Littell was acting as a propagandist for the Netherlands Government, "though he failed to register as a foreign agent." Few others had the courage.

Recently, I heard that Hal O'Flaherty, formerly managing editor of the Chicago Daily News, then owned by the late Frank Knox, had received the same approach from one of Pearson's agents that Charlie Ross experienced from Katz, or Karr. Hal is an American journalist who has been absolutely clean for a career of 40 years. He doesn't know how to compromise with honor.

"Pearson had an inside line to the naval intelligence reports before Knox set up the office of public relations," Hal wrote me. "All public relations had been handled by ONI and most ONI officers were enthusiastic followers of Pearson because he had helped the Navy with recruiting."

I think you can write your own comment on such "help." In the Regular Army, it is expressed in the words: "Let's you and him fight." O'Flaherty's letter continues:

"Then Knox set up the new Office of Public Relations, and all that sort of work was ripped away from ONI. Pearson lost a very fruitful source of exclusive news. This he blamed on Knox. The record will show a series of personal attacks on Knox starting about the time Pearson was cut off from ONI.

"I was told several times after I was taken into the Navy that I could heal the breach between Pearson and Knox by giving Pearson a break of 2 or 3 days on Navy news that he could use in his predictions. I was urged to see Pearson's runner, whose name I vaguely remember. I told those who urged me to see him that I knew I couldn't satisfy Pearson, but that I would talk with his representative, who later came to see me.

'This runner was very suave and said it was regrettable that there couldn't be a better relationship between his boss and mine. I agreed. He said they only wanted occasional breaks on Navy news. Other departments were giving them duplicates of news releases 3 days in advance. Why couldn't the Navy do the same?

"I pointed out that across the hall the Navy maintained a press room where reporters regularly assigned to the Navy sat all day long. Commander Robert Barry was in charge, and whenever news was released he saw to it that every one of the regulars got a fair break. If some were away at meals, he waited until they returned or personally called their organizations and gave them the news.

" 'That is the only way we can handle news releases here,' I told Mr. Pearson's representative, 'and it will continue as long as I have anything to do with the release of news.'

"Within a week Pearson gave Knox another shellacking and I was called up to Knox's office to explain. I told the story of the approach and the decision I had taken. Knox said:

" 'You were perfectly right. Don't play any favorites.'

"From then on, Pearson took many wallops at Knox, but he never, so far as I know, got any special treatment from the Office of Public Relations, certainly not while Knox lived.

"I felt pretty badly about the attacks on Knox, knowing them to be grossly unfair, but satisfied that if I had submitted, it would have been like the old story of paying the blackmailer. I believe Forrestal carried on with the same decision after he took over at Knox's death and was subjected to the same treament by Pearson. That, however, was after my time in Washington.

"No other writer even suggested such a thing. The files of newspapers from January 1940 until 1944 will show the course of Pearson's vindictive attacks on Knox."

[From the Washington Times-Herald of July 23, 1949]

FAIR ENOUGH

(By Westbrook Pegler)

This outcry against Harry Vaughan is the most outrageous smear that I have ever seen in the newspaper business. It began 2 years ago as a retaliation against Vaughan by that lying blackguard of the air, Drew Pearson, after he had tried to stow away an undercover snoop with an official mission to Greece, a fellow of very questionable particulars who admittedly had no qualifications as a journalist and, admittedly, was trying to do some secret business with Tito, the Communist dictator of Yugoslavia.

Vaughan blocked this fellow's passport and Pearson's "legman," a furtive fellow named Katz but using an alias, went to Charlie Ross, the President's secretary, and threatened that if Vaughan did not withdraw his opposition by a "zero hour" Pearson would start "blasting" Vaughan on the air. Vaughan stood pat and the blasting began.

Recently the off-Republican Herald Tribune of New York, whose sneaky partiality to fellow-travelers and their projects I have often spelled out, never by innuendo and always in plain English, began another of its penny-ante crusades. Here is an obvious, cheap bid for the Pulitzer prize or, if not, then one or more of the tainted baubles that self-respecting, honest reporters despise.

The Clapper award, for example, or the miserable citations of the New York Newspaper Guild.

Bert Andrews, the Herald Tribune's Washington man, got inflated with artificial alarm a couple of years ago and bawled all over the paper in a season of mock-hysterics over the injustice of this country's honest, earnest attempts to protect itself from traitors.

The Pulitzer crowd had been under fire in some magazines of low circulation and high liberal pretension just before that. They lost their nerve and gave the big casino to Andrews. The award was a disgrace and the Pulitzer prize was degraded.

In this recent seizure, the Herald Tribune learned that an ex-colonel had been collecting 5 percent on Government contracts from people whom he put in touch with those who passed out the business.

That is like discovering prostitution and exclaiming, "Can such things be?" This is an ancient fact of life in popular government.

There was a smack of it when Elliott Roosevelt was wined and dined in connection with the award of airplane contracts in absolute violation of an explicit order by Gen. "Happy" Arnold.

Washington is crawling with vicious, contemptible shysters, most, though not all, of them from Harvard Law, who make a pretense of legal practice to lobby through favors and find shortcuts through the mazes which they had a part in creating for that very purpose.

Miserable parasites writhing on the moribund body of a wonderful nation which they devoured in their nasty greed, they now waylay and levy a tax on good citizens come to town to fumble and blunder among the traps and mazes.

They come seeking Government contracts. They want their rights before bureaus set up to deny their rights and create litigation and problems for honest men and business opportunities for these vermin. These are the dirty intellectuals of the Roosevelt New Deal. These are the friends of the common man.

The Herald Tribune had not a shred of evidence to implicate Harry Vaughan. He gave his autographed picture to a fellow who was a colonel for a while and then got out of the Army to become a piece man.

The guy was a name-dropper. How many of us have given our pictures to persons whom we know but slightly or not at all, sometimes with cordial inscriptions? I sent one to some woman in Chicago years ago.

The office had bought them by the hundred. A town sport operator told me 2 years later he saw it on the dresser in a lady's room. He leered. You know.

The other day, a character named Joseph Alsop, one of those Herald Tribune types, ran a whole column of insinuating smear about Vaughan. In detail it says nothing. Altogether it gives a rotten impression.

"The absence of any imputation that General Vaughan was cut in on Colonel Hunt's profits does not make the matter much less serious," says this Alsop.

Well, it just makes all the difference in the world, that's all. If he had proof that Vaughan did cut in on Hunt's profits which,

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by the way, seem legitimate and traditional, he would scream his head off.

Now here is Bob Ruark, of the Scripps-Howard outfit: "I think the inclusion of that clown, that buffoon, that flap-mouthed dunderhead, Gen. Harry Vaughan, in his official family as aide, is an insult both to the military and to the people who elected Truman."

Ruark is above that. Yet he dumps a load of outrageous abuse without making the slightest accusation that the man could answer.

And the Scripps-Howard editorial for all the chain quotes a misquotation and then gives the correct quotation only to impugn it on no specified grounds.

Will I put myself in the position of defending Vaughan?

You bet your sweet life I will; I will defend any person against such abuse of the freedom of the American press.

S. 1076

EXTENSION OF REMARKS
OF
HON. ANDREW J. BIEMILLER
OF WISCONSIN
IN THE HOUSE OF REPRESENTATIVES

Thursday, July 28, 1949

Mr. BIEMILLER. Mr. Speaker, my attention has been called to an extension of remarks in the July 14 issue of the CONGRESSIONAL RECORD made by my colleague the Honorable ALVIN F. WEICHEL, of Ohio, concerning legislation now under consideration by this House, S. 1076. This bill, introduced by Senator JOHNSON of Colorado in the Senate, has already passed that body, has been considered by the House Merchant Marine and Fisheries Committee, and has been reported favorably. I hope when it is next called up for consideration that it may pass this House of Representatives by a large majority because it is a good, substantial bill and entirely worthy of enactment.

I wish to call attention to certain errors in Mr. WEICHEL's statements—probably made because he is unfamiliar with the background of this proposed legislation. He has stated that the Director of the Fish and Wildlife Service is asking for a 100-percent increase in the duck-stamp tax so that he might have more funds for administrative spending. He implies that this is a plan conceived by the Director of that Service, perhaps contrary to public opinion. This is not the case.

I, myself, was responsible for the introduction of a bill in the first session of the Seventy-ninth Congress, which was known as H. R. 5021, to increase the price of the duck stamp from $1 to $2. I introduced this bill on December 17, 1945, not at the request of the Fish and Wildlife Service but at the request of the duck hunters in my State. This proposal was conceived, sponsored, and wholeheartedly endorsed by the Wisconsin Duck Hunters Association of my home town of Milwaukee, Wis. They did it because at that time ducks and geese were on the decline. The duck hunters in my State were among the first to demand a shorter season, reduced bag limits, and to press for more adequate management of the waterfowl resource. I introduced H. R. 5021 because I believed with my constituents that it was a necessary move to give the Fish and Wildlife Service better tools with which to do a management job. It had the enthusiastic support of Gordon MacQuarrie, the well-known Milwaukee Journal writer on outdoor subjects.

My bill failed of passage but Congressman Charles J. Kersten, who succeeded me in the Eightieth Congress, introduced a similar bill, again at the request and insistence of the Wisconsin Duck Hunters Association. This was known as H. R. 3802 of the Eightieth Congress. Senator A. WILLIS ROBERTSON, of Virginia, introduced a companion measure, S. 2482, which passed the Senate and would have passed the House of Representatives last year, I understand, had not the gentleman from Ohio [Mr. WEICHEL] who was then chairman of the Merchant Marine and Fisheries Committee of the House, blocked its consideration by the full committee, although the wildlife subcommittee had endorsed it.

A similar bill was again introduced in the House this year by Congressman CLARK W. THOMPSON, of Texas, chairman of the Subcommittee of Merchant Marine and Fisheries handling fish and wildlife legislation. This bill is numbered H. R. 3711. Senator JOHNSON of Colorado, chairman of the Committee on Interstate and Foreign Commerce, introduced a similar measure which has passed the Senate and has been reported favorably by the House Committee on Merchant Marine and Fisheries. I hope it will pass because I know from my experience that it has the strong endorsement of sportsmen all over the country. This is the bill under consideration—S. 1076.

It is not a general tax taken out of the United States Treasury. It is an additional tax upon the duck hunters themselves and one which they will gladly pay. I have followed the course of this bill and I know that the objections to it are practically nil.

One further point should be explained insofar as Mr. WEICHEL's presentation of his opposition is concerned and that deals with the income for wildlife restoration purposes from the 11-percent tax on sporting arms and ammunition. These funds, other than not to exceed 8 percent for administration, are not available to the Director of the Fish and Wildlife Service but are allocated to the State fish and game departments in a fixed ratio prescribed in the so-called Pittman-Robertson Act. This is State-aid money and the fish and game department of my State as well as every other State in the Union would object most strenuously to any attempt to divert these funds to the Fish and Wildlife Service to carry on any of its activities. The two items should not be confused.

I am including an article in the Memphis Commercial-Appeal of July 1, 1949, by Walter Stewart, and also a column in the July 19 issue of the Evening Star, Washington, D. C., written by Bill Leetch. Both of these articles describe the situation as I and my duck-hunting friends in Wisconsin see it. They follow:

[From the Memphis Commercial Appeal of July 1, 1949]

YOU CAN THROW AWAY YOUR GUMBOOTS—UNLESS SOMETHING IS DONE FOR WILD WATERFUL—LET'S JAM THIS DUCK-STAMP BILL THROUGH CONGRESS

(By Walter Stewart)

Sweat cascaded down the collar in jolly little flash floods as we applied a soothing blend of alcohol and glycerin to our gumboots—and marveled at the futility of it all. For information filtering down from Washington indicates that such equipment will soon be obsolete as David's slingshot, and this will create a serious problem in the Midsouth, where approximately 315,000 scatter gunners employ rubber waders in the assassination of wild waterfowl.

So we are sponsoring a contest for the reconversion of gumboots which may be used as vats for exhausted engine oil, exotic flower pots, or raincoats for underprivileged cocker spaniels. Write your suggestion on a slip of paper, tear off the head of your favorite Congressman and mail to this department.

For it appears that additional public-hunting grounds and refuge areas can be out of the question. This delay means that our already riddled waterfowl population will not be able to restock itself, and that the law of diminishing returns will work out on perfect schedule. The land-acquisition program is only 60 percent complete and now it has bogged down dismally. Al Day, director of the United States Fish and Wildlife Service, appeared before a Senate committee the other day and explained just why.

The high price of real estate bans substantial additions to the refuge system. And there are extensive plans to drain vast areas for agricultural use. This naturally destroys the value of such lands as breeding and nesting grounds for ducks and geese.

SHAKE OFF THE DUST

In the meanwhile, the proposal for raising the cost of the duck stamp from $1 to $2 is gathering dust upon the shelf. It has worked its way through the Senate committee, and our Washington operative (who has thus far escaped the FBI) has dispatched a carrier pigeon with reports that the bill has also escaped the House Merchant Marine and Fisheries Subcommittee—will appear before the full committee this week. The price elevation would supply funds for the purchase of land in quantity sufficient to complete the refuge system. It would also allow the establishment of more public hunting areas and rescue some of the swamps earmarked for drainage. The extra dollar would pour power in the enforcement agencies by raising the stamp contribution from 10 percent to 25 percent of the total.

But Congress is going to adjourn within a month and the passage of this duck-stamp measure is vital to everyone who glories in the bucking recoil of a 12-gage on a frosty autumn morning. If it doesn't pass now, there'll probably be a 2-year delay and the wild waterfowl population simply isn't capable of living through this financial famine.

When we estimated the number of amphibious gunners in the Midsouth, we based it upon the hunting licenses sold in Tennessee, Mississippi, and Arkansas last year. Mississippi bargained for 194,500, Tennessee for 256,400 (combined hunting and fishing), while Arkansas sold 174,261 resident hunting licenses.

THE STAGGERING TOTAL

This totals 625,161, and those who should know, wardens and sporting goods tycoons, report that a heavy majority are chiefly interested in ducks and geese. But we have halved the figure and let it go at that. With quail shooting going down the drain at an

alarming rate, more and more huntsmen are turning to the swamps and the pressure will grow heavier with time.

Now Congress isn't going to pass this duck-stamp bill without being prodded in its plump hams. There isn't any reason why Congress shouldn't, for the money comes directly from the pocket of the hunter and not from Government funds. But Congress is like that. It must be remembered that those representing 625,161 licenses are equipped with a great deal of political muscle, and this should be applied in the present situation. Just write your Congressman and hint broadly that you'd be pleased with immediate action on this duck-stamp bill—and its passage pronto.

THE PROPER RELATIONSHIP

There seems to be some misconception concerning the relationship between Congress and the American people. The gentlemen who sit in the House and Senate are the employees of the taxpayers. The gentlemen apply for the job by running for election. We hire them by casting a vote and pay their salaries by parting with tax moneys. They are supposed to show their appreciation by representing our interests with vigor and intelligence. And enactment of the duck-stamp bill is most certainly to the interests of the millions who cast their heavy thunders against the skies of autumn.

Sportsmen's associations are springing up with pleasing frequency, and these bands should take a leading part in the campaign. Those who labor in the United States Fish and Wildlife Service are thoroughly expert and efficient, but they can't get champagne out of a turnip any more successfully than you can. Without sufficient funds, they are helpless. Without the United States Fish and Wildlife Service, the wild waterfowl are helpless. And without wild waterfowl—well, you may as well start converting those gumboots.

And the problems of the Service are pointed up by Representative WILLIAM LEMKE, who has proposed a bill which would issue special permits for the indiscriminate slaughter of ducks and geese. There are so many of these, maintains WILLIAM, that they are destroying vast quantities of farm produce. Wonder where he finds them.

No, we aren't going to preach a sermon concerning "our sacred heritage" insofar as game is involved. We'd just like to note that millions of American males find happiness in the pursuit of wild waterfowl. They are willing to pay for it, and Congress is a sorry servant if it fails to supply the raw material for such happiness.

[From the Washington Evening Star of July 19, 1949]

OUTDOORS

(By Bill Leetch)

Representative ALVIN F. WEICHEL, Republican, of Ohio, last week lashed out at bill S. 1706, already passed by the Senate, which seeks to boost the duck stamp tax fee from $1 to $2.

Let's get the facts straight.

In the first place this duck stamp tax fee is not a tax imposed on the general public, as Mr. WEICHEL implies. It is a fee paid only by duck hunters, and with few exceptions, gladly. Under the law this money is used to purchase duck-breeding grounds and sanctuaries in this country and for enforcement and administration. Only 10 percent of these funds annually is permitted for administration and enforcement, and from this amount must be deducted the Post Office Department's costs of printing and distributing the stamps, leaving acutally only about 8 percent.

Duck stamps first were put on sale on August 14, 1934, and that year some 635,000 were sold. Over the years, through 1948, peak sales amounted to just over $2,000,000 in the top year, not the $5,000,000 which Mr. WEICHEL claims. Ten percent of $2,000,000 is $200,000, which in the peak year had to cover the cost of enforcement of the shooting laws and administration costs—a small enough sum when one considers that this has to be spread all over the United States.

Mr. WEICHEL also asserts that Wildlife Service revenues already are at a peak, claiming that in addition to appropriations from Congress it has an unexpected balance of about $14,000,000 in its treasury representing revenues from taxes on the sale of hunting equipment, and expects to collect $10,000,000 more this year. This $14,000,000 is not in the treasury of the Wildlife Service. It is Pittman-Robertson money and in the Treasury earmarked for wildlife restoration, etc., through the States under the Pittman-Robertson Act.

The balance is not unexpected, but has been building up over some years, and the reason it is so large is that Congress has been niggardly in appropriating from this fund. This money is not used by the Fish and Wildlife Service at all, nor does it collect one penny of it. There is not room enough in this column to explain the whole working of the P.-R. Act, but we assure you that the only chance the Wildlife Service has to get a penny of it is if some State, which has been made an appropriation under the law, fails to use it within a 2-year period. In this case it reverts to the migratory-bird conservation fund and can be used along with and in the same manner as duck-stamp funds. We assure you that a very few thousands ever are turned down by the States.

With no increase in funds, the Fish and Wildlife Service is supposed to do a bigger job today than in 1934, in spite of the shrinkage in dollar value. Mr. Day, Director of the Service, is not trying to jam this bill through Congress as Mr. WEICHEL asserts. He does wish it passed so the Service can do a job, and he is backed by every real conservation organization in this country.

It is a physical impossibility for the seventy-odd Federal law-enforcement officers to break up illegal duck hunting. Many authorities claim almost as many ducks are being slaughtered illegally as legally. More funds for law enforcement are desperately needed if our duck populations are to be protected from the "gun goons," as Nash Buckingham calls them.

It is true that the Fish and Wildlife Service cannot guarantee to raise each year a definite quota of ducks. But the Service can "temper the wind" to the ducks in their annual migration, provided they are given the funds with which to do it.

Economy and Preparedness

EXTENSION OF REMARKS

OF

HON. OLIN E. TEAGUE

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, July 26, 1949

Mr. TEAGUE. Mr. Speaker, it is my belief that we should not formulate our defense plans without regard to the cost of such plans because it is absolutely essential that this country remain economically strong. General Bradley realizes that this is necessary and appropriately passed on his thoughts to the graduates of the Command and General Staff College recently.

Under leave to extend my remarks in the RECORD, I wish to include General Bradley's address entitled "Economy and Preparedness" which appeared in the August issue of the Infantry Journal:

ECONOMY AND PREPAREDNESS

(By Gen. Omar N. Bradley)

If we Americans are to forge a long-range military policy which will endure, it must be internationally astute, and nationally within our means. Strategic plans for future defense can only be as valid as the peacetime preparations we can afford. Soldiers, sailors, and airmen must provide the United States with the sturdiest defense available, within the price we can pay.

That this is a very real, and very limiting factor, no one can deny. For we cannot afford to maintain over a long period of time the established forces that can assure a quick victory.

However, we can afford—and must afford—sufficient forces in being, including the mobilization base and necessary reinforcements, to avert disaster in event we are attacked.

In 4 years we demobilized an army, a navy, and an air force until they were little more than occupation forces in foreign lands. For the cycle of reestablishing a planned and ready military stature we have reacted jerkily, spasmodically, to the stress and the tension from outside sources. In this atmosphere, a truly long-range policy was only a conversation piece.

Today in our armed forces, we have reached a stability which in my opinion can be the basis of the combat readiness which will avert disaster. With additional effort, and a little more time, we can build the forces now planned into reliable guardians of defense.

Militarily speaking, the situation is as stable as it is going to be for some time to come. In the 4 years since VJ-day I think the advantage has swung to our side and that the aggressor, who was once a friend, is now on the defensive.

Rather than expect a long period of friendly cooperation, however, we must anticipate a long period of tension, with alternating day-to-day improvements or set-backs, which must not be allowed to unstabilize the long-range plans for security. The American citizen must evidence a resoluteness and constancy that will signal our new stand for protected, secure freedoms. He will draw courage and strength for his own progress, and will reinforce the faith of our friends in western Europe. The United States security dollar will be invested in long-term bonds which are bound to pay off in defense dividends and decreased costs. Better plans can be made, greater economies effected, and our allies can confidently chart their courses.

Since you are students of American foreign policy as well as military preparedness, you are interested in a consideration of the basic ingredients of a sound long-range military policy for the United States, which is an integrated plan of our peaceful intention and our military potential.

First, under present conditions, it must cost much less than we are spending now.

Second, considering the enemies we may sometime face, our combined forces must be much more effective than they are today.

In speaking of effectiveness—or combat readiness, as the military man would term it—our greatest danger is that we will be caught in the fancy of a futurism and commit ourselves to unbalanced forces that will not match the forces which might oppose us.

When I speak of balance, I don't mean the dividing of funds equally among three services; nor do I mean an equation of so many ships equal so many soldiers equal so many air groups, to create a pattern on a chart.

When I speak of balance, I mean effective forces equal to the tasks that modern warfare may thrust upon us. And in striking this balance we must include that which can be reliably contributed by our allies. We can upset this equilibrium by committing ourselves, not strategically, nor numerically, but financially, to plans which on the surface

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seem proper, but tomorrow tower over us in burdensome upkeep.

So, as a third basic ingredient, I consider balanced forces—as I understand balance—as most essential.

This guiding principle of economy, effectiveness, and balanced preparedness applies equally, in my judgment, to all three of the armed forces. We cannot afford to spend more money than is absolutely essential on any one of the services merely to satisfy an emotional appeal. Every dollar spent must be strategically productive, for either national bankruptcy or a lack of preparedness will satisfy a lurking aggressor.

Long-range policy must be accompanied by long-range budget plans. Piecemeal attacks cannot be mounted forever. And in our year-to-year consideration of the budget we must look ahead at least 4 or 5 years.

We cannot afford to spend $6,000,000,000 in the enlargement of a particular service that may require $7,000,000,000 to maintain the next year, and perhaps $8,000,000,000 to maintain and improve in the succeeding year, unless we realize and fully intend the long-range effect that this will have on our future capabilities.

For example—and it is only a hypothetical picture—if we decide in fiscal year 1953 that we can afford only $12,000,000,000 of the Federal funds for the armed forces, and in the present fiscal year we launched a long-range program for one service that will in 3 years demand $8,000,000,000, of a $12,000,000,000 budget, then we would end up with a National Military Establishment entirely out of balance to meet an emergency. We would have nullified our effectiveness and decidedly compromised our security.

Long-range military policy must ultimately be interpreted by men with missions, trained and equipped to perform them. Civilians must set the policy, but they will continue to rely upon their trusted military advisers for the practical applications. Without sacrificing any of the economies or progress which can be opened by modern research and invention, some down-to-earth readiness must be the foundation of our present plans. This is our most pressing military problem.

American ingenuity has been admired and respected by men everywhere. With the American soldier, the field expedient has often created sterling success from foredoomed impossibility; with inventive genius he has often provided abundance from scarcity.

Nationally, we are faced with a similar problem. And today every planner must put this ingenuity to work on the "big picture" scale.

The American people are anxious for the first sign that we can positively win the victory in any future war. However, our plans can best provide for victory by preventing another war. Many soldiers and even more statesmen have worked toward the goal of winning the war without firing a shot. I believe that we can contribute greatly to this possibility for the United States. Success in this effort would be the ultimate in economy—of lives, of resources, of American standards of living.

You are all familiar with the precept that another way to prevent war is to be so strong that no one will attack us. In this day and age, however, this method of war prevention is too expensive. We must seek a better solution.

Another method would be to reestablish through the coalition of friendly nations, the military power to back our peaceful intention if challenged. In concert with the other signers of the Atlantic Pact, we may ultimately achieve this. In that event smaller forces, readily available and readily capable of expansion might be relied upon. Our strength would lie in collective action and political combination backed by efficient, expandable forces. These forces must be ready and capable of keeping a toehold on any continent which may ultimately become the battlefield. Our economy is thus linked to theirs; our foreign policy to their international ways and means.

It is not necessary that I discuss with you the nature of modern warfare which will dictate our fundamental forces. We all recognize that we must have first and foremost, a strategic air force, second to none, equipped with the ultimate in weapons that our research and development can provide. And our plans must be so complete, that we know the application of this force and its armaments, will help carry us to the position we nationally wish to achieve, when the war is over.

With me, you undoubtedly plan for a Navy, with its air arm, and its essential Marine units, for the fulfillment of the Navy's offensive and defensive missions, including the assistance that the Army and Air Force must have to project the battle as far from our own shores as possible.

We must have a tactical air force, for every soldier knows that the fighter-bomber combination with the infantry, artillery, and tanks, is the only practical battlefield force in modern war.

Before presenting the detailed problem I would like to have you consider, I would add one more thought on modern warfare. It is essential for all of us to realize that successful modern war demands that the victor put continuous pressure on the enemy, for modern battle is a unified and continuing effort. To win, we must pour on a series of continuing blows, rising to a crescendo of intensity and fierceness, until the enemy and his war-making potential crumble. It is essential that no phase should fall off in intensity and thus allow him to catch his breath, and recuperate from the latest blow to prepare for the next. If he is a strong foe, he may seize the opportunity, if there is a lag, to strike a telling blow back.

With economy our yardstick and preparedness our pattern, then let us estimate the size and composition of the American Army that fits the pattern—smaller, less expensive defense forces for a nation which is a member of a coalition. In analyzing the requirements, we must provide an answer to the question: What size Army must we—and shall we—maintain for the long run?

To meet the modern warfare requirements, we must maintain as a ready mobile force, the smallest, self-contained organization, capable of major battle accomplishments. And we must have, to go with it, the reinforcements, the mobilization base, the special-mission units for bases we must seize and hold. This is not nearly so large an Army as some might imagine.

This ready force must have good soldiers trained to assume greater positions of responsibility. In an extreme, perhaps, every private should be a potential first sergeant. These men must be trained not in just one type of warfare, but in many, and for many climates, and many strange conditions.

I think this is the place to put in a necessary caution. Too many planners, failing to consider our national dearth of manpower in comparison with other nations, think in terms of large special forces—divisions capable of only amphibious work—or divisions capable of only airborne work. This is shortsighted. In the American armed forces we must have every division—in fact, every combat soldier—trained to fight as infantry, and with the infantry, on the ground.

That this force must be mobile both tactically and strategically is a foregone conclusion. And if it is to be committed overseas, the necessary shipping must be readily available in the exact numbers and types of ships we need. Ports and port battalions must exist as transportation support in being.

Trained men and waiting ships are not enough. This force-in-being which must be our minimum fighting establishment should have the best in modern equipment.

Caught in the fascination of scientific development and research promise, the practical soldier may be misled in his thinking toward atomic warheads, and guided missile long-range fire power, to the exclusion of a very practical objective.

Even with our generous industrial production, any future American Army must leave an absolutely clean battlefield. We cannot expect industry to provide, nor a soldier to carry, any item he does not use. This applies, too, to every other soldier who must support the advance of the ground army.

To save themselves in order to win the battle, the American GI must be the best equipped, the best protected, and the man with the lightest load. This includes his rifle, his ammunition, his clothing, his food. I don't believe that American ingenuity has been completely applied to this ultimate economy-plus-effectiveness problem.

Lighten the soldier's load, and at the same time decrease the weight of his supporting guns and their ammunition—and we may in the sum total, provide, through research and careful development, an air-borne army. By effecting this helpful economy, and by constant effort to use less of the strategically critical raw materials in our arms, we may be able to lower the steel and munitions requirements to the point that we can provide a victory at lower cost—in living standards as well as lives.

Finally, in general objective, this ready force must know its mission, and more than that, must like it. It cannot be a one-shot task force for a suicide attempt. Plans made for its employment must include a realistic concept of the logistical support, and the reinforcements, needed for its sustained mission. As we work out its speedy transportation with the Navy and the Air Force, we must provide the tactical air groups to push the divisions forward, and to maintain air superiority wherever possible.

If this force is available, and we provide in our Army the schooling system, the depots and storage plants, the necessary Reserve and National Guard training assistance, we can meet the first requirement of a modern war at the same time strategic air launches the retaliatory attack.

These are unusual and most difficult requirements. However, they are not beyond the capabilities of good-planning, forward-thinking soldiers. And I urge you in the months to come to apply your minds and your education to this problem.

As a basis of discussion I suggest one possible solution: Can the United States afford an Army striking force of any less than a completely ready, reinforced corps, balanced in division types, capable of sustained action, for the backbone of its long-range modern Army?

This is not a time for classroom problems. After all, you have completed a year of rigorous study, in a limited professional field. American military success has been founded on similar study by soldiers before you. Each of them had the capability of envisioning greater problems, and at the same time inventing more practical answers than their predecessors.

A review of World War II and its outcome has confirmed in my own mind the belief that the Army system of professional education which was revitalized and expanded after World War I was one of the greatest contributions to the winning of World War II. For it provided us, in our small nucleus of Regular Army officers, and our larger complement of National Guard and Reserve officers, with skilled leadership as well as staff procedures which competently faced the tough tactical and strategic problems thrust upon us.

Today, as you graduate from the Command and General Staff College you join the ranks of those soldiers who have a common professional education aimed toward the solution of higher staff and command problems. Your selection to attend this school is evidence of the Army's faith in your potential for assuming greater responsibility in the case of war. It is especially appropriate that we have discussed future plans and policies, and necessary economies with you here today.

One final word to the future commanders and staff officers in the American Army. Keep within these possibilities as you plan: The American Army can be no different than the American people. If our national aptitudes are mechanization, initiative, ingenuity, individuality, we must never attempt to suppress them. A man's religion and his politics are his own affairs and must always continue to be. And if a man's respect for his superiors is based on an appreciation of the intelligence and ability of his leaders, then the leaders we offer him must have these better talents.

In your future military careers, I wish you and your families continued success and much happiness. As American citizens you are expected to be outstanding.

Country Editors Think—And Some Write

EXTENSION OF REMARKS
OF
HON. CLARE E. HOFFMAN
OF MICHIGAN
IN THE HOUSE OF REPRESENTATIVES
Thursday, July 28, 1949

Mr. HOFFMAN of Michigan. Mr. Speaker, from the Allegan Gazette of July 21, 1949, published in my home town of Allegan, Mich., comes the following:

NOTES AND COMMENT—THE PASSING PARADE

Last week we wrote an editorial suggesting that Congress might save a lot of time and do the country a service if they dropped all their investigations and investigated Truman. A friend of the Gazette (not Uncle Enos) advised us that it was in poor taste as it inferred that our President might be dishonest. So we threw it in the wastebasket. Now we read that Senator BYRD wants to investigate Truman's economic advisers and that Representative SHAFER wants to investigate General Vaughan, Truman's profane personal military adviser. Looks as though we lost out on that one.

Last week General Vaughan, at a press interview upon his return from a trip abroad, opened his big mouth and stated to the press that he knew there were about 300 "five percenters" in Washington, and that some of the reporters present had better be careful because some day they might want a "White House favor." For your information, a "five percenter" is a Washington leech who rates with the administration. He has "influence" and is willing to "sell" his influence to anyone who is willing to give him 5 percent of any contract that he can secure from the Government. Needless to say, the 5 percent is eventually paid by the taxpayer.

Eight of the jurors in the Hiss trial found him guilty of perjury, which is the same as finding him guilty of delivering secret confidential Government documents to the Communists. As you know, Hiss was an official of the State Department under Roosevelt and his personal advisor at Yalta, where Roosevelt delivered over to Stalin and the Communists all of eastern Europe. Hiss was recommended to Uncle Sam by Felix Frankfurter, appointed by Roosevelt to the Supreme Court. Frankfurter degraded the name of the highest court in the land by appearing as a character witness for Hiss at the trial. The eight jurors who voted for conviction evidently believe that the fact that the stolen documents were copied on the Hiss typewriter outweighed the testimony of Justice Frankfurter.

For your information, Frankfurter was formerly a Harvard professor, and it was through his influence that many of his law students secured high positions in the New Deal government. Another one of his proteges, Edward Prichard, formerly an assistant to the Attorney General of the United States, has just been convicted in Kentucky and sentenced to 2 years in the Federal penitentiary for doctoring 254 ballots in the general election last fall. It appears that he forged these ballots in favor of the New Deal. Some picker, this man Frankfurter.

From Austin, Minn., comes a news item concerning one Thomas Downey. It appears that this man fell from a truck and injured his head. Well-meaning friends placed a tourniquet around his neck and drew it tight to stop the flow of blood. A woman passerby stopped and persuaded them to loosen it and, thanks to her, Thomas Downey revived and is now on the road to recovery. We sincerely wish that Truman would appoint this same woman his personal economic adviser so that she could do the same for Uncle Sam. In our opinion, Uncle Sam is being strangled to death by the New Dealers, labor bosses, pinkish justices of the Supreme Court, Bridges with his blockade of Hawaii, the American Legion with its pension and other benefits to undeserving so-called veterans, and career reliefers.

You remember the story of the Man Without a Country and how the Navy took over the custody of one Philip Nolan? This unfortunate soul, guilty of a crime against his country, was placed on a naval vessel and for the rest of his life was not permitted to hear, speak of or see the United States. In our opinion the United States would do well to take the wraps off its moth-ball fleet, load Hiss and all the other nonbelievers in democracy on this fleet and give them the same treatment. We would gladly pay taxes for such a project.

L. W. H.

The foregoing editorial shows that the home folks have at least an inkling of what is going on behind the iron curtain in Washington. The editorials are a barometer which give us an accurate evaluation of the thinking of a majority of our people.

Pledge of Allegiance

EXTENSION OF REMARKS
OF
HON. CLYDE DOYLE
OF CALIFORNIA
IN THE HOUSE OF REPRESENTATIVES
Thursday, July 28, 1949

Mr. DOYLE. Mr. Speaker, the following is the text of an article which appeared in the Independent Review, Los Angles County, Calif., under date of July 22, 1949, by Leisa Bronson, director of organization, women's division of the Democrat State Committee, California, southern division. I am pleased to present it to you:

At the opening of every political meeting we stand and pledge allegiance to the flag of the United States of America and to the Republic for which it stands; one nation indivisible, with liberty and justice for all. We have done this hundreds, perhaps thousands of times. How did we come to take this pledge? What is its meaning for us?

The pledge of allegiance was first used in the schools in response to a proclamation issued by President Benjamin Harrison at the request of Congress, recommending that October 31, 1892, be set aside to commemorate the four hundredth anniversary of the discovery of America. The pledge devised for the occasion, slightly altered, is the one we use today.

We call it the pledge of allegiance. According to Webster's Dictionary, allegiance means the duty of fidelity to one's king, government, or sovereign state. It connotes devotion, loyalty, service, and respect. The opposite or antonym is given as "treason, treachery, perfidy, disloyalty."

TRANSCENDS LOYALTY PLEDGE

We have, then, taken a loyalty oath—a loyalty oath that is voluntary, dynamic, creative. This pledge far transcends the negative type of compulsory loyalty oaths advocated by our Un-American Activities Committee. He who pledges himself wholeheartedly to work for "liberty and justice for all" must repudiate totalitarianism in all its forms. He who sincerely pledges allegiance to the flag could not own a prior allegiance to any other government.

But more than this, the pledge of allegiance is far-reaching in its implications. That phrase "liberty and justice for all" commits us to many things. It commits us to work against discrimination, both racial and economic. It commits us to implement the Bill of Rights. It commits us to the task of unifying the Nation, not in terms of power, but in terms of a national ideal.

The pledge connotes service. It means that we must give of our best in the struggle to achieve social justice. It means that we will serve with constancy and responsibility. It means self-dedication.

There is no fear in this pledge. It is a pledge of free men, freely given. When we repeat the familiar words together, let us think of the deep meaning they have for us as Democrats and as citizens. Let us think of them as a victorious answer for today and a challenge for tomorrow.

Our Flag Flies at Night Also

EXTENSION OF REMARKS
OF
HON. CLYDE DOYLE
OF CALIFORNIA
IN THE HOUSE OF REPRESENTATIVES
Thursday, July 28, 1949

Mr. DOYLE. Mr. Speaker, the fact that I had never seen the flag staff on our Nation's Capitol building without a flag flying from it, either night or day, caused me to make inquiry to the Library of Congress as to why it did so and whether or not there were other places in the United States where the flag of the United States also flew in the breeze 24 hours a day.

I felt reasonably sure that the information which was furnished to me by the Library of Congress in reply to my inquiry on this matter would be of value to all Members of Congress and the thousands of other readers of the CONGRESSIONAL RECORD. Therefore, I take pleasure in submitting it to you for your guidance and information, and I include

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therein the text of Public Law 829 of the Seventy-seventh Congress:

FLYING OF UNITED STATES FLAG AT NIGHT

The Star-Spangled Banner at Fort McHenry, Md., will fly under floodlights all night long hereafter, largely because a visitor complained the flag was not visible "at the twilight's last gleaming," it was announced today.

It was at Fort McHenry, in the War of 1812, that the sight of the flag gallantly streaming throughout a British attack inspired Francis Scott Key to write the national anthem. (Washington Post, February 12, 1947, p. 2.)

Walter L. Vanaman, director of the municipal veterans bureau (Baltimore) said today he had received permission from the Department of the Interior to fly the flag at night at Fort McHenry. It will be illuminated by spotlights.

The night display was prompted by a letter from Herbert Beck, director of the Franklin and Marshall College Museum in Lancaster, Pa. Beck said it was disappointing to passengers on night boats passing the fort not to see that "the flag was still there." (Associated Press release, February 1, 1947.)

WHERE THE UNITED STATES FLAG FLIES DAY AND NIGHT

There are four flags that fly continuously, day and night, year in, year out: On the east and west fronts of the United States Capitol, at the grave of Francis Scott Key; and at the War Memorial, Worcester, Mass.

On the Capitol Building. In 1894 Congress made provision for the flying of the flag over the east and west porticos of the United States Capitol Building in Washington, and the flags were flown daily between sunrise and sunset until 1918. During the World War requests were received from all parts of the country urging that the United States flag be flown continuously over all public buildings in Washington, so since that time it has been the custom to keep the flags on the east and west fronts of the Capitol Building flying 24 hours a day every day in the year. * * *

At the grave of Francis Scott Key in Mount Olivet Cemetery, Frederick, Md. Flying the flag day and night was the custom as far back as 1898. However, because of criticism, the flag was later displayed only between sunrise and sunset. Subsequently the practice of flying the flag day and night was resumed. The belief by some that this practice is authorized by an act of Congress is erroneous. It was started either by authority of the Francis Scott Key Memorial Association, or by the superintendent of Mount Olivet Cemetery on his own accord. It is contended by some that flying the flag over the grave of Francis Scott Key at night is in keeping with the sentiment in "The Star Spangled Banner," giving "proof through the night that our flag is still there."

At the Worcester War Memorial. The War Memorial at Worcester, Mass., was designed around the idea of a flag flying perpetually. It had been flying continuously since November 11, 1933, being illuminated at night by powerful spotlights.

When a permanent fort or a ship is engaged in battle at night, the flag is flown. (Moss, James A., The Flag of the United States. The United States Flag Association, Washington, D. C. 1941, pp. 203–204.)

THE LIBRARY OF CONGRESS,
LEGISLATIVE REFERENCE SERVICE,
Washington, D. C., July 25, 1949.

Hon. CLYDE DOYLE,
House of Representatives,
Washington, D. C.

DEAR MR. DOYLE: This is in response to your inquiry of a few days ago, about flying the flag at night. The enclosed extract from James A. Moss, The Flag of the United States, indicates three places where the flag flies continuously (the Capitol, the grave of Francis Scott Key, and the Worcester War Memorial), and the press releases show a fourth, namely, Fort McHenry, commencing in 1947.

A word of explanation should certainly accompany any such list. In the first place, I doubt whether there is any substantial basis for a complete list of places where the flag is flown continuously. So far as Government buildings are concerned, the matter is, of course, governed by regulation. (This explains, for example, the procedure in the case of Fort McHenry.) But beyond that, there is no general law dealing with the subject which would effectively prohibit flying the flag at night. The so-called Flag Code does not purport to lay down the law but rather to codify existing custom. No penalties are prescribed. Hence the whole matter, so far as private individuals are concerned, rests in their sound discretion, aided but not bound by the customs codified in the Flag Code. That act indicates that sunrise to sunset is the general custom. "However, the flag may be displayed at night upon special occasions when it is desired to produce a patriotic effect." This clause would seem to be capable of considerable latitude of interpretation; for example, the Worcester War Memorial could well be considered as designed to produce a patriotic effect.

How many more cases of the sort there may be is something on which we have been unable to find data. However, I presume the absence of such data probably means that any further examples are not of national significance.

Very truly yours,

W. C. GILBERT,
Assistant Director, Legislative Reference Service.

[Public Law 829—77th Cong.]
[Ch. 806—2d Sess.]
House Joint Resolution 359

Joint resolution to amend Public Law No. 623, approved June 22, 1942, entitled "Joint resolution to codify and emphasize existing rules and customs pertaining to the display and use of the flag of the United States of America"

Resolved, etc., That Public Law No. 623, approved June 22, 1942, entitled "Joint resolution to codify and emphasize existing rules and customs pertaining to the display and use of the flag of the United States of America," be, and the same is hereby, amended to read as follows:

That the following codification of existing rules and customs pertaining to the display and use of the flag of the United States of America be, and it is hereby, established for the use of such civilians or civilian groups or organizations as may not be required to conform with regulations promulgated by one or more executive departments of the Government of the United States.

SEC. 2. (a) It is the universal custom to display the flag only from sunrise to sunset on buildings and on stationary flagstaffs in the open. However, the flag may be displayed at night upon special occasions when it is desired to produce a patriotic effect.

(b) The flag should be hoisted briskly and lowered ceremoniously.

(c) The flag should not be displayed on days when the weather is inclement.

(d) The flag should be displayed on all days when the weather permits, especially on New Year's Day, January 1; Inauguration Day, January 20; Lincoln's Birthday, February 12; Washington's Birthday, February 22; Army Day, April 6; Easter Sunday (variable); Mother's Day, second Sunday in May; Memorial Day (half staff until noon), May 30; Flag Day, June 14; Independence Day, July 4; Labor Day, first Monday in September; Constitution Day, September 17; Columbus Day, October 12; Navy Day, October 27; Armistice Day, November 11; Thanksgiving Day, fourth Thursday in November; Christmas Day, December 25; such other days as may be proclaimed by the President of the United States; the birthdays of States (dates of admission); and on State holidays.

(e) The flag should be displayed daily, weather permitting, on or near the main administration building of every public institution.

(f) The flag should be displayed in or near every polling place on election days.

(g) The flag should be displayed during school days in or near every schoolhouse.

SEC. 3. That the flag, when carried in a procession with another flag or flags, should be either on the marching right; that is, the flag's own right, or, if there is a line of other flags, in front of the center of that line.

(a) The flag should not be displayed on a float in a parade except from a staff, or as provided in subsection (i).

(b) The flag should not be draped over the hood, top, sides, or back of a vehicle or of a railroad train or a boat. When the flag is displayed on a motorcar, the staff shall be fixed firmly to the chassis or clamped to the radiator cap.

(c) No other flag or pennant should be placed above, or, if on the same level, to the right of the flag of the United States of America, except during church services conducted by naval chaplains at sea, when the church pennant may be flown above the flag during church services for the personnel of the Navy.

(d) The flag of the United States of America, when it is displayed with another flag against a wall from crossed staffs, should be on the right, the flag's own right, and its staff should be in front of the staff of the other flag.

(e) The flag of the United States of America should be at the center and at the highest point of the group when a number of flags of States or localities or pennants of societies are grouped and displayed from staffs.

(f) When flags of States, cities, or localities, or pennants of societies are flown on the same halyard with the flag of the United States, the latter should always be at the peak. When the flags are flown from adjacent staffs, the flag of the United States should be hoisted first and lowered last. No such flag or pennant may be placed above the flag of the United States or to the right of the flag of the United States.

(g) When flags of two or more nations are displayed, they are to be flown from separate staffs of the same height. The flags should be of approximately equal size. International usage forbids the display of the flag of one nation above that of another nation in time of peace.

(h) When the flag of the United States is displayed from a staff projecting horizontally or at an angle from the window sill, balcony, or front of a building, the union of the flag should be placed at the peak of the staff unless the flag is at half staff. When the flag is suspended over a sidewalk from a rope extending from a house to a pole at the edge of the sidewalk, the flag should be hoisted out, union first, from the building.

(i) When the flag is displayed otherwise than by being flown from a staff, it should be displayed flat, whether indoors or out, or so suspended that its folds fall as free as though the flag were staffed.

(j) When the flag is displayed over the middle of the street, it should be suspended vertically with the union to the north in an east and west street or to the east in a north and south street.

(k) When used on a speaker's platform, the flag, if displayed flat, should be displayed above and behind the speaker. When displayed from a staff in a church or public auditorium, if it is displayed in the chancel of

a church, or on the speaker's platform in a public auditorium, the flag should occupy the position of honor and be placed at the clergyman's or speaker's right as he faces the congregation or audience. Any other flag so displayed in the chancel or on the platform should be placed at the clergyman's or speaker's left as he faces the congregation or audience. But when the flag is displayed from a staff in a church or public auditorium elsewhere than in the chancel or on the platform it shall be placed in the position of honor at the right of the congregation or audience as they face the chancel or platform. Any other flag so displayed should be placed on the left of the congregation or audience as they face the chancel or platform.

(l) The flag should form a distinctive feature of the ceremony of unveiling a statue or monument, but it should never be used as the covering for the statue or monument.

(m) The flag, when flown at half staff, should be first hoisted to the peak for an instant and then lowered to the half-staff position. The flag should be again raised to the peak before it is lowered for the day. By "half staff" is meant lowering the flag to one-half the distance between the top and bottom of the staff. Crepe streamers may be affixed to spear heads or flagstaffs in a parade only by order of the President of the United States.

(n) When the flag is used to cover a casket, it should be so placed that the union is at the head and over the left shoulder. The flag should not be lowered into the grave or allowed to touch the ground.

SEC. 4. That no disrespect should be shown to the flag of the United States of America; the flag should not be dipped to any person or thing. Regimental colors, State flags, and organization or institutional flags are to be dipped as a mark of honor.

(a) The flag should never be displayed with the union down save as a signal of dire distress.

(b) The flag should never touch anything beneath it, such as the ground, the floor, water, or merchandise.

(c) The flag should never be carried flat or horizontally, but always aloft and free.

(d) The flag should never be used as drapery of any sort whatsoever, never festooned, drawn back, nor up, in folds, but always allowed to fall free. Bunting of blue, white, and red, always arranged with the blue above, the white in the middle, and the red below, should be used for covering a speaker's desk, draping the front of a platform, and for decoration in general.

(e) The flag should never be fastened, displayed, used, or stored in such a manner as will permit it to be easily torn, soiled, or damaged in any way.

(f) The flag should never be used as a covering for a ceiling.

(g) The flag should never have placed upon it, nor on any part of it, nor attached to it any mark, insignia, letter, word, figure, design, picture, or drawing of any nature.

(h) The flag should never be used as a receptacle for receiving, holding, carrying, or delivering anything.

(i) The flag should never be used for advertising purposes in any manner whatsoever. It should not be embroidered on such articles as cushions or handkerchiefs and the like, printed or otherwise impressed on paper napkins or boxes or anything that is designed for temporary use and discard; or used as any portion of a costume or athletic uniform. Advertising signs should not be fastened to a staff or halyard from which the flag is flown.

(j) The flag, when it is in such condition that it is no longer a fitting emblem for display, should be destroyed in a dignified way, preferably by burning.

SEC. 5. That during the ceremony of hoisting or lowering the flag or when the flag is passing in a parade or in a review, all persons present should face the flag, stand at attention, and salute. Those present in uniform should render the military salute. When not in uniform, men should remove the headdress with the right hand holding it at the left shoulder, the hand being over the heart. Men without hats should salute in the same manner. Aliens should stand at attention. Women should salute by placing the right hand over the heart. The salute to the flag in the moving column should be rendered at the moment the flag passes.

SEC. 6. That when the national anthem is played and the flag is not displayed, all present should stand and face toward the music. Those in uniform should salute at the first note of the anthem, retaining this position until the last note. All others should stand at attention, men removing the headdress. When the flag is displayed, all present should face the flag and salute.

SEC. 7. That the pledge of allegiance to the flag, "I pledge allegiance to the flag of the United States of America and to the Republic for which it stands, one Nation indivisible, with liberty and justice for all", be rendered by standing with the right hand over the heart. However, civilians will always show full respect to the flag when the pledge is given by merely standing at attention, men removing the headdress. Persons in uniform shall render the military salute.

SEC. 8. Any rule or custom pertaining to the display of the flag of the United States of America, set forth herein, may be altered, modified, or repealed, or additional rules with respect thereto may be prescribed, by the Commander in Chief of the Army and Navy of the United States, whenever he deems it to be appropriate or desirable; and any such alteration or additional rule shall be set forth in a proclamation.

Approved, December 22, 1942.

Address by Governor Dewey at First Annual Conference on American Foreign Policy

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EXTENSION OF REMARKS

OF

HON. IRVING M. IVES

OF NEW YORK

IN THE SENATE OF THE UNITED STATES

Friday, July 29 (legislative day of Thursday, June 2), 1949

Mr. IVES. Mr. President, I ask unanimous consent to have printed in the Appendix of the RECORD the text of an address which I consider to be quite important, delivered by Gov. Thomas E. Dewey at the closing session of the first annual conference on American foreign policy, at Colgate University, Hamilton, N. Y., July 28, 1949. The address deals with the Chinese situation.

There being no objection, the address was ordered to be printed in the RECORD, as follows:

Four years ago, on the fourteenth of next month, World War II in Asia came to an end with the surrender of the Japanese. China had been under invasion and occupation by the Japanese for a grand total of 14 years—ever since the Japanese invaded Manchuria in 1931. Germany and Japan had now been completely beaten and the world confidently expected a new era of peace and freedom.

The exhausted Chinese Government and people shared the exultation which went around the free world. China looked forward to a new era, free of invaders, with a chance to rebuild her war-torn economy and rescue her 500,000,000 people from the suffering of years of warfare and occupation.

Today that great vision is shattered in a thousand pieces and the hopes of the Chinese people are lower than they were before their triumphant victory in partnership with the United States. A thoughtful Chinese put it to me this way the other day:

If China had violated her ancient friendship with the United States and had joined hands with Japan as the enemy of America, where would she be today? It is unthinkable that China would ever have done such a thing, he said, but let's assume that she did. China would ultimately have been defeated, as was Japan. The war would have been prolonged. It would have cost America countless additional lives and billions of dollars. But China would ultimately have been defeated by the United States. Then what would have happened, he asked?

General MacArthur would be presiding today over not only Japan but over China too. Each would be occupied by American troops and the United States Government would be pouring hundreds of millions of dollars into China for the purpose of restoring her economy, establishing a stable free government and rebuilding her in the partnership of nations just as we are doing in Germany and Japan today.

Instead, where is China, our ally and friend? He pointed out that instead of having the benefit of peace, order, American technical skill, and hundreds of millions of dollars in American money, China has been abandoned to Communist conquest. So said my Chinese friend.

In short, China is worse off for being our friend than if she had been our enemy.

Having sent arms and other wartime aid to China when she stood at our side during the war, we went even further and pledged ourselves to maintain the territorial and political integrity of China in the postwar world. These pledges we solemnly made at Cairo in November 1943. With seemingly carefree abandon the allied nations reversed themselves at Yalta and have vacillated ever since. Behind China's back, we agreed to let the Russians take over China's eastern and southern Manchurian railroads and also Port Arthur and Dairen as tokens of their share in our victory over Japan. China, who stood for 14 years against Japan from 1931 to 1945, found that victory gave her only the bitter result of having to yield valuable territory to Russia.

For China the war never stopped. She just has a new enemy. In place of Japan, it is her Russian-sponsored Communist enemies who have continued the war these four long additional years, finally collapsing the Chinese economy and conquering more than half her people. The rewards for friendship and loyalty have been the bitter fruits of more war, starvation, and now conquest.

More than a year and a half ago, in November 1947, I delivered a speech in New York City devoted to this subject and I pointed out what had happened up to then, forecasting with a dismal degree of accuracy what has since occurred. It is entirely unimportant that I should have forecast this mighty tragedy. But it is of major importance to determine whether there is anything yet to be done about it.

The eyes of most Americans have been focused on Europe since the end of the war. By dint of tremendous effort and at great cost, we have achieved a stalemate with the Soviets in the cold war in Europe. Economically, she is still hanging in a precarious balance, and what I learned in my recent trip to Europe has only increased my concern over the prospects of rebuilding a western Europe strong enough to stand on its own feet if Asia is in chaos. But while we have won these tenuous victories in Europe the whole cause we represent has suffered the most far-reaching and resounding defeats in China and throughout much of Asia.

While perhaps saving Europe's 270,000,000 people, we have up to now lost even more in China and face the risk of losing all of Asia.

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Is this important? It seems to me to be a key to world peace, and we have thrown it into the bottom of the Pacific Ocean. A cardinal tenet of our foreign policy, ranking in importance with the Monroe Doctrine, has been our open-door policy. With positive action and generous aid we have time and again shown our respect for and vital interest in the political integrity of China. As a people, regardless of politics, we decided long ago that a free China was essential to our own welfare.

The attack on Pearl Harbor which brought us into the war was precipitated by our insistence that Japan withdraw her legions in China and halt their conquest. Our Government's official White Book of 1943 makes this perfectly clear. It was our firm position in defense of China that brought on the Japanese attack. We fought for 4 years in that defense, because the defense of free China was the defense of America.

One of America's great statesmen, Secretary of State John Hay, said nearly 50 years ago, "World peace rests with China, and whoever understands China * * * holds the key to world politics during the next five centuries." There are still 450 years to go on those five centuries, and the statement is as true today as when it was made.

There are still in this world matters such as good faith and loyalty to our ancient and traditional ally. These should be sufficient motivation for a change in our far-eastern policy. But even aside from these, we have a very practical problem of the physical and military protection of the interest and people of America. If all China should go, obviously the Communist revolutionaries in Indochina will complete their success there. Siam and Malaya might not be expected to survive long, and Burma would follow. A surrounded and divided India would appear to be easy prey, and it requires a great deal of wishful thinking to assume that the movement would not then extend into the Middle and Near East. That would bring the Communist forces with the colossal prestige and power of more than a billion people of Asia within easy reach of the fabulous supplies of oil of the Middle East. Without oil, the survival of Europe would be even more precarious than it is today.

How long would Korea survive as an appendix to Asia How long would we be willing to support Japan, whose whole trade background has always been with the continent of Asia? Could Indonesia hold out if she desired—and where would the Philippines be? Would there be any rubber supplies left flowing to the United States? And what would the position of our defenses be then?

And let me ask, how well we would do in the United Nations to which we are solemnly committed if the Chinese vote on the Security Council should in the future be controlled from the Kremlin. And how would we do in the Assembly with China and Korea and Japan and other Asiatic states (once they are admitted) all with their votes also controlled from the Kremlin? To state the questions is to show the stark nature of the tragedy to which the world must face up now if ever.

It seems that subsequent events have solemnly validated John Hay's dictum that "The world peace rests with China."

So as we win an uneasy stalemate in Europe, what is to be done about China? I know and you know there is no simple answer, but you and I know equally well that there can be neither excuse nor reason for timidity and muddleheadedness on the part of our Government in attempting a solution. Surely we must have a policy and the will to carry it out, and surely our present habit of no policy at all must go.

It is my firm conviction that with a small fraction of what a new war would cost, we could provide the skills and resources which we might reasonably hope could still save China—could save and preserve one-fifth of the world's people on the side of human freedom.

After I made my speech in November 1947 the Congress forced an $18,000,000 appropriation for China. Last year further appropriations were made, but our Government has shown no real interest in China and instead it administers a contemptuous rebuff each time a despairing appeal is made by any leaders of her Government.

On top of that, the Communist propaganda is so vastly superior that they make it appear that China is already a gone goose and that Asia is theirs. This is not true. It is a startling fact that today, right now, the non-Communist forces in China control more territory than they did during their war with Japan.

They still control the southeast China seaports which they never had at any time while they were our ally in the war.

Free China still includes more than 170,000,000 people. It still controls a very large share of the agricultural land of all China.

There is a determined hard core of resistance, not only throughout the ranks of the leadership in China, but throughout the rank and file of its people against communism, which is hateful to everything the Chinese people believe in.

One other fact: The public apologists and writers who have been innocently or willfully playing the Communist game in trying to deceive the American people into believing that the Chinese Communists were not Communists at all have been exposed as frauds. The Communist conquerors have publicly insulted our Government and we have lost face in the Orient. Our Ambassador was kept a virtual prisoner in Nanking. Vice Consul Olive was beaten in the Shanghai jail. The Chinese Communists have repeatedly demonstrated that they are the servants of Moscow and the advance agents of the new totalitarianism.

Now should we follow these false prophets still further? They have a new line made in Moscow all ready for us. They would like to have our Government recognize the Communist conquests, thereby proving to all the world that it is unwise to be friendly with the United States—that we will betray our friends immediately when any one develops a coup d'état through bloody conquest. If that should be the action of our Government, we would most certainly be throwing away every principle for which our flag and Constitution have ever stood, every right to speak for the cause of world peace and decency.

But these apologists go further. They now tell us we can do business with the Communists if we will quickly recognize them and prove we are not hostile. That need leave little argument. We went all through this before. We listened to those who said we could do business with H'tler, and American boys are dead as a result.

If we can clear away these misconceptions, our own course of action becomes clearer. These negative concepts are as important as positive action. If we should immediately make it clear to the world that we will not recognize this brutal conquest, we will be well on the road toward a vast revival of morale of the forces for freedom in China and the rest of Asia.

The next step is equally clear: We should indicate plainly that even though we realize the National Government is far from perfect, we have not abandoned the faith in a free China we proclaimed so loudly when we needed it during the war; that we know that whatever its faults it is the best present hope of establishing freedom in China. This, too, is obvious, and there should be no reason for hesitation over such a course.

How much aid should America then give to the various non-Communist forces? That is a matter as to which the most widely different opinions can be found. Any aid, given immediately, right now, this summer, would create a great return of confidence. If supported with a vigorous official position it would make a radical change in the Chinese picture. It is said that the troops in China are now almost evenly divided, approximately 1,300,000 on each side. It is also said that there are more fresh troops being trained by the National Government. I do not know whether these figures are accurate, but I do know that if spirit returns and the sense of being abandoned by her friends is cleared away, there is sufficient will to carry on an effective struggle and prevent a Communist conquest.

How long would such a struggle last? No one knows. But there are leaders in vast territories of China—territories larger than those on our side during the whole war with Japan—who will fight on and on until the turn comes. As they fight, with whatever American aid we give them, we gain time in the cold war and the rest of Asia does not go under.

Moreover, if the Communist conquerors are forced to a defensive position while they endeavor to cure the frightful economic conditions which made their successes so easy they will soon prove their bankruptcy and inefficiency. They will face the prospect of the very disintegration and loss of prestige on which they have built their temporary successes. Then it would not be necessary to liberate China by a long and costly military operation. Stalemate would inevitably be followed by new and effective yearning by the Chinese people for a restoration of their traditional freedoms.

Communism is basically rotten and contains within itself the seeds of its own destruction. This we believe with all our hearts and souls and it is time—past time—that as a Nation we started acting on our beliefs.

I cannot say it better than did the free-trade-union committee of the American Federation of Labor in a statement issued on July 4:

"We reject all notions and policies of defeatism in China. We categorically repudiate the notion that all is hopelessly lost in China," the committee stated, and they added: "It is high time that our country showed the way in atoning to the Chinese people for the Big Three sacrifice of their sovereignty.

"American leadership in stemming the tide of totalitarian communism and chaos in China is long overdue."

If we back renewed faith with vigor and competence, I believe that we will succeed. With a clear policy and firm action, we can keep that faith. Such a policy and such action must soon evolve. I prayerfully hope that it will and that it will endure as a cornerstone of American foreign policy, based upon our fundamental belief in the liberty and independence of free men everywhere in all the years to come.

Proposed Columbia Valley Administration

EXTENSION OF REMARKS

OF

HON. GLEN H. TAYLOR

OF IDAHO

IN THE SENATE OF THE UNITED STATES

Friday, July 29 (legislative day of Thursday, June 2), 1949

Mr. TAYLOR. Mr. President, I ask unanimous consent to have printed in the RECORD a letter dated July 12, 1949, from Ralph L. Albaugh, a well-known attorney of Idaho Falls, Idaho, to Ben

Johnson, chairman of the Idaho Agricultural Council, containing a legal opinion on the proposed law creating the Columbia Valley Administration.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

IDAHO FALLS, IDAHO, *July 12, 1949.*

Mr. BEN JOHNSON,
Chairman, Idaho Agricultural Council,
Preston, Idaho.

DEAR SIR: You have requested my opinion concerning the proposed law creating the Columbia Valley Administration, and enumerate six points which you would like to have covered in my opinion.

I do not have the time available to give you a comprehensive and detailed opinion of this bill, although I have spent considerable time studying same.

In the first place, I want you to know that I am, and always have been, opposed to Government ownership and/or operation of business, and I oppose paternalism in Government. I think, as a rule, the development of our resources and the operation of all forms of business should remain in individuals and private corporations. There are exceptions to all rules, and I think the protection, development and utilization of our larger rivers and watersheds by the Federal Government is an exception to the rule.

The Columbia River and its larger tributaries are navigable streams, and the control of these navigable streams is vested by law in the Federal Government. Private corporations, because of the magnitude of such a project, cannot do this work. And neither can the States of Idaho, Washington, Oregon, or Montana prosecute such an undertaking.

It therefore appears that our Federal Government, or some authority or bureau created by it, must assume this responsibility. The opponents of the CVA claim that the Army engineers and the Department of Reclamation are properly organized for this huge undertaking and can satisfactorily do the job. I do not agree with this contention.

While the Army engineers and the Department of Reclamation are deserving of praise for the many public works they have constructed, I think it is an established fact that their work has not been coordinated, and that these two agencies of the Federal Government have not cooperated with each other. The public and the taxpayers have suffered from this lack of cooperation. I think it must also be admitted that after a project was authorized by the Congress there have been many delays, and the work not efficiently or diligently prosecuted.

It is true that the proposed bill grants great powers and authority to the Columbia Valley Administration, with the right to take property by eminent domain, as well as many other powers. It must be remembered, however, that the Federal Government now has power to take property by eminent domain for almost every conceivable purpose. The Bureau of Reclamation has that power and has frequently used it.

The power to abolish the CVA, as well as the power to create it, rests in the Congress and the President. If the CVA does not function properly or functions in an arbitrary or unreasonable manner, we think the Congress will give the citizens protection, either through control of the purse strings or by abolishing the CVA. Surely, we cannot assume that the CVA will act in an unreasonable, arbitrary, or oppressive manner, or that it will intentionally injure the residents of the Northwest.

I have given considerable time and thought to a study of this proposed law. I do not believe it is unnecessarily oppressive, and it is my opinion that some sort of an authority or administration similar to the CVA, is the only way, and the only means, to develop and utilize the resources and power of the Columbia River and its tributaries, which are now being wasted or inefficiently used.

Great concern and anxiety has been aroused in the water-users of the State of Idaho over the proposed enactment of the bill to create the CVA. Many opponents of this bill insist that water rights will be confiscated by the CVA. Water rights are real property, and, as such, are protected by the Constitutions of the State of Idaho and the United States. Every reservoir constructed by the Bureau of Reclamation has affected water rights on the particular stream where the reservoir was constructed. Some water-users have eceived great benefits from the reservoirs and others have been damaged. We are unable to ascertain how a reservoir constructed by the CVA will more seriously affect the water users than a reservoir constructed by the Bureau of Reclamation. Property will be condemned by either agency, and water rights will be affected by the construction of the reservoir. Some will receive benefits therefrom, and others will be injured, regardless of which Government agency does the work.

Very truly yours,

RALPH L. ALBAUGH.

Aid to Britain

EXTENSION OF REMARKS
OF
HON. KENNETH S. WHERRY
OF NEBRASKA
IN THE SENATE OF THE UNITED STATES

Friday, July 29 (legislative day of Thursday, June 2), 1949

Mr. WHERRY. Mr. President, I ask unanimous consent to have printed in the Appendix of the RECORD an article under the heading "Political Parade," written by George R. Brown, dealing with American aid to Britain, and published in the Washington Times-Herald of July 29, 1949. The article is self-explanatory.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

POLITICAL PARADE

(By George Rothwell Brown)

The United States Senate finds itself faced this week with an embarrassing decision—whether to vote to stop influencing British politics, or to continue to support a fast sinking alien ship-of-state socialism at the expense of American taxpayers.

Winston Churchill's Wolverhampton speech falls only a little short of being a plea to the Truman Socialist-Labor government in Washington to cease the financing of the Attlee Socialist-Labor government of London, and thus give the Conservative Party a chance to save the British social and economic systems before both collapse into complete ruin.

It is impossible to regard as coincidence the fact that the former Prime Minister's charge that the Labor government has squandered nearly $8,000,000,000 aid, mostly from the United States, was made at the beginning of the debate in the Senate on the pending ECA appropriation bill.

It looked like careful timing.

The Wolverhampton speech has immensely strengthened the Democratic and Republican supporters of the proposed amendment by Senator JAMES P. KEM, of Missouri, which would deny further Marshall-plan aid to countries which continue the socialization of basic industries after the passage of the act.

Churchill's blistering charge that there is no difference between the Socialist system and communism, which made front-page news in the Sunday newspapers, was reiterated with telling effect in the Senate debate on Monday.

When Mr. Churchill declared that the Socialist-Labor government has no effective plan for dealing with impending national insolvency, he in effect put on the political spot in this country every Senator who casts a vote against the Kem amendment, the purpose of which is to cut off nearly a billion dollars of further aid to the British Government if it persists in continuing a policy which is leading to insolvency.

Senator KEM, speaking in support of his amendment, told the Senate that in 1948 ECA went to the rescue of the British Government, and permitted it to use more than $400,000,000 of American tax money from the so-called counterpart funds, for cancellation of British national debt, incurred as a result of the socialization of industries, of which the Attlee administration has already nationalized nine.

"The British national debt was swollen by the purchase of the industries," said Senator KEM, "and the British national debt was reduced by the Marshall-plan funds.

"Future students of the economic history of the United States will no doubt be interested in the fact that while these transactions were taking place, the national debt of the United States remained above $252,000,000,000."

Senator KEM then went on to prove that Marshall plan counterpart funds had been used to make up losses in the nationalized industries. These losses, in the first year of nationalization, he partially listed as follows:

The coal industry lost $94,000,000, civil aviation industry $44,000,000; transportation, $112,000,000; electrical industry (in a few months after nationalization) $28,000,000.

Well, here are the facts from both sides of the Atlantic.

The disclosures by Mr. Churchill and by Senator KEM and others are almost identical.

The Socialist-Labor government in Washington now proposes to drain off another billion of American wealth to keep the Socialist-Labor government of Britain from sinking.

This is deliberate interference by the Truman administration in British politics.

After reading Churchill's speech how can any Senator pretending to believe in the free enterprise system vote to keep the Attlee government in, and the Conservative government from coming back?

The Longshoremen's Strike in Hawaii

EXTENSION OF REMARKS
OF
HON. HUGH BUTLER
OF NEBRASKA
IN THE SENATE OF THE UNITED STATES

Friday, July 29 (legislative day of Thursday, June 2), 1949

Mr. BUTLER. Mr. President, I ask unanimous consent to have printed in the Appendix of the RECORD a short editorial entitled "Food From Japan," published in the Honolulu Advertiser of July 25. The editorial sets forth how food shipments are forbidden to enter Hawaii from the American coast, but that Mr. Bridges permits food shipments to enter Hawaii from Japan.

In addition to that editorial, I ask unanimous consent that there may be inserted in the Appendix of the RECORD three other short editorials, and comment from other newspapers, also pub-

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lished in the Honolulu Advertiser of July 21.

There being no objection, the matters referred to were ordered to be printed in the RECORD, as follows:

[From the Honolulu (Hawaii) Advertiser of July 25, 1949]

FOOD FROM JAPAN

Washington pundits who argue that the blockade of 540,000 American people in Hawaii is not a matter of national concern would do well to ponder the news that relief food for this Territory is to be sent from Japan. The United States Government is spending millions of dollars for the rehabilitation of the Japanese people—only lately their armed foes. It has gone to great lengths to save those people from starvation and disease. Now an American community, financially able to buy American food in American markets, must look to a defeated people who still are their country's beneficiaries for the means to sustain life.

And this because a power-hungry labor monopolist has chosen to impose a manufactured torment upon the people of Hawaii. Harry Bridges says we may trade freely with Japan, but not with the rest of the United States. So food comes to Hawaii from Japan.

[From the Honolulu (Hawaii) Advertiser of July 21, 1949]

VIOLENCE ON THE WATER FRONT

Violent defiance of the law has appeared for a third time on Honolulu's water front in relation to the Bridges blockade of Hawaii. This time the outbreak reached the proportions of a riot; private property was damaged, policemen and civilians suffered injury, arrests were made.

In each instance, this violence has originated among strikers or strike sympathizers. This is a fact that the public will do well to bear in mind, for it will not be long before the longshore leaders will be attempting to present their rioters in the white mantles of martyrs. History of ILWU-instigated violence shows that this is the common pattern. It is also the pattern of Communist rioting everywhere.

Start trouble, then blame the other fellow, is the basic plan. The people of Hawaii cannot permit themselves to be fooled now. The facts are too plainly evident.

BIG JOB BEFORE LEGISLATORS

Whatever happens in the current longshore blockade, the need for the special session of the Hawaii Legislature, which Governor Stainback has announced he will call next week, will be no less. Hawaii must have a new labor deal. There must be laws to protect the people of these islands from being placed in bondage by any group of special privilege seekers.

Monopoly of labor has no more place in Hawaii than does monopoly of capital. The people of Hawaii know of their own observation that, whatever may have been the condition in the long distant past, there is no monopoly of capital in this Territory today. They know Bridges' pretense that such a monopoly exists is untrue propaganda. They know, also, that Bridges has established a monopoly of labor here to an intolerable degree. He was frank in his admission at Washington Monday that he would attempt to close all the ports of the world against Hawaii in order to maintain that monopoly.

Hawaii must have laws that will meet and correct this imposition of a labor dictatorship insofar as that can be done by local legislation. At the same time the legislature will do well to act further to safeguard the Territory against hoarders and profiteers who batten on the public when it is beset by blockaders. Shameful extortion is being practiced by some dealers who are in possession of small supplies of food that has been brought through the existing blockade.

That the majority of Hawaii's merchants are not profiteers does not affect the situation. Laws are needed which will halt, and inflict severe penalties on, those who are so lacking in conscience that they will extort an unreasonable profit from the need of their fellow men.

The Hawaii Bar Association, the attorney general's department, and the hold-over committee are preparing a comprehensive agenda for the consideration of the legislators. The lawmakers' work will be laid out for them when they meet, and there will be no need for a long session. They should be able to accomplish their tasks quickly and effectively. But they are faced with tasks that must be accomplished now. Hawaii needs new labor laws. It cannot wait for the next regular session of the legislature, and this the Governor has recognized.

WAGES NOT BRIDGES' CONCERN

Longshoremen who have been led into Hawaii's disastrous maritime blockade will find food for serious thought in the words of Harry Bridges, called to testify before a congressional committee, when he admitted that he was not so much concerned over wages for the water-front workers as he is in imposing arbitration on the Territory. "The union," he said, "will get a satisfactory settlement, though not necessarily 32 cents an hour." He said he was willing to give up wage parity in exchange for arbitration. This, of course, means that power, not the welfare of the longshoremen, is the Bridges stake.

THEY SAY ABOUT HAWAII

The Bangor (Maine) Daily News, in common with several other newspapers, likened the Hawaii strike situation to the days when the Jesse James and Dalton gangs roamed midwestern America. A column editorial assailing the Bridges gang was captioned "Banditry a la 1949." The News editorial was inspired, as so many others have been inspired, by a letter written to a Maine friend by Florence McIntyre, of Honolulu, who sent out some 40 broadsides enclosing printed antistrike material.

The Portland Oregonian, describing the "Blight on Hawaii," said "there is a blight among the orchids of the Paradise of the Pacific," which explains the reasons for the employers' rejection of wage arbitration in contract demands. The Oregonian editorial was sent in by E. L. Knickerbocker, of Honolulu.

"Hawaii is desperate," remarked the Colton (Calif.) Courier. "Clearly irresponsible men are willing to have multitudes suffer to gain their point. Harry Bridges wouldn't be allowed to call a strike if he were in Russia. He is certainly abusing his privileges in this country." The newspaper points out again that Richard Gladstein, attorney in the New York Communist trial, also is attorney for Harry Bridges.

The Oklahoma City Times said that "while the Truman administration's stand in labor controversies is weak-kneed enough in dealing with Lewis and his coal-mining dynasty * * * it is still more disgusting in dealing with the frightful situation in Honolulu. * * * Where is the Army?" Mrs. J. R. Williams, of Honolulu, sent the clipping.

The well-named Toledo (Ohio) Blade asserted editorially on July 11 that the immediate hope for the people of Hawaii "rests in the apparently timorous hands of President Truman," and added: "We suspect that certain political considerations might explain why Washington has been so reluctant." The newspaper said Bridges had forfeited any justice he might have had on his side by rejection of the fact-finding board's recommendations.

Another Dud

EXTENSION OF REMARKS

OF

HON. JAMES B. FRAZIER, JR.

OF TENNESSEE

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 28, 1949

Mr. FRAZIER. Mr. Speaker, under unanimous consent to extend my remarks in the Appendix of the CONGRESSIONAL RECORD, I include the following editorial appearing in the Washington Post under date of Thursday, July 28, 1949, entitled "Another Dud":

ANOTHER DUD

For the fifth time in as many Congresses, a bill to forbid the levying of a poll tax as a prerequisite of voting in elections for Federal offices has passed the House. There was no elation evident this time, because of the certainty among House Members that the measure is doomed to share the fate of its predecessors: death in the Senate.

What the House has accomplished, then, is simply to mark up another X on the wall. In those seven States where poll taxes are still levied, they will continue in effect. By repassing the bill once more the House gains no tangible achievement—or any moral one, either. As we have said in the past, the antitax bill is the wrong way to attack the problem. It is the slowest way just because it is the most direct.

A real constitutional question is involved in the question whether the Congress by statute can define the qualifications of voters in any respect. The Constitution gives this privilege to the States themselves. The issue thus ought to be settled squarely and cleanly in the way provided for amending the Constitution. If the Eighty-first Congress wants to make some contribution to democracy, it should start an anti-poll-tax amendment through the works and forget about trying to pass an anti-poll-tax bill.

World Federation

EXTENSION OF REMARKS

OF

HON. HUBERT H. HUMPHREY

OF MINNESOTA

IN THE SENATE OF THE UNITED STATES

Friday, July 29 (legislative day of Thursday, June 2), 1949

Mr. HUMPHREY. Mr. President, on July 27 I joined with 13 other Members of the Senate in introducing a resolution calling for the strengthening of the United Nations, and its development into a world federation with defined and limited powers. In connection with this I ask unanimous consent to have printed in the Appendix of the CONGRESSIONAL RECORD a statement prepared by me. There being no objection, the statement was ordered to be printed in the RECORD as follows:

The United Nations, as at present constituted, can neither enact nor administer law, nor has it the necessary enforcement powers. For this reason I believe that the United Nations must be developed as rapidly as possible into a universal federation of the world's peoples. However, when I say "as rapidly as possible," I do not mean that any precipitate action should be undertaken which might risk the disruption of the only

present world organization. Nor do I think it would be wise to go further, at the present time, than the declaration of fundamental purpose contained in the World Federation Resolution. To bring about a universal world organization will take long, patient and intelligent effort. By universal world organization I do not mean a government of the full and complete powers normally associated with national government. I do not mean government controlling trade, money, immigration, communications, and the relationship of the individual to the State. I mean a limited world federation with powers confined to the control of weapons of mass destruction and the prevention of war. I do not think we are in a position at this moment to work out a blueprint of procedure. I do not think it would be wise to commit ourselves now to any specific steps along the road to world federation, because such commitments may later dangerously limit our freedom of action in this rapidly changing world. I do not think we should at this point close any doors which we might later wish to open.

What we do need now—and this is provided by the World Federation Resolution—is the unequivocal affirmation of the long-range goal toward which our policy is directed. With things as they are in the world, much of our policy is necessarily defensive and protective. It is directed toward the prevention of the further spread of totalitarian dictatorship. This, to be sure, is vital to world peace. But what we must do is provide a framework of constructive long-range purpose within which the Marshall plan, the Atlantic Pact, and other emergency devices may assume the aspects of positive action.

What we need most at this moment—what the free world has a right to expect of us at this crisis in human history—is an affirmative program for peace. The World Federation Resolution provides the first step in that program. That first step is and should be no more than the act of faith demanded by the time in which we live.

Reduction of Armaments and Opposition to Universal Military Training

EXTENSION OF REMARKS
OF
HON. WILLIAM LANGER
OF NORTH DAKOTA
IN THE SENATE OF THE UNITED STATES

Friday, July 29 (legislative day of Thursday, June 2), 1949

Mr. LANGER. Mr. President, I ask unanimous consent to have printed in the Appendix of the RECORD a letter from Paul Newton Poling, secretary of the Board of Christian Education of the Presbyterian Church in the United States of America.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

THE BOARD OF CHRISTIAN EDUCATION OF THE PRESBYTERIAN CHURCH IN THE UNITED STATES OF AMERICA,
Philadelphia, Pa., July 26, 1949.

Hon. WILLIAM LANGER,
Washington, D. C.

DEAR SENATOR LANGER: According to Senate Report 639 the Senate Committee on Appropriations is recommending an increase in selective service appropriations to $9,000,000 thus doubling the $4,500,000 approved by the House.

We would call your attention to the position taken by the general assembly of the Presbyterian Church in Buffalo, N. Y., May 25, 1949. "It is imperative that the crass militarization of our nations and of the nations of the world be checked now. We believe the multilateral reduction and control of armaments through the United Nations should be vigorously and continuously sought. We reaffirm our opposition to any form of universal military training or peacetime conscription. The Presbyterian Church, U. S. A., has consistently supported the democratic system of voluntary recruitment. There is genuine peril that our own defense measures may precipitate the very war we fear, and that our free economy will be crushed beneath the intolerable burden of armaments."

The general assembly has consistently maintained and reaffirmed through the years its opposition to peacetime military training. The action contemplated in Senate Report 639 appears to me that the way is being prepared for the extension of conscription beyond its present expiration date of June 1950. We earnestly hope that in both the interest of economy and release from peacetime conscription you will oppose this recommendation of the Committee on Appropriations.

With every good wish to you in the discharge of your heavy responsibilities.

Sincerely yours,

PAUL NEWTON POLING,
Secretary.

Columbia River Basin Development—Statement by Ben Stong

EXTENSION OF REMARKS
OF
HON. GLEN H. TAYLOR
OF IDAHO
IN THE SENATE OF THE UNITED STATES

Friday, July 29 (legislative day of Thursday, June 2), 1949

Mr. TAYLOR. Mr. President, I ask unanimous consent to have printed in the Appendix of the RECORD a statement prepared by Ben Stong, of the National Committee on Resources, pointing at the startling similarity between statements of various Northwest governors pertaining to the proposed Columbia Valley Authority.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

It is made abundantly clear by the file of letters sent to the White House today endorsing the Army-Bureau of Reclamation plan for the Columbia River Basin that the private-power industry held and guided the hands of at least two governors and one State engineer as they wrote their approval of the Pick-Straus defense against a Columbia Valley Administration.

Almost identical statements in the communications of Gov. John W. Bonner of Montana, Gov. C. A. Robins of Idaho and State Engineer L. C. Bishop of Wyoming on transmission lines are a dead give-away which clearly reveals the fountainhead of the whole drive to put over the Pick-Straus plan for the Columbia River instead of a CVA.

Gov. C. A. Robins, of Idaho, said, in his comment on the Army-Bureau throw-together plan:

"Neither should long transmission lines be extended into an area or State unless it can be clearly shown that there is now, or will be in the near future, a need for the power in that area, or in that State, beyond the ability or willingness of the local systems, public or private, to supply and/or transmit."

Gov. John W. Bonner of Montana, several hundred miles away and across the Continental Divide, wrote:

"Long transmission lines should not be extended into areas already being served unless it can be clearly shown that there is, or will be in the future, a need for extra power in the area which is beyond the ability or willingness of the local systems, public or private, to supply."

State Engineer L. C. Bishop, of Wyoming, with the enthusiastic approval of Governor Crane, wrote:

"Long transmission lines should not be extended into an area unless it can be clearly shown that there is, or will be in the near future, a need for the power in that area, beyond the ability or willingness of the local systems, public or private, to supply."

The common origin of this phraseology is so indisputable and clear that denials would be an insult to the intelligence of citizens. These three officials have obviously permitted the big paw of the Power Trust, which reaches across great distances, to guide their supine hands as they wrote these standardized passages opposing public transmission lines.

It is equally apparent that most of the officials who endorsed the Army-Bureau plan (with some very important reservations, however) served as Charlie McCarthys for highly placed foes of CVA.

The State officials were asked for comments on the acceptability of the Bureau of Reclamation's proposed projects on the Columbia and tributaries. But many of them—as shown by the quotes below—went beyond the scope of the inquiry to take a slap at the proposed CVA, the President of the United States, and the Secretary of the Interior. Phraseology again indicates that there was a common fountainhead for these gratuitous additions to the official comments.

Take, for example, the similarity of these three:

State Engineer L. C. Bishop, of Wyoming: "Also please be advised Wyoming is definitely opposed to a Columbia Valley Administration, as proposed by the President and recommended by the Secretary of the Interior."

State Engineer Harold Linke, of Utah: "Utah is definitely opposed to a Columbia Valley Administration, as proposed by the President and recommended by the Secretary of the Interior."

Gov. A. G. Crane, of Wyoming: "The people of Wyoming are in favor of this development being carried on by the existing Government agencies and are opposed to a Columbia Valley Administration, as recommended by the Secretary of the Interior."

Again, it is apparent that there was a common guiding hand, which is almost equally obvious in the following extracts:

Gov. C. A. Robins, of Idaho: "These agencies (Army and Bureau of Reclamation) and the other existing agencies of the Federal and State Governments, should be entrusted with the responsibility of carrying forward the program for the development of the resources of the Columbia River Basin."

Conservation Director J. V. Rogers, of Washington: "It is my opinion existing agencies of the Federal and State Government should be entrusted to continue with the responsibility of carrying forward the program for the development of the resources of the Columbia River Basin."

Gov. Arthur B. Langlie deviated from the common phraseology, but he got the same point over when he wrote:

"I believe that programs for the conservation and development of such natural resources as forests, minerals, game, and wildlife, etc., while important, are in reality extraneous to the heavy construction projects planned and built by our two major con-

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struction agencies (Army and Bureau of Reclamation). They are and can continue to be adequately handled by existing State and Federal agencies set up for the several purposes without interference by or with our major construction projects."

There is a strange tone of responsiveness to a request in the phraseology of two of the messages, which were directed to Commissioner of Reclamation Straus, who would otherwise be presumed to be supporting the CVA proposal.

Gov. J. Bracken Lee, of Utah, opened and closed his brief message to Commissioner Straus thus:

"Pursuant to your recent telegram requesting comments, Utah is definitely opposed to a Columbia Valley Administration or any such form of authority."

State Engineer Alfred M. Smith offered full cooperation and assistance to Mr. Straus in getting a statement against CVA into the record when he wrote Straus:

"I am strongly opposed to the proposed administration of Columbia River Basin affairs through the medium of a Columbia Valley Authority or administration as has been proposed in certain bills now pending before Congress. * * * I shall not go into detail in this letter, but if you wish a detailed statement of my stand in this matter, for presentation, I will prepare one for you."

How did Mr. Smith get the notion that Straus wanted material to fight CVA, when Straus is a key official in the Truman administration, which has proposed the CVA?

Similar, almost verbatim statements by the high executives in regard to reclamation phases of the proposed Pick-Sloan scheme clearly show that these portions, too, sprang from a common source. (See quotations attached.)

Taken altogether, these statements make it obvious that the high western officials have not acted upon their own thinking; they have been only the suppliant transmission belts for the party line of special interests.

Some of these same officials rushed into Washington recently to appear at prematurely called hearings on the Pick-Straus scheme and entrusted themselves to the handling of Mr. William Welch, of the National Reclamation Association, which is supported by the power companies and carries their torch, and Mr. E. W. Rising, one-time power company agent in Idaho, who now lobbies against CVA in Washington for the coordinating committee of land and water organizations and another similar outfit.

At that time, they appeared to speak their own pieces to the committees. The amazing file of letters which has now been sent to the White House indicates, however, that they have even abdicated their responsibilities as public officials and permit special-interest ghosts to think and to write official documents for them.

WHO WRITES THE LETTERS FOR THE WESTERN GOVERNORS?

SOME ADDITIONAL PASSAGES FROM THEIR COMMUNICATIONS ON CVA WHICH SHOW THEY SIMPLY FRONTED FOR A MASTER-MIND LOBBYIST

On aid to irrigation

Governor Robins, of Idaho: "The suggested plan of aid to irrigation from power revenues is commendable. In fact it is highly important that the authorizing legislation contain language that is definite, positive, and clear-cut to the effect that power rates shall be sufficient to pay not only depreciation, upkeep, payments in lieu of taxes, and repayment of all proper costs to the Federal Treasury, but, in addition thereto, to pay all irrigation and reclamation costs on reclamation projects, as they are authorized for construction, which are beyond the ability of the water users to repay, except those costs which may properly be allocated to other nonreimbursable features."

State Engineer L. C. Bishop, of Wyoming: "The plan of aid to irrigation from power revenues as suggested in the report is commendable. We think it is important that the authorizing legislation contain * * *" (etc., as above).

Gov. Arthur B. Langlie, of Washington: "I am in agreement with the plan for use of power revenues for repayment to the Federal Government of that portion of irrigation costs in excess of water users' ability to pay."

Gov. John W. Bonner, of Montana: "The plan of extending subsidies to irrigation development from power revenues is very essential if we expect to build very many new irrigation projects in the future."

A descriptive passage

Governor Robins, of Idaho: "The report recommends for authorization 13 reclamation projects previously recommended by the Bureau of Reclamation, which constitute 7½ percent of the total reclamation potential of the region. It also recommends for authorization power projects which develop 20 percent of the power potential of the region."

State Engineer L. C. Bishop, of Wyoming: "The report recommends for authorization 13 reclamation projects previously recommended by the Bureau of Reclamation, which constitute about 7½ percent of the total reclamation potential of the region. It also recommends for authorization power projects which would develop 20 percent of the power potential of the region."

The main control plan

Governor Robins, of Idaho: "The main control plan proposed in the (Army) report will provide much needed flood protection to the areas where the situation is now critical; it will provide hydroelectric power where the power shortage is now acute, particularly in the western part of the region; it will provide navigation benefits which are important * * *."

Governor Lee, of Utah: "The main control plan as proposed by the Corps of Engineers is laudable and will provide much needed flood protection, necessary hydroelectric power and navigation benefits."

Many other examples of identical phraseology leave only one question: Who wrote the master copy?

Trial Examiners

EXTENSION OF REMARKS

OF

HON. HUBERT H. HUMPHREY

OF MINNESOTA

IN THE SENATE OF THE UNITED STATES

Friday, July 29 (legislative day of Thursday, June 2), 1949

Mr. HUMPHREY. Mr. President, I ask unanimous consent to have printed in the Appendix of the CONGRESSIONAL RECORD an article entitled "Key United States Trial Examiners Must Now Win Approval of Corporation Lawyers," which appeared in the July 21, 1949, issue of the Machinist, a weekly published by the National Association of Machinists.

There being no objection, the article was ordered to be printed in the RECORD as follows:

KEY UNITED STATES TRIAL EXAMINERS MUST NOW WIN APPROVAL OF CORPORATION LAWYERS

Unless President Truman or Congress intervenes, no one will ever again be hired to the all-important job of Government trial examiner without the advance approval of big business, the Machinist learned this week.

After 15 years of trying, the National Association of Manufacturers and its big corporation members, working through their attorneys in the American Bar Association, have taken over from the Civil Service Commission control of the selection of trial examiners for every Government agency.

A trial examiner is the keyman in the enforcement of most social legislation. He conducts the hearing, finds the facts and recommends whatever action is necessary to enforce the laws. Harry B. Mitchell, President of the Civil Service Commission, once explained that "Congress meant for hearing examiners * * * to be the representatives of all the people, not merely the representatives * * * of a particular class or segment of the people."

The victory of the NAM and its big business members in winning control over the selection of trial examiners is influencing the enforcement activities of every major Government agency—from the Securities Exchange Commission to the National Labor Relations Board. Not even the Interstate Commerce Commission has escaped.

Here are the facts as told to the Machinist:

In 1946, on the recommendation of the bar association, the Congress adopted an Administrative Procedures Act under which the United States Civil Service Commission was to set up standards governing the qualifications of future appointees. The Commission in turn delegated this job to a panel of six consultants, called a Board of Examiners, only one of whom is a Government employee, and most of whom are former presidents or high officials of the American Bar Association.

Who are these men whom the Civil Service Commission picked to pass on the qualification of supposedly impartial Government trial examiners? They are:

Carl McFarland, the chairman, is a member of the Washington, D. C., law firm of McFarland & Sellers. His firm is currently employed by the National Association of Manufacturers in its suit against the United States Government in which the NAM is trying to have the Anti-Lobbying Act declared unconstitutional.

Joseph W. Henderson is a Philadelphia lawyer who has represented Republic Steel Corp., the Berkshire Knitting Mills, Southern Steamship Co., and other big corporations before various Government agencies.

Willis Smith comes from Raleigh, N. C., and is counsel for the Southern Railroad and, himself, is director of various southern textile companies.

Henderson and Smith are former presidents of the American Bar Association. McFarland was chairman of the ABA's special committee on administrative law in 1945 when that committee urged the bar association to pay special attention to the personnel and operation of trial examiners in the Government service.

What was their purpose? Here are their own words.

In a published report to the bar association in 1945, McFarland wrote:

"Business and industry generally, when proposals for administrative powers and legislation arise, by nature confine themselves to questions as to whether or not the powers should be conferred or the subject regulated at all * * * they do not take the further step of proposing that * * * appropriate methods of regulation should be elected. * * * The American Bar Association is in a position to supply these ommisions * * * which * * * may result in protections throughout the years."

In the same year, Smith told the Vermont Bar Association:

"We knew these (Government) agencies are manned by zealots who believe that the end justifies the means and who believe

themselves to be the benefactors of the public. * * * It has reached a point where these agencies will delegate to subordinates and employees all sorts of power, and these in turn usurp other powers. Consequently, decisions are rendered against your client by these employees of mediocre caliber with no judicial review."

Henderson, similarly, told the Nebraska Bar Association:

"If you have administrative bungling, they need not answer to anybody. You and I will be subject to their insolence and we'll be lucky to get anything."

So much for the attitude of three men picked by the Civil Service Commission for its special panel of consultants. What have they accomplished?

Step No. 1: The panel has screened all trial examiners currently employed by the Government and disqualified a number in almost every agency. They disqualified or sought to demote 26 of the 27 of the highest rated trial examiners now working for the National Labor Relations Board; 12 employed by the Interstate Commerce Commission, and others working for the Securities Exchange Commission, the Wage and Hour Division, the Department of Agriculture, and other agencies.

Many of these men were disqualified after interviews with Henderson and McFarland.

When the trial examiners protested, a number of those dismissed were reinstated—without any further hearing or any additional evidence. The special panel of consultants simply changed their mind under pressure. Those who were not reinstated have appealed.

Step No. 2: The panel of consultants reviewed all applications from men who are seeking appointment as trial examiners. They established an approved list of qualified examiners from which every Government agency is to hire its examiners in the future.

On that list the panel placed approximately 185 safe names—enough to fill every vacancy that will occur among Government trial examiners for years to come. Although that list has not been made public, the Machinist learned that the name at the top of the list is William B. Duncan.

Investigation shows that Duncan is a former law partner of Willis D. Smith—one of the three big-business attorneys on this Civil Service Commission special panel.

An unusually high proportion of employees hired by Robert N. Denham, general counsel of the National Labor Relations Board, appear to have met the approval of the special panel, while almost none of the employees of the National Labor Relations Board itself have been able to qualify for the job of trial examiner. This, despite the fact that most of the applicants who were Board employees had much longer experience with labor law.

The Commission has stated that loyalty matters were not involved. At least 10 of those disqualified Labor Board employees have checked with all or most of the persons whose names they gave as references and learned of none who had been approached during the investigation.

Applicants from outside the Government were treated in sharp contrast. Available evidence shows that some applicants were not examined or interviewed at all by the special panel, but were found qualified on the basis of personal knowledge of a panel member.

Panel members actually recruited applicants for trial examiners among their friends and then rated applicants thus recruited.

Gerhard P. Van Arkel, former general counsel for the National Labor Relations Board, who is currently representing a number of the disqualified examiners, has summed up the facts this way:

"Congress assigned to the Civil Service Commission the authority to qualify or disqualify trial examiners employed by the Government. The Commission in its turn has turned this power over to a small group of consultants at least half of whom are, in fact, pleaders for special interests. These men have been handed the power of disqualifying or demoting practically all trial examiners employed by the Government whose attitudes conflict with the interest of their clients.

"This whole procedure raises the question of whether a special interest group should control the quasi-judicial functions of all Federal agencies. If so," he asked, "who will protect the public interest?"

So far that important question has not been answered.

Address by Secretary for the Air Force at Tennessee American Legion Convention

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EXTENSION OF REMARKS
OF
HON. ESTES KEFAUVER
OF TENNESSEE
IN THE SENATE OF THE UNITED STATES

Friday, July 29 (legislative day of Thursday, June 2), 1949

Mr. KEFAUVER. Mr. President, I ask unanimous consent to have printed in the RECORD a very thoughtful address delivered by the distinguished Secretary for Air Force, W. Stuart Symington, at the Tennessee American Legion Convention on Monday, July 25.

There being no objection, the address was ordered to be printed in the RECORD, as follows:

I know all of you take great pride in the keen interest and loyal support of the Legion, so evident in the fine turn-out for this convention. In this, you Tennesseans are living up to your reputation as strong supporters of adequate national defense. Your State name—"The Volunteer State"—is something you have a right to be proud of.

Tennessee first earned it during the war with Mexico in 1847—when Governor Brown asked for 3,000 troops, and 30,000 volunteered. Since that time you've always responded fully and freely when your country called. Tennessee's war record shows that no section of the United States ever produced better fighters.

You gentlemen here today are worthy descendants of many generations of patriotic Americans. You Tennessee Legionnaires—in company with Legionnaires throughout the Nation—are determined that those who gave life and limb in past wars shall not have fought in vain. And further, that your children and succeeding generations of liberty-loving Americans shall not be subjected to the horrors of war if a militarily strong America can prevent it.

Your commander, Mr. Lewis, tells me that your total membership is about 60,000. That figure is only a few thousand less than the number of military dead resting in Tennessee's 8 national cemeteries. Those figures recall John McCrae's famous poem, In Flanders Fields, remembered especially by those of you who fought in World War I:

"We are the dead. Short days ago
We lived, felt dawn, saw sunset glow,
Loved and were loved, and now we lie
In Flanders fields.
Take up our quarrel with the foe:
To you from failing hands we throw
The torch; be yours to hold it high."

The torch is liberty, and in Tennessee are thousands of patriotic Americans who, in the past, have held the torch high, defending it with weapons ranging from flintlocks to tommy guns, from round shot, grape, and cannister, to high explosive proximity fuse shells; from horse cavalry and saber to modern armored vehicles; and from observation planes to great fleets of heavy long-range bombers.

Infantrymen fought a battle here 86 years ago which military historians refer to as the Battle Above the Clouds. But in the war just past, that name took on a different meaning: Hundreds of battles were fought miles above the clouds by American boys, thousands of them trained right here in Tennessee on the great Air Force bases such as at Smyrna. They defended America on battlefields miles above the earth, battlefields known to those who fly.

Another familiar place-name from the War Between the States is Missionary Ridge. But during World War II another Tennessee ridge made historical headlines—Oak Ridge—where this Nation risked over a billion dollars and the labors of 82,000 persons as part of the gigantic and successful effort to create the atomic bomb.

Those battles above the clouds in World War II, and the miracle at Oak Ridge, combine to teach us a great lesson for the future, namely, that the ramparts we must watch in this air-atomic age are aloft.

Those ramparts in the sky are a far cry from the breastworks that once studded the Chickamauga battlefield. Gen. Braxton Bragg's remark about the difficulty of fighting in this mountainous country around Chattanooga marks the difference. General Bragg is quoted as having said:

"Mountains hide your foe from you, while they are full of gaps through which he can pounce upon you at any time. A mountain is like the wall of a house full of rat holes. The rat lies hidden in his hole, ready to pop out when no one is watching. Who can tell what lies hidden behind that wall?" said he, pointing to the Cumberland Range across the river.

If General Bragg was perplexed by the possibility of unexpected enemy attack in these mountains around Chattanooga, how would he react today to the problems of air defense in this air-atomic age, with an infinite number of avenues of attack from the air?

I wonder how many of the thousands of tourists visiting your national cemeteries and old battlefields in this vicinity, pause to consider such things? As example, how many realize why Chattanooga was so bitterly fought for during the War Between the States?

You war veterans, of course, know why: Chattanooga was a strategic center of communications. From Chattanooga, railroad lines radiated to the Mississippi, to the Ohio, to the Atlantic, and to the Gulf of Mexico. The city lay across the only avenue by which Virginia could be invaded from the southwest. With Chattanooga in its possession, the Federal Army could almost isolate Virginia and North Carolina, and slash Mississippi and Alabama away from the Confederacy. It could also open the road to Georgia, and thereby confine the war to Virginia and North Carolina.

On the other hand, Confederate possession of Chattanooga meant control of east Tennessee, allowing Confederate forces to be shifted between Virginia and the West. A Confederate Chattanooga was a constant menace to Federal forces in middle Tennessee and Kentucky, making it necessary for the Union to keep those regions heavily garrisoned.

Thus Chattanooga became, in the War Between the States, a striking example of the truth of the military axiom:

"As an element of strategy, communications devour all other elements."

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The word "communications" is used in the full military sense—meaning the movement of troops and supplies as well as the transmission of messages.

That famous native of Chapel Hill, Tenn., Gen. Nathan Bedford Forrest, probably never heard the strategic importance of communications expressed in the somewhat elegant language I just quoted. But he said much the same thing when he made his famous remark about "gittin' thar fustest with the mostest."

I would like to digress here a moment to quote another remark by General Forrest which some of you may not have heard before. As you know, he joined the Confederate Army as a private, but was soon given an officer's commission. He raised his own battalion and did his best to equip it, but he didn't have quite enough guns to go around. Even in this situation, which would have dismayed a lesser man, Forrest showed that spirit and confidence which made him such a great leader. To his new recruits for whom he had no weapons, he said, "There's going to be a fight with those folks over there (meaning, of course, the Yankees) and we'll get you some guns there."

It was this aspect of his character which probably accounts for Gen. Robert E. Lee's remark when asked who was his best general. Lee replied, "A man I have never seen—General Forrest."

Your own great President, Harry S. Truman, a true expert on American history, quotes Bedford Forrest as much as he does any man.

But to get back to the importance of communications as an element of strategy.

During the past year—in Operation Vittles—the Berlin air lift—the truth of that military axiom was again confirmed. Operation Vittles was the difference between getting to Berlin and not getting there at all. America's great resources in food, fuel, clothing, and the like would have been denied the people of Berlin if we hadn't had—in air power—the ability to hurdle the land blockade. That air line of communications to Berlin was a life line to millions of people threatened with starvation and disease—but it was more than that—it was a powerful factor in our national strategy.

In quite a different way, but based on the same principle, our ability to use the airspace for delivery of the atomic bomb is a powerful instrument of national diplomacy. When Winston Churchill expressed the view that Uncle Sam's possession of the atomic bomb was the greatest force for peace in the world today, he was aware that we possess both the bomb and the means to deliver it. In other words, our ability to use the airspace for delivery of the bomb helps make the bomb such a force for peace.

You Tennesseeans have a special interest in this, because you are helping to build both the bomb and the intercontinental bomber. The airframe of the B-36 contains sheet aluminium from Alcoa, and its wing flaps are being built at a plant near Nashville.

As former soldiers, sailors, marines, and airmen, you know that in order to have combat capacity on time, you must have it on tap. And when you have it on tap, the enemy knows it—and he will not attack you. That is why the American Legion insists that this country never again run the risk of being "too little—too late."

For this support, the military services are deeply indebted to you. The record shows that, between World Wars I and II—those tragic years of disillusionment when this Nation pursued the mirage of peace through a policy of disarmament—your organization took a strong stand against what we now know was futile idealism. As war veterans, having bitter personal experience with the horrors of war, you felt that this Nation was making a tragic mistake in not maintaining sufficient military strength to deter aggression. Year after year, despite contrary popular opinion, you advocated a high degree of combat readiness—this as insurance against a future war.

Your efforts—along with those who felt as you did—failed, and we all know what happened. But at last it looks as if America has learned its lesson.

The world knows that this Nation will always continue to seek a formula for settling international disputes without fighting. But never again with our eyes closed; never again through a policy of self-inflicted weakness. We are now convinced that we must maintain sufficient military strength to meet our obligations in the world community of Nations.

How to achieve this necessary military strength, however, is a problem without parallel in our Nation's history. As pointed out by the great chairman of the Senate Armed Services Committee, Senator MILLARD TYDINGS, in a speech last April 6:

"The construction of an adequate national defense for a Nation like the United States has become one of the most highly complex scientific and challenging of all human undertakings. The airplane, both bomber and fighter, airborne infantry, the rapidly moving motorized tank, the atomic bomb, the guided missile, the proximity fuse, radar, wireless communication, and bacteriological warfare show the scope of modern military science."

This complexity of modern total war involves expenditures which are simply fantastic by comparison with earlier days.

As example, in 1913—just before many of you entered the First World War—the annual per capita cost of national defense in the United States was $2.25. A generation later—just before many of you entered World War II—this cost had risen to $8 a person.

And today—based on the Federal budget for fiscal year 1950—the annual per capita cost of national defense stands at $101.40—about 50 times what it was just before World War I.

A quick look at the broad divisions of the current $42,000,000,000 Federal budget shows how seriously the cost of national defense is affecting the economic situation.

Thirty-four percent, or about $14,000,000,000, is earmarked for current defense preparations.

Another 16 percent, almost $7,000,000,000, goes for international aid programs, such as the Marshall plan, an aspect of our national security.

And another 13 percent, or about $5,500,000,000, goes for veterans' services and benefits, part of the cost of past wars.

And so, if you consider only the cost of current defense preparations plus the international aid, you account for 50 cents of the Federal tax dollar.

The Air Force believes that this country can have adequate military strength without committing economic suicide, and without surrendering to regimentation, provided we do these three things:

1. Focus our efforts on a sound strategic plan, geared to this air-atomic age, which will exploit our technological superiority and balance our military forces against the tasks called for in the strategic timetable.

2. Eliminate excessive duplication and waste among the three military services.

3. Use modern business management methods within each military service.

That is what Secretary Johnson believes and that is what he is working for. The Air Force supports him, a great American and your former National President.

You, as former soldiers and as present-day businessmen, recognize the common sense of those three objectives. And you will also agree, I believe, that we cannot achieve those objectives without full unification—both within the National Military Establishment and within the entire integrated national security program.

This obvious requirement for real unification in the interest of greater military effectiveness at lower cost, prompted President Truman to insist recently that Congress act promptly on proposed amendments to the National Security Act—else he would employ his executive authority to make certain desirable changes in the National Military Establishment.

The Air Force solidly supports the President and the Secretary of Defense in their efforts to get greater unification. We look forward with confidence, as I know you do, toward a stronger and more efficient National Military Establishment as the best assurance of world peace and prosperity in the years to come.

S. 1008, the O'Mahoney Bill, Unnecessary for Clarification, But Gives Small Business Devastating Blow

EXTENSION OF REMARKS

OF

HON. WRIGHT PATMAN

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 28, 1949

Mr. PATMAN. Mr. Speaker, I cannot understand why it is reported that the Federal Trade Commission and the Department of Justice approved the enactment of S. 1008. This bill is often referred to in correspondence as the O'Mahoney-Capehart-Celler bill. The facts are that during the Eightieth Congress, in 1948, when the Capehart committee was conducting hearings on the theory that there should be a law to clarify the Supreme Court decisions in the Cement and Rigid-Conduit steel cases, and during the first part of the Eighty-first Congress, when the Senator EDWIN JOHNSON committee was conducting similar hearings, the members of the Federal Trade Commission, and the Assistant Attorney General in charge of antitrust matters declared that further legislation was not needed.

In order to be specific, the Honorable Herbert A. Bergson, Assistant Attorney General, Antitrust Division, Department of Justice, in a hearing before the Capehart committee on November 10, 1948, stated:

It is said that the Federal Trade Commission declines to give advance rulings as to what the act permits or condemns so that no one who absorbs freight or sells at delivered prices can know whether the Commission will at some future time condemn and outlaw his pricing practice. The conclusion is drawn that, as a practical matter, the only method of pricing safe against proceedings under the act is pricing on an f. o. b. mill basis. It is, therefore, urged that Congress should clarify the law. * * * The predicament which is pictured is, I think, greatly overstated. In the first place, the prohibitions of the Trade Commission Act come into play only upon issuance of an order by the Commission, and then only after court affirmance of the order if review is sought. * * * There is no provision for penalizing prior conduct. In the second place, the Commission has never brought a proceeding charging that freight absorption by a single seller * * * violates the Trade Commission Act.

That statement is rather definite that new legislation is not needed. In addition, Mr. Robert B. Dawkins, associate general counsel, Federal Trade Commission, before the Senate Judiciary Committee March 31, 1949, stated in answer to a question by Senator CAPEHART, "Are you likewise against any clarification of existing laws that might at least be a step toward clearing it up in the mind of the people?"

Senator, I have talked with a great many lawyers both on the outside and in Government. Some of us have tried from time to time to draft clarifying language. The difficulty is * * * in centering upon just whether it is clarification or change that is desired. A change is easy to make. A clarification is sometimes not easy, particularly when you are dealing with antitrust statutes which almost perforce need a certain degree of looseness in the joints in order that they can be applied to changing and varying conditions."

Further Mr. Dawkins stated:

Senator, I am frankly unable to see the occasion for the fear or uncertainty. I am not debating or attempting to debate whether or not people are not adequately informed or have misunderstood or have been misled, or any of those things, but I do say that I do not know that any of the recent decisions furnishes a firm foundation for such fear.

In addition the Honorable Garland S. Ferguson, Commissioner, Federal Trade Commission, before the Capehart committee June 2, 1948, in answer to the following question by Senator CAPEHART: "Do you feel that possibly some new legislation is needed upon this?" Mr. Ferguson stated:

I cannot say that I do, Senator. Of course, that is in the wisdom of Congress. * * * Just as an individual I will say that, so far as I now can see, I do not see any need for legislation.

In addition, Hon. Ewin L. Davis, Commissioner, Federal Trade Commission, before the Capehart committee, June 2, 1948, stated:

I respectfully recommend against the enactment of legislation which would legalize the basing-point system or any other device which is used to restrain competition. Such legislation, if enacted into law, would undoubtedly seriously weaken the enforcement of the antitrust laws.

Mr. Davis is exactly right. Such a bill would seriously weaken the enforcement of the antitrust laws.

The Honorable Robert E. Freer, while Chairman of the Federal Trade Commission, stated before the Capehart committee, June 2 and 4, 1948, that no legislation should be passed to interfere with the Supreme Court's Cement decision, and stated:

The suggestion inherent in the resolution (setting up the Capehart committee) that legislation may be needed to legalize what was condemned by the Commission in the Cement case is a serious one and it goes to the very roots of the antitrust laws. I think it should be made plain from the outset that legislation which would approve any practice prohibited by the Commissioners' order in the Cement case would be legislation to permit combination and conspiracy to fix and maintain prices or systematic price discrimination practiced for the purpose or with the effect of eliminating competition.

The Chief of the Division of Antimonopoly Trials of the Federal Trade Commission, Mr. Everette MacIntyre, correctly quoted the Federal Trade Commission in testimony before the House Small Business Committee, July 5, 1949, as follows:

On March 1, 1949, a majority of the members of the Federal Trade Commission, over the signature of the Secretary of the Commission, submitted to Senator EDWIN C. JOHNSON, at his request, their comments on S. 1008 then pending before a committee in the Senate. In that letter it was stated: "The Commission believes that enactment of this bill is neither necessary nor desirable." In that letter reasons were given why the Commission stated that conclusion with respect to the draft of the bill then pending in the Senate committee. They appear to me to have been based upon the belief of the Commission that the law was clear and that the legislation then proposed would add uncertainties to the law instead of providing for clarification. With that conclusion I personally am in complete agreement.

The Honorable Lowell B. Mason, Chairman of the Federal Trade Commission, in a letter to me dated May 16, 1949, concerning H. R. 2222, which was a moratorium bill, and S. 1008, stated:

The Commission believes that neither of these bills is necessary or desirable.

The Honorable Ewin L. Davis, Commissioner of the Federal Trade Commission, in a letter to Senator EDWIN C. JOHNSON, chairman of the Committee on Interstate and Foreign Commerce, dated February 17, 1949, stated:

Not only do I fail to see the need for emergency legislation, but I also think that any such legislation as that proposed would defeat the committee's purpose of clarifying the law. * * * You will recall that in my testimony before your committee I stated that legislation such as S. 236 was unnecessary and undesirable in my opinion. * * * Patchwork amendment of the law is unlikely to produce a good result. Accordingly, I suggest that such changes in the law as your committee now contemplates be deferred in order to permit concentration upon the second part of your task and thereby to make possible a well-rounded and fully coordinated set of proposals designed to strengthen the antimonopoly laws and provide for their more effective enforcement.

It will be noticed that he refers to S. 236, which, of course, contains the same proposal as embodied in H. R. 2222 and S. 1008.

Mr. Robert B. Dawkins, associate counsel, Federal Trade Commission, before the Senate Judiciary Committee, March 31, 1949, concerning S. 1008, stated:

The Commission does not believe that enactment of the proposed legislation is necessary or desirable. Insofar as it may affect existing law, it is obviously intended to be and acts only as a suspension, but it is almost certain to create new doubts as to the legal status of the practices which the Congress finds necessary to safeguard with a moratorium.

One thing is very evident, and that is clarifying language is not needed. Since it is not needed, was the principal objective in trying to secure the enactment of this bill the destruction of the Robinson-Patman law that protects small business?

Although S. 1008 was passed by the Senate, with amendments, and it has been passed by the House, with amendments, and is now on the desk of the presiding officer of the Senate for further consideration, this bill should be defeated. The printed hearings of the Committee on Small Business, containing the testimony of witnesses in opposition to S. 1008, will be available this week. I urge every Member of the House and Senate who has not made up his mind on this bill to carefully read these hearings, and I believe he will be convinced that S. 1008 is still a dangerous bill and should not, under any circumstances, be enacted into law.

Serious Position of Americans Held as Hostages in Shanghai

EXTENSION OF REMARKS

OF

HON. MIKE MANSFIELD

OF MONTANA

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 28, 1949

Mr. MANSFIELD. Mr. Speaker, 1,400 American businessmen who remained in Shanghai when the Communists took over to carry on American business are now not permitted to leave China until they pay the blackmail and extortion dictated by the communistic authorities. They are further under penalty of being jailed if the blackmail and extortion are not forthcoming. They are also being terrorized by their native staffs by being locked in their offices. The communistic authorities refuse to intervene.

The American Ambassador and the consul general of Shanghai are also unable to leave the country unless they subscribe to the indignity of producing a Chinese "shop guaranty," and the imprisonment and beating of Vice Consul Olive is well known.

Whatever the intentions of the Communists in pursuing this course of action toward foreigners, it cannot be denied that the hasty retreat of the American Navy from Shanghai was a big contributing factor in encouraging this action of the Communists.

A situation has thus developed fast and bids to develop even faster into one of real personal danger to Shanghai Americans, and of greater political magnitude unless something is done about it very quickly. Up to the present no steps have been taken by the State Department to arrange for Americans to leave China, nor in spite of having instructed the Ambassador and consul general to refuse the demand of a "shop guaranty," has it advised Americans not to meet the extortionate Communist demands. In fact, by the implication implicit of the withdrawal of the Navy and failure to exert pressure on the Communists, it has forced United States firms to submit to blackmail and threats, and has thus set a most dangerous precedent and opened the door to unlimited extortion, by its acquiescence to the pressure on American nationals.

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What will the United States Government do when the Communists decide that American business and properties shall be turned over to the workers or to the Communist Government in lieu of payment of wages for which there is no income, or if the Communist attitude becomes more militant and involves physical harm to the American community?

The situation of the American businessmen in Shanghai today is as follows:

The Communists have instructed that foreign firms must continue in business irrespective of whether they are making money, have funds to pay their staffs, or can get funds from their home offices. Further, they cannot declare bankruptcy or sell their businesses. Still further, the labor section of the Shanghai Military Control Commission has fixed wage increases to be paid—in some instances, retroactive 3 years. Employers will not be permitted to leave China as long as they have unfinished labor obligations and employers have been notified that they will be held personally responsible even to the extent of jailing or other forms of punishment if a Chinese employee dies or suffers any other hardship due to the employer's failure to pay the wages instructed.

As illustrated, the extent of this situation, the American-owned Shanghai Telephone Co. has been forced to mortgage its properties to the Communist-owned Peoples Bank in order to secure working cash to meet the required wage demands. Other American companies, such as the American Asiatic Underwriters, the Underwriters Bank, and the Shanghai Evening Post have been forced to draw on their home offices to the extent of $15,000 a month, although they are doing no business.

In the case of the American-owned Shanghai Evening Post, which closed down several months ago because it had been losing money over a long period, both the editor, Randall Gould, and the business manager, Charles Miner, are presently locked in their offices by their staffs, and the Chinese authorities refuse to intervene until and unless they meet the wage demands dictated by the authorities—an impossibility, since the Post has no other assets other than its local properties.

The danger of permitting this situation to continue cannot be too strongly stressed, as anyone familiar with China will readily admit. As mentioned, the State Department has taken no steps toward breaking the impasse beyond stating it is considering sending a ship to evacuate not only Americans, but other nationals. As long as the Communists refused to permit Americans to depart, the idea of sending a ship seems something more than ridiculous.

The obvious solution of the whole matter lies in a compromise, whereby we offer the Communists what they need most at the present time—rice in exchange for the unimpeded release of those Americans who desire to leave. Such a solution does not involve political protocol in respect to recognition or withdrawal of recognition of the Nationalists. Such a solution is not a happy one or one that I approve wholeheartedly but it does seem to be the only practical one at this time. ECA funds could be used for this purpose if Congress were willing to authorize it.

With regard to American China policy in general, it has been stated in the press that Messrs. Acheson, Johnson, and the National Security Council are making policy plans, but there is no indication of what lines these plans will follow, or when they will be made public. What are these lines? What is the broad objective of the United States Government? What does the United States Government want of its citizens in China? What is the Government going to do for their protection?

Basing-Point Lawyers Anticipate Congressional Action—Rigid Steel Conduit Petition to FTC Backfires When Motion Based on Future Congressional Action Is Denied

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EXTENSION OF REMARKS

OF

HON. WRIGHT PATMAN

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 28, 1949

Mr. PATMAN. Mr. Speaker, attorneys for the Rigid Steel Conduit Association et al. filed a motion on July 1, 1949, to reopen and modify the order of the Federal Trade Commission in the Rigid Steel Conduit case entered June 6, 1944. In its memorandum in support of the motion to reopen the case, attorneys for the association argued that—

A bill (S. 1008) is now pending in Congress which is designed to make clear that f. o. b. mill pricing is not required by law and that freight absorption for the purpose of meeting competition is not illegal. That bill was introduced in the Senate on May 31, 1949, by Senator O'MAHONEY and was passed by the Senate on the next day, after certain amendments had been incorporated therein on the floor of the Senate, two of which are generally referred to as the Kefauver amendment. The same bill, with the Kefauver amendment eliminated, has already been approved by the Committee on the Judiciary of the House of Representatives.

PASSAGE OF S. 1008 BY THE CONGRESS ARGUED AS ABSOLUTE CERTAINTY BY RIGID STEEL CONDUIT CROWD

This type of argument takes up several pages of the motion to the FTC, indicating an anticipated action by the Congress which would permit the return of the basing-point system in the Rigid Steel Conduit and in other industries.

It is a strange circumstance indeed when respondents who have been found guilty of collusive practices come before a responsible agency of the Federal Government and plead in expectation of congressional passage of a bill which had not, at that time, passed the House of Representatives. The Commission makes it quite clear, in its order denying the motion to reopen and modify its order of June 6, 1944, that—

The Commission does not consider that the order in its present form prohibits the independent practice of freight absorption or selling at delivered prices by individual sellers.

And the preceding sentence also states clearly that the order of June 6, 1944, "does not prohibit any of the respondents, acting independently, from quoting or selling at delivered prices or from absorbing freight."

This order makes it more apparent than ever that those who have violated our antitrust laws—and this includes members of the steel, cement, and rigid steel conduit industries and others—have manufactured, via propaganda, false issues.

BIG STEEL AND BIG CEMENT RAISE FALSE ISSUES IN HUGE PROPAGANDA CAMPAIGN

Since the Cement decision outlawing the basing-point system, the cry has been for clarification to end the confusion. Certainly the Federal Trade Commission order of July 7, 1949, in the matter of the rigid steel conduit crowd once again emphasizes the fact that legislation weakening our antitrust laws is neither necessary nor desirable. The propaganda campaign which had for its purpose the reestablishment of the basing-point system of pricing and the destruction of the Robinson-Patman Act has failed.

It would seem to be sheer impudence or stupidity on the part of any person or persons to come into a Federal administrative agency, or any other Government agency or judicial body, and complacently move to have an act done in anticipation of some laws being passed.

FTC ORDER EFFECTIVELY EMPHASIZES THAT S. 1008 IS NEITHER NECESSARY NOR DESIRABLE

The issuance of the FTC order, which clearly delineates and defines sales practices which have never seriously been questioned by any court or by the Federal Trade Commission, emphasizes the false basis for any legislation. Of course, in addition to legalizing the basing-point system, it is now apparent that the cement, steel, and oil combines intended also to destroy the Robinson-Patman Act. In the interest of small business and fair play, S. 1008 should continue to lie on the table in the Senate permanently.

The Federal Trade Commission order follows in full:

[United States of America, Before Federal Trade Commission—At a regular session of the Federal Trade Commission, held at its office in the city of Washington, D. C., on the 7th day of July A. D. 1949—Commissioners: Lowell B. Mason, acting chairman; Garland S. Ferguson, Ewin L. Davis, William A. Ayres; In the matter of Rigid Steel Conduit Association, et al., Docket No. 4452]

ORDER DENYING MOTION TO REOPEN AND MODIFY

This matter comes before the Commission on motion by certain respondents to reopen the proceeding and modify the order to cease and desist entered on June 6, 1944, by striking paragraph V thereof and substituting certain language set forth in the motion.

The purpose of the requested modification is said to be to make clear that the order does not prohibit any of the respondents, acting independently, from quoting or selling at delivered prices or from absorbing freight. The Commission does not consider that the order in its present form prohibits

the independent practice of freight absorption or selling at delivered prices by individual sellers. What the questioned portion of the order does prohibit is the continuance of the basing-point, delivered price system, found to have been the subject of conspiracy, or any variation thereof which might be accomplished through the practices specified in subparagraphs (a), (b), (c), or (d) when done, as stated in the order, "for the purpose or with the effect of systematically matching delivered price quotations."

Taking the matters pleaded in the motion and memorandum in support thereof as true only for present purposes, no change of fact or of law appears and there is no showing that the public interest requires reopening and modification of the order. In the absence of an adequate showing of such change of law or fact or the requirements of the public interest the motion is denied.

By the Commission.

D. C. DANIEL, *Secretary.*

Concurring opinion by Commissioner Mason attached.

[United States of America, before Federal Trade Commission—In the matter of Rigid Steel Conduit Association et al., Docket No. 4452]

CONCURRING OPINION OF COMMISSIONER LOWELL B. MASON

My concurrence in the above order is based solely on the grounds that the respondents' motion does not fulfill the requirements of the statute. They have set forth no change of fact.

As to the law, while there are some semantic hedgings put about the Commission's power to prohibit a citizen from disposing of his wares in distant markets by systematically paying the freight on his products, the whole thing can be boiled down to the plain fact that we can do just that under the present decisions of the Commission, and we can do it without the necessity of finding anyone who has done a conspiratorial act. This new socioeconomic basis for a cease-and-desist order is now the subject of legislative scrutiny.

Should legislation be enacted and change the above power of the Commission, it might then be proper for the respondents to move for the reopening. However, the Commission is here asked to modify its order on the assumption that legislation will be enacted. Governmental agencies cannot operate on such a basis.

LOWELL B. MASON,
Commissioner.

Atlantic Treaty But No Arms

EXTENSION OF REMARKS
OF
HON. WILLIAM LANGER
OF NORTH DAKOTA
IN THE SENATE OF THE UNITED STATES

Friday, July 29 (legislative day of Thursday, June 2), 1949

Mr. LANGER. Mr. President, I ask unanimous consent to have printed in the Appendix of the RECORD an editorial entitled "Atlantic Treaty But No Arms," appearing in the St. Louis Globe-Democrat for July 20, 1949.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

ATLANTIC TREATY BUT NO ARMS

The Senate is scheduled to vote on and approve the North Atlantic Treaty tomorrow. Two votes against are certain—DONNELL and KEM, Missouri's two Senators. Both have said they are opposed to ratification because they fear involvement in Europe's affairs beyond economic support. They believe the pact carries with it the implicit promise to furnish arms now and for 20 years to countries that will fight Russian aggression.

They don't like such a commitment, nor does this newspaper. We believe the pact would not be weakened in any respect if it included a specific reservation that the treaty does not carry an automatic obligation to provide arms.

Current debate in the Senate has revolved around this point. If the United States joins the North Atlantic alliance, is it legally and, of course, morally obliged to furnish arms to Europe? By the same token, is a Senator who votes for ratification of the treaty obliged to vote arms to Europe at some later date?

Senators VANDENBERG, CONNALLY, and DULLES, who are leading the fight for ratification, say the two programs are entirely separate, that a Senator may vote for pact approval and still vote against sending arms to Europe.

Senator TAFT, who came out reluctantly against ratification last week, says the pact and arms programs are inextricably linked. He favors the treaty but as to arms, he declared that program would promote war rather than peace.

Senator KEM made an impressive speech on the floor. He argued that under the treaty the United States would be expected to "furnish western Europe with guns, planes, tanks, and ammunition when needed for 20 years." This is the term of the treaty.

"The treaty itself and the arms program are one and inseparable," he said. "The one without the other would be like a dairy without a cow or a cannon without ammunition." And he added, the pledge of mutual aid means only that the United States would actually finance the arms aid alone. He continued:

"The arms we send would be completely within the nations receiving them. They would be subject to orders of those who at the time control the governments of each of those countries.

"What would happen if Italy goes communistic at the next election? The Reds would be free to take over the arms to use against us. Then, too, if Russia should decide to go to war, she would find that we had placed much of our best military equipment at her very doorstep, where we would be in no position to protect it. This already has happened in China.

"I cannot support the treaty because it bypasses the United Nations. I am not convinced that we should junk the United Nations. In the last analysis, this is an attempt to set up a balance of power between the east and west. The balance of power is just about the oldest political device in history.

"I am unwilling to consent to a disregard of Washington's warning against 'entangling alliances with none' in order that we may substitute in its place Secretary Acheson's brand-new policy of 'entangling alliances with some.'"

Senator TAFT says extension of the Monroe Doctrine to Europe would be sufficient—a declaration by the United States that it would assist any European nation that is attacked. After all, that has been our policy in the past and one of the chief arguments for the treaty is that it would state this determination formally. That should be sufficient notification to Russia or any other potential aggressor. Only this week it was disclosed that Hitler probably would not have gone as far as he did had he accepted as true the information given him by his agents in this country that the United States would fight under certain circumstances.

Supporters of the pact shy away from a definitive reservation in the treaty, one that says specifically that this country is not under any moral or legal obligation to send arms to Europe. Yesterday there was growing hope such a reservation might be written into the pact.

It is unfortunate that so much confusion surrounds the treaty. As originally conceived it was a straightforward alliance against any aggressor in Europe, although article III called for "continuous and effective self-help and mutual aid." Tacitly the State Department indicated to our allies that this meant they would be provided with arms when they signed. That was their understanding, or at least that is what they claim now.

Foes of the pact allege this is precisely what our allies would expect; that if arms are denied them they would cry "deception" and the situation would be worsened instead of bettered.

The treaty doubtless will be ratified. But when the request for arms for Europe comes before the Senate formally, we believe it will be defeated. Call it resurgent isolationism or what not, the bald fact is that Congress is becoming economy-minded and, aside from the military aspect, will balk at an arms expenditure of $1,130,000,000 for the first year, and there are those who say this is a conservative estimate of what Europe expects.

Evidences of economic isolationism are seen in Congress—in the trimming of Marshall-plan aid, in cold indifference to Britain's plea that we must come running with more funds, in ignoring Mr. Truman's point 4 for saving the world, and now in the arms program.

Congress and the people as well are commencing to wonder how long we can finance the world without bankrupting our own national economy. It's about time some sober thinking is being done in Washington.

H. R. 5119, Mansfield Bill To Restore the Export Tax on Copper

EXTENSION OF REMARKS
OF
HON. MIKE MANSFIELD
OF MONTANA
IN THE HOUSE OF REPRESENTATIVES

Thursday, July 28, 1949

Mr. MANSFIELD. Mr. Speaker, I am enclosing for the consideration of the House a copy of a memorandum from the United States Tariff Commission for the Senate Finance Committee and House Ways and Means Committee on S. 2022 and H. R. 5119, Eighty-first Congress, identical bills, to repeal an act to suspend certain import taxes on copper, approved March 31, 1949, Public Law 33, Eighty-first Congress.

I wish to call the attention of the Congress to the very serious situation in which the copper industry in this country finds itself at the present time. As I have previously indicated in a speech before this body, a number of mines, including the Lexington, Orphan Girl, Belmont, Badger, and Kelly Shaft, have closed down in Butte, Mont., in recent months. What has happened in Butte has happened in Utah, Nevada, Arizona, and New Mexico and because of the difficulty which this industry finds itself in at the present time and particularly be-

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cause of its effects upon Butte and Anaconda, Mont., I am urging the House Ways and Means Committee to hold hearings on my bill (H. R. 5119) so that the import taxes on copper may be reimposed and greater security given to the workers and businessmen of Montana.

You will note that the United States Tariff Commission states in its detailed study showed that imports of unmanufactured copper in all forms in the first quarter of 1949 totaled 166,438 short tons or an average of 55,479 tons monthly compared with imports of 48,609 tons in April and 48,792 tons in May 1949. The period since the first quarter of 1949 has been characterized by relatively high copper imports, by fairly high domestic copper output with some falling off of production in May and June, and by a substantial increase in producers' inventories of copper. Under these conditions the imposition of the copper import-excise tax would tend to restrict copper imports, thus lessening the impact of reduced copper demand upon domestic copper producers. It would appear on the basis of the United States Tariff Commission Report, dated July 19, 1949, that as of the present time, the shortage of copper in the United States in 1948 and early in 1949, which resulted in the enactment of Public Law 33 in March 1949, continuing in effect the suspension of the excise tax of 4 cents a pound, has disappeared. Congress therefore should repeal Public Law 33, Eighty-first Congress and hearings should be held immediately to the end that this excise tax on copper be restored. If this is done, it will bring greater tranquillity to domestic producers and more security to our people who work or are dependent on the production of copper in this country.

UNITED STATES TARIFF COMMISSION,
Washington, July 19, 1949.

MEMORANDUM FOR THE SENATE FINANCE COMMITTEE AND HOUSE WAYS AND MEANS COMMITTEE ON S. 2022 AND H. R. 5119, EIGHTY-FIRST CONGRESS, IDENTICAL BILLS, TO REPEAL AN ACT TO SUSPEND CERTAIN IMPORT TAXES ON COPPER, APPROVED MARCH 31, 1949 (PUBLIC LAW 33, 81ST CONG.)

Either of the above bills, if enacted, would terminate the suspension of the import-excise tax on the copper content of copper-bearing articles, including ores and concentrates, copper matte, blister copper, refined copper, and copper-containing alloys (brass, bronze, bell metal, nickel silver, phosphor copper, and composition metal). Public Law 42, Eightieth Congress, had suspended the import-excise tax on these articles from April 30, 1947, through March 31, 1949. Public Law 33, Eighty-first Congress (approved March 31, 1949) extended the suspension through June 30, 1950.

Copper in unmanufactured forms was free of duty under the Tariff Act of 1930, but under the Revenue Act of 1932 (now section 3425 of the Internal Revenue Code) an import-excise tax of 4 cents per pound was imposed on the copper content of copper-bearing articles. In the General Agreement on Tariffs and Trade (Geneva agreement) the United States reduced the import-excise tax on copper by 50 percent. Thus if the tax suspension is terminated, as proposed by S. 2022 and H. R. 5119, the import-excise tax on copper will be 2 cents per pound.

At the time of enactment of Public Law 33, Eighty-first Congress, the domestic supply of copper, as indicated by data then available, still appeared short of domestic demand, and the price of electrolytic copper (Connecticut Valley) was 23.37½ cents per pound. Since then the situation has changed greatly.

Domestic supply has increased in relation to domestic demand; the price of copper declined to a low of 16 cents on June 17. The price rose to 17 cents on July 6, the first rise in nearly a year, and to 17.625 cents on July 11.[1]

TABLE 1.—*Copper: Changes in United States published prices from the expiration of OPA controls on Nov. 9, 1946, to July 11, 1949*

[Cents per pound]

COPPER, ELECTROLYTIC, DELIVERED CONNECTICUT VALLEY

Date of change	*New price*
1946:	
Nov. 8 (OPA ceiling)	14.37½
Nov. 12	17.50
Nov. 20	18.50
Nov. 23	19.50
1947:	
Jan. 28	20.00
Mar. 3	20.50
Mar. 8	21.50
May 12	22.75
June 6	21.50
1948:	
July 29	22.50
Aug. 10	23.50
1949:	
Mar. 29	23.37½
Apr. 14	21.50
Apr. 21	21.00
May 2	18.50
May 9	18.00
May 25	17.62½
June 8	17.00
June 13	16.50
June 17	16.00
July 7	17.00
July 11	17.62½

Source: American Metal Market.

Table 1 indicates the changes in the price of copper since November 8, 1946, when the OPA ceiling price was in effect.

Table 2 shows monthly averages of production, consumption, imports, and exports on a quarterly basis for 1948 and the first quarter of 1949 and monthly totals for April and May 1949.

United States total consumption of refined copper as reported to the United States Bureau of Mines averaged 124,118 short tons of copper monthly during the fourth quarter of 1948 as compared with 107,220 tons monthly in the first quarter of 1949. Although comparable data are not available for subsequent months, trade reports indicate that copper consumption (excluding withdrawals for the strategic stock pile) continued to decline at least through April and May and possibly through June of 1949, although deliveries of copper to customers are reported to have increased during June. Producers' stocks of refined copper, which at the end of March amounted to 68,450 tons, are reported to have increased in each subsequent month, amounting at the end of June to 166,925 tons—the largest since September 1940. During July offers and takings of copper by producers and consumers have increased somewhat.

World consumption of primary copper has shown a similar trend to that for the United States. In 1948 the average monthly consumption by 11 of the principal consuming countries was 183,000 tons, and during the first quarter of 1949 it was 176,000 tons. The above figures include the United States, which has accounted for about half of the total consumption. World consumption data are not available for the months following March. However, figures on April copper consumption in the United Kingdom, probably the largest consumer of copper outside of the United States, show a decrease from the amount consumed in the previous month.

TABLE 2.—*Unmanufactured copper: United States production, consumption, imports, and exports, monthly averages by quarters, January 1948 to March 1949, and April and May 1949*

[Short tons copper content]

Item	1948				1949		
	First quarter	Second quarter	Third quarter	Fourth quarter	First quarter	April	May
	Monthly average	*Monthly average*	*Monthly average*	*Monthly average*	*Monthly average*		
Production:							
Mine output [1]	72,061	74,906	71,507	56,747	61,674	72,657	67,305
Secondary [2]	42,601	40,359	40,326	41,436	39,420	[3]	[3]
Total	114,662	115,265	111,833	98,183	101,094	[3]	[3]
Consumption [4]	115,472	113,500	122,235	124,118	107,220	[3]	[3]
Imports for consumption [5]	41,352	39,670	40,251	40,734	55,479	48,609	48,792
Domestic exports [5]	12,070	14,756	11,399	10,888	13,590	9,579	11,822

[1] Estimated recoverable copper content of ores and concentrates.
[2] Represents copper recovered in all forms (copper metal, alloys, and copper compounds) from old scrap.
[3] Not available.
[4] Represents consumption of refined copper by brass mills, wire mills, foundries, chemical plants and miscellaneous manufacturing plants as reported to the Bureau of Mines.
[5] Represents copper in ore, concentrates, matte, blister copper, refined copper, and scrap copper. All imports were entered free of duty during the period shown.

Source: Production and consumption, from official statistics of the Bureau of Mines; imports and exports, from official statistics of the Department of Commerce.

NOTE.—It should be noted that the consumption figures shown in the table represent quantities reported by consumers as having been used each month. Withdrawals of copper for the strategic Government stock pile, which during the first half of 1949 were substantial, are not included in the figures given.

United States mine production of recoverable copper, as reported by the Bureau of Mines, averaged 61,674 short tons monthly during the first quarter of 1949; however, this average was much smaller than mine capacity owing to a strike at one of the largest mines. April mine output amounted to 72,657 tons and that for May to 67,305 tons. Trade reports indicate a further decline in June. With the reductions in the price of copper, some high-cost operations have been discontinued; other producers, including the three largest copper producers, have reduced the number of hours worked per week. The curtailment of copper-mining operations in the United States began on May 1, 1949, when the leading producer in

[1] The price of copper in the United Kingdom, although higher than that in the United States, has followed a similar trend. The United Kingdom price is fixed by the British Ministry of Supply; the price on July 12, 1949, was at the low point equal to approximately 18.745 cents per pound (for copper delivered to consumers' works); on July 13 it was raised to the equivalent of 19.37 cents.

Michigan ceased operations. Early in June one of the major producers suspended operations at one of the mines in Montana; another producer shut down the copper mines at Bisbee, Ariz.; and at the end of June a smaller company discontinued all underground operations at its properties at Kimberly, Nev. Many mines have gone from a 48-hour to a 40-hour week; these include the Ray, Chino, and Nevada mines of the Kennecott Copper Corp., the Butte properties of the Anaconda Copper Co., and the large open-pit mines of the Phelps Dodge Corp. at Morenci and Ajo, Ariz. It is estimated by the trade that these curtailments if continued will lower domestic production, as compared with April 1949, by from 10,000 to 15,000 tons per month.

Foreign copper-mine operations have also been curtailed. Recent reports indicate that, owing to the recent decline in copper prices, two large mines in Chile have reduced operations by about 30 percent, equivalent to about 7,500 tons per month. Belgian Congo copper production has recently declined by about 10 percent because of a water shortage. Rhodesian copper mines and the largest copper producer in Canada have also curtailed copper output by about 10 percent. These operations are the source of most of the United States imports of copper and they are the largest producers outside the United States.

Imports of unmanufactured copper in all forms in the first quarter of 1949 totaled 166,438 short tons, an average of 55,479 tons monthly compared with imports of 48,609 tons in April and 48,792 tons in May. Exports during the first quarter averaged 13,590 short tons monthly and were 9,579 tons in April and 11,822 tons during May.

To summarize, the period since the end of the first quarter of 1949 has been characterized by relatively high net copper imports, by fairly high domestic copper output with some falling off of production in May and June, and by a substantial increase in producers' inventories of copper. Under these conditions the imposition of the 2-cent per pound copper import-excise tax would tend to restrict copper imports, thus lessening the impact of reduced copper demand upon domestic copper producers.

In view of the foregoing facts it would appear that, as of the present time, the shortage of copper in the United States in 1948 and early 1949, which resulted in the enactment of Public Law 33 in March 1949, continuing in effect the suspension of the excise tax of 4 cents a pound, has disappeared. The Congress may therefore wish to repeal Public Law 33, Eighty-first Congress.

Tributes to Radio Station WGN, Chicago

EXTENSION OF REMARKS
OF
HON. PAUL H. DOUGLAS
OF ILLINOIS
IN THE SENATE OF THE UNITED STATES

Friday, July 29 (legislative day of Thursday, June 2), 1949

Mr. DOUGLAS. Mr. President, I ask unanimous consent to have printed in the Appendix of the RECORD a statement which I have prepared paying tribute to radio station WGN, owned by the Chicago Tribune, for the service it has performed during the past 25 years in furthering the cause of culture and music. I also ask to have included with that statement congratulatory telegrams sent to that radio station by Governor Stevenson, of Illinois, and Mayor Kennelly, of Chicago, and others.

There being no objection, the matters referred to were ordered to be printed in the RECORD, as follows:

CONGRATULATORY STATEMENT OF SENATOR PAUL H. DOUGLAS, DEMOCRAT, OF ILLINOIS, ON TWENTY-FIFTH ANNIVERSARY OF RADIO STATION WGN, TOGETHER WITH TELEGRAMS OF GOVERNOR STEVENSON AND MAYOR KENNELLY

This month marks the twenty-fifth anniversary of one of the Nations outstanding radio stations—WGN, Chicago. I am glad to join with other citizens in sending to WGN congratulations on the completion of its first quarter-century and best wishes for its future service to the public.

WGN's programs reach a great and growing cross-section of Americans in the Middle West. Its audience includes families on remote farms and in hundreds of small towns and villages in this rich agricultural area. It is also heard in tiny mining communities and in great metropolitan areas. Few if any instruments of communication have such a heavy responsibility as accompanies this power to reach so diverse and so representative an audience of Americans.

To serve the needs and interests of all these listeners, WGN appears to have developed a commendable balance in its programs. Farm and market information, weather reports, frequent news summaries, and a wide variety of entertainment are available to its listeners.

I am particularly glad that substantial periods of WGN's broadcasting time are devoted to the best in music and to educational and discussional programs in cooperation with the University of Chicago, Northwestern University, Loyola University, DePaul University, the University of Illinois, and the leading agricultural colleges of the Midwest.

Among the best known of these educational programs have been the Northwestern Reviewing Stand, Your Right To Say It, the Human Adventure, the Chicago Story, Citizens of Tomorrow, Let's Face the Issue, and Report From Congress. Moreover, special event programs are frequently presented. And in technical developments in new fields like FM and television, WGN has likewise been a leader.

Although it is well known that I do not subscribe to all the political and economic views of those who own and manage station WGN, namely, the Chicago Tribune, and they have never been warm and glowing admirers of mine, I am glad to acknowledge the many services WGN has rendered to a great section of America. I also wish for it a growing success in the use of its remarkable facilities to reach our Midwest families with the balanced information, the healthy entertainment, and the cultural resources that can enrich and strengthen our democratic, American way of life.

I am glad to close this statement with congratulatory messages received by the station from several of our leading Illinois citizens:

CONGRATULATORY TELEGRAMS

CHICAGO, ILL., *July 18, 1949.*

FRANK SCHREIBER,
General Manager, WGN:

Congratulations to WGN and its staff on 25 years of service to the city and rural population of Illinois and the Midwest. My best wishes for continued success in the future.

ADLAI E. STEVENSON,
Governor.

CHICAGO, ILL., *July 18, 1949.*

MR. FRANK SCHREIBER,
Manager, Radio Station WGN:

Congratulations to you and all the members of the staff of WGN on the occasion of this station's twenty-fifth birthday. WGN has rendered an outstanding service to the people of our city for a quarter of a century and as mayor of Chicago I am happy to extend best wishes for its continued growth and success.

MARTIN H. KENNELLY,
Mayor.

BENTON HARBOR, MICH., *July 15, 1949.*

FRANK P. SCHREIBER,
Manager, WGN:

Congratulations on WGN's twenty-fifth anniversary.

JOHN S. BOYLE,
States Attorney of Cook County.

NEW YORK, N. Y., *July 17, 1949.*

WGN RADIO STATION:

Congratulations to WGN radio station for its tremendous progress made in the past 25 years.

J. C. PETRILLO.

The British Medical-Care Plan

EXTENSION OF REMARKS
OF
HON. JAMES E. MURRAY
OF MONTANA
IN THE SENATE OF THE UNITED STATES

Thursday, July 28 (legislative day of Thursday, June 2), 1949

Mr. MURRAY. Mr. President, a great many references have been made to the British medical-care plan here on the floor of the Senate. Evidently there is, here in this country, a great deal of misunderstanding of the way in which that program developed and the differences between it and the national health-insurance program which President Truman is recommending. I should, therefore, like to call the Senate's attention to an excellent and authoritative report on the British plan made by Mr. John G. Hill, director of research, for the Health and Welfare Council of Philadelphia. I am informed by the Public Printer that the manuscript will make about two and three-fourths pages of the RECORD at a cost of $220.

I ask unanimous consent that Mr. Hill's report be printed in the Appendix of the RECORD.

There being no objection, the report was ordered to be printed in the RECORD, as follows:

HAS BRITAIN SHOWN THAT HEALTH INSURANCE CAN WORK?

(By John G. Hill, director of research, Health and Welfare Council of Philadelphia, Pa.)

It is now almost a full year since the British National Health Service came into operation in England, Scotland, and Wales. No single act of the Labor government since it came into power in 1945 has aroused as widespread interest, provoked as much criticism, or provided as many conflicting stories on this side of the Atlantic as that one measure. There is scarcely a discussion these days of the proposal for Government health insurance here in the United States in which at least part of the argument does not hinge on what is, or is supposed to be, happening in Great Britain. If for no other reason than to be able to follow intelligently the current debates on proposals here, it is necessary to know something about the British National Health Service.

It comes as a minor shock to some people to learn that the Labor government cannot

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be entirely blamed or credited—depending on one's point of view—with the National Health Service. Government planning for a comprehensive medical care program really began back in 1941 under Churchill as part of his government's consideration of postwar reconstruction problems, but the beginnings of the story really go back much further.

For 36 years prior to inauguration of the National Health Service, Great Britain had had a national health insurance program, which, as its name implies, was based entirely on the social insurance concept. At the time it was terminated last year, it covered only manual and white-collar workers earning £420 ($1,680) per year or less. Dependents and children of insured persons were not covered. Medical benefits were restricted, for the most part, to general practitioners' services and did not include hospital care or specialists' services. Some twenty-odd million people—roughly one-half the population—were covered and about 84 percent of the doctors in the country were treating patients under this scheme in addition to their private practices. Doctors were paid on a capitation basis, and the cost of the program was met by specified contributions from employees, employers, and the Government.

There were also a variety of other provisions for medical care. For hospital and specialists' services there were voluntary hospitals, municipal hospitals, and public assistance institutions and special services for the treatment of tuberculosis and venereal diseases, for maternity and child care, and mainly through voluntary societies, for home nursing care. For those who could not pay the local health authorities had responsibility for seeing to it that services were made available.

It is of interest to note that for many years Britain had also had voluntary hospital insurance schemes, roughly analogous to our Blue Cross. In his report on social insurance and allied services in 1942, Beveridge mentioned an estimate that these voluntary hospital insurance schemes covered about 25 percent of the population and yielded about £6,500,000 ($26,000,000) annually to the voluntary hospitals.

Despite this array of public-semipublic and voluntary services, there were numerous criticisms. Gaps in the programs, lack of coordination and to the fact that all too frequently medical care was distributed according to economic status rather than medical need, were considered the major defects. Surprisingly to us here in the United States, the organized British medical profession played a prominent part in making this type of criticism and was a leading proponent of corrective measures.

When the National Health Insurance Act was passed in 1911, the British medical profession was vigorously opposed to it. Gradually, however, its attitude softened and by 1930 the British Medical Association urged the government to extend the coverage of the health-insurance program to include the dependents of insured workers, a recommendation with the association repeated in 1938. In 1940, a Medical Planning Commission was jointly established by the British Medical Association and other British medical organizations. Early in 1942, it recommended that a comprehensive medical care program be made available to everyone in the population. A few months later came the famous Beveridge report in which a comprehensive medical care program was viewed as one of three basic assumptions on which the social-security system which the report recommended must be based. In other words, what Lord Beveridge said was that it would be impossible to create a satisfactory social-security program for the country without such a health service. This was accepted by the Churchill government and by the medical groups, and in 1944 the Churchill government issued a white paper setting forth the method by which it intended to implement that recommendation. This white paper stated as a basic principle that medical care should be put on a new footing and be made available to everybody as a publicly sponsored service. To this, the British Medical Association pledged its support.

The Churchill government, however, did not remain in power long enough to enact legislation. That was left to the Labor Party and the legislation that was finally adopted differed in several respects from the coalition government's proposals. But the basic principle—that medical care, like education, should be available as a publicly sponsored service to everybody in the population—remained the same and was accepted by all political parties, the British medical profession and the general public.

It should be pointed out that the dispute which arose between the British Medical Association and the Minister of Health early in 1948 and was so widely publicized in the American press did not involve this principle. Rather it dealt with some of the administrative arrangements under which the new service was to be operated. There were four major points of disagreement:

1. The method of compensating the general practitioners: The British Medical Association objected to the payment to all general practitioners of a basic salary along with the capitation fees on the grounds that a basic salary would ultimately lead to a full-salary service which they strenuously opposed. The conflict was finally resolved by an arrangement under which only those general practitioners would receive the basic salary who requested it and could justify receiving it. Also, the Minister agreed that the method of payment would not be changed to a salary method without review by Parliament.

2. The administrative controls over the location of new practices in the public service: The medical profession objected to the prohibition against a doctor's moving into or establishing a new public practice in a locality designated as "overdoctored." This control remains but is to be reviewed after the act has been in operation for 2 years. It should be noted that this control does not apply to private practice.

3. The prohibition against the sale of public practices: The sales and purchases of medical practices were almost universal in Britain, and the government proposed paying the doctors for the loss of their right to sell public practices in the new service. The doctors feared they would not receive as much for their practices as normally, and also that ending the sale of practices would interfere with freedom to choose their partners and assistants. Assurance was given of freedom to choose partners and assistants, but the sale of public practices is still prohibited. Sale and purchase of private practices is not affected by the new act.

4. The right of a practioner dismissed from the National Health Service to ultimate appeal to the civil courts: Under the act, final appeal is to be to the Minister of Health and no concession was made on that point.

It is clear from this brief outline of the background of the British National Health Service that the creation of a comprehensive medical program as a publicly sponsored service open to everyone who wished to use it was an undertaking not solely due to the Labor Party but had the backing of the entire electorate as well as the medical profession itself. Regardless of what political party had come into power in 1945, there would have been a national health service which, while it would have differed in many respects from the present program, would nevertheless have had the same objective. A publicly sponsored service was the only plan considered likely to solve the medical-care problem of the nation; it was a plan evolved after long years of vainly trying to cope with rising medical costs and inadequate distribution of medical care by means of voluntary and compulsory insurance programs covering limited segments of the population, and numerous other public, semipublic, and voluntary schemes.

Under the British National Health Service, all types of medical care, as needed, are provided free of charge to everyone in the country who wishes to avail himself of them. Since the national health service is not an insurance program, everyone in the country is eligible. Some 85 to 90 percent of the cost comes from general tax revenues, mostly from the national exchequer, although part of the cost comes from the local health authorities. The remaining 10 to 15 percent comes from the national insurance fund to which those (practically everybody in the nation) covered by the other social insurance measures of the country contribute.

The range of services offered covers general practitioner and specialist services, complete in-patient and out-patient hospital care, convalescent and rehabilitation treatment, optical and dental care and home nursing. Prescribed drugs and medical appliances, including spectacles and dentures, are also supplied. The only services for which there is a direct charge are those not needed on medical grounds, such as private hospital accommodation except when necessary for the welfare of the patient, or more expensive types of appliances or spectacle frames. I might also add that there is a charge for replacement of spectacles or other appliances made necessary because of the carelessness of the patient.

As was the practice in Britain prior to inauguration of the new service, the usual channel to most types of medical care is through the general practitioner or family doctor. He provides the ordinary general practitioner services in his own office or in the home, or may refer the patient for hospital or specialist care. A patient may select any general practitioner participating in the service in his area and if the doctor accepts him, is placed on the doctor's list which entitles him to that doctor's services. The patient may change doctors for any reason. Likewise, the doctor may refuse to take any patient or may have a patient dropped from his list. Neither doctors nor patients are compelled to participate in the public service, both being free to make private arrangements as formerly.

The services of specialists are usually provided through the hospitals. Optical services will eventually be incorporated with the specialist services in the hospital, but until they are patients are certified by the family doctor for care by any participating optician. Present arrangements for dental care are also temporary, for dental clinics will eventually be set up for this service. At present a priority dental program is operated by the local health authorities for expectant mothers and young children but others go directly to any participating dentist.

Perhaps the most striking fact about the operation of the national health service since it took effect last July 5 is the unexpectedly high proportion of both the medical profession and the public who are participating in it. Last April the British Medical Journal stated that 20,000—which is well over 90 percent—of the country's general practitioners had signed up for the national health service either full- or part-time. This exceeded the expectations of both the profession and the government.

This unexpectedly high proportion of the general practitioners who are participating is not entirely due to their real desire to do so, for, while the right to continue in private

practice is legally guaranteed, the opportunities for doing so have been sharply curtailed by the heavy proportion of the population who have sought care under the National Health Service. Various estimates placed the number of those who would continue to receive medical care under private arrangement at 15 percent or more. However, it has developed that 95 percent of the population have signed up for the public service, and some estimates published last April in the British Medical Journal place the proportion as high as 98 percent. The numbers of those participating has been particularly surprising in the wealthier districts. The more affluent doctors formerly drew their patients from the wealthier 10 to 15 percent of the population, but obviously many of these, too, have sought medical care under the new scheme. Exponents of the National Health Service in England look upon this development as salutary on the theory that the wealthier groups having been in the habit of demanding and receiving the highest quality medical care, will help maintain standards under the National Health Service.

The same story is true of other branches of the service. Approximately 92 percent of the estimated 12,500 dentists in England, Scotland and Wales have joined despite the persistent advice of the British Dental Association to its members not to do so. Similar proportions of the estimated 6,400 opticians and 17,000 pharmacists are also reported to be participating.

What has this heavy enrollment meant to medical practice and to the quality of care? It has, of course, placed a much heavier demand on all branches of medical service. The Lancet—a 125-year-old independent British medical journal—in a survey of the workings of the new act, estimated that the average number of those attending doctors' offices had risen by one-quarter to one-half. There are, no doubt, instances where the increase has been much greater, particularly in the heavily populated industrial centers.

The demands for hospital treatment have also been greatly increased. The Lancet survey of the hospital services estimated that the number of those now seeking hospital treatment is about three times what it was before the National Health Service began. The waiting lists of most hospitals have been greatly lengthened, the most difficulty being experienced in efforts to care for the chronically ill or those likely to become chronically ill. For certain types of treatment not immediately urgent, the waiting period may often run to many months, although most hospitals reserve about 10 to 15 percent of available space so that emergency cases can be dealt with at once.

Some of the heaviest increases have been felt in the dental and optical services. Most dentists are booked up several months in advance and the waiting period for spectacles runs on the average to from 4 to 8 weeks and sometimes longer. The latest official figures quoted recently by the British Medical Journal were that for the first 6 months of the National Health Service 3,400,000 persons had received or were receiving dental care and 2,500,000 had had their sight tested. Spectacles were being ordered at a rate close to 8,000,000 pairs per year, over twice the former number and 40 percent above the Government estimates.

Much of the adverse criticism of the British National Health Service is based on the present shortages of personnel and facilities to meet at once all demands placed upon them. In our own country, critics point to this as grounds for condemning the whole system. In Britain, it was fully realized that medical resources would not at once be sufficient for all needs, for there were shortages prior to July 5. For the period during which resources were being brought into balance with demand, the decision had to be made as to whether what facilities there were should be immediately accessible to everybody on the basis of physical need or whether they should be rationed on some priority basis. There were and still are differences of opinion as to what should have been done. The action of the Government was to give access to existing resources to everybody on the basis of physical need with the exception of the dental services where, because of extreme shortage, a priority system was established for expectant and nursing mothers and young children. Also, many were of the opinion that removing any economic or other barrier to medical care would expose existing resources to the full needs of the entire population and act as the most powerful stimulant to speedy and adequate provision of the resources really necessary.

While it is possible to quarrel with this approach, it must be recognized that it is a question of approach and not a question of the ultimate effectiveness or ineffectiveness of the National Health Service. Even if Britain were to curtail certain services temporarily on some priority basis (which I hasten to add is not being considered) such action would not of itself be grounds for condemning the entire program—as many would no doubt do—but only for criticizing the method the British government took to launch its new program.

Most of the complaints with respect to the strain on the Nation's medical services appear to be coming from the general practitioners and it is undoubtedly true that many of them are heavily burdened. Much of this difficulty arises from the present maldistribution between the general practitioners and the population, a problem which exists under any form of medical practice but which is thrown into bold relief by a program like the National Health Service. The Lancet states that a family doctor should be able to care for from 2,000 to 3,000 patients adequately, depending on the temperament of the doctor and the geographic and other characteristics of his practice. The ratio of the total population of England, Scotland, and Wales (48,000,000) to the number of general practitioners in the National Health Service (20,000) is about 2,400 but with the present maldistribution between the doctors and the population this theoretic average-size practice will not be possible for some time to come, and under present arrangements, a general practitioner in the National Health Service is permitted to take a maximum of 4,000 patients. Since the opportunity for private practice has almost disappeared, most doctors feel they must strive for that maximum under the method of straight capitation payment on which they insisted.

The ultimate solution of this problem lies not only in better distribution of the doctors but also in an increase of their numbers. It will take many years to increase the number of the doctors although the medical schools are full to capacity. There is a central medical-practices committee, 7 of whose 9 members are medical practitioners, charged with responsibility of achieving better distribution of the doctors; it is this committee which designates areas as overdoctored in which new public practices may not be established or into which a doctor in the public service may not move. However, probably due to the strenuous opposition of the medical profession to this indirect control of their movements, there have been very few areas designated as overdoctored although this matter is scheduled for review.

The suggestion of many in the medical profession for coping with this problem is the speedier provision of the health centers. Health centers are called for in the plan for the National Health Service. They will consist of technically equipped premises, constructed and staffed at public expense where general practitioners and dentists in the service will see their patients. Nurses, clerical staff and other auxiliary personnel will be provided to relieve the doctor of much of the routine parts of his job, including the much discussed certification and paper work, which can as well be done by others under his direction. So far, there is one health center in Birmingham, several others have been approved for the London area and plans are being submitted for health centers in other sections of the country. It is estimated that working in a health center would conserve about 25 percent of the doctor's professional time. Editorial comments and letters in the columns of British medical journals indicate that the doctors do not believe the construction of health centers is being given the priority it deserves.

Contrary to some reports here, the Lancet in its survey of the operation of the National Health Service stated that "every account agrees that frivolous complaints (being brought to the doctor) are no commoner than before." Also, dishonesty under the system is rare, although cases that have come to light are widely publicized. The most common complaint among the doctors regarding the type of ailments they are asked to treat was put this way by Dr. Dain, chairman of the Council of the British Medical Association: "No longer are we called upon to see a patient; we are called to see a family." Whether a doctor is called in or visited, no financial barrier remains to his being asked to advise on other members of the household. Not all doctors, however, look upon this as bad. As one general practitioner put it in a recent issue of a British medical journal: * * * "there will never be preventive medicine unless patients are encouraged to take occasional risks with the doctor's valuable time. * * * It is useless to preach prevention rather than cure without offering practical help in bringing the preventable to the doctor's notice in good time."

Judging by the amount of space devoted to it in the last several months' issues of the British Medical Journal, the subject uppermost in the minds of the general practitioners at the moment is that of remuneration. The remuneration of the general practitioners, specialists, and dentists in the national health service was based on recommendations of a committee under the chairmanship of Sir Will Spens, of Cambridge University. The Spens committee surveyed the incomes of medical practitioners earned prior to the war and made recommendations, in 1939 money values, of the amounts and the distribution of incomes which should be achieved under the national health service. These recommendations were accepted by the profession and the Government and the method and amount of payments in current money values were negotiated by the Government and the profession.

General practitioners are paid according to the numbers of persons on their lists for whose care they have accepted responsibility. For each person, the doctor receives a flat annual sum, or capitation fee, of about 17 shillings 6 pence ($3.45) regardless of how much or how little service the person required during the year. Doctors who receive the basic salary are paid £300 ($1,200) per year plus capitation fees reduced by one-seventh the normal amount. There are also special payments to general practitioners for treating emergency cases, maternity cases, for the administration of anesthetics, and in certain areas mileage payments for home calls.

At present, dentists are paid on a fee-for-service basis, according to a set scale for each service rendered. Opticians are also paid on a fee basis, according to a scale for each item of service. Specialists in full- or part-time service are paid on a salary basis, ranging up to £2,750 ($11,000) per year for a full-time specialist. Special awards are given to

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about one-third of the specialists, bringing the maximum salary of a specialist up to £5,250 ($21,000) per year.

Exact figures on the distribution of the incomes of the general practitioners are not yet available for the period from July 5 to March 31, the end of the British fiscal year. Nevertheless, there is clear indication that there have been substantial shifts in income both ways: Those working in congested areas with the maximum of 4,000 patients are reported to have experienced a 25 to 30 percent increase in income, while those in thinly populated areas or in wealthier districts with fewer patients have had substantial reductions.

Last March, the general medical practices committee—the central body concerned mainly with the distribution of doctors—submitted a report to the Minister of Health pointing out the dissatisfaction of the general practitioners with the remuneration. The report stated that in general the objectives of the Spens committee recommendations were being achieved with respect to the doctors in the 40–49 age group, but that there were too many low incomes among the group under 40 and too few high incomes in the group over 50. It recommended an increase in the fund for payment of the general practitioners and the increase be used to raise the capitation rate for the first 1,000 or 2,000 patients on the doctor's list.

Another aspect of the dissatisfaction of the general practitioners in respect to remuneration is the inequity between what some of them are earning as compared with some of the dentists. As I have mentioned, the dentists are presently paid on a fee-for-service basis, what most students of this subject believe to be the most ineffective way of remunerating doctors under a national medical care program. The recommendations of the Spens committee for the dentists were based on a 33-hour week at the dentists' chair side plus added hours for other work, which the dentists agreed was a fair amount. However, no maximum was placed on the number of patients or the amount of work a dentist could undertake. A few months after the service began, it developed that many dentists were working double, or almost double, the 33 hours at the chair side and grossing much larger incomes in relation to the general medical practitioners than was anticipated or intended. On the grounds that the number of hours these dentists were spending at the chair side would impair efficiency, the Minister of Health, as of the first of this year, cut the payments above £4,800 ($19,200) per year by 50 percent. This allows full payment up to 42 chair-side hours per week or 9 hours above that recommended by the Spens committee and accepted by the dental profession.

There seems little question that these inequities which have emerged in the remuneration of the doctors need to be reviewed in the light of this experience. This seems likely in view of a recent announcement by the British Medical Journal that the Minister of Health has been collecting the exact figures on the distribution of incomes among the general practitioners from the 138 local executive councils where the actual payments are made.

Fundamental to an appraisal of the National Health Service is the effect it is exerting on the quality of medical care. It seems to me reasonable to suppose that when the medical resources of a country are admitted to be in short supply, suddenly making them available to the entire population is bound to lower the highest quality and quantity of service formerly accessible to a limited section of the population, while for those who formerly did without or nearly without, it would mean an improvement. It is therefore not surprising to me that we are receiving conflicting reports that the quality of care under the National Health Service has both been improved and lowered. Undoubtedly, there is truth in both reports. As to how the quality of care is affected, the Lancet expressed the view that "at one pole, the acutely ill patient, and at the other the person with mild bronchitis are likely to fare no differently than before," but that the differences would be felt between those extremes.

The criterion by which to judge the quality of care under the National Health Service seems to me not whether the many are now receiving the benefit of the highest quality of care formerly accessible to the few, but whether the mass of people are on the whole receiving better care. There is substantial evidence that they are. Most impartial observers of the National Health Service admit that every illustration of lowered quality of care can be more than matched by the amount of undisclosed illness coming to light or by cases in which better care, or any care, is now being received which was not possible before. In the same Lancet article to which I have just referred, it was stated: "* * * the service has brought to light untreated illness in the old, in children, and in women. The amount of undisclosed illness is particularly large in women, many of whom have suffered for years without referring to a doctor * * *."

One final matter regarding the National Health Service which has received considerable publicity is the matter of cost. Preliminary estimates early in 1948 placed the gross cost of the National Health Service for the first 9 months of operation—July 5 to March 31, the close of the British fiscal year—at £198,000,000 ($792,000,000) including the amount from the local health authorities and the National Insurance Fund. Actually, however, the gross cost of the service during this period came to £275,000,000 ($1,100,000,000) or slightly less than 40 percent above the original estimates. In the debates in the House of Commons on these increases, it was pointed out that the original estimates were made several months before the actual salary scales were determined, but most of the increase was due to a much heavier demand in some branches of the service than was anticipated. More than half of it was because of dental and optical costs, where the original estimates were determined largely on what seems to me an unrealistic basis, namely, the amount of optical and dental services rendered under the old National Health Insurance scheme where these benefits were narrowly restricted.

The estimates for the first full fiscal year—1949–50—are £352,000,000 ($1,408,000,000) of which £268,000,000 ($1,072,000,000) will be a direct charge on the national exchequer. The London Economist pointed out last March, when this estimate was announced, that it is at a lower rate than the cost for the first 9 months since these early months included certain nonrecurring items, such as the financial liabilities of the hospitals which were transferred to the Ministry of Health when the service began. Also, expenditures in the pharmaceutical and ophthalmic services are expected to be at a lower rate during the present year, since the backlog of demand in these services is expected to level off during the current fiscal year. The estimate for 1949–50 represents about 3.6 percent of the British national income.

Whether this sum is an excessive amount beyond the ability of Great Britain to afford can hardly be answered on the basis of the first 9 months of operation, nor on the basis that the cost was substantially above the estimate for that period. The cost of the National Health Service is not a net increase since a considerable proportion of this sum was being paid by the nation for health services and for the care of the indigent sick prior to inauguration of the new program. In the final analysis, the cost of the National Health Service is a charge on the productive capacity of the country. If it eventually reduces the cost of production of conserving the Nation's manpower and increasing industrial output, as many believe it will, the investment will then be economically justified. But, whether it will or not can hardly be determined for some time to come.

Early reviews of a new program such as the British National Health Service necessarily dwell on the major problems which have emerged, and I have tried to touch on those most widely discussed. Most of these difficulties were anticipated before the national health service came into operation and it was generally well understood in Britain that many of them would have to be worked out over a period of time. Now, after several months, the great majority of those associated with the new service still believe that these difficulties can be remedied and that there is no inherent reason why the National Health Service will not eventually function smoothly. It is significant that there is no indication that Britain is considering abolishing its comprehensive medical-care program regardless of what political party is elected in 1950, for the nation remains firmly convinced of its need, of its benefit, and of its workability.

Many of the gloomy predictions before the National Health Service began have not materialized. There are no complaints of clinical interference on the part of the Government in medical practice; the doctor-patient relationship still remains undisturbed; the incentives of the medical profession have not been destroyed; the transfer of the hospitals to the Ministry of Health has gone smoothly and many believe that the hospitals in Britain have been given new life and scope; the numbers of those seeking admission to the country's medical schools have not diminished—if anything, they have increased; and, above all, more people are receiving medical care, or better medical care, than was thought possible heretofore.

In reference to what we can learn from British experience thus far, as to whether or not compulsory health insurance can work in the United States, I think a good answer was given by this paragraph in a dispatch to the New York Times early this year by Herbert Mathews, chief of its London bureau:

"American critics or champions who look across the Atlantic for arguments to oppose or support President Truman's plan to introduce compulsory health insurance will find whatever they are seeking. The American Medical Association will be able to produce a mass of testimony from British doctors on how badly the scheme is working. Conversely, the Federal Security Administration should be able to compile a still more formidable body of testimony from patients, druggists, dentists, and many doctors to prove that a nation of nearly 50,000,000 can take care of the health of every man, woman, and child from teething to senility."

Installation of Air Conditioning in Government Offices

EXTENSION OF REMARKS

OF

HON. RAYMOND W. KARST

OF MISSOURI

IN THE HOUSE OF REPRESENTATIVES

Monday, August 1, 1949

Mr. KARST. Mr. Speaker, as we gather today in an air-conditioned

Chamber, perhaps it is easy for us to forget the outside temperature. But let us recall for a moment that much of the country is in the midst of a terrific heat wave. I do not know that there is much we can do about the weather, but there is something that can be done about the conditions under which thousands of Government employees must work here in Washington and throughout the country.

Some Federal office buildings are air-conditioned. Others are not. Some Government workers not only have to work in buildings which are not air-conditioned, but they have to work in "temporary" buildings which are really better described as furnaces, or hot boxes, in this kind of weather.

I know there is a rule which permits supervisors to send Government employees home when the temperature zooms to a certain height, and when the humidity reaches a certain percentage of intensity. Government employees tell me this table is unrealistic, and that there is a wide variation in the policy of letting workers go home in inhumanly hot weather.

In some cases the "big shots" work in air-conditioned offices while hundreds of their underlings work in non-air-conditioned offices. Somehow or other I believe that if the chiefs had to work under the same conditions as some of their less fortunate employees, there would be strong pressure to extend air-conditioning throughout their offices.

I realize that there are certain functions of the Government which must go on in all kinds of weather, regardless of the temperature. However, I believe that in times like these, supervisors should keep in mind two things—first of all, they should be as lenient as possible in permitting employees to leave their desks any time the temperature gets close to 95; and secondly, I believe they should bestir themselves to do what they can to get air conditioning as soon as possible for their employees.

I know this may sound extravagant to the so-called economy bloc, but I believe it is penny-wise, pound-foolish not to install air conditioning wherever possible in Government buildings in places like Washington, St. Louis, and wherever we generally encounter weather such as we are having today.

Think of the salaries of the workers who are permitted to go home in this kind of weather. I am no mathematician, but I believe the loss on this score alone would run into thousands, perhaps hundreds of thousands of dollars each summer. Then think of the lowered efficiency of Government workers who have to work in non-air-conditioned buildings. If a worker can operate only at 50 or 60 percent efficiency in weather like this, we are simply wasting part of his services.

I believe that private industry has proven time and again that good working conditions pay off in better work, a higher morale, and in the end, are much more economical than trying to make employees work under unfavorable conditions. In the Government we recognize the desirability of air conditioning—most of our newer buildings have it. But let us not forget the poor unfortunate Government workers who today are at their desks in buildings where the temperature is several degrees higher than the official thermometer reads.

Let us urge all Government supervisors to treat their employees as humanly as possible, and let us do what we can to hasten the day when all Government offices are air-conditioned. The result, I am sure, will be that our Government will function better, more economically, and we will not be driving capable employees to seek employment in private industry where they are better appreciated.

Farm Prices and City Consumers

EXTENSION OF REMARKS
OF

HON. JACOB K. JAVITS

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Monday, August 1, 1949

Mr. JAVITS. Mr. Speaker, there is appended hereto a leading editorial from the New York Times of Thursday, July 28, 1949. This editorial bears out the urgent need for flexible price supports rather than of the high inflexible parity price supports contained in the Gore substitute and the experimental recommendations of Secretary Brannan. Flexible price supports should be the logical next step, and I believe it very regrettable that the House saw fit to abandon a policy approved only a year ago in the Hope-Aiken bill.

The interests of city consumers and farmers can and must be reconciled. Farmers want a full market, city consumers want reasonable prices. The answer is plentiful and sustained demand. The great mass-production industries have shown the practicability of this approach. As a Congressman from a big-city district, it is my aim to encourage statesmanship, both on behalf of the farmer and consumer, so that this goal may be achieved. It has seemed to me that the system of flexible price supports, adjusted, if necessary, where the Hope-Aiken bill may have worked out too stringently, is the best progressive step in the interests of such statesmanship:

FOR A SANE FARM POLICY

Last week the House rejected emphatically the Pace farm bill, a version of Agriculture Secretary Brannan's policy recommendations. Having done that, it voted to repeal the present (Aiken) law, which although it has been on the statute books since 1948, does not actually become operative until January 1, 1950. Finally, it passed a substitute introduced by Representative GORE of Tennessee. The Gore bill would continue indefinitely in effect the high-level, inflexible, price-support program which was introduced as a war measure to stimulate production and which was to have gone out of existence at the end of this year under the provisions of the present law.

Fortunately, there is reason for hoping that the Senate may act to halt, or at least modify, this potentially ruinous policy, which has already led us far along the road back to the chronic farm surpluses that characterized the thirties. Yesterday Mr. THOMAS of Oklahoma, chairman of the Senate Agriculture Committee, directed a seven-man subcommittee to draft a new farm bill. The committee is headed by Senator CLINTON P. ANDERSON, former Secretary of Agriculture, and includes in its number Senator AIKEN, of Vermont, author of the present law, with its provision for flexible price supports. Senator AIKEN is reported as saying that he will go along with the former Secretary of Agriculture in what the latter has called an attempt "to make the Aiken Act more serviceable."

The theory behind the Aiken flexible support program is that it would tend to stimulate crop production when supplies are subnormal and to discourage it in time of surplus stocks. As the law now stands, a farmer would receive 75 percent of parity when supplies are normal. As they moved above normal, supports would recede toward 60 percent of parity.

The policy of supporting basic farm commidities at 90 percent of parity when in most cases the Government is already carrying huge surpluses under nonrecourse loans in its warehouses, must, if long continued, be economically disastrous. Although there has been an enormous market for such commodities this year, both at home and abroad, it is a startling fact that the Commodity Credit Corporation has spent more in supporting prices than ever before. Under conditions which, by almost any comparison, have been highly favorable, the support program has cost an estimated $2,000,000,000.

Cotton offers a typical illustration of what has been happening. Cotton exports for the season which ends July 31 will total around 4,500,000 bales, of which about 3,500,000 will have been financed by the ECA. Despite the disappearance of these 3,500,000 bales through the recovery program—which is, of course, adventitious and temporary in character—it is estimated that at the end of the season the Commodity Credit Corporation will still be holding about 3,800,000 bales of cotton. Including handling and other charges this alone would represent an investment of some $588,000,000. What will the situation be, it is fair to ask, if the present policy is continued right up to the time when the ECA is terminated, 3 years hence?

Not only is the potential cost of such a farm program frighteningly prohibitive, but, like any program that is based on political expediency, it is bound to contaminate the economy and erupt at innumerable points in the form of other equally indefensible measures. We have seen two manifestations of this in the past few weeks alone. First, there was the wheat agreement, a pious economic hoax if ever there was one, under which, in the name of international stabilization this country committed itself to sell 168,000,000 bushels of wheat abroad in the current year at a price far below the world market—with the American taxpayer footing the bill. Then, only the other day, came the highly obnoxious proposal by Senator MCCLELLAN for amending the ECA appropriations bill. This amendment, in the words of spokesmen for the three big farm organizations, would have made the European recovery program a dumping ground for United States farm surpluses. Shocking? Of course, it is. But it is precisely the sort of thing that we must be prepared to expect as regular legislative fare so long as we insist upon pursuing a farm policy which results in chronic and ever-increasing surpluses.

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Farm Forums on Farm Legislation

REMARKS

OF

HON. THOMAS E. MARTIN

OF IOWA

IN THE HOUSE OF REPRESENTATIVES

Monday, August 1, 1949

Mr. MARTIN of Iowa. Mr. Speaker, a great movement has been started in Iowa to bring our farmers together in local forum discussion meetings to find out what the farmers themselves want placed in our future farm program. On Wednesday, July 27, a great meeting of farmers was held at Mediapolis, Iowa. The size of the crowd at this meeting is ample proof that the farmers are tremendously interested in the development of a sound and acceptable farm program. No other issue could draw together as many interested people, and reports of the meeting should convince every community leader in our agricultural areas that such meetings should be scheduled immediately to the end that the President and all Members of Congress may be enlightened on the farm problems as they appear to the farmers themselves. Farmers of all political beliefs were encouraged to attend and to join in the forum discussion.

Some idea of the success of the Mediapolis meeting can be shown by the following statement of Gerald Bogan, publicity director, Republican State headquarters, Des Moines, Iowa:

TRIAL RUN A SUCCESS

The trial-run grass-roots farm meeting at Mediapolis last week was a whopping success. Des Moines County Chairman James Schramm and his committee did an excellent job arranging the meeting of farmers to get a rural report on the type of farm legislation the farmers want.

Nearly 1,100 farmers gathered in the town park at Mediapolis to talk over farm plans. There was no political oratory. There were no big-name speakers; just a group of farmers getting together to express their views on farm legislation.

The large crowd indicated that farmers are interested in good legislation and the type of meeting conducted may be the pattern for a series of similar meetings throughout the State on the county level to get opinions from the farmers on agricultural legislation. Climaxing the series of meetings will be the 19-State regional farm conference at Sioux City when long-range farm plans will be discussed with the farmers.

Republican leadership doesn't intend to sell a program to the farmers but to come out to Iowa, talk it over with residents of the Corn Belt area, and find out what the farmers have to say.

Congratulations to the Des Moines County Republican Central Committee for the new look in farm meetings. They went down to the grass roots to talk it over. Good government must come from the people, and the Mediapolis meeting may well be the starting point from which the Republican Party will continue to go to the people and ask rather than come to the people and tell them what to do.

In strong contrast to the Mediapolis farmer forum was the 16-State Midwest conference staged by the Democrats at Des Moines on June 13 to sell the Brannan plan to the farmers. The Brannan plan was handed out on that occasion in printed form as the final answer to our farm problems and the regional conference at Des Moines had for its purpose the selling of the Brannan plan as then already determined without even asking the farmers to help develop a farm program.

My hat is off to James Schramm, of Burlington, Iowa, Des Moines County Republican chairman, for his taking the lead in the development of farmer forums. More power to him and to our other community leaders throughout the Nation who help to build our agricultural policy on such a firm foundation. Let us consult the farmers.

School Aid Propaganda Proven To Be False

EXTENSION OF REMARKS

OF

HON. LAWRENCE H. SMITH

OF WISCONSIN

IN THE HOUSE OF REPRESENTATIVES

Monday, August 1, 1949

Mr. SMITH of Wisconsin. Mr. Speaker, under leave to extend my remarks, I am including the following editorial which appeared in the Chicago Journal of Commerce on August 1 and which is pertinent to the subject of Federal aid for schools:

SHODDY PROPAGANDA FOR UNITED STATES SCHOOLS

By far the most suggestive aspect of the proposed multibillion Federal subsidies for education is the fact that the States which would benefit most by the hand-outs are several degrees less than luke warm about the whole deal.

These States can find all sorts of reasons for bigger and better Federal crutches when it comes to public works of one kind or another. But in the case of cash for schools enthusiasm is conspicuous by its absence.

The prosubsidy groups notably the National Education Association, have been busier than beavers when the snows melt trying to assure local agencies that their authority will be undimmed under the new order. Despite these assurances, Representative GWINN reports that the House committee which dealt with the subsidy bill found no State, county, or local educational agencies willing to support it. They stayed away from hearings in large numbers.

Many of the subsidy plumpers no doubt believe in the validity of their own claims, but if so they have strange ways of demonstrating their sincerity. For example, the Saturday Evening Post currently calls attention to the peculiar use to which certain official statistics are put. Such as the following statement from the report of the Senate Committee on Labor and Public Welfare: "According to United States census estimates for 1947, about 4,000,000 children between the ages of 5 and 17 attend no school whatever."

Statements of this sort are supposed to indicate the shocking conditions which Federal money will correct. Dr. Lawrence M. Gould, president of Carleton College, spotted the worthlessness of the figures without too much effort. "In many States," said Dr. Gould, "compulsory education does not start until 6 or 7 years of age and some end compulsion at 16. Of the 4,000,000 referred to, 2,063,000 were only 5 years old, 156,000 were 6, and 1,406,000 were 16 and 17."

What this means is that 3,625,000 of the 4,000,000 underprivileged kiddies lacking educational opportunity were either too young to go to school or old enough to be legally excused from education under the laws of the States in which they reside. That leaves 375,000 children not in school last year, many of whom probably were physical or mental defectives.

When such shoddy misrepresentation can get into a Senate committee report, is it any wonder State, county, and local boards of education keep their fingers crossed when exposed to the sweet freedom of Federal grants to schools in the backward States?

H. R. 1758 Should Not Be Passed

REMARKS

OF

HON. SIDNEY R. YATES

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Monday, August 1, 1949

Mr. YATES. Mr. Speaker, a few month ago the price of gasoline was increased at the expense of millions of motorists in this country. I pointed out at that time that in my opinion the increase was unwarranted, because the profits of the petroleum and gas industry were the highest they have ever been in the history of this Nation.

In a few days this House will be faced with consideration as to whether it should increase the profits of that industry again to the tune of hundreds of millions of dollars, this time at the expense of the millions of gas-rate payers. That is exactly what H. R. 1758, the bill to amend the Natural Gas Act, proposes to do. In the city of Chicago alone it is probable that the rates charged by the Peoples' Gas Light & Coke Co. may be doubled or trebled if this should pass.

There are approximately 2,300 natural gas producers in this country. Of that number, 24 companies produced 62 percent of all the natural gas sold in 1947 to interstate pipe lines in the Southwest. These companies made returns on their common stock ranging from 12 percent to over 40 percent during 1948. Why, then, should they push for further profits? I believe it is about time the consumer got a break.

This is a special privilege bill. It enriches a few corporations at the expense of millions of people. It is vitally important that the Members of this House be made aware of the facts before they vote, and I certainly hope they will read the report of the Interstate and Foreign

Commerce Committee on it. In order that the Members may know of the earnings of the 24 companies for the year 1948, I am presenting the following:

List of 24 large producers whose interstate sales of natural gas would be exempt from regulation under H. R. 1758

1947 position in interstate sales	Producer	Total assets, Dec. 31, 1948	Total gross operating revenues, 1948	Percent return on common stock and surplus, 1948
24	Barnsdall Oil Co	$52,135,900	$37,150,300	31.6
2	The Chicago Corp	41,490,000	10,440,000	22.6
41	Cities Service Oil Co	(1)	(1)	(1)
	(Cities Service Co.)	991,851,300	593,435,000	25.7
7	Continental Oil Co	261,949,800	330,280,800	25.8
8	Gulf Oil Corp	1,191,004,000	1,068,876,500	20.0
4	Humble Oil & Refining Co	861,426,300	1,050,570,400	27.7
	(Standard Oil Co. N. J.)	3,526,043,000	3,300,786,000	16.1
16	Magnolia Petroleum Co	(1)	(1)	(1)
	(Socony-Vacuum Oil Co. Inc.)	1,443,034,000	1,326,508,300	12.4
32	Ohio Oil Co	203,389,200	191,385,400	28.4
1	Phillips Petroleum Co	579,273,500	487,165,287	18.7
33	Pure Oil Co	270,967,800	281,319,500	23.6
3	Republic Natural Gas Co	[2] 22,760,000	[2] 9,735,100	[2] 24.1
18	Shamrock Oil & Gas Corp	[3] 24,858,500	[3] 21,417,100	[3] 40.8
17	Shell Oil Co	(1)	(1)	(1)
	(Shell Union Oil Co)	640,569,000	830,421,200	29.5
43	Sinclair-Prairie Oil Co	(1)	(1)	(1)
	(Sinclair Oil Corp.)	710,125,200	636,568,800	19.4
6	Skelly Oil Co	169,015,500	180,044,400	30.4
5	Stanolind Oil & Gas Co	(1)	(1)	(1)
	(Standard Oil Co. of Indiana)	1,500,049,500	1,236,957,500	13.7
14	Sun Oil Co	278,582,600	447,309,200	19.4
35	Sunray Oil Co	136,030,800	65,527,200	30.0
26	Superior Oil Co	[4] 84,464,600	[7] 53,832,000	[7] 32.0
15	Texas Gulf Producing Co	19,569,200	9,729,500	31.0
22	The Texas Co	1,277,093,800	1,080,886,400	17.9
42	Union Oil Co. of Calif	298,415,900	208,353,500	16.3
12	United Carbon Co	29,518,600	26,034,900	12.0
25	Warren Petroleum Corp	[5] 57,836,400	[5] 80,495,200	[5] 28.2

[1] Producer not reported separately from parent corporation listed below.
[2] June 30, 1948.
[3] Year ended June 30, 1948.
[4] Nov. 30, 1948.
[5] Year ended Nov. 30, 1948.
[6] Aug. 31, 1948.
[7] Year ended Aug. 31, 1948.

The above-listed producers furnished 62 percent of gas sold in 1947 to interstate pipe-line companies in Southwest.

Demand for Leadership

REMARKS

OF

HON. FRANK B. KEEFE

OF WISCONSIN

IN THE HOUSE OF REPRESENTATIVES

Monday, August 1, 1949

Mr. KEEFE. Mr. Speaker, there are many Members of Congress, and I know many people throughout the country, who are worried over the trends that exist, both domestically and on the international front. People are asking for leadership today, to lead us out of the morass that confronts the people of this Nation.

As bearing upon that question and as specifically directed to my friends on the Republican side, may I call your attention to one of the most brilliant editorials that is has been my privilege to read, written by that dynamic editor, Richard Lloyd Jones, of the Tulsa Tribune of Tulsa, Okla., appearing in that paper on July 23, 1949. The title of the editorial is "Light the Ripon Candles." It is inspired by the poetic statement:

A courage mightier than the sun—
You rose and fought and fighting, won!

The editorial is as follows:

A courage mightier than the sun—
You rose and fought and fighting, won!
—*Morgan.*

LIGHT THE RIPON CANDLES

(By Richard Lloyd Jones)

Last summer in this column, Tribune issue of June 26, 1948, we carried a picture of the little schoolhouse that still stands on the campus of Ripon College in the little town of Ripon, Wis. In that little schoolhouse the Republican Party was born.

Resolution, consecration, and determination gave birth to the Republican Party in that little schoolhouse. The nobilities that were crystallized in that little community's educational center are the need of this Nation today. It is the dedication which our colleges should assume and which they evade. It is the courage of conviction which the Republican Party must reaffirm or die. The Republican leaders must quit their cowardly "me too" endorsement of New Deal repudiations of the Republic of the United States.

The good people of Ripon have inscribed on this abandoned schoolhouse the simple legend: "Birthplace of the Republican Party." That is all that has been done. Last summer we urged the Republican National Committee to assume the ownership of this schoolhouse and make it a national shrine.

A few members of the National Republican Committee responded to the notion. They thought it an admirable idea. They thought it would be quite worth while for the candidates of the party last summer to dedicate the little schoolhouse as a party shrine and there to once more pledge the Republican Party to the preservation of this Republic, to advocate anew the economics of the Bill of Rights. That was the feeling of a few. But most of them paid no attention to the suggestion, probably didn't take pains to even read it. Dewey and TAFT were both appealed to. Both ignored it.

And that is what is the matter with the Republican Party. It is not Chairman SCOTT. It is the collective membership of the National Committee that has been intimidated by the segregations of bloc votes, to satisfy all of whom the Democrats have galloped in all directions, built up a confiscating bureaucracy, and repudiated every principle for which the American Revolution was fought.

But at long last through the 13 months between the appearance of the Tulsa Tribune suggestions there are National Republican Committee members who are beginning to be impatient with the party's spineless utter lack of leadership. They are beginning to think in terms of the reaffirmation of Republican resolution. Their thoughts go back to Ripon.

Ripon was a little country town a hundred years ago when its pioneers built this schoolhouse. Now Ripon is a tidy, industrial community of about 10,000 people, in the center of which is the beautiful campus and the stately academic buildings of the fast-growing Ripon College.

Among the town's assets to which its Chamber of Commerce, its Rotarians, Lions, and Kiwanians pointed with pride was a very excellent tavern. A hotel which in equipment and service rated much above that to be found in towns of Ripon's size.

In the early morning hours of one night last spring farmers from miles around were astonished at the brillant sky over Ripon. Ripon was awake, alarmed, excited, and gravely concerned. The fire bells were through clanging, everybody was busy at engines and ladders. The prized hotel of Ripon was on fire. In its ashes were found the remains of half a dozen or more victims. Tourists who went to Ripon because of the tavern go to Ripon no more.

We have grown so far away from our rational thinking of political righteousness that even the town's people of Ripon found their chief pride in the fact that a good hotel manager maintained a tavern there. Ripon forgot its greatest asset. The spiritual and resolute endowments of a party that was dedicated to the preservation of the Republic. In the ashes of the tavern, seeking to find what Ripon might have left, Ripon found the little schoolhouse.

Ripon is just like every town in our country. We have all forgotten our most precious legacy. A legacy that only the fires of apathy and indifference can destroy.

The industrial needs of the community demand a new and better hotel. Some practical Republicans on the national committee—and politics is futile if not practical—have conceived the bright idea of building around the historic little schoolhouse a three-wing hotel to be known as the Republican House. Lease this hotel to a competent hotel operator, make the hotel famous because of its quality of service, as well as its consecration of purpose. If the old hotel made money, the new Republican hotel could make more money. It is the plan of those members of the Republican National Committee who now toy with this notion that the earnings from this hotel should provide funds for outstanding high-school students from all parts of the country to prepare them for leading roles in the Nation's affairs. Thus would America filter into the classrooms of every college in the country. What our professors have failed to do for our country the selected Ripon students in their classrooms would do.

Great oaks from little acorns grow. A great idea can drive its roots deep and spread its branches far. In the candlelight of the little Ripon schoolhouse, on the 20th of March, 1854, the good citizens of Ripon met. They had been Democrats, Whigs, and Free Soilers. But now all of a common mind—Americans. All were impatient with the inaction and cowardice of the politicians who

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let themselves be pushed around by organized selfish interests.

There in the candlelight were the new minutemen. The farmers and the town folks of every Middlesex village and farm. One among them, one A. E. Bovay, was elected to travel to New York City to discuss the purpose of a new party with Horace Greeley. Greeley was soon to address a group of dissenting Whigs and Democrats of Jackson, Mich. He carried the Ripon idea there, and enlisted the Michiganders.

Now Henry Wallace wants the little schoolhouse. It represents everything he repudiates. But it would make a magnificent mask behind which he might conduct his tirade against our Bill of Rights.

"Back to Ripon" is beginning to crystallize as a party slogan. It is the battle cry of those who would bring to the Republican Party new leaders, and shake the old ones out of their slumber and lethargy.

America is what we, the people, choose to make it. For the last 16 years we have made a mess of it. We are today worse confused and confounded than were the Whigs, the Democrats, and Free Soilers when the little candles in Ripon's schoolhouse threw a light of hope upon a bewildered nation.

The little red schoolhouse, which is woven into the literature of our country, is symbolized by the patriotism that has made a shrine of the little schoolhouse at Ripon where resolute men resolved to perpetuate the freedoms of this Republic.

When the leaders of the Republican Party can match their intelligence and their integrities with the ancient candlelight of Ripon, the Republican Party will find a people who are impatient to enlist under and follow its banner.

Farmers Express Gratitude

EXTENSION OF REMARKS
OF
HON. JOHN E. RANKIN
OF MISSISSIPPI
IN THE HOUSE OF REPRESENTATIVES
Monday, August 1, 1949

Mr. RANKIN. Mr. Speaker, under permission granted me to extend my remarks in the RECORD, I am inserting a resolution adopted by the Southern Pine Electric Power Association, of Taylorsville, Miss.

This association is not in the district I have the honor to represent; but they have called on me from time to time for assistance, and I have done everything I could to aid them in every possible way.

They are now serving 11,500 farmers in 11 counties in south Mississippi, where 15 years ago there was not one farmer out of a hundred who had electric lights in his home.

It is doing more to raise the standard of living, brighten the homes, relieve the burden of drudgery, and inspire hope among the people in the rural districts than everything that Congress has done for the last 50 years.

I am hoping and praying for the day when a rural power line will be extended to every farm house in every State in the Union that can be reached by the draft in times of war, or found by the tax collector in times of peace.

The matter referred to follows:

Whereas it is an accepted and recognized fact that the dean of the Mississippi delegation in Congress, Hon. JOHN E. RANKIN, of Tupelo, has through the years been an outstanding champion of the TVA and REA programs in the United States Congress; and

Whereas it is also an accepted fact that all sections of Mississippi have benefited greatly by the untiring efforts of Congressman RANKIN through his fight to keep the REA program active and aggressive until all rural areas have been electrified: Now, therefore, be it

Resolved by the members of the Southern Pine Electric Power Association, in tenth annual meeting assembled, That we express to the Honorable JOHN E. RANKIN our heartfelt thanks and appreciation for his efforts in behalf of TVA and REA, and that we further express the hope that he will still have many years of continued public service; and further that a copy of this resolution be mailed by the secretary to Mr. RANKIN.

Federal Aid to Education

REMARKS
OF
HON. HENRY D. LARCADE, JR.
OF LOUISIANA
IN THE HOUSE OF REPRESENTATIVES
Monday, August 1, 1949

Mr. LARCADE. Mr. Speaker, for many years the Congress has had under consideration legislation for Federal aid to education.

Many different bills have been introduced with various approaches to the problem.

As a former member of the Committee on Education of the House of Representatives I heard testimony on the subject when that committee considered various bills.

At this time the Congress and the Committee on Education and Labor has under consideration several bills on the subject.

Mr. Speaker, unfortunately in the consideration of these various bills a most regrettable controversy has arisen among the citizens of our great country as to the provisions of some of the bills under consideration.

Every Member of the Congress knows and most of our citizens should realize that it is impossible to obtain complete unanimity on any legislation submitted to the Congress, and generally legislation which is enacted upon any subject is the result of compromise.

Mr. Speaker, I have given much thought to the provisions of the various bills introduced at this session of the Congress, and it is my opinion that the bill S. 246, by Senator THOMAS of Utah, amended to include auxiliary services is the bill which would have the approval of a vast majority of the citizens of the United States, and if enacted into law, will be the most acceptable of any of the bills now before the committees and the Congress.

Therefore, I earnestly hope that the House Committee will approve S. 246.

S. 246, as amended, has already passed the Senate, and if the House would approve the Senate bill it would not be necessary for the matter to again be taken up by the Senate.

Mr. Speaker, it is my further considered opinion that it would be to the best interests of our country and our citizens if the Congress would take action on this legislation at this session of the Congress for if the legislation is carried over until next session, nothing can be gained for we will still be confronted with the problem and the issues will remain the same. On the contrary, if we do not dispose of this legislation at this session, it may be that the flames will spread and roll which would only result in continued controversy and dissension among our citizens causing disunity and discord in our country, at a time when our country is spending its resources to bring peace to all of the world.

Mr. Speaker, I hope that the members of the Education and Labor Committee will give consideration to the approval of S. 246 or my identical bill at their meeting to be held on tomorrow morning as I believe that this bill is the bill which will work more satisfactorily and the one which will be for the best interests of our country.

Medical Officers for the Armed Forces

REMARKS
OF
HON. JAMES G. POLK
OF OHIO
IN THE HOUSE OF REPRESENTATIVES
Monday, August 1, 1949

Mr. POLK. Mr. Speaker, the problem of obtaining medical officers for the regular armed services and for their reserve components is indeed critical. Dr. Carl A. Minning, of Williamsburg, Ohio, has written an article for publication in the Reserve Officer on the subject Medical Officers Can Be Obtained for the Armed Forces. This article offers what seems to me to be a proper solution to the present difficult situation, and I believe it merits the consideration of the House of Representatives:

MEDICAL OFFICERS CAN BE OBTAINED FOR THE ARMED FORCES

Unusual efforts are being made to procure medical officers for the armed forces. They have met with such poor results that serious thought is being given to drafting young doctors of medicine who obtained part or all of their professional education at public expense. Needless and unfair as was this expenditure of public funds, it will be bold discrimination if these men are impressed into Federal service. Other students similarly obtained part or all of their professional education at public expense. None of these have been drafted. Such a draft would solve the problem only temporarily. When the ASTP and V-12 graduates will have served their proposed 2 years, the military will be right back where they are now.

What then is the solution of this problem? Actually, the solution is quite simple. An analysis of any type of employment which is offered so vigorously and yet is shunned so completely, usually has one or both of the following faults: (1) The work is undesirable. (2) The compensation is inadequate. The positions which are being offered doctors of medicine by the armed forces have both of these faults. The armed forces are realizing the results of improper employment of doctors of medicine during World War II.

Diagnosis and treatment of the sick and injured is the primary mission of the Medical Corps. Doctors of medicine spend more years, more effort, and more money in preparing themselves for their life work, than does any other profession. That life work consists of the diagnosis and treatment of the sick and the injured. And yet, what do we find in the Army, the Navy, and the Air Force? The ward medical officers and the dispensary medical officers who do the actual examination and treatment of the great majority of soldiers, sailors, and airmen are the youngest, the least experienced, and only too often the most poorly trained. The older doctors who have the best training and experience are considered to be promoted when they are put in command of sections, services, and hospitals. Really, all this administrative work is a demotion in everything but rank and pay. If doctors of medicine had wanted to be hospital administrators they would have studied hospital administration instead of medicine and surgery. Preparation for the former career is easier and costs less time and money. The first step in the procurement of medical officers is to assure every doctor of medicine that his special abilities are highly prized by the armed forces and that proper use will be made of them. The diagnosis and the treatment of sick and injured military personnel constitute the very highest type of work. None but doctors of medicine are capable of such work in civilian life or in the military establishment. It is only by thus utilizing doctors and so providing desirable work that the armed forces can make the career of a medical officer attractive.

With respect to compensation, again the career of a medical officer is unattractive. In the armed forces, pay and rank are inseparable. Rank and pay of medical officers (even with the present additional $100 per month professional salary) have changed very little during the past 30 years. The training, ability, income, and standing in his community of today's doctor of medicine make him far superior to his counterpart of 1919. His improved ability to manage disease and injury during the past three decades has extended life expectancy in the United States by 16 years. The reader is requested to ponder his present chances with pneumonia, meningitis, tuberculosis, diabetes, ruptured appendix, cancer of the larynx, or brain tumor as compared with the person so afflicted 30 years ago. These are but a few of the afflications of mankind which have been and are being conquered. The armed forces must recognize the superiority of the present-day doctor of medicine and accord him rank and pay which are as favorable in the Military Establishment as he holds in his civilian community. Doctors simply will not expose themselves to the inferior rank, pay, and status which generally were their lot during World War II. Reduced to simple terms, a graduate of an approved medical college with an approved internship of 1 year should rate a captaincy.

Promotions should be automatic and at a more rapid rate than in other branches of the services. Any physician or surgeon with 10 years' professional experience after his internship of 1 year should rate the rank and pay of a full colonel.

Further, and most important of all, the armed forces must effect a complete change in medical department organization. The ward medical officers and dispensary medical officers who actually diagnose and treat the sick and injured should be the most capable and most experienced medical officers of the corps. They only, can give the best care to the sick and injured and they should have the highest rank and pay. This means that the colonels, lieutenant colonels, and majors will be ward medical officers and battalion medical officers. The reader is requested to consider himself the patient and then to answer the following questions. Should the most capable and experienced doctor be filing out reports or should he be attending the patient? Who is more important, and should have the rank and pay that goes with that importance, the attending physician or the pencil pusher?

Efforts were made during World War II to reduce the number of doctors required by the Army. An example of such economy was the change in hospital Tables of Organization, assigning the positions of executive officer and hospital inspector to officers of the Medical Administrative Corps. Since these were field-grade vacancies, the net result was that still fewer promotions were available to medical officers. Recognized leaders of their communities and their profession very often held the same rank and received the same pay as store clerks, high-school boys, farmers, nurses, physiotherapists, and many others who possessed considerably less than even a 4-year college education. Is it any wonder that doctors of medicine are rejecting the military? The writer had the misfortune to serve for 3 years as a battalion medical officer with several engineer regiments. The waste of medical talent was terrible. Seldom was more than 1 hour per day required for sick call. One medical officer easily could have attended the 1,315 able-bodied men of military age who composed each engineer regiment and whose duties lay entirely in the rear areas, yet at no time did any of these regiments have less than three medical officers. Usually four medical officers were assigned and present for duty. Doctors of medicine who are worth their salt don't like such waste of their time and abilities. They want to work a full day attending the sick and the injured. The writer has more than 3,000 active-list people for whom he does practically all the medicine and surgery. Ninety percent of his work is with persons under 15 and over 60 years of age and with child-bearing women He would starve if the 3,000 were men of military age. Much greater economy of medical personnel can and should be effected in the Tables of Organization of all units not in active combat zones.

If the armed forces can assure doctors of medicine that their duties will consist of diagnosis and treatment of patients, and that rank and pay will be as appropriate as are the community esteem and income of the civilian doctors of medicine, there will be no shortage of medical officers. The writer might be tempted himself.

Future Farmers of America

EXTENSION OF REMARKS
OF
HON. CLAUDE PEPPER
OF FLORIDA
IN THE HOUSE OF REPRESENTATIVES
Monday, August 1 (legislative day of Thursday, June 2), 1949

Mr. PEPPER. Mr. President, one of the great organizations of America making this country stronger and better is an organization of young farm boys called the Future Farmers of America. During the last week there was held in Washington the annual meeting of the board of trustees of this splendid organization. It was my privilege to have the members of this board, together with the president of the organization, who is from the State of Florida, as my luncheon guests, an occasion which was graced by the presence of the Vice President, the Secretary of Agriculture, and many Senators from States from which these young men come.

Mr. President, I ask unanimous consent that there be printed in the Appendix of the RECORD a statement I have prepared about the Future Farmers of America, and the young men who make up this forward-looking organization.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

During this week the national officers of the Future Farmers of America are in Washington for the annual meeting of their board of trustees. As most Members of the Congress know, the Future Farmers of America is the national organization of farm boys who are studying vocational agriculture in our rural public high schools. The organization is sponsored by the Agricultural Education Service of the Office of Education, Federal Security Agency, and serves as an integral part of the program of vocational education in agriculture that is made possible by the National Vocational Education Acts.

I am pleased that the national president of the Future Farmers of America, Doyle Conner, is from the city of Starke in my State of Florida. The national first vice president is Paul Lindholm, of Ortonville, Minn.; the second vice president is Dale Hess of Fallston, Md.; the third vice president is Bill Michael, of Billings, Mont.; the fourth vice president is Alton Brazell of Lubbock, Tex.; and the student secretary is Max Cobble, of Midway, Tenn.

These six young men exemplify attainment of the purposes for which the Future Farmers of America organization was established 20 years ago. Doyle Conner has established a herd of beef cattle through his farming projects in vocational agriculture, and the returns from those cattle will pay most of his expenses through the College of Agriculture at the University of Florida.

Paul Lindholm is farming 976 acres of land in partnership with his father and younger brother. He produces certified seeds and is developing one of the finest herds of Hereford cattle in Minnesota. Dale Hess also is farming in partnership with his father and it was largely through his influence that they have developed a herd of 103 dairy cattle to balance a farming program that previously consisted primarily of vegetable production. Bill Michael lives in an irrigated section of Montana and he is farming 80 acres that he rents.

Alton Brazell rents 34 acres of land near Lubbock, Tex., and helps his father on the 420-acre home farm. He is particularly proud of an improved, irrigated pasture he developed. It will furnish grazing for two cows to the acre, while native pasture in the area would do well to carry one cow on eight acres. Max Cobble knows something about improved farming practices, too. His influence on the home farm in Tennessee can be seen in the purebred cattle, certified seeds, recommended fertilizers, and soil-conservation practices that are causing the farm to provide a good income for the family.

Not one of the six is yet old enough to vote, but they already are well established in farming. They have applied to their home farms the knowledge and techniques they learned in the high school study, of vocational agriculture. The success they have attained is a testimony to the effectiveness of this teaching program.

We also see in these national officers the attainment of other worthy objectives of the FFA organization, including rural leadership, good citizenship, and patriotism. Here are six young men who have given a year out of their lives, without monetary compen-

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sation, to serve the organization that helped them along the way to success. Here are young men already showing evidence of real leadership in their home communities, States, and the Nation—leadership that is bound to increase and become more effective as they grow older.

But it is not just the record of these six national officers of the Future Farmers of America that I wish to bring to the attention of the Congress. Rather, it is the fact that these young men, with their outstanding records of achievement, are merely a sample of the 280,000 American farm boys who make up the membership of this great organization. In every State of the Union, the Territory of Hawaii and the island of Puerto Rico, farm boys are learning to become good farmers and good citizens through the program of vocational education in agriculture. The Future Farmers of America organization serves to extend the training in vocational agriculture and to stimulate farm boys to greater achievement in their study and work.

These farm boys of today are the citizens who will be supplying the food and other agricultural products for our Nation in just a few years. The United States of America will be stronger because of the training they are receiving in the Future Farmers of America.

Federal Power Policy for Pacific Northwest

EXTENSION OF REMARKS

OF

HON. HARRY P. CAIN

OF WASHINGTON

IN THE SENATE OF THE UNITED STATES

Monday, August 1 (legislative day of Thursday, June 2), 1949

Mr. CAIN. Mr. President, every Senator has an interest in the development of the Pacific Northwest from the power which has been and is to be generated from the waters of the Columbia River. Mr. Herbert G. West, executive vice president of the Inland Empire Waterways Association, has recently spoken out in favor of the need for a Federal power policy for the Pacific Northwest. His views were presented in the July 24 edition of the Walla Walla Union Bulletin, and I ask unanimous consent that they be printed in the Appendix of the RECORD in order that interested readers may become the better informed and able to exercise their own judgment on Mr. West's position.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

CASE FOR A FEDERAL POWER POLICY FOR PACIFIC NORTHWEST STATED BY H. G. WEST

(By H. G. West, vice president, Inland Empire Waterways Association)

Public power is in the Pacific Northwest. This point is firmly established from the fact that out of 3,500,000 kilowatts of power now being produced, 2,000,000 is private power or produced by the private utility companies and approximately 1,500,000 (1,000,000 from Grand Coulee and 500,000 from Bonneville) is the Federal pool. McNary will add approximately 980,000 kilowatts of power and Chief Joseph will add in excess of 1,000,000 kilowatts of power. Thus, in a very few years Federal power production will far exceed the private power production.

It is estimated by competent engineers that there is approximately 33,000,000 to 40,000,000 kilowatts of hydroelectric power potential in the Columbia-Snake River Basin. It must, therefore, be clearly accepted by all that if Pacific Northwest citizens are to request the Federal Government to build these multiple-purpose dams, develop the power, extend irrigation, reclamation, and navigation, and to develop a flood-control system, the Federal Government must have and is entitled to determine the power policy. This would include how this power shall be developed, how it shall be distributed, and how it should be sold.

RATE IS EQUITABLE

The principle of the postage-stamp rate established under the Bonneville Act has proved very equitable to the entire region. In the early days, there was considerable demand for the bus bar rate which would have benefited large metropolitan areas and especially would have benefited Portland over and above any other community. This would have produced cheaper power for that immediate area and would have created an industrial development in and around the close proximity of the Bonneville Dam. However, the Pacific Northwest today enjoys a very low power rate. In fact, the average cost per kilowatt-hour in all classes of service in 1947 in Oregon, Idaho, and Washington was 49.2 percent lower than the national average. In 1947, Pacific Northwest farms electrified reached 94.5 percent. Also, the average consumption per domestic user in the Pacific Northwest in 1947 was 144.6 percent over the national average. Another very great advantage of the postage-stamp rate is the fact that it eliminates any possibility of political selection of sites and there is no advantage accorded to any particular region or to any area when all power goes into a common pool and is distributed in Portland, Seattle, Spokane, Lewiston, or any other place within the Columbia River Basin at the same cost to the consumer.

PREMISE HELD FALSE

The Bonneville Act came in at a time when we were told that it would take approximately 50 years to consume the 500,000 kilowatts from Bonneville and approximately 75 years to consume the 1,000,000 kilowatts from Grand Coulee. The Bonneville Act provided then, and does today, that 50 percent of the power should be reserved for public power agencies such as the PUD's, municipal power, farm cooperatives, and the REA's. Politically, maybe that is still important; economically, it is a false premise. The development of the Pacific Northwest should not be on a partisan political basis.

When the Bonneville Act first came in we were faced with a so-called surplus of power and a political situation. Today, we have a shortage of power in the Pacific Northwest, although there is a surplus of power, I am told, on the national level. What the situation will be when we get into a 30,000,000- or 35,000,000-kilowatt production, none of us can see or foretell; but, presumably, we will be in a position of surplus power. Therefore, a well-defined Federal power policy, having for its purpose the distribution of the federally developed power at the lowest possible cost to all, is essential. The power policy should have for its purpose definite elimination of the wasteful fight which has been carried on for years—on one hand, the Bonneville Administration using all of its power and its resources for the elimination of private utilities; on the other hand, the private utilities hampering the development of our public power resources in the Northwest.

I do not believe that it is necessary to politically dominate an area to develop the resources of the region. A set of rules should be set up whereby private utilities and public power agencies can live and work together to the best interest of the general public. This is not a new idea. I recite in brief the life of the North Pacific Grain Growers, Inc., a farm cooperative marketing organization. Many years ago the farmers of the Pacific Northwest felt that they were being unnecessarily taken advantage of by the so-called old-line grain dealers. Therefore, they received Government assistance in setting up the North Pacific Grain Growers. It was not necessary to drive the independent old-line grain dealers out of the grain business. Both of these agencies, so-called public and private, are in business and doing more business today than they were in the early days. The beneficiary of this program is the farmer. This should be our objective in the Federal power policy field.

RESEARCH ADVOCATED

Any student of the problem knows well that it is comparatively easy to sell a pool of 3,500,000 kilowatts of power or to sell a pool of 10,000,000 kilowatts of power. This is entirely different from attempting to sell a pool of 20,000,000 kilowatts of power, 30,000,000 kilowatts of power, or a maximum of 40,000,000 kilowatts of power. Therefore, incorporated in the Federal power policy should be a principle permitting the Federal power agency to go into research for uses of power as applied to the resources of the Pacific Northwest—not for the purpose of putting the Federal Government into private industry, but rather for the purpose of the Federal Government developing the know-how, locating the natural resources, and then making available to private industry the formula or other technique that might be necessary. The people of the Pacific Northwest can well pay a fraction of the bill per kilowatt-hour for this service for it is of value and benefit to them.

Under a well-defined Federal power policy, it will be comparatively simple to work out a financing program so that when the Congress of the United States authorizes and appropriates for a project it can appropriate the entire amount at one time. This would make available to the construction agency the entire appropriation in order that they might effect all economy possible in construction procedures and would eliminate the necessity of subjecting each project (after it is authorized and appropriated for) to the annual squabble and fight over regional appropriations.

I would like to see the name of the Bonneville Power Administration completely eliminated and changed to a Pacific Northwest Federal power sales agency or some other name suitable. This is because I think the name, Bonneville Power Administration is too closely linked with the fight that has been going on since 1934; and upon the determination of the Federal power policy a close, cooperative system of coordination can be effected involving the Federal power sales agency with the construction agencies of the Corps of Engineers and the Bureau of Reclamation.

TWO PRIME POINTS

In my judgment there are two firsts—

No. 1 first: The adoption by Congress of S. 2180. This bill was submitted by Senator WARREN G. MAGNUSON, of Washington, and is a bill "authorizing certain works for the improvement of navigation, control of floods, and the conservation and utilization of the water of the Columbia River and its tributaries and for other purposes." In very brief, this bill authorizes the projects contained in the 308 review report. This report had complete 100-percent approval of the people of the Pacific Northwest, as testified to in the recent hearings held by the board of Army engineers in Spokane, Seattle,

Portland, and Boise in the early part of 1949. It would make into law the agreement reached on April 11, 1949, by the Army engineers and the Bureau of Reclamation and would authorize an appropriation of $500,000,000 for the Department of the Interior and $500,000,000 for the Chief of Engineers, Department of the Army. This legislation should have the complete endorsement and enthusiastic support of every Congressman and Senator from the Pacific Northwest States, from every community, every chamber of commerce, every farm organization, and every citizen in this area.

No. 2 first (after the adoption of S. 2180): The development of a Federal power policy * * * this as a third arm of making S. 2180 workable. If the politicians want to resolve the political issues of the Pacific Northwest, here is their opportunity to demonstrate that they are statesmen. However, if for selfish, partisan, political reasons they want to continue to stir up the political fires that are holding back the development of the Pacific Northwest, then they will not accept our plan. After a Federal power policy is developed and on the books and S. 2180 is authorized and on the books, then the only political issue involved is for Republicans and Democrats alike to make known their support of this program.

The CVA is not needed, nor is it wanted; the Federal power policy and S. 2180 is needed and is wanted.

President's Endorsement of the Glories of Deficit Financing Having Adverse Effect on Those of Our Private Citizens Who Give Freely of Their Time and Effort To Head Up Bond-Selling Campaigns

REMARKS
OF
HON. LEO E. ALLEN
OF ILLINOIS
IN THE HOUSE OF REPRESENTATIVES
Monday, August 1, 1949

Mr. ALLEN of Illinois. Mr. Speaker, there have been many comments made regarding the pros and cons of the President's endorsement of the theory of deficit spending. Outstanding citizens on both sides of the argument have explored the effects of this theory, and have given their answers as to what they believe the ultimate results will be.

I, as one individual, do not endorse this reckless economic theory, and am convinced that its evils will far outnumber its benefits. However, there may be one particular phase of that theory that the President and his completely biased advisers have not considered. That phase deals with the plight in which hundreds of outstanding private citizens find themselves. These citizens I refer to are the ones who head up the different bond-buying campaigns throughout the Nation. These men and women are respected citizens of their communities, and as such their advice to their neighbors to buy bonds carries a considerable amount of weight. With the President's complete endorsement of deficit spending, these men and women are placed in a rather embarrassing and awkward position. They find it increasingly difficult to advise their friends and neighbors to be frugal and to invest in Government bonds, when that very Government shows no regard for frugality in its financial operations and continues to spend more than its income every day, every month, and every year.

To prove my point, let me quote from a letter I have received from an outstanding American who has given unstintingly of this time and effort to further the sale of bonds; in fact, he has been chairman of the savings-bond committee of an entire county. I quote:

It now seems assured that our Federal Government has drifted into a situation wherein they will be spending more than their income and borrowing the difference. There appears to be no determination in high places to bring deficit spending to a halt or to take other measures that will safeguard the quality of the Government securities now outstanding.

I therefore choose to withdraw from the chairmanship of the Jo Daviess County Savings Bond Committee, effective at once.

Probably other members of this House have learned of similar situations existing, and my point at this time is that savings bonds must be sold to the public, as a sound investment, by citizens who are respected in their community, not by bureaucrats or politicians. By a continuation of deficit financing and loose financial policies, our Government may well find that there is a growing reluctance on the part of these private citizens to continue as a part of this unsound financial alliance.

Socialized Medicine

EXTENSION OF REMARKS
OF
HON. HUBERT H. HUMPHREY
OF MINNESOTA
IN THE SENATE OF THE UNITED STATES
Monday, August 1 (legislative day of Thursday, June 2), 1949

Mr. HUMPHREY. Mr. President, I ask unanimous consent to have printed in the Appendix of the RECORD an editorial entitled "Socialized Medicine?" from the Minneapolis Star of July 6, 1949.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

SOCIALIZED MEDICINE?

"Socialized medicine" is a term seldom used by the British, although obviously that is what they have got. Medical services are paid for from general taxation, private practice is discouraged, and hospitals have been taken over by the Government.

The Labor Party in Britain is a Socialist Party, but it isn't often called that. Thus Britishers are not likely to apply the word "Socialist" to projects of the party. They speak of their "health scheme." When they occasionally say "socialized medicine," they have borrowed the phrase from America.

In this country socialized medicine is applied to many things which aren't socialistic in the usually accepted sense.

The administration has proposed a national health-insurance program to be financed by pay-roll deductions and other taxes. Many legitimate arguments may be brought against such a plan—the shortage of doctors, the tendency of people to make unwise demands upon public services, the advantages of voluntary medical insurance, etc. But the administration proposal is hardly more socialistic than our present social-security set-up with its old-age and other benefits.

Propagandists against public health insurance are partly responsible for calling this plan "socialized medicine." Whether such usage helps their case or not is problematical. But they may be breeding a great danger for the future.

If at some time a public-insurance system is voted in the United States, the people may come to accept it as socialized medicine. That might make them more easily susceptible to the truly socialistic projects which lead so easily to statism.

Let's not say socialized medicine unless that is really what we mean.

Columbia Valley Administration

EXTENSION OF REMARKS
OF
HON. GUY CORDON
OF OREGON
IN THE SENATE OF THE UNITED STATES
Monday, August 1 (legislative day of Thursday, June 2), 1949

Mr. CORDON. Mr. President, I ask unanimous consent to have printed in the Appendix of the RECORD two statements, one by Robert Ormond Case, and the other by Assistant Secretary of the Interior C. Girard Davison, discussing the proposed Columbia Valley Administration. The statements were made before the Oregon Bankers Association Convention, Portland, Oreg., on June 7, 1949. I have had an estimate of cost of printing made. The estimate is $380.

There being no objection, the statements were ordered to be printed in the RECORD, as follows:

DEMOCRACY ON THE RETREAT
(By Robert Ormond Case)

Many general and loosely worded statements have been made about the proposed creation of a Columbia Valley Authority, or Administration. You gentlemen have heard a few of these generalities today. In all such debates, however, the time finally comes when it is both proper and desirable to be specific.

There happens to be before the current Eighty-first Congress specific legislation calling for the creation of a CVA. If adopted, it will affect the welfare of every citizen of the Columbia Basin. It follows that every citizen of the basin is entitled to know exactly what is in the bill. If there is nothing alarming in it, a scrutiny of the bill will disclose that fact. If there are alarming features, they will be in the printed bill in black and white.

This bill is Senate bill 1645, and there are companion measures in the House which differ only in a minor paragraph or two. This is called the administration bill. It is a part of President Truman's over-all program which includes civil rights, socialized medicine, enlarged social security, more Federal controls, more Federal taxes, and other programs with which you gentlemen are familiar.

Thus the weight and influence of the administration are behind this bill. All the enormous propaganda devices of the Department of the Interior are behind it. Mr. Davidson, Assistant Secretary of the Interior, is taking time out from his exacting duties

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in Washington to promote this bill throughout the Columbia Basin. An army of consultants on the pay roll of the Bonneville Power Administration of the Department of the Interior are carrying the same torch into the dark and backward corners of the Pacific Northwest.

Before proceeding to an analysis of the bill before us, let this fact be clearly understood: There is no difference of opinion as to the desirability of developing the resources of the Columbia Basin to the utmost, and as speedily as possible. Everybody wants that. The issue is how it is to be done—by what agencies or processes of Government.

Let us narrow the issue still further. It is universally agreed that the development of our great river projects is a proper Federal function. The issue is: Shall these projects be developed by existing Federal agencies, through existing democratic processes, or shall the Congress create a superbureau, or superstate, whose very existence is alien to representative government as we know it today?

And let us clarify that latter point at once. Mr. Davidson has stated that the three-man administration created by this bill will be given no new powers not already possessed by various agencies of Government. This is a disarming but very deceptive statement. As a student of government, I am sure Mr. Davidson knows the obvious answer.

The answer is that when certain enormous powers are selected from many existing agencies, stripped of their democratic controls and wrapped up in one package, it can be a very dangerous package indeed.

In this democracy, as my opponent is well aware, the Government has powers over property, public welfare, and life and death, that are the equal of those possessed by any dictator of today, or by any king or emperor of the past. The sole difference between a democracy and a dictatorship is that in a democracy the people have retained control over these powers. Concentrate those powers, remove or bypass the controls, and you have a dictatorship.

That is what is proposed in S. 1645: the concentration of enormous existing powers, without the necessary democratic controls, in one explosive package.

Before we inquire into the dangerous nature of this package, let us review the manner in which waterways development projects are carried forward in the Columbia Basin today. This is a necessary preliminary to examination of the bill itself. Remember, as we pass this machinery of representative government in review, that the burden of proof as to the necessity of substituting a superbureau or superstate for these democratic processes rests squarely upon the proponents of a CVA.

These, in brief, are the various steps through which our present development of the Columbia River has been achieved:

Step 1. A project is requested by the people of the region and the request is transmitted through their elected representatives to Congress.

Step 2. Congress directs the Army engineers to make a survey of the requested project.

Step 3. The Army engineers hold public meetings throughout the region to ascertain what the people want. Then they survey the project, make estimates of the cost and forward these data to Washington.

Step 4. In Washington, the project is reviewed by the Army Board of Engineers, and coordinated with the plans of other Federal agencies through the interagency committee.

Step 5. The revised plan is then sent back to the people of the region for further hearings. The governors of each State affected by the project are invited to comment on the plan. These comments, plus a record of all public hearings and recommendations, are attached to the plan and forwarded to Congress.

Step 6. Congress either rejects the project, or authorizes it and makes an appropriation for it.

Step 7. The money having been appropriated the project is constructed by the Army engineers.

These are the seven steps, and I call your attention to the manner in which the will of the people is expressed at every step, up to and including the final approval and appropriation by the Congress, the elected representatives of the people.

A Bureau of Reclamation project follows a different and equally involved procedure, with an additional and final check in the people's interest: A majority of the landowners, by their vote, must approve the final form of the irrigation project.

Now, my distinguished opponent tells us that these various steps I have outlined are entirely too cumbersome. There is an overlapping of functions, he says. There is friction between bureaus. There is inefficiency and waste.

I have no quarrel with these assertions. Mr. Davidson is the Assistant Secretary of the Interior, our largest single agency of civil Government. When Mr. Davidson assures us that these great Federal bureaus, including the Department of the Interior, are wasteful, cumbersome, and inefficient—that they can no longer carry out the tasks assigned to them—we can't help but be impressed by the statement.

I shall, however, call attention to a few curious and exceedingly pertinent facts. The first is that I have here a copy of a letter, signed by the Secretary of the Interior, which holds exactly the opposite view to that presented by Mr. Davidson.

This letter was sent to President Truman on April 11, 1949, on the same legislative day when this bill was introduced in the Congress. It is signed by J. A. Krug, Secretary of the Interior. It refers to what is called the engineers revised plan 308, and the coordinated Bureau of Reclamation plan for the development of the Columbia Basin.

Revised plan 308 is the product of the processes I outlined a moment ago. It provides for the over-all, long-range development of the Columbia Basin. Its total cost will be in excess of three billions of dollars. It covers every waterway and land-use project which the world's best engineers can devise. The plans of all other Federal agencies in the basin have been coordinated with it.

Remember, this is the crux of this debate. Mr. Davidson says that coordinated development of the basin is impossible under existing machinery. Listen to what his boss says:

WASHINGTON, *D. C., April 11, 1949.*

The PRESIDENT,
The White House.

MY DEAR MR. PRESIDENT: Pursuant to your letters of June 1 and September 16, 1948, we have reviewed carefully our respective reports on the Columbia River Basin taking full cognizance of the data obtained as a result of the 1948 floods. In further pursuance of your requests, the two plans have been fully coordinated, not only with regard to the physical features to be included in the plan of development, but also with regard to the policies and scheduling of the work to be done.

The coordinated plan is comprehensive in scope and is designed not only to meet the most pressing current needs but to provide as well a basis for incorporation of further projects into the program as they become necessary. It provides also for the inclusion, when prepared by the appropriate agencies, of plans for forest management, land treatment, protection and propagation of fish and wildlife, recreational development, meeting needs and rights of Indians, and interagency procedures for coordinated operation of river control projects.

During the course of our conferences, full agreement has been reached on numerous important and interrelated matters which are enumerated in the attached digest.

If you indicate your concurrence, our respective reports will be prepared and submitted to you in forms consistent with those agreements.

Sincerely yours,

MICHAEL W. STRAUS,
Commissioner of Reclamation.
J. A. KRUG,
Secretary of the Interior.
LEWIS A. PICK,
Chief of Engineers.
KENNETH ROYALL,
Secretary of the Army.

It would be interesting to have Mr. Davidson's explanation of this letter. Either Mr. Davidson is confused, on Mr. Krug is confused, as to what line the Department of the Interior should follow.

I understand that Mr. Krug has recently done an about-face with respect to this letter. What he really meant, he now says, was that revised plan 308 is fine, but it should be administered by the CVA * * * This is further evidence of confusion, because the two theories don't mix. Plan 308 and the CVA proposed in this bill couldn't even exist side by side. Plan 308 is a long-range program subject to the orderly processes of government and the appropriative powers of Congress. The CVA proposed in this bill bypasses, short-cuts or brushes aside these outworn democratic devices. To attempt to administer plan 308 with this CVA would be like turning a wrecking crew and a building crew loose on the same partly finished building.

We will be grateful for any light Mr. Davidson is able to shed on this confusing subject.

The second curious detail is that the people of the Columbia Basin have been doing very well, indeed, under existing democratic machinery of development. What is the goal of any regional development program? Benefits to the people. That is the sole reason for the program's existence, and the sole and final yardstick of its success.

Therefore let us take a quick trip around the basin and take note of some of the benefits now enjoyed by the people of the region. This again involves dragging in some low-level, horse-sense facts of record, but the time has come when we must call a spade a spade. I am sure Mr. Davidson will appreciate that I am not presenting these facts merely to annoy or embarrass him. It is all very well to live and move and breathe in a world of generalities, of benevolent and academic assumptions, but this bill is as tangible as a concrete brick. It has been introduced and is pending before this Congress.

The three States of Oregon, Washington, and Idaho, which comprise the bulk of the region included in the proposed CVA, today enjoy:

The Nation's lowest household electric rates.

The Nation's highest per capita use of electricity and the highest per capita rural electrification. Farms throughout western Washington and Oregon are almost 100 percent electrified.

Oregon and Washington enjoy the Nation's highest average wage level, the highest per capita home ownership, and are in the first five in per capita motor vehicle ownership.

Oregon leads all States in per capita farm ownership, and has led the Nation in per capita income gain and in population gain since 1940.

Citizens of Oregon and Washington not only own one motor vehicle for each 2.9 persons but the percentage of recreational driving per vehicle is highest in the Nation.

Oregon has more State parks than any other State in the Union, and the number of people who visited these parks during 1947 was greater than the State's entire population that year.

There are more golf clubs per capita, more institutions of higher learning, and more books circulated in libraries per capita in Oregon and Washington than elsewhere in the Nation.

In other words, judged by the usual yardsticks which measure the best in comfortable living, secure living—the American way of living—the Columbia Basin today leads the Nation by far.

What about our waterways projects? Already developed in the Columbia Basin we find:

Bonneville Dam, the world's largest hydroelectric installation at tidewater.

Grand Coulee Dam, the world's largest power plant in any category. When all its generators are installed Grand Coulee will produce almost as much hydroelectric power as all 26 dams in the Tennessee Valley Authority.

And let me interpolate a word here about the power shortage in the Northwest. Crusaders for a CVA have made much of this power shortage. We have been left in the dark, however, as to the extent of the shortage. The Edison Institute supplied us with that important detail less than 3 weeks ago. A survey of the Nation indicated that we do have a power shortage here in the Northwest, but that our supply of firm power fails to meet the current demand by less than 1 percent.

In other words, merely installing the remaining generators at Grand Coulee would actually give us a current surplus of power.

Based upon this power shortage of less than 1 percent, my opponent insists that we should have a CVA because Northwest industries are suffering, and a CVA is the only way to relieve that suffering. But the Census Bureau, just last week, came forth with one of those unemotional, horse-sense facts which are always so disconcerting to the opposition. Unaware of Mr. Davidson's arguments, the Census Bureau disclosed that since 1939 the Pacific coast has led the Nation, percentagewise, in the values added to raw materials through manufacturing processes. Oregon ranked first in the Nation, California second, and Washington a close third.

Oregon and Washington, you understand, include the principal industrial areas of the Columbia Basin.

To continue with our inventory of waterways projects, we find, in the Inland Empire, more irrigation projects in operation than in any comparable area of the continent. When additional projects now under construction are completed, more than two-thirds of all land available for irrigation in the Inland Empire will be under water—and all without the aid of a CVA.

We find, on the river itself, navigation improvements which aid a river traffic 15 times greater than that moving over the Tennessee River, and we find that these improvements were built at a far less cost per ton-mile, and have resulted in far greater ton-mile savings than those constructed by the TVA.

Incidentally, the average cost of the concrete dams built by the TVA, by force account, has been tremendously greater than the comparable concrete dams built by general contractors outside the TVA area. The average cost of TVA concrete dams was $16.07 per cubic yard. Those built by private contractors average $9.02 per cubic yard. The cost of hydroelectric construction and installation in TVA dams averaged $97.29 per kilowatt. Those built by private contractors, including the Hoover Dam, averaged $61.60 per kilowatt.

This is an important point, because proponents of a CVA are making many unsupported statements about the efficiency, economy, and savings effected by the Authority type of management.

The facts I have just cited with relation to present development of the Columbia Basin led Gov. Douglas McKay, of Oregon, to say, about the proposed CVA: "We're doing fine. Why change?" Six of seven governors of basin States agree with Governor McKay. Eight percent of the newspapers agree. Almost all the chambers of commerce, industrial organizations, and water users agree.

And let me interpolate a thought at this point. There has been a tendency on the part of CVA crusaders to call all opponents of a CVA tools of the Power Trust. Why that ghost of Sam Insull should still haunt every discussion which even remotely touches on hydroelectric power is beyond my comprehension, but let us lay that ghost once and for all. The truth of it is that 217 organizations in the Columbia Basin, representing a cross section of the basin's entire economy, have gone on record to date in opposition to a CVA or to valley authorities in general.

One further thought on this point. I am not a spokesman for private utilities. I am here as a citizen interested in good government, and at some personal sacrifice, just as my opponent, as a public servant, is here at some sacrifice to his pressing duties as Assistant Secretary of the Interior. In my view a private utility is merely one of many phases of free enterprise whose right to exist, and to battle for existence, is axiomatic under our American system. If the people of the Columbia Basin wish to abolish private power utilities they already have the means to abolish them, through existing legislative processes. Their summary execution, as proposed in this bill, is totally unnecessary. Let the people decide.

Meantime, the private utilities should certainly fight for their existence. This bill is their death warrant in the Columbia Basin, with a three-man board their judge, their jury, and their executioner. Certainly they should fight such a bill openly, without apology and to the last ditch. Their battle is under the banner of free enterprise. The defense of free enterprise is the defense of the American system. Therefore, I say, strength to their arms.

And now, let us consider Senate bill 1645.

It must be obvious to you at this point that this document can have no honest or intelligent relation to the problems of future development in the Columbia Basin. No emergency exists here. No river basin in America has more cause to be thankful for existing development machinery. No river basin has less need of benevolent theories and alien experiments in government. There is no rational excuse even for the existence of this bill.

Unfortunately, this bill is the product of a so-called liberal school of thought which has invaded the very highest places in our Government. The United States of America is the most powerful Nation on earth, and the bulwark and source of its strength is the free enterprise system. And at the very pinnacle of our strength, we find the free enterprise system under attack from all sides. It is being corroded and eroded and undermined by an ideology, or political philosophy, which originated outside the boundaries of this Nation, and outside our previous concepts of representative self-government.

This school of thought—and you can call it liberal if you wish, though I can think of harsher names—apparently believes that the processes of representative government have failed, that power should be centralized in Washington, that the people—for their own good—must be regimented and regulated and told what they may and may not do.

This document assumes that the people are no longer capable of governing themselves—a theory common to dictators and state socialism.

It proposes short cuts in government—and each short cut removes government farther from the people. The principal claim of those who support this bill is that a three-man CVA board could obtain more money for needed projects faster than Congress now appropriates it.

They are damned by their own argument. How could they get money faster except by bypassing the deliberation of Congress? How could they get more money except by bypassing or assuming Congress's appropriative powers? I would like to hear Mr. Davidson's reply to these two questions.

Let us never forget one basic fact: Cumbersome, creaking and inefficient though our present processes may be, they represent the highest pinnacle of self-government yet achieved by man. There is room for improvement, certainly, but the machinery for that improvement is contained within our present structure. Any short cut which affects that basic structure—which impairs or abridges the right of the people to govern themselves—does not represent a forward step in political thought. It is a backward step. It is reactionary. It is democracy in retreat.

Our present criminal court procedures are ponderous and cumbersome. According to Mr. Davidson's logic, the lynch law is much more efficient. Just hang every man accused of murder. It would bypass much argument, save the jurors' time, and save the state a great deal of expense. But the man being hanged wouldn't like that theory at all.

Now let us consider a chapter and verse in S. 1645. You probably are aware that this bill creates a three-man corporation which will have almost dictatorial control of a geographical subdivision of the Nation larger than the combined areas of England and prewar Germany. Included are all of Washington and Oregon—except the Klamath and Goose Lake Basins—and parts of Idaho, Nevada, Utah, Montana, and Wyoming.

The members of this three-man board are not elected by the people of the Columbia Basin, cannot be removed from office by the vote of the people, and are only indirectly responsible to Congress. They are appointed by the President with the approval of the Senate and are responsible directly to the President.

To this three-man board will be turned over the management of all waterways development projects on the Columbia River and all its tributaries; all funds appropriated by Congress for these projects; and all the existing powers and functions of the Bonneville Power Administration, the Bureau of Reclamation and the Columbia Basin functions of the Army engineers.

Now, if the bill stopped at that point—as Mr. Davidson infers that it does—something might be made of it. We need more efficiency in Government, and perhaps the merging of these three bureaus might help. But that isn't the subject of this debate. And that isn't what the bill says. Remember Mr. Davidson's statement that no new powers are created by this bill. But notice what happens when enormous and unrestricted powers are wrapped up in one package.

This three-man board will also have the power to condemn any real or personal property in the Columbia Basin, including water rights, which the board decides is necessary for its purposes.

It will have the power not only to produce, distribute, and market hydroelectric power, but it can fix retail power rates in the re-

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gion. That simple little proviso is the death warrant for private power utilities. If this bill is adopted, with this proviso, private utilities of the basin will soon be as extinct as the three-toed horses that once roamed the plateaus of eastern Oregon.

That isn't all. The three-man board can spend all of its power revenues as it pleases. Remember, there is a potential of 30,000,000 kilowatts of hydroelectric power in the basin—43 percent of the Nation's potential. When these power projects are all developed, and the power is sold at Bonneville's present wholesale rate—$17.50 per kilowatt year—the three-man board will have annual revenues of $525,000,000 at their disposal.

And listen to this. With that half billion dollars annually, in the guise of research facilities, experiments, and practical demonstrations, the three-man board can build and operate any industrial plant they please—of any type, as long as they please—in competition with existing industries.

And that isn't all. The three-man board is made almost immune to the appropriative processes of Congress through a simple but highly effective device. When the board dreams up—or should I say, initiates—a new project not included among the scores and hundreds of projects already under its complete control, it merely includes the new project in its annual report to Congress. Once Congress approves the report as a whole, the appropriation for the new project is automatically approved, and the board can proceed to spend an amount equal to the total estimated cost of the new project.

And finally, what are the qualifications for membership on this three-man board? Personally, I would be dubious about entrusting that much power to three angel Gabriels—and they would have to identify themselves as angel Gabriels. But let's see what the bill says. Two must be residents of the Columbia Basin. All must be citizens of the United States. Otherwise their sole required qualification is contained on page 5, line 24.

Let us turn to that page. "All members of the board shall be persons who profess a belief in the feasibility and wisdom of this act." Now, I ask you gentlemen—and all of you have had some experience with corporations—what do you think of that qualification for membership on the board of the world's greatest corporation, public or private, and one of the most powerful administrative positions it is possible for Congress to create?

As far as the two Northwest representatives on the three-man board is concerned, that qualification would exactly fit ex-Gov. Mon Wallgren, of Washington, who has already been retired from public office by the voters of his State.

It would qualify such authorities in Government as Senator GLEN TAYLOR, of Idaho, late running-mate of Henry Wallace, who stated in debate in the Senate that all these Authority proposals are socialistic—there is no use beating around the bush about it. It would qualify Dr. Raver, the present Bonneville Power Administrator. It would qualify Mr. Davidson, who works in Washington but maintains his legal residence here. It would qualify any good Democrat from any precinct in the seven basin States who was attracted by a Government job paying $17,500 annually, and with probably a lifetime tenure, since the voters of the basin could not remove him from office.

Now, what does all this mean? As we examine this document—as we probe through the generalities used by its supporters, and the deceptive language of the bill itself—an amazing structure emerges. It is a structure alien to our American democracy, neither Federal nor State, and stripped of the major aspects of representative government.

I am well aware that CVA supporters do not like the term "superstate." Yet the term precisely fits. If I have not described a superstate, how better can it be described? And I ask you, in all fairness: What remote connection is there between Mr. Davidson's benevolently worded pleas for more efficiency and coordination, and this incredible, dismaying, and alien superstructure of government?

Mr. Davidson says that a CVA will bring a little bit of Washington to the Northwest, because the three-man board is required to make its headquarters here. He says that brings home rule closed to the basin. He says that the board must rely on the advice of the people of the basin.

But that isn't what the bill says—and it will be this bill, not what Mr. Davidson says, which will become the law of the land if Congress adopts it. Turn to page 2, beginning on line 20. Note that the board must rely on the advice and assistance of the people to the fullest practicable extent. That is the joker. The board itself—and only the board—decides what is practicable.

Now turn to page 4, line 20. "The board shall be responsible for policy, directive, and general supervisory functions." Those are good English words. They mean exactly what they say. The board—alone—is responsible for policy. Groups of interested but naive citizens may appear before the board, but the board, in its wisdom, decides what is best to do.

Let us continue, from the bill itself, to document each of the points I have made.

The rights of condemnation? Turn to page 9, lines 5 to 16. Mark them, and read them at your leisure. They appear to exempt water rights, but there's a joker in it. That joker turns up again on page 22. Beginning on line 19 and continuing for 11 lines thereafter, the board's complete disinterest in water rights is affirmed and reaffirmed—and there are added two provisos which completely nullify all this excellent verbiage and enable the board, on one pretext or another, to condemn any water right anywhere in the Columbia Basin.

Mr. Davidson says that no private utility can be condemned by the CVA. Let's see what the bill says. Turn to page 20, beginning on line 13 and mark to the end of the paragraph. Those lines enable the Board to fix retail electric rates—which leaves every private utility in the basin at the board's mercy. The Portland General Electric Co., for example, today obtains more than half its power from Bonneville. The Board could merely say, "You are charging your customers too much; cut your rates in half," and PGE would be bankrupt as of that moment.

Government in business? Socialized economy? Mr. Davidson scoffs at such suggestions. We must assume, then, that Mr. Davidson did not write lines 1 to 4, on page 10. Those four lines enable the three-man board to engage in any industrial, commercial, or agricultural business they please, in competition with private industry.

Bypassing the appropriative powers of Congress? Turn to page 28, section 12, beginning on line 10. Read that entire section at your leisure. You will find that it sets up a fund in the United States Treasury, and the three-man board may draw on that fund without bothering to secure the approval of Congress. All power revenues go into this fund, and can be spent at the Board's sole discretion.

This brings us to the perfect example of a short cut in Government. It also represents perfect, documented proof of what I said in the beginning: That when you take existing powers, and strip the controls from them, you have a dictatorship.

Turn to page 33. Note section 13, entitled "Payments in Lieu of Taxes." You understand, gentlemen, that existing private utilities in the basin now pay an average of 24 percent of their earnings in taxes to support our existing forms of representative government. Naturally, when the CVA makes willing sellers of all these utilities, and takes them over, something should be done about taxes.

This section takes care of that. But don't read the whole section now. The next four pages don't mean a thing. Just turn to page 36 and read the sentence beginning on line 19. "The determination of the Administration of the necessity of making any payments under this section, and of the amounts thereof, shall be final." In other words, when this taxable property passes into the control of the CVA, neither the cities, the counties, the States, nor the Congress of the United States can tell the CVA what amounts shall be paid in lieu of taxes. The three-man board decides whether to make any payments, and their decision is final.

Note the vague wording through most of the bill; for example, page 14, subsection 5, beginning on line 19. Draw a circle around that three-line section. It's a positive jewel. What Henry Wallace could do with those three lines couldn't happen today in Soviet Russia. * * * Suppose you had up to a half billion dollars each year to play around with, and the voters of the basin couldn't remove you from office, and you didn't like our profit system, and had some glorious and starry-eyed theories about managed economy and whatnot, just how would you foster the use of mineral, forest, land, water, fish and other resources of the basin to assure a balanced and stable economic development? Particularly when you were the sole judge of what a balanced and stable economy meant? You'd have a better time then on any Sons of Norway picnic.

And don't think for a moment that this vagueness is in the bill by accident. The proponents of this bill have learned in the TVA, and in the BPA, and in all the emergency measures passed during the depression, that when a section is vague it is elastic, and when it is elastic it can be interpreted broadly, and a broad interpretation means more power.

Notice the last section, page 45, beginning on line 16. This is to inform the Supreme Court that this act shall be liberally construed to carry out the purposes of Congress and so forth. What are the purposes of Congress? They are not found in the generalities and benevolently worded promises of those who support this bill. The sole clues are in this document, in black and white.

In closing, I wish to assure Mr. Davidson that no personal slight was intended in any of my remarks. I concede that he is sincere—if mistaken—in his political philosophy. I am sure he will concede that I am equally sincere—and perhaps equally mistaken—in mine. I hope, however, that he will find time to answer two specific questions.

Question number one: If, as Mr. Davidson asserts, the purpose of a CVA is merely to coordinate the functions of three existing Federal bureaus in the Columbia Basin, why doesn't the bill say just that and stop at that point?

Question number two: What is the specific meaning of lines 21 and 22 on page 4 of the bill: "The board shall be responsible for policy, directive and supervisory functions"? Does this mean, or does it not mean, that the board retains the exclusive power to determine policy, regardless of representations made by citizens of the basin?

I am sure the answers to these questions will be helpful to every citizen of the Columbia Basin, and to the Congress which will be called upon to delegate its constitutional authority—perhaps irrevocably—according to the intent of the specific words in the bill before us.

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MANAGING THE FEDERAL INVESTMENT IN THE NORTHWEST

(By Assistant Secretary of the Interior C. Girard Davidson)

This morning I should like to examine with you what we might term a resource-balance sheet for the State of Oregon and for the Pacific Northwest as a whole.

Both you and I are interested in a continuing increase of economic activity. This calls for a steadily rising investment in new industrial and new agricultural ventures, which in turn brings increased employment, larger purchasing power, and greater taxable wealth.

Some say we are doing fine now in the Pacific Northwest. To a great extent this is true. Without question this region is now more prosperous, and its people have a higher standard of living, than is the case in other regions I might mention. The Northwest, however, is a young region and we cannot afford to rest on past accomplishments. We must look into the future.

As we look ahead we must ask ourselves whether our progress today has been adequate. We should judge our accomplishments against our potentialities. We should not compare our present position only with the position of other regions. We must also compare our progress with our problems.

In making such a comparison we find that population here has increased much faster than have jobs and business opportunities. Population in the Pacific Northwest has increased 35 percent since 1940, the greatest rise of any region in the United States. This growth is certainly understandable because of the extraordinary and appealing characteristics of this area. It is estimated that the growth will certainly continue so that by 1970 the population of the Pacific Northwest will reach 7,000,000, which is roughly 2,000,000 more than at present.

Paired with the population increase, however, is the fact that since the end of the war Oregon and Washington have consistently ranked among the top States in the ratio of the labor force unemployed. In February of 1949 unemployment in the Pacific Northwest was 12 percent of the labor force as against a national average of 5 percent. Although during the months of March and April the situation has improved considerably, the Northwest was still above the national average.

Twenty-six out of every one thousand business failures during the first 4 months of 1949 have taken place in Oregon, although only 11 out of every 1,000 United States citizens live in Oregon. In other words, with 1.1 percent of the population, Oregon is suffering 2.2 percent of the business failures.

Oregon had the lowest rate of increase in per capita income in the entire United States between 1944 and 1947. Only Washington, of all the States, had a decrease during this period. That puts Oregon and Washington as No. 47 and No. 48, respectively, in the standing of our 48 States. With our great increase in population in this area, we have had to spread the income among a greater number of people.

I have heard some say let these people go back where they came from. If we have no jobs, they will leave, therefore we shouldn't worry about job opportunities.

I don't feel, however, that this is a practical or constructive approach, nor is it good business for the Pacific Northwest. With 9 percent of the land area of the United States but with only 3 percent of its population, and with the great natural resources of this region, we can make effective use of this greater population which will increase our taxable wealth and improve our economic conditions generally.

We have in the mighty Columbia River and its watershed some of the most spectacular assets possessed by any part of the United States.

The Northwest, for instance, has 40 percent of the Nation's hydroelecteric potential, but less than one-tenth of it has been developed to date. Consequently, we have been suffering—and for the next four or five winters will consintue to suffer—one of the Nation's greatest power shortages. Utilities in this area have been refusing power to new industries: The Northwest power pool has resolved that no utility shall connect a new industrial load of 500 kilowatts or more. Industries anxious to locate here—industries which would provide thousands of new jobs—are not building new plants here because their applications for electric power have had to be refused.

The Northwest has 62 percent of the Nation's phosphate deposits, but produces only 8 percent of the Nation's phosphate fertilizers. At the same time, croplands in the region need at least 200,000 tons of phosphate a year, which is much more than they now get. For the phosphates which farmers are able to obtain they are paying high freight rates to have them shipped from the Tennessee Valley.

The Northwest has 20 percent of the Nation's potentially irrigable lands, but water now is being supplied to but half of them. At the same time, almost three-fourths of the nonirrigated crop lands in the region are in a serious or critical state of erosion. Erosion losses from croplands average about 60,000,000 tons annually, from range lands 35,000,000 tons. In the Palouse country of eastern Washington, for instance, farmers are losing 1 ton of topsoil for every bushel of grain they grow.

The Northwest has 40 percent of the Nation's remaining saw timber, including its last stand of virgin timber, but these reserves are shrinking rapidly, and more than 6,000,000 acres need to be reforested.

The Northwest could have a great inland waterway from the Pacific Ocean to Lewiston, Idaho—a distance equal to the navigable length of the Rhine—but only less than one-fourth of this potential water highway has been improved for river navigation.

The Columbia River's unique fishing industry, valued at approximately $20,000,000 a year, is now being threatened with destruction by the construction of certain dams without the necessary preliminary work having been done first. A 10-year program for perpetuating the fish runs has been devised and adopted by the Federal agencies interested in river development, but it is now almost 2 years behind schedule for lack of adequate funds. One of the main reasons for the lack of the necessary appropriations is the failure to have this problem understood by the budget officials and the Congress in relation to the over-all program.

The Northwest has important mineral deposits which are familiar to all of you, but the great bulk of them lie in the ground undeveloped.

The Northwest, while trying to move ahead, is steadily losing assets in great uncontrolled floods. Last spring, for instance, the Columbia on a rampage, in addition to taking 51 lives, destroyed more than $100,000,000 worth of property.

Many have the responsibility in the development of the natural resources of this area. The business community must take the lead in producing and using these resources and in advancing the capital which is necessary for accelerated business activity. State and local governments have a great interest in the increase of the tax base. The Federal Government also has an interest, particularly in States such as Oregon, where 53 percent of the land is in Federal and Indian ownership.

Millions of dollars have already been spent by the Federal Government in the Pacific Northwest in order to do its share of the job, but the amount that the Government can devote to these purposes is necessarily limited. It is essential, therefore, that we get our dollar's worth for every dollar spent.

It is estimated that 76 percent of the 1950 budget for the Federal Government will be devoted to what must be considered fixed payments for national security. This includes $14,300,000,000 for the armed services, $5,500,000,000 for services and payments to veterans, $5,500,000,000 for interest on the public debt, and $6,700,000,000 for international affairs, including ECA.

At the most then, only 24 percent of the Federal budget is left for what we might call domestic use. Some part of this 24 percent will be spent in the Northwest for the numerous activities in which the Federal Government is engaged.

It is generally conceded that the river-regulation job is one that should be done by the Federal Government. Whatever opposition exists is not questioning the desirability of controlling floods, constructing a navigation channel, producing power, and irrigating lands, but comes from those specific interests who have a fear—and often a legitimate one—that their interests will be adversely affected by the river-regulation program.

The capital requirements for these river projects are stupendous. Grand Coulee Dam, together with its irrigation works, is now estimated to cost approximately $730,000,000. While the irrigation works alone will run approximately $533,000,000, the irrigators are in a position to pay only $85,000,000 of this expenditure. This leaves approximately $450,000,000 in irrigation costs which must and will be paid back to the Treasury out of power revenues. Of course, power revenues must also pay back the $160,000,000 of construction costs which is allocated to power.

When you add a $450,000,000 irrigation subsidy to the cost of the power facilities, the amounts involved are of such magnitude that no agency except the Federal Government will undertake it. As Mr. Dawson B. Harris, president of the Hamilton National Bank, Chattanooga, said in commenting on TVA: "I am against the principle of Government in business. But the job on the Tennessee was one for Government." I am sure we will agree that the job on the Columbia is also one for Government.

If, however, we expect the Federal Government to do the job on the Columbia and its tributaries, we are going to have to present a complete financial picture to the Congress in order to justify the necessary capital advances. The Federal agencies operating in the resource-development field in the Pacific Northwest cannot now present such a picture to the Congress under their present legislative authorizations.

As a banker, you would want to see complete house plans, and have all other pertinent data, before you lent a man money to construct a house. You wouldn't be satisfield with only an electric-wiring diagram, or only a cost estimate on the roof, or only an appraisal of the land.

Today, however, the Bureau of the Budget and the Congress are in the position of making a large investment in the Pacific Northwest without having in hand all the facts relating to that investment. Figuratively speaking, one Federal agency buys the land, another designs the roof, a third does the plumbing, a fourth makes the working drawings, and so on. Unfortunately, however, there is no general contractor, no single agency or agent which brings all these plans and estimates together into a single statement. Each agency with its separate program goes separately to the Bureau of the Budget, to the President, and to the Congress. Each agency makes its requests to a separate committee of the Congress. It is

not surprising, therefore, that our present Federal investment in the Northwest is haphazard.

While we are spending $530,000,000 to bring into production new farm land near Grand Coulee, we are spending comparatively little to hold present soil on the land. During last year's flood, for instance, topsoil equivalent to 1,300 farms of 80 acres each washed down the Columbia.

The Hoover Commission on Reorganization of the Government has reported that "the public lands and water resources of the Nation have all been tied together by nature * * * only the Government insists on treating them separately * * * the function of river development is a multipurpose one, cutting across many of the unifunctional agencies, experience has shown that parceling out river-development responsibilities among these functional agencies produces endless confusion and conflict. A plan for the development of a river basin cannot be devised by adding together the special studies and the special recommendations of unifunctional agencies concerned respectively with navigation, flood control, irrigation, land drainage, pollution abatement, power development, domestic and industrial water supply, fishing, and recreation. These varied and sometimes conflicting purposes must be put together and integrated in a single plan of development."

Who are the men who made this report? The Chairman, as you all know, was Herbert Hoover, former President of the United States, and now a life-insurance executive. And among the members of the task force from whose report the Commission quoted we find Ralph Carr, former Governor of Colorado; Leslie A. Miller, former Governor of Wyoming; Horace M. Albright, president of United States Potash Co.; Donald McLaughlin, president of Homestake Mining Co., and others. I believe you will agree with me that these men cannot be charged with being radical. They are concerned with finding the most effective and economical method of managing Federal expenditures, which means the elimination of waste motion and duplication.

I can add further examples of the difficulties which we have faced as a result of this divided responsibility for what is in essence a single task. Many of you will remember that the United States Corps of Engineers and the Bureau of Reclamation disputed publicly for many months as to which of them would build Hells Canyon Dam, Lucky Peak Reservoir, Chief Joseph Dam, and others.

Although there are now only two Federal dams operating in the Columbia, and both of them as yet are operated almost exclusively for power production, there is inescapable conflict among three agencies on releasing water from these dams. It took a number of weeks and numerous letters, telephone calls, and meetings to decide upon the release of water from Grand Coulee this spring to diminish the flood danger. If this can happen with only two dams operating, one can envision the chaos which will result when there are a dozen or more dams on the river, unless we have a single water master on the main stem of the Columbia who can control the flow for navigation, irrigation, and power production as one switchyard master bosses the movement of all trains in a railroad terminal.

The design of generators to be installed in the Army-built McNary Dam was a matter of controversy between the Bonneville Power Administration, the Army engineers, and the Federal Power Commission for a year and a half. The Bonneville Power Administration, which is to market the power from the dam, asked the Army to order generators of low reactance. Such generators would cost $3,000,000 more than generators of higher reactance, but the low reactance generators would make it possible to transmit the power produced at McNary Dam with one less circuit on the Bonneville transmission system. The cost of such a circuit was estimated to be $10,000,000, so that the net saving from using the low reactance generators would be about $7,000,000. The Corps of Engineers, which was not directly concerned with transmission problems, preferred the higher reactance installation. The Federal Power Commission was interested because of its responsibility for the design of generators at Army-built dams. After 18 months of three-cornered negotiations and correspondence, extending from April 1947 to October 1948, the matter was finally settled, not in the Pacific Northwest, but in Washington, D. C.

And so again we come to the question: What is the most efficient use of the limited funds which the Federal Government has available for the development of resources in the Pacific Northwest?

The answer, to my way of thinking, is embodied in the proposal for a Columbia Valley Administration which is now being considered by both the House and Senate. This proposal, before it was even embodied in draft legislation, before even its drafters knew what specific provision it would contain, was denounced as socialism and communism. Is is, I ask you, socialistic or communistic to be efficient? Private enterprise has boasted—and properly so—of its efficiency as a contribution to making our democracy great. Why should not this same efficiency be applied to Government? The Hoover Commission and other studies have shown that the existing Federal agencies as now organized are not capable of doing the resources development job in the most efficient manner and at the least cost to the taxpayer. Why, therefore, should not a more efficient management instrument be utilized?

Let me tell you briefly what is involved in this CVA proposal, which deals exclusively with existing Federal functions:

First, the CVA would absorb the three agencies now concerned with water and power functions in the Pacific Northwest. These are the Bonneville Power Administration, the Bureau of Reclamation, and the Corps of Engineers. In their place will be a single agency which can more effectively and more economically handle navigation, irrigation, power transmission, and flood control, responsibilities of the Federal Government under existing law.

Second, the CAV will provide all of us—and particularly the President and the Congress—with a single comprehensive program for resource development in the region. Although the other Federal agencies concerned with soil erosion, forest management, recreation, pollution control, minerals development, et cetera, will not be absorbed in the CVA, they will contribute to constructing a program covering all their activities as well as those of the CVA. One agency, however, the CVA, will be held responsible for creation of this program and review of it annually to keep it abreast of changing requirements, and also for presenting to Congress a cordinated budget as a guide for appropriations of funds to carry out the program.

Third, CVA will provide a maximum of home rule, a larger participation by the people who live in the region in the Federal administration of these activities. The CVA will have its headquarters in the region. All of its directors will live here, and two out of three of them must be bona fide residents before appointment. Not only State governments, but groups representing the various interests in the region, will have a voice in the decisions of the CVA through membership on its advisory boards and councils. Final decisions will be made in the region instead of in Washington, D. C., as at present.

Fourth, Congress retains its control over CVA as it does over the existing Federal agencies operating in the region. All new projects and activities must be approved in advance by Congress. Once approved, however, projects can be carried to completion as rapidly as possible without waiting for annual appropriations from Congress.

For these and other reasons, President Truman recommended to the Congress the establishment of a CVA. He has stated that the proposed Columbia Valley Administration represents the most effective mechanism which has yet been suggested for speedy and complete development of the rich resources of the Pacific Northwest. We need it now, not only to guide new Federal investment in the region, but also to create quickly an economic base for further growth of business, industry, and agriculture.

Sale to Permanente Metals Corp. of Certain Aluminum Plants, Etc.

EXTENSION OF REMARKS

OF

HON. HARRY P. CAIN

OF WASHINGTON

IN THE SENATE OF THE UNITED STATES

Monday, August 1 (legislative day of Thursday, June 2), 1949

Mr. CAIN. Mr. President, when the Government gets out of a wartime business on terms which are of mutual benefit to the Government and to the private interests involved most of us have reason to be pleased. The War Assets Administration has recently concluded a sale to the Permanente Metals Corp. of certain aluminum plants and facilities which have heretofore been operated by Permanente under Government leases. In a letter which Admiral Paul A. Mather of the War Assets Administration wrote to the Senator from Arkansas [Mr. McCLELLAN] on July 28 there is included a full explanation of the transaction. I think all Senators will benefit from reading a copy of the letter which Admiral Mather thoughtfully sent to me. I ask unanimous consent that it be printed in the Appendix to the RECORD.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

JULY 28, 1949.

Hon. JOHN L. McCLELLAN,
Chairman, Committee on Expenditures in the Executive Departments,
United States Senate,
Washington, D. C.

DEAR SENATOR: In order that you and your committee may continue to be informed of significant actions taken by War Assets I think it may be helpful to you to be advised of a current sale which we think to be of some moment and which, we believe, reflects credit on our operations.

War Assets has concluded a sale to the Permanente Metals Corp. of certain aluminum plants and facilities heretofore operated by Permanente under leases with early termination dates. These plants are an alumina plant at Baton Rouge, La., an aluminum smelting plant at Spokane, Wash., and a rolling mill at Trentwood, Wash. The price agreed upon for the sale of these plants

is $36,000,000. The sale is in accordance with the policy of the Government to make final disposal of its interest in wartime plants, and is subject to such national security clauses as the Munitions Board may prescribe.

At the end of the war Government-owned aluminum facilities had an aluminum production of approximately 2,300,000,000 pounds per year. Apart from the Reynolds Metals Co. which had privately owned facilities capable of producing 160,000,000 pounds per year, the only privately owned facilities of this character were those of the Aluminum Co. of America whose total productive capacity at the close of the war was 800,000,000 pounds per year.

Beginning with the first lease of a wartime aluminum facility back in April 1946, the Surplus Property Board through its various designated agencies and later the War Assets Administration have made every effort to insure the disposal of aluminum facilities in a manner calculated to effectuate competition in the aluminum industry.

The administrators of the surplus-property functions bore in mind continually the provisions of the Surplus Property Act and also the opinion of Judge Hand in the case of *the United States of America* v. *the Aluminum Company of America* (148F (2) 416). The aforesaid act and opinion admonished them to dispose of the war surplus aluminum facilities in the manner best suited to establish competition in the aluminum industry.

As is evidenced by the original and supplemental reports on aluminum plants and facilities filed with the Congress under section 19 of the Surplus Property Act, it was deemed advisable in implementing the aforesaid responsibilities to establish integrated competition. Inasmuch as the Government owned only two alumina plants, it was only practical to create two competitors for the Aluminum Co. of America. Due to the large amount of capital necessary to establish an appropriate competitive position and to the relative uncertainties of the industry, it was deemed advisable to commence disposal of Government aluminum facilities through leases, with rental payments predicated in part on firm minimums and in part on production results.

After considering the prospective operators of this type of facility, it was determined to lease one set of integrated plants to the Reynolds Metals Co. and another to the Permanente Metals Corp. With these leases these two corporations entered into the aluminum field in a substantial way and between them soon were producing approximately 50 percent of the basic virgin aluminum ingot. With the experiences they have acquired and markets which they have developed, it would appear the time has come when the experimental period can be considered practically at an end. Therefore, if these corporations are to properly effectuate economies and adequately handle the obsolescent factors of a rapidly developing industry they should be in a position of ownership or its equivalent.

In considering ownership, as a general policy, we take into consideration the prospective purchaser's operating and financial problems. Consistent with the protection of the Government's interest, our disposal terms are fixed to permit retention by the purchaser of adequate capital. With the foregoing in mind, negotiations have been conducted with Permanente for the purchase of the three plants—an alumina plant, an aluminum plant, and a rolling mill—Permanente having previously purchased from the Government a small aluminum plant at Tacoma, Wash., and a fabricating plant at Newark, Ohio. Fair value for these three plants was established by us at $45,000,000, and Permanente's offer of purchase was $33,000,000. In making its offer, Permanente considered several alternatives; a long-term lease such as is presently held by the Reynolds Metals Co.; the construction of their own new facilities; and the purchase of the aluminum and aluminum plants with contemporaneous cancelation of the Trentwood lease and transfer of the fabricating activities to Newark, Ohio. It was felt the Government's interests and responsibilities were best protected and discharged by a single disposal of all three aforesaid plants to one purchaser. Consequently, a counter offer was made by War Assets of $38,250,000 representing 85 percent of our estimated fair value. After prolonged negotiations a purchase price of $36,000,000 was agreed upon, representing 80 percent of that fair value.

The terms of the disposition provide for a down payment of 5 percent and purchase money mortgage or mortgage over a period of 25 years with interest rate of 4 percent. This permits Permanente to operate on the basis of low-fixed charges. Unless Permanente elects to prepay the entire obligation, the payment of 4-percent interest will result in an over-all ultimate sales recovery of $53,000,000 which figure approximates the depreciated original investment in the facilities. Likewise, if the principal payments are made as scheduled with interest and without prepayment, the Government will recover approximately 90 percent of acquisition cost, when it is taken into consideration that the Government has already received approximately $26,000,000 from the operations of these facilities.

Aluminum is on the strategic and critical materials list of the Munitions Board, and that Board has advised that it considers it in the best interest of the Government for War Assets to accept aluminum in lieu of cash under section 204 (c) of Public Law 152, Eighty-first Congress, the present law under which liquidation of War Assets is being processed. Section 204 (c) provides for the acceptance by the Government of that type of material instead of cash payments due on the sale or other disposition of surplus property. War Assets has agreed to permit Permanente to substitute in lieu of cash payments at current market prices at times of deliveries 24,000,000 pounds of aluminum.

It is expected, in the fiscal year of 1950, to practically complete the liquidation of the former War Assets Administration, and to leave therefrom the most minimum property management problem and to place in private hands the title to practically all Government assets generated during World War II and determined to be surplus to the Government's needs. This disposal to Permanente we consider to be in line with that project and we hope that we shall be able to effect sale of the bulk of the remaining surplus Government facilities present in the hands of lessees.

In view of the foregoing, the sale to Permanente on the indicated terms is believed to be in the best interests of the Government for the following reasons:

1. Ownership rather than lease places the Corporation in a stronger competitive position.

2. The replacement of leases cancelable on relatively short notice at the option of lessee and the substitution therefor of firm obligations under purchase-money mortgages places the Government in a more secure economic position as to the future.

3. The sale subjects the plants to the national security clause which is not incident to the leases.

4. The sale continues to get the Government out of business.

Sincerely yours,

PAUL L. MATHER,
Administrator, WAA.

The Ohio Farm Bureau Federation

EXTENSION OF REMARKS
OF
HON. HUBERT H. HUMPHREY
OF MINNESOTA
IN THE SENATE OF THE UNITED STATES

Monday, August 1 (legislative day of Thursday, June 2), 1949

Mr. HUMPHREY. Mr. President, recently the National Tax Equality Association has flooded the country with a pamphlet called Sudden Death on Main Street. This Main Street is in Pataskala, Ohio, and the charge is that the Licking County Farm Bureau is threatening to destroy Moore Farm Service by opening a branch there. I ask unanimous consent to have printed in the RECORD a fact sheet on the situation which I think will be of interest to the Senate, in that it throws a different light on this picture.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

HERE ARE THE FACTS BEHIND THE LICKING COUNTY FARM BUREAU-MOORE FARM SERVICE CONTROVERSY

Late last summer the Outville Hay & Grain Co. (5 miles east of Pataskala) was offered for sale. The Licking County Farm Bureau investigated and found the price was too high. The president of the Farm Bureau co-op board and Eldon Lust, manager, surveyed the railroad facilities and possible locations in the community and found a tract of land near Pataskala that was suitable. Immediately a real-estate agent was contacted who in turn contacted owners of the tract and was able to secure an option.

Early last winter John Moore, owner of Moore Farm Service, which is an elevator at Pataskala, had become ill with a heart ailment and rumors had it that he was going to sell. At the same time approximately 200 farm people in the neighborhood, through a series of 11 meetings, had requested the Farm Bureau to establish a branch at Pataskala. It was felt that before building, Mr. Moore should be contacted to see if he would be willing to sell.

Mr. Moore said that because of his ill health he had considered selling but would like to have a few days to think it over. Meanwhile his son, Howard, who had been employed by the Borden Co., had decided to go into partnership with his father.

A week later Mr. Moore called Mr. Williamson and said he didn't want to sell. He had run an ad meanwhile seeking public sentiment as to whether he should remain in business. In the ad Mr. Moore said, "Mr. Williamson and his associates felt that the privately owned grain and implement dealers in this community were not offering adequate service to the farmers." Mr. Williamson denies this statement. It was the farmers themselves—approximately 200 of them—who felt that their service was not adequate and that they should petition the Farm Bureau for a branch.

Mr. Moore also stated in the ad that "they (the Farm Bureau) offered to buy our Pataskala business; in the event we would not sell, they would erect a building on land on which they have taken an option, and in that way get the business of this community." According to Williamson that statement is only partially true. It is true that the Farm Bureau investigated buying the Pataskala business. Both Lust and Williamson felt that before taking the issue before the board they

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should contact Moore to discover his sentiments. Since it had been rumored that Moore would sell anyway, it was only logical that he should be contacted before another project was started.

Mr. Moore had also printed in the ad: "But we are leaving it up to you—our customers—whether you wish to deal with us whose family has been in this community for over a hundred years, or to deal with a national organization, as was stated by the Farm Bureau representatives." This statement was never made by the Farm Bureau representatives. The Licking County Farm Bureau Cooperative Association is by no means a large national organization. Last year it did $864,000 worth of business, paying back to farmers nearly $31,000 in stock dividends and patronage refunds.

It is not known how many farmers responded to Mr. Moore's ad, but it is doubtful that as many responded as had already petitioned for better service through the Farm Bureau.

The National Tax Equality Association in picking up this incident made these statements, "When the big tax-exempt co-op came along and said 'Sell out or we'll open up across the street,' the Moores appealed to their customers. They found plenty of encouragement to stay in business. But this family, like many other small-business people, are face to face with the fact that tax exemptions and other unfair advantages given to co-op corporations are insurmountable in a competitive way. Tax favoritism enables the co-ops to threaten them with 'sell out or we'll run you out because of our tax advantages'."

It is readily seen that the NTEA has viciously distorted the facts. In the 15-year history of the Licking County Farm Bureau Cooperative Association, no business in the county has failed because of co-op competition. "Sell out or we'll open up across the street" was not the attitude the Farm Bureau representatives took in contacting Mr. Moore at any time.

The Pataskala Standard came out May 12 with a front page news story indicating that Mr. Moore had decided to stay in business since "answers came in by the score," the article said, "Through the mail, over the telephone, and in person." "No single reply was in favor of selling to the Farm Bureau." Many farmers in the neighborhood had estimated that Mr. Moore was getting less than one-third of the farm business in the community. The article went ahead to explain the editor's lack of facts on the Farm Bureau's tax status and made an offer to tell the Farm Bureau's side of the story. In another column a writer named Harvey who conducts a regular feature, told of his return trip from Florida. "Another thing I found out" he said, "on my return that made me boil was the fast one the co-op tried to put over on John Moore and I really got a kick out of the neat way John handled the situation * * *. I am informed they bring in non-American products, handle little known merchandise, pay no taxes, return stock in lieu of cash dividends and claim they are a nonprofit organization. There is a profit and you can be sure of that. But who gets it? That is the question that is bothering a good many farmers these days. I am looking into the situation and I think I'll have some more information in the near future. In the meantime you can rest assured that when you trade with John Moore the entire investment remains in this community."

On May 26 an interview with Eldon Lust, manager of the Licking County Farm Bureau Co-op, was made by the editor. The editor said in part, "The Standard cannot yet claim a thorough knowledge of the aims and purposes of the co-op but we will attempt to give a summary of the interview." He went ahead to try to explain the tax status, but made a very poor report. He claimed all the way through that the co-op was not paying its share of taxes.

On June 2 Harvey had received a letter from "Mose." Mose had asked why with a net earning of $31,573 for the last fiscal year the Farm Bureau could not use the money to finance a plant at Pataskala, "Who has this money and what is it being used for?" he asked. Harvey answered the question with a letter from the National Tax Equality Association in the person of Homer E. Marsh who reported that regular taxpaying corporation with the identical amount of income would have paid $9,000 in Federal income tax and went ahead to explain other tax deductions. It ended up with this statement: "I think that if the farmer was told that he had to pay income taxes on his patronage dividends when not received in cash, he would insist that his cooperative pay such dividends in cash instead of giving him a worthless piece of paper and keeping the cash for expansion." Farmers in this community who have invested a considerable amount in their local cooperative resent this statement. As a matter of fact, for each dollar due on outstanding stock in the Licking County Farm Bureau Cooperative Association approximately $1.35 is back of it.

Careless Navy Flyers

REMARKS
OF
HON. PAUL W. SHAFER
OF MICHIGAN
IN THE HOUSE OF REPRESENTATIVES
Monday, August 1, 1949

Mr. SHAFER. Mr. Speaker, I believe it would be wise for our Committee on the Armed Services to question the higher personnel in the Department of the Navy, and in the other armed services, relative to measures they have been using to curb carelessness on the part of pilots under their jurisdiction. Every one of us is familiar with the details of the tragic crash Saturday over Fort Dix, N. J. This crash, according to eyewitnesses, was the direct result of negligence on the part of a Navy fighter pilot who was at the controls of his plane when it sheared off a section of the Eastern Airlines transport. Apparently this pilot had succumbed to a common human frailty to "show off." Sixteen persons went to a flaming death because this pilot failed to exercise reasonable judgment in a highly hazardous flight area.

Of course, none of us can say definitely what motivated the Navy pilot, or what he was attempting to do, at the time of the tragic crash. He was killed, and no board of inquiry has made a report. But all the witnesses seem to agree that he was stunting in one of the most heavily air traveled areas in the entire United States.

It seems to me that the Navy should take immediate steps to assure the Nation that such accidents will not happen again in the future. With all the Nation over which to fly, and the Atlantic and Pacific Ocean areas on each side of us in which to train, it seems to me particularly stupid that Navy flyers should choose the area over New York, New Jersey, or any other heavily populated areas for training maneuvers or for stunt flying. Two other commercial transport pilots on a rival southern air line Saturday reported being buzzed by Navy fighter pilots. This seems to indicate that these pilots either were under orders from someone to participate in such fool tricks, or have had so much leeway in their activities as to become flight happy. I know that I voice the sentiments of all of my colleagues when I extend sympathy both to the family of the Navy flyer and to the families and friends of the 16 persons who were killed in the transport crash. This type of thing is doubly tragic because it is so useless, so wasteful, and so avoidable by the exercise of common judgment.

I am sure that the gentleman from Georgia [Mr. VINSON], chairman of the Armed Services Committee, will join with me in seeing to it that the Navy immediately gives a report of this tragedy and what measures are being taken to strengthen its code of flight practices so that such an accident will never again blot the Navy's peacetime record.

Dr. Ralph J. Bunche Should Continue His Good Work as UN Mediator for Palestine

EXTENSION OF REMARKS
OF
HON. EMANUEL CELLER
OF NEW YORK
IN THE HOUSE OF REPRESENTATIVES
Monday, August 1, 1949

Mr. CELLER. Mr. Speaker, Dr. Ralph J. Bunche has made an unfortunate mistake in ending his task as United Nation's mediator for Palestine. He has asked that his functions be transferred to a United Nations Commission, giving as his reason that the military phase of the conflict in Palestine is over. Unfortunately, reports reach us that such military phase of the conflict is not over.

There are armistice agreements with Israel and the Arab countries, but they may not be worth the paper they are written on. The peace may only be temporary, not permanent.

In the Arab press, there appear daily demands that war against Israel be resumed. Here are some typical examples of the Arab threats of renewed war against Israel as they appear in the Arab press:

According to the Cairo Al Masri of May 8, 1949, Azzam Pasha declared that the Arabs had better not trust the Jews, but rather expect them at any time to break the armistice and other agreements concluded with them. The Arabs on their part should therefore be prepared for any sudden emergency. He said he did not think it far from possible that the Jews would surprise the Arabs with further aggression. The member states of the Arab League should stand united as one body so as to stifle any aggressive attempts the Jews may come to think of.

The Iraqi Ministry of Defense at Bagdad published a statement regarding the efforts of the Iraqi Army in the Palestine war.

The statement says that the units now returning home are doing so only in order to rest and prepare for the renewal of the Holy Jehad at a suitable time. It goes on to say that if the results in general did not satisfy the Arab peoples, this was not the fault of the army, which will always be prepared to fulfill its mission in Palestine, defend its country and come to the aid of any Arab country in danger.

Mohamed El Taabi in "Achar Sa'a" of Egypt: "The world—at least the Arab world—today knows that Hitler was neither a wicked man nor an oppressor, as represented by Jewish propaganda. He was just an energetic ruler who dealt with the Jews as they deserved it. Perhaps 'peace' will come—but it will be an official peace between the governments only. The Arab peoples will never know peace with the Jews, but will continue to tell the world that a blood feud exists between them and those Jews. * * * They will always remember what happened to the hundreds of thousands of refugees. * * * Until Allah will send them the Savior, the Leader. * * * A new Hitler will rise amongst the Arabs, woe to you, you Jews!"

Azmi Nashashibi, the manager of the Ramallah radio station, in his talk in English broadcast on May 19, 1949: "Thousands of boys are receiving military training and the girls are learning first aid." (He asked for the return of all the refugees to their homes and added:) "We have been attacked, murdered, robbed, ruined—but we shall carry our burdens and when the time comes we shall show what material we are made of. We, the Arabs of Palestine, shall neither forget nor forgive."

Dr. Bunche indeed shuts himself in an ivory tower if he believes real peace has descended upon Palestine. Israel sits upon a powder keg which the Arabs may ignite any day.

It would be tragic indeed if the United Nations, upon the advice of Dr. Bunche, twiddles its thumbs and assumes a do-nothing attitude. Despite the paper armistices, the conciliation and mediation processes must continue.

Under the guise and subterfuge of treaty agreements, Britain has now lifted the arms embargo to Arab nations. Vast quantities of small arms are pouring into Egypt, Iraq, Syria, Transjordan, Lebanon, soon to be followed by heavier equipment and artillery. Against whom will these arms be used? Only against Israel in a "Holy Jehad."

Also France, I am informed, is arming the new Syrian dictator, Marshal Zayim. Dr. Bunche only encourages such action by his unfortunate action. I hope he reconsiders.

Our Government should demand (1) the continuation of all arms embargoes in the sensitive area of the Near East, and (2) continuation of the Palestine Conciliation Commission in toto.

Mace Potent House Symbol

EXTENSION OF REMARKS

OF

HON. GORDON CANFIELD

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Monday, August 1, 1949

Mr. CANFIELD. Mr. Speaker, Arthur Sylvester, well-known correspondent of the Newark (N. J.) Evening News, is the author of a most interesting article on the history and functions of the House mace. It appeared in the News last Sunday and reads as follows:

MACE POTENT HOUSE SYMBOL—THRUST BETWEEN BRAWLING MEMBERS OR CARRIED DOWN AISLE, IT HAS NEVER FAILED TO QUELL DISTURBANCES

(By Arthur Sylvester)

WASHINGTON.—Before the House of Representatives could begin doing business in the temporary quarters it's occupying while the Capitol is being repaired, $400 worth of symbolic sovereignty had to be properly placed. That is the mace, aside from the flag, the only visible symbol of Federal Government authority and as old as the Government itself.

Consisting of 13 ebony rods bound with silver wrappings and topped by a silver eagle astride a silver globe, it looks somewhat like a drum major's baton. But its 46 inches of historic might are used not to beat rhythms but recalcitrant Congressmen. In its day it has quelled book throwing, fist fighting, and other disorders.

The mace was provided for in a resolution adopted by the House during the First Congress in 1789. The original symbol of the authority of the Sergeant at Arms, whose duty is to preserve order on the floor, was destroyed when the British burned the Capitol in 1814. It was replaced by a mace of painted wood until 1841, when the present mace was made as a reproduction of the original by William Adams, of New York, a silversmith.

MODERN FUNCTION

Aside from its historical associations, the mace has a present-day function. When the House is called to order each day an assistant sergeant at arms places the mace on a cylindrical pedestal of polished green marble at the right of the Speaker's desk. Once the Speaker calls the House in session the mace begins its silent but important part in the House proceedings.

Its position tells Members at once whether the House itself is in session or in Committee. When the mace is at the Speaker's right the former is the situation. But when the House resolves itself into Committee of the Whole the mace is removed to a lower white pedestal by the desk of the Sergeant at Arms.

These varying positions are significant to Members, because 218 Members must be present to constitute a quorum for business in the House. Only 100 are necessary when the House is sitting as a Committee of the Whole. In view of its value today the mace cost little. There's an item in a statement of the expenditure of the contingent fund of the House for 1841–42 which reads: "William Adams, a mace for Hall, H. R., $400."

DESIGNED BY JEFFERSON

It was Thomas Jefferson who designed the mace. The 13 rods are, of course, emblematic of the Thirteen Original States. The globe is set with the Western Hemisphere in front under the eagle's back. In creating this part of the form and ceremony of the Government Jefferson drew on history. A heritage of the great days of Rome, the mace was used as a symbol of authority by Britain's House of Commons, after which the House of Representatives was modeled.

In recent years the Speaker has seldom had recourse to the mace to restore order. "The House will please be in order"; "The Chair requests order"; "Will the gentlemen cease their audible conversation or retire to the cloakroom?" These are the traditional requests of the presiding officer, punctuated at times with his gavel. Occasionally the Speaker says: "Will the Sergeant at Arms please assist me in restoring order."

This calls for that officer to walk up the center aisle and wave Members to their seats. If there is real disorder, the final request is given by the Chair: "The Sergeant at Arms will present the mace on the floor of the House." The mace is then carried up the center aisle and back to the rostrum. This usually does the trick.

ALWAYS WORKS

But if there are fisticuffs between two Members, as has happened, then the mace is thrust between the offenders as a silent order to desist and never has this failed to quiet the situation.

It worked one exciting day in 1847 when Robert C. Winthrop, Massachusetts Whig, became Speaker. A charge by Representative Duer of New York that Mr. Meade of Virginia was a disunionist brought a retort from Mr. Meade.

"It is false."

"You lie," countered Mr. Duer, Mr. Toombs of Georgia swung a fist, Mr. Bayly of Virginia got in the fray and it looked like a free-for-all. Sergeant at Arms Sargent presented the mace, every one subsided and Mr. Winthrop took the chair.

There have been other exciting occasions when it saved the day. It ended a fist fight between Illinois and Iowa in the middle aisle in 1880. Three years later the Sergeant at Arms was forced to arrest Representatives Heard of Missouri and Breckinridge of Kentucky until they apologized and subsided. There was a rough time in the Fifty-ninth Congress when Representative Bartlett of Georgia tossed a volume of the United States statutes at a Pennsylvania Member and chased a New York Congressman up the middle aisle with a knife.

NOT USED LATELY

During 1917 Tom Heflin, of Georgia, swapped punches with Patrick Danield Norton of North Dakota. Later a fellow Alabaman asked Mr. Heflin why, if he favored going to war, he didn't enlist himself. Mr. Heflin went after him and the Sergeant at Arms went after the mace.

But there hasn't been a rumpus calling for the mace since 1933; just one-punch affairs. Representative CLARENCE CANNON, Democrat, Missouri, once House parliamentarian, says the boys are too busy today for rough stuff. There used to be fights just from boredom, he says.

At the end of a hard day, in fact every day, the mace goes back to the office of the Sergeant at Arms. There it is locked up under a light which burns constantly. That is out of respect to its symbolic significance.

One Hundred and Fifty-one Taxes Found on Loaf of Bread

EXTENSION OF REMARKS

OF

HON. HOMER D. ANGELL

OF OREGON

IN THE HOUSE OF REPRESENTATIVES

Monday, August 1, 1949

Mr. ANGELL. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following article by Earl Richert, from the Washington Daily News of August 1, 1949:

ONE HUNDRED AND FIFTY-ONE TAXES FOUND ON LOAF OF BREAD

(By Earl Richert)

Without digging very deep, the Tax Foundation has found 151 hidden Federal and State taxes on a loaf of bread.

Selected for study was a loaf made and sold in Indianapolis.

And counted only were the Federal and State taxes paid by the grocer, the baker, the concerns supplying the ingredients that went directly into the bread and the railroads that hauled the ingredients.

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No local taxes were counted nor was any attempt made to add in taxes paid by such far-back factors in the chain of production as the farmer who grew wheat or the manufacturer who made the pans for the bakery ovens.

GROCER AND BAKER PAID

The researchers for the Tax Foundation, a tax study organization, found that the Indianapolis grocer, a small independent, paid four Federal taxes—individual income tax, 15 percent tax on his telephone, 3 percent tax on transportation of property, and 20 percent on his safety-deposit box.

The baker, a large national corporation that owns its trucks, paid Federal taxes—a corporation income tax, stamp taxes on its security transfers and issues, the telephone tax, the telegram tax of 25 percent, the transportation tax of 15 percent for officials traveling on company business, the transportation of property tax, the safe-deposit tax, and the 1 percent of pay roll social security tax.

Together, the grocer and baking concern paid 15 State taxes, with the bakery paying four-fifths of them because of its corporate status and the gasoline and motor vehicle taxes on its trucks. Included in the State taxes paid by the baking concern was four corporation taxes paid in Delaware since the concern is chartered there. Both the grocer and the baker pay an Indiana gross-income tax on their operations.

MILL AND RAILROAD, TOO

The Kansas City flour mill from which came the flour paid seven Federal taxes and eight Missouri State taxes. And the railroad that hauled the flour to Indianapolis paid five Federal taxes and a varying number of taxes to each of the States through which it operates—Missouri, Illinois, and Indiana on this particular haul.

The sugar that went into the bread came from a large refining concern in New Orleans and the refiner paid eight Federal taxes and six Louisiana State taxes. The railroad hauling the sugar to Indianapolis also paid five Federal taxes and a whole flock of State taxes.

SALT, MALT, YEAST

The story is the same for the salt warehouse in Chicago from which the salt came for the bread, the malt company in Chicago, the shortening manufacturer in Cincinnati, the milk-solids manufacturer in Chicago, the yeast factory in Chicago—and the railroads that transported all these ingredients.

If these concerns weren't losing money, they were passing their tax costs along in the bills they charged for their products and services. Altogether, Tax Foundation researchers figured that these supplying concerns and the transporting railroads paid a total of 120 Federal and State taxes—not counting any State taxes for the railroads.

ALWAYS PASSED ALONG

Tax Foundation experts say it is impossible to figure out just what all these tax costs amount to in the retail price of a loaf of bread. But they know they're in there because tax costs are almost always passed along.

WHO, Des Moines, Friend of the Farmer

EXTENSION OF REMARKS

OF

HON. PAUL CUNNINGHAM

OF IOWA

IN THE HOUSE OF REPRESENTATIVES

Monday, August 1, 1949

Mr. CUNNINGHAM. Mr. Speaker, on each visit to my home State of Iowa, I realize more and more the value of radio to the farmers of this Nation. In our modern world, the farmer's work is truly that of a scientist. With the latest and best in farm machinery and with an access through radio to the centers of market information and agricultural research, the farmer of today is a skillful scientist—a student of the soil—bent upon securing the most bountiful crop through businesslike application of modern methods.

Most of the farmer's daily source of agricultural information is by means of his radio. Radio station WHO, Des Moines, renders a highly valued service to farmers. Located in the heart of the Nation's food-producing area, WHO with its clear channel is able to reach from the city of Des Moines and the immediate vicinity to serve vast farm regions which would otherwise have little or no radio service. This fine, clear-channel radio station has always placed the public interest above receipts from sale of time. In paying tribute today to WHO, I want to stress its public-service policies and its never-ending desire to serve faithfully the farm area which hears its clear-channel voice each day.

Mr. Speaker, under leave to extend my remarks, I would like to include in the RECORD a statement on WHO's farm-service policy, plus a brief review of its daily operation:

STATION WHO FARM SERVICE POLICY

Motivating all WHO farm department activities is the conviction that radio offers a unique and outstanding opportunity to render a distinct service to farm families and to all other people, rural and urban, interested in the welfare of agriculture. WHO farm service is expressed in many ways, some of which are:

1. Recognition that farm families are intellectually on as high a plane as any other group, and therefore entitled to as fine a schedule of news, information, entertainment, and other service as it is possible to offer.

2. Daily farm news, weather forecasts, and market reports, with emphasis on food production for a hungry world.

3. Special informative and entertaining programs, of, by, and for farm families.

4. Cooperation with and staging of major farm events designed to serve agriculture.

5. Staff members serve on committees directly concerned with agriculture, and make many speeches to farm groups throughout the Middle West.

6. Personal attention to inquiries and requests for information by correspondence or long-distance telephone, supplemented by broadcasts.

7. Emphasis on farm-family welfare through continuous campaigns on farm and home safety, fire protection, good neighborliness, etc.

8. Working for a better understanding between our own rural and urban people.

STATION WHO—A PUBLIC SERVANT

WHO has attained prominence in Iowa, the Middle West, and the entire Nation because of its sincerely consistent and unselfish service to its listeners—service with news and information—service with good music—service with religious broadcasts—service with the kind and variety of programs that WHO listeners want. WHO consistently heeds the wishes of its audience, thereby giving its city listeners and its farm friends the programs they wish to hear.

Service of WHO to the farmers of Iowa and nearby States has been recognized publicly by many groups both within and without the agricultural industry, including the National Grange and the American Farm Bureau Federation. For example, WHO has received:

1. The du Pont award (the Pulitzer prize of radio) for soil-conservation work.

2. A farm-service award from Variety magazine.

3. Awards from National Safety Council, 3 consecutive years for farm-safety efforts.

4. Citations from National Board of Fire Underwriters for educational work to remove farm-fire hazards.

5. National citation from American Legion for presentation of programs for the betterment of community, State and Nation.

6. Varied and numerous awards for all types of public-service contributions to the people of Iowa and nearby States.

The Townsend Plan

EXTENSION OF REMARKS

OF

HON. WILLIAM S. HILL

OF COLORADO

IN THE HOUSE OF REPRESENTATIVES

Monday, August 1, 1949

Mr. HILL. Mr. Speaker, following is a petition signed by members of the Townsend Club, Greeley, Colo., in the Second Congressional District of Colorado, and I wish to present this as evidence of the interest in the passage of H. R. 2136:

GREELEY, COLO.

Hon. WILLIAM S. HILL,
Washington, D. C.:

We, the undersigned citizens of the Second Congressional District of the State of Colorado, respectfully request the passage of H. R. 2135 and H. R. 2136, known as the Townsend plan, and respectfully request your cooperation and help.

Mrs. Inda A. Mullikan, P. N. Price, Anna Leonard, Nettie Peterson, James E. Hume, W. J. Simms, Josephine Simms, Russell Borth, Harold Hein, Ed Bila, Catherine Tilk, Rose R. Waite, Fred Dilka, Mary Dilka, Walter E. Cary, Floyd Bainbridge, Harold C. Howard, William L. Norris, Glen F. Norris, L. R. Norris, Mrs. Myrtle Jennings, Nola M. Jennings, Mrs. Charles C. Melander, Stella Regester, Della Lloyd, Phillippa Watson, E. B. Storey, C. B. Daniels, Fern Silvey, Greeley, Colo.; Pauline Baumig, Eaton, Colo.; Helene Holley, Carl Thiel, Mrs. Bessie M. Wolaver, Mrs. Jessie Carr, E. B. Silvey, Davis Burrell, J. L. Dickey, Mrs. L. J. Simmons, Dorothy Simmons, F. J. Williams, W. I. Jennings, Greeley, Colo.; Fred L. Aleck, Evans, Colo.; Frank A. Jaspa, Greeley, Colo.; Neal Dilley, Kersey, Colo.; George A. Hill, Pery Fugate, Daniel Martinez, Teodora Martinez, Charles Derksen, Edith A. Derksen, A. H. Jordan, Charles Holfied, Harry Fortune, Mrs. Madge Fortune, Miss Edna Wilson, Truman Avery Steward, George W. Helps, Ellen M. Helps, Frank Lewis, Lesta J. Chase, Linda E. Potter, Laura Bird, Paul Stuart, E. J. Carter, Louis C. Baab, Rolla McBride, W. C. Umble, C. O. Oglesby, L. J. Simmons, William R. Hockley, Claude A. Carr, Conrad Borgens, G. S. Larson, Thomas J. Hogentogler, F. L. Payne, Mrs. F. S. Payne, Mrs. Gertrude M. Blake, Rudy Ensior, Charles O. Lind, Mollie Theil, Rev. A. H. Rux, Anna Sampson, Charles C. Melander, Dorthea Baker, John A. Fry, Edward M. Kuffinger, H. O. Timothy, Glen W. Timothy, John G. Parker, Julio S. Trujillo, Lee Mota, A. M. McCollins, William M. Hammer, Ben Gleasman, Henry W. Stenger, John Frank, Jacob Greenwalt, August Tierke, Greeley, Colo.

D. A. Houston, Charles Deuel, Mabel Deuel, Winona E. Miller, Isabel Deuel, Ed B. Deuel,

Flora Whitteker, Frank Lofgren, Mrs. Edna Lofgren, Lila Caton, Ursola Stacey, S. A. Stacey, John A. Saxman, Wesley E. Stevens, Edward West, Harry Leonard, J. E. Erickson, Margaret Erickson, Mattie Price, C. B. King, Allen Harrington, Rena Harrington, Leo C. Miller, Alice L. Howard, Goldie Reitenbaugh, Mrs. Florence Moser, Katherine Bender, Earl M. Chase, George B. Johnson, Dyer Kennedy, Mrs. P. R. Boden, P. R. Boden, H. T. McDaniel, C. B. Dumler, E. G. Smith, William Stack, Charles Alford, Don Culver, R. O. Schmidt, Harland Stoll, Harry Winter, F. J. Stoll, Robert Stoll, Frank A. Eberly, Ellis M. Arnold, Greeley, Colo.; F. W. Kohler, Evans, Colo.; Paul Baringer, J. M. Hubble, E. E. Johnson, E. C. Parris, A. C. Bierig, H. E. McLearen, Mrs. Beulah Kler, James E. Summers, A. W. Cross, Gladys Cumley, William Mitchell, Lora Lee Mitchell, Ruby A. Hendrickson, Clyde Cumley, Greeley, Colo.

The Story of the French Assignat—A Graphic Account of French Inflation

EXTENSION OF REMARKS

OF

HON. COMPTON I. WHITE

OF IDAHO

IN THE HOUSE OF REPRESENTATIVES

Wednesday, July 20, 1949

Mr. WHITE of Idaho. Mr. Speaker, ever since I started to study the subject of money, I have read reference to the French assignat—French paper money based on the value of the land and real property the French confiscated from church organizations back in the seventeenth century. Recently there came into my hands an authentic account of the French assignat and its effect on the French economy just prior to the French Revolution.

This record of the assignat was prepared by a former president of Cornell University, Mr. White, with many citations from authentic documents made with painstaking care, which I have taken the liberty to condense and present herewith for the information of my colleagues:

Early in the year 1789 the French nation found itself in deep financial embarrassment; there was a heavy debt and a serious deficit.

There was a general search for some short road to prosperity; ere long the idea was set afloat that the great want of the country was more of the circulating medium; and this was speedily followed by calls for an issue of paper money. During the last months of 1789 and the first months of 1790 came discussions in the National Assembly looking to issues of notes based upon the landed property of the church—which was to be confiscated for that purpose.

The National Assembly had determined to confiscate the vast real property of the French church—the pious accumulations of 1,500 years. There were princely estates in the country, bishop's palaces and conventual buildings in the towns; these formed between one-fourth and one-third of the entire real property of France, and amounted in value to at least 2,000,000,000 livres (normal value 19.1 cents). By a few sweeping strokes all this became the property of the nation. Never, apparently, did a government secure a more solid basis for a great financial future.

It was urged, then, that the issue of four hundred millions of paper (not in the shape of interest-bearing bonds, as had at first been proposed, but in notes small as well as large), would give the treasury something to pay out immediately, and relieve the national necessities.

In April 1790, came the final decree to issue 400,000,000 livres in paper money, based upon confiscated property of the church for its security.

This sum—four hundred millions, so vast in those days—was issued in assignats, which were notes secured by a pledge of productive real estate and bearing interest to the holder at 3 percent. No irredeemable currency has ever claimed a more scientific and practical guaranty for its goodness and for its proper action on public finances.

The first result of this issue was apparently all that the most sanguine could desire; the treasury was at once greatly relieved; a portion of the public debt was paid; creditors were encouraged; credit revived; ordinary expenses were met, and, a considerable part of this paper money having thus been passed from the government into the hands of the people, trade increased and all difficulties seemed to vanish. But soon there came another result; times grew less easy; by the end of September, within 5 months after the issue of the four hundred millions in assignats, the government had spent them and was again in distress. Throughout the country began a cry for another issue of paper.

The question was brought up by Montesquieu's report on the 27th of August, 1790. This report favored, with evident reluctance, an additional issue of paper. It went on to declare that the original issue of four hundred millions, though opposed at the beginning, had proved successful; that assignats were economical. Chabroud said that the issué of assignats would relieve the distress of the people and he presented very neatly the new theory of paper money and its basis in the following words. "The earth is the source of value; you cannot distribute the earth in a circulating value, but this paper becomes representative of that value and it is evident that the creditors of the nation will not be injured by taking it." Boutidoux, resorting to phrasemaking, called the assignats "un papier terre," or "land converted into paper."

Royer said to the National Assembly "If it is necessary to create five thousand millions, and more, of the paper, decree such a creation gladly." He, too, predicted, as many others had done, a time when gold was to lose all its value, since all exchanges would be made with this admirable, guaranteed paper, and therefore that coin would come out from the places where it was hoarded. He foretold prosperous times to France in case these great issues of paper were continued and declared these "the only means to insure happiness, glory, and liberty to the French nation."

Prudhomme's newspaper poured contempt over gold as security for the currency, extolled real estate as the only true basis, and was fervent in praise of the convertibility and self-adjusting features of the proposed scheme. On the 29th of September 1790, by a vote of 508 to 423, the deed was done; a bill was passed authorizing the issue of 800,000,000 of new assignats, but solemnly declaring that in no case should the entire amount put in circulation exceed twelve hundred millions. To make assurance doubly sure, it also provided that as fast as the assignats were paid into the treasury for land they should be burned, and thus a healthful contraction be constantly maintained. Unlike the first issue, these new notes were to bear no interest.

Within a short time there had been received into the treasury for lands 160,000,000 livres in paper. By the terms of the previous acts this amount of paper ought to have been retired. Instead of this, under the plea of necessity, the greater part of it was reissued in the form of small notes.

There was, indeed, much excuse for new issues of small notes, for, under the theory that an issue of smaller notes would drive silver out of circulation, the smallest authorized assignat was for 50 livres. To supply silver and copper and hold it in circulation everything was tried. Citizens had been spurred on by law to send their silverware and jewels to the mint. Even the king sent his silver and gold plate, and the churches and convents were required by law to send to the government melting pot all silver and gold vessels not absolutely necessary for public worship. For copper money the church bells were melted down. But silver and even copper continued to become more and more scarce. In the midst of all this, various juggleries were tried, and in November 1790 the Assembly decreed a single standard of coinage, the chosen metal being silver, and the ratio between the two precious metals was changed from 15½ to 1, to 14½ to 1—but all in vain. It was found necessary to issue the dreaded small paper, and a beginning was made by issuing one hundred millions in notes of 5 francs, and, ere long, obedient to the universal clamor, there were issued parchment notes for various small amounts down to a single sou.

A troublesome fact began now to appear. Though paper money had increased in amount prosperity had steadily diminished. In spite of all paper issues, commercial activity grew more and more spasmodic. Enterprise was chilled and business became more and more stagnant. At one town, Lodeve, 5,000 workmen were discharged from the cloth manufactories. Every cause except the right one was assigned for this. Heavy duties were put upon foreign goods; everything that tariffs and customhouses could do was done. Still the great manufactories of Normandy were closed, those of the rest of the kingdom speedily followed, and vast numbers of workmen in all parts of the country were thrown out of employment. Nor was this the case with the home demand alone. The foreign demand which at first had been stimulated, soon fell off.

All this breaking down of the manufactures and commerce of the nation made fearful inroads on the greater fortunes; but upon the lesser, and upon the little properties of the masses of the nation who relied upon their labor, it pressed with intense severity. The capitalist could put his surplus paper money into the Government lands and await results; but the men who needed their money from day to day suffered the worst of the misery. Still another difficulty appeared. There had come a complete uncertainty as to the future. Long before the close of 1791 no one knew whether a piece of paper money representing a hundred livres would, a month later, have a purchasing power of 90 or 80 or 60 livres. The result was that capitalists feared to embark their means in business. Enterprise received a mortal blow. Demand for labor was still further diminished; and here came a new cause of calamity; for this uncertainty withered all far-reaching undertakings. The business of France dwindled into a mere living from hand to mouth. This state of things, too, while it bore heavily upon the moneyed classes, was still more ruinous to those in moderate and, most of all, to those in straitened circumstances. With the masses of the people, the purchase of every article of supply became a speculation.

In the leading French cities now arose a luxury and license which was a greater evil even than the plundering which ministered to it. In the country the gambling spirit spread more and more. The artful plunder-

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ing of the people at large was bad enough, but worse still was this growing corruption in official and legislative circles. Out of the speculating and gambling of the inflation period grew luxury, and, out of this, corruption. It grew as naturally as a fungus on a muck heap. It was first felt in business operations, but soon began to be seen in the legislative body and in journalism. Bribery of legislators followed as a matter of course, Delaunay, Julilen and Chabot accepted a bribe of 500,000 livres for aiding legislation calculated to promote the purposes of certain stockholders. It is some comfort to know that nearly all concerned were guillotined for it.

On December 17, 1791, a new issue was ordered, making in all twenty-one hundred millions authorized. Coupled with this was the declaration that the total amount in actual circulation should never reach more than sixteen hundred millions. Before this issue the value of the 100 livres note had fallen at Paris to about 80 livres; immediately afterward it fell to about 68 livres. The most curious thing evolved out of all this chaos was a new system of political economy. In speeches, newspapers and pamphlets about this time, we began to find it declared that, after all, a depreciated currency is a blessing; that gold and silver form an unsatisfactory standard for measuring values; that it is a good thing to have a currency that will not go out of the kingdom and which separates France from other nations; that thus shall manufacturers be encouraged; that commerce with other nations may be a curse, and hindrance thereto may be a blessing; that the laws of political economy however applicable in other times, are not applicable to this particular period, and, however, operative in other nations, are not now so in France; that the ordinary rules of political economy are perhaps suited to the minions of despotism but not to the free and enlightened inhabitants of France at the close of the eighteenth century; that the whole state of present things, so far from being an evil is a blessing.

On April 30, 1792, came the fifth great issue of paper money, amounting to three hundred millions; at about the same time Cambon sneered ominously at public creditors as "rich people, old financiers and bankers." Soon payment was suspended on dues to public creditors for all amounts exceeding 10,000 francs. This was hailed by many as a measure in the interests of the poorer classes of people, but the result was that it injured them most of all. Henceforward, until the end of this history capital was quietly taken from labor and locked up in all the ways that financial ingenuity could devise. All that saved thousands of laborers in France from starvation was that they were drafted off into the army and sent to be killed on foreign battlefields.

On the last day of July 1792, came another brilliant report from Fouquet, showing that the total amount of currency already issued was about twenty-four hundred millions, but claiming that the national lands were worth a little more than this sum. A decree was now passed issuing three hundred millions more. By this the prices of everything were again enhanced save one thing, and that one thing was labor. Strange as it may at first appear, while the depreciation of the currency had raised all products enormously in price, the stoppage of so many manufactories and the withdrawal of capital caused wages in the summer of 1792, after all inflation, to be as small as they had been 4 years before—viz, 15 sous per day. No more striking example can be seen of the truth uttered by Daniel Webster, that "of all contrivances for cheating the laboring classes of mankind, none has been more effective than that which deludes them with paper money." Issue after issue followed at intervals of a few months, until, on December 14, 1792, we have an official statement to the effect that thirty-five hundred millions had been put forth, of which six hundred millions had been burned, leaving in circulation twenty-eight hundred millions. The consequences of these over-issues now began to be more painfully evident to the people at large. Articles of common consumption became enormously dear and prices were constantly rising. The washerwomen of Paris, finding soap so dear that they could hardly purchase it, insisted that all the merchants who were endeavoring to save something of their little property by refusing to sell their goods for the wretched currency with which France was flooded, should be punished with death; the women of the markets and the hangers-on of the Jacobin Club called loudly for a law "to equalize the value of paper money and silver coin." It was also demanded that a tax be laid especially on the rich, to the amount of 400,000,000 francs, to buy bread. The result was that on the 28th of February 1793, at 8 o'clock in the evening, a mob of men and women in disguise began plundering the stores and shops of Paris. At first they demanded only bread; soon they insisted on coffee and rice and sugar; at last they seized everything on which they could lay their hands—cloth, clothing, groceries, and luxuries of every kind. Two hundred such places were plundered. This was endured for 6 hours and finally order was restored only by a grant of 7,000,000 francs to buy off the mob. The new political economy was beginning to bear its fruits luxuriantly. A gaudy growth of it appeared at the city hall of Paris when, in response to the complaints of the plundered merchants, Roux declared, in the midst of great applause, that "shopkeepers were only giving back to the people what they had hitherto robbed them of."

On June 22, 1793, the convention determined that there should be a forced loan, secured on the confiscated lands of the emigrants and levied upon all married men with incomes of 10,000 francs, and upon all unmarried men with incomes of 6,000 francs. It was calculated that these would bring into the treasury a thousand millions of francs. But a difficulty was found. So many of the rich had fled or had concealed their wealth that only a fifth of the sum required could be raised, and therefore a law was soon passed which levied forced loans upon incomes as low as 1,000 francs—or, say, $200 of American money. This tax was made progressive. On the smaller proprietors it was fixed at one-tenth and on the larger, that is, on all incomes above 9,000 francs, it was made one-half of the entire income. Little if any provision was made for the repayment of this loan, but the certificates might be used for purchasing the confiscated real estate of the church and of the nobility.

The third outgrowth of the vast issue of fiat money culminated on September 29, 1793, in the Law of the Maximum. Committees of experts were appointed to study the whole subject of prices, and at last there were adopted the great four rules which seemed to statesmen of that time a masterly solution of the whole difficulty.

First, the price of each article of necessity was to be fixed at one and one-third its price in 1790. Secondly, all transportation was to be added at a fixed rate per league. Thirdly, 5 percent was to be added for the profit of the wholesaler. Fourthly, 10 percent was to be added for the profit of the retailer. Nothing could look more reasonable.

The first result of the Maximum was that every means was taken to evade the fixed price imposed, and the farmers brought in as little produce as they possibly could. This increased the scarcity, and the people of the large cities were put on an allowance. Tickets were issued authorizing the bearer to obtain at the official prices a certain amount of bread or sugar or soap or wood or coal to cover immediate necessities. But it was found that the Maximum, with its divinely revealed four rules, could not be made to work well—even by the shrewdest devices. In the greater part of France it could not be enforced. As to merchandise of foreign origin or merchandise into which any foreign product entered, the war had raised it far above the price allowed under the first rule, namely, the price of 1790, with an addition of one-third. Shopkeepers therefore could not sell such goods without ruin. The result was that very many went out of business, and the remainder forced buyers to pay enormous charges under the very natural excuse that the seller risked his life in trading at all. That this excuse was valid is easily seen by the daily lists of those condemned to the guillotine, in which not infrequently figure the names of men charged with violating the Maximum laws. Manufactures were very generally crippled and generally destroyed, and agriculture was fearfully depressed. To detect goods concealed by farmers and shopkeepers, a spy system was established with a reward to the informer of one-third of the value of the goods discovered. To spread terror, the criminal tribunal at Stransburg was ordered to destroy the dwelling of anyone found guilty of selling goods above the price set by law. The farmer often found that he could not raise his products at anything like the price required by the new law, and when he tried to hold back his crops or cattle, alleging that he could not afford to sell them at the prices fixed by law, they were frequently taken from him by force and he was fortunate if paid even in the depreciated fiat money—fortunate, indeed, if he finally escaped with his life.

Involved in all these perplexities, the convention tried to cut the Gordian knot. It decreed that any person selling gold or silver coin, or making any difference on any transaction between paper and specie, should be imprisoned in irons for 6 years—that anyone who refused to accept payment in assignats, or accepted assignats at a discount, should pay a fine of 3,000 francs; and that anyone committing this crime a second time should pay a fine of 6,000 francs and suffer imprisonment 20 years in irons. Later, on the 8th of September 1793, the penalty for such offenses was made death, with confiscation of the criminal's property, and a reward was offered to any person informing the authorities regarding any such criminal transaction. To reach the climax of ferocity, the convention decreed, in May 1794, that the death penalty should be inflicted on any person convicted of "having asked, before a bargain was concluded, in what money payment was to be made." Nor was this all. The great Finance Minister Cambon soon saw that the worst enemies of his policy were gold and silver. Therefore it was that, under his lead, the convention closed the exchange and finally, on November 13, 1793, under terrifying penalties, suppressed all commerce in the precious metals. About a year later came the abolition of the Maximum itself.

It is easily seen that these Maximum laws were perfectly logical. Whenever any nation intrusts to its legislators the issue of a currency not based on the idea of redemption in standard coin recognized in the commerce of civilized nations, it intrusts to them the power to raise or depress the value of every article in the possession of every citizen. Louis XIV had claimed that all property in France was his own, and that what private persons held was as much his as if it were in his coffers. But even this assumption is exceeded by the confiscating power exercised in a country where, instead of leaving values to be measured by a standard common to the whole world, they are left to be depressed

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or raised at the whim, caprice or interest of a body of legislators. When this power is given the power of fixing prices is inevitably included in it.

It may be said that these measures were made necessary by the war then going on. Nothing could be more baseless than such an objection. In this war the French soon became generally successful. It was quickly pushed mainly upon foreign soil. Numerous contributions were levied upon the subjugated countries to support the French armies. The war was one of those in which the loss, falling apparently on future generations, first stimulates, in a sad way, trade and production. The main cause of these evils was tampering with the circulating medium of an active nation; keeping all values in fluctuation; discouraging enterprise; paralyzing energy; undermining sobriety; obliterating thrift; promoting extravagance and exciting riot by the issue of a irredeemable currency.

And now was seen, taking possession of the nation, that idea which developed so easily out of the fiat money system—the idea that the ordinary needs of government may be legitimately met wholly by the means of paper currency—that taxes may be dispensed with. As a result it was found that the assignat printing press was the one resource left to the government, and the increase in the volume of paper money became every day more appalling. The national convention, which succeeded the legislative assembly, issued in 1793 over three thousand millions of assignats, and, of these, over twelve hundred millions were poured into the circulation. Everything was tried. By various degrees of persuasion or force—the guillotine looming up in the background—holders of assignats were urged to convert them into evidence of national debt, bearing interest at 5 percent, with the understanding that if more paper were afterward needed more would be issued. All in vain. The official table of depreciation shows that the assignats continued to fall. A forced loan, calling in a billion of these checked this fall, but only for a moment. The interconvertibility scheme between currency and bonds failed as dismally as the interconvertibility scheme between currency and land had failed.

Cambon, especially, ranked then and ranks now as among the most expert in any period. The disastrous results of all his courage and ability in the attempt to stand against the deluge of paper-money show how powerless are the most skillful masters of finance to stem the tide of fiat money calamity when once it is fairly under headway; and how useless are all enactments which they can devise against the underlying laws of nature. In obedience to those who believed with the market women of Paris, as stated in their famous petition that "laws should be passed making paper money as good as gold," Couthon, in August 1793, had proposed and carried a law punishing any person who should sell assignats at less than their normal value with imprisonment for 20 years in chains, and later carried a law making investments in foreign countries by Frenchmen punishable by death. But to the surprise of the great majority of the French people, the value of the assignats was found, after the momentary spasm of fear had passed, not to have been permanently increased by these measures; on the contrary, this fiat paper persisted in obeying the natural laws of finance and, as new issues increased, their value decreased.

The question will naturally be asked, On whom did this vast depreciation mainly fall at last? When this currency had sunk to about one three-hundredth part of its nominal value, and, after that, to nothing, in whose hands was the bulk of it? The answer is simple. I shall give it in the exact words of that thoughtful historian from whom I have already quoted: "Before the end of the year 1795 paper money was almost exclusively in the hands of the working classes, employees and men of small means, whose property was not large enough to invest in stores of goods or national lands. Financiers and men of large means were shrewd enough to put as much of their property as possible into objects of permanent value. The working classes had no such foresight or skill or means. On them finally came the great crushing weight of the loss. After the first collapse came up the cries of the starving. Roads and bridges were neglected; many manufactories were given up in utter helplessness." To continue in the words of the historian already cited; "None felt any confidence in the future in any respect; few dared to make a business investment for any length of time and it was accounted a folly to curtail the pleasures of the moment—to accumulate or save for so uncertain a future."

This system in finance was accompanied by a system in politics no less startling, and each system tended to aggravate the other. The wild radicals, having sent to the guillotine first all the Royalists and next all the leading Republicans they could entrap, the various factions began sending each other to the same destination—Hebertists, Dantonists, with various other factions and groups, and, finally, the Robespierrists, followed each other in rapid succession. After these declaimers and phrase-mongers had thus disappeared there came to power, in October 1795, a new government—mainly a survival of the more scoundrelly—the Directory. It found the country utterly impoverished.

The first new expedient of the Directory was to secure a forced loan of 600,000,000 francs from the wealthier classes, but this was found fruitless. Ominous it was when persons compelled to take this loan found that for an assignat of 100 francs only 1 franc was allowed. Next a national bank was proposed, but capitalists were loath to embark in banking while the howls of the mob against all who had anything especially to do with money resounded in every city. At last the Directory bethought themselves of another expedient. Pursuant to this decision it was decreed that a new paper money fully secured and as good as gold be issued under the name of "mandats." In order that these new notes should be fully secured, choice public real estate was set apart to an amount fully equal to the nominal value of the issue, and anyone offering any amount of the mandats could at once take possession of government lands; the price of the lands to be determined by two experts, one named by the government and one by the buyer, and without the formalities and delays previously established in regard to the purchase of lands with assignats.

Perhaps the most whimsical thing in the whole situation was the fact that the government, pressed as it was by demands of all sorts, continued to issue the old assignats at the same time that it was discrediting them by issuing the new mandats. And yet in order to make the mandats as good as gold it was planned by forced loans and other means to reduce the quantity of assignats in circulation, so that the value of each assignat should be raised to one-thirtieth of the value of gold, then to make mandats legal tender and to substitute them for assignats at the rate of 1 for 30. Never were great expectations more cruelly disappointed. Even before the mandats could be issued from the press they fell to 35 percent of their nominal value, from this they speedily fell to 15, and soon after to 5 percent, and finally, in August 1796, 6 months from their first issue, to 3 percent. The plan failed.

From time to time various new financial juggles were tried, some of them ingenious, most of them drastic. It was decreed that all assignats above the value of 100 francs should cease to circulate after the beginning of June 1796. But this only served to destroy the last vestige of confidence in government notes of any kind. Another expedient was seen in the decree that paper money should be made to accord with a natural and immutable standard of value and that 1 franc in paper should thenceforth be worth 10 pounds of wheat. This also failed. On July 16 another decree seemed to show that the authorities despaired of regulating the existing currency and it was decreed that all paper, whether mandats or assignats, should be taken at its real value, and that bargains might be made in whatever currency people chose. The real value of the mandats speedily sank to about 2 percent of their nominal value and the only effect of this legislation seemed to be that both assignats and mandats went still lower. Then from February 4 to February 14, 1797, came decrees and orders that the engraving apparatus for the mandat should be destroyed as that for the assignats had been, that neither assignats nor mandats should longer be a legal tender and that old debts to the state might be paid for a time with government paper at the rate of 1 percent of their face value. Then, less than 3 months later, it was decreed that the 21,000,000,000 of assignats still in circulation should be annulled. Finally, on September 30, 1797, as the culmination of these and various other experiments and expedients, came an order of the Directory that the national debts should be paid two-thirds in bonds which might be used in purchasing confiscated real estate, and the remaining "consolidated third," as it was called, was to be placed on the great book of the national debt to be paid thenceforth as the government should think best.

As to the bonds which the creditors of the nation were thus forced to take, they sank rapidly, as the assignats and mandats had done, even to 3 percent of their value. As to the "consolidated third," that was largely paid, until the coming of Bonaparte, in paper money which sank gradually to about 6 percent of its face value. Since May 1797, both assignats and mandats had been virtually worth nothing. So ended the reign of paper money in France. The twenty-five hundred millions of mandats went into the common heap of refuse with the previous forty-five thousand millions of assignats: The nation in general, rich and poor alike, was plunged into financial ruin from one end to the other.

After the assignat and French inflation had run its course, the subsequent history of French finances and French money is extremely interesting. The French Government established the bimetallic system of money on a ratio of 15½ to 1 between the money metals, silver and gold, with the franc as the unit of value. This money system worked so well that later the French Government, to stabilize international exchange between several European countries, joined other nations in establishing international bimetallic system of money. We are told that on the 23d day of December 1865 (70 years after the passing of the assignat), France, Belgium, Italy, and Switzerland united in a monetary treaty to regulate the weight, title, form, and circulation of their gold and silver coins whereby they agreed to coin gold only the pieces of 100, 50, 20, 10, and 5 francs in weight, standard, tolerance, and diameter, and of silver only the 5-franc pieces of the standard weight and fine-

ness with unlimited coinage and legal tender for such coins, and further agreed to coin in amounts as herein prescribed for each state, silver coins of 1 and 2 francs, 50 and 20 centimes of reduced fineness and limited in legal tender to 50 francs, and that any nation could join the convention by adopting its monetary system in regard to gold and silver coins. On January 4, 1867, Mr. Berthemy, Envoy of France to the United States, submitted to Secretary Seward a copy of the monetary convention of December 23, 1865, and invited the United States to become a party to it. Senator Cockrell in his illuminating speech said that was the only time the United States was ever offered an opportunity to become a member of an international bimetallic union.

Here was a bimetallic system upon the ratio of 15½ to 1 maintained by France since October 30, 1785, and all our Government had to do was simply subscribe to it—there was no international complication connected with it—nothing to do but simply subscribe to it and agree that we would coin certain coins. In order to come to that we only had to strike out about 12½ grains of our standard silver dollar—reduce it to 400 grains—to bring it down to the ratio of 15½ to 1. This was an opportunity, an invitation to the United States to join an international bimetallic union of Europe and we are told that the distinguished Senator from Ohio, Mr. Sherman, and Mr. Ruggles, United States Commissioner to the international monetary convention of 1867, prevented it.

Following this silver was demonetized in this country in 1873 and the long struggle to remonetize silver and the effort to secure the adoption of a stable international monetary system ensued with the result that Congress passed a resolution embodying a declaration of policy as to international bimetallism. And while little or no effort has been made by succeeding administrations to carry out the provision of the declaration, the law still stands on our statute book which is inserted here for the information of my colleagues:

SEC. 311. Policy of United States as to bimetallism: It is hereby declared to be the policy of the United States to continue the use of both gold and silver as standard money, and to coin both gold and silver into money of equal intrinsic and exchangeable value, such equality to be secured through international agreement, or by such safeguards of legislation as will insure the maintenance of the parity in value of the coins of the two metals, and the equal power of every dollar at all times in the markets and in the payment of debts. And it is hereby further declared that the efforts of the Government should be steadily directed to the establishment of such a safe system of bimetallism as will maintain at all times the equal power of every dollar coined or issued by the United States, in the markets and in the payment of debts.

This declaration of our monetary policy was never repealed.

Who can calculate today the loss that might have been saved to people of the world if France and the United States had been successful in establishing a sound, adequate, workable money system by securing the adoption of international bimetallism throughout the world?

Hon. John Taber

EXTENSION OF REMARKS
OF
HON. RALPH E. CHURCH
OF ILLINOIS
IN THE HOUSE OF REPRESENTATIVES
Monday, August 1, 1949

Mr. CHURCH. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following editorial from the Chicago Tribune of July 30, 1949:

HE'D RATHER BE RIGHT

We wish to make acknowledgment of an honorable man. Representative JOHN TABER, of New York, the ranking Republican on the House Appropriations Committee and chairman during the Eightieth Congress, has made a remarkable speech depicting the ruin that attends Mr. Truman's design to convert America into the image of the socialist British state. The speech was remarkable because everybody knows what Mr. TABER said is true, yet truth has such an alien ring in these times that it comes as a striking novelty. Almost all political issues and arguments, being intended to accomplish political purposes, are wholly divorced from reality, but the people have been exposed to them so often that they expect nothing else.

The most striking utterance of Mr. TABER was also the simplest: "I do not care enough about retaining my seat in Congress to lie, cheat, and deceive my constituents."

This creed makes Mr. TABER almost unique among politicians.

Status Report of Antitrust Inquiry of Subcommittee on Study of Monopoly Power

EXTENSION OF REMARKS
OF
HON. EMANUEL CELLER
OF NEW YORK
IN THE HOUSE OF REPRESENTATIVES
Monday, August 1, 1949

Mr. CELLER. Mr. Speaker, under leave granted to extend my remarks in the RECORD, I include the following statement:

Chairman EMANUEL CELLER, of the House Judiciary Committee, announced today that because of the enlightening and constructive testimony being offered in the subcommittee's investigation of monopoly power the preliminary hearings have been extended until August 5, 1949.

The subcommittee has been holding three hearings a week since July 11, 1949. It was originally planned to wind up the preliminary hearings in 2 or 3 weeks and recess until fall. But the testimony so far offered has been so enlightening and so valuable, Mr. CELLER said, that the hearings have been extended through August 5.

Witnesses who will appear before that date include Thurman Arnold, former Federal judge and former Assistant Attorney General in charge of antitrust enforcement; Leroy Lincoln, president of the Metropolitan Life Insurance Co.; Milton Handler, professor of law, Columbia University; Edward R. Johnston, of Chicago, chairman of division of trade and commerce committee, American Bar Association; Herman W. Steinkraus, president, United States Chamber of Commerce; and Herbert A. Toulmin, Jr., patent attorney, of Dayton, Ohio.

After the conclusion of the preliminary hearings on August 5, Mr. CELLER said, the hearings will be recessed until fall. During the interim the subcommittee will study the testimony adduced and other available material, especially for the purpose of bringing out the points where additional information is required. The President has expressed a deep interest in this investigation in a letter to Mr. CELLER, and has directed the various administrative agencies to cooperate with the subcommittee in every way as may be needed. When the hearings are resumed they will be directly aimed at preparing some parts of the needed legislation for introduction in time for the next session of the Congress. Mr. CELLER said he was hopeful that the committee would be able to present legislation early in the session that would meet the approval of Congress and do something more realistic about blocking the growth of monopoly than the present laws have accomplished.

Summarizing the hearings to date, Mr. CELLER emphasized that they have been designed primarily to outline the problem, suggest possible areas of study, and possible legislative remedies for study by the subcommittee.

Witnesses so far have included Government officials, lawyers, representatives of labor, economic experts, most of whom have been long-time students of the problem of monopoly and concentrated economic power. No representatives of big business have appeared to date. Some who have been invited have preferred to wait for a later stage in the investigation. Others have found it convenient to appear on the dates available between now and August 5.

Mr. CELLER pointed out that the record, so far, is therefore highly incomplete, but that it had developed certain very definite trends. Virtually every witness, he noted, has expressed concern over the growth of concentrated economic power in the hands of a few big corporations, and warned that this, if allowed to continue, cannot fail to result in big government.

Most of the witnesses have warned that if corporations are allowed to continue to grow the Government will either have to step in to regulate them or take them over in the public interest. Several witnesses have pointed out how uncontrolled monopoly in other nations of the world has led to fascism, communism, or some form of democratic socialism. They have warned that the same thing is likely to happen here.

The witnesses who have voiced these warnings have invariably regarded such developments as unsuited to the American tradition and urged that the Government take effective action to stop the further growth of concentrated economic power before our economic system, if not our political system, is destroyed.

So far, Mr. CELLER said, three courses of action have been suggested. One type of remedy consists in specific amendments to the existing laws. Practically all witnesses, for instance, have favored the plugging of the impressive loophole in the antitrust laws by amending section 7 of the Clayton Act, concerning mergers of corporations. Happily, the House Judiciary Committee has already ordered reported the CELLER bill, H. R. 2734, for that purpose to the House. Numerous other suggestions have been offered.

A second kind of remedy was suggested by several witnesses, namely to repeal some or all of the acts granting exceptions to the antitrust laws such as the Miller-Tydings price maintenance law and the Reed-Bulwinkle law exempting the railroads from the antitrust laws. Many of the witnesses, however, including most of those who suggested patchwork remedies, have held that the antitrust laws require serious reconsideration in the light of conditions that have arisen since 1890. Mr. Adolph Berle was particularly emphatic on this point, calling attention for

example to the concentration of new capital funds in the larger corporations, and the secondary effect of tax laws, as forces pressing toward concentration so powerful as to frustrate the enforcement of the present law.

There was also some testimony indicating that concentrations may have proceeded beyond the size needed for efficiency. Dr. Walton Hamilton was of the opinion that over-all efficiency has been promoted in this country not by size but by freedom of entry into industry for new men with new ideas, and that concentration therefore tends to cause a lack of fresh enterprise and to relax progress in many of the industries where it is found.

Mr. Berle and several other witnesses have testified more or less openly that in the end, the free enterprise system cannot be preserved without a direct attack on bigness wherever it grows to the point that allows administered prices and stands in the way of the entry of new firms into an industry. Again and again the statement appears that bigness is the main cause of socialism or fascism in one form or another.

Another witness who took the general viewpoint that bigness, in and of itself, is becoming a national problem, was Dr. Walter Adams, assistant professor of economics at Michigan State College. Dr. Adams suggested a broad program of legislative action to stop the growth of monopoly and even to break up existing monopolies. He said that by pursuing a positive antimonopoly and antidepression policy, which is what the Communists least expect us to do, "we can go a long way toward preserving our competitive economic system and the social and political values concomitant therewith."

Mr. Berle and Mr. Morris Ernst called attention to the lack of a unified policy toward competitive industry, among the agencies of the Government dealing with antitrust enforcement, and between them and the agencies that buy materials in large quantities. This point was emphasized by the Hoover Commission.

The subcommittee notes these various types of evidence that have been put before it, and looks forward with interest to the further information to be obtained in the remaining hearings of this series. After a period for digesting this information, the subcommittee plans to construct a program of further hearings to cover specific branches of the subject.

Converting Coal to Gas at Gorgas, Ala.

EXTENSION OF REMARKS

OF

HON. CARL ELLIOTT

OF ALABAMA

IN THE HOUSE OF REPRESENTATIVES

Monday, August 1, 1949

Mr. ELLIOTT. Mr. Speaker, there is today being conducted by the United States Bureau of Mines and the Alabama Power Co., at Gorgas, in Walker County, Ala., in the congressional district which I have the honor to represent an underground coal-burning experiment, which we all hope will determine whether or not coal can be gassified underground, over a large area and which we all hope will result in the transfer of the energy inherent in the coal to a combustible gas which can be turned into industrial uses. Within the range of possibility is the conversion of the gas from the coal burning underground into synthetic-liquid fuels.

This experiment has attracted wide attention throughout the world. Already South Africa, Canada, England, Belgium, France, Italy, and Newfoundland have sent observers to examine this experiment.

We are all hopeful that the experiment will have far-reaching effects and that it will provide the answer for the uses of thin-seam coal which abounds in the Seventh Congressional District of Alabama, as well as in many other districts throughout the country.

As a part of my remarks, I am including an article from the Sunday, July 17, 1949, issue of the Birmingham News—Age-Herald by Mr. Irving Beiman:

WALKED OVER HOT COALS, TALKED OF PROGRESS

(By Irving Beiman)

James L. Elder walked over a burning inferno of coals at the Gorgas mine of the Alabama Power Co.

The temperature of the blazing coals was an estimated 2,200 degrees Fahrenheit.

Mr. Elder, supervising engineer for the United States Bureau of Mines in the underground coal-burning experiment at Gorgas, was 150 feet above the underground fire, of course.

But you could feel the heat through the walls of the metal pipe leading out of the burning bed.

NO RASH TALK

Mr. Elder wore a big smile.

He's in the first stages of the big second experiment at underground coal gasification. Being of a scientific turn of mind, he's not making any rash statements about the success of the current experiment, now in its fifth month.

His smile perhaps told more than some of the things he said.

But regardless this is the first report on progress of the Gorgas experiment since Thomas W. Martin, Alabama power president, dropped a thermite bomb 150 feet underground last March to set fire to the Pratt seam of the company's Warrior coal field at Gorgas.

$500,000 INTERESTED

The United States Government is interested in the experiment to the extent of $500,000 in cash and some lend-lease equipment (a huge air compressor) diverted from shipment to Russia and brought to Birmingham.

The Government realizes its reserves of gas and oil are dwindling. A fuel substitute must be found.

It may be that coal is the answer—coal that cannot be mined profitably now, but perhaps can be burned underground.

The Alabama Power Co. is interested in that angle and also in the possibility of generating enough heat to turn a turbine to make electricity.

So the utility and the Government are cooperating in this venture. The company furnished the coal bed, containing some 500,000 tons of coal, and engineering assistance.

TWO CONCLUSIONS

Two conclusions are drawn from the first 4 months of the current experiment:

1. A sensible heat gas can be made.

2. Combustion can be and is being maintained.

Those in charge of the experiment have at times brought off the bed of burning coals a combustible gas that will burn when it comes out of the mine and is set afire. But this is not done consistently.

"We're aiming at a combustible gas to bring energy from coal to the surface as a sensible heat in any sort of useable form," Mr. Elder said.

NO LIMIT REACHED

Mr. Elder attaches utmost importance to a third finding:

"No limit has been reached as to how much coal can be burned," he said.

Right now 15 or 16 tons of coal per day are being burned on the average. Occasionally the amount has gone as high as 20 or 22 tons per day. Eventually, the total will go as high as 50 tons or more being burned per day, at the mine.

The experimenters have abandoned plans to use steam and oxygen to bring up the B. t. u. (British thermal units) content of the gas formed by underground burning of coal for the time being.

They are simply going ahead with use of the huge air compressor, which forces air over the burning coal bed.

"It's cheaper that way," Mr. Elder explains.

Developing an economical fuel is a big reason for the experiment.

Mr. Elder believes the experiment will continue at least a year longer.

NOT FOR HOME USE

It attracted observers from South Africa, Canada, England, Belgium, France, Italy, Newfoundland, and other countries.

The observers have all gone home. What they saw is believed to have been enough to stimulate similar experiments in their native lands. At least, that is the information reaching the Gorgas experiment station.

The sensible heat gas now being produced is said to average from 15 to 40 B. t. u.'s per cubic foot.

It is not suitable for domestic use, but can be used as a source of power—to heat a boiler, to make steam, to turn a gas turbine, which will make electricity.

The gas range in a home can use natural or manufactured gas. Natural gas has around 1,000 B. t. u.'s (heating units) per cubic foot; manufactured gas, around 500.

BLINDFOLD WORK

"It's too early to talk about products, power gas to generate electric power, as yet," Mr. Elder insists. "But we think we can get a good combustible gas.

"Right now, I can run a boiler part time with the gas we're getting.

"Give me 6 months more and I think I can run that boiler all the time. There are still some kinks to be ironed out. We haven't got a combustible gas consistently yet.

"We can't see what's going on underground. Some of the air is not hitting the hot spot. There's a by-pass somewhere."

TEST BELIEVED O. K.

Mr. Elder is trying to produce consistently a heat gas containing 100 B. t. u. which would be sufficient to operate a gas turbine and could be burned under a boiler located at not too great a distance from the source.

A small pipe leading into a small tank from the burning coal bed is pointed out.

By-products from the burning coal go into that tank.

"Right now we're getting some tar and light oil, in a mixture," the genial supervising engineer, a Penn State graduate explains.

The coal is being burned in a sealed-off area 300 feet long and 150 feet underground.

When that is burned out, the fire will be spread to the remaining 1,200 feet of coal bed specially prepared for the experiment.

Those in the know feel that the experiment thus far has been eminently successful.

It may mean that millions of tons of thin-seam coal can be used at economical costs. Much of Alabama's coal is in thin seams and not economical to mine by conventional methods.

Chemists will determine whether the heat gas created in the experiment can be made into synthetic fuels such as gasoline, Diesel oil, and other chemicals.

The idea of burning coal underground is known to be spreading throughout the world.

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The Russians claimed the processes have been applied on an industrial scale at several installations. They reportedly have produced a power gas with a heating value of 100 B. t. u. per cubic foot and a synthetic gas having a heating value between 200 and 300 B. t. u.

But the iron curtain hangs over the Russian experiments.

The Gorgas experimenters are going ahead. The coming months will tell the complete story.

Production of Strategic Metals

EXTENSION OF REMARKS
OF

HON. WILLIAM S. HILL

OF COLORADO

IN THE HOUSE OF REPRESENTATIVES

Monday, August 1, 1949

Mr. HILL. Mr. Speaker, under leave to extend my remarks, I include in the Appendix of the RECORD a news release on mining which I issued from my office July 30, 1949:

STATEMENT BY REPRESENTATIVE WILLIAM S. HILL, OF COLORADO

Many strange philosophies have originated or come out of the White House during the Democrat reign, but the latest dictum of the President certainly is one that will shock the people of the Nation.

It is this: Mr. Truman has declared that he is against an incentive for the stock piling of strategic metals by small American miners because it interferes with his program of giving American dollars to rejuvenate competing industry in "backward" nations. He went even further and picked out Chile as the country whose mining interests must be helped before he will approve legislation aiding American miners to produce such essential metals as copper, zinc, and lead.

Legislation to encourage small mining operations in the production of these strategic metals was passed by the last Congress. It was vetoed by Mr. Truman. A similar bill was introduced at this session, was approved by a subcommittee of the Public Lands Committee, and finally by the full committee.

This bill is opposed by the Bureau of Mines, undoubtedly on orders from the White House. Consequently it reposes in the Rules Committee. Democrat sponsors of the legislation were told that the bill would have to be cleared by the White House before the Rules Committee would bring it to the floor.

A few days ago six Democrat Representatives went to the White House and the President told them he disapproved the entire domestic mining program.

After expressing his disapproval of the legislation to aid small American miners, the President got up from his desk, walked over to a big globe, whirled it around, and when it stopped he pointed his finger at Chile and said:

"Gentlemen, this is Chile. It is a backward nation and it is a copper-producing nation. We have to take care of the backward nation; we must give them help, even if it does hurt the miners of the United States."

When the President was asked what he thought was going to happen to the mining interests in Arizona if the incentive bill did not pass, he replied that the mines never should have been developed in the first place.

So, there is the latest White House philosophy. Do good to Chile, help that nation produce its copper, but don't turn a finger to help the small miners in the United States, upon whom the country counted so heavily during the war.

And the President also followed through by declaring he opposes restoration of excise taxes on copper, lead, and other metals from abroad. He is quoted as saying cryptically that "restoring the duties on the metals might make the situation worse than it is now." What does that mean, can anyone understand such a statement?

So, the United States will go right ahead purchasing copper from foreign countries, without an excise tax, but we won't turn a finger to help our own miners.

Supposedly, Mr. Truman will have us help the mining business in Chile and other backward nations while our own valuable strategic metal mines deteriorate and remain idle.

I am told that the Congressmen who went down to the White House were "stunned and shocked" by the President's thinking.

So the mine incentive bill which would help a great industry and would build a stockpile of valuable metals for any emergency will die in committee while mining interests of Chile can look forward to a shot in the arm from the pocketbook of the good old suffering American taxpayer. Some philosophy!

Outlook in Textile Industry

EXTENSION OF REMARKS
OF

HON. HAMILTON C. JONES

OF NORTH CAROLINA

IN THE HOUSE OF REPRESENTATIVES

Monday, August 1, 1949

Mr. JONES of North Carolina. Mr. Speaker, representing a district and a section of the South which is located in a highly developed textile area, the Tenth Congressional District of North Carolina, it was very pleasing to me to see a most interesting and well-written article by Mr. J. A. Daly, staff writer of the Charlotte (N. C.) News, offering definite proof of a marked improvement in the condition of the textile business which has developed within the last few weeks.

It shows an upsurge in primary market buying of textile mill products which should be of interest to the business interest of the Nation and is in conspicuous contrast to the rather depressed conditions which have prevailed in this industry during a greater part of 1949. Many mills have had to reduce their working forces and their shifts during this year and there has been a great recession in the total output of the textile industry during 1949 as contrasted with the years just preceding it.

Mr. Daly's article is most encouraging to many businessmen who are looking for signs of the return to more normal business conditions. There is no question but what the business interests of this Nation are so interlocked and interdependent that the improvement in one frequently has a most beneficial result on many other businesses. For this reason, I consider Mr. Daly's article of interest to the business world and Nation in general.

The article follows:

The upsurge in primary market buying of textile mill products, forecast early this month, was in full bloom today. Dispatches from New York's Worth Street said that prices were firm with supplies becoming scarce for deliveries of desirable cotton fabrics, unfinished, before early September.

As was clearly made known today in reports from Carolina textile manufacturers engaged in Nation-wide operations, there is one fly in the ointment as regards this abrupt and broad expansion in textile trade. That uncertainty is whether or not buying will be restored to an approximately normal level, considering the national income, the increased standard of living, and the greater population, as compared, for instance with 1939.

The textile industry's spokesmen in various communications have emphasized that they do not consider the current trade as an incipient boom. As a matter of good business judgment, they prefer to avoid any more experience soon with boom conditions. At the same time, they earnestly desire stabilization of the textile trade volume at levels adequate for the Nation's needs, and for full-time, 5-day week operations by at least two shifts of workers.

In the course of the past 2 weeks, prices of many cotton textiles in the unfinished state have advanced in prices as much as one-half cent per yard. The buying wave which surged over the market since the unusually extensive vacation period for the mill operatives ended 2 weeks ago, has resulted in sales of many millions of yards of cotton goods.

This is in sharp contrast to conditions which persisted in the cotton textile markets throughout the first half of this year. In that period, hand-to-mouth buying was the accepted practice. This compelled the textile manufacturers to curtail drastically while converters, dressmakers, bag manufacturers and other consumer industries reduced their admittedly excessive inventories.

Another sharp contrast was presented today and during the latter days of the past week in New York's great market when some cotton textiles were bought for deliveries as far forward as next December 30. A notable example was waffle cloth, a popular fabric for dresses. A market "run" also is being experienced in piques, another fabric popular with the womenfolks.

This rebound in the primary textile business has not been one-sided in favor of cotton cloths, however, because finished cotton goods, like chambrays and denims, have been sold heavily by the mills.

Chambrays and denims are among the popular, serviceable fabrics required for work clothing. And there seems to be an insatiable demand for work clothing.

Furthermore, the cotton-yarn spinners—an industry centering in nearby Gaston County—have experienced a brisk upturn in their sales. Still more encouraging to these spinners, perhaps, is the currently reported tremendous volume of potential yarn sales involved in a flood of inquiries from knitting mills and other consumers of carded and combed cotton yarn.

And, to make the betterment marketwise unanimous, reports from New York and Boston over the week end also told of sturdy expansion in demand for rayon fabrics, nylon hosiery, and fall-season woolens and worsteds. Prices have held steady in the fine hosiery and wool-goods markets.

This textile trade summary is based on a flood of reports which has flowed over all divisions of the Carolinas dominating textile industry in the course of the past 10 days—particularly in the latter days of the past week. And Associated Press dispatches early this afternoon from New York said "the cotton textile market was steady today, with activity greatest in the print cloths."

It may help clarify the situation for readers in business other than textiles to explain that print cloths are regarded as the

bellwether of the trade in unfinished cotton textiles in Worth Street, New York, America's greatest textile market center. Print cloths to cotton textiles represent what equities of U. S. Steel, American Telephone, and General Motors, for instance, are among the blue-chip common stocks.

Among print cloths, the 80-square cloth is the basic fabric. About a year ago, 80-square print cloths were selling in New York from 35 cents per yard. Today, print cloths for deliveries by the mills late in August and thereafter are selling at 18 cents. Three weeks ago, ample supplies for restricted demand were available at 17⅝ to 17½ cents per yard.

The various divisions of the textile industry, especially the cotton cloth and yarn-producing mills, have taken a licking, so far as selling prices of their products are concerned.

There are many ways of figuring just how hard cotton textiles have been hit by the recession psychology—which, however, seems to have largely been dissipated in the past 2 weeks.

One way of figuring the price reduction is by comparison of cotton-yarn prices. It may be explained that carded yarns represent the first manufacturing process above the raw cotton. Combed yarns are somewhat more expensive to produce, involving additional processing.

Inasmuch as textiles occupy an influential place in the American economy, developments over the next few weeks may prove that the apparent end of the flight from inventories was significant for the national economy. In any event the resistance which textiles have shown during the past year may help the industry in its striving to live down its boom-or-bust tradition.

There Is Nothing To Fear but Fear Itself

EXTENSION OF REMARKS
OF
HON. ABRAHAM J. MULTER
OF NEW YORK
IN THE HOUSE OF REPRESENTATIVES
Monday, August 1, 1949

Mr. MULTER. Mr. Speaker, for a long time we have heard dire predictions about the terrible depression that the country is about to go into. I refuse to share those fears. The following article, which appeared in the Brooklyn Eagle of July 31, sustains my view and should be enheartening to others:

BUSINESS OUTLOOK

(By J. A. Livingston)

Corporation directors are acting even as you and I. They see business volume dropping, profits shrinking. They know if that trend continues for another 6 months or so, they'll have to reduce or eliminate dividends. But they're hopeful. They're willing to give the economy and profits a further chance to make good. So, even though corporate earnings are off about 20 percent from a year ago, dividends are up 8 percent.

This constitutes standard practice. Corporation officials don't like to have jumpy dividend records—50 cents a share one quarter, $1 the next, and nothing the third. Therefore, the tendency is to maintain dividend rates, despite ups and downs in profits. The policy imparts greater value—salability—to the common stock, when, as, and if the company wants to raise additional capital.

In the second quarter, corporations paid out an estimated 52 percent of their earnings in dividends as against 48 percent in the first quarter, and 38 percent throughout 1948. Back in 1939, the proportion was much higher—76 percent, and in 1929 it was 69 percent.

DIRECTORS' DILEMMA

Over the years, directors customarily let stockholders have about 6 out of every 10 dollars of earnings. That high standard may come back in the current era. Corporations have not found it easy to raise money by selling common stock. So they've been holding on to the shareholders' money—plowing back earnings—in order to finance postwar plant expansion.

A vicious circle results. Because corporations cling to earnings, dividends tend to stay low. Therefore, investors seeking high returns are less inclined to buy stocks. In turn, stock prices tend to stay low, and corporation directors are less inclined to float stock on the market. Their holding on to earnings increases the task of raising new money by selling common stock.

Though companies are finding it harder to keep pace with past earnings, they're not going into the red. In my tabulation of the first industrial companies to report second-quarter earnings, 116 showed decreases in profits from the second quarter of 1948, 63 increases. However, only seven reported deficits.

EXCEPTIONS TO THE TREND

Excluding General Motors and the Big Three steel companies (because of their dominating size), the over-all decline for the companies in the tabulation was 18 percent from the second quarter a year ago. (The Council of Economic Advisers estimates earnings in the second quarter were off 22 percent from a year ago.) For the first half, the drop was 9 percent. Industries which managed to buck the downtrend (on the basis of these early returns) were auto and auto parts, cement, drugs and cosmetics, railroad equipment, the Big Three steel companies (United States, Bethlehem, and Republic) tobacco, and beer. Utilities showed a good gain over a year ago.

The following table shows the change in earnings from last year on (1) a quarterly basis, and (2) a half-yearly basis.

Industry	Percent change— From second quarter 1948	From first half 1948
Automobiles, parts [1]	26	13
Beer	66	64
Building materials	−18	−13
Cement	19	28
Chemicals	−12	−4
Coal	−14	−15
Copper, zinc, etc	−72	−18
Drugs, cosmetics	3	31
Electrical equipment	−32	−17
Foods	−4	2
Household equipment	−61	−63
Iron and steel [2]	−20	6
Big Three steel companies	67	78
Machinery	−15	11
Office equipment	−53	−41
Oil	−37	−29
Paper and pulp	−53	−45
Railroad equipment	8	15
Retail trade	−52	−64
Textiles	−58	−40
Tobacco	12	10
Tools, hardware	−34	−20
Miscellaneous	35	9
Total industrials [3]	−18	−9
Utilities	24	22

[1] Excludes General Motors.
[2] Primarily small producers.
[3] Excludes General Motors and Big Three steel companies.

The decline reflects internal adjustments of industry. Once prices began to drop, manufacturers, wholesalers, and retailers curtailed inventories. Whereas in the first 5 months of 1948, inventories rose two billions, in the first 5 months of this year they decreased two billions. Thus, the net change in purchasing—of businessmen buying from one another—was at an annual rate of more than eight billion. That's a lot of business to poof away—just like that.

INVENTORY TURN-AROUND?

Some turn in inventory policy may be at hand. The drop in business loans, which has been continuous since January 19, shows signs of subsiding. True, last week, Federal Reserve member banks reported a decline of ninety-seven millions. But seventy-five millions of that comprised a large pay-off in New York City by a utility. In six Federal Reserve areas—Cleveland, Chicago, St. Louis, Minneapolis, Kansas City, and Dallas—loans for commercial, industrial, and agricultural purposes expanded.

This suggests that a strategic change in business policy may be at hand. Businessmen, apparently, can't hold off purchases any longer. Their inventories are too low. The continued upturn in nonferrous metal prices—lead rose this week again—supports the thesis.

Myths About China Reds Exploded in 1947

EXTENSION OF REMARKS
OF
HON. WALTER H. JUDD
OF MINNESOTA
IN THE HOUSE OF REPRESENTATIVES
Monday, August 1, 1949

Mr. JUDD. Mr. Speaker, among the American reporters recently killed in the tragic plane crash in India as they returned from Indonesia, were two whose loss was irreparable as far as understanding present-day China is concerned, William H. Newton and George Moorad. Both had proved their ability to see through all the propaganda regarding the alleged whiteness of the Communists and the blackness of those fighting Communism. I have just come across again a penetrating report sent in almost 2 years ago by Bill Newton, not gossip from the bars of Shanghai, but facts from the interior of Shantung Province. How much confusion and how many costly mistakes our Government could have avoided if it had been willing to accept then the truth about the Communists instead of allowing itself to be hoodwinked for years by leftist propagandists and sentimental wishful thinkers. The news story follows:

MYTHS ABOUT CHINA REDS EXPLODED

(By William H. Newton)

WEIHSIEN, CHINA, September 9, 1947.—Visiting the besieged cities and battle areas of war-torn China and talking with the soldiers and people make it possible to explode some myths about Chinese Communists and about the Chinese Nationalist Government.

Myth No. 1 is that the Communists generally are beloved by the common people of China, the poor peasants and villagers. The facts, so far as this area of Shantung Province is concerned, are that the Communists are greatly feared by rich and poor alike.

TOWNS ABANDONED

The city of Yitu, for example, has been occupied by the Communists for the past 6 months. During that time all business ceased, all stores were closed, mission schools and hospitals were shut, and a great many people fled. The same thing happened in Linchu, and in village after village.

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Myth No. 2 is that the Communist army is a "people's army," expressing the rebellion of the ordinary peasant against the Nationalist government. I talked to dozens of Communist army prisoners captured by the Nationalists after the battle of Linchu. Scarcely a one had any idea what the word "communism" meant. Most had been forced into service and compelled to fight. A few were former Nationalist soldiers who had been captured in previous battles and compelled to fight the Government.

Myth No. 3 is that the Communists permit any degree of religious freedom in areas they control. The sole exception to this is those few cities where there are foreign missionaries who might possibly report on the situation. Even in those instances religious worship is discouraged and Chinese pastors persecuted and humiliated.

CLERGY CALLED SPIES

Chinese Presbyterian and Baptist pastors frequently are accused of being spies for the Americans and driven out of town. Catholics generally are persecuted most of all.

In the village of Chinchih, for example, Communists smashed into the Catholic church, seized everything of value, and gave the German priest the equivalent of 5 cents in American money to pay for the damage. In Changchia, the Chinese Presbyterian pastors were forced to flee and their homes deliberately destroyed.

In the village of Changtuan, Communist political advisers collected Bibles which had been distributed by Presbyterian clergymen and burned them. In Shawo, the Communists attempted to force a Presbyterian pastor to order all young members of his church to attend Communist meetings. He refused. Of the 50 Presbyterian churches in the Weihsien area, only four—which are in Nationalist territory—are permitted to worship freely.

Throughout the villages in north Shantung Province, Christian pastors have been thrown into jail by the Communists.

ARMY SEIZES CROPS

Myth No. 4 is that the highly touted land-reform program is winning the peasants to the Communist side. It is true that in some cases land has been taken from landlords and distributed among the peasants. But in return, the Communists levy heavy taxes on it, appropriate whole crops to feed Communist armies, and press farmers who receive the land into military service.

There is little enough respect for political freedom or human rights in any of China. There is absolutely none in Communist areas, except, on occasion, for the show places which foreigners occasionally are permitted to visit.

Although they are utterly ruthless in pursuing their political goals, Chinese Communist leaders generally are less inclined toward graft than Nationalist Government officials traditionally are. But even this frequently heard criticism of the Chiang Kai-shek government has outstanding exceptions.

BENEVOLENT NATIONALIST

One of the exceptions is Maj. Gen. Chang Tien-tso, special commissioner of the eighth area of Chantung Province. General Chang is 40, a tall, pleasant-faced man. With the entire area under Communist reign, General Chang organized a cooperative relief committee which charters planes to bring in supplies and carry out local products. Merchants who ship goods out are taxed according to the value of merchandise—and the money used to feed the tens of thousands of refugees who fled here from the Communist armies.

He organized a school for midwives and taught them sanitation and elementary medicine. He got schoolbooks and opened rural schools through the area. He got a supply of DDT and used it in the villages for insect control. The Communists have never been able to get a foothold in the counties he administers. Through his area runs the only section of the Tsingtao-Tsinan Railway which has not been torn up by Communist guerrillas. About 40 miles of the railway is in daily operation.

It is true that the Nationalist armies also levy tribute on villages and farms which they pass. That seems to be one of the bitter necessities of war for both sides.

But here in Shantung Province, at least, when the Communists take a town the people flee. And when the Nationalists take it back the people come home again.

The Communist propaganda, as always, sounds good. But that's the way it is.

Welfare of Indians in North Dakota

EXTENSION OF REMARKS
OF
HON. USHER L. BURDICK
OF NORTH DAKOTA
IN THE HOUSE OF REPRESENTATIVES
Monday, August 1, 1949

Mr. BURDICK. Mr. Speaker, the Public Welfare Board of North Dakota had outlined the situation of Indian welfare in North Dakota by a thorough investigation of the facts, and I trust it will make an impression on Congress. When dire suffering strikes these people, Congress cannot move fast enough to relieve them. Since we ourselves forced these Indians into wardship relations with the Government, with a clear obligation to treat them as wards of the Government, and since we ourselves took most of their lands for 10 cents per acre, there is no possible way the Government can now avoid its obligation. The present conferees on the Interior appropriation bill, will have to restore some of the funds demanded or the same starvation situation of last winter will take place again. It is too much to ask of the people of North Dakota to continually help these Indians and fulfill an obligation that is not theirs but that of the United States Government. The report follows:

RESOLUTION ADOPTED BY THE PUBLIC WELFARE BOARD OF NORTH DAKOTA AT ITS JUNE 1949 MEETING

Whereas for the past 2 years Indians in need of general assistance on the reservations in North Dakota, particularly the Indians living on the Turtle Mountain and Fort Totten Reservations, and, to a lesser degree, those living on the Standing Rock and Fort Berthold Reservations, have suffered acute distress because of the lack of funds available for their care; and

Whereas the Public Welfare Board of North Dakota, as the official agency created by the legislative assembly of North Dakota in 1935, is charged with the responsibility of supervising public welfare in North Dakota, including provision for care of all its citizens even though the Public Welfare Board of North Dakota, as a State department and a State agency, is not primarily responsible for the actual provision of the funds and/or commodities because in North Dakota the county is primarily responsible for the relief of distress and the provision of funds for those in need; and

Whereas the Public Welfare Board of North Dakota believe that substantively, equitably, and morally the Federal Government is responsible for those people who are citizens of North Dakota and the United States who are residing on the Indian reservations; that the Federal Government acted within its powers and duties in dealing with the Indian situation years ago and one of the effects of this operation was to place great numbers of Indian families in certain restricted and nonproductive areas where the Federal Government apparently proposed to take care and rehabilitate these persons until they became self-supporting; that the initiation of this step by the Federal Government was its initiation wholly and completely; that apparently it has failed over the years in dealing with this humanitarian and always distressing problem; that the last few years the high cost of living, the lack of employment available, and the increasing interest of our citizens in the welfare of these people has succeeded in making this always distressing problem acute; that the Federal Government has failed dismally and signally in making adequate provision for its own citizens; that it is the opinion of the Public Welfare Board of North Dakota that the Office of Indian Affairs, in the Department of the Interior, has lacked vigor in prosecuting its request for funds, in not asking for enough money, in not keeping tuned and keyed to the facts of the moment; that it is the opinon of the Public Welfare Board of North Dakota that even though the Office of Indian Affairs, in the Department of the Interior, did prosecute vigorously its request for funds for the relief of distress on a minimum basis of United States citizens, that the Congress of the United States also needs to modify its method in view of this situation and to appropriate at the beginning of the fiscal year sufficient funds and not rely on an eccentric system of taking care of human beings by uncertain and too-late deficiency appropriations only secured by trouble, expense, and the mobilization of pressure; and

Whereas it is the opinion of the Public Welfare Board of North Dakota that the time to secure funds for the relief of human distress is before the distress occurs; that somewhere, somehow, some reliance must be placed on estimates for public assistance for Indians and in the same way that it is placed upon the estimates for public assistance for whites; and

Whereas the Public Welfare Board of North Dakota received an appropriation of $100,000 from the 1949 legislative assembly; that this appropriation was given only for the humanitarian purpose of assuring that if worse came to worse that at least a minimum amount would be available to keep these people alive; that the Public Welfare Board of North Dakota vigorously believe that it is up to Washington to do something adequately and ahead of time; that it is the firm belief of the Public Welfare Board of North Dakota that if dynamically vigorous steps are not taken in this area ahead of time that this coming winter will make three in a row that funds have not been available in an adequate amount and will make three in a row that United States citizens have had to suffer: Now, therefore, be it

Resolved, That it is the sense of this board that the Representatives in Congress from North Dakota be petitioned to exercise their good offices to effectuate the appropriation and allocation of adequate funds based on estimates given by the State and county officials in North Dakota so that our American citizens may have some semblance of security for the dire necessities of life in the cold North Dakota wintertime; and be it also

Resolved by the Public Welfare Board of North Dakota, That the Representatives in Congress from North Dakota be commended on their past efforts to secure adequate funds for this purpose.

Congratulations, Mr. President

EXTENSION OF REMARKS
OF
HON. ABRAHAM J. MULTER
OF NEW YORK
IN THE HOUSE OF REPRESENTATIVES

Monday, August 1, 1949

Mr. MULTER. Mr. Speaker, the announcement of the President's intention to nominate Attorney General Tom Clark to the United States Supreme Court and to nominate Senator J. HOWARD MCGRATH to the high office of Attorney General have met with wide acclaim. Following is an editorial which appeared in the Brooklyn Eagle of July 31, together with an article by Ernest Lindley which has been reproduced in the press from coast to coast:

[From the Brooklyn Eagle of July 31, 1949]

THE CLARK AND MCGRATH APPOINTMENTS

Attorney General Tom Clark, whom President Truman has chosen to succeed the late Justice Frank Murphy as a member of the United States Supreme Court, brings to this high office qualities substantially different from those that marked his predecessor. Justice Murphy was a militant idealist with a passion for human rights, one who spoke with great fervor on issues concerned with the dignity of man. While the record of Attorney General Clark has at times been subjected to criticism, it is recognized quite generally that he possesses professional competence which holds the promise of development into a judicial capacity commanding respect.

Following the death of Justice Murphy there were indications that President Truman would give the selection of a new Justice long and careful study. His rather hasty nomination of Attorney General Clark is accordingly attended by considerable surprise. Before naming a member of the Nation's highest judicial tribunal, whose decisions govern either in an intimate or a remote way many aspects of the national life, it would seem to be a wise practice to study the records and the qualifications of members of Federal and State judicial systems throughout the Nation. Among them are men of great talent and distinction who would adorn the Court and who deserve recognition of their services.

In his various public offices Senator MCGRATH, a former Governor of his State and now chairman of the Democratic National Committee, has displayed marked ability and energy. His fitness for the office of Attorney General as successor to Mr. Clark cannot be questioned. He will fulfill his responsibilities capably and conscientiously. It is to be presumed, of course, that he will retire as chairman of his party's organization. But the fact that he has held this office in no way impairs his availability for the post of Attorney General.

NEWS BEHIND THE NEWS
(By Ernest Lindley)

TOM CLARK CALLED GOOD CHOICE FOR HIGH COURT ON DEPARTMENT OF JUSTICE RECORD

The Attorney Generalship is one of the traditional routes to the Supreme Court. McKinley, Wilson, and Coolidge each appointed an Attorney General to the Suppreme Court. Franklin D. Roosevelt thus promoted two of his four Attorneys General: Robert H. Jackson and the late Frank Murphy. In addition, he appointed Stanley F. Reed, who was at the time Solicitor General.

Tom Clark may not become so great a jurist as the Attorney General whom Coolidge appointed to the Court and Roosevelt promoted to Chief Justice: Harlan F. Stone. He may not have so sharp a mind and so pungent a pen as Robert H. Jackson. But he has the intelligence to make a solid jurist, and temperamentally he is better fitted for the job than have been several members of the Court over a long period, stretching at least back to Woodrow Wilson's ex-Attorney General, James C. McReynolds.

Clark was hardly known in Congress and in Washington generally when he became Attorney General in 1945. He had made a very creditable record during his years in the Department of Justice. As Attorney General he has been in hot water frequently. But, in almost every case, the heating was done by others and Clark managed to extricate himself without suffering serious burns.

He is a likeable and gregarious man. But he has also acquired in Congress and in the Washington corps a large measure of respect—not for brillance, perhaps, but for being a decent, straight-shooting official who would rather shoulder unwarranted blame than pass the buck.

That he is a Democrat and a Truman partisan is of no special importance, given the present complexion of the Court. The issues which have divided the present Court have not been partisan, or, in many respects, so basic constitutionally as those which caused the long fight between Roosevelt and the preceding Court.

While Clark has no judicial record on which to found a prophecy, his background and temperament probably will predispose him toward the conservative side of the Court, rather than toward the more radical group with which the late Justice Murphy so often identified himself.

Senator J. HOWARD MCGRATH'S fitness for the Attorney Generalship is generally recognized in Congress. He had administrative experience as Governor of Rhode Island. He resigned as Governor, midway in his third term, to become Solicitor General of the United States. He resigned as Solicitor General to run for the Senate. He is an able political manager. But he also has intelligence and integrity.

The appointment to the Cabinet probably will put him in line for the next vacancy on the Supreme Court. He may be expected to resign as chairman of the Democratic National Committee—a job which he did not seek but for which he was drafted—if he accepts the Attorney Generalship.

Both these appointments are, of course, rewards for political service. There is nothing wrong in that, however, provided the individuals selected are qualified for the rewards. I suspect that some of the newspapers which are criticizing the Clark appointment, in particular, on the ground that he has been an active partisan, will find his philosophy as a judge to their liking.

Reciprocal Trade Agreements and the World Trade Problem

EXTENSION OF REMARKS
OF
HON. ESTES KEFAUVER
OF TENNESSEE
IN THE SENATE OF THE UNITED STATES

Monday, August 1 (legislative day of Thursday, June 2), 1949

Mr. KEFAUVER. Mr. President, I ask unanimous consent to have inserted in the Appendix of the RECORD an excellent address by Norman Burns, adviser, Office of International Trade Policy, United States Department of State, before the State Planning and Development Agencies, Department of Commerce Building, on July 27, 1949.

There being no objection, the address was ordered to be printed in the RECORD, as follows:

RECIPROCAL TRADE AGREEMENTS AND THE WORLD TRADE PROBLEM

(By Norman Burns, adviser, Office of International Trade Policy, U. S. Department of State)

Certain people traditionally opposed to reciprocal trade agreements in both fat and lean years are now asking: Should we abandon the reciprocal trade agreements program because it encourages imports, thereby creating domestic unemployment and aggravating the current business recession?

The question is timely—but not new. High tariff proponents advanced similar suggestions during congressional debates on the Smoot-Hawley tariff bill in 1929–30. Imports, they said, created unemployment and aggravated the depression. A prominent Senator, urging passage of the Smoot-Hawley bill, declared in June 1930:

"If this bill is passed, this Nation will be on the upgrade financially, economically, and commercially within 30 days, and within a year from this time we shall have regained the peak of prosperity and position we lost last October." (CONGRESSIONAL RECORD, June 13, 1930.)

Other people, more familiar with the intricate processes of commerce, realized that trade restrictions by one large country, at the beginning of a recession, might start chain reactions in other countries leading to more and more trade restrictions and to the inevitable defeat of the very objectives they sought to attain, Henry Ford pointed this out very clearly when he opposed the Smoot-Hawley tariff bill in May 1930:

"You say it is the contention of those who are backing it that it will revive industry and cure unemployment. I say it will have precisely the reverse effect. It will stultify business and industry and increase unemployment. When you prevent your customers from purchasing your goods, you are absolutely throwing men out of work. Instead of building up barriers to hinder the free flow of world trade, we should be seeking to tear existing barriers down. People cannot keep on buying from us unless we buy from them, and unless international trade can go on, our business will stagnate here at home." (Washington Daily News, May 20, 1930.)

The Smoot-Hawley Tariff Act of 1930 was followed by the British Imperial Preference Agreement of 1932, and the adoption of quotas, exchange controls, and clearing agreements in most of the continental European countries after 1933. This sequence of trade restrictionism, and the impetus it gave to the downward spiral of the world economy in the early 1930's, should be remembered by all of us—and especially by those eager to repeat the same initial steps again as an alleged cure for our present foreign and domestic economic problems.

UNITED STATES FOREIGN TRADE PROBLEM

What is the foreign trade problem that confronts us today? In its American aspect, it is simply that we need a reasonably high level of foreign trade to keep our domestic economy running smoothly. Our present foreign trade level is out of balance because we are exporting twice as much as we import. Other countries cannot continue to buy from us unless they sell more to us. The alternatives are: to lose some of our exports, through restrictions imposed by other coun-

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tries; or to increase our imports; or to finance the gap by such means as ECA.

Exports are important to our economy because the United States is now the world's largest exporting country. Approximately 10 percent of our total industrial and agricultural production is sold abroad. Exports take from 10 to 20 percent of our agricultural machinery, bituminous coal, freight cars, motor trucks and rolled steel products, and also substantial amounts of passenger automobiles, machine tools, office machinery and appliances, radios, refrigerators, and photographic films. Last year, exports took from one-fourth to one-half of our total production of tobacco, cotton, wheat and dried fruit, and large amounts of fresh fruit, canned milk, food fats and eggs.

Export production is often concentrated in certain localities, e. g., automobiles at Detroit, refrigerators at Dayton, machine tools at Springfield, Mass., photographic films at Rochester, dried fruit in California, tobacco in the Carolinas and Kentucky, apples in Virginia, etc. A reduction of exports would create unemployment in the export areas, price declines, and appeals for governmental assistance of one kind or another.

United States imports in 1948 were equivalent to about 5 percent of our total production. Imports consist chiefly of raw and semifabricated materials used by domestic manufacturers in the further production of manufactured goods, e. g., copper, lead, zinc, chrome ore, manganese ore, wood pulp, burlap, natural rubber, etc. Such imports enable our manufacturing industries to operate at a high level and at reasonable costs. We import, also, large quantities of foodstuffs, such as coffee, tea, cocoa, bananas, and spices, not produced in this country but necessary to maintain our present living standards.

Imports of manufactured products are relatively small—28.6 percent of total imports in 1948. This is so because American manufacturing costs are low relative to foreign costs, and European manufacturers find it difficult to hurdle our tariffs. The American competitive advantage reflects the efficiency of American management and labor, the advantages of a large-scale market, and the large capital equipment per worker in the United States (about double that of the U. K.). The net value of industrial output per worker in 1938 was $1,730 in the United States, as compared to $645 in Europe, according to the recent survey of the Economic Commission for Europe.

THE WORLD-TRADE PROBLEM

The world-trade problem is, in a sense, the reverse image of our trade problem. Other countries need American products to maintain their standards of living above the danger point, but they cannot export enough to pay for their necessary imports. This situation is basically a result of the war.

Before the war, Europe was the largest market for the exports of the United States, Canada, South America, Asia, Africa, and Oceania. These overseas countries supplied approximately one-tenth of western Europe's total consumption. The war shattered the productive apparatus, exhausted the foreign investments, and partially destroyed the shipping facilities of many European countries, thereby shrinking their ability to produce for their own need and to pay for their necessary imports. Despite enormous obstacles, but with ECA assistance, Europe has made gigantic strides toward recovery. In the first quarter of 1949, the industrial production of western Europe, excluding Germany, was 126 percent (113 percent including Germany), exports 119 percent, and imports 95 percent of the respective prewar volumes. The gap in Europe's balance of payments with non-European countries narrowed from $7,600,000,000 in 1947 to $5,600,000,000 in 1948.[1]

[In billions of United States dollars]

	United States	Other non-European countries	Total non-European countries
Europe's imports	−4.8	−10.0	−14.8
Europe's exports	1.1	7.5	8.6
Balance of goods	−3.7	−2.5	−6.2
Balance of invisibles	.1	.5	.6
Net deficit	−3.6	−2.0	−5.6

The gap is now being met largely by ECA funds. To become self-sustaining Europe must narrow the gap through its own efforts. Western Europe must export more manufactured goods (since it lacks raw materials for export) to overseas countries, or reduce imports from overseas countries. Special complications arise because western Europe would have to expand its exports to the United States by threefold to eliminate its gap with the United States, but would need to expand its exports to other overseas countries by only 50 percent to eliminate its gap with those countries. In view of the obstacles encountered in expanding European exports of manufactured products to the United States, western European countries will be strongly tempted to balance their accounts by restricting purchases from the United States, and by making arrangements to buy from other overseas countries in equal amount that those countries buy from western Europe. The temptation becomes increasingly strong when European sales to the United States decline, as they have in recent months because of our market contractions. The recent Anglo-Argentine agreement is an example of this kind of bilateral balancing.

THE RECIPROCAL TRADE AGREEMENTS PROGRAM

It is in this setting that reciprocal trade agreements—and our entire economic foreign policy—assumes decisive significance.

It is obvious and inevitable that severe readjustments will occur before the world achieves real economic stability. The readjustments may take either a constructive or a destructive course, depending upon the wisdom with which we handle the situation. The readjustment may be made in an orderly way, through concerted action among countries, with each country gradually lowering its governmental trade barriers so world trade may expand along natural competitive lines.

Or, the readjustment may take the form of unilateral action by each country, with each country attempting to solve its own trade and employment problems by restricting imports. The experience of 1929–33 suggests that the latter course would lead to an intensification of governmental trade restrictions, to an intensification of economic nationalism and to world economic instability—surely a harsh climate for private competitive enterprise. Proponents of such solutions should meditate upon the Turkish proverb: He who falls in the sea should not grasp the serpent's tail to be saved.

The Reciprocal Trade Agreements Act strikes directly, and in a practical way, at governmental barriers to competitive international trade. This act authorizes the President to conclude trade agreements with other countries under which the United States may reduce its tariffs on individual products of interest to the other country in return for reductions by that country of their tariffs and trade controls against our products. Each country negotiates the agreement on the basis of its own national advantage. The end result is a mutual lowering of governmental barriers to trade.

The Reciprocal Trade Agreements Act, first passed in 1934, has been renewed, usually every 3 years, until June 1948 when it was extended for only 1 year and with crippling amendments.

The act contains various safeguards. First, the President, before making an agreement, must obtain the views of the Departments of State, Agriculture, Commerce, and the National Military Establishment (and under the Executive order, Labor and Treasury) obtain advice on all aspects of the problem. Second, before making an agreement, public hearings must be held at which American industry, labor, agriculture, exporters, importers, producers, and consumers have full opportunity to present information and views. Third, the Executive order implementing the act requires that each trade agreement contain an escape clause which says that if, as a result of a tariff reduction, imports of a particular product should enter the United States in such abnormally increased quantities as to seriously injure or threaten domestic producers, the tariff concession may be withdrawn (after consultation with the other country, if possible, but without consultation in case of urgency). The consent of the other country is not required, but if the United States should withdraw a concession on a particular product the other country would be free to withdraw an equivalent concession. Fourth, the act provides that the United States may not reduce its tariff rates on any item below 50 percent of the rate existing on January 1, 1945.

The United States has concluded trade agreements with 42 countries since 1934. The most important was the General Agreement on Tariffs and Trade of 1947, involving 23 nations, each of which made tariff and trade concessions to all the others on thousands of individual items. The 23 countries included the United States, the British Empire and many western European countries. Now 11 new countries are negotiating at Annecy, France, with the 23 old countries for a further reduction of world trade barriers. The 11 new countries include Sweden, Finland, Denmark, Italy, Greece, Liberia, Haiti, Nicaragua, Colombia, the Dominican Republic, and Uruguay.

The trade agreements concluded by the United States from 1934 to date have reduced United States tariff rates on agricultural products by 47 percent and on industrial products by 48 percent below the original extremely high rates of the Smoot-Hawley Act of 1930. These 47-percent and 48-percent reductions take in account both the 1934 and 1945 bases. It is true that the United States tariff averaged 13.7 percent ad valorem on total dutiable imports in 1948, but this average obscured the fact that rates on manufactured products of the kind that Europe might sell here often range from 25 percent to 90 percent. The comparatively low average rate for 1949 was greatly influenced by the high prices in the United States.

The Reciprocal Trade Agreements Act expired June 30, 1949. The President's midyear report recommended renewal in its original form (without the crippling amendments of 1948), and Congress is expected to resume consideration of the act before adjournment this session. Failure to renew the Reciprocal Trade Agreements Act would:

1. Jeopardize the successful outcome of the Annecy Trade Conference of 34 countries now negotiating further reductions of governmental trade barriers.

[1] European transactions with non-European countries, 1948 (International Fund, May 1949):

2. Weaken our efforts to persuade European countries to reduce their barriers against each other, as required under the Economic Cooperation Act of 1948 (a bipartisan measure). Governor Dewey emphasized the importance of these efforts when he said last week: "If western Europe were made into one large area for the free exchange of goods and services like the United States * * * Europe would at last be strong enough to stand on her own feet."

3. Encourage those in other countries who seek to solve the world-trade problem by imposing more and more governmental controls, often at the expense of United States exports and always at the expense of competitive international trade.

Renewal of the Reciprocal Trade Agreements Act, in conjunction with other measures of international economic cooperation, offers us hope for achieving a flourishing world trade. This is necessary to build a solid economic foundation for the political structure of peace.

United States foreign trade

Calendar year	United States domestic exports to all countries	United States imports for consumption from all countries	Surplus of exports over imports
	Millions	*Millions*	*Millions*
1939	$3,123	$2,276	$847
1947	14,252	5,643	8,609
1948	12,494	7,038	5,456
QUANTITY INDEX (1939 = 100)			
1939	100	100	
1947	229	116	
1948	187	131	

PERCENT, BASED ON VALUE

Calendar year	Ratio of exports to United States production	Ratio of imports to United States production
1939	7.6	5.5
1947	11.4	4.2
1948	8.6	4.8

United States foreign trade

	United States domestic exports to Europe	United States Imports for consumption from Europe	Surplus of exports over imports
	Millions	*Millions*	*Millions*
1939	$1,265	$611	$654
1947	5,126	782	4,344
1948	4,242	1,151	3,091

Source: Compiled from Monthly Summary, U. S. Department of Commerce.

Sign Petition No. 6 To Repeal the War Excise Taxes

EXTENSION OF REMARKS
OF
HON. ABRAHAM J. MULTER
OF NEW YORK
IN THE HOUSE OF REPRESENTATIVES
Monday, August 1, 1949

Mr. MULTER. Mr. Speaker, efforts to repeal the war excise taxes on retail sales are receiving more and more support every day. I have repeatedly said that the less than $450,000,000 in tax revenue which the Government would lose by repeal of the excise taxes on retail sales of furs, jewelry, cosmetics, and luggage would be more than made up in other revenue the Government would receive because of the increase of business in those industries which would be stimulated by the repeal of these taxes.

The following editorial which appeared in the New York Herald Tribune of August 1 bears out all that I have said. My Petition No. 6 will bring before the House for consideration my bill H. R. 2324 to repeal those taxes.

REPEAL THE WAR EXCISE TAXES

In a national tax structure marred by inequities and fiscally inappropriate levies, the retention of war-created excise taxes is one of the most irritating features. Designed to help suppress wartime inflation, the taxes continue to discourage consumer spending with great but undesired efficiency at a time when our concern is to keep the flow of consumer spending at a high level. Although the force of this truth is not lost upon Congress, it is naturally reluctant to repeal the taxes because it fears that the resultant loss in revenue would add further to the deficit already anticipated for 1949–50.

We have reason to applaud, therefore, the excellent presentation of the case for repeal made by Mr. Beardsley Ruml, a private citizen who has performed distinguished service for the Government in fiscal matters on other occasions. Mr. Ruml points out that the industries subject to the levies suffered disproportionately during the sales and employment declines of the last few months. With consumers buying more warily and searching for bargains, the taxes on such things as furs, leather goods, communications, and transportation, to name a few, have been strong deterrents.

Taking account of the danger of losing Federal revenue and adding to the deficit, Mr. Ruml meets the issue head-on. He believes that the loss in excise-tax revenue would be almost entirely offset as a result of the boost in sales and employment the affected industries would enjoy. This boost would raise Federal revenues through the additional corporate income taxes paid by these industries and through the personal income taxes of people who might otherwise be unemployed; and it would reduce unemployment insurance payments as individuals now unemployed are returned to their jobs.

It would be foolish to make exaggerated claims either for the stimulus that repeal would provide or for the offsetting revenues it would engender. But if Congress is still concerned about losing the billion dollars, more or less, that repeal might entail, it has a further offset at hand. That would be an across-the-board cut in the original appropriation requests for all purposes on which it has not yet acted. On the grounds of eliminating sheer waste in Federal spending practices, such a cut has ample justification. As a companion piece to excise-tax repeal, its justification is strengthened.

Arthur Lobsenz, Polio Victim

EXTENSION OF REMARKS
OF
HON. GORDON CANFIELD
OF NEW JERSEY
IN THE HOUSE OF REPRESENTATIVES
Monday, August 1, 1949

Mr. CANFIELD. Mr. Speaker, I was shocked and grieved this morning to read of the death Saturday morning of Arthur Lobsenz, 17-year-old son of my friends and constituents, Mr. and Mrs. Meyer Lobsenz, of 11 West Parkway, Clifton, N. J. He was a victim of polio, and death came a week after he became ill with a severe cold. His parents were in Sweden at the time, arriving in New York just a few hours after his death.

The Associated Press report was as follows:

SON, 17, DEAD OF POLIO WHEN PARENTS ARRIVE

CLIFTON.—Mr. and Mrs. Meyer Lobsenz, of 11 West Parkway, expected to be seeing the sights in the Scandinavian countries today. Instead they attended the funeral of their son, Arthur.

Arthur, 17, salutatorian last term at Montclair College High School, died Friday of poliomyelitis in Albany, N. Y., hospital.

When Mr. and Mrs. Lobsenz left for Europe July 6 Arthur was a swimming instructor at a camp on Lake George. His brother, Theodore, was a boating instructor at the same camp.

A week ago Arthur became ill of what was thought to be a severe cold. When his condition became serious last Thursday, Theodore attempted to reach his parents in Stockholm, Sweden, by trans-Atlantic phone but did not succeed.

He got through to them Friday, and they left for home, arriving at New York Saturday morning, only to learn Arthur had died.

On the same page of the newspaper carrying the story of Arthur Lobsenz' death there appeared the following International News Service account of the national polio epidemic:

POLIO VICTIMS EXCEED 7,000; NEARLY 350 DIE

(By International News Service)

The toll of infantile paralysis victims stood at well over 7,000 in the Nation yesterday and fatalities neared 350.

Texas was the hardest hit, with 1,125 cases, and California was second with over 700 polio victims.

Parts of Idaho faced a new emergency when All Saints Hospital at Idaho Falls said polio cases had filled the institution to capacity.

EMERGENCY IN IOWA

At Rexburg, Idaho, the State toll for July rose to 76 when 2 children were stricken.

In Dubuque, Iowa, an emergency also was declared and children under 16 were quarantined.

Also from the Middle West—in Springfield, Champaign, and Centralia—public gatherings were banned. Twenty-one new cases were reported in Illinois through Saturday.

In Muncie, Ind., townsfolk improvised respirators from old alcohol barrels and vacuum cleaner parts.

PRAY FOR RELIEF

They took time off from fashioning the makeshift lungs to hold home devotions to pray for the end of the epidemic.

From the eastern part of the country came reports of 35 new cases in New York City and 21 in Cleveland.

Washington, D. C., also faced with a rising number of polio cases, called for all unemployed nurses to report immediately to aid in polio hospitalization.

This morning I phoned the Surgeon General, United States Public Health Service, Dr. Leonard A. Scheele, who had a few minutes before discussed the situation on long-distance phone with Basil O'Connor, head of the Warm Springs Infantile Foundation. I was advised that the Government is watching the picture very carefully and was continuing its

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research into the basic diseases believed to contribute to poliomyelitis. Most of the great polio research is through the Foundation and other private programs.

Dr. Scheele informed me that much valuable information was obtained at the international conference on polio held in New York City last spring and, while no magic formula had been developed, definite progress was being made. He expressed hope there would soon be a break in the number of cases being reported throughout the Nation.

I informed Dr. Scheele that I had supported the Federal grant-in-aid research program to the fullest and if more funds were deemed to be necessary I would do everything possible to expedite their appropriation.

The Government Most Dangerous To Us Is Our Own

EXTENSION OF REMARKS
OF
HON. WALTER H. JUDD
OF MINNESOTA
IN THE HOUSE OF REPRESENTATIVES
Monday, August 1, 1949

Mr. JUDD. Mr. Speaker under leave to extend my remarks in the RECORD, I include the following article from the Washington News of July 27, 1949:

WORLD'S BEST PLAN: MIND OWN BUSINESS
(By E. T. Leech)

Our country is a system of free individuals. That is what Lincoln meant when he called it a "Government of the people, by the people, for the people."

A lot of countries have claimed or now claim to be free. So long as a nation is not conquered and controlled by some outsider, that claim is true to a degree. But the real test is whether its individual citizens are free. Throughout history most peoples have lost freedom not by conquest but to their own governments.

Outside governments may be dangerous, but none is so dangerous as the one at home. That is the one supreme lesson of political history. And the greatest wisdom of those who established our Government lay in the fact that they knew it.

They thought of freedom in terms of the individual. And they realized that Government—including the one they were setting up—is the great enemy of personal liberty. So they tried by all sorts of checks and balances to put Government in its place. The Constitution is above all else a document designated to restrain officials.

It is at this point—the emphasis on individual liberty—that the freedom established in America differs from the general definition of such freedom as has existed through most of history. And it is at this point that our liberty is now in danger.

We of this generation have worried a lot about losing our freedom to some outside system—personified first by the Kaiser, then by Hitler and now by Stalin.

But the real danger is at home.

We can keep free from Stalin and any other outside dictator and still lose our liberty. We can lose it to Washington easier than any other way.

What we have had for 160 years is the right to mind our own business. To run our personal affairs. To succeed or fail, to gain or lose, according to our own personal merits, efforts and desires.

These rights had to be curbed to bar excesses. One man's liberty must be limited when it infringes on that of somebody else. But, by and large, we have had the highest type of freedom—individual.

Those 160 years are just a minute in the long course of time. Yet no other nation has enjoyed such a minute of liberty. In that time we have achieved higher living standards, more wealth, a wider distribution of goods, greater leisure, better health, a bigger reduction of poverty and suffering, and larger opportunities than any other people ever knew.

The job isn't perfect or finished. Much that is good still is faulty or barely started.

So a lot of people become impatient. They want a short cut to utopia. And that short cut turns out to be the oldest, roughest, longest road in the world—worn by the tired feet of untold millions—the road to state control and lost liberty. It is strewn with promises never fulfilled and hopes which were dashed. It is littered with state planning which failed.

Yet it is always tempting. Because there are always those who beckon us onto the road with promises that government will give something for nothing. They offer personal security at the cost of individual freedom.

That is the price which is always paid, and the security is never delivered. For government can't provide it. Government never created anything. It never built an industry. It never perfected an invention. It never created a moral code, produced a work of art, or made a dollar.

All progress has come from the personal efforts of individuals. Of a very few people—just a tiny percentage of the whole. Yet by their hard work, inspiration, superior mentality, or plain desire to forge ahead, they did something of benefit to their fellows. That is the only way mankind has progressed. Civilization is the sum total of many personal accomplishments.

Man has done best only when allowed to mind his own business. He has done worst when government tried to mind it for him.

Mary Teresa Norton

EXTENSION OF REMARKS
OF
HON. AUGUSTINE B. KELLEY
OF PENNSYLVANIA
IN THE HOUSE OF REPRESENTATIVES
Monday, August 1, 1949

Mr. KELLEY. Mr. Speaker, with permission to extend my remarks in the RECORD, I am including an article from Labor newspaper under date of July 30, remarking on the success of Congresswoman MARY TERESA NORTON in guiding the anti-poll-tax bill through the House. It accurately describes it as a "great triumph" for the gentlewoman from New Jersey.

This victory will recall another outstanding one in 1938, when Mrs. NORTON sponsored and led the fight for the passage of the Wages and Hours Act. She has long been a champion of the rights of underprivileged groups, and her many years of service in the House of Representatives has never been equalled by a member of her sex, and by few of the opposite sex. No doubt her success has been due to her conscientious desire to do good. Always entirely unselfish and never sparing herself, she has made an enviable record and a reputation which will not be dimmed through the years.

The article follows:

After a 2-day battle the House on Tuesday, by a vote of 273 to 116, passed an anti-poll-tax bill. It was a great triumph for Congresswoman MARY NORTON, Democrat, New Jersey, veteran backer of good causes.

To get the bill before the House, MARY had to "lick" the Rules Committee, which refused to bring it out on the floor. She did that by using, for the very first time, a new rule which the House put into effect at the beginning of this session. Her honor of being the first will have a big place in House history.

Mrs. NORTON'S bill, which is part of President Truman's civil-rights program, would forbid States to make their citizens pay a poll tax as a requirement for voting in primary or general elections affecting Congress or other Federal offices.

When seeking votes in last year's campaign both parties put into their platforms anti-poll-tax pledges. The Taft Republicans, however, have made a deal with the Byrd Democrats to kill any civil-rights legislation in the Senate.

That deal will be carried out to the end, so House passage of the anti-poll-tax bill does not mean that it will become law.

Railroad Safety

EXTENSION OF REMARKS
OF
HON. DEWEY SHORT
OF MISSOURI
IN THE HOUSE OF REPRESENTATIVES
Monday, July 25, 1949

Mr. SHORT. Mr. Speaker, it always has been my conviction that any private concern that deals daily, closely, and intimately with the operations of its own business, knows better how to run it with greater efficiency, economy, and safety than any Government board, bureau, commission, or agency.

Under leave to extend my remarks, I include a letter from a good friend of mine whose company has four factories in my district. His position on House bill 378 is so clearly and logically stated that I need not add anything to it. Mr. McLain's letter follows:

THE RAILWAYS ICE CO.,
Chicago, Ill., July 13, 1949.

Hon. DEWEY SHORT,
House Office Building,
Washington, D. C.

HONORABLE SIR: As an owner of some shares of railroad stock and of a business which depends for its livelihood upon railroads, I am much disturbed by House bill 378, which is now pending. I understand that under the guise of "safety" this legislation proposes to give to the Interstate Commerce Commission the power "to establish rules, regulations, and practices with respect to operation of trains intended to promote safety."

On the face of it, it would seem that nobody should quarrel with or be suspicious of such legislation. Looking deeper into the effect of such legislation, however, the result becomes much more significant and sinister.

By their records certainly the railroads of this country neither deserve nor need control and dictation from a governmental body on safety measures. The railroads have the finest record of safety per passenger-mile

and per man-hours worked of any form of transportation in the world. Their record is better than the record of busses, automobiles, taxicabs, and air lines. Their record for safety is getting better every year for both passengers and employees. Their record is infinitely better than when the railroads were operated by the Government during the First World War. The railroads have proven that they are conscious of, continually strive for, and are successful in attaining proper safety programs.

We have had quite a little experience in the last 50 years with innocent phrases and the far reaching results of their application. Under the elastic interpretation and application of the general welfare and interstate commerce clauses in the Federal Constitution, we have seen farfetched and far reaching inroads into our form of government. It is very easy to visualize how far afield the small group of men constituting the Interstate Commerce Commission could go in their regulation and domination of the railroads in regard to finance, labor, rates, and all other operating factors under the proposed legislation ostensibly to establish practices to promote safety.

Just why the small group of men constituting the Interstate Commerce Commission could better conceive and put into effect proper safety measures and practices in the railroads than those same railroads are already conceiving and making effective, is hard to understand. The railroads already have more than their share of Government controls, taxes, and criticism. The proposed legislation is iniquitous, dangerous, and unwarranted. I do hope you can find it within your conviction to oppose the bill in question.

Very truly yours,

HAROLD MCLAIN.

Poll-Tax Bill

EXTENSION OF REMARKS
OF
HON. JOHN BELL WILLIAMS
OF MISSISSIPPI
IN THE HOUSE OF REPRESENTATIVES
Monday, August 1, 1949

Mr. WILLIAMS. Mr. Speaker, in my opinion the civil-rights program offered by the President and supported by both major political parties is the most hypocritical legislation ever to come before the Congress of the United States. It is nothing more or less than an attack upon the powers granted the States under the Constitution of the United States, and is being used as a means to bring about a completely centralized government. The so-called anti-poll-tax bill, part of the President's program, which passed the House the other day, is but merely the opening wedge. In this connection, I wish to include herewith an article written by Hodding Carter, a Mississippi newspaperman and Pulitzer prize winner, which appeared in the Washington Post on yesterday:

LOOKING SOUTH—HOUSE MAKES ANOTHER PASS AT POLL TAX

(By Hodding Carter)

GREENVILLE, MISS.—If the House of Representatives can waste 2 days in passing anti-poll-tax legislation, I ought to be able to waste a few paragraphs commenting on the hypocrisy, the futility, and the unconstitutionality of such action.

A majority of the citizens of 42 States obviously think the poll tax, as a voting requisite, is a bad tax. Perhaps a majority of the citizens of the remaining six also think so, and in time will abandon it. I hope so.

But if the Constitution of the United States means anything—and you'll have to ask the Supreme Court, not me, if it does—the decision to change now rests with the citizens of those six States. Only a constitutional amendment can properly take away the present right of the States to set their own voting qualifications.

However, bloc votes are more important than the Constitution, so a majority of the boys in the House came across with the good old gesture last week. For the fourth time they've passed a bill outlawing the poll tax as a requisite for voting in Federal elections.

If any of them honestly believe that the Senate will concur, they ought to be barred from voting themselves on the grounds of mental instability. There isn't a chance of anti-poll-tax legislation getting by the Senate. Southern Senators would again filibuster a poll-tax measure to death, and everyone in the House knows it. Filibuster is a horrible word, but it isn't as repugnant as the recurrent attempt to ramrod an unconstitutional act through Congress because it seems smart politics to do so.

And it probably is smart politics. On the one hand are six Southern poll-tax States, whose total electoral vote is small and whose political behavior can usually be ascertained in advance. On the other are clamorous blocs of voters in large and politically uncertain States, to whom poll-tax repeal by Federal action has been sold as a holy crusade and a politically advantageous kind of retaliation.

Inciting them—and influencing the lads who learned back in Kansas City that great machines can be built from little blocs—are honest and dishonest spokesmen for greater centralization of Government as the only panacea for our democratic failures.

The poll tax is virtually meaningless in the Nation. Left to themselves, the six poll-tax States will in time repeal their statutes. Or, if that appears too long to wait, certainly the citizens of 42 States would approve a constitutional amendment outlawing the poll tax in Federal elections.

But such procedure would be too orderly to produce immediate political results. Congressional repeal is the smart way, boys, so damn the Constitution and full speed ahead to the same old starting point.

Committee on Un-American Activities

EXTENSION OF REMARKS
OF
HON. JAMES C. DAVIS
OF GEORGIA
IN THE HOUSE OF REPRESENTATIVES
Monday, August 1, 1949

Mr. DAVIS of Georgia. Mr. Speaker, I have received from Mrs. Gertrude Harris, the able and distinguished president of the Georgia Federation of Women's Clubs, two resolutions adopted by the executive board of the federation.

One of these resolutions commends the activities of the House Committee on Un-American Activities for its intelligent and constructive approach to the problem of safeguarding the security of this Government.

The other resolution endorses legislation to raise the standards of health, welfare, and education of Indians.

I commend these resolutions to the attention of this body, and under leave previously granted, I insert these resolutions herewith:

Whereas the Committee of the House of Representatives of the United States Congress on Un-American Activities reports that there are 800,000 foreign agents organized to sabotage United States industry and Government in time of crisis; and

Whereas information on the infiltration of such agents and of subversive organizations is essential to the protection of our national security; and

Whereas the Committee on Un-American Activities, under the leadership of its chairman, Hon. JOHN S. WOOD, Congressman from the Ninth Congressional District of Georgia, is making an intelligent and constructive approach to the problem of safeguarding the security of this Government, and at the same time giving due protection to the rights of individuals; and

Whereas Chairman WOOD is proposing to Congress that it enact legislation to provide heavy penalties for Government employees and for those working on Government contracts found assisting the Communist Party, or its fronts, through membership in or contributions to such organizations as are designated as subversive by the Attorney General: Therefore, be it

Resolved by the executive board of Georgia Federation of Women's Clubs, That we go on record as approving the enactment of such legislation as will protect the security of our Government, the continuation of the Committee on Un-American Activities and of its policies of giving Congress and to the public information concerning the activities of foreign agents and subversive organizations; and be it further

Resolved, That a copy of this resolution be sent to the Honorable JOHN S. WOOD, and to the members of the Georgia delegation in the Congress of the United States.

This the 28th day of June 1949.

MRS. Z. V. PETERSON,
Legislation Chairman.

Resolved, That the executive board of the Georgia Federation of Women's Clubs pledge its cooperation to the General Federation in its efforts to secure reforms in the policies and administration of the Office of Indian Affairs to the end that Indians may have equality or standards of health, welfare, and education with other communities, achieve unrestricted citizenship, and have protection of land ownership; and be it further

Resolved, That this board go on record as disapproving bill S. 363 wiping out Alaskan Indian land titles and bill S. 3 which would force Indians in Nevada to sell land at 1934 prices to white squatters; and be it further

Resolved, That we request the Members of Congress from Georgia to support long-range program for the proper care of the Navajo Indians.

This the 28th day of June 1949.

MRS. JESSE W. BUSH,
Indian Welfare Chairman.

Hawaiian Relief, Courtesy of Bridges

EXTENSION OF REMARKS
OF
HON. ROBERT F. RICH
OF PENNSYLVANIA
IN THE HOUSE OF REPRESENTATIVES
Monday, August 1, 1949

Mr. RICH. Mr. Speaker, under leave to extend my remarks in the RECORD, I in-

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clude the following editorial by Kyle Palmer, from the Los Angeles Times for June 15, 1949:

HAWAIIAN RELIEF, COURTESY OF BRIDGES

(By Kyle Palmer)

Depressing news dispatches and indignant reports by returning mainlanders; statistics on dangerously low food supplies, on business failures and job losses; and slow strangulation of the economic life of an American community of more than 500,000 men, women, and children are incidental items in the tragic story of strike-bound Hawaii.

Merits in the dispute between striking dock workers and their employers are secondary considerations.

In the light of the far greater issue raised by the situation in Hawaii—an issue as vitally related to the welfare of all the people of this country as to that of the helpless Hawaiian population—the question of which side is right, or partly right, in arguments for and against wage increases loses much of its significance.

Hardships of those in far-away places, the sufferings we read about, but do not ourselves experience, even the distress of a distant community in which our own friends and relatives are among the hapless victims, never seem quite as real or as unbearable as the ills and evils we share or have immediately before us.

But the fact remains that the country's mainlanders are sitting by complacently while more than a half million of their fellow citizens are experiencing an ordeal—now well into its second month—which would not be tolerated overnight by public opinion within the contir ental United States.

Whether Harry Bridges represents to you a species of Red devil bent upon destroying the economic, political, and social system of this country, or in your estimation is an inspired defender of the rights of his underprivileged fellow man, Mr. Bridges by calculation and design has been able, for all practical purposes, to isolate the Hawaiian Islands from the rest of the world.

Again, it seems to me, that his motives are relatively unimportant; whether he seeks to better the lot of his union members, as he maintains; whether he is carrying out a deliberate communistic scheme to dominate Territorial politics and economics, as many believe, or whether he merely intends to solidify his position as a dominating figure in management-labor relations.

The important thing, from the standpoint of any citizen who has due regard for his own rights, freedom, and welfare, is that Bridges has been able to accomplish his objective; that he has been permitted to accomplish it, first, by an unaroused public opinion, and, second, by a remarkably and inexplicably indulgent national administration.

A dock strike in Hawaii, backed up by refusal of dock workers on the mainland to handle cargoes destined for Hawaiian ports, represents in all respects what a joint shipping, trucking, and railway strike would mean to a mainland community. To Los Angeles, for instance.

And in view of the distances involved, the Hawaian dock strike is even more crippling; for Honolulu and all other Territorial areas are absolutely dependent for adequate supplies of virtually all essentials upon waterborne commerce.

Not a freighter may be loaded or leave port or discharge its cargo except by the grace of this union boss; and while one branch of the Federal Government marshals its forces to prove him a perjurer and an active Communist leader whose original alien status should be restored preliminary to his deportation, other divisions of the Government profess themselves powerless to interfere with his destructive program.

And once again, a discussion of this situation need not inquire into his reasons, nor seek answers not related to the basic question that should appeal to all:

"If Harry Bridges and his union members can bring the people of Hawaii to their knees by reckless and ruthless exercise of arbitrary power, what is to prevent him—or others—form exercising that power elsewhere?"

True, neither Bridges nor any other union leader, even with the collaboration or collusion of a prolabor national administration could get away with such tactics on the mainland now.

But how about next year, or the year after that, or 10 years hence, if the Hawaiian experiment succeeds?

The dock strike in Hawaii is an object lesson, both of what is happening and of what can happen. Yes, what can happen here.

Dock strikers have demanded a specified pay increase and their employers, offering less than the union demands, must eventually come to a decision.

Compulsion by Government agencies exerted against either side will not meet the issue, nor will a one-sided victory by either prove beneficial. Somewhere along the line a fair meeting ground can be discovered.

In the meantime, Bridges keeps his thumb on the jugular vein of the Hawaiian people—their maritime commerce.

And in the meantime the constructive and productive activities of the islands are withering.

Pineapple and sugar industries in Hawaii are "big business." That such industries are periled is not, perhaps, a matter of great concern to Bridges and his island lieutenants.

Yet the economy of the islands rests upon those two major operations, and the livelihood of tens of thousands of families depends upon their success.

There were less than 10,000 persons listed as unemployed in Hawaii when the strike of longshoremen and warehouse workers started on May 1. Now the unemployed number over 20,000.

And this expanding army of the enforced idle may suddenly reach disastrous proportions if unionized sugar and pineapple workers—controlled by Bridges—carry out threats of strikes in those industries.

The Federal Government is ever on the alert to break up and penalize the threat of industrial monopoly, but here is a monopoly—a monopoly of power, of political pressure and of economic control—that can say "stop" or "go" not only to business, but to the workers, to the politicians and to government itself.

Surrender to such a threat, on any basis, might bring temporary labor-management peace to Hawaii and a resumption—on Bridges' terms—of the commerce of the islands.

The evils thus halted for a time in Hawaii, however, would reappear in more malignant form. Their spread could not be stayed.

Thus, Harry Bridges has challenged the right and the capacity of the people—not of the Territory of Hawaii alone, but of the Nation itself—to conduct their ordinary and proper affairs unhindered by the particular interests or the special objectives of any man or set of men.

Make no mistake about this dock strike in Hawaii. It goes far beyond the limits of an employer-employee dispute; is more fundamental than any struggle between capital and labor. It is a supreme bid for power by a resourceful and highly intelligent man who, if he succeeds, will never be satisfied by one or two such triumphs.

The solution to this puzzle does not lie primarily in Hawaii, where the people are under siege. It is really up to the people on the mainland to take cognizance of an unbearable and an insufferable condition which, as it affects the fundamental rights of a few, affects the rights of all.

How far shall the oppression of Bridges be tolerated?

To date, milk production in Hawaii has been curtailed about 10 percent.

More than 350 business establishments, in the face of dwindling supplies of dying trade, have been forced to lay off hundreds of workers.

Salaries have been reduced in some firms by managements hoping to weather the storm without curtailing their staffs.

For the first time in many years, dividend payments to investors have been cut.

Many little businesses either hang upon the edge of bankruptcy or are about to take the plunge.

In some instances poultry growers have slaughtered flocks, destroyed baby chicks and hatching eggs because of empty feed bins.

Passengers and mail arriving on trans-Pacific ships are being unloaded off the port of Hawaii and lightered ashore.

The record of petty annoyance and major outrage is endless.

A relief ship is on the way. Harry Bridges permitted it to be loaded and allowed it to sail. The ship will be unloaded, Bridges willing.

Excise Taxes

EXTENSION OF REMARKS

OF

HON. DEWEY SHORT

OF MISSOURI

IN THE HOUSE OF REPRESENTATIVES

Monday, July 25, 1949

Mr. SHORT. Mr. Speaker, most everyone realizes that during the war it was necessary for us to raise additional revenue by so-called luxury taxes. This so-called luxury tax covered a very wide field. It included taxes on perfumes, furs, silver, amusements, transportation, and communication.

Of course, it was necessary to have taxes on these articles not merely to raise revenue, but also to discourage the public's buying and use of these commodities and services during wartime. No reasonable person had objection to those taxes when the safety of our Nation was at stake. Now that the shooting war has been over for 4 years, many of our citizens cannot see the necessity, wisdom, or justice of continuing these wartime taxes in time of peace. All of the managers and many of the patrons of these businesses are vigorously opposed to the continuation of these taxes and want them entirely removed or greatly reduced.

Certainly the taxes on transportation tickets, telephone calls, and telegrams are a great burden to the people, and these services are not a luxury but a necessity. The taxes on amusements, if reduced, would perhaps bring in more revenue because the small amusement centers cannot operate under their present-day load of expenses and taxes.

Recently I have received many communications from people in different businesses—both inside and outside my district, protesting the continuation of these excessive wartime taxes.

Under leave to extend my remarks, I include the following two letters—one from R. D. Fisher, manager of the Star Theatre, Willow Springs, Mo., and the other from Tom M. Hayes, passenger traffic manager of the Wabash Railroad Co. in St. Louis, Mo. It seems to me that the logic in both of these letters is unanswerable and the only way we can avoid financial ruin is to cut down on Government expenditures and to give a little more consideration to the people at home than we give to those abroad.

In line with this, I want my people to know that I have signed Discharge Petition No. 5, offered by our former Speaker, Mr. MARTIN of Massachusetts, who is now our minority leader, to remove or drastically reduce these excise taxes.

STAR THEATRE,
Willow Springs, Mo., July 18, 1949.

Hon. DEWEY SHORT,
House Office Building, Washington, D. C.

DEAR DEWEY: Since a bit of legislation relating to theater admissions is about to come up, I thought you might be interested in this pertinent bit of information relating to my business.

For the month of June 1949 my net profit amounted to $186.25, little more than a living wage, and certainly no return worth noting on my investment in the business of over $30,000.

My Federal admissions-tax payment to the collector of internal revenue for the month of June 1949 was $346.14. This is almost twice my profit. Seems almost confiscatory, doesn't it, especially when you consider that that sum represents 20 percent of my intake, the State then takes another 2 percent, before I even begin paying my costs and expenses, plus all the other normal taxes everyone pays.

The rider to H. R. 3905 purportedly would reduce the Federal admissions tax from 20 percent to 10 percent, or half. Actually this is not so. On my 30-cent admission, the Federal tax would be reduced from 5 cents per ticket to 3 cents per ticket; and on my 25-cent admission, the Federal tax would be reduced from 4 cents per ticket to 3 cents per ticket. Of course, this would be a big help and, naturally, I urge you to help in every way you feel right to accomplish this reduction for us.

However, many people I have noticed, particularly some editors, and people who should know better, hail this proposed reduction to 10 percent as a return to prewar level, or an elimination of the war tax on admissions. This is not so, and if any of your colleagues are laboring under such a delusion, you might provide them with this brief history of theater admission taxation.

Before July 1, 1940, the only Federal tax on admissions was 10 percent on admissions of over 40 cents. All admissions under that were exempt. That meant all small-town theaters were relieved of this burden, and the tax applied only where the admission price indicated it could be borne without hardship. On July 1, 1940, the law was changed reducing the exemption to admissions under 20 cents, still at the 10-percent rate. I believe it was called a defense tax. Then on October 1, 1942, the exemption was taken off altogether, becoming a straight 10-percent tax on all adult admissions. Then on April 1, 1944, the rate was doubled to 20 percent, and has remained unchanged to this date. The doubling was called a war tax or emergency measure. Theaters raised little or no opposition to its imposition as at that time we were certainly in a state of emergency with the war progressing very slowly in our favor at heavy costs.

Now, almost 4 years after the war, if a roll-back to the 10-percent tax on all admissions is all the cut-back we're going to get, why I'd say we'll take it gladly and be grateful for the 25 percent to 50 percent relief it grants us, but it seems we should go a step further and set an exemption admission price of 30 cents or 40 cents, which will relieve the small town and subsequent runs where the admissions are low—patronage is from the low-income groups—and retaining the tax on the admissions which by their price show they can afford it.

For some theaters a change in the admissions tax may result in a lower admission price, where the tax was originally added to the admission price. For others, where the tax was absorbed and paid by the theater, holding the admission price to the patron the same, it will be a wonderful relief to the small owner who has been paying several hundred percent of his fair share of the tax burden. Many small theaters just couldn't add 20 percent to their admissions and still hope to hold a volume of patronage. Low-income groups such as ours just can't pay, and won't pay, higher admissions for their movies, which are their only source of community entertainment.

Well, Dewey, I started to write you a few paragraphs asking if you could help H. R. 3905 with its admissions-tax rider, but seem to have wound up writing a book. But we need this reduction badly, speaking from the standpoint of a small owner, and if there is any way you can use this letter to advantage, please feel free to do so however you wish. I don't know any of the other gentlemen to write to, so you might pass this information around a bit if you wish.

With very kindest regards, and best wishes, I am,

Sincerely,

DICK FISHER.

WABASH RAILROAD CO.,
St. Louis, Mo., July 12, 1949.

Hon. DEWEY SHORT,
Member of Congress,
Washington, D. C.

DEAR DEWEY: It is interesting to note in the President's message yesterday he recommended the removal of the tax on the transportation of goods, but he failed to recommend the withdrawal of the 15 percent Federal tax on the transportation of persons.

It isn't just because I am in the passenger end of the business that I feel it would be even more important to the people of the United States generally that the 15-percent Federal tax on the transportation of persons be removed than it is to the very many fewer individuals who ship goods that the 3-percent tax on the transportation of goods be withdrawn.

The situation with respect to the 15-percent Federal tax on transportation of persons is made doubly onerous because of the condition which exists under the present law which permits individuals to purchase tickets in Canada covering journeys wholly within the United States and, because the purchase of the tickets occurs in Canada, no United States 15 percent Federal tax is assessed. Certain of the air lines (which are so heavily subsidized out of the Public Treasury from revenue to which the railroads contribute so heavily) have established offices at border points in Canada (even at points to and from which some of the air lines have no service at all) and are selling their tickets for journeys wholly within the United States.

To me this doesn't make either sense or justice, and the only way in which I can see that we can meet that situation is to have our Congress remove the 15-percent Federal tax on the transportation of persons, which, as has been pointed out frequently, was put on during the wartime as a deterrent to travel.

I do hope the Congress will take cognizance of this situation and remove the 15-percent Federal tax on the transportation of persons.

Kindest personal regards.

Sincerely,

TOM HAYES.

Another Tribute to Justice Murphy

EXTENSION OF REMARKS
OF
HON. JOHN D. DINGELL
OF MICHIGAN
IN THE HOUSE OF REPRESENTATIVES
Monday, August 1, 1949

Mr. DINGELL. Mr. Speaker, under leave to extend my remarks in the RECORD, I request the inclusion of a tribute to the late and beloved Associate Justice Frank Murphy as expressed by Aaron Kurland, one of Detroit's outstanding lawyers, who knew him so long and so well.

The tribute was published in the Jewish News of July 29, 1949:

FRANK MURPHY EULOGIZED AS JEWRY'S BEST FRIEND

(By Aaron Kurland)

A great leader of American liberal thought is dead. Frank Murphy, Justice of the United States Supreme Court, is now a part of American history. His life and his achievements will long be remembered by the people of this community. The Jewish people, in particular, will not forget this great son of Michigan. He was our best friend. There has never been a man in Detroit public life who was as beloved by the Jewish people as Frank Murphy was. Murphy's personality, his intellectual attainments, his humanitarian policies, his great abilities both as an orator and as an administrator appealed intensely to citizens of the Jewish race.

Frank Murphy was an admirer of Jewish thought and Jewish accomplishments. He was a deep student of Jewish history and never failed to come to our defense when our way of life and our hopes as a people were threatened.

PUBLIC SUPPORT OF ZIONISM

Frank Murphy made his first public declaration in support of the Zionist cause at a public rally held at the Lafayette Theater in Detroit in 1929. This was a gathering to protest the Arab riots then raging in Palestine and to condemn Britain's failure to defend the Jewish position in the Holy Land. Philip Slomovitz, then president of the Zionist Organization of Detroit, presided. Frank Murphy, who was mayor of Detroit at that time, spoke eloquently and with great feeling about the need of the Jewish people for a home and and pledged his support for Zionist aspirations in Palestine.

Mr. Murphy reiterated his pro-Zionist views at the reception in honor of Menachem Ussishkin at the Detroit City Hall on January 19, 1931, under the chairmanship of the writer of this article.

MESSAGE TO AMERICAN JEWISH CONGRESS

As Governor of Michigan, on October 13, 1938, in a telegraphic message to Mr. Slomovitz, then chairman of the American Jewish Congress, read at a meeting that night at the B'nai David, Frank Murphy stated:

"Please convey to the members of the Detroit section of the American Jewish Congress my good wishes and assure them of my

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deep sympathy with the Jewish position in Palestine. Never perhaps has there been greater need for defense of minorities by the friends of democracy and justice than today. The situation there is one of the most flagrant examples of oppression of a minority and I pray that it can be ended speedily, without further violence, and with justice to all."

To demonstrate the strong attachment for Murphy's principles and personality on the parts of Michigan Jewry, it may be recalled that in 1938, a Jewish Committee of One Thousand functioned for his reelection as Governor. Aaron Rosenberg, prominent Detroit attorney, served as chairman of the committee. Writing in support of his candidacy, I stated:

"Let it be known that the pleas for the reelection of Frank Murphy, the organization of a Jewish committee of 1,000, all these are not motivated by anything concerning our problems as Jews. We do not claim any bias or prejudice against anyone. Nor that race, color, or creed is the issue in this campaign. There is, however, among the Jewish people, as there must be among all people who have been nurtured on the Bible and the Prophets, a common memory, a common faith, and a common heritage, of the prophetic admonitions that have stirred our hearts throughout the ages.

CARDINAL VIRTUES

"We are moved when we see that prevailing in this administration are the cardinal virtues of truth, justice, and peace, for these three—declares the Talmud, 'are the pillars of human society.'

"It is because Gov. Frank Murphy has given concrete expression to these yearnings of our people for the correction of wrong, for truth in government, for justice in dealing with all men, for peace among those who labor and those who hire labor, that we rally to his banner and proclaim his virtues so that all may read and be equally moved thereby."

Frank Murphy was the son of a humble Irish-immigrant family. He came from the people, and throughout his career he had been not only tolerant and fair to all races and creeds, but on every opportunity spoke in glowing tribute of the accomplishments and of the genius of the various racial groups which enter into the American melting pot.

There is little need to describe his record. Many articles have been written in the past week demonstrating the impact of this man's life upon American thought during the past 30 years. His philosophy of government, his crusading zeal, his spiritual approach to the problems of our time, as well as his answering heart to the call of the oppressed and those in need will be the focus of man's study for many years to come. History will make record of this man's life, and for generations to follow disciples will walk in the steps of this son of America.

Report on Unemployment

EXTENSION OF REMARKS

OF

HON. THOMAS J. LANE

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Monday, August 1, 1949

Mr. LANE. Mr. Speaker, under leave to extend my remarks, I wish to include the following address by Arthur Gaeth on Monday, July 18, 1949:

I am speaking to you tonight from a typical New England mill town. Lawrence, Mass., on the banks of the Merrimac River, boasts the largest worsted mill in the world. Only 20 minutes from here in one direction is Lowell, in times past called the Spindle City—so important to the early development of the textile industry that even Charles Dickens once visited it. Twenty minutes in the opposite direction from here is Haverhill, once known as the Queen Shoe City—also the birthplace of John Greenleaf Whittier, who wrote the Barefoot Boy, Barbara Fritchie, and other poems.

Two big industries dominate—weaving of woolen worsteds and the making of women's shoes. Both of them were hard hit by recession. It is only a hop, skip, and a jump over to Maine or New Hampshire. New Hampshire with 16 percent—ranks right after Rhode Island which leads in the total percentage of workers drawing unemployment compensation—with 25 percent. Maine is third with 15 percent—then come California and Tennessee and after that Massachusetts. So you see, on this unemployment survey, I am in the heart of an area where unemployment is a real issue.

PROSPECTS NOT GOOD

Until a few days ago, here in Lawrence about 40 percent of the people were either laid off or working 3 days a week, every other or every third week. In Lowell the number was about 25 percent and in Haverhill over 30 percent. The situation has improved slightly as it has in Massachusetts generally. For the last 2 months in the State unemployment has fluctuated between 190,000 and 200,000—twice the number last year. In 1948, taxes levied on employers for unemployment benefits were on pay rolls of about $3,500,000,000; this year those pay rolls will not go over $3,000,000,000, a cut of about 14 percent for the two-million-odd thousand workers employed.

The outlook generally is that unemployment will not change much until September, then it may be down or up. Today there are brighter prospects in the consumer soft-goods lines, darker prospects in hard goods lines. Mills producing women's wear and woolen-worsteds are showing improvement; the shift back is much slower than were the lay-offs. Cotton mills are continuing to trim their staffs. The fall shoe production season is on and more shoe workers have gone back than appeared possible 6 weeks ago.

But a number of factories folded up. Clothing production looks brighter; hat shops are seasonably low; production in electrical machinery and equipment is worse off; jewelry and furniture stronger. Shipbuilding has improved; ship repairs are in the doldrums. Fishing activity is spotty.

There are two dominant attitudes in this State. In the main, the people who show real concern over this recession are the workers, not only those laid off. The corner grocer owner, manager of the near-the-mill eating house or beanery, losing from 25 to 50 percent of their weekly business, show some of the same worry. Of course, the bookmakers are hollering.

BUSINESS OPTIMISM

At the chambers of commerce, and in the larger business establishments, there is considerable optimism, even though some of the people do not know why. They tell me they have been through this before. This is just a case of economic snuffles. Several stores on Essex Street thought it was bad for Lawrence for a correspondent to inquire into unemployment. I have been reading Myer's and Newman's the Hoover Administration. I am astonished at the similarity of attitudes in businessmen of 20 years ago and now. There seems hardly a change.

If I heard it once, it was said a dozen times that most of these laid-off people would rather draw unemployment benefits than work. That was the prewar line but war employment showed its fallacy. I have visited scores of workers in their homes. Believe me these people want to work, not loaf. They are worried. They are relieved somewhat to have unemployment security but they do not regard it an adequate substitute for employment. It just barely covers rent and a subsistence diet. The American worker isn't a slave satisfied merely to be living. He'll work to earn to be able to enjoy what he and millions like him produce. He wants a car, washing machine, television set—actually it is the hope of American industry that he does.

Here in Lawrence, I called at the home of a weaver working at Arlington, one of the Big Four mills which at peak employed almost 30,000 workers—now they are down to about 12,000. He's been weaving for almost 40 years. In 1948 he drew $48 a week, with overtime sometimes $60. This year he is on staggered employment, working 3 days 1 week, drawing $30. For 1 or 2 weeks he draws unemployment compensation of $27. He told me of the fear of the workers. There were rumors the plant would close—the pressure is on to cut wages and speed up the work.

How these workers are eating I learned from the proprietor of a super market. In his words, "It is slow in Lawrence. We did $10,000 a week early this year. Now we are doing $2,500 a week less. Our meat sales took the biggest drop; fruits and certain canned goods are down, too. People are buying bulk items—bread, potatoes, spaghetti—food they can fill up on. They watch prices, let us know if we are off half a cent. As for prices, some groceries are down, but meat and produce are up; food isn't cheaper. People buy more and more on week ends and go bargain hunting. There isn't much misery yet. I don't know how it will be when the unemployment checks stop."

In Lowell a doctor told me his collections were slow. People were not coming for little ailments. They paid with ones and fives, not the tens and twenties of wartime.

SHRINKAGE OF TEXTILE MARKETS

As for textile industry prospects, it will be affected by the shrinkage in purchases from Great Britain, and the sterling bloc. The revival of Japanese industry with American taxpayers' money is going to hurt. American export trade was down 25 percent in 1948 over 1947, and it is shrinking. Whereas Britain is expanding trade with Russia, ours is at an all-time low. In this area people are aware of what is happening to trade; that in the last 2½ years there has been a 50-percent cut in the number of American ships moving in and out of Boston.

While the textile industry is concerned about foreign trade, it is more worried about the contraction of the domestic market. And the workers are worried about methods used to keep in business. It is not only that they are being laid off—at every turn their jobs are drying up. For example, at the Wood Mill of American Woolen in what is called universal winding, where formerly 1 girl tended 6 cans, she now tends 16. Two girls do the work of five. On the so-called "perch line" a machine with 4 operators does the work formerly handled by 43. As the American Wool and Cotton Reporter records it: "Before long, good cotton spinning rooms will have no spinners. A plan is being worked out now which lets the doffer start the frame up and run all the way through without any spinning attendant until the bobbins are full and ready to doff again. The textile industry makes technological advances every day."

And I hear people say: "Ultimately machines will do most of the work. We will need less and less workers." The worker

knows the trend. He feels the aim is to keep industry going, making a profit—his is only a secondary consideration—thus his need for organization—he's worried when his union makes concessions that knock him out of a job. Sit down in the worker's home and he'll tell you a story. Yet it takes more and more people to buy the goods we produce. Put enough of them out of work and you're guaranteed another depression.

Only last week a public official in Boston told me: "Full employment, that is only an ideal." In plants there is a willingness to stagger work or increase sales pressure. When it comes to planning and making changes or instituting public works if necessary—there should be no changes—nothing disturbed. As I said once before, I cannot accept unemployment.

I CANNOT ACCEPT UNEMPLOYMENT

I cannot accept unemployment for what it is bound to do to young people, not to speak of the person who reaches 45 and finds himself pushed off a job. On July 5 a considerate mother in Somerville, Mass., wrote me a touching letter about her son. Her boy has graduated from high school. I quote her: "We are just one of many working people's families who sacrifice * * * to educate their children so they may grow up to be good citizens. Last spring our son, who had a year of office experience at the State House, put his name in several offices and places of business hoping that this summer he would have some work to look forward to, to enable him to continue his education and go to college. Oh! he got all kinds of promises. When summer came around, they proved to be promises. There wasn't a job to be found any place, for him or dozens of other boys whom he knows." The mother explained to me what it did to the boy's mentality. Quote: "Mom," he said, "you don't know what it is to go from place to place looking for something to do only to have the same answer everywhere, 'Sorry, son, no work, things are bad'." It got so, he said, it was like a bell ringing in his ears.

At Boston Commons he met a number of young men like himself—fed up with it all, with all kinds of wild ideas in their heads about what they were going to do and how they intended to get their money. So you see, Mr. Gaeth, it is very serious when the American youth begins to get such ideas in their young heads.

WHAT HAPPENS TO YOUTH?

Young fellows here in Lawrence, some of them, are of a similar frame of mind. Here a youngster who graduates from high school without specific skill or trade may go to college, but generally he looks for jobs in the mills. Mills have not been hiring young people; they have laid off many of their old workers. Said one of these chaps: "We hang around the corner looking for a way to dig up a dollar or two. And many of the ways are dishonest ways. We are pretty cynical about things because we know how the politicians, bookies, and others make their dough. Kids here have it tough anyway. In so many families both mothers and dads have to work in the mill if enough is to come in to keep a family. We grow up tended by our sisters or relatives until we are old enough to be on our own. They don't go in much for day nurseries in this town." We really have a problem to face with these young people.

There is much wishful thinking in northern Massachusetts that the factories will be going full blast again by the time unemployment benefits are exhausted beginning for many in September. But the June 30 American Wool and Cotton Reporter wrote: "Why do they tell us that along the 1st of September we are going to again be in quite extreme activity? We ourselves think we are coming back to normal but it will only come with wage adjustments and lower unit costs. The days of 100-percent earnings are ended; the big profits are gone; the swollen dividends are a thing of the past." That from the Wool and Cotton Reporter which has been speaking for this industry since 1887.

In contrast to what I found in Connecticut last week, there is much more of a do-nothing approach in this area.

In Washington last Friday, Senator MURRAY of Montana, supported by 15 Democrats and 2 Republicans, introduced a bill in the Senate titled "The Economic Expansion Act of 1949" prepared to use $15,000,000,000 in long- and short-term funds and loans to give incentives to private enterprise so that the $300,000,000,000 economy called for by the President can be realized.

While the Nation needs an antirecession program to turn the tide in the next 6 months, the impact of the Murray measure would be felt in 6 years. The interim calls for action in maintaining unemployment security, purchasing power by keeping up take-home pay, and a back-log of public works in areas hard hit. There must come assurance to the people from the Government that the Full Employment Act of 1946 is a reality—not just an ideal. That would remove fear of the future. As one worker told me in Newburyport yesterday: "Now if you have $2 left over after you have paid the grocery bill, you are afraid to spend it. Most of us remember what it was like before. The way things are going, we are sure we are going to get it again."

But, it lies in our power to avert it, if we act in time.

Next week via Springfield, Mass.; Albany, Schenectady, Rome, and Utica, I will speak to you from Syracuse, N. Y.

Now good night until next week at this same time.

An Eloquent Tribute to Justice Frank Murphy

EXTENSION OF REMARKS
OF
HON. JOHN D. DINGELL
OF MICHIGAN
IN THE HOUSE OF REPRESENTATIVES

Monday, August 1, 1949

Mr. DINGELL. Mr. Speaker, I ask unanimous consent to include in the RECORD a deserved and eloquent tribute paid to the late and beloved Justice Frank Murphy by the able and understanding Blair Moody, outstanding journalist and writer of the Detroit News, who more than anyone else of my knowledge knew from close contact and observation over many years the sterling worth and character of the late justice. The tribute merits preservation for the future.

MURPHY'S BRILLIANT CAREER GARNISHED WITH FOLKLORE—BOLD ACTION, DEEP SYMPATHY, MYSTIC TEMPERAMENT LEAVE THEIR IMPRINT

(By Blair Moody)

WASHINGTON, July 20.—Frank Murphy was a man with whom the best interests of the American people, as he saw them, came first.

He built one of the most successful political careers of his time by following his instincts, and they were always on the side of the underprivileged.

No citizen of Michigan ever before held so many high offices with such varied responsibilities as this complex Irishman whose devotion to duty had been instilled by a devout mother, who made him the star and hope of a talented family.

And he leaves not only a record for boldly smashing precedents whenever his deep sympathy for the needs and sufferings of his fellow men seemed to require it, but also a trail of Murphy folklore—a product of his mystic temperament—which continues to provide chuckles for those who watch politics from the inside.

MURPHY'S THEORY

More than any other, more even than Franklin D. Roosevelt or Harry Hopkins, Frank Murphy was responsible for acceptance of the principle that under the American system government has a responsibility to protect the individual family when its income, through no fault of its own, is cut off by national economic catastrophe. He took that philosophy to Washington and sold it—when Detroit was flat on its back in 1932.

With President Roosevelt, he is responsible perhaps more than any other politician for labor's power today. For when the crucial moment arrived, when union men sat down in Michigan plants in 1937, Murphy, as Governor, refused to call in the troops for 60 days. And it was this winking at the rights of property for what he considered the rights of human beings, done deliberately and in concert with a President who also knew what he was doing, that broke the dominance of management and resulted in an economy that is today as laboristic as it is capitalistic. Murphy put labor's foot in the door.

Murphy carried his unswerving insistence on making his decisions along lines which would preserve and extend human rights to his liberal doctrine as a Supreme Court Justice, sometimes as spokesman for the Court, oftener as crusader for the leftward minority. The Yale Law Review called him last fall the modern disciple of Justice Oliver Wendell Holmes.

UNUSUAL POLITICS

A highly successful politician who consistently refused to play politics in the usual sense, he owed his post on the Court in part to this quality. With the third-term nomination coming up in 1940, and convention delegates at a premium, Murphy, as Attorney General, was enthusiastically launched on a drive to put the machine bosses out of business.

With Tom Pendergast jailed in Missouri, Murphy sent O. John Rogge to Louisiana to smash the empire of Huey Long (which he did, temporarily) and then started after Boss Hague in New Jersey and Boss Kelly in Chicago.

At that point his choice as a Justice was sent to Congress in what seemed to be rather a hurry.

It was in 1930, when the voters recalled Mayor Charles Bowles and had 30 days to listen to four candidates to succeed him, that the freckled, muscled, sentimental judge took his big step up in politics. It was then also that the rich store of Murphy stories started to pile up.

IDEALISTIC SPEAKER

Detroit had never seen a politician quite like Frank Murphy and probably never will again. His oratory had an idealistic ring, an inspirational quality, that drew disciples. He collaborated quietly in a movement to draft him for mayor, and in the next 30 days did everything right.

He pleaded for a new philosophy, that later became the New Deal. He urged depressed Detroit to help him provide "the dawn of another day * * * the dew and sunshine of a new morning." His platform was tuned perfectly to the times and the problems of the people, and he felt it and they felt it.

His mood, tempo, and approach changed unconsciously with the type of his audience. This reporter will not forget an evening when Murphy and the three reporters covering his

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campaign speeches had to jam sideways, by shoulder-nudging, into a Negro church which was literally bulging with voters.

The candidate wowed 'em. He did not promise any special privileges for the Negro. He merely said, simply and from the heart, that to him all citizens of Detroit were alike, and from him they all would get the same sort of fair deal. He never thereafter lost a Negro precinct, carrying most of them by majorities ranging from 10 to 1 to 100 to 1.

Elbowing out of the church, Murphy went next to an American Legion meeting where his fist-raised oratory as former captain of the AEF got a response that lifted the rafters.

Then he went to a small club consisting chiefly of elderly women who had been waiting for some time and moved eagerly to the edge of their chairs as he entered.

As he stood there waiting several minutes for the feminine handclapping to cease, Murphy's eyes dropped to the floor and a flush rose from his collar to his hair-roots. Finally, in a soft whisper, he said: "Ladies, this is much more than I deserve."

PICKED GOOD MEN

As mayor, governor general, governor of Michigan, and attorney general, Murphy was an outstanding executive, because he found and talked into government a high type of man, and let it be known he wanted the public interests served.

He brought to the Detroit City Hall a higher average of ability and competence than any mayor of modern times: The late Joseph E. Mills, from Packard, as commissioner of purchases, commissioner of public works, and finally head of the DSR; Laurence G. Lenhardt, the engineer who supervised the construction of the city's $30,000,000 water-extension system, as commissioner of public works and now head of the water board; Douglas Dow, from Detroit Edison, as purchasing commissioner; James K. Watkins, the attorney, as police commissioner.

Murphy's unpredictable temperament sometimes had his associates turning cartwheels. Like the time when G. Hall Roosevelt, city controller, and the council had been convinced by a financial group that to preserve the city's fiscal stability there had to be a 40-percent slash in city employees' salaries.

A council committee, in a closed meeting, explained the crisis to Murphy. The mayor asked John C. Lodge, dean of the council, to introduce the resolution.

Next morning, with the council chamber packed with employees, Lodge introduced it. But Murphy arose—paused thoughtfully—and spoke against it.

Lodge, who was mad enough to punch someone with red hair, and almost did, escorted Murphy into his private office, separated from the rest of the room only by a 7-foot partition, and called him everything in the book, with the large audience listening in.

DIFFICULT DAYS

Never did a mayor face more difficult days. Murphy had to break new ground, for never before had strong, honest men come to the city hall to plead with tears to their mayor for milk for their babies.

There was no Federal relief then, no unemployment insurance, no credit for jobless automobile workers, no place for them to get food except the city treasury, and Mayor Murphy opened it.

Critics said he was ruining the city. He spent more than $14,000,000 in 1 year on relief alone.

HANDLED LEWIS

Murphy had a deeply instinctive touch in handling men whom others could not handle. When he finally decided the strikers should be cleared out of the Flint plants he called in John L. Lewis and told him the time to settle had come.

"And if I won't?" rumbled Lewis, at that time head of the fledgling CIO.

"I'll order the plants cleared," said Governor Murphy, quietly.

"You wouldn't dare," scowled Lewis.

"Oh, wouldn't I?" countered the Irishman, looking Lewis in the eye. Lewis ordered the men out of the plants.

The Barden Bill

EXTENSION OF REMARKS
OF
HON. JOHN McSWEENEY
OF OHIO
IN THE HOUSE OF REPRESENTATIVES

Monday, August 1, 1949

Mr. McSWEENEY. Mr. Speaker, under leave to extend my remarks, I include a letter which I received from Father Edward Hannon, V. F., of St. Mary Church of my home city of Wooster, Ohio.

The kindly, thoughtful expressions of this letter, I feel, should be part of our country's permanent record. It should do much to allay ill feeling and to give valuable interpretation to a very controversial question.

The letter follows:

ST. MARY CHURCH,
Wooster, Ohio, July 25, 1949.

The Honorable JOHN J. McSWEENEY,
The Congress of the United States, House of Representatives, Washington, D. C.

DEAR MR. McSWEENEY: What a surprise was mine a few weeks ago to see my name listed with yours in Drew Pearson's column. With Wooster mentioned, too, we can really feel that we are getting some place. Too bad that the Barden bill had to be the cause of the recognition. We hope that if such an occasion arises again it will be concerning a more happy situation. Thank you for the letter of July 1, which Mr. Pearson quoted. It was pleasantly received by me and several other of your friends here.

The last paragraph of your letter is heartening. It contained your good will toward those very things for which we are asking, and the very things which Mr. BARDEN would eliminate. In fact, the curtailing of such things is what brought the great protest against the bill. How strange that the press of the Nation insists in writing that Catholics are after Federal or State aid for their schools. Surely all must know now, as you do, that such is not the case; that we are after aid for their children and their parents, not for parochial schools. The exercising of freedom of choice in thus sending their children to parochial schools certainly does not warrant that the Government or the State would then and there wash its hands from all responsibility concerning those children. If such parents were doing something unconstitutional, it would be a different matter. They are just American citizens complying with and doing what the Government of the land permits. Right there, then, as you know, is the crux of the whole situation. One American parent exercises his right in sending his child to a public school; the other to a parochial school.

What we are asking is that both children be treated the same, not to give everything to one and nothing to the other. How this could be confounded as to be brought to be believed that Federal aid for which we are asking for our children is for the supporting and maintaining of parochial schools is something that I cannot understand. We are asking that we be given the same treatment as other children in regards to textbooks, transportation, etc. We can ask this freely for the educational standards of our schools are recognized by and in agreement with the State requirements for the public school. There is no reason whatsoever, from this standpoint, that the parochial school student should not receive his textbooks, etc., as does his friend the public school. Our textbooks concerning Almighty God, His revelation of Himself to man, as well as books giving to our children a knowledge of their great dignity and of their eternal destiny, happiness with Almighty God for all eternity and the means by which that happiness is to be obtained, we can supply ourselves. This would be of necessity for our Government has decreed that not a penny can be spent on the teaching of religion in any form. A lamentable situation, indeed, the depriving of American children of a knowledge of their God. I'm certain that our founding fathers never intended this. However, it has become the final peak in the situation that made it incumbent upon Catholic parents, in the beginning, to establish and maintain their own schools. And for this they should be praised, not penalized, as you so well know. This burden, the establishing and maintaining of their schools, they will continue to bear, God willing. They only ask that in their so doing their children will not be discriminated against, that they will receive the same recognition as the children of parents who choose the public school for them. That is the gist of the controversy. For the life of me I cannot see how any fair-minded American, man or woman, could possibly find fault with it. I feel, too, that the great misunderstanding that has arisen all stems from a lack of knowledge of the question in general, and of the Barden bill in particular. It is regrettable. We are only after aid for our children and their tax-paying parents. It will be a great day when all misunderstandings and misrepresentations will be ironed out. We are grateful, indeed, for your clear grasp of the matter. We Woosterites know that we are well represented in Washington. That you have the interest of your constituents at heart is well known to all of us. That you have the interest of the Nation deep within you is plain from your present endeavors as well as what we know of the record of service you have long since rendered to your Government. Men like you cannot help but give, out of the abundance of their hearts, equal rights to all, regardless of color or creed.

With kindest personal regards to yourself and Mr. Iannarelli, I remain,

Cordially and sincerely yours,
Very Rev. EDWARD S. HANNON, V. F.,
Pastor.

Development of the Los Angeles Metropolitan Area Shows Great Progress

EXTENSION OF REMARKS
OF
HON. GORDON L. McDONOUGH
OF CALIFORNIA
IN THE HOUSE OF REPRESENTATIVES

Monday, August 1, 1949

Mr. McDONOUGH. Mr. Speaker, the Los Angeles area has reached fifth place among the metropolitan areas of the Nation with regard to the total number of employees in manufacturing, and the total wages and salaries paid in manufacturing. Only New York, Chicago,

Detroit and Philadelphia in the order named still rank above Los Angeles.

Of the 50 leading metropolitan areas of the United States in manufacturing volume, Los Angeles has shown the largest percentage over prewar rating, and today accounts for more than half the manufacturing production in California.

Los Angeles has 55.3 percent of the State total of manufacturing establishments.

It has 54 percent of the State total of employees in manufacturing.

Los Angeles accounts for 54 percent of total salaries and wages paid in manufacturing in California.

It has 53.1 percent of the total factory production workers.

It has 51.9 percent of total wages paid to factory production workers, and 51.4 percent of the "value added by manufacture" in the State.

In the Los Angeles metropolitan area, "value added by manufacture" amounted to $2,055,500,000 in 1947, an increase of four times the corresponding figure for 1939.

Los Angeles has experienced a stupendous increase in population during and since the war, manufacturing and business generally has expanded at a phenomenal rate, and the Los Angeles metropolitan area today is firmly established as one of the leading production centers in the Nation.

But this is only the beginning, for all indications point to the continued progress of Los Angeles to make a future as fabulous as the past.

Hardwood Situation

EXTENSION OF REMARKS
OF
HON. E. C. GATHINGS
OF ARKANSAS
IN THE HOUSE OF REPRESENTATIVES

Monday, August 1, 1949

Mr. GATHINGS. Mr. Speaker, under leave to extend my remarks, I include the following statement:

CORRECTIONS AND REPLIES TO ASSERTIONS MADE BY THE ECA ON THE SUBJECT OF THE HARDWOOD SITUATION

Assertion: The statement has been made that "To secure the success of the recovery program by 1952–53, the United Kingdom must * * * wherever possible, purchase from nondollar sources." Other statements are made to the effect that nondollar purchases negotiated with Communist satellites are simply barter deals, and that soft currencies, primarily sterling, are being used simply as a medium of exchange.

The facts: It is our contention that in the long run there is no difference between a purchase in a Communist satellite country by barter or sterling than a purchase made with ECA and free dollars. The United States is pumping about $1,000,000,000 annually into the British economy, in addition to the United Kingdom dollar receipts from transportation, services, and goods exported by them to the United States. It is not possible for British goods being sold or bartered to eastern European countries in return for their hardwoods not to have been made in part from material purchased with dollars, or for the sterling used to buy hardwoods from eastern European countries not to have been obtained from products wholly or partly made from dollar-purchased goods. In short, American dollars are releasing British sterling which is then available to purchase hardwood lumber from nondollar sources to the detriment of the American hardwood lumber and plywood industry.

Assertion: ECA press release No. 563 of April 29 is repeatedly referred to as a measure of release.

The facts: This press release announced a policy of the ECA which would require that when ECA dollars were used for the purchase of lumber the American lumber manufacturer would be given an opportunity to bid in competition with any other dollar source. While this policy may be helpful to other segments of the lumber industry, it is of no avail to the hardwood lumber and plywood producers. The policy applies only to dollar purchases, while the hardwoods which are taking the place of the American hardwoods in the world market are being purchased for sterling and other soft currencies.

Assertion: It is repeatedly stated that business would have been much worse if there had been no ECA.

The facts: As there have been no orders for American hardwood lumber this year, from the United Kingdom, it could not get worse. In the absence of the recovery program, American hardwood producers would at least have an opportunity to compete in the world market.

Assertion: It has been stated that ECA did not cause the stoppage of buying of American hardwoods.

The facts: We believe that it is not just coincidence that with the advent of the European recovery program, orders for American hardwoods virtually ceased, and what is practically a boycott has since existed. Not a single order for American hardwood lumber or plywood has been placed since December 1948.

Assertion: It is stated that ECA would eventually assist the hardwood industry by building up the ERP countries.

The facts: This is absurd. Markets once lost are seldom regained. Eventually would be too long because few in the hardwood lumber and plywood industry could exist until the end of ECA in 1953.

Assertion: It is stated that the diversion of hardwood imports by the ERP recipient nations from the United States to Communist countries is necessary in the light of the European economic crisis due to their dollar shortage.

The facts: In the past 50 years there have been a lot of exchange problems. There have been wars, and pounds and dollars have fluctuated on the world market. If the British and other European users, as smart as they are and as good traders as they are, have been buying American hardwoods almost exclusively for 50 years, there must have been a basis or reason for it. Now they are paying 50 percent more for an inferior quality of lumber. We do not believe there is any sterling consideration that can outweigh the need for a sound economic plan.

Assertion: Statements are frequently made which tend to disguise and distort the hardwood-lumber situation by quoting figures and percentages which include United States softwoods, ties, and other products, and by quoting Canadian export figures and percentages.

The facts: Lumber and plywood exported by the American hardwood industry is not in competition with export items produced by United States softwood producers or by the Canadian hardwood and softwood industries. The hard-wood industry is interested in only reestablishing its export market which has always been competitive with European and tropical countries.

Assertion: There has been a tendency on the part of some ECA officials to underrate the importance of our hard-wood export market to the United States economy, because the prewar average was only 300,000,000 feet, which is approximately 20,000 car loads.

The facts: Lumber is one of the most important industries in many of our States. This footage represents a large percentage of the higher grades of the hard-wood species which the mills must produce if they are to run. To cut a tree economically, it is necessary to sell all that the tree produces. Today the markets are glutted with this high-grade stock, normally exported, and it is appalling to see the amount that is rotting and deteriorating in the yards for the want of markets. Serious economic repercussions are developing as more and more mills shut down, throwing thousands of men out of work and curtailing the earnings of thousands more.

We Need a Change in Policy

EXTENSION OF REMARKS
OF
HON. JACK Z. ANDERSON
OF CALIFORNIA
IN THE HOUSE OF REPRESENTATIVES

Monday, August 1, 1949

Mr. ANDERSON of California. Mr. Speaker, I am including with my remarks some self-explanatory correspondence with respect to the effect of our present foreign food policy on perennial horticultural crops.

It is becoming more and more evident to California farm producers that our present policy in Europe is gradually wrecking a large and expensive industry that has been built up mainly on an export basis. California farmers today are suffering extremely low prices for fruit and vine crops that cost the farmers a great deal of money to produce. Investments that have been made over a period of many years are seriously threatened and I believe it is high time that the State Department and the ECA reexamined our present policy.

I do earnestly hope that when the ECA appropriation bill goes to conference, the conferees will insist that section 112 of the act be used to encourage to the fullest extent possible the exportation of surplus agricultural crops in this country.

The correspondence follows:

ROSENBERG BROS. & CO., INC.,
San Francisco, Calif., July 27, 1949.

Hon. JACK Z. ANDERSON,
House of Representatives,
Washington, D. C.

MY DEAR CONGRESSMAN ANDERSON: I am attaching a copy of a memorandum sent to us on July 20 by our vice president in charge of exports, who is traveling through Europe for the purpose of appraising the opportunities for restoring some part of California's dried fruit export trade in those markets.

En route to Europe, he stopped in Washington, D. C., and met with a number of officials in the United States Department of Agriculture and in ECA. He was impressed while there with statements urging that decisions with respect to expenditure of ECA money were made by foreign governments

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receiving this assistance and that, therefore, the sensible approach was to stimulate the trade in each of the countries to bring influence to bear on their own governments.

Upon his arrival in Italy he first encountered almost conclusive evidence that the ECA is operating so as to block such decisions by foreign governments. In fact, he was told by one of the ECA men in Italy, in effect, that grants to Italy would be wholly or in part jeopardized by any action on the part of the Italian Government to encourage commercial exports from the United States.

He has since visited Switzerland, France, and is now in Germany. His report, which is attached, categorically declares that there is little hope for surplus American agricultural industries to crack these markets because of the opposition of ECA and other related organizations.

While the tone of his report reflects indignation, let me say that he is a mature observer and we are convinced he would not have made such a report if there was any doubt about his observations.

In view of the fact that members of our industry here in California struggling with this overwhelming problem have been constantly urged by their European correspondents to induce ECA and our Government to relax its policies, it is obvious to us that we are being misinformed by our own Government which repeatedly has advised us that foreign governments have complete autonomy in this respect. The facts are that European governments are buying products like those America has in excessive surplus from foreign sources and are thus building up foreign competitors of American agriculture and using American dollars for the purpose.

We feel that you will want to know about this so, therefore, we are taking the liberty of forwarding this information to you.

Yours very sincerely,

DWIGHT K. GRADY,
Vice President.

FRANKFURT, GERMANY, *July 20, 1949.*

Today I sent you my lengthy cable No. 5, part of which you may consider superfluous. If I sent it, nevertheless, it is because of the extreme importance of the matter involved. If I interpret correctly the contents of the accompanying clipping, the ECA bill has been passed by the House of Representatives and sent to the Senate, qualified by the three riders mentioned in the enclosed clipping, and the first is the one I strongly recommended to Mr. Grady over the phone from New York. Hoffmann, and in a measure, Truman, is on record in opposing these riders, but the first one is the factor which will decide our export business. Without it our export business to Europe will not be more, but possibly less, than last season.

It is all very well for Dwight Grady to urge the importance of having the European trade, and European governments, convinced of the desirability of resuming the California trade, but the best efforts are futile as long as it is the very policy of our own Government to oppose such a development, which is the case as far as ECA is concerned. Please note that I am not guessing in this, but I more or less quote the leading officials, both in the French and German food office, whom I had occasion to see. It goes without saying that the trade in Italy, France, and Germany is clamoring head over foot for dried fruit import permits, and if the local governments had a free hand, we would be further than we are today.

Somebody had the brilliant idea of creating, in addition to the ECA, the OEEC (Organization for European Economic Cooperation). This is a body of 18 European nations, and, I understand, one or several United States observers sit in on their meetings, which will shortly be held in the marble halls of the Rothschild Palace in Paris. The declared purpose of the body is that no ECA, and for that matter, no other dollars are spent for anything that can be obtained elsewhere in Europe. This is what is behind the suspension in the import licenses for Italy I recently wrote you about. It is behind Germany's inability to buy dried fruits from us, and the head of the French Ministry of Economy told me that even if he were to favor the import of our fruits into France, which for reasons of his own he does not, his granting import permits to California would be violently opposed by the OEEC.

He was not bashful in saying that France does not like the OEEC, but was forced into it, and into the interminable arguments it creates. Italy has no use for it, and for all I can make out, it is Mr. Hoffman's and/or Harriman's baby, and it is undoubtedly enthusiastically supported by countries like Greece, Smyrna, and specialty interests in other countries, all of which use it for a perfect set-up for excluding United States competition, and thereby endeavor to exact higher prices for their own produce. Spanish apricots are selling in France for twice the price at best of our landed cost of extra fancy Blenheims, and the quality is 4 to 5 cents poorest paste stock. Greek currants, raisins, and French prunes are selling in France at twice the price of ours, without figuring on any subsidy, and if, like in the case of prunes, it can be readily proven that there is no appreciable supply available outside of the United States of America, the answer is that people had better eat Tunis' and Iran dates instead.

If anyone had deliberately set out to conceive the most efficient plan for excluding the United States trade, and ours in particular, from Europe, they could not have found anything better, or as good. Everytime we open our mouths, and I am told that our Government's representatives do so rarely at these meetings, we are told that this European self-sufficiency must be fostered to stop communism, and it does not seem to occur to anyone that the artificial maintenance of high prices which we could check, and are paying taxes to do so, is as sure a means to foster communism as anything one could dream of.

The most generous thing one could say for this policy of our ECA officials is that it is well intended, but it is handicapped by an amount of ignorance, and in many cases, connivance, which challenges one's imagination. In our simplicity, we seem to be bent on not only paying for everything the European was has cost (two wars), but on atempting to cure the unevenness of European trade, which has existed for decades.

It is true that Europe is not earning enough dollars through its exports to pay for all dollar imports, and the reasons are many, others than those of poverty. They are the whole social fabric, whose fallacy is illustrated by England's dilemma, resulting in production costs frequently twice as high as ours because of a tremendous and constantly increasing bureaucracy, coupled with inefficient work and exorbitant social burdens.

Thus, we have conceived the Marshall plan which so far has done much over-all good. I personnally feel it has done most of its work, including arresting communism. Communism is on the decline everywhere in the Western World, regardless of the talk to the contrary handed us everytime the boys want some more money. It is high time we think of the United States of America, and our distressed industries. The one and only way we may increase our export business is by insisting that some (a moderate amount) of our own money we pour into ECA is used in a small measure to help ourselves. Without this course of action, our ambitious subsidy program will prove largely a flop, and I would be ready to throw it up right now, except for clinging to it as a desperate straw that might, though not necessarily will, help us to get rid of our pears and the like.

If we do not get this rider on the ECA bill, you must not figure that the subsidy program will take anything like our surplus of raisins, prunes, peaches, apples, and pears, and we shall have no alternative but endeavor to pour this surplus once again into the lap of the CCC, which, once stuck with the stuff, will have the urgency of its own predicament to force some of the goods on the ECA, I suppose, the next time for 25 cents on the dollar. I presume you know that they finally got Germany to take 20,000 tons each of raisins and prunes. Did this result in your getting shipping instructions for the 100/120's?

I could go on writing you a book about this mess, all of which will add up to this: There is only one means to force the issue with these past-masters in horse trading in Europe, and that is by tightening the purse strings in the manner proposed. Without such or similar action, our export business will not grow, but become still less.

COPY OF ASSOCIATED PRESS CLIPPING

WASHINGTON, July 19.—The Economic Cooperation Administrator, Paul G. Hoffman, told the Senate today that three amendments to the foreign-aid bill are serious threats to the European recovery program.

In a letter to Senator ARTHUR H. VANDENBERG, Republican, of Michigan, with copies to other Senators, the ECA Administrator objected to:

1. The amendment requiring the ECA to buy surplus farm products of the kinds, and in the amounts set forth, in ECA's budget estimates. These funds would be frozen if not used for farm purposes.

2. The amendment requiring the ECA to set aside $50,000,000 for loans to Spain.

3. The amendment cutting $74,000,000 from the ECA's authorized spending in the last quarter of the fiscal year 1949.

Mr. Hoffman said it would be both "inappropriate and unwise" to include Spain in the foreign-aid bill, adding:

"If Congress decides that a recovery program in Spain is desirable, I believe we should first request Spain herself to develop a recovery program, just as we have insisted that participating countries develop their programs."

America and the DP's

EXTENSION OF REMARKS
OF
HON. JOHN D. DINGELL
OF MICHIGAN
IN THE HOUSE OF REPRESENTATIVES
Monday, August 1, 1949

Mr. DINGELL. Mr. Speaker, so that the RECORD shall be factual and complete, I ask unanimous consent to insert in the RECORD an editorial, America and the DP's, as it appears in this morning's Washington Post dated August 1, 1949. This editorial, it seems to me, is beyond refutation and answers the unfounded and biased views of all unwarranted opposition:

AMERICA AND THE DP'S

A group of Senators led by Senator IVES is considering a move to have Senator MCCARRAN'S Judiciary Committee discharged from further consideration of the displaced-persons bill unless the measure is submitted to the Senate by mid-August. The move is

long overdue. Procrastination appears to have become the deliberate policy of Senator McCARRAN in regard to the liberalization of DP legislation pledged by his party in the last election campaign. The Senate as a whole has an obligation to thwart this policy if it is to avoid sharing responsibility for its tragic impact on the uprooted people still awaiting liberation in Europe.

"In our consideration of the over-all problem," Senator McCARRAN said the other day, "we are aware of a fact which is not generally known, namely, that the United States of America has thus far received or provided for the reception of more refugees and displaced persons than all of the other countries of the world combined." This is a wonderfully ambiguous, not to say disingenuous, statement. It not only lumps together without definition "refugees" and "displaced persons," but also those "thus far received" and those "provided for." And it appears to use as a basis the whole 15-year period since 1934, including immigrants who came in under regular quota laws. What it proves we cannot say, save that at one time, before Mr. McCARRAN took over, the United States was indeed a haven for the oppressed.

But the record of the United States as a participant—the richest and most powerful participant—in the International Refugee Organization in dealing with the postwar problem of DP's is not so creditable. And it is this particular problem with which the Senate of the United States, Senator McCARRAN especially, ought to be concerned. The IRO started operations July 1, 1947. In the 2 years since then, the agency has resettled 505,006 DP's in 87 countries. The number taken in by the principal countries of resettlement up to June 1, 1949, are as follows:

Israel	117,246
United Kingdom	82,085
Canada	63,854
United States	55,307
Australia	45,784
France	33,116
Argentina	26,844
Belgium	22,043
Brazil	18,458
Venezuela	12,052

Thus, it appears that this country has actually received to date slightly more than 10 percent of the DP's resettled under the IRO program. Yet, this country provides 44 percent of the total IRO budget and was counted upon to absorb something like this percentage of the DP's precisely because it is better able than the other members to do so. The obligation is, of course, a moral, not a legal, one. It should be all the more pressing on that account.

Congress Should Act Now on Statehood for Hawaii and Alaska

EXTENSION OF REMARKS
OF
HON. MELVIN PRICE
OF ILLINOIS
IN THE HOUSE OF REPRESENTATIVES
Monday, August 1, 1949

Mr. PRICE. Mr. Speaker, one important order of business which Congress should consider before going home is the question of statehood for the Territories of Hawaii and Alaska.

In this connection I include herewith an editorial from the East St. Louis (Ill.) Journal, of Thursday, July 22, 1949, and I find myself in full accord with the expressions of the writer of this article. It follows:

NO STATEHOOD, AGAIN

No statehood for Hawaii and Alaska at this session of Congress.

That appears to be the decision, despite everything the people of both Territories have been able to do and despite the support they have received from individuals and newspapers of the American mainland.

The word has come from Congressman J. HARDIN PETERSON, Florida Democrat, who is chairman of the House Public Lands Committee. He said he would not press for statehood action this year.

"With the House rushing to adjourn and with so much controversial legislation still waiting for action, we might jeopardize the legislation by forcing a vote now," he said. "We will press for action early in the next session, instead, when there will be more time and our chances will be much better."

But why should there not be pressure for action now? Why should the rush to adjourn jeopardize the chances of worth-while legislation? Why should the Members of Congress vote against any bills that deserve passage just because there is other legislation that is controversial still to come before them? Why should they do so just because they would like to adjourn?

Furthermore, why was the legislation regarding Hawaii and Alaska not taken up early in this session? It certainly did not need any further investigation. The worthiness of the proposals for statehood was established at the beginning of the current session, just as much as it will be at the early part of the next session.

Actually, statehood for Alaska and Hawaii is just getting another shoving around. And we should be ashamed of our Congressmen for not facing up to the issue but putting it off to another year.

A Balanced Court

EXTENSION OF REMARKS
OF
HON. J. CALEB BOGGS
OF DELAWARE
IN THE HOUSE OF REPRESENTATIVES
Monday, August 1, 1949

Mr. BOGGS of Delaware. Mr. Speaker, as a member of the Judiciary Committee of the House of Representatives, my primary interest is in the efficient and proper administration of justice in our Federal courts.

Confidence in the Supreme Court of our land is one of the most important elements sustaining our whole system of government.

With the announcement by the President of his intention to appoint the Attorney General, Mr. Clark, to the Supreme Court to fill the vacancy left by Mr. Justice Murphy, the entire country has been afforded an opportunity to review and reflect upon the status of the Court and the important part it plays in the proper balance of our Federal system.

It is not my intention to cast a reflection upon nor to question Mr. Clark's outstanding service as a public official nor to minimize his ability. However, it most certainly is apparent that this appointment is purely a political appointment and ignores many of tried and proven judicial temperament and experience.

If Mr. Clark becomes a Justice of the Supreme Court, it may be that for several years to come his effectiveness as a member of the Court will be considerably limited because many of the cases which will come to the Court for decision are cases which Mr. Clark set in motion as Attorney General of the United States. Many of these cases are of the most far-reaching significance. Whether Mr. Clark would disqualify himself in these cases because of his previous connection with the cases is a question to be decided by the Justice himself on the basis of the degree of connection or association or activity with a particular case. In the past the Court itself has on occasions announced that it lacks a quorum to pass on a particular case without identifying which Justices have disqualified themselves. With Mr. Clark's close association and connection with the many cases which are likely to come before the Court, we may find many instances in which the Court cannot entertain the case because it lacks a quorum

As an indication of the deep concern which the people of our country have for the Supreme Court of the United States, I wish to include as part of my extension of remarks several editorials which have come to my attention and which are certainly worthy of the fullest consideration especially by the Members of the other body who are charged with the responsibility of making a thorough examination of such an appointment. They follow:

[From the Washington Star of July 29, 1949]

AN OVERBALANCED COURT

There may be some criticism of the President's choice of his Attorney General to succeed the late Frank Murphy on the Supreme Court which runs to Mr. Clark's personal qualifications for that post. It seems to the Star, however, that a more valid criticism arises from the tendency to overload the Court with appointees drawn from the executive branch of the Government.

If Mr. Clark is confirmed, five of the present members of the Court will have come directly from the executive establishment. And only one of the five has had any appreciable judicial experience. Of the four others, only one had had previous judicial experience worthy of mention.

This is not a trend that is conducive to a strong, competent Court. Nor is it conducive to public respect for the Court. In the past 12 years, 11 men have been named to the Supreme bench. Of these, only two had significant previous judicial experience. On this record, it is not at all surprising that more and more people are coming around to the view that politics rather than merit is the governing consideration in Supreme Court selections.

As for Mr. Clark, the Star believes that he will be a conscientious member of the Court; that he will not take partisan politics with him to the bench. His nomination may be attacked, for, to take two illustrations, there are those who believe, on the one hand, that he was not sufficiently zealous in the investigation of the Kansas City vote frauds, while, at the other extreme, there have been complaints of overzealousness on his part in the tidelands-oil issue. There may be some question, too, of Mr. Clark's views on the subject of presidential power. He was the author, during the Taft-Hartley debate, of the opinion that the Pres-

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ident has inherent powers, without benefit of statute, to cope with a national emergency arising from a strike, and, presumably, with any national emergency. That is a novel view, not widely shared. Judging from the opinions of the Court in the contempt case against the United Mine Workers, it is a view that is not shared by any of the present justices.

These are matters, however, which are not likely to have any important bearing on the Senate's attitude toward Mr. Clark's nomination. It also should be remembered that many judges have lived to confound their critics. For example, there was severe criticism of the selection of Mr. Hughes and Mr. Brandeis, but it would be hard to find anyone today who would deny that they proved to be splendid judges. And so, in Mr. Clark's case, the real test of his fitness must await the event. His stature as a judge will be determined after, and not before, he goes to the bench.

The selection of Senator McGRATH to take over the Attorney Generalship is a greater surprise than the choice of Mr. Clark for the Court. There may have been several reasons for the President's preference. Perhaps Mr. Truman was thinking of this as a sort of compensation for the fact that for the first time in more than a half century there will not be a Catholic on the Court. Or it may be that he wanted to clear up the curious political situation which prevails in the Democratic National Committee, with Mr. McGRATH as chairman and the President's fellow Missourian, William Boyle, in the apparent role of the man behind the scenes. Still another, and perhaps more probable, explanation may be that the President simply wanted to reward Senator McGRATH for past services. Certainly, during the political dark days, Mr. Truman had no more loyal or more competent supporter than the Rhode Island Senator, and if the President feels that this should be recognized by the award of a cabinet post, and if Mr. McGRATH wants the post, it would be ridiculous for anyone to raise an objection.

[From the Detroit News of July 30, 1949]

JUDGES OVERLOOKED

For all anyone knows, Tom Clark may prove the greatest thing in the judicial line since Oliver Wendell Holmes. There is nothing whatever in his record to indicate that that will be so, or indeed that he will prove adequate to the task to which he has been appointed.

As Attorney General he has been a prosecutor of no marked distinction, and if his record in that office had been outstanding it still would not commend him to a post which calls for qualities quite apart from those of the advocate.

Meanwhile, the Government maintains a great proving ground of judicial timber in the lower Federal courts. There, a genuine talent can assert itself and come to maturity. But President Roosevelt and his successor have conspicuously ignored this wealth of material.

Appointments to the Supreme Court in their time have been made for a variety of reasons, but seldom solely in pursuance of what ought to be the guiding principle on such occasions: That the highest bench in the land deserves nothing but the finest in its personnel.

[From the St. Louis Post-Dispatch]

TRUMAN'S THIRD JUSTICE

The President's choice of Attorney General Clark for the Supreme Court is very personal and very political. It will be a distinct disappointment to more than one group of citizens.

The choice will disappoint first those who are concerned about the state of civil rights.

During Tom Clark's tenure as Attorney General there has been more witch hunting than at any time since the notorious Palmer regime after World War I. Mr. Clark tried to get Congress to reverse its bar against wire-tapping. Indeed, he has used the euphemism, "technical surveillance," to hide what the late great Justice Holmes properly called a "dirty business." He has blacklisted 140 organizations as subversive even though the offending activity in some cases is no more disloyal than to oppose the poll tax. He has permitted the Civil Rights Section of the Department of Justice to lapse into slumber at a time when many loyal Government employees have been literally persecuted.

The choice will disappoint those who have hoped that the President would promote a judge.

Once again the White House has passed by the bench in favor of a Cabinet member who is essentially a politician. Once more high-ranking Federal appellate and State supreme court judges are told in effect that the way to the Supreme Court is not upward through the ranks but from the top at the Cabinet level. Though Mr. Clark is regarded as a good legal technician, the fact remains that his confirmation will establish on the Supreme Court another Justice who has had no judicial experience.

The choice will disappoint those citizens, who as litigants, will find that Tom Clark cannot participate in many decisions.

As Attorney General, Mr. Clark has already filed more than 160 antitrust suits, whereas the average per Attorney General has been 42. Though Mr. Clark has won a substantial number of consent decrees, many of these suits are pending. In time a large number will go before the Supreme Court. As a Justice, Tom Clark will have to absent himself even more perhaps than any of the several Attorneys General and Solicitors General raised to the high bench in recent years. This will mean more 4-to-4 divisions.

The choice will disappoint those who feel that the President should have named a Roman Catholic to succeed Frank Murphy.

For the first time since Cleveland appointed Edward D. White, the Supreme Court is without a Catholic Justice. It can be argued that a Judge's religious faith should not be considered. Many citizens hold this view and the President expressed himself in announcing the Clark choice. Yet it is reassuring to know that when an issue of church and state comes up, as in the McCollum case, involving use of public schools for sectarian instruction, a Justice who was a Catholic, joined in the ruling.

The choice will disappoint citizens who are still wondering when the FBI is going to catch up with the 1946 Missouri vote thieves.

Mr. Clark was distressingly slow to do anything about the frauds in the Axtell-Slaughter primary in Kansas City, in which the President personally took sides. Mr. Clark went into action only after the election board safe was blown and the burglars made off with impounded ballots and other evidence. For more than 2 years this has been an unsolved crime.

Few things are riskier than appraising a Supreme Court member in advance. The progressive Wilson appointed arch-conservative McReynolds. Conservative Coolidge appointed the liberal Stone. On paper Tom Clark seems to stand near Justice Reed. It will be tragic if he is no more attached to civil liberties than Truman's first appointees, Vinson and Burton. If he is not, then human rights which so often hang by one-Judge majorities, will be set far back.

Undoubtedly Tom Clark will accept. It is probable that he will be confirmed. Therefore may he be a larger, broader, freer, bolder Justice than he has been Attorney General.

[From the New York Herald Tribune of July 29, 1949]

A LOW EBB

Taken as a whole, President Truman's record of appointments has been far from ideal. However, the country could usually take some comfort from the fact that Mr. Truman showed a marked sense of national responsibility in naming men to top posts; it was in the lower echelons—important enough, to be sure, but standing in close personal relationship to the President—that his nominations were subject to the greatest criticism. Thus it might be said that asking Senator McGRATH to become Attorney General was a purely personal and political choice, even granting Mr. McGRATH'S competence. But far more important, far more distressing, is Mr. Truman's selection of Mr. Tom Clark to fill the place in the Supreme Court left vacant by the death of Justice Murphy. Together, the President's suggestions—they have not yet been made as formal nominations—constitute a low ebb in this administration.

Mr. Clark's record as Attorney General has been one of failure. When he was not answering to Congress for inability or unwillingness to take action in cases which demanded it, he was engaged in spectacular and largely vain efforts to show how zealous the Department of Justice could be in the pursuit of nonessentials. If, in the course of these activities, there was any slight display of true judicial temperament, any suggestion that Mr. Clark might be a valuable accession to the Supreme Court, it certainly escaped the attention of the public at large. The Eisler case, which placed the United States in the humiliating position of receiving polite lessons in law from an English judge, was only the most striking of Mr. Clark's errors.

On the score of ability alone, Mr. McGRATH would be welcomed as Mr. Clark's successor in the Justice Department—provided the vacancy was created in some other way than by sending its present occupant to the Supreme Court. But as Democratic National Chairman, Mr. McGRATH is far too closely entwined in partisan politics to be eligible for a quasi-judicial post, even if he were to resign his party post. Both he and Mr. Clark should, in the best interests of the country and of the administration, decline Mr. Truman's offers. If they do not, the Senate should not confirm them.

[From the Baltimore Sun of July 30, 1949]

MR. CLARK GETS THE CALL TO THE HIGH COURT

Mr. Truman told the reporters that qualification for the high calling of a judge is the only thing a President should look for in choosing a nominee for the United States Supreme Court. And then he named a man who conspicuously lacks the first and the elementary qualification for the Supreme Court type of judging—experience judging in the lower courts.

Practically every State in the Union has faced the problem of political judges and judges who have to dabble in politics to get or stay in office. Almost everywhere the result has been found bad. Maryland and other States have gradually evolved systems of choice and appointment which minimize these crude political blemishes. Mr. Truman's latest nomination is hardly a model of this wiser procedure.

Once that very grave defect in Mr. Tom C. Clark's nomination for the high bench is mentioned, it may be said that in other respects he measures up to the standards of

adequacy for his new post. He has had extensive practice as a small-city lawyer, and Justice Jackson has already shown us how this kind of experience can slowly mellow the shrill bias of the automatic liberal into something closer to judicial impartiality.

Mr. Clark got his law education at the University of Texas, where he was probably little exposed, if at all, to the philosophical nihilism which has infected instruction at some other law schools. The Attorney General's experience in national politics will at least enhance his knowledge of how actual men really behave in practical affairs. These things, for what they are worth, Mr. Clark brings to the high court.

But the trouble is that this is shockingly meager equipment for a justice of the Supreme Court in the year 1949. The Court at this moment in its history needs superlatively more. Riddled with personal rancors, mired in philosophical disagreements, peopled by perpetual candidates for other office, doctrinaire professors, exlegislators who see the high bench as merely an opportunity for more legislation beyond the reach of electoral control, the Court faces a turbulent future not well prepared.

For let us be clear about the Court's function in our cranky and delicately balanced Federal system. In that system it was conceived as the symbol of justice, of disinterestedness, of something above politics and expediency which could persuade powerful suitors even in their disappointment because they saw in its judgment something more than optical and temporal authority.

Nothing in Mr. Clark's record suggests that he will appreciate how much in the turbulent times ahead it will be necessary for the high Court to invite not merely the respect but the reverence of the men and the groups engaged in the great affairs of the time.

Yet in the wise and solemn words of the late Alfred North Whitehead. "Those societies which cannot combine reverence to their symbols with freedom of revision must ultimately decay, either from anarchy or from the slow atrophy of a life stifled by useless shadows."

[From the Washington Post of July 30, 1949]

CLARK AND M'GRATH

President Truman is right, of course, in saying that a man's faith has nothing to do with his qualifications to be a justice of the Supreme Court. It would certainly be a grievous mistake to withhold appointment from any well-qualified jurist on grounds of his religious affiliation. But it is time to get away from the idea that any particular Supreme Court appointment should go to a Catholic, a Protestant, or a Jew so that the new member will be of the same faith as his predecessor. The only really important point is the nominee's judicial temperament, learning, and experience.

In rejecting one false criterion, however, the President has tripped over another. For his selection of Attorney General Clark to succeed Justice Murphy is not based on the highest judicial standards. Mr. Clark has many admirable qualities, but he has not been an outstanding Attorney General. His courageous prosecution of John L. Lewis and his zeal in antitrust suits are offset by his careless handling of the Eisler case and his more serious lack of good judgment in advising the President as to his emergency powers under the Constitution. It is highly improbable that his name would have appeared on any list of distinguished jurists such as a conscientious President usually assembles before making an appointment to the Supreme Court. Mr. Truman needs to be reminded that a man's good fellowship has nothing more to do with his qualification to sit on our highest tribunal than has his faith.

As for Senator MCGRATH, who is the President's choice for Attorney General, we have no doubt that he will run the Department of Justice ably if he accepts the post. But here again the impropriety of designating the chairman of the Democratic National Committee to head the prosecuting arm of the Government must be noted. The President was so insensitive to the necessity of keeping this quasi-judicial post free from political influences that he said he did not know whether Mr. MCGRATH would resign his political post if he accepts the Attorney Generalship. Combination of the dominant party chairmanship with the Department of Justice would be a high price, indeed, to pay for the elevation of Mr. Clark to the Supreme bench.

We have no doubt that Mr. Clark will be conscientious on the bench, and as his experience broadens with the years he may become an outstanding Justice. Certainly he has at times shown the requisite independence and sense of public duty. But one's hope for the future does not minimize the present disappointment over the President's failure to do his best. He has treated a great coordinate branch of the Government as if it were an institution for the reward of his personal favorites. The fact that this keeps the Court overweighted with former executive officials, leaves it politically lopsided, and seems to close the door of our highest judicial body to the greatest legal minds of our time, appears to have been lightly disregarded.

[From the Omaha World-Herald]

PEACE OF MIND

Henry S. Beer, president of the New York, New Jersey, and Connecticut Federal Bar Association, appeared before the House Judiciary Committee this week to plead for higher salaries for Federal judges.

"There's only one way to get justice," he said, "and that's from judges who have peace of mind."

There is much truth to that observation. Men who carry the massive responsibilities of the Federal bench should not have to worry about the grocery bill, or the cost of sending their sons and daughters through school.

But it should be added that more pay will not automatically produce a first-rate judiciary. The chief trouble with the Federal bench, most particularly with the Supreme bench, is that it is occupied by too many politicians and too few men of fair, judicial temperament. The many ideological divisions on the Supreme Court, frequently by vote of 5 to 4, confirm that unhappy truth.

If the judiciary is to be straightened from the top down, the judges should be given adequate pay. But that in itself will do little good unless stronger, abler, less political judges are appointed.

Which brings up the fact that President Truman yesterday announced he had offered the Supreme Court vacancy, created by the death of Justice Murphy, to his Attorney General, Tom Clark. Such a strictly political appointment will not add to the peace of mind either of the judiciary or the general public.

[From the Wilmington (Del.) Morning News]

TWO CRONIES MOVE UP

President Truman's announcement that Senator MCGRATH will replace Tom Clark as Attorney General is good news. Clark's showing in the office has been undistinguished at best and inept at worst. MCGRATH, judging by the way he has comported himself in the Senate, should make a much better record once he gets the feel of his job and clears away the debris left behind by his predecessor. It is true that almost any choice would have been an improvement, but MCGRATH gives the impression of being adequate for the post.

But Mr. Clark, unfortunately, is not to be fired or demoted to a job whose caliber he fits. He is being promoted. If he accepts, he will occupy the seat on the Supreme Court bench left vacant by the sudden death of Justice Murphy. President Truman, who has generally tried to choose good men for major posts and political cronies for minor ones, has reversed the process this time.

Mr. Clark may, of course, confound us by making an excellent justice. It has sometimes happened that the dignity, prestige, and responsibility of the Supreme Court have brought out in appointees an ability and integrity that no one had suspected they were capable of. But Mr. Clark is an extreme long shot. We can find in his record no evidence of judicial temperament or outstanding intelligence.

The appointment appears to be starkly political. Clark last year was one of the few stalwarts who remained on the burning deck of the Democratic Party whence all but they had fled. Verily, he hath his reward. MCGRATH, chairman of the Democratic National Committee, falls into the same category, which is the one unfortunate thing about his appointment. But since his capacities are greater and the post is a less demanding one, he should fit in.

The appointment of Clark breaks with a tradition of 39 years' standing—that there should be one Catholic on the Supreme Court. If Clark were of outstanding caliber we should have no fault to find with that. But Catholics, we feel, can hardly be blamed if they resent Mr. Truman's passing over many Catholics of real ability in order to appoint a less able man.

Army Barber-Shop Quartets

EXTENSION OF REMARKS

OF

HON. TOBY MORRIS

OF OKLAHOMA

IN THE HOUSE OF REPRESENTATIVES

Monday, August 1, 1949

Mr. MORRIS. Mr. Speaker, 11 years ago, a movement was started in Oklahoma to revive an old Amerian tradition of barber-shop quartet harmonizing. This movement started in Tulsa, Okla., in 1938, and has already spread to over 600 cities and towns in the United States and Canada. Today, I am informed by Mr. Edward R. Place, associate public relations chairman of the SPEBSQSA that it is the Army's intention to organize barber shop quartets and choruses at all of our Army posts in this country and overseas. I can think of nothing that will be more morale building for our Army troops than this movement.

I now insert the official Army statement in regard to this movement:

ARMY BARBER-SHOP QUARTETS PLANNED IN NEW PROGRAM

A new program to encourage barber-shop quartet singing in the Army as the first step toward expansion of recreational music opportunities for soldiers in their leisure time was announced today by Maj. Gen. Russel B. Reynolds, Chief of Special Services, Department of the Army. He said that through this program a maximum number of soldiers

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can be reached with a minimum of equipment and supplies.

Objectives of the plan are three fold: To have at least one Army barber-shop quartet in every service club on Army posts; to organize a post barber-shop chorus in addition to quartets on every large post; to encourage qualified soldiers to seek membership in chapters of the Society for the Preservation and Encouragement of Barber Shop Quartet Singing in America, Inc., in communities near Army posts.

The SPEBSQSA, international organization, is cooperating on a partnership basis with the Music Section of Army Recreational Service in this new all-Army project, General Reynolds said. Lt. Col. W. A. Bishop, Chief of Army Recreational Service, and Capt. H. H. Copeland, Chief, Music Section, are working on the project for the Army.

Through its international president, Mr. O. H. King Cole, of Manitowoc, Wis., and its international executive secretary, Mr. Carroll P. Adams, of Detroit, Mich., the society has offered to the Army the professional services of its approximately 600 chapters and 30,000 members to assist in developing barber-shop singing among Army personnel. The 600 chapters include local community groups throughout the United States, two in Alaska, and one each in Guam and Hawaii.

To help get the movement under way, the SPEBSQSA has appointed a three-man international committee, headed by Mr. Dean Snyder, president of the District of Columbia chapter, to work with the Department of the Army Special Services office. Other members are Mr. Edward Fahnestock, Wichita, Kans., and Mr. E. Wesley Enman, Needham, Mass., both international board members.

Under these men are seven area chairmen, one for each of the six United States Army commands and the Military District of Washington, who will work directly with the command's Special Services officer on an area basis and collaborate with local SPEBSQSA chapter presidents slated to act as advisers to Special Services officers of nearby Army posts. The seven and the Army commands in which they will work include: Mr. J. Bailey Harvey, New York, N. Y., First Army; Mr. John C. Bell, Baltimore, Md., Second Army; Mr. Al Ostuni, Atlanta, Ga., Third Army; Mr. Harvey McDonald, San Antonio, Tex., Fourth Army; Mr. Robert L. Irvine, River Forrest, Ill., Fifth Army; Mr. John A. McDonald, San Francisco, Calif., Sixth Army; and Mr. James L. Ewin, Washington, D. C., the military District of Washington.

Advisers from the local community chapters will assist the post Special Service officers and Service Club directors in organizing quartets, choruses, music festivals, and other special programs, and in helping to train Army leaders. Soldiers will be encouraged to visit local SPEBSQSA chapters in civilian communities to see at first hand how they operate and to hear their quartets "barber shopping." In turn, Special Services officers and Service Club directors will invite the advisers to bring outstanding civilian quartets and choruses to the posts to demonstrate barber-shop singing, to show what fun it can be to stimulate wide interest in the program.

Essential promotional and training aids will be furnished to Army posts by Army Recreational Service, Office of the Chief of Special Services, Department of the Army. These will include barber-shop quartet kits and subscriptions to The Harmonizer, official quarterly magazine of the Society for the Preservation and Encouragement of Barber-Shop Quartet Singing in America, Inc. Kits contain an album of 3 phonograph records made by SPEBSQSA quartets and 5 folios of barbershop quartet music, each folio consisting of 12 numbers. Other aids will include a record album of four selected songs from the quartet folio. One side of each record will contain the individual tenor, lead, baritone, and bass parts from which the soldier can learn his own part of the song; the other side, a rendition of the same song, enabling the soldier to sing the number with the full quartet after he has learned his part.

General Reynolds, in discussing the project said: "For the energetic young men in today's Army, it is necessary to provide wholesome, satisfactory off-duty recreation in approved environment. In this program, Army Special Services is grateful for the cooperation and active assistance of so successful and influential an organization as the Society for the Preservation and Encouragement of Barber Shop Quartet Singing in America, Inc. We are confident that this association will make possible recreational benefits to the soldier which otherwise would be unattainable; will provide soldier relationships with representative members of the community and help to acquaint civilians at first hand with the fine quality of young men who make up our peacetime Army."

Waterways Bill

EXTENSION OF REMARKS
OF
HON. BOYD TACKETT
OF ARKANSAS
IN THE HOUSE OF REPRESENTATIVES
Monday, August 1, 1949

Mr. TACKETT. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following editorial from the Arkansas Gazette of July 29, 1949:

WHY THIS SWITCH?

As this is written, there has been no public explanation of why the House Rules Committee suddenly decided not to send the $1,120,000,000 waterways bill to the House floor for consideration. This is the omnibus measure that provides for all construction and planning on the rivers and harbors of the Nation. Arkansas, of course, has a big stake in it, because it contains funds for the further development of the Arkansas Basin, the irrigation project on Grand Prairie, and other items of the first importance to the State.

Some of the opposition to the measure within the Rules Committee doubtless comes from those who persist in regarding all river development projects as tainted with the "pork barrel." There has also been some speculation in Washington as to the possible political implications of the action. The Rules Committee is controlled by the administration and a good many of the Southern Congressmen whose States stand to benefit under the waterways measure have been consistently opposing the Truman program.

Be this as it may, the action of the committee should at least serve to lay the ghost of the so-called Arkansas switch. The switch allegedly took place a few months ago in connection with the House voting on labor legislation. In return for voting with the administration, so Newsweek and other publications alleged, the Arkansas delegation was assured that the river projects in which it was interested would have administration support.

Well, it is quite clear that these Arkansas projects not only do not have the support of House administration leaders at the moment, but actually have their active opposition. It would seem to be incumbent upon Newsweek at this juncture either to retract its earlier story on the Arkansas switch, or print a new one about the great administration double cross.

Shall a Democratic Union Replace United Nations?

EXTENSION OF REMARKS
OF
HON. HALE BOGGS
OF LOUISIANA
IN THE HOUSE OF REPRESENTATIVES
Monday, August 1, 1949

Mr. BOGGS of Louisiana. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following editorial from the New Orleans Item:

SHALL A DEMOCRATIC UNION REPLACE UNITED NATIONS?

When the Atlantic Pact was ratified by the Senate last week, we called attention to this significant implication of the treaty:

The pact is potentially an organization which can replace the United Nations, if Soviet sabotage continues to keep the UN from functioning.

Action looking to bring about just such a development was initiated in several quarters yesterday. Resolutions were introduced in both Senate and House calling for preliminary discussions of such a federation. One of these was fathered by Representative BOGGS, of New Orleans.

At the same time, in New Orleans, Will Clayton of Houston, formerly Under Secretary of State, now a vice president of the Atlantic Union Committee, issued a statement urging favorable consideration of these proposals.

The various suggestions thus put forward have one central purpose. They would give the united backing of world democracy to an organized movement for world peace.

One proposal by Senator TOBEY, of New Hampshire, would transform the United Nations into a federation with power to enforce peace. Necessarily, this involves a significant amendment to the UN Charter.

The plan put forward by Senator KEFAUVER, of Tennessee, on behalf of himself and 15 other Members of the upper House, embodies the principles sponsored by the Atlantic Union Committee. It would bring the signers of the North Atlantic Pact into a federation of world democracies.

It proposes that the nations signing the North Atlantic Pact name delegates to meet in the United States this year to explore "how far their peoples, and the peoples of such other democracies as the convention may invite" can work out among themselves a free federal union.

NO MORE SHADOWS INSTEAD OF SUBSTANCE

Adoption of such a resolution would not bind this country to do more than explore the possibilities of such a step. It would not of itself set up a federation of world democracies.

But it would put the totalitarians in general, and the Soviet Union in particular, on notice that the time for double talk and double dealing has come to an end.

It would give articulate expression to the determination of democracy throughout the world not to sacrifice the substance of world organization for its shadow.

It would say to world communism:

"We are done with appeasing you. That is too big a sacrifice of principle to make in return for preserving the impotent and sterile form of what we thought we had brought into being at San Francisco."

It is to be noted that the Kefauver resolution suggests that not only the signers of the Atlantic Pact be asked to meet for such a purpose, it specifically uses the words "and the people of such other democracies as the convention may invite."

There can be little doubt that this is a reference to the 21 Western Hemisphere nations which signed the pact of Rio nearly 2 years ago.

A union such as this would be a formidable one. Linked by mutual trust and understanding, it could succeed within its sphere where the United Nations has failed.

Moreover, it could muster the force needed to meet any challenge world communism might deliver in the furtherance of aggressive designs.

UNION NOW WOULD DIVIDE THE WORLD

Even at the discussion stage, the proposed pan-Atlantic Union might immediately divide the world into two hostile camps. That is the line Russia and her fellow travelers and sympathizers are sure to take in opposing such a measure.

So what?

The world is already divided into two hostile camps. It is naive not to admit it.

The division was brought about when Russia closed the borders of her iron curtain bloc to her partners in the UN.

It was intensified when Russia refused to permit UN observers to witness the travesties of Balkan elections.

The rift was further widened when a Soviet coup d'etat swallowed Czechoslovakia, when efforts to disrupt the Governments of Italy and France by Kremlin-directed general strikes were made, and when the blockade of Berlin was imposed.

These were all acts of force in everything but the resort to arms. It was even called the cold war.

Some facts—perhaps many of them—are unpleasant. But it is better in the long run to recognize they are facts than to pretend they do not exist.

The League of Nations pretended that Japan's invasion of Manchuria on the pretext of the Mukden incident, Italy's unprovoked rape of Abyssinia, and Hitler's Anschluss of Austria were not lawless acts of aggression.

The United Nations has been pretending that Russia's harsh authoritarianism is not a contradiction of the UN principle of world federation.

RUSSIA HAS MERELY REVERTED TO TYPE

Both views were unrealistic. Both were wishful. Both were predicated on the untenable theory that "if we give in to them on this, maybe that will satisfy them. Maybe they will be good from now on."

Russia was Hitler's treaty partner until attacked by him. Russia thereupon—and not until then—became a champion of freedom. Russia is now once again pursuing the course she followed originally as Hitler's partner.

The democracies can go right on pretending that this is somehow different; that it is not endangering the peace of the world.

Or they can recognize it for what it is.

In the name of the greatest and gentlest apostle of peace in all mankind's history it was said; "He that is not with me is against me."

The democracies of the world know that communism is against them.

It is within their power to unite now—not after another Armageddon.

Upper East Tennessee

EXTENSION OF REMARKS

OF

HON. DAYTON E. PHILLIPS

OF TENNESSEE

IN THE HOUSE OF REPRESENTATIVES

Monday, August 1, 1949

Mr. PHILLIPS of Tennessee. Mr. Speaker, under leave to extend my remarks, I include in the Appendix of the RECORD an article which appeared in the Manufacturers Record, July issue 1949. The article was written by Mr. L. D. Farrar. The article in question points out the industrial and agricultural growth of the First Congressional District of Tennessee. This section of America is rapidly becoming the playground of the United States. The rapid growth of TVA, together with the natural scenic beauty such as is found at Gatlinburg, Tenn., in the heart of the Smoky Mountains, together with a cool and air-conditioned climate make this one of the outstanding attractions of all of America. I think it is important to include in the Appendix of the RECORD the following article, which is self-explanatory:

UPPER EAST TENNESSEE—ONE OF THE SOUTH'S GREATEST INDUSTRIAL AREAS, THIS REGION HAS MADE THE TRANSITION FROM "WILDERNESS TO SMOKESTACKS" IN LESS THAN 50 YEARS

(By L. D. Farrar)

The region known throughout the South as Upper East Tennessee is one of the most unusual political and economic divisions in the United States today.

A mountainous area, resplendent with high peaks and colorful valleys, it evolved from virtual wilderness country into a fertile agricultural idyl and, in the brief span of a half century, it has become one of the most highly industrialized areas in the South.

Unique area: It is unique for many reasons. One is the fact that, although geographically in the midst of "Democratic country," the area is intensely Republican. One county—Johnson County—is considered the most Republican political unit in the United States, casting virtually 95 percent of its votes for Republicans. At least 75 percent and likely more of the people in this region have been born and reared to vote Republican and never will vote any other way. Another reason the area is unique is that its population is composed almost wholly of native-born white Americans, descendants of hardy English and Scotch-Irish ancestors who carved civilization out of the mountain wilderness. Their forebears came from Virginia and the Carolinas, and they instilled in their children and grandchildren the same love of freedom that they nurtured and held.

The area is unique also because of its industrial growth since the early 1900's. Virtually an island of undeveloped resources until a few eastern industrialists recognized its potentialities, the area has become of greater and greater importance in the South's industrial scheme with each passing decade.

Boundaries: Upper east Tennessee roughly is measured by Rogersville, Tenn., on the west; Knoxville on the south, and Greeneville on the southwest; Kingsport and Bristol on the north and northeast; and Mountain City on the east. It comprises virtually the entire First Congressional District of Tennessee, plus some smaller towns and sparsely settled counties south and west of this district.

Principal cities: Principal cities in this area include Bristol, one of the few United States cities that is split by a State line—in this instance the Tennessee-Virginia boundary; Kingsport, perhaps the fastest-growing southern industrial city of its category and by all odds the most beautiful; Johnson City, the commercial hub of the area; Elizabethton, which nestles in Happy Valley at the base of towering Roan and Unaka peaks; Greeneville, the center of the burley tobacco market in the area; Jonesboro, former capital of the famous State of Franklin; Erwin, home of the Clinchfield Railroad shops and other industries, and other smaller towns too numerous to mention.

KINGSPORT

Of the cities in the upper east Tennessee area which has grown the fastest and has created the biggest industrial splash in recent years, Kingsport undoubtedly is the leader.

Official statistics on Kingsport population are not available for the new census, but the town undoubtedly is close to 35,000 population today, with three or four times that many more persons in its logical trading area. At least 22,500 workers are employed in its environs. The smallest of the Tri-Cities—Johnson City, Bristol, and Kingsport—in 1940, it is without doubt the largest of the three today.

Kingsport has had two births. Its first was as a sleepy port community on the Holston River back in the late eighteenth century, when that section of America was first settled. A man named King shipped farm and other produce out and brought finished material back to the area by boat. Hence the name "King's Port," which was later combined into one word.

The area both before and during the Civil War was something of an industrial section, what with numerous iron-working plants in the section. But these did not prosper when more important iron ore deposits were found elsewhere, and by 1909, when the Clinchfield Railroad purchased 6,000 acres there, in hopes eventually of helping the area develop so that the railroad's future would be assured.

Dr. John Nolen, famous city planner of Cambridge, Mass., was engaged by the railroad to develop a plan for a city that, eventually, could care comfortably for 50,000 persons. For a design for city government, the founders turned to the Rockefeller Foundation for advice on a model city charter. Kingsport became the first city in Tennessee to institute the city-manager form of government now in wide use, and the nonpartisan character of its administration has been an important factor in the town's unhampered growth.

Industries: Fred Johnson, the late industrial development wizard who died in 1944, was the "power behind the throne" in Kingsport's recent spectacular development. He oversaw both the town's development, its political growth, and its sponsorship of various industries, which worked toward the maximum industrial growth of the area.

The first industry located on the site of this new community was a cement plant, then a brick plant, followed by a tannery. A hosiery mill, a pulp mill, and a wood-alcohol distillation plant were established. This distillation plant, using the abundant supply of wood and water, both close at hand, was to grow into the present extensive Tennessee-Eastman Corp., with its highly technical processes and large-scale production of plastics, acetate yarn, and chemicals of many kinds.

Industrial growth was planned as intelligently as the political and geographical development of the city. Studies were made of available raw materials and experts sent to specific industries which could use these materials successfully and could prosper in this favored locality. There likely has never been a better example of how a town can be built up by use of intelligent methods than the town of Kingsport.

Just how one industry brought another is a saga of industrial wizardry.

Take the Kingsport Press, Inc., as an example. This company was organized to produce a series of cloth-bound "classics" in 1922. It located in a fine new plant constructed in Kingsport during World War I to produce harness, but never used.

A supply of paper and book-cloth being essential, arrangements were made with the Mead Corp., of Dayton and Chillicothe, to acquire a small pulp mill already operating in Kingsport and to install necessary paper-making equipment for producing the

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book paper needed by the infant industry next door. Included in the equipment of the new book-making establishment was a small, but complete, book-cloth production unit, known as Clinchfield Mills.

Today, Kingsport Press is the largest private publishers of books in the world. It has more than 1,250 employees, and is virtually the only supplier of books that can carry the job through from paper manufacturing at its door to book-back making. In addition to its manufacturing facilities for complete bookmaking, the company maintains its own mechancial, electrical, and plant maintenance divisions, cuts its own brass stamping dies, casts its own composition press ink-distributing rollers, operates its own adhesives laboratory, cafeteria, first-aid rooms (with trained nurses in attendance), provides its own steam and compressed air (it buys its electrical power), and constructs many new pieces of mechanical equipment.

Largest of the plants in Kingsport, of course, is Tennessee-Eastman, which employs more than 10,000 persons, far more than it carried on its pay rolls even during World War II.

Plants in the area, all of which have settled there since Johnson began waving his magic industrial wand in the mountains, include those which manufacture glass, plastics, hosiery, textiles, and dozens of smaller machine shops which serve the larger industries.

The city is the headquarters for the far-flung Mason-Dixon Lines, one of the largest trucking companies in the South.

Kingsport is noted for its beautiful municipal buildings, its wide and spacious avenues, its zoned residential suburbs, its cleanliness, its civic pride, and its efficient municipal government. A sample of how this progress has been made can be seen in the large hospital, which serves the area. Johnson held the site of this hospital open for more than a decade, while the money was raised by public subscription to build and equip it completely.

Industrial inducements: To obtain the scores of good industries for the section he loved so well, Johnson offered no tax concessions, no local wealth, no free sites, no fabulous underground resources. All he could offer was wood and water—and a free people who knew what work meant and wanted to work. He offered industrialists nothing but a square deal, a chance to serve in the community and freedom from labor unrest if they would pattern their labor relations along the lines of this thinking. He was never opposed to unions, but he believed that management, with or without union pressure, should treat employees fairly, should go out of its way to make working conditions more pleasant and should pay the highest possible wages commensurate with productivity and a fair profit to stockholders.

Time and again, he spurred leaders in industrial life to take an active part in the political life of the city, pointing out to them that most people gripe about the kind of government they get and yet leave the governing to politicians without experience in business or management.

Kingsport has turned down industries that wanted cheap labor, and, in fact, once courteously invited a silk-mill owner to move out "kit and kaboodle" when he refused to pay fair prices to his helpers.

The population of Kingsport was roughly 5,000 in 1920, a few years after the town was founded. By 1930, it had doubled to 11,914. By 1940, it was almost 15,000 and the new census undoubtedly will show it pushing the 40,000 or 45,000 mark.

BRISTOL

Bristol, next youngest of the Tri-Cities, is unique, as noted, because much of the urban center is in Virginia and much of it is in Tennessee. Although it necessarily has two city governments—one operating on each side of the Main Street, which is the Tennessee-Virginia State Line—Bristol for all practical economic purposes is one city.

Served by the Norfolk & Western Railroad and the Southern Railway system, Bristol in 1940 had a population of 23,772. It likely has close to 40,000 today, due to its steady growth.

The principal agricultural products of Bristol's hinterland are tobacco, poultry, and dairy products, livestock, and vegetables. Its manufactures include wood pulp and lumber, textiles, iron and steel products, pharmaceutical supplies, and wood plastic aircraft material. It likely is the most important retail center of the Tri-Cities.

JOHNSON CITY

Johnson City, which was founded through the initiative of an early entrepreneur who built a station on the Southern Railway system so that the trains would stop at his junction, is the most centrally located city in the area. About equidistant from Bristol, Kingsport, and Greeneville and without "shouting" distance of Kingsport, Johnson City has shown a steady and uninterrupted population growth for the past 30 years. Its industrial and commercial development have not been spectacular, but they have been sure through the years.

The principal industries in Johnson City consist of flour mills, hardwood flooring manufacturing company, a silk mill, a rayon mill, and a number of foundries and iron-processing plants. The city is served by the East Tennessee Western North Carolina Railroad, the Clinchfield Line, and the Southern Railway system.

Johnson City is the oldest of the Tri-Cities. It was settled about 1787, incorporated as a town in 1879, and as a city in 1887.

GREENEVILLE

Greeneville, whose principal claim to historical fame is that it was the adopted home town of President Andrew Johnson, who operated his famous tailor shop there for many years before being elected Governor of Tennessee, then to the Senate, and then as Vice President on the ticket with Abraham Lincoln, whom he succeeded as President.

The rich farming area around Greeneville has given an impetus to native, home-grown industries that process the milk and can the vegetables grown in the area.

ELIZABETHTON

Elizabethton, one of the most beautiful cities in the upper east Tennessee area, also is in the midst of a region surrounded by most natural resources—minerals, timber, fertile land and water power. The Tennessee Valley Authority has constructed dams both on the Watauga River above Elizabethton and on the Holston River above Bristol.

The principal manufacturing industry in Elizabethton is the famous North American-Bemberg plant, or plants, which makes rayon yarn used throughout the world. Originally begun by Dutch interests, the plant was taken over during World War II by the Federal Government and now is under completely American management.

Elizabethton, with nearby Jonesboro, is one of the oldest settlements in the region and is rich in historic associations. Under a giant sycamore still standing on the Doe River was held the first court in what is now Tennessee. At Sycamore Shoals, revolutionary soldiers met for drill, and from here marched to the battle of King's Mountain. There is an iron furnace that was used in Revolutionary days, and on the banks of the Watauga is the last home of President Johnson. Although chartered as a city less than a half-century ago, in 1905, Elizabethton today has probably 15,000 residents, not counting a prosperous, well-inhabited hinterland.

JONESBORO

Jonesboro, the capital of the famous "State of Franklin," which was set up under the leadership of John Sevier, hero of King's Mountain and a colorful figure of early settlement days, has had a rich historic past. Although without industries of note, Jonesboro still is the county seat of Washington County, which includes the populous area embracing Johnson City, and is famous because of the documents containing signatures of the great of days long gone.

ERWIN

Erwin, one of the older towns in the area, is noted as the home of Southern potteries, one of the highest-paying industries in the area. This pottery, which employs hundreds of persons and uses the kaolin found in the mountains of western North Carolina as its base product, is one of the most stable industries in the area.

Vatican's War Against Reds

EXTENSION OF REMARKS

OF

HON. RAY J. MADDEN

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Monday, August 1, 1949

Mr. MADDEN. Mr. Speaker, I am submitting with my remarks an enlightening editorial by H. B. Snyder, editor of the Gary Post-Tribune in Gary, Ind.

He states therein that the Vatican's war against the Reds should have the support of free, worshipping men everywhere. The curtailment of communism and totalitarian dictatorship is not the Vatican's war alone, but it is also a war to preserve Protestant churches, synagogues, and free religious worship in every liberty-loving, democratic nation in the world.

If the Communists succeed in overrunning Europe and Asia, their control in this hemisphere will eventually be achieved. All God-fearing nations and all churches, whether Catholic, Protestant, or Jewish, will be liquidated and we will be living in a godless world.

The communistic scourge is everybody's fight and the sooner all churches realize this fact, millions of lives and billions of dollars will be saved.

Up to this time, the Catholic Church, with its centuries of tradition and millions of communicants throughout Europe, Asia, and the rest of the world, has been the main organized bulwark which has impeded the progress of the communistic dictators who seek to enslave the world.

ALL FREE MEN HAVE INTEREST IN VATICAN'S WAR AGAINST REDS

The Catholic church and totalitarian communism are locked in bitter struggle throughout the world. The chief battleground right now is eastern Europe. But why should a religious organization be fighting the advocates of a political and economic system?

The answer is that communism, like any totalitarianism, cannot limit itself to the purely practical realm. It fans out into the spiritual sphere and seeks to supplant or destroy the regular religious authority.

Catholic leaders therefore see their historic guardianship over the spiritual life of millions of Europeans—not to mention others—threatened with extinction.

The Vatican has tried for a long time to arrive at an ideological truce that would allow

Catholicism and communism to live side by side. But the Mindszenty affair in Hungary and the current attacks on high churchmen in Czechoslovakia convinced the Pope an accord is impossible.

These events led to a papal decree ordering excommunication for all Catholics who join or support the Communist Party anywhere. It is the heaviest weapon the church has ever brought into play against a totalitarian system.

Why do Communists in the predominantly Catholic European countries feel it necessary to engage so stubborn a foe?

The answer is, of course, that a dictatorship like communism can brook no opposition whatsoever. It demands one single overriding loyalty—to the state. Ties of allegiance to church, union, social organization, all these must be severed.

For any one of these minor loyalties could serve as a rallying point for opposition to the regime, a nucleus for the forces of rebellion.

* * * * *

Above all, Communists are bent upon maintaining themselves in power wherever they enjoy it. What is more sensible, then, than to keep the people in a great shapeless, helpless mass? Revolt takes organization as well as weapons.

It should be evident immediately that the Catholic church is the toughest possible center of resistance to communism in eastern Europe. Because it has many millions of followers, Catholicism wields a power far beyond its mere spiritual guidance in one country or another.

That fact is all we need to remember as we watch the Communists work relentlessly to crush this force in Russia's European satellites.

For the sake of Europe's Catholics and all free-worshipping men everywhere, let us hope the Communists somehow fail to marshal the strength they need to achieve full success in this effort.

Where Would You Rather Live—In United States of America or Russia?

EXTENSION OF REMARKS
OF
HON. JAMES E. VAN ZANDT
OF PENNSYLVANIA
IN THE HOUSE OF REPRESENTATIVES
Monday, August 1, 1949

Mr. VAN ZANDT. Mr. Speaker, the Americanism department of the Veterans of Foreign Wars recently released a very interesting statement in which comparison is made between the American way and life under the Russian system of government.

The statement follows:

VETERANS OF FOREIGN WARS,
AMERICANISM DEPARTMENT.

WHERE WOULD YOU RATHER LIVE—IN U. S. A. OR RUSSIA?

We may not always see communism clearly when we talk about ideologies but figures comparing the bread-and-butter side of democracy and life under the Russian system of government make things very clear to us.

How much better off are we as individuals working for a living in the United States, compared with what we could get with our hourly wage or salary if we lived in Russia? Here is some recent information from a reliable source:

In the United States you work—

Nine minutes for a pack of cigarettes; in Russia that would cost you 2 hours and 4 minutes of work.

Ten minutes for a quart of milk; in Russia that would cost you 1 hour and 18 minutes of work.

Seven hours and 15 minutes for a pair of shoes; in Russia that would cost you 13 days' labor.

Three hours for a cotton shirt; in Russia that would cost you 2 months' work.

Two hours for a pair of woolen gloves; in Russia that would cost you 7½ days' work.

Seventy-five hours for a good winter coat; in Russia that would cost you 25 weeks' work (luxury only for party big wigs).

Thirty hours for a wrist watch; in Russia that would cost you 1,600 hours' work (if available).

Forty weeks for a new medium-priced auto; in Russia Soviet workers cannot buy an auto.

COMPARING YOU AND IVAN

Here in the United States you can spend your money where and when you choose. You can go anywhere in the United States—or around the world if you want to.

Under the Communist system a worker must get a police permit to leave his home town for a single day. He must show his papers to the police wherever he goes.

However, the Soviets tell us their workers are happy under communism. Then let's remain unhappy, but free in democracy.

REMEMBER THIS

Our people represent only 7 percent of the world's population and our free-enterprise system may have rough spots in it but still—we own 86 percent of the world's electric refrigerators and 83 percent of the automobiles (try to get those in Russia), also 81 percent of the world's bathtubs, 79 percent of the radios, 76 percent of the vacuum cleaners and 78½ percent of all the life insurance (life is too much of a gamble elsewhere).

WHICH DO YOU CHOOSE?

Consider all these facts the next time a Communist mouthpiece starts telling you how much better off you would be living under the Russian system.

Consider all these facts the next time someone starts ranting against our capitalist system of government.

Consider all these facts when Communist agitators start tearing down American labor benefits.

Don't let anyone confuse you with double-talk about ideologies. Just weigh your advantages as an American wage earner, with what you would get as another unfortunate Ivan. Remember you're working for yourself and family. You are not slaving out your heart to perpetuate an endless 5-year plan which, in Russia, merely produces soft jobs for Communist Party straw bosses and keeps vodka-filled bellies in the Kremlin.

The Great "I Am General Pick" Can Spend the People's Money With a Reckless Abandon

EXTENSION OF REMARKS
OF
HON. USHER L. BURDICK
OF NORTH DAKOTA
IN THE HOUSE OF REPRESENTATIVES
Monday, August 1, 1949

Mr. BURDICK. Mr. Speaker, on page 10378 of the CONGRESSIONAL RECORD of July 28 appears the following statement from JOHN TABER, ranking member on the Appropriation Committee of the House:

Mr. TABER. Mr. Speaker, I hold in my hand a copy of the Oneonta Star paper of New York of July 8, 1949, and I read:

"This is an inspection of the Chief of Army Engineers. The inspection group arriving in Keyes Airport in the general's DC-3 Army transport was met by three Government cars sent from Baltimore, Md., to transport the party to the dam."

That is 350 miles. It probably would cost to send those three cars up, including the per diem of the chauffeurs and the mileage and maintenance and all that sort of thing, from $400 to $500. In the brackets in the article is this statement:

"An Oneonta tax firm estimated that the party which required three cars, and took an hour and 40 minutes, could have been provided local transportation at a cost of slightly more than $10."

Here the TABER speech ends with this statement:

Mr. Speaker, this is a sample of the way the bureaucrats are wasting the money of the people of the United States.

In other words, this aristocratic Chief of Army engineers and his party supposed to inspect this dam in the State of New York flew to New York, and at the same time had three Army automobiles drive all the way from Baltimore to New York to convey this party to the dam site, when the same service could have been provided for a cost of slightly over $10.

At the present time I am trying to find out how much money has been spent by the Army engineers in the building of Riverdale, but I have been given the run-around for 3 months and still cannot find out. I know it is a lot of money—too much money to spend on what will be a ghost town when the dam is completed. The Army engineers are not concerned with expense, but I believe the taxpayers are.

It seems that nothing but a congressional investigation will ever disclose what General Pick is doing with our money. We do not know how many Senators and Members of the House have been carted around in Army planes and that the people ought to know. Is there any relation between these free trips of Members of Congress and their vote in Congress perpetuating the civil functions of the Army engineers? The people ought to know that also. I cannot find out how much money General Pick has spent in the unauthorized buying of land. He admits that the acreage was 43,000. With absolutely no right to spend a nickel for this land to accommodate a pool of 23,000,000 acre-feet, the amount paid will make a considerable sum. The people should know the facts.

The Committee on Appropriations in the House could, with very little added expense, conduct this investigation, and the people are entitled to know the truth.

Problems of Small Business

EXTENSION OF REMARKS
OF
HON. JACK Z. ANDERSON
OF CALIFORNIA
IN THE HOUSE OF REPRESENTATIVES
Monday, August 1, 1949

Mr. ANDERSON of California. Mr. Speaker, supplementing my extension of

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remarks entitled "Federal Taxes in Small Business" in the CONGRESSIONAL RECORD on July 26, 1949, I wish to include herewith two self-explanatory newspaper articles:

DEFENSE WORK FOR LITTLE FIRMS STIRS ARGUMENT—COMPTROLLER REBUKES NAVY FOR BUYING SHOES FROM OTHER THAN LOW BIDDER

WASHINGTON, July 24.—A lively controversy is being waged behind the scenes in Washington over the issue of whether the armed services may divert some contracts to small businesses even though they do not submit the lowest bids, it was learned today.

The outcome of this dispute will determine whether millions of dollars' worth of military contracts may go to small companies which are apparently unable to bid competitively with industrial giants producing the same items.

Three agencies are directly involved in the contest—Congress, the National Military Establishment, and the Comptroller General's office.

It all started 2 years ago when Congress enacted the so-called Procurement Act of 1947 with the express intention of giving small businesses a bigger share of Government contracts.

"It is the declared policy of the Congress," the act declares, "that a fair proportion of the total purchases and contracts for supplies and services for the Government shall be placed with small business concerns."

Acting under this mandate, the Navy Department some months ago advertised for bids for 700,000 pairs of shoes and then awarded the contracts in such a manner as to insure small business a fair share.

Twenty-three companies bid. Three large shoe manufacturers submitted the low bids and the bulk of the order, 590,000 pairs, was divided up among them. The rest of the order, for 110,000 pairs, was diverted to two other firms which submitted the low bids among those companies qualifying as small businesses. The contracts with these two small manufacturers called for prices ranging from a few cents to 25 to 30 cents higher a pair than the bids submitted by the large companies.

Comptroller General Lindsay C. Warren scrutinized the contracts and on May 20 handed the Navy a sharply worded reprimand. While he let the shoe contracts go through on the theory that they were awarded in good faith, Mr. Warren ordered the Navy to award no more contracts to other than the lowest bidders.

NOTES FLAW IN PROVISION

As the basis for his decision, Mr. Warren noted that Congress had not carried out its declared intent to give small business a fair share of contracts by such means as permitting the armed services to award contracts to other than low bidders. Despite the 1947 Procurement Act's declaration of intent, the award of contracts to small businesses which fail to submit low bids in competition with larger companies is not specifically permitted under the act, he maintained.

Mr. Warren asserted that the act "does not authorize and was not intended to authorize the awarding of contracts to other than the low bidder, in those cases where advertising is required, solely on the basis that a bidder qualifies as a small-business concern."

Congress skirted this issue in drafting the legislation. The act provides that all contracts and services must be let through advertised bidding with 17 exceptions. Small business is not cited directly in any of these exceptions.

CONGRESSMEN STIRRED UP

One section of the act gives the armed services the right to negotiate contracts to keep certain manufacturers in business in event of a national emergency. It does not, however, give the armed forces express permission to award contracts to small businesses which fail to submit low bids.

Mr. Warren's decision, nevertheless, has stirred up Members of Congress who helped to draft the act and who now maintain that the Navy's action in awarding the shoe contracts was within the intent of the law.

Representative JACK Z. ANDERSON, Republican, of California, who headed the House Armed Services Subcommittee which drafted the act, sent last week letters to John R. Steelman, acting head of the National Security Resources Board, and Arthur B. Barrows, Acting Chairman of the Munitions Board, taking Mr. Warren to task for his decision.

"In my judgment this decision raises an issue of the utmost importance to the mobilization of our national security resources in preparation for any possible future emergency," the Congressman wrote.

"Basically the question is: Shall we take positive steps to reverse the trend toward concentration of industrial activity in larger enterprises, recognizing the fact that as a general rule the larger concerns, as a result of economies incident to consolidation, will be in a better position to offer lower prices than their smaller competitors?"

Representative ANDERSON called on Mr. Steelman and Mr. Barrows to give him their interpretation of the act and to indicate, if they agreed with the Comptroller General, whether they would recommend that the act be revised to permit procurement from small businesses at slightly higher prices.

A spokesman for the Comptroller General indicated today that Mr. Warren would not back down from his decision. The Comptroller General's office, this spokesman noted, regards any award of contracts to other than the lowest bidders as an invitation to rigged bidding.

CLARK STUDYING PLANS TO HELP SMALL BUSINESS—TO DECIDE WHETHER LAW IS NEEDED TO DROP LOW-BID SYSTEM OF THE SERVICES

(By Jack Steele)

WASHINGTON, July 27.—The Justice Department is studying the possibility of giving the armed services broader procurement authority to divert more Government contracts to small business, it was disclosed today.

This issue has stirred up an intergovernmental controversy resulting from a difference of opinion as to whether the present procurement law permits the armed forces to award contracts to small businesses which do not submit the lowest bids.

It was brought a head by a ruling of Comptroller General Lindsay C. Warren forbidding the armed services to award advertised contracts to other than the lowest bidders.

John R. Steelman, Acting Chairman of the National Security Resources Board, revealed today that this question had been referred to Attorney General Tom C. Clark to determine whether new legislation is necessary or desirable.

CONCEDES RIGHTS MAY BE LIMITED

Mr. Steelman, in a letter to Representative JACK Z. ANDERSON, Republican, of California, conceded today that the procurement authority of the armed forces may be undesirably limited in this respect.

His letter was in answer to a demand from Representative ANDERSON that Government procurement policies be clarified in light of the Comptroller General's ruling. Mr. ANDERSON headed a House Armed Services Subcommittee which drafted the present procurement laws.

Mr. Steelman wrote that the Attorney General had undertaken a study of the general problem "looking to the recommendation of legislative action if necessary."

A similar investigation is also being made by the Procurement Policy Council of the Munitions Board, according to Rear Adm. F. C. Denebrink, director for military supply of the Board.

"We appreciate the seriousness of the questions you have asked and will do our best to provide you with a comprehensive analysis of the situation from the viewpoint of the National Military Establishment," Admiral Denebrink informed Representative ANDERSON.

The Work of the Office of the Solicitor General of the United States

EXTENSION OF REMARKS

OF

HON. GEORGE H. FALLON

OF MARYLAND

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 28, 1949

Mr. FALLON. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following address by Philip B. Perlman, Solicitor General of the United States, before the fifty-fourth annual meeting of the Maryland State Bar Association, Hotel Traymore, Atlantic City, N. J., Saturday, July 2, 1949:

The midwinter meeting the this association in 1947 took place on February 1, the day after President Truman sent to the Senate my nomination to be Solicitor General of the United States. Out of the kindness of its collective heart, perhaps superinduced to some extent by the circumstance that Chief Judge Ogle Marbury, of our court of appeals, and my former law partner, was then our president, this association adopted a most flattering resolution on the nomination, offered by Judge Levin C. Bailey, and sent copies of it to the President of the United States, and to the Committee on the Judiciary of the United States Senate. However, one Senator on that committee who was not impressed by Judge Bailey's eloquent and enthusiastic treatment of the nomination was the chairman of the subcommittee in charge of the matter, and 8 months of delay and of hearings aimed to disprove your resolution then took place, capped by a filibuster beginning at midnight on the last day of the first session of the Eightieth Congress and lasting until about 4 o'clock in the morning, when the forces of darkness and evil were defeated, and your action in my behalf was finally and at long last given senatorial approval. Believe it or not, therefore, it can be truly said of the first session of the Eightieth Congress that I, personally, am the last act of Congress.

I took the oath of office July 31, 1947, and I have now served through two terms of the Supreme Court, which last from October into June of each year. Therefore, when I was invited to speak here today it seemed to me to be an appropriate occasion to make something in the nature of an interim report to you, with whom and among whom I was engaged in the practice of law from the time I was admitted to the bar until I went to Washington 2 years ago to represent the Government of the United States. Of course, there are many who labored last year under the mistaken belief that any report I might make at this time was bound to be a final report, but President Truman and the gods of national elections decreed otherwise, and so I am in the happy position of being able to promise to tell you still more at some future time. I suspect that any general exposition

of what goes on in the Solicitor General's office is not nearly as interesting to others as it is at present to me, but there are at least some few matters which seem to warrant consideration.

The primary function of the Solicitor General's office is the conduct of Government litigation in the Supreme Court. In all Government litigation (except perhaps certain Interstate Commerce Commission cases) where the decision of the lower court has been adverse to the Government, the Solicitor General decides what cases shall be taken to the Supreme Court by way of certiorari or appeal; and the Solicitor General is responsible for defending the Government in the cases brought to the Supreme Court by others, through appeal or writs of certiorari. Moreover, the Solicitor General is in charge of all Government litigation which originates in the Supreme Court, as, for example, the recent so-called tidelands cases brought against California, Texas, and Louisiana. All Government briefs on the merits, petitions for certiorari, and briefs opposing certiorari are finally reviewed, revised, or rewritten in the Solicitor General's office. Except when the Attorney General decides to participate, cases are argued by the Solicitor General personally, by members of his staff, and by other Government attorneys, under his direction.

The importance of the work is indicated by the proportion of Government cases to the total amount of business transacted by the Supreme Court. During the 1947 term the Government was involved in 57 percent of the cases argued orally before the Court on the merits, and in 41 percent of all appellate cases before the Supreme Court. The proportion in the 1948 term is about the same.

As every lawyer knows, it is very difficult to tell from statistics of cases won or lost how a lawyer does his job. The best lawyer cannot win the worst cases, and the worst lawyer cannot lose the easy ones. A Government lawyer has an advantage over counsel for private interests in that he cannot be pressured by a client to appeal cases in which he believes the chances of reversal are remote; or to appeal cases where success may be relatively of minor importance, or may establish rules that would be detrimental in other connections. From this it should be expected that the Government will win more appeals than it will lose. Furthermore, since it is necessary not to swamp the Supreme Court with more business than it can handle, the Solicitors General, in order to assist the Court to function efficiently and expeditiously as a vital segment of our governmental structure, have long recognized the wisdom, from the standpoint of the general public interest, of attempting to bring before the Court only those cases in which there seems to be real need for Supreme Court adjudication. The result is that in many cases which the Government loses in the lower courts petitions for certiorari are not filed, even where the Government attorneys are not convinced that the decision below is sound, or sound in all particulars. Thus during the 1947 term certiorari was authorized in only 46 out of 312 cases decided against the Government below and submitted to the Solicitor General for decision as to further action.

As a result the proportion of cases heard on the merits in the Supreme Court in which the Government is successful has long been high, and the proportion of Government petitions for certiorari granted is many times as great as the percentage of petitions for certiorari granted in favor of other parties—about 10 times as great as the percentage of petitions granted over the Government's opposition. For example, during the 1948 term, the number of Government petitions granted exceeded 80 percent. The percentage granted to petitioners opposing the Government was but 13. The Government joined in requesting certiorari in some of these cases, so that only 8 percent were granted over Government objection.

It would be difficult for anyone to improve upon the record of the Solicitor General's office in these respects during the decade before my term of office began. During the preceding 9 years the Government won, on an average, about 75 percent of the cases which it argued on the merits in the Supreme Court. During the last two terms the percentage has been slightly higher.

I emphasize the fact that it would be greatly misleading for anyone to judge the work of the Solicitor General's office by any standard as superficial as a mere statistical record. The Solicitor General would not perform his duty to the Government or to the people if he took to the Supreme Court only cases which he thought would add to the Government's score of victories. Cases often involve questions of such importance that the public interest requires that they be brought to the Supreme Court for settlement or clarification, irrespective of the chances of winning the particular controversies. And it is but fair to point out that too good a score in the record of petitions for certiorari granted or in the number of cases decided in the Government's favor may be as consistent with undue timidity as with effective advocacy. If, therefore, you are willing to believe that I have not been unduly timid in the matter of taking appeals or applying for writs of certiorari, the statistical record would seem to indicate that there has been no lowering in the previous standards of achievement by the Solicitor General's office.

The duty of the Solicitor General, in making decisions as to whether to apply for review, has been described in an opinion by Justice Frankfurter,[1] as follows:

"The various governmental agencies are apt to see decisions adverse to them from the point of view of their limited preoccupation and too often are eager to seek review from adverse decisions which should stop with the lower courts. The Solicitor General, however, must take a comprehensive view in determining when certiorari should be sought. He is, therefore, under special responsibility, as occupants of the Solicitor General's office have recognized, to resist importunities for review by the agencies, when for divers reasons unrelated to the merits of a decision, review ought not to be sought."

Another of the Solicitor General's duties is to determine what cases should be appealed to the circuit courts of appeals. When the Department of Justice loses a case in the district court, a recommendation for or against appeal is made to the Solicitor General by the division of the Department which handled the case. During the 1947 term appeals were authorized in 200 out of 581 such cases. There were six other appeals direct from the trial court to the Supreme Court.

There are many instances where the decision not to appeal is an easy one to make. For example the Food and Drug Administration of the Federal Security Agency recently brought suit in the United States District Court for the District of Oregon to seize 238 cases, each containing 24 cans labeled in part, "Ski Slide Brand Center Cuts, Tips Removed, All Green Asparagus, Contents 1 lb. 3 oz." The story is told in the following opinion, handed down by his honor, Judge Claude McColloch:

"Defendant is an asparagus packer. One of his products is the center cut of the asparagus. This retails for 20 cents per can (1 pound 3 ounces) containing 95 to 100 cuts, as compared with 40 to 50 cents per can for the choicer tips.

"The Government contends that defendant's center cuts are fibrous and woody beyond the permissible limits set up by the Federal Food, Drug, and Cosmetic Administration. Three witnesses for the Government said that they had each eaten a can (or attempted to) of defendant's cuts. The composite of their testimony was that 25 percent or more of the cuts were inedible, and the Government's witnesses condemned them as a food product.

"On the other hand, the Director of Mary Cullen's Cottage found only 5 or 6 pieces out of 100 that she had to lay aside. Confronted with this conflict in testimony, I obtained counsels' consent to eat a can. This I have done, although I confess had I understood all the difficulties of the undertaking, I might not have been so bold.

"To eat a can of asparagus, hand-running, as the saying is, is quite a chore. I took 3 days to eat the can. That, I can now state, is as much as an old protein user should attempt on his first venture into herbalism. I suspect the Government witnesses tried to eat their cans all at one time, and that may explain the severity of their judgment about defendant's asparagus.

"I can see where after 50 or 60 cents, eaten without spelling oneself, one might become very particular.

"My test more than confirmed Miss Laughton's good opinion of the cuts. She found 5 or 6 percent inedible, whereas I ate all of my can, and felt that I was helped by it. There was one runty, tough piece and two or three slivers, but I treated them as de minimis.

"I agree with the director of Mary Cullen's Cottage that this is an excellent product, particularly considering its low price. Not everybody in this country can 'keep up with the Joneses' and eat only asparagus tips. Indeed it seems strange to me that the Government should be interested in keeping from the market a moderately priced, wholly nutritious food product. I should think in this period of declining income the Government's interest would be the other way. If Mr. Prendergast will prepare appropriate findings, I will give his client's center cuts a clean bill of health. They deserve it.

"Dated May 9, 1949.

"CLAUDE MCCOLLOCH, *Judge.*"

Under date of June 7, 1949, I received a recommendation from the Assistant Attorney General of the Criminal Division that no appeal be taken. This recommendation was concurred in by the United States district attorney and by the Federal Security Agency and by two members of my staff. I approved it at once.

The matters submitted to the Solicitor General range from those involving cans of asparagus to those involving many millions of dollars, and from what may be regarded as petty offenses to those involving the gravest criminal prosecutions.

You will probably be surprised to learn that the Solicitor General's staff consists of only eight other attorneys. Since the number of briefs which they are called upon to review, and in some instances to write—in addition to much other work—exceeds 400 per year, you may realize that the office is not overmanned. During the past year two experienced and able men left the staff. I was able to replace them by promotion within the Department of two of the topmost lawyers in the Department's appellate sections—one a former note editor of the Columbia Law Review and the other a former note editor of the Harvard Law Review. And politics played no part whatever in their selections. As you may have suspected, most of these eight lawyers were honor men in their law schools, and some of them later served as clerks to Justices of the Supreme Court or judges of the lower appellate courts. They provide talent of the highest order, and it is their ability and unselfish devotion to duty that is primarily responsible for the record of the Solicitor General's office. They are

[1] *Andres* v. *United States* (333 U. S. 742, 764–765) note 9, concurring opinion.

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badly underpaid and overworked, and it is only the fascination of Government service that keeps them from private practice and from great monetary rewards.

During the 1947 term we had the cases upholding the constitutionality of the Renegotiation Act[2] which involved the disposition of more than $10,000,000,000, and the constitutionality of the rent control law,[3] enacted under the war powers in order to deal with the housing shortage brought on by the war but after hostilities had ceased. During that term there was a large number of antitrust cases, many of them of major importance. The number of these cases and the large size of the records, many of which consisted of thousands of pages, were so great that the staffs of the Antitrust Division and of my office were barely able to cope with the problem of preparing briefs in all of them during a single term. Among the most important of the antitrust cases were three involving the motion-picture industry, in one of which the Court held that the motion picture distributing companies, acting in combination, had violated the Sherman Act in a number of ways, and indicated the propriety of a decree divorcing the production and distribution from the exhibition of motion pictures.[4] In the Lime Materials[5] and United States Gypsum[6] cases, the Court held that price-fixing by patentee in combination was unlawful, and severely restricted, although it declined to overrule, the old General Electric[7] case which had upheld such price fixing. The basing-point method of price fixing came before the Court in two cases from the Federal Trade Commission. In the first, the Cement Institute[8] case, the Court upheld the Commission's order based upon a finding that the industry in combination had established a multiple-basing-point price system. During the 1948 term, in the Rigid Steel Conduit[9] case, the Court divided evenly as to whether a similar system established without actual combination but having precisely the same effect was unlawful, the equal division resulting in an affirmance of the finding below in favor of the Government. The uncertainty caused by the latter decision may prompt Congress to clarify the law as to delivered prices. During the 1947 term, in the Columbia Steel[10] case the Court held, 5 to 4, that United States Steel could acquire, without violating the Sherman Act, the largest steel fabricating plant on the Pacific coast, inasmuch as that company comprised only a small percentage of the west coast industry.

The difficulties and delays encountered by the Government in the enforcement of the antitrust laws were brought into sharp focus recently by the Wallace & Tiernan[11] case—the case against the chlorinating equipment industry. The Antitrust Division began a comprehensive investigation of that industry as far back as 1942. After some 4 years of intensive investigation, the Government presented the case to a Rhode Island Federal grand jury which heard evidence over a period of 6 or 7 months in 1946. Some 200,000 pages in documents were subpoenaed, and, chiefly on the basis of those documents the grand jury returned an indictment in November 1946. At the same time the United States simultaneously filed a civil suit in equity to enjoin future violation. Shortly thereafter, the Supreme Court handed down a decision in *Ballard* v. *United States* (329 U. S. 187), in which it ordered an indictment dismissed in a mail fraud case because women had been excluded from the Federal grand jury in California which had returned indictment—one of the principal defendants in the Ballard case being a woman. The issue was not a constitutional one; it was merely a matter of Federal statute which made applicable the local State practice, and since women were eligible for jury duty in the California State courts, the Supreme Court ruled that it was error to exclude them from the Federal grand jury in California.

Taking their cue from the Ballard case, the defendants in the antitrust case promptly asked that their indictment be dismissed, since there were no women on the Federal grand jury panel in Rhode Island which returned the indictment. It thus became necessary to look into the Rhode Island State practice as to women jurors. And here a most unusual condition was found. The Rhode Island law provides in substance that women are eligible if the jury commissioner certifies that the accommodations and facilities in the particular courthouse are such as to allow of the service of women. Under that law women serve as jurors in some courthouses in Rhode Island, and not in others. However, there had never been any certification by a jury commissioner as to the accommodations and facilities of that particular Federal courthouse in Providence, R. I., and indeed the Rhode Island Federal district court had ruled in another case several months before the grand jury was empaneled for our case that the toilet facilities were unsuitable for women jurors. Nevertheless, upon motion of the antitrust defendants, the matter was reopened. And, after an architectural and plumbing survey of the building and its toilet facilities, the same judge reversed his prior ruling, concluding that while the facilities were not the best obtainable in this day and age, they nevertheless could be used. Accordingly, he ruled that women should not have been excluded from the grand jury panel. The result was that the indictment against large corporations and certain officers was dismissed.

The Government then attempted to go forward with the civil suit against the defendants. But it was met with the contention that it could not use as evidence any of the documents which had been produced before the grand jury. The reasoning was that when the grand jury turned out to be an illegal grand jury, the production of the documents before the grand jury amounted to an unconstitutional search and seizure, and that the evidence could not thereafter be used against the defendants, even if called for by new subpenas. This contention seemed fantastic. But it was accepted by the district court, which entered judgment of dismissal of the civil suit, there being no other substantial evidence to support the complaint. The Government was thereupon compelled to appeal that judgment to the Supreme Court, and it was only in May of this year, 1949, that the Supreme Court reversed the district court.

Thus, the case is now going back to the district court. But note what has happened. It had taken a staff of men several years to collect and digest and correlate the evidence. But the United States has not yet had the opportunity to try the case. Meanwhile most of the lawyers who worked on the case have left the Government. And now that it has been determined that suit may be tried, a new group of lawyers will have to be broken in. Such are the obstacles that were put in the way of protecting the public interest in this important litigation—merely because women did not sit on a grand jury that indicted corporations and male officers, where the absence of women was utterly without prejudice to the defendants, and where their absence, in turn, depended upon the doubtful application of Rhode Island concepts as to the adequacy of toilet facilities for women jurors in the particular Federal courthouse.

The length of time it takes to reach a decision in large antitrust cases is illustrated by two other cases decided during the 1947 term. In the case against the gypsum industry,[12] the United States filed its complaint in 1940 and an expediting certificate in 1941. A trial was begun in 1944, and the close of the Government's case the defendants moved to dismiss on the Government's evidence. The court halted the trial at that point, and 26 months later in 1946 filed its opinion granting the motion to dismiss the complaint. This was reversed by the Supreme Court in 1948, and the case sent back to the district court for continuation of the trial. Although the district court then granted summary judgment for the United States, the case has not yet been concluded, since further proceedings are necessary as to the nature of the judgment. The case took 8 years to reach the Supreme Court, and then only with respect to a preliminary ruling made in the middle of the trial as to the sufficiency of the Government's evidence. You can guess how long the case might have taken if the Government had not filed an expediting certificate.

In the Paramount movie cases,[13] the original complaint was filed in 1938. There was a 3-year lapse by reason of a trial-consent decree. The final decision of the Supreme Court was rendered in 1948, 10 years after the case was begun. And, there, too further proceedings in the district court have been necessary.

I have read several articles recently in various publications commenting upon the Government's success in tax cases before the Supreme Court. It was pointed out that 7 tax cases had been decided up to June 6 during the 1948–49 term, and that all 7 were decided for the Government, that all 5 of the tax cases decided during the 1947–48 term were disposed of in the Government's favor; and that, of the 10 Federal tax cases in the 1946–47 term, only 1 was decided against the Government. We are proud of this record. But I should like to say a word about these figures, lest they be misinterpreted. They do not mean that the taxpayer does not have a chance in the Supreme Court. Rather, they reflect the great care taken by the Solicitor General's staff to present to the Supreme Court only those cases in which there is a substantial basis for the Government's position. Nor does this mean, on the other hand, that these were easy cases. To the contrary, nearly all of them involved issues of considerable difficulty, and some of them evoked sharp dissents within the Court.

Cases involving civil rights were significant both in number and in importance during the last two terms. Civil-rights cases come before the Solicitor General's office from two different directions. In criminal cases the defendants frequently contend that their convictions violate some civil liberty, such as the privilege against self-incrimination and the right to be free from unreasonable search and seizure. In such cases, unless we are convinced that a person's rights have been violated it is our duty, of course, to attempt to sustain the convictions. In most of them the question is whether a person who is guilty of crime shall be free because of

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[2] *Lichter* v. *United States* (334 U. S. 742).

[3] *Woods* v. *Miller* (333 U. S. 138).

[4] *Paramount Pictures* v. *U. S.* (334 U. S. 131); *Schine Theaters* v. *U. S.* (334 U. S. 110); *United States* v. *Griffith* (334 U. S. 100).

[5] *United States* v. *Line Material Co.* (33 U. S. 287).

[6] *United States* v. *United States Gypsum Co.* (333 U. S. 364).

[7] *United States* v. *General Electric Co.* (272 U. S. 476).

Federal Trade Commission v. *Cement Institute* (334 U. S. 839).

[9] *Clayton Mark & Co.* v. *Federal Trade Commission* (336 U. S. 956).

[10] *United States* v. *Columbia Steel Co.* (334 U. S. 495).

[11] *U. S.* v. *Wallace & Tiernan Co.* (336 U. S. 793).

[12] *United States* v. *United States Gypsum Co.* (333 U. S. 364).

[13] *Paramount Pictures* v. *United States* (334 U. S. 131).

some alleged error of the Government's investigating or prosecuting officials. During the past two terms there have been a number of cases in the Supreme Court involving alleged illegal searches and seizure, most of which we lost by a division of 5 to 4.

In cases involving other types of civil liberties, such as discrimination because of race, we have appeared frequently as amicus curiae, in support of the civil right. In the racial restrictive covenant cases,[14] (to which I shall refer again), we filed a brief amicus curiae and argued orally, and the Takahashi [15] case, we filed a brief amicus curiae successfully attacking the California statute prohibiting aliens ineligible for citizenship—which meant only Japanese—from acting as commercial fishermen in the Pacific waters off California. In Railway Labor Act litigation [16] we intervened to attack the continued discrimination by the Brotherhood of Firemen against Negro workers.

One of the important issues determined during the 1947 term, but which thus far has not attracted much public notice, was involved in the Shapiro [17] and Hoffman [18] cases. Those cases decide that the Government may use, in criminal prosecutions, records required to be kept by statute or by appropriate regulation, where such records relate to transactions in which the dealer could engage solely by virtue of a license granted under the statute; and a claim of immunity under the Compulsory Testimony Act of 1893, or under the constitutional privilege against self-incrimination, is no bar to such use.

Those elements of our population, although fortunately small in number, who have embraced totalitarian philosophies, have involved the Government in much litigation with which the office of the Solicitor General has been concerned. Since shortly after VE-day, when the President issued a proclamation directing the Attorney General to remove dangerous alien enemies, every possible legal device has been used by alien Germans found to have been Nazi adherents, to forestall this removal program. Mass habeas corpus proceedings were followed by mass injunction proceedings and, upon failure of both, new proceedings were instituted which were virtually indistinguishable from those previously found baseless. Despite a refusal of the Supreme Court to review these cases,[19] the litigation continued, in the District of Columbia and other jurisdictions. Consequently the Government was, in many ways, pleased by the Supreme Court's decision to consider and finally dispose of the claims made and rejected so often in the inferior Federal courts. The result was that, in *Ahrens* v. *Clark* (335 U. S. 188) the Court dismissed a habeas corpus petition filed by 120 Germans on jurisdictional grounds, and, on the same day, went on to sustain, on its merits, the validity of the executive removal action under the Alien Enemy Act.[20]

We have had cases involving the Communist problem in various forms. The question as to the validity of the anti-Communist affidavit provision in the Taft-Hartley Act has not yet been determined. In the first case in which that question arose, the union had not complied with the informational requirements of the statute, and the Court sustained their constitutionality without reaching the validity of the Communist affidavit requirement. Two cases [21] squarely presenting the latter question came before the court this term. The first was scheduled for argument in January, but the court ordered the case postponed. Subsequently both cases were postponed again on the request of counsel. The wisdom of the provision, and the language in which it should be stated, if adopted, is still being debated by Congress.

The conviction of Marzani [22] for concealing his membership in the Communist Party from the State Department was affirmed twice, after two arguments, by a four-to-four division. The conviction of Gerhart Eisler [23] for contempt of Congress was also argued. Although I must, in all modesty, disclaim any connection, the fact is that after my argument in the Supreme Court he fled the country, forfeiting his bail in that and other cases. We then suggested that the court dismiss his petition for certiorari, leaving his conviction and sentence stand. We also suggested that Eisler's petition, subsequently filed, to review his conviction for making false statements to the State Department be denied, leaving that sentence stand against him. The Supreme Court last Monday, June 27, 1949, decided to remove the contempt case from the docket, without decision at this time. The Court denied the petition for certiorari in the other case.

The last two terms witnessed other important matters, such and the Church and Spiegel estate-tax cases,[24] the decision construing the prohibition against political contributions by labor unions in the Taft-Hartley Act as not applying to a labor-union publication (a decision which made it unnecessary for the Court to decide whether the statutory provision was unconstitutional),[25] the so-called overtime on overtime case under the Fair Labor Standards Act,[26] and a recent decision in the field of administrative law that oral argument was not an inexorable requirement in administrative and judicial proceedings.[27]

Last week, at the Judicial Conference of the Fourth Circuit, meeting in Asheville, N. C., I spoke on the subject of habeas corpus and extraterritoriality, and described the habeas corpus cases which, in the Supreme Court, and in the lower Federal courts, are raising the question as to the rights of aliens and citizens tried by American courts or military commissions sitting in occupied territory in Germany and in Japan. In restating here some or the things I said last week, it should be noted that in October 1947, the motion of General Milch—a German war criminal—for leave to file an original petition for a writ was denied by an equally divided court.[28] The Chief Justice, and Justices Reed, Frankfurter, and Burton did not expressly indicate why they thought leave to file should be denied, but presumably it was their view that, as in the case of the Americans detained abroad, the Supreme Court was without jurisdiction. Justice Jackson did not participate because of his connection with the great trial at Nuremberg. Justices Black, Douglas, Murphy, and Rutledge announced the view that "the petition should be set for hearing on the question of the jurisdiction of this Court." For Justices Black, Douglas, and Rutledge this seemed to be somewhat of a change in opinion from their position of the previous year—on the denial of habeas corpus petitions filed by seven American citizens—that relief must be sought, if at all, in the appropriate district court.

Since October 1947, when Milch's petition was denied, some 200 German war criminals—tried by various types of war crimes tribunals—have followed him in directly petitioning the Supreme Court for writs of habeas corpus. The 4 to 4 division of the Court on the Milch petition has become standard and has marked the pattern for the disposition of almost all of the subsequent cases. Four of the Justices have insisted that the Court has no jurisdiction of such original petitions, and four desire that argument be had to settle that question for all time, and what remedy, if any, the petitioner has. The Court has never undertaken to determine a German war criminal's petition on the merits.[29]

The Supreme Court has rejected original petitions for habeas corpus filed in that Court by American nationals and by alien enemies held abroad, but it has not yet given the answer to the question whether such Americans or enemy war criminals can have recourse to any lower Federal court in the United States. However, the Court's opinion in *Ahrens* v. *Clark, supra*, decided just a year ago, bears upon that problem and reveals at least some of the considerations which must be weighed in the balance. The opinion in that case expressly leaves open—by way of a significant footnote—the "question of what process, if any, a person confined in an area not subject to the jurisdiction of any district court may employ to assert Federal rights."

In December of last year (1948), the problem of habeas corpus and extraterritoriality came to the front again in the case of the Japanese war criminals, but against a striking international background which dominated all the action. This was the well-known case of Hirota against MacArthur.[30] The petitioners were 11 high Japanese officials and military men who had been convicted by the International Military Tribunal for the Far East—the far-eastern analog of the Nuremberg tribunal—after a lengthy trial, of various war crimes; crimes against peace, conventional war crimes, and crimes against humanity including murder. Some had been sentenced to death, others to imprisonment for life or a term of years. They were imprisoned in Tokyo by Gen. Walton Walker, an American Army general, who was holding them pursuant to the direction of General MacArthur as supreme commander for the Allied Powers in Japan, in accordance with the sentence of the International Military Tribunal. The respondents named were Generals MacArthur and Walker, who were in Tokyo, and General Bradley, Chief of Staff; Secretary of Defense Forrestal; and Secretary of the Army Royall, who were in Washington.

When the petitions were presented, the Court took the unusual step of setting them for argument. The four Justices (the Chief Justice, Justices Reed, Frankfurter, and Burton) who had continuously held that the Supreme Court had no jurisdiction to consider original petitions by persons detained in Germany, whether German war criminals or Americans accused of other offenses, declared that in their opinion there was the same lack of jurisdiction in the Japanese

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[14] *Shelley* v. *Kraemer* (334 U. S. 1).

[15] *Takahashi* v. *Fish & Game Commission* (334 U. S. 410).

[16] *Graham* v. *The Brotherhood of Locomotive Firemen*, October term, 1948, No. 452.

[17] *Shapiro* v. *United States* (335 U. S. 1).

[18] *United States* v. *Hoffman* (335 U. S. 77).

[19] *Citizens' Protective League* v. *Clark* (155 F. 2d 290, certiorari denied, 329 U. S. 503).

[20] *Ludecke* v. *Watkins* (335 U. S. 160).

[21] *American Communications Assn.* v. *Doud*, October term, 1948, No. 336; *United Steel Workers* v. *NLRB*, October term, 1948, No. 431.

[22] *Marzani* v. *United States* (335 U. S. 895, 336 U. S. 922).

[23] *Eisler* v. *United States*, October term, 1948, No. 255.

[24] *Commissioner* v. *Estate of Church* (335 U. S. 632); *Estate of Spiegel* v. *Commissioner* (335 U. S. 701).

[25] *United States* v. *C. I. O.* (335 U. S. 106).

[26] *Bay Ridge Operating Co.* v. *Aaron* (334 U. S. 446).

[27] *Federal Communications Com.* v. *Station WJR*, decided June 6, 1949.

[28] *Milch* v. *United States* (332 U. S. 789).

[29] (Many of these per curiam decisions are cited in Justice Jackson's statement on the Japanese war criminal cases, 335 U. S. 876; there have also been several later decisions.)

[30] Decided December 20, 1948.

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cases. In an unprecedented and most candid statement, Justice Jackson announced that he would break the deadlock which existed in the German cases by voting for a hearing in the Far Eastern matter in which he felt no legal disqualification, but added the hope that it would not be necessary for him to participate in the final decision. As it turned out, this hope was fulfilled. The argument on behalf of the Japanese was made by a number of American lawyers, most of whom had been flown by the Army from Tokyo for that purpose.

Two major issues were presented to the Court in the Japanese war criminals proceeding. The first was, of course, the same issue which had been mooted in the German cases: whether the Supreme Court has jurisdiction under its original or appellate jurisdiction to issue a writ of habeas corpus on behalf of these alien enemies detained in Japan. In its final decision the Court found it unnecessary to pass upon that point because it was persuaded that, even if general jurisdiction to issue the writ existed, the international nature of the tribunal which had tried and sentenced the petitioners foreclosed any relief in our courts. The International Military Tribunal for the Far East was not, the Court found, "a tribunal of the United States" and and therefore the courts of the United States have no power or authority to review, to affirm, set aside, or annul the judgments and sentences. The four Justices who had previously indicated their belief that the Court lacked general jurisdiction of such petitions for an original writ joined in this disposition on the merits as did Justice Black. Justice Douglas concurred in the result for reasons stated in an opinion, which he handed down last Monday, June 27. Justice Rutledge reserved his vote. Justice Murphy dissented without opinion, and Justice Jackson took no part in the final decision.

Although I have held office for almost 2 years, I am as much impressed today as I was during the summer and fall of 1947 with the character of the role played by lawyers in the Federal Government. In the routine matters that come over my desk every day—petitions for writs of certiorari, briefs in opposition to petitions filed by others, briefs on the merits of pending cases, requests from various departments and agencies for authority to file petitions for certiorari, to take appeals, and for authority to allow judgments and decrees of trial and appellate courts to become final without application for review by a higher tribunal—in this routine, I am amazed, again and again, as I have stated at every opportunity, by the amount of care and consideration given to each case, no matter how relatively unimportant in the general scheme of things.

I have found that, although such matters are our daily grist, they have not ceased to be matters of great importance to those entrusted with them, because it is recognized that each involves the liberties or properties of human beings and that, in our society, the individual and his welfare is of vital concern to the Government.

Quite recently, for example, a question was submitted to me for decision which, while of some consequence in the administration of a particular statute—the Soil Conservation Act—cast no great shadows on our national life. Nevertheless, I had placed before me a recommendation from the Department of Agriculture, six memoranda written by attorneys in the Claims Division of the Department of Justice, expressing various views, and memoranda from each of two members of my own staff. This procedure is typical and is indicative of the care and consideration which is given to each problem. And I ask your indulgence to allow me to repeat what some of you have heard me say before: questions affecting the punishment of a person convicted of crime, touching the rights of a poor and obscure widow applying for social security benefits, or concerning the rights of a single sailor ordered deported for alleged violation of the immigration laws, are debated by attorneys in the Department of Justice with a vigor and earnestness that bespeak Attorney General Tom C. Clark's unflagging determination to see to it that the Government acts fairly and honestly toward all of its people.

I have found that Government lawyers, generally, are more interested in arriving at exact justice, with a proper consideration of the equities involved, than in making a record based on a won-and-lost count of cases. None of the less fortunate persons whose interests have been involved may ever know of the time and effort and talent expended in their behalf by lawyers they never heard of and whose services they could not employ, but it is a fine and great thing for those close to Government procedure to know that the word "justice" has vitality and meaning, that it is alive and active, and that it guides our judgments and tempers our actions. I am, with this experience, prouder of my profession than I have ever been before, and prouder of my Government.

Permit me to tell you, therefore, in more specific terms, something about what may be called the nonadversary role of the Government lawyer. The facts are taken, only because I am familiar with them, from the Government's relations with the Supreme Court. Government lawyers who practice before other courts could undoubtedly tell you much the same tale. Indeed, in some respects our activities do not greatly differ from those of private practitioners who take literally and seriously the fact that an attorney is an officer of the court. But in the nature of the real world of private practice—a world in which I lived for many years—there are limitations on the attorney which deny him the semijudicial or nonadversary role which is the unique aspect of the practice of Government law.

The nature of the Supreme Court's jurisdiction is such that it affords special opportunities to practitioners before it to serve the Court, and through the Court, the entire Nation. A very large proportion of the cases decided by the Supreme Court are cases the assumption of jurisdiction over which is entirely discretionary with that Court. This was not always true; the discretionary review jurisdiction exercised through the statutory writ of certiorari was greatly expanded in 1925 by Congress, in order to reduce the burdens of the Court and thus ensure more deliberate judgments on matters which are of the highest national importance.

It was found necessary to put into the hands of the Court the power to discriminate among the cases presented to it for review, and to enable it to weed out those cases which, on a comparative scale, do not demand the study and consideration of our highest tribunal. The grant of that power, however, has not sufficed to make the task of a Supreme Court Justice an easy one; the increased exercise of governmental powers and the ever-growing complexities of life have kept the Court's docket large.

Quite recently, the Supreme Court has noted that "a Federal court can always call on law officers of the United States to serve as amici."[31] The Supreme Court itself does this on occasion and, at this last term of Court, the Government was invited to, and did, file an amicus brief on a question of intergovernmental immunity from tax. In that case, we took the position, which the Court sustained, that the State of Oklahoma could constitutionally tax the gross income of a lessee of lands of restricted Indians who are, in a sense, wards of the Federal Government.[32] Similarly, when the Court, following a practice prescribed by statute, notified the Attorney General that the validity of an act of Congress, conferring on the Federal district courts jurisdiction over suits between citizens of the District of Columbia and citizens of any State or Territory, had been brought into question in a case before it, the Department of Justice filed a brief and argued orally in support of the constitutionality of this act. Although the Government had no direct interest in the particular litigation, we were interested in sustaining what we deemed to be a salutary removal of an unfair discrimination against the citizens of the District of Columbia who had theretofore been denied the same access to the impartial Federal judiciary as was available to citizens of the States proper.[33]

Apart from specific invitations to the Government to participate in a case as amicus curiae, the Court, through its standing rules, permits the Government to file such briefs when they are sponsored by the Solicitor General. The same privilege is extended to States and their political subdivisions, but others who wish to file amicus briefs are required to secure the written consent of the parties to the case.[34] Pursuant to this rule, the Government, each year, participates in a substantial number of cases in which it is not a formal party but in which it has an interest.

In more than one case during the last 2 years,[35] I have filed briefs, on behalf of the Securities and Exchange Commission, in cases raising questions with respect to the administration of the bankruptcy laws. The National Labor Relations Board[36] and the Federal Power Commission,[37] too, have been sufficiently concerned with cases to which they were not parties as to justify governmental participation. In each of these cases delicate and difficult questions were raised as to the relationship between Federal and State authorities, and it became my duty to see to it that the views of the interested Government agencies were presented to the Court.

An illustration of the fact that the Government lawyer's position is not always dictated by the interests of the Government's pocketbook is the role played by the Department of Justice in *Kennedy* v. *Silas Mason Co.*[38] That case involved employee claims to rights under the Fair Labor Standards Act. The employer involved was a cost-plus contractor, and the United States would be liable for any judgment entered against the employer. Despite this, and despite the fact that the Department of the Army was of the view that the employer's petition had merit, the Department of Justice supported the petitioning employees, for the Department also has the duty, in cooperating with the Department of Labor, of enforcing the Fair Labor Standards Act. In our brief amicus, we told the Court that—

"The Department of the Army is of the view that respondent's position has merit for the reasons set forth in the brief filed by respondent. The Army is concerned with the great cost to which the Government will be subjected if the numerous suits akin to this are lost, or even if it must bear the cost

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[31] *Universal Oil Co.* v. *Root Rfg. Co.* (328 U. S. 575, 581).

[32] *Oklahoma Tax Commission* v. *The Texas Co.* (336 U. S. 332).

[33] *National Mutual Insurance Co.* v. *Tidewater Transfer Co.*, No. 29, October term, 1948, decided June 20, 1949.

[34] Rule 27, paragraph 9 of the Rules of the Supreme Court of the United States.

[35] E. g., *Leiman* v. *Guttman* (336 U. S. 1); *Manufacturers Trust Co.* v. *Becker*, No. 742, October term, 1948.

[36] *La Crosse Telephone Corp* v. *Wisconsin Employment Relations Board* (336 U. S. 18).

[37] *Grand River Dam Authority* v. *Grand-Hydro* (335 U. S. 359).

[38] 334 U. S. 249.

of defending them. * * * we cannot regard these factors as controlling in the interpretation of an important regulatory statute which is the duty of the Government to enforce. The Department of Justice and the Wage and Hour Administrator have consistently regarded these cost-plus contractors as subject to the Fair Labor Standards Act."

In another case[39] involving suits against Government cost-plus contractors, the Department of Justice in the district court was a party on the merits in support of the contractor against the employees. The only issue in the case when it came to the Supreme Court, however, was whether the employee should have been allowed to appeal in forma pauperis. This involved the construction of the in forma pauperis statute, which is designed to enable poor persons to take their cases to the appellate courts even though they lack the money to pay the costs of appeal. Although the Government was financially interested in the case, we filed a brief amicus which discussed impartially a number of questions as to the meaning of the in forma pauperis statute, in some of which we supported the employees' position, in some the contractor's position, and as to others merely set forth the authorities and principles for the information of the Court. This brief prompted counsel for one of the parties to state to the Court that he had never seen a brief like that in all of his legal experience, and that it wasn't his idea of how to write a brief at all. Whether or not what we filed was a brief, we were pleased when the Court's opinion approved what we had suggested.

One of the most difficult situations for the Solicitor General arises from differing interpretations of statutes, instances where the interests of the Federal agencies involved are in sharp conflict. A familiar example relates to the enforcement by the Department of Labor of the provisions of the Fair Labor Standards Act where work is being done for an agency of the Government by cost-plus contractors. The longshoremen case involving overtime on overtime, and the case of Kennedy against Silas Mason Co. have been mentioned. In both of these controversies the Solicitor General was required, in the presence of conflicting views of its agencies, to determine what position the Government should take in the Supreme Court. In the case of *Vermilya Brown Co.* v. *Connell* (335 U. S. 377) we filed a brief amicus urging the Court to reverse a judgment holding that the Fair Labor Standards Act applied to work done on our leased military base in Bermuda, and that employees of American contractors were entitled to overtime pay in accordance with the provisions of the act. But in the case of *Foley Bros.* v. *Filardo* (336 U. S. 281 (decided Mar. 7, 1949)) we appeared for the Army cost-plus contractors and successfully argued that the 8-hour law does not apply to work done for the United States in Iraq and Iran. The Supreme Court distinguished the finding as to the leased base in Bermuda on the difference in language between the 8-hour law and the Fair Labor Standards Act. You may appreciate what a hard time the Solicitor General has when the agencies he represents do not agree with each other, and each is certain that its position is the one that truly represents the public interest.

The subject of the Government as amicus leads me to mention again the racial restrictive covenant cases.[40] We told the Supreme Court in our brief that the Federal Government, although not a party, took part both by way of brief and oral argument because:

"The Federal Government has a special responsibility for the protection of the fundamental civil rights guaranteed to the people by the Constitution and laws of the United States."

Our brief stated:

"Racial restrictive covenants on real property are of comparatively recent origin. If limited in number, and confined to insignificant areas, they would not have been of such public importance. But they have already expanded in large cities from coast to coast. They are responsible for the creation of isolated areas in which overcrowded racial minorities are confined, and in which living conditions are steadily worsened. The avenues of escape are being narrowed and reduced. As to the people so trapped, there is no life in the accepted sense of the word; liberty is a mockery, and the right to pursue happiness a phrase without meaning, empty of hope and reality. This situation cannot be reconciled with the spirit of mutual tolerance and respect for the dignity and rights of the individual which give vitality to our democratic way of life. The time has come to destroy these evils which threaten the safety of our free institutions."

What we conceive to be the Government's duty to the Court and to the public is performed not only through the device of amicus curiae, but also through methods in which the cases are presented.

A striking example, before my time, is the case in which the United States prosecuted one Cramer for treason.[41] The case was argued before the Supreme Court in March of 1944, with the then Solicitor General, Charles Fahy, representing the United States, and Mr. (now judge) Harold R. Medina, representing the defendant as assigned counsel. It became apparent that a most difficult question was presented by the case: Whether an overt act sufficient to support a conviction for treason could be merely a step, innocent in itself, taken in execution of the traitorous design, or whether the overt act must itself manifest a criminal intention and tend toward the accomplishment of the criminal object. In addition, the scope and meaning of the rule requiring two witnesses to the overt act was mooted.

Two months after the first argument, the Court entered an order directing reargument of the cause, and asking for discussion of specific questions by counsel. The Government responded by submitting a series of studies covering more than 400 pages, in addition to its brief proper. These legal and historical analyses were prepared at the request of the then Solicitor General, in the main by persons not connected with the Department of Justice, but believed to be fully qualified by training and experience in the respective fields assigned to them. The experts whose services were enlisted for this project were the chief of the Foreign Law Section of the Law Library of Congress, a research assistant in that section, a professor of history of Canon Law at Catholic University, who was honorary consultant in canon law to the Library of Congress, and an associate professor of law at the University of Wisconsin. The Government stated to the Court, in submitting these studies, that—

"The authors of the appendices were requested to avoid argumentative support of any particular position, and to select material for inclusion or exclusion solely on the basis of its reliability and its relevance to the questions under review by the Court. At the same time we have recognized that the task of intelligently selecting material for these studies inevitably involves a factor of personal judgment on the part of authors of the studies, and, further that such studies would lose much of their value if the views of the authors as to the significance of the material with which they have dealt were eliminated. Consequently, we have chosen to present the studies to the Court in the form in which they were prepared and submitted to us, and we offer them as constituting in our judgment a fair, dispassionate and informative analysis of the history of the law of treason. In so offering them we do not in any way assume responsibility for, or necessarily agree with, all the inferences drawn or the conclusions expressed by the authors."

In reversing Cramer's conviction, the Court took occasion to comment on the materials submitted to it by counsel. Through Mr. Justice Jackson, it said of the questions which it had ordered discussed (325 U. S. at 8, note 9):

"Counsel for petitioner, although assigned by the trial court, has responded with extended researches. The Solicitor General engaged scholars not otherwise involved in conduct of the case to collect and impartially to summarize statutes, decisions, and texts from Roman continental and Canon law, as well as from English, colonial, and American law sources. The part of the study dealing with American materials has been made available through publication in 58 Howard Law Review 226, et seq. Counsel have lightened our burden of examination of the considerable accumulation of historical materials."

Of lesser magnitude, but undoubtedly of considerable help to the Court, was the submission by the Government, at this last term, of a documentary appendix in the cases in which Japanese war criminals sought review of the judgments of the International Military Tribunal for the Far East.[42] The Government there made available to the Court and to the petitioners the texts of such documents as the Potsdam Proclamation, the Instrument of Surrender, the Charter of the International Military Tribunal for the Far East, and the Directive to the Supreme Commander for the Allied Powers.

The most unusual nonadversary role of the Government is, I believe, cases in which the Government confesses error. For obvious reasons, confessions of error by private counsel are extremely rare. But the Government, whenever convinced that an injustice has been done, informs the Court of its view and joins in the application for relief.

One of our most eminent Federal court of appeals judges is said to have remarked that "it is bad enough to be reversed by the Supreme Court, but I'll be damned if I will be reversed by the Solicitor General." That is an understandable reaction, but, I think, subject to some qualification, because the Supreme Court is free to accept or reject the Government's views.

As a matter of fact, some years ago, a junior member of the staff of the Solicitor General, now a professor of law at the Harvard Law School, made his maiden appearance before the Court instructed to confess error on behalf of the Government. He made every effort to persuade the Court of the error of the Government's ways, but he failed.[43] He took the position, thereafter, that he could not lose a case even when he tried.

During my first few months as Solicitor General, a case came into the office which involved the validity of a deportation order. The circumstances were these: an alien had entered the United States legally and, during the war, he had shipped as a seaman on an American ship bound from Los Angeles to New York. After passing through the Panama Canal, the ship was torpedoed. The alien seaman was rescued and taken to Habana, Cuba, where he was cared for by the American consul until, about a week later, he was returned to the United States. Within 5 years of his return, he was con-

[39] *Adkins* v. *DuPont Co.* (335 U. S. 331).

[40] *Shelley* v. *Kraemer* (334 U. S. 1); *Hurd* v. *Hodge* (334 U. S. 24).

[41] *Cramer* v. *U. S.* (325 U. S. 1).

[42] *Hirota* v. *MacArthur* (336 U. S.).

[43] *Weber* v. *United States* (315 U. S. 787).

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victed of a crime involving moral turpitude. Under the law, conviction of such a crime within 5 years of an alien's entry is ground for deportation and, hence, the question was whether the alien's return to the United States after his rescue constituted an entry. The Federal court of appeals, relying on some broad language in previous Supreme Court opinions, had held that this return was an entry, but we became convinced that there was no real justification for this view. The alien had not voluntarily gone to Cuba, he had simply sought to serve our Nation during time of war and had found himself there after his ship was torpedoed. A member of my staff appeared before the Supreme Court and successfully urged reversal of the judgment below.[44]

Another immigration case which arose during this last term again involved such circumstances as to lead me to conclude that the relief requested by the petitioner in the Supreme Court should not be resisted by the Government. In that case, an alien, who had been ordered deported to Greece, alleged that he was neither a citizen of Greece nor had he been a resident of that country; if that allegation were true, the deportation order would have been invalid under the law. But the alien had been denied an opportunity to attack the order on this ground because the district judge had been of the view that a denial of a previous application for habeas corpus, filed on the alien's behalf, was res judicata on this issue even though the issue had not been raised in the previous proceeding. We thought the law was clear that res judicata had no application to habeas corpus. We asked the Court to give the alien an opportunity for hearing on this question and the finding below was reversed, the Court noting that the action was being taken "upon suggestion of the Solicitor General." [45]

The denial of an opportunity for hearing again led me to confess error in a prosecution for failure to register for service under the Selective Service Act. The defendant had urged that he was over age but, on conflicting evidence as to his real age, he had been convicted. Thereafter, a motion for new trial was filed on the ground that an immigration record had just been discovered which had been overlooked before because the defendant's first name had been anglicized since his arrival in this country. The denial of a new trial seemed to me to be an injustice and I so informed the Court. Again my suggestion was adopted, the action of both the district and the appellate court was reversed, and a new trial orderd.[46] Similar action was taken upon my suggestion during this last term in two other criminal cases. In one, it was felt that a defense of entrapment had not been fully canvassed,[47] and, in the other, that evidence had been introduced which had been obtained as the result of an unlawful search and seizure.[48]

In another case the defendant had been convicted under a section of the Selective Service Regulations not in effect at the time the offense was committed, a point not discovered until the case reached the Supreme Court. The Government conceded that the conviction was improper.[49]

You will note that confessions of error are most frequently made in criminal cases or cases which, although not technically criminal, could result in drastic and serious consequences. Quite naturally, it is cases of this type that are most carefully weighed by the Government in an effort to avoid injustice.

But error is occasionally confessed in other cases. In the naturalization case of *Wizman v. United States*,[50] decided at this last term of court, citizenship had been denied to the petitioner on the ground that he was not attached to the principles of the Constitution and well disposed to the good order and happiness of the United States. A careful consideration of the record led me to conclude that the evidence was not sufficient to warrant a refusal of citizenship. At the same time it was not clear that the applicant had demonstrated his qualifications for the great privilege. We suggested that the Court reverse the judgment, and send the case back for renewed consideration. The applicant objected, contending that the Supreme Court should, on the record, grant his application, but the Court adopted our views, and remanded the case for further proceedings.

Another illustration of the effort to promote fair and speedy administration of justice occurred during the 1948 term in a case [51] concerning a prisoner in a Federal penitentiary, serving a long sentence under the judgment of an Army court martial. He applied for a writ of habeas corpus, but his application was denied by a district court. On appeal the judgment of the district court was reversed and the prisoner was ordered discharged. The Government applied to the Supreme Court for a writ of certiorari. Before any action was taken, we learned that the warden of the penitentiary had been changed, and the prisoner had not applied for a substitution of the new warden as respondent within the period fixed by law. To take advantage of the situation would mean that the case would be abated, and the prisoner would have to start his proceedings all over again. We informed the Court of the situation, suggesting that the Government be allowed to waive the omission, so the case could proceed. The Court treated our memorandum as a motion by the Government to substitute a new respondent, and allowed the proceedings to continue.

A rotunda near the Attorney General's office on the fifth floor of the Department of Justice Building bears the following inscription: "The United States wins its point whenever justice is done its citizens in the courts."

I have endeavored to show you the continuing vitality of that approach to the proper function of a Government lawyer. I have told you of recent instances in which the Government tried to act, not narrowly, but broadly, with full consideration of equities. That conception of the duty of a Government lawyer is not a recent one. The history of the inscription to which I have referred gives some suggestion as to the continuity of the tradition. So far as I have been able to discover, the phrase first appeared in a brief filed by Solicitor General Frederick William Lehmann, who was appointed to that office on December 12, 1910, by President Taft. Attorney General John G. Sargent of Vermont, appointed in 1925, used the phrase in one of his addresses, and it was again referred to by Attorney General William D. Mitchell of Minnesota, a few years later. When the new Department of Justice Building was erected, John Lord O'Brian, a former Assistant Attorney General, and today one of the most eminent lawyers of the country, suggested that the statement be inscribed on the rotunda near the Attorney General's office. This was done, and all of us can hope that it will continue to influence those who are there now, and those who are to come to the Department of Justice in future years.

You, who are my friends, and who have shown such a sincere and sympathetic interest in my career, will be interested in knowing that I have received nothing but the most generous and friendly cooperation from everybody in the Department of Justice, beginning with the Attorney General. Nobody could possibly work harder and more conscientiously than Tom C. Clark, and nobody could win the affection and loyalty of his division heads more completely than he has done. I shall always be grateful to him for his many kindnesses to the newcomer from the State of Maryland. Under his leadership the Department of Justice, facing some of the most complex and difficult problems in history, is making a record which, I hope, will entitle it to your approval and the approval of the people of the Nation.

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[44] *Delgadillo* v. *Carmichael* (332 U. S. 388).
[45] *Bellaskus* v. *Crossman* (335 U. S. 840).
[46] *Fogel* v. *United States* (335 U. S. 865).
[47] *Ryles* v. *United States*, No. 593 October term, 1948.
[48] *Petti* v. *United States* (336 U. S. 916).
[49] *Mogall* v. *United States* (333 U. S. 424).
[50] 335 U. S. 874.
[51] *Hiatt* v. *Smith*, No. 457, October term, 1948, 336 U. S. 908.

Address Before the National Convention, Reserve Officers' Association, Grand Rapids, Mich.

EXTENSION OF REMARKS
OF
HON. OVERTON BROOKS
OF LOUISIANA
IN THE HOUSE OF REPRESENTATIVES
Monday, July 18, 1949

Mr. BROOKS. Mr. Speaker, under leave to extend and revise my remarks, I include an address delivered by me July 29, 1949, before the National Convention Reserve Officers' Association at Grand Rapids, Mich. This reads as follows:

Members of the Reserve Officers' Association, distinguished guests, ladies and gentleman, I have just slipped away from Washington from a busy legislative program there to be with you here; and tomorrow I will return as quickly as I came to take up again our legislative burdens.

This has been a busy session of Congress for us on the Armed Services Committee. It has been a session which has seen our committee functioning almost every day. It has seen us pass out with approval a large number of important measures, many of which have already or will soon become the law of this land. It has seen our numerous subcommittees investigating many military problems; and within the near future, it will find the full committee taking up the B-36 investigation. The future of the committee is not altogther prosaic; and I dare say, in the light of this investigation, will not be altogether quiet.

Almost every problem which comes before Congress has a national defense aspect. For instance the foreign-air program, Atlantic Pact, arms to Europe, public-roads program, Agriculture, and Veterans Affairs, all have defense implications and must all, in a greater or lesser degree, be studied from the national-defense angle.

Nor are we puzzled by realizing this fact for, was it not mutual safety and common defense that were impelling reasons for causing the formation of our Nation? In the olden days, they called our reserves, militia. Of course this could mean either organized or unorganized militia. I became interested in the present-day usage of this word, "militia", and I looked up its meaning in Webster's unabridged dictionary. I was not surprised to find, in fact, that the word "militia" means—

"Those citizens collectively, who are enrolled and drilled in military organizations other than the regular military forces."

So, under this general and historic definition, I suppose all of us here today could be called militia. We prefer, of course, to use the stricter and more modern definition of "Organized Reserves" and "National Guard."

The Webster definition went on to explain that:

"In Great Britain, the militia was a constitutional force which, originating in Anglo-Saxon times, existed continuously in varying forms until the passage of the Territorial and Reserve Forces Act of 1907, by which it was abolished as such, and the militia battalions were converted into reserve battalions of the existing line regiments. The militia in the United States consist of the National Guard and the Reserve Militia."

This definition of the word militia leads me to better understand the statement of Gen. George Washington when, as commander of the Continental Armies, from his headquarters at Newburgh, N. Y. on June 8, 1783, in a circular to the States, he said:

"As there can be little doubt but Congress will recommend a proper peace establishment for the United States, in which a due attention will be paid to the importance of placing the Militia of the Union upon a regular and respectable footing; if this should be the case, I would beg leave to urge the great advantage of it in the strongest terms. The militia of this country must be considered as the Palladium of our security and the first effectual resort in case of hostility."

I think that should George Washington be with us today he would repeat these words without changing a syllable and we would all agree with the statement. The defense policy of this Nation today is fundamentally the same as in the days of Washington—a small Regular Defense Establishment and a large Reserve of well-trained civilian soldiers.

We have, however, in modern days neglected this defense policy; and, unfortunately, in my judgment a large part of our neglect has been visited upon our Reserve components. We are doing too much talking and taking too little action. We sit by and neglect the great reservoir of citizen soldiers who are still the bulwark of our Nation's safety and will remain so for hundreds of years to come. We must not let this situation continue. I, myself, am sick and tired of the actions of some of those in high authority who continue to kick our Reserve Establishment around.

I was a member of the Military Affairs Committee of the House of Representatives when the first signs of World War II began to appear. I was there when Austria and Czechoslovakia were invaded and Poland was dismembered. I was there when France fell; and I remember how, late one afternoon, we, in consultation with chiefs of the Regular Establishment, began in dead earnest to check the strength of our Reserve components. We then began to realize how widespread our neglect had been.

We found our organized Army Reserve to number 120,000 officers and men—117,000 were officers and 3,000 were enlisted men. The enlisted Reserves were almost entirely from our Regular Establishment and were scattered throughout the country.

When France fell we immediately called into active Federal service our National Guard; and when this had been accomplished, we began to call the Reserve officers and enlisted men. In all we obtained some eighty to ninety thousand Reserve officers in the Army. Subsequent events proved that we needed 800,000. In other words, we barely had in our Army Reserve Establishment 10 percent of our needs. We called all of the 3,000 enlisted Reserves who were able to bear arms, and then we called 8,500,000 additional persons into the Army of the United States. It was obvious to all of us at that time how pitiful had been our program in the field of Reserve activities; and when the storm came, our national-defense umbrella was found to be far too small to give us the protection which we needed. Similar situations existed in the Navy and Marine Reserves. They were somewhat better but they were not adequate.

God grant that another world war may not come to this land; but since the time of permanent peace is yet distant, we must give the Nation better protection in the future. A number of worth-while recent developments have occurred, some of which we should mention here. The Gray board has made a thorough and extensive report with 90 recommendations for improving the Reserves. I do not agree with many of those recommendations. These recommendations have not been put into effect. The ROTC is, in effect, withering on the vine. No arrangements for expansion in the field of junior colleges have been made, and no proper expansion of the ROTC in the universities and high schools has occurred or has been planned.

The Holloway plan, as used by the Navy, should be adapted to the Army and Air program, or vice versa, and more young men with talent, ability, enterprise, initiative, and ambition should be given an opportunity to take military training in college and specialized work elsewhere for use in the armed forces.

The establishment of the Civilian Components Policy Board in the Office of the Secretary of Defense on June 14, 1949, was an event of noteworthy significance for the armed forces, and we are all very hopeful that this policy board may bring us worthwhile accomplishments in the field of Reserve activities.

In addition to this, a special subcommittee has been established in my own Committee on Armed Services, for the purpose of considering the entire field of Reserve component activities. I am a member of this subcommittee. We have not been active this year as the subcommittee has been awaiting action of the executive department. I anticipate with the beginning of the new year this committee will be found investigating the plans from the Pentagon Building and checking the need for any additional legislation.

I think it is obvious to anyone familiar with Reserve problems that the organized Reserves have three basic problems confronting them at this time. These problems are: first, a program fully thought out and put through on the highest levels of the Military Establishment; second, a sound personnel procurement program; and third, matériel.

Of these, certainly the most important—and the one most inexcusably overdue—is the thinking out in the Military Establishment of an integrated and sound Reserve program—a program having the wholehearted and unreserved support of all of the leaders of the national military organization. It may be that the Civilian Components Policy Board will correct this situation. Certainly I hope so. Let me assure you here and now that if the board does not carry out its responsibilities adequately, I will certainly do what I can to compel immediate action by the Special Subcommittee on Reserve Components of the House Committee on Armed Services. We propose to get action. And we shall.

In the field of material shortage, our problem is even more difficult. Much more equipment is needed by the Reserve organizations in all parts of the United States to bring the training program to top efficiency. A great deal of additional equipment can yet be obtained from the surplus stores owned by the United States Government but, in my opinion, the time to obtain this matériel is short.

The European arms program, which has come to the forefront this week in Congress, and which calls for the rearming of the independent republics of western Europe, may require much surplus equipment and, in a sense, this program may come into direct competition, if we are not careful, with the program of our Organized Reserves. Congress must be on the alert lest, in the enthusiasm of the program of arming western Europe, we may strip our stocks and supplies of arms to the point of robbing our Reserves of much that is badly needed in their training programs.

My committee has before us at this hour a bill to authorize a half billion dollars for further construction of armories throughout the country. We have held up action on this bill, hoping that a program satisfactory to all of the Reserve components may be worked out, and that the National Guard, Army, Navy and Air and Marine Reserves may all come to our committee with a well-studied and harmonious program for the utilization of armory facilities throughout the United States. When this hour strikes I feel sure that Congress will proceed to give the Reserve components the billion dollar armory program which is so badly needed in the training at the present time.

Incidentally, I am advised that the Committee on Facilities of the Munitions Board, which has been charged with armory studies, has just been transferred to the jurisdiction of the Civilian Components Policy Board in the Office of the Secretary of Defense. This committee is now in the process of making a detailed study of the armory facilities in every State in the Union. It will submit to the Congress by January 1, 1950, a completely integrated armory program for all of the civilian components. This is one of the most constructive steps in this field in the Nation's history.

I appreciate the major problems confronting the Reserves at the present time and I am pleased that we have accomplished much even in the short time which has elapsed since the end of the Second World War. In my judgment, our National Guard and our Reserves are in better shape and are stronger than they have been at any other comparable period in our history. The tendency, of course, following a great war is for the public to become apathetic toward anything of a martial or military character. The present period is not unlike those periods in our past history; but in spite of this, with able and aggressive leadership in many quarters, we have developed the Reserve components of our Military Establishment in numbers and in organization and in strength.

In the course of the last Congress—the Eightieth Congress—we passed two very important bills for the Reserves. The first was the inactive duty pay bill, and the second was the Reserve retirement bill. I was interested in both of these bills, but I devoted 8 years of my legislative life in the development of Public Law 810, of the Eightieth Congress—sometimes referred to as the Brooks retirement bill. Last week in the House, in a short bill, we voted to change the date of the computation of the year of "satisfactory service" from the date of enactment of the bill to "July 1, 1949." This amendment was badly needed by thousands of men in the Army, Navy, and Air Reserves, and will, when it is enacted into law, permit these people to qualify under the Reserve retirement statute.

I realize other amendments are needed and in due course, when the retirement bill is fully implemented and has become an integral part of our Reserve system, I think the Congress should go over the entire bill with a fine-tooth comb with the idea of correcting inequities and smoothing out the operation of the bill wherever changes are justified. To my mind, these two bills con-

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stitute monuments along the road of progress for our Reserve program.

The Reserve program, as indicated by appropriations, is a huge one. For this year, Congress is expected to appropriate over a billion dollars for the Reserves. This is 7 percent of our entire military budget. The total Reserve establishment, including Army, Navy, and Air Force, is 3,106,990 and Congress is appropriating funds to place 979,878 in a drill pay status.

As I indicated in the beginning of this speech, this Nation has depended upon its citizen soldiers even before the organization of the Union and up to this very hour. In every war it has been our citizen soldiers who have come forth from their homes and their peaceful occupations to bear arms in defense of our institutions. How well they have done the job in times of great emergency is written in broad letters of indelible ink across the annals of the history of the United States.

America has always recognized this service. General George Marshall is only one of a long list of great Americans who have voiced their appreciation of the service rendered by the citizen soldiers in time of war and emergency. He said:

"Just what we would have done in the first phases of our mobilization and training without (the Reserve) I do not know. I do know that our plans would have had to be greatly curtailed and the cessation of hostilities on the European front would have been delayed accordingly."

So the record of our history is replete with the great acts of heroism and courage of our soldiers, sailors, and airmen. We continue the historic policy of a reasonably small, well-trained Regular establishment, together with a large organized Reserve. In following this policy it has not been the purpose of this country to engage in war. On the contrary, our policy has been to stay out of war and to remain at peace as much as possible. Today, I advocate again a return to our basic time-hallowed policy of defense. I do this with the clear knowledge of the heavy responsibilities which rest upon this country and its people following two great world wars. I do this with the knowledge that if permanent peace is to be achieved in this world it is largely our responsibility and insofar as we meet this responsibility by a well-organized defense establishment, to that extent will we achieve our goal of "Peace on earth to men of good will."

Power Costs in New England

EXTENSION OF REMARKS

OF

HON. THOMAS J. LANE

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Monday, August 1, 1949

Mr. LANE. Mr. Speaker, under leave to extend my remarks in the RECORD, I wish to include copy of a letter sent by the Honorable Chester Bowles, Governor of the State of Connecticut, to Mr. Charles L. Campbell, chairman of the board, Connecticut Light & Power Co., Hartford, Conn., which is self-explanatory.

This is a very interesting subject matter having to do with the cost of power in New England, which is affecting the industries in that part of the country. In my humble opinion it demands immediate attention of the Congress if these New England States are to retain their business in that section of the United States.

STATE OF CONNECTICUT,
EXECUTIVE CHAMBERS,
Hartford, July 28, 1949.

Mr. CHARLES L. CAMPBELL,
Chairman of the Board, Connecticut Light & Power Co.,
Hartford, Conn.

DEAR MR. CAMPBELL: Last month in a statement to the press, you took issue with some facts about Connecticut electric power rates which I had presented. I did not reply at once because I wished to have a very careful and detailed study made of all the facts, and some of the special questions you had raised. My study has even further convinced me that the Connecticut consumers of electricity—families, and commercial and industrial users, should know the honest facts about the State's light and power rates.

The statement which I had made and with which you publicly disagreed was this: "The average price of electricity in Connecticut is 50 percent above the national average." Although my statement did not mention residential costs, but was intended to include commercial and industrial costs, you replied that I had "departed from the facts," and that Connecticut residents pay only 7½ percent above the national average.

Since that time I have made a special study of the costs of all types of electricity service in Connecticut in comparison with those of other areas and of the United States as a whole. I used the reports of both the Edison Electric Institute which you had quoted and studies from the Federal Power Commission in Washington.

The facts, as determined by these reliable sources, are, I regret to say even more disturbing than I had originally presented them, especially for the commercial and industrial users of power.

The facts—all the facts—are these, as reported by the same Edison Electric Institute which you cited:

Comparison of average 1948 Connecticut electric light and power costs with national United States average

Class of service	Average revenue per kilowatt-hour		Connecticut percentage is above United States average
	Connecticut	United States	
	Cents	*Cents*	*Percent*
Residential or domestic	3.24	3.01	7.64
Small commercial and industrial	3.47	2.67	30.0
Large commercial and industrial	1.71	1.01	69.3
Weighted average, all users	2.46	1.79	37.4

It is thus clear that the average cost of electricity per kilowatt-hour was well over one-third higher in Connecticut in 1948 than the national average for all classes of customers and more than two-thirds higher for large commercial and industrial users.

The Edison Electric Institute reports show further that Connecticut costs for every class of user was substantialy higher, in comparison with the rest of the country, in 1948 than in 1947. Connecticut costs for large industrial users for instance in 1947 were only 61.9 percent above the national average; in 1948 they had gone up to 69.3 percent higher. In short, it seems clear that on the average not only are Connecticut costs higher, but they are going up still higher than costs nationally.

Certainly this is true in Hartford. According to Federal Power Commission studies of typical electric bills in January of this year, Hartford's electric bill for residential users increased 3 times as much in 1948 as residential bills nationally. For instance, the average 1948 increase for residential users of 250 kilowatt-hours (users who have electric stoves, refrigerators, vacuums, and some other standard electric appliances) was 9 cents throughout the country; in Hartford it was 30 cents. For users of 500 kilowatt-hours (who in addition use electricity for water heating) the Hartford increase was 60 cents against a national average increase of 16 cents.

Hartford, moreover, has the second highest rate in the country for small residential users (consuming 25 kilowatt-hours). For these users a typical Hartford bill is $1.78 against 75 cents for the second lowest United States city, Chattanooga, or a difference of 137 percent. Chattanooga, of course, is supplied by a publicly owned utility through TVA, but in Birmingham the same 25 kilowatt-hours supplied by a privately owned utility costs only 81 cents against Hartford's $1.78 or 120 percent less.

According to the Edison Electric Institute, New England as a region has the highest power costs in the country when averaged for all classes of users. But it is extremely significant to the businessmen and industrialists of Connecticut that only two States in this highest-cost region—Massachusetts and Rhode Island—exceed Connecticut in costs of commercial and industrial power.

For small commercial and industrial users, according to the Edison Electric Institute, Connecticut prices for electric power in 1948 were about 18 percent above those of the middle Atlantic region, and the Midwest, which are also largely supplied by private power companies; and 80 percent above those in the Pacific region, largely supplied by public power. For large commercial and industrial users the difference is even more shocking and disturbing. Connecticut costs are 167 percent higher than on the Pacific coast, 66 percent higher than in the middle Atlantic region, and about 40 percent higher than the Middle West.

Figures compiled by the Federal Power Commission in Washington make it clear just what this means in dollars and cents to businessmen and industrialists. In the five large cities of Connecticut (Bridgeport, Hartford, New Haven, New Britain, and Waterbury) a commercial user of 6,000 kilowatt-hours pays $195.64 when in the Pacific area cities he could get the same number of kilowatt-hours for $96.09 (largely via public power), or for $140.02 in the middle Atlantic cities (via private power), or for $120.01 in central southern cities.

For large industrial users the difference in out-of-pocket costs is even more disturbing. The largest users in Connecticut's five industrial cities pay $3,846 for the 200,000 kilowatt-hours that would cost them $2,132 in Pacific coast cities, or $2,756 in cities in the middle Atlantic region, a difference of $1,714 and $1,090, respectively. Or the same amount would cost $2,292 in Houston and $3,016 in Kansas City (both cities being supplied by private power).

It would be easy to go on citing the differences between Connecticut and national power costs. Startling examples are too many and too numerous to mention. I believe, however, I have cited enough to make clear the inadequacy of the 7½ percent figure which you cited on Connecticut's high electric costs. I believe that Connecticut consumers are entitled to know the whole truth, and not one misleading segment of the whole.

My concern goes further than this, however. Sky-high costs for electric power—or rates far out of line with those of other cities and areas—are a most serious economic matter, especially at this time when unemployment, lagging sales, and production are a grave problem in Connecticut and all New England. Families whose breadwinner has been laid

off or put on short time find high electric rates hard enough to meet with their sharply reduced earnings. And businessmen and manufacturers who are trying to cut costs so that they can lower prices and stimulate more sales are forced to pay prices far out of line with those paid by their competitors in other areas. It is certainly not enough to say that electric power costs are but a small part of business and industrial costs (as the recent bulletin of the Connecticut Light & Power Co. implies), or that there is no proved case where an industry has left New England because of high power costs. All costs or any costs which are out of line put pressure on business, pressure toward higher prices, toward redced sales, and lower employment. And while no industry may have found high power costs the primary reason for leaving New England, or failing to establish itself here, the high cost of power must certainly be one of the factors in any such decision.

Private power companies, like business and industry in all fields, are certainly fully and wholly entited to an opportunity to a fair return on their actual investment. But when in one State such as ours, and one whole area such as New England, privately supplied power costs far in excess of either privately or publicly supplied power in other areas, it seems clear that private utility executives have a heavy responsibility to study and foster every possible means for bringing down those costs. Stubborn refusal to discuss new proposals and new ideas, blind resistance to the possible benefits to business and industry of public power, or the covering up of actual facts about high costs, merely prevent an intelligent rational approach to a grave problem to which some solution must be found.

You may remember that the reason for my original statement about Connecticut electric costs was to urge the legislature then in session to approve the two nominations I had made for Connecticut's Public Utilities Commission. You agreed, in your reply to my statement, that the commission is subject to some improvement perhaps.

The two men I selected are Irston R. Barnes, of Hamden, and Charles W. Knapp, of West Hartford. I had chosen these eminently capable men to replace two present members of the commission, Eugene Loughlin and Frederick Holbrook, neither of whom had the slightest experience in the intricate and highly complex field of utility regulation and whose chief qualification for the job seems to be that they were both prominent members of the Republican State central committee. Under both of these gentlemen, gas and electric costs, telephone bills, water rates, and bus fares have climbed steadily upward in the past year. And as I have already shown, Connecticut power costs averaged for all classes of users have been permitted to continue their climb far above national average costs. This is especially true in the case of large commercial and industrial users. I do not challenge any individual decision made by the commission, or the personal honesty of its members. But I do challenge in the most vigorous terms, its competence, experience, and political complexion.

The house of representatives refused entirely before its adjournment to accept or even consider my nominations of Mr. Barnes and Mr. Knapp to the commission, although the senate, with the Democratic majority, agreed to them. Yet both of these men are outstandingly qualified, through experience within Federal power and regulatory agencies, and have no political connections.

I repeat, that the Connecticut people are entitled to know the facts—all the facts—about electric power costs in Connecticut, and to have a public utilities commission composed of able, experienced nonpartisan men who can be counted on to act in the public interest. It is my hope that regardless of the irresponsible action of the house of representatives, a commission will eventually be set up in which the public can have complete trust for fair and impartial decisions. I hope that you and your colleagues will devote yourselves to that end.

Sincerely,

——— ———,
Governor.

Security Must Be Earned

EXTENSION OF REMARKS
OF
HON. GEORGE M. GRANT
OF ALABAMA
IN THE HOUSE OF REPRESENTATIVES
Monday, August 1, 1949

Mr. GRANT. Mr. Speaker, recently, Hon. Earl M. McGowin, a representative in the Alabama Legislature, from Butler County, contributed to the Montgomery Advertiser a guest editorial entitled "Security Must Be Earned."

This editorial is forthright and I am sure that those who are interested in the future of our great Nation will appreciate the sentiments expressed therein.

SECURITY MUST BE EARNED

(By Representative Earl M. McGowin, of Butler County)

I have been asked to express my views on where the line should be drawn in our drift toward socialism so that free enterprise and liberty as we have known it can be preserved. The prize is worth the effort though there obviously can be no exact answer.

History is not without its parallel in this instance, as Hallam wrote in 1813: "No unbiased observer who derives pleasure from the welfare of his species can fail to consider the long and uninterruptedly increasing prosperity of England as the most beautiful phenomenon in the history of mankind. In no other region have the benefits that political institutions can confer been diffused over so extended a population."

That unhappy island can make no such boast today, but the statement may properly be ascribed to this country. Our spectacularly high standards of living on so broad a base is certainly a beautiful phenomenon, and the system of government that created it is worth preserving.

The purpose of government is to provide an organization by which individuals may achieve security through orderly processes. It is impossible to conceive of a state of nature, as no individual is ever a free agent in an absolute sense. "Man is born free but is everywhere in chains." Everyone is born with responsibilities, starting with those to his family and extending to his community, State, and Nation; and paradoxically, it is by a common acceptance and practice of these responsibilities that the over-all freedom is preserved.

Government services and activities have spread in many directions, particularly during the past 20 years, and unless the trend changes we, too, will soon become a full-fledged socialistic state, which is but a stopping place on the road to totalitarianism. There is no middle ground. Either we have free enterprise with its system of rewards, and benefits, or we have a planned economy with a single master mind as ultimate sovereign.

In evaluating Government activities in an attempt to find a line of demarcation, certainly two important considerations are:

1. Does the service or activity tend to discourage or dry up venture capital?

2. Are we willing and able to pay for it without leaving the burden for future generations?

As to the first—Government services should be regarded as tools available to all and designed to help the individual achieve whatever standard of living is within his capacity. There can be no guarantee of security to any normal person. Security must be earned. It is not an inalienable right. The Government cannot create wealth and can only assure equality of opportunity.

Services and activities that provide the tools and methods and leave the achievement to the individual do not discourage venture capital. In this category would come roads, schools, health services, experimental stations, and methods of conserving natural resources. On the other hand confiscatory taxation, competitive enterprises operated from public funds, and subsidies and tariffs for the benefit of any particular group tend to destroy initiative and consequently dry up potential sources of new wealth.

One of the greatest contributions an individual can make to the common welfare it to operate a business—commercial or professional. Free jobs are made and taxes paid and that is the very antithesis of the so-called welfare state.

As for the second consideration, it would appear that the willingness to extend the Government further into fields that lead to socialism, or provide service beyond our capacity to pay for them would be better held in check if we should hold our spending to visible levels. There is always a temptation on the part of public officials to make extravagant promises, and people never consider the stopping point so long as funds appear to come from some far away and apparently limitless reservoir. If the general public can see how and where their funds are spent, much of the drift would be stopped.

Many will argue this viewpoint will slow progress, but it seems to me far better to move forward slowly on a solid foundation than to risk the whole structure by moving too fast. Consider the distance this State has come since its major economic tools were destroyed in the Civil War. I doubt that Governor Miller could have envisaged what we have today so recently as 18 years ago. Yet many services have been added, all within the framework of our capacity to pay for them; and the burden has not been left for our children.

We have rich resources and a healthy people, but we need a new spirit and a fresh determination to preserve our way of living. Our political leadership needs basic intellectual honesty to value our precious freedom more than any election. There must be a genuine desire to maintain our form of government, and to do that public men must talk frankly to their constituents and admit there is no wealth in the Government other than that created by the individual.

What the Bankhead-Jones Farm Tenant Act Has Meant to Indiana

EXTENSION OF REMARKS
OF
HON. THURMAN C. CROOK
OF INDIANA
IN THE HOUSE OF REPRESENTATIVES
Monday, August 1, 1949

Mr. CROOK. Mr. Speaker, under leave to extend my remarks in the Appendix of the RECORD, I include a letter

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from Ralph C. Phillippe, Indiana State director, Farmers Home Administration, Lafayette, Ind., disclosing how the Indiana families that were benefited by the provisions of the Bankhead-Jones Farm Tenant Act will be honored on August 3, 1949.

The prevailing farm conditions in the Hoosier Commonwealth today are quite a contrast to a few years back when thousands of farms were being sold over the auction block to meet encumbrances.

UNITED STATES
DEPARTMENT OF AGRICULTURE,
FARMERS HOME ADMINISTRATION,
Lafayette, Ind., July 27, 1949.

The Honorable THURMAN C. CROOK,
House of Representatives,
Washington, D. C.

DEAR MR. CROOK: Wednesday, August 3, 1949, several hundred Indiana families from every section of Indiana will assemble at the Union Building, Purdue University, to be honored for their achievements under the farm ownership program of the Farmers Home Administration. These families so honored represent those who during the past 10 years through their own efforts have retired in full their 100-percent loans authorized by the Government for the farms they purchased under the provisions of the Bankhead-Jones Farm Tenant Act.

Through the cooperation of Purdue University and the College of Agriculture a special program has been arranged for the day that will permit each family present to visit various points of interest on the campus. So far we have been informed that over a thousand people plan to attend the morning session to be conducted in the Union Building.

In view of your keen interest in matters pertaining to the welfare of Indiana agriculture, I cordially invite you to be with us on August 3 if it is possible for you to do so and meet our guests who are to be honored. Mr. Dillard B. Lasseter, Administrator of the Farmers Home Administration, Washington, D. C., will be present as well as other recognized leaders of agriculture from Indiana and adjacent States.

If you happen to be in State on August 3 and can arrange to be present, I assure you that you will be most welcome.

Sincerely yours,
RALPH C. PHILLIPPE,
State Director.

When Electricity Comes to Your Neighborhood

EXTENSION OF REMARKS
OF
HON. CARL ALBERT
OF OKLAHOMA
IN THE HOUSE OF REPRESENTATIVES
Monday, August 1, 1949

Mr. ALBERT. Mr. Speaker, under leave to extend my remarks, I include the following interesting article appearing in the June 1949 issue of the REA Progress a monthly magazine published by the Kiamichi Electric Cooperative of Wilburton, Okla.:

WHEN ELECTRICITY COMES TO YOUR NEIGHBORHOOD

High lines that bring electricity to your farm also bring it to the schools, churches, meeting halls, stores, and locker plants in your neighborhood. They make possible development of local rural industries so that more of the products you raise can be processed locally.

Local industrial development means jobs for members of your family who do not intend to or are not able to farm, or who farm only part time, seeking work off the farm in slack seasons. Such development also often means lower prices for the manufactured goods you buy and higher prices for the raw materials you sell, because transportation costs and sometimes production costs can be reduced, or because you or someone in your neighborhood can add value to the product which your farm has produced.

Electricity is important in modern education. It provides students with better lights so that young eyes are not strained. It makes possible modern, sanitary plumbing in schoolhouses. And it helps provide hot lunches for growing children—lunches that will help make them better pupils and better citizens. Teachers depend on electric power for sewing, cooking, and shop classes. They use motion pictures, slide films, and radio in their classroom work. No wonder rural school teachers eagerly seek electric power for their schools, and that teachers are attracted to those schools which are equipped with the modern conveniences that electric power can bring.

Community canning centers and repair shops are easy to organize when a neighborhood enjoys the advantages of electricity. Working together, folks are able to employ to the fullest, high-speed, effective modern tools for this ideal type of community enterprise.

Community locker plants, too, become possible with the coming of electricity. There are many indications that home freezers will come into common use—but locker-plant facilities will be needed for butchering, preparing, blanching, and cooling foods which may later be stored in home boxes. Living on the farm becomes richer, fuller, and healthier with an all-year supply of fruits, vegetables, and meats as your family needs them.

Power resources spell new life to your rural community.

Barden Bill

EXTENSION OF REMARKS
OF
HON. THOMAS J. LANE
OF MASSACHUSETTS
IN THE HOUSE OF REPRESENTATIVES
Monday, August 1, 1949

Mr. LANE. Mr. Speaker, under leave to extend my remarks, I wish to include the following editorial from the Tablet, a Catholic weekly, Saturday, July 30, 1949:

GIST OF THE CONTROVERSY

In the current discussion on the education question there is no issue more bogus than that helping children who attend religious schools would violate the principle of separation of church and state. This is merely a subterfuge to cover the discrimination now openly practiced against children who attend schools in which love of God and morality are taught. It is akin to the invoking of freedom of speech when one desires to calumniate his neighbor on account of the latter's race or religion, or a sorry defense used by one seeking to betray his country.

There is only one reason for Federal aid to education and that is to help needy children, irrespective of their race or religion. Those who invoke, and misrepresent, the first amendment—"Congress shall make no law respecting an establishment of religion"—deliberately falsify the issue using the phrase "Federal aid to schools" when the aid is not for schools but for American children.

What did the founding fathers mean by an establishment of religion? When the Constitution was adopted, some of the original States had established churches and all citizens, irrespective of their religious affiliations, were taxed to support these churches. The constitutional provision respecting separation of church and state was written to prevent the government from setting up any established church after the fashion prevailing in some States.

Again, it never occurred to our founding fathers to envisage modern social services such as health, transportation, and lunches being restricted to a portion of our children in schools financed exclusively by tax funds. As a matter of fact, the present public-school system dates back only to Horace Mann. When the Constitution was adopted, private and religious schools were the only schools.

Today the Federal Government pays out money for the benefit of students studying in various religious institutions, for GI bill programs, lunches, and so forth. In addition, some States and cities provide money for such nonsectarian purposes as transportation, textbooks, health, and library service for all pupils regardless of whether or not they attend religious schools. In these States, the lawmakers are interested in the welfare of all little children, and they do not discriminate. Just how do these instances of nondiscrimination breach the constitutional prohibition respecting the establishment of religion?

It would be more logical to fear Catholic control of the public-schools system and the eventual power of Catholics to set up an established church because Catholics are contributing an increasingly large proportion of tax funds for the support of public schools. Yet no one has proposed that Catholic citizens be barred from paying taxes to finance the public schools.

According to their misinterpretation of the church-state separation principle, the Barden bill's sponsors, although they would deny Federal aid for even nonsecterian purposes to any child in a nonpublic school, they would include the latter in the count on which the Federal grant is to be based.

If Barden bill sponsors want to counter the charge they are dishonest, let them raise an outcry against counting in children in parochial and private schools in calculating the amount of Federal moneys to be given only to children in public schools.

Those who back the Barden measure and its spirit must do so only because of ignorance, misinformation, or blind prejudice, Catholics who sympathize with their specious arguments in the least are, through ignorance too, betraying their meek acceptance of the role of second-class citizens. Catholic taxpayers contribute a large bulk of the support without which public schools could not exist. The public schools belong to Catholics as well as to non-Catholics and the latter are usurping a right which is not theirs if and when they deny a voice to Catholic citizens and taxpayers. The Catholic parent has the civil right, likewise, to send his child to a public school as well as to a parochial school. If he chooses the latter he is not thereby relinquishing his interest in the education of children in the public school. The education of all children is his concern and he is failing in his duty as an American if he sits idly by while others misuse his money to discriminate against two and a half million children who happen to be in nonpublic schools.

Over 20 years ago the Tablet asserted: "Catholic schools are run by Americans, paid for by Americans, and train American children. They are part of the great American system of education. The American people have freedom of education as guaranteed by the Constitution, but when they are penalized for exercising their right, they are treated unjustly. They and their children are victims of discrimination and on account of religion. Those who raise up the false issue of union of church and state because religious school children and their parents might be helped by public funds—which means Catholic as well as non-Catholic taxes—might just as logically protest against the traffic policeman guarding the crossing outside the Catholic school, or the alert fireman ready to quench a blaze in a religious school, for these men are paid out of public funds and so are the streets and sidewalks adjacent to religious schools and traversed by religious school children."

That was our position yesterday and it holds today. The Barden bill, and similar measures founded upon discrimination, are worthy only of rejection. The false issue of union of church and state should not be permitted to legalize injustice or dignify hypocrisy.

Study Commission on Arkansas-White and Red River Basins

EXTENSION OF REMARKS

OF

HON. ROBERT S. KERR

OF OKLAHOMA

IN THE SENATE OF THE UNITED STATES

Tuesday, August 2 (legislative day of Thursday, June 2), 1949

Mr. KERR. Mr. President, I ask unanimous consent to have printed in the Appendix of the RECORD a statement made by me before the Committee on Public Works, favoring the enactment of the bill (S. 1576) to establish the United States Study Commission on the Arkansas-White and Red River Basins.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

STUDY COMMISSION ON ARKANSAS-WHITE AND RED RIVER BASINS

Mr. Chairman, I am happy for the opportunity to testify in behalf of this legislation in which I am vitally interested.

Every year there is some flooding everywhere and terrible floods somewhere.

Every gallon of water that moves across and out of a State without having been properly used is a public loss.

I was Governor of Oklahoma in May 1943, when the most devastating floods I have ever seen invaded northeast Oklahoma.

We saw the flood waters recede. We saw the lands dry out. We saw the farm families who had been compelled to flee their homes, as from a pestilence, return—repair the soil and plant again. But in the latter part of July and August we saw a withering drought burn up and destroy the second crop as completely as the floods had ruined the first.

We asked ourselves then and have continued to repeat the question since: "How long before the intelligent, enlightened people of Oklahoma and across the Nation will arise in their wisdom and power and develop a program to prevent the destruction by water in flood times, and control and save it for its life-giving value in dry times?"

I took the problem to heart. In fact, I took it so seriously that when I sought a seat in the United States Senate, my opponents called me, "The land, wood, wind, and water" candidate. They put the emphasis on the "wind"—I put the emphasis on "water" because I have never forgotten the flood of 1943 and the drought which followed it.

That, gentlemen, is the reason I appear before you today, in behalf of S. 1576. Since 1943, I have given this problem careful study and much thought.

I have worked with the Corps of Engineers, than whom I have never seen a more highly trained, skillful group with more able leadership. They have built great flood-control projects of great benefit, and have built them with commendable technique and efficiency. They are indeed a splendid part of our fine armed forces.

I have worked with the Department of the Interior in their Bureau of Reclamation. I have seen their careful plans for irrigation turn deserts into oases, and I have marveled at their ability.

I have worked with the Department of Agriculture in their Soil Conservation Service. The raw wounds which once ran unchecked in our land have been soothed by their healing hand and gained a new health by the efforts of these experts.

Yes, I have worked with all these people and for all of them I have the deepest and most profound respect.

There has come a time, however, when those of us concerned with the common cause of controlling water and water resources, must work together. Only a team can have teamwork. Only a team can come forth with one plan, one program, one solution for all the multiplicity of problems which each basin contains. The plans for the people, by the States and by the various Federal agencies and departments must be integrated into a single- basin-wide comprehensive plan. Such a "single" plan has long been in evolution, and its desirability is today firmly established in principle.

Without such a plan, we have discovered to our own chagrin, full control and utilization of water resources is not possible.

Take the Missouri Basin, for example. Overlapping, duplication, and feuding reigned until the Pick-Sloan plan, a shotgun wedding, so to speak, took place between the Corps of Engineers and the Bureau of Reclamation. This union was born of necessity. Without a comprehensive plan, coordinating for a single purpose, maximum development there, as elsewhere, was an idle dream.

On the other hand, scarcely 2 weeks have passed since this very committee heard from competent witnesses about the bugaboo of conflicting authority, overlapping jurisdiction, and duplication of effort that was taking place in the Columbia Basin. A plan for this basin must soon be found. I am confident that it will be found in a single plan of coordinated development.

Gentlemen, the Government of which you and I are an official part, is contemplating the expenditure of huge sums in the watersheds of our country. The actual grand total is estimated to be almost $58,000,000,000. This includes the projects already built, under construction, and those which are planned.

On the face of it, $58,000,000,000 is a tremendous sum. But when you realize that present flood-control structures prevent an estimated $350,000,000 in damages each year and that when the rest of the dams are built and in operation, another $450,000,000 will be saved annually; when you realize the added production and value of thousands of reclaimed acres of land through reclamation, as well as the host of other economic benefits involved in water resources control, you see that the figure of $58,000,0000,000 is not out of line at all.

But this much is a certainty. If we plan to spend a total of $58,000,000,000 for the Nation's water resources, it does behoove us to take every possible precaution to get the most for our money.

We think that this bill will help find the answer for the Arkansas-White and Red River Basins. The people have a mighty future there in that area, if it is properly developed.

I believe in its future. I believe in it because 7,500,000 of sincere hard-working people live there on more than 177,000,000 acres of good land. Our annual farm production in these eight States already exceeds several billion dollars.

We produce the greatest variety and amount of fuel resources of any comparable area in the United States. We have 37 different minerals in commercial quantities.

Nevertheless, only 10 percent of our potential electric power has been developed. Hundreds of thousands of acres of land still await the magic of reclamation. Our rivers lack only plans and construction to furnish new waterways from our area to the Mississippi.

In an area so vast, so rich, so potentially wealthy and yet so comparatively undeveloped, there is without question much to be done. Many studies have been and need to be made. The old studies need to be coordinated with an over-all plan and new studies need to be made to complement and complete the total development.

When S. 1576 was introduced I was gratified that members of this committee saw fit to cosponsor this legislation. In all, 10 of my colleagues joined me in seeking optimum development of this region at minimum cost.

Now let me remind you of some of the phases outlined in S. 1576.

First of all, a 13-man group would be created as a study commission. Eight States will be represented by one member each, as will be the Corps of Engineers, the Bureau of Reclamation, the Soil Conservation Service, and the Federal Power Commission. Three months after this Commission has submitted its report, it will automatically cease to exist.

I want to reiterate here, for the record, that this bill is not a regional authority bill. It will not take from the powers of any existing agency. It will not interfere with projects already authorized and projects which are proposed for authorization. It will not detract from the rights of the States in their water development.

Actually, the total meaning of the entire bill may be said to be this: All known facilities, agencies, and studies will be pooled, to gain an over-all picture of what needs to be done for complete, maximum development, and how the same can best be done.

One other important point is contained in the bill. It is an enlarged and expanded yardstick of economic justification for construction of projects, which is already recognized in principle but not by law.

This bill does not represent any radical change in the thinking of those concerned with water development. It does not constitute any radical departure from the basic and accepted policies of our Government.

As a matter of fact—and it is fact—this proposal in S. 1576 at one time was passed by the House and the Senate and signed by the President.

Two men, farsighted and gifted as few Americans have been, were responsible for that legislation. They were the pioneers, the missionaries, the crusaders for the cause of controlling the Nation's water resources. All the new ideas of today such as multiple-

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purpose dams, basin-wide development, coordination of existing agencies, the whole story that has been almost 50 years in the telling, was advocated by these two men.

They deserve eternal credit for the great work they did. In a manner of speaking, and speaking without exaggeration, one can say that these men gave their lives for water development. One of them was George Hebard Maxwell, former executive secretary of the National Reclamation Association. The other was an esteemed and revered colleague in the United States Senate from 1902 until 1917, when he died in service—Senator George Newlands, of Nevada.

At this point, gentlemen, I wish to introduce into the RECORD a copy of the law found in section 18 of the River and Harbor Act, August 8, 1917. I quote from that act, "That a commission * * * is hereby created * * * to bring into coordination and cooperation the engineering, scientific, and constructive services, bureaus, boards, and commissions, * * * of the United States created by Congress that relate to the study, development, or control of water and water resources * * * with a view to uniting such services in investigating with respect to all watersheds in the United States, questions relating to the development, improvement, regulation, and control of navigation * * * including therein the related questions of irrigation, drainage, forestry, arid, and swamp-land reclamation, clarification of streams, regulation of flow, control of floods, utilization of water power, prevention of soil erosion and waste, storage and conservation of water for agricultural, industrial, municipal, and domestic uses, * * * to secure the necessary data, and to formulate and report to Congress, as early as practicable, a comprehensive plan or plans for development of waterways and the water resources of the United States."

That, gentlemen, is the law of August 8, 1917. It is a pity that it died in the same year as its author. Frankly, the law did not have a chance to show its workability. It was not on the statute books long enough for that. I cite it now to show the ideas and proposals embraced in S. 1576 are not new nor are they innovations.

In view of these facts, I am convinced that if you report favorably S. 1576 and Congress should pass it, we will have, indeed, taken a mighty step forward to improve and develop one of the richest areas of our Nation; and we will do it more cheaply, more efficiently, and more completely.

The Honor List of Dead and Missing of the Military Personnel for the State of Mississippi in World War II

EXTENSION OF REMARKS

OF

HON. JOHN E. RANKIN

OF MISSISSIPPI

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 28, 1949

Mr. RANKIN. Mr. Speaker, under permission granted me to extend my remarks in the RECORD, I am including a statement and a list by counties of the brave soldiers from Mississippi who gave their lives in the recent conflict.

This list is published by the War Department for the information of public officials, the press, the radio, and interested organizations. I am inserting it in the RECORD in order that it may be available to the loved ones of those boys whose names are here listed among the honored dead. I hope to get and publish a similar list of the ones who gave their lives in other branches of the service.

It contains the latest and most complete data available on all military personnel from Mississippi who were killed or died, or became and remained missing, between the President's declaration of unlimited national emergency on May 27, 1941, and the cut-off dates of this report, January 31, 1946, and includes both battle and nonbattle dead or missing.

The foreword to this list is explanatory of the list itself. It reads, in part, as follows:

The State of Mississippi contained 1.63 percent of the population of the United States and possessions (excluding the Philippine Islands) in 1940 and contributed 1.54 percent of the total number who entered the Army. Of these men and women of Mississippi who went to war, 2.32 percent failed to return. This figure represents 1.16 percent of the Army's total dead and missing.

No civilians are included in this report. Red Cross personnel and other civilians serving with the Army became casualties during the war, but procedure for reporting civilian personnel differs from that for reporting military individuals.

The following pages show a break-down by counties and types of casualties, followed by a break-down alphabetically by counties, the counties themselves being listed in alphabetical order.

In the preparation of these lists, it was necessary to establish a set of criteria on which the proper location of each individual's name would be determined. The following procedure was set up:

(1) If an individual gave an address as his home address when he entered the Army, his name is listed in the county in which the address was located.

(2) If he gave no home address, but designated a beneficiary or next of kin—either of whom must be a relative in limited degrees of kinship—or in the absence of relatives an emergency addressee who may be a friend, his name will appear in the county in which the address of the beneficiary, next of kin, or emergency addressee is located.

(3) If neither home nor emergency address was given (this was the case in rare instances where aliens were without family or residence in this country) the county of the draft board of origin is the one in which he is listed.

(4) In the case of certain Regular Army personnel who moved their homes from place to place according to the exigencies of the service, the only address available is "The Adjutant General," and these personnel will be listed in the District of Columbia booklet.

(5) A very few cases exist in which none of these four criteria obtains. It is impossible to determine the county in these cases and such individuals are listed in some State volumes under "State at large," a listing following the last county listing in the book. No instances have been found wherein it is impossible to locate a person as to State except as mentioned in (4) above.

The lists which follow contain information as to individuals in the following order: Name, Army serial number, grade, and status of casualty. A word of explanation of methods of listing and of symbols used follows:

Name: Because of standardized usage for names in the Army, some individuals listed herein may not be shown under the name by which they were called in civilian life. For instance, a man listed herein as "Smith, William P." may have been known to his friends as "Paul Smith" because in civilian life he did not choose to use the name "William." In Army usage the first name is used in full and other given names follow in order as initials. Names prefixed with "Mc" are listed between names beginning "Ma" and those beginning "Me," and similarly names beginning "Mac" will be found after "Mabry" and before "Madison." Because of a peculiarity of the machines used in these tables, prefixed and hyphenated names do not always appear in strict alphabetical order, and absolute correctness in the order of alphabetizing names does not govern after the tenth letter of a name. However, for all practical purposes the names will be in alphabetical order and cases will be extremely rare where a name will be more than one or two lines out of place.

Army serial number: Because of the tremendous number of individuals who have passed through the Army, serial numbers are given to prevent confusion. Using the name "William P. Smith" as above as an example, it was found that at the time of writing there were 84 men of this name in the Army, and several hundred men with the name "William Smith" without respect to initials. In attempting to identify one of this number much confusion could arise, and this is obviated by the use of a serial number.

Serial numbers are assigned with great care and according to a set of regulations. Consecutive serial numbers, for example, are not assigned to twins since this might cause confusions of identity between two perons with the same birth date and same general physical characteristics.

Grade: This is synonymous with the misnomer "rank", and the abbreviations which may be found in this book are as follows: GEN, General (four star); LT G, Lieutenant General (three star); M G, Major General (two star); B G, Brigadier General (one star); COL, Colonel; LT C, Lieutenant Colonel; MAJ, Major; CAPT, Captain; 1 LT, First Lieutenant, 2 LT, Second Lieutenant; C WO, Chief Warrant Officer; WOJG, Warrant Officer, Junior Grade; FL O, Flight Officer; AV C, Aviation Cadet; M SG, Master Sergeant; 1 SG, First Sergeant; T SG Technical Sergeant; S SG, Staff Sergeant; TEC3, Technician Third Grade; SGT, Sergeant, TEC4, Technician Fourth Grade; CPL, Corporal; TEC5, Technician Fifth Grade; PFC, Private First Class, and PVT, Private.

Type of casualty: This is indicated by the symbol at the far right of each column. An individual who was killed in action, whether at the front or by enemy action in the rear areas, or if a prisoner of war, whether by air bombardment of his prison camp or by being shot while escaping, is designated KIA. Persons who were wounded and later died are marked DOW—died of wounds. Those who suffered fatal battle injuries as opposed to wounds, in combat or in combat areas, and died in a line-of-duty status, are designated DOI—died of injuries. Other line-of-duty deaths, such as from sickness, homicide, suicide, or accidents outside combat areas (including training and maneuver deaths) are listed DNB—died, nonbattle. Individuals who were determined to be dead under Public Law 490 are designated FOD—finding of death. Missing persons are marked with the single letter M.

Patriotic organizations will find these lists of value in establishing or checking honor rolls in their communities. In this connection, it should be emphasized again that these lists are preliminary and will one day be superseded by a list which can be considered final. Changes in status may occur between the time of publication of these lists and preparation of new ones, and actuarial tables indicate that new names will be added. In some rare cases names of persons already dead may have been eliminated inadvertently from these lists.

At this point I am inserting the tabulation by counties and types of casualties:

Tabulation by counties and types of casualties

County	KIA	DOW	DOI	DNB	FOD	M	Total
Adams	14	1		17	4		36
Alcorn	33	12		11	3		59
Amite	17		1	9	4		31
Attala	29	7		14	1		51
Benton	15	3		6			24
Bolivar	35	6		19	6	1	67
Calhoun	32	5		13	2		52
Carroll	11	4		14			29
Chickasaw	20	3		13	1		37
Choctaw	20	2		8	1		31
Claiborne	8	3		7			18
Clarke	17	3		9	3		32
Clay	14	3		10	1	2	30
Coahoma	16	5		25	3	1	50
Copiah	32	2		21	3		58
Covington	16	4		11	1		32
De Soto	13	2		11			26
Forrest	39	6		30	12	1	88
Franklin	14	1		10	4	1	30
George	13			7	2		22
Greene	11	2		8	2		23
Grenada	19	1		17	5		42
Hancock	13			9	1		23
Harrison	73	6	1	35	4		119
Hinds	85	11	3	103	18	2	222
Holmes	19	6	1	13	5		44
Humphreys	22	3		17			42
Issaquena	5			2			7
Itawamba	32	4		5	3	1	45
Jackson	36	3		18	4		1
Jasper	15	4		14	2		35
Jefferson	9	1		6			16
Jefferson Davis	5			4			9
Jones	52	8		20	3	1	84
Kemper	15	2		15	1		33
Lafayette	25	2		18	1		46
Lamar	19	6		13	2		40
Lauderdale	52	10		37	12		111
Lawrence	11	4		9	2		26
Leake	28	5		7	2		42
Lee	58	13		25	5		101
Leflore	28	5	1	21	4		59
Lincoln	24	2		14	3		43
Lowndes	33	2	2	17	1		55
Madison	22	2		11	2		37
Marion	25	4		15			44
Marshall	12	1		5			18
Monroe	35	6		19	2		62
Montgomery	16	6		12	3		37
Neshoba	20	2		9	2		33
Newton	19	6	2	18			45
Noxubee	9	2		12	2		25
Oktibbeha	19	4		12	3		38
Panola	24	2		8	3		37
Pearl River	23	11		12	2		48
Perry	7	1		1			9
Pike	31	5		29	5		70
Pontotoc	26	5		10	2		43
Prentiss	22	5		9	2		38
Quitman	22	1		11	1		35
Rankin	14	1		5	1		21
Scott	22	3		10	2		37
Sharkey	2			5	3		10
Simpson	25	4		11	3		43
Smith	22	2		15	1		40
Stone	7	1		5	1		14
Sunflower	23	3		28	3		57
Tallahatchie	12	4		13	1		30
Tate	9	2		8			19
Tippah	32	9		10		1	52
Tishomingo	34				5	4	43
Tunica	6	1		8			15
Union	41	5		7			53
Walthall	11	2		8	1		22
Warren	22	2		20	8		52
Washington	23	3		39	6		71
Wayne	16	4		9	1		30
Webster	14	4		7	1		26
Wilkinson	8	2	1	12			23
Winston	23	4		9	4		40
Yalobusha	16	4		13	3	1	37
Yazoo	26	2		16	2		46
State at large	11	1		11	1		24
Total	1,848	298	12	1,174	207	16	3,555

The list of casualties by counties with their names, serial numbers, rank, initials, and the type of their casualties follow:

Name	Army serial No.	Grade	Type of casualty
ADAMS COUNTY			
Anders, Virgil M	O442769	1 LT	FOD
Ashcraft, Alvie A	31122360	S SG	FOD
Bailey, James, Jr	44064920	PVT	DNB
Benoist, Louis A., Jr	O514473	2 LT	KIA
Bowden, Barney B	34631745	PVT	KIA
Boyles, Charles D	34637444	CPL	KIA
Buchanan, Cornelius	34047703	PVT	DNB
Carr, Warren F	14172228	CPL	DNB
Felton, Harrison, Jr	34873679	PVT	DNB
Giles, James S., Jr	O340104	CAPT	DNB
Gordon, Von W	37051565	PFC	DNB
Gullick, William A	O1311888	2 LT	DNB
Hardy, Oscar L	18151900	SGT	DNB
Hardy, Thrashley M., Jr	O396455	CAPT	FOD
Harris, James M	7000860	PVT	KIA
Hightower, George E	20462236	S SG	KIA
Johnson, Birdes	34484553	PFC	DNB
Lloyd, Sylvester	34620023	PVT	DNB
Matthews, James P	20462251	CPL	KIA
McMillan, Eldred E	34344036	CPL	DNB
Miller Frazie J., Jr	34717435	PFC	DNB
Ogden, Walter P	34635705	PFC	KIA
Pope, Ripley C	34138867	PVT	DNB
Priester, Robert J	O663311	1 LT	FOD
Rawes, Charles E	14031193	TEC 4	DNB
Rothschild, Eugene	34638910	TEC 5	DNB
Sanford, Robert E	14023470	T SG	DNB
Souderes, George F	34950424	PFC	KIA
Spencer, John B	34275566	CPL	KIA
Stokes, Ralph E., Jr	14031695	PFC	KIA
Thornburg, Earnest	34873599	PVT	DOW
Trindle, Arthur L., Jr	34616000	SGT	DNB
Valentine, Gary J	34276200	PFC	KIA
Watts, James E	34982232	PFC	KIA
White, George C	34272678	TEC 5	KIA
Williams, Charlie E	34989107	PVT	KIA
ALCORN COUNTY			
Alexander, Andy	34633456	PVT	DNB
Ballard, Fornie E	34924737	PVT	KIA
Boggs, William L	34880059	PFC	KIA
Bonds, J. C	6972267	PVT	DNB
Box, Maury D	O548714	2 LT	KIA
Brooks, William B	44045078	PFC	DOW
Bullard, Talmadge A	34924938	PFC	KIA
Childers, Matthew P	34020885	T SG	KIA
Clark, Thomas R	34981701	PFC	KIA
Corbin, Randal R	34928545	PVT	DOW
Daniels, Jobie	34348904	PFC	KIA
Dean, Claude T	O806631	2 LT	FOD
Derrick, Rufus L	34989346	PVT	KIA
Dillon, James F	34278472	PFC	DNB
Evetts, Jack C	34348874	PVT	DNB
Farris, Thomas J	7009112	PFC	KIA
Flanagan, Thomas J	34476483	PVT	DOW
Garrett, Robert R	34904998	PVT	KIA
Gookin, Walter A	O808985	2 LT	FOD
Gray, Cullen	34278371	PVT	DOW
Griffin, Raymond S	34476524	PFC	DOW
Howie, Rady C	34278473	PFC	DOW
Hudson, Leslie W	34634822	PVT	DOW
James, Marvin E	34631034	PFC	DOW
Jenkins, Charles B	34146162	PFC	KIA
Johnson, James W	34925570	PVT	KIA
Jones, James D	O432069	2 LT	KIA
King, Robert E	14040099	S SG	DNB
Lauderdale, William V	34924943	PFC	KIA
Leatherwood, Thomas L	O1319757	2 LT	KIA
Leeth, Harris D	34278468	PFC	DOW
Long, James A	34047268	CPL	KIA
Mauldin, Elvis	20463488	PFC	DNB
Mills, J. B	34275191	PFC	DNB
Moore, Walton R	34611322	PFC	KIA
Odle, Furman M	34611281	PFC	KIA
Parker, O. C	34924727	PVT	KIA
Poer, Burgess N	34476538	PVT	DNB
Potts, John O	34926511	PVT	KIA
Rhodes, H. B	34924734	PVT	KIA
Robbins, James T	34348881	S SG	KIA
Robinson, Author	34341596	PVT	DNB
Rogers, Harry K	34634825	PFC	KIA
Ross, John E	34624678	S SG	KIA
Ross, Wylie A	14016687	T SG	KIA
Sanders, Maury W	34631009	PFC	KIA
Savage, Hubert L	20463490	PVT	DOW
Seago, William F., Jr	34925615	PVT	DNB
Simmons, James H	34636713	PFC	KIA
Sweat, John R	34631026	PVT	KIA
Sweatt, Herman W	34887502	PFC	DOW
Wallace, Homer	20463509	PVT	KIA
Wardlow, Cletus R	34723782	PFC	KIA
Watkins, Lyle E	34634827	PFC	DOW
Weaver, Fisher P	O376790	2 LT	DNB
Weaver, William D	O413176	CAPT	KIA
White, Charles D	34636923	PFC	KIA
White, John O., Jr	14151325	PVT	KIA
York, James W	34476463	S SG	FOD
AMITE COUNTY			
Amos, Samuel	35924172	PVT	DNB
Burris, Wilton E	20464072	S SG	KIA
Campbell, Robert L	O789368	1 LT	KIA
Causey, Henry G	14023111	S SG	DNB
Cruise, Joseph E	14010646	PFC	DNB
Crum, Clinton W	34610764	TEC 5	KIA
Fenn, Claude L., Jr	34926484	PVT	KIA
Freeman, Von H	34428700	SGT	DNB
Haynes, George	34347523	PVT	DNB
Jackson, William R	O1051207	2 LT	KIA
MacIntosh, Gordon E	O731318	1 LT	KIA
MacIntosh, Thomas L	14031785	M SG	FOD
McKenzie, William H	34275688	PFC	FOD
McLain, Harry A	6304215	M SG	DNB
Newman, Gordon M	38054401	PVT	KIA
Neyland, Albert G	34630137	PVT	KIA
Payne, Emile P	14001556	SGT	KIA
Pray, Washington D	34630614	PVT	KIA
Ravencraft, Dewit Q	34133787	S SG	KIA
Scruggs, James J	14016750	CPL	DNB
Self, Joe M	34275636	PVT	KIA
Shaw, Charles M	O661667	CAPT	FOD
Stokes, Rodney L	O669932	1 LT	DNB
Stubbs, Reuben M	34275606	PFC	KIA
Thompson, Smiley E	34015130	TEC 4	DOI
Thornton, Alton C	34472729	PVT	KIA
Turner, William C., Jr	7009204	PFC	DNB
Wilkinson, Patrick H	O666110	1 LT	KIA
Wilson, Aric W	38516317	PVT	KIA
Wilson, Scott J	34343232	S SG	FOD
Zeigler, Arnold B	34425369	TEC 5	KIA
ATTALA COUNTY			
Ables, Rufus Jr	34476439	PVT	KIA
Adams, Earl L	34614573	PFC	KIA
Addkison, Willis F	34982394	PVT	KIA
Aldy, James W	34049149	PFC	KIA
Aldy, Willie D	34139177	TEC 4	KIA
Barnes, Joe F	34871991	PVT	KIA
Bell, Norman T	34278601	PFC	KIA
Bell, Vernon H	34427295	PFC	KIA
Bingham, Ernest L	34130593	SGT	KIA
Black, Roy F	34133759	PFC	KIA
Bowie, Royce R	34479932	PFC	DOW
Broach, Charlie F	34133751	CPL	KIA
Brown, Elijah	34954487	PVT	DNB
Bruce, Vernon M	34049948	TEC 5	DNB
Burrell, Sammy S	14054687	AV C	DNB
Chappell, Jesse C	34345722	S SG	FOD
Cribb, D. T., Jr	34480170	PFC	DOW
Edwards, Willie	34627900	PVT	DNB

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Name	Army serial No.	Grade	Type of casualty
ATTALA COUNTY—con.			
Ellington, Junior P	34479484	PVT	KIA
Evans, William J	34476428	S SG	DOW
Ferguson, Walter D	34634699	TEC 5	KIA
Frazier, Hallie W	34475048	PVT	KIA
Gordon, Dan	34015106	PVT	DNB
Hawkins, Freeman	44047468	PVT	DNB
Huggins, Bonnie E	34610940	PFC	KIA
Hughes, Jewel L	34611799	PVT	KIA
Jenkins, Samuel S	20424340	S SG	KIA
Kitchens, Jessie C	34873999	PVT	KIA
McBride, Reedy C	34278594	PVT	KIA
McCarty, Willard R	34581024	CPL	KIA
Mitchell, Lonnie V	34475568	PVT	DNB
Munn, Charlie H	34137390	TEC 4	DOW
Pearson, Robert W	34477510	PVT	KIA
Pee, Mathew R	34477504	PFC	KIA
Pender, Charles A	O812132	1 LT	KIA
Pettus, Walker N	34477514	PVT	KIA
Presley, James M	34683407	PVT	DNB
Ray, Harvey L	34420472	PFC	KIA
Rimmer, James D	34343333	PFC	DNB
Roby, Mack	34486174	TEC 5	DNB
Rone, James, Jr	34427312	PFC	DOW
Rutherford, John N	34345706	PVT	DNB
Sims, Charles B	34477517	PFC	DOW
Smith, Bonnie S	34136730	PVT	DNB
Smith, Stuart G., Jr	14183143	AV C	DNB
Swinney, William V	34479949	S SG	KIA
Thompson, James D	34048205	PVT	DOW
Thompson, Jodie B	34481899	PFC	KIA
Tyler, Percy H., Jr	20461618	SGT	KIA
Vanlandingham, C. B	34636715	PFC	KIA
White, Jack	34131798	PVT	DNB
BENTON COUNTY			
Adams, James L	14091940	CPL	DNB
Allen, John F	34874847	PFC	KIA
Bradley, Wilborn O	34634740	PFC	KIA
Breland, Andrew L	34925736	PVT	KIA
Brown, Meletious B., Jr	34274895	SGT	KIA
Bumpus, Bill	37067201	PFC	DNB
Dixon, William T	34987318	PFC	DNB
Cox, Jasper E	34928380	PFC	KIA
Davis, Ray	34872999	PFC	KIA
Fowler, John W	34133998	PVT	KIA
Gresham, Preston C	34989317	S SG	DOW
Hensley, Jewel	34601986	PVT	KIA
Lakey, Robert M	34133970	CPL	KIA
Lewis, Eugene T	O017296	LT C	DNB
May, W. B., Jr	34278633	PFC	KIA
Nixdorf, Charles F	O678312	1 LT	KIA
Norris, Clarence E	34339707	S SG	DOW
Ormon, Thomas H	34928376	PFC	KIA
Pinter, Irby	7006727	SGT	DNB
Riley, John H., Jr	34989286	PFC	KIA
Rowland, Raymond A	34925961	PVT	KIA
Shelby, Albert M	14026973	S SG	DOW
Tucker, Jim	34635656	PVT	KIA
Wilson, Clyde	34620844	PVT	DNB
BOLIVAR COUNTY			
Ballas, George J	34132870	S SG	DOW
Beach, James H	20462840	PVT	DNB
Beeman, Charles E	14043809	CPL	FOD
Beevers, Clarence W	14060625	T SG	M
Beevers, DeWitt E	34345960	PVT	KIA
Blevins, Edward P	O816629	2 LT	KIA
Bradley, Mager	34046336	CPL	KIA
Branch, Willie	34874325	PVT	DNB
Brister, Edward E	20424306	PFC	DNB
Brister, Edward E	20424426	PFC	DOW
Buckley, William E., Jr	O797965	2 LT	FOD
Byrd, Charles E	34349120	PVT	KIA
Carpenter, Jesse L	O386329	1 LT	KIA
Clark, Freddie B	34616542	CPL	DNB
Comfort, Robert L	T134876	FL O	KIA
Davis, Jessie	34618549	PVT	DNB
Dickey, Jack F., Jr	14156293	S SG	DOW
Duncan, James	16002838	PVT	DNB
Dunn, Paul	34275596	PVT	KIA
Everett, Thomas W	14010330	S SG	KIA
Farris, William W., Jr	O1549936	1 LT	DNB
Ferguson, Albert	34420254	PVT	DNB
Gibson, Garvey A	34635250	PVT	KIA
Goforth, Paul	O1301000	1 LT	KIA
Hale, Hubert H	38444111	SGT	FOD
Haralson, Richard T	O790234	1 LT	FOD
Harris, James E	34637052	PVT	KIA
Henry, Sherwood D	20462854	PFC	KIA
Hewitt, Earl	20462855	PFC	DOW
Hudson, Wilba R	20462829	S SG	KIA
Hurst, Edlie B	36388351	PVT	DNB
Ingram, Linwood P	O676623	1 LT	KIA
Jackson, John H	O791595	2 LT	FOD
Kinkennon, Amos P	34428554	PFC	DOW
Kitching, James W	14117117	CPL	KIA
Litton, Larry A	O803234	2 LT	DNB
Livingston, Loyce M	34137548	PFC	KIA
Long, Albert	24471229	TEC 5	DNB
Malaby, Raymond C	38175027	T SG	FOD
Malatesta, Marino P	14001484	T SG	KIA
Malone, James M	34475563	S SG	KIA
Miller, James M	38547591	PVT	KIA
Moore, Robert	34610342	PVT	DNB
Morrison, Marion L	34480240	PFC	KIA
Pentecost, William T	34475458	SGT	KIA
Pleasant, Cecil M	O728721	2 LT	DNB
Ray, Henry L	34428256	PFC	DNB
Richardson, Thomas U	34428315	PFC	KIA
Rogers, Arthur G	14095233	PVT	DOW
Romeros, David	34015152	PVT	DNB
Saddler, Booker T	34046329	TEC 5	DNB
Smith, Ernest B	34624047	PFC	KIA
Smith, Huey	34470253	PFC	DNE
Smith, James L	34635435	PVT	KIA
Smith, Phillip	34877223	PFC	DNB
Sparkman, Leland L	34131147	SGT	KIA
Spells, William E	14095245	T SG	KIA
Stubbe, James W	14003330	TEC 5	KIA
Tapley, Thomas W	14170363	SGT	KIA
Thomas, James O	O799096	1 LT	KIA
Thomas, Willie	34481392	PFC	KIA
Turner, Joe M	44046559	PFC	KIA
Ward, E. C	34139544	PFC	KIA
West, William, Jr	34279898	PFC	KIA
Willard, J. D., Jr	34637065	PFC	KIA
Wilson, Charles E	34045283	PVT	DNB
Yates, James B	34349372	PVT	KIA
CALHOUN COUNTY			
Akins, John L	34427741	PFC	KIA
Bailey, S. T	7080778	PVT	KIA
Bailey, Sidney C	34278720	S SG	DNB
Bennett, Elam L	34877160	PVT	KIA
Benning, Jessie R	34133814	PVT	KIA
Betterton, Clayton L	34427733	T SG	KIA
Brannon, Grady Y	34477106	PFC	DOW
Brown, Felix G	18034900	PFC	DOW
Cantrell, Limenul T	34348856	PFC	KIA
Carty, Randolph L	34989309	PVT	KIA
Caviness, Julius T	34427726	PFC	KIA
Crocker, Ray N	14091610	TEC 5	KIA
Denton, Claud H	34348857	S SG	KIA
Dover, James W	34989127	PFC	KIA
Driver, Rolland	34626532	PFC	DNB
Edmundson, James W	34427731	CPL	KIA
Fleming, Dover C., Jr	O793600	2 LT	FOD
Griffin, Henry L	34872050	PFC	KIA
Gulledge, J. W	34477088	SGT	KIA
Hancock, Russell	34613037	PVT	KIA
Hawkins, Joseph C	6394539	S SG	DNB
Hollis, Terrell L	O718184	2 LT	KIA
Hood, Junior	34877159	PVT	KIA
Johnson, Fred H	34348815	CPL	DNB
Johnson, James W	34477160	PFC	KIA
Johnson, Theron D	34275667	PFC	KIA
Kirby, Harold L	34427737	PVT	DNB
McKelroy, Wayne B	34130364	PFC	KIA
Morgan, Robert A	34348842	PVT	KIA
Morgan, Roy R	34926622	PVT	KIA
Morris, Perry A	34874627	PFC	KIA
Neal, Boyce E	34348860	PFC	DNB
Nichols, Adron E	34473987	PFC	DOW
Overstreet, Sand F	34046442	PVT	DNB
Patterson, Winford D	38235420	PFC	DNB
Payne, Joseph A	34635346	CPL	DNB
Phillips, James P	O431503	CAPT	FOD
Pryor, Lee L., Jr	O836019	2 LT	DNB
Ramage, Howard E	14031144	TEC 5	DNB
Reeder, William H	39145578	PVT	KIA
Rogers, James E	34877171	PFC	KIA
Shippey, Silas H	34877164	PVT	DNB
Simmons, John T., Jr	34477102	PFC	KIA
Skinner, Everette L	34276220	PFC	KIA
Smallwood, Rex A	34874662	PVT	DOW
Spicy, Jim	34424172	PVT	DNB
Taylor, Fremon C	34477151	PFC	KIA
Tutor, Harrison A	34473955	PVT	KIA
Williams, Mervin R	34926607	PVT	KIA
Wilson, Cynclair B	34874605	PVT	DOW
Wilson, Gerald L	34477095	T SG	KIA
Winter, JamesE	O795546	1 LT	KIA
CARROLL COUNTY			
Adams, Carroll S	O513993	1 LT	KIA
Anderson, Samuel	34424128	PVT	DNB
Bruce, Johnnie C	34876045	PVT	KIA
Byers, John L	34130405	SGT	DNB
Cox, Marion M	O2000432	2 LT	KIA
Crook, Percy L., Jr	34872001	PFC	DOW
Ellis, Tommie L	34475752	PVT	DNB
Farrish, T. J	34874696	PVT	KIA
Frazier, William R., Jr	14017248	PVT	DNB
Garner, William B	34139725	S SG	KIA
Hawkins, Frank L	34614696	PFC	DNB
Humfeld, Julius W	37056993	PFC	KIA
Johnson, Edward D	14017488	S SG	DNB
Ligon, Elbert, Jr	34914064	PVT	DOW
Mann, Robert C	34279730	PFC	KIA
Mattox, Bonnie K	36394878	PVT	DNB
Mohead, George W	6066213	PVT	DNB
Montgomery, Andrew T	17028721	SGT	DOW
Muirhead, Rufus R	34637080	PVT	KIA
Murphy, Jack A	34610941	PFC	KIA
Neal, William O	34345638	PVT	DNB
Phillips, Lawrence E	34139752	TEC 5	DNB
Robertson, Eddie E	34631481	PFC	KIA
Rogers, Graham J	14017489	PFC	DNB
Tharp, Richard N	34870940	PVT	KIA
Turner, Irby C	14060873	PVT	DNB
Turner, Levi E	34137260	SGT	DNB
Vance Hardy C	34611231	CPL	DOW
Williams, John E	34020397	PVT	DNB
CHICKASAW COUNTY			
Allen, Charles E	34614032	S SG	FOD
Alfred, Thomas A	34875079	PVT	KIA
Armour, Herbert C	34988565	PVT	KIA
Black, Benjamin A	34637099	PFC	KIA
Blankenship, Herman E	14015889	PVT	DNB
Branham, Edward	34876168	PVT	KIA
Carothers, Earlie	34482888	PFC	KIA
Carr, Percy	34047292	PVT	DNB
Carter, Audie L	34000943	PVT	KIA
Carter, Preston D	O1294432	1 LT	KIA
Derrington, A. C	34623141	SGT	KIA
Fedrick, Glenn	34027029	PVT	DNB
Gray, James A	34610694	PFC	DNB
Herndon, William I	34875560	PVT	KIA
House, Hubert B	34925112	PVT	KIA
Jolly, Luther P	34875090	PVT	KIA
Jolly, Mark R	O1321042	1 LT	KIA
King, Samuel T	O789064	2 LT	DNB
Lancaster, Bunah R., Jr	34924710	PVT	KIA
Mc Gee, Monroe A	34139678	PFC	DOW
McKinney, James H	44046849	PVT	DOW
McQuarry, Marion L	O1319764	2 LT	KIA
Montgomery, John R	34928303	PFC	KIA
Neal, Max L	34624818	PFC	KIA
Posley, Dave A	34633586	PVT	DNB
Pullian, Richard G	36395579	PFC	DNB
Saxon, Durell	34875561	PFC	DOW
Sedberry, Jo B. III	O391876	CAPT	KIA
Smith, Sam H	14033042	PVT	DNB
Staten, Winfred L	34614042	TEC 5	DNB
Thacker, Prim	34635259	PFC	KIA
Vance, Ray	34875073	PFC	KIA
Volk, Oliver J	O708023	2 LT	KIA
Walker, Robert L	34470353	TEC 5	DNB
Whitman, Edward A	O824310	2 LT	DNB
Wood, Andrew	O864967	2 LT	DNB
Youngs, James L	34278097	PVT	DNB
CHOCTAW COUNTY			
Allen, Rhubert H	34475993	PVT	KIA
Atkinson, Neubern	34636678	SGT	KIA
Bennett, Herman P	34479905	PFC	KIA
Biggers, William T	O431791	2 LT	KIA
Blanton, Garland D	6914676	CPL	DNB
Blanton, James B	7009239	S SG	KIA
Boggan, Wade H	34133944	T SG	KIA
Coleman, Willie M	34633469	PFC	DNB
Cook, William J	14001737	TEC 5	DNB
Draper, Therrell M	34137350	TEC 4	KIA
Esters, Edker	34638255	PFC	DNB
Gordon, Thomas B	34622864	PFC	KIA
Green, James W	34428759	CPL	DNB
Henson, Edward R	34870949	PVT	KIA
Higgins, Aubrey H	34479889	PFC	KIA
Hood, Louis G	20462411	AV C	DNB
Jenkins, Earl R	14023052	S SG	KIA
Jones, James O	34871790	PVT	DOW
McGregor, Buel N	34477142	PFC	KIA
Nabors, Curtis L	44046474	PVT	KIA
Phillips, Robert L	34636676	PVT	KIA
Raines, Henry F	34139150	T SG	KIA
Ray, John W	O832003	2 LT	KIA
Ray, Samuel G	34636738	PFC	KIA
Redd, William D	34345036	S SG	FOD
Simpson, Joe F	O412978	2 LT	DNB
Teer, Ben J., Jr	34636761	PFC	DOW
Trigg, Ewing A	34872316	PVT	KIA
Triplett, Robert D	34625918	CPL	DNB
Weaver, Lon B	44047704	PVT	KIA
Wells, James C	34479907	PVT	KIA
CLAIBORNE COUNTY			
Aldridge, Willis	34018515	PVT	DNB
Dorsey, James	34480770	PVT	DNB
Dowdell, David M	O540248	2 LT	DOW
Grove, Robert W	34051181	CPL	DNB
Hackett, Neil L., Jr	14150962	SGT	DOW
Hill, James E	34872388	SGT	KIA
Hynum, Burton L	34870277	PVT	KIA
Jones, Vernon Y	O790572	2 LT	KIA
Jordan, Vernon L	34989061	PVT	KIA
Knight, Maxie L	34426431	PFC	KIA
Laury, Tomie	34873339	PVT	DOW
Lord, Thomas H	14031961	PVT	KIA
Marshall, Benjamine	34046178	PFC	DNB
Moore, Lewis	34273745	PVT	DNB
Norwood, Robert J	34625281	S SG	KIA
Smith, Gilmer P., Jr	O313991	LT C	DNB
Spencer, M. J., Jr	34279094	TEC 5	DNB
Walles, Lev C	34610970	S SG	KIA

Name	Army serial No.	Grade	Type of casualty
CLARKE COUNTY			
Allen, Roy A	34635531	SGT	KIA
Blakney, Jackson	34483876	PFC	DNB
Boman, John E	14011441	PFC	KIA
Bonner, James W	O1576948	1 LT	DNB
Boutwell, Rufus L	6971494	S SG	DNB
Butler, Chester G	14026545	TEC 4	KIA
Campbell, John C	14184597	CPL	KIA
Cranford, B. M	34421155	PFC	DNB
Davidson, William C	34480584	PFC	KIA
Evans, Thomas J., Sr	34986070	PVT	DOW
Felker, William H	34133019	PFC	KIA
Fleming, Max E	34621687	T SG	KIA
Hailes, Howard R	T185498	FL O	FOD
Hinson, Bryant L	14130253	PFC	KIA
Hughes, Otto	34620119	PVT	KIA
Jay, George L	34135552	TEC 5	KIA
Jones, Willie	34472455	PVT	DNB
Manley, Carnell	34480563	PFC	DOW
McCoy, Robert L	34612867	PVT	KIA
McKinnon, D. A., Jr	O441025	CAPT	KIA
McKinnon, Kenneth R	14080241	T SG	FOD
McLendon, Geddie F	34133106	PVT	KIA
McMullen, Stanley N	20452141	PFC	DNB
McPherson, Homer H	34982404	PVT	KIA
Miller, Milton H	14063095	SGT	FOD
Moore, John R	34480594	CPL	DOW
Mosley, Hubert E	14192914	PVT	KIA
Riley, Lemuel A	14001839	TEC 3	DNB
Runions, James M	34876520	PVT	KIA
Speed, Q. C. L	14033996	CPL	KIA
Spencer, Less	34620132	PVT	DNB
Williams, Curtis L	34428064	PVT	DNB
CLAY COUNTY			
Allen, Robert A	34345997	PFC	KIA
Barton, Thomas E	14059699	S SG	KIA
Blackwelder, David E	14030321	SGT	KIA
Causey, Bennie D., Jr	38618915	PFC	M
Compton, Dewey	34610850	PVT	KIA
Durrett, George M	O688584	2 LT	DNB
Edwards, Walker, Jr	34955368	PVT	DNB
Grisham, Hughlon K	O765585	2 LT	FOD
Hamilin, Graham W	20427997	1 SG	DNB
Harkins, Elias D	34133874	PFC	KIA
Henry, Floyd B	O814898	2 LT	KIA
Kehl, Charles W	34475838	SGT	KIA
Knight, Telmer H	34872144	PVT	DOW
Martin, Robert	34020607	PFC	DNB
Melton, Len	34480893	TEC 5	DNB
Moore, Charles B	34874008	PVT	KIA
Moore, Ralph E	14151283	CPL	DNB
Owens, Major	34617324	PVT	DOW
Pryor, Roger W., Jr	44048629	PVT	DNB
Randle, Jimmie	34342742	PVT	DNB
Sandison, James T	O424326	1 LT	KIA
Seery, Lawrence C., Jr	34136700	T SG	M
Shelton, James P	34926509	PVT	KIA
Simmons, Dayne M	34927768	PFC	KIA
Stafford, John N	34871079	PFC	KIA
Stafford, W. W., Jr	14033789	CPL	DOW
Strong, Gillie	34049381	PVT	DNB
Thomas, Ezel	34277471	PVT	DNB
Thornton, William E	34428829	PFC	KIA
Wren, Tom W	34133029	PFC	KIA
COAHOMA COUNTY			
Albin, Samuel J	T224081	FL O	DNB
Arrington, Joseph B	34635662	PFC	DOW
Benson, Moley, Jr	34426929	PFC	KIA
Birdsong, Robert B	6360090	SGT	DNB
Bowman, Johnnie E	34133118	SGT	DNB
Burns, Martin	O504713	1 LT	DNB
Coffer, Willie	34131909	PVT	DNB
Coker, Donal B	34475177	PFC	DOW
Cole, James L	34420230	PVT	DNB
Crump, Arch M	34133119	T SG	FOD
Davis, Harry W	33110744	PFC	KIA
Flanagan, J. C	34630235	PVT	KIA
Fletcher, Jack H	14042974	AV C	DNB
Garner, John C., Jr	14046229	SGT	DOW
Gilbert, Hugo A	34018585	TEC 5	DNB
Grammer, Harold D	14151112	PFC	DNB
Hood, Walter	34139995	PVT	DNB
Hoskin, John	34472153	PVT	DNB
Houston, George	O755949	1 LT	KIA
Johnson, Lourensie	34610104	PVT	DNB
Johnston, Joseph M	O1846457	2 LT	DNB
Jones, Harold H	34613714	PFC	DNB
Jones, Robert L	O759689	2 LT	DNB
Jones, Truman D	14097515	PVT	KIA
Kilgo, Freddie A	20461758	PFC	KIA
King, Hugh M	7000804	SGT	KIA
Kirkpatrick, C. F	34625126	S SG	M
Kirkwood, Percy L	34274459	PVT	DNB
Lester, Harold D	34635644	SGT	KIA
Logan, Jack J	34872854	PFC	DOW
Lyles, Thurman	34879828	PVT	DNB
Lynom, Clemmie	34621084	PVT	DOW
McCollough, Henry M	34018598	PVT	KIA
Mitchell, Willie	34429354	PVT	DNB
Muse, Orland W	20461789	SGT	DNB
Patterson, Cecil B	O1296573	2 LT	KIA
Pharis, Andrew J	34018524	PFC	KIA
COAHOMA COUNTY—con.			
Porter, James	34422476	PVT	DNB
Rainey, Howard C., Jr	34914705	PVT	KIA
Rice, John A	O821419	2 LT	DNB
Richardson, Joseph	44045819	PVT	DNB
Robinson, Decatur M	O758072	2 LT	DNB
Rozzell, Richard W	14097520	PFC	KIA
Shannon, John E	34628630	PVT	DNB
Shelton, Frederick E	34137476	1 SG	KIA
Stovall, William H., Jr	O716271	2 LT	KIA
Tedford, Paul W	O430869	1 LT	DNB
Topp, Richard S	14154742	PVT	KIA
Waller, Robert H	O801530	2 LT	FOD
Worthey, Lawrence C	34134047	S SG	FOD
COPIAH COUNTY			
Anderson, X. L	20464421	PFC	KIA
Beasley, Thomas J	34874936	PVT	KIA
Blackwell, John F	34018689	SGT	KIA
Blackwell, Toxie B	6966486	SGT	KIA
Brewer, Ernest C	14151594	PVT	DNB
Bufkin, Francis P., Jr	14095531	T SG	DNB
Burnett, George O	34424672	PVT	DNB
Butler, Randolph	34270121	PFC	DNB
Cupstid, Wilbur J	34479428	PFC	DNB
Donahoe, James H	34636982	PVT	FOD
Ervin, Milton C	34276719	SGT	KIA
Farrish, Roy T	34131738	SGT	DNB
Gilbert, Charlie B., Jr	34020717	TEC 5	DNB
Gorenflo, James F., Jr	34138133	PFC	KIA
Hamilton, L. C	34047555	PVT	DNB
Hamilton, George T	14031533	SGT	DNB
Henley, Carl C	34348977	PFC	KIA
Henley, William S., Jr	O1328257	2 LT	KIA
Henry, James H	34982331	PVT	KIA
Hollingsworth, M. W	6355168	SGT	DNB
Howington, James E	34876073	PVT	KIA
Hudson, Lee T	34615528	PFC	DNB
Jackson, Nathaniel	34877305	PFC	DNB
Johnson, Ervin T	34135302	CPL	KIA
Leggett, Clifford L	O793128	1 LT	DNB
Lewis, James	34876087	S SG	KIA
Lindsey, Shelby L	34428332	SGT	KIA
Little, Emmett E	34345060	PFC	DNB
Lusk, Joseph B	O1309081	1 LT	KIA
Martin, John L	6581126	CPL	DNB
Martin, Ray E	34988809	PFC	KIA
Maxwell, Dennis M	34877688	PVT	DNB
Methvin, Thomas N	14010568	TEC 5	KIA
Middleton, Harold L	34635146	SGT	KIA
Mohon, Ernest M., Jr	7002499	S SG	FOD
Nations, L. C	34428408	SGT	KIA
Osborne, Edwin F	20462471	SGT	KIA
Owens, Virgil A	34138134	PFC	KIA
Papizan, Ralph	O446466	1 LT	KIA
Pembleton, Kie W	6373588	CPL	DNB
Perkins, William M	34625398	CPL	KIA
Perritt, Prentiss P	33448928	CPL	KIA
Pitts, Albert M	34876090	PFC	KIA
Richard, Harold G	O802148	1 LT	KIA
Robinson, A. J	34489903	PVT	DNB
Sanders, William A	34876077	PVT	KIA
Sexton, Luther S	34138642	TEC 5	DOW
Singletary, Whitman	34615549	T SG	FOD
Smith, Brady L	44138473	PVT	DNB
Sojourner, Robert, Jr	34637007	PFC	KIA
Sturgis, Wilbur H	34631677	PFC	KIA
Tillmon, Nealy	34622593	PVT	DNB
Turnipseed, Charlie W	34276714	SGT	DOW
Turnipseed, John L., Jr	14042457	PVT	KIA
Watson, Lawrence V	34876075	PFC	KIA
Williams, Sam	34873290	TEC 5	DNB
Wilson, Fred	34424654	PFC	KIA
Yates, Jerry N	34637017	PVT	KIA
COVINGTON COUNTY			
Autlman, Alonzo D	34001000	PVT	DNB
Aultman, McGrew	34480101	PFC	DOW
Aultman, Trenton R	14010053	CPL	KIA
Barnes, J. C	34487300	PVT	DNB
Booth, Cranford	14151555	PVT	DNB
Brewer, George W	34635109	PVT	KIA
Campbell, Charlie R	34428339	PFC	DOW
Carter, Stephen A	7009130	PFC	KIA
Cochran, Donald E	O802831	2 LT	DNB
Coleman, Otis	34428374	PFC	DOW
Duckworth, Leroy	34929946	PVT	DNB
Dunn, J. P	34428397	PFC	KIA
Fairchild, Ulmer	34637813	PFC	KIA
Hemeter, Van B	34624898	S SG	KIA
Jordan, James W	6399951	PFC	DOW
Kelly, A. J	34874926	PFC	KIA
King, Doyle	O890117	2 LT	DNB
Lewis, Frank J	7002880	PFC	DNB
Magee, Billy R	44045096	PFC	KIA
Mangum, Ford E	14010107	S SG	KIA
Mathis, Reese C	34634602	PFC	KIA
McLaurin, Willie E	34487301	PVT	DNB
McRaney, Betro	34480122	PFC	KIA
Moore, Harbert W	34871028	TEC 5	KIA
Nickson, Dock W	38523814	PFC	DNB
Pickering, Charles R	34874672	PFC	KIA
Powell, John M	O789343	1 LT	DNB
Rawls, William S	34480057	PVT	KIA
Redmon, Ira B	O672976	1 LT	KIA
COVINGTON COUNTY—con.			
Rogers, Cecil A	7000776	SGT	FOD
Rogers, Esko, NMI	34048160	PFC	KIA
Rogers, Luther L	34285012	TEC 4	DNB
DE SOTO COUNTY			
Alexander, Joe M	34346455	PFC	DNB
Anderson, Harry C	34925345	PVT	KIB
Barnes, Lamar A	O690348	2 LT	DNB
Baxter, Earl	34625410	PVT	DNB
Blythe, Joseph M., Jr	O492225	CAPT	DNB
Boggan, James A	34475216	PFC	DNB
Coker, Harold C	34613156	CPL	KIA
Dean, Richard F	O706511	2 LT	KIA
Dees, Mack L., Jr	34426780	PFC	KIA
Dunlap, Winfred L	34426799	PFC	KIA
Dye, Fitzhugh	34426800	PVT	DOW
Jackson, Everett C	6970988	S SG	DNB
Lucas, Eugene, NMI	34475178	S SG	KIA
Mason, Roger B	34426807	PVT	KIA
McClain, Earnest L	34618666	CPL	DNB
McCrory, Raymond E	O748727	2 LT	DNB
Nelson, George M	34989288	PFC	KIA
Peyton, Harold T	34349159	T SG	KIA
Phelps, Maynard W	34018679	S SG	KIA
Smith, David	34715535	PFC	DOW
Stanford, Jasper C	34924829	PVT	KIA
Stevens, Marion B	O803488	1 LT	DNB
Stewart, Joe	34341148	TEC 5	DNB
Sullivan, Warren W	O540256	2 LT	KIA
Vandergrift, A P., Jr	O381451	CAPT	DNB
Watkins, Edgar E	34139561	PFC	KIA
FORREST COUNTY			
Almy, Bertram S	35007205	PFC	DNB
Anderson, Chappell, Jr	34018733	TEC 5	KIA
Bedwell, Ernest P	14080567	CPL	DOW
Berry, Eugene	16001610	PFC	DNB
Black, Johnny S	20424983	PFC	DNB
Bradley, William E	O734182	2 LT	FOD
Branom, Buford E	O679328	1 LT	KIA
Breland, Kernis R	34939733	PVT	KIA
Brogan, William P	34276739	PFC	KIA
Brown, Lee	34347191	PVT	DNB
Bryant, Joseph W	34018617	S SG	KIA
Bustin, Nelson H	34478153	SGT	DOW
Butterworth, W. H., Jr	34349784	PVT	DOW
Carter, William A	34480227	PFC	KIA
Chancellor, Clifton E	34426156	SGT	KIA
Cranford, John M	7004281	CPL	KIA
Curry, Arthur J	34871705	PFC	KIA
Dearman, Loyal	34276649	PVT	KIA
Easterling, Earnest R	14130012	S SG	KIA
Edens, Woodrow W	O1644167	1 LT	DNB
Edwards, Farris E	34475339	PFC	KIA
Entrekin, Delma L	O413154	CAPT	KIA
Ergle, Edward O	34478232	S SG	M
Fairley, Clarence	34874793	PFC	DNB
Flack, Willie B	O746070	1 LT	KIA
Ford, Edsel H	34135413	S SG	DNB
Fountain, Zed D., Jr	O431413	CAPT	DNB
Gibbs, John L	O791204	CAPT	DNB
Gilliam, Howard A., Jr	O730453	2 LT	FOD
Gilmore, James H	14185681		KIA
Hagwood, Jewel W	6399026	PVT	KIA
Hallstrom, Lewis	34130744	PFC	DNB
Harvison, William C	6397020	PVT	KIA
Hathorne, Clyde	34279645	T SG	KIA
Herrington, Nolan	34018736	PVT	KIA
Hodges, Ralph W	14001974	PVT	DNB
Hurlbert, Murry L	O2054041	2 LT	DNB
Isbell, Charles K	34275478	TEC 4	DNB
Isenberg, Lawrence F	14034595	PVT	DNB
Jackson, James	34045181	PVT	DNB
Jackson, Leslie J	34626985	T SG	DOW
Jones, Fred M	34612116	SGT	KIA
Kennard, Herbert B	34276687	PFC	KIA
Knotts, Emery L	14071057	T SG	FOD
Lewis, Ross A	34814812	PVT	KIA
Linton, Pete	14151408	S SG	KIA
Lowery, Herman F	O021622	MAJ	FOD
Lowery, Leonard S	34926568	PVT	KIA
MacLeod, Robert C	O1280318	2 LT	DNB
Marshall, Albert W	34626984	TEC 4	KIA
Matheson, Duncan F., Jr	O427799	1 LT	DNB
Massey, George E	34925369	PVT	KIA
McCall, Harry M	14071264	PVT	FOD
McCardle, A. M	14097569	PFC	KIA
McLemore, Howard A	14130117	PFC	DNB
McNair, William L., Jr	34637807	TEC 5	KIA
McSwain, Rufus G	O836898	2 LT	KIA
Milsap, Pink NMI	34628572	PVT	KIA
Myers, Edgar	34279875	T SG	KIA
O'Neal, Wayne H	34913878	PFC	KIA
Overstreet, William A	34135423	PFC	DNB
Parker, John M	6399671	CPL	KIA
Pest, David	14130256	SGT	FOD
Pickett, James W	14010108	PVT	KIA
Rawls, Robert W	34276698	PVT	DOW
Richie, Herbert M	34914257	PFC	FOD
Riddle, Cleveland	34429522	PVT	DNB
Riley, Fred, Jr	34272909	PVT	KIA
Roberts, Clifton R	O1939877	2 LT	KIA
Rollins, William L	34871443	PVT	FOD
Rushing, Elmer L	34914223	PVT	DNB

UNIVERSITY OF MICHIGAN LIBRARIES

Name	Army serial No.	Grade	Type of casualty
FORREST COUNTY—con.			
Sanford, Nathan H	34273001	PFC	KIA
Scarborough, T. F	O734985	2 LT	KIA
Seckler, Morris S	42044414	PVT	DOW
Shumake, D. C	34632639	PFC	DNB
Slaton, Terrell C	O746446	1 LT	DNB
Smith, Luther P., Jr	O427778	1 LT	FOD
Spann, S. T	34279806	PFC	DNB
Spann, Fred	34488988	PVT	DNB
Spearman, Leo	34488921	S SG	DNB
Speede, Hayden B	14151378	SGT	FOD
Stinson, Robert H	14109610	AV C	DNB
Sullivan, James W	34474581	PVT	KIA
Taylor, Joe	14151721	T SG	FOD
Walker, Leo M. H	O395331	1 LT	DNB
Willington, Walter	34617814	PFC	DNB
Wilson, James R	14151123	SGT	DNB
Yount, Junius H	O2066095	2 LT	FOD
FRANKLIN COUNTY			
Abel, Hollis C	38451660	CPL	DNB
Arnold, Ase J	20462070	S SG	KIA
Arnold, James T	34421704	PVT	DNB
Bonds, Howard T	34272642	PVT	KIA
Bowman, Wesley H	34138533	PFC	KIA
Cameron, Acy	34046869	PVT	DNB
Clanton, Leroy	20462022	T SG	KIA
Cole, William K	34871118	PVT	KIA
Delaney, Robert H	34871141	PVT	KIA
Freeman, Percy F	34137139	TEC 4	DOW
Griffin, Givens	34870849	PVT	KIA
Hardin, James C	14151665	S SG	FOD
Hester, Billy	34925531	PFC	DNB
Hutto, Homer T	34138503	PFC	KIA
Lee Roy J	O522699	2 LT	DNB
McPhil, Tyree	34343926	SGT	DNB
Miller, Clyde L	14001716	T SG	DNB
Montgomery, Fred M. Jr	7002788	S SG	DNB
Nettles, Henry L., Jr	14016814	SGT	DNB
Pepper, James H	44045244	PFC	KIA
Posey, Marion	34138747	PVT	KIA
Prather, Pearlie W	O2023915	2 LT	DNB
Prather, Quitman D	34138517	TEC 4	KIA
Saxon, Rayford E	O1296751	1 LT	FOD
Smith, Fred L	34926044	PVT	KIA
Smith, George H	34636472	PVT	KIA
Stockstill, Robert W	7002659	S SG	FOD
Wells, George E	14097552	SGT	M
Wilkinson, Oscar H	O426964	CAPT	KIA
Wroten, Alton B	O718817	2 LT	FOD
GEORGE COUNTY			
Allman, Palmer	34345175	PFC	DNB
Bexley, William S	34876345	PVT	KIA
Blackston, Robert L	34019922	PVT	DNB
Carter, Dan W	34474654	S SG	KIA
Duke, Joseph L., Jr	14046288	S SG	FOD
Duncan, Jesse T	O662897	2 LT	FOD
Eubanks, John M	34612267	TEC 5	KIA
Gibson, Jack K	14054032	AV C	DNB
Graves, Lee G	14001362	PFC	KIA
Havard, Elbert A	34612409	PFC	DNB
Hinson, James B	34130733	PVT	DNB
Holland, Alvin D	34924662	PFC	KIA
Howell, Alton NMI	34988774	PFC	KIA
Howell, Daniel	34018815	PFC	DNB
Hyatt, Wyatt C	34138086	S SG	KIA
Ludgood, Elerie	34429695	PVT	DNB
McLain, William B	14131560	S SG	KIA
Miller, Lyman	34872140	PFC	KIA
Reeves, Ira J	34427942	PFC	KIA
Roberts, Leonard C	34137165	SGT	KIA
Slay, James C	34636650	PVT	KIA
Smith, William M	34474624	PVT	KIA
GREENE COUNTY			
Brewer, Talmadge	34872373	SGT	KIA
Byrd, Bruce B	34137147	TEC 5	KIA
Byrd, Jeff D	34138112	PFC	DOW
Byrd, Wilford H	14017375	PVT	KIA
Cooley, Autha	34136052	TEC 5	DNB
Crocker, Uriah L	34137170	PFC	DNB
Dunnam, Royce O	34637629	PVT	DNB
Dunnam, Victor H	34018778	PFC	KIA
Fairley, Vernon C	34872378	PVT	KIA
Hartzog, Woodrow	34421192	PVT	DNB
Harvison, Henry P	34872370	PFC	KIA
Helton, William	34276100	PFC	FOD
Hillman, Randolph R	34138110	PFC	KIA
Lambert, Thelbert D	34914279	PVT	KIA
Laton, Cyrus, Jr	34163566	SGT	KIA
McLeod, Robert W	34137338	PVT	DNB
Morris, William F	34480622	PVT	DNB
Neely, Jack	34421191	PFC	KIA
Roberts, William C	7007502	PVT	KIA
Smith, Dan D	34988553	PVT	FOD
Smith, Robert M	34273578	PVT	DNB
Trotter, Elizia	34484932	PVT	DNB
Williams, Jefferson F	34876297	PFC	DOW
GRENADA COUNTY			
Boone, Owen J	14171317	PVT	DNB
Brannon, Henry M	34479825	CPL	KIA
Brown, Warren C., Jr	34621087	TEC 5	DNB
Butler, Robert M	14033233	S SG	FOD
Carver, Jesse H	14159740	SGT	DNB
Clanton, Guy E	14006584	SGT	KIA
Clanton, Melvin H	34477129	PFC	KIA
Clogston, Vernon M	14161811	S SG	FOD
Clogston, William M	O1318516	2 LT	KIA
Collins, Diris E	34132542	PVT	DNB
Collins, John E	34476342	TEC 5	DNB
Corder, Raymond E	20424118	SGT	DNB
Delaney, Lee H	34134669	PVT	DNB
Edwards, John H	34633550	SGT	DNB
Gaines, Wilford O	14070254	S SG	DNB
Gammon, William R	14150921	T SG	KIA
Gerard, Gus	O431664	1 LT	KIA
Gray, Carl B	34479839	PFC	DOW
Gray, John W	34276845	PVT	KIA
Horn, Robert H	O812816	2 LT	DNB
Ingram, Rufus L	34428879	PFC	KIA
Lane, Hector D	20424102	AV C	DNB
Litten, Earl E	O750636	2 LT	DNB
Lockett, James R	O532570	2 LT	DNB
Loden, Eugene	34479826	PFC	KIA
McClure, Eugene F	15014696	PFC	KIA
Mitchell, Chester Q	34018590	TEC 5	KIA
Phillips, Edward L	14150888	S SG	FOD
Pittman, Paul	34274993	T SG	KIA
Proudfit, Richard D	14166848	S SG	KIA
Purdie, John B	14097264	PFC	KIA
Reed, Jimmie N	34958659	PVT	DNB
Schmitz, Evie	6379240	T SG	DNB
Smith, Ernest	34636919	PFC	KIA
Sullivan, William T	20424153	SGT	KIA
Tollison, Dorsey R	20424107	S SG	DNB
Turnace, Joseph W	34871794	CPL	FOD
Weissker, William L	14070304	S SC	FOD
White, John B	O677373	CAPT	KIA
Wilson, Milford W	34134287	T SG	KIA
Winters, Jimmie	34346611	PFC	DNB
Woods, Benjamin F	34876178	PFC	KIA
HANCOCK COUNTY			
Barnett, Thomas H	14006185	S SG	KIA
Baxter, Hermann M	O514472	1 LT	KIA
Belton, Curtis	14039927	TEC 5	DNB
Bermond, Eugene J	34636228	PFC	KIA
Besancon, Alfred F., Jr	34428148	PVT	KIA
Borchardt, Barvic V	34427062	TEC 4	DNB
Bourgeois, Elwood F	34134000	CPL	FOD
Carmichael, Mark B	34629908	SGT	KIA
Coe, James	38174992	PFC	KIA
Dedeaux, Elgin L	34018641	S SG	KIA
Depreo, Wallace A	34137213	PFC	KIA
Hines, James	34134673	PVT	DNB
La Fontaine, Russell	34275242	SGT	KIA
Lawton, Frank H	O000337	COL	DNB
Luc, Forest J	34477579	PFC	KIA
McCann, Robert D	T139587	FL O	DNB
Monti, Donald J	34636233	PVT	KIA
Necaise, Wilson L	14001925	PVT	DNB
Penton, Joseph M	34428038	PFC	DNB
Pollion, Henry C., Jr	34636353	PVT	KIA
Ponder, Wendell K	T061285	FL O	DNB
Ranson, Louis T	O1575089	2 LT	DNB
Smith, Hollice H	34428035	PVT	KIA
HARRISON COUNTY			
Anderson, William M	O789362	1 LT	KIA
Astor, George R	O1180108	2 LT	DNB
Ausmer, Curley J	34626994	PVT	KIA
Ayres, Edward	6970665	SGT	KIA
Balius, Clyde E	34988956	PFC	KIA
Bang, Merridth W	34480034	PVT	KIA
Bentley, Cornelios	34273607	SGT	KIA
Bernich, Oswald L	O663228	CAPT	DNB
Blacksher, David F., Jr	34276971	SGT	KIA
Bodoin, Rudolph	34272739	TEC 5	DNB
Boykins, Curtis	34424056	PFC	DNB
Boyle, Herbert L., Jr	38495767	PVT	KIA
Brooks, Robert L	34612249	T SG	KIA
Carpenter, Orrin O., Jr	O460400	2 LT	KIA
Carter, Woodrow W	34482417	PFC	KIA
Clark, William A	O532779	1 LT	KIA
Conn, Nathan Y	34625412	S SG	KIA
Cradit, Ralph H	6934650	PFC	KIA
Craig, William P	34138779	CPL	KIA
Cromeans, Allen V	34343133	TEC 5	KIA
Cuevas, Dennis D	34349862	PFC	KIA
Cuevas, Fellman C	34018789	TEC 4	KIA
Cuevas, Ruben J	14033086	SGT	KIA
Cuevas, Vearl E	34138063	PFC	KIA
Daly, Murray E	15334241	PFC	KIA
Davis, Edward B	34426170	PFC	DNB
De Silvey, Barnett J	34925466	PFC	KIA
Demetz, Charles F., Jr	34479404	PFC	DOW
Denning, David H	34870892	SGT	FOD
Diamond, James H	34872309	PVT	KIA
HARRISON COUNTY—con.			
Diaz, Edzard C	34018768	PFC	KIA
Dore, Whitney J	34623912	PFC	KIA
Duncan, Amos F	34420290	PVT	DNB
Entrekin, William L	14026035	SGT	KIA
Ervin, Harold W	O854304	1 LT	DNB
Etheridge, William N	34275911	PFC	KIA
Faison, Freddie	34429665	PFC	DNB
Fayard, David R	34480025	SGT	KIA
Furney, Orvel J	6926313	PVT	KIA
Gartman, Woodrow W	14040410	S SG	FOD
George, Horace A	34877404	PVT	DNB
Hanson, Milfred R	34637349	PFC	DNB
Herbert, Neville	6921318	PVT	DNB
Herrin, John P	34275365	CPL	KIA
Hewes, Charles D	O727460	CAPT	DOI
Hodge, Grover C., Jr	O789226	1 LT	DNB
Horn, James	34958702	TEC 5	DNB
House, Hopper	14022323	PVT	KIA
Hughes, Arthur, Jr	14150637	AV C	DNB
Hunter, David L	34636844	SGT	DNB
Husley, Frederick G	34427771	PFC	KIA
Hyott, Henry T	34982128	PVT	KIA
Isabelle, B. F., Jr	34629959	SGT	DOW
Jamison, Walter	34615246	PFC	DNB
Jarrell, Ofield	14016205	SGT	DNB
Joffrion, Paul T	44047924	PVT	DNB
Johnson, Gordon K	34624087	CPL	DNB
Johnson, James W	34273614	PVT	DNB
King, Willie E	34634761	PVT	KIA
Kotsakos C. G	O1010414	1 LT	KIA
Ladner, Andrew J	34133073	PVT	KIA
Ladner, Berlin J	34478266	SCT	KIA
Lang, Frederick A	34275916	S SG	KIA
Lebaron, Charles, Jr	O004058	MAJ	DNB
Longino, Dan R	O1315431	2 LT	KIA
Lund, William E., Jr	34924692	PVT	KIA
Lyons, Joseph T	O1172972	CAPT	KIA
Mallett, Alexander	34278985	PFC	DOW
Mathis, William D	34138077	PVT	KIA
McCall, Frederick C	O743053	1 LT	KIA
McElroy, Goodwin W	O1823752	1 LT	KIA
McHenry, Robert B	34421438	CPL	KIA
McIntosh, Jack I	34138008	PFC	KIA
McLemore, Edward	34927292	PVT	DNB
McMillan, Warren W	34636442	SGT	KIA
Mize, Ernest B	14053916	PVT	KIA
Moffett, Charles R	O850862	2 LT	DNB
Moran, Chester L	14039850	S SG	FOD
Moran, Jessie W	34278970	PVT	DNB
Morris, James D	34872295	PVT	DOW
Morse, Robert H	34870908	PVT	KIA
Murphy, Kenneth F	34872300	PFC	KIA
Moye, Lee A	34473072	SGT	DNB
Necaise, James C	14016438	1 SG	KIA
Newman, Claude	6249180	SGT	KIA
O'Donnell, Albert E	20464354	CPL	KIA
Padgett, Kearney W	34872294	CPL	DNB
Parnell, George W	34800450	PFC	DNB
Pearson, Bryan T	34612236	S SG	KIA
Pehrsson, Henry J	34426269	PFC	KIA
Reeves, Otts B	O659590	2 LT	FOD
Rich, Joe E	34272743	S SG	KIA
Richard, Everett C	34138062	PFC	DOW
Rishel, Harry F	34630971	SGT	KIA
Ross, Harry H	34636840	PFC	KIA
Rouse, Charles C	34876189	SGT	KIA
Rush, Wiley	20424059	PVT	DNB
Sablich, Julius J	34135501	SGT	KIA
Saucier, Charles R., Jr	34630978	TEC 5	DNB
Saucier, Murry	34429626	PVT	DNB
Saucier, Ward H	34133072	PVT	KIA
Seymour, Eurise A	7000567	S SG	DNB
Short, Julius A	34138436	PVT	KIA
Sietten, Glenn E	14075911	S SG	KIA
Songe, Paul A., Jr	34480027	PVT	DNB
Stisher, Ross A	34136212	PFC	KIA
Stockton, L. R., Jr	34875006	PFC	KIA
Suarez, Edward B., Jr	14184371	SGT	KIA
Swilley, Forest	14005736	PFC	DNB
Thomas, John H	11045761	CPL	DNB
Tinsley, Robert B., Jr	34928988	PVT	KIA
Towell, Horace G	14033356	S SG	KIA
West, John D	O816017	2 LT	KIA
West, Thomas W	34624473	S SG	DOW
White, John G	O826812	2 LT	DNB
Whitehead, Hubert W	34988949	PFC	KIA
Williams, Archie	34273463	TEC 4	KIA
Wilson, George E	34870907	SGT	KIA
Winstead, Rufus B	14013119	PVT	KIA
HINDS COUNTY			
Adams, James H	34138872	T SG	KIA
Allen, Ernest B., Jr	O1177264	1 LT	DOW
Allen, Paul H	34427055	PFC	KIA
Anderson, Robert	34341410	PVT	DNB
Baker, Elmer J	20462417	PVT	KIA
Baldwin, Marcus	34617623	PVT	DNB
Ball, James D., Jr	O425466	2 LT	KIA
Barber, Gus N	36976083	PVT	KIA
Bardwell, Godfrey L	34981635	PFC	KIA

Name	Army serial No.	Grade	Type of casualty
HINDS COUNTY—continued			
Barton, Graham J.	O272160	MAJ	DNB
Basye, Jasper F.	44046600	PVT	KIA
Beasley, Herman E.	14151017	S SG	KIA
Beaty, Charles E.	O634678	2 LT	FOD
Becker, Erle B.	14129907	SGT	FOD
Bedenfield, Ollie L.	34956260	PVT	DNB
Berry, John H. 3d	14016794	PVT	DNB
Bessonette, John I.	34611701	TEC 5	KIA
Birk, Richard O.	O515604	2 LT	DOW
Black, James B., Jr.	O793219	2 LT	DNB
Blalock, Robert L.	34136378	TEC 5	DNB
Boggan, Robert T.	O834731	2 LT	KIA
Bonner, Harold D.	34877056	PFC	KIA
Booth, Clifton J.	34276374	TEC 5	DNB
Boyd, Davis A.	6373406	S SG	DNB
Boyer, James C.	20462441	SGT	DOI
Bradley, Milton W.	34478954	S SG	KIA
Brame, Charlie C.	7002299	PVT	DNB
Brannan, Anthony N., Jr.	O435669	LT	KIA
Britt, George	O223349	MAJ	KIA
Brock, Daniel J., Jr.	14097687	T SG	KIA
Brown, Alvin	34617587	PVT	DNB
Brown, Daniel W.	O427639	CAPT	KIA
Brown, Henry, Jr.	34617630	TEC 3	DNB
Brumfield, Charles E.	O515049	2 LT	DNB
Burgess, Robert L.	34477727	T SG	KIA
Cambre, Emmett A.	20452669	S SG	DNB
Carlisle, Charles V.	14095066	PVT	DNB
Casey, James E.	O676547	2 LT	FOD
Cavett, Clinton M.	O822639	2 LT	KIA
Chinn, Otho	34133649	PFC	DNB
Coke, Lynn W.	34276404	PFC	KIA
Davis, George H.	O424252	CAPT	DNB
Davis, John Y.	T134650	FL O	DNB
Davis, Lloyd B.	14061150	AV C	DNB
Day, John W.	T224107	FL O	DNB
Deason, Archie L.	34631081	PVT	KIA
Dinkins, L. C.	34617756	PFC	DNB
Downie, Donald S., Jr.	34623423	SGT	KIA
Dukes, Harold C.	34477705	TEC 5	DOW
Dunn, Charles E.	14001770	PVT	KIA
Easley, Robert L.	34629212	PFC	DNB
Ellard, John A., Jr.	O413135	2 LT	DNB
Ellis, Samuel J.	6928386	SGT	KIA
Embry, Robert L., Jr.	O2057882	2 LT	KIA
Ephraim, Roscoe	34000770	PVT	DNB
Farmer, James M.	O763134	CAPT	DNB
Ferguson, Grady H., Jr.	34871606	PFC	KIA
Fields, John W.	34482228	PFC	KIA
Fife, Harry A.	14042448	PVT	DNB
Fisher, Charles J.	36186208	S SG	KIA
Floyd, Sam H.	34349573	SGT	DNB
Ford, Harvey R.	34134100	SGT	DNB
Forte, Thomas J.	34046992	S SG	KIA
Fortenberry, C. T.	34875784	CPL	DNB
Foster, Thomas J.	O758789	2 LT	FOD
Furlow, John H.	34823118	PVT	KIA
Garrard, Curtis F.	14061410	S SG	KIA
Garrison, William B.	34924882	PFC	DOW
Gary, Malcolm W.	O1290586	1 LT	DNB
Garry, Harry	34340255	TEC 5	DNB
Gaskew, Ezekiel	38524784	PVT	DNB
Gerrans, Alfred T.	14031406	PVT	DNB
Graves, William P.	14042034	S SG	DNB
Grayer, Albert	34481962	S SG	KIA
Greer, Roy, Jr.	34637012	PVT	KIA
Griffin, Albert	34617615	PVT	DNB
Griffin, Clarence	34270033	PVT	DNB
Griffing, Edgar H.	14023144	PFC	KIA
Hamilton, James E.	O1173267	2 LT	KIA
Harrell, Jack L.	14031036	PVT	KIA
Harris, Edgar P., Jr.	4095565	SGT	KIA
Hathaway, Willie B.	34926721	PVT	KIA
Hawkins, Charles G., Jr.	34130795	S SG	KIA
Hayes, Earnest P.	34345634	PVT	KIA
Head, Clayton L.	O429408	2 LT	DNB
Hemphill, Elbert L.	20463425	SGT	KIA
Henry, Justus R.	1593003	PVT	DNB
Hester, Harry E., Jr.	7009203	SGT	DNB
Hill, James C.	34876015	SGT	FOD
Hite, John P.	O448833	2 LT	FOD
Hitt, James H.	34477687	T SG	KIA
Hocutt, Willie H.	14130299	PVT	KIA
Hogue, Emmett F.	O789168	2 LT	DNB
Hollingsworth, C. L.	34474104	PFC	KIA
Holt, Jack	7009205	PFC	DNB
Holton, Harry H.	O438770	1 LT	DNB
Houston, Eddie J.	34480460	S SG	DNB
Hovious, Fred J.	O829274	2 LT	KIA
Howard, Calton O. W.	34482098	SGT	KIA
Hubbard, Sidney J.	19049414	TEC 5	DNB
James, W. J.	7009294	S SG	FOD
James, Ford B., Jr.	34138891	PVT	KIA
Jenkins, Lewis	34629091	TEC 4	DNB
Jiggitts, Louis M.	O267914	LT C	DNB
Johnson, Jesse L.	34870614	PVT	DOI
Johnson, Joseph	34621479	PFC	KIA
Jones, Mulford C.	34986814	SGT	KIA
Jones, Sidney L., Jr.	34636261	PVT	KIA
Jones, Wesley B.	34477751	PFC	KIA
Joseph, Mitchell	O685478	2 LT	DNB
Keary, Willard I.	O366461	1 LT	KIA
Keith, Julian D.	O1293420	2 LT	KIA
Kent, William A.	O000877	COL	DNB
HINDS COUNTY—continued			
Knott, Earnest L.	34477732	PVT	KIA
Lambert, Hugh C.	34623502	PFC	KIA
Lefler, John D., Jr.	14154933	PFC	DNB
Ledbetter, William A.	34276401	PVT	DNB
Lee, Will E.	20427815	PVT	KIA
Lessley, William M.	34614771	SGT	DNB
Lindigrin, John	7000893	TEC 5	DNB
Loflin, Harry C.	O809663	1 LT	FOD
Lott, Edgar G.	14080518	S SG	FOD
Lovelace, James L.	O758588	2 LT	KIA
Lutrick, George W.	34276427	TEC 4	DNB
Maloney, Daniel J.	14016861	S SG	DNB
Marble, Ernest C.	34477710	PFC	KIA
Marrin, James T., Jr.	O760884	1 LT	KIA
Martin, Delmas D., 8r.	34623416	SGT	FOD
Matlock, John D.	38463514	T SG	KIA
McClellan, James T.	O018612	MAJ	KIA
McInnis, Willie L.	34482185	PFC	KIA
McMillan, Robert L.	14154813	S SG	KIA
Middleton, Brown G., Jr.	O438261	CAPT	DNB
Miller, O. C.	34487523	PVT	DNB
Miller, Eugene	34133411	TEC 5	DNB
Miller, Joseph E.	O210975	MAJ	DNB
Mixon, George E.	T129171	FL O	KIA
Montgomery, Doyle R.	34343844	S SG	DNB
Morgan, Kenneth L.	20544885	S SG	DOW
Mosley, Will	34627288	PFC	DNB
Myers, Curtis H.	O805519	2 LT	DNB
Myers, Marvin	14070440	S SG	DNB
Newsome, Fred W.	6972533	PVT	DOW
Nihcoles, Eugene	34482188	PVT	DNB
Palmer, Jake	34487479	PVT	DNB
Parker, George P.	14167098	AV C	DNB
Parks, Donald F.	O515015	1 LT	DNB
Patton, Joseph B.	34045169	PVT	DNB
Pettus, Victor P.	34349698	PVT	KIA
Phillips, Edwin C.	O411406	CAPT	KIA
Pierce, Newton C.	34636142	PVT	FOD
Polk, L. W.	34630693	PVT	KIA
Price, William A.	6264471	PVT	KIA
Rand, Thomas H.	34134708	PFC	DNB
Randall, Robert	34341408	TEC 5	DNB
Reabold, Louis E.	14070241	S SC	FOD
Reed, Harold L.	34049041	S SG	KIA
Reed, Willie S., Jr.	O689272	2 LT	DNB
Rhodes, Hardie	34423942	PFC	KIA
Richard, Aubrey J.	O409830	CAPT	FOD
Robertson, George B.	O441271	1 LT	KIA
Robinson, Albert L.	34467443	PVT	DNB
Robinson, Thomas J.	34341377	PVT	DNB
Robinson, William	34621399	PVT	DNB
Rogers, George S.	34474119	SGT	KIA
Rose, Ben F., Jr.	7086343	PFC	FOD
San Antonio, Louis D.	14095548	T SG	DNB
Sandefur, Felix C.	14081091	SGT	KIA
Sauls, Joseph W.	14053914	PFC	KIA
Schimpf, Charles A.	14070143	T SG	DNB
Scott, Robert	34482222	PVT	DNB
Scott, Walter W.	O514482	CAPT	KIA
Sherwood, Ralph D., Jr.	O413172	CAPT	DNB
Shields, Douglas L.	14023775	PVT	KIA
Shivers, Otis L. C.	44047675	PFC	DNB
Slater, John F.	34477622	SGT	M
Smith, Jimmie	34621337	PVT	DNB
Smith, Monroe P., Jr.	O437046	1 LT	FOD
Smith, Robert L.	14129078	S SG	DNB
Smith, Sylvester T.	38172501	TEC 5	DOW
Smith, Vernon H.	O807332	1 LT	DNB
Spangler, Barney L.	34637669	PVT	DOW
Spencer, Vernon C.	O1017208	1 LT	KIA
Stevens, Eugene	O729377	1 LT	DNB
Stribling, Rudolph	O1297114	1 LT	KIA
Stubblefield, John S.	O833622	2 LT	DNB
Sykes, Benjamin L.	14042170	AV C	DNB
Tatum, Solimon	34954191	PVT	DNB
Thomas, Joe	34270452	PFC	KIA
Thomas, Robert	34879375	PVT	DNB
Thompson, Rochester C.	O433263	CAPT	DNB
Thornton, Lee R.	34914748	PFC	KIA
Tompkins, Owen S.	34427095	TEC 5	DOW
Truitt, Paul E.	20461700	PVT	DNB
Varner, Robert E.	34925278	PFC	KIA
Varner, Robert F.	34637688	SGT	KIA
Walker, Albert J.	34481974	S SG	DOW
Walrod, Leon E., Jr.	7009314	PVT	DNB
Walton, Floyd B.	34138898	TEC 5	KIA
Ward, Johnnie F.	14042478	S SG	DOI
Ward, Lysanders	34019866	PVT	DNB
Watson, Earnest H.	14017071	SGT	DNB
Watson, Leroy	34046985	PVT	DOW
Waugh, Richard R.	O020124	COL	DNB
Weaver, John M.	O1290967	CAPT	M
Weems, David W.	34427003	CPL	DNB
White, Harry E.	O351607	CAPT	DNB
White, Herman	34423849	PFC	DNB
White, Rufus C.	34637631	S SG	KIA
White, Thomas A.	14023507	PVT	DNB
Whitney, Russell T.	34625977	TEC 5	DNB
Williams, F. E., Jr.	14060887	PVT	DNB
Williams, Columbus	34274105	TEC 5	DNB
Williams, Daniel T.	14054073	S SG	FOD
Williams, Herman	34470976	PFC	DNB
Williams, Robert L.	34423870	PVT	DNB
Williams, Tommie	34340365	TEC 5	DNB
Wiltshire, Julius L.	34924878	PVT	KIA
HINDS COUNTY—continued			
Wyatt, Jesse A.	T061851	FL O	FOD
Yarbrough, John F.	O1300901	1 LT	KIA
Yates, Jerome B.	O801356	1 LT	FOD
Zieprecht, Carl R.	14169428	PVT	DNB
HOLMES COUNTY			
Abram, Clarence	34472119	TEC 5	KIA
Andrews, Julius M.	34428167	PVT	KIA
Arnold, Ellis F.	O411911	MAJ	FOD
Ash, Clenmore M.	O885679	2 LT	FOD
Batie, James	34618265	PFC	DNB
Bishop, Delma A.	34637073	PVT	KIA
Boulton, George	34484579	PVT	DNB
Brister, Thomas H., Jr.	14042483	CPL	DOI
Burrell, James A.	34634706	PVT	KIA
Byrd, Sam H., Jr.	34481839	PVT	DOW
Casteel, Myron A.	34614984	SGT	FOD
Craft, John W.	O1314761	2 LT	DOW
Dale, Jerry L.	34621012	PFC	DNB
Davis, Clarence W.	34477643	PVT	DNB
Dixon, Robert	34481844	PVT	FOD
Ellard, Rupert H.	14185540	PVT	DNB
Hooker, Nathan B.	O441262	1 LT	KIA
Howard, James	34616426	PVT	DNB
James, Lessie B.	34483704	PVT	DNB
Johnson, Cecil E.	34473677	S SG	KIA
Lehman, James B.	34872323	PVT	KIA
Lundy, William V., Jr.	14023494	PVT	KIA
Martin, William A.	34474744	TEC 5	KIA
Moses, Thurman	20424408	CPL	DNB
Parker, Robert M.	14172043	PFC	KIA
Pickett, Wesley	34481885	PVT	KIA
Poole, William A.	O789500	1 LT	KIA
Pulliam, Ralph C.	34637077	PVT	KIA
Rogers, Warren C.	34926494	PFC	DOW
Shurids, Henry W., Jr.	O432240	MAJ	KIA
Smith, Teddy A.	O661039	1 LT	FOD
Stewart, James B.	20424419	PFC	DOW
Strong, Jep, Jr.	34276171	PFC	KIA
Taylor, Gilbert L.	34425058	PVT	DNB
Thurman, Willie	34425006	PVT	DNB
Tidwell, James T.	14016875	PFC	DOW
Ware, Walter L.	34876185	PVT	KIA
Warren, Willie	34049370	PFC	KIA
Watkins, William J.	34349 37	T SG	KIA
Williams, Charlie	14070851	PVT	KIA
Williams John S.	34472053	PVT	DOW
Williams, Nathan O.	34875161	PVT	DNB
Young, Foter J.	34471986	PVT	DNB
Young, William H.	14095357	AV C	DNB
HUMPHREYS COUNTY			
Blount, Edward H.	14061377	S SG	KIA
Carter, Spiva T.	O789046	2 LT	DNB
Childress, James C.	34477241	CPL	KIA
Childs, Sam B.	34914796	PFC	KIA
Cobbin, Alex	34615899	PFC	DNB
Compton, William E.	34871878	PFC	KIA
Covington, Willie	34485940	PFC	KIA
Berry, Robert L.	34340387	PVT	DNB
Fielder, Clifford	14097434	SGT	KIA
Franklin, Ike	6373003	M SG	DNB
Hales, James F.	44048074	PVT	KIA
Hawkins, Charlie	34348007	S SG	DNB
Hicks, Willie	34019966	PVT	DNB
Koke, James B.	14031074	SGT	KIA
Holton, Luther G.	34020372	PFC	DNB
Hulett, Lester R.	36222361	PFC	KIA
Irving, Wellington G.	O817589	2 LT	KIA
Lewis, Charles T.	34876745	PVT	KIA
Long, James W.	O1823173	1 LT	KIA
Marshall, James M.	34048047	SGT	DNB
McMaster, William H.	34477207	SGT	KIA
Nelson, Hollis L.	34477215	TEC 4	KIA
Nunn, Will, Jr.	34133534	CPL	DNB
Parker, Thomas E.	14023891	PFC	DOW
Petty, Luther P.	34136511	PFC	DNB
Polk, James E.	14042740	SGT	KIA
Richardson, Robert	34473917	PFC	KIA
Smith, Ass	34481464	SGT	KIA
Stanford, John H.	34627690	PVT	DNB
Tanner, Charles D.	14042739	SGT	KIA
Thaxton, Barney E.	14016785	T SG	KIA
Thomas, Willie J.	34342457	PVT	DNB
Thornton, Willie	34019962	CPL	DNB
Tirey, Henry M.	34133171	CPL	KIA
Towry, Billy	34840238	PFC	DOW
Vincent, Fred	34049153	S SG	KIA
Wampler, Joseph W.	6970962	S SG	DNB
Washington, Solomon	34481499	PVT	DNB
Welch, George H.	34630916	PVT	KIA
Williams, Willie	34625852	PFC	DNB
Wise, Fred F.	34611433	PVT	DOW
Wright, Sam	34048486	PVT	DNB
ISSAQUENA COUNTY			
Allen, John K.	O659509	1 LT	KIA
Barrett, Gilbert L.	34928337	PFC	KIA
Blackley, Ben	34427022	PFC	KIA
Huntley, Robert NMI.	34482753	SGT	KIA
Kinkead, Bertran	14031071	PFC	KIA

UNIVERSITY OF MICHIGAN LIBRARIES

Name	Army serial No.	Grade	Type of casualty
ISSAQUENA COUNTY—con.			
Noble, Walter	34627945	PVT	DNB
Vertison, Willie	34046295	PFC	DNB
ITAWAMBA COUNTY			
Barber, Roy D	14040228	T SG	KIA
Baxter, Fletcher C	34426771	PFC	KIA
Bean, Joe M	34872086	PVT	KIA
Bean, Tyson C	O1321009	2 LT	KIA
Benson, Arlander F	34426733	PVT	KIA
Burdine, Earnest C	34926834	PFC	KIA
Chamblee, James C	34343159	CPL	KIA
Chamblee, Marcus E	34631122	PVT	FOD
Evans, Thomas J., Jr	34279624	SGT	KIA
Gentry, Hershel E	34426727	PVT	KIA
Gregory, Harlon	34133900	PVT	DNB
Hale, Olen J	34426772	PFC	KIA
Hargett, Tearsie E	14092645	PFC	FOD
Harper, Andrew W	34651361	S SG	KIA
Jackson, Zelmer L	34426745	PFC	KIA
Kuykendall, John L	34426749	PFC	KIA
Lane, John E	34129297	PFC	KIA
Lawhorn, Milton	34627971	PVT	DNB
Lindsey, Charles D	14016156	PFC	DOW
Loden, Arlin D	34875116	PVT	KIA
Loden, Nim R	34876960	PVT	KIA
McCauley, James H	14033609	PVT	DNB
Moore, Albert G., Jr	34478000	PVT	DOW
Moses, Tulon L	34631147	PVT	KIA
Newell, Ottis O	34343122	S SG	KIA
Pannell, Prentiss A	34348827	PVT	KIA
Pearce, Iren R	34474369	S SG	FOD
Pierce, Cloyce D	34426812	PFC	M
Pierce, Wayne A	34478028	TEC 5	DNI
Prestage, Stencil R	34624581	PVT	KIA
Reese, Curtis A	O732660	1 LT	KIA
Rodgers, Casey J	O1017756	2 LT	KIA
Roge.s, Melvin	34624584	PVT	KIA
Stegall, Samuel B	34925950	PVT	KIA
Strickland, John J	34871091	PFC	KIA
Tucker, James C	34629691	PFC	KIA
Umfress, Cecil V	34939902	PFC	KIA
Underwood, Ray C	6930012	PVT	DNB
Wallace, Troy L	34343123	PFC	DOW
Wheeler, Paul R	34426781	PFC	KIA
Wheeler, Wiley B	34426737	PFC	KIA
Wiginton, B. D	6283571	PFC	KIA
Wijgul, John G	34924673	PVT	DOW
Wood, John R	14130196	S SG	KIA
Yielding, Aron	44046598	PVT	KIA
JACKSON COUNTY			
Abbott, Thomas J	34732145	PFC	DNB
Anderson, Clarence J	34835857	PVT	KIA
Arnold, William H	O454467	1 LT	FOD
Bailey, Louie E	34872935	PVT	KIA
Barnes, Elbert R	14138706	SGT	DNB
Boyt, Dennie S	38524722	PVT	FOD
Bragg, William R	34049147	SGT	KIA
Brock, Rayford J	34473478	PVT	KIA
Butts, Willis E	38520214	PFC	KIA
Byrd, Robert S	34986823	PFC	KIA
Christie, James R	O523117	2 LT	DNB
Clark, Charles O	34486297	PVT	DNB
Cook, Frederick W., Jr	7009177	SGT	DNB
Collins, William S	34611641	TEC 5	DOW
Cowart, Ellis E	34625635	TEC 5	KIA
Cunningham, Alvy L	44047592	PVT	KIA
Curry, John M	W2101050	WOJG	DNB
Davis, Wilson W	34625685	PVT	DNB
Eckhoff, Kenneth A	34625674	PFC	KIA
Farrar, Willard	O269212	MAJ	DNB
Ford, William H	44047595	PVT	KIA
Frazier, Homer W	6394959	CPL	DNB
Furby, Lewis H	34872953	PFC	KIA
Graves, John M	34914044	PVT	DOW
Harrell, Redus W	6971071	S SG	FOD
Hastings, Earl F	T121590	FL O	DNB
Haygood, Robert H	34877279	PVT	KIA
Hinson, Ted B	34872962	PFC	KIA
Hunt, Arthur B., Jr	O547379	2 LT	KIA
Jones, Dempsey L	34424043	T SG	DNB
Jones, Glenn	34630867	PVT	KIA
Kirkwood, Noble S	34795508	CPL	KIA
Labbous, John E	34638457	PVT	DOW
Leddy, Irving	7086417	PVT	DNB
Lewis, Mervin H	34137299	TEC 5	KIA
Lytle, Harry L., Jr	36985454	PFC	KIA
McKewen, John W., Jr	O673084	2 LT	KIA
Middleton, A. S., Jr	O1587463	2 LT	KIA
Mizelle, Houston J	34476974	PFC	KIA
Moe, William E	34477079	PFC	KIA
Moore, George M	34478841	TEC 5	KIA
Murphy, Clifford W	34612484	PVT	DNB
Murrah, J. D	34637105	PVT	KIA
Ory, Robert C	14026151	PVT	KIA
Raines, Alex H	34637472	PVT	KIA
Reed, Leonard W	6386188	SGT	KIA
Rhodes, John A	34634277	TEC 4	DNB
Robertson, George B	O441271	1 LT	KIA
Runey, Thomas	725843	T SG	DNB
Seymour, Mark	34926351	PVT	KIA
Stauter, Herman L	34612488	S SG	FOD
Steinhurst, F. D	37673688	PFC	KIA
Stewart, Lawrence J	34876631	PFC	KIA
Taylor, Roy G	6967454	SGT	KIA
JACKSON COUNTY—con.			
Waites, Ira	O249128	1 LT	DNB
Waltman, Arthur R	14163568	CPL	KIA
Wicks, Alonzo R	O418485	2 LT	DNB
Wilcox, Harry B., Jr	O681955	2 LT	KIA
Williams, Clifton M	O823499	1 LT	KIA
Wright, Edgar B	O789426	1 LT	DNB
Yon, Frederick, Jr	34624388	PFC	KIA
JASPER COUNTY			
Barnett, John S	34489691	PVT	DNB
Boyd, Freeman	14016367	PVT	DNB
Eubanks, A. B	34635535	PVT	KIA
Germany, Joseph R	34990173	PFC	KIA
Harris, Audrey F	34613797	PFC	KIA
Ishee, Welton C	34613761	PFC	DNB
Knotts, L. V	34631664	PVT	DOW
Lewis, Harston	34276306	PFC	DOW
Long, Denson	34425422	PFC	KIA
Lovett, Wilbur R	34637339	PVT	KIA
Lovitt, Charles M., Jr	34939884	PVT	KIA
Malone, Willis H	34138560	S SG	KIA
Matthews, Basil U	6371170	PFC	DNB
McBay, James D	34989054	PFC	KIA
McCarty, Frank F	O1695723	2 LT	KIA
McCarty, Walter V	14039796	M SG	DNB
McCurdy, Victor	34277879	SGT	DNB
McDonald, Orie E	34489851	PVT	DNB
Moore, Stafford E., Jr	34137429	SGT	DNB
Morgan, James L	34989056	PFC	KIA
Odom, James R	34874721	PVT	FOD
Perkins, Robert A. Z	14010083	S SG	DOW
Prescott, N. L	3480416	PFC	DNB
Price, Jesse J	34480414	PVT	DOW
Ratcliffe, Osie	34955631	TEC 5	DNB
Rogers, Ernest E	14033494	CPL	DNB
Sims, James H	34619580	PFC	DNB
Spires, Clarence	34624125	PFC	KIA
Stewart, Lawson	34425408	S SG	KIA
Stringer, Roland	34276260	SGT	KIA
Thigpen, Joseph W	34630335	PFC	KIA
Thornton, Kelly D	34625533	PFC	KIA
Upton, J. C., Jr	34637425	PFC	DNB
Walley, James V	34480427	S SG	FOD
Wheaton, T. J	34627283	PVT	DNB
JEFFERSON COUNTY			
Abbott, Ishmael L	O1296626	2 LT	DNB
Beard, Arthur C., Jr	34631247	PVT	KIA
Beard, Jacob C	34130647	SGT	KIA
Brown, Pearlie	34982420	CPL	KIA
Carter, Isaac R	34628091	PVT	DNB
Evans, Harold H	6658736	S SG	DOW
Fountain, Sidney B	34873094	PVT	DNB
Halford, James S	34134223	TEC 5	DNB
Hampton, John H	34340329	PVT	KIA
Humphrey, Henry S	34989538	PVT	KIA
Hyatt, Hub G	O2005495	2 LT	KIA
O'Neal, Percy E	34928272	PVT	KIA
Pritchard, George R	O433393	2 LT	DNB
Mare, Willie	34470760	PVT	KIA
Wilkinson, John F	34276201	TEC 5	KIA
Williams, L. C	34489203	PVT	DNB
JEFFERSON DAVIS COUNTY			
Applewhite, M. L	34628013	CPL	DNB
Broome, Garland R	34623016	SGT	KIA
Bullock, Victor E	34345242	S SG	KIA
Burkett, William E	34981080	PVT	KIA
Hathorn, Sam B	6399956	S SG	DNB
Jones, R. C., Jr	O824638	2 LT	DNB
Livingston, Louise E	14194330	PVT	KIA
MacIntosh, Irving J	39726479	CPL	KIA
Reddoch, Gerald C	34275829	PVT	DNB
JONES COUNTY			
Ainsworth, Albert B	34874914	PFC	KIA
Boatwright, Wayman	34437945	PVT	DNB
Boler, William W	14042473	PVT	KIA
Bonner, Richard E	34480312	PFC	KIA
Box, Simeon A	O472796	1 LT	DOW
Brinson, W. C	34279415	PVT	KIA
Busby, Martin	20463670	PFC	KIA
Bush, Glenn R	34344955	SGT	DNB
Butler, Simp	34137360	PFC	KIA
Byrd, Wilburn I	34926330	SGT	KIA
Carney, Atha L	34480354	PFC	DOW
Clark, Virgil	34342965	PFC	KIA
Cochran, Wilson H	34420565	PVT	KIA
Collins, Wilbur H	O815080	2 LT	KIA
Cooley, James L	34474530	PVT	KIA
Creel, Lonie	34620993	PVT	DNB
Crumbley, Woodrow L	20463680	T SG	KIA
Davis, Charles W	34637578	SGT	KIA
Doolittle, Clinton L	O659362	2 LT	FOD
Duckworth, Garvice R	14046012	1 SG	DOW
Edwards, Henry H	34421130	PFC	KIA
Eley, Rufus N	34637462	PFC	KIA
English, Ray J	O1311871	2 LT	KIA
Flynt, John C	34981017	PVT	DNB
Funchess, Roy S., Jr	34130858	T SG	DNB
Garrett, Dwight	34926332	PVT	KIA
Glisson, Lyndell A	N790185	2 LT	DNB
Grant, Willie R	14071110	PVT	KIA
JONES COUNTY—continued			
Graves, Hubert L., Jr	44046875	PVT	KIA
Hanna, Ivah E	34130857	PFC	KIA
Harrison, James M	O1541695	2 LT	KIA
Harry, Rossie	34870277	PVT	DNB
Hartman, Henry E	34871267	PVT	KIA
Holifield, Ray C	14080529	TEC 5	DNB
Holmes, Elijah L	34483317	TEC 5	KIA
Houston, Earl L	O809002	2 LT	DNB
Howze, David J	34429547	PVT	DNB
Ivy, Cleamey L	34279407	TEC 4	DNB
Jefcoat, Billie D	34874922	PVT	KIA
Johnson, O. D	34624354	PVT	KIA
Jones, Henry E., Jr	14192705	SGT	KIA
Joseph, Herbert	O1327850	2 LT	KIA
Kethley, Bryan L., Jr	O446451	1 LT	KIA
King, Jack R	34138121	PFC	KIA
Lee, Roy	34138125	S SG	KIA
Mann, Jack E	O1305806	2 LT	DOW
Maxey, J. H	O690694	2 LT	KIA
McAndrew, Chelous A	34427917	PFC	KIA
McBride, Jasper A	34349802	PVT	DOW
McDaniel, Jewel J	34635466	PVT	DOW
McMillan, Shermon	34626792	CPL	KIA
Nicholson, Alex B	34478325	PFC	KIA
Pelman, Robert	34623860	S SG	DNB
Phillips, Ernest M	T061526	FL O	KIA
Phillips, James C	14040232	CPL	KIA
Reeves, Melton M	O443067	2 LT	FOD
Sampson, Morgan	34429558	TEC 5	DNB
Schneider, Bernard N	38171262	CPL	KIA
Sellers, Callis W	34018955	PFC	KIA
Sellers, William T	34637300	PVT	KIA
Shows, Ruel C	O430624	2 LT	DNB
Smith, Daniel R	14079844	SGT	KIA
Smith, John W	14079611	T SG	DNB
Sommers, Douglas T	O750707	2 LT	KIA
Stewart, Monroe	14053830	CPL	DNB
Strausberger, Elmer J	34480327	S SG	FOD
Strickland, Stanley L	34480424	PFC	KIA
Stringer, Paul B	34426254	PFC	KIA
Taylor, Dock M., Jr	6378094	SGT	DNB
Taylor, William C	34426265	SGT	KIA
Thigpen, Joseph L., Jr	34623864	SGT	KIA
Tisdale, Howard C	6930309	S SG	KIA
Traweek, Joseph C., Jr	O1303995	1 LT	DOW
Turner, Aubrey	O818052	2 LT	KIA
Ulmer, Ozell	34349821	PVT	DNB
Wade, Charles C	34874945	PVT	DOW
Walley, Joseph W	34136225	S SG	KIA
Walley, William E	34426238	PFC	DNB
Walters, Harold C	6249090	T SG	DNB
Walters, Thomas M	34275791	SGT	KIA
Wilder, William T	20425487	TEC 3	KIA
Wright, William E	34874821	CPL	M
Yarbrough, Jack E	34950410	PFC	KIA
Yelverton, Billy H	34924841	PFC	KIA
KEMPER COUNTY			
Bailey, Ralph D	34278304	PVT	DOW
Branning, Samuel A	34982223	PVT	KIA
Brown, Obie	34481599	PFC	DNB
Creekmore, Virgil M	O426687	CAPT	DNB
Dees, Bobby	6392675	S SG	KIA
Galloway, Orin L	34278299	PFC	KIA
Gibson, Olen	34982225	PVT	DNB
Gossard, J. E., Jr	7002430	PFC	KIA
Grant, Matthew F	34625930	PVT	DNB
Green, Travis	34925729	PVT	KIA
Hardy, Talmadge E	14039608	SGT	DNB
Harry, Luther M	O754503	2 LT	FOD
Hibbler, Motie	34481559	PFC	DNB
Hurtt, Thomas E	14016297	PVT	KIA
Johnson, Fred O	34131647	PVT	KIA
Landrum, Melvin L	34927021	PVT	DNB
Madison, Kellis L	34134314	T SG	KIA
Mayfield, Louis A	34102779	TEC 5	DOW
McDade, George W., Jr	14041563	PFC	DNB
McKelvaine, Will C	34476727	PFC	DNB
Parker, James G	34634951	PVT	KIA
Powe, Collin	34347059	PVT	DNB
Rencher, Curtis C	36703407	PVT	KIA
Robinson, Henry C	34611411	PFC	KIA
Seales, William H	34633534	PVT	DNB
Shows, Stonewall J	O535038	2 LT	KIA
Skipper, Leslie O	O442292	CAPT	DNB
Smith, Hiram E	O2072896	2 LT	KIA
Smith, Roy L	6373805	S SG	DNB
Stewart, Leanard	34481507	PFC	KIA
Wiggins, Thomas W	7006655	PVT	KIA
Williams, Walter	34635091	TEC 5	DNB
Wilson, Rex	O681268	1 LT	DNB
LAFAYETTE COUNTY			
Althage, Alvin T	37636835	PVT	KIA
Barnes, James E	34635044	PFC	DNB
Barr, John W	34486892	PFC	DNB
Blair, Homer L	34130648	S SG	KIA
Blount, James G	34426535	TEC 5	KIA
Boston, Walter F	34471861	PVT	DNB
Carter, Jack	O792518	1 LT	KIA
Cater, Wilson C	O789685	2 LT	DNB
Correthers, Grady	34481695	CPL	DNB
Crowe, James L	34473772	S SG	KIA
Douglass, Walter N	34624544	S SG	DNB
Duke, Andrew K	O736157	2 LT	DNB

Name	Army serial No.	Grade	Type of casualty
LAFAYETTE COUNTY—con.			
Gay, William H.	34426537	PFC	KIA
Hamilton, Thomas E.	34426522	PFC	KIA
Harding, Harry H.	34631706	PVT	KIA
Harris, Jewel J.	34348821	TEC 4	KIA
Hawkins, Jesse M.	34631599	PVT	FOD
Hedleston, Asa A.	O682636	2 LT	DNB
Hellums, Judge C.	34048072	CPL	KIA
Hill, James T.	O789016	1 LT	KIA
Hipp, Dennis M.	34925871	PVT	KIA
Ivy, Jessie E.	34421023	PFC	KIA
Johnson, James W.	34477337	PFC	KIA
Keel, James C.	34473793	PVT	KIA
Mitchell, William E.	34631710	PFC	KIA
Nelson, James J.	34421032	PFC	KIA
Nicholas, Robert L.	34345781	CPL	DNB
Orange, Jessie C.	44048204	PFC	DNB
Phillips, John L.	34426521	S SG	DNB
Rushing, William E.	34426542	CPL	DOW
Sartor, Charles D.	34477315	CPL	DNB
Shaw, John W.	34925906	PFC	KIA
Shepherd, Emitt V.	34134156	PFC	KIA
Simmons, Walter L.	34423687	PFC	DNB
Smith, John D.	34473731	PVT	DNB
Sullender, John L.	34134157	PVT	KIA
Thompson, Robert.	34486927	TEC 4	DNB
Tinsley, Roger L.	O539316	2 LT	DOW
Turner, Herbert S.	34473758	PFC	KIA
Watts, Ted L.	34477444	PFC	KIA
Webster, James P.	O1580481	1 LT	DNB
White, Charles P.	14118853	S SG	KIA
Whitmire, Solon W.	34 23806	PVT	KIA
Williams, Charles P.	36796816	PVT	DNB
Wilson, James S.	34635937	TEC 5	DNB
Wood, Robert.	34914553	PFC	KIA
LAMAR COUNT.			
Allgood, Earl B.	34274947	PFC	KIA
Avery, Louis E.	34925173	S SG	DOW
Baker, Lowell F.	O306668	1 LT	KIA
Beall, George B.	34480640	PFC	KIA
Bishop, Faxon B.	34276740	1 SG	DNB
Breland, Edward, Jr.	14151570	PFC	DNB
Brown, Robert.	34138433	PVT	DNB
Cameron, Clenton.	34427469	PVT	KIA
Cameron, Wilmer L.	34138938	S SG	KIA
Cinn, Ray.	34939937	PFC	DNB
Conner, Joe C.	34958821	TEC 4	DNB
Davis, Stephen H.	34476182	PFC	KIA
Dickens, Leon H.	34421627	PVT	KIA
Drennan, Howard.	44045131	PFC	KIA
Fairley, Theodore.	44140672	PVT	DNB
Goar, Martin L.	34279384	PFC	KIA
Goar, Quitman.	34875425	PFC	KIA
Graham, Jessie M., Jr.	14010105	PFC	DNB
Graves, Henry E.	34925174	PFC	DOW
Haden, Carl E.	34019004	PFC	DOW
Herrin, Douglas A.	O820747	1 LT	KIA
Herrin, Richard A.	34019005	PFC	DOW
Herring, James B.	14054293	S SG	DNB
Johnson, Hubert A.	34612083	SGT	DNB
Keith, Lewis H.	34272902	PVT	DOW
McBryde, Toxey H.	O661111	1 LT	DNB
McConner, Joe C.	34958821	TEC 4	DNB
McDowell, Ira P.	O1176128	1 LT	KIA
Nobles, Loyd W.	14017070	PFC	KIA
Pace, Aulton.	6399690	PFC	KIA
Palmer, Clarence B.	O672660	2 LT	KIA
Robertson, Cassie R.	34873983	PFC	FOD
Saucier, Thomas W.	14102566	T SG	KIA
Sellers, Burton.	6922714	PFC	KIA
Smith, James E.	34276663	PFC	DOW
Sumrall, Troy H.	O1175876	1 LT	KIA
Taylor, Robert E.	14033787	PVT	FOD
Thompson, David L.	34612081	CPL	DNB
Waits, Homer V., Jr.	O680126	2 LT	DNB
Woodard, James.	34427474	PVT	KIA
LAUDERDALE COUNTY			
Allan, James E.	6366727	T SG	FOD
Anthony, Lewis.	34424086	PFC	DNB
Barker, Lawrence W.	6392672	S SG	DNB
Bonner, George W.	14011124	T SG	DOW
Breyer, Alexander R.	14079292	SGT	FOD
Brown, Edward C.	34139203	T SG	FOD
Burns, Clifton.	34488448	PFC	DNB
Burns, Lethaniel.	34488309	PVT	DNB
Busby, Henry M.	34928430	PVT	KIA
Cook, Charlie G.	20452091	S SG	KIA
Creed, Robert W.	7000765	S SG	KIA
Culpepper, Acie E.	34344279	PFC	DNB
Culpepper, Otis.	34875355	PVT	KIA
Cunningham, Harold R.	O661593	1 LT	FOD
Curry, William G.	34474904	PFC	KIA
Dantzler, Eddie.	34270209	PVT	DNB
Dewease, Willie R.	14151673	PVT	KIA
Dewees, Cecil D.	O789889	2 LT	KIA
Donald, Arvell.	34617732	PVT	DNB
Emmons, Rufus.	20452188	S SG	KIA
Eubanks, Cecil C.	20452102	SGT	DNB
Farrow, William T.	6921371	PFC	DNB
Fitts, Frank H.	34632127	PVT	KIA
Frazier, Calvin M., Jr.	34926583	PVT	KIA
Frazier, William C.	34427255	PFC	DNB
Fuller, Herman R.	34139200	PVT	KIA
Green, Earl T.	O659808	2 LT	FOD
LAUDERDALE COUNTY—con.			
Gunn, Charles G.	14156515	SGT	KIA
Haaf, Richard S.	34275521	S SG	KIA
Hand, Victor G.	19093161	SGT	FOD
Hardy, Robert M.	34424192	PFC	DNB
Harrington, Joseph L.	O793331	2 LT	DNB
Harris, Lee M., Jr.	O1045806	1 LT	KIA
Hasson, Robert F.	34630558	CPL	KIA
Hawkins, Raymond E.	34926567	PFC	KIA
Hemming, Alva E., Jr.	O328277	MAJ	DNB
Hill, Shirley K.	6399762	CPL	KIA
Hinson, Noel E.	6378211	SGT	DNB
Hogue, William L.	34626992	PVT	KIA
Hopkins, Leroy.	34958148	PFC	DNB
Hopson, Willie.	14097321	PFC	DNB
Irby, Maurice J.	34343934	TEC 5	DNB
Irby, Ray.	34474811	PFC	DOW
Jenkins, Robert E.	34988990	PFC	KIA
Jones, Edward L.	34635726	S SG	KIA
Jones, James R.	O811091	2 LT	KIA
Jordan, Lewis R.	34427417	PVT	DNB
Kennard, Thomas R.	20424517	PVT	KIA
Kennedy, John H.	T003944	FL O	KIA
Kitchens, Frederick W.	34630160	PVT	DNB
Knight, Joseph E.	34914239	PFC	DOW
Knight, Willie.	34633880	PVT	DNB
Lockard, Edward D.	O441264	1 LT	KIA
Long, Willie J.	34871021	PVT	KIA
Lyle, Lloyd L.	34635571	CPL	DNB
Magee Sceal.	34926302	PVT	KIA
Martin, Bryan C.	34624890	PFC	KIA
Marzette, Edwin E.	14054479	PVT	DNB
McDonald, Lee J.	6399890	S SG	KIA
McElroy, Charles D.	34478402	SGT	KIA
McLemore, Theodore J.	34924928	PFC	DOW
McMullen, Leo B.	34276816	PFC	DOW
Minniece, John G., Jr.	O017532	LT C	DOW
Moon, Clifford J.	O1307055	1 LT	KIA
Morris, James H.	34882020	PVT	KIA
Moss, Charles M.	6925384	T SG	FOD
Nealy, Joe H.	34018982	PVT	KIA
Nealy, Mack H.	7002630	T SG	KIA
Nelson, Augustus J.	O811236	1 LT	FOD
Null, Harold D.	34130049	CPL	KIA
Owen, Allen C.	6966425	S SG	KIA
Owens, Charles R.	14054128	PVT	KIA
Parker, William J.	O793159	1 LT	KIA
Pevey, Joseph P.	14016066	PVT	KIA
Pickens, John L.	34049847	PVT	DNB
Pinson, Joseph S.	34615193	PVT	DNB
Pittman, John H.	20452087	M SG	FOD
Pogue, Junior L.	34102772	PFC	DNB
Pool, John O.	34420028	CPL	KIA
Reeves, William J., Jr.	34924749	PVT	KIA
Rice, Thomas L.	14185624	S SG	KIA
Roberts, Kelly.	34270208	TEC 5	DNB
Roberts, Melvin O.	O2056720	2 LT	FOD
Robinson, David L.	34871367	PFC	KIA
Rutherford, Carl T.	14001842	PVT	DNB
Salter, Kelly H.	14054405	SGT	DNB
Scarborough, S. A., Jr.	34020656	TEC 5	DOW
Scarbrough, Ira T.	34612951	PFC	KIA
Shelton, Henry I.	14054444	PFC	DNB
Shirley, John W.	6928594	PVT	KIA
Shuff, William M.	34876558	CPL	KIA
Skinner, Clifton R.	6971426	S SG	DNB
Slay, James E.	34478668	SGT	KIA
Smith, Chester C., Jr.	34344236	PVT	DNB
Smith, Jesse H.	34635287	CPL	KIA
Smith, Kline T.	14071083	PVT	DNB
Snowden, Chester E.	14079649	PFC	DOW
Stancil, James.	34277788	PVT	KIA
Stewart, Paul C.	O806003	2 LT	KIA
Stone, Royals H.	14060958	CPL	FOD
Stringfellow, John, Jr.	34136555	SGT	DNB
Sullivan, Odis L.	14053772	SGT	KIA
Talbert, Hugh L.	O1296447	1 LT	DOW
Tate, Paul G.	6924560	PVT	KIA
Thomas, Willard D.	34630175	PVT	DOW
Watson, Ellis R.	14117039	SGT	FOD
White, Lessie C.	34420709	PVT	DNB
Williams, Leroy.	34927477	PVT	DNB
Wright, Ross.	14080447	PFC	KIA
Young, Eddie.	34132036	PVT	DNB
Zogheib, William J., Jr.	38365243	PVT	DNB
LAWRENCE COUNTY			
Anthony, Norbeet.	6397133	PVT	DOW
Ball, Edward.	14016795	PVT	DOW
Brister, Willard E.	34276957	PFC	KIA
Bush, Woodrow W.	34137317	PFC	KIA
Carney, J. Z.	34046600	SGT	DNB
Carney, Luther, Jr.	34871370	PFC	KIA
Gibson, Charles E., Jr.	O789387	CAPT	DNB
Hartzog, Curtis E.	34871943	PVT	DOW
Hartzog, James R.	14016884	S SG	DNB
King, Charles H.	34637827	T SG	KIA
Lambert, Edward C.	34135484	PFC	DNB
Letchworth, Monroe T.	34348767	PVT	KIA
Maxwell, Charles W.	O412179	2 LT	DNB
Morgan, John F.	14001980	PVT	KIA
Pickett, Joe D.	34476253	PFC	KIA
Purvis, Otis B.	34637297	PVT	KIA
Rayborn, Ottis J.	34632024	TEC 5	DNB
Raynes, Samuel L.	14017456	PVT	DNB
Sanders, John T.	34920949	PFC	KIA
LAWRENCE COUNTY—con.			
Sanders, Owen B., Jr.	34630307	PVT	KIA
Slater, Rhesa K.	38217900	SGT	DNB
Sutton, James B.	14033745	M SG	DNB
Terrell, Plummer B.	34428338	S SG	DOW
Townsend, Henry H., Jr.	34871335	S SG	KIA
Vinson, Arnold E.	O418149	CAPT	FOD
Wilson, Earnest R.	O805719	2 LT	FOD
LEAKE COUNTY			
Allen, Bob.	34019161	CPL	KIA
Atkinson, Thomas J., Jr.	38000409	PVT	DOW
Beckham, Levon NMI.	34871577	PFC	DOW
Blanton, Roy C.	34875662	PFC	KIA
Bodie, Wilson.	34425224	PVT	KIA
Burks, Wess.	34472509	PVT	DNB
Bussy, James P.	34475043	PVT	DOW
Chambers, Thomas B.	14042014	PFC	KIA
Coghlan, John D.	34279309	PFC	KIA
Collier, Dow.	O1999008	2 LT	KIA
Cotton, John W.	34484090	PVT	DNB
Daugherty, Thomas L.	34872677	PVT	KIA
Flowers, Dan L.	O662035	1 LT	FOD
Gates, Whitfield F.	34610276	PFC	DNB
Harrell, Edward J.	44046758	PFC	KIA
Hawthorne, Henry R.	34625526	PFC	KIA
Horn, Wade M.	O1287355	1 LT	KIA
Johnson, Jack R.	34872691	PVT	KIA
Lindsey, Elie D.	34427404	PVT	KIA
Mann, James L.	34131307	PFC	KIA
Moore, Austin D.	14031548	PVT	DNB
Myers, Crawley L.	34132652	PFC	KIA
Peoples, Homer J.	34914990	PVT	KIA
Porter, L. A.	34872686	PFC	DOW
Riddell, Feliv O.	34635739	SGT	KIA
Robinson, Covert L.	14017023	T SG	DNB
Sam, Able.	34474930	CPL	KIA
Saunders, Carl.	O413170	1 LT	KIA
Scarborough, Alvin R.	7009322	S SG	DNB
Sharp, Robert H.	O793544	CAPT	FOD
Sistrunk, Lonnie L.	37085301	PVT	KIA
Smith, Jefferson D.	6390898	S SG	KIA
Spivey, John R.	34627226	PVT	DNB
Stanley, Clark NMI.	34986035	PVT	KIA
Stevens, Precious.	36552969	PVT	KIA
Sumrall, Roy O.	14061380	S SG	DOW
Waggoner, Joe A.	14172216	PFC	KIA
Waldrop, Melvin T.	O802369	2 LT	KIA
Ward, Thomas H.	34427406	CPL	KIA
Watkins, Cecil C.	34474943	PFC	KIA
Williams, Almon C.	14031246	PFC	KIA
Wright, Murphy O., Jr.	34279363	T SG	KIA
LEE COUNTY			
Adams, Charles W.	34611910	PVT	KIA
Agnew, Samuel H.	33226004	T SG	DNB
Anderson, Douglas P.	O376746	CAPT	KIA
Ashe, Robert Q., Jr.	14151074	SGT	FOD
Bailey, Fred B.	34631157	PFC	KIA
Bailey, Isham C.	34136705	SGT	KIA
Baker, George I.	14046752	SGT	KIA
Beard, Davis M.	34876233	PVT	KIA
Bobo, Dwight M.	34428237	TEC 5	DO
Briggs, Grover R.	34130006	PVT	DN
Brown, Allie C.	34349076	PFC	KIA
Brown, Darden G.	34875567	PVT	KIA
Brown, James C.	34348771	PFC	KIA
Camp, Charles E.	34624578	S SG	KIA
Carnathan, Newvaughn.	34875202	TEC 5	KIA
Clayton, Quitman.	34133847	T SG	DNB
Cook, Clyde W.	34875220	PFC	DOW
Dallas, William L.	34349115	S SG	DOW
Dancy, Eloise.	34487215	PVT	DNB
Davidson, Talmadge.	34624985	PFC	KIA
Davis, Luther W.	34875170	PVT	KIA
Denny, William A.	O1293728	1 LT	KIA
Dickerson, Dewey A.	34475292	PFC	DOW
Dillard, Carl F.	O1180473	1 LT	KIA
Dillard, Leonard E.	34988608	PVT	KIA
Dunn, Jesse H.	34478865	S SG	KIA
Dye, G. W.	6972245	T SG	DNB
Erck, Charles F., Jr.	34632247	PFC	KIA
Estes, Jesse E.	7080651	TEC 4	KIA
Estes, Thomas G.	34939999	PFC	DOW
Francis, James K.	34631159	PVT	KIA
Freeman, Chester.	34481128	PVT	DNB
Freeman, Earnest.	34627678	PVT	DNB
Gilley, Lee R.	34019001	S SG	KIA
Gray, Billy B.	14042417	PFC	KIA
Grisham, Issac W.	34477293	PVT	KIA
Gunter, Robert C.	14097592	CPL	DNB
Gunther, Samuel N.	34624486	PVT	KIA
Hallmark, Orville E.	34420186	PVT	KIA
Hare, James M.	34632226	PVT	KIA
Hargett, Jack.	34428312	PFC	KIA
Harris, Walter N.	34275668	PFC	KIA
Heatherly, Virgle.	34420168	PVT	KIA
Hill, John C., Jr.	14039603	SGT	KIA
Holloway, Lloyd A.	34876237	PFC	KIA
Horton, Dillard N.	6576932	SGT	KIA
House, Clifton.	14042233	SGT	DNB
Houston, Dixie C.	39147156	PVT	DOW
Houston, James R.	34914466	PFC	KIA
Huckaby, John V.	34136716	TEC 5	KIA
Humphries, Hubert L.	34872459	PVT	KIA

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Name	Army serial No.	Grade	Type of casualty
LEE COUNTY—Continued			
Joel, William J	34635388	PFC	KIA
Johnson, Hoyt E	34632251	PFC	KIA
Johnson, Jewel D	6969751	CPL	DNB
Johnston, Jack	34475245	PFC	KIA
Jones, Clealon C	6923756	S SG	FOD
Kelly, John W	34928486	PVT	KIA
Kilpatrick, Paul D	14001817	PFC	DOW
Matthews, Willie R	7086432	PVT	DNB
McCarty, James A	34343887	PFC	DNB
McCaskill, Thomas O	34475275	PFC	DNB
McDade, Wesley T	34876213	PVT	KIA
McKissick, William T	34349098	PFC	KIA
McVay, Ardis G	7082020	T SG	KIA
Merson, Vernon L	34636571	PFC	KIA
Moore, Ronald E	34279476	SGT	KIA
Pannell, William E	34636566	PVT	DOW
Parker, Elvie B	34877250	PVT	KIA
Patterson, Lee A	34624987	PVT	DNB
Patterson, Thomas L	34476773	PFC	KIA
Pearson, Herbert J	14097682	PFC	DNB
Pennal, James R	O758615	2 LT	FOD
Pettev, Robert A	O887800	2 LT	DNB
Posey, Arlon	34428210	PVT	FOD
Presley, Fred H	34924802	PVT	KIA
Raburn, James W	34476770	S SG	KIA
Rankin, Clarence Bailey	14151592	S SG	KIA
Raper, Robert O	34875197	SGT	KIA
Rial, Glynn M	14053982	PVT	FOD
Riley, Carl D	14059624	PFC	DNB
Rodgers, Wesley A	34278310	PVT	DNB
Ryan, Troy L	34622806	SGT	KIA
Sampson, Elton	34627667	PVT	DNB
Simmons, James R	34426619	PVT	KIA
Simmons, James R	O671123	2 LT	DNB
Smith, Wallace R	14097563	FPC	KIA
Spearman, Jimmy L	34622758	PVT	DNB
Stanford, Wilburn	34872456	PFC	DOW
Sykes, Hilliard	34879013	PVT	DNB
Taylor, Fred	14151149	SGT	FOD
Thomas, Jack M	O800425	1 LT	DNB
Thornton, Troy A	34000577	PFC	DNB
Topp, William C	34133047	PFC	KIA
Towery, Joe H	O1171800	CAPT	DOW
Troy, David C	34635362	SGT	KIA
Troy, Jerry N., Jr	34625722	CPL	DNB
Wade, Douglas R	34914460	PVT	DOW
Wages, Clifton	7080668	PFC	DOW
Wesson, Junium P	34131015	PVT	KIA
Wilder, Talmage	34473883	PVT	DOW
Yonemura, Hitoshi	O535145	2 LT	KIA
LEFLORE COUNTY			
Archer, James M., Jr	14184301	SGT	KIA
Bass, Charles E	34958620	PVT	DNB
Baughn, Jack H	O1116088	2 LT	DOW
Bayles, Joseph R	14070416	SGT	KIA
Box, George A	14060971	PVT	DNB
Brown, Charles E., Jr	34613458	SGT	KIA
Clemens, Johnie L	34619388	PFC	KIA
Cockrell, Peter P	14070588	S SG	FOD
Cook, William	34472715	PVT	DNB
Cooper, Edwin L	14095260	PFC	KIA
Cotton, John R	34871743	PVT	DNB
Cox, Cary D	34613965	CPL	DOW
Dickson, Robert J	34135101	PVT	DNB
Francis, Shelby O	34637927	PFC	DOW
Fried, Simon, NMI	34989250	PVT	KIA
Garrard, James M	14070592	S SG	FOD
Gray, Amos	34472403	PFC	DNB
Heffner, James E	34630461	PVT	KIA
Hobbs, Benjamin M	O1104852	1 LT	KIA
Hobgood, Thomas E	34876209	PVT	KIA
Holloman, James D	O698713	2 LT	KIA
Howard, William E	34989075	PFC	KIA
Hughes, Robert A	14095137	S SG	KIA
Jackson, George C	20423913	CPL	DNB
Johnson, Elmer	34610067	TEC 5	DNB
Johnson, Guss	34020883	PVT	DNB
Jones, Edgar D	44012952	PVT	KIA
Jordan, Robert J	34618495	CPL	DNB
Kilgore, Jessie L	34421544	PVT	KIA
Lee, Edward P., Jr	O812449	1 LT	FOD
Lee, Wesley J	34638976	PVT	DNB
McGarity, Marshall A	34989247	PFC	KIA
Mitchell, Curtis B	14010131	SGT	DNB
Moore, Hubert F	O1692655	2 LT	KIA
Nored, George L	14060975	T SG	KIA
Perry, Walter, Jr	34479543	PVT	KIA
Prewitt, John L	14054053	PVT	DNB
Rayburn, James O	34634794	PFC	DOW
Sansing, James H	34872713	PVT	KIA
Scott, Pat C	6394598	T SG	DN
Shelby, Francis G	34637924	PFC	DOW
Shirley, Price	34132870	S SG	KIA
Smith, Will, Jr	34925204	PVT	DNB
Smith, Willie L	34626854	PVT	DNB
Steele, William H	34130601	T SG	FOD
Story, Wilson	34639132	PFC	KIA
Stovall, B. J	34020405	TEC 5	KIA
Sumner, Nathan A	O337278	MAJ	KIA
Tate, Augustus H	O789528	2 LT	DNB
Thompson, Edward J	34639489	TEC 5	DOI
Van Landingham, B. V	7000856	TEC 4	DNB
LEFLORE COUNTY—con.			
Verrett, Wilson J	34427706	PVT	KIA
Waits, Cernelious	34870772	PVT	DNB
Warren, Steve	34340437	TEC 5	KIA
Watts, Carl	34134294	PFC	KIA
Wesley, James W	14016663	TEC 5	KIA
Wilson, Wilbur T	34479644	PVT	KIA
Wooten, Edward	34489694	PVT	DNB
Wright, James E	34420537	CPL	DNB
LINCOLN COUNTY			
Adams, Thomas H	34479698	PVT	KIA
Allen, Burnis G	34638041	PVT	DOW
Allred, O. C	34479700	PFC	KIA
Anding, Undrel L	34138772	CPL	DNB
Brown, Troy	14031381	T SG	KIA
Butler, Matthew	34874081	PVT	DNB
Cain, Ira	34628632	TEC 5	DNB
Case, Elkin	34019363	PFC	KIA
Coker, Marion C	34427527	PVT	KIA
Cole, Bill H	34272644	S SG	KIA
Crosby, Truman	34420353	PVT	DNB
Crull, Scott W	6970975	PVT	KIA
Day, Bluford O	O1309225	1 LT	FOD
Dickey, John, Jr	36799799	TEC 4	DNB
Eason, Hoyt A	O428482	1 LT	FOD
Franklin, Lancy	34479729	PFC	KIA
Greer, Jessie H	13070834	CPL	DNB
Harness, Monroe	34627596	PVT	DNB
Hudson, Isaac L	6397156	S SG	DNB
Johnson, Henry	34958184	PVT	DNB
Johnson, Norman M	6250342	M SG	KIA
Jordan, Venable V	34636392	PFC	DOW
Keen, Nalty R	34000599	PFC	KIA
Leggett, Edgar A	O698736	1 LT	KIA
Lowery, Wesley L	34875870	PVT	KIA
Loyd, Charlie	34633655	PFC	DNB
Magee, James H	34625469	CPL	KIA
McCaffery, R. E. M	34272895	SGT	KIA
Mitchell, Howard L	O821330	1 LT	KIA
Nash, Henry L	34273724	TEC 4	KIA
Nettles, Etha	34872927	PVT	KIA
Phillips, Seltz	34045869	PVT	DNB
Powell, Leon T	34614072	PFC	DNB
Sampson, Leroy	34479813	PVT	KIA
Smith, Oscar A	34875849	PFC	KIA
Stanley, Guy D	34279106	S SG	DNB
Thompson, Henry	14001624	TEC 5	KIA
Walker, Solen	34479906	PFC	KIA
Watson, Sidney J., Jr	34272885	PFC	KIA
Watts, Troy	34420365	PFC	KIA
West, Emmett	34132720	PVT	DNB
Whitlock, James R	O789100	2 LT	FOD
Williamson, Frank H	34475981	TEC 5	KIA
LOWNDES COUNTY			
Atkins, Abraham L	7009643	S SG	KIA
Beaty, Robert B	34425648	CPL	DOW
Briggs, Frank	34108284	PVT	DNB
Burnette, James T	O683960	2 LT	KIA
Chaney, Donald E	37723833	CPL	KIA
Cain, Eugene	34276774	PVT	KIA
Craddock, John L	35394372	PVT	DNB
Dodson, Jesse L	34871696	PVT	KIA
Dowdle, James C	34137126	S SG	KIA
Fenton, Pete	34429080	PFC	KIA
Fields, James W	34485743	PVT	DNB
Forsythe, Grady L	34473555	PFC	KIA
Franks, Jesse D., Jr	O734444	2 LT	KIA
Grossickle, Russell	14101484	AV C	DNB
Gunter, Author L	34273881	PVT	DNB
Hearon, Robert S	O1172899	1 LT	DNB
Heiderhoff, Walter F	20424794	PVT	KIA
Hollingsworth, J. C	34920258	PFC	KIA
Honeycutt, Carl W	34874757	PVT	KIA
Hood, Milton	34481160	PVT	DNB
Hornsburg, Harrison	34485758	PVT	DNB
Howard, Walter, Jr	34000781	PFC	DNB
Jenkins, James	34618447	SGT	DNB
Jones, Jim M	34477179	PFC	KIA
Jones, Will O	38106087	S SG	KIA
Lawson, Joe, Jr	34635096	PVT	DNB
Lipsey, William C	34279738	CPL	DNB
Marona, James A	34875465	PVT	KIA
Marshall, Tommie	34481163	PVT	DNB
Mason, William D	14022346	PFC	KIA
Maxwell, Robert J	O2055830	2 LT	DOI
McIlwain, John F., Jr	34130867	PVT	DNB
McNutt, Opie L	34875472	PVT	KIA
Newman, William H	34637901	PFC	KIA
Nickoles, Lando	34477176	PFC	KIA
Noland, Howard H	O705412	2 LT	DNB
Odom, Howard N	O1821760	1 LT	KIA
Patterson, Homer	34473562	PFC	DOW
Pendergrass, H. O., Jr	34637878	PFC	KIA
Perkins, Frank E., Jr	14185528	SGT	KIA
Pridmore, Hughes P	34924821	FPC	KIA
Prowell, Henry L	34618482	PVT	DNB
Rickman, Woodford L	34625745	PVT	KIA
Ruffin, Roy E	34345512	PVT	KIA
Sansing, Clyde A	34477210	PFC	KIA
Schackelford, J. A., Jr	O514088	2 LT	DNB
Shelton, Fred	34273877	PFC	KIA
Smith, Garland S	14053981	PVT	FOD
LOWNDES COUNTY—con.			
Sobley, Maurice	34928627	PVT	KIA
Stanley, Rodney L	34139394	PFC	KIA
Sweeney, Martin N	34872636	PFC	KIA
Tandy, David H	O760922	1 LT	DOI
Taylor, Alonzo	34270057	PVT	DNB
Watson, William C. G	O1319979	1 LT	KIA
Wilburn, William R. S	O1284069	CAPT	KIA
MADISON COUNTY			
Abernathy, Raiford W	34138456	PVT	DNB
Baker, Walter E	20462623	T SG	KIA
Billingslea, Wirt E. J	O675656	2 LT	DNB
Blewster, Clovis H	34478415	PFC	KIA
Breedlove, Robert L	O1303844	2 LT	KIA
Burnham, Oscar L	34475372	PFC	DOW
Casterton, Arland O	37580253	PVT	KIA
Chambers, Sam F	34482532	SGT	KIA
Childress, Charles J	34276267	PVT	DNB
Cox, Earnest L	14001967	S SG	KIA
Downing, Virgil S., Jr	34614808	S SG	KIA
Jackson, Walter	34940627	PFC	DNB
Jordan, William H	34874986	PFC	KIA
Joyner, Theodore K	7002425	PVT	KIA
Luckett, A. D	34482566	PFC	KIA
Luckett, Robert H	36795029	PFC	FOD
McDaniel, James	34630885	PFC	KIA
Perry, Thomas J	34619536	PVT	DNB
Prestridge, Durward D	14172007	CPL	KIA
Pugh, Walter L	34482577	PVT	DNB
Rhodes, Andrew	34629273	PFC	DNB
Rimmer, John H	7002428	PFC	DNB
Rogers, Walter M	O390722	1 LT	KIA
Settle, Wendell D	37641828	PVT	KIA
Stewart, Lamar N	7009340	TSG	KIA
Thomas, Bernard	34619851	PVT	DNB
Thompson, Emal	34135024	PVT	DOW
Tunstall, Johnnie E	6298493	PFC	DNB
Turner, Walter L	34324022	PVT	KIA
Ward, Lawrence H	14129952	PFC	DNB
Washington, Carter	34482568	PFC	KIA
Watson, Andrew H	34274958	PVT	FOD
Weisenberger, C. A	34989006	PFC	KIA
Whitehead, Walter L	34924924	PVT	KIA
Wilder, William M	O764540	1 LT	KIA
Wills, Orman D	O1176228	1 LT	KIA
Wooten, James W	34928966	PVT	KIA
MARION COUNTY			
Abram, Leroy J	34270742	PVT	DNB
Alford, Shelby R	34133246	CPL	KIA
Armstrong, Thomas H	34736986	T SG	KIA
Blackledge, Charles H	14194312	S SG	DOW
Bracey, Harold W	34925943	PVT	KIA
Brister, Raz	34137210	TEC 4	KIA
Buchanan, J. S	14023354	CPL	DNB
Collins, Mozelle	34632988	PFC	KIA
Cook, Hubert G	14095887	PFC	KIA
Criscoe, James R	O815090	2 LT	DNB
Dale, Sam B., Jr	O886837	2 LT	KIA
Denison, Victor D	14095382	AV C	DNB
Fiveash, Cecil A	34136217	PVT	DOW
Forbes, George W	14031984	PVT	KIA
Fortenberry, Carl W	34273008	TEC 4	DNB
Fortenberry, Ralph N	34876363	PVT	KIA
Godard, Luther B	34275794	T SG	KIA
Hamilton, Theodore H	34621205	PFC	DNB
Hart, Joseph B	6396014	1 SG	KIA
James, Joseph N., Jr	34134290	PVT	KIA
Jones, Elzie	34875479	PVT	KIA
Kelly, Willie R	34278022	PVT	DNB
Lewis, Wade	34275782	PFC	DOW
Matheny, Ray F	34426357	PFC	DNB
May, George G	14023890	PVT	DNB
McCorkle, William	34429673	PFC	DNB
McLendon, Robert F	14023197	PFC	KIA
McNeese, J. T	34990176	PVT	KIA
Morgan, Paul J	14016192	PVT	KIA
Odom, Loranzie Z	14023223	S SG	KIA
Oglesbee, Ezra T	20436211	AV C	DNB
Oquin, Herbert C	34131247	S SG	KIA
Oxner, Charlie T	34473547	PFC	KIA
Pounds, Frank	34874276	PVT	DNB
Parker, Robert	34429606	PVT	DNB
Parkman, Virgil	34627231	PVT	KIA
Robbins, Attress L	34134250	PFC	KIA
Smith, David	34870416	PVT	DNB
Smith, Sedgie J	34473473	PFC	KIA
Stevens, Francis R	O015779	LT C	KIA
Summer, Lee G	34875320	PVT	KIA
Thornhill, Milton C	34926972	PVT	DOW
Varnado, Pat H	34473455	SGT	KIA
Ward, Tarvey V	14095982	AV C	DNB
MARSHALL COUNTY			
Algee, Robert D	34635602	SGT	KIA
Anderson, David V	34345546	PFC	DOW
Ausborn, John E	34473931	PFC	KIA
Barksdale, Haywood	34342925	PVT	DNB
Boswell, Henry H	34475240	PVT	KIA
Chambers, Jo N. F	34427086	PVT	DNB
Cox, William B, Jr	34872298	PVT	KIA

Name	Army serial No.	Grade	Type of casualty
MARSHALL COUNTY—Con.			
De Berry, David	34874842	PVT	KIA
Graham, Tate B	34427153	PVT	DNB
Graves, Robert L	34427157	CPL	KIA
Holloway, Johnie W	34489433	PFC	KIA
Hollowell, Fremon S	34131908	PVT	DNB
Hurdle, John P	14133857	T SG	KIA
Jones, John W	34929907	PVT	DNB
Knighton, Luther T	34981745	PFC	KIA
Martin, John S	34422036	PFC	KIA
Rhea, Aaron A	34630255	SGT	KIA
Thomas, Leo E	34479183	PFC	KIA
MONROE COUNTY			
Benefiel, Albert N	34629797	CPL	DNB
Benton, Ralph J	34134298	PVT	KIA
Berryhill, Jesse W	O801742	1 LT	DNB
Berryhill, Murray H	34426724	TEC 5	KIA
Bobo, Durley A	34426008	PFC	KIA
Boyd, Oren D	34426870	PVT	DNB
Brown, Charles W	34634704	SGT	KIA
Brown, Robert L	34743332	TEC 5	DNB
Burks, Rayford O	34634988	PFC	KIA
Burks, Roland T	14006181	PFC	DNB
Burnett, Jerimiah	34340307	PFC	DNB
Camp, James F	34426092	TEC 5	DNB
Chamberlain, Paul C J	O682066	2 LT	DNB
Chism, David B	34478555	TEC 5	KIA
Coultand, Arthur L	34638491	PVT	DNB
Cruber, Carson H	14001913	S SG	KIA
Davis, John A	34477481	PVT	KIA
Dickson, James B	O795918	CAPT	KIA
Duke, Bates C	20463236	SGT	KIA
Ellinwood, Robert	34950364	PFC	DNB
Euglish, Benjamin F	34629807	S SG	FOD
Ewing, Earnest	34482199	PVT	KIA
Farley, Walter B	37398197	SGT	KIA
Fears, Elmer C	34279215	PVT	DNB
Furr, William F	34813686	S SG	KIA
Glenn, Thomas S	24874759	PVT	KIA
Gullick, Henry L	14185620	TEC 5	KIA
Hall, Coy	34426496	PVT	KIA
Harris, Houston V	34625014	PVT	DOW
Hill, Roy L	37733626	PVT	KIA
Kimbrough, Woodson T	34426561	SGT	KIA
Lamon, Cavin C	O681126	2 LT	FOD
Lindsey, Tomas J	14011305	T SG	KIA
Lovelady, L. D	34477490	PFC	KIA
McMillian, Will H	34482101	PFC	KIA
Mize, Elzie L	14060800	AV C	DNB
Morris Grady	34421014	PVT	KIA
Murff, Eugene A	6576940	CPL	DNB
Nelson, Andy A	34612630	PVT	KIA
Outlaw, Joel W	34634671	PVT	DOW
Owen, William T	20463309	SGT	KIA
Parker, William M	34623549	PVT	DOW
Phillips, James R	14185603	S SG	DNB
Posey, Ottis H	34874726	PFC	DOW
Pullen Robert L	O1307074	1 LT	KIA
Reedy, Lenwood H	6381681	CPL	DNB
Roberts, Johnnie J	34617152	PFC	DNB
Robertson, James O	20463314	PVT	DOW
Rollins, B. D	34477421	PFC	KIA
Rye, Loyce D	34870988	PFC	KIA
Sanders, Elius M	34874747	PVT	KIA
Sartor, Clyde A	20463316	PVT	KIA
Schlicht, John L	34473811	PVT	KIA
Shelton, Jimmy P	14001872	S SG	DNB
Silas, Virgil	34874729	PFC	KIA
Smith, Boyce	34878196	PFC	DNB
Strawbridge, W. C	14071361	T SG	DNB
Thompson, William B	34625185	PFC	DOW
Tubb, Douglas B	O421633	2 LT	KIA
Tucker, James W	14154756	PFC	KIA
Weaver, Curtis E	34629830	PFC	KIA
Young, Robert	34475154	PFC	KIA
MONTGOMERY COUNTY			
Bennett, Jessie W	34871797	PVT	DOW
Blaylock, Gibson C	34421913	PVT	DNB
Box, Lee H	34476140	S SG	DOW
Breazeale, Leo	34631583	PVT	FOD
Brooks, James L	34278001	CPL	DNB
Caffey, Jerome T	34612556	SGT	KIA
Cox, Anthony J., Jr	14001947	SGT	KIA
Elmore, Lora L	34345900	PVT	DNB
French, Grover L	34621135	PFC	DNB
Gilliland, Guy G	34277018	CPL	DOW
Griffin, Calvin C	34635903	PVT	DOW
Harris, Eugene P	O795050	CAPT	KIA
Ingram, Prentiss C	34476128	SGT	KIA
Jacks, James W	34047745	SGT	DNB
Kolb, William E	34629009	SGT	FOD
Lammers, Arthur H	O827014	2 LT	FOD
Marshall, Thomas O	34137265	S SG	KIA
Matthews, Arthur, Jr	34020611	PVT	KIA
McCafferty, Daniel E	O797574	CAPT	DNB
McCarroll, Isaiah	34046542	PFC	DNB
Montgomery, Robert W	34277059	PFC	DNB
Mortimer, James E	14154735	SGT	KIA
Mullins, Henry T	34876847	PVT	KIA
Naron, Talmadge C	34470027	S SG	KIA
Neel, Thomas W	34133049	PFC	KIA
Oscar, Leon	34472182	PVT	DNB
MONTGOMERY COUNTY—con.			
Peacock, James C	44047018	PVT	KIA
Phillips, Johnnie W	34879182	PFC	DNB
Pittman, Lawrence	34628344	PFC	DNB
Richardson, J. B	34428607	SGT	KIA
Rosamond, Leland O	34134267	S SG	KIA
Spivey, Carl H	34630189	CPL	KIA
Taylor, Jack	O393798	CAPT	DOW
Townsend, Dewitt	34482607	SGT	KIA
Townsend, Walter L., Jr	14097333	PFC	DOW
Williams, Woodrow W	34134259	CPL	DNB
Yolles, Bernard	O1285688	CAPT	KIA
NESHOBA COUNTY			
Adcock, Samuel R	14175522	S SG	KIA
Agent, Arlie A	14151663	SGT	FOD
Agent, Clyde E	34621556	PFC	KIA
Alexander, J. D	34988835	PFC	KIA
Bounds, Carson W	O659645	2 LT	KIA
Cannon, Willis L	34426459	PVT	KIA
Gage, R. G	34000830	CPL	DNB
Hartsfield, William D	34279901	PVT	DNB
Henderson, Other L	34000835	PVT	DNB
Howell, Harold H	O747418	2 LT	FOD
Isaac, John D	7009250	PVT	DNB
Jackson, Emmitt	34478649	PFC	KIA
Johnson, Rodger E	34875398	PVT	KIA
Kilgore, Louie L	34872732	PVT	KIA
Kirby, R. T	6397166	S SG	KIA
Majure, Carlie C	34872506	PVT	DOW
Manning, Earlie L	44046859	PFC	DNB
Martin, Raymond	20760265	PVT	KIA
Mathews, Clanton G	34636160	PFC	KIA
McKee, William L	34136807	SGT	DNB
McMillan, Gipson T	34631930	PFC	KIA
Moore, Victor M	34627033	TEC 5	DNB
Morrow, Jessie W	34428430	PFC	KIA
Nicholson, J. C	34613257	PVT	DNB
Nowell, Dexter D	34875321	SGT	KIA
Parker, Wilbur K	34428416	S SG	KIA
Partridge, O. L	34927741	PVT	KIA
Peebles, James	34426445	PFC	KIA
Ross, Edwin E	6971446	TEC 5	DNB
Thomas, James E	34636075	PFC	KIA
Watson, Willie J	34130849	PFC	DOW
Wilkerson, Purvis L	34636160	PVT	KIA
Williamson, Wilbon A	34638154	PFC	KIA
NEWTON COUNTY			
Blackburn, Cary H	34278524	PVT	KIA
Braddock, William J	34625497	PFC	KIA
Brewer, Cecil H	34927130	PVT	KIA
Burnett, Adrian O	34631065	SGT	DOW
Burns, James S	O825103	2 LT	DOW
Comans, Paul D	34634939	PFC	KIA
Coursey, Ben F	34278462	S SG	DNB
Coursey, William G	18136304	CPL	DNB
Crane, Ernest H	14061235	CPL	DNB
Edmonds, Odell N	14017135	SGT	DNB
Elam, John D	34872673	PFC	DOI
Evans, Sidney	34628682	PVT	DNB
Ezell, William D	34876475	PVT	KIA
Farrow, Nathan E	34623749	PFC	DNB
Gibson, Algie	34478767	PVT	DNB
Graham, Sam O	34928664	PFC	KIA
Harner, Robert W	O383474	1 LT	DNB
Idom, Walter B	7000472	T SG	KIA
Irby, T. O	34620624	PVT	DNB
Johnson, Henry E	34989823	PVT	KIA
Jones, James C	34634924	PFC	KIA
Lovett, Jim J	34636858	PVT	DOW
Lovett, William C	34130898	PFC	DOI
May, Windell B	34625581	PFC	KIA
McClinton, Brown	34873476	PVT	DNB
McDonald, Ray H	34475069	SGT	KIA
McElwee, Joe S	7002028	SGT	DNB
McNeece, Hughie F	34988818	PVT	KIA
Meaders, Marion L	T060177	FL O	DNB
Overstreet, Lloyd H	34871292	PVT	KIA
Pettery, Hezekiah	34620008	PVT	DNB
Phillips, Viron H	34623922	PVT	KIA
Rainey, Ulmer B	14097393	PVT	KIA
Rhodes, Walter F	34925779	PVT	KIA
Robinson, Thomas C	34989816	PFC	DOW
Taylor, Roger L	34427579	PFC	DNB
Thames, Laverne D	O1184958	1 LT	DNB
Thomas, John A., Jr	34982019	PFC	DNB
Vance, Carl I	34475060	PVT	KIA
Welborn, Gordon	34475094	S SG	DOW
Wheeler, Bilbo	34478778	PVT	KIA
Williams, Hulon W	O600848	2 LT	DNB
Williams, Raymond	34475055	PFC	DNB
Wilson, Pruitt	34638130	PFC	DOW
Winstead, Kermit M	34876578	PVT	KIA
NOXUBEE COUNTY			
Barnhill, Lucian A., Jr	O513998	1 LT	DOW
Bateman, Jim J	34476732	PFC	KIA
Brison, John H	34341981	TEC 5	DNB
Chambers, Charles T	34876610	SGT	KIA
Clark, Edward K	14001747	PVT	DNB
Cockrell, Robert E	O817030	2 LT	DNB
Duncan, Allen L	34637036	PFC	KIA
NOXUBEE COUNTY—con.			
Hairston, Ide E	34278590	PVT	KIA
Hall, Joseph O., Jr	O1573252	1 LT	DNB
Harper, Thomas F., Jr	O366491	MAJ	FOD
Hicks, Fred B	34634962	CPL	FOD
Jensen, Nels G	14097564	CPL	DNB
Jernagin, William	34047216	PFC	DNB
Jones, Robert	34049332	PVT	DNB
Kinard, William F	38547644	PVT	KIA
Lane, Lyle V	O795408	1 LT	DOW
Lever, Roy B	O800731	2 LT	DNB
Lipscomb, Wade R	34478078	PFC	KIA
May, Tomie	36429945	PFC	DNB
McCann, Claude L	34629788	PVT	DNB
Patty, Fisher A	O413166	CAPT	KIA
Smith, Malcolm L	34133242	TEC 4	KIA
Stuart, Ben C	44046526	PVT	KIA
Thomas, Willie W	34134940	PFC	DNB
Walker, Tommie	34274139	PVT	DNB
OKTIBBEHA COUNTY			
Barton, James W	14188736	PVT	DNB
Baswell, John, Jr	34624260	PVT	DNB
Beattie, Garnett S	O796764	1 LT	DNB
Bell, Dero P	34875511	PFC	DNB
Bowman, Floyd M	34349740	PFC	KIA
Bryan, George M	O798962	2 LT	KIA
Coapling, L. C	34342922	PFC	KIA
Critz, Harry T., Jr	O416277	1 LT	DNB
Critz, Thomas F	O827395	2 LT	FOD
Crowe, Henry T	34020628	CPL	DNB
Fox, Charles R	34631258	PFC	KIA
Gunn, Edward B	O514002	2 LT	FOD
Hamblin, Ira E	O340138	CAPT	KIA
Hartness, James P., Jr	34872988	PFC	DNB
Huffman, William J	34428841	S SG	DNB
Jackson, William S	34132753	T SG	DOW
Jerry, Lee R	34048389	PFC	DOW
Johnson, John W	34631539	PVT	DOW
Johnson, Judson B	34426199	PFC	KIA
Jones, Guy H	14022878	TEC 5	KIA
Jones, Willa	34873009	PVT	KIA
Kellum, Jessie M	34428852	CPL	KIA
Logan, William A	O468847	1 LT	KIA
Livingston, Claudie	34428854	PFC	KIA
Madden, John F	O799040	1 LT	KIA
McClelland, Roger E	14026762	TEC 4	DNB
McGinnis, Lee	34479951	PFC	KIA
Parker, James H	14091970	S SG	DOW
Retherford, James A	20424488	PFC	DNB
Rives, Bose L	34342856	PVT	KIA
Sanders, Robert H	O019557	LT C	KIA
Saunders, W. R., Jr	O340119	1 LT	KIA
Savage, John C	14042153	TEC 5	KIA
Seller, Franklin C	O453954	MAJ	KIA
Walker, Albert, Jr	O732223	2 LT	FOD
Williams, Foda	34014969	CPL	DNB
Winston, Andrew	34132122	PVT	DNB
Yeatman, Simon W	34277069	PFC	KIA
PANOLA COUNTY			
Allen, Clyde V	37060312	PFC	KIA
Arnold, Frank B	34427124	PVT	KIA
Barham, Robert M	T007018	FL O	DNB
Bonner, Hughie R	O789366	CAPT	FOD
Brower, Oliver	34477045	CPL	KIA
Brown, Thomas F	34019474	S SG	KIA
Brown, Woodrow	34135026	SGT	KIA
Chrestman, Russell	34134039	PVT	DOW
Crawley, Willard	34631455	PVT	KIA
Dooley, Sylvester	34046713	PVT	DNB
Franklin, Edward E	34473654	PFC	KIA
Glenn, Earl A	14134534	PFC	KIA
Hoskin, Willie L	34278173	PVT	KIA
Houston, Henry L	34914450	PVT	DOW
Jackson, Edward D	34019234	TEC 4	KIA
Jamison, Robert T	34926269	PFC	KIA
Johnson, Alex B	34989093	PVT	DNB
Johnson, Mack	34958785	TEC 5	DNB
Jones, Wallace	34617237	PVT	DNB
Kuykendall, Ernest	34020412	PVT	DNB
Little, Irby	34028995	TEC 5	KIA
Martin, Milton P	34429099	PFC	KIA
McCarley, Percy D., Jr	O022024	Lt C	DNB
McCullar, Kenneth D	O393172	MAJ	KIA
McMinn, James A	34926226	PFC	KIA
McNeese, William R	O428246	1 LT	KIA
Mitchell, Maurice	34876536	PVT	DNB
Morgan, Charles E	34625382	PVT	KIA
Riley, Darrell	34724211	T SG	FOD
Roberts, Henry D	O539104	2 LT	KIA
Rodgers, Charles J	34477057	PFC	KIA
Vaughn, Archie V	34489405	PVT	KIA
Ward, John T	O012864	COL	KIA
West, John Q., Jr	O413177	CAPT	KIA
Westmoreland, James D	14029155	S SG	FOD
Wray, Waverly W	O1030410	1 LT	KIA
Wright, John W	O514359	1 LT	KIA
PEARL RIVER COUNTY			
Ashe, Martin P	34131398	PVT	KIA
Barnes, Robert W	O835117	2 LT	KIA

UNIVERSITY OF MICHIGAN LIBRARIES

Name	Army serial No	Grade	Type of casualty
PEARL RIVER COUNTY—con.			
Baucum, William A	34875712	TEC 5	KIA
Burks, Charles E	34638005	PFC	DOW
Compton, Paul A	14046174	T SG	DNB
Craft, J. T	34428023	PFC	KIA
Davis, Vollie	34130760	PFC	DOW
Fleming, James R	34427799	PFC	KIA
Frierson, Elbert E	34636232	PFC	KIA
Garrison, Robert F	34927749	PVT	KIA
Goodwin, Raymond L	34130455	TEC 5	DOW
Jefferson, Charles H	34639085	SGT	DOW
Johnson, Brainard L	14080032	PVT	KIA
Kendrick, James E	14028995	PVT	DNB
King, Ernest J	34876021	PVT	DOW
Knight, James E	6398206	S SG	KIA
Landrum, Fred L	34871843	S SG	KIA
Lane, Nathan B., Jr	14194304	PVT	KIA
Lee, Horace O	34631316	PFC	KIA
Lee, Hubert C	34349957	PVT	KIA
Lofton, Hulon V	34275928	PFC	DOW
Lumpkin, R. J	14042281	PVT	DOW
McCrimmon, Hosea H	34638018	CPL	DOW
McGehee, Henry I	14040040	S SG	KIA
Megehee, Morris E	6384350	S SG	FOD
Miller, Paul W	34349949	PVT	DOW
Mitchell, Harold C	34480139	PVT	KIA
Moody, Eastman J	34275935	PFC	DNB
Mullen, James W	34870999	SGT	DNB
Nelson, Auther O	34475615	PVT	KIA
Penton, Corbett L	34475610	PFC	DOW
Reed, Arthur L	34958163	PVT	DNB
Reeves, James M	O813583	2 LT	KIA
Reyer, Earl T	34427788	PVT	KIA
Reyer, William H	34134307	PFC	KIA
Sanderson, Brady C	6369161	M SG	DNB
Servick, Noble	34626647	PVT	DNB
Singleton, James A., Jr	34135531	CPL	KIA
Smith, Calvin W	14046554	CPL	KIA
Smith, Elvis C	34636023	PVT	DNB
Smith, James S	14033212	PFC	KIA
Smith, Otis R., Jr	T063711	FL O	DNB
Smith, Otto L	34427787	PVT	DOW
Smith, Whitman R	O799266	2 LT	FOD
Spiers, Everett P	34624306	PFC	KIA
Tarver, David C	34480106	PFC	DNB
Taylor, Earl C	O395847	1 LT	DNB
Washington, Jeff	34131645	CPL	DNB
PERRY COUNTY			
Alexander, James C	34624870	PVT	KIA
Brewer, Carlis	34476153	PFC	DOW
Carr, John C., Jr	34420287	PFC	KIA
Conway, Claude E	34872375	PVT	KIA
Daughdrill, Hinds J	34612344	SGT	DNB
Holcomb, James D	34049207	SGT	KIA
Nicholson, William C	34876642	PVT	KIA
Parker, Clarence	34989738	PVT	KIA
Turner, Thomas N	O690020	2 LT	KIA
PIKE COUNTY			
Allen, Eldred M	34138714	CPL	DOW
Barlow, Walter T., Jr	20464095	SGT	DNB
Barron, Louis	34427156	PVT	KIA
Booty, Homer A	14017435	PVT	DNB
Boyd, Alfred M	34630431	PVT	DNB
Boyd, Marvin	34138711	PFC	KIA
Boyd, Nelson A	14017184	SGT	FOD
Brewer, Charles T., Jr	34474272	SGT	KIA
Brumfield, Edea L	34487693	PVT	DNB
Brumfield, Henry	34049626	PVT	DNB
Buechsenstein, John L	O739538	2 LT	FOD
Burkhalter, Jessie N	34473702	PVT	KIA
Butler, Cisro	34045366	PVT	DNB
Cain, Sammie G	O1306975	2 LT	KIA
Carter, Oliver C	34132750	SGT	KIA
Causey, Rayford H	34478801	PFC	KIA
Chadwick, William A	34636329	PVT	KIA
Cothern, Milton E	34871429	PVT	KIA
Dawson, Eugene S	6971006	SGT	KIA
Deer, Henry F	34473684	TEC 4	DOW
Dyess, Thomas F., Jr	34612781	S SG	KIA
Edwards, Charles E	14042147	PFC	KIA
Elrod, Henry F	7000757	SGT	DNB
Estess, Cecil C	34425600	S SG	FOD
Everett, Lloyd E	14151525	S SG	KIA
Freeman, Hilton E	34637886	PVT	KIA
Freeman, James C	20427125	S SG	DOW
Freeman, Pat H	34426951	PFC	DNB
Ginn, Cephus	34482488	PFC	KIA
Gray, Charles A	34636364	PVT	KIA
Jackson, John	34046647	PVT	DNB
Jenkins, Willie J	14010755	S SG	DNB
Jennings, Arnett	34482498	SGT	DOW
Johnson, Lee E	34483582	CPL	DNB
Johnson, Lester C	14001976	PVT	KIA
Johnston, Gerald W	O817574	1 LT	KIA
Jones, Joseph E	20464052	S SG	DNB
Jordan, Alfred R	34615268	PFC	KIA
Kepper, Julius H	34135603	SGT	DNB
Lea, James A	34047753	S SG	DNB
Lenoir, Edgar	34471221	PVT	DNB
Martin, Ottis B	34047767	PVT	DNB
Martin, Sammy	34958227	PFC	DNB
McCallum, Archie	34618393	PVT	DNB
McEwen, Alva, Jr	O514011	2 LT	DNB
PIKE COUNTY—continued			
McNair, Joseph E	O890558	1 LT	KIA
McMurtray, Warren E	34131451	S SG	DNB
Mitchell, Lenyard C	T187519	FL O	KIA
Money, Elisha	14023252	PVT	DNB
Pelfrey, James R	O908310	2 LT	DNB
Powell, Robert E	O742523	2 LT	KIA
Pribbenow, John W	20458909	SGT	FOD
Price, John A	6971149	S SG	KIA
Rankin, Harold O	34926627	PFC	KIA
Reynolds, Luther W	14130271	PFC	DOW
Richmond, Julius J	34610801	PVT	KIA
Robinson, James L	O1296583	1 LT	KIA
Rushing, Newit T	34876361	PVT	DNB
Simmons, Hansford L. J	O671604	2 LT	DNB
Simmons, Wendell M	O802358	1 LT	FOD
Slaven, Ora E	34132742	PVT	KIA
Taylor, Phillip	34046933	CPL	DNB
Temple, Leon	34349920	PFC	DNB
Thomas, Linus A	34135611	S SG	DNB
Weekley, John L	7002653	CPL	DNB
White, John N	34047560	PVT	DNB
Whittington, James D	7002260	SGT	KIA
Wiltshire, E. W	O532861	1 LT	KIA
Woodall, James B	20464141	S SG	KIA
Woodall, Jewel W	34138771	PVT	KIA
PONTOTOC COUNTY			
Allen, Haskel C	34473733	PFC	KIA
Ard, Charley V	34473851	PFC	KIA
Bramlett, L. C	34875514	PVT	KIA
Bryant, William W	34131403	SGT	KIA
Campbell, James W	34425975	TEC 4	DNB
Carter, Jesse M	34876470	PVT	KIA
Curtis, Hugh M., Jr	34876454	PVT	KIA
Duke, Willie F	34349684	PVT	KIA
Finley, Marvin E	14011275	PVT	KIA
Flaherty, Eleson E	34871707	PVT	KIA
Foreman, Earnest C	34477368	SGT	KIA
Gates, Richard	34481821	PVT	DNB
Gilmore, David L	34349683	PVT	DNB
Graddy, John V	20409832	TEC 5	DNB
Hardy, James H	O390713	CAPT	KIA
Harlow, Lucian	34279278	CPL	KIA
Harrison, John H	14022230	PVT	DNB
Holloway, Curtis R	34875527	PVT	KIA
Johnson, James H	31281318	SGT	KIA
Johnston, William L	34131377	PFC	FOD
Jones, Marion M	O559978	1 LT	DOW
Leatherwood, Jim L	34481753	PFC	KIA
Little, William L	34926790	PFC	DNB
McCoy, Charles E	34611967	TEC 3	DNB
McCullough, James C	34871589	PVT	KIA
McGregor, William C	34344116	S SG	DOW
McVay, Guy T	34875559	PVT	KIA
Means, James H	34473881	SGT	DNB
Montgomery, Francis L	34872622	PVT	KIA
Naugher, Eldridge	O340148	CAPT	KIA
Pissanos, Nick M	34972822	PVT	DOW
Plunkett, Joseph H	34473884	S SG	KIA
Rackley, Bennie	34928755	PVT	KIA
Ray, Ulton A	34630391	TEC 5	KIA
Robbins, Dickie	6913568	PVT	DNB
Russell, Schley H	34611863	PFC	FOD
Shettles, Herman C	34473896	PFC	DOW
Smith, James L	34473936	SGT	KIA
Smitherman, W. Jr	34872763	PVT	KIA
Stegall, Cecil J	34131489	S SG	DNB
Warren, Robert Jr	34871561	PFC	DOW
White, Jessie J	34426133	PFC	KIA
York, Wilburn R	34473835	TEC 5	KIA
PRENTISS COUNTY			
Aldridge, Durwood	34876756	PVT	KIA
Bennett, Elbert P	7081841	CPL	DNB
Bishop, Cecil T	34473197	PFC	KIA
Brimingham, Eulice W	34473222	PFC	KIA
Carter, Robert H	34833764	SGT	FOD
Cagle, Clyde F	34473221	PFC	KIA
Cagle, George M	34636747	PFC	DNB
Carothers, Benona B	34477959	PFC	DOW
Carpenter, Morton E	6972450	PFC	DNB
Catoire, Dennis M., Jr	14046515	TEC 4	KIA
Crabb, Randle J	34611040	PFC	DOW
Crow, Benjamin L	34102813	PVT	KIA
Dodds, Will V	34477262	S SG	DOW
Downs, T. L	34624622	PFC	KIA
Gahagan, Cecil J	34349415	PVT	DNB
Green, Connie	34132409	CPL	DNB
Grisham, William G	14076180	SGT	DNB
Gullett, James L	34631221	SGT	KIA
Jackson, Arlon	34611051	PFC	KIA
James, Alvin W	34634708	PVT	KIA
Kelly, Herman E	34928539	PVT	KIA
Lambert, R. D	34634666	PFC	KIA
Lawrence, William H	34871098	PVT	FOD
Marshall, Howard K	O683042	2 LT	KIA
Mitchell, Dewey	34616343	PFC	DNB
Mize, William C	34874782	PVT	KIA
Pannell, Leeroy J	34876977	PFC	DOW
Pate, Dexter B	14151245	SGT	KIA
Penna, James E	34611057	PFC	KIA
Pharr, Jimmie G	14046474	PFC	DNB
Pierce, Lawrence C	34349423	PVT	KIA
Saylors, William H	34477279	PFC	KIA
Short, Troy L	34611052	PFC	KIA
PRENTISS COUNTY—con.			
Slack, Leland D	38057579	PFC	KIA
Thompson, Marshall	34270892	TEC 4	DNB
Walden, John T	34634699	PVT	DOW
Waters, David L	7006838	PVT	KIA
Wingo, Harold N	34278770	PFC	KIA
QUITMAN COUNTY			
Allen, J. H	34715861	PVT	DNB
Bagwell, Emmett D	34476923	T SG	KIA
Bittle, Troy B	34019411	PFC	KIA
Bynum, Dan M	34631717	CLP	KIA
Chapman, Elma C	34139293	SGT	DNB
Chism, Thomas	34136883	S SG	KIA
Covington, John W	O421768	CAPT	DNB
Dalton, Jacob C	34276161	PVT	KIA
Dearman, James C	34473433	PFC	FOD
Dearman, Osker M	6922461	S SG	DNB
Easley, Frederick G	7008213	SGT	KIA
Fitch, William D., Jr	O717419	2 LT	KIA
Gray, William	34633384	TEC 5	KIA
Green, Robert E	34632969	PFC	DNB
Green, Robert L., Jr	O696086	1 LT	KIA
Hamblin, Lacy M	34876878	PFC	KIA
Holmes, Ruben, Jr	34132153	CPL	DNB
Johnson, William V	34872857	PFC	KIA
Jones, Roger K	14022431	PFC	KIA
Lyle, Charles L	O428512	CAPT	KIA
Maxey, Paul R., Jr	34625159	PFC	KIA
Pearson, George W	34349064	PVT	KIA
Sanford, Bobby S	14130061	S SG	DNB
Self, Everett M	34473431	PVT	KIA
Self, William W	34988938	PVT	KIA
Simmons, Leroy W	34473399	PFC	DOW
Smith, Walter	34422816	PVT	DNB
Stedman, Grayson	34276206	PFC	KIA
Thomas, Oziah	34422776	PVT	DNB
Trevilion, Ellis A., Jr	O558848	2 LT	KIA
Waldo, O. T	34426039	PFC	KIA
Warrington, Josh	14159675	AV C	DNB
Williams, Joe	34139465	PFC	KIA
Williams, Sidney	34422162	PVT	DNB
Wright, Ralph C	14042330	PVT	KIA
RANKIN COUNTY			
Babb, James A	34344903	PVT	KIA
Donald, James W	34347731	PFC	KIA
Furr, Frank W	14061195	CPL	DNB
Harrison, Carl N	O659977	CAPT	KIA
Henry, Robert T	34630089	PVT	KIA
Honer, Luther	34340249	PFC	KIA
Jones, John P	O1292703	2 LT	KIA
Jones, Ollie	34277489	PFC	DNB
Kitchens, Walter	34274223	PVT	DNB
Lindsey, William O	14042481	PVT	KIA
Martin, Fred H	O1318060	1 LT	KIA
May, Jack T	14031374	M SG	FOD
Myers, Doris S	34132831	PFC	DOW
Myers, Leslie F	O431477	1 LT	DNB
Patrick, Henry C	6394928	T SG	KIA
Quick, Rayford	34624697	PVT	KIA
Renfore, Robert E	34474784	PFC	DNB
Thomas, Leo T	34019615	PVT	KIA
Warren, James E	34873850	PVT	KIA
Wilkerson, Fletcher	34475034	PFC	KIA
Wood, Walter H	34875952	PVT	KIA
SCOTT COUNTY			
Askin, James A	34875917	PFC	KIA
Chambers, Clarence R	34875923	PFC	KIA
Coward, Atly L	34349726	TEC 3	DNB
Cox, James C	34420405	PFC	KIA
Davis, A. Q	34489083	PFC	DNB
Davis, Louis	34482901	PVT	DNB
Evans, Ira	34131174	CPL	KIA
Goss, Henry	34426647	PVT	KIA
Graham, William P	34872918	PVT	KIA
Gray, Roosevelt T	34629035	TEC 5	DNB
Griswel, Wilson	34627192	CPL	KIA
Hall, Buford	34475408	PFC	KIA
Harmon, Lewis W	34872915	PVT	KIA
Hensley, W. B	34924775	PFC	KIA
Hinkebein, Glen L	17038895	S SG	KIA
Horn, Lexie W	34871466	PVT	DOW
Hudnall, T. C	34470368	TEC 5	DNB
Jones, James G	O519686	2 LT	KIA
Lewis, Sidney F	34131203	PFC	KIA
McCurdy, Loy A. C	34275825	S SG	KIA
Moore, Prentiss L	34137197	PFC	KIA
Neely, Lanele N	34347919	CPL	DNB
Roberts, George W	34637491	PFC	DOW
Roebuck, Harry C	14023885	T SG	FOD
Rush, Simeon H	14095074	SGT	KIA
Silvey, William O	O2034581	2 LT	KIA
Sims, Olen R	34625308	PVT	DNB
Stewart, Jozef J	34612443	PVT	DNB
Stroud, Robert M	O816951	2 LT	KIA
Tubby, Rufus	34049294	PFC	DNB
Tyner, Mack O	O744805	2 LT	DNB
Vance, Roger P	14042799	S SG	KIA
Waldrip, Robert L	34135714	T SG	FOD
Webb, Andrew F	O408872	2 LT	KIA
Webb, William B	34131896	PFC	KIA
Winstead, James W	14151496	S SG	KIA
Wright, Robert N	34475335	CPL	DOW

Name	Army serial No.	Grade	Type of casualty
SHARKEY COUNTY			
Benson, Isaac D	O437938	1 Lt	FOD
Boykin, George W	14031982	SGT	DNB
Bufkin, Charles H	34139643	PVT	KIA
Easter, Lucien L	14017206	PFC	DNB
Ervin, Calvin	34615822	PVT	DNB
Gilmore, Jim H	34925312	PVT	DNB
Jennings, Orie L	34426855	PFC	KIA
Lang, Thomas H., Jr	O735803	CAPT	FOD
Thigpin, George E	14014675	CPL	FOD
Tyler, Henry	34633699	PFC	DNB
SIMPSON COUNTY			
Ainsworth, H. B., Sr	44045265	PVT	KIA
Bass, James B	34278253	PFC	DOW
Berry, Charles S	34276881	PVT	DNB
Berry, Charlie B	34624710	PFC	KIA
Brooks, Lloyd R	34421576	S SG	FOD
Buckley, Johnnie	34622366	PFC	DOW
Buckley, Leland A	34480548	PFC	KIA
Buckley, R. C	34135683	TEC 5	KIA
Canoy, Houston S	34876733	PVT	KIA
Crawford, Thomas B	O1324395	2 LT	KIA
Dear, Joseph J	34278564	T SG	KIA
Everett, Austin	14060770	PFC	DNB
Fortenberry, Embrey E	34020672	TEC 4	KIA
Foster, James F	7009272	PFC	DNB
Francis, Alonzo P., Jr	O1795784	1 LT	KIA
Frizzell, Jimmie L	14097658	T SG	DNB
Gardner, George	34489566	TEC 5	DNB
Gill, James M	O660344	1 LT	FOD
Hart, Isah A., Jr	34138802	PVT	KIA
Hemby, Otha D	34914405	PFC	KIA
Hinton, James H	34630040	CPL	DNB
Holyfield, Houston	34914384	PVT	KIA
Johnson, Mims	14010358	PVT	KIA
Jones, Henry M	34624717	PVT	KIA
Lee, Johnie	34277990	PFC	DNB
Lowery, James A	34926591	PVT	KIA
May, Herbert D	34476249	PFC	KIA
May, James H	34874999	PVT	KIA
McIntyre, John T	44047859	PVT	KIA
Morehead, Charles	14042408	PVT	DNB
Myrick, James H	7009312	SGT	KIA
Polk, Russell H	34279290	PFC	DNB
Price, William T	14053915	PVT	KIA
Scoggins, George S	44047526	PVT	KIA
Scott, Robert T	34631960	PFC	KIA
Shorter, Harold B	34131007	TEC 5	KIA
Sills, Johnny W	34631558	PVT	FOD
Sullivan, Carlis	34875411	PVT	DOW
Sullivan, Robert W	14054210	PVT	KIA
Taylor, Archie M	34872152	SGT	DOW
Tullos, David E	34480511	PFC	KIA
Turner, Jones T	14031535	PFC	DNB
Welch, Johnie J	34928645	PFC	DNB
SMITH COUNTY			
Ainsworth, Ray H	14001586	PVT	KIA
Ainsworth, Harlse E	34988866	PVT	KIA
Arender, Earsie T	34875439	PFC	DOW
Bradshaw, Ivy V	14054640	CPL	KIA
Clark, Winnie W	34988948	PVT	KIA
Dickerson, Truman	34479077	PFC	KIA
Eaton, James B	34279502	S SG	DNB
Eubanks, James A	34875418	PFC	KIA
Forte, Joseph L	34470342	TEC 5	DNB
Glisson, James O	34345241	SGT	DNB
Grayson, William R	34635877	SGT	DOW
Hardin, James E	34426388	SGT	KIA
Hough, Carl R	34426427	PFC	KIA
Huff, Thomas D	34475123	CPL	DNB
Ivy, Slaytor L	34475105	PFC	KIA
Johnson, Bennie W	34612440	CPL	DNB
Keene, Andrew J., Jr	14001964	PVT	DNB
Lewis, Lemuel J., Jr	34420389	TEC 4	KIA
Little, Benjiman A., Jr	34612470	TEC 4	KIA
Long, Joseph D	34134323	PVT	KIA
McClellan, Dukes A	34426404	PFC	DNB
McDaniel, Billy R	34926823	PVT	KIA
McDonnical, Walter H	34139099	TEC 4	DNB
McNair, George C	O442972	1 LT	KIA
Means, Jack W	6967448	SGT	KIA
Nichols, Burlie J	7009180	PVT	DNB
Nichols, Harvey A	7009171	PFC	DNB
Nobles, Lonnie	34047990	PVT	DNB
Phipps, Jack	34871464	PFC	KIA
Pitts, Walter W	14040493	PFC	KIA
Purvis, Bob W	34131180	SGT	KIA
Richardson, Luther C	34876413	PVT	KIA
Sellers, William T	34637300	PVT	KIA
Shows, Bob N	34131424	PFC	KIA
Tadlock, Walter D	O401541	CAPT	DNB
Thornton, Arwell M	14010798	CPL	DNB
Thornton, Truett	34988873	PVT	KIA
Tullos, Samuel P	34047994	PFC	DNB
Wheeler, Eddie D	34047455	PVT	DNB
Wicker, William J	14151493	S SG	FOD
STONE COUNTY			
Bond, Lenard F	34279150	PVT	DNB
Bond, Thomas J	34988959	PVT	KIA
Boone, James W	14015896	SGT	DNB
Dale, Woodrow W	34480645	TEC 5	KIA
Daughdrill, Jack	34630699	PFC	DOW
Jenkins, Joseph A., Jr	34136279	SGT	DNB
Jordan, Henry G., Jr	34630745	CPL	DNB
Konch, Joe, Jr	34929519	PFC	DNB
Nunnikhoven, Anton L	34132833	S SG	KIA
Parker, Hulbert R	34613553	PFC	KIA
Reeves, Woodrow W	34137164	S SG	KIA
Rowley, Albert L	6968484	T SG	FOD
Smith, Sherril L	44046482	PFC	KIA
Williams, Clyde E	34875367	PFC	KIA
SUNFLOWER COUNTY			
Biggart, Will O	34988815	PFC	KIA
Brewer, Cecil Nmi	34133321	SGT	KIA
Burrell, Grandford	34342896	PVT	DNB
Cartlidge, Early	34422036	PFC	DNB
Chandler, James E	O539583	2 LT	KIA
Christian, James	34047095	PVT	DNB
Clark, Fred	14001751	PVT	KIA
Clark, Joe T	T134543	FL O	DOW
Crews, Thomas Z., Jr	O668317	1 LT	DNB
Davis, Mabren	34429924	PFC	DNB
Dickerson, Joe C., Jr	34426682	PFC	KIA
Dodd, Jodie L	T122244	FL O	DNB
Earley, James D	34426124	PVT	KIA
Ellis, William F., Jr	34635925	T SG	KIA
Eubanks, Robert C	34134473	PFC	DOW
Fong, Henry F	34734405	TEC 5	DNB
Fox, Lewis V	34139036	PFC	KIA
Grittman, Frederick O	14017067	AV C	DNB
Harrison, Bannie W	34479337	PVT	DNB
Hawkins, Leonard L	24477720	CPL	KIA
Holloway, Jessie C	6282823	PVT	DNB
Hood, James L	38284093	SGT	DNB
Hughes, Clarence R., Jr	O535319	2 LT	DNB
Jennings, Hubert E	34924793	PVT	KIA
Johnson, William C	O828702	2 LT	KIA
Kent, Adoer	34047146	PVT	DNB
Kitsinger, James W	34926477	PFC	DNB
Lehr, Jesse H	34473124	T SG	DNB
May, Herman F	34132520	PVT	DNB
McIntosh, Marion M	34611447	PVT	KIA
Meges, Henry L	14042533	TEC 5	DNB
Miller, Herbert L	O1283995	1 LT	KIA
Milligan, John H	34134479	PVT	DNB
Modley, Abraham	34342270	PFC	DNB
Moore, John E	34635922	PFC	KIA
Moore, Willie	34134980	SGT	DNB
Nation, James R	34926158	PFC	KIA
Pernell, Willie	34489265	PVT	DNB
Poole, Upton S	34019759	TEC 5	DNB
Prichard, William J	O371864	2 LT	KIA
Riddell, James W	O426695	2 LT	DNB
Rives, Jack	O832696	2 LT	KIA
Rowland, Jesses W	34130631	PVT	KIA
Rubanks, Robert C	34134473	PFC	DOW
Shaw, William S	O408858	CAPT	FOD
Shelton, Robert C	O1171352	1 LT	DNB
Shepherd, Othis C	14023173	S SG	KIA
Sims, Walter A	34135877	PFC	DNB
Slaughter, Arville O	14080421	S SG	KIA
Slocum, Robert L	34986072	PFC	KIA
Smith, Benjamin L	O747909	1 LT	FOD
Sparks, Walter W., Jr	O371902	1 LT	KIA
Spencer, Oliver L	34617855	TEC 5	DNB
Steed, James	34132258	PVT	KIA
Stricklin, George W	44068829	PVT	DNB
Swindle, Estes T	O401264	CAPT	DNB
Walker, Quitman C	O796209	1 LT	FOD
TALLAHATCHIE COUNTY			
Brownlee, Elmo	34131378	TEC 5	DOW
Carithers, Pat	14016529	PVT	DNB
Carpenter, Clinton	44065654	PVT	DNB
Clark, Isaac S., Jr	34872581	PVT	KIA
Clarkson, Billie T	14161016	T SG	FOD
Duke, Howard M	14092662	PFC	KIA
Ford, Phonnie H	34277026	S SG	KIA
Goss, J. D	34621100	PVT	DNB
Grissom, Hugh K	14054700	S SG	KIA
Hamlett, Allen	34340167	TEC 5	DNB
Harries, Joe	44046898	S SG	DNB
Harris, James A	O1174312	1 LT	KIA
Henry, Leslie	14003127	1 SG	DNB
Horne, Garnett H	34481257	PVT	DNB
Howard, William J	34635223	PFC	KIA
Jeffords, Alvin L	34871503	PFC	DOW
Kendall, William R	34472790	PVT	DNB
Moore, Henderson	34480818	TEC 5	DNB
Moorman, William N	34624778	PFC	KIA
Nunn, Joe Z	34635166	PVT	DOW
Oliver, Homer A. M	34132834	CPL	KIA
Oliver, John C	34610901	PVT	KIA
Otott, James E	14033180	S SG	DNB
TALLAHATCHIE COUNTY—continued			
Pennington, Johnny H	34420237	PVT	DOW
Pressgrove, Walter S	38329478	S SG	KIA
Stapp, Otto	14017363	M SG	DNB
Teer, Seymour E., Jr	O857688	2 LT	DNB
Walker, Clifton	34131689	CPL	DNB
Whitten, Harris R	14070680	T SG	KIA
Wright, John L	34982218	PVT	KIA
TATE COUNTY			
Bizzell, Richard H	34144636	PVT	DNB
Brandon, James I	34428274	PFC	DOW
Burford, Freddie M	20426233	CPL	DNB
Carlton, Glen E	20426249	TEC 4	DNB
Casey, Ira S	34926043	PFC	KIA
Cassidy, Johnnie	14011031	PFC	KIA
Coker, Marvin W	34885129	S SG	KIA
Dancy, John B	34989528	PVT	KIA
Freeman, Charley	34423464	PVT	DNB
Gillespie, Eugene	34951587	PFC	DNB
Meredith, Robert H	14046591	PVT	DNB
Moncrief, Clifton F	34989519	PFC	KIA
Oaks, William	34345843	PVT	DNB
Pettis, James	34925017	TEC 5	DNB
Peyton, Virgil E	34927157	PFC	KIA
Ray, Aaron F	34049137	S SG	DOW
Smith, Grady C	34980524	PFC	KIA
Turner, Horace L	34475445	TEC 5	KIA
Wallace, Lucas L	34989516	PFC	KIA
TIPPAH COUNTY			
Bennett, Floyd C	14185619	SGT	M
Beswick, George W	O660711	CAPT	KIA
Blythe, Malcon H	34473253	PFC	DOW
Brock, Marcus	34476830	PFC	DOW
Bryant, Frank E	34611363	PFC	KIA
Carroll, Henry R	34348766	PFC	KIA
Crawford, James H	34986310	PVT	KIA
Dillinger, Carvis M	34988907	PFC	KIA
Durbin, John L	34473300	SGT	KIA
Finger, William C	34628129	PVT	DNI
Foot, John W	34429120	PFC	DNE
Gattis, Carlton L	34929901	PFC	KIA
Graham, Melton E	34988911	PVT	KIA
Gray, Hubbard W	34348749	PVT	DOW
Gunn, Raymond	34481039	PVT	DNB
Hodges, James R	34874873	PFC	KIA
Hogue, Harol B	34476802	PFC	DNB
Hopper, Martin P	34276527	PFC	DNB
Hurt, Malcolm T	34629953	PFC	DOW
Jackson, Ennis L	34981089	SGT	KIA
Jones, James R. G	34611293	PFC	KIA
Jones, Jesse L	34473289	PFC	KIA
Little, Ernest N	34019707	PVT	KIA
Martin, Charley A	34473350	PFC	KIA
Martindale, James D	34925999	PFC	KIA
Martindale, Thomas R	34874913	PVT	KIA
McDowell, Clarence R	34874896	PVT	KIA
McPhail, Roane S	34131058	S SG	KIA
Mercer, Roy D	34988919	PVT	DOW
Michael, Davis F	34611358	TEC 4	KIA
Mitchell, James L	34634861	PVT	KIA
Moffitt, Harvey L	34611325	PVT	KIA
Moffitt, Leroy	34270615	S SG	KIA
Mohundro, James H	T62957	FL O	DNB
Murphy, Jasper T	34132917	SGT	DNB
Murry, Samuel D	34926858	PFC	KIA
Nichols, John C	34874905	PVT	DOW
Odum, Willie K	34620836	PVT	DNB
Pannell, Henry H	34133312	PFC	DOW
Pannell, Jesse A	34425825	TEC 5	KIA
Powell, Charlie D	O495896	1 LT	KIA
Ray, Eugene	34874899	PFC	KIA
Rogers, Marion C	34278719	S SG	KIA
Rutherford, Tom F	34276530	PFC	DNB
Sargent, Ruffus V	34611304	SGT	KIA
Short, Ira M	34981088	PFC	KIA
Short, Jessie D	34950429	PVT	KIA
Simmons, Frank, Jr	34878144	TEC 5	DNB
Summers, James R	34049991	PVT	DOW
Thomas, Frank M	34624589	PFC	KIA
Thurmond, Edward B	34611357	PFC	KIA
Thurmond, William E	34634879	PVT	DOW
TISHOMINGO COUNTY			
Anglin, Wayburn F	34636767	PFC	KIA
Brazel, Oscar H	34135563	PFC	KIA
Brewer, Luther M	34428880	PFC	KIA
Cain, Luther K	34476780	PFC	KIA
Campbell, Thadis D	34102889	SGT	KIA
Campbell, William M	34425815	PFC	KIA
Chase, Roy M	O808954	2 LT	DNB
Clark, Willard	34425721	PVT	KIA
Clay, Claud T	6969868	PFC	KIA
Clayton, Colemon V	34349186	PFC	KIA
Cobb, Noland F	14061575	SGT	DNB
Credille, Lelon C	34926071	PVT	KIA
Culp, Melmeth	34624841	SGT	KIA

UNIVERSITY OF MICHIGAN LIBRARIES

Name	Army serial No.	Grade	Type of casualty
TISHOMINGO COUNTY—con.			
Curtin, Emmett W	34871170	PFC	KIA
Dixon, James A	34635077	TEC 4	KIA
Durham, Julius G	34929908	PVT	KIA
Epps, William V	14026351	PVT	DNB
Fancher, Luke H	34631287	PVT	FOD
Flurry, Allen R	34988887	PFC	KIA
Furniss, Riley J	14134425	S SG	KIA
Graham, Dorus S	34474300	PFC	KIA
Green, Billy	34929016	PFC	KIA
Gurley, Ben D	34136088	TEC	KIA
Hammock, Gloston L	34473425	PVT	DNB
Hanks, Weldon M	O825849	2 LT	KIA
Howard, W. C	34473428	PFC	KIA
Johnson, J. M., Jr	34349169	TEC 5	KIA
Kent, Reeder T	34611606	SGT	KIA
Lindsey, Benton W	14193017	PFC	KIA
Lindsey, Glen C	34636776	PFC	KIA
Lomenick, William H	34926087	PVT	KIA
Malone, Cleve T	34703630	PFC	KIA
McDuffy, Dewey L	34349205	PVT	KIA
Patrick, L. B	34473307	PFC	DNB
Potts, Arrie L	34636798	PVT	KIA
Ray, John H., Jr	34274593	S SG	FOD
Rhodes, Hammond A	34425668	S SG	FOD
Rushing, Lee W., Jr	34926070	PVT	KIA
Spencer, Vernon H	34926421	PVT	KIA
Tidwell, Billy M	14129923	S SG	FOD
Timbs, William B	34874987	PVT	KIA
Williams, Buren C	34136724	T SG	KIA
Williams, Turner H	34635000	TEC 4	KIA
TUNICA COUNTY			
Coalburn, James L	34346059	PVT	DOW
Fleming, Eugene	44045933	PVT	DNB
Furr, Maurice N., Jr	14184355	PFC	KIA
Gardner, James F	34340233	CPL	KIA
Hayes, Nathaniel	34488117	PVT	DNB
Hubbard, Robert G	34474497	PFC	KIA
Lanier, Eugene B., Jr	O325196	MAJ	DNB
Mathews, Essie, Jr	34629231	CPL	KIA
Seaife, John M., Jr	34139280	TEC 4	DNB
Shield, Vance I., Jr	O479208	2 LT	KIA
Stapleton, John R	O401253	2 LT	DNB
Taylor, Jack C	34340981	PVT	DNB
Tubbs, Marion D	34611497	PFC	KIA
Turnipseed, Daniel	34347107	PVT	DNB
Ward, Willis	34614624	PVT	DNB
UNION COUNTY			
Aldridge, Ervin C	34426830	PFC	KIA
Armstrong, Harry	14161608	SGT	KIA
Bailey, Leon	34623581	PFC	KIA
Barksdale, E. R., Jr	34131219	TEC 4	KIA
Benefield, Darden E	34988505	PFC	KIA
Bryan, William J	34926892	PFC	KIA
Camp, Howard	34426839	PFC	KIA
Carnathan, Robert C	34625098	PVT	KIA
Chisolm, William F	34876586	PVT	KIA
Churchill, Gaston L	34278755	PFC	KIA
Clayton, James H	34426864	PFC	KIA
Coleman, Edward J	34278746	S SG	KIA
Doyle, Lawrence R	34349503	PVT	KIA
Duke, John W	34637753	PFC	KIA
Everett, Riley A	6394877	SGT	KIA
Fitzgerald, David L	14185559	SGT	KIA
Fortune, John C	34426814	PFC	KIA
Gafford, Walter R	34014623	PFC	KIA
Gillen, James A	34477874	SGT	KIA
Gregory, Richard T	44046939	PVT	KIA
Hall, Loyd E	34876762	PFC	KIA
Hamblin, George W	34636592	PFC	KIA
Hardin, Mark N	34049057	PVT	DNB
Harrison, Lamon L	34871324	PFC	KIA
Holcomb, Raymond	34632073	PFC	DOW
Howard, Newton N	34623520	PVT	KIA
Hutcheson, Lelon C	34876208	PFC	DOW
Hutcheson, Leroy	34875176	PVT	KIA
Kelly, Erskin L	34478123	PFC	KIA
Knox, James L	O747024	2 LT	KIA
Little-John, Oscar C	34925981	PFC	DOW
Longest, Clyde E	34481645	CPL	KIA
McBryde, Clyde E	34426809	TEC 5	KIA
Meador, Marion T	34477873	PVT	DNB
Medlin, Austin J	34477847	PFC	KIA
Miller, Charlie E., Jr	14151728	PVT	KIA
Milling, William E	34872481	PVT	KIA
Moody, Alvies	6930342	SGT	KIA
Moore, Earl C	34343648	PVT	DNB
Nance, Lonnie E	34871535	PVT	KIA
Norwood, Robert L	6923609	TEC 4	DNB
Owen, Howard H	34343680	PVT	KIA
Pannell, William R	34474416	PFC	DOW
Pinter, Elvie C	34428437	SGT	KIA
Pitts, J. B	34131419	PVT	KIA
Powell, William F	O784948	2 LT	DNB
Pratt, Dweitt	34953704	PFC	DNB
Raby, Charlie F	34477876	PFC	KIA
Rakestraw, L. C	34477903	PFC	KIA
Shettles, James A	O715356	2 LT	KIA
Tubbs, Carl F	6972430	PVT	DNB
Vance, Arthur C	34478765	SGT	KIA
Wimbs, Howard	34914345	PVT	DOW
WALTHALL COUNTY			
Alford, Ansel W	O1299365	1 LT	KIA
Beard, Bernell J	34272774	PFC	KIA
Bennett, Vergil R	6971108	SGT	DNB
Boyd, Earnest C	34623889	PFC	KIA
Bullock, Truett K	O793726	CAPT	DNB
Calhoun, Stanton K	O168767	MAJ	DNB
Conerly, Robert H	34272773	SGT	DNB
Graham, Olon A	34615035	SGT	KIA
Harvell, Arthur C	34470677	SGT	KIA
Ladner, John W	34276670	PFC	DOW
Lovell, Clyde O	34137223	S SG	FOD
Martin, Otis	34634038	PFC	DNB
Pigott, Charles	14095607	SGT	KIA
Pigott, Wilkie E	34636041	PVT	KIA
Pope, William E	34926110	PFC	DOW
Porter, Winston S	14031747	AV C	DNB
Quinn, Oliver	34626814	PFC	DNB
Rand, Harold E	O302679	LT C	KIA
Smith, Jewel	34019880	PVT	KIA
Smith, Newell B., Jr	O789214	2 LT	DNB
Thornhill, John H	34950236	PVT	KIA
Whitehead, V. O	34928526	PVT	KIA
WARREN COUNTY			
Abraham, Spero	O2064142		DNB
Anderson, George	O391859	1 LT	FOD
Barton, Claude M	7086165	PVT	DNB
Blackmon, Clarence H	O673461	2 LT	FOD
Blades, Hubert F	7008865	S SG	KIA
Caldwell, Melvin	6928373	SGT	KIA
Celles, George L., Jr	O397699	CAPT	KIA
Coker, Lyman H., Jr	O441255	1 LT	KIA
Corbin, Eugene W	O728722	2 LT	FOD
Downing, Charles E	O2074675	2 LT	DNB
Evans, Ray	20427923	PFC	DNB
Farris, George	34133268	PFC	KIA
Ford, George, Jr	34470658	PVT	KIA
Ford, Wilmer R	34135724	CPL	KIA
Goss, Albert E	34273493	TEC 5	DNB
Hirsch, Charles B	34275145	T SG	FOD
Hoxie, Leon Q	7002751	PFC	DNB
Humphreys, John A	34134031	S SG	DOW
Hunter, Jack B	34875432	TEC 5	DNB
Hunter, John T., Jr	14097599	PVT	KIA
Lofton, Holmes L	34425386	TEC 4	DOW
Magee, Eugene A., Jr	14095312	AV C	DNB
Mallett, Walter J	O799205	2 LT	FOD
McBroom, Vernon	14006568	SGT	KIA
McGee, Eugene A., Jr	14095312	AV C	DNB
McMillin, Noble M	6966338	S SG	DNB
McMullen, Victor L	14130338	S SG	KIA
Melsheimer, John C	O425816	1 LT	KIA
Middleton, Robert T	7002713	SGT	KIA
Natteel, Peter	34422238	TEC 5	DNB
Parish, Leonard M	38174373	CPL	KIA
Payne, Richard S	34343546	S SG	KIA
Power, Harold M	34019827	S SG	KIA
Powers, Howard E	34620716	PFC	KIA
Rist, Vincent	7009362	SGT	KIA
Robinson, Howard	34428998	PVT	DNB
Ryan, Grover L	14006442	PVT	KIA
Senour, John C	O412078	2 LT	DNB
Shaw, Robert D., Jr	O818306	2 LT	DNB
Smith, Hughie H	34625682	PVT	KIA
Smith, John H., Jr	34270101	M SG	DNB
Stratton, James S	20427911	PVT	FOD
Strickland, H. B., Sr	34875442	PFC	KIA
Strickland, Marlin	34421614	PVT	DNB
Tennant, Walton F	14006440	PVT	DNB
Thomas, Ellis G	34425389	T SG	FOD
Tickell, George D. A	14097334	S SG	FOD
Truitt, Robert E	14097463	S SG	DNB
Washington, Hanson	34429060	PVT	DNB
Weaver, Richard J	O890183	2 LT	KIA
Williams, Vernon	14070014	T SG	DNB
Wright, James L	34425370	PFC	KIA
WASHINGTON COUNTY			
Abney, James W	37076179	SGT	KIA
Acron, J. C	34423410	PVT	DNB
Adams, Ransom L	34476071	PFC	DOW
Alexander, Andrew N. J	14192001	TEC 5	DNB
Allen, Joseph	34270158	PFC	DNB
Barr, James G	O724371	2 LT	DNB
Baskin, Walter M	O817375	1 LT	DNB
Bell, Robert	34471782	TEC 4	DNB
Broomfield, Dave	34628268	PVT	DNB
Byas, Tucker W	6967440	S SG	DNB
Campbell, Percy	34482748	S SG	KIA
Carithers, James S	O435671	2 LT	DNB
Chow, Jime Y	34871913		FOD
Clow, Charles R	O1699343	CAPT	DNB
Crouch, John H	34630119	PFC	DNB
Dennis, Elmer M	38353239	PFC	KIA
Farmer, James E	T138934	FL O	DNB
Finlay, Thomas P	O725022	2 LT	DOW
Flanagan, Frank W	O430578	CAPT	DNB
Fowler, Bill	34635764	CPL	DNB
Garrett, Timothy W	34622670	S SG	DNB
Goodman, Lawrence	34276716	T SG	KIA
Goodnight, Tommie A	34875876	PVT	KIA
Griffin, John	34873570	PVT	KIA
Herring, Ellis	34471798	PVT	DNB
Himel, Ramon E	34279065	CPL	KIA
Hunt, William I	O436105	CAPT	KIA
Hunter, Eddie C	34634511	PVT	KIA
Hutchison, John N., Jr	O795135	CAPT	KIA
Jordan, John W., Jr	O578111	2 LT	KIA
King, Thomas R., Jr	O794426	2 LT	FOD
Levy, Irvin	34617566	CPL	DNB
Lewy, David M	O384530	2 LT	KIA
Littleton, Freddie H	O702297	2 LT	KIA
Maddox, Clyde E	34875679	PVT	KIA
Mallette, Wallace	14097655	S SG	KIA
Martin, Joseph E	34610863	SGT	DNB
Marx, Robert E	34019853	TEC 3	DNB
McBee, Dudley G., Jr	O797867	2 LT	KIA
McNemar, Henry A	34132889	S SG	KIA
McPherson, Walter D	O683476	2 LT	DNB
Milam, Charles N	34624764	PFC	FOD
Milam, Corneal F	34982429	PFC	DNB
Mullen, Chester L	34624801	PVT	KIA
Mullins, Bluford B., Jr	O798017	2 LT	FOD
Nicholson, Louis M	O732649	2 LT	FOD
Noyola, Charlie	34982444	PVT	DNB
Norton, Elwin S	O719135	2 LT	KIA
Oliver, Clyde M	34870947	PFC	KIA
Parker, Clarence	34610610	PVT	DNB
Payne, William	O913749	CAPT	DNB
Reynolds, Henry	34045627	PVT	DNB
Ricks, James	34048325	PVT	DNB
Scully, Joseph P., Jr	20424277	AVC	DNB
Secoy, Felix W	20424278	CPL	DNB
Shackleford, James L	14170339	SGT	KIA
Shields, Thomas C	O025128	CAPT	KIA
Shirey, Max H	34425485	PFC	KIA
Sims, Melvin	34476438	PFC	DOW
Smith, A. J	34270786	PFC	DNB
Smith, Francis E	14010525	PVT	DNB
Smith, John C	34130737	TEC 5	DNB
Sweat, William H	20424288	PFC	DNB
Tatum, Ernest S	14042887	PVT	DNB
Vaughan, Milton J	O890106	2 LT	DNB
Warner, Albert L	20424299	PVT	DNB
Williams, Jack	34873671	PFC	DNB
Williams, Johnnie	34484511	PVT	DNB
Williams, L. C	34340670	PVT	DNB
Wing, Robert D	O671325	2 LT	FOD
Woodson, Walter H	34633205	SGT	DNB
WAYNE COUNTY			
Baygents, Charles R	34872905	PVT	DOW
Bayne, Walter S	34871892	PFC	KIA
Brownlee, James L	14046612	CPL	KIA
Cook, Arnold L	34480225	PFC	KIA
Davis, Earnest	34137730	PFC	DNB
De Veries, Joseph J	34875588	PVT	DNB
Duvall, Otis C	14006077	PVT	KIA
Hamilton, Hollis T	34612834	PFC	KIA
Harris, Samuel E	34475910	PVT	KIA
Holland, Colon A	O821279	2 LT	DNB
Hollingshead, Frank E	34138551	PFC	KIA
Johnson, James W	34480166	PFC	KIA
Jordan, George H	34926825	SGT	DNB
Jordan, William	34132289	TEC 5	KIA
Lee, Ralph	34587114	PFC	KIA
Mathers, Leonidas S	O428437	CAPT	DNB
Mauldin, Fred M	O660656	1 LT	DNB
McWhorter, V. B., Jr	O703509	2 LT	KIA
Mozingo, William R	34950266	CPL	DNB
Odom, Dossie	34345416	T SG	KIA
Pool, David H	34871899	PVT	DOW
Purvis, Warner S., Jr	34636310	PFC	DOW
Ramey, Howard K	O010874	B G	FOD
Robinson, William B	34138553	PFC	KIA
Waller, William L	34636308	PFC	DNB
Walters, Henry G	34876648	PVT	KIA
Warren, Thomas	34424858	PVT	DNB
Wheeler, Jack R	34475431	PFC	DOW
Williams, Evan NMI	6393665	S SG	KIA
Williams, Jim, Jr	7006634	SGT	KIA
WEBSTER COUNTY			
Bevill, Willie A	34870992	PFC	KIA
Box, Woodrow	34421824	SGT	KIA
Brooks, Hugh H	34636665	PVT	KIA
Collum, Benjamin J	34636671	T SG	DNB
Edwards, Harold E	34875741	PVT	DOW
Fulgham, Marshall E	34630980	PFC	DOW
Hamilton, Ebbie R	34989702	PVT	KIA
Ingram, Mahlon E	34428600	PFC	DOW
Ivy, Gaines D	14010100	PVT	DOW
Jones, L. C., Jr	34348835	SGT	KIA
Martin, Eual K	6970859	S SG	DNB
Merideth, John H., Jr	34634642	PFC	KIA
Noblin, Wallace F	34989881	PVT	KIA
Noland, Dolph	34620674	PVT	DNB
Pearson, John W	34020228	TEC 5	DNB
Phillips, Clayton	34345963	PVT	KIA
Reed, Gilbert O	44046472	PVT	KIA
Scott, James C	O791343	1 LT	FOD
Sealy, John E	34131179	M SG	KIA

Name	Army serial No.	Grade	Type of casualty
WEBSTER COUNTY—con.			
Shaffer, Charles C	14016801	PVT	DNB
Snyder, James E	O421648	2 LT	DNB
Stennis, Will K	O015995	LT C	KIA
Stephenson, James O	34131371	PVT	KIA
Walker, John A	34981127	PVT	KIA
Watson, James E	34136910	SGT	DNB
Womack, Clatie F	34939636	PVT	KIA
WILKINSON COUNTY			
Beasley, Elbert M., Jr	14031819	PFC	KIA
Brooks, Alex	34618090	TEC 5	DNB
Brown, Charles R	34132269	PFC	DNB
Cassels, Richard I	34425658	PVT	KIA
Cavin, Sidney E	34134575	PVT	DNB
Day, Morris G	34637597	PFC	KIA
Erves, James H	34482263	PFC	DOI
Hastings, William T	34625720	PVT	KIA
Haynes, Eugene	34618119	PVT	DNB
Hunt, Jonnie	34133719	CPL	DNB
Jarvis, Hampton	34481639	PVT	DOW
Kee, Thomas L	34630500	CPL	DNB
Larrieu, Richard G	O380715	1 LT	KIA
Nettles, Leroy I	34019911	S SG	KIA
Newton, Louis C	30447147	SGT	KIA
Owens, Josephus A	34476992	PFC	KIA
Petty, Walter	34047164	TEC 5	DNB
Robinson, Emerson B	14002219	S SG	DNB
Smith, Emmitt	34477996	SGT	DOW
Taylor, Carrol	34481625	PFC	DNB
Vincent, Jack	34047508	PVT	DNB
Wardley, Willie A	34132303	PFC	DNB
Weatherspoon, Sherman	34873371	PVT	DNB
WINSTON COUNTY			
Black, James B	34939620	PVT	DOW
Brown, Willie R	34627752	PVT	DNB
Carr, Floyd D	34132932	S SG	FOD
Castle, Orville L	O800358	2 LT	KIA
Chancellor, Erving R	34047783	TEC 5	DNB
Chapman, Ral M	6388845	T SG	KIA
Crenshaw, Thomas L	34989503	PFC	KIA
Dempsey, Carrol G	34624261	SGT	FOD
Etheridge, James C	T062260	FL O	KIA
Faulkner, James L	34927059	SGT	FOD
Fulton, Johnie F	34613375	PFC	KIA
Garrard, John F	34279591	PFC	KIA
Germany, Roy B	34624431	PFC	KIA
Guthrie, Joseph W	6376806	SGT	DNB
Gunn, John C	34479621	TEC 5	KIA
Ham, Otis A	6366010	PVT	DOW
Hanna, Thomas A	34475365	SGT	KIA
Hill, Olyn H	O734561	2 LT	KIA
Hill, Reginald F	34133306	SGT	KIA
Hill, Walter C	34989497	PVT	KIA
Holdiness, Herbert E	44046653	PFC	DOW
Ivy, Jimmie S	34479652	TEC 4	DNB
Ivy, Oakley R	34137335	TEC 4	KIA
Kelley, John E	34345296	PVT	KIA
Kemp, Chambliss	6376805	PVT	KIA
Majure, Gordon N	34134465	TEC 4	KIA
Majure, Harold B	O789731	2 LT	DNB
McClellan, John K	T185111	FL O	DNB
McNeese, Robert L	34422415	TEC 5	DNB
Moore, Joel K	34624242	CPL	KIA
Parker, John H	34421335	PVT	KIA
Reed, Flay E	34613324	PFC	KIA
Reed, Royce W	34479654	PFC	DOW
Richardson, Howard E	34475380	S SG	FOD
Richardson, Johnnie M	34019962	PVT	KIA
Thompson, Joseph W	34871526	PFC	KIA
Watson, Summer E	6364028	S SG	DNB
Weeks, Philip J	34475390	CPL	DNB
White, William T	34636418	PVT	KIA
Yarbrough, Everett W	34871532	PFC	KIA
YALOBUSHA COUNTY			
Aune, Ole E	34624520	T SG	KIA
Benson, Joseph	34610137	PVT	DNB
Botkin, William F	O1165267	CAPT	DOW
Brassel, Johnny C	34131032	PVT	DNB
Brower, Billy	34923364	PFC	KIA
Brown, Robert N	34340626	TEC 4	DNB
Butler, Noonon C	34279735	PFC	KIA
Carpenter, Tendy B	34425461	PFC	KIA
Dalton, Doyce W	34877281	PVT	DOW
Denley, William C	34479352	PVT	KIA
Garvin, Roscoe	34873860	PFC	KIA
Green, Cornish B	34875252	PFC	FOD
Greer, Fant L	34989708	PFC	KIA
Hassan, Robert M	14161893	SGT	M
Hendrix, Jimmie A	34637209	PVT	DNB
Hill, Alfred B	34476054	TEC 5	KIA
Howard, Ralph H	14185538	CPL	DNB
Hunt, Wilton C	34428931	PFC	KIA
Johnson, Steve W	34479 34	PVT	DNB
Kerr, Andy	34622737	PFC	DNB
Koonce, Clifton	34428902	TEC 5	DNB
McCullar, Mayron C	34420811	CPL	DNB
Miller, James H	14039624	TEC 5	DNB
Mister, John E	34046875	TEC 5	DNB
Moore, Wesley	34020190	PVT	DNB
Palmertree, Floyd C	14003216	PVT	KIA
Perkins, Paul E	O430058	1 LT	KIA
Perkins, William S	O1280958	1 LT	KIA
WINSTON COUNTY—con.			
Rogers, Isaac S., Jr	34133797	PVT	FOD
Simpson, Binford D	34881009	PVT	DOW
Steen, James	34622737	PVT	KIA
Stribling, John M	34276079	TEC 5	KIA
Tillman, Harvey K., Jr	14046468	SGT	FOD
Wertz, Edward R	34484089	PVT	KIA
Williams, Arthur F., Jr	O810446	2 LT	KIA
Wilson, Jack J	34000854	S SG	DNB
Wright, Sterlin P., Jr	39338769	PVT	DOW
YAZOO COUNTY			
Abney, Ellis S	34635336	PVT	KIA
Allgood, Edward G	O1303284	1 LT	KIA
Bridgeforth, W. F	14061097	AV C	DNB
Brown, Calvin G	O796192	2 LT	KIA
Cage, Claudy	36510784	TEC 5	DNB
Carpenter, Robert E	O1310065	1 LT	FOD
Claburn, John W	34279142	SGT	KIA
Clardy, Eugene C	14150839	PVT	KIA
Clark, Clarence	34133702	PVT	DNB
Coleman, William G	O411964	MAJ	KIA
Crowther, Carl L	34635295	CPL	KIA
Edwards, Lucius D	O416290	2 LT	DNB
Eldridge, Walter C	14097531	PFC	KIA
Ellison, Luther L	34426661	PFC	KIA
Fowler, Jessie E	O708235	1 LT	KIA
Fowler, Raymond D	34474215	S SG	KIA
Greer, Clark	34134544	S SG	DNB
Harrison, Charles A	34345052	PFC	DNB
Herbert, L. V	34341962	PVT	DNB
Holmes, John R	O1296524	CAPT	KIA
Hunt, William E	O797541	2 LT	DNB
Kirk, Alfred W., Jr	14151222	PFC	KIA
Ledbetter, William S	34425955	T SG	DOW
Lewis, Jeddie	34481254	PFC	DOW
Lewis, Lonnie	34420141	SGT	KIA
Magee, Joseph J	34138705	CPL	KIA
Martin, Ray H	38173067	PVT	KIA
Matthews, Earl	34959188	PVT	DNB
McCorkle, Gibson D	14060882	PVT	DNB
McCoy, James R	34138700	PVT	KIA
Moore, Clarence J	O755995	1 LT	KIA
O'Neal, James V., Jr	34631342	PFC	KIA
Overbey, James G	14151507	AV C	DNB
Pettus, Albert F	34425952	SGT	KIA
Pleasant, A. C	34626024	PFC	DNB
Ramsey, Tom	34635311	PVT	KIA
Robertson, James C	34629952	PFC	KIA
Richardson, Milton L	6922749	1 SG	DNB
Roberts, Carl B	O2059419	1 LT	DNB
Robertson, James C	34629952	PFC	KIA
Washington, Mose, Jr	34481263	PFC	DNB
Waters, Walter L	34624766	PFC	KIA
Westcott, Elvin P	6386186	S SG	FOD
Whitaker, Paul	O390728	1 LT	KIA
Williamson, Harold F	34611595	S SG	KIA
Wiygle, Rubin	34476705	PVT	DNB
STATE AT LARGE			
Bailey, Carl T	O671630	1 LT	FOD
Boley, William P	34433224	SGT	DNB
Botts, Seth S	O339785	CAPT	KIA
Brantley, Albert A	34627013	PVT	DNB
Brown, Charles R	38255435	CPL	KIA
Burts, John A., Jr	14032111	CPL	DNB
Carmichael, Earl W	19017606	PVT	KIA
Carnes, Thomas R	34020776	S SG	DOW
Edmonson, William T	O443196	1 LT	KIA
Edwards, Floyd O	14031255	T SG	KIA
Gerard, Frank T., Jr	O1318295	1 LT	KIA
Griffin, Roland	14067371	TEC 5	DNB
Johnson, Aaron	34342009	TEC 5	DNB
Neblett, George R	O510593	1 LT	DNB
Ray, John T	14153163	CPL	KIA
Sharpe, Odell	34834475	PVT	KIA
Smith, S. J	38021948	PVT	DNB
Story, John J., Jr	O555834	2 LT	KIA
Tepper, Milton H	O1323758	1 LT	KIA
Ter-Beest, Harold A	46009315	PVT	DNB
Thomas, David H	44048777	TEC 5	DNB
Thompson, Hubert V	34624628	PVT	KIA
Van Lindingham, Billy	7000856	TEC 4	DNB
West, Luther	6246840	S SG	DNB

Luxury Taxes

EXTENSION OF REMARKS

OF

HON. HARRY. J. DAVENPORT

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, August 2, 1949

Mr. DAVENPORT. Mr. Speaker, under leave to extend my remarks in the RECORD, I wish to include the following reprint from the Pittsburgh Sun-Telegraph on the so-called luxury taxes:

POCKETBOOK PLAGUE—THAT BILLFOLD A LUXURY?—CONGRESS BELIEVES IT IS

(By Mina Wetzig)

Did you ever try to carry your clothes in a key case?

Congress must think it can be done—it classes key cases as luxurious pieces of luggage and slaps on a 20-percent tax.

Billfolds, brief cases, women's handbags, laundry cases, salesman's sample cases, diaper bags, tooth brush cases—they're all on the long list of taxable luxury luggage items.

Yet there is no tax on liquor flask cases, golf bags, sun lamp cases, diaries, animal-carrying cases, or bowling ball bags, for instance.

Not that any of these things should be taxed—they're just examples of the inconsistencies of the Federal Government's 20 percent excise tax that was originally passed as a wartime measure and never lifted.

Take the matter of a woman's handbag. All jokes to the contrary, a handbag is essential to a woman. It's no more of a luxury than the 9 to 12 pockets in a man's suit. There's no tax on suit pockets, but there is a tax on a woman's purse.

SALESMAN NEEDS BRIEF CASE

Brief cases and sample cases are as necessary to a salesman as his suit of clothes. The salesman would look like a peddler if he walked into a business office carrying his papers or samples in a paper bag.

But Congress says the brief case and the sample case are luxuries—and the old 20 percent pocketbook plague gets added on to the price.

The luggage story gets sillier when you start scanning the list of taxable and nontaxable items. A laundry case without a handle is tax-free. Put even a 10-cent handle on it and it goes into the taxable bracket.

The same way with a jewel case—if it has a handle it's taxable.

A veteran going to college and living in crowded quarters buys a locker trunk in which to store his belongings. He pays the tax. A schoolgirl needing a zipper-ring notebook pays the tax.

RECORD CASE TAX-FREE

But anybody can buy a phonograph record carrying case without getting nicked 20 percent.

You can buy a fiber suitcase tax-free if you swear on a stack of Bibles that you're going to use the suitcase for tools. But if the store salesman even suspects you might try to sneak a shirt and a pair of socks into the case, it's 20 percent, please.

And those words—20 percent, please—are said too often about too many things that are necessities, not luxuries.

Maybe Congress is right, however—maybe a billfold is a luxury when taxes don't leave you anything to put in it.

Just Too Much Pay Roll

EXTENSION OF REMARKS

OF

HON. WILLIAM M. McCULLOCH

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Tuesday, August 2, 1949

Mr. McCULLOCH. Mr. Speaker, total civilian employment in the executive branch of the Federal Government now exceeds 2,120,000. New employees are being added at the rate of more than 300 per day.

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An editorial in the Washington Daily News of August 2, 1949, is of especial significance in view of the above facts.

The editorial follows:

JUST TOO MUCH PAY ROLL

Greek civil servants plan a walk-out, which would paralyze the Government, if their demands for a 65-percent wage boost aren't granted.

They have rejected a Government offer of a 30-percent increase, contending the cost of living is up 100 percent. The Government says it cannot make a better offer because 65 percent of its total revenue now is absorbed by pay roll and pensions.

This is what happens when more and more people are taken out of production and put on the public pay roll. Greece has been doing that for years, until the Government is burdened with a top-heavy, underpaid bureaucracy it is afraid to break up but which it can no longer support.

But let's not look down our noses at the Greeks. We are moving up the same dead-end street ourselves. The only difference is that we have had more fat to work on before the bad news catches up with us.

Spotlight of World Scrutiny

EXTENSION OF REMARKS
OF
HON. PETER W. RODINO, JR.
OF NEW JERSEY
IN THE HOUSE OF REPRESENTATIVES
Tuesday, August 2, 1949

Mr. RODINO. Mr. Speaker, it is a small thing indeed for a man to look down upon another simply because he is not of the same color, creed, race, or station in life. For this is the way of the intolerant and prejudiced mind. In our America, founded on the concept that all men are created free and equal regardless of race, color, creed, or station in life, there can be no room for such discrimination.

Under leave to extend my remarks in the RECORD, I include herein the following editorial which appeared in the July 31 issue of Il Progresso Italo-Americano which sheds interesting light on the subject of discrimination:

SPOTLIGHT OF WORLD SCRUTINY

Not so long ago too many Americans failed to realize that the leadership of the world rested in the United States. Today, too many Americans still fail to realize the responsibilities that go with such world leadership. In fact, too many of our citizenry do not yet understand the meaning of world primacy in an age like ours—in an age torn by the conflict between two irreconcilable and incompatible ideologies, totalitarian communism, and democracy.

Whether we want it or not, whether we like it or not, everything our Nation does, every policy our country pursues at home or abroad is now under the searchlight of world public opinion. Often, our words and deeds are under the scorching spotlight of fiendishly hostile eyes—the eyes of the Kremlin hierarchy and its millions of minions and quislings throughout the world. Here is an enemy ever eager and ready to break through our weak spots, to take meanest advantage of even our smallest mistakes in order to advance its brutal and brutalizing power.

Hence our very position, as well as moral grounds and social justice, now demand that we put our house in order—and keep it in order—clean and strong and equitable in all the relations among ourselves. Here we are led immediately to deep concern over the lingering evil of nationalistic prejudices and racial and religious discrimination which still constitute a reprehensible blemish on our shield of national honor and decency. Far be it from us to minimize the progress our Nation has made in reducing this pernicious evil. But we still have a big job ahead of us.

TERRIBLY COSTLY

It has been authoritatively estimated that racial discrimination alone costs American economy at least $6,000,000,000 a year. This conclusion arrived at by Mr. Joseph J. Morrow, eminent personnel director of Pitney-Bowes, Inc., does not include the many billions of dollars of loss suffered by our industries as a result of prejudices growing out of differences in national origin and language and religious background. Indeed, here we have one of the costliest of leaks in our national economy—a leak which we can and must plug without delay, if we are to beat back and crush the ruthless challenge of totalitarian communism.

We cannot underscore too heavily our agreement with Mr. Morrow that the Communists know that a nation split by internal divisions and group resentments makes a weak enemy. It is entirely understandable, therefore, why these termites in our household have picked as our most dangerous weakness the plight of those in our midst who are given to bitterness and frustration because of the disadvantages to which they are subjected—disadvantages rooted in discrimination and prejudices grown out of racial and religious antagonisms and variations in national origin.

We know of no more dangerous or worse folly than to refuse someone a job in a plant or a school or a profession because he or she happened to be born in Italy or Poland or because he or she worships as a Catholic or Jew or his or her skin is of a different color from ours. The phenomenal progress of our Nation is due above all to the very variety of our national origin, to the very diversity of our people and their cultural backgrounds. The melting pot that is America has given forth a Nation that is a steeled and polished amalgam of the virtues, virility, and vitality of all of mankind. Why undermine it? Why negate it? Why belittle it? Why not cultivate and strengthen this mighty mainspring of our national strength and success

SIGNIFICANT HEADWAY

It is in this light that every citizen must sincerely approve and heartily applaud the efforts being made by the Secretary of National Defense, Mr. Louis Johnson, to wipe out every vestige of racial discrimination in the Army. It is in this spirit that we take great pride in the numerous notable achievements our Nation has registered in eliminating racialism from our midst. This progress shows that no task is too difficult for the American people once we realize its value and its urgency—once we realize that our highest ideals and most vital national interests demand its thoroughgoing fulfillment.

Of course, emotional factors that are deeply rooted and that are fed by ignorance, malice, and prejudice cannot be overcome overnight. It does take time to cure a patient. It takes no time to kill him. In this regard, the recent declaration of Dr. Charles S. Johnson, president of Fisk University, is as significant as it is encouraging. This noted academician has pointed out that the beneficial changes in race relations last year were so surprising in character that they have assumed the proportions of an orderly revolution within the framework of our democratic society. As it should be, broader changes are occurring in the South than anywhere else. And what is most important is that the issue and cause of abolition of discrimination and racialism are no longer the concern of some active pioneering minority or of victimized groups themselves.

The center of gravity of the struggle for genuine national unity, for an American people united and free from all vestiges of nationalistic prejudices and religious and racial discrimination, has moved from the specified segmented minorities to the realm of total national concern. There could be no greater touchstone of progress. There could be no better guaranty for our basic national health and ability to resist the virus of totalitarianism of all types and stripes. Here is powerful proof of our maturing world responsibility. There can be no source of greater hope for mankind today.

Bomb and Man

EXTENSION OF REMARKS
OF
HON. THOMAS J. LANE
OF MASSACHUSETTS
IN THE HOUSE OF REPRESENTATIVES
Tuesday, August 2, 1949

Mr. LANE. Mr. Speaker, under leave to extend my remarks, I wish to include the following article from the Boston Sunday Post, Boston, Mass., July 31, 1949:

WORLD ROCKED 35 YEARS AGO—BOSNIAN BOY'S BOMB STARTED FIRST GREAT WAR—MANKIND TODAY STILL UNDER ITS SHADOW

(By Lester Allen)

It was all long ago and far away—35 years ago this week—when the powder train lighted by a callow Bosnian high-school boy sputtered and set off an explosion that blasted the world so that it would never be the same again.

His name was Gavrilo Prinzip. It is doubtful if he knew the consequences of what he planned to do back in late June 1914, when he tossed a bomb at Archduke Francis Ferdinand, of Austria, in the Bosnian town of Serajevo, missed and pulled a pistol to kill the archduke and his wife.

What he did still has an enormous effect on international affairs and will continue to alter the course of world history until men renounce their nationalities and lay down their arms forever.

NEEDED GOOD EXCUSE

It wasn't that the Archduke Francis was important. He was just a symbol of power, an excuse to hurl divisions into battle. Actually he was a sort of bumbling prince who was heir to the Austrian throne because his brother had committed suicide. There was another heir to succeed him—Archduke Charles Francis Joseph.

The German Kaiser had long sought an excuse for going to war with Russia, a war which would drag all the other European nations into the conflict. The Kaiser and the German general staff knew they would have to fight all the other powers and they were ready to do so if only a good excuse presented itself.

Russia then had a protective interest in the Slavic Serbians—the Yugoslavs of today. Any nation that attacked Serbia would have to deal with Russia as well. Austria-Hungary was prodded into attacking to punish Serbia for the assassination of Archduke Francis. The Kaiser didn't even go to the funeral. He was busy arranging the order of battle with the German general staff.

CARDS STACKED

The cards were stacked in Germany's favor. Germany could field an army of 1,220,000—a militia reserve of 600,000 and 1,500,000

reservists as well immediately because of the tight network of railroads leading to her east and west frontiers. Russia could field an army of 1,384,000 men who were scattered all over Europe and Asia. It would take weeks or months to bring the Russian strength into position.

The plan was to destroy the Russian Armies, turn and destroy the French Army, and secure mastery of Europe and Asia. On July 31, 1914, the German Armies moved against Russia. On the western frontier German troops were already foraying across the French and Belgian frontiers. During the week that followed July 31, 1914—Belgium, France, and Britain went to war with Germany.

It was to be a short war. All the military experts except Lord Kitchener said it would last 1 to 18 months. Kitchener said 3 to 6 years. A poll of American Army officers agreed that it was a war of all resources and that until all the resources were exhausted the fight would go on and that whichever side was beaten would require more than half a century for recovery. Exactly 20 years later the world was convulsed by another and greater struggle caused by the aftermath of the First World War.

THIRTY NATIONS BATTLE

More than 30 nations—small and large—entered the conflict. Over 30,000,000 people died. Over 6,000 ships were sunk.

The war laid waste to Serbia, Poland, and Belgium; left scars which may still be seen today on France, Austria, Rumania, and Russia. Austria-Hungary fell apart. Russia fell into the hands of Bolshevik revolutionaries. France and England were bled white. Germany was left only with an obsession that but for small, unforeseen events Germany could have mastered the world. Japan rose to the stature of a world power of first rank—stealthily preparing for the Second World War.

Turkey lost Arabia, Mesopotamia, Palestine and Syria. Bulgaria, which had turned on its Slav ally, Russia, and wherever an old grievance vexed a people—there was fighting, even in the jungles of Africa, on the veldt.

BIGGEST WAR

It was the biggest war the world had ever known—up to that time. The submarine and gas were used to the fullest extent—weapons which military experts had once deemed frightful. The concept of war changed. Instead of struggles between uniformed men—war became total involving men, women and children in death and destruction. The civilian no longer was a bystander.

The armies of Xerxes and Alexander the Great, deemed the mightiest hordes ever assembled under arms—were dwarfed to battalion size. In our Civil War there had never been more than 1,300,000 men under arms, including both sides. The killed for both sides did not exceed 190,000.

Four years of struggle in World War I cost the lives of 7,345,000 men killed in battle or died of wounds—and the toll of civilians, starved, dead or war-caused disease and other causes will never be known. Over 13,000,000 men were under arms on all sides. We were to come to bigger and better things. United States had better than 14,000,000 under arms in World War II. Gavrilo Prinzip didn't know what he was starting.

Napoleon in all his battles never fielded an army of more than 500,000 men and the greatest battle prior to World War I at Leipzig in 1813 had 474,000 men engaged. In World War I over 3,000,000 were constantly engaged on a single front in France and Belgium.

The causes of World War I are in deadly parallel to the causes of World War II. They can be divided into economical, military, political, industrial, diplomatic, racial and psychological causes. The nations were being organized on lines of industrialized capitalism with competitive rivalries which took the form of trade barriers, competing military and naval forces, secret treaties and alliances and colonial expansion.

Disproportionate wealth of Germany, Russia, Great Britain and France, rampant nationalism and worship of the state which would be above all law arrayed the powers one against the other. Europe was divided into two camps. Another 20 years and the world would be divided into two camps as it is today.

ALMOST TRAGIC-COMIC

Looking back on the Triple Alliance and the Triple Entente it is almost tragic-comic, just as Mussolini and Hitler have taken on the aspect of comic characters whose buffooneries were taken seriously by millions of people who should have known better after what they went through in World War I as a result of the buffooneries of Kaiser Wilhelm, the aged Franz Joseph of Austria, and the Russian Czar.

The cult of racial superiority had as much to do with the vast convulsion as anything. Germans had been taught that they were supermen, invincible in battle, destined to rule the world, just as Japanese were taught that they were invincible, and just as Russians today are taught that all good stems from their race and political ideology.

The Germans had ample encouragement in this belief. Their successes at arms and in diplomacy under Bismarck had given them confirmation of the superman belief, and their extraordinary industrial expansion in 40 years convinced them that they were elect among men.

AFFECTING RUSSIANS

This kind of a delusion can affect any race. It is affecting the Russians today who worship the 5-year plan and are envious of the industrial might of the United States. It could even happen to the United States.

Thirty-five years ago this week the people of the world began to learn a horrible lesson, a lesson which they still have not committed to memory for all time. The lesson is simple. No great and distressing problem is ever settled by force of arms. The issue settled by arms is which nation or coalition of nations will be able to inflict its ideas upon the vanquished. It will not suppress the martial spirit of the vanquished, nor will it make a peace certain.

Washington Reporting

EXTENSION OF REMARKS

OF

HON. HARRY J. DAVENPORT

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, August 2, 1949

Mr. DAVENPORT. Mr. Speaker, under leave to extend my remarks in the RECORD, I wish to include my column which appeared in the Penn Progress on July 28, as follows:

WASHINGTON REPORTING

A visitor to my office last week made the following remark during our conversation on the state of the economy:

"What this country needs is a good-depression. It would be like a cleansing process. Labor would stop asking for wage increases. Businessmen who don't know the score would be forced out of business and we would get back to low-cost and efficient production."

This sort of talk sounds like 1929. It is defeatist talk. It makes it appear that good times are freak periods and that our normal state is one of depression. Actually, if you go back through our history, you will see that while we did have our economic ups and downs, good periods came frequently and lasted a long time.

Our economy is getting more complex every day. There was a time when you could say with some feeling of certainty that A was caused by B. Now, more likely, A would be caused by B, C, D, etc. There was a time when the economy could operate more efficiently if left to its own devices. While this is almost true today, we know that there are times when it operates better if aided by Government.

This is especially true of periods such as we are in today. The Gallup poll shows that the American people are more concerned with unemployment today than with any other subject. Business no longer feels certain that the economy will continue to expand during the coming year—as it should if we are to have full employment and a high level of purchasing power.

That is why many of us in Congress have banded together to push the Economic Expansion Act of 1949, authorized by the Honorable Senator JAMES E. MURRAY, of Montana. In 1946, when Congress passed the Full Employment Act, we thought we had the answer to depressions and instability. We were wrong. The act did little more than create an advisory economic board to whom the President could turn for economic advice.

Senator MURRAY'S bill has been offered with the idea of correcting the shortcomings of that legislation. We hope it will make a living reality of the 1946 act, which had as its goal maximum employment, production, and purchasing power. The Economic Act of 1949 would do several things of major benefit to all Americans.

It would establish a new agency, known as the National Economic Cooperation Board. This board would be composed of representatives of industry, labor, agriculture, and consumers. It would meet regularly with the President and make recommendations to expand the economy.

The act would promote private investment and production. Studies would be made of the levels of investment and production necessary for full employment. These would be made available to industry, local business groups, local and State governments and appropriate Federal agencies. All aid possible to make this level of investment and production would be forthcoming.

The act calls for an annual national conference on wage levels. This conference would seek to formulate general principles and methods to encourage a steady expansion of read wages and purchasing power did not expand to buy the increased production.

The act also calls for the creation of a shelf of local public works, which would always total $15,000,000,000. Every agency of the Government would be expected to prepare a 10-year advance program for construction projects. Grants would be given to State and local governments to finance their plans.

Another important provision of the act calls for quick action on loans to businesses that are in serious economic trouble. And workers who could find employment outside of stricken areas would be able to receive up to a $1,000 noninterest bearing loan to move to the new job.

I think the important thing about the Economic Expansion Act of 1949 is that it recognizes that all parts of our economy and all the American people have a right to share in decisions affecting their future well-being. And also important is the philosophy behind the Murray bill that the best way to cure economic instability is to expand production, employment, and purchasing power.

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Rural Roads

EXTENSION OF REMARKS

OF

HON. ROBERT S. KERR

OF OKLAHOMA

IN THE SENATE OF THE UNITED STATES

Tuesday, August 2 (legislative day of Thursday, June 2), 1949

Mr. KERR. Mr. President, I ask unanimous consent to have printed in the Appendix of the RECORD a statement made by me before the Committee on Public Works, favoring the enactment of Senate bills 244 and 1471, to supplement the Federal Aid Road Act, approved July 11, 1916, as amended and supplemented, to authorize regular appropriations for the construction of rural local roads, and for other purposes.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

RURAL ROADS

In today's modern world, speed with safety is more important than ever before. We are constantly seeking new ways to get places—and get there faster.

Today's automobile is not only an engineering marvel, it is the friend of all mankind; because it takes us there and back, on business and pleasure. One of the warmest friends the automobile has, is the American farmer.

He depends on his car today, much as he used to depend on old dobbin. But to use the farmer's language, there's one hitch to the automobile. Without good roads in bad weather, it isn't much good. Low centers of gravity and larger tires have made riding safer and easier—but also, has limited travel to far too few of our present roads.

Year round farm travel is limited to all-weather roads almost as much as a street car to its tracks. Farm business can't wait on weather, school can't dismiss when it rains, mail must be delivered, snow or no snow.

Farmers own 30 percent of the Nation's trucks and 20 percent of our automobiles but this fact remains painfully clear: Farmers don't have their fair share of good roads. If they own these automobiles and trucks, we must assume that they need and use them. And as they do use them, they pay a highway-user's tax which should be allocated to the improvement of rural roads.

Congress has an obligation to see that this money comes back home to the farmer in the form of improved rural roads.

Far more than half of our rural roads are not of all-weather variety. Nearly half of them are ungraded, undrained, and unkept passageways that scarcely deserve the name of roads. Actually, they are nothing more than section lines.

But the farmer is not the only one who suffers through this deplorable situation. His family suffers, too. More than 1,500,000 miles of these so-called roads are the routes of the R. F. D. mailmen who fight mud and snow, dust and rain to see that letters and newspapers to our farm families finally arrive.

If the farmer or his family needs a doctor, heaven help him if the weather has been or is bad, because in all probability, his friend, the physician, may be a long time arriving, regardless of how ill the patient may be or how much the doctor is needed.

And what about farmer's children? After all, our school busses travel 2,000,000 miles each school day to haul farm youth from farmhouse to schoolhouse. The pupils, unfortunately, however, spend more time in the bus than they do in any single class. They spend an average time of 50 minutes in the bus going to school, another 50 minutes getting home. They ride an average of more than 23 miles a day. Yes, and it takes them more than an hour and 40 minutes to do it.

True, there is no way of knowing, no way of showing, how much of this wasted time is caused by rural roads which are in poor condition or impassable in bad weather. But there is every reason for us to assume because of the fact that more than half of the farmer's roads aren't of the all-weather type, that when the rain falls or the snow flurries, the trip will take proportionately longer and often many pupils do not get to school for one or many days.

Surely this Government has a deep and compelling concern in properly encouraging the fullest development of farm prosperity, and as a matter of common justice, to be as diligent and effective in bringing about the building of rural roads as either primary or secondary highways.

Testimony in this hearing will prove the following facts:

1. There is a great and growing necessity for more and better rural roads in this Nation.

2. Present construction and current improvement are not equal to depreciation and current wear and tear, to say nothing of increasing needs.

3. Present specifications prescribed by the Public Roads Administration are far too severe to permit sufficient rural road building from available funds to ever meet existing requirements.

4. Those specifications are being made more rigid and burdensome each year. This results in less and less roads, when there should be more and more.

5. In reality, and in spite of legislation intended by Congress to be otherwise, we have no farm-to-market or rural road program in which the Federal Government participates. All money presently allocated for programs, as operated by and under the Public Roads Administration, goes into primary or secondary highways, not into rural or farm-to-market roads.

6. Existing legislation, if liberally administered, which it is not, is wholly inadequate to bring about the building of rural roads in proportion to primary and secondary systems.

7. Unless this or similar legislation is speedily enacted, the situation will grow steadily worse instead of better.

8. The building or improvement of the type of roads contemplated in this bill is the most acute and worse neglected road need in this Nation today.

Mounting Cost of Government

EXTENSION OF REMARKS

OF

HON. HERBERT R. O'CONOR

OF MARYLAND

IN THE SENATE OF THE UNITED STATES

Tuesday, August 2 (legislative day of Thursday, June 2), 1949

Mr. O'CONOR. Mr. President, I ask unanimous consent that there be printed in the Appendix of the RECORD a statement I have prepared regarding the mounting cost of government, in which I quote an editorial from the Salisbury Evening Times of July 28, 1949.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

STATEMENT BY HON. HERBERT R. O'CONOR, OF MARYLAND

As all of us here in the Senate know full well, it is highly desirable that we keep in close touch with the sentiments of our constituents, to the end that we may be sensitive to their thinking and wishes with regard to important phases of our Government's functioning.

I have had a great many communications recently from businessmen, professional leaders, and other representative citizens, expressing concern over the high and continually mounting cost of government. They feel that lavish expenditures for projects that, though desirable, are not essential, may lead either to deficit financing or, what is possibly even more dangerous in this critical era of business, to increased taxation.

It has often been urged, and I have frequently expressed the conviction, that when taxes reach a certain high point, they tend to defeat their own ends, in that they cause a lessening of business activity, with a consequent reduction in resultant tax receipts.

A letter received this morning from Raymond A. Magee, of the Magee Oil Co., Berlin, Md., oil distributors, contains a very interesting and thought-provoking editorial from the Salisbury Evening Times, Salisburg, Md., Thursday, July 28, 1949. As Mr. Magee truly says, "It shows an alarming situation in our midst. We hope you can do something about it." The editorial from the Salisbury Evening Times reads as follows:

"TIME TO QUIT

"Up in Delaware a huge poultry plant is closing its doors, and several hundred employees are losing their jobs.

"The plant is not facing a lack of business. Week after week the plant has processed 300,000 chickens. Profits have been good, and that is the trouble.

"The owners find that if they continue to operate for the remainder of the year at a profit Uncle Sam will take the profit in taxes. If they continue to operate, and through bad market breaks run at a loss, then they will, of course, lose their own money.

"It's a case of not being able to win, and of facing a possible loss. So they are quitting the game while they are ahead.

"It is unfortunate that the operators are throwing their hundreds of employees, who have contributed to their success, out of work. But the plant may open soon under new management.

"It is more unfortunate that the Federal Government's tax structure has reached the point of diminishing returns. A point where it is more profitable to go out of business than it is to continue to earn money to be taxed away."

When taxes are so high that it is to the interest of the businessmen to cease operations rather than to continue in business, we can be sure there are ominous days ahead for business. What has made America prosperous in the past has been the incentive, the very proper profit incentive, which businessmen had to inspire them to develop and expand their enterprises.

Admittedly, this is a single instance, and it may be an isolated one. Should the time come, however, when business people generally feel that it is to their advantage to cease business rather than to expand and develop it, then indeed America will have cause to worry with regard to its future.

The answer, based on all my experience and my business contacts, is to follow the accepted rules of business and to live within our national income. As it is now, with a deficit for fiscal 1949, and a much larger deficit looming for fiscal 1950, our people are

losing confidence in Government bonds and here is a sample of businessmen who have lost all incentive to furtherance of their business. As I said, this is a thought-provoking editorial. It deserves the utmost consideration by every Member of the Congress and by every State, county, and municipal official throughout the length and breadth of this great Nation.

Old Hands Run Germany Again

EXTENSION OF REMARKS

OF

HON. GUY M. GILLETTE

OF IOWA

IN THE SENATE OF THE UNITED STATES

Tuesday, August 2 (legislative day of Thursday, June 2), 1949

Mr. GILLETTE. Mr. President, I ask unanimous consent to have printed in the Appendix of the RECORD an article entitled "Old Hands Run Germany Again," reported from Frankfurt, Germany, and published in the United States News and World Report of July 29, 1949.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

OLD HANDS RUN GERMANY AGAIN

Come-backs of German bankers, industrialists is under way. Men who ran the prewar business empire for Hitler are taking over.

Big names are missing. But old-line managers are bossing the coal mines, steel mills, other plants under Allied control.

German recovery, coming competition in world trade, is arousing fears in Britain as customers become harder to hold.

Great Britain, unable to pay her own way in the world, is beginning to worry seriously about competition from Germany's reviving industries. German newspapers, analyzing the British crisis, are saying openly the United States should ditch Britain and take on Germany as its No. 1 business partner in Europe.

United States idea is to let the Germans go all out for recovery. Production and sales are being encouraged as American officials take over more and more control of the German economy. The tendency is to turn things over to the Germans to see what they can do.

The fear among British businessmen is that the west Germans, about to get their own Government, will be back in their old market places soon, bidding for customers at a time when Britain is struggling to boost its own sales all over the world. Goods from German plants are moving out in increasing volume now. German products are finding customers in Europe, in Latin America, and other traditional British markets.

Back of the fear of Germany's reviving industry is the fact that the industrialists and bankers who built Germany to the peak of its wartime strength are making a strong come-back. These men, or their lesser-known protégés, are getting back the management of an industrial machine that is, potentially, the most productive and efficient in the world outside the United States.

The Ruhr, heart land of Germany's heavy industry, is booming, and the Germans, running the plants, are on the look for world customers. The acute shortage of goods inside Germany has been overcome. Prices are dropping. A steadily increasing share of goods made in Germany is being offered to the outside world, often at prices British manufacturers cannot match.

German steel production is running at a rate higher than 8,000,000 tons a year, almost half the total British production. Nearly 45,000 manufacturing plants are working in western Germany, turning out everything from toys to steel bridges. Factory after factory is producing almost as much volume now as it did in the years before the war.

Machinery and optical goods are being turned out at a rate that is 84 percent of 1936 production. Chemical production is 82 percent of the prewar rate, and increasing. Textile manufacturing is 85 percent of 1936. German pottery and glassworks are making more tableware now than they did before the war.

All of these things are being pushed for sale to customers in other countries. Practically all of them are products that compete with British exports.

German exports so far this year have amounted to $566,000,000, almost equal to the total sales of 1948. German products sold abroad in June brought in $104,000,000. Almost half the total was in general merchandise and manufactured goods. Exports of machinery have doubled in less than a year. By 1950, the Germans expect to be selling $225,000,000 worth of goods to France alone.

Back of this recovery in production is the steadily increasing influence of the German industrialists. Control of the Ruhr now rests in the hands of a few hundred men, as it did during and before the war. Most of the Ruhr's present bosses are men who reached their peak of power during the Hitler period. Of the top industrialists who emerged between 1919 and 1933, only a few are still around in person, and their future roles are not yet clear.

Hugo Stinnes, 52, one of Germany's most powerful steel, coal, and shipping magnates in the period between the two world wars, is regaining part of his industrial stature. He has reclaimed his shipping and textile companies from the Allies. Stinnes is free to resume his business activities and is trying to line up capital to regain his prewar position as the Ruhr's most energetic organizer of industry.

His partner, Fritz Thyssen, is generally considered to be too old to make much of a come-back. He is 75. Thyssen, one of the original organizers of the giant Thyssen-Stinnes United Steel cartel, is living in Belgium, managing what remains of his widespread interests from there.

The Krupp family is out of business. But some Krupp executives are running sections of the Krupp works under allied trusteeship. A Krupp-trained executive, for example, is managing Germany's largest tank plant in Essen, now converted to a repair plant for locomotives.

The steel mills and coal mines of the Ruhr have been separated from the wartime trusts by order of occupation officials. Ownership is held by the Allies while the plants are being reorganized into competitive companies. The plants, meanwhile, are being run by German trustees and directors. In many cases the present executives are the same men who operated the plants during the war. The old owners, meanwhile, have reclaimed their ventures that were not tied directly to the steel or coal industries, and they are back in business.

The Ruhr's business combines, such as the Thyssen-Stinnes United Steel cartel and the Mannesmann and Kloeckner trusts, still control big holdings in such fields as chemistry, machinery, metal-working, shipping, and other industries that tend to compete directly with the British. Inside the Ruhr, the old combines operate gas and water works. They are deeply involved in banking and commerce, and even own textile plants, theaters, and hotels. The prewar owners are confident that eventually, as the build-up of western Germany takes hold, they will be able to get back their steel and coal interests.

Steel industry is under the direction of Heinrich Dinkelbach, 58, who was a director of United Steel from 1929 through the war. Dinkelbach, for many years a top executive of the Thyssen-Stinnes trust, is head of the Steel Trustees Association that runs the Ruhr steel industry. He was appointed to that job by the British, who decided that his financial aid to the Nazi Party was small when compared with the extent of his industrial holdings in Germany. Dinkelbach is one of the few Ruhr industrialists who worked his way up from humble beginnings as the son of a laborer.

Many of the men he has appointed to operate steel plants are the men who ran them before and during the war. United Steel, which controlled 47 percent of Germany's prewar production, has directors in 10 of the industry's 25 plants. Directors of the Mannesmann combine are running three plants. Men from the Kloeckner trust run three other plants and share in the management of a fourth.

The chairman of the board of United Steel operates two Ruhr steel plants and has extensive interests in coal and other industries. He is Herman Wenzel, a wartime executive who was director of 21 firms, and chairman or deputy chairman of eight of them, during the Hitler days.

A former Mannesmann executive, Karl Bungeroth, is running two steel plants at Düsseldorf and Duisberg. Gerhard Bruns, a former steel-plant manager and a director for 15 other firms, is the commercial director of the Ruhr's second largest steel plant. During the war he directed arms production in most of eastern Germany.

Coal production, although officially separated from the steel industry, is being handled by German industrialists who are equally at home in coal, steel, and a host of other industries that dominated much of industrial Europe before the war.

Head of the coal industry, for example, is Hans Joachim von Loebell, who has charge of coal distribution for all of western Germany. He was hired in 1934 by Hjalmar Schacht, then Hitler's financial wizard, to boss the Nazi take-over of the Saar coal mines. He now holds directorships in a number of important coal, shipping, and synthetic-oil industries.

Working with him is Heinrich Kost, a general director of one of Germany's biggest coal companies and also connected with chemical, gas, and oil firms. Kost was appointed by the Allies to head the German coal-mine management board. Helping him are Herman Reusch, chief representative of one of the biggest old-line steel cartels, and Wilhelm Roelen, for years a Thyssen executive. Roelen is now director of one of the Thyssen sequestered steel plants.

In finance, men who were powers of German banking and investment operations before and during the war are back in positions of influence. Herman J. Abs, a Berlin banker who was highly regarded by Hjalmar Schacht during the Nazi rise, often is called the most powerful man in Germany now.

As head of the Deutsche Bank, Abs was Germany's biggest financier under Hitler. Before the war, he held as many as 75 corporation directorships and was a financial backer of the giant Mannesmann steel combine. Now he is the head of a German corporation set up to finance the growth of industry. In his new job he dominates industrial investment in reviving Germany.

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German recovery, under United States guidance, is to be in the hands of such men. Top power is being taken over directly and indirectly by the same men who held it during the war. These men with the know-how will be on hand as Germans go back into the markets of the world to try to regain a big share of the business done by German industrialists in the years between the wars.

The Farm Parity Question

EXTENSION OF REMARKS

OF

HON. EDWARD J. THYE

OF MINNESOTA

IN THE SENATE OF THE UNITED STATES

Tuesday, August 2 (legislative day of Thursday, June 2), 1949

Mr. THYE. Mr. President, I ask unanimous consent to have printed in the Appendix of the RECORD an editorial entitled "Football of Politics," published in a recent issue of the St. Paul Pioneer Press. It deals with the farm parity question.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

FOOTBALL OF POLITICS

The Senate committee on agriculture has opened the way for a nonpolitical settlement on farm legislation at this session by laying aside the Brannan plan.

There has been too much thought at this session on what would be good for one party or the other, not enough about what will be good for the farmers. The dominating idea of the administration has been that a change had to be made from the Aiken Act, because it was adopted by the Eightieth Congress, which of course was Republican.

As a matter of fact, the Aiken Act was neither Republican nor Democratic, and might as well have been passed by this Congress as the one before it, if the sound planning for agriculture were the only consideration.

That act is supposed to go into effect next year, if not repealed. It represents the end result of long, serious bipartisan thinking on the farm problem that goes back into the Roosevelt administration. The principle is flexible support prices that go down as surplus production goes up. The idea is to encourage a sensible adjustment of farm production to changing market conditions. It was first adopted in the Agricultural Adjustment Act of 1938, which was set aside under war conditions when it became necessary to stimulate all-out production of just about everything the soil will yield.

The Aiken Act was adopted after great study and deliberation as the most promising method of seeing agriculture through the postwar period. It was the work of men of both parties and was signed by President Truman. He had nothing but good to say of it then nor did he make it an issue during the campaign.

Since the election, however, and perhaps with his heavy farm vote in mind, President Truman has seemed to feel the need of a farm plan of his own brand. The Democratic leadership in Congress, especially in the House, has gone along to the extent of thinking that it ought to get rid of the Aiken Act because it bears the imprint of the Eightieth Congress. It has voted for repeal of the Aiken Act by junking the flexible feature and retaining the present flat supports at 90 percent of parity for another year. Even the Senate committee, in rejecting the Brannan plan, wants its subcommittee to produce a new bipartisan program.

If farm legislation is written with the main idea of getting talking points for a political campaign the result is likely to be bad for farmers.

Rural Telephones

EXTENSION OF REMARKS

OF

HON. ROBERT S. KERR

OF OKLAHOMA

IN THE SENATE OF THE UNITED STATES

Tuesday, August 2 (legislative day of Thursday, June 2), 1949

Mr. KERR. Mr. President, I ask unanimous consent to have printed in the Appendix of the RECORD a statement made by me before the Committee on Agriculture and Forestry, on June 11, 1949, favoring the enactment of the bill (S. 1254) to amend the Rural Electrification Act to provide for rural telephones.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

RURAL TELEPHONES

Mr. Chairman and members of the committee, I would not presume to even attempt to tell this committee just how important the American farm family really is. You know that better than I.

But, on the other hand, if the American farmer is respected the world over for his capacity to produce the utmost from every acre he has under cultivation, if the American farmer has caused this Nation to be known as the bread basket of the world, if the American farmer has been amazingly successful in supplying food for two global wars—and the American farmer has done all these things—then you, of the Agriculture Committee, are entitled to the genuine gratitude of the American people for helping provide ever finer opportunities to our farm families.

This committee, through the years, has assisted the farmer in many, many ways. One of these was to give him the opportunity to secure electricity. You helped give him power for his machines and light for his home. That electric power came to him over lines of the Rural Electrification Administration, created by Congress under your leadership.

Today not less than 4,000,000 rural customers enjoy the blessings of electric lights and power.

TABLE 1.—*Number and percentage of farms electrified with central-station service by States, 1935–48*

Area	Farms receiving central station electric service, Dec. 31, 1934		Farms receiving central station electric service, June 30, 1948		Increase in electrified farms from Dec. 31 1935, to June 30, 1948	
	Number [1]	Percent	Number [2]	Percent	Number	Percent
Alabama	11,053	10.9	135,782	60.8	124,729	1,128.5
Arizona	5,577	29.6	10,577	80.5	5,000	89.7
Arkansas	2,943	1.2	108,051	54.4	105,108	3,571.5
California	81,093	53.9	131,602	94.7	50,509	62.3
Colorado	7,145	11.2	38,009	79.8	30,864	432.0
Connecticut	10,138	31.5	21,420	96.3	11,282	111.3
Delaware	1,791	17.3	7,874	84.7	6,083	339.6
Florida	5,700	7.8	39,975	65.4	34,275	601.3
Georgia	6,956	2.8	153,813	68.1	146,857	2,111.2
Idaho	13,433	29.8	39,296	94.7	25,863	192.5
Illinois	28,379	12.3	171,941	84.2	143,562	505.9
Indiana	23,476	11.7	169,051	96.1	145,575	620.1
Iowa	32,047	14.4	167,356	80.1	135,309	422.2
Kansas	13,224	7.6	71,161	50.4	57,937	438.1
Kentucky	8,480	3.0	117,701	49.4	109,221	1,288.0
Louisiana	2,826	1.7	71,558	55.3	68,732	2,432.1
Maine	13,959	33.3	32,573	77.2	18,614	133.3
Maryland	6,791	15.3	35,415	85.7	28,624	421.5
Massachusetts	14,494	41.3	35,520	96.0	21,026	145.1
Michigan	42,152	21.4	169,427	95.7	127,275	301.9
Minnesota	13,783	6.8	130,378	69.0	116,595	845.9
Mississippi	2,802	.9	99,120	37.6	96,318	3,437.5
Missouri	17,893	6.4	129,706	53.4	111,813	624.9
Montana	2,768	5.5	18,837	49.9	16,069	580.5
Nebraska	9,544	7.1	48,946	43.8	39,402	412.8
Nevada	946	25.6	2,022	59.0	1,076	113.7
New Hampshire	9,495	53.7	17,093	91.0	7,598	80.0
New Jersey	15,162	51.6	25,473	97.1	10,311	68.0
New Mexico	1,350	3.3	13,994	47.1	12,644	936.6
New York	57,825	32.7	140,279	93.8	82,454	142.6
North Carolina	9,672	3.2	196,445	68.3	186,773	1,931.1
North Dakota	1,968	2.3	15,879	22.8	13,911	706.9
Ohio	43,048	18.8	215,379	97.6	167,331	348.3
Oklahoma	5,648	2.6	72,669	44.1	67,021	1,186.6
Oregon	17,839	27.5	60,094	95.2	42,255	236.9
Pennsylvania	45,182	23.6	154,152	89.7	108,970	241.2
Rhode Island	1,975	45.6	3,504	97.3	1,529	77.4
South Carolina	3,796	2.3	96,818	65.5	93,022	2,450.5
South Dakota	2,939	3.5	16,405	23.9	13,466	458.2
Tennessee	9,727	3.6	119,323	50.9	109,596	1,126.7
Texas	11,466	2.3	257,431	66.9	245,965	2,145.2
Utah	16,130	52.5	21,151	80.4	5,021	31.1
Vermont	7,945	29.4	21,759	82.1	13,814	173.9
Virginia	14,954	7.6	126,727	73.2	111,773	747.4
Washington	40,060	47.5	74,715	93.5	34,655	86.5
West Virginia	3,647	3.5	54,856	56.2	51,209	1,404.1
Wisonsin	39,206	19.6	151,348	85.1	112,142	286.0
Wyoming	527	3.0	6,871	52.5	6,344	1,203.8
United States	743,954	10.9	4,019,476	68.6	3,275,522	440.3

[1] Edison Electric Institute.
[2] REA estimate.

Figures compiled by U. S. Department of Agriculture, Rural Electrification Administration.

But while we can point with pride to the advances of the American farmer, in almost every field, there is one exception. Today there are fewer rural telephones than there were in 1920.

TABLE 2

Census year	Number of farm telephones	Percentage of farms with telephones
1920	2,498,403	38.7
1930	2,139,194	34.0
1940	1,526,954	25.0
1945	1,866,109	31.8
949 (R EA estimate)	2,473,000	42.2

This unfortunate situation exists despite the fact that more than ever before the farm is a place of business as well as a home. Farmers need telephones to carry on their business, to market their crops, to get weather information, and even to secure medical aid.

In my own native State of Oklahoma, according to the 1945 census of agriculture, only 24 percent of the farms have telephones. In our rural areas, there is only one telephone for each 18.6 persons; while on the other hand, in cities, there is about one telephone for each two persons. Furthermore, Southwestern Bell Telephone Co., which operates in this area, states that nearly one-fourth of its rural telephones are still the old-fashioned crank type.

TABLE 3.—*Number and percentage of farms with telephones in the United States, 1945 (U. S. Census of Agriculture)*

	Total number of farms	Number reporting telephones	Percent reporting telephones
Total	5,859,169	1,866,109	31.8
Alabama	223,369	11,162	5.0
Arizona	13,142	4,661	35.5
Arkansas	198,769	13,815	7.0
California	138,917	60,421	43.5
Colorado	47,618	22,106	46.4
Connecticut	22,241	17,225	77.4
Delaware	9,296	3,694	39.7
Florida	61,159	6,429	10.5
Georgia	225,897	13,558	6.0
Idaho	41,498	17,421	42.0
Illinois	204,239	124,039	60.7
Indiana	175,970	97,236	55.3
Iowa	208,934	165,760	79.3
Kansas	141,192	91,299	64.7
Kentucky	238,501	42,118	17.7
Louisiana	129,295	6,434	5.0
Maine	42,184	22,642	53.7
Maryland	41,315	17,137	41.5
Massachusetts	37,007	26,295	71.1
Michigan	175,268	68,858	39.3
Minnesota	188,952	103,178	54.6
Mississippi	263,528	9,797	3.7
Missouri	242,934	109,055	44.9
Montana	37,747	7,847	20.8
Nebraska	111,756	63,195	56.5
Nevada	3,429	1,508	44.0
New Hampshire	18,786	11,795	62.8
New Jersey	26,226	13,842	52.8
New Mexico	29,695	3,175	10.7
New York	149,490	78,484	52.5
North Carolina	287,412	14,539	5.1
North Dakota	69,520	23,641	34.0
Ohio	220,575	111,461	50.5
Oklahoma	164,790	41,101	24.9
Oregon	63,125	25,643	40.6
Pennsylvania	171,761	69,455	40.4
Rhode Island	3,603	2,338	64.9
South Carolina	147,745	6,306	4.3
South Dakota	68,705	31,145	45.3
Tennessee	234,431	36,365	15.5
Texas	384,977	67,725	17.6
Utah	26,322	8,479	32.2
Vermont	25,490	14,604	55.1
Virginia	173,051	31,835	18.4
Washington	79,887	35,502	44.4
West Virginia	97,600	21,599	22.1
Wisconsin	177,745	86,107	48.4
Wyoming	13,076	4,054	31.0

This situation has been slowly worsening, despite the efforts of our citizens to improve it. The Oklahoma State Legislative Council and the Bell Telephone Co. have worked together on a splendid cooperative basis but have not solved the problem. Nor will they, I am convinced, until the Federal Government lends it support.

Senate bill 1254 will enable the Government to give that needed support. It provides:

1. That the Government can loan money to groups or companies on a long-term, low-cost basis for the purpose of installing telephones.

2. Authority for the Administrator to make loans for refinancing existing indebtedness of telephone companies where such money is needed.

3. Existing companies shall have priority to such loans.

4. If no company is presently operating in the area, a group of citizens may join together for such purposes and be eligible for a Government loan.

I would like to emphasize that, in no sense, does this bill put the Government into the telephone business. Nor does it affect the authority and jurisdiction of local and State regulatory bodies.

As to the feasibility of the plan proposed by the bill, I would like to call attention to the striking success of the REA, particularly in Oklahoma. The two plans are highly comparable. Only 2.6 percent of our farms had electricity in 1935 before the REA. In 1948, 44 percent of our farms were served. Telephone service can be extended in a like manner.

As to the economic feasibility of the plan proposed by the bill, I would again cite the success of the REA in Oklahoma. To March of this year, $40,000,000 had been advanced to our REA program. As of April 1 of this year, more than $4,500,000 of this money had been repaid, with interest. More than $400,000 has been paid on the principal in advance of the due date. Furthermore, 14 out of the 27 borrowers were ahead on their payments and not a single one was behind in payments. The farmers in Oklahoma wanted power, needed power, and could pay for power. And the figures prove it.

The same situation exists today in regard to farmers' telephones. They want them, they need them. They can pay for them, provided the Government will help.

There is every reason to believe that telephone service today can be extended even more cheaply than before. Technological improvements have made such extensions more practicable as well. Some of these improvements are:

1. New, different types of wires with higher tensile strength, less weight—permitting wider spacing of poles and thus, cheaper line construction.

2. Improved machinery for installing poles.

3. A new plow which digs a trench, installs an underground wire, and closes the trench, all in one operation.

4. The practicability of using the same poles for both electric power and telephone lines.

5. Use of carrier systems.

6. Radio telephones.

Some of these improvements cannot be used, but the day is rapidly approaching when they can.

In view of these facts, I have coauthored Senate bill 1254 because I sincerely believe it is the fastest, safest, soundest way to give American farmers the telephone service which they need.

I thank you for the privilege of appearing before you, and I earnestly urge this committee to give favorable consideration to this legislation.

Big Government Versus Big Business

EXTENSION OF REMARKS
OF
HON. J. CALEB BOGGS
OF DELAWARE
IN THE HOUSE OF REPRESENTATIVES

Tuesday, August 2, 1949

Mr. BOGGS of Delaware. Mr. Speaker, there appeared in the New York Journal of Commerce from July 18 to July 22, 1949, a series of five editorials, all devoted to a study of monopoly and entitled "Big Government Versus Big Business."

In my opinion this is a splendid series of editorials on a subject of tremendous importance and significance to the Members of Congress and to the people of this Nation. Many aspects of this problem which have previously received too little attention or no consideration at all are discussed in a clear, convincing and easily understandable manner.

Mr. Speaker, I include as a part of my extension of remarks this fine series of editorials and recommend that in the best interests of the people of this country and of our Nation's future economic stability and growth, that these articles be read and given fullest consideration by all the Members.

The editorials from the New York Journal of Commerce follow:

A FIVE-PART STUDY OF MONOPOLY—BIG GOVERNMENT VERSUS BIG BUSINESS

(Pt. I)

The stage is being set by the Government, through the offices of Attorney General Tom Clark, for a gradually intensifying drive which has for its objective the liquidation of big business.

News dispatches from Chicago, where antitrust action has been filed against the du Pont empire, General Motors, and United States Rubber, make this important fact clear: The attack on bigness in business is a main prop of the Government's latest trust-busting drive.

An important clue to the administration's philosophy was supplied last week by Attorney General Clark, as the initial witness before a Special House Judiciary Subcommittee.

Mr. Clark said that he considered the du Pont suit the most important case in the history of the Sherman Act. And he stressed his belief that competition does not thrive even where there are four big concerns in a given field of competitive endeavor, in addition to numerous smaller firms.

This badness, per se, was explained last month by Assistant Attorney General Herbert A. Bergson, who said it has only recently become clear that the Department of Justice has the power to reach the Big Three-Big Four combinations, despite a lack of direct evidence proving conspiracy.

In the American Tobacco case, for instance, the court found a combination and conspiracy, according to Mr. Bergson, from evidence showing that each of the Big Three in the tobacco industry used substantially similar practices cumulatively beneficial to their own common interest and detrimental to their competitors and competition in the industry.

If applied to sports, this concept would mean, for instance, that each football coach would have to devise basically different plays.

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though the rules of the game for all were the same. Yale, for example, would be unable to use the lateral pass because Harvard used lateral passes and they had been found to be "beneficial (to Harvard) * * * and detrimental to competitors and to competition. * * *" In baseball, the Dodgers would have to use underhand pitchers because the Yanks had overhand pitchers, and the Giants probably would have nothing left but to roll the ball on the ground.

While this seems silly, it makes as much sense as condemning the fact that two, three, or four companies, operating in the same industry under the same economic conditions and under identical antitrust laws, should come up with many similar business practices.

In the case of du Pont, General Motors, and United States Rubber, the Government's cause for alarm is even more curious. It is claimed by the Justice Department that, by taking in each other's washing, all three companies waxed fat. The Government suit alleged that the du Pont Co. "subsidized" its expansion "by using for such purpose the profits derived by it from the sale of its products on a closed-market basis to General Motors and United States Rubber."

Here are the facts, based on sales records: The dollar volume of du Pont sales for the 10 years 1938 to 1947 totaled $134,000,000 to General Motors and $72,000,000 to United States Rubber, or 2.6 and 1.4 percent, respectively, of du Pont's $5,090,000,000 of sales to all customers in that period. During the same 10 years, du Pont's expenditures for new plant construction and equipment were $458,000,000, or double the sales volume to the two firms.

It does not seem possible that one could contend seriously that the profits from such a small percentage of total sales could support an expansion program of such magnitude, but that is what the Justice Department claims.

From this fragmentary examination, two points begin to take shape. One is that the Government is breaking into new ground when it attempts to recast the American economic system on the theory that bigness is badness. The other is that its "district attorney" indictment stretches some conclusions to extraordinary thinness.

If it were not for the fact that Government success in its prosecution of bigness can well pull down the whole economic structure of our mass production, low cost industries and disrupt the Nation's entire course of progressive improvement in living standards and constantly growing industrial (and military) might—then the extremes that the bureaucratic agents of Government are going in their attempts to destroy big business might be ludicrous.

But it is far from funny. The little men of big Government are deadly serious in their intent to liquidate big business. In the words of Crawford H. Greenewalt, president of E. I. du Pont de Nemours & Co.:

"The ability of the United States to advance in peace and survive in war is threatened by this contention that bigness is bad in anything but Government."

BIG GOVERNMENT VERSUS BIG BUSINESS

(Pt. II)

With the revival of the Democratic administration's attack on bigness in business, as exemplified by its suit against three companies—du Pont, General Motors, and United States Rubber—the question arises, Why does the Government think business is badness?

Unfortunately, the Government is not too clear on this subject, except to reiterate that bigness is bad per se. And not only is bigness bad when it exists in one giant concern, but it is claimed that separate and competing industrial concerns—in the same general lines of business—are monopolies by the very nature of their combined sizes. This concept has been advanced as the big three-big four theory of economic concentration.

Such a concept, of course, is a dramatic and drastic departure from the traditional understanding of competition. Even a casual review of the economics of our commercial economy will reveal that the big, mass-production, low-cost producers are the very cornerstones of our industrial system. And around these cornerstones swarm millions of other businesses ranging from tiny to the moderately big.

It is plain to any student that to break the big ones into little ones would tremendously alter our economic structure. But no one, not even the Government's big-business prosecutors, has convincingly shown how our economy might continue its astounding record of productivity under a new set of rules which would outlaw all big firms. For that is the logical end product of successful Government prosecution—the disappearance of all big business.

The precise relationship of big and little business never has been defined, this despite the millions of learned words written on the subject. In fact, just what is too big is not known, except it is known that, under a competitive system, with antitrust laws to enforce competition, too big would become extinct, just as did the dinosaur.

For instance, General Motors may be more aptly described as a superassembly line, rather than a competition-eating entity in the field of auto manufacture. Surely GM is dependent upon small business. Such dependence has been amply demonstrated by the fact that GM has had to close down its assembly lines when small suppliers were struck. On the other hand, it is just as fair to say that thousands of small suppliers depend on GM.

In truth, it is impossible to say which depends more on the other—big or little business. But there can be no doubt that big and little business are interdependent, and this should mean, even to the Justice Department, that if one is removed the other will suffer.

Law enforcement, as any corner policeman could tell Attorney General Clark, is not so much a matter of enforcing the letter of the law as it is applying common sense and maintaining law and order. A "rule of reason" has been evolved by the Supreme Court in dealing with antitrust suits against large enterprises. But the Justice Department apparently will have none of this "rule of reason" and constantly is seeking more and more strained and tougher interpretations of the laws. Such is the case with its bigness theory.

This is a matter too important for lawyers—even as able as Mr. Clark—to decide. Personal ambition—perhaps to be recognized as the Nation's greatest trust buster—a blindness to the needs of the Nation and other personal failings of the individual, no matter who he is, contain too many dangers for the Nation's security in this important matter.

If this administration is to persist in its attempts to blast our economic system into smithereens, then it is time for Congress to take a firm hand. If bigness is illegal, then Congress should say so and take the responsibility of defining what is "big" and what is "medium" and what is "small." And, if Congress does not think bigness is illegal, it should say so. This would take the responsibility for seeking tortured interpretations of existing laws out of the hands of the lawyers.

And, while Congress is doing this job, it ought to take a look at bigness in Government.

There are 48 medium governments in this Nation and thousands of small governments. In the past 16 years, Uncle Sam has gone further in gobbling up the taxing power and other prerogatives of little governments than big business ever dreamed of in attempts to overshadow competitors.

BIG GOVERNMENT VERSUS BIG BUSINESS

(Pt. III)

Since the Government is avowedly out to smash big business just because it is big, now is a good time to examine the matter of who benefits and who suffers from the bigness of the du Pont empire, Standard Oil, American Telephone & Telegraph, General Motors, and scores of others.

Attorney General Tom Clark and his assistant, Herbert A. Bergson, have whipped up a new line of attack on big business. It is their theory that the mere existence of three or four large companies in a given industry is economic concentration or monopoly, per se. By their mere size, even though they compete actively, they are in violation of the antitrust laws. This is an interesting concept, one not found in any ordinary reading of the Sherman or Clayton Acts, but growing rather out of some involved interpretation of these laws.

The owners of big business, like any other incorporated enterprise, are the stockholders. And like all stockholders they are interested in profits. Therefore, if big business is preying upon the public, the profit and loss statements should reveal this fact. But they do not. As a matter of fact there is some evidence that profitwise, when measured against investment, big business does not necessarily do better, and at times does poorer, than small business, although studies of this point admittedly leave much to be desired in completeness.

The most expensive, elaborate business study ever made, the New Deal-sponsored and New Deal-rigged TNEC investigation, produced this interesting conclusion to a series of tests of which is more profitable: On the average, about one-third of the total number of companies in each test showed a higher rate of return than the largest company.

Other studies show an even more remarkable tendency for smaller concerns to compare favorably with the large. And most economists will testify to the fact that there is little or no evidence to indicate that bigness is a guaranty of larger return on capital investment.

On the other hand, there is hard, factual evidence that many—though not all—big businesses do pay higher wages than small business. And the more concentrated an industry is, the greater is the wage differential between the biggest and the smallest.

According to the United States Bureau of Labor Statistics, the two largest producers of radio sets in 1937 (latest survey figures) paid all workers 73.1 cents an hour; other radio companies paid 53.1 cents. The big three electrical goods companies paid 82.4 cents an hour; intermediate companies, 66.9 cents and small companies, 58.6 cents. The big three in explosives paid 81.9 cents; other companies in the industry paid but 65.3 cents. The large soap companies paid 76.2 cents an hour to labor; the others only 57.5 cents. The big four in meat packing paid 70.1 cents; intermediate companies 63.6 cents and small, 56.2 cents. And so the story goes for those industries in which studies show economic concentration to be greatest.

Obviously then, it would appear that labor is one of the chief beneficiaries of the efficiency of big business in the form of wages higher than the relative inefficiency of small business will permit.

Are there other beneficiaries of big business? The only other logical place to look is straight at Mr. Consumer. And just one example will show that the consumer, which is the country itself, is the real beneficiary of the efficiency of big business.

For instance, the du Pont Co. was one of the leaders of the drive among American chemical manufacturers to make this country independent of Germany in dyestuffs. That effort took an investment of over $43,000,000 in 18 years before profits offset accumulated losses.

The same risks were taken in the development of many new du Pont products, such as nylons, neoprene, plastics, moistureproof cellophane, synthetic camphor, agricultural chemicals, high-tenacity rayon, quick-drying lacquers (that broke the manufacturing bottleneck in the auto industry), synthetic ammonia and many products coming from high-pressure synthesis. In each of these, there were investments running into many millions of dollars, and the lapse of a considerable number of years before there was any assurance that any would be profitable. Today 60 percent of the sales of du Pont are in products that did not exist or were not being manufactured on a commercial scale in 1928.

And here is the punch line: Most of these products now are used chiefly as raw materials by other companies. In other words, small businesses, literally thousands of them, were enabled to exist and prosper and give employment to countless thousands of workmen—jobs which would not have existed had not big du Pont had the resources, the efficiency, the bigness, if you please, to conceive, invest in, and develop these new products which contribute so heavily to our high standard of living.

This is what the Justice Department wants to take away; what it calls bad.

If creating opportunity for thousands of new enterprises and many more individual jobs, if paying labor the highest wages, if contributing to making this Nation the strongest and most prosperous nation in the world—if these be sins, then truly this Nation long ago should have gone to hell.

BIG GOVERNMENT VERSUS BIG BUSINESS

(Pt. IV)

A lot of poppycock is spouted by the hate-big-business clique in Washington. They say 60 families rule the Nation or 2 percent of the Nation own 90 percent of the wealth, and so on.

This is the kind of stuff which makes the Administration's repeated assaults against this Nation's industrial might such beautiful political pyrotechnics.

Any businessman can answer such nonsense, and should answer it on every occasion. Take, for example, that canard about the 2 percent owning 90 percent.

The answer, of course, is to ask: Who owns the radios, the houses, the dresses and suits, the television sets, the automobiles? Who indeed? That 2 percent would need mighty big closets and garages if the statement were true.

Then there are abundant statistics, breakdowns and surveys demonstrating beyond any reasonable doubt that America's corporations are owned by the mass of people and not by any chosen few. And even a quick look at a Government analysis of savings in the United States will show that the mass of the people own the mass of the savings. Yet these myths persist.

Attorney General Tom Clark has declared that the Government's recent suit against the du Pont empire, General Motors and United States Rubber is the most important in the history of the Sherman Act. He is probably right, but not for the reasons he thinks.

It is the most important because in the postwar reemergence of the Fair Deal's continuation of the prewar New Deal drive to smash big business, a new concept, strangely slanted against this Nation's welfare and terribly dangerous to its future strength, has been unveiled. This new concept is the contention that big buiness is bad simply because it is big. It totally disregards the fact that ours is a commercial economy and that it represents a carefully balanced and logically developed counter and interplay between big, medium, and small businesses.

This new drive is at last in the open where everyone can see it and judge for himself if it is what this country needs. And that is the important fact.

Under the concept, as outlined by Attorney General Tom Clark and his assistant, Herbert A. Bergson, one must get the impression that a handful of power-hungry monopolists have reared money-making Frankensteins in carefully selected industries—in the automobile, tire, chemical, steel, tobacco, and telephone industries. One would think that it was mere chance that they happen to pick these hapless industries for their depredations, leaving relatively alone shoes, leather, furniture, hosiery, knitted underwear, machinery, and others low on the list of concentrated industries.

That kind of reasoning, like the 60 families and 2 percent arguments, holds up just so long as no thinking is done. But the question is bound to arise in any discussion of goodness or badness of bigness as to why this industry or that industry is the scene of operation for such big companies and another is so unconcentrated. And in answering that question, the "hate bigness" gang in Washington will run into trouble.

For the answer to it, in part, is that the bigness is a logical development in the American industrial society. Hence, to destroy the bigness is to attack the very foundation of our national security and prosperity—and with no proved better substitute in hand.

It does not take a genius to figure out that both economic theory and horse sense indicate that the optimum allocation of society's limited stock of capital demands that all classes of business organizations should earn relatively (in proportion to risk, etc.) the same rate of return. If any systematic differential exists, it is an indication that capital could be used to better advantage elsewhere, as indicated. Since studies do not prove that big business is to great degree any more profitable or less profitable to the owners of capital than is small business, it would seem that there exists in these facts a powerful argument in support of the present system of determining the size of business units by private decision rather than by public policy.

The inescapable conclusion is that large business units, in the particular jobs being done by such large units, are of about the same degree of efficiency as small units, in the particular jobs being done by small business.

In other words, where the most efficient job can be done by large business units, they have come into existence. And they continue to exist only by virtue of proving, against the daily test of a free, private competitive enterprise system, that they still are the most efficient.

It is undeniably true that economic bigness opens avenues for abuses of power not available to smaller firms. But that is why we have antitrust laws and public guardians of that trust imposed by these laws. The antitrust laws should be enforced vigorously, but all evidence indicates there is no reasonable justification for the present rash and dangerous attack against business as now is actively sponsored by the Truman Fair Deal.

The consequences of the attack are too grave to entrust to an administrative arm of the Government. It is the duty of Congress to investigate thoroughly and to clarify the antitrust laws so that there is no possible doubt as to their intent.

BIG GOVERNMENT VERSUS BIG BUSINESS

(Pt. V—Conclusion)

It is more than plain by now that there has been a hate-big-business campaign under way for some time.

It has its current genesis in the New Deal and culminated in the TNEC report. The TNEC investigation's report came out in 1941, just as the Nation was burgeoning into the greatest military potential ever seen in the history of the world.

President Roosevelt's TNEC Committee had then labeled the du Ponts "the largest aggregation of wealth" and many New Dealers avidly favored a policy of complete atomization of big business. But the TNEC report lay quietly dormant while big business, along with little business and the rest of the Nation, was busy supplying the weapons of war. Not only was du Pont's vast industrial potential an almost unbelievably efficient war asset, but its terrific research capacity marked it for a prominent place in development of the atomic bomb.

Now, many of the same New Dealers, with their old ideologies, are rallying once more under the banner of "Economic concentration" to enforce their strange concepts upon a big and patient Nation.

Attributing only sincere, patriotic motives to those who are the prime movers of the smash-big-business drive, obviously then there is something wrong in their basic philosophy. Either that, or we really do have a cancerous growth in our economy.

Actually, there is much evidence that the viewpoint which would liquidate big business is out of date. It is just about as reactionary as can be: such a viewpoint would turn back the clock and abandon all progress made in the evolution of our commercial economy.

In earlier years, it is true that there was suspicion, and justifiably so, of bigness—both here and abroad. History is replete with examples of abuses of power by both big industrial enterprises and highly centralized governments. And everywhere but in America, big business and big government have tended to team up. The classic recent examples, of course, are Mussolini's Italy, Hitler's Germany, and Stalin's Russia—each of which depended upon business control as a keystone of power.

But in America, with the free play of competition, under such rules as the evolution of the economy indicated (the Sherman and Clayton Acts, for example), big business evolved in a pattern uniquely American.

That this has happened is a great tribute to the American system and to the American spirit. And it is specifically a tribute to the wisdom of the people and their elected representatives, and to the industrial statesmanship of American business management. For it is only in America that we have seen big business develop a social conscience, that management has met the challenge of taking the good, which does exist in bigness, and weaving it into the social fabric of our free-enterprise system.

Therefore, those who fail to distinguish between the old fear of bigness and the integral and vitally important part that such enterprise plays in our modern economy must suffer a very serious blind spot. Since the prosecutors of big business are high in the offices of big government, it is not so sur-

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prising that such a blind spot does exist. For there is plenty of evidence that big government has failed miserably in learning the lesson American businessmen have learned so well.

Instead of conducting itself so that, in the process of evolving to bigness, the interests of individuals and the various governments making up the Union are adequately protected, the Government, in becoming big, has grievously encroached upon rights of others. Consider these examples:

The ability of the people to control their own savings is being impaired. Over the long term, the traditional savings of United States citizens has been about 10 percent of what they make. This contributes to one of the basic differences between this Nation and other nations—creating the abnormally large middle or buffer class which gives the United States its political stability. The various social security and other schemes advanced by the New and the Fair Deals will take just about this much of the people's savings. In other words, the Government, not the people, eventually would control these important savings, giving in return a dubious security.

Rights of States constantly are being sniped at. Our new Secretary of the Army, Gordon Gray, prior to his appointment by President Truman, headed up a military survey which recommended nationalization of the States' National Guard units. A storm of protest fortunately made that recommendation a dead pigeon, for the present at least.

The States have lost much of their independence through the extreme lengths to which the power of taxation centers in Washington. This high level of Federal taxation leaves little else for the States to tax. Naturally this makes the States susceptible to the illusion of patronage in the form of grants-in-aid from the big, central Government.

And so it goes. Now, big Government (which has bigger corporations than has private industry—the RFC, for example) would seem to be dangerously short-sighted not only in its attack on business but in the conduct of its own, mammoth affairs.

For these and other reasons, those who would preserve the peculiar independence of the American system of representative government and the framework of competitive enterprise which has grown within its structure are more than casually alarmed over the general drift of things. In particular that is why so much emphasis is placed by this newspaper on the Justice Department's concept of what constitutes monopoly.

The fate of du Pont, General Motors, and United States Rubber, their stockholders and employees and customers is not the really big stake of this grand game. The prize to be lost, if all big business is smashed, is the most coveted prize in the world—American freedom and prosperity.

Little business actually has more at stake than big business. And should little business be told that the Government is acting in its behalf—as it has been told—it should investigate thoroughly the diseased economics which lay under the glittering Pandora's box offered by an ill-advised administration. It must be remembered that both big and little business are interdependent. The collapse of one would spell dire trouble for the other.

This newspaper holds no brief for violators of antitrust laws. It believes that if du Pont, General Motors, and United States Rubber have broken these laws they should be prosecuted and punished as fully as the circumstances warrant.

But this newspaper does not believe that efficient, mass production companies are bad for this country solely because they are big. If efficiency under laws assuring a full play of free, private competitive enterprise is bad, then the very heart of our national economy is bad and we have been for 173 years living in a fool's paradise.

Smoke Screen or What?

EXTENSION OF REMARKS

OF

HON. JOHN J. WILLIAMS

OF DELAWARE

IN THE SENATE OF THE UNITED STATES

Tuesday, August 2 (legislative day of Thursday, June 2), 1949

Mr. WILLIAMS. Mr. President, I ask unanimous consent to have inserted in the Appendix of the RECORD an article entitled "Smoke Screen or What?" written by Mr. Thomas F. Lamon, which appeared in the Brandywine Record, Wilmington, Del., on July 27, 1949. This article relates to the inconsistency in the recent antitrust suit filed by the Attorney General, Mr. Tom Clark, against the du Pont Co.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

SMOKE SCREEN OR WHAT?

(By Thomas F. Lamon)

Attorney General Tom Clark seems to have the native ability of doing the wrong things at the wrong time—or perhaps he's playing the old game of covering up critical errors by throwing up a gust of swashbuckling bushwah.

Just about the time the country was shocked by the news that the attorney general had suffered another defeat in losing the Alger Hiss case—came the Nation-wide announcement from Tom Clark that he had filed suit against the du Pont Co., charging that it had gained control of 23 percent of General Motors Corp. stock, 17 percent of United States Rubber Co. stock and had also gained heavy holdings in other great manufacturing organizations.

He forgot to mention in his publicity releases that the du Pont Co. has a 100 percent record when it comes to honesty, progress and welfare of the Nation—a record which is more than 100 years old incidentally.

If Russia had within its boundaries an industry such as the du Pont Co., it could and would not hesitate a moment, to conquer the world.

The du Pont Co. is one of America's chief bulwarks against some of the world's most powerful antidemocratic nations.

The record of the du Pont Co. and what it can do in times of war—as well as peace—as demonstrated in both world wars, is one of the major factors which has kept America strong and feared by nations such as Russia.

In the beginning the du Ponts made black powder in Wilmington. The United States of America has won every war since 1812 when du Pont plants became the principal source of powder.

About 25 or 30 years ago the du Pont Co. took the lead in establishing the chemical industry of America, including rayon, plastics, nylon, cellophane, antifreeze, Duco, and the best dyes in the round world.

Of course, the du Pont enterprise has become one of the greatest industrial empires in our Nation, and the reason for it all is that Irenee du Pont left France one day and landed on the Atlantic coast in the year 1800. His descendants are today running the same manufacturing plant that Irenee established 150 years ago, and during those 150 years the du Ponts have kept expanding their holdings and increasing their usefulness to their Nation.

All this background leads up to recent action upon the part of Attorney General Tom Clark.

When the United States was crying for dyes the du Pont Co. spent $20,000,000 out of its own treasury to solve this crying appeal of the Nation for dyestuff—and the du Pont Co. now makes better dyes than Germany.

Whatever investments the du Ponts may have made in chemical products, powder, or what have you, those same du Ponts widened their spheres of usefulness in the activities of the good old United States of America. As Frank Saylor so ably put it in the Labor Herald recently:

"If it's a crime to be big, as Tom Clark holds, what then of the Federal Government, which has grown so big that it has obliterated States' rights, bypassed Congress' power to declare war, the Senate's to write treaties, used the income tax to grab capital that could be more gainfully employed by business, and taken so much of earned wealth that local communities and States are hard put to pay for the obvious services they provided for the citizens?

"If the bigness of an industry acts in restraint of trade, what then of the very effective restraint upon trade which occurs when a big Federal Government requires all the wealth created in the States west of the Mississippi to support it yearly? Conceive, if you can, how much trade and industry would be spurred if this burden upon it were largely removed?"

It appears that the big offense of the du Pont Co. is its success as an industrial venture. Bureaucrats do not like success in the business world. Somehow, indirectly, it reflects upon their miserable time-serving endeavors in pursuit of nothing. With little to do they turn their attention toward this industriousness, this purposeful and remunerative creation of better things for better living. To them success is associated with wrongdoing. Tainted unconsciously with Marxism they assume that prosperity can only come through exploitation and monopoly, not knowing that the greatest monopoly is tolerated and even favored by Government and its various adjuncts: The monopoly that puts a landless man in the chain gang and contrives the situation whereby we have recurrently the phenomena of idle men, idle land, and idle capital.

We remember after World War I when a theory that munition makers were responsible for war was given considerable credence and Senator Gerald Nye had committees investigating, among other things, the du Pont Co. That the du Pont Co. was called upon during the emergency of war as it has been from its founding apparently was lost upon the investigators in their consideration of the sale of war plants by the du Pont Co. The Senators had a field day. The three du Ponts testifying were spared the placing of a dwarf upon any of their laps as happened with John P. Morgan but as we remembered there was a lot of copy devoted to their pipe smoking. And that was about all that came of the investigation.

We are not speaking with any authority but we understood that the company was reluctant to again undertake military production—which this time included work upon the atom bomb—because of experience after the First World War. Now it appears that history is duplicating itself. Once again it was called upon. Again it responded, and again it is being rewarded and not with postwar E's for oustanding performance and efficiency as was the rule during the war.

Library of Congress Bollingen Award to Ezra Pound

EXTENSION OF REMARKS
OF

HON. JACOB K. JAVITS

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Monday, August 1, 1949

Mr. JAVITS. Mr. Speaker, my demand for an investigation regarding this award to a man adjudged insane and indicted for high treason, is pending. The appended letter from the Fellows of American Letters of the Library of Congress and the editorial comment of the Saturday Review of Literature, which first gave detailed consideration to the whole subject of this award, has a very important bearing on what the Congress ought to do with reference to this case.

Since my colleague, Mr. PATTERSON, of Connecticut, and I first broached the subject in the House, many have written questioning how anyone could expect to improve American letters and create suitable models for our young authors by rewarding work emanating from such a source. They have questioned, as Mr. PATTERSON and I question, whether our creative artists in poetry are so barren of talent that the Fellows could find merit only in Ezra Pound.

The matter above referred to is as follows:

[From the Saturday Review of Literature of July 30, 1949]

MORE ON POUND

The following letter to the Saturday Review carries the names of all the members of the United States of Congress-Bollingen Award jury save that of Paul Green:

THE LIBRARY OF CONGRESS,
Washington, D. C.

SIR: The Fellows of the Library of Congress in American Letters assert that the decision of the jury for the Bollingen prize was arrived at wholly by democratic procedure. We indignantly protest the impugnment through the editorial and articles in the Saturday Review of Literature of the integrity of motive of any of the Fellows.

We wish publicly to thank Mr. Paul Mellon and the officers of the Bollingen Foundation for their generous encouragement of American letters and to state that they had no part in nor knowledge of the jury's deliberations.

We wish publicly to thank the Librarian of Congress for his courage and wisdom in upholding the principle that a literary jury should have complete feedom of judgment.

Conrad Aiken; W. H. Auden; Louise Bogan; Katherine Garrison Chapin; T. S. Eliot; Robert Lowell; Katherine Anne Porter; Karl Shapiro; Allen Tate; Willard Thorp; Robert Penn Warren; Leonie Adams, Consultant in Poetry at the Library of Congress and Secretary to the Fellows.

Mr. Green declined to sign the letter, he informs SRL, because he did not share the "indignation" of the Fellows. "I think the laugh is on us Fellows of the Library of Congress," he writes, "for giving the Bollingen award to Ezra Pound's book. I am willing to let it go at that. Naturally, everybody agrees with the fine statement of Dr. Evans that literary judgments and preferences, like other matters of the mind, should be free. They certainly were in this matter."

To take up the three main points made by the fellows in their letter:

1. We accept without further question their assurance that the decision of the Bollingen jury was "arrived at wholly by democratic procedure." Doubt still remains, however, concerning democratic procedure in the announcement of the awards. The original announcements created the impression that the fellows were unanimously behind the choice of Ezra Pound. Mr. Hillyer was able to establish that such was not the case—a fact confirmed by Paul Green in SRL June 11. As for the democratic nature of the award, there is the comment by Mr. Auden, one of the judges, to the effect that the prize is not the concern of the American people. This though the prize carries the name of the American Government. We are indebted, too, as we pointed out in an earlier editorial, to Mr. Auden for the statement that he would have been in favor of suppressing The Pisan Cantos if there had been any chance that the people would read it, for most people were to be "regarded as children who have not yet reached the age of consent in this matter (anti-Semitism), and from whom, therefore, all books, whether works of art or not, which reflect feeling about Jews—and it doesn't make the slightest difference whether they are pro or anti—must be withheld"; and then, as a demonstration of his own superiority, Mr. Auden says he would award the cantos a prize before withholding it.

But these are all side issues. The main issue, to which the Fellows have not addressed themselves, concerns the award itself. We had hoped that there might be some defense of the Pisan Cantos as poetry, which Mr. Green, one of the judges, described as a "volatile fever-fret of wordage," and which Mr. Luther Evans, Librarian of Congress, believed was "an unfortunate choice * * * hardly poetry at all." This is no private award, no closed-to-the-outsider affair where it is presumptuous to call for a public accounting. The award is made in the name of an important agency of the American people, and they have a right to demand that sense be made. It is the direct obligation of the Fellows to justify their choice. Let them agree, if they can, as to what each section of the Pisan Cantos means. Then let them justify Pound's grotesque pseudo-scholarship, his counterfeit Greek and Chinese classicism. Then let them square the obscene political content of some of Pound's lines with their excuse made in behalf of the award that art must be kept separate from politics. Let them defend Pound's destruction of values that are inseparable from a society in which culture is possible. It is the obligation of those who are defending Pound against the charges of treason on the grounds of insanity to explain that this insanity in no way interfered with his poetry.

2. As it concerns the Bollingen Foundation, we have already stated on this page that it has been proved to our satisfaction that the foundation had nothing to do with the award beyond the donation of the prize and its own name. A more fundamental question, however, concerns the right of the Fellows to accept sums from private organizations for the purpose of making official or quasi-official awards. Government prizes do not fit in too well with democratic ideology, and the early laws of this country specifically discouraged donations to Government agencies by private individuals or organizations. Totalitarian states specialize in prizes—in order to advance desired objectives. For a democracy, however, the danger, made explicit in this case, is that a single school might use the prestige of the Government for advancing its own idiom.

3. We agree that Mr. Evans probably acted wisely in not attempting to substitute his judgment for that of the Fellows, even though he categorically disapproved the award. But that doesn't mean that the United States Library of Congress, as an institution, is any less responsible for any award made in its name, nor that its administrators can avoid repercussions caused by the actions of their subordinates. Nor that the award to Pound should be disregarded in any appraisal of the work or value of the Fellows.

N. C.
H. S.

The Trouble of New York's Biggest Bank in Exchanging Foreign Money

EXTENSION OF REMARKS
OF

HON. COMPTON I. WHITE

OF IDAHO

IN THE HOUSE OF REPRESENTATIVES

Wednesday, July 20, 1949

Mr. WHITE of Idaho. Mr. Speaker, the fact that people and foreign governments are clamoring for dollars to buy the things they need demonstrates as nothing else can the crying need for a sound, adequate, workable international monetary system. The recent pronouncement of our country's largest bank inserted in part herewith calls attention in a striking way to the irregularities and deficiencies inherent to the unredeemable managed paper currencies and the difficulty of transacting business between the firms and people of the several countries with the kind of money we now have.

The following is taken from the July report of the National City Bank:

A correspondent from Canada writes us in part as follows:

"If a Canadian visits the United States and offers our Bank of Canada notes in payment of anything what happens? Probably a blunt refusal to touch the stuff, or at best a whopping discount is taken for accepting them. Even in border cities the procedure is the same and bank cashiers in such cities know, if they know anything, that our notes are as sound as any on earth.

"We wonder ceaselessly why our currency is so discriminated against; and trying to reason it out on a factual basis reduces us to helpless frustration. The thing simply does not make sense."

Why the Canadian dollar is "so discriminated against"—which so mystifies our correspondent—is very simple, although it would be more proper to say "discriminated between." To an American, there are two different kinds of Canadian dollars—"official" dollars and "free" dollars. "Official" Canadian dollars are equal in value to United States dollars and have been since the "upvaluation" of 1946. The Canadian Government, through its Foreign Exchange Control Board and Bank of Canada, stands back of them and guarantees to the foreign holder convertibility into United States dollars at par.

"Free" Canadian dollars, held by Americans, have no guarantee of value or convertibility from the Canadian Government. On the other hand, the Canadian authorities offer no objection to the transfer of the "free" dollars among Americans and have rules under which they can be brought back and used in Canada. This gives them substantial value. The discount—now 4 or 5 cents in the New York market—is determined by supply

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and demand without any responsibility on the part of any government for the price at which they sell.

If the Canadian Government did not interfere, the official gold and dollar reserves might be drained away and control of the rate lost entirely. What the Canadian Government does is to tell their people for what purposes they can have United States dollars and for what purposes they cannot.

The world has never been so full of inconvertible paper money issues as it is today.

To the average American, as to our correspondent, it "doesn't make sense" to have some Canadian dollars worth 100 United States cents and others worth but 95 cents. Much less does it make sense to observe, circulating in the world, thirty-odd kinds of pounds sterling, only one of which is freely convertible into United States dollars at the official parity of $4.03. Indeed, it is an unusual country today that, like the United States, and Cuba and Mexico to the South, has only one kind of dollar, pound, or peso. These strange things are a product of exchange controls—of efforts to protect the national currency reserves, to discriminate between various holders and uses of a currency, to bottle up capital that wants to leave the country, to postpone or avoid the necessity for currency revaluation. Generally the exchange controllers forbid free trading among the different kinds of currency at home. This is a way of suppressing the fact that all units of the national currency are not maintained on a parity with one another. But differentials show up in foreign centers, beyond the range of authority or influence of the exchange control, and thus we have, in some of the most out-of-the-way places on the globe, mushrooming gold and foreign exchange markets.

Nothing like this ever could have happened under the old gold or gold exchange standard. Every unit of a nation's currency was just as good as any other, at home or abroad, and equally exchangeable into gold at the option of the holder. Arbitragers in London, New York, and other key financial centers, kept the exchange rates in line. A government had nothing to do except freely buy and sell gold, sterling, or dollars at established rates, or allow private banks to do so. In most countries this job was done by a central bank operating in conjunction with the foreign exchange market.

The broad pattern has been that too many countries—by overambitious capital development programs, unbalanced budgets, easy-money policies, and inadequate incentives to production—have developed, or worsened, fundamental disequilibrium in their balances of trade, notably with the dollar area. They have been unexpectedly reluctant to invoke exchange-rate adjustments, fully justifiable under the fund's statutes. Instead they have chosen to meet the resultant dollar shortage, and bring their international accounts into line, by shutting out imports from the dollar area and refusing to convert their currencies at the rate they are supposed to be worth in dollars. Imports from the American area are directly cut down; and exports to the American area are retarded by prices higher than the American market will pay. More than $4,000,000,000 a year are being supplied by the ECA, but even these far from fill potential foreign demands for American goods. This is evidenced by continuing needs for rigorous import and exchange controls.

It is also significant that the three countries which upvalued their currencies in terms of the dollar—Canada and Sweden in 1946 and New Zealand in 1948—all subsequently had to strengthen their barriers against imports from the American area. On the other hand, devaluations have been unsuccessful, and quite naturally, where internal inflation has proceeded apace. Here China and Greece are the extreme examples.

One way out would be another wide turn of the price-wage spiral in the United States which would enable inflation here to catch up to inflation overseas. This would work new hardships on our people of limited fixed incomes.

The result of a new rise might only be to precipitate a fresh wave of inflationary disturbances all over the world. It is hard to stabilize on the tail of a kite.

A second way is deflation of wages and prices in soft-currency countries to a point where their international trade would balance out. Thus, the gold-standard treatment, involves the pains of numerous business failures and temporary unemployment for many people.

It is apparent from the above statement of this country's largest bank that if the world is ever to have enduring prosperity the nations of the world need and must have a sound, adequate, workable international monetary system, money of intrinsic value independent of the value of the national credit of any country.

The attention of the National City Bank should be called to the declaration of monetary policy now on our statute books as embodied in section 311 of the United States Code. This law which has never been repealed is inserted here for the attention of the National City Bank and for the attention of international financiers and banks everywhere.

SEC. 311. Policy of United States as to bimetallism: It is hereby declared to be the policy of the United States to continue the use of both gold and silver as standard money, and to coin both gold and silver into money of equal intrinsic and exchangeable value, such equality to be secured through international agreement, or by such safeguards of legislation as will insure the maintenance of the parity in value of the coins of the two metals, and the equal power of every dollar at all times in the markets and in the payment of debts. And it is hereby further declared that the efforts of the Government should be steadily directed to the establishment of such a safe system of bimetallism as will maintain at all times the equal power of every dollar coined or issued by the United States, in the markets and in the payment of debts.

This declaration of our monetary policy was never repealed. In making this declaration of monetary policy the Congress has pointed the way and approved the principles of the best plan that can be undertaken to establish an international monetary system that will automatically supply money of universal recognized value independent of the value of the credit of any nation—a money system that will increase in volume with the growth of population and commerce. It has been thoroughly demonstrated that the production of gold alone will not suffice the world's money needs. Gold joined with silver on an established ratio of value in line with the volume of production and the visible supply of gold and silver at an established ratio is the only practical plan that has ever been devised to give the nations of the world a sound, workable, and adequate money system.

Merrimack and Connecticut Valley Authorities

EXTENSION OF REMARKS
OF
HON. THOMAS J. LANE
OF MASSACHUSETTS
IN THE HOUSE OF REPRESENTATIVES

Tuesday, August 2, 1949

Mr. LANE. Mr. Speaker, under leave to extend my remarks in the RECORD, I wish to include herein a statement made by Paul E. Seymour, president, district 2, United Electrical, Radio and Machine Workers of America, CIO, Boston, before the Senate Committee on Public Works on July 20, 1949, in favor of S. 253, filed by the Honorable HENRY CABOT LODGE, Jr.

This testimony offered by Mr. Seymour is most comprehensive, instructive, and enlightening and reflects the power-situation picture in New England.

I sincerely hope that every Member of Congress will take time to read this excellent statement by Mr. Seymour.

STATEMENT OF PAUL E. SEYMOUR, PRESIDENT, DISTRICT 2, UNITED ELECTRICAL, RADIO, AND MACHINE WORKERS OF AMERICA, CIO

Mr. Chairman, and members of the committee: I am here today as the representative of 80,000 workers in the electrical, radio, and machine-manufacturing industry of New England who are members of my union.

First of all, we wish to congratulate Senator LODGE for his initiative and imagination in introducing the bill which is before you today, S. 253. We fully support such a survey. In fact, our union has urged a Connecticut and Merrimack Valley Authority for several years.

There has never been a more suitable time to undertake such a survey. Many manufacturing concerns have left New England. There are now some 200,000 industrial workers unemployed in Massachusetts, 100,000 in Connecticut, 60,000 in Rhode Island. If this survey resulted in congressional authorization of New England river-valley projects, thousands of jobs would be created both directly and indirectly.

Our union has a particular interest in these projects, especially at this time. There are already more than 15,000 New England workers in the electrical and machine-manufacturing industries who have been laid off within the last year. The authorization of work on river-valley projects would mean that these men and women would be rehired to make turbines, dynamos, wire, switches, machines, and many other products needed.

Cheap power means greatly increased power consumption, greater use of electric home appliances. The establishment of multiple-purpose river-valley projects throughout New England would greatly stimulate the electrical-manufacturing business, thus creating thousands of new jobs and benefiting the whole community through the increased purchasing power of gainfully employed workers.

Aside from these reasons, which pertain especially to the industry in which our members are engaged, there are many other strong and cogent reasons why such a survey as Senator LODGE proposes, is urgently needed at this time.

The most important and startling reason for this survey is the astounding fact that, although 149 public power projects are in operation, under construction, or authorized,

in the South, Southwest, Rocky Mountains, and the Pacific coast, not one single project is in the New England States.

New England has the highest over-all electric rates of any region in the United States. The reduction of private company rates in the Northeast has not kept pace with the reduction of rates in the other three-quarters of the Nation, although the Eastern States supposedly have the oldest and most efficient regulatory commissions.

This is due to the fact that the low rates established by TVA and other projects have forced the private companies to reduce their rates and, incidentally, also forced them to make more money. New England electric rates are 60 percent higher than private company rates in the TVA area.

New England has the lowest average residential use of power in the country with one exception (west-south-central region). New Englanders used an average of only 1,160 kilowatt-hours per year for household purposes in 1947, while the average for the Nation was 1,400 kilowatt-hours.

The average cost of the monthly bill for 100 kilowatt-hours for residential use in New England was $4.32 in 1947. In the United States as a whole it was $3.74. It goes down to $3.01 in the Pacific Northwest, but the highest on the list is New England. New Englanders used an average of 1,160 kilowatt-hours per year for household purposes in 1947, while the average for the Nation was 1,400 kilowatt-hours.

If we rank the Nation's cities of more than 50,000 population in the order of average annual consumption per residential customer, we find that Massachusetts cities, with two exceptions, rank in the bottom half of the list, and the eight cities of lowest rank are in New England. Their average bill is not so low, however.

Average annual kilowatt-hour consumption per residential customer, 1946, cities of 50,000 or more—rank from high to low

City	Rank	Annual use, kilowatt-hours	25-kilowatt-hour users, average monthly bill, rank from low to high
Lawrence, Mass.	218	588	175
Fall River, Mass.	217	627	156
Boston, Mass.[1]	216	630	175
New Bedford, Mass.	215	645	134
Lowell, Mass.	214	694	212
Lynn, Mass.	213	715	198
Providence, R. I.	212	723	165
Pawtucket, R. I.	211	770	199
Boston, Mass.[2]	205	811	175
Somerville, Mass.	204	819	175
Malden, Mass.	197	871	140
Cambridge, Mass.	191	912	72
Medford, Mass.	182	968	140
Quincy, Mass.	178	986	92
Worcester, Mass.	163	1,086	92
Springfield, Mass.	128	1,181	58
Holyoke, Mass.[3]	95	1,295	31
Newton, Mass.	39	1,551	175
Tacoma, Wash.[3]	1	4,772	24
Portland, Oreg.	2	4,276	12
Seattle, Wash.[3]	3	4,165	8
Do.[3]	4	4,099	8
Spokane, Wash.	5	3,946	17

[1] Boston Consolidated Gas Co.
[2] Boston Edison Co.
[3] Publicly owned utility.

If we compare these positions with the top five, the results are startling. Householders in Tacoma, Wash., for instance, use eight times as much power on the average as in Lawrence, Mass., and pay only about twice as much for the total.

The high rates in New England have naturally resulted in a low per capita rate of industrial power consumption. The New England average per capita use of power for industrial purposes amounted to 1,067 kilowatt-hours per year in 1947. The United States average is 2,000 kilowatt-hours per year; in the State of Tennessee it is 2,150 kilowatt-hours and in Alabama 1,890 kilowatt-hours.

[1] Publicly owned utility.
[2] Puget Sound Power & Light Co.

The average rate for industrial use of electrical power per kilowatt-hour in New England was 1.54 cents in 1947. In the United States, as a whole, it was 0.98 cent; in Alabama, 0.60 cent; Georgia, 0.93 cent; and in Tennessee, 0.44 cent.

Taking the figure of 100,000 kilowatt-hours per month for industrial use, a manufacturer would pay in:

	Cost per 100,000 kilowatt-hours per month
Boston	$1,912
New Haven	2,100
Springfield	1,900
Worcester	1,800

Looking at some other cities, we find the following:

	Cost per 100,000 kilowatt-hours per month
Chattanooga (municipal)	$1,000
Atlanta (private)	1,300
Spokane (private)	1,000
Portland, Oreg. (private)	800

A comparison of industrial rates per kilowatt-hour in Chattanooga, which has a municipally owned utility distributing power from TVA sources, and typical New England cities (Boston, Fall River, Lowell, Worcester, Portland, Manchester, Rutland, Providence, Hartford) shows that Chattanooga rates are from 0.62 to 1.29 cents per kilowatt-hour lower in the small industrial user group; 0.75 to 1.06 cents per kilowatt-hour lower in the medium industrial group; and 0.62 to 0.97 cent lower in the large user group.

The cold facts are that New England rates, both industrial and residential, are too high.

The United Electrical, Radio, and Machine Workers of America unequivocably favors the development of multipurpose projects in New England. Interested as we are in the development of cheap public power with its job-creating opportunities and low rates to consumers, we are equally interested in the flood control and river pollution aspects, with the collateral improvement of recreation areas and soil conservation.

The Federal Power Commission has estimated that there is a power potential of 2,500,000 kilowatts capacity to be developed from New England rivers. The New England Council, a business organization, estimates only $420,000. This discrepancy arises from the fact that the council does not consider the development of a river as an entire unit. It considered only separate, unconnected, self-liquidating projects. It studied the sites from the point of view of power development alone. The council's estimate was made on the basis of privately financed projects which would have to earn double the amount of public projects.

The over-all approach, of course, is the one which should be taken—not only because it would result in a greater development of power, but also because of its flood control aspects (for example, Connecticut River floods caused an estimated $80,000,000 in damages from 1927 to 1947; the 1936 flood alone on the Merrimac River caused an estimated $36,000,000 in damages); the development of recreation areas; prevention of pollution, currently receiving much attention in New England because of a prolonged drought; and conservation of the land.

The fact is that we have a lower per capita use of electricity in New England for both industrial and residential purposes. The level of economic well-being is closely related to the use of power. New England needs more power. New England has many unemployed. They must be given work. Public power development can provide that work, both directly and indirectly.

The Federal Power Commission, in a recent memorandum (to Senator SALTONSTALL) stated:

"Comprehensive basin-wide investigations should be made for all of the major river systems of New England to determine more fully and definitely the possibilities for their further development for production of hydroelectric power, flood control, navigation, and other purposes. It is suggested that this can be accomplished through the present cooperative procedures of the Corps of Engineers and the Federal Power Commission in river-basin investigations, as provided by the various flood-control acts and river and harbor acts since 1933. Legislation and appropriations specifically authorizing the necessary investigations in New England are, however, needed, before this work can be undertaken."

I would prefer to be before this committee in support of the authorization of actual projects. Failing that, however, I believe Senator LODGE's bill carries out the practical recommendation of the Commission. It is sound and valuable legislation. I sincerely trust that your committee, Mr. Chairman, will give it a unanimously favorable report.

(Sources: Power figures and rates from Federal Power Commission reports and statements. Unemployment figures from State reports.)

President Truman's Chicago Speech

EXTENSION OF REMARKS
OF
HON. EARL T. WAGNER
OF OHIO
IN THE HOUSE OF REPRESENTATIVES

Tuesday, August 2, 1949

Mr. WAGNER. Mr. Speaker, under leave to extend my remarks, I wish to include an article from the Polish American Journal of July 30, 1949, written by Mr. Ludwik Lesnicki, a Washington political columnist observer for the Current News Bureau and other newspapers. His views are shared by many correspondents.

EYE OPENERS—H. S. T.'S MESSAGE

(By Ludwik Lesnicki)

President Truman's speech in Chicago at Soldier's Field will rank as a great historic document. In no utterance of an American President have the facts been faced more fearlessly. In no utterance has the logic of those facts been more clearly perceived and stated. In words whose force is immeasurably increased by the background of long months of forbearance he summons us to bear the responsibility of world leadership and calls upon this Nation to maintain a strong and stable economy as the basis of our own well-being and as the primary source of the free world.

Said H. S. T.: "The peoples of the world look to the United States for the leadership of this great crusade for peace. We have not

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taken up this task lightly, and we will not lay it down. We must go resolutely forward step by step, toward the creation of a world in which we, and all people can live and prosper in peace." That conclusion of the historic speech is strong meat for strong men and women. It means the utmost cooperation with the nations whose leaders have not cut off communications, and have not built barriers of suspicion between their people and the outside world.

It is this cooperation that will show that a government of the people, by the people, and for the people is capable of asserting and maintaining at any cost those rights without which nationality becomes a byword and a sham; those rights for which Capt. Harry S. Truman, A. E. F., fought so gallantly in 1917 and 1918, and our GI's in the last war.

A solemn time this is in our history.

We must listen to the trumpet call of duty.

The Nation now, men and women, must stand behind their chosen chieftain, the custodian of democracy, our President Truman.

Thus we must labor for the rights of men, for a free citizenship, for a free world.

The President summoned us from my beloved Chicago (and I am always proud to say: Chicago is my home town) to set the final seal upon our national unity.

It summons us—the daring dreams of the men and women who died for the men and women.

It summons us—the daring dream of the dead, the voice of the living, the voice of our people yet to be.

This column believes that for what he has done, for what he has not done, for what he is inducing this Nation to do, President Truman deserves and will get the cooperation as our great spokesman for liberty, freedom, happiness, and peace.

International Federation of Free Journalists of Central and Eastern Europe and Baltic and Balkan Countries

EXTENSION OF REMARKS
OF
HON. LAWRENCE H. SMITH
OF WISCONSIN
IN THE HOUSE OF REPRESENTATIVES
Tuesday, August 2, 1949

Mr. SMITH of Wisconsin. Mr. Speaker, under leave to extend my remarks, I am including a summary of a communication to the United Nations on the subject of freedom of information and press, by Zygmunt Nagorski, Jr. This is a very interesting article and should be of great interest to Members of Congress:

The federation was born last year in Paris. It is composed of writers, editors, newspapermen of all denominations, nationalities and political creeds who have one goal in common. This goal is the restoration of lost freedoms in their native countries. Poles, Czechs, Slovaks, Rumanians, Hungarians, citizens of Baltic States, Yugoslavs as well as Ukrainians and White Ruthenians living in the West are members of the federation. This is the only professional body of that kind, if not mentioning various trade unions, which, also suppressed by the communist regimes, seek reestablishment of their ranks in exile.

Freedom of the press and of information is the main interest to all those grouped within the federation. This freedom has ceased to exist in all the iron-curtain countries. No one defends it, no one abroad seems to be able to defend it. A communication to the United Nations, submitted over a sharp opposition of the Soviet delegate seems to be the only way of bringing once again this sad matter into the daylight.

Russia moving westward brought with herself this new conception of freedom of the press. The Soviet constitution in its article 125 guarantees freedom of speech, of the press and of the assembly. But this freedom is secured—and I quote—"by placing at the disposal of the working people and their organizations printing shops, supplies of paper, public buildings, the streets, means of communication and other material requisites for the exercise of those rights." That gives a full control of all the press and information to the state, and state in Russia is the Communist Party. The most influential papers which are published in the Soviet Union are "Izwiestia," a state paper, "Pravda," party paper, "Krasnaya Zvazda" edited by the Peoples Commissariat for War, "Robochaya Moskva," the official organ of the Moscow soviet, "Krestyanskaya Gazeta" and "Komsomolskaya Pravda," all party papers. They serve as main source of information for provincial papers and the daily news broadcasts by the official press agency Tass complete the picture for any paper anywhere in Russia.

It is natural therefore that the same principle of a uniformed press and controlled public opinion has been introduced wherever Russia expanded. In today's Poland, governed by a small Communist minority against the will of her people, the state is the sole owner of all printing establishments. They have been nationalized and are operated either by the government or have been lent by the government to political parties supporting the regime or organizations controlled by Communists. Last year the state took over five independent Catholic printing presses working for Catholic papers. The state has also full power in the distribution of papers. A cooperative, called the Reader, has the sole right of distribution all over the country. No paper can be sold without the assistance of this body. This is state-owned and run by members of the Communist Party.

The same control is executed in the allocation of newsprint. The central office for the control of press and entertainment sees to it that the only vestige of independent press in Poland—which is the Catholic press—gets barely enough newsprint to serve regular subscribers.

Moreover, the state has in its hands the monopoly of information; with news supplied by Reuter, Associated Press, United Press, and other agencies completely barred, the Polish press has to rely only on two agencies, the Russian Tass and the Polish Press Agency, an official organ of the government. To complete the entire ring a government-controlled organization of journalists has been established, directed by the Ministry of Information, which also has a special section dealing with the activities of newspaper editors.

With all that in mind one cannot wonder the kind of information the controlled press in Poland gives its readers. A Communist periodical called Przekrój recently introduced a page called Who is Who in America. And here I quote one paragraph from this page: "Senator ———, Member of the United States Senate where each of the 48 States has two representatives. Senate is even more reactionary than the lower Chamber. The only exception is Senator GLEN TAYLOR, a nominee of the Progressive Party to the office of Vice President. Senators lately are busy trying to get an increase of their salaries."

Similar lines were introduced into Yugoslavia, Rumania, Hungary, and other countries. Over 130 papers are published in today's Yugoslavia and not a single one with a breath of opposition. The only two independent papers—Demokratia, edited by Milan Grol, and Republica, were both suppressed. The reason given was that the freedom of the press does not apply to all—in plain words to anyone holding different views from those of the Communist Party.

Semnalul, a liberal Rumanian paper, ceased publication last year. Another liberal paper, Viitorul, has been closed for printing within a report of an official reception the initials and titles of British officers present. It was asserted that the letters K. C. B. or K. C. N. G. must for certain contain code messages. A similar fate met Zornica, the oldest Bulgarian paper, Zname, a democratic sheet, and Svobodne Narod, the organ of the Bulgarian Socialists. After the Czechoslovak coup d' etat, such internationally known publications like Narodni Politika and Narodni Listy disappeared, with 200 journalists and writers ousted from their posts and most of them fleeing the country. The nationalization of all publishing channels was immediately introduced. The three Baltic states, officially annexed by Russia, used to have before the war a very fine democratic press. In Latvia alone about 200 dailies and magazines were published, 80 percent of them in Latvian, 11 percent in Russian and the rest in different languages. Today Latvia has 87 papers, all communist, with 39 of them published in Latvian and 48 in Russian.

The purpose of this communication is to call upon the subcommission of freedom of information and the press to see to it that this freedom is enforced not only on paper but also in life. If the United Nations will be unwilling or unable to face the unpleasant but imperative task of seeking to reestablish the lost human freedoms in the countries overrun by the Soviet Union, the same United Nations would give a mortal blow to its prestige among the people of all nations. It will also testify by its inability its unpreparedness for the work for which it has been created.

Valley of the Dammed

EXTENSION OF REMARKS
OF
HON. WILLIAM LEMKE
OF NORTH DAKOTA
IN THE HOUSE OF REPRESENTATIVES
Tuesday, July 26, 1949

Mr. LEMKE. Mr. Speaker, I include in my remarks another article entitled "Valley of the Dammed," by Bigelow Neal. To say the least, these articles are startling and thought-provoking. Our sense of justice is shocked. I am satisfied that these articles will have far-reaching results. Bigelow Neal has raised the iron curtain. He has turned the spotlight on the negotiators and the Real Estate Division of the Army Engineers Corps. From now on there will be less coercion, less threats and more honesty in the taking of private property for public use.

I am satisfied that these articles will have a wholesome effect throughout the Nation and that in the future the innocent victims of land acquisition will be treated more fairly. I am sure that Congress will in the end take appropriate steps to stop the reenactment of the injustice that has taken place in the Valley

of the Dammed. Here follows Bigelow Neal's article:

VALLEY OF THE DAMMED

(By Bigelow Neal)

To the Congress of the United States:

Knowing that this document appears with some regularity on your desks and learning that I already have a considerable audience among you, I am attempting this rather informal method of placing the cause of perhaps more than a hundred thousand men, women, and children before you.

Out here in the valley of the Missouri a great and truly horrible injustice is daily being perpetrated in your name. Nor is it confined to us alone for, in almost every State in the Union where public works are in progress, people are being torn from their homes and cast out to make a new beginning with no thought of the "just and fair" compensation which was promised us by you, the Congress of the United States.

From this comes not only human suffering but also a lowering of the standards of citizenship. My neighbors have been taught to believe in the greatness, in the justice, in the humanity of our Government. When they learn that agents of that Government are capable of cruelty, injustice, and deceit and that the flag of your country and mine flies high over an organization devoted to these barbarous things, instead of things that are good, they lose faith in all Government. And that loss of faith will be passed on to their children and on down for many generations, creating a malignant sore in the very heart of our country.

While it may become calcified in time, yet it will always be there ready to break open and run afresh, discharging the serum of hate and distrust.

A year and a half ago, when I saw my neighbors being driven from their homes one after another by fear of their own Government, I decided to turn in my tracks and fight. I was absolutely alone. Those who should have been beside me were either frightened out of their wits or were afraid that something I might do or say would endanger the building of the Garrison Dam. The only ally I had on the face of the earth was the consciousness that I was in the right and faith in the same Government.

After a few months I found one friend in the editor of this paper, Mr. Herbert Callies of Garrison, N. Dak. Without his loyal support I couldn't have gotten even as far as I have. Both of us have been constantly reminded of Leavenworth, Atlanta, Alcatraz, and an exceedingly fiery hell. We have gone ahead on the theory that we were not fighting our Government but only a cancerous growth that has grown within it. We offer no objection to the building of the dam or to the condemnation of our lands. Indeed we are in full favor of both. What we fight is a land-acquisition policy born of iniquity, a cruel thing that has come to take the place of justice.

The Real Estate Division of the Army Engineer Corps would have me believe I am unpatriotic, a chiseler and a poor citizen. It has been hinted that I am in league with subversive organizations, out to overthrow the Statue of Liberty.

I am not a Communist. I never was a Communist or any part of a Communist. As far as I know I have no friends who are Communists. I know many fine people who as Socialists are, I believe, guilty of idealistic and wishful thinking. I hold them as men of good intent but I am not of them. I have, in times of war or threatened war, sworn allegiance to the Government of and the Constitution of the United States on three occasions. All three oaths are still in effect.

I have lived here in the valley of the Missouri for 55 years. Always I have lived on a farm. I have been a professional writer—of few parts—for a quarter of a century. In this document I elect to consider myself under oath. I may have made mistakes but no word I have written on this subject is knowingly untrue.

The Real Estate Division of the Army Engineer Corps came among us. We trusted them. They appraised our lands but they refused to tell us the amounts of the appraisals. Then we could no longer trust them.

They sent men among us whom they called negotiators. These men offered us amounts, a thousand or more dollars below their own appraised valuation. Then they used every means at their disposal to frighten us into acceptance. They threatened some of us with the Department of Justice and if we were uneducated, the threat went home to cause fear. They attempted, in some cases, to shake our faith in our own courts. They said that if we didn't accept their offers, we would be driven with our families out into the snow. They told us that, if we didn't sell to them for a song, we were unpatriotic, that we would be branded forever as chiselers. They said if we didn't accept their offer, the Government would condemn our lands and we might receive even less than they offered. They never told us our rights under the law—not in a single case of which I have ever heard. They told us that, if we went into United States district court and asked to have our cases arbitrated—as you of the Congress so wisely provided—we were fighting our own Government, more than that, were fighting our Government in a court owned by that Government and thus they caused many of us to feel that we stood no chance, that all the power of the United States was against us, that we had no rights and no friends whatever.

If you care to read the sordid details, they are either on your desks now or will be when I am through, provided you do not withdraw the permission for their publication that you have so kindly given.

Now there are many things of sentiment for which we do not ask pay. You can never pay us for the memories of our children playing under the trees, you can never pay us severance damages for the loss of so much that we loved so well. You can never pay us for years and years of labor, the results of which are invisible cords tying us to the past. You can never pay us for the dreams which never came true.

But you could legislate prosperity for countless thousands through the building of these dams and we cannot understand why we who must lose our homes should be asked to sacrifice more than is necessary. It is my appeal to you, the Congress of the United States, that you investigate what I have written and find if it is true. And, if it is, I ask you in the name of all these people that you wipe out all that has been done, appoint a just and fair commission to fully compensate, relocate, and rehabilitate every man among us who must sacrifice his home that prosperity may come to others and then to see to it that, in all the years to come, no public work shall be undertaken without first providing for the real rehabilitation of the man who must give the land.

When a negotiator for the Real Estate Division of the Army Engineer Corps came to see me, he carried a document he called an option.

This option—insofar as I was concerned—might as well have been a deed. Once it was signed, I was a gone goose.

But, from the standpoint of the Real Estate Division, the option had certain quaint advantages. With it and my signature in their possession, they could sit back and do nothing at all for a long period or they could come back to me, at will, and announce that somebody had decided they couldn't give me that much.

If I remember correctly, I read about three paragraphs out of enough words to build a young novel and handed it back to the negotiator. And about that time some things occurred to me.

Why a negotiator? The Government of the United States had full powers to take my land. Why not take it? Why this negotiating? Why this dickering and bickering? Why not have some sort of a commission appraise my land and then tear off the last sheet of their findings—exactly as an assessor does; hand it to me and say, "There is the appraised valuation of your land. If you don't like it, you have a statutory right to have the United States district court arbitrate your claims."

Wouldn't that have been a much simpler and much nicer way? Wouldn't that have left a cleaner taste in my mouth? And wouldn't you, in whose name this was being done, have had a better opinion of yourself?

But no. Here was a man who called himself a "negotiator," coming to me with all the power of the United States behind him, armed with the support of the Department of Justice, and even the Army—if he needed its help. And what was he there for? I decided he was there to pit his brains against mine. In some way, maybe through flattery, maybe through fear, to buy my land at the lowest possible figure and making his opening offer even lower than the appraised valuation. Think of that! Knowing that my home had been appraised by a proper governmental agency at $7,000, he offered, and tried by every means in his power, to get me to sell it for $6,000.

Well, I've told you about that already. No use rethreshing that straw here. But I did some more thinking. It occurred to me that he had no power to put me off my land whether I signed that option or not. He spoke freely of the Department of Justice but I knew that the Department of Justice had no more power to drive me out of my home than he did. The Department of Justice might start legal proceedings to that end but right in the middle there was a hurdle, and a high hurdle at that. They would have to go through the United States district court to get an order evicting me. And that court belonged to you and to me, not to the Department of Justice and not to the Real Estate Division of the Army Engineer Corps. That court was put there by us to protect both the Government and every single one of its citizens. That court was meant to defend the right and not to chase people over the hills. Putting full confidence in that court, I had no fear whatever of the negotiator. I told him so. He had pitted his brains against mine and he—had lost. Not because I was the smarter man but because I had faith.

For months nothing happened. I got the idea that maybe the Department of Justice had forgotten me. But it seemed they had better memories. So one day comes a cheerful son of the old sod, the Deputy United States marshal. He carried more papers. He carried so many papers that I couldn't have read them if I'd kept at it ever since. He carried so many papers that he couldn't remember if he'd left all of them or just half of them and pretty soon comes his plaintive call over the horizon for me to admit I'd been served with all of them. I didn't know whether I had or not but I admitted it. Why make him unhappy over two or three bushels of words?

But now the plot had thickened. I had 15 days to get an answer into the United States district court. So I sent the date and the number of my summons to my attorney. He did the rest. And then there was a delay of—I believe it was a lot over a year before the court had time to hear my case.

And from those who have been told that they might have something to fear from the unquestioned power of the United States district court, let me say again, you have nothing whatever to fear. Before that court, the Department of Justice and the Real

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Estate Division of the Army Engineer Corps, both put together, are not one bit bigger than you are. And it won't tip the scales against you if they throw in the Army Engineer Corps.

And as for the threat of persecution at the hands of the Department of Justice, that's unadulterated hooey. The United States district attorney represents the Department of Justice. He's there to see that you don't ask an unreasonable sum for your home but in doing his duty he won't forget that he is, first, a gentleman. And if any of you have been told that he might—just might—drag in some figures from your income-tax return, forget that, too. I say again, he's a gentleman.

Well—a jury listened to my side and then they saw that I needed some money so they gave me a sum which added up to $4,500 above the first offer the Real Estate Division tried too hard to get me to take. And that's the same way they treated every one of my neighbors. Andrew Welsh made a clean get-a-way from that court room with $9,000. Some got as high as nearly $20,000. All of which reminds me that USHER L. BURDICK made a speech last fall in which he told everybody not to sign those options. All I know is that those of us who didn't are many, many thousands of dollars ahead of those who did. And anyway there's no negotiator trotting around the country who can brag that he's any smarter than I am and that's what he most certainly would be doing if he'd gotten away with any of my ink. Because that's exactly what he was there for—to buy my land cheaper than he could get it in any other way. Any time I sign an option, he's the winner and I'm the loser—or—he wouldn't ask me to sign it.

Before I go on next week with a consideration of the rental program of the real estate division, a policy which really makes people take to them thar hills, I should like to discuss some of the fundamentals underlying the building of the Garrison Dam.

Disregarding the possible correct order, let's begin with the Red River Valley in general and Fargo in particular. I chose Fargo because I lived there for some years, have many friends there now and I would, had I the power, send nothing but good its way.

Fargo is short of water. There is a common saying among its people that, given water enough, the city would double its population in 15 or 20 years. For that reason Fargo looks with longing eyes toward the Missouri. Naturally it wants the dam. Whether this is wishful thinking or not is no part of my story. The fact is that Fargo and the whole Red River Valley expect to profit greatly by the building of the dam.

Minneapolis and St. Paul? Yes, they also expect to profit through a greater and more prosperous market for the things they manufacture and sell or resell.

Devils Lake hopes to get a refill from the dam, thus putting a gigantic summer resort in the north-central part of the State. I believe that's a worthy objective. Even though it involved considerable sacrifice for those people, demanding both the water and the power farther west, I believe Devils Lake should be filled and kept filled with fresh water. And when it is, property values of the city of Devils Lake will be far higher than they are today and a greater prosperity will come to all.

For one reason or another, every section of the State dreams of great prosperity to come through the dam or the Pick-Sloan plan when in full operation.

Now as we go down the Missouri, we find other hopes and other dreams of greater prosperity to come from the building of this dam. To them it is irrigation, river traffic, power and flood control. It means—to them—that countless thousands of families can build permanent homes along the Missouri and Mississippi without fear of floods.

Thus we find literally millions of people who expect—in a greater or lesser degree—to grow rich from the building of this dam. All right. I have no quarrel with that. If the necessary sacrifice of a few can bring prosperity to so many, then it means that the few must make that necessary sacrifice.

But now listen, if you expect to make so much, why, instead of sending among us men to frighten us into selling our homes at the lowest possible figure, with no regard whatever for our future, why don't you come among us as neighbors, as friends or even as brothers and take us by the hand and say something like "We're sorry, fellers, that we gotta route you out, and because we can't help it we're going to lead you over the hill here to a new home, maybe even a little better than the one you've got now and we're going to see that all your expenses of moving are paid so that when you are settled in your new homes you can go right on from where you left off without the loss of a single cent"?

Am I overidealistic? Am I oversentimental in asking this of you in the name of the men, women, and children who must suffer that you may prosper so much? Or do some of you agree with me that there should be no room in a transaction like this for cruelty? Think it over.

And think this over, too. The dollars they gave us for our land were worth only about 45 cents each. In short, our lands and property were appraised at half their actual replacement value and then paid for with dollars worth less than 50 cents.

At What Should a Farm Bill Aim?

EXTENSION OF REMARKS
OF
HON. GEORGE D. AIKEN
OF VERMONT
IN THE SENATE OF THE UNITED STATES

Tuesday, August 2 (legislative day of Thursday, June 2), 1949

Mr. AIKEN. Mr. President, I ask unanimous consent to have printed in the Appendix of the RECORD an editorial entitled "At What Should a Farm Bill Aim?" published in the Christian Science Monitor on August 1, 1949.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

AT WHAT SHOULD A FARM BILL AIM?

The Senate now has an opportunity to write a good farm bill. It must write it in not the easiest of economic and political atmospheres. So we shall not be surprised if the product falls short of the ideal. But we shall be disappointed indeed if the Senate fails to improve on the House measure.

There seems not the slightest doubt that supports to agriculture will be continued. It appears equally realistic to expect that the methods finally chosen will turn out to be some compromises and adaptations based upon all of the three plans urged upon Congress—the Hope (which the House would continue), the Aiken (which the House would repeal), and the Brannan (which the House would reject).

In the meanwhile, however, while the Senate bill is in the making, it might be helpful to back off from the details and to ask what a farm bill ought to aim at.

First, as we see it, it ought to stabilize the violent ups and downs of farm income in relation to the income of the rest of the Nation. This is basic. How that stabilizing is done is a matter of method.

Second, in our view, whatever method is employed should be designed to forestall wasteful surpluses. The rest of the Nation should not be called on to buy unneeded and nondisposable products nor to underwrite speculation.

Third, as an expedient of enlightened self-interest, it behooves a people to insure an indispensable industry as a socially invaluable way of life against calamity. An endeavor to guarantee that industry prosperity, however, raises a point of fairness and more serious questions of how far can such a concept go without disaster. Help to get farmers started on a supplementary, eventually self-financing program of their own is another matter.

Fourth, whatever method is chosen ought not to ignore the values of independence and self-respect. Whether a government supports an impersonal market or sends subsidy checks direct to quite personal farmers is by no means a distinction without a difference—as generally unfavorable farm reaction to that feature of the Brannan plan would indicate.

Fifth, if the Nation insures its farmers against repetition of past mass bankruptcies, the farmers should be required to assure the Nation that its soil shall not go the way of China's. Some minimum soil-conserving practices should be made a condition to eligibility for Government support, in whatever form that support may be given.

Holding up to these somewhat abstract but, we believe, valid standards the three lots of grist which the Senate mills will grind, we are still of the opinion that the substance of the Aiken approach should prevail.

Moscow's Pearl Harbor

EXTENSION OF REMARKS
OF
HON. HUGH BUTLER
OF NEBRASKA
IN THE SENATE OF THE UNITED STATES

Tuesday, August 2 (legislative day of Thursday, June 2), 1949

Mr. BUTLER. Mr. President, I ask unanimous consent to have inserted in the Appendix of the RECORD an editorial appearing today in the Washington Daily News, entitled "Moscow's Pearl Harbor."

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

MOSCOW'S PEARL HARBOR

While American attention has been diverted by Communist problems in Europe, the Reds have been making hay in the Pacific.

They have opened a front which extends all the way from Korea south to Australia and east to Hawaii.

From Red China they are sending supplies to rebel forces in Burma and Indochina, and agitator agents into Siam and Malaya. Communists hold strategic positions in the Indonesian Republican movement. They are backing the peasant revolt in the Philippines and labor disturbances in Japan.

In Australia, the Reds are attacking the economy of that country through a crippling coal strike.

Harry Bridges, the west-coast union leader, is directing a similar attack against Hawaii from his headquarters in San Francisco.

In Moscow's operation Hawaii the Communists are using a new technique. If it

works, it will be extended to the Philippines and Japan, it is understood.

Edwin C. Heinke, a Scripps-Howard reporter, has made an on-the-spot investigation of the Hawaiian situation, and the first of four stories on his findings is published today in this newspaper.

He found that all of the islands' workers are being organized under one big union—the old IWW idea. This is the so-called International Longshoremen's and Warehousemen's Union, which has organized shipping, sugar, and pineapple workers, in order to control Hawaii's three principal industries.

Under the direction of Mr. Bridges, this union has blockaded incoming and outgoing ocean commerce. A ship cannot load or unload at an Hawaiian port without this man's consent.

Communists dominate this union, and through the union they have worked their way into control of the Democratic Party organization in the islands. That's the new Moscow pattern for conquest by infiltration—control of economy and politics by dominating unions and political organizations.

Further to weaken American influence in the islands, they are fomenting racial unrest in the islands. This is the dynamite they expect to transport to the Philippines and Japan—the "Asia for Asiatics" agitation used with such effect by the Japanese imperialists.

Just as the State Department so long regarded the Chinese Communists as "honest, agrarian reformers," President Truman has treated the Hawaiian situation as "just another labor dispute." But he would know better, if he would review evidence which reflects the true situation, in the Government's own official files.

A congressional investigation, with the power of subpena, is urgently needed in Hawaii to bring this underground attack into proper focus. Now that the Communists are digging in right at our own back door, the problem can't be ignored any longer. The facts Mr. Heinke presents, in the series beginning today, show why such an inquiry is needed.

Big Government Can Save Money by Dealing With Small-Business Men

EXTENSION OF REMARKS

OF

HON. KARL E. MUNDT

OF SOUTH DAKOTA

IN THE SENATE OF THE UNITED STATES

Tuesday, August 2 (legislative day of Thursday, June 2), 1949

Mr. MUNDT. Mr. President, it is my sincere hope that out of the disclosures and investigations connected with the operations of the so-called "5 percenters" here in Washington, there may come legislation and procurement practices which will enable small business and industrial establishments to find an effective way in which to make their products available to the Government.

To this end I am preparing legislation to be introduced shortly which would create a Federal clearing house here in Washington from which all entrepreneurs would be able to secure, simultaneously, complete information concerning prospective purchases by the National Government. By working with and through this central Government agency, businessmen would be free from any necessity or compulsion for employing special representatives, or agents, to intercede in their behalf with Government procurement authorities or to secure for them the specifications and detailed information required in order to enter their bids on Government contracts and purchases.

In this connection I call attention to an editorial published in the South Bend Tribune, of South Bend, Ind., which comments upon this proposal, and I ask unanimous consent that the editorial may be printed in the RECORD.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

COULD BE BETTER

While hints of scandal in the "5-percent" situation in Washington are increasing it should be kept in mind that those responsible for the manner of Government contract negotiating and awarding practically invites abuses. "Smart" go-betweens, persons "knowing the ropes," are and have been practically necessary for private businessmen seeking Government contracts. Official Washington is literally a maze. The situation is accurately and briefly summarized by the Indianapolis Star as follows:

"The United States Government is the biggest business in the world and also the most tangled and confused. Giant corporations may know their way through the red tape jungle but smaller enterprises find they need help in learning what contracts are to be let and how to get them. That is where the 5-percenter enters the picture. He knows the ropes or pretends to. A grateful businessman then agrees to give him a commission for putting him in touch with the right people."

In other words any "smaller enterpriser" not willing to deal with "5 percenters" might as well be reconciled to lack of success in his efforts to get Government contracts. Of course, some operators in the "5-percent" zone have specialized largely in pretense. They do not have as much influence as they pretend to have but by "dropping names" and assuming authoritative airs they have managed to convince some contract-seekers that their services are decisively valuable.

Senator KARL MUNDT, South Dakota Republican, has gone to the root of the matter in his reform proposals growing out of the current "5-percent" revelations. He proposes establishment of an official Federal clearing house to furnish information that would help businessmen to understand the contact and contract situation in Washington. Some "go-betweens" impliedly would be needed if that were done because most businessmen are not equipped to conduct all contract negotiations themselves even when the fundamental information is available. For good measure Senator MUNDT proposes that the solicitors and recipients of financial commissions in the contract procedures be compelled to register officially for congressional information. Professional lobbyists are under statutory compulsion now to do that. Adoption of the Mundt proposals apparently would improve the situation remarkably.

New Seaway Proposal

EXTENSION OF REMARKS

OF

HON. GEORGE D. AIKEN

OF VERMONT

IN THE SENATE OF THE UNITED STATES

Tuesday, August 2 (legislative day of Thursday, June 2), 1949

Mr. AIKEN. Mr. President, I ask unanimous consent to have printed in the Appendix of the RECORD an editorial from the Cumberland (Md.) Times of June 6, 1949, entitled "New Seaway Proposal."

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

NEW SEAWAY PROPOSAL

Once more legislation has been introduced in the Senate to authorize development of a seaway linking the Great Lakes with the Atlantic Ocean through the St. Lawrence River. It is called a nonpartisan proposal, and appears to have new support for an old idea. A good deal of the recently acquired support for the seaway proposal is credited to a change of heart on the part of certain industrial and shipping interests in the Great Lakes area. The change is attributed mostly to the discovery and impending development of rich new iron-ore fields in Labrador and Quebec. The question of whether this ore goes partly to inland mills fed through Great Lakes ports, or almost entirely to mills supplied by Atlantic ports, rests on development of a suitable waterway. Hindsight often discloses astigmatic foresight. In the past the St. Lawrence development project has been opposed by many persons who feared new competition for their little industrial or commercial empires. Now some of them suddenly see that the same medium which might bring new competition would also bring new sources of supply and new markets for themselves. A sound transportation development represents progress, and the same is true of the needed power development which would accompany the seaway project. Progress helps the whole region where it takes place, and helps everybody who is ready to accept it and collaborate with it.

The Limitation on Earnings of Old-Age Insurance Recipients Should Be Raised Substantially

EXTENSION OF REMARKS

OF

HON. KENNETH B. KEATING

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, August 2, 1949

Mr. KEATING. Mr. Speaker, it now appears unlikely that we will be permitted at this session to vote on much needed amendments to the social-security law. Many of us have urged repeatedly that these benefits should be substantially increased and the base broadened to include many not now eligible. Our entreaties have apparently fallen on deaf ears, even though this step can be taken without any cost to the taxpayers and probably even without an increase in the burden on either the employers or the employees.

Certainly, if this is to be the sorry plight of this legislation, one step which should be taken promptly, and which seems to have nearly unanimous backing, is an increase in the amount which one receiving old-age insurance may earn on the outside without losing insurance benefits. The present limit of $15 a month is ridiculous.

Under leave to extend my remarks, I include an editorial from the Olean, N. Y., Times-Herald urging enactment of my bill to permit these recipients to be paid up to $50 a month without sacrificing

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their benefits. Indeed, it is suggested that there perhaps should not be any top limit on this incentive toward more productive and useful lives among our older citizens.

The editorial follows:

OLD-AGE SECURITY

In connection with various measures now before Congress whose object is the liberalization of old-age pension regulations, it is worthy of note that Representative KENNETH B. KEATING, of Rochester, N. Y., has urged the House Ways and Means Committee to grant persons receiving old-age insurance a chance to earn more on the side.

Under the present regulations, of course, persons 65 or over are ineligible for old-age insurance if they earn $15 a month or more.

Reminding the members of the Ways and Means Committee that already he had introduced a bill under which that $15 ceiling would be raised to $50, Congressman KEATING had this to say:

"My study shows that this would not cost the Government substantially more than the amount it is now paying.

"It would give these older people greater latitude in supplementing their income from outside sources; and this desire to continue their contribution to the country's economy should not be discouraged, as is happening under the present law."

The Rochester solon added that his measure would result in improved living standards "for these older people who have worked hard all their lives, paid into this insurance fund, and now want to taper off, gradually, from their hard-working days without giving up entirely."

All of which would seem to be eminently sound.

But why set any limit at all?

Why not permit persons of 65 or over to receive their old-age payments and make all they can on the side for their relatively few remaining years of their lives?

What possible objection could there be to such a course?

Eggs in a Cave

EXTENSION OF REMARKS
OF
HON. KENNETH B. KEATING
OF NEW YORK
IN THE HOUSE OF REPRESENTATIVES

Tuesday, August 2, 1949

Mr. KEATING. Mr. Speaker, under leave to extend my remarks, I include a sorry story from the Packer, as follows:

EGGS IN A CAVE

In a cave in the side of a hill at Atchison, Kans., are stored more than a thousand carloads of dried eggs. The eggs, in barrels weighing from 150 to 200 pounds, belong to the Government.

The officials in the Government hope that some use will be found for the eggs, although they have nothing definite in mind. All the bureaucrats know is that they bought a lot of eggs in powdered form in a colossal effort to increase the price consumers have to pay for them. The barrels are stored in that cave because it is cheaper to keep them there than in commercial storage warehouses.

The Government's purchases are from big produce dealers in the rural areas who undertake to break and dry eggs and deliver the dried product in barrels at shipping points in the Middle West. The usual price is $1.26 a pound. Fifty million dollars of tax money has already been spent by the Government on this program this year.

Since the first of the year, the Government has rendered 160,000,000 dozen eggs unavailable for family use. In all of 1948, the Government bought 85,000,000 dozen. In a little more than 4 months, the Government has destroyed far more fresh eggs than it did all of last year.

There are several remarkable facts to be considered in this connection. The price of chicken feed is down 25 percent from a year ago, thanks to the big corn crop in 1948 compared with the short crop of 1947. Also, hens have been laying better, so that with fewer birds to feed, more eggs are produced. Finally, eggs have been selling close to last year's prices which were the highest on record. Thus, the Government has stepped up its egg destroying operation in spite of an improvement in the condition of the poultry raisers.

The activity of the Government during March and April in diverting vast quantities of eggs into the drying plants not only made for high egg prices in these months, but makes very high egg prices certain in the fall and winter. Eggs laid in March and April are best for storing for the period of short production.

Because of the high price of fresh eggs last year, the quantity going into storage was small and at the end of the year the commercial stocks of eggs were the second smallest on record. But on May 1 of this year, there were only a third as many eggs in storage as on the same date in 1948.

Having already spent $50,000,000 for eggs to be rendered unfit for table use, the Government has indicated it will continue these activities all year. The excuse offered for this waste is that the welfare of the country requires it.

Factories—or WPA?

EXTENSION OF REMARKS
OF
HON. JOHN DAVIS LODGE
OF CONNECTICUT
IN THE HOUSE OF REPRESENTATIVES

Tuesday, August 2, 1949

Mr. LODGE. Mr. Speaker, one of the principal reasons for the serious unemployment in the State of Connecticut is the removal of plants from Connecticut to other parts of the country and the financing of factories outside Connecticut in part with Connecticut money.

In particular, the removal of the Chance-Vought Division of the United Aircraft Corp. from Stratford to Dallas, Tex., is causing great hardship. In view of the fact that this plant played a vigorous and significant part in the war effort, surely here is a case where Federal responsibility is clear.

Under leave to extend my remarks, I am inserting a most informative and excellent editorial which appeared in the Bridgeport Post on July 28. I am also inserting a copy of a letter which I have written to the President of the United States regarding the enormous burdens which have been imposed on the entire Bridgeport-Stratford-Milford community by the removal of the Chance-Vought plant. They follow:

FACTORIES—OR WPA?

Calling attention to the fact that in the year ending June 30, 1948, the citizens and industries of the State of Connecticut paid into the Federal Treasury approximately $685,000,000 and that during this same period this State received back in Federal grants a little over $13,000,000, or less than 2 cents on the dollar, Chairman Clarence F. Baldwin of the State Republican Party told an audience in East Haven the other night that the money thus drained out of Connecticut has been spent in part to build airfields, factories, and industrial sites in other parts of the country, which facilities are now being used as bait to tempt Connecticut industry to move out of this State.

"Connecticut has been forced to pay an unfair, burdensome share of the cost of building factories in other States at Federal expense," Mr. Baldwin said.

"It is the Truman-Bowles philosophy of government which forced us to contribute toward construction of the plant in Texas which lured Chance-Vought from our State. Removal of the Chance-Vought plant from Connecticut to Texas meant the removal of 8,000 jobs from our State.

"The Bridgeport Brass Co. has a new plant in Indianapolis. The Aluminum Co. of Fairfield has a plant in Atlanta, Ga. New Departure, Meriden, has a new factory in Sandusky, Ohio. The Kolynos Co., once of New Haven, is now operating in Indiana. Clocks formerly manufactured in Waterbury are now being made in Arkansas and Texas."

Various reasons have been given for the removal of plants from Connecticut to other States, or the opening of branch plants in other parts of the country instead of the expansion of the local firms. One of the excuses is cheaper labor cost, which we question. A Connecticut textile company which opened a branch in the South not long ago has since closed it. "Cheaper labor" was so inefficient the plant was not a success.

But there is no doubt that the removal of Chance-Vought was a Government-engineered job. Not only were the facilities furnished at less than cost (thanks to the taxes we Connecticut citizens have paid) but the Government pressured Chance-Vought to make the move on the theory that too many of the Navy's facilities were concentrated in this area, constituting a defense weakness.

Perhaps Mr. Truman is graciously planning to start another WPA for our relief. But if his administration continues its policy of taxing capital out of Connecticut and using this to create industrial plants in other parts of the country as a direct incentive to Connecticut industry to move out of this State, no WPA will be big enough.

We'll all want to be on it.

JULY 29, 1949.

The PRESIDENT,
Washington, D. C.

DEAR MR. PRESIDENT: As you know, the Chance-Vought division of the United Aircraft Corp. has moved from Stratford, Conn., to Dallas, Tex., thereby throwing 7,000 skilled workers out of work and adding materially to the already critical unemployment problem in the Bridgeport-Stratford-Milford area. This move, which is sponsored by the Federal Government, has also had a most depressing impact upon numerous businesses in this area since the purchasing power of these workers has been lost to the community.

While the Chance-Vought plant was begun some 21 years ago, it increased tremendously during the war years and therefore can properly be considered as a Federal activity.

I have heard a number of explanations for the removal of this plant and I confess that these explanations have not seemed to me to be convincing. I have heard it said that the plant was moved from Stratford to Dallas for security reasons. Yet it would appear that Dallas is as vulnerable to aerial bombardment as Stratford. I have also heard the argument advanced that jet planes could

not be tested in Stratford. But they cannot be tested in Dallas either since, as I understand it, a lake behind the Grand Prairie site prohibits such testing. Indeed, the jets to be produced in Dallas will have to be flown more than 150 miles to Oklahoma for testing.

However, it is not the purpose of this letter to reargue the validity of the reasons for the removal of the plant. We are now faced with a very distressing condition, a condition for which the Federal Government should assume responsibility, whatever the real reasons are for the transfer of this huge enterprise.

In view of your expressed desire, through the Steelman committee, to allocate Government orders to areas affected by current unemployment, I believe that the Stratford case should be given top priority. I can assure you that the people of my district, though they are citizens of tested loyalty, energy, and thrift, are nevertheless perplexed to learn that extensive Federal business is being allocated to areas where the Government cannot, as in the Stratford area, properly be held directly responsible for unemployment or curtailed production.

Government orders cannot be allocated to the Stratford plant at the present time because the legal status of the plant has not been determined and because the plant is not only idle but empty. Accordingly, it is urgent that the several Government agencies which are interested in this installation should clarify its legal status since obviously the plant cannot be put on the market or disposed of in any other way until the legal title has been determined.

But beyond this clarification of the legalities involved, it is my considered view that the Federal responsibility here is clear. And it is also my opinion that in the interest of our expanding air force and in order to meet any emergency which may arise, it is vital to have a readily mobilizable aircraft industry. Surely, the greatest asset in such an industry is the skilled workers who actually turn out the planes. Surely, it is in the interest of our national security that these workers should not be dispersed and thereby lost to the aircraft industry.

In these circumstances I respectfully request that the executive department be instructed through it agencies to examine the Stratford case in detail in order that some phase of Government-sponsored activity can be assigned to this factory, thereby meeting the Federal responsibility for these unemployed workers. It would, of course, be preferable that the assignment consist of aircraft production in order to preserve the skills of these workers as an added insurance in a dangerous world.

Respectfully and sincerely yours,

JOHN DAVIS LODGE.

Jefferson's 1816 Letter Holds True on Hopes, Fears of Today

EXTENSION OF REMARKS

OF

HON. CLYDE DOYLE

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 28, 1949

Mr. DOYLE. Mr. Speaker, the following is an editorial which appeared in the Long Beach Press-Telegram, Long Beach, Calif.—my home city in Los Angeles County—on Friday, July 29, 1949. It is referring to Thomas Jefferson and John Adams back in April 1816; together with its reminder that one of the leading industrialists of our Nation had recently made it clear at a meeting in Los Angeles, Calif., that there was basic soundness in the Nation. The whole editorial is so applicable to this day that I take pleasure in calling it to the attention of all of my colleagues in this important Congress:

JEFFERSON'S 1816 LETTER HOLDS TRUE ON HOPES, FEARS OF TODAY

There isn't any actual necessity for Americans to talk themselves into another depression.

The reaction of many Americans to the problems of the postwar period suggests something Thomas Jefferson wrote to John Adams in April 1816:

"I think, with you, that it is a good world. There are, indeed, gloomy and hypochondriac minds, disgusted with the present, and despairing of the future; always counting the worst will happen, because it may happen. To these I say, 'What grief has been caused by the evils that never happened!' I steer my bark with hope in the head, leaving fear astern."

This Nation cannot afford to be an economic hypochondriac; for a country, like an individual, can worry itself sick.

Nevertheless, fear has won a beachhead in the United States and there is the danger that fear, unknown during the war, could produce the confounding paradox in the richest and strongest Nation in the world of persuading the American people to talk themselves into a depression.

Dim views of America's economic health have apparently gained considerable acceptance.

This, although the facts of America's economic strength are widely known. Charles Luckman, president of Lever Brothers Co., speaking recently at the breaking of ground for his concern's new $25,000,000 plant to be built in East Los Angeles, made clear the basic soundness of the Nation in these figures:

1. Fifty-nine million workers on the job.
2. Two hundred billion dollars in liquid savings.
3. Two hundred and fifteen billion dollars in personal income for 1949.
4. High purchasing power, some 53 percent greater than prewar.

"It would appear preposterous," continued Mr. Luckman, "that anyone could manipulate these figures and come up with an answer that spells disaster. Yet that is precisely what some Americans are doing.

"The sort of emotional arithmetic indulged in by these alarmists is typical of Pravda, in which America as a land of opportunity and promise has long since been written off. The Russians who, according to Pravda, invented the electric light, airplane, radio, penicillin—and the safety pin—also invented the theory that America is headed for the most colossal bust in history.

"Today's counterparts of those gloomy individuals of the past confuse fears with facts. Though knowing, in their hearts, the essential health and vitality of this free economy, they yield weakly to the counsels of despair.

"But how can we confuse shadows with realities? With our spiritual heritage, and with vast material resources at our command, how can we compromise our future by a liaison with fear?

"Only through a lack of faith in America and in ourselves, could we mark down the world's most dynamic economy. Too many of us have accepted jabber-jitter estimates of what is wrong with America, instead of finding out for ourselves what is right with America.

"No one can deny that America faces many grave problems today, both at home and abroad. No one can deny that American business has an ample share of these problems which it must solve itself if it is to continue its robust tradition of individual competitive enterprise. But I do deny, and most emphatically, that these problems present any logical reason for doubt. There is all the difference in the world between being aware of complex problems and being afraid of them. This moment demands a clear-eyed appraisal of the facts, not an emotional concern with shadows. I call for a renewal of faith in the vitality of our American way of life."

Mr. Luckman's remarks can well take Americans back to the wise Jefferson. Citizens of today should join in repeating his words: "I steer my bark with hope in the head, leaving fear astern."

Prayers for Peace

EXTENSION OF REMARKS

OF

HON. ARTHUR G. KLEIN

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 14, 1949

Mr. KLEIN. Mr. Speaker, a movement quietly started last fall by Mr. Herve J. L'Heureux, the kindly, harassed, and always gracious Chief of the Visa Division of the State Department, has grown with a rapidity most impressive, considering its spiritual nature and the lack of ballyhoo.

On last October 28, in his home town of Manchester, N. H., Mr. L'Heureux proposed to the Last Man's Club of the William H. Jutras Post of the American Legion a resolution which called upon the members of the post to pause for 1 minute at noon each day to pray for peace.

SIX HUNDRED GROUPS ENDORSE

The resolution was adopted, and the news spread.

Except for the postage furnished by Mr. L'Heureux, there has been no concerted propaganda; yet more than 600 organizations have adopted the same or similar resolutions. Mr. L'Heureux informs me that he has received 6,400 letters from 16 countries; there is strong expectation that the resolution will be proposed and adopted at the next national American Legion convention; and there has been intimation that if this is done President Truman, the No. 1 Legionnaire of the country, will endorse the proposal.

Mr. L'Heureux is a veteran officer of our Foreign Service, who has spent many years in the consular and departmental service. The greatest impression on his mind and soul was made by 10 years of consular service in Europe.

He conceived a hatred for the brutality and waste of war, and decided that physical armament was not enough to guard the world against its ravages.

From a single minute of prayer by a vast number of people all over the world, he decided, would spring a unity of thought and purpose which would give a moral armament against the hatreds and quarrels from which wars come.

I wish to endorse the idea, Mr. Speaker, and I wish to draw to your attention the fact that already, less than a year after its first public introduction, the

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idea has found approbation among people of all creeds—Protestant, Catholic, and Jew. It is nonsectarian, and the idea is free. When Mr. L'Heureux is told by people that they want to join he tells them that all they have to do is to pray—he wants no money, no fame, no thanks.

Under consent, I am inserting a brief outline of the proposal's history, including text of the original resolution; text of a resolution adopted by the grand lodge, B. P. O. E., at Cleveland; a letter from Bernard Weitzer, Washington representative of the Jewish War Veterans; and a brief biographical sketch of Mr. L'Heureux.

PRAYERS-FOR-PEACE MOVEMENT

RESOLUTION

"Having complete confidence in the ability of our fellow men, with the aid of Almighty God to establish a just and enduring peace in the world,

"We, the members of the Last Man's Club, William H. Jutras Post, No. 43, American Legion, do hereby unanimously resolve to pause for 1 minute in the midst of our daily task, at 12 o'clock noon each day, and, raising our heart and mind toward God, ask Him to help us adjust our international differences to enable the nations of the world to secure an equitable and abiding peace; further,

"We urge that this movement be endorsed by all the spiritual, civic, and business leaders in the United States, and that a similar resolution be adopted and implemented by every organization in our country to the end that this custom may become universal in effect."

ORIGIN

The prayers-for-peace movement sprang, spontaneously, with the adoption of the above resolution October 28, 1948. It was first suggested by a veteran American Foreign Service Officer who had recently spent more than 10 years in Europe and who is convinced that, in addition to demonstrating that the United States is prepared and determined to fight, if necessary, for the preservation of liberty, something tangible should be done to correct certain widespread mistaken impressions abroad by an unmistakable manifestation of the true character and ideals of the American people.

PURPOSE

Aside from the well-recognized efficacy of prayers for peace, the realization of this national custom would provide unity of thought and unity of purpose; it would give moral encouragement to the millions who, for a brief space after the war, enjoyed the illusion of liberty but who now, instead of building their lives in security and peace, look to the future with dread; it would demonstrate that the masses of the American people are essentially God loving, God fearing and peace-minded. Through the Voice of America, for example, peoples in other lands could be increasingly encouraged to join us, spiritually, in the accomplishment of our commonly desired objective: peace.

SPONSORSHIP

The plan was conceived and implemented by war veterans. It is affiliated with no denomination or faith. Each person is invited to offer his prayer silently, in his own chosen manner. Every person, regardless of race, color, or creed is urgently requested not only to endorse the plan personally but also to bring it to the attention of every group with whom he associates to the end that this custom may become universal in effect. The resolution quoted above may be adapted to any group by substituting its name for the Last Man's Club, William H. Jutras Post, No. 43, American Legion. Business firms and other organizations are uregd (1) to adopt this or a similar resolution, (2) to reproduce this or a similar circular and (3) to circulate it as widely as possible.

SCOPE AND SPREAD OF MOVEMENT

Since October 28, 1948, the prayers-for-peace movement has spread to many States and to several foreign countries. Scores of organizations, including American Legion Posts, the Americanism Committee of the Army and Navy Union, individual units of the Gold Star Mothers and of the Blue Star Mothers, the Manchester Rotary Club, private firms, student bodies of schools and universities and church groups have adopted the above or a similar noon-day-prayer resolution. Commendatory editorials have been published. The Governor of the State of Michigan in a proclamation endorsing the movement stated: "I * * * do urge that the people of Michigan adopt this proposal and that individuals, schools, churches, and civic organizations join in this Nation-wide daily prayer program for peace and good will."

PROMOTION AND COORDINATION

Additional information regarding this movement may be obtained from the Chairman, Prayers-for-Peace Movement, 5201 Thirty-eighth Street NW., Washington 15, D. C. Personal endorsements and comments, as well as copies of any similar resolution that may be adopted by any club, firm or other organization may also be sent to the chairman.

SELECTED COMMENTS

The Manchester Evening Leader, in commending the Last Man's Club for adopting the prayers-for-peace resolution, stated, "It is fortunate for all mankind that there are those among us whose spiritual faith still stands as a formative bulwark against the rise of materialism and godlessness. There has never been a time in our history in which man was in greater need of spiritualistic inspiration and help in meeting the grave problems that have become a part of our day-by-day life."

Bishop Matthew F. Brady, of Manchester, hearing of the suggestion, said: "It is a pleasure to endorse and to encourage this movement which leads men to realize the power of God and the dependence of all humanity upon His divine omnipotence in a matter which so vitally concerns their present lives and the lives of future generations. May the King of Peace listen to prayer so devoutly recited and grant the favor of peace to the disturbed minds of all."

A prominent professor at the University of Notre Dame commented: "The plan is so easy to understand; so plain and simple; so brief to carry out; so true to man's nature as a child of God; so terrifically needed for life, liberty and the pursuit of happiness. This clear-cut, naturally and supernaturally, understandable, workable, personally appealing plan captured and captivated me. It seems also to be catching the considered fancy of people all over the land. May it win everybody everywhere!"

The Takoma Park Journal, in commending the members of the Cissel-Saxon Post, No. 41, American Legion, at Silver Spring, Md., for having adopted the resolution, stated: "We commend the Legionnaires for this action in a day when wars, people and plans seem only to beget the very thing we seek to avoid. Magnificent as we are in war, so futile are we in peace. * * * Is it not time all citizens put aside wishful thinking, and united, call in the Master Planner?"

The following resolution was adopted by the members of the Benevolent and Protective Order of Elks of the United States of America at a regular session of the annual meeting of the grand lodge, B. P. O. E., held in the city of Cleveland, Ohio, on the 13th day of July 1949:

"Whereas two dreadful wars and the present disconcerting international circumstances have left this world in confusion; and

"Whereas mankind seems unable to find a basis upon which to build a happier understanding among the nations of the earth: Be it

"Resolved, That we, the members of the Benevolent and Protective Order of Elks of the United States of America, a fraternal organization, at a regular session of the annual meeting of the grand lodge, B. P. O. E., held in the city of Cleveland, Ohio, on the 13th day of July 1949, approve the prayers for peace crusade, which was originally proposed by the Honorable Herve J. L'Heureux at a meeting of the William H. Jutras Post of the American Legion at Manchester, N. H., October 28, 1948, and which has received wide approval since that time; and be it further

"Resolved, That all members of the Benevolent and Protective Order of Elks are urged to participate in this movement by joining in 1 minute of prayer at 12 o'clock noon, each day, and that each of us, in his own way, will ask God to reveal to mankind the way to peace on earth and good will to all men, so that man's mind shall be receptive to God's way and we can thus speed this intelligent move toward peace through prayer."

This resolution was submitted by New York Lodge No. 1.

JAMES E. MULCAHY,
Exalted Ruler.

JEWISH WAR VETERANS OF THE
UNITED STATES OF AMERICA,
Washington, D. C., May 31, 1949.

Mr. HERVÉ L'HEUREUX,
Chief, Visa Division,
Department of State,
Washington, D. C.

DEAR MR. L'HEUREUX: I was delighted to note the enclosed article in the Washington Star last evening on the Prayer Program of which you told me last time we saw each other. I also heard Earl Godwin quote liberally from the article in his radio talk last evening. It is the best thing I have heard him say on any radio program.

I am happy to see that your suggestion is getting public attention. It is certain that prayer as you suggest, can clear the chaos from which our world is struggling to lift itself.

The more I think of it, the more I am determined to bring up your proposal at our national encampment in Miami, October 19. Please send me a few additional copies of the mimeographed material covering your talk at Manchester, last October 28. I can put them to good use.

With best wishes.

Cordially yours,

BERNARD WEITZER,
National Legislative Representative.

BIOGRAPHICAL SKETCH ON HERVE J. L'HEUREUX, ORIGINATOR OF PRAYERS-FOR-PEACE MOVEMENT

Born: March 6, 1899, at Manchester, N. H.

Education: A. B., George Washington University (1925); LL. B., University of Detroit (1935).

Military record: Served in United States Infantry; wounded in action; received Silver Star.

Occupation: Has been an American foreign service officer since 1930; served as consul at Windsor, Ontario; Stuttgart, Germany; Antwerp, Belgium; Lisbon, Portugal; and Algiers, Algeria, respectively, from 1930 to 1944, and as consul general at Marseilles, France, from 1944 to 1947. During 1943–44, also served as member and secretary of the North African economic board, as executive-administrative

officer of the civil affairs section, Allied Force Headquarters, at Algiers, and as acting chief civil administrator for north and west Africa. Presently a foreign service officer class 1, and assigned as chief of the visa division of the Department of State.

Member following organizations: American Bar Association, New Hampshire Bar, Delta Theta Phi Law Fraternity, American Legion, Society of American Legion Founders, Last Man's Club, American Legion, La Societe des 40 Hommes et 8 Chevaux, Post Mortem Club, Yankee Division Veterans Association, New Hampshire State Society, American Foreign Service Association.

Foreign Policy Endangered

EXTENSION OF REMARKS
OF
HON. LAURIE C. BATTLE
OF ALABAMA
IN THE HOUSE OF REPRESENTATIVES

Tuesday, August 2, 1949

Mr. BATTLE. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following editorial that appeared in the Birmingham News on July 27.

FOREIGN POLICY ENDANGERED

The maintenance of American foreign policy since the end of World War II has been no easy matter. In its conception and shaping, fortunately, it has been for the most part bipartisan. But through every session of Congress it has had to run a barrage of criticism and attempts at alteration.

Now again several of the most important features of policy are in trouble again in Congress. This week a strained and irritable Senate has been considering appropriations for the second year of the European recovery program. And various Senators, with particular axes to grind, have sought to laden the appropriations bill with restrictive amendments.

One of the amendments would require that up to about $2,000,000,000 of the proposed $5,723,000,000 program be spent for surplus United States commodities. This would rid us of certain surpluses, and they might be welcomed in Europe by consumers; but it would set back carefully worked out European plans for basic reconstruction. Another amendment would give Spain $50,000,000 in aid; this would run contrary to established American policy and European feeling about the Franco regime in Spain. Other amendments would provide for cuts in the over-all funds; these would have the effect of slowing down the program.

Democratic Leader LUCAS says he feels sure that efforts to chop away these amendments will be successful. It is to be hoped that the program's supporters will succeed.

The arms-for-Europe program is running into even greater difficulties. Congressmen appear to fear that they are being rushed in this matter, since the bill was presented so soon after the Senate's ratification of the Atlantic Pact.

It is on this program that bipartisan policy is in greatest danger of breaking down. Senators VANDENBERG and DULLES, the leading Republican foreign-affairs experts, are reported to be working on a plan to cut this $1,450,000,000 program by more than half.

Even the Democrats in Congress are not sure as to what should be done. Senator GEORGE, for instance, who usually goes along with the administration on foreign policy, thinks that action on the arms-aid program should be postponed until the defense council provided in the treaty is set up and has studied integrated defense requirements.

The American public, we feel, is quite well sold on the wisdom of continuing the European recovery program unimpaired. As for the arms-aid program, there would seem to be a need for more information and better understanding.

There should be better understanding of the attitude in western Europe toward the military program. The European governments would like to have the aid certainly, but the American public should try to understand the ancient fears back of their eagerness. Doubts about American policy still linger in France and Italy especially.

The right kind of debate in Congress should serve to clear up much about the arms-aid program.

New Naval Commandant Proves Admirals Can Swim

EXTENSION OF REMARKS
OF
HON. THOMAS J. LANE
OF MASSACHUSETTS
IN THE HOUSE OF REPRESENTATIVES

Tuesday, August 2, 1949

Mr. LANE. Mr. Speaker, under leave granted to extend my remarks in the RECORD, I include the following article from the Boston Sunday Post of July 31, 1949:

NEW NAVAL COMMANDANT PROVES ADMIRALS CAN SWIM—REAR ADMIRAL THEBAUD LIKES RESERVES—HAS FINE RECORD OF WAR SERVICE—WAS EXECUTIVE OFFICER FOR COOLIDGE

(By Edward T. Martin)

Scuttlebutt is the sailor's term for a rumor and the latest scuttlebutt seeping around first naval district echoes the warning to "stand by for a tight ship."

Last concerned, perhaps, is the humble seaman second class whose major problem is surviving until the next pay call.

But whether a man rates extra embellishments on his cap visor or is down the scale where the left sleeves are worn bare above the elbow, first naval district personnel have a new skipper who shows all the earmarks of being firm but fair.

In traditional Navy pomp, Rear Adm. Leo H. Thebaud, standing on the deck of the frigate *Constitution* moored at the Boston Naval Shipyard, relieved Rear Adm. Morton L. Deyo from his duties as commandant, under a roaring hot sun Friday morning.

Admiral Deyo goes into retirement with a promotion in rank due to his long years of service.

For 40 seconds, while flags were being changed abroad the *Constitution*, the first naval district was without a boss man.

And as the orderly ranks of sailors in their summer whites stood stiffly at attention while the out-going skipper was properly saluted and the new chief "piped over the side," many a speculative eye wondered what the incoming admiral would be like.

HIGH PRAISE

A change of command, especially in the tradition-bound Navy harbors all sorts of speculation and sacred password policy is bantered about from porthole to porthole, wherever two or more sailors congregate.

"D'ja get a look at the new commandant; tough, isn't he," one sailor decided prematurely, as he broke ranks after the ceremony.

He was passing judgment on looks alone. The new admiral, who comes to New England from the post of inspector general of the Navy, has a firm jaw and a determined pair of eyes. But his sharp-chiseled features conceal a broad sense of humor a quick wit.

A more unusual note—he has a high regard for "the reserves."

"My immediate intention," he admitted as he sat self-consciously in a land-locked leather-bound chair in his air-conditioned office at district headquarters in the former Fargo building, following the ceremonies, "is to devote time and attention to the reserves.

"No one can capably estimate the tremendous value the Reserve officers and enlisted men have been to the Navy in the last two wars."

This, coming from a "regular" who, before he was old enough to vote, had made the Navy his career, is a statement of no small significance.

The new admiral is a stock pile of frank contentions. He does no hedging and when a query is put to him, he'll churn it around in his mind briefly, then answer in a clear, concise manner.

The 59-year-old admiral, who admits he never could get used to duty ashore, says he looks forward to administering the affairs of the First Naval District.

"No other district," he maintains, "from the view I had as Inspector General, is in better shape than this one. It's a tribute to Admiral Deyo's hard work and the quality of the men who served under him."

Traces of coal-black hair still assert themselves around the admiral's eyebrows and in the thinning strands along his scalp. From the healthy coat of tan, it's evident he wears a hat only when naval custom requires.

"Off-duty I walk a lot," he told us. "And when I walk I don't bother sporting a headpiece."

The subject of hats surreptitiously drifted into a discussion of "brass hats" and "the caste system." About these, the admiral had this to say:

"It's history repeating itself. I remember coming ashore as a lieutenant, after the first World War and running into the same attitude. I was with a couple of friends and we were standing in Times Square at the time. One of the group asked a police officer where we could catch a taxicab to take us uptown. He told us, but added 'navy brass, huh? When are you guys going to get out of uniform and go to work?'

"Aside from a few malcontents, and others who probably were irked by some officers who didn't handle the responsibility of leadership properly, I believe a lot of the trouble is stimulated by those who don't wish well for the country and are pleased to have ammunition for forcing disparaging and discouraging remarks against its leaders."

Admiral Thebaud is the twenty-fourth commandant to hold the post of head of this district. He comes into "Cal Coolidge country" with another contribution to the legend of that silent man.

"I was executive officer of the Presidential yacht, U. S. S. *Mayflower*, during part of 1928 and 1929, the last months that Mr. Coolidge served in the White House and the first part of the Presidency of Herbert Hoover.

"Neither were sailors, least of all Coolidge. About the only times he took a yacht ride were to escape from Washington. Once in a while, for reasons of protocol, he'd come aboard with a dozen dignitaries and guests for a short ride down the Potomac. On one such ride, the steward came forward to our quarters to announce that dinner was being served and that the President was sound asleep on his couch. All of us were reluctant to wake him and finally we inveigled the Presidential physician to rouse him from his slumber.

"He awoke very annoyed. Coolidge was like that. I suspect he was bored to extinction with entertaining. He seldom said a word to anyone except a grunting 'hello' and

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'goodby.' His wife was the opposite, perfectly charming."

Despite his proximity to the 60 mark, the admiral appears in trim physical condition. The reason for this, he gives, is his chief recreation, swimming. This comes as startling revelation to thousands who believed that Navy admirals were incapable of navigation through water and preferred to "go down with their ships" rather than be exposed as nonswimmers.

"That's an old-time fallacy," he quips, "probably stemming from the fact that early admirals were too fat to learn to swim."

The admiral was graduated from Annapolis in 1913 and was aboard the *Wyoming* during the occupation of Vera Cruz the following year. Except for a brief period, when he transferred for torpedo instruction, he was attached to the U. S. S. *Wyoming* until April of 1917, when he was given command of the destroyer *Paul Jones*.

GALLANT MANNER

He earned the Navy Cross as "CO" of the *Paul Jones*. The destroyer was acting as escort to troop and merchant convoys out of Hampton Roads, Va., and also patroling against enemy subs. On the night of June 30, 1918, the U. S. S. *Henderson*, while under convoy, took fire. It became necessary to transfer troop passengers to another vessel.

"The *Paul Jones*," the citation reads, "transferred the troops in a skillful and gallant manner."

His military versatility is expansive. In the early twenties he was instructor in the department of seamanship at the Naval Academy. He commanded the destroyer *Paulding* during the second Nicaraguan campaign and was executive officer aboard the presidential yacht *Mayflower* before returning to the Academy as an executive member.

After another interim of sea duty, the admiral became attached to Naval Intelligence and assigned service to the American Embassy in Paris, and at Madrid, as assistant naval attaché. He also was assigned for a time at Lisbon, Portugal. He's an expert at French and a qualified interpreter.

When he came back to the United States in 1935 he was given another destroyer command and then returned to the executive section of the Academy.

With war guns booming once more across Europe, Admiral Thebaud, in the summer of 1940, was made commander of destroyer squadrons and later assigned with Task Force 24. He participated in the Battle of the Atlantic.

His next action, after he took command of the war-famous U. S. S. *Boise*, in early 1943, earned him the Legion of Merit, with Gold Star and Oak Leaf Cluster. The *Boise* bombarded shore positions in the Sicily assault and supported the landing and initial advance of Army troops.

Then it sailed over to aid the amphibious assault on the west coast of Italy. Admiral Thebaud guided the *Boise* through enemy mined waters, the citation explains, under heavy artillery fire and aerial attack, effectively assisting in the maintenance of beachheads against determined counter attacks. The *Boise* likewise bolstered the landings of the Seventh Army behind enemy lines in Sicily.

The shooting war wasn't over for him, even after he returned to Washington, to the Bureau of Naval Personnel. This proved merely a slight breather before he was off again, this time to the Pacific, where, in the fall of 1943, he became commander of Cruiser Division 10. And won another gold star.

As cruiser commander and also head of a support unit to a fast carrier task group, he took part in the amphibious assault in the Marianas and Bonin Islands, and slugged it out with the Japanese in the Battle of the Philippine Sea.

Under his command, the planes attached to his vessels rendered invaluable service in rescuing carrier pilots and air crewmen forced down in enemy territory.

MANY DECORATIONS

The Navy called him back to Washington a year later to make him Assistant Chief of Staff to the Commander in Chief, United States Fleet, as well as Assistant Chief of Staff (Intelligence) and Director of Naval Intelligence.

When the war ended, he returned to an old post in Paris, this time as naval attaché and naval attaché for air at the American Embassy there and in Brussels, Belgium. The Navy made him deputy general in September of 1946, a senior member of the Naval Review and Clemency Board in 1947, and Naval Inspector General 2 months later.

His blue serge would sport more varieties of color than confetti if he wore the ribbons he's entitled to hook to his chest. What's more, sheer weight along would give him a sharp list to port.

In addition to the Navy Cross, the Legion of Merit with two Gold Stars, Oak Leaf Cluster, Combat Distinguishing Device, and Commendation Ribbon, he rates the Mexican Service Medal, the Victory Medal, Destroyer Clasp, the Second Nicaraguan Campaign Medal, the American Defense Service Medal, Fleet Clasp, the European-African-Middle Eastern Area Campaign Medal, the Asiatic-Pacific Area Campaign Medal, the American Area Campaign Medal, the Philippine Liberation Ribbon, and the World War II Victory Medal.

For added luster, he has the Legion d'-Honneur, rank of commander from the Government of France, and the Order of the British Empire, honorary commander (military division), from the Government of Great Britain.

OLD SEADOG

He's married to the former Eleanor Laurie McCawley, of Haverford, Pa. The Thebauds have a grown daughter, Diana Maris.

Asked how he enjoyed being assigned duties ashore, he chuckled first before he replied:

"I joined the Navy to go to sea. But, remember, I'm getting on in years. You can call me an old sailor, or, as you prefer, an old seadog. Actually I have less than 3 years to go before being put to pasture.

"The Navy is sending a lot of young admirals to sea, which is a good thing. They'll have the experience if, God forbid, another war happens."

Meanwhile, whenever there is time from official duties to enjoy "liberty ashore" the admiral will find his Boston residence at the commandant's quarters in the naval shipyard better situated geographically than Washington, for visiting his partial residence at Murray Bay in northern Quebec.

He might even, once cooler weather returns to the Hub, make use of the punching bag Admiral Deyo used to manipulate to keep in trim. That's provided Admiral Deyo didn't take it with him into retirement.

H. R. 4403

EXTENSION OF REMARKS

OF

HON. J. HARDIN PETERSON

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Monday, August 1, 1949

Mr. PETERSON. Mr. Speaker, with reference to the bill, H. R. 4403, the question has been asked me by Members as to whether it would apply to the TVA or the areas which are administered by the TVA. In order that there may be no question, I am making this statement as chairman of the committee which is handling the legislation. H. R. 4403 does not and is not intended to cover the TVA or areas under the Tennessee Valley Authority.

Is Wire-Tapping Legal?

EXTENSION OF REMARKS

OF

HON. ABRAHAM J. MULTER

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, August 2, 1949

Mr. MULTER. Mr. Speaker, I direct the attention of my colleagues to the following article entitled "Is Wire-Tapping Legal?" written by E. A. Harris, which appeared in the New Republic of August 1, 1949:

IS WIRE-TAPPING LEGAL?

(By E. A. Harris)

Wire-tapping has flourished in the United States ever since a telephone lineman, half a century ago, joined the New York Police Department and demonstrated the gentle art of listening to the conversations of suspected criminals. The telephone company, from a sense of public duty, cooperated fully with the police until 1916, when the public caught on to the covert practice and raised such a howl that the phone company withdrew its police guidance. By this time, however, the Federal Government had moved into the lush new field of eavesdropping, initially in its search for aliens. Despite doubtful legal grounds and debatable ethics, it has been going strong ever since.

Before hastening to condemn Attorney General Tom C. Clark, Director J. Edgar Hoover of the Federal Bureau of Investigation, and the intelligence officers of the armed services who also employ wire-tapping, listen to their case. For many years they have sought, unsuccessfully, clarification of the law on the subject. They have been in the forefront of the fight for legislation that would not only legalize Federal wire-tapping in limited security inquiries, but would expressly forbid its use otherwise, in order to guard against abuses.

Moreover, for 15 years, Attorney Generals have interpreted the Communications Act of 1934 as no barrier to wire-tapping by Federal agents, provided the information is not made public or divulged to anyone outside of the proper Government authorities. It is pointed out further that Franklin D. Roosevelt, shortly before the United States entered the last war, personally authorized Federal wire-tapping in cases of espionage, sabotage, kidnaping and extortion. It is undeniable that use of the device, however reprehensible, has assisted the FBI in solving crimes, even though the evidence thus obtained is inadmissible in Federal courts.

Aside from legal questions, the basic issue revolves around the danger to a free society inherent in any use of wire-tapping. Is it justified in peacetime under any circumstances? In an effective democracy, can the tactics and methods of a police state be licensed without running the risk of polluting the very roots of that democracy? Can such methods be adequately restricted to limited security cases?

President Roosevelt, in authorizing its use, was careful to point out that the problem of balancing the need for law-enforcement agents with the need for protection of citizens against abuse of such power raised "the

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most delicate problem in the field of democratic statesmanship." The Federal Government has no statute governing the use of wire-tapping, but even New York State, which took the lead among the Commonwealths in applying a policy of supervised wire-tapping for crime detection has found the State statute in large measure abused or ignored.

The constitution adopted by New York in 1938 set forth safeguards, under the bill of rights provision for searches and seizures, against "unreasonable" interception of telephone and telegraph communications. The legislature later provided that wire-tapping could be indulged in by law-enforcement officers only upon issuance of ex-parte orders by the courts or by the district attorney or high-ranking police officials.

But a study prepared recently by Margaret L. Rosenzweig for the New York State Bar Association concluded that "the right to be secure against unreasonable interceptions conferred by the New York Constitution and statutes is a hollow right in the present status of the law."

At hearings before the New York County Criminal Courts Bar Committee last autumn, Special Sessions Justice Frank Oliver testified that delegates to the constitutional convention in Albany had believed the requirement of a court order for wire tapping would protect New Yorkers against abuse. "No one had imagined," he said, "that such orders would be issued on trivial grounds or in cases involving only suspicion of a misdemeanor or offense."

He went on:

"Today, however, a man's home is not his castle in New York. It is just an uncovered garbage can for the police to pick over. * * * The mere mention of a warrant breaks judicial ribs with laughter. If you want to see a policeman roll on the floor, just mention the search and seizure provisions of the [State] constitution."

If this has been the wire-tapping experience of New York State, where it is governed by statute, what is happening on the national front in this incredible era of suspicion and distrust? Since wire tapping is not authorized under any Federal law, it is up to the Attorney General alone to determine whether telephone tapping by Federal agents shall be permitted.

Tom Clark is as unhappy about this clouded situation as anyone else. Early this year he requested the Senate Judiciary Committee to act on legislation to legalize wire-tapping in specified security cases, and to make such evidence admissible in Federal courts. It was the first attempt by an Attorney General in 7 years to legalize tapping, Congress having refused to pass similar administration bills in 1940, 1941, and 1942. When protests poured in, Clark suddenly withdrew his request, leaving the situation as moot as ever. There is good reason to believe that Clark's backward flip, if not ordered by the White House, was at least approved by the President.

Abandonment of the proposal, however, means only that evidence obtained by the FBI through wire-tapping will continue to be inadmissible in court trials. Your phone may still be tapped, with the advance approval of the Attorney General, if any of your friends or casual acquaintances are suspected of having any information relating to espionage or sabotage. It is certainly conceivable that the telephones of thousands of innocent citizens may be tapped for hours, days, or weeks as the result of erroneous and sometimes anonymous spy tips to security agents.

Two questions recur in the controversy over wire-tapping: (1) Is it being carried on illegally by the Federal Government? (2) Is it wise? Do the ends justify the means?

There is, of course, no way of telling just how effective wire-tapping has been to the Justice Department in cracking security cases, precisely because information gained from the practice is inadmissible in Federal courts. By the same token, no one outside of the top Government hierarchy knows how many telephones throughout the Nation are being tapped. The police state may be encroaching, but by its very nature it cannot be dissected and evaluated.

Therein, perhaps, lies the great danger. Granting that the end purposes of the Justice Department are highly commendable, who can guarantee that the head of the Department always will be an official of flawless judgment and character? What would this instrument for crime detection become in the hands of ruthless and reactionary officeholders? Once an invasion of privacy is accepted, who can say with assurance that it will not burgeon, through abuses and excesses, into a political weapon against liberals or conservatives, depending upon the party in power?

And if it is aimed chiefly at Communists or their followers and sympathizers, the suspicious characters, viewed through the eyes of some future A. Mitchell Palmer, become numberless. Since advocates of public housing have been denounced as Communist dupes, Senator TAFT might be suspect. Proponents of rent control, health insurance, minimum wages, civil rights, public utilities, and river-valley developments, not to mention credit restrictions, would all be fair game for any free-enterprise super-patriot in Clark's place, for such measures have been termed communistic.

FBI Director J. Edgar Hoover testified before a House Judiciary Subcommittee in 1942 that he feared abuses by the great bodies of new and inexperienced employees of the Federal Government if wire tapping was not strictly controlled. It was abuse of the wire-tapping authority, he asserted, that had prompted public reaction against the practice. And Justice Hughes called wire tapping an intolerable "dirty business."

When Federal officials speak of authority, they are hard put to cite any specific power to indulge in wire-tapping, except the tenuous approval granted them by President Roosevelt. The approach of the Government is distinctly negative—that tapping is not expressly forbidden by the Constitution or by Federal statute. This seems tantamount to saying that the founding fathers, with their Bill of Rights, did not foresee and therefore did not disapprove of poison gas, germ warfare, and atom bombs.

In the absence of any specific wire-tapping prohibition in the Constitution, resort was made, in the case of Olmstead versus United States, to the fourth amendment, barring unreasonable search and seizure. Here the Supreme Court ruled, 5 to 4, that the guaranty against unreasonable search did not ban wire-tapping, since there had been no actual house entry and no physical seizure. The restricted legal point at issue did not embrace the Court's judgment on wire-tapping as a method of obtaining evidence, but even so Justice Brandeis was disturbed by its implications. In his dissent, he wrote: "Can it be that the Constitution affords no protection against such invasions of individual security?" As to the end justifying the means, he wrote: "Experience should teach us to be most on our guard to protect liberty when the Government's purposes are beneficent. Men born to freedom are naturally alert to repel invasion of their liberty by evil-minded rulers. The greatest dangers to liberty lurk in insidious encroachment by men of zeal, well-meaning but without understanding."

Government lawyers themselves have acknowledged from time to time that the legality of Federal wire-tapping is questionable. Attorney General Francis Biddle, in February 1942, unsuccessfully sought legislation authorizing wire-tapping in certain security cases on the plea that it would "clarify a doubtful field." At the same congressional hearings, James L. Fly, then Chairman of the Federal Communications Commission, testified that in his opinion the Communications Act of 1934 made all wire-tapping unlawful.

That act clearly provides that "no person, not being authorized by the sender, shall intercept any communication and divulge or publish the existence, contents, substance * * * or meaning of such intercepted communication to any person." In 1937 the Supreme Court held, in the case of *Nardone* v. *United States*, that the prohibition in the act was applicable to Federal agents and that recordings obtained by wire tapping could not be submitted as evidence in Federal courts.

Despite the wording of the Communications Act and the ruling in the Nardone case, the Justice Department for many years has maintained that the act does not bar wire tapping completely, and FBI agents as well as Military Intelligence officers have continued to employ the eavesdropping device.

Convenient interpretations of the Communications Act have been made by the Attorney General's office. When Oscar Cox was Assistant Solicitor General, he told a House committee, on March 24, 1942, that "the question of divulging is whether it is divulged to an arm of the Government or to the public generally." But the act itself says nothing of the kind; one can read such latitude into it only by the most gymnastic stretching of the imagination.

As the Justice Department sees it, then, the act does not bar a report by an agent to his superior on the context or meaning of tapped telephone conversations. The agent is not "divulging" the information.

The Department insists that this is perfectly legal and proper. For authority it cites the uniform opinions of various Attorneys General. If the Constitution and the Communications Act are being violated by Federal wire-tapping practices, presumably criminal proceedings would have to be initiated by the Justice Department against the Justice Department.

Secretary Brannan Discusses Problems of Dairy Farmer—Hoover Commission Shares His View—Secretary Backs Cooperatives

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EXTENSION OF REMARKS

OF

HON. ANDREW J. BIEMILLER

OF WISCONSIN

IN THE HOUSE OF REPRESENTATIVES

Tuesday, August 2, 1949

Mr. BIEMILLER. Mr. Speaker, on Sunday, July 31, Hon. Charles Brannan, the Secretary of Agriculture, addressed a crowd of over 10,000 people in Juneau, Wis. The meeting was sponsored by the farmers' cooperatives of Dodge County and drew attendance from several Midwestern States. Secretary Brannan's analysis of the problems dairy farmers are facing is most illuminating, and under leave to extend my remarks, I am inserting it in the RECORD. I commend it to the attention of my colleagues, particularly those coming from dairy States:

TOWARD A PROSPEROUS DAIRY-LAND

It is good to have this opportunity to talk with you about the future of dairy-land agriculture.

This is not just a matter of income to you dairy farmers. It is not, as cynics would put it, a question merely of "who gets what" in

the rough-and-tumble of business. The future of dairy-land agriculture is the future of many thousands of families; it is the future of millions of human beings, each endowed by their Creator with inalienable rights and with potentialities for enhancing the fundamental values of human life. The future of dairy-land agriculture is in no small way related to the health and welfare of the millions near and far who are dependent for life sustenance upon the land and the people of dairy-land—upon you, your ability, your determination, your opportunity, and your particular portion of the good earth.

You, in your mind, and I in mine know the ideals and real values we seek. Even though we may not succeed in stating them to our own satisfaction, they are a part of us—a driving force prodding us forward in our effort to find the ways and means of achieving our basic purposes.

The ways and means are never easy to find. They are a constant challenge to our ingenuity. Proposed ways and means are constantly subject to sharp examination and controversy, as they should be. But the strength of our purpose is the guaranty that we shall find the ways and means through which to unite our efforts and make progress in the common cause.

Fortunately, many people are agreed upon certain foundation principles upon which we can build.

As a starting point for our discussion of ways and means, I want to state two related beliefs which I hold very strongly and which I believe provide a basis for common understanding.

The first is this: I believe in the farmer cooperative.

I believe in the principle of self-help, which the cooperative embodies.

I believe the organized cooperation of farmers is essential to the maintenance of business competition, for the farmer meets concentrated economic power coming and going—when he buys and when he sells.

To be even more specific, I believe in the dairy co-op, and to the full extent of my power I shall work to keep the rules fair and the opportunities open for dairy cooperatives.

The related belief is this: I believe that dairy farmers should have price support which is just as positive and just as high in relation to any given standard as that enjoyed by any other farmers in the country. I believe this is necessary not only in the interests of the dairy farmer and his family but also in the interest of all our people.

Here in Wisconsin, the milk, cream, and other dairy products sold by farmers account for more than half of all the farm income. And in the Nation as a whole, the farm dairy enterprise last year brought in 14½ percent of all farm income. Farm dairy production is consistently at or near the very top of the list of commodities on which American farmers depend for cash income. Thus, it is as plain as anything can be that we will not have an adequate price support system until milk is given the status of a basic agricultural commodity in the price support system. We have temporized and dilly-dallied long enough, giving lip service to the need for action but not meeting the issues involved.

The difficulty is in getting agreement on the methods for doing the job—the methods of treating milk as a basic farm commodity.

I personally believe that a combination of methods is required. The method I have recommended which has received most attention is the production payment. Because there is so much controversy about this, I am glad to have this opportunity to set the record straight.

I ask you to make a mental note of the points I am about to make because I want to refer to them again in a particular way. I am going to try a little experiment on you.

PRODUCTION NEEDED, NOT RESTRICTION

Point No. 1 is a bit of background about nonstorable commodities.

"The nonstorables—products which are either highly perishable or which can be stored only at heavy expense—include fruits, vegetables, meat animals, milk, butterfat, poultry, and eggs. Production of these commodities is geared largely to domestic demand, and this demand fluctuates with employment, wages, and other factors which change mass purchasing power. We can hope to increase per capita consumption of all or most of these products in a healthy economic climate.

"When it is necessary to apply supports to any of these nonstorable commodities, I recommend that we rely mainly upon production payments.

"The term 'production payment' means exactly what it says—a payment to the farmer to go on producing to meet genuine consumer need, rather than restricting output short of that need.

"Under this system the farmer would be paid in cash the difference between the support standard for commodities which he produced and the average selling price for those commodities in the market place. Because the payment would go directly to the farmer, it would be an efficient support operation.

"Another big advantage is that the system would induce efficient production and marketing, because any farmer who could exceed the average market price by quality of product or good bargaining would benefit to the extent that his selling price exceeded the average market price." (Remember that the production payment would not cover the difference between the support and each individual's selling price but rather the difference between the support and the average selling price. Nobody would have to check the individual's selling price.)

"A third advantage of this system is that it would allow farm income to remain at a high enough level to sustain abundant production while retail prices sought their supply and demand level in the market place. This level is bound to be reasonable for consumers because of the larger supplies brought out."

So much for that background. Now point 2:

"It is obvious, of course, that the use of production payments must be qualified in such a manner as to avoid extremely depressed prices in the market place or a wasteful use of soil resources." (In other words there is no intention of pushing prices below the supply and demand level.)

Point 3: "Under the proposed program with regard to milk and its products, we would continue full use of present marketing agreements and orders, extend those programs as and when producers and handlers desire."

MORE MILK PRODUCTS AVAILABLE

And point 4: "Continue to use purchases of dairy products as a price support method wherever this method would be most economical and otherwise consistent with the public interest. We would not, however, make purchases for which we could not find acceptable outlets. We would use the purchase method mainly to relieve spot surpluses and seasonal problems which could be met most efficiently in this way. Whenever any large-scale operation becomes necessary, we should use the production payment method. As a rule, this could cost the Government about the same amount as would purchases and would make more milk and milk products available to consumers at lower prices than would otherwise be the case. It would also call for a greater consumption of our grain and forage production."

Point 5: "The payment method could be used, if Congress so decided, not merely to support prices but directly to encourage greater production and consumption of milk.

"Let me also point out that this is a price support recommendation—not a consumer subsidy proposal. I have merely recommended those methods of supporting farm prices which will do most to lick the surplus problem by encouraging consumption. There is a considerable difference between (a) subsidizing consumption with the hope that the benefit will trickle down to the farmer and (b) supporting farm prices in ways which will give consumers the most for their money. I am, of course, recommending the latter. The payment method for use on perishable commodities will enable us to go on producing and consuming somewhere past the level where straight dollar demand would temporarily stop us. That enables genuine demand and our real productive power to exert greater influence in our economy."

PRICE CUT IS REGIMENTATION

Point 6: "I state categorically * * * that the legislation I have recommended is less restrictive than any so far enacted by virtue of the fact that it offers more encouragement to the abundant consumption and production of farm products and, thereby, offers more protection against surpluses. This program would increase inducements for desirable adjustment without ordering them.

"Holding over farmers' heads the threat of a price cut is the worst kind of regimentation. And it offers them nothing in return for being starved into submission."

Point 7: "Why is it * * * that we are divided over an operating method * * *? I think it is mainly because many people have not yet realized there is a practical alternative calling for much less real interference with farmers' operations and which will permit all of our people to share in this country's great productive capacity.

" * * * there is an obvious advantage in this for the consuming public and for handlers, dealers, and others whose business depends largely on the volume of farm production and marketing."

Point 8: "This legislation is based on the belief that farm returns have already declined about as far, in relation to industrial and labor returns, as can be permitted without serious consequences for farmers and for the general public." (Note that I said in relation to industrial and labor returns. If industrial prices and labor rates decline, the farm price support would also decline.)

Now let me pause and remind you of something. When I started listing these points, I told you I was trying an experiment. What I have just done was to read excerpts from the testimony I have given before the congressional committees on agriculture since April 7. I hope it sounded familiar to at least some of you. I am sure it did not sound like what some people have been telling you I said.

Some people have been extremely busy interpreting what I said in their own way, but they haven't suggested that you study my recommendations for yourself. They much prefer that you let them do your thinking for you.

HOOVER COMMISSION RECOMMENDATION

So far as I know they have been conveniently silent on a statement that came from the agricultural committee of the Hoover Commission—the Commission on Reorganization of the Executive Branch of the Government. Here is what that group said:

"Free market for perishables.—The methods for supporting the price of perishable commodities, such as potatoes, put a double burden on the consumer. He is not only required to pay a high price for the product which he consumes but he also pays, through

taxes, the cost of carrying on the price-support program. Under a plan which would permit a free market, greater quantities would be consumed as food, during periods of high production, thus reducing the quantities to be destroyed or diverted to other uses. While the cost of price support might be greater under this plan, the net cost to the national economy would be less. The committee, therefore, recommends that consideration be given to a plan which would permit a free market, for perishable products, with the difference in price made up to the producer in a supplemental payment."

That ends the quotation from the agricultural committee serving the Hoover Commission.

Fortunately, this committee has escaped the criticism which has been leveled at my recommendation—charges of working toward regimentation of farmers, destruction of dairy cooperatives, destruction of milk marketing agreements and orders, fooling the taxpayer, promoting inefficiency and high cost, engaging in partisan political activity, and so on.

I do not mention the recommendation of that committee in an effort to back up my own views but merely to remind you that in the heat of controversy there is danger of overlooking facts and inconvenient opinions.

The reason I am talking to you about this whole matter is that I hope you will think your way through the controversy and do what you believe to be necessary for the future of dairyland agriculture and of the public.

What is the right thing to do? What is right from the standpoint of your customers and fellow citizens—the people who need in its various forms the milk you produce? What is right from the standpoint of your own future?

HOUSE BILL SHORTCOMINGS

The House of Representatives has passed a bill which would postpone settlement of current issues by continuing the present price-support program.

Let's take a look at what this means.

First, it means continuing the present parity formula, which is far out of date and under which the parity prices of milk and milk products are so unrealistic that they have little meaning. According to this formula, milk at wholesale is still above parity and butterfat is almost at parity.

Milk and milk-product prices have come down sharply during the last year, while prices of things you have to buy have stayed high or have even gone up. For example, the House Committee on Agriculture recently pointed out that between March of 1948 and March of 1949 milk cans went up in price by 9 percent, gasoline went up 2 percent, and tractors went up 17 percent.

United States farmers are getting about one-fourth less for their milk at wholesale than they were a year ago and butterfat is down 28 percent on the average. Here in Wisconsin milk is averaging about a third lower and butterfat a fourth lower than a year ago.

The purchasing power of farm dairy products at present prices is already quite a bit below the average of the last 10 years, which included years of low prices and controlled prices, as well as a short period of high prices. Yet the parity formula would indicate, as some big-business interests say, that you are getting more than you are entitled to.

PARITY FORMULA WRONG

There's something wrong with this picture, and one thing that's wrong is the parity formula.

Under the present formula, 90 percent of parity is $3.53 per hundredweight. Under the revised formula in the Agricultural Act of 1948, 90 percent would be $3.68, and there is no guaranty that support would be that high—that's the top limit.

But to keep the buying power of milk from going below the average of the last 10 years, the national average support price would have to be $4.22. I maintain that the public interest requires us to keep the purchasing power of the dairy farmer's milk from going below that average. From the farmer's standpoint, such level for milk is necessary to achieve and maintain balance with grain prices.

Perhaps I am wrong about it. But I am still waiting to hear a logical argument on the other side. At any rate, the parity revisions recommended this spring by Wisconsin's Charley Holman, of the National Cooperative Milk Producers Federation, indicate that the support level I recommended is no more than fair from your standpoint. However, the old formula is still in effect, and that's only one problem.

If there is anything that we in agriculture should have learned from the recent war, it was the fact that the American people have a tremendous capacity for milk and dairy products.

And if there is anything we should have learned from our prewar experience, it is the fact that we need a means of getting more dairy products to the consumer. We never did have a surplus in relation to people's genuine demand. We had a surplus because people had to deny themselves food needed for health.

We will not serve the needs of either the consumer or the dairy farmer by taking great quantities of dairy products off the market, keeping them away from consumers. As I said before, I would retain the purchase and storage method as one price-support mechanism. There are times and places for its use. We can even put first reliance on it. But we must not put our main reliance upon it.

It seems very strange to me that those who want to keep the Government out of business insist in the same breath that the Government must be the biggest of all middlemen in the dairy-product business. One witness before a congressional committee recently said, in this connection, "I think I understand what these people are talking about. They want a market support price because in that process everybody along the line gets a slice of the Government's check." He was talking in favor of delivering the price support directly to the farmer, as we would do if we had production payments.

PRODUCTION PAYMENT PROGRAM NEEDED

Under the payment method, the farmer is sure of getting the benefit of price support that the law intends for him to have. There is no question as to whether a market price will be reflected back to the farmer.

It also seems strange to me when I hear that we must use the Government purchase method in order to prevent production control and (that old overworked epithet) "regimentation." To my simple way of thinking, the best assurance against the need for production control is greater consumption. How does the Government purchase method increase consumption? Are we supposed to throw away what the Government buys so that there will be room to store more of what we produce? Are we supposed to give it away? If so, where is the food-stamp plan to make it possible? Nobody seems to be pushing very hard for that. I can tell you one thing. If we are to support perishables, including your milk, and do it effectively, we must have either a food stamp plan or a production payment program. I consider the payment method to be more efficient, more economical, and more useful to our economy. The same amount of money required for food stamps, if used for production payments, would go farther toward increasing consumption and maintaining farm income.

It is claimed that purchase and storage programs don't cost much money. But I can assure you that if this has been true in the past, it was due to two reasons: First, they didn't provide much price support; and second, there have been Government agencies in the business of giving away farm surpluses. For example, the Federal Surplus Commodities Corporation bought nearly all of the butter sold by the Dairy Products Marketing Association, the DPMA. The fact that this Federal Corporation paid $33,500,000 for the butter was a rather incidental fact brought about by administrative determination. It came out of the taxpayers' pocket, and as far as the taxpayer is concerned it isn't particularly important whether the cost was charged to price support or relief.

PURCHASE METHOD BETTER?

Another strange claim for the Government purchase method is that it helps dairy co-ops in their effort to bargain for good prices and markets. How does it increase the bargaining and other competition for the Government to set a price at the top of the market? The Government purchase price is the market price. There's nowhere else to go.

Where is the incentive for efficiency and better bargaining that is claimed for the purchase method over the payment method?

This year the Department of Agriculture announced that, instead of buying butter and dried milk only at major centers, it would buy on an f. o. b. shipping point basis One reason for this decision was to enable local co-ops and other small businesses to assemble carload lots and sell direct to the Government. Relatively few have done so. The co-op in its function as handler needs a large volume of business in regular commercial channels. It needs to keep its trucks busy carrying full loads to keep down costs per unit. Too often, when a purchase program is in effect, sales to the Government substitute for the co-op's regular commercial business. This is not an adequate substitute.

There is danger that over-use of the purchase method could lead to less competition, less opportunity or incentive for the small co-op and other small business, more Government in the dairy business, and a bigger share of less business in the hands of big business.

With a production payment for farmers to go along with the purchase method and the marketing agreements and orders, we can stir up a very satisfying interest in competition and your products will warm the hearts of your customers instead of the floors of the cold storage warehouses.

Your co-ops will be able to do the job you want them to do instead of becoming a way-station between you and the Government buyer.

PHONY ATTACKS ON CO-OPS

As I said before, I think the cooperative is an important institution. Other people must think so too. Otherwise, they wouldn't go to the trouble of circulating such vicious propaganda, including these phony bucks which illegally buck the co-op.

It cost a lot of money to print the phony money. Somebody thought it was worth the money to them. It was not spent for the amusement of the public. It was spent to convince the public that cooperatives are against the public interest and to throw fear or discouragement into present and prospective co-op members.

I am sure they have little hope for success here in Wisconsin. This picnic is a demonstration of your strength and enthusiasm without even being intended that way. You have shown in many ways that you value your cooperatives and intend to keep them. But I hope you will not take them for granted or become complacent about them.

For the most part, I assume, you consider them a part of your everyday lives, a business tool, and do not necessarily think very often of their broader significance. How-

ever, I hope you will not forget that many other farm people who need the help of the cooperative way have not yet developed cooperation to the extent that you have. Your example and your continued success are important to many farm people who are unknown to you and who may live far away.

DAIRY MONOPOLY STRONG

Your co-ops are important also to the general public because they involve the marketing of dairy products. In spite of the development of dairy cooperatives the dairy industry is one of the most highly concentrated and tightly held of all industries. Before the war the three largest firms in this field controlled a fifth of all the butter business; the three largest firms dealing in condensed and evaporated milk had two-fifths of the business; the three largest firms in the cheese business controlled more than three-fifths of the business—in fact one firm had a third of the cheese business. We do not have recent figures, but we have no reason to believe that economic control has become any less concentrated in recent years.

The farmer and the consumer both need the competitive force that can be supplied by alert and vigorous cooperatives—competitive force that helps to set fair standards of price and quality—competitive force that leads to economic progress and better standards of living.

As we look to the future of dairyland agriculture, let us continue to improve our cooperatives and make them serve our needs. They need the active interest of each member—interest based on the farmer's determination to improve the marketing of his own product. Let us also continue to fight for a price support system which recognizes the dairy farmer's product as a basic agricultural commodity.

COOPERATIVES CAN WIN

These efforts in themselves will not automatically bring better roads, hospitals, telephone and electric service; nor will they substitute for scientific research and its practical application, solve the problems of soil conservation, or guarantee adequate farm credit. These efforts will not in themselves assure opportunity for our young people. All this we understand. But this, too, we know: More of these other problems can be separated from the income problem. A fair and stable farm income is a basic need, the firm foundation we must have for continued progress in our way of life.

To build that firm foundation, we need the reinforcement of strong and vigorous cooperatives and a fair price-support system.

With them, we can build toward a prosperous dairyland and all that that means toward a strong and prosperous America.

Address of Admiral W. H. P. Blandy

EXTENSION OF REMARKS

OF

HON. L. MENDEL RIVERS

OF SOUTH CAROLINA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, August 2, 1949

Mr. RIVERS. Mr. Speaker, one of the outstanding leaders of our time, a leader not only in naval warfare but of modern warfare, is Admiral W. H. P. Blandy, United States Navy, commander in chief, Atlantic Fleet. Under leave to extend my remarks in the Appendix of the RECORD, I am pleased to insert therein the address made by Admiral Blandy on July 28, 1949, before the soldiers and sailors reunion at Salem, Ill.:

I am deeply honored by the invitation extended to me by your able representative from this district, Congressman VURSELL, to address this sixty-sixth reunion of soldiers and sailors of southern Illinois. As a sailor myself, I feel at ease in such a meeting. But having spent the past 40 years in the Navy, I have lived much of my life at sea, along the sea coasts, or in foreign waters and lands. I have always regretted that such a life has not afforded me the opportunity to acquaint myself more intimately with the interior of our country. I know your State best through my acquaintance with your men, who have always constituted a considerable portion of the Navy's personnel. I can assure you that the men from this section whom I have known have universally upheld your tradition of producing good sound citizens.

I think that this annual reunion of you veterans is a particularly splendid idea. Aside from the opportunity which it affords to you of renewing old acquaintances, swapping yarns of your experiences, and in general reviewing the past, you have here the opportunity of collectively taking stock of the present. Certainly there can be no single group who are more inherently interested in the welfare of the Nation than the American veterans. You have given to your country the ultimate of service—her defense against her enemies in time of war. You most certainly are entitled to pause from time to time and consider the question, "How goes it now with my Nation and her defenses?"

This country was founded in the belief that the dignity and freedom of the individual take precedence over all other considerations. As a consequence, an atmosphere was created here in which men's ideas and enterprises were granted full play. By this system, the ablest individuals in any walk of life rise naturally to the top. Once there, the free play of their superior talents, in bringing rewards to them, benefits us all. The result has been the rapid development of our natural resources, our high standard of living, and the phenominal growth of this country from the small struggling 13 Colonies of 1775 to the most powerful single Nation in the world—all in a remarkably short span of history.

However, this system of ours, in which the poor and oppressed peoples of the world were welcomed to this land to conquer a continent of wilderness and carve out for themselves unheard of abundance, with the freedom to live as they chose—a system which we have defended in five major wars—again stands in danger.

Only 4 years ago, we finished the task of turning back and destroying the forces of fascism which had enslaved Europe and parts of Asia, and had nearly engulfed the world. Since then many of the world's peoples, grievously stricken in that conflict, have faced the specter of communism—that philosophy of despair which feeds on human misery, while offering its victims empty promises of a millennium.

At the end of the last great global war the hearts of men everywhere held the hope that with the establishment of the United Nations a new era of international friendship and good will would begin. The consistent refusal of the Communist bloc of nations to cooperate in this establishment of world order and justice, and their persistent suspicious and belligerent attitude toward the democratic nations of the world are clear indications of the great gulf which separates them from us. Not only do our systems of government and our ways of living differ, but they wish to restrict all contact between their people and ours to a minimum. Perhaps their distrust is based upon the extremely low regard of free people for the communistic doctrine. Perhaps they fear their system could not long survive the unfavorable comparisons with the rest of the world which free intercourse between nations would impress upon those peoples shackled by the chains of communism.

In any event, we are faced today with the stark reality of a world divided over fundamental issues into two opposing forces. A tremendous area and vast numbers of the world's peoples are under Communist control. Through pressure on smaller states, and the activity of party organizations in every state, the Communists are seeking constantly to extend their rulership.

To allow the slavery of communism to spread unchecked over the world is absolutely unthinkable to free men. Our Nation's leaders have clearly recognized the dangers in Europe. Through the Marshall plan of economic aid, and through military assistance to threatened States, we have narrowly averted and checked the disastrous extension of communism which has threatened by devious measures short of war to grasp and strangle all of Europe. Now the line between eastern communism and western democracy has been sharply drawn, and we have morally pledged ourselves to the support of the western democracies who have alined themselves with us in the common struggle to preserve decent human rights. There could be no other choice. The North Atlantic Pact, overwhelmingly ratified by the United States Senate last week, represents a formalizing of our common determination.

In such a situation, where two diverse ideologies are so definitely opposed, the ever-present danger of armed conflict must be recognized. The United States has never advocated war as a means of solving international differences, and it most certainly will not in the future strike the first blow, without grievous provocation. Unfortunately, the history of totalitarian states indicates no such peaceful traditions. The dictator does not require popular sentiment for a war before plunging his country into one. If he feels the need for popular backing, he builds up support for war through the medium of his rigidly controlled propaganda agencies. Dissenters can be purged to the degree necessary to quiet dissension. But what the dictator will usually require before starting a war is the conviction that he can win.

It follows, therefore, that until such time as international machinery backed by an international police force is perfected to prevent wars, the best deterrent to a would-be aggressor is sufficient military strength in the hands of peace-loving nations to insure his defeat. The democracies of the world must keep themselves strong enough to render an act of aggression against them absolutely foolhardy. The Atlantic Pact is not enough by itself; it must be implemented by force.

The greatest share of the free world's burden of maintaining a strong military establishment today must necessarily rest upon the United States. During the past war the European democracies suffered fearful destruction of property and industry which this Nation was spared. Until their economy again reaches a sound, healthy condition and their industrial production is restored, only the United States can afford armed forces of such magnitude as to discourage aggression. The cost of adequate armament is heavy and onerous—as I can appreciate as well as the next fellow when I pay my income tax. But, regardless of the cost, we simply cannot afford not to have armed forces adequate to the threat. At the same time we must insure that our national-defense dollars are so spent as to provide the maximum protection to the Nation, and that our requirements are held to those absolutely necessary. While sacrifices in luxuries may become necessary to provide for defense, a

military budget which overtaxes our national economy to the point of inviting economic collapse would defeat its own purpose.

To insure the maximum security to the Nation, her armed services are now organized as a unified team of land, sea, and air forces. Each member of the team predicates its planning on a common strategic concept for the conduct of the war against our most probable enemy. Each service then bases its requirements upon the part it must play in the over-all agreed plan of action. The resulting military budget should represent the minimum needs for each service based on the agreed strategy of the best military minds in the country and correlated with the political objectives to be attained by the winning of a war.

The peacetime military establishment thus arrived at will be able initially to meet and cope with only the most immediate and pressing emergencies in the event of hostilities, since it is manifestly impossible to maintain in peace the tremendous military forces required to prosecute a full-scale war. However, our peacetime forces must be so constituted as to permit rapid and orderly expansion when an emergency arises. This means that we must maintain a large and well-trained reserve of men in each service, and keep our plans up to date for their immediate utilization upon mobilization.

Having thus provided for the contingency of present-day defense, we must devote a generous measure of effort to research and development of new weapons for wars of the future. We must also have adequate and up-to-date plans for rapidly mobilizing industry. There must be closer liaison than in any previous period of peace, between our armed service officers and our scientists and manufacturers.

There must also be plans for the speedy marshalling of our resources of manpower. We should lose no time in organizing our civil defense, in preparation for direct attack against the United States, including attack with atomic bombs, while we still have a breathing spell before a possible enemy nation acquires atomic bombs and the long-range planes for a world-wide delivery service. The civil defense organization must educate our people to the real dangers of the atom bomb, and the limits of those dangers, so that intelligent action in the actual emergency may take the place of hysteria and chaos.

There are certain extremists today who preach the gospel that air power and the atomic bomb have rendered armies and navies obsolete. These people would have us believe that we need only maintain a large number of long-range bombers, and a stock pile of atomic bombs, to effectively maintain peace, or win a quick and painless victory if war comes.

I most certainly cannot subscribe to such thinking, nor are such extremists' views shared by the Joint Chiefs of Staff. Certainly we must have an Air Force which can assuredly wrest air supremacy from the enemy. This means that we must have the best Air Force in the world. But we cannot gamble that bombing alone will defeat an enemy. We must be prepared to defeat him eventually in his own waters as well as in his skies; and physically conquer and occupy at least certain strategic areas of his territory. For the foreseeable future, I still see the ultimate defeat of the enemy brought about by the Army's foot soldier.

The Navy's part in any strategic concept of war remains clear—to control the seas for the movement of our own shipping and to deny the use of the seas to the enemy. Certainly we shall never adopt a concept of war which invites the enemy to come to our shores to fight. We must take the war to the enemy; and for a very long time to come the vast majority of men, and their equipment and supplies, going overseas in war can only be transported by water-borne ships. We shall also undoubtedly have to supply our allies with weapons, food, and fuel by sea, as we did in the last war. Moreover, rich as this country is in raw materials, it is by no means self-sufficient in a number of critical commodities which must be brought in over the salt-water highways.

To fulfill its function of control of the seas the Navy needs many things. We must have striking task forces built around aircraft carriers to maintain such control of the skies as is necessary to control the seas wherever we need to go. As in the war against Japan, we shall undoubtedly be required to seek out the enemy in his home waters and harbors, especially his submarine bases, and defeat all of the aircraft he can muster to meet our surprise attacks or to operate against our shipping.

We must have overseas bases and the means of taking those bases from the enemy. Our naval amphibious forces and fleet marine forces are trained and equipped for this purpose. We must have long-range reconnaissance planes to scout the vast wastes of the ocean to detect the enemy subs at sea and provide forces to intercept and destroy the enemy wherever found. We must undertake mining of the enemy's coastal waters and at the same time keep our own harbors and their approaches free of mines. Our submarines must contribute to the constant harassment and destruction of enemy shipping. And perhaps most important of all, we must be prepared to wage successful antisubmarine warfare. The submarine is a formidable weapon, as the Germans so conclusively demonstrated in the past two wars, and as our own submarines so forcibly proved to the Japanese in World War II. Nevertheless the submarine threat to control of the seas can and must be successfully combated. I feel confident that we can handle the threat posed by present-day submarines, and that further research and training will provide the equipment and techniques to counter the submarine of the future.

I wish to sound a note of optimism today with respect to the progress being made toward unification of the armed services. Unfortunately, but understandably, so much has been said and written about the inevitable disagreements that have arisen among the armed services, that the far greater areas of agreement that have been reached have been largely overlooked. As Commander in Chief of the Atlantic command, a unified command established by the Joint Chiefs of Staff, I have had considerable experience in the past year and a half in the planning of joint combat operations and the planning and execution of joint training exercises, involving elements of all three services. Here at the planning and operating level, all differences of opinion have been amicably settled to the complete satisfaction of all concerned.

In the larger field of over-all war strategy, honest differences of opinion are bound to arise. These differences must be reconciled through patience and understanding. Not much good, and perhaps a great deal of harm, can be done by a forced agreement to a wrong decision.

The problem of how best to provide for the defense of the Nation is complex and difficult. Tough problems take time to solve. The National Security Act of 1947, and the recent modifications thereto, provide a framework in which the component parts of the armed services can be quilted together with patience and understanding to achieve true unity of effort. Joint schools such as the National War College and the Armed Forces Staff College, and joint training exercises of the operating forces, are providing the Nation with officers educated in the capabilities and limitations of each service. With knowledge comes the understanding which is essential to the solution to our joint problems.

In our efforts to achieve unity, we must, for the good of the Nation, preserve the integrity and identity of the various branches of the armed services. The inspiration that comes to men in battle from their uniforms and insignia, and the traditions of their respective branches of the service acquired in previous wars, is not a thing to be lightly cast aside. Wars will always be fought by men—men who instinctively feel fear—and the most unified fighting man in the world, in whatever color uniform you might choose to put him, will not sustain his trust during the crucial hour of battle unless he has that spark which is kindled by patriotism and tradition to see him through.

To my mind, our national course is clear. As a Nation we must cooperate with the rest of the world to strengthen the United Nations and strive for international cooperation and understanding, to the end that war as a means of settling international differences may some day be eliminated. But until the day comes when true international harmony is achieved, we must recognize and resolutely face the dangers which arise to threaten our way of life and our national existence. Today the threat is communism. We must counter that threat with determined economic and military support to those nations who share our belief in the fundamental rights and dignity of man, and back up that support with military power, to deter war if possible, and to assure victory if war comes. Because such a program is costly, we must weld the armed services into a hard-hitting, effective team, with common over-all objectives, and minimum duplication of effort.

I enjoin especially those of you who have fought your country's battles—but also all other members of my audience—to keep up your interest in our international affairs, and in the national defense. We who are more directly connected with such matters must have the approval and support of all the citizens, if we are to discharge our duties wisely and efficiently. So long as we have this support, and so long as Americans cherish the freedom so hardly won and so successfully defended in the past, I have no fears for the security of our Nation, against either external or internal enemies.

Three Basic Securities

EXTENSION OF REMARKS

OF

HON. CLYDE DOYLE

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 14, 1949

Mr. DOYLE. Mr. Speaker, the following editorial appeared in the Long Beach Independent daily newspaper—in my home city—Los Angeles County, Calif., on Friday morning, July 29, 1949. I feel its analysis is especially pertinent and material to the thinking of all Members of Congress, particularly at this time. I am pleased to present it to you, my colleagues, for your consideration:

THREE BASIC SECURITIES

There are, in our opinion, three basic social securities that should be provided before we can say our system is a success. Those are protections against (1) poverty in old age, (2) catastrophic illness within a family, and (3) loss of income because of there being no work available for the family provider. The die-hard reactionary will

say this is socialism. The chronic do-gooder will say it is only a part of real security. But the sincere seeker for truth will admit these three are the important dangers over which the individual has little control.

Each of these securities is recognized and provided for by many large companies for their employees. The old-age pensions and health insurance is a part of insurance plans of oil companies, insurance, and many other companies. The job security is not as certain, but the older employees have little to worry about in these concerns. Funds are contributed by both employees and employers. In many concerns the security funds are jointly managed by representatives of each.

It is strange that from these workers and employers much of the opposition is found to a national plan to give all people the same security. If it is good for a few million people in great industries, why is it not good for all the people? It is argued it would be too costly to provide for all the people. But here we find part of the people provided these securities paid for by all the people. Were it not for the prices paid for products of these industries, money would not be available for the workers' security plans.

A start has been made for old-age pensions with the Federal social-security old-age retirement fund. This fund does not cover all the people and its benefits are inadequate for retirement without other income. Since 70 percent of all incomes are less than $3,000 a year, it is apparent not much security can be built from such a salary. The result is someone is already taking care of the old people. It is either a State pension, relatives, or a poor house. It is doubtful if an over-all pension would cost any more than is now being spent. It is probable it would cost less if efficiently administered.

The British socialized medical plan has been a costly and, by our standards, a bad experiment. But it will not be discontinued by the British people. Bad as it is, the people want it. Unless we do something here we will have the same plan forced upon us. Such a plan would change our entire medical system. In Britain, people get very poor care because the hypochondriacs have crowded the doctors' offices. The incentive for building a practice has been lost. In our opinion, the people over here would not like socialized medicine as it is practiced in Britain.

But our people do want protection against high doctor and hospital bills. The Government is going to give them that protection in one form or another. Unless doctors and all those who preach free enterprise provide a system that will work, the Ewing or some such plan will be invoked. It is a challenge to insurance companies and medical associations.

We again offer our suggestion that a deductible medical insurance plan would work. Such a plan would require a family to pay the first $50 or $100 a year for medical or hospital costs. The insurance would take care of all costs above that. Such a plan would keep the people from running to the doctor with every ache or pain. But it would protect them from catastrophes beyond their control.

Our last basic security is protection when unemployed. Our present system is a good system. It has many faults but these can be corrected by sound administration. But the need for unemployment insurance may become small if five million over-age workers were retired on adequate pensions.

We have no doubt alienated some of our readers who oppose any social securities. We will not have pleased labor leaders who would confine such securities to paying members of the union. But we believe the great majority of the people agree that these are three basic securities a free-enterprise system should provide.—L. A. C.

Only One Choice Is the Right One

EXTENSION OF REMARKS
OF
HON. HAROLD D. DONOHUE
OF MASSACHUSETTS
IN THE HOUSE OF REPRESENTATIVES
Tuesday, August 2, 1949

Mr. DONOHUE. Mr. Speaker, under leave to extend my remarks, I wish to include a very thought-provoking editorial titled "Only One Choice Is the Right One," which appeared in the July 28, 1949, issue of the Worcester (Mass.) Evening Gazette. The editorial follows:

ONLY ONE CHOICE IS THE RIGHT ONE

There is a growing body of authoritative opinion which holds that only three possibilities face the economy of Europe: (1) Collapse, meaning sharply lowered standards of living and unemployment; (2) a perpetual program of aid from America, or (3) the conversion of Europe into one economy, one market, with either a single currency or a group of freely convertible currencies.

The latest to support this position was Edward Dickenson, a high official in ECA. His statements are a good indication that ECA itself has come around to the prevailing view. It is a difficult view to refute.

Assume there are but these three choices. The first two are obviously both undesirable. That leaves the third. As things are now, each European country operates as an economic unit; this means that Europe cannot develop the kind of specialization in manufacture that we have in the United States, nor can it find the mass markets that alone justify and lead to mass production, with its lowered costs. As it is now, you can buy a Norwegian-made refrigerator in Sweden and a Swedish-made one in Norway, but you have difficulty buying a Swedish one in Sweden or a Norwegian one in Norway. Europe's economy becomes more irrational all the time, and to a degree American aid is subsidizing the irrationality.

What, then, are the objections to the one obvious solution? They are complex, but very real to the people affected. If all currencies were made convertible, Britain's dollar position would be, at first, affected seriously for the worse, which would mean less imports and more austerity. Likewise, a whole host of present inefficient manufacturers in Europe (and the labor unions in their plants) would suffer from the competition offered by removal of all trade barriers. Workers whose families for generations have engaged in one line of endeavor might suddenly find their livelihoods destroyed, because the products could be made more efficiently elsewhere.

But, you will notice, all those are temporary evils. In a relatively short time the vast increase in productivity, and opening of new job opportunities with an expanding economy, would raise the total standard of living of Europe astonishingly. That is demonstrated in history by the experience of the United States before and after the signing of the Constitution. Some people were hurt by the elimination of trade barriers between the States; but in almost no time, everyone began to gain.

Europe, it begins to appear, will soon have to make its choice. There is admittedly no serious proposal among European governments now for economic unification, but these same governments are beginning to see that after American aid stops they are likely to be in real trouble. Now, of course, is the time for unity, and the machinery—the European Marshall plan organization—is there. Another war would probably do the job—if there is any Europe left. It is deplorable that the European statesmen, who realize as well as anyone the basic problem, seem always to be waiting for a propitious moment that never arrives.

Communism's Two Faces

EXTENSION OF REMARKS
OF
HON. ABRAHAM J. MULTER
OF NEW YORK
IN THE HOUSE OF REPRESENTATIVES
Tuesday, August 2, 1949

Mr. MULTER. Mr. Speaker, the following article which appeared in the magazine This Week, which was a part of the New York Herald Tribune July 31, 1949, will prove of considerable interest to our colleagues:

COMMUNISM'S TWO FACES

(While one smiles and talks of peace, the other breathes fire. A Czech who fled for his life tells how other nations can avoid his country's blunder.)

(By Ivo Duchacek, member of the Czech Parliament when the Communists seized power, is now teaching in the United States. His "Strategy of Communist Infiltration" was published this month by the Yale Institute of International Studies)

After the Communist putsch in Czechoslovakia, I was obliged to crawl and then to run for my life. I had neither time nor thought to make a political appraisal of what had just happened. But the stark facts stood out sharply in my mind.

In May 1945, after 6 years of exile from nazism, I had returned to my native Czechoslovakia as a liaison officer with General Patton's Third Army. I was 32. The same year, I was elected a member of the Czech Parliament and chairman of its foreign relations committee.

In my maiden speech, I expressed the hope that because Czechoslovakia was the only Allied territory where American and Russian armies met, this would represent a symbolic confirmation of Jan Masaryk's statement—which he subsequently denied—that Czechoslovakia might become a bridge of understanding between the West and the East. Later, addressing the Catholic Youth of Prague, I said that the Christian ideal of human fraternity might actually be able to harmonize the western conception of individual freedom with the eastern idea of economic equality.

"I WAS A WANTED MAN"

Three years afterward, I had to hide myself in my native country like a criminal. I was wanted for democracy.

What shattered my hopes of 1945 that we could get along with the Soviets? What was the basic error?

These questions have been with me ever since my escape. But they are not in my mind only. I was asked them this spring when lecturing at Yale. I heard them again this summer when I discussed European ideologies with 70 young men and women at city college.

Nobody likes to accept the idea that we cannot get along with our fellow men if we try hard enough. The questions asked by American students have been inspired by their deep desire for peaceful cooperation and by their good faith. I felt precisely the same in May 1945, when I returned to Czechoslovakia which was to be governed for the first time by a coalition of Communists and democrats. But now I know our good faith was not reciprocated. It was exploited by Soviet communism. We committed a very costly

error which others should be spared from committing.

When I look back at my own practical experience in Czechoslovakia where cooperation with the Communists was tried on both national and international levels, I realize that the basic mistake was our wishful thinking that communism had fundamentally changed under the influence of its 25-year experience and under the impact of World War II.

But Soviet communism has not changed at all. It has improved its tactics without changing the basic aims. Double-faced, like the old Roman deity of Janus, communism shows us alternatively a reassuring smile and threatening teeth. The slogans of peace accompany a febrile preparation for class warfare; appeals to base instincts are covered by the slogans of Marxist materialism; the slogans stressing the liberation of toiling classes go hand-in-hand with the most barbaric suppression of all liberties.

This double aspect is found in the double membership of the Communist Party—one open, the other secret. Some members are allowed to acknowledge party membership and work openly toward their aims. They are the personification of the slogan of the Communist manifesto of 1848: "Let the governing classes tremble before the Communist revolution."

The second group of highly trained Communists remains silent. The world is not supposed to tremble before them but to know so little of the danger as to let them climb to the highest positions in democratic society. They are secret members, belonging to the secret "cells."

CELL MEMBERS LEAD DOUBLE LIVES

According to the report made by the Canadian Royal Commission on espionage, this technique of secret membership is "calculated to develop the psychology of a double life and double standards. The secret adherent of the Communist Party is encouraged never to be honest or frank—outside the secret 'cell' meetings—about his real political attitudes and views." Double membership, double life, double standard of honor, double standard of morality. This is how communism developed the motto "The end justifies every means" into an institution.

I remember the first clash between this Communist double standard and my belief that truth must prevail whatever the consequences. Shortly after the National Front Government was formed I drove through the American and Soviet lines of demarcation to meet Minister of Information Václav Kopecky, a Communist. The report I gave him about conditions in areas liberated by the Americans brought forth an outburst.

"Your Americans," he blustered, "are robbing and raping wherever they go. And some dirty reactionaries dare to shift the blame on the glorious Red Army without whose help Prague would still live under Nazi oppression."

THE CHARGE WAS FALSE

Upon my return to the United States zone—with the aid of Czech police and hospital authorities—I investigated Kopecky's accusation of United States troops. The charges, I found, were false. I immediately sent a detailed report to Prague. But the Communist Minister paid no attention to it.

Obviously, atrocity stories about United States forces were being circulated to divert civilian attention from the behavior of the Red army. In the areas liberated by the Russians, the official record of rapes and other violence committed by Red troops was steadily growing.

Stalin was even reported to have apologized to an official Czech delegation in Moscow: "The joy of the Red army over the victory assumed, here and there, a rather violent character. It is regretted. Our soldiers are like children—good-hearted, as only Slavs can be, but sometimes cruel when they get out of control."

"SICK CHILDREN"

In other spheres, this "children" story was told, too. When the Communists were criticized because, in their coalition with other parties, they had the tendency to take a lion's share, Communist apologists declared:

"This is only a childhood sickness—the mumps of our comrades. For 20 years, they were the underdogs. It meant street demonstrations, strikes, prison. They cannot mature into partners of a coalition government overnight. They need time before they can learn tolerance and fair play."

They were given time—and in 3 years the eager children had turned Czechoslovakia into a totalitarian Communist state. Not till it was too late did Czechoslovak democrats realize that they had been faced with two Communist parties instead of one.

While Czech democratic leaders were conferring with part of the Communist hierarchy on possible solutions to the 1948 government crisis, the rest of the Communist leadership was concentrating on mobilization and illegal distribution of weapons. The democratic leaders left the conference room to find the streets of Prague packed with Red militia, police shock troops and representatives of action committees.

Still today, Communist assurances of peaceful aims continue to be accepted west of the iron curtain.

The reason so many Communist assurances were and are still being accepted at their face value lies in human nature, which tends to disregard disturbing deeds or words in favor of reassuring promises—especially after years of struggle and anxiety.

Thus, when the Comintern was disbanded in 1943, the Communist tactical slogans were happily swallowed by so many of us in Europe and America—"A different path to socialism * * * better democracy * * * cooperation of different ideologies and systems on national and international levels * * *." These slogans helped to create the impression that Communism had severed itself from its own revolutionary, aggressive, and intolerant past.

HOPE FOR PEACE

Harry Hopkins remarked, "This is the dawn of the day we have all been praying for * * * we shall live with them peacefully and get along with them for as far into the future as any of us can imagine."

French Communist leader Thorez, who deserted from the French Army because of the Soviet treaty with the Nazis, became a ministerial colleague of General de Gaulle. Italian Communist leader Palmiro Togliatti shared governmental responsibility with Christian Democratic leader de Gasperi. And Czech Communist Klement Gottwald became Vice Premier alongside Monsignore Jan Sramek, the Catholic leader, both in the cabinet of a Social-Democrat Premier.

The wishful thinking of 1945 seemed to be confirmed by events—or by the lack of events. The very fact that the Communists at a given moment and in a given situation did not behave quite as we had feared they might led us to believe that Moscow and communism had changed after all.

In February 1948, when the Communists in a different international situation seized power under Soviet Deputy Foreign Minister V. A. Zorin, our mistake became evident—Communists may postpone from time to time the realization of their aims with the view to the temporary needs of the Soviet foreign or economic policy. But the aims never change.

"WILL I HANG?"

Two months before the putsch I spoke with my deputy, vice chairman of the foreign relations committee Vilém Novy. He was also editor in chief of the Communist national daily Rudé Právo.

"If you win the majority at the coming elections as you seem to claim," I said, "what will become of the non-Communists? Will you hang me, for instance?"

"Oh, no," Novy assured be with a smile. "The victorious proletariat never takes revenge. Only reactionaries like you hang their beaten adversaries. Besides, we want to reach socialism by the path of democratic legality. We are not thinking of our victory alone. We want to be an example for France and Italy."

Two months later, however, the Communist Party of Czechoslovakia, including Comrade Novy, seized power following the pattern set down in other eastern countries. Vilém Novy succeeded me as chairman of the foreign relations committee. The first wave of terroristic arrests, carried out by the "victorious proletariat which never takes revenge," began. I did not wait for the second wave, I escaped to the United States zone of Germany.

I had learned my lesson. I saw clearly the dual nature of the Communist Party. It was like an iceberg—dazzling, deceiving above water; a hulking, jagged menace below.

I did not rely on Comrade Novy's promise that I would not be hanged.

I was probably right in guessing that what he really meant was that I would not be hanged—only shot.

Displaced Persons Bill

EXTENSION OF REMARKS

OF

HON. THOMAS S. GORDON

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, August 2, 1949

Mr. GORDON. Mr. Speaker, some months ago we passed the displaced persons bill, H. R. 4567, which is now pending before the Committee on the Judiciary of the Senate.

Today I addressed a letter to the chairman of this committee, the Honorable PAT MCCARRAN, urging him to bring about early and favorable consideration of this measure and under unanimous consent I insert a copy of it in the RECORD:

AUGUST 2, 1949.

Hon. PAT MCCARRAN,
Chairman, Committee on the Judiciary,
United States Senate,
Washington, D. C.

MY DEAR MR. CHAIRMAN: I have received much correspondence from all over the United States from persons who are deeply interested in the passage of H. R. 4567, which passed the House of Representatives a few months ago, and is now before the committee you so ably administer.

Time is racing away and the many displaced persons who are eligible for entrance into this country certainly would like to see the light of day and the promise fulfilled of a happier and better life. Their present situation, as you know, was not brought about by any act of their own, but are victims of persecution. And from a humanitarian standpoint, I am of the profound and sincere belief, in which I am sure you must concur, that action should be taken on this measure with the least possible delay.

Additionally, this was one of the promises in our party platform and it is expected by the people that we live up to our pledges, as you and I are bound, for its success.

The city of Chicago is one of our biggest metropolitan areas, where over 600,000 Poles reside; my district alone is 60 percent Polish, which will give you an idea of the pressure that comes upon me, urging a direct appeal to you to send this bill to the Senate for attention. Therefore, it is my earnest hope that you will give these views of mine sympathetic consideration, with the ultimate accomplishment toward favorable action.

Please accept my personal regards, I remain

Cordially and sincerely yours,

THOMAS S. GORDON.

A Strange and Impossible Bill

EXTENSION OF REMARKS

OF

HON. JOHN M. VORYS

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Tuesday, August 2, 1949

Mr. VORYS. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following editorial from today's Washington Post:

TODAY AND TOMORROW

(By Walter Lippmann)

A STRANGE AND IMPOSSIBLE BILL

Had Mr. Acheson brought in a bill to carry out the military-aid program which he and General Bradley had described, everything would be much simpler. But the bill goes far beyond the program. It is not merely a bill to implement the Atlantic Pact and to fulfill our known and recognized commitments to certain countries outside the pact. The bill is all that. But in addition to all that it is a general license to intervene and to commit the United States all over the globe, as, when, and how the President and his appointees decide secretly that they deem it desirable to intervene.

It is disquieting that these extraordinary powers should have been attached as a rider to—one could fairly say as a joker in—the authorizations which are needed to carry out the declared program. It is remarkable, to say the least, that Mr. Acheson did not explain them, or even mention them, in his formal statement to the committee, and that in the State Department booklet they are referred to only obscurely and indirectly. Yet if they were enacted into law, the Congress would invest the President with unlimited power to make new commitments which Congress would have to support but could not control.

Under section 3 of this strange bill, the President is authorized, upon the request of any nation to furnish assistance to such nation through grant, or payment in cash, or through any other means and upon such other terms as he deems appropriate, whenever he deems that the furnishing of such assistance will further the policies and the purposes of this act as set forth in section 2.

The grandeur and magnificence of this grant of authority is spelled out in section 13, near the end of the bill. There we learn that the term "nation" shall mean any foreign government or country or group thereof; or any representatives or group of the people, however constituted, designated as a nation by the President for the purposes of this act.

So under this bill as written, the President can arm anybody. He can arm not merely the Atlantic allies, not merely Greece and Turkey and the Philippines, not merely recognized governments, but even groups, committees, factions, individuals. He can conclude military agreements with any representatives * * * however constituted which he decides to designate as a nation.

He can do all this without further consultation of Congress as and when he decides that it is in the national interest of the United States to arm somebody. He is the sole judge of what is the national interest of the United States. And every 6 months he must report to Congress expenditures and activities authorized under this act, but he need not report information the disclosure of which he deems incompatible with the security of the United States.

Can anyone pretend that these powers are needed for, or have anything to do with, the program for western Europe which Mr. Acheson and General Bradley outlined? Under this bill, to be sure, that program can and would be inaugurated. But all sorts of other programs, which have not been described, could also, and most probably would, be inaugurated.

It is difficult to believe that the authors of the bill did not know this and did not intend it. That they did not hope to make the western Europe military-aid program, which has sustantial support, the vehicle for other policies which—if they were candidly presented for debate—would not command general support.

It is not clever to be too clever and, therefore, if the avowed program of military aid is to be enacted, this bill had better be abandoned, and a new bill written which says what it means and means what it says.

The administration ought never to have offered this bill. Had it consulted the leaders of Congress it would never have offered this bill. It could not defend this bill successfully if it were brought to debate.

Indeed, the administration ought not to want a bill which, because it grants such unlimited and undefined powers, would only expose the Government to unlimited and undefined pressure from every quarter of the globe. This bill is an invitation to everyone who says he is anti-Communist to apply for arms and for money. Were this bill made the law, the State Department and the Pentagon would be put in the position of having to say "Yes" or "No" to requests for arms from all the countries, and from factions within them, where men are intriguing and contending for power.

Under this bill our ambassadors and our military attachés all over Asia, the Middle East, and Latin America would find themselves pressed, cajoled, and beseeched to urge Washington to supply arms or money for arms. The State Department and the Chiefs of Staff would in turn be under perpetual pressure from our missions abroad, most of them—as we know from experience—the impassioned advocates of the Government, or the impassioned opponents of the Government, to which they happen to be accredited.

Before long, military aid would have become a diplomatic slush fund and a military pork barrel. As arms were doled out to governments, or their opponents, our honor and interest would be engaged. Then it would be well nigh impossible to disengage ourselves again. For once we started arming a government or a group, we should be committed to that government or group, and we could not decently withdraw our support.

Therefore, the commitments should never be made, as they could be under this bill, casually, secretly, and without full public debate. It should be stated plainly in the law that arms will be supplied to countries named in the law, and to no one else without specific authorization from the Congress of the United States.

Consolidation of Bureau of Reclamation and the Civil Functions of the Army Engineers

EXTENSION OF REMARKS

OF

HON. CECIL F. WHITE

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, August 2, 1949

Mr. WHITE of California. Mr. Speaker, on June 30 I introduced a bill on a matter that is probably one of the most important subjects this session of Congress will face. The bill to which I refer, H. R. 5469, is a bill to carry out the recommendations of the Commission on Organization of the Executive Branch of the Government relating to flood control, river and harbor improvement, irrigation, and the production of power. In the simplest terms H. R. 5469 is a bill to consolidate the Bureau of Reclamation and the civil functions of the Army engineers.

This bill follows exactly the recommendation of the Hoover Commission and, if enacted into law, will save the people millions of dollars now being wasted because of the foolish and useless competition of these two agencies.

I am sure that every Member of the House is receiving, as I am, many, many letters from his constituents, demanding that the recommendations of the Hoover Commission be enacted into law. Here is our opportunity to take action on one of the most important recommendations of the Hoover Commission.

The following excerpt from an article in the Christian Science Monitor of June 27 presents some telling arguments as to why we should take affirmative action on the consolidation of these two agencies:

TWO UNITED STATES AGENCIES VIE FOR RIVER-DEVELOPMENT FUNDS; KINGS RIVER CITED IN EXPOSE OF WASTE

KINGS RIVER CASE

The Kings. This is a little river that flows down from the Sierra Nevadas into the blooming San Joaquin Valley. The San Joaquin was a desert once and irrigation is life itself to this fertile region and its society.

Every drop of Kings water should be used. As early as 1937, both the Engineer Corps and the Bureau of Reclamation surveyed the Kings River region. The corps was extending its original field, navigation, into irrigation as well.

President Roosevelt, in 1939, became concerned over the growing conflict. He asked both agencies to clear their Kings River plans with the National Resources Planning Board.

The Commission says the Army engineers often have bypassed the President and gone straight to Congress with their problems. This is because they do rivers and harbors work—the traditional congressional pork barrel.

BOARD BYPASSED

The engineers bypassed the planning board in this case. As a result, two conflicting plans were presented to Congress in 1940. Each provided a reservoir at Pine Flat.

Then a 7-year struggle for the project began. The dry San Joaquin needed the water

immediately but it had to wait during 7 years of interagency conflict.

There are significant differences between reclamation and Army engineer policy on irrigation projects. The Bureau acts from political motives as well as technical. It does not allow big landowners to profit greatly from its projects; this benefit is limited to 160-acre units—or double in California to allow for joint family ownership. Again, corps projects often are given to local officials to run. Bureau projects are tightly watched.

The engineers viewed Kings as primarily a flood-control project. Reclamation looked on it as a vital part of the immense Central Valley irrigation project.

WIDE ARGUMENTS

There were arguments over power development, over allocation of costs. Engineer projects usually are cheaper to the beneficiaries as much of reclamation water benefits ultimately is paid for by the farmer getting them.

The Kings River region was the center of a raging controversy among the prospective water users over which plan was most attractive by cost, disregarding ultimate repayment.

President Roosevelt stepped in and decided that Kings was predominantly an irrigation project. So he said that the Bureau of Reclamation should build it.

But the engineers always have used their power with Congress—perhaps it would be more accurate to say friends of the engineers—to ignore Presidential wishes, although the President is Commander in Chief of the armed forces.

At this time they went ahead, less than 2 months later, to testify for building the Kings project under flood-control law. By then, most local interests backed the engineers.

GIVEN TO ENGINEERS

Following a time-consuming legislative pressure conflict, the project was handed to the engineers in 1945. The President still favored construction by the Bureau of Reclamation.

Work is well along now. Kings River water will be prepared by a flood-control and navigation agency for a primary irrigation job.

The Hoover task force found this a classic case of the waste of conflict. Seven years were lost. It doubts if most economical use is being made of the water, even now. It will cost "more than it should," it reports.

Mr. Speaker, the bill I have introduced, H. R. 5469, will remedy the situation described in the foregoing news article, and will save the taxpayers of this Nation millions and millions of dollars. I hope the Congress will see fit to act promptly on this bill.

Unfair to Judges

EXTENSION OF REMARKS
OF
HON. W. KINGSLAND MACY
OF NEW YORK
IN THE HOUSE OF REPRESENTATIVES

Tuesday, August 2, 1949

Mr. MACY. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following editorial from the Washington Post of July 18, 1949:

UNFAIR TO JUDGES

Representative KEATING is offering a bill to prohibit members of the Supreme Court from testifying as character witnesses before other tribunals, as if it were an essential check upon the discretion of those judges. In some measure that view may be valid, but we suspect that the chief value of such a measure would lie in the protection it would give against unreasonable demands upon judges. At present they have no alternative to testifying before trial courts if they are subpenaed. Our inquiries suggest that judges as a group are extremely reluctant to go on the witness stand because it takes them out of their role as impartial agents of justice. Probably a great majority of them would welcome a law relieving them of this necessity.

Any accused person who calls upon a friend on the bench to testify in his behalf puts the judge in question on the spot. The judge cannot refuse without seeming cruel and unfaithful to his friend, and he cannot accept the bid for his help without embarrassment to himself and to the judicial system as a whole. A law of the type Congressman KEATING suggests would relieve Supreme Court justices of this dilemma as well as of the duty of responding to subpenas as character witnesses, while leaving them free to testify if they have knowledge of facts bearing upon the case.

But why should Mr. KEATING confine his bill to Supreme Court justices? Until Justices Frankfurter and Reed testified in behalf of Alger Hiss no member of the Supreme bench had been called as a character witness within the memory of a man. On the contrary, judges in the lower Federal courts are often embarrassed by being asked or subpenaed to express their views as to the reputation of some friend or acquaintance who has been charged with a criminal offense. Certainly if the practice is to be stopped, it should be stopped in the Federal district courts and the courts of appeals as well as in the Supreme Court. If the bill should be thus amended, it would not be surprising to see many judges indorse it.

Soviet Tops Czars in Forced Labor

EXTENSION OF REMARKS
OF
HON. ABRAHAM J. MULTER
OF NEW YORK
IN THE HOUSE OF REPRESENTATIVES

Tuesday, August 2, 1949

Mr. MULTER. Mr. Speaker, I am presenting herewith an article written by Michael L. Hoffman which appeared in the New York Times of July 28, 1949, containing further evidence of Soviet suppression of freedom:

SOVIET TOPS CZARS IN FORCED LABOR—CAMPS HELD 32,000 IN 1912, AS COMPARED TO 10,000,000 NOW CITED IN DATA OF BRITISH

(By Michael L. Hoffman)

GENEVA, July 27.—The Soviet forced-labor system is far more highly developed than anything known under the Czars, if data in the hands of the British and United States Governments can be relied upon.

The British recently laid before the Economic and Social Council of the United Nations the text of the Russian forced-labor code, as published in the Soviet Union in 1941. The code contains a complete system for exploitation of the labor of political opponents of the regime to further the development of Soviet economy.

According to the British, there are at least 10,000,000 in Soviet labor camps, areas of exile, or prison factories or condemned to "corrective" labor at their usual places of employment. This would be about 10 percent of the Soviet Union's total labor force.

According to the book Prisons in Capitalist Countries, by Andrei Y. Vishinsky, now Soviet Foreign Minister, published in 1937, forced labor in twentieth-century Czarist Russia reached a maximum of 32,000 persons in 1912. Forced labor was a very old institution in Russia. Prior to the abolition of serfdom in 1861, what would be called today forced labor probably affected large segments of the population.

UNFAVORABLE COMPARISON

Nevertheless, a comparison between modern Communist and Czarist systems seems rather unfavorable to the Communists. According to statistics cited in Mr. Vishinsky's book, the number of forced laborers grew from under 5,000 in the early 1900's to 5,790 in 1906, 7,779 in 1907, 12,591 in 1908, 22,649 in 1909, 28,060 in 1910, and 32,000 in 1912 and fell to 25,352 in 1914.

In their study of forced labor in Russia, published 1947, David J. Dallin and Boris Nicolaivsky estimate that during the 1914–17 war forced labor outside the armies rose to about 50,000. This would be about one-tenth of 1 percent of the working population.

The Soviet system is more comprehensive in other ways. While most of forced laborers under the Czarist regime were ordinary criminals, most under the Soviet Government are political offenders. Indeed, ordinary criminals receive preferred status by being chosen as supervisors of labor camps in preference to those held there for political reasons.

Furthermore, forced labor, usually at the worker's ordinary place of employment, is required in the Soviet Union from workers guilty of violations of factory discipline. The principal crime here is absenteeism. A Russian worker is guilty of absenteeism if he loses more than 20 minutes' working time by late arrival, leaving early, or overstaying mealtimes, or if he commits any of these offenses three times in 1 month or four times in two consecutive months, even if the loss of time in each case is less than 20 minutes.

HELD MEANS OF REHABILITATION

The czars never had such a detailed code governing the administration of detention places and rights of condemned persons. Nor did the czarist regimes cover the forced-labor system with a gloss of deterministic psychology, which enables some Communist apologists to describe the entire set-up as a progressive means of reeducating criminals to live in society by the therapy of directed socially useful work.

The one element that the prerevolutionary and postrevolutionary systems appear to have in common is the emphasis on forced labor as a useful productive resource in the hands of the state. The czars, like the Communists, used forced labor for economic development projects in regions where men would not voluntarily work and for those projects for which free labor would prove too expensive.

SOVIET EVASION CHARGED

LONDON, July 27.—Hector McNeil, Secretary of State for Foreign Affairs, said in the House of Commons today that the Soviet Government had consistently evaded attempts to get the United Nations to investigate forced labor.

It is probably true, he added, that "regrettable conclusions" will continue to be drawn from the refusal of the Soviet delegation in the Economic and Social Council to accept a resolution providing for an inquiry on the spot that would satisfy "dispassionate people."

The Daily Worker alleged today that the Foreign Office had made at least three deliberate mistranslations in its English version of the Russian corrective labor (or prison)

code, which the Foreign Office termed a forced-labor code.

An article in the Communist paper said the Foreign Office had twisted an article in the code to suggest that armed guards drawn from the worst "criminal elements" had power to shoot persons detained on "political" charges. It asserted the Russian text made no distinction between political and nonpolitical prisoners. It would be more accurate, the paper said, to describe the guards as being drawn from workers convicted of less serious offenses.

Second, the paper said, the Foreign Office version spoke of "solitary confinement cells for persons under investigation." The words "solitary confine cells" were invented, the Daily Worker asserted, contending that the Russian text was "isolators," which meant a remand prison.

Third, the paper said, the Foreign Office mistranslated "compulsory labor" as "forced labor."

Mr. Hoover To Speak

EXTENSION OF REMARKS
OF
HON. HOMER D. ANGELL
OF OREGON
IN THE HOUSE OF REPRESENTATIVES
Friday, July 22, 1949

Mr. ANGELL. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following editorial from the Oregonian for July 28, 1949:

MR. HOOVER TO SPEAK

The news dispatches bring word that Herbert Hoover will deliver a major address on Stanford University campus on his seventy-fifth birthday, August 10. Speechmaking on his birthday might, with benefit to the Nation, come to be a custom of our only living ex-President. Last year he spoke at his birthplace in Iowa on August 10. This year, he is rather fresh from his work as head of a commission on governmental reorganization which produced an exhaustive and extremely important report. His Stanford address, it is presumed, will deal much with the Nation's economy and its need for retrenchment.

Mr. Hoover, since leaving the White House, has come to inject into his public addresses more of the humor and whimsicality that punctuate his private conversations. In the two campaigns for the Presidency his speeches dealt rather too soberly with complex subjects, statistics and matter-of-fact issues. He has got rid, to great extent, of what the people looked upon as intellectual aloofness. He has humanized addresses with epigrams and amusing anecdotes.

For nearly 2 years after his crushing defeat for reelection Mr. Hoover fished or traveled and had nothing publicly to say about politics. In later years he has delivered upwards of 50 broadcast addresses, given hundreds of talks to small groups, and written several articles for national magazines.

Upon his immediate return to the public forum he was a fervent critic of New Deal policies; prior to Pearl Harbor he frequently opposed our foreign policy, but after that event acknowledged that differences of view in this country may have led to our involvement in the war. He thereupon urged all-out support of President Roosevelt and advocated giving him dictatorial economic power during the war period.

Herbert Hoover has been almost constantly engaged in either official or unofficial public service for 35 years. He accumulated a fortune as an engineer, at one time supervising engineering phases of enterprises in various countries that employed a total of 160,000 men. He never made personal use of any moneys paid to him from the Public Treasury.

Mr. Hoover was in London in 1914 to promote European exhibits at the San Francisco Exposition. World War I caught him there and he was drawn into the work of repatriating Americans from Europe, then into organization of French and Belgian war relief. His efficiency therein caused President Wilson to name him United States Food Administrator after this country was drawn into the conflict. After the armistice he became Director General of European Rehabilitation and Relief and directed activities covering 23 countries. Thereafter he was named Secretary of Commerce by President Harding and remained in that office 8 years. From that post he went to the White House in 1929. In his election the solid South was broken by the Republicans for the first time since reconstruction days. During his tenure of the Presidency an economic collapse in Europe spread to this country, and produced the great depression. A distressed people, looking for somebody to punish for their misery, picked out President Hoover. The 1932 election was a complete reversal of the GOP triumph of 1928.

President Truman, unlike President Roosevelt, has turned to Herbert Hoover for advice and assistance on economic problems. The ex-President visited the White House in June 1945 for the first time since he left it as a tenant. It was at the invitation of Mr. Truman to confer on world food problems. Since then Mr. Hoover headed the administration-sponsored commission which produced the aforementioned stupendous report on governmental reorganization.

Since his retirement from elective office Mr. Hoover has maintained a cheerful reserve under taunts based on political campaign remarks attributed to him. He has never dignified with denial the purely apocryphal "chicken in every pot." He did once refer to the jibes about his "grass will grow in the streets" remarks. The prediction, he pointed out, was contingent on the carrying out of the Roosevelt tariff reduction pledge. Instead of reducing the tariff, said Mr. Hoover, the Roosevelt administration in effect raised the tariff by depreciating the dollar. For it required, after dollar devaluation, more dollars to buy imports than it formerly did, which is exactly what happens when the tariff is increased.

Mr. Hoover's forthcoming address will be broadcast by radio. If, as presumed, it deals intimately with economy and governmental reorganization it should be of special value in a currently disturbing situation. But Mr. Hoover has a vast fund of experience to draw on for our entertainment and enlightenment upon other subjects.

The Fate of Freedom Lies With America

EXTENSION OF REMARKS
OF
HON. FREDERIC R. COUDERT, JR.
OF NEW YORK
IN THE HOUSE OF REPRESENTATIVES
Tuesday, August 2, 1949

Mr. COUDERT. Mr. Speaker, under permission to extend my remarks, I include an article by Harry Schlacht, which recently appeared in the Hearst newspapers:

THE FATE OF FREEDOM LIES WITH AMERICA

(By Harry H. Schlacht)

Not since the days of barbarian invasion has Christian civilization faced such a menace as through the ruthless advance of communism. These are times that try men's souls. Nations that have experienced the brutality of Nazi oppression are now experiencing the cruelty and horror of Soviet nightmare. Their fate will be our fate, unless America wakes up—and now. Our dauntless manhood—in one generation—has bled and died twice on foreign battlefields. Our sons and daughters have fought to destroy the roots of the insatiable ambitions of fiendish monsters who sought to enslave humanity. Our democratic way of life is threatened by Communist concepts.

Russia has the largest army. Russia has the largest air force. She challenges our physical courage. She challenges our moral fortitude. She challenges our military power. She challenges our religious beliefs.

Americans must realize that the iconoclasm, the nihilism, and the moral degradation which communism symbolizes are the negation of God.

Americans must realize that everything we hold priceless and sacred is at stake.

Our blessed Republic is not only to be enjoyed but also to be preserved.

We must all give our all to protect our system of representative government, of free enterprise, of religious freedom.

We shall not permit the Red leaders in Moscow to weave a crown of thorns for our brow.

We shall not permit these power-hungry men to poison us with the fumes of atheism and anarchy.

We shall protect and preserve our glorious heritage of democratic ideals from communistic pottage brewed in the cauldrons of tyranny.

Any man or woman who is not loyal to our country ought to be banished from our native paradise.

Our country was not conceived by weaklings or cowards but by men and women of destiny—fearless and strong—who were prepared to die for freedom rather than live in slavery.

A panorama of American history flashes before our eyes. We can see the settlers as they cut a clearing in the trackless forest. We can see the pioneer and his family in the old covered wagon with the tongue pointed west. We can see the American ship of the desert freighted with the hopes and dreams and ambitions that made America great.

There was an empire in the brain of every pioneer.

We can see them build their homes and houses of prayer. We can see them kneel in simple worship there. We can hear the drums of war beat. We can see them seize their arms and rise to their feet the enemies of liberty to meet.

That spark of liberty is still alive. That spark of liberty will be fanned so that civilization will survive. The fate of freedom lies with America. Let us sound the clarion call for national defense. Let us summon every true American to fight for national defense. There is little time left. There is no time for timidity.

Russia does not maintain a mighty machine for defense, for no one threatens her.

Russia maintains this mighty armada for aggression and conquest. While our lawmakers talk, ponder, and debate our national security, Russia is relentlessly weaving her web of intrigue and violence wherever she can obtain a foothold. In our own blessed land we are faced with the most atrocious and stupendous treason the world ever saw kindled. And we stand idly by, waiting for what?

Russia will attack us when she thinks we are weak. Russia will never attack us if we are strong. To be free we must be strong. Preparedness is not a war policy. Preparedness is an insurance policy for peace. If we fail to do this, America, history will one day record of this last stronghold

of humanity that America was once the land of the free. Forbid this, Almighty God.

Looking backward through the years, and through the midst of tears, we can see the colonists start out from England on a stormy day in December in the year 1606. We can see a tiny fleet of three small vessels, 4 months later forging its way against the lashing sea and biting wind into the mouth of the historic James River. We can see passengers on these ships. They are lean, haggard, hungry, and seaworn. We can see Capt. John Smith, on the little ship *Discovery*. We can see him standing there with purpose in his heart, with determination written on his face, with high hope swelling in his bosom: A hope to lead his suffering people from the land of tyranny and oppression into a country of moral and religious freedom, where the sunlight of heaven shines over all with the same compassion of love, equality, and justice.

"Breathes there a man, with soul so dead,
Who never to himself hath said,
This is my own, my native land!"

America united is America invincible.
A prepared America is a peaceful America.

Amendment of Natural Gas Act

EXTENSION OF REMARKS
OF

HON. ROBERT CROSSER

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Tuesday, August 2, 1949

Mr. CROSSER. Mr. Speaker, the legislation proposed in H. R. 1758 to exempt from Federal regulation sales of natural gas by producers and gatherers at arm's length to purchasing natural-gas companies for transportation and subsequent sale in interstate commerce, would create a serious gap in State and Federal regulation of gas-utility service, and would be a matter of grave consequence to the public.

The drive to amend the Natural Gas Act in this fashion is fostered by the big oil companies who demand freedom from Federal regulation, knowing full well that under the Constitution their interstate sales in the gas fields cannot be regulated by the States. These companies desire Congress to grant them the right of unlimited profits though they are participants in rendering a public-utility service.

On the other side of the scale are the more than 40,000,000 people of the Nation who now receive natural-gas utility service. It is essential that their rights be protected and that no legislation be enacted which would result in unreasonable prices for this necessary utility service.

It will be our aim in this report to analyze the effect of the proposed legislation upon the public interest and to show why we should be opposed to its enactment.

THE ORIGINAL INTENT OF CONGRESS

The majority contends that it was the intent of Congress when it enacted the Natural Gas Act in 1938 to exclude arm's-length sales of natural gas by independent producers and gatherers to interstate pipe-line companies from regulation. They urge that the exclusory clause in section 1 (b) of the act, reading "but shall not apply * * * to the production or gathering of natural gas," was broad enough to provide for such exemption.

This clause has been interpreted by the Courts—*Canadian River Gas Company* v. *Federal Power Commission*, (324 U. S. 581)—as relating to the physical activity of production and gathering. This would include the acquisition of lease-holds, exploration work, drilling of wells, well spacing, oil-gas ratios, allowable production, location of gathering system, waste of gas, the correlative rights of landowners and royalty interests, and related activities. Most of these activities are subject to regulation by the States for they are intrastate functions. The record shows that the Federal Power Commission has never asserted that it had any jurisdiction whatsoever respecting the physical activities of production and gathering. There is no intention on the part of those of us who oppose this bill to change this situation in any way. The bill would not serve to clarify or strengthen the present exemption from the act of the physical activity of production and gathering, nor is such legislation necessary.

The courts have specifically held that the exemption provided by the exclusory clause does not include sales in interstate commerce. The Court of Appeals for the Fifth Circuit in the Interstate case—*Interstate Natural Gas Co., Inc.*, v. *Federal Power Commission*, (156 F. 2d 949); see also *Interstate Natural Gas Company, Inc.* v. *Federal Power Commission*, (331 U. S. 682); *Peoples Natural Gas Co.* v. *Federal Power Commission*, (127 F. 2d 153, cert. den. 317 U. S. 700)—said:

> We think that petitioner's difficulty in construction and interpretation arises out of the fact that, treating unlike things as alike, it tries to read the exception with respect to production or gathering as an exception with respect to sales. There is no warrant in the act for so doing.

This interpretation clearly follows the views of the House Committee on Interstate and Foreign Commerce in reporting the bill which became the National Gas Act of 1938—House Report No. 709, H. R. 6586, Seventy-fifth Congress, first session. We then said:

> The States have, of course, for many years regulated sales of natural gas to consumers in intrastate transactions. The States have also been able to regulate sales to consumers even though such sales are in interstate commerce, such sales being considered local in character and in the absence of congressional prohibition subject to State regulation. (See *Pennsylvania Gas Co.* v. *Public Service Commission* (1920), 252 U. S. 23.) There is no intention in enacting the present legislation to disturb the States in their exercise of such jurisdiction. However, in the case of sales for resale or so-called wholesale sales, in interstate commerce (for example, sales by producing companies to distributing companies) the legal situation is different. Such transactions have been considered to be not local in character, and, even in the absence of congressional action, not subject to State regulation (see *Missouri* v. *Kansas Gas Co.* (1924), 265 U. S. 298, and *Public Utilities Commission* v. *Attleboro Steam & Electric Co.* (1927, 273 U. S. 83). The basic purpose of the present legislation is to occupy this field in which the Supreme Court has held that the States may not act.

It is clear that in 1938 Congress intended to subject to regulation all sales in interstate commerce for resale which were beyond the reach of the States and thus to close the gap in regulation. As stated by Representative WOLVERTON during the 1937 debate—CONGRESSIONAL RECORD, volume 81, part 6, page 6723—on the bill which became the Natural Gas Act:

> It is, therefore, the purpose of this legislation to close the gap now existing between Federal and State regulation and control and confer upon the Federal Power Commission the right, duty, and authority to exercise such regulatory power in fixing a fair and reasonable rate for gas that is a part of interstate commerce. It seeks to give similar power to regulate and control interstate commerce in gas as now exists in State regulatory bodies with respect to transactions entirely within the States.

Representative WOLVERTON had previously pointed out that jurisdiction over such rates, coming within the field of interstate commerce, "is denied entirely to the State regulatory bodies and lodged completely in the Federal Congress."

NONEXERCISE OF REGULATORY POWER BY COMMISSION

The supporters of the bill lay stress upon past administrative practices and actions of the Federal Power Commission as supporting their opinion that clarifying legislation is necessary to end the confusion and uncertainty which is alleged to prevail in the minds of independent producers and gatherers.

The supporters of the bill cite the Columbian Fuel Corporation decision by the Commission in 1940 (2 F. P. C. 200), as indicating that sales of natural gas as an incident to and immediately upon completion of production and gathering were not intended by Congress to be subject to regulation. Not only was that opinion not unanimous, but the majority was not certain that the question of jurisdiction had been finally decided for it said:

> Further experience with the administration of the Natural Gas Act may reveal that the initial sales of large quantities of natural gas which eventually flows in interstate commerce are by producing or gathering companies, which, through affiliation, field agreement, or dominant position in the field, are able to maintain an unreasonable price despite the appearance of competition. Under such circumstances, the Commission will decide whether it can assume jurisdiction over arbitrary field prices under the present act or should report the facts to Congress with recommendations for such broadening of the act and provision of additional machinery as may appear necessary to close this gap in effective regulation of the natural-gas industry.

The supporters of the bill cite the action of the Commission in recommending in June 1947 enactment of legislation which would have exempted these producer sales; its adoption of order No. 139 in August of that year, and the subsequent realinement of Commission membership whereby the majority of the Commission now opposes the exemption of such sales, as a basis for Congress resolving the differences in favor of the

proponents of the bill. But the courts have spoken. The Commission's authority is not in question, although some have not accepted the question as decided and seek to have legislation expressly enacted for the purpose of nullifying the interpretation of the act by the Supreme Court in the Interstate case.

Great stress has been laid upon the fact that during the 11 years since enactment of the Natural Gas Act the Commission has not subjected independent producers and gatherers to regulation with respect to their arm's-length sales of natural gas and that, in spite of this, all has gone well with the Commission's efforts to protect the rate payers so far. But this is a specious argument that completely ignores the significant change which the record shows has taken place in the natural gas situation within the last 2 years.

Back in 1947 during the consideration of amendments to the Natural Gas Act all the information bearing on the subject was not available as it is today. The Federal Power Commission's reports on its Natural Gas Investigation—FPC Docket No. G–580—were not available. In fact the Commission repeatedly urged that no legislation be enacted until it had reported to Congress the results of that investigation. When the Priest bill, H. R. 4099, was finally proposed as a substitute for the more drastic Moore-Rizley bill, H. R. 4051, many believed that the results and recommendations of the investigation would support the conclusion that competition among producers in the future, as it had in the past, would maintain field prices at reasonable levels. It was that same belief that persuaded the majority of the Commission to adopt order No. 139.

When the Commission's G–580 reports were received by Congress early in 1948, there appeared a division among the Commissioners. Commissioners Draper and Olds held that jurisdiction over sales by producers should be retained by the Commission. Commissioners Smith and Wimberly took the position that such jurisdiction did not exist and in fact was unnecessary. These respective positions were maintained before the Senate Interstate and Foreign Commerce Committee in February 1948 and have continued to the present.

Congress has before it, in both the House and Senate, a comprehensive record consisting of reports and testimony on proposed amendments to the Natural Gas Act. There is available in considerable detail currrent statistics and information on the natural-gas industry and future trends. The record shows that under present conditions in the industry large producers are in such a dominant position and are so powerful as to require the exercise of jurisdiction over producer sales if the public interest is to be properly protected. For that reason, we do not consider it necessary to dwell further on past history of the legislative intent or the administrative actions of the Federal Power Commission. At this point it matters little who was right and who was wrong in interpreting the Natural Gas Act.

The real issue for Congress to decide is whether or not regulation of the sales of natural gas by producers to purchasers for transportation and sale in interstate commerce for ultimate public consumption is in the public interest. The issue is of vast importance as a matter of principle.

PROTECTION OF CONSUMERS

The plain intent of the Natural Gas Act is to protect consumers of natural gas from exploitation at the hands of the natural-gas companies. This was the conclusion of the United States Supreme Court in passing upon a case in which the legislative history of the act had been fully presented by the Hope Natural Gas Co. and the Federal Power Commission—*Federal Power Commission* v. *Hope Natural Gas Company* (320 U. S. 591).

Congress itself had made its position clear when it declared in unambiguous language in section 1 (a) of the act "that the business of transporting and selling natural gas for ultimate distribution to the public is affected with the public interest, and that Federal regulation in matters relating to the transportation of natural gas and the sale thereof in interstate and foreign commerce is necessary in the public interest."

It would be contrary to the expressed purpose of the act to exempt one class of interstate sales from regulation, thus destroying the regulatory safeguards enacted by the Seventy-fifth Congress for the protection of consumers of natural gas. For, as emphasized by the United States Supreme Court in its unanimous opinion in the Interstate case, supra, the power to regulate this class of interstate sales is indispensable to the purpose of the Natural Gas Act and for the protection of the public. In that opinion, referring to wholesale sales in interstate commerce at the conclusion of production and gathering, the Court said:

> It cannot be doubted that their regulation is predominantly a matter of national, as contrasted with local, concern * * *. Unreasonable charges exacted at this stage of the interstate movement become perpetuated in large part in fixed items of cost which must be covered by rates charged subsequent purchasers of gas, including the ultimate consumers. It was to avoid such situations that the Natural Gas Act was passed.

The contention of the majority that the company involved was, in terms of other transportation and sales, a natural-gas company, is irrelevant to the issue. The language of the Supreme Court runs to a principle of general applicability. Whether the wholesale marketing in interstate commerce at the conclusion of production and gathering was by a corporation which was only a producer and gatherer or by a producer and gatherer which was also a pipe-line company, the regulation of that sale would be "predominantly a matter of national, as contrasted with local, concern" and "unreasonable charges exacted at this stage of the interstate movement" would inevitably "become perpetuated in large part in fixed items of costs which must be covered by rates charged subsequent purchasers of gas, including the ultimate consumers."

The proposed legislation would sacrifice this very important regulatory principle to the demands of the oil industry for unrestricted profits on their sale of a limited natural resource in interstate commerce to utility markets. If a majority of Congress is willing to turn loose for exploitation wholesale quantities of natural gas by independent producers who by 1952 will control at least 70 percent of the total supply of interstate pipe lines, they should not hesitate to grant the same exemption from regulation to the interstate pipe-line companies and their affiliated producing companies which will control only 30 percent of the total.

But, as the record before this committee so clearly shows, the latter is reserved for another day, because the proponents admit that the Congress would not swallow in one gulp the whole legislative program of the oil and gas industry. Instead, the program in the Eighty-first Congress calls for amending the Natural Gas Act in piecemeal fashion, with the oil industry's proposal obtaining the inside track.

These legislative proposals are in direct conflict with the purposes of the Natural Gas Act. If this important regulatory principle is sacrificed, it will reduce the ostensible protection which the remaining regulation offers the consuming public to what is little better than a fraud.

PROTECTION OF CONSUMERS AGAINST MONOPOLY PRICES MUST NOT BE IMPAIRED

The evidence of concentration of ownership of the country's gas reserves in the hands of a few oil and gas companies emphasizes the importance of preserving the full regulatory controls set up in the Natural Gas Act. For, if the prices charged by large independent producers are freed from regulation by enactment of the proposed amendments to the Natural Gas Act, such concentration of control as the record reveals will lead inevitably to monopoly prices for the gas supplies required by expanding interstate pipe lines.

The greater portion of the Nation's gas reserves—86 percent—is controlled by the so-called independent producer and by 1952 such producers will be supplying at least 70 percent of interstate pipeline gas. In that year, however, more than two-thirds of this independent gas supply will come from 35 of the 2,300 producers making sales to interstate pipe lines. In 1947 10 producers sold approximately one-half of all the gas supplied to such pipe lines by the five Southwestern States of Texas, Louisiana, Kansas, Arkansas, and Oklahoma, in which 85 percent of the gas reserves are located.

These figures reflect the concentration of ownership of natural-gas acreage. Thus, more than three-quarters of the acreage in the great Panandle and Hugoton fields of Texas, Oklahoma, and Kansas, representing one-quarter of the country's entire reserves of natural gas, is controlled by 25 companies, while 10 of these companies control three-fifths of the acreage. Taking the country as a whole, 33 oil companies held in lease or fee five-eighths of the total oil and

gas acreage, with more than half the acreage in the hands of 20 companies.

In the face of this situation, it is clear that the majority can place no dependence upon free competition among producers to assure reasonable prices. In fact, the proponents of this legislation have failed to establish the existence of such competition, for the evidence reveals that the effective competition today is between buyers seeking natural-gas supplies from producers rather than between producers seeking a market. For example, Mr. B. A. Hardey, an independent oil and gas operator, under examination by Representative HALE—House hearings on H. R. 79 and H. R. 1758, Eighty-first Congress, first session, page 51—testified that there is active competition between competing pipe-line companies to get the gas "and sometimes the prices on individual contracts are boosted up as a result of that competition."

Similar testimony is to be found in the record of the Senate committee hearings on S. 1498. A forceful statement of how competition between buyers is bidding up the field price of gas in the Carthage, Tex., field is found in the testimony of Mr. E. Buddrus, president of Panhandle Eastern Pipe Line Co., in the House hearings on H. R. 2185 (p. 270), during the first session of the Eightieth Congress.

If the pipe line company finds that it is being held up for too high a price, it cannot, for example, move its line from the Gulf Coast fields of Texas and Louisiana, to the fields of Kansas, Oklahoma or Wyoming, but is forced to continue to buy gas in the general area where it first secured its gas supply. It cannot go shopping around elsewhere for cheaper gas. The freedom of purchasing from many competing dealers available to purchasers of coal or oil, for example, is very much restricted if not completely absent in the case of natural gas companies.

Consumers at one end of the pipe line are wholly dependent for their gas supply on producers at the other end of the line, perhaps a thousand or more miles away. Because of that relationship and the tying-down of a pipe-line company to a particular supply area, competitive forces are weak and monopoly forces strong, thus governmental regulation is required for protection of the public.

Since the dominant position of a few large producers in the ownership of gas reserves enables them to charge what the "traffic will bear," regulation of the subsequent transportation and sale by the Federal and State commissions would be rendered wholly ineffective if the bill is enacted. The monopoly prices which producers would be able to charge under such conditions would result in fantastic profits from the sale of a limited natural resource. The insatiable desire for higher and higher profits, in fact, provides the mainspring for these efforts of the oil and gas industry to avoid or destroy governmental regulation which would in any way limit such profits.

RECORD REVEALS SHARP INCREASE IN FIELD PRICES

The record shows that the field prices which prevailed during the years 1939–47 were, in general, determined when there was actual competition among producers and that they closely approximated the reasonable cost level which the Commission has determined in rate cases for gas produced by interstate pipe lines from their own reserves. During that period the prices paid independent producers in the Southwestern area remained remarkably stable. Since 1947, however, the rapidly expanding pipe-line market has given those who dominate the country's gas reserves their opportunity and field prices have increased at a rapid rate.

An excellent portrayal of this changed situation is found in the comments of E. DeGrolyer, a leading geologist and director of Republic Natural Gas Co., a large independent producer, who said in November 1948:

> Gas, which only a few short years ago, could not be sold at the wells for 1 cent a thousand cubic feet, is now bringing prices as high as 8 to 15 cents a thousand cubic feet. What other industry has enjoyed such price increases for its product with an ever-increasing demand which should at least assure maintenance of existing price levels for years to come?

This general view of the rapid upward trend of natural gas field prices was described by Mr. E. Buddrus in the hearing on H. R. 2185 before this committee in April 1947. He said that up to the last few years before the war there was a normal demand for natural gas and the pipe-line boys were buying it for 3, 4, or maybe 5 cents. He continued:

> Since that time the expansion program has been going on and that price is going from 5 to 6, to 7 or 8 cents at the mouth of the well.[1]

Similarly, Mr. O. C. Bailey, chairman of the Arkansas Oil and Gas Commission, testified in the hearings on the present bill that, since the long distance pipe lines have come in and have been bidding for gas, the price of sweet gas has increased to around 8 cents at the wellhead.

Testimony before the Senate committee considering S. 1498, Eighty-first Congress, is to the effect that the price of gas at the wellhead would continue to increase. Thus, Jeff A. Robertson, chairman of the Kansas Corporation Commission testified:

> The cost of gas is steadily rising. I am familiar with asking prices at the wellhead of 10, 11, and 12 cents per thousand cubic feet by various producers.

The prices named in recent contracts for purchase of gas reflect these large increases in field prices. Current prices are more than twice the average wellmouth price of 1947. But there is evidence that prices will not stop there for these same contracts contain escalator clauses providing for automatic price increases in the future. They also contain renegotiation clauses which require the pipe-line company to pay the current field price, but not less than the contract price after a period of years has elapsed. Furthermore, many of the new contracts contain so-called favored-nation clauses requiring an increase in the contract price should the pipe line company pay a higher price to another producer, or some other purchaser within the same district offer a higher price for gas.

These clauses in gas purchase contracts are of recent origin. They point to higher field prices in the future which can only mean higher costs for natural gas all along the line to the ultimate consumer.

The recent sharp upward trend in field prices serves to emphasize the need for regulation of interstate sales by independent producers. In view of this new situation no significance should be attached to the fact that the Commission has not hitherto found it necessary to exercise jurisdiction over such sales.

INCREASED COST OF GAS TO CONSUMER WILL RESULT FROM LEGISLATION

We believe that enactment of the proposed legislation would over the years seriously affect the cost of gas to the consumer. The producers clearly evince the desire to bring the field price of gas to a level where this cost, plus the cost of transportation, would approach the price of other fuels on an equivalent heat-value basis at the market end of the pipe line.

The record shows that if the gas consumers had been charged in 1947 on a comparative heating value basis with oil they would have paid an additional one-half billion dollars for natural gas. A five-cent increase in the average price of gas purchased from independent producers on the basis of 1947 consumption would have amounted to $65,000,000. On the basis of estimated purchases in 1952 the increase would be $132,500,000, annually, as such purchases will double during this five-year period.

Specific evidence is available that increases in field prices will increase the cost of gas to the consumer. During the last two years the Oklahoma Corporation Commission and the Kansas Corporation Commission have entered orders fixing the minimum wellhead prices of 7 and 8 cents, respectively, per thousand cubic feet for natural gas taken from the Hugoton field. Several interstate pipe line companies would have their cost of purchased gas increased twofold by this action.

The pipe-line companies are contesting the actions of the two State commissions in the courts on constitutional and other grounds. They are contending, among other things, that the orders will force an increase in the price of gas to the consumers in the two producing States, as well as in other States. As expressed by one company, in its protest and petition to intervene:

> The action of the (Kansas Commission) * * * would automatically force an increase in the price of gas to the ultimate consumer in Kansas, and in other States.

The order of the Kansas Commission has already resulted in an increase in rates to the Nebraska industrial customers of one pipe-line company. The increase in the price of gas in the Hugoton field by the two State commissions will add an additional $8,000,000 a year to the cost of gas to these pipe line companies. The gas companies claim that

[1] House hearings on H. R. 2185, 80th Cong., 1st sess., p. 264.

these increases would be passed on to the consumers.

Thus it is clear that these field prices are matters of national rather than local interest, requiring Federal regulation to protect millions of consumers in the States dependent upon large imports of gas for the maintenance of this essential utility service.

The majority, apparently recognizing that the price increase possibility cannot be ignored, cite the fact that the average price paid by interstate pipe lines to indepedent producers in the southwestern producing States is about 4.6 cents per thousand cubic feet, while the domestic consumer in the District of Columbia now pays about $1.51 per thousand cubic feet, implying that the field price is only a minor factor in the cost of gas to the ultimate consumer. The comparison is not representative. For, when all utility sales of natural gas are considered, the field price represents a significant portion of the 34-cent average cost of gas to the ultimate consumer. In fact the field prices being currently asked in the Southwest would represent more than 25 percent of that figure and approximately 50 percent of the combined average price charged utility industrial customers.

The majority speaks of vague fears having been expressed that sometime in the future a situation might conceivably arise when it would be desirable for the Commission to exercise this authority and indicates that the situation could be met at that time by appropriate action by Congress.

But the record is clear that the time for action is now at hand. The current field price situation demands regulatory attention. Requests for rate increases by pipe-line companies because of the increased cost of gas in the field are inevitable. The sponsors of the legislation readily admit their interest in higher field prices. During hearings on S. 1498, introduced by Senator KERR as the companion bill of H. R. 1758, Commissioner Olds stated, in part:

> Turning now to the trend in field prices, I believe the chief proponents of S. 1498 are interested in higher field prices of natural gas.

Senator KERR interjected at this point with the remark:

> That will be admitted. (Hearings on S. 1498, a bill to amend the Natural Gas Act, 81st Cong., 1st sess., galley page 93VM.)

Surely it would be folly for Congress to enact this legislation exempting these sales from regulation and then turn around and pass new legislation which would give the Commission the same jurisdiction it now has.

SMALL PRODUCERS COULD BE EXEMPTED WITHOUT SACRIFICE OF PUBLIC INTEREST

The Federal Power Commission, in its report on H. R. 1758, indicated that no occasion would ever arise to regulate the small producer. At the hearings a representative of the Commission stated that by rule or statute or otherwise it would be feasible to fix a maximum amount of sales in interstate commerce before jurisdiction would attach. This would relieve the small independent producer of all regulatory requirements. The fact that a relatively few major oil and gas companies control the greater portion of the country's gas reserves and make most of the sales of natural gas to interstate pipe lines suggests that such exemption of small producers would not adversely affect the public interest.

Subsequent to the hearings, at the request of the chairman of this committee, language was drafted which would exempt from Federal regulation small producers and gatherers whose total annual sales in interstate commerce are less than 2,000,000,000 cubic feet and the Commission reported favorably thereon. We attach the draft of this language as exhibit A to this report.

It appears that the language proposed in exhibit A would exempt from regulation 97 percent, or approximately 2,230 of the 2,300 producers and gatherers of natural gas making sales to interstate pipe-line companies and yet would leave subject to regulation more than 70 percent of the gas sold by so-called independent producers to natural-gas companies. Further, it appears that such classification would be constitutional as similar classifications and exemptions have been upheld under the rule laid down by the United State Supreme Court in *Wilson* v. *Neb.* (243 U. S. 332).

We are convinced that the enactment of this proposed language in lieu of the bill reported by the majority would make certain that dominant producing interests, primarily the major oil companies of the Nation, would not be able to assert their monopolistic position in the control of gas reserves to the detriment of the public interest. At the same time it would relieve from regulation the little well owners for whom Speaker RAYBURN evinced concern in opposing the enactment of H. R. 4051—Moore-Rizley bill—in the Eightieth Congress, when he indicated a desire to vote for that part of the bill that will really give relief to these little well owners and take them out of interstate commerce.

CONCLUSION

The bill recommended by the majority would nullify the Federal Power Commission's authority with respect to field sales of natural gas in interstate commerce by producers and gatherers, thus eliminating regulation which the Congress and the courts have recognized as essential for the protection of consumers from exploitation. The bill is one segment of the over-all plan of the oil and gas industry, embodied in the Moore-Rizley bill of the Eightieth Congress, designed to destroy effective Federal regulation of interstate commerce in natural gas.

The bill, by freezing a large segment of the industry from regulation, would benefit primarily a few large corporations which, because of their monopolistic control of gas reserves in the Southwestern States, would have almost unfettered power to fix the price of gas entering interstate transmission lines.

As the price of gas entering the pipe lines is a determinative factor in the price at the market end of the line, the bill, if enacted, would destroy protection which the act affords the consumer.

The rapid increase in field prices of natural gas, which can be expected to continue and which competition is unable to control, requires the continuation of the power to regulate interstate sales of natural gas by independent producers and gatherers.

There is no doubt that, over the years, enactment of the bill would increase the cost of gas to the ultimate consumer by many millions of dollars. It is likewise indisputable that the objective of the proponents is higher prices. It is unquestionably for this reason that the cities which originally were numbered among the most vigorous supporters of the bill which became the Natural Gas Act are now, through the National Institute of Municipal Law Officers, opposed to this bill.

Natural gas is a wonderful resource of nature which has come into great demand since World War II. It was given to us by our Creator for the benefit of all of our citizens. We must not permit its great value, created in large measure by the demand of the people themselves, to be appropriated by monopolies through inflated profits. Reason and justice require that the sales of natural gas to interstate pipe lines for ultimate public consumption be subject to Federal regulation in order to assure that independent producers and gatherers ask no more than reasonable prices to meet their legitimate costs, including the market rate of interest upon the capital prudently invested in plant and equipment. In the supplying of natural gas to a utility market these producers and gatherers are not entitled to exact "what the traffic will bear," for the consuming public is itself entitled to the benefits which this great natural resource offers after paying the reasonable costs of labor and capital required to make it available for use.

For all of the reasons herein set forth we recommend that H. R. 1758 be rejected by the vote of the House and be not enacted into law, and further recommend that any amendment relating to the authority of the Federal Power Commission over sales in interstate commerce by producers and gatherers of natural gas shall be in accordance with the amendment proposed in the draft attached hereto as exhibit A.

By such action the Congress can dispose of the differences that now exist and at the same time assure the consumers of natural gas protection against unreasonable rates.

EXHIBIT A

AMENDMENT TO H. R. 1758, EIGHTY-FIRST CONGRESS

On page 1, line 1, strike out all after the enacting clause and insert the following: "That subsection (b) of section 1 of the Natural Gas Act, approved June 21, 1938, is hereby amended by eliminating the period at the end thereof and adding the following: 'or to any sale of natural gas in interstate commerce at or prior to the conclusion of production or gathering by a person whose total sales of natural gas in interstate commerce individually or in the aggregate with affiliated producers and gatherers do not exceed on an annual basis 2,000,000,000 cubic feet computed at 14.65 pounds per square inch absolute at 60° Farenheit provided such person is neither a natural-gas company by reason of other activities nor affiliated with a natural-gas company'."

Address by Hon. Gerald R. Ford, Jr., of Michigan, Before Convention of Reserve Officers' Association

EXTENSION OF REMARKS

OF

HON. GERALD R. FORD, JR.

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Tuesday, August 2, 1949

Mr. FORD. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following speech I delivered at the Reserve Officers' Association convention at Grand Rapids, Mich., July 27, 1949:

Mr. Hanna, Governor Williams, General Vaughn, distinguished guests, and fellow members of the Reserve Officers' Association, as the Representative in Congress from this district in Michigan I welcome you to our great community on behalf of the citizens of the city of Grand Rapids. We are delighted to have you with us as our guests. We know your visit will be enjoyable. Further, I am certain the work of the delegates on the business agenda will be successful. In passing, let me compliment and congratulate Major Hanna, his working staff and the members of the Grand Rapids R. O. A. chapter for their unselfish and untiring efforts in preparing for this convention. They deserve our most enthusiastic commendation.

Grand Rapids, your host, is well known throughout this country and even worldwide as the convention crossroads of America, the gateway to the playground of America, and as the furniture capital of the world. We are rightfully proud of these titles that have been bestowed upon us, and our citizens will do their utmost to live up to our reputation.

My good and able friend Frank Whitwam, manager of the convention bureau, will effectively and graciously meet the convention's every need, just as he and his staff have done for countless other gatherings here in the past years. We have, as the convention crossroads of America, a reputation to maintain of cordiality and service, and I trust, when you leave, there will be a true desire to return.

Michigan is rightfully proud of its vast recreational resources. With all due deference to those who come from other regions where Nature's blessings are abundant, we Michiganders believe our recreational assets, both in the lower and upper peninsulas, are unsurpassed. Grand Rapids is the gateway to this vast playground area. After the serious business of this convention has been properly laid aside, please extend your stay by a trip to the multitude of surrounding lakes, or Lake Michigan, where the inducements for complete and utter relaxation are overwhelming.

As a long-time resident of Grand Rapids, and consequently one endowed with the belief that this city has an untouched worldwide reputation in the field of fine furniture, I must mention that we hold the title of the "Furniture Capital of the World." In one of your off moments, please visit the Furniture Museum and the various furniture exhibits by our manufacturers.

I would be unjust to those in Grand Rapids who are active in the Reserve training program, to pass along without commenting on what our Reserves here have done in the past and what they are doing now. This portion of Michigan is literally a reservists' paradise. The Naval Reserve unit in our new armory has a long-standing tradition of being one of the finest outfits in the country. In 1927, and again in 1928, the unit was awarded the top honors nationally for surface divisions. The same degree of excellency prevails today.

The National Guard unit, part of the One Hundred and Twenty-sixth Infantry, has always done a magnificent job both in peacetime and in war. The achievements, individually and as a unit, are indelibly written in the annals of history.

The Reserve units in the Grand Rapids area for the Air Force and Army are equally potent and effective. The details are better known to many of our distinguished guests so I will simply comment by reiterating that the Grand Rapids area is a reservists' home, therefore it is most appropriate that the ROA should hold its annual convention in such a community.

Seldom does a politician speak to such a large gathering in an atmosphere where he should have so many friends. To date, in my limited career in Congress I have already seen the difficulties in trying to please all points of view on any or all issues. It just cannot be done, so when a Representative makes a public appearance he is inevitably faced with those who are for or against. Consequently the atmosphere, at least among certain parties, can be anything but sweetness.

This occasion should be somewhat different from my point of view, for my voting record to date is in accord with what should be the attitude of most of those in the audience. I was one of the Members of the House who as a matter of record voted for the first military pay-raise bill during this session of Congress. This should cause no brickbats from those on active duty in the military service. Furthermore this military pay-raise bill was on the recommended legislative action list submitted by the ROA to the Eighty-first Congress, so my point of view on that legislation should cause no ill feeling between my fellow ROA'ers and myself.

I am able at this time to report good news along another line. The job is not fully completed, but no hitches or road blocks should develop before Congress adjourns. Most of you are acquainted with the fact that the Eightieth Congress enacted Public Law 810, better known as the Reserve Retirement Act. This legislation was long overdue as the needed incentive for the building up of our Reserve components of the armed services.

As is the case with most new legislation, it takes time to work out and solve administrative difficulties. Public Law 810 was no exception. First, the Comptroller General interpreted the law to hold that June 29, 1948, was the operative date for the beginning of a year of satisfactory service for retirement purposes. It is doubted by many that this was Congress' intention, but right or wrong that was the controlling legal interpretation.

As a result, however, all branches of the armed services found themselves totally unprepared to supply the necessary correspondence courses and other material to reservists on time so the requisite 50 points could be earned during the first year of the law's operation. The records show—and I am not criticizing the Army, Navy, or air services—that those reservists who depended on correspondence courses and the like, rather than on regular drill periods, could not possibly earn the essential points the first year.

Early during this session of the Eighty-first Congress this situation was called to my attention and as a result I introduced H. R. 3039, which changed the starting date for Public Law 810 to July 1, 1949. Subsequently, Senator JOHNSTON of South Carolina introduced an identical bill in the Senate. The legislative wheels moved slowly but I am pleased to report that the House of Representatives on July 18 approved a bill identical to H. R. 3039. Progress is now apparent in the Senate and I am confident that before we adjourn this greatly needed legislation will be on the statute books. The enactment of this law will reinvigorate the Reserve program, which had suffered a severe blow after such high hopes had been raised by the action of the Eightieth Congress.

After the last war I became a member of the RONS (Reserve Officers' Naval Service). We had a limited group that met regularly to discuss naval problems in a strictly one-service atmosphere. At the same time the local chapter of the ROA was accomplishing its mission in much the same climate. In view of the Military Unification Act of 1947 this appeared to be a paradoxical situation, even on the local level. Apparently, the same was evident to the national officials in both ROA and RONS, for in 1948 the two became unified with one common objective or mission, namely, the over-all national security of the United States by means of an adequate military establishment.

The delicate problem of unifying the RONS and ROA on the national and local levels was no less complicated, in a smaller way, than the difficulties confronting those in the various branches of the regular Military Establishment. However, the job was done by the Reserve officers, and as a result our military forces are strongly bulwarked by a vast and cohesive force of civilian reservists who know and understand military problems because of past experiences in World War II. I respectfully submit that the singleness of purpose now existent within the ROA should be an example to the Regulars in the National Military Establishment.

Let me review briefly my own reaction to the unification problem and because of recent personal experiences perhaps I can clarify a point or two. In December 1945, while still on active duty with the Navy, I heard the first news about unification. My question was, "Why?" The reaction was natural, for I had seen all branches of the service operate most effectively in the Pacific war. In practically all instances the military successes against the Japanese resulted from teamwork of the finest sort. I wondered why the plan, which had such phenomenal success against a wily opponent with all the geographical benefits on his side, was to be junked.

Upon my retirement to civilian life early in 1946, my thinking on the question of unification undoubtedly followed that of many Reservists. The law enacted in July 1947, appeared to have considerable merit, particularly under the able leadership of the late Secretary of Defense James Forrestal. The news of the Key West agreement further strengthened my belief in the new set-up. The assignment of missions to each branch of the service at the Key West meeting of the Joint Chiefs of Staff was a blue point for our future national security. It is my understanding that this has now been supplemented by the subsequent Newport agreement.

From all indications there are still some unsettled problems within the National Military Establishment, although one or two have been decided in recent weeks. At this time, before such a distinguished and well-informed group of experts, I make no comment on the raging controversy over the cancellation of the Navy's supercarrier. Reference is only made to point out the new question which has arisen, namely, what is to be the function under present law or proposed law, of the Joint Chiefs of Staff and the Secretary of National Defense?

Certainly all here are, or should be, familiar with the Tydings bill in the Senate and the modified bill on the same subject which recently passed the House. At the moment the issue is being threshed out in conference.

I am no seer so will not predict the outcome but, as is inevitable, I assume a compromise will result incorporating the necessary procurement and fiscal reforms but

denying in part the requested revisions in the Chief of Staff set-up.

Perhaps during the course of this convention the delegates will consider the advisability of approving or disapproving some of the principles of the Tydings bill. Because there are many sound-thinking people on both sides of this issue, I recommend caution and deliberate thinking. Do not get swept off your feet by generalized and superficial statements which allege that over $1,000,000,000 can be saved by the adoption of the Tydings bill intact. The House Committee on Armed Services and the House itself have gone on record for the proposed procurement budgeting and fiscal reforms. The field of dispute is thereby restricted.

Chairman VINSON, chairman of the House committee, according to reports, is "from Missouri" and consequently wants to know the need for further concentration of authority in our military set-up. Many well-informed citizens, both the military and civilians, ask in good faith, why must we go beyond the Unification Act of 1947 plus the bill recently approved by the House. I only ask that each of you give this important question your best attention and judgment. Your opinions both in the various branches of the service and in the ROA can and will be helpful to Congress. We, as citizens of this great Nation, should not compromise on the issue whether or not the United States should have the best in military strength within the limitations of our economy. The differences of opinion as to the method and means by which that pinnacle can be reached will be resolved by the wisdom of those in Congress on the legislative level, by our able military leaders who have the know-how and experience acquired on the field of battle and by the American citizens whose fundamental good sense somehow invariably clears the mist and straightens the course. This is a tried and true method under a Republic and in conformity with our democratic ideals.

In closing let me repeat again, Grand Rapids and western Michigan welcomes you and hopes that you have a most successful convention.

Letter and Memorandum on Communist Activity in Russia in 1919–20

EXTENSION OF REMARKS
OF
HON. JOHN DAVIS LODGE
OF CONNECTICUT
IN THE HOUSE OF REPRESENTATIVES

Tuesday, August 2, 1949

Mr. LODGE. Mr. Speaker, under leave to extend my remarks in the Appendix of the RECORD, I am inserting a copy of a letter dated October 27, 1919, from Under Secretary of State Robert Lansing to my late grandfather, Senator Henry Cabot Lodge, of Massachusetts, and a copy of a memorandum dated March 20, 1920, from D. C. Poole, Chief of the Division of Russian Affairs of the State Department, to the Under Secretary of State, photolith copies of which were sent to me by Mr. Alfred Kohlberg, vice president of the American China Policy Association, Inc.

I am inserting these letters because it seems to me most interesting to note that almost 30 years ago the world-wide problem which we are faced with was very much in existence and the State Department was aware of this menace. This letter and the study that accompanied it and which was printed as a public document abundantly demonstrate that while the Communist menace has gathered resourcefulness, momentum, and strength it has not deviated from its original purpose. Let us, therefore, not be misled by any temporary tactical appearances. Let us instead be guided by Abraham Lincoln's admonition to hope for the best but prepare for the worst.

OCTOBER 27, 1919.

Hon. HENRY CABOT LODGE,
Chairman, Committee on Foreign Relations, United States Senate.

SIR: I have the honor to send you herewith, for the information of the Committee on Foreign Relations of the Senate, a memorandum on certain aspects of the Bolshevist movement in Russia.

The memorandum has been prepared from original sources by the Division of Russian Affairs of the Department of State. As you will see, the statements are based almost entirely on translations from Bolshevist newspapers. These include the official organs of the All-Russian Central Executive Committee of Soviets, of local Soviet committees, and of the Russian Communist Party (Bolsheviks). The Bolsheviks' own statements are supplemented by the reports of American representatives.

The appendix contains the full text of representative Bolshevist documents. The text of other documents, such as the constitution of the so-called Soviet Republic, will be found in the published hearings on Bolshevist propaganda before the Committee on the Judiciary of the Senate, and for that reason are not reproduced here.

Since the overthrow of the autocracy in March 1917, the Department of State has studied developments in Russia with the sympathy which America has traditionally shown toward all movements for political and social betterment. The study which has been made of the Bolshevist movement, some of the results of which are furnished herewith, show conclusively that the purpose of the Bolsheviks is to subvert the existing principles of government and society the world over, including those countries in which democratic institutions are already established. They have built up a political machine which, by the concentration of power in the hands of a few and the ruthlessness of its methods, suggests the Asiatic despotism of the early Tsars. The results of their exercise of power, as shown by the documents presented in the accompanying memorandum, have been demoralization, civil war, and economic collapse. I commend to your careful consideration the detailed information which the memorandum contains.

I am addressing a similar letter to the chairman of the Committee on Foreign Affairs of the House of Representatives.

I have the honor to be, sir, your obedient servant,

ROBERT LANSING.

MARCH 20, 1920.

MEMORANDUM FOR THE UNDER SECRETARY OF STATE

SIR: I have the honor to submit herewith a memorandum prepared in the Division of Russian Affairs on the subject of the so-called Bolshevist or Communist Party in Russia and its relations to the Russian Soviets and to the Third International. The material presented is from original sources including the utterances of the Bolsheviks themselves, extracts from their party organs, and extracts from the official press and wireless messages of the Soviets and the publications of the Third International. A knowledge of the facts which the memorandum discloses is essential to an understanding of the Russian situation, especially in its international bearings, and I believe that it would be in the public interest to publish the memorandum and distribute it as widely as practicable.

The memorandum shows that the Russian Communist Party is a highly centralized and disciplined party, membership in which is carefully restricted. It dominates the Soviets, especially the central Soviet institutions, such as the Central Executive Committee and the All-Russian Congress of Soviets. The leaders of the party occupy the highest official positions in Soviet institutions, both civil and military. The party, as such, performs administrative functions. Its press is closely associated with the official Soviet press.

The Communist Party is a member of the Third or Communist International, having in fact organized it, and the leaders in the party are also the chief executive officers of this world revolutionary bureau. The leaders of the Third International are also officials of the Soviet institutions. The propaganda literature of the internationsl is printed in the Soviet printing establishments and included in the official organs of the Soviets.

The interrelation of the Bolsheviks, the Russian Soviets, and the Third International is such, in fact, that while the three may be distinguished theoretically, in practice they represent a single movement, backed by the administrative machinery and the resources of Soviet Russia. This is important, especially from an international viewpoint, because the aim of the Communist or Bolshevist Party is world-wide revolution and the purpose of the Third International is to propagate revolution and communism throughout the world.

Therefore, while the Soviet institutions, as such, may agree to abstain from subversive propaganda abroad, neither the Russian Communist Party nor the Third International would be bound thereby.

Very respectfully,

D. C. POOLE,
Chief, Division of Russian Affairs.

Re Judges as Character Witnesses

EXTENSION OF REMARKS
OF
HON. W. KINGSLAND MACY
OF NEW YORK
IN THE HOUSE OF REPRESENTATIVES

Tuesday, August 2, 1949

Mr. MACY. Mr. Speaker, to emphasize another phase of the recent Hiss trial, upon which I made previous comment on the floor of the House, I ask unanimous consent to have printed in the RECORD copy of a letter addressed to the American Bar Association under date of June 23, 1949, by the distinguished New York lawyer, Hiram C. Todd. A member of the American, New York State, and City Bar Associations, Mr. Todd has held high Federal and State office in the legal field and has successfully undertaken investigations of importance in both these jurisdictions during a long career at the bar. His letter follows:

BALDWIN, TODD & LEFFERTS,
COUNSELLORS AT LAW,
New York, June 23, 1949.

HENRY S. DRINKER, ESQ.,
Chairman, Committee on Professional Ethics and Grievances, American Bar Association, Philadelphia, Pa.

DEAR MR. DRINKER: Shocked by the action of two Justices of the Supreme Court in

testifying as character witnesses for Alger Hiss, I am moved to write you this letter.

For a long time, I have felt that there should be a canon of judicial ethics against judges testifying as character witnesses. I think that such a canon should be general in its terms, but if not general then it certainly should be provided that a judge should not testify as a character witness in any case that might come before the court of which he is a member.

My opinion in regard to this matter has been formed not only on the ground that judges owe a special duty to maintaining high ethical standards in our courts, but because, in my experiences as a public prosecutor, I have seen judges improperly use the great influence of their judicial offices in giving testimony as character witnesses in criminal cases in parts of their own courts.

About 20 years ago when, as a Special Assistant Attorney General of the United States, I was prosecuting Gaston Means and Thomas B. Felder, the late former Judge Martin T. Manton, who was then the presiding judge of our circuit court of appeals, gave character testimony as to Felder in the United States District Court sitting in the same building which then housed the United States Circuit Court of Appeals. Means and Felder having been convicted, they appealed to the Circuit Court of Appeals, and when their case was reached on the calendar Judge Manton was presiding, and it became necessary for me to call his attention to the fact that he had acted as a character witness for Felder, before he excused himself and left the bench.

During the prosecution of certain public officers of Kings County, New York, about thirteen years ago, arising out of what was known as the Luckman-Drukman murder case, a then Justice of the Supreme Court testified as a character witness for one of the defendants. Later, a motion was made in behalf of that particular defendant before the said justice concerning some procedural question regarding a subsequent trial of the same case, and although I called the justice's attention to the fact that he had testified as a character witness in the earlier trial of the said defendant, he still persisted in sitting and hearing the motion. In order to relieve this situation, it became necessary for me to apply to the Appellate Division of the Supreme Court for a writ of prohibition against said justice deciding the motion. Shortly after the justice learned of the application to the Appellate Division, he referred the motion to another Justice of the Court. As I dictate this letter I do not recall the name of the justice or of the defendant, but if you would like to have that data I shall be glad to look it up in my old records.

On both of the above-mentioned occasions, numerous lawyers and judges of high standing expressed to me their surprise and disgust that judges should so misuse the great influence of their judicial offices. I mention these expressions of opinion so you may know that my position in regard to this question is not unique in this jurisdiction.

I shall be obliged if you will bring this letter to the attention of the Committee on Professional Ethics of the American Bar Association in support of the suggestion that an appropriate canon be added to the Judicial Code of Ethics.

Faithfully yours,

HIRAM C. TODD.

Steel Facts

EXTENSION OF REMARKS
OF
HON. EDWARD MARTIN
OF PENNSYLVANIA

IN THE SENATE OF THE UNITED STATES

Wednesday, August 3 (legislative day of Thursday, June 2), 1949

Mr. MARTIN. Mr. President, I ask unanimous consent to have printed in the Appendix of the RECORD an editorial entitled "Steel Facts," published in the New York Daily Mirror of July 27, 1949.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

STEEL FACTS

On the statute books is a good law governing labor relations. President Truman dislikes the law, which is strictly a personal peccadillo, as the President of the United States is bound to execute and enforce every law.

When the question of a fourth-round pay rise in the steel industry developed into a possible strike, the President suddenly needed facts—hand-made, built to order facts.

Steel, like all big American industries, keeps careful records of itself. The Department of Labor, the Department of Commerce, the Treasury Department, the Social Security Administration, the American Iron and Steel Institute, the CIO, and numerous other public and private organizations keep the facts of the steel industry up to date.

However, President Truman needed more facts. So he appointed a fact-finding commission, consisting of three men:

1. Sam Rosenman, lawyer, speech writer for Presidents Roosevelt and Truman, fat, jolly, friendly (principally to the New Deal and the New Dealers). In recent years, he has been hired as counsel by some capitalist companies who need his particular expertness, among them a small steel company in Detroit. He has never given any evidence of familiarity with the basic industry of the country.

2. Carroll R. Daugherty, professor of business economics, school of commerce, Northwestern University. He is supposed to be an expert on industrial management and industrial relations. His fame is due to a book, Labor Problems in American Industry, published in 1941 and reprinted in 1948. This is used as a text in many colleges. His theme is:

"In 1929, the year of our greatest prosperity, the workers as individuals had experienced over a period of 20 years little if any improvement in their economic position relative to the positions of members of other economic classes. Their relative well-being declined severely during the depression, but by 1939, under Government encouragement, gave promise of recovering to the 1929 position and of exceeding it, perhaps, in later years."

From this it can be seen that he prefers Government encouragement to private enterprise. By encouragement he means control, and if you were to read the book you would have to reach the conclusion that if he believes today what he wrote in the book, he would vote for a fourth, a fifth, and even a sixth round without requiring any additional facts.

3. David L. Cole, a New Jersey lawyer, who has made a specialty of industrial arbitration cases, which is a new kind of law business, rising out of all the intricate problems created by the Wagner Act and the Taft-Hartley Act. Cole has a good and a bad reputation, depending upon whom you talk to and who thinks he got a good or a raw deal. There is no evidence that Cole is a steel expert.

So, what it looks like is that the President set up a board that is about as far away from specialized knowledge as possible, but which is also loaded, at least two to one, in favor of the CIO.

Maybe we shall prove to be wrong. But what is really needed is to have some sound minds work on the problem of whether the United States needs a further inflation—for that is what the fourth round is bound to be.

Robert Nathan's eternal formula—that wages can be raised without raising prices—is an absurdity. This lopsided theory must be curbed.

Radio Service for Outlying Areas

EXTENSION OF REMARKS
OF
HON. EDWIN C. JOHNSON
OF COLORADO

IN THE SENATE OF THE UNITED STATES

Wednesday, August 3 (legislative day of Thursday, June 2), 1949

Mr. JOHNSON of Colorado. Mr. President, the superpower lobby pretending to be interested in serving outlying areas better have been demanding that their power be increased from 50,000 watts to 750,000 watts. To demonstrate and emphasize how wrong they are, I ask permission to insert in the Appendix of the CONGRESSIONAL RECORD a telegram received by me from radio station WTCM, Traverse City, Mich. It is not the distant powerful station that solves local problems; it is the local station that meets the local challenge for quick help.

There being no objection, the telegram was ordered to be printed in the RECORD, as follows:

TRAVERSE CITY, MICH., *July 27, 1949.*

Senator EDWIN C. JOHNSON:

Your requested supporting data as to the need for local radio stations rather than few clear-channels outlets. Note the following and Traverse City now has an influx of 30,000 cherry pickers, 40,000 resorters, making a normal 20,000 population swell to more than 90,000 consisting of Negroes, Mexicans, Jamaicans, as well as resorters from every part of the country. The cherry crop is at its peak. These people bring many problems with them and every year our station has the opportunity of distinguishing itself. This year, event took place last night and I wanted you to know about it and would also like to clear channel voice inform us how they would handle this matter. Monday afternoon a Mexican cherry picker took a small dog to a veterinarian, stated that it had acted queerly, and had bitten a small child. He left the dog, wrote his name down, and vanished. During the night the dog died of rabies. In all this seething activity the

local county health officer gave us the job of locating one small child, name unknown. The child had been bitten by a dog, we didn't know in what neighborhood nor even the day. We dropped all programing and made a number of announcements in an attempt to locate the child, interspersed with information of importance as to the effects of rabies in human beings so as to get everyone cooperating in our search. The health department informed us that death would probably result if the child were not located quickly. Two hours later we had the child in the hospital receiving medical care directly as a result of the plea on WTCM. Also in the same 2 hours we turned up three other children that had been bitten in the same neighborhood by the same dog. We located the owner of the dog. Several of the bitten children already were showing symptoms of rabies. One of them had a high fever when located. What could WJR or WGN, with 750-watt power, do about this?

LES BIEDERMAN,
Paul Bunyan Network, WTCM.

Lessons of the League of Nations

EXTENSION OF REMARKS
OF
HON. ARTHUR H. VANDENBERG
OF MICHIGAN
IN THE SENATE OF THE UNITED STATES
Wednesday, August 3 (legislative day of Thursday, June 2), 1949

Mr. VANDENBERG. Mr. President, I ask unanimous consent to have printed in the Appendix of the RECORD a letter written to the New York Times by the distinguished Senator from Massachusetts [Mr. LODGE] dealing with some highly significant implications in the famous historical battle over the League of Nations. I think the letter is well worthy of a place in the record of history, so I make the request for its insertion in the Appendix.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

LESSONS OF THE LEAGUE—PRESENT FOREIGN POLICY SAID TO CONFIRM RESERVATIONS MERITS

To the EDITOR OF THE NEW YORK TIMES:

Your editorial of July 24 recited a record of achievement on the part of the New York Times of which you have every right to be proud. I feel impelled, however, to question your assertion that about three decades ago the Senate threw away some of the hope of peace by refusing to accept the League of Nations.

It was not the Senate alone which threw away some of the hope of peace. And it was the Senate reservations which, to a significant extent, blazed the trail which we who have come after have, albeit unconsciously, carefully followed.

Now that we have ratified the Atlantic Pact and are embarking on a program of military assistance to Europe it is appropriate to review the past and see how much we have profited by the teachings of those who went before us.

LINK TO VERSAILLES TREATY

A brief backward glance will show what some of these reservations were and how almost instinctively we have followed them in our conduct of foreign relations.

1. The first lesson which the League of Nations debate has evidently taught us is that it was a great mistake to tie the League of Nations covenant to the Versailles Treaty. This meant that the League of Nations covenant never had a chance to be considered on its own merits. It had to suffer continuously from the imperfections of the Treaty, which imperfections were conceded by practically everyone.

This is the first mistake which we of this generation have avoided. The Charter of the United Nations was presented as a separate proposal and emphatically approved on its own merits. This undoubtedly would not have been the case had it been incorporated into a general peace treaty which, if the past is any guide, would have been full of injustices of all kinds.

2. A second issue which arose during the League of Nations debate, and which has been very helpful to us who have come after was the insistence of the Senate that the United States should retain the right to determine what are and what are not domestic issues. When you read the Mackinac Declaration, the Vandenberg-White resolution, the Connally resolution, together with the debates in the House and Senate, it becomes abundantly clear that there is no responsible body of opinion either here or abroad which now suggests depriving the United States or any other country of its right to determine what is or is not a domestic question.

3. A third issue which was fundamental in the League of Nations discussion occurred on the question of the United States having equality of voting with the other nations who were members of the League.

CHARTER VOTING PROVISIONS

In the United Nations Charter, it is implicit and fundamental that no one any longer seriously entertains the thought that the great nations would ever put themselves in the position where small nations, through equal voting, would be able to control their destinies. The proposal in the League of Nations Covenant that small and large states have equal voting appears as an evident absurdity.

4. Perhaps the most difficult of all the issues raised by the League of Nations was that raised by article 10, which committed the United States to preserve the territorial integrity and political independence of members of the League. To this article the Senate at that time added the reservation that military action taken in conformity with the article should be by act or joint resolution of Congress. In other words, it was not even contended that the United States should never seek to preserve the territorial integrity of another country. The reservation was so mild that it merely stated that in any particular case which might arise Congress would have to act.

Look at the situation today. All the steps which have been taken since the end of World War II which relate to issues of peace and war specifically and categorically reserve the principle of national sovereignty and the principle of constitutional process. No responsible man suggests that Congress should be deprived of one of the greatest, most far-reaching, and most fundamental constitutional processes, which is the power to declare war.

REGARD FOR SOVEREIGNTY

In the Atlantic Pact which we have recently ratified, specific statement is made that its provisions shall be carried out by the parties in accordance with their respective constitutional processes. So far as I know, no objection was made to the insertion of these words and I do not recall any objection being made on the floor of the Senate to their being in the text. Yet—strange to relate—it was this simple insistence on that power which caused so much disagreement in connection with article 10.

Furthermore, the North Atlantic Pact obviously and patently omits any thought that we shall guarantee the territorial integrity of any country.

It is both sad and encouraging to look back at the past. It is sad when you realize that on March 19, 1920, 24 of the President's followers voted against ratification of the treaty with reservations. If they had voted for ratification we would have become members of the League.

As Dorothy Thompson has well said, "the interesting thing about the whole controversy is that the modifications demanded by the Senate, chief among which were those applying to sanctions, were not unacceptable to the Allied Powers. Actually, the interpretation of the covenant desired by the Senators was internationally accepted and is probably the sense of the questionable paragraph from the beginning. The President, wished to force his will upon the Senate rather than take nine-tenths of a loaf, got in the end no loaf at all."

I say it is sad that the President's followers did not see the issue clearly. But it is immensely encouraging that we who have come after have seen the issue clearly and have shown by our action that those who sought to attach reservations to the League of Nations Covenant were right—inasmuch as their reservations, which were the object of such unbridled denunciation in the past, are accepted without so much as an argument by virtually all students of the problem today.

In all truth the men who sought to attach reservations to the League of Nations Covenant are proven now in many important respects to have been ahead of their time.

HENRY CABOT LODGE, Jr.
WASHINGTON, *July 25, 1949.*

Public Power Success Story in Southwest Washington

EXTENSION OF REMARKS
OF
HON. RUSSELL V. MACK
OF WASHINGTON
IN THE HOUSE OF REPRESENTATIVES
Monday, August 1, 1949

Mr. MACK of Washington. Mr. Speaker, under leave to extend my remarks, I wish to invite the attention of Members to the remarkable growth and attendant financial success of the public utility districts of southwest Washington.

The district which I have the honor to represent consists of nine counties in southwest Washington: Mason, Grays Harbor, Thurston, Pacific, Lewis, Wahkiakum, Cowlitz, Clark, and Skamania. Only Thurston County does not have an operating public utility district at present, but it is expected that they will soon complete negotiations for the properties of the Puget Sound Power & Light Co. since that company has indicated a desire to sell all its properties.

Eight public utility districts in my district, as well as Klickitat and Benton County Public Utility Districts east of my district, have banded themselves together as the Southwest Washington

Public Utility Commissioners Association which meets the first Sunday of each month for the purpose of exchanging information on policy problems.

These districts are also members of the Northwest Public Power Association which is the industry or trade association of all public and cooperative electric systems covering the States of Idaho, Montana, Oregon, and Washington. The purpose of the Northwest Public Power Association is to promote better organizational and operative methods with a view to assisting its member public and cooperative electric distribution systems in achieving the most businesslike management and to provide most efficient service.

In 7 years the electric rates in southwest Washington have been reduced 66 percent. The people now enjoy rates which are only one-third of the former rates. My people now use three times as much power without any increase in their monthly bills. New rural lines have been extended through the forests and hills, which makes for costly construction, to thousands of remote farms. Rural electrification is well over 95 percent. And in addition the people have paid off $5,672,659.67 of the indebtedness. When the entire bonded debt is paid off in 15 or 20 years, the people will benefit by further sharp reductions in rates.

In order that Members of Congress might have some of the background facts behind this record of achievement, I am including an article by Gus Norwood, executive secretary of the Northwest Public Power Association at Vancouver.

Mr. Norwood, incidentally, is a graduate of the United States Naval Academy at Annapolis, Md. During the war he served as chief engineer of various naval vessels, including the battle cruiser U. S. S. *Alaska*. In 1947 he took his degree as a master of public administration at Harvard University where he prepared several excellent papers on the Federal power policy, capital budgeting in the Federal power program, and coordination problems in the Federal power program.

PUBLIC POWER SUCCESS STORY IN SOUTHWEST WASHINGTON

(By Gus Norwood)

The 10 public-utility districts of southwest Washington have been in the electric business an average of 6.7 years as of December 31, 1948. During that period they were able to reduce the residential rate per kilowatt-hour from 4 cents to 1.36 cents, a total reduction of 66 percent. Consumption of energy in the average home increased from 1,300 to 3,900 kilowatts per year or exactly three times. Yet the average monthly bill per home has remained the same. After deducting allowances for depreciation the plant value of the electric systems owned by the 10 districts as of the end of 1948 amounted to $27,892,506.98, of which $5,672,659.67 has been amortized. This later figure represents the equity of the people in terms of debt-free ownership.

Taxes during 1948 amounted to $418,594.93 as against 1947 taxes of $326,337.04.

The history and background of this record of achievement goes back 56 years to 1893 when the town of Tacoma established its municipally owned electric system and embarked upon the program of building four hydroelectric projects on the Skykomish and Nisqually Rivers. For over half this 56-year period the residential rates for electricity in Tacoma have been the very lowest in the Nation. By 1900 Centralia and Ellensburg were operating municipal electric systems. The great Seattle City light system started in 1902 and now includes an investment of almost $100,000,000 chiefly in the Skagit River projects. As of December 31, 1948, Tacoma has established an equity of the people or paid-up ownership of $28,289,967.48 and Seattle $26,789,754.71.

The low rates and the remarkable financial record of Seattle and Tacoma have served as a stimulus to the people of the entire State of Washington. Thus it was that the people in 1930, under the leadership of the Washington State Grange enacted initiative No. 1, the public utility district law. Under this law 30 of the 39 counties by further vote of the people created public utility districts. Each public utility district has three commissioners also elected by vote of the people for 6-year terms. Of the 30 organized county public utility districts, 20 are operating electric systems and five operate domestic water systems.

One of the motivating forces behind the public utility district movement was the desire for rural electrification. Thus the 1930 public utility law predates the Rural Electrification Administration. However, many public utility districts are borrowers of REA. The 1930 public utility dictrict law also predates the building of Bonneville and Grand Coulee Dams and the passage of the Bonneville Act of 1937. Every public utility district now purchases all or most of its energy from the Federal Columbia River power system.

The chief influence of the Federal power program has been in making power available, and making it available not at the dams, but at the county load centers by means of the Pacific Northwest transmission grid.

It is a common fallacy on the part of people both in the Northwest and in the rest of the Nation to attribute the low electric retail rates to the low-cost wholesale power rates made possible by water power. The wholesale rate or cost of power is only 20 to 40 percent of the price which the ultimate consumer pays, and therefore the low-cost wholesale power can account for only from one-fifth to two-fifths of the total picture. Three other factors explain most of the difference between the 1.36 cents per kilowatt-hour paid in southwest Washington and the 3 paid on a national average. (If the public systems were deleted from the national average, of course the remaining average would be much greater than 3 cents per kilowatt-hour.)

The chief factor is the cost of money. PUD's pay the usual 2.5 to 4 percent interest rate on money, while private companies pay not only a similar interest rate on their bonds, but likewise 5 to 25 percent on stocks.

Secondly, the making of profit by private companies necessitates the payment of Federal income tax. Since the PUD's make no profit, they pay no Federal income tax. As mentioned before, however, they pay all other taxes, and since they pay on the basis not of 20 to 40 percent assessed valuations, but on gross income, they pay more in local taxes than is required of railroads or was required of the former privately owned electric systems.

These two factors alone enable the PUD's to effect some rate cuts. The third factor then comes into play. As rates are cut, usage of energy goes up.

The bane of the electric industry has been the curse of low per customer consumption. The poles going down the road represent fixed investment which must be paid for regardless of whether the customers use 500 kilowatt-hours or 10,000 kilowatt-hours per year. As increased usage is stimulated by low rates, the cost of distributing each kilowatt-hour drops, not 5 or 10 percent, but 50 to 80 percent. This distributing cost per kilowatt-hour is the volatile factor in the electric business. As each customer, in effect, shifts from being a retail consumer to the status of a small wholesale consumer, many economies come into play.

Many other factors might be mentioned. The honest bookkeeping, the motivation of public service and responsiveness to local control constitute innovations of the first order in the electric utility business.

It should be emphasized that not a single commissioner or manager of these public utility districts is a socialist. Politically this area votes predominantly Republican, although commissioners are elected on a nonpartisan basis. By and large the commissioners are active or retired farmers or businessmen. They are just average Americans with more than average devotion to public service. And they have done a magnificent job in serving the 300,000 people of these 10 counties.

No private distribution companies remain in the area. The former 26 companies have been integrated into 10 efficient systems. Rates are now or are rapidly tending toward county-wide rates. Dilapidated 2,400-volt lines are being replaced by modern 12,500-volt systems augmented by 66,000-volt subtransmission systems. Service standards are already vastly improved although the job of rehabilitation and expansion will require another 5 to 10 years.

Each year the 10 districts through their associations issue a leaflet covering the operating record of the previous year. The following comments and operating table are taken from this leaflet:

TEN SUCCESS STORIES

Elimination of political interference at local elections is one of the happy byproducts resulting from the purchase of all private electric systems by the Grays Harbor Public Utility District. The public-utility district has paid off half its debt and has refunded its bonds at 2 percent interest.

In 2½ years the electric users of the Benton County Public Utility District have saved over $50,000 in lower rates, have built up $200,000 of ownership, while paying 60 percent more taxes to school districts and other local government.

Lower rates and abundant public power through the Public Utility District of Cowlitz County have brought new industries, thereby creating new taxable wealth and greater pay rolls.

Neglected and run-down 2,400-volt lines are being replaced by modern 12,000-volt lines by the Clark County Public Utility District. The 1948 average residential rate of 1.23 cents per kilowatt-hour is the lowest of any public-utility district in southwest Washington.

Over 800 rural consumers were hooked up in 1948 by Klickitat County Public Utility District and 250 more will get electricity for the first time in 1949. This will bring rural service over the 90-percent mark.

Low-cost power has tripled the use of electricity in the area served by Public Utility District No. 3, of Mason County, making possible real electrical living.

Rates have been cut 73 percent by Pacific County Public Utility District, in addition to paying off over 60 percent of the system.

The integration of eight small utilities into one efficient system is the accomplishment of the Public Utility District of Lewis County, while also bringing service to rural areas once declared not feasible to serve.

Within sight of Bonneville Dam many people were still burning kerosene lamps until Skamania County Public Utility District came to their rescue. Now the people enjoy the full advantages of this great hydroelectric project in their front yard.

Another rural county enjoys big-city rates through the Wahkiakum County Public Utility District. When the last seven families are connected, this county will enjoy 100-percent electrification.

Operating record of these public utility districts speaks for itself

Public utility district (county)	Year operations started	Residential and rural: Rates and use				Taxes paid in 1948 (pay-roll taxes not included)	Number of consumers Dec. 31, 1948	Plant value after deducting depreciation	Equity of the people (debt-free ownership)
		Average rates cents per kilowatt-hour		Average annual use kilowatt-hour per home					
		Before public utility districts	1948	Before public utility districts	1948				
Benton	1946	2.0	1.35	2,470	5,080	$32,842.17	5,318	$2,054,109.13	-$140,342.65
Clark	1942	1.75	1.233	2,450	4,443	63,628.00	28,375	6,958,974.00	418,472.00
Cowlitz	1939	2.65	1.36	1,330	4,023	140,456.30	17,691	8,957,293.18	1,558,559.54
Grays Harbor	1940	4.58	1.35	929	3,210	92,276.33	17,143	4,359,801.03	1,993,489.48
Klickitat	1947	2.46	1.88	1,592	2,829	15,385.27	3,125	1,964,004.78	109,861.66
Lewis	1939	6.3	2.07	589	2,760	11,302.75	3,205	[1] 712,612.19	[1] 212,230.20
Mason No. 3	1939	2.2	1.67	1,191	4,101	18,018.10	4,515	1,042,105.42	277,438.96
Pacific	1940	5.17	1.4	564	3,528	28,910.21	6,730	1,141,360.73	709,330.19
Skamania	1940	3.24	1.44	821	3,393	8,893.77	1,676	426,995.64	164,684.10
Wahkiakum	1940	5.1	1.68	731	4,358	5,882.03	1,308	275,250.88	88,250.88
Total or average 6.7 years		4.0	1.36	1,300	3,900	418,594.93	89,086	27,892,506.98	5,672,659.67
1947 data			1.5		3,000	326,337.04	52,122	16,584,148.31	4,222,569.09
Gain 1948 over 1947			[2] 14		[2] 900	92,257.89	36,964	11,308,258.67	1,450,090.58

[1] As of Aug. 31.
[2] Decrease.

Mountain Educators

EXTENSION OF REMARKS
OF

HON. HAMILTON C. JONES

OF NORTH CAROLINA

IN THE HOUSE OF REPRESENTATIVES

Monday, August 1, 1949

Mr. JONES of North Carolina. Mr. Speaker, in going through the mountains of my district, the Tenth Congressional District of North Carolina, and other areas in the mountain section of our State, I have always wondered how the people in the remote mountain sections received early educational training.

Until later years, much of the country was comparatively inacessible and during the winter months presented many obstacles in the way of providing education for the very fine Americans who live in the mountain sections of North Carolina and other Southern States. It was a hard and laborious process, but due to the insatiable desire to educate their own people, many educational leaders were developed who overcame the difficulties of the situation and provided for the people of the mountains an intelligent and wholesome education. These educational pioneers came mostly from people who were raised in the mountains and appreciated the need for educational improvements in order that the mountain youth could be given a primary education sufficient to develop their natural intelligence, diligence, and good old hard sense.

One of the greatest of these leaders and the most determined to help his own people was Dr. B. B. Dougherty, who just closed 50 years of educational service to the mountain people which was crowned by his developing a great mountain school known as Appalachian State Teachers College at Boone, N. C.

Concerning Dr. Dougherty's great service in the field of education in western North Carolina, I quote from the Charlotte Observer of recent date an editorial which is a high tribute to his splendid and unselfish work:

The high tribute that was paid to Dr. B. B. Dougherty at Boone Thursday was a recognition of the man and his achievements through 50 years of service to education in North Carolina; but it was also a reminder of a sturdy old American virtue of which Blan Dougherty is the living symbol—self-reliance.

We hope devoutly that he is not the last representative of that virtue, as Brutus was "the last of all the Romans," but it has been receding so rapidly of late that few—far too few—Americans of this kept generation can say with Blan Dougherty, "I never spent a dollar that I didn't earn."

Some 22 years ago in a private conversation Blan Dougherty let drop that remark, "I never spent a dollar that I didn't earn." It was not a boast; he was not being dramatic; it was merely a casual statement of fact; because in that day every American was expected to earn what he spent, or else he didn't spend.

Those first dollars that he earned selling cabbage from the family farm went for his own education. He climbed over the ridges to Tennessee, he trekked down country to Wake Forest, and then back again to teach his own neighbor boys in a jerry-built shack heated only by a stove, where the pupils stuck corncobs in the knotholes to keep out the blasts of the frigid mountain winter.

And the young schoolmaster looked over his charges. "Here," he thought, "am I, teaching less than a score of children, with hundreds of thousands waiting and thirsting for knowledge. What can one teacher do for so many?"

Then came the vision: "I can teach only a score. A thousand teachers could teach a thousand score. Let's train teachers first; then we can reach the thousand score."

With an indomitable missionary zeal he went to work with a singleness of purpose from which he has not deviated from that day to this to train teachers for North Carolina children. The road was long and arduous, but he had a way of firing others with his own vision and with his zeal for achieving it.

In due time the shack with the corncobs in the knotholes gave way to the Watauga Academy; the academy in turn became the Appalachian State Normal School and finally the normal grew into a State teachers' college of the first rank.

Another family of outstanding service to the mountain people of North Carolina in the field of education was the Abernethy family which contributed much to the education and improvement of the mountain people and the development of the citizenship of western North Carolina along many lines and at the same time making educational contributions in furnishing many leaders in the State of North Carolina and in the South generally who devoted much time and effort to intelligent leadership of its people.

Among the most conspicuous in this group is the Reverend Arthur Talmage Abernethy, who followed in the steps of his illustrious father, Dr. Robert L. Abernethy, a native of Lincoln County, N. C., whose father was a direct descendent of Sir John Abernethy, the father of English surgery and founder of the London Hospital in England.

As a youth, Dr. Robert Abernethy was eager to learn. As there were no public schools in those days, young Abernethy secured such books as he could possibly find, on one occasion riding across three mountain counties to secure a book on arithmetic. Later as a traveling Methodist preacher, assigned to the mountain area, he observed the lack of educational opportunities for the numerous poor, but ambitious youths of this section and determined to establish a school among them.

Later on a plot of land donated to him by John Rutherford of Burke County, he started the famous Rutherford College in Burke County and issued notices over the section that "no boy or girl should be turned away for lack of financial means." Thus he established the first and only college in the South for the coeducation of boys and girls and the second one of that nature in the United States. Alfred University of New York was up to that time the only coeducational college in the country. This university conferred the honorary degrees of doctor of divinity and master of arts on Robert L. Abernethy. He educated approximately 10,000 boys and girls in a period of 40 years and half of these paid no tuition charge whatsoever. Some among this group developed into outstanding citizens of North Carolina.

The Reverend Arthur Talmage Abernethy, the son of Robert L. Abernethy, has been one of the outstanding speakers and educators in the State of North Carolina for many years and is now living at the place of his long and capable endeavors, Rutherford College, North Carolina.

Dr. Arthur Talmage Abernethy taught Latin in his father's school and became a member of the faculty at the tender age of 15 years and was the youngest college professor in America. He was

the recipient of an honor graduate scholarship from Johns Hopkins University and later received an honorary degree of master of arts from Duke University.

The State of North Carolina has looked upon Dr. Arthur Talmage Abernethy as one of its most brilliant teachers and educators and his long service in the field of education and religion, especially among his own mountain people, is an enduring monument to the splendid service he has rendered to the people of his native State and the South.

Other conspicuous leaders furnished by the Abernethy family, not only in North Carolina, but in the South, are the Honorable THOMAS G. ABERNETHY, who is now serving and has served for the last 7 years with great ability and talent in the United States House of Representatives as the Representative of the Fourth Congressional District of Mississippi; the late Honorable Charles L. Abernethy, Member of Congress from North Carolina, who served seven consecutive terms; the Honorable Max Abernethy, assistant secretary of state for North Carolina; and the Honorable James A. Abernethy, Jr., a former representative in the North Carolina Legislature, a wise legislator and a successful businessman.

The mountain people of the South should be and are grateful to families like the Doughertys, Abernethys, and others for their untiring and successful efforts to educate their own people.

What About the Home Front?

EXTENSION OF REMARKS
OF
HON. USHER L. BURDICK
OF NORTH DAKOTA
IN THE HOUSE OF REPRESENTATIVES
Wednesday, August 3, 1949

Mr. BURDICK. Mr. Speaker, we are about to appropriate another billion and a half dollars to start off the North Atlantic Pact—how much more it will cost no crystal gazer can foretell. While we are doing that, or before we do it, would not it be in order to see what is happening to our people. Here is the case of Francis Stacy, now 88, who has been an outstanding pioneer and public servant. He was section chief in the United States Census Bureau, secretary to John Lind, Congressman from Minnesota, and the writer of democratic platforms in Minnesota for years. He was publicity manager of Gov. John A. Johnson, of Minnesota. His letter speaks for itself:

WASHINGTON, D. C., *August 2, 1949.*

Mrs. W. DAVIS,
Social Worker, Board of Public Welfare, Washington, D. C.

DEAR MRS. DAVIS: Here is my brief monthly report:

1. Rent paid for 1 month.

2. Check, $60, received—which is $9 less than 1 year ago, $69, though cost of food has gone up and is about to go up further on account of sales tax.

3. Total withheld on account shortage of funds, November to August 1948 to August 1949 inclusive, $72.

Congratulating you and Superintendent Donald Gray on the retroactive feature of your salary raise, I am,

Respectfully,

FRANCIS N. STACY.

Importance of the Livestock Industry in United States

EXTENSION OF REMARKS
OF
HON. REID F. MURRAY
OF WISCONSIN
IN THE HOUSE OF REPRESENTATIVES
Wednesday, August 3, 1949

Mr. MURRAY of Wisconsin. Mr. Speaker, there is and has been a tendency to underestimate the importance of the livestock industry in our agricultural economy by legislation already passed as well as that now proposed for American agriculture. The following table prepared from figures released by the Bureau of Agricultural Economics of the United States Department of Agriculture shows the total value of marketings and local slaughter of meat animals in 1948:

Meat animals—total value of marketings and local slaughter (1948)

[In thousands of dollars]

State	Cattle	Calves	Hogs
Alabama	34,437	9,928	25,950
Arizona	45,728	9,491	1,354
Arkansas	38,862	14,436	31,737
California	238,416	35,703	34,984
Colorado	174,046	14,550	17,869
Connecticut	6,794	1,369	1,520
Delaware	1,925	689	1,144
Florida	22,261	6,920	16,627
Georgia	31,185	5,519	38,347
Idaho	46,770	6,372	12,737
Illinois	311,163	19,566	453,860
Indiana	119,492	20,038	333,888
Iowa	468,584	19,502	854,982
Kansas	279,806	11,337	71,675
Kentucky	117,518	12,484	61,700
Louisiana	27,612	15,604	22,035
Maine	5,737	1,736	1,128
Maryland	13,897	4,848	9,795
Massachusetts	9,207	1,334	3,197
Michigan	64,977	19,459	45,101
Minnesota	167,904	25,110	260,377
Mississippi	35,839	14,310	13,954
Missouri	230,782	31,747	254,563
Montana	104,828	6,191	8,669
Nebraska	323,938	10,034	185,643
Nevada	23,901	6,398	889
New Hampshire	3,384	624	419
New Jersey	8,976	3,181	6,044
New Mexico	72,017	14,226	2,816
New York	48,386	21,549	7,194
North Carolina	15,709	5,998	24,575
North Dakota	83,234	8,833	27,437
Ohio	107,473	16,812	225,525
Oklahoma	155,498	33,634	37,699
Oregon	44,587	5,630	12,474
Pennsylvania	69,984	15,965	31,664
Rhode Island	961	242	401
South Carolina	9,756	2,603	29,265
South Dakota	170,631	3,543	113,511
Texas	354,813	115,696	70,326
Tennessee	55,969	15,553	48,466
Utah	22,890	4,680	6,299
Vermont	10,692	2,491	708
Virginia	30,826	13,323	20,749
Washington	35,165	6,935	9,361
West Virginia	19,332	6,335	6,634
Wisconsin	113,028	43,923	136,306
Wyoming	69,184	5,640	4,830
United States	4,448,104	671,461	3,586,428

You will note that the cattle, veal, and hog receipts were over $8,700,000,000 in 1948. Add to this the nearly $3,000,000,000 poultry industry which includes over $1,800,000,000 for eggs; add to this the 1948 milk value of nearly $5,000,000,000; and you will have a total of nearly $17,000,000,000, which is more than 50 percent of the $31,000,000,000 national farm sales in 1948.

The so-called basic commodities or soil-depleting crops have had special-privilege legislation. The group including wheat, cotton, tobacco, rice, and peanuts do not represent 50 percent of the value of livestock products. Peanuts, for example, had a farm sale value of only $68,000,000 in 1941 and a value of over $245,000,000 in 1948. Rice had a farm sale value of only $182,000,000 in 1948. The total tobacco sale value, if the export subsidies are excluded, was less than three-fourths billion dollars. The United States needs less than 8,000,000 bales of cotton for consumption, and at $150 per bale the value is but $1,200,000,000. The wheat needed for United States consumption is 800,000,000 bushels, and at $2 per bushel would yield but $1,600,000,000. Legislatively we hear much about these crops, and wheat, of course, enjoys a place in our economy of far greater importance than the national farm income indicates. Being the staff of life and blending with other foods makes it in a class by itself.

One of the weaknesses of the Pace bill was that it would disrupt the poultry business and in turn by its chain reaction disrupt and jeopardize the whole livestock industry.

Instead of spending so much time and effort passing legislation to increase crops, and then pay export subsidies to get rid of them, it would be well to realize that we will evidently import a billion pounds of beef and veal in this fiscal year on a live-weight basis.

Hoover Commission Recommendations for Economy in Government

REMARKS
OF
HON. THOR C. TOLLEFSON
OF WASHINGTON
IN THE HOUSE OF REPRESENTATIVES
Wednesday, August 3, 1949

Mr. TOLLEFSON. Mr. Speaker, the taxpayers of this Nation have for years been paying too much money to the Federal Government for the services it has rendered. This fact has been made abundantly clear by the Hoover Commission report. That report has pointed out the appalling growth of big government which has resulted in a confused and chaotic condition, where increased numbers of overlapping and duplicating boards, bureaus, and commissions know not what each other is doing. The seemingly confused activities on an anthill

are in reality less confusing than the activities on Capitol Hill. Countless thousands of Federal employees run hither and yon bent on assignments which in many cases cross, tangle, and duplicate each other. Federal spending, needless waste, and high taxes have driven the long-suffering public to demand relief. The Hoover Commission, created because of this demand, has pointed the way to some measure of relief through its recommendations.

The facts which the Commission has revealed are startling. In the last 20 years Federal employment has increased from 600,000 employees to more than 2,000,000 of them. Their salaries in 1930 amounted to about $1,000,000,000. Today they receive about $6,000,000,000 per year. And this figure does not include the military. In 1930 there were 300 Federal bureaus and commissions. Today there are 1,800. There are between 70 to 85 so-called independent agencies which theoretically are responsible to the President, but because of red tape and special functions involved in the legislation creating them some 37 agencies have an authority independent of their superior officers to such an extent that they have been known to defy the superiors.

The red tape is so involved in civil-service procedures that it can take up to 17 months to discharge an inefficient official. Think of it. So complicated are some Federal procedures that there are 23,000 employees who do nothing more than take care of the red tape. They just hire and fire and look after promotions. In the civil-service category that is about 1 personnel worker for every 78 employees. In some instances there is 1 for every 30. The ratio is 15 times greater than in private business. They cost the taxpayer $76,000,000 per year.

Waste and extravagance occur in the buying of supplies. The Government buys about $6,000,000,000 a year in supplies—about $1,000,000,000 of them being for the civilian departments, the rest for the military. In personal property alone the Government has about $27,000,000,000 worth somewhere, with no adequate catalog of it.

The Government makes about 3,000,000 purchases of articles a year, each of which costs less than $10. It costs about $11 to unwind the red tape around each purchase, so that actually the Government spends $21 for a $10 item. The Hoover Commission believes that there could be a saving of $25,000,000 a year on these purchases through more efficient procedures.

Duplication of functions costs the taxpayer untold millions annually. The General Accounting Office reports that there are 29 Federal agencies engaged in lending money, 3 in insuring deposits, 34 in acquiring land, 16 in wildlife preservation, 12 in home and community planning, 28 in welfare matters, 14 in handling our Federal forests, 4 in bank examinations, and 65 in gathering statistics.

As an illustration of duplicating activity, it was pointed out that the Army engineers and the Bureau of Reclamation both made preliminary surveys on an Idaho power and reclamation project, each costing $250,000, when one survey would have been sufficient. Innumerable other illustrations exist.

The Government spends now more than $40,000,000,000 annually. The fiscal year's operation ending June 30, 1949, shows a deficit of $1,800,000,000. There is a possibility of a $5,000,000,000 deficit for the next fiscal year. The Government has operated in the red continuously since 1932, with the exception of the years 1947–48.

It is no wonder that the people of this Nation are concerned and demand relief. The Hoover Commission recommendations must be adopted and made effective through legislation. It is estimated that up to $3,000,000,000 annually may be saved in Federal expenditures if the recommendations are followed.

Relationship of Cattle and Hog Prices

EXTENSION OF REMARKS
OF
HON. REID F. MURRAY
OF WISCONSIN
IN THE HOUSE OF REPRESENTATIVES
Wednesday, August 3, 1949

Mr. MURRAY of Wisconsin. Mr. Speaker, a few weeks ago some people, who should have had better information, were promoting a trial run plan on hogs and trying to make people believe that it would not materially affect beef and veal prices.

If anyone is in doubt about this, one look at the following table, compiled from figures released by the Bureau of Agricultural Economics, of the United States Department of Agriculture, will cause them to perish any such thought or conclusion:

Meat animals—Farm production and income—1948

State	Marketings			Price per 100 pounds		
	Cattle	Calves	Hogs	Cattle	Calves	Hogs
	Thousands	*Thousands*	*Thousands*			
Alabama	310	154	615	$18.10	$20.90	$21.20
Arizona	302	125	26	20.60	23.90	23.80
Arkansas	289	208	656	19.40	25.10	22.30
California	1,090	616	630	22.60	25.30	25.00
Colorado	817	187	298	23.70	23.80	23.50
Connecticut	39	63	27	18.80	20.70	23.40
Delaware	9	18	24	23.00	26.70	23.00
Florida	226	150	512	16.10	18.40	20.30
Georgia	266	110	927	18.60	20.60	21.70
Idaho	229	93	224	21.90	24.40	24.50
Illinois	1,335	429	7,472	24.60	26.20	23.40
Indiana	554	363	5,709	23.60	27.50	23.60
Iowa	1,983	351	5,135	24.70	23.60	23.80
Kansas	1,367	160	1,203	22.50	24.40	23.60
Kentucky	582	278	1,239	22.90	27.10	23.80
Louisiana	262	275	545	18.60	22.90	21.10
Maine	36	59	18	19.70	20.70	22.70
Maryland	66	120	201	23.10	27.30	23.80
Massachusetts	55	71	58	18.00	20.30	23.20
Michigan	338	430	840	21.60	28.10	23.20
Minnesota	823	656	4,260	21.50	25.40	23.80
Mississippi	336	222	316	17.90	22.60	21.60
Missouri	1,136	556	4,332	23.00	25.60	23.30
Montana	534	94	155	21.30	23.10	23.40
Nebraska	1,479	140	2,974	24.30	23.50	22.70
Nevada	109	86	17	23.30	24.80	23.80
New Hampshire	20	30	6	18.80	21.00	22.90
New Jersey	44	83	117	20.00	28.70	25.20
New Mexico	476	186	51	21.40	23.60	24.40
New York	262	700	131	19.40	27.10	23.50
North Carolina	116	163	506	18.00	23.60	22.70
North Dakota	459	161	469	20.50	23.60	21.90
Ohio	498	434	4,130	23.50	27.30	24.00
Oklahoma	928	411	696	20.70	23.60	23.40
Oregon	231	87	211	20.30	25.10	25.20
Pennsylvania	311	449	569	23.80	27.70	24.80
Rhode Island	6	12	7	18.00	20.20	23.20
South Carolina	79	57	597	19.00	22.50	22.10
South Dakota	859	60	1,875	22.80	23.70	22.50
Texas	2,535	1,397	1,339	20.20	22.40	22.80
Tennessee	353	320	960	19.30	24.40	23.10
Utah	115	69	119	22.20	24.60	23.90
Vermont	75	149	14	17.20	20.60	22.50
Virginia	161	253	430	22.90	27.40	23.60
Washington	174	112	162	22.00	25.60	25.50
West Virginia	98	136	125	22.90	27.40	23.10
Wisconsin	574	1,471	2,316	19.40	24.80	23.10
Wyoming	379	72	88	21.00	24.90	23.50
United States	23,325	12,826	61,833	22.20	28.40	23.10

You will note that the table shows that in numbers Wisconsin ranks third in the marketing of cattle and calves.

Why so many people in high places take the position they do is more than I can figure out. Maybe they think it is good politics, but my observation is that "no politics is the best politics" and that economics and politics do not mix too well, or too long. Prices are going down fast enough without anyone figuring out any new schemes to drive them down still farther and faster.

Anyone with any livestock marketing experience knows that there is now and has always been a direct relationship between cattle and hog prices, and they also know that all protein foods show a chain reaction. That is the reason why you will be disturbing beef, veal, hog,

and cheese prices when you disturb poultry and egg prices. Yet, many Members voted for the Pace bill which would do just that thing.

Deficit Financing—Necessity for Governmental Economy

EXTENSION OF REMARKS
OF
HON. EDWARD MARTIN
OF PENNSYLVANIA
IN THE SENATE OF THE UNITED STATES
Wednesday, August 3 (legislative day of Thursday, June 2), 1949

Mr. MARTIN. Mr. President, I ask unanimous consent to have printed in the Appendix of the RECORD an editorial entitled "To Rescue United States From Red Ink: Curb Wild Spending," published in the Philadelphia Inquirer of August 2, 1949.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

TO RESCUE UNITED STATES FROM RED INK—CURB WILD SPENDING

It may be that scholars of the future will record next Thursday as a significant date in American history—the day when the most powerful and prosperous Nation of the world resorted to deficit financing to pay its bills although it was at peace and economic activities were at a high level.

If anything can be expected to dramatize the urgent need for Governmental economy it is this plunge into red ink after 3 years in which the national debt was reduced from the peak of $269,000,000,000 to about $253,000,000,000.

There is little consolation in the fact that the first borrowing will involve the relatively small sum of $200,000,000 in new money. In the absence of any firm indication from either the Administration or Congress that the rate of spending will decrease in the months ahead it is a fair assumption that Thursday's transaction will be repeated again and again as the deficit continues to mount.

President Truman, who continues to advocate heavy spending as the solution of every problem from the economic recession to the development of backward areas of the world, clearly cannot be relied upon to provide the courageous leadership necessary to bring the budget into balance and to make possible at least token payments on the national debt.

In spite of the successive defeats of the so-called economy bloc in Congress, there is a growing recognition in both House and Senate of the dangers of our present course. This is reflected in the challenges to the Administration's requests for funds for such vital purposes as the National Military Establishment, the Marshall plan and the rearming of western Europe to the extent that would deter Soviet aggression.

Every dollar that can be spared from these and similar appropriations without endangering the effectiveness of the programs must be saved. But it is clear that this will not be sufficient to rescue the budget from the red ink.

If the sorry era which the Nation enters on Thursday is to be a brief one, it will be necessary to move forward with all possible speed toward reorganization of the Government, along the lines suggested by the Hoover Commission, in the interest of efficiency and economy. A Government living beyond its income cannot afford to waste a dollar either through unwise appropriations or padded pay rolls.

There is only one practical cure: Wild spending must be curbed.

Statement by Jackie Robinson Before House Un-American Activities Committee

EXTENSION OF REMARKS
OF
HON. HARLEY M. KILGORE
OF WEST VIRGINIA
IN THE SENATE OF THE UNITED STATES
Wednesday, August 3 (legislative day of Thursday, June 2), 1949

Mr. KILGORE. Mr. President, I ask unanimous consent to have printed in the Appendix of the RECORD the text of a statement made by Jackie Robinson, the baseball star, before the House Committee on Un-American Activities, on July 18.

Mr. Robinson has presented in a clear and forthright manner the problems that beset so many Americans who, in Mr. Robinson's words, "are a little different from the majority—in their skin color or the way they worship their God, or the way they spell their names."

This statement comes not from self-seeking ardor, but rather from one who through personal attainment has done a great deal toward making our Nation a democracy in fact as well as in name.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

JACKIE ROBINSON'S STATEMENT TO HOUSE COMMITTEE

(Following is the text of a statement today by Jackie Robinson, Brooklyn Dodger baseball player, before the House Un-American Activities Committee:)

When the House Committee on Un-American Activities invited me to appear here today and express myself on the subject of your present interest, I answered that I would be glad to do so, although it isn't exactly pleasant to get involved in a political dispute when my field of earning a living is as far removed from politics as anybody can possibly imagine.

I am sure you know that I am a professional ballplayer. Baseball has been called the great American sport because all Americans get their kicks out of the game some way or other, no matter what their political or social connections may be. So it's customary, and I suppose pretty sensible, for ballplayers to keep out of partisan politics or any other kind of arguments and contests that may split their supporting public.

Of course it will be said, and it's certainly true, that the question of Communist activity in the United States isn't partisan politics. But it's also true that some of the policies of this committee have become political issues. And so, naturally, I've had a great many messages come to me by wire, phone, and letter, urging me not to show up at this hearing. And I ought to make it plain that not all of this urging came from Communist sympathizers. Of course, most of it did. But some came from people for whom I have a lot of respect and who are just as opposed to Communist methods as I am.

And so it isn't very pleasant for me to find myself in the middle of a public argument that has nothing to do with the standing of the Dodgers in the pennant race—or even the pay raise I am going to ask Mr. Branch Rickey for next year.

A SENSE OF RESPONSIBILITY

So you naturally ask, why did I stick my neck out by agreeing to be present, and why did I stand by my agreement in spite of advice to the contrary. It isn't easy to find the answer, but I guess it boils down to a sense of responsibility.

I don't pretend to be any expert on communism or any other kind of a political ism. Going to college at UCLA (the University of California at Los Angeles), helping to fight a war, with about 10,000,000 other fellows, trying to break into professional baseball and then trying to make good with the Dodgers, and trying to save some money for the time when my legs lose their spring—all this, together with my family life, has been enough to keep me busy without becoming an expert—except on base-stealing or something like that.

But you can put me down as an expert on being a colored American, with 30 years of experience at it. And just like any other colored person with sense enough to look around him and understand what he sees, I know that life in these United States can be mighty tough for people who are a little different from the majority—in their skin color, or the way they worship their God, or the way they spell their names.

I'm not fooled because I've had a chance open to very few Negro Americans. It's true that I've been the laboratory specimen in a great change in organized baseball. I'm proud that I've made good on my assignment to the point where other colored players will find it easier to enter the game and go to the top. But I'm very well aware that even this limited job isn't finished yet. There are only 3 major league clubs with only 7 colored players signed up, out of close to 400 major league players on 16 clubs.

SAYS PROGRESS GOES ON

But a start has been made, and progress goes on, and southern fans as well as northern fans are showing that they like the way things are working. And as long as the fans approve we're going to keep on making progress, until we go the rest of the way in wiping Jim Crow out of American sports.

We are doing this because the American fans are just beginning to understand that a sport, to be a real sport, has got to be contested on the basis of the best man or team winning—and that best has got nothing to do with how much brown or red or yellow tint is in a man's skin.

We're going to make progress in other American fields besides baseball if we can get rid of some of the misunderstanding and confusion that the public still suffers from. I know I have a great desire and I think that I have some responsibility for helping to clear up that confusion. As I see it there has been a terrific lot of misunderstanding on this subject of communism among Negroes in this country, and it's bound to hurt my people's cause unless it's cleared up.

The white public should start toward real understanding by appreciating that every single Negro who is worth his salt is going to resent any kind of slurs and discrimination because of his race, and he's going to use every bit of intelligence, such as he has, to stop it. This has got absolutely nothing to do with what Communists may or may not be trying to do.

And white people must realize that the more a Negro hates communism because it opposes democracy, the more he is going to hate any other influence that kills off democracy in this country—and that goes for racial

discrimination in the Army, and segregation on trains and busses, and job discrimination because of religious beliefs or color or place of birth.

"NOT FOOLING ANYONE"

And one other thing the American public ought to understand, if we are to make progress in this matter, is the fact that because it is a Communist who denounces injustice in the courts, police brutality and lynching, when it happens, doesn't change the truth of his charges. Just because Communists kick up a big fuss over racial discrimination when it suits their purposes, a lot of people try to pretend that the whole issue is a creation of Communist imagination.

But they are not fooling anyone with this kind of pretense, and talk about "Communists stirring up Negroes to protest" only makes present misunderstanding worse than ever. Negroes were stirred up long before there was a Communist Party, and they'll stay stirred up long after the party has disappeared—unless Jim Crow has disappeared by then as well.

I've been asked to express my views on Paul Robeson's statement in Paris to the effect that American Negroes would refuse to fight in any war against Russia because we love Russia so much. I haven't any comment to make, except that the statement, if Mr. Robeson actually made it, sounds very silly to me. But he has a right to his personal views, and if he wants to sound silly when he expresses them in public, that's his business and not mine. He's still a famous ex-athlete and a great singer and actor.

I understand that there are some few Negroes who are members of the Communist Party, and in event of war with Russia they would probably act just as any other Communists would. So would members of other minority and majority groups.

There are some colored pacifists, and they'd act just like pacifists of any color. And most Negroes, and Italians and Irish and Jews and Swedes and Slavs and other Americans, would act just as all these groups did in the last war. They'd do their best to help their country stay out of war; if unsuccessful they'd do their best to help their country win the war—against Russia or any other enemy that threatened us.

NOT AS ANY DEFENSE

This isn't said as any defense of the Negro's loyalty, because any loyalty that needs defense can't amount to much in the long run. And no one has ever questioned my race's loyalty except a few people who don't amount to very much.

What I'm trying to get across is that the American public is off on the wrong foot when it begins to think of radicalism in terms of any special minority group. It is thinking of this sort that gets people scared because one Negro, speaking to a Communist group in Paris, threatens an organized boycott by 15,000,000 members of his race.

I can't speak for any 15,000,000 people any more than any other one person can, but I know that I've got too much invested for my wife and child and myself in the future of this country, and I and other Americans of many races and faiths have too much invested in our country's welfare for any of us to throw it away because of a siren song sung in bass.

I am a religious man. Therefore I cherish America where I am free to worship as I please, a privilege which some countries do not give. And I suspect that 999 out of almost any thousand colored Americans you meet will tell you the same thing.

But that doesn't mean that we're going to stop fighting race discrimination in this country until we've got it licked. It means that we're going to fight it all the harder because our stake in the future is so big. We can win our fight without the Communists and we don't want their help.

A Modest Proposal From Britain's Socialists

EXTENSION OF REMARKS
OF
HON. PAUL W. SHAFER
OF MICHIGAN
IN THE HOUSE OF REPRESENTATIVES

Wednesday, August 3, 1949

Mr. SHAFER. Mr. Speaker, under leave to extend my remarks, I include the following editorial from the Chicago Tribune:

A MODEST PROPOSAL FROM BRITAIN'S SOCIALISTS

Britain's labor government has proposed that dollar assistance under the Marshall plan for the year ahead be increased from the $904,000,000 initially requested for Britain to one and one-half billion. This is more than a third of all funds likely to be parceled out under the plan and is about a quarter of a billion more than Britain was allotted from the American Treasury during the last year.

The first thing to be said is that the hiking of the hand-out sought by the English Socialists is a clear answer to enthusiastic American internationalists who have been whooping up the Marshall plan as a huge success. The theory of ECA was that after large first-year donations to the European beneficiary countries, recovery would get started and that it would then be possible to cut down subsequent assistance.

Obviously, this has not happened. Large drafts of dollar fuel pumped into the Socialist carburetor haven't succeeded in getting the British economic engine hitting on all cylinders. It's still sputtering and coughing.

This request from the British Socialists constitutes an appeal for American intervention on the side of the Labor Party in British domestic politics. A general election is coming along in England, and the Labor Party must face the voters on the demonstrated results of the Socialists' term in office. They have now had 4 years to make good on what they said they would do, and they have had constant support in carrying out their designs from the American taxpayers, who have never been consulted concerning their own desires.

The Socialist regime since 1945 has had the benefit of a most favorable settlement of Britain's lend-lease account of more than $31,000,000,000. The Socialists received a loan tantamount to a gift of $3,750,000,000. They were enabled to draw hundreds of millions in dollars from the World Bank. They have received or are in process of receiving a minimum of $2,143,000,000 last year and this year under the Marshall plan. Trade agreements have been drafted to their advantage and to American disadvantage, and the conditions of these gifts, loans, and concessions have been waived to free them of any semblance of reciprocal responsibility.

With all of this, they have not been able to make a go of things, and now come to the American people demanding that we shell out still larger donations so that socialism can win its election at our expense. The only thing that Attlee, Cripps, and their crowd have to offer the English people is their demonstrated success in tapping the American till. Labor hopes to win through a corruption of the British electorate quite as thorough as was ever accomplished by such New Deal masters of the art as Hague, Pendergast, Roosevelt, and Truman.

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EXTENSION OF REMARKS
OF
HON. CLARE E. HOFFMAN
OF MICHIGAN
IN THE HOUSE OF REPRESENTATIVES

Tuesday, August 2, 1949

Mr. HOFFMAN of Michigan. Mr. Speaker, the administration's clever politicians are using the Hoover name to sell their political nostrums.

Like some of the old patent medicines which were guaranteed to cure all, the administration's proposals may at the moment exhilarate the customer but they do him no real good.

Proposed as a cure for waste and extravagance, in reality they are cleverly and shrewdly devised plans to build up political machines along the lines of the old Pendergast machine.

Fortunately, they are not fooling too many people, as is indicated by the following editorial from the Sturgis Journal of the 30th of July, last:

FISCAL FIASCO

Representative CLARE E. HOFFMAN of this district has criticized President Truman for the President's attitude toward the Hoover Commission report.

Says Representative HOFFMAN: "By his public statements and by the kind of reorganization proposals he has sent to Congress, the President has made it doubly clear that he intends to reorganize along the lines recommended by the Hoover Commission only insofar as such reorganization leaves the present tremendous bureaucracy intact."

Mr. Truman intends, according to HOFFMAN, to retain all present Government employees, because he has added 365 new employees to the Federal pay roll each day since the Hoover report was made public.

Mr. Truman has said that a large bureaucracy is needed to provide the services required of an increasing population. HOFFMAN says this cannot be true for these reasons:

1. While United States population was increasing 23 percent in the last 20 years, the number of Federal civilian employees jumped 268 percent. Number of sections, bureaus, and units increased 400 percent.

2. Peacetime Government expenses increased 1,000 percent from 1929 to 1948. During same period, each family's share of the national debt rose from $500 to $7,500. In 1939 each person paid $7 toward interest on the national debt. Today everyone is paying $37—and that's in interest alone.

As a syndicated columnist pointed out this week, the yearly payroll of the 2,100,000 Federal civilian employees is $5,650,000,000. There are about 49,000,000 United States taxpayers. Average income tax paid each year is $116. Question becomes: Is United States getting its money worth out of the Federal employees?

Indications that Federal fiscal and taxing policies are causing many people to wonder where the Truman path is leading come in every mail and conversation.

Herald Walters forwards this picture of Government translated on personal terms:

Your 1948 income was $4,600 (United States income, $46,000,000,000).

Your debts total $27,600 (United States debt, $276,000,000,000).

Your 1949 income will be $4,000 (United States estimated income, $40,000,000,000).

Would you plan to spend $4,200? (United States budget, $42,000,000,000.)

In addition, would you by any stretch of the imagination decide that over and above these commitments you would have the right to embark on long-term spending programs to cover:

1. A new house? (Public housing.)
2. More education? (Federal aid to education.)
3. More health insurance? (Socialized medicine.)

Or would you face the facts? Would you call your family together and tell them that your current bills were so great that everything you had would be wiped out unless substantial payments could be made?

This is not a fantastic fairy tale. It is the plain, unvarnished truth about the financial condition of this country of ours. The only fantastic thing about it is that many of the politicians and do-gooders in Washington seem blind to the stark reality of dollars and cents.

The downfall of every great country since the beginning of time has been caused by the financial unsoundness of government.

The same economic principles which apply to the conduct of individual lives and business also apply to our Government. We must stop kidding ourselves if we hope to survive as the No. 1 nation in the world.

Park Beigh supplies this writer with figures indicating the United States is within 7 percent of socialism:

Thirty-three percent of American income is paid out in taxes (11 percent are direct and 22 percent concealed).

Samples of way commodities are taxed: There are 53 separate taxes on a loaf of bread, 127 on a roast of beef, 154 on a bar of soap, 201 on a gallon of gasoline, 205 on a new car, and 502 on a pair of shoes.

Taxes take 33 percent of United States income. Socialized England pays 40 percent of its income to taxes. Thus the United States is within 7 percent of socialism.—R. E. H.

Mr. Farley's Forecast

EXTENSION OF REMARKS
OF
HON. FRANK W. BOYKIN
OF ALABAMA
IN THE HOUSE OF REPRESENTATIVES
Wednesday, August 3, 1949

Mr. BOYKIN. Mr. Speaker, under unanimous consent to extend my remarks, I include the following editorial from the Alabama Journal, Montgomery, Ala., of March 31, 1949:

MR. FARLEY'S FORECAST

James A. Farley while in Mobile this week declared that the 1950 elections will be crucial for Democrats as well as Republicans, because they will set the pattern for the Presidential election of 1952 and will determine whether a Democrat or a Republican shall occupy the White House as Truman's successor.

Mr. Farley feels that Truman's victory over Dewey last year was due largely to economic conditions, but farmers voted for Truman because of their fear that Dewey's election might result in reduction of Federal farm subsidies. The outcome of the next Presidential election in the Farley view, will be determined by the degree of prosperity or lack of it which the country will be enjoying in 1952. Hard times will mean defeat for the Democratic candidate. Good times will make an uphill road for Republicans that they probably cannot negotiate.

One of the most interesting comments made by the former Democratic chairman, and one of the most astute political strategists of modern times, was with regard to differences within the Democratic Party. He believes that by next election time the differences will be settled. "You will recall," he told the reporters, "that our party has survived many disagreements but the Democratic leadership of 1952 will depend on the outcome of the 1950 contests."

Such a close observer as Mr. Farley would not predict Democratic Party harmony unless he knew more than the average man about what is going on in party circles, and he would hardly predict harmony when he is in the heart of the South and knows intimately how the South feels about the vagaries to which the northern branch of the party has recently succumbed.

His prediction of harmony is therefore equivalent to saying that northern Democrats are going to come to their senses, and experience a change of heart. They are going to get back to the fundamentals upon which the party was founded and has stood for generations. They are going to give up their campaign to inflict mortal punishment upon the South. It is only thus that peace can come, and Mr. Farley probably senses it or, indeed, is well aware of it. Certainly there will be no peace and harmony as long as selfish and demagogic leaders continue their warfare on the oldest, most devoted, and most loyal friends of the Democratic Party to be found anywhere in the Nation.

It is encouraging to have a man of Mr. Farley's range of experience say that differences are going to be settled, for down this way we know there is only one possible way to settle them and that is to get back on the main road and abandon the rabbit trails of the Humphreys and Walter Whites.

The Importance of Retaining the United Nations Arms Embargo in the Near East

EXTENSION OF REMARKS
OF
HON. JACOB K. JAVITS
OF NEW YORK
IN THE HOUSE OF REPRESENTATIVES
Monday, August 1, 1949

Mr. JAVITS. Mr. Speaker, tomorrow the United Nations Security Council meets to consider the final report of the distinguished American, Dr. Ralph Bunche, the Palestine mediator, who reports the military phase of the Arab-Jewish conflict to be over and recommends lifting the UN embargo on the entry of war materials into the Near East first imposed May 29, 1948. Within a few days of Dr. Bunche's report the radio and press reports extensive new Egyptian and Syrian military preparation and fulminations throughout the Arab world about a second round in the conflict. This morning we see the first sign of peace in the acceptance by Arab states of Israeli proposals to discuss resettlement of Arab refugees.

Mr. Speaker, I call on the Secretary of State to announce United States policy on the United Nations arms embargo and urge that the United States delegate to the Security Council should oppose a lifting of the embargo. The embargo should stand until peace, not armistice, exists in the Near East. While we consider arms for the defense of western Europe in the military aid program we should not divert arms to the stimulation of aggressive war in the Near East when real peace appears to be in sight.

Appended hereto are news reports and editorials bearing on this issue:

[From the New York Times of July 28, 1949]

BUNCHE ENDS TASK AS UN MEDIATOR—SAYS THE MILITARY PHASE OF THE PALESTINE CONFLICT IS OVER, IN REPORT TO SECURITY UNIT—CONCILIATION NOW IS JOB—HE ASKS THAT FUNCTIONS BE TRANSFERRED TO COMMISSION—PROPOSES A RESOLUTION

(By Thomas J. Hamilton)

LAKE SUCCESS, July 27.—Dr. Ralph J. Bunche, Acting United Nations Mediator for Palestine, reported to the Security Council today that "the military phase of the Palestine conflict is ended," and asked the Council to transfer his remaining functions to the Palestine Conciliation Commission.

"With the armistice agreements concluded there is no longer any useful function to be performed by the mediator," Dr. Bunche reported. "With the truce obsolete, the armistice agreements concluded, and the Palestine Conciliation Commission conducting peace negotiation, the mission of the mediator has been fulfilled.

"I am happy to have had this great opportunity to serve the United Nations and the cause of peace in Palestine and in this, my final report, wish to thank the Security Council for the indispensable support which it has given to me in my efforts to discharge the responsibilities entrusted to me."

CITES ARMISTICE PACTS

Dr. Bunche reminded the Council that armistice agreements had now been concluded between Isreal and Egypt, Lebanon, Jordan and Syria. The Israel-Jordan armistice covered the front held by Iraqi forces; the Egyptian-Israeli armistice covered the Saudi Arabian forces, and Yemen took no part in the conflict, he pointed out.

The Conciliation Commission, composed of the United States, France, and Turkey, was established by the General Assembly last December, and is now working in Lausanne to bring about a permanent settlement.

Dr. Bunche included in his report the text of a resolution under which the Security Council, after expressing the hope that the two sides would reach agreement promptly on a final settlement, would:

1. Declare that the armistice agreements render unnecessary the prolongation of the truce provided under the Security Council's resolution of July 15, 1948;

2. Reaffirm the cease-fire order contained in the July 15 resolution, which was based on Chapter VII of the United Nations Charter, and call on the governments concerned to observe an unconditional cease-fire;

3. Request the Conciliation Commission, with the assistance of Brig. Gen. William E. Riley, chief of the staff of the truce supervision organization, to undertake the observance of the cease-fire, and terminate the functions of the United Nations Mediator.

4. Request Secretary General Trygve Lie to continue in existence such of the truce supervision organization as the Conciliation Commission requested.

Legal authorities here expressed the preliminary opinion that the resolution suggested by Dr. Bunche would not continue the prohibition on the introduction of fighting material and war materials to either side.

This provision was contained in the resolution adopted by the Security Council on May 29 last year, calling for a 4-week truce, and was reaffirmed by the July 15 resolution.

Aubrey S. Eban, Israeli representative to the United Nations, said yesterday that Israel would ask the Security Council to continue some restrictions on shipment of arms to the Near East as a "sensitive area," and it is understood that the United States delegation is likely to support the request. The British Government has already announced that, in view of the fact that armistice agreements have been reached between Israel and all the Arab countries involved, it will resume shipments of arms to some Arab countries under previous treaty commitments.

BUNCHE WINS PRAISE

Dr. Bunche, who became acting mediator after the murder of Count Folke Bernadotte by terrorists in Jerusalem last September, has been widely praised for his success in bringing about the armistice agreements and some sources have expressed the hope that he would now help the Conciliation Commission bring about a permanent settlement.

No such request has been received from the Commission, but it is believed that the Security Council will take the opportunity when it meets next week to express its appreciation of his work. Dr. Bunche's services were recently recognized by President Truman, who offered him an appointment as Assistant Secretary of State, but he refused it and will resume his work as director of the United Nations Trusteeship Department

Dr. Bunche pointed out that 10 members of the truce-supervision organization had been killed in Palestine and 20 wounded, and he added that "in some instances, as in the case of Count Bernadotte himself, had adequate protection been given, the deaths could have been avoided." The Security Council has not yet discussed a report from the Israeli Government explaining its failure to apprehend his murderers.

Dr. Bunche remarked that the United Nations appeared to be fully justified in holding the governments liable for the deaths—a reference to a recent decision by the International Court of Justice holding that the United Nations had the right to seek indemnities in such cases—and he added:

"Despite the casualties, however, bearing in mind the necessity for freedom of movement if truce supervision is to be effective, I firmly believe that the principle adhered to in Palestine by Count Bernadotte and by me after his death, has been sound.

"In the absence of any protective United Nations force, that principle has been to leave it to the discretion of the local authorities to determine how much or how little protection is needed by the United Nations personnel, since it is the responsibility of the local authorities to protect that personnel.

"Thus, neither Count Bernadotte nor I have ever asked any local authority for protection, nor did we ever refuse it when the local authority provided it."

The truce in Palestine took effect July 18 last year, and there was no serious fighting until the clash in the Negeb which began on October 14, 1948, Dr. Bunche said. He said that he and Count Bernadotte had both warned that the truce could not be maintained indefinitely without the probability of serious fighting, and that it was apparent a month beforehand that the truce-supervision organization would not be able to control the increasing violations unless the United Nations would take most severe measures against those guilty of violations.

A GUIDE TO THE COUNCIL

This limitation on the United Nations efforts to keep the peace has been apparent also in the Indonesian question, and Dr. Bunche gave the following summary as a guide to the Security Council in dealing with similar issues:

"The United Nations experience with the truce in Palestine indicated that an imposed truce could be effectively applied and supervised for a period of 4 or 5 months at the most, but should then be superseded by a further step toward permanent peace.

"Although the truce imposed by the Security Council on July 15, 1948, was of indefinite duration and included a permanent injunction against resort to force in the Palestine dispute, both sides came to regard the truce as a mere interruption of hostilities, a phase in the fighting, rather than a definite end to the armed conflict.

"In maintaining the status quo, the truce inevitably perpetuated some conditions which after a period of months became so intolerable as to induce one side or the other to undertake corrective measures even at the expense of openly defying the truce."

[From the New York Times of July 29, 1949]

A UN TRIUMPH

The final report of Dr. Ralph J. Bunche as acting United Nations mediator for Palestine marks the happy end of a dramatic chapter in the history of the Middle East.

While the problems of the eastern Mediterranean are still very far from settled, the great accomplishment—effected through the active intervention of the UN—is that, as the Bunche report states, "the military phase of the Palestine conflict is ended." Agreements have now been made between Israel and, in turn, Egypt (also covering Saudi Arabia), Lebanon, Jordan (also covering Iraq), and Syria. Each agreement, Dr. Bunche reports, "incorporates what amounts to a nonaggression pact between the parties, and provides for withdrawal and reduction of forces." We may expect that these agreements will be scrupulously observed, for, as Dr. Bunche points out, they have been negotiated at the governmental level and any breach of their terms would involve a most serious act of bad faith.

With the observation that his mission as mediator is now fulfilled, Dr. Bunche leaves the task of negotiating a permanent peace settlement to the UN's Conciliation Commission at Lausanne. In doing so, he suggests that the restrictive conditions of the Security Council truce, imposed on the warring parties a year ago, are no longer necessary. This would seem to mean that he favors removal of the ban then placed on shipment of war material to Israelis and Arabs. It might, however, be the better part of wisdom for the Security Council expressly to continue this restriction as a precautionary measure at least until a political settlement is finally agreed upon.

In any case, the situation which now exists and is signalized by the Bunche report reflects great honor on its author, his predecessor, the late Count Bernadotte, and their assistants. Dr. Bunche has performed magnificent work in his difficult and dangerous post. Those 10 members of the UN staff who died, and the 20 who were wounded, in the effort to bring peace to Palestine must not be forgotten. The rest of the UN personnel, who frequently risked their lives in the performance of their duty, deserve the highest praise. To the scoffers in Washington and elsewhere who say that the UN is helpless or useless or worse, the story of this phase of the Palestine problem should give pause, and food for thought.

[From the New York Times of August 2, 1949]

EGYPT, SYRIA MOVE TO EXPAND DEFENSE—DAMASCUS PASSES MOBILIZATION DECREE, APPROPRIATES MORE FUNDS FOR THE ARMY

(By Albion Ross)

BEIRUT, LEBANON, August 1.—A Syrian decree empowering the Ministry of Defense to requisition sections of the population for roadbuilding and other construction of importance to national defense, and last night's grant of the equivalent of $7,000,000 more to the army are regarded authoritatively as proof of the seriousness of the informal Egyptian-Syrian defense agreement.

Egypt has been able to make much larger investments in rearmament and appropriate larger sums for training larger and more efficient armed forces. Her Syrian partner had to use extraordinary measures, such as a labor mobilization decree that was put through the Damascus Cabinet last night.

Twenty-one million Syrian pounds, allotted additionally to the army, represents a considerable strain on the national economy. There is increasing evidence that the measures will result in relatively well-armed and trained Egyptian and Syrian forces and a close mutual defense agreement between the two nations, with Saudi Arabia as something of a silent partner.

It is reported here that the Foreign Offices of Lebanon and Syria have made contact with Egypt with regard to calling a meeting of the Arab League and that the new Egyption Government has favored a delay, without taking any definite stand on the question of whether the meeting must be in Alexandria, as the previous government had insisted.

Iraq and Jordan, who 2 or 3 weeks ago apparently were eager for a meeting of the Arab League's Political Committee, appear to be showing only mild interest at the moment.

From the viewpoint of this part of the Arab world, the Egyption and Syrian military efforts are calculated to stablize the defense of Arab interests in the Levant region. Both official spokesmen and the political-minded man-in-the-street here are convinced that Israel has a program of territorial expansion.

There Is No Santa Claus—You Pay the Bills

EXTENSION OF REMARKS

OF

HON. PAUL W. SHAFER

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Wednesday, August 3, 1949

Mr. SHAFER. Mr. Speaker, under permission to extend my remarks, I include the following article, There Is No Santa Claus—You Pay the Bills, taken from the June issue of the New England Letter, circulated by the First National Bank of Boston:

THERE IS NO SANTA CLAUS—YOU PAY THE BILLS

The Government has no magic source of income but must depend upon tax revenue collected from all parts of the country. The total taxes paid by the people of all the States and Territories equal the aggregate amount of income of the United States Treasury except in case of deficit periods. Whenever the Government spends more than it collects in terms of revenue, it is reflected in a corresponding increase in the Federal debt, which in turn is a mortgage on future income and represents, therefore, deferred tax collections.

The staggering amount of funds collected by the Federal Government is supplied by every section of the country, and the amount so contributed ranges from $525 per family in the East South Central States to $1,047 in the Pacific region, and to $1,555 in the Middle Atlantic States. For the country as a whole, the amount collected averages $1,073 per family.

The amount of money spent by the Federal Government is so staggering that most persons have no conception of its magnitude and in consequence have not been too much concerned about national fiscal affairs. The figures carry more meaning when it is pointed out that, for the calendar year 1948, Federal internal revenue collections were equal to all the wages and salaries of the 15,000,000 or so workers employed in all the factories and mines of this country. Whereas now Federal collections take the equivalent of all the wages and salaries of the workers in the aforementioned groups, in 1939 the proportion was one-half, and in 1929 it was about one-fifth.

Remember that the foregoing data cover the expenses only of the Federal Government. State and local receipts for the calendar year 1948 exceeded $17,000,00,000. This is nearly the equivalent of the total wages and salaries of more than 6,000,000 workers employed in construction work, communication, public utilities, and transportation. The total outlay for Government services and activities of all kinds is equal to every cent of wages and salaries of more than 21,000,000 persons in this country. This includes the income of every person employed in the lines indicated from the lowest paid worker to the highest paid executive. In other words, it would take the entire wages and salaries of 40 percent of all persons engaged in gainful non-Government pursuits to pay all the bills of Government.

The data on Government revenue are issued by the United States Treasury and the Department of Commerce, while those on employment and wages and salaries are from the Department of Commerce. All of their data are available to anyone upon request.

Yet in the face of irrefutable evidence revealed by official sources that the bills of Government are paid for by all the productive efforts of all the people in all parts of the country, the illusion still prevails that the Government has some mysterious means of providing an unlimited source of funds.

This illusion would not be of serious consequence if the Nation had a comfortable leeway for lavish expenditures of public funds. But our margin of safety is critically narrow. Taxes of all kinds have been absorbing one-fourth of national income in the boom period. This proportion would sharply rise should the amount of income undergo even a moderate decline, as governmental costs are notoriously inflexible and rise even in times of recession or depression. Our Federal debt of more than $250,000,000,000, or $6,297 per family, is a mortgage on future income. Notwithstanding this situation, additional staggering commitments are being recommended under the Fair Deal program which would ultimately cost as much as the estimated current combined wealth of all the countries in the world.

It should be obvious upon sober reflection that this Nation has embarked upon a reckless and dangerous course that is dissipating our resources, undermining the wealth-creating powers of the people, and siphoning seed money that should be plowed back into business for tools and equipment to increase our productivity and keep our economy in a strong and healthy position.

The nonpartisan Hoover Commission, after an exhaustive and careful survey, found that Federal expenditures could be cut by at least $3,000,000,000 annually without impairing in any way the essential services of government. This estimated saving is equivalent to the total average annual Federal expenditures in the 1930's. The many millions of American people who are concerned about Government finance should grasp this opportunity to do something constructive about getting our national fiscal affairs in better shape by writing to their Congressmen and insisting that there be a stop to the squandering of the taxpayers' money. The American people in every section of the country, as a matter of enlightened self-interest, should join in the crucial battle for the preservation of the solvency of this Nation, for upon this depends not only the survival of free enterprise and the democratic form of government, but also the hope of freedom-loving people everywhere.

Government Reorganization

EXTENSION OF REMARKS
OF
HON. CHET HOLIFIELD
OF CALIFORNIA
IN THE HOUSE OF REPRESENTATIVES
Wednesday, August 3, 1949

Mr. HOLIFIELD. Mr. Speaker, I would like to call two recent editorials on Government reorganization to the attention of the Members of the Congress.

One discusses the apparent attempt to sidetrack the Hoover Commission's and the President's recommendations for increasing efficiency and giving Cabinet status to the present Federal Security Department by diverting the debate to the controversial issue of health insurance, an issue not directly involved in the President's reorganization plan.

The second editorial deals with the necessity for managerial reforms to effectuate the organizational reforms recommended by the Hoover Commission. The Advisory Committee on Management Improvement appointed by the President on July 30 is composed of men having a wide diversity of experience in the field of management, and the committee should prove an invaluable aid in carrying through on the task we are beginning now by taking action to put the Hoover Commission recommendations to work in the various Government agencies.

Under unanimous consent I insert these editorials from the Washington Post of July 29 and August 1, 1949, along with my remarks, in the Appendix of the RECORD:

[From the Washington Post of July 29, 1949]

WELFARE DEPARTMENT

The barrage laid down by spokesmen for assorted medical organizations in testimony on the Department of Welfare proposed in the President's reorganization plan was aimed in reality at the existing Federal Security Agency and at the idea of a national health-insurance program. It had little relevance to the subject before the Senate Executive Expenditures Committee, to which the reorganization plan had been referred, and its extravagance was so great as to make it seem not quite rational.

It appears that the physicians, surgeons, and dentists—at least those representing the official professional bodies—don't want a Department of Welfare because it would enhance the prestige and elevate to Cabinet status the only existing Government agency which can provide the machinery to operate the administration's health-insurance program. What they do want is a separate department of health; and they insist that this be administered by a doctor. The benefits of such an arrangement are much more obvious from the point of view of the medical associations than from the point of view of the public.

It is hard to see what special qualifications for administration are conferred on a man by internship in a hospital and medical practice. This kind of training qualifies him admirably to diagnose and treat the physical ills of individuals; it does not give him any special fitness for dealing with the social ills of a Nation. In our view, health is not an isolated national problem, but is closely related to education and social security. These problems can best be dealt with on an integrated basis. And the head of the department dealing with them, whether in background a lawyer, doctor, or merchant chief, ought to be a man distinguished for his familiarity with and understanding of the cancerous social as well as physical conditions threatening the health of the American people.

[From the Washington Post of August 1, 1949]

MANAGING GOVERNMENT

Extensive changes in the cumbrous machinery of the Government are required to increase its efficiency and eliminate waste. Organizational reforms, such as those recommended by the Hoover Commission, are only preliminary to the much harder work of internal managerial reforms that must follow, if the objectives of the reorganization program are to be attained. Recognizing the essentiality of such internal administrative improvements, the President has appointed a special advisory committee to assist department and agency heads to simplify and modernize their methods of operation and to keep him informed as to the progress being made.

Wisely, we think, the President has enlisted the services not only of businessmen and experts in public administration but of Government officials as well. The mixed character of the committee should greatly enhance its usefulness. For it will afford opportunity for an appraisal of administrative performance by outsiders whose standards of efficiency are based on their knowledge of what constitutes efficient management in private business organizations. At the same time, the presence on the committee of seasoned Government officials will act as a deterrent to overharsh judgment and impracticable reform proposals making insufficient allowance for the limitations imposed on Government executives by laws and regulations.

Nevertheless, the Hoover Commission studies have shown that a great deal of the bureaucratic red tape that consumes time and manpower and results in a mountainous mass of paper records is due to failure to use modern mechanical methods and "insufficient attention to the problems of internal administrative management." Government officials who have become habituated to slow-moving and wasteful methods of operation will find it difficult to mend their ways. They need the spur of objective criticism and suggestions for improvement. The new advisory committee to which that task has been assigned has a challenging duty to perform.

Slovakia's Right to Independence

EXTENSION OF REMARKS
OF
HON. MELVIN PRICE
OF ILLINOIS
IN THE HOUSE OF REPRESENTATIVES
Wednesday, August 3, 1949

Mr. PRICE. Mr. Speaker, under leave to extend my remarks in the RECORD, I include herewith a letter which I have received from Mr. John Sedlacek, chairman of the Southern Illinois Slovak Fed-

eration, on Slovakia's right to independence:

EAST ST. LOUIS, ILL., *July 12, 1949.*

Hon. MELVIN PRICE,
House Office Building,
Washington, D. C.

Subject: Slovakia's right to independence.

SIR: As the Slovak Nation prayerfully awaits the fate that befell their greatest historic figure, Msgr. Josef Tiso, reports have come repeatedly that the Bolsheviks of Czechoslovakia are about to surrender Slovakia to the Soviet Union.

The Soviet juggernaut wants to suppress, not only the Slovak peoples' liberties, but their religious rights as well.

This will be the Soviets' greatest error, for the greatest gift of the Slovak Nation to the Christian heritage of Europe is its unwavering fidelity, its loyalty to the apostolic see of Christendom and its stanch defense of the citadel of Christian Europe above the Danube.

Slovakia has an ancient history which begins in the eighth century. She was a considerable political power at that time under her kings, the most glorious being the King Svatopluk. The Slovaks turned to Christianity, as first from the central European peoples, as the following: 50 years before the Czechs; 150 years before the Poles; and 200 years before the Hungarians. The first Christian church in Slovakia was consecrated in 830 at Nitra.

In the tenth century, for the first time in world history, Slovakia's national independence was destroyed by the Hungarians and since that time, until 1918, Slovakia was incorporated into Hungary. The Slovaks took active part in repelling the invasions of Tartars. It is worthy of note that from the entire former Hungary, only Slovakia remained unoccupied by the invading hordes of Turks. Slovakia at that time already represented a natural bulwark of central Europe.

In 1918 Slovakia was incorporated into Czechoslovakia without a plebiscite. Frauds and forgeries were made use of to create the so-called Czechoslovakia, which had never existed before. The period of 20 years (1918–38), Slovakia had to struggle against the tyranny of Prague. The so-called Masaryk's republic, was anti-Slovak and oppressed the most elementary political, national, economic, and social rights of the Slovak people.

Until now, experience has shown to the Slovaks that the Czechs have broken with every obligation they have taken upon themselves in respect to the Slovaks. They did not honor the Pittsburgh pact of 1918, signed by Masaryk, which granted autonomy to Slovakia. They did not hold the pledge taken by Benes at the peace conference of Paris, 1919, concerning creation of a Czechoslovakian federation following the Swiss model. The Czechs have violated constitutional laws governing Slovakian autonomy from 1938. The Czech Bolsheviks have infringed the Kosice agreement, concluded by Benes and Gottwald. It has proved that in the Czech chauvinism there is no difference in the attitude of the different Czech political parties. The abyss existing between the Slovaks and the Czechs has become unsurpassable as a result of the violence over the Slovaks practiced by the Czechs in their zeal on services of international bolshevism. Therefore the discontent of the Slovaks with Czechoslovakia is understandable.

On March 14, 1939, Slovakia proclaimed deliberately her independence and thus ended centuries of long struggles for national freedom. The Slovak Republic proved during the Second World War to be economically a compact unit and possessed natural prerequisites of a safe economy.

In 1945 Slovakia was annexed by the Czechs through the intermedium of the Soviet armies. No plebiscite was permitted by the Czechs who were supported in their anti-Slovak policy by Moscow as a reward for their services to the cause of backing interest of international bolshevism in the duration of the last 30 years.

Slovakia has 3,500,000 inhabitants. Thus, she has more inhabitants than Albania, Costa Rica, Dominican Republic, Estonia, Honduras, Ireland, Iceland, Luxemburg, Norway, Panama, Salvador, Transjordan, and New Zealand. She has nearly as many inhabitants as Bolivia, Denmark, Finland, Guatemala, Iraq, Venezuela, Yemen, and Switzerland.

Slovakia's area is 49,000 kilometers. Thus, she is larger than Albania, Belgium, Estonia, Haiti, Luxemburg, Netherlands, Switzerland, Salvador, and Palestine.

Ethnically the Slovaks represent a different group from the Czechs by their history, popular culture, and language. The Slovaks are deeply democratically minded and faithful Christians, whilst the Czechs do not allow other peoples to enjoy the benefits of democracy, which they only want for themselves. The Slovaks favor a peaceful cooperation of the Danubian people—as a federation of Danubian nations following the Swiss model. On the other hand, the Czechs provoke trouble in central Europe by their collaboration with the Bolsheviks. The Slovaks were and are anti-Bolshevik, whilst the Czechs already before 1938 has favored the penetration of the Soviets into central Europe. During and after the Second World War, they openly adhered to the Bolshevik system (as stated publicly by Churchill of England) and Moscow's political plan of a pan-Slav Europe. So you could see that the Czechs or pro-Bolshevik or Communist by the number that belong to the Communist Party. The Czech membership in the Communist Party is 1,186,098, or 13.5 percent of their population; in Slovakia only 48,527 members could be found, or 1.4 percent.

Slovakian people are longing for the reestablishment of the Slovakian state; the Czechs try to mislead the influential quarters of the other nations of the world. Therefore, they declare the Slovaks are Fascists. If to believe their propaganda, only those few Slovaks are democrats who for money put themselves at their service. These few traitors do not represent the political will of the Slovak Nation. The so-called Czechoslovakian Republic was reestablished only by an open violation of the will of the Slovakian population.

The Slovaks want democracy and freedom, whereof they were deprived by a common Czech-Bolshevik fraud. Away with this fraud. Let democracy be victorious. Let Slovakia have the right to be independent.

Sincerely,

JOHN C. SEDLACEK.

Welfare Department

EXTENSION OF REMARKS
OF
HON. WILLIAM M. McCULLOCH
OF OHIO
IN THE HOUSE OF REPRESENTATIVES
Wednesday, August 3, 1949

Mr. McCULLOCH. Mr. Speaker, the President recently submitted his reorganization plan No. 1 to the Congress.

Certain features of the plan are most objectionable to many people, both in and out of Government.

Ernest E. Irons, M. D., president of the American Medical Association, forcefully set forth some major objections to the plan in a letter to the editor of the Washington Post which was carried in the issue of July 29, 1949.

The letter follows:

To the EDITOR:

WELFARE DEPARTMENT

It is imperative that Americans be alerted to the dangerous implications of the President's reorganization plan No. 1.

The President's plan seeks to give Cabinet status to the Federal Security Administration. It would establish a department of welfare which would assume all the functions and duties of the present Federal Security Agency. The Federal Security Administrator would become acting secretary of welfare until the President made a permanent appointment.

The plan states that the Hoover Commission "recommended the creation of a department to administer the social security and education functions of the Federal Government." The President's plan recommends far more, however. It states, "This new department will perform the functions and conduct the programs now administered by the Federal Security Agency."

The American Medical Association has, since 1884, advocated the establishment of a Federal Department of Health headed by a Secretary who is a physician.

We believe the Nation's health is important enough to justify such a department. A physician could best administer the department, in our opinion. We believe, furthermore, that health should not be subservient to other department interests within a single executive body.

One of our principal objections, however, is that in view of the announced stand of the Federal Security Agency on compulsory health insurance, giving this bureau Cabinet status would only implement the aspirations of those who seek to make America over in the pattern of the bankrupt welfare state.

The President's reorganization plan No. 1 lumping together as it does health, education, social security, and welfare activities in a single department administered by a layman—does not meet the Nation's health needs. Inasmuch as this reorganization plan automatically takes effect if the House of Representatives or the Senate does not take majority action against it before August 19, the only answer is prompt rejection by the means at hand.

ERNEST E. IRONS, M. D.,
President, American Medical Association.
CHICAGO.

Dangerous Drivers Are Different

EXTENSION OF REMARKS
OF
HON. THOMAS J. LANE
OF MASSACHUSETTS
IN THE HOUSE OF REPRESENTATIVES
Wednesday, August 3, 1949

Mr. LANE. Mr. Speaker, under leave to extend my remarks I wish to include the following article from the Standard, Montreal, Canada, July 30, 1949:

DANGEROUS DRIVERS ARE DIFFERENT

(By Jacqueline Sirois)

If you are antisocial, aggressive, intolerant of any authority or discipline, you shouldn't be driving a car. You're probably "accident-prone," a term devised by two London, Ontario, psychiatrists to describe those people who have more accidents than can be explained on chance alone.

The two London doctors, W. A. Tillmann and G. E. Hobbs, set out to discover the personality characteristics of safe and unsafe

drivers. What they uncovered throws out all the established rules for measuring the efficiency of any driver. There is no relation between a good driver and a safe one. A man drives as he lives and if his life is erratic and unstable, his driving will be the same, yet he may know all there is to know about a car, its motor, and how to drive.

Tillmann and Hobbs got a grant from the accident committee of the Canadian Life Underwriters' Association to make a study of the personalities and driving habits of London bus drivers and taxi drivers. To determine if the same characteristics were to be found in the general driving public, 96 drivers with histories of four or more accidents in the London district were checked by social and law-enforcement agencies. These were compared with a control group of 100 accident-free drivers.

Sixty-six percent of the high-accident group were known to these agencies in contrast to 9 percent of the control group. The findings were similar to those of the taxi group. The doctors concluded that personality characteristics and social background must be considered in any over-all attack on the accident problem. They stressed that this could be done at a sufficiently superficial level, without specialized psychiatric training.

London is a city with a population of about 10),000. It was difficult for the two doctors to get records of the municipal bus drivers, but they did discover that 10 percent of the total number of drivers accounted for 25 percent of the total number of accidents.

It was easier to work with the taxi drivers. The local taxi firms, plagued by high accident rates, an high insurance costs, welcomed any study which would bring relief. The drivers were classified first into high, low, and averge accident-frequency groups. Dr. Tillmann spent 3 months with them, riding in their cabs, talking to them, checking their stories. Some 40 drivers, constituting the high and low groups, were interviewed.

Each driver's personal history was obtained. His parental background, childhood, and adolescence was gone over and his adult adjustment was checked. Information was received from the police department, the juvenile court, and the social agencies. Notes were made on the cleanliness of the cab and the presence of undue accessories. Certain drivers, particularly those in the high accident group, tend to minimize the number of their accidents and exaggerate the magnitude of their driving experience, the doctors discovered. They made no effort to determine if the driver was at fault.

"We agree," they said, "that those with high-accident rates appear to have more blameless accidents than the low group. The fault of the accident-prone driver is that his driving habits leave him little chance for protection against any unexpected happening."

What is the accident-prone driver like? Here is his history, and all of them fit into the general picture.

The divorce rate of the parents is high. There was gross disharmony between the parents. One or both was excessively strict. The father often was a poor provider, with a record of being an excessive drinker, with few friends.

Eleven of the accident-prone drivers gave a history of childhood instability of an aggressive type. They had temper tantrums, frequent fights. Many of them showed bully characteristics and were leaders of a gang with frequent appearances in juvenile court. An equal number gave a history of nonaggressive anxiety—fear of fights, bed-wetting, the dark, deep water, excessive dangers.

In school, their scholastic standing was average but there were frequent records of truancy and disciplinary infractions. They showed interest in sports involving group activity and bodily contact. Most of them left school to seek independence.

Their work records showed frequent, short-term employment, with the driver often saying that he had been discharged. Their adjustment to employers is poor. As a group, they are satisfied to stay in their present jobs. It offers the line of least resistance and it allows a freer play of their aggressiveness, more so than do settled, routine jobs.

Socially, they have made many acquaintances, few friends. Their emotional attachments are superficial and vary from day to day as their impulsiveness dictates. In a group, they always attempted to be the center of the stage. Their interest in hobbies is rare. Their main activities are found in sports, drinking, gambling, and occasionally, dancing.

If they are married, they tend to be unfaithful and show little interest in or responsibility toward their families. A history of promiscuity is common but the venereal disease rate is not particularly high. They have little anxiety or feeling of guilt over sexual misdemeanors.

They were subject to the usual childhood diseases, and personal injuries from accidents are common, but otherwise their health is good. There are few functional complaints.

As a group, they behave in an immature manner. They use filthy language freely and are good conversationalists but they take advantage of every occasion to try to impress others with their importance. They show no concern over their problems and their personal dress tends to be eccentric.

As drivers, they are easily distracted while driving. They are readily annoyed at other drivers, often criticize their own driving mistakes in others. Horn-honking and racing other cars away from a stop light are specialties. They show a marked interest in the mechanical aspect of the car but express no concern over the possible mechanical limitations of it. Their cars often are untidy, dirty, and contain flashy accessories. They tend to be discourteous to passengers.

Philosophically, their thinking is dominated by fatalistic ideas and an interest in the material aspects of life. They dislike discipline, abhor routine, and express a strong desire to be their own bosses. They consider only the immediate future, think only of the satisfactions of each day.

In contrast to the high-accident group, the low-accident drivers are serious, stable, well-adjusted and well-integrated in home backgrounds.

The parental divorce rate of the group is low, and harmony between the parents was usually considered adequate. Their parents were firm, understanding individuals, who were considered stable and well-adjusted.

As children, some of them possessed features of mild instability but these were always of the nonaggressive type—fear of the dark and heights, fear of fights, excessive shyness. Usually, they were followers in a gang but active delinquency was rare.

They were average students and there is no history of truancy. There was a common interest in group sports and usually they left school because family finances demanded it.

They have a record of long periods of employment with adequate adjustment to previous employers. They express the desire to better their situations by changing to more stable jobs.

They possess a group of friends but are quiet and conservative in a crowd. They express an interest in a hobby, such as gardening, sports, church groups and the like. If they drink at all, they do it moderately and seldom gamble.

The married men are faithful to their wives with a marked interest in home and family. Sexual promiscuity is not common and if it is present, it is associated with worry about these misdemeanors.

They had the usual childhood diseases but this group has a higher incidence of sickness, such as minor respiratory infections, than the accident-prone group. Functional complaints are relatively common and they tend to be health-conscious.

They are quiet, reserved and it is difficult to establish contact with them. They are conscientious about their work and tend to brood over their problems.

They are serious while driving and often refuse to talk. They are courteous to other drivers on the road and conscious that the other driver might do the wrong thing. They appreciate the mechanical limitations of the car but as a group do not show strong mechanical tendencies. Their cars are clean and conservative and they are courteous to passengers.

They are interested in the welfare of others and concerned about their problems. They think of the difficulties of the future and adjust well to any discipline involved in their occupation.

The two London doctors found out that the accident pattern is no more rigid than the personality pattern. If there is an event in a person's life that changes this pattern of reaction and philosophy, then the accident pattern will change with it.

As an example, they point to one taxi driver who was accident-prone. At 27, he married a girl who was very religious. He stopped drinking, became interested in his home and his wife. From the age of 27 to 39, he drove 550,000 miles, with one minor accident.

As far as the general driving public is concerned, the same pattern is followed. The two doctors picked out 96 male drivers in London who had four or more accidents. They got the information from the Ontario Department of Highways and only accidents involving $50 or more were used as a basis for the study. Another 100 drivers were chosen as a control group. They were accident-free but of the same age and sex as the 96.

Sixty-six percent of the accident-prone group was known to one or more of the several agencies queried: the juvenile court, the adult court, public-health agencies, the venereal-disease clinic, three social-service agencies, the credit bureau.

Only nine members of the control group were known to any of the agencies and in no instance was a person known to more than one.

Of the accident-prone group, the credit bureau had contacted 34.3 percent; the social agencies, 17.7 percent; the public-health and venereal-disease clinics, 14.4 percent; the adult court, 34.3 percent; and the juvenile court, 16.6 percent.

Of the control group, the credit bureau knew six and the social agencies, adult court, and juvenile court, one each.

"It has been shown," concluded the doctors, "that because of their high accident rate, their importance in contributing to accidents far exceeds their numbers. In other words, a few drivers account for a disproportionate number of accidents, year after year."

What is the solution?

The London doctors think they have a plan. Their study, they feel, is important to commercial organizations who now use tests "such as reaction time to specific stimuli. These cannot differentiate between high-accident rate and low-accident rate drivers."

They feel there is a fundamental error in these tests. They are based on driving skill, not on safe driving—and there is a world of difference.

The type of individual, they point out, is much more important than mere skill. They stress that any personnel manager could check the history of a prospective driver, based on the general outline of the London study. The time it would take would more than be made up in the decrease of the accident rate.

As for the general driver, the doctors feel that after one, two, or three accidents within

a short period of time, the driver's license should be revoked indefinitely, if, after a study based on the London experience, he fits into the accident-prone category.

The general driver should be allowed to apply for reinstatement at any time. There should be no limit on that—but he must prove that there has been a change in his life. It is not a matter of learning a lesson, the doctors feel. The basic personality is involved—and that must change. They realize that their plan would meet with a certain amount of opposition but they believe it is the only way to cut the rate.

"Until society is convinced that accidents are not always chance happenings and that sometimes they reflect the basic personality of the individual," they say, there will be more and more accidents.

The Military Assistance Program

EXTENSION OF REMARKS

OF

HON. LAWRENCE H. SMITH

OF WISCONSIN

IN THE HOUSE OF REPRESENTATIVES

Monday, August 1, 1949

Mr. SMITH of Wisconsin. Mr. Speaker, under leave to extend my remarks, I include an article by Gen. Bonner Fellers, which appeared in the July 27 issue of Human Events, on the arms program now under consideration by the Foreign Affairs Committee, as follows:

When ratified by the Governments of France and the Netherlands, which are about to act, the North Atlantic Treaty will stand, side by side with the Constitution, as the supreme law of the United States. The Eighty-first Congress must now pass upon the President's military-assistance program. In the language of the Department of State, this program is "separate and distinct from the North Atlantic Treaty."

It is the view of the State Department, however, that western Europeans need, as a gift from the United States, military equipment "adequate to control internal disorders and to convince an aggressor that he would pay dearly for any attempt to cross their borders." It is further argued that confidence in western Europe "is based on the belief that through the North Atlantic Pact security from external aggression can be attained." But, "the preponderant military power which could be brought to bear upon an aggressor is centered in the United States, 3,000 miles from western Europe." So, the State Department concludes: "We cannot count on our friends in western Europe to resist if our strategy in the event of war is to abandon those friends to the enemy with a promise of later liberation."

In the interests of the American people, and in fairness to our allies, the Congress will do well to ponder objectively and professionally every implication of the President's military-assistance program.

II

The North Atlantic Treaty, in itself, has enormous psychological value. It is the symbol of unity and determination of the western powers to resist aggression from a source which President Truman now openly defines as Soviet Russia. But there are grave implications in the proposed military implementation.

It would prove disastrous to send weapons to peoples whose governments are likely to change so radically that our weapons might be used against us. Nor would it be in keeping with American traditions to supply European governments with weapons which might be used against colonial peoples.

The peoples of western Europe are understandably fearful of being overrun by the Red Army. The type of military equipment which they want traces back to a frantic desire to hold the Rhine, possibly the Elbe, with tanks, artillery, machine guns and bayonets, with air support. They know that only by successful ground combat can invasion be prevented. Being desperate, and very human, they rely heavily upon the United States to help. But a realistic appraisal of the combat effectiveness of the potential aggressor, as opposed to that of our allies, discloses the futility of the strategy.

In the last war—before lend-lease—11,000,000 Red soldiers, equipped entirely by soviet industry, were thrown against the Nazi attack. When the war ended, Stalin was using 502 Red Army divisions to push Hitler back into Germany, while on the western front the allied strength was 91 divisions, of which 63 were American.

The purpose of the military assistance program, we are told, is to warn Soviet Russia that we mean business. Let us look at Mr. Stalin's always logical reaction. In view of his vast Red Army he will scarcely be impressed with any peactime Allied ground force mobilized on the Rhine. While, for political purposes, he may oppose American military assistance to Europe, he surely rejoices in its economic consequences.

There are other factors favoring Russia. Her greatest allies are distance, winter, and manpower. Russia without its satellites is nearly three times the area of the United States. Russian winters are so severe that Americans and western Europeans cannot stand them. Russia has an inexhaustible supply of manpower, which its leadership deems expendable.

Terrain favors Russia. Europe is actually a tapering peninsula on Russia's western frontier. As armies advance westward the front narrows, the road and rail nets become more dense, the climate milder, and the Atlantic puts a stop to further retreat. But as armies move eastward the front rapidly widens, from 750 miles between the Baltic and Black Seas to 2,000 miles from Murmansk to Caucasia. The road and rail nets thin out. Winter immobilizes ground action, and for 6,000 miles there are no barriers to an eastward retreat.

To present even reasonably effective discouragement to the Red Army would require a peacetime garrison of at least 60 divisions. Since the cost of one division, from inception to combat readiness, is about $400,000,000, the financing of such a force, even without tactical air support, would approximate $24,000,000,000. Were this country to furnish its proportionate share of troops we would certainly need universal military training, with all its moral and material cost.

Even if our allies had all the American equipment needed they could never hold against the Red army. It would be less than honest if the United States Government were to endeavor to hoodwink them into believing they could hold. It would be less than honest to permit our allies to believe that our assistance will do the job.

Nevertheless, inherent in the proposed military-assistance program is the constant risk, which I presume we have calculated, that Stalin will be tempted to strike the Allied Rhine forces at a time when his occupation of western Europe would be quick and certain. The treaty binds the United States to assist. Our resultant losses would be enormous. The American people would recoil in horror, and then belatedly examine the quality of our leadership.

III

Fortunately, there is a brighter side to the picture. The United States has a powerful deterrent to aggression. It is our atomic bombs and the long-range bombers which can deliver them. This, and not our ground and sea forces, is the one threat which impresses Stalin. Russia's eternal allies—distance, winter, and manpower—are important against air power. From World War II air power emerged as the greatest striking force known to warfare. So long as we maintain the lead in bombs and bombers, this war deterrent is likely to continue effective.

Against the active opposition of the administration, the Eightieth Congress approved a 70-group Air Force program. Now a cut-back to 48 groups is contemplated. It seems that the $1,450,000,000 initial military-assistance program, plus the $15,000,000,000 current defense budget of our own, total more than we can afford. The future security of this country hinges on how the essential cut is made.

We can achieve national security, and at the same time cut expenditures, if we create a tailor-made force to meet the combat characteristics of our designated enemy. The formula is simple, yet the Defense Establishment has not so far found it: The best Air Force in the world supported by an adequate Army and Navy. Since Russia is immeasurably strong on land, we must avoid large-scale ground combat. A ponderous and expensive ground force, therefore, is unnecessary. Russia has only a small fleet; our Navy is exceedingly powerful.

For the present, therefore, we can hold back on Army expenditures; we can safely skimp the Navy budget. But Russia has announced that she will build the most powerful air force in the world and our Moscow observers recently have been deeply impressed by the progress already apparent. It is vital to the survival of the United States that we retrieve and maintain air supremacy.

The use of air power as the striking force, supported by ground and sea forces, is in keeping with the necessity of economy. An annual expenditure of $6,000,000,000 for the Air Force, $3,500,000,000 for the Army, and $2,500,000,000 for the Navy would, within 5 years, place us in a position to insure the peace of the world. This is a total of twelve billion as against fifteen in the present budget. This we can afford. It is a drastic cut for Army and Navy, but this is no time to let tradition and sentiment overshadow the proved trends in strategy.

IV

The placing of our principal reliance in air power would not mean that the United States is abandoning the western European peoples. Since the attempt to hold the Rhine would be futile, it might actually be better to permit the Red Army to occupy Europe than to suffer the devastation which inevitably follows in the wake of tanks and guns and bombs. One more sweep of ground forces locked in combat across Europe would be all too likely to end its civilization permanently.

To Stalin, the peaceful occupation of western Europe is actually a war deterrent. There his Red soldiers would see a way of life, a freedom, a dignity of the individual beyond their widest stretch of imagination. Never again would they submit with docility to totalitarianism.

The proposed military assistance program places the State Department in the role of determining military strategy, in that it has invited our allies to requisition military equipment to hold their frontiers. Assistance to this program commits us to ground combat should war come. The situation parallels Pearl Harbor. It was a diplomatic rather than a naval decision that the fleet be stationed at Honolulu to deter Japanese aggression. Then the Hawaiian commanders were not advised that an attack was imminent. The proposed administration program could lead to far greater humiliation than the Pearl Harbor debacle.

The task of the Eighty-first Congress is to make sure that our allies understand precisely what help we intend and do not intend to give them. We must not be placed where we can be accused of welshing on the treaty. Clearly the administration has not found the formula for lasting peace. Its failure magnifies the responsibility of Congress.

(Brig. Gen. Bonner Fellers (retired), West Point, 1918, DSM with oak leaf cluster, was military observer with the British in Africa (1940–42) and on General MacArthur's staff as a ground officer (1943–46).

Pay Day for Jones

EXTENSION OF REMARKS
OF
HON. W. STERLING COLE
OF NEW YORK
IN THE HOUSE OF REPRESENTATIVES
Wednesday, August 3, 1949

Mr. COLE of New York. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following monthly economic letter of the Northeast Farm Foundation:

PAY DAY FOR JONES

Jones regarded his 2 weeks' pay check and the little accompanying slips thoughtfully. Slightly over $10 out for Federal income tax alone. Twenty dollars a month going to Washington to take care of big and little bureaucrats, big and little handouts, big and little countries overseas. Plus $3.50 out for this thing called social security. Plus the State income tax still to be piled on top of this.

"Could use some of that myself," mused Jones, as though the thought were a new one. He repeated the general thought aloud to his fellow worker, Smith.

"You're only smelling of the cork now," observed the other drily. "There's a lot more poison in the bottle."

"I suppose so," agreed Jones rather vaguely.

"Ever take any note of the taxes you pay out in the course of a day?"

"No, I never did. Be happier not to, I guess."

"Yeah. But it might be smarter if we did." Smith spoke with a little edge in his voice. "I'm getting to the point where it's nip and tuck to make ends meet. This tax load is just simply getting bigger than we're equipped to handle."

Jones considered this. The more he considered it, the bigger and tougher it loomed. He recalled his own monthly struggle to get the bills paid, the annual battle to pay local taxes, school taxes, State and county taxes on his home, the annual bout with the income tax bureaus. All of a sudden the burden of running this biggest and most expensive of governments seemed to weigh upon his particular shoulders. He felt oppressed by it.

At coffee time, he bought a carton of cigarettes, the price being 19 cents a pack. Slightly tax-conscious by this time, Jones queried the clerk as he broke open a pack:

"How much of this 19 cents is tax?"

"Well," answer the tobacco man, "somewhere around 9 cents of it goes to the Federal Government and around 3 cents to the State. Roughly 12 cents of it is tax."

"You mean to say I could buy this pack for 7 cents instead of 19 cents if it weren't for the tax?"

"Yes, a little less than 7 cents right now."

"Sure," said his friend back in the office when Jones commented on the item. "Tobacco is loaded with taxes. Believe it or not, the Government collected almost twice as much taxes on tobacco last year as the farmers got for the whole crop. The farmers got about a billion dollars. Then the tax men piled on near two billion for you and me to squirm under. Saw the figures in a Government bulletin."

(The Agricultural Situation. USDA, June 1949, p. 10.)

"Fine thing," said Jones. This load on his daily smokes was insult added to injury.

It was this frame of mind which prompted him to eye the sign on the gasoline pump where he stopped to fill up at noon. "Price 17 cents per gallon, tax 7 cents."

"Gimme 10 gallons of high-tax," he said rather sourly. The filling-station man had heard it before. He merely grunted sympathetically. He didn't like it, either.

"The Government take was plenty on this bus you're using it in," he commented.

"Right. Tax on this car was $120, come to think of it."

"Don't forget a $20-a-year license to run it, plus driver's license."

"Two billion a year motorists pay in taxes, so I've heard."

"Expensive country, ain't it?"

"You said it," answered Jones.

He stopped to telephone Uncle Jim in New York. The girl at the switchboard handed him a slip that read, "toll charge 60 cents, tax 15 cents." Well, he had business in New York on Monday and he had to make some plans by word of mouth, tax or no tax.

To get his transportation arranged he drove around by the railroad station and bought a ticket. The ticket with berth, had an item on it, "tax $3.99." Jones crammed it in his wallet and while at the station went around to the freight office to see about the new sink he had ordered from the mail-order house. It was there. The clerk made out a bill and handed it to him. Yes, the inevitable trimming—"tax, 35 cents."

"Doggone taxes jump at you from everywhere. Sneak up on you," muttered Jones to himself as he paid the freight.

This being Saturday afternoon, Mary had come into town to do some shopping and they went about it together. His impending trip to New York caused a window full of leather luggage to catch Jones' eye.

"Could use a new bag like that," he remarked. But a second glance took the joy out of it. The sign said, "Price $30, tax $6, total $36."

"Sure, I see what that sign says. I could use a new fur coat, too," observed his wife in like vein, "but who's going to pay $40 tax on top of a $200 coat? Not the likes of us. If they want ordinary folks to buy things like this, let 'em take off those ridiculous taxes and get prices down to reason."

From which it appeared that the Jones family was becoming slightly resentful of the white man's burden. And somehow they had begun to feel rather uneasy about the whole thing, too, a vague feeling as though some giant octopus had them in its clutches and was applying the squeeze.

In a drug store Mary bought a roll of film, tax 15 percent, and some toilet preparations, tax 20 percent. In the window of the jeweler next door she regarded the tempting gems, tax 20 percent. They passed a bright-fronted movies and Jones read aloud the admission price: "Seventy-five cents, tax 15 cents."

"A fifth of it's tax," he remarked as they passed by.

Mary bought a few household articles and some cloth to make dresses for the girls. The clerk made out the sales slip, adding the final item: "Sales tax 12 cents." Jones regarded that meager item as though it might sting him, which, in fact, was not far from the effect.

They talked it over further as they finally entered a restaurant.

"Never realized what a racket this has got to be," observed Jones thoughtfully, "goes right on, day in and day out, no let-up."

"Why, it's terrible. Every single move you make they snare you with a tax. Seems to me about time this thing ought to have something done about it."

Jones was beginning to be of that mind, too.

"Here's the light bill with a tax hitched on to it. Of course, the gas bill does, too, and the phone bill. And notice of a tax to pay on the dog. License tax if I so much as go fishing. Can't have a cocktail even, without swallowing about three big taxes."

Jones' tone was that of a man slightly puzzled by it all. Somehow that high cost of being an American citizen seemed to have overtaken him all at once. He knew, however, that this wasn't so sudden. It had been going on quite a while.

They caught sight of Smith in the restaurant and he came over and joined them. Evidently he had done some thinking on this subject.

Jones regaled him with some of the things they had been noticing.

"Can't maintain half the populace on a charity basis and on top of that support most of Europe and some of Asia, without taking it out of our hides," summed up Smith.

"Who's reaching into our pockets like this? Is it the city or the State or Washington?"

"Well, all of them, of course—but most especially Washington. Before the war (1940) the total State-and-local-tax haul was eight and a half billions, Federal Government five and a half billions. But now that Potomac camel has grown till he's pushing everybody else out of the tent—now State and local alone take fourteen and a half billions, but Washington takes $40,000,000,000. That's in 1 year, you understand. One year's bite out of the people."

"How can those Government boys spend it, with only 300 working days a year to write checks in?"

"Well, sir, believe it or not, they're actually spending more than that. Even more than they take away from us. The Government closed its books this year almost two billions in the red. And this coming year they're set to spend probably five billions more than they rake in, in taxes. They'll just have to go to the banks and borrow. Can you beat that? The fact is, the Government has spent more money these last 4 years than in all the preceding 169 years since the founding of the country. Talk about spenders."

"What's the matter with those fellows down there? Are they insane?"

"No, they're about the same kind of folks as you and I. But there's a new philosophy floating around the last dozen years. A socialistic idea that the Government can support the people. The idea is to take property away from everyone who has any, by this taxation process, and give it to favored groups. Pass it out in pensions, subsidies, cheap food, free medical care, partly free housing, free college education, unemployment relief, social-security doles, and so on."

"Plus a big hand-out for Europe?"

"Oh, sure, a big piece of pie for Europe. Twenty-eight billions dished out to our friends overseas in the last 3 years. Eight billions more to be given to them this year."

"What do they do over there with all that money?"

"Oh, the most of it goes across, not in cash but in goods. What they take from us is more valuable than money. The money only serves as counters, like poker chips. What they take is our real wealth: Our steel, lumber, oil, coal, grain, meat, fertilizer, machinery, and the like. Yes, it's a mighty big piece of pie for Europe. And, of course, you and I have to pay for it. Let's hope it's a good investment."

Mary broke in to ask, "What's our biggest expense here at home?"

"Well, our military machine is the biggest single item. The Army, Navy, and Air Force take over a third of the whole budget. Costs money to keep up a good defense machine. But the services waste a pile, too. Those brass hats spend money like water. They could tighten up on the waste a whole lot without hurting their efficiency the least bit. Every man who's been in the service knows that.

Jones nodded. He'd seen plenty of such waste at first hand.

"What about the ordinary cost of running the Government?"

"Twice what it should be. I've done considerable work in Government service. I know how it is. There isn't a civilian department in Washington but what could be cut in half and still perform its necessary functions."

"Yeah, but Congress keeps right on appropriating more and more money, not only for running the Government, but for all kinds of new things. How about that?"

"True. One socialistic project after another. This new housing law is a sample—810,000 new houses to be built—financed with taxpayers' money. Will cost ten to twenty billions, nobody can figure how much. Same idea I mentioned—theory that Government can support the people, instead of other way around. Takes some tall taxes out of us little fellows to play that kind of games.

"Well, they're tall, all right. Here's one—family named Carter moved into our block last week. Nice fellow. Told me the tax on his moving bill amounted to over $10. Had to pay taxes on his deed, of course, and on the mortgage. Literally can't move without being taxed.

"Yes, taxes are piled on everything. These particular things are out where you can see them. But back of them are a whole jungle of hidden taxes that we are stuck with and can't even see. Take this margarine here on the table. We know that's taxed. But we don't think about the same taxes we have to eat in bread or cake or anything that has shortening in it.

"This bread, made probably from Dakota wheat, has some high railroad and corporation taxes in it, too, and these oranges from Florida are loaded down with special truck and highway taxes. Ditto the cream and the vegetables. The clothes we're wearing have got a lot of hidden taxes in them. My shirt cost $3 and somewhere around a dollar of that is taxes on one kind or another.

"That's an outrage," interjected Mary.

"The politicians kid us along by piling taxes on the corporations," Smith went on. "The corporations don't really pay those high taxes, they just serve as tax collectors. The fact is that we working folks pay virtually every one of those corporation taxes. All these high charges levied on the manufacturers and processors and distributors actually come right out of you and me. They're passed right along to us in the price of the product.

Smith leveled a finger at his friend.

"Do you know there are 6,250,000 people on the public pay rolls? Six million two hundred and fifty thousand of those living off you and me? Do you know that you work every single Monday all day, and Tuesday forenoon besides, just for them—that they eat up your and my and every other workingman's entire earnings for 1 day out of every 4? That's how it is. A year's taxes now amount to $1,450 levied on every average family of four people."

"Well, by George, this whole thing has reached the point where it scares me. You know it wouldn't be hard for a government operating like this to take away everything that we small fellows have. It isn't necessary for our people to be bled like this. Can't the expenses of Government be cut?"

"Of course they can be cut."

"Where is the place to begin?"

"The way to cut is to cut. Say, 10 percent right across the board, for a starter. Of course, every officeholder in the country will howl like a coyote, but let 'em howl. This thing is serious for you and me. We don't have to be complete suckers and do nothing about it. When our forefathers were taxed beyond endurance they did something about it."

"How're you going to make that idea register?"

"By pressure on the politicians—on every one of them, from the President down. Rise up on our hind legs and tell 'em so they understand it: Cut taxes or we'll defeat you next time up."

"These so-called have-nots, these folks on the receiving end—and there are a lot of them—they won't like it."

"Correct. They won't like it. So what? Let's have a showdown and see which side of the fence the people of this country are on. I think you'd find that the sane, sensible, hard-working people who pay the bills are in a majority. They have a cause, all right. They've got to have leadership. They've got to have the issue presented squarely. And after that they've really got to fight for themselves."

Smith paused and regarded his plate thoughtfully.

"The one most direct and practical attack on this whole socialistic idea," he said slowly, "is to cut taxes. It's the unlimited power to tax you and me that gives these spenders their leverage. Clip their fantastic income once and we'll have a lot less socialism in this country."

"Well," said Jones, "that pay check I got this morning has got to last 2 weeks, and some besides. Either it actually does that or I'm sunk. But it spreads thinner every time. Pay day has gotten to be merely payout day."

He paused to buy a paper from a polite little newsboy. Spreading it out on the table, all three diners stared at the headline.

The bold, black letters that looked up at them read: "Washington thinks higher taxes are a must."

Jones regarded it a moment, then uncapping his fountain pen, scratched out the word "higher" and wrote in its place the word "lower."

"Natural mistake of the politicians, under present conditions," he observed gently. "We'll have to set them straight."

The Unworried West

EXTENSION OF REMARKS

OF

HON. ELBERT D. THOMAS

OF UTAH

IN THE SENATE OF THE UNITED STATES

Wednesday, August 3 (legislative day of Thursday, June 2), 1949

Mr. THOMAS of Utah. Mr. President, I ask unanimous consent to have inserted in the Appendix of the RECORD an article written by E. C. K. Read, associate editor of Steelways, entitled "The Unworried West."

This article deals with an attitude and is not wholly descriptive or historical, but it shows that the spirit that made the West what it was in pioneer days is still there, and it shows, above all things, that the industrialization of a community does not necessarily mean dinginess, crowded conditions, the polluting of rivers, and the filling of the air with sooty smoke and noxious gases.

The article carries a picture of the great steel plant in Geneva, Utah, which shows that the farms next to the plant have not been disturbed.

When workingmen can live in their own homes, send their children to schools from the kindergarten through the graduate schools, go fishing whenever they have leisure to fish, working conditions have at last reached the level about which men have been dreaming.

The West may give to our Nation its greatest need: the necessity of thinking of our citizens as being entitled to live complete lives, regardless of their occupations.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

THE UNWORRIED WEST

(By E. C. K. Read, associate editor of Steelways)

If you want to go West this summer and enjoy it, take some suntan oil, a bathing suit, and a fishing rod. If you want to understand the West, take an adding machine. As long as you don't touch the subtraction key, it will speak the western tongue.

For the West today is one region of the country which refuses to worry about disinflation. The mere fact that markets for paper, chemicals, glass, furniture, and rubber have fallen in California, that sales of storage batteries are slow in Oregon, that farm machinery orders are off in Denver, that carrots are overplentiful in Utah; and that other signs of economic downturn have appeared is no reason the westerners can see to be pessimistic. They cannot believe this decline will last. All the lines on all their charts have been rising for so many years that the upward look and the large statistic have become a state of mind.

There is more to this than a psychological trick. Beneath the bubbling confidence lies the purchasing power of 18,650,000 people—more than four for every three who lived there before the war. Along with this population growth, in which almost as many migrants crossed the Rockies as in 25 prior years, has gone a comparable expansion in industrial investment. Bank assets have nearly trebled in the 11 Western States since 1940. In California alone, factory employment has risen by 84 percent and factory pay rolls by 285 percent in less than a decade.

Not being an economist or a seer, I am unprepared to state that the West's economic millenium has arrived. But after a tour of Washington, Oregon, California, Idaho, Utah, Arizona, Montana, Wyoming, Colorado, and New Mexico, I will say that a visit to the West is a cheering shot in the arm. And I can report some observations to support the view that western optimism seems well-founded.

Our major factor is the quality of the western workingman. He has a reputation for high productivity, enthusiasm, and skill sharpened by war work. New industrialists in the West volunteer testimonials on this point. The western worker likes the climate, wants to stay. He is more likely to own his own home than is his eastern colleague, hence has a personal stake in his community.

Western industry has taken steps to make his working conditions good. At a luggage factory in Denver, I saw a recreation center being built for the employees. In steel mills along the coast, I saw machinery painted in colors to rest the eye and cut down accidents. A new 40-acre industrial site in Culver City, Calif., makes its steel scaffolds, electrical equipment, and gas furnaces in low, modern, pastel-tinted buildings—set about with green lawn.

Learning from eastern mistakes, the West is steering clear of one-factory or one-industry towns. There is strength for the long pull in diversification. That industrial site in Culver City is a case in point. Another is Portland, Oreg.

Portland's waterways to the sea and inland tended to make her topheavy in distribution. Now she is building up manufacturing—chemicals, metals, and machinery. Her old standbys, lumber and farming, are looking into byproducts from waste: bark and sawdust make alcohol, tannin for leather, fertilizers, cattle feed, filler for plastics; fruit seeds are being turned into tannin, pear peelings into marmalade. Into these and other enterprises, Portland has absorbed most of its 100,000 wartime shipyard workers, thus having the last laugh on pessimists who said the town would be two-thirds of a ghost in the postwar world.

The diversification trend can be seen in individual companies. An outfit in Seattle that specialized in garbage cans before the war has spread out. Today it makes downspouts, then switches to buckets and space heaters, then goes into mail boxes. Last Christmas it knocked out a couple of hundred scooters just before the holiday. In Colorado a small machine shop got tired of relying on job work from other firms. It put together a little cement mixer for residential housing and sold 40,000 in 2 years. Next it come up with a planer and a table saw, which have been shipped as far as India. Now the firm plans to add to farm windmill. Faith in the future? It has bought one of the biggest casting machines in the country—to speed up making of parts and bring down unit cost.

A great part of the strength of the West's new expansion comes from its being built on the needs of the West itself. Products are being developed or adapted to fit regional peculiarities.

One man has built a special transmission to fit eastern-made tractors; it gears them down to a mile an hour for spinach cultivation. Another man has an attachment which makes a three-wheeler out of an eastern four-wheel tractor to suit lettuce farmers.

The West is irrigation territory. So the West makes big-disc harrows for dry farming, springler pipe to water the land, long land levelers to engineer the fields for even flow of ditch irrigation.

There are makers of food machinery in south San Francisco who will design and build a gadget to peel, slice, pit, or package anything the vast farming population cares to grow. Portland makes high-legged trucks that carry lumber under their bellies and logging trucks that wear their trailers on their backs as they go back empty into the woods.

The West, in short, is no mere stamping ground for branches of eastern concerns. It's on its own feet.

With fields and forests from which to feed and house itself, the old West needed one thing to insure self-sufficiency—a solid foundation of basic industries that could take raw materials from western earth and hand them over to western manufacturers in useable form. The new West is acquiring this foundation with the help of steel.

Brigham Young, Moses of the Mormon people, founded the steel industry west of the Mississippi. He sent settlers into southern Utah in 1849 to find iron ore. In 1852, this little frontier post set a blast furnace going to make the West's first pig iron. In 1884, native iron was being converted into steel as far out as the Pacific coast.

Dozens of pioneers tried their hand at steelmaking, made their small contributions to American greatness, and passed into dust. But one, more tentacious than the rest, built a furnace in Colorado in 1881 and kept it at work. Around it grew a mill which is still growing today; the oldest western mill that takes iron ore and makes steel in semi-finished and finished form.

That mill was by far the largest in the 11 Western States in 1940, when the region's ingot capacity was 2,370,000 tons. Then came war, and new expansion. To supply coastal shipyards with plates and structural shapes, two new integrated mills were built in 1943 and 1944—at Geneva, Utah, and Fontana, Calif. And, though shipyard demand has dwindled, these 2 plants now are in the midst of expansion that will cost nearly $90,000,000. Together, they account for three-fourths of the increase in the West's steel ingot-making capacity over the last decade: from 2,370,000 to more than 5,000,000 tons.

To feed its blast furnaces, Geneva gets almost all its raw materials in Utah: Coal from Horse Canyon, 120 miles southeast of the plant; iron ore from Iron Mountain, 225 miles southwest; limestone and dolomite from Payson, 35 miles distant. Fontana is farther away from her coking coal (it comes 800 miles from Sunnyside, Utah) but only 163 miles from Eagle Mountain iron ore in Riverside County, Calif., and 12 miles from the limestone quarries. Geneva and Fontana both send most of their finished steel to western fabricators. It ends up as oil, gas, and water pipe lines, storage tanks, farm machinery, and tin plate for the canning industry.

The only railroad rail mill west of the Mississippi is part of the West's oldest integrated steel mill at Pueblo, Colo. Rising near it today are a new rod mill and expanded wire-making facilities. For these operations Pueblo draws its coal, fluorspar, dolomite, and limestone from inside Colorado, but goes afield to Sunrise, Wyo., and Cedar City, Utah, for iron ore.

Altogether, seven Western States contribute nature's makings for western steel and collect the bill for labor and materials. Nevada chips in with its manganese, Oklahoma with its coal, Arizona with its fluorspar. Pig iron cast at Geneva and Fontana feeds some non-integrated mills in Washington and California, but most west coast furnaces—both electric and open hearth—rely heavily on man-made scrap. Some of it still comes from shipbreaking, some from battle wreckage as far off as Japan.

Steel expansion not only gears into the expanding economy of the West but gives it impetus by diversifying to serve the West's diversification. Along with heavy tonnages in plate and strip and structurals, the mills scatter a lot of steel into barbed wire, bale ties, and fencing for the farmer, wire rope for the logging industry, nuts and bolts and light structural shapes for construction, steel netting for Northwest salmon fishermen, grader blades for road building, special nails for orange crates, electrodes for aluminum smelters, even the braided wire for those San Francisco cable cars.

The automobile assembly industry is an example of how the effect of the growing steel supply ripples across the western economy. Los Angeles now turns out more cars than any other United States city except Detroit. One Los Angeles motor plant alone subcontracts work on 512 parts to 48 metal-working firms. The subcontractors turn to local suppliers of iron and steel for the hot-rolled strip and sheet which goes into bumpers and wheels, cold-rolled strip for hub-caps, spring-steel flats for springs, and so on. This auto maker is trying to interest other western firms in making frames, and conceivably the whole car may some day be made on the coast in one integrated operation.

The industrial lure of the Northwest is cheap hydroelectric power. Washington, Oregon, Montana, and Idaho have 20 percent of the Nation's supply and almost half the estimated undeveloped potential. Western steel is a prolific source of reinforcing bars for the concrete dams. Some steel mills have shops that do nothing but fabricate transmission towers, while others turn out trusses, trestles, and cranes for the likes of Grand Coulee and Bonneville.

Steel's role in the rise of the West is further reflected in oil and mining machinery, in logging trailers and lumber handlers, in farm implements and food processing. But there is a young firm in San Francisco that perhaps conveys the new tempo better than all the others.

The three owners are Hans Goldschmidt and the Chamber brothers, Robert and Frank. Goldschmidt came to America from Germany in the thirties, did woodworking, then wound up building ships on the coast during the war. Robert Chambers was his boss.

After the war Goldschmidt cast about for something to do. A magazine article gave him a quick answer—there would be a boom in home-workshop equipment. That sort of thing he could make, and make well. But he needed money and merchandising ability. Chambers had both.

Starting in March 1947, Chambers underwrote Goldschmidt's salary and development costs on a machine that combined a lathe, a circular saw, a horizontal and vertical drill press, and a disc sander. Montgomery Ward liked the very first model. So Chambers signed up some ship-repair people who had equipment, steel, a war-born ability to improvise—and not much to do. By November, the first batch of machines was finished and Frank Chambers had left a New York department store to join the firm.

How did things turn out?

To date, the two brothers and Goldschmidt have bought 2,500 tons of iron, steel, and aluminum. Their Shopsmith, retailing at less than $200, has been signally honored with a full page in Montgomery Ward's catalog. Their backlog is beautiful.

That, in a nutshell, is the formula that is building the postwar West. A little capital, new skills acquired during the war, a desire to create something, and a wartime business in search of a key to prosperous peace.

Unlike the traditional promotion magician western industrialists frankly say they have many things up the sleeve—from that Denver man with the portable steel sawhorse to the projected atomic energy plant at Arco, Idaho.

Colorado is doing research at Rifle on oil shale, from which practically unlimited amounts of petroleum can be taken when the need arises. Extraction of oil from coal is also under study.

Utah, rolling in minerals from coal to copper, is already the center of the nonferrous smelting industry. Sulfuric-acid byproducts of that industry are being combined with huge potash and phosphate resources to build an integrated fertilizer industry. Pile lines from the Rangely oil fields in Wyoming are expanding refinery operations around Salt Lake and 36 companies are looking for oil this year under Utah itself.

Not everything is going to happen tomorrow. In the Northwest, long-term expansion will suffer until hydroelectric projects close the gap between potential and developed power. In California the water supply is spotty. Heavy industry will have to choose its locations with care, pending completion of the $100,000,000 Central Valley project. The navel of the national marketing area is still east of the Rockies, and many big industries are better off shipping western material east for fabrication than integrating their operations in the West and paying the higher freight on finished products.

Western steel mills will not be able to meet all of the West's demand for steel plate until the Texas-New York pipe line is complete. For plate makes pipe. And even while some markets seem saturated with reinforcing bars, wire products and nuts and bolts, there is still more call for steel sheet and pipe than can be met from current output.

Despite these limitations, most of them short-term, the West has a young, enthusiastic and independent look in its eye. Railroads, public utilities, chambers of commerce, steel companies, and resource development councils are pitching in to help find sites for new industries, even to do market research for them. Civic groups are bringing small local manufacturers together with big fellows who have opened branch plants, to encourage subcontracting.

If the mere thought of moving west crosses your mind, and you mention it aloud, you are likely to find industrial-development people from half a dozen different towns on your doorstep—all singing Abide With Me.

Let's Examine Our Santa Claus Complex

EXTENSION OF REMARKS
OF
HON. FRED. L. CRAWFORD
OF MICHIGAN
IN THE HOUSE OF REPRESENTATIVES
Friday, July 22, 1949

Mr. CRAWFORD. Mr. Speaker, this Nation's Santa Claus complex deserves an even more thorough re-examination than William Vogt, author of Road to Survival, has given it in his article in the Saturday Evening Post for July 23, excerpts from which I offer for the RECORD under leave to extend my remarks.

The emphasis on the bold new program on material welfare as against the moral issues involved could well afford a strong basis for a virile opposition to the Fair Deal. If Republican leaders would stop, look, and listen to the argument of Dr. Vogt that the problem of human society is to provide, not for, but against, more population, their "me too" complex would fade.

It should be pointed out that this implies also a reconsideration of the issue that is central to the dispute with Communism, namely, private property and its essentially monopoly income. There can be no peace on earth until this issue is settled, capitalistically, by a clear denial of the Marxist labor-cost theory of value. Property can have value only as it is productive of an unearned income which is not determined by what the industrial set-up has cost its owners. Modern industry is the product of intelligence, not of thrift.

Those whose initiative, restrained and guided by a stable system of property and prices, brings about increases in welfare must be able to control the extent and nature of the resulting increase of population if we are to have peace under law and order.

The article referred to follows:

LET'S EXAMINE OUR SANTA CLAUS COMPLEX

(By William Vogt)

President Truman is easily the most effective extemporaneous speaker of our day, and his slightest utterance is often sped around the world with the speed of light. The inaugural address with which he ushered in his first full administration was, of course, not off the cuff. But the fourth of the various points spelled out in the address, the proposal of a "bold new program" to provide "triumphant action * * * against hunger, misery, and despair" for the world's free people came as such a surprise that it was printed by most of the world's newspaper and discussed in all its capitals.

No matter what programs develop, the President's proposal is certain to affect the American people for years to come. In the Atlantic Charter we expressed a pious hope for a world free from want, and our failure even to begin to realize this has resulted in bitter disappointment. Especially in Asia it is being used by the Communists to turn millions toward the Red orbit. The ostentatious distribution of dollars and soft soap in Latin America, and its virtual termination as soon as the war was over gave support to the cynical forecasts of our southern neighbors that we were trying to buy them merely because we needed them. At the moment, in many parts of the world, the attitude toward the value of Uncle Sam's word is bearish, to put it mildly. In a very real sense, Mr. Truman's plan is a means of making good on the Atlantic Charter. We cannot afford to fail again.

Yet, if under point IV our foreign activities are fumbled, as they often have been in the past, we may do more harm than good to the so-called undeveloped areas and once more raise a crop of the resentment that so easily springs up against a rich and powerful nation. If we are to succeed, we shall need far greater wisdom than we have sometimes displayed; an effort sustained throughout decades of changing Congresses and administrations; a realistic adjustment of our foreign policy to take full cognizance of geographical and biological processes hardly dreamed of in diplomatic philosophy; and finally the expenditure of millions of dollars earned in the sweat of the American taxpayers' brow.

The American people themselves, from New York to San Francisco, should ask questions about point IV. We are all too apt to forget that government is only the citizens' functional arm, and that ours is the right and responsibility to guide it. To ask the right questions, the voters heed to know much more about the plan and the problems it is intended to solve than is now common knowledge. Some of the most powerful influences and controlling processes will be discussed here, though the subject is too vast for us to show more than a few of the peaks rising above concealing fog.

Problem No. 1 is unquestionably people—hundreds of millions of them. They are not figures in a census, or labor pools, or potential markets, or that vague abstraction of the academic planners called human resources. They are men and women and children, in some ways very like ourselves, yet in important ways very different. They must be fed every day, have houses to live in and clothes to wear. They should also have, according to our notions, schools, and newspapers, doctors, and enough clean water so that they can have a bath every day. These last amenities are largely unknown to hundreds of millions.

About 1,500,000,000 of these men and women and children with living standards far below ours are concentrated in the so-called undeveloped areas. Few of them have even been touched by scientific thought. The Africans are reported to be 95 percent illiterate, and the Indians and Chinese about 85 percent. Scores of millions who are able to read and write—like millions here at home—could be described as educated only if that term were stretched to the snapping point. If we provide them with tractors, they will probably be wrecked in a few weeks, as the British discovered to their sorrow in East Africa. If we give them hybrid corn seed, we shall have to break down an age-long apathy toward fertilizers, if the new plants are not to exhaust the fertility that remains in overworked soils. If we help them to find new products in their forests, we must—though we have failed to do it at home—somehow make certain they do not turn vast areas into deserts.

Hundreds of millions of these people are dominated by ancient superstitions and beliefs, and extreme conservatism. In most of the undeveloped areas such devices as our Soil Conservation Service and Extension Service—and even the one-room schoolhouse—are nonexistent, and years will be required to develop them, to make an impression with them, and to change the ways consecrated by generations of forefathers. The sacred cow of the Hindus is matched by hundreds of ideological counterparts.

It is these people who own and control the undeveloped lands, and it is through them we must work. They are often proud and independent, and resent our do-gooding to the point of violence. We spent many millions of dollars in Mexico, in the interest of both that country and our own, trying to wipe out hoof-and-mouth disease. Instead of being welcomed by the Mexican people, hoof-and-mouth-disease fighters, including young North Americans, have been murdered. The Mexican peasants simply did not understand what the technicians were trying to do.

It is not only the undeveloped peoples who are a problem but our own. The very lack of humility implied in offering such a program to the rest of the world is not likely to make us more welcome. The undeveloped peoples might well point to the Puerto Rican slum in our front yard and the Navajo slum on our doorstep, and ask us what we have to offer when we cannot meet such problems at home.

In terms of our relationship to the rest of the world there is a very real danger in the ineptness of Americans we may send abroad. A charitable Peruvian once remarked to me, "The American who leaves the ship in Callao is a very different man from the one who went aboard in New York." I know from personal experience that many years will pass before the bad manners and superciliousness of North Americans in the southern Republics during the war years will be forgotten. Far too many reports are now reaching the United States of the unhappy impact of American ostentatiousness and discourtesy in many parts of the world where we are supposedly making friends and influencing people.

A Soviet reaction to Mr. Truman's suggestion was an immediate and stereotyped cry of "American imperialism." While we may be sure that, from the President's point of view, such a charge is without justification, there is considerable danger that it may be deserved. Our traditional policy is one of hands off American business operations abroad, on the assumption—which some of our State Department people understand to be fallacious—that the respective governments can protect their own interests. Should our "development" plans turn into a rape of foreign resources, we should lose whatever good will might be developed under point 4. I have received disturbingly plausible reports that a large American corporation that piously talks of its high social purposes has "sold" to an undeveloped country a fantastic plan for building roads that are not needed and that the country cannot possibly maintain—the work contingent on a loan of American funds. Should this loan be granted, the country will be saddled with a heavy debt that will at the same time victimize the American taxpayer.

One of the problems that should give the American citizen, already staggering under the load of taxes and the national debt, a healthy skepticism is the possible place of loans in the point 4 plan. Government in vast undeveloped areas is unstable, corrupt, devoted largely to exploiting its subjects, and often already overburdened with debt and with little prospect of solvency. In some countries, millions of dollars are already in default to American investors. Are we, in the name of philanthropy, to

push additional millions down the same rathole?

Responsible citizens of the undeveloped areas do not themselves want to be laden with additional debts. I well remember the last plea of a woman in one of the "backward" areas as my wife and I boarded a plane to go home: "When you get to Washington, please ask them not to lend us any more money." As we poured out millions during the war, we sparked the inflationary blaze in more than one small country. One of the yardsticks we should apply in granting foreign aid is the measurement of the tax practices of the various countries against our own. Is the American taxpayer to be soaked, while the foreigner pays only a disproportionately small share of the cost?

The confusion in Government circles immediately following the announcement of the President's plan was unquestionable evidence that it had not been carefully thought through, and that the problems it might create had not been thoroughly explored.

It has been seriously suggested by both Americans and foreigners that we distribute mail-order catalogs to create a demand for goods that will make people work harder. Have we any right to assume that there is an intrinsic value in hard work? Industrialization in some foreign countries has resulted in a greater ease in satisfying the people's needs and desires. Instead of expanding their desires, they have bewildered Americans and Europeans by contracting their working hours. Instead of working 6 days a week, they have been satisfied to work only 3—and neither wheedling nor cursing would break the pattern. Statistics are not available, but these people probably have far fewer nervous break-downs than we.

It is more than a little possible that a good many people will not want their areas to be developed, and we shall not be doing them a service if, blindly or otherwise, we try to force them into our way of life. The problem is far more complex than the parochial-minded may realize. For example, most people would assume that the extension of improved health measures would be desirable. Such simple prophylaxis as spraying with DDT or chlorination of water supplies may, however, have a shattering impact on the life of the people involved.

We restricted the Navajos to about 25,000 square miles of poor land, and, by maintaining peace and instituting what we think of as mere token health measures, set the population spiraling upward. Whereas a few years ago the reservation probably provided a satisfactory living for 8,000 Navajos, today there are 60,000, with vast numbers suffering from physical and spiritual malnutrition. The suppression of tribal wars in British Africa had the same result, and whereas a much smaller number of natives once thrived under a way of life that had been developed over milleniums, now vastly increased numbers live in misery, nearer to the edge of disaster than most people realize.

Indeed, the greatest danger in trying to carry out the President's point 4 may well lie in speeding up population increases. Populations are growing most rapidly in undeveloped areas, and if we succeed in raising the living standards of these people, we must, at least for some decades, count on a more rapid increase in the number of men and women and children who will have to be cared for. At the current rate of increase, Latin America will double its population in about 40 years. India increased by 15 percent—or more than the total population of Great Britain—between 1930 and 1939. Java, which is bursting out at the seams, jumped from 4,500,000 to 46,000,000 in little over two centuries.

It is probable that a similar pattern exists in Africa, though for most of the Dark Continent we do not have satisfactory data. A recent report from West Africa, an area in which Communists have been particularly active, indicates, however, that the Ashantis have increased about 40 percent per decade through the last 30 years. Egypt, with its millions hemmed in by the sterile wastes of the desert, grew about 500 percent in 100 years, and the misery of the masses probably outstripped population growth.

Such an increased rate is almost certainly not the maximum possible. Sir Henry Tizard, according to the Population Reference Bureau, tells how the use of DDT in a suburb of Georgetown, British Guiana, so reduced the death rate that the population is expanding about 10 percent per year. Our effort to improve people's living standards is certain to be drowned in a tidal wave of hungry mouths in many areas unless populations are controlled.

For there is no hope, short of a miracle that is not in sight, that production can be increased to meet such growing demand. "To put the matter in extreme form," said Isaiah Bowman, writing of Africa, "if millions are saved from tribal war, malaria, and tsetse fly, only to be permitted to die of starvation, the controlling white has not improved the status of the population; he has only changed the categories of the vital statistics."

In the United States, in the years between the wars, food production increased about 1 percent per year. Since then, with phenomenally favorable weather and Government price supports that have resulted in overcropping of our land to a "murderous" extent, to use the word of CLINTON ANDERSON, the rate of increase has been sharply stepped up. These advances have, of course, resulted from a highly developed technology, a literacy rate of nearly 100 percent, almost unlimited amounts of capital, and one of the most favorable geographies anywhere on earth. Can we hope that the Zulus would approach it? Anyone who has read that great novel Cry, the Beloved Country would give an unqualified negative answer.

Is there any likelihood that Latin America can increase its food production 2½ percent a year? Or British Guiana 10 percent a year? Or India, which for 150 years has had the benefit of British science, 1½ percent a year? I should be profoundly surprised if anyone who has personal acquaintance with these areas would give an affirmative answer. Anything that we do to speed the rate of population increase without assuring a parallel increase in the necessities of life imposes an extremely grave responsibility upon us. This relationship between mounting appetites and the possible means of satisfying them is one that must have fundamental and controlling consideration as we develop a program under point 4.

The second major problem is, in my opinion: Why are the undeveloped lands undeveloped? Africa was occupied by Europeans long before the first settlers lost their preliminary skirmish at Jamestown. Two universities had been established in Latin America years before the Pilgrims landed on Plymouth Rock. Both Africa and Latin America have larger populations—larger labor forces—than the United States. India and China had produced great civilizations while the ancestors of some of us North Americans were still running about clad largely in blue paint. Commercial and industrial task forces from Europe and the United States have invaded these areas, time after time, over the past 150 years. The fact that they remain undeveloped, I can only conclude, is primarily that they are intrinsically poor and require far greater investment of capital, labor, and management to produce a much smaller return than could be had in the United States.

In all of Africa there is nothing comparable to the rich belt of soils of our Midwest. In Latin America a similar area is found only from Southern Brazil to Central Argentina. The magnificent and extensive pure stands of hardwood and white pine that supported not only an export trade but a shipbuilding industry at home in the United States are without counterpart in the Tropics, where several hundred species of trees, enormously complicating the lumberman's problem, may be found in a single square mile. In tropical lowlands a host of diseases is rampant and the climate is largely distasteful to Europeans and North Americans.

To get enough technical men to lead the point 4 program in such areas, where their own health and that of their families may be jeopardized, will require the payment of high salaries and the maintenance of costly developments. The improvement of conditions in undeveloped areas is not a simple matter of producing more food, industrializing, or setting up TVA's. It is an extremely complicated task that must be attacked on a number of fronts at once. For example, China now has only one-tenth of an acre of accessible timber per capita; it is estimated that we use 4 acres of timber per person every year. Trees are needed not only for railroad ties and construction but to protect river banks, stabilize the flow of rain water, make possible the publication of newspapers and books, and so on. How long will it take to grow the trees that China needs, when even saplings must be guarded by watchmen against wood-hungry people?

India has a quarter of an acre of accessible timber per capita—and has had a forest service for more than 50 years. What chance is there that enough timber can be provided, if India's population continues to grow? In Latin America there are 75,000,000 to 100,000,000 people dependent on charcoal and cordwood for cooking, heating, and some industrial purposes. It is quite likely that within 40 years there will be 150,000,000 dependent on the same but shrunken supplies. Yet, in no Latin-American country has forestry even approached sustained-yield management. In Africa, according to a publication of the United Nations Food and Agriculture Organization, forests which are shrinking rapidly at the present time have already been reduced to a third of what they probably were originally.

The diseases of the Tropics that have delayed their development are not entirely the enemies of mankind they are considered to be. Sleeping sickness carried by the tsetse fly has long been a barrier to development in great areas of Africa. The recent announcement of the discovery of a new cure for the disease was received by the British with understandable enthusiasm, because it was believed that this would open thousands of square miles to cattle production. Such a cure may, however, prove to be a double-edged sword. Reports from many parts of Africa show that where grazing is carried on, it is almost universally excessive. The African native has small faith in banks and apparently few desires that require the use of money. By tradition, his wealth is invested in herds, and where we might buy a station wagon or a mink coat, he will settle for a dozen heifers.

In the old days of tribal wars, rustling, abundance of leopards, and so on, this particular form of conspicuous consumption was relatively harmless. Today, if one may trust the reports of ecologists, tens of thousands of square miles have been as badly overgrazed as has our own Navajo Reservation. If the cure really works, it is very probable that unless the natives can be controlled and their customs radically changed, a mere 35 to 50 years will be required to destroy the potentially important grazing lands. Not only will their capacity to support cattle fall but their value will decrease as watershed and water-table protection, and

a higher rate of run-off, down-stream siltation, increased floods, and periods of drought may be expected. It has happened elsewhere, over and over again. Here is a notable example of the two problems combined: a highly vulnerable environment, and millions of people wedded to ways that, as science changes the environment, become suicidal.

In view of the President's hope that, through point 4, the people of the world may participate in growing abundance, many specific proposals for TVA's, irrigation projects, and so on, make small sense. Their promoters, looking merely at isolated trees that may be excellent in themselves, lose sight of the forest—the fact that while, with billions of dollars, they may bring into production a few million acres of agricultural land, virtually uncontrolled and ignored erosion is destroying soil fertility and silting rivers and reservoirs faster than the engineers can possibly develop new resources.

Like most planners, these people build from blueprints down, instead of from the grass roots up. And without exception, as far as I have been able to determine, they have refused to face the problem of how to provide growing abundance when the demand—populations—is outstripping the means of providing food, housing, water, clothing, education, forests, schools, books, and newspapers. We may spend hundreds of millions of dollars moving forward a hundred steps, but what is the point of it if at the same time we slip back two hundred?

British Socialism Plans the Nation Toward Disaster

EXTENSION OF REMARKS
OF
HON. JAMES P. KEM
OF MISSOURI
IN THE SENATE OF THE UNITED STATES

Wednesday, August 3 (legislative day of Thursday, June 2), 1949

Mr. KEM. Mr. President, I ask unanimous consent to have incorporated in the Appendix of the RECORD an editorial entitled "British Socialism Plans the Nation Toward Disaster," published in the Saturday Evening Post of August 6, 1949.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

BRITISH SOCIALISM PLANS THE NATION TOWARD DISASTER

It is now plain that the Marshall plan, which kept the bear from the door in western Europe, has not solved the economic problems of Europe. The British are still in varying degrees of crisis, while the economies of France, Italy and Germany appear no less in need of the American crutch than they were when the Marshall plan was formulated 2 years ago.

The truth is, of course, that Europe is suffering from changes and dislocations which are far too serious to be brushed aside under a heap of dollars. It is a mistake to pretend that the Marshall plan is more than a palliative adopted to tide Europe, and especially England, over a period of transition. What has been needed in England is a vast amount of private investment in all sorts of industries and enterprises. But England herself, under Socialist leadership, has done everything conceivable to destroy the confidence of American investors in the security of the British economy. British investors, too, have lost confidence, and the recent loss of Britain's gold and dollar reserves reflects a flight of capital out of England which bureaucratic restriction has been unable to prevent. An overambitious Socialist program helps price British exports out of the market.

The ECA, caught between the pressure of domestic producers, for whom subsidized exports become more and more important, and the horror of complete collapse in western Europe, finds its hands tied. Mr. Hoffman and Secretary Snyder undoubtedly wonder how we got into the position in which we are required to back a Socialist welfare state with free-enterprise money and to support a $2.75 pound at $4.04. But, with Stalin looking hopefully over the wall, they are forced to go along, even to the extent of consenting to a sterling-bloc offensive against the country where the dollars come from. Presumably they share the prevailing doubts of the outcome and may even agree with the gloomy prediction by the Wall Street Journal that this crisis will be followed by another and that in turn by another. And each recurring crisis will be made the excuse for more and increasingly drastic restrictions. Nevertheless, the British economy is still such an important chunk of what is left of the free world that we can't sit back and let it slide.

Like the majority of Americans, the Post supported the Marshall plan on the understanding that it was a necessary prop under the European economy while that economy was provided with the long-term solutions mentioned by Sir Stafford Cripps in his July 6 speech. Unfortunately, not enough has been done on either side of the water to bring about the necessary reforms. England, as the former workshop of the world, may be unable to continue to maintain 50,000,000 people on the British Isles, now that the world has become its own workshop. She will need time to readjust her colonial relationships and to reestablish some of her foreign investments. All this will require the sympathetic cooperation of other nations, cooperation which certainly has not been wanting up to now. While that is being accomplished, we can afford to wait and continue Marshall aid. But the Socialist regime in England, which regards investment as immoral and insists on backing the welfare state to the point of national bankruptcy, is a weak instrument for carrying out the necessary adjustments.

British Socialists, naturally enough, seek to put the blame for their plight on the uncontrolled economy of the United States, without asking themselves whether a controlled American economy could have extended to Britain more aid than has so far been supplied. On the other side of the fence, the London Economist reminds the Labor Party that it would have been out of office long ago if American capitalism had not been willing to subsidize it. It is true that falling prices in America have dampened the demand for British exports, since a $15 Bond Street tailored shirt has less appeal when you can get a tolerable United States shirt for $2.50. Our tariff also has some effect, but is hardly the vital factor. The real issue is whether a controlled economy can compete with a relatively free economy. By their fruits ye shall know them.

Things would be a lot easier in 1949 if we had been less squeamish in 1947 about setting down a few reasonable stipulations as the price of our aid. We didn't have to be ruthless, just realistic—like an Englishman lending money to foreigners. We could certainly have insisted upon an end to British dismantling of German industrial plants which once produced the very things the Marshall plan expects America to provide, if we had put an end to our own part in this shabby business. We could also have made it plain that American investment should be on a capitalist-profit basis with reasonable exemption from the interference of the planners. Conceivably also, we might have done more to discourage Britain's imitation of Dr. Schacht's trade and currency operations. Trade is difficult when it is necessary to use three kinds of money.

At any rate, these are a few of the conditions an American Government might attach to loans of the taxpayers' money to foreign countries, if we ourselves were less bogged down by devotion to bureaucratic messing, planning, and most of the National Socialist Katzenjammer that is itching the British.

United States Imports Hold Key to World's Economy

EXTENSION OF REMARKS
OF
HON. HERMAN P. EBERHARTER
OF PENNSYLVANIA
IN THE HOUSE OF REPRESENTATIVES

Wednesday, August 3, 1949

Mr. EBERHARTER. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following article from the New York Times of July 24, 1949, by Joseph A. Loftus:

UNITED STATES IMPORTS HOLD KEY TO WORLD'S ECONOMY—HOW TO CLOSE GAP BETWEEN WHAT WE SELL AND WHAT WE BUY IS PROBLEM

(By Joseph A. Loftus)

WASHINGTON, July 23.—American foreign trade since the end of the war has been the great factor in the world's economy. American exports have fed the peoples of western Europe and provided the essentials of recovery. American imports, on the other hand, nowhere near balance the exports. It is this gap between our exports and imports which is now troubling the nations which trade with us.

Last year we sold about $12,600,000,000 in goods abroad, and bought a little more than $7,000,000,000. That's a tremendous difference. The $5,600,000,000 gap is called the balance of trade. In the old days we would consider that in our favor.

The object of this Government now is to close that gap. We are making headway under ERP, but in the last quarter of 1948 the gap began widening again. That trend has continued into 1949, resulting both from increased exports and reduced imports. The figures for the first 6 months of this year are: Exports, $6,600,000,000; imports, $3,400,000,000.

The dollar value of merchandise imports in the first half of the year fell almost 10 percent below the rate of the last quarter of 1948.

OUR NEEDS SATISFIED

Until recently it was possible to regard the relatively low quantity of imports as a temporary result of the war-caused reduction in foreign capacity to export. If that were still the case, a fall in business activity at home might not reduce imports correspondingly.

The decline of imports in the first half of this year, however, indicates that the demand of the United States market for foreign goods was being substantially satisfied at the existing prices and exchange rates. Carrying that reasoning a step further, if business at home continues to decline we will cut imports still further, unless foreign prices and exchange rates should become more favorable.

ERP countries supply relatively few of the major items on our import list. At the top of the list are nonferrous ores, metals, and ferro-alloys. They accounted for about 10 percent of the materials we brought in for consumption last year. The most important item in that group is copper, which comes

from Chile, Mexico, and Canada. Shipments showed an increase in the first part of 1949.

THE MAJOR IMPORTS

The tin we import comes from British Malaya, Bolivia, Indonesia, the Belgian Congo, and Siam; lead from Mexico and Canada, although a little came from Australia last year; nickel, zinc, and aluminum from Canada; chrome ore from the Soviet Union, and manganese from the Soviet Union, India, Union of South Africa, the Gold Coast and Brazil.

Going down the list in the order of importance are coffee, from Brazil and Colombia, a small increase; petroleum, chiefly from Venezuela; sugar, Cuba, up a little; crude rubber, British Malaya, Indonesia, Siam, and some from Ceylon; unmanufactured wool, showing a drop, from Australia, Argentina, and Uruguay.

Imports from ERP countries in the last quarter of 1948 totaled $280,000,000, or nearly 15 percent of all our general merchandise imports. In the first quarter of 1949 we bought about $250,000,000 worth of goods from ERP countries and in the second quarter the total probably dropped below $200,000,000.

What is the prospect of importing more goods, particularly from ERP countries? If business at home picks up, so will imports. The demand for metals, paper, and so forth naturally will be greater to meet our own greater production needs. Our greater national income will lift the demand for foreign luxury goods.

ASKS HIGHER IMPORT GOAL

Paul G. Hoffman, Economic Cooperation Administrator, told the Senate Appropriations Committee a month ago that we ought to increase our volume of imports from western Europe by at least $1,500,000,000 a year by 1951 or concede the failure of the ERP. That would mean more than doubling the rate of the last quarter.

Our major imports from ERP countries are textile fibers and manufacturers, supplied by the United Kingdom, France, Belgium, and Italy; foodstuffs, United Kingdom, Italy, and France. These imports are declining, with the possible exception of foodstuffs.

Take the case of the United Kingdom. Her shipments of textile fibers to the United States dropped from $5,800,000 in January to $4,000,000 in May; automobiles, from $2,000,000 to $300,000. Aluminum and manufactures, chemical products and wool manufactures are down, too. Only foodstuffs and whisky are up.

The reasons for promoting imports are both economic and political. We cannot sell goods to foreign countries unless we buy from them. We need certain strategic things from the other countries. They need some things we have, from a strategic point of view.

Aside from the political dangers of letting Europe fall into greater difficulties, the exchange of goods seems to be good business. It is not a case of taking in each other's washing. Everybody is improving his standard of living by the exchange.

When we import certain goods that compete with American products, a domestic industry sometimes complains that it is being hurt. The complaints have come not only from the employers but from labor unions, too, because their members were laid off.

The Government acknowledges that this sometimes happens, but says its duty is to look at the economy as a whole. The money we pay for imported goods is being spent here for goods that go into export. Imports, it is argued, shift employment, but do not cause net unemployment. The objective is to avoid hurting any one industry badly while trying to stimulate the economy as a whole.

BALANCING THE ACCOUNTS

Maintenance of prosperity and full employment at home undoubtedly require that great quantities of American products find their way into export channels. The chief obstacle to this is the inability of people in other countries to pay for such a flow of goods.

In the past, absorption abroad of American goods was balanced largely by United States imports from other countries. While the value of exports of goods for decades has exceeded the value of imports, other important sources of dollars enabled foreign countries to balance their accounts with us.

These included United States loans to and investments in these countries; United States purchases of services such as transportation, banking, and insurance; spending by United States tourists abroad, and income received from foreign investments in this country.

There are only a few methods of maintaining foreign buying capacity at a high level:

1. We can lend (or give) these countries the funds to enable them to purchase American products. That can't be continued long—we could not stand it indefinitely. Too, the countries themselves must decline loans beyond a certain point at which there arises the fear that their economy must become intolerably subject to our own. Even now there is a rising cry of "dollar imperialism" in some areas.

2. Through the travel of our citizens in these foreign countries a large number of dollars can be made available. Travel is being stimulated, but the most favorable prospect for travel expenditures is about 15 percent of the annual goal for United States exports.

3. We can buy goods and services from these countries. That is the broadest and most substantial way of tackling the problem. Practically very nation in the world produces some things we need, want, and can use without detriment to our domestic production. The dollars we pay them for these goods they will use, in some part, at least, to buy our products.

REVIVAL OF WORLD TRADE

The conclusion seems inescapable that now and in the foreseeable future a large export trade will require a large import trade, not merely because we need raw materials, but because this is the only way in which countries abroad can buy our exports. Only in this way can the United States contribute to a revival of world trade with its opportunities for world-wide specialization, high-living standards and perhaps even peace.

No substantial change in our basic tariff structure seems likely in the near future, but through the Reciprocal Trade Act authority this Government, working with other nations, has done much to lower trade barriers throughout the world.

The Reciprocal Trade Agreements Act, now up for renewal, permitted the President to negotiate cuts in our duties as much as 50 percent below those in effect at the beginning of 1945. The Geneva trade agreement of 1947 is a major case in point. Efforts are being made today to broaden that in the conference going on at Annecy, France.

Overtime on Overtime

EXTENSION OF REMARKS
OF
HON. NORRIS POULSON
OF CALIFORNIA
IN THE HOUSE OF REPRESENTATIVES
Wednesday, August 3, 1949

Mr. POULSON. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following editorial from the Washington Post of July 21, 1949:

OVERTIME ON OVERTIME

More than a year has passed since the Supreme Court handed down its so-called overtime-on-overtime decision. This case grew out of claims for back pay brought by a number of New York dock workers. The Court held that premium payments for work done on Saturday afternoons, Sundays, and holidays were not overtime rates in the legally accepted sense of the word but payments for working at undesirable hours. As a result, it concluded that these premium rates must be included in computing regular wage rates, which constitute the basis for determining the rate of pay for work in excess of 40 hours per week. The effect of this overtime-on-overtime ruling was to validate claims for back pay that stevedoring companies claimed would ruin them, even though the Portal-to-Portal Pay Act set up certain good-faith defenses against such claims that would have protected the industry to some extent. That act, it will be recalled, was passed to rescue the victims of the Supreme Court's decision in the portal-to-portal cases.

A futile attempt to persuade the Supreme Court to rehear the overtime-on-overtime case was backed by both employers and the AFL, the latter fearing that the decision would result in throwing out highly advantageous wage contracts providing for week-end premium payments. Since then efforts have been concentrated on remedial legislative action, assured by passage of a bill signed yesterday by the President prohibiting payment of overtime-on-overtime to all employees coming under the Fair Labor Standards Act, and retroactively outlawing pending claims for back pay.

It is unfortunate that Congress has had to rely on this kind of declaratory legislation invalidating claims that the highest court of the land has upheld. The difficulty lies partly in the obscurities of the Fair Labor Standards Act and partly in the strained and unrealistic interpretations of its meaning by the Supreme Court. Congress has chosen the lesser of two evils. Enactment of this remedial measure will benefit not only employers but labor, too, since bankrupt industries are in no position to provide jobs for workers.

Sale of Washington Times-Herald

EXTENSION OF REMARKS
OF
HON. CHARLES W. VURSELL
OF ILLINOIS
IN THE HOUSE OF REPRESENTATIVES
Wednesday, August 3, 1949

Mr. VURSELL. Mr. Speaker, as a member of the congressional delegation from the State of Illinois, I want to commend Col. Robert R. McCormick, publisher of the great Chicago Tribune, for his action in purchasing the Times-Herald, which in the future will largely be managed by his niece, Ruth McCormick Miller, and her husband, Peter Miller, Jr.

The history of the Chicago Tribune in the great Midwest since before the Civil War has been one of devotion to and support of American ideals and principles of representative government that has made this the foremost nation in the world.

Through his direction as president of the Times-Herald organization, the voice of America will speak louder and with greater force and power in support of American policies of government here in

Washington where it is so much needed.

Mr. Speaker, Colonel McCormick's niece, Mrs. Miller, the vice president of the Times-Herald organization, was cradled and educated in an atmosphere of journalism, public service, and national problems. She is the daughter of the late United States Senator Medill McCormick and the late Ruth Hanna McCormick, who served as a Member of the House of Representatives as Congresswoman at Large, and is the granddaughter of the late United States Senator Mark Hanna, of Ohio.

Is Unification a Snare and Delusion?

EXTENSION OF REMARKS
OF
HON. H. R. GROSS
OF IOWA
IN THE HOUSE OF REPRESENTATIVES
Wednesday, August 3, 1949

Mr. GROSS. Mr. Speaker, on Tuesday of this week the House approved the conference committee report, thus completing congressional action on new military unification legislation.

I voted against this legislation for several reasons, but chiefly because I am convinced it is virtually a moral betrayal of the democratic processes of this Republic to place almost unlimited military power in the hands of one man in peacetime.

We decry military dictatorships in Russia, Spain, and elsewhere; who will say that the lock has not been broken and the door left ajar to a similar government in these United States?

Mr. Speaker, in my brief experience in Congress, I have never listened to more qualified statements in behalf of a measure of such vast importance than those offered Tuesday afternoon in apparent support of this so-called unification bill.

The distinguished chairman of the Armed Services Committee [Mr. VINSON] in setting forth the objectives of this legislation, time after time resorted to the qualification of "we hope" this measure will do thus and so. Seldom did we hear positive statements as to the positive effects that could reasonably be expected.

During the limited debate, it was brought out by a member of the Armed Services Committee [Mr. ENGEL] that Secretary of Defense Johnson was already vested with full authority to eliminate duplication in health matters in the armed services. Despite this authority, and instead of consolidating the offices of Surgeon General of the Army and Navy, the Secretary of Defense has approved an order allowing the Air Corps to establish a Surgeon General—in other words, there are now three surgeon generals instead of two.

Questioned as to why the Secretary of Defense approved a third surgeon general instead of consolidating the two offices already in existence, the chairman of the Armed Services Committee [Mr. VINSON] replied: "I cannot answer that."

Mr. Speaker, in view of the foregoing, it is completely logical to ask why anyone should have reason to believe that under the terms of this new law there will be any less duplication and waste than there has been in the past? Is that another snare and delusion?

Another speaker, the distinguished gentleman from Missouri and ranking minority leader of the Armed Services Committee [Mr. SHORT] said this: "I do not like the vast powers granted to one man."

I quote another excerpt from Mr. SHORT's speech:

> I still believe that it is not sound legislation, that it is not correct principle of good government, that it is a shocking thing indeed, for the United States Congress to grant additional powers to an office, and—indirectly at least—by that act give a vote of confidence to the incumbent of that office, immediately before conducting an investigation of serious charges against the individual occupying that office.

The gentleman from Missouri was, of course, speaking of the impending B–36 investigation, involving Secretary of Defense Johnson, who, under the terms of this so-called unification measure becomes virtually the supreme military authority with complete control over the spending of $15,000,000,000 a year.

Mr. Speaker, I submit that the Joint Chiefs of Staff, with a minimum of implementing legislation, could end the duplication, waste, and extravagance that is apparent in the Military Establishment of this Nation. The important factor that has been lacking is the will and the courage to do the things that are morally right to be done.

Under the guise of unification and reorganization the public is now being led to believe that the dumping of vast, undreamed power into the hands of one man is going to solve these problems. I predict a sad awakening.

In conclusion, Mr. Speaker, I recall the recent statement of Secretary of Defense Johnson in which he expressed his intention of using his powers to cut out wastage, among other things.

I suggest that he might well make a start by halting the use of military planes for the hauling of oranges from Florida to Washington, and the use of military planes and personnel for purely pleasure purposes, including the hauling of certain people to week-end golfing spots.

The taxpayers of this country are entitled to a look at the airplanes which their money provides, but they do not want their view obstructed by orange crates, golf bags, or pleasure-seeking individuals, whether or not they are adorned with gold braid.

Dismantling of German Industry

EXTENSION OF REMARKS
OF
HON. KATHARINE ST. GEORGE
OF NEW YORK
IN THE HOUSE OF REPRESENTATIVES
Wednesday, August 3, 1949

Mrs. ST. GEORGE. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following article by Dorothy Thompson from the Washington Evening Star:

ON THE RECORD—CONGRESS URGED TO HOLD UP ECA FUNDS UNTIL REICH DISMANTLING IS REVIEWED

(By Dorothy Thompson)

There is a movement in the Appropriations Committees of Congress to hold up the ECA bill until the administration reviews its policy on the dismantling of German industry.

The administration opposes this, arguing that it interferes with commitments to British and French. In addition, it spread around the gossip that the review of dismantling was planted in the bill by "Nazi cartellists."

Among the "Nazi cartellists" opposed to continued dismantling are: The American Federation of Labor, the Congress of Industrial Organizations, the United Mine Workers, the National Association of Manufacturers, the National Grange, the United States Chamber of Commerce, the Christian Century and the World Council of Churches (Protestant), and the Commonweal (Catholic).

The argument of the appropriations committees is that we are pouring American money into Germany to supply things which Germans can manufacture themselves. The administration may make all the "commitments" it pleases, but it is Congress which decides whether to pay the bills for such commitments.

NOTHING TO DO WITH "CARTELS"

The dismantling issue has nothing to do with "cartels." Dissolving a cartel is not the same as wrecking a plant.

Behind the dismantling of German industry are British industrial interests who fear German competition. They fear it because of the low efficiency of British producers, the readiness of German managers and workers to run appalling risks, and the recognition by German Socialists—in contrast to British—that it is pure illusion that a country in the British or German situation can find salvation through shorter hours and less intensive labor.

These facts and fears are not secret, they are aired repeatedly in the British press. Even British interests that oppose dismantling for political reasons are against any substantial revival of German industry unless under a cartel-like agreement with Britain to control the international market.

BOARD OF TRADE PRESSURE

In the discussion of British policy which led to the formation of policy, it was the ministry of supply and the supply departments of the board of trade which pressured the British Foreign Office, which, at one stage, was reasonable, seeing the political dangers in such a policy of resumed wrecking. There are high British officials—and those who know most about Germany—who have considered resigning unless Foreign Minister Bevin halts this policy. Gen. Lucius Clay has expressed himself forcibly, in private at least, against the nonsense of dismantling German fertilizer industries while thousands of tons of fertilizers are shipped as compensation at American expense.

And when it comes to "commitments," dismantling is a violation of the Potsdam agreement.

The present world situation makes strange bedfellows. Keeping down German industry is one thing on which Mr. Bevin agrees with the Kremlin—though the Kremlin has successfully angled to have Britain and America take the responsibility.

REVENGISTS INCLUDED

Communist fellow travelers in the United States are for continuation of dismantling. There were numbers of them in the original anticartel division of the American military government. These gentry also supported the Morgenthau plan. Their reasons are not

those of British industrial competitors. They merely want the western allies to ruin themselves in Germany, and no policy is better calculated for this end.

Added to these are fanatical revengists who want to go on wrecking Germany even if they wreck the American economy and western policy simultaneously.

There are elections in Germany in August. If my readers had been with me in the Ruhr in June they would have seen what effective campaign material the Communists were making out of the western reopening of dismantling after it had been halted in the Russian zone.

The congressional appropriations committees are, therefore, financially and politically right. They should refuse to vote further foreign relief until dismantling is halted and reviewed in the light of technical and economic information forthcoming since it began again in June. Congress should send a commission to Germany, including important labor leaders such as Walter Reuther and John L. Lewis. Mr. Lewis already has been invited by the German coal miners, as exclusively reported in this column from Dusseldorf some months ago.

And Congress should inquire carefully into the forces and personalities who insist on a program suicidal to us.

Increase in American Legion's Rehabilitation Work

EXTENSION OF REMARKS

OF

HON. CLAUDE PEPPER

OF FLORIDA

IN THE SENATE OF THE UNITED STATES

Wednesday, August 3 (legislative day of Thursday, June 2), 1949

Mr. PEPPER. Mr. President, I ask unanimous consent to have incorporated in the Appendix of the RECORD an article entitled "Legion's Rehabilitation Work Increased Fourfold; Cannot Continue To Operate in 1949 on 1919 Basis," written by Mr. Edward A. Hayes, past national commander, published in the American Legion magazine for August 1949.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

LEGION'S REHABILITATION WORK INCREASED FOURFOLD; CANNOT CONTINUE TO OPERATE IN 1949 ON 1919 BASIS

(By Edward A. Hayes, past national commander)

Rehabilitation of our ill and disabled veterans is the unheralded, unsung, little publicized program that is the very heart and soul of the American Legion, which is dedicated to consecrate and sanctify our comradeship by our devotion to mutual helpfulness.

Yet, rehabilitation is the most vital of the many patriotic services rendered by the Legion.

As the late great Abel Davis so aptly said, "They cheer and forget. There are too many kind words on tombstones. We are pledged to a duty that is above every other duty—to see that the men who gave without stint to their country are properly cared for and their families properly protected."

Rehabilitation of our ill and disabled is a bigger, tougher job today than ever before; more than four times greater than in 1940. And in the face of this tremendous increase in labor and responsibility, the American Legion today is operating on a 1919 per capita dues basis, under 1949 conditions.

INCREASED FUNDS NEEDED

That is why it is imperative that the Legion have an increase of 25 cents per capita in its annual national dues; we must maintain the reputation of which we are so proud.

To maintain this reputation it is believed that every cent of this 25-cent increase should be earmarked for rehabilitation service, and rehabilitation only.

If we keep insisting that the public must not let our disabled down, we must do that, then the American Legion itself cannot let them down.

Let's take a look at the rehabilitation picture presented to the American Legion today:

VET POPULATION QUADRUPLED

In 1940 the Nation's veterans population was around 4,000,000. Today it has more than quadrupled, to almost 19,000,0000.

The increase in Veterans' Administration hospital beds, however, has been only 75 percent over the number in 1940 or 105,000 today as against 60,000 then.

In 1940 there was projected a hospital bed for each 40 veterans. As World War II sick and disabled started returning, this figure was raised to 147,000 beds—or, one bed for each 127 veterans. The recent cut-back of 16,000 projected beds leaves provision for only one bed for each 142 veterans. This cut-back was the unkindest cut of all.

In addition, disability claims have taken a tremendous climb since 1940. More than 6,000,000 such claims have been filed to date. In one month—May 1949—13,462 claims and powers of attorney were received, reviewed, and processed by the National Rehabilitation Commission.

The Legion's rehabilitation service is much broader than the mere filing of claims or obtaining hospitalization and other benefits for veterans entitled to them. Its activities include legislation, employment, standards of treatment and care—in fact all matters affecting the welfare of veterans, their widows, orphans, and dependents.

The American Legion must ever be on guard and keep financially able to resist such ruthless attacks against veterans' rights as are being made today.

The American Legion must constantly battle for the rights of our disabled. And, it must continue its accomplishments in other national programs.

We are proud of our Americanism activities in behalf of our youth, such as junior baseball in which more than a half million boys have annually participated since it started in 1928. From junior baseball hundreds of lads have graduated into major leagues. Many have remained to become great stars—such as Lou Boudreau, Bob Feller, Stan Musial, Phil Cavaretta, Bill Salkeld, Johnny Vander Meer, Pee Wee Reese—just to mention a few.

SPARKED HEART PROGRAM

National Commander Perry Brown has pointed out in his article, Are We Big Enough for the Job, in this number of the magazine, the part the Legion played in vitalizing the program of the American Heart Association. A letter to the Legion from the American Council on Rheumatic Fever this summer said: "The foresight of your committee in recommending this contribution ($50,000) will always be remembered, since without it the present development of the American Heart Association would also have been impossible."

We are proud of many other Americanism activities of the Legion—community service, its countersubversive endeavors, its naturalization and citizenship work, its educational program, including sponsorship of National Education Week. The Legion and its auxiliary point with pride to Boys' and Girls' State; the Boys' National Forum and the Girls' Nation, the National Constitution Oratorical Contest in which hundreds of thousands of high-school students compete for national and State scholarships and other awards.

MUST FACE FACTS

But how many of us are aware that the American Legion purchased the first radium used solely in a VA hospital for the treatment of cancer? Everyone knows the great part radium has played in the crusade against cancer.

The vast benefit acquired for the World War II veterans proves the GI bill of rights is another accomplishment of the Legion. But no program is more vital than rehabilitation.

We must face the fact that the present rehabilitation budget of $443,000 will not permit adequate discharge of the National Rehabilitation Commission's responsibilities. The proposed 25 cents per capita increase in annual national dues, however, will enable the Legion to do its job—and do it well.

Objective Teaching

EXTENSION OF REMARKS

OF

HON. THOMAS J. LANE

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, August 3, 1949

Mr. LANE. Mr. Speaker, under leave granted to extend my remarks in the RECORD, I include the following article from the National Tribune-Stars and Stripes of August 4, 1949:

OBJECTIVE TEACHING

Not long ago in Boston the National Education Association went on record against permitting Communists and their adherents to teach in our American school systems. The question came up, we understand, because of objections to singling out classroom teachers and compelling them to take oaths of loyalty to their country, a controversy that is raging up and down the land and opposed by some as a checkrein against academic freedom. The association took the position that persons who pledge their minds to the international conspiracy of communism, give up their intellectual integrity and their freedom to think and who submit to party-line thought control, have forfeited their right to teach the youth of this Nation.

Immediately thereafter in Washington this stand was challenged by the American Association of University Professors. They are said to have protested that Communists and fellow travelers can entertain their private beliefs without necessarily prejudicing the right to teach. Some admit having embraced Marxist philosophies for a score of years. They maintain in effect that the 23 States, 3 Territories and the District of Columbia, which require loyalty oaths from those who influence the schoolroom, are entirely wrong, that they should be able to obtain and keep their positions of trust even though they have lost their warmth for American ideals and despite the fact that they may seek the company of seducers of right. They contend, in short, that they can teach objectively and fairly the very ideals in which they do not believe.

The whole question seems to boil itself down to whether it is possible for any teacher bound by Soviet discipline to fail to use his or her influence among students for whatever purpose the party may direct, and, if not, whether steps taken to eliminate Red teachings will ultimately demoralize the whole profession. To the veterans of America there can be but one answer, but it appears that some of them are taking a long

time to reach a logical conclusion. We recall incidents some years ago when these things were being debated in national meetings of the major organizations of veterans. The few who came from hotbeds of Communist activity rose to make fiery speeches about the dangers of Commie infiltration, whereas the many from the hinterlands pooh-poohed the whole thing as a tempest in a teapot. We, too, have frequently been accused of being a little too much concerned about the problem and of consequently seeing a Red behind every bush, but positive evidence that has been uncovered and proven should make everybody sit up and take notice. Of course we know that Communists as such are too few now to win a majority in any free election for public office, but we are desirous that they never will become strong enough and that is where we fit in helping to see to it that they never shall. It is why we are interested in this school-teacher proposition.

Nobody who is at all versed in the Communist record can longer pretend that there is any good in communism insofar as it relates to our civilization. It is no longer a secret that the Reds are at war with religion and with every democratic ideal upon which America and its great institutions were founded. The conflict in ideologies is so striking that everybody involved ought to know more about it if he has any desire to continue to have the freedoms he enjoys. Therefore, it is essential that we all learn everything we can about its virtues, if any, and about its evils that are known to be many. Communism should be taught in our schools.

In the abstract, Communists believe that our type of living has run its course and that their philosophy is a historical necessity. They play heavily on man's hopes and fears. Their purpose is to foment discontent, inspire opposition to existing law and order, create strikes and civil war. They would condition the minds of men and then destroy their bodies. All of this is admitted and is on the record for anybody to see. The Reds, moreover, fail to point out that communism is a revolutionary conspiracy employing any kind of strategy, legal and illegal, to destroy government. They do not divulge that their means of operation is to create cells of activity in vital places to the end that a minority will rule the majority. In this operation they employ the use of falsehood, infiltrate the Government, national and local, and the school systems are their best possible means of new education to their standards and, therefore, the best possible source of converts to their cause.

To permit the source of supply to continue unbridled is to admit that academic freedom means violation of freedom of speech and implies countenance of a freedom to lie for selfish ends. It means a willingness on our part to allow a proselyting of fertile minds, encouragement to some to rob that they might help others. Such a philosophy is absolutely unsound. It is devilishly false, and its results could lead only to disaster. If we are to preserve human values, there must be defeated conditions that promote agitation for economic and political change. New devices must be found to teach the truth. The saving of American youth, and even adulthood, are at stake.

It is fundamental reasoning to state that one cannot possess one belief and teach another. Especially is this true of persons who are imbued with a spirit of revolution and dedicated to a change in the existing order. Real knowledge has never promoted turbulence and unbelief, but learning is folly unless it is guided into proper channels. Teaching by the artful cannot lead to proper education. Our school systems must be fumigated, and there must be killed off the vermin that has infested too many of them. Let us teach communism, if we would save the future of the world. Let us teach it objectively—tell our children and our college students what the Reds believe, but tell them also why the Reds believe it. That sort of teaching cannot be done by adherents to Soviet principles. So let us insist upon declarations of loyalty and trust the teaching job alone to those who have proved themselves loyal. And while we are at it, let us get to the root of the trouble and outlaw the Communists.

The Pace-Brannan Bill

EXTENSION OF REMARKS

OF

HON. CHARLES B. HOEVEN

OF IOWA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, August 3, 1949

Mr. HOEVEN. Mr. Speaker, on Monday evening, July 25, my colleague, Congressman WILLIAM S. HILL, of Colorado, with whom I serve on the Committee on Agriculture, discussed H. R. 5345, the Pace-Brannan bill over the Mutual Broadcasting System.

Mr. HILL and I were members of the subcommittee that considered this legislation and I feel that we were in a position to judge rather completely the total concept and the general principles underlying the changes as proposed by the Pace-Brannan legislation. In fact, this Pace-Brannan bill suggests fundamental changes in the legislative approach to agricultural problems.

I particularly call the attention of my colleagues to the revolutionary changes as proposed by the Pace-Brannan legislation. Under this legislation you find a new concept as to what price supports and marketing agreements would accomplish. Congressman HILL discusses three radical and revolutionary proposals in this bill.

The quotations Congressman HILL uses in closing his address are very enlightening. His address follows:

Mr. HILL. I very much appreciate this opportunity to speak over the Mutual Broadcasting System on the farm program.

Last week the House considered the Pace-Brannan bill, a bill reported from the Committee on Agriculture, of which I am a member. This bill would make revolutionary changes in our present agricultural legislation—in fact it provides the beginning of the Brannan farm program—the Brannan farm program in the embryo.

The third line of this bill reads: "The term 'income-support standard.'" For the first time in agricultural legislation this language is used, meaning you would find first what the mean annual farm income was on every farm before you could figure out what the general farm subsidy payments would be. This is the farm subsidy payment approach of the Brannan farm program, and the record is there to speak for itself.

Reading this bill carefully you discover that it lays the basis for total and complete control of agricultural production within the Department of Agriculture at Washington. Under this bill the Secretary of Agriculture becomes monarch of all he surveys; when he sends his swarms of Federal agricultural agents all over the country to check the average allotments on each farm, the cash receipts, compliance with marketing controls, and carefully audits the entire farm operations to arrive at the annual deficit upon which the farm payments will be based; who can question the absolute power given to the Secretary of Agriculture under this type of a farm program? Were you surprised that the National Grange and the Farm Bureau were opposed to this legislation? Of course you were not if you understand the thinking of farmers. They are not in favor, and never were in favor, of a farm program that would place farmers in a strait-jacket or control them from the Nation's Capitol. Subsidies, of course, when necessary to save our economy, but not Federal appropriations as a steady diet.

I was deeply impressed by the remarks of Congressman WADSWORTH, of New York, when he addressed the House. He said: "Why do men cling to that vocation? Why do they work 60 hours a week, or more than that if they happen to be dairy farmers? Because they like to plan their own lives. They like to sit on the porch on a Saturday evening after supper and gaze across their fields, noting the development of their livestock and the growth of their crops and the condition of their pastures. They like to sit there and plan freely not only as to what they will do on next Monday, or next month or in the next 6 months, but what they will do the next year, and the next 2 years, and for 3 years or more. Farming has to be planned. You cannot close down a farm the way you close down a factory. The man who does the planning is a man who must be free, and his most precious possession is his liberty."

With me on this program this evening is Mr. Lee R. Pritchard, master of the Colorado State Grange. We take you now to Denver, Colo., to hear from Mr. Pritchard.

Mr. PRITCHARD. Thank you, Congressman HILL.

The farmers of this great Rocky Mountain Empire and the entire United States is anxiously awaiting the adoption of a long-range agricultural program by our National Congress. The Brannan proposal (S. 1971) has one feature that we like, i. e., that it proposes to preserve the family-type farm. However, the main part of the bill is basically unsound and undemocratic.

It would put drastic controls on agriculture, which is a dangerous trend of the times. All of us are too prone to look to the Great White Father in Washington to do the things for us that we should properly do for ourselves. This leaning applies to communities, counties, and States.

The philosophy of the Brannan program is wrong, in that it would encourage individual and political selfishness at the sacrifice of patriotic statesmanship to class politics. The adoption of such a plan could well lead to an era of regimentation and Federal controls such as we have never seen before and would stifle our free-enterprise system.

Subsidies lower the morale of the recipient and are misleading to the consumer. Letting agricultural commodities seek their price level of the law of supply and demand sounds good to the consumer. What the consumer does not think of, is that they will have to pay additional taxes and prices for other goods and services to make up the difference. Let's not demand more of our Federal Government than Government can afford to give.

Another danger of subsidies to agriculture is, that the farm people might be swayed into voting for those candidates that offered the choicest subsidies without regard to their qualifications. Too often political campaigns are waged on this premise.

We believe in an economy of plenty. Every step of progress civilization has made has been marked by greater consumption of goods and services. We cannot attain high standards of living in a world of shortages. If we are to have enough food, we are sure

to have many surpluses. These surpluses are the best assurance the Nation has against hunger, and a marketing system which penalizes those who produce the abundance the Nation needs, is all wrong. We believe that farmers are entitled to protection for the service they render in constantly producing enough food for the Nation's needs with a bit to spare.

While we believe in protecting the farmers from the impact of surpluses, we do not contend that farmers who persistently produce more than can be used of any commodity should be protected in such practices.

The farmer who persistently produces more than can be used does not contribute to the general welfare as much as he might under a sound production program, and is not entitled to the protection that should be accorded farmers who endeavor to produce intelligently and adjust their production to the Nation's needs as far as practicable. Farmers who do so produce, are entitled to compensation in proportion to the service they render. We believe that farmers are entitled to receive this compensation through the regular channels of trade, and that marketing practices which do not return fair compensation for the service rendered are unsound and should be corrected. We do not believe the public should expect to get its food at less than cost, or at less than a reasonable price. We think the farmers' services deserve a fair price at the market place. We resent any program which would set him apart as one whose services need not be compensated at their full worth, and we don't want to go to the Treasury for part of our compensation.

Subsidies are degrading. Once started they are most difficult to end. They are attended by a serious element of risk in the possible failure to secure sufficient appropriations. This is recognized in the bill before us which provides protection for certain crops, and for a second category of crops if, and only if, the appropriations provided by Congress are adequate.

I now return you to Washington and Congressman HILL.

Mr. HILL. Thank you, Mr. Pritchard.

And now for a look at the new and revolutionary ideas worked into the Pace-Brannan bill. However, before discussing the provisions, I might add that the House defeated this measure by a large majority last Thursday. Our Committee on Agriculture voted this bill out of committee by a vote of 9 to 17, but when you check the roll call of the House on the Gore amendment you discover that 5 additional Members were added to the 9 of us that opposed the bill. So, really a majority of the Committee on Agriculture, or 14, actually supported the Gore amendment.

Let me assure all my farmer friends listening to this program that the entire Committee on Agriculture is mindful in its wishes and desires to serve the interests of the agricultural producers of this Nation. Make no mistake about this. Agricultural programs should not become a partisan political issue—it is too important to our economic well-being to be tossed about by any partisan—biased or political demagog. God forbid it should ever become popular to play partisan politics with agricultural issues.

Now let us look at the principal changes as proposed by the Pace-Brannan bill:

First. The bill proposes to abandon the present parity-price formula and substitute "an annual minimum farm support standard." This standard would be based on the purchasing power of the farmer's dollar over 10 of the immediate past 12 years, each succeeding year would have a new and a changed parity, practically on every crop. Who could figure out what crop to plan and what prospects he might have as to making a profit on his farm operations? Do you see where this is leading? Our present farm-parity formula may be somewhat lacking in its up-to-date application, but certainly it has much to recommend it over any such parity formula as suggested by the Brannan-Pace proposal. We had better take a good look at this new parity formula. And remember that producers would have to comply with soil-conservation practices, acreage allotments, when required by the Secretary, follow marketing quotas; all these, and many more regulations that might and could be required by the Secretary before a farmer could participate in a benefit-payment program. All revolutionary changes in the farm-program operation.

The second radical change the Pace-Brannan bill proposed is that the Secretary must take into consideration six factors when making price supports available to what are usually termed the Steagall commodities—farm commodities upon which the Government had requested increased production and acreage during the war and had agreed to protect the producers on price declines for a period of 2 years after the war.

1. The supply of the commodity in relation to the demand therefor;

2. The price levels at which other commodities are being supported, including the feeding values of other grains in relation to corn;

3. The perishability of the commodity;

4. The ability to dispose of stocks acquired through a price support operation;

5. The need for offsetting temporary losses of export markets; and

6. The ability and willingness of producers to keep marketings and supplies in line with demand.

Here you have expressed in six factors, spelled out in law, providing the Secretary with unlimited authority to control to the minutest detail whether he will provide price supports to a producer. How he may provide for them, and last but not least take into consideration "the ability and the willingness of the producer." Such language has no place in law, yet the proponents of this measure expected us to accept such language.

The third unusual provision in the Pace-Brannan bill proposed to authorize a trial run on an experimental basis of the production-payment plan on three commodities. Our subcommittee was unable to obtain any accurate estimate of the annual cost of any of these programs. Some estimates were one-half billion dollars, others $10,000,000,000. Neither the Secretary nor the Bureau of the Budget nor members of the committee supporting this bill could give us any estimate as to the cost of this experimental program.

I opposed the experimental program, feeling we have had some 20 years of experimental work on price-fixing of agricultural products and certainly by now we should have come to some basic conclusions as to certain things we should and should not do. When we had no possibility of learning the cost and with the present condition of the Federal Treasury, I felt I could not go along with any such experimental authorization.

There are many other questionable phrases of doubtful meaning and implications in this bill—but time forbids their discussion. Undoubtedly the broad application of the language used in writing this Pace-Brannan bill created doubts in the minds of many Congressmen, therefore, its overwhelming defeat.

I quote Congressman MURRAY of Wisconsin:

"In 1939, the seventh year of the more-abundant life, what did you have? That was the first year I was a Member of the House of Representatives. In August 1939 we had 5-cent-plus hogs and 8-cent-plus cotton and you had your 54-cent wheat, and you had to pay 27 cents per bushel export bounty in order to get rid of the wheat."

Congressman MONRONEY, of Oklahoma, said:

"I am afraid of the Brannan plan. When we accept the Brannan program we accept the principle of food subsidies, of high producers' prices, low consumers' prices, and the Government making up the difference out of money from the Federal Treasury. If we can accomplish this trick of high producers' prices and low consumers' prices without the out-pouring of billions of dollars from the United States Treasury, then we have discovered something as great as the discovery of perpetual motion, and I do not believe we have found it yet.

"This program, the more I study it and look at it and see it, makes me think of the OPA, production payments, subsidies, low consumers' prices, high producers' prices, billions from the Treasury. It seems to me we are inadvertently drifting back to the old days of the OPA again.

"Do you remember the millions of pages of regulations that any such program entails? You talk about bureaucracy. This program cannot be self-enforced and self-maintained."

I will close my remarks by quoting farm leaders of unimpeachable character, unlimited experience in the field of agricultural legislation, leaders of farm organizations who feel their responsibility and represent the thinking of the farm people. First Mr. Allan Kline, president of the American Farm Bureau:

"The proposal would place a ceiling on opportunity in agriculture. This, in turn, would result in penalizing efficiency. Food prices eventually would reflect this inefficiency. We view any limitation as dangerous precedent, an opening wedge which eventually would result in Government supervised and stabilized agricultural poverty."

Mr. Albert Goss, master of the National Grange, said:

"They (subsidies) tend to make beggars of us. * * * Subsidies would throw agriculture into politics. * * * The annual volume would run into billions, and there would be the constant necessity to besiege Congress, to make sure more funds were available for payment. * * * The availability of funds, and their extent, would inevitably become campaign issues. * * * Many would doubtless vote for the candidates promising the juciest subsidies. * * * Reckless taxation is one of the greatest threats to democracy."

In the face of the evidence placed before our Committee on Agriculture, and the House of Representatives, I could not support this program. Thank you.

Letter of Hon. Hamilton Fish

EXTENSION OF REMARKS

OF

HON. KATHARINE ST. GEORGE

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, August 3, 1949

Mrs. ST. GEORGE. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following letter:

JULY 15, 1949.

Hon. HARRY TRUMAN,
White House, Washington, D. C.

DEAR MR. PRESIDENT: On January 6, 1949, you wrote to me that you had read my "letter of December 25 with a lot of interest and sometime or other I shall explain just exactly the situation to which you refer."

That was 6 months ago. Since then the first trial of Alger Hiss has been concluded, and by a vote of 8 to 4, according to the press, the jurors believed him guilty of perjury in relation to certain documents stolen from the State Department and given to Communist spies.

Mr. President, do you still consider the Hiss case a "red herring"?

Is the Judy Coplon case also a "red herring"?

And what about Henry Julian Wadleigh, of the State Department, who declared in open court that he had stolen secret State Department documents for the Communists? Is he to get off without trial of any kind?

Who appointed Alger Hiss to the State Department?

Who appointed him as adviser to F. D. R. at the Yalta Conference?

Who appointed him as executive secretary of the Dumbarton Oaks Conference in 1944?

Who appointed him as Secretary General of the San Francisco Conference for the Organization of the United Nations in 1945?

These questions, Mr. President, are still unanswered. Who is the State Department trying to cover up?

Mr. President, the American people are entitled to know how Alger Hiss and numerous Communist sympathizers, fellow travelers, and Red stooges infiltrated into important key positions in various departments of our Government.

Treason is not a partisan issue. There can be no compromise or appeasement with treason against the United States by officials sworn to uphold and defend the Constitution and our country against its enemies within and without.

This applies to the legislative, executive, and judicial departments.

Mr. President, you had a fine combat record in World War I, and even your Republican opponents know of your loyalty and Americanism.

Is it not time to withdraw the "red herring" charge, and to cooperate with the Un-American Activities Committee in helping drive every last Communist and fellow traveler out of the State Department and other positions within the Federal Government?

With kind regards,

Respectfully yours,

HAMILTON FISH,

Chairman of the House Committee To Investigate Communist Propaganda and Activities in 1930–31.

Statement on the Effect of a Budgetary Limitation on the Program in Biology and Medicine

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EXTENSION OF REMARKS

OF

HON. CARL T. DURHAM

OF NORTH CAROLINA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, August 3, 1949

Mr. DURHAM. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following statement:

A STATEMENT ON THE EFFECT OF A BUDGETARY LIMITATION ON THE PROGRAM IN BIOLOGY AND MEDICINE

Any substantial curtailment in the funds available for the Atomic Energy Commission's biological and medical program will have a serious effect on the national welfare.

The most serious impact of a curtailment will be on the program which safeguards the health of the individuals who work in the atomic energy project. This includes all individuals—those who process uranium ore, those who process plutonium, those who work with nuclear reactors and those who assemble atomic bombs. The health and safety record of the atomic energy project has been and must continue to be outstanding so that popular misconceptions about the insidious effects of radiation are not supported by the presence of hazards to health in the atomic energy program itself. While this requires careful day-to-day supervision of conditions affecting health, it is of equal, if not greater, importance to conduct continuous research on the many critical problems relating to health. For example, on the basis of previous knowledge the wartime human tolerance for radiation was established as 0.1 unit per day. This allowed a safety factor of 10; in other words, it was evident that 1 unit would not cause damage. However, research conducted under the program of the Division of Biology and Medicine has revealed a decrease in fertility and the production of tumors in animals exposed daily at the 1 unit level and indicates that the present health safety factor could be increased by another factor of 10.

Another example of the health problems with which the Atomic Energy Commission is concerned grows out of the use and indispensability of the metal beryllium in the present operations of the atomic energy project. Within the past few years it has become evident that beryllium is damaging to the lungs even in very small concentrations—so much so, for example, that the dust discharged from the stacks of plants processing beryllium may cause serious lung disease in individuals living in the environment. The Commission immediately initiated a broad research program into the hazards created by the use of beryllium. This research has shown that beryllium affects other parts of the body other than the lungs, that fluorine and beryllium in combination are extremely poisonous, but that it is possible with modern ventilating appliances to reduce the concentration of the material well below the dangerous level. As a direct result of this research, a model beryllium plant is being constructed which should be free of health problems. A reduction in the funds allocated for this program will result in a lowering of the health standards in the project.

A great deal of the research which is being carried out under the program has important implications for the national defense and security, particularly, for the protection and treatment of the civilian population of this country against the effects of atomic warfare. Results of this research would be of fundamental importance to civil defense planning of the National Security Resources Board. In several instances, projects which were initiated in the cancer research field are producing results which are of the greatest importance in civil defense. For example, during the course of investigating the use of radioactive iodine in treating cancerous goiters, it was learned that individuals receiving radioactive materials secrete excessive amounts of a pigment which imparts a reddish fluorescence to the urine. The procedures for detecting this fluorescence are simple and are being studied intensively as a means by which individuals exposed to radiation, such as would occur in an atomic attack, might be detected and treated before they became seriously ill. It has also been demonstrated by research that the individuals exposed to radiation will excrete excessive amounts of certain hormones in the urine. Again, physicians using radioactive phosphorus in studies on the utilization of fats in the body have learned that this material may produce subtle changes in liver function. These changes are being investigated to develop simple tests for liver function which will make possible the early diagnosis of overexposure to atomic radiation. Intensive studies are in progress on the treatment of the changes which occur as a result of exposure to atomic radiation. These are, in many instances, long-term experiments which must extend for a period of years before reliable results appear. However, there are already indications that progress is being made. The mortality rate from atomic radiation is significantly lowered by the administration of a female sex hormone or by an acid substance. The often fatal hemorrhages may be prevented by the administration of the drug protamine. The maintenance of an adequate supply of salt and water is essential. In Japan, the Atomic Casualty Commission is studying the long-term effects of the bombings at Hiroshima and Nagasaki with funds supplied by the Atomic Energy Commission. For this work to be of value it must carry on for a time sufficient to determine if there are to be any deleterious effects in the offspring of those who were exposed to atomic radiation. It has been found that many of the children show lines of arrest of bone growth, that the disfiguring scars from the heat burns improve with time, and that the sterility which resulted from heavy doses of atomic radiation may recede with time. Many other research and development projects carried on by this division are important for the defense of civilian populations against atomic warfare. Examples include studies of the burns caused by an atomic explosion, the study of methods of decontaminating materials exposed to atomic radiation, the safe disposal of radioactive wastes and the development of instruments for the detection of radiation. If funds are reduced many of these studies will be curtailed.

Another major program for which the Atomic Energy Commission is responsible is the program for cancer research. Atomic energy bears a unique relationship to cancer—it may cause it, it may detect it, it may cure it. The cancer program of the Commission includes the free distribution of radioactive materials for cancer research, support of cancer research projects and the establishment of clinical research facilities at several Atomic Energy Commission national laboratories. To carry out this program a heavy investment in men and materials has been required. The final results in a cancer research project require several years. But already the use of radioactive materials provided by the Commission has brought about some promising developments. It has been demonstrated that certain chemical compounds introduced into the body will concentrate in some forms of cancer. By attaching a radioactive element to such compounds a new means of diagnosis, and perhaps treatment, may be developed. Brain cancer has always carried an extremely high mortality, for the methods of diagnosis are frequently inadequate so that patients are often operated on too late. Brain tumors will pick up radioactive phosphorus in detectable amounts and brain surgeons have been able to locate a very high percentage of brain tumors with this procedure. In the course of studies on the effects of radiation on humans, it has recently been learned that in patients with cancer there is a change in the content of certain enzymes in the body if the tumor were growing, and quite a different type of change if the tumor were receding. This should assist in judging the benefits of treatment and the necessity for further treatment.

Any considerable reduction in funds would also curtail the research program in agriculture. The production of new plant forms by exposure of plants to radiation has been already proved of great value to scientists. During the war it was found that the existing molds did not produce large yields of penicillin. The molds were exposed to X-ray—mutational changes were induced and new molds developed which gave a four times greater production of penicillin. The production of new plant forms by radiation holds similar promise for the farmer. For example, scientists have induced mutations in mushrooms which produced plants that bear a much larger number of mushrooms. The promise in this work is immeasurable.

In addition, it is important to know the effects of radioactive materials on our crops in the event that an enemy nation would use these agents as a means of warfare.

The atomic energy program of this country cannot move forward in any of the areas cited nor can proper measures for civilian defense against atomic warfare be developed without an adequate number of scientists who are trained in this field. The research projects which are being supported in the universities, medical schools, and colleges of this country afford scientists an opportunity to become familiar with its techniques and problems.

It should be recognized that no scientific establishment, any more than an industrial concern, can operate successfully on allotments of funds which change substantially from year to year. It requires considerable time to recruit scientists for a program. This is especially true in a field as new as atomic energy whose possibilities scientists themselves must frequently be told about. The curtailment of funds for the Commission's biology and medicine programs means releasing highly competent scientists from the laboratories supported directly or indirectly by the Commission. Such men will certainly not be disposed to return to work which does not offer an opportunity to complete long-term research.

Allies Can't Be Bought

EXTENSION OF REMARKS
OF
HON. LAWRENCE H. SMITH
OF WISCONSIN
IN THE HOUSE OF REPRESENTATIVES

Tuesday, August 2, 1949

Mr. SMITH of Wisconsin. Mr. Speaker, under leave to extend my remarks, I include an article which appeared in the Christian Century of July 27 relating to the arms program, calling attention to the fact that "the tie that unites free men has to be something stronger than gratitude for guns":

Four assumptions underlie the administration's proposed gift of arms to European nations. One is that a grant of weapons necessarily creates gratitude to the giver, and that this gratitude will take the form of a resolute defense of the West, including ourselves. A second is that such donations will strengthen, extend and preserve democracy. A third is that gratuities of this kind will cause Russia to accept the predominance of western power and govern herself accordingly. A fourth is that return now to an arms economy will solve the economic problem which is causing unemployment here and something like panic in Britain.

Each of these assumptions is highly dubious, to say the least. A foreign policy built upon these four expectations is a compound of uncertainties. Our recent experience in China strongly suggests that it may collapse in the first international storm. It is not too late for Congress and the people of the United States critically to appraise these official postulations.

Nobody doubts that Europe rests under a cloud of insecurity, and that this is the biggest single factor retarding recovery. Russia and her satellites have 6,000,000 men under arms, according to our State Department, and this contributes to the uncertainty. None of the countries of western Europe desires to be overrun by the hordes from the east. With greater or less effectiveness they may be counted on to resist if attacked from outside. But the attack may not come from outside, and, Atlantic Pact or no Atlantic Pact, the dominant consideration in their resistance will be to preserve their own existence, not to defend western Europe or the United States.

These nations are grateful for Marshall plan aid, and they have demonstrated that fact by placing communism on the defensive everywhere west of the iron curtain. But that kind of assistance provides jobs for men in factories, puts bread on their tables, and strengthens their capacity to govern themselves. Giving weapons to their governments takes men from productive labor and mobilizes them in the nonproductive ranks of conscripted armies. It weakens recovery and adds to the regimentation of their political and economic life. It reverses the good effects of economic aid.

If one is to judge from continued administration pressure for its proposed gift of military aid amounting to $1,450,000,000, nobody in Washington has read the accounts of the parade which the victorious Communist armies staged in the greatest city in Asia on the twelfth anniversary of the Marco Polo Bridge fight which began the Sino-Japanese War in 1937. For miles and miles through the streets of Shanghai the Communists displayed thousands of trucks, cannon, and other accoutrements of war—made not in the U. S. S. R. but in the U. S. A. These Communists were Chinese. They came into possession of the supplies without which they could not have conquered China so quickly through civil war. If the arms-aid bill passes, something similar could happen in Europe.

Will arms aid strengthen democracy in Europe? No. Rather it will build up the military caste in every recipient nation. It will buttress the influence of this element in the political and economic life of their countries. The administration in Washington proposes to spend the sum it seeks (1) to increase military production programs of the European nations; (2) to supply arms directly from this country; and (3) to give American technical and training assistance. Thus this money would swell the armament industries. Since the military have always been closely allied with the "merchants of death," arms aid would strengthen their power. It would also greatly expand the armed forces of Europe, which would further intrench the military. It seems not to be generally understood that one-third of the entire amount proposed is to go for arms already in stock here. These would be sold to European nations at around 10 cents on the dollar. So the prospective gift would have a money value in arms alone, if honestly appraised, roughly equivalent to the entire amount made available this year in Marshall-plan aid. Such quantities of arms will inflate armies and increase the power of their leaders.

It might be observed in passing that this effect of the arms program will not be confined to the receiving nations. It will, as we stated in an editorial on February 23, go far to deliver our own foreign policy into the hands of the generals. While this appropriation is being discussed in terms of its cost for the first year, the State Department says this would be only a beginning. So a vitally important question is being decided: Shall the generals run our foreign policy?

What will Russia be doing while all this is going on? She will not accept western military predominance without a struggle. Instead she may be expected to increase her own armaments and to equip her allies as rapidly as we equip our own. Thus, the arms race, which is already under way in atomic weapons, will be expanded and speeded up. Concerning this rivalry, Quincy Wright, the conservative professor of international law at the University of Chicago, says: "This is the aspect [of military aid] which gives me the greatest concern. I have studied the history of wars and their formation, and I must say that an arms race is a dangerous thing. There was an arms race started when the Triple Entente and the Triple Alliance faced each other in 1907 and 1908 before World War I, and that arms race led to World War I. Arms races are dangerous things, and if the Soviets respond to military aid by increasing their armaments even more, as they well may, we may have an arms race. That is, I suppose a risk we must calculate, but I must confess that I look to it, especially in a bipolar world, with a good deal of concern." Professor Wright might have added that, as each side moves to meet the threats raised by the other, neither gains the security or advantage it seeks, but both are driven to ever greater desperation by the burdens they assume. Sooner or later these burdens become unbearable, and at the present rate of expenditure for arms it is likely to be sooner. It is inconceivable that this country can carry on at the present level for more than a few years, to say nothing of raising the level.

An important but usually hidden reason for arms aid to Europe is that, given the general insecurity, it is justified on the ground that production of military implements is needed to give our lagging economy a shot in the arm. So the June 17 New York Times noted that "the orders for equipment that would follow passage of the enabling [arms aid] legislation would encourage United States producers to retool their plants for the production of military equipment. It is hoped that this would lead to providing the armed services with mass-production advantages for their own procurement. It is now felt that the stimulus of the proposed industrial activity might be beneficial to the national economy as a whole."

But where does this lead? No one believes that war constitutes an immediate threat. The diversion of resources into an armament program therefore postpones recovery and delays our facing of the economic problems whose solution is a necessary antidote to communism. From an economic standpoint, it gears a substantial portion of the economy to the production of waste. It therefore keeps from the people the essentials of wholesome living which a free society ought to make available to them. It reduces our capacity to provide economic assistance to other democratic nations, and to that degree fails to take advantage of a method of counteracting the appeal of communism whose effectiveness has been abundantly proved. It moves our own country further along the dangerous road of regimentation by diverting to waste and destruction energies that should contribute to human welfare, by increasing debt and taxation and by postponing the solution of problems until we may discover that they have become insoluble. When that happens, nations generally take the final plunge into insanity by going to war, which settles nothing.

These four assumptions underlying the proposed arms aid to Europe are therefore all open to the gravest question. They deserve to be thoroughly debated in Congress and in the press before that body accepts the administration's leadership. We believe that public discussion will demonstrate that they are all fallacious, and that the proposal should be defeated.

America needs friends. The American people have no intention of returning to "splendid isolation"—a term which was coined a half-century ago to describe Great Britain, but which the postwar disillusionment of the twenties domesticated in this country. That attempt to insulate ourselves brought its own disillusionment. We want no more of that. Now we know we share a common destiny with all freemen. But allies can't be bought. The tie that unites freemen has to be something stronger than gratitude for guns.

Division of Waters of Colorado River

EXTENSION OF REMARKS
OF

HON. NORRIS POULSON
OF CALIFORNIA
IN THE HOUSE OF REPRESENTATIVES

Wednesday, August 3, 1949

Mr. POULSON. Mr. Speaker, it is my purpose in speaking here today to tell my colleagues how officials of a Government department are illegally participating in an inter-State controversy, and are seeking personal power by publicly discrediting one State to the advantage of another State.

There exists between the States of California and Arizona a vital conflict over division of the waters of the lower Colorado River. Arizona has before the Congress legislation to build a billion and a half dollar reclamation project. The water necessary for this project is owned by the State of California under Federal contracts of long standing. Arizona proposes to break these contracts, and take the water for the benefit of a few private landholders.

The seriousness of this controversy cannot be overstated. It means economic life or death to southern California.

The officials of the Interior Department, from Secretary Krug down, have consistently discredited California in favor of the immense Arizona project. They have used their well-oiled publicity machinery to inject into the controversy totally irrelevant issues for the purpose of concealing from the Congress and the public real facts and real issues.

I shall reveal the deceitful actions of these officials, but first let me place in the RECORD a few actual facts about the controversy.

The State of California is not seeking more water from the Colorado River. California wants only to retain the water awarded to it by Federal contracts.

For more than two generations California has planned its water projects with a thoughtful eye on the future. We have built—not for the present—but always for the future. Because we had contracts with the Federal Government, we—the people of California—invested more than half a billion dollars in projects which would bring water to us for years to come.

Now the wisdom of our foresight is apparent. The share of Colorado River water awarded to us is our guaranty of an adequate supply for many years.

Arizona wants a large part of this water, and should Arizona get it, the economy of southern California would face ruin. And I might say here that despite the efforts of the Interior Department, the State of Arizona, or any other force, this water will be taken from California only over our dead bodies.

Now, without an assured water supply for it, Arizona is asking the Nation's taxpayers to put up a billion and a half dollars of public money for a project. Arizona would not pay one cent for this gigantic work, the largest and most costly of its kind ever proposed. The only people who would benefit from the project would be private landowners of Arizona, and they would contribute nothing to its cost.

Those are indisputable facts, Mr. Speaker, and they may be substantiated in the voluminous records of hearings which have been held during this session of the Congress.

What has the Interior Department been doing in this controversy? How have its officials engaged actively in this conflict?

I shall tell you.

The extensive publicity machine of the Bureau of Reclamation, using public money contrary to the law, has never stopped working to the favor of the proposed Arizona project.

The Interior Department's program supporting the project was well planned in advance.

In the beginning of Arizona's campaign for the project, Secretary Krug and Reclamation Commissioner Straus permitted the use of their photographs in Arizona propaganda. They wrote statements to be used with their photographs in booklets issued by Arizona promoters. Secretary Krug and Commissioner Straus, and their regional representatives, issued statements to the press favoring Arizona.

While the controversy was being debated in the last Congress the Interior Department officials not only continued their publicity campaign for Arizona but they testified for Arizona before congressional committees which were attempting to find out the facts of the matter. In this testimony they sought to conceal the facts from the Congress; they injected extraneous and irrelevant issues as smoke screens. They have continued this atrocious program through hearings in the present Congress.

The deceitful and incomplete assertions by these officials have been thoroughly discredited by the most qualified and honest witnesses, and anyone who desires may learn this by reading the record of hearings before the House Public Lands Committee.

Meanwhile, up and down the land have gone Interior Department and Reclamation Bureau representatives spreading vicious propaganda, dreaming up fantastic schemes, and giving breath to issues which have no bearing whatever on the controversy.

These activities are shrewdly designed to lull the people and the Congress into false beliefs.

One of the favorite themes of the Department of the Interior propagandists is the statement that southern California is so desperate for more water that a tunnel will have to be dug to the Pacific Northwest to tap the rivers of Oregon and Washington.

This is an outright untruth, and the men who have spoken it know it is an untruth.

But to the citizen or Congressman who is unfamiliar with the facts, this scheme might appear at first thought to be a solution to the controversy.

I wish to say right here, and without qualification, that no agency of California has ever suggested such a scheme; that southern California does not need water from the Northwest; that all southern California wants is to retain the water from the Colorado River already awarded to her; and that California does not want more water from the Colorado than already is awarded her under Federal contracts.

That is not the first time this statement has been made by representatives of California. It has been made innumerable times, but the Department of the Interior propagandists keep right on spreading their false assertions and proposing their fantastic schemes.

Let us look briefly at the record.

In January of this year, Under Secretary of the Interior Oscar Chapman stated that California was in such bad shape for water that the State was thinking of pumping and tunneling to get water from its northern rivers to the southern part of the State.

My colleague, Representative CECIL R. KING, promptly challenged Mr. Chapman's statements.

Said Mr. KING:

> Where Mr. Chapman got his information, I do not know. He did not get it from any responsible State official of California. In presuming to speak for California, Mr. Chapman did not take advantage of the facts available to him, and he did not present the facts to the Senate Committee on Interior and Insular Affairs, before which he testified.

Continuing, Mr. KING stated:

> Southern California does not need to go anywhere but the Colorado River for enough water to meet demands for years to come. And southern California already has that water through contracts with the Government.
>
> If southern California can stop this raid by Arizona on its water resources, there will be enough water for southern California for years to come.

I concur unequivocally in the words of Mr. KING.

The fantastic and inconceivably costly scheme to bring water from the Columbia River Basin into southern California has been advanced by Mr. Chapman, his boss, Mr. Krug, Commissioner Straus, Assistant Secretary of the Interior Warne, and several of their satellites. The tenor of their various statements is identical, and reveals a preconceived pattern.

Mr. Warne has been one of the busiest officials in spreading this smoke-screen to deceive Californians into believing they may safely give away some of their precious water to Arizona because there are numerous other solutions to the California problem.

In the interest of saving time, let us take a look at one of Mr. Warne's speeches, for it is typical of those made by the others on the subject.

On March 30 of this year Mr. Warne spoke at Riverside, Calif., and this is what he said:

> I personally visualize a climbing of the ladder to the north. One stream after another might be reached to take surplus supply of water which would suffice for years. At last the Columbia might be reached. That great river could then begin to make the contribution that it can make to the whole arid region.

In face of the fact that southern California does not need Columbia River water, and that California has never suggested such an idea, only one conclusion can be reached: The Interior Department has brought up this scheme only for the purpose of promoting the proposed Arizona project.

And why does the Interior Department want the Arizona project? The reason is clear, Mr. Speaker. They want it because the Arizona project would give the Department life and death control over the economy of Arizona. The destiny of the people in Arizona would be in the hands of a few bureaucrats in Washington.

Quite justifiably my colleague the gentleman from Oregon, LOWELL STOCKMAN, was angered by the proposals of Mr. Warne. The gentleman from Oregon [Mr. STOCKMAN] took exception to them in pointed language. Now, on behalf of the State of California, I wish to assure the gentleman from Oregon [Mr. STOCKMAN] that:

First. The proposal to take Columbia River water for California has no support from any responsible California authority.

Second. The scheme is purely a Warne-Reclamation Bureau grab for more power and for the purpose of projecting the Bureau into the affairs of another State.

Third. If California can protect its legal share of Colorado River water, any scheme for going elsewhere for water need never be considered.

Here let me read an editorial which illustrates the attitude of California toward Secretary Krug and his cohorts:

[From the Long Beach Press-Telegram of July 26, 1949]

KRUG SPEAKS UP AGAIN

Secretary Krug, of the Interior Department, has once more done harm to California's position in the dispute with Arizona over diversion of Colorado River water.

The Secretary put his oar on the Arizona side by bringing up at this time the subject of transferring Columbia River water to California. He made it sound all right by saying only excess water will be brought here. But he added the unnecessary prediction that eventually water from the Pacific Northwest would be used as far south as San Diego and as far east as Denver.

These comments, made in a letter to Representative STOCKMAN, of Oregon, came at a time when (a) the Interior Department still contends it is neutral in the California-Arizona controversy and (b) that controversy is likely to flare up again in either House. Krug said he was interested in only a scientific utilization of all water available to the west coast. Maybe so, but he could hardly have made his remarks at a time better calculated to swing the votes of all the Northwest States, whose Members of Congress naturally want to protect their own water supply, against California.

Actually the Colorado River Association of California, along with other spokesmen for this State, declared months ago that California has no plan or intent to seek water from the Columbia. The Interior Department evidently has taken it upon itself to refute such assertions, though without the consent of California.

The unspoken point of Krug, and of his aides on several occasions, seems to be that California has no need for the Colorado River water sought by Arizona in its Central Valley project; that if it does need more, it can get it from other sources; and that therefore there is no reason why the claims of the respective States should be adjudicated by the Supreme Court. This attitude, besides being prejudicial, is an infringement of judicial functions by an executive agency. Californians who are ready to stand up for their own rights will resent it.

Now, Mr. Speaker, another favorite smoke screen which the Department of the Interior has sought to spread over the facts of the California-Arizona controversy is the scheme to make fresh water out of sea water.

The conversion of sea water has been accomplished. It has been done on battleships at enormous cost. It can be done in small quantities for some special uses, but only at prohibitive expense.

But the Bureau of Reclamation has spread the false report that it "may be" the solution to California's water problems. In this underhanded task the Bureau has been aided and abetted by Arizona promoters.

The facts are these:

It requires enormous amounts of valuable fuel to convert a small amount of sea water.

There is not enough fuel of all kinds in all the world to convert enough sea water to meet the demands of southern California.

I do not say the time will never come when science will devise the means of converting sea water at a price low enough to permit its use domestically, industrially, or for irrigation. But I have the word of the country's outstanding engineers that such a time is a long way before us.

Whatever the case, the Bureau is using this idea to deceive the people and the Congress into believing that the salvation of southern California is at hand through the use of converted sea water, and that Arizona safely can be given a large part of California's share of the Colorado River.

Mr. Speaker, if this were true, then also is the salvation of Arizona at hand, for the sea is not far from Arizona—the Colorado River empties into the sea not far below the Arizona border. If this were true, why give Arizona a billion and a half dollars from the Public Treasury as an outright gift, for that is what the proposed Arizona project would be.

To illustrate how utterly absurd the Bureau of Reclamation officials have been, let me mention the scheme to bring water from the Northwest to southern California in tankers.

No, gentlemen, I am not joking. That scheme was advanced by Mr. Warne in one of his propaganda addresses to a western audience. The tankers would be specially built, run down the coast, and discharge their water to the thirsty people. Nothing in Alice in Wonderland beats this, but the Bureau officials have no conscience when it comes to deluding the good people of the West, and I might say the rest of the Nation as well.

In support of this serious accusation of mine, let me cite an example.

President Truman has said that the proposed central Arizona project is not in accord with his program. This statement of the President was deliberately omitted from the report on the project which the Interior Department sent to Congress.

Here are the facts in this case:

On February 4, 1949, Budget Director Frank Pace, Jr., wrote the Secretary of the Interior as follows:

He (the President) has instructed me to advise you that authorization of the improvement is not in accord with his program at this time and that he again recommends that measures be taken to bring about prompt settlement of the water-rights controversy.

On March 18, 1949, in the Interior Department report to Congress on the project, which is signed by Acting Secretary Oscar L. Chapman, the President's statement is emasculated as follows:

By letter dated February 4, the Director of the Bureau of the Budget advised me that he had been instructed by the President "to advise you * * * that he again recommends that measures be taken to bring about prompt settlement of the water-rights controversy."

Deliberately the order of the President, that the Arizona project was not in accord with his program, was omitted from the Interior Department report to Congress. Here is a typical example of how the Interior Department seeks to deceive Members of the Congress.

During the hearings on the proposed Arizona project before both the House and Senate committees, the Bureau of Reclamation sent witnesses to testify for the State of Arizona and against the State of California. The record contains the statements of these biased witnesses, so I shall not repeat them here.

However, I wish to inform my colleagues that a Government bureau has entered vigorously an interstate controversy of a legal nature, a controversy that can be settled only by judicial action. California has proposed that the conflict be submitted to the United States Supreme Court for adjudication. The Bureau of Reclamation has joined the State of Arizona in opposition to this fair and constitutional manner of settling an interstate dispute.

With the knowledge that there can be no water for the Arizona project unless the Supreme Court rules against California, the Bureau of Reclamation has steadfastly promoted the project. The Bureau is asking the Congress to give a billion and a half dollars of the taxpayers' money to the land speculators of Arizona.

I repeat, Mr. Speaker, that there could be only one reason why the Bureau would promote such a fantastic scheme. That reason is a lust for power. The Arizona project would be built by the Bureau, and the Bureau would therefore have absolute control over the economy of the State of Arizona.

The land speculators of Arizona do not care who builds the project, or who controls it. They would get the water, and would make millions of dollars.

I appeal to my colleagues to look into this attempted raid on the Treasury, a raid supported by a Government bureau. The Arizona project is a speculator's dream, and it is the dream of power-hungry bureaucrats in the Interior Department.

There can be no compromise in this fight. There can be only a just decision made by the highest court of the land. I can say without qualification that we of California intend to fight with every means at our command, not only for our just and legal rights, but for the protection of the citizens of other States who would be bilked out of a billion and a half dollars should this Arizona Bureau of Reclamation scheme be approved.

I ask the Members of this House to investigate this outrageous project for the protection of their own constituents, who would be forced to give the land speculators of Arizona this enormous amount of public money should this nefarious scheme be consummated.

Amending Natural Gas Act

EXTENSION OF REMARKS
OF

HON. OREN HARRIS

OF ARKANSAS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, August 3, 1949

Mr. HARRIS. Mr. Speaker, H. R. 1758 to amend the Natural Gas Act of 1938 was reported by the Committee on Interstate and Foreign Commerce by a vote of 14 to 7, seven members being absent. This bill has a very limited purpose—to clarify the original intent of Congress exempting from the jurisdiction of the Federal Power Commission, independent producers and gatherers of natural gas sold at arm's length to a natural-gas company.

Apparently there is a great deal of misinformation being disseminated as to the objectives and the effects of this legislation. I think that the Members of Congress should clearly understand the issue and not be persuaded by any prejudices, misinformation, or great waves of propaganda.

Information is being circulated that this is being fostered by the big oil companies; that it is an attempt to permit them to make huge profits at the expense of the consumers; and that outrageous and excessive costs to the consumers will be the immediate result.

This is not the purpose of the bill; neither will it be the effect of the bill. The facts are quite the contrary, as the record shows.

This bill provides precisely the same policy that has been pursued since the history of the act 11 years ago, and it is necessary only because the majority of the Federal Power Commission has changed its mind and threatens to extend its jurisdiction into the competitive field of our American system.

It is being said that the consumers' prices will immediately go up. This positively is not a fact and will not affect any consumer who is already obtaining its gas by and through existing and long-term contracts. In fact, this will permit more people in certain areas to have natural gas.

Let us analyze this bill as to the actual facts, its real purpose, and only objective.

PURPOSE OF THE BILL

This bill has a very simple and limited purpose.

The Natural Gas Act specifically provides that it shall not apply to the "production or gathering of natural gas." Consequently, since the passage of the act in 1938, it has been consistently administered and applied by the Federal Power Commission, in accordance with the intent of Congress, so that independent producers and gatherers of natural gas have not been subjected to regulation with respect to arm's length sales, made during the course or upon completion of production and gathering of natural gas which is subsequently transported and sold by regulated interstate pipe-line companies—that is, "natural-gas companies" within the meaning of the Natural Gas Act. As the term is here used an "independent" producer or gatherer is one who is neither a natural-gas company, by reason of other operations, nor affiliated with a natural-gas company.

The sole purpose of this bill is to make certain that the Natural Gas Act will continue to be so administered and applied by the Federal Power Commission.

NECESSITY FOR LEGISLATION

Section 1 (b) of the Natural Gas Act, which specifies the jurisdictional scope of the act, reads as follows:

(b) The provisions of this act shall apply to the transportation of natural gas in interstate commerce, to the sale in interstate commerce of natural gas for resale for ultimate public consumption for domestic, commercial, industrial, or any other use, and to natural-gas companies engaged in such transportation or sale, but shall not apply to any other transportation or sale of natural gas or to the local distribution of natural gas or to the facilities used for such distribution or to the production or gathering of natural gas.

Until the decision of the Supreme Court in the Interstate case—*Interstate Natural Gas Company* v. *Federal Power Commission et al.* (331 U. S. 682 (1947))—it was assumed by all concerned that the specific declaration that the act shall not apply to "production or gathering" contained in section 1 (b) was broad enough to exclude from regulation arm's-length sales of natural gas by independent producers and gatherers, made in the course, or at the conclusion, of their production and gathering operations, and, consequently, to exclude such producers and gatherers from regulation. That this was intended by Congress appears to be generally conceded. That the Federal Power Commission itself took this position is clear from numerous statements made by the Commission, including statements made in its Order No. 139, issued on August 7, 1947, which is set forth in full in appendix III of the report. In that order the Commission said, in referring to various bills being considered by Congress during the Eighteenth Congress:

At the hearings on these bills before the Senate and House Committees on Interstate and Foreign Commerce, the Commission likewise stated its view that independent operators who produce or gather natural gas and sell it at arm's length to natural-gas companies subsequently transporting such natural gas in interstate commerce are exempt from the provisions of the Natural Gas Act.

The first test of the jurisdictional scope of the act, in this regard, was made less than 2 years after the act was passed in the Columbian Fuel Corp. case in 1940. In that case the Federal Power Commission concluded:

* * * that it was not the intention of Congress to subject to regulation under the Natural Gas Act, all persons whose only sales of natural gas in interstate commerce, as in this case, are made as an incident to and immediately upon completion of such person's production and gathering (2 FPC 200 (1940)).

No subsequent determination by the Commission has overturned this initial finding. No recommendation has come to Congress from the Commission during the past 11 years requesting that the jurisdictional authority in question be extended. No instance has been cited where the Commission has been thwarted, by reason of prevailing jurisdictional limitations, in its efforts to protect consumers or regulate industry operations.

While the Interstate case, above referred to, involved regulation of a natural-gas company, and did not present the issue of the power of the Commission to regulate arm's-length sales of natural gas by independent producers and gatherers, the Court couched its opinion in such broad terms that it immediately became the basis for diverse interpretations, by interested persons, as to its implications regarding the jurisdictional status under the Natural Gas Act of independent producers and gatherers. The views expressed by the Court gave rise to the fear that if the Commission should depart from its theretofore consistent practice and attempt to regulate arm's-length sales by independent producers and gatherers, the Court might uphold such action by the Commission.

During the period of more than 2 years since the Supreme Court rendered this decision, confusion and uncertainty have prevailed to such an extent that it is imperative that Congress act without further delay to clarify the situation. The present bill will accomplish this by clearly and unequivocally reaffirming the original legislative intent and well-settled administrative practice.

CERTAIN DEVELOPMENTS LEADING TO THE PRESENT SITUATION

Owing to the course of the proceedings in the lower courts in the Interstate case, confusion and uncertainty prevailed within the oil and gas industry regarding the scope of the Commission's jurisdiction. Various bills, accordingly, were introduced in the first session of the Eightieth Congress, attempting, among other things, to correct the doubt and ambiguity then being cast on the correctness of the Commission's past administrative policies and practices. These bills (H. R. 2185, H. R. 2235, H. R. 2292, H. R. 4051, and S. 734) were accorded extensive hearings.

During the course of those hearings, the Federal Power Commission recommended delay, taking the position that the legislation proposed was anticipatory of the results and recommendations which it felt it would be in position to make to the Congress upon the completion of its then pending investigation of

the natural-gas industry (Docket G-580).

The Supreme Court, however, rendered its decision in the Interstate case on June 16, 1947. The Chairman of the Commission, accordingly, under date of June 23, 1947, advised the committee that:

Under these circumstances, as we have stated previously, your committee may now wish to consider the adoption of an amendment to clarify this situation. Therefore we are submitting to you and your committee the attached legislative proposal, which is in accord with the Commission's interpretation that the Congress intended independent producers and gatherers to have a nonjurisdictional status under section 1 (b) of the Natural Gas Act, and is likewise in accord with previous rulings and determinations by the Commission regarding this matter.

Pursuant to the recommendation, a member of the committee, Hon. J. PERCY PRIEST, of Tennessee, introduced the Commission's proposal as H. R. 4099, which was subsequently proposed on the floor of the House as a substitute for H. R. 4051.

The full membership of the Commission urged the enactment of this bill to make clear the exemption of independent producers and gatherers, as is indicated in a letter of July 10, 1947, to the chairman of the committee:

MY DEAR MR. CHAIRMAN: This is in response to your request of July 9 for an early comment by the Commission regarding H. R. 4099, a bill introduced by Congressman PRIEST, of Tennessee.

The Federal Power Commission urges the enactment of this bill at this time to make it perfectly clear that independent producers and gatherers of natural gas are exempt from the provisions of the Natural Gas Act and the jurisdiction of this Commission.

The enactment of this bill would dispel the uncertainty regarding the status of such independent producers and gatherers which has been created following the recent decision of the Supreme Court in the Interstate case. Such action by the Congress now should dispose of this important and noncontroversial matter.

This procedure would enable the Congress to defer action on the many other aspects of natural-gas regulation involved in the complexities, uncertainties, and ambiguities of H. R. 4051 (the Rizley bill), to which we referred in detail in our statement of July 1 to you and the members of your committee. As you know, all these problems are being carefully analyzed by the Commission, in cooperation with all interested parties, in the natural-gas investigation (Docket No. G-580). A full report on this investigation will be submitted to the Congress for its consideration within the next few months.

I am authorized to state that the position of the Commission in this matter is fully in accord with the legislative program of the President.

Respectfully yours,

FEDERAL POWER COMMISSION,
By NELSON LEE SMITH, *Chairman*.

It will be noted that in this letter the Commission characterized the matter of clarifying the status of independent producers and gatherers as a "noncontroversial matter."

The first session of the Eightieth Congress adjourned without any clarifying legislation being enacted. The Federal Power Commission, accordingly, on August 7, 1947, less than 2 months after the Interstate case was decided, in Docket No. R-106, issued an order, No. 139, which in the language of the Commission, was "designed to relieve any existing uncertainty regarding the Commission's position." This order was signed by Commissioners Smith, Olds, and Wimberly, with Commissioner Draper dissenting. The rule adopted by the Commission to implement this order, stated:

The Federal Power Commission is of the opinion that it was the intent of the Congress that the control of production or gathering of natural gas should remain a function of the States and that the Natural Gas Act should not provide for regulation of those subjects.

For the purpose of administering the Natural Gas Act, the Commission will construe the exemption contained in section 1 (b), to the effect that the provisions of the act shall not apply to the production or gathering of natural gas, as including arm's-length sales of natural gas by independent producers and gatherers, made during the course or upon completion of production and gathering. The Commission, consistent with this construction, will not assert jurisdiction solely because of such sales.

The Commission stated in order No. 139 that—

It is also our intention, in keeping with the position heretofore taken, to continue to recommend to the Congress that it take appropriate clarifying legislative action regarding this matter.

Since the issuance of Order No. 139, one of the signers has changed his interpretation and now believes that independents are subject to regulation under the Natural Gas Act. Another Commissioner, who was not a member of the Commission at the time the order was issued, has stated that he considers the rule a nullity—absolutely meaningless. A majority of the Commission, which has the power to do so, has stated, through their spokesman, that order No. 139 will be rescinded when proposals now before Congress are finally disposed of.

Hence, during this session three members of the Federal Power Commission have adhered to a new interpretation restricting the exemption in question solely to the physical functions of producing and gathering; the other two members of the Commission have adhered to the interpretation consistent with past and prevailing practices of that agency. Actually, as of today, the membership is divided two to two because the term of one member of the majority recently expired and, while he has been renominated, his reappointment has not been acted on by the Senate. Previously, therefore, a 3 to 1 majority prevailed in support of the original interpretation; a change of interpretation by one member, together with the addition of a new member to the Commission, resulted in the reversal of Commission majority opinion. As a consequence, the Commission's views on this question of jurisdiction derive not from explicit direction of Congress but, rather, from changed views and shifts in personnel of the Commission.

Since no court has made a judicial determination of the specific question in point, the responsibility for resolving the differences that now exist is clearly one which must be discharged by Congress.

Full hearings were held on this bill and on H. R. 79 and H. R. 982 during 5 days in April of this year, the printed record of those hearings running to 282 pages. Testimony was presented by Members of Congress, by the Federal Power Commission, by representatives of State regulatory agencies, by representatives of the industry, and others. In addition, the Subcommittee on Petroleum and Federal Power of the committee, in order to obtain all possible light on the problem, later held executive hearings in which it heard representatives of both the majority and minority of the Commission, as well as lawyers from the Commission. These executive hearings are being printed. Hearings on this subject have been held also by the Senate Committee on Interstate and Foreign Commerce, and on June 24, 1949, that committee reported favorably to the Senate a bill (S. 1498) having the same objective as the bill here reported to the House.

LIMITED SCOPE OF THE BILL

This bill, which is limited strictly to clarifying the status of independent producers and gatherers, differs materially from the much broader legislation proposed in the Eightieth Congress, as exemplified in H. R. 4051, which was reported by this committee and passed by the House. That proposed legislation dealt not only with the subject matter of the present bill but, in addition, (1) would have extended the exemptions also to producers or gatherers affiliated with natural-gas companies; (2) would have modified the "prudent investment" formula which the Commission with approval of the Supreme Court has applied to gas produced by integrated systems, by requiring allowances as an operating expense of the prevailing market price in the field; (3) would have restricted the Commission's jurisdiction over interstate transportation of natural gas following interstate trunk-line movements; (4) would have imposed on the Commission, in connection with the fixing of rates of natural-gas companies, detailed and strict requirements as to segregation of properties and facilities; (5) would have added new requirements as to the duty of natural-gas companies to furnish and supply service to distributing companies; and (6) would have, in effect, transferred to the Interstate Commerce Commission jurisdiction over companies engaged in transportation of natural gas by pipe line solely for others for hire and not engaged in selling natural gas.

While sponsors of the bill here reported indicated that its aim, as it was originally introduced, was solely to make clear the exemption of independent producers and gatherers, there developed in the hearings in connection with testimony by members of the Federal Power Commission some questions whether the particular choice of language did not lend itself to uncontemplated breadth of interpretations.

Accordingly, numerous sessions were held with members of the Commission, and with lawyers of the Commission's Bureau of Law, to develop exact language which could be construed only as doing what was contemplated, and no more. The result of such conferences is embodied in the committee amendment to

the bill as now reported, which is a substantial modification of the bill as introduced. While there remains a difference of opinion among members of the Commission as to the policy involved, it is believed that all Commissioners agree that the bill as amended will accomplish the expressed purpose and no more.

EFFECT OF THE BILL

In the event the proposed legislation becomes law, there can be no further questions regarding this phase of the Commission's jurisdiction. Doubt and concern in the minds of independent producers and gatherers of oil and natural gas, arising from the fear that the Commission might seek, with judicial approval, not only to regulate their sales of natural gas, but also to intrude into their operations to determine allocations of cost and investment in regard to both oil and gas production, will be dispelled.

Considerable testimony was adduced to the effect that this concern is and has been of no little moment. It is alleged that numerous independent oil companies have felt it necessary to withhold sales of concurrently produced natural gas from a waiting market owing to fear that such sales might be held subject to regulation and that this would involve Commission jurisdiction over their oil operations.

While representatives of the present majority position of the Commission have sought to indicate that if sales of natural gas by independents were subjected to regulation the Commission's investigations for rate-making purposes could and would be limited, their presentation has not been sufficiently clear or persuasive to the committee. This committee is unable to see how this type of regulation of the gas-producing end of a joint oil-gas operation can be obtained by the Commission, involving as it does allocations of capital, expenditures, and income between the two, without complete examination of the oil as well as gas operation and the making of necessarily arbitrary allocations.

Whether there ever would be necessity for such regulation of the oil industry, this committee is not now prepared to indicate. The entire field of petroleum policy is now undergoing scrutiny by the committee in its continuing fuel investigation directed toward recommendations for a national fuel policy. We are of the firm belief, however, that if ever the day arrives that there should be regulation of the oil industry, it should be as the result of congressional determination, not as the result of administrative fiat.

PUBLIC INTEREST DOES NOT REQUIRE EXPANSION OF COMMISSION'S JURISDICTION

Competitive conditions in the gas-producing areas of the country have confirmed the soundness of the view held when the Natural Gas Act was orginally enacted, that regulation of arm's-length sales by independent producers and gatherers is unnecessary. Vague fears have been expressed that at some time in the future a situation might conceivably arise when it would be desirable for the Commission to be able to exercise this regulatory authority, but this segment of the industry should not be kept in a constant state of apprehension and uncertainty because of such a speculative possibility. If developments at any time in the future indicate a need for the exercise of such regulatory authority the situation can then be met, as it should be, by appropriate action by Congress.

No evidence has been presented to indicate that the Commission has been hampered in its efforts to protect natural-gas consumers or regulate natural-gas pipe lines by the jurisdictional policies followed up to this time. Witnesses testifying before the committee concurred in the belief that administrative practices of the Federal Power Commission, under the Natural Gas Act, have been beneficial to both consumers and independent producers and gatherers for the past 11 years.

The Commission's majority report included in the hearings showed that the average retail price of natural gas to residential and commercial consumers has declined from 68 cents per thousand cubic feet in 1938 to 60 cents in 1947, or by nearly 12 percent, as compared with increases of 61 percent for anthracite coal, 69 percent for bituminous coal, and 79 percent for fuel oil. Over the same period the average well-mouth price of natural gas in the seven leading producing States increased 1.25 cents per thousand cubic feet. The average price paid by interstate pipe lines to independent producers in the southwestern producing States is about 4.6 cents per thousand cubic feet, while the domestic consumer in the District of Columbia now pays about $1.51 per thousand cubic feet.

The current indecision and uncertainty is conducive to nothing but uncertainty, confusion, and hesitancy on the part of all affected by the act, both consumers and producers. Clarification within the framework of past experience and past necessity will serve to perpetuate the beneficial results achieved under the administrative practices followed for the past 11 years.

Protecting Federal Employees' Retirement Funds

EXTENSION OF REMARKS
OF
HON. J. CALEB BOGGS
OF DELAWARE
IN THE HOUSE OF REPRESENTATIVES

Wednesday, August 3, 1949

Mr. BOGGS of Delaware. Mr. Speaker, in the Senate last year the distinguished senior Senator from Delaware [Mr. WILLIAMS] directed attention to the fact that certain legal loopholes in Federal retirement pension legislation permitted payments to be made in some cases which were almost unbelievably out of proportion to the sums which had been contributed by employees. The proposal made at that time by Senator WILLIAMS to eliminate such a situation was opposed by the Civil Service Commission as being unnecessary.

In the meantime, Mr. Speaker, new and even more startling cases of retirement payments out of all proportion to employee contributions have arisen. With this additional evidence the Civil Service Commission has reversed its previous position and requested the enactment of legislation such as was proposed in 1948 by the Delaware Senator. Senator WILLIAMS has been happy to sponsor this legislation, and it is my hope that it will be speedily enacted by the Congress in order to safeguard and protect Federal employees' retirement funds.

As a part of my extension of remarks I include an editorial on this matter which appeared in the Wilmington (Del.) Journal-Every Evening of Friday, July 29, 1949. The editorial follows:

DUTCH BOY FROM MILLSBORO

Back in 1948, when the Senate was considering the United States employees retirement pay bill, Senator JOHN J. WILLIAMS, of Delaware objected that it had a weak spot where serious leakage could result. He told his colleagues he could foresee times when an employee of very brief service might stand to gain retirement benefits out of all proportion to his contribution.

The Senate must have regarded him as a modern counterpart of the fabled Dutch boy with his finger in the dike—for it took his advice and plugged the hole. The House refused to accept the change. The bill passed with the hole still in it.

Time also passed. Then, the other day, we heard the moans of the Civil Service Commission. A person who had been employed for a month, and had paid a total of $7.43 into the kitty, was eligible to take out maybe $150,000 in a long lifetime.

Who was the Senator that put in a new bill on Wednesday to make a permanent repair? Right. It was JOHN WILLIAMS. This time we bet the House will follow through and seal up that hole good and proper. Nice going, Senator.

Every Dollar Congress Gives the Indian Bureau in California This Coming Year Is a Public Waste

EXTENSION OF REMARKS
OF
HON. USHER L. BURDICK
OF NORTH DAKOTA
IN THE HOUSE OF REPRESENTATIVES

Wednesday, August 3, 1949

Mr. BURDICK. Mr. Speaker, under leave to extend my remarks in the Appendix of the RECORD, I include a letter from Adam Castillo, president of the Mission Indian Federation at San Jacinto, Calif., describing the predicament in which California Indians find themselves.

Their case is so clearly and logically stated that I need not add anything to it. Mr. Castillo's letter follows:

SAN JACINTO, CALIF., *July 25, 1949.*

Hon. USHER BURDICK,
Member of Congress,
House Office Building,
Washington, D. C.

MY DEAR CONGRESSMAN: The American Indian, and especially, California Indians appeal to you for the help needed to eliminate and forever abolish the un-American Indian

Bureau in its century of dishonor and bureaucratic control over the lives and property of my Indian race.

Therefore, at the insistence of my Indian people of southern California, I make this appeal to you, and, through you to the Members of the present Congress, ere they adjourn, to take drastic and firm action toward entirely eliminating the Indian Bureau from California.

There is absolutely no need or excuse for the Indian Bureau to be allowed to continue to operate in California. California Indians are all citizens, taxpayers, and voters, and have shown in every test that they are just as fully able to look after themselves in every manner as are other citizens. It will be remembered that in February 1947, when this writer was before the Senate Civil Service Committee and demanded complete freedom from all Bureau wardship, I was followed on the stand by Mr. William Zimmerman, Jr., Acting Commissioner of Indian Affairs, who had been subpenaed by the committee, and then Mr. Zimmerman frankly acknowledged that all California Indians, including the Mission Indians, should be immediately discharged of all Federal control. He went into detail and without reservation, gave his approval to "eliminate and abolish the Indian Bureau in California."

The grounds on which we would urge the Congress to act at this time, and entirely eliminate from the budget now before it for the present year, any and all requests for funds, are sound and readily understood. There are principally two main reasons why this should be done now:

1. The some 20,000 California Indians have demonstrated over the years that we are entirely capable of taking our places as responsible citizens of this State. In this, Mr. William Zimmerman, Jr., the Acting Commissioner of Indian Affairs, under oath, as a witness before the United States Senate Committee on Civil Service in February 1947, and his statement and recommendation has been concurred in by his own superiors and numerous Members of Congress, that all California Indians are ready to be relieved as Federal wards.

2. Supporting our contention that Congress should not give the Indian Bureau any public funds to continue to operate in California, we point out that insofar as relief and welfare aid, health and hospitalization, and education, California Indians are fully protected under the laws of California. Let us briefly make our reasons clear on these three items:

(a) Under the State Welfare Code of California, adopted in 1937 (ch. 2, art. 1, sec. 2500—Welfare Code), under the heading "Duty and power of county to give aid," the law states:

"Every county and every city and county shall relieve and support all incompetent, poor, indigent persons and those incapacitated by age, disease, or accident, lawfully resident therein, when such persons are not supported and relieved by their relatives or friends, or by their own means, or by State hospitals or other State or private institutions."

California, under the clear meaning of this State law, stands apart from all other States—it has already adopted legal measures by which it accepts the full responsibility—and we agree justly so, to care for its needy and unfortunate people. No person would today urge the abolishment of this law. Yet, through Indian Bureau interference by claiming California Indians as its own wards and that the Congress furnishes funds to care for all California needy Indians, the counties of the State (some 12 of them) refuse to allow Indians of the State to get the benefits of this welfare law. The Indian Bureau in California, however, now ask county welfare agents to report any needy Indian cases and "report them to the Indian Bureau State headquarters at Sacramento" and then weeks and months later, usually, some of these needy, starving Indians receive a dole or check which is usually down to one-third as much as a white person in the same circumstances gets under the standard set up by the welfare departments.

When Indians and their friends complain of the monthly check of about $10 per month to such needy Indians, the answer is that it is "the fault of Congress—that is all they gave." The director of the San Diego County Welfare Department has stated on many occasions that if it was not for the Indian Bureau, San Diego County would give Indians the same relief aid it gives all other citizens. The above refers to Indians under the age of 63 who are in need—those over that age get the old-age pension in California. We have reported that in this needy class of Indians under 63 years of age in San Diego and Riverside Counties of southern California alone, there are about 500 needy Indians. The Indian Bureau in its last State report claims that it only found in all California 90 needy Indians in this class, for which Congress only gave $24,000.

(b) Under the heading "Hospitalization and health aid," California Indians have the same right to go to county hospitals as indigents, etc., the same as other poor people. However, the Bureau has had approved in its budget last year some $300,000 or so, in order to perpetuate its existence. It makes agreements with some counties and pays such counties for Indian health and hospitalization. This is entirely a waste of public funds. The State welfare law, as above quoted, gives Indians the right to care, etc., the same as other needy citizens. By giving the Bureau welfare and hospital care funds you are actually depriving Indians of first-grade service and paying out public funds where it is entirely unnecessary. It should be eliminated.

(c) Under the heading "Indian education," there is set up in the California Indian Bureau Budget some $250,000, which as we have shown in statements before congressional committees over the years, is wholly unnecessary. No California Indians would legally be deprived of a public-school education, if Congress eliminated this grant to California. California Indians, the same as all other persons, pay the State sales tax, now 3 percent, and which all goes for public-school taxes. Real estate does not pay all the school tax in California, as is the custom in many other States. The Indian Bureau (the Interior Department) made a contract with California in 1934, before the sales tax was made a law, by which the Government pays to California for Indian education this sum of some $250,000 annually. This was under the original Johnson-O'Malley Act. At the time, the Bureau would not enter into a contract for Indian welfare and health aid, although the act authorized it. Thus, the Bureau continued its hold over welfare, and hospitalization for Indians.

We have shown the Congress in this brief report, how the Government is actually wasting public funds when it continues to give the Indian Bureau funds to operate in California.

As stated above, the Bureau reports that there are some 15,000 California Indians who do not live on Indian tribal lands, and that Indians own their own lands, pay taxes on such lands, etc., and therefore, really the Indian Bureau has nothing to do with these 15,000 Indian citizens. Yet it will not approve the Government giving to such Indian citizens their full share of the $6,000,0000 in the United States Treasury. Congress surely does not understand this mistake, it could not want to withhold the share of each of these 15,000 Indians who have absolutely proven in all walks of life they are not Bureau wards.

There is no need for the Bureau to remain 1 day in California, in the face of the facts which we briefly outline here. The Indian Bureau over the past century, under all administrations, seem to defy and bypass Congress, even in the face of reports from each and every congressional committee which investigates Indian conditions. Where does the Indian Bureau get its power over the Congress? If one will but read the famous address delivered in 1933 by the former Utah Senator, Hon. William H. King, chairman of the Senate Indian Committee, a very clear understanding can be had of the infamous Indian Bureau system. For the Congress to continue to listen to the schemers of the Indian Bureau, that "now we are just about ready to end all Bureau control over the American Indian," or some similar misleading promise, and continue to give it the $50,000,000 annually to further enslave and ruin the American Indian, supports the contention of leading Indians of the Nation and their white friends, the Bureau octopus has almost destroyed the great Indian race. It's America's shame.

Therefore, I plead for justice and equality for California Indians—break and forever sever the bonds of wardship, and turn my people free.

Respectfully,

ADAM CASTILLO,
President, Mission Indian Federation.

Amending Natural Gas Act

EXTENSION OF REMARKS
OF

HON. JOHN W. HESELTON

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, August 3, 1949

Mr. HESELTON. Mr. Speaker, under leave to extend my remarks in the RECORD, I include my minority views as to H. R. 1758, the bill to amend the Natural Gas Act, which has been granted a rule and will be scheduled for debate on Thursday, August 4.

The matter referred to is as follows:

On January 26, 1948, the Committee on Interstate and Foreign Commerce filed a preliminary committee report of its fuel investigation which it had undertaken on December 12, 1947 (Rept. No. 1270, 80th Cong., 2d sess). It is my judgment that no consideration of H. R. 1758 would be complete except in terms of that preliminary report. I shall quote certain brief but highly important excerpts.

"Referring to the four most important energy resources—petroleum, coal, electric power, and natural gas—the committee stated that it would study each of these fuels in detail in order to gain a complete picture of anticipated supply and demand. The committee expressed the hope that on the basis of the accumulated information it would be in a position of making recommendations to the Congress with respect to a national fuel policy.

"In mapping out this program, the committee is aware of the fact that the task it has undertaken is no easy one which can be completed in a matter of days or weeks. The committee, however, is convinced that a comprehensive study of this nature by the Congress is imperative if the Congress is to discharge properly its responsibility of formulating legislative policy. As far as our national economy and our national security are concerned, no problem looms larger than the question of the adequacy of our energy resources.

* * * * *

"Thus prepared, the committee is again undertaking a general study into fuel supply and demand. The committee desires to

emphasize from the outset that its study is definitely designed to be a fuel study or, using another term, an energy-resources study, and not a series of four separate studies into petroleum, natural gas, coal, and electric power. After concerning itself over a period of years with the problems peculiar to each of these four fuels, the committee realizes that each of these four energy resources affects the others, and that it is imperative, in the interest of the Nation's prosperity and security, for the Congress to think, and, if necessary, to act, in terms of a national fuel policy rather than a national petroleum policy, a national coal policy, a national electric-power policy, and a national natural-gas policy."

In the report the committee included a comprehensive topical outline covering the general scope of the proposed further study. This outline indicates clearly the complicated nature of the problems involved in the development of any adequate national fuel policy. Moreover, it presents convincing evidence of the necessity of a complete and comprehensive study rather than any limited action such as would follow in H. R. 1758 should become law.

It is true that the committee recommended in this report the immediate establishment of a congressional committee to be known as the Joint Committee on Fuel Policy and that a resolution to that effect was introduced. However, throughout the report, the committee recognized its primary responsibility in this field, and it is still my opinion that the members of the committee recognize that responsibility at this time, even though they differ as to the wisdom of action now on H. R. 1758. Indeed, in the majority report there is significant language with reference to the problem as to whether there should be, as has been advocated by some, any measure of regulation of the oil industry.

That language is as follows:

"Whether there ever would be necessity for such regulation of the oil industry, this committee is not now prepared to indicate. The entire field of petroleum policy is now undergoing scrutiny by the committee in its continuing fuel investigation directed toward recommendations for a national fuel policy. We are of the firm belief, however, that if ever the day arrives that there should be regulation of the oil industry, it should be as the result of congressional determination, not as the result of administrative fiat."

I believe it unnecessary to submit here any complete list of problems which must be faced by Congress sooner or later. However, it might be useful to mention a few. I think everyone is aware of the recommendations which have been made in connection with tidelands legislation, in connection with the impact of imports of petroleum and with the administration of the ECA program so far as refinery expansion overseas is concerned, in connection with any effect upon the public interest by reason of control exercised by producing companies over retail outlets, and in connection with power supply throughout the country.

The vital importance of recognizing the complex nature of this problem and of discharging this responsibility was made most significant on June 20 when the Supreme Court of the United States, by a 5 to 3 decision in the case of *Federal Power Commission* v. *Panhandle Eastern Pipe Line Company et al.*, ruled that a natural-gas company, subject to the Natural Gas Act, could sell leases of its gas reserves without the approval and contrary to the order of the Federal Power Commission. The case involved construction of subsection 1 (b) of the Natural Gas Act—the very subsection which H. R. 1758 would amend. The majority of the Court held that Congress, in exempting the production and gathering of natural gas, intended to exempt the producing properties and gathering facilities of a natural-gas company, and that leases are an essential part of production. The minority of the Court stated:

"The Court's judgment and opinion in this case go far toward scuttling the Natural Gas Act. * * * The Court's sterilizing interpretation rests on an exception to Commission authority appearing in section 1 (b) of the act. * * * It was the physical acts incident to the "production and gathering" of gas—local activities—that our prior decisions emphasized Congress intended to leave States free to regulate. Today the Court reads this congressionally granted privilege of States to regulate the act of 'production' as an absolute bar to the Federal Power Commission's regulation of the ownership of gas-reserve properties. Gas reserves are indispensable to proper service of interstate customers of an interstate natural-gas company. And in thus limiting the Commission's jurisdiction the Court leaves the Commission impotent to protect the public's interest in having interstate companies maintain adequate gas reserves. This disabling interpretation reads the Federal Act as though it contemplated 'ineffective regulation,' an interpretation directly opposed to that we gave the act in *Panhandle Eastern Pipe Line Co.* v. *Public Service Commission* (332 U. S. 507, 520). * * *

"It seems inconceivable that Congress would have passed an act to regulate natural-gas companies with a wholly neutralizing exception to bar regulation of the gas reserves upon which the whole gas business depended. I cannot attribute such a meaningless and deceptive action to the Congress. While the act itself grants broad Commission powers effectively to regulate gas companies, the Court's interpretation deprives the Commission of power essential to fixing fair rates and to protecting continued services during the life of a company's gas reserves."

The majority construction of this exception in section 1 (b) is the law. But the minority's estimate of the results of that construction places a very heavy responsibility upon the Federal Power Commission and the Congress. Even the majority of the Court clearly emphasizes that such responsibility exists, in the following language at the end of its opinion:

"If the Commission is of the opinion that it should have power to control the disposition of leases by natural-gas companies, it is authorized to call the attention of Congress to that fact."

The significance of that responsibility, in the minds of the majority of the Court, is high-lighted by the following annotation to that sentence:

"In an analogous situation before the institution of this litigation, there had been uncertainty of opinion in the Commission as to the reach of the act toward sales by independent producers and gatherers to natural gas companies for transportation in interstate commerce. See reports of the Federal Power Commission on its Natural Gas Investigation (Docket G–580), transmitted to Congress on April 28, 1948. In part IV of the report subscribed to by Commissioners Smith and Wimberly, it is concluded at pages 38 and 40.

"'No reasonable basis is found in the act or its legislative history for a conclusion that, although the activities of production and gathering are exempt under section 1 (b), sales of natural gas which are made at arm's length by producers and gatherers who do not thereafter transport it in interstate commerce may be regulated. Unless such a distinction is specifically disclaimed, doubts and uncertainties will continue to be felt and expressed regarding the possible jurisdiction under the Natural Gas Act of those who only produce and gather natural gas and then sell it to others transporting such gas in interstate commerce. (Pp. 38–39.)

"'In view of the present unsettled state of this matter, it is desirable, as the Commission has heretofore recommended, that the Congress should adopt appropriate amendatory legislation to make it clear that independent producers or gatherers of natural gas, and their sales thereof in interstate pipe lines, are not subject to the provisions of the Natural Gas Act. Such action will confirm what clearly appears to have been the original intent of Congress when it enacted the Natural Gas Act in 1938.' (Pp. 40–41.)

"See also the report subscribed to by Commissioners Draper and Olds, pages 12–14.

"Congress is now giving consideration to this problem. See H. R. 79, H. R. 1758, H. R. 982, S. 1498, and S. 1831, Eighty-first Congress, first session, and committee hearings thereon."

It is to be noted particularly that reference is made to H. R. 1758—the legislation we are now considering—and the committee hearings thereon. The Court is pointing clearly to congressional study of the uncertainty of opinion following the Interstate case as to jurisdiction of the Federal Power Commission over sales by independent producers and gatherers to natural-gas companies for transportation in interstate commerce. It declares the question of jurisdiction of the Commission over the disposition of leases by natural-gas companies is analogous.

Proponents of H. R. 1758 maintain there is an immediate urgency for congressional action in this one limited field. I do not understand they admit there is any comparable urgency for congressional action in the other field. It does not seem to me they recognize any comparable urgency for comprehensive congressional action at one time in connection with the establishment of the national fuel policy. Yet the majority report does include the following sentence which I repeat because of its significance:

"The entire field of petroleum policy is now undergoing scrutiny by the committee in its continuing fuel investigation directed toward recommendations for a national fuel policy."

It is my considered judgment that the Committee on Interstate and Foreign Commerce was both far-sighted and eminently sound when it reported on January 26, 1948:

"No piecemeal approach to the problem at hand, however, is practical."

While the piecemeal reference was to unrelated action by several committees, I submit it applies with even more force to the action now recommended.

The problems existing within the field of production, transportation, and distribution of natural gas are interrelated. In turn, they are interwoven into the field of production, transportation, and distribution of coal, electric power, and petroleum.

To enact H. R. 1758 without relation to its effect upon these other important phases of the natural energy resources would be unrealistic and inconsistent with the committee's recognition of the necessity of developing a comprehensive national fuel policy. It might well carry with it very serious results so far as the over-all public interest may be concerned in such a national fuel policy.

The majority report states:

"The resulting confusion and uncertainty [following the Interstate case] have been such that this committee feels it is imperative that the clarifying legislation here proposed be enacted into law without delay."

This, I think, should be carefully weighed with the admitted confusion and uncertainty prevailing as to other aspects of any national energy resources policy and the imperative necessity of developing and recommending a sound national fuel policy.

I therefore dissent from the recommendation of the majority and urge that the bill

be recommitted to the committee so that it may undertake this complete investigation and study with the objective of bringing before the House its recommendations in terms of the over-all problem now facing us.

The Education Bill

EXTENSION OF REMARKS
OF
HON. ANTONIO M. FERNANDEZ
OF NEW MEXICO
IN THE HOUSE OF REPRESENTATIVES
Wednesday, August 3, 1949

Mr. FERNANDEZ. Mr. Speaker, under leave to extend my remarks in the RECORD, I include an excellent editorial appearing in the Washington Post on yesterday, August 2, 1949. It is my hope that the committee will report out the Senate bill on Federal aid to education so that the House may have an opportunity to vote on it before the end of this session. In urging this, I make my own the concluding sentence of the editorial which states:

We think it is important not only from the viewpoint of improving schools in backward areas but also for the sake of withdrawing fuel from interdenominational feuds that, if allowed to gather momentum, will undermine the foundations of our American society.

The editorial is as follows:

THE TIME IS NOW

Special commendation goes to the two freshmen members of the House—HUGO SIMS, Jr., and TOM STEED—who induced the Labor Committee to try once more to get the education bill out on the floor. Chairman LESINKI had said that the bill was dead for this sesison. Some other committee members, along with Speaker RAYBURN, seemed to agree that the bill was too hot to handle. But the two freshmen legislators induced the committee to meet again this morning and give itself another opportunity of screwing up its courage and sending the issue to the House.

The argument for dropping the bill at the present session of Congress is that the controversies on the extrinsic as well as the intrinsic merits of the bill may have subsided by next year. This is wishful thinking of a dangerous sort. It cannot reasonably be supposed that the sponsors of this constructive effort to draw up Federal funds to patch the weakest parts of our public education systems will give up their objective because it has met with determined opposition. Nor is it likely that the foes of Federal aid to education will withdraw from the field so long as the question remains unsettled. Nor will postponement assuage the church-state conflict. Instead of subsiding, the controversies are thus likely to spread until a decision has been reached, and it would not be surprising if the acrimony surrounding those controversies should be intensified. Since 1950 is an election year, Congress would fly into the face of all experience if it should assume that emotions would be less aroused and judgments more trustworthy then than now.

It is true that the problem is very difficult. The sponsors of Federal aid to education are divided between the Thomas bill passed by the Senate, which would allow the States, where their laws permit, to use Federal funds for bus service and nonsectarian textbooks for children in parochial schools, and the Barden bill, which would deny any such auxiliary aid to either public or private schools. These differences can be resolved, however, if those who are interested in buttressing the education systems of the States have the courage of their convictions. They can subordinate the relatively minor differences between the two bills to the major objective of getting an education measure on the statute books.

While we think the Thomas bill is preferable, a favorable House vote on the Barden bill would send the two measures to conference, where a satisfactory compromise could doubtless be worked out. The important thing at the moment is for the House Labor Committee to act. We think it is important not only from the viewpoint of improving schools in backward areas but also for the sake of withdrawing fuel from interdenominational feuds that, if allowed to gather momentum, will undermine the foundations of our American society.

Agricultural Adjustment Act

EXTENSION OF REMARKS
OF
HON. JOHN H. MARSALIS
OF COLORADO
IN THE HOUSE OF REPRESENTATIVES
Wednesday, August 3, 1949

Mr. MARSALIS. Mr. Speaker, I am in favor of this legislation and I am most appreciative of the special efforts put forth by the members of the Agriculture Committee in attempting to relieve to some degree those cases of extreme hardship that will result from the application of acreage allotments which are based chiefly on a historic basis. I am not personally cognizant of this situation as pertains to cotton and peanuts, but I am as to wheat.

Eastern Colorado is partly a semiarid region a large part of which had been devoted for years to the raising of cattle although wheat was also raised in some of these counties. Due to the great need for wheat during and just subsequent to the war experiments were made which disclosed that these counties were all adaptable to this crop. As a result a great portion of this land was plowed up and put in wheat. Excellent crops resulted and due to good prices this section of the State enjoyed a period of sound prosperity. The towns and cities also experienced substantial growth and many investments were made based on the continued use of these lands for wheat.

Many of the farmers in this area have been planting only part of their land in wheat, reserving the rest for summer fallow, thereby cooperating with the Department of Agriculture in its program of soil conservation. If the historic basis of 10 years is applied in determining the acreage cut in conjunction with the last 3 years as the only other adjustment for trends, it will result in acreage cuts for some of these counties of as much as 50 percent and higher, whereas the national average so far as this cut is concerned will be approximately 17 percent. This is too great a cut for these counties to take and would shake the whole economy of the State. Some of the towns and cities in eastern Colorado would practically wither away since wheat today is that State's No. 1 industry, producing more wealth than any other.

I might also point out that in event such cuts were made the greater portion of these lands would stand idle. Being semiarid there is no other cash crop that could be produced. It would take many years for the buffalo grass to return in sufficient stand to support grazing of cattle. And it would take at least 3 years or more for even a fast-growing and more hardy type of grass to make a sufficient stand for grazing cattle. With no other crop to turn to and these lands lying idle, many farmers in the eastern part of my State would be forced into bankruptcy.

This acute situation was recognized in the Senate which on July 6 adopted an amendment to its cotton marketing bill which provided that in those areas in which no other cash crop could be grown the ensuing year, the acreage allotment should not result in a cut greater than that of the national average. Those Senators not in full accord with this special amendment agrees to its adoption, however, with the understanding that hearings would be had on this amendment when the bill was taken up by the House committee.

Hearings were had by the House Agriculture Subcommittee under its able chairman, the distinguished gentleman from Georgia [Mr. PACE] and a substitute for this Senate amendment was adopted and became a part of H. R. 5738.

This substitute while not as liberal as that of the Senate, at the same time attempts to protect those wheat farmers who have no other cash crop they can turn to and who have been farming their lands in accordance with good soil conservation practices. It was felt by the committee that those farmers who have faithfully practiced soil conservation should be protected from undue hardship as a result of the crop-reduction program. In view of the Senate's previous action and remarks on the floor of the Senate at that time, I feel they would be amenable to this House amendment. I am grateful that the committee has recognized the plight of the wheat growers in my own as well as other districts and has taken these steps to alleviate the undue suffering which might otherwise have resulted—at least as to those who have been applying sound soil conservation practices.

War Scares

EXTENSION OF REMARKS
OF
HON. LAWRENCE H. SMITH
OF WISCONSIN
IN THE HOUSE OF REPRESENTATIVES
Tuesday, August 2, 1949

Mr. SMITH of Wisconsin. Mr. Speaker, under leave to extend my remarks, I am including an editorial which appeared in the Washington News of July 27. The American people

are being scared again into a war by propaganda emanating from the Department of State. The time has come to halt this effort to create a psychology which will ultimately prepare the way for an armaments race.

President Truman and the State Department are undermining the public's confidence in their foreign affairs leadership by blowing "hot and cold" on the Russian situation.

In Chicago on July 19, Mr. Truman told a Shriners' convention the Russian threat was waning. Six days later, in support of his arms-for-Europe program, he told Congress the "massed might of the Soviet Union" was such that it might again resort to the threat or use of force.

To back that up, the State Department has disclosed that it will lay before Congress secret intelligence reports indicating United States agents had broken through the iron curtain and found that Russia is arming for war. Oddly enough, however, no responsible official in the Army could be found who seemed aware of any new information on this subject.

The President resorted to the dire-warning procedure when he was seeking reenactment of the Selective Service Act in March 1948.

The Russian problem is serious enough without whipping up war scares to frighten the American people into supporting the administration's program. Moreover, this "wolf, wolf" business has worn so thin that a reaction is inevitable if there is much more of it.

There is every reason to assume that communism will continue to be a threat to world peace for a generation or longer—if a showdown does not come sooner than that. Our plans should be made accordingly, for a long, trying, costly period of continuing vigilance. If the public understands that, support for essential preparedness measures will not be lacking.

But distrust and distaste will be created if the policy of recurring crises is pursued further on the theory that the American people are a lot of "boobs" who have to be artificially alarmed whenever the President wants an act passed by Congress.

Mr. Churchill's Speech

EXTENSION OF REMARKS
OF
HON. A. WILLIS ROBERTSON
OF VIRGINIA
IN THE SENATE OF THE UNITED STATES

Thursday, August 4 (legislative day of Thursday, June 2), 1949

Mr. ROBERTSON. Mr. President, on July 23 Mr. Winston Churchill delivered an address at Wolverhampton in which he outlined the position of the British Conservatives. I feel that his statement has a vital interest to us, in view of our close economic and other ties with Great Britain. I ask, therefore, unanimous consent that there be printed in the Appendix of the RECORD the account of Mr. Churchill's speech printed in the London Sunday Times of July 24.

There being no objection, the matter was ordered to be printed in the RECORD, as follows:

MR. CHURCHILL ON MUDDLE AND WASTE—SOCIALIST INCOMPETENCE: RESERVES CUT TO VERGE OF INSOLVENCY—NATION'S VITAL CHOICE IN COMING ELECTION

Mr. Churchill delivered a devastating denunciation of Socialist falsehoods, extravagance, muddle, and incompetence when, before a gathering of 40,000 at Wolverhampton yesterday, he presented the Conservative statement of policy "in the advent—and perhaps on the eve—of one of the most vital general elections which has ever taken place."

The Socialists, he declared, had no claim to any achievement in the field of social reform, but had merely added "biased and sterile measures of restriction and nationalization" to the policy devised by the National Government.

"From her high and proud position at the end of the war," he declared, "they have brought Great Britain low alike in prosperity and reputation, both at home and abroad."

By squandering our resources, using up in 4 years the subsidies of £1,750,000,000 given us by the United States and Canada, raising taxation to a higher level than at the height of the war, and reducing our dollar and gold reserves to the verge of insolvency, they had "darkened and narrowed the future of every man, woman, and child in this famous island."

In contrast to this policy of waste, austerity, and frustration, the Conservative policy aimed to restore the greatness of Britain, to "set the people free from Government control, wrong-headed planning, and official interference."

ELECTION IN AUTUMN?—LORD WOOLTON'S WARNING

Lord Woolton, introducing Mr. Churchill to the widely cheering throng, warned them to "be ready for a general election in the autumn of this year."

"Recruit your membership and remember we fight for more than party advantage. Slowly but surely, the tide is turning in our way."

Mr. Churchill, who was cheered for several minutes, said that the Socialist Party had tried to spread two "gross and palpable falsehoods—that before they got a majority, Britain was a backward and miserable country, and that they were the authors of social reform.

"The truth is," he said, "that our British system before the war was in advance of any other country in the world in its social services, and of any other country in Europe in its standard of living.

"The vast experiment in social organization and the improvements in the standard of living which have marked the twentieth century, in spite of its terrible wars, have been the work of the Conservative and Liberal Parties, mostly through Parliaments with large Conservative majorities. The Socialists never had a majority or the power to do anything till the landslide of 1946.

"All they have done in their cramping and disastrous rule is to carry out, with many partisan distortions, the policy devised by a national government, sustained by a Conservative House of Commons. All they have added to this policy are their own biased and sterile measures of restriction and nationalization."

DOLLAR DRAIN PERIL—"NO EFFECTIVE PLAN"

It was amazing that they should have brought Britain down and given her people hard times during 4 years, when they had been not only eating up the nation's savings but had enjoyed outside help on a scale never known in the history of any country in time of peace—nearly £2,000,000,000 from the United States and Canada.

"In addition," Mr. Churchill added, "our Socialist spendthrifts and muddlers have exacted and extracted from our people a higher rate of taxation than was required in the very height of the war. Never before in the history of human government has such great havoc been wrought by such small men."

Today the Nation was approaching a grave and formidable event. The last gold and dollar reserves of the sterling area, for which it was responsible, were running out.

"These," Mr. Churchill warned, "are the last reserves that stand between us and insolvency. If they go, we shall not be able—even with the existing American subsidies—to import enough raw material to keep our factories busy and our people at work or enough food to maintain our health. Widespread unemployment and more privations are inevitable unless this catastrophe is averted."

But the Government had no effective plan to deal with this imminent peril. The reckless expenditure in which they had indulged at home and abroad was the main cause of Britain's difficulty. Sir Stafford Cripps had recently admitted that we had spent £900,000,000 in gifts and loans to foreign countries to assist world recovery.

EUROPEAN RECOVERY—BETTER EVERYWHERE THAN HERE

"What was the sense, or, indeed, the sanity," Mr. Churchill asked, "of borrowing a thousand millions from the United States with one hand, to enable us to get on our feet again, and giving it away to foreigners with the other? The greatest help Britain can give to the world is to stand erect in her native strength."

Everyone of the countries of Europe outside the iron curtain—behind which socialism and communism prevailed—including our former enemies forced to surrender unconditionally and others which had been overrun by foreign invaders, had got its life going in many ways better than we had done under a Socialist government, with its mania for regulation and restriction, and its delusion that it could plan the details of the daily life of every family and of every industry. In Holland, Belgium, France, Luxemburg, Norway, Denmark, the ordinary daily supply of food and conditions of civilized society were better than those we had to endure here on the morrow of our overwhelming victory, and their people suffered less austerity and frustration.

"Socialism," he declared, "with its vast network of regulations and restrictions and its incompetent planning and purchasing by Whitehall officials, is proving itself every day to be a dangerous and costly fallacy. But if socialism is a fallacy, its most direct expression, nationalization, is a failure.

"Every major industry which the Socialists have nationalized, without exception, has passed from the profitable or self-supporting side of our national balance-sheet to the loss-making debit side."

The coal board had recently boasted that it had made a nominal profit of a million last year—but that was not a real economic profit. Anyone could make a profit if he had a monopoly of some vital necessity and could charge the public what he chose.

BURDENS, NOT ASSETS—SERVICE TO PUBLIC WORSE

"All nationalized industries, I assert, have ceased to be assets to the public and have become instead burdens upon it. The losses they make will be paid for either by the taxpayer through the Exchequer, or by the consumer, who is also a taxpayer, in higher prices. In all cases, a worse service is given to the public."

The state-run air lines had proved a costly failure. The prices of gas and electricity had been increased. The railways seemed likely to show in their first year's working a loss of over twenty millions, and a large rise in railway fares seemed inevitable.

For this reason the Government wanted to get the whole of road transport in their control, so that they could raise the fares and rates and thus force the public back on to the national railways, whether they liked it or not.

It was a remarkable fact that the workers in all these nationalized industries were far from content with what they had experienced so far. The railwaymen, gradually led into recording machine-made votes for nationalization— which many of them thought meant

that they would own and run the railways themselves—were making wage demands which the Socialist Government were refusing.

This demand was naturally based upon the ever-increasing cost of living—which was an inevitable result of the "frightful overtaxation" practiced by the Government and their "lush and lavish expenditure" in so many directions.

The establishment of a stable and durable purchasing-power for money in Britain would be one of the first objectives of Conservative Chancelor of the Exchequer.

THREAT TO UNIONS—LOSS OF CONTROL

"It is indeed the irony of fate that the men who are worst hit by nationalization are the great trade-unions and their leaders. At the present time, the trade-unions never had more influence with the Government and never had less control over their own members.

"That is because, as nationalization proceeds, they lose their position of bargaining in the interests of their members with the private employers, and have to play in with the all-powerful state which is being built up. In the nationalized industries the trade-union leaders, for many of whom I have the highest respect, are being more and more drawn into the position of being on the side of the state employer, instead of facing a much more pliable and flexible private owner while the state stands aside to conciliate and mitigate the process of collective bargaining.

"Can you wonder that we are threatened with a wave of labor unrest manifesting itself in unofficial strikes and go-slow practices, and that the trade-union leaders, because they are identified with Government ownership, are unable, for all their courage and good sense, to cope with these new developments? Nothing is more clear than that nationalization spells the doom of trade-unionism.

"We Conservatives regard the trade-union movement, which we have always fostered from its earliest days, as a characteristic feature in British life. We believe in collective bargaining and the right to strike. We believe in the independence of the trade-union movement from Government policy.

"If we should become responsible for the conduct of affairs, it will be our aim to maintain the closest contact with the trusted and able trade-union leaders and to discuss with them means of improving working conditions. But we shall not ask them to compromise their position with their members by becoming the agents of Government-owned monopolies."

All knew that private enterprise was far more efficient and fertile than State-management by bureaucracy—because it was managed by people who were impoverished or made bankrupt if they failed to make things go successfully, whereas, under Government ownership, everything was managed by officials who ran no risks and had no interest in the success or failure of the concern. For that reason, private enterprise was vivacious and self-correcting, while State monopoly was morbid and hide-bound.

To maintain the value, the responsibility, and the independence of the British trade-unions was one of the principal aims of Conservatism and Tory democracy. They urged all Conservatives to join the trade-unions and take an active part in their organization. Today, more than 40 percent of trade-unionists were Conservatives, Liberals, or non-Socialists, and the more this process continued, the more would the trade-union movement become truly national and cease to be, to its own cost, individiously associated with any one political party.

SET THE PEOPLE FREE

On top of all these failures of nationalization, they were threatened with a new cataract of state monopolies—steel, cement, sugar, and insurance. But these depended upon the result of the election, since, if the Conservatives achieved power they would reverse or prevent every one of them.

"The main aim of all Conservative policy," Mr. Churchill declared, "is to restore the greatness of Britain. The first step is to regain our economic independence by earning our own livelihood.

"We mean to set the people free, so far as possible and as soon as possible, from the oppressive weight of Government control, from wrong-headed planning and from official interference with our daily life and work.

"Our Tory faith is that the gifts and genius of our men and women, if released, will not be found unequal to the first task and duty of every community—namely to earn its daily bread. We shall return to a system which provides incentives for effort, enterprise, self-denial, initiative, and good housekeeping.

WANTON STEEL BILL

Expressing regret that the Chancelor of the Exchequer had temporarily broken down under the strain he had been bearing of having his errors and those of his predecessor come home to roost, Mr. Churchill told of his astonishment at hearing Sir Stafford Cripps say recently that the ever-rising steel output was due to the encouragement given to that industry by the approach of nationalization.

"On account of his illness I will not deal with this strange pronouncement in the terms which it deserves," he added, "but I must place on record the truth, that no more wanton act of party malice has been known in our public life than the Government's persistence in nationalizing the steel industry at a time like this. It is a base and unworthy deed into which no thought of public interest, patriotism, or national unity has been suffered at any stage to enter.

"We cannot uphold the principle that the rewards of society must be equal for those who why try and for those who shirk, for those who succeed and for those who fail," he continued.

"But we also must strive to maintain the social services which Conservative and Liberal governments have called into being and which assure the whole mass of the people, whether successful or not, a minimum standard of life and labor below which no one is let fall."

PILLAGE OF INDUSTRY

The threat to nationalize the highly efficient cement industry, the sugar trade, and our world-famed system of insurance, represented further blows to national solvency—"the naked pillage for party purposes of great and growing concerns, the prosperity of which can be used to offset the heavy losses they are making in other parts of their nationalization policy.

"They cannot bear," he asserted, "to see the profits made at low prices by British cement, although over half of those profits already go directly to the Chancelor of the Exchequer in the form of taxation, and thus provide the funds from which the social services alone can be administered. With greedy eyes they gloat upon the enormous mass of investments possessed by the industrial assurance companies and societies.

"The Socialists want to get hold of the shares by which these investment are represented, so as to be able to knock about and liquidate every private industry in the country."

BULK PURCHASE MUDDLE

Turning to the waste and muddle of bulk purchasing by officials, Mr. Churchill said that, when he asked in the House of Commons about losses on the purchase of lead, zinc, and copper, an under secretary was put up to reply that, instead of losses, the Government had in fact made a profit of about £6,000,000.

"This brazen misstatement," he added, "was hailed with rapturous cheers by the Government supporters. But almost at the same moment the Minister of Supply was saying in Birmingham that the Ministry had been involved in a loss of £7,000,000 and that the total effect of the fall in prices would mean a loss of more than that.

"I can recall no parallel to this incident in nearly 50 years' experience of the House of Commons," he commented. "It is a measure of the confusion and disorder into which our public political service has fallen under these ungrateful inheritors of the treasures of the centuries."

HOUSING FAILURE

Mr. Churchill went on to review in detail the program outlined in the party's statement of policy, outlined in the Right Road for Britain, published yesterday. Of housing, he said: "Mr. Bevan has lamentably failed to live up to his party's election promises or his own sneers at the plans of the national coalition. There can be no doubt that the resources devoted to housebuilding in these last 4 years could have produced more and cheaper houses."

For agriculture, Conservatives intended to secure even greater opportunities, reserving for the home farmer first place in the home market, with empire producers next.

They intended to restore a proper balance to home agriculture by encouraging the raising of more livestock giving farmers the feeding stuffs the Socialists had failed to provide. They would also give the farmers clear guaranties, protect horticulturists from foreign dumping, and progressively improve conditions of life in the countryside.

"I believe," he concluded, "that a Conservative Government will be able to give not only a less oppressive but also a more efficient administration. The mismanagement and incompetence of the Socialist Ministers would be beyond belief were it not thrust upon us day by day.

DOCK STRIKE VACILLATION

"The vacillation, weakness and discord in their handling of the dock strike during the last 3 weeks is typical of the lack of leadership which marks every single part of the vast organization over which they preside and which they are continually trying to enlarge. If you seek the cause of the difficulties and misfortunes under which we are plunged, practical incompetence, not excluding sheer stupidity, must certainly take a high place among them.

"The theory of socialism is contrary to human nature. The more it is enforced upon the British people, the worse the results will be. The Socialist Party make a great parade of their quarrel with the Communists but there is no real difference between a full application of the Socialist system and communism.

"We do not know when the general election will come, but it is certain that within a year—perhaps much sooner—the British nation will have had to make one of the most momentous choices in its history. The choice is between two ways of life; between individual liberty and State domination; between concentration of ownership in the hands of the State and the extension of ownership over the widest number of individuals; between the dead hand of monopoly and the stimulus of competition; between a policy of increasing restraint and a policy of liberating energy and ingenuity; between a policy of leveling down and a policy of opportunity for all to rise upward from a basic standard.

IF WE COLLAPSE

"But it is not only Britain and her Empire and Commonwealth that will be affected. It is no exaggeration to say that what we do here on the day of trial will not only determine the future course of British history but will influence the immediate future of the world.

"If we sink through socialism into economic decline and collapse, not only will our

own sufferings be intense, but we shall carry many other nations with us into chaos and communism.

"The great Mr. Burke said: 'People will not look forward to posterity who never look backward to their ancestors.'

"So you will pardon me if I say that it is a comfort to me in my old age, when only the duty of preventing all we have won and preserved from being cast away holds me to the plow, to reaffirm as leader of the Conservative Party the faith which my father proclaimed in words which ring as true this afternoon as when they were spoken nearly 70 years ago. 'This party,' he said, 'this Tory Party of today, exists by the favor of no caucus, nor for the selfish interests of any class. Its motto is "Of the people, for the people, by the people." Unity and freedom are the beacons which shed their light around its future path, and amid all political conflict this shall be its only aim—to increase and to secure within imperishable walls the historic happiness of English homes.'"

MESSAGE TO YOUTH

Prolonged cheers from the vast crowd acclaimed Mr. Churchill at the conclusion of his 80-minute speech. He briefly acknowledged a vote of thanks and was about to leave when he turned back to speak directly to a group of boys and girls standing at the side of the platform.

"I have been watching you throughout my speech," he said, "and thinking that you are the people who are most concerned with what is now taking place. It is your right to make your way in the world and give all you have to the service of your fellow men. Freedom alone can give you that chance."

Then, raising his voice to a shout, Mr. Churchill concluded, amid renewed cheers: "For that freedom we have fought triumphantly abroad and we will fight no less triumphantly at home."

Mr. Churchill traveled by air to Wolverhampton and cheering crowds lined the route to and from the airfield. Shortly after the meeting he flew back to Biggin Hill Airfield, motoring from there to his home at Westerham.

Mining Legislation

EXTENSION OF REMARKS

OF

HON. WALTER S. BARING

OF NEVADA

IN THE HOUSE OF REPRESENTATIVES

Thursday, August 4, 1949

Mr. BARING. Mr. Speaker, once again it is my desire to comment briefly on mining legislation, so vital at this time to the whole economy of my State of Nevada.

Along with other western Representatives I have devoted many weeks in a vain effort to pry loose from the House Committee on Rules the Murray-Engle mines-incentive bill. This bill I sincerely believe to be the best of a score or more of measures designed to give a boost to our decadent domestic mining industry.

We have not given up hope as yet. I fully realize the very critical status of our mines and our mining people. I intend to use every effort at my command to see that some laws of benefit to our miners are passed at this session.

In no sense of the word is the mining problem a political issue. It concerns the welfare of all of our people in the western mining areas. And I propose to go along with those in the Congress who are seeking to help us in this drastic situation.

Unfortunately not all mining people are united on a definite plan for mining legislation. There has been some evidence of friction in the mining fraternity as to what methods should and could best be used to restore the prosperity—or at least the normal operating conditions—of our smaller operators.

The Murray-Engle bill, H. R. 976, and my companion measure, H. R. 2047, are known as the National Minerals Act of 1949.

They would provide for the establishment of a mines incentive payments division within the Department of the Interior. The proposal is designed to provide stimulation, stabilization, and maintenance of a sound and active mining industry in the United States proper—and, of course, to decrease our dependence upon foreign sources of supply.

Enactment of this bill, now resting in the rules committee, would put the small, marginal producer in a position to continue his operations successfully and to contribute to the economy and security of our country.

It would help prospectors and mining syndicates to locate new high-grade, low-cost mines which could compete in the world markets and which could meet America's emergency requirements. At the same time this legislation would help alleviate the metal shortage for industrial enterprises by utilization of the increased marginal production for stockpiling purposes.

A concise description of what the Murray-Engle bill proposes to do, is:

The bill establishes an agency to pay money to any mine operator who finds that his production costs and grade of ore do not allow an adequate profit margin at metal prices as of the time of payment.

Under open market conditions, the ordinary operating calculation is: At the present metal prices, what grade of ore can be mined to make a profit? Under this bill, the operator will calculate the costs of extraction of his average grade of ore and present an estimate of those costs and of the revenues to be obtained from the market.

The Administrator then will authorize payment to bring the revenue up to where an adequate profit will be obtained by mining the average grade of ore.

I believe this expresses the full intent of the bill in the fewest words possible. Nevada's mining people may rest assured that I, for one, have not given up the fight to obtain enactment of this important legislation.

In direct contrast to the Murray-Engle bill which I am cosponsoring, the Senate has a bill by Senators O'MAHONEY of Wyoming, MALONE of Nevada, and others, which would set up a board similar to the Munitions Board. This group would consist of the Secretaries of Interior, Defense, Commerce, and Treasury—with Interior Secretary Julius Krug in the driver's seat.

For the reason that this bill contains no real standards and would leave to the discretion of the board—in fact to the Secretary of the Interior—the establishment of any limits on payment for production or exploration of metals and minerals, and in fact to make such payments or not make them as the board sees fit, I am unalterably opposed to this legislation.

As I have said before, the laws should be written by the elected representatives of the people, in the interests of all of the people, and should not be dictated by downtown Washington bureau chiefs who play the political game for their own political benefit.

The Senate bill might help big business in the mining field. It leaves the little fellow out in the cold.

The facts are that the Secretary of the Interior insists that Congress hand him a blank check and permit him to decide arbitrarily who shall be helped, and to what extent such help shall be granted.

The House Public Lands Committee, having before it the Interior Department proposals, rejected them as undemocratic and voted unanimously that the Munitions Board should specify what metals and minerals are eligible and that any producer of such metals and minerals, regardless of how small or how large he may be, who can operate within the premium formula set up in the bill, shall be benefited, just as long as the stockpile aim for the particular item has not been used

My stock-pile bill provides that all stock-pile acquisitions of strategic and critical minerals shall be made, whenever possible, from domestic sources. The contracts for such stock-piling would be made directly with the producers. I cannot see where any serious objections can be made to this proposal, and I can see where it would be of great benefit to our Nevada mine operators.

Words à la Mode

EXTENSION OF REMARKS

OF

HON. RALPH W. GWINN

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, August 4, 1949

Mr. GWINN. Mr. Speaker, James Patrick McGovern, attorney of Washington, D. C., is a patriot who pictures the modern scene on occasion in poetry as he did in Words à la Mode which I have asked leave to introduce in the Appendix of the RECORD:

WORDS À LA MODE

Why read, why hear, why spur our youth to college,
Why strive for wisdom, built on shining knowledge,
When words mean not our freedom but our fetters,
And savages, illiterate, are our betters?
In books and papers, radio and presses,
All except the candid truth obsesses
Debunkers who daub on a panorama
Flaunting seamy lives and melodrama.
They always ride upon the winds of fashion:
They have a canny sense what they can cash in.
In every realm, from art to politics,
Propaganda takes most of the tricks.
Words a la mode seem gilded with such lying
In martyrdom now most true men are dying.

—*James Patrick McGovern.*

What Is the Lawful Price of Milk Used for Manufacturing Purposes?

EXTENSION OF REMARKS
OF
HON. REID F. MURRAY
OF WISCONSIN
IN THE HOUSE OF REPRESENTATIVES
Thursday, August 4, 1949

Mr. MURRAY of Wisconsin. Mr. Speaker, many, many times during the present session of Congress I have called to the attention of the Members and the Department of Agriculture the fact that milk used for manufacturing purposes was not being supported according to the law. The point I make and have made is that the law should be followed and that it is not a question nor a contention of whether the support price is too low or too high.

The law says that milk and its products should be supported at 90 percent of parity. The parity factor at this time is 2.44, although it was 2.60 up until this month. As of today the parity price for milk used for evaporated milk is $3.66 per hundredweight, as shown in the official letter from the United States Department of Agriculture. My letter of inquiry and the official letter follow:

JULY 26, 1949.

Mr. ORIS V. WELLS,
Chief, Bureau of Agricultural Economics, United States Department of Agriculture, Washington, D. C.

DEAR SIR: It will be appreciated if you will kindly supply me with the following information:

1. If a commodity brought $1.50 per bushel or 100 pounds, during the base period of 1909–14, what would the parity price be as of July 26, 1949?

2. If a commodity brought $1.45 per bushel or 100 pounds, during the base period of 1909–14, what would the parity price be as of July 26, 1949?

Sincerely yours,

REID F. MURRAY,
Member of Congress.

UNITED STATES DEPARTMENT OF AGRICULTURE,
BUREAU OF AGRICULTURAL ECONOMICS,
Washington, D. C., August 2, 1949.

Hon. REID F. MURRAY,
House of Representatives.

DEAR MR. MURRAY: This will acknowledge your letter of July 26, to Mr. O. V. Wells, requesting information on parity prices. Mr. Wells is out of the city at present.

This Bureau calculates and publishes parity prices for a list of major direct agricultural commodities each month. These parity prices pertain to the fifteenth of the month and are published about the twenty-ninth of the month. Heretofore the parity price concept has applied only to direct agricultural commodities as sold by farmers and has not applied to processed agricultural products. Parity prices as published by this Bureau are national parity prices and are comparable to the national average prices received by farmers for all classes and grades of the commodities as sold by them in their local markets.

In answer to your direct question, if the United States average price received by farmers for a commodity during the period August 1909–July 1914, was $1.50 per bushel or per 100 pounds, the parity price as of July 15, 1949, would be $1.50 times 2.44, or $3.66 per bushel or per 100 pounds. If the United States average price received by farmers during the period August 1909–July 1914, averaged $1.45 per bushel or per 100 pounds, the parity price as of July 15, 1949, would be $1.45 times 2.44, or $3.54 per bushel or per 100 pounds.

I assume that your request for parity prices as of July 26 means that you want the latest parity prices available. Technically the parity price of a commodity on July 26 would be the latest published parity price at that time or the parity price as of June 15, since the July 15 parity price was not published until July 29.

In administering a support-price program, it is possible to determine differentials for grade, location, season, and other factors which can be applied to the national parity price when it is necessary.

Despite the fact that the parity concept does not apply to processed agricultural products, it is, of course, possible in the administration of a support-price program to purchase processed products at prices which will reflect the support price to the producers of the direct agricultural commodity.

Sincerely yours,

F. F. ELLIOTT,
Acting Chief.

Milk for evaporating purposes brought $1.50 per hundredweight during the base period, so, as the letter indicates, this is the basis of computing the parity price of $3.66 per hundredweight. Ninety percent of $3.66 is $3.29, which, according to the official letter, would be the lawful support price for milk used for evaporating purposes.

The letter also gives information as to what the support price for cheese should be. Since cheese brought 14.5 cents per pound during the base period, 90 percent of $3.54 provides practically the same amount as the support price announced for cheese on July 28, 1949.

Butter prices have been supported in accordance with the law and cheese support prices have now been announced according to the law. Whether or not it will be necessary to announce a support price for milk used for evaporated milk depends on how the butter and cheese support prices are reflected in the price paid for milk used for evaporated milk. One fact remains certain, and that is that $3.29 is the present legal lawful support price for milk.

I have never asked, nor do I now ask, for any special privilege legislation for the milk producers in my district. However, I do feel that it is my responsibility to call attention to the fact that the products in my district are entitled to be supported in accordance with the law. The average price in the United States for milk in July of the year was $3.72 per hundredweight, while in Wisconsin it was $3 per hundredweight. This $3 per hundredweight represents about 6 cents per quart, and included city or bottled milk, as well as milk used for manufacturing purposes. Millions of pounds of grade A milk are being used for manufacturing purposes in Wisconsin, and if cities like Washington, D. C., wish to erect and maintain artificial trade barriers that is the responsibility of the Eighty-first Congress.

I have tried to approach this problem constructively, and there is nothing constructive in dangling a $4.22 per hundredweight promised price in front of the farmers, especially, when the $3.22 to $3.29 per hundredweight price provided by the present law is not being carried out.

The following excerpt is from an official crop-reporting letter from Wisconsin on August 21, 1949:

During the month of May which is the last one we have, the decrease for Wisconsin was 21 percent from the same month in 1948 as compared with 8 percent for the United States.

This difference turns on the fact that milk prices have declined more than other farm products. In June, for example, the Wisconsin milk-price index stood at 233 compared with a high point of 350 reached in July 1948.

The milk producers are entitled to the legal lawful support price and I expect to continue to call attention to this fact on all and sundry occasions. The law states that "the support is for milk and its products" and this law should be followed.

Communism Would Destroy All Religions

EXTENSION OF REMARKS
OF
HON. GORDON L. McDONOUGH
OF CALIFORNIA
IN THE HOUSE OF REPRESENTATIVES
Thursday, August 4, 1949

Mr. McDONOUGH. Mr. Speaker, the Kremlin is waging and will continue to wage unrelenting war upon the one group which has stood fast against the encroachment of the atheistic doctrine of Marxism and has had the courage to defy the power of the Soviet. This group comprises the clergy of all denominations, Catholic and Protestant, and the effectiveness of their determined devotion to the cause of individual liberty and freedom is proven by the persecution they are enduring; however, the Communist influence is dominant.

The men of the clergy have kept the faith of the people, have spoken fearlessly and constantly, and have wielded the one instrument most dangerous to communism, the weapon of truth. The trial and conviction of Cardinal Mindszenty, the sentence of death imposed upon two priests of Yugoslavia, the trial of the Rumanian bishops, as well as the imprisonment and trial of priests and ministers in other countries under Communist regime testify to the self-sacrifice of these men of faith who will never surrender to communism.

The following article is worthy of attention as it emphasizes the basic reasons for the Kremlin's determination to destroy all religion and to eradicate the freedom of criticism of its own workings, which is manifest in its attack on the church:

COMMUNISM IS ITS OWN RELIGION

Americans viewing the current proceedings against clergymen in central Europe are inclined, perhaps, to measure the significance too narrowly. We have known some who, despite what's happening in Sofia, have considered this a political quarrel between the several Communist governments and the Catholic Church. Others, taking cognizance

of the trials of the 15 Protestant clergymen in Sofia, have nevertheless felt that states were simply weeding out individual political recalcitrants. Some have said that, while they didn't much care for the proceedings, there did seem to be a degree of merit in some of the charges.

All such attitudes miss the forest by their overzealous attention to the trees. These are not scattered happenings; they are part of a great pattern. Carefully, systematically, ruthlessly, the Soviet Union is endeavoring to tear out religion by the roots throughout its newly won domain. The reason is logical enough from the Kremlin's viewpoint. The syllogism runs like this: Communism demands the undivided loyalty of its subjects; the various religions place God before Marx doctrine; therefore the worship of God must be stopped.

The evidence that this is the core of the struggle is conclusive.

The trial and conviction of Cardinal Mindszenty was merely the most dramatic (because of the Cardinal's high office) of a mass of similar proceedings throughout the satellite countries.

In Budapest several other Catholic priests are currently on trial on similar charges. In Sofia 15 Protestant clergymen—including Congregational, Baptist, Pentacostal, and Methodist—are on trial on almost identical charges. In Warsaw two Catholic priests were sentenced to long prison terms this week on generally similar charges. And in Belgrade the Communist press reports two priests sentenced on charges of offering wartime aid to occupation forces.

This coincidence of dramatic proceedings indicates a stepping up of the tempo of the purge throughout the Communist empire; but nowhere is the trail being freshly blazed.

It was almost 2 years ago that the Yugoslavs sentenced Archbishop Stepinac to 16 years at hard labor. A little earlier in the same country six priests were convicted of sabotage, two of them sentenced to death. In Hungary a year and a half ago the Catholic newspaper Uj Ember was suppressed. And only recently in Hungary Bishop Lajos Ordass of the Lutheran Church was arrested and tried on the same charges (black marketeering) as Cardinal Mindszenty. For some reason it has suited the purposes of the Hungarian Government to hide the fate of the Lutheran bishop.

Rumania, while unrepresented in the current set of trials, has had its share of persecution. Last fall Rumania reduced the number of Rumanian rite bishops from 12 to 4, and shortly afterward arrested the remaining 4. Recent reports from Rumania estimated a total of 120 priests are being held in civil and military jails.

These are random examples of what has been in progress in the Cominform nations since their absorption into the Soviet political orbit. The significance—indeed, the brutal, powerful logic—of the pattern must be grasped throughout the democratic world if the menace of the Communist program is to be properly appraised.

The Kremlin's fear and hatred of the spiritual leaders of western religion is not based upon jealousy alone. That may enter, but the Kremlin's basic motive is to eradicate the freedom to criticize its own workings. No group has been so outspoken in its criticism of communism as the clergy; nothing could be so dangerous to the Communist order as the truth, constantly and fearlessly spoken by the men who have won and kept the faith of the people.

It is a grim but reasonable prediction that the Kremlin will continue its campaign, if necessary, until there remains throughout its domain no free and articulate clergyman. If there then survives (as appears to be true in Russia) a small, slave church and a clergy trembling lest it slip forth a word out of harmony with Marxist doctrine, this will not differ notably from the status of the political institutions and agencies that operate within the totalitarian regime.

No point is served by reflecting that this persecution is pursued by a government which pledged itself solemnly to cooperate "in promoting and encouraging respect for human rights and for fundamental freedom for all without distinction as to race, sex, language, or religion." It was expedient, when the United Nations Charter was being drafted, to sign the pledge; it is expedient now to disregard it, and expediency, not truth or honor, is the rule of the Kremlin.

Good Proposals

EXTENSION OF REMARKS

OF

HON. PHILIP J. PHILBIN

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Thursday, August 4, 1949

Mr. PHILBIN. Mr. Speaker, under leave to extend my remarks in the RECORD, I include therein several pertinent articles, including two timely editorials from the celebrated Boston Post for which I am very grateful, and also a very thoughtful item from the distinguished Worcester Daily Telegram:

[From the Boston Post of July 29, 1949]

UNFAIR PRACTICE

Congressman PHILIP J. PHILBIN has scored a big accomplishment in having the military services agree to stop their mail-order business in metropolitan centers, in getting expensive household goods and personal items at near-wholesale prices. But he is not satisfied. As chairman of a House Armed Services Subcommittee, he says that unless this practice is completely given up, even at remote military posts, Congress will be asked to pass legislation to prevent it.

The issue has raised quite a storm of protest, because it is felt this mail-order business is discriminative and not fair to retailers. It hurts their business, and they point out that while there might have been some excuse for it in wartime, there is no reason why it should continue indefinitely to their disadvantage. Congressman PHILBIN feels that the Government should not continue to interfere with private business.

[From the Boston Sunday Post of July 31, 1949]

A GOOD PROPOSAL

The proposal by Representative PHILIP J. PHILBIN that the Navy's giant plane *Constitution* go on a world good-will tour is a good one. And, while the Navy is about it, it might be a good idea to send a task force with carriers equipped with the lastest Navy jet planes.

The finest kind of good will for a nation in the spot that the United States is in now—a world leadership challenged and doubted by coalitions inimical to the future of the West—is a demonstration that on the sea and in the air the United States keeps the flag flying in whatever quarter of the world it chooses to visit—either as friend or foe.

The round-the-world trip of the great white fleet in Theodore Roosevelt's day served notice that the United States had become a first-class power. It is not jingoism or chauvinism to serve notice in friendly fashion that the United States is now a world leader and intends to perform that role in firm but peaceful fashion.

[From the Worcester Daily Telegram of July 29, 1949]

NAVY SECRETARY LIKES PHILBIN TOUR PLAN

WASHINGTON, Friday.—Secretary of the Navy Matthews says he likes a suggestion by Representative PHILBIN, Democrat, of Massachusetts, that the Navy's huge plane *Constitution* make a world tour bearing replicas of the Constitution and other historic democratic documents.

Matthews wrote PHILBIN that his proposal for the tour and for basing the ship at Boston "is a most interesting project which I assure you will be considered and evaluated."

The Secretary said the Navy is "justly proud of both the frigate and plane *Constitution*." He said the success of the plane's visit to Boston "was due in no small measure to the Boston Chamber of Commerce, for which I express my deep appreciation."

The Navy Secretary also advised PHILBIN that the Department still is considering the advisability of assigning three destroyers to the Boston naval shipyard for conversion. He said PHILBIN will be kept informed on this or other decisions to bolster the work load at the yard.

PHILBIN and other Massachusetts Congressmen have sought construction or repair work for Boston to avert lay-offs due to reduced appropriations. Thus far they have been unsuccessful.

It has been indicated effort will be made to have three aircraft carriers, which Defense Secretary Johnson has said will be converted to handle heavy bombers, assigned to the Boston shipyard.

Another possibility for employment is the repair of the Coast Guard icebreaker *Eastwind*, badly damaged in a collision last December. Officials of the Boston yard have indicated they will bid on the approximately $3,000,000 job when offers are asked on July 31.

Twenty Billion Idle Dollars Are Key to an Expanding Economy

EXTENSION OF REMARKS

OF

HON. RALPH W. GWINN

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, August 4, 1949

Mr. GWINN. Mr. Speaker, under leave to extend my remarks, I include in the Appendix of the RECORD the text of a statement by Hon. Fred A. Hartley, Jr., president of the Tool Owners Union:

WASHINGTON, August 3, 1949.—A complete repudiation of any public works program as an employment panacea as embodied in the Murray bill was demanded today by Fred A. Hartley, Jr., president of the Tool Owners Union, who also called for:

1. Slashing Government expenses to conform to a more reasonable budget;

2. Removal of double taxation on dividends;

3. Liberalizing depreciation allowances; and

4. Strengthening the Taft-Hartley law in order to halt the monopoly practices of John L. Lewis and other labor leaders.

"Such bills as that of Senator MURRAY'S," said Mr. Hartley, "are mileposts along the road to the welfare state, and cannot accomplish its objectives. On the other hand, if the idle purchasing power in America could be put to work as 'venture capital' to provide new tools, create new jobs, and produce more goods and services, it would create many times the employment and pay rolls that any

Federal public works program or other forms of relief could ever possibly generate.

"This is a provable fact," said Mr. Hartley in releasing the tool owners union newly constructed index of distrust. "Out of a total of $27,500,000,000 in cash in circulation today, a little over $25,000,000,000 is cash money being held outside of banks. If you generously estimate $5,000,000,000 or $6,000,000,000 as this Nation's necessary pocket or till money for business, that leaves the appalling total of $20,000,000,000 lying idle in pocketbooks, dresser drawers, chimney corners, and the old sock.

"This," emphasized Tool Owners President Hartley, "is the index of public distrust in New Deal and Fair Deal socialistic policies."

Stating that these 25,000,000,000 largely idle dollars constitute a jump in the index of distrust of 743.3 percent over 1930, as based on the official figures of the Federal Reserve Board, Mr. Hartley said that, "this amazing condition of a $25,000,000,000 stock pile of largely idle money can have only one fundamental explanation—the distrust and fear of millions of thrifty people in the current policies of government. It dramatizes the great unwillingness of the man on the street to trust his savings in either United States bonds, or as venture capital in private business. It highlights the people's fear of the consequences of our Federal Government's deficit spending and confiscatory taxation policies.

"More than 3 years ago," said Mr. Hartley, "the tool owners union called attention to this huge pool of liquid but idle purchasing power. At that time (May 1946) the national advertising of the organization said: 'By safeguarding the right of the thrifty to receive competitive payments for the use of their tools, we shall lead them voluntarily to convert their liquid purchasing power into fixed investment in new tools * * * and in that way create new businesses, new jobs, and a flow of new goods. * * * Thrifty people will not take business risks when that means gambling with a stacked deck.'

"So that is exactly why we call upon Congress on the matters stated here," concluded Mr. Hartley. "Tool owners, and that means nearly everybody, must be free from the burden of confiscatory taxation, secure in his ownership of property and tools, and safeguarded in his right to legitimate, competitive earnings therefrom. Let these incentives be restored by an abandonment of current fantastic taxing and spending policies which are only adding fuel to the fires of fear and distrust, and then these twenty or more billions of idle dollars, the key to an expanding economy and our future material well-being, will come out of hiding and go to work."

Address of Hon. Forest A. Harness

EXTENSION OF REMARKS

OF

HON. RALPH HARVEY

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Thursday, August 4, 1949

Mr. HARVEY. Mr. Speaker, under leave of the House, I am privileged to place in the Appendix of the RECORD recent remarks of Hon. Forest A. Harness, former United States Representative of Indiana's Fifth District. Many Members of this body, from both sides of the aisle, will be interested in the address delivered by Mr. Harness when he appeared in Indianapolis, July 25, as guest speaker of the Republican citizens advisory committee.

The address follows:

It is a warm and stimulating experience for me to appear before this distinguished group of Indiana Republicans, and I appreciate most sincerely your cordial and generous reception. It is an added pleasure to appear before a group of fellow Hoosiers, to defend in the old and changeless terms of freedom and liberty, those principles of honest self-government which were the guiding inspiration of the founders of our country more than three centuries ago.

Today we find all the fundamentals of Americanism challenged by crass materialistic dialectics. The moral values and the spiritual truths of former generations we must now defend as if they had been discovered only yesterday. A weakened and tormented world has temporarily lost its moral bearings. After 10 years of service in Congress, I have gained one conviction above all others—if we are to regain our course and relight the lamps of freedom throughout the world, we must rediscover and reassert our basic and fundamental moral precepts and convictions. The glorious history of the American people, from Jamestown and Plymouth Rock, is but the symbol of a sacred flame of faith and moral purpose. If we are to prosper from this point forward, we must regain that bright faith and rekindle our moral purpose with a new zeal for freedom and ordered liberty under law.

During the past 16 years, under the guise of so-called liberalism of the New Deal Administration, we have expanded Federal Government to the point where it touches the daily lives of each of us. Bureaucracy has grown to the point where freedom in America has become a fiction. The average citizen is only vaguely aware that the Federal Government continuously touches and influences his daily thinking, but when he stops to reflect, he must realize that a host of Federal agencies and activities exert a constant and often decisive influence on his own and upon his neighbor's opinions. Yet, I doubt that any but the most thoughtful students of American Government understand how vast is the range of this influence—how tremendous is the machinery through which this influence is exercised. Every thoughtful person must be keenly conscious of the tremendous, immeasurable power of this Federal machine, and he must realize that the most powerful, the most persistent of them all is the Federal lobby. It works around the clock every day of the year.

The first instinct of bureaucracy is self-preservation. The second is expansion. Like any living organism, an administrative agency, once launched, seeks constantly to justify its existence, to perpetuate itself, and to expand.

Federal Government has grown and expanded to the point where our free economy and individual liberty is challenged. This brings us to a question of the most vital interest to everyone of us here. Can we, as individuals, working through the Republican Party, effectively counteract the propaganda activities of this huge government bureaucracy and turn the tide from statism, or collectivism, back to free American constitutional government? For my own part, I believe we can, if we are willing to devote the necessary intelligence and energy to the task.

There are now pending in Congress proposals which, if enacted into law, will completely and inevitably socialize the American economy. I mention only a few:

1. Compulsory health insurance, or socialized medicine.
2. Federal aid to education.
3. Expansion of Government control and ownership of public utilities.
4. Labor union-Government control over industry.
5. Demands for fabulous appropriations for public works, which would expand Government bureaucracy and increase the public debt.

Another proposal, a long-range public-housing program, has just been recently approved by the National Legislature. All of these proposals are dressed in the robes of noble purpose and have mass appeal. Apparently, too few of our people recognize in these proposals, grave threats to our liberty and freedom. It is a historical fact that wherever some form of dictatorship prevails in government, there we also find some manifestation of socialized medicine, public housing, centralized control of education and control of business and industry. The brand of dictatorship makes little difference—communism, fascism, nazism, socialism—all are alike, in that they enforce a system of state control. Whatever the name of the dictatorship, or whatever the pattern of the particular brand of collectivism in any country, the system is all pretty much the same. It is based on compulsion and regimentation.

Politically, we have reached the stage where we must stop this transgression of the basic fundamental laws of the Nation, or find ourselves completely engulfed in state socialism.

This brings us to the point of what we, as Republicans, can do to save this Nation from the fate of all other nations which have embraced this philosophy. First, what is wrong with the Republican Party today:

1. We have dismally failed as an opposition party to give the people a choice between a sound, liberty government, and New Deal collectivism.
2. It has not vigorously attacked and opposed New Deal measures, which deprive individuals of their basic rights.
3. It has not stood stanchly and unanimously against waste and extravagance and the expansion of Government.
4. It has been too eager to approve New Deal policies which are inimical to the best interests of the people.
5. It has blindly followed the Roosevelt-Truman foreign policy for reasons of political expediency.

To correct these errors, the Republican Party should:

1. Adopt a set of principles fashioned after those established by the founders of our party.
2. It should stand on those principles unswervingly and inform the people honestly and frankly why they are for the Nation's best interest.
3. It should formulate a program based upon true liberalism—liberty of the people.
4. It should proclaim its support of our free competitive system, and stand firmly against any Government control of private enterprise.
5. It should stand for the protection of individual rights and the encouragement of individual initiative.

The United States Is a Republic, Not a Democracy

REMARKS

OF

HON. GORDON L. McDONOUGH

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, August 4, 1949

Mr. McDONOUGH. Mr. Speaker, of recent years we have heard a great deal of talk about the Government of the United States as a democracy. This is

wrong because this is a republic as guaranteed by the Constitution of the United States, right down to the villages, towns, counties, and States. I think we should impress upon the minds of the average citizen that the United States is not a democracy which, as a matter of fact, tends to create mass man government. It is an individual government of the people where the dignity of the individual is preserved by constitutional rights, and that applies ever to the States, and the counties, and the cities.

We should impress it upon the minds of the people more than we have in the past that the United States of America is a republic and not a democracy.

The strength, development, and progress of this great Nation lies in the fact that the United States is a federation of states, each with its own independence and autonomy under a constitutional form of government to protect and defend the rights of its citizens within the several States and all of the 48 States joined together in a peaceful and cooperative federation which has established the greatest nation on the face of the earth, the Republic of the United States of America.

The independence, self-autonomy, and dignity of the citizen of the United States are further strengthened within the States by local governments such as counties, cities, towns, and villages, each with its individual right of self-government within the prescribed limits of its State constitution. Not organized for the purpose of relying and depending upon one another, but for the purpose of preserving their separate integrity, dignity, and independence. This system of government with all of its human errors has proven itself over the past 170 years to be the best form of government to preserve the individual dignity of man better than any other form of self-government known to the world.

The glory, the power, and the struggle of the Republic of the United States stemming from the individual to the local government and then to the Federation of States thus creating the Republic of the United States has no equal and is unsurpassed by any other form of government man has yet devised to govern himself.

It must be zealously guarded, strengthened, and defended. It is the light and hope of the world.

It is evident in reading the Declaration of Independence and in studying the United States Constitution that this was the wise decision and conclusion arrived at by the founders of this Nation.

It is abundantly evident that all of the wars the United States has waged and participated in were fought to preserve these ideals. It is also evident that because the Republic of the United States has guaranteed and protected the freedom and dignity of the individual that we have become the greatest industrial producing nation on earth as well as the most intellectual, self-reliant, independent, and protector of the inalienable rights of man.

Benjamin Franklin, the wise counselor of our founding fathers, once said, "He who trades freedom for security will lose both." It took greater courage to say those words and mean them in Franklin's day when the United States was a weak struggling Republic among the great nations of the world than it does today. And still we have emphasized and magnified security at the sacrifice of freedom apparently forgetting that freedom of the individual, the State, and this Nation will bring about greater security than could be attained by sacrificing our freedom.

What are we doing today to strengthen and protect the freedom of this Nation?

In what direction are we going? What freedom are we sacrificing for false security? From the individual citizen up through the villages, cities, States, and as a Nation we must realize what sacrifice of individual liberty can mean to us. We must not allow the power, authority, and freedom of the several States to be taken from them by the all-powerful Federal Government.

The States of the Union must preserve and protect their freedom and integrity against a central control in Washington. If the several States, the counties, cities, towns, and villages subordinate their rights to a central power in Washington, we will lose our cherished right to freedom and autonomy at the level of local government, and thereby abolish the purpose and intention of the Declaration of Independence and the United States Constitution and allow the Republic of the United States, the last hope of freedom of mankind, to perish from the earth. This must not be permitted to happen. We must fight to preserve and protect our Republic at all costs. This is our present day challenge and our individual responsibility. Let us meet this challenge with courage and confidence. Let us apply the sound counsel of Benjamin Franklin to our present-day thinking. "He who trades freedom for security will lose both."

Following is an article by E. T. Leech which further illustrates the point of the danger of losing our individual liberty by our own indifference to the freedom we have inherited and have fought many wars to preserve and protect. The failure of the Republic of the United States, if it should fail, which God forbid, will be brought about quicker by our own faults and neglect from the inside than it will from enemies from the outside. The article which follows is deserving of serious thought and consideration:

Our country is a system of free individuals. That is what Lincoln meant when he called it a "Government of the people, by the people, for the people."

A lot of countries have claimed or now claim to be free. So long as a nation is not conquered and controlled by some outsider, that claim is true to a degree. But the real test is whether its individual citizens are free. Throughout history, most peoples have lost freedom not by conquest but to their own governments.

Outside governments may be dangerous, but none is so dangerous as the one at home. That is the one supreme lesson of political history. And the greatest wisdom of those who established our Government lay in the fact that they knew it.

They thought of freedom in terms of the individual, and they realized that government—including the one they were setting up—is the great enemy of personal liberty. So they tried by all sorts of checks and balances to put government in its place. The Constitution is, above all else, a document designed to restrain officials.

It is at this point—the emphasis on individual liberty—that the freedom established in America differs from the general definition of such freedom as has existed through most of history, and it is at this point that our liberty is now in danger.

We of this generation have worried a lot about losing our freedom to some outside system—personified first by the Kaiser, then by Hitler, and now by Stalin.

But the real danger is at home.

We can keep free from Stalin and any other outside dictator and still lose our liberty. We can lose it to Washington easier than any other way.

What we have had for 160 years is the right to mind our own business; to run our personal affairs; to succeed or fail, to gain or lose, according to our own personal merits, efforts, and desires.

These rights had to be curbed to bar excesses. One man's liberty must be limited when it infringes on that of somebody else. But, by and large, we have had the highest type of freedom—individual.

Those 160 years are just a minute in the long course of time. Yet no other nation has enjoyed such a minute of liberty. In that time we have achieved higher living standards, more wealth, a wider distribution of goods, greater leisure, better health, a bigger reduction of poverty and suffering, and larger opportunities than any other people ever knew.

The job isn't perfect or finished. Much that is good still is faulty or barely started.

So a lot of people become impatient. They want a short cut to utopia. And that short cut turns out to be the oldest, roughest, longest road in the world—worn by the tired feet of untold millions—the road to state control and lost liberty. It is strewn with promises never fulfilled and hopes which were dashed. It is littered with state planning which failed.

Yet, it is always tempting. Because there are always those who beckon us onto the road with promises that government will give something for nothing. They offer personal security at the cost of individual freedom.

That is the price which is always paid, and the security is never delivered. For government can't provide it. Government never created anything. It never built an industry. It never perfected an invention. It never created a moral code, produced a work of art, or made a dollar.

All progress has come from the personal efforts of individuals. Of a very few people—just a tiny percentage of the whole. Yet, by their hard work, inspiration, superior mentality or plain desire to forge ahead, they did something of benefit to their fellows. That is the only way mankind has progressed. Civilization is the sum total of many personal accomplishments.

Man has done best only when allowed to mind his own business. He had done worst when government tried to mind it for him.

Aid to Foreign Countries

EXTENSION OF REMARKS

OF

HON. JAY LeFEVRE

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, August 4, 1949

Mr. LEFEVRE. Mr. Speaker, there are a good many Members of Congress who at

some time or other feel that the aid we have given to the foreign countries has not done any particular good. With this thought in mind I quote below from a letter recently received from a constituent of mine:

I should like to take this opportunity also to tell you about a letter I received from a relative in southern Greece, just a few days ago. He speaks in very happy terms of the great improvement that has taken place in the general condition in Greece. He notes that the Peloponnesus is just about back to normal; the harvests are better than they have had in many a year; people are joyous once again and finally looking forward with hope toward the future. What better proof could we in America have of the effectiveness of United States aid.

High Pool Level at Williston Is Dangerous

EXTENSION OF REMARKS
OF
HON. USHER L. BURDICK
OF NORTH DAKOTA
IN THE HOUSE OF REPRESENTATIVES
Thursday, August 4, 1949

Mr. BURDICK. Mr. Speaker, when I advanced the theory that aggradation—or settling of silt in still water—would cause the overflow of any dikes that could be built to protect the city of Williston and the surrounding irrigation projects, I had good supporters in the Bureau of Reclamation and Eugene Burdick, my son at Williston. Since I advanced that theory, however, verifications and statements of approval are coming in from engineers and others who have seen aggradation do its work.

It might not be too much repetition to say that a 1,850-foot pool level will form a lake that will extend 12 miles up the river from Williston to a point touching the confluence of the Yellowstone River with the Missouri. Upon creation of a lake of still water, what will happen when the heavily loaded silt water from the Yellowstone hits this quiet lake? The silt will settle at once to the bottom of the lake, while if there were no lake the current would carry the silt, or most of it, along with it. At this point—Williston, N. Dak.—measurements show that 40,000 acre-feet of silt passes down the river annually. With a still lake in place of a river, the greater part of this 40,000 acre-feet of silt will settle immediately as soon as it enters this lake. Just how long it would take to fill up and cause overflowing of the dikes, I did not know. But applying common sense, it occurred to me that with this amount of silt it would not take over 3 or 4 years.

Now we can add something more definite and that is that the time it will take to fill up the river bottom is not long delayed, but can take place within a few months.

Here is what happened at the John Martin Dam on the Arkansas River as taken from the Rocky Mountain News and the Denver Post:

On April 1 this year the Rocky Mountain News announced the dedication and opening of the Army engineers' huge John Martin Dam on the Arkansas River in Southern Colorado. It would end floods and provide irrigation water, the News said.

On April 3 this year the Denver paper editorially hailed the dam as a dream come true, ending all danger of floods in the area, like the one in 1921.

On June 6 this year the floods came. Crop damage in the Holly-Lamar-Granada area was put at $4,000,000 by the Denver Post. Damage resulting from ruin of once fertile farmlands by silt was unestimated.

On June 15 this year the Denver Post announced an investigation of the dam's responsibility for the flood. Irrigation engineers say silt in the water flowing over the dam built a delta which diverted the flood over the farmlands and into the three communities, making hundreds homeless. The Army said if this proves true they will dredge the channel. This will provide another perpetual boondoggle for some contractor friends of the Army engineers—the typhoid marys of floods.

Remember that this dam was only completed this spring and dedicated on April 1 this year, but when the floods came in June aggradation did its work and the result was disaster. I was sure it—destruction—would come but I did not dream it would be almost immediate.

We should remember also that the silt discharge from the Yellowstone is very much more than that discharged by the Arkansas in the vicinity of the John Martin Dam.

It will be the blunder of the ages to let these unreasonable, obstinate and uninformed Army Engineers experiment further on Williston and the surrounding country. There is no reason, scientific or economic, why this pool level should be 20 feet higher than was intended or authorized by present law.

Aggradation will occur in a lower level but a 17,000,000 acre-foot pool will bring the lake of still water 12 miles below Williston in an area where there is no city, no railroad, and no operating irrigation projects.

Would it not be better judgment to try a low level first, as recommended by the Bureau of Reclamation, and let time justify either that level or a higher one? To this the Chief Engineer says, "I planned it myself and do not interfere with me." Governor Aandahl says, "me too", his water board, which is his own creation, says, "me too, too." They all shut their eyes to that which is obvious and I do not suppose the disaster at the John Martin Dam will in any way dull their enthusiasm in attempting to drown out Williston and the surrounding country.

Spain Should Have Been Included in Atlantic Pact

REMARKS
OF
HON. PAUL W. SHAFER
OF MICHIGAN
IN THE HOUSE OF REPRESENTATIVES
Thursday, August 4, 1949

Mr. SHAFER. Mr. Speaker, the noninclusion of Spain in the so-called Atlantic Pact, in my opinion, was stupid. I cannot, for the life of me, understand our State Department's attitude toward Spain, considering the importance of the need of Spain's cooperation in event of future war with our known enemy.

In this connection, Mr. Speaker, I include, under leave to extend my remarks, quotations from a speech made by the Portuguese Prime Minister, the Honorable Oliveira Salazar, before the National Assembly, July 25, 1949, on the need of uniting his country with Spain for an efficient defense of the Iberian Peninsula and of the need to look for means to this end. This speech should be of interest to every Member of Congress:

We may now make a reference to Spain, regarding her noninclusion in the pact, as well as the eventual forthcoming results of it on our covenants with that country.

Contrary to what is sometimes thought and often affirmed, our position in the Spanish case is not affected by any political compromise of regime or solidarity actually nonexistent, but we place ourselves on the ground of the paramount of the conciliation of the peninsular interests and the integration of these in the European interests. Simply, we enjoy the advantage of not feeling ourselves enmeshed in the emotional state of mind in which sometimes public opinions are lost when not well acquainted with the concrete data of a problem.

The common border, the affinity of blood, the parallelism of cultures, the geographic and strategic unity of the peninsula, that must necessarily be considered as a whole for the defense of the West and as a base on the European mainland, that explains not only the extant agreements, but also the position systematically defended by us regarding Spain in Europe.

Maybe others will not have our liberty of appreciation, but I suppose that today there are no statesmen left, European or American, that after serious pondering have not reached the same conclusions.

The Spanish-Portuguese Treaty of Friendship and Nonaggression of 1939, as well as the Protocol of 1940, its complement, must be considered as basis of the relations between the two peninsular states, and as such, condition up to a certain point the policy of each of them toward the other states. In other words, any commitments or activities that ignored them could not be understood, as they are the expressions of a solidarity imposed by geography and the community of moral interests.

In the long conversations with the Madrid government that preceded our joining the Atlantic alliance it was clearly defined that the treaty of friendship and its additional protocol between Spain and Portugal were in principle compatible with the Atlantic Pact. So we explained and stated opportunely in Washington. But it was equally clear to our mind that the commitments derived of the pact or taken up as a result of the same should be each time verified with the principles of the peninsular agreements. Actually the Portuguese possibilities vary according to the positions and attitudes of Spain.

In this line of thinking, and as I affirmed on another occasion, Spain should be included in the Atlantic Pact.

1. Because of the geographic and strategic vacuum created by her absence.

2. Because of the real importance of her eventual contribution and, finally, because the strategic value of the very Portuguese adhesion varies, depending on the fact that Spain be or not bound by the pact, and in the hypothesis of not being bound, according to the policy followed, if a conflict put the machinery of the pact in action. The smooth working of a western front against the possibilities of aggression is strongly con-

ditioned by a policy of the same aim in the Iberian Peninsula. Happily for the goal envisaged, the pact is flexible enough to be adaptable to more than a situation.

There are the ineludible realities obeying which Portugal insisted—even risking the danger of facing allied incomprehension—that Spain should be called to cooperate in the several international organisms concerned in European problems, and in Paris declared herself for the admission of Spain in sharing the benefits of the ERP and in the ECA. By the weight of the same realities we defend all the time the thesis in favor of the admission of that country in the Atlantic Pact; or that by means of another agreement be shortly bypassed that formal adhesion, if the political difficulties to her offered continue. I must emphasize the fact that the presence of Portugal may help a reasonable solution.

I also include in my remarks, under permission granted me, Mr. Speaker, an extract from a recent speech by General Franco, May 18, 1949, in which he refers to Spain's cooperation with American efforts to defend western Europe against Russian aggression. I quote General Franco:

This account of the most salient features of foreign policy with regard to Spain clearly explains the new stage we have embarked upon. Although it is not easy to distinguish the policy of States from the natural feelings of the people, who are often deceived by the malice and propaganda of their governments, if we have to speak so clearly we do not do so from the slightest feeling of hostility towards people, but only towards the policy that rules them at this stage. We find the countries of Europe so dull, so decrepit, and so divided, and their policies so full of Marxisms, passions, and malice, that they unwittingly drive us in the direction where our own heart impels us: to approach an understanding with the people of our own stock. America again attracts the historical destiny of Spain and towards her the hearts of our nation fly, answering the call of blood, faith, and language. The sea, conquered by science, is now a road that joins rather than a barrier that separates; distances between continents are shortened, and land separates more than water.

So that no one must be surprised if our policy of love toward the nations of America and of affectionate liking for the Arab peoples is a milestone in the new stage of policy which is beginning: a policy of friendship and understanding with the nations of Spanish origin which must necessarily lead Spanish foreign policy to greater understanding with the whole American Continent in which North America, by reason of her wealth and power, has come to occupy a post of leadership.

There are no conflicting interests between our two nations today. If so far our relations have been scanty and precarious, this has been due to the torpedoing carried on by some other countries which cling to that old concept of spheres of influence, and the weakness so far displayed by North American policy itself. But if we descend from affective speculations to practical matters, to scientific progress, and economic and industrial possibilities, the value of the American Nation becomes more striking and it is to her that our scientists and businessmen are turning when they need to check the results of their research work or improve their technique. Therefore, if our heart leads us towards Spanish America, the force of reality impels us towards North America. Then again, foreign policy is not the play of one will only; mutual correspondence is needed; there must exist a common interest among the nations to strengthen their natural inclinations; but, even where it exists, nowadays it is at the mercy of the speed with which situations change and often of the lack of vision and tradition in the public bodies responsible for guiding it.

And in considering these relations, it must be understood that we refer to honorable relations, to reciprocal sincerity, and frank friendship, those things so out of fashion in the world today but which we consider fundamental for our relations. In this, we may say in the words of the song: "He who does not feel thus, let him not make love to us."

Cost of Government

EXTENSION OF REMARKS

OF

HON. GEORGE J. BATES

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Thursday, August 4, 1949

Mr. BATES of Massachusetts. Mr. Speaker, under unanimous consent to extend my remarks in the Appendix of the RECORD, I include therein an article by Mr. William S. Felton, of Salem, Mass., a student of government and taxation, and which appeared in several Boston newspapers recently. Much more could be said about this important subject, but Mr. Felton's comments make good sense and good reading.

COST OF GOVERNMENT

The disastrous effects of the increasing load of taxation now being visited upon our National, State, and municipal economy demand our immediate attention and prompt action.

When the Thirteen Colonies became the American Union, Washington declared that the safety and security of this Republic would depend upon the enlightenment of the people; meaning, of course, upon a knowledge and understanding of the economic laws that control our welfare and of the responsibilities resting upon us in the choice of our public officers.

It was Marcus Aurelius, the Roman emperor, who told the world 2,000 years ago that the power to tax was the power to destroy. This is what happened in ancient Greece where all the powers of government were vested in the free citizens of Athens. Led astray by the fallacious reasoning of the demagogues, wealth was largely taxed out of existence and Greece fell an easy prey to the invading enemy.

The path of history is strewn with the wrecks of ill-fated nations which have come to grief upon the reefs and shoals of wasteful and extravagant government and the break-down of economic laws. The only guide for our footsteps, to quote the words of Patrick Henry, is the lamp of experience.

It cannot be questioned for a moment that the chief factor in the cost of living is the cost of government. The situation is nothing less than appalling. We must wake up before it is too late. In the end the ultimate consumer pays.

Calvin Coolidge said many times that no tax is ever paid that does not come from the toil of the people. No nation can stand up for long that takes 28 cents out of every dollar from the national income to be turned over to the tax collector.

This country doesn't belong to the farmer or the lawyer, the industrial worker or the banker. It belongs to all of us. We are all in the same boat. We stand or fall together.

Wealth isn't created by passing laws. It is produced by the labor of human hand and brain. We must heed the danger signals now. Efficiency and economy in our Government are as important as thrift and frugality in an individual. Let us impress this fact in no uncertain fashion upon those who represent us in city, State, and Nation. Self-preservation is the first law of nature.

Let the voice of the people be heard.

Wasteful Government Spending

EXTENSION OF REMARKS

OF

HON. COMPTON I. WHITE

OF IDAHO

IN THE HOUSE OF REPRESENTATIVES

Wednesday, August 3, 1949

Mr. WHITE of Idaho. Mr. Speaker, the extravagance and astronomical spending of the Army and Navy is appalling. Recently I read that the $15,000,000,000 appropriated for an enlarged Air Force had not resulted in increasing the Air Force at all, but had been used up in supplying the present organization.

The President and the Congress seem to overlook extravagance and give the Army all the money it asks for. To question the Army extravagance and waste is lese majesty.

In war days I sat here on the floor when an Army appropriation bill for $42,000,000,000 went through without question. On an amendment this bill contained one item of $1,500,000 for dog food when the cooks in every port and Army camp were dumping bones and meat in the garbage by the ton.

The appalling waste going on in the Army is brought to our attention in an illuminating article by Mr. David Lawrence in the August 2 issue of the Washington Post from which I quote:

SURVEY OF ARMS BUDGET GIVES SOME IDEA OF WASTE IN SERVICE DUPLICATIONS

(By David Lawrence)

Some idea of the waste in arms spending can be derived from a survey of the division of the $14,000,000,000 armament budget which has just been made by United States News and World Report and is published in its current issue.

The magazine points out that, of the total supply of dollars going to all three armed services, only about $6,300,000,000 are actually spent for military purposes. It says:

"Nearly $8,000,000,000 is to be spent for overhead and for things only remotely or indirectly connected with military functions. There are big outlays for education, civilian salaries, housing projects, printing, a worldwide air line, rent, research, and multi-million-dollar telephone bills. * * *

"The ratio of civilians to military men now is more than 1 to 2. In the Navy, about 40 percent of the total strength is in civilian employees at shore establishments and in fleet headquarters. * * *

"Air Force, with a strength of 420,200 men in uniform, has only 53,039 flying personnel, including pilots, navigators, bombardiers, and gunners. Number of men in combat units—including mechanics, cooks, clerks, and supply personnel—totals about 140,000 men. The other 280,000 are service, headquarters, school, or training troops. * * *

"Of 408,000 men now in the Regular Navy, about 246,000 are assigned to sea duty and less than half that number are on combat ships. The other 162,000 sailors are on permanent shore duty, most of them manning the 595 Navy installations within the United States.

"Army troops show an even larger proportion of noncombat-functions. With 658,000 men in uniform, the Army is able to maintain the equivalent of only 11 divisions. That means about 132,000 Army men in combat units, including troops who feed, supply, pay, and transport the fighting men in those units. Another 526,000 Army men are engaged in service functions, training, supply, and headquarters duties. Most are stationed at 169 Army posts and camps within the United States.

"In all, the United States is maintaining about 1,200,000 of its 1,600,000 military men of the Army, Navy, and Air Force within this country, with most of them assigned to noncombat units. Total strength of all combat units is about 518,000 men."

OTHER PROJECTS CITED

But even assuming that there must be a certain amount of this expense to support the actual combatant personnel, there are other projects which have little to do with actual fighting strength but which are under way in all three services.

Thus, construction alone, mostly for housing families of servicemen, is costing more than $500,000,000. A new radio communications scheme is slated to cost an additional $1,000,000,000. The bill for college subsidies, scholarships, research, and mobilization planning comes to $700,000,000.

Likewise, the armed forces are spending more than a third of a billion for moving civilians and freight around the country.

The trend of costs is steadily upward, and something more than a mere piece of legislation, ordaining that there shall be unification or economy, is going to be needed. The trouble lies largely in political influence, and the whole thing may really be placed on the doorstep of Congress, which thus far has failed to come to grips with the real problem of economy not only in Military Establishments but in other departments of the Government.

Scare Diplomacy—Will $1,400,000,000 Be Scared Out of Congress for the Atlantic Pact?

EXTENSION OF REMARKS

OF

HON. GEORGE G. SADOWSKI

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Monday, August 1, 1949

Mr. SADOWSKI. Mr. Speaker, under leave to extend my remarks in the RECORD, I wish to include some excerpts from an editorial that appeared in the Detroit Free Press.

It seems that the American taxpayers are going to have another big bite put on them. This will be not a mere $1,400,000,000 for the Atlantic Pact, for this first appropriation is only the beginning of a much bigger raid upon the United States Treasury. General Marshall plainly stated this fact to the House Foreign Affairs Committee a couple of days ago. It would seem that the temperature of the cold war will be raised and is to be continued for many more years. In addition to the fifteen billions that we are now paying for our own military program, the American taxpayer is now called upon to pay for a European armaments race.

Up to this time the eastern European countries have been appropriating very small amounts of money for armaments and military preparation. Their cost has been only 7 to 8 percent of their national budgets, with the exception of the U. S. S. R., where it is reported that 18 percent of the national budget goes for armaments.

Now that we have encouraged the western European nations to launch expensive armament programs, it is bound to lead to a Russian increase in armaments, and also substantial increases for armaments in the eastern European countries.

This will mean that the economic systems of all the nations of Europe will be increasingly dependent upon the military. It will naturally follow that social legislation must be sacrificed to munitions and the military. It should be obvious that such an armament race can only lead to war. Freedom and democracy will have to be sacrificed to the military.

The recovery program in the various countries will be halted. More debts will be piled upon the people; discontent and dissatisfaction among the masses of working people is sure to follow. This will lead to strife and civil war among the people.

As for us in the United States, it may not be necessary to repair and remodel the White House, as the orders will come from the ruling powers in the Pentagon.

Surely another armament race is not the road to peace. History proves otherwise. We should be encouraging world trade and commerce. The artificial barriers and restrictions that have been placed on exports and imports should be lifted. The weapons for peace can be found in the International World Bank and in the International Trade Organization. These organizations are legacies for peace that were given to the world by Franklin D. Roosevelt. The munitionmakers, the international bankers and the militarists must be pushed out of the saddle, and the leadership must be taken by those who will work for peace, world trade and commerce, and better social and economic conditions.

We cannot get appropriations for old-age pensions, aid to education, and a broad national health program, but we appropriate billions for armaments. Next year, when we are faced with a $7,000,000 deficit, there will be many more editors and newspapers like the Detroit Free Press, who will have the courage to show that the pen is mightier than the sword. I am afraid that many Members of Congress will find themselves in an uncomfortable position in the elections at that time. The issue in the campaign will be taxation and high prices, and the wearied and tax-burdened citizens will ask many questions.

The excerpts from the Detroit Free Press editorial follow:

SCARE DIPLOMACY

The brief filed by Secretary of State Dean Acheson with the House Foreign Affairs Committee in support of President Truman's program for arming western Europe is a masterpiece of innuendo.

The only possible justification for this program is the assumption that war with Russia is not only possible but probable.

The most minute examination of Acheson's text fails to reveal a direct allegation that such a war is inevitable.

Yet the whole tone and substance of the document was designed to persuade Congress and the American people that Russia will embark upon war unless we spend $1,400,000,000 this year and untold billions in years to come, arming our European allies.

Acheson asserted, for instance, that behind the iron curtain exists "the greatest peacetime combination of military forces the world has ever known."

And then he added: "When political aggression fails, as it has failed so far in western Europe, totalitarian regimes are often tempted to gain their objectives by military means."

The employment of this scare technique to fool the American people into endorsing the administration's foreign and domestic policies is far more prevalent than many suspect.

Senator JOHN FOSTER DULLES, a member of the American delegation to the recent Paris conference on Germany, said in a speech on the Senate floor:

"At Paris last month there was discussion as to whether to accept at all the Soviet-proffered truce and to resume even on a tentative basis four-power consultations.

"The reason was that some feared any relaxation of east-west tension would bring a corresponding relaxation on the part of the American people and that, therefore, they need to be kept artificially alarmed."

Secretary Acheson subsequently confirmed Senator DULLES' statement.

The assumption that the people of this country are too damned dumb to understand and must be artificially alarmed into swallowing whatever is cooked up for them by the politicians did not originate at the Paris Conference.

The campaign for a peacetime draft and universal military training, as readers will recall, was backed by horrendous predictions of what would happen if they were not adopted. That time it failed.

The specter of a Europe completely communized was raised to put over the Truman doctrine and the Marshall plan.

A year or so ago a war scare swept this country. As a result of stories out of Washington the impression was widespread that Russia was about to launch world war III.

Afterwards it was explained that this scare was all a mistake—a consequence of someone in the Government misinterpreting intelligence reports from abroad.

Was that true or was this alarm artificially and deliberately created?

Who can say, when so many persons in high office in Washington have been caught putting fast ones over on the Nation they are supposed to serve?

We of the Free Press make no claim to the omniscience which underlies the megalomania that has seized the administration.

We don't know what the politburo has in mind to do or whether our arming a lot of little countries in Europe, which don't want to fight, will change its mind.

What we do know is that no good will come to this democracy from its public servants continuing to lie to the people.

Ours is a government of delegated powers. A Nation of 150,000,000 people can not run its affairs like a New England town-meeting.

We have to depend upon the officials we put in office to administer our public affairs and carry out the national will.

When we cannot trust them to do that, when we find them repeatedly and admittedly substituting artificial alarms for the considered judgment of an enlightened public opinion, what foundation is left for the democratic process?

We expect foreign governments to try to trick us. That's part of the game.

We don't expect to be tricked by our own Government.

The American people, who have to get the country out of the messes the politicians get it into, are entitled to something better than the hypocrisy and double-talk, concealments and deception, which have come out of Washington in recent years.

Resolution of Eighty-second Airborne Division Association

EXTENSION OF REMARKS
OF
HON. EDWARD deGRAFFENRIED
OF ALABAMA
IN THE HOUSE OF REPRESENTATIVES
Wednesday, August 3, 1949

Mr. DEGRAFFENRIED. Mr. Speaker, under leave to extend my remarks, I wish to include in the RECORD the following resolution which was adopted by the membership, third annual convention, Eighty-second Airborne Division Association, Cleveland, Ohio, July 5, 1949:

We, the veterans of America's first airborne division, viewing with alarm the present condition of world affairs, and further, the seeming lack of appreciation of the value of airborne units in the United States Army, do hereby affirm our intention to maintain the airborne aspect of national defense as paramount in importance, and therefore, worthy of better consideration in the plans of the Department of the Army concerning our national welfare.

We, therefore, submit to the President of the United States, to the Secretary of Defense, to the Congress of the United States—in particular to the Military Affairs Committee of the Senate and House of Representatives—to the Department of the Army, and to the Department of Air Force, the following resolution:

"*Resolved*, That the Eighty-second Airborne Division Association, representing more than 12,000 active veterans of the Nation's most distinguished and most decorated combat division do hereby support the principle of airborne warfare.

"As veterans of every airborne landing in the recent European war, the association members feel that it is not only their privilege, but now, it is their duty to express these opinions regarding the future of our Army.

"The success of airborne invasion and airborne warfare in Sicily, Salerno, Normandy, southern France, Holland, and across the River Rhine has proven ground operations initiated, transported, supplied, and then maintained completely by air, is not only possible, but most devastating and effective in its application, because the classic military elements of surprise, economy of means, and massing of forces are all contained in airborne envelopment."

The recoilless weapon, fired from the individual's shoulder make obsolete the tank; guided missiles will replace the bomber; and atomic weapons make beach assaults untenable. The modern answer lies in an Air Force with highly developed troop carrier and supply equipment, plus a highly skilled Army that can be transported completely by air, from widely dispersed assembly areas, converging on any objective within a minute's notice. Such an Army can only be an airborne army.

Unity of effort, unity in research and development, unity in training between the Army and Air Force is the only means of accomplishing the ideal striking force necessary for national security and world peace. As a stepchild, dependent on the Air Force and Army for its very existence, the airborne units of World War II know better than anyone else why instant and complete service unification is necessary for the military future of these United States. Only within such unity can the airborne striking force ideal be developed to follow with quick, decisive ground action, the guided missiles and atomic attack.

The nation which accepts and develops the airborne ideal first, will be the victor in any future conflict. Reluctance of the long entrenched services to support radical change is characteristic; but common sense, and bitter experience indicate the need for change. We, in the Eight-second Airborne Division Association, firmly indorse an immediate clarification of the armed forces stand on airborne training and development. We further urge that the Army try to maintain the high integrity and esprit de corps exemplified by the glorious airborne division troopers of World War II; we feel that economy moves to remove the highly prized and proudly worn insignia, airborne taps, glistening jump boots, and parachute-glider cap patches will constitute an effront to the morale necessary to continue the elite type of American's foremost fighting man—the airborne soldier.

As proud citizens of our own United States, as veterans of the Eighty-second Airborne Division, now world-renowned as America's guard of honor, as men scalded in the bitter cauldron of combat, we insist that immediate action be taken to reconcile any difference of opinion between the services, and that the Department of the Army and of the Air Force proceed with a sound plan for unity and security through the principles of airborne attack.

THE MEMBERSHIP, THIRD ANNUAL CONVENTION, EIGHTY-SECOND AIRBORNE DIVISION ASSOCIATION.
CLEVELAND, OHIO, *July 5, 1949.*

Resolution of Appanoose County (Iowa) Bar Association

EXTENSION OF REMARKS
OF
HON. KARL M. LeCOMPTE
OF IOWA
IN THE HOUSE OF REPRESENTATIVES
Thursday, August 4, 1949

Mr. LECOMPTE. Mr. Speaker, under leave to extend my remarks, I desire to include a set of resolutions adopted by the Appanoose County (Iowa) Bar Association, as follows:

Whereas there is now pending in Congress a proposal to amend chapter 73 of title 18 of the United States Code by adding at the end thereof the following new section:

"SEC. 1507. The picketing or parading in or near a building housing a Court of the United States or in or near a building or residence occupied or used by a judge, juror, witness or court officer, with the intent of interfering with, obstructing or impeding the administration of justice, or with the intent of influencing such judge, juror, witness or court officer, is hereby declared an offense and any such person or persons so picketing or parading shall be fined not more than $5,000 or imprisoned not more than 1 year, or both,"; and

Whereas the said section is necessary to enable the courts to prevent interference with the courts by picketing crowds and to allow all persuasion of the courts to remain in the hands to whom it properly belongs, namely, Counsel of the Parties' choice and in the place where it belongs within the court room; and

Whereas it is the sense of the Appanoose County (Iowa) Bar Association that such legislation is desirable and necessary and will, if passed, be beneficial and aid the court and promote the interests of justice: Now, therefore, be it

Resolved, by the Appanoose County (Iowa) Bar Association in regular meeting assembled, That the secretary of this association be instructed to send copies of this resolution, properly certified to the Honorable B. B. HICKENLOOPER and the Honorable GUY M. GILLETTE, United States Senators from Iowa, urging them to support an amendment, as is hereinabove set out, to chapter 73, title 18, which amendment is known as S. 1861, or any other bill seeking in principle to secure the same result; and that further, a copy of the resolution be forwarded to KARL M. LECOMPTE, Member of the House of Representatives for the Fourth District with the request that he support H. R. 3766 or such other bill that may seek to secure the same result.

That further, a copy of this resolution be forwarded to Charles S. Rhyne, chairman of a special committee appointed to represent the American Bar Association in support of S. 1861 and H. R. 3766 for the purpose of having this resolution filed with the Special Joint Subcommittee of the House and Senate Judiciary Committees which has under consideration the legislation to prevent picketing, etc., of Federal courts with the intent to interfere with the administration of justice.

CERTIFICATE

The undersigned secretary of the Appanoose County (Iowa) Bar Association does hereby certify that the foregoing is a true and correct copy of a resolution passed at the meeting of said bar association August 1, 1949.

Dated this 2d day of August 1949.

ROBERT VALENTINE,
Secretary, Appanoose County (Iowa) Bar Association.

H. R. 2969, Benzedrine Inhalers

EXTENSION OF REMARKS
OF
HON. GEORGE M. GRANT
OF ALABAMA
IN THE HOUSE OF REPRESENTATIVES
Thursday, August 4, 1949

Mr. GRANT. Mr. Speaker, last year, during the recess of Congress, upon the invitation of Hon. Frank Boswell, director, Department of Corrections and Institutions of the State of Alabama, I visited Kilby Prison to talk with some of the inmates who had been misusing benzedrine inhalers. I also saw a large supply of these inhalers which had been confiscated from inmates of the prison.

Mr. J. Bruce Airey, director of investigation of the Alabama State Penal Department, contacted other prisons over the Nation in order to ascertain just how widespread these inhalers were being misused. Mr. Airey did an excellent job in assembling this data which was passed on to me. It appeared that this was a national problem which could not be effectively handled by the respective States, and this led to my introduction of a bill in Congress known as H. R. 2969, in order to cover the use of such inhalers under the Federal narcotics laws.

Wide publicity was given to this legislation by Mr. Drew Pearson, the columnist, and others, with the result that many people contacted me in regard to the subject. Subsequently, I received a letter from Mr. James J. Durr, of the firm of Durr Drug Co., wholesale druggists, of Montgomery, Ala., in which he stated that he had been informed that these inhalers had been used by prison inmates and others in Alabama for purposes other than the use intended, and that the manufacturers, being aware of this development, were greatly concerned over the abuse to which that product had been put, and in an effort to eliminate this evil, that they were making shipments into Alabama of inhalers which had been treated with a denaturing agency rendering them unfit for internal use. I replied to Mr. Durr's letter and advised him that I had received information that the condition was rather widespread, and he agreed with me that something should be done to curtail the reported widespread misuse of the inhalers. He also stated that the manufacturers of this product, Smith, Kline & French, of Philadelphia, was a fine old house, operated by high-minded men who certainly were seriously concerned over the misuse of these inhalers and that no doubt someone from that organization would seek an interview for the purpose of discussing the whole matter.

Mr. Durr further stated that he certainly would not oppose any program which it was felt would correct this evil and, at the same time make the product available to those who were using it for its intended medicinal value.

Shortly thereafter, I did have an interview with Mr. John L. Hammer, Jr., sales manager, and Mr. Carl K. Raiser, assistant to the vice president, of the Smith, Kline & French Laboratories, and these gentlemen offered in every way to cooperate with me and others who were interested in this problem. They advised me that their chemists were working with this matter and that they hoped within a short time to bring out for general distribution an inhaler which would answer the purposes for which the benzedrine inhaler was intended, and which would not contain any stimulating drug. These inhalers were first given a market trial test in California, with such satisfactory results that it is now possible for them to replace the old benzedrine inhalers. The new drug is known as Benzedrex.

I now feel that the purpose for which this legislation was introduced has been fulfilled.

I want to thank Hon. Frank Boswell for his great interest in this social problem, because it was he who brought this matter to my attention; to Mr. J. Bruce Airey, who assembled the report from other prisons; to the American Prison Association and its general secretary, Mr. E. R. Cass; to Mr. B. R. Reeves, warden of Draper Prison, in Alabama; to Mr. Drew Pearson for the publicity given in connection with it; to Mr. James J. Durr, of Montgomery, Ala.; and to Messrs. Raiser and Hammer, of the Smith, Kline & French Laboratories, who have cooperated with me and carried out every representation that they made concerning this matter. Also to Mr. G. F. Roll, of the publicity Department of Smith, Kline & French Laboratories, who some weeks ago showed me the advertising matter and statement which the firm was making in regard to the new inhaler, and which statement would be released on August 5.

I am glad to include in these remarks the statement which has today been released by the Smith, Kline & French Laboratories, which is self-explanatory:

BENZEDREX, NEW REMEDY FOR HEAD COLDS, TO REPLACE BENZEDRINE INHALERS—NEW NONSTIMULATING CHEMICAL COMPOUND FOUND IN SEARCH TO END MISUSE OF BENZEDRINE INHALERS

PHILADELPHIA, PA.—A new nasal inhaler called "Benzedrex," which gives relief to sufferers of head colds, hay fever, and sinusitis, was introduced today in this country and Canada by Smith, Kline & French Laboratories, pharmaceutical manufacturers. Simultaneous with the introduction of this new inhaler was the announcement by the Philadelphia firm that they would replace Benzedrine inhalers with Benzedrex. The new inhalers are nonstimulating, and unlike Benzedrine inhalers, are not susceptible to improper use.

Other forms of benzedrine, including benzedrine sulfate tablets, widely prescribed by the medical profession for a variety of conditions, will be continued to be sold as in the past only on the prescription of a physician. The discovery of 1-cyclo hexyl-2-methylaminopropane (benzedrex) by Dr. Glenn E. Ullyot, head chemist for the firm, culminated an extensive research program which was directed toward finding a chemical compound which would be capable of shrinking the nasal membranes as well or better than benzedrine, but at the same time would not stimulate the user. Following intensive and prolonged pharmacological and clinical trials, benzedrex was found to meet these requirements. The new product was first placed on a test market trial in California before being introduced nationally today.

Reports of misuse, particularly in penal institutions throughout the country, recently caused United States Congressman GEORGE GRANT, of Alabama, to submit a bill (H. R. 2969) in the present session of Congress, the effect of which would be to require a physician's prescription in order to obtain a benzedrine inhaler. When notified of the withdrawal of the benzedrine inhalers from the market and the introduction of the new nonstimulating benzedrex inhalers, Congressman GRANT stated: "I now feel that the purpose for which this legislation was introduced has been fulfilled. The replacing on the market of the benzedrine inhalers with this new product by Smith, Kline & French is certainly in the public interest and unquestionably solves a problem which was of major concern to penal institutions all over the country."

Although benzedrine inhalers have been on the market since 1933, it was not until several years later that the first reports of misuse by prison inmates and other delinquents came to the attention of the manufacturers. Improper use of the inhaler was made by breaking it open and removing the medicated, accordion-pleated paper inside the inhaler and either chewing it or dunking it in beer or soft drinks.

Knowing that the search for a new chemical compound might take years, Smith, Kline & French took immediate steps to solve the problem of misuse from all possible angles. The first thing they did was to print in large letters on the paper inside the inhaler the following: "Warning: For inhalation only. Made unfit for internal use. Dangerous if swallowed."

Shortly afterward experiments were begun on an inhaler that would resist attempts to break it open. Tests were made on an inhaler made of iron, but it was soon learned that the amphetamine—the chemical or generic name for benzedrine—was not compatible with the metal. As further reports of misuse came to the firm's attention, an effort was made to find a substance which, when mixed with benzedrine, would produce nausea if taken internally. First, capsicum, or synthetic red pepper, was tried, but was found too strong. Finally, picric acid seemed to be the answer. In seven States—Pennsylvania, Georgia, Arizona, Utah, Oregon, Washington, and Alabama—where misuse seemed more widespread denatured benzedrine inhalers containing the picric acid were put on sale and the conventional inhaler withdrawn. However, it soon appeared that prison inmates who drank such things as paint and perfume and chewed mace in order to get a "lift" were not to be deterred by a bitter substance such as picric acid.

Not Easily Explained

EXTENSION OF REMARKS
OF

HON. R. WALTER RIEHLMAN

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, August 4, 1949

Mr. RIEHLMAN. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following editorial from the Democrat and Chronicle, Rochester, N. Y., of July 19, 1949:

NOT EASILY EXPLAINED

Representative KEATING has been conspicuous in the Washington news the last few days for two matters which reveal his understanding and regard for some of the fundamentals of our National Government.

On Sunday a New York Times Washington correspondent reported that Mr. KEATING this week would introduce a bill in the House to forbid Justices of the Supreme Court to appear as character witnesses in any action in any court in the country.

His move was prompted by the (he understood unsubpenaed) appearance in the Alger Hiss perjury trial by Associate Justices Frankfurter and Reed to testify as character witnesses for Hiss. This he characterized as against the propriety considered proper for members of the Supreme Court and an action in which reliance on judicial proprieties seemed to have failed.

Representative VELDE, Illinois, Republican, commented that any such appearance by any Supreme Court Justice would necessitate their disqualifying themselves if the case in which they appeared came before them on appeal.

The other matter in which Mr. KEATING was quoted was the matter of Maj. Gen. Harry H. Vaughan, which is discussed at length today by Joseph Alsop in his article from Washington. Vaughan's suspension as Presidential aide has been demanded by Representative SHAFER, Michigan Republican. Mr. KEATING was quoted as demanding that Vaughan be compelled to testify before a congressional committee to explain his alleged remark that he knew some 500 "3 percenters."

Mr. KEATING is justified in being perturbed about Supreme Court proprieties. The unusual, in fact unprecedented, appearance of the two Justices in the Hiss case shocked the country and well might prove embarrassing in the performance of their duties.

The more we read of the Hiss case the more mystified we are. Certainly the antics of Chambers are unexplainable, and we still are loath to believe that Hiss was crassly guilty of betraying State Department secrets. An explanation that has not yet been given and which for security reasons it may be impossible to give suggests itself.

Congress Should Quit

EXTENSION OF REMARKS

OF

HON. WALT HORAN

OF WASHINGTON

IN THE HOUSE OF REPRESENTATIVES

Thursday, August 4, 1949

Mr. HORAN. Mr. Speaker, last week in a press release I outlined several reasons why the welfare of the country would best be served if Congressmen got out of Washington during the summertime and returned, if necessary, in the fall for further legislative activity. Under permission to extend my remarks, I wish to include an editorial from the Washington Post which bears out this same contention:

ADJOURNMENT

"When Congress will rise," Jefferson once complained, "no mortal can tell." Similar complaints are now coming from many congressional lips. The law says that adjournment shall come not later than the last day in July "unless otherwise provided by Congress." In an effort to satisfy at least part of the terrific demands upon it, Congress has provided otherwise, and if all the bills on the must calendar are to be disposed of, majority leader LUCAS' expression of hope that the wind-up may come as early as Labor Day appears to be very optimistic.

The experiences of the last two sessions suggests that it was a mistake to fix the adjournment date at the end of July. The business of legislating for a Government that is spending more than $40,000,000,000 a year and is constantly inaugurating new activities cannot be completed in the first 7 months of the year, as was contemplated under the Congressional Reorganization Act. Jefferson's complaint that the length of congressional sessions was "not from the quantity but from the dilatoriness of business" is no longer true. Anyone who has been on Capitol Hill with his eyes open knows that it is a hive of industry. Of course, a great deal of time is wasted in unnecessary bickering, but politics and human nature being as they are, we doubt that these controversies can be substantially curtailed.

Congress ought to recognize the fact that its duties as the board of directors for big government will not permit it to be away from Washington for 5 months every year. That being the case, it could properly adjourn for the summer in the odd years and take up its burden again in the early fall. In the even years the fall months must necessarily be reserved for campaigning. But when there are no political campaigns to be waged, it doesn't make sense to keep legislative noses on the grindstone throughout Washington's nerve-wracking summer so as to permit adjournment in the fall. Even the quality of legislation might be improved in some measure if Congress would give up the idea of feverish cramming in the hot-weather months, whenever that is possible, and come back for renewal of their grind some time after Labor Day.

Townsend Club Petition

EXTENSION OF REMARKS

OF

HON. WILLIAM S. HILL

OF COLORADO

IN THE HOUSE OF REPRESENTATIVES

Thursday, August 4, 1949

Mr. HILL. Mr. Speaker, following is a petition signed by members of Townsend clubs in Fort Collins, Colo., in the Second Congressional District of Colorado, and I wish to present this as evidence of the interest in the passage of H. R. 2136:

FORT COLLINS, COLO.

Hon. WILLIAM S. HILL,
Member of Congress,
Washington, D. C.:

We, the citizens of the State of Colorado, respectfully request your help in bringing on the floor of the House for debate and discussion H. R. 2135 and the passage of H. R. 2136 is respectfully asked:

E. C. Philibert, L. R. McColloum, Mrs. L. R. McColloum, Seny Greenwood, Mrs. T. H. Ruddick, Mrs. Charles Dixon, J. S. Nason, Mrs. Sarah J. Nason, Foster Salaz, Mrs. Tillie Salaz, Mrs. Alex Schaefer, Mrs. Lizzie Likens, Arlington Pearcy, P. R. Pearcy, Mrs. N. C. Pearcy, Mr. Elzie Willey, Alex Gallegos, Mrs. Virginia V. Gallegos, Mrs. Martha Gallegos, Mrs. Jess Mason, Mrs. Rosa Langston, Jesse W. Mason, Mrs. Jewell Tankersley, O. C. Tankersley, John T. Tankersley, H. E. Holcomb, Mrs. H. E. Holcomb, Mrs. Bessie Marpe, C. C. Stobbe, Mrs. C. C. Stobbe, C. Demuth, Mrs. Laura Demuth, Mrs. Ralph Bowen, Ralph Bowen, Theodore Hoffman, Raymond Becker, Mrs. Raymond Becker, Mrs. C. E. Larson, Mrs. Wm. Jepson, Mrs. Frank Bakken, B. H. Wombacher, Mrs. B. H. Wombacher, Joe E. Soderman, Mrs. Ellen Romero, Rudy Martz, Mrs. A. R. Desjardins, A. R. Desjardins, Mrs. T. N. Marsh, Mrs. Mabelle Parker, Wm. G. Oliver, Mrs. Wm. G. Oliver, F. R. Colgan, Mrs. Frank Colgan, W. A. Stansbury, George E. Chaffee, Robert B. Jessee, Mr. and Mrs. F. G. Downs, Mr. and Mrs. A. J. Pratt, Mrs. Edith M. Marek, Mrs. W. A. Stansbury, R. S. Tingey, Mrs. R. S. Tingey, B. K. Ward, Isabel Ward, Mrs. Y. R. Balmer, Mr. and Mrs. Ralph Kimble, M. I. Dodson, Mrs. Susan Verhusen, Mrs. Docia Lamb, Mrs. Crystal Carder, Mrs. H. L. Albright, H. L. Albright, A. L. Coulter, Mabel Coulter, James P. Larson, C. M. Garrett, Chas. Beebe, Jacob Geist, Louis Morrison, H. Bucher, R. S. Roten, Mrs. A. Valentine, Mary E. Hutson, Aaron Beebe, Mrs. Aaron Beebe, Al K. Younger, Leo A. Woods, Swen Undem, Mrs. Swen Undem, Cecil M. Rife, Mrs. John Daugherty, Mrs. T. V. Webster, T. V. Webster, H. W. Vannorsdel, S. L. Vannorsdel, A. W. Martz, F. Medlock, Elsie Medlock, Dean Parks, Mr. and Mrs. Hebert Petersen, Mrs. L. M. Hayes, Fort Collins, Colo.

Mrs. G. F. Clark, Mr. and Mrs. J. S. Turner, Mr. and Mrs. M. J. Wescott, E. F. Holmes, Mrs. M. R. Jeffers, Mrs. R. L. Pennell, R. L. Pennell, Mr. and Mrs. J. M. Elliott, Mr. and Mrs. Guy Rutledge, John T. Robbins, Mrs. Elizabeth Robbins, Fort Collins, Colo.; Mrs. Ray Collette, Kittredge, Colo.; Mrs. Carl Shaffer, Carl Shaffer, Mrs. James A. Torrence, James A. Torrence, Roy Wagner, Mrs. Roy Wagner, Mrs. Jean Meyers, Mrs. Effie Brothers, Mrs. Mary Ringland, Mrs. Dora Metz, Mrs. M. L. Rhoten, Mrs. Belle Hay, Mrs. Maude L. Hodson, Mrs. Lyle Montgomery, Mrs. Maude Edna Willey, Mrs. Lula A. Hayden, Mrs. Hallie M. Wilcox, Wreatha E. Andrews, Anna C. Soderman, Fort Collins, Colo.; Daisy V. Stoddard, Loveland, Colo.; Olive N. Eichner, Lola A. Garrett, Tessa L. Brown, Inez N. Jennings, A. S. Wilcox, Ruth M. Younger, Clara E. Ault, Mrs. J. A. Conley, Mrs. Charles Tresner, Charles M. Tresner, Conrad Sitzman, Anna E. Sitzman, Fort Collins, Colo.; Paul K. Jones, Evelyn H. Jones, Greeley, Colo.; J. R. Monroe, J. P. Freshour, Walter Borgen, Carl F. Borgen, Winifred S. Borgen, Mrs. Myrtle Downing, B. C. Andrews, Mollie Andrews, Hattie L. Hardman, Rev. J. A. Conley, T. W. Smith, Mrs. Lula Crook, Mary Horney, Florence Lyman, Mrs. J. A. Lyman, P. F. Newton, Mrs. Helen Alexander, Mrs. Phoebe Burch, Mrs. Walter Carr, Walter Carr, Mrs. T. W. Smith, Fort Collins, Colo.

National Service Life Insurance

EXTENSION OF REMARKS

OF

HON. FRANK B. KEEFE

OF WISCONSIN

IN THE HOUSE OF REPRESENTATIVES

Thursday, August 4, 1949

Mr. KEEFE. Mr. Speaker, on June 20, 1949, the Administrator of Veterans' Affairs announced that national service life insurance dividends, aggregating approximately $2,800,000,000, will be paid to approximately 20,000,000 policyholders. Since that announcement, many people have requested information as to the character and status of national service life insurance. The law is found in title 38, United States Code. I desire to incorporate the pertinent provisions of existing law, section 805:

(a) There is created in the Treasury a permanent trust fund to be known as the national service life insurance fund. All premiums paid on account of national service life insurance shall be deposited and covered into the Treasury to the credit of such fund, which, together with interest earned thereon, shall be available for the payment of liabilities under such insurance, including payment of dividends and refunds of unearned premiums. Payments from this fund shall be made upon and in accordance with awards by the Administrator.

(b) The Administrator is authorized to set aside out of such fund such reserve amounts as may be required under accepted actuarial principles, to meet all liabilities under such insurance; and the Secretary of the Treasury is authorized to invest and reinvest such fund, or any part thereof, in interest-bearing obligations of the United States or in obligations guaranteed as to principal and interest by the United States, and to sell such obligations for the purposes of such fund.

Section 805A provides:

All cash balances in the United States Government life-insurance fund and the national service life-insurance fund on February 10, 1942, together with all moneys thereafter accruing to such funds, including premiums, appropriated moneys, the proceeds of any sales of investments which may be necessary to meet current expenditures, and interest on investments, shall be deposited with the Treasurer of the United States in the disbursing accounts of the Chief Disbursing Officer, Division of Disbursement, and shall thereupon be available for disbursement for meeting all expenditures and making investments authorized to be made from such funds without covering into the Treasury of the United States and withdrawal on money requisitions. All necessary bookkeeping adjustments of such

funds in the accounts on the books of the Treasury shall be made upon the basis of the settlement of disbursing accounts by the General Accounting Office.

Section 806 provides:

The United States shall bear the cost of administration in connection with this chapter, including expenses for medical examinations, printing and binding, and for such other expenditures as are necessary in the discretion of the Administrator.

From this reading of the law it is clear that premiums paid on all national service life insurance policies are deposited and covered into the Treasury to the credit of the permanent trust fund. It is clear also that the Secretary of the Treasury is authorized to make investments in United States Government bonds or in obligations guaranteed by the Government. The Treasurer is also authorized to sell such obligations as may be necessary to properly administer the fund.

The Administrator of the Veterans' Administration, under the law, shall make all awards directing payments from the national life insurance fund. Thus, it is clear that if the Administrator determines that a dividend payment shall be made to the holders of national service life insurance in amounts to be determined by him, his direction to the Treasurer of the United States in the form of such awards will require the Treasurer to raise the money necessary in order to liquidate such awards.

It will be noted further that section 806 provides for the administrative costs of the national service life insurance program, including medical examinations, printing and binding, and any other administrative costs required, in the discretion of the Administrator of Veterans' Affairs, shall be paid out of direct appropriations from the Treasury of the United States. No part of the administrative costs is charged to the premium income.

In view of the tremendous amount involved in the proposed distribution of dividend payments to national service life insurance policyholders, questions have arisen as to the reserves. I discussed this whole matter with Mr. E. F. Bartelt, Fiscal Assistant Secretary of the Treasury, who very courteously and graciously has provided me the answers to most of the questions that might be asked. I shall incorporate a letter dated August 2, 1949, from Mr. Bartelt, together with a table referred to which gives the information which I requested for the benefit not only of Members of Congress but for the benefit of veterans who hold national service life insurance policies.

TREASURY DEPARTMENT,
FISCAL SERVICE,
Washington, August 2, 1949.

Hon. FRANK B. KEEFE,
House of Representatives,
Washington, D. C.

DEAR MR. KEEFE: Following our telephone conversation of July 29, I am enclosing a table showing the status of the national service life insurance fund, as of June 30, 1949.

Your understanding of the handling of this fund, as you stated to me on the telephone, is correct. Premiums and other receipts are deposited directly into the national service life insurance trust fund; therefore, they do not enter into the budget surplus or deficit.

The receipts, expenditures, and investments of the fund are shown every day in the trust accounts section on page 3 of the Daily Statement of the United States Treasury. For your convenience I am enclosing a marked copy of the statement for the last working day of July (July 29), the totals of which are set forth below:

National service life insurance fund

Receipts:	
Interest on investments	----------
Premiums and other receipts	$27,660,049.04
Transfers from general fund	4,708,616.09
Total	32,368,665.13
Expenditures:	
Benefits, refunds, etc.	$28,695,543.24
Investments	5,000,000.00
Total	33,695,543.24

To the extent that current receipts are not immediately required for current disbursement, the funds are invested in Government securities. Under the law, the Secretary of the Treasury is authorized to invest and reinvest the National Service Life Insurance Fund, or any part thereof, in interest bearing obligations of the United States, or in obligations guaranteed as to principal and interest by the United States, and to sell such obligations for the purposes of the fund.

The law requires that all calculations with respect to the fund shall be based upon the American Experience Table of Mortality and interest at 3 percent per annum. Since the fund has been established, there have not been available public marketable obligations of the United States that would yield an interest rate as high as 3 percent. Therefore, up to the present time all of the investments have been made in special issues of Treasury notes at an interest rate of 3 percent per annum.

The enclosed statement of the fund shows as of June 30, 1949, (I) Receipts and expenditures, and (II) Assets held by the Treasury. This statement shows that on June 30, 1949, the total assets of the fund amounted to $7,305,041,803.01, consisting of $7,287,685,000 of 3 percent special Treasury notes, and $17,356,803.01 unexpended balance to the credit of disbursing officers.

Disbursements for account of the fund (for benefit payment, etc.) are made by the Division of Disbursement of the Treasury Department upon vouchers certified by the Veterans' Administration. Administrative expenses of the fund are paid from appropriations made to the Veterans' Administration from the general fund of the Treasury, and are not charged to the trust fund. Expenses of handling investments and for making disbursements are paid from funds appropriated to the Treasury Department.

You will note that in the statement enclosed herewith the fund has received the sum of $3,687,278,053.04 as a transfer from the general fund of the Treasury. These transfers of funds represents the Government's contributions to the fund to meet the extra hazards of war. When funds are thus transferred they appear as a charge against the Federal budget in the period in which the transfer is made, and a corresponding credit is entered in the trust fund account.

On June 20, 1949, the Administrator of Veterans' Affairs announced that National service life insurance dividends, aggregating approximately $2,800,000,000, will be paid on approximately 20,000,000 policies. This dividend will be paid because mortality experience has been more favorable than was anticipated when the fund was established. The Veterans' Administration has indicated that the dividend payments will commence in January of 1950. At that time it will be necessary for the Treasury to redeem from the general fund some of the 3 percent securities which are now held for account of the National Service Life Insurance Trust Fund. Since these securities are held for a trust fund account the expenditures will not increase the budget deficit.

Very truly yours,

E. F. BARTELT,
Fiscal Assistant Secretary.

National service life insurance fund, June 30, 1949

I. RECEIPTS AND EXPENDITURES (EXCLUSIVE OF PURCHASES AND SALES OF INVESTMENTS)

	Cumulative through June 30, 1948	Fiscal year 1949	Cumulative through June 30, 1949
Receipts:			
Premiums and other receipts	$3,813,187,910.41	$392,782,902.58	$4,205,970,812.99
Interest and profits on investments	579,295,081.37	210,289,645.90	789,584,727.27
Transfers from general fund	3,600,299,065.84	86,978,987.20	3,687,278,053.04
Total receipts	7,992,782,057.62	690,051,535.68	8,682,833,593.30
Expenditures: Benefit payments and refunds	1,029,659,859.60	348,131,930.69	1,377,791,790.29
Balance	6,963,122,198.02	341,919,604.99	7,305,041,803.01

II. ASSETS HELD BY THE TREASURY DEPARTMENT

Assets	June 30, 1948	Increase or decrease (−), fiscal year 1949	June 30, 1949
Investments:			
3 percent special Treasury notes, national service life insurance fund series, maturing—			
June 30, 1949	$1,901,000,000.00	−$1,901,000,000.00	----------
June 30, 1950	2,044,500,000.00	----------	$2,044,500,000.00
June 30, 1951	1,223,000,000.00	----------	1,223,000,000.00
June 30, 1952	745,485,000.00	----------	745,485,000.00
June 30, 1953	1,020,700,000.00	138,000,000.00	1,158,700,000.00
June 30, 1954	----------	2,116,000,000.00	2,116,000,000.00
Total investments	6,934,685,000.00	353,000,000.00	7,287,685,000.00
Unexpended balance: To credit of disbursing officers	28,437,198.02	−11,080,395.01	17,356,803.01
Total assets	6,963,122,198.02	341,919,604.99	7,305,041,803.01

House Rejection of the Brannan Plan Is Good News

EXTENSION OF REMARKS
OF
HON. ALBERT M. COLE
OF KANSAS
IN THE HOUSE OF REPRESENTATIVES
Thursday, August 4, 1949

Mr. COLE of Kansas. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following radio address by Hon. Arthur Capper, former Senator from Kansas:

HOUSE REJECTION OF THE BRANNAN PLAN IS GOOD NEWS

One piece of news that came out of Washington last week reminded me, somehow, of a story I wired from Washington a few months more than 57 years ago. That was in the early spring or late winter of 1892, when I was in the press galleries as Washington correspondent for the Topeka Daily Capital.

I ran across that story the other day, while going through some old files of the Capital.

Believe it or not, I started out one of my stories with this sentence:

"Congress today disposed of the last Democratic postmaster in Kansas."

The story went on to tell that the Senate had confirmed the nomination of a Republican to replace the last Democrat hangover from the previous Cleveland administration.

DESPITE BIG DEMOCRAT MAJORITY

Reading the news dispatched from Washington last week, it seemed to me that some enterprising newspaperman might have wired his paper that the House of Representatives had disposed of the Brannan plan for promising high prices to farmers and low prices for consumers on the same commodities, through a resumption on a bigger and grander scale, of the wartime food subsidies, disposed of it at least for the time being.

That was good news to me, that the House had rejected the Brannan plan, and sealed its objections finally by a vote of 383 to 25 on the so-called Gore bill.

Really, I don't believe that is quite a fair statement. And I want to be fair. It was on a preliminary vote, on a motion to accept amendments to the bill, including omission of the trial run for the Brannan plan, that the House members were recorded against the Brannan plan. The vote on that specific issue was 239 to 170.

That vote of 239 to 170 is quite a sizable majority against Secretary Brannan's sell high and buy low, at Government expense proposal. Especially considering the top-heavy Democratic majority in the House.

And considering also that Speaker SAM RAYBURN failed in a last-minute plea to bludgeon the Democrats into supporting the administration-backed proposal. Actually, Speaker RAYBURN was not very suitable about it.

Addressing "My Democratic brethren," he pointed out that he had observed, during his many years in public life, that "people get along the best when they go along the most." Despite that admonition, some 75 or 76 Democrats joined all but 3 or 4 Republicans in recording their voices against the Brannan plan.

ALL KANSAS DELEGATES VOTED "NO"

Of course, our Kansas delegation in the House went on record unanimously against the Brannan plan, as all of us had felt confident they would. We ought to be proud of them for standing up to be counted on this issue: Representative ALBERT M. COLE, Holton, of the First District (whose constituent I am); ERRETT P. SCRIVNER, of the Second; HUB MEYER, of the Third; ED H. REES, of the Fourth; WINT SMITH, of the Sixth; and CLIFFORD R. HOPE, of the Fifth. CLIFFORD is ranking Republican member of the House Agricultural Committee. In the recent Republican Eightieth Congress he was chairman of the House committee—at the same time I finished my 30 years in the Senate as chairman of the Senate committee.

I remember quoting at some length a short time ago, over this radio station, from Congressman HOPE'S very able analysis of the dangerous implications in the Brannan plan.

I will say, in addition, that from the reports I have received on the debate in the House last week, he did an even better job leading the fight against the Brannan plan than he did in the statement from which I quoted in my previous broadcast.

BOTH DANGEROUS AND DECEPTIVE

I consider it a very healthy thing that the House took the action it did.

As I believe I told you previously, I consider the Brannan plan one of the most dangerously deceptive ever made to the American people.

I said the Brannan plan was deceptive.

I said also the Brannan plan was dangerous.

It is deceptive in that on its face it seems to promise farmers a continuation of high wartime and immediate postwar incomes.

It is deceptive for consumers also that it seems to promise cheap food prices—prices much lower than the corresponding prices farmers would receive for the same commodities.

The deception lies in seeming to promise farmers they would receive more—in the form of Government checks—for their production than the things they produced would sell for in the market.

At the same time it would deceive the consumers by seeming to promise they would be able to buy their groceries for less than the cost of producing and marketing the same.

The plan is highly dangerous in several respects.

For one thing, if the plan worked, if the promises made both producers and consumers were really carried out, it would bankrupt the Treasury in not too many years—just as the food subsidies in Britain are threatening to do today. And of course the companion socialistic programs in Britain, promised free medical attention and supplies, nationalization, and government planning and controls, are speeding the process of demoralization and disintegration.

IMPOSSIBLE SUBSIDY PAYMENTS

If the plan did not work—

If the farmers did not get the continued high incomes they seemed to have been promised;

If the city consumers did not get the cheap food prices they seemed to have been promised;

Then farmers would probably be led to demand that the Government checks be increased until they were large enough to meet the promises.

And at the same time city consumers would demand the Government increase the subsidies enough to get them the cheap food they understood they had been promised.

And if the plan did work—

Then the farmers would be compelled and driven and coerced into reducing their production of commodities so that the law of supply and demand would operate to bring market prices high enough that the Treasury would not have to pay out billions of dollars a year in subsidies to meet the promised high incomes.

And then the consumers—if the production controls worked—would have to pay high food prices to buy the scarce food supplies resulting from scarcity production control programs that would of necessity accompany the food subsidy program.

In other words—

If the promises, explicit and implied, could be kept, both to farmers and city consumers, the Treasury could not long continue to stand the steady and increasing demands to pay the ever-increasing subsidy payments.

And when the time came that both farmers and consumers—and Government—faced the reality that the implied promises could not be kept, farmers would have become dependent upon Government payments for their income. While at the same time everybody would have become dependent upon Government to help pay the family grocery bill.

A RETURN OF WARTIME CONTROLS

The result would have been—the result will be if later on Congress feels compelled by pressure to revive the Brannan plan and put it into operation—that farmers and consumers would suffer terrific hardships before any degree of prosperity could be restored.

I sincerely hope—and wish I could feel certain—that the Brannan plan of Government subsidies and all-out Government controls to provide high incomes for farmers and cheap food for consumers, has been finally disposed of by action of the House last week.

But I am seriously afraid it has not been so disposed of, but instead will be more strongly urged in the congressional elections next year.

I was much interested in one line of argument made by Congressman HOPE. He seemed to feel that those he called the sponsors and defenders of the Brannan plan included few, if any, farmers. Instead, he quoted from those he called political labor leaders to indicate what is sought is a return, permanently, of the OPA price and other controls we had during the war.

He quoted the following, among others, from a recent publication of the American Federation of Labor League for Political Education:

"The new program is a direct payment to the farmer and lower prices to the consumer and is similar to the system used during the war under OPA and is similar to the British system which also uses direct payments of tax money to farmers."

CAPPER PREDICTION IS BORNE OUT

Congressman HOPE commented on that statement as follows, and I quote him:

"There you have the ultimate of the Brannan plan as seen by its sponsors and defenders."

Those two quotations bear out strikingly what I maintained and predicted during the war, when food subsidies were provided. I said then, and the Brannan plan seems to prove I was a true prophet in that respect, that once Uncle Sam started paying part of the family grocery bill, there would be strong pressures brought to make the subsidy program a permanent program—and with ever-increasing subsidies.

The Brannan plan is highly dangerous. The country should not fall for it.

H. R. 2136

EXTENSION OF REMARKS
OF
HON. WILLIAM S. HILL
OF COLORADO
IN THE HOUSE OF REPRESENTATIVES
Thursday, August 4, 1949

Mr. HILL. Mr. Speaker, following is a petition signed by members of Townsend Clubs in Fort Collins, Colo., in the

Second Congressional District of Colorado, and I wish to present this as evidence of the interest in the passage of H. R. 2136:

FORT COLLINS, COLO., *July 28, 1949.*

Hon. WILLIAM S. HILL,
Member of Congress.

DEAR CONGRESSMAN: We, the undersigned residents of the Second Congressional District, are informed that a discharge petition has been placed in the well of the House. As to release H. R. 2136 from Ways and Means Committee and bring it to the floor of the House for debate and action. Now we are vitally interested in seeing this done and we ask your best efforts to bring this about.

We all know of your loyalty and cooperation in the past as to any aid you could render our aged citizens. We are hoping that we may get consideration in this session of Congress.

Mrs. Wm. Moore, Mrs. John O. Rich, Neva M. Hedges, Esther D. Moore, Mack Hedges, W. T. Harned, Mr. and Mrs. Wm. Podoll, Mrs. M. T. Harned.

Word to the Churches

EXTENSION OF REMARKS
OF
HON. CHET HOLIFIELD
OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, August 4, 1949

Mr. HOLIFIELD. Mr. Speaker, under unanimous consent, I include in the RECORD an editorial which appeared in the Washington Post of July 26:

WORD TO THE CHURCHES

The groundwork for an unholy sectarian war has been laid by the attacks and recriminations that have been uttered in connection with the aid-to-education bill before the House of Representatives. Charge and countercharge have echoed from Sunday pulpits. Obviously if this chain reaction is to continue, the churches and their leading figures will be drawn into a free-for-all squabble that will gravely retard the cause of Christian brotherhood and spiritual growth.

Mrs. Roosevelt, in reply to Cardinal Spellman, has defended her own record by citing the work she did for the late Al Smith when he ran for the New York governorship and later when his presidential campaign provoked a bigoted anti-Catholic crusade. In this matter the former First Lady does not need any defense. The record plainly attests her lack of anti-Catholicism. There was never any warrant in attaching this label either to her or to anybody else who has taken a stand against the use of public funds for parochial schools. Some churchmen may be tempted to prolong the controversy as a means of drawing attention to themselves or their beliefs. Let them, however, be warned; in so doing they will be doing the cause of religion a profound disservice.

The God-fearing peoples of the earth need desperately to stand together in resisting the loss of faith, the spread of terrorism, and the worship of wit and power at the expense of character and moral conviction that are characteristic of our age. The apostles of atheism and totalitarianism would like nothing better than to see the churches of the United States at each other's throats. That is another reason to avoid it. The great majority of Americans of all sects and creeds, we are confident, want to see their churches stand above the battles of politics and aloof from any kind of sectarian fighting. They should insist on it. They cannot afford to have the great message of the brotherhood of man lost to sight in an undignified orgy of name-calling. Nothing is likely to do more harm to the spiritual welfare of the Nation and to the churches themselves.

New Capital of Europe

EXTENSION OF REMARKS
OF
HON. J. WILLIAM FULBRIGHT
OF ARKANSAS

IN THE SENATE OF THE UNITED STATES

Thursday, August 4 (legislative day of Thursday, June 2), 1949

Mr. FULBRIGHT. Mr. President, I ask unanimous consent to have printed in the Appendix of the RECORD a very excellent article entitled "New Capital of Europe," by William Philip Simms, from the Washington Daily News.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

NEW CAPITAL OF EUROPE

(By William Philip Simms)

STRASBOURG, August 3.—This ancient crossroads of the Old World where the houses and streets look like something out of a fairy tale is about to become the new capital of Europe, one of the most important spots on the globe.

Next Monday the new European Parliament will hold its first session here. The Consultative Assembly of the Council of Europe will begin to function. The hope is that it will become permanent; the beginning of a united—if not a United States of—Europe.

What happens at this and subsequent assemblies may well shape the future not only of this but our own continent as well.

"Europe," Prime Minister Clement Attlee warns, "must federate or perish." Winston Churchill agrees. Our State Department has officially endorsed the movement for a united Europe and so have Republican Party leaders like Senators ARTHUR VANDENBERG and JOHN FOSTER DULLES.

Here in Strasbourg, some 87 delegates representing France, Italy, Britain, Belgium, the Netherlands, Sweden, Denmark, Ireland, Norway, and Luxemburg will try to find a remedy for a traditionally divided Europe.

Europe has reached the point where it dare not continue its Balkanized existence. As Mr. Attlee indicates, it must change its ways or perish.

The billions United States taxpayers are pouring into European recovery are not going to do the job. At least, not alone. Something besides the Marshall plan is imperative if Europe is to get back on her feet and stay there. The United States cannot continue to support Europe in the style to which she has been accustomed. Not forever. She must do something herself.

Europe has made, and is making, what United States officials over here admit is a miraculous recovery—thus far. But we have been helping her to the tune of nearly $5,000,000,000, and the experts already are warning that we shall have to keep on dishing it out, in one form or another, for another 10 years or so. Otherwise, we are told, the good already accomplished will be wasted.

Chief reason is the political and economic fragmentation of Europe. Europe today is like what the United States would be if every one of the 48 States of the Union was "an unconnected sovereignty" seeking to develop its own national economy regardless of the other 47.

What could be more ridiculous, for example, than Europe importing coal from the United States when she has a surplus of excellent coal? This is due to the difficulties of trade and payments within the Continent.

The money situation over here is almost as bad as in China. The various currencies are interchangeable hardly anywhere. Most are overvalued, yet most countries—notably England—complain bitterly that their exports are falling off.

Europe's trouble is too many frontiers, trade barriers, money that's no good outside the country of origin, and low wages due to a faulty economy. This adds up to a low standard of living, limited markets, and poor wages.

The secret of America's success is federation and what goes with it. Lack of it is the principal cause of Europe's weakness, economic and military. Unless that is remedied, Marshall plan billions will be money down a rathole.

States' Rights

EXTENSION OF REMARKS
OF
HON. CLYDE R. HOEY
OF NORTH CAROLINA

IN THE SENATE OF THE UNITED STATES

Thursday, August 4 (legislative day of Thursday, June 2), 1949

Mr. HOEY. Mr. President, I ask unanimous consent to have printed in the Appendix of the RECORD a letter written by Tom Henderson, of Yanceyville, N. C., one of the leading Republicans of North Carolina, to the editor of the Greensboro (N. C.) Daily News. I believe the letter to be a very sensible and sane one.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

ANOTHER "A FOOL'S ERRAND"

EDITOR OF THE DAILY NEWS:

Ignorant, foolish, irresponsible and unprincipled agitators speak and write lightly and sneeringly of "States' Rights." They are either unaware of or unfriendly to the provisions of the Constitution of the United States which guarantee these rights to the separate and sovereign States. They seemingly think that either the President or the Congress can invade the South and take away our rights. These are fit feed for communism. They are the meat that Communists eat.

The Ku Klux Klan of the reconstruction era was born of the radicalism of northern "carpetbaggers" and southern "scalawaggers"—who unscrupulously and devilishly used Negroes, fresh from the jungles of Africa and newly freed from bondage, for their personal and political aggrandizement. The racial agitators of today are paving the road for either another klan or some other sort of organization which may make our creeks and rivers run red with human blood. They are sowing dragons' teeth. Nothing is more pleasing to communism.

A decent respect to color, customs, traditions and the Constitution is absolutely and imperatively necessary if the two races are to live together here in the South in friendliness, helpfulness and peacefulness.

TOM HENDERSON.

YANCEYVILLE.

Release of Vlasta Vraz by the Czechoslovakian Government

EXTENSION OF REMARKS
OF
HON. PAUL H. DOUGLAS
OF ILLINOIS
IN THE SENATE OF THE UNITED STATES
Thursday, August 4 (legislative day of Thursday, June 2), 1949

Mr. DOUGLAS. Mr. President, I ask unanimous consent to have printed in the Appendix of the RECORD a letter written by the State Department to the chairman of the Committee on Foreign Relations relative to the release of Miss Vlasta Vraz, who was imprisoned by the Czechoslovakian Government.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

DEPARTMENT OF STATE,
Washington, June 29, 1949.

Hon. TOM CONNALLY,
Chairman, Senate Committee on Foreign Relations,
United States Senate

MY DEAR SENATOR CONNALLY: Further reference is made to Mr. O'Day's letter of April 15, 1949, requesting the Department's comments on S. Res. 107 protesting against the arrest of Miss Vlasta Vraz of Berwyn, Ill., by the Government of Czechoslovakia.

The Department of State has been informed of the unconditional release of Miss Vraz by the Czechoslovak Government on April 16, 1949. In communicating this information to the American Ambassador to Czechoslovakia, the Czechoslovak Acting Foreign Minister, Dr. Zdenek Fierlinger, stated that this action was being taken by the Czechoslovak Government in order to improve relations between the United States and Czechoslovakia.

For the information of the Senate, the American Embassy in Praha intervened promptly on behalf of Miss Vraz who was arrested on April 9, 1949, and asked for an interview with her which was arranged on April 12. Subsequently, it presented a note to the Czechoslovak Foreign Office which, after reciting the facts known to the Embassy concerning her arrest and after reviewing her philanthropic work in Czechoslovakia contained the following concluding paragraphs:

"In the light of information obtained at the interview which Consul Parry had with Miss Vraz and of the fact that Miss Vraz's services to Czechoslovakia are a matter of public record, she having been awarded on December 7, 1946, in recognition of those services, the Order of the White Lion, the Embassy is surprised at the sudden and drastic action thus far taken in the case, particularly when Miss Vraz's presence here in Czechoslovakia for any necessary purposes of investigation, could easily have been assured by means more in keeping with generally recognized judicial procedure. Instead, the Czechoslovak authorities have added another case to the increasing number which are arousing public opinion in the United States over the treatment of American citizens in Czechoslovakia.

"Accordingly, the Embassy requests that the ministry provide, without delay, a complete report of facts and circumstances surrounding the arrest and detention of Miss Vraz, indicating clearly the specific charges against her and what steps have been taken, if any, to assure that she is being provided with legal counsel of her choice. Finally, if the grounds on which Miss Vraz is being held prove as unsubstantial as they now seem, the Embassy expects to learn at an early date of her release."

Upon her release, Miss Vraz stated that she was not mistreated, but was exhausted from questioning and confinement. She was advised of the substance of the resolution under reference before her return to the United States.

The Department has been advised by the Bureau of the Budget that there is no objection to the submission of this report.

Sincerely yours,

ERNEST A. GROSS,
Assistant Secretary
(For the Secretary of State.)

Basing-Point Legislation

EXTENSION OF REMARKS
OF
HON. ESTES KEFAUVER
OF TENNESSEE
IN THE SENATE OF THE UNITED STATES
Thursday, August 4 (legislative day of Thursday, June 2), 1949

Mr. KEFAUVER. Mr. President, I ask unanimous consent to have inserted in the Appendix of the RECORD a very excellent article on basing-point legislation, by W. K. Kelsey, which appeared in his column the Commentator, published in the July 22, 1949, edition of the Detroit News.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

THE COMMENTATOR
(By W. K. Kelsey)

Adolf A. Berle is a former Assistant Secretary of State, and is now professor of corporate law at Columbia University. Testifying Wednesday before a subcommittee of the House Judiciary Committee engaged in studying the question of business monopolies, Mr. Berle said:

"Monopoly eventually reaches the point, as has been demonstrated in Europe, where it must swallow the state or the state must swallow it. I think we have shown firmly in this country that the people do not want socialism."

Ellis G. Arnall is a former Governor of Georgia with a distinguished record in that office, and is now president of the Society of Independent Motion Picture Producers. Speaking of the motion-picture business—but his remarks may be extended to cover all big business in the United Statees—Mr. Arnall pointed to the delays in court procedure which are frustrating the antitrust laws, and the failure of those laws to reach back to controlling financial interests.

Recently an attempt was made in Congress to nullify what is perhaps the most important feature of the antitrust laws, and it came within an ace of succeeding.

On the excuse that the Federal courts by recent decisions had caused a state of confusion regarding the legality or illegality of certain business practices such as use of the basing-point system of fixing prices, absorption of freight rates by the seller, and lowering prices in specific cases to meet competition, bills were introduced in both House and Senate to clarify these matters.

These bills, however, went a long way beyond clarification. They would virtually have annulled the powers of the Federal Trade Commission to enforce free competition under the provisions of the Robinson-Patman Act, passed in 1936 to close a great gap in the Clayton Act of 1914, which in turn was adopted to bring down to date the antitrust philosophy expressed in the Sherman Act of 1890, when the trusts were young.

VICTORY FOR THE PEOPLE

One of the most numerous and potent lobbies ever organized in the history of Congress worked for the passage of these bills favoring the monopolists against the independent businessmen. In both the legislative and executive branches it succeded in creating such an atmosphere of confusion with its plausible arguments that men who should have known better surrendered to them.

The Justice Department's spokesman caved in, the Federal Trade Commission signified its willingness to give up the weapons which its lawyers had succeeded in getting the courts to uphold, and from the White House came word that the President was in favor of the bills.

But in the Senate, ESTES KEFAUVER, of Tennessee, pushed through that bewildered body amendments to preserve the powers of the FTC under the Robinson-Patman Act. The Senate bill then went to the House, whose Judiciary Committee promptly killed the Kefauver amendments, and without public hearings reported just the sort of bill the big business interests wanted. With equal promptness the Rules Committee granted way for consideration of the measure on the floor.

By this time, however, the independents had been aroused to the calamity which threatened them. They, too, descended on Washington. They alerted particularly the Congressmen of the Middle West and the South. Representative CARROLL, of Colorado, managed to have amendments adopted which were even stronger than those of Senator KEFAUVER, and with these included the bill passed.

The question now is whether any bill at all will be adopted. Defeated in both Houses, big business lies between the devil and the deep blue sea. If in conference the House recedes on the Carroll amendments, it must accept the Kefauver amendments; and if the Senate gives up the Kefauver amendments, it must accept those of Representative CARROLL. And if no bill is passed, the situation remains just as the courts have defined it, with the FTC still in the saddle.

The lawyers of big business have been knitting their brows day after day to find an escape. Being very smart men, they may succeed. But if they do, there will be a new issue in the 1950 congressional campaign which can split both major parties right down the back.

CONTROL BY BIG BUSINESS

That issue will be whether big business is to be given the right to drive small business to the wall, as it can do by pursuing without legal check the processes which it has evolved to regulate and control prices.

It has been shown that monopoly need not mean ownership by a single corporation. It can be brought about by group understanding, and without formal agreement. Any industry which is dominated by one corporation, or a group of corporations, can fix and regulate prices in any territory in a way to ruin a company that refuses to follow suit—unless competition is protected by law.

Now, the Robinson-Patman Act was designed to protect small business and independent business against the practices of big business by which they could be despoiled through price discrimination. Under that law the courts have held that it is illegal to grant a special low price to one or a few purchasers, thus giving them a favorable competitive position in the community. A price lowered to one purchaser must be lowered to all. There can be no discrimination. Big business must not be able to choose its pets, and whip them into line.

It was the purpose of both the Kefauver and the Carroll amendments to preserve competition under the Robinson-Patman Act as interpreted by the courts. That is why, with either amendments, the big business lobby is no longer interested in the bills passed by either House. It has been licked, if only temporarily.

IT MAY BE AN ISSUE IN 1950

What big business refused to see is that if it obtains and maintains monopolies, even for the beneficent purposes of eliminating waste and promoting efficiency, as it alleges, the time will come, as Mr. Berle has pointed out, when either big business will run the State, or the State will take over big business.

It does not seem likely that the people of the United States will permit themselves to be governed by big business, with no voice in its control. Neither does it seem likely to the commentator that they will vote, in the near future, for the operation of business by the Government.

The choice is unnecessary if big business behaves itself, and obeys the laws as passed by the representatives of the people and interpreted by the courts, without trying to change them for its own purposes.

To those who believe in our democratic system, it was a wonderful support to their faith when majorities in both Houses of Congress, composed of men who had had little time in which to study the bills, and impressed by the work of the lobby in getting the executive branch on its side, succeeded in seeing what was going on, and voted for the bills with the protective amendments included.

The House Judiciary Committee, prejudiced though it may seem to be, will do well to heed the words of Mr. Berle and Governor Arnall. They see the issue clearly and have expressed it well.

A Very Important Political Decision

EXTENSION OF REMARKS
OF
HON. JOHN J. WILLIAMS
OF DELAWARE
IN THE SENATE OF THE UNITED STATES

Thursday, August 4 (legislative day of Thursday, June 2), 1949

Mr. WILLIAMS. Mr. President, I ask unanimous consent to have inserted in the Appendix of the RECORD an article appearing in today's New York Times, written by Arthur Krock and entitled "A Very Important Political Decision."

There being no objection, the article was ordered to be printed in the RECORD, as follows:

A VERY IMPORTANT POLITICAL DECISION

(By Arthur Krock)

WASHINGTON, August 3.—The mimeograph machines in the national and State offices of the labor organizations were freshly inked, and their engineers, the clever young press-agents and ghost writers whom the unions have recruited from the colleges, were ready last night to turn out jubilant statements about the outcome of the Virginia Democratic primary. The numerous and very articulate spokesmen of the Americans for Democratic Action were similarly prepared. And many of the organizations which arrogate to themselves the worthy classification of "liberal" were all set to announce that Virginia would now "go forward" and was "free of the backward-looking Byrd machine."

At the White House there was hope that Francis Pickens Miller, who made Senator BYRD and his organization the issue in his contest for the Democratic nomination for Governor of Virginia, would win it and thus give entry for the claim that the State Democratic Party had directly rebuked Mr. BYRD for his record in Congress as well as for his leadership in the State. For, did not the President, in the midst of the hot campaign on this very issue, say to a visitor, who reported it, "There are too many Byrds—B-y-r-d-s—in Congress"?

But perhaps of more immediate importance than any of these preparations and expectations was an apprehensive attitude in Congress among Democrats who have followed Senator BYRD's leadership in trying to hold down the costs of Government, in challenging Presidential appointments he considers unworthy and in resisting the evolutions of the "welfare state" through the "Fair Deal." If the party in Virginia deserted its senior Senator and most distinguished citizen on the personal and political issue presented by Colonel Miller, some of these Democrats would have been open to the argument that there was no health in following Mr. BYRD thereafter and the best thing to do was to line up regularly with the administration.

THE ADVERSE FACTORS

The emphatic defeat of Colonel Miller by State Senator John S. Battle, who had the endorsement of Senator BYRD, was of great national importance for these reasons. And Mr. Battle's victory was the more striking because of the following adverse circumstances in which his campaign had to be made:

1. The State organization was divided for the first time in years, having been unable to agree on a slate or induce one of its two prominent members who wanted to be governor—Mr. Battle and Horace H. Edwards—to retire in favor of the other. This gave the best opportunity since 1937 for an antimachine candidate and a critic of Senator BYRD's national record.

2. Colonel Miller has much personal strength beyond that which naturally gravitated to him, and he is part of the same historic pattern the Senator is.

3. Virginia had a large influx of industrial workers during World War II; unionization is rising there; and Senator BYRD, because he has steadily attacked efforts to give organized labor a social-economic monopoly over other population groups through legislation and executive favoritism, was a shining target in these areas.

4. Northern Virginia in the vicinity of Washington is the voting-place for large numbers of Federal employees who increasingly remove there, and when they went to the polls they did not forget that Senator BYRD is a constant critic of the size and cost of the Federal civilian pay roll.

5. The union labor press bombarded the voters across the Potomac with such shells as the following from the AFL's League Reporter: "Boss BYRD is essentially an intellectual racketeer constantly preaching things he does not believe and which his record contradicts."

6. The State machine has many of the usual faults of political organizations, though scrupulous honesty in handling public funds differentiates it notably from others which Mr. BYRD's national opponents have found themselves able to belong to and work with. Colonel Miller was able to point to defects in the school system, to illiteracy, and to the poll tax which deliberately restricts suffrage, as contributions of the machine from which Virginia, he said, must be freed.

PERSONAL TRIUMPH FOR BYRD

Despite these handicaps, Mr. Battle won an impressive victory, in view of the conditions. And once more Virginia Democrats endorsed their senior Senator, rebuffing the indirect effort of the Truman administration, through its allies, to reduce or eliminate his State and national influence even more emphatically than they rebuffed open efforts by the Roosevelt administration to the same purpose. The verdict was especially a personal tribute because Senator BYRD was obliged for the first time publicly to endorse one organization member over another in the course of a campaign. This decision, with its obvious risks, was forced on him when Colonel Miller made him the issue.

Nowhere in the United States recently has the word "liberal" been rung more loudly through all its changes than in the campaign for Colonel Miller. Since its plain antonym is "illiberal," this was the label that was pressed incessantly on the Senator and his organization. But, as elsewhere, the implied distinction is largely a matter of dialectics. There are liberals and illiberals on both sides in Virginia. And recognition of the fact that Senator BYRD as Governor pulled Virginia out of the mud and kept it free of debt and graft has again been certified by the Democrat majority of the Old Dominion.

The Cooperative Movement

EXTENSION OF REMARKS
OF
HON. HUBERT H. HUMPHREY
OF MINNESOTA
IN THE SENATE OF THE UNITED STATES

Thursday, August 4 (legislative day of Thursday, June 2), 1949

Mr. HUMPHREY. Mr. President, I ask unanimous consent to have printed in the Appendix of the CONGRESSIONAL RECORD an article by former Representative Jerry Voorhis, now executive director of the Cooperative League of the United States of America, which appeared in the June 1949 issue of the Progressive magazine, published at Milwaukee, Wis. The Progressive magazine was founded in 1909 by the distinguished former Senator from Wisconsin, the Honorable Robert M. LaFollette, Sr.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

D-DAY FOR AMERICA'S COOPERATIVES

(By Jerry Voorhis)

The American cooperative movement is fast moving into the show-down phase of its existence. The period just ahead will determine for years to come whether cooperatives will permit inertia, indifference, prejudice, and factionalism to weaken and immobilize a great democratic movement, or whether they will close ranks and stride forward to play a really decisive role in the life of this country.

D-day lies ahead because the American cooperative movement is coming of age. It has been moving through a long period of great growing pains. It stands today on the threshold of a fruitful maturity. The days of the pioneers, the days when cooperative members were regarded as "a little strange but quite harmless," the days when some co-ops were content to be smug little clubby affairs—those days are gone forever. Before us now are days of conflict—of struggle to gain an accepted and significant place in the economic, social, and cultural life of the Nation.

The past few decades have seen healthy growth in the cooperative movement, especially in rural American areas.

Today it is estimated that upward of 10,000,000 American families are member-owners of some type of cooperative enterprise. In this estimate are included seven major groups of cooperatives. The membership of these groups may be roughly counted like this: 4,000,000 members of rural marketing, farm supply, and utility cooperatives, representing two-thirds of all the 6,000,000 farm families in America; 4,000,000 credit-union members; 850,000 members of consumer cooperative societies; 50,000 member families in housing cooperatives; 500,000 members of group-health cooperatives; 2,000,000 policyholder members of co-op mutual insurance companies.

Add to the above the indeterminate but fast-growing numbers of students who live in cooperative houses, eat in cooperative cafeterias, or buy their supplies at cooperative campus stores; the membership of cooperative burial associations, cooperative freezer locker plants, mutual irrigation companies, and other cooperative organizations, and you easily surpass the 10,000,000 families mark even if we make ample allowance for possible duplication of membership.

Slowly, painfully slowly in the opinion of many, cooperation in the last 50 years has had so healthy and steady a growth as to become an established and essential part of our rural economy. Dating from the 1929 depression, we can mark a great wave of interest on the part of city dwellers that is still mounting.

When I say that cooperation has come of age in America I do not imply that its period of adolescence has been completely outgrown. Doubts and fears, dogmatism and provincialism, jealousies and inferiority complexes still persist among cooperators. Such evidences of immaturity, however, are passing if for no other reason than that the movement, because of its progress and, more important, its enormous potentialities, now faces a determined, well financed, and implacable opposition.

To meet this all-out attack successfully, cooperatives must begin to work, think, and plan to the end that we may offer in these troubled times a democratic, practical, "middle-way" means of mutual aid for the maintenance of a free economy. In short, cooperators must cooperate. Holding to its original idealism, the movement must prove to the American people by its day-to-day performance that it can meet the pragmatic test of business success from the efficient management of a city grocery store to the operation of a large-scale refinery.

Carried away by enthusiasm, some cooperators still seem to believe that the cooperative patterns—consumer-ownership, patronage dividends, and the rest—will automatically bring success to any undertaking regardless of the human elements involved. This idealistic faith is most prevalent in the most difficult of all the cooperative fields—the city food and household supplies stores. Although the British and Scandinavian cooperatives have made their most notable progress in this field, over here progress has been slowest, good management most rare, the need for member-participation programs greatest. In this vital area co-ops have been longest on idealism and shortest on efficiency.

Yet the city food and supply store remains the center around which vigorous cooperatives of urban consumers must be built. Until our strong, rural cooperatives are balanced in the towns and cities with consumer enterprises large enough to carry on at least a sixth of the retail trade in town, we cannot hope to duplicate the Scandinavian or English way of contributing to stability of the economy.

It must be recalled that in the retail grocery field there are no high margins. Regularly, 6 out of every 10 commercial grocery stores fail in the United States after 4 years of heartbreaking struggle. Yet the failure of one cooperative store is blazoned abroad by our enemies as proof of the impracticability of the entire movement.

That there have been serious failures no honest cooperative will deny. As in the case of many other businesses, the war years of a seller's market gave our store managers a false sense that anything would go. Out-of-the-way, unattractive, sloppily run co-ops did a good enough business with customers who were not particular, so why bother?

It took some heavy losses in both eastern and national cooperatives, the failures of a number of local co-ops, and some down-to-earth reports by outside experts—suggesting that if urban consumer co-ops were to survive and grow they had to be run at least as efficiently as their rivals—to wake up our people from their dream of coasting along on a perpetual seller's market and return them to black-ink operations.

The early months of 1948 were troubled times. At the end of the year, however, the picture brightened. Though Eastern Cooperatives was still in the throes of reorganization and a number of the smaller local societies in its field had folded, the outlook was markedly brighter. And Central States Cooperatives, the Midwest regional organization serving most of the urban cooperatives in that area, showed after a hard year net savings of $2,800 for the month of December, due largely to a net reduction in costs of operation of no less than $57,000 per year. After great difficulty in unification and the closing of some outlets, the remaining Chicago retail stores were in the black at the close of the year.

The California Associated Cooperatives, blessed all along with good management, continued its healthy growth, with a jump in sales from $1,033,000 in 1947 to $1,463,000 in 1948, which was 25 percent better than budget estimates. The grocery department showed a sales increase of 64 percent over 1947.

So it can be done. Loyalty, enthusiasm, and idealism are characteristics devoutly to be wished for in any cooperator, but they cannot be substituted for good management, vigorous merchandising, sound personnel policies, and close relationship between the retail co-op and the wholesale. There must be common selling sense if the groceries are to be moved from the shelves to the consumer's market basket. City cooperators have learned some lessons the hard way.

Take the case of the important laboratory experiment in urban cooperative organization in eastern Michigan. For several years the United Automobile Workers of America, one of the largest and most progressive unions in the world, have kept a man on their educational staff to teach cooperative principles. In the fall of 1947, when prices reached their peak and wages lagged, local unions in Detroit began buying groceries at wholesale and selling them to union members in local headquarters at cost.

This promptly proved to be impractical, as the cooperators in the union had predicted, and a new device was worked out by the Council for Cooperative Development, on whose board members of the unions and of the cooperatives sit together. There were several cooperative organizations in the Detroit area. Why not, CCD decided, get them behind dramatic grocery sales (they were called food fairs) and use them as a means of selling shares in the cooperative and building up membership?

The plan worked. At all events, in Pontiac, Flint, and Detroit memberships were sold, capital raised; the idea of cooperation captured the imagination of the people. The fairs were well and cleverly advertised. In front of union halls, in vacant lots, at the food trucks themselves, people were told through loudspeakers what was being done to beat the high cost of living. The mayor of Pontiac gave his official blessing to the grand opening of the Pontiac Cooperative Distribution Center. A few months later Detroit opened another center, to be followed by Flint.

Certain methods laid down at the outset by the CCD planners went far in making this enterprise a success. A minimum of expensive fixtures, a maximum of self-service, low rents, and ample parking spaces kept capital investment and overhead down. Cooperative-labeled products were the rule. The result—4 to 8 percent average savings under chain store prices; volume at Pontiac $4,200 a week, Flint $7,000, Detroit No. 1, $5,500; all stores in the black, despite the fact that many other cooperative stores in the area were losing money; the grocery volume of Central States Cooperatives (the Chicago wholesale) doubled.

Of course, all the answers to the problems facing city cooperatives have not come out of Eastern Michigan. But at least the experiment proved that it is not necessary to write off urban cooperative stores as hopeless undertakings.

Given a cohesive group of people—a militant union membership, a church parish, or men and women with various common ties; given a good educational program, streamlined with plenty of drama; given some imagination about methods of operation with emphasis on the saving to the buyer rather than high-pressure merchandising frills—given these, we may yet have a proper balance of city and country co-ops.

Business success anywhere takes foresight and, of course, the present seeming prosperity of this country, whether due to inflation or disinflation, isn't going to last indefinitely. So, at the Sixteenth Biennial Congress of the Cooperative League held last November in Minneapolis, plans were laid to make the cooperatives of the Nation financially self-sufficient.

It was proposed that the savings of individual cooperatives be brought together in credit unions and cooperatively controlled banks, that all available funds in the hands of cooperatives be invested in the securities of cooperatives, that finance associations for the gathering of such funds and the making of necessary loans be organized in every region, and that the Cooperative Finance Association of America, a chartered organization, be made an agency to rediscount the paper of regional finance associations and provide a market for the cooperative securities.

II

What the congress had in mind was the unifying process of mutual aid, the forming of a common front today to meet a potential crisis tomorrow. I have stated what seems to be a truism, namely, that cooperators must cooperate. This needs to be repeated because the stubborn fact remains that in this country, unlike Canada, the cooperative movement has not yet learned to think of itself as a national movement.

Barriers of indifference, lack of understanding, and even downright prejudice separate some cooperatives from others. We have business-minded cooperatives whose sponsors, proclaiming they are an integral part of the system of private profit, declare that, far from desiring to help heal a sick world, they oppose all such idealistic foolishness.

We have large agricultural marketing cooperatives which keep loftily away from all other cooperatives and indeed try to soft-pedal their intrinsic cooperative set-up.

Then there are doctrinaire devotees of the more rigid Rochdale school who will have nothing to do with any farm marketing cooperatives, and scorn as being outside the circle of true cooperation even farm supply enterprises which in every essential follow the Rochdale principles.

Slowly the movement is finding its own middle way between these extremes. Alert-minded cooperators know that business success and idealistic integrity must go hand in hand if the full potentialities of cooperation are to be realized.

There is still, however, a considerable distance to go. On the business side there must be a whole-souled readiness to buy together, to seek sources of crude oil, for example, together, to acquire phosphates and timber land and other sources of raw materials together, to join in creating at least one outstanding laboratory for the testing and developing of better products for the benefit of all American consumers.

When credit unions and cooperative insurance companies, farm supply and city store cooperatives, and all the rest work together in the spirit of mutual aid, there can be a mighty movement which will give people control over their own economic destinies.

Along with the problem of effective unity remains the long standing one of administrative personnel. Leaders of the movement are quite literally run ragged by the demands upon their time and energy. These men and women could be in attendance at some sort of important meeting every hour of every day of every week and still miss many a gathering of eager cooperators. This is a sad reflection on the failure of co-ops to train and develop urgently needed administrative personnel.

Particularly for the local cooperatives, the scarcity of competent managers is alarming. A good cooperative store manager needs all the best qualities of good management in commercial enterprise, and a lot more besides. He must be both an efficient merchandiser and a leader in his community as well. Yet today only a few regional cooperatives have adequate programs of personnel training; there is none at the national level where it could be done most economically.

It is no easy matter for one brought up to believe that the way business is done in this country is either through cut-throat competition or iron-fisted monopoly to accept, without considerable study, the mutual-aid, cooperative way. Yet there can be no doubt that the cooperatives which do most to support a vigorous program of member participation and public information, directed by men and women well-grounded in cooperative principles and practices, are the ones which are building most soundly for the future, even from a purely business view.

In that future, if present growth continues, we can take for granted that the enemies of the movement will increase the intensity of their attacks and in all probability broaden the base of the assault. At the present, one of the cleverest and best financed propaganda campaigns is being carried on for the purpose of establishing in the public mind the idea that "co-ops don't pay taxes." Over and again on the radio, in the press, at forums and other public gatherings, this single point, false as it is, is being hammered at, so that large cross sections of people have come to believe that through some special dispensation nontaxpaying cooperatives have a great advantage over business.

Cooperative spokesmen should on every occasion point out and publicize these facts:

1. Cooperatives pay all taxes that other businesses pay and at the same rates.

2. While it is true that patronage refunds are not taxable against a cooperative, neither are they taxable against any other business.

3. As for the agricultural exemption for which a dwindling number of farmer cooperatives attempt to qualify, the National Tax Equality Association itself, the spearhead of the current drive against co-ops, is on record as saying that "the exemption makes practically no difference and its repeal would add only a drop of revenue to the Treasury."

III

It is doubtful, however, if a purely factual approach such as the above will be enough to stop the malicious distortions of the tax situation. The cooperatives can easily fashion an effective and constructive counter-attack by publicizing their now basic principles.

For cooperatives are legally obliged to pass on to their patron-members all margins between cost of doing business and total receipts from patronage. In other words, what would be reckoned as profit in a purely commercial enterprise never actually belongs to the cooperative. Instead it belongs to the cooperative's patrons. Consequently all savings of a cooperative must be paid in cash or assigned in ownership to patrons in proportion to their patronage. Whenever such funds constitute taxable income to anyone, cooperative members are liable for the payment of income taxes on their patronage refunds, in whatever form they may be paid.

Cooperatives operate on the very sound principle that the ultimate recipient of income, not a trustee through whose hands money passes, should always pay the tax. This is what takes place in the case of all the 86 percent of American businesses which are individually owned or owned by partners. None of these pays a corporation income tax because the partners have discharged their tax liability in full when they pay their taxes as individuals—since they have, in fact, received all the income. This is exactly the case of cooperative member-patrons who are in fact a group of partners in a business.

The present indifference or hostility toward the cooperative movement in many parts of the country is, in my opinion, the greatest single obstacle we have to overcome. The cooperatives must be about their public relations activities. They must win the battle of public opinion. They haven't won it yet.

It is the pressing business of cooperators to go out and tell the people why the movement got started, how it is functioning, what its true aims are, how it works to develop a genuinely free economy, and how rightly it can contribute to the welfare of the majority. Not cooperators alone but people generally must know that cooperation is a voluntary, nongovernmental organization of producers and consumers of goods and services for which there is a common need.

It must be made clear that cooperatives provide the means for decentralizing the present concentrated ownership of industry, making it possible for countless Americans in all walks of life to share in the ownership of such necessities for civilized living as oil wells, pipe lines, refineries, factories, mills, mines, electric power and light, clinics, banks, stores, and insurance companies. This is done by using and supporting these industries and institutions when they are organized as cooperatives.

It must be demonstrated that cooperators are not Utopian visionaries with any expectation of taking over the national economy. That never has happened in countries where the movement is strongest. It is the purpose of cooperatives to grow to the point where 15 or 20 percent of the Nation's business is on a cooperative basis. Then the people will have shown that they can supply their own needs, and there will be a yardstick of full production at reasonable cost which can be applied to industry as a whole.

Time and again the economic yardstick has proved its worth. Overseas it has broken the grip of private monopolies and cartels upon public necessities. Here, as in the case of REA, it has forced down high rates charged by private electric power companies and further forced these companies to enter fields long neglected because high profits were not expected there.

Cooperative spokesmen must show that abundant production of low-cost necessities is a natural process in an organization which belongs to the people whose daily needs it serves; that grass-roots, locally owned people's businesses are the antidote to the growing menace of gigantism which follows the concentration of economic power in the hands of a few and weakens the very roots of democratic life.

Cooperators have not taken attacks against them lying down. The movement has a public relations program and some agencies. The Credit Union National Association and the National Rural Electric Cooperative Association do effective jobs in their fields, as does the National Council of Farmer Cooperatives and the American Institute of Cooperation. Some of the most effective public information work today is being done by some of the more wide-awake regional co-ops.

Yet, while the attacks upon the cooperatives are carried on under a Nation-wide plan, the cooperatives themselves have yet to develop a well-coordinated, Nation-wide program.

This is the job now being tackled by the Cooperative League. The league is the only national organization which atempts to advance the progress of all types of cooperatives in all fields of human needs, from health care and housing to groceries and farm supplies. Its objectives are two—educational and promotional.

While a few of the stronger business cooperatives and a number of the more active smaller ones generously support the league's work, the organization must attempt, on the most modest of budgets, with less than a score of staff members, to carry on a national public relations program upon whose success so much of the future growth of all cooperatives depends. That the league has in its membership barely one-sixth of the total membership of the Nation's cooperatives is indication of the lack of consciousness of working together for a common cause and the absence of a well-coordinated national public relations program.

IV

Many cooperators complain of the lack of imagination which keeps the movement repeating tried and tested methods in the atomic age of overnight change. These critics want the cooperatives to make some dramatic contribution to national welfare or world peace. And, indeed, this could be done if within the near future competent leaders would forget differences and divisive regional barriers and work together on a national scale.

Everywhere there is a heightened interest in low-cost cooperative housing. If Congress would pass pending legislation for the encouragement of such housing, and if existing cooperatives would prepare themselves for guidance in such projects, we could start breaking ground for the new, mutually owned houses within the measurable future.

Similarly in the field of distribution, if efficiency is increased, greater imagination employed, and mutually advantageous relations are developed between producers such as the farm marketing cooperatives and consumers, new methods can be worked out which might well eliminate the present altitudinous costs of getting things to market.

Internationally, the challenge to cooperatives is tremendous. Presently there is world-wide discussion of plans for the revival of industry in Germany and the development of the so-called backward areas for the benefit of the masses of people there. As yet these projects are in the realm of debate, but if the schemes, to which the public as a whole is not privy, merely mean the handing back of the Ruhr industries to the cartelists who once controlled them or mean the

expansion of the power phases of American corporations into underdeveloped areas, so far as peace is concerned our last condition may well be worse than our first.

The one way to take the Ruhr out of the frame of fear, suspicion, and intrigue which now surrounds it would be to place control of its industries in the hands of a trusteeship participated in cooperatively by all western European nations having need of Ruhr products.

Co-op leaders have already made this suggestion, but selling the idea to military and diplomatically minded officials is no easy task. The same cooperative principles should be applied to the development of backward areas, where the people could own their own industries rather than become dependencies of private American corporations.

V

I am not implying that cooperative techniques supply all the answers to all the world's pressing problems. I am stating that from my experience with the movement, cooperators have adequate answers and tested, workable solutions to meet some of the most pressing economic problems of our times. Practical performance in many fields has proved this adequacy. The question is whether we, by sins of omission, will attempt merely to keep the cooperative answers to ourselves or whether we will find ways of contributing them to increasing millions of our fellow human beings on this distressed globe.

Un-American Activities

EXTENSION OF REMARKS
OF
HON. ESTES KEFAUVER
OF TENNESSEE
IN THE SENATE OF THE UNITED STATES
Thursday, August 4 (legislative day of Thursday, June 2), 1949

Mr. KEFAUVER. Mr. President, I ask unanimous consent to have inserted in the Appendix of the RECORD a statement regarding un-American activities by the H. A. Cameron Post, No. 6, American Legion, Department of Tennessee, Nashville, Tenn., in order that Members of Congress and world leaders may know just where loyal American Negroes stand.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

Members of the H. A. Cameron Post, No. 6, American Legion, Department of Tennessee, heartily disapprove of organizations which participate in un-American activities and of individuals who endorse such organizations and advocate such activities.

Inasmuch as Post 6 is an organization with a membership exclusively of Negro veterans of both World War I and World War II, it behooves us to make it clear as to where we stand on such an issue. We would like to have it understood that we oppose and condemn such organizations or persons who participate in or endorse the same.

The membership of Post 6 is aware of the fact that such organizations have been very active in certain sections of these great United States of America, and it is our desire that such organizations be requested or forced to disband. It has been said and published by an internationally famous member of our race that we would not commit ourselves or take up arms against an aggressor nation should our great country be attacked. American Legion, Post 6, heartily disapproves the attitude of such statements made by such so-called Americans.

We pledge our support to the United States, and we want you to know that we vigorously oppose such unpatriotic and un-American demonstrations as recently have come to the attention of the public.

Military Aid to Foreign Countries

EXTENSION OF REMARKS
OF
HON. PAUL H. DOUGLAS
OF ILLINOIS
IN THE SENATE OF THE UNITED STATES
Thursday, August 4 (legislative day of Thursday, June 2), 1949

Mr. DOUGLAS. Mr. President, I ask unanimous consent to have printed in the Appendix of the RECORD an editorial entitled "Chicago Bridge Doctrine" which appeared in the Chicago Sun-Times on July 28, in support of the program for military aid to foreign countries, showing the harmony of the Truman program in this respect with the speech made by President Roosevelt on the Chicago Bridge in 1937.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

CHICAGO BRIDGE DOCTRINE

Congress is in for a rugged tussle over the ways and the costs of providing to other nations American aid to resist Russian aggression—if there is any more Russian aggression.

That's made plain by the early reactions to the President's special message asking for $1,450,000,000 to set up a global guaranty against fear of war which, in Mr. Truman's language, haunts the world. It is the global quarantine doctrine first announced by F. D. R. from Chicago's outer drive bridge.

Since there is no official end of World War II, Mr. Truman has asked for such extraordinary powers as a commander in chief would have. He wants to allocate military equipment to the nations, during the next 2 years, as circumstances require. The opposition things the President wants authority to do too much, too soon, all by himself.

Mr. Truman's proposals are timed to make good on American commitments under the North Atlantic Pact, with its special application to the nations of western Europe. But his program for defensive military grants penetrates to Korea, the Philippines, Iran, Greece, and Turkey. As for Canada and South America, he'd help them procure self-defensive equipment on a cash basis. Only China, among the hot spots, is passed by.

As Congress and the people make up their minds about the procedures to call Russia any place in the world there is bound to be a searching of souls as to why mankind is in a fix somewhat similar to that which prompted President Franklin D. Roosevelt's speech when he dedicated the outer drive in this city. That speech was made 12 years ago.

Since then we have had World War II and the organization of the United Nations to prevent world war III. How come, then, that Mr. Truman's special message to Congress is the pattern of F. D. R.'s quarantine address? Mr. Truman also makes a play upon the word "fear" recalling F. D. R.'s first inaugural admonition that "the only thing we have to fear is fear itself."

Mr. Truman says the fear of aggression haunts the world and prevents the stability that promotes social and economic progress. He lays this fear to the Russians with their undermining of the United Nations. Mr. Roosevelt, on the Chicago bridge October 5, 1937, talked about a haunting fear of calamity among the nations. He laid that fear to the Nazis, with their undermining of the Briand-Kellogg Pact under which 60 nations had pledged themselves to settle their differences peacefully and to avoid the force of arms.

Said Mr. Roosevelt in Chicago in 1937:

"Nations claiming freedom for themselves are denying it to others.

"The will for peace on the part of peace-loving nations must express itself to the end that nations that may be tempted to violate their agreements and the rights of others will desist from such a course. There must be positive endeavors to preserve peace."

This Roosevelt philosophy is the basis of Mr. Truman's address this week. But Mr. Truman can go further than Mr. Roosevelt was able to go. Time has marched on. Events have changed the world and the thinking of our people.

If the Russians move into the countries of western Europe we hope to have those countries prepared to maintain internal order and to resist the force of the first blows. We plan to move in to help them with positive measures that have evolved from experience since the Chicago bridge speech. In Mr. Truman's words, this is the warning to Russia:

"It must be made clear that the United States has no intention, in the event of aggression, of allowing the peoples of western Europe to be overrun before its own power can be brought to bear. The program of military assistance now proposed is a tangible assurance of our purpose in this regard."

And that will be the way things will stand until Russia, in good faith, is willing to make the United Nations function for world peace.

It is too bad that things have to be that way but it's the best method we have been able to find for a warning to Russia to lay off—or to desist, as F. D. R. put it, in his Chicago bridge doctrine.

Toward an Atomic Policy

EXTENSION OF REMARKS
OF
HON. HAROLD D. DONOHUE
OF MASSACHUSETTS
IN THE HOUSE OF REPRESENTATIVES
Thursday, August 4, 1949

Mr. DONOHUE. Mr. Speaker, under leave to extend my remarks, I would like to include a very timely editorial entitled "Toward an Atomic Policy," which appeared in the July 30, 1949, issue of America.

The editorial follows:

TOWARD AN ATOMIC POLICY

The Joint Congressional Committee on Atomic Energy met July 20 with officials of the State Department, the National Military Establishment, and the Atomic Energy Commission "to explore the continuing problem of our relations with the United Kingdom and Canada in the field of atomic energy." We are not going to join in the speculation about what happened. We do want to register our satisfaction over the fact that official Washington seems at long last to be taking the A-bomb seriously?

Even now is it taking the bomb seriously enough? Let us see. In his carefully worded statement announcing the July 20 conference, Committee Chairman MCMAHON said that the committee would "discuss with the three agencies most directly concerned the problems which lie ahead in our relations

with the United Kingdom and Canada in this field." Problems in the atomic field, life-or-death problems, lie ahead in our relations with the whole world, not merely with Great Britain and Canada. It is high time the United States gave serious attention to them.

On the very day the McMahon committee met to discuss a bilateral atomic agreement with Britain, the United States proposed to the UN Atomic Energy Commission that it abandon its attempts to establish international control. Has the United States abandoned hope of international control? If it has, what alternative course can it follow?

This is the time, we believe, while the question of our relations with the British and Canadians is under consideration, to widen the inquiry to take in our over-all atomic policy, both national and international. The situation certainly warrants a full-dress investigation.

Despite our admiration for the zealous devotion of Senator McMAHON as head of the joint congressional committee, we do not think his committee could handle the rather ambitious project we have in mind. For one thing, to achieve worth-while results, it would probably have to be continued for a year or more.

Our recommendation is that the President appoint a Citizens Commission on Atomic Policy similar to, but much larger than, his Commissions on Civil Rights, universal military training, and air policy. It should include the most highly qualified political and physical scientists, military strategists, psychologists, churchmen, educators, planning engineers, and publicists—a cross section of the best brains in America. The Commission should be empowered to hold closed hearings, and should have a large staff, one of whose duties should be to analyze and digest the already voluminous literature on the atomic problem.

As chairman of the Citizens Commission we recommend Thomas K. Finletter, whose experience as chairman of the Air Policy Commission would make him invaluable.

"It would be an unreasonable risk," reported that Commission, December 30, 1947, "and therefore a reckless course, to rely on other nations not having atomic weapons in quantity by the end of 1952."

There is at least a chance that the Commission we recommend could devise a national life-insurance policy by that time.

Potsdam Evacuation Atrocity and the Genocide Convention

EXTENSION OF REMARKS

OF

HON. LAWRENCE H. SMITH

OF WISCONSIN

IN THE HOUSE OF REPRESENTATIVES

Thursday, August 4, 1949

Mr. SMITH of Wisconsin. Mr. Speaker, last December the United States, Great Britain, and Soviet Russia entered into an agreement at the Genocide Convention in Paris denouncing the practice of genocide. These same countries, through Stalin, Atlee, and Truman, entered into a postwar pact—August 1945—to exile millions of persons of German ancestry from eastern Europe. This was a flagrant act of genocide. The Christian Century for July 27, 1949, says, "Future generations may brand it as the greatest postwar atrocity of our time."

Mr. Speaker, I include the editorial referred to:

LIGHT ON THE POTSDAM EVACUATION ATROCITY

Future generations may brand as the greatest postwar atrocity of our time the Stalin-Atlee-Truman decision of August 1945 to exile millions of persons of German ancestry from eastern Europe. The whole truth concerning this incredible action has not yet dawned on the people of western nations. When it becomes known, it should shock even our calloused generation. It will certainly be remembered against us by our descendents. How many lives did this Potsdam decision cost? Information recently published by the Evangelical Press Service of Bethel-Bielefeld gives a partial answer. The former population of the province of Silesia was between 4,600,000 and 4,800,000. Not more than 250,000 of these people remain in Silesia, says this source. Some 80,000 are known to be in other parts of what is now Poland. Over 600,000 Silesians are in lower Saxony, 450,000 are in Bavaria, around 400,000 in Westphalia north of the Rhine. Smaller groups are listed as scattered in a half-dozen other provinces of Germany. Some may be living in the Russian zone of Germany, but probably not a large number. All together the total that can be accounted for, including returned prisoners of war, is around 2,200,000. So over half the former population of Silesia has disappeared. Where are these people? The most likely supposition is that most of them are dead. If this proportion holds for people from other eastern areas, the Potsdam decision was an immediate sentence of death for many millions of people. That a slower but equally certain death awaits the 11,000,000 survivors from Silesia and other lands who are now in Germany was affirmed at the recent meeting of the World Council of Churches by Dr. Martin Niemöller. The German church leader said that unless the victors move soon to undo as much as possible of the damage done at Potsdam, few of the Volksdeutsche can survive more than a decade. These people cannot be absorbed in Germany unless that nation is permitted to build far more factories than it had in 1939. That will not happen soon. But something has to be done if these millions are to survive. Since the victors seem incapable of agreeing on a German peace treaty, they should convene an international conference to decide on what they are going to do with these people whom just 4 years ago they decided to uproot.

Preserve the Peace

EXTENSION OF REMARKS

OF

HON. ABRAHAM J. MULTER

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, August 4, 1949

Mr. MULTER. Mr. Speaker, the declared policy of the United States is to restore permanent peace in the Middle East. The present negotiations at Lausanne can only be successful if both Israel and the Arab states show sincere willingness to reach a general peace settlement. It is most disturbing, therefore, that the press and radio in many Arab states have continuously been expressing threats to resume hostilities against Israel as soon as their countries feel capable of doing to.

These threats can hardly be ignored in view of the present large-scale rearmament of the Arab States. Under these circumstances the possible lifting of the United Nations embargo on shipment of arms to the Middle East may constitute a most serious danger to peace in that area of the world.

ARAB THREATS TO RESUME WAR

The first anniversary of the proclamation of the State of Israel last May gave rise to a fresh wave of warlike utterances and promises of coming Arab revenge. In the following a few typical excerpts are given:

(a) In his broadcast in English on May 19, 1949, Azmi Nashashibi, the director of the radio station of Ramallah, which is located in the Transjordan-held part of Palestine, said:

Thousands of boys are receiving military training and the girls are learning first aid. He asked for the return of all the refugees to their homes and added: We have been attacked, murdered, robbed, ruined—but we shall carry our burdens and when the time comes, we shall show what material we are made of. We, the Arabs of Palestine, shall neither forget nor forgive.

(b) As recorded by the Palestine Arabic newspaper Al Difa'a of May 8, 1949, Omar Saleh al Barguthi, a well-known Palestinian Arab leader, in a speech made on May 6, 1949, at Ramallah stated:

We lost the first round but we must not lose the second round. It is my hope that we will make Palestine a grave for the Jews, as was done to other invaders before them.

(c) Falastin, another Palestine Arabic paper, recently reported that thousands of Palestinian youths are now being trained by the Arab Legion, and will soon be prepared for the resumption of the Palestine war.

The largest training camp, the paper said, has been set up at Beit Iba near Nablus, where hundreds are being trained under the supervision of senior British and Arab officers of the Second Arab Legion Regiment.

(d) On June 27, 1949, Damascus Radio voiced the opinion that—

The Arabs lost the first round of the Palestine war because they listened to the advice given them by the British and the Americans.

In the second round, which will begin soon, we shall not be so foolish—

The radio said—

We must ceaselessly increase our military strength and construct a large number of new arms factories; then we shall be successful and the Jews will be thrown into the sea.

(e) According to a Baghdad radio broadcast of June 28, 1949:

The Arab have been showing lamentable weakness lately, hinting that normal relations will be restored with the Jews as soon as Israel has allowed the refugees to return.

The Jews are our enemies—

The broadcast continued—

and no matter how conciliatory they may be, we shall never cease our preparations for the day of revenge and for the expulsion of the Jews from our soil.

LIFTING OF THE EMBARGO

In May of last year the Security Council of the United Nations imposed a ban on shipment of armaments to the Middle East. If, as it has recently been suggested in various quarters, this embargo

were to be suddenly lifted, the Arab States would immediately receive heavy armaments from the United Kingdom under their treaties with that country and would also be free to replenish their stocks by purchases in other countries.

It may be assumed that Israel would under no circumstances allow itself to be placed in a situation of decisive military inferiority. Thus the lifting of the Security Council's embargo would open a swift and disastrous armament race in that sensitive area.

Israel has reason to fear that if the Arab countries were to find themselves suddenly possessed of superior military strength, they would be strongly tempted to renew the attack on Israel. Moreover, the Arab countries are at present so deeply divided among themselves that any increase of their military power may lead to hostilities between the Arab blocs.

The rearmament of the countries of the Middle East would be of no real value for their defense against the attack of any major power from the outside. On the other hand, it would postpone the vitally necessary economic and social reconstruction of the Middle East by unduly strengthening the military class and draining the limited national budgets of those countries.

In view of all these facts it might, as suggested by the New York Times of July 29, "be the better part of wisdom for the Security Council expressly to continue this restriction as a precautionary measure at least until a political settlement is finally agreed upon."

CIO Advocates Strike Against Future Reclamation Projects in Idaho

EXTENSION OF REMARKS
OF
HON. JOHN SANBORN
OF IDAHO
IN THE HOUSE OF REPRESENTATIVES
Thursday, August 4, 1949

Mr. SANBORN. Mr. Speaker, I am in receipt of a letter from John Brophy, director of CIO industrial union councils, and chairman, CIO committee on regional development and conservation. The letter is also signed by Nathan Cowan, CIO legislative director. This letter is short and I will have it inserted at the end of my remarks.

The import of the letter is astounding, coming from such a source, and I feel sure that if its full meaning was understood by that great organization the CIO would not subscribe to it. This letter means that the CIO wants all development work by the Government to stop in the great Columbia River Basin until such a time in the indefinite future if and when a Columbia Valley Administration can be established and given time to reexamine the proposed projects before they be considered for authorization by Congress. If that proposal were followed it would undoubtedly mean the stoppage of Federal participation in Northwest development for many months, if not for years. It would amount to a congressional denial of a proper share of Federal help for that region; in other words, a congressional strike or coercion of the people out there to force them to accept a Columbia Valley Authority or Administration, whichever you want to call it.

Of course, the statement that "many of these projects will be harmful to industry, labor, and the general public in the Northwest" is of little weight because these projects must be justified at hearings before the proper committees of Congress, now, before authorization, just as they would have to be under an authority, and opportunity is afforded to present such facts at these hearings.

The letter follows:

CONGRESS OF INDUSTRIAL ORGANIZATIONS,
Washington, D. C., August 1, 1949.

DEAR CONGRESSMAN SANBORN: The CIO is completely opposed to the inclusion in the pending rivers and harbors bill of any authorizations of Army or Reclamation Bureau projects in the Columbia River Basin.

Many of these projects will be harmful to industry, labor, and the general public in the Northwest. They should be reexamined by a Columbia Valley Administration.

We are urging the Senate Public Works Committee and all Senators and Congressmen from the Northwest to support this position.

Sincerely yours,

JOHN BROPHY,
Director, CIO Industrial Union Councils, and Chairman, CIO Committee on Regional Development and Conservation.

NATHAN COWAN,
CIO Legislative Director.

A World Federation?

EXTENSION OF REMARKS
OF
HON. CHARLES R. HOWELL
OF NEW JERSEY
IN THE HOUSE OF REPRESENTATIVES
Thursday, August 4, 1949

Mr. HOWELL. Mr. Speaker, under leave to extend my remarks in the RECORD, I wish to include an editorial published in the Trentonian, Trenton, N. J., on Monday, August 1. The editorial, entitled "A World Federation?" calls attention to House Concurrent Resolution 64, the World Federation resolution, and stresses the need of going all the way to insure world peace. My thinking on this subject is in accord with the editorial, which follows:

A WORLD FEDERATION?

Seven New Jersey Members of Congress—including CHARLES R. HOWELL, from Mercer County; HUGH J. ADDONIZIO, PETER W. RODINO, JR., CHARLES A. EATON, CLIFFORD P. CASE, HARRY L. TOWE, and JAMES C. AUCHINCLOSS—have joined with more than a hundred other Members of the House of Representatives in sponsoring a resolution which would commit the United States to the principle of a world federation as a means of promoting international understanding.

Identified as House Concurrent Resolution 64, and more readily known as the world federation resolution, it reads as follows:

"*Resolved*, That it is the sense of the Congress that it should be a fundamental objective of the foreign policy of the United States to support and strengthen the United Nations and to seek its development into a world federation open to all nations with defined and limited powers adequate to preserve peace and prevent aggression through the enactment, interpretation, and enforcement of world law."

At the behest of Gov. Alfred E. Driscoll, the New Jersey State Legislature recently passed a concurrent resolution urging Congress to call a convention to amend our Federal Constitution in order that the United States might legally join such a federation. United States Senator HENDRICKSON, of New Jersey, is also known to favor the idea.

Our original sponsorship of the United Nations and more recent ratification of the North Atlantic Treaty indicate clearly that we are heading toward an ultimate goal along the lines of the proposed resolution. It is obvious to most authorities on international affairs that neither the UN nor the treaty will be unilaterally sufficient to insure world peace, and there is no doubt but what we would be inconsistent if we failed to go all the way.

So long as our thinking is centered in this direction, the chances of world war III ever materializing will remain but a remote possibility.

Rural Rehabilitation Trust Funds

EXTFNSION OF REMARKS
OF
HON. HENRY O. TALLE
OF IOWA
IN THE HOUSE OF REPRESENTATIVES
Thursday, August 4, 1949

Mr. TALLE. Mr. Speaker, several months ago, on April 8, to be exact, I prepared and extended in the RECORD a brief summary of farm credit operations under the Farmers Home Administration and its predecessor agencies. I pointed out that in the years since 1935 rural rehabilitation loans have been made to about a million farmers, in an amount exceeding a billion dollars. I pointed out, too, that almost 90 percent of the matured principal of these loans has been repaid, plus more than $100,000,000 in interest. In this connection, I want to reemphasize that the Farmers Home Administration is doing a first-rate job in promoting owner-operation of farms and in providing operating capital to farmers who cannot get the credit they need from other sources.

As you know, however, Mr. Speaker, the act of August 14, 1946, which created the Farmers Home Administration also provided, in section 2 (f), that the Secretary of Agriculture shall liquidate, as expeditiously as possible, trusts under the transfer agreements with the various State rural rehabilitation corporations. But the act does not specify how this liquidation shall be accomplished or what disposition shall be made of the assets.

Consequently, I have introduced a bill, H. R. 5832, to provide for the disposition of these assets, which are presently held in trust by the Secretary of Agriculture pursuant to transfer agreements with the various State rural rehabilitation corporations.

Briefly, my bill proposes to use the unexpended balance of the emergency relief funds appropriated some years ago

in creating in the United States Treasury a revolving fund for each of the 43 States which transferred assets to the Secretary of Agriculture, and to utilize these revolving funds for extending operating credit to farmers. Specifically, my bill contains the following provisions:

Section 1: This section declares that the emergencies to be met with funds appropriated or made available by Congress under the Federal Emergency Relief Act of 1933, the act of February 15, 1934, providing additional funds to carry out the purposes of the Federal Emergency Relief Act of 1933, and the Emergency Appropriation Act of 1935, have terminated, and that such funds and the proceeds thereof can no longer be used for the purposes for which the funds were originally appropriated and made available. The assets of the various State rural rehabilitation corporations, which are now held in trust by the Secretary of Agriculture, were acquired with funds appropriated or made available pursuant to said acts, consequently, they can no longer be used by the Secretary of Agriculture for emergency relief purposes or for the rural rehabilitation purposes specified in the trust transfer agreements.

Section 2 (a): This section creates in the Treasury of the United States, a revolving fund for each State for which rural rehabilitation corporation assets are held in trust by the Secretary of Agriculture. It also provides that each revolving fund shall be used only within the particular State for which it is created, and only for the purposes of carrying out the provisions of the act.

Section 2 (b): This section provides that the cash in each trust account on the effective date of the act, and all sums received by the Secretary of Agriculture from the liquidation of the trust assets of each trust, shall be covered into the revolving fund for use in that particular State. Likewise, that all collections from loans made out of the revolving fund for each State as authorized by section 3 of the act, shall be added to and become a part of the revolving fund of that particular State. An exception is made that in the case of joint investments of corporation trust assets with other Government funds, only that portion of collections attributable to the investment of the trust assets, as determined by the Secretary, shall be added to and become a part of the revolving fund.

Section 3: This section provides that the revolving fund for each State may be used by the Secretary of Agriculture, first, for making, servicing, and collecting production and subsistence loans in the particular State under and consistent with the provisions of title II and the related provisions of title IV of the Bankhead-Jones Farm Tenant Act, as amended; second, for servicing and collecting loans and otherwise liquidating the corporation trust assets attributable to that particular State; and, third, for administrative expenses in connection with such loan making, loan servicing, loan collecting, and liquidating activities, including the cost of personal services and rentals at the seat of Government and elsewhere, provided that the funds expended for such purposes at the seat of Government shall be equitably apportioned by the Secretary among the several revolving funds.

Section 4: This section authorizes the Secretary of Agriculture, first, to bid for and purchase at any foreclosure or other sale, or otherwise to acquire property securing any loan or other indebtedness owing to or acquired by him under the transfer agreements with the various State rural rehabilitation corporations; second, to accept title to any property so purchased or acquired; and, third, to sell or otherwise dispose of such property and other tangible trust assets in a manner consistent with section 43 of the Bankhead-Jones Farm Tenant Act, as amended, except that the 18 months' limitation prescribed in said section shall not be applicable. It is provided, however, that the Secretary of Agriculture shall not be required to liquidate any such real property which he determines to be suitable for transfer for national forest purposes, and that such lands when so transferred, shall be administered in accordance with the laws, rules, and regulations applicable to lands acquired under the act of March 1, 1911, as amended. It is further provided that the corporation trust assets which have been used in water-conservation and utilization projects shall not be required to be liquidated by the Secretary of Agriculture, except that if any reimbursable costs of such projects are recovered, the Secretary shall place the proportion thereof, as he determines to be equitable, in the revolving fund of the particular State.

Section 5: This section makes the compromise, adjustment and cancellation provisions of the act of December 20, 1944, and section 41 (g) of the Bankhead-Jones Farm Tenant Act, as amended, applicable to indebtedness arising from loans and payments made under the transfer agreements.

Section 6: This section authorizes the Secretary of Agriculture to make such rules and regulations and such delegations of authority as he deems necessary to carry out the purposes of the act.

Section 7: This section saves the Secretary of Agriculture harmless from any personal liability he may incur in carrying out the provisions of the act.

Section 8: This section repeals section 2 (f) of the Farmers Home Administration Act of 1946, which directed the Secretary of Agriculture to liquidate, as expeditiously as possible, the trusts under the transfer agreements with the various State rural rehabilitation corporations, and authorized and directed him to negotiate with responsible State officials to that end.

Mr. Speaker, the total value of the assets involved is approximately $50,000,000. These assets are derived from the emergency relief acts passed in the 1930's, which provided financial assistance by which the States were enabled to relieve hardship in stricken agricultural areas. The funds were first handled by the State emergency relief administrations; subsequently, they were turned over to the State rural rehabilitation corporations. In 1935, when the Comptroller General of the United States ruled that these State corporations could no longer be financed by Federal funds, the corporations transferred these assets to the Federal Government for use in their respective States. The ultimate disposition of these funds has been hanging in the air for the past 3 years—since passage of the Farmers Home Administration Act of 1946 which provides, as I said before, that the trusts under the transfer agreements shall be liquidated as expeditiously as possible, but does not specify what disposition is to be made of the assets.

As a practical matter, the corporate funds cannot be returned to the State corporations for the simple reason that most of them have long since ceased to exist. Moreover, the purposes for which the money was originally appropriated cannot be carried out now because the economic depression and widespread agricultural distress which Congress sought to alleviate during the 1930's no longer exist. My bill, H. R. 5832, recognizes the changes that have taken place and proposes to make practical use of the remaining money—within the respective States to which it was granted—for purposes which are already authorized in the Farmers Home Administration Act: that is, for the making of production and subsistence loans to farmers and stockmen who cannot secure the necessary financing elsewhere for livestock, seed, feed, fertilizer, farm equipment, supplies, and other farm needs.

The money would constitute a revolving fund for each of the 43 States which had a rural rehabilitation corporation, and would be added to the amount now available to the States through the annual appropriations for production and subsistence loans under title II of the Bankhead-Jones Farm Tenant Act as amended by the Farmers Home Administration Act. As the loans are repaid, the principal and interest would be applied to the appropriate revolving funds; and, since title II loans have a maximum maturity period of 5 years, with annual payments thereon, the money would turn over frequently and be in relatively constant use.

Today, Mr. Speaker, there are many farmers seeking operating credit whose needs, for want of adequate collateral, cannot be taken care of by local banks. Among them are thousands of war veterans who have not yet been able to achieve the most efficient agricultural production of which they are capable. Through the Farmers Home Administration some of these young farmer-veterans are being helped to build up their production and, thereby, to provide better homes, improved living conditions, and wider educational opportunities for their families. This program has been working out well indeed; the loans are being paid back; soil conservation is being promoted; rural communities are benefiting because of the increased incomes. But the demand from farmers for this type of credit is far greater than can be met with the funds appropriated annually by the Congress for title II

loans. At this point I should like to mention that the Congress has generously provided for on-the-farm training of veterans under the so-called GI bill of rights, which program is being carried on extensively throughout the agricultural areas of the Nation. However, unless we also provide adequate credit facilities which will enable these young veterans to start farming, we will have largely wasted the funds expended in training them.

My bill will help to rectify the situation without requiring additional appropriations. It simply provides that funds already appropriated, and funds from current liquidations, be used for extending operating credit to a greater percentage of farmers who need and who are eligible for this service. It does not set up any new organization, but proposes to utilize the existing machinery of the Farmers Home Administration. It can be put into effect without any delay whatever. It can be administered in conjunction with the existing program with virtually no additional expense and without confusion to the farmers. It will bring an end to the uncertainty as to the disposition of Federal funds which obviously cannot now be used for their original purpose.

Mr. Speaker, H. R. 5832 is in line with grassroots thinking on the subject. Last month the Iowa FHA advisory committee, composed of substantial farmers and other citizens, none of whom is on the Federal pay roll, unanimously recommended that such legislation be enacted. It is practical, economical, and in the best interests of our farming population. If passed, it will remove the necessity of establishing State agencies parallel to the existing Federal agencies—with the attendant expense, delay, and duplication of work—as would be required if either H. R. 2392 or S. 930, which have been approved respectively by the House and Senate Committees on Agriculture, were enacted. I urge prompt and favorable consideration of my bill, Mr. Speaker, and I include in support of my remarks the following letter addressed to me under date of July 18, 1949, by Mr. John R. Holland, chairman of the State FHA advisory committee, Milton, Iowa:

MILTON, IOWA, *July 18, 1949.*

Hon. HENRY O. TALLE,
House of Representatives,
Washington 25, D. C.

DEAR MR. TALLE: This letter is going to all the members of the Iowa delegation because we would like to enlist your interest in a legislative matter that vitally affects the Farmers Home Administration program in Iowa, and, in fact, all the other States.

The FHA Act of 1946 (Public Law 731) under section 2 (f) provides for the liquidation of the State Rural Rehabilitation Corporations and as I understand it there are two pending bills, one to turn this money back to the United States Treasury and another to turn the money back to the States.

In 1934 and 1935 these funds, $1,078,000 in Iowa, were given as a grant to the Iowa Rural Rehabilitation Corporation out of Federal Emergency Relief Administration funds for the purpose of carrying on a rural rehabilitation program in Iowa. Early in 1936, the Iowa Rural Rehabilitation Corporation was dissolved and the assets of the corporation turned over in trust to the then Resettlement Administration for carrying on the rehabilitation work. The Resettlement Administration was succeeded by the Farm Security Administration and then on November 1, 1946, by the Farmers Home Administration.

Since early 1936 these funds have been administered by these agencies under the trust and have revolved just about four times. In addition to paying the losses and some administrative expenses the interest collections have been sufficient to add to the original $1,078,000, just about $300,000. In fact during the past 24 months we have actually loaned in Iowa $1,010,000 of these funds. Our loans have averaged about $2,000 so you can see that through the use of these funds we have helped about 500 families during that period alone.

In our advisory committee meeting at the time of the Farm Ownership Achievement Day at Ames, July 7, the committee went on record as follows:

"Moved by Richard Stephens (Washington County) and seconded by H. H. Kildee (Ames) that we recommend that the corporation trust funds continue to be used as provided for under the original trust agreement. Motion carried unanimously."

In order to accomplish this it would of course be necessary to revoke that part of Public Law 731 which requires the liquidation of the corporations. Iowa and all other States have simply not had sufficient funds to meet the demand for operating loans. On June 30 of this year we had on hand 1,367 active applications and during the entire previous fiscal year we could only make 567 new loans with the funds available, that is appropriated funds plus corporation trust funds.

Should the funds go back to the States they could only be used for rural rehabilitation purposes and that would mean the States would have to set up a parallel agency to do the same type of work FHA is doing. We do not believe that would be in the best interests of anyone. Our State Secretary of Agriculture has advised our State Director informally that he sees no need for establishing a duplicate agency. We believe that this whole matter is one of those things that has "slipped through" without anyone fully realizing the effect it would have on the people concerned.

Am sure that the recommendation made by our State committee is sound and that if these funds can continue to be used as they have been for the past 13½ years, they will aid many deserving farm families.

Your help in keeping these funds available for loans to our lower income farm families will be deeply appreciated.

Sincerely yours,

JOHN R. HOLLAND,
Chairman, State FHA Advisory Committee.

WCAU, Philadelphia, Public-Service Programing

EXTENSION OF REMARKS
OF

HON. WILLIAM J. GREEN, JR.

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, August 4, 1949

Mr. GREEN. Mr. Speaker, WCAU, Philadelphia's only 50,000-watt clear channel station, is now in its twenty-eighth year.

While radio's primary functions are to educate, inform, and entertain, WCAU has always maintained that radio also exists to serve the community and the public. With its clear channel, WCAU is able to give its listeners a signal which is free of much of the interference so common in broadcasting today. Because it is a clear channel station, WCAU, during the daytime, is protected to a great degree from interference from other stations and at night it is the only station to operate on 1210 kilocycles in the United States and most of North America.

WCAU, long a believer in good public-service programing, proves that a large city station can be more than an outlet for network programing when it has a purposeful understanding of the usefulness of radio in service to the community. Under leave to extend my remarks in the RECORD, I include the following statement of tribute to WCAU:

WCAU's understanding of its responsibilities to radio listeners is best measured by its great record of public service.

Through its 28 years on the air, WCAU has been keenly aware of the needs of the area it serves—its traditions, culture, institutions, industry, and population characteristics. From its location in Philadelphia, the birthplace of American liberties, WCAU has been through the years a beacon light of public service to its listeners in Pennsylvania and nearby States.

In this period the men and women in the WCAU listening area—those who make their living in the factories, on the farms, or by the sea, have benefited from the station's adherence to a policy of devoted public service. A keen program of philosophy at WCAU permits all different types of populations in the station's listening area to benefit from the daily schedules of farm and market information, marine weather service, news, and entertainment.

WCAU has always maintained preeminence in the field of public service broadcasting. The vitality and scope of its programing are evidenced by the public's enthusiasm for the station's leadership in this field.

WCAU's historic on-the-scene coverage of the caucus at the Republican convention, June 23, 1948, attracted Nation-wide attention. Recordings of this great, moving document of political action, were made available to universities and colleges by Leon Levy, president of WCAU. Institutions of higher learning in 39 States and the District of Columbia requested copies and used them in political science classes and forums.

Below is a letter of appreciation, typical of those received by WCAU:

BUCKNELL UNIVERSITY,
DEPARMENT OF POLITICAL SCIENCE,
Lewisburg, Pa., October 12, 1948.

Mr. JOSEPH T. CONNOLLY,
Program Director, WCAU,
Philadelphia, Pa.

DEAR MR. CONNOLLY: I should like to acknowledge the receipt of the recording of the Pennsylvania caucus.

We have already used this recording at a regular meeting of our Honorary Political Science Fraternity on the campus, and the students enjoyed the program immensely. Also, we plan to use it as a regular part of our courses on political parties and American Government. This recording fits a need which we were not able to supply outside the kindness of you and your station.

We want to express our sincere thanks to you and WCAU for the fine service you have rendered in helping us educate our students—and making our material more alive than ever.

Sincerely yours,

JAMES A. GATHINGS,
Chairman, Political Science Department.

Another example of WCAU's understanding of its responsibilities to its listeners is the series, Speaking Freely.

Speaking Freely is a 5-minute program broadcast over WCAU every weekday night at 6:10 p. m. As its name implies, Speaking Freely is an invitation to WCAU's listeners to express their views on whatever thoughts come to mind.

All contributions received are referred to that agency, city, county, State or Federal Government, charitable or service organization, business or industry which would most likely be interested, in the opinion of the editors of Speaking Freely. When contributions are broadcast, mention of the agency to which the letter is being referred is made on the air at the conclusion of the letter.

Speaking Freely has become an institution with many Philadelphia area residents because of its growing reputation for getting things done. The program has become an outlet of individual self-expression on the weighty problems of the world, and a handy device for giving some slow-moving public officials and public utilities a shot in the arm.

WCAU's active interest in community service is a continuing one and embraces many levels. Currently WCAU is producing and broadcasting among others the following series of programs in the public interest:

Your United States Senator, 1–1:15 p. m. Sunday: Senators FRANCIS J. MYERS and EDWARD MARTIN alternate appearances on this weekly public-service feature.

Your Congressman Reports, 1:15–1:30 p. m. Sunday: Each week two Members of Congress appear on this program to present both sides of controversial issues of the day.

The WCAU-University of Pennsylvania Forum: Outstanding national and local authorities discuss topics of immediate interest to listeners in Philadelphia and the three-State region. A typical letter of gratitude for this program service follows:

"DEAR MRS. MILLER: The splendid services which are being rendered to this community by radio station WCAU should not pass without a word of commendation.

"The Philadelphia Home and School Council is particularly pleased about the program known as the University of Pennsylvania Forum.

"The topics chosen for discussion are timely and informative, and each participant well qualified to speak on the selected subjects.

"Of special interest to the parents represented by the Philadelphia Home and School Council was the discussion yesterday, Sunday, December 14, entitled 'Our Schools, Are They as Good as They Used To Be?' The program gave parents an opportunity to hear both sides of the current controversy about our Philadelphia schools.

"Judge Ladner was especially well chosen as a speaker because of his prominence in the press in the last 2 months on the subject of Philadelphia schools, as was his able opponent, John Patterson.

"Congratulations to a fine radio station for a splendid series of community service programs.

"Sincerely yours,

"ETHEL H. HOTENSTEIN
"(Mrs. Fred Hotenstein),
"Radio Chairman, the Philadelphia Home and School Council."

The WCAU Career Forum, 9:15–9:45, Saturday: Youth learns the rules for success from leaders in industry and the professions.

This is a series of 26 seminars giving young people the inspiration of meeting and hearing successful American men and women. Young America receives practical information concerning the demands of American business and professional life, and how they should prepare themselves to meet those demands.

Ever since it has been on the air, the WCAU career forum has proved to be a rich source of information and counsel to teachers in the Philadelphia area in their work with the young people who will one day guide America's destiny.

The WCAU career forum, by including in the series a wide variety of careers and jobs, speaks to the student who will become President—the youngster who will practice a skilled trade. Emphasis is on the dignity of every job and its importance to the whole fabric of American business and professional life.

Each week the WCAU career forum brings to the microphone some outstanding personality, someone who captures the imagination of young people, someone who embodies their ideals. This series is the answer to a genuine need on the part of young people, a need for answers to their fundamental questions.

Community agencies actively concerned in this program series are: Public, private, and parochial schools; Philadelphia Chamber of Commerce; Pennsylvania State Employment Service; and Vocational Guidance Association.

Guidance counsellor and teacher recognize in the WCAU career forum a valuable supplement to case studies and interviews, aptitude tests, and preference records.

Planned to be used in vocational guidance, the WCAU career forum is used by teachers of social studies as up-to-the-minute commentary on economic trends, by teachers of distributive education classes as practical illustration.

Transcriptions of all programs are made available to teachers by WCAU.

The list of daily public service program contributions of WCAU does not stop with the features mentioned here. For example, WCAU broadcast the first army training camp entertainment programs, organized the first radio-sponsored aviation ground school with the cooperation of the CAA, stimulated interest in small war plant conversion by dramatizing the need for teamwork by American industry and the War Production Board and presented the most effective of all highway safety compaigns, a drama series, "Murder on the highways," hailed by safety officials all over America.

Since 1940—the year radio awards started—WCAU has received national recognition no less than 13 times from such organizations and publications as Variety, Billboard, Ohio State University, College of the City of New York, etc., for the excellence of its programs, civic consciousness, and public service.

Day in and day out, the voice of WCAU plays a major role in the lives of residents of Philadelphia, the State of Pennsylvania and nearby States which rely on WCAU's clear channel for much, if not all, of their radio service—farm and market information, marine weather reports, news broadcasts, and entertainment. To its millions of listeners, WCAU is, indeed, a most willing public servant.

China—Monkey Business in the State Department

EXTENSION OF REMARKS
OF

HON. LAWRENCE H. SMITH

OF WISCONSIN

IN THE HOUSE OF REPRESENTATIVES

Thursday, August 4, 1949

Mr. SMITH of Wisconsin. Mr. Speaker, under leave to extend my remarks, I am inserting a copy of a letter from Alfred Kohlberg to newsman Robert S. Allen. It contains many relevant facts concerning China, Philip C. Jessup, and others. It may also explain some phases of the white paper on China that has just reached our desks, a 2-inch document which seeks to explain the indifferent attitude by our State Department to the fall of China.

OPEN LETTER

AUGUST 1, 1949.

Mr. ROBERT S. ALLEN,
New York Post Home News,
New York, N. Y.

DEAR SIR: On returning from a trip to the Far East last week, I found clippings of your July 1 column referring to me.

While I greatly appreciate your undeserved references to me as a mastermind, I am somewhat puzzled by your statement that I was the real author of the recent round-robin letter signed by 21 Senators assailing State Department policy on China. What was that letter and when written? I've been out of the country and must have missed it.

Some of the other statements puzzle me, such as that I instigated a number of attacks on General Marshall; and launched a drive to smash the Institute of Pacific Relations (I only tried to clean out the Communists and feel sure you would have done the same, if a member); and am very close to T. V. Soong (whom I have never met); and that I am assiduously shunning the limelight. This latter is too undeserved. Hiss, Currie, Abt, Coplon, Silvermaster, and others, revealed when Congress peered under some unturned stones, are the real limelight shunners. Pearson, Allen, and Kohlberg put out everything over their own signature, and while one of us has had three letters attached to his name by the President, we have never before been accused of undue modesty.

Your statement that the State Department's forthcoming white paper will make me one of its chief targets is most interesting, because I feared they never seriously intended to issue it at all.

Inasmuch as you seem to have a pipe line to the State Department, I wonder if you could give me the inside dope on Ambassador-at-large Philip C. Jessup? Is he just a confused liberal who has been used by more sinister subversives like Henry Wallace? Although I understand he has never been in China, it is reported that the forthcoming white paper was prepared under his direction, and Secretary Acheson has announced that Jessup and two outsiders will puzzle out a new China policy to replace the scrapped open door without waiting for the dust to settle.

The two outsiders named by Secretary Acheson, President Case of Colgate, and Mr. Fosdick, of the Rockefeller Foundation, do not, to my knowledge, have public records as Far East authorities. For some reason or other, the Rockefeller Foundation is recorded as contributing a paltry few millions, out of its many millions expended in good works over the years, to Communist-front and pro-Communist organizations—especially in the far eastern field. President Case is recorded as a member of the Institute of Pacific Relations and of the Council on Foreign Relations whose Far East chairman is Owen Lattimore of the IPR inner ring and whose study of the Chinese Communists (published in Foreign Affairs, October 1945) was made by Guenther Stein, named as a Soviet spy by the United States Army. A conference on Far Eastern policy at Colgate just last week was arranged by the pro-Chinese Communists of the IPR, though their work must have been upset by Governor Dewey's fine speech on China at the closing session.

Please do not think I am implying that either Mr. Fosdick or Mr. Case are Communist sympathizers. They may have been ignorant of what was going on around them. But as choices to save the oriental world from communism, they seem less than ideal. Why not select Americans of distinction, courage, and knowledge, to whom service on

Jessup's committee would be a sacrifice and not an honor, such as Walter Judd, William C. Bullitt, Roscoe Pound, Representative Vorys, Henry Van Dusen, Maj. Gen. David Barrows, etc., under the chairmanship of General MacArthur instead of Jessup? I'm sure you will agree.

AMBASSADOR PHILIP C. JESSUP

Over a period of years up to 1944, Professor Jessup was successively chairman of the American Council of the Institute of Pacific Relations, chairman of the Pacific council of same, and vice chairman of the American council and concurrently chairman of the research advisory committee of the same. In these capacities he was in close association with Mr. E. C. Carter, Owen Lattimore, Maxwell S. Stewart, Frederick Vanderbilt Field, Guenther Stein, Anna Louise Strong, Harriet Lucy Moore, Theodore A. Bisson, Andrew Grajdanzev, and other left wingers cited as Communist or pro-Communist by the Un-American Activities Committee and other governmental bodies.

Under Professor Jessup's direction, in the Far Eastern Survey of July 14, 1943, the first blast in the campaign against the Nationalist Government of China was published. Referring to what it called the two Chinas it said, in an article signed by T. A. Bisson: "One is now generally called Kuomintang China; the other is called Communist China. However, these are only party labels. To be more descriptive, the one might be called feudal China; the other democratic China."

This theme song of democratic Communist China and feudal, Fascist, reactionary Nationalist China was taken up the following month by the Daily Worker, the New Masses, and others. Although the Chinese Institute of Pacific Relations was associated with the American IPR and maintained a representative in New York, he had not been consulted and first learned of this blast against his government when he received his copy by mail. He immediately protested to Mr. E. C. Carter, who referred him to Professor Jessup as the responsible official. Professor Jessup agreed to print an answer by the Chinese representative (now Chinese delegate on the UN) and did so in August. Before publication, however, he submitted this answer to Bisson, whose answer to the answer was printed in adjoining columns.

Professor Jessup must therefore be honored by our State Department as the initiator of the smear campaign against Nationalist China and Chiang Kai-shek, and the originator of the myth of the democratic Chinese Communists. An amusing sidelight on Bisson and Jessup's knowledge of China is the fact that feudalism ended in China about 200 B. C.

Professor Jessup's connections with Alger Hiss also exhibit his slant. He was deputy to Alger Hiss as Secretary General at the UN in San Francisco in 1945; he is at present a fellow trustee of Hiss on the IPR and Carnegie endowment boards. To top it all he appeared as a character witness for Hiss at his trial in New York last June, although all the data and evidence on Hiss in the FBI files was available to him.

Other Communist fronts sponsored by Professor Jessup (some listed by Attorney General Tom Clark as subversive) included the American-Russian Institute; the National Emergency Conference (organized to protest the deportation of aliens who advocated changing our form of government, 1939); the American Law Students Association; National Emergency Conference for Democratic Rights; and the Coordinating Committee To Lift the Embargo (on Spain); signer of letter in the New York Times, February 16, 1948, urging the cessation of atomic-bomb production.

When charges of Communist-line activities were made against the IPR in 1947 he signed a letter denying the charges and questioning the motives behind such charges. When the question of appointing a committee to investigate came before a membership meeting, he voted against any investigation. As recently as last spring he presided at a testimonial dinner to E. C. Carter to honor him for 25 years' leadership of the pro-Communist IPR.

All this may not prove anything one way or the other. That's why I'm asking you.

Last month in Formosa Chiang Kai-shek said to me: "Tell the American people that if we defeat the Communists you will have 450,000,000 friends in China. If the Communists win, you will have 450,000,000 enemies." Which does the State Department and Professor Jessup really want?

I await your answers with interest.

Sincerely,

ALFRED KOHLBERG.

Federal Controls Follow Federal Dollars

EXTFNSION OF REMARKS

OF

HON. ERRETT P. SCRIVNER

OF KANSAS

IN THE HOUSE OF REPRESENTATIVES

Thursday, August 4, 1949

Mr. SCRIVNER. Mr. Speaker, the following editorial from the Kingman (Kans.) Journal clearly and concisely points to the fact that when Federal dollars go out Federal controls can be expected to follow, sooner or later.

It also shows what happens when farming activities are directed from Washington.

IT HAD TO COME

The expected has happened. Although it was announced a month ago that on account of the poor wheat yield this year, no acreage allotment would be necessary, last week Secretary of Agriculture Charles F. Brannan announced an allotment of wheat acreage to be seeded this fall. The reduction for Kansas as a whole is 17 percent, or a little more than 2,000,000 acres. For Kingman County the reduction will be about 45,000 acres below the crop harvested this year.

It has been quite evident for some time that if the price support on wheat is to be continued, there must be some control over production. It makes no difference what line of business it is, if a profit is guaranteed, everybody will increase production and it is bound to collapse. There are some who claim that the real reason back of the so-called "planned economy" is so that the Government will have an excuse to exercise control. Whether this statement is right or wrong, any person or community or State which accepts Federal aid of any kind is going to have to surrender some rights to a bureau at Washington and will be told what and what not to do.

This allotment order comes after most of the ground in this section had been plowed for wheat this fall. It will be necessary that the surplus ground be planted to some other crop or otherwise worked to prevent it from blowing next winter. In a way it may be beneficial in causing more diversification. This order could have been issued earlier but for the stubbornness of Secretary Brannan in trying to foist his visionary subsidy plan on the country, but which Congress threw out the window. Brannan even put on the pressure to be allowed to make a trial run of his plan on two or three products, but again Congress refused to let the camel get its nose under the tent. However, we have made some progress since the halcyon days of Henry Wallace. Henry let the wheat grow until the next spring and then paid to have it plowed under.

F. J. C.

Repeal the Excise Tax on Furs and Create Employment and Save an Industry

EXTENSION OF REMARKS

OF

HON. ABRAHAM J. MULTER

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, August 4, 1949

Mr. MULTER. Mr. Speaker, the following letter received by me from Ben Tucker, dated August 2, 1949, is a very fine resumé of the ill effects caused by continuance of the wartime excise taxes on furs. Not only is the retail industry affected but the trappers and all of the allied industries are adversely affected.

I again urge the Members to sign my Discharge Petition No. 6 to bring before the House my bill H. R. 2324 for the repeal of the wartime excise taxes on retail sales.

BEN TUCKER'S HUDSON BAY FUR CO.,
Brooklyn, N. Y., August 2, 1949.

Hon. ABRAHAM J. MULTER,
House Building, Washington, D. C.

MY DEAR CONGRESSMAN: As president of the Metropolitan Fur Retailers Association of New York, I personally, and in behalf of the members of this group, wish to take this occasion to commend you for your valiant endeavors aimed at repealing the wartime excise tax upon retail sales of furs and other articles.

In particular, we earnestly support your initiation of a petition in the House of Representatives, of which you are an esteemed and leading Member, to discharge the Committee on Ways and Means from further consideration of your bill in order to bring it before the House for consideration. I have no doubt that once the bill is brought before the full membership of the House, it will be passed.

Such passage would culminate the long efforts of the Metropolitan Fur Retailers Association to get the unfair tax erased.

The tax has long been economically unsound.

As president of the association, I pioneered in the effort to get the tax erased from the books. In September 1944, 5 months after the imposition of the levy as a brake on consumer purchases, the association's many fur merchants, particularly those in Brooklyn, petitioned me to seek redress in Washington, which I did then and on subsequent occasions.

The unemployment situation in our fur goods industry has deteriorated so much that it now is worse than in any of the other industries affected by the stranglehold of the unfair excise tax. That is why we seek your aid, and you may make any use of this letter as you see fit.

Latest figures reveal that there has been a 50-percent reduction in employment in the fur-goods industry in the past year, and this increase will grow progressively worse unless the tide is turned soon.

The facts are these: Unemployment was 20 percent in 1947, and 30 percent in 1948. Besides, the fur industry normally works a 35-hour week, but in no one recent period has it achieved this level. There is much work-sharing, which decreases the rolls of the permanently unemployed. The average weekly work hours totaled about 31.1 during the past year. Almost all fur manufacturing firms have had long periods of lay-off recently. Many have gone out of business.

Conversely, employment in the manufacturing and marketing of furs would increase by 53 percent with the removal of the excise tax, according to a detailed, conservative study made by the American Management

Counsel, a group of economists who engage in business surveys for industry and government. Other industry-wide surveys have placed the figure at 75 percent.

The detailed study also indicates that some 250,000 farmer-trappers will not be able to engage in their trade if the tax stays on the books.

The time is long past due to reverse this unhealthy economic unemployment trend, and fast. Repeal of the fur excise tax now would bring into the market immediately buyers of wholesale and retail establishments who would anticipate the consumer demands that would arise in October, November, and December of this year. But delay in erasing the tax would knife the benefits that would accrue this year. Thus it can readily be seen that continuation of the excise-tax imposition is unprofitable for everyone, including the Government, and likewise is both unwise and unjust. The extent of the recession in the industries affected is clearly revealed by the sharp reduction in the amount of excise tax receipts lately.

The argument that removal of the excise tax would deprive the Government of revenue that could not be replaced just does not make sense. It does not add up when the full facts are ascertained. The stimulus from increased business activity not alone would more than make up for the loss of the excise-tax revenue, but at the same time would make the country's economic situation more stable and healthy. When unemployment arises, mental depression and fear grow in the minds of a great many persons, and the economic ball rolls downward faster and faster as most of us pull in our horns, fearing to expand here and cutting down there.

Clearly this, then, is the pattern for the great American recession, unless the trend is reversed by erasing the excise taxes. The formula is so simple that it adds up to common sense. Do we want make-work, a new WPA, or do we wish to give the American economy its needed shot in the arm to reverse the downward trend?

People who do not work cannot buy goods, and such inability to make consumer purchases reflects in ever-widening circles into all industries and trades, from United States Steel to the corner grocery store. It is a well-known economic axiom that what affects one business ultimately affects all.

On the other hand, if all business picks up, the Government will get much more in taxes than the mere excise tax dribble it receives now.

May I please point out again that you may make any use of this letter as you see fit.

Very respectfully yours,

BEN TUCKER.

Need for Segregation in Prisons

EXTENSION OF REMARKS
OF
HON. KENNETH B. KEATING
OF NEW YORK
IN THE HOUSE OF REPRESENTATIVES
Thursday, August 4, 1949

Mr. KEATING. Mr. Speaker, under leave to extend my remarks, there are included below, editorials from the Mobile Press-Register of Mobile, Ala., and the Gloversville (N. Y.) Herald, expressing approval of legislation designed to provide separate treatment for youthful offenders from that accorded hardened criminals who violate Federal statutes:

[From the Mobile (Ala.) Press-Register of June 11, 1949]

NEED FOR SEGRETATION IN PRISONS

The advisability of segregating youthful first offenders from hardened adult criminals has been frequently and widely stressed in prison reform discussions.

Representative KENNETH B. KEATING, Republican, of New York, is sponsoring a bill aimed at establishing greater segregation in Federal prisons. Without undertaking at the moment to give an opinion on the practicability of Mr. KEATING's particular plan, we call attention to some of his observations about crime among the young and the treatment of youthful offenders.

"The period in life between 16 and 21 years of age is a focal source of crime," he said. "Thus, although those in this age bracket only constitute 15 percent of our population above the age of 15, they are responsible for about 36 percent of our robberies, 42 percent of our burglaries, and 53 percent of our automobile thefts. * * *

"Our existing methods of treating the criminally inclined youths are inadequate. Altogether too large a percentage of those released from existing reformatories and penal institutions ultimately become hardened criminals. Indeed, one sometimes wonders whether such institutions are not breeding places rather than burial grounds for criminal tendencies. Youth mixes with maturity, the novice with the old hand, the impressionable with the hardened."

Mr. KEATING recognizes substantial strides toward more scientific treatment of youthful violators of Federal laws but he sees a need for doing much more in that direction.

A major need in the Alabama State prison system is effective segregation to protect young offenders from the harmful influence of mature criminal elements.

[From the Gloversville (N. Y.) Herald of June 17, 1949]

FOLLOWING NEW YORK'S LEAD

A bill to provide a comprehensive correction system for Federal juvenile delinquents has been introduced in Congress by Representative KEATING, of Rochester.

Its provisions are patterned along the lines of New York State's law, which has proved outstandingly successful in 85 percent of the cases. Only 15 percent of those judged as youthful offenders again have become involved in criminal activities.

As against this, a study of the inmates of one Federal reformatory shows that 80 percent of those paroled, whose conduct records could be traced, repeated as offenders and that 44 percent committed such serious crimes that they were sentenced to penal institutions.

In sponsoring his bill, Representative KEATING provided some startling figures.

Although those between 16 and 21 years old make up only 15 percent of our population, he told his colleagues in the House, they are responsible for about 36 percent of our robberies, 42 percent of our burglaries, and 53 percent of our automobile thefts.

He added that youths from 17 to 21 inclusive are arrested for major crimes—homicide, robbery, assault, burglary, larceny, and rape—in greater numbers than those of any other 5-year age group.

In brief, the Keating measure would establish classification centers and agencies, under the Department of Justice, to make complete studies of juvenile delinquents.

It would provide for segregation of juveniles from hardened criminals in institutions, and confessions made by juveniles would be barred as evidence against them.

We believe it will be the consensus of opinion throughout the Glove Cities section that the bill would constitute an important step in the right direction, and that it should be enacted.

Federal Health Program

EXTENSION OF REMARKS
OF
HON. JOHN A. BLATNIK
OF MINNESOTA
IN THE HOUSE OF REPRESENTATIVES
Friday, August 5, 1949

Mr. BLATNIK. Mr. Speaker, under leave to extend my remarks in the RECORD, I include a statement on the administration's health program made by the Honorable Thomas R. Amlie before the House Committee on Interstate and Foreign Commerce on May 20, 1949. As a follower of Fighting Bob La Follette, Tom Amlie represented Wisconsin's First Congressional District in the Seventy-fourth and Seventy-fifth Congresses where he made an outstanding public record in the best Progressive tradition. I know that Members of the House will appreciate having an opportunity to learn his views on the health issue.

Mr. Amlie's statement follows:

When I first learned of these hearings on Wednesday, May 18, I contacted the clerk of the committee and was pleasantly surprised when I was asked whether I would wish to testify before the committee on the 20th. The shortness of time has not permitted me to look up details in the manner that I might have wished, but then I know that other witnesses will furnish the details, and it would perhaps be better if I confined myself to those things that I have learned as a result of 20 years of interested observation in this field. This interest on my part is based upon my own personal experience in trying to raise a family.

In the period between 1929 and the end of 1946, I paid out over $13,000 for medical expenses for members of my family. The illness of one of my boys in Washington in 1935 cost over $2,500. Some of the incidental facts showing the low medical standards that prevail in Washington, were set forth in a letter that I wrote to Dr. Parran, of the Public Health Service, which was printed in the CONGRESSIONAL RECORD, July 26, 1937, Appendix, volume 81, part 10, at page 1887. Incidentally, this boy served in the armed forces for 4 years in World War II.

Congressmen who advocate private health insurance as an adequate alternative to a far-reaching Federal health program do not fully appreciate the nature of serious illness in a family or the very limited range of the protection that is furnished by these policies. It is my impression that it must have been serious family illness that led the poet to write: "When troubles come, they come not one by one but in battalions."

During the past 7 years, I have carried one of the standard private hospital insurance policies. In a recent illness of a member of my family, I collected $300 where the total cost was about $2,000. Legal objection to the payment of this amount was raised, and if I had not been a lawyer, it would have been necessary for me to have hired a lawyer. People who have tried to collect on any of these private health-insurance policies usually have the experience of finding that

they are full of a great deal of very fine print that they had never paid any attention to. Had I carried the standard type of hospital insurance since 1929, I might have collected $1,200, but after deducting premiums, it is plain that I should only have had about 10-percent protection. Protection of this kind is just slightly better than nothing.

It might be argued that I was not paying the premium for any more protection than I was getting. To a large extent, such a contention would be valid. Sight should not be lost, however, of the fact that the policies sold by private insurance companies to individuals pay back to the policyholder an average of only 50 cents on the dollar or less for the premiums paid. If the coverage given by a private insurance company were to be adequate, it is plain that the cost would be prohibitive for practically everyone. It is my understanding that the administrative cost of the British health program is only 2 percent. Even if the administrative cost of the President's program were to run as high as 10 percent, the overhead would be small compared with that of private companies.

There is an even more fundamental objection to private health insurance than the fact that the policyholder pays a dollar for 50 cents' worth of protection. This is the fact that these various types of private and cooperative health insurance programs merely tend to distribute the cost amongst people who are trying to raise families. These are the very people who are faced with the heaviest medical expenses. In a time of national emergency, such as we have just gone through, it is the people who have raised families who are called upon to make the real sacrifices. It is not the bachelors, old maids, or childless couples. Already the cost of adequate medical care has gotten so high that it is beyond the reach of a large proportion of all families, as witness the large number of boys of military age who were unfit for military duty. Even if an adequate insurance program were available for families, with administrative costs at 10 percent rather than at 50 percent, the cost would be several times as great as if it were equally distributed through the whole population.

In his Medical Insurance Message to Congress, President Truman called attention to the fact that our 190,000 active physicians are only 80 percent of what we require. With 25,000 medical students and 5,400 graduating each year, the shortage is not being lessened. The restriction of the number of doctors is a cardinal point in the program of the American Medical Association. I well recall that about 30 years ago Professor X, of the University of Wisconsin economics department, used the medical profession as the outstanding example of the "closed shop" in the United States of America. The policy and practice that was apparent to economics professors 30 years ago has become painfully apparent to the average head of a family at the present time. While the population of the United States has increased by 42.3 percent during the past 30 years, the number of physicians and psychiatrists has increased by only 13.4 percent. At the University of Wisconsin Medical College there are in attendance for the school year 1948–49 some 280 students. In 1928–29 the number was 291. In 1933–34 the number was 317. Other witnesses will no doubt be able to furnish detailed information as to what these "closed shop" practices have done to the incomes of physicians. It is my impression that where doctors earned substantially more than people of comparable ability in other professions 30 years ago they are now earning several times more. This would not be too important but for the great number of American families that feel that they cannot afford medical care. In conclusion on this point, I should like to suggest that the average income of physicians is considerably higher than reported. In the Internal Revenue Department of the Treasury it is a truism that "no profession is investigated as much as the medical profession and in no other profession does investigation yield such rich returns." A mere reading of newspapers would confirm this observation.

While I am for the President's medical program, it does not seem to me that all parts of this program are of equal urgency at this particular time. As practical men, I should like to urge you the general proposition that if the bill, H. R. 4312, cannot be passed in its entirety, it is important that an effort should be made to save that portion of the measure that calls for the training of an adequate number of doctors, dentists, and nurses. The shortage of trained personnel would be the principal obstacle in the way of a successful health program at this time. A program that might be highly successful if we had an adequate number of doctors, might not succeed if its administrators had to contend with a 20-percent shortage in essential personnel. In checking this point with several physicians who are in favor of the President's program, I have found that they are particularly apprehensive about the problems that might arise because of the shortage of doctors. They agree entirely that the shortage of medical personnel is the real bottleneck in the present situation and that it is the part of the whole problem that ought to be given priority.

At the University of Wisconsin Medical College, it is estimated that it costs the State $1,500 a year for each student over and above what the student pays for tuition. Costs at Wisconsin are much below the national average. It would perhaps be a close estimate to say that the cost per student in medical colleges would average $2,500 a year in an expanded Nation-wide program. Since there is nothing that the Federal Government can do to increase the number of doctors, dentists, nurses, etc., other than to encourage existing medical colleges to expand—a program ought to be entered upon that would pay these schools $2,500 a year for each medical student, over and above the number now in attendance.

The CONGRESSIONAL RECORD shows that a group of four Senators introduced a bill on March 29, 1949, which proposed that medical colleges be given a grant of $300 a year for students presently in attendance and $1,700 for each new student. I doubt that this inducement would be sufficient. A well known midwestern medical college, in a State which adjoins Wisconsin, has a capacity that would permit 121 first-year medical students. However, there are only 90 students in the first-year class this year. The failure to admit a larger number is generally attributed to the pressure of the State medical society. If the State medical society is able to exert such pressure on the management of this school, would not this school under the Senators' program, merely accept the $300 per student now in attendance and pass up the $1,700 for additional students?

The success of a program of this kind will depend not only on the program being generous in its grants but it must be adequate in its scope and the period for which it is to run. For instance, in Wisconsin we have the University of Wisconsin Medical School and the Marquette University Medical School. I doubt that the University of Wisconsin Medical School would expand even if considerable financial inducement were offered—other considerations being absent. But the Marquette Medical School is already expanding and would perhaps expand even more if Federal aid were available. Under circumstances such as these, the University of Wisconsin Medical School would perhaps feel that it would not do to be left far behind the other medical college in the State.

When I lived in North Dakota as a boy, some 40 or 50 years ago, there were 840 practicing physicians in that State. The number is now less than half of this figure and most of the remaining doctors are old men. North Dakota has a 2-year medical college but does not have a hospital that would make possible a full 4-year course. With financial help for hospital construction and expansion of school facilities, most of the medical schools now providing 2 years of medical training could be expanded into 4-year medical schools. The President's program calls for the construction of hospitals where needed. The proper place to begin the construction of these hospitals would be in conjunction with the 2-year medical schools, for the reason that increasing the number of medical-school graduates would provide the internes that would be needed in these and in other hospitals. At the present time there is a shortage of 2,000 internes in the hospitals of the country. This shortage of internes for existing hospitals, points up the fact that the real bottle-neck in any kind of an adequate health program is the shortage of trained medical personnel and suggests further that something must be started by this Congress to remedy this situation even though it may not be possible to pass the President's whole program at this time.

It seems to me that it would be highly practicable for Congress at this time to embark upon a 10-year medical-training program and offer a flat $2,500 a year per additional medical student. Even if this should cause our medical-school enrollment to go up from 25,000 to 40,000 students, the cost would only be $37,500,000 per year. The cost of training additional dentists, nurses, and medical technicians would be in proportion. The only condition that would have to be insisted upon would be the maintenance of standards as set by the American Association of Medical Colleges. The cost of constructing hospitals and other facilities could be provided in part by Federal grants as recommended by the President and as contemplated by the bill introduced by the four Senators. The remaining cost might be covered by a 2-percent RFC loan to be repaid out of subsequent advances for tuition such as the $2,500 per medical student.

There are at the present time somewhere between ten and twenty thousand veterans who are not only anxious to go to medical school, but who have the capacity that would in normal times have enabled them to have gone through a first-class medical school without any difficulty. They have been given rights under the GI bill of rights but the whole thing is just on paper. In normal times, a good B student could go through medical school without trouble. At the present time, an applicant must be a high A student in order to get into a first-class medical college. During the war, when the able-bodied young men were in uniform, our medical colleges were largely filled with IV-F's who were able to get by with a C average. Now the boys who spent 1 to 4 years in the service have gotten their premedic work out of the way and are trying to achieve their life ambitions to become doctors. A great majority of these boys, who in normal times would have had no difficulty, now find that they are unable to get into any medical college since there are from 15 to 20 applicants for every vacancy. If there is an obligation owing to these boys, it must be discharged now and not 2 or 5 years hence.

Recently a University of Wisconsin professor complained that his classes had increased from 40 or 50 to seven or eight

hundred and that the only consideration that he could get was a larger classroom and a loud-speaker system, but on the other hand, the medical school could reduce the size of classes despite unprecedented need.

I do not believe that doctors should be turned out as indiscriminately as lawyers are now being turned out. The program that has been outlined merely contemplates that the present acute shortage of doctors ought to be met in the course of the next 10 years. It was my impression 25 years ago that doctors because of their closed-shop policies were able to earn substantially more than people of comparable ability in other professions. The public has an interest in the maintenance of ethics by the medical profession and for this reason, I think that most people would feel that doctors ought to earn more money than other professional people. At the present time, doctors are perhaps earning more than twice what people of comparable ability are earning in other professions and the AMA has apparently set a goal of $20,000 a year for its members—perhaps realized in one State. It is doubtful if the great increase in doctors' incomes during recent years has increased the interest of the average doctor in his patients. Certainly the people with whom I have discussed this matter are of the opinion that in the case of middle-age and old doctors, the result has been to make them highly income-conscious.

Reference has been made to the income of doctors, because these incomes result from scarcity of doctors and refute the contention of the various State AMA's that there is no scarcity of doctors in a particular State. Also, these incomes explain why so many families feel that medical care must be dispensed with—the result being the appalling number of our young men who are physically unfit for military service. Against the restrictionist philosophy of the AMA is not only the welfare of a great majority of our people but more specifically the rights of the young men with GI bill of rights certificates who in normal times would have become doctors and whose services as doctors are needed.

Happenings in Washington

EXTENSION OF REMARKS

OF

HON. EDWARD MARTIN

OF PENNSYLVANIA

IN THE SENATE OF THE UNITED STATES

Friday, August 5 (legislative day of Thursday, June 2), 1949

Mr. MARTIN. Mr. President, I ask unanimous consent to have printed in the RECORD the text of a broadcast entitled "Happenings in Washington — Program No. 4," made by me on August 1, 1949.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

HAPPENINGS IN WASHINGTON—PROGRAM NO. 4

This is ED MARTIN speaking to you from the Nation's Capital and bringing you another discussion of happenings in Washington.

In my broadcast 2 weeks ago I discussed the North Atlantic Pact, designed to maintain peace in the world.

Since then, as you know, the Atlantic Treaty has been ratified by the Senate. The vote was 82 to 13.

Let me point out that 95 or the 96 Senators were present and voting. The other Member was in Europe on official business of the Senate.

I think the overwhelming vote reflected the sincere desire of the American people for a defensive agreement with the other peace-loving nations against armed aggression aimed at western Europe, Canada, and the United States.

Before the Congress ends the present session it may have to make another vital decision. It is whether we will spend billions of American dollars to rearm our partners in this defensive pact.

In my opinion, based on informal discussions with many of my fellow Senators, that proposal will meet determined opposition.

Before voting on this proposition some Members of the Senate will want to know if we have entered into secret agreements to provide arms. Others are deeply concerned over the cost to the American taxpayer.

As I stated to you in my last broadcast, I cannot see how I can support such a program with our country in its present financial condition.

Recently I had the honor of addressing the Pennsylvania State Convention of the Veterans of Foreign Wars in Philadelphia. In my remarks I warned against three dangers threatening our country—state socialism, depression and national bankruptcy, and a bungling foreign policy.

At this time I want to talk to you about the first of these dangers—state socialism or what has been called the welfare state.

It can destroy our American system of government. It would mean dictatorship and the loss of our individual freedom.

I can best illustrate this trend in our Government by discussing a bill which has been favorably reported by the Agriculture Committee of the Senate. It may soon come before the Senate for action.

It is a bill introduced by Senator THOMAS, of Oklahoma, and known as the Agricultural Adjustment Act of 1949.

It is more often referred to as the Brannan plan because it was proposed by the Secretary of Agriculture, Hon. Charles F. Brannan. It has the support of administration leaders.

This Brannan plan is dangerous to the people of Pennsylvania. It strikes at the independence of every farmer in Pennsylvania and will be costly to every taxpayer.

Most people think of Pennsylvania as a great industrial empire. Many forget that we rank among the highest as an agricultural State. Pennsylvania has more than 171,000 farms, and more family-sized farms than any other State of the Union.

The farms, buildings, equipment, machinery, and livestock on Pennsylvania farms represent an investment of more than $2,000,000,000. That is a larger capital investment than either mining or the manufacture of primary metals within the State.

Our farm marketing income in a single year exceeds $750,000,000. More than 850,000 citizens of Pennsylvania are engaged in farming and among them are the best farmers in the world.

In Pennsylvania we have some farms that have been cultivated for 200 years and they are more fertile today than when the first settlers arrived.

Love of the soil is an outstanding characteristic of the Pennsylvania farmer. He is an independent citizen who knows the value of self-reliance, hard work, and thrift.

He wants to build his security on his own efforts—his own skill. He wants no handout from the Government.

All he asks is a fair price at the market for his products and a fair price when he buys the things he needs.

Raised in that independent, self-reliant spirit, many sons and daughters of Pennsylvania farmers have achieved great success, not only on the farm but in business and industry, in the professions, in education, in the churches, in the armed services, and in government. In fact, many have reached leadership in every walk of life.

It is generally agreed that a sound farm program is essential to the welfare of the whole country. The initiative and incentive of the farmer must be encouraged as the best insurance that the consumer will have an adequate food supply.

My fellow Pennsylvanians, the Brannan plan would destroy all of this. During debate in the House last week, it was charged that this plan was originally prepared by Henry Wallace, Rex Tugwell, and Alger Hiss, when Wallace was Secretary of Agriculture. That alone should serve as a warning to put on the brakes and stop, look, and listen.

Of course, the Brannan plan deals with farms and farm income and therefore appears to be of principal interest to the farmer. But, I assure you, if adopted, it would affect every taxpayer, every household, and every family in Pennsylvania and the Nation.

Now what is this Senate bill, known as the Brannan plan? Well, I wish I were able to give you a clear and detailed statement of its provisions. The bill is 86 pages long. Even a Philadelphia lawyer would have to burn the midnight oil trying to figure it out.

I have the bill in my hand. Let me give you a sample of its language.

Here's the first paragraph of title I:

"The term 'income support standard', as of any date means the average annual aggregate purchasing power of cash receipts from all farm marketings, including production payments made under title II of this act, during a period consisting of the first ten of the preceding 12 calendar years (except that during 1950 such period shall consist of the calendar years 1939 through 1948, inclusive), computed as follows: (1) Divide such cash receipts for each of such 10 years by the parity index for such year; (2) add the amounts obtained under (1) above for each of the 10 years and divide by 10; (3) multiply the amount obtained under (2) above by the most recent parity index."

I hope that was all very clear to you.

No wonder one Congressman, an able member of the House Agriculture Committee, told me that he sat through 12 days of committee hearings on the Brannan plan and he wound up more confused than when he started. I'm not surprised at that.

The purpose of the plan, as announced by Mr. Brannan, is to guarantee the farmer a high income and at the same time give the consumer lower food prices.

The Secretary of Agriculture would figure out by the complicated formula which I have just read how much each farmer's income should be.

There would be no Government supports to keep prices up. The farmer would sell his product at whatever price it would bring in the market. That would tend to keep prices down.

But where does the farmer get his high income?

Under this proposal the Secretary of Agriculture, Mr. Brannan, would figure up the difference between what the farmer received and his income as fixed by Mr. Brannan's formula. At the end of the year Mr. Brannan would send the farmer a check on the Treasury of the United States for the difference.

Now that sounds very simple. But when Mr. Brannan was before the committees of Congress he was unwilling or unable to place any estimate on the cost of his program.

Reliable agricultural economists have estimated that it will cost at least seven to eight billion dollars a year.

Who will foot the bill? You know the answer. It will be taxed out of the earnings of the consumers of America. This means everyone—including the farmer.

Figures just released by the Bureau of Internal Revenue show that 45 cents of each dollar collected by the Federal Government last year was paid by individual taxpayers.

Corporations paid about 28 cents of each dollar.

The balance came from excise taxes, customs receipts, post-office revenue, and other sources.

But keep it in mind, that corporations are really only tax-collecting agents of the Government. Taxes paid by corporations are included in the cost of production. They are passed along to the consumer in the form of higher prices.

It is clear that in the end the consumer would have to pick up a seven or eight billion dollar check for something he thought he was getting for nothing.

This plan is so detailed and so complicated that the cost of administration alone would be staggering. It would require an army of snoopers, investigators, inspectors, bookkeepers, accountants, supervisors, lawyers, and experts, all on the Government pay roll.

It would create another force of bureaucrats with authority to direct, control, and regiment the 6,000,000 farmers of America.

It would create black markets and bring back the confusion of the OPA war days on a vastly expanded scale.

This program could bankrupt the Nation.

At the beginning of this broadcast I said it could destroy the freedom and initiative of every farmer.

In order to participate in Mr. Brannan's program the farmer must submit to regulations covering "acreage allotments, production goals, marketing practices including marketing quotas, and conservation and good land practices" as directed by Mr. Brannan.

That means the farmer would be told how many acres to plant, what crops he could raise and how much. He would be told where and how to sell his product and how to cultivate his land.

Furthermore, the Secretary of Agriculture could require farmers to "furnish proof of acreage, production, yield, storage, and marketing in the form of records, marketing cards, reports, storage or sale receipts or otherwise as the Secretary may prescribe."

And to check on the accuracy and honesty of the farmers' reports similar information and records could be required from everyone doing business with the farmer. That includes buyers, processors, warehousemen, and transportation companies.

Time does not permit discussion of the many details of the bill. But I want to say this to the Pennsylvania farmer: If this plan should go into effect it would be wise to have one member of his family an expert accountant.

It is apparent that the American farmer would be placed in a government straitjacket. He would be living in a socialized, welfare state, his livelihood depending upon his ability to get a handout check from the Government.

To my mind this is not a partisan political issue. Last week in the House of Representatives an effort was made to pass a watered-down version of the Brannan plan. The bill provided for a 2-year trial covering only three commodities.

I am happy to report that Democratic Members of the House, ordinarily administration supporters, joined the Republicans and the attempt was overwhelmingly defeated.

It is difficult to understand why the Secretary of Agriculture is so determined to put through this fantastic, socialistic scheme.

Hitler tried rigid control of agriculture in Germany. The government dictatorship in the Argentine tried it but decided it couldn't work. Socialistic Britain has a somewhat similar scheme and you know what is happening over there.

But Mr. Brannan fights on for his program. The Department of Agriculture has been converted into a propaganda machine to sell the Brannan plan to America at the expense of the taxpayers.

What do the farmers say about Mr. Brannan's proposal?

The National and State leaders of the recognized farm organizations have been outspoken in their opposition. They have denounced the plan as a dangerous step toward socialism.

They have charged that it makes the Secretary of Agriculture a dictator over the 6,000,000 farmers of America.

Among the organizations fighting the plan are the Grange, the American Farm Bureau Federation, the National Cooperative Milk Producers Association, the National Livestock Association, and many others.

No doubt they are familiar with the warning given by that great champion of individual freedom, Thomas Jefferson, when he said:

"Were we directed from Washington when to sow and what to reap we should soon want bread * * * when all government, in little as in great things, shall be drawn to Washington as the center of all power, it will become venal and oppressive."

In this broadcast I have discussed only one of the many bills now before Congress that would greatly increase the size, power, and cost of the Federal Government.

These proposals, if enacted into law, would mean the destruction of American freedom.

This is ED MARTIN speaking to you from the Nation's Capital.

I will be with you again in 2 weeks.

Thank you for your attention.

Are We Serious About the Marshall Plan?

EXTENSION OF REMARKS

OF

HON. WILLIAM LANGER

OF NORTH DAKOTA

IN THE SENATE OF THE UNITED STATES

Friday, August 5 (legislative day of Thursday, June 2), 1949

Mr. LANGER. Mr. President, I ask unanimous consent to have printed in the Appendix of the RECORD an editorial entitled "Are We Serious About the Marshall Plan?" published in the Saturday Evening Post of November 22, 1948.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

ARE WE SERIOUS ABOUT THE MARSHALL PLAN?

Those who read Europe the riot act for not bringing her economy back to normal should remind themselves that, to some extent at least, the blame for Europe's backward condition belongs to the United States of America. The level-of-industry agreement for Germany, which implemented the so-called Morgenthau plan, and has, up to now, destroyed any substantial hope that Germany would be able to contribute to European revival, was an American idea.

In recent months the level of industry has been revised upward, but, despite the need for industrial equipment in Europe, plants in the American-British zone of Germany are still being dismantled. Felix Morley, writing in Human Events for October 1st, cites the Committee on European Economic Cooperation to show that tractors, which the American people are now asked to supply for European agriculture, could have been manufactured in Germany. But by the level-of-industry agreement Germany was prohibited from manufacturing any of these indispensable instruments of production, in spite of the fact that they were not built in any other country of western Europe. * * * The illustration is only one of many. The report points out that there are not now enough locomotives in Europe to break a steadily worsening transportation bottleneck. On American insistence, German industry, producer of Europe's finest engines, was prohibited from building any locomotives before 1949.

Lewis Brown, chairman of the Johns-Manville Corp., in his able report on the German situation, declares that "in the Russian zone factory after factory has been stripped, the machinery loaded on flatcars and left on sidings without protection from the weather, to rust and disintegrate. Sugar-processing machinery that might have converted the sugar beets of Germany to help supply a product of which all Europe is short goes to ruin while sugar is brought in from Cuba at the American taxpayer's expense." Despite the supposed relaxation of JCS 1067, the directive under which the Morgenthau plan was to be carried out, this industrial mayhem continues.

As former Secretary of State Byrnes shows in his book, Speaking Frankly (Harper & Bros.), the Morgenthau plan, from which the level-of-industry concept grew, was put over while the late President Roosevelt and former Prime Minister Churchill were looking out the window at the Quebec conference. At a later date, acording to Mr. Byrnes, "the President agreed with Mr. Stimson—on the folly of a peace of vengeance—and told the Secretary of War that he did not know how he had initialed that particular language in the Quebec agreement. It must have been done, he said, without much thought." At Yalta, Prime Minister Churchill said, again quoting from Byrnes, "If our treatment of Germany's internal economy is such as to leave 80,000,000 virtually starving, are we to sit still and say, 'It serves you right,' or will we be required to keep them alive? If so, who is to pay for that?" It would seem that Churchill, too, initialed the agreement "without much thought."

Stalin, of course, knew the answers to the Prime Minister's questions. While urging on his Allies a policy toward Germany which would only ruin western Europe, Stalin in his propaganda to Germany has capitalized on our error by blaming the western allies for all Germany's ills. It seems to us that the first step in carrying out the Marshall plan ought to be for America to remove illogical controls which have no bearing on preventing German rearmament, but do prevent an important element in Europe's economy from helping itself.

The Longshoremen's Strike in Hawaii

EXTENSION OF REMARKS

OF

HON. HUGH BUTLER

OF NEBRASKA

IN THE SENATE OF THE UNITED STATES

Friday, August 5 (legislative day of Thursday, June 2), 1949

Mr. BUTLER. Mr. President, I ask unanimous consent to have printed in the Appendix of the RECORD an article

entitled "Women Appeal to Solons for Speedy Strike End," published in the Honolulu Advertiser of recent date, containing the text of a speech made by Mrs. Napua Stevens Poire, spokesman for more than 1,000 women, in connection with the opening of the special session of the Hawaii Legislature.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

WOMEN APPEAL TO SOLONS FOR SPEEDY STRIKE END

"Lift from Hawaii the curse that has fallen upon us."

That was the plea which Mrs. Napua Stevens Poire presented to members of the legislature on behalf of women of the islands when she spoke to them Tuesday morning, just before opening of the special session.

Mrs. Poire had been chosen as spokesman for the more than 1,000 members of the women's broom brigade, which conducted a brief program in front of Iolani Palace.

The text of her talk follows:

"At no time in the history of Hawaii has a session of the legislature ever been called to consider matters of greater importance to the lives, welfare, and happiness of every resident.

"Speaking on behalf of the mothers, wives, and daughters, on behalf of the women whose job it is to keep the homes of Hawaii running; whose responsibilities are directly to the children of Hawaii as well as to the men upon whose efforts to earn a living, we are all dependent.

"On behalf of the homes, big and little, rich and poor alike, we are deeply grateful to you honorable gentlemen for according us the courtesy of meeting here with us these few minutes before your legislature convenes.

"As you enter upon your deliberations of those proposals of law, which, if passed, we sincerely hope and pray, will be a means of returning peace to Hawaii, we wish you to know that we are back of you, and will do everything in our power to help.

"We know that in discussing legislation that will take away the rights of those unscrupulous leaders to force their desires, their ulterior purposes on us, the innocent women of Hawaii, you will be subject to the most bitter attempts on the part of those subversive leaders to do everything for which you have been called in special session.

"Trained in tactics which will incite unthinking people to blind allegiance, we know they will use every strategy and method, in which they have been carefully schooled, to affect your thinking, your discussions, and your decisions.

"We ask God's blessings on each and every one of you. May you be given the wisdom to see the path that is right. May you be given the courage to go firmly ahead to help the people of Hawaii.

"May you be given the vision to see through the subterfuge of those whose only desire is to see that the laws are kept on our books which will protect them in their unholy schemes to exploit not only those who blindly follow them, but to advance their ultimate desires to subject all of the business, all of the people of Hawaii to their absolute control.

"Hawaii is at the crossroads. Your families, your wives and children, are at the crossroads. Upon what you do in this legislature lies the future happiness of all Hawaii, the future happiness of your own homes.

"Lift from Hawaii the curse that has fallen upon us. Guarantee by sound legislation that honest men and women, regardless of nationality, race or creed, that they will be provided with the opportunity of living decent lives, as friends, one with the other to the end that peace and contentment will once more return to our Hawaii nei.

"All of this, we, all the women of Hawaii, do beseech you. God bless you in your every effort. Aloha."

Samuel Wahrhaftig

EXTENSION OF REMARKS
OF
HON. HUBERT H. HUMPHREY
OF MINNESOTA
IN THE SENATE OF THE UNITED STATES

Friday, August 5 (legislative day of Thursday, June 2), 1949

Mr. HUMPHREY. Mr. President, on April 1, 1949, a statement by me was inserted on page A1969 of the CONGRESSIONAL RECORD on the case of Samuel Wahrhaftig. This statement included excerpts from letters which I had written to Hon. Kenneth C. Royall, who was then Secretary of the Army, on January 17, 1949, and February 15, 1949, expressing dismay at the manner of investigation and objecting to the summary suspension of Mr. Wahrhaftig an American military government official in Germany, without due process of law.

I am happy to report that this week Mr. Wahrhaftig was acquitted and finally vindicated by the Department of the Army. In this connection, I ask unanimous consent to have printed in the RECORD an editorial which appeared in the New York Post of August 3, 1949, and the wording of the statement issued by the Department of the Army in connection with Mr. Wahrhaftig's appeal, which was released on August 2, the text of which appeared in an article in the New York Post of August 3, 1949.

There being no objection the editorial and statement were ordered to be printed in the RECORD, as follows:

WHO FRAMED WAHRHAFTIG?

After 7 months of exile Samuel Wahrhaftig has finally won vindication. The Army review board has admitted the cruel and fantastic error committed by the unnamed military strategists who branded Wahrhaftig "subversive." We have had no wish to deprecate this retreat; the sordid story at least reaches a comparatively happy ending. But the broader questions stirred by the Wahrhaftig case transcend his private fate. The questions remain unanswered.

Last January 10 Wahrhaftig, an American military government official employed in the civil affairs division in Berlin, was suddenly ordered to return to Washington at once "on suspicion of disloyalty." He was informed he would be subjected to "further investition" in the United States. Forty-eight hours later he was on his way home, stunned and baffled by the crack-down. On his arrival he found his name smeared across the front pages, tarred with the label of "subversive."

At that juncture this newspaper interviewed a number of Wahrhaftig's former AMG associates. All of them voiced amazement and disbelief at the disclosure that he was under fire for alleged "disloyalty." Their reactions to the news were published in the Post Home News on January 12.

But it took the Army 7 months to clear Wahrhaftig.

When he reached Washington in January he pleaded for a hearing. His plea was rejected. Under the Army's strange loyalty procedures, he was told, he would first be "investigated."

If the inquiry sustained the still undisclosed charges, he would be formally fired. Then—and not until then—would he be told the accusations against him. Then—and not until then—could he obtain a hearing.

On March 10, after this so-called investigation had allegedly occurred, the Army announced that Wahrhaftig had been found guilty. It said the FBI had participated in the probe which led to the verdict. It cryptically reaffirmed his dismissal.

At no time during this supersecret inquiry did any agent of Military Intelligence or the FBI interview the top Government officials whom this newspaper quoted in Wahrhaftig's defense on January 12. At no time during the inquiry was Wahrhaftig himself interviewed or examined.

But now it was official. He was subversive. Once again his name was tarnished in newspapers throughout the land.

A lot of men would have abandoned all hope at that point. A 33-year-old ex-GI, Wahrhaftig had no lavish financial resources. He was unemployed and, as he quickly learned, virtually unemployable. He had hit bottom and the cards seemed hopelessly stacked against him. Only a handful of men raised their voices in protest. Senator HUMPHREY, Democrat, Minnesota, forthrightly denounced the procedure under which Wahrhaftig was suspended, smeared, investigated, convicted, dismissed—and then offered a hearing. Thurman Arnold volunteered legal aid. Most men were too busy or too timid. They looked the other way. The loyalty issue was too explosive.

Nevertheless, Wahrhaftig fought back. He flew to Germany to collect affidavits. German political leaders, including spokesmen for the Social Democratic Party and the Christian Democratic Union, came to his defense. Mayor Ernst Reuther, of Berlin, visiting Washington on an Army-sponsored tour, was one of those who spoke out most eloquently. All of those who testified knew Wahrhaftig as a courageous, outspoken liberal with deep anti-Communist convictions who understood that Communist totalitarianism cannot be effectively fought with weapons of reaction.

The evidence demolishing the Army's still unspecified case piled up. On May 19 Wahrhaftig finally got his day in court—a hearing before the Army Review Board at which the contradictory, undocumented, and absurd charges compiled by the intelligence agencies were finally presented. Wahrhaftig was simultaneously accused of pro-Communist activity and of following the doctrines of Leon Trotsky; it was ludicrously alleged that, on the recommendation of a Communist, he arranged the appointment of a Socialist to government office; he was accused of associating with three Communists, all of whom turned out to be members of the extreme right wing of the Social-Democratic Party.

The long-suppressed case against Wahrhaftig collapsed in the hearing room.

But not until 2½ months later did the Army hand down the verdict which cleared Wahrhaftig yesterday.

Why did all this happen in the first place? Why was a conscientious, informed, liberal Government servant suddenly ousted from his post, railroaded back to the United States as if he were a dangerous criminal, forced to endure 7 months of humiliation, and untold private suffering? Who were the intelligence agents who put the finger on Wahrhaftig? Who covered up for them in the initial inquiry that upheld their charges and whitewashed the brass? What assurance does the Army offer that this won't happen again—that it is not happening now to men, who lacking the resilience and tenacity of Wahrhaftig, may be disposed to give up without a fight? What reforms, if any, does the Army contemplate in the loyalty

program which permitted and perpetuated this wretched episode?

We will keep on asking these questions until they are answered by the Army or until a congressional body undertakes an independent inquiry.

The beating Wahrhaftig has taken is a gruesome horror story and its enormity isn't dispelled by the belated confession that it was all a mistake. The acknowledgment is a decent and praiseworthy act. We hope it is significant that the suspension occurred under ex-Army Secretary Royall and that the vindication was signed by Secretary Gray. But this long-delayed action doesn't answer the big questions that should shock and sicken the country. The Army's blunder, whether born of stupidity or venom, cost a man 7 months of his life?

Who framed Wahrhaftig?

The Secretary of the Army's Security Review Board, as the result of an administrative hearing on charges against Samuel L. Wahrhaftig resulting in his removal under Public Law 808, Seventy-seventh Congress, has unanimously recommended to the Secretary of the Army that Mr. Wahrhaftig be reinstated. The Secretary has concurred in the Board's recommendation.

The effect of the Secretary's recommendation in the removal action against Mr. Wahrhaftig will result in his reinstatement to the same or a similar position in Germany if such still exists.

If the rapidly changing situation with respect to military government in Germany leaves no suitable position available for Mr. Wahrhaftig, he will nevertheless be reinstated for the purpose of reimbursing him in accordance with the provisions of public law for loss of salary during his period of suspension and removal.

Notification of the Secretary's decision with respect to Mr. Wahrhaftig has been transmitted to the headquarters of the Office of Military Government, United States Zone, Germany, and that headquarters will deal directly with Mr. Wahrhaftig concerning the remaining steps to be taken in disposing of this case.

The Discovery of Progressive America

EXTENSION OF REMARKS

OF

HON. KENNETH S. WHERRY

OF NEBRASKA

IN THE SENATE OF THE UNITED STATES

Friday, August 5 (legislative day of Thursday, June 2), 1949

Mr. WHERRY. Mr. President, in accordance with the consent granted to me, I offer for printing in the Appendix of the RECORD a pamphlet entitled "The Discovery of Progressive America," by Henri Pierre.

There being no objection, the pamphlet was ordered to be printed in the RECORD, as follows:

[Translation]

THE DISCOVERY OF "PROGRESSIVE AMERICA"

(By Henri Pierre)

(M. Henri Pierre, in charge of American affairs at the newspaper Le Monde, has just returned from his journey to the United States. Our readers had a chance to read in Le Monde his testimony regarding American syndicalism. In the articles which we start publishing today he will give us some revealing information on liberal movements and progressive America. The testimony of M. Henri Pierre who bears complete responsibility for it should contribute to a better understanding of the complex and little-known world—the United States of America.)

I. FROM HIS GRAVE AT HYDE PARK, WHICH HAS BECOME A PLACE OF PILGRIMAGE, ROOSEVELT STILL CONTINUES TO INFLUENCE PUBLIC LIFE IN AMERICA

In spite of Christopher Columbus, America remains an unknown land for masses of Europeans who see her only through their prejudices or political convictions. For some, America remains the fortress of reaction and of the most uncompromising capitalism; for others, the "trans-Atlantic barbarians" became champions of the good cause of the owner's class which is anxious to uphold its privileges. In fact, America cannot be presented in such general terms. America is a world influx, which has reached a mature age and is confronted with problems known to us. Yes, the image of American capitalism has evolved in the last few years. The 1929 crisis, the war, the difficulties of reconversion, have contributed to the growth of the American people to such an extent that one of the major preoccupations of the workers of this country is to secure protection against the convulsions and jolts of the system. Mme. McCormick was right in stressing in one of her recent articles in the New York Times that American capitalism no longer resembles that described in Das Kapital by Marx.

What perhaps is most often ignored by European observers is the strong progressive traditions which continue to inspire the great majority of the American people. It was this America which I wanted to explore, the America of the common man, of the common people (of whom one speaks less than of the stars of Hollywood, or of the big-business men) who in fact represent the foundation of the country.

The liberal tradition

There exists in the United States a strong and authentic liberal tradition which is based on a dynamic concept of democracy and which claims the superiority of the rights of man. This egalitarian spirit, inherited from the founding fathers and incorporated in the Declaration of Independence of 1776, was also the spirit of the farmers of the East who were hostile to the industrial monopolies and to men of finance. This liberal tradition has led in the course of history to the farm-labor coalitions which were quickly concluded and again dissolved, and which were joined by the intelligentsia and intellectual elite of the large cities. Using our own terminology we would like to call these liberals "people of the left." But this expression would not be 100 percent exact because the American liberal possesses an ideology which surpasses the limited horizon of a single party. Both the Democrats and the Republicans include representatives of, what one calls there, progressive thought, which represents the American dream of abundance and liberty for all. These liberals have taken over from our eighteenth century the faith in man, the feeling of human dignity, to which they have added a certain scientific approach: they firmly believe that education and information would enlighten the common man.

In the course of many years, Franklin Roosevelt is the most outstanding representative of this tradition and that is why I wanted in the first days after my arrival to make a pilgrimage to Hyde Park where the father of the New Deal is buried.

The pilgrimage to Hyde Park

The large estate, which dominates the Hudson Valley, is situated a few miles from Poughkeepsie in the State of New York, and encloses farms and gardens. The chief house is built in colonial style, very popular over there; the front porch immediately gives the feeling of the patrician atmosphere of the whole house. Wandering through the rooms open to the public one is impressed by the quality of the furniture and also by the great number of collections, photographs, and reproduction of ships, and so forth. One of the President's friends told me that decades would be needed for assembling everything that the Roosevelts have scattered over the world.

On the first floor of the left wing I discovered the library; over the mantelpiece was a portrait of the great-grandfather of Franklin, Isaac Roosevelt. To the right was a large armchair of red velvet which was given to him by New York State; here also was his desk where he liked to spend hours with his collection of stamps. Everywhere one found books and photos. The family used to assemble at night in front of the big fireplace. It is from here that Franklin Roosevelt spoke to his fellow citizens, with his warm and deeply human voice. Nobody here has forgotten his "fireside chats" which always began with the famous words "my friends." However, one is particularly moved when one enters his bedroom over his library. On the walls numerous sea pictures bear witness of the interest which Roosevelt always demonstrated in naval affairs. Everything here is left as it used to be when he was alive. His dressing coat is on the sofa, his slippers are also here. Here on a small chair to the right of the bed, have been left lying the collar, the chain, and the little coat of Falla, the dog particularly loved by F. D. Roosevelt. One has the impression that the President would enter the room any moment and speak directly to the White House using the special instrument installed on the night table. Next is the Dresden room named in honor of the candlesticks and candelabra and of the clock made from Dresden china; the autographs of the King and Queen of England, Queen Wilhelmina, Princess Juliana of Holland, and Mme. Chiang Kai-shek put on the piano reminds one of the fact that the most outstanding people of our time used to stay in the building.

The presence of Roosevelt

I wanted to find out what causes Americans to undertake this pilgrimage to Hyde Park which has become as traditional as visiting the Lincoln Memorial or the Washington home at Mount Vernon. Already, more than 1,000,000 people have come to give homage to the humble grave of Franklin Roosevelt. Very often, one of the guides told me, the people who came could not put into words what they felt. Some said that they had desired for a long time to see Franklin Roosevelt's house; others, more cautious, said "you know what I think of him." Very many confessed that they were moved by some unknown, disquieting force. Some felt they were under personal obligation to Roosevelt because he saved them from unemployment and misery; children also came guided by their parents.

Back in New York I thought that the memory of a President was never so impressively preserved, and yet Roosevelt is far from being a political figure acclaimed by all. While millions of people come to render homage to him, there are millions who do not come because they detest him. But what is certain is that his grave continues to influence political life. At the last November elections, those people who opposed each other were those who were for or against the New Deal. And as soon as another Roosevelt is elected in a borough of New York then immediately in the United States and in the world one begins speaking of a new candidate for the presidency of the Republic.

In fact, the Roosevelt era has influenced public opinion because it was inspired by a great American progressive movement and because the economic situation makes the concept of the New Deal once more very real.

What has become of the spiritual inheritance of Roosevelt and where are the people who legally claim to be his heirs? In order

to answer this question we have to go to New York, the liberal fortress of America.

II. THE "LIBERALS" OF NEW YORK, WHAT DO THEY REPRESENT?

It has often been said New York is not America, and this is true. It is a world for itself that has nothing in common with thousands of small towns which greatly resemble each other in their main street, their drugstores, and their one-story houses, and which convey a more truthful impression of America than the skyscrapers of the big cities.

But New York is also America in the sense that it is a symbol of the genius of American assimulation. Here is the melting pot of the various races and nationalities which produce a new type of man, molded in the American way of life. New York is, therefore, no doubt the only place in the world besides Paris where a foreigner feels somewhat at home. And therefore it is also not astonishing that in New York political life is much more intense than in other places. Generations of immigrants have brought with them from the old country interest in political discussion, and one finds in New York whole families of leftist European origin, anarchists, more or less revolutionary Socialists, Trotzkyites, and Communists. People there like the battle of ideas. They fight each other on ideological grounds and in this respect New York is different from the rest of the country where people remain faithful to tradition, to the system of two big parties, and where personal questions play always a very big role.

Power of assimilation of the American environment

But even in New York there are only a few who are inspired by European concepts of socialism. The only Marxists are represented by a handful of Communists. The assimilative strength of the American environment is so strong that the majority of the leaders of the American left, in spite of the fact that they come from central and eastern Europe and are petrified by Marxist and revolution ideologies, become rapidly absorbed by the environment and become more American than those of earlier migrations. If one believes Gompers, founder and first president of the American Federation of Labor, the New York of 1870 was full of Italian followers of Garibaldi, of German and Austrian liberals, of Russian revolutionaries, who all turned the town into the nursery of the American labor movement. With the appearance of Eugene Debs, the Knights of Labor, the International Workers of the World, a revolutionary syndicalist movement in the European sense of the word seemed to begin to develop. In fact, however, developments proceeded in the opposite direction. One knows the reasons for this development. At the time that the frontier was moving constantly toward the West, during the period of endless possibilities when everyone had reason to believe he had a chance, which he really did, there was no room for the development of class consciousness among the masses who were permanently on the move. However, what deserves to be said is that even during the later crisis no revolutionary tendency of the masses could be observed either among the trade-unions or among the progressive circles of New York.

As a rule, the emigrant wants to forget Europe and its ideologies and to become part of the American people. Furthermore, it is not from European socialism that the liberal and socialist groups of America wish to draw their lesson.

They dread all isms; they are practical and pragmatic and they try to make full use, and constantly extend the rather unique formula of mixed economy realized by the famous Tennesse Valley Authority.

Henry Wallace has divided the liberal family

What do the American liberals represent politically? They never became organized as a party, with the exception of a small group in New York. Nevertheless, they were in charge of national affairs during the long years of the Roosevelt administration. This kind of intelligentsia consisted of personalities which came from all possible camps, economists and artists, writers, trade-union leaders, and journalists. In this motley company the Democrats predominated. But it also included technicians with political convictions and even Republican opponents who were charmed by the personality of the President.

It was, therefore, unavoidable that after Roosevelt's death the great liberal family should disintegrate. Today two rival sections fight each other for the spiritual heritage of Franklin Roosevelt. Henry Wallace and the Progressive Party claim to represent the authentic Roosevelt tradition. I found Henry Wallace, at the time of his stay in Paris 2 years ago, to be in good shape physically and morally. In his office on Park Avenue I found a man who was obviously tired and dispirited. The last national elections have not produced the number of votes which he expected. He asserted, however, that Mr. Truman secured a victory for himself by robbing him of his program. Mr. Wallace is certainly most pleasant and does not lack courage. His opponents were forced to recognize this during his electorial campaign when he carried his challenge singlehandedly to his opponents in the South. However, one must consider him as a hazy spirit, as a confused and obstinate man. It is therefore not astonishing that he was once inspired by theosophic ideas and spiritualism.

Still, with all his sincerity and his gift as a speaker, he influences only certain groups. His peace propaganda meets the approval of some university circles, of certain churches and of the pacifists. Unfortunately, Henry Wallace undertakes to criticize unilaterally the policy of the State Department and tries to justify the policy of the Kremlin. This attitude has alienated many of his sympathizers. Supported exclusively by Communists and fellow travelers he is disavowed today by a great majority of his old friends of New Deal days and particularly by the large trade-unions.

What are the aims of the ADA?

It was Wallace's attitude toward communism which contributed (in January 1947) to the formation of the Americans for Democratic Action (ADA) a few days after the establishment of the group called the Progressive Citizens of America, the embryo of the present Progressive Party. The ADA is not a party but a collective group in the work of which participate the majority of liberal groups, the old New Dealers, and the trade-uniohists, but not the Communists and their friends. The desire to free the liberal movement from Communist infiltration led to the beginnings of the ADA. The ADA unites all the anti-Communist left and reminds one in many ways of our Reassemblement Democratique Revolutionaire (RDR). However, they have more money and less ideology. Its leaders are convinced that only a constructive social policy makes American laborers immune against totalitarian promises. At the last congress of the organization in Chicago last April its president, the new Senator from Minnesota, Mr. HUMPHREY, once more stated that the ADA should unite on a common basis all liberal elements in order to establish a close relationship between the administration and the liberal forces.

It is obvious that the ADA was disappointed by the turn the debate in Congress has taken regarding the economic and social program of the President. Perhaps they are also preoccupied with the elections of 1950, which should stabilize the victory of last November.

Still the ADA wishes to establish its independence with regard to the parties. To be sure, in the majority of cases they have supported the Democratic candidate. At the convention in Philadelphia they succeeded in incorporating the civil-rights program into the official program of the Democratic Party. But the ADA does not intend to support without discrimination this party, in which, according to the ADA, there are many elements which are more reactionary than the Republicans. We should remember that lately the ADA supported Franklin Roosevelt, Jr., against the official Democratic candidate, and that last November they had only with hesitation given support to the Truman candidature.

In the foreign field, the ADA is openly anti-Communist. Their ranks include a large number of immigrants who consider the Soviet Union as a new form of dictatorship which they have experienced once and which they don't want to confront again. This, however, does not mean that they are prepared to give unconditional support to the official policy of the Department of State. The liberals of the ADA insist that a democratic policy should be adopted with regard to Germany, the Ruhr problem, and particularly the occupation of Japan and carried out with the assistance of the left and of the trade-unionists.

To sum up, the American liberal movement has gained strength since the unexpected victory of President Truman. However, the movement suffers from the fact that the bulk of its force is centered in New York and in California. As one goes deeper into the country one notices that most of the American people remain indifferent to political quarrels in New York. Whatever one may say, the intellectuals do not possess a direct contact with the country as such. This indispensable link is assured today by the powerful trade-unions, and their political apparatus which has given to the progressive movement a solid basis in the whole of the United States.

American Policy Toward China

EXTENSION OF REMARKS

OF

HON. ROBERT A. TAFT

OF OHIO

IN THE SENATE OF THE UNITED STATES

Friday, August 5 (legislative day of Thursday, June 2), 1949

Mr. TAFT. Mr. President, I ask unanimous consent to have printed in the Appendix of the RECORD the weekly Sunday night broadcast by George E. Sokolsky on July 17, 1949, dealing with the subject of China.

There being no objection, the matter referred to was ordered to be printed in the RECORD, as follows:

Good evening. This is George Sokolsky speaking on the forces and events of these days. But first, may I present your announcer for a moment.

THE WHITE PAPER

I have not, for some time, reported to you on developments in China. From the long-term standpoint, Asia will most seriously affect American history. Most of us are of European origin and such countries as China, Japan, Malaya, Indonesia, Siam remain strange to us, and their people are even stranger. We, therefore, let what happens across the Pacific fade from our interest.

Yet, it should never be forgotten that the most startling defeat in our history was at Pearl Harbor when a Japanese Air Force flew across the Pacific and knocked out our Navy. No European enemy was ever able to do anything like that.

For a century, the American policy toward Asia was fixed. It was incorporated in all our treaties with China. It was reiterated in the nine-power treaty in 1921, in the Stimson doctrine of 1931, and in the Cairo declaration of 1943.

This policy may be summarized as follows:

1. That we would maintain the territorial and administrative integrity of China; and

2. That we would not recognize territorial changes effected by force.

To that policy we adhered, I repeat, from 1843 to 1943. Then it was reversed at the Tehran conference, at which Roosevelt, Churchill, and Stalin agreed that if Soviet Russia entered the far eastern war, which Stalin did 6 days before Japan was actually defeated, all Japan's rights, privileges, interests, and claims in Manchuria should revert to Soviet Russia.

This was a frightful blunder and paved the way for a Russian conquest of China. The excuse was that we dared not risk a separate peace between our ally Russia and our enemy Germany. At Tehran, the United States sacrificed millions of human beings, Poles, Bulgars, Rumanians, Czechs, Chinese, Japanese, Koreans, Germans—a good part of the human race.

On December 5, 1948, Dr. J. Raymond Walsh said in New York:

"In 6 to 12 months when Chiang Kai-shek is dead in his grave and the Kuomintang is scattered in the rubble of history and the liberation forces have taken over in China and we must recognize them in the United Nations; and all the colonial areas of Asia have also been liberated, then, when the representatives of the Soviet Union in the UN rises and says he speaks for more than half of mankind, we Americans will have to hang our heads in shame."

Although every American should be ashamed that such words as Dr. Walsh's conclusion ever be true, the fact remains that today Soviet Russia is in a position to make it come true—and soon. When Dr. Walsh speaks of liberation, he actually means enslavement. He means that all these human beings are and will to a greater degree and over larger area, be enslaved to Soviet Russia.

Since VJ-day, our State Department has been covering up the mistakes at Tehran which were continued and amplified at Yalta. Mr. Roosevelt's adviser on far eastern affairs at the Crimean Conference at Yalta was Alger Hiss.

The State Department had, for many years, a large corps of trained experts on Chinese affairs. Most of them knew the language, history, customs, traditions of that country. There was a language school at Pekin where State Department, Army, and Navy officials were trained. Some of these men have spent all their adult years working in that country.

Beginning in 1934, such men were progressively relieved of their posts and the old, trained corps was scattered. By the time of the war, far eastern affairs were in new and very young, untrained hands. Such men as Alger Hiss, Lauchlin Currie, Charles Kramer in the Treasury Department, had had no China experience at all. Our greatest authority in that field, Dr. Stanley Hornbeck, was sent to the Netherlands, as our Ambassador there.

In 1945, the Communist infiltration into the Far Eastern Office of the State Department suddenly exploded in the Amerasia case. The FBI discovered that a large quantity of State Department files were in the office of a publication in New York called Amerasia, which devoted itself to the affairs of Asia and which was known to have a Communist slant. In this connection, six arrests were made: John S. Service and Emmanuel Sigurd Larsen, of the State Department, Philip Jacob Jaffe and Kate Louise Mitchell of Amerasia, Mark Julius Gayn, a free-lance writer, and Lt. Andrew Roth, of the United States Navy. In the Amerasia office was found considerable photographic equipment.

This case was hushed up. Philip Jaffe paid a fine of $2,500, and nothing more was done in the matter.

The Amerasia case was bigger, more important, and historically more significant than the Alger Hiss case, but times were different. Had it been explored openly in a court of law, in 1945, the history of our relations with China would have been altogether different.

In its effort to avoid a full analysis and scrutiny of our far eastern policy, particularly the failures of Generals "Vinegar Joe" Stilwell and George Marshall, to effect a union between the Chinese Nationalists and the Chinese Communists, the State Department pursued several lines:

1. That the Chinese Communists are not Communists at all but agrarian reformers.

This, of course, was never true. The idea blew up in the State Department's face when the Chinese Communists came to power, for they immediately declared that they are true Communists and that their loyalty is to Soviet Russia.

2. Then our State Department engaged in a sophistry that really was silly, namely, that Mao Tse-Tung, the head of the Chinese Communist Party, is a second Tito.

Mao Tse-Tung declined to get involved in anything like that. For one thing, he feared that the Russians might believe it. That would mean exile from China and maybe his death. Besides he knows that the Russians have his successor ready, Li Lih-San, the boss of Manchuria.

3. So nothing is left the State Department but to call Chiang Kai-shek, the Soong family, the Kung family, the Chen family, crooks, thieves, grafters.

The State Department proposes to issue a "White Book on China," in which the following points will be made:

1. It is impossible to cooperate with Chiang Kai-shek because he is incompetent, inefficient, noncooperative, and does not understand China.

The fact is that Chiang Kai-shek began to lead the Chinese Revolution in 1925, conquered most of China against the opposition of the feudal warlords, Communists, and foreign powers; he established the Nanking Government in 1927; he prevented Soviet Russia from conquering his country by infiltration; he fought Japan from 1931 to 1945; he lost to Russia after American deals with Stalin at Tehran and Yalta; and now when it was expected that he would be as dead as a door-nail, he is still fighting, with bases at Formosa, Canton, and Chungking.

2. State Department will contend that aid to China will be wasted because the Soongs, Kungs, and Chens will steal the aid.

The State Department has the facilities to get at the facts. The Soongs, Kungs, and Chens, if they stole millions of dollars, put the money somewhere. They must have deposits in American banks or investments in American stocks, bonds, or real estate. Although it is possible to put liquid assets in Switzerland, Holland, Brazil, and the Argentine, the safest place during the past 10 years has been the United States.

Every financial activity by an alien here has to be reported. He can, of course, hire American lawyers to cover up for him, but it is the business of the State Department and the Treasury Department to uncover and record the transactions.

So it is up to the State Department to list names, figures, facts. If the white paper publishes some more hearsay, it will only bring ridicule on itself. It has to prove a charge of wholesale thievery.

I do not doubt that there has been corruption in China. But the State Department, when it bases a great historic policy on the charge of corruption, must prove, beyond a reasonable doubt, that the corruption is of such proportions as to justify an acceptance of the conquest of China by Soviet Russia.

If it does less, it will only strengthen Russian imperialism throughout the world and weaken our position.

In just a moment, I'll be back with you.

* * * * * *

Dean Acheson objects to lending Spain $50,000,000 because he says such a loan would be a gift.

That is correct. It would be a gift. Is not the $50,000,000,000 we have given or loaned to Great Britain a gift? Is not the $11,000,000,000 we have given to Russia a gift? Is not all the Marshall-plan money a gift?

Why should Santa Claus disguise his true character? We Americans have been giving gifts since World War I.

Only little Finland called it a loan and paid. The rest of the world accepts our loans as gifts and even looks the gift horse in the mouth to see whether it will hold out long enough to provide some more.

The Problem of Unemployment

EXTENSION OF REMARKS

OF

HON. FRANCIS J. MYERS

OF PENNSYLVANIA

IN THE SENATE OF THE UNITED STATES

Friday, August 5 (legislative day of Thursday, June 2), 1949

Mr. MYERS. Mr. President, there recently came to my attention an article written by the Reverend E. Marcellus Nesbitt, of the First United Presbyterian Church, of Beaver, Pa., which appeared in the issue of July 3 of the Christian Union Herald of Pittsburgh, Pa. The editorial is entitled "The Problem of Unemployment."

I ask unanimous consent to have the article printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

THE PROBLEM OF UNEMPLOYMENT

(By E. M. Nesbitt)

After enjoying the luxury of plentiful employment for nearly a decade, it seems incredible that Americans could be confronted again by the question of work scarcity. But the grim fact is with us; men by the million are experiencing either complete lay-offs or else are having their workweek cut in two, and the whole unhappy crisis is currently reflected on the Nation's buying front. Real estate, notwithstanding a universal housing shortage, is moving slowly; used-car exchanges have reached a standstill; and professional people, who sell their services to the public, report both a dropping off in patronage as well as an increase of difficulty in collecting bills. Nobody likes to admit the source of this buying slowdown, of course, but the truth is that people have less money to spend than they had a year ago, and that is because the problem of unemployment has reappeared.

There are those who say that this shortage of work is artificially created by management. They point out that union contracts are soon to terminate and employers, certain that labor will demand new contracts with higher wage provisions, are attempting to cow the worker by showing that he is lucky to have a job on any income terms. That explanation no doubt has some validity, but since unemployment is a permanent rather than temporary phenomenon in our American economy, we must seek a deeper reason for millions losing their jobs, today or at any

time. The trouble, so economists tell us, lies in the use of modern machinery. Mechanical devices by the thousand have reduced the need for human labor; therefore, myriads of workers who once had some assurance of steady employment, have that assurance no more. Henry Ford used to claim that the problem of mechanically created unemployment would solve itself eventually, because men who are replaced by machinery would be needed to build and service the machines. That theory, however sincerely the great auto magnate may have advocated it, is not supported by the facts. Everyone knows, either by experience or by observation, that fewer jobs are available in a mechanized than in an unmechanized society.

No all-out effort has been made to solve the problem of American unemployment because, during the whole era of modern machinery, our country has been favored with the temporary advantage of a war economy. Two global conflicts, requiring the creation of fighting tools as well as the replacement of property destroyed by war, have kept the wheels of industry more or less in motion, so that for nearly 40 years (the great depression excepted), there has been a little work for most of those who wanted it. This fortunate (?) situation, of course, was not prearranged by American leadership. We did not go to war, calculating coldly that armed conflict would put our country's unemployed to work. We have, however, allowed war's economic benefits to take the urgency out of dealing drastically with the question of unemployment. No adequate attempt has yet been made to conquer the machine, or to create steady jobs for men on a permanent peacetime basis.

President Truman, in my opinion, put his finger on one important means for overcoming employment in his inaugural address several months ago. He did not say that America should abandon her machine economy, or that she ought to revert to primitive ways of creating consumers' goods; he did insist, however, that we develop markets for factory products by cultivating the backward peoples of the world. It was claimed by the President on good authority, that to raise the living standards of Asiatics, Africans, and Pacific islanders by as little as 1 percent, would mean that the wheels of American industry might be kept humming for a century. If space permitted, I should like to defend Mr. Truman's dream of expanding markets on political as well as economic grounds. Russia is making friends among the backward nations, and capitalizing their physical distress to promote the communistic cause. Only as democracy does something of the kind, offering impoverished countries more economic advantages than Russia can offer them, may we expect to offset the threat of communism in tomorrow's world. That is political reasoning, of course, and therefore outside the scope of my discussion here. In the present treatise I am only concerned about putting Americans to work on steady jobs in a peace economy, and I second the Truman motion to try to do it by creating markets among the underprivileged millions overseas.

Must Our Boys Again Pay for the Folly of Arming Possible Enemies?

EXTENSION OF REMARKS

OF

HON. DANIEL A. REED

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, August 4, 1949

Mr. REED of New York. Mr. Speaker, the death of every American boy in the armed services in the Pacific during World War II was caused as a result of the New Deal administration arming Japan. There would not and could not have been a war waged by Japan against either China or the United States except for the war materials and implements of war furnished to Japan by our country. Protests against these shipments were ignored by the administration.

The New Deal also suffered and permitted war materials to be shipped to Italy to build up Mussolini's war machine to murder the Ethiopians. How many of our boys died as a result of the shipment of war materials to Hitler cannot be estimated. The amount of scrap iron, copper, and other essential war materials so exported is a matter of public record. What a disgrace!

Now the Commander in Chief wants power to arm every nation, take part in every revolution and every civil strife in every nook and corner of the globe. Must our boys eventually face the countries which we have armed? The strutting warmongers are on the march, deluding the people by singing "Peace on earth, good will toward men."

Under leave to extend heretofore granted, I am inserting as a part of my remarks an article by Walter Lippmann, together with my comments thereon, which article appeared in the New York Herald Tribune of August 2, 1949.

Had Mr. Acheson brought in a bill to carry out the military-aid program which he and General Bradley had described, everthing would be much simpler. But the bill goes far beyond the program. It is not merely a bill to implement the Atlantic Pact and to fulfill our known and recognized commitments to certain countries outside the pact. The bill is all that. But, in addition to all that, it is a general license to intervene and to commit the United States all over the globe, as, when, and how the President and his appointees decide secretly that they deem it desirable to intervene.

I agree heartily with the first paragraph of Mr. Walter Lippmann's statement that the bill goes far beyond the program. I also agree that the legislative proposal "is a general license to intervene and to commit the United States all over the globe, as, when, and how the President and his appointees decide secretly that they deem it desirable to intervene."

Not only has Mr. Lippmann stated the problem in the first paragraph of his article with great clarity and candor but his second paragraph raises a strong presumption against the bill because of the withholding of information with respect to these extraordinary powers attached as a rider. Mr. Lippmann says:

It is disquieting that these extraordinary powers should have been attached as a rider to—one could fairly say as a joker in—the authorizations which are needed to carry out the declared program. It is remarkable, to say the least, that Mr. Acheson did not explain them, or even mention them, in his formal statement to the committee, and that in the State Department booklet they are referred to only obscurely and indirectly. Yet, if they were enacted into law, the Congress would invest the President with unlimited power to make new commitments which Congress would have to support but could not control.

I am astounded, as I know others must be, and as Mr. Lippmann seems to be, that—

Under section 3 of this strange bill, "the President is authorized, upon the request of any nation, to furnish assistance to such nation through grants, or payment in cash, or through any other means and upon such other terms as he deems appropriate, whenever he deems that the furnishing of such assistance will further the policies and the purposes of this act as set forth in section 2."

I am inserting at this point Mr. Lippmann's article in its entirety:

TODAY AND TOMORROW

(By Walter Lippmann)

A STRANGE AND IMPOSSIBLE BILL

Had Mr. Acheson brought in a bill to carry out the military aid program which he and General Bradley had described, everything would be much simpler. But the bill goes far beyond the program. It is not merely a bill to implement the Atlantic Pact and to fulfill our known and recognized commitments to certain countries outside the pact. The bill is all that. But in addition to all that it is a general license to intervene and to commit the United States all over the globe, as, when, and how the President and his appointees decide secretly that they deem it desirable to intervene.

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Under section 3 of this strange bill "the President is authorized, upon the request of any nation to furnish assistance to such nation through grants, or payment in cash, or through any other means and upon such other terms as he deems appropriate, whenever he deems that the furnishing of such assistance will further the policies and the purposes of this act as set forth in section 2."

The grandeur and magnificence of this grant of authority is spelled out in section 13, near the end of the bill. There we learn that "the term 'nation' shall mean any foreign government or country or group thereof; or any representatives or group of the people, however constituted, designated as a 'nation' by the President for purposes of this act."

So under this bill, as written, the President can arm anybody. He can arm not merely the Atlantic allies, not merely Greece and Turkey and the Philippines, not merely recognized governments, but even groups, committees, factions, individuals. He can conclude military agreements with any "representatives * * * however constituted" which he decides to designate as a nation.

He can do all this without further consultation of Congress as and when he decides that it is in the "national interest" of the United States to arm somebody. He is the sole judge of what is the national interest of the United States. And every 6 months he must report to Congress "expenditures and activities authorized under this act"—but he need not report information "the disclosure of which he deems incompatible with the security of the United States".

Can anyone pretend that these powers are needed for, or have anything to do with, the program for Western Europe which Mr. Acheson and General Bradley outlined? Under this bill, to be sure that program can and

would be inaugurated. But all sorts of other programs, which have not been described, could also, and most probably would, be inaugurated.

It is difficult to believe that the authors of the bill did not know this and did not intend it. That they did not hope to make the western European military aid program, which has substantial support, the vehicle for other policies which—if they were candidly presented for debate—would not command general support.

It is not clever to be too clever and, therefore, if the avowed program of military aid is to be enacted, this bill had better be abandoned, and a new bill written which says what it means and means what it says.

The administration ought never to have offered this bill. Had it consulted the leaders of Congress it would never have offered this bill. It could not defend this bill successfully if it were brought to debate.

Indeed the administration ought not to want a bill which, because it grants such unlimited and undefined powers, would only expose the Government to unlimited and undefined pressure from every quarter of the globe. This bill is an invitation to everyone who says he is anti-Communist to apply for arms and for money. Were this bill made the law, the State Department and the Pentagon would be put in the position of having to say "Yes" or "No" to requests for arms from all the countries, and from factions within them, where men are intriguing and contending for power.

Under this bill our Ambassadors and our military attachés all over Asia, the Middle East, and Latin America would find themselves pressed, cajoled, and beseeched to urge Washington to supply arms or money for arms. The State Department and the Chiefs of Staff would in turn be under perpetual pressure from our missions abroad, most of them—as we know from experience—the impassioned advocates of the government, or the impassioned opponents of the governments, to which they happen to be accredited.

Before long, military aid would have become a diplomatic slush fund and a military pork barrel. As arms were doled out to governments, or their opponents, our honor and interest would be engaged. Then it would be well-nigh impossible to disengage ourselves again. For once we started arming a government, or a group, we should be committed to that government or group, and we could not decently withdraw our support.

Therefore, the commitments should never be made, as they could be under this bill, casually, secretly, and without full public debate. It should be stated plainly in the law that arms will be supplied to countries named in the law, and to no one else without specific authorizations from the Congress of the United States.

Straight Talk on Health Care

EXTENSION OF REMARKS
OF
HON. GLENN R. DAVIS
OF WISCONSIN
IN THE HOUSE OF REPRESENTATIVES

Friday, August 5, 1949

Mr. DAVIS of Wisconsin. Mr. Speaker, I would like to include the following editorial from the Milwaukee Journal in today's RECORD:

STRAIGHT TALK OF HEALTH CARE

Dr. Paul Hawley, head of the Blue Cross-Blue Shield Commission, is bluntly candid when he talks about the present shortcomings of the voluntary health service prepayment plans that have developed and spread so rapidly in America.

He is frank to admit that these plans are not yet available to millions of Americans who want some protection of the sort, and that most of the voluntary plans are not offering nearly as complete coverage as a good many people may need. The whole voluntary health service prepayment program is still suffering from growing pains.

That sort of candor is refreshing. It is also reassuring, for it is in sharp contrast to the extravagant promises, the sweeping claims, the double talk, and the evasiveness of some of the chief advocates of governmental compulsory health insurance.

The Blue Cross and Blue Shield voluntary plans have grown from the grass roots, all over the country. They were founded on what realistic laymen knew was needed and what local hospitals and doctors knew could be provided in the way of service for a given cost.

In the last few years they have gained experience and, through constant contact with the public and subscribers, have learned how the voluntary plans could be expanded and improved and still be kept financially sound. They are controlled, locally and nationally, by practical men and women who are in earnest, like Dr. Hawley.

That is why it is so much safer—even if a little slower—to develop America's health-care program through these flexible, voluntary, proven methods rather than to rush into some untried and bureaucratic scheme of state medicine.

The Image of Victory

EXTENSION OF REMARKS
OF
HON. FRANK B. KEEFE
OF WISCONSIN
IN THE HOUSE OF REPRESENTATIVES

Friday, August 5, 1949

Mr. KEEFE. Mr. Speaker, I have recently read a most thought-provoking article written by Lt. Col. Chester D. Seftenberg, of Duluth, Minn., entitled "The Image of Victory." In my judgment this article should be read and carefully studied by every Member of Congress and by thoughtful students throughout the Nation. I therefore ask unanimous consent that this article be incorporated in the Appendix of the RECORD as part of these remarks, even though the excess cost, in accordance with an estimate of the Public Printer is $184.50.

The article follows:

THE IMAGE OF VICTORY

"The best informed one wins the final victory."—Disraeli.

"Geopolitics" is a coined word, not susceptible of positive definition. Geopolitics is not an exact science, nor even a science. Some men have referred to it as a synthetic science. Others have looked upon it with suspicion, and called it a hoax. In reality it is an artificial, manufactured title for a theory, or rather a group and complex of related theories, which attempt to wed world geography to world political strategy. And in that marriage, he who has the will to see can trace the related reasons for two world wars and discern the tragic genesis of a possible third world war in the making.

Geopolitics can ennoble as readily as corrupt. It can foster hope as easily as breed suspicion. It can insure peace as effectively as cause wars. It can bring freedom to all mankind as surely as enslave. But to achieve the higher virtues, the choice must be made between the value of power and the power of values. For as Shakespeare once wrote, "It is excellent to have a giant's strength, but tyrannous to use it like a giant."

There are those who believe that the possibility of averting the third world war lies in a truly coordinated political, economic, and military strategy for America. Such coordinated strategy can come only from an intensive study and comprehensive understanding on the part of our policy makers of that complex of factors which are grouped into the concept known as geopolitics. That is the challenge which faces the United States on this threshold of a new epoch in the history of the human race.

As the scientist and engineer well know, all factors of an unknown equation must be carefully studied, analyzed, identified, weighed, and related. Now the air age has caused our physical world to shrink. But it has shrunk faster than human nature and human understanding have improved. This air age shrinking of the world is a new factor in the as yet unknown equation of the formula for future world peace—and that new factor requires vital application of today's air-age geography to the politics and strategy of the United States as a leading partner in the rebuilding of a shaken and suffering world.

To discern the future, one must know the past. Let us then examine three events which took place in the opening years of this century. They were unrelated, then, and the actors were unknown to each other. But the threads of history which they represent came to be woven into a pattern of history which today shapes all our lives and future.

On December 17, 1903, two American brothers named Wright ushered in the air age when they achieved the world's first flight by man in a heavier-than-air flying machine. On January 20, 1904, an English professor of historical geography by the name of Mackinder unveiled the "Heartland" theory of world historical destiny when he read his paper on "The Geographical Pivot of History" to the Royal Geographical Society in London. Over in Germany, a retentive-minded Bavarian artillery officer named Haushofer was preparing for an assignment as military observer in Japan, where he was to acquire a new conception of the destiny and potentials of Germany, Russia, and the Orient in world politics.

Haushofer ultimately was to adapt and twist Mackinder's theory into a blueprint for Hitler's attempted domination of the world. The "air age," grown to maturity, in turn was to defeat that blueprint and add a corollary theorem to Mackinder's theory, but was to constitute a potential threat to the future peace and freedom of the world.

In his 1904 lecture, Sir Halford J. Mackinder held that world history has always been made and always will be made by the pressure of the landlocked peoples of the plains of eastern Europe and western and central Asia upon the peoples living on the littorals of the land mass of Europe and Asia.

Nine-twelfths of the surface of the globe is covered by the sea. Of the remaining three-twelfths the "world island," as he called the land-joined continents of Europe, Asia, and Africa, covers two-twelfths. The Americas and Australia barely occupy one-twelfth and are, said Mackinder, merely smaller islands detached from the world island. Fourteen-sixteenths of the world's population occupy the world island; one-sixteenth the adjacent islands and one-sixteenth the remainder. Germany, Mackinder warned, was strategically better placed than any other European power in the contest for the domination of the "heartland" of the world island.

Mackinder's "heartland"—the pivot state—is the heart of the world island, stretching from the Volga to the Yangtze and from the Himalayas to the Arctic Ocean, a wholly continental, self-contained and self-sufficient area not open to the control of sea power, a vast land area rich and as yet unexploited in oil, iron, coal, minerals and food potentials. Isolated from the seas, the progress of civilization had touched it but lightly. Mackinder argued that organized domination of that immense sweep of territory by a virile people would shift the balance of power for the entire world. A strong, self-contained, inland power with impregnable interior lines of communication and defense with a self-sufficient economy and a powerful military organization would form the nucleus of continental supremacy.

May I quote directly from Mackinder's paper:

"The pivot region of the world's politics is that vast area of Euro-Asia which is inaccessible to ships, but in antiquity lay open to the horse-riding nomads, and is today to be covered with a network of railways. Outside the pivot area, in a greater inner crescent, are Germany, Austria, Turkey, India and China, the rimlands of the world island. In an outer crescent are Britain, South Africa, Australia, the United States, Canada and Japan. In the present condition of the balance of power, the pivot state, Russia, is not equivalent to the peripheral states.

"But the oversetting of the balance of power in favor of the pivot state, resulting in its expansion over the marginal lands of Euro-Asia, would permit the use of vast continental resources—and the empire of the world would then be in sight. This might happen if Germany were to ally herself with Russia.

"I have spoken as a geographer. The actual balance of political power at any given time is, of course, the product, on the one hand, of geographical conditions, both economic and strategic, and on the other hand, of the relative number, virility, equipment and organization of the competing peoples. In proportion as these quantities are accurately estimated, are we likely to be able to adjust differences without the crude resort to arms."

As an antidote he advocated an Anglo-Russian understanding. After nearly a century of estrangement, such alliance was concluded in 1907, and served to block Germany's adventure in World War I. During the peace negotiations in 1919 Sir Halford again sounded his warning and he gave this counsel to the peace conference then in session:

"When our statesmen are in conversation with the defeated enemy, some airy cherub should whisper to them, from time to time, this saying: 'Who rules east Europe commands the heartland; who rules the heartland commands the world island; who rules the world island commands the world.'"

As early as 1908, when Haushofer first went to Japan, he had grasped what the rise of new forces in the East meant to the destinies of Europe. For him Japan became the nucleus of the revolution in the East, a Japan whose great spaces in the East were to be linked with the small spaces of Germany. Haushofer was later to work for years on the task of persuading Japan to come to terms with China and the U. S. S. R., and on the other side of the world of convincing Hitler that he should live in peace with Soviet Russia. In 1940 he wrote, "It is destiny, alike for Japan and Germany to come to terms with the U. S. S. R."

Following World War I, Maj. Gen. Karl Haushofer led his division homeward to a nation defeated, discouraged, bitter. Demobilized he was pensioned off, dropped his military title and become Herr Dr. Haushofer. He spoke and understood well at least six foreign languages, including Japanese and Russian. In 1911 he had written his doctoral thesis on a subject dealing with the geographic bases of Japan's military power. Thus he came to occupy the chair of geography and military science in the University of Munich and began to organize and mobilize an encyclopedic amount of factual information stored up against the day when Germany would be prepared to strike again. No scrap of world-wide political, economic, industrial, geographic or social information was too small for his organization's attention, analysis and file.

Haushofer adapted Mackinder's theory to the opposite German point of view and concluded that the path to German world power lay along the lines that had frightened the English, i. e., the consolidation of the German and Russian greater areas. For him the heartland was a strategic area containing all the advantages indispensable for a Germany at war against any great power or combination of powers—a gigantic citadel. But the Treaty of Versailles thwarted Germany's quest for the heartland by having drawn along Germany's eastern frontiers a belt of small states.

Rudolph Hess was General Haushofer's military aide in war. In peace he became Herr Doktor Haushofer's disciple. He had also fallen under the spell of an agitator named Hitler, and with him was imprisoned in Landsberg Fortress for their part in the Beer Hall Putsch in 1923. Haushofer visited Hess in prison and through Hess became acquainted with Hitler. Out of these visits came the blueprint for action outlined in chapter XIV of Mein Kampf—Mackinder's heartland theory twisted to Germany's ends. In the person of Haushofer, Mackinder's airy cherub had whispered, it seems, in the impressionable Hitler's ear: "He who rules east Europe commands the heartland; who rules the heartland commands the world island; who rules the world island commands the world."

Mackinder wished to warn England of the dangers of a German-Russian alliance; Haushofer welcomed the theory as the heavensent exegesis from Germany's world political dilemma.

Upon access to power, Hitler promptly appointed Haushofer to the presidency of the German Academy and magnificently housed, staffed and subsidized his research organization in Munich. Haushofer became not alone a person—he became a school, a movement, a symbol, a driving force, a channel of unification between theory and action. And it is significant, though not surprising, to note that Haushofer's faithful aide and understanding pupil had risen to become Hitler's deputy, his heir to power, when in the midst of war he flew to England in an abortive attempt to have England make peace with Hitler and turn on Russia.

Fortunately for the world, Japan and Hitler failed to heed fully Haushofer's warnings. He had counseled Japan to strike first against the British Pacific empire, and the other European colonies in the Pacific. Instead of turning south, Japan started her drive on the continent toward China and India. At the other end of the Berlin-Tokyo axis the clash with Russia became inevitable. nazism and communism included an identical objective—world revolution. They were the two most dynamic forces in the European balance of power and were inexorably destined for eventual collision. Both secretly understood the nature of the breathing spell afforded by the Russian-German nonaggression pact of August 1939. They knew it to be merely a breathing spell to prepare for the inevitable struggle between the two ideologies of political and economic life most concerned with the domination of Mackinder's heartland. Russia was thrown, not so much into the camp of the allies as back into her original domestic defensive position respecting Hitlerite Germany. She was fighting a common enemy, not guaranteeing nor underwriting the common objectives of other United Nations.

So today Russia garrisons, occupies, and controls the heartland and is in conflict with her erstwhile allies for control of east Europe as well as of east Asia.

For the first time in history, the heartland is garrisoned by a government and a state strong enough in military, industrial, scientific, economic, and political potentials to exploit its geopolitical position to the fullest. These figures, for the year 1938, illustrate the strength of some of those potentials. In that year Russia produced more wheat, barley, oats, rye, and sugar beets than any other country in the world. This was true, also, of manganese. Russia was bracketed with the United States in first place as to iron, and stood in second place in production of petroleum. As for coal, the Kuznetsk and Krasnoyarsk coal basins are each estimated to be capable of supplying the requirements of the whole world for 300 years to come. Russia emerged from World War II as the greatest land power on the globe, and as the power in the strategically strongest defensive position. "The oversetting of the balance of power in favor of the pivot state" which Mackinder foresaw and feared 45 years ago is in process of achievement. There can be little doubt that the geopolitical blueprints for world conquest are spread upon her planning tables. Every Russian move to date gives evidence of that. Perhaps the "airy cherub" is now whispering in Stalin's ear: "He who controls east Europe * * *."

Our understanding of MacArthur's policies in Japan, of our awakening cognizance of Arctic importance, of our persistence in remaining in Berlin, in western Europe and in the rimlands, and of the potential magnitude of our mistake in abandoning China, becomes clearer with the benefit of this background of history.

Now to our third thread of history—the Age of Air Power. When Mackinder finished his lecture in 1904, a Mr. Amery arose and said, "* * * both the sea and the railway are going in the future to be supplemented by the air as a means of locomotion and when we come to that * * * a great deal of this geographical distribution will lose its importance and the successful powers will be those who have the greatest industrial bases * * *." A commendable feat of prophecy this was, considering that the Wright brothers had first flown their airplane only one short month before.

This Mr. Amery had caught a discerning glimpse of the corollary, to Mackinder's theorem and formula, which was brought into being by the potentials of the air age—the heartland's immunity to sea power and land power dissolved into a potential vulnerability to air power. But this brought into being the need for bases, in the rimlands, from which to deliver striking air blows at the heartland. That Russia has recognized the deficiencies in Mackinder's theory is apparent—her frontiers in western Europe have been pushed 600 miles westward, while her eastern boundaries, particularly in the polar regions, acquire new significance. It is patent she is seeking bases for sea and air power.

Before Columbus, to get to the East, they traveled east. Before the airplane, to get to the East, they traveled east or west. Today, to get to the East, we may travel east, west, north, or south.

In 1904, Mackinder was handicapped by the distortion of the flat Mercator map. From such a map you would judge that the Orient is located west and Europe east of the United States. Looking down at the world from the vantage point of the North Pole, Asia and Europe are found really to lie to the north.

As between America and Russia, the north polar regions are our mutual front yard.

The north polar region has aptly been called the "Mediterranean of the air." In many ways Russia leads the United States in polar development. Already there are more than half a million Russians living and working north of the Arctic circle. More than half the Arctic Ocean shore line flies the Russian flag. Dutch Harbor could well be our next Pearl Harbor. It was Gen. Billy Mitchell who declared, "Who holds Alaska, holds the world."

Mackinder termed the areas adjacent to the heartland the "inner or marginal crescent." It is in that crescent, or rimland, area that are located those frontiers and those air bases we need to obtain and maintain in order to command, or to neutralize military power in, the heartland—and today Mackinder's "airy cherub" whispers to America: "Who has access to the rimlands has surveillance of the heartland; who has surveillance of the heartland can neutralize the world island; who can neutralize the world island is in a position to insure and assure the freedom of the air and thus the freedom of the world and of peace-loving free men." It is significant to note that those nations to whom we extend and to whom we propose to extend economic and military aid today are inner-marginal crescent countries—the rimland states. Uncle Sam has laid his bets on the rimland corollary as the key to world peace and freedom.

Beyond that, there is another critical element in the security equation which must receive our adequate attention, as a weak link in our chain of defense—namely, the location of vital strategic materials indispensable to our survival.

In hostile hands, the European-Siberian land mass forms, for us, a barrier to the resources of the regions beyond, effectively blocking our access to them. They are in the aerial backyard of Russia, just as South America lies in our backyard, out of aerial reach of Russia.

For all our amazing natural riches, we still are a have-not Nation in strategic materials such as crude rubber, additional oil, tungsten, cobalt, manganese, and many others. As has been pointed out, the heartland, plus its backyard, is naturally self-contained and self-sufficient. To fight a modern war—to defend ourselves—we must develop and protect our own backyard, the natural resources of South America, actual and latent.

On every transoceanic flight, there is a point beyond which the pilot can't turn back if something goes wrong, but must set his stick and press on toward the far shore. Airmen call it "the point of no return." The immutable impact and implications of air-age geopolitics on America have caused her to pass the point of no return in her flight toward the twenty-first century.

From now on, transoceanic, interhemispheric air warfare is not only possible, but inevitable. Today the B–29 and its striking range of 2,000 miles is already officially considered only a medium-range bomber. Last December 7 the United States had a dramatic preview of things to come when a B–36 flew nonstop from Texas to Hawaii and back—over 8,000 miles with a full military combat load.

In the early years of the air age we thought of the airplane as a new gadget—an automobile that flew. The airplane was simply another gadget in a gadget universe, a new convenience. We do not think that now. We know that the airplane is capable of altering the geography of the world and therefore the history of the world. We know that the world which the airplane dominates will be a different world from the world which went before. The ages of human history are not created by mechanical inventiveness, but there have been in the history of our race mechanical inventions which have changed the possibilities, and thus the minds, and thus for better or for worse, the men.

We must learn to think as the airman has learned to think—to comprehend the time-space factors of power. The airman, when he pictures the world in his mind's eye, visualizes a complete globe and a geography untrammeled by the conventional barriers of land and sea, mountain and desert. He thinks of nations as being disposed over a continuous curved plane, of which the most remote point is less than 40 hours from any other point—at the B–29's comparatively slow speed. This mobility of the airplane has revolutionized the whole methodology of war. It has opened a direct path to the centers of an enemy's means and will to fight, to the very heart of his society.

It must be plain to us all that the only nation in the world with military potential to challenge the United States in the foreseeable future is the U. S. S. R.—now the sole commander of the heartland of the world island. It is also apparent that a state of cold war exists between these two nations.

The problem before us was, and is, not to prepare for war, but to prepare to avoid war.

Cold wars take cold nerves. There is reason to believe that the appearance of B–29's in number in England and the air armada now blanketing Berlin has created an impression of purpose, resolution, and strength on our part far beyond their numbers. Indeed it is difficult to understand what restrains the Russians from seizing Berlin, unless it is their respect for American air power. And Russian success in China has been marked by total lack of opposing air power.

We live in explosive times when the entire technology of war is in flux.

The Finletter committee's report, Survival in the Air Age, divides the near future into two phases, with the construction of atomic bombs by the Russians automatically providing the division day between the two phases. This has been authoritatively estimated at a minimum of 3 to 4 years. In any case our monopoly is fast running out.

In phase I, we would be the sole possessor of the bomb and master of our own outlying airspace. In phase II, the potential enemy would possess a weapon that could bring the myriad machines of our society to a stop. And by that time, it is a fair assumption, he would have evolved an air force capable of delivering it.

Look at the vast spaces of the heartland. How can sea power or land power alone come to grips with such a colossus? They cannot. To the formula must be added superior air power plus dominance of heartland air. Air power offers the only relief from a bloody interminable war waged on land against a self-contained heartland power like Russia, with its 8,500,000 square miles of maneuver ground.

But here again geopolitics bobs up, for as General Spaatz has said:

"When our force is revalued in terms of the atomic multiplier it is potentially by far the most powerful striking force in the world—provided we can fit it into the right geography."

Thus, facing cold realities, it is inescapable that without the forward bases from which to deliver the absolute weapon, our monopoly of the atom bomb is a frozen asset.

Two facts have been established. One, the air offers the only tolerable counter to Russia's vast manpower and space. Two, until airplanes of greater range than the B-29 are available in number, the United States could fight such an air war only if we were able to obtain intermediate bases. The supreme merit of air power is its flexibility. But before it can be flexible it must first be based securely on the ground, with airfields, gasoline and bomb dumps, repair shops, and so forth. And to secure, stock, and defend such bases, our air power is dependent upon the cooperating action of our sea and land power. Here, then, are the primer facts in American strategic geography in phase I, as an airman sees them.

These are hard truths. But let us measure them calmly. Even if a potential enemy should presently produce the bomb, it is scarcely likely to start a war until it has stocked up enough to trade blows upon equal terms. And even if it has achieved a good copy of the bomb carrier, it is not going to find it easy to copy a good strategic air force.

In the interval of grace that remains to us in phase I, we would be well advised to ponder the American position in the period beyond. We who profited so much from the airplane and atomic bomb now stand to lose most by it. An era impends during which an enemy, preparing in secret, may wound this Nation terribly with a single blow. That is the emerging hazard of phase II—a period destined to test our institutions to the breaking point unless statesmen have meanwhile found the long-sought political equivalent or substitute for war. Let us hope and pray they do, for in the event of another war the only victory the victor can expect is mere survival, and because of the weapons which might be used, it might be such a victory that even mere survival might be lost.

And there is yet hope and possibility of peace—real peace—in our generation. For the masters of the Kremlin are not monsters. They are simply cynical realists. If they find themselves confronted with a free half of the world which is economically healthy and full of hope and, above all, too strong to attack, there is every reason to believe that these men will come to terms. Appeasement they understand, and will defeat. Strength they recognize and will respect and honor.

In conclusion, may I reiterate that the mastery of the air created a different world. The air age did not change the shape of the world. It changed man's conception of the world as a single globe.

If those who have mastery of the air are freemen and imagine for themselves as freemen what their world could be, their world will be the full completed globe—a single sphere, a round earth in which all the directions eventually meet—an equal earth which all men occupy as equals—the final image of victory men have moved toward for so long and never reached.

Freemen must be ever alert to prevent an inimical aggressor air power from dominating the world island and from the shores of the world island dominating the seas. For hundreds of years, thousands of years, the sea was the great symbol of freedom, and men struggled in many wars over many centuries to keep it so. Now it is the freedom of the air.

And the question squarely before us is, will the air be a new symbol and a new practice of ever greater freedom; will the air be to the sea what the sea was to the locked-land; will the air be an instrument of freedom such as men have never dared to dream

of or an instrument of slavery such as men had never thought to feel—an instrument of slavery by which a single nation could enslave the earth and hold the earth in slavery forever without the hope or possibility of rebellion or revolt?

To win this struggle for freedom is not to win a doubtful victory. To win it will make our image of victory a reality. To win such victory and such freedom is to win the greatest triumph any nation, any people, ever won.

It is therefore suggested that the best prophylaxis in the field of external strategy will be an American geopolitics based on international justice, international honor, the sanctity of the given word, and the mutuality of international respect. Until such motives influence aggressor-minded powers, America must continue too mobilize her striking power and falter not in using it fearlessly in the service of freedom and the inalienable rights of human personality.

CHESTER D. SEFTENBERG,
Lieutenant Colonel,
U. S. Air Force Reserve.

Which Shall the Command of the House of Representatives Be Next Monday to the Lesinski Minimum Wage Bill, H. R. 5856—Forward March or Fall Back?

EXTENSION OF REMARKS
OF
HON. EUGENE D. O'SULLIVAN
OF NEBRASKA
IN THE HOUSE OF REPRESENTATIVES
Friday, August 5, 1949

Mr. O'SULLIVAN. Mr. Speaker, I am very happy indeed that the Lesinski bill, H. R. 5856, respecting minimum wages, will be up for hearing before the House of Representatives at the beginning of its session next Monday. I shall support this legislation.

The thought is therefore appropriate, I believe, at this time, and on Monday next and throughout the consideration of this bill by the House of Representatives, for each and every one of its membership to be seriously mindful of the Biblical injunction that the laborer is worthy of his hire, and that it is an old and well established religious principle that there are four sins which cry to heaven for vengeance, and that they are as follows:

First. Willful murder.

Second. The sins of Sodom.

Third. Oppression of the poor.

Fourth. Defrauding laborers of their just wages.

People never had any luck after committing these sins. They seemed to be accursed.

I know that no Member of the House of Representatives will line up with those age-old repudiated apostles of greed who believe that the laborer is not worthy of anything but slave hire, and the No. 4 sin afore-mentioned which cries out to heaven for vengeance. They will do their full part, I know, for their country and its wage earners.

No man in public or private life can afford to put himself in the ignoble position of being an aider and abettor of the dopesters of anti-Biblical thought, or any of the No. 4 sin clique, or any of the other four sins which cry to heaven for vengeance.

I do hope that religious promptings and decent thinking will produce unanimity of thought among the membership of the House to do the just and right thing by American labor who are engaged in work involving interstate commerce, and thus set a noble pattern for the States of the Republic and the world to follow.

A great lamenter of old might well say today, woe be to him who treads in the wake of willful murder, the sins of Sodom, and the oppression of the poor, and who spreadeth himself like a green bay tree and whose power he thinks is supreme to ignore the thought that the laborer is worthy of his hire. For him the wages of his deeds should be something less certainly than worldly and eternal happiness.

Brannan Visits Wisconsin

EXTENSION OF REMARKS
OF
HON. GLENN R. DAVIS
OF WISCONSIN
IN THE HOUSE OF REPRESENTATIVES
Friday, August 5, 1949

Mr. DAVIS of Wisconsin. Mr. Speaker, my district in Wisconsin was visited last Sunday by the Honorable Charles Brannan, Secretary of Agriculture, who extolled the Brannan plan which this House has not seen fit to adopt. Since one of our colleagues on Tuesday inserted Secretary Brannan's speech in the RECORD, I believe the Members will be interested in learning the reaction of the people in Wisconsin to this speech.

Under leave to extend my remarks, I am including an editorial from the August 2 issue of the Milwaukee Journal, my State's largest newspaper:

CONFUSION COMPOUNDED

If Secretary Brannan knows what his much publicized Brannan plan for American agriculture is all about, he certainly didn't tell the Wisconsin farmers gathered to hear him at Juneau on Sunday.

That's been one trouble with the Brannan plan from the start. Congressmen couldn't understand it, farm leaders couldn't understand it and, pretty generally, it seemed that Mr. Brannan himself didn't understand it.

The Secretary of Agriculture talked about a lot of things at Juneau, such as the need of higher prices for milk, the Hoover Commission, and his critics, but he didn't get around to either a comprehensive discussion of his plan or to answering criticisms of it.

He didn't tell what the program would cost, passing a question off with the casual rejoinder: "No one can tell what a program will cost in advance."

He didn't explain how the Brannan plan is going to provide the farm aids that are pledged without putting each benefiting farmer in a Government strait-jacket of rigid controls, his every move dictated by a Washington bureau.

He didn't tell how the plan, as first promised, would mean a real saving to the housewife. This is a part of the program that is rapidly being forgotten by Brannan and his fellow Fair Dealers. They have found no answer to the contention that the only way the plan can help the consumer is to inaugurate not only rigid control of production but equally rigid price controls. If such controls are not used, then farm production may be so heavy that the cost of the benefits will break the back of the taxpayer.

The Brannan plan, from the very beginning, has seemed like the dizzy dream of a bureaucrat. Secretary Brannan did nothing at Juneau to make it seem anything different. It is no wonder that the House of Representatives recently rejected decisively a plan to give the program even a trial run.

Separation of Church and State—Some Light Without Heat

EXTENSION OF REMARKS
OF
HON. HARRY. J. DAVENPORT
OF PENNSYLVANIA
IN THE HOUSE OF REPRESENTATIVES
Friday, August 5, 1949

Mr. DAVENPORT. Mr. Speaker, under leave to extend my remarks in the RECORD, I wish to include a very fine article written by the Reverend Father Thomas Coakley, pastor of Sacred Heart Church, East Liberty, Pittsburgh, Pa. "Some light and less heat" is the purpose of this message concerning the highly controversial Federal aid to education bill. There are some pertinent facts contained herein that have not as yet been injected into the aid to education arguments; and I believe that Reverend Coakley's statement can be read with interest and profit. Only a few years ago through the efforts of Father Coakley and the members of his parish, of which I am proud to be a member, a fund of several hundred thousand dolars was raised to finance the building of one of the finest and most modern schools in the United States. If anybody is entitled to speak out on this important issue, it is the Reverend Father Thomas Coakley, who has done so much to forward the cause of better education, both grade and high school, in the city of Pittsburgh; and I take this oportunity of congratulating the members of Sacred Heart parish, both for their loyal support of their able pastor and for their militant opposition to any aid to education legislation which would discriminate against parochial and other private schools.

SEPARATION OF CHURCH AND STATE—SOME LIGHT WITHOUT HEAT

For almost 240 years after the Pilgrims landed at Plymouth, in 1620, scarcely a word was heard in America about the separation of church and state. Two hundred and forty years is rather a long span in American history. To claim that this relatively new and modern phase in American life is a tradition as old as America, that it is the sacred cornerstone of our American way of life, and that it is the badge of our American freedom, is simply to write one's self down as a monumental ignoramus in American history.

If you talked about the separation of church and state to any of the passengers on the *Mayflower*, he would laugh at you. He never heard of the thing, nor did any one else in America for 240 years afterward, or along about the time of our Civil War, around 1860, and this is not yet 90 years ago.

There has been a great amount of heat generated in discussions concerning the separation of church and state and specifically about Federal aid to education. May I endeavor to throw some clear cold white light on the doctrine which is disturbing millions of Americans? No statement will be made that is not susceptible of documentary proof from any American history.

In eight of the Original Thirteen American Colonies—Massachusetts, Connecticut, New Hampshire, Maryland, Virginia, North Carolina, South Carolina, and Georgia—laws were enacted requiring every village to provide public schools for all children and youth at the expense of the entire community. They were supported by public taxation, and there was no objection from the colonists. These schools were emphatically religious in their whole attitude, religious in spirit, religious in administration. Even their teachers were selected on the basis of their religious character, their orthodoxy, their piety, as well as their learning.

Not only the public officials but the rank and file of the American colonists well realized that religion is not something in a vacuum, something like an extra suit of clothes that you can get along just as well without, something set apart from the rest of life. They were deeply convinced that religion is something that penetrates through the whole area of life's experiences; that religion concerns itself with the interests and the activities of daily existence, and is involved in every decision of a practical nature throughout the entire day. Therefore, religion should be an essential part of the curriculum of every educational institution. Hence, religious education is the genuine American education; it was the original American way of life.

The first amendment to the Constitution of the United States declares: "Congress shall make no law respecting an establishment of religion, or prohibiting the free exercise thereof." This expressly forbids the establishment of any church as a national religion, to be supported by the state. This amendment was adopted not because the framers of the Constitution were hostile to religion; just the contrary. All of them were religious men, soundly educated in religious schools. There were no other schools.

The first amendment was adopted because at the time of our war for independence in eight out of the Original Thirteen Colonies certain churches were established by law. The Congregational Church was so recognized by legal enactment in three of the Colonies, and the Episcopal Church in five of them. Only five of the Original Colonies had no law respecting religion on their statute books. The first amendment proclaimed that henceforth no particular church was to be declared the official religion of the country. It was the exclusion of sectarian churches that was aimed at, not the exclusion of religion.

Indeed the founding fathers in the Ordinance of 1787, which provided for the development of our great Northwest, clearly associated religion with education. The ordinance reads: "Religion, morality, and knowledge being necessary to good government, and the happiness of mankind, schools and the means of education shall be forever encouraged."

The whole American tradition of public education from its very beginning was that education should be moral and religious. The Constitution wisely left the various religious groups free to carry out whatever educational undertakings they desired, while the state, being impartial but not hostile, could favor no particular church. Nonetheless it would welcome religion, for the authors of the Constitution had a strong conviction that good citizenship was founded upon religion and morality and that such virtues should be an essential part of every educational system.

It is for this reason that all the early colleges of the United States, now grown and expanded into our great universities, were founded with a distinctly religious atmosphere, with religion and morality forming part of the curriculum.

Harvard College, founded in 1636 by the Reverend John Harvard, had as its purpose to save churches from an illiterate ministry.

William and Mary College was founded in 1693 for the purpose of giving the country an educated body of ministers of religion.

Yale College was founded in 1701 by the Reverend John Davenport, and its declared purpose was to prepare young men for public employment, both in church and state, hence its strong early religious atmosphere.

Columbia College was established in 1753 with its chief objective to teach and engage children to know God in Jesus Christ."

It was the same with Princeton, Pennsylvania, Brown, Rutgers, and Dartmouth. Of the 119 colleges founded east of the Mississippi, 104 were Christian, and all of them were established primarily for Christain purposes, and they were maintained and supported in a religious environment.

Of the 260 colleges founded by the year 1860 in this country, only 17 of them were State universities. All of the remainder, 243 of them, were definitely religious in character. In other words, public education, education of the whole people, was definitely and emphatically religious in tone. Secular education, education from which religion was excluded, was unthinkable in this country until sometime around our Civil War.

All of our great American institutions are based upon religion. Our courts of justice, our family life, our education, our banking and currency systems, indeed, our money bears upon it the imprint "In God we trust." Every one of these cherished institutions, of which we are so justly proud, reposes upon the great eternal truths of religion and morality.

Hence if the people of this country are not instructed in the teachings of religion and morality, making known to them a comprehension of their origin, their destiny, their duty to God, to themselves, their fellow citizens, their country, then they simply cannot have a thorough understanding of the origin and development of our American institutions, and our American way of life.

Yankee "Suckers"

EXTENSION OF REMARKS

OF

HON. JAMES T. PATTERSON

OF CONNECTICUT

IN THE HOUSE OF REPRESENTATIVES

Friday, August 5, 1949

Mr. PATTERSON. Mr. Speaker, an extremely thought-provoking editorial entitled "Yankee 'Suckers'," from the August 3 issue of the Ansonia (Conn.) Sentinel, has come to my attention. The purport of the editorial is that we, in New England generally, and Connecticut particularly, have long been the donors of tremendous sums of money issued in various forms of subsidies to the so-called poorer States. It is somewhat inconsistent to my point of view for the States which are the recipients of so many Federal grants and subsidies to be wealthy enough to offer many inducements for New England industries to locate there.

Serving my second term in the Congress of the United States, I have become increasingly aware of the many measures enacted by the Congress which are of benefit to Southern and Southwestern States. These take many forms but have one thing in common—the money which is appropriated comes, in great measure, from the hard-pressed taxpayers of the so-called wealthy States in the northern half of our country.

I want to address myself to a pressing problem in the State of Connecticut in this connection. Many Members of Congress are familiar with the relocation of the Chance Vought Co. from Stratford, Conn., to the outskirts of Dallas, Tex. This relocation was largely due to the efforts of the Federal Government. It resulted not only in a loss of revenue to the municipality of Stratford; but a consequential loss of employment for many thousands of skilled laborers in that entire area.

In the not too distant past, the United States Tire Corp., of Waterbury, saw fit to move many of its operations to a location in Arkansas—with a resultant decline in employment and loss of tax revenue to the community.

We are now faced with another threat in my own Fifth District. The Eagle Lock Co., of Terryville, is considering an offer from a Southwestern State to locate there. It is contended that the main inducement is a total relief from real-estate taxes for a 10-year period.

I have no direct knowledge of the truth of this statement; but also have no knowledge of its being denied. The relocation of this plant would result in a tax loss of approximately one-half of the town's grand list assessment, and a loss of employment to hundreds of workers.

This is neither a temporary nor a recent dilemma. There have been many more instances of industries in the New England area moving to the South and Southwest for a variety of reasons. I am certain that one of the reasons is the inducement of tax-free operations for a period of years.

We, in Connecticut, are proud that we have a very high per capita pool of skilled workers, and contribute proportionately more to the Federal Treasury than most other States of the Union. This pleasant combination of circumstances will very shortly come to an end if the raids on our stable industries continue. It can readily be visualized that, as I contend, the unemployment situation in Connecticut is not one predicated solely upon the ups and downs of business economics. The many thousands out of work in the Stratford-Bridgeport area, for instance, are almost permanently unemployed unless some other industry fills the void created by the loss of Chance Vought to that area.

A similar situation exists in the other areas mentioned. Thus we see that in these three lone instances over 10,000 skilled workers in Connecticut face the prospect of continued unemployment even if business prospects should become brighter. These are people who have settled in Connecticut over a long period of years and who have created families and become outstanding and worth-while citizens in the Nutmeg State. They have permanent ties there, and have no wish to lead a nomadic existence by following any particular industry to other sections of the country.

The seriousness of this problem cannot be overstated. The people of Connecticut and New England cannot long endure continued Federal subsidies to other sections of the country and see economic ruin staring them in the face because of the dislocation of their industries.

For this reason, I think it particularly pertinent that the Members of Congress from the New England section of our country, whether they be Republican or Democrat in party affiliation, should examine very closely any further programs of subsidies or Federal grants, of which the chief beneficiaries are the Southern States.

I believe in the principle of Federal-aid-to-education, as ignorance is not bounded by State lines; I believe in a prosperous agriculture, as it is necessary for the continuance of high standards of living in all sections of our country; I believe in navigation and flood control because these also exert favorable influences in sections other than those where they are located. But I cannot, in good conscience, continue, as a Member of this body, to vote time after time for the appropriation of money which is siphoning off the wealth and the strength of New England.

Only last week the House completed action on a bill which would give Federal grants to communities in so-called defense areas, to make certain that there are adequate educational and health facilities for their swollen population. Here is a very direct instance of money taken from the pockets of our New England citizens to help pay the increased cost of maintaining the Chance Vought factory in Texas for example. These are laudable purposes; but we must not forget the fact that communities in the State of Connecticut maintained these facilities for many years without requesting aid from the Federal Government.

I am sincerely convinced that this subject is of the utmost seriousness, and I intend to continue my efforts on the floor of the Congress, and bring to the attention of its members many other ways in which New England is contributing to its own economic dislocation by being a substantial donor in the Federal subsidies of which the South and the Southwest are the chief beneficiaries.

The editorial follows:

YANKEE "SUCKERS"

The Eagle Lock Co. of Terryville, it is said, is contemplating pulling up stakes and moving to the South where it has reportedly received a tempting assurance of exemption from taxes for an attractively long period.

The Chance Vought Co., once a large-scale employer of labor in the Stratford-Bridgeport area, has moved to Texas, taking not a few Connecticut residents with it, and leaving others to seek employment elsewhere. That move, it has been said on good authority, resulted from prodding at Federal levels.

It ought to noted that these poor Southern States which are offering subsidies to industries are also clamoring loudest for vast Federal aid to education. Viewed strictly from the economic viewpoint, what this means is that Connecticut's Federal taxpayers are to be taxed in order that the South may be able to exempt new industries from taxes, thereby inducing industry to leave this State for the South. When an industry moves down, it takes some of its workers with it, creating in Southern States a need for more schools. Uncle Sam is now supposed to supply that need. The proportion of Federal taxes that come from New England in comparison with the yield in the South is relatively high. We are being asked to pay through the nose to subsidize the poor States so that they may subsidize industry and snare it away from Connecticut, leaving us poor indeed.

It would appear that areas of the South or Southwest which can afford to exempt going industry from all taxes ought to be well able to afford to meet their own school building requirements without using the taxing powers of the Federal Government to get the people of Connecticut to pay their freight. This is a very pertinent angle of the Federal equalization of education proposals which deserve to be considered by New England's Senators and Representatives in Washington from the viewpoint of intelligent self-interest. Putting two Connecticut dollars into the Federal kitty for every dollar Connecticut will get back from Washington and then having those dollars used to snare away our bread and butter is adding insult to injury any way you look at it here in New England, and if we Connecticut Yankees fall for such buncombe there's a good slang term for us. We're just plain "suckers," waiting to be taken.

Where Do We Go?

EXTENSION OF REMARKS

OF

HON. F. EDWARD HÉBERT

OF LOUISIANA

IN THE HOUSE OF REPRESENTATIVES

Friday, August 5, 1949

Mr. HÉBERT. Mr. Speaker, several weeks ago, with the consent of the Members of this body, I caused to be inserted in the RECORD a series of splendid articles by William H. Fitzpatrick, editor of the New Orleans States.

Mr. Fitzpatrick was my successor as city editor of the New Orleans States when I resigned to come to Congress. Since then he has successively become managing editor and editor and during the war years served with dictinction in the Pacific as a member of the Navy.

Mr. Fitzpatrick's series of articles on the so-called universal declaration of human-right program, attracted national attention and justly so.

Recently Mr. Fitzpatrick appeared before prominent New Orleans civic organizations in support of his editorials on the subject. The address which he made is equally as thought provoking and important to our future as his editorials in the New Orleans States. For that reason I have obtained permission to insert the speech. We cannot talk too much about this subject and we cannot sound too often the dangers which lurk in the wake of such a program.

Here is Mr. Fitzpatrick's speech:

WHERE DO WE GO FROM HERE?—THE UNIVERSAL DECLARATION OF HUMAN RIGHTS PROGRAM

Mr. Chairman, members, and ladies and gentlemen, I am glad to be here today because what I want to talk to you about may be of some importance to everyone in this country. I believe it to be important to you because you are businessmen and Orleanians, and mostly because you are Americans.

For if what I want to discuss comes to pass, as its proponents plan, there may not be any organization such as yours, or even any America as we know it now.

I doubt if many of you here had ever heard, 2 months ago, of a universal declaration of human rights. It would be immodest of me to assume, simply because we have had editorials about it in our paper, that you know very much about it now.

You may not know much about it, but as Americans you are on record as favoring it. The United States delegation to the United Nations voted for it, and last January 27, President Truman published a resolution on National Freedom Day in the Federal Register, and I quote:

"Whereas the Government and the people of the United States wholeheartedly support the universal declaration of human rights approved by the General Assembly of the United Nations on December 10, 1948."

I wonder if the American people know that they wholeheartedly support this declaration, particularly when it is recalled that Mr. Frank E. Holman, president of the American Bar Association, said recently:

"When the declaration was passed last December in Paris there was no copy of the final draft available in this country. I was advised that not even the State Department of our own Government had a final draft of a document which as to our basic American rights is nebulous and ambiguous and the latter portion of which sets up a collectivist concept of government for all the peoples of the world, including ourselves."

The declaration contains 30 articles. Our vote for the declaration has no legal effect upon this country. But our vote for it is considered a moral obligation and we will be expected to implement this declaration by a number of covenants.

The first of these covenants has not been completed. But the paths to be followed are already charted in the declaration. And the Senate of the United States will be asked to adopt treaties as covenants on human rights.

If the Senate adopts these treaties, they will become the supreme law of the land and will supersede all State constitutions and laws and all city and parish ordinances.

This is so, because the United States Constitution provides, in article II, section 2, paragraph 2, that:

"He (the President) shall have power by and with the consent of the Senate to make treaties, provided two-thirds of the Senators present concur."

And because article VI, section 2, provides that:

"This Constitution and the laws of the United States which shall be made in pursuance thereof and all treaties made, or which shall be made, under the authority of the United States, shall be the supreme law of the land and the judges in every State shall be bound thereby, anything in the Constitution or laws of any State to the contrary notwithstanding."

If the Senate should implement this declaration by treaties, it may lead to an International Court of Human Relations.

This Court of Human Relations would have jurisdiction over each and every one of us who will be answerable to it for alleged violations of the covenant.

Mr. Holman has written of this declaration:

"In order to enforce the provisions of a bill of rights, the United Nations will have to interfere continually and minutely in the internal affairs of member nations. It will have to establish standards, and determine when and where those standards have been violated, and to take steps to correct or punish such violations."

This is among the studied conclusions of the president of an association of 40,000 lawyers in the United States.

Now let me discuss a few of the rights which this declaration would provide.

Article 22 of the Declaration says:

"Everyone, as a member of society, has the right to social security and is entitled to the realization, through national effort and international cooperation, and in accordance with the organization and resources of each state, of the economic, social, and cultural rights indispensable for his dignity and the free development of his personality."

This language is plain enough.

It can mean social security for all the world, with Uncle Sam—through international cooperation in accordance with our resources—footing most of the bill.

What sort of social security does the declaration contemplate?

Article 25 says:

"1. Everyone has the right to a standard of living adequate for the health and well-being of himself and of his family, including food, clothing, housing, and medical care and necessary social services, and the right to security in the event of unemployment, sickness, disability, widowhood, old age, or other lack of livelihood in circumstances beyond his control."

These two articles are typical of much of the social and economic program planned for us on an international scale.

How revolutionary it is in concept was adequately expressed by John P. Humphrey, director of the Division of Human Rights of the United Nations, who wrote in the January 1948 issue of the Annals of the American Academy of Political and Social Science:

"What the United Nations is trying to do is revolutionary in character. Human rights are largely a matter of relationships between the states and individuals, and therefore a matter which has been traditionally regarded as being in the domestic jurisdiction of the states. What is now being proposed is, in effect, the creation of some kind of supernational supervision of this relationship between the state and its citizens."

Should the Senate ratify as a treaty a covenant containing article 14 of the declaration, the Congress need no longer be concerned with legislation regulating admission of displaced persons.

All any will need is passage to America.

Our immigration laws will be useless.

Article 14 of the declaration says:

"1. Everyone has the right to seek and to enjoy in other countries asylum from persecution."

Discussing this far-reaching program, Mr. Holman has this to say:

"This provision, if respected in the United States, would appear to nullify immigration laws and open the gates wide to anyone claiming persecution. Certainly the majority of Americans will not favor unrestricted immigration or the making of this country an unrestricted asylum for the persecuted from all over the world."

The declaration is not only socialistic in its implications, but if implemented in treaty form, it would strike down laws of many States and social customs of wide acceptance among the people.

Article 7 says:

"All are equal before the law and are entitled without any discrimination to equal protection of the laws. All are entitled to equal protection against any discrimination in violation of this declaration and against any incitement to such discrimination."

Article 16 reads:

"1. Men and women of full age, without any limitation due to race, nationality, or religion, have the right to marry and found a family. They are entitled to equal rights as to marriage, during marriage, and at its dissolution."

In the statute books of 29 States are laws forbidding miscegenation or marriage between different races. In most other States which do not by law ban such unions, the social customs of the people forbid it.

Seventeen States and the District of Columbia have laws enforcing segregation in either education or public places or public conveyances, or all three.

In addition, six States give discretionary powers to school boards to establish segregation. These are Arizona, Indiana, Kansas, New Mexico, New York, and Wyoming.

Article 16 of the declaration would obliterate such laws.

Should any mother try to prevent the marriage of her child because of objections to a suitor on racial, national, or religious grounds, that parent would be answerable to an International Court of Human Rights, wherever it might be sitting, for under article 7 she would be guilty of incitement to discrimination.

The declaration is of a piece with President Truman's so-called civil-rights program. The Comittee on Civil Rights, established by President Truman under Executive Order 9808, has been working hand and glove with the Human Rights Commission of the United Nations, of which Mrs. Eleanor Roosevelt is chairman.

The report of the President's Committee on Civil Rights was published in 1947. In January 1948, President Truman, in a special message to the Congress, demanded passage of his committee's recommendations in his force bills which so recently resulted in the Senate filibuster.

Many students of constitutional government believe his force bills to be unconstitutional. Apparently his Committee on Civil Rights is also dubious of their legality. For, on page 110 of its report to him, it is suggested that under the Supreme Court ruling in the Missouri against Holland case in 1920.

"That Congress may enact statutes to carry out treaty obligations, even where, in the absence of a treaty, it has no other power to pass such a statute. This doctrine has an obvious importanec as a possible basis for civil-rights legislation."

The committee further reported:

"The Human Rights Commission of the United Nations is at present working on a detailed international bill of rights designed to give more specific meaning to the general principle announced in article 55 of the Charter. If this document is accepted by the United States as a member state, an even stronger basis for congressional action under the treaty power may be established."

The composition of the commission which drafted the Universal Declaration of Human Rights is worth noting. Of it Mr. Holman has written:

"It is revealing to note the 'make up' or personnel of the commission.

"Mrs. Eleanor Roosevelt is its chairman and the sole United States representative. She is not a person in any sense trained in legal draftsmanship. She is primarily a social reformer.

"Australia's representative is Col. William Roy Hodgson—by training a military man and from his biography a person whose experience has been largely confined to government service.

"The United Kingdom's representative is Mr. Charles Dukes—a trade unionist by profession.

"These three are the only Anglo-Americans or representatives of English-speaking peoples on the commission of 18 members."

The other 15 members comprise three from the Soviet and one from Yugoslavia, and one each from Belgium, Chile, China, Egypt, France, India, Iran, Lebanon, Panama, Uruguay and the Philippines.

This is the commission which has drafted a document that, in the words of Mr. Holman: "* * * might be held to impair, or be a substitute for, our own cherished Bill of Rights, which protects the individual citizen."

"Plot" is not too strong a word for this undermining of our American laws, customs, and rights.

The United States Senate ratified the Charter of the United Nations because this Nation wanted to become a party to an international pact, the purpose of which is to insure peace in the world. The Senate did not intend the Charter to become a vehicle for socialization and law abrogation.

Article 55 of the Charter contains this language:

"With a view to the creation of conditions of stability and well-being which are necessary for peaceful and friendly relations among the nations based on respect for the principle of equal rights and self-determination of people, the United Nations shall promote:

"(c) Universal respect for, and observance of, human rights and fundamental freedoms for all without distinction as to race, sex, language, or religion."

Senate bill 984, the FEPC bill, introduced in the Eightieth Congress, has this language in section 2 (c):

"This act has also been enacted as a step toward fulfillment of the international treaty obligations imposed by the Charter of the United Nations upon the United States as a signatory thereof to promote 'universal respect for, and observance of, human rights and fundamental freedoms for all without distinction as to race, sex, language, or religion.' "

Note that article 55 says that these idealistic endeavors shall be promoted. There is nothing in the Charter which says any signatory shall force or demand that this millenium come about. The language is "shall promote."

The United Nations is specifically forbidden by the Charter to interfere in domestic affairs of any signatory. Article 2, paragraph 7 of the Charter reads:

"Nothing contained in the present Charter shall authorize the United Nations to intervene in matters which are essentially within the domestic jurisdiction of any state or shall require the members to submit such matters to settlement under the present charge."

The statement in Senate bill 984 that we are obligated to impose upon this country such force bills as the FEPC is therefore not only misleading but actually untruthful. There is no obligation under the Charter to do any such thing.

The question whether acceptance of covenants for the Universal Declaration of Human Rights in treaty form by the United States Senate would conflict with the United States Constitution is one which the American Bar Association is presently studying.

The covenant's authority over all State laws and county, parish, and city ordinance is unquestioned.

Proponents of the declaration and its revolutionary proposals point to the United

States Supreme Court ruling in the *Missouri* v. *Holland case* when the State of Missouri attacked a treaty signed by the United States and Canada protecting migratory birds.

The Supreme Court held then:

"Acts of Congress are the supreme law of the land only when made in pursuance of the Constitution, while treaties are declared to be so when made under the authority of the United States. It is open to question whether the authority of the United States means more than the formal acts prescribed to make the convention. We do not mean to imply that there are no qualifications to the treaty-making power, but they must be ascertained in a different way. * * * We may add that when we are dealing with words that are also a constituent act, like the Constitution of the United States, we must realize hat they have called ino life a being the development of which could not have been foreseen completely by the most gifted of its begetters. It was enough for them to realize or to hope that they had created an organism; it has taken a century and has cost their successors much sweat and blood to prove that they created a nation. The case before us must be considered in the light of our whole experience and not merely in that of what was said a hundred years ago. The treaty in question does not contravene any prohibitory words to be found in the Constitution."

Those who would enact such civil-rights legislation as President Truman has called for have pointed to the *Missouri* v. *Holland case* as the basis for such laws under treaty powers.

Their plea will be that to foster peace and justice in the world such a document as the covenant should be considered in the light of our whole experience and not merely in that of what was said a hundred years ago.

Lawyers and students of constitutional government believe that such a covenant would conflict with our Constitution in a number of ways, but mainly in article 1 of the Bill of Rights:

"Congress shall make no law respecting an establishment of religion, or prohibiting the free exercise thereof; or abridging the freedom of speech or of the press; of the right of the people peaceably to assemble and to petition the Government for a redress of grievances."

Article 30 of the Universal Declaration of Human Rights reads:

"Nothing in this declaration may be interpreted as implying for any states, groups, or persons, any right to engage in any activity or to perform any act aimed at the destruction of any of the rights and freedoms set forth herein."

In other words, if the Senate ratifies a treaty containing this dictatorial restriction, and the Supreme Court upholds it, the newspaper I work for could no longer criticize it; I could not appear here to speak against it, and the people—among them you—could not assemble to petition our Government for a change in it.

Now here will be those who say:

"But these are only idealistic proposals for the future. Perhaps some day we can all live in this world safely and happily, and even perhaps have one world, one government, one nation. They will say, we must have idealists and I agree. I believe we must have realists, too, who will know the danger signals in the dreams of others which they themselves cannot or will not see.

These are the people who will say, all this is much ado about nothing. They will say we are building up a straw man so we can take it apart.

To refute this argument. let us put on the stand witnesses for the defense. I propose to let them convict themselves.

Last December 28 in an analysis notable for its emotional approach, but entirely evading the dangers implicit in the plans of the Human Rights Commission, James Simsarian of the Department of State spoke before the American Political Science Association. First witness, Mr. Simsarian, who said:

"The next step in the field of human rights will be the completion of the drafting of an international covenant on human rights in treaty form at the meeting of the United Nations Human Rights Commission at Lake Success scheduled for April 1949. This covenant, being in treaty form, will be legally binding on the countries which ratify it."

And he said:

"As I pointed out earlier, the draft covenant on human rights is concerned with only basic civil rights, with the expectation that conventions will be drafted later with respect to certain of the other rights set forth in the declaration."

Second witness:

The Fact Sheet, issued by the Office of Public Affairs in the United States Department of State, carried on October 11, 1948, this statement:

"It is not intended that the covenant will be the only treaty on human rights to be presented for ratification to the members of the United Nations. Additional treaties and conventions to guarantee specific rights are already being composed."

So you can see that it is not a straw man. And it isn't in the future. It is here now, already, today.

As you have heard, the United States signed the declaration on December 10, 1948. Since then we have three times been accused of violating the human rights of Communists.

Three times it has been used as a propaganda vehicle against us and Britain.

"The latest instance occurred at the General Assembly of the United Nations last month when the Polish delegate, Julius Katz-Suchy, filed a written protest claiming that Great Britain had violated the human rights declaration when it removed Gerhart Eisler from the Polish liner *Batory*. The same day, May 19, Katz-Suchy, launched a vituperative attack on Britain on the floor of the General Assembly for the removal of Eisler.

"A day or so previously, the Polish Embassy in London took the same position that Eisler's human rights had been violated when Britain removed Eisler at the request of the United States after he jumped bail and fled this country.

"On March 4 a complaint was filed by a deputation from the International Association of Democratic Lawyers of which Professor René Cassin of France is president. Professor Cassin is a prominent member of the human rights commission which drafted the declaration which we signed."

The complaint charges that the trial of the 11 top Communists in New York violates the articles of the declaration covering freedom of thought, freedom of expression, and freedom of peaceful association. This complaint can be placed on the agenda of the United Nations for action by the Soviet Union if it so desires. That's how far we've got already.

What can we do about it?

Well, the Supreme Court will have the final say on the constitutionality of any such treaty, if the Senate ratifies it.

And it should be remembered that Charles Evans Hughes, a former Chief Justice of the highest Court of the land, once said:

"The Constitution is what the judges make it."

We all know that economic philosophy and political ideology often seem as important in Supreme Court decisions as legal interpretation.

The people of this Nation, however, have it in their hands to relieve the Supreme Court of ever having to decide whether this covenant would or would not supersede our Constitution and Bill of Rights.

The people of this Nation have this power through their elected Senators. The President can only commit this Nation to such a collectivist program by ratification by the Senate.

If this plan is adopted as treaties by the Senate, this country may no longer be as we have known it. We will have instead a world-wide social and economic system with Uncle Sam paying the bills. We will have an International Court of Human Rights to which every one of us may be held responsible. Our immigration laws will become ineffective. Laws of many States will be thrown out. The customs of the people will be disregarded.

It invades the rights of the people to choose their own intimates and fellow workers and it would strike a serious blow at religious beliefs and tenents.

It is a far-reaching, revolutionary document which could easily drive this country to the poorhouse and its people to totalitarianism.

It is up to you, the people, to do something about this. If you favor this plan for world government, then write your Senators and write your friends to write their Senators to pass any such treaties unanimously.

But if you are against these derogations of your rights as free-born Americans, then get busy and let the Senate know how you feel.

Report on Arab Threats To Resume War and the Rearmament of the Countries of the Middle East

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EXTENSION OF REMARKS

OF

HON. EMANUEL CELLER

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Monday, July 18, 1949

Mr. CELLER. Mr. Speaker, the declared policy of the United States is to restore early peace in the Middle East. The present negotiations at Lausanne can only be successful if both Israel and the Arab states show sincere willingness to reach a general peace settlement. It is most disturbing, therefore, that the press and radio in many Arab states continue to express threats to resume hostilities against Israel as soon as their countries feel capable of doing so.

These threats can hardly be ignored in view of the present large-scale rearmament of the Arab states. Under these circumstances the possible lifting of the United Nations embargo on shipment of arms to the Middle East may constitute a serious danger to peace in that area of the world.

First. Arab threats to resume war: The first anniversary of the proclamation of the State of Israel last May gave rise to a fresh wave of warlike utterances and promises of coming Arab revenge. In the following a few typical excerpts are given.

(a) In his broadcast in English on May 19, 1949, Azmi Nashashibi, the director of the radio station of Ramallah, which is located in the Transjordan-held part of Palestine, said:

Thousands of boys are receiving military training and the girls are learning first aid.

He asked for the return of all the refugees to their homes and added:

We have been attacked, murdered, robbed, ruined, but we shall carry our burdens and, when the time comes, we shall show what material we are made of. We, the Arabs of Palestine, shall neither forget nor forgive.

(b) As reported by the Palestine Arabic newspaper Al Difa'a of May 8, 1949, Omar Saleh al Barguthi, a well-known Palestinian Arab leader, in a speech made on May 6, 1949, at Ramallah, stated:

We lost the first round, but we must not lose the second round. It is my hope that we will make Palestine a grave for the Jews, as was done to other invaders before them.

(c) On June 27, 1949, Damascus radio voiced the opinion that—

The Arabs lost the first round of the Palestine war because they listened to the advice given them by the British and the Americans.

In the second round, which will begin soon, we shall not be so foolish—

The radio said—

We must ceaselessly increase our military strength and construct a large number of new arms factories; then we shall be successful and the Jews will be thrown into the sea.

(d) According to a Baghdad radio broadcast of June 28, 1949:

The Arabs have been showing lamentable weakness lately, hinting that normal relations will be restored with the Jews as soon as Israel has allowed the refugees to return.

The Jews are our enemies—

The broadcast continued—

and no matter how conciliatory they may be, we shall never cease our preparations for the day of revenge and for the expulsion of the Jews from our soil.

Second. Arab rearmament: (a) Dr. Khalil Totah, executive director of the Institute of Arab American Affairs in New York, stated, on August 1, 1949, that—

The Arabs have begun to arm. Lebanon, Syria, Transjordan, and other Arab states are introducing compulsory military service. (New York Times, August 2, 1949.)

(b) The June 1949 issue of the Egypt News, a bulletin published by the Royal Egyptian Embassy in Washington, says:

The Egyptian Cabinet has approved and sent to Parliament the largest budget for purposes of national defense in Egypt's history. From the 1949 total budget of 193,000,000 Egyptian pounds ($772,000,000), the Cabinet recommended that 52,000,000 pounds ($208,000,000) be set aside for the Ministry of War and Marine. Saneh Moussa Bey, chairman of the Chamber of Deputies appropriations committee, stated that the huge military budget will be adequate to establish, as part of the military program, a heavy-ammunition factory, a light-ammunition factory, and will enable the Egyptian Government to open plants for the manufacture of airplanes. In addition, present plans call for a modern motorized brigade, an additional air squadron, and the purchase of large quantities of arms and ammunition. The budget provides for the maintenance of troops stationed at Gaza and El Arish, defense posts near Israel.

(c) The Beirut correspondent of the New York Times reported on August 1 that an additional sum of $7,000,000 has been granted to the Syrian Army, an allocation which, in the correspondent's words, "represents a considerable strain on the national economy."

The same news item mentions that the Syrian Ministry of Defense has been empowered to requisition sections of the population for road building and other construction of importance to the national defense.

On July 11–12, 1949, Damascus radio stated that the Syrian Cabinet has decided to impose new taxes on trade and industry and that the money raised will be used to increase Syria's military strength.

Mr. Lawrence Griswold, correspondent of the North American News Alliance, recently reported:

A few weeks ago the port of Latakia (Syria) was closed to all foreigners and, quite suddenly thereafter, Syrian airports bloomed with French jet aircraft, French tanks rumbled over Syrian roads, and French artillery and caissons choked the narrow road between Latakia and Aleppo. Fighters and bombers flew overhead, piloted by French airmen, and fields from Aleppo to Deraa became, within the space of a few days, beehives of activity.

Third. Lifting of the embargo: (a) On May 29 of last year the Security Council of the United Nations imposed a ban on shipment of armaments to the Middle East. If, as it has recently been suggested in various quarters, this embargo were to be suddenly lifted, the Arab States would immediately receive heavy armaments from the United Kingdom under their treaties with that country and would also be free to replenish their stocks by purchases in other countries.

(b) Israel has reason to believe that, if the Arab countries were to find themselves suddenly possessed of superior military strength, they would be strongly tempted to renew the attack on Israel. It may be assumed, therefore, that Israel would not allow itself to be placed in a situation of decisive military inferiority. The assurances that the new flow of arms is merely intended to assist the Arab Governments to maintain their internal security can hardly assuage Israel's apprehensions. The invasion and warfare launched last year by the Arab States in an attempt to destroy Israel were conducted with armaments supplied for defensive purposes only. Thus the lifting of the Security Council's embargo would open a swift and disastrous armament race in that sensitive area of the world.

(c) In these circumstances the promise of renewed arms supplies to the Arab States will be a blow to the prospects of peace and a gratuitous obstacle to the success of the Lausanne talks at a particularly delicate stage.

(d) The rearmament of the countries of the Middle East would be of no real value for their defense against the attack of any major power from the outside. On the other hand, it would postpone the vitally necessary economic and social reconstruction of the Middle East by unduly strengthening the military class and draining the limited national budgets of those countries. Moreover, the Arab countries are at present so deeply divided among themselves that any increase of their military power may lead to hostilities between the rival Arab blocs.

(e) In view of all these facts it might, as suggested by the New York Times of July 29, "be the better part of wisdom for the Security Council expressly to continue this restriction as a precautionary measure at least until a political settlement is finally agreed upon."

Panama Canal—Security of Transit in World War II

EXTENSION OF REMARKS
OF
HON. CLARK W. THOMPSON
OF TEXAS
IN THE HOUSE OF REPRESENTATIVES

Friday, August 5, 1949

Mr. THOMPSON. Mr. Speaker, for many months highly instructive articles relating to the operation and defense of the Panama Canal have been appearing in the CONGRESSIONAL RECORD. Most of these have mentioned the Army or the Navy, but there are other elements of the armed forces which have played important parts in the security of the Canal, in World War II, for example, the United States Marine Corps.

To the end that the important work of the Marine Corps in protecting the Panama Canal may become better known to the Congress, other branches of the Federal Government, and our people, in general, under leave granted, I am extending in the RECORD, as a part of these remarks, a most informative article by Master Sgt. Frederick W. Hopkins, United States Marine Corps, formerly lieutenant colonel, who from 1944 to 1946 served as executive officer, and later as commanding officer, of marines in the Canal Zone, published in the U. S. Naval Institute Proceedings, March 1949.

Sergeant Hopkins, as will be noted, like a number of the other writers on the subject, confirms the obvious deduction that the security of any type of canal depends upon the combined power of the armed forces and their industrial support, and that any canal which may be constructed—of whatsoever plan or construction—will require adequate, over-all defense.

The duty of guarding ships in transit at Panama from February 1942 until after the end of the war was performed by the United States Marine Corps. Hence, those who, like Sergeant Hopkins, served with effective distinction in and about this protective effort in such a great crisis, are very well qualified, indeed, to speak with authority on the subject.

SECURITY OF THE PANAMA TRANSIT IN THE WAR

(By Master Sgt. Frederick W. Hopkins, U. S. Marine Corps)

The part played by naval forces in the security of the Panama Canal constitutes a little-known but interesting fraction of the war effort during the recent period of hostilities. It is probably assumed by anyone who cares to give the matter thought that the security measures of the Navy in regard to the Canal Zone consisted of the usual mine and net activities, of both off-shore and in-shore sea-borne patrols, and the usual close and distant aerial reconnaissance. The Army is, and was, charged with the shore defense and the security of the Canal from attack and from sabotage. It is not the purpose of this essay to examine these activities, although they contributed greatly to the security of the transit. They meant to the

personnel involved long and fruitless hours of standing watches, of black-out alerts, and of isolation on wild and lonely mountain tops. The dreary hours tossing on plunging decks, the tedious flights, and monotonous billets in small coastal villages and the garrison duty amounting almost to exile in the Galapagos meant to those so occupied an entirely negative participation in the war.

Appropriate measures have been taken to secure the Canal from hostile sea, and/or air attack, and provision having been made by adequate guard establishments to prevent saboteurs reaching the works, it became necessary to avert the possibility of sabotage emanating from transiting ships, either from the agency of the ship itself or from personnel aboard. This duty was assigned to the commander, Panama Sea Frontier (Commandant, 15th Naval District) by the over-all Caribbean Defense Command; and it was further delegated to the district marine officer who in his dual capacity as commanding officer of the marine barracks carried it out. It was necessary to coordinate and accomplish the wishes of the Naval and military authorities with those of the Governor of the Panama Canal and of the marine superintendent by working harmoniously with the captains of the port at either terminus.

The methods and activities of the security forces so employed were developed through trial and error over a period of time. It is the purpose of this article to discuss the operation of the ship guard organization for the last 18 months of its existence.

It was obvious that the greatest and most recurrent hazard to the transit was from ships using the waters of the area, and especially when passing through locks and narrow cuts. The possibility that a hostile crew might cause their vessel to blow up or sink in these places was great. If such an event occurred, the passage of vessels engaged in the war effort could be delayed from weeks to many months. The long and dangerous passage around South America, where submarines could lie in wait, adds over 7,000 miles to the voyage from ocean to ocean. There was also the constant danger of the fanatical individual who might blow up ship, crew, and himself, damage gates or installations by explosives, or cause a collision which, whether by accident or design, would achieve the same result.

Prevention of such an eventuality was assigned to the naval forces, consisting of two companies of Marines with attached naval ratings: The Second Guard Company operating from the naval base at Rodman (then called Balboa, west bank) and the Third Guard Company (located at Cristobal) from the naval station at Coco Solo. A field officer on the staff of the commanding officer, Marine Barracks, Balboa, was designated "coordinator, ship's guards" and served as the general administrator of the activity. Each of the two companies consisted of from 5 to 6 officers and of about 350 men. Twenty-five to thirty bluejackets were attached to each in the ratings of machinist's mate or quartermaster. These sailors worked in pairs, one of each rating to each guard sent aboard a transiting vessel. Additional machinist's mates, after special instruction, served as inspectors of vessels coming to anchorage which were laden with explosives or hazardous cargoes.

Over 11,000 vessels were passed through the Canal or anchored in adjacent waters, under guard. That many flew the flags of countries under Nazi domination, or dubiously neutral, without any successful attempt against the Canal proves at least in a negative way that the measures established and the organization employed were successful. It is of interest, therefore, to examine in not too great detail that system and organization.

From Limon Bay on the north or Caribbean coast of Panama, whose sheltering breakwaters provide a safe and ample anchorage, the Canal traverses the Isthmus in a generally southeasterly direction. Six miles from the northern entrance and up a dredged channel are the Gatun locks, which in three successive lifts elevate a ship to the surface of Gatun Lake, where a secondary anchorage is provided. The buoyed route of the Canal is thence across the lake by a series of tangents to Gamboa, a distance of about 20 miles. Here begin the reaches of Gaillard Cut, extending through the hills and Continental Divide about 10 miles to Pedro Miguel locks. There a vessel is let down one lift into mile-long Miraflores Lake. After stepping down two more lifts at Miraflores locks, about 8 more miles remain through dredged channel to the Gulf of Panama. There is no terminal lake at the Pacific end, the inner anchorage being along the route of the channel and sheltered by the mole extending out to the fortified islands in the bay. The outer anchorage was in the open gulf, offshore from Taboga and Taboguilla Islands, and outside of the mine fields. The principal danger areas in the Canal, where maximum damage or interruption could be effected, were obviously in the locks themselves, or in the long and winding cut, especially at points opposite slide areas or where there were changes of direction. A vessel sunk at these points might effectually block the channel until removed. Undoubtedly, a tremendous explosion in the Culebra reach would bring down much of the old and persistent Cucaracha slide, which has been in slow movement and under constant excavation for 30 years. Had this happened, the Canal would have been closed as far as this war was concerned. The ramming of a miter gate or a sinking or explosion in a lock chamber would have resulted in long closing of that passage. No replacement for lock gates was available nor could one have been installed if it were, as they are so huge that they must be constructed in place.

Complicating the physical problem was the administrative and legal one. By Executive order and by proclamation, the President of the United States had declared the Zone waters to be military areas, and broad powers were given the military high command and the Governor of the Canal Zone. Our various treaties, however, guaranteed to all nations not actually belligerent to us the right of passage. With the Baltic nations generally under Nazi control, and with others sympathetic with Germany, the flag and registry was no sure guaranty that a vessel's personnel or mission were not as hostile as that of an enemy battleship. On the other hand, vessels, property, and personnel of nonbelligerent and neutral nations were entitled to all treaty rights and all of the legal rights of peacetime, as curtailed only by measures most imperative for safety. This implied the necessity of coordinating the guard activities with many agencies. Officers of the Coast Guard, under the Navy, had the jurisdiction over maritime laws. The Canal Zone police enforced the local civil law. The United States Maritime Commission had cognizance of American personnel on United States registered vessels, and the consuls of England, France, and the South American and other countries were interested in the ships and crews under their respective flags. Customs officers of both the United States and Panama expected some cooperation from the guard in the control of smuggling. Naval Intelligence was required to investigate, clear or detain, and the port captains of Cristobal and Balboa directed the harbor and Canal pilots and were responsible to the marine superintendent for the schedules and transits.

The most workable arrangement was to place each ship guard company under the operational control of the appropriate port captain, coordinating their activities through the officer detailed as ship guard coordinator. The tactical control remained with the company commanders, thus placing upon them the responsibility for successful completion of each specific mission.

The operation developed into two separate categories, the first being aboard ships at the anchorages, where some lay for a week or more under investigation, awaiting orders, or pending transit, if classed as hazardous—that is, laden with ammunition or with inflammable liquid cargo. They were most dangerous if, after having carried high-octane fuel, they had been emptied and were full of the residual, easily detonated gas-air mixture. Hazardous cargo and anchorage guards usually consisted of two marines who were accompanied aboard by a machinist's mate-inspector, the latter verified that port regulations and safety precautions were carried out or were completed by the ship's company before the vessel was cleared to the port captain. On numerous occasions more than 30 vessels lay under this form of security guard, either at terminal anchorages, in Gatun Lake, or at Gamboa. The necessity of this activity was frequently illustrated in the guard reports of instances of careless attempts at smoking, open lights, welding, and so forth aboard vessels carrying dangerous and even fused ammunition, explosives, or containing dangerous volatile oils or explosive gas mixtures in their holds. This duty was the most uninteresting and least inspiring, as well as the most arduous, and it met with the least cooperation on the part of the captains and crews, who occasionally resented the presence of marines aboard. They frequently considered it an invasion of their personal rights or national sovereignty. Clashes occurred infrequently, but the marines were well trained in their duties, inflexible in their execution of them, and fully supported by the authorities. Not over five persons were shot by marines—none fatally—in the execution of this function, the sentry in each instance being sustained by the local board of inspectors as well as by the naval command.

Vessels to transit and time of departure from moorings, or the hours for arrival and departure of ships, were designated by the captain of the port affected, who notified the guard company assigned, and designated the forces required. The terms "full guard," "modified guard," "A" or "B" guard, etc., were used according to a table and code to describe the various strengths and compositions. For example, a full guard consisted of an officer, a staff noncommissioned officer, and about 14 men; a modified guard was smaller and was commanded by a senior noncommissioned officer; and so on down to a corporal and 4 men. Each of the above had, in addition, two naval ratings assigned, a machinist's mate and a quartermaster rate. Probably the details most frequently called were either "modified" or "type A" guards. No guards were placed upon combat vessels of the United States Navy. Special honor guards were placed aboard combat vessels of friendly or allied powers, these consisting of one or more officers and staff noncommissioned officers, as a courtesy, to give information and possibly to establish visibly the ultimate sovereignty of the United States in these waters. Honor guards always wore full khaki uniform and were unarmed; occasionally khaki was prescribed for full guards when particularly appropriate, but otherwise the duty uniform of the ship guard companies was utility clothing. Experience established that the nature of the work and the filthy condition of so many ships made the wearing of khaki impracticable, just as it was necessary to secure and authorize the wearing of low cut, dress shoes, the field shoe proving not only clumsy but dangerous on slippery decks and wet sea ladders. As the duration of a single one-way transit was from 8 to 12 hours, men occupied in this second category of the work carried light packs con-

taining personal articles, liberty uniform for wear at the other terminal if desired, and a lunch put up in a standard workingman's lunch box with vacuum bottle; this lunch was specially procured by the quartermaster for this duty.

All members of the guard were forbidden to eat or drink anything from the ship's supply, this to prevent the possibility of a detail becoming poisoned or drugged while aboard. It became necessary to adopt a standard procedure for wearing the pack in small boats and while boarding. It was not generally worn while aboard, but was usually stowed at the place on deck designated by the commander of the guard as a rendezvous. To facilitate removal if the wearer went overboard, it was slung by the straps over one shoulder only, in an unmilitary but safe and easily discardable manner. At first the Reising gun was the standard arm, but the pistol and nightstick replaced them as more satisfactory, since all ship-to-shore and boarding movements were made by small boat and sea ladder.

Bearing in mind that over 11,000 vessels were handled, including those lying at anchorages, and allowing for changes of the guard, etc., it is safe to assume that about 200,000 individual embarkations and disembarkations were made. Only one loss was sustained, a blue-jacket who fell overboard from a launch and was apparently swept under a float by propeller wash. This infinitesimal casualty rate indicates a high degree of discipline and practice, as such movements were usually made at night or early morning, and very frequently in streaming tropical rain.

Each guard detail boarding a vessel scheduled for transit accompanied the pilot and did not leave the ship until dismissed by him, since under the law and regulations the pilot was the supreme authority while the vessel was under way in the Canal. The marine commander of the guard, upon coming aboard, officially presented to the captain of the ship a form letter authenticated by authority of the Governor, advising the master that the zone pilot had sole jurisdiction over navigation of the ship, and summarizing the duties and authority of the guard. All small arms were required to be turned over to the guard's keeping while in transit, and the ship's master was advised that it was the duty of the guard commander to enforce every order of the pilot and to prevent any interference with him or with his navigation of the ship. The crew was mustered and informed of the requirements and orders, to prevent any mistakes or regrettable accidents. On occasion there would be aboard one or more persons about whom Naval Intelligence had advance information, and these persons were removed or confined in a stateroom under guard in accordance with instructions received in each case. In not over half a dozen cases did a captain refuse to recognize the full authority of the pilot, and in these cases he was promptly locked up in his cabin, with no interruption to the transit. On several occasions it was necessary to confine an entire ship's company with the exception of essential engine room people, who were more heavily guarded than usual; this was possible because the Panama Canal always placed on board a crew of deck hands to handle lines and work the vessel through the locks.

Once aboard, the ship's guns would be unloaded, the breeches opened and a sentry placed over them, the anchor catted ready to let fall, and a tow cable bent to the forward bitts with a sentry placed on the forecastle—a post established to prevent any interference with the steering engines. A deck patrol was also assigned, as well as such others as might be required by the circumstances, the orders, and the character of the vessel in question. A member of the guard was always detailed to accompany the pilot to protect him and enforce his orders, and another was posted in the wheel house. Meanwhile, the naval ratings had set up a field telephone outfit they had brought aboard. The deck rating manned an instrument in the wheel house, the engine room rating being at the other end and protected by a sentry; this established independent communications from bridge to engines and precluded the possibility of any "mistakes" in transmission of orders over the ship's telegraph. Every order of the pilot in regard to speed or change of direction, or affecting the navigation, was repeated over the field 'phone, the naval deck rating and his marine partner insuring that it was executed correctly by the helmsman while the engine room pair insured prompt compliance at the controls below. Orders were to shoot instantly at any apparent attempt to carry out a pilot's order in reverse, but occasion for this treatment never occurred. It is believed that crews were convinced that the marines would do it. Compliance was so strict by engineers and helmsmen that during the period fewer than average honest errors were made, in consideration of the volume of traffic handled. Even these errors resulted in only minor mishaps and plainly were without malicious intent.

All guards were alerted and kept stations during passage through the locks and Gaillard Cut. They were permitted to secure and to relax through the reaches of Gatun Lake, unless the ship or the personnel aboard her were suspect. Upon completing a transit and being released by the pilot, the detail reported in to the company at the terminus of arrival, were fed, quartered, and permitted to go on liberty if there was sufficient time before 10 p. m. They were returned to their "home" company next day, either on a return guard trip, or by rail if the exchange of men did not approximately balance. The Panama Railroad carried one coach on each of the two daily round trips for this purpose. The men, often disheveled, weary, and in dirty garments, could thus travel in privacy during the 2-hour rail trip.

Except at peak periods, the usual practice was for a man to make two round trips a week (entailing a total of from 4 to 5 days' time) although frequently they were called on for more. In consideration of this, and of the long hours entailed, the disturbed sleeping conditions, and irregular meal hours, the training periods of the ship guard companies were limited to schools and instruction pertaining to their specific duties. There were classes in first aid, swimming in full uniform, rescue from drowning, practice with weapons, and similar subjects. Courtesy not only in its military application but as appropriate to this particular duty was stressed. Some instruction was given in regard to ship architecture, nomenclature, and practices, and in recognition of foreign flags. No training period was ever permitted to be conducted in a perfunctory manner. The district marine officer supervised very closely the instruction given and was particularly insistent that no man's time be wasted. He required that men have as much free and liberty time as the conditions of the service would permit. There was in effect a local rule applying to the entire marine garrison on the Isthmus, permitting men to apply for a change of station within the command every 6 months. It is notable that few if any such applications were received from members of the two companies engaged in the ship and transit operation during the period under discussion. It was pretty well understood that these requests did not have to go through official channels but could be laid on the executive officer's desk or slipped under his office door, so it is believed that the administration of the activity was successful in regard to the personnel involved as well as in the results obtained.

Some ingenuity and imagination was required, and much cooperation on the part of the post supply officer, in operating the mess halls of these companies as short-order houses, as it was manifestly impossible to have men present for meals at the conventional hours. Most of the accepted ritual of service messes went overboard in the effort to serve satifying meals to small groups of men at all hours of the day and night, and in catering to the tastes and appetites of individuals whose duty hours were long, arduous, and often irritating. Subsistence upon the Navy ration aided materially in this, as it was policy that no man was to go to bed hungry, no matter what time he was relieved; this policy resulted in many cases with four meals a day, if the box lunch was counted as a full meal.

The redeployment period after the collapse of Germany was particularly difficult, and the total tonnage handled through the Canal reached a tremendous relative peak. The volume of hazardous cargoes increased immeasurably as the sea-borne operations became concentrated in the Pacific. This was followed almost immediately by a further postwar task upon the defeat of Japan. The anchorages and Canal were almost choked with tankers arriving, departing, or awaiting orders. Laden with explosive liquids or dangerous residue gasses, unquestionably they were the most dangerous of the entire operation. It was definitely the dullest and most undesirable period to the men who were so anxiously awaiting demobilization. The more interesting transit duty had been reduced to a minimum by the port captains, and the marine superintendent cooperated to the fullest extent by removing category after category from the types of cargoes and ships requiring guards. As the year 1945 drew to a close the operation was dwindling away, and by consent of the Caribbean defense command it was turned over to the provost marshal and to the Canal Zone police authorities. This ended the participation of the naval forces in the wartime security measures for the protection of the Panama Canal.

The Mass Movement of Europe's Displaced Persons and the Possibilities of Colonization in Other Parts of the World

EXTENSION OF REMARKS

OF

HON. CHAUNCEY W. REED

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Friday, August 5, 1949

Mr. REED of Illinois. Mr. Speaker, under leave to extend my remarks, I include herewith a newspaper article by Constantine Brown appearing in the Washington Evening Star in its issue of August 4, 1949, which contains a discussion of the possibilities to be realized as the result of the investigation of the displaced-persons problem by the Committee on the Judiciary of the House of Representatives.

THIS CHANGING WORLD—HOUSE GROUP STUDIES PLANS TO SHIFT SURPLUS POPULATION FROM EUROPE

(By Constantine Brown)

Under authority granted by Congress late in June a special committee headed by Representative WALTER, Democrat, of Pennsylvania is investigating the possibilities of a mass movement of surplus population from two parts of Europe to provide manpower for

the fulfillment of President Truman's plan to aid underdeveloped areas as contained in point 4 of his inaugural address.

Under the President's plan steps would be taken for the economic and social development of underdeveloped and underpopulated areas of Latin America and South Africa, the two remaining major frontiers between civilization and the wilderness.

The purpose of the plan is to open up new areas for human settlement in order to relieve population pressures, principally in Europe, where the natural inability of the people to support themselves on a high standard is aggravated by maladjustments arising out of World War II and its disturbance of population and economic patterns which permitted surplus populations to exist, at least.

COST THUS FAR PROHIBITIVE

Some countries have become interested in the acquisition of settlers from various parts of Europe, chiefly as a means of strengthening their own economic and social structures. Their sought-for immigration is selective, however, and in some cases the cost of moving whole families from the Old World to the New has been prohibitive.

The United States has been taking displaced persons under an act of Congress which permits 205,000 to come in by June 1950. Australia is taking other large numbers, and Argentina and Brazil have been active in seeking immigration from Europe.

The United States, however, does not provide a substantial possible outlet for the large numbers who are cluttering up Europe's economy right now, and the bill which created the Walter committee was motivated by the desire to find some other outlet than the United States for the millions who are now a drag on Europe's resources.

Effective accomplishment of President Truman's aims under point IV depends to a great extent on transfer of a sufficient number of skilled European workmen to the countries involved. Brazil, Argentina, Australia, Guatemala, Venezuela, central and southern Africa, and other retarded areas together must take not thousands but millions of workers and their families if the pressure is to be taken off Europe.

Two areas in Europe provide ample numbers of skilled workers. In the western zones of Germany are almost 14,000,000 persons of German ethnic origin who have been expelled from Czechoslovakia, Yugoslavia, Hungary, Poland, and Rumania under the terms of the Potsdam agreement. The Soviet satellite countries refuse to take them back and there is no place for them in Germany, whose responsibility they are. They constitute a terrific burden on the German economy and are the strongest single deterrent to Germany's rehabilitation. Many of them are young people and the great majority of them are highly skilled technicians, factory workers, and farm workers, familiar with every type of modern machinery.

ITALY IS GREAT RESERVOIR

The other great reservoir of skilled manpower is Italy, where there is a surplus of at least 3,000,000 persons, who also are skilled farmers, tailors, and textile workers, etc.

Representative WALTER starts work with his committee with some definite ideas of what can be done to accomplish the President's point 4 and at the same time relieve Europe's population problems. He aims to—

(1) Alleviate the pressure on American immigration quotas by looking for areas of settlement other than the United States.

(2) Obtain the participation of the World Bank in the financing of this mass transfer of populations. The cost is estimated roughly at $1,200 for a family of four.

(3) Relieve the American taxpayer of expenses being borne now for all types of relief provided for homeless expellees in the three western zones of occupation.

(4) Make certain that the private investments which President Truman suggested for the underdeveloped areas be helped to succeed by sending to the recipient countries persons who would know how to operate tools for agriculture, mining, lumber cutting, road building, etc. The present sparse native populations in those areas do not possess the necessary know-how, and in some cases are too lethargic to learn.

It is expected that any legislative proposals that arise from the Walter committee's studies will be submitted to the second session of the Eighty-first Congress.

The Officers Make Us Trouble

EXTENSION OF REMARKS
OF
HON. CLARE E. HOFFMAN
OF MICHIGAN
IN THE HOUSE OF REPRESENTATIVES
Tuesday, August 2, 1949

Mr. HOFFMAN of Michigan. Mr. Speaker, the Congress recently authorized the appropriation of a lot of money to increase the pay of those in the armed services. The officers were the greatest beneficiaries.

With the country running behind, that is, each month spending more than it receives, the folks at home are becoming more and more insistent that the Congress cut down expenses. But the Congress so far has not paid any attention to the economy orders except to talk.

The Congress and especially the Senate, just keeps on hiking pay. And in the meantime, some of the officers—just a few of them—and some of the top-notch boys just go on using Government facilities, spending Government money, without any regard to the Nation's financial condition.

I am attaching hereto a statement from the Washington Daily News which came out on the 21st of July, which shows the way Secretary of Commerce Sawyer has joined the generals and some of the other brass in the spending program.

According to this article, Secretary Sawyer has been flying back and forth between his home in Cincinnati and Washington on week ends at Government expense. And he has not traveled the cheapest way, either.

Just how he can justify it, I do not know. I do know that Congressmen get one mileage for each session of Congress. That barely gets them from home to Washington and back home again. If they make other trips home—and most of us do and are required to by our official duties—we pay the cost.

I am not finding any fault with that. If we are not satisfied with our salaries and our expense allowances, we do not need to stay here. But it is neither fair nor just for top-ranking Government officials to chisel on their expense accounts.

The news article follows:

CALL FOR 92 TAXPAYERS

Secretary of Commerce Sawyer likes to spend these summer week ends at his home in Cincinnati. It's really very convenient. All he has to do is to phone for one of the two DC-3 planes which the Civil Aeronautics Administration maintains for official travel. The CAA is an agency under the Commerce Department, so there's no trouble about it.

The pilots, of course, like to spend their week ends at home, too. They live in Washington. So after they fly Mr. Sawyer to Cincinnati they fly back to Washington and then return to Cincinnati to haul the Secretary back to the Capital.

Mr. Sawyer has made five such trips since June 1. But that's 10 trips for the plane—5 hours each way at $100 an hour to keep a DC-3 in the air. The 10 round trips have cost the Government $5,000. That is, the taxpayer picks up the tab—it took the total income tax of 92 married men (wife and two children) earning $3,000 a year to pay for Mr. Sawyer's trips so far this summer. He could have done it by commercial air liner for $280.

Apparently no sum is too small for the Truman government not to save.

Business Need Fear No Depression if It Will Go To Work

EXTENSION OF REMARKS
OF
HON. ABRAHAM J. MULTER
OF NEW YORK
IN THE HOUSE OF REPRESENTATIVES
Friday, August 5, 1949

Mr. MULTER. Mr. Speaker, on many sides we hear distressing talk about a possible depression. Those who have closely studied the situation know that we have no reason to fear a depression.

Business must wake up, however, to the fact that we have left the sellers' market and are back in the buyers' market, which means going back to the old American spirit of competition. You can sell your product if you make a good one and if you tell the world about it.

The following article, which appeared in the New York Post of August 4, 1949, excellently illustrates my point:

LITTLE SHOE STORY

(By Sylvia F. Porter)

Let me tell you today a wonderful little tale about a small manufacturer who almost went out of business a couple of weeks ago—but didn't. Let me tell you how he was catapulted from despair to delight in 48 hours—and the way it came about. It's such a cheerful little story, so fundamentally American. I think you'll like it.

My tale concerns two long-time friends: one, Max Goldbach, is a former German who fled from Hitler to America and who is now a manufacturer of women's playshoes; the other, Willard Golovin, is a former department store merchandise manager who is now head of a New York advertising agency.

Probably you never heard of either of them—but that's one of my points. This is a typical "little business" story.

It begins in early June when Golovin met Goldbach, noticed he was glum and asked the trouble. Goldbach was blunt; for the past 3 months, his five salesmen had been combing the country looking for business and all they'd run into was "No! No! No!" everywhere.

"I can't take it any longer," said Goldbach. "I can't maintain my pay roll without some more sales. I'm going out of business before I lose everything."

Golovin looked over Goldbach's product, decided it was well made, properly priced but needed improved styling. He told him so, but Goldbach replied:

"What's the use? We can't fight the trend. Everyone says business is bad and growing worse, so I'm getting out before I'm bankrupt."

At this point, says Golovin, "his loss of faith in himself and his business suddenly struck me as a symbol of the discouragement enveloping our country. I realized the average man is prone to give up and await a miracle or a government panacea to pull him through.

"Because of my merchandising experience, I was able to suggest a correction in shoe styling. I also asked him to give me 48 hours to think over his problems and to take any action deemed necessary before he closed shop. He agreed. I went into action."

And here is what Golovin did:

That same evening he redesigned the play shoe into a Grecian-type sandal. A sample was in his office the following morning.

At 9 a. m. he was on the telephone asking appointments with buyers of leading New York and Brooklyn department stores to demonstrate the new sandal and show how it would bring immediate traffic into the stores. He got six appointments.

By 5 p. m. he had shown his sample to all six stores and "I guess my enthusiasm caught hold with four of them because I came back with bona fide orders for 3,000 pairs."

By 6 p. m. he had sent out 31 telegrams to key stores across the country, giving the same sales talk. Twelve orders were received the next day, asking for air-mail shipment of samples. Two stores wired their New York representatives to answer in person.

At 7 p. m., after the telegrams were out, Golovin briefed his staff on the urgency of the problem and his office went to work on a selling broadside to go to 5,000 prospects all over the land.

At 8 p. m. copy and art work were assigned. By 10 p. m. that part of the job was finished and a night-shift typographer was put to work. At midnight proofs were ready. By 1 a. m. a lithographer had the stuff and the broadsides were set to roll. The next afternoon they were in the mail—5,000 hand-picked retail shops.

And, then, the returns started coming in. Some extracts from Golovin's diary:

"Footwear News reports B. Altman ad in Sunday Times causes sales sensation"; "Gilchrist & Co., Boston, wants exclusive sale in city"; "Detroit phoned in order for 800 pairs"; "Stern Bros. called, want more shoes"; "Long-distance phone from Higbee, of Cleveland, reordered 10 cases." And he continues:

"The manufacturer is now a new man, revitalized. He, too, was imbued by this 48-hour accomplishment. He is now hiring more workers, training operating teams in his methods, ordering additional shoe machines, looking for another factory and planning a general expansion for the fall season ahead."

It is a wonderful little tale, don't you agree? And it carries a message that American business, small or large, well may ponder. That pace need not be duplicated; the will to succeed is the key thing.

Golovin, I salute you. Goldbach, good luck.

China "White Paper" Whitewashes State Department Blunders

EXTENSION OF REMARKS

OF

HON. LAWRENCE H. SMITH

OF WISCONSIN

IN THE HOUSE OF REPRESENTATIVES

Friday, August 5, 1949

Mr. SMITH of Wisconsin. Mr. Speaker, the editorial in the Washington News today clinches the story on the China white paper just released by the State Department. Gen. George Marshall must assume a large measure of responsibility for the debacle of free China. Along with him we place the original injustice upon Roosevelt and Churchill in a deal made by them with Stalin at Yalta in 1945. Yalta, Yalta, Yalta—what a crime was committed there under the guise of liberty and freedom.

Mr. Speaker, I insert the editorial at this point:

THE CHINA "WHITE PAPER"

The State Department finally has answered the questions of exactly when and why the United States abandoned its historic position as an ally of Nationalist China and assumed an attitude of neutrality between that government and the Communist rebels.

That course was decided by Gen. George C. Marshall in July 1946.

According to the white paper on China, "General Marshall was being placed in the untenable position of mediating on the one hand between two Chinese groups while on the other the United States Government was continuing to supply arms and ammunition to one of the two groups, namely, the National government."

So in order to let General Marshall continue his efforts American financial assistance was withdrawn from our wartime ally, and an embargo was placed on arms shipments to China.

Unfortunately, however, the general's decision did not prevent Russia from supplying the Chinese Communists with Japanese arms captured in Manchuria.

When the Marshall decision was made, Chiang Kai-shek was winning the war against the Communists. Later that same year, 1946, the white paper admits the Nationalist government reached the highest point of its military position after VJ-day. But in 1947 the strategic initiative passed from the government to the Communists. When we began again to supply arms to the Nationalists, late in 1948, it was the old question of too little and too late—North China and Manchuria had fallen in the interim.

Details on how the Marshall mission in other respects aided in this transition are not supplied by the State Department. But they can be had by reading George Creel's recent book, Russia's Race for Asia.

President Roosevelt and Winston Churchill gave away Chinese territory in exchange for Russia's intervention in the Pacific war, and the white paper remarks that it was unfortunate that China was not previously consulted. This deal was made at Yalta in February 1945, and Chiang Kai-shek wasn't told about it until the middle of June.

The Department comforts itself with the observation that at no time did President Roosevelt consider that he was compromising vital Chinese interests. Of course, FDR was not Chinese, and it was Chinese territory which was given away.

Most of the story of what our secret diplomacy did to China is in this white paper—when it is pieced together.

The long suppressed report made by Gen. A. C. Wedemeyer also is made public. But the explanation that it was withheld for 2 years to avoid doing injury to China's prestige doesn't hold water. The white paper itself reveals none of this reluctance. Yet China's situation today is more desperate than it was then.

A better explanation why the report was kept buried in the archives while General Marshall headed the State Department is suggested by its conclusions and recommendations. They were in direct contradiction to General Marshall's position.

General Wedemeyer knew more about the Chinese military situation than any other American. It was his view, as of September 1947, when he made his report, that it could be saved. He submitted a program, conditioned on China's accepting American advisers in military and economic fields to insure that our aid was properly used. This condition was agreeable to the Chinese Government, as its spokesmen repeatedly declared. But the report was suppressed, and nothing was done until Congress intervened in April 1948. Then the first of the military supplies weren't delivered until last November, by which time the Communist forces had reached the Yangtze Valley.

The white paper does not explain how this arms program was sabotaged by Washington bureaucrats, but it devotes page after page to the alleged inefficiency and corruption in Chinese officialdom. It passes quickly over the Stilwell story, not telling how "Vinegar Joe" used Chinese troops to recover his own lost face in Burma.

Nor does it explain why the Department ignored the repeated warnings it received from the American Embassy in Moscow on Russia's aspirations in China.

Fortunately most of the gaps in the white paper can be filled in from books written by on-the-ground witnesses, books not subject to editing by men interested in defending their own mistaken policies.

An All-Faith Memorial

EXTENSION OF REMARKS

OF

HON. ABRAHAM J. MULTER

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Friday, August 5, 1949

Mr. MULTER. Mr. Speaker, our distinguished colleague from Illinois [Mr. O'HARA] recently initiated the movement in our House for the establishment of an all-faith memorial. At his suggestion many of us introduced similar resolutions in order to show our support of the movement. I want to take this opportunity to compliment our distinguished colleague for his diligence and thoughtfulness not only in this matter but in the performance of all of his congressional duties. I am pleased to submit herewith a copy of a letter received by me on the same subject, from the National All-Faith Memorial Committee:

NATIONAL ALL-FAITH
MEMORIAL COMMITTEE,
Chicago, Ill., August 2, 1949.

Hon. ABRAHAM J. MULTER,
House of Representatives,
Washington, D. C.

DEAR CONGRESSMAN MULTER: We have just been informed by your associate, Congressman O'HARA, of Chicago, that you have introduced House Joint Resolution 312 in regard to the establishment of an all-faith memorial.

Please accept the gratitude of our committee.

You will be interested to know that governors of 18 States of the Union have now endorsed this proposal. These States are: Florida, Georgia, Illinois, Kentucky, Iowa, Louisiana, Michigan, Minnesota, Mississippi, Montana, Nevada, New Mexico, New York, Rhode Island, South Dakota, Tennessee, Washington, and Wyoming.

The city councils of 25 leading American cities have endorsed Senate Joint Resolution 43 by resolution.

The same action was taken by the general assembly of the State of Illinois. Local posts

and chapters of such organizations as the American Legion, Mothers of World War, the Elks, and the National Conference of Christians and Jews, have all endorsed this measure. We have received enthusiastic letters from men high up in such organizations as Rotary International, Kiwanis International, the Loyal Order of Moose, etc. Our advisory committee contains the names of leading Catholic, Protestant, and Jewish religious and lay leaders—even John Dewey, who is sometimes referred to as America's leading philosopher, has endorsed our proposal. So has Henry Steele Commager, of Columbia University, the noted author and authority on constitutional law and democratic government. The committee is gratified to know that in you it has such an able champion of a project which, we believe, will prove a powerful blow against bigotry and in favor of true democracy.

Sincerely,

BARNET HODES, *Chairman.*

Washington Reporting

EXTENSION OF REMARKS
OF

HON. HARRY. J. DAVENPORT

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Friday, August 5, 1949

Mr. DAVENPORT. Mr. Speaker, under leave to extend my remarks I include my weekly column from the East Liberty Tribune, Pittsburgh, Pa.:

WASHINGTON REPORTING

In these days of high Government expenditures—over $40,000,000,000 a year—we as American citizens and taxpayers must make certain that we get the most out of every dollar spent for public service. This does not mean that we must necessarily spend less, unless such cuts are warranted, but it does mean that we get a dollar's worth of public service for every dollar of our money we let the Government spend.

Back in the mid-thirties, our total national income was only $42,000,000,000. You would have been considered out of your mind if you had predicted that in less than 15 years your Government alone would be spending more than the whole country was then getting in wages, salaries, and profits. But that has now come to pass. As American citizens we must keep close watch or else the bigness of Government will overwhelm us.

There is one way we can all help keep the public-service dollar on a workable level and that is to learn how to manage this immense Government we have. You and I must learn how to make this dollar responsible to us. Back in July of 1947, President Truman established the Commission on Organization of the Executive Branch of the Government to show us how. This Commission, more commonly known as the Hoover Commission, was made neither anti-New Deal or pro-New Deal, but was purposely made bipartisan so that it would be interested solely in finding ways to improve our Government service. Twelve experts and their working staffs investigated everything our Government did.

The Commission set up task forces which examined the various Government agencies and Government functions and came up with more than 300 major recommendations for improving our Federal service. I have seen these recommendations, and it is my opinion that, in general, their acceptance will save the American people about $4,000,000,000 a year. They may make dry reading to some people, but they are vital to all thinking Americans.

A savings of $4,000,000,000 a year for Americans now concerned with what lies ahead is substantial. Equally important, this saving will actually improve the workings of our Federal Government.

The Commission's recommendations do not call for curtailing vital services now performed by Government, nor do they ask that necessary functions be eliminated.

Part of the Hoover Commission recommendations have already been acted upon, but much work is required before the main body is enacted into law. Some of the recommendations led to the establishment of the General Services Agency recently passed by both Houses. We, who worked on this legislation, were appalled to discover that without such an organization as the General Services Agency an unnecessary $500,000,000 was being spent each year on Government procurement and disposal of Government property.

The OSA consolidates the Bureau of Federal Supply, War Assets Administration, Federal Works Agency and National Archives. Each of these agencies had gone along on its own merry way before, duplicating each other's work and squandering money as it went.

Other Hoover Commission recommendations now before Congress call for the reorganization of various Government agencies; the establishment of a Veterans' Life Insurance Corporation, a Federal Personnel Service, a National Commission on Intergovernmental Relations; and the unification of our defense services.

It is every American's duty to interest himself in the proper operation of his Government. If he does not the Federal Government will continue to operate along the bumbling lines laid down a century ago. Americans in business would not tolerate such methods for a single moment. Yet many of them cannot work up any interest in the biggest business in the world—the Government of the United States. We must all lend our active support to this fine nonpartisan effort to improve the government service.

A Day of Mourning

EXTENSION OF REMARKS
OF

HON. DANIEL A. REED

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, August 4, 1949

Mr. REED of New York. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following editorial from the New York Times of Thursday, August 4, 1949. As this editorial points out, the Democratic administration officially launched its deficit financing program when the Treasury invited subscriptions to a new billion-dollar bond issue which is $200,000,000 in excess of the amount needed to retire maturing indebtedness.

THE DEFICIT HABIT

In addition to its long-term debt, the United States Treasury has a "floating" (short-term) debt, consisting mainly of so-called certificates of indebtedness and discount bills, which is constantly being "turned over." In the past 3 years the practice has been that as one outstanding series matured it was refunded with a new issue of the same kind and the same amount. This week, however, we are witnessing a departure from that pattern. Today an issue of $800,000,000 in three-month bills matures, and in anticipation the Treasury invited subscriptions on Monday, not to a new $800,000,000 issue, but to one of $1,000,000,000. The excess $200,000,000 represents "new money" being raised by the Treasury—the first of the kind it has sought (except in connection with its savings-bond campaign) since the time of the Victory Loan in November 1945.

This borrowing operation, resulting as it does in the expansion of the Government debt, is far more important than the mere $200,000,000 figure suggests. It may be said to mark today more or less officially as the day when the Government turned back to deficit financing after a brief 2 years of budget surpluses.

After the First World War the United States returned promptly to the ways of fiscal probity. The period 1920–30 saw the budget balanced unfailingly each year. By 1930, moreover, the Federal debt, which had been swollen by the war to $25,244,000,000, had been reduced to $16,185,000,000. But in 1931 these surpluses gave way to a series of annual deficits that was not to be interrupted until 16 years later.

In its early stages this deficit financing was associated with the depression of the thirties; later, of course, its continuance was made necessary by the war emergency. But it is a good deal less easy to produce a plausible single explanation for its resumption at the present time. The depression argument, on which it was defended in the years immediately before the war, is hardly applicable now. In 1931 when the budget first became unbalanced the national income stood at only $59,000,000,000. Today it is of a magnitude of approximately $225,000,000,000.

Figures released yesterday by the Census Bureau show unemployment in July at slightly more than 4,000,000. But in 1931, with the economy in a precipitate tailspin, there were more than 8,000,000 out of work—and this at a time when the total labor force was 20 percent smaller than today. (A year later the figure was over 12,000,000.) In short, as the President himself put it in his recent economic report, the economy today is "operating at high levels of employment and production * * *. We are not in a depression."

Neither, of course, is the "war" argument germane to the present situation, although expenditures flowing from the recent fighting war and those necessitated by the cold war with Russia make the picture decidedly different than that presented in the era of the twenties.

The President has attributed the resumption of deficit financing to the "untimely tax reduction of $5,000,000,000 during the height of the inflation." We agree—and agreed at the time—that this course of action was ill-advised; we do not, however, attach the importance to it that Mr. Truman does. Actually, individual income-tax receipts fell less than $3,000,000,000 between fiscal 1948 and fiscal 1949. Federal expenditures meanwhile have been steadily rising. They have expanded from $34,000,000,000 in fiscal 1948 to an estimated $42,000,000,000 for 1950, and the latter figure does not allow for the proposed military-aid program nor for a number of other items, such as higher farm-support costs.

The truth of the matter is, as the experience of many other countries testifies, that deficit financing is a habit-forming drug, and that we in the United States have never really got it out of our system since we first turned to it in the thirties. Even the surpluses of 1947 and 1948 were not the result of calculated austerity but a fortuitous incident of the postwar inflation. Some measure of the hold that spending has on the administration at the present time is to be seen in the President's observation that "we

cannot achieve a budget surplus in a declining economy." If we cannot achieve a budget surplus in an economy represented by a national income of $225,000,000,000, then when, it may be asked, can we hope ever to achieve it?

Shocking Evidence of Fraud in War Contracts Verifies Ugly Rumors and Reports

EXTENSION OF REMARKS
OF
HON. JAMES E. VAN ZANDT
OF PENNSYLVANIA
IN THE HOUSE OF REPRESENTATIVES
Friday, August 5, 1949

Mr. VAN ZANDT. Mr. Speaker, on May 26, 1949, I called to the attention of the House certain ugly rumors and reports in connection with the B–36 bomber, and offered a resolution calling for an investigation for the purpose of clearing the air.

This morning's Times-Herald carries a story headed "Warren Discloses Evidence of Fraud in War Contracts—Bribery of Former Army Officers and $6,280,000 Overpayments Reported."

This story is based upon the report to Congress by United States Comptroller Lindsay Warren, a former Member of this House from North Carolina with whom many of us served and for whom we have the highest respect.

The article by the United Press follows:

United States Comptroller General Lindsay Warren disclosed yesterday what he termed "shocking" evidence of "fraud, collusion and/or bribery" on the part of former Army officers in the award of wartime Government contracts.

Warren reported to Congress that the General Accounting Office, in addition, has found $6,280,000 in improper payments "induced by fraud" in connection with the settlement of Government contracts.

He said these represented only a "sampling" and that he hesitated to guess the "entire extent of fraud and overpayments."

FRAUD IS CHARGED

Warren said that his investigations of contracts awarded to New York firms for preparation of Government technical manuals disclosed "beyond reasonable doubt" that contract awards in the first instance were based on "fraud, collusion and/or bribery on the part of certain Government personnel (military and civilian) and others." And he cited these instances:

1. An Army officer "divulged to one of the bidders" the prices quoted by other firms on preparation of the manuals. The bidder received a $40,375 contract—later canceled—and as an "aftermath" the officer became employed by the company and was paid $7,600 for services.

STOCK GIVEN OFFICERS

2. Two former Army officers, while on active duty, "received shares of corporate stock valued at $2,000 in return for purported 'part-time services' to a firm which shortly thereafter received Government contracts at prices totaling in excess of $100,000."

3. "Numerous instances" were reported involving acceptance by Government employees of "entertainment, lunches, dinners, liquors, etc., from contractors who, in return, seem to have been favored with Government contracts and liberal termination settlements."

"FEATHERING OF NESTS"

4. Other cases of a "feathering of nests" by officers and employees of the Government who subsequently were given jobs by the contractors.

5. A firm received three Government contracts shortly after its representatives were "intoduced to two Government employees," and concurrently the company's books reflected "liabilities to these employees" of between $1,175 and $2,029.

6. Another firm asked a Government employee to increase its contract price, and after receiving the increase "paid the sum of $500 to that official who then was employed by one of the firm's competitors."

7. An "apparent scheme" whereby 20 percent of contract prices was to be "kicked back" to certain Government representatives, either directly or to their relatives or through "dummy" corporations. The corporations were owned by Government employees who veiled their identities, Warren said.

COMES IN MIDST OF PROBE

Warren's report to Congress covered his Office's activities under the Contract Settlement Act of 1944.

It was made public in the midst of a congressional investigation of so-called "5 percenters," agents for Government contracts who got 5 percent of the value of contracts obtained for their clients. Warren did not say anything about such agents specifically.

Union of the Free

EXTENSION OF REMARKS
OF
HON. EDWARD H. REES
OF KANSAS
IN THE HOUSE OF REPRESENTATIVES
Friday, August 5, 1949

Mr. REES. Mr. Speaker, under leave to extend my remarks in the RECORD, I include an interesting and well-written editorial, that appeared recently in the Emporia Gazette, of Emporia, Kans. The editorial is by the editor, Mr. W. L. White. Mr. White, as most of you are aware, is a leading and nationally known writer and author. I commend your reading the editorial:

UNION OF THE FREE

Readers of the Gazette will remember that this newspaper was not only an early supporter of the League of Nations but a last-ditch one. We favored America's entry first into the League itself, then into the World Court and, when both of these proposals failed, urged America's active cooperation with the League from the outside until that organization finally blew up in the 1939 explosion of the war.

Careful readers of this editorial column may also have noted that when the present United Nations was proclaimed in San Francisco in 1945 the Gazette, while supporting the idea, did not proclaim to its readers that the millenium had arrived. It supported, then as now, the United Nations idea. But its editor felt strongly then and says openly today that this idea is not enough and may be dangerously inadequate. The weaknesses in the United Nations are already revealed. Any positive action necessary to preserve the peace can be blocked by the veto of a single power. The United Nations was unable to enforce its decisions even in that petty squabble between the Arabs and the Jews. In spite of all the talking at Lake Success, in spite of a plan carefully formulated by United Nations' experts, this little squabble broke into open warfare and the fighting dragged on for months.

The basic trouble with the United Nations idea is that it tries to combine a number of people who have almost nothing in common. Therefore these nations will not agree to any effective unity.

The United Nations is, of course, better than nothing. But it is dangerous to pretend that this unity is more powerful than it really is. Furthermore, the fact that this loose and limp organization exists need not stop us, together with other truly free peoples of the world who think as we do, from searching for that kind of solid and powerful unity which really would keep the peace.

For all of these reasons the Gazette hereby nails to its masthead the banner of the recently formed Atlantic Union Committee, an organization which is calling for a federal convention of the democracies to meet in the near future.

Heading this organization is former Supreme Court Justice Owen J. Roberts, and its vice presidents are Robert Patterson and Will Clayton, while its board of directors includes Herbert Agar, Gardner Cowles, Harry Scherman (of the Book-of-the-Month Club), Clarence Streit, Harold Urey, the atomic scientist, and the writer of these lines.

And what is their idea? Briefly to call a convention made up of delegates from America and the other five democracies which sponsored the North Atlantic Treaty to see if we can get not just a shaky military alliance, but a true federal union of the free.

For the people of these six nations have just as much in common as did the Original Thirteen Colonies which broke away from England in 1776. In 1787 these Colonies, finding that if they were to avoid petty disputes and keep the peace, they would need a more perfect union, called a federal convention to see what could be done about it, and out of this 1787 convention came our present Constitution of the United States. For exactly these reasons we are asking the President and the American Congress to invite the democracies who sponsored the North Atlantic Treaty to name delegates, representing their principal political parties, to meet this year with delegates of the United States in a federal convention to explore how far their peoples, and other democracies whom the convention may invite to send delegates, can apply between them, within the framework of the United Nations, the principles of free federal union.

Out of our American convention of 1787 came a free Federal Union, the principles of which have since been copied by Switzerland and Canada.

All these six countries are firmly democratic—they have maintained free institutions and free government for at least a century. They have roughly the same outlook on life, the same standard of living, the same love of liberty, and the same definition of what liberty really is.

Together these six nations could form one federal republic of 300,000,000 people, a mightier union than any nation or combination of nations which ever could be arrayed against them. Working together in one government they could keep the peace of this world as Rome kept it for a thousand years. Such a union is not and should not be a union against any other group. It would have no mission to start a crusade against any other world group which has a different definition of freedom or any peoples who are too backward to have achieved free institutions.

We of the six Federal democracies would desire to preserve only our own liberties against any possible aggressor.

Now just how far would each of the six nations be willing to go in surrendering their present independence of action to this new group?

That American Federal convention which met in 1787 had to solve all such problems and it succeeded. New York State was proud of its militia—should that fine little fighting force be put under the command of a foreigner from Virginia? Connecticut, in addition to its original boundaries, also laid claim to lands by royal grant in the Ohio valley. Should these lands be opened to settlers from the other 12 colonies? Again the answer was "Yes." How much power should be left to the individual States and what powers turned over to the new Union?

The same problems are posed today when we face a task of union with the other democracies. If Connecticut then had her public lands beyond the mountains, today France and England have colonies. But the problems of a union of the free are no more difficult today than they were in 1787 and the need for that union is much greater because without it, and depending only on the shaky straw rope of unity provided by the present United Nations, this world will in the next decade or so explode into a terrible conflict, the outcome of which will probably be the end of freedom everywhere and a deepening twilight of civilization.

In asking President Truman and the Congress to call such a convention, we bind ourselves to nothing. It might be only a union for foreign affairs and the armed forces. It might be extended to a customs union of the kind we adopted in 1787 and which accounts for our present prosperity and industrial might.

Surely within this union each of the present States could retain their present cultures and customs—after all, the southern States in America were allowed to keep their "peculiar institution" of slavery for many decades.

So this year, let us call the delegates from these six democracies together and see to what extent we can agree to pool our strength, compromise our little differences, retain our individual peculiarities, so that out of it may come that union of the free which will preserve our basic liberties for generations yet unborn.

The UN—An Appraisal and Forecast

EXTENSION OF REMARKS

OF

HON. JACOB K. JAVITS

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Monday, August 1, 1949

Mr. JAVITS. Mr. Speaker, the appended address by a distinguished American and international civil servant is an excellent review of the United Nations in action, of its successes and failures, and of its vitality and essentiality to world peace. It is indeed mankind's best—perhaps last—hope for a world of order and law, and it is an international guarantor of the rights of man:

THE UNITED NATIONS—APPRAISAL AND FORECAST

(Address by A. H. Feller, general counsel and director of the United Nations Legal Department. Delivered at opening of the New York University Institute for Annual Review of United Nations Affairs, July 18, 1949)

During the year 1948 more than 4,000 meetings of organs of the United Nations were held in Lake Success, Paris, and Geneva. Add the meetings in the Far East, Latin America and elsewhere, add the meetings of the specialized agencies of the United Nations and the figure climbs into the many, many thousands. All indications are that in 1949 the number of meetings will be even more.

There are many people to whom these figures would, or should, come as a distinct shock. These are the people who have heard over and over again that the United Nations is dead, or at any rate, a failure, washed up, and impotent. Why should the nations of the world in a time when hard money is so scarce and troubles so plentiful send their representatives around the globe to spend so much time with a moribund institution?

The answer is simple; the United Nations is alive, growing, and above all indispensable.

It is true that the United Nations has not yet become what its founders envisaged at San Francisco. While they knew that the wartime coalition of the great powers was not likely to continue unimpaired, they proceeded on the assumption that some semblance of unity would be preserved, that peace with Germany and Japan would soon be made, and that the United Nations would be free to develop in an atmosphere of relative calm. None of these assumptions have proved valid. On the contrary, instead of unity and calm we have lived in a bitter conflict of ideologies and interests, and in a state of world-wide tension.

If the basic conception of San Francisco, the conception of the necessity of a world-wide international organization to insure international peace and economic and social progress, had been invalid, then the United Nations would long since have foundered. It survives because the very conflicts and tensions which make its existence difficult, demonstrate that it must survive and grow or the world will founder with it.

The United Nations system is a complicated one; it has numerous features which have been hotly debated—the rule of sovereign equality, the great power veto, the distribution of functions between the General Assembly and the Security Council, and in the economic and social fields between the central organization and the specialized agencies.

There are, however, three salient features which are the sources of its strength and the expression of its essential necessity for the world:

Global membership.—59 nations are members of its central organization and 13 others seek admission; it comprises every kind of political, ideological, and economic society.

Inter-relationship of world problems.—It can and does deal with every problem of an international character, whether it be the threat of war, the incidence of tuberculosis or illiteracy, the lack of housing, the fostering of human rights, the protection of dependent peoples, or the improvement of the gathering of statistics.

Continuity of effort.—The United Nations is on the job every day and every hour; it keeps working at its problems, big and little; almost never has it confessed failure; almost never has it refused to grapple with a world problem with which it has authority to deal.

The most controversial and troubled phase of the work of the United Nations has been in the maintenance of international peace and security, and it is here that its vitality and shortcomings can best be judged. It is in this connection that the notion of the importance of the Organization gained currency among so many people. Time and experience are now beginning to give us perspective; we are ready, I believe, for a sort of interim stock-taking of what the United Nations can and cannot do in the world as it is today.

The Security Council dealt with the presence of Soviet troops in Iran and British and French troops in Lebanon and Syria. The Council was unable to make final decisions, but the moral force of world opinion was behind its deliberations, and today there are no foreign troops in Iran or in Lebanon or Syria.

The Security Council dealt with the Corfu Channel dispute between Albania and Britain. It did not solve the dispute directly, but through its recommendations the International Court of Justice disposed of it through a legal decision.

The Security Council had many a troubled meeting over the question of Indonesia, but its commission kept at the problem with patience and tenacity, and now the question appears well on the way to a just and peaceful solution.

The Security Council has worked long over the problem of Kashmir and the terrible strife between Pakistan and India. The problem is still not settled, but fighting has long since ceased and the slow process of final peace-making goes on.

The General Assembly and the Security Council labored on the problem of Palestine. There was much criticism of indecision and inconsistency, crises appeared and reappeared. The problem is still not finally settled, but the new state of Israel sits with the nations of the world and a web of armistice agreements holds the peace under the aegis of the United Nations.

These are measurable, perhaps even monumental achievements for a young organization working under the handicaps of contemporary international life. They demonstrate that, despite the existence of the veto, the system of pacific settlement provided in the Charter is viable. They demonstrate the potency of the voice of international conscience which is embodied in the United Nations. The exact details of the machinery for peaceful settlement were not important. In one case the Court was called upon, in another the Assembly appointed a single individual as mediator reporting to the Council, in other cases commissions composed of governmental representatives worked on the problem.

There was one detail of procedure which proved to be of considerable significance in several of the cases—the tacit agreement that abstention by a permanent member of the Council does not constitute a veto. Lawyers can dispute the strict consistency of this interpretation with the language of article 27, but it is a fortunate circumstance for the world that it has become firmly embodied in the constitutional practice of the United Nations.

The lesson which these successful efforts teach is more than a lesson in procedure—they show that whatever the procedure the essential thing is to keep working. Pacific settlement can only occasionally be achieved by a quasi-judicial judgment handed down by the Security Council after a hearing around the table. Much oftener it needs painstaking scrutiny on the ground, careful, patient, and long-drawn-out negotiations with the parties. Above all contact between the parties and with the international organization must never be permitted to be broken irrevocably.

These lessons appear also from cases which cannot be called undoubted successes of the United Nations, such as the Greek, Korean, and Berlin questions. These are all cases directly involving the central East-West conflict. The first two are still unsolved, although the intervention of the General Assembly Commissions and their constant labors have certainly been an influence in these areas. The Berlin question is perhaps the best illustration of both the scope and limitations of the United Nations machinery and idea when called upon to deal with a grave and exceedingly dangerous problem.

Here the only resolution on which a majority of the Security Council was able to unite was vetoed by the Soviet Union. Yet the debate in the Council brought the problem from the semidarkness of bilateral nego-

tiation to the light of general international concern. Despite the veto in the Council, the General Assembly was able to secure unanimity for a call to the great powers to compose their differences, and the President of the Assembly and the Secretary-General issued a specific appeal under this resolution. The President of the Security Council set up a committee comprising the so-called neutral members of the Council and a representative of the Secretary General, which over a period of months made a careful study of the currency problem in Berlin. It is true that the final lifting of the blockade was agreed upon outside the United Nations and that the airlift was a prime factor in bringing that about. But, it was no casual accident that the decisive conversations were initiated between the Soviet and American delegates to the Security Council and that they began on United Nations premises.

This then is the lesson of Berlin: So long as the great powers are deadlocked the Security Council cannot coerce one or the other into a settlement; when the possibility of agreement exists the United Nations machinery can focus the attention of the world and provide the way to work out the settlement; above all the constant application of the principles of conciliation embodied in the Charter can operate to prevent the irrevocable and disastrous rupture of negotiations.

While the United Nations has been able to keep the peace in many corners of the world despite the East-West conflict, that conflict has obviously affected and impeded many facts of the Organiaztion's work. Most serious have been the failures to achieve agreement on the control of atomic energy, disarmament, and the creation of armed forces under article 43 to enforce the decisions of the Security Council. These are real and bitter failures, and the United Nations system will never be complete until these measures have been achieved.

Probably only a few of the delegates at San Francisco could foresee the extraordinary development of the General Assembly. When Senator VANDENBERG christened it the "town meeting of world" it seemed that he had assigned to it a most worthy and difficult role. In a short 3 years the Assembly has already surpassed and outgrown this fond designation. The size and variety of its agendas have been amazing. The quality of representation (Spaak, Aranha, Arce, and Evatt, to mention only the Presidents) has been and remains on a high level. Although it has no power to enact legislation or make decisions binding upon governments, it is evident that even the most powerful governments consider it an indispensable forum for the debate and consideration of international problems. Indeed the problem now is not whether nations will abstain from bringing matters to the Assembly, but how to reduce the number of matters which it is called on to consider and to shorten the debates.

Not everything which the Assembly considers is of vital importance; it must of necessity spend much time on housekeeping details. Yet it has not evaded the most difficult problems. It has dealt with Palestine, Greece, Korea, the world food shortage in 1946, refugees, human rights, the freedom of news transmission, the regulation of armaments, atomic energy, the veto, the fate of the Italian colonies, and dozens of other knotty issues.

There were some who thought that the Charter had set up a grandiose elocution society and that all we would get from the Assembly's rostrum would be a series of windy and eloquent generalities. That certainly has not happened; the speeches may often be too long and repetitious but they are about real things and serious controversies. Moreover, the Assembly has shown itself capable of making decisions on the most intricate matters. Whether one agrees with them or not the scope and detail of its resolutions on such matters as Palestine, gemocide, the declaration of human rights, and refugees are impressive examples of its legislative efficiency.

The Assembly has been a great educational experience, both for the public and for statesmen. It has operated in the open through the traditional democratic processes of debate and compromise. The influence of the great powers has not been negligible, but they have not run the Assembly. If this is not quite the international parliament of man, it is something more than a town meeting. Nothing exactly like it has appeared in world history; even the Assembly of the League of Nations was only a shadowy forerunner. There is every indication that the influence and standing of this new world forum will continue to increase.

The Economic and Social Council has also had an active history, influenced also by conditions which were only dimly foreseen when the Charter was written. Not only has this Council work been impeded by the great power conflict, it has had to strive for economic stabilization and development at a time when world economic life has been dominated by an over-riding problem—the shortage of dollar exchange. Since the United Nations could not possibly command the means to alleviate this shortage, its own economic activities of necessity played a subordinate part. Nonetheless, what has already been done, despite these hardships, by the Council, the Secretariat and the specialized agencies, gives fair promise that once the immediate postwar problems have been mastered, the international economic agencies will contribute enormously to maintaining stability and giving impetus to further development.

One can only pick a few specimens out of an immense catalog: the Annual Economic Surveys prepared by the Secretariat's Department of Economic Affairs, rapidly becoming the standard for over-all analysis of economic trends, the highly practical and ingenious work of the industry committees of the Economic Commissions for Europe and that organization's arduous efforts to restore East-West trade; the rationalization of international statistics; the beginning of large-scale lending by the World Bank; the manpower programs of the International Labor Organization; the far-reaching programs for the restoration of land transport in Europe; the agricultural and nutritional programs of the Food and Agriculture Organization; the starting of regional economic analysis through the Commissions for Latin America and the Far East; the drafting of the Havana Charter and the preparatory work for the International Trade Organization. These are only a sample of the intense, far-reaching and continuous work which the United Nations system has undertaken in the economic field.

Now these agencies stand before a new opportunity in the projected program of technical assistance for underdeveloped areas. For the first time a coordinated effort of international agencies and national governments will tackle the problem of bringing the knowledge and technique of the whole world together for the development of those parts of the earth where the resources of nature have not been put at the service of man.

It is this program which reveals in acute form one of the internal problems of the United Nations system; that of the coordination of the specialized agencies with each other and with the central organization. The authors of the Charter deliberately chose to leave the operational tasks to autonomous agencies brought into realtionship with the Economic and Social Council by individual agreements. Some progress has been made in coordinating aspects of the work of these agencies. No one, I believe, will claim that the problem has been solved. The forthcoming program of technical assistance will furnish the real test of the ability of all parts of the United Nations system to function together smoothly and efficiently.

In the multifarious fields of social endeavor the United Nations system has built solidly on the foundation of previous international achievement. The international control of narcotics still remains a model of effective world-wide cooperation, and the United Nations has strengthened it. International effort to combat other social evils makes gradual headway. The refugee problem, unbelievably greater than that after the First World War, yields to constant international effort, although remnants of it will be with us for years to come. UNESCO is solidifying its organization to eradicate illiteracy and enlarge the cultural horizon of men everywhere.

Much of the work of the United Nations can only proceed through slow evolution. This is particularly true of the provisions of the Charter relating to dependent peoples. The Trusteeship Council's functions have been crystallized by the trusteeship agreements approved by the General Assembly. The Council is now engaged in the painstaking analysis of reports and surveillance of the administration of the trust territories. Their inhabitants are the special concern of the international community, and the record will show that the United Nations is fulfilling its responsibilities toward them.

All these are the specific activities to deal with concrete international problems; taken together, they mark the continual striving for effective world organization and world community. The authors of the Charter knew, however, that these could not stand alone, that they must be buttressed with a structure of world law. This all-important goal the United Nations is also pursuing with steady and practical purpose. Its great achievement to date has been the universal declaration of human rights, which, while not a binding enactment, was proclaimed without dissenting vote as a standard of achievement for all nations and peoples. The process of ratification of the Convention on Genocide has begun; a draft covenant on human rights is now before the Economic and Social Council.

A long-term process of codifying international law is well under way through the International Law Commission set up by the General Assembly. The Commission has already completed a draft declaration of the rights and duties of states. Preparatory work is under way on such diverse subjects as the principles applied in the Nuremberg trials, the law of treaties and the regime of the high seas.

The International Court of Justice the principal judicial organ of the world community is also at work enlarging and strengthening the rule of law. In the Corfu Channel case is laid down important principles of state responsibility. In the advisory opinion on reparations for injuries incurred in the service of the United Nations it upheld the international personality of the United Nations and gave it a firm standing to invoke rights under international law necessary for the fulfillment of its functions.

Thus the United Nations builds the mansions of world organization, world community, and world law stone by stone. It has no magic formula which can call these walls to rise in a twinkling of an eye. It deals with hard facts in a hard world in which progress can only be made by hard and back-breaking work.

It is a strange paradox that these very virtues are the source of much of the doubts which have been aroused in the public's mind. A group of scholars drawing up an ideal world constitution and having no responsibility for concrete tasks can promulgate what they want. A United Nations council or commission must deal with actual problems

and must seek workable and acceptable solutions. Its operations are under constant public observation and criticism. Even temporary set-backs (as in some phases of the Palestine and Indonesia questions) may make spectacular headlines and lead to exaggerated impressions of failure. Much of the work, as in the economic and social fields and in the realm of world law, are devoted to slow evolution over the years. It is hard for an impatient public in a troubled world to see the significance of these efforts when so many quick and radical remedies for all our ills are proclaimed daily.

I have stressed the basic features of the United Nations system—global membership, interrelation of international problems, and continuity of effort. These are the features which distinguish it particularly from regional arrangements or temporary instruments of international cooperation. In the United Nations, Cuba has a vote on the treatment of Indians in South Africa, and Lebanon has a vote on the report of the Economic Commission for Latin America. The world is looked on as an essential unit and all nations have their say on problems of international concern.

Regional arrangements have a definite utility and the Charter makes a specific place for them. No regional arrangement, however, can substitute for the United Nations because by its very nature no regional arrangement could furnish the basic features which a universal organization alone comprehends.

A single example will suffice. When the United Nations deals with Palestine, it can take action not only on the political aspects, it can also deal with the emergency case of refugees, and eventually it can look forward to stimulating through the technical assistance program the economic development of the Middle Eastern region. In its political decisions it has the moral backing of the whole world, not only the great powers or the directly interested parties. In its social and economic activities it can bring together ideas and talents from everywhere.

The United Nations system is still incomplete and it has not yet been able to display its full potentialities. It will not be able to do that until the basic political conflict between East and West is substantially lessened and the peace treaties have been concluded. No one is under any illusion that the United Nations can settle that conflict. By keeping the parties together, by focusing the attention of the peoples of the world, by devoting itself to specific situations which it can resolve, the United Nations is contributing to the lessening of tension and is preparing the ground for eventual political stabilization.

Four years is no more than a moment in world history, much too short a moment in which to reach a judgment valid for centuries to come on so complex an issue. Yet we have learned several things from the specially difficult circumstances of these years.

We have learned that while the United Nations depends on its member nations for its powers, its resources, and its personnel, the member nations depend upon the United Nations.

We have learned that while the United Nations is no universal panacea and while it has definite limitations, it has a tremendous scope for effective action.

We have learned that in the present state of affairs, the United Nations is the only organization capable of giving at least a modicum of order to world affairs, and that any future development toward a stronger international order must be firmly based on its structure and experience.

We have learned that the United Nations is here to stay.

The Truth Shall Hunt Out Every Citizen

EXTENSION OF REMARKS
OF
HON. LEONARD W. HALL
OF NEW YORK
IN THE HOUSE OF REPRESENTATIVES
Friday, August 5, 1949

Mr. LEONARD W. HALL. Mr. Speaker, under the leave extended to me it is my happy opportunity to include for the RECORD an address delivered by Hon. Will Hays, of Indiana, at a dinner at the Mayflower Hotel, Thursday evening, August 4, given by the Republican membership of the House and the Senate for the members of the Republican National Committee.

The full text of this great address by Will Hays is as follows:

I am honored in the invitation to speak here tonight. I am keenly conscious, as all of you are, that this is a significant occasion, at a highly significant moment in the history of our party and our country.

We know that the world is at a crucial crossroads, and that it looks anxiously to the United States for leadership. But how can we be trusted or competent to lead others unless we are ourselves adequately and ably led? How can we guide mankind out of the blind alleys of totalitarian illusions if our own Government is sampling illusions of the same order?

Both at home and abroad, there are fateful choices of direction to be made, and the signposts are not easy to decipher. Some of them, alas, are deliberately misleading. They read progress though they point to stagnation. They read security though they point straight to the destruction of individual freemen. Many of them are inscribed liberalism, though they indicate roads to the most illiberal and undemocratic goals.

For our own sake and for the sake of the free segment of the world, America must not take the wrong turning. If it does, the one certainty is that all mankind must follow us into the valleys of error and despair. The divine will manifest in history has imposed on our country a role of leadership which we did not seek, but which we cannot evade. We cannot play that role properly—we shall be so many Pied Pipers of disaster rather than leaders—unless we know where we're going here at home.

More than ever before, America today needs the material and spiritual vitality, the clarity of vision, that have made it the greatest Nation in man's career on earth. It needs a rebirth of confidence in those personal virtues of democratic self-reliance that have stood us in good stead lo these many generations.

But democracy is not an abstraction. It is an all too human institution, reflecting the character of the men and women who make it work. For good or ill, it finds expression through political parties. That is why democracy can never be any better or any nobler than its political parties. That is why, in seeking to make a more perfect instrument out of our Republican Party, we are in fact engaged in a great and vital service to the Nation.

The pledge of patriotic dedication to better and saner government implicit in this gathering may well become a remembered landmark in the development of our country. It may decide the central issue of these times, which is between government of the people and government over the people. It is not yet too late to arrest the creeping paralysis of bureaucracy and statelsm that is reaching into every part of the body politic. It is not too late for our grand old party, born out of crisis to save the Nation from dissolution, again to save it from the perils of today. It can be done.

My friends, I come here tonight as a rank-and-file Republican who wants nothing from his party but everything for his party. I declare my unswerving allegiance to the common-sense principles to which our party has been dedicated—the principles which have spelled progress and happiness, abundance, and freedom for the Nation.

To begin with, I compliment the retiring chairman of the Republican National Committee, whose talents and devotion and personal charm have won him a permanent niche in Republican hearts. In saying that I appreciate the weight of the burdens he is relinquishing, I speak out of the fullness of personal experience.

At the same time it is a pleasure to congratulate his successor, who now shoulders those heavy burdens. Again I draw upon my own vivid memories when I mix a little human sympathy with the congratulations.

Mr. SCOTT and I, and the men who have held the important office through the years, know more intimately than the rest of you what Chairman Guy Gabrielson has let himself in for. The least he deserves for his fortitude in tackling the tough assignment is an earnest promise of our understanding and cooperation. He must feel that we are solidly behind him as he seeks to translate the challenge of his job into a great opportunity for service to our America.

A former chairman of the Republican National Committee, called upon after the lapse of a full generation to greet a meeting such as this, can only hope to make up in sincerity what he may lack in wisdom. No one knows better or realizes more surely that these new times bring new problems, which cannot be solved by precedent or bringing things down out of the attic.

Yet, as I survey the current political scene, I note a remarkable analogy with the period when I assumed the chairmanship. Then, as now, we were the minority party in a war and postwar period crowded with trouble. Then, as now, there were tensions within the organization that had to be resolved—in the interests not only of the party but of the country which needed the party. Then, as now, those tensions were resolved, after which a Republican victory touched off an era of fertile growth and national vitality.

My thoughts have reverted a good deal recently to the sad day of January 6, 1919, when a great Republican, a great American, and a great human being passed from the scene. I was en route to my home in Sullivan, Ind., and thence to Chicago for a critical session of the Republican National Committee a few days later. But at Muncie, Ind., a telegram apprised me of the sudden death of Theodore Roosevelt. I had to make an immediate decision: whether or not the Chicago meeting should be postponed.

In a sense, however, the decision was made for me by Colonel Roosevelt himself. I remember the grim morning when he had received word that his son Quentin had been killed. He was scheduled to address the Republican State convention at Saratoga, N. Y., next day—and he kept the appointment. His heart was crushed by sorrow as he read his speech. And at one point we saw him lay aside the manuscript. We heard him interpolate a beautiful and supremely moving tribute to all the boys who were dying in order that their country might live.

Recalling that scene at Saratoga, I knew that the fighting leader lying dead at Oyster Bay would want us to carry on. The Chicago meeting was held as scheduled.

Teddy's robust spirit was with us. It was an inspiration in all the activities that followed, as the party healed its wounds and regained its natural vigor, so that by 1920 it once more took the helm of the American ship of state.

Shortly after the Chicago meeting I learned from his family that they had found a message on his bedstead, which Colonel Roosevelt had scribbled in pencil in the night. It was a brief memorandum—given to me and cherished always. This is what it said:

"Hays, see him; he must go to Washington for 10 days; see the Senate and House; prevent split on domestic policies."

That simple message—the last words of a patriot— packed a philosophy as well as a party policy. Their import remains as decisive for 1949 as it was for 1919. Theodore Roosevelt's last thoughts were for the welfare of his country. In effect he called for unremitting vigilance in achieving unity of purpose and action in meeting domestic problems. It was a true soldier's call to his party to close its ranks and accept the challenge of the time.

Tonight I can do no better than to convey the essence of his last message to the Republican Members of Senate and House who are our hosts; to the members of the Republican National Committee present here as guests; and above all to the seekers of good government in the rest of the country.

That call for unity in the party, is as clear and true as it was 30 years ago. Let us never forget that government is not a self-starter. Its functions through individuals, and those individuals in turn are elected through the mechanism of practical politics. This is a sequence not to be avoided.

If the aspirations of the American people are to be met, if the common sense of the democratic way of life is to find practical expression, we must have two political parties—both patriotic—both strong and virile.

Since I cast my first vote—and I was 21 that day—I have steadfastly believed that what we need in this country is not less politics but more attention by more people to practical politics—not only on election day but on every day of the year. Such attention, my friends, is the patriotism of peace.

It seems to me strange and sad that a free people who have paid so much for the right to govern themselves have to be urged to use the inestimable privilege of the vote. Yet such is the fact. All the evils of Government, all the dangers of false leadership, flow from the laziness or lethargy of men and women remiss in exercising those rights for which less fortunate peoples yearn and bleed.

It is not my function tonight to get down to cases on specific political issues. But one thing is sure. They cannot be met and resolved until every man and woman shoulders some of the responsibilities. Otherwise we shall lose by default the battle for the mind of man now under way in our country and in all countries.

In a more primitive period of our history, politics seemed a specialized department of national life. A great gulf divided Government and the existence of the average man in an isolated community. Today, with Government playing an ever-heavier and more dominant role in our complex society, politics has become as wide as life itself.

There is no longer any excuse for any American to abstain from the political processes that shape his daily existence as surely as they shape the destiny of the whole Nation. It is within the limits of this simple truth, I am convinced, that the Republican Party must find the fundamental directives for action in the months and the years ahead.

Our first and immediate duty can be summed up in a single word: organization. We must have a supremely strong, articulate and efficient political party. It must be geared to the discipline of free allegiance to a common cause, in which patriotic men and women sacrifice differences in little things for united effort on the big things.

The need, mind you, is for unity, not uniformity. Uniformity is something imposed from above. In recent years we have watched it being imposed through the perquisites and threats of patronage; through the reckless squandering of the Nation's resources to buy the support of this or that group or class, this or that section or community.

True unity comes from below; its sap, as in a sturdy oak, flows to its remotest branches. True unity is rooted in the soil of the home, the school, the church, the neighborhood, the humble problems of humble people everywhere.

And thus I see the second great directive for the Republican Party. Ours is the tremendous obligation and the tremendous opportunity to generate political awareness at the grass roots. We must draw tens of millions of citizens into the political processes. We must break through the indifference and inertia on which false prophets and misleaders thrive.

There is a mighty job to be done at the level of the home and the neighborhood, where nearly forgotten copybook maxims are still believed; where the essentially American virtues of toleration and thrift and godliness have not lost their magic.

Under the spur of the recent war, let us recall, millions of Americans were awakened to a sense of civic duty. Suddenly they found both the inclination and the time to take up the burdens of war work, to share with their neighbors, in a spirit of self-abnegating patriotism, the duties of the emergency.

If some part at least of that fervent interest in the fate of our country can be revived and maintained, it will bring untold good to all of us. But that revival will not happen. It has to be brought about by an organization that is itself imbued with a year-round and unsleeping patriotism. That's a big order, but the Republican Party is equal to the challenge.

It is splendidly useful that the women of our country have become so interested and active in party and government. In the increasing participation we are not merely adding numbers to our ranks. Far more important, we are making effective in national life those instincts for order, economy, decency—above all, those spiritual qualities—which are especially the domain of our women. The national household needs and needs badly a powerful injection of the clean-sweeping common sense which our mothers and wives and sisters bring to the individual American household.

Our duty and our opportunity are no less urgent in relation to the youth of the country. You and I know that our sons and daughters are being sold a bill of goods by purveyors of alien and shameful philosophies. They are being fed sleeping pills of spurious security as a substitute for the spunk, the ambition, the adventure of living and achieving that should be their natural American heritage. It seems to me somehow against nature for American youth to be induced to bargain its birthright of self-reliance for a mess of bureaucratic pottage. The Republican Party, dedicated to the rights of individual opportunity that made America great, can surely save the next generation from the living death of an abject defeatism. A vital part of the overall party purpose must be to make certain that the youth of America have responsible party participation.

What does the Republican Party stand for? If any one Republican had the authority to give an explicit answer he would be attesting a congealed state of affairs. It is our pride that within our party there is and always will be full political self-determination. The party mirrors the hopes and purposes—the philosophy of life and government—of the men and women who find their political home within its ranks. They are the kind of men and women who are determined to restore Americanism to America. They insist that there can be no divided loyalties; that any American who prefers any other flag, foreign, red, or black, is by definition a traitor to the Stars and Stripes.

In this time of raucous propaganda of subversion, it is the Republican Party that can best mobilize Americans who want ordered change, not revolution; progress, not wholesale destruction. Ours is the special duty to safeguard those American values which 90 percent of our people consider too valuable to be bartered for temporary benefits.

The actions and the spirit of Republicanism are cemented into the magnificent structure we call America, which is the miracle of history and the marvel of all mankind. What is the past to us was the unexplored future to those who built the structure. It would never have achieved its grandiose dimensions if the Republican Party had not been at all times a party of the future.

It is that today. We are conservatives in the original sense of the word, in that we are dedicated to conserving the best in American life and tradition. And that, I submit, is genuine liberalism, as contrasted with the bogus variety being hawked by muddled demagogs.

The crisis of the present juncture in American life is not primarily economic. It is spiritual. There are no insoluble problems; and no solutions which demand an abandonment of clean and high ideals can endure. During a hurricane dead leaves and branches fall from a live oak, but the fiber of the tree tightens and the roots drive deeper into the soil.

Liberty is a grave responsibility, and responsibility is duty. And that duty is to preserve the American way of life, its capacity for growth, without temporizing or compromising our sacred principles. It has been truly said that "Liberty is fire on the hearth, license is fire on the floor."

To our great Bill of Rights we pay homage. Too much honor cannot be given to that immortal document. Might it not be well that we give thought at this time to a Bill of Duties and with the enjoyment of the privileges of America and the rights that are ours, we in gratitude remember our duties.

This gathering is significant because it expresses the determination of the American people to bring their Government back within the limitations of the Constitution. We have flourished within these limitations and we have no intention of being lured into the swamps beyond. The salvation of the United States in this respect depends on the disciplined organization, the assimilation of millions of politically homesick citizens, to which the Republican Party shall devote itself from this day forward.

Destiny chose for our thrilling American adventure a land of inexhaustible riches. But those material resources would have lain fallow and useless, as in other richly endowed land masses, had it not been for the American spirit. It is not the gold in the hills but the iron in the hearts of the American people that has told the story.

I urge a rekindling of that spirit now, before it is too late. We are only in the first chapters of the story. Let no one tell you that we are at the end of the American adventure. We are merely in the pause that precedes another of our perennial beginnings. Our task is big, yet it is essentially simple. It is to get the facts to the folks. The rest will follow, for we have profound

faith in the common sense and the wholesome instincts of the American people.

The Republican Party, which has best expressed the American spirit in the past, is now geared to express it in the immediate future. With the help of the Almighty, in humble consecration to the divine providence that has guided our steps, we face that future confidently, eagerly. We face it as a united and dynamic political party geared for action and for victory. We shall so organize that the truth shall hunt out every citizen and so strengthen him in wisdom and determination that he will make certain freedom shall not perish from the earth.

Wages and Hours—Suggested Amendments

EXTENSION OF REMARKS
OF
HON. RALPH W. GWINN
OF NEW YORK
IN THE HOUSE OF REPRESENTATIVES
Friday, August 5, 1949

Mr. GWINN. Mr. Speaker, the first general regulation of wage and hour standards for private employment was incorporated in the National Industrial Recovery Act of June 16, 1933. Section 7 (a) of that act provided that every code of fair competition was to contain the condition that employers must comply with the maximum hours of labor, minimum rates of pay, and other conditions of employment approved or prescribed.

The NRA was declared invalid by the Supreme Court on May 27, 1935, in the case of *Schechter Poultry Corp.* v. *United States* (295 U. S. 495, 79 L. ed. 1570).

On June 14, 1935, less than 3 weeks after the Schechter decision, the Walsh bill was introduced in the Senate. This bill was the forerunner of the Walsh-Healey Act which was approved by the President on June 30, 1936, and made effective September 28, 1936. The clear purpose of the Walsh bill, and of course, of the Walsh-Healey Act, was to salvage as much Federal control over the wages and hours of private employees as the Schechter decision would permit. This purpose was made abundantly clear by the two Government witnesses who appeared in support of the Walsh bill—the Solicitor General of the United States and the general counsel of the National Recovery Administration.

Less than a year after the Walsh-Healey Act was enacted, March 29, 1937, the Supreme Court declared valid the Washington State minimum-wage law for women—*West Coast Hotel Co.* v. *Parrish* (300 U. S. 379). This latter decision resulted in the conclusion that the Federal Government did have adequate authority to control wages and hours of private employees who were engaged in commerce. According to the first annual report of the Wage and Hour Administrator, this decision had important bearing on the wage-and-hour law. This report reads, in part, as follows:

This decision made possible a reconsideration of Federal legislation establishing wage-and-hour standards for industries not subject to effective control through State action.

On May 24, 1937, the President sent a message to the Seventy-fifth Congress, first session, requesting legislation to establish fair labor standards. This message urged that:

All but the hopelessly reactionary will agree that to conserve our primary resources of manpower, Government must have some control over maximum hours, minimum wages, the evil of child labor, and the exploitation of unorganized labor.

The President further stated:

Allowing for a few exceptional trades and permitting longer hours on the payment of time and a half for overtime, it should not be difficult to define a general maximum working week. Allowing for appropriate qualifications and general classifications by administrative action, it should also be possible to put some floor below which the wage ought not to fall.

With the establishment of these rudimentary standards as a base, we must seek to build up, through appropriate administrative machinery, minimum-wage standards of fairness and reasonableness, industry by industry, having due regard to local and geographical diversities and to the effect of unfair labor conditions upon competition in interstate trade and upon the maintenance of industrial peace.

Pursuant to the President's recommendations, the Fair Labor Standards Act of 1938 was enacted on June 25, 1938. As will be shown later, this act controls the same conditions of employment as the Walsh-Healey Act and it applies to Government contractors as well as to other persons engaged in commerce or in the production of goods for commerce. However, as will be shown later, there are serious conflicts between the standards imposed by these two statutes with the result that any person accepting Government contracts subject to the Walsh-Healey Act is thereby compelled to increase his overhead expenses to make sure of compliance with the requirements of both statutes. In practice it is only reasonable for the contractor to pass these added charges on to the Government in the form of higher prices. This direct increase in cost to the Government, and the many indirect costs—costs not included in the contract price—to the Government make the Walsh-Healey Act a direct vehicle for pyramiding the almost unmanageable operating expenses of the Government with no really substantial benefits accruing to anyone as a result of the act's application.

When considered in its relationship to the National Industrial Recovery Act and the Fair Labor Standards Act it is obvious the Walsh-Healey Act was truly a stop-gap legislative measure. Without question that act should have been repealed when the Fair Labor Standards Act was enacted. However, in view of the then existing questions concerning the validity or constitutionality of the latter statute, the Seventy-fifth Congress was probably justified in not repealing the Walsh-Healey Act. Whether or not the Congress in later sessions was justified in continuing the Walsh-Healey Act on the books remains to be seen.

CONFLICTS BETWEEN THE FAIR LABOR STANDARDS AND WALSH-HEALEY ACTS

As stated previously, there are many direct conflicts between the Fair Labor Standards Act and the Walsh-Healey Act. Both statutes establish a 40-hour workweek and compel the payment of time and one-half for overtime. However, in addition to establishing a weekly standard for overtime payment, the Walsh-Healey Act compels the payment of overtime on a daily basis for hours worked in excess of 8 per day. In an effort to avoid the pyramiding of overtime payments, the Administrator of Walsh-Healey Act has ruled consistently that overtime must be paid under this act on a daily or weekly basis, whichever will yield the greater compensation to the employee. Thus, in any week when an employee works on a Government contract subject to the Walsh-Healey Act, his overtime earnings must be calculated on a daily basis and then on a weekly basis to determine which basis will result in the employee's getting the most overtime compensation. This means double wage calculations for each employee each week which in turn means double bookkeeping expenses for the contractor which are passed on to the Government in higher prices.

Of course, the addition in price to the Government on a single contract for a relatively small amount, for example, $12,000, may be small. However, when the increased costs on all Government contracts are added together, the amount could assume staggering proportions.

Another important conflict between the two statutes arises as a result of their respective minimum-wage standards. The Fair Labor Standards Act requires that employees be paid not less than a minimum established by the Congress. At present, the rate is 40 cents an hour but everyone expects this rate to be increased substantially by the present Congress. The Walsh-Healey Act, on the other hand, compels the payment of not less than the minimum wage determined by the Secretary of Labor to be the prevailing minimum in the locality for the industry involved. This means that the Walsh-Healey minimum is whatever the Secretary of Labor arbitrarily determines it to be. No one in any way familiar with the history of economics in this country would suggest that prices have not been increased as a result of wage increases. Moreover, no one could honestly say that wages, industry by industry, have not been increased substantially whenever the Secretary of Labor, in his wisdom, has determined the prevailing minimum wage for an industry under the Walsh-Healey Act. This can mean only one thing—whenever the Secretary determines a new prevailing minimum for an industry, the Government must later pay higher prices for the commodities produced by that industry. Furthermore, the impact of the Walsh-Healey rates goes far beyond Government business. Common sense tells us that it is not possible to pay employees one rate for Government contract work and a lower rate for the same work if it is performed for other customers. Thus, the entire wage structure in any plant must conform with the wage structure required to be adopted under a Walsh-Healey determination. This then must mean that as a direct result of Walsh-Healey determinations,

wages throughout the industry are increased and price increases follow for everyone along with the Government—see exhibit A.

A third important conflict between the Fair Labor Standards and the Walsh-Healey Acts involves the child-labor provisions. Under the Fair Labor Standards Act, it is permissible to employ girls and boys over 16 years of age except in hazardous occupations. Under the Walsh-Healey Act, however, the employment of girls under 18 is prohibited and a $10-per-day penalty attaches for each day a girl under 18 is employed on Government contract work.

Now no thinking individual favors the exploitation of children in factories, on the farms, or otherwise. But the conflict in the child-labor standards of the two acts has the inevitable result of increasing Government contract prices in many situations.

For example, it is not at all uncommon in the clothing industry for girls over 16 but under 18 years of age to obtain employment in nonhazardous work such as pulling basting threads. Their employment is permissible on commercial work but not on Government work. Thus, whenever a Government contract is going through a clothing factory, the contractor must add to his supervisory staff sufficient personnel to see to it that ineligible girls are not permitted to do any work on the contract. Once again, this added cost must be passed on to the Government in higher prices.

But higher prices to the Government resulting from the conflict of standards in the Fair Labor Standards Act and the Walsh-Healey Act tell only part of the story.

OTHER COSTS

For many, many years, the Wage-Hour Administrator has complained of insufficient personnel to conduct investigations under the Fair Labor Standards Act. Because of the conflicts in standards of the F. L. S. A. and the Walsh-Healey Act, one cannot help but conclude that the time of inspection personnel must be doubled whenever they inspect for Walsh-Healey and F. L. S. A. compliance. This must mean that with half of the number of present inspectors, the Wage-Hour Division could continue the same number of F. L. S. A. inspections as it does presently. No one except the Administrator, who naturally wants a big Bureau, has suggested this number is insufficient. Thus, should the Walsh-Healey Act be repealed, inspection personnel of the Wage-Hour Division might be cut in half without impairing the effectiveness of Wage-Hour enforcement. The Department of Labor personnel savings need not stop there. There are numerous other employees in the Department of Labor whose work on Walsh-Healey matters would no longer be necessary, with the result that further reductions in personnel could be made.

There is still another aspect of Walsh-Healey procedures adding costs to Government procurement in general. Under such procedures, it is necessary for the procurement officer awarding a Government contract subject to the Walsh-Healey Act, to have filled out in quadruplicate a Public Contracts Division form describing the contract and so forth. In addition, the contracting officer must notify the contractor of the application of the Walsh-Healey Act and of any wage determinations under it. When one considers the number of Government contracts awarded subject to the Walsh-Healey Act, the great amount of clerical work which must be performed by personnel in offices of contracting officers assumes enormous proportions. If this work is made unnecessary by repeal of the Walsh-Healey Act, the Government costs of operating procurement offices would be reduced materially.

EXHIBIT A

Since the war, the Secretary of Labor has apparently launched a program to increase all wage determinations under the Walsh-Healey Act and to issue others for which no prewar rate had been established. The following tabulation shows the wage determinations made under the Act before and since the war:

Industry	Prewar rate	Postwar rate
Aircraft manufacturing	$0.50	
Aviation textile products manufacturing	.55	
	.47½	
Cement	.70	
	.63½	
	.62½	
	.57	
	.55	
	.50	
	.47	
	.40	
Chemical and related products	.40	
	.50	
Cotton garment and allied industries	.40	
Dental goods and equipment manufacturing	.40	
Die-casting manufacturing	.50	
Dimension granite	.57½	
	.42½	
	.40	
Drug, medicine, and toilet preparations	.40	
Envelope	.42½	
Evaporated milk	.50	
Fertilizer	.40	
	.50	
	.40	
Fireworks	.40	
Flint glass (changed to "Pressed and blown glass and glassware")	.42½	$0.83½
Furniture manufacturing:		
(a) Metal furniture branch	.45	
(b) Public seating branch	.40	
(c) Wood furniture branch	.50	
Gloves and mittens	.40	
Handkerchief	.40	
	.40	
Iron and steel	.62½	1.23
	.60	1.19
	.58½	1.08½
	.45	
Knitting, knitwear, and woven underwear	.40	
Leather manufacturing:		
(a) Tanning, currying, and finishing of leather	.40	
	.50	
(b) Welting and power transmission belting	.40	
Luggage, leather goods, belts, and women's handbag	.40	
Men's hat and cap:		
(a) Cap and cloth hat branch	.67½	.85
(b) Fur felt hat branch	.67½	
Men's neckwear	.50	
Paint and varnish	.40	
	.50	
Paper and pulp	.50	
	.40	
Photographic supplies	.40	
Rainwear	.40	
Scientific industrial and laboratory instruments	.40	
Seamless hosiery	.40	
Shoe manufacturing and allied industries	.40	
Small-arms ammunition, explosives and related products:		
(a) Small-arms ammunition branch	$0.42½	
(b) Blasting caps branch	.47½	
(c) Explosives branch	.57½	
Soap	.40	
Specialty accounting supply manufacturing	.40	
Structural clay products	.40	
Surgical instruments and apparatus	.40	
Tag	.40	
Textile	.40	$0.87
Tobacco	.40	
Uniform and clothing:		
(a) Suit and coat branch	.60	.85
(b) Heavy outerwear branch	.40	.85
(c) Wool trousers branch	.40	.75
Vitreous or vitrified china	.42¾	
Wool carpet and rug	.40	
Woolen and worsted		1.05

Pulp and Paper Industry Needs Protection From Foreign Competition

EXTENSION OF REMARKS

OF

HON. RUSSELL V. MACK

OF WASHINGTON

IN THE HOUSE OF REPRESENTATIVES

Monday, August 1, 1949

Mr. MACK of Washington. Mr. Speaker, in 1940 the United States exported 480,938 tons of wood pulp. Last year our exports of wood pulp totaled only 97,782 tons. In short, in 8 years our exports of wood pulp declined by more than 80 percent. For every 5 tons of wood pulp we exported in 1940, we were exporting only 1 ton in 1948. We are losing our foreign markets for wood pulp.

In 1940 our imports of wood pulp were 1,224,570 tons. Last year our imports of these same pulps were 2,176,111 tons. In short, in 8 years our imports of wood pulp increased by 50 percent. For every 1 ton of wood pulp we imported from foreign countries in 1940 we were importing about 2 tons in 1948. We are losing our domestic markets for wood pulp.

Our exports of wood pulp to foreign nations in 1948 were 383,156 tons less than we enjoyed in 1940.

Our imports of wood pulp from foreign nations in 1949 were 951,541 tons greater than in 1940.

These two figures indicate a net loss of wood pulp business for United States producers of 1,334,697 tons between 1940 and 1948.

MANY JOBS LOST

This tremendous loss in our wood pulp markets means a loss of jobs for American workers.

Figures of the industry reveal that it requires 22.8 man-hours or 2.85 man-days of labor to produce one ton of pulp. The loss of 1,334,697 tons of pulp business by American mills to foreign competitors therefore means the loss of almost 4,000,000 man-days by the workers in our pulp plants.

It would require 15,000 pulp mill employees working 300 days a year to produce 1,334,697 tons of pulp a year. So

we may say that this loss of pulp business to foreign competitors between 1940 and 1948 means the loss of jobs for 15,000 American workers in the American pulp industry.

In addition to these, those who supply the pulp mills with materials, such as the loggers who furnish the pulp wood, also have lost employment. Jobs also have been lost by those who normally supply other goods and services to American pulp mills.

TARIFF PROTECTION NEEDED

Why are we losing this business to foreign competitors? Mainly because our American mills often cannot compete with those in foreign countries where wage rates and living standards are much lower than those prevailing in the United States.

Pulp made by 50-cent-an-hour labor can undersell American pulp made by $1.50 an hour labor, despite the efficiency of the American industry derived by the use of improved machinery and due to the better know-how of American workers.

Continued loss of American markets both overseas and at home is to be expected unless the American industry is given protection against low-wage competition and unless ECA nations in their buying cease their discrimination against American producers of pulp.

GOVERNMENT LOSES TAXES

American citizens have invested almost $5,000,000,000 in pulp and paper plants. This industry, in 1948, paid to the Federal Government $346,000,000 in income taxes over and above other millions paid to the tax support of State and local governments including the schools. If the industry is deprived of a large segment of both the domestic and foreign markets it formerly enjoyed, its earnings certainly will decline and the Government will be a heavy tax loser.

Also this pulp and paper industry in its manufacturing plants alone last year employed 205,000 workers. These workers received about $612,000,000 in wages. If some of these workers lose their jobs as a result of too little exports or too great imports of pulp, their tax payments to the Federal, State and local government will decline.

Today there are 4,000,000 unemployed workers in the United States. Many of them are in the pulp and paper-making industry. These people want jobs, not relief.

Confronted with this reality, the administration should be carefully reviewing the causes of this growing unemployment of which, not the least important, is the practice of recent years to give away our American markets to low-wage, low-living standard foreign countries.

The pulp and paper industry is only one of many adversely affected by this policy.

Fishing is one of many others. Our imports of fish last year totaled 422,000,000 pounds valued at $110,000,000. That is a whale of a lot of fish to buy abroad when our own American fishermen could be profitably employed in supplying it.

What's Wrong With the Republican Party—Even on Old Issues They Can't Agree

EXTENSION OF REMARKS
OF
HON. MELVIN PRICE
OF ILLINOIS
IN THE HOUSE OF REPRESENTATIVES
Monday, June 27, 1949

Mr. PRICE. Mr. Speaker, last Saturday, like so many Members, I tried to listen to as many news commentators as I could. One that I heard interested me greatly. It concerned a poll of Republicans on their chances in the 1950 House and Senate elections.

After listening to it I thought that it illustrated, once again, that the Republican Party is still trying to inject new life into old issues. It is trying, without success, to find some new ones.

Joseph McCaffrey, of Mutual Broadcasting, who conducted this poll, informed me when I asked for a copy of his script that he was contemplating a similar poll among Democrats next week. I certainly hope that we prove more original than the Republicans.

Mr. McCaffrey's comments made over the Mutual network, Sunday, July 17, follow:

The Democratic-controlled Eighty-first Congress has now been in session more than 6 months. For 6 months the Republicans have sat as a minority, watching this Democratic Congress in action. Now, what do the Republicans think of their chances to win control of Congress a year from next November.

To find out the answer to that question I have just completed a mail poll of 23 prominent House and Senate Republicans. A cross-section of the Republican Party in Congress.

The replies are very interesting and significantly, the Republicans most pessimistic about chances in 1950 refused to allow use of their names.

More than 50 percent of those polled doubted that the Republicans could win either or both houses. Less than 50 percent were optimistic that the Republicans would win either or both.

Only one person polled, New York's KATHARINE ST. GEORGE, second ranking GOP woman in the House, stated unequivocally that the Republicans would win both House and Senate.

Among those who thought chances excellent in both houses were Indiana's Senator CAPEHART and Congressman NORBLAD, of Oregon, and PFIEFFER of New York.

Michigan's CLARE HOFFMAN thought the Republicans could win the congressional elections if they would quit "following Dewey, Stassen, and like thinkers." He made no mention of the Senate.

Neither did the former Speaker of the House, Minority Leader JOSEPH MARTIN, who thought the Republicans would make substantial gains over the country and will elect a Republican House next year.

Even such an incurable optimist as Ohio's CLARENCE BROWN, one of the top House Republicans, qualified his look into the future.

Said BROWN, "It is my opinion the Republicans should and can win control of the House in 1950 if a direct, hard-hitting, aggressive campaign is made on sharply drawn issues."

As to the Senate, BROWN said there is a possibility the Senate will go Republican.

Two other Republican spokesmen thought the party has a chance if it works hard enough. One of these, Washington State's WALT HORAN said, "The results will depend on the candidates and party workers getting out and working." Said HORAN, "Negative campaigns have been failing consistently for 16 years and will continue to do so."

A younger Republican, who wished to remain anonymous, replied it would depend on the quality of the candidates and the work they would do. Right now he thought the chances of Republican success seem to be 50–50.

The rest of the replies were more cautious. Kansas Senator CLYDE REED, who comes up for election himself next year, would only say the Republican Party has a more favorable chance in the 1950 election than appeared probable after the 1948 election results.

The ranking minority member of the House Labor and Education Committee, SAMUEL MCCONNELL—"a good chance in the House, a fair chance to win the Senate." Senate minority leader WHERRY thought chances good. Senator AIKEN: "Good in both Houses." Senator MORSE: "Reasonably good." One of the younger House Members: "Republicans will make fairly substantial gains in both Houses, but I doubt if we will get control of either—a net gain of three or four seats in the Senate; from 20 to 25 in the House."

Another anonymous House Member who is high in his party's policy-making councils: "The Republicans will gain in the Senate and make substantial gains in the House, although possibly not sufficient to recapture control of the House until 1952."

Another anonymous Member, a veteran of many years in the House and known as one of the Republicans' foremost progressives, pointedly refused to comment but in reply to the second part of the poll, what issues would be most important to the Republicans, wrote: "Issues will mean nothing to the Republicans until they return to the ideals of Abraham Lincoln and Teddy Roosevelt."

As to issues, the one of economy leads all the rest, specifically in relation to the recommendations of the Hoover Commission.

One member said, "Economy in itself is not an attractive issue, but the carrying out of the Hoover Commission recommendations seem to have taken a firm hold. If we can make the commission recommendations an issue we can profit by the economy issue."

Next as an issue is the belief by nearly half of those polled that there may be a recession or depression by November 1950.

Socialism, as an issue, ranks next. Says Oregon's Congressman WALTER NORBLAD, "The socialistic trend has been evident for many years and has grown progressively worse. I still believe the people of this country do not want to rely on the Federal Government for their every wish and want."

This was stated in a milder way by Vermont's Senator GEORGE AIKEN who called it government control over the individual, particularly the farmers.

The next issue is labor. Wisconsin's Congressman GLENN DAVIS calls it stubborn politics-playing in labor legislation. He said, "It looks as if the Democratic party would prefer to have labor legislation as an issue for the 1950 campaign rather than to accept a number of important changes in the law acceptable to a majority of Members of both Houses."

Foreign policy ranks next as an issue, only there is a sharp difference of opinion here—the same as there is among Senate Republicans on the present debate over the Atlantic Pact.

Progressive Senator WAYNE MORSE said, "There is increasing evidence developing that the failure on the part of some Republican leaders to recognize that we cannot meet

the growing threat of communism in the world by adopting an isolationist attitude in foreign relations, is bound to do serious harm to the Republican Party in the 1950 campaign."

But another Republican Senator, who refused use of his name, said, "I believe that the extent of foreign spending will probably be an issue by 1950, including arms for western Europe."

Among the other issues mentioned in this poll were: "the dire failure of Democratic leadership during this Congress" * * * "hypocrisy in civil rights on the part of the Democrats" * * * and one reference to "getting ride of chiselers and special-influence men in government."

The Republican conservative viewpoint was summed up best by CLARE HOFFMAN of Michigan who said, "Let's stop swallowing the unsound ideas of the New Dealers" * * * adding, "I do not want to reestablish my great-grandfather's outdoor back-house nor his tallow candle, but I do want a policy such as we have always followed, saving, working, and paying as we go."

The Reciprocal Trade Agreements Act also was mentioned several times. One Republican Senator, who will be up for election next year, said, "the Trade Agreements Act has already hurt many industries, forcing them to lay off thousands of employees because of heavy importations permissible under lower tariff policies."

And that, just a year before the campaigns open, is how the Republicans feel about their chances in the 1950 elections. Certainly, at this stage, they cannot be charged—as they were in the last election—with being overoptimistic!

Statehood for Hawaii and Alaska

EXTENSION OF REMARKS
OF
HON. MIKE MANSFIELD
OF MONTANA
IN THE HOUSE OF REPRESENTATIVES
Friday, August 5, 1949

Mr. MANSFIELD. Mr. Speaker, there is much sentiment in this Congress for a vote at this session on the question of statehood for Hawaii and Alaska.

A poll on the question by the Hearst newspapers has now reached virtually every Member of Congress.

I am informed it shows overwhelming sentiment of the membership in favor of statehood for both these Territories, and that the wish of most of the Members is for speedy action by the Rules Committees on these bills.

The poll would indicate that it is almost certain the two enabling bills would pass if brought here together, or one closely upon the heels of the other and thus, as Senator MAGNUSON pointed out in the Senate day before yesterday, this Congress could claim the credit for an historic accomplishment.

Mr. Speaker, there is no lack of favorable committee report on these measures.

Investigations have been held over a period of 10 years, and the preponderance of testimony is heavy that both Territories have qualified for statehood, and are thus immediately entitled to the promotion guaranteed them, if they made good, at the time they became Territories.

The objections made to either Territory are, after all, objections based on transient grounds, matters no more serious and permanent than the troubles of any State, certainly nothing to compare to the troubles of most of the present States when they were Territories.

Certainly political considerations of partisan nature should not affect a matter so momentous, so valuable to the Nation in world prestige, in improved economics and in defense, as the creation of two new States.

The Public Lands Committee of this House has reported the measures favorably, and we await their appearance on the floor.

The committee, I am advised, did not consider politics while it was studying the two enabling acts and holding hearings on them. It gave no thought that Alaska might send Democrats to Congress, or that Hawaii might send Republicans pretty consistently.

It concerned itself with the economic advantages, the fact that the peoples of Hawaii and Alaska are fully entitled to full self-rule, and that what we need now in the Pacific is a sound demonstration of Americanism for our own defense and an example of the American way of life to the peoples of Asia.

Potato Price-Support Program

EXTENSION OF REMARKS
OF
HON. FRANK FELLOWS
OF MAINE
IN THE HOUSE OF REPRESENTATIVES
Friday, August 5, 1949

Mr. FELLOWS. Mr. Speaker, Members of both the Senate and House from the potato-producing States met in the Merchant Marine and Fisheries Committee room on Tuesday, August 2, with representatives of the National Potato Council and the Department of Agriculture for the purpose of discussing the present farm-support program and the proposals contained in the so-called Pace bill. The National Potato Council, after extensive exploration of the system of supporting the Irish or white potato, recommend and the potato farmers ask that the present program, with mandatory price support at from 60 to 90 percent of parity, acreage allotments and marketing agreements be continued, and a fair trial given the program under which the farmers are now operating. This position has the backing of the potato industry generally.

The following statement was made on behalf of the National Potato Council by W. M. Case, member of the legislative committee of the council:

Mr. Chairman, we welcome this opportunity to say to this important congressional group that potato farmers are tired of being made the whipping boy of the farm price-support program, especially when the record clearly shows that potato growers, on the whole, have done almost exactly what the Government has requested of them under the programs that have been in effect.

We are tired of being held up to public scorn as the recipients of so many millions of dollars without any credit at all for the growers' own efforts over a period of 3 years to reduce the costs.

Even when we do sharply reduce the cost—cutting it this year to an estimated one-fifth of what it was in 1948—nobody pays any attention or gives us any credit, because the admittedly high cost of previous programs has been drilled incessantly into the public mind.

We don't like to be continuously pointed out as the bad boy of the farm program when it seems to many potato growers rather obvious that the difficulties of the potato industry are but a forerunner of some of the problems which eventually will be confronting other groups in our Nation.

We feel that we are being made the illegitimate child of the farm program, for reasons unknown to us, when our breeding and membership in the great agricultural family is as correct and as proper as any other commodity.

We particularly wish to point out to the gentlemen assembled and to the public that the present price-support program for potatoes provides for the very low level of only 60 percent of parity—a figure that amounts to the equivalent of insurance on the cost of production, and insurance to the consumer of an adequate supply of potatoes at reasonable prices.

In view of the fact that potato farmers have been deliberately singled out for an unwarranted campaign of attack, we say it is high time to take a look at the record.

ACREAGE REDUCED 41 PERCENT

That record will show that potato farmers themselves have voluntarily reduced their acreage in each of the years from 1943 through 1949. It will show that the acreage planted to potatoes this year is the lowest in 70 years, and is 41 percent less than 1943 and 10 percent less than last year.

Of this decrease, 36.5 percent came in the years from 1943 to 1948. It came in spite of the fact that during this period potatoes were supported at 90 percent of parity instead of the 60 percent in effect for the 1949 crop.

The figures show that potato-planted acreage in each of the last 5 years, 1944 through 1948, and in this current year of 1949, has not even equaled the national acreage recommended by the Department of Agriculture.

This means that potato growers, as a whole, have taken a double cut in their potato acreage in each of the years since 1944. They have taken one reduction through compliance with the Department of Agriculture's acreage goal program, and a second voluntary reduction by underplanting, as a group, the total acreage that was actually allotted them.

For example, the Department recommended a 1949 goal of 1,980,000 acres, but potato farmers actually planted only 1,915,300 acres. This is 64,700 acres under the Department's allotted goal and is another example of the voluntary efforts by most producers to cooperate with the Department's requests.

Increased per-acre yields have offset, to a considerable degree, the 41-percent reduction in acreage since 1943 but, to a great extent, this has been due to the exceptionally good crop years that this country has enjoyed since 1940. Most authorities do not expect these good years to last forever. As a group, potato farmers have consistently complied virtually 100 percent with the Department's acreage goal program.

As a result of this compliance, plus the fact that the support price has been cut to 60 percent, we are producing this 1949 season a crop estimated to be the smallest since

1941. The July crop report estimated that the 1949 potato crop would amount to 369,000,000 bushels, which is 77,000,000 bushels less than last year, a reduction of approximately 17 percent.

PRICE SUPPORT REDUCED TO 60 PERCENT

The revision in the price-support program providing for support from 60 to 90 percent was recommended by potato growers themselves who are frankly concerned over the cost of the program and have repeatedly sought methods whereby it might be reduced.

The record on this is rather complete. As far back as May 1948, potato growers, meeting here in Washington, recommended to their Senators and Representatives that changes be made in the potato price program. They worked out what they thought, at that time, was a program that was practical, workable, fair to the consumer, and equitable to the potato grower.

On that occasion, they recommended price support from 60 to 90 percent of parity and asked that, where workable, marketing agreements be made one of the requirements for eligibility of price support, thus guaranteeing to consumers the best that was produced.

Following those recommendations, the Secretary of Agriculture reduced the rate of the support for potatoes to 60 percent of parity and potato producers have accepted and are supporting this very sharp reduction in the support price.

The National Potato Council gave full approval, on February 23, 1949, to this lowered price-support program by saying to Members of the Congress from potato States, at a meeting similar to this one, and to the Department of Agriculture, that it believed the current program should be given a fair trial before changes were made.

Similar recommendations to give the current program a fair trial without change have since been made on four occasions, May 4, May 27, June 8, and July 29, 1949, to the Special Subcommittee of the House Committee on Agriculture, of which the Honorable STEPHEN PACE, of Georgia, is chairman.

One of the most important features of the present 60 percent price-support program has been overlooked in most of the blasts against potato growers, and that is the change this year to a single price as the base support price for all eligible potatoes instead of the two-price system in effect on previous crops.

Until the 1949 crop, the Government based its purchasing program on a price for U. S. No. 1 grade potatoes with certain lower grades supported at 50 percent of this price.

Under this year's program, the Government support price is based on No. 2 potatoes. The result is that consumers are getting the better grades of potatoes being grown. The only place where a grower can get a good price for his No. 1 potatoes is in the market. The support price is at or below the cost of production. Had this single-price system been used in previous years, as many in the industry urged be done, the result would have been far fewer complaints from consumers as to the quality of potatoes they could buy in their grocery stores.

ATTACK ON POTATOES

Many bitter attacks have been loosed on potato farmers, apparently in an effort to use them as the horrible example of the present farm program.

Attackers have repeatedly quoted costs of previous years, particularly last year's $200,000,000 when the support price was at 90 percent, without mentioning the efforts that potato farmers themselves have been and are making to reduce the costs.

While these efforts are being made on the part of the American potato grower, the trade program of our Government permitted the importation of 10,000,000 bushels of potatoes, thereby using American taxpayers' money to indirectly support foreign producers in bringing their potatoes to American markets and aggravating the supply and demand situation in this country. It is rather a disturbing fact that the better our potato program works in avoiding Government expenditures to support prices, the more profitable it is for foreign producers to import into this country.

No one in Government has seen fit to tell the public that the cost of this year's program is now running sharply below that of 1948.

For example, as of July 24, 1949, the Government's purchases under the present support program totaled only 3,600,000 bushels at a cost of approximately $4,650,000 compared with purchases on the same date in 1948 of 11,900,000 bushels at an approximate cost of $20,041,000.

If this same relationship continues throughout the harvest season, which is now in progress, the costs of the potato program for 1949 will approximate only $45,000,000 to $50,000,000 as compared with last year's $200,000,000 when the support price was at 90 percent.

This represents a cost of about 30 cents per person to consumers. This is not a very heavy cost to guarantee an adequate supply. Past years of short supplies have usually seen consumers forced to pay from $1 to $2 per capita in higher prices.

Why doesn't someone publicize what the potato farmers themselves have done?

We feel that the potato growers and the Government can and should point with pride to the fact that the Nation's potato farmers have voluntarily reduced their acreage 41 percent and cut the cost of their program one-fifth to one-fourth of what it was last year.

We are proud to tell consumers that the one-price support system is bringing to their tables the better grade potatoes.

We are anxious to tell the public that under this program the low-grade potatoes are being diverted into many useful channels, such as starch, flour, and livestock feed.

It has been suggested that immediate provision should be made for marketing quotas as a part of the price-support program for potatoes. Very few potato farmers know anything at all about marketing quotas. They have not been used on this crop in the past and in many areas, such as Maine, there are no other crops on which quotas have ever operated.

When the question of marketing quotas came up, the National Potato Council pointed out that this was a surprise to potato growers in every State in the Union. Without endorsing or opposing, the council merely asked for time in which to acquaint farmers with the mechanics of marketing quotas and to let potato growers themselves express their opinion.

We were granted this request but, at the same time, we were advised that a recommendation would be made to remove potatoes from the mandatory price-support list and that support be made discretionary with the Secretary of Agriculture. We feel that this is rather severe and is not necessary at this time.

Potato farmers take the position that they have gone a long way in adjusting their production in line with demand. They have cut their acreage 41 percent. They have taken a reduction from 90 to 60 percent in their support price. They are on a one-price system that brings consumers the best quality. Through their own efforts, they have brought about a reduction in cost so sharp that this year's program will cost only one-fifth to one-fourth of last year's. The growers have asked for marketing agreements which would be binding on the noncomplying grower.

All we ask is a fair trial of the program under which potato farmers are now operating.

We want to continue to demonstrate that potato farmers, by cutting their acreage, by taking a lower support price, by marketing a top quality product, and by sharply reducing the cost to the Government, are already doing a pretty good job of bringing about worth-while improvements.

Regardless of what form the farm legislation finally takes, potato farmers ask that the present program, with mandatory price support at from 60 to 90 percent, acreage allotments and marketing agreements be continued.

This program is being aggressively supported by research projects in marketing and distribution through cooperative projects to which State and Federal Governments and the potato industry are making substantial contributions.

If, after a fair trial, this program does not work to the benefit of the consumer, the Government and the grower, we will gladly consider any changes that are necessary.

Automatically Controlled Money Versus Managed Currency Systems

EXTENSION OF REMARKS

OF

HON. COMPTON I. WHITE

OF IDAHO

IN THE HOUSE OF REPRESENTATIVES

Wednesday, August 3, 1949

Mr. WHITE of Idaho. Mr. Speaker, with all the attempts and trials that have been made to find a solution to our money problem we are still confronted with the uncertainties and insecurity of a managed-currency system. In our effort to find a solution and establish a sound, adequate, workable money system it is interesting to compare the insecurity of the present system of managed paper currency with the tested and tried system of automatically controlled redeemable money based on the coinage of the precious metal that worked so well in the upbuilding of our country. The comparison is more fully explained in the letters inserted herewith:

NEW HAVEN, CONN., *July 8, 1949.*

DEAR CONGRESSMAN WHITE: In re your letter of July 7, 1949, second paragraph, a stable monetary system should provide for expansion of currency with increase of population and needs of expanding commerce. I favor an automatically controlled money system by the use of the precious metals, gold and silver, at a ratio of value in some ratio with volume of production or ratio of visible supply of gold and silver. I do not favor a managed currency unless dictated by Congress which has the constitutional right to regulate the value of money.

I spent a whole afternoon with Eugene Meyer at the United States Treasury in the 1929–32 crisis talking over what could be done to head off the depression, but Hoover could not comprehend. I had the ear of F. D. R. and he seemed to understand as President. The movement revaluing gold started in England and little was said about the fifteen billion profit the Treasury made when we followed. Cornering gold for 20 years was my plan for a further revaluation. If power is given to revalue at once up to $105 an ounce if necessary and to resume specie payments—there will be no depression.

My plan is to stabilize the price-level at a reasonable level and this is brought about easiest by revaluing gold, and then letting it circulate as it used to. The ideal situation

would be a metallic standard of value and resume specie payments with a coin "a heart of gold in a ring of silver," but to stop the depression needs quick action and there isn't time.

The Federal Reserve System makes a long-drawn-out boom which when it bursts has no bottom. The average percentage of collapse of prices in crises is about 55 percent—many were less, some more, but the 1929–32 collapse was 85 percent (plus) and Federal Reserve was helpless. Half the banks failed. A more dangerous situation now exists and Congress should act at once.

Sincerely yours,

JOHN P. NORTON.

HOUSE OF REPRESENTATIVES,
Washington, D. C., August 5, 1949.

Mr. JOHN P. NORTON,
New Haven, Conn.

DEAR MR. NORTON: When you say in your letter of July 8 that "I favor an automatically controlled money system by the use of the precious metals, gold and silver, at a ratio of value in some ratio with volume of production or visibility of supply of gold and silver," I find that our views on the money question are in exact accord.

This Nation started out with and prospered with an automatically controlled money system based on the coinage and legal tender of the money metals, gold and silver. This monetary system comes nearer to stabilizing values by increasing in volume at approximately 3 percent a year. Three percent being the estimated rate of the annual growth of the population and commerce so that our supply of money of ultimate redemption increased evenly and automatically with the growth of population and commerce. This, our automatically controlled money system has been discarded to make way for the interest yielding managed paper currency system, whereby every dollar of paper money created and issued in any quarter is loaned into circulation in exchange for interest-bearing notes, or interest-bearing bonds. Coupled with this the banks have the power to contract or expand the volume of money in circulation at will, so at last we have a perfect monetary system—from the bankers' standpoint.

Of course, we have learned from experience that when the banks exercise this power to lower price trends by curtailing the volume of money in circulation, which is done by simply refusing to renew outstanding notes or make new loans, which causes business to stagnate and property and service of all kinds to fall in value, thereby creating a depressed financial condition that seriously impairs loaning value of the collateral or security on which the banks can make loans—with the banks helpless to make loans our financial pump loses its prime.

With property and collateral values gone, or greatly reduced, the banks find themselves unable to start the creation of new money or reissue retired money by making loans for lack of acceptable security in the hands of their customers and are helpless to prime the country's financial pump and reverse price trends without the help of heroic Government measures.

Now that this managed-currency scheme with its interest-gathering mechanism has been saddled on the people of practically every nation, including the primitive Orientals who are at present in the throes of devastating inflation, there doesn't seem to be intelligence enough, or power enough, to overcome the influence of financiers who seem determined to hold fast, at all cost, to their managed-currency concession, acquired with so much painstaking care, even to the destruction of all values and governments.

The people, it appears, are helpless to throw off this unwieldly and unworkable monetary system and return to the tried and tested automatically controlled monetary system based on the coinage and legal tender of both gold and silver at an established ratio and the redemption of our paper currency with the coins of either metal.

Sincerely yours,

COMPTON I. WHITE,
Member of Congress.

To Increase Compensation for World War I Presumptive Service-Connected Cases, and So Forth

EXTENSION OF REMARKS
OF
HON. OLIN E. TEAGUE
OF TEXAS
IN THE HOUSE OF REPRESENTATIVES
Tuesday, August 2, 1949

Mr. TEAGUE. Mr. Speaker, I am very happy to support this bill H. R. 5598, which, in my opinion, is a big step forward toward a well-balanced veterans' program of a grateful Government to those who served it so well in all its major conflicts.

This bill, if enacted into law, would provide for an increase in compensation for presumptive World War I service-connected cases, provide minimum ratings for service-connected arrested tuberculosis, increase certain disability and death compensation rates, and liberalize requirements for dependency allowances for certain disabled veterans.

Section 1 of this bill would restore to World War I statutory presumptive cases full compensation of 100 percent in lieu of the present 75 percent. Original laws provided for any veteran contracting disability prior to January 1, 1925, would be presumed to have incurred the disability in the service. Subsequent laws reduced the amount of compensation for this group to 75 percent of the prevailing rates for other disabled veterans. Some 20,000 cases are involved, 95 percent of which are either TB or NP cases.

Section 2 will change the rates on compensation for arrested cases of tuberculosis—service connected—to total disability for a period of 2 years; 50 percent for the next 4 and 30 percent for the ensuing 5 years. Following far-advanced active lesions the permanent rating, after 11 years, shall be 20 percent, provided there is continued disability, impairment of health, and so forth. During the first 2 years, failure to follow a prescribed treatment for arrested tuberculosis, or to submit to periodical examinations will result in the compensation being cut to 50 percent.

Section 3 will set up a new disability payment schedule based on $150 for total disability service-connected. This represents an approximate 8.7-percent increase over the wartime rate of $138 per month for total disability. This proposed increase would also result in an increase in the peacetime rates of service-connected disabilities based upon percent of disability in view of existing laws calling for a rate of 80 percent of that of the wartime schedule. Some 2,000,000 cases are involved. It will further provide for increase in the rate of pensions granted our war widows and orphans from the present $100 a month to $105 a month and for each additional child from $15 a month to $25 a month. This increase will assist this group in meeting the rising cost of living, and will be of nominal expense, disregarding the some 58,000 cases involved, due to deaths, remarriages, and children becoming of age.

The bill goes on further to amend the Dependency Allowance Act which states that for those veterans 60 percent or more disabled there shall be paid a proportionate additional allowance for dependents. Section 4 will grant additional allowances to those veterans who are 50 percent or more disabled as I feel that such veterans are generally unable to secure suitable regular employment to adequately support themselves and their dependents.

Finally, section 5 liberalizes line-of-duty requirements with respect to a service person whose disease, injury, or death was incurred without willful misconduct while in confinement under sentence of court martial or civil court, unless sentence involved an unremitted dishonorable discharge or the offense for which convicted involved a felony. Under existing law disability incurred while in confinement under sentence of court martial or civil court is held not to have been incurred in line of duty and both the veteran and dependents are barred from compensation.

Orchids to Representative Mary T. Norton of New Jersey

EXTENSION OF REMARKS
OF
HON. WALTER A. LYNCH
OF NEW YORK
IN THE HOUSE OF REPRESENTATIVES
Thursday, August 4, 1949

Mr. LYNCH. Mr. Speaker, under unanimous consent granted me to extend my remarks, I take great pleasure in, including therein an editorial from the well-known newspaper the Jersey Journal of July 29, 1949. As the title "Congresswoman NORTON Wins Double-Header" indicates, it has to do with our distinguished colleague, Representative MARY T. NORTON. It is indeed a well-deserved tribute to one whose public career has on so many occasions been marked with singular honors.

In her long career in Congress Representative NORTON particularly distinguished herself when, in the Seventy-fifth through the Seventy-ninth Congresses, she served as chairlady of the important Labor Committee and brought honor to the district which she represented by her diligence, tact, and ability. No less has she distinguished herself as chairlady of the Committee on House Administration of the Eighty-first Congress, as the Jersey Journal so well states in the following editorial:

CONGRESSWOMAN NORTON WINS DOUBLE-HEADER

Congresswoman MARY T. NORTON marked up an outstanding day of her long career in

public life when the House of Representatives passed the anti-poll-tax bill. Mrs. NORTON very actively sponsored the measure in the House, and in doing so not only pleased millions of colored people in the United States, but also provided President Truman with the first real action by Congress on any part of his civil-rights program. Mrs. NORTON doubtless feels like a pitcher who has won a double-header.

Whatever other uses the poll tax may have had in its time, its chief use, or rather abuse, for a long time has been to disfranchise thousands of Negroes in Alabama, Arkansas, Mississippi, South Carolina, Tennessee, Texas, and Virginia. In running counter to deep racial prejudices in those States, Mr. Truman, in advocating an anti-poll-tax law, appeared to be taking on a fight that might endanger the Democartic Party in the solid South. However, the man from Missouri seems to have an uncanny knack for guessing right politically, and he was right this time, knowing that no matter what the Democrats did to them, Dixielanders would never vote Republican. The result is that he has won millions of Negro friends, distributed elsewhere in the United States than the South, all of whom used to be counted as Republicans. That was demonstrated on election day last November.

However, the southern gentlemen are not completely without recourse. The Congressmen and Senators from below the Mason and Dixon's line have been giving the President no little trouble with some of his favorite legislation. They will probably now put more steam in their work.

Natural-Born Citizens

EXTENSION OF REMARKS
OF
HON. ANTHONY F. TAURIELLO
OF NEW YORK
IN THE HOUSE OF REPRESENTATIVES

Friday, August 5, 1949

Mr. TAURIELLO. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following article from the Polish-American Journal of June 4, 1949:

NATURAL BORN—NATIVE BORN

(By Lesnicki)

ROOSEVELT'S (F. D. Jr.'s) place of birth (Campobello, Canada), causes some headaches for various "kibitzers." They raise the question: "Can F. D. R., Jr., be President of the United States?" Is a foreign-born citizen of the United States eligible to the Presidency? F. D. R., Jr., Congressman-elect, is not a candidate. Nothing has been said by him or his followers of the intention to become a candidate for the Presidency. But kibitzers are raising the question. So let's look at the facts.

A foreign-born citizen of the United States is eligible for the Presidency in respect to citizenship, if he is an American citizen by virtue of birth and not naturalization. The Constitution says: "No person except a natural-born citizen of the United States shall be eligible to the office of President." But natural born does not mean native born. Suppose, for instance, F. D. R., Jr., were born in Paris in the American Embassy while F. D. R. (and M'me Anna Eleanor with him), was in Paris in the service of the United States as Assistant Secretary of the Navy? There would be no question as to F. D. R. Jr.'s qualification for the Presidency of the United States in respect to original citizenship. I do claim that the same would be true of all persons born of American parents in foreign countries, even if the parents were in private business or merely traveling. The act of Congress approved March 26, 1790, provides:

"The children of citizens of the United States, that may be born beyond sea, or out of the limits of the United States shall be considered as natural-born citizens: *Provided*, That the right of citizenship shall not descend to persons whose fathers have never been residents of the United States."

It is true that the provision in the Revised Statutes covering this important subject, like the act of 1855 on which it was based, does not contain the words "natural born," but the section 1993 of the Revised Statutes reads: "All children heretofore born or hereafter born out of the limits and jurisdiction of the United States whose fathers were or may be at the time of their birth citizens thereof, are declared to be citizens of the United States; but the rights of citizenship shall not descend to children whose fathers never resided in the United States."

The above-quoted clause prevents the perpetuation of a line of foreign-born citizens. But persons who are born of American parents outside the limits of the United States, and who continue to reside outside the country must comply with certain requirements in order to receive the (often, perhaps too often, asked for) protection of the American Government. And so—very justly, in my humble opinion—in 1907 it was enacted that "such persons reaching the age of 18 must record their intention of becoming residents and to remain citizens of the United States." And upon attaining their majority they must take the oath of allegiance.

That's the law. But for the benefit of those embarrassed with the possible candidacy of F. D. R., Jr., I'll prescribe a recipe quoting the great American of all generations, Lincoln, who said: "I have found that if one is embarrassed, usually the shortest way to get through with it is to quit talking about it, and go at something else."

Quit talking and thinking about F. D. R. Jr.'s candidacy for President, and start thinking and talking about a modus how to prevent various types of Gubitsheva to be employed by the United Nations, and various Judy Coplons to give the Gubitsheva United States secrets.

Planning for Rural Program Needs

EXTENSION OF REMARKS
OF
HON. SCOTT W. LUCAS
OF ILLINOIS
IN THE SENATE OF THE UNITED STATES

Monday, August 8 (legislative day of Thursday, June 2), 1949

Mr. LUCAS. Mr. President, I ask unanimous consent to have printed in the Appendix of the RECORD an address delivered by Mr. Arthur C. Page over Station WLS before the first National Association of Broadcasters program clinic, Northwestern University, Chicago, Ill., on June 28, 1949.

There being no objection, the address was ordered to be printed in the RECORD, as follows:

PLANNING FOR RURAL PROGRAM NEEDS

In the last few years there has been a very great increase in the number of radio stations with farm-service departments, or with programs intended to serve the farm audience. This, of course, indicates more appreciation of the importance of the farmer, especially appreciation of his prosperity. It also undoubtedly reflects the attitude of the FCC toward the importance of service to agriculture.

It is well to remember that 25 years ago, when broadcasting was much younger, there was no such widespread recognition of agriculture. Only a few stations in the whole country were making any attempt to put on special farm or rural programs at that time. I think all of you know that our station, WLS, was directed toward farm and rural service from the beginning, and 25 years ago this was quite a curiosity in broadcasting.

Addressing this subject, Planning for Rural Needs, we need first to know what we mean by "rural"—in other words, who are these people we're talking about and what are they interested in?

Let's think primarily of the people who live on farms, who manage and work on those farms, and who are responsible for the production and marketing of grain, produce, and livestock from them. Let's direct our thinking toward them, because they are the ones who set the pattern. Along with them is a great group of people who are not actually farmers, but whose interests are parallel, and who are directly concerned with everything that affects farmers.

This secondary group includes the hardware dealer, the feed and seed dealer, the banker, the grocer, the elevator man, and numerous other groups. When the farmer decides to spray with 2-4-D to kill weeds, he's going to be asking for 2-4-D at the hardware, seed, or feed store the next day. That's what I mean by the interlocking of interests between the strictly farm people and those who we can call just rural. In a sense, they are in close partnership with each other, and insofar as radio is concerned they are one compact audience whose livelihood centers around agricultural production and marketing, and the life of the rural countryside. These are the folks we are talking about and planning to serve.

At the very outset, we need to remember that these are people with very large and very real problems. We must bear in mind that we are talking to people whose investments total billions of dollars, whose annual production runs into billions, and whose success or failure depends on their daily management of their job.

These folks are interested in many of the same things as people in other areas. They want the news and they keep pretty well posted on what happens in Czechoslovakia or Australia. They are interested in good music—good music with sweet melody and rich harmony. They are not so strong for be-bop. They have a fine, healthy sense of humor and so they like good comedy.

The kind of information they want and require for the operation of their daily work is used in the making of decisions which involve heavy possibilities of profit or loss.

For example, the weather is the most universal of all interests—it's the thing most people talk about. But it isn't just a matter of saying, "Is it hot enough for you?"—but "Shall we start the mowers first thing in the morning and lay that hay down?" If they've got 3 days of assurance there will be no rain, it means all hands on deck to rush the haying and get the hay under shelter. If that hay should be rained on while it's cut, there's important damage to one of the vital crops of the season. Similarly, the forecasts of frost warnings—for citrus growers, strawberry growers, cranberry growers—to them, weather isn't just conversation, but a tremendously vital cash problem which can make or break a season's work.

We can't manage a farmer's job for him—he is quite capable of doing that for himself—but we conceive it to be our job to furnish him with sound, accurate, and timely information on which he can base his decisions. For a farmer must make vital

decisions every day—sometimes many times a day—and we want to give him the right information so he will be able to decide correctly.

Before we pass the subject of weather, let me add this: Our farm listeners have been watching the weather all their lives, and they have a pretty good picture of the movement of air masses and the direction of storms. They tell us that they want more than just a perfunctory forecast—they want also a background picture of the whole weather situation. In our case, here in the Middle West, they know that if there's a cold wave coming across Nebraska into Iowa, it won't be more than a few hours before it's likely to cross the Mississippi into Illinois. Many times people in Indiana have written that when we said it had just started to rain in Chicago, they began to watch the northwest, and in a few hours that rain had moved on over to Indiana. I'm glad to note that the Weather Bureau is doing a fine job on this now, and giving just that sort of background information. Indirectly, also, it is important to corn growers of Iowa, Illinois, and Indiana when they hear about the destructive drought of New York State, Pennsylvania, and New England, for that certainly means there is going to be need for more middle western grain in the Eastern States this winter, and probably more need for meat.

Market reports are of extreme importance. Let me emphasize again that here we are dealing with the lifeblood of agriculture. A man has thousands of dollars tied up in a livestock venture—raising and feeding hogs, fattening cattle—and it is vital that he market them carefully.

In our own case, we emphasize to every person who handles such information on the air the fact that they are not talking about abstract figures, but about information that involves a vast amount of money. For example, we figured up one day that the marketing of hogs at Chicago alone, in one day, amounted to a total valuation of more than a million dollars. Every man who had hogs to send to market was vitally interested in making the decision—whether to load them and ship them tonight for tomorrow morning's market, or to wait until next week. It might make a lot of difference in the family income for the year. That's why we don't let anything sidetrack that vital information.

Another factor is adherence to a schedule of broadcasting. Farmers today are doing the biggest job in all history, and they are doing it with a very small force of workers. One man today does a perfectly stupendous amount of work, using modern machinery. In order to do this, he works on a schedule as sharply defined as your schedule in the radio station. He doesn't have a minute to waste. You'll find that when the minute comes that he expects to hear the estimated receipts of livestock, he's going to be listening, and you'd better have them there for him. He's got a tractor standing idle, waiting, and he wants to listen on schedule. That is one important item in giving adequate and satisfactory farm service by radio.

I think it goes without saying that no such quality of service can be given without a real understanding of what it is all about. For instance, look for a moment at livestock market quotations. It is not enough merely to quote market prices—that doesn't give the picture the farmer wants and needs. In fact, you could quote market prices and give a false picture of market conditions. Suppose you quote the top price paid for cattle today. It may be sky-high and sensational, but it also may have been the price paid for only a few head of extra choice animals, entirely out of line with the run of the market. Here, as in the case of the weather, it is necessary to give interpretation and background—a true picture of the whole situation.

None of this can be accomplished by any tricks of clever rhetoric, or so-called showmanship. These are real and vital things and it is important that we do so good a job that our listeners depend upon what we tell them, and make their decisions accordingly. If we do that, they learn to trust us—we've got to deserve their trust—and if your farm listeners trust you, and depend upon what you tell them, you've got one of the most loyal groups of listeners in the world. They won't worry about whether you use split infinitives or dangling participes.

Now there's more to it than this.

It has often been said that farming is not only a living but a life. There are scores of civic enterprises peculiar to the rural community, in which we can weld ourselves into that rural life as a part of it.

It happens that our station has been vitally interested for many years in rural fire protection. We have answered hundreds of letters asking how to proceed to organize a rural community—to set up a rural fire department. There has been a lot of progress in that field. We found, from a survey of rural fire chiefs, that their biggest problem was the need for a quick water supply for their booster pumps—and that's why we launched a campaign for the building of fire cisterns on farms—and sent out thousands of sets of plans telling how to do it. Yesterday this inquiry came to my desk: It said, "We have a rural fire department but it will take 20 minutes, the best they can do, for them to get to our farm neighborhood. What can we do in the meantime—how should we plan to make the most of the time fighting a fire before the fire department gets here?"

Now that's a sincere and tremendously important inquiry—and it's up to us to give an intelligent answer. If we don't know the answer, we'd better get out and find it.

There are lots of other problems—such as promoting 4-H Club work in the community—Future Farmers—Rural Youth—meetings to organize purebred livestock breeders' associations—farm festivals and celebrations. In the course of the year there are hundreds of such opportunities to lend a hand with the affairs of the rural community. The way to look at them is to feel, always, that this is our community, and this is our work, and these are our neighbors, and we'll lend a hand whenever or wherever we can be of real service.

Speaking of neighbors—I don't know whether this is as true in all parts of the country—but certainly here in the Middle West the spirit of neighborliness is one of the most beautiful characteristics of the rural community. A man gets sick at the beginning of the crop season—or he breaks a leg—or his wife dies—he's out of commission, and his work is going to drop behind schedule. Time after time—thousands of times, a group of from half a dozen to a hundred neighbors come trooping in with all their equipment, plow his fields, plant his crop, clean his barnyards, cut his wood—yes, and the women come and clean house, all with a gay picnic spirit, just because they want to be good neighbors.

We have told on the air of hundreds of such episodes—over and over again—and the more you tell about it, the more the spirit grows—and we think that's wholesome, and good for the rural morale. We're proud of these folks, and we say so, to their faces, and we thing that helps to make a better rural life.

There's another part of farm broadcasting, and that is the fact that while you're talking to farmers, there's a vast audience of town and city people listening. Believe it or not, we have a vast audience of folks in the city of Chicago who follow the farm situation as if it were their own personal problem. So that imposes on us the necessity of interpretation—sometimes a word here and there to help build understanding between the two. If the price of milk seems high, maybe the city folks need to understand a bit more about what the dairy farmer is up against—and we think that, too, is part of our job.

We think it's important, to, when hundreds of pairs of newlywed farm couples come to see us, that we take time to greet them—only for a minute or so—but a recognition—to tell them we love them, to wish them Godspeed. That, too, is part of the job. We think it's important to help publicize the schedule of the mobile X-ray truck that will take chest X-rays to detect tuberculosis, or the local plans for blood testing to get the low-down on the brucellosis-undulant fever situation.

This could go on and on.

I would like to leave you with this vitally important fact. No one, no radio station, can possibly do this job without making a real study of it. You've got to have a man who knows these people, who lives and moves among them, who is in sympathy and understanding with them. And he's got to have a budget, and time to do it. This is no casual matter. These are the most wonderful people in the world, and any radio station has a right to be proud if it has earned their trust and confidence by giving them genuine and thorough service.

Tribute to Hon. Arthur Capper by F. W. Brinkerhoff

EXTENSION OF REMARKS

OF

HON. CLYDE M. REED

OF KANSAS

IN THE SENATE OF THE UNITED STATES

Monday, August 8 (legislative day of Thursday, June 2), 1949

Mr. REED. Mr. President, I ask unanimous consent to have printed in the Appendix of the RECORD an editorial written by F. W. Brinkerhoff, of the Pittsburg (Kans.) Sun, concerning our former colleague, Senator Arthur Capper.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

EDITOR SAYS SENATOR CAPPER REMAINS IN PUBLIC LIFE

Arthur Capper was a central figure again at a picnic in Topeka attended by 17,000 Kansans. It was the forty-third time that, on his birthday, the former Senator had entertained the children. All sorts of entertainment were provided for these young Kansans. And everybody had all the ice cream in the world.

The Capper birthday picnic now is being attended by the grandchildren of those who as kids themselves attended the earlier picnics. Thousands of those who were at the picnics in the first years are now past middle age, necessarily. Senator Capper originated the picnic to make a good-will gesture on his part as a newspaper publisher. He was interested in obtaining the friendship of the boys and girls. His keen judgment told him that friends made in childhood are quite likely to remain friends in manhood and womanhood. When the first picnic was held Arthur Capper probably had no idea of any political career other than the one he had carried on as an active Republican Party member through the years in his Topeka newspaper experience.

Half a dozen years later Capper really was in Kansas politics. For a couple of terms he was governor and from the governorship he went into the United States Senate for a stay of 30 years. The picnics for the children continued to be an annual event.

Arthur Capper is out of the United States Senate now. He is out of public office entirely. It might be said that he is out of public life except for the fact that no man who has been a Senator for 30 years and governor for 4 years and has retired from office voluntarily could be considered out of public life. Arthur Capper will remain in public life in Kansas as long as he lives. Certainly no man in Kansas in politics—or out of politics—is more generally known throughout the State. And there has been no more kindly feeling toward any man than that which Kansas bears toward Capper.

In public office he was always a Kansan. His honesty was never questioned. No one every faintly suggested that Senator Capper's position on any question was influenced by anything other than his own judgment on what was right and what was wrong. It is not extravagance to say that no man in Kansas politics in all its history has been held in such affection and esteem by the people of his State as has Arthur Capper.

His public career certainly provides an interesting study for those who would seek to determine the reason for his tremendous hold on the people. He was never a spectacular gladiator in any battle. He was not skilled in diplomacy, in smoothing over rough places, and rounding out square corners and avoiding the bumps. But he was proficient in obtaining knowledge and expert in the application of sound common sense to the performance of his duties.

Subsidization of Socialist Labor Government in Great Britain

EXTENSION OF REMARKS

OF

HON. JAMES P. KEM

OF MISSOURI

IN THE SENATE OF THE UNITED STATES

Monday, August 8 (legislative day of Thursday, June 2), 1949

Mr. KEM. Mr. President, I ask unanimous consent to have printed in the Appendix of the RECORD an article entitled "Stop, Look, and Listen!" written by Elizur Yale Smith and published in the New Bedford (Mass.) Standard-Times of July 30, 1949. The article relates to our subsidization of the Socialist Labor government in Great Britain.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

STOP, LOOK, AND LISTEN!

(The author of the following article formerly resided in Massachusetts and was connected with various newspapers in the western part of the State. Historian of the Bills of Rights Commemorative Society, he has been a free-lance writer since his retirement from the Canadian Army in 1919. He belongs to many military and patriotic societies.)

(By Elizur Yale Smith)

It is about time we took heed of the prophetic words "stop, look, and listen," in regard to our subsidizing the Socialist labor government in Great Britain. We have doled out more than $50,000,000,000 to our former ally, much of it, of course, under lend-lease, which helped to put down Nazi aggression, but lend-lease, instead of giving us world peace, has given us the evil of world communism, despite the fact Soviet Russia accepted a slice of it worth $11,000,000,000.

Three years ago Britain came to us humbly asking for a loan and we graciously gave her $3,750,000,000 to bolster up her economy and assist her in getting on a prewar standard of living. The gift was to last her until 1951, but all that dole—for none of it will ever be repaid, any more than Britain paid us any of her war debts of World War I—was spent just about as soon as she got it, much of it on trifles, and not on food, clothing, or such industrial equipment as would assist in putting this once-proud empire on her feet.

Then, under the ECA, which took effect April 2, 1948, and which calls for a total of $21,780,000,000, unless Congress become frugally minded, toward economic reconstruction and military aid for Europe and China, Great Britain got nearly a billion more. The ECA aid is supposed to run from 1948 through 1951, in credits and loans. Now, Britain is waiting with her hand extended for nearly another billion; waiting until our Senate passes the appropriation bill and she will be looking for a like amount in 1950 and 1951.

When will the end be? Paul G. Hoffman, ECA Administrator, soon after he took office in 1948, toured Europe and in October announced from Berlin that he believed the countries covered by the ECA would have achieved a complete recovery by 1952. Not so, I fear. When the ECA plan expires, unless it is renewed, or western Europe makes a faster recovery than it is doing at present, Soviet Russia will pounce on these weak European countries, or many of them, and hide them behind her iron curtain, whether they like it or not, just as she did with Poland.

BRITAIN IN POOR COME-BACK

Every country west of the iron curtain has made a better come-back than has Britain, even beaten Germany and Italy, and especially Belgium and the Netherlands. While we are handing out doles to Britain, our great United States Republic is spending more billions of dollars than it is receiving through its various forms of taxation and our taxation system has reached the saturation stage.

If we do not stop our deficit spending, bankruptcy will be the result, and our great Republic will wallow in the swill of socialism and communism. With a national debt of about $252,000,000,000, we need another Alexander Hamilton to guide our fiscal system today. He did a good job of it under George Washington. Communism thrives on bankrupt nations, misery, hunger, and large numbers of unemployed.

The two most distinguished statesmen in the world today are Herbert Hoover and Winston Churchill. It is unfortunate they are both 75, for, as heads of the United States and Great Britain, respectively, they could save the world from the creeping anarchic systems of evil governments. Not long ago, Mr. Hoover said, "Communists like to see the people of Europe hungry in order to more easily establish their political ideals." Early this year, Mr. Churchill remarked that the Labor government was making the British people "live in a fools' purgatory upon the generous grants of free enterprise capitalist America."

Furthermore, last week at Wolverhampton, the former Prime Minister stated that the British Government, under the Socialist Labor Party, had been carried from its "high and proud position at the end of the war," to a state where it is "low alike in prosperity and reputation, both at home and abroad."

SOCIALISM, THEN COMMUNISM

This writer, in various published articles, has always maintained that socialism leads to communism, for Karl Marx and his collaborators, Friedrich Engels and Wilhelm Liebknecht, founded the Social Democratic Labor Party in Germany and they spread the propaganda of communism under the name of socialism. Mr. Churchill, in his Wolverhampton speech, said British socialism "can beat the worker down to the level of a Soviet Communist serf," and that socialism and communism differ very slightly. The American Congress should not pour one more penny down the British socialistic rat hole, even under the existing ECA.

Let us stop, look, and listen before it is too late. Canada, one of the British Commonwealth of Nations, has already heeded this prophetic counsel, for a few days ago this Dominion ruled that any further loans to Britain were out. Canada's Finance Minister said the mother country's answer to her future lies within her own economy: "In her ability to produce goods that will sell at competitive rates anywhere in the world."

While we are loaning money in the form of a dole to Britain, she is cutting down her exports from the United States and other dollar nations by 25 percent. This is sure to affect our own economy. Britain is buying wheat and meat products from the Argentine and many other commodities which we raise from Soviet Russia.

Not many months ago, it was announced she was making a loan of $65,000,000 to Soviet Russia so Russia would buy her goods. Where do these millions come from? There is no reason why the American taxpayers should donate their funds to pay for Britain's unsuccessful experiment in socialistic government, for her present government will lead to a communistic government if she doesn't watch out. The goblins will get her, sure enough.

White Paper on China

EXTENSION OF REMARKS

OF

HON. CARL T. DURHAM

OF NORTH CAROLINA

IN THE HOUSE OF REPRESENTATIVES

Monday, August 8, 1949

Mr. DURHAM. Mr. Speaker, under leave to extend my remarks, I include the following editorial which appeared in the Greensboro Daily News, Saturday, August 6, 1949:

WHITE PAPER ON CHINA

The critics of the Truman administration's China policy are in the position of a kibitzer who criticizes a golfer for not making a hole-in-one on a 500-yard hole. What they are really blaming the administration for is for its failure to pass a miracle.

This ought to be clear to anyone who has read the newspapers for the past few years, but if the assertion needs any bolstering it can be found in the white paper of our State Department entitled "United States Relations With China," which, with its 1,054 pages, is quite a bolster in itself.

In his letter of transmittal Secretary Acheson sets out the salient facts. We desire to help the Chinese people; we have tried to help them and are still trying to solve that problem. Two of the main troubles with China are: (1) A population which cannot find enough to eat, and (2) the destruction of the emerging middle class by the war. We tried to help Chiang Kai-shek's government in every way we could but it would not take our advice and it squandered our aid. General Marshall could do nothing to help China because both the Communists and the Nationalist government were bent on destroying each other rather than helping their country. Neither could General Wedemeyer, for the same reason. His advice to China to "utilize her own resources, reform her finances, her government and her armies, and accept American advisers in the military and economic fields" came to nothing because the Nationalists would not accept it.

The Nationalist government fell not because of lack of American aid but because its leaders had proved incapable of meeting the crisis confronting them, its troops had lost the will to fight, and the government had lost popular support. * * * The Nationalist armies did not have to be defeated; they disintegrated.

As Secretary Acheson points out, we had only three alternatives in China: (1) Pull out, (2) intervene on a major scale, (3) try to avoid a civil war through compromise. The first was against our traditions and our duty to an ally; the second was impracticable; and the third was attempted but the intransigence of both sides prevented it from having any success. We did what we could to help China but there is a limit to the aid one country can give another, particularly if that country is not willing to accept it and use it to advantage.

That is what it all boils down to. The situation which now exists is not what we wanted but it is one which we must face. Recriminations are useless, particularly in view of the fact that no one has suggested a more sensible course than the one we followed. Our policy is still to aid the Chinese people to work out a democratic form of government suitable to themselves, but circumstances force us into a period of watchful waiting. There's no use crying over our failure to make a 500-yard hole in one stroke; it usually takes several.

Do Not Increase the Postal Rates

EXTENSION OF REMARKS
OF
HON. ABRAHAM J. MULTER
OF NEW YORK
IN THE HOUSE OF REPRESENTATIVES

Monday, August 8, 1949

Mr. MULTER. Mr. Speaker, I commend the following article, which appeared in the New York Times of August 8, 1949, to the attention of my colleagues. We should start devising ways and means of helping business rather than hindering it. The operation of the post office by the Government can be countenanced only so long as we agree that postal service is a governmental function. Let us not try to make it a paying business at the expense of the dissemination of knowledge and information.

PUBLISHERS AND ADVERTISERS FEAR FURTHER INCREASE IN POSTAL RATES—BILLS NOW BEFORE CONGRESS TO MEET DEFICIT IN POST OFFICE DEPARTMENT ARE ATTACKED AS HIDDEN TAX ON ADVERTISING

Fears were expressed here last week by publishing and advertising spokesmen that the Nation's daily, weekly, and periodical press may soon be called on to pay even higher postal rates than those proposed in bills now before Congress.

When these bills were introduced early this year, at the instigation of Postmaster General Jesse M. Donaldson, they called for an estimated 300 to 600 percent increase in second-class rates used by publications, and one of some 300 percent in third- and fourth-class rates, used largely by direct mail advertising and other businesses.

The Department of the Post Office, it was urged, faced a deficit of perhaps $500,000,000 this year, and increases of $253,000,000 were necessary to cut down this growing loss.

One feature of the rate boost measures has been attacked as a hidden tax on advertising. This provision was one that would apply a sliding scale of costs, not only by zones, but by percentage of advertising content in a publication. Postmasters also are to be given the power to class as advertising any reading matter referring to products, stores, prices, etc., for purposes of computing total percentages of advertising.

Because emphasis has been placed on reducing the post office deficit, opponents of the bills have demanded that, if this principle were to be applied, all Government departments be placed on a businesslike basis, including those of Agriculture, State, Commerce, etc. They also demanded that the post office be placed on a more efficient operating basis through use of up-to-date handling, traffic management and general organizing practiced in industry.

With a drive on now to boost postal workers' wages, expected to add a probable $237,000,000 more to post office expenses, it is believed that new demands for reducing next year's deficit will be made in terms of still higher rates.

Mr. Donaldson has declared that he has no intention of trying to make the Department self-supporting. He also has stated that 90 percent of postoffice costs are uncontrollable, since they represent wages determined by Congress, and subsidies paid to railroads, ships, and air lines transporting the mail, and determined by Government agencies.

According to one advertising official here, if Congress awards pay increases to postal workers as civil servants this can be taken as acknowledgment that postoffice operations are a public service set up and carried on for the general benefit. Since publications have traditionally been accepted at low rates because of their value in disseminating knowledge, a change would mean that the Department had not been performing a service, it was declared.

It seems certain, the official added, that if operations were reduced to handling first-class mail—the only class which the postoffice has exclusive right to handle—there would be no need for so many postal workers.

An official of a mail advertising group here commented that the plan to raise the penny post card to 2 cents will not bring in the additional revenue calculated to result.

Why use a card when you can send a letter for 1 cent more?" he asked. "Doubling the price won't mean doubling the cash income."

Address of Gen. Robert L. Eichelberger

EXTENSION OF REMARKS
OF
HON. CLARENCE J. BROWN
OF OHIO
IN THE HOUSE OF REPRESENTATIVES

Friday, August 5, 1949

Mr. BROWN of Ohio. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following address by Gen. Robert L. Eichelberger at the American Legion Convention, Department of Ohio, Columbus, Ohio, August 6, 1949:

It is always a pleasure to be among veterans. It is doubly so today when the veterans are from Ohio and the meeting place is Columbus. In the first place, I was born and raised in Urbana, just west of here, and before entering the military service as a cadet at the United States Military Academy I attended Ohio State University. My forefathers came to Ohio when Indians were still prowling its forests, and my heart will always be in the soil where my father and mother are buried.

Out in the Pacific in World War II it was my honor to command 9 of the 18 National Guard Divisions at some period or another of their operations. But one of my finest memories centers on the day that I landed at Tuguegarao, in northern Luzon, to welcome the Thirty-seventh Ohio Division into the Eighth Army, and to be met at the place by Gen. Bob Beightler and Gen. Leo Kreber. With me at the time was my brave and ever-efficient chief of staff—Gen. Clovis Byers, of this city. Four commanders, all from Ohio, whom fate had thrown together.

Back in the First World War, I served in Siberia. Shortly before my arrival there, the democratic regime of Aleksandr Kerenski had been overthrown by a small but well-organized group of Bolsheviks and the whites were in full flight toward safety. In those days, I had the feeling that the ruling class in Russia did not deserve to remain in power but that no such suffering could possibly come to my own country, where through individual initiative and hard work, there had been developed the highest standards of living the world had ever seen.

Now, I am not certain. To even the most casual reader or to the greatest optimist, it must be apparent that this world of ours stands in the shadow of crisis. In both Europe and the Far East, the balance of power has been upset through the events of World War II. Through the defeat of Nazi Germany, the Soviets have been able to overthrow all semblance of democracy in such countries as Poland, Czechoslovakia, Austria, Rumania, and Bulgaria. Largely through our overthrow of Imperial Japan, communism has spread southward in Asia, across the Yangtze River, and poises a threat to the entire Far East. By ruthless police state methods and by complete suppression of the press, the inhabitants of Russia and her satellites are kept in complete ignorance of our American way of life and they are taught to picture us as the tools of Wall Street, bent only on destruction of Russia.

Twice in my Army career, Germany chose war with the United States because of our military weakness and because it was felt that quick victory was certain before our industrial potential might tip the scales. Aggressive, militaristic Japan chose war in 1941 because we had endeavored to halt Japan's seizure of the Far East. In no case would these nations have marched against us had not early victory been anticipated.

I speak of these things in the presence of you Legionnaires because yours is an organization dedicated, in the final analysis, to patriotism—patriotism which means a willingness to die in defense of your country. Because of the very luster which your achievements in the past have added to the stature of the sons and daughters of Uncle Sam, that little band of men in the Kremlin when contemplating world plans may well cast hesitant views in our direction. They may say to themselves: "Look what happened twice to Germany. Remember what happened when the United States was thrown into the scale. Maybe we better not risk war; it might mean our defeat."

But as an organization, you have other objectives—certainly nothing more noble than the inculcation of love of country, of honor and sensitive duty among the millions with whom you are in daily contact. You who have seen war, who know its destructiveness, its demands on human endurance, its insatiable consumption of material supplies and above all, its cruel obliteration of the weak and defenseless; you have a special responsibility to communicate your knowledge and your understanding to all other citizens.

Your country is facing today problems, present and future, which equal in scope and significance any it has hitherto encountered in 173 years of existence. Because we exist in these times, it is difficult to

appraise their historical import. But grave as they may be, they deal—as did our great crises of the past—with the preservation of freedom. What America decides today, what she plans for tomorrow, can determine the sort of world your grandsons will possess—whether it be governed by justice or enslaved by force.

With that thought in mind, let us turn our attention to the arena of the Far East from which I returned last fall after six continuous years served in war or in the occupation of Japan.

The Imperial Japanese Government struck us with unparalleled savageness and rapidity, because they hoped for speedy military victory. With a veteran army and with war matériel more advanced than any that we possessed, particularly in landing craft, they were able to gain in the early stages one of the greatest military victories in history. In those early months their soldiers seemed invincible.

On December 7 they bombed Pearl Harbor. Two days later they struck in the Philippines; on the following February 15 Singapore fell; within the same month, the Netherlands East Indies were under the conqueror's boot. Then the attack shifted further to the southeast and from Rabaul, New Britain. The imperial high command planned a two-pronged drive. One prong was to strike for control of southeastern New Guinea, the other through the Solomon Islands to slash the supply lines from America to Australia. Neither were destined to succeed because of the achievements of a thin line of khaki-clad soldiers and their counterparts in all the services. Within 6 months, a nation which had prepared for war and had thousands of hardened troops to execute its will, carved out one of the greatest colonial empires known to man. With deft strokes the Japanese brought within control 95 percent of the world's rubber supply, 45 percent of the world's known oil reserves; countless volumes of the raw material from which the world's medicine supply, particularly the quinine drugs, is extracted. And with this vast empire recognized in the aspirations of the Tanaka memorial as the greater east Asia coprosperity sphere, came the slave labor potential of 100,000,000 people.

The story of our recovery is set in a background of fever-ridden swamp and jungle, where American soldiers lay day after day in waterlogged foxholes or crept through murderous fire toward enemy positions they couldn't see. It gave us a narrative of combat studded by the bright and shining record of military, naval, and air leadership which never faltered in sharing the risks of battle with their men. There was the ever-constant example of leaders in all ranks of whom far too many were buried in the long axis that leads from Australia to Tokyo.

To illustrate the viciousness of combat, in my first fight at Buna in Papua, there were four of us who were general officers and of those, three were shot. None of them were shot at a distance greater than 70 yards from the enemy.

The Air Force, like the submarine and PT-boat men, furnished their great share of inspiring episodes. There was Jimmy Doolittle's heart-lifting raid on Tokyo in 1942, the predecessor of B–29 superfortress attacks that reduced every major city of Japan and burned out the port of Yokohama in just 2 hours. The industrial might of this Nation produced the great fleets of battleships and aircraft carriers which in combination with the "ghost ships," raised from the floor of the sea at Pearl Harbor later bombarded the Japanese coast at will.

I know it is difficult to comprehend. We pitted a destruction and fury against a disciplined nation in which every one of its population centers except the Temple Cities was destroyed, two of them by the forces wrapped up in the atomic bomb. We and our allies mounted a gale of might against a disciplined people whose habitations were slowly but surely being reduced to ruin and devastation. Yet, until the very last, it was a people who retained an unshakable will to fight, headed by a military caste that gave little, if any thought, to the consequences.

That we have witnessed such a transformation in the Japanese nation is only further testimony to the effectiveness of the American armed forces; the wise and just policies of the occupation; to the cooperation of the intelligent Japanese and, certainly, not the least of these, to the disciplined conduct of the soldiers of the Eighth Army.

You understand that the Eighth Army, in carrying out the occupation of Japan, did not live off the country as other conquering nations might do. Neither did it take away, without recompense, the food and goods of a conquered people. In accordance with the Hague Convention, our country has been sending into Japan a minimum amount of food to prevent suffering in cities still being rebuilt from the shambles and even raw materials for economic rehabilitation.

We have introduced in Japan the framework of democracy. There have been the first free elections in her history. She is no longer a police state with a nationalized people. There have been given to them many of the freedoms which we hold so dear—freedom of speech and freedom of the press, the right of assembly, the writ of habeas corpus, the right to pass a policeman without bowing. If we have seen fit to introduce these changes, then we must overlook the past cruelties of the Japanese Military Party and accept the Japanese as we now find them. We must remember the wholehearted cooperation, from the Emperor to the farmer—and by the way, we could not have achieved the results gained in Japan without this cooperation.

If Japan under its military domination was a vicious enemy, we must remember that it could become a powerful friend. I do not like to think of Japan as an ally in war, although that might well be possible. I would like, rather, to think that we have built up a great reservoir of friendship and respect through the prestige, the fairness and generosity of our country which would act as a deterrent to those who entertain no desire to fight on two fronts.

During my last year in Japan the welfare of my country to me obscured, perhaps, all other issues. Glad as I have been to see the inculcation of democratic ideals among the Japanese, I would not give that the slightest token of value unless in time of danger we could rely upon Japan being at least a friendly neutral. In the final analysis, in looking back over the traditional suspicion between these Asiatic powers, the individual Japanese citizen is best equipped to estimate what might have happened had the Soviet Union, rather than the United States, controlled the occupation.

Our over-all victory in the Pacific, carried out at a cost of 300,000 Allied casualties and the expenditure of billions in money and treasure, is as yet in dubious respect. Even now it is apparent that the resurgence of communism on the mainland of China has already cost us many of the fruits of that victory. Before specifying the over-all reasons, I should like to inject momentarily some pertinent aspects of the geographical picture.

It must be remembered that Russia, as a result of the Allied victory in the Pacific, received as a reward the strategic as well as geographic aspirations of 150 years. Except for a port of Korea, Communists control the Asiatic land mass to the north of the Yangtze River and if Japan were to become Communist and thereby be added to the chain of the Kurile Islands, the Sea of Japan would become a Communist lake. Russia today spreads like a blanket over the top of Hokkaido, the northern island of Japan. My old stamping ground, Vladivostok, lies only 400 miles to the west of the coast of Hokkaido. The southern coast of Sakhalin is merely across La Perous Strait to the north, and the Kuriles, now under Communist domination, are so close on the east that one could cross in a rowboat. One can appreciate, then, what a great prize Japan would be if the Communist nations were permitted to gain possession. But to the United States, Canada, the Philippines, and Australia it would signify the loss of World War II and a potential defeat in the Pacific in any future war that might be forced upon us.

There are, as I have pointed out, several major factors or reasons for the advance of communism in the Far East. In the first place, in the course of our overwhelming victory over Japan, we also caused the surrender to the Reds of the Japanese Army in Manchuria, estimated as high as 1,000,000 troops. So long as this formidable Japanese Army remained intact, the southward spread of communism into China proper was effectively checkmated. When this barrier was removed, all of China lay open to ideological infiltration from the north in spite of all the wartime reinforcement of the Nationalist regime.

A second major factor has been the existent state of what we might call the "war weariness" of the followers of Chiang Kai-shek. When you stop to think that this segment of the Chinese people has been fighting since the early thirties, better than 15 years, you have a better appreciation of the strains and exhaustion by which present-day China is beset.

A third, though less tangible item, is to be seen in the ideological line—the usual story of promises—offered people by Communists—a standard appeal that has accompanied its advances in other parts of the globe. The fact is that with standards of living so low that any change is welcomed as an improvement, Asiatic peoples are wide open to communistic turmoil.

The great question which remains to be answered is whether the Communists will be able to control that milling mass which we call China. Like farmers throughout the world, the Chinese peasant loves the soil. He wouldn't want to be regimented into collective farms. The Chinese are the small traders of the Far East. They will require international trade in order to live. Unless the Reds cease their hymn of hate and seek friendly commercial contacts, there will be chaos in China, and the Communists will not be able to impose their regime on that vast population.

So long as Russia does not control the island chain and particularly the main islands of Japan, the further advancement of the Reds is to a very large extent stymied. And if we can make sure that the Japanese are reasonably able to protect themselves after a peace treaty is concluded, the scales will be tipped the other way. That is why I consider Japan as the key to the entire Far Eastern situation at this time.

As a result of the war, it is a nation reduced to the status of a military pygmy. She has lost the oil of Sakhalin, the rice of Korea, the coking coal, soybean, and iron ore of Manchuria, the sugar of Formosa, and all of her overseas investments. During the war, we destroyed her navy and her merchant marine. After the war, the Eighth Army destroyed over a million tons of explosives; 3,000,000 small arms; 3,000 tanks; 10,000 airplanes, and 90,000 field pieces.

Having done these things and having introduced a "Made in America" constitution

which renounces war and guarantees every freedom we ourselves enjoy, we must assume a protective obligation until Japan can look to its own defense.

We are fulfilling that obligation today through the development of our own land, sea, and air defense team and plans for further improvement of our defense structure are in keeping with this purpose. They represent, it is true, preparations against war—preparations against a war which we hope will never take place, a war which will not take place unless our national honor and right to a continuing free existence is at stake.

Even now the United States Navy continues to exert a stabilizing influence in areas where explosive incidents of international import could occur. Our Air Force, through extraordinary achievements, notably the Berlin air lift, brings enviable prestige to our people while carrying out the policy of their Government. The Army, while complementing the strategic roles of both Air Force and Navy, has been administering the affairs of 150,000,000 former enemies and foreign nationals. It is doing these things on a world-wide scale because the country believes that unless we give peace and democracy an opportunity to take root in fields where aggression has bred for generations, the victories of World War II will in the long run become meaningless.

A few, for their own reasons, allege that this sea-air-land defense is a disturbing element on the world scene, terming it a standing threat to other peoples. But the countries against which, they imply, our armed forces may be aimed do not need secret intelligence sources to recognize the absurdity of such charges. Our forces at home and abroad are, by every possible standard of comparison, the minimum nucleus for security.

For the people of the United States, this step means many things. It means the determination of all services to work together in meeting any real threat as it begins to develop. It means unity of purpose in all issues that affect the national interest. It means an adequate and balanced force to execute the people's will.

In practical operation, the creation of a single national military establishment is a major step toward the sort of preparedness we need. It is not something that is merely invented but is a system of defense that is dictated by time, space, and by unalterable facts of geography, political and military.

Meanwhile, the task of developing proper awareness of partnership between the public and its institutions of defense lies still ahead of us. I cannot conceive of the country's veterans, particularly Legionnaires, standing idly by awaiting duty or orders in event of a crisis. You are organized and equipped, mentally and morally, for greater and more constant service and your leadership should be felt at all times.

The concept of leadership that I should like to leave with you is that which we attempt to impress on officers of the Army, Navy, and Air Force in the present day. It is that of a leadership which is not concerned solely with the welfare of this or that component alone. It is that of a leadership solicitous for the entire national welfare.

A great degree of that country's safety is in the hands of you men and women who had to win both world wars. Already you merit the continued gratitude and esteem of your Army and your country for spearheading the effort that has upheld our national sovereignty in two world wars of a generation.

We are even more grateful that you stand now to protect us in the future against individuals or ideologies that threaten or would suppress the ancient truths which are the foundation of a free existence.

Television Sets in Offices of Admirals

EXTENSION OF REMARKS
OF
HON. RALPH E. FLANDERS
OF VERMONT
IN THE SENATE OF THE UNITED STATES
Monday, August 8 (legislative day of Thursday, June 2), 1949

Mr. FLANDERS. Mr. President, I ask unanimous consent to have printed in the Appendix of the RECORD two short paragraphs from an article entitled "Washington Background," edited by John C. O'Brien and published in the Philadelphia Inquirer of August 1, 1949, relating to the effect of television sets in the offices of admirals.

There being no objection, the excerpt was ordered to be printed in the RECORD, as follows:

WASHINGTON BACKGROUND

Have you resisted the impulse to buy a television set because you thought it would distract junior when he should be doing his home work? If you have, and you find it necessary to justify your decision to junior, just cite this action by Under Secretary of the Navy Dan H. Kimball.

Seems the Navy bought a lot of nice television sets and installed them in the offices of the admirals. Well, after a trial period, Kimball decided that the admirals could not keep their minds on their work. So he took all the television sets out and sent them around to Navy hospitals.

Congress in Favor of Prompt Action on Statehood for Alaska and Hawaii

REMARKS
OF
HON. HENRY D. LARCADE, JR.
OF LOUISIANA
IN THE HOUSE OF REPRESENTATIVES
Monday, August 8, 1949

Mr. LARCADE. Mr. Speaker, as a Member who has taken an active interest in the question of statehood for Alaska and Hawaii, I am greatly disappointed that the Rules Committee has not reported out a rule on the bills before that committee.

Mr. Speaker, it is not necessary for me to recount the history of the various reports of investigating committees which visited both Alaska and Hawaii, and the fact that the Public Lands Committee of the House of Representatives also had exhaustive hearings before that committee and approved the bills for both Alaska and Hawaii almost unanimously, there being only one reservation of one of the committee members, and notwithstanding the fact that the bill to grant statehood to Hawaii was approved in the House by an overwhelming majority in the Eightieth Congress, the Rules Committee has not reported out these bills.

However, Mr. Speaker, I do wish to call to the attention of the House that only last week a poll of the membership of both the House and Senate indicates that the Congress is overwhelmingly in favor of granting statehood to both Alaska and Hawaii by a tabulation of approximately 3 to 1.

Mr. Speaker, I submit the tabulation and statement by Mr. Ray Richards, in regard to statehood for Hawaii and Alaska, published in the Hearst newspapers on Sunday, August 7, 1949, as follows:

HAWAII, ALASKA STATEHOOD ENDORSED—CONGRESS IN FAVOR OF PROMPT ACTION, HEARST POLL SHOWS

(By Ray Richards)

WASHINGTON, August 6.—The present Congress needs only a chance to vote to give statehood to Hawaii and Alaska.

The Hearst newspapers today completed a poll of House and Senate which shows overwhelming sentiment of Members for passage now of two pending enabling acts, at present blocked for sheer political considerations by the House leaders of both parties.

On the various propositions of the poll the vote ranged from 3 to 2 to better than 3 to 1 in favor of statehood for both Territories now or in the near future, singly or both at the same time.

Heads of the statehood movement in Congress expressed amazement at the poll's demonstration of their actual rank-and-file strength.

It was pronounced one of the most complete unofficial congressional polls ever taken, reaching all 96 Members of the Senate and with only 5 of the present 433 Members of the House refusing to make any response at all. There are two House vacancies.

Delegates JOSEPH R. FARRINGTON, of Hawaii, and E. L. BARTLETT, of Alaska, said the count would be used to show the House party leaders that they are suppressing the will of the membership in refusing to permit a vote before the present session ends this fall merely because Hawaii would likely send Republicans to Congress and Alaska probably would send Democrats.

ONE HUNDRED AND FIFTY-FIVE WANT A VOTE AT ONCE

Of 190 Members of the House and Senate who had no lights and shades of opinion but voted with flat "no" and "yes" on the question of double statehood in this session, 155 said they were for statehood for both Territories and wanted a vote at once.

Only 45 voted against statehood and action for both Territories in this session.

That tally is better than 3 to 1 for statehood now.

One hundred and sixty-four Members of House and Senate said they were undecided as to statehood for both Alaska and Hawaii and on the possibility of acting on the enabling acts in this session.

A total of 217 votes would be required for a bill to pass the House.

One hundred and eighty-two Members of the House said they were undecided about Alaska, and 171 Members said they were definitely for Alaska statehood now.

That means only 46 votes from the 182 undecided Members would be needed to pass the Alaska statehood enabling act in the House.

One hundred and fifty-three House Members said they were undecided about Hawaii, and 196 said they would vote for Hawaii statehood if given a chance in this session.

HAWAII NEEDS ONLY 21 MORE VOTES

That means Hawaii would need the votes of only 21 of the 153 undecided House Members.

Said Delegate FARRINGTON:

"Many more votes than that, of course, would be foregone.

"There are many reasons for the number of undecided Members.

"It is astonishing, for one thing, that so many Members expressed positive affirmative opinions on statehood in view of the ban placed by the leadership on any action this session.

"This ban, of course, had shoved the statehood issue into the background until the great patriotic campaign of the Hearst newspapers recently brought it to the fore, and thus many Members have not studied it as an active issue."

Forty-three Senators said they were undecided on Alaska, and 32 Senators said they wanted to vote for Alaska statehood now.

Forty-four Senators said they were undecided on Hawaii, and 33 said they would vote for Hawaii statehood if the bill comes up this year.

A majority of the Senate being 49, Alaska would need 17 of the 43 undecided votes, and Hawaiii would need only 5, for Senate passage after the House had passed the bill.

FAVOR STATEHOOD IN PRINCIPLE

During the course of the poll a good majority of the Members who voted "undecided" explained that they strongly favored Hawaii and Alaska statehood in principle, but found some objection to immediate action in the Hawaiian shipping strike or in certain alleged defects in Alaska's territorial home-government system.

These were objections, they confessed, that could be cleared up in a short time, and they said they will be ready to urge immediate action and to vote for statehood.

Of the entire House and Senate only 65 Members said they were unchangeably against admitting Alaska, and only 61 said they would never vote for Hawaii statehood. Objecting to one, most of these favored the other.

One hundred and ninety Members of the House and 27 Senators, a total of 217, said they wanted Hawaii admitted immediately and Alaska to wait a while.

Fifty-four Members of the House and 24 Members of the Senate, totaling 78, said Alaska should be admitted at once, but Hawaii had better wait.

FIVE WHO REFUSED TO RESPOND

The five Members of the House who were well and in Washington but who refused to respond even with a "no comment" reply are EDWARD J. HART, New Jersey Democrat; MICHAEL J. KIRWAN, Ohio Democrat; THOMAS J. O'BRIEN, Illinois Democrat; ALVIN F. WEICHEL, Ohio Republican, and CHARLES A. WOLVERTON, New Jersey Republican.

Said Senator WARREN G. MAGNUSON, Washington Democrat:

"Statehood for Hawaii and Alaska means national defense, higher national prosperity, better distribution of taxes, justice for Americans not yet fully self-governing, a declaration to the world that we are solid in the Pacific.

"The poll of the Hearst newspapers shows beyond doubt that Congress is willing to vote for statehood.

"With this demonstration we know finally that statehood cannot fail if put to a vote, and we shall demand more and more strongly that it be put to a vote with partisan political considerations shamed out of existence."

MEMBERS OF HOUSE VOTE 3 TO 1 TO ADMIT TERRITORIES

During the past week the Washington bureau polled Members of the House of Representatives on the question of statehood for Alaska and Hawaii under four specific headings. Their replies are given in the tabulation below. Here are the four questions:

1. Are you in favor of statehood for Alaska?

2. Are you in favor of statehood for Hawaii?

3. Do you favor Congress voting on Alaska at this session?

4. Do you favor Congress voting on Hawaii at this session?

Favorable reaction of the individual Congressmen is indicated in the table on each question by "Yes." An unfavorable reaction is indicated by "No." Lack of decision on any of the four questions is shown by the letter "U" (undecided). "NC" means "no comment." Members ill or absent are so indicated in the table.

Members	Party	State	For Alaska	For Hawaii	Alaska, now	Hawaii, now
Abbitt	D	Virginia	U	U	U	U.
Abernethy	D	Mississippi	No	No	No	No.
Addonizio	D	New Jersey	Yes	Yes	Yes	Yes.
Albert	D	Oklahoma	U	U	U	U.
Allen	D	Louisiana	No	No	No	No.
Do	R	California	Yes	Yes	Yes	Yes.
Do	R	Illinois	U	U	U	U.
Andersen, H. Carl	R	Minnesota	Yes	Yes	Yes	Yes.
Anderson, Jack Z	R	California	Yes	Yes	Yes	Yes.
Andresen, August H	R	Minnesota	Yes	Yes	Yes	Yes.
Andrews	D	Alabama	No	No	No	No.
Angell	R	Oregon	Yes	Yes	Yes	Yes.
Arends	R	Illinois	No	Yes	No	Yes.
Aspinall	D	Colorado	Yes	Yes	Yes	Yes.
Auchincloss	R	New Jersey	U	U	U	U.
Bailey	D	West Virginia	Yes	Yes	Yes	Yes.
Barden	D	North Carolina	U	U	U	U.
Baring	D	Nevada	Yes	Yes	Yes	Yes.
Barrett	R	Wyoming	Yes	Yes	Yes	Yes.
Do	D	Pennsylvania	Yes	Yes	Yes	Yes.
Bates	R	Massachusetts	U	Yes	U	Yes.
Do	D	Kentucky	U	U	U	U.
Battle	D	Alabama	U	U	U	U.
Beall	R	Maryland	U	Yes	U	Yes.
Beckworth	D	Texas	U	U	U	U.
Bennett	D	Florida	Yes	Yes	Yes	Yes.
Do	R	Michigan	Yes	Yes	Yes	Yes.
Bentsen	D	Texas	Yes	Yes	Yes	Yes.
Biemiller	D	Wisconsin	U	U	U	U.
Bishop	R	Illinois	No	No	No	No.
Blackney	R	Michigan	U	U	U	U.
Bland	D	Virginia	U	U	U	U.
Blatnik	D	Minnesota	Yes	Yes	Yes	Yes.
Bogus	D	Georgia	Yes	Yes	Yes	Yes.
Do	R	Delaware	U	Yes	U	Yes.
Bolling	D	Missouri	U	U	U	U.
Bolton	D	Maryland	U	U	U	U.
Do	R	Ohio	U	U	U	U.
Bonner	D	North Carolina	No	No	No	No.
Bosone	D	Utah	Yes	Yes	Yes	Yes.
Boykin	D	Alabama	Yes	Yes	Yes	Yes.
Bramblett	R	California	U	U	U	U.
Breen	D	Ohio	Yes	Yes	Yes	Yes.
Brehm	R	do	No	Yes	No	Yes.
Brooks	D	Louisiana	No	No	No	No.
Brown	R	Ohio	NC	NC	NC	NC.
Do	D	Georgia	U	U	U	U.
Bryson	D	South Carolina	Yes	Yes	Yes	Yes.
Buchanan	D	Pennsylvania	Yes	Yes	Yes	Yes.
Buckley	D	New York	Abs	Abs	Abs	Abs.
Do	D	Illinois	U	U	U	U.
Bulwinkle	D	North Carolina	U	U	U	U.
Burdick	R	North Dakota	Yes	Yes	Yes	Yes.
Burke	D	Ohio	Yes	Yes	Yes	Yes.
Burleson	D	Texas	U	U	U	U.
Burnside	D	West Virginia	Yes	Yes	Yes	Yes.
Burton	D	Virginia	U	U	U	U.
Byrne	D	New York	U	U	U	U.
Byrnes	R	Wisconsin	Yes	Yes	No	No.
Camp	D	Georgia	Yes	Yes	No	No.
Canfield	R	New Jersey	Yes	Yes	Yes	Yes.
Cannon	D	Missouri	U	U	No	No.
Carlyle	D	North Carolina	U	U	U	U.
Carnahan	D	Missouri	Yes	Yes	Yes	Yes.
Carroll	D	Colorado	Yes	Yes	Yes	Yes.
Case	R	New Jersey	U	Yes	U	Yes.
Do	R	South Dakota	U	Yes	U	Yes.
Cavalcante	D	Pennsylvania	Yes	Yes	No	No.
Celler	D	New York	Yes	Yes	Yes	Yes.
Chatham	D	North Carolina	Yes	Yes	Yes	Yes.
Chelf	D	Kentucky	Yes	No	Yes	No.
Chesney	D	Illinois	Yes	Yes	Yes	Yes.
Chiperfield	R	Illinois	U	Yes	No	Yes.
Christopher	D	Missouri	Yes	Yes	No	No.
Chudoff	D	Pennsylvania	U	U	U	U.
Church	R	Illinois	U	U	U	U.
Clemente	D	New York	U	U	U	U.
Clevenger	R	Ohio	Ill	Ill	Ill	Ill.
Cole	R	Kansas	U	U	U	U.
Do	R	New York	No	No	No	No.
Colmer	D	Mississippi	No	No	No	No.
Combs	D	Texas	U	U	U	U.
Cooley	D	North Carolina	No	Yes	No	Yes.
Cooper	D	Tennessee	U	U	U	U.
Corbett	R	Pennsylvania	U	U	U	U.
Cotton	R	New Hampshire	U	Yes	No	Yes.
Coudert	R	New York	U	No	U	No.
Cox	D	Georgia	U	No	No	No.
Crawford	R	Michigan	Yes	Yes	Yes	Yes.
Crook	D	Indiana	Yes	Yes	Yes	Yes.
Crosser	D	Ohio	U	U	U	U.
Cunningham	R	Iowa	Yes	Yes	No	Yes.
Curtis	R	Nebraska	No	Yes	No	Yes.
Dague	R	Pennsylvania	U	U	U	U.
Davenport	D	do	Yes	Yes	Yes	Yes.
Davies	D	New York	Yes	Yes	Yes	Yes.
Davis	D	Tennessee	Yes	Yes	No	No.
Do	R	Wisconsin	U	Yes	U	Yes.
Do	D	Georgia	U	U	U	U.
Dawson	D	Illinois	Yes	Yes	Yes	Yes.
Deane	D	North Carolina	Yes	Yes	No	No.
DeGraffenried	D	Alabama	U	U	U	U.
Delaney	D	New York	U	U	U	U.
Denton	D	Indiana	U	U	U	U.
D'Ewart	R	Montana	Yes	Yes	Yes	Yes.
Dingell	D	Michigan	U	U	U	U.
Dollinger	D	New York	U	U	U	U.
Dolliver	R	Iowa	Yes	Yes	Yes	Yes.
Dondero	R	Michigan	U	U	U	U.
Donohue	D	Massachusetts	U	U	U	U.
Doughton	D	North Carolina	U	U	U	U.
Douglas	D	California	Yes	Yes	No	No.
Doyle	D	do	Yes	Yes	Yes	Yes.
Durham	D	North Carolina	U	U	U	U.
Eaton	R	New Jersey	U	U	U	U.
Eberharter	D	Pennsylvania	Yes	Yes	Yes	Yes.
Elliott	D	Alabama	Yes	Yes	Yes	Yes.
Ellsworth	R	Oregon	U	U	U	U.
Elston	R	Ohio	Yes	Yes	Yes	Yes.
Engel	R	Michigan	No	Yes	No	Yes.
Engle	D	California	Yes	Yes	Yes	Yes.
Evins	D	Tennessee	U	U	U	U.
Fallon	D	Maryland	U	U	No	No.
Feighan	D	Ohio	Yes	Yes	Yes	Yes.
Fellows	R	Maine	No	No	No	No.
Fenton	R	Pennsylvania	U	U	U	U.
Fernandez	D	New Mexico	U	U	U	U.
Fisher	D	Texas	U	U	U	U.
Flood	D	Pennsylvania	U	U	U	U.
Fogarty	D	Rhode Island	Yes	Yes	Yes	Yes.
Forand	D	do	Yes	Yes	Yes	Yes.
Ford	R	Michigan	Yes	Yes	No	Yes.
Frazier	D	Tennessee	U	U	U	U.
Fugate	D	Virginia	U	Yes	No	Yes.

Members	Party	State	For Alaska	For Hawaii	Alaska, now	Hawaii, now
Fulton	R	Pennsylvania	Yes	Yes	Yes	Yes.
Furcolo	D	Massachusetts	Yes	Yes	Yes	Yes.
Gamble	R	New York	U	U	U	U.
Garmatz	D	Maryland	Yes	Yes	Yes	Yes.
Gary	D	Virginia	Abs	Abs	Abs	Abs.
Gathings	D	Arkansas	U	U	U	U.
Gavin	R	Pennsylvania	U	U	U	U.
Gillette	R	do	U	U	U	U.
Gilmer	D	Oklahoma	Ill	Ill	Ill	Ill.
Golden	R	Kentucky	U	U	U	U.
Goodwin	R	Massachusetts	U	Yes	U	Yes.
Gordon	D	Illinois	Yes	Yes	Yes	Yes.
Gore	D	Tennessee	Yes	Yes	Yes	Yes.
Gorski	D	New York	U	U	U	U.
Do	D	Illinois	Yes	Yes	Yes	Yes.
Gossett	D	Texas	No	No	No	No.
Graham	R	Pennsylvania	No	No	No	U.
Granahan	D	do	Yes	Yes	Yes	Yes.
Granger	D	Utah	Yes	Yes	Yes	Yes.
Grant	D	Alabama	U	U	U	U.
Green	D	Pennsylvania	U	U	U	U.
Gregory	D	Kentucky	NC	NC	NC	NC.
Gross	R	Iowa	U	Yes	U	Yes.
Gwinn	R	New York	No	No	U	No.
Hagen	R	Minnesota	Yes	Yes	Yes	Yes.
Hale	R	Maine	No	Yes	No	Yes.
Hall, Edwin Arthur	R	New York	Yes	Yes	Yes	Yes.
Hall, Leonard W	R	do	U	Yes	No	Yes.
Halleck	R	Indiana	U	U	U	U.
Hand	R	New Jersey	No	No	No	No.
Harden	R	Indiana	U	U	U	U.
Hardy	D	Virginia	Abs	Abs	Abs	Abs.
Hare	D	South Carolina	No	No	No	No.
Harris	D	Arkansas	U	U	U	U.
Harrison	D	Virginia	U	No	No	No.
Hart	D	New Jersey	NC	NC	NC	NC.
Harvey	R	Indiana	U	U	U	U.
Havenner	D	California	U	Yes	U	Yes.
Hays	D	Arkansas	Yes	Yes	Yes	Yes.
Do	D	Ohio	Yes	Yes	Yes	Yes.
Hébert	D	Louisiana	Yes	Yes	Yes	Yes.
Hedrick	D	West Virginia	Yes	Yes	Yes	Yes.
Heffernan	D	New York	Yes	Yes	Yes	Yes.
Heller	D	do	U	U	U	U.
Herlong	D	Florida	U	U	U	U.
Herter	R	Massachusetts	U	Yes	No	Yes.
Heselton	R	do	U	Yes	U	Yes.
Hill	R	Colorado	Yes	Yes	Yes	Yes.
Hinshaw	R	California	U	Yes	No	Yes.
Hobbs	D	Alabama	No	No	No	No.
Hoeven	R	Iowa	U	Yes	U	Yes.
Hoffman	R	Michigan	No	No	No	No.
Do	R	Illinois	Yes	Yes	Yes	Yes.
Holifield	D	California	Yes	Yes	Yes	Yes.
Holmes	R	Washington	U	Yes	No	Yes.
Hope	R	Kansas	U	Yes	No	Yes.
Horan	R	Washington	Yes	Yes	Yes	Yes.
Howell	D	New Jersey	Yes	Yes	Yes	Yes.
Huber	D	Ohio	U	U	U	U.
Hull	R	Wisconsin	U	U	U	U.
Irving	D	Missouri	U	U	U	U.
Jackson	R	California	U	Yes	No	Yes.
Do	D	Washington	Yes	Yes	Yes	Yes.
Jacobs	D	Indiana	U	U	U	U.
James	R	Pennsylvania	Yes	Yes	Yes	Yes.
Javits	R	New York	Yes	Yes	Yes	Yes.
Jenison	R	Illinois	Yes	Yes	Yes	Yes.
Jenkins	R	Ohio	Yes	Yes	Yes	No.
Jennings	R	Tennessee	U	U	U	U.
Jensen	R	Iowa	U	Yes	No	Yes.
Johnson	R	California	U	Yes	No	Yes.
Jonas	R	Illinois	Yes	Yes	No	Yes.
Jones	D	North Carolina	No	No	No	No.
Do	D	Missouri	U	U	U	U.
Do	D	Alabama	Yes	U	Yes	No.
Judd	R	Minnesota	Yes	Yes	No	Yes.
Karst	D	Missouri	U	U	U	U.
Karsten	D	do	U	Yes	No	Yes.
Kean	R	New Jersey	No	No	No	No.
Kearney	R	New York	Yes	Yes	Yes	Yes.
Kearns	R	Pennsylvania	Yes	Yes	Yes	Yes.
Keating	R	New York	Yes	Yes	Yes	Yes.
Kee	D	West Virginia	U	U	U	U.
Keefe	R	Wisconsin	No	No	No	No.
Kelley	D	Pennsylvania	Yes	U	Yes	No.
Kennedy	D	Massachusetts	U	U	U	U.
Keogh	D	New York	No	No	No	No.
Kerr	D	North Carolina	U	U	U	U.
Kilburn	R	New York	U	U	U	U.
Kilday	D	Texas	U	U	U	U.
King	D	California	Yes	Yes	Yes	Yes.
Kirwan	D	Ohio	NC	NC	NC	NC.
Klein	D	New York	Yes	Yes	Yes	Yes.
Kruse	D	Indiana	Yes	Yes	Yes	Yes.
Kunkel	R	Pennsylvania	U	No	U	U.
Lane	D	Massachusetts	U	U	U	U.
Lanham	D	Georgia	U	U	U	U.
Larcade	D	Louisiana	Yes	Yes	Yes	Yes.
Latham	R	New York	U	U	U	U.
LeCompte	R	Iowa	Yes	Yes	Yes	Yes.
LeFevre	R	New York	Yes	Yes	Yes	Yes.
Lemke	R	North Dakota	Yes	Yes	Yes	U.
Lesinski	D	Michigan	U	U	U	U.
Lichtenwalter	R	Pennsylvania	Yes	Yes	Yes	Yes.
Lind	D	do	Yes	Yes	Yes	Yes.
Linehan	D	Illinois	Yes	Yes	Yes	Yes.
Lodge	R	Connecticut	U	Yes	No	Yes.
Lovre	R	South Dakota	Yes	U	Yes	U.
Lucas	D	Texas	No	No	No	No.
Lyle	D	do	Yes	No	Yes	No.
Lynch	D	New York	U	U	U	U.
McCarthy	D	Minnesota	U	U	U	U.
McConnell	R	Pennsylvania	U	No	No	No.
McCormack	D	Massachusetts	Yes	Yes	U	U.
McCullough	R	Ohio	No	No	No	No.
McDonough	R	California	Yes	Yes	Yes	Yes.
McGrath	D	New York	U	U	U	U.
McGregor	R	Ohio	Ill	Ill	Ill	Ill.
McGuire	D	Connecticut	Yes	U	Yes	No.
McKinnon	D	California	U	U	U	U.
McMillan	D	South Carolina	U	U	U	U.
McMillen	R	Illinois	U	U	U	U.
McSweeney	D	Ohio	Yes	U	Yes	No.
Mack	D	Illinois	U	U	U	U.
Do	R	Washington	Yes	Yes	Yes	Yes.
Macy	R	New York	NC	NC	NC	NC.
Madden	D	Indiana	U	No	No	No.
Magee	D	Missouri	U	U	U	U.
Mahon	D	Texas	U	U	No	No.
Mansfield	D	Montana	Yes	Yes	Yes	Yes.
Marcantonio	AL	New York	Yes	Yes	Yes	Yes.
Marsalis	D	Colorado	U	U	U	U.
Marshall	D	Minnesota	Yes	Yes	Yes	Yes.
Martin	R	Massachusetts	U	Yes	No	No.
Do	R	Iowa	Yes	Yes	No	No.
Mason	R	Illinois	No	No	No	No.
Merrow	R	New Hampshire	Yes	Yes	Yes	Yes.
Meyer	R	Kansas	Yes	Yes	Yes	Yes.
Michener	R	Michigan	U	U	U	U.
Miles	D	New Mexico	Yes	Yes	Yes	Yes.
Miller	R	Nebraska	Yes	Yes	Yes	Yes.
Do	R	Maryland	No	U	No	No.
Do	D	California	Yes	Yes	Yes	Yes.
Mills	D	Arkansas	No	No	No	No.
Mitchell	D	Washington	Yes	Yes	Yes	Yes.
Monroney	D	Oklahoma	No	No	No	No.
Morgan	D	Pennsylvania	Yes	U	No	No.
Morris	D	Oklahoma	U	U	U	U.
Morrison	D	Louisiana	Yes	Yes	Yes	Yes.
Morton	R	Kentucky	U	U	U	U.
Moulder	D	Missouri	U	U	U	U.
Multer	D	New York	Yes	Yes	Yes	Yes.
Murdock	D	Arizona	U	U	U	U.
Murphy	D	New York	Yes	Yes	Yes	Yes.
Murray	R	Wisconsin	Yes	Yes	Yes	Yes.
Do	D	Tennessee	Yes	U	No	No.
Nelson	R	Maine	U	U	U	U.
Nicholson	R	Massachusetts	No	No	No	No.
Nixon	R	California	Yes	Yes	Yes	Yes.
Noland	D	Indiana	Yes	U	Yes	No.
Norblad	R	Oregon	U	U	U	U.
Norrell	D	Arkansas	U	U	U	U.
Norton	D	New Jersey	Yes	Yes	Yes	Yes.
O'Brien	D	Michigan	U	U	U	U.
Do	D	Illinois	NC	NC	NC	NC.
O'Hara	D	do	Yes	Yes	Yes	Yes.
Do	R	Minnesota	No	No	No	No.
O'Konski	R	Wisconsin	Yes	Yes	Yes	Yes.
O'Neill	D	Pennsylvania	Yes	Yes	Yes	Yes.
O'Sullivan	D	Nebraska	Yes	Yes	Yes	Yes.
O'Toole	D	New York	Yes	Yes	Yes	Yes.
Pace	D	Georgia	U	U	U	U.
Passman	D	Louisiana	Yes	Yes	Yes	Yes.
Patman	D	Texas	U	U	U	U.
Patten	D	Arizona	Yes	Yes	Yes	Yes.
Patterson	R	Connecticut	Yes	Yes	Yes	Yes.
Perkins	D	Kentucky	Yes	Yes	Yes	Yes.
Peterson	D	Florida	Yes	Yes	Yes	Yes.
Pfeifer, Joseph L	D	New York	Yes	Yes	Yes	Yes.
Pfeiffer, William L	R	do	Yes	Yes	Yes	Yes.
Philbin	D	Massachusetts	U	U	U	U.
Phillips	R	Tennessee	U	Yes	No	No.
Do	R	California	Yes	U	No	No.
Pickett	D	Texas	No	No	No	No.
Plumley	R	Vermont	Yes	Yes	Yes	No.
Poage	D	Texas	U	U	U	U.
Polk	D	Ohio	U	U	U	U.
Potter	R	Michigan	Yes	Yes	Yes	Yes.
Poulson	R	California	Yes	Yes	Yes	Yes.
Powell	D	New York	Yes	Yes	Yes	Yes.
Preston	D	Georgia	No	No	No	No.
Price	D	Illinois	Yes	Yes	Yes	Yes.
Priest	D	Tennessee	Yes	Yes	Yes	Yes.
Quinn	D	New York	Abs	Abs	Abs	Abs.
Rabaut	D	Michigan	U	U	U	U.
Rains	D	Alabama	U	U	U	U.
Ramsay	D	West Virginia	No	No	No	No.
Rankin	D	Mississippi	U	U	U	U.
Rayburn	D	Texas	U	U	U	U.
Redden	D	North Carolina	Yes	Yes	Yes	Yes.
Reed	R	Illinois	U	Yes	No	Yes.
Do	R	New York	U	U	U	U.
Rees	R	Kansas	U	U	U	U.
Regan	D	Texas	U	U	U	U.
Rhodes	D	Pennsylvania	Yes	Yes	Yes	Yes.
Ribicoff	D	Connecticut	U	U	U	U.
Rich	R	Pennsylvania	No	No	No	No.
Richards	R	South Carolina	No	No	No	No.
Riehlman	R	New York	U	U	U	U.
Rivers	D	South Carolina	Yes	Yes	Yes	Yes.
Rodino	D	New Jersey	U	U	U	U.
Rogers	D	Florida	U	U	U	U.
Do	R	Massachusetts	Yes	Yes	Yes	Yes.
Rooney	D	New York	U	Yes	U	Yes.
Roosevelt	D-L	do	U	U	U	U.
Sabath	D	Illinois	Yes	No	Yes	No.
Sadlak	R	Connecticut	U	Yes	U	No.
Sadowski	D	Michigan	Yes	Yes	Yes	Yes.
St. George	R	New York	No	No	No	No.
Sanborn	R	Idaho	Yes	Yes	U	Yes.
Sasscer	D	Maryland	U	U	U	U.
Scott, Hardie	R	Pennsylvania	U	U	U	U.
Scott, Hugh D., Jr	R	do	Abs	Abs	Abs	Abs.

Members	Party	State	For Alaska	For Hawaii	Alaska, now	Hawaii, now
Scrivner	R	Kansas	U	U	U	U.
Scudder	R	California	No	Yes	No	Yes.
Secrest	D	Ohio	Yes	Yes	Yes	Yes.
Shafer	R	Michigan	Yes	Yes	Yes	Yes.
Sheppard	D	California	Yes	Yes	Yes	Yes.
Short	R	Missouri	No	No	No	No.
Sikes	D	Florida	Abs.	Abs.	Abs.	Abs.
Simpson	R	Pennsylvania	U	U	U	U.
Do	R	Illinois	U	Yes	U	Yes.
Sims	D	South Carolina	U	U	U	U.
Smathers	D	Florida	U	U	U	U.
Smith	R	Ohio	Ill.	Ill.	Ill.	Ill.
Do	D	Virginia	No	No	No	No.
Do	R	Wisconsin	Yes	Yes	Yes	Yes.
Do	R	Kansas	No	No	No	No.
Spence	D	Kentucky	Yes	U	U	U.
Staggers	D	West Virginia	Yes	Yes	Yes	Yes.
Stanley	D	Virginia	Abs.	Abs.	Abs.	Abs.
Steed	D	Oklahoma	No	No	U	U.
Stefan	R	Nebraska	U	U	U	U.
Stigler	D	Oklahoma	U	Yes	U	Yes.
Stockman	R	Oregon	Yes	Yes	Yes	Yes.
Sullivan	D	Missouri	U	U	U	U.
Sutton	D	Tennessee	U	U	U	U.
Taber	R	New York	U	U	U	U.
Tackett	D	Arkansas	U	U	U	U.
Talle	R	Iowa	Yes	Yes	Yes	Yes.
Tauriello	D	New York	Yes	Yes	Yes	Yes.
Taylor	R	do	Yes	Yes	Yes	Yes.
Teague	D	Texas	U	U	P	U.
Thomas	D	do	U	U	P	U.
Do	R	New Jersey	Ill.	Ill.	Ill.	Ill.
Thompson	D	Texas	U	U	U	U.
Thornberry	D	do	U	U	U	U.
Tollefson	R	Washington	Yes	Yes	No	Yes.
Towe	R	New Jersey	No	Yes	No	Yes.
Trimble	D	Arkansas	No	No	No	No.
Underwood	D	Kentucky	U	U	U	U.
Van Zandt	R	Pennsylvania	U	U	U	U.
Velde	R	Illinois	Yes	Yes	Yes	Yes.
Vinson	D	Georgia	U	U	U	U.
Vorys	R	Ohio	U	Yes	U	Yes.
Vursell	R	Illinois	Yes	Yes	No	No.
Wadsworth	R	New York	U	Yes	No	Yes.
Wagner	D	Ohio	Yes	Yes	Yes	Yes.
Walsh	D	Indiana	Yes	Yes	Yes	Yes.
Walter	D	Pennsylvania	U	U	U	U.
Weichel	R	Ohio	NC	NC	NC	NC.
Welch	D	Missouri	Yes	Yes	Yes	Yes.
Do	R	California	Yes	Yes	Yes	Yes.
Werdel	R	do	Yes	Yes	Yes	Yes.
Wheeler	D	Georgia	U	Yes	U	Yes.
Whitaker	D	Kentucky	U	U	U	U.
White	D	California	Yes	Yes	Yes	Yes.
Do	D	Idaho	Yes	Yes	Yes	Yes.
Whitten	D	Mississippi	U	U	No	No.
Whittington	D	do	U	U	U	U.
Wickersham	D	Oklahoma	Yes	Yes	Yes	Yes.
Wier	D	Minnesota	Yes	Yes	Yes	Yes.
Wigglesworth	R	Massachusetts	U	U	U	U.
Williams	D	Mississippi	No	No	No	No.
Willis	D	Louisiana	U	U	U	U.
Wilson	R	Indiana	U	U	U	U.
Do	D	Oklahoma	Yes	Yes	Yes	Yes.
Do	D	Texas	U	U	U	U.
Winstead	D	Mississippi	No	No	No	No.
Withrow	R	Wisconsin	Yes	Yes	Yes	Yes.
Wolcott	R	Michigan	No	Yes	No	Yes.
Wolverton	R	New Jersey	NC	NC	NC	NC.
Wood	D	Georgia	U	U	U	U.
Woodhouse	D	Connecticut	U	U	U	U.
Woodruff	R	Michigan	No	Yes	U	Yes.
Worley	D	Texas	U	U	U	U.
Yates	D	Illinois	U	U	U	U.
Young	D	Ohio	Yes	Yes	Yes	Yes.
Zablocki	D	Wisconsin	Yes	Yes	Yes	Yes.

HOW SENATORS VOTE ON ALASKA, HAWAII

During the past week the Washington Bureau polled Members of the Senate on the question of statehood for Alaska and Hawaii under four specific headings. Their replies are given in the tabulation below. Here are the four questions:

1. Are you in favor of statehood for Alaska?
2. Are you in favor of statehood for Hawaii?
3. Do you favor Congress voting on Alaska at this session?
4. Do you favor Congress voting on Hawaii at this session?

Favorable reaction of the individual Congressmen is indicated in the table on each question by "Yes." An unfavorable reaction is indicated by "No." Lack of decision on any of the four questions is shown by the letter "U" (undecided). "NC" means "no comment." Members ill or absent are so indicated in the table.

Members	Party	State	For Alaska	For Hawaii	Alaska, now	Hawaii, now
Aiken	R	Vermont	Yes	U	Yes	U.
Anderson	D	New Mexico	U	U	U	U.
Baldwin	R	Connecticut	Yes	Yes	Yes	Yes.
Brewster	R	Maine	U	U	U	U.
Bricker	R	Ohio	U	U	U	U.
Bridges	R	New Hampshire	U	U	U	U.
Butler	R	Nebraska	No	No	No	No.
Byrd	D	Virginia	No	No	No	No.
Cain	R	Washington	Yes	Yes	No	No.
Capehart	R	Indiana	Yes	Yes	Yes	Yes.
Chapman	D	Kentucky	U	U	U	U.
Chavez	D	New Mexico	Yes	Yes	Yes	Yes.
Connally	D	Texas	U	U	No	No.
Cordon	R	Oregon	Yes	Yes	No	Yes.
Donnell	R	Missouri	U	U	U	U.
Douglas	D	Illinois	Yes	U	Yes	U.
Downey	D	California	Yes	U	Yes	U.
Dulles	R	New York	U	U	U	U
Eastland	D	Mississippi	U	No	U	No.
Ecton	R	Montana	U	U	No	No.
Ellender	D	Louisiana	No	No	No	No.
Ferguson	R	Michigan	U	U	U	U.
Flanders	R	Vermont	No	No	No	No.
Frear	D	Delaware	No	Yes	No	No.
Fulbright	D	Arkansas	U	U	U	U.
George	D	Georgia	U	No	No	No.
Gillette	D	Iowa	Yes	Yes	Yes	Yes.
Graham	D	North Carolina	Yes	Yes	Yes	Yes.
Green	D	Rhode Island	U	U	U	U.
Gurney	R	South Dakota	Yes	Yes	Yes	Yes.
Hayden	D	Arizona	NC	NC	NC	NC.
Hendrickson	D	New Jersey	Yes	Yes	Yes	Yes.
Hickenlooper	R	Iowa	U	U	U	U.
Hill	D	Alabama	No	No	No	No.
Hoey	D	North Carolina	U	U	No	No.
Holland	D	Florida	U	U	U	U.
Humphrey	D	Minnesota	Yes	Yes	Yes	Yes.
Hunt	D	Wyoming	Yes	Yes	Yes	Yes.
Ives	R	New York	No	Yes	No	No.
Jenner	R	Indiana	U	U	U	U.
Johnson	D	Colorado	No	No	No	No.
Do	D	Texas	U	U	U	N.
Johnston	D	South Carolina	U	U	U	N.
Kefauver	D	Tennessee	Yes	Yes	Yes	Yes.
Kem	R	Missouri	U	U	U	U.
Kerr	D	Oklahoma	U	U	U	U.
Kilgore	D	West Virginia	U	U	U	U.
Knowland	R	California	U	Yes	U	Yes.
Langer	R	North Dakota	Yes	U	Yes	U.
Lodge	R	Massachusetts	U	U	U	U.
Long	D	Louisiana	No	U	No	U.
Lucas	D	Illinois	NC	NC	NC	NC.
Magnuson	D	Washington	Yes	Yes	Yes	Yes.
Malone	R	Nevada	No	No	No	No.
Martin	R	Pennsylvania	Yes	Yes	Yes	Yes.
Maybank	D	South Carolina	No	No	No	No.
McCarran	D	Nevada	Yes	No	No	No.
McCarthy	R	Wisconsin	Yes	Yes	Yes	Yes.
McClellan	D	Arkansas	Yes	Yes	U	Yes.
McFarland	D	Arizona	U	U	U	U.
McGrath	D	Rhode Island	Yes	Yes	Yes	Yes.
McKellar	D	Tennessee	U	U	U	U.
McMahon	D	Connecticut	U	U	U	U.
Miller	D	Idaho	Yes	Yes	U	No.
Millikin	R	Colorado	U	U	U	U.
Morse	R	Oregon	U	U	U	U.
Mundt	R	South Dakota	U	U	U	U.
Murray	D	Montana	Yes	Yes	Yes	Yes.
Myers	D	Pennsylvania	U	U	U	U.
Neely	D	West Virginia	Yes	No	No	No.
O'Conor	D	Maryland	U	U	U	U.
O'Mahoney	D	Wyoming	NC	NC	NC	NC.
Pepper	D	Florida	Yes	Yes	Yes	Yes.
Reed	R	Kansas	U	Yes	U	Yes.
Robertson	D	Virginia	No	U	No	U.
Russell	D	Georgia	U	U	U	U.
Saltonstall	R	Massachusetts	U	U	U	U.
Schoeppel	R	Kansas	No	Yes	No	Yes.
Smith	R	Maine	Yes	Yes	Yes	Yes.
Do	R	New Jersey	U	U	U	U.
Sparkman	D	Alabama	Yes	Yes	Yes	Yes
Stennis	D	Mississippi	No	No	No	No.
Taft	R	Ohio	Yes	Yes	U	U.
Taylor	D	Idaho	Yes	Yes	Yes	Yes.
Thomas	D	Oklahoma	No	No	No	No.
Do	D	Utah	Yes	Yes	Yes	Yes.
Thye	R	Minnesota	Yes	Yes	No	No.
Tobey	R	New Hampshire	U	U	U	U.
Tydings	D	Maryland	No	No	No	No.
Vandenberg	R	Michigan	U	U	U	U.
Watkins	R	Utah	U	Yes	U	Yes.
Wherry	R	Nebraska	U	U	U	U.
Wiley	R	Wisconsin	No	No	No	No.
Williams	R	Delaware	U	Yes	U	Yes.
Withers	D	Kentucky	U	U	U	U.
Young	R	North Dakota	U	U	U	U.

Will the United States Support the International Declaration of Human Rights?

EXTENSION OF REMARKS
OF
HON. ABRAHAM J. MULTER
OF NEW YORK
IN THE HOUSE OF REPRESENTATIVES

Monday, August 8, 1949

Mr. MULTER. Mr. Speaker, I direct the attention of my colleagues to the following articles which appeared in the New York Herald Tribune of August 7, 1949. The International Declaration of Human Rights prepared under the sponsorship of the United Nations and agreed to by 48 nations, including the United States, is indeed a beautiful document. I wonder when we will take the initiative of putting its principles into effect in this country.

EUROPE PUZZLED BY JIM CROWISM

(By Walter White)

ANKARA, TURKEY.—"We love America but are bewildered by the contradiction of her professed ideals of human freedom and of her treatment of the Negro," a distinguished Italian said to us. At Istanbul an intelligent corps of newspaper men showed unmistakably to Mrs. Edith Sampson, of the National Council of Negro Women, and me that the one American problem above all others on which they wished information was the race question.

Here in Ankara we were told of the Turkish schoolgirl during the war who was asked by her teacher what she considered the most cruel and fitting punishment for Hitler. The girl is reputed to have replied, "Darken his skin and force him to live among the Americans." A few days ago during a seminar on "Democracy and education," the most earnestly asked question was, "What are you Americans doing to implement the International Human Rights Charter?" The questioner was too polite to mention lynching and filibusters in the United States but none of the Americans on the Round the World Town Meeting of the Air was unaware of what he meant.

In London, Paris, Berlin, and Vienna the same piercing inquiry was directed at the American seminar. Ambassador George Wadsworth told me during a garden party at the Embassy residence that "the race question in America is the No. 1 question fired at me wherever I go." Gillespie S. Evans, chief of the United States Information Service here, tells me that in Egypt, from where he was recently transferred to Turkey, he was constantly asked how the United States can aspire to world moral leadership as long as she permits Negroes and other minorities to be mistreated in the United States.

Part of this attitude (and many times as many examples could be cited) is due, of course, to the assiduous broadcasting by Moscow radio of minute details of every real or alleged violation of civil rights and human liberties in the United States.

Town Hall and its seminar members are meeting the issue frankly in the only manner in which it can be met. We admit freely that there are some major flaws in the implementation of democracy back home. We would be foolish to deny that there are lynchings and floggings by the Ku Klux Klan, because every instance of such crimes is made known over here as soon as it is in America. But, we add, there is a rapidly mounting body of public opinion in the United States against bigotry, as is evidenced by support of the recommendations of the President's Committee on Civil Rights.

But there are two things we devoutly wish were true. One is that folks back home would wake up to the fact that permitting bigots to ply their evil trade is doing more to weaken and harm America's position abroad than any other one thing. The other thing we wish is that Senators RUSSELL, ELLENDER, and WHERRY were here to answer the questions about the filibuster against passage of the civil-rights program which took place so soon after we joined 47 other nations at Paris in signing the international declaration of human rights.

CROSSROAD IN ST. LOUIS—REPORT ON RACE RIOTING BRINGS SEGREGATION ISSUE TO A HEAD

(By Harold Rosenthal)

ST. LOUIS.—One of the most important documents in the history of St. Louis made its way last week to the desk of Mayor Joseph N. Darsk. It was the report drawn up by his own St. Louis Council on Human Relations, which was appointed to get to the bottom of the swimming pool race riots here June 21 that made headlines over the Nation.

Headed by Henry F. Chadeayne, insurance man and unsuccessful Democratic candidate for mayor 4 years ago, the 13-man council hired a professional race-relations specialist, George Schermer, of Detroit, to delve into the matter. Within 2 weeks, Mr. Schermer's report and recommendations were in the council's hands.

The report went past the immediate blame, which could be focused easily enough on a gang of older boys and young men who hung around at Fairground Park, scene of the disturbances, and charged inadequate community leadership, coupled with the practice of segregation in Missouri's school system.

It urged the end of racial segregation and discrimination at all public recreational facilities, following careful planning and preparation, but admitted it would be a difficult task in the face of what has happened.

Mayor Darsk took no flat stand on the segregation issue during his campaign, but offered a broad plank on the subject paralleling President Truman's Fair Deal program. He must decide now whether to open the pool to all the citizens, as recommended in the council's report, or keep it closed to avoid further trouble.

St. Louis is having a polio epidemic, and keeping the pools closed for the rest of the summer as a health precaution may be a temporary solution.

Mr. Schermer's report, after going into the background of the disturbances, declared that too many people, in all stations and strata of St. Louis life, were only too anxious to write the Fairground Park incident off as the product of a "malicious conspiracy." He termed this "an easy, face-saving device" and a "kind of scapegotism." He said the police did a good job, but could have done much better.

He urged that constructive forces of St. Louis be enlisted in a long-range program to end the State's constitutional requirement for "mandatory segregation in public schools." Abolition of segregation in the Catholic schools here made national news several years ago.

St. Louis is much like Washington in its race problem. It is midway between the North and South geographically, and that can also about describe the Negro sociological situation. There are no Jim Crow seats in busses and trolleys, and Negroes can sit virtually anywhere they please in Sportsmans Park, home of the Cardinals and the Browns. They are religiously excluded, however, from the big hotels, the big restaurants, and the theaters.

Racial intermarriage is forbidden by State law. The city's 120,000 Negroes live in a narrow congested area, running from the Mississippi west to Kingshighway, a broad thoroughfare. Expanding housing needs of the Negro population, which has increased three times as fast as the white population, is met merely by extension of the segregated area. Every time it takes in another block or two, increased tension is the immediate byproduct.

The city maintains seven indoor swimming pools, four for whites and three for Negroes. The two outdoor pools are for white use only. There is no legal support for barring Negroes. Negro spokesmen contend they have been kept out by deft side-stepping, expediency, and balancing of pressure.

This year, the Division of Parks and Recreation once again came under terrific Negro pressure to lift the invisible ban. Negro leaders also had made it plain that they didn't care for apparent sponsorship by the division of a group known as the Municipal Athletic Association. The city denied that any special concession was made to this organization, which uses park facilities extensively.

Mr. Schermer's report says that the Municipal Athletic Association, an all-white organization, was only technically separated from the administration and supervision of organized athletics in the division, and therefore it would seem proper to conclude that the Division of Parks and Recreation had given official sanction to racial segregation.

According to the report, the commissioner of parks and recreation, Palmer B. Baumes, 8 years on the job, came to Director of Public Welfare John J. O'Toole and requested a statement of policy on segregation. The report declared that Mr. O'Toole, new to the job, told Mr. Baumes that if Negroes requested admittance, there was no legal bar to keep them out.

The newspapers got wind of it that same afternoon and Mayor Darsk, after consultation with advisers, called the editors of the three St. Louis papers, requesting that the story be given ordinary and factual treatment. The Globe-Democrat, first on the streets with the story in its early evening edition, headlined a front-page story Pools and Playgrounds Open to Both Races, and said that Negroes and whites hereafter might swim together in all the city pools and use the same playgrounds.

The news got a heavy play on a radio newscast that evening. The disturbances occurred the following afternoon and evening at Fairground Park, a short distance from Sportsmans Park. At least a dozen persons, white and Negro, were injured seriously enough to require hospitalization. No one was jailed and the only legal action taken was a $5 fine for a teen-age white boy caught letting air out of the tires of a police car.

According to Mr. Schermer's report, the tension died down almost immediately after the disturbances. The city is still wary, however.

When the Brooklyn Dodgers played a recent crucial three-game series with the Cardinals, there was a greater concentration of policemen and firemen in the stands than this writer had ever seen on his many trips into St. Louis with various ball clubs. There are three Negroes among the 25 Dodger players, Jackie Robinson, Roy Campanella, and John Newcombe.

However, the booing directed at Robinson on this particular trip was lighter than it had ever been. The three Negro players, whose estimated value in today's baseball market is roughly a half-million dollars, continued to put up at a Jim Crow hotel.

Complaints About Taxes

EXTENSION OF REMARKS
OF
HON. JOHN D. DINGELL
OF MICHIGAN
IN THE HOUSE OF REPRESENTATIVES
Monday, August 8, 1949

Mr. DINGELL. Mr. Speaker, the CONGRESSIONAL RECORD, I believe, should embody the plain and understandable views of The Commentator, W. K. Kelsey, on the complaint about taxes as he treats the irksome subject in the Detroit News of July 6, 1949.

Mr. Kelsey, a seasoned and sound reporter of many years, never to my knowledge posed as an expert as some scribes are inclined to do because they are privileged to editorialize or comment on any subject at hand. Certainly he never claimed being an authority on the vexatious and ever-present problem of taxes. But like many people he gave much thought to the question of what makes taxes rise. He arrived at the correct answer by the simple means of using the brain which God gave him and which he himself developed to a high state by thinking. Yes, just studying and thinking dispassionately and fundamentally will win arguments and will confound so-called experts. Thought, time, and the honest desire to get to the basic reason will invariably uncover the truth. Mr. Kelsey has established a reputation for fairness, honesty, and thoroughness in his column which commands the respect of countless and eager readers who are his followers or daily fans.

THE COMMENTATOR
(By W. K. Kelsey)

To complain about taxes is, as Hamlet said in another connection, as easy as lying. Everyone knows that taxes are high. But so is the cost of Government, which is the only reason for taxes.

It follows that the way to reduce taxes is to reduce the cost of government. Anyone familiar with government, whether on the national, State, county, or city level, knows that it is far easier to increase costs than to decrease them. As population grows, so do community needs, and demands that they be met by government.

All taxes imposed in this country are levied by legislative bodies consisting of taxpayers. The individual interest of the legislator is to keep taxes low. But the pressure of national, State, and local community interests is usually in the other direction, and is frequently too strong to be resisted.

There is a tradition in this country that government is wasteful. The Commenator's grandfather used to tell about how he watched the construction of a post office; how two laborers would spend an entire morning setting a single stone, and all the afternoon placing another. They fascinated him. He watched them by the hour. And what was he doing meanwhile? Loafing.

Recently a great cry was raised that the Michigan sales tax was being evaded. The department of revenue admitted that this was probably true, to some degree, and said the reason was that its inspection force was undermanned. It couldn't check all the returns; it could investigate only samples. So it was given more inspectors, whose salaries and expenses were added to the tax budget. More sales taxes may be collected; but the cry is, we don't want more taxes, we want fewer taxes. We don't want more money spent by government, we want government to cut costs.

ON WHOM THE TAXES FALL

That leads to the question of incidence of taxes. Who pays them? Are they fairly distributed, or are some people carrying a disproportionate burden?

Obviously the person who avoids paying the sales tax due the State is merely a cheater. He collects the tax from his customers, but he keeps it for his own purposes. The incidence is on the purchaser of his goods, but the State does not get the money.

Taxation has two main purposes—to raise money for government, and to spread the burden as equitably as possible. That is the chief reason why the personal income tax is graduated; not to penalize the wealthy, but to have each person contribute according to his ability.

On the other hand, the corporation income tax is largely an indirect tax on the consumer; it is a business cost which figures in the price of the goods sold. If there were no corporate income tax, goods could be sold at a lower figure; but a needy government would have to raise the money in some other way. This tax is a sales tax in disguise.

Into the equity picture has recently crept the idea of a balanced economy. If any large section of the population works hard but barely breaks even, or has to dip into savings, or borrow money, to make both ends meet, it ceases to demand the goods its numbers warrant, and its lack of purchasing power injures the whole market.

Now, a balanced economy is difficult and tricky, and a lot of first-class brains have been baffled in making plans to achieve it. The New Deal experimented with it hastily and roughly. Henry A. Wallace improved on its ideas with his plan for an ever-normal granary, and on such a basis was built the present scheme of subsidies for important crops. Now comes Secretary of Agriculture Brannan with a refinement so complicated that most city dwellers have not even tried to understand it.

But all these schemes are directed toward keeping the economy in balance, and thus prevent such breaks in the market as upset the tax structure and drive taxing bodies mad.

A PRODUCT OF EVOLUTION

To all the complaints and arguments the simple answer is that our tax structure has not been jerry-built by politicians for their own benefit, but is the product of long evolution. It is by no means perfect, but it never will be and never can be.

We talk of reducing Federal taxes, but analysis shows that almost the only sensible way of reducing them is to reorganize governmental agencies according to the Hoover Commission's suggestions; and even then we don't know whether much money will be saved the taxpayer, since for every administrative dollar cut there is certain to be a demand for two or three more dollars of expenditure for this and that which the country cries that it needs.

So where else can cuts be made? Not in the debt service. Not safely in Marshall plan aid, for it is fundamental that we establish an economic bulwark in western Europe against a communism that recognizes no national frontiers.

We might save something in the defense services, but at the cost of our nervous systems.

Who dares advocate chopping the expense of our war veterans?

Well, where can we cut, and how much? And the same questions can be asked at the State, the county, and the municipal level.

It is all very well to roar against taxes, but it is ridiculous to come down to cases and find the critic chiefly injured by a levy on mouse traps—which is about where the argument winds up.

HOW LONG A RECESSION?

The family economics bureau maintained by the Northwestern National Life Insurance Co. says that the consumer will end the present recession by his own decision on prices. He has plenty of money, and he will spend it when prices become low enough to entice him.

The fact is, reductions in the price of raw materials have yet to be passed on to the consumer, as is evidenced by the fact that the index of the cost of living has not yet fallen appreciably. That means that most of the products now on the market were manufactured when costs were still top; it takes time for raw materials to become manufactured goods and to pass through jobber and retailer to the consumer.

The bureau finds that there is not now any great accumulation of high-cost goods to be disposed of. Therefore retail prices should come down soon. The question remains whether they will attract buyers before unemployment forces several more million people off the buyers' market.

There is considerable fear that strikes will cause much unnecessary loss of purchasing power. In the national interest, this is a good time for both employers and employed to keep their tempers and to bargain sanely. The recession will end its course the more quickly if production is sustained.

Department of Welfare

EXTENSION OF REMARKS
OF
HON. LESTER C. HUNT
OF WYOMING
IN THE SENATE OF THE UNITED STATES
Monday, August 8 (legislative day of Thursday, June 2), 1949

Mr. HUNT. Mr. President, I ask unanimous consent to have printed in the RECORD an editorial entitled "Suspicion of Plan No. 1," published in the New York Herald Tribune of August 5, 1949.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

SUSPICION OVER PLAN NO. 1

The Senate Executive Expenditures Committee has unanimously approved four reorganization plans offered by the President, but has delayed approval of plan No. 1. The four follow closely the recommendations of the Hoover Commission. Plan No. 1 carries out one commission recommendation, that calling for a Department of Welfare with Cabinet status; but it bypasses another, that specifying transfer of the Public Health Service to a United Medical Administration. If, as Senator TAFT and others in the Senate fear, this omission in the Welfare Department plan will jeopardize the eventual establishment of an independent health and medical agency, then the Senate committee does well to withhold its approval.

The entire Hoover report presents no more flagrant example of waste and extravagance than in the Government's far-flung medical and health activities now costing some $2,000,000,000 a year. The potential for conservation both of funds and of personnel is clear-cut and is substantial. The savings can come only through a consolidation of the activities of the 40 separate agencies which now compete extravagantly in building unneeded hospitals and assembling medical and technical staffs. If there is to be a real consolidation, the Public Health Service must be a part of it.

The President's message on the reorganization plans says that the Welfare Depart-

ment plan "will not in anywise interfere with the presentation of additional reorganization plans with respect to other recommendations of the [Hoover] Commission in this field." It also notes that "other proposals are currently under study, but final conclusions have not been reached in respect to them." Actually, what the Senators fear, and what the country's medical men fear, is the influence of Federal Security Administrator Oscar Ewing upon the final conclusion with respect to a United Medical Administration. He is the man who will head the new Welfare Department, and he is also the administration's prime proponent of national compulsory health insurance. Mr. Ewing is scarcely likely to support any plan which might mean that an independent medical agency, and not Mr. Ewing, would supervise that grandiose system, were it enacted.

Therefore, unless and until the President can offer assurance that there is to be a United Medical Administration to save the taxpayers' money, the Senators have reason for delay.

New Super Liberty League

EXTENSION OF REMARKS
OF

HON. MATTHEW M. NEELY

OF WEST VIRGINIA

IN THE SENATE OF THE UNITED STATES

Monday, August 8 (legislative day of Thursday, June 2), 1949

Mr. NEELY. Mr. President, I ask unanimous consent to have printed in the RECORD an article entitled "Inner Circle of Native Fascism Plans New Super Liberty League; 'Leak' Spoils Secret Conclave," published in the magazine In Fact for July 11, 1949.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

INNER CIRCLE OF NATIVE FASCISM PLANS NEW SUPER LIBERTY LEAGUE; "LEAK" SPOILS SECRET CONCLAVE—NAM, HEARST, READER'S DIGEST, NEWSWEEK, SATURDAY EVENING POST AMONG 36 "ELITE" INVITED TO MEETING

A new super liberty league is in the making, with the Nation's richest and most powerful reactionary and Fascist groups ready to discuss plans for merging their propaganda and fund-raising activities not only to block social legislation but also to defeat at the polls the few liberal Congressmen who still sponsor and fight for such measures.

A secret meeting of native fascism's inner circle, slated to be held at a private club in New York on June 28 and 29, was postponed when news of the session "leaked." The hand-picked guests were notified by telegram of the cancellation and were told a new date would be set shortly.

WINCHELL OFFERS DATA TO PAPERS, HAS ONE TAKER

The significance of the new movement can be seen from the fact that the press is represented by the chief editorial writer of the Hearst chain, one of the editors of Reader's Digest, an editor of Newsweek, and the former chief editorial writer for the Saturday Evening Post. The National Association of Manufacturers, the Committee for Constitutional Government, headed by press lord Frank Gannett, the "fascistic" Tool Owners Union, several Congressmen, and the American Economic Foundation headed by the former chief of the Crusaders are others among the 36 "elite" sponsoring or invited to the conclave.

Equally significant is that although every newspaper and wire service in the land was informed that documentation on this secret session would be made available to them, the New York Post-Home News (June 30) was the only one of the 1,750 dailies in the country to mention the story.

In Fact obtained the documents in this case from Walter Winchell following his June 26 broadcast in which he said he would turn over to any newspaper which asked for it a list of all those invited to attend the secret meeting. Winchell's "Girl Friday," Miss Rose Bigman, told this weekly that several New York papers had made inquiries. The wire services were not interested. Suppression of this story is another illustration of how the Nation's newspapers are completely unconcerned about exposing native Fascist activity.

LETTER SIGNED BY FOUR WITH LONG FASCIST RECORDS

The document which "leaked" is a letter which bears out the famous prediction of the late Senator Huey Long that fascism will come to America disguised as Americanism. Its significance is in the names of the sponsoring individuals and organizations and the list of 36 selected to help form the new movement. Their backgrounds will be cited below. The letter was signed by Merwin K. Hart, head of the anti-Semitic and pro-Fascist National Economic Council; Fred G. Clark, former chief of the Crusaders and now head of the big-business-supported American Economic Foundation; Fred A. Hartley, Jr., the cosponsor of the Taft-Hartley law who now heads the Tool Owners Union, and Robert B. Dresser, a big contributor to Allierican Action, Inc., the Gannett Committee, and other arch-reactionary groups, and friend of labor spy Joseph Kamp. It follows:

SUITE 7501–3, EMPIRE STATE BUILDING,
June 1949.

(Personal and confidential.)

DEAR ———: We write to ask you to attend a conference to be held on Tuesday and Wednesday, June 28 and 29, commencing at 10 o'clock on the morning of June 28. The meeting will be held at the University Club, 1 West Fifty-fourth Street, New York.

As you will see from the enclosed list of persons, to each of whom a letter similar to this is being sent, we are inviting only those whom we believe to be convinced that the liberties of the American people are being threatened by both communism and socialism—by socialism almost as much as by communism. We, of course, have not included all of the leading men who think as we do, but we believe greater progress can be made if at this meeting we include only those who have wide connections and the facilities, through organizations, for reaching large numbers of people.

The best hope of preserving American liberty lies at the present time with the Congress of the United States. But recent events prove that we cannot rely on the leaders of either party to protect us against costly something-for-nothing schemes which will take us down the same path to socialism as that taken by Great Britain.

We believe that a majority of the individual Members of both Houses of Congress are opposed to most, if not all, of this program.

SEEKS COALITION ON PROPAGANDA, FUND RAISING

But socialism has infiltrated not only much of the Democratic Party but important elements in the Republican Party. The only hope of stopping this program is through a bipartisan coalition. Such coalition has taken place on a number of votes in the Congress. But how long such a coalition can stand up in the absence of more thorough organization among private citizens is a great question.

In our opinion, what is needed is for citizens who feel as we do to organize more effectively than they have yet organized and to take the offensive.

Among the matters to be discussed at this meeting are the following:

(1) What parts of the socialistic program pending in Washington are now being adequately counteracted and what parts are not?

(2) What steps can be taken to see to it that those parts that are not being adequately counteracted can be opposed effectively?

(3) What positive legislation, if any, should be proposed, the effect of which would be to strengthen the American Republic and weaken the forces that are trying to disintegrate the Republic?

(4) Look into the merits of organizing in certain congressional districts a small educational committee of competent citizens who could acquaint the people of those districts with the true significance of the socialistic measures pending in Congress.

(5) Look into the matter of possible duplication of effort, the suspicion of which is retarding fund-raising of various organizations.

This meeting is not designed in any way to further the interests of any particular organization. It is designed rather to afford an opportunity for a frank exchange of views.

The sessions will last from 10 a. m. until 1 p. m., and from 2:30 until 5:30 p. m. on both days.

The undersigned, in the light of any suggestions received from those invited, will undertake to prepare a simple agenda. It is urged that all those receiving this invitation keep the matter in confidence. It will be better not to have any publicity until and unless the meeting itself decides to obtain some publicity.

Sincerely yours,

FRED G. CLARK.
ROBERT B. DRESSER.
MERWIN K. HART.
FRED A. HARTLEY, Jr.

CITE BACKGROUND OF HART, CLARK, HARTLEY, DRESSER

A postscript on the letter says: "Kindly address reply to Merwin K. Hart," on whose stationery it is written, and whose Empire State Building address is headquarters for the new Fascist movement. In Fact has for years exposed three of the four signers. Here is a short biography of each:

Merwin K. Hart: Denounced as a "quisling" by Interior Secretary Ickes. Named by Congressman SABATH, of Illinois, as head of one of 11 leading Fascist organizations for the Un-American Committee to investigate. (Text of document in In Fact June 30, 1947.) Named as one of the leading United States Fascists by Attorney General (now Supreme Court Justice) Jackson. (Source: Massachusetts Law Society Journal, November 1940; see In Fact March 4, 1946). Hart propagandizes for Franco, endorsed Jane Anderson, American traitor who worked for Hitler.

Fred G. Clark: The Crusaders, which Clark headed, was secretly subsizided by the du Ponts, as Senator (now Justice) Black showed in his famous lobby investigation. Other money back of this outfit fighting for private utilities, against TVA, other New Deal reforms: General Motors, Sun Oil, Kuhn Loeb, Sewell Avery, of Montgomery Ward, and Philip Wrigley. When Clark syndicated his "Wake Up, America" series, 423 papers with 7,130,102 circulation printed his propaganda.

November 9, 1942, issue of In Fact first exposed Clark, then head of American Economic Foundation, when he introduced Lawrence Dennis, founder of the American Fascist Party and one of the men named in the sedition indictments, as author, traveler, commentator, although Dennis himself had admitted publicly he was a Fascist. Latest expose of Clark, April 4, revealed the true educational work of his foundation as collaborating with Tool Owners Union, of which he is a founder. As soon as news of this new

parley leaked, Clark ran for cover, apparently afraid of losing the tax-exemption his organization enjoys as a nonpolitical foundation. "I'm not in it any more," he said. "I don't like the smell of it."

Fred A. Hartley, Jr.: In addition to coauthoring the law bearing his name, Hartley is now flying his true colors as head of Tool Owners, publicly branded as Fascist by New York State, which, in refusing it a charter, stated: "No more fascistic organization * * * and danger to our way of life has yet come before the official attention" of the license board.

Robert B. Dresser: Contributor of American Action, Committee for Constitutional Government, and Hart's National Economic Council.

COLLEGE HEAD, AD MAN, MINISTER ON "ELITE" LIST

Following are the persons to whom the original get-together letter was sent by the foregoing four:

George S. Benson: President of Harding College, Searcy, Ark. Syndicated columnist—usually given free to papers which will publish his propaganda. Writings have appeared in Leon de Aryan's Broom.

Don Belding: February 9, 1948, In Fact exposed "billion-dollar ad campaign to hoax United States * * * using slogan popularized by Hitler." This was a 5-year plan to use 10 percent of America's advertising budget for propagandizing the NAM slogan "free enterprise," which was actually coined by Hitler and used in the 1920's to enlist Nazi cartellists in his party. Don Belding, head of one of the country's five biggest advertising agencies, is author of this plan.

Howard H. Buffett: The former Congressman from Nebraska has one of the worst records made in the House. Voted the straight ticket for the private utilities and against public welfare. Voted against rollback of prices, etc. Labor baiter.

DeWitt Emery: President, National Small Businessmen's Association, actually a front for big business. Exposed in In Fact April 19, 1943.

James W. Fifield, Jr.: This minister is one of the leading clerico-Fascists in the Protestant fold. Following Rev. Dr. Frank Buchman's declaration for Hitler in 1936, Rev. Dr. Fifield tried to take over Buchman's moral rearmament movement by organizing spiritual mobilization, which he now heads. In Fact, October 30, 1944, first exposed Fifield.

Garet Garrett: Chief editorial writer Saturday Evening Post 1940–42.

LABOR SPY, NAM BACKERS, EDITORS CITED

Earl Harding: January 28, 1946, In Fact's main item was headed "Secret Fascist plot to fight PAC exposed." This was an exposé of American Action Committee whose main objective was to fight CIO's and the National Citizens Political Action Committee. Harding was member of AAC executive board (and former editor, New York World).

Albert W. Hawkes: Former Senator, former head, United States Chamber of Commerce (founded by NAM).

Henry Hazlitt: Lapsed liberal, from Nation to New York Times to Newsweek.

Henry Jung: The inclusion of this name is a tip-off on the anti-Semitic side of reaction and fascism. Jung, head of American Vigilant Intelligence Federation, Chicago Tribune Tower, was exposed as a labor spy in McCormack-Dickstein report 1935 and in La Follette civil liberties investigation; exposed as wholesale peddler of forged protocols of Zion.

Howard Kiroack: On April 28, 1947, In Fact's big story was headed "Reader's Digest gets 1947 award from organization associated with bundists, anti-Semites." Credit was given Friends of Democracy for exposé. The Layman's National Commission, Howard Kiroack, chairman, had given an award to the Digest which the Digest advertised to clergymen as being for distinguished service to religion.

Robert L. Lund: This is "Listerine" Lund, medicine man, whose product had been under Federal Trade Commission investigation for years and who was charged with false advertising. One of the small clique who reconstructed the NAM and made it the most powerful big-business outfit in the Nation today.

DIGEST EDITOR, GOP MONEY MAN, PEALE ON LIST

Paul Palmer: The first exposé of the Reader's Digest ever published was in the November 16, 1942, issue of In Fact. It showed that pro-Nazi and pro-Fascist, antilabor propaganda was palmed off on the 11,000,000 readers; that articles were planted, not digested; that many were editorialized items written by staff, and that staff included several leading pro-Nazis, pro-Fascists, etc. Paul Palmer was named as the Digest editor who, as editor of the American Mercury, had invited Lawrence Dennis to publish a dozen articles in favor of fascism—the first openly pro-Fascist articles in America.

Charles S. Payson: One of the big financial backers of GOP, main angel for pro-Nazi Scribner's Commentator, which went out of business after the Nazis declared war on the United States.

Rev. Norman Vincent Peale: Peale was head of the CCG. When Congressman PATMAN exposed it as the No. 1 Fascist outfit, the press suppressed the attack, but In Fact published it, and Peale was forced to resign. However, Peale's name appears as a sponsor of all sorts of native Fascist outfits.

Sam B. Pettengill: Syndicated columnist, sponsored by CCG, named as No. 1 Fascist writer by Representative PATMAN in exposé of CCG. Former Congressman.

H. W. Prentis, Jr.: Former head of NAM.

Richard S. Rimanoczy: Clark's associate in founding American Economic Foundation, on board of Tool Owners.

George W. Robnett: Secretary, Church League of America and National Layman's Council. See Carlson's Under Cover, pages 477–480.

NEW YORK UNIVERSITY PROFESSOR, GOP PUBLICIST, GERMAN AGENT INCLUDED

Dr. Edward A. Rumely: This is the man who really runs Gannett's Committee for Constitutional Government, but his name does not appear on letterheads because he was convicted and sent to jail for being a German agent in World War I.

James P. Selvage: Exposed in the La Follette investigation of the NAM as their press agent. Also press agent for years for the Republican Party.

Dr. Walter E. Spahr: Chairman, economics department, New York University. Exposed by La Follette committee as being on the secret college professor pay roll of NAM.

John B. Trevor: President, American Coalition of Patriotic Societies, one of the typical professional patrioteers.

Col. John Owen Beaty: A professor of literature at Southern Methodist University and faculty adviser of the Baptist students there, a newcomer to native Fascist circles. Sent anti-Semitic Christmas cards around country last year.

Rogers Dunn: Published the Dunn Survey, which attempted to explain away the elections of F. D. R. by claiming the New Deal had a "secret weapon" which consisted of loading the public pay roll with voters who were indebted to F. D. R. for their jobs and hence cast their ballots for him.

E. F. Tompkins: Chief editorial writer, Hearst's New York Journal-American; on board of American Defense Society, the first organization to peddle the forged "Protocols of Zion" in the United States. Exposed by In Fact, April 1, 1946.

William H. Buckley, Kern Dodge, Dr. H. H. Griffith, George S. Montgomery, Jr., George P. Syme: These names are also on the list. In Fact will be grateful to readers who can identify them.

White Paper on China Amounts to Oriental Munich

EXTENSION OF REMARKS
OF
HON. GORDON CANFIELD
OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Monday, August 8, 1949

Mr. CANFIELD. Mr. Speaker, under leave granted to extend my remarks in the RECORD, I include the following statement made by the gentleman from Massachusetts, Hon. JOSEPH W. MARTIN, Jr., Republican leader of the House of Representatives, on American policy in China:

The State Department's white paper on China policy is a confession of inexcusable failure.

The sordid story of our desertion of China at Yalta in February 1945 is fully admitted. The Yalta deal, in which China's own allies gave away Chinese territory as the price for Russia's entrance into the Pacific war, was made in an atmosphere of secrecy so deep that it was not even discovered by our own highest State Department officials until after President Roosevelt's death, and was not made known to Generalissimo Chiang Kai-shek until 4 months after Yalta.

With the Communist troops in north China threatening a civil war once Japan was conquered, it was evident after Yalta that peace for the world could only mean chaos for China unless the United States stood firmly by. Even the white paper cannot and does not attempt to deny that Chiang's forces had the upper hand over the Communist forces as late as 1946. Yet, it was in July of 1946 that the fatal decision was made to stop American aid to China to force Chiang Kai-shek to admit Communists to the Government.

But the record which the white paper reluctantly unfolds does not stop with the decision in July 1946. In the fall of 1947 we dispatched a mission to China headed by Gen. A. E. Wedemeyer. General Wedemeyer, an outstanding authority on China, came to the conclusion that China could be saved from Communist domination if the United States renewed its program of aid and military assistance, such as we had initiated in Greece to stop the Communist penetration in that country. General Wedemeyer's report was suppressed and never made public. Only now, with its publication in the white paper does the Congress of the United States and the American people know what that report contained.

Not until April 1948, when the Republican-controlled Eightieth Congress finally stepped in, was the aid program for China revived. Despite the action of Congress the administration procrastinated so long that no aid actually reached China until November of last year, and after the fall of Manchuria and north China to the Communists.

The white paper amounts to an oriental Munich, which even its proponents cannot claim will bring "peace in our time." Only men of little vision can believe that we can save Europe with economic and military aid on one hand, while on the other hand we sever Europe's economic life lines by virtually abandoning to the Communists Europe's sources of supply in Asia.

If there is one constructive note in the entire 1,050 pages of the white paper it is the apparent fact our policymakers have at long last realized that the Communist conspiracy is world-wide and that its penetration into China is a threat to all of China's neighbors. Unfortunately, it is a knowledge gained late, and at too great a price, to be greeted with other than solemn thanks.

So far as I can learn, the State Department has no intention of working out a China policy under the bipartisan methods which have been followed so successfully in other foreign policy matters. If this should continue to be the State Department's attitude, no course will be left to the Republican Party but to pursue the China question alone and in a fashion which we can only pray will awaken our Government and our people to the inherent dangers in the position now taken by our Government.

Foreign policy should be above partisanship. I think that I speak for most Republicans when I say that we stand ready to join with the administration in the formulation of a strengthened China policy for peace. Believing that the seeds of world war III have already been plantd in Asia, we extend this offer of cooperation in the deep conviction that unless our Government's course undergoes radical change the disaster that will be reaped will mean destruction for most of the globe.

Korea

EXTENSION OF REMARKS
OF
HON. THOMAS J. LANE
OF MASSACHUSETTS
IN THE HOUSE OF REPRESENTATIVES
Monday, August 8, 1949

Mr. LANE. Mr. Speaker, under leave to extend my remarks, I wish to include the following article from the Boston Sunday Post of August 7, 1949:

KOREA FOLKS BELITTLE UNITED STATES—THINK WE'RE "NUTS," SAYS WINTHROP MAN JUST RETURNED FROM ORIENT—FEAR COMMUNIST TIDE

(By Ralph Harber)

It's an old Korean custom.

That's the only explanation an American can get for many of the weird things and ways of life that prevail and have been prevailing in Korea for thousands of years.

So says Eugene E. Cronin, of Winthrop, United States communications chief in Korea, who is home on a 2-month vacation after 29 months in Korea.

"To a Korean an American is a foreigner who is nuts," smiles Cronin. "To him an American is a fellow who gives you something for nothing—which to the oriental mind is sheer insanity."

Concerning American policy in Korea, the lanky telephone expert feels the United States should act decisively soon.

"Half measures won't work," he says. "We should either go all the way in protecting southern Korea from the Communists or pull entirely out and let the Red tide continue to some other barrier."

Cronin agrees there are strong arguments on both sides of the question.

The only hope for Korea is combating communism lies in her children, he says. "They are wonderful," he enthuses, "they are smart and take to democracy and our way of life like a flock of ducks to water."

To illustrate the inflexibility of the adult Korean mind he told the story of the steaks. At his headquarters at Seoul perfect United States steaks were being ruined by the native cook. The cook's idea of the proper way to cook a steak was to pound it to a pulp and then cook it almost to a cinder.

DOESN'T STAY LEARNED

Cronin finally decided to do something about it. He went into the kitchen and carefully showed the cook how to broil a steak, American syle, with each slice cooked to a delicate pink in the middle.

"Did he catch on?" we asked.

"Sure," said Cronin. "We had good steaks, American style—that day."

"So that solved the problem?"

"Not on your life!" said Gene, as he is known to his friends and associates. "The very next time we had steak on the menu, there he was pounding them to pieces and cooking them to a crisp."

"It's the same with everything else, in dealing with the adult Koreans," claims Cronin. "A lot of money has gone down the drain in Korea, but the part spent in the education of the children has been well invested. They are bright, intelligent, gay, and lovable."

How about the adult attitude toward democracy? Cronin shakes his head. "Just try and explain democracy and you wind up talking to yourself," he laughs.

"WHO'S BOSS MAN?"

As Cronin describes it, the Korean first asks "Who's boss man—Truman?"

He is told that Truman is not boss man because Congress can refuse to obey him.

"Then Congress boss men," says the Korean.

Americans carefully explain Truman can veto laws and the Supreme Court can declare the laws of Congress illegal.

"Then Supreme Court boss men," says the Korean.

"You try to tell him the Supreme Court is not absolute boss because its members are appointed by the President," Cronin continues. "Then he asks you the $64 question: 'Well, who is the boss?'

"As you explain that in America the people are the boss, the adult Korean looks at you as if you are a little teched in the head. The people the boss. He then finds an excuse to get away from such a crazy loon. Later you may overhear him telling some friend about how whacky these Americans are."

SANTA CLAUS COUNTRY

Koreans consider America the country of Santa Clauses. When Cronin first took over as chief of communications he found that they will take anything they can get their hands on. During 2 years he lost his entire wardrobe—five suits and most of the haberdashery that went with them.

It seems Koreans don't consider stealing a crime. The crime, in their humble opinion, lies in getting caught.

Soon after his arrival in Korea there came an order for another couple of hundred sets of telephone receivers. He noticed that a sizable batch had been sent only a few weeks before. He investigated and after considerable probing uncovered the equipment, stolen and hidden away.

"They are like squirrels," says Cronin. "They will take things they have no earthly use for, just to hoard them."

And they always order everything on every ECA list, whether they can use it or not. It's free, isn't it? They even ordered television tubes in a country without a television station. Needless to say, says Cronin, those orders are pared constantly.

ON LIST, WASN'T IT?

They even ordered a quantity of platinum, an amount they wouldn't use in a century. After considerable parlaying it boiled down to the inevitable Korean reason—it was on the list, wasn't it! Cronin says they'd eagerly order an atom bomb if it was on the ECA list.

What shall we do about Korea?

"Well," says Cronin, "if we want to consider it a military rampart then we've got to go in and take vigorous action. The question is where to draw the line in Asia as we have in Europe. If we want to make the fight in Korea we've got to back up the work we've already done. If we don't then I think it would be best to get out entirely and let Russia take over as they certainly will.

"If we go in we cannot expect Korea to be anything but a military expense. The Communists have all the industrial plants and power in the northern half of Korea. Southern Korea, where we are operating, is primarily an agricultural country.

We will not make a profit from them, because they have nothing to sell us and we have little in which they are interested. The only industry in southern Korea, if it can be called an industry, is the making of lacquered boxes, jewelry, and objects of art, mostly from silver and mother-of-pearl. It is all done by hand, so there would never be enough to interest Americans who can make the same things and in greater quantity with machines.

What is the Korean attitude toward communism?

Most of them, says Cronin, fear communism and Communists. They have heard what has happened in northern Korea, and want no part of collective farms and factories.

If we pulled out and the Russians let them alone, Cronin says, they would go back to the same system they had before the Japs took them over a long generation ago.

"Their feudal system worked for several thousand years and seemed to satisfy them," says Cronin. "Like other Asiatic peoples, they might work out their own destinies if other nations would let them be themselves.

"The Japs made little impression on them in all the years they occupied Korea. They are a proud race and a stubborn race. The hatred they have for the Japs about equals the fear they have for the Reds. They accept Americans as the wonderful lesser evil with the bounty we bestow upon them as gifts from the gods.

CHILDREN THE HOPE

"We could only make a democracy of Korea by educating the children in this generation and the next. That takes time. And it seems, in the present world crisis, time is the thing we lack the most.

"As I said before, we must act very soon in Korea or Korea will be added to the growing list of nations engulfed by the rapidly rising tide of communism."

"I Shall Not Want"

EXTENSION OF REMARKS
OF
HON. ANGIER L. GOODWIN
OF MASSACHUSETTS
IN THE HOUSE OF REPRESENTATIVES
Monday, August 8, 1949

Mr. GOODWIN. Mr. Speaker, sooner or later, we may face the question of who will be left to pay the taxes unless we stop giving something for nothing to so many who are willing to benefit at the expense of those who are willing to work for their living. Along this line I commend to my colleagues a reading of the following editorial from the Wakefield (Mass.) Daily Item:

"I SHALL NOT WANT"

Occasionally (and with due credit) we use here something some other writer has produced which goes along with our own line of thought—and generally does a better job. Here's one from the American Druggist, presumably by its editor, John W. McPherrin, who starts with the comment that "after 5 weeks in Great Britain, we came home with new reverence for the faith of mankind that created America.

"It is our conclusion," he continued, "that there is no hope, peace of mind, or real security for anyone in the belief that the state is my shepherd, I shall not want. This is the real concept of the welfare state and it has done something to the British spirit.

Nothing, not even a free health service, is more important to a nation than the spirit of its people.

"So far as the British health scheme is concerned," he says, "it is a major expression of the welfare state idea, and as a health scheme, it is very similar to the plan President Truman has proposed for this Nation. It is too early to tell what it has accomplished for the health of the British people, but there are definite signs that it has done something to their faith in themselves. If this Nation of ours should ever adopt the same kind of a scheme, we must be prepared to accept the same increases in taxes and government controls. But of much greater significance is the depressing effect upon the spirit of the people.

"The Britons want security, but we do not think they have found it in the Socialist idea that the state is my shepherd. To the extent that any man accepts the doctrine that the state alone can bring him security and happiness, he will lose faith in himself. Nevertheless we must recognize that that false concept has a mesmeric appeal.

"It is reassuring to know that America is founded upon radical faith in people, but we dare not be complacent. It is our immediate responsibility to see that no citizen is tempted to lose faith in himself. We must help and inspire each citizen to make himself a useful member of society, and thus achieve true security for himself and his family."

Kent Cooper

EXTENSION OF REMARKS
OF
HON. THOMAS J. LANE
OF MASSACHUSETTS
IN THE HOUSE OF REPRESENTATIVES
Monday, August 8, 1949

Mr. LANE. Mr. Speaker, under leave to extend my remarks, I wish to include the following article from the Evening Tribune, Lawrence, Mass., August 6, 1949:

KENT COOPER STILL AT IT

Kent Cooper, executive director of the Associated Press, is a versatile man. He can turn his hand to many chores, some of them as far removed from the newspaper business as Parnassus is from Kansas City. For example, he is a recognized musician and composer; he has written an operetta and many songs. The newspaperman of stage and screen would grow green at the gills if it were suggested for a moment that he had a taste for the finer things of life. But not Kent Cooper. He admits he has a taste for the finer things of life, and he does what he can to insure their continued existence. How does he do this, you ask—well, for one thing, he is passionately interested in the widespread propagation of a phrase which, he feels, has been, and will continue to be, the open sesame to all the truths of the world—things of the spirit along with the cold, hard facts of everyday life. The phrase is "freedom of the press." For over 30 years he has used the crisp aptness of expression which is his special gift to needle the world into awareness of the important function of a free press.

His latest effort in this direction is a novelized biography, recently published in New York. It is the story of Anna Maulin Zenger, a beautiful, sharp-witted, idealistic New York girl, who in the 1700's became the world's first woman newspaper publisher and editor. Like many another historical figure, she did not seek out the role she was to play in history; it sought her out. She married John Peter Zenger, a printer, who, in the course of time, became publisher of the New York Weekly Journal. This was in 1733. Less than a year later, because he dared to criticize the Governor of the Colony of New York in his columns, he was arrested and tried for seditious libel. Defended by Andrew Hamilton, Zenger was finally acquitted. His acquittal gave validity to a new thought: that the press should be free to print fair criticism of issues affecting the public weal. With Zenger's victory as a precedent, other publishers, feeling themselves liberated from restraints which discretion formerly told them they had better respect, began increasingly to let their voices be heard. Freedom of the press was born.

Mr. Cooper holds that it was actually Anna Zenger, and not her husband, who took the measure of the Colony's arrogant governor. After extensive research, he arrived at the conclusion that John Peter Zenger, while a good printer and a good man, did not have the qualities of mind which would enable him to prosecute the fight against the governor's arbitrary rule. The articles which appeared in the Weekly Journal were the work of a finer talent than he could claim. The talent was Anna's, Mr. Cooper feels. He is so sure of it that he dubs her "Mother of Freedom." And he makes out a convincing case to support his opinion.

Readers of the book will share Mr. Cooper's enthusiasm for Anna. They will agree with him that she deserves a special niche in the annals of America. Courage, resourcefulness, integrity, brilliance, were her weapons, and she used them with results which changed her world and made ours a better one.

Without a Shot Being Fired

EXTENSION OF REMARKS
OF
HON. ANGIER L. GOODWIN
OF MASSACHUSETTS
IN THE HOUSE OF REPRESENTATIVES
Monday, August 8, 1949

Mr. GOODWIN. Mr. Speaker, many well-intentioned citizens do not realize that they are contributing to the eventual wiping out of our free system when they join pressure groups in demanding that the Congress keep on spending the taxpayers' money for new and expensive projects. It is unfortunate and it may become tragic that the same energy on the part of some of our people now expended in urging things which cost more money cannot be applied to a movement to secure early approval of the Hoover plan and a drastic slash in Federal expenses. I feel that there is such excellent reasoning in an editorial from the Everett (Mass.) News-Gazette of July 27, 1949, that I quote it, as follows:

WITHOUT A SHOT BEING FIRED

In the words of Herbert Hoover: "The battlers for the bureaus must be overcome by sheer force of public opinion if our free system is to be saved for future generations." This is a grim warning from a public figure who knows what he is talking about. It is lent fresh emphasis by the fact that the Federal Government is again spending far more money than it is collecting from taxpayers—conservative estimates place the deficit this year in the neighborhood of $5,000,000,000.

It is difficult for some to appreciate the almost mathematical relationship between the financial status of government and the political status of the people. Our taken-for-granted privilege of going to the polls periodically to vote as conscience and common sense dictate is part of the free system of which Mr. Hoover speaks. It can exist only so long as the great majority of individuals are able to exercise their franchise of citizenship without fear of reprisal. And the term reprisal does not necessarily mean a firing squad.

As a country becomes submerged in bureaucratic government, as public debt accumulates and the money depreciates, as normal productive activities are increasingly disrupted by excessive taxation and regulation, as the rolls of public employees lengthen, the vitality the free system withers. If the process continues long enough the people with a vested interest in bureaucracy become a majority and the effectiveness of elections is lost. Thus the free system is obliterated amid a chorus of good intentions without a shot being fired.

Fruit Industry "Sold Down the River" by State Department

EXTENSION OF REMARKS
OF
HON. WALT HORAN
OF WASHINGTON
IN THE HOUSE OF REPRESENTATIVES
Monday, August 8, 1949

Mr. HORAN. Mr. Speaker, under leave to extend my own remarks in the Appendix of the RECORD, I am indeed pleased to include an article by Sales Manager H. C. Barrigan, of the Wells & Wade Fruit Co., in Wenatchee, Wash.

Many eastern consumers hear of fruit rotting on the ground in the West, and yet are astounded to see the same fruit displayed on the eastern markets at prices which they consider prohibitive.

Ours is still a good market and yet the cost of producing perishable fruit and vegetables is so high in the United States, and the transportation of it has risen so greatly in the past few years that it cannot be moved profitably.

Small wonder then that our fruit producers begin looking quizzically at a tariff policy which does not reflect some reasonable protection to those who produce in the United States.

As I said on the floor last Wednesday, the reciprocal trade treaty policy of the present Democrat administration will be a big issue in the next campaign. It should.

The article follows:

FRUIT INDUSTRY "SOLD DOWN THE RIVER" BY STATE DEPARTMENT—GROWERS URGED TO WRITE REPRESENTATIVES TO GET BAN ON CANADIAN IMPORTS

(Sales Manager H. C. (Spike) Barrigan, of the Wells & Wade Fruit Co., asserts in the following article prepared for the Daily World that imports of Canadian apples this year will be a critical factor in marketing of the 1949 North Central Washington apple crop.)

(By H. C. Barrigan)

The July 23 issue of the Packer carries the headline, "Hope ebbs on early Canadian ban lift." The article then goes on to ex-

plain the American dollar shortage in Canada, hence the decision to prohibit purchases of American goods—principally fresh fruits and vegetables.

This is nothing new, or startling to shippers and sales managers who are only too well familiar with the results of the Geneva Conference, when the fresh fruit and vegetable industry was sold down the river by our State Department. The industry was invited to send a representative and then refused admission to the conference and discussion with our Government officials.

Government procedure, especially treaties with foreign countries, are too complex for the average citizen to comprehend. For this reason, we elect, and place our confidence in our congressional representatives to protect our interests. Just how far the interest of the apple industry was protected is a question that every owner of an apple orchard should ask himself.

Let us look at the record: Nearly 2,000,000 boxes of apples from Canada (mostly British Columbia), boatloads from Chile, Argentina, and Australia are sold here. Yet the gate is closed tight against sale of our apples to these countries. British Columbia dumped their Jonathan crop and a large share of their McIntosh on our Midwest markets last season just at the time we were getting into our harvest peak and while trying to get our market established for volume movement. Result: Complete demoralization of our Northwest Jonathan deal due to the oversupply. Chile, Argentina, and Australia took over our late spring deal with fresh crop apples causing millions in losses to northwest growers who held Winesaps for the late deal.

Let us use Canada as an example inasmuch as she is the largest exporter of apples into the United States. Also being the largest customer of American goods, she consequently claims impunity on exports to us. Obviously this claim was recognized by our State Department when they signed the apple growers' name to a treaty permitting uncontrolled movement of Canadian apples into this country in exchange for their patronage of American goods.

What are these goods purchased by Canada to make her our largest customer? Briefly, they are essential goods that she cannot manufacture or produce herself. Otherwise you can be very sure they would be on her prohibitive list. Canadian representatives to the annual conference when they tell us how many apples they propose to export to this country will remind us of their tremendous purchase of citrus. Has anyone ever had the experience of eating Canadian-grown citrus?

No one will criticize our good neighbor for its action in protecting its trade balance; nor hesitate to congratulate them for being able to outsmart our Government officials. By the same token we give them credit for their ability to realize that sooner or later the Northwest apple grower is going to object to being the scapegoat. That the time must come when he must fight to have this injustice corrected.

Two million bushels, or approximately $5,000,000 worth of apples, from Canada may sound insignificant in terms of our national production and its value. It isn't so much the quantity as the timing.

They dump them onto our markets when our harvest is at its peak and we need every possible outlet to relieve the surplus over our storage capacity. This results in the pipe line flowing and the law of supply and demand taking control of our prices.

In our efforts to prevail on Canadian shippers to lay off until our harvest is well over its peak they answer that they haven't sufficient cold storage to permit holding. Yet our Northwest shippers have and are still investing millions in cold-storage facilities in an effort to prevent gluts in the market. We are merely investing this money to save the Canadian growers from doing so.

Under the present agreement they are in position to ride under the umbrella of our growers. If the market is active at profitable prices they keep the apples coming. As soon as a break in prices occurs and the business is no longer profitable they turn to their other outlets until the market straightens out after we have been forced to call on Government agencies to help us relieve our surplus that the foreign imports caused; or the advertising commission is forced into special promotion drives at our growers' expense.

Reciprocal trade agreements are essential to world trade. In the case of the apple grower, however, reciprocity is a forgotten word. Consideration for his investment and his future livelihood is completely disregarded.

Did the State Department make use of one of the many bureaus available to them to develop the fact that a Canadian apple grower can produce a box of apples ready for market at approximately $1 a box below our own production cost? In other words, they can undersell us up to a dollar a box and still show a profit.

Or did they determine that the Canadian grading rules are considerably more liberal than ours, permitting them to compete against our "combination grade" with a box marked "extra fancy" which is actually no better than our "combination"? Do they realize that these apples roll across the border totally exempt from the rigid numerous inspection regulations which the American producer is compelled to comply with?

It would be interesting to be enlightened by someone in Washington why the Canadian dollar crisis should not be assisted to a much greater extent by exporting, for instance, petroleum. Our producers advise us our reserves are rapidly being depleted. A famine can be expected in the near future.

What about the Alberta and Peace River oil fields? Are they being capped for lack of customers? Or could it be that the American petroleum interests have more power in Washington than the insignificant apple grower? What about the lumber industry? With our boxes costing over 40 cents each (equal to the cost of growing) our local mills could have no objection to the importation from Canadian mills, if their statement is correct to the effect that our forests are rapidly becoming depleted of timber available for this purpose, hence the high cost.

We were recently informed by the press that the Premier of Alberta had rejected the application for a natural-gas pipe line across the border in order to preserve their resources for the future. Yet this project alone would have returned them a great many more millions in dollars than their apple exports.

At the conclusion of the International Apple Convention this month, a committee representing the American apple growers will meet with a similar delegation from Canada. At this meeting we will be told the approximate quantity they must export to this country in order to stabilize their own domestic deal. Why such a meeting is necessary is incomprehensible when our committee has absolutely no power to prevent them doing as they wish. Except possibly to plead with them to do all they can to avoid a complete market collapse for their interest as well as ours. This indeed is a sorry state of affairs for our apple grower.

The apple grower of this region is in for a rude awakening in the not-too-distant future. Unfortunately, he is a helpless individual who refuses to sense danger or act for his own protection. That is, not until he wakes up broke and has to appeal to Washington to have our rich Columbia Basin area declared a distressed area in order to receive assistance from school-lunch programs, financed by RACC and seed loan.

In spite of the tremendous efforts being made by our Horticultural Council and the Traffic Associations no progress has been made. It will take more than this to get action quickly if we are to get relief this season in order to prevent the inevitable loss confronting the industry. Every grower, large and small, must appeal to our representatives and must do it at once. It can be done and it must be done. The success or failure of the effort is entirely in your hands Mr. Grower.

What Would You Say?

EXTENSION OF REMARKS
OF

HON. LOUIS C. RABAUT

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Monday, August 8, 1949

Mr. RABAUT. Mr. Speaker, under leave to extend my remarks I include a copy of a radio address by Mr. Dave Beck, executive vice president, International Brotherhood of Teamsters, Chauffeurs, Warehousemen and Helpers of America. Mr. Beck's address is entitled "Legacy of Liberty," and was presented by the Columbia Broadcasting System on Tuesday evening, July 26, 1949, as one of a novel series of radio programs. The speaker on each program is asked to phrase his remarks as if they were in answer to the question "What would you say if this were your last lecture?"

An estimate of our own philosophy of life could very well be based on our message to the rest of mankind if we knew that it was the last thing we could ever say. At that moment in the ebbing tide of life we could not dally with the transient, momentary concerns of our mundane existence. Rather would we look to those eternal truths which alone can give lasting importance to the words and works of every man, truths which the passage of time can never corrode. The allegiance which men swear to these truths is a "good" which cannot be "interred with their bones" and long after the foibles and follies of our weak human natures have passed into meaningless dust, this allegiance will stand as the only memorial which time cannot ravage. Perhaps it would be well if each of us probed our consciences more frequently with the soul-searching question—"What would I say?"

Mr. Beck's address follows:

LEGACY OF LIBERTY

The question I have been asked to answer here tonight poses a real challenge.

What would I say if this were to be my last messages, my last public address, or my last lecture?

I would, of course, be concerned for those to whom I have devoted the major part of my life's work—the people of labor—those who must toil for their living.

What could I say, out of my long association with them, that would contribute most to their future welfare?

PROTECT YOUR LIBERTY

First, I would say, as I have so often said before: let nothing under any circumstances

cause you to surrender your American liberty. That is the most important thing I could possibly say.

I would say, as I have said to chambers of commerce, Rotary clubs, Kiwanis clubs, church gatherings of various kinds, to university student bodies over the country, as well as to meetings of my own associates in the labor movement.

This is the greatest and best country on earth. Our form of government is the best to serve the people. Private enterprise in business and industry has given us the highest standard of living, the highest level of public health, safety, happiness and opportunity that the world has ever known.

I believe our system and our way of life are the best ever conceived by the mind of man.

Freedom of the individual, freedom of thought and speech, freedom of press and pulpit, freedom of religion—these freedoms are not the fruit of our American system, they are the seeds from which it grew.

Neither peace nor security have any meaning if freedom must be surrendered to get them. The history of the ages proves beyond the slightest doubt that every time a people has given up liberty, for whatever reason, it has surrendered all. Be eternally vigilant lest bigots steal from you your liberties as they have done so many times in the past, in other lands.

Be willing to give everything you own of material value, be ready to fight—yes, to lay down your lives, if necessary—for your liberty. Better to perish miserably defending freedom than to live as slaves.

If this were my last word to you, I would also admit that we must pay a price for our right to be free—often a very heavy price indeed—but freedom is worth it.

NOT ALWAYS EFFICIENT

We are not always efficient, or just, or unselfish in a free country. There is a slack and waste and, too often, outright dishonesty. There are faults in business, in government, in labor. Unprincipled men take advantage of the privileges of freedom to cheat the unwary and the ignorant. Weak men neglect their responsibilities and prove faithless to their trust. Strong men ride arrogantly over the defenseless. The law is slow in bringing the rascals to book. Men of character and high ideals and good training do not always occupy the posts of leadership.

Yes, these things are true at times. They are exceptions: they are not the rule. These evils do not long endure, for you and I know that things which are not right cannot stand the test of time. Eventually and inevitably the wrongs the people suffer are righted, even though justice seems to walk with feet of lead.

PRICE IS NOT TOO HIGH

In spite of these faults, which occur because we are but a part of an imperfect human family, struggling up toward the goal the Deity set for us. I say—and I have said it a thousand times—if we must pay this price to preserve our freedom, the price is not too high.

I would say to capital, to the management, and ownership of our great business and industrial enterprises, and to small business as well:

You cannot long remain free unless labor is also free. Our system of free, private enterprise and initiative is not a one-way street. If you destroy for others the very freedoms which have made your way of life possible, if you shirk your responsibilities to the public, then you will bring down upon yourselves the tragic consequences of lost faith.

I would repeat this solid truth:

There is no problem in human relationships so complex or so grievous that it cannot be solved reasonably, if men of character, men with a sincere and honest desire to cooperate in mutual confidence, will sit down together around the conference table, each respecting the rights and dignity of the other, and all inspired by the will to serve the common good.

COOPERATIVE EFFORT

Sincere and unselfish cooperative effort is the greatest need of the world today.

I would say this to labor:

You cannot take from business what business does not have.

You cannot take something out of a bucket unless it is first in the bucket. You cannot do by magic what you cannot do by reason; there is no mystery in either business or labor.

You must meet management on the common ground of reason and honesty. Intelligence must serve you and nothing else will avail.

If you drive business to the wall, you destroy the jobs of your fellows and both you and they have nothing.

CAN SAY "YES"

Oh, I can find a thousand men, on almost any street, who can say "Yes," without regard for consequences, if they think that will make them more popular.

What we need, in every segment of our economic life, is more men who have the courage to say "No," when that is the answer dictated by reason and conscience. We need men who can forget personal pride and ambition, who have the ability to look down that road to the future, who can weigh the consequences of their actions, and who can serve intelligently and courageously, thinking only of the welfare of their people.

I would by all means say this to labor—to all who toil for their living—if this were my last word on earth:

GIVE FAIR DAY'S WORK

Give a fair day's work for a fair day's wage. That is your obligation. The man who refuses to do this is dishonest, both with his fellows and with himself. He does not earn a right to a share in tomorrow's progress, because he is not giving of himself to make that progress possible. He is a drag, a dead weight upon the shoulders of honest toilers.

Keep your agreements: Hold them sacred. Once your word is given, make it good, no matter how unpleasant the temporary result may be. The signed contract of a labor union must be the solemn pledge and bond of every member; it must be fulfilled to the last letter. That is the way of honorable men.

To my own close associates in the teamsters' union, I would say:

STUDY YOUR INDUSTRY

Study your industries. Know their problems and help find the answers. Work to make your employers prosperous for in so doing you will enable them to pay better wages and at the same time give the public better and cheaper service. Thus you will build an increasing demand and assure a greater volume of employment, economic advancement all down the line, and better conditions for yourselves.

Take an active part in the civic life of your home communities. Be good citizens and good neighbors.

Register and vote in all elections; let nothing keep you away from the polls on election day. The right to vote is a precious part of your American liberty.

Take your full share in all public and charitable enterprises. Support the Red Cross, the March of Dimes, the Community Fund. Contribute to your church. Help those who are not as fortunate as yourselves.

Practice thrift; buy the bonds of your Government. Provide as much security for yourselves and your families as humanly possible by saving a part of your earnings.

I have often warned labor against communism, for I have seen the Communists at work in unions.

Communism is a deadly poison; it seeks to destroy your liberty.

COMMUNISM DENIES GOD

Communism denies God, religion, and the church. Its philosophy is the doctrine of defeat; its essence is terrorism. It makes perjury a virtue and honesty a sin. It is the opiate of desperate men.

More perhaps than we realize, our rights and privileges, our very safety in our homes, depends upon the integrity of our American judicial system.

Communism would utterly destroy the foundations upon which our law and courts are established, for it advocates to its followers that they lie deliberately under oath, to advance their cause.

When the witness in court takes his oath before God and upon the Holy Writ to tell the truth and nothing but the truth, his testimony must tip the scales of justice in the direction of right, or the law becomes a travesty. Any doctrine which teaches lying under oath, which denies the existence of God, undermines the last hope of fair dealing and justice for the common man.

FEEDS ON DISASTER

Communism feeds on disaster and turmoil and tragedy. Those who follow its tenets do not want peace; they want a sword. They do not desire progress for the workingman, they hope for unemployment, for bankruptcies, and depression. Out of these tragedies and sufferings of the people, they plan to steal, violently and forcibly, the power to rule. If they ever succeed—God help America.

I have no fears that the Communists will ever succeed in America so long as our people are awake to the dangers in their vicious creed, and so long as we love liberty well enough to defend it with our lives.

Yes, there are faults in our system, but the system itself provides the means for correcting them without ripping out the very foundations of our house. We are competent to solve our problems in our own American way. We do not require, nor will we tolerate, interference by the agents of a foreign power.

SAID THESE THINGS BEFORE

I have said all these things before. They are a part of my philosophy of life. They strike a responsive chord in the hearts of my associates in labor.

Never forget that the rights and liberties we now enjoy were won by the blood and tears and suffering of untold thousands during the long, historic struggle of the common man, up from serfdom. They did not merely happen to us. They were not granted or given to us. Our forebears won them.

We shall keep these rights and liberties so long as we deserve them and we shall deserve them only so long as we are willing to give everything we have—even our lives—to keep our freedom safe.

This is our greatest duty. It is the only way we can preserve for generations yet unborn the priceless heritage which so many generations of men, long since forgotten, struggled so bravely to hand down to us.

Congress and the Army Engineers

EXTENSION OF REMARKS

OF

HON. JAMES E. MURRAY

OF MONTANA

IN THE SENATE OF THE UNITED STATES

Monday, August 8 (legislative day of Thursday, June 2), 1949

Mr. MURRAY. Mr. President, I ask unanimous consent to have printed in the Appendix of the RECORD an article

which appeared in the current issue of Harpers magazine in regard to the civil functions of the United States Army engineers.

The article was written by a distinguished newspaperman, Mr. Robert de Roos, and an author, Mr. Arthur A. Maass, a well-known authority on resources and regional development. The article constitutes another public warning to Congress that it should give early consideration to the administration of development projects in our great river basins.

Mr. Maass is especially qualified to discuss this subject, for he served as a member of the staff of the natural-resources task force of the Hoover Commission, which studied in great detail the Army engineers' operations in several watersheds. Mr. Maass himself was the author of the task force's study of the situation in the Central Valley of California, which appears as appendix 7 in the natural-resources report.

The Public Printer has estimated that this article will make 3½ pages of the RECORD, at a cost of $287.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

THE LOBBY THAT CAN'T BE LICKED—CONGRESS AND THE ARMY ENGINEERS

(By Robert de Roos and Arthur A. Maass)

If you are near a river this summer, look sharp. Unless you are careful, the Corps of Engineers or the Bureau of Reclamation, in their zeal to commit a dam or a levee, are likely to run you down. The two agencies are working a little frenziedly these days, because their continued independent existence is threatened. The threat comes from Herbert Hoover's Commission on Organization of the Executive Branch of the Government, which has recommended that the corps and the Bureau be combined into a single, integrated Water Development and Use Service in the Department of the Interior. This is notably a threat to the Department of the Army's brass-bound baby, the Corps of Engineers, which considers itself immune to reorganization or even to orders from the President of the United States, who is presumably its boss.

The Corps of Engineers will do everything in its power and the power of its numerous friends to see that the reorganization plan is killed, and the Hoover Commission was well aware that it would. "Perhaps the most imposing argument against transferring the civil functions of the Corps of Engineers to another agency is found in the intense opposition with which any such proposal is likely to be met," it said. And even before the recommendations were made public, the Corps of Engineers was lobbying against reorganization in a campaign so flagrant that Mr. Hoover himself denounced it.

In the severe criticism leveled by the Commission, both the Corps of Engineers and the Bureau of Reclamation came off badly. But the Commission, after an elaborate investigation, was especially unable to justify the activity of the Army engineers in the field of navigation, power generation, and flood control. Here the engineers' presence is an anomaly—expensive, dangerous to our water resources, and rich with administrative confusion.

If the Hoover Commission's recommendations for the administration of the country's water resources are ignored, the consequences will be costly and tragic. At present, the Nation is faced with the paradox of two powerful agencies spending enormous sums of money without a basic plan, under competitive and wasteful conditions, and without effective direction from the President and his executive office. In its 47 years of existence, the Bureau of Reclamation has spent $1,530,000,000. In the same period the Corps of Engineers has spent over $5,000,000,000, and it will spend $3,200,000,000 more to complete projects now under way.

By any standard, this is a considerable water bill, even for a country as prosperous as the United States. And, in a sense, it is only a beginning. The Bureau and the Corps and other agencies concerned with the country's water resources have spent, or will spend within the predictable future, $40,000,000,000. The issue is not whether the money should have been spent, but whether it has been spent well—and whether the amount still to be spent is to be paid out wisely or squandered on a variety of high-cost, pork-barrel works for which the Nation pays and from which, in some cases, only a few individuals benefit.

The Corps of Engineers was the object of the Hoover Commission's censure largely because its record of noncooperation, arrogance, and independence is perhaps unequaled in the history of an executive division. Almost without exception, the Corps has disregarded the orders of its Presidents. It has set itself above its Commander in Chief. It calls itself the consulting engineer to and contractor for the Congress, and it considers itself an arm of the legislative branch. Franklin D. Roosevelt, generally regarded as a strong President, lost every round he fought with the corps. Although the champ swung angrily and often, he never laid a glove on the Army engineers.

The reason is clear: The old rivers and harbors bills and the current Army civil functions appropriations bills are the juiciest pork available to hungry Congressmen. Last May, when Senator PAUL H. DOUGLAS, of Illinois, merely intimated this fact, he was angrily attacked for playing politics with something sacred.

The Corps of Engineers has a long and glorious history. It was organized in 1779 by the Continental Congress, disbanded, and then reconstituted in 1802 when West Point was established as the country's first engineering school. Throughout part of the past century, in fact, a good engineer was almost by definition an Army officer. Until 1866 the corps itself ran the Military Academy and was thought to be the elite of the military service. The tradition that the engineers get the top-ranking members of a West Point graduating class—who can choose their own branch of service—still counted for something as late as the recent war. The corps had continued to attract top-ranking officers because it continued to offer the most active and interesting career in peacetime. Within the Army it is unique in this respect, for since 1820 it has increasingly involved itself in internal improvements in the national geography—primarily navigation work on rivers and harbors.

It was these civilian activities of the corps with which the Hoover Commission concerned itself. And there is no purely military question involved, any more than criticism of the corps today should imply disregard for the past achievements of its combat battalions, who put more bridges across the Rhine in 15 days than had ever been there before. It could be said, of course, that the condition of American rivers is a matter of military consequence, and so it is. But so also is the condition of the Nation's roads and railroads, and under the same argument the engineers could take them over tomorrow. It might be preferable, in fact, to have the engineers run the railroads rather than the rivers; for a river consists of water, and many more persons are interested in water than the engineers who deepen and dam it.

Water, besides being a national resource and the property of the people, is a mobile commodity that can be used for more than one purpose. The same river can provide irrigation, supply a constant flow for navigation, cause floods, generate electrical energy, provide a habitat for fish and wildlife, and at the same time absorb the pollution of factories and mines. The idea of multiple-purpose development of the rivers, to use the water in as many ways as possible, began to get under way in the 1920's, and it soon brought the corps into conflict with another part of the Government. In 1902, the Bureau of Reclamation had been established to promote irrigation in the semiarid States west of the ninety-eighth meridian. Since then it had grown and flourished, and by the time the principle of multiple-purpose development was put into general law the Bureau and the corps were both into the rivers up to their necks.

The Flood Control Act of 1936 stated the intention of Congress to authorize multiple-purpose river developments over the entire Nation, wherever flood control was one purpose involved. This confused and confusing piece of legislation made flood protection, in addition to navigation, a function of the Corps of Engineers. Irrigation was retained by the Bureau of Reclamation. Furthermore, the Department of Agriculture was charged with protecting against floods by retarding the run-off into the upper reaches of streams, and the Federal Power Commission's function of surveying river basins for hydroelectric potential was reemphasized. Said the Hoover Commission of this law:

"As the corps' original responsibility for navigational improvements was expanded to cover flood control and other purposes incidental * * * to flood-protective works, and the Bureau's responsibility for irrigation was expanded to include other potential by-products of irrigation, the one agency working upstream met the other coming down. Now we are witnessing the spectacle of both agencies contending for the authorization, construction, and operation of projects in the same river basins, for example, in the Central Valley, Columbia, and Missouri Basins."

Competition over the same river leads to costly duplication of effort. In California's Central Valley, both the Army engineers and the Bureau have simultaneously made surveys and plans for a dozen streams. Each agency spent approximately $250,000 on studies for the Hell's Canyon project in Idaho. Both the Bureau and the corps have surveyed and resurveyed the streams of the Columbia Basin and the Missouri Basin.

The physical confusion resulting from the warring agencies' presence on the same rivers is compounded by the fact that they work under different laws that stem from different philosophies. Reclamation law provides for the repayment by the water users of a large part of the Government investment; it prohibits speculation on that investment; it limits the amount of water a single user can take from a public project; it specifies that publicly generated power shall be sold at the lowest practical price, with preference to public agencies.

Just how well reclamation projects have paid out is controversial. Almost from the beginning, the time allowed for repayment has been repeatedly extended. Now most projects are on a 40-year repayment schedule. But some new projects will cost so much that a 78-year repayment period is being considered.

The laws under which the corps operates do not have even these safeguards for the public's funds. In many cases, local groups benefiting from Army navigation and flood control pay nothing for their benefits. The corps has been slow enough to recognize the necessity for generating cheap power, but even when power has been generated, the corps has persistently advocated sale of the power at the source, where only the

large private utilities can purchase it. Whereas the Bureau maintains at least partial control over Government structures, the Army turns many of its facilities over to local administration.

II

In addition to these giant water boys, the Department of Agriculture, the Fish and Wildlife Service, the Federal Power Commission, the Public Health Service, and a dozen other administrative units have an interest in the rivers and their uses. With so many fingers in the water, it is stirred and muddy to behold. Normally, differences between executive agencies can be coordinated, compromised, or eliminated in the President's office. This has not been possible with the water agencies, principally because of the arrogance of the Corps of Engineers. The engineers have torpedoed every effort at coordination. The Hoover Commission reported:

"There is simply no escaping the fact that so long as the present overlapping of functions exists with respect to the Corps of Engineers, the Bureau of Reclamation, and the Federal Power Commission, costly duplication, confusion, and competition are bound to result. It has been demonstrated time and again that neither by voluntary cooperation nor by executive coordination can the major conflicts be ironed out."

The 7-year fight over Pine Flat Dam on the Kings River in California is a case in point. Funds for this dam, which President Roosevelt declared to be predominantly an irrigation project, were sought both by the Bureau—which was already committed to the basin-wide Central Valley project—and the corps.

The trouble started straight away when local authorities asked both the corps and the Bureau to study their needs. This is a common gambit—two surveys and two estimates, to allow the local moguls to choose the better deal. Roosevelt ordered that both reports be kept confidential until they could be reconciled by the National Resources Planning Board. The Army's report, however, was sent directly to the President, bypassing the NRPB; and, through a clerical error, it was dispatched directly to Congress by the White House. Subsequently the NRPB sent the Bureau report to Congress.

The physical plans were almost identical. Emphasis on function, however, differed. The Bureau of Reclamation contended that irrigation benefits would total $1,255,000 annually; flood control, $1,185,000; and power, $683,000. The corps found that irrigation benefits amounted to only $995,000 and flood control, $1,185,000; it planned no power installation. Thus, by the corps' reckoning, flood control was the dominant function; in the Bureau's eyes, however, Pine Flat was an irrigation project. Later there was a significant change in the corps' figures.

President Roosevelt, in a series of letters to the Secretary of War, to congressional committee heads, and to the Secretary of the Interior, made it clear that his Administration considered the work an irrigation project. He wanted it constructed by the Bureau. But the corps continued to submit the project to Congress as a flood-control project, one of its own civil functions.

This bickering and insubordination to the President went on throughout the war. Finally, the President dispatched a blunt note to Secretary of War Stimson:

"Memorandum for the Secretary of War

"I want the Kings and Kern River projects to be built by the Bureau of Reclamation and not by the Army engineers. I also want the power generated at the projects built by the Army engineers to be disposed of by the Secretary of Interior. I hope you will see that the rivers and harbors and flood control bills include appropriate provisions to effectuate these.

"F. D. R."

It was a strong note. And it had no effect whatsoever on the corps. The Army engineers forwarded the memorandum to Congress, in a routine way, but they did not mention either it or the President's position when Congress subsequently asked them to testify. The Kings River project is now under construction by the Corps of Engineers—an isolated unit in the Central Valley project which is designed as an integrated basin program of prime importance to California. Incidentally, in the Army plan, no power will be generated.

Meanwhile, after the project was under way, a new estimate of benefits was produced. This time the corps showed benefits from irrigation of $3,382,000 and from flood control, $2,126,000. In other words, the Army's own figures showed the project to be predominantly in irrigation project—which should have been built by the Bureau of Reclamation in the first place. Further, local contributions are lower than they would be under Bureau administration, and the country as a whole—which pays—comes off second best. A dangerous precedent may have been set in the Central Valley, where the Army seeks authorization for many other works that are in conflict with the Bureau's basin plan.

The President's policy of having the irrigation water and power produced at Army dams distributed by the Secretary of the Interior was subsequently adopted by Congress. The corps has been in public opposition to these provisions, however, and has sought their repeal.

From the start, the Corps of Engineers gunned for the National Resources Planning Board set up by Roosevelt in 1934 with instructions to prepare a report on the Nation's water resources. The corps took part in the work of the Board's water committee but refused to approve its report. "I am not prepared to approve it in its entirety nor to discuss in detail at this time some of the items which appear to me to be of questionable merit," the Secretary of War said.

The corps kept the NRPB under constant attack, and when President Roosevelt sought to make the Board permanent, in 1936 and later, he was actively opposed by the Secretary of War—the only Cabinet member who failed to support Roosevelt's views in this matter before Congress. In 1941 the NRPB made a final attempt to develop a national water policy. Once again the corps was uncooperative, and the Chief of Engineers refused to sign the final report. "The report has been made in a worthy cause," he wrote, "and the necessity of withholding my concurrence is regretted."

When the NRPB was killed in 1943 (with the corps' blessing), the President's Bureau of the Budget, central coordinating agency of the Executive Office, proposed to take over certain resource coordination functions. This move was blocked when the corps set up its own Interagency River Basin Committee. This committee has no status, no money, and no staff; it has solved no interagency dispute. But its creation convinced Congress there was no need for the new Budget Bureau activity. Today the Bureau of the Budget attempts to coordinate public works activities in the entire Federal establishment with two professional employees and a single clerk.

One of the corps' coolest and most sensational floutings of Presidential decree may yet cost the country several billion dollars. In 1941, President Roosevelt ordered all construction agencies to submit their reports to the Executive Office for clearance. There they were to be reviewed by the NRPB, and later by the Bureau of the Budget. From January 1941 through August 1948, the corps submitted 426 reports. Of these, 360 were cleared; 44 were held not in accord with the President's program; 32 were held up because special circumstances made them unacceptable.

Once again, the corps was unruffled; it submitted the 76 unapproved reports to Congress without change and the recommendation that they be authorized for construction. These 76 projects included the largest and most important river developments in the Nation. The total cost for these 76 projects—which the President's office found unacceptable because of, in many cases, insufficient study—is estimated at $2,500,000,000. Many of the projects, the President's office said, were not economically justified; they would cost the Nation more than they were worth. Nevertheless, they were submitted to Congress—and 62 of them were authorized.

The projects include $200,000,000 for bank stabilization and for a 12-foot channel in the Mississippi—which has serious repercussions for the Missouri and Ohio Rivers—$42,000,000 for the Red River; $10,300,000 for flood control in Illinois; $120,000,000 worth of multiple-purpose dams in the Central Valley, which have caused serious conflict with the Bureau of Reclamation projects.

How do they get away with it? The answer is simple. Congress loves the Corps of Engineers and the corps loves Congress.

The corps has the whole-hearted support of the so-called rivers and harbors bloc, led largely by men from the lower Mississippi area. These men, given permanent seating by our democracy, have high seniority on the committees dealing with navigation and flood control on the Father of Waters. One of them, Senator JOHN J. MCCLELLAN, was a member of the Hoover Commission and entered an impassioned minority defense of the corps.

Stanchly behind the rivers and harbors bloc is the National Rivers and Harbors Congress—an organization dedicated to the principle that no stream is too small for a Federal hand-out, no levee tall enough, no channel deep enough, no harbor improved enough. It is a comprehensive lobby group, an involuted sort of affair which includes among its membership Representatives and Senators—the lobbied—as well as the contractors, the State and local officials—the lobby. At the top, of course, are the officers of the Corps of Engineers, who are ex officio members of the Rivers and Harbors Congress. The president today is Senator JOHN J. MCCLELLAN, the very same.

Relations among the congress and the Congress and the corps are very cozy. Regularly the congress resolves in favor of the Corps of Engineers. "We reaffirm our faith and confidence in the Corps of Engineers, whose devotion to this Nation and loyalty to the Chief Executive have made possible the orderly and efficient development of the greatest waterway and flood-control projects on earth," said a recent resolution. "I feel that I am among old friends," said the former chief engineer.

III

A major weakness in the corp's position—in light of national policy but not from the point of view of local beneficiaries—is its failure to collect enough return from the largesse it bestows. The Federal Government bears the entire cost of most flood-control structures—the long miles of levees on the Mississippi and the new concrete dams everywhere. The Federal Government generally bears the entire cost of navigation works as well—with the proviso that local interests pay nominal right-of-way, terminal, and dock costs.

And the Federal Government, as represented by the corps, is liberal. Before 1935, the corps had developed and maintained an outer harbor at Buffalo, N. Y. Costs for an inner harbor had been borne by the city. But in 1935 the city asked the corps to take over maintenance of the inner harbor simply because the city said it was short of cash;

it did not want to pay if it did not have to. The district engineer, the man representing the corps on the spot, turned down the request. The Chief of Engineers, however, recommended that the Federal Government pay half the costs of the inner harbor, thereby relieving the city of this burden. Congress voted this proposal into law. In a single bill, 17 projects which the Executive Office of the President declared did not have a high enough degree of local participation were, nevertheless, passed on to Congress—which, on the recommendation of the Corps of Engineers, obligingly approved.

Among these 17 was a $322,000 channel project from Boston Harbor to Commercial Point. Although the district engineer declared that oil interests on Commercial Point should pay $100,000 toward the cost, the Chief of Engineers said that no local contribution was necessary. Another project which was disapproved by the President but passed by Congress was a $160,000 Tacoma Harbor project. The NRPB found that benefits would go largely to two lumber companies. It was found also that timber resources in the area were nearing exhaustion—which would end the usefulness of the project anyway. Congress, however, approved the corps recommendation as it stood.

Another controversial project—among dozens—is the improvement of the Warrior-Tombigbee River system to permit barges traveling downstream on the Mississippi to return upstream via the Mobile, Warrior-Tombigbee, and Tennessee Rivers to the Ohio. This proposed route would have the advantage of being a slack-water route, while the Mississippi River improvements have so increased the speed of its current that upstream travel is difficult and expensive.

The project was rejected by Congress in 1944, but it was resurveyed and reintroduced. The cost was estimated at $117,000,000 plus an annual maintenance charge of $811,000. However, said the engineers, the savings for Mississippi River shippers who would use the new upstream route would be $1,200,000 annually. In addition, the corps listed some benefits to local traffic. Congress agreed, and the project was authorized.

The point is this: Had the Corps of Engineers been required to prove that its Mississippi River navigation projects were paying off, it surely could not have recommended the Warrior-Tombigbee project. It would have needed to keep the upriver traffic on the Mississippi as a justification for its improvements there. Lacking a system of tolls, or even of proper accounting however, the corps felt itself justified in taking on the new and extremely expensive program. Ironically enough, it is the increased speed of the Mississippi—brought about by the corps' own diking and channelization—which makes the second project economically attractive in the corps' eyes.

The reluctance of the corps to charge tolls against those who use its waterways makes it very popular wherever navigation works exist. Many people, however, strongly believe that the Federal Government should charge for its services. User-charges would have two effects: they would help pay for the out-of-hand costs of construction and maintenance; more important, they would serve as a test of benefit estimates. Without tolls, or any other measuring device, no one can prove whether a benefit has actually materialized. The corps can make, within limits, almost any estimate necessary to win congressional approval. No one checks up to see whether any advantages have been gained. After the Federal money has been spent, no one seems to care.

As far as national policy is concerned, President Roosevelt said in 1940: "I have always believed that many facilities made available to our citizens by the Government should be paid for, at least in part, by those who use them." He mentioned "the $50,000,000 that the Government spends annually on the maintenance of dredged channels, buoys, lighthouses, lifesaving stations, etc. It would seem reasonable that some portion of these annual expenditures should come back in the form of small fees."

The corps always has opposed tolls, however. One of the main incentives behind plans for waterways is a desire on the part of local business interests, who in turn influence Congress, to force down railway rates by competition from toll-free waterways. The corps is shrewd enough to realize that if shippers were forced to pay tolls the differential between water and rail freight rates would tend to disappear—along with the justification for the waterway. It is true that the present system does sometimes bring down the rail rates, but usually only on commodities carried by water—as a countermeasure, frequently the railroads raise the rates on other products and the average citizen benefits not at all.

The corps has been notoriously lax in evaluating its proposed waterways as part of the national transportation complex. Not once have the Army engineers made a systematic study of waterways as a component of a system that includes water, rail, trucks, and pipe lines. Only once was a corps project—the Lake Erie-Ohio River Canal—evaluated by the Interstate Commerce Commission; the ICC found it undesirable and Congress refused to vote funds.

IV

The relationship between water and rail rates is particularly important in considering the Pick-Sloan plan, now under construction in the Missouri Valley. The Pick-Sloan plan reveals all the elements of confusion and competition between the Bureau of Reclamation and the Corps of Engineers. It alone is enough to show the need for responsible administration of a national water policy.

A rough idea of the confusion that exists can be gained from this: Neither the Bureau of Reclamation nor the corps—nor anybody else—actually knows how much water there is in the Missouri. It is almost certainly true that there is not enough water to maintain in dry years the Army's proposed 9-foot navigation channel from Sioux City to the mouth. There is grave doubt there will ever be enough water—even in wet years—for the Bureau's ambitious irrigation plans, plus navigation. There is grave doubt that irrigation is even desirable in the area. There is still graver doubt that the expensive navigation installations are worth the money. What is certain is this: The corps and the Bureau have rushed the Nation into a billion-dollar undertaking without sufficient planning or investigation. And they have busted up a river that should have been developed as a whole.

Competition between the agencies is to blame for this piecemeal attack on the Missouri. Maj. Gen. Lewis A. Pick, now Chief of Engineers, came up originally with a plan for 22 dams; W. G. Sloan of the Bureau of Reclamation came up with 90 dams; Pick called for 1,500 miles of levees; Sloan, for irrigation of 4,700,000 acres of land; Pick said he would generate some power; Sloan said he would generate 758,500 kilowatts. On this basis, the corps and the Bureau were slugging it out on the river and in Congress for funds.

Then the corps and the Bureau were driven into each other's arms by a common threat: the proposal of a Missouri Valley Authority, modeled after the formidably successful Tennessee Valley Authority. To forestall such a creation, the corps and the Bureau reached a compromise. Earlier, the Bureau had attacked the Pick plan in several instances as wasteful and unnecessary; the corps had returned the compliment sneer for sneer. But when the MVA was proposed, they hastily came to terms. "Every project in both plans was incorporated into the joint venture except the Army's Oak Creek Dam," said Rufus Terral of the St. Louis Post-Dispatch, "and it would have been included too if its site were not to be submerged by another dam. One way or another, the two agencies had agreed to what in their composite view was a waste of more than $150,000,000 of the people's money."

Said the Hoover Commission: "The compromise consisted for the most part in a division of projects, each agency agreeing to forego the privilege of criticizing projects assigned by the agreement to the other. The result is in no sense an integrated development plan for the basin. Agreement between the two agencies may be more costly to the public than disagreement."

The 9-foot channel for the Missouri has been approved. It was recommended on the ground that the present 6-foot channel—which cost approximately $70,000,000—is inadequate; barge operators must change equipment between the Missouri and the Mississippi because of the Mississippi's 9-foot channel. Given a 9-foot channel in the Missouri, the argument ran, there will be complete interchangeability of equipment between the two rivers.

Now, without knowing whether there is enough water available, the 9-foot channel is being constructed in the Missouri. Simultaneously, the project for increasing the depth of the Mississippi channel to 12 feet is ready to go. When both projects are completed, interchangeability of equipment will be as impossible as ever.

Behind that cloud of confusion around the 9-foot channel in the Missouri is again the lure to the local interests of a chance to force down railroad rates. The project will cost many, many millions, and there is actually no guaranty that rail rates will be forced down. At present, in the expensive 6-foot channel, about all that moves on the river are bargeloads of sand and gravel—most of which are used to build levees by the Corps of Engineers.

In their hurry to get authorization and money, the corps and the Bureau almost overlooked the river itself. Scant recognition was given to the problem of fish and wildlife. This colloquy between Charles E. Jackson, Assistant Director of the Fish and Wildlife Service, and Maj. Gen. Thomas M. Robins, of the corps, is illustrative: Mr. Jackson was arguing that fish and wildlife must be considered in any river development.

"Mr. JACKSON. I don't know what plans you have for the Missouri River. I understand a report was submitted. I haven't seen it yet. You see, some progress is made before we have had the opportunity to know what is contemplated on the Missouri.

* * *

"Mr. ROBINS. I didn't know there was any fish problem on the Missouri River.

"Mr. JACKSON. That is exactly why we want to be consulted before any project is undertaken."

V

No sensible effort has been made to evaluate all the soil and water conservation needs of the Missouri Valley, or in any other way to combine estimates and consider the valley as a single watershed. The Department of Agriculture has only recently submitted a hastily prepared plan for the expenditure of several billion dollars for soil conservation on the same watershed. The Federal Power Commission estimates that it would need $250,000 to survey adequately the power potential and market in the valley. The Bureau's plan for the Missouri provided for the production of 758,500 kilowatts of power. The corps, reluctant to build power facilities, merely said it would develop power; it did not say how much.

This difference in the attitude toward power is a recurring strand in the conflict between the Bureau and the Army engineers.

The Bureau is committed to produce power: Power revenues help pay off the investment for irrigation works. It operates under a law which gives public agencies first chance at its power at low rates. It advocates construction of transmission lines to load centers where the public power can be picked up by small cooperatives and municipal distribution systems. The corps opposes construction of transmission lines. It would sell its power at the bus bar—i. e., at the generators. This is precisely what the private utilities want; the Army is supported in its program by these utilities.

By 1960, the Hoover Commission estimates, Federal plants will be producing 15 to 20 percent of the power supply of the country. If all the power plants now listed as possibilities are ever built the Federal plant will ultimately be producing as much electric energy as the whole country produced in 1947. It is obvious that a power policy, as a corollary to a sound water policy, is indicated.

Very quietly, the Corps of Engineers has also entered another large field of public endeavor which promises to be costly to the taxpayers. In the 1944 Flood Control Act—the latest of the major laws in the field—"major drainage projects" were made a part of flood control. No one seems to know where these three words came from or how they got into the act, except that it is almost certain that a Congressman from the lower Mississippi was the author. Two major drainage projects have been authorized so far—on the lower Mississippi, of course. These major works will be 100 percent Federal gifts; the local interests must only clear the land and construct minor works.

There is no antispeculation provision in the law. If you own a swamp and are lucky enough to get the Corps of Engineers to drain it for you, you can sell it at any price you can get; the people of the United States will gladly pay the bill. There may be Federal responsibility for helping draining districts, but it is doubtful whether this responsibility should go further than the giving of reimbursable aid. Here again, various uses of water should be carefully examined. Some drainage operations have produced inferior agricultural land. And swampland is not necessarily wasteland. It is important as a nesting ground for wild fowl and as spawning grounds for fish.

Drainage operations are expensive. So is maintenance of a drainage project. The fact that drainage was slipped into a bill enlarging the functions of the Army engineers, without adequate local participation or antispeculation provisions, would seem to be a mistake. The Hoover Commission, with its task force on natural resources, looked at all the facts. It recommended the transfer of the civil functions of the Corps of Engineers to a Water Development and Use Service in the Department of the Interior. The functions of the Bureau of Reclamation would also be transferred to this Water Service. Such a consolidation would give the country what it needs: a single agency charged with the responsibility for administering our water resources.

The Commission also recommended an important addition to the executive structure: A Board of Impartial Analysis which would review and coordinate all construction plans for the President before submission to Congress. Thus Congress could act on a coordinated program rather than struggle through competitive plans and counterplans.

Senator JOHN J. MCCLELLAN and Carter Manasco, former Congressman from Alabama, bitterly attacked the plan to cut the corps down to size. "This is a critical period in world history," they wrote, as minority members of the Commission. "The uncertainties of the peace and the possibilities of another world war, it seems to us, should preclude any thought of weakening our military potentialities by turning from tried, tested, and proven policies and programs to an experimentation in something that has little hope of success."

Their argument, a favorite with supporters of the corps, that the peacetime functions of the engineers—building dams and levees—train soldiers for war was knocked in the head by the majority report: "The argument that river and harbor work can be directed only by the Army engineers becomes * * * absurd when it is realized that less than 200 Army engineers are involved and that the remainder of the personnel under their control * * * are civilians who supply most of the detailed knowledge and continuing direction. * * * There is no reason why the same and even better results cannot be obtained by assigning them [engineer officers] and corresponding officers of the Navy and Air Forces * * * to a central consolidated works department." With the 200 officers out of the way, the report said, civilians might have the chance for promotion they deserve.

Senator MCCLELLAN and Mr. Manasco, recalling the heroic folklore figure of the district engineer holding back the flood while the convicts work the levee, tried another barrel—we need these brave officers in time of emergency: "A most recent example is the unprecedented blizzards that swept the West. Could the Bureau of Reclamation have been of comparable service to that performed by the Corps of Engineers in meeting the exigencies of this great peacetime emergency?"

Most significantly, the late James Forrestal, a member of the Commission, did not join Senator MCCLELLAN and Mr. Manasco in their dissent, although he was head of the Department which included the corps. He did, however, abstain from joining the majority recommendation on the consolidation of the corps' civilian functions.

Senator MCCLELLAN feels strongly about pruning the civil works of the corps. And he is in a position to do something about it. He is chairman of the Committee on Expenditures in the Executive Departments, the committee dealing with the Hoover recommendations. It is notable that when the hearings this spring were recorded in 230 printed pages, more than half the talk was an effort to exempt the corps from any reorganization plan. An effective reorganization, on the other hand, as recommended by the Hoover Commission, would put responsibility for our water resources up to one agency—and demand results. It would certainly save money, and it might save our rivers.

The Clark and McGrath Appointments

EXTENSION OF REMARKS

OF

HON. ESTES KEFAUVER

OF TENNESSEE

IN THE SENATE OF THE UNITED STATES

Monday, August 8 (legislative day of Thursday, June 2), 1949

Mr. KEFAUVER. Mr. President, I ask unanimous consent to have inserted in the Appendix of the RECORD a splendid editorial, which appeared in the August 3, 1949, issue of the Nashville Tennessean. The editorial states well the indisputable fact that Attorney General Tom Clark and the Senator from Rhode Island [Mr. MCGRATH] are excellent choices for the high places for which they have been chosen. The fact that they have taken a strong position in political matters is not derogatory of their ability or of the advisability of their selection. I wish to congratulate President Truman upon their appointment. They deserve full congressional and public support.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

FRIENDS—WHY NOT?

Columist Thomas L. Stokes, liberal writer, has decided to view with mild misgivings the two appointments recently made by President Truman.

Where the ability of Attorney General Tom Clark and Senator J. HOWARD MCGRATH is concerned, he has no complaint. He also concedes their high character.

But the usually level-headed Mr. Stokes subscribes to the strange theory frequently voiced in other quarters that the President, in deciding who will be named to high offices, should make it his first order of business to scratch off the list any man who happens to be his friend. He does not go so far as to advise that an enemy should be thus honored, but at least the appointee should be wrapped in neutrality.

Furthermore, anything that smacks of a "kitchen cabinet" appointment displeases Mr. Stokes, although some eminent justices have risen to that honor from the Attorney Generalship. Among them are Messrs. James C. McReynolds, Harlan F. Stone, Frank Murphy, and Robert F. Jackson.

For our part, we are gratified to note that President Truman, like his illustrious predecessor, does not feel that any qualified candidate is debarred from promotion by reason of personal or official friendship with him. With commendable common sense, he may reason that, all other things being equal, it is well to elevate one with whom he has been associated and whose qualities of character and mind he has come to respect.

Nothing now stands in the way of Mr. Clark's membership on the highest Court save approval by the Senate, and that will be forthcoming in view of the high esteem in which he is held by Members of that body. He is no graduate of the Federal bench, as some would have preferred, but that has never been a prerequisite for the role he is to assume. His legal background is one of distinction in his own State of Texas and in many years of Government service; his character is beyond reproach, and he is endowed with outstanding energy.

It is idle, we think, to speculate, as another columnist, Mr. Marquis Childs, has done, on whether Mr. Clark will be influenced chiefly by Chief Justice Vinson. The forecasters have been wide of the mark in the past, as in the case of Associate Justice Hugo Black. And there is no reason to deplore the possibility that Mr. Clark will not always view important issues exactly as the late Associate Justice Frank Murphy would have done. Enough to say that he has the ability to grasp important points of law and interpret them sincerely and judiciously.

For the same reasons that he frowns on the Clark appointment, Mr. Stokes thinks President Truman, in seeking a new Attorney General, should have turned his back on an able man of high principle who also had been a loyal supporter in the last campaign and election. In many ways, Mr. McGrath was the logical man for the vacancy. There is no basis for the view that because he has served efficiently as chairman of the Democratic National Committee, he is forever to be cataloged as a politician and capable of holding no other position than that of Postmaster General.

If the President had listened to Mr. Stokes he would have penalized Senator MCGRATH because of friendship; and it does him credit that he refuses to think along those exceedingly narrow lines.

It speaks well for Mr. Clark that some of his critics find their greatest grievance in the fact that they cannot be sure in their own minds just how he will vote on so-called liberal issues. This might be viewed as a tribute to his openmindedness and lack of predjudice, but on the one hand the conservatives fear that he will go left, while a segment of the former New Deal group is hounded by the thought that he may not see eye-to-eye with it. From the country's standpoint, we should say, this is not an unhappy situation.

Neither is it displeasing to see President Truman giving his worthy and loyal friends the consideration they deserve when greater opportunities for service present themselves. The confidence he has demonstrated is built on personal contact and observation. And, above all, friendship carries no stigma in his estimation, Columnists Stokes and Childs notwithstanding.

The China Situation

EXTENSION OF REMARKS
OF

HON. JOHN DAVIS LODGE

OF CONNECTICUT

IN THE HOUSE OF REPRESENTATIVES

Monday, August 8, 1949

Mr. LODGE. Mr. Speaker, the white paper just issued on United States relations with China is primarily an attempt to justify the State Department's mistakes rather than to correct them. This is often the tendency of parties which have been in power for too long. Apparently the administration would rather lose a continent than lose a little face. There is, of course, interesting factual information in this voluminous report but it is also apparent that much of the material has been carefully selected to sustain a plausible defense of our betrayal of China at Yalta rather than to bring out the shameful truth.

For it is a sad and bitter fact that China would probably be better off today had she been our enemy or had she at least devoted her energies to the annihilation of communism when during the war it had reached a very low ebb. Had China been our enemy it is probable that we would now be pouring hundreds of millions of dollars into that area as we do in Germany and Japan.

To hold that we can eventually succeed in stemming the tide of communism in Europe while we do little or nothing in China is to abandon the open-door policy, to go back on our solemn obligations, and to retreat into an isolationism which is as old-fashioned and obsolete as it is dangerous for us and for the peace for which the American people are sacrificing so much.

I regret that the State Department saw fit to publish this clever and misleading piece of advocacy at a time when the military-assistance pact, the principle of which I strongly favor, is in such serious difficulty.

Under leave to extend my remarks in the Appendix of the RECORD, I am inserting two editorials which appeared on Saturday, August 6, in the New York Times and the Washington Daily News respectively:

[From the New York Times of August 6 1949]

INQUEST ON CHINA

In transmitting the white paper on China to the President, Secretary Acheson placed emphasis on the value of informed and critical public opinion. Presumably it is in the interest of the formation of that opinion that this report has been compiled and published. The record, Mr. Acheson, is now available to the Congress and to the people of the United States.

Unfortunately the comprehensive character of the report makes it, to some extent, self-defeating in this aspect. This is no fault of Secretary Acheson or his department. They have tried to include a large mass of salient material so as to show the reasons for the courses that have been taken. In fact, they could with profit have included some things that have been omitted. The treatment of the Tehran and Yalta agreements, for example, is so compressed as to be cursory.

The fact remains that this a document of 1,054 pages, more than half of which are in small print. The whole of the report will be read by very few persons indeed. What will be read, instead, to some extent, are various summaries of the report and comments upon it. Thus most of the informed and critical opinion will have been formed at second or third hand, at best. A great many facts, judgment and exchanges of information and opinion have been set down here, but the conclusions that are derived from them will depend largely upon the individuals who do the deriving, and not solely on the facts and judgments themselves.

This is true also of Secretary Acheson himself, whose letter of transmittal is in effect a summary of the report and a comment on some of the facts and opinions in it. It is not unfair to point out that such a summary cannot possibly be objective, no matter how earnest and honest the men may be who make it. The Department will not inform the President that this effort over which it has labored is inadequate or misleading, even if some persons in the Department think so. It will not take the position that the policies it has shaped have been mistaken. This inquest on China is not the work of a serene and detached coroner but of a vitally interested party in the catastrophe. Unfortunately, at this point one of those vital interests is self-justification, which certainly is the enemy of objective analysis.

For example, there is the sweeping conclusion of the Secretary in his letter to the President when he stated that "nothing that this country did or could have done within the reasonable limits of its capabilities could have changed that result (of the civil war); nothing that was left undone by this country has contributed to it." Even with that escape clause, "within the reasonable limits of its capabilities," the implications of such a declaration go far beyond mere presentation of fact; they constitute a gigantic and quite fatalistic blanket approval of our entire course of action in the past 5 years. This complete disclaimer of any responsibility for what has happened to China not only obscures the truth; it puts the mark of very special pleading on the whole document. It will, of necessity, make the reader wary rather than sympathetic. It will point up the need for going beyond the summary of the Secretary, or any other person, to the facts, judgments, and opinions of the white paper itself.

Some of them can be of great value. The publication of the Wedemeyer report, for example, was too long delayed. It should have been available for study a long time ago. The candid and informed opinion that is sought will, among other things, want to know why the report was suppressed, in the first place and why its major recommendations were not followed, in the second. In the light of its text the reasons that have been given thus far seem flimsy.

Other elements of value will in some cases have to be read between the lines. While the report is explicit in its attack on the Nationalist Government in China, it is understandably reticent in comment on the American misappraisal of the political forces at work in the Far East. Secretary Acheson says in his conclusion that the Communist regime in China serves the interests, not of the Chinese people, but those of Soviet Russia. This judgment, reached apparently quite recently, should help to throw a sharp retrospective light on the long-continued efforts of our Government to force the Communists into the Government of China.

This white paper, an attempt at vindication, is actually a sorry record of well-meaning mistakes. Many of them are now set down here and those who will can learn their painful details. If that helps informed critical opinion to aid in preventing some similar mistakes in the future, the white paper will have served a more important purpose than saving the administration's face. It can point the way toward a future policy, and that aspect of it will be discussed in these columns tomorrow.

[From the Washington Daily News of August 6, 1949]

WE NEED A PACIFIC POLICY

Secretary of State Acheson has told President Truman that the Communist regime in China serves the interests of the Soviet Union and may lend itself to the aims of Russian imperialism in a campaign of aggression against China's neighbor nations.

It has taken Mr. Acheson a long time to reach this very obvious conclusion. Moreover, such a campaign of aggression is more than a mere possibility. A review of Communist activities in Japan, the Philippines, Hawaii, Indonesia, Burma, and Siam will show that it is making dangerous headway.

The State Department knows this. Why doesn't it admit it?

The American Embassy in Moscow correctly forecast Russia's designs in China and the rest of the Far East in a report to the State Department in April 1945, according to the Deparment's own white paper. Nevertheless, after that the Department tried to set up a Communist coalition government in China.

Mr. Acheson now proposes that American policy be shaped to encourage all developments in China which are aimed at throwing off the foreign yoke of Moscow-directed communism.

Had this been our policy 3, or even 2 years ago, that yoke might not have been imposed on China. Yet, while talking of encouraging resistance to communism, Mr. Acheson still seems to object to extending any aid to the forces now actively fighting communism in China. This doesn't add up.

Lieutenant General Wedemeyer submitted a program to the President in September 1947 which he thought would be successful. But it was vetoed by the State Department, and his recommendations only now have been made public. General MacArthur is known to have had a similar program in mind, but he wasn't consulted.

A lawyer for the defense who doesn't have a good case tries either to confuse the issue or attacks the victim in the case, particularly if the victim isn't present to defend himself. The State Department does both these things in its carefully edited white paper. But in making Chiang Kai-shek the whipping boy for the Department's own blunders, Mr. Acheson leaves unanswered the question of most concern to all Americans:

What is the Department doing, or planning to do, to protect American interests

in the Pacific, not only in China but in the Philippines, Japan, Hawaii, and other threatened areas?

Vague talk about encouraging hopeful developments in China or elsewhere won't get us anywhere. The Kremlin has a plan. We need one to counter it.

The promised review of far eastern policy by the department's hand-picked experts, none of whom qualifies as actually expert in this field, is not the answer.

We need a positive, constructive, workable program in the Pacific—a program prepared by persons who thoroughly understand the military and economic situation in that part of the world.

Department of Government Liquidation

EXTENSION OF REMARKS
OF
HON. WALTER E. BREHM
OF OHIO
IN THE HOUSE OF REPRESENTATIVES
Monday, August 8, 1949

Mr. BREHM. Mr. Speaker, on previous occasions I have referred to one of my distinguished constituents, Mr. J. Keller Kirn, who is very definitely an authority on monetary matters. In times past I have inserted in the RECORD articles which Mr. Kirn had written and which had been published in various newspapers through the country.

Just recently an article written by Mr. Kirn appeared in the Columbus (Ohio) Dispatch under the heading of "Reader would set up a department of Government liquidation." The article does present material for thought and I therefore take pleasure in including it with these remarks in the hope that it will be seen and read by those interested in the economy of our National Government. Mr. Kirn's article follows:

According to our Constitution, article 1, section 8, powers granted to Congress, the first power granted is "To borrow money on the credit of the United States." The power to lend money was not granted in order to protect us against using Government loans to add a fourth branch of Government industries to create jobs to trade for votes to retain and gain power to rule us with rules made by rulers whom we do not elect, instead of governing us with laws made by Congressmen whom we elect.

Congress should remove obstacles to the Hoover plan by creating a department of liquidation to liquidate Government industries such as banking, insurance, and utilities (steam-power plants), then issue United States bonds to be exchanged for stock in each corporation formed to take over each Government industry, after which stockholders should elect their officers to operate their corporation and pay taxes according to laws governing corporations. Officers should employ loyal citizens who can qualify. Veterans should be given preference. Former bureau officials and employees would have the advantage of experience to qualify for such nonpolitical jobs not affected by change in administrations. Bonuses should be offered to officials and employees for decreasing expenses and increasing efficiency.

Congress should allow other countries which will cooperate with us, to issue their bonds without guaranty by our Government, and offer them for sale to our citizens. If this would have been done in the past, our citizens would not have settled England's $32,000,000,000 loan for $650,000,000, then deducted it from the request for an additional $4,400,000,000 loan and loaned $3,750,000,000 more. Neither would we have such a colossal debt and almost unbearable taxes. Our 6 percent of the world's population can't finance and support the rest of the world forever. Our natural resources, money, credit, and taxpaying ability are not unlimited. The Un-Fair Deal's plan to pass more laws, create more taxpaying projects which can't be amortized, and printing more money will lead to disaster. A sound economy without sound money is impossible. Sound money is our best weapon. Congress should restore sound money and require other nations to do the same.

Wanted: A Wise Mother Robin

EXTENSION OF REMARKS
OF
HON. LESLIE C. ARENDS
OF ILLINOIS
IN THE HOUSE OF REPRESENTATIVES
Monday, August 8, 1949

Mr. ARENDS. Mr. Speaker, under permission to extend my remarks, I include an editorial from the Daily Pantagraph, Bloomington, Ill., of August 4, 1949, entitled "Wanted: A Wise Mother Robin." The editorial expresses very pointedly the one thing the Congress should do, namely, advise the western European nations that it is high time for them to get out and learn to fly on their own. The day has arrived to inform these nations that we are coming to the end of the road and the time when we no longer can afford to hand out money to them simply because they need it.

WANTED: A WISE MOTHER ROBIN

Did you ever watch a mother robin teach her young to fly?

They sit with their mouths open and screech for food from the safety of their nest. And she coldly routs them out. They flutter screaming to the ground. When she alights to see how they're doing they cuddle up to her and she flogs and scolds them away. She makes them fly and she makes them become self-dependent. Otherwise they would sit in their nest with mouths open for food until they starved, or fall out to be devoured by a cat.

The mother robin seems to know when and how to make the break to teach self-reliance in her young.

The United States must learn how and when to encourage western Europe to fly under her own power. It may take a little scolding and shoving. But the time must come. We cannot forever respond to the cry: "If you don't help us we'll go Communist."

That's one of the questions Congress must decide in the current move to arm Europe as a corollary to the North Atlantic Pact. It's a question we must decide in reflecting upon the British loan, aid to Greece, and the subsequent Marshall plan. All these things were felt necessary and the Pantagraph supported them. We feel that they helped to stem the tide of communism.

But now we learn that Europe still is not on her feet. No one seems to know exactly when she will be. The urgent call for more aid comes from statesmen like Marshall and Harriman; from columnists like Alsop and Mowrer.

Yet these men admit that western European nations have not done what we had hoped they would do to consolidate their own forces. Their customs barriers are still up. Their socialistic experiments are still in progress. Their military cooperation is mostly on paper.

The big question Congress must answer in determining how much arms aid to give and how much dollar aid to follow the arms aid is whether it will strengthen Europe or whether it will make European muscles more flabby.

When shall we say, as the mother robin says:

"It's time to get out and learn to fly on you own. If you want to be lazy when I push you out of the nest and let the big cat communism get you, then that's your worry. The only way to avoid him is to be able to support yourself. You can render him helpless if you develop your own wings. You're his dinner if you don't. Now I've done all I can for you. Get a move on."

There ought to be something of that tone of voice in the new grants in arms and money we are going to make—must make.

A Plundering, Blundering Administration

EXTENSION OF REMARKS
OF
HON. DANIEL A. REED
OF NEW YORK
IN THE HOUSE OF REPRESENTATIVES
Thursday, August 4, 1949

Mr. REED of New York. Mr. Speaker, the internationalists have voted away our billions; they have voted away our domestic market; they are exporting our pay rolls; they are planning to export, arms, ammunition, and our national resources. What next? Take notice, fellow Americans.

The free-trade faction of the supporters of the trade-agreements program is at it again. They have been quiet for some time now, thinking that with a Democratic Congress they would have no trouble wiping out domestic industries which cannot compete without tariff or quota assistance. The recent awakening is the result of demands from all sections of the country that we slow down in giving away our domestic markets and transferring American jobs to foreign industries.

Hundreds of ex-servicemen and others have gone into the business of raising fur-bearing animals because they had faith that their Government would give them some aid if foreign competition could not be met. Already one-half of them have lost their savings and been forced to abandon their fur farms because their Government failed them. Russia, with its starvation and conscript wage system and government-operated trading system has all but destroyed the American fur market. No one expected our fur farmers to compete on even terms with the low standard of living abroad, nor to retain individuality and free enterprise as against foreign state trading, export subsidies, and outright state-operated dumping by foreign competitors. The pleas of thousands who labored under the delusion that their Government would assist them to meet such competition on even terms are finally having some effect.

The independent oil producers, tobacco growers, those who go down to the sea in ships and come back with fish, and many manufacturers of china, pottery, gloves, clothespins, silk, textiles, and other commodities are flooding Congress with appeals for assistance. Those appeals are in such numbers and carry such logic that they cannot be ignored. Congressmen and Senators who formerly voted to make the President the czar of American industry without check or assistance in tariff-rate matters now are forced to admit there is such a thing as too low a tariff.

It is only right that the appeals of the tomato growers of Florida to their congressional representatives should be given consideration. Mexico was literally handed the American tomato market on a silver platter—and not one single concession from that country now exists. What is economic, or just, or for the betterment of the United States in such a deal? The Florida vegetable growers were taken for a disastrous ride on this one—and they will be a long time forgetting it.

The independent oil producers in Texas and Oklahoma are bombarding their Senators and Congressmen with complaints that they have been sacrificed to big foreign and domestic interests. Oil output in those and other producing States has been curtailed by law—to the extent of over 600,000 barrels per day, but there is no law or restraint on imports, which are taking a larger and larger share of the domestc market. The producer who has been forced to shut down his well, and the thousands of laboring men who are on part time or without work, are rightfully saying to their representatives in Congress, "You brought this on us; now it is up to you to do something about it." To the credit of those congressional delegations, they are doing something about it.

The fishermen of both coasts and a dozen different States cannot sell their fish, except at cutthroat prices, so they go without work, and their families become bitter, and the Senators and Congressmen from those States realize the great hardships this unrestrained lowering of tariffs has placed on their constituents. What are they going to do about it? Sympathy is not what those fishermen want. They want work, good hard work, and long hours, and danger—and a fair living wage—in the industry of their choice. Foreign governments subsidize their fishing fleets; they do not demand decent wages, nor good living standards, nor high taxes for all of the various extras that have made the American laboring man the envy of all his foreign neighbors. Now we find our own citizens envying those of other countries whose governments seem to take some interest in whether their citizens are employed.

I said long ago that we would someday wake up. Many are still sleeping, but the murmurs of the thousands, even millions, whose jobs have been exported to low-wage-scale countries through unrestrained tariff reductions are becoming louder and louder. The efforts of the free-traders to pacify and quiet them by the use of subsidies and threats of world chaos are being redoubled. They are worried because their plans to do away with American industries which cannot compete on free-trade terms with foreign big business, monopolies, subsidized companies, or state-owned factories are falling about their ears.

On July 27, 1949, State planning and developing agencies were given the opportunity to listen to some official State Department propaganda. The speaker was one of the dozens trained and indoctrinated by the free-trade school in the State Department that has graduated so many "pinks" and outright Communists. The shallowness and lack of accuracy in this address are so apparent that it is hard to believe that the educated group listening to him placed any credence in what he said. Most listeners probably did not. It started with the customary attack on the Smoot-Hawley tariff law and all of the ills of the 1930's were placed at the feet of that act. Such an opening has not only been worn threadbare, but appears infantile under close scrutiny.

The high-tariff policies of the various nations of the world during the 1930's were blamed on the American tariff—a false and misleading premise in the first place, and in the second place the trade restrictions of foreign countries are so much higher today than in the 1930's that there is little comparison. This, the pinks, liberals, and internationalists would have us believe were in retaliation for the tariffs of the United States which are, today, the lowest in modern history.

The average rate of duty on imports into the United States is now in the vicinity of 5 percent. Are the high tariffs, the Sterling block, the embargoes, the quotas, the licensing systems, the exchange manipulations, the monopolistic state trading of the other countries of the world the result of American tariffs? Any New Dealer that must fall back on this type of dissertation must indeed be about at the bottom of his economic, intellectual, and barren barrel. It is particularly notable that the speaker from the State Department failed to refer in any way to the fact that the depression of the 1930's was well over before the State Department or the President made any move in the direction of lowering tariffs. A few very minor trade agreements were made prior to 1939, but the total average reduction was negligible until that year. Just why, if the depression was the result of the tariff act, the New Dealers did nothing to correct it, is not known.

The State Department speaker did a little better when he presented the thesis that there has been a wide disparity between our exports and our imports, but he fell off his horse again when he inferred that American tariffs were the cause of the trade imbalance. He probably knew, although if he did he kept it from his audience, that much of our exports were artificially stimulated and could not possibly have been so large without this country giving a large part of the goods away. It does not take an economist to know that if we are to be paid for our exports we must import.

Imports of manufactured goods according to the speaker, are relatively small because, and I quote "American manufacturing costs are low relative to foreign costs and European manufacturers find it difficult to hurdle our tariffs." He spoke glibly of rubber, coffee, tea, bananas, and other articles which have no tariff whatsoever, but carefully refrained from mentioning one single article which was not imported because of high tariffs. It is strange that so many of these propaganda speakers, doing political work while being paid by the taxpayers' money allocated to some agency often refer to important items imported under the free list as products of which we should import more. They are aware that the general public has no way of knowing that rates of duty have nothing whatsoever to do with the quantity of those products imported.

Furthermore, to what does the administration attribute these "high" tariffs? To the Congress? It has been 15 years since the Congress has had anything to do with tariffs. Just why do these "high" tariffs still exist? If they were evil they should have been taken care of in 1934—or even in 1932—as promised by the Democratic platform. If manufactured goods are not entering the United States because of our tariff policy who is to blame?

The fact is, of course, that the free traders, especially the communistic element, have not dared to wreck too many domestic industries all at once. The plan is to pluck them off one or two at a time, beginning with the small independent businesses which cannot make much noise or do much to block the program. Note carefully the industries that have been first affected—note that they are relatively small, that hand work is important in most of them, and that individually they could do little to protect themselves: Watches; tomatoes; cherries; tree nuts; clothespins; china and pottery; glassware; raw furs; oil, from independent wells; tung oil; wool gloves; raw wool; sponges; fish products. The list is growing fast as foreign industries subsidized by American gifts and fake loans reach full production and the shores of this country offer the lowest duties in history.

The State Department called for the extension of the trade agreements program, the bill for which has bogged down in the Senate. The State Department speaker referred repeatedly to the "crippling amendments" of the 1948 extension, but made no attempt to identify them. One cannot help wonder how his audience reacted to his obvious effort to duck the issue, though he can hardly be blamed for not wanting to discuss it. The improvements in the 1948 act were well thought out; they have proved their merit; they have not offered one iota of hindrance or restrictions to the making of new agreements. The voice of the people is being heard and when the Senate gets around to trade agreements it is almost certain to include the 1948 improvements, one-worlders, free-traders, Communists, and the plundering, blundering New Dealers to the contrary notwithstanding.

Wire the Back Door

EXTENSION OF REMARKS
OF
HON. JOHN DAVIS LODGE
OF CONNECTICUT
IN THE HOUSE OF REPRESENTATIVES
Monday, August 8, 1949

Mr. LODGE. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following editorial from National AMVET:

WIRE THE BACK DOOR

Now that the Senate—as was expected—has finally ratified the North Atlantic Treaty linking 300,000,000 peace-loving peoples to mutual assistance in fending off Red communism you might think we could all breathe a little easier.

AMVETS, as an organization, stood four-square behind the Atlantic Pact, believed in the motives behind it, testified in its favor before the Senate Foreign Affairs Committee and worked actively for its approval.

We succeeded.

But is the job done?

For an answer, let us hark back to the recent meeting of the AMVETS national executive committee and the sage observation of one of our members during discussion on a resolution favoring a similar Pacific pact against communism.

Said he: "When you wire your home with a burglar alarm you don't leave the back door unprotected."

Yet America generally and the State Department specifically have done just that; our back door in the Pacific has been left wide open and, what's more, no one seems to be doing anything about it. No one in authority, that is.

Unlike most nations, the United States straddles a hemisphere with its front door on the Atlantic facing Europe and its back door on the Pacific facing Asia.

In our awareness of Communist danger and its ever-present threat of aggression, we have done a pretty fair job of wiring the front door with alarms and extending sensitive warning signals far out into our front yard. In addition to the essentially negative attitudes of defense, we have even embarked on positive methods of penetration beyond the iron curtain with such things as the Voice of America, designed to carry the truth into a dark land of falsehood, repression, and false gods.

The facade we present to the western world today is tidy, tough, and taut.

Our back yard is a wholly different story.

Our back yard is a moral slum littered with dirty self-deception, stagnant pools of backwatering, and unguided rivulets of wishful thinking.

Our back yard is wide open to Communist aggression—and worse than that: The Reds are already on the move there, while our diplomats cluck their tongues and do nothing.

It is all very well for Mr. Dean Acheson, our Secretary of State, to say that such things as a Pacific Pact are premature—to hint that the Chinese Communists are not really Communists at all but merely agrarian reformers—to imply that the Chinese Nationalists are graft-ridden anyhow—to promise that "serious study" will be given to the problem.

It is all very well to say these things—and to issue white papers and blue papers and green papers—and to bottle up reports that may disagree with preconceived notions. All very well, indeed.

But in the meantime what's to be done about the Chinese Communists—who this month frankly and flatly restated their allegiance to Moscow—as they take over the great port cities of the Orient and outflank our poor and tiny island bastions of defense?

We conceived and established a North Atlantic Treaty to forestall in Europe a thing we feared—the very same thing that is already happening in China and soon, without doubt, in other nations of the Far East.

Yet in the Far East we do nothing—and do that nothing poorly.

It just doesn't make sense.

And the real measure of that tragedy is that just a few short years ago it was us—the American veterans of World War II—who cleaned the junk from our backyard at such cost in lives and sacrifice and suffering.

And why did we have to clean it up? Because the foreign aggression that we had been watching with bated breath in Europe finally struck at us. From where? Europe? No; from our very same backyard. The Pacific Ocean.

The North Atlantic Treaty is a step forward. But we cannot relax because the North Atlantic Treaty is not enough. Self-protection and common sense demand that we initiate a Pacific pact at once—now—immediately—before it is too late.

We veterans of World War II had our bellies full of military adventures in Guadalcanal, New Caledonia, Midway, Guam, Okinawa, Tarawa, and all the other blood-stained names of heroic memory. National inaction now could send us back there in a few years or months.

Let's wire that back door—with a pact that will prove they had better not tread on us, ever again.

Where the Little Guys Learned To Cheat

EXTENSION OF REMARKS
OF
HON. ROBERT F. RICH
OF PENNSYLVANIA
IN THE HOUSE OF REPRESENTATIVES
Monday, August 8, 1949

Mr. RICH. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following editorial from the Washington Times-Herald:

WHERE THE LITTLE GUYS LEARNED TO CHEAT

Comptroller General Lindsay Warren has informed Congress of "shocking" evidence of fraud, bribery, and collusion in the making and settling of war contracts. An organization takes its morals from the top. The White House throughout the Roosevelt regime was occupied by a family of grafters who made millions out of their official connections. It is, therefore, not at all remarkable that some lesser figures in the executive departments were dishonest.

President Roosevelt was the first President ever to sell publication rights to his official papers. He got a handsome price for them. He was the first President ever to take advantage of his official position as boss of the post office to amass a stamp collection that was worth more than $200,000 when it was liquidated. He was the first President to conspire with his sons to shake down citizens who had reason to fear the power of the Government.

Among the victims was John A. Hartford, of the Atlantic & Pacific Tea Co., who was persuaded by the President himself to "lend" son Elliott $200,000 at a time when chain stores were being singled out by some of the New Dealers for confiscatory taxes. Mr. Hartford got back exactly $4,000 of his money, 2 cents on the dollar.

Son James played the same game with much the same kind of help from his father and mother. By his own account, his annual income in the years from 1933 to 1937—years when business was at a low ebb—was never less than $21,000 and rose to $49,000.

He was then a comparatively young man but he was immensely successful in the insurance business. His specialty was selling insurance to individuals and firms which were either under Government control or in fear of what the Government might do to them. Among the Roosevelt clients were liquor companies, shipping companies, radio companies, and contractors, all of them eager to win the friendship of the White House.

They got what they paid for. George Washington Hill let Jimmy write a two-and-half-million-dollar policy on his life. Three weeks after the inauguration, Mr. Hill was received at the White House.

Wife Eleanor signed a radio contract with a coffee growers' syndicate at a time when our good neighbors in the coffee business were looking for help. She took a mink coat from Canadian admirers. She is supposed to have taken out at least a million dollars in her years in the White House in payment for books, magazine articles, radio broadcasts and lectures. She has said she gave it all away. When son Jimmy left his insurance business for another job, she represented him in its management.

These are only a few of the high spots in the record of the grafting Roosevelts. They set the moral tone in Washington during the war years. It is to the credit of the rank and file in the Executive departments that so few of them were contaminated by this vicious influence.

Labor Conditions at the Port of New York

EXTENSION OF REMARKS
OF
HON. ROBERT F. RICH
OF PENNSYLVANIA
IN THE HOUSE OF REPRESENTATIVES
Monday, August 8, 1949

Mr. RICH. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following letter:

XAVIER INSTITUTE OF
INDUSTRIAL RELATIONS,
New York, N. Y., August 8, 1949.

MY DEAR CONGRESSMAN: The Federal Government subsidizes shipping. The $64 question on the New York docks is: When will the Government use that and its investigatory power to clean up the iniquitous labor conditions existing in the world's largest port?

On Friday, July 22, John M. Murtagh, Commissioner of Investigation for New York City, released the earnings of the longshoremen in the port of New York for the year October 1, 1947, to September 30, 1948. The release was made shortly before the bargaining committees of the International Longshoremen's Association and the New York Shipping Association sat down to negotiate their new contract.

In 1948 approximately 46,000 men drew pay checks for longshoring, working 42,000,000 hours, or a little more than 900 hours per man. Using 2,000 hours as a normal work-year (50 weeks times 40 hours a week) there was work for 21,000 men on a full-time basis. Only 3,075 longshoremen out of 46,000 men worked 2,000 or more hours.

To earn a week's vacation pay in 1948 a longshoreman had to work 1,350 or more hours; 12,000 longshoremen out of 46,000 men had the necessary hours and received checks totaling $840,000 ($70 times 12,000). Adding

to the discontent of the majority of the longshoremen was the knowledge that according to the contract the vacation fund was built up by employer contributions of 4 cents per man-hour. Four cents per man-hour multiplied by 42,000,000 man-hours gave a vacation fund of $1,680,000. What happened to the other $840,000?

The severe competition for work wasn't helped by the fact that 20,000 of the 46,000 men worked less than 200 hours. These men were not regular longshoremen, but other workers seeking supplemental income on the docks, even though the majority of the longshoremen can't make a decent annual wage. The situation is further aggravated not only by these extras working a high percentage of overtime hours, particularly on Saturdays, Sundays, and holidays, but also depriving thousands of regular longshoremen of the necessary work opportunities to qualify for welfare benefits and vacation pay.

Perhaps the sharpest way to point up the substandard condition of the New York longshoremen is to draw a comparison with the San Francisco longshoremen. In making this comparison the 20,000 New York men with less than 200 work-hours are omitted in order to avoid a completely fantastic picture.

Income group	San Francisco	New York
	Percent	*Percent*
Less than $2,500	9	56.6
$2,500 to $3,500	17	31.3
$3,500 to $4,000	25	8.1
$4,000 to $4,500	40	3.0
$4,500 plus	9	1.0

Eighty-eight percent of the New York longshoremen made less than $3,500. Seventy-four percent of the San Francisco longshoremen made more than $3,500. A few correctives should be made for a 100 percent accurate account. The San Francisco longshoremen's earnings were for the year 1947, a better year for shipping than 1948. Forty percent of the San Francisco longshoremen's earnings were made in overtime hours and are computed in their reported annual income. Less than 15 percent of the New York longshoremen's earnings are made in overtime hours and are not reported in this income computation. However, if allowances were made for these factors, it still would not substantially change the validity of the above comparison, as the detailed table below should indicate:

Number of men	Man-hours worked	Amounts earned per man ($1.75 per hour)	Average weekly wages
8,000	199 to 799	$348.25 to $1,398.25	$6.60 to $26.90.
3,000	799 to 1,099	$1,398.25 to $1,923.25	$26.90 to $37.00.
3,500	1,099 to 1,399	$1,923.25 to $2,448.25	$37.00 to $47.00.
4,200	1,399 to 1,699	$2,448.25 to $2,973.25	$47.00 to $57.18.
5,500	1,699 to 2,199	$2,973.25 to $3,848.25	$57.18 to $75.93.
1,160	2,199 to 2,599	$3,848.25 to $4,548.25	$75.93 to $87.47.
255	2,599 to 3,094	$4,548.25 to $5,414.50	$87.47 to $104.12.
18	3,094 to 3,456	$5,414.50 to $6,044.50	$104.12 to $116.24.

Fourteen thousand five hundred New York longshoremen out of approximately 25,600 made less than $47 per week in 1948. Their hourly rate in 1948 was $1.75 an hour for all hours between 8 a. m. and 5 p. m., from Monday to Friday, and $2.62½ for all other hours. If any additional proof is needed for the New York longshoremen's low-income status, consider the fact that longshoremen will not be accepted either in low-rent city housing projects nor in private housing developments. Longshoremen are compelled to live in tenements and pay higher rents than those living in low-rent city housing projects.

Indicative, too, of the longshoremen's low-income status was a lawyer's defense of a loan shark charging 520 percent interest a year. "Longshoremen can't go to banks or loan companies for money," he said. "They are poor risks. They have no steady employment because of the shape-up and other employment practices on the water front." In sentencing the loan shark, Justice Irving Ben Cooper declared, "I am filled with unrestrained amazement at the loose practices of those who pay the longshoremen where one man can turn in a batch of pay disks and get the pay of several men. The companies are under a duty to plug up this loophole which makes it possible for Bender and his type to take advantage of these poor men who borrowed only to make ends meet." The assistant district attorney estimated that the loan shark netted about $400 a week.

In addition to the 46,000 men working at longshoring (dock, deck, and hold), 5,200 men worked at the allied dock crafts—checkers, clerks, carpenters, etc. In 1948, then, a total of 51,200 men drew pay checks in a union claiming a membership of 30,000. All these figures lend substance to the complaints of longshoremen (1) that favoritism is far too prevalent in employment opportunities; (2) that thousands of men find there is no necessity for joining the union, and many make out better than union members in hours worked; (3) that seniority has little meaning on any dock unless the regular men on the pier or in the section are strong enough as a group to insist on seniority being observed.

The question arises as to whether or not the ILA is a company union of the Blue Book type that spawned Harry Bridges on the west coast. Certainly, the situation is similar.

The rejection by the ILA president of Commissioner Murtagh's suggestion that the union close its books temporarily until the surplus of men disappears was unique for a trade-union leader. A hypocritical appeal was made to the Taft-Hartley law's prohibition.

Conveniently ignored by the union president was the fact that prior to the Taft-Hartley law the union always opposed any limitation of men to prevent the cruel effect of men and their families sharing starvation. Conveniently ignored, too, was the fact that the same shipping companies bargaining with the ILA are cosponsoring with the National Maritime Union an amendment to the Taft-Hartley law. The bills as introduced by Congressman LESINSKI and Senator MAGNUSON, H. R. 5008 and S. 2196, would amend section 14 of the Taft-Hartley law by adding a subsection "c" to legalize the hiring hall in the maritime industry.

The union president, however, is considering raising the union's initiation fee "to discourage membership." At present the ILA's initiation fee is a nominal $50, and this in a union that has never paid any welfare or strike benefits or even published a union newspaper. Overlooked in the consideration of raising the initiation fee was the Taft-Hartley law's prohibition of excessive or discriminatory fees. "In making such a finding the Board (NLRB) shall consider among other relevant factors * * * the wages currently paid to the employees affected." (Sec. 8–b–5). The annual income earned by the majority of longshoremen hardly warrants an increase in the $50 initiation fee.

Equally to be indicted with the union are the employers who, contrary to all the facts and principles of social justice and common decency, have defended the racket-ridden shape-up system of hiring. Their only argument, efficiency, is ghastly in view of the shape-up's evil effects. Actually the argument is puerile when you see the drift of shippers away from New York due to the high extra costs peculiar to the New York waterfront. To say, as has been said, that longshoremen are satisfied with this present set-up is to say that workingmen are satisfied with job insecurity, are unconcerned about serious maldistribution in their annual wages, don't think that loan sharks' interest rates ranging from 520 to 1,000 percent are exorbitant, scoff at safety enforcement, care little for democratic union practices and prefer mob rule.

Perhaps the strongest and most authoritative indictment of the shape-up was made last fall by New York District Attorney Frank S. Hogan:

"The number of criminals operating on the water front is a direct result of the shape-up system," he said. "It is responsible for kick-backs, loansharking and a large percentage of the other crimes on the waterfront. The power over employment is so arbitrary that these conditions necessarily follow. That has been evident for more than 30 years, as shown by official surveys, investigations, and reports.

"The shape-up is the root of the evil. I think it is a system which spawns criminal activities so regularly that the State legislature might legally abolish it. Seemingly for their own selfish interests, the Shipping Association and the ILA are unwilling to do anything. But if either the union or the employers had any decent regard for the worker, they would quickly agree that it is in his interest to abolish it. Evidently neither the employers nor the union has been stirred by any such humanitarian impulse. In such a situation the representatives of the people in the legislature should take remedial action."

The $64 question is not whether or not negotiating committees of the ILA and the New York Shipping Association will apply themselves to the solution of these iniquitous conditions that have flourished through their joint criminal neglect. The $64 question is: When will the Government use its subsidy and investigatory powers to clean up the mess on the New York water front?

Longshoremen's unions in Hawaii, England, Australia, our own west coast and major ports throughout the world have fallen under Communist leadership by default. Is New York, the world's largest port, to go the same way because of the failure of Congress to institute a thorough investigation aimed at recommending the necessary remedial legislation?

Sincerely yours,

JOHN M. CORRIDAN, S. J.,
Associate Director.

Making Child Abandonment a Federal Offense

EXTENSION OF REMARKS
OF
HON. GEORGE H. WILSON
OF OKLAHOMA
IN THE HOUSE OF REPRESENTATIVES
Monday, August 8, 1949

Mr. WILSON of Oklahoma. Mr. Speaker, on Saturday evening August 6, 1949, my able colleague from Oklahoma, Hon. TOM STEED, delivered the following timely address over a national hook-up on the National Broadcasting Co. I

commend to all the reading of Mr. STEED's address on the subject of Making Child Abandonment a Federal Offense.

One of the finest and most deserving welfare programs in the United States is that which provides aid for dependent children.

And yet, strangely enough, what is perhaps one of the most despicable abuses of all welfare benefits exists under this very same law.

It is to give you a comprehensive picture of this comparatively new evil that has wormed its way into our American life that I address you today.

First, I should like to give you the over-all picture of the child-welfare program, after which I want to point out this evil of which I speak in its sordid details and then give you what I consider to be the best solution to the problem.

Aid to dependent children is now being provided to more than 1,200,000 children through the cooperation of Federal and State Governments under the Social Security Act. Cost of this program has increased sharply. In the 1948 fiscal year this program caused Federal, State and local authorities to expend in excess of $352,000,000 to care for this 1,200,000 children.

Contrasted to this, the same program was less than half this burdensome just 8 years ago. In 1941 total costs for the program were $153,000,000 with slightly over 600,000 children receiving benefits.

Many of these children would not be living in their own homes or homes of relatives, but instead would be residing in institutions or in homes of strangers if the Congress had not provided Federal grants-in-aid to the States for children in families with no breadwinner.

The Federal and State Governments, in furnishing aid to dependent children, have recognized that there is no adequate substitute for a family home for children and that economic need should not result in breaking up of normal family relationships.

I think that all Americans feel as I do about this program and wish it to be be continued. As Christians, all of us want to guard helpless children from the hardships and heartaches that can be created by economic stress.

Children eligible for this program are those who have no parents, those who have disabled parents, and those whose parents for one reason or another, over which they have no control, are unable to provide the necessities of life for them, and children who have been abandoned. It is a comforting thing to know that we have, under this program, agencies which see to it that no American child goes to bed hungry or homeless.

This aid is extended to children who are in need, even to those who have the misfortune to be the children of parents who are unworthy of the honor and who desert their children. No child is denied aid, regardless of how sorry and worthless one or both of his parents may be. And that is as it should be.

But even in the most worthy of our welfare endeavors, we sometimes fail to close all the loopholes against abuses. This is particularly true of this dependent-child welfare program. In providing for the child, we failed to make any preparations to punish those parents who can and should, but because of lack of common decency, fail and refuse to provide for their own flesh and blood. And it is through this loophole that one of the most brazen abuses of human charity has grown up in recent years.

All over the Nation to some extent, and to a much greater degree in some States, we can see our child-relief rolls growing day by day because worthless parents are deserting their children and leaving them for the American taxpayer to support. This has grown to such alarming proportions in some areas that conservative estimates show that 25 percent of the total relief roll in some States is represented by such cases.

You may wonder why I have become so interested in this problem. I am ashamed to say it, but it is true nevertheless, that my great State of Oklahoma has the sorriest record of all States in this regard. Most recent reports show that 72 out of every 1,000 children in Oklahoma are now receiving aid to dependent children. When you compare this to the national average of 25 out of every 1,000 children, you readily see that the situation in Oklahoma is nearly three times as bad as the national average.

Under these circumstances, I think you will agree with me that it is fitting and proper that a Congressman from Oklahoma may well take a leading part in current efforts to rid the relief rolls of these abuses.

Perhaps I first should outline to you the way this curse has grown up. All States have laws making it a crime for able-bodied parents to desert their children. But all States are handicapped in their ability to enforce these laws, because it is easy these days for a deserting parent to leave his home State and hide away in far-off places. It is expensive to return such deserters and few counties have the funds needed to chase down these culprits.

Under the original social-security laws, the records in the welfare offices are made confidential. Because of this, we find ourselves faced with an odd situation. In hundreds of courthouses throughout the Nation, we find a welfare office on one floor where deserted children are brought for help. The welfare worker immediately becomes aware of the fact that the crime of child desertion has been committed. But this same welfare worker is barred under the law as it now stands from going to the prosecuting attorney's office and advising him of this violation of a criminal law. As a result, it is sometimes a fact that the prosecutor never learns about the crime, or if he does, it is long after the recreant parent has disappeared.

Perhaps it would not be more than long-suffering people could bear if these cases of desertion and abuse were limited to just those who for one reason or another decide to quit their families and their most sacred obligations. But in the last few years the evil has become much worse than that.

Personal investigation has revealed to me that we have an ever-increasing number of cases of actual conspiracy between the father and mother to get their children on the relief rolls. I know of several cases where divorces were obtained through such collusion on the part of the parents. And as though this in itself was not bad enough, I have even found cases where the father, after entering into this conspiracy, actually returns to the family home after the relief has been granted and proceeds to live off the money paid to his supposedly deserted child. And if you still want to hear more of the sordid details, I should like to tell you of some cases I discovered where these sorry fathers not only lived off the funds intended for his child, but actually took the money away with him to be spent on beer and in gambling. I have witnessed some such cases with my own eyes.

Through the loophole in this law which permits this sort of thing, investigation reveals to us that in many cases we are actually financing the breaking up of homes. The most alarming thing about all this is the fact that these sort of cases are on the increase.

A husband and wife become displeased with each other. Ordinarily, parents will endure these conditions if there are children. Or at least if divorce seems to be the only way out, decent parents will see to it that their children are provided for. But not so in the cases I mention.

I have actually heard deserting fathers say: "Why should I worry? The Government will take care of my kids better than I can. I am tired of keeping my nose to the grindstone. I am going out and have some fun while I am young enough to enjoy it." And off he goes, secure in the knowledge, Mr. and Mrs. American Taxpayer, that you and I will see that his children do not go hungry.

Another man sees the first one get away with this sort of thing, and sooner or later he says to himself: "Why shouldn't I do likewise?" And so the rolls grow larger day by day and the number of worthless parents increases.

Saddest of all are those cases where a father tells his family he is going away to hunt for work. He is rarely heard from again. Even if the law finds him, more often than not he is discovered in some far-off State living with another woman.

Just to illustrate, I would like to tell you of one case in my home county. This man left his first wife after they had produced five children. He remarried and left his second wife after they had produced three children. He subsequently left her and is now living in California with a third wife. My latest information is that this third marriage already has produced one child. So what do we find in the case; he is living the life of Riley in sunny California, while you and I are paying for the care of two former wives and eight of his children. And the law has never been able to reach him. He just laughs at the law.

I have a letter from a judge in my State who calls my attention to one family where there are nine children. Four of these children were born after the father deserted the family. When this father was finally caught, the court discovered that he had been sneaking back home from time to time and living with his divorced wife. She seemed to like the situation since the arrival of each child increased the amount of money she could draw from the relief funds.

If time allowed, I could recite case after case which are as bad as the few examples I have already described. But by now I feel sure you must have some idea of my reason for declaring that this thing has grown to be a curse in America.

Now, I want to outline to you what I propose to do about it. And here is where you can help, as I know that my chances for success will be greatly enhanced if American public opinion is aroused.

First, I have introduced bills to cure this situation. One of these bills already has been approved by the House Committee of Ways and Means, and I feel certain will become law as soon as the bill now in process of being enacted is completed. It is a simple idea which does this: It makes it mandatory for the welfare worker, when evidence of child desertion is received, to make immediate report of this to the prosecuting attorney. In this way, local law will be able to deal with some of these deserting parents before they cross State lines and get outside of the reach of local law enforcement agencies.

My other plan requires enactment of a new criminal law—one which makes it a crime for a parent to desert a child and cross a State line. We make it a felony for anyone to steal an automobile and take it across a State line, and I think any parent low enough to steal the home and bread from his own children ought to suffer a like penalty.

I need help in getting other Members of Congress to realize the importance of this part of my program. If we can make it a Federal offense to desert children, parents then cannot hide from the law so easily. I know of no other way we can meet the situation. I am encouraged by the response I have already received from other Members and feel hopeful that the time is near at hand when we can get this bill passed. Your Congressman will be coming home soon. I hope some of you will talk to him about

this problem. Perhaps you know of similar cases in your own home community that you can call to his attention. Your Congressman is a busy man, but thus far I have found every one of them vitally interested as soon as he sees the facts.

Perhaps we shall never succeed in convincing some people they must live up to their moral obligations of supporting their own flesh and blood. But if we can get my bill enacted into law, at least we can see to it that those who are too sorry to support their own families can be put into jail while you and I support his family for him. Past experience teaches that most men, when actually faced with the choice of remaining in jail or supporting their children, suddenly decide to be good fathers again.

I have received letters of encouragement from welfare workers, prosecuting attorneys, judges, and others interested in better family life in America from every State. So I know this is a problem to some degree in every State. With the help that aroused public opinion can give, I feel confident we soon can have a law that will wipe out this vilest of all welfare abuses in America, criminal desertion of helpless children.

Extension of Reciprocal Trade Agreements Program

EXTENSION OF REMARKS
OF
HON. ESTES KEFAUVER
OF TENNESSEE
IN THE SENATE OF THE UNITED STATES

Monday, August 8 (legislative day of Thursday, June 2), 1949

Mr. KEFAUVER. Mr. President, in my opinion it would be a neglect of public duty if this Congress failed to extend the reciprocal trade agreements program. In support of this position, I ask to have inserted in the RECORD an excellent editorial from the Atlanta Journal of July 3.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

RENEW WITHOUT DELAY THIS VITAL PROGRAM

The Reciprocal Trade Agreements Act, a vital part of our foreign policy, expired on June 1. Its renewal had been voted by the House, but the Senate loitered until the deadline was reached. Thus a program which has served us well for 15 years is allowed to lapse at the very time when it is most needed to support our Nation's efforts for world security and peace and when it would be most useful to that cause.

We are spending billions of dollars on the European recovery program, designed to help the democratic countries of Europe regain their economic self-reliance and thereby preserve their political freedom, in both of which we are deeply concerned. A salient provision of the ERP is that those 16 countries shall reduce trade barriers among themselves and also, as far as possible, between themselves and the rest of the world. That is a specific requirement of the ERP legislation and wisely so, because permanent recovery and stable prosperity depend on freedom of trade.

But how can we expect others to live up to this commitment if we ourselves abandon the principle it involves—the principle embodied in the Reciprocal Trade Agreements Act? That measure, fathered by Cordell Hull when he was Secretary of State, rests upon the axiom that trade is a two-way process. Reciprocity means bargaining, cooperating, recognizing another's interests and rights, and adjusting differences for mutual benefits. Under this act, originally passed by Congress in 1934 and successively renewed at 3-year intervals, we have negotiated trade agreements with 42 countries. By reducing our tariffs on imports of products which they have to sell and which we need, we have got better terms and broader markets for our exports. The result has been an all-round gain in good business and in good will.

Such is the program which expired June 1 and is now in abeyance, owing to the Senate's failure to concur betimes with the House in renewing the act for another 3 years. That this regligence will be allowed to stand for long is unthinkable. Without the authority of the reciprocal-trade agreements law, the hands of our Government are tied in many important negotiations now pending and a shadow of doubt is cast upon the sincerity of its professed intentions in the entire realm of international affairs. Russia, undoubtedly, would like to see us abandon the reciprocity program, but our own and the free world's most vital interests demand that we lose no time in ensuring its continuance.

A Liberal Democrat Welcomes to Washington the Daughter of Medill McCormick

EXTENSION OF REMARKS
OF
HON. BARRATT O'HARA
OF ILLINOIS
IN THE HOUSE OF REPRESENTATIVES

Monday, August 8, 1949

Mr. O'HARA of Illinois. Mr. Speaker, I was interested some days ago in the remarks of my distinguished colleague from Illinois [Mr. VURSELL] and my dear personal friend, on the new ownership and management of one of the large daily newspapers in Washington, the Times-Herald. While I usually do not find myself in agreement on political issues with the worthy gentleman from Marion County in Illinois, I wish in the present instance to join with him in wishes for all good fortune to the young woman of 28 who is beginning a career in metropolitan journalism in the continuance of a great family tradition. It must be heartening to her uncle, who is the publisher and editor of the older of our two morning newspapers in Chicago, to know that the call of the blood in this young woman is to have expression in the rich field offered in the daily journalism of the Nation's Capital.

This is a personal matter; it has nothing to do with politics. I am sure that all my colleagues from Chicago, who differ and shall continue to differ with the uncle of this young woman on matters of politics, policies, and philosophies, nevertheless will be glad with him that a long-time family tradition in the domain of the fourth estate is to be continued in the person of an earnest young woman whose manners of personal deportment, we are told, and whose social approaches are marked by a commendable democracy.

I would caution my good friend and colleague, the gentleman from Illinois [Mr. VURSELL], however, against excessive optimism that young, democratic Mrs. Maxwell Peter Miller, Jr., will continue too long, in the generation of which she is a part, to defend the institutions of a rugged and ruthless individualism which have already largely disappeared and which will pass entirely with the generation of which her uncle is a part. I think that the uncle would have it that way, at least to the extent that his niece should be the spokesman of her own thoughts and of the men and women of her period, and above all, regardless of what her political leanings should be, she should prove up, in the final analysis, as a great journalist.

As a young man, her uncle responding to a family trend toward public service, occupied a public trust in the county of Cook, Ill. I think he did a good job and that, in the period of his youth, he was an idealist.

Her father was one of the men who fought with Teddy Roosevelt at Armageddon to pound the Republican Party in Illinois from the first place that it had occupied for 20 years to the position of a third party. He came to Springfield in January of 1913, elected as the candidate of the Progressive Party, as State representative in the General Assembly. I have many fond and sweet memories of Medill McCormick, later United States Senator, and of Gen. Frank S. Dickson, former Member of the Congress and Adjutant General of Illinois, his brilliant and lovable secretary.

Medill McCormick as a member of the General Assembly of Illinois, supported the full program of liberal and progressive legislation of the Democratic Dunne administration. There were the same cries then of "State socialism," insidious subversive undermining, then charged to the IWW; all the cries of agonized big business. But none of them phased young Medill McCormick.

He headed a State investigation to hasten the day for liberal pensions to mothers. He fought for the minimum wage at a time when all big business was crying in horror at mere mention of the name. With his wife, Ruth Hanna McCormick, he worked against the reactionary forces for the passage of the partial equal suffrage act which has the forerunner of full suffrage for our woman citizens.

Nor can I forget that at that period, when the woman clerks in Chicago's large stores were receiving a wage of about $5 a week, Ruth Hanna McCormick, the wife of the young progressive representative in the legislature, was working day and night on State Street in Chicago in a brave attempt to organize into a labor union these woman clerks, that their wages and conditions of employment might be brought into a happier sunshine.

Yes, Mr. Speaker, this young woman of 28, who has taken over a great Washington daily newspaper, has a rich heritage in liberalism. There is the call of the blood to carry on a great family tradition in journalism. I wonder, too, if time will not prove the call of the blood to carry on another family tradition as expressed by both her father and her mother in those stirring days when the progressives fought at Armageddon and

the reactionaries of the Republican Party took a licking from which they never have recovered. It may turn out to be the call of the blood to liberalism.

In any event, the daughter of a great father, my very dear personal friend, Senator Medill McCormick, has my most sincere good wishes.

The Tragedy of China

EXTENSION OF REMARKS
OF
HON. WALTER E. BREHM
OF OHIO
IN THE HOUSE OF REPRESENTATIVES
Monday, August 8, 1949

Mr. BREHM. Mr. Speaker, in my opinion an editorial which appeared in the Washington Star under date of July 7, 1949, dealing with the situation in China, possesses sufficient merit to justify its insertion in the RECORD. It is as follows:

THE TRAGEDY OF CHINA

Although some Americans may disagree with its reasoning, its historical accuracy, and the wisdom of publishing it at this particular moment, the State Department's white paper on China adds up, on the whole, to a bleakly persuasive argument in defense of the past policy of the United States in dealing with the Nationalists.

If the document can be summarized at all, it may be summarized as follows: (1) Through no fault of our own Government, a disaster of the first magnitude has taken place in China; (2) this disaster, which threatens to have a profoundly adverse effect on the strategic position of the United States and the whole free world in relation to Asia, is attributed primarily to incompetence, corruption, and decay within the Nationalist regime of Generalissimo Chiang Kai-shek, and (3) short of direct intervention by our armed forces—which could lead to a war that would be condemned by both the American and Chinese people—there is no practical, concrete action we can launch at this stage to help turn back the Communist tide; the only thing we can do is to work out a new policy to meet the new situation.

In his letter transmitting the white paper to the President, Secretary Acheson has been unqualifiedly emphatic in answering those who have blamed the State Department for what has happened. As he has put it, "The unfortunate but inescapable fact is that the ominous result of the civil war in China was beyond the control of the Government of the United States. Nothing that this country did or could have done within the reasonable limits of its capabilities could have changed that result; nothing that was left undone by this country has contributed to it. It was the product of internal Chinese forces, forces which this country tried to influence but could not." And he has made clear that in his opinion the Nationalists are now all but washed up, with the Communists in a position to win control everywhere in China.

In support of this thesis—which is backed up by a vast amount of documentation, including the hitherto secret Wedemeyer report—Secretary Acheson begins with a debatable but vigorous defense of the Yalta Agreement and goes on from there to argue, in effect, that the postwar course of Chiang's Nationalist government led inevitably to the present disaster. The generalissimo initiated the idea of a political reconciliation with the Communists, but like the Red leaders, he resisted such a reconciliation when the Hurley and Marshall missions sought to effect one. Then, against the strongest kind of expert American advice, he decided that he could settle things by force of arms. But he found that he could not. The war-weary Chinese people drifted away from him. His armies did not have to be defeated; they disintegrated. After VJ-day he received about $2,000,000,000 in loans and grants from the United States, plus military and civilian surplus property originally costing $1,000,000,000, but still he suffered defeat after defeat. Why? Not because of lack of arms or ammunition, but because of decadence in his regime, loss of confidence in his leadership, incompetence among his generals, shattered morale among his troops, and the fanatical zeal with which the Communist forces fought against him. Would the Wedemeyer proposals have helped? Not without drastic reforms of the sort Chiang had steadfastly refused to make.

Although there may be considerable room for argument about the "ifs" and "buts" involved in all this, Secretary Acheson and the "white paper" have made clear that there is one supremely tragic and dangerous fact that cannot be debated or wished away. The fact is simply this: That China, after its long years of bitter struggle against the war lords, the Japanese, and the Communists, has lost—for the time being at least—its opportunity to achieve internal peace, unity, freedom, and independence. What it faces now is the grim probability of being converted into a satellite of the Kremlin. What the world at large faces is the prospect of the Chinese voting with Russia in the United Nations, the prospect of Red aggression against China's neighbors, and the prospect of a gravely unsettling new balance of power in the far Pacific.

In the teeth of such a situation, now that we have virtually written off the Nationalists, what should American policy be? There is no easy answer. Of course, as Mr. Acheson has said, we must continue with such traditional things as our friendship for the Chinese people and our support for the country's independence. In addition, we must encourage all developments likely to help throw off the foreign yoke of the Kremlin-serving Communists, and we must do whatever we can to prevent the Red contagion from spreading elsewhere in Asia. But it is far simpler to speak vaguely of what we ought to do than it is to hammer out a concrete program of action that will yield good results.

Accordingly, it goes without saying that the special group organized by the State Department to formulate a new far-eastern policy has an extremely difficult job on its hands. We ought not to delude ourselves about it: The tragedy of China has a tragic meaning for the entire free world, and it has created problems that will bedevil us for years to come. Certainly, from this point on, recriminations about where the blame lies should be subordinated in the United States to the prime task of agreeing on measures to cope with the consequences of the Nationalist collapse.

The GOP Dilemma

EXTENSION OF REMARKS
OF
HON. JOHN W. McCORMACK
OF MASSACHUSETTS
IN THE HOUSE OF REPRESENTATIVES
Monday, August 8, 1949

Mr. McCORMACK. Mr. Speaker, I include in my remarks an interesting and analytical editorial that appeared in the Washington Star of August 7, 1949:

THE GOP DILEMMA

The new chairman of the Republican National Committee, Guy George Gabrielson, has put forward two objectives—neutrality for himself and harmony for the committee.

Mr. Gabrielson should not have any great difficulty being a neutral chairman. He will find it more difficult, as his own narrow margin of victory indicates, to harmonize the clashing elements within the national committee. If one assumes, however, that he is successful in attaining both of these objectives, the GOP still will not have found a way out of the political wilderness in which it has wandered for almost two decades.

For the dilemma of the Republicans goes deeper than questions of neutrality and party harmony. This dilemma was stated in a few words by the retiring chairman, Representative SCOTT, of Pennsylvania. "Until we search our souls," he said, "and stand very clearly in the public mind for things which people instinctively feel are good for them, no amount of well-financed 'public relations' will make up for the lack of such a public policy."

There is a lot of truth in that statement. Governor Dewey has been assailed by the Old Guard for his "me-too" campaigns. Even more vehement were the denunciations of Wendell Willkie on that score. And in a sense the spokesmen for the Old Guard appear to be right. In the last three Presidential elections the Republicans have appealed to the voters, not as a real opposition party, but more as a party which adopts the essentials of the Democratic program, promising only to do a better job of putting them into effect. And on all three occasions the voters preferred to stick with the Democrats.

So when Mr. SCOTT says the party must stand for things "which people instinctively feel are good for them," what does he mean? Is he calling for more of the me-too approach, or does he has in mind offering the electorate a clear-cut and real choice between the policies of the Democrats and yet-to-be-devised policies of the Republicans?

This, in brief, is the essence of the GOP dilemma. If it is going to be an effective opposition party it must find a program, consistent with what the people feel is good for them, that offers some real choice between the Republican Party and the Democratic Party. As yet, there is little evidence that the Republican policymakers are capable of devising a program which is both different and politically feasible.

Arms Race Is On

EXTENSION OF REMARKS
OF
HON. LAWRENCE H. SMITH
OF WISCONSIN
IN THE HOUSE OF REPRESENTATIVES
Friday, August 5, 1949

Mr. SMITH of Wisconsin. Mr. Speaker, I am inserting an interesting article by David Lawrence which appeared in the Washington Evening Star of August 5:

ALL HOPE FOR AVOIDING ARMS RACE GIVEN UP BY TRUMAN, JOHNSON—SECRETARY'S TESTIMONY ON AID PROGRAM HELD OF TOP SIGNIFICANCE

(By David Lawrence)

All hope for reduction of armament and all hope for the avoidance of a race in armament building with Russia seems to have been given up by President Truman if Secretary of Defense Louis Johnson, who makes

international policy nowadays, was speaking for the United States Government in his testimony before the House Armed Services Committee.

What Secretary Johnson said in answer to questions by Representative JOHN VORYS, Republican, of Ohio, in connection with the arms-aid program is of transcendent significance. Here exactly is the transcript of testimony:

"Mr. VORYS. Now, on disarmament: We've got a proposal before the United Nations that we will disarm when the rest will, provided there is inspection, etc. And certainly this does not change that, does it? We are ready to disarm whenever the rest are on a basis that will secure all of us?

"'FELL FOR THAT ONCE'

"Secretary JOHNSON. We fell for that once.

"Mr. VORYS. But we are willing to proceed. This doesn't alter the plans we have made?

"Secretary JOHNSON. I am suspicious of all the disarmament talk. I think there is peace for the world only in a strong, armed America. We want to bring the cost of that down within our economy. But there are forces loose in the world that I would not trust for a moment, so far as America disarming, and we might as well say that on the record now as later.

"Mr. VORYS. What I mean is that when those forces will enter into a plan of reduction that provides for our security, we don't intend to change our views by this legislation?

"Secretary JOHNSON. You assume that those forces would enter into such an agreement. Nobody's word in certain places will be sufficient. Nobody's agreement will be sufficient as far as I am concerned, on certain people disarming.

"Mr. VORYS. We would require inspection and punishment for violation, as provided in our proposal to the United Nations?

"Secretary JOHNSON. It is possible to frame it so that by inspection and checking, perhaps as Mr. Baruch talked about in connection with atom bombs, that can be done. But with the forces that are rampant in the world seeking today to destroy our way of life, the hope for American peace, which is world peace, is strength of American arms and strength of American economy.

"Mr. VORYS. That is all."

ALIBI FOR MISTAKES

The phrase, "We fell for that once," bears explanation because it is an alibi for the mistakes of a previous Democratic administration. The reference about disarming undoubtedly was to the arms limitation conference in 1921 by which Great Britain and the United States and Japan agreed to maintain naval armament on the basis of a 5–5–3 ratio.

But the inside story of what happened afterward has never been emphasized. Japan chose to use the naval tonnage allotted to her to build fast cruisers and aircraft carriers. The treaty was due to expire after 12 years, and the Tokyo Government formally notified the other powers, including the United States, that she did not intend to renew the treaty. What is more, Japan notified the United States in December 1934, at the London Conference, that she considered America's attitude in the Far East one of aggression and that she planned to build up her navy to any strength she pleased.

This warning was never made public, although now it appears in the State Department's volume of past diplomatic records. Evidently the Democratic administration, which was in power in the thirties, failed to heed this warning. Japan built enough aircraft carriers to be able in 1941 to capture the Philippines and all of southeast Asia and to administer a crushing defeat on the United States Navy and on the Army and Air Forces at Pearl Harbor.

Reduction of armament can be a matter of agreement, but with any such agreement goes the right to increase armament if treaties are violated or terminated.

The fact that the Truman administration has decided that it will not modify its arms program even if tension eases or if the Russians change their policy, and that America intends to build up the mightiest armed force the world has ever known, will mean a tremendous cost for many years. It will, of course, lead to considerable competition in armament which is already being started—and which is being construed by many Members of Congress as the precursor to inevitable war.

Why I Love America and Hate Communism

EXTENSION OF REMARKS

OF

HON. RAY J. MADDEN

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Monday, August 8, 1949

Mr. MADDEN. Mr. Speaker, Richard S. Kaplan, attorney in Gary, Ind., has written an effectual, concise, and highly commendable message which reveals the communistic menace in its true light.

Mr. Kaplan is historian, service officer, and member of the Americanism committee of Gary Memorial Post, No. 17, of the American Legion.

His message appeared in the Hoosier Legionnaire of March 1949:

WHY I LOVE AMERICA AND HATE COMMUNISM

(By Richard S. Kaplan, historian and service officer, Gary Memorial Post, No. 17, member Americanism committee, department of Indiana)

Day by day, my heart has been growing heavier and heavier, and inside of me I've been getting sicker and sicker. Reading the audacious boasts and pledges of the leaders of the Communist Party in the United States, most of whom are now on trial before Judge Medina, that in the event of a war between the United States and Russia, they will support and aid Russia, simply nauseates me.

How in the name of Heaven can men possessing the brain of an ant live in these United States and support the ideologies of communistic Russia? As a democracy, why should we continue to harbor, protect, and tolerate these disloyal creatures?

Why do I feel so bitter about these men and all of their ilk? Because I love America—love these United States with all my heart and with all my soul. Why do I love my country as I do?

Because my father (God rest his soul) came here from Russia as a young man, fleeing from persecution and Czarism. He had nothing but his hands, his mind, and a will to learn and work. He found both here.

Attending night school (at no cost to him) he learned the English language and the history of this country. He was given the chance to earn his living without let or hindrance, the whole world before him, handicapped by nothing and no one other than his own will and ability.

Because, given the chance, my father was able to own his own little business, practice his religion in his own temple, and raise four children to manhood and womanhood.

Because those four children were given a free education, a chance to obtain college educations, a chance to travel and know this country.

Because all through our lives we went to bed at night safe and secure in the knowledge that police were in the streets, not to knock at our doors, not to search our homes or to grab any of us and throw us, willy-nilly, into a dungeon—but to protect us against evildoers. Asleep or awake, each of us knew that the power of our town, our county, State, and Nation was behind us, watching over us, protecting us like a loving mother ready to spring at the throat of any who would harm us and to avenge an injury to us through its police and courts.

Because, in spite of my religion (or because of it), I was able to achieve an honored profession and, like my parents, bring my daughter, and grandchild into this world blessed and protected by this same country.

Because when my father—an orthodox Jew—died in Allston, Mass., he was carried to his grave by 10 pallbearers—police officer friends of his life—all Roman Catholics, come to say their last farewells to their friend.

Because I was given an opportunity to serve my country in time of peace and in the armed forces in time of war, not because I was forced to do so, but because I wanted to do so.

Those are but a few reasons for my love of my country.

I hate communism and all it stands for.

Because none of the events and conditions above presented could have occurred in Communist Russia, where the individual is but a grain of sand to be blown hither and yon by the faintest breath of the politburo and its stooges, where the state is God and all, and where the individual is but a servant of the state. Because communism is the drug that destroys the very soul of man, dwarfs the mind of man, and leaves him a pliable tool.

Because, having known freedom all my life, I treasure it, and freedom is an unknown thing in communistic Russia, or in any country dominated by communism. Anything or anyone who would take away my freedom—freedom of thought, freedom of worship, freedom of expression, freedom to live my life as I wish to live it, so long as I do not hurt my fellow man—I repeat: anything that would destroy that freedom, I hate with all the hatred in my heart.

Because communism, evil thing that it is, will, if allowed to spread and grow in this country, destroy the breath of life as we Americans know it. And, though the stooge leaders of communism in this country don't realize it, they, too, will be destroyed, for they will outlive their usefulness to the communistic state, and communism has always preached that that which is not useful to the state must be destroyed.

If my father were alive today he would say, as he said 100 times over in his life, "There is no greater or better country in all the world than the United States. I know. You who were born here don't know the difference between good and bad. Coming from a bad country, I can appreciate a good country. I've seen the sleet and the storm and the rain. I can appreciate the sunshine represented by the United States."

Let us all say amen to his words.

To those who prate of their love for communism, all I can say is, "I pity you. May I, however, suggest that we in the United States can spare your presence here. Go, join the country you love so much, practice your communistic ideology there. We want no part of it here.

I love my country.

I hate and fear communism because it has brought fear where only love existed before.

Feed Air Lift to New England

EXTENSION OF REMARKS
OF

HON. EDITH NOURSE ROGERS

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Monday, August 8, 1949

Mrs. ROGERS of Massachusetts. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following articles from the Boston Herald of August 6 and 7, 1949:

[From the Boston Herald of August 6, 1949]

FEED AIRLIFT TO NEW ENGLAND—REPRESENTATIVE ROGERS OFFERS PLAN FOR DROUGHT AID

(By Bulkley Griffin)

WASHINGTON, August 5.—An "Operation Hayride" to provide feed for the dairy cattle of drought-stricken New England this coming winter was proposed today by Representative EDITH NOURSE ROGERS, of Massachusetts.

This plan, comparable to last winter's haylift to blizzard-ravaged States of the West, would require a Presidential emergency declaration in addition to the present "disaster area" designation, Mrs. ROGERS said, and she expressed confidence of getting this support.

WESTERN AID CITED

Under the disaster-loan scheme now in effect for five of the New England States, farmers who cannot obtain loans from regular channels may draw on a $44,000,000 fund administered by the Farmers Home Administration. Reports from New England indicate that little use will be made of this aid.

Asserting that New England "should not be penalized just to make goodwill for the West," Mrs. ROGERS recalled that the seven snowbound Western States were aided last winter to the tune of $33,445,410. Of this, $19,395,410 was supplied by Federal agencies from regular appropriations, $1,050,000 from the President's emergency fund; and $13,000,000 from State and local funds.

Arguing for the air route because of the serious hay and feed shortage in New England and the traditional dearth of freight cars, she said last winter's haylift had cost the Air Force approximately $1,000,000, a sum that would have been absorbed in normal operational costs had the pilots not been dropping hay to farmers.

SALTONSTALL IN FAVOR

Senator SALTONSTALL of Massachusetts supported the proposal, saying he hoped the Department of Agriculture would give as sympathetic attention to New England in its present drought as it is now giving to the West in funds to be used against grasshoppers, and as it did during last winter's haylift.

Air Force operations in the West lasted about a month, January 24 to February 25. At one time, 116 planes, mostly "flying boxcars" and C–47's, took part, with a force of from 300 to 500 men. States affected were Arizona, Idaho, Wyoming, Utah, Nebraska, North Dakota, and South Dakota.

TONS OF HAY FLOWN

Air Force planes in that period carried 4,577 tons of hay and feed, as well as 458 passengers, 5,000 blankets, 77 weasels (snow vehicles), 1 radio beacon, 200 pounds of medical supplies, 5,000 cubic centimeters of blood plasma, and $500,000 worth of radium. The pilots rolled up 5,496 flying hours.

Officials here emphasized that the Air Force planes and men would have been flying practice missions, learning instrument procedures, and making winter training flights at the time, and that a certain amount of its budget was set apart for these purposes. The haylift was a useful substitute.

TARIFF LIFT OPPOSED

Mrs. ROGERS was advised earlier in the day by John R. Steelman, Presidential assistant, that Secretary of Agriculture Brannan had rejected her proposal to lift the import duty on Canadian hay as a possible aid to New England farmers next winter. Most of the region's imported hay comes from New York State and Canada.

Secretary Brannan contended that the suspension of the duty on hay would serve no useful purpose, but Mrs. ROGERS said tonight she had talked with him again and that he had promised to look into the matter more closely and reconsider his decision.

SEES SUPPLIES AMPLE

The Secretary had said earlier that there were ample supplies of hay and other feeds both east and west of the Mississippi and that lifting of the duty would be construed as an unfriendly act to American livestock feed producers.

An official of the Department of Agriculture said tonight that western farmers last winter had an abundance of hay but that it was covered with snow and inaccessible. He suggested that New England, which will have little hay, might offset a winter jam-up and perhaps some money by importing feed now.

Only 37 of Massachusetts' 32,897 farmers had applied last night for Federal loans made available by Washington's action Wednesday in declaring the entire State a drought disaster area.

Raymond Freeman, regional director of the Farmers Home Administration, announced that 25 applications had been filed in the local office in Brockton and 12 others, from Bristol County, in the office at Providence.

OPPOSED TO PLAN

Carleton I. Pickett, representing the Massachusetts Farm Bureau Federation, estimated that not more than 200 of the Commonwealth's farmers would take advantage of the Federal loans, but approved the action of Secretary of Agriculture Brannan as protecting that tiny minority of our membership.

"Money won't cure it," he said. "The farmers just have to dig in and work a little harder to catch up. Nobody's ruined, but we have taken a terrible licking."

[From the Boston Herald of Aug. 7, 1949]

MODIFIED UNITED STATES AID URGED IN HAY CRISIS—HEAVY IMPORTS SEEN NEW ENGLAND NEED

Farm officials close to the problems of New England dairymen, who are faced with an acute shortage of local feed for their herds because of drought damage, advanced their own solutions yesterday to avert the impending crisis.

Three months of hot sun and negligible rain have ruined New England's hay crop yield, forcing farmers to look as far west as Nebraska, where bumper hay crops are reported, for winter feed.

PRICES JUMP

Normally, dairymen buy relatively little hay and feed outside New England, but the drought-caused shortage has forced local hay prices to jump and brought dairy farmers face to face with the prospect of severe financial losses.

Louis Webster, of Blackstone, head of the marketing division for the State department of agriculture, declared the Government could help in two, possibly three, ways:

By directing county agents to make an accurate survey to ascertain the anticipated hay needs of dairy farmers this winter when the shortage will actually be felt.

By making available information on the sources of hay surpluses and by acting as an intermediary for New England buyers and Midwest sellers, to insure drought harassed farmers' hay at a fair price, which, he said, should be about $40 a ton, delivered.

And lastly, if hay prices in the Midwest skyrocketed because of the unprecedent demand from the East, by having the Government underwrite in part the rail transportation costs of the hay in order to keep the price to farmers within reason.

Webster advanced his plan, along with other farm experts acting independently, as a counterproposal to the recommendation of Representative EDITH NOURSE ROGERS, that the Federal Government initiate an "operation haylift" to send the dairy feed to the East from the West.

Her suggestion was greeted with mixed reactions, as farm officials viewed it as too drastic, while stressing that dairy farmers would welcome modified Government help in feed procurement, if necessary. It was pointed out an air haylift did not seem the answer to a situation that would not reach the crisis stage until 3 to 5 months from now.

Unanimous support, however, was recorded form Mrs. ROGERS' recommendation to lift temporarily the import duty on Canadian hay. Agriculture officials here stated they hoped United States Secretary of Agriculture Brannan, who recently rejected an earlier appeal by the Congresswoman to suspend the import tax, would change his decision.

Webster, in explaining his suggestions, estimated that 100,000 to 150,000 tons of hay would have to be imported into New England this winter. He pointed out, however, that hay was selling in Indiana and Illinois now for only $19 to $20 a ton, and was plentiful there.

At the same time, a railroad spokesman said that transportation costs from Chicago would run about $15 a ton, indicating Midwest hay might be acquired for approximately $35 to $40 a ton.

Webster stressed these figures to accompany a warning to dairymen against panic in attempts to stock-pile hay now to be ready for the winter storage. He cited specifically instances where farmers, worried about future supply, had purchased poor-grade standing hay for as high as $35 a ton.

A similar proposal was presented independently by J. Ralph Graham, head of the marketing and production service for New Hampshire, and Carleton Pickett, secretary of the Massachusetts Farm Bureau.

Pickett also added that the Farm Bureau had urged suspension of the Canadian hay import tariff 2 weeks ago to both Governor Dever and the United States Department of Agriculture Program Board.

Commenting on Mrs. ROGERS' haylift proposal, Pickett declared "any action that will help farmers is agreeable. All are well-meaning, but the haylift idea is a little drastic and possibly premature.

"It is time, however, for politicians of both parties to sit down and talk with farmers about their needs before formulating policies to help farmers. I agree with Webster and Graham that a more studied approach to the problem aimed at breaking the shortage with western hay at a reasonable price is more nearly the answer."

Meanwhile the weatherman continued to report no real break in the drought, with a prediction of fair weather with temperatures in the 80's again today.

Hawaii Emergency

EXTENSION OF REMARKS
OF
HON. JOHN PHILLIPS
OF CALIFORNIA
IN THE HOUSE OF REPRESENTATIVES
Wednesday, July 13, 1949

Mr. PHILLIPS of California. Mr. Speaker, when the Delegate from Hawaii returned some weeks ago from the islands, he spoke of the strike situation there as one of fear, anxiety, and despair almost to the point of panic. Yet the President was doing nothing about it. He seemed concerned about the crisis in England. Under somewhat similar conditions in Berlin, the United States established and maintained one of the most remarkable examples of American courage and organization ability in history, the air lift. Yet here is Hawaii, our Pacific friend, whom this House at least invited into the Union as the forty-ninth State, and the Communists can do as they please there, without any visible concern on the part of the President of the United States, in whose hands the power lies to stop the strike and feed the people.

Under unanimous consent, I include with these remarks an editorial from the San Francisco Chronicle of July 12 on the subject. It is still good reading. The editorial follows:

ISLAND EMERGENCY RATES ACTION BY THE PRESIDENT

The 9-weeks-old longshore strike in Hawaii has long since ceased being a matter more or less exclusively the concern of the disputants—if, indeed, it ever was.

Of far greater concern now is the welfare of Hawaii's half million residents and the problem they present to the Federal Government, which holds the ultimate responsibility for their welfare.

The rejection by the union of the 14-cent hourly wage increase recommended by Governor Stainback's fact-finding board opens the prospect for the almost indefinite protraction of the strike. The half million people of Hawaii deserve better than that; they deserve better from the President of the United States than a vague reiteration of his previous statement that he is powerless to act.

As the Chronicle has said before, this is no ordinary strike; it is no ordinary longshore strike. As far as Hawaii is concerned, it has approximately the same impact as a military blockage imposed to force a beleaguered garrison into submission. Because it cuts Hawaii's main economic arteries, it approaches in seriousness for the Territory the condition a railroad strike would produce for the continental United States.

It is true the people of Hawaii are still eating. But ruin can be effected by other means than simple starvation. Their sources of income have to a large extent dried up. The whole economy of the islands is geared to the precious shipping traffic which now lies paralyzed under the strike. Debts are mounting, jobs are disappearing; prospects are increasing for the wholesale losses of savings, homes, cars.

And, not so incidentally, there are hundreds of young veterans who moved into Hawaii at the war's end, and have been buying homes, making places for themselves in the Hawaiian business world, and at the same time contributing importantly to Hawaiian stability and productivity. These, along with the rest, are now losing their grubstakes, their homes, and their hopes.

JOSEPH R. FARRINGTON, the Hawaiian Delegate in Congress, returned from a visit to the islands last week, describing the population as in a state of "fear, anxiety, and despair almost to the point of panic." It is understandable.

We find no greater justification for the President to declare himself impotent to deal with a calamity of these proportions in Hawaii than to declare himself unable to cope with a disaster of equivalent severity in the United States. Probably there is even less justification, since Hawaii still finds itself in a position of voiceless, or at any rate voteless, dependency upon its guardian.

If it is not possible for the President to resort to the injunctive processes under the Taft-Hartley Act, it is certainly possible for him to ask Congress for emergency legislation providing him with the power to appoint a fact-finding board and, if necessary, proceed through the courts to obtain an 80 days' cessation of the strike—within which time the issues could surely be compromised. We suggest that the emergency warrants such action by the President.

In the meanwhile we suggest that the union review its rejection of the recommendation of the Governor's board. Prior to the board's formation the union proclaimed itself ready to accept the recommendations, whatever they might be, provided the employers would do likewise. The union places itself in a curious position now by rejecting the recommendations, which the employers are manifestly willing to accept.

Arms Aid Not Justified on Economic Grounds

EXTENSION OF REMARKS
OF
HON. LAWRENCE H. SMITH
OF WISCONSIN
IN THE HOUSE OF REPRESENTATIVES
Friday, August 5, 1949

Mr. SMITH of Wisconsin. Mr. Speaker; Henry Hazlitt in the current issue of Newsweek points out that we are weakening ourselves to give continuous and futile blood transfusions while Europe does nothing to stop its socialistic hemorrage. I commend his article and extend it at this point.

If we may judge from the history of the ECA, it is not likely that the economic side of the proposed Foreign Military Assistance Act will be intelligently or adequately considered. Yet in spite of its military and political aspects, the whole proposal rests on the essentially economic argument that the other nations in the Atlantic Pact are unable to pay for their own armament. And this contention is not supported either by common sense or by the facts.

Mr. Truman offers Congress the very fragmentary piece of information that 8 out of the 11 nations in the Atlantic Pact now have total annual military expenditures equivalent to $5,500,000,000. "This," he insists, "is the maximum amount they are able to spend" without self-injury. How does he know that? His own country alone is already spending nearly three times as much on armament as these 8 nations combined—in other words, about as much as 22 such nations. Yet, Mr. Truman still doesn't consider this a maximum for us. On the contrary, he wants us in addition to take over part of the burden of the others.

If Congress will inquire, it will find that the total amount of $1,450,000,000 we are supposed to contribute in the first year is equal to only about 4 percent of the total Government expenditures of the other nations in the Atlantic Pact. It would not seem impossible for these other countries either to increase their total budgets by 4 percent—or, better, to take that amount out of their swollen nonmilitary expenditures. Their other Government expenditures are, in fact, about four times as great as their military expenditures. And these sums are being spent, among other things, on expanded social-security programs, huge food subsidies, and above all on huge deficits in socialized industries.

Mr. Truman thinks other nations need part of these funds from us for "certain items essential for their defense which they are not equipped to provide for themselves." This argument, though often used, has no merit. They can buy these items from us and pay for them with other items. In short, they can pay for imports with exports—or rather they could do so if they had not deliberately unbalanced their economics and their foreign trade with their own exchange controls and overvalued currencies. Our own country does not produce for itself enough tin, natural rubber, or uranium; but it does not occur to us to use that as an excuse to demand these things as gifts from other countries.

As I have already pointed out in previous articles (April 4, May 30, and June 13), there is no way in which we can insure that either the money or the equipment we contribute under an arms-aid program would actually result in a net increase of European armament by that amount. For to the extent that we pay for the armament of European governments, we release just that much more of their own funds for other expenditures. The only way we could prevent this result would be to dictate every European government expenditure—a course which I, for one, would not recommend.

Looking at the matter the other way round, it should be equally obvious that our Marshall-plan funds, though spent on other things, have freed just that much of Europe's own funds for armament. Instead of throwing still further funds in the direction of Europe, therefore, Congress could merely authorize Atlantic Pact nations to use up to, say, $1,450,000,000 of their ECA credit for military expenditures.

The so-called military-aid program, in short, involves precisely the same broad economic issues as the Marshall plan. We are weakening ourselves to give continuous and futile blood transfusions to Europe while Europe does nothing to stop its socialistic hemorrhage. Our own officials don't dare to be specific about the European policies producing this hemorrhage. Their principle seems to be: "Europe's economic policies are none of our affair; therefore we must pay for its deficits."

The Growing Attack on Veterans' Benefits

EXTENSION OF REMARKS
OF
HON. CLAUDE PEPPER
OF FLORIDA
IN THE SENATE OF THE UNITED STATES
Wednesday, August 3 (legislative day of Thursday, June 2), 1949

Mr. PEPPER. Mr. President, I ask unanimous consent to incorporate in the

Appendix of the RECORD an article entitled "The Growing Attack on Veterans' Benefits," by Mr. Perry Brown, national commander of the American Legion, published in the American Legion magazine of July 1949.

I am advised by the Public Printer that the manuscript will make approximately two and three-quarters pages of the RECORD, at a cost of $220.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

THE GROWING ATTACK ON VETERANS' BENEFITS

(By Perry Brown, national commander, the American Legion)

ONCE AGAIN THE DISABLED VETERAN IS THE SECRET TARGET OF ANTIVETERAN PROPAGANDA AND LOBBYING

It is my unhappy duty to call to the attention of Legionnaires and all veterans of both great World Wars certain unmistakable evidence that our hard-won veterans' benefits are under dangerous, irresponsible, and, in some cases, greedy attack from many sides.

In one sense veterans' rights and benefits have always been under attack. Our American Legion is geared to detect, expose, and combat the usual run of sniping at veterans.

But today, for the second time in 16 years, opposition to established veterans' benefits by special and powerful groups contains elements of a real crisis for all war veterans. It represents a challenge which calls for the full fighting strength of the American Legion.

As national commander I have already taken preliminary steps in this crisis. Last March I appointed a special committee, headed by Past National Commander Edward A. Hayes, of Chicago, to investigate the exceedingly complex attack on veterans' benefits and to begin organizing the forces of the American Legion against an enemy which seems to have a thousand heads.

I do not like to be an alarmist, but I know that swift action is necessary. I am mindful of the tragic lesson of 1933, when the infamous, callous, and cold-blooded Economy Act caught us by surprise. Then, before we could marshal our strength, the shocking Public Law 2 of the Seventy-third Congress was slipped through the national legislature in 1 day, without a hearing.

Those of us who remember that law, and who remember the terrible year and 8 days that followed its passage, cannot be complacent today. Too many straws in the wind foretell another gathering storm for veterans and their dependents. The pattern now is strikingly similar to that of 16 years ago. In some ways it is worse.

In 1933 the cry was for economy. And so it is today. In addition, today there are powerful interests who seek, not economy but the capture of veterans' appropriations for themselves.

In 1933 there was a league—the National Economy League—supported by the dollars of many of our seemingly best citizens and large industries. Those were the depression years, and the National Economy League spent its dollars to promote the claim that the cost of veterans' benefits had to be reduced.

Many veterans and their friends were lulled into false security by promises (which you always hear from opponents of veterans' rights and benefits) that the war-injured would not be asked to share in the economy. We hear the same pious words today. Savings, they said then, must be made only in the cases of those veterans who might be said to be enjoying Government generosity.

They sneaked their law across—and the betrayal of the veteran was of a magnitude to make Americans blush for shame.

Immediately veterans whose disabilities were classified as non-service-connected were removed from veterans' hospitals. At first, in this gigantic bed-emptying, no attempt was made to readjust the veterans or find other care for them. They were thrown from their beds by the thousands, cast into the streets—most of them not only sick but penniless and without hope—at the bottom of the great depression.

In the fiscal year 1933–34 over 10,000 sick or convalescent veterans were thrown from VA and Army and Navy hospitals in the name of "economy," and in the same year 9,631 CCC, CWA, and other Government agency beneficiaries were installed as patients in those same hospitals.

A wave of veteran suicides swept across the land. American Legion posts boarded some of the outcasts, clothed them, asked them to hold on while the Legion fought the vindictive law. American Legion welfare and relief funds kept many of them and their impoverished families in food and shelter, but we could not keep them all.

What happened to the promise not to molest the rights of the war-injured veterans?

Once the iniquitous law was on the statute books the promise was violated completely.

The compensation of disabled war-injured veterans was whittled to the bone in 1933 and in many cases it was completely eliminated, even for gassed and bullet-wounded war heroes. The suicides mounted. Some simply lost the will to live and died of despair.

We have their records. The victims were ordinary men for the most part, unknown outside of their home towns. But perhaps many will remember the tragic news story of Maj. Frank Cavanaugh, footoall coach at Fordham University, who had half his face shot away in action and restored with plastic surgery. Not long before the Economy Act became law this popular hero's eyesight failed and he had to quit his job. Facing a serious operation, his sight gone, and with a wife and nine children to support, Major Cavanaugh was among those whose pension was slashed. He died of his illness before the vicious law was undone.

The greatest "saving" made under the Economy Act of 1933, during the year and 8 days it took the American Legion to break its back, was in service-connected disability compensation to the tune of $157,000,000. As the late Senator Couzens, of Michigan, said on the Senate floor, "* * * $157,000,000 was taken out of the hides of the men disabled as a result of the World War."

Do you remember the official title of that law? It was called an act to maintain the credit of the United States Government.

Think of it. The Congress swallowed that effrontery and so, apparently, did a public which had been conditioned by a siege of propaganda in newspapers and magazines. The American people, without whose support Congress does not dare to act, had been won over to the idea that veterans' benefits were waste, and that veterans were milking the Government dry. The American people had been artfully led to believe that the disabled veteran was the logical person to make sacrifices to ward off a completely phony threat to the credit of the United States.

Was the Nation's credit in danger? That was one of the years of WPA, PWA, CCC, and many others of the great and revolutionary emergency acts of the New Deal for which ample credit was found. Since then a new generation of soldiers, whose benefits are now under attack, has fought a war whose cost could swallow the entire Federal budget of those years many times over, and the credit of the Government is still intact. Even the title of that pernicious law was a lie.

Remember all this, because the enemies of the veteran are molding the public mind again with phony statistics, misrepresentations, exaggerations, distortions, and half-truths—all aimed at sabotaging the veterans' program. Again they are crying "Hooray for the war hero" out of one side of their mouths and "Too much cost" out of the other.

Veterans' benefits are part of the cost of war—and it is a cowardly act to renege on them in the security of victory. Nobody likes the cost of war, but before we swallow any more falsehoods let's put some billions of dollars in their proper proportion. If the veterans of War II had been poorer soldiers so that the war had lasted 6 months longer, the cost of the extended months of the war would have run over $45,000,000,000, and we would have found ample credit to pay for it. That sum would carry the present veterans' program for the next 9 to 15 years.

What is the situation today? Let us look at the propaganda front which is artfully preparing your mind and all Americans for an assault on veterans' benefits. In recent months a disturbing number of magazine and newspaper articles have been inciting the general public and even many veterans against the appropriations of the Veterans' Administration. The attack appears to be against the Veterans' Administration, but it is against the veteran. And many of the proposed veteran victims are joining in the attack because the propagandists know that anybody can be taught to hate a Government bureau.

Let us look at one attack on the VA which probably received the widest readership of any. It appeared in the March 1949 Reader's Digest. This magazine prints articles from other magazines, but this article was one of its own. For some reason, it seemed to be needed, even though no other magazine had published it. The author was a Charles Stevenson and the title of the article was How Bureaucracy Swindles the Taxpayer.

Only one Government bureau was discussed—the Veterans' Administration. Although the title of the article charged swindle, no swindle was shown or claimed in the text. This is odd because the Reader's Digest has one of the most expert and best-paid staffs of editors, and they know the meaning of words. Why did they suggest to you that the VA is swindling taxpayers when nobody can show a cent of swindle in the VA?

The article damned the VA in no mean terms from one end to the other. It cited mismanagement, stupidity, irresponsibility, lost records, waste, and duplication of effort.

We in the Legion know that the VA went through a terrible time at the close of World War II when its workload vastly exceeded its capacity and its staff was inexperienced and inadequate. Horrible things happened.

One of the interesting things about this article was that, without giving dates, Mr. Stevenson cited the same specific VA clerical errors and blunders which the American Legion magazine had reported 2 and 3 years earlier. If you have that Reader's Digest and back copies of your Legion magazine, see Clarence Woodbury's That VA Insurance Muddle (June 1947) and Robert B. Pitkin's Insurance Is Like Love (June 1948) and see how many skeletons Mr. Stevenson dragged out of the closet in March 1949, long after the American Legion magazine had reported VA progress in correcting Mr. Stevenson's nightmares.

On page 61 of the March Reader's Digest, Mr. Stevenson said that the VA "* * * spends $6,000,000,000 a year." That shocking article and that statement of spending $6,000,000,000 a year induced many veterans to write their Congressmen, editors, and Legion officials urging that a stop be put to the VA's multibillion-dollar swindle."

Everyone who wrote or felt that way was completely misled. The article did not say how the VA spent $6,000,000,000 a year. It couldn't, for several reasons. First, it would have had to shift its attack away from the VA to veterans, to the GI bill, to Public Law 16, and all our other veterans' benefits. Second, the VA does not spend $6,000,000,000 a year.

The VA does not spend $1,000,000,000 a year.

It is true that the VA has been handling about $6,000,000,000 a year. Of this figure the VA spends approximately 5 percent for general administration. For the year ending June 30, 1949, five and one-third billion dollars of six plus billions were paid directly in cash to veterans and their beneficiaries, for such things as:

Insurance death claims.

Compensation and pension for the disabled.

Tuition and education under the GI bill.

Rehabilitation of the disabled.

Pensions for the survivors of deceased servicemen.

And other direct payments to veterans and their beneficiaries as required of the VA by law.

It would have been a swindle if the money had not been paid.

This is not spending, it is disbursing or paying out as a bank teller pays when a client makes a withdrawal. And it is the cost of war—in payment for services which veterans have already rendered in full.

A little less than $1,000,000,000 remains to be accounted for.

The VA spent that.

Over five hundred and forty-six million of it, or more than half, was spent on hospitalization and medical care of sick and disabled veterans.

The rest, about one-third of $1,000,000,000, was spent on general administrative expenses to run a bureau which administers a large group of benefits to eligibles numbering 18,000,000 veterans of all wars and many of their dependents.

The American Legion warns veterans that any substantial saving for which the public might cry under the influence of such magazine articles can only come from cutting back veterans' benefits. The propagandists who try to line you up against the entire VA appropriation never tell you that. There is room for increased efficiency and better service to veterans in the VA, but it is scarcely a matter of budget reduction. Already, in the opinion of hundreds of American Legion long-time service workers the VA operating budget has been and is being subjected to economies which impair the service the VA can render veterans.

Today veterans are suffering greatly because of the slowness of progress in the VA hospital program—now far behind schedule and being slowed even more by the interference of the economy minded and other special groups.

Below are some funny things being proposed by strong and influential groups and committees. As you will see they are not entirely agreed among themselves. On the other hand there is danger of a concerted attack on veterans among them—just as the New Deal and the economy league (strange bedfellows) ganged up on the veteran in 1933.

In 1933 the Economy Act closed Army and Navy hospitals to veterans, and threw them out in the streets.

Last April the Armed Forces Medical Advisory Committee to the Secretary of Defense, headed by Charles P. Cooper, recommended that Army and Navy hospitals reduce or eliminate care of veterans. Cooper is connected with Presbyterian Hospital in New York.

The Hoover Commission has recommended that VA hospitals cease to exist as such, but that a general Federal hospital system be set up to absorb disabled veterans along with other Government beneficiaries. This suggestion is supposed to provide economy and be beneficial to veterans.

It should be noted that the Hoover Commission investigators did not avail themselves of the advice and experience of those in the Legion who have specialized in rehabilitation problems of veterans for 30 years. They wanted a fresh look at the situation. One of the few acts affecting veterans which Congress ever passed without giving us a hearing was the Economy Act of 1933, which is also one of the few acts affecting veterans which was so wrong that Congress had to eat it piece by piece.

Regarding the recommendation of the Hoover Commission on eliminating hospitals from VA, I will state categorically that it is the experience of the American Legion and of the United States Government and of every State in the Union and of thousands of veterans that the disabled veteran too often suffers when he is treated in a nonveteran hospital.

It is also the experience of the American Legion and of thousands of veterans and many VA employees that there is already too much red tape confronting the veteran who is eligible under law for VA hospitalization. Removal of VA hospitals to a brand new bureau will throw another wall of expensive paper work, interoffice memoranda and bureaucrats between the sick veteran and his hospital bed.

Amazingly, the Hoover Commission's recommendation would be a reversal of history if carried out. Until 1921 veterans were hospitalized by the United States Public Health Service. The VA hospitals came into existence because a special committee under former Vice President of the United States Charles G. Dawes, and including John L. Lewis, found that the Public Health Service set-up was unsatisfactory and recommended that for the relief of the veteran he have his own hospitals. The Veterans' Administration itself came into existence on advice of the same committee because the handling of veterans' benefits by many Government bureaus was found to be wasteful, unnecessarily complex and injurious to the proper handling of the benefits awarded veterans by Congress.

In the years since 1921 the American Legion has often criticized the VA, and will do so again, because of difficulties many veterans have had with VA red tape. But the American Legion warns veterans that any attempt to use these difficulties as an excuse for parceling out the VA's functions to other Government bureaus can have only the most disastrous results. It would simply multiply the factors which already make it difficult for the lone veteran to find his way through the bureaucratic maze, exactly as it did until 1921. Yet every group which is jealous of the VA's function and of the VA's appropriation (which is really the veterans' appropriation) uses the veterans' difficulties with the VA as its excuse to bid for part of the VA function and a chunk of the VA appropriation.

The most serious problem we face today in veterans' medicine is the task of getting adequate care for seriously ill veterans, and of saving them from the present plight of patients in non-veteran tax-supported hospitals. Under the watchful eye of the Veterans' Administration and the American Legion, the existing VA hospitals are the finest tax-supported hospitals in the world today. But there are not enough of them, and meanwhile our State and county mental, tuberculosis and general hospitals are in a shameful state and packed to the rafters. Many of them are 40 to 100 percent overcrowded. Usual conditions are so pitiful that the patients are often housed and confined rather than treated.

Among these pathetic patients in State institutions are many hundreds of veterans who are entitled to VA hospitalization but cannot get it because enough VA beds and staff are not available. Outside of all hospitals there are still more insane, psychoneurotic, tubercular, and chronically ill veterans and civilians waiting for accommodations to care for them. Jails are holding some of the insane veterans for whom no beds are available. Children, wives, and husbands of tubercular veterans (and nonveterans) are sickening and often dying from tuberculosis contracted from the tubercular living at home. Psychoneurotic veterans wander from private psychiatrist to private psychiatrist for treatment, spending their own money—for lack of sufficient psychiatric out-patient treatment at VA clinics. Many of these are service-connected and clearly entitled to have the high type of care the VA clinics provide—but enough of it isn't available.

That is the great problem of veterans' medicine today. It is no time to be crying economy. The earliest possible relief for these seriously ill veterans and nonveterans would be to complete the building and staffing of the new VA hospitals. Ninety such hospitals were authorized by Congress as long ago as 1944. Only three of them have been completed, although the veteran population has increased over 15,000,000.

Completion of this program would care for the veterans and take them out of competition with the civilians for civilian hospital bed-space. Physicians and hospitals across the country should join with us in a gigantic effort to solve the problem of the tubercular, the chronically ill, the psychoneurotic, and the insane. I am not able to report they have been doing so. Many, many private doctors are expressing real concern. Some of the finest physicians and surgeons in the Nation are giving their services to VA hospitals and clinics. But I beg them to look to their organizations, for here are the things which organized hospital and medical men have been pressing before Congress.

The American Hospital Association has proposed a plan whereby some non-service-connected disabled veterans be dropped from VA hospitals. Under this plan non-service-connected veterans would carry health-insurance policies with the VA on which the veterans or the VA would pay the premiums. Follow this closely. Such veterans would then be treated in local hospitals when in need of care. The hospitals and the attending physicians would receive fees to be paid out of the health-insurance fund which they propose. Under such a system, they say, the VA hospital program could be greatly reduced and the money saved could be passed on by the Federal Government to the AHA hospitals.

Maybe that looks all right to you. But stay with me, please. There are some shocking things wrong with it. First, there is the technical problem of what disabilities are non-service-connected. In spite of many published statements to the contrary on the propaganda front against veterans, a non-service-connected veteran is simply one whose disability has not yet been determined to be service-connected. Service-connection is established as part of the veteran's claim, usually about the time he needs hospitalization—often after he is in. Can you imagine the red tape and confusion of a vast health insurance program to be carried by veterans or the Government for many years, in which the insured will not know whether the policy applies to him until he is already sick? Under this sweet plan the sick veteran will not even know which hospital to enter, private or VA, until the question of service-connection has been settled. It cannot be settled until after the nature of the disability is known and related to the veteran's military medical record. Many a veteran has already died while his treatment was being held up pending paper work. Let's not make this worse.

Second, there are not enough civilian hospital beds available in many areas right now. A recent survey of Los Angeles County made by Hamilton Associates, a prominent member of the AHA, recommends the immediate expenditure of $87,000,000 to bring civilian hospital beds up to standard. Eighty-seven million dollars for just one county.

The way to solve the hospital crisis in this country is not to rob Peter to pay Paul. There is no economy in the AHA plan for

moving some veterans into the already crowded private hospitals. Just a transfer of funds from the veterans' program to a different outfit. And 30 years' experience in veterans' rehabilitation has consistently shown that treatment of Government beneficiaries in private hospitals costs the taxpayer more and serves the Government beneficiary less.

The AHA suggestion is a thankless one, for the American Legion has supported the Hill-Burton Act, which approves Federal aid for AHA hospitals. The Legion is deeply concerned for the welfare of community hospitals and State hospitals. But our reward for supporting Federal aid to them is this attempt to take that aid out of the veterans' appropriation.

This AHA suggestion has been supported by sections and high officials of the American Medical Association.

And mark this: The AHA plan does not include any attempt to care for any of the insane, tubercular, psychoneurotic, or chronically ill, although it would take funds already appropriated to care for them. Their plight is the great national problem. The Legion and the VA are left to tussle with it. The AHA plan wants no part of it.

But I have just begun. In March of this year the Senate Committee on Labor and Public Welfare held hearings on a cut-back of over 16,000 beds in the veterans' hospital building program, which had been too hastily recommended by the Bureau of the Budget and too hastily approved by President Truman in January.

Several spokesmen for the American Hospital Association and its State groups testified at these hearings. Speaking for the national AHA, Graham L. Davis, of the W. K. Kellogg Foundation, of Battle Creek, Mich., opposed the VA hospital program and urged that funds for it be diverted to AHA hospitals.

Speaking for the New York AHA was John H. Hayes, superintendent of Lenox Hill Hospital and a past president of AHA.

Hayes supported the President's cut-back of 16,000 VA hospital beds and urged the AHA plan as a proper substitute. Neither Hayes nor Davis added that of these 16,000 beds whose elimination they recommended 7,000 would care for insane veterans, over 1,000 would care for tubercular veterans, and 1,000 would care for the chronically ill—none of whom the AHA plan proposes to absorb.

Fortunately others testified at these hearings. Included in the hospital cut-back was elimination of a 500-bed tuberculosis hospital in Detroit. Dr. Bruce Douglas, Detroit health commissioner, pleaded for the restoration of that hospital and stated that 2,700 new TB beds were needed immediately for the Detroit area. The VA hospital would aid the Detroit situation, since it would reduce veteran competition for civilian TB beds.

Dr. A. M. Lyons, Commissioner of Welfare for the State of Kentucky, seconded Dr. Douglas' plea. He testified that his State institutions were greatly overcrowded and added: "I think that the veteran is entitled to better hospitalization than most of our State hospitals offer."

American Legion service workers from many States affected by the hospital cut-back also testified. Edward A. Linsky, adjutant of the department of Pennsylvania, reported that an on-the-spot check at that time revealed between 300 and 500 insane veterans confined in Pennsylvania jails for safekeeping and over 4,000 Pennsylvania veterans remaining at home with tuberculosis for lack of hospital beds.

Lewis E. Sloneker, Legion rehabilitation director for California, stated an immediate need of 599 TB beds for veterans in California. He added that "It is doubtful if there is a jail in the State which is not holding one or more veterans at this minute, waiting for them to be transferred to psychopathic wards. In Los Angeles County alone, during 1948, there was a total of 953 veterans with mental disabilities before the courts, only 24½ percent of whom were committed to VA hospitals because beds for the rest were unavailable."

G. W. Steagall, director of veterans' affairs in Tennessee, testified in part: "Veterans are being sent to hospitals every day by doctors in their communities as emergency cases, many times by ambulance, where the veteran is suffering intense pain or with active tuberculosis, only to be told by the admitting officer that he does not meet the requirements of the regulations for an emergency case and has to be taken back home and can only be put on the waiting list and allowed to suffer and oftentimes become progressively worse because of the delay in obtaining a bed."

Also from Tennessee was Dr. H. H. Shoulders, a past president of the American Medical Association. Speaking for the Tennessee State Medical Association he testified in favor of the AHA plan and in favor of the 16,000-bed cut-back in VA hospitals.

I doubt that many private physicians would back up their organizations if they knew the whole story. Already veterans and the Nation owe a great debt of gratitude to individual physicians, surgeons, and medical schools across the country. Since 1946 medical men and medical schools have cooperated unselfishly with the VA, bringing to its existing hospitals their personal services. It is partly as a result of their cooperation that today the too few VA hospitals now operating provide the highest level of skilled medical care ever known in the Federal service in peacetime.

Yet look how the present situation turns and twists. If the recommendation of the Hoover Commission that VA hospitals be handed over to a general Federal hospital bureau is carried out veterans will probably lose this great contribution of our outstanding medical specialists. It is hardly reasonable that they would be willing to contribute the same effort toward a central bureau of medicine that they have voluntarily and patriotically given to veterans. Doctors take such a proposed bureau to be the cornerstone of socialized medicine in this country—which they do not want. In this conviction they have a strong ally in the American Legion.

The American Legion is opposed to socialized medicine if only because of the experience we had with it in the VA prior to 1946. We certainly will not be a party to restoring bureaucratic medicine in VA hospitals. In the interest of the veteran and of the American standard of medical leadership we aline ourselves with the doctors on this matter. And yet we find ourselves at war with doctors' organizations over their grab for the VA appropriation. It is an odd and complex situation and a dangerous one for veterans and doctors and the general public.

While this article is on the press Legion committees will be meeting with representatives of the American Hospital Association and the American Medical Association to try to resolve their attacks on the proper care of veterans, and to try to form a joint policy which will maintain and increase the VA hospitals in proper number as the finest tax-supported hospitals in the world. I hope that on this matter at least we will have progress to report belong long.

Yet if we come to full agreement with the medical profession our joint efforts may still be sabotaged by today's hidden economy league. It is claimed, and the American Legion admits, that the problem of staffing many of the new VA hospitals will be difficult in terms of securing proper personnel, even with the full cooperation of the medical profession.

The American Legion is confident that if the same effort and ingenuity, and particularly the same ambition were exercised on all sides to complete them and staff them as is exerted on many sides to block their construction—then the terrible problem of the insane, psychoneurotic, the tubercular, and the chronically ill could be solved.

But the difficulty of staffing these hospitals is being increased on the economy front. The Bureau of the Budget recommended to Congress in January that the VA operating budget be reduced to the tune of laying off 11,000 VA employees in the coming year. This cut would work serious damage to the ability of the VA to serve veterans in nearly all phases of its operation. One result of an 11,000-man cut-back in VA would be that for financial reasons alone the VA would be unable to staff those new hospital beds which it will be able to open in the coming year.

In April the House of Representatives Appropriations Committee took a favorable attitude toward the VA hospital program, and recommended to the House that funds be restored to continue construction. And then, at the same time, the House Appropriations Committee recommended an additional reduction of $28,000,000 in the VA operating budget which may mean 9,000 more VA employees will have to be laid off.

We need the hospitals desperately. The Nation needs them. But they are no good without staff. The VA has its work cut out to find the proper staff for the beds as they are opened. To this difficult task must not be added the hopeless prospect of having no funds with which to pay such staff.

All through the winter and spring the American Legion has been combating these continuous assaults on the successful operation of the Veterans' Administration. Our paid rehabilitation staff, our legislative staff, and many of our voluntary committeemen have given the bulk of their time to these problems. Congress and its committees have heard our representatives fairly, and they have heard many of our opponents.

Perhaps when you read this the battle of Congress this year may have been won. But the economy front, the propaganda front, and the give us the veterans' money fronts are still busy. They are working on your mind, working on your legislature, and working in secret to gain their ends.

In 1933 we were less than a million Legionnaires. I thank God that we are now 3,000,000 and I pray for 3,000,000 more, for I believe the battle has just begun and it will call for our full and united strength.

Aid for Korea

EXTENSION OF REMARKS
OF

HON. WAYNE N. ASPINALL

OF COLORADO

IN THE HOUSE OF REPRESENTATIVES

Monday, August 8, 1949

Mr. ASPINALL. Mr. Speaker, under leave to extend my remarks in the RECORD, I wish to include my article with reference to assistance for the Republic of Korea:

AID FOR KOREA

The Republic of Korea will celebrate its first birthday on August 15 of this year. It is the only country with a democratic form of government now existing in northern Asia. The struggle these people have had in maintaining their democratically chosen government has been occasioned by the fact that their country has been divided at the thirty-eighth parallel and all of that country north of that latitude has been controlled by Russia since liberation day, August 15, 1945.

Liberation day, in the sense of the word, has not been experienced by the north Koreans. At the Yalta Conference, it was decided that north Korea would be under the

control of the Russians and south Korea under that of the United States, for the purpose only of accepting the surrender of Japanese troops. At that time there was no intention of permanently dividing Korea, a small compact country whose economy was complementary—its agricultural, industrial, and mineral resources being interdependent, with agriculture predominant in the south. However, a barrier was set up at the thirty-eighth parallel, and this country was separated into two distinct parts, much to the detriment of their national economy.

Over 90 percent of the iron and steel production is found in north Korea. This is due mainly to the fact that there is available power in this area, in addition to the raw materials. The rugged mountains in this section are rich in ores, and here, too, are found large lumber industries. Chemical fertilizers, so necessary to the agricultural lands of the south, are made in abundance here. South of the thirty-eighth parallel, where more than two-thirds of Korea's 20,000,000 population reside, the main occupation is agriculture, with fishing a secondary industry. With 14,907,973 acres under cultivation, they produce rice and other grains, fruits, and vegetables. Their fishing industry ranks third in the world as far as fisheries exports are concerned. In the past, the northern part of Korea has been dependent upon the south for food, and the south relied upon the north for timber, manufactured articles, commercial fertilizer, electric power, and minerals—including coal, iron, gold, silver, copper, lead, zinc, tungsten, etc. When the Soviet forces occupied North Korea the trading of commodities between the two areas ceased, and the iron curtain was unrolled at the dividing line, the thirty-eighth parallel.

Following the supposed liberation in 1945, the United States made every possible attempt to negotiate with Soviet Russia with the ultimate goal in mind of establishing a government for a unified Korea. Such negotiations failed because the U. S. S. R. would agree only to a unification and establishing of a government which would be controlled by the small pro-Communist minority party.

Immediately after the entry of the United States troops into Korea, a Korean representative democratic council, with Dr. Syngman Rhee as chairman, was set up. Later, superseding this body, a Korean Interim Legislative Assembly was formed—part of which were elected and a number of whom were chosen by the military government in assisting the military government officials in the building of a foundation or future government principles. This group took their oath of office in December 1946 and functioned until May of 1948. The military government used every means in helping the Korean people in the reforming of their own government. In addition to the Korean Interim Legislative Assembly, American supervisors were placed in charge of the various departments and agencies. As soon as the Korean people were deemed trained in their duties, they assumed the leadership in the organizations and the American personnel merely acted in an advisory capacity. The reason that it was not possible for the Korean people to assume the key positions immediately was due to the lack of sufficiently trained personnel. For over 40 years, the Japanese Government had been in control of Korea and all supervisory positions were held by the Japanese and but few Koreans were allowed appointment to such. However, these people, eager for independence and the opportunity to establish their own desired form of government, learned rapidly and in a comparatively short time assumed the duties of administration.

These freedom-loving people have worked very diligently to erase the imprint of the Japanese domination. The Japanese had had complete control of the Korean educational system and no Korean language or history was taught in the schools. Japanese was taught from the first grade on. If a Korean student was found to be using Korean, he was severely punished. Approximately 1 or 2 percent of the Korean students were allowed to attend college. At the time of liberation, the need for trained teachers was so great, that an adult education system was inaugurated and, in this manner, teachers were immediately made available. All Japanese textbooks were burned and their native language restored in the schools. Now, under the compulsory educational system, the youth of Korea is again attending the schools of learning which were denied under the Japanese regime. At the present time, less than 30 percent of the population of Korea, south of the thirty-eighth parallel, is illiterate—due to the endeavors of the adult educational system.

The Department of Public Health brought theretofore heavy death tolls due to cholera and typhus to a minimum by vaccination of the entire populace against these dreaded diseases. They have set up health standards which the people willingly follow.

The land-reform system has restored the lands to the farmers and you no longer find the old landlord feudal system in existence in Korea. The lands, previously claimed by Japanese, have been made available to the Korean farmer by the Korean Government.

The Korean people worked diligently with the goal in mind of eventually setting up their own government. When negotiations with Soviet Russia failed, the issue was taken to the United Nations who voted by an overwhelming majority to hold an election in Korea. Such election was to be under the observation of a United Nations Temporary Commission on Korea and the representatives chosen thereby would be given the responsibility of drafting a constitution and the establishment of a national government.

In January of 1948, the United Nations body arrived in Korea and they immediately tried to gain entrance to north Korea in order to negotiate plans for a free election over all of Korea. Russia doggedly refused to allow their entry and the northern people were not given the opportunity to participate in the election by secret balloting.

A great deal of enthusiasm was displayed in the United Nations-sponsored election and, in accordance with the election law, over 80 percent of the eligible voters registered and approximately 92 percent of those registered actually voted. These percentages exceed election figures in our own United States. The election was held on May 10 and conducted by the Korean people themselves with the United States acting only as assistants. For the first time in the history of their 6,000-year-old country, a free election had been successfully held and they had had the opportunity to choose their own representative form of government.

On August 15, 1948, Sungman Rhee, chosen by the representatives of the people, took the oath of President and their constitution was adopted, thus adding a new name to the list of world democracies. President Rhee is known throughout the Orient as the George Washington of Korea and this infant Republic's struggle for existence might well be compared to that of our own United States during the late 1700's. The Korean people at the present time possess a very determined patriotism and are not daunted by the fact that for the first time in their history, the agricultural south and the industrial north is divided by the iron curtain. Since the election in May 1948, the 200 representatives in the National Assembly have performed a great work in the forming of a government possessing the four freedoms. The people are almost unanimous in their support of this form of government. It was found that 8 of the representatives chosen at the election in 1948 were Communists, posing under other party denominations. These 8 caused such dissension in the assembly that it was demanded by the people and they were removed from office.

Many adverse factors have hindered the new government's progress but, despite such hindrances, the earnest purpose of the people in attaining self-government has been achieved. Now, the important question is, Will they be able to keep it?

Soviet Russia has demanded time after time that the American forces leave south Korea, and that the Russian soldiers will then cease to occupy north Korea. The American forces have been withdrawn but we still hear reports of the presence of the Russian Army north of the thirty-eighth. There is a trained, equipped army of 200,000 Korean Communists in the north, while the south has but a meager, poorly equipped army and navy in comparison. Will there be a civil war in the future, wherein the Communist north army will attempt to invade the southern part of the country, proclaim victory and thus lose the only democratic foothold existing in northern Asia? Such a situation would not only open the door for invasion of Japan by an aggressor, but it would also weaken our position in Japan, where at the present time the Communists are trying to gain sufficient strength to embarrass, if not to obtain control of, the Japanese Government.

The Korean people commenced diplomatic relations with our Western World in 1882 and this friendship has been cemented throughout the years. Even with the domination by the Japanese, this friendly feeling was continued by the missionaries from the United States who for many years sponsored the schooling of Korean boys and girls in the United States so that they might learn the progress of life and teach it to their brothers and sisters upon their return to Korea.

Economic aid to the Republic of Korea is not merely helping another country—in reality it is fortifying our own position in the Pacific. The Korean people have demonstrated their desire to support and conduct a democratic form of government and now are seeking aid—aid which would not be so necessary if the thirty-eighth parallel division did not exist. Should we fail to answer this worthy call for aid, the Republic of Korea may collapse and the Communists placed in a position to overrun the country. Such aid cannot be measured satisfactorily in the worth of dollars, but rather in the worth of maintaining a free government in this—our important friendly sister nation in northern Asia.

New German Threat

EXTENSION OF REMARKS

OF

HON. JACOB K. JAVITS

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Monday, August 8, 1949

Mr. JAVITS. Mr. Speaker, appended is the news story of Drew Middleton from today's New York Times referred to in my remarks today:

PRESTIGE OF BRITAIN IN GERMANY FOUND DANGEROUSLY LOW—SOME HIGH OFFICIALS ADMIT THEY HAVE LOST CONTROL OF PEOPLE IN THE ZONE—DEFIANCE BECOMES OPEN—POLITICAL LEADER RIDICULES DENAZIFICATION—ANOTHER SAYS ALLIES RETAINED NAZI AIDES

(By Drew Middleton)

HAMBURG, Germany, August 7.—The prestige and influence of Britain and to a lesser degree that of the United States have reached so low an ebb in the British zone of occupation, the most populous and economically the most important part of western Germany, that a considerable number of Britons,

many of them highly placed officials, admit they have lost control of the Germans.

Reports from Bavaria, long considered the most difficult and least democratic part of the United States zone, show that there, too, the Germans are becoming daily less cooperative and more antagonistic to the occupation power.

The great majority of intelligence reports, both American and British, agree that the very moment when a considerable degree of power is to be handed over to the Germans and the German Federal Republic the people of western Germany view the occupation forces with increasing arrogance, dislike, and disrespect.

OFFICIALS EXPRESS ALARM

Military government officers in both the United States and British zones who are about to depart for their homelands warn that the Allied High Commission will have a much harder time handling the Germans and their new government than is generally realized.

[An Associated Press dispatch from Frankfort quoted Dr. Konrad Adenauer, chairman of the Christian Democrats, as saying in a campaign speech on Sunday that denazification was ridiculous and demanding that libelous attacks against honest members of the Wehrmacht stop. He also said unrestricted domination of the Allies is finished with the formation of the Federal Republic. [In Nuremberg, the Associated Press reported, Dr. Kurt Schumacher, Socialist leader, charged the Allies had relied mainly on former Nazis to run German affairs.]

Traveling through the British zone for the last 5 days, this correspondent has been impressed by the large number of experienced officials who are genuinely alarmed over the present German attitude and the wave of nationalism with which it is connected.

Such officials still believe the Soviet Union is the great potential enemy of the West, but they are by no means convinced it is the only potential enemy.

"I think we made a grave mistake in concentrating our intelligence services on what the Russians and the German Communists were doing in Germany and not worrying enough about what the non-Communist Germans were doing or planning to do," one told this correspondent.

Another official high in the Military Government in North Rhine-Westphalia, a critical area, remarked recently that he was "morally convinced," although he could offer no definite proof, that some sort of economic general staff existed among the Germans and was directing resistance to the industrial dismantling.

CONTROL OF POLICE HELD LOST

Yet another official said that the British military Government by turning the responsibility for the police back to the Germans too soon had lost control of the German police and that when the next dismantling project began at Gelsenkirchen in the Ruhr on August 15 "if necessary, we will use our troops" to see that the project is accomplished.

He and other officials are convinced that the use of British troops to enforce dismantling would set a bad precedent, but they are equally convinced that with the Germans in their present state of bloody-mindedness it may be necessary and even be salutary from the point of view of western prestige.

However, there are many British and Germans in the British zone who doubt if any action now can restore British prestige. Both parties point out that the fall in British prestige has not been accompanied by any sharp rise in United States prestige.

"It is just that they hate us more, revile us more, and mock us more," one Briton said.

In their present state of mind the Germans are not above using threats. One British regional commissioner is told repeatedly by Germans: "Why do you do this? Why do you do that? Don't you see you are driving us straight into the arms of the German Communists and the Russians?"

The bluff proconsul in question always replies: "I am sorry. I know you will be very happy with your Russian friends."

Other British officials have not been so forthright in the past and part of their present woe is due to the fact that concessions have been made to the Germans in response to these veiled threats of economic or political approaches to the east.

The whole situation represents an amazing change from that which prevailed 4 years ago when this correspondent found the British generally more popular in their zone than the Americans in theirs.

Today discussing the transformation a British official named four principal causes.

First of these he said was the dismantling of industry, which although an allied project is carried out exclusively by the British in the British zone.

"We know that a very large percentage of Germans believe that the present unemployment is due to the dismantling and that the dismantling is entirely a British idea," this source said.

He bewailed the "great mistake" Britain made in not insisting that the dismantling be done by a tripartite commission.

The present wave of nationalism that is finding its most violent expression in the speeches of political candidates of all parties is the second cause, according to this source. Nationalism in one form or another has been on the rise since early in 1943. It has been strengthened by the Russian threat to Germany, the partition, the dismantling and the series of controls instituted by the three western powers, and it is based, most intelligence officers think, on the overwhelming German desire to forget and discount the holocaust of 1945 in a wave of nationalism.

POLITICIANS ATTACKING ALLIES

Until the election campaign began nationalism had been almost leaderless. Now the most respected politicians in Germany are vying with each other in attacks on the Allies and demands for the lifting of controls.

The third cause of the loss of British and western prestige is misinformation, according to this source. This problem, general in Germany, is acute in the British zone.

The British no longer control the editorial policy of a single paper in their zone and the editing is done in a manner to paint a shabby picture of Britain and her policies.

Foreign Secretary Ernest Bevin's recent speech in the House of Commons on dismantling provides an example. The German newspapers in Hamburg printed everything Secretary Bevin said about Britain's intention to continue dismantling and nothing on his statement that Britain consistently had sought for a higher level of industry for Germany at various meetings of the Council of Foreign Ministers.

The British do not have, as the Americans do, an overt publication, which in the United States zone is the Neue Zeitung wherein they can state their case.

Repeal of War Excise Taxes

EXTENSION OF REMARKS

OF

HON. ESTES KEFAUVER

OF TENNESSEE

IN THE SENATE OF THE UNITED STATES

Monday, August 8 (legislative day of Thursday, June 2), 1949

Mr. KEFAUVER. Mr. President, I ask unanimous consent to have inserted in the Appendix of the RECORD an editorial which appeared in the August 1, 1949, issue of the New York Herald Tribune.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

REPEAL THE WAR EXCISE TAXES

In a national tax structure marred by inequities and fiscally inappropriate levies the retention of war-created excise taxes is one of the most irritating features. Designed to help suppress wartime inflation the taxes continue to discourage consumer spending with great but undesired efficiency at a time when our concern is to keep the flow of consumer spending at a high level. Although the force of this truth is not lost upon Congress, it is naturally reluctant to repeal the taxes because it fears that the resultant loss in revenue would add further to the deficit already anticipated for 1949–50.

We have reason to applaud, therefore, the excellent presentation of the case for repeal made by Mr. Beardsley Ruml, a private citizen who has performed distinguished service for the Government in fiscal matters on other occasions, Mr. Ruml points out that the industries subject to the levies suffered disproportionately during the sales and employment declines of the last few months. With consumers buying more warily and searching for bargains, the taxes on such things as furs, leather goods, communications and transportation, to name a few, have been strong deterrents.

Taking account of the danger of losing Federal revenue and adding to the deficit Mr. Ruml meets the issue head-on. He believes that the loss in excise tax revenue would be almost entirely offset as a result of the boost in sales and employment the affected industries would enjoy. This boost would raise Federal revenues through the additional corporate income taxes paid by these industries and through the personal income taxes of people who might otherwise be unemployed; and it would reduce unemployment insurance payments as individuals now unemployed are returned to their jobs.

It would be foolish to make exaggerated claims either for the stimulus that repeal would provide or for the offsetting revenues it would engender. But if Congress is still concerned about losing the billion dollars, more or less, that repeal might entail, it has a further offset at hand. That would be an across-the-board cut in the original appropriation requests for all purposes on which it has not yet acted. On the grounds of eliminating sheer waste in Federal spending practices, such a cut has ample justification. As a companion piece to excise tax repeal, its justification is strengthened.

Gold

EXTENSION OF REMARKS

OF

HON. COMPTON I. WHITE

OF IDAHO

IN THE HOUSE OF REPRESENTATIVES

Wednesday, August 3, 1949

Mr. WHITE of Idaho. Mr. Speaker, it is reported that when the great financier J. P. Morgan, the elder, was testifying before a congressional committee and some member asked him, "What is money?" he replied only gold is money. There is inserted herewith Mr. J. C. Piver's essay on gold, taken from his book entitled "Sun and Mankind," which compares with John J. Ingalls' famous essay on grass:

Men seek to obtain all the gold they can lay their hands on, not only with a view to

saving it, but also on account of its power, since they knew only too well woman's desire for that metal. Consequently, there is a direct connection between gold and life; since life is the result of love, and jewelry and gold both have always contributed greatly to the maintenance of love.

As far as we know, no other metal (nothing) on this earth possesses or has ever possessed so great a power over the human imagination—both in men and women—as gold has. (This blind devotion to gold must have some explanation.) The interrelationship among gold, work, and salary is a direct one, but it is likewise directly linked with the sun, since the sweat of labor is produced by the sun and its salary is received in gold or a representative of gold.

In view of the foregoing, and noting the magnitude of today's world economic chaos, it would seem that in the evolutionary period in which we are now living, gold is the sole means of payment permitted by the Creator, said metal being in this period the regulator of human production on earth. When one observes today's confusion ruling the world over, it is not surprising that the dictators we know had a chance to thrive.

Could it be that the sun, which rules all things on earth, the hours of the day, the crops, the seasons, the ripening of fruits and grain, should also regulate man's production by means of this yellow dust, strangely reminiscent of our daily sunlight, which indeed seems to be the goal of all human efforts? And why should not this hypothesis be correct if anything that grows out of the soil is directly linked with the sun, as already mentioned? Why should not man's production, the cities, the factories, the engines, the railroads, the ships, etc.—all that mankind's brain produces, "makes emerge" from earth exclusively with the purpose of capturing gold—also be directly linked with the sun? How could it be otherwise if food itself is subordinated to the solar influence?

Well, we believe that the extraction of gold is the pace, the extraction of gold is the measure, and should not be altered. This yellow dust is for mankind what moisture, light, the heat of the sun, is to the trees, the golden leaves, the pastures, the golden crops. But what an arduous task it is going to be for the human race to effect a little order in the prevailing monetary mess, brought about by false currency and a planned economy. For those of us who belong to a generation that saw gold flowing from hand to hand, the custody of gold by State banks, its present grotesque distribution in the world is something truly diabolic. The world is ruled by interest and that interest always, directly or indirectly, represents gold and this gold must flow freely.

Man needs heat for life and happiness. This heat—directly or indirectly—is derived from the sun and men know, all of them, that this yellow dust, known as gold, so strangely reminiscent of the daily sun, provides all over the world, as an irrevocable means of exchange, food, clothing and housing, all of which means calories, that is, heat indispensable for life. This explains the reason why mankind works so hard to secure this precious metal—because it means securing life itself. This explains also why mankind, cheated by paper currency, secured "artificially" heat, food, clothing, and a roof and procreated so enormously in the last 80 years, as much as from Christ to 1860. Gold is a supernatural measure and should not be altered.

The world is a global unit. It would seem that gold has as its principal mission on earth that of serving as recompense for labor and this recompense for labor must not be altered or modified, since, as would seem from its slow-paced mining, it is a work regulator on earth, a regulator of production. If we consider gold as a messenger of the sun, it would constitute an unequivocal proof that the economic world must be an aggregation forming a global unit, since the recompense metal is coveted by all human beings of the planet and, in consequence, the proceeds of labor must circulate freely, since the recompense is the same for all people. This would also be a proof of the present necessity of removing customs barriers, the originators of conflicts. The blocking of foreign accounts will continue so long as these barriers exist. And if it is true that the metal is the regulating and interplanetary recompense, the Communist theory is inadmissible, since a recompense for work done is something sacred.

It is, therefore, not surprising to see the price of gold increase so enormously in the last few years, with the slow mining rate on the one hand, and on the other, population doubling in 50 years. What is consoling in the midst of the disaster is the morality in the punishment, a terrible penalty for the wrongs committed in times past. Thou shalt not steal. This colossal punishment, the total world mess, constitutes one more proof of the fact that a superior moral force rules us in the cosmos, ratifying the threatening words of the Bible. Men born and things built through inflation are destroyed by fire and bombs at a frightening rate of speed.

The Hawaii Strike

EXTENSION OF REMARKS

OF

HON. JOHN PHILLIPS

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, July 13, 1949

Mr. PHILLIPS of California. Mr. Speaker, the papers have announced the passage of an act, by the Hawaiian Legislature, giving the necessary power to the Governor to seize the industries and thus stop the Communist-controlled strike and again to feed the people. That was necessary, but Mr. Speaker, we should not overlook the fact that all the time, for the entire 98 days of this disastrous strike, the President of the United States had the power to stop it any time. Why are not the citizens of Hawaii as important to the President as the citizens of Berlin? Do you suppose this blind side toward the Pacific is due to the fact that the President's power to control the strike came to him with the Taft-Hartley Act and it might have created an embarrassing situation to him personally if he had used this power at the same time trying to make a case against the act itself?

I have asked unanimous consent to print with these comments an editorial which appeared recently in the Los Angeles Times. The editorial follows:

THE PRESIDENT'S POWER IN THE HAWAII STRIKE

In connection with Senator KNOWLAND'S proposal to give the President specific power to deal with the strike now paralyzing Hawaii, President Truman says at his press conference he is not sure he wants such power as it is a local matter.

He also said the President has inherent powers to deal with strikes affecting the national welfare, but that in the case of the Hawaiian strike, this power does not exist.

Now you have it and now you don't. Why does this mysterious and undefined power vanish, and when? The question is not answered.

First it may be said that if the President thinks he has any powers not defined in the Constitution, then it is time he was disabused.

Second, who tells him what happens in Hawaii does not affect the national welfare? Hawaii is an American Territory, ready for statehood; its people are American citizens, entitled to all the rights of anybody on the mainland. These rights include the right to have transportation vital to their well-being. At present, because of an unconscionable hold-up by Harry Bridges' longshoremen's union, they are shut off from the world.

This Hawaii strike is far more than a local matter. It affects the whole country. The President is badly misinformed if he thinks otherwise.

It could be that he fears his efforts to apply the Taft-Hartley Act to the Hawaii strike would redemonstrate its necessity and usefulness at a time when he is trying to get the act repealed.

Why Democratic Socialism Breaks Down

EXTENSION OF REMARKS

OF

HON. RICHARD B. WIGGLESWORTH

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, August 2, 1949

Mr. WIGGLESWORTH. Mr. Speaker, under leave to extend my remarks in the RECORD, I include a quotation from an article entitled "Why Democratic Socialism Breaks Down," by Mr. Willford L. King, economist and author of Keys to Prosperity:

Control of industry by government is the very essence of socialism. Every socialistic government must, then, take the responsibility for fixing wages and also the prices of industrial products. Most of the voters are wage earners. Therefore, to maintain itself in power, the government must keep the support of the wage earners. Obviously, the wage workers always want higher wages, and government has no alternative except to yield to their demands.

But the voters also demand lower prices for the goods which they buy. The government failing to grant this demand is quickly replaced by one which is more compliant. Hence, in England, France, and Italy we find the Governments boosting wages while keeping down the prices of the products of industry. The result is, of course, that either the industries lose money or the government uses subsidies to keep prices down. In either case the result is a treasury deficit.

The government tries to meet this deficit by taxing the wealthy, but soon it absorbs all of their income, and still the deficit grows. It cannot tax the masses more and still stay in power. Hence, it does the only thing left—it prints money to pay its bills. But more money makes higher the prices of goods bought by the voters. This brings demands for still higher wages. The government, perforce, yields. The result is a larger deficit and more inflation.

Rationing and price fixing are tried. These measures result mainly in generating flourishing black markets. The government fails.

The next government meets with the same difficulties. The situation gets worse and worse, and the attempts of the government to meet recurring crises grow ever more frantic. The only remedy seems to be a dictatorship of the right or of the left.

In the light of experience, is it not, therefore, evident that democracy and socialism mix no better than do oil and water? In other words, is it not clear that every collectivist democracy contains within itself the

seeds of its own destruction? If such is the case, it appears to be true that a socialistic state, if it is to be even moderately successful, must have a government which is not dependent for its support upon the votes of the masses. Now we see why the policies of the Russian Government are so much less wavering than are those of the socialist democracies. In Russia, the function of the masses is to obey orders without question.

This means that socialism and democracy are inherently inimical, while socialism and absolutism are natural partners. It does not mean, however, that the latter pair can ever secure any such efficiency in production as that developed in a republic by free enterprise and competition. In the collectivist state, the managers of industry obtain their positions, not because of their skill as producers, but because of their political acumen. By contrast, where competition is free and keen, the industrial magnates are chosen by the dollar votes of the customers. The producers who serve the public best thus receive mandates to continue and expand their services.

Furthermore, no government-controlled regime can equal a competitive system in furnishing to men and women producers the incentives which lead them to do their best to increase output. Only where everyone is free and rewarded adequately are human energies released in full. Only under such conditions do all classes really prosper and enjoy life.

Agricultural Conditions

EXTENSION OF REMARKS
OF

HON. JOHN C. STENNIS

OF MISSISSIPPI

IN THE SENATE OF THE UNITED STATES

Tuesday, August 9 (legislative day of Thursday, June 2), 1949

Mr. STENNIS. Mr. President, Representative JAMIE L. WHITTEN, who ably represents the Second Congressional District in Mississippi, has rendered distinguished services in the House of Representatives as chairman of the House committee handling agricultural appropriations. Representative WHITTEN, who is an authority on the subjects dealt with by his committee, delivered a splendid address at Mississippi State College on August 3, 1949, as an outstanding part of the Farm and Home Week program. I think his speech will be of value to all the Members of the Congress, and I ask that it be inserted in the Appendix of the RECORD.

There being no objection, the address was ordered to be printed in the RECORD, as follows:

Mr. Aldrich, Dr. Mitchell, ladies and gentlemen, I deem it a distinct honor to be invited to be with you on this occasion when our people from all over the State have gathered here to celebrate Farm and Home Week. Since I have been in Washington, and before, your institution and its graduates have been most helpful to me. For the past 2 years it has been my privilege to work with one of your distinguished graduates, Senator JOHN STENNIS. Our Senators and the Mississippi delegation, if I may say so, are doing a fine job in Washington. Senator STENNIS reflects credit on your institution and the State of Mississippi. You have a wonderful institution, one that is outstanding in the Nation. I have taken pride in the wonderful achievements you have made under Dr. Mitchell. Perhaps my appreciation has grown during the last few years due to the work I have had to do with agriculture and with the fine people in the extension service, with the experiment station, and in the other numerous branches of our State college.

For the past 5 years I have been a member of the committee handling agricultural appropriations in the House of Representatives. In the present Congress I am chairman of that five-man committee. In this capacity I have come to appreciate the broadness of the agricultural field, the tremendous benefits that are accepted today by our people but which trace back to work of the Department of Agriculture, the Extension Service, to research, and to experiment, and I should add to the fine agricultural schools that have trained the personnel that has made our agriculture great. On that committee we deal with the REA, with the Farmers Home Administration, with research, with 4-H Club work, with the Extension Department, with plant and animal diseases, with price supports. We handle funds for the AAA program, now the ACP, and the soil-conservation program, and, yes, we deal with surpluses, for our committee handles the Commodity Credit Corporation, section 32 funds, and the school lunch program. In fact, each year the whole department budget from A to Z comes before our committee. You cannot serve on that committee without learning much and without having a fine appreciation for all those who work together in the field of agriculture, and most of all, those of the farm and home who are the most real of real Americans.

It is with a feeling of pride that I come home to Mississippi. During the past 15 years I have been in most of the States of the Union and believe me, our State can hold its own with any of them. In addition to our fine people, we have the climate, the rainfall, and thousands of fertile acres. We have the oil and the timber. We are getting the roads and, yes, beginning to get the markets. You cannot go into the arid areas of the West, where they raise cattle and make money at it, or into the areas of the Northwest, where the feeding of cattle and dairying are prosperous industries, without wondering why the people of our State do not get rich from growing cattle, either beef or dairy. We have many times the grass that they have in the West. We do not have to feed our cattle to the same extent or house them at the terrific expense which is a heavy charge against these industries in the Northwest. I may add, however, as you all know, we are making rapid progress in dairying and in growing beef cattle. Mississippi furnishes more than half the milk for the Memphis (Tenn.) milkshed, most of it coming from the Second Congressional District, which I have the honor to represent.

The records show that during 1948 Mississippi produced 23,945,597 pounds of butterfat for the market and that more than $23,000,000 were paid for milk and cream. We have cheese plants and condensed and evaporating plants which add to the farmers' income. We have made the same progress with regard to growing beef cattle. In my own area, according to records of the Panola-Tate Livestock Association, $2,500,000 worth of beef cattle were sold during 1948. In addition more than a half million dollars of breeding cattle were sold. These cattle were sent to many States of the Union and to 20 foreign countries. We have the same production over much of the entire State. Six times in the last 11 years the State of Mississippi has produced the champion Hereford bull.

In spite of our advance in dairying, I am advised that each day great milk bankers drive through our State to New Orleans, Mobile, and other cities from distant points in Wisconsin and Minnesota, and each day thousands of gallons of milk come into Memphis from those areas because our production will not meet the demand.

Notwithstanding the fact that we have built up fine herds of beef cattle in many sections of our State there is still a premium for "Kansas City beef." Today we have made real progress. Tomorrow holds great promise for we are just at the threshold of grain feeding our animals. Once we do that there should be an end to the premium paid for "Kansas City beef." I believe such day is already on its way. In the Congress we have tried to do our part by providing marketing news services at Jackson and at Memphis. This should enable both points to grow into still larger markets for our farm products with better prices to our farmers.

During the past 13 years we have seen the rapid expansion of electricity to our farm homes, making possible a more full enjoyment of farm living, removing much of the drudgery and enabling the farmers to better operate dairies, and other businesses. When the REA was created, only 2,802 farms in Mississippi had central current or less than nine-tenths of 1 percent. On July 1, 1948, 99,120 farms were receiving central station service and in this year more than 15,000 will be added. Of all this program less than three-tenths of 1 percent of all borrowers are in arrears in repayment and most are ahead of schedule. The interest paid to the Government far exceeds any probable losses.

We have constantly urged the expansion of this program that all rural homes may be served. Electric power together with good roads and good schools has done more for the people than anything that I know. Life on the farm has always had much to offer but there has been the drudgery, and the lack of conveniences which were the seamy side of farm life. I know for I was reared 15 miles from the railroad on a hill farm in Tallahatchie County, among the finest Americans anywhere. Today with electricity, with the automobile, with consolidation of schools, the boy and girl, the man and the woman out in the country have everything that those in our cities have and lots more in the advantages that have always gone with life in the country. The work isn't finished. We still have much we can do in improving our homes, our schools, in extending rural electricity, in building roads, but the proof is in, the case has been made.

Today we honor the farm and home owners, and, more particularly, the more than 700 Mississippi farm families who have paid for their farms, purchased through the FHA. Most of this group finished their payments 35 years ahead of schedule. Thousands more are far ahead of schedule in repayment. We all are proud of these families and of this program, a self-sustaining program which helps people to help themselves.

When we took stock during the depression we found that thousands and thousands of acres of our soil were gone forever. No longer was there land which could be cleared and the old worn-out land discarded. No longer could the family move westward. There were many reasons for this waste of our soil. When our forefathers settled this country, land was the cheapest thing there was. It was good business insofar as present income was concerned, to drain the land of its fertility and then to clear more. Our forefathers followed that practice and succeeding generations grew up to believe that was the way to farm. Then in our State we became dependent on one crop, cotton, not simply because cotton would grow well in our State, but for the further reason that we had no cash markets for much of anything else. As all now know, this depleted the soil and in most cases financial returns were so small that the money was not to be had to protect or restore the soil. Recognizing that the Nation and future generations had an interest in this great natural resource, fertility of the soil, the soil conservation program was set up by the National

Congress. Under the program the National Government said to the farmer that if he would follow good soil practices, if he would restore his soil the Nation would make a contribution toward the costs. This Federal contribution has averaged about one-half of the money cost with the farmer putting up his labor in addition to his half of the cash outlay.

There is no question but what the great natural resources of our Nation have been the real basis of our high standard of living. Therefore, all our people have an interest in our soil fertility, in its productivity. The fewer people it takes to provide shelter, food, and clothing for the rest of us, the greater the number of people left to produce radios, cars, refrigerators, and the thousand and one things fo all of us, luxuries to most of the world, but taken by our people to be necessities.

The people of our towns and cities have a real interest in the fertility of the soil in the adjoining areas. The merchant has an interest, the doctor, the lawyer, yes, and the preacher. They have a real interest in the methods of farming employed by the farmers of the county though the farmer owns his land and has the legal right to farm it any way he wants, for all prosper only as the area around them prospers, the Nation prospers only as all its areas prosper. Let the farm production go down, let the land become exhausted and half the people will have to move out of town and the half remaining will have more of a struggle to make a living. Let that happen over the whole Nation, and more and more people will have to be employed in the production of food and clothing and fewer people will be left to provide the manufactured articles that all enjoy. That has been the situation which helped to bring about the low standard of living in much of this troubled world today.

We have done a wonderful job in Mississippi in this field: We have organized 70 soil-conservation districts covering nearly every county in the State. During the years of this program more than 400,000,000 feet of terraces have been built, 20,000 livestock dams have been constructed. More than 20,000 acres have been planted to trees. More than 1,000,000 acres have been reseeded; 15,000,000 acres have had green cover crops and more than 5,000,000 acres have been treated with lime or superphosphate—all this in addition to what has been done outside the program.

Yet in spite of these concrete results that I have numerated, this program will have failed unless our people continue this change in their way of farming; unless they continue to take care of the soil, rotate their crops and preserve in the land the ability to produce not only for today but for future generations. This program was started because of the tremendous need. In view of the cost it was believed that the Federal Government should institute such program, contribute toward its cost in order to awake a consciousness in the minds of our farmers of the very real danger that we would, in a few years, find all our soil gone. The Government has helped to finance practices only to bring about such practices by the farmers themselves. Whether that course was wise will be determined by what our farmers do on their own initiative in the future. We must guard against any thought that it is an obligation of the Federal Government to pay our farmers to do right by their own soil. Such a feeling would destroy our initiative and independence.

What I have been discussing is not new to you. They are not new to the farm and home owners we honor today. I have mentioned these things to point up what I think we must keep in mind today as never before. At one time it was believed that the individual had the responsibility of providing his own trail to his own home; he had the responsibility of providing for the education of his own children through private teachers whom he paid from his own pocket. As time passed our people began to see that greater opportunities were to be gained if they banded together and built and worked roads. Then later it became apparent that the government, the local government could best do this job, each citizen through the payment of taxes contributing his share of the cost. In later years we found, with the automobile, that through highways could best be built under specifications uniform to a degree, first on a State basis then later on a national basis. Thus you had your State and Federal road programs. So it was with schools. At first a few families banded together and hired a teacher who taught through all grades, the families paying the cost. Gradually it became apparent that schools would be much better for all if grade schooling was taken on as a local government responsibility and we have had tax-supported public schools since with a wonderful improvement in the opportunities for our boys and girls. This same process has been followed in many instances and we would not change back to the old system. This progress has not been easy, for many people believe everything old is good and everything new is bad. That is not true. Neither is it true that all that is old is bad and everything new is good. We must be careful and thoughtful, we must compare the advantages and disadvantages before we embark on radical change. Otherwise we may find we have made a bad deal. When these programs are local we can see the costs, accept them if reasonable, reduce them if not. If change proves bad it is easier at the local level to turn back. At the national level things seem to get out of control.

With the depression, our people began to look to the Federal Government, to Washington. Action was taken by the Congress, most of which proved good, some of it bad. I dare say that most of us under the dire circumstances existing at the time would have gone along in the hope that Federal legislation and programs might help. With the development of such national programs, with the increase in the Federal money distributed over the Nation, I am afraid too many of our people have come to look to Washington as a place or a source of something for nothing. Washington, or the Nation, does have a place in our life. There are many problems that face us as a Nation. There are many things that we can do as a Nation, all regions working together, but Washington should be limited or should limit itself to those fields where the National Government can best do the job. That is true in order to have the best government. Washington is a long way from home. Our people cannot see to the same extent the use of tax money and the terrific costs of operation of the National Government as they can with local government, though they are becoming more and more conscious of it.

I am sure all elected representatives of the people want to do more and more for their people, the people they represent. There are many fine things we all would like to have. There are many additional programs that we would enjoy, if we but had the means. But you must bear this in mind: Neither Congress nor the President can do anything for you that you yourselves do not pay the bill. Every dollar spent for any worth-while program must be gotten from the people either in taxes or by the sale of bonds, and much of the money collected is spent in administration of the program so that you do not get back all that is paid in. I hear on many hands complaints at the Congress collectively for spending too much money, and yet practically all domestic expenditures have been made at the demand of the people. The annual appropriations are huge, but they are not more than half that which a great percentage of our people are urging, yes, many times, demanding. I can't help but believe these demands are made without realizing that Washington has nothing to give that it does not take from the people. Again, the Federal programs have gone so far that perhaps some may feel that since everyone else is getting Federal money he must get his share. That is a dangerous doctrine, one that could lead to the destruction of our Nation.

Today our Nation has a debt of more than $250,000,000,000 and according to the Department of Commerce the value of all our physical assets is only $145,000,000,000. For the past fiscal year we lacked $1,800,000,000 meeting expenditures. That must be made up by more borrowing. Next year it has been estimated that we will lack $5,000,000,000 meeting expenses. True it is that approximately 65 percent of total expenditures is for national defense, for interest on our national debt, and for programs coming as a result of the war. Nevertheless it is money spent. It is true that we built up this huge debt in winning the recent war, the most disastrous war in all history. Since the war billions have been spent in trying to keep that war from having been in vain. Demands were made for billions for UNRR for relief of our late allies and others. Then billions were requested for the Marshall plan, to prevent the spread of communism and to give an outlet for many of our commodities and to restore trade. Millions were demanded for Greece and Turkey to prevent them from falling into Russian hands. Now we have the Atlantic Pact and demands for billions more from a National Treasury already exhausted. Each time we were led to believe, and we hoped, that this would be the last call. It seems to go on and on. When will it end? Where will it end?

While I voted against continuation of UNRRA and against the British loan, believing the first was not reaching its objective, and believing the loan to the British should be through the Export-Import Bank where we could control the use of the funds, the world situation being what it is today, we must support programs which we believe will help to prevent war. We have lost China, the situation is anything but good in Korea. Our last hope in the Orient seems to be Japan. Sometimes it appears that our international problems are insurmountable. Nevertheless, we all know we must provide for national defense, for without adequate defense we have nothing. At the same time we must realize that Russia could also destroy us by leading us to bankruptcy. Other countries have turned to us. If we become bankrupt there is no place for us to turn. We cannot, in my opinion, continue deficit spending. I have personally tried to provide by law that a percentage of the Nation's income be applied to payment on the principal of the national debt. So far I have been unable to get enough votes to pass such measure. If we are not to pay anything on the debt now, when can we expect to pay it? If we cannot pay anything on the Nation's debt our bonds will have to be refunded when they nature, at higher rates of interest, and an even larger share of the national income will have to be used to pay interest. We have reached the point where some actually urge deficit spending not to meet an emergency but as a cure. It is like saying we don't have enough wealth to go around so we will just distribute a little more debt among the people. Could anything be more unsound?

The people of Mississippi a year ago owed less money to banks and other lending agencies, owned their own homes to a larger extent, and had more money in the bank than perhaps at any time in our history. And yet this national debt is a charge against it all. Many of our citizens have bonds in the bank but frequently we overlook the

fact that each of us has his name signed to all the bonds that others hold, $252,000,000,000 of them. Along with this looking to Washington because of the Federal money which has been distributed from there and perhaps because of the world-wide unrest, our people look as never before for security. We have had the various social or security programs passed by the Congress at the urging of the people, from most of the Nation. Employers contribute, employees contribute, all contribute and the amounts are credited on the books of the Nation. Overly simplified it means that you and I are both worried about the future, about our security, so I promise to look after you and you promise to look after me, we hire someone to keep the records and be responsible for our contributions and we are both satisfied though we will each have less than if we had looked after ourselves, because we two have to support the fellow who keeps the books. If we would but think, this security is dependent entirely upon the solvency of the Nation, upon its ability to collect taxes from the people to pay to the people for their security when the obligations become due when that time comes will the Nation have anything with which to pay?

A few years ago there was a man in my area of the State who worked for a mercantile establishment. He was single, his tastes were inexpensive, so he drew out of his salary each month only enough on which to live, leaving the balance to his credit on the books of the store. This continued for more than 30 years. He built up thousands of dollars of credit on the books of the store. When age and illness overtook him and he called on the store for his money, the store couldn't pay. It went into bankruptcy. The security which he thought he had, for which he had worked all his life did not exist. He became dependent on the aid of his friends, and died a pauper. Is not there a real danger of that with regard to our Nation today?

We must not condemn the seeking for security nor provision for security.

The desire for security by the individual through the years has resulted in the purchase and ownership of property. It has resulted in the development of our natural resources. Such desire has resulted in the education of our children, in the payment for insurance, has resulted in savings, capital, which under our system has made our Nation great.

When we substitute for this effort by the individual, a law upon the Federal statute books with credits on the books of the Nation, when we ask that someone else provide for our security we become dependent upon the Federal Government and its solvency, just as my friend was dependent upon the solvency of his company.

Social security and social programs may be good when within our means to pay. But when promises are made and laws are passed, providing such programs beyond the ability of the Federal Government to pay, they are a cruel delusion, individual initiative is dimmed and the Nation loses the drive, the effort of its citizen. The citizen loses because in his time of need, the promises upon which he relied cannot be carried out.

There is another danger. If all the people look to Washington and get dependent on Washington, then some group will get into control of our Government and remain there as long as there is money to be had either from taxes or from the sale of bonds to be distributed to the people before election time. What will happen when there is not enough income from taxes or the sale of bonds to pay for these programs and to meet interest on the national debt? Is the national debt to be repudiated or paid in paper money? It has happened in other countries. Will whole industries be taken over, the proceeds used to carry on these programs? It has happened in England.

Probably our greatest danger is not in this threat of national bankruptcy, though there is real danger of that, but is in the effect such national policies have upon the initiative and the energy of our people, young and old. Why work and save if what you accumulate, if what you have, is to be taken and distributed to those who neither work nor save? We have the example before us of people more and more wanting the Government to take care of everything. Perhaps it is the troubled world situation, as one historian has described it, that makes people want to herd together. They devote themselves ardently to whatever there is left of the sheep in them. They want to walk through life together, nose to hip, following the course of least resistance. I believe the average American is sturdy and self-reliant. But among those of that kind we find about us too many who want something for nothing. They constitute what is known as the sucker list for every world saver or political campaigner. They want gain without risk, honor without sacrifice, authority without responsibility, security without denial, profit without investment, ease without hardship, prosperity without industry, production without toil, progress without pain. They do not want to pay. But they do pay and unless those who are strong today hold back this trend I fear for the future of our Nation. The American people must realize that the Federal Government is our Government, that it has a real place in our scheme of things. But it must be kept in that place. We must be sure we are getting our money's worth for the people must foot the bill.

All recognize that we have an obligation to care for the sick, the aged, and national programs are in line to enable people to help themselves. No one would return to private roads, to toll roads, to private schools. We would expand the REA and good roads, improve our schools, increase our markets, increase and improve our homes and our living. We would meet our responsibility, but we must retain to the local government those things that can best be done locally and require the individual to do those things that he should do for himself. Then leave to the National Government only those things that can best be done by all the territory of the United States working through its duly elected National Government, for the National Government can give nothing that it does not collect, and much is lost in the process. With each and every national program, not only will ge have higher taxes if there is not Federal control, there is at least Federal regulation, for Federal funds are always provided upon terms and conditions, resulting in the loss of more and more freedom for the individual and more and more dependence upon the Government.

In spite of all the problems facing us we in Mississippi have a wonderful opportunity, and we should use it. We have the great oil development of the last few years. We are rich in other natural resources. We have greatly increased our manufacturing, our industry, which gives us diversification. We are rapidly reaching the place where we no longer have to send out our raw materials for manufacture and pay heavy freight bills when our own raw materials are sent back to us as finished goods.

For the first time since the Civil War we have the capital for our own development. Let us not trail off after new programs from Washington which may seem to give something for nothing, but by application we must continue to develop Mississippi ourselves. Truly I believe our present and future is brighter than that of most any State in the Union. We can make that future even brighter by our own efforts.

I am glad you invited me here to honor our home owners on this day of Farm and Home Week, for there rests the real bulwark of the American Nation. Perhaps he has had to borrow his down payment and perhaps he has to have time to pay off his mortgage, but it is his to have and to control. A home, however humble, not quarters furnished by the Government with tax money where the period of stay is determined by some elected or appointive official who may control his votes, but a home, title to which is in his own name, his place, one he can improve, a place that is veritably his castle. To a large degree, our farm and home owners are the ones who believe that they themselves can better their capacity, and that only what they do with themselves will result in bettering their situation. As someone has said they are the ones who are wary of benefits that do not benefit. They are the ones who realize that a 30-hour week doesn't necessarily help the one who has it but helps the one who works 40, 50, or 60 hours a week or until the job is done. Whether they farm, teach, or run a machine, they are the ones who give more than the job demands, and thereby find themselves in demand.

There are many problems that beset the Nation today, but the farm and home owner, the man who earns and pays for his place, who respects his debts and who provides for his family, is not one of them. There is no worry with any of us that there is any communism there. We don't have questions raised as to his patriotism. We would continue the Farmers Home Administration and the Federal Housing Authority and other programs which help folk to help themselves. We would continue more good roads, schools, rural electricity; yes, through the instrument of Government because it can best be done that way, but not as a gift but on a sound basis with full pay for services rendered. Our home owners, the real backbone of democracy, independent, yes. He wants to do for himself. He can retire at night with a contentment of a job well done, with a family reared to look after themselves and if those of our people can only control we need have no fear of the future, though our problems be great. With God's help they will see to it that we remain strong. I salute the farm and home owners of Mississippi and the Nation.

Financing of Domestic Mining Ventures

EXTENSION OF REMARKS

OF

HON. WESLEY A. D'EWART

OF MONTANA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, August 9, 1949

Mr. D'EWART. Mr. Speaker, under leave to extend my remarks, I include a resolution adopted by the advisory committee of the Helena, Mont., loan agency, addressed to the Reconstruction Finance Corporation, with reference to financing domestic mining ventures.

The unfavorable position in which the domestic mining industry finds itself as the result of recent administration policies and other factors beyond the industry's control requires corrective action. The mines and mining subcommittee of the Committee on Public Lands has made a lengthy and detailed study of the matter and advanced its suggestion in the form of a bill, H. R. 976, and other bills, which await consideration by this body. The suggestion of the Helena advisory committee also deserves the earnest con-

sideration of those concerned with the future of our mining industry:

At a meeting of the advisory committee of the Helena Loan Agency held at the office of the agency on July 20, 1949, the mining situation in Montana and in the West was discussed at length. It was forcibly brought out in this discussion that present economic conditions, with sharply reduced prices for nonferrous metals, with continuing high wages and high costs for supplies and equipment, together with the heavy taxes, have seriously reduced prospecting and small mine development, and have even caused many mines in Montana and throughout the West to cease development and operation. In view of the vital need for prospecting and development of small mines, which will over a period of time develop some substantial mining operations and provide the necessary supply of strategic metals for the protection of the national economy, it was considered essential that some means be developed of financing mining development in Montana and in the West, and a resolution was unanimously adopted, as follows:

"Whereas it has been well established over all the history of mining in the West that reasonable financing by risk capital of mining prospects and small mining projects will in time create a number of substantial mining operations producing large amounts of nonferrous metals; and

"Whereas present economic conditions and heavy taxes make such risk capital largely unobtainable from private sources; and

"Whereas the Reconstruction Finance Corporation has as one of its specific objectives the financing of small borrowers, and since present restrictions and regulations in force in the making of mining loans make it practically impossible to negotiate mining development loans: Now, therefore, be it

"*Resolved*, That Directors of the Reconstruction Finance Corporation be requested to liberalize the policies of the Reconstruction Finance Corporation in the negotiation of mining development loans, to provide risk capital for the development of mining properties in the West, and that they liberalize rules and regulations to make possible the ready negotiation of such mining loans when the physical characteristics of the property for which applications are filed indicate further development is warranted. The negotiation under such liberalized procedure would be highly constructive to mining development, and is of vital importance in the security of the Nation in providing increased production of strategic metals. It is urged that if further legislation is necessary to permit the more liberal negotiation of mining development loans, that the Directors of the Reconstruction Finance Corporation appeal to Congress for such specific legislation as may be necessary; it is further

"*Resolved*, That copies of this resolution be sent to the Directors of the Reconstruction Finance Corporation, the congressional representatives from Montana, and to RFC agencies in other western mining States.

"A. T. HIBBARD,
"Chairman, Advisory Committee."

Gabrielson Well Qualified for His Difficult New Job

EXTENSION OF REMARKS
OF
HON. CHARLES A. WOLVERTON
OF NEW JERSEY
IN THE HOUSE OF REPRESENTATIVES

Tuesday, August 9, 1949

Mr. WOLVERTON. Mr. Speaker, it is important there should be at all times a two-party system in this Nation of ours. The position of chairman of the national committee of either of the established parties is one of great responsibility. The person occupying such a position must possess not only outstanding ability, vision and courage, but also rare tact and tolerance toward the varying viewpoints that arise for the solution of the many problems that confront us today.

I am confident that the Republican National Committee has made a wise choice in the selection of Guy George Gabrielson as chairman of the committee. He possesses the qualifications to carry on and fulfill the duties of the high office for which he has been selected. His selection is not only an acknowledgement of his personal ability, but also an honor to the Republicans of New Jersey.

As part of my remarks, and in accordance with the unanimous consent granted, I herewith include the following editorial published in the Courier-Post newspapers of Camden, N. J., on Monday, August 8, 1949:

GABRIELSON WELL QUALIFIED FOR HIS DIFFICULT NEW JOB

This State has furnished a new national chairman to the Republican Party in the person of Guy George Gabrielson, of Bernardsville, lawyer, industrialist, and erstwhile member and speaker of the assembly.

Gabrielson's selection to succeed Representative HUGH D. SCOTT, JR., of Pennsylvania, has not taken place under the happiest of auspices. He was elected without a single vote to spare over the two other contenders, and the committee conclave at Washington gave little evidence that the intraparty feuding between conservative and liberal wings is likely to end soon or that the much-needed formulation of party policy to bring harmony is in prospect.

Apparently the new chairman was elected largely by conservative votes and the faction aligned with Senator TAFT, although some members of the Old Guard such as Owlett of Pennsylvania were to be found in the ranks of his opposition.

In his final address as chairman, SCOTT told the committee that if the GOP does not soon win some national elections, we will be face to face with the liquidation of the Republican Party as a force in national affairs, and pleaded for unity and harmony, with an end to quarreling and useless recriminations.

Every wise Republican leader must agree, and Gabrielson sounded the right note by stating that he intended to act as an impartial presiding officer apart from factions or groups, with the ambition only of building a united, harmonious, driving, and progressive organization.

Gabrielson has many qualifications for his task, including time and money.

A native of Iowa who moved to New Jersey after serving in the Army in World War I, he quickly built up a highly successful law practice and is a director of numerous corporations. He served 4 years in the legislature in the late twenties and has been prominent in State politics for many years. He was elected to the national committee in 1944.

He was endorsed for national chairman, a few days before the committee met, by Governor Driscoll and Senators HENDRICKSON and SMITH, although the endorsements were not made public until he appeared to be the probable selection.

Now 58 years old and, if not a millionaire as reputed, at least more than ordinarily prosperous, Gabrielson is a graduate of the University of Iowa and Harvard law school, a polished, urbane speaker and accomplished politician. He has the knack of getting along with others and of making many friends and relatively few foes.

Not many men would have been anxious to take over the job Gabrielson has accepted. For it is one of exceptional difficulty. It is only proper to wish him well in it.

Military Assistance Pact

EXTENSION OF REMARKS
OF
HON. JOHN DAVIS LODGE
OF CONNECTICUT
IN THE HOUSE OF REPRESENTATIVES

Tuesday, August 9, 1949

Mr. LODGE. Mr. Speaker, when the Secretary of State, Mr. Dean Acheson, testified before the Foreign Affairs Committee on July 28 on the military assistance program I requested information regarding military assistance rendered to foreign countries since VJ-day. I did this because I wanted to establish the necessity for this legislation in view of the fact that substantial quantities of arms and equipment have been transferred to certain countries since VJ-day without specific legislative authorization.

While I approve entirely of the transfers made, I thought it important to clarify this situation.

I also asked the Secretary of State whether section 4–B of the proposed legislation creates a revolving fund.

I am inserting the answers which I have just received from the State Department to these questions:

AUGUST 8, 1949.

The Honorable JOHN DAVIS LODGE,
House of Representatives.

MY DEAR MR. LODGE: During your questioning of the Secretary of State on July 28, on the military assistance program, you requested information (1) on military assistance rendered to foreign countries since VJ-day and (2) whether section 4 (b) creates a revolving fund.

I am enclosing copies of the statements on these matters that we are including in the record.

Sincerely yours,

ERNEST A. GROSS,
Assistant Secretary.

(Enclosures: 1. Section 4 (b). 2. Military assistance rendered in foreign countries since VJ-day.)

REPORT ON MILITARY ASSISTANCE RENDERED TO FOREIGN COUNTRIES SINCE VJ-DAY

The following qualifications of the report should be noted:

(a) The data generally includes only combat material; i. e., arms, ammunition, and implements of war as defined in the President's Proclamation 2776, dated March 26, 1948. In some cases, however, it has not been possible to exclude military equipment not strictly definable as combat material.

(b) Although not included in this report, military equipment other than combat material has also been supplied to foreign governments under various congressional authorities; e. g., trucks, military clothing, communications equipment, etc.

(c) No attempt has been made in this report to distinguish between combat material transferred to foreign governments for the specific purpose of augmenting the military establishments of those governments

and that transferred for other purposes; e. g., for internal police purposes for demilitarization and use in the civilian economy (generally, ammunition).

Military assistance has been extended to foreign countries under the following procedures:

(a) Direct sales of United States military surplus.

(b) Transfers from either military surplus or Government stocks but financed or facilitated by special congressional authorization.

(c) Transfers from Government stocks under the plenary powers of the President.

It should be noted that military assistance within the meaning of the statement in the preceding paragraph is considered to embrace generally only combat material (arms, ammunition, implements of war). In some cases, however, it has not been possible to exclude from the data in this report military equipment not strictly definable as combat material.

A. DIRECT SALES OF UNITED STATES MILITARY SURPLUS (SEE TABLE A)

This Government has continued to dispose of United States military surplus to foreign governments under the authority of the Surplus Property Act of 1944 (Public Law 457, 75th Cong. 2d sess.) as amended. These sales have consisted of limited quantities of aircraft, weapons, vessels, ammunition, and spare parts therefor, which in most cases were needed by the recipient countries for the replacement or maintenance of United States equipment already in their possession. A number of sales involved large quantities of ammunition sold for scrap or salvage purposes. Information on sales under this authority is identifiable in the attached table by the term "P. L. 457" in the last column, and reflects sales completed through May 15, 1949.

Iran: Sales of surplus United States military equipment have been made to Iran under the general authority of the Surplus Property Act of 1944, and have been facilitated by funds made available by Public Law 785, Eightieth Congress, second session, which, among other provisions, provides funds for defraying expenses for the care, handling, and disposal of surplus property abroad. Data reflected in the attached table under this authority are as of May 15, 1949.

Korea: Under the authority of the Surplus Property Act, this Government has transferred to the Government of the Republic of Korea, approximately $40,000,000 in military equipment and supplies. Of this amount, which is based on acquisition cost, approximately $13,000,000 has been for vessels for the Korean Coast Guard, while the remainder has consisted principally of equipment and supplies, including small arms and ammunition, for the Korean Army and police. The transfer of this material has been effected without monetary compensation in consideration of other benefits derived.

B. TRANSFERS FROM EITHER MILITARY SURPLUS OF GOVERNMENT STOCKS BUT FINANCED OR FACILITATED BY SPECIAL CONGRESSIONAL AUTHORIZATION (SEE TABLE B)

Greece and Turkey: Assistance has been rendered to Greece and Turkey under the authority of Public Law 75, Eightieth Congress, first session, and Public Law 472, title III, Eightieth Congress, second session (the Greek and Turkish Assistance Act of 1948). Information on sales under this authority is identifiable in the attached table by the term "P. L. 75 and 472" in the last column, and reflects Army shipments as of April 30, 1949, and Navy shipments as of May 20, 1949.

Latin America: In addition to sales under the authority of the Surplus Property Act, military assistance has been rendered to certain Latin-American nations under the specific authority of Public Resolution 83, Seventy-sixth Congress, third session, which provides the National Military Establishment with limited authority to assist the governments of American Republics to increase their military and naval establishments. Information in the attached table reflecting Army shipments under this authority is as of April 30, 1949; Navy information is as of May 20, 1949.

China: Under the authority of Public Law 512, Seventy-ninth Congress, second session, and following an agreement between the United States and China signed on December 8, 1947, there have been authorized for transfer to China on a great basis 271 naval vessels.

Under the authority of Public Law 472, title IV, Eightieth Congress, second session (the China Aid Act of 1948) there has been allocated to the Chinese Government $125,000,000 which has been used by that government for the purchase of aircraft and other military equipment from both Government and commercial sources in the United States.

The Philippines: In addition to direct sales of surplus property under the general authority of the Surplus Property Act military assistance has been rendered to the Republic of the Philippines under the specific authority of Public Law 454, Seventy-ninth Congress, second session (the Republic of the Philippines Military Assistance Act). Information in the attached table on Army shipments is as of January 31, 1949; Navy shipments include data through May 20, 1949.

C. TRANSFERS FROM GOVERNMENT STOCKS UNDER THE PLENARY POWERS OF THE PRESIDENT

The President, acting under his plenary powers as Chief Executive and Commander in Chief, for the purpose of protecting primary security interests of the United States, has authorized the transfer of combat material from United States Government stocks to France and Italy. The transfer to France under this authority consisted of certain spare parts and replacement items, excess to the needs of United States occupation forces in Germany.

The transfer to Italy consisted of small quantities of military equipment and supplies, primarily small arms and ammunition, which were needed to complete the reequipment of Italian security forces which had been rearmed mainly with surplus allied material in Italy. In authorizing this transfer the limitations imposed upon Italy by the Treaty of Peace were scrupulously observed.

TABLE A.—*Direct sales of United States military surplus under authority of Public Law 457*

Country	Procurement cost	Selling price	Type of equipment
	Thousands of dollars	*Thousands of dollars*	
Argentina	6,673	748	Aircraft, ammunition, small arms, explosives, artillery, spare parts.
Australia	4	----------	Machine guns. Part of bulk sale.
Belgium	44,845	[1] 210	Ammunition, armored vehicles.
Brazil	25,191	3,488	Small arms, ammunition, aircraft, artillery.
Canada	29,626	1,242	Aircraft, radar, light artillery, armored vehicles, spare parts.
Chile	22,265	1,647	Aircraft, ammunition, vessels.
China	102,072	[2] 6,740	Ammunition, aircraft, ordnance and Air Force matériel.
Colombia	7,570	632	Aircraft, armored vehicles, small arms, artillery.
Cuba	15,632	504	Vessels, aircraft, ammunition, spare parts.
Denmark	([3])	1,031	Vessels.
Dominican Republic	501	23	Vessels, small arms, artillery.
Ecuador	4,964	414	Vessels, aircraft, ammunition, spare parts.
Egypt	5,240	540	Vessels.
El Salvador	318	43	Aircraft, ammunition, spare parts.
Ethiopia	11	1	Ammunition, artillery.
Finland	[4] 2,911	190	Trawler and demilitarized mine sweepers.
France	[5] 116,720	10,527	Vessels, ammunition, aircraft.
Greece	15,050	1,990	Vessels.
Guatemala	[6] 2,343	20	Ammunition, artillery, aircraft, small arms.
Haiti	319	34	Aircraft, small arms, ammunition, vessels.
Honduras	92	6	Small arms, artillery, ammunition.
Iceland	85	----------	Aircraft matériel. Part of bulk sale.
Iran	26,469	[7] 5,298	Ammunition, small arms, aircraft parts, artillery.
Italy	[8] 141,357	[9] 22,125	Vessels, aircraft, ammunition, explosives, tanks.
Korea	40,000	([3])	Small arms, ammunition, vessels, miscellaneous ordnance matériel.
Mexico	21,286	644	Aircraft, armored vehicles, vessels, small arms, artillery, spare parts.
Netherlands	7,216	680	Aircraft, vessels, small arms, ammunition, spare parts.
Norway	[4] 7,739	109	Vessels, ammunition.
Paraguay	16	7	Aircraft, spare parts.
Peru	13,870	1,021	Aircraft, vessels, small arms, artillery, spare parts.
Philippines	634	340	Small arms, ammunition, aircraft, spare parts.
Poland	2,600	240	Demilitarized mine sweepers.
Portugal	2,500	562	Aircraft, spare parts.
Sweden	7,632	1,758	Aircraft, ammunition.
Switzerland	6,903	549	Aircraft, ammunition.
Turkey	24,748	1,161	Vessels, armored vehicle parts.
United Kingdom	[4] 70,410	[10] 100	Miscellaneous military equipment.
Uruguay	6,801	831	Aircraft, ammunition, vessels, small arms, artillery, spare parts.
Venezuela	9,339	983	Aircraft, ammunition, vessels, small arms, spare parts.

[1] Includes a large quantity of surplus ammunition for demilitarization, 50 percent of the profits therefrom to accrue to the United States.
[2] Includes $3,736,604 in military surplus financed by Chinese Government from the $125,000,000 grant authorized by the China Aid Act of 1948.
[3] Captured enemy equipment.
[4] Plus captured enemy equipment.
[5] Plus unestimated value of ammunition included in bulk sale.
[6] Includes Army and Air Force equipment valued at $2,041,000 transferred gratis due to reverse lend-lease credit built up by Guatemala.
[7] Facilitated by funds made available by Public Law 785.
[8] Data not complete, since certain figures with respect to aircraft matériel, aircraft, and ammunition are not available at this time.
[9] This transfer was effected without monetary compensation in consideration of other benefits involved.
[10] Plus portion of proceeds included in bulk sale.

TABLE B.—*Transfers from either military surplus or Government stocks but financed or facilitated by special congressional authorization*

UNDER PUBLIC LAWS 75 AND 472

Country	Authorized	Shipped	Type of equipment
	Thousands of dollars	*Thousands of dollars*	
Greece	295,510	270,562	Army and Air Force equipment.
	Unknown	11,358	Navy equipment, including vessels.
Turkey	103,331	87,651	Army and Air Force equipment.
	Unknown	13,840	Navy equipment, including vessels.

UNDER PUBLIC RESOLUTION 83

Argentina	1,709	1,412	Army and Air Force: Ammunition, small arms, explosives, artillery, spare parts.
	2,333	2,333	Naval ordnance.
Brazil	135	135	Do.
Chile	28	28	Do.
Dominican Republic	41	41	Do.
Haiti	166	166	Do.
Mexico	246	246	Do.

MISCELLANEOUS TRANSFERS

Country	Procurement cost	Selling price	Type of equipment	Authority
	Thousands of dollars	*Thousands of dollars*		
China	141,315	(1)	Naval vessels	Public Law 512.
	(2)	25,000	Wide range United States military equipment left in west China by United States troops.	Military operations.
	(2)	None	Ammunition abandoned to Chinese Government by U. S. Marines in north China.	Do.
	[4] 694,700	(3)	Ordnance and aircraft matériel, vessels, tanks, miscellaneous service equipment.	Post VJ lend-lease.
	17,667	(5)	Ordnance and other supplies	Sino-American Cooperative Organization.[7]
			$125,000,000 disbursed to China for direct procurement or through U. S. Government agencies.	Public Law 472.
Philippines	72,556	1,875	Army and Air Force equipment	Public Law 454.
	59,129	(8)	Navy equipment, largely vessels	Do.

[1] Grant basis.
[2] Unknown.
[3] Plus 5.16 billion Chinese dollars. Includes US$5,000,000 in bulk sale agreement.
[4] Includes $336,000,000 in services, the largest part of which involved the movement of Chinese armies by air to reoccupation assignments.
[5] Under negotiation.
[6] Services.
[7] Transferred in exchange for services by U. S. Navy under Sino-American Cooperative Organization agreement.
[8] Gratis.

Section 4 (b) of the proposed legislation creates a mechanism for the disposition of property or money received from foreign countries in connection with the operation of the military assistance program.

Such money or property may be accepted by the President either as payment for particular items of assistance so that the money or property may be said to be the proceeds of a sale to a foreign country. On the other hand, money or property may be received not in payment for particular items but as part of the general scheme of mutual aid.

If money is received merely as general mutual aid, without relationship to specific items transferred to the other country, such funds will be covered into the Treasury as miscellaneous receipts and are not available for the purposes of the program. The same disposition will be made of the proceeds of the disposal of any property received as general mutual aid. However, the President is not required to sell such property, but may transfer it directly to the armed services, without any charge to the armed services appropriation.

If money or property is received in direct payment for particular items of assistance, money, the proceeds of the property, or the property itself may be used to reimburse the armed services for the items transferred out of their stocks. If such funds are not used as reimbursement to the armed services for items drawn from their stocks, they remain available for the purposes of the program until spent.

Youth's Answer to Farm Problems

EXTENSION OF REMARKS

OF

HON. CLYDE R. HOEY

OF NORTH CAROLINA

IN THE SENATE OF THE UNITED STATES

Tuesday, August 9 (legislative day of Thursday, June 2), 1949

Mr. HOEY. Mr. President, I ask unanimous consent to have inserted in the Appendix to the RECORD two farm essays: one by Buster McLain, of Mellow Valley, Ala., who won the first prize; and the other by Miss Blevyn Hathcock, of Oakboro, N. C., who won the second prize.

Both these essays were written by young people, and were awarded these prizes in the contest for essays on rural life, conducted by the Southern Agriculturist, of Nashville, Tenn.

Recently these two prize winners visited Washington, accompanied by Mrs. Milbrey Frazer Covert, the charming and efficient youth director for the Southern Agriculturist; and they visited the Agriculture Committee of the Senate and other places of interest in the Capitol.

These essays indicate the fine thinking of young people engaged in farm work.

There being no objection, the essays were ordered to be printed in the RECORD, as follows:

PRACTICAL AID TO THE SOUTHERN FARMER

(By Buster McLain, Mellow Valley, Ala., first prize)

Why was the South called the Nation's No. 1 problem in 1932? We have a mild climate, many natural resources, and our soil will compare favorably with any in the world.

I will try to give my explanation as to why unfavorable conditions exist, and my solution.

Before 1860 the southern farmer was the richest farmer in the Nation—possibly the world.

At the close of the Civil War, with the breaking down of the plantation system, the freeing of the slaves, and the appearance of the carpetbaggers, came the temporary death of economical, progressive farming in the South.

Many believe that the solution to problems facing the southern farmer will only be found as we advance in education and receive more help from the Federal Government. I am certain Federal control or Federal aid on a large scale is not the answer.

The solution I see to these southern problems lies in inspiration through leadership, neighborly demonstration, and competition. We all know that successful farming is possible in the South because we have thousands of examples of it. Most of these successful farmers, however, we find in groups. Many attribute this to the fertility of the soil, or the exceptional opportunities that are found in certain localities. I attribute it to inspiration through leadership, neighborly demonstration, and competition.

When an unsuccessful farmer lives near another farmer who carries on a good farming program it arouses his curiosity. He observes and inquires how certain jobs are done. The good farmer is merely demonstrating to the unsuccessful farmer. Finally the poorer farmer asks himself, "What does his farm have that mine couldn't have?" He begins to copy his neighbor's program, to ask him questions, and soon the all-out production wheel is really turning on his farm. Other farmers of that nonprogressive section begin to open their eyes to opportunities on their farms. On and on the cycle goes, until every farmer in that community is a "top-notch, on-the-ball" farmer.

Farmers of other sections continue to be unprogressive because they do not have a model, an inspirer, or enough competition. Inspiration through leadership, neighborly demonstration, and competition is the important method of education which will build and maintain our South in its solid agricultural future.

YOU, YOUR FARM, AND YOUR FINANCE

(By Blevyn Hathcock, Oakboro, N. C., second prize)

The solution to some farm problems? Perhaps the lack of that solution is the answer to the question in our minds as we see the spectacle of an abandoned farm—erosion, uselessness, defeat. What is wrong? Surely it isn't that the farmer chose to trade his independence and freedom for a job in a factory, or the clean air and spaciousness of 50 acres for a back yard twice the size of a handkerchief.

It is that he failed to recognize his job as a business. He had no goal and was just managing to eke out an existence. The problem arose when his children wanted to go to

college, or the buildings needed repairs. He had no overhead. What was he to do? Give a mortgage on his farm? Or get a job in a factory where there would be no taxing of his mentality and the pay would come regularly? He chose the latter.

The big problem on numerous southern farms is finance. Farming is a business—a year-round business—and must be regarded as such for success. Just as a businessman takes inventories of his assets and liabilities, the farmer must see the assets and liabilities of his farm and plan in a way to make them profitable to him.

Soil is gold—the backbone of any farm. It is opportunity within itself. Give it a fair chance by nourishing it with legumes and fertilizers. Care for it by terracing, strip-cropping, and crop rotation.

Put 2,000 pines on that treeless slope that has grown up in a profusion of broom straw and briars. Have the natural swamp surveyed for a farm fish pond.

Take a broadminded view. Don't depend on one- or two-row crops. Diversify. Remember that there is always a demand for poultry and dairy products.

Put every single quality of your farm to work for you.

Keep records so you will know whether or not a project is paying.

It is true that all this cannot be accomplished in 1 day or maybe even a couple of years. It takes perseverance, integrity, and work.

You can afford to send your children to college. You can afford to take a vacation, and you can afford the time for a little wholesome recreation. You can have modern conveniences and repair your buildings and paint them. You can put some money in the bank.

Realize success with the whisper of the wind in the pines you set out, and the tugging of a 6-pound bass on your line. Realize success with the knowledge of security. Get a vision. Plan systematically. Work. The sky's the limit.

The Marshall Plan in Norway

EXTENSION OF REMARKS

OF

HON. JAMES P. KEM

OF MISSOURI

IN THE SENATE OF THE UNITED STATES

Tuesday, August 9 (legislative day of Thursday, June 2), 1949

Mr. KEM. Mr. President, I ask unanimous consent to have printed in the RECORD a letter written by Mrs. Helen Sheldon, of Field Point Park, Conn., and published in Greenwich Time of Greenwich, Conn., on August 4, 1949. I commend the letter to those who may be interested in a first-hand account of how the Marshall plan is working in one of the participating countries at the present time.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

After 2½ months of living with Norwegian and English people we are getting a good, clear view of the situation here and it is nothing like we expected.

When we left home in May, the newspapers were full of the glowing success of the Marshall plan, and from the viewpoint of European politicians it certainly is. They are having a wonderful time with the money, spending it on fancy welfare projects and paying the salaries of millions of fussy little government officials who are busy tying people up in more red-taped regulations than Americans ever dreamed of, even during the war.

The plan has accomplished one good thing in Norway—there is no unemployment. But if that gives you a picture of a horde of contented workers busily reconstructing bombed houses and battered roads, put it out of your mind. Labor has slowed down to a snail's pace. When we were in Norway 2 years ago an 80-mile stretch of highway from Oslo to the Swedish border, as vital as the Boston Post Road, was under repair. It is still being repaired. Exactly the same piles of stones are in exactly the same places, exactly the same spring busters knock your car apart, and exactly the same catty little group of workmen stand around not even bothering to hold their picks and shovels.

As for new houses to replace the ones that were bombed out of existence, no one in Norway expects to live long enough to occupy them. The reason for this state of affairs in a country that is supposed to be fighting for its economic life is that the Labor government, up to its neck in Marshall plan money, is not going to fire a faithful voter no matter how lazy he is. There is no point in firing him anyway because he goes at once on a lavish dole that amounts to nearly as much as his wages and the same thing happens if he goes on a strike. Meanwhile, the plan money dribbles away with nothing to show for it.

As for the American way of life versus communism, the Labor government is just as communistic as the Russian except that it is not as belligerent and bloodthirsty. By taxation, nationalization, and regulations everybody in Norway is being reduced to the same dead level of monotonous poverty. Thus, food is miserable, much poorer than when we were here 2 years ago before the plan started, and their clothes are worse.

To have a little more money than the next fellow is undemocratic. Department-store owners are being put out of business by the permit system. For instance, all cotton goods must be imported but the Government refuses to give the shop owners the permit to import it. So the owner has nothing to sell and goes slowly broke while it is almost impossible to buy a shirt, sheet, or towel in Norway.

Americans who prattled happily about building up our foreign market with plan money might also consider the car situation. Very few Norwegians can afford cars now even if they could get permits to buy them, which they can't. After a few more years of democratic leveling, no one will be able to buy one.

A demented propaganda is putting a quaint twist on the word "democratic." We were leaving Oslo by plane at 6 in the morning and thought it would be a good idea to order a taxi the night before. We were told that our order would not be accepted because it would be undemocratic to give us a priority over some flap brain who wanted a taxi at the last minute.

The plan saved Norway temporarily from starvation and misery, there is no doubt about that. But Americans who think they are paying for a permanent improvement are not getting their money's worth. The men who could organize business recovery are being firmly suppressed. Recently a group of American newspapermen arrived and businessmen all over the country hoped for a chance to tell their story. They never got it. The visitors were snatched off their government plane by government officials, whisked around on a carefully conducted tour, and sent off with only a slim and fuzzy picture of what's going on.

If Americans want the plan to work they had better hustle some smart organizers over here in a hurry. The present system is just as sensible as having the Community Chest funds administered by members of the Boys Club.

Yours cordially,

HELEN SHELDON.

Grasshoppers in Oregon

EXTENSION OF REMARKS

OF

HON. LOWELL STOCKMAN

OF OREGON

IN THE HOUSE OF REPRESENTATIVES

Tuesday, August 9, 1949

Mr. STOCKMAN. Mr. Speaker, under leave to extend my remarks, I wish to include an article of the Associated Press in the Klamath Falls News-Herald of July 29, 1949. Two-thirds of the horde of grasshoppers in Nevada have now invaded Lake and Harney Counties in the district I represent in Oregon. They have infested 3,000 square miles in the West, and unless we are ready to fight them early next spring when they start hatching, they will get beyond control. I believe that every Member of the House and the Senate will be interested in this article as it shows clearly the serious menace of the grasshopper infestation. It is as follows:

NEVADA GRASSHOPPER HORDES POUR ACROSS BORDER INTO LAKE, HARNEY COUNTIES, BUT END IN SIGHT

RENO, NEV., July 29.—Nevada's tremendous horde of grasshoppers is about through for this year, but from now on you can call them Oregon's grasshoppers.

Federal entomologists returned from another survey of the locust-stricken area with the report that two-thirds of the horde has migrated across the Nevada-Oregon border this summer into Lake and Harney Counties.

But that is about as far as they're going this year.

"Most of them are in Oregon now, but they are pretty well spent," reported W. M. Mabee, United States Bureau of Entomology representative for Nevada.

"They are losing their strength and can't fly into the prevailing winds any more," he said. "They are dying off pretty fast, and by the middle of August there shouldn't be a hopper left in the area."

That doesn't mean, however, that the grasshopper plague is at an end for good.

The hoppers, or, more technically, locusts, lay millions of eggs before they die. From the eggs will hatch enough grasshoppers, unless next spring's control efforts are successful, to cover even more than the 3,000 square miles they infested this year.

Next spring's big battle will tell the story as to whether the hoppers will continue on their Oregon journey. Federal, State, and private resources will be mobilized for a concentrated 5-week fight against the hoppers as soon as they start hatching, between April 15 and May 1.

Egg beds already have been plotted and will be mapped minutely this winter. The campaigners will have only 5 weeks to get their killing work done, because about 5 weeks after hatching the little hoppers sprout wings, and from then on they are impossible to control.

When they are on the move, they are so dense that a man has to cover his head as they roar across the land. Experts reported that when this year's horde was at its migratory peak, the roar of wings sounded like a distant waterfall.

Presently, about two-thirds of the horde is in Oregon. The major concentration, Mabee said, is in the Hart Mountain antelope refuge, extending some 15 miles north of the refuge headquarters, overlooking Warner Valley. Mabee said he doesn't believe they will get down into the valley this year.

He was accompanied on the latest inspection tour by Frank Cowan, of the Bureau of Entomology's research division at Bozeman, Mont.

Over-all, the hoppers are 65 miles into Oregon, covering an area of about 65 miles by 20 miles.

Just how far they have gotten into California is not known definitely here.

The last Mabee saw of the California-bound hoppers several weeks ago, they were pretty thick across the Nevada-California line in northern Lassen County. Some of them were known to have made their way about 15 miles into California last year.

Just how much damage the grasshoppers have done in Nevada, Oregon and California this year, no one here is willing to estimate.

They have eaten the foliage from thousands of range bushes, leaving only the naked stalks. Whether this brush will revive next year is not known.

The most damaged ranges are in northern Washoe and Humboldt Counties of Nevada, and Lake and Harney Counties in southern Oregon. That area is sometimes called wasteland but Mabee sputters at that term.

"It depends upon your point of view," he said. "If you are sitting in the middle of an orchard, that country up there may look like wasteland, but to a cattleman that is pretty darned good range."

White Paper on China

EXTENSION OF REMARKS
OF
HON. JAMES P. RICHARDS
OF SOUTH CAROLINA
IN THE HOUSE OF REPRESENTATIVES
Tuesday, August 9, 1949

Mr. RICHARDS. Mr. Speaker, under leave to extend my remarks, I include a very able and timely editorial from the Washington Post of August 8:

THE CHINA STORY

The 1,054-page white paper on China is the story of American officials who sought unavailingly to frustrate the slow and interrupted course of a revolution, the roots of which go back a hundred years. All of these officials are men of good faith. All of them were actuated by patriotic purpose. Yet the failure of mission after mission either to prevent civil war or to help Chiang Kai-shek lick the Communists has been attended by dissensions in our domestic politics which have been shameful and divisive. The reason is that bipartisanship in foreign policy has never extended to China. Governor Dewey, searching for an independent foreign policy, adopted Chiang's China, and he and the Republicans used Chiang as a stick with which to spank Harry Truman. One result was that the State Department got itself imprisoned in the interparty squabble; many of our diplomats found themselves branded and smeared as members of a red cell that existed only in Republican imagination. Nor was this slur wholly partisan. In the propaganda aimed at discrediting the State Department the critics have been assisted by a swarming and influential lobby of mixed Chinese and American composition equipped with ample funds which belonged properly to Chinese reconstruction.

A panorama of the personalities in charge of our China policy is unfolded in this report, beginning with General Stilwell. Stilwell reported that Chiang Kai-shek had become a hostage of the forces he manipulated, and he meant evil forces. Succeeding events—up to the time that Chiang's nominated successor, President Li Tsung-yen, actually pleaded with Ambassador J. Leighton Stuart to restrain Chiang from interference and blamed the Chiang regime for failure to make judicious use of American aid—vindicated the Stilwell judgment. Never can there have been such a story of monumental stupidity, military incompetence, and political venality and myopia as is threaded through the crowded pages of this white paper. General Eisenhower once warned that you cannot cooperate with weakness. In the postwar story of China the United States sought to cooperate with moral turpitude (government corruption) and a moth-eaten administration. It was this decay that, after the collapse of negotiations for a Nationalist-Communist settlement, the United States tried to make a functioning and victorious regime, though none of the American representatives entertained the slightest notion that that regime had any popular support. The arms we supplied fell, or were sold, to the Communists, and not one battle was lost for lack of arms.

This is a depressing record of American futility. It should wind up the nonsensical assumption that, short of losing ourselves in China, we could have changed the course of events. It should equally put a quietus to the suicidal campaign to induce us to indulge in what the State Department calls the "incalculable risk" of stopping events which are now rushing to a climax. What American policy started out to do before it bankrupted itself in a wretched military intervention was to aid Chiang in solving the Communist problem by political means, which was the stated object of Chiang's own policy. He and nobody else was responsible for this policy of the popular front. Not only General Marshall, but all the Americans before and after him, notably General Hurley, worked at it. The policy was doomed to failure because revolutionary forces were at large and because of the profound mistrust that both sides entertained for each other.

The first cause is scarcely mentioned in these memoranda; the second preoccupies most of the memorandists. It is revealed, contrary to general supposition, that long before the war with Japan was over, Chiang had left the job of winning it to the United States and turned to preparations for a reckoning with the Communists. The account of General Marshall's ceaseless toil at mediation is truly heartbreaking and will remind the student of China of a similar stint by Britain's General Gordon in the T'aip'ing rebellion. The integrity of the position of General Marshall, as of General Gordon before him, was constantly betrayed. Marshall was Kiplingesque in his hope, and the fine austere quality of the man is the only jewel discernible in the dross and disillusion of this packed history.

As for the dross, this unhappy episode in our foreign relations—which has left us with a tarnished prestige in the eyes of the Chinese people—could have been underlined by details of the vast sums which Chinese leaders were banking abroad while they were appealing for and getting vast sums for China from the American taxpayers. General Wedemeyer seems to have had the data about these funds, but on grounds that they came to him in strict confidence refused to yield the information to Chiang Kai-shek. Yet General Wedemeyer was in favor of bigger and better aid—that incalculable risk—as well as of an impracticable scheme for putting Manchuria under UN trusteeship. Here for the first time is the Wedemeyer report. It was for China's sake that the report was not released, for, of course, publication of the idea about Manchuria would have hurt China's pride. Wedemeyer's strictures on Chiang and the gang around him are as acid as any in the white paper. No missioner indeed hides the unholy graft that he and the others encountered in trying to help Chiang. It went merrily on under ECA, and William R. Matthews, shrewdest of recent journalistic wanderers in Asia, reported on the very day of the issuance of this white paper that he had found ECA goods for China on sale in Siam.

The sorry tale is one of sweat and tears and treasure expended in this vainest of vain projects of saving China. Let bygones be bygones (even the avowedly unfortunate failure to consult China over the Yalta deal on Manchuria) and let us, for a change, concentrate on a pro-American policy in respect to far eastern turmoils. Events are moving fast; our Americans are in jeopardy from the natural and intervention-created xenophobes in China, and we must now think of looking after our Americans instead of our Chinese.

Opinions Concerning a National Minimum Wage Law

EXTENSION OF REMARKS
OF
HON. EUGENE D. O'SULLIVAN
OF NEBRASKA
IN THE HOUSE OF REPRESENTATIVES
Tuesday, August 9, 1949

Mr. O'SULLIVAN. Mr. Speaker, in connection with the remarks which I made in the debate on the Lesinski bill, H. R. 5856, in the Committee of the Whole, I called attention to the fact that I would cause to be placed in the Appendix of today's CONGRESSIONAL RECORD a telegram and a statement which I referred to at that time.

I believe that these documents present the viewpoint of the workers much better than the champions of the workers have done to date, and I now set them forth for your reading and study.

This morning I received the following telegram, which I will quote in part, from J. S. Potofsky, president of the Amalgamated Clothing Workers of America:

Sporadic wage cuts in some unorganized plants have already taken place. If a higher minimum wage is not enacted, more wage cuts in the lowest paid industries will follow. The old trend of unfair competition in blighted areas, and starvation wages, which the Fair Labor Standards Act was intended to prevent will be upon us. Our group numbers 350,000 members of the Amalgamated Clothing Workers of America, employed in the men's clothing and cotton garment industries, and allied fields. * * *

Thirty-five years of industrial experience convinces us that the minimum wage tied to changes in the cost of living will lead to business uncertainty and contribute to intermittent unemployment. It will also lend Government sanction to wage cutting for lowest paid workers who can least afford it if cost of living drops slightly.

On August 5 last I received the following statement from Solomon Barkin, research director, Textile Workers Union of America, and chairman, CIO Committee on the Revision of the Fair Labor Standards Act:

A statutory minimum wage which would fluctuate with changes in the cost of living would defeat the very purpose of minimum wage legislation. A "floor" which moves up and down in mechanical response to a mathematical index is no floor at all. The first requirement of a minimum wage is that it provide a stable base which workers and employers alike can look to for their protection. Workers need protection against reduction in living standards and employers

need protection against unfair competition based on wage-cutting. Only a stable floor under wages can provide this protection.

The arguments of the proponents of a flexible statutory minimum wage can be summarized as follows:

1. Since the minimum wage is based on the cost of a minimum budget, it should be adjusted to changes in cost.

2. If substantial price reductions occur, the maintenance of a relatively high minimum wage would cause unemployment because of unfavorable cost-price relationships.

The first of these arguments falls of its own weight since the premise on which it is based is invalid. The cost of a minimum budget today is far above 75 cents per hour. Even the WPA emergency budget—which was designed to cover the minimum needs of a typical family of four for only an emergency period during which adequate sustenance could not be provided—would now require an hourly wage of $1.07 for 2,000 hours a year. Moreover, the cost of a minimum health and decency budget for an employed woman living alone is far in excess of the income derived from wages of 75 cents per hour. Eleven such budgets of recent date are available; they were prepared by State labor departments for use in determining State minimum wages for women workers. The cost of all of them at present is well above 75 cents an hour.

Thus, even a substantial decline in consumer prices would merely enable the workers who receive 75 cents per hour to come closer to meeting the cost of a minimum health and decency budget. It is hardly conceivable that prices could drop so far in the foreseeable future as to make 75 cents an hour a luxury wage.

The second of the above arguments is reminiscent of the debates of 1937 and 1938, when the theoretical economists predicted dire consequences from the adoption of the 25 cents minimum wage. Hundreds of thousands of workers were to be thrown out of work because their employers would be "squeezed" between high costs and low prices. Actually, employment did not decrease; on the contrary it increased in the months following the effective date of the act (October 1938).

Employment in manufacturing increased by 80,000 between mid-October and mid-November. By May of 1939, 680,000 more workers were employed in industry than in May of the previous year.

The fact of the matter is, the maintenance of a floor under wages at a time when prices are dropping is a potent stabilizing force in the economy. Keeping wages up means keeping purchasing power up. More jobs are created as purchasing power is translated into consumer expenditures. Only the premiums are being cut out of high prices.

In his midyear Economic Report, transmitted to the Congress July 1949, President Truman said, "Business cannot be prosperous unless the purchasing power of workers is maintained. While price reductions are desirable, they should not be attained at the expense of wage cutting." This statement recognizes the crucial importance of maintaining wages in order to reduce unemployment. The argument that a minimum wage of 75 cents would increase unemployment is preposterous because it ignores the salutary effects of a floor under wages on purchasing power and consumer expenditures.

A "flexible" statutory minimum wage would tie the minimum wage to just one of the factors on which it is based (cost of living) and ignore all of the others. No consideration would be given to the growing productivity of our economy; the profitability of our industries; the general movement of wages under collective bargaining; the expansion of our national income. The wage levels of the dominant American industries which are over $1 per hour, President Truman has said, "the life and spirit of the American economy is progress and expansion." (Midyear Economic Report of the President, July 1949, p. 5.) Are we to deprive the lowest paid of our workers from all of the benefits of our progress? Shall we freeze their pay to the present cost structure so that any of the benefits of the technological progress which may be passed on in the form of lower prices will be taken out of their meager earnings? Shall the men and women who are unable to protect themselves against exploitation be denied the protection of law?

Wage cutting in line with living costs reductions is not typical of the collective bargaining relationships in American industry. A provision which tied wages to the cost of living in the 1948 General Motors Corp. agreement with the United Auto Workers, CIO, was greeted with amazement and disapproved by the American labor movement. This principle has since been disavowed by the UAW, which decided in its 1949 convention to cancel the escalator clause when the General Motors agreement expires in 1950. Shall this principle—which is repugnant to American labor generally—be applied only to the lowest-paid of our workers?

The complications which a constantly changing minimum rate would introduce into the administration of the act would make it impossible to achieve an effective degree of enforcement. Many violations of minimum wage laws and orders are unintentional even under a long-established minimum wage. The confusion which would be created by frequent changes in the minimum would confound any attempt to enforce the act and leave the question of good faith always in doubt. Thus the entire attempt of the Congress to provide protection to workers and employers through fair labor standards would be nullified by this device. The movement for a "flexible" minimum wage tied to cost of living is nothing but a back-door attack on the effectiveness of the minimum wage itself. It would favor the unscrupulous employer and discriminate against the fair one.

State Department's White Paper and the Wedemeyer Report

EXTENSION OF REMARKS

OF

HON. JOHN DAVIS LODGE

OF CONNECTICUT

IN THE HOUSE OF REPRESENTATIVES

Tuesday, August 9, 1949

Mr. LODGE. Mr. Speaker, many Members of Congress are seriously disturbed by the grave crisis in the Far East. While there is no easy solution, we can be sure of one thing and that is that a do-nothing policy will result in the eventual victory of the Communist forces over this entire area.

Constantine Brown, a celebrated student of foreign affairs, has written a most interesting article in connection with the State Department's white paper and the Wedemeyer report. I am inserting in the CONGRESSIONAL RECORD this article which appeared in the Washington Star.

THIS CHANGING WORLD—FAILURE OF UNITED STATES POLICY IN CHINA BLAMED ON THOSE WHO IGNORED WEDEMEYER

(By Constantine Brown)

Publication of the long-suppressed Wedemeyer report on China in the State Department's white paper yesterday makes clear the terrific burden of responsibility for the failure of the American policy in China which falls on those who made the decision to ignore the recommendations in that report.

Lt. Gen. Albert C. Wedemeyer determined on his 1947 mission for President Truman that there was an imminent threat of China becoming wholly Communist-dominated, particularly if Manchuria were permitted to fall to the Reds; that a Communist China would be inimical to American strategic interests; that a 5-year program of moral, economic and material aid should be undertaken (strengthening military assistance already going to the Nationalists) and that this aid program should be coupled with drastic reforms both in the Nationalist government and the Army which would solve to some extent China's age-old problems of graft and inefficiency.

The State Department's white paper gives no indication that any effort was made to put the Wedemeyer recommendations into effect, but makes it clear that the standing policy of wait and see was persisted in up to the present time, when the Nationalist government has practically collapsed before the Communist advances.

FINDINGS KEPT FROM PUBLIC

Not only were the recommendations ignored as a course of policy for the American Government, but the American people were denied factual knowledge of General Wedemeyer's findings by official suppression of the report, on the excuse—which friends of Nationalist China will find pretty thin—that the regime of Chiang Kai-shek would have been offended seriously by General Wedemeyer's proposal for a trusteeship over Manchuria as a means of halting Communist expansion.

General Wedemeyer believed that China could be saved, and he made proposals which, if carried out, at least would have stemmed the tide of communism in this vast part of Asia if it did not completely extirpate it. His report shows his belief that our full-scale support to the Nationalists might impel Russia to even greater assistance to the Communists than she had been giving, and the consequent possibility of a third world war. This, in his view, was a calculated risk which should be taken in order to check the advance of a system which had demonstrated its complete incompatibility with the western nations.

The President's special investigator expressed the view that the loss of Manchuria to the Communists would mean the creation of a new Soviet satellite and the eventual fall of all China to Moscow's puppets. This is now in process of being accomplished. Manchuria fell to the Reds long ago and is firmly in their grasp. But since then they have taken Peiping, Nanking, and Shanghai, and now are on their way to the conquest of all south China, whose metropolis is Canton.

COURSE NOT EXPLAINED

Secretary of State Acheson does not explain why the State Department, even after receiving General Wedemeyer's report, pursued its same old course of obstructing every proposed measure to help the Nationalists.

That is where the burden of responsibility will fall. To send a top-ranking general, who was familiar with the Chinese situation from World War II days, to make an investigation and then to ignore completely his advice in favor of the slanted opinions of State Department functionaries ranks as a major blunder which cannot be explained away.

The question now is whether it is too late to do something about the Wedemeyer report and to apply the recommendations he made. It is too late, of course, to do anything about Manchuria, but it is not too late for the United States, with its resources, to step into the Chinese picture and to throw its weight against any further progress by the Communist armies.

As Mr. Acheson makes clear in his letter of transmittal of the white paper to President Truman, American policy is being reworked to fit into the realities of the far eastern situation. If this means adoption of the policy of active help to those Chinese who will fight the Reds—and General Wedemeyer makes it clear that the Chinese people do not want communism—the new policy will be applauded on all sides. If it means simply vague moral support to passive resistance the policy will fail.

A Shocking Document

EXTENSION OF REMARKS
OF
HON. FRANCIS CASE
OF SOUTH DAKOTA
IN THE HOUSE OF REPRESENTATIVES
Tuesday, August 9, 1949

Mr. CASE of South Dakota. Mr. Speaker, I have just completed reading a shocking document. It is a report of an audit of the United States Maritime Commission for the fiscal year 1948 by Comptroller General Lindsay C. Warren. It was sent to the Senate on July 11.

The report deals with the subsidies paid to three shipping lines—American President Lines, Ltd., American Export Lines, Inc., and United States Lines Co.—for the construction of six passenger ships. These subsidies are entirely proper under the law, the Merchant Marine Act of 1936, which provides that ship operators shall receive Government help in order to keep the American flag in foreign commerce. But the subsidies have been paid out in a manner and for purposes never dreamed of by Congress when it passed the law.

This law sets up two kinds of subsidies to be paid by the Maritime Commission—construction-differential and national defense subsidies. Construction-differential grants are designed to place United States shipowners on a par with their foreign competitors through payment of the difference between United States and foreign construction costs. These subsidies are limited by law to 33⅓ percent of the actual cost of construction, except that they may go as high as 50 percent if there is convincing evidence that the actual differential between United States and foreign costs is that great. In addition, in the case of national defense subsidies, the Maritime Commission is authorized to pay the entire cost of any features put in the ship for possible military use.

The mechanics of the subsidy arrangement are that the Maritime Commission contracts with a shipyard for the construction of a vessel, and then it turns around and contracts at the same time for the vessel's sale to a shipping line at its estimated foreign cost.

Of the six ships involved in Warren's report, two are large passenger vessels for American Export Lines, three are combination passenger and cargo vessels for American President Lines, and the sixth is a large trans-Atlantic superliner for United States Lines.

The six ships are costing the Maritime Commission a total of $150,000,000. The Commission has sold the ships to the three lines for $70,000,000. Who pays the balance of $80,000,000? The taxpayers, of course. They are handing over to the shipping lines a subsidy of 53 percent of the vessels' cost.

Merely on the face of it, this cost distribution would call for serious scrutiny. But then Comptroller General Warren goes on to say of the Government's $80,000,000 gift:

> Not less than $25,000,000 must be considered as excessive due to various irregular procedures, inaccurate calculations, and unjustifiably liberal interpretations of statutory language.

Let me emphasize that isn't just an off-the-cuff opinion of mine—it is the sober and expert judgment of the Corporation Audits Division of the General Accounting Office.

Comptroller General Warren says the law controlling the payment of subsidies has been ignored:

> The Commission has authorized construction subsidies in excess of 33⅓ percent on evidence which in our opinion falls far short of the standard of convincing evidence required by the Merchant Marine Act, and without the Commission itself having heard the evidence. * * * Furthermore, it has utilized its authority to pay the entire cost of national defense features as a vehicle for paying subsidies in excess of those authorized by the act.

Mr. Warren describes exactly how the Commission went about safeguarding the Government's money:

> The subsidy calculations were made * * * primarily on the basis of fragments of information supplied by the Commission's foreign representatives and foreign publications. Moreover, in interpreting this information and filling in the gaps, the Commission's staff made a large number of assumptions without foundation and its calculations were replete with errors and inconsistencies.

To cite a few of the Commission's many blunders:

First. It assumed, without any basis whatever, that foreign and domestic material costs were equal. Actually, the only available data indicated that some foreign costs were 60 percent above domestic.

Second. An error of $1,500,000 was made as a result of using shipyard bids which were not comparable.

Third. An error in simple arithmetic changed a cost figure by 5 percent.

Mistakes like these, said Warren, "completely discredit the subsidy calculations." Even the Commission's staff admitted that one important calculation was worthless. It is incredible that $80,000,000 would be doled out in such a helter-skelter way, as though they were lollipops.

For an eye-opening example of the Maritime Commission's prodigality let us look at the 2,000-passenger trans-Atlantic superliner for the United States Lines Co. This will be the greatest passenger ship in the world, exceeding in speed, comfort, and service any vessel now afloat. I am proud that this marvel will fly the American flag, and I recognize its importance to American commerce and national defense. But I am not proud of how the ship is being paid for.

The superliner will cost the Maritime Commission $70,373,000. The Commission has contracted to sell it to the United States Lines Co. for $28,087,000, or 40 cents on the dollar. That is the kind of shiny bargain I would like to find in my own shopping, but it is no bargain to the taxpayers who have to make up the other 60 cents—or a subsidy of $42,286,000.

The sale price of the superliner purports to be based chiefly on British costs. Yet the amount charged the United States Lines Co. is not more than half the cost of replacing either of the British *Queens*—the *Queen Mary* or the *Queen Elizabeth*. Furthermore, the superliner is designed not only to compete with the *Queens*, but to be superior to them, especially in speed.

Authoritative estimates of the replacement costs of the *Queens*, including one by the Maritime Commission's own foreign representative, all range between $50,000,000 and $65,000,000. Thus, I cannot see how the superliner could possibly be built in England for $28,087,000—the Maritime Commission's sale price. I would like to hear the Commission's explanation of how that miracle could be performed.

Obviously, the Maritime Commission has been flouting the law. It has ridden roughshod over the specific wishes of Congress. It has been guilty of perfectly amazing largesse with the taxpayers' money. Perhaps the Maritime Commission, in writing its own laws, has been seeking to set an extravagance record for other Federal agencies to shoot at. If so, it should feel quite satisfied with the $25,000,000 irregularity discovered by Comptroller General Warren.

But the taxpayers do not share the Commission's feelings. The Warren report has shown that a careful watch must be kept on the Commission's spending. I think, as does the Comptroller, that one way to do this would be to require that the Commission hold open hearings before awarding subsidies for ship construction. All the evidence upon which the subsidies are based should be presented there. I also think that the cost of ship features included for military purposes should be paid from Navy Department appropriations and should be permitted only if the features had no commercial utility. No longer would the Maritime Commission be able to concoct the national-defense device in order to shell out even larger sums of Federal money.

Hoover Commission Recommendations

EXTENSION OF REMARKS
OF
HON. JAMES T. PATTERSON
OF CONNECTICUT
IN THE HOUSE OF REPRESENTATIVES
Tuesday, August 9, 1949

Mr. PATTERSON. Mr. Speaker, the Connecticut Council of Women's Republican Clubs, at a meeting held on July 19, 1949, adopted a resolution calling for affirmative action by the President and the Congress in bringing about the governmental reforms embodied in the Hoover Commission recommendations.

I submit the text of the resolution for the enlightenment of the Members—in the realization of the salutary effect such reforms will bring about:

Whereas the bipartisan Commission on Organization of the Executive Branch of the Government has presented to the Congress of the United States its report, which is virtually a blueprint for progress and prosperity through economy; and

Whereas Connecticut, with over 100,000 of her workers out of jobs, is feeling the pressure of economic unrest caused by the burdensome tax levies, the bureaucratic interference and the strangling red tape of our topheavy and unwieldy Government structure; and

Whereas these obstacles to job-producing business and the resultant dangers to enterprise and investment have acted as a deterrent to new business and production by established firms, in a state where unemployment is reaching new peaks daily and where the bankruptcy rate is three times what it was a year ago; and

Whereas the President of the United States has publicly stated that he would extend his full cooperation to the end that the objectives sought may be obtained; and that the present organization of the executive branch, in many instances, imposes handicaps on effective and economical administration and must be brought up to date, and that the "task * * * is to crystallize this general belief into concrete and wise proposals for action": Therefore be it

Resolved, That the members of the Connecticut Council of Women's Republican Clubs, fully recognize that to translate into action the recommendation of the bipartisan Commission will cut the costs of government, reduce personnel, eliminate duplication of effort, promote the freedom of the individual stimulate production and employment, inspire business competition and bring the cost of production and resultant prices down within the reach of mass purchasers as an aid to mass production and full employment: and be it further

Resolved, That we urge the Connecticut Members of the Congress of the United States to endeavor to obtain prompt consideration of the recommendations of the commission as submitted to the Congress and to support all necessary and proper legislation which will most effectively carry forward these recommendations, and that we urge the President of the United States and his various subordinates in the executive department to cooperate and act at once to put into effect the findings, reforms and changes recommended by the Commission on Organization of the Executive Branch of the Government.

Election of Roybal—Democracy at Work

EXTENSION OF REMARKS

OF

HON. CHET HOLIFIELD

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, August 9, 1949

Mr. HOLIFIELD. Mr. Speaker, it is not commonly known, but within the city of Los Angeles and its immediate environs is located the second greatest Mexican-American population center in the world. Mexico City, Mexico, is the No. 1 population area in this respect.

We are proud of the contribution which American citizens of Spanish and Mexican descent have made to the cultural, social, educational, and political life of our community. Within my congressional district many thousands of these good citizens reside. One group in my district which has organized and achieved a highly respected position among my constituents is the Community Service Organization. I want to compliment them on the active leadership they are taking in assisting their fellow citizens integrate themselves into every phase of our community.

In the recent Los Angeles City councilmanic elections, one of our highly respected American citizens of Mexican ancestry, Edward R. Roybal, was elected to the important position of city councilman of the ninth district, which is located in my congressional district.

Mr. Roybal was supported not only by Spanish-speaking citizens but by other good American citizens of Jewish, Negro, Japanese, Italian, and Philippine descent. In fact, people of all races and religions joined together to elect this fine young man to one of our most respected civic positions.

The election of Edward R. Roybal proves that the people of my district respect the intrinsic worth of the individual; it also proves that the majority of the people of my district are willing to rise above the prejudice, intolerance, and bigotry which precludes an individual from leadership because of his racial origin or his religious affiliation.

I am proud that the people of my district really believe in democracy. I am proud that they have demonstrated their belief by joining together and electing this worthy young man to public office. I am confident that Edward R. Roybal will acquit himself with great honor to the citizens of all races and religions, who have shown their trust and confidence in him by electing him to this position of leadership in our community.

Mr. Speaker, under leave to extend my remarks, I include in the RECORD, an editorial which appeared in the Los Angeles Daily News of July 1, 1949, on the subject matter of my remarks:

THE LATIN ONE-EIGHTH

Today something new is being added to Los Angeles' city government.

When Edward R. Roybal takes office today as Ninth District city councilman, he becomes the first local citizen of Mexican-American ancestry to win councilmanic stature in more than 70 years.

Roybal's election also says that after nearly a century of civic silence Los Angeles' Spanish-speaking citizens—who constitute the city's numerically biggest minority—have raised their voices clearly and unmistakably. The estimated 250,000 residents of Mexican-American descent—those who comprise the Latin one-eighth of metropolitan Los Angeles and make it the largest Spanish-speaking city outside of Mexico—are learning to make use of the most effective channel open to democracy's cultural minorities—the ballot. Through this channel they may succeed in drawing the attention of the rest of the community to the needs of their neglected neighborhoods.

More importantly, the rising political consciousness of this Latin one-eighth promises the beginnings of a valuable bridge-building job.

During the modern years of Los Angeles' emergence as the third city of the Nation, a gulf has separated most Mexican-American citizens from the rest of the community. This gulf has been caused by many things: by language, by custom, by educational and economic factors. It's a gulf that isn't going to be bridged overnight. But a start toward bridging it at its most strategic point can be made and is being made at the precinct polling place. For it is here citizens begin to achieve social recognition and municipal attention on a par with that accorded other segments of the population. It is here citizens start to become responsible coparticipators in the life stream of the community and Nation.

What happened May 31 in Los Angeles' populous east side ninth councilmanic district was no accident. Councilman Roybal received more than 20,000 out of a total of approximately 35,000 votes cast because 2 years ago a civic-minded group known as the Community Service Organization set about to accomplish a task of social engineering among residents of the east side. In 6 months' time prior to the 1948 elections, the community-service group registered 15,000 Spanish-speaking residents and many other thousands from the Jewish, Negro, Japanese-American, Italian, Filipino, and Anglo neighborhoods of Los Angeles' most cosmopolitan area. What followed was a great upsurge of intergroup cooperation which rolled up a total of 138,132 votes for Richard Ibanez as candidate for judge of Superior Court Office No. 2 and gave to Jose Chavez nearly quadruple the 1946 votes cast for him in the fifty-first assembly district contest. Neither candidate was elected; but the way was paved, nevertheless, for strengthened future effort, as the Roybal election testifies. On May 31, 1949, the ninth district registered 7 percent more votes than any other district in the city.

The Community Service Organization is the local project of the Chicago-founded Industrial Areas Foundation. Established 10 years ago in the stockyards neighborhood by Bishop Shiel, head of Chicago's Catholic Charities, and G. Howland Shaw, former Assistant Secretary of State, the foundation went to work with adults in slum communities to solve the problems of juvenile delinquency. Most notable IAF innovation was the Back-of-the-Yards Neighborhood Council, a small, tightly knit citizens' group dedicated to neighborhood improvement.

In east side Los Angeles the community service people are furthering the back-of-the-yards objectives. And they seem to be proving, by orderly, democratic methods, that it's possible for any people, regardless of race, religion, or national origin to tear down the ripped and twisted remnants of the old barbed barriers of hostility and prejudice, walling off citizens of various religious and ethnic backgrounds—proving it's possible for people to go forth arm in arm and become sharing partners in all the manifold, rich experiences that make up the thing we call the democratic process.

Yes, something new has been added to Los Angeles' civic life. The municipal household has a brighter, more up-to-date look. And the local precedents shattered by Roybal's election indicate democracy is stepping steadily forward on the home front—that the distance of caste and culture is shrinking to fit the shrunken world.—R. E. G. H.

Youth in the Community—Our Christian Responsibility

EXTENSION OF REMARKS

OF

HON. CARL ALBERT

OF OKLAHOMA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, August 9, 1949

Mr. ALBERT. Mr. Speaker, I take great pleasure in calling to the attention

of the House an inspiring essay written by Robert H. Smith, of McAlester, Okla. The essay of this young man, who has just graduated from high school, was not only a State winner in the Oklahoma United Christian Youth Movement PARSHAD contest but in the national finals it was adjudged the top regional winner, one of six in the Nation, in a contest based not only on the essay itself, but also on the church, school, and extracurricular activities and a vocational plan of the author. The essay follows:

YOUTH IN THE COMMUNITY: OUR CHRISTIAN RESPONSIBILITY

(By Robert H. Smith, McAlester, Okla.)

THE CHALLENGE

Today our country faces the greatest challenge that ever confronted a nation. The answer that we make to it may well change the destiny of the world as well as the lives of the people involved. It is not one that can be fought with guns and tanks, but is none the less dangerous to our world's safety. I refer to the morally and physically decadent state of our Nation's youth, and that of every other nation existing today.

Boys and girls who should be in school walk the streets in search of excitment and action; pool halls are packed with youth who seek entertainment and companionship but who do not know how to find it elsewhere; over-crowded cities set the stage for gangs and mobs; wealthy, exclusive residential districts are sometimes so lacking in warmth and love that children will run away to find their lives. These are just a few of the situations which exist within our country and within our every communities. If unchecked this unrest and desire for fast living will undermine our Nation, making it easy prey for any conqueror. Something must be done and done immediately, or we must suffer the consequences.

Who are these young people to whom we refer? They are the boys and girls next door, your friends in another State, your brothers in a distant country. They vary in age from early childhood to maturity; that is, from the time they first begin to come into contact with other people and know what is going on in the world about them until about 23, or older in many instances. Each and every one of them must be reached and helped.

OUR PART

What can we do about these conditions, and what are our responsibilities to these young people? The word "responsibility" carries with it a great deal of meaning. Its very definition indicates the seriousness of our work. We must feel deeply the sacred trust to which we commit ourselves. Certainly we must have enthusiasm and zest for our work, yet we must always remember that upon us lies the chance to redeem our youth and help them become useful citizens and personal witnesses for Christ.

In thinking of our responsibilities, we must not overlook those which we have to ourselves, to live our own lives in such a way as to practice what we advocate. We cannot gain the respect of anyone unless we ourselves live as an example for them. It is often a difficult thing to stand up for what we believe is right when the crowd is favoring something else. But if we had no problems as Christians, life would no longer be a challenge, and Christianity would be dead. None of us can ever reach perfection, yet it is this striving for it that builds in us character and strength. A strong Christian character is the first responsibility we have.

Using our personal Christian character as a basis, let us now look at our Christian responsibilities toward others, particularly toward the youth of our communities. No city, town, or village is free from some sort of youth problems. In small towns it may be finding something for young people to do at night instead of their loafing on the streets; in cities it may be creating new interests to replace gambling, drinking, and other vices. In the country, clubs may be needed to broaden boys' and girls' interests. No young person in our Nation is safe from temptation to do the wrong thing. Naturally those who have little or no home life are the ones who will give way first. Our responsibility to those youth is to remedy these and the many other things which contribute to their downfall. But we must offer them something with which to replace them, something which will help them to find themselves.

But there is a greater field than just that of our own communities. Today more than ever before, young people all over the world are confused, afraid, and bewildered. This has come about because of the great war from which we emerged only a few years ago, and the wars which continue in some countries today. It is no wonder that boys and girls turn to anything that offers them escape from horror and fear. The economic and political state of many nations today is also at such a low ebb that food, clothing, and shelter are difficult to find. And hungry people will serve anyone or anything that will feed them. The recovery plans cannot do everything. The church must go in and help these people to piece together their broken lives. There is a tremendous opportunity for Christian youth work.

THINGS WE CAN DO

By now we should have some idea of what our responsibilities as Christians are. First, we must live our own lives as much in accord with Christ's life as we can, making the most of them. Secondly, we must realize our responsibility toward others and do all we can to help those less fortunate than ourselves. Only in this way can we do our part toward making Christ's kingdom a reality.

What, then, are some specific things we can do to help us live Christ-like lives? Each person could make a list of his own, and no doubt each one would be different in some respects. But we can follow a few simple rules for daily life, such as these: practice the teachings and commandments found in the Bible; read your Bible often, and know how to use it; pray daily and spend a certain amount of time learning God's will for your life; think of Christ in your daily life and do everything you can to show Him your appreciation for His many blessings to you; stand up for your convictions no matter when or where the test might come; do not be discouraged, regardless of adverse conditions; be a personal witness for Christ; and always feel Him by your side. Whenever something comes up that you cannot quite solve, ask yourself, "What would Jesus do if He were in my place?" and the answer will be there. You cannot expect complete results at first; you must be patient and let God come to you slowly, yet ever so surely. Be patient and serve Him humbly, and you will not be disappointed.

But what about when we come into contact with others? Personal preparation is half of the job, but it must be followed up with practical applications of these principles. First, let us take our local youth. These are the boys and girls across the street, in the next block or on the other side of town, many of whom have never been inside of a church. They need the church badly. Even some of those who go to the various churches in town seem to be uninterested. All of these must be helped.

In an attempt to reach these young people, many churches have established missions in the slum districts of large cities. In addition to their regular activities, these missions frequently offer young people a place to go at night for recreation and relaxation. They do not limit themselves to entertainment and recreation only; they also give the young people something to do that requires of them the use of their time and skills. And there is religion also, beginning simply at first but leading to final acceptance of Christ as their personal Saviour.

Less impressive, but nonetheless important and effective are some other methods of winning young people to Christ. Most churches conduct periodical canvasses to bring into the churches boys and girls outside the regular groups. The churches of many cities sponsor youth rallies designed to unite the local groups in a closer bond of interdenominational fellowship. In the country, 4-H clubs and granges are doing much to help youth discover a place for itself in rural life. Boy scouts, girl scouts, campfire girls, and other such movements were organized specifically to give boys and girls something constructive to do, yet something that would afford an outlet for their energy and enthusiasm.

But there are responsibilities beyond our local communities. We must work for cooperation among all churches in our States and Nation. We must strive to make all men truly brothers, regardless of creed, race, or any other barrier. To be strong, our Nation must be united in a common basic faith. This can be accomplished only by sincere and consecrated devotion to the cause of Christ and an earnest zeal for His work.

Then there are still wider horizons to which we may look. Nearly every country in the world is in need of help today. We can send CARE packages and other relief supplies to those in other countries and contribute to the various restoration and reconstruction funds. Most churches have plans for rebuilding churches and bringing new life and faith to those who at the present have so little for which to live. We can correspond with young people in these countries and exchange information and ideas. The least that we who are so fortunate can do is to share our blessings with others who have not been so fortunate. Here, indeed, is a bountiful harvest for Christ that is waiting for the gleaner.

We have seen how we individually and corporately can do our part to help young people everywhere. But this is only the beginning; we must not hesitate but continue our work with undiminished energy. And we are not alone. Christ is beside each of us all of the time, speaking to us if we will but heed His words. Surely if each of us does his part, we will indeed be helping to fulfill our Christian responsibility to the youth in our communities.

Wartime Excise Taxes

EXTENSION OF REMARKS

OF

HON. PHILIP J. PHILBIN

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, August 9, 1949

Mr. PHILBIN. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following letter and table:

TWENTY PERCENT CABARET
TAX COMMITTEE,
Washington, D. C., August 5, 1949.

DEAR CONGRESSMAN: We have obtained the latest release in the collection of excise taxes from the Department of Internal Revenue as released on July 30, 1949, and attach same hereto for your immediate information.

You will note the tremendous sums listed in the decrease column on practically every item.

The diminishing returns as shown by this Government report alone should more than

justify the repeal or reduction of the wartime excise taxes.

In our own field, a number of well-known dining and dance rooms in connection with the hotel industry have closed in the past 60 days resulting in the additional unemployment of a great number of people.

We sincerely hope that you will support the passage of H. R. 3905 with its amendments, and also sign the discharge petition in connection with H. R. 2100, now pending at the Speaker's desk.

Very truly yours,

S. P. HAINES,
Special Representative.

Collections of internal revenue

Sources of revenue	Receipts for month of June 1949 (current collections)	Receipts for month of June 1948 (prior year)	Increase	Decrease	Receipts from July 1, 1948, to June 30, 1949 (current fiscal year)	Receipts from July 1, 1947, to June 30, 1948 (prior fiscal year)	Increase	Decrease
Manufacturers' excise taxes:								
Lubricating oils	$10,523,263.91	$6,448,139.00	$4,075,124.91		$81,759,611.97	$80,886,921.61	$872,690.36	
Gasoline	48,154,758.22	47,103,138.63	1,051,619.59		503,647,470.24	478,637,625.15	25,009,845.09	
Tires and tubes	12,082,442.83	13,678,938.36		$1,596,495.53	150,899,047.96	159,284,138.65		$8,385,090.69
Automobile trucks and busses	8,312,172.71	11,065,956.38		2,753,783.67	136,797,379.13	91,962,891.20	44,834,487.93	
Other automobiles and motorcycles	40,044,513.97	24,252,653.49	15,791,860.48		332,812,342.37	270,958,392.21	61,853,950.16	
Parts and accessories for automobiles	8,599,295.69	12,592,175.28		3,992,879.59	120,138,240.14	122,950,708.28		2,812,468.14
Electrical energy	7,587,972.29	6,730,350.78	857,621.51		79,347,495.66	69,700,529.73	9,646,965.93	
Electric, gas, and oil appliances	5,125,532.70	7,527,187.51		2,401,654.81	80,934,508.61	87,857,612.46		6,923,103.85
Electric light bulbs and tubes	1,443,266.07	1,647,951.42		204,685.35	26,172,166.87	24,935,505.39	1,236,661.48	
Radio sets, phonographs, components, etc	2,332,016.11	4,606,382.67		2,274,366.56	49,159,550.23	67,266,856.93		18,107,306.70
Phonograph records	387,615.70	478,899.27		91,283.57	6,482,797.74	7,531,905.10		1,049,107.36
Musical instruments	618,814.01	754,081.62		135,267.61	9,292,668.30	10,572,682.91		1,280,014.61
Mechanical refrigerators, air-conditioners, etc	5,518,485.14	5,333,027.07	185,458.07		77,833,244.87	58,473,372.22	19,359,872.65	
Matches	691,971.34	356,152.89	335,818.45		8,737,618.31	10,609,657.69		1,872,039.38
Business and store machines	2,672,780.88	2,875,695.18		202,914.30	33,343,900.01	32,707,141.16	636,758.85	
Luggage—manufacturers' excise (suspended Apr. 1, 1944)					100.40	189.13		88.73
Photographic apparatus	3,950,759.32	3,966,120.94		915,361.62	43,139,668.42	43,935,373.95		795,705.53
Sporting goods	1,859,530.06	1,933,636.66		74,106.60	19,846,484.74	18,827,947.98	1,018,536.76	
Firearms, shells, and cartridges	634,416.33	1,281,147.55		646,731.22	10,378,538.42	11,276,687.37		898,148.95
Pistols and revolvers	50,325.00	63,085.19		12,760.19	809,888.11	857,913.44		48,025.33
Total manufacturers' excise taxes	159,689,932.28	152,694,719.89		6,995,212.39	1,771,532,722.50	1,649,234,052.56	122,298,669.94	
Retailers' excise taxes:								
Furs	2,173,625.11	2,656,066.75		482,441.64	61,946,246.55	79,539,152.40		17,592,905.85
Jewelry	15,705,238.35	16,249,219.07		543,980.72	210,688,165.33	217,899,249.20		7,211,083.87
Luggage	7,757,916.58	6,460,910.47	1,297,006.11		82,007,133.49	80,032,323.81	1,974,809.68	
Toilet preparations	7,625,450.90	7,238,509.40	386,941.50		93,969,241.32	91,852,012.92	2,117,228.40	
Total retailers' excise taxes	33,262,230.94	32,604,705.69	657,525.25		449,210,786.69	469,922,738.33		20,711,951.64
Miscellaneous taxes:								
Sugar	5,978,355.96	5,560,365.51	417,990.45		76,174,356.09	71,246,833.76	4,927,522.33	
Telephone, telegraph, radio, cable, leased wires, etc	21,473,217.45	25,163,532.20		3,690,314.75	311,379,682.00	275,255,151.59	36,124,530.41	
Local telephone service	18,445,409.34	16,837,448.78	1,607,960.56		224,530,630.85	193,520,917.11	31,009,713.74	
Transportation of oil by pipe line	1,830,537.28	2,110,407.58		279,870.30	19,324,552.99	18,773,045.00	551,507.99	
Transportation of persons, seats, berths	17,182,121.82	20,835,517.49		3,653,395.67	251,388,581.44	246,323,047.56	5,065,533.88	
Transportation of property	25,983,841.92	29,899,195.71		3,915,353.79	337,029,889.92	317,203,134.25	19,826,755.67	
Leases of safe deposit boxes	791,085.52	772,391.23	18,694.29		9,461,317.44	9,081,102.94	380,214.50	
Admissions to theaters, concerts, etc	30,660,300.71	31,817,977.03		1,157,676.32	385,843,793.10	385,100,690.12	743,093.98	
Admissions to cabarets, roof gardens, etc	3,819,629.63	4,444,702.61		625,072.98	48,856,669.14	53,527,145.22		4,670,476.08
Club dues and initiation fees	3,123,558.85	2,872,820.34	250,738.51		27,789,911.84	25,499,192.75	2,290,719.09	
Bowling alleys, pool tables, etc	634,852.32	512,376.69	122,475.63		3,805,117.85	4,085,677.01		280,559.16
Coin-operated devices	2,257,962.26	1,910,861.11	347,001.15		21,087,534.19	19,270,940.65	1,816,593.54	
Adulterated and processed or renovated butter, mixed flour, and filled cheese	329.61	405.84		76.23	21,037.86	19,591.95	1,445.91	
Oleomargarine, including special taxes	1,819,753.58	953,002.65	866,751.23		17,541,080.53	9,806,429.34	7,734,651.19	
Narcotics, including marihuana and special taxes	236,541.31	242,189.07		5,647.76	614,544.87	888,642.64		74,097.77
Coconut and other vegetable oils processed	1,993,250.44	2,396,433.39		403,182.95	17,459,774.67	25,704,319.58		8,244,544.91
Firearms transfer and occupational taxes	3,338.18	804.25	2,533.93		11,007.99	9,359.71	1,648.28	
All other, including repealed taxes not listed above	8,266.10	178,789.54		170,523.44	272,711.63	396,269.15		123,557.52
Total miscellaneous taxes	136,242,222.58	146,509,221.02		10,266,998.44	1,752,792,194.40	1,655,711,490.33	97,080,695.07	
Total miscellaneous internal revenue	699,552,312.62	690,230,778.47	9,301,533.55		8,381,521,105.65	8,311,009,409.96	70,511,695.69	
Grand total, all collections	3,974,961,257.68	3,964,527,298.02	10,433,959.66		40,463,125,018.61	41,864,542,295.40		1,401,417,276.79

Address of Hon. Clifford Davis, of Tennessee

EXTENSION OF REMARKS
OF
HON. PAUL C. JONES
OF MISSOURI
IN THE HOUSE OF REPRESENTATIVES
Tuesday, August 9, 1949

Mr. JONES of Missouri. Mr. Speaker, it was my pleasure a few weeks ago to attend a luncheon sponsored by the District of Columbia Division of the American Automobile Association on the occasion of the presentation to the District of Columbia of the grand award in the annual AAA national pedestrian contest.

The principal speaker on this occasion was our colleague, the Honorable CLIFFORD DAVIS, of Tennessee, my good friend, who, before his election to this body some 9 years ago, had attained national recognition as commissioner of public safety in the city of Memphis, Tenn., and who, throughout the years, has continued to enjoy an enviable reputation as an authority on safety.

Since many of our colleagues have never had the opportunity of listening to this forceful speaker, who, despite the fact that he has rendered a distinguished service to his district, State, and Nation, rarely ever takes the floor, but whose services are frequently sought by organizations who appreciate the wealth of information which he has gained throughout a career of service, I feel that

it will be not only interesting but informative to include in the CONGRESSIONAL RECORD the address which he delivered.

The address follows:

Thank you, Mr. Chairman, and you distinguished ladies and gentlemen.

Insofar as the FEPC Act has not yet become law, I think I can tell a story in reply to the introduction accorded me by the chairman.

Many years ago, as a young fellow, I was judge of a city court. In those days we tried a great many Negroes. On one occasion I had a Negro before me, and I said, "Hold up your right hand and be sworn, as all others have done who have gone this way before you."

I hear somebody laughing back there.

I said, "Do you solemnly swear the evidence you are about to give in this case will be the truth, so help you God?"

He replied, "Part of it is and part of it ain't."

That was the most honest witness I ever saw in my life.

I am not going to talk to you long. My devoted friend of many years, Washington I. Cleveland, wrote me a perfectly marvelous speech. I have reduced it by three-fourths. I got tired of reading it myself, and I knew you would be even worse off than I.

I am going to enroll in the Russ Young School of Oratory. I may be his only graduate. I never heard of anyone graduating from the institution, but it is grand to be here.

Some years ago my delightful colleague, Noble Gregory, from Kentucky, both surprised and amazed me when he said that all Congressmen were visitors to Washington, according to a man on the second row of the House floor. He inquired of me his name. Not being at all sure, I replied that I did not know. Whereupon he immediately suggested that the man was a tourist. Just as quickly, I said, "Noble, you know better than that. He would not have the privilege of the floor if he were not a Member." "Oh, but he is a tourist."

As a matter of fact, we are all tourists. Some just stay a little longer than others. So I have been a tourist in Washington for some 10 years. When we came to Congress, we bought a house out on Butterworth. That was just about the time when George Keneipp was criticizing the city government so substantially about the handling of traffic. The Commissioners really put him in his place. They told George that if he had all of the ills, they would give him a chance to correct the problem, and accordingly gave him the job that he now holds.

That is one of the smoothest things Russ Young ever did—in other words, "jine 'em."

I told Toastmaster Tompkins that a moment ago, and he said that in the contracting business, when they get a tough inspector, especially if he is very, very tough, they hire him. So they hired George Keneipp. Washington I. Cleveland is on Russ Young now. If he keeps up like he is going, we will find a place for him too.

I am delighted to be among such distinguished guests. I should like to go ahead and ad lib, but, Mr. Commissioners, you will pardon me because I was a police commissioner. I think a man should get some credit as he goes along. But don't let him die before you send flowers.

Major Barrett, my old friend was Ernest Brown. I am sorry he isn't here. He and I were contemporaries. That makes us oldtimers in the safety movement, but Major Brown, former Superintendent of Police, told me in 1940: "Cliff, we are bringing up a young fellow named Miller, and I think he has a long and honorable and successful career ahead of him."

Mr. Commissioners—and I wish you would stand, Inspector Miller—I want you to know that I have watched this man. In his quiet and efficient way, after a decade he is known as one of the country's finest recognized authorities in traffic.

You know he doesn't cry from the housetops. Mr. Justice Neilson and Mr. Justice Kronheim, and all the rest, it is the type of man and the type of character like Miller's, who does a job. I am proud of him, and I am proud as a resident of the District of Columbia that we have our traffic planning and execution in the hands of so able a man.

While I could say nice things about many present, I will get into the formal part of the speech that Washington I. Cleveland prepared for me.

There is an old Latin maxim: "Salus populi est suprema lex," "The safety of the people is the supreme law." That should be foremost in our minds today.

Senator, again I am about to depart from this prepared manuscript. Ladies and gentlemen, we are facing a rather serious situation in the country today. We owe $252,000,000,000. We voted an appropriation of $15,000,000,000 for the security of the country; almost $5,000,000,000 goes toward the Marshall plan; we have the Atlantic Pact, which must be implemented, and I am afraid we will be in deficit spending by the end of the year by about a billion, and at the rate we are going, with a reduced national income, we may have a deficit by next year of around $3,000,000,000. We want to do all of those things which will make for a better life, but can we do it all at once?

I simply throw that out to you. You can go just so far. When we figure the enormous cost of accidents, cannot all of us participate in a program of conservation to the end that we shall save the lives and dollars expended in needless accidents and at the same time use those lives and those resources in contributing to these programs in which we are so intently interested.

I am pleased to be able to congratulate the city of Washington upon winning this national award on pedestrian protection and pedestrian care and efficiency.

The city of Washington won eight grand awards last year. This shows good government. Give me a bad government and I will show you a city winning no awards.

Not content with winning the grand award for the 1947 national pedestrian protection contest, sponsored by the American Automobile Association, Washington has done it again by winning the grand award in this same contest for the year 1948.

If this were all, it would be a great achievement, but this is only a portion of what is coming to the Nation's Capital as the result of its outstanding record in the field of traffic safety for the year 1948.

Washington also won the grand award in the national safety council contest, and first place award for enforcement by the International Association of Chiefs of Police.

This celebration will have failed in its true purpose if we do not realize that the winning of this grand award was not a mere coincidence nor the result of exceptionally good luck. The winning of this award was the result of careful planning and energetic, intelligent administration on the part of all the agencies of government concerned with the administration of traffic law enforcement and accident prevention as well as the enthusiastic cooperation of the general public as a result of the excellent safety education program promulgated by such civic organization as the District of Columbia division of the American Automobile Association, the Commissioners Traffic Advisory Board, the Washington Board of Trade and the scores of other groups engaged in similar work all of which was made effective by the spendid cooperation and support of the press, the radio, the television.

It is impossible to enumerate all of the agencies and specific groups to whom credit is due for this achievement; in addition to the effective work of the police department, the traffic department, and the highway department.

Mr. Robertson, I pause here for a moment to tell you that I think, in sweet memory, of my grand old friend, Capt. H. C. Whitehurst, the late director of highways for the District of Columbia.

Credit is also due the corporation counsel and his assistants and the judiciary for the excellent administration of justice carried out by our traffic courts. The outstanding work of the schools—public, parochial, and private—in teaching traffic safety to our children, is well exemplified in the activities of the school safety patrols, sponsored jointly by the schools, the police, and the American Automobile Association.

This program has been so successful that for many years Washington has had an almost unbroken record of no accidents or injuries to the more than 100,000 school children going to and returning from school. These are but a few of the many groups, far too numerous to mention, whose interest in promoting traffic safety have contributed to the over-all results we are celebrating today.

While it is true our city has the outstanding safety record of any city in the country for the year 1948, a fact which we all deeply appreciate, there is still no real basis for complacency or satisfaction. Sixty-seven persons were killed in traffic in Washington during the year. Thirty-nine hundred injury accidents and about 9,000 property-damage accidents totaling at least $675,000. Insurance rates, based upon the financial losses which underwriters are required to pay, are higher than they have ever been and insurance companies have found it necessary to refuse coverage where persons under 25 years of age drive the car, in the case of persons with bad traffic records, and in the case of motorists over 60 years of age. So long as these conditions prevail we have no basis for being sanguine about the traffic-accident situation in Washington.

We, in the city of Washington, have by no means exhausted all the remedies available to improve the traffic condition of our community.

Our safety responsibility law is inadequate. It should be amended to conform to the uniform code. The neighboring States of Maryland and Virginia have modernized their safety responsibility legislation and a motorist from the District of Columbia who has a motor-vehicle accident in either of those States must meet the requirements of the more stringent laws, whereas Maryland and Virginia drivers who are involved in accidents in the District of Columbia are only required to comply with the provisions of the less rigid District of Columbia law. The difference between the two laws is that under the uniform code, all parties to a motor-vehicle accident involving a death, personal injury, or property damage of $50 or over, must show financial responsibility or their operators' permit and registration are suspended. Under the District of Columbia law in similar cases, financial responsibility is required only where a judgment has been secured and the defendant does not satisfy the judgment within 30 days. Although the original intent of this law was to eliminate from the highway the irresponsible driver who is involved in a serious accident, the law of the District of Columbia has the opposite effect, because a motorist who has been damaged by an irresponsible driver will not waste his time to secure a judgment against a person who is not financially responsible, and the irresponsible driver continues to operate his car.

Another remedy of which we in the Nation's Capital have failed to avail ourselves, pertains to the machinery for accurately determinin the degree of intoxication of a person charged with driving while under the influence of alcohol. Our courts will admit in evidence the results of tests made of specimens of blood, urine, or breath, from a person charged with drunken driving where there is an expert witness who will interpret the results of the test to show the degree of intoxication which the test discloses. Now it just so happens that Dr. Oscar B. Hunter, the celebrated pathologist, is the expert witness who has been donating his services in these cases for years. There are times, all too frequently, when Dr. Hunter is unable to leave his patients to come to court and testify. In such cases, the court will not ordinarily accept as evidence the results of the scientific tests and the defendant usually goes free. Legislation has been drafted by the Corporation Counsel's office which would establish as a matter of law the degree of intoxication based upon the quantity of alcohol found to be present in the specimen tested. If such a law were enacted, the court would take judicial notice of the degree of intoxication of the person whose specimen was tested. Such a law would take the guesswork out of drunken-driving cases and would result in convictions of the guilty and would prove the innocence of persons improperly charged. Since the use of alcohol tests have been used by the courts, convictions have improved but it is believed with the passage of the proposed law, the conviction rate will be substantially increased.

A third remedy for our traffic ills which has been tried out on an experimental basis, and has been demonstrated to be highly effective where used, is the program of driver education and training for high-school students.

Doctor, I know it takes money, but out of 16 high schools in the District of Columbia, only four are giving any driver education and behind-the-wheel training to students. In many communities the authorities have realized the advantages of such courses and have established them in every high school. The city of Cleveland has conducted such courses in every high school for a number of years. A study made of over 3,600 Cleveland high-school drivers, approximately one-half of whom had received this driver education and training, disclosed that the trained drivers had about one-half as many accidents as the untrained high-school drivers. Delaware is a State where driver training courses are conducted in practically every high school. Closer home is Montgomery County, Md., the county adjoining the District of Columbia on the northwest. In Montgomery County there is a course of driver education and training in every high school, both white and colored. About a year ago, when one of the county commissioners characterized driver training as one of the frills which should be eliminated from the school curriculum, the superintendent of schools asserted there was nothing being taught in the school system of Montgomery County that was more important than the courses of driver education and training.

Many years ago the American Automobile Association came forward with the proposal that one of the best ways to promote traffic safety was to teach beginning drivers to be safe, courteous, skillful operators of motor vehicles. They pioneered in this field and today, when practically every safety authority in the country is urging the expansion of this program, we find it in the President's third annual conference, and you and I participated in that program 2 years ago, with the President of the United States, and the conference convened here only this last week, made the program of driver education and training of high-school students one of its major objectives. The city of Washington cannot afford to lag behind in this all-important program. It is just as imperative that our boys and girls live to become men and women as it is for young people of other communities to escape the tragedies of traffic accidents and fatalities. "Teach them to drive" is a slogan that will go far to insure their future security.

There is another phase of the traffic problem in the city of Washington which baffles our highway authorities and which constitutes a challenge to the community. I refer to the abnormally high percentage of fatalities which occur among that portion of our population which approaching the sunset of life.

During the year 1947, 49 pedestrians were killed in traffic. Ten were between the ages of 60 and 70; 11 were over 70; and 6 were over 75. The group of citizens 70 years of age and older constitute 1 percent of our population. This 1 percent of our population over 70 years of age was involved in 23 percent of the pedestrian fatalities.

For the year 1948, 52 pedestrians were killed in traffic. Of this number, 7 were between 60 and 70; 14 between 70 and 80; and 2 over 80. You will note that 16 of these pedestrians were over 70 years of age. This means that the 1 percent of our population over 70 years of age was involved in 31 percent of the pedestrian fatalities. This is all the more significant when you realize that 52 out of the 67 traffic deaths for the year 1948 were pedestrians. If the elderly pedestrians were involved in fatal accidents in proportion to their percentage of population there would be only be one and a third elderly persons killed in 2 years; as compared with the 33 actual deaths. In attempting to solve this problem we are confronted with some baffling factors. The elderly pedestrian cannot see, hear, nor react as well as a younger person. An injury is far more apt to prove fatal. The difficulty involved is tragically illustrated by the story told by a young State trooper of the highway patrol. Driving into town he saw an old man walking in the roadway. The State trooper pulled up alongside the old man and said, "Dad, you better walk over on the edge of the road; it's pretty dangerous out here with all this traffic." "Son," said the old man, "I've been walking along this road since before you were born and I ain't goin' to stop now." A week later the old man was found lying on the roadway killed by a passing motorist.

If this contest, this pedestrian protection contest which the District of Columbia has just won, would stimulate interest in this problem and help solve this problem, it would make an even greater contribution to traffic safety than it has made to date. My own guess is that we will have to depend more upon the automobile driver than upon these elderly pedestrians if we are going to reduce the percentage of fatal traffic accidents among this 1 percent of our population which is 70 years of age or older.

Most any accident—fatal or otherwise—could be prevented if each driver and pedestrian would obey the Golden Rule "Drive or walk as you would have others drive or walk."

Emily Post, foremost authority on etiquette, wrote an article some time ago entitled "Mind Your Motor Manners" in which she pointed out that good manners on the streets and highways mean even more than correct social behavior—they mean the saving of lives. She wrote, "Nothing more clearly proclaims the quality of a thoroughbred than his skillful courtesy, which quite literally is life insurance to all whom he encounters on the road; perfect motor manners necessarily are acquired only by one whose skill at the wheel is outstanding." And I would like to add, a skillful driver never brags about getting out of tight spots; he stays out of them.

There is little or no evidence to show correlation of intelligence with safe driving. Persons with high I. Q.'s are not superior drivers; some contend they are less expert than the average intelligent driver.

It is apparent, too that most drivers are guided by emotions and attitude, instead of knowledge and intelligence. How to control emotional drivers and those with improper attitudes is the real problem today.

When the average person gets behind the steering wheel of an automobile something happens to his ego. He becomes power drunk. Most of us have committed acts—and still do—that would shock and disgust us if we saw another motorist do the same thing. We must curb our ego.

The first step toward being a safe, smooth driver is to have the right attitude—toward the driving rights of others, toward law enforcement, toward the pedestrian, toward the condition of the car, toward safety.

When you drive a car you are assuming a great responsibility—to yourself, to your family, and to your friends and neighbors. If you are to succeed as a smooth, safe driver, you must face this responsibility with the proper attitude.

We are all pedestrians at some time or another, but we must realize that not only do we have rights, but we have duties. Just as drivers have duties and must abide by certain rules and regulations, we, as pedestrians, have duties and pedestrian control laws which we must observe. We must remember also that they are promulgated as much for our protection as for our control. Laws are made to be observed, not to be enforced.

We all have a part in this traffic-control program, and each of us, as a pedestrian or a driver, has a definite obligation and responsibility to one another, as a good citizen, to do our part by obeying the rules of the game. It makes for the orderly movement of things and a much safer operation and everyone will profit by it. If drivers behaved as considerately when behind the wheel as they do in their homes. the accident rate would be cut to a mere fraction of its present proportions.

So then, I commend to you ladies and gentlemen, all of you distinguished, all of you successful, all of you having a very vital interest in the affairs of the Nation's Capital—I commend you the serious and sacred responsibility of continuing to do what you can to make that Capital City a safe place in which to live.

Washington I. Cleveland wanted me to close with a little story, a serious one, and I give it to you because without my knowledge, he was in the amphitheater on the same Easter morning with me.

Some years ago, on an Easter Sunday morning I went over to Arlington to attend the Easter sunrise service conducted under the auspices of the Knights Templar. During the war an English boy lived behind us, where we live on Butterworth Place, and I wanted him to see that scene. I took my boy, the youngest of my three children, with me. We got there very early, and fortunately we had a seat. The sun was rising in all of its beauty and the crowd swelled in. I am told by reading the papers the next day that there were some 35,000 of us there. As we sat there on that beautiful morning, we heard in the distance a military band playing that old familiar hymn known to all of us, Onward, Christian Soldiers.

I noticed that immediately to the right of the speaker's stand there was a vacant box. All of a sudden, an old soldier came in on the arm of a handsome military aide. I shall never forget that. His coat was much too large to protect the frail body on which it hung, and by the way, this was the last time this grand old soldier ever appeared in public. He came in and stood there. Quietly, all of us rose and that grand old soldier

looked over that great crowd and it seems that many minutes passed, but of course it was but a matter of seconds. He looked over the entire audience, and as he took his seat, all of us, just as quietly, took ours.

I pulled those two boys up close to me and I said: "Boys, you have been privileged to participate in a moving and dramatic historical event. That great old soldier was Gen. John Pershing, the general of our armies. We stood to honor him because of his great contribution to his country," and I said, "but in a moment we shall stand again, this time, however, we shall stand not to honor a great active old soldier, but we shall stand honoring the great Prince of Peace."

Ladies and gentlemen, with all the sincerity of my soul, I am happy to be here today to celebrate with you the evidence of the work well done in 1948, and may it ever be said of this Nation's Capital, that it is a safe city. I hope it shall be a cleaner city and I hope it shall in the future be a model city among all the cities of this earth, exemplifying the great principles of happiness and true enterprise and with a future and with an inspiration and with a challenge to all others to do likewise.

I apologize to you ladies and gentlemen for having spoken much too long. I did not intend to do it, but you are a great crowd and my fellow citizens, you have made me very happy. (There was loud applause.)

Investigation of Post Exchanges

EXTENSION OF REMARKS
OF
HON. PHILIP J. PHILBIN
OF MASSACHUSETTS
IN THE HOUSE OF REPRESENTATIVES

Tuesday, August 9, 1949

Mr. PHILBIN. Mr. Speaker, under unanimous consent to revise and extend my remarks in the RECORD, I include therein a recent editorial from the Boston Herald which very generously and thoughtfully comments upon the investigation by the Subcommittee of the House Armed Services Committee of post exchanges and related activities.

This editorial is one of many favorable comments which I have received since the close of the investigation evidencing approval of the work of the subcommittee in checking abuses of the post-exchange systems and securing remedial action by the armed services by which these activities may be continued without damaging and unwarranted impact upon our retail distribution system.

PHILBIN'S CLEAN-UP

The last place one would look for socialistic activities in the Federal Government would in the armed services. But Representative PHILIP J. PHILBIN, of Clinton, found it there and has just obtained agreement from the services to get out of the mail-order business and stop competing with private retailers. Good for the genial Representative from the Third District of Massachusetts.

As chairman of a House Armed Services Subcommittee, Representative PHILBIN found that during last year the services operated 215 commissaries, the equivalent of grocery stores, and did a gross business of $79,670,000 in the United States. In addition they ran 374 post exchanges and ships' service stores with a gross business of $251,388,000 and a net profit of $15,455,000.

To the extent that these operations were in competition with legitimate retailers they were grossly unfair. The service stores pay no taxes of any kind and in most cases their rent is paid by the Government. Most citizens, particularly those with members of their family in one of the services, know how easy it has been for unauthorized persons to take advantage of their cheap prices.

Under threat of legislative action, PHILBIN got agreement from the services to cut out their mail-order business, use more effective means to keep unauthorized customers out of these stores, and to close by the end of this year all commissaries in metropolitan areas.

For these and other improvements resulting from his investigation, Representative PHILBIN deserves a great deal of thanks, not alone from retailers. For everybody who benefited from the leaks in the service-store system was really being subsidized by everybody else.

Gift of Farm by Paul Mellon to the State of Virginia

EXTENSION OF REMARKS
OF
HON. HARRY FLOOD BYRD
OF VIRGINIA
IN THE SENATE OF THE UNITED STATES

Tuesday, August 9 (legislative day of Thursday, June 2), 1949

Mr. BYRD. Mr. President, I ask unanimous consent to insert in the Appendix of the RECORD a newspaper article from the Washington Post, describing a gift made by Mr. Paul Mellon, of Upperville, Va., to the State of Virginia, for the purpose of conducting a grass and forage crop research project under the administration of the Virginia Polytechnic Institute.

There is great opportunity in this field to improve the nutritious value of these crops, and I confidently predict that what Mr. Mellon has undertaken will result in great value to the farmers, not only in Virginia but elsewhere.

I also ask for inclusion in the RECORD of the remarks of the chancelor of the Virginia Polytechnic Institute, as well as the speech made by Mr. Paul Mellon in transferring the 420-acre farm to be used for this purpose.

There being no objection, the matters referred to were ordered to be printed in the RECORD, as follows:

(By John W. Ball)

MIDDLEBURG, VA., July 15.—Paul Mellon of Upperville, today gave his adopted State a 420-acre farm near Middleburg to be used for grass and forage crop research by Virginia Polytechnic Institute.

The gift includes this year's crops which Mellon has partly harvested, four houses and other buildings, all equipment and work stock so research can get going immediately.

The gift is about equal to an earlier gift of $125,000 by the late Andrew Mellon's son to help finance the grass research project.

Although not a native of Virginia, Mellon told a large audience at Middleburg, "during almost 15 years of residence here I have come to love this State. I wished to do something for it, and it occurred to me that anything I could do to improve Virginia's soil and to further the economic well-being of a large portion of its citizens would be fitting and most gratifying."

NEWMAN CONGRATULATES STATE

In accepting the gift Dr. Walter S. Newman, president of VPI, declared he wished "to congratulate Virginia for having such people and qualities that it attracts men like Paul Mellon to become residents."

Chancelor John R. Hutcheson of VPI related the advances Virginia has made in recent years in agriculture. "Potato yields have increased from 102 to 140 bushels to the acre," he said, "tobacco from 685 to 1,161 pounds, cotton from 259 to 422 pounds, peanuts from 810 to 1,208, wheat from 12 to 18 bushels, corn from 22 to 35 bushels, etc."

Dr. H. M. Young, manager of the VPI Experimental Stations, predicted Virginia's farm income will increase by $50,000,000 in 20 years.

Dr. Ray E. Blaser, former professor of agronomy at Cornell University, who will manage the project at the Mellon farm, explained the tentative plans for the operation, and took visitors on a tour of the place.

ADDRESS BY CHANCELOR JOHN R. HUTCHESON

Ladies and gentleman, to me this is a momentous occasion. We are met here today to inaugurate a program of research for which there is insistent demand and great need. If this research is done well it will mean much not only to every person in this audience but to every citizen of northern Virginia and every alert livestock producer in the Old Dominion. Indeed, if this project is properly supported and wisely conducted it will redound to the interests of livestock producers throughout the Nation.

There was a time in the history of this country when a successful farmer was defined as a man "who was early to bed, early to rise, work like h—— and economize." This is still a pretty sound formula for success in any business. But today a successful farmer is a man whose business is agriculture and who succeeds or fails in direct proportion to his willingness and ability to apply scientific techniques and sound business practices.

Some of our friends in other sections of the Nation are inclined to think of Virginia as a slow and backward State. It is not my purpose to either confirm or dispute this opinion. However, during the last quarter century I have kept in pretty close touch with what is happening in agriculture, and I am glad to be able to say that Virginia farmers have made more progress in crop and livestock production during the last 25 years than have the farmers of other southern States. At a matter of fact, their application of scientific techniques compares favorably with the record made by the farmers of our most progressive States. If there be those in this audience who doubt this statement I ask them to take a moment to look at the record.

During the last 35 years the acreage planted to alfalfa in Virginia has increased from less than 5,000 to more than 100,000, the acreage of lespedeza from less than 1,000 to nearly a half million, and the total acreage of all hay crops from 840,000 to 1,400,000. During this same period the use of lime for agricultural purposes has increased from less than 100,000 tons annually to more than 1,000,000 tons, and the use of fertilizers as topdressing for pastures from less than 1,000 to more than 100,000 tons annually.

This increased use of lime, legumes, and fertilizers has brought about an increase in the per acre yield of every important crop produced in this State in excess of the national average increase. Crop estimate figures for Virginia for the 5-year periods 1909–13 and 1944–48 indicate that the average yield per acre for potatoes has increased from 102 to 140 bushels, for tobacco from 685 to 1,161 pounds, for cotton from 259 to 422 pounds, for peanuts from 810 to 1,208 pounds, for wheat from 12 to 18 bushels and

for corn from 22 to 35 bushels. In 1948 the average yield of corn in Virginia was 43 bushels, and with continued favorable weather conditions we believe the yield for 1949 will be at least 45 bushels.

During this same period the number of chickens on Virginia farms has increased from less than 6,000,000 to approximately 11,000,000, and the total value of all poultry products has more than doubled. But of still greater significance is the fact that from 1914 to 1948 the annual egg production per hen in Virginia increased from 80 to 150 eggs. As a result of the combined efforts of all agencies working on this program the number of milk cows in Virginia has increased from an average of 335,000 in 1909–13 to an average of 469,000 for 1944–48; and the average annual production per cow has increased from approximately 2,700 pounds to more than 4,200 pounds per year.

Practically all of these increases are the result of the application of scientific techniques to agricultural production, and most of the scientific techniques now being used by our farmers have been developed through research carried on by our experiment stations. If you did not recognize the truth of this statement you would perhaps not be here today.

Although we have made notable progress in the development and application of scientific techniques during the past quarter century, those of us charged with the responsibility for this work know that we have scarcely scratched the surface. Every day brings new problems, and we are constantly confronted with the fact that if we are to meet the demands of our farmers for new information regarding soils, crops, livestock, and marketing procedures we must immediately speed up and intensify our research program.

With its soils, climate, and proximity to markets, Virginia can become one of the greatest livestock-producing States in the East. However, this will not be accomplished until we know more about our soils, and unless and until we increase both the quantity and quality of our pastures and forage crops. We must breed and bring in new and better varieties. We must develop better systems of management and fertilization, and we must determine what effect this increased production has on both animal and human nutrition.

That is why we were so delighted when a group of farmers from northern Virginia visited us about 2 years ago and urged the establishment of a pasture and forage crops experiment station in northern Virginia. What pleased us so much was that these men did not stop with urging us to do something, but did something themselves. When we told them our existing appropriations would not permit us to establish any additional field stations they immediately got busy and secured an appropriation from the general assembly to initiate this work. When they were convinced that the appropriation made by the general assembly was not sufficient to support the kind of research needed, one of them made a private contribution of $125,000 to the VPI Educational Foundation to supplement the State appropriations. There were no strings whatever tied to this gift, and the only stipulation was that we endeavor to do the best research with pastures being done in the United States and that we secure the services of the best-trained grass scientists in the country to head up the project.

The man who made this very fine contribution has continued his interest and, since he is with us today, I want to present him at this time and ask him to tell you of another gift which he has recently made to VPI in order to insure the permanency and success of this undertaking.

It gives me pleasure at this time to present to you Mr. Paul Mellon, of Upperville, Va.

ADDRESS BY PAUL MELLON

In the summer of 1946 I was invited to join a committee of northern Virginia landowners who had become interested in certain ideas for the improvement of pasture land and forage crops in this portion of the State. My own farm, where I live permanently, is near Upperville (about 10 miles from here), and the main produce of that farm is cattle, steers which we feed, pasture, and sell. It was apparent to the committee that, regardless of the extremely high quality of the personnel in our local extension service, and the progressive nature of the information which they distributed, true experimental work in pastures and cattle nutrition had been consistently neglected, not only in Virginia, but in the Nation as a whole. The opportunity seemed ripe for constructive service to agriculture in general, and to the cattle and dairy people of this State in particular, and we determined to see what could be done.

Shortly thereafter, a subcommittee consisting of Mr. Howell Jackson, Mr. Robert McConnell and myself called on Senator BYRD for advice on procedure and plans. Senator BYRD, most wisely and most kindly, suggested that we open negotiations with Dr. John Hutcheson, then president of VPI, indicating that the institute was the natural and most efficient vehicle through which our plan could be carried on. He gave us much encouragement and his official blessing.

Mr. Jackson, Mr. McConnell, Mr. Roger Lamdin and myself met Dr. Hutcheson and Dr. H. N. Young, director of the Virginia Agricultural Experiment Station, in Blacksburg and outlined our ideas. We received their wholehearted cooperation and support, and it was agreed that an effort would be made to raise a substantial and continuing appropriation in the legislature for such an experimental project, to be located somewhere in northern Virginia, and a first-class research scientist would be found to head it. At that time, the legislature had already met and it was too late to secure an appropriation for the next year, 1947. Because VPI had long been interested in such a program itself, however, and because our committee was eager to help with time, effort, and money, a great deal of interest was created, and the first real appropriation was voted, to be expended in 1948. The appropriation for 1948 and for 1949 was $25,000 each year.

During this time, my own interest in pasture improvement in particular, and in farming in general, was mounting. Also, pasture improvement and the consequent increased economic status of the cattle industry appeared to me more and more to be an important link in soil conservation, in the growing realization throughout the Nation that our soil must be rehabilitated and conserved. More and better pasture means to me a better balanced and an improved general agriculture. It means the checking of erosion and leaching, the rebuilding of worn-out soil, the replacement in the soil of organic matter toward its rebirth. In addition, although not a native of Virginia, during almost 15 years of residence here I had come to love this State and to wish to do something for it, and it occurred to me that anything I could do to improve Virginia's soil and to further the economic well-being of a large portion of its citizens would be fitting and most gratifying.

To carry this idea a little further: I felt that anything I could do, directly or indirectly, to increase even one farmer's production would, in the long run, be a boon to his immediate community. To help the community is to help the county. To help the county is to help the Commonwealth. To help the Commonwealth, however infinitesimally, is to help the Nation.

With these ideas in mind, and with the kind cooperation of Dr. Hutcheson and Dr. Young and the advice and encouragement of Mr. Jackson, I found that I could be of real assistance to the proposed project by making a substantial grant which would assure the immediate and solid establishment of such an experiment station, and provide for the employment of an absolutely topman to run it. I was assured by VPI that in addition to the present and proposed State appropriations, private funds of $125,000 would see such a program firmly established and well launched by the first 5 years of its existence. From then on it is confidently expected that future State appropriations will adequately maintain it. I, therefore, made that grant to VPI.

In the meantime, this community center had been established, in great part through the generosity and the untiring efforts of Mr. and Mrs. Howell Jackson. It is a model of its kind for every other community in the country. It, therefore, occurred to me that Middleburg would be a most fitting place for the experiment station, and that through cooperation with the community center, the use of its facilities for lectures, farm exhibits, farm-club meetings, and so forth, a great opportunity was available for the dissemination of, and the discussion of, information originating in the experiment station.

I had for many years owned a farm near Middleburg. (It is in reality two farms combined, Edgewood and Green Hill, formerly owned by J. Walter Cochrane and Albert Fletcher, respectively.) It is comprised of about 420 acres, and is situated about 2 miles due south of Middleburg on Route 15. It has been very ably managed by Mr. Robert Fletcher, of Upperville, as I think you will all agree when you see it this afternoon.

After a thorough survey of this farm by representatives of VPI, I was informed that it was eminently suitable for the purposes of the experiment station. I am, therefore, very pleased indeed to give this farm, with all of its equipment, to VPI for use as an experiment station for grass and forage crops research.

In addition to my profound belief in the vital necessity of conservation of the land, and my conviction that the cattle and dairy farmers of Virginia deserve the best that can be given them as a result of science and research, I have an even deeper and more personal urge to further this work. Many of my forebears were farmers. My great-great-grandfather was a farmer when he migrated from Ireland early in the last century. My great-grandfather and my grandfather as a boy followed him shortly after. My great-grandfather cleared with his own hands the land in Pennsylvania that he first settled on, and with his own hands he built his own house. His son, my grandfather, was brought up behind the plow, and it was behind the plow that he (to quote his own words) "perfected myself in Murray's Latin Grammar, committing to memory the entire 76 rules of syntax so that I could repeat them from beginning to end without once referring to the book. I accomplished this by repeating the rules when following the plow; keeping the book in the crown of my hat, I resorted to it whilst the team was turning at the end of the furrow, until finally I mastered the whole so perfectly that I could dispense with the book altogether." He also says that "whilst thus engaged in plowing I read the most of Shakespeare's plays."

When my grandfather was 17 (this was in 1830) his thirst for education had become

such that he gave up farming in a very definite way. His father wished him to remain on the land, and offered to give him a farm of his own which he could purchase for him nearby. He believed (also to quote my grandfather's autobiography):

"That for me to abandon the honest and noble pursuit of an independent farmer, and become a doctor or teacher or miserably dependent preacher; or what was in his eyes worst of all, to enter the tricky, dishonest profession of the law was a proposition which seemed to him too preposterous to contemplate."

Nonetheless, on the morning of the day that his father had gone into the town of Greensburg to arrange the purchase of this new farm he suddenly stopped the immediate chore he was engaged in, splitting rails, and he ran the whole 10 miles into the town, arriving there at the last moment, to prevent the purchase. From that day on he was through with farming, worked his way through an education in Pittsburgh, studied law, was called to the bar, and eventually became a judge of the circuit court. In short, he entered the tricky, dishonest profession of the law. Later he became a banker and founded his own bank in Pittsburgh—and in recent years we have heard some pretty hard things said about that profession, too.

I do not claim to be a dirt farmer, or a knowledgeable cattleman, or a soil scientist; but the soil is in my blood, and I feel a deep debt of gratitude to the soil of America. When I moved to Virginia and became interested in farming I felt that, symbolically at least, I had run back that 10 miles from Greensburg to the farm. By the same token, I look on these two gifts to VPI as a partial repayment of what I owe personally to the soil of my native land and to the Commonwealth of Virginia, my adopted State.

In making this gift to VPI I would like to add my own thanks and express my heartfelt appreciation to several men of great good will who are equally responsible in many ways for bringing this project into being. To Senator BYRD, who gave us much-needed advice and tremendous encouragement. To Howell Jackson, who organized the landowners committee, fired them and myself with enthusiasm for the plan, and helped us continuously to bring it to fruition. To Dr. John R. Hutcheson, of VPI, and Dr. Young, of the Virginia Agricultural Experiment Station, who worked out all the details of the project with the utmost friendliness and cooperation. To DR. R. E. Blaser, professor of agronomy at Cornell University, who gave up his important post at Cornell to take charge of the project in the belief that the most important grass and forage research in the country can and should be done right here in Virginia.

There is one other name which I have not mentioned, but it is a very important one. It is a name that most of you know, the name of a kind man, an able administrator, a man wholly devoted to his soil, his fellow farmers, and his State, the late Mr. Walter B. Nourse, county agent of Fauquier County. I did not know Mr. Nourse for very long, but everything that I knew about him in the years I did know him I liked. I speak with great reverence of his ability, his great interest in this project, and his wholehearted support of it. I know that we all miss him and feel his absence from this inauguration ceremony with great regret. Although I understand that it is not within the policy of VPI to attach individual names to research stations as memorials, I am sure that you will all agree with me that we can, most appropriately, dedicate the results, both tangible and intangible, that emerge from his project, to the spirit and to the memory of Walter Nourse.

The Profit Incentive—The Power Companies Have Seen the Light

EXTENSION OF REMARKS

OF

HON. COMPTON I. WHITE

OF IDAHO

IN THE HOUSE OF REPRESENTATIVES

Tuesday, August 9, 1949

Mr. WHITE of Idaho. Mr. Speaker, after years of a determined fight by the power companies to keep the Government from coming in and building dams and hydroelectric power plants in an effort to keep the field for the generation and sale of electric power all to themselves it now develops that these power monopolies have seen the light and had a change of heart and have hit upon a more profitable plan to make big profits on a small investment as more fully set out in my letter in response to a piece of propaganda that has reached my office in a reprint from an Oklahoma paper which is inserted herewith and my reply thereto:

Senator ELMER THOMAS and Senator BOB KERR find themselves on opposite sides of the fence when it comes to voting Federal funds for the Southwestern Power Administration. You might like to know what it's all about, since it is your money they are proposing to spend.

KERR wants the Senate to approve $9,800,000, which is the amount passed by the House for the SPA. THOMAS is a member of a Senate committee which, in reporting the bill to the Senate, voted to recommend $4,358,210 for the project. Both sums were divided into a cash appropriation and a contract authority sum.

Reduced to its simplest language, Senator THOMAS wanted to cut out appropriations for transmission lines and sell the Federal power at the point where it is generated. He thinks power companies would be glad to build transmission lines at their own expense, buy the power, and save the taxpayers the cost of building duplicate lines.

Senator KERR would have the Federal Government to use the taxpayers' money and build competing facilities. In that stand he is supporting some of the campaign pledges that Mr. Truman made on a political tour of the Western States. On that trip he referred to power companies as monopolies and said they wanted the power so they could charge what they want for power.

In this instance we find our thinking is more sympathetic with THOMAS than with KERR. We reject the argument that power companies can charge what they want to for power, because their rates are regulated in the same manner that freight rates and telephone rates are. There are regulatory State bodies which determine fair charges.

Nor do we think all monopolies are bad for the Nation simply because they are monopolies. The Government itself has approved them when it is economically impractical to have two competing companies with parallel and duplicate facilities. The Government approved Western Union buying Postal Telegraph service. It operates a monopoly itself in the Post Office Department.

Regardless of the stand of either THOMAS or KERR, the question reverts back to Federal power from such generating points as the Denison Dam. There, water has been dammed up as a so-called flood-control measure. When power can be developed as a byproduct of flood control, it seems senseless to waste the opportunity.

Equally senseless, in the opinion of a good many taxpayers, is the idea of the Federal Government paying for transmission lines to deliver that power into areas already adequately served by private, taxpaying utilities which find the Government in competition with them.

The development of rural electrification lines, we would like to point out, is not part of the power program to which we object. Federal aid there has brought benefits of electricity faster than might otherwise have been expected, with the power supplied in many instances by private utilities.

But REA and SPA are two different things. One does not duplicate the other. Extensive and costly duplication of existing high-line facilities, at the taxpayers' expense, when private companies could meet the needs without that expense, could be avoided. It looks as if Senator THOMAS is seeking to prevent waste like that.

AUGUST 6, 1949.

The EDITOR, DUNCAN BANNER,
Duncan, Okla.

DEAR SIR: What is behind the statement made in your release in the circular entitled "Today's Comment" sent to me under date of July 21?

You say, "Senator THOMAS wanted to cut out appropriations for transmission lines and sell the Federal power at the points where it is generated. He thinks power companies would be glad to build transmission lines at their own expense and buy the power." Certainly they would like to buy the power wholesale at Government rates and cinch their monopoly on the sale of distribution of Government power to all consumers for industrial and domestic use. Their generosity would relieve the Government of the trivial expense of building the transmission lines after the Government has made the huge outlays in building dams, installing electric generating equipment, paying for land damaged by overflow and financing the cost of operation and maintenance.

The cost of construction of the transmission lines would be a small price to pay for the sweet monopoly of buying the power for a quarter of a cent—2½ mills and retailing this same power for 1¼ cents per kilowatt-hour to industry and at current rates to the domestic users.

The power companies in their struggle to keep the Government out of the power production field and retain the business of generating and the sale of power all to themselves, have now seen the light and have a much better and more profitable plan to make money out of electric power.

Let the people, by an agency of their Government, come in and produce the hydroelectric power by shouldering the tremendous expense of paying for the damage of overflow land, the cost of the dam and the power-generating facilities, also the cost of operation and maintenance, and deliver this valuable and indispensable commodity electric power at the lowest possible wholesale rate to the power companies at the bus bar of the power plant. The power company, by building the transmission line, will have a monopoly with the minimum of investment and a maximum of profit in distributing the product of the taxpayers' investment in most cases back to the taxpayers themselves.

As chairman of the House committee that put through the provision of the law giving preference to municipalities (towns) and cooperatives (REA), I don't believe the general public will be fooled by the specious argument made in your comment. There may be reasons why some men in key places

would be willing to have the power consumers saddled with the profiteering scheme of these power monopolies, but I can't bring myself to believe that the great American public will permit themselves to be victimized into paying inordinate profits to these monopolies on the excuse of making a petty saving for the cost of construction of the transmission lines.

Sincerely yours,

COMPTON I. WHITE,
Member of Congress.

Preserve Polish Territory

EXTENSION OF REMARKS
OF
HON. ANTONI N. SADLAK
OF CONNECTICUT
IN THE HOUSE OF REPRESENTATIVES
Tuesday, August 9, 1949

Mr. SADLAK. Mr. Speaker, in view of certain articles appearing in recent American publications pertaining to the western boundaries of Poland and the opinions of United States officialdom expressed therein, the executive board of the Polish Falcons of America at their last board of directors meeting, decided upon the attached resolution. It has the unanimous endorsement of its many chapters or nests, as they are properly called, throughout the United States. Among the large membership are many United States veterans of World Wars I and II. In the sincere hope that their plea will strike a responsive chord in the hearts of the Members of Congress, I include the resolution of the Falcons herewith:

POLISH FALCONS OF AMERICA,
Pittsburgh, Pa., July 26, 1949.

Whereas the heroic Polish nation was the first to fight against the tyranny of a Nazi Fascist Germany with all its inherent evils; and

Whereas the Polish people for centuries past, and to this day, have done all that is in their power to promote democracy for all nations, even to the extent of deliberately sacrificing their own lands and lives so that we might enjoy our liberties; and

Whereas the lands granted to Poland on their western borders are historically and ethnically Polish and it is surely small compensation to offer the Polish Nation in return for the misery and sufferings that were their lot under the yoke of the most sadistic enemy of mankind that the world has ever seen; and

Whereas the Government of the United States and other Allied Powers decided to deprive Poland of approximately half of her territories in the east and to compensate Poland, our ally, with recovered territories from an enemy who has killed and maimed thousands upon thousands of our American boys who fought in two world wars under the impression that they were fighting for truth, liberty, and justice; and

Whereas millions of Poles were arbitrarily forced to leave their homes that had been occupied by their families for centuries when Russia was given Polish territory leaving them only the western lands to migrate to; and

Whereas Poland, who has never killed one American boy in the course of history, was never asked if she agreed to the rendering away from her of her territories in the east, who suffered more than did any nation in this last war, whether victor or vanquished, is now prostrate in the ruins of once beautiful cities and prosperous farm lands with her population decimated and suffering from malnutrition and disease; and

Whereas we watch with apprehension the sacrifice of American ideals of democracy and fair play wherein we see our Government playing into the bloody hands of the German imperialists, the very things our American boys gave their lives against: Now, therefore, be it

Resolved, That the Polish Falcons of America, a national fraternal and gymnastic association, does hereby strongly decry the efforts of United States officials in Germany to appease these self-same German imperialists by trying to return to them these historically and ethnically Polish lands now rightfully held by the gallant Polish people to relieve the artificial overpopulation of western Germany, the same plaint that was made after the First World War, to these same Germans who thought nothing of crowding millions of innocent women and children into concentration camps under the most horrible conditions and then sending these millions to their deaths in the gas chambers; and, therefore, be it further

Resolved, That in view of the heroic deeds and the unswerving loyalty for which the late Franklin Delano Roosevelt called them the "inspiration of nations," we beg against any further abusing or mutilating of the boundaries or lives of Poland or her people who, after all, are also human beings, such as we, this should not be tolerated and certainly not advocated by United States officials either here or abroad.

Dr. T. A. STARZYNSKI,
President.
T. R. BUCZKOWSKI,
Secretary.

From the Doctor's Mouth

EXTENSION OF REMARKS
OF
HON. JAMES E. MURRAY
OF MONTANA
IN THE SENATE OF THE UNITED STATES
Tuesday, August 9 (legislative day of Thursday, June 2), 1949

Mr. MURRAY. Mr. President, because of the great interest among Members of the Congress in the way the British health program is actually working, I ask unanimous consent that a brief but most interesting article from the August issue of the Progressive be included in the Appendix to the RECORD. The article explains how enthusiastic about the plan some of Britain's outstanding doctors—who once opposed it—have become. It also makes crystal clear why they have changed their opinions.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

FROM THE DOCTOR'S MOUTH

The Progressive has never been regarded as regulation reading matter in doctors' and dentists' offices, and now it is disappearing rapidly from the waiting rooms of some hardy professional souls who believed in our progressivism up to a point—the point where we supported a national insurance program.

If we read our mail right, some of the doctors and dentists who have canceled their subscriptions prefer not to have the Progressive come to their office where their patients may get, to quote one doctor of medicine, "a lot of undigested and half-baked idealism which could set the medical profession back a half century."

Our sin isn't only that we support the Truman administration's national health-insurance program, but, to quote a St. Louis surgeon, "your reports of the * * * British socialized medical program are so flagrantly false throughout and carry hardly a single word of truth."

Emotional outbursts of this kind have tempted us to share with our readers as devastating a reply to the smear campaign against British socialized medicine as we have encountered anywhere.

The scene is Memphis, Tenn. The occasion is the conference of the American Cancer Society. The characters are Dr. Edward H. Skinner, of Kansas City, Mo., a leader of the National Physicians' Committee, violently opposed to health insurance; and two highly regarded visiting British specialists, Dr. Sir Stanford Cade and Dr. Brien W. Windeyer. Dr. Skinner, anxious to make the most of the visiting Britons, invited them to be interviewed on the British program over the radio. The Britons politely accepted. Here's a report of the proceedings, as written by Convell Carlson for the conservative, antisocialized medicine Kansas City Star:

"What is the effect on the income and social status of English doctors?"

"Fine," said Sir Stanford.

"Fine?" Dr. Skinner said, as if his ears heard wrong.

"Fine," repeated Sir Stanford, and he leaned forward. "More patients, more income."

This is not what Sir Stanford had predicted of the health scheme he had opposed so vigorously during Dr. Skinner's 1947 visit to England.

"Exactly," said Mr. Stanford, "it hasn't worked out as I feared. I must tell you frankly the doctors of England are being disillusioned in a pleasant way.

"We still have our essential freedom. We have more work, more pay. And the people, I am sure, are getting better medical care."

"But the cost, Sir Stanford, the cost," said the Kansas citizen.

"The cost," he said. "What did the atomic bomb cost? What did the last war cost? Destruction costs billions, so why not some billions for everybody's health, say the people."

"What are the results in terms of effectiveness of service to the patient, in office consultations, and in hospitals?" Dr. Skinner asked.

"Good," said Dr. Windeyer. "The poor see they no longer have to depend on charity for medical care."

"Is a patient allowed to transfer from one doctor to another?"

"The patient has this choice, and the doctor, too, has the right not to continue to treat a patient if he feels results are not what they should be," Dr. Windeyer replied.

"Isn't there a lack of enterprise and initiative on the part of doctors? If they have a stipulated income from each patient, paid by the government, why should they seek to give improved service?

"Dr. Skinner," said Sir Stanford in response to these questions, "we are finding that the standard of care the doctor gives is as good as under the private-enterprise method. A man is inherently honest and a seeker of better ways toward health, or he isn't. That applies to different doctors in either type of service.

"We assume that the people trust competent doctors, under a national medical service or otherwise, and are finding that the

doctor more than the politician is the determining factor in the actual control of socialized medicine. So I say to you and other doctors of America, when a national health service is wanted, go into it as leaders and planners of a comprehensive enterprise desired by the majority of the people."

Editorial by Guy Easterly

EXTENSION OF REMARKS
OF
HON. JOHN JENNINGS, JR.
OF TENNESSEE
IN THE HOUSE OF REPRESENTATIVES
Tuesday, August 9, 1949

Mr. JENNINGS. Mr. Speaker, Guy Easterly, the editor of the La Follette Press, publishes one of the newsiest and most forthright papers in Tennessee.

La Follette is situated in Powell's Valley, Campbell County, at the foot of the Cumberland Mountains, south of the entrance of what was known as Big Creek Gap, until the city of La Follette was founded and Big Creek became Indian River.

Guy is a thinker, and he has the courage of his convictions. Those who wish to know what the people are thinking and who desire to get in step with them would do well to read the columns of papers like the La Follette Press. The men who edit them are close to the people and what they have to say is like a breath of fresh air from the hills whence cometh our strength.

Under unanimous consent I ask that an editorial from the La Follette Press of August 4 be included in the Appendix of the RECORD as a part of my remarks:

WHEREIN WE BORE FROM WITHIN OUR OWN PARTY

For years we have been thinking and saying this and we're going to repeat it. We'll probably come a little nearer to being thrown out of the party for it, but certainly a party which has failed to win a national election in 21 years needs something, and we may as well bore from within. Here it is, anyway.

Within the next 3 years there are two vital elections facing the Republican Party. One is the congressional elections of 1950 and the biggest is the congressional and presidential elections of 1952. The two wings of the party are now in a squabble over a national chairman. The Dewey wing of the party, consisting of the eastern Republicans want a national chairman, representing them. Another wing of the party wants another man. It is not our purpose to argue the merits of any two men, or the rights of either wing. Republicans should get to thinking nationally. They should begin thinking of the best interests of the Nation. They should not only begin to forget—but forget immediately—control of the party. There is not much honor in controlling a one-horse buggy which is going nowhere with no horse attached.

If we were a policy maker for the party we would insist that the work of the party be arranged along certain principles—that the party stand for something as it did in former years. That the party leaders forget to shout the merits of Abraham Lincoln and William McKinley, and begin to see the present and future, and the bearing of the party on the present and future. Our policies would be something like the following:

1. A return to American principles of Government.
2. Service to the people.
3. A return to constitutional government and a recognition of the rights of State governments.
4. Efficiency in Government.
5. Lower taxes.

Yearly, monthly, and almost daily since the last administration of Grover Cleveland the National Government of this Nation has become more and more complex, and since that time every administration has sought to make it easier for people to milk the national teat.

There has not been, nor will there ever be, any such thing as democratic government in America. The Nation was planned as a representative Republic. It could be planned no other way. Democracy can only be exercised when the whole people can come together in one mass and transact their business. We use elected representatives to transact ours. And just as the Democratic Party has nothing whatever to do with the word "democracy," the Republican Party has nothing to do with the word "republic." Both parties were born or came "down the river on a raft" long after the early Greeks had worn the words out.

No one thought of America as being a democracy until Woodrow Wilson came along, and the great man though he was, used the word absolutely out of place and without rightful meaning. The phrase "save the world for democracy" likewise had no meaning. It became a slogan simply because people are looking for slogans when danger develops. "Remember the Maine" was one. "Remember Pearl Harbor" was another.

The phrase was and is a misnomer. No one can save the world for democracy, not even the Democrats, who aren't democratic, and the Republicans, who are not republic. One can save a small commuity for democracy because all the people in that (we repeat) small community can come together to thresh out their problems. (There, that's off our chest.)

Hence our return to American principles of government, in which all may be represented—not only special interests, not only special classes, but everyone.

We have never questioned the right of the Federal Government to be of service to the people. But that service has been misused, and extended to special classes for political purposes, for so many years that it is meaningless as it now stands. Service to the people must be to the whole, and must not consist in giving every man, woman, and child a rocking chair and $50 a month.

A return to constitutional government is imperative if we are to escape either a totalitarian state or a communal state. We have drifted toward socialization now for more than 45 years. Unless we are planning such a nation as Russia now is, we must soon veer from this course. Rights reserved to the States under the Constitution must be given back to them. The Federal Government has held the States in prison for too long already under the guise of better administration of certain wartime and economic-stress powers.

We would stand for efficiency in government. For more than 25 years we have had no efficiency. Beginning under Hoover to the present we have spent recklessly for anything and everything, including programs of work so people might eat and for war purposes. We have crowded Washington and all other Federal offices with twice as many people as were needed to do the work and we have paid for all this in less efficiency and an abandoned disregard for pouring out the people's money by the carloads. This should and must stop.

Following this we would pledge a cut in taxes and we'd carry out our promise. Taxes can be lower and should be lower. We are not thinking of big corporations. We are thinking of the workingman who pays hidden taxes which amount to about 40 percent on everything he must buy.

And lastly we'd forego Tom Dewey and BOB TAFT. Neither is the Republican Party. Both are small potatoes in the life of the party. The large masses of Republican voters constitute the party. The masses who went to the polls last November and voted for Tom Dewey and the masses who stayed away because they could not stomach him and for what he represented the party to stand.

Conditions in Poland and Czechoslovakia

EXTENSION OF REMARKS
OF
HON. THOMAS S. GORDON
OF ILLINOIS
IN THE HOUSE OF REPRESENTATIVES
Tuesday, August 9, 1949

Mr. GORDON. Mr. Speaker, under unanimous consent to extend my remarks in the Appendix of the RECORD, I include an article written by a known journalist, Irving Pflaum, the foreign editor of the Sun-Times newspaper of Chicago, who in his unbiased views tells the present situation in Poland and Czechoslovakia.

RED GRIP IS FIRM ON POLES AND CZECHS

(By Irving Pflaum)

VIENNA.—The Moscow-trained Communists who are running Poland and Czechoslovakia are awaiting the collection of bumper harvests before renewing their slow but steady liquidation of the class enemy—the remaining small capitalist, the urban middle-class storekeepers, the successful peasant farmers engaging in private enterprise and the Catholic Church as a social, political, and economic institution.

The people thus identified as the class enemies consider themselves doomed unless there is a war in which the Russians and the Communists are defeated by the Americans. Moreover, most of the Polish and Czechoslovak people—whether called class enemies or not—believe that they are doomed to be swallowed up in the Soviet Empire, perhaps even deported to Siberia, unless a war comes within 5 or 10 years.

TOP IMPRESSIONS

The Poles, Czechoslovaks, and other satellite peoples therefore are the world's foremost warmongers.

These are the most striking impressions of Poland and Czechoslovakia where we traveled during July. Today, I want to report our conclusions without attempting to support them with details which will be given later.

SILENCE FOES

1. Active, violent, or effective resistance to the Warsaw and Prague Communists does not exist. There is much ineffective passive resistance, sabotage, and grumbling, but the Red regimes can ride out these storms.

2. Without using obvious methods, the Communists have successfully intimidated and coerced whole masses of the population that they haven't killed or locked up. In addition, they have won over many persons by making it worth their while to support their regimes.

3. Soviet Russians hold the top jobs in the security police and armed forces of both countries, and, in addition, can use the Red army any time they wish. Moreover, the

Polish and Czechoslovak Communist leaders in key jobs are trusted, trained Stalinist party agents and obedient branch managers for the Kremlin. Many of them are not Poles or Czechoslovaks.

RUSSIA'S COW

4. The economic and trade policies of both countries often are against their national interests. They are primarily aimed at serving Soviet Russia. Moscow is carefully, but not too obviously, milking Poland and Czechoslovakia at the expense of their peoples.

5. The growing official accounts of satellite production and reconstruction largely are whistling in the dark. Poland is doing better than Czechoslovakia, but this is in part due to the German Silesian coal and transport industry now in Poland. In both countries, but especially in Czechoslovakia, the export industries are having grave difficulties producing and holding markets. Inefficient distribution, plus the reluctance of the peasants to serve the regime, has resulted in spotty food supply for the cities.

Is This the Third Degree?

EXTENSION OF REMARKS

OF

HON. PAUL W. SHAFER

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Tuesday, August 9, 1949

Mr. SHAFER. Mr. Speaker, I am sure that many of my colleagues and most of the thoughtful citizens of the United States will agree with me when I say that the sly, tricky manner in which the administration is attempting to keep Congress in session throughout the summer and on until Thanksgiving is nothing in the world but an attempt at legislative third degree.

The President is trying subtle torture methods, not unlike many practiced in ancient China. There they wore a man down by drops of water on his forehead, you remember.

When Mr. Truman came into office with all his assorted pledges for all the assorted pressure groups he represents, he knew that he could not fulfill those pledges. Unluckily for the Nation, the gullible people who voted for him did not know that fact, and he still has them fooled.

By keeping Congress in session, he and his legislative leaders are making a show at trying to pass the worst series of bills ever presented to an American Congress. These bills would socialize our Nation, communize our way of life, and destroy representative government as we know it.

Who can blame the majority of Congressmen for rebelling against such legislation? It has not passed and it will not pass.

The Legislative Reorganization Act of 1946 clearly states that Congress should adjourn on July 31 each year unless war or national emergencies intervene. Now we have the Democrats telling the people that we are still at war—4 years after the fighting has ceased, and also telling the people that we are in the middle of a national emergency originally proclaimed 10 years ago. When is an emergency over? The late F. D. R. proclaimed so many emergencies the people were crisis-crazy even before World War II. Now we are told that one of these emergencies is still here. Which one is it?

San Joaquin Valley's Water Problem

EXTENSION OF REMARKS

OF

HON. THOMAS H. WERDEL

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, August 9, 1949

Mr. WERDEL. Mr. Speaker, under leave to extend my remarks in the Appendix of the RECORD, I include copies of a series of five articles, publishcd on July 24, 25, 26, 27, and 28, 1949, in the Bakersfield Press of Bakersfield, Calif. These articles summarize the subject of the drastic water shortage that threatens Kern County and the San Joaquin Valley in the State of California. The articles are as follows:

[From the Bakersfield (Calif.) Press of July 24, 1949]

KERN DROUGHT PERILS FARMS

(This is the first in a series of articles dealing with the critical water situation in Kern County and the San Joaquin Valley.)

(By J. R. McKinley, Press farm editor)

More than half of Kern County's fabulously rich farmland is doomed to return to desert unless additional sources of water, not now in prospect, are made available.

Twice as much water is being used to irrigate crops in this area as the total annual supply, with the deficit being drawn from vanishing underground reserves.

Water, which originally converted these desert lands into some of the world's richest and most productive acres, is being used up at a rate which threatens stagnation for the agricultural industry. And the total use continues to mount alarmingly.

To get an idea of the problem, consider the fact that more than 531,895 acres in Kern County are in cultivation this year, all except 46,500 acres of it requiring an average of 3 acre-feet of water to raise the cotton, alfalfa, potatoes, grapes and other products for which the county has become noted.

That amounts to some 1,402,185 acre-feet of water, almost twice the total supply in normal years, and three times the supply of the last two "dry" years.

For years annual use of water has exceeded supply as thousands of additional acres have been leveled and placed in cultivation.

To water those thirsty acres, farmers have been forced to draw more and more on the underground supply, with the result that the water table in the county has dropped to the point where successful farming cannot long continue unless relief is found—and soon.

This table, or static water level, has declined steadily since 1941, the last "wet" year, and between 1932 and 1947 dropped a total of 14.17 feet. Last official records were for 1947, but since then the rate of drop has increased proportionately.

In some parts of the county, this rate has been much more rapid, depending, of course, on the distance the lands are from the water source—the Kern River.

Some parts of the Edison area show a drop of 50 feet since 1939, with the water level now nearly 300 feet below the surface.

At a point where the Friant-Kern Canal will enter the county, the water level dropped from 200 feet in 1939 to 280 feet in 1947, with corresponding decline until the present.

South of Arvin and east of Wheeler Ridge in township 32 south, range 29 east, the level dropped an even 100 feet from 1933 to 1947.

As this water table drops, larger pumps are installed, wells are deepened and new wells drilled, and the farmer is forced to pull his water higher and higher.

How long farmers can meet increased irrigation costs and still operate at a profit depends on a number of items.

Any sudden drop in the price of the product he raises might force the farmer to the wall.

But a critical point eventually must be reached where irrigation costs more than offset the expected returns. When this time comes, his acres will lie barren.

The increased efficiency of deep turbine pumps has matched the declining water level for the past several years. But their efficiency must reach a performance ceiling.

Consensus of agricultural and farm experts, engineers, soil conservationists and farmers themselves is that the future is not too bright.

Water stored underground for centuries is being drawn out at an alarming rate. It is like overdrawing a bank account and amounts to virtually the same thing.

This underground water supply, literally the life blood of the country's economy, is exhaustible.

Probably 95 percent of it comes from the Kern River, forming in the Sierras near Mount Whitney. The winter snow pack, feeding the various tributaries, is all-important.

Buena Vista Lake, which in times of normal Kern River run-off stores the excess water of that stream, is "bone dry" and has been for some time.

Normally a fishing and boating resort, it has covered as much as 40,000 acres, and before it was diked, years ago, extended over an area reaching almost to what is now Highway No. 99.

Boat races were held there in 1938, and that same year Frank Latta made an 11-day trip in an outboard motorboat down the Kern from North Chester to the lake, thence through Goose Lake Slough to Tulare Lake, up the Kings River to White Bridge Slough and into the San Joaquin River.

Buena Vista Lake filled up in 1927, went dry in 1930, and remained dry until 1937 when the big rains came.

It was still considered a good fishing spot in the summer of 1945, but has dwindled rapidly since then, until now it is completely devoid of moisture.

The snow-pack run-off for the last several years has been far below normal, and the California cooperative snow surveys, division of water resources, estimates that the river flow for the April 1 to July 31 period was only 52 percent of normal.

The water flows to the mouth of Kern Canyon and thence into the various canal systems that divert it to farm land.

To get into the underground strata it percolates slowly down through the surface sands and becomes trapped in subsurface-sand reservoirs.

The rate of percolation depends on permeability and porosity of surface deposits. Depth of this underground water varies with the depth of subsurface-sand reservoirs.

Poso Creek contributes a comparative trickle to the underground total, as do other small streams from the Tehachapi and San Emidio Ranges.

But the Kern is the chief source and for centuries the underground reservoir it built up was undisturbed.

Originally the annual run-off of the river—710,000 acre-feet, averaged over a 55-year period—more than took care of all irrigation needs.

But the county's arid land was adaptable to many crops, most of them heavy water consumers.

As the market demand for these products increased, more land was irrigated, until eventually it was necessary to pump water to bring the total up to requirements.

As early as 1878 the potential water shortage in the valley was recognized, and it was then predicted that the southern part of the San Joaquin Valley, including Kern County, was deficient in natural-water replenishment to take care of foreseeable irrigation needs.

It has grown progressively worse, until today it poses a threat to the county's existence that is far more serious than most people care to admit.

[From the Bakersfield (Calif.) Press of July 25, 1949]

KERN'S CROP ACREAGE LOWERS WATER TABLE

(This is the second of a series of articles dealing with Kern County's critical water shortage, a shortage that threatens our No. 1 industry.)

(By J. R. McKinley, Press farm editor)

Kern County is in the peculiar position of having soil too rich for its own good.

Land that last year raised products valued in excess of $166,000,000 faces the imminent danger of becoming wasteland simply because the water supply is rapidly running out.

It takes from 2½ to 4 acre-feet of water to raise the cotton, alfalfa, potatoes, grapes and other products that make the county agriculturally rich.

When an additional thousand acres of land are leveled, that means an additional 3,000 acre-feet of water are necessary to irrigate that land.

The water is there; deep underground where it has been stored for centuries as the Kern River carried the melting snow of the Sierras down the canyon to the broad plains of the county.

But as this underground water is overpumped at a rate of almost a million acre-feet a year, the level drops lower and lower.

The water won't disappear completely, but it will soon reach a depth where pumping will be too costly to allow profitable farming.

What has contributed to this present water shortage?

The present so-called dry cycle has been a dominant factor, not so much for the surface rainfall that might otherwise have sprouted certain crops, thereby saving irrigation, but for the lack of snowfall in the mountains.

It is generally agreed that the Kern River is the source of 95 percent of the water supply.

The average annual run-off of the river, tabulated over a period of 55 years, is 710,000 acre-feet, or enough to cover that many acres of level land 12 inches deep.

Yet, during 1948, the run-off was less than half that amount, or 328,602 acre-feet. The previous year, 1947, the total was 406,070 acre-feet, slightly more than half of normal. Even in 1946 the total was almost 100,000 acre-feet below the average.

The result was that the water table suffered a terrific drop because irrigation requirements, instead of diminishing during this period of deficiency, increased tremendously.

The total amount of land farmed in this county in 1937 was 270,169 acres, including dry-land farming. Dry-land farming involves the raising of grain in low-lying hill areas where the rainfall usually is sufficient to insure a crop.

Some 10 years later, this acreage had almost doubled as cotton contributed heavily to the increase.

There were 78,000 acres of cotton in 1937. Last year the cotton acreage figure was 216,000.

Lack of acreage quotas and the support program naturally contributed to this increased acreage. Thousands of acres, particularly in the Wheeler Ridge-Comanche Point area, have been leveled and placed in cultivation the past few years.

The fact that Kern cotton land returns a record per acre yield and the absence of boll-weevil infestation make it ideal for this crop. But cotton requires water in large quantities.

The present drought has further complicated matters. Surface rainfall in the valley admittedly is of small over-all help. Usually our showers come in one-fourth-inch amounts or less and evaporation virtually takes care of it.

But in recent years even this small amount has not been forthcoming.

The few rains that did fall were either so small they could barely be measured, or else they came in flash floods which contributed only to erosion.

Ordinarily, domestic consumption of water in an area would be a negligible percentage of the total used for irrigation purposes.

But Kern County residents are among the heaviest consumers of water in the world.

As the county's population has grown from 156,000 in 1944 to 174,000, 183,000, 196,000, 214,000, and finally to an estimated 223,000 this year, domestic consumption has hit astronomical figures.

The California Water Service Co., serving between 80,000 and 85,000 people—or roughly a third of the county's population—shows domestic consumption figures that are hard to believe.

Consumption by the 85,000 people in the Greater Bakersfield area this year probably will hit 8,000,000,000 gallons. That's a gain of 3,000,000,000 gallons in 5 years.

Water level of the company's wells has dropped between 8 and 11 feet since 1940. Twenty additional pumps were lowered last year and about the same number this year.

The company has 71 wells serving its thirsty customers, and 2 years ago deepened them from 300 to 600 feet as insurance against a further decline in the underground levels.

During the peak consumption day in 1948 the average use per consumer (not individual) was 2,301 gallons. Inasmuch as the average in the East and Midwest is between 90 and 100 gallons for a peak day, this figure assumes terrific proportions.

Don Windlack, manager of the water firm, attributes the difference in totals of this county and other sectors to lawn watering and coolers.

It takes plenty of water to raise a lawn in Kern County, and plenty more to raise the fruit and shade trees that are almost a necessity in this climate.

Domestic consumption is not a big factor in the total water shortage, but tends to accent that shortage when it is realized that the county's total use, reduced from gallons to acre-feet, equals 73,700 acre-feet, or enough water to irrigate some 24,000 acres of farm land.

Kern County's lands are thirsty, and its people are thirsty, too.

[From the Bakersfield (Calif.) Press of July 26, 1949]

COUNTY MUST WAIT FOR FRIANT WATER

(This is the third in a series of articles dealing with the critical water situation in Kern County and the San Joaquin Valley.)

(By J. R. McKinley, Press farm editor)

A half-completed concrete canal represents the only hope at present for Kern County farmers who have on their hands the worst water crisis in the history of the area.

The Friant-Kern canal, extending some 160 miles from Friant dam, near Fresno, to the Kern River, will eventually furnish supplemental water to the county's thirsty acres.

The only catch is that the canal is not finished, and the contract for the last 36 miles—the vital section insofar as Kern is concerned—will not be let before next year.

Down this canal, a part of the vast $400,000,000 Central Valley project, will flow both class I and class II water. Some of the water already is being used to supplement diminishing water tables in Tulare county.

The Bureau of Reclamation expects to have the canal entirely completed in 1951, at which time Kern farmers will begin to feel some of the benefits. But a lot of water will be pumped before that time.

This canal water will help ease the water problem in more than one way.

It will directly irrigate thousands of acres, thereby eliminating the need for pumping in those areas.

A certain proportion of it will eventually percolate back into the underground strata, and its use on the surface will help check the receding water table.

Just how much of this water Kern farmers will receive is anyone's guess. It has been estimated that 600,000 acre-feet annually are scheduled to go south of Friant dam.

Even if Kern received this entire total—which it certainly will not—it would not completely solve the water problem here. But in an area where nothing but sagebrush and wiregrass will grow without water, every single drop is precious.

Two rivers—the Sacramento and the San Joaquin—are the source of Central Valley water.

The Sacramento, flowing from the north, and the San Joaquin from the south, meet in a common delta near Stockton, mingle in a myriad of channels and issue together into San Francisco Bay.

Shasta Dam, located north of Redding, will create a large reservoir which will check Sacramento floods during the stormy seasons and store surplus water for relase during dry months.

The delta cross-channel below Sacramento will divert surplus Sacramento River water to the pumping plants of the Contra Costa and Delta-Mendota canals.

The Contra Costa canal, starting at Rock slough, will serve an industrial and agricultural region as far west as Martinez. The Delta-Mendota canal, starting near Tracy, will carry a new water supply up the San Joaquin Valley as far as Mendota to serve lands previously irrigated from the San Joaquin River.

This exchange will make possible the storage of San Joaquin water behind Friant Dam in Millerton Lake for diversion into the Friant-Kern and Madera canals.

It is small comfort to Kern County and San Joaquin Valley farmers to realize that the dam itself (Friant) was finished in 1942.

Inasmuch as the canal was not completed simultaneously, the valley has lost approximately 4,000,000 acre-feet of deperately needed water—water that has flowed down to the sea. This water was in excess of all diversion rights below the dam.

And although a comparative trickle is now flowing through the first half of this canal, additional thousands of acre-feet of water are still being lost to the sea.

It is pointed out that the Sacramento River has two-thirds of the total run-off of Central Valley, with one-third of the irrigable acreage.

The San Joaquin has one-third of the total run-off, and two-thirds of the irrigable acreage.

As early as 1874 it was obvious that eventually the water from the Sierra streams would

be needed for irrigation purposes. That year Lt. Col. B. S. Alexander submitted a report outlining a comprehensive system that could be constituted for utilizing this water.

Col. Robert Marshall, chief hydrographer of the geological survey, submitted a plan to the Government March 16, 1919, in which he contemplated a number of storage reservoirs and a system of huge canals following the entire rim of the Sacramento and the San Joaquin valleys.

The plan, after a study, was found to be too costly and complex for construction. But an investigation authorized by the legislature in 1921 led to formation of a State-wide plan developed by the State division of water resources in 1931.

Legislation was passed setting up the Central Valley project in 1933 and was approved by the Governor August 5, 1933.

At a special referendum December 19, 1933, the Central Valley project was approved by the people of California.

The Federal Bureau of Reclamation was authorized by Congress to begin construction in 1935, when it became a Federal project.

Construction was first started in 1937 with the building of a warehouse at the Friant damsite. Construction at Shasta Dam was started in July 1938. In November 1939, actual construction of Friant Dam started.

The Friant-Kern canal was cleared for construction in 1945, prior to the close of the war, after a 4-year delay.

This month the first water was diverted through the southward canal, barely in time to save suffering crops near Orange Cove and in other Fresno and Tulare County areas.

Already years behind schedule, the canal today is of little help to the farmers in Kern County, who are pumping water at an average cost in excess of $3 per acre-foot per 100 feet of lift. This includes power and cost of drilling the wells.

If farm prices should suddenly tumble, a lot of farmers might be out of business by the time the water finally reached its terminus—5 miles west of Bakersfield on the Kern River.

[From the Bakersfield (Calif.) Press of July 27, 1949]

ADDITIONAL ACREAGE DEPENDS ON WATER

(By J. R. McKinley, Press farm editor)

(This is the fourth in a series of articles intended to point out the dangerous water shortage in Kern County and the San Joaquin Valley, and to determine what, if anything, can be done to relieve the situation.)

Kern County needs every drop of the water that will flow through the Friant-Kern canal, and even this wouldn't allow for future agricultural expansion.

But instead of getting the full amount of that water, the county will be lucky if it gets a fifth part of it. Other counties, nearer the source, also have their water problems.

The total volume the canal will carry, even by optimistic estimates, would barely balance the annual county water deficit of almost a million acre-feet.

As originally conceived, the Central Valley program was designed to provide irrigation water for an additional 350,000 acres above what was in cultivation in 1937.

Those 350,000 acres already have been placed in cultivation in the valley—without the additional water.

So the most that could be expected of the project would be that it helped maintain the present acreage with no provisions for future land that could be leveled and which would produce valuable crops.

Long-range planners already are wondering just how, and where, water can be obtained that will allow for future acreage expansion.

County Agricultural Commissioner Lewis A. Burtch estimates that with favorable water conditions, Kern County alone could double its present acreage of 531,895 acres, which includes dry-farming land.

Some of this new land is alkali-infested, requiring a great amount of water. But other potential new land, especially in the Maricopa area, needs only the average amount of water to make it grow virtually anything and in abundance.

Thousands of acres of low hill land would produce bumper crops if the water could be placed on it without a prohibitive expenditure.

Assuming that full use is made of Friant-Kern canal water, the county will merely get a respite, and will have the same problem of dropping water tables and increasing irrigation costs.

But will full use be made of this canal water?

The Bureau of Reclamation cannot contract with an individual.

Therefore, it is necessary for farmers whose lands are in an area desiring water from the Central Valley project, if not already in an irrigation district or other water district capable of contracting with the Bureau, either to have their lands annexed to one of the districts or join with other farmers, if the area is large enough, and organize a district under the laws of the State.

There are a number of different types of water districts, but irrigation districts appear to be the most numerous.

Once the district is organized, the district officials, in cooperation with the Bureau, can determine the district's water requirements and they can then negotiate a contract. They will then be assured of enough water, when it is available, to meet requirements for supplemental water.

The term "supplemental water" is the key to the Central Valley project. It was not intended to furnish water for everyone who wanted or asked for it, but to supplement the amount already available with water that would otherwise have been lost to the sea.

The Bureau is authorized to construct laterals for carrying irrigation water from the main canals throughout the district when it has a contract from the district for such work. Repayment terms are interest-free in accordance with the reclamation law.

It is presumed the districts will operate their own irrigation systems, but that will be determined from the kind of contract they succeed in negotiating with the Bureau.

The first such contract to be signed was negotiated between the southern San Joaquin municipal utility district in the McFarland-Delano area of Kern County and the Bureau.

Several other contracts in Tulare County have been consummated.

At present, negotiations are being carried on by representatives of the Shafter-Wasco irrigation district and the Arvin-Edison water storage district for a contract.

In periods when the run-off of the San Joaquin is in excess of the average, additional water, class II water, will be available. This is water above the mean annual river flow, and will, of course, vary from nothing to perhaps a million acre-feet.

Most people who have studied the county's water problem are agreed that the lake to be formed by completion of Isabella Dam will have little effect on the over-all situation, other than to regulate the flow of the river.

It is a flood-control measure, and insofar as irrigation water is concerned, it will merely transfer what was once Buena Vista Lake to the mountains.

What is not generally understood is the fact that none of the water from the Kern, even during flood seasons, is ever completely lost, except through evaporation.

What isn't used for surface irrigation percolates back into the underground strata.

During seasons of excessive run-offs, the water reaches Buena Vista Lake. If it is too great an amount to be stored in the lake, it is diverted toward Tulare Lake through the Buttonwillow Canal. Meanwhile it builds up the underground reserves along the route.

But Buena Vista Lake has been dry for several years since the run-off of the river fell to approximately half the normal amount, and even its rich bed, farmed sporadically when conditions permitted, now requires irrigation water—water that must be pumped.

The "lake" is a parched, bleak bit of testimony illustrating our critical shortage of water.

[From the Bakersfield (Calif.) Press of July 28, 1949]

WATER SHORTAGE HIT KERN COUNTY FIRST

(This is the final article of a series dealing with a water shortage in Kern County and San Joaquin Valley.)

(By J. R. McKinley, Press farm editor)

"First in oil, first in cotton, and first to feel the effects of California's water shortage."

That isn't exactly the slogan of the Kern County Chamber of Commerce, but it well could be.

Only one county in the United States produced more cotton last year than Kern—Mississippi County, Ark. And Kern's per-acre yield was the Nation's top figure.

Kern County for years and years has led the State in production of oil.

And Kern County needs water more desperately, possibly, than any other part of the State or Nation.

The county's "potato pot," embracing McFarland, Wasco, Pond, Shafter, Cawelo, Edison, Wheeler Ridge, Arvin, and Tehachapi, produces nearly three-fourths of California's potato crop.

Propitious weather and the availability of a ready market contribute to an annual agricultural yield, including livestock, valued in excess of $166,000,000.

But the chief contributing factor to this wealth is the land itself, which, if watered properly, will grow virtually anything in the way of vegetables and fruits.

Were enough water available, the present acreage of the county might be doubled in a few years.

But instead of increasing, the county's agricultural acreage is almost certain to show a decline. The critical point where land can be farmed profitably in the face of mounting irrigation costs has been reached by some of the farmers.

There just isn't enough water to go around, and the chief concern of county leaders at present is maintenance of the present acreage, not an increase in the total amount to be farmed.

This might be done, but only if every available drop of water is utilized and if present good prices continue.

(This is based on a figure of 3 acre-feet for the average crops raised here and is the applied amount. The amount actually consumed by the plant is nearer 2 acre-feet, with the remaining acre-foot either percolating slowly back into the strata, or evaporating.

(By the same token, neither can the 710,000-acre-foot run-off of the Kern River be figured in its entirety. Some of it, too, goes into evaporation.

(Water applied to the surface might percolate back into the strata rapidly where the water level is high. But where it is 200 feet or more below the surface the percolation rate is quite slow.)

For one thing, full use must be made of the supplemental water which will be available when the Friant-Kern canal is completed.

Farmers themselves must save water by eliminating weeds, planting fewer follow crops, irrigating only the amount necessary, and keeping their checks small enough so that part of the field is not overpenetrated.

Many farmers unintentionally overirrigate. If the checks are too long or too wide, the upper part of the check might be penetrated several feet in order to attain 4 inches or so at the lower end.

In isolated instances it has been found that alfalfa growers have used twice the amount necessary because the checks were too large.

Pacific Gas & Electric Co. engineers and officials know the extent of the water shortage, and the firm is a leading advocate of water conservation.

Pump tests conducted by the power firm not only help determine the potential power wastage but lead to corrective measures that save both power and water.

Another hope for the water-desperate Kern farmer might be the overhead sprinkler system.

These systems are coming more and more into popular use, and whereas they were used last year to start certain crops this year some of them have done the complete irrigation job.

They are showing good results, although there are certain types of soil for which they are not adaptable.

The initial cost of installation is higher, but estimates of their total saving in the amount of water consumed run as high as 50 percent.

With sprinklers, soil can be penetrated uniformly. Evaporation is greater, perhaps, than in ditch irrigation, but this evaporation, estimated by agricultural experts at the University of California, Davis, to run between 5 and 20 percent, is more than offset.

If sprinklers continue to show successful results, as in the past, they might contribute their part to the necessary saving of water.

In most agricultural areas the farmer looks to the sky for relief.

The Kern farmer looks at figures of snow pack in the mountains, to pumping-cost charts, water-table figures and toward a ditch that is to be completed sometime in 1951.

He looks at the level land and asks himself how much longer he can afford to water it.

His problem is simple: He and his neighbors are using more than 1,400,000 acre-feet of irrigation water a year. The total supply is slightly more than 700,000 acre-feet a year.

His answer is not so simple.

A return of a wet cycle, with ample rainfall and snowfall, would still leave him with an annual deficit of almost a million acre-feet a year.

He is saving water every way he knows, because water costs him money.

The Friant-Kern canal will contribute but a small amount of the total needed.

And new farm land, needed desperately to feed a hungry world, is out of the question without water.

To date, there is no answer.

Address of Maj. Gen. Clovis E. Byers

EXTENSION OF REMARKS

OF

HON. JOHN H. KERR

OF NORTH CAROLINA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, August 9, 1949

Mr. KERR. Mr. Speaker, on August 4 the people of Bertie County in the State of North Carolina paused in the midst of their busy lives to pay tribute to the veterans of that county with a day-long celebration. A test of the character of a community is the respect with which they honor their defenders. In this and all other such tests the people of this country rank among the foremost of the Nation. It is with a feeling of deep pride that I point out to this Congress these activities on the part of the people in the congressional district I am honored to represent. The high character and ability of General Byers made him a most appropriate speaker for this occasion. His address follows:

I am touched by the welcome you have given me here, a welcome I am eager to interpret solely as a tribute to the veterans of Windsor whom you so appropriately honor today.

While it is always a pleasure when my duties make possible the renewal of friendships in North Carolina, I do admit to some misgiving when attempting to fill the boots of your good friend and neighbor, the Secretary of the Army, Gordon Gray.

It has been my lot, since entering the military service, to see a good deal of the world and after each tour of duty overseas, I have returned with increased appreciation of these United States. In all of my tours, I met North Carolina servicemen and found them carrying out their duties faithfully, no matter what their assignment—on land, at sea, or in the air. With even greater emphasis was this characteristic sense of duty imparted to me upon my return from the Pacific and subsequent assignment as commander of the Eighty-second Airborne Division at Fort Bragg. Until I had spent the better part of 2 years in Fayetteville, I was yet to grasp the magnitude of North Carolina's contributions to victory in World War II.

The field is so broad and accomplishments so great that it is impossible to cover in a single message. In retrospect, it encompasses the service of 362,000 of this State's citizens in the armed forces; the production of billions of dollars of war materials, and immeasurable patriotic service in every home community.

It is natural for a nation, or a state, to take pride in commanders who have pointed the way to victory. North Carolina can be justly proud of hers—among them, Gen. Hal Turnage, of Farmville, who led marines in the Pacific, and Gen. Thomas J. Davis, of West Union, who was one of the key men on General Eisenhower's staff.

Gen. Bob Eichelberger, leader of the famous Eighth Army in the Pacific, under whom it was my privilege to serve, though not a native Carolinian, married in this State and calls Asheville his home; Gen. William C. Lee, of Dunn, who pioneered and was the first leader of airborne troops, only to have his health fail—largely as the result of his Army work—so that he was unable to lead his troops in combat; Gen. Steve Simmons of Newton, who distinguished himself and saved many American lives by his work in preventive medicine, especially malaria control; Admiral David Worth Bagley, of Raleigh, Pacific battle-force commander, and many others whose names I wish I had time to mention—top men—not only in the Army but all the services.

But as important as these leaders were—and typical as they are of the Carolina brand of leadership—I would prefer talking about the services rendered the country by all of our citizen soldiers and sailors and marines, both officers and enlisted men, during the two World Wars of this lifetime.

Many of us, I know, associate North Carolina service in the First World War largely with two divisions—the Thirtieth and the Eighty-first. I am sure that there are here within range of my voice some of those who served in "Old Hickory" when it cracked the Hindenberg line in 1918. I am sure there are others who were with the "Wild Cats" in their short but creditable contact with the Kaiser's forces at Meuse-Argonne in the weeks before the Armistice.

Wherever they were in either of the World Wars, your fighting men were worthy of the State's highest traditions. We can take special pride in their accomplishments but it is a pride that must be mingled with sadness.

North Carolina paid with the lives of more than 7,000 men. Many others were casualties—who will carry the grievous wounds of war for the remainder of their lives. No North Carolina city, no town, no rural section, escaped. These are men to whom this State and every part thereof must ever keep in mind.

These are lessons we cannot forget but which will be of value only as they serve as an example in the years ahead. One thing is paramount. That is the need of preventing—forever if possible—a recurrence of 1917–18 or 1941–45.

Neither America nor the world can afford another war. We were victorious both times, it is true, but I need not illustrate at what cost.

The war in which these momentous sacrifices were made—just 5 years ago—was in the last analysis the acid test of democratic government—waged on one side for the few and on the other side for the many. Two irreconcilable political faiths—one based on the natural brotherhood of men—the other on exploited differences between men—were locked in struggle for survival.

The forces of democracy won. For a time, at least, we had crushed the gangster conspiracies that would make intolerance a way of life. On the basis of the lessons of that conflict, we are now engaged in the building of a new alliance that will outlaw the gang political philosophy among nations as we have outlawed it in the United States. But more is required if our way of life is to become the possession of the world.

Chiefly, it involves the maintenance of military strength in keeping with our position as the world's leading exponent of democratic government.

I know that the expression of this view may arouse some inclination to draw a sharp line between our internal welfare on one hand and our national security on the other. The general inference is that there is a wide divergence between the two objectives. I believe that this is somewhat exaggerated. I am more confident that with a reasonable approach, both goals can be attained. To every person here—to every American wherever he makes his home—it is important that both of these goals, internal welfare and national security, should be attained.

After considering the need for unity and strength, the United States has a far more vital world role to fill in the chaotic interim than the occupation of conquered countries, the manning of protective bases, and the direction of men and organizations in our security structure. We can either take or fail to take our national position in the world as a rallying point for those who yearn for the way of life we and our Nation fought for in 1945.

Thousands of hopeful but fear-ridden people are watching us to mark our posture, both militarily and economically. With a needy world clamoring for our products, our employment and production have continued at high levels. We have work to do—good, honest, and productive labor. By material assistance now, we are bringing hope to despairing hearts and building into the framework of human relations an increase of good will, an increase in faith in the democratic way of life.

Only through this effort are we inspiring, rather than disappointing, the uncounted millions who seek assurance that we, the world's most powerful stronghold of democracy, will stand firm and strong for the justice and freedom that form the only secure foundation for peace.

These things, I believe you approve. But approval cannot be given and forgotten. It implies a determination to face the sacrifices involved, including those countenanced in maintaining a sound national security. Modern armies, navies, and air forces are forbiddingly expensive and this interim period of heavy draft on our resources—if protracted indefinitely—would result in the requirement of even greater financial sacrifice. Yet, I could not stand here at this moment urging the vital importance of national strength, as the world understands such strength, unless I was completely convinced that the alternative is too fearful to contemplate.

The Army is thoroughly aware of the vital need for avoiding unnecessary expenditures in contriving and administering its part of the national security. We are resolved that insofar as our intelligence can devise, the country shall receive maximum security with maximum economy. We shall work unceasingly with the Air Force and the Navy to maintain a Military Establishment in step with the pace of scientific advance and efficiency, constantly striving to cut the cost. The adjustment of our security forces so that they shall be in balanced effectiveness to meet the Nation's needs is a task at once complicated and urgent. In the light of our present needs, the whole problem of security by sea, air, or land, must be examined and reassessed so that all sectors can be covered without duplication, and even more important, without neglect. This is a problem to which we invite the continuing concern of every veteran. The uniformed services belong to the American people—not to the officials temporarily commanding them. Their size, their nature, their organization—all these deserve your fullest attention, first, to assure yourselves that the Nation is not recklessly exposed nor flaunted and ridiculed as it labors to promote world order; next to see that we do not go bankrupt to support duplication or obsolete formations.

Above all, this is a time for confidence in our country. If we have the common bond of faith, one with the other, we shall be able to continue in the even tenor of our ways and not allow fear, attended by doubt, force us into an endless international armaments race—and its consequent doom of national economy.

This, my friends, is the choice. This is the decision Americans must make. No one—least of all the Army—can make it for them.

Nor is there any easy or popular alternative to armed security through top-heavy trust in supersonic weapons or the atomic bomb at the sacrifice of our remaining arms. All of us are familiar with the push-button theory, based on the idea that sea power and the foot soldier are outmoded and that the air arm should be relegated to the role of an aerial quartermaster freight service because guided missiles will be the bomb carriers of the future. This leads only to the danger of reckoning our safety on fantasy rather than fact.

It is not my purpose to depreciate the vast advancement of scientific weapons or their further development as priority weapons in event of attack. Nor can anyone deny that their development, existence, or utilization in the event of attack by any aggressor is the greatest deterrent to war today.

By any yardstick, American armed strength will only be as strong as the combat capabilities of its weakest service. Overemphasis on one or the other only obscures our most compelling needs—not for sea power, air power, or land power—but military power commensurate to our world requirement. When you think of balanced security then, the simplest comparison is that of a college football team. The team may boast a string of all-American backs, but it still needs 11 men on the field. The backs couldn't even get started if their line wasn't in front of them.

National security is a condition that cannot be qualified. We shall either be secure or we shall be insecure. You cannot have partial security. If you are only half secure, you are not secure at all. You cannot lock your front door and leave the back door open. No matter how strong the Army, Navy, or Air Force may be, no matter how well trained or extensive its reserves, how big our stock piles or weapons, we can still be attacked if we do not have the common faith and unity. They lock that back door through which doubt and fear might enter.

I leave these thoughts with you because I know you veterans have a particularly alert concern for all those matters which affect the welfare and security of the Nation. You are marked men—you cannot escape positions of influence, particularly in moulding thought in that field in which you have had personal experience in the defense of this Nation. That experience, both in foreign fields and here at home, has fitted you for special and specific leadership.

While a strong United States is necessary for our own well being, the task of world peace demands that our country be the stabilizing influence in the world community of nations. You, in your daily work and associations, can help build within our people a solid conviction of that fundamental fact. You owe the effort to your comrades who in two world wars stopped at no sacrifice to preserve their country from enslavement by aggressors. To build that conviction, I believe, is the mission and duty of every citizen worthy of the calling. Democracy can never be stronger than the willingness of its citizens to sacrifice for it. Its privileges cannot be indefinitely enjoyed unless there is always an equal zeal in meeting the obligations of citizenship under it. For all of us, it is clear that there is still work to do—work that puts our country above all else, but performed in the realization that by devotion to America, we are assisting world progress.

America's veterans are entitled to a better world than the one into which they were born.

Remember the lessons of two World Wars in this lifetime and you shall have it.

Three West Coast States Have Worst School Jam

EXTENSION OF REMARKS

OF

HON. HELEN GAHAGAN DOUGLAS

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, August 9, 1949

Mrs. DOUGLAS. Mr. Speaker, under leave to extend my remarks in the RECORD, I wish to include the following newspaper article which appeared in the Washington Post, July 10, 1948:

THREE WEST COAST STATES HAVE WORST SCHOOL JAM

(By David L. Leonard)

SAN FRANCISCO, July 9.—California is one of three States with the worst school overcrowding in the Nation, a survey showed today.

The other two States are California's northern neighbors—Oregon and Washington. They, too, were caught in a tide of west-bound immigration during the war. The war workers didn't go home again.

State and county school officials back the belief of Dr. Charles Bursch, director of California school planning, that it is hard to choose which of the three States is worst. But they believe, like Bursch, that California alone accounts for about 10 percent of the Nation's total needs for more and bigger school buildings.

A survey of school authorities conducted in California showed that overcrowding was the worst in history; and that the situation probably won't get any better for at least 8 years.

School officials have built four times as many new and expanded units as in 1940. But they say that about 112,000 California students through the first 12 grades are forced to attend classes on half-day or split-session schedules. Some areas hold three split-sessions daily.

Educators blame a great influx of children in the 1- to 14-year-old bracket. The California birth rate since 1940 has nearly trebled, they point out.

The San Francisco Bay region alone had 76.1 percent more under-14 population in 1947 than it had in 1940. Los Angeles chalked up a 122,000 total population increase in 1948.

Henry Magnuson, State department of research and statistics, said that by March 1949 there were 146,914 more students in the first 12 grades throughout the State than there were in 1941. The 1941 figure was 1,149,963. "And it's still increasing," he added.

School construction is up 400 percent over prewar years; but even that isn't enough. State Architect Anson Boyd said that in the first 5 months this year $49,955,000 in school-construction funds cleared through his office. The record postwar year was 1948 when school-building allotments totaled $113,174,000.

The average for prewar years was $14,000,000 annually, Boyd said.

Los Angeles gets most of the construction. Officials there say they need 3,600 more classrooms by 1960—or one room built every day for the next 10 years.

Los Angeles predicts its peak year will come somewhere between 1948 and 1964. In 1964 that city estimates it will have 127,000 more students than it has today. Of this figure, 90,000 will be elementary pupils.

Some 27,000 students in Los Angeles attended split sessions last year. This year the number of split sessions was cut in half. But there is a kindergarten waiting list of 2,000; officials hope they can eliminate it by the end of the 1949–50 school year.

Austrian Peace Treaty

EXTENSION OF REMARKS

OF

HON. JOHN DAVIS LODGE

OF CONNECTICUT

IN THE HOUSE OF REPRESENTATIVES

Tuesday, August 9, 1949

Mr. LODGE. Mr. Speaker, as I warned repeatedly in the past, we must be most wary in approaching the Austrian peace treaty. I am reliably informed that the chances are that an Austrian peace treaty will be concluded some time in the fall. I submit that this is cause for grave apprehension since in Austria the western world has a free territory pointing 120 miles behind the iron curtain.

In this connection I am inserting in the CONGRESSIONAL RECORD an interesting article, by C. L. Sulzberger, which ap-

peared in the New York Times on Sunday, August 7:

RUSSIAN TOEHOLD IS SEEN ON THE FUTURE OF AUSTRIA—SOVIET HAS ATTAINED POWERFUL POSITION IN ECONOMY OF "LIBERATED" COUNTRY

(By C. L. Sulzberger)

VIENNA, August 5.—Despite the fact that Austria is technically a "liberated" country and the treaty that will decide her future is called a "state treaty" and not a "peace treaty," a fact remains that cannot be negated by semantics: Four armies of occupation remain on Austrian soil.

Actually, they have far less disagreeable mutual relationships than is customary, for example, in Germany. To some degree this may be occasioned by the fact that the Allied Council deals with a government in being and has specifically limited functions.

Additionally such complexities as travel corridors from the Western zones to Vienna were specifically worked out and agreed to in writing from the start. Western troops are allowed in the Soviet zone with proper permits—which take about 3 days to obtain. Soldiers of all four nations stroll unconcernedly in each other's sectors of Vienna.

All told the Russians are said to have about 45,000 troops in this country (including some who switch in and out of Hungary) and the combined Western forces are about 25 percent less. These are mostly restricted to specific areas. Driving from the Czechoslovak frontier to Vienna, this writer saw only six Soviet soldiers, including one supervising customs at the border and three who were riding in the same jeep.

Through geographical proximity and military ascendancy the Russians have managed to attain a powerfully influential position in the Austrians' future. The Soviet has more than a toehold on the nation's economy through its oil field and Danubian waterfront possession.

Some people say that if the treaty now being discussed in London does not specify that the Austrian Government shall be charged with the security of these properties, Moscow may insist on maintaining its own police forces on them.

Few western-power spokesmen believe the Soviet Union will seek to take control of Austria through an internal Communist putsch after the treaty finally is signed. The party's limited membership is largely concentrated in three towns—Vienna, Wiener Neustadt, and Leoben. Its greatest trade-union strength is in the chemical workers (12 percent) and mine and metal workers (10 percent).

While as much as 25 percent of the Vienna political police are Communists, the national forces have been considerably purged since the first provisional government's Soviet-picked Interior Minister was eased out. Despite the minority position of the Communists, however, there are fears that the Soviet Union will gradually seek to expand its economic grip and "muscle in" if a depression ever strikes the United States or if Austria defaults on any of her stiff schedule of payments. Worries by some high American officers that Communist "goon squads" could seize the Vienna Government are discounted by diplomats.

The resurgency of nazism is another matter giving concern. Such papers as the Graz Alpenruf, the Salzburg Neue Front, the Berichte und Informationen, and the Freie Stimmen are beginning to produce familiar paragraphs.

The Freie Stimmen of July 23 encouraged Nazi youth to bide its time until the Allied withdrawal when it could build a parliament to its own liking.

The Neue Front of July 16 said: "Without doubt, thanks to the Fuehrer principle, much was done during the dictatorship of the Third Reich that could hardly have been accomplished in a democracy."

All but what are termed "implicated" Nazis are now free to participate in Austrian affairs. Most politicians agree that they should be absorbed into the normal social life to avoid the creation of a dangerous group of malcontents.

This is a subject that certainly must be handled delicately. This correspondent remembers vividly being in Vienna in the spring of 1938 after anschluss and seeing Nazi formations marching groups of Jews and Socialists to do "physical jerks" or going into the city morgue to check on lists of recorded suicides.

As the October 9 elections approach the Nazis find themselves wooed by political leaders who hope to gain their votes. The support of two groups—the Austrian Democratic Union and the League of Independents—is being quietly solicited.

The Austrian Democratic Union may obtain Allied permission to register as an approved fourth party. The League of Independents stands no chance of that but may put up its own candidates, although not constituting an approved party, under a peculiar electoral clause allowing persons sponsored by more than 100 voters in any locality to stand.

Since the Nazis are strong in Styria, Carinthia, Salzburg, and upper Austria their vote may be important in the autumn. The dominant People's Party hopes to have it and perhaps gain a majority.

As things now are the great powers each have their favorite party. The Russians, of course, sponsor the Communists. The British fairly openly support the Socialists. The Americans give encouragement to the People's Party, the only non-Marxist group, and the French also more or less favor its Catholic flavor.

More Recognition of Vast Benefits Tennessee-Tombigbee Waterway Would Bring

EXTENSION OF REMARKS

OF

HON. FRANK W. BOYKIN

OF ALABAMA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, August 9, 1949

Mr. BOYKIN. Mr. Speaker, under leave to extend my remarks, I am inserting an editorial from the Mobile Register, Mobile, Ala., dated July 30, 1949.

I am also including a news item from the Mobile Register dated July 29, 1949, entitled "Idea on Growth for Mobile's Port Outlined by Philanthropist Here," in which news article Hon. Erskine Ramsay, of Birmingham, Ala., emphasizes the potentialities of the Tennessee-Tombigbee waterway project.

[From the Mobile (Ala.) Register of July 30, 1949]

MORE RECOGNITION OF VAST BENEFITS TENN-TOM WATERWAY WOULD BRING

On a visit to Mobile this week, Erskine Ramsay, long prominent in the business life of Birmingham, emphasized the potentialities of the Tennessee-Tombigbee waterway project.

This project, of course, would connect the Tennessee and Tombigbee Rivers by canal and thus open a navigation route between the Gulf Coast at Mobile and the inland country of the United States.

Mr. Ramsay revealed a keen awareness of the economic benefits that could be expected from this improvement in the Nation's system of inland waterways.

"I was and am exceedingly pleased with the advancement being made by the docks in Mobile," he said in speaking of the Alabama State docks. "But I feel there is nothing that will help Mobile and the whole Southeast so much as that Tennessee-Tombigbee link. With that, Mobile would become a big city and in a big hurry."

Mr. Ramsay's observations stand as another example of the great value placed on the Tennessee-Tombigbee project by those who have closely and carefully studied it.

Opening of the new route by constructing a canal to connect the two rivers would mean a great and continuing service to the transportation of commerce.

It would mean important savings in time, distance and cost of water transportation between the Gulf Coast and a wide inland region of the country. The benefits thus available would be permanent and far-flung.

The Tennessee-Tombigbee waterway is so meritorious that it should have been established and placed into use many years ago. It deserves and should receive high priority at the hands of Congress in the allotment of future funds for inland waterway purposes.

[From the Mobile (Ala.) Register of July 29, 1949]

IDEA ON GROWTH FOR MOBILE'S PORT OUTLINED BY PHILANTHROPIST HERE—ERSKINE RAMSAY WANTS TO SEE CANAL LINKING TWO RIVERS NORTH OF CITY

(By Ted Pearson)

Erskine Ramsay, a spry octogenarian from Birmingham, whose very name is synonymous with mining and philanthropy, came to Mobile Thursday with an idea on how Alabama's lone seaport may grow by leaps and bounds.

Carrying his personal trade-mark, a genuine Scotch walking cane of hickory given him by a Scotch coal miner on his sixty-seventh birthday in 1931, Ramsay voiced his amazingly simple idea during an hour-long interview at the Battle House.

His idea calls for concentration of congressional appropriations on one vital project, the oft-discussed yet never-realized canal linking the Tombigbee and Tennessee Rivers, creating a waterways system with the port of Mobile at the southern terminus and the gateway to the sea.

MANY APPROPRIATIONS

As Ramsay sees it, Congress has made many appropriations for many rivers and harbors projects here and there. Together, they add up to gigantic proportions.

"But why not get our Senators and our Congressmen to put all that money available into this one single project that will bring dividends beyond the imagination?" he asked. "As it is now, a lot of Government money is going into many small projects to please a lot of districts."

Mobile is one of the finest ports in the country, Ramsay asserted, and he was saying this only 3 hours after making a tour of the vast and expanding Alabama State docks system. Of the State docks, he said:

EXCEEDINGLY PLEASED

"I was—and am—exceedingly pleased with the advancement being made by the docks in Mobile. But I feel there is nothing that will help Mobile, and the whole Southeast, so much as that Tennessee-Tombigbee link. With that, Mobile would become a big city, and in a big hurry."

Ramsay, an 84-year-old native Pennsylvanian of Scotch ancestry who heads the largest independent coal-producing company in Alabama, was in Mobile as part of a trip through Alabama, Mississippi, and Louisiana.

While in this section, he is staying at the Grand Hotel at Point Clear. Accompanying him on the trip are his sister, Mrs. M. K.

Kelly, of Big Stone Gap, Va., and a niece, Mrs. Huston LaClair, of Birmingham.

ON TO NEW ORLEANS

After leaving Mobile, the trio, which is traveling by automobile, driven by Ramsay's colored chauffeur of 50 years, William Bondurant, will go to Pascagcula, Miss. Also on the itinerary is New Orleans.

The industrial career of Erskine Ramsay is one of personal initiative and an inspiration to youth. At 22, he left his native Pennsylvania to take charge of coal mines in the then young Birmingham mining area operated by Tennessee Coal, Iron & Railroad Co.

Today, among many positions which he holds, Ramsay is chairman of the board of Alabama By-Products Corp., half owner of the Newcastle Coal Co., and serves as director of a number of concerns in and around Birmingham. So well known is his name that, once, he received a newspaper addressed simply, "Erskine Ramsay, Alabama."

SCOTCH JIG

Even in his middle eighties, Ramsay is just as active as ever. He goes to his office in downtown Birmingham every morning, and regularly attends Rotary and Kiwanis Club meetings in the Magic City. He is so spry, in fact, that while expounding the quality of the hickory cane he carries, he arose from his chair and demonstrated how the cane is used to add effect to a traditional Scotch jig.

As a philanthropist, Ramsay has given quite freely, in amounts totaling thousands of dollars, to the cause of education as well as other institutions. In the twenties, after he served as president of the Birmingham school system, Erskine Ramsay Technical High School was named in his honor.

His name leads all other Alabamians in the four-volume Story of Alabama, compiled by the Alabama Department of Archives and History, which says of Ramsay:

PERSONAL FORTUNES

"Although under the urge of his mechanical genius he frequently refused to pay attention to his personal fortunes, he has had the thrift, foresight, and the readiness to back his own judgment, that has eventuated in the accumulation of great wealth. In so doing, however, he inevitably contributed immensely to the prosperity and welfare of thousands of less capable folk."

Attending the meeting of the Rotary Club in Mobile Thursday, Ramsay told of birthday parties he gave up until 10 years ago at his Red Mountain residence in Birmingham.

"At the last party," he told Rotarians, "there were 4,000 guests. I am inviting all of you to attend my next birthday party—to be given on my one hundredth birthday, which will be September 24, 1964."

How many guests does he expect.

"Perhaps 400,000," he suggested with a grin.

Our No. 1 Problem

EXTENSION OF REMARKS

OF

HON. HUGH J. ADDONIZIO

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Tuesday, August 9, 1949

Mr. ADDONIZIO. Mr. Speaker, as one of the sponsors of the world-federation resolution, I was happy to read the following editorial in the Maplewood-South Orange (N. J.) News-Record of August 4. The author of the editorial, Mr. Louis B. Dailey, president of the Oranges and Maplewood Chapter, United World Federalists, presents the case for some form of world government most convincingly and recommends, with the sponsors of the resolution, that we should start with the United Nations. I should also like to commend the editor and publisher of the News-Record, Mr. Gregory Hewlett, for encouraging interest in this vital problem among the readers of his excellent paper.

(The following editorial was written at the request of the News-Record by Louis B. Dailey of Maplewood, president of the Oranges and Maplewood Chapter, United World Federalists.)

OUR NO. 1 PROBLEM

Each of us has his own particular problems—personal, family, and business. We see them, definite and immediate. We feel their direct impact on us. They are with us every day. We separately struggle to solve them.

But there is another problem, bigger, more important, and more difficult of solution which we share with all others. Simply stated, it is: How can we live on the same planet with other individuals and resolve the manifold conflicts for food and shelter without, at the same time, suffering the death and destruction that come from war?

But to many people that seems remote from their lives, too big, too difficult—something for President Truman, Secretary of State Acheson, Members of Congress, or the "peace crackpots" to wrestle with. Besides haven't there always been wars? These represent ideas and attitudes which in centuries past perhaps had some validity, but will they stand critical analysis under present conditions?

During times of actual conflict we as individuals are made painfully aware of the horrors and sufferings of war. Our civilians have been spared much of this in the last two wars. Must we wait until the bombs start dropping on New York, Newark, the Oranges, and Maplewood before we realize our important stake?

Just consider some of the direct effects of war on us during a so-called period of peace.

First. We live in a tense, nervous, unsettling atmosphere, even though we rarely consciously think of the possibility and destructiveness of the new weapons. The very continuance of our lives is at stake as never before.

Second. Our children are now compelled to divert their time from constructive education to learn how, efficiently and artfully, to murder other human beings.

Third. Out of each $1 of Federal taxes (income, excise, excess profits, etc.) more than 75 cents presently goes to pay for war, past and future—but largely future. War—not governmental inefficiency and waste—is the great thief.

Fourth. Our standard of living sinks ever lower as we squander our irreplaceable natural resources in stockpiling for war, which, by inflating the currency of our Nation, reduces the real value of all insurance policies, all bank accounts, all Government bonds now so widely owned.

Then, if this is a problem of supreme importance, from what point do we start in its solution? We have had two major wars since 1914. They get increasingly destructive. In addition to those maimed or wounded, 78,000,000 died in the last war—32,000,000 troops, 46,000,000 civilians. Written obligations in many international treaties were flagrantly violated. The League of Nations existed. No world government of even limited jurisdiction was then, or is now, in existence. National sovereignty was and is intact. Every nation had, and still has, the "right" to declare and wage war for what reasons it alone deems just. The United States did not wish to enter either war, but was compelled to do so through pure self-interest. We proved we were not "free" to avoid war (our national sovereignty was powerless to achieve that)—only "free" to wage war. How valuable is that kind of freedom?

Big national defense forces are illusory. They induce like forces in the hands of potential enemies and give no security against the possibility of development of new means of mass destruction. We want no new Maginot line.

The Marshall plan is no permanent solution. Respect and friendship cannot be bought with dollars, but only with a willingness to treat others with equality and justice.

Mutual defense treaties like the Atlantic Pact are observed only so long as the component nations all have identical economic interests to protect. When they diverge, the pact becomes a scrap of paper. Even consultations of military chiefs of staff will not change this.

The only real hope (not guarantee) of solution is some form of limited world government. Man has never been able to obtain security of life and property except by a system based on law. The sacrifices of individual freedom necessary to create government have always proved worth the price, for man has never turned back to more primitive systems. Government on all levels of society has for centuries proved not only successful, but absolutely necessary.

Opinions vary as to just what form this world government should take or what powers it should be given. Many organizations are offering somewhat specific suggestions and are encouraging discussions of this matter. However, our final decision should be reserved until after some sort of international convention is held and we have had the benefit of the views of other nationals.

The United Nations, though never intended to be a world government, deserves our support in every possible way. Why not start with it, use it, strengthen it with constructive criticism? Increasingly, it is apparent that the UN, as it is, will not be able to prevent international bloodshed. Time will not solve the problem—only aggravate it. Others alone cannot solve it. Various resolutions are now pending in Congress. Specific information about these resolutions, organizations, books, etc., is available to those who are determined to do something.

If this problem must be solved, it can be solved. So was the revolutionary atom bomb born. If it is our common problem, and if it is our lives that are at stake, we are the ones who should solve it. What are we waiting for? World war III?

The State Department White Paper on China

EXTENSION OF REMARKS

OF

HON. HOMER FERGUSON

OF MICHIGAN

IN THE SENATE OF THE UNITED STATES

Tuesday, August 9 (legislative day of Thursday, June 2), 1949

Mr. FERGUSON. Mr. President, the State Department white paper on China is a typical example of government after the fact, of a government seeking to convince its citizens of the reasons why it acted in a particular way. Such a procedure is in contrast to the better policy of having the government take the people into its confidence and permitting public opinion to have full sway in the formation and administration of policy.

The contrast underlines what I consider the most serious barrier I know to sound and progressive government, that of a government's acquiring a vested interest in error.

Ray Richards, of the Washington bureau of the Hearst papers, has written a brilliant series of five articles on the background of the white paper. I ask unanimous consent at this time to insert the second of this series in the Appendix of the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

(This is the second of five articles relating America's part in the successive events which have driven Nationalist China to the wall.)

(By Ray Richards)

WASHINGTON, August 8.—The Communist world propaganda machine spent 22 years in cultivating the soil which sprouted American attempts to mediate the civil war in 1945.

Lies about the virtues of the Chinese agrarian reformers were plenty but an immense amount of the propaganda was falsehood about persons.

To preach Marx was dull, but to spread the false whispers that Chiang Kai-shek was smoking opium and keeping concubines and that Madame Chiang would divorce him for those reasons, was certain to tickle the world's gossipy imagination and create pious horror.

Lenin of Moscow faced several China problems in 1923, when bolshevism had consolidated its hold on its first national capture, Russia.

A Communist China first of all, and then a Communist Asia, was necessary before the Red hierarchy could rule the rich and advanced Western World. Attila, Genghis, and Kublai failed in Europe because they did not first subject Asia.

Even in 1923 the Western World was suspicious and watchful.

So, in ordering his first organizing agents to Russia—Ambassador Joffe and Bleucher-Galen and Barodin—Stalin decreed that their Chinese converts should not be called Communists, but mere peasants seeking reform of an ancient and unfair land division—agrarian reformers.

The heavily predominant party in the Chinese Government was the Kuomintang, headed by Chiang, who was still struggling to suppress the northern war lords.

These were the ambitious and extremely reactionary generals and governors who had aimed for control of the Republic after the overthrow of the imperial throne in 1911 by plot and uprising of the elements which were to form the Kuomintang.

It was Stalin's order that the Kuomintang be discredited.

Tell the big lie of wholesale corruption often enough, Stalin's Second Communist Theses of 1923 hinted, and it would be believed.

While the Generalissimo concentrated on the northern war lords, the Kuomintang was kept strongly organized by Chen Li-Fu.

Dr. Chen had a party secret service with which to meet Communist conspiracy.

The Communists went after him first of all, and a good part of the world's leaders have been convinced, unless they investigated, that he is a genuine Fu Manchu, plotting evil tirelessly. His personal interest is preaching the ethics of Confucius.

Financiers of the Kuomintang are T. V. Soong and his brother-in-law, H. H. Kung. Bankers are fair game in the eyes of all who are communistically inclined. Soong and Kung have had it.

Military genius of the Kuomintang is Gen. Ho Ying-chin. He has been portrayed by the Communists as an excessively beastly Tamerlane; yet in fact he is an austere and selfless man.

Always willing to treat the Communists as a rival political party, Chiang welcomed to the wartime capital at Chungking a pleasant-faced Communist representative named Tung Pu-yi.

The wartime order of the day and every day at Chungking was Spartan life, and jovial Tung was relief to all foreigners at Chungking. He was an entertainer, an all-around good fellow.

Particularly did his hospitality extend to the American Embassy staff of those early war days, including those two outstanding liberals and let's-be-fair-to-the-Communists boys, John Carter Vincent and John Stewart Service, Embassy counselors.

The press found Tung's information office a pleasant place to be.

In contrast, there was no good cheer, just fact, to be found at the information office of the Nationalist Government.

Service and Tung were to participate in related events in the United States in 1945.

Tung was the Chinese Communist delegate to the United Nations organization meeting at San Francisco, but quit the conclave cold to fly to New York for a highly secret conference with Philip Jaffe, publisher of a pro-Russian magazine called Amerasia.

This was shortly before Service found himself among the six indicted for removing top-secret information from State Department files for Jaffe's use—including the location and strength of every Nationalist military unit in China on the eve of the civil war.

For reasons which even a congressional investigation could not bring to light, FBI charges were ignored, the indictment against Service was dismissed, and he was restored to State Department duty.

Another somewhat obscure individual indicates what conditions have been.

He is Liu Tsing-chi, on whom, during the war, United States Government officials depended to keep them informed on what the Chinese newspapers of the world were saying, so they might better judge Chinese political drifts.

Liu directed Chinese press translations for the Office of War Information. He was in position to distort reports so the drift seemed to the left.

He is now the Communist press dictator at Nanking.

Air Power and the Military Assistance Bill, H. R. 5895—Statement by Gen. Bonner Fellers

EXTENSION OF REMARKS

OF

HON. LAWRENCE H. SMITH

OF WISCONSIN

IN THE HOUSE OF REPRESENTATIVES

Tuesday, August 9, 1949

Mr. SMITH of Wisconsin. Mr. Speaker, on yesterday Brig. Gen. Bonner Fellers, retired, appeared as a witness before the House Committee on Foreign Affairs. His statement was so interesting and pertinent that I am extending it in the RECORD at this point. H. R. 5895 will soon be before the House:

I. THE NORTH ATLANTIC TREATY

The North Atlantic Treaty, in itself, has enormous psychological value. It is the symbol of unity and determination of the western powers to resist aggression from a source which the President has defined openly as Russia. It lifts the morale of the western European powers because it pledges that in war the United States will come to their assistance. But there are grave implications in the proposed military implementation.

II. ERRONEOUS CONCEPTS

So many intelligent people are so insistent on the military-aid program that I have endeavored to examine the probable basis of their reasoning. My conclusion is that their conviction stems from faulty or erroneous concepts, possibly somewhat as follows:

1. That the average European has the will to fight an organized, sustained war. In spite of the devastation of two wars within a quarter century, European morale is improving. In both wars defeat was inevitable had not America intervened. American pledges now assure ultimate victory should world war III come. But neither our pledges nor our armed forces can prevent the occupation of Europe by the Red army. Should war come, the Red army will sweep rapidly over Europe before American assistance could possibly arrive. Our allies will blame us for their fate; their will to fight will collapse.

2. That the quality of leadership in Europe today is better than it was in 1940. France is torn with internal dissension; Socialist leadership is dragging Great Britain into oblivion; Italy cannot deliver its military power as effectively as did Mussolini; under him the Italians failed. All Europe is war weary.

3. That once donated, our military equipment will be maintained on the same standard as our own. Based on experience, equipment in the hands of our allies will deteriorate rapidly. Among them preventative maintenance is almost unknown. They find it easier to demand new than to maintain the old. After our donated equipment deteriorates we would be blamed for having furnished faulty material.

4. That our donated equipment will not be used to blackmail us for more equipment and for American peacetime garrisons. As long as the cold war lasts, and under the program contemplated, Allied demands could be endless. All requests are likely to be shaped to intimidate—"give us this, or else." To comply would collapse our economy.

On July 25, in his debate on the Atlantic Pact, M. Monteil, member of the French Parliament, disclosed what they expect in the way of American military aid—it implies American troops.

After an accurate summary of Russia's military might, he declared:

"We fear that we shall again have the glorious but dangerous role of being foreguard. Our army cannot be of immense numbers but must be of highest quality. The Atlantic Pact can prove to be the best or worst measure, dependent upon how military agreements are implemented. We have the right to await from our allies all the assistance we need in order to win the first battle."

5. That 60 European divisions can stop 500 Russian divisions. The Red army will advance with such overwhelming power and air superiority that neither 60 nor 100 divisions can stop her. But there is more to this picture. Russia need not resort to World War I methods of invasion. Her some 6,000 transport aircraft can lift 75,000 troops in one flight. As her first act of war, she can easily and simultaneously attack Allied aircraft on the ground and drop a Red corps in England or Europe.

6. That Allied ground units stationed on the Rhine or Elbe can somehow defeat the Red Air Force. The great lessons of World War II are that only air power can defeat air power and that ground troops cannot win unless they control the air above them.

7. That air supremacy is not essential to ground victory. No claim is being made by the sponsors of the aid program that we shall have mastery of the air over the defending forces. To ignore the principle that air supremacy is essential to ground victory is an

unpardonable blunder. Russia probably has six or seven thousand fighters, and a like number of bombers. There can be no hope of holding the Red army out of Europe, even if we were strong on the ground, unless we could neutralize the Red air force.

8. That we can afford to rearm Europe. To present even discouragement to the Red army would require a peacetime garrison of at least 60 divisions. The cost of one division, from inception to combat readiness, is about $400,000,000, or $24,000,000,000 for the entire force. Were we to furnish our proportionate share of troops we would need an annual $4,000,000,000 universal-military-training program, with all its moral costs also. The cost of tactical air support for the European force is difficult to calculate, as part will be provided by European powers—a curbstone estimate for the United States possibly would be a cold $3,000,000,000 annually. This is all an expenditure separate and in addition to our own national defense.

9. That military might can solve the problem of communism. Communism was born in World War I; spread over Asia and central Europe after World War II; the next war will enable it to complete the cycle. Bayonets and bombs cannot destroy ideologies.

10. That the Red soldier can fight in and occupy Europe without deterioration of his morale. Were the Red forces permitted to see Europe, they would find there a way of life, a freedom, a human dignity beyond their widest stretch of imagination. Never again would they submit with docility to totalitarianism. Stalin fears this more than anything except our Air Force and the atomic bombs. He can only hold his totalitarianism leadership by keeping his people in ignorance of western peoples. The iron curtain is proof that Stalin dare not permit the Russian population to learn the truth about the outside world.

11. That war against Russia can be won on the ground. In the last war—before lend-lease—11,000,000 Red soldiers, equipped entirely by Soviet industry, were thrown against the Nazi attack. When the war ended, Stalin was using 502 Red army divisions to push Hitler back into Germany, while on the western front the Allied strength was 91 divisions, of which 63 were American.

There are other factors favoring Russia. Her great allies are distance, winter, and manpower. Russia without its satellites is nearly three times the area of the United States. Russian winters are so severe that Americans and western Europeans cannot stand them. Russia has an inexhaustible supply of manpower, which its leadership deems expendable.

Terrain favors Russia. Europe is actually a tapering peninsula on Russia's western frontier. As armies advance westward the front narrows, the road and rail nets become more dense, the climate milder, and the Atlantic puts a stop to further retreat. But as armies move eastward the front rapidly widens, from 750 miles between the Baltic and Black Seas to 2,000 miles from Murmansk to Caucasia. The road and rail nets thin out. Winter immobilizes ground action. And for 6,000 miles there are no barriers to an eastward retreat.

'Napoleon invaded Russia with half a million troops fresh from European victories. He captured, sacked, and burned Moscow. Then the Russian winter got him. He escaped into Europe with 30,000 sick and hungry stragglers.

Hitler threw 220 crack divisions against the Red army. He advanced to the Leningrad-Moscow-Stalingrad line. There winter and distance and Russia's inexhaustible supply of manpower held him. He lost 5,000,000 troops and failed. If American ground forces ever accept a major engagement with the Red Army in Europe, our losses will be enormous. Our people would recoil in horror and belatedly examine the quality of our leadership.

12. That war with Russia is inevitable. This is an admission that our leadership has failed. There is, in America, the resourcefulness and genius to avoid war and compose our differences with Russia if we conscientiously dedicate ourselves to the task.

III. CALCULATED RISKS

There are risks, which I presume we have calculated:

1. That our weapons in the hands of the western European powers will not be used against us. This might happen in two ways. Should war come, the weapons might be captured by the enemy and turned against us, or governments might change radically and aline themselves with the enemy.

2. That our weapons will not be used against colonials. It is not in keeping with American tradition to supply European governments with weapons which might be used, or make it possible for other weapons to be used against colonial peoples. The prestige of the United States, which is worsening in the Orient, could not stand this added shock.

3. That Russia will permit us to rearm Europe. Stalin might be tempted to strike the Allied forces before they are strongly equipped, when his occupation of western Europe would be quick and certain. There is no assurance that such ground forces as our allies can create and equip with our weapons will act as a war deterrent. In view of his vast Red Army, Stalin will scarcely be impressed with any peacetime Allied ground force.

IV. SUGGESTED SOLUTION

Fortunately, there is a brighter side to the picture.

The United States has a powerful deterrent to aggression in our atomic bombs and the long-range bombers. This, and not our ground and sea forces, is the one threat which impresses Stalin. Russia's eternal allies—distance, winter, and manpower—are impotent against air power. So long as we maintain the lead in bombs and bombers, this war deterrent is likely to continue effective.

Against the active opposition of the administration, the Eightieth Congress approved a 70-group air-force program. Now a cut-back to 48 groups is contemplated. It seems that the $1,450,000,000 initial military-assistance program, plus the $15,000,000,000 current defense budget of our own, total more than we can afford. The future security of this country hinges on how the essential cut is made.

We can achieve national security, and at the same time cut expenditures, if we create a tailor-made force to meet the combat characteristics of our designated enemy. The formula is simple, yet the defense establishment has not so far found it: The best air force in the world supported by an adequate army and navy. Since Russia is immeasurably strong on land we must avoid large-scale ground combat. A ponderous and expensive ground force, therefore, is unnecessary. Russia has only a small fleet; our navy is exceedingly powerful.

For the present, therefore, we can hold back on army expenditures; we can safely skimp the navy budget. But Russia has announced that she will build the most powerful air force in the world. And our Moscow observers recently have been deeply impressed by the progress already apparent. It is vital to the survival of the United States that we retrieve and maintain air supremacy.

The use of air power as the striking force, supported by ground and sea forces, is in keeping with the necessity of economy. An annual expenditure of $6,000,000,000 for the air force, $3,500,000,000 for the Army and $2,500,000,000 for the Navy would, within 5 years, place us in a position to insure the peace of the world. This is a total of twelve billion as against fifteen in the present budget. This we can afford. It is a drastic cut for Army and Navy, but now is no time to let tradition and sentiment overshadow the proved trends in strategy.

The placing of our principal reliance in air power would not mean that the United States is abandoning the Western European peoples. Since the attempt to hold the Rhine would be futile, it might actually be better to permit the Red army to occupy Europe than to suffer the devastation which inevitably follows in the wake of tanks and guns and bombs. One more sweep of ground forces locked in combat across Europe would be all too likely to end its civilization.

Occupation by the Red army is not an easy path to prescribe for our allies. Only one thing could be worse—and that is the total destruction from war on the ground.

The Red army in western Europe, through destruction of Russia's war potential by strategic bombing, would be cut off from bread and bullets. Its deterioration would follow.

Our principal reliance must be placed in air power because massive ground forces with tanks and artillery and mechanized vehicles are vulnerable to air attack and must be classed as the Maginot line of world war III. Tank tracks are easily broken by near-miss bombs and strafing. Air destruction of fuel immobilizes all vehicles. Control of the air is everything. Our strategy today is in transition. Things challenged as radical departures now will be accepted tomorrow as sound principles.

Our allies won't like this concept of air power in the dominant role but they will, in time, understand and approve. It is the only concept which America can afford. And it is to America that this Congress owes its primary responsibility.

Keeping the peace by air power safely based in America but capable of striking instantly is a modern concept in keeping with America genius and resourcefulness. It lifts itself out of the sordid hates, national and religious and racial prejudices and intrigues of the old world which knows only balances of power and war.

If we send guns and tanks and planes to the Rhine or Elbe frontiers, the Kremlin clique would have tangible evidence that the capitalistic, democratic, Christian countries are creating the military might to destroy Russia. The Russian people, being patriots, will respond. Russian armies fought for the two worst governments on earth—the Czars' and Stalin's. They will again fight for their homeland, if their leaders are able to give them a cause.

Our refusal to extend military aid to western European powers would at once throw the complete responsibility for an aggressive action upon Russia. It would make it more difficult for the Kremlin to lead the Russian people into war.

We should advise the Atlantic Pact countries that we possess the strategic striking power to paralyze Russia in case of war. They need provide, from their own resources, only the minimum weapons to insure law and order. It leaves all their energy free for the achievement of economic stability—the best weapon against communism.

Failure to arm Europe would relieve our taxpayers of the insufferable burden of implementing an erroneous concept for our security.

Russia must be viewed as an entity. If she were blocked by ground forces on one front, it still leaves her free to cross frontiers elsewhere. A containment policy against her is sound provided we do not endeavor to build the strait-jacket with ponderous infantry divisions—possesed of strategic immobility—dedicated to World War I methods of combat. There is an effective means of containment.

South of Russia are 400,000,000 people whose religion precludes them from becoming Communists. The mere exercise of American leadership among those Moslem

peoples would give us a reasonably effective psychological barrier against Russian expansion southward.

In the Orient we have air bases in Alaska, Japan, Okinawa, and the Philippines. We can't hold basis on the continent but they are available in England and North Africa. These bases can be defended without bringing on a general engagement with the Red Army. From them, if we have mastery of the air, air strikes can be unleashed which will destroy Russia's war potential and hold her forces within her borders.

In the meanwhile—since Russia is, psychologically, the most vulnerable country in the world—a full-scale campaign should be launched to carry the truth to the Russian people. Then their demands for a liberal government would keep the Kremlin so busy at home there would be no time for political and military aggression elsewhere.

V. PRINCIPLES—SOUND VERSUS UNSOUND

If the United States were to devote its entire resources and effort to military assistance in Europe, we might still fail to win over the Red army for the odds would be against us.

If the principle on which our plan is based is unsound, no amount of perfect execution can achieve success. On the other hand, if the principle which we follow is basically sound, we shall succeed, even if the implementation contains faulty execution.

The peoples of western Europe are understandably fearful of being overrun by the Red army. The type of military equipment which they want traces back to a frantic desire to hold the Rhine, possibly the Elbe, with tanks, artillery, machine guns and bayonets, with air support. They know that only by successful ground combat can invasion be prevented. Being desparate, and very human, they rely heavily upon the United States to help.

The proposed military-assistance program places the State Department in the role of determining military strategy, in that it has invited our allies to requisition military equipment to hold their frontiers. Assistance to this program commits us to ground combat should war come. This strategy is faulty and unsound. No amount of blood and treasure can make it succeed. It can lead only to disaster.

The situation parallels Pearl Harbor. It was a diplomatic rather than a naval decision that the fleet be stationed at Honolulu to deter Japanese aggression. Then the Hawaiian commanders were not advised that an attack was imminent. The proposed program could lead to far greater humiliation than the Pearl Harbor debacle.

The task of the Eighty-first Congress is to make sure that our Allies understand precisely what help we intend and do not intend to give them. We must not be placed where we can be accused of welching on the Treaty. Clearly, in this military-assistance program, we have not found the formula for lasting peace. This failure magnifies the responsibility of the Eighty-first Congress.

Why Undermine Idaho's Water Rights With CVA

EXTENSION OF REMARKS
OF
HON. JOHN SANBORN
OF IDAHO
IN THE HOUSE OF REPRESENTATIVES
Tuesday, August 9, 1949

Mr. SANBORN. Mr. Speaker, since the beginning of this session of Congress, January 3, more than 8,000 bills have been introduced in the House and Senate. Of the 8,000, none is more important to Idahoans than H. R. 4287, which would authorize the establishment of a Columbia Valley Authority—renamed Columbia Valley Administration for obvious reasons. The establishment of a Columbia Valley Authority has been advocated by some people ever since the first days of the Tennessee Valley Authority. But never has the proposal received the impetus or such wholehearted support from the President as it does at this time.

President Truman, in his message to Congress early in this session, indicated that he had in mind developing more authorities. He has since endorsed legislation to establish a CVA. He even sent a special message to Congress urging its adoption. An observer might raise the question—"if authorities are so worth while, why does not President Truman push a Missouri Valley Authority?" The answer is that President Truman supported a Missouri Valley Authority Act in the first session of the Seventy-ninth Congress, but such a proposal received an adverse report from the Senate committee. And now the opposition is so strong that defeat for an MVA is too obvious to risk. Defeated in his own back yard and home State, in his proposals for the extension of authorities, President Truman has now turned to the Northwest in his drive for a further experiment in government with the hope that the Northwest has been sufficiently softened up under the influence of Northwest Federal power development.

At the outset I want to assure you that in opposing the establishment of an authority I am not opposed to development of the great Northwest, and especially Idaho, from a reclamation and power angle. The old Oregon Territory—that vast area served by the Columbia River and its tributaries, and now divided into four great States—has within its borders America's greatest undeveloped resource—approximately 40 percent of the potential hydroelectric power that can ever be developed within the United States. From the standpoint of resources, the Columbia is the mightiest stream on the North American Continent; its potential is almost beyond comprehension, for nature in one of her philanthropic moods fashioned the land with a perfection unequalled anywhere.

Let us not deceive ourselves that such a proposal is just another Government agency. The planners themselves do not consider it so. When valley authorities first came before Congress, former Secretary of Interior Harold L. Ickes said:

> There is before you a major step in the reorganization of the Government of the United States as we have known it for the last 150 years.

The first of the valley authority bills was, of course, for the creation of a Tennessee Valley Authority, known as TVA. Undoubtedly TVA has improved conditions in that area although many acquainted with it deny it has had the success claimed for it. The TVA spent in the few years of its existence, more than the Bureau of Reclamation has used in more than 40 years. During the same period the Northwest has improved and developed very much faster without the aid of an authority.

There was but little opposition to the creation of TVA, conditions favored it. Any change was bound to be an improvement since in that area water was noticed only because of the damage it caused during flood periods. Water was a menace, a thing to be controlled, not something to be used, not something upon which the very life of the area depended. There is no irrigation in the TVA. Water was not something to be safeguarded but rather something to get rid of. Water rights for irrigation were not to be considered—there were none.

Contrast this with what water means to us in Idaho. Remember that it has not been many years since the farmer rode the ditch with his gun to guard his precious water right. It meant and still means life and prosperity. Because of the utilization of water from the Snake and its tributaries, agriculture has now become the most important industry in Idaho.

After TVA came the proposal for a Missouri Valley Authority and I have already mentioned that after careful consideration the Senate committee reported the bill unfavorably and recommended that the bill should not be passed. Now Idaho is faced with this threat.

CVA was a live issue during the political campaigns in Idaho in the 1946 election. At that time I stood firm against such a proposal and promised that I would forever fight against such legislation. I have not changed. At every opportunity, I am fighting against the efforts of the administration to saddle the Northwest with an authority.

My opposition to such legislation is founded in the sincere belief that approval of this type of legislation would be harmful to the future growth of Idaho and that if adopted would change the form of government we are presently enjoying.

I believe that if the people understood the legislation they would reject it. I invite you to study the bills before Congress. By looking closely to the wording of the bill we can determine actually what a CVA is. What it proposes to do and how. Is it needed to accomplish any useful purpose? And most important to us, will, or may it adversely affect us in Idaho?

In my observation I have noted that the bill has been written after the pattern of the fast-talking salesman's contract that gives you everything but the kitchen sink in the bold, large-face type and then takes it all away from you in the fine print. The title of the bill, which is section I, is:

> To reorganize and consolidate certain Federal functions and thereby secure their more effective administration by establishing a Columbia Valley Administration to assist in the achievement of unified water control and resource development on the Columbia River, its tributaries and the surrounding lands.

Now I want to call your attention to the object of the bill as set forth in the title, "To reorganize and consolidate certain

Federal functions." This has been supported by the proponents of the bill as good, because—according to what they say—the duplication and mismanagement of the Corps of Engineers and Bureau of Reclamation would be eliminated and the new Corporation would become the Federal agency to control the projects and the development programs.

The certain agencies of the Federal Government to be consolidated into the Columbia Valley Administration are the Bureau of Reclamation, the Bonneville Power Administration, both in the Department of the Interior, and the Corps of Engineers in the Department of the Army. Supposedly, all the functions of soil and forest conservation, mineral exploration and development, fish and wildlife conservation would remain undisturbed and continue as they are presently authorized by Congress. According to the wording of the proposed legislation this appears to be true but interpreted in the light of President Truman's message to Congress, April 13, 1949, recommending the establishment of a CVA, the picture is very different.

President Truman said in this message:

> I do not recommend the consolidation of any other Federal activities in the Columbia Valley Administration. I do recommend, however, that the Administration be given direct responsibility of preparing definite plans and programs for soil and forest conservation, mineral exploration and development, fish and wildlife conservation, and the other aspects of Federal resource activities in the region, and the means to see that these plans and programs move ahead in step.

From this quotation, it appears there will continue the duplication of the Federal agencies in the territory until through the maneuverings and strong arm tactics of the CVA these other agencies can be frozen out. I use this term "frozen out" advisedly. This procedure appears to be the intent of the administration as indicated by what has happened in the Tennessee Valley Authority and by what the President says further in his message to Congress. The TVA was set up in much the same way. Existing Federal agencies were left in the region but have since been frozen out. It is reasonable to assume that the same procedure will follow the establishment of a CVA and eventually the people of the region will suffer because of the relegation of these other agencies to a back seat to the development of power.

Secretary of Agriculture Charles F. Brannan told the Senate Committee on Public Works, in connection with proposed amendments to the TVA Act last year, that—

> It would not be appropriate to leave the committee with the impression that the TVA and Department of Agriculture have reconciled all of their policy or operational differences or difficulties. To date the Soil Conservation Service program is operative with respect to less than 5 percent of the farm lands within the Tennessee watershed. It is now operative with respect to approximately 66 percent of the farm lands of the Nation.

Thus we see that, although Congress does not authorize the CVA to take over these other Federal agencies, we in Idaho are in danger of losing the valuable service of the Soil Conservation Service and Forest Service through their absorption or obstruction by a CVA.

President Truman approves such circumventing of the law and intent of Congress. In his message to Congress previously referred to, he explains just what they have in mind. I quote:

> I recommend further that the Administration—meaning the CVA—be required, with respect to all phases of its activities, to seek the advice, assistance, and participation of State and local governments, agriculture, labor, and business groups, educational institutions and other representative groups concerned. This can best be done, as the Tennessee Valley Authority experience has shown, not through formalistic statutory machinery, but through the establishment by the Administration of a large number of advisory groups for its different activities and in different parts of the region, and through the use, wherever possible, of established local agencies to carry out the development program.

In other words, this Columbia Valley Administration does not want to be handicapped by laws—they want to create their own statutory machinery. This is the most dangerous doctrine that has ever been advocated. Literally it means that Congress shall be circumvented.

Should a CVA be established it would tend to lead to the establishment of other authorities which in the end result would bring about a system of regions governing the United States through acquisition and control of our natural resources and development of power and industries that would be laws unto themselves and answerable only to the President. Eventually it can mean nothing short of the establishment of an wholly ineffective legislative branch of our Government and the intent of the Constitution would be destroyed. This CVA bill is 47 pages long and written in the vernacular of the law student, but it is vitally important to you and me and everyone in Idaho. To defeat this measure we must understand what is contained within this proposed legislation. If you understand it you will rise up and defeat it.

The bill has 19 sections. I have discussed section I, the title. Section II, defines the boundaries of the region to be included under a CVA. All of Idaho will be included except that southeast region where the streams and their tributaries drain into Utah. This section will continue under the existing Federal agencies and require duplication of offices in our State to maintain the services needed. This I believe would not be good for Idaho. In a sense Idaho would be divided and should another regional authority be developed, this part of Idaho would have still another directing head. This pattern would fit with the over-all plan conceived and advocated by the authority supporters of eliminating State boundaries and establishing representation on a regional basis.

Section III of the bill provides for the creation of the Corporation to be known as the Columbia Valley Administration. This Corporation shall be held to be an inhabitant and resident within the meaning of the laws of the United States relating to the venue of civil suits, of a judicial district. Accordingly, the Corporation could be sued by any business or individual. However, there is a provision in this bill that grants the CVA authority to remove any proceedings brought against the Administration from a State court to the Federal district court. Section III also provides that any suit brought against an individual or corporation by the Administration can be taken to any Federal district court in the region. Literally this means that if a condemnation suit was brought against a farmer in Rexburg to acquire his water right—and this is entirely possible—the case could be brought to the district court in Portland and the farmer would be required to travel to Portland to plead his case. It is not hard to imagine that undue hardship would occur to many farmers and they would default in their defense.

In section IV of the bill, authority is granted for the appointment by the President of a three-man board who have full powers of management of the Columbia Valley Administration. These three men would receive annual salaries of $17,500 each, plus travel expenses while traveling and $10 per day for meals and lodging. The people in the area have no voice or vote in the selection of these men and no right to remove them if they prove to be incompetent or hostile. They may be removed only by the President or by action of Congress. There is no qualification required except citizenship in the United States and that they have no financial interest in any utility dealing in power or business that may be substantially affected by the success of the Corporation. It is not required that they have any training or experience in the work the Authority proposes to do.

This Board of Directors selects or hand picks its own local advisory councils and boards and pays any number of people—it could be thousands—$10 per day and expenses for their advice. In reality, these advisory boards become nothing more than cheering sections for the directors, because on all matters under consideration, the decision of the three man Corporation is final—not even the Governors of the States need to be included on these advisory boards or councils. Our existing laws, under the coordinated plan, expressly protect the rights of States acting through their Governors. Such a board with its directors could easily develop into a tremendous quasi political machine at Government expense which no group or organization could effectively oppose. This can easily provide a means of creating a superstate. The existing Government agencies do not have such power.

In section V of the bill, reference is made to the cooperation and participation of State and local governments and organizations, public and private, in formulating and executing the program designed to carry out the purposes of this act. However, there is the qualifying limitation to the extent of cooperation and participation and I quote:

> The Administration shall seek the advice and assistance * * * of local and State governments * * * to the fullest practicable extent.

It may not be practicable to accept the assistance and advice of certain organizations in Idaho if there was conflict with interests of other organizations in the other more populous sections of the region.

Present Government agencies have planned extensive development for the Columbia River Basin. Their studies have been made and coordinated. Their reports have been presented to the proper committees in Congress and hearings are now in progress on them. These same agencies are now in the field actively constructing huge projects such as Anderson Ranch Dam, the Grand Coulee project and many others. Congress will furnish the necessary money to these agencies just as fast as to an authority. A change-over would be disrupting for a time. I can see why the bureaucrats want to add another huge agency of Government, removing control from the interested people and making large additions to their pay-roll and their power. But what benefits are you, the people of Idaho, going to receive in exchange for losing your water rights and your State's rights in these matters?

This bill is tricky and misleading in what might be interpreted from it if only certain parts are quoted. In one part of the bill promises of everything beneficial and favorable to Idaho are made. Water rights are guaranteed, property rights are preserved, and private enterprise and the freedom of the individual to move about is left intact. But upon closer scrutiny, one finds these rights are circumvented by restrictive clauses.

To continue analyzing the bill let's start with section 6. I quote part of this section:

The Administration (otherwise known as an authority) is authorized and directed to construct, operate, and maintain projects, and to carry out activities, necessary for the promotion of navigation; for the control and prevention of floods; for the conservation and reclamation of lands and land resources; for the development and conservation of forest, mineral, fish and wildlife resources; for the generation, transmission, and disposition of electric energy.

Now I want you to compare this with President Truman's message to Congress:

I do not recommend the consolidation of any other Federal activities in the Columbia Valley Administration.

The President may not recommend such activities but the CVA bill authorizes such and grants full authority to the CVA to enter all fields of development and conservation without reservation.

The bill is full of such references which can only lead us to one conclusion and that is that the bill is confusing or deceptive to bring about a complete change in our way of government. The result can only be the creation of another confusing Government agency that will be costly and duplicating in its administration.

Let us look further to section 6 of the bill. This section contains the references to water rights that are so precious to every farmer and livestock man in Idaho. Remember the slogan 3 years ago "Don't touch that headgate." It appears we will have to revive it again to defeat this encroaching menace of CVA. The proponents of CVA have maintained and strongly insisted that a CVA would maintain our water rights in Idaho. As a farmer, I am vitally interested in such water rights and I want to make sure they are protected. But nowhere in the bill as presented to this Congress can I justify their claim that water rights will be protected.

I turn to the bill itself and ask you to consider it: I quote subsection (C) (1) of section 6:

The Administration (or CVA) shall have no power to condemn any water right except as it may be appurtenant to land acquired incident to the construction of dams, reservoirs, or other projects or facilities.

Note carefully the wording of this clause in the bill. At first reading the interpretation might be construed to mean that all water rights under existing State and Federal laws which have been awarded by entitlement of prior right would continue except where a reservoir or dam might require that adjacent land be flooded. However, looking at it closer it is much more extensive in its rights to condemn. Look again to the wording and I quote: "except as it may be appurtenant to land acquired incident to the construction of dams, reservoirs, or other projects or facilities." "Other projects or facilities" could be construed to mean that upstream water rights could be condemned to maintain downstream navigation works or power development projects. Where does that leave our water rights? The answer is: We would have none, except at the pleasure of the board of directors.

In section 7 of the bill, the Authority is given power to determine what your land is best suited for. I quote:

Such plans and programs shall, among other things, provide for—fostering the use of the lands of the region for the purposes for which they may be best suited.

This is all-inclusive and gives the Authority all rights to determine which land may be cultivated, which may be grazed, and which may be condemned.

Section 8 provides for the transfer of all projects, property, and functions of the existing Government agencies in the Columbia Valley area and region to the three-man closed Government corporation.

Section 9 of the CVA bill grants the Federal Government a complete monopoly in the production, distribution, and sale of electrical energy with provisions to favor certain agencies, cooperatives, and political subdivisions.

The famous section 10 of the bill is often quoted because in the opening subsection there is written these words:

No provision for work of irrigation in or under this act shall be construed as affecting or intended to affect or in any way to interfere with the laws of any State relating to the control, appropriation, use, or distribution of water used for domestic, irrigation, mining, or industrial purposes, or any vested right acquired thereunder.

This sounds wonderful to the farmer and livestock man who has pioneered the development of his land and in many instances built his own dams, ditches, and headgates to obtain water for land and stock. But I hasten to warn you that all the beautiful promises quoted above are empty when considered in the light of section 6 previously mentioned, which limits water rights. This part of section 10 is limited by section referred to on page 23 of the bill.

Also in section 10 of the bill authority is granted the directors to establish the maximum size of farm units. I quote:

No farm unit shall contain more than 160 or less than 10 acres of irrigable land.

This applies to new farms to come under projects developed. Under this authority the size of farms could be reduced to as low as 10 acres per unit.

But, one may ask, what will happen to the farm units larger than 160 acres that are already established and may come under this authority? The planners have taken care of that also. It appears to be in the plan of those sponsoring this authority to reduce landowners to such holdings that they become peons and serfs of the Government. Let me quote further from section 10:

No benefits from any such project—

Referring to projects developed under the CVA—

shall be made available to the owners of lands whose individual holdings exceed the maximum area so prescribed by the administration (which limit is 160 acres or less) until and unless such owners shall have agreed, for and in behalf of themselves, their heirs, executors, and assign, by contracts in form, substance, and legal sufficiency satisfactory to the administration to sell such part of their lands as may exceed the maximum area so prescribed by the administration at the appraised fair value thereof, without reference to or increment on account of the construction of the project.

This all-inclusive language would force all owners of the region to bow to the will of the authority and the three directors.

Sections 11, 12, 13, 14, and 15 have to do with the accounting and procurement systems to be established by the authority and are the implementation of the objectives of the other provisions of the act.

In section 16 the Columbia Valley Authority officials are given authority to acquire Indian lands under condemnation proceedings. I quote:

The administration may exercise any of its powers under this act, including the power of condemnation, with respect to Indian lands or property, irrespective of the manner in which title to such lands or property is held.

This part of the bill is in direct conflict with subsection (b) of section 17—I quote this section:

Nothing in this act shall be deemed to repeal or supersede the provisions of any treaty or to impair any obligations thereunder.

The bill is replete with such conflicts and duplications of interpretation and leaves much to the discretion of the board of three men directors.

Under this CVA bill all Federal agencies engaged in natural-resource development in the Columbia Basin would find it necessary in a large measure to conform with the policies of the Authority. By express provision of the bill respecting the functions of the Authority and as a result of its repeal section—section

17—the reclamation and other laws relative to various phases of development would be rendered inoperative in the Columbia Basin and State water rights could be repealed.

Section 17 provides:

All acts or parts of acts in conflict herewith are hereby repealed to the extent of such conflict.

No one can determine from this section what laws affecting water, and its utilization and control, or for that matter what laws for any other purpose, are repealed by this section as far as the Columbia region is concerned. All the laws that Congress has—through long experience and much study and debate—gradually evolved for the development of the Columbia region, particularly as to its water uses, are either expressly repealed by this provision or else like Mohammed's coffin, left suspended in midair, subject to being brushed aside whenever the directors determine that such laws stand in the way of operations of this act. This applies to the great body of reclamation laws and to State laws which have been enacted for the orderly, just, and beneficial uses of water in the great regions of the Columbia Basin and adjacent territory. These laws, both State and Federal, have been crystallized by the interpretations of our courts in many decisions, are understood by the people in the area involved, are proving satisfactory, and are perpetuating their long-established private and vested rights in the utilization of their water resources. Where express functions are delegated to, and performed by, the Authority, which are in conflict with existing law, repeal of the latter is apparently intended. As an example, the reclamation law of 1902, and acts amendatory thereof, relative to costs allocated to irrigation and repayment by water users of such cost, without interest, would no longer be effective.

The two final sections of the bill are short and not restrictive except for the last section—19—which provides that the Administration has authority to do anything within the realm of general welfare for the region. This is similar to the other sections of the bill which gives almost unlimited power and authority to the CVA directors and extends the scope of its supervision over people of the entire region and into every phase of living.

In considering the proposal for a CVA I have not resorted to accusations and generalizations discrediting such a proposal but rather have taken the bill and quoted from its pages to show you its real threat to the future of representative government and individual rights of property.

In a recent radio broadcast on this series, I called attention to the threat of CVA as a socialistic program. Some have criticized my statement. To support it I quote from a release made by the Pacific Northwest Socialist Party on CVA made May 13, 1949:

We realize the urgent need for a CVA, we also realize that CVA is a Socialist venture, but the proposed CVA measure centralizes power in the President and three of his appointees, thereby in some measure justifying the charge of opponents of Federal public power and regional planning that CVA will be a step in the direction of the authoritarian state.

The proposed CVA bill now pending in Congress and receiving so much support by the President and a political league in Idaho is too socialistic for the Socialists. In reality the proposed CVA bills tend to create a Soviet state.

This is a serious problem we must face. I ask you to consider it seriously and think not only of yourselves but the generations to come and the continuation of the constitutional rights of Government in this great land.

IMPARTIAL REPORT BY THE LEGISLATIVE REFERENCE SERVICE OF THE LIBRARY OF CONGRESS ON THE CVA MEASURES BEFORE CONGRESS

The following are the objections raised by this investigation and technical study:

1. Neither the TVA plan nor any existing proposals for valley authorities have provided for fusion of Federal and State powers, nor for the means by which they are to be exercised over the Authority. Much dependence therefore must be placed on the willingness of the State Governments to cooperate voluntarily with the Authority. Furthermore, there are many means available to the States whereby operations may be hindered.

2. Local subdivisions stand to lose a large proportion of tax revenues as a result of any valley authority which withdraws from taxation, large areas of land within the subdivision.

3. Valley authorities' powers are Constitutionally limited to the Federal Government's powers which in turn rest on the constitutional power to regulate commerce and navigation. Any powers beyond these are assumed at the expense of the States, and such assumption is unconstitutional.

4. Drainage basin areas transcend State and other boundaries. Carried out to its logical conclusion, the dividing of the Nation into many valley and other regional authorities would render the State as an institution nearly obsolete. Thus the Constitution would be circumvented.

5. A valley authority might well become a superagency, above any control by any other agency. The act creating such an authority would need to be carefully drawn lest the only check on its power be solely that of approval or disapproval of an already accomplished fact. Most of the bills so far introduced to establish valley authorities provide for a minimum of control by Congress.

6. Experience with the TVA would seem to justify the accusation that authorities engage in activities which are in direct competition with private enterprise. "Government in business" is not a constitutional activity of the Federal Government.

7. Accent upon power revenues leads to the suspicion that regional authorities based upon water resources are only an excuse for the Federal Government to take over the power industry of the Nation, through subterfuge.

Hugh Scott's Report

EXTENSION OF REMARKS

OF

HON. FRANCIS CASE

OF SOUTH DAKOTA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, August 9, 1949

Mr. CASE of South Dakota. Mr. Speaker, under leave to extend my remarks, I include the outstanding report of Chairman HUGH D. SCOTT, Jr., to the Republican National Committee, August 4, 1949.

Mr. SCOTT's report follows:

PART I

Today is scheduled to mark the conclusion of my 4-year term as chairman of the Republican National Committee. It has been one of the shortest 4-year terms in history, although there have been times when it seemed unduly long.

In any event, it has not been boring. Some of it, I suppose, could be classified as just good clean fun—or, at the least, fun. My own traverse of this obstacle course, known as the national chairmanship, comes to an appreciated end with this theme uppermost in my mind: "Shoot if you must this battered head, but spare the GOP, he said."

But a time is reached when fun must end, when we must all put away our toys and get to work. In my opinion, that time has come.

Recent tests indicate that the inhaling of oxygen relieves those unhappy people who suffer from the DT's. Perhaps some candid talk may oxygenize us out of some of our party tremors.

In the words of the philosopher, Montaigne: "I speak truth, not so much as I would, but as much as I dare, and I dare more as I grow older."

Take a good hard look at what your Republican Party is up against. Face it squarely and meet it with the full sense of your responsibility as the party's board of trustees. The July 29 issue of U. S. News & World Report has this to say:

"Finances are a problem. Money is slow about coming in. A new chairman of the Republican National Committee must be trained before campaign time. Republican leaders are divided and squabbling among themselves. Some have their eyes on 1952 and the White House instead of 1950 and Congress. Some want jobs. Some want power in the party. Some are fighting for their political lives. There are sharp divisions over policies. There is little agreement on what line the party should take on issues such as labor, foreign relations, a farm program, spending, social plans.

"While Republicans are trying to get themselves straightened out internally, Democrats are making hay. Labor is raising huge campaign funds and organizing to back many Democratic candidates. State Democratic organizations are tying together their activities in States, counties and local governments that are Democratic controlled. And reports from farm areas tend to convince Democratic leaders that farmers who shifted to their side in 1948—and gave them the election in strategic States—are not moving back to the Republicans in any large numbers.

"There is an air of confidence among Democrats. They speak of broadening their margin of control over Congress, despite the fact that the party in control usually loses ground in mid-term elections. Republicans are less confident. This in part is due to the fact that they have controlled Congress only 2 years out of the last 19 and have not had a President in the White House in 17 years. But chiefly it comes from the internal troubles that are plaguing the party.

"The internal rows are slowing down all plans for the campaign. Until party leaders can get these ironed out, they have little hope of conducting a coordinated campaign."

For the benefit of the national committee, and particularly for the benefit of whoever may be directing the destiny of our party after today, I believe it is worth while to review what has happened since last we met—to bring the picture up-to-date so we will know exactly where we start from.

At the Omaha meeting you will recall that I obtained the approval of the National Com-

mittee for the appointment of 10 subcommittees to deal with, and make recommendations, concerning various fundamental national problems. These subcommittees were appointed without delay, while we were still at Omaha. Some of them have been active since then, as you no doubt have noted from the reports submitted here today by the various chairmen. The appointment of these subcommittees meant that for the first time in its history every single member of the National Committee was given a specific assignment and an opportunity to assist in the creation and promotion of a party program.

Substantial progress has been made. A Midwest conference on agriculture has been set up to meet in Sioux City, Iowa, on September 23 and 24. Another regional conference is planned for sometime in October at Hartford, Conn. It will deal with problems of industry, taxation, labor, and unemployment.

Still a third regional conference is to be held in the West, probably somewhere in Colorado, early in 1950 to consider the problems involved in conservation of our natural resources, reclamation, and similar subjects of particular interest to the Western States. This conference, I may add, was approved by the Western States Regional Republican Conference which met in Los Angeles last June.

All of these conferences have been arranged after consultation with responsible Republican leaders in both Houses of Congress and, so far as I am informed, with their full approval. The very fact that the actual convening of any of these conferences has been deferred until after the anticipated date for adjournment of the present session of Congress, constitutes proof of the desire of the national committee to avoid anything which might seem to be in the nature of an infringement upon the asserted policy-making prerogatives of our elected Representatives in the House and Senate.

I am very hopeful that out of the conferences now scheduled, and others which I hope will be scheduled, will come a substantial strengthening of our party organization throughout the country and a clarification in the public mind of our party objectives.

It will also be recalled that the Omaha meeting of the national committee approved a resolution calling for the creation of what was then termed "an organization policy committee." Subsequently, this group voted to change its name to the Republican strategy committee. The strategy committee includes representatives of the national committee itself, of the Republican Members of the House and Senate, of State central committees, State finance chairmen, and Republican governors. Those members for whose appointment I was directly responsible—namely, the representatives of the national committee—were appointed without delay. Four such members were named befor I left Omaha at the time of the national committee meeting. Subsequently, when the executive committee authorized an increase of two in the representation of the national committee, these two additional members were also named promptly. The other members of the strategy committee were named by the leadership of the respective groups concerned.

I regard the formation of the strategy committee as a very important development because, for the first time in our party's history, it provided an opportunity for representation of all elements in the party. Whether or not it will become an effective agency, will depend in part upon the degree of cooperation and support it receives from all party units. If it functions as a policy coordinating or strategy coordinating agency, it should succeed.

I wish to make it very clear that I have not favored, and do not favor, any impairment of the prerogatives or jurisdiction of the national committee.

The strategy committee has held two meetings, both in Washington, one on April 24 and the other on June 28. At the April 24 meeting the strategy committee gave its approval to the types of conferences to which I have referred heretofore. It also proposed that a series of rallies be held in all congressional districts in order to stimulate organizational activity. The action taken by the strategy committee on April 24 was approved by the executive committee of the national committee which met in Washington on April 25. At the April 24 meeting of the strategy committee, on motion of Senator BREWSTER, of Maine, the appointment of an executive committee of the strategy committee was authorized, the motion stipulating that I, as chairman of the national committee, should serve ex officio on the executive committee of the strategy committee. Because I felt that other party groups deserved recognition in the coordination of strategy, I named Mr. Whitney Gilliland, State chairman for Iowa, to this post.

Later, at the meeting of the strategy committee on June 28 I asked to be relieved of active responsibility as ex officio chairman of the full group and proposed the selection of an executive chairman, the creation of this new office to be subject to the approval of the executive committee of the national committee. The strategy committee appointed a nominating committee to recommend an acting executive chairman with the understanding that he would be chosen only after the approval of all members of the strategy committee, and then only if the creation of the new office be approved by the executive committee of the national committee. The nominating group reached an accord upon an able and energetic acting executive chairman, and this action was reported promptly by wire to the members of the strategy committee and, at the same time, the members of the executive committee of the national committee were asked to indicate their views with respect to the creation of this new position.

So that this report may not be overlong, I attach—but shall not read—a more detailed report of activities with particular reference to:

A. State chairmen's meeting and suggestions.

B. Cooperation between local groups and national headquarters.

C. Conference with party leaders in their States.

D. Services to Senate and House Republican leaders.

E. Expansion of publicity activities.

F. Increased use of radio broadcasts and headquarters radio services.

G. Young Republican plans.

H. Energetic program for 1949 and 1950 of Women's Division and Federation of Women's Republican Clubs.

I. The problem of the nonvoter.

A highly important factor in the operation of any political organization is the state of its finances. I do not propose to discuss that factor today because, under our plan of organization, the financing of the national committee is not the responsibility of the national chairman. The chairman of the national finance committee, Mr. Talbott, and our national treasurer, Mr. Kemper, are scheduled to make their reports during this meeting and I assume that subject will be covered adequately in their reports. I believe I should say that earlier this year it was decided by the responsible officials of the party that any large-scale fund-raising operation should be deferred at least until September.

As to the problem of money raising I would like to suggest one thought. Money maintains party organizations. It cannot, in and of itself, win national elections. Financial help usually follows an idea. It does not of itself produce ideas. When the party, or a business organization, has a specific product to sell it is much easier to obtain the necessary money. I know that most of you are constantly confronted, as I am, with the query, "What does the Republican Party stand for?" I also know that in 1948 we had what I regarded—and, judging from the vote in the national convention, most of you likewise regarded it—as an excellent statement of party principles and objectives in our 1948 platform. For one reason or another, however, the demand for a restatement of objectives continues. The strategy committee took cognizance of this fact recently by voting to set up a committee to consider the feasibility of attempting to redraft or summarize the Republican Party position. Naturally, if any such project is undertaken it can hope for success only if it has the wholehearted cooperation of Republican Members of the Senate and the House of Representatives. There was a time when the Republican Party won elections on the slogan of the "full dinner pail," which undoubtedly was an effective slogan in the situation which prevailed during those campaigns. As a matter of fact, if the ravages of the Truman depression continue to be manifest in increased unemployment a modern equivalent of that historic slogan might well be effective in the near future.

But until we search our souls and stand very clearly in the public mind for things which people instinctively feel are good for them, no amount of well-financed public relations will make up for the lack of such a public policy. For 17 years we've been taking in each other's washing without enough outside business to break even. We can be optimistic about Republican prospects in 1950 and 1952 provided we all subordinate our differences to the general welfare of the party and the Nation and get down to work right now and during every day between now and the 1950 election.

We had a tragic demonstration last year of the effects of overconfidence. You may recall that last September Mr. Elmo Roper announced that the election of the Republican ticket was so much of a foregone conclusion that he would discontinue his polls of public opinion for the remainder of the campagin. Like every other Republican, I suppose, I was gratified by that announcement, but just to keep the record clear I would like to refer to a statement which I made on September 9, 1948, in which I stated, "I never regard an election as over until election day," and, I added that overconfidence can lose an election. In addition, in that same statement I said, "In the midst of the jubilation which will inevitably result from Mr. Roper's announcement, I wish to call upon all Republicans to increase their efforts to elect Republican candidates to every office at stake this year."

Now with the advantage which always comes from hindsight, I can state unequivocally that that was good advice. I wish it had been taken more seriously. We cannot do anything now about 1948, but we can do something about 1950.

A great Republican leader once sounded the solemn warning that a house divided against itself cannot stand. He spoke of a nation divided against itself, but it is dead true of the Republican Party, my friends. We would be serving only the ends of the opposition party if we continue quarreling amongst ourselves, if we indulge much longer in useless recriminations about the conduct of past campaigns. The only campaigns we can win are those in the future. If we do not win some of them pretty soon we will be face to face with the grim prospect of the liquidation of the Republican Party as a force in national affairs.

We are in a cold war against a one-party nation. Our best hope of liberty is to remain a strong two-party Republic. Out of this meeting there had better come effective steps toward the creation of a strong, harmonious, fighting organization which will concentrate on defeating Democrats, rather than Republicans. Let us build better for the future than a fragile house of cards resting on compromises and evasions. Too many knaves in such a deck could topple such a structure. Strong candidates, firm principles, and sound organization are the way of wisdom and "upon wisdom is a house builded, and with knowledge shall its chambers be filled."

We are face to face with a situation in which our party offers the only hope for the preservation of the American Republic and the economic system which has made that Republic the envy of the world. But, unfortunately, the machinery of our Government is now in the hands of Treasury-busters whose only proposed solution for every problem is to concentrate more and more power in the White House and in the executive departments and bureaus of our Government—and always to the accompaniment of expenditures of billions upon billions of dollars out of the rapidly growing national deficit. The inevitable result of the continuation of such policies will be some form of what we refer to generically as statism—meaning the domination and control of all individual activities by an all-powerful central government. Part of the tragedy of this situation is that in my honest belief whose who are pushing such measures do not really know what they are doing. Nikolai Lenin would know. He wrote, in 1924, "Some day we shall force the United States to spend itself into destruction."

During early years of this century there was an unfortunate woman who, through no fault of her own, became the agent for spreading disease throughout wide areas of the country. She was what is known as a typhoid carrier. Typhoid Mary, I am sure, didn't want to hurt anybody. She was certainly against typhoid fever. She didn't know she carried it and wouldn't believe it when people told her. But an awful lot of people got typhoid fever after Typhoid Mary had been around helping in the kitchen.

I am sure that Mr. Truman is against the Stalinist or brass-knuckle state; that Mr. Truman is against statism; that he doesn't know and doesn't believe that he carries the malignant germs of the police state around in his ideologies and his promise-a-lot programs. But he is the "Typhoid Harry" of statism, and his program is the program of the believers in the all-powerful police state.

At the moment, the only effective check upon Mr. Truman is the Congress of the United States. Thus far, during the present Congress, I am happy to state, Republican Members, with the cooperation of patriotic Democrats from all sections, have been able to block most of his socialistic program. But that is not enough; we need Republican majorities in the House and the Senate in order to enact constructive legislation, as well as to defeat bad legislation.

The election of those Republican majorities will be the principal task immediately confronting the man to be selected by you as chairman of the national committee. There is a special congressional election for Congress in western Pennsylvania in September. With proper work, and a reasonable degree of peace in the party, we ought to win it. To the new chairman I extend my best wishes for success and my offer to be of any service within my power which he may request.

When I called this meeting of the national committee I announced that I would submit my resignation as chairman. I now do so, to be effective immediately upon the election of my successor.

PART II

Since February, I have addressed many Republican meetings and conferred with hundreds of Republicans around the country on methods of improving our party organization and bringing about closer cooperation between the local groups and national headquarters. I am satisfied that substantial progress has been made in that direction and more could have been made had I been free to devote my entire energies to these proper functions of a national chairman without irrelevant distractions.

I have held personal conferences with party leaders of more than a score of States including: North Dakota, South Dakota, Ohio, New Hampshire, Massachusetts, Pennsylvania, Maryland, Connecticut, Kansas, Oklahoma, Virginia, Colorado, Utah, Arizona, New Mexico, California, Washington, Oregon, Montana, Idaho, Wyoming and Nevada.

There have also been numerous meetings in Washington with party and congressional leaders.

In March of this year in Chicago there was a meeting to which the Republican State chairmen of all the States were invited. This was the first time a meeting of this kind on a Nation-wide scale had been held. It was sponsored by the Midwest State Chairmen's Conference and was a most enthusiastic and cooperative affair.

There has been close liaison between national committee headquarters and the Republican Members of both Houses of Congress. With the cooperation and approval of minority leader JOSEPH W. MARTIN, of Massachusetts, I have been privileged to sit with the House Republican Policy Committee. The Senate leadership, has upon occasion, invited me to discuss with various members of the Senate Policy Committee matters affecting the party as a whole.

Meanwhile, there has been gradually increased utilization of the services provided to Senators and Representatives by the national committee headquarters staff. Because we recognize that the agricultural issue will be of primary importance next year, we have assigned two experienced members of the headquarters staff to work with Senators and Representatives in the farm States and with agricultural groups and individual farmers. One of these staff members works out of Kansas City, Kans., and the other, a former county chairman from Indiana, works in headquarters here in Washington.

The heads of each division at national headquarters have spent considerable time with Republican Senators and Representatives to make sure that all of them are aware of the services available to them. From the reactions I have had from my colleagues on the Hill, I am satisfied that this part of our program has been proceeding efficiently and effectively.

The publicity department has continued and expanded the service it supplies to weekly newspapers in the various States, and its material is now being sent out to approximately 7,500 publications each week. A recent survey indicates that a very substantial number of these papers are making use of the material supplied through this operation, and a recent poll of Members of the House into whose districts such material is being sent shows that they value this service highly. The letters from individual Members of the House on this subject are available for inspection at headquarters. The normal activities of the publicity department have been continued within the limits of available funds, and members of its staff have worked in close cooperation with Republican Members of the Senate and with the recently organized public-relations office, set up by Republican Members of the House of Representatives.

Simultaneously, the radio division has expanded its services, with the result that Republican Members of the Eighty-first Congress are now being heard over 565 stations each week by transcription. Several Senators who come up for reelection next year have availed themselves recently of this service on a State-wide basis. Perhaps I should explain that the radio platters are paid for by the National Committee, which also distributes them to the individual stations. This operation is, of course, entirely separate from obtaining radio network time for national speakers, which has been done very frequently during the past few months.

During the period January–July 1949, the research division has continued to function as a research and service agency for the National Committee headquarters staff, National Committee study subcommittees, Republican Members of Congress, State party organizations, and the rank and file of party members. The following significant research studies and reports have been prepared and sent to party leaders: The 1948 election, a statistical analysis, pledges, and promises of the Truman administration; the use of words in selling the Republican Party to the American voter; and the Hoover Commission reports (now being assembled for mailing). The division compiles a detailed record of the Truman administration and the record of the Eighty-first Congress, emphasizing the lack of accomplishment as against campaign promises. The division has acted as a general secretariat for the 10 national committee study subcommittees, and has prepared and sent study material to members of the Agriculture, Civil Rights, Conservation of Natural Resources, and Social Welfare Committees. It is also preparing voting records of Democrat Senators and Representatives and cooperating with the Senate and House campaign committees in preparation for the 1950 elections.

We have all been very much encouraged by the evidences of growing Republicanism among the younger generation of voters, as evidenced by the recent convention of the Young Republican National Federation in Salt Lake City. As you probably know, that convention selected Mr. John Tope, of Michigan, as chairman, and Miss Louise Replogle as cochairman. I am convinced that under the leadership of these two able young people the Young Republicans will contribute heavily toward the anticipated victory in the congressional elections of next year.

The women's division of the national committee, working closely with the Federation of Women's Republican Clubs, has been carrying out its regular program of meetings and the production of study and informational material. It has also encouraged a four-point program for 1949 and 1950 which calls for improvement of the regular organization, assistance in fund-raising, establishment of effective liaison with nonpartisan women's organizations, and the promotion of qualified women for public office. Women deserve more recognition in the Republican Party. Their work and their qualifications entitle them to it. I hope that they will grow less and less modest—in their political demands, that is.

At the meeting of the executive committee here on April 25, national headquarters displayed a chart illustrating as our target for 1950 and 1952 the enlistment of support from among the 45,000,000 persons who did not vote in 1948. The executive committee, and also the strategy committee, recommended that this chart be reproduced and made available to party officials. Copies were sent to members of the national committee, State chairmen and vice chairmen and Republican Members of the Senate and House. The simple fact is that not enough Republicans are voting, because not enough Republicans are working effectively to get that vote out.

Dr. Daniel L. Marsh

EXTENSION OF REMARKS
OF
HON. JOHN W. McCORMACK
OF MASSACHUSETTS
IN THE HOUSE OF REPRESENTATIVES
Tuesday, August 9, 1949

Mr. McCORMACK. Mr. Speaker, an outstanding educator, recognized as such, and one of the great Americans of this era, respected by all, is Dr. Daniel L. Marsh, president of Boston University.

I have known Dr. Marsh for many years. I am proud of and I value very much his friendship. My respect and friendship for him are based on the fine qualities he possesses, charity, understanding, ability, a leader for good.

His nobility of character, evidenced with simplicity and humility, is such that he is an example for all to follow. Dr Marsh inspires others to develop the strength, the goodness, and the greatness that is within them.

His patriotism is above reproach.

To term him "a great American", as I do, is stating the simple truth.

[From the Boston (Mass.) Globe of June 10, 1949]

GROTESQUE

The outrageous smear leveled in a secret FBI report publicized at Washington against President Daniel L. Marsh, of Boston University, again raises question as to just how far irresponsible defamations of character and anonymous accusations are to be permitted to go before common sense resumes its proper role in governmental inquiries.

The charge that the eminent head of the largest university in New England is a fellow traveler is so utterly ridiculous as to stir wonder whether legitimate purposes of inquiry are not being distorted and made use of by crackpots or, actually, by subversive-minded individuals, seeking to bring all the institutions in our society into public disrepute.

President Marsh properly labels this fantastic accusation as grotesque. The thousands who have worked with him during the many years of his labors at BU and others throughout this country and in Europe who know him well will not need to be reminded of his high integrity, his vision, his courage and his unsparing dedication to the finest traditions of this Republic.

As was the case with Dr. Condon, head of the Bureau of Standards at Washington, who was smilarly smeared more than a year ago, the injustice, unfairness and un-American nature of accusations born of anonymity and obsessed minds constitute an outrage upon the entire community. Such goings on would be funny, were it not that they assault the most precious possession of any citizen—his good repute. Dr. Marsh's civic stature will easily withstand this foul blow. The question is, how much longer will the American community tolerate it?

[From the Boston (Mass.) Post of June 10, 1949]

COMICAL AND GROTESQUE

Dr. Marsh, president of Boston University, needs no defense on the charge of the unidentified informant of the FBI, that he is a Communist fellow traveler. His retort to the amazing allegation that it was really comical and simply grotesque, speaks for everyone who knows Dr. Marsh personally through his writings or addresses or by his unstinted activity in civic and patriotic affairs. Whatever truth there is in the secret report read at the Washington spy trial about some of the prominent personalities who have been publicly flirting with Communists and Communist-front groups, is weakened by the inclusion of an American of the standing of Dr. Marsh. It is an interesting and happy coincidence that his name should be mentioned at the very moment he was protesting, in concert with other Greater Boston ministers, against the very name calling of which he is made a victim. It high lights the unjust habit of some to dub as Fascist or Red, people who dare to express alarm at ultra-liberalism or ultraconservatism. Thereby innocent people are harmed and the real culprits given the benefit of a doubt which stymies their complete exposure.

Senator Byrd Wins in Old Dominion

EXTENSION OF REMARKS
OF
HON. EDWARD MARTIN
OF PENNSYLVANIA
IN THE SENATE OF THE UNITED STATES
Tuesday, August 9 (legislative day of Thursday, June 2), 1949

Mr. MARTIN. Mr. President, I ask unanimous consent to have inserted in the Appendix of the RECORD an editorial recently published in the Washington Observer, entitled "Senator BYRD Wins in Old Dominion." I should like to call the attention of my fellow Senators to the quotation from Thomas Jefferson, in which he states:

I place economy among the first and most important virtues, and public debt as the greatest of dangers to be feared.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

SENATOR BYRD WINS IN OLD DOMINION

State Senator John S. Battle was nominated by the Democrats of Virginia Tuesday as their candidate for the next Governor of the Old Dominion but the real victory was achieved by United States Senator HARRY F. BYRD.

Senator BYRD, who has been one of the stanchest advocates of sensible handling of public funds, both in Virginia and the Nation, was the center of attack. Virginians have been approving Senator BYRD's policies for more than a quarter of a century and have done so again.

Senator BYRD was dubbed as a conservative and reactionary by his opponents.

Senator BYRD and his protégé, State Senator Battle, are in reality liberals and they are still faithful to the policies advocated by one of the greatest liberals in the history of the world, Thomas Jefferson. Jefferson, generally regarded as the founder of the Democratic Party, would be the first to denounce the policies advocated by the New Deal and the Fair Deal.

In one of his forceful statements on the reckless use of public funds, Thomas Jefferson said:

"I place economy among the first and most important virtues, and public debt as the greatest of dangers to be feared. To preserve our independence, we must not let our rulers load us with perpetual debt. We must make our choice between economy and liberty, or profusion and servitude. If we ran into such debts, we must be taxed in our meat and drink, in our necessities and in our comforts, in our labors and in our amusements. If we can prevent the Government from wasting the labors of the people, under the pretense of caring for them, they will be happy. The same prudence, which in private life would forbid our paying our money for unexplained projects, forbids it in the disposition of public money. We are endeavoring to reduce the Government to the practice of rigid economy to avoid burdening the people and arming the magistrate with a patronage of money which might be used to corrupt the principles of our Government."

Back in the days when our great Nation was being created by liberals of the type of Washington, Jefferson, Franklin, and others, the danger of political use of public funds was realized.

Most forceful of the statements in Jefferson's declaration is the utterance:

"We must make our choice between economy and liberty, or profusion and servitude."

The people of Virginia have declared that they still stand for "economy and liberty." They have refused anew to approve the policies of profusion and servitude used by many politicians today to gain public favor.

United States Imports Equally Essential

EXTENSION OF REMARKS
OF
HON. JACOB K. JAVITS
OF NEW YORK
IN THE HOUSE OF REPRESENTATIVES
Tuesday, August 9, 1949

Mr. JAVITS. Mr. Speaker, one of the fundamental causes for the slow pace of economic recovery in the world is the disparity between United States' imports and exports. The appended analysis from the New York Times of August 7, 1949, shows this disparity for the first 6 months of this year to be $3,226,400,000, compared with $3,031,000,000 for the same period in 1948. So long as this critical disparity persists and most of the world's currencies remain "soft currencies" the economic recovery of all peoples will be retarded, the Communists given an unparalleled opportunity for expansion and the future economic security of the United States will be imperiled. Efforts to close this dollar gap are the No. 1 problem for all Americans who understand that balanced mutilateral trade is the lifeblood of a healthy world system for freemen:

UNCERTAINTY HERE WIDENS TRADE GAP—UNITED STATES HOPES FOR CLOSER BALANCE DASHED BY DECLINING PRICES AT HOME, INFLATION ABROAD

Despite hopes for progress toward a closer balance between United States imports and exports this year, the "trade gap" is again beginning to widen. For the first 6 months of this year the gap was $3,226,400,000, compared with $3,031,000,000 for the same period of 1948.

Declining prices and business uncertainty here, in contrast to high prices abroad, pulled down import volume in recent months. This, and not a heavy rise in imports, was chiefly responsible for the widening gap. Renewal of confidence in the business outlook here may increase imports during the second half of the year, but it appears questionable that the record import volume of $7,070,000,000 in 1948 will be exceeded this year. Hopes have been voiced in official

quarters of getting imports up to $10,000,000,000 a year by 1952.

Actually, according to Department of Commerce figures last week, imports for the first 6 months totaled $3,390,700,000 against $3,520,000,000 in the corresponding period of 1948, a decrease of about 3.6 percent. Exports on the other hand rose about 1 percent to $6,617,100,000, as against the comparative 1948 figure of $6,551,200,000.

The gap is chiefly significant as a measure of the progress toward a healthy international trade between the United States and the rest of the world. Increased imports from abroad mean more dollars in the hands of foreign buyers to pay for our exports on a sound rather than "give-away" basis. Conversely, any decline in imports means fewer dollars in world areas already suffering from a severe dollar shortage.

The gap is closed to some extent by the spending of American tourists abroad and payment for foreign services, but the fact that it is again beginning to widen may have considerable bearing on future international trade transactions.

Foreign trade circles here were interested, for example, in reports from Washington last week that consideration is being given to application to other import commodities of the principles of the world wheat agreement. This would set top and minimum prices for such commodities as tin, wool, rubber, cocoa, and perhaps other items. This, it was indicated, would involve Government trading and participation, to a marked extent, with effects upon so-called normal channels of purchase and distribution that cannot be fully appraised at this time.

The most immediate cause of the decrease in imports during the first half was the decline in prices in the United States and accompanying business uncertainty which made importers here cautious and caused them to cut down on their commitments.

In many instances, it was pointed out, a period of several months must elapse between the time commitments are made by importers and arrival of goods in the United States. Thus the lowered imports during the last 2 months reflects the effects of the price decline which began to get under way in this country last fall.

Meanwhile, foreign-trade executives returning from Europe find the price levels there still far too high to induce purchases for the American market. On the other hand, there has been some softening in prices of goods from the Far East, with complaints now arising that Japanese goods are undercutting the American market. Some imported raw materials prices have also eased and this may account in part for the lower dollar import volume.

However, with the belief gaining ground that the price readjustment in the United States may be nearing its end, temporarily at least, import commitments in raw materials and some finished products may be increased for the remainder of this year.

The United States and the Western Hemisphere

EXTENSION OF REMARKS

OF

HON. HOMER FERGUSON

OF MICHIGAN

IN THE SENATE OF THE UNITED STATES

Tuesday, August 9 (legislative day of Thursday, June 2), 1949

Mr. FERGUSON. Mr. President, in the course of my remarks at the time when the North Atlantic Pact was under consideration, I commented upon the need for a review of our relations with the Latin American and South American nations. I remarked at that time that relations with those countries were deteriorating to an alarming degree.

On August 3, it was announced that our Government has taken steps to consult with the other American republics to the South over the continuing threat to peace in the Western Hemisphere growing out of the unrest and political imbalance in the Caribbean area.

The situation commands thoughtful study by all Americans.

I ask unanimous consent to have placed in the Appendix of the RECORD the views of Prof. Manuel Garcia-Mora, of the University of Detroit political science department. The text is an address by Professor Garcia-Mora on the United States and the Western Hemisphere, delivered at a panel discussion on defense of the West, sponsored by the University of Detroit March 19, 1949.

There being no objection, the address was ordered to be printed in the RECORD, as follows:

Since the Second World War the states of the Western Hemisphere have been forced to reconsider their relationships, not only with regard to the remainder of the world, but among themselves as well. Despite their relative geographic security, conditions of life in the Americas have felt the inevitable impact of European politics. Thus, we today are not concerned with how to defend the United States against a possible attack by an American country, but rather with the problem of how to defend the whole Western Hemisphere against the possibility of an attack by a non-American country, especially, the Soviet Union. Therefore, from the very beginning we must make it clear that the Latin-American countries are part of the western civilization, and as such, they have certain things in common with the United States. To be sure, we have the same European cultural tradition, we live in the same continent, we have the same tradition of justice, freedom and equality for all, and we have the same conviction that we must stand together in order to survive the threats of expansion and world domination from across the seas. Hence, the problem reduces itself to fighting a way to promote a more effective cooperation between the American states in the interest of continental defense. For this reason, the task of bringing about cooperation in the Western Hemisphere should be the first concern of every foreign office of all and each one of the American republics.

This continental cooperation has been promoted in the past through pan-Americanism. But a profound analysis of the pan-American system will quickly prove that it has not accomplished anything in its 70 years of existence. The pan-American system has developed within a framework of suspicion and jealousy on the part of some countries. The good-neighbor policy was not the beginning of a new era in inter-American relations, if we look at it from the standpoint of the nations to the south. It marks the beginning of a new period insofar as the foreign policy of the United States is concerned. But in the field of South American politics, the good-neighbor policy has been considered as another instrument of the United States to maintain the Latin American countries under her exclusive leadership and control. There is no doubt that the good-neighbor policy was a sincere and spontaneous movement on the part of the Government of the United States, as proved by the radical change of its foreign policy. But suspicion, and what is more, the memory of armed intervention in the past, made the Latin American people feel that the good-neighbor policy was just another weapon of a new form of imperialism.

That is why friction, jealously, and suspicion, and at times, unfriendly attitude toward the United States, have characterized the so-called pan-American system. Thus, international cooperation in the Americas has to spring from convictions. It is paramount that our peoples approach each other without fear of aggression from outside or among ourselves. That can be done through the abolition of many disturbing factors that are still sources of friction between the countries of this hemisphere. These sources of friction may be grouped in two categories: one group may be called political; the other, financial.

From the political point of view, the Latin-American countries are characterized for resorting to revolutions in order to change their political institutions. Some people consider this as the most vulnerable spot in the hemispheric defense, since there is the belief that they are communistically inspired. Whether or not this is true, we will see after we look into the colonial and political history of these countries. This will give us the final answer to this problem.

Students of Latin-American political history have overlooked the fact that revolutions in Latin-American countries can be classified in two distinctive groups: One group which I call "purely intraclass revolutions" of roughly 1821–1930; and secondly, the "social revolutions" of the last 20 years.

By and large, the Latin-American countries have only two economic classes: the extremely wealthy class and the extremely poor class. These countries lack a middle class, which since the time of Aristotle has been considered the backbone of democracy. "The purely intraclass type" of revolutions took place only within the wealthy class, the primary aim of such revolutions being to get control of the reigns of governmental power. These have been horizontal moves that shifted the control of government from one wealthy family to the other wealthy family. The lower class was a mere pawn in the hands of oligarchic leaders. Furthermore, the wealthy classes have been extremely conservative, opposed to any social change that might jeopardize their privileged status. The wealthy classes have further controlled all the means of production; they owned virtually all the land of the country. For instance, it has been reported that in Peru, that has a population of 7,000,000 people, the land is entirely owned by 10 families. There have been some other economic groups, particularly those representing foreign interests, that have allied themselves with the wealthy classes in order to obtain special privileges for the exploitation of these countries.

From the political point of view, this category of purely intraclass revolutions has had the effect of developing countless political factions under the leadership of particular families. This may in part explain why Latin America has developed a multiparty system as opposed to the two-party system of the United States. Thus, from the political and economic points of view, what we actually have in most of Latin America is feudal society, where the means of production as well as the political institutions of these countries are controlled by the few.

On the other hand, under the impact of changing conditions, especially with the rapid development of democratic ideas, a transition is taking place within those countries. Members of the lower class begin to participate in the political process, and therefore, a clash was inevitable, since the political institutions of these countries were not flexible enough to accommodate the new dynamic. Thus, there broke out the social revolutions of the last 20 years. The aim of this type of revolutions is social change, aim-

ing to break through the status quo rigidly maintained under the traditional conservative rule. My personal opinion is that there is nothing communistic about these revolutions. They are social revolutions that started in Mexico in the tens, and which are spreading to all the other Latin-American countries. As a matter of fact, revolutions in Latin America today can be explained in one word: poverty. These social revolutions could be further characterized as vertical moves that try to shift power from the top to the bottom of the social hierarchy.

These revolutions break the constitutional continuity of the Latin-American countries, because whenever there is a revolution there will consequently be a new constitution. A revolution always implies a break with the past. This may be explained by saying that the Latin-American peoples have not achieved an agreement on the fundamental political institutions of their countries. Words like liberty, civil and political rights are still in the process of being accepted as part of the democratic creed. They are still fighting words. Here I must warn you that this does not necessarily mean that democracy does not exist in Latin America. On the contrary, these countries are working out their own democracy according to their own peculiar conditions. Just as in Europe democracy is different in France and England, so in this hemisphere the democracy of the United States is different from the Latin-American democracies.

Furthermore, the development of democratic institutions is being handicapped by chaotic economic conditions. It is very difficult to have a healthy democracy unless people have economic stability. In other words, the pan-American system must first create economic conditions that will eventually bring about political stability in these countries. The leaders of the pan-American movement seemed to have overlooked this fact, because they have tried to put an end to revolutions by using political methods completely divorced from the economic reality. To this end it was proposed in 1945 by the Minister of Foreign Relations of Uruguay that democracy will come about by practicing collective intervention in three specific cases: (a) When there is a dictatorship that attacks the rights of man and of the citizens, (b) when this dictatorship develops the ideology of force, and, finally, (c) when a dictatorship creates false notions of superiority.

This proposal is all right on paper. But as a practical matter, the whole question of collective intervention raises many complicated problems. At the moment, two of these problems come to my mind. In the first place, what form, or forms such intervention would take: Is it economic? Is it military? And secondly, in the case of military intervention, would it be put to the United States, as the most powerful nation of this hemisphere? If so, what consequence would this have on inter-American relations?

If it is economic intervention, we will encounter difficulties. In this hemisphere, there are some countries that depend to a very great extent upon their neighbors for their exports and imports. Such is the case of the Central American and Caribbean countries that have closer economic ties with the United States. But in the southern part of South America, some countries, such as Argentina and Uruguay, have closer economic ties with Europe, that is, their import and export trade is mainly done with European countries. Assuming that economic sanctions are to be taken against these countries, the possibilities are that they will fail, for their economies are tied up with countries outside of the continental orbit. In this particular case, therefore, economic intervention will work in the case of some countries, and fail in the case of others. The success of that policy will ultimately depend upon how close their commercial relations are with the rest of the countries of this hemisphere. The particular case of Argentina during the period of the nonrecognition policy of the United States proves that fact. At that time economic sanctions did not work, because Argentina's main customer was Great Britain, and the latter needed as much import as she could get. Along the same lines, it is a well known fact that the economies of this hemisphere are antagonistic, not complementary. Argentina produces the same products as the United States does, and therefore, there exists a bitter economic competition between these two countries that has brought about political hostility.

Another source of friction between the countries of the Western Hemisphere has been the usual policy of imperialism, which at times has taken the taint of a cultural imperialism or a policy of the superiority of certain races. In this respect the United States takes the first place, followed by Argentina.

The United States and Argentina have assumed from the beginning that they have a manifest destiny to police the rest of the continent. This, of course, has brought about a policy of domination. The issue, therefore, between the United States and Argentina has also been political. The question seems to be, Who is going to be the leader of this hemisphere? In deciding this, the whole hemisphere has been divided into two main spheres of influence—the Caribbean countries, including Colombia, Venezuela, Peru, and Ecuador, belong to the sphere of influence of the United States; and the rest of South America is supposed to be under Argentinian control. This seems to be a policy of balance of power, the equilibrium of which seems to be maintained by Brazil. That is why today experts on this problem contend that whoever controls Brazil will control the whole continent.

The United States has practiced imperialism in the sense that she used armed intervention in order to protect American investments in Nicaragua, Honduras, and the rest of the Central American countries. Further, the United States has practiced a cultural imperialism by assuming the doctrine of superiority of North Americans. Such is the case of Panama where the United States has discriminated against the Panamanians who work in the Canal Zone. A distinction is made between workers of the "gold roll" and those of the "silver roll." The North Americans who work in the Canal Zone are automatically classified in the "gold roll," whereas the Panamanians belong to the "silver roll." This discriminatory classification further implies discrimination with regard to wages and conditions of employment, completely independent of skill or ability to perform a given task. This may in part explain why the Panamanian Government rejected the last defense-sites agreement for the defense and protection of the Panama Canal.

But similar imperialism has been practiced by Argentina with regard to the tiny Republic of Uruguay. Historically, this Republic was part of Argentina, but later became an independent Republic with the help of British interests. Since its independence down to the present times, Uruguay has been a football in the political game between Brazil and Argentina, and these two countries fought a war in the nineteenth century for the control of Uruguay. Even the smaller countries of the Western Hemisphere have managed to engage in imperialistic wars. For instance, the Chaco War, which lasted 8 years, was fought by Bolivia and Paraguay, both countries backed by Chile and Argentina, plus some North American economic interests that were helping both sides. Also, the bloodiest of all South American wars was the War of 1865–70, between the combined forces of Argentina, Uruguay, and Brazil against Paraguay. The population of Paraguay was reduced from a million people to some 225,000 women and 25,000 men. This will prove that in the Western Hemisphere there are the same sources of friction that have characterized the European countries. It is difficult to have cooperation between these countries as long as these sources of friction continue to operate in the political scene. Today an attempt has been made to end this policy of aggression through the Inter-American Treaty of Mutual Assistance signed at Rio de Janeiro in 1947.

Finally, the other sources of friction that stand in the way of real pan-American understanding are the financial difficulties undergone by the Latin-American countries. Today they are in default on more than a billion dollars in United States loans floated by private bankers during the 1920's. Recently there has been the propaganda that the nonpayment of these loans was responsible for the depression of 1929. This is not true. The loans were not paid because of economic conditions. The United States raised her tariffs in 1929, and, therefore, the currency of Latin America fell sharply. Brazil, in 1929, could have paid back $1,000,000 by shipping 5,780,000 pounds of coffee. But 4 years later, after the United States had raised her tariffs, she had to ship more than three times that amount; that is, 18,470,000 pounds of coffee in order to pay the same amount. The same thing happened to Argentina. She could have paid $1,000,000 in 1929 by sending 11,830,000 pounds of beef; 4 years later she had to ship 20,780,000 pounds of beef to pay the same amount.

Furthermore, today there is shortage of dollars in Latin America. These countries are not getting as many dollars under the Marshall plan as had been expected. Therefore, Latin-America's dollar shortage threatens to become more and more acute in spite of Marshall plan purchases. This in turn will mean that Inter-American trade will not get the help once counted on. Thus, we may easily conclude that the Marshall plan is not helping the countries of this hemisphere financially, which means that pan-Americanism will still lack that sound economic foundation long needed.

I am not against a Marshall plan for Europe, nor do I advocate financial help for the Latin-American countries in the form of a Marshall plan for them. I simply want to make it clear that the Western Hemisphere counts with the raw material necessary to make western civilization survive in case of a war between the West and the East. Therefore, the attention should be concentrated in developing these natural resources. The foreign policy of the United States, of course, is based on a simple fact: the United States does not want war. But the decision of war or peace will not be the United States' decision, as proved in Pearl Harbor in 1941. The possibility of a war cannot be dismissed, and the base of the armament that we must have to survive, does not lie in Europe but here in our own hemisphere. In the Western Hemisphere the United States has ready and sure access to practically every strategic raw material. Therefore, the financial obstacle will be taken care of by increasing intrahemispheric trade.

All this boils down to one simple fact: To meet and to overcome the grave danger of communism we must cooperate politically and economically. Politically we must eliminate the sources of friction that have stood, and still stand, in the way of inter-American understanding. Economically we must concentrate our efforts upon developing the resources of the Western Hemisphere. Only then can we look forward to a healthy inter-American system which will indicate what an enlightened regionalism might contribute to the future welfare, not merely of the Western Hemisphere, but of the wider international society as well.

Not Wages, Security

EXTENSION OF REMARKS

OF

HON. HUBERT H. HUMPHREY

OF MINNESOTA

IN THE SENATE OF THE UNITED STATES

Tuesday, August 9 (legislative day of Thursday, June 2), 1949

Mr. HUMPHREY. Mr. President, I ask unanimous consent to have printed in the Appendix of the RECORD an article by Mr. David Dempsey entitled "Not Today's Wage, Tomorrow's Security," which appeared in the New York Times Magazine of August 7, 1949.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

"NOT TODAY'S WAGE, TOMORROW'S SECURITY"

(The steelworker, who has come a long way, believes it is time for another advance.)

(By David Dempsey)

HOMESTEAD, PA.—The main entrance to the enormous Carnegie-Illinois steel works in Homestead is at Amity Street, and Henry J. Mikula is one of 14,000 workers for whom, in a city freighted with a legacy of strife and bloodshed, it symbolizes a new era in peaceful labor relations. Ever since the gate went up in 1912, when the plant was expanded for war production, Amity Street has pretty much lived up to its name. Except for a 3-week strike in 1946, steel and labor have worked in harmony; the open hearths, slabbing mills, structural works, and the big blast furnaces across the river in Pittsburgh have operated without interruption and at record capacity.

A few weeks ago labor called the second industry-wide strike in the history of steel. Narrowly averted at the last minute, the dispute is now in the hands of a three-man fact-finding board which will report its conclusions and recommendations to President Truman. If management or labor fails to go along, the gate at Amity Street will be closed.

Henry Mikula does not want to see this happen. To him—to most of the 940,000 steelworkers across the Nation—a strike means a belt-tightening that would be costly and unpleasant. Yet the belt has been tightened before, Henry says; as a union man, he believes that labor has gained in the end. His attitude is especially significant in view of the fact that the present dispute is not primarily over wages—which are reasonably good for a noncraft industry—but the less immediate factors of better pensions, more sick benefits, and other aspects of social security.

To find out just how pressing this issue is, I spent several days with Henry Mikula and his shop buddies at the Homestead plant. For, as a worker who is in most aspects typical of the men who make up this largest of CIO unions, Henry is the keystone in the 'Amity Street arch. What kind of person is he, how does he feel about his job, why is he willing to strike if necessary for a cause that will chiefly benefit men 30 years his senior? These are simple questions, but in a complex situation such as this they do not admit of simple answers.

On the plantward side of the big Amity Street gate is emblazoned the slogan: "Steel Is Permanent." Henry sees this sign on his way home and he says it reminds him—at a time of day when he is all too conscious of the irony—that although steel is permanent, men are not. And this is the crux of Henry's dispute with the company. If he goes on strike, it will not be out of hunger or desperation, but for the new principle of welfare that has been added to labor's arsenal of demands, now that the basic wage-hours fight has been largely won.

To know Henry—to understand even the most ordinary facts about his life—you have to visualize Homestead, which might fittingly be called Steeltown, United States of America. Although its sprawling mills, gushing clouds of smoke that settle over the city in a hazy smog, make up but a fraction of the plants that stretch for 22 miles along this industrial river valley, they dominate life in Homestead. Visible from almost every point in the city, which leans its way up the steep bluffs of the Monongahela River, they are the only major industries here, and nearly all of the wage earners work in them.

Henry has been employed in the Carnegie-Illinois plant—a subsidiary of United States Steel—for 20 of his 36 years. Most of his fellow-workers also started at 16, although the minimum age is now 18. Most of them will work until they are 65, the compulsory retirement age. Most of them—like Henry—have fathers who worked in the mills and the great majority have children who are already helping to "cook" steel, or soon will be. Henry's stepfather, for example, is still a millhand; his oldest son, Jack 14, will probably follow in the tradition. In Homestead, people talk, think, make, and "breathe" steel. Steel is the hard, pervasive fact of their existence, the image of their future, and the substance of their memories.

Memories here are long, and go back 57 years to the great Homestead steel strike of 1892. To this city's steelworkers and their families, the strike is symbolically as important as is the Easter Week rebellion to an Irishman. Old-timers vividly recall the pitched battle between Pinkertons and workers. A plaque on one of Homestead's main streets commemorates the seven union men who were killed. The incident is still good timber with which to fire up a mass meeting or a memorial service.

Henry was born here in Homestead, and thus grew up in the strongly labor-conscious tradition of its people. Not only his immediate family but his five brothers-in-law are employed in the mill. It would be strange if he were not biased in favor of the wage-earner. Yet, in a significant sense, Henry Mikula's bias is not born out of a feeling of exploitation or a sense of hopeless injustice. When his stepfather went on strike in 1919 it was in an effort to organize.

Today, after 15 years of legally protected unionism and a company policy of harmonious labor relations, Henry is motivated by different reasons. It is security that has become the touchstone of Henry's world.

Nothing symbolizes so strikingly the gap between two generations of workers than this preoccupation with the intangible, or fringe, benefits of the job. Until recent years most union demands centered on a fuller lunch pail. Today they are being extended to include the concept of a fuller life. To put it another way, in a phrase peculiar to steel, emphasis has been shifted from the hearth to the hearthside.

And as a result of this evolution in tactics, Henry now finds himself a sort of industrial guinea pig. No longer merely employee No. 45,118, a tractor operator in a slabbing mill, he is the subject of university research projects, Government surveys, newspaper interviews, fact-finding boards, and a bewildering amount of solicitude on the part of both management and union.

And no longer is he an industrial Caliban, bumping his head against the lintel of an outdated system. Two wars, a New Deal, and a Fair Deal have indoctrinated him with a new sense of importance in society. And thanks to a never-ending flow of union literature, he has grown amazingly articulate. Curious phrases like "unilateral action" have crept into his vocabulary. Statistics on the cost of living, company profits, and wages are at hand to buttress his arguments.

Even the end product of Henry's labor has become more meaningful to him. During the war much of his time went into the production of armor plate and other necessary implements of battle. Right now the plant where Henry works is turning out steel for the United Nations headquarters in New York. The significance of this is not lost on him. He has bridged the barriers of his own small world to help build the physical core of a new one. All of this has given him, as an industrial worker, a new dimension largely unthinkable a generation ago.

Having learned to make new demands on the industrial system, Henry nevertheless no longer thinks of a strike as the only way of getting them. "We were relieved when the truce went in," he says. "Striking is no fun, especially when it's for something you won't get the main benefit from until you're an old man. We'd like a raise, of course, but this pension thing is more important. As long as the cost of living kept going up, pensions had to wait. Now seems like a good time to get started on them. We hope the whole thing can be settled without a showdown."

If Henry does go out, the placard that he will carry as a publicity weapon will be secondary to the heavy artillery which union brass have already moved into defiladed areas well to the rear of the company gates—the bulky reports on company earnings and workers' needs that have been prepared for them by private research organizations.

Although Henry and his buddies will be on the picket line, if necessary, they know that the real fighting will take place in Washington or New York, around the committee table, in the newspapers, and on the radio. That the statesmen of the Nation, including the President, should make a special effort to solve their problems is something relatively new to the workers in this industry, where violence and bitterness were the order in years gone by. It is one more factor that has convinced Henry he counts for something in America.

Although Henry Mikula is a composite of all the steelworkers in this mill town—a symbol of the industrial wage earner of 1949—he is also an individual, with a wife and three boys, and this, too, bears on the present period of tension. In what way?

First of all, Henry earns a wage that no one would call excessive—$1.45 an hour, or about $255 a month. From this, about $8 is deducted for taxes, group insurance, and union dues, leaving him a net of $247, or roughly $56 a week. Henry's pay is less than the industry average of $1.69 an hour, but it is substantially higher than the Government's enforced minimum of $1.23 for steel mills holding United States contracts, and it compares favorably with the national average for all industrial wage earners of approximately $1.31.

By meticulous budgeting, making many of the children's clothes, keeping a garden, and "making out the grocery order with a pruning knife," the Mikulas have been able to get by and still have a little left for an occasional trip to the movies or a ball game. But there is nothing for savings and the war bonds which Henry bought regularly during the flush period when the mill worked overtime have long since been cashed in. Recently Henry bought a new furnace, and incurred a dental bill of $165. Both of these debts are being paid off in installments.

What might seem like a small miracle to the hard-pressed city worker—living on $55 a week—is explained in part by the fact that the Mikulas own their home, a four-room bungalow purchased 11 years ago, which is now entirely paid for. Taxes run $175 a year, fuel about $125. Maintenance is nil, since Henry does all his own repairs. Furnishings include a 13-year-old washing machine, and the house is surrounded by a good-sized yard in which the Mikulas have planted shrubs, hybrid roses, and a blue spruce tree. Aside

from the house, their only other major possession is a 1935 car, which Henry bought last year for $50.

As a home owner, Henry is no exception among workers here. Management long ago divested itself of company-owned houses and stores, and union officials estimate that half of the steel-mill employees with families own the homes they live in. Homestead is largely free of tenements, and the city's worst slums were razed during the war to make room for a new plant.

Replacing them is a low-cost housing development in which a family can rent a four-room apartment, complete with heat and utilities, for $35 a month. And despite the smoke, Homestead is surprisingly clean, bearing little resemblance to the mining towns close by. Nor does the district appear to be company dominated. In one borough the burgess (mayor) and 10 out of 16 public officials—all holding part-time offices—are steelworkers.

Two years ago Henry Mikula ran for the council in his own borough and was defeated by less than 200 votes. This year he's running again, and thinks he has a good chance of being elected. A Democrat (registration is about 3 to 1 Democratic in this area), he supports President Truman's Fair Deal. As a second generation American, he has no particular feeling of inferiority and casts no longing glances at the new democracies, which do not seem to have improved the old order that his parents left when they emigrated to this country. Henry is a Roman Catholic and the head trustee of his local church. In the union he is assistant grievance chairman of his shop.

But the most important thing about Henry Mikula is the conviction that what is to him a fairly decent way of life can be made even better.

He has seen it happen with the older generation. Moreover, things have improved a lot in his own lifetime. When he went to work in the mill 20 years ago he made $2.28 a day operating the door on an open-hearth furnace. Since then the plant's increased productivity, the general rise in industrial wages and the union's astute bargaining tactics have brought him a long way. It is a measure of his progress—not his poverty—that he wants to go further.

Which brings him once more to the issue of security. In some respects, Henry gets what he calls "a pretty good deal." If he should be killed, or die from any cause whatsoever while in the company's employ, his family would receive $4,000 from a group insurance policy that costs him $1.93 a month. In the event of illness, he and his family are covered by a company medical plan that takes care of hospital costs and pays sick benefits of $15 a week up to 13 weeks. Henry's share of the cost of this plan is $2.81 a month. In addition, he carries $1,000 worth of life insurance on himself, $1,000 on his wife, and $1,250 on each child. His premiums, including hospitalization and his group insurance, total $203.32 a year, or not quite one-fourteenth of his earnings. Henry works about three and a half weeks a year to pay for his "security."

The union is asking that a greater proportion of this insurance burden be shifted onto the company, and Henry makes no bones about the fact that such a plan would ease the economic squeeze for him.

Men earning the industry average of $55 a week, and the more highly paid $80-$90 a week employees, he says, can absorb these payments with less hardship. For the lower-bracket workers, both the high cost of security and its apparent inadequacy loom large. In this sense, Henry is a typical paradox among the industrial wage earners: the man who needs security the most, yet who can least afford to provide for it.

Although it will be another 20 years before he retires, the problem of what to live on is brought home by the fact that his father-in-law, who retired last year after 47 years in the plant, receives a combined pension-social security income of slightly less than $100 a month. And this is considerably above the average.

"We're asking for $150 a month, although I suppose we'll take less if we have to," Henry says. "What really burns us up, though, is that the company subtracts the amount of the Federal social-security benefits from the pension they pay. Instead of getting social security plus the pension, the men only get the amount of the pension, with social security figured in as part of it."

This is not the case with some steel companies, but it is true in the plant where Henry works and remains a rankling grievance which the union has effectively exploited. And since an ever-greater proportion of steel's labor force is approaching the retirement age, the men are becoming pension conscious.

A union study of 722 pensioners, who averaged 34½ years of service, forms the basis for indoctrinating the rank and file with the facts in the current dispute. According to this survey, the average monthly pension for the group studied is $66, which is paid by the company, and $31.83 under social security, or a total of $97.83.

A random check made by this writer of a much smaller—and perhaps not so representative—cross section uncovered a high of $60.90 paid by the company, and a low of 62 cents, with the average amounting to $28.34. Social-security benefits, which were in addition to company pensions, ranged from $40 a month down to $31.64, and averaged $36.05. About half of those interviewed had taken outside jobs in laundries, parks, etc., and earned another $3 to $6 a day. Thirty-eight out of fifty-six employees of the borough of nearby North Braddock, the union says, are retired steelworkers who must supplement their pensions with outside income.

Regardless of the sum now paid, Henry believes, it is not enough to dispel the fear of insecurity. And when union economists argue that the company can afford pensions of $125 a month, a pay rise and other fringe benefits at a rise in labor costs of 11 cents an hour per man, the plan seems feasible to him. Admittedly he is prejudiced in favor of the union's surveys. "But then, they haven't gone off half cocked on this thing," he says. "We're not asking for the impossible."

Management disagrees, and it is worth pointing out that the company regards Henry as a valued employee whose welfare is a matter of concern, since stability of employment—with consequent economy in labor costs—is a significant achievement in the steel industry.

"The fact that we have such a high proportion of men who stay here long enough to earn pensions," a company spokesman said, "is proof that our men are pretty well satisfied. Our company was the first to recognize the union and when Andrew Carnegie was still living, it was the first to institute pensions. We anticipated a lot of social security years before the Government or most industries got around to it."

Henry agrees that his personal relations with management always were cordial. He had no trouble getting transferred from his old job at a blast furnace to his present job when he requested for it 2 years ago. Safety conditions are good and the company has been fair in settling grievances, he says, but when it comes to boosting wages, pensions, and other security benefits—the total package comes to 30 cents an hour per man—management declares that existing prices will not support the rise.

"Our salesmen are fighting for every order they get," an industrial relations representative told me. "Steel is not a sellers' market. Our present cost structure won't stand a 30-cent-an-hour hike without a substantial rise in price of the finished product and we don't think this is the time to raise prices."

It is along this front that the battle lines are drawn. "When a man gives 40 or 50 years of his life to a job," Henry says, "he should be able to retire in comfort—a little comfort, anyway." Thirty years ago, in Homestead at least, this attitude would have been considered an impertinence by many. Today, to a generation of workers that has grown up in the midst of an increasing drive toward the welfare state, Henry's point of view strikes him as anything but revolutionary.

He has, moreover, seen the company give way on three previous demands for higher wages—demands on which both union and management made concessions to avoid a strike—and he hopes for a similar solution this time.

But if it's fumbled, Amity Street will become enmity street; the big gate will be a barrier rather than a bridge, and Henry Mikula will be on the picket line. "It may be tough going," he says, "but if it will help these old guys get a better break, it'll be worth it. After all, I'm going to be in their shoes myself some day."

Atomic Slaughter

EXTENSION OF REMARKS

OF

HON. HAROLD D. DONOHUE

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, August 9, 1949

Mr. DONOHUE. Mr. Speaker, under leave to extend my remarks, I wish to include a very thought-provoking editorial, which is to appear in the forthcoming issue of America.

The editorial follows:

ATOMIC SLAUGHTER

The Atomic Energy Commission has revealed to an already atom-jittery world that the United States is now producing the improved Eniwetok model of the atomic bomb on an industrial basis. Commenting on the Commission's sixth semiannual report, New York Times atomic expert William L. Laurence finds the Eniwetok model embarrassingly big:

"If it is true, as the experts agree, that the Nagasaki-type bomb could effectively destroy the heart of any industrial city so that it would be eliminated as a factor in a nation's industrial economy, what greater harm, save for the additional destruction of human lives, could an improved model do? If the Eniwetok bomb is twice as destructive, it can mean only that it is twice as destructive in terms of human lives and not in industrial potential."

Even after these observations, Mr. Laurence continues to differentiate between "strategic bombing" and "the destruction of lives." He seems to miss the obvious fact that our scientists have obliterated any distinction there may have been by building a bomb that must necessarily destroy not only the industrial heart of a city but the residential districts as well.

If that is the case, what must be said of the United States war policy, which, according to Hanson Baldwin in the July Atlantic Monthly, is based on "the use of atomic bombs against the Russian home front, against Soviet cities, supply centers, oil supplies, factories, and nodal communication points in Russia, such as Moscow"?

"The prophets of the [atomic] blitz," said Rear Adm. D. V. Gallery in the June 25 issue of the Saturday Evening Post, "profess to aim at 'strategic' objectives, but what it

really boils down to in the long run is simple destruction of cities."

If Mr. Laurence is correct in calculating the power of the improved Eniwetok bomb, no one can now even profess to be aiming at a strategic objective when cities are involved. Henceforth it is "one bomb—one city."

Discussing the strategic plans of the Atlantic alliance before the House Foreign Affairs Committee on July 29, Gen. Omar N. Bradley, Army Chief of Staff, said:

"First, the United States will be charged with the strategic bombing. We have repeatedly recognized in this country that the first priority of joint defense is our ability to deliver the atomic bomb."

The general's delicacy of expression is matched only by his vagueness. The latter, of course, is all in the name of "military security." It is time someone told our war lords that our moral integrity must be preserved as well as our military security. Does the strategy of the Atlantic Alliance involve the delivery of the atomic bomb to Russia's forty "strategic cities" with a total population of twenty million? Have the American people, as Lewis Mumford claims, "been committed by their elected officers and their military leaders to a doctrine of war that is utterly repulsive to our own American principles, to the decent opinions of mankind and to the traditions of civilization?"

The editors of this review are not pacifists. We believe the cold war requires that we rearm both ourselves and our allies. We believe that in the present circumstances the atomic bomb should figure in our defensive plans. We do not hold that its use is intrinsically evil. It might, for example, be used legitimately against a fleet at sea, against shore defenses, against a military encampment, against a Hanford or an Oak Ridge. It might even be used against Russian cities with productive military capacity if that use were the only possible defense the western democracies could command against invasion and enslavement by the Russians.

But this highly hypothetical situation is a far cry from what Mr. Mumford calls "resorting in the first instance to the wholesale use of extermination alone."

French military planners are reported to be wondering whether the atomic bomb could be developed into a tactical and defensive weapon as well as a strategic and offensive one—that is, whether it could check a moving army or safeguard a frontier by making a strip of territory untenable. Perhaps that way lies escape from the "one bomb—one city" doctrine, which, if we persist in it, will mean America's moral suicide.

World Peace and World Freedom

EXTENSION OF REMARKS

OF

HON. CLIFFORD DAVIS

OF TENNESSEE

IN THE HOUSE OF REPRESENTATIVES

Wednesday, July 27, 1949

Mr. DAVIS of Tennessee. Mr. Speaker, there is much interest in the resolution introduced on yesterday in both bodies of the Congress which would call on the democracies which sponsored the Atlantic Pact to explore the possibilities of uniting in a federal union of the free.

Much credit is due Hon. Clarence A. Streit for his long and strong advocacy of this sound proposal. As a college student, Mr. Streit exhibited an amazing conception of world affairs. By active participation in the First World War, later as a Rhodes scholar, foreign correspondent, and author, he was able to view and to study world affairs in a most scholarly fashion. In 1938, he published for the first time a limited number of copies of his now well-known book, Union Now. This was done at his own expense. Thereafter his book was published and widely distributed. It has been translated into many foreign languages. It has truly become the textbook on the federal union movement. From the early beginning of his pioneer efforts, he has slowly but surely influenced leading thinkers in our country and elsewhere.

In my judgment no single man has contributed more to the advancing of this philosophy than my long-time friend and former schoolmate, Edmund Orgill, of Memphis, Tenn. Successful in business, a former president of the Memphis Chamber of Commerce, president of the Rotary club, former president of the Southern Hardware Association, active in church and civic organizations, and an extremely busy man, he has found time to organize a chapter of the federal union movement in his own city. Additionally, he has been in demand as a speaker and has delivered his message in many parts of our country. He never made a better speech on the subject than he did in the city of Boston on July 12 last, when he spoke to the National Retail Hardware Association at their annual meeting. He has said so much and has done it so well that I have asked permission to extend my own remarks in the RECORD and to include that magnificent address.

The address follows:

Ladies and gentlemen, I consider it a great honor, and a great opportunity, to be allowed to talk to you. The subject of my talk—world peace and world freedom—is a serious one and, to my way of thinking, the most important one in the world. Feeling this way about my subject, I am particularly gratified to have the opportunity of presenting it to a group of independent individualists who think for themselves—who have made their own way in this world—who for the most part own and operate their own businesses.

We in America want world freedom and world peace. I think we can work out a plan for it, and I think we can sell it to the world.

But we have some selling to do at home first, and that's where you ladies and gentlemen come in. I want to explain my proposition for an Atlantic union to you, and enlist your aid in the most important sales campaign in the whole world.

I said that I think we can develop a workable plan for world freedom and world peace. But this statement must be qualified. It can be done, provided our State Department, and our Congressmen, and our lay leaders (that's you) give the attention, and consideration to world conditions and world affairs, that they deserve in this crucial period. And, I am glad to say, there are many signs that indicate that Congress realizes that it must put its best thinking on the problem of avoiding war, and preserving our individual freedom.

Our President's great speech in Little Rock, Ark., on June 11 indicates that he and the State Department are putting first things first, and should give us all renewed hope.

President Truman made a reasoned report on the results of American foreign policy. In the main it was a calm evaluation of freedom's progress, made in an area whose people are fundamental in their thinking on freedom, and who are in full accord with a foreign policy dedicated to its preservation.

American foreign policy, in relation to our most compelling international problem of Communist aggression is fixed and unswerving. The President's report dealt chiefly with the success so far attained in checkmating that aggression.

We are, he declared, at the midway point.

The tide has been turned in favor of freedom and peace because the American people have been united in determination to use their strength and substance to that end. The disintegration of the democracies of Europe has been halted. Free peoples in many parts of the world have been given new hope and new confidence. The restoration of world trade has begun.

All this, the President pointed out, has been accomplished without closing the door to peaceful negotiation of the differences between the free nations and the Soviet Union.

Even so, he warned "the cause of peace and freedom is still threatened."

Before the free world can be made "secure against the social and political evils on which communism thrives" there is, the President pointed out, "a long way to go."

Prime requisites for a successful continuation of our anti-Communist foreign policy were enumerated by him as being extension of the Marshall plan; extension of the reciprocal trade agreements, and ultimate establishment of a permanent International Trade Organization; early ratification of the Atlantic Pact and adoption of a military-aid program "to increase the effective strength of the free nations against aggression."

The Atlantic Pact and the arms-aid program will, the President reiterated, "bring a stability to the democratic nations of Europe which has not existed since the end of the war. They will, at the same time, contribute directly to the security of the United States."

The President did not but could have added that the Atlantic Pact without an implementing arms-aid program will be useless.

The President's observations on the European Recovery Act (Marshall plan) could well be taken to heart by the Senate Appropriations Committee, now currently considering a considerable cut in the 1950 funds authorized by the House. Said he:

"At the outset, it was estimated that it would take 4 years before these countries could again become independent of special economic aid. Only a little more than a year has passed since we began. If we were to falter now and cut down our aid the momentum of recovery would be destroyed. The people of these countries would be thrown into confusion and their advance toward economic self-reliance would be blocked. A slash in the funds available for European recovery at this time would be the worst kind of false economy. It would cancel the hopes and the plans of the western European nations. It would be a great gain for communism."

The Senate committee's decision must be based on realization of the stark reality of such a gain and not on personalities and the emotion which seem to be unfortunately creeping into the hearings.

As the three essential elements of lasting peace, President Truman named (1) a strong and prosperous United States; (2) a strong and prosperous community of free nations; and (3) an international organization capable of preventing aggression.

No sensible American will quarrel with domestic and foreign policies dedicated to such objectives, and I hold that this shows that our statesmen are giving more study and greater consideration to world affairs. And I am one who believes that when we Americans put our best minds to work on a problem we are going to find a way to solve that problem.

Tonight I bring you the two proposals of the Atlantic Union Committee:

No. 1 is prompt ratification of the Atlantic Pact, and No. 2, after ratification, a congressional resolution calling on the democracies which sponsored the pact to explore the

possibilities of uniting in a federal union of the free.

I hope to prove that this is by far the best way to bring about the three essentials for peace, named by the President: (1) That the United States and the other free peoples can be stronger and at much less cost if they will just unite; (2) that, if we unite we can dispense with European relief at a saving of five billion per year and have much sounder and much greater prosperity than is possible any other way—furthermore, unless we do unite, we are likely to go busted, sending arms and money to Europe; (3) that this Atlantic union of the democracies will be so strong and so united that it can definitely prevent aggression and what's more, preserve individual freedom and the American way of life.

You see, the problem which is facing us right now, is one which involves even more than peace. Even more important, is the preservation of our individual freedom and personal liberty—the concept of the dignity of man—which is the greatest heritage handed down to us by our forefathers. It is the reason why our Government was founded.

We Americans, and other free people, have always put freedom first. Every free people has sacrificed peace, and gone to war more than once to secure liberty.

None has voluntarily sacrificed its liberty to secure peace. However, twice within my lifetime, the free have acted as if peace came first in importance (before World War I and again before World War II) and both times, a world war for freedom has followed.

At this juncture, you may ask, "Why are you so worried? We in America have our freedoms. Who is going to take them away?"

Well, we have seen Soviet Russia communism gobble up central Europe. We have seen its extension into Korea, Manchuria, and China. We have seen what happened in Finland and Czechoslovakia. Italy was saved for democracy, only by the narrowest margin. Fellow travelers are at work in the western European democracies, Canada, Australia, and even here at home. We all know the avowed purpose of the dictators of Russia is the spread of communism throughout the world, with them taking over as rulers. It is no secret that their stated plans call for the use of any possible means to this end, including the overthrow of existing governments and military conquests.

Now, I do not believe that we can stop their propaganda and infiltration by armed force. I do not believe that even the present North Atlantic military pact can stop the spread of this insidious thing. And I do not believe that we in the United States can retain our personal freedoms in a Communist world. I think that if we were surrounded by communism we would be forced to use such a large portion of our wealth for military defense that we would have to go back to Government controls, even more stringent than we are during the war, and very probably wind up as a military dictatorship without liberty.

Now, there may be some here who ask "What's the matter with communism?" who look upon it, as just another economic system or another political party and who favor it or oppose it on that basis. I doubt if there are many. I think most of us detest communism, because it denies completely the dignity of man, and the sanctity of the human soul. It allows no individual freedom, no personal liberty. There is no freedom of religion, no freedom of the press, no freedom of speech. Opposition to the ruling party's candidate is not tolerated. Communist states are governed by dictators, are held together by intimidation and fear—man is the servant of the state. His life is ordered by the state.

We do not want any part of that. But the Communists are bound that we have it, whether we want it or not, and have refused to give up this purpose, and work cooperatively in the world-wide United Nations organization.

If military power is not enough to stop this cancerous infiltration, then what is the answer? What makes me, so sure that our statesmen will find the answer to our problem, if they really put their minds to the task of finding it. I think the answer to communism is to prove that freedom and democracy produce the best results—socially, economically, militarily, and every other way.

I think our statesmen will find a method of proving this, and a framework within which to prove it if they will follow the suggestion of the recently formed Atlantic Union Committee. Its suggestion is that the nations which sponsored the Atlantic Pact explore the possibilities of uniting in a federal union.

The glorious thing about such a federal union is that it is expected not only to bring peace and prosperity, but to preserve our individual freedom—the American way of life. The Atlantic Union Committee does not attempt to blueprint or write the specification for the new federal union. Its aim is solely to help bring about a federal convention to explore the possibilities of forming such a union. This committee thinks that if delegates from the countries which sponsored the military alliance will sit down together and conscientiously explore the possibilities and advantages of a federal union, as compared with alliances and treaties, they will come to the same conclusions as our founding fathers when they met in our Constitutional Convention in 1787.

You will recall that our forefathers had formed an alliance under the Articles of Confederation, and had found that an alliance did not work. They called a Federal Convention to "alter and amend" the Articles of Confederation. But this Convention boldly created a new Federal Government with authority and power to regulate Federal affairs while leaving local affairs to the States.

What they did, of course, was subject to ratification by the people of the Thirteen Original States. Likewise, anything developed by an exploratory convention now would be subject to ratification by the people of the 12 nations involved.

In the United States this would call for a constitutional amendment, and hence nothing could be done without most careful consideration, and complete debate.

Some of the powers which probably would be given to the federal union are:

1. The sole right to conduct foreign relations.

2. Maintain armed forces.

3. Issue currency.

4. Regulate commerce and communications between member nations.

In this new union, you and I would still be citizens of Arkansas and Tennessee, and the United States just as we are now, but in addition, we would also be citizens of the larger union of the free. We would still elect our local and national officials, but in addition, we would elect representatives to the new government. The hope is that the republic thus formed would be modeled on our Constitution and would be the nucleus for an eventual world government. That it would be designed so that other nations could be accepted into the union, provided they had, or came to have our ideals about freedom and proved themselves capable of guaranteeing their citizens their basic rights. The republic would be expected to grow, just as the United States grew, from 13 to 48 States. This great union would stay in the United Nations organization in order to work with all countries throughout the world. This requires no amendment of the United Nations Charter, and would strengthen the organization immeasurably.

If you have never thought about this very much, your first reaction might well be, "It can't be done—the countries are too diverse in their thinking—they speak different languages." Of course, all of this has to be considered, but all of these arguments were brought up in 1787 when our forefathers were making and ratifying our Constitution. That was certainly no easy task. It is true, they were the greatest men of the times—George Washington, Alexander Hamilton, Benjamin Franklin, James Madison, George Mason, Edmund Randolph—to mention a few. It is also true that they made this a matter of first importance. They really put their best thinking into it. They met almost every day from May 13 to the middle of September. But it paid off—they came up with a brand new form of government—a federal union, which has endured ever since, and has given us, in the United States, the greatest freedom and the greatest economic prosperity, the world has ever known.

This form of government has been copied by other countries, and has successfully united peoples of various nationalities, and really worked.

Australia is a federal union.

Canada is, and unites French and English, and both languages are spoken.

The Union of South Africa united the bitterest of enemies—the English and the Dutch Boers, and both languages are official.

Switzerland unites Germans, French, and Italians. Four languages are spoken, and the constitution and the laws are written in four languages.

Did you know, that there has never been a federal union which failed to work? The reason why federal unions are able to unite peoples of different nationalities and tongues, is that only certain powers are turned over to the federal government, while local affairs, and things having to do with local customs, are left to the separate states.

Many difficulties presented themselves to our forefathers just as many difficulties will present themselves to the delegates at the federal convention of the democracies, proposed by the Atlantic union committee. Many compromises had to be worked out.

In the South, were agriculture, and slavery, and landowners.

In the North, fishing shipping, trading, the beginning of manufacturing, and practically no slavery.

There was much more bitterness and intolerance between the various religious sects in the 13 States, than exists today in the 12 nations, jointed together by the military pact.

The area of the United States in 1787 was 10 times larger than any federation in previous history, and the opponents of the Constitution argued, that it was too large, ever to be held together, by a common government. It took George Washington 3 days to get from Mount Vernon to Philadelphia. The delegates from New Hampshire took 2 weeks. Those from far off Georgia, required 3 weeks. Undoubtedly, the same argument will be advanced against our new federal union, although you can now fly from New York to London in less than 24 hours.

Let me call your attention to the fact that during the American Revolution transportation was scarcely faster than it had been under the Pharaohs at the time of Buddha, or of the Incas. But since then, within a little over a century, transportation has changed from animal power to the steam and electric railroad, the automobile, and the 700-mile-per-hour airplane.

The change created by industrialism is almost as startling. Certainly governments must change—with changing times.

The opponents of the Union argued that the States were sovereign.

The supporters said that sovereignty rested in the individual citizens and that the new government would be administered by officers chosen by the people, that the people would simply be transferring part of the duties of the government from the States to the Federal Union, that governments were formed for the people, and that the people had the right and duty to set up the kind of government which would serve them best.

The opponents insisted that the smaller States would be swallowed up by the United States.

The supporters pointed out that a small State is always apt to be swallowed up by a hostile State, but that it finds security and liberty in union with other States.

The large States thought representation should be strictly on a basis of population or wealth.

The small States thought each one should have equal representation. This, of course, was answered by the great compromise with representation in the House being based on population but with equal representation in the Senate.

The opponents of the Constitution were convinced that the rights of the people could be protected only if the States retained complete sovereignty.

The supporters of the Constitution knew that conflicting sovereignties had been the causes of most wars.

The opponents of the Constitution in 1787 could talk only of the difficulties of forming a new government.

The supporters of the Constitution were aware of the dangers facing the Confederation and demanded that a new government be attempted, in spite of all difficulties.

The Thirteen Colonies had been successful in their war for freedom. During the war they had banded together because of a common danger, but after the war was over they had drifted apart.

The Confederation which joined them was just an alliance, not much stronger than the North Atlantic Pact which has just been signed.

Each State had its own currency, and all of it was of questionable value.

There were tariffs and trade barriers between the different States.

Each State had its own army or militia and even felt they had the right to deal directly with foreign countries.

The great nations of England and Spain and France were on the sidelines watching. Undoubtedly, they gloated over the misunderstandings and strife. Undoubtedly, they were planning conquest and domination. It is no wonder that our leaders in 1787 decided that something had to be done.

A similar situation exists today. The democracies of the world have just won a great war for freedom. During the war the free countries banded together, because of a common danger, but now that the war is over, these countries are not united. Each one has its own separate army and navy and air force. Each one has its own diplomatic corps, to deal with each other, and with the balance of the nations of the world. Each one has its tariffs and trade barriers. Each has a different currency, and these currencies are manipulated, to suit what seems to be the national interest.

Yet these democracies, like the Thirteen Original States, have the same basic ideals, they have the same love of freedom, and the same concept of the dignity of man, based on the teachings of Christianity.

But this great heritage of government of the people, by the people, and for the people is threatened. Russia, firmly united with its satellites, is sitting on the sidelines, watching our disunion—planning, and eternally working at its avowed purpose, of spreading sinister communism throughout the world, either by propaganda and infiltration, or by overthrowing existing governments, and becoming the dominant force in the world. They want to rule us.

The Communist states are united.

The free peoples are disunited.

If we take the advice of the Atlantic union committee, we will explore the possibilities of uniting in a federal union.

But, you may say, tell me explicitly, why this Atlantic federal union will be better than a combination of the Marshall-plan aid, which we have given so abundantly, and the military alliance, which we have just signed, and which we hope will be promptly ratified?

Let's consider first, military strength. If the allies were united in one federal union, they would have just one integrated army, one navy, and one air force, all under one supreme command. Aren't you sure, without further argument, that this would be more efficient, and much less costly? On top of this, remember that any country can pull out of an alliance at any time. Treaties and pacts are just scraps of paper that can be torn up any time. Former Secretary of War Robert P. Patterson is a vice president of the Atlantic union committee, and I ask you—whose opinion on this point is worth more than Mr. Patterson's? Here is what he says:

"A union of democracies will convince the Kremlin that the democracies mean business. The Kremlin will immediately see that the creation of a federal defense force for a union of nations would be far stronger than any staff agreements between separate nations. What's more, the saving in cost would be enormous."

Now, let's consider the economic side. We have been sending billions and billions of dollars to Europe. We have been doing this to help restore prosperity and stop the spread of communism, which was making great headway because of the want, starvation, and desperation which existed. This Marshall plan aid has done untold good, in all of Europe, but it really saved the day, in Italy and France and Greece. However, it looks as though this Government aid will have to be kept up indefinitely, and I doubt if even our great resources can stand the strain of this and our tremendous armament costs. In a Federal union, one currency can be adopted, and trade barriers and tariffs done away with. If this could happen, there would be a great expansion, of independent industry throughout this area, which would remove the necessity of Government grants and loans. This Federal union would be greatly in the interest of our own expanding industry, which certainly cannot find full expression, unless it does secure a larger, safe, free-trading area. Business and industry everywhere are now hemmed in, by Government restrictions, trade barriers, and fluctuating currencies.

Mr. Will L. Clayton, head of the Anderson-Clayton Co., the largest cotton company in the world, and former Under Secretary of State for Economic Affairs, is a vice president of the Atlantic Union Committee. He has this to say:

"A Federal union of the democracies would be so powerful, prosperous, and free, that the pull on Russia's satellite states, lying in between Russia and the democracies would be so much greater from the west, than from the east, that in time, Soviet Russia would surely lose them—and her drive for world conquest would end in failure, and without World War III."

Who in the United States knows more about world economics than Will Clayton, head of the world's largest cotton firm and former Under Secretary of State for Economic Affairs?

Former Supreme Court Justice Owen J. Roberts is president of the Atlantic Union Committee. He has this to say:

"While the alliance provided for in the Atlantic Pact is an immediate step to prevent war, it is not enough to insure permanent peace. The purpose of the Atlantic Union Committee is, therefore, to bring about a union of the democracies signing the Atlantic Pact. Such a union would offer four immediate benefits:

"(1) It would strengthen the United Nations.

"(2) It would raise the standard of living for all.

"(3) It would lower the cost of military security for all.

"(4) It would make democracy so powerful, that the Kremlin could not hope to start a war with any prospect of success."

Justice Roberts says:

"We want to hear from all Americans who want to join us."

As a member of the board of directors of this committee, it is a great privilege to tell you the story and solicit your support.

I said in the beginning this is a selling job. Every man and every woman here tonight can help, right now. You can help by joining the Atlantic Union Committee—just the prestige of your name as a member will help a great deal. But the thing that will count for most will be your selling influence with your Senators and Representatives and with your friends.

Is it worth a few dollars and a few hours' time to have a part in a project designed to stop the spread of communism, preserve individual freedom, and lay a foundation for world peace?

I think it is.

This is a matter of life or death—peace or war—freedom or communism.

Remember no alliance has ever really worked. No Federal union has ever failed.

United States and World Trade

EXTENSION OF REMARKS

OF

HON. WALT HORAN

OF WASHINGTON

IN THE HOUSE OF REPRESENTATIVES

Wednesday, August 10, 1949

Mr. HORAN. Mr. Speaker, under leave to extend my remarks in the Appendix of the RECORD, I am pleased to include a speech by Mr. Fred J. Rossiter, associate director of the Office of the Foreign Agricultural Relations.

Both as an agricultural missionary abroad and, for years, a valued member of OFAR, Mr. Rossiter has objectively studied the daily development in world trade.

This speech should provide a valuable outline of a problem growing more and more trying to every American today.

The speech follows:

You will recall that during the war the Secretary of Agriculture, in urging farmers to produce more food, coined the saying "Food will win the war and write the peace." Every American is proud of the way our farmers responded in expanding production to help win the war. This increased output helped feed the large Allied armies. The continued high level of production in the immediate postwar years has helped to feed vast populations in Europe and Asia. Food has not yet won the peace but it has certainly helped keep us from losing it. Our people in Europe are convinced that, had it not been for ECA help, and that was over 50 percent food, communism would have swept over France and Italy and possibly other countries.

In taking a quick look at the world food production, we find a tremendous improvement over the situation of 18 months ago. We note that total world wheat production

in the year 1948–49 was about 7 percent greater than prewar. World rice production was 2 percent greater, potato production 12 percent higher, and corn production 25 percent greater. For most crops, the harvests now beginning, promise to be almost as good. It may be true that world meat production as well as fats and oils may be slightly below the prewar level. I note, however, that in recent months, when our prices for these commodities declined, foreign governments were not very enthusiastic buyers.

The time has obviously arrived for us to take stock and see what is ahead.

The European crops harvested last year were near the prewar average and present prospects for the 1949 European crops indicate the output will be only slightly below last year. Europe, nevertheless, needs to import large quantities of food and feed to meet its requirements, but it can't buy that food from us without dollars. Also, we have noted in recent months that these European countries are now much more "choosy" in their imports.

Farmers in the Great Plains area are vitally interested in the export possibilities of our farm products, particularly wheat. Since World War II ended—that is, in the past four marketing years—the United States wheat exports have averaged nearly 450,000,000 bushels a year. This means that, out of every 100 produced, we have been shipping 36 bushels abroad.

The problem of foreign trade and maintaining export markets is by no means confined to the wheat industry. The problem confronts all commodities which we export in any volume. It is a concern of the cotton industry, the tobacco farmer, the rice grower, the citrus and apple producers, the soybean farmer, and many other agricultural producers.

The roots of this agricultural export problem lie deep in American history. In colonial times our foreign trade was simplified in many respects. History records that George Washington, living on his farm in Virginia, shipped tobacco and wheat to England to pay for pottery, textiles, tools, and other industrial equipment. In other words, our colonial fathers shipped agricultural commodities to Europe for industrial supplies. Later, European capitalists made loans in this country to build factories and railroads, but still we paid our debts largely with agricultural exports.

The importance of agricultural commodities in our export trade began to decline about 1890. The average quantity of agricultural exports didn't decline, but percentage-wise they lost ground to industrial products. By 1910 industrial products represented about 50 percent of our total exports. Except for war periods, this downward trend of agricultural commodities has continued. Immediately before World War II agriculture was furnishing less than 25 percent of our exports.

One reason for this declining importance of our agricultural exports has been the rapid agricultural expansion in such countries as Canada, Australia, and Argentina. About the turn of the century these countries began producing more grain and livestock products for export. World War I accelerated this development. Importing countries were able to obtain their agricultural needs from these countries often at prices lower than from the United States.

Another reason for the declining importance of agricultural exports has been our rapid industrial expansion. Within little more than a hundred years this Nation has built up the greatest industrial plant in the world. Our industrial products are in great demand abroad. For many of them we are the only important supplier. In order to conserve their limited dollars for our industrial products, many nations turn elsewhere for their agricultural supplies.

This brings up the very tough question of trade balances. It is interesting to note that during much of our history we have exported more than we imported. Until about 1920 the extra exports were needed to pay interest and principal on our debts to foreign investors. We were paying off the debts on our railroads and factories. In September 1914 we still owed Europe about a half a billion dollars.

But World War I brought a significant change—we paid off our debts and came out with the rest of the world owing us money. Europe by 1920 owned us a half a billion dollars. It is normally considered good business to pay off one's debts. But since we paid off our debts we seem continually to have been in foreign trade trouble. You know the reason: We have continued to export more than we have imported. The foreign countries couldn't pay us the balance, and trouble ensued.

Following World War I, this country made substantial loans to Europe for rehabilitation and industrial developments. Then came the depression, our imports dropped, and our lending activities came to an end. In order to conserve their dollar balances, foreign governments found it necessary to restrict imports from the United States. This trend in conserving dollars continued up to World War II. Foreign governments applied import restrictions, developed uneconomic food production, subsidized exports, devalued currencies, increased import duties, and applied many other trade restrictions.

Latin America is one region in which this picture changed during the recent war. At the close of the war nearly every country in the Western Hemisphere had large dollar balances. These had been built up by United States purchase of strategic war supplies while, at the same time, our export restrictions limited Latin-America's purchases from us. As export restrictions were lifted, these countries immediately began procuring large quantities of industrial products in this country. As a result, most of them used up large portions of their dollar balances.

In this connection, I wish to mention a few figures from our foreign trade to show how the rest of the world has been using up its dollar balances. Total United States exports of all commodities and goods during the past three calendar years totaled about $37,000,000,000, while during the same period imports into this country amounted to only $17,000,000,000. In other words, imports were paying for less than half our exports. This left a gap of approximately $20,000,000,000 for the 3 years. About 70 percent of this gap was made up by United States Government aid of one type or another to foreign countries. The remainder, however, represented foreign governments liquidating their gold and dollar resources to pay us for these exports. An interesting fact is, that a further analysis of this trade indicates, in the last year or so foreign governments have been using less gold and dollar investments to balance their trade with us. For example, in 1947 about 45 percent of the gap consisted of liquidated gold and dollar resources. Last year this dropped to 15 percent and some believe that it may drop further in 1949. This shows that the gold and dollar resources held by foreign governments are dwindling.

In light of this situation, it is not difficult to understand why foreign governments restrict the use of their limited dollars. As I said a moment ago, many industrial commodities are available only in the United States. Up to World War II, Germany and Japan supplied a large variety of industrial goods. Now their exports are a mere trickle of former years. Countries wishing to obtain such products to improve their standard of living find that now they must turn largely to this country. Therefore they either obtain their needed agricultural imports from some other area or subsidize their own farmers in an effort to become self-sufficient in food.

Such action, of course, works to the detriment of United States agriculture. This country, through hard work and ingenuity, has built up the largest agricultural producing plant in our history. Our total agricultural production for the past 10 years has far surpassed that of any country in the world. In expanding this agricultural plant, we had our growing pains, such as lack of equipment, lack of tractors, and lack of fertilizers. These growing pains have now been forgotten. It appears that during the next few years, it may be necessary for us to reduce our agricultural producing plant and it is probable that our reducing pains will be more painful than were the growing pains.

As never before our standard of living is dependent upon international trade. The more international trade we can develop on a sound basis, the more ocean shipping that will be required, the larger the number of dock workers that will be needed, the more rail transportation that will be necessary—and there will be additional work for many people all along the line. It not only will result in greater employment in this country, but also in the countries with whom we trade. If the United States can help increase international trade on a sound basis, it will mean that other countries will have higher standards of living, more employment, and thus a greater demand for agricultural commodities.

To help build stable international trade, we in the United States must do some constructive thinking and constructive acting which will increase our imports to provide dollars for other countries.

The reciprocal trade-agreements program which has been in effect since 1934 is one important step forward. So far, it has been difficult to measure the value of this program because, soon after it began, war preparations and war itself disrupted normal trade. The principal, however, most people agree, is a good one. It is a step forward—not only toward expanded trade but also toward world peace.

Increased import trade alone cannot solve the problem. Other means must also be employed to help build up purchasing power for our commodities. Encouraging more United States citizens to travel abroad and using more foreign services will assist.

But something more is needed, or else our agricultural exports will shrink materially. Some may feel that the Government should procure our surplus agricultural commodities and ship them abroad at whatever price can be obtained. While this may be a method for continuing export trade, many people do not believe this to be the most healthy way of developing international trade. Everyone recognizes that there are limits as to what the Government can do.

The ECA rehabilitation program in Europe should greatly aid the European countries in restoring their industrial production. This should increase their exports and improve their economies so that, in the years ahead, they should be able to take sizable quantities of our agricultural commodities.

Let us take a look at the world wheat situation. Although world production is 7 percent greater than during the prewar period, the demand for imported wheat remains strong. The world population has increased about 10 percent during the past 10 years. India is a country which illustrates the increased demand as a result of an increased population. India, including Pakistan, in prewar normally produced sufficient wheat for domestic requirements. At the present time India has an import demand for a large volume of wheat. In several European countries the per capita consumption of wheat is higher than prewar. Western Germany formerly obtained some 40,000,000 bushels of wheat and rye annually from eastern Germany. So far only a small volume of bread

grains has moved from behind the iron curtain to western Europe since the war. The Soviet Union and its satellites have been busy feeding their own people.

In the Far East, Japan, with a population of 70,000,000, became about self-sufficient in wheat, prior to World War II, but was still importing nearly 2,000,000 short tons of rice annually. Japan now, with a population of over 80,000,000, unable to materially expand domestic production and unable to obtain but little imported rice, is a market for a substantial quantity of wheat and other cereals.

This brief review indicates that an import demand exists for a substantial volume of wheat during the next few years. But how much the importing nations will be able to finance from the United States is the big question. Undoubtedly the International Wheat Agreement will have some influence in helping this country maintain a greater export outlet. It should also be a factor in discouraging some importing countries from stimulating inefficient wheat production.

In conclusion, the United States must do some serious planning during the next few years, in order to help foreign countries earn dollars so they may obtain the agricultural commodities which they need from this country. I know the members of the Great Plains Council are internationally minded and will do their part to encourage a large volume of foreign trade.

The Reciprocal Trade Treaties

EXTENSION OF REMARKS
OF
HON. CHARLES W. VURSELL
OF ILLINOIS
IN THE HOUSE OF REPRESENTATIVES
Wednesday, August 10, 1949

Mr. VURSELL. Mr. Speaker, in the Appendix of the CONGRESSIONAL RECORD, I noted on page A5129 an extension of remarks which included an editorial from the Atlanta Journal. It does not take much courage for a newspaper in that part of the South to extoll the wonders of the program, because the South has, up until now, been able to avoid the free-trade approach of these treaties that are full of deception and special privilege.

There is practically an embargo on cotton imports; there is an embargo on tobacco seed—made effective by preventing other countries from raising our type of tobacco; there is an import duty of up to $1 per pound on tobacco imports; there is a 7-cent import duty on peanuts—an amount that is greater than peanuts brought in the market place before the war, and now constitutes a duty of 65 percent on an ad valorem basis. Many people are telling the world of their interest in European recovery, but seemingly their interest fails to include a few pounds of tobacco seed for use of the Europeans.

These treaties may sound nice to the South, but what about the millions of Americans who are losing their jobs as a result of this unwisely administered program? How about the other branches of American agriculture that are being denied equal protection? The disastrous effect of these unsound treaties has not been felt because of the huge exports under the Marshall plan and the agricultural price-support program. But, the day of reckoning is here. We cannot have our cake and eat it too, nor can we have our markets and give them away at the same time. We are importing more pounds and bushels of agricultural products than we are exporting. In fact, we cannot, and are not, giving away our agricultural products as fast as foreign products are being dumped on our shores.

The following is taken from the hearings on the Granger bill regarding fats and oils:

Table of prices taken from the National Provisioner magazine illustrating the extent of the decline that took place in only 12 months time.

	Prices in effect during week beginning Apr. 19, 1948	Prices in effect during week beginning Apr. 18, 1949	Price decline
	Cts. per lb.	*Cts. per lb.*	*Cts. per lb.*
Lard	22	10	12
Tallow and grease	17.5	5	12.5
Cottonseed oil	31	11	20
Soybean oil	25	10.5	14.5
Peanut oil	30.5	12.5	18
Corn oil	30	11.25	18.75

This Eighty-first Congress even went so far as to vote a support price for tung oil though we imported 130,000,000 pounds last year and produced only 16,000,000 pounds in the United States.

American Policy in China

EXTENSION OF REMARKS
OF
HON. HOMER FERGUSON
OF MICHIGAN
IN THE SENATE OF THE UNITED STATES
Wednesday, August 10 (legislative day of Thursday, June 2), 1949

Mr. FERGUSON. Mr. President, I ask unanimous consent to have printed in the Appendix of the RECORD an article on United States mediation in China, written by Ray Richards and published in the Hearst newspapers of today.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

(This is the third of five articles relating the circumstance which wrecked the power of the Chinese Nationalist Government. How Russian propagandists worked 22 years to cultivate the blighting American demand for coalition between the Nationalists and the Communists was told in the first two articles.)

(By Ray Richards)

WASHINGTON, August 9.—Chief of Staff George C. Marshall dispatched Gen. Joseph Stilwell to China shortly after Pearl Harbor, to coordinate Chinese and American land efforts against Japan.

The Stilwell episode is only an isolated incident in the China record. It did not give a turn to events.

But it suggests how the coalition move, so dangerous to the Republican side in China, was taking form even in the pressures of a vast world war.

General Marshall had done a tour of duty in China in the early 1930's, and had formed a personal prejudice against things Chinese.

General Stilwell had no knowledge at all of China, no instinctive sympathy for the Chinese people, and no diplomatic talents at all. Moreover, he was not called "Vinegar Joe" because of sweetness of disposition.

His advisers from the start were the three Johns of the American Embassy—John Davis, John S. Service, and John Carter Vincent the let's-be-fair-to-the-Communists lads.

By mid-1944 Stilwell had pressed Chiang Kai-shek so hard for greater use of the Communist troops in the north, and for reorganization of the Chinese Government to admit Communist politicos to high power, that Chiang asked his recall.

Of the wartime conduct of the Communist troops, Maj. Gen. R. B. McClure, who was Deputy Chief of Staff under Lt. Gen. Albert C. Wedemeyer in China, said in an address at the University of Colorado last April 8:

"At this time the Chinese Communist forces were not strong or well equipped, and were fighting only sporadic guerilla actions against both Japanese and Nationalists. * * * During these months the Chinese Communist forces gave neither Nationalists nor Americans real help or assistance when it was so sorely needed."

Chiang's argument was that since 1923 the Communists had been trying to take over the Nationalist Government, and that, because Russia and Japan had a pact of friendship, he could expect no real military assistance from Chinese Communist troops.

Stilwell departed, and in September 1944 President Roosevelt sent two emissaries to China, Donald Nelson, to help the Chinese establish a war-production board, and Maj. Gen. Patrick Hurley as ambassador.

Hurley understood the China situation, knew that the entrance of the Communist camel's nose under the Nationalist tent soon would mean a tent full of nothing but camel.

He was not long in ordering Vincent, Davis, and Service home.

Clever and experienced career diplomats, they retaliated by seizing control of the State Department Office of Far Eastern Affairs during the engrossment of the Department's high command in the struggle with Molotov over Europe.

Vincent became director of the office. He was now Hurley's boss.

When Service was arrested in the Amerasia case, he was denounced by the Acting Secretary of State, Joseph Grew, former Ambassador to Japan, no lover of communism.

But when the Justice Department ordered the Service prosecution dropped, the Davis-Service-Vincent clique was so strong that it could force Grew to apologize and restore Service to duty.

Grew soon resigned.

The nearest anyone came at the time to telling the full truth about the China situation was Pat Hurley.

He began denouncing coalition roundly at Chungking, found himself blocked repeatedly by the State Department Far Eastern clique in Wasington, and, in November, 1945, suddenly resigned and came home to tell all.

He got no official help, however. The Senate and House Foreign Affairs Committees, under Administration control, refused to give him a hearing.

Hurley has since made numerous addresses calling the 1945 Yalta secret agreement the main Communist weapon in wrecking Republican China.

The Yalta pacts that related to China provided:

1. The status quo of outer Mongolia to be preserved. (Outer Mongolia, important in Communist communication with Siberia, had been seized by Russia years before under the pretext of a People's Republic.)

2. Russia to receive preeminent rights in the Manchurian port of Dairen, and Port Arthur as a naval base.

3. The Chinese Eastern Railroad and the South Manchurian Railroad to be jointly operated as a Soviet-Chinese company.

The effect was to give Manchuria to Russia and her Chinese Communists.

The Chinese Government knew nothing about these pacts until Russia refused to move out.

This was not until most of Manchuria had become a Chinese Communist military base.

The stage was set at last for American mediation.

Tribute to Herbert Hoover by George Sokolsky

EXTENSION OF REMARKS
OF
HON. ANDREW F. SCHOEPPEL
OF KANSAS
IN THE SENATE OF THE UNITED STATES
Wednesday, August 10 (legislative day of Thursday, June 2), 1949

Mr. SCHOEPPEL. Mr. President, today, August 10, a grateful Nation pays tribute to a great American who celebrates his seventy-fifth birthday at his home in Palo Alto, Calif. I should like to have inserted in the RECORD the column of George Sokolsky which appeared yesterday in the Washington Times-Herald, in tribute to Mr. Hoover.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

THESE DAYS

(By George Sokolsky)

On August 10 at Palo Alto, in California, many friends of Herbert Hoover will celebrate his seventy-fifth anniversary. The occasion will be marked, as it was last year, by numerous gifts to the Hoover Institute and Library on War, Revolution, and Peace, now one of the most important repositories of historical documents in the world.

Few men at 75 are as active, as resilient, as mobile as Herbert Hoover. He has just completed one of the most arduous tasks of his life, the conduct of the Hoover Commission for the Organization of the Executive Branch of Government.

He undertook this work while he was suffering from shingles, which beset him after his nervous-exhausting flights around the world on behalf of better feeding for the people of the conquered and liberated countries. Despite great pain in one arm, he commuted between New York and Washington; despite considerable back-biting, he got out just under 20 reports of the most detailed character.

Herbert Hoover was born in the small village of West Branch, Iowa, his father being the village blacksmith. His mother was a Quaker minister, and also at times a seamstress.

There were three children, and when the father died his estate amounted to $2,000. Herbert Hoover's father died when he was 6, his mother when he was 10. Orphaned, he was cared for by relatives, first in Iowa and later in Oregon.

He worked his way through Stanford University, handling a newspaper and laundry route, as manager of student activities, and as secretary to a geological professor. Summers he worked for the United States Geological Survey. Two years after he was graduated from Stanford as a mining engineer he was given the direction of the mining enterprises of a British firm in Australia. From then on his career as a mining engineer and manager was so notable that he came to be acknowledged as one of the greatest in that field.

This Horatio Alger story of Hoover's rise will appear in many articles about him and more will be written of his war work and his Presidency. I prefer to write of the man's growth in defeat.

To me it is infinitely more interesting to note the true greatness of a man in adversity. In the bitter days of 1933, forsaken by many to whom he had given opportunity, smeared, attacked, defamed by a vast and potent machine set up for that purpose, betrayed by his own political party, he took it all with patience, forbearance, and good will.

I used to visit him nearly daily in those bleak years and never once did I hear him answer abuse with abuse. Somehow he maintained total objectivity. It is not that he has no anger; his moral indignation is fierce. It is rather, I think, that the Quakers do not expect too much of people. It is easier for them to forgive.

I wondered about that during the last campaign when, in one of his speeches, Candidate Truman attacked the man who was actually aiding President Truman; yet Hoover brushed it aside and went on with his work on the Hoover Commission. He has a rare capacity for separating personal from public attitudes and responses.

During the last 2 or 3 years, Herbert Hoover has enjoyed a restoration of popularity and public esteem. The reception to him at the 1948 Republican National Convention was so real, so spontaneous, so full, that it wiped away years of antagonism.

Yet he maintained an aloofness from partisan politics, an attitude he adopted when he returned to Government service in the Truman administration.

There have been curious psychological changes in Hoover in recent years. He is younger in spirit than he was 10 years ago. He is gay, at times even effervescent.

He spares himself not at all and laughs at the ailments of age—and he suffers very few of them. He likes young people about him and children and he likes to drive about, stopping at diners and motels, and everywhere he mingles freely with the citizens because he is just one of them. He has no side.

He is never former President of the United States; he is just Herbert Hoover—American.

The Hawaii Strike

EXTENSION OF REMARKS
OF
HON. HUGH BUTLER
OF NEBRASKA
IN THE SENATE OF THE UNITED STATES
Wednesday, August 10 (legislative day of Thursday, June 2), 1949

Mr. BUTLER. Mr. President, I ask unanimous consent to have printed in the Appendix of the RECORD an editorial entitled "The Hawaii Strike," published in the Fairbanks (Alaska) News-Miner of August 3, 1949; also an editorial entitled "Hawaiians Help Themselves," published in the Omaha World Herald of August 6, 1949.

There being no objection, the editorials were ordered to be printed in the RECORD, as follows:

[From the Fairbanks (Alaska) Daily News-Miner of August 3, 1949]

THE HAWAII STRIKE

For 95 days the Territory of Hawaii has been at the mercy of the predatory International Longshoremen's union and its CIO leader, Harry Bridges. The union, on strike since May 1, has clamped upon Hawaii a blockade as devastating and as complete as that through which Soviet Russia sought to force the western powers out of Berlin.

There is, however, one noteworthy difference between the two. In the case of Berlin, the United States was willing to do something about it and did. In the case of Hawaii, the United States wasn't and didn't.

Since the 2,000 ILWU workers walked off the job, thereby tying up the commerce and life of a population of 540,000 Americans, the economy of the islands has been strained to the breaking point. The losses which have been saddled on the people of Hawaii and those with whom they do business on the mainland runs into millions of dollars.

Poultry and dairy cattle have been slaughtered because of the lack of feed. Milk production needed to feed babies is down. Citizens having canned milk to spare have been asked to turn in their extra supply to public stations for the benefit of babies whose parents have none to give them.

The pineapple industry is staggering under the impact of a shortage of tin cans. Lack of markets has forced sugar companies to halt the harvesting of cane. Raw sugar which has been harvested already jams all available storage spaces and has overflowed into gymnasiums and temporarily roofed-over tennis courts.

Virtually no food has been unloaded in Hawaii since the strike began. Ships lie in the harbor with food shipments rotting because Bridges and his minions refuse to unload them—they set sail and were on the high seas when the strike began. The supplies of rice, important to the diet of the islanders, as well as other staples are nil.

This is the result of a monopoly more vicious than any ever brought under the purview of the Federal antitrust laws. For a comparable state of affairs, students of these times must hunt back through the pages of history some 150 years to the story of the depredations of the Tripolitan pirates against American shipping. The one is no less a breach of the peace and an affront to the dignity of the American Government than was the other.

Bridges, currently under Federal indictment on the ground that he lied when he denied in 1945 that he was a member of the Communist Party, is no stranger to most Alaskans.

He has foisted upon this Territory the same chaos and economic hardship as that which is now being endured by the helpless Hawaiians. Throughout his campaigns of attrition against both Territories, the attitude of the Federal Government in Washington, D. C., has been marked by the same cool indifference.

Consequently, after repeated denials for aid from the National Capital, the Hawaiian legislature was called into special session last week to adopt legislation to enable the islanders to cope with the strike and save themselves from ruin.

As this is being written, the Hawaiian senate is considering a bill which would place the Territory in the stevedoring business until the end of the strike. The measure has already passed the Hawaii house, 24 to 6. Warnings have been heard that if the bill becomes law, there will be bloodshed.

Whatever the outcome, the situation is one in which the Nation and the national leadership can take little pride. If the disaster which confronts Hawaii could not have been avoided by the Federal statutes now on the books, then it is time that something be done to strengthen the Taft-Hartley law rather than to modify it as the Truman administration is demanding.

[From the Omaha (Nebr.) World Herald of August 6, 1949]

HAWAIIANS HELP THEMSELVES

Reluctantly, and after a good deal of balking, the Hawaiian house and senate have agreed to authorize the Governor of Hawaii to organize and operate a publicly owned stevedoring service. Labor opposed the bill and so did business interests. But there seemed to be no other way of breaking the stranglehold of Communist-line Harry Bridges on the islands.

President Truman might have broken the strike by using the Taft-Hartley law. But, since he has been insisting that it is a bad law, he wouldn't.

Some time, however, Mr. Truman may well have to face a show-down, closer to home, with the Communist conspiracy to seize the world's water fronts, of which the Hawaiian strike is a part. If he does, the Taft-Hartley injunction authority will come in handy.

The Council of Europe

EXTENSION OF REMARKS
OF
HON. HERBERT R. O'CONOR
OF MARYLAND

IN THE SENATE OF THE UNITED STATES

Wednesday, August 10 (legislative day of Thursday, June 2), 1949

Mr. O'CONOR. Mr. President, in line with the desires of all our people to see the dawn of a just and lasting peace throughout the world, there has developed, as we all have been made aware through communications from our constituents, a wide-spread movement for the establishment of a world federation.

While there are many and difficult obstacles presently standing in the way of any such world federation, the meeting today at Strasbourg for the establishment of the new council of Europe is calculated to stir anew in hearts everywhere the idea of a world united, where problems can be resolved through legislative action rather than on the battlefield.

Great events quite frequently have small beginnings. It is quite possible that the council of Europe scheduled to evolve at Strasbourg, which is slated to be the permanent capital of the European consultative assembly, may be the means of proving to the world that nations can combine in peace to seek their mutual progress and prosperity.

The column in today's New York Times by Mrs. Anne O'Hare McCormick pictures so well the scene attendant upon today's historic meeting and the possible implications, that it deserves the attention of everyone interested in progress of the world toward peace.

I ask unanimous consent, therefore, that it be published in the Appendix of the RECORD as a supplement to my remarks.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

ABROAD—THE COUNCIL OF EUROPE IS BORN ON THE RHINE

(By Anne O'Hara McCormick)

A few weeks ago this correspondent went down from Paris to Strasbourg to see the capital of Alsace preening itself to become the first meeting place of the Council of Europe and the permanent capital of the European Consultative Assembly. It was a journey in search of something new. The Foreign Ministers Conference was just over. It left in the mouth a less bitter taste than preceding meetings, but nevertheless a stale taste. The daily repeated arguments had been heard so often that the nap was worn off; the pattern of Potsdam, invoked constantly by both sides, had faded out in the wear and tear of disagreement, and even more in the acid wash of events. When the talks ended, with some amelioration of the Berlin situation but with a German settlement as far off as ever, the impulse to look for another approach to European peace, which centers on the German problem, was irresistible.

On the banks of the Rhine something was beginning instead of ending. Europeans—not governments but people—have been talking for a long time of a Parliament of Europe, and now at last the dream was taking shape, under the aegis of governments. Perhaps Strasbourg will be no more than a talking point. The parliament will be composed of representatives of national parliaments but will have no legislative power, and skeptics doubt that governments will ever give it enough authority to come to grips with the real obstacles to European unity.

SICK OF WAR

Nevertheless it is a fresh start, a great attempt, in the words of Georges Bidault. It has behind it the ablest and most realistic statesmen of Europe. Its location on the historic European battle line, where only a bridge separates, or connects, France and Germany, is a bold departure. Andre Phillip, one of the leaders of the French delegation and a fervent apostle of unity, thinks the choice of Strasbourg was a mistake, "Nowhere else in France is anti-German feeling as strong as in Alsace," he declares. That is true; yet nowhere does one hear Franco-German relations discussed with such realism, sanity and broadmindedness. The people in the borderlands understand one another. Without love and without illusions, they are sick of futile wars that always strike them first.

For a century Strasbourg has been a pawn in an endless battle. Now it is the cradle of a new idea. In one of its freshly scarred palaces the writer saw the first flag of United Europe, a green E superimposed on a great white U. The city possesses many fine examples of French eighteenth-century architecture, great buildings with spacious, well-lighted salons which provide beautiful quarters for a capital. Hotel and housing accommodations are not so adequate. Last month the prefect, the mayor, and the nonchalant Monsieur Cunin, of the Quai d'Orsay, who has made the arrangements for no less than 54 conferences since 1946, were requisitioning space for more than a thousand visitors, including 300 reporters, more than covered the Big Four meeting.

THE FIRST SESSION

Today the Council opens. Church bells ring, flags fly, the great rectangle of the Place Kleber is filled with excited people, and in the gay and graceful hall of the Hotel de Ville, the foreign ministers of the 10 founding nations—Britain, France, Italy, Belgium, the Netherlands, Luxemburg, Sweden, Norway, Denmark, and Eire—will hold their first session. Actually they will be 12, for Greece and Turkey have asked and been invited to participate in the inaugural meeting. The Council will decide on the methods of procedure and the broad outlines of the agenda for the Consultative Assembly of about 100 members.

The difference between this and all other international bodies is that it has the character of a parliament and not a conference. It does not represent a group of governments speaking for all parties and maintaining a national point of view. Rather it is composed of representatives of the various parties in each country, and is just as likely to split or combine on party lines—Socialist, Conservative, Christian Democrat, et cetera—as on national lines. If it elects to follow parliamentary instead of conference procedure, it will have such expert parliamentarians as Mr. Churchill, M. Spaak and Leon Blum to help coordinate into a working system the widely different rules and habits of European parliaments.

This will be difficult. The Assembly proposes to recommend at once such practical steps toward unity as a European passport, a European charter of civil rights, a supreme court, a joint patent office, a public-works program. Every one of these projects bristles with difficulties, not the least of which is that no member of the new Assembly has had any experience with a Federal system or is accustomed to think in Federal terms. This is one of many reasons why advocates of Atlantic Union think their project, which would include such great federations as the United States and Canada, offers greater chances of success as well as greater strength. What power, they ask, can Western Europe wield by itself?

Certainly none when broken up into small national units. The importance of Strasbourg is that it recognizes this fact. It gives a local habitation, a name and a program to the idea of unity. The acceptance and formulation of this idea in Europe is an essential step toward that Atlantic community, the union of the free, which developments in the East are forcing on the western world.

Record of National Labor Relations Board

EXTENSION OF REMARKS
OF
HON. IRVING M. IVES
OF NEW YORK

IN THE SENATE OF THE UNITED STATES

Wednesday, August 10 (legislative day of Thursday, June 2), 1949

Mr. IVES. Mr. President, I ask unanimous consent to have printed in the Appendix of the RECORD the text of an editorial entitled "Diminished Backlog," published in the New York Herald Tribune of August 6, 1949. It praises the excellent record of the National Labor Relations Board.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

DIMINISHED BACKLOG

One improvement that has resulted from the Taft-Hartley Act, and that not even the most rabidly opposed union will be disposed to condemn, is the greater speed with which the enlarged National Labor Relations Board has been able to act. Reporting a 137-percent increase in the number of decisions issued in its first full fiscal year over the 13-year annual average of the Wagner Act's three-man board, Chairman Paul M. Herzog attributes the improvement to a rotating panel system. This was made possible by the increase in the number of Board members and under it three Board members sit as a panel with full power to make decisions in cases which do not involve questions of major policy on which the full Board acts. Thus two members are freed for the study of other cases and certain necessary administrative duties. Another measure of the Board's efficiency is the reduction of its backlog of cases by 46 percent from the previous year.

An administrative system which reduces the time element in resolving labor disputes serves the public interest. That such a record has been established in this first full year of administration of the highly controversial Taft-Hartley Act speaks well for the diligence of the Board and its staff.

Failure of Program to Reconvert Liners "Mariposa" and "Monterey"

EXTENSION OF REMARKS
OF
HON. HARRY P. CAIN
OF WASHINGTON
IN THE SENATE OF THE UNITED STATES
Wednesday, August 10 (legislative day of Thursday, June 2), 1949

Mr. CAIN. Mr. President, I ask unanimous consent to have printed in the Appendix of the RECORD, an editorial from the Call-Bulletin of San Francisco, Calif., of August 4. I am not informed on the merits of the argument advanced by the editorial, but the editorial is being offered as an accommodation to a friend, and for the information of the Senate and others.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

FALSE ECONOMY—SENATE ACTION SCUTTLING PLAN TO RECONVERT LINERS "MARIPOSA", "MONTEREY" BLOW TO MERCHANT MARINE

A deplorable instance of false economy and reckless penny pinching, as contrasted to wise budget trimming, is contained in the United States Senate's action in knocking aside the program to reconvert the liners *Monterey* and *Mariposa* into de luxe passenger vessels.

Both ships had been operated, before the war, by the Oceanic Steamship Co., a Matson subsidiary, in the Pacific trade; they served as troopships during the war.

The plan was for the Government to buy, or otherwise assist in the reconversion of, the vessels, and then charter the *Monterey* to the American President Lines and the *Mariposa* to the Matson Lines.

However, legislation which would have authorized the Maritime Commission to proceed toward such a program was stricken from an appropriations bill for independent Government offices—such as the Maritime Commission.

Both of these vessels now are at Alameda. Work on them would strengthen our waning passenger fleet, a vital arm of the American merchant marine, and would give valuable stimulus to the shipbuilding activity which the west coast needs and which is urgently important to adequate national defense.

The current administration is spending, and has spent, billions of dollars to build up industry in Europe.

Much of this reconstruction effort, particularly in the maritime trade, now has reached a point where the foreign competitors of American business are offering serious commercial rivalry to United States firms—with the aid of money which, in effect, has been drained off American industry through taxation.

The Senate, in short, is economical when it comes to offering any help to American industry—and in this case, which involves shipbuilding and the United States merchant fleet, an industry which not only is economically important but which is essential from a national security standpoint. But at the same time the Government is lavish in its proffer of help to foreign industry.

No program which puts America last can be a really effective way of preserving our democracy and our way of life.

Many of the New (or Fair) Deal's subsidy programs are nothing more than gigantically wasteful boondoggles, valuable politically, perhaps, to the bureaucrats in office but certainly not healthful or wholesome economically.

Then along comes a legitimate, useful, and indeed necessary proposal for Government aid, such as the plan for the *Mariposa* and the *Monterey*, and it is ruled out.

This pound-foolishness simply doesn't make sense, and Congress, if there is any way at all to do so, should act immediately to revive the program for these two vessels.

The Panamanian Highway

EXTENSION OF REMARKS
OF
HON. ANDREW F. SCHOEPPEL
OF KANSAS
IN THE SENATE OF THE UNITED STATES
Wednesday, August 10 (legislative day of Thursday, June 2), 1949

Mr. SCHOEPPEL. Mr. President, the following excerpt from the Christian Science Monitor of August 3, 1949, appears to me to be of much more than passing interest, and I should like this story of the building of the Panamanian Highway, constructed by the United States of America, to be inserted in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

MAINTAINING OF VITAL LINK STIRS DOUBTS

BALBOA HEIGHTS, C. Z.—A transcontinental highway is quite a gift to any nation.

This is the gift that tiny Panama recently received from the United States.

On June 30 the 51-mile Boyd-Roosevelt Highway running from the Atlantic Ocean to the Pacific across this isthmus was formally turned over to the Panama Government. Now it is up to Panama to maintain this $10,000,000 cement highway built by the United States Public Roads Administration.

Panama contributed the necessary land through expropriation. Also, Panama furnished, free of charge, stone, gravel, sand, earth, and other natural products for the construction. All other costs, totaling $9,175,726.35, were paid by the United States, according to John L. Humbard, PRA division engineer.

Named after Augusto S. Boyd, former President of Panama, and Franklin D. Roosevelt, President of the United States at the time of its inception, the roadway is the most important on the Isthmus of Panama.

CANAL AND RAILROAD

Since the opening of the Panama Canal in 1914 there have been only two means of surface transportation between the Atlantic and the Pacific coast, from the Canal Zone to the surrounding nation of Panama.

One method was by boat through the Panama Canal; the other was via the Panama Railroad, a 100-year-old railway much of whose roadway is single track.

From a security angle neither was desirable for quick transport of troops from one location to another. Neither was quickly repairable.

A motor highway across Panama was the obvious answer for speedy movement of military forces defending the world short-cut. It had seemed desirable for years, but only under the stress of military necessity was it accomplished. It seemed an honest military need. Panama, of course, desired it highly for commercial reasons as well as for the opening up of entire new areas of the Republic where roads had never existed.

Panama was committed to pay for a major portion of the roadway, but Panama had no money. If the road was to be built when the military leaders wanted it, the best that Panama could do was expropriate the required land and furnish such natural materials as sand, gravel, and rock, which were at hand.

UNITED STATES BUILT ROAD

Under these conditions, with military urgency demanding action, the United States built the road. And paid for it.

The first vehicle crossed the Isthmus over this highway on January 18, 1942. It was opened to military traffic on April 18, 1942, and to the general public on April 15, 1943. This, incidentally, was the day that Panama and the Canal Zone changed from the left-hand drive to right-hand drive to conform with general driving regulations elsewhere, particularly in the United States.

Despite the fact that this Boyd-Roosevelt Highway has been in daily use in some parts since 1942, and in all parts since 1943, the record will show it was not completed until June 13, 1949—and then formally turned over to the Republic of Panana on June 30, 1949.

What was completed in the intervening years? A 1,150-foot street at the Atlantic end. Officials recall that Panama contemplated an overpass over another highway at this point. Pending Panama's decision, the United States left this section unfinished.

FINANCIAL DISTRESS

Quite recently Panama admitted having no funds with which to carry out any possible plans, so the Panama Canal engineering forces built the last segment.

The State Department in Washington, the American Embassy in Panama City, Mr. Humbard, and other officials insist that the above reason was the sole one for failure to complete the highway at this point in 1942.

One hears other opinions, and they are admitted to have a kernel of truth. Here is what unofficial sources claim:

Panama's ability or inclination to maintain public works was distrusted, and its unending distress in matters financial was recognized by military leaders. Therefore, they hesitated to turn over their newly completed essential highway to Panama in 1942, or even in 1943, because it was important to them to keep it 100 percent operative.

While under American control, slides and other difficulties which hampered traffic could receive immediate attention with the best and most modern machinery and a trained highway staff to work 24 hours a day, if need be.

Could Panama offer even mediocre machinery or men with training in such work?

The answer may be seen in the fact that, during the period most essential to the United States, this highway remained technically unfinished, and, therefore, the United States did all the maintenance and other necessary work on it. Now it has been turned over to Panama, and some Americans are doleful in their predictions of what may happen.

RUMORS OF REVOLT

The latter point to the inadequacy of Panama's treasury, rumors of revolt, several weeks' complete suspension of civil rights, and the downtrend in business.

Americans ask how Panama can be expected to do anything under existing conditions when, in normal times, Panama allegedly has failed to keep many agreements with the United States.

The Boyd-Roosevelt Highway is of extreme importance to both Panama and the Canal

Zone. To the first, for commercial reasons; to the second, for military defense.

Panama City, the capital, and Colón, the second largest city of Panama, are reaching toward each other across a continent crossed by this 24-foot-wide ribbon of cement pushing aside a jungle. Daily, new construction is seen. Towns are springing up. Buses run between the two cities hourly, with a dollar fare for the transcontinental journey.

Commercial transportation, as well as private cars, has taken away the once lucrative business of the Panama Railroad. A legal monopoly on transisthmian transportation was held by the Panama Railroad until construction of the highway. Since the Panama Railroad is 100 percent owned by the United States, the relinquishment of its monopoly was another contribution of the United States to the highway in addition to the money spent.

The question of how Panama will maintain its newly acquired Boyd-Roosevelt Highway furrows the brows of many Americans, and Panamanians, too. Experience has shown the lack of care of hundreds of miles of penetration roads built by the United States Army in Panama during the war. Untouched and unrepaired, they are deteriorating, despite their obvious value to a nation which needs penetration roads.

Local press reports and some personal inspections by the writer bear out the generally reported stripping of important well-equipped bases turned over by American troops to the Panama Government on evacuation of the bases here. Roofs have been ripped off, lumber has been torn from buildings, plumbing fixtures have been removed, and even underground water lines have been dug up for the pipe, it is reported. It is a national scandal, and promised investigations have done nothing but confirm the damage.

If this is a fair sample of what to expect, the Boyd-Roosevelt Highway faces a precarious future. And, from a military standpoint, it is as important today as it was on completion. It still possesses the one characteristic that makes it of surpassing value—it is the only transportation medium for motor vehicles or mechanized warfare vehicles across the Isthmus of Panama.

One long-time Canal Zone resident pointed out that Panama has fiercely and consistently demanded to be considered an equal nation in dealings with the United States. In theory, this has been proper. In practice, says the old-timer, Panama has been unwilling or unable to carry its load in most bilateral arrangements with the United States.

Reciprocal Trade Agreement Legislation

EXTENSION OF REMARKS
OF
HON. WALTER F. GEORGE
OF GEORGIA
IN THE SENATE OF THE UNITED STATES

Wednesday, August 10 (legislative day of Thursday, June 2), 1949

Mr. GEORGE. Mr. President, I ask unanimous consent to have printed in the Appendix of the RECORD an editorial entitled "Get the Trade Pact Bill Off the Senatorial Sidetrack," from the Baltimore Sun of August 7, 1949.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

GET THE TRADE-PACT BILL OFF THE SENATORIAL SIDETRACK

There are many points in the American constitutional system where foreign observers find themselves confused. There are some which are confusing even to Americans. Take that report the other day out of Annecy, in France. Most of the major trading nations outside the Soviet bloc are bargaining together at Annecy to work out new trade agreements. And this particular dispatch said that the United States had just closed deals with Denmark, Norway, Finland, and Greece.

But the dispatch then went on to add that the statutory authority on which the American bargainers are operating has not been renewed. It lapsed on June 30, 194.. Thus the Americans at Annecy have been suspended in a kind of diplomatic vacuum, carrying on with their bargaining activities though the law that supports those activities has been jerked out from under their feet. Compared with the American bargainers at Annecy the man who merely walks on water has a relatively simple act.

Of course the only reason the Americans can get away with it is that extension of the Trade Agreements Act is confidently expected. The law has been on the books since 1934 and is the core of our foreign economic policy which makes it vital to our diplomatic policy too. We have seen all over again in practice how economic planning, currency restrictionism, bilateral trade and all the other trade heresies irritate international relations. We know more firmly than ever before that multilateral trade as provided in the Reciprocal Trade Agreements Act is the true and sovereign lubricant of international friction points.

And the truth is, we have not wholly neglected the trade agreements extender bill. It passed the House on February 9, last. It was reported favorably by the Senate Finance Committee March 11. But then it got sidetracked on the Senate calendar by the great rush of other business. It is now scheduled to be taken up after the minimum wage debate has ended. The minimum wage matter should be the order of Senate business now, but it too has been sidetracked by the welter of lagging appropriation bills. So it can be said that action on the Trade Agreements Act is definitely scheduled, though there is no way of telling exactly when it will be reached.

Certainly the action ought to be expedited as much as possible. For the truth is that the trade-agreements bill itself may run into long debate. The Republicans in the Congress are insistent on certain changes which they say will enhance the protections domestic industries enjoy under the act. Yet the difficulties foreigners have in selling in our market is already so great that it constitutes one of the causes of the dollar shortage now devastating much of the western world. Americans would be dopes indeed if, sending aid money abroad by the billions, they reduced even further the possibility of getting goods back in exchange.

Repeal of Wartime Excise Taxes

EXTENSION OF REMARKS
OF
HON. PHILIP J. PHILBIN
OF MASSACHUSETTS
IN THE HOUSE OF REPRESENTATIVES

Wednesday, August 10, 1949

Mr. PHILBIN. Mr. Speaker, under unanimous consent to revise and extend my remarks in the RECORD, I include therein the following exceedingly well-written article from the Gardner (Mass.) News containing a summary of my remarks in the House on the repeal of wartime excise taxes:

PHILBIN CALLS FOR PROGRAM TO DEVELOP UNITED STATES ECONOMY—BUSINESS, EMPLOYMENT EXPANSION ASKED BY CONGRESSMAN FOR MAINTAINING AMERICAN STANDARD—WANTS ASSURANCES TO INDUSTRY

Calling for a program to promote and encourage expansion of business and employment, Congressman PHILIP J. PHILBIN, Democrat, of Massachusetts, recently called for positive Government action to develop an expanding, dynamic economy in which American workers can be steadily employed in good jobs and our high American living standards maintained "I am interested," the Congressman said, "in seeking to promote Government action by this Congress which may result in reversing the trend and reinstating conditions under which our great American productive economic machine may be opened up again. Of utmost importance always is the need for keeping employment and labor standards at a high level."

ASSURANCES TO BUSINESS

"I have repeatedly stated," said Mr. PHILBIN, "that national prosperity was inevitably bound up with encouragement of our free-enterprise productive system and the rights of the individual, that initiative and enterprise could be destroyed by oppressive taxation as well as by socialization.

"At the present time it is my considered judgment that this Congress and this administration can and should do two things to stem the tide of recession and unemployment. First, give unmistakable assurance to business and enterprise, large and small, that it is in no danger, through present or contemplated social programs of being liquidated by oppressive taxation and unsound governmental experiments. Secondly, immediately repeal war excise taxes which are now exercising additional recessionary influences on business. Neither of these measures will be unduly costly to the Government. The first can be accomplished by a strong statement of policy; the second, by adoption of a pending repeal measure which in effect would revive business in the opinion of some tax experts to such an extent as to offset very substantially any loeses incurred by the elimination of tax revenue heretofore collected from sales of the articles taxed."

LOWER CONSUMER PRICES

"Some of these articles are referred to as luxury items, but in many cases this is a distinct misnomer. I will not argue the matter here, but it is clear to me that a great many of the articles branded as luxuries are in fact necessities which are used in the everyday lives of our people. If the repeal measure can be brought to the floor of the House, it is my intention to offer an amendment including unit sales of electric, gas, and oil cooking appliances presently taxed under excise tax laws. It is certainly ridiculous that we should be taxing such a distinct necessity as a stove in the household of our ordinary working citizens of "a type used for cooking, heating, or keeping warm food or beverages" for consumption in American homes by the American people. It is equally fantastic that we should be taxing at wartime rates, handbags and accessories which women customarily carry on their person.

"Governor Bowles of Connecticut very commendably, I believe, has taken the position that these excise taxes ought to be repealed and that the effect thereof would be to promote and increase business throughout the Nation at a time when encouragement and impetus is urgently required to avoid further distressing effects of the current recession. Senator George is of similar view. Many colleagues are in agreement. My distinguished friend, Congressman MAR-

TIN has filed a discharge petition to secure early repeal which invites bipartisan support.

"I hope that the members of the Congress will take a broad, nonpartisan attitude toward this matter and unite on a sound, constructive, economic policy to check waste and extravagance in the Federal Government and where possible, without impairing essential functions and services, to eliminate onerous taxes upon the American people and also, of course, by our conduct and attitude respecting totalitarian proposals looking toward regimentation of our economy to assure the American working man and the American businessman, that, as Representatives of the people, we intend to maintain conditions in our Government and in the Nation which, instead of discouraging and stagnating, will encourage and promote expansion of business and courageous development of our trade. This is the way to insure an expanding, dynamic economy in which the American workers can be steadily employed in good jobs, and our high American standards which are the envy of the whole world may be maintained."

Those Rosy Reports on the Marshall Plan

EXTENSION OF REMARKS
OF
HON. GEORGE G. SADOWSKI
OF MICHIGAN
IN THE HOUSE OF REPRESENTATIVES
Monday, August 1, 1949

Mr. SADOWSKI. Mr. Speaker, under leave to extend my remarks in the RECORD, I wish to include an editorial that appeared in the Detroit Free Press:

THOSE ROSY REPORTS

With another ERP bill, for $5,580,000,000, approaching a vote in Congress, there's something suspicious about glowing reports of how the Marshall plan has saved Europe from communism.

The Italian defense minister, for instance, says that the Italian Communist Party has lost 700,000 members since last April's American-backed election. The Italian Commie boss laughs at that one. Claims he has as many followers as ever.

The loss of seats by Communists in the recent cantonal elections in France was played up in the headlines. When you got down to the end of the story you discovered that they polled a heavy popular vote. They elected few candidates for local offices because of a trick voting system which discriminated against them.

Whether any large number of Communists in Europe have been permanently converted to democracy is doubtful. There seems to be a lot of "rice Christians" over there who are ready to backslide the moment we stop feeding them. They won't stay bought.

This being the case, attempting to contain communism with dollars promises to be an endless, expensive, and futile experiment in political proselyting. Congress should remember that.

Lessons From the Whitewash Paper

EXTENSION OF REMARKS
OF
HON. WALTER H. JUDD
OF MINNESOTA
IN THE HOUSE OF REPRESENTATIVES
Monday, August 8, 1949

Mr. JUDD. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following penetrating analysis from the New York Times of August 7, 1949, of the incredible miscalculations our State Department made in dealing with the Chinese Communists. Yet, most of the same men who made these mistakes are still in charge of our policy-making. How can anyone trust their judgment to be better now than it has been in the past? We must have a complete housecleaning of those responsible for plans which led to the threatened loss of China to Communist control, and put fresh men in charge who do not have past errors, no matter how well intentioned, to defend:

PROSPECTS FOR CHINA

The Secretary of State has taken the occasion of the issuance of the white paper on China to set forth five basic principles on which future United States policy in the Far East should be based. Presumably this is the answer to the expected criticism that the white paper is largely negative and largely defeatist. Presumably also these principles will serve as the starting point for the advisory group on Far Eastern policy that is shortly to begin its deliberations.

An examination of these principles alongside the white paper will indicate that there has been a fundamental change in the official United States outlook on China. How this change can be implemented will be in part the problem of the new advisory committee and even more largely the problem of the Congress of the United States. That problem is to turn mistakes into correct judgments, despair into hope, defeat into victory.

The white paper, in spite of its length, is limited, and one of its critical limitations is its narrowness in ascribing responsibility for the debacle in China. The upshot of the document is to place that responsibility solely upon the alleged incompetence of the government of President Chiang Kai-shek. Beyond dispute the incompetence was there, but it was by no means the only cause. Other large factors, such as the foreign-inspired dynamism of the Chinese Communist Party, have been omitted or minimized, and they are now supplied, if by implication only, in the statement of principles made by Secretary Acheson.

What must stand out in any honest approach to the China problem is the fact that there has been a complete change of attitude on the part of the United States toward the aims and objectives of the Chinese Communists and of the Soviet Union. What is now quite clear is that President Chiang's estimate of those aims was right and that the State Department's estimate was wrong. The white paper does not and apparently cannot say that, but it is there in a dozen places.

The long process of attempted mediation with the Chinese Communists was based on the assumption that they were an honest, indigenous Chinese political party earnestly desirous of social and economic reform and free from control by the Kremlin. This assumption was made and cherished in spite of warnings from our diplomatic representatives in Moscow. Parallel to this was the assumption that the Soviet Union was acting in entire good faith in negotiating the Sino-Soviet treaty of 1945 and that its provisions would be faithfully carried out. As a corollary to that ingenuous assumption should be placed the singular supposition that the Soviet Union required inducements to enter the Pacific war; that we had to pay, at the expense of China, what Secretary Acheson calls a price. It is now well established that we were wrong, if high-minded, in these various beliefs.

Out of those mistakes we are apparently attempting to rewrite an Asiatic policy and are starting out by dissociating ourselves from the still existing and still recognized Nationalist Government of China and from President Chiang Kai-shek. Nevertheless, the Secretary's statement must at the very least mean an equal dissociation from the Communist regime that has been set up. The white paper has been interpreted as a body blow to President Chiang. The Secretary's statement will fall short unless it is interpreted as a body blow to Communist chieftain Mao Tze-tung.

Point 1 is the development of China as an independent nation playing a role suitable to a free people. Let us hope that the Secretary now knows that the Chinese Communists are by no means independent and that Chinese, as well as nationals of other states, cannot be described as a free people if they are under Communist rule. Point 2 suggests that the United States will support conditions that will safeguard basic rights and liberties in China. By no stretch of the imagination can that include the Chinese Communists. Point 3 expresses the opposition of the United States to the subjection of China to any regime acting in the interest of a foreign power, or the dismemberment of China, whether by open or clandestine means. This should put us on the record against recognition of the Chinese Communists and against the by now probable detachment of Manchuria by the Soviet Union. Point 4 commits us to continuing consultation with other interested powers and point 5 brings this program into the sphere of the United Nations.

Against the background of the white paper some of this reads more like pious wishing than a blueprint for action. It is now up to the Congress and the people of the United States to see to it that this statement of purpose does not remain in that category. Just how we will express our opposition to a regime acting in the interest of a foreign power is an immediate problem in implementation. It will not be solved by a pontifical disclaimer of responsibility nor by the creation of a convenient Chinese scapegoat. The white paper has served its purpose in those respects. It is time now to get at the new policy.

Glenn L. Martin

EXTENSION OF REMARKS
OF
HON. GEORGE H. FALLON
OF MARYLAND
IN THE HOUSE OF REPRESENTATIVES
Wednesday, August 10, 1949

Mr. FALLON. Mr. Speaker, under leave of the House to extend my remarks in the RECORD, I wish to include an editorial from the New York Times, Sunday, August 7, 1949, commending Mr. Glenn L. Martin, founder of the Glenn L. Martin Co., who, in my opinion, has contributed more to the advance of aviation than any other man in the history of our country.

His contribution is not limited to civilian development. It is proper to state here that the successes which the Army and the Navy achieved in the air during the war were in no small part the result of his untiring efforts in behalf of his country.

FORTY-YEAR FLIER

Before the first August dawn broke in 1909 an odd procession wound through the streets of Santa Ana, Calif. The first airplane constructed by Glenn L. Martin was being towed to a level field outside of town for its

initial flight. Fashioned of bamboo and silk, and braced with thin wires, it had a 4-cylinder, 15-horsepower engine amidships, and behind that was mounted a long wooden propeller, hand-carved by Martin himself. He had not only built the airplane but had taught himself, theoretically, to fly it. When the little engine caught and the throttle was open, the biplane waddled and lurched, but the nose wheel of the tricycle landing gear finally lifted a bit and there was open space beneath the plane.

Today, after developing transports and bombers, great flying boats, jet aircraft, pilotless aircraft, and rockets, Glenn Martin says that that first self-taught flight of 100 feet at a 2-foot altitude gave him the greatest sensation of his life. The company which this early pioneer and barnstormer developed has produced 10,724 airplanes of many sizes and types, and reflected his spirit in many examples of bold imagination and design, for civilian and military use. We offer Glenn Martin congratulations on four decades of contribution to the age of the air.

What's Wrong With the North

EXTENSION OF REMARKS
OF
HON. J. WILLIAM FULBRIGHT
OF ARKANSAS

IN THE SENATE OF THE UNITED STATES

Wednesday, August 10 (legislative day of Thursday, June 2), 1949

Mr. FULBRIGHT. Mr. President, I ask unanimous consent to insert in the Appendix of the RECORD an article entitled "What's Wrong With the North," written by Mr. Hodding Carter, one of the most distinguished editors and writers of our country, and published in Look magazine for August 16, 1949.

I wish to call the attention of our northern friends in particular to this article. I believe they will find it instructive and enlightening. If studied carefully, it will promote a more intelligent consideration of legislation by this body.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

WHAT'S WRONG WITH THE NORTH

(By Hodding Carter)

(Author's note: The locale, North, within the meaning of this southern exposure, is in general limited to the metropolitan areas of the eastern seaboard States, because that is where most of the South's difficulties arise. There is no intent, however, to discriminate against Pittsburgh, Detroit, Chicago, and other population centers east of the Mississippi and north of Kentucky, by excluding them from the accusations and advice hereinafter presented.)

In a way, I am writing this as a tribute to the late Sherlock Meriwhether. He was a reporter on our newspaper—I should say, a crusading journalist—who was known admiringly to the staff as Ol' Fearless.

One afternoon last spring, Fearless and I were having a quiet chat in my office. We are very democratic down here in Mississippi except during some Presidential campaigns.

I happened to mention that our circulation was slumping. No oomph on the front page. Nothing to help street sales. Then Ol' Fearless got an idea. His eyes lit up.

"Boss," he said, "I've got it! Let's do some crusading."

"There's nothing left around here to crusade about," I answered pessimistically. "Everybody's reforming. Mr. Truman's civil rights has got 'em all scared to death."

"You don't understand," Fearless interrupted. "Not a crusade here. Up North."

"All right, Fearless, you can go," I agreed. "But you've got to travel in disguise. It wouldn't be safe for you otherwise."

Ol' Fearless had it all planned out. He would pass as a northern Progressive.

For 3 weeks he lived in a cellar, where he acquired a pale, sallow, skyscraper-shadow complexion. During the entire period, he dieted exclusively on barbiturates, martinis, black coffee, and tongue on rye—except for a corn-pone, salt-meat, and turnip-green jag one unfortunate week end.

By prearrangement, he divorced his wife, married again, and divorced his second wife, with the secret understanding that he could remarry his first wife when he came home.

Poor devil. He never did.

But that lay in the future. Fearless subscribed to three left-wing periodicals and the CONGRESSIONAL RECORD. He memorialized the campaign speeches of Henry Wallace. He cultivated a habit of shaking his head disparagingly at any mention of the South. And in 3 weeks he was ready. Then he left.

The arrangement was that he would telegraph coded summaries of his findings at intervals to keep me posted.

He was to write his series after he returned. We had great hopes for it and planned to title it "In the Land of Grim Snow."

Alas, the full story Ol' Fearless unearthed will never be written, for I never saw him alive again. But I do have the decoded messages he sent me.

I am sure that for all his courage, Ol' Fearless was scared as hell. His first message from New York indicated his anxiety.

"Boss," it read, "I feel that I am being followed. Murder stalks these streets, brutal, unprovoked murder. Up in Harlem, the bodies of mugging victims are piled high for the white wings each morning. Along the water front, the fishes feed on the ghastly remains of longshoremen and social workers.

"Gangsters torture and kill, just to try out a new headline. Grim-faced policemen patrol the streets, armed to and including the teeth, but to no avail. Rapine and horrible death threaten the New Yorker at every turnstile."

His second message, 6 days later, was calmer. But its implications were clear.

"Boss, I am frankly disturbed. From Philadelphia to Chicago, I haven't found a plain American voter yet. It's worse than the poll tax.

"Everyone is a Polish-American voter, an Italian-American voter, a Negro-American voter, a Jewish-American voter, a German-American voter, an Irish-American voter, a Labor-American voter, an American-way-of-life voter or an un-American voter. As a matter of fact, most folks don't even vote up here at all. They are voted. In the North, democracy is doomed."

And so his coded reports went. He was almost detected one evening at a peace rally when he forgot to boo the Atlantic Pact. But he was getting the low-down on the North.

Suffice it to say that his was a grisly tale. A tale of northern slums and ghettos, of racial and religious strife, and the defiling of tabernacles and churches. A tale of northern-class warfare, in which men raged like beasts outside of struck factories, clubbing, and knifing and shooting, in wild Yankee orgies of hate. A tale of Red northern traitors, plotting the Nation's overthrow, stealing state secrets, and even pumpkins.

Then the tragedy. Two nights before he was to come home, Ol' Fearless collapsed in a hotel lounge. Callous, indifferent northerners let him lie there for 76 hours. Later, he was dragged off to jail for the third degree before being taken to a hospital.

By then, he was beyond human aid. But as he lay dying, he managed to scribble a final message. It was smuggled out and mailed by a kindly interne—a native of South Carolina, by the way. That message explained the cause of Fearless' death.

"I MET TWO DECENT NORTHERNERS"

"Boss," it read, "I hate to go out this way. * * * What happened was that I met two decent northerners in the hotel bar. That ruined the series, and the old heart couldn't stand it. So long, boss. * * *"

You needn't believe this story about Fearless and his adventures. As a matter of fact I don't either. But neither do I believe the reverse stories about the South upon which the adventures of Fearless are patterned, all as like as like and with the same monotonous theme: What's wrong with the South?

For a hundred years, the South has been investigated, harpooned, lampooned, pestered, and exposed. One-sidedly and grotesquely, the South has been presented as a region of utter hopelessness, depravity, and brutality.

A lot of things are wrong with us. But not as wrong as the endless exposés make out. And it seems to me that it's about time to discover what's wrong with the North.

I can't do the kind of job Ol' Fearless would have done. But I have spent more time in the North than any six northern experts on the South together have spent down here—about eight scattered years.

The most obvious defect of the North, though not the most dangerous, is happily one that time will cure.

Its people have not yet attained the homogeneity so necessary for national or regional stability. America's strength is generally credited to the diverse national background of its settlers. But that strength has actually been developed through the fusing of many peoples into one people, and not through the perpetuation of diversities.

The South was a melting pot for generations before the great waves of immigration in the latter nineteenth and early twentieth centuries. It was largely bypassed by the newer immigration. So for more than 200 years, a homogeneous folk, a truly distinct people, has been created in the South.

But the North has not yet had time for this fusion. In the industrial cities of the North, one can find even now a distinct pattern of settlement by nationalities.

I am astounded at the number of foreign-language newspapers that are published in the North. I don't object to them because they are printed in another language than our own; but their editorial content is too frequently slanted toward Old World yearnings and issues.

And I am alarmed by the nationalistic, racial, or religious importance in northern politics of the antecedents of local office seekers. No less importance is given to their attitudes toward such matters as the partition of Ireland, the recognition of Palestine, the Polish problem, the restoration of the Italian colonies, and aid to Spain.

The dishonest dexterity with which the politican plays for national bloc votes in the North is a shameful thing. And it is something less than wholesome that the only problem on which they can unite is the southern problem.

This is not to say that the newer Americans are any less loyal or valuable citizens than those whom time has severed from their national origins. And I would not deny them their nostalgic pleasure in the food, the customs, and the language of their forebears.

But it is not good for them to continue to identify themselves with the aspirations or animosities of the past. It endangers their stability, makes them too suspicious of each other, and weakens the North's role as the only region that has all the answers. But all this will pass, as every southerner knows.

HATRED IS INTENSE IN THE NORTH

More serious is the intensity of racial and religious hatred. There is actually more of it in the North than in the South; and while intolerance is decreasing in the South it is increasing in every northern city

Take anti-Semitism, for example—the most tragic and longest-lasting expression of man's inhumanity to man.

We never had a bund or a Christian front in the South—and it should be remembered that in the twenties the Klan flourished also in the North. We don't desecrate synagogues or enter into widespread conspiracies, openly or covertly, to exclude Jews from our community life. The average business or social gathering in the South is not tainted with anti-Semitic jokes and repetitious conversation about Jewish business practices.

Nor, among the laity, is there the bitter anti-Catholic—and, conversely, anti-Protestant—feeling that one discovers so often in the North.

I know what you're about to say. The Negro. I am ashamed of the discrimination which the Negro suffers in the South; and a good many people are trying, with some success, to end it.

But neither our discriminators nor those who protest discrimination pretend that it doesn't exist. That pretense is assiduously practiced in the North.

And, despite the restrictive one-sidedness of the white-Negro relationship in the South, the individual members of the two races are not preoccupied with hating or fearing each other. But so many northerners do hate, fear, or shun the individual Negro.

They are disturbed by his accelerating migration to the northern land of opportunity. And it might be pertinent that the race riot, the most hideous expression of racial tensions, is a Northern rather than a Southern phenomenon.

I say in all honesty, and from observations made over a long period, that men hate and fear each other on more counts and with greater intensity in the North than anywhere else in the Nation.

NORTHERN LIFE IS ARTIFICIAL

Perhaps the artificiality of the principally urban life of the North, and the sense of insecurity it creates, may be responsible for these harsher tensions. At any rate, I would cite an insecurity psychosis as the third item in my bill of particulars.

This feeling of insecurity is most dangerously evidenced in the deplorable mistrust of employer for employee and employee for employer that is so characteristic of the sprawling industrial kingdoms of the North.

It is easier to panic ants when they are concentrated in the anthill than when they are scattered in smaller foraging groups across the fields.

In their teeming anthills, northerners worry about war, about peace, about the stock market, about national elections, about atoms, and about the South far more than do Southerners. And this is largely because existence in a crowded, industrial society is so delicately balanced between order and chaos, so artificial, so sensitive to the slightest strain.

Bus strikes, subway strikes, coal strikes, longshoremen's strikes, elevator operators' strikes—these can paralyze the northern city. But come hell or high water—and we've had both—the southerner can somehow get to work, eat fairly regularly, and keep from freezing.

The northern insecurity complex has many unpleasant expressions. Yankees may not drink more than do southerners, but they have less fun doing it. Just from the size of the mental hospitals, the number of mental specialists, and a nonscientific personal survey through the taproom conversation technique, I would say that the North has almost a monopoly on neurotics.

The same goes for dipsomaniacs, abnormal sex delinquents, divorced couples, Communists, crime-comics readers, phony artistic faddists, and gin-rummy addicts.

Nor are such states of mind helped by the provincialism of the average northerner, especially the northern city dweller. He hasn't been anywhere else and doesn't want to go.

Even in his native haunts, he is a lonely man. Relatively few northerners go in for good neighborliness except on a Pan-American basis. There are documented stories of New Yorkers who don't know who lives in the next block and don't care; and I have been told—though I refuse to believe it—that there are apartment house dwellers who are unacquainted with families living on the floor below them.

Finally, there is the centralization of wealth, political power, and population in the North—and particularly in the Northeast. It is not an unmixed blessing for northerners; and it is a distinct liability for the rest of the Nation.

The pursuit of wealth and the emphasis upon monetary values is important only where wealth abounds; we gave up dollar-chasing in the South a long time ago because there were so few dollars to chase. But it seems to me that in the North, money making is too frequently a substitute for good citizenship.

Since they are packed together in a sardine-can anonymity, the North's citizens either have no sense of personal responsibility for their society or they are frustrated by a feeling of individual helplessness.

At the same time, their material achievement and their political strength—an accident of population density—create a false conviction. They believe they are superior to the yokels down in the southern hinterlands.

This superiority complex justifies the continued economic exploitation of the southern colonies. It also engenders a missionary zeal to save the savage soul by forcibly imposing new social and political concepts upon our benighted region.

HOW TO PUT THE NORTH IN ORDER

This is all very sad, and I have only one program for putting the North in order. It is actually simple:

Scatter the North's industries in a southerly direction, with Mississippi as the focal point, disperse its population in a different direction and end its political domination by reducing New York, Pennsylvania and possibly Massachusetts to territorial status.

This program ought to result in a lot of letters if nothing else. And if Federal bayonets are required to effect these overdue reforms, so let it be. We've got a lot of surplus Federal bayonets down here anyway. They were swapped for contraband cotton right after reconstruction.

This brings me to a last comment on what's wrong with the North. Like the South and the West, the North is a proving ground for a still unachieved ideal which we call the democratic way. Our imperfect society is a long distance yet from that idea.

Our failures in the South are not unlike the failures elsewhere; and our southern predilection for shutting our eyes to our faults and telling the North to go to blazes complements the northern tendency to rail against southern shortcomings while ignoring its own.

Whatever the differences in regional examples of democracy's imperfection, the imperfection itself is universal.

Some day we'll realize it, and the sooner the better. Some day, Ol' Fearless and the crusading investigator from up North will get together and decide to look at the Nation instead of at its separate parts. Together they may discover that no region in America has a monopoly on democratic virtues or undemocratic vices.

Take the North, for instance.

Military Assistance to Western Europe

EXTENSION OF REMARKS
OF
HON. ROBERT HALE
OF MAINE
IN THE HOUSE OF REPRESENTATIVES
Wednesday, August 10, 1949

Mr. HALE. Mr. Speaker, we shall soon be considering the subject of an armament program in support of the Atlantic Pact, which will doubtless involve our supplying certain arms to our cosignatory nations.

The greatest test of statesmanship is the capacity for foresight. It seems to me rather noteworthy that just over a year ago, in the special session of last summer, our colleague, Mr. LODGE, of Connecticut, made a speech in which he called our attention to one great piece of unfinished business—concrete military assistance to western Europe in its undertakings of mutual self-defense. This speech is so illuminating that I think it well worth setting out in full.

ACCOMPLISHMENTS OF THE EIGHTIETH CONGRESS IN THE FIELD OF FOREIGN AFFAIRS—THE NEED FOR SUPPORTING THE WESTERN ALLIANCE

(Address by Hon. JOHN DAVIS LODGE, of Connecticut, in the House of Representatives, August 6, 1948)

Mr. Speaker, before this special session of the Eightieth Congress draws to its inexorable close, it is appropriate, I think, to review briefly its accomplishments in the field of foreign affairs and point a finger in the direction in which we should move if we are to keep pace with the rapid crescendo of international events.

This Congress, which the Chief Executive has assailed as the worst in our history, will some day be recognized as one of the greatest Congresses.

This Congress created the legal basis for the establishment of the United Nations on these shores when it enacted the UN Headquarters Agreement Act. On yesterday it underwrote the United Nations headquarters with a $65,000,000 loan.

Fourteen months ago this Congress provided relief assistance to war-devastated areas in Public Law 84, sometimes known as post-UNRRA relief. It continued and strengthened the undertaking of promoting world peace through economic assistance in the Foreign Aid Act of 1947, which was passed after Congress was summoned back into session last November to deal with the economic crisis in Europe. This was an interim measure to bolster western Europe until the European recovery program could go into effect. Finally, after protracted hearings, careful study, and much devoted

thought, the Congress worked out a formula for long-term European reconstruction in the Economic Cooperation Act, which was passed last April. This may be described as a strategical measure with relief characteristics. It constitutes an effort of gigantic and unprecedented proportions in the international arena.

This Congress legislated assistance to Greece and Turkey to buttress them against the Communist tyranny. It originated the principle of assistance to China, similarly threatened.

The Committee on Foreign Affairs, of which I am a member, has reported and the House of Representatives has acted upon a total of 31 public laws dealing with foreign affairs. I have mentioned the significant ones relating to economic policy and to the United Nations. In addition positive forward steps were taken in the general sphere of international organization and cooperation. This Congress passed legislation authorizing American participation in the World Health Organization, the International Refugee Organization, the Carribbean Commission, and the South Pacific Commission. This Congress authorized acceptance of the trusteeship for the territory of the Pacific islands. It reincorporated the Institute of Inter-American Affairs to carry on our mutual programs with various Latin-American Republics.

This Congress legislated the United States Information and Educational Exchange Act of 1948—better known as the Voice of America Act.

This Congress developed the policy of the 70-group air force, passed the Armed Forces Unification Act, and renewed selective service. There were concrete measures to show the world that we intended to back our word with our strength; that in our opinion peace is a product of strength; war, a derivative of weakness.

A lesser measure of the same sort was the legislation extending authority to arm merchant ships in time of emergency.

This is a record of which any Congress, indeed any President, could be proud.

It would be fortunate if one were able to say that the slate is clean. The current accelerated tension is ominous and abundant notice to us that such is not the case. Since last February our ship of state has been moving gingerly through very dangerous and turbulent seas. Somewhat paradoxically this danger arises in great part from the success attending our economic legislation. The Soviet tryanny, finding itself unable to capture the governments of western Europe by outward pressure and by infiltration is, it is feared, considering more forceful means of encompassing its objectives. The fact that we are in the process of translating some of our war potential into actuality might, it is apprehended, induce the Soviet Union to force the issue.

This is a matter largely for delicate diplomatic handling. Surely we can glean some satisfaction from this evidence of the effectiveness of our legislation. There is, however, one great piece of unfinished business—concrete military assistance to western Europe in its undertakings of mutual self-defense. It is on this subject that I wish to speak.

More than a half century ago Lord Bryce wrote that the United States could not indulge its easy optimism "had Canada or Mexico grown to be a great power, had France not sold Louisiana, or had England, rooted on the American Continent, become a military despotism."

"America lives in the world of peace—"

He said—

"Safe from attack, safe even from menace, she hears from afar the warring cries of European races and faiths. For the present, at least—it may not always be so—America sails upon a summer sea."

Lord Bryce's warning came true when the balance of power system was wiped out in World War II. No longer could America afford to rely upon the great nations of the other continents to neutralize each other's power. Only two great areas of military might were left. The strategic objective of the United States—borne of the necessities of the new situation—became that of insuring that the whole of the Eurasian land mass, with its vast resource in manpower and economic strength, should not fall into the possession of the one power which might threaten our security. For should the great Eurasian continent become united against us, we would find ourselves under siege in this hemisphere.

The Nation was slow in recognizing the dangers and the requirements of the new situation. Before we came to face reality, diplomatic mistakes of huge consequence had been made. Our present dilemma is due in large part to the failure of our diplomats to understand and accurately to appraise the postwar conflict.

Finally, however, there emerged a doctrine by which America hoped to secure the position of the west while waiting for the United Nations to mature as an agency capable of realizing its mission of peace. This doctrine was worked out by the Executive in closest collaboration with congressional leaders.

It may be described as the policy to support free peoples who are resisting attempted subjugation by armed minorities or by outside pressure.

This is the cornerstone of our strategic foreign policy. The ERP is the economics expression of that policy. We must develop a military policy to match it. Otherwise our great effort may well result in frustration, failure, and insolvency.

The new doctrine is not confined by geographic limits. It is an invitation to free peoples everywhere to stand up against the aggressor. We and the world must never forget that this Nation alone cannot supply the military sinews to guarantee security in every continent. We can do it only with the help of allies.

Now the requirement for winning allies is the willingness to be an ally.

To be an ally means to engage in the common defense. It requires more than a mere promise to liberate allies after they have been victims of conquest. The peoples of western Europe fear that liberation may mean annihilation by the atom bomb and other terrible new weapons of destruction. It means the willingness to take protective measures.

The United Nations Charter provides for regional and other undertakings of mutual self-defense.

We have used the formula of article 51 of the Charter as the basis of the Pact of Rio de Janeiro tying together the republics of this hemisphere in a common front against all potential foes.

Five of the governments of western Europe have been drawn together in a similar undertaking of mutual defense. Evidence of this Nation's support of the western European alliance is found in the fact that this Government has participated in staff conversations to implement the Brussels Pact. This support is manifested also in various Executive pronouncements, the Vandenberg resolution passed by the Senate, and H. R. 6802, which was reported by the Committee on Foreign Affairs and for which the leadership of the House has promised early consideration in the Eighty-first Congress.

Pronouncements and staff conversations are, however, not enough. We must affirm our support in concreate, measurable steps.

Let us rid ourselves of the illusion that support of the western alliance is a question for debate. The fact of the situation is that we are in Europe. We are involved whether we like it or not. The question is whether we shall be involved for the protection of our national security and of free peoples the world over.

Our forces occupy parts of Germany, Austria, and Trieste. A putative enemy could attack the western powers only by attacking us first. We could not be more inextricably involved if we had signed and ratified the Brussels Pact.

The only remaining question is: What steps should we in prudence take to support the undertaking?

We must develop a military counterpart to the European recovery program. Had the Military Staff Committee of the United Nations Security Council been permitted to function it would not be necessary for us to consider political guaranties and military lend-lease as strategical sequels to the European recovery program.

Until this comes to pass the responsibility of freedom rests largely upon us. We have taken steps to protect western Europe from internal aggression. We must now face the portentous problem of protecting western Europe against external aggression.

In approaching this problem we must recognize that the organization and disposition of the military forces of western Europe should be based on European rather than on national considerations. Such a step would have many beneficial results:

First. The military establishments of the western European countries are a great burden on their national economies. To organize them on the lines I have suggested will eliminate much duplication and waste and thereby help the European recovery program and relieve the burden on the American taxpayer.

Second. Such a step will also help to achieve the goal of a European economic federation as the foundation for a United States of Europe.

Third. It will quite obviously result in far greater strategical strength.

Fourth. It will diminish the possibility that we may blunder into war because of any misunderstanding with respect to our intentions.

In order to encourage the western Europeans to undertake such an over-all coordinated integrated military plan, we must be prepared to sell or lend-lease to them certain items of military equipment. We can also help them to manufacture such equipment for themselves. The details of such a move should be worked out with great care in order to insure maximum effectiveness at minimum cost.

I need hardly point out the gravity and the delicacy of the Berlin crisis. I believe that an indication of our determination to implement our policy in western Europe as we have implemented it in Greece, Turkey, and China will act as a powerful deterrent of war.

Mr. Speaker, it is a matter of regret that the President, in defining the mission of the reassembled Congress, did not see fit to include concrete proposals in support of the Western Alliance.

That project remains one of the items in the first order of business for the next Congress and the next administration.

Navajo Rehabilitation Act

EXTENSION OF REMARKS

OF

HON. ANTONIO M. FERNANDEZ

OF NEW MEXICO

IN THE HOUSE OF REPRESENTATIVES

Wednesday, August 10, 1949

Mr. FERNANDEZ. Mr. Speaker, in answer to my statement on the floor with respect to John Collier's opposition to

section 9 of the Navajo Rehabilitation Act, I have received a letter from Mr. Collier. I felt that, in all fairness to him, his letter should be put in the RECORD. I therefore contacted Mr. Collier and, with his permission, I have obtained unanimous consent to insert it in the RECORD. The letter reads as follows:

WASHINGTON, D. C., *August 7, 1949.*

DEAR CONGRESSMAN FERNANDEZ: I have read with strong appreciation your remarks, in the August 2 RECORD, concerning my criticisms of section 9 of the Navajo-Hopi relief bill. They are generous, courteous, and considerate remarks, just as you always were in the years when I knew you. I do not suggest that the few paragraphs below be placed in the RECORD, although they might interest some among your constituency, and some others.

The burden of this communication of mine is that Navajo administration in the years when I was Commissioner was a partial failure; and that it is a partial failure now for reasons similar to those of the earlier years. A tragic human failure, I would say, in spite of brave and intelligent effort that has gone into it and goes into it now. It is I, myself, who have publicized and analyzed the record of partial failure, in many documents. (See, as examples, Social Research, a magazine, September 1945; my Indians of the Americas, 1947 and 1948; News Letter of the Institute of Ethnic Affairs, March 1948; The Land, spring issue, 1949; and my forthcoming book on the tribes of the Southwest.)

As this letter seeks to be brief and to deal only with the single main issue, it does not deal with criticisms, incorporated in your remarks, of the conduct of Navajo affairs 10 and 15 years ago. Your informant in these items is extremely misinformed as to the record of livestock reduction, etc., as to the wilderness area proclamation (which I wish that I had inspired and written, but did not), as to the day school record, etc.; but these matters are rather aside from the present issue. And I doubt whether you would entertain, much less proclaim, the rather vulgarly low estimate of some of your constituents (the Navajos) which perhaps you inserted without reading it closely. To the present issue:

I state the nature of the past and continuing partial failure of Navajo administration below, but at once I remark: Section 9 of the Navajo-Hopi bill appears as an unwise proposal for a number of reasons, but the chief reason is that section 9 would continue, and widen in scope, and give statutory support to, that cumulative failure of Navajo administration which has extended from 1933 to today.

What has been, and is, the essence of the failure of Navajo administration? It is that pressing exigencies have existed, or have been believed to exist; and that white men have programed the meeting of these exigencies (a) without genuinely consulting the Navajo native leadership and rank and file, (b) without taking the indigenous leadership and rank and file into partnership in the execution of programs, and (c) without paying any earnest attention to the facts known to anthropology—the facts as to what the Navajo native society actually is, how it functions day by day and decade by decade, and what its motivations, inhibitions, values, and powers really are. Administration has bypassed the native society of the Navajo—the factually predominant, omnipresent, extremely vital native society; it has cast this native society, as I have elsewhere written, into an outer darkness. Therefore, Navajo administration has bypassed the Navajo individual; for like other human beings, and more consciously than many others, the Navajo knows himself and knows his world, and loves and hates and resists and strives, within and through the medium of his own society.

Since 1933 this extreme, fundamental blunder has not been committed toward most of the other Indian societies or tribes. In your own State of New Mexico, for example, it has not been committed toward the Pueblos and the Apaches, and the happy results of not committing the most damaging of all colonial blunders are known to yourself and to many people in New Mexico, and certainly to the Pueblos and Apaches. The blunder—almost, if not quite, a fatal one, and surely fatal if persisted in—in the Navajo case has been due to two main causes. First, always there have seemed to be emergencies—looming, glowering emergencies—that had to be met in a great hurry and with money thrown about, and therefore to be met by high-pressure, do-or-die-before-tomorrow methods which have made the slow, inconspicuous methods of self-help appear contemptible. And second, reliance has been placed on a political and sociological fiction—the fiction that the Navajo are a politically integrated tribe and that democratic dealings require nothing beyond the persuasion or manipulation of the elected tribal council: Whereas actually, authority and responsibility in Navajo life are diffused amid a thousand of local communities, extended families, outfits, headmen, etc.; and administrative pride and haste have committed the deadly waste of ignoring these vital centers of decision and responsibility which are, even if ignored and even if silent, quite controlling.

Hence it has seemed enough if the tribal council could be brought and dubiously held within administrative control. But the tribal council is a recent and most unstable institution, with few roots as yet in Navajo life, few roots in that deep, strong sense of responsibility and of continuity which lives on in the local societies of the Navajo. It lives on, in banishment from governmental administration. And Navajo personality lives on in it—in the local society; no Navajo personality lives on in banishment from governmental administration.

Debate and recrimination are idle, as to whether this actual paramount Navajo society is beautiful, morally significant, endowed with wisdom (as many, including myself, believe), or is an abode of original sin, as some whites believe—some missionaries, some frustrated administrators actually take this latter view. There it is; there is the Navajo society; the Navajo must go forward from where he is, his energies and hopes are there contained, and the blunder and administrative self-indulgence of ignoring the fact has made failure and will make greater ruin yet, if persisted in.

Where, now, does section 9 of the Navajo-Hopi bill enter the picture? I will state it thus:

Navajo Indian service has developed in a fashion essentially alien and tacitly hostile toward Navajo society and personality. But Indian service has not thus developed in other parts of the Indian country. Hence, there still is hope that the Navajo Indian service may discipline itself and reorient itself and start moving away from improvised managerial paraphernalia toward grass-root effectiveness. It is the business of Navajo Indian service so to move, so to reform itself.

Here enters section 9. It is offered as one more post-haste, omnibus, broadax Navajo salvation program, imposed from without and attached as a rider to an appropriation authorization. The many criticisms of it which I and others have voiced are not repeated here. In the context of this letter I state only one of the criticisms, as follows:

It is the business of the Indian Service and of the Navajo tribal set-up, to accommodate to the realities of Navajo life. It is not, and cannot be, the business of the States of Utah, Colorado, New Mexico, and Arizona to thus accommodate. Specifically, but not limited to this item: It is not, cannot be, the business of the four States to accommodate their civil and criminal codes and the precedents and customs of their courts to Navajo life. These codes and precedents were developed wholly out of reference to the Navajos (and Hopis) and their dispositions, backgrounds, and problems. Anyone who would assert that the Navajos and Hopis now are, or by the turn of a hand can become, on their sides, accommodated to laws and precedents which are unrelated to their inner realities, would be speaking out of great ignorance or else out of antipathy toward the Navajos and Hopis.

The vice of Indian Service has been—still is—to ignore and violate Navajo (and Hopi) society and personality. The Hopis, I remark, are caught within a sort of geosocial illusion, which you in your remarks seem to endorse. That is: their physical territory overlaps with Navajo physical territory, hence their societies and personalities, profoundly differing from the Navajo, must be strait-jacketed along with the Navajo society and personality. Strait-jacketed within easy dogmas, oversimplifications, and administrative conveniences, and then rather despised than pitied because within the strait-jacket, and within the process of kindly or not kindly spiritual assassination, they exhibit, sometimes, confusion of will and desperation of soul. The reference here is to Navajos and Hopis alike, but the Navajos' social-psychological plight is the worse of the two.

Section 9, thus viewed, is a kind of suave qui peut, a counsel of despair. One who had no hope that common sense, well-understood principles of dependency administration, and human wisdom might even yet enter the Navajo Indian Service, might say: "Let's take a plunge anywhere, a desperate plunge into State jurisdiction if you will." Or one who believed that the silent suffocation of Navajo society and manhandling of Navajo personality is the right way, even if it brings physical ruin and enormous taxpayers' cost in its train, might say, "Go along, hurry along the fatal road." There are a good many who do believe just that; the voices of some of them are disharmoniously audible in your otherwise humanitarian and civilized remarks. Those who have hope for Indian (Navajo) Service, and who know from experience that there is greatness in Navajo and in Hopi life, will not agree.

One more item, purely factual. You remark that the organic acts of New Mexico, Arizona, and so forth, disclaim jurisdiction over Indian lands—and lands only. They disclaim jurisdiction over Indian lands and Indians on Indian lands. Have the courts, or Congress, or the State legislatures, ever construed them otherwise? Section 9 throws away the reservation which the Federal Government insisted upon in the organic acts. That is what section 9 is for.

Sincerely and cordially yours,

JOHN COLLIER.

Aid for China

EXTENSION OF REMARKS

OF

HON. JOHN DAVIS LODGE

OF CONNECTICUT

IN THE HOUSE OF REPRESENTATIVES

Monday, August 8, 1949

Mr. LODGE. Mr. Speaker, in connection with the China crisis, I am inserting an interesting article by Charles Lucey, Scripps-Howard staff writer for the

Washington Daily News, which appeared on Tuesday, August 9, as well as an article by Walter Trohan from the Washington Times-Herald of August 10 which brings out the significant fact that the directive given General Marshall for his China mission was not included in the white paper.

I am also inserting an editorial from the Washington Daily News of August 10 which I think is well worth reading.

They follow:

[From the Washington Daily News of Tuesday, August 9, 1949]

SENATOR KNOWLAND PLEDGES FIGHT FOR $175,000,000 IN ARMS AID FOR CHINA

(By Charles Lucey)

Senator WILLIAM F. KNOWLAND, Republican, California, announced today he would carry to the Senate floor a fight for $175,000,000 in military aid—plus a United States military mission—for Nationalist China.

Declining to accept the State Department view that China has been lost to the Communists, Mr. KNOWLAND said he would press his proposal in the Senate committee studying European military aid, and that if it failed there he would make the fight on the Senate floor.

"The Senate," he said, "will have an opportunity to express itself on the issue of aid to China, a country worse off today than if she had been one of our enemies."

Japan and Germany were our enemies, Mr. KNOWLAND observed, but "we're rehabilitating their industries and communications, maintaining law and order, helping to feed their people, and giving them a sound currency.

FOUR-ALARM FIRE

"I believe in the general theory of an international fire department to put down blazes and I favor providing sprinklers and fire extinguishers to France, England, and other allies. But in China—where we've got a four-alarm fire, we're doing nothing about it."

Mr. KNOWLAND said he did not complain of emphasis on Europe in stopping communism. He recalled that we had to make a decision to concentrate first in Europe during World War II—but at the same time we also maintained a steady offensive in the Pacific. So it should be now, he asserted.

"Peace is indivisible," the Senator said. "We can't have chaos in the far Pacific without affecting this country and ultimately the peace of the world.

CALL MAC ARTHUR, PLEA

Mr. KNOWLAND urged that Gen. Douglas MacArthur be called home to provide on-the-spot judgment of the far eastern situation at a time major policy decisions are being taken.

"The United States Joint Chiefs of Staff are now completing a study of European defenses but they can hardly have the time to make a similar trip to the far Pacific. The only alternative—before we put all our eggs in the European basket—is to call in our responsible commander from the Far East," he said.

HOW COME?

Mr. KNOWLAND tackled State Secretary Dean Acheson yesterday on the discrepancy between present plans to arm Europe from United States surpluses and earlier statements that surpluses had been exhausted. The Senator cited a statement of Brig. Gen. T. S. Timberman to the House Foreign Affairs Committee in June to make his point. The general had said:

"By August 1948 (when procedure for military help to China was being discussed), the Department of the Army had disposed in the main of all surplus supplies of World War II procurement, and particularly of those items which the Chinese listed as their priority requirements."

Now, Mr. KNOWLAND observed, there's an estimate of $450,000,000 of surpluses for western Europe.

"How come?" the Senator asked Mr. Acheson.

Mr. Acheson admitted an inconsistency. He said he'd have the military people look into it.

COMPARES AID FIGURES

Comparing aid to China with that of other countries, Mr. KNOWLAND said total lend-lease to the British Empire had been $31,000,000,000; to Russia, $11,000,000,000; to France and possessions, $3,200,000,000; to China, $1,600,000,000. He said after the war ended there were $5,500,000,000 of unconsumed lend-lease supplies in Great Britain, for which we were paid $472,000,000, or 8.5 percent of cost.

Since VJ-day, he reported, grants and credits to the United Kingdom have totaled $5,600,000,000; to France, $3,000,000,000; Germany, $2,000,000,000; Italy, $1,500,000,000; Japan $1,300,000,000; and to China, $1,700,000,000.

PRICES OUT OF LINE

Mr. KNOWLAND also intends to press his contention that prices charged China for military goods have been out of line with those charged Greece and Turkey.

"They talk of risks involved in China," the Senator said. "There are risks. But there were risks in the Greek-Turkish program and the Berlin air lift, too."

Mr. KNOWLAND estimated there are 1,000,000 to 1,500,000 Nationalist troops in China that could be built into an effective fighting force, and pointed out the area still held by the Nationalists is almost equal to that of the United States.

[From the Washington Times-Herald of August 10, 1949]

WHITE PAPER SUPPRESSES MARSHALL—MISSION ORDER

(By Walter Trohan)

The State Department has suppressed one of the most important documents on Chinese-American relations in its 1,054-page white paper defense of the administration for the fall of China to communism.

The compilation of documents does not include the directive General Marshall, wartime Chief of Staff, was given when he undertook a mission to China with the rank of Ambassador late in 1945.

It was reported within the State Department that the directive was purposely omitted because it did not jibe with State Secretary Acheson's statement: "Nothing that this country did or could have done within the reasonable limits of its capabilities could have changed the result; nothing was left undone by this country has contributed to it."

MARSHALL'S EFFORTS CRITICIZED

It has long been reported that the Marshall directive instructed the general to bring the Chinese Communists and Nationalists together, a project regarded as impossibly visionary.

Marshall's efforts to fulfill this directive have been blamed in China and the United States for the victory of the Communists in Asia. Observers hold that Marshall could have saved China had he not been prejudiced against Generalissimo Chiang Kai-shek and had he followed the advice of American military observers on the scene.

Marshall is credited with a hand in President Roosevelt's decision at Yalta secretly placing the control of Manchuria, the heart of China, under the Soviets, and also giving the Soviets the Kurile Islands, Dairen, Port Arthur, and the southern half of Sakhalin in return for entering the war against Japan.

MAC ARTHUR IGNORED

As Chief of Staff, Marshall advised Roosevelt it would take several years to defeat Japan without Soviet help. General MacArthur had reported Japan was ready to surrender and had advised against letting the Soviets in the Pacific war. Marshall disregarded MacArthur's advice, as did Roosevelt.

When Marshall went to China for 3 months late in 1945 and early in 1946, he was prejudiced against Chiang by the bitter reports of the late General (Vinegar Joe) Stilwell.

American observers on the Chinese scene told Marshall that the issue was one of communism versus any other form of Government.

MISSION A FAILURE

Ignoring this advice, Marshall worked to force the Communists and Nationalists together. This effort broke down when the Communists insisted on maintaining their own army. When Marshall returned with his mission a failure, he hit at both the Nationalists and Communists in a plague-on-both-your-houses report.

The white paper does contain the directive of Lieutenant General Wedemeyer who undertook a special mission to China in 1947. Wedemeyer proposed a program of aid to China and warned that sovietization of China was a grave danger to world peace. The inclusion of the Wedemeyer directive served to emphasize the suppression of the Marshall directive.

[From the Washington Daily News of August 10, 1949]

DISHONEST REPORTING

The State Department appears to be guilty of some flagrant distortions of history in its efforts to discredit China's part in the war and to malign Chiang Kai-shek.

Chiang, according to Secretary of State Acheson, "saw an opportunity" to let up on the war effort against Japan as soon as the United States entered the war.

That doesn't seem reasonable. Hong Kong, Singapore, Rangoon, Bataan, and Corregidor all fell after that. The Japs moved on into New Guinea and the Solomons, bombed Port Darwin, and cut the Burma Road, China's only overland supply line. There was nothing in this dismal chain of events to cause Chiang to relax, on any theory that Uncle Sam would do his fighting for him.

The famous Flying Tigers weren't reorganized as an American Air Force until 6 months after we entered the war. We had no other troops in China of a tactical or strategic importance until long after that. China in fact furnished the ground forces throughout the war.

To continue the fiction, Gen. Joseph W. Stilwell is quoted as saying on September 26, 1944, that "Chiang Kai-shek has no intention of making further efforts to prosecute the war." But the "whitewash" paper fails to add that Vinegar Joe wasn't a good prophet.

On November 3 Chiang's forces recaptured Lungling, key city on the Burma Road, and by late January had reopened that road to convoy traffic. That took some fighting.

Of course, these events occurred after General Stilwell had been relieved by General Wedemeyer. But the one-sided white paper ignores General Wedemeyer's estimate of Chiang while quoting General Stilwell, who failed in China where General Wedemeyer succeeded. General Wedemeyer has been quoted elsewhere as terming Chiang "our most faithful ally."

An answer to what had been wrong in China, not found in the State Department's brief for the defense, was given by General

Odlum, Canada's Ambassador to China, in an interview with Freda Utley. He said:

"Wedemeyer changed the spirit of everything. Whereas Stilwell and Gauss (our Ambassador) were inclined to build up both sides in China (the Communists as well as the Government forces) thereby weakening her and preventing her from ever becoming strong and united, Wedemeyer has given America a logical role and a consistent policy in line with American interests and the maintenance of world peace."

This is the testimony of an impartial witness who was on the scene during the period in question, as Mr. Acheson was not.

Unfortunately, when General Wedemeyer returned to the United States, the State Department reverted to its policy of double-dealing. This was climaxed by withdrawing all assistance from Chiang Kai-shek when he failed to make a deal with the Communists.

The deterioration of Nationalist China dates from that decision—made by Gen. George C. Marshall with the approval of President Truman.

Four Students Discover the South

EXTENSION OF REMARKS
OF
HON. JOHN J. SPARKMAN
OF ALABAMA
IN THE SENATE OF THE UNITED STATES
Wednesday, August 10 (legislative day of Thursday, June 2), 1949

Mr. SPARKMAN. Mr. President, I ask unanimous consent to have printed in the Appendix of the RECORD an article entitled "Four Students Discover the South," originally published in the Next Voter, a student newspaper published twice monthly by members of a course in political science at the Brooks School, North Andover, Mass., and reprinted in the New York Herald Tribune of August 6, 1949.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

FOUR STUDENTS DISCOVER THE SOUTH—REPORT OF A VACATION JOURNEY BY YOUTHFUL EDITORS BELOW MASON AND DIXON'S LINE

(The Next Voter is a student paper of political opinion published twice monthly by members of a course in political science at the Brooks School, North Andover, Mass. In preparation for the next issue four of its editors, aged 17—Guilford Dudley 3d, Morgan Harris, Jr., John Keating, Jr., and Geoffrey Kimball—have been traveling through six Southern States accompanied by their faculty adviser, Peter F. Wiener. A preliminary report of their trip follows.—Editor.)

When it was decided to publish the Next Voter everyone expected it to be a purely local affair. But we have been unbelievably lucky. Our paper has been read by people of prominence far outside the expected circle. The State Department's Voice of America used it in broadcasting to the Union of Soviet Socialist Republics. We have had friendly comment from Walter Lippmann, Governor Dewey, and President Dodds, of Princeton.

Among our first subscribers were Ambassador Douglas and Governor Talmadge, of Georgia, Senators BYRD and MCKELLAR, Representative CHRISTIAN HERTER, Mr. Newbold Morris, and many others. We put all this down, not in self-congratulation, but to explain why we feel it is essential that we get our information, wherever possible, at first-hand.

In our editorial discussions last year, as well as in our ever-increasing correspondence, one subject occurred more frequently and more passionately than any other. This was not Russia; it was our own South. What was the truth about race relations in the South? What kind of men were the "Byrds" about whom President Truman complained so bitterly? Was the split between the Dixiecrats and the Trumanites beyond repair?

We felt that the only way to find the answer to questions like these was to ask the people concerned what they really thought and to see the South with our own eyes. We gave up our original plans for the summer and decided to make a political-study tour. We got hold of an old Ford and left the day our vacation started. We have been away for 6 weeks and have covered some 4,000 miles.

We stopped first in Washington. We had an afternoon inside the White House and attended the President's press conference. We had long talks with Mr. Justice Frankfurter, with President Johnson, of Howard University, and above all with many Southern Senators and Congressmen, from Senator MCKELLAR to Senator PEPPER, or vice versa, according to your political opinions.

Then we toured Virginia and Tennessee, with a day each at Knoxville and Oak Ridge. When we arrived in Nashville, we were asked by the Nashville Banner to report the proceedings of the Institute of Race Relations, which was having its annual meeting at Fisk University. Then we traveled through the Carolinas and deep into Georgia.

Every single governor received us and talked to us about the problems of his State. Mayors of almost every town we passed spoke to us frankly and at length. We visited farms and industries, invaded private homes in towns and in the country, spoke to laborers and editors, to priests and waiters. We had meals at big mansions and we stayed in filthy slums. We spoke to men and women, rich and poor, young and old, black and white. We talked, talked, and talked.

It would take a whole book to describe all the events and all our impressions. It will take time to digest it all and our reactions were by no means unanimous. But there are some points on which we all agreed and which might be worth mentioning.

The racial relationship in the South is quite different from what we were led to expect. We thought we might find some kind of racial persecution and real misery among the Negroes. We can truthfully say that the Negroes we have seen and spoken to seemed, almost without exception, happy and that on the whole the relationship between black and write in the South was more friendly, more cooperative, more understanding, and more constructive than many relationships between, say, white management and white labor in the North.

For this there are, probably, a number of reasons. First, the southern Negro seems happy by nature. Therefore his contentment is not necessarily a sign that conditions—especially economic and educational ones—are what they ought to be.

Second, everybody agreed that enormous progress had been made in recent decades. The Negroes are the first to appreciate and to acknowledge this. As one of the colored university professors said to us: "We are in a healthy and constructive process of evolution."

While educational facilities in particular are by no means what they should be and, let us hope, ultimately will be, there can be no doubt that an educational evolution is in progress in the South. The mere fact that at Fisk University colored and white students study, work, live and eat together is an indication of the direction in which the South is moving.

Whether this is due to the political wisdom and the human initiative of the southerners or to the permanent pressure from the North—a frequent and not altogether popular phrase in the South—is debatable. It is probably a combination of both. The southerner claims that the northerner's interference is merely harmful; the northerner is convinced that without his permanent pressure nothing whatever would be done.

We did not come across one single southerner who objected to all the provisions of President Truman's civil rights program. The poll tax is already in the process of being abolished by the individual States. Lynching is extremely rare (but widely advertised whenever it occurs) and not really an acute problem. As for the Fair Employment Practices Commission, most southerners told us it was something to be aimed at but that it could not possibly be achieved by Federal legislation.

And, strangely enough, while the Negroes themselves are anxious to have full economic and educational equality (but much less anxious than some of their white northern friends) they would certainly not welcome the abolition of racial segregation. This fact constituted, perhaps, our greatest surprise.

Over and over again, Negroes said to us that they are proud of their race, that they would like to keep their race apart, and that while there should be human and other equality, while there should be the friendliest cooperation, they themselves would like to see the continuation of segregation.

The real objection made by southerners to the President's proposals is that some are not realizable, owing to local conditions and traditions, and that others are already being translated into practice by the States themselves. It seemed to us that the real quarrel beween the Trumanites and the Dixiecrats was not a human or an ethical one concerning the status of the Negro, but a constitutional one.

The southerner resents any encroachment upon the powers of the individual States and fears that an increase in the power of the Federal Government would mean unavoidably the end of real democratic government and the establishment of a dictatorial machine. Rightly or wrongly, he feels that this constitutional struggle is being fought over civil rights in order to confuse the real issue and catch votes.

There are two other points which impressed us considerably. First, much has been written about the differences between North and South. One might gain the impression that either the Civil War is not yet over or that there exists a fundamental cleavage within the Nation.

True, there are many differences of opinion, approach and practice. But divergence and disagreement are the basis of every democratic government. If one comes down to fundamentals, such as a political philosophy, ethical values and human beliefs, then there is no difference between the South and the rest of the country. The southerner seemed to us as God-fearing and fighting a Democrat as anyone can be.

The last point we wish to raise may seem altogether too personal. The fact remains that we learned more political science in 6 weeks than we could have done in 3 years of book study. And in the process we had a wonderful vacation, what with the beauty of the country, southern food, and the friendly hospitality we found everywhere we went.

And yet, throughout our trip, we did not meet one single other group of students from the East, the North or the West. We feel certain that if we had gone to France, or Italy, to England or to Scandinavia, we could not have moved a mile without meeting American students.

There is, no doubt, an immense value in international travel, but is it not as important or even more important to get to know our own country first? We had to revise or to reverse most, if not all, of our preconceived ideas about the South. We felt throughout our trip that most southerners our age have equally erroneous ideas about the parts of the country we know: Boston, Chicago, New York.

We return with the strong feeling that some plan should be started to make it possible for young people of the various parts of the United States to get to know each other and to get to know each other's part of the country. At the moment we are spending millions of dollars every year in order to tell foreigners what America is like. Is it asking too much to spend a small part of this money to help young Americans see for themselves and understand what our own country is like?

We Sit in With the Rothschilds and Uncle Sam Banks the Game

EXTENSION OF REMARKS
OF
HON. COMPTON I. WHITE
OF IDAHO
IN THE HOUSE OF REPRESENTATIVES
Tuesday, August 9, 1949

Mr. WHITE of Idaho. Mr. Speaker, it is interesting to learn from a recent issue of Time magazine how the European game is being played with our money. The following taken from the July 11, 1949, issue of Time:

ECONOMICS—1952?

In Paris everybody knows the Château de la Muette as a mansion of the De Rothschilds. Last week the men who now govern Europe's finances sat in the same gilt and cream chamber where the De Rothschilds once practiced their financial wizardry. Delegates from 19 OEEC areas had come to La Muette to work out a new intra-European payments plan. After hours of futile argument, Belgium's Paul-Henri Spaak suggested that the meeting adjourn. Britain's Sir Stafford Cripps cut him short with a crisp insistence. "Gentlemen, I have to go back to England tomorrow," he said, "but my plane does not leave until 6 in the morning. I am at your disposal until then."

Sir Stafford's system of planned austerity and bilateral deals, under attack at La Muette, had met still graver difficulties in London. A near panic on London's exchange had sent government bonds plummeting to new lows for the year; in a single week the value of gilt-edged consols (government bonds) dropped by close to £250,000,000. Said the London Economist: "The truth is that the crisis which the British did not expect until 1952—and hoped to be prepared for by then—is already upon them."

High prices, the world's shift from a sellers' to a buyers' market and the reluctance of foreign traders to buy British as long as rumors persisted that Britain would devalue the pound, had cut deeply into Britain's dollar and gold reserves. The danger point, many Britons had long thought, would be reached if the reserves fell below £500,000,000. Last week they stood at closer to £400,000,000. To Cripps' many critics it looked as if the crisis was the final proof that his policies should be scrapped. They renewed their demands that Britain abandon bilateral deals and compete freely in a world market.

Cripps had no such intention. His remedy for the crisis was still the same: more austerity and more import cuts. This week he will meet with Dominion Finance Ministers who have been invited to London to discuss ways and means of conserving the sterling area's dollars.

At Paris, his colleagues in the OEEC (Organization for European Economic Cooperation) proposed nothing so drastic as a complete revamping of the Cripps policy. All they wanted was a little greater—but carefully circumscribed—freedom of currency exchange.

In the first year of Marshall plan grants the United States had tried to spice its aid with a small inducement to encourage intra-European trade. Some $800,000,000 of the United States grants were conditional. To get them, the receiving country had to surrender an equal amount of its own currency to a third nation. Thus Britain, in order to receive ECA dollars, made sterling available to France, enabling France to buy British machinery. Such secondary grants were known as drawing rights.

ECA's W. Averell Harriman, Belgium's Spaak, and some other continental delegates have been seeking to liberalize the arrangement on drawing rights so it would become a greater stimulus to intra-European trade. At one point French Finance Minister Maurice Petsche proposed a compromise, known in OEEC's as 40 percent transferability of drawing rights. Under the Petsche plan, a typical triangular trade situation would have worked out like this:

Britain would give France £40,000,000 of drawing rights to cover the expected French deficit in trade with Britain. France, by efficient production or persuasive salesmanship or by cutting purchases from Britain, might succeed in reducing its expected deficit from £40,000,000 to £25,000,000. Under the old plan this reduction would give France no advantage within the OEEC system. Under the Petsche plan, however, France could transfer 40 percent of its British drawing rights to another OEEC country, for instance, Belgium. That way the Belgians would wind up with part of the United States dollars originally allocated to Britain. In other words, United States conditional aid would follow the drawing rights and act as an incentive to trade.

Cripps, horrified as a Scottish housewife would be at an invitation to gamble with the grocery money, feared that Britain could not budget through bilateral deals if transferability destroyed its certainty about how many dollars it would have.

As the clock in the Château de la Muette struck 12, Cripps was still droning on, and the old payments scheme had expired. No new agreement had been reached.

In the hall weary newsmen despaired when Claude, the beer and sandwich man, went home muttering, "No one pays me to stay after 12." Even an OEEC official said: "The West can never agree without Russia. When Russia is present we have no trouble agreeing to stand together, but when Russia is away," he shrugged his shoulders, "look at this." He spoke too soon. At 2 a. m. the delegates emerged. They had agreed on a new program.

Cripps had agreed to transferability, although the amount of drawing rights that could be transferred was cut from 40 to 25 percent. Since this would cost Britain only $50,000,000 a year at most, Cripps had won a victory in terms of cash. ECA and the Belgians were content in having established the principle that ECA was working toward multilateral trade, not bilateral budgeting and bartering.

It has not been so long since we were called to the rescue of England and asked to make a $3,500,000,000 loan. We were solemnly told then by our Government officials, including the then Secretary of the Treasury, how the British, if rescued from their financial plight with over three billion of our money, would release trade restrictions on international commerce with the inference that in the end the people of this country stood to gain more from international trade than they would be out of pocket in making the British loan. But if we read press reports aright, the recent application of British trade policies and commerce restrictions on international trade is now more stringent than they were before the loan was made.

More Opinions Concerning a National Minimum Wage Law

EXTENSION OF REMARKS
OF
HON. EUGENE D. O'SULLIVAN
OF NEBRASKA
IN THE HOUSE OF REPRESENTATIVES
Wednesday, August 10, 1949

Mr. O'SULLIVAN. Mr. Speaker, in the August 9, 1949, CONGRESSIONAL RECORD at page 11118 and in the Appendix at page A5147, I called attention to some of the things which in my opinion should be considered before a minimum wage law should be acted upon by Congress. I now wish to submit a report issued by the research department of the Amalgamated Clothing Workers of America, 1034 Warner Building, Washington, D. C., which I think presents some new thought upon the subject:

NOTES ON TYING THE MINIMUM WAGE TO CHANGES IN THE COST OF LIVING INDEX

1. Would make Congress a wage-cutting agency with only slight decline in prices.
2. Result in business uncertainty.
3. No analogy with farm parity prices.
4. Drastic drop in prices not imminent.
5. Prices relatively stable, 1921–29, years following World War I.
6. Fear of unemployment because of fixed base minimum unwarranted.
7. Government sanction or encouragement of wage reductions to lowest paid workers based on cost of living changes runs counter to collective bargaining practice.
8. Stable or rising minimum needed to enable lowest wage workers to attain decent standard of living and share in increasing national income.

PROPOSAL WOULD MAKE CONGRESS WAGE CUTTING AGENCY

A minimum wage tied to cost of living puts Congress into the business of wage cutting even if prices drop only a few percent.

Employers who might not otherwise reduce wages will be encouraged to do so if the minimum wage goes down only a few cents, following on a drop in the cost of living and blame the cut on the Government. Many employers who could legally have raised wages during the war hid behind the Government. The inducement to do so again would be offered by this proposal.

A minimum wage tied to the cost of living index is an open invitation by government to employers to reduce wages in the lowest

paid industries if prices drop even slightly. It gives Government sanction to wage cuts to workers who can least afford them.

BUSINESS UNCERTAINTY AND INJUSTICE WILL RESULT IF MINIMUM WAGE TIED TO CHANGES IN COST OF LIVING

Contracts will be uncertain. The minimum wage may rise during the life of a contract for manufacture taken during the latter part of the year. What price shall the manufacturer quote? Workers will be unemployed if the firm waits to see what the new minimum will be.

Firms placing contracts may wait if it appears that a reduction in the minimum will take place. Perhaps the principal can find a firm that will cut wages with a reduction in the minimum and quote a price a few cents a dozen lower. That may cause unemployment among the workers where the buying organization normally placed its contracts.

Reasonable stability is replaced by chronic instability and uncertainty.

NO ANALOGY BETWEEN FARM PARITY PRICES AND MINIMUM WAGE TIED TO COST OF LIVING

Changes in the parity price affects all producers of the particular farm product. A change in the minimum wage based on changes in the cost of living does not affect all wages and salary earners: It affects only those in the lowest-wage industries. (It is not proposed to tie the salaries of corporation executives, for example, to changes in the cost of living, but only the incomes of the lowest paid wage-earners.)

COST OF LIVING OUTLOOK DOES NOT WARRANT TYING MINIMUM WAGE TO CHANGES IN COST OF LIVING

"There are almost no signs of sharp and sudden price breaks such as occurred in the early 1930's, or in 1921."

"Cost of living has taken about a 3-percent drop to date and may decline another 5 percent. The prewar level of living costs is not likely to return any time soon."

The above quotations are from United States News and World Report, August 5, 1949, page 11. They represent the general trend of thinking as expressed in current published analyses.

Minimum wage rates, 1920–30, as affected by changes in cost of living if 75-cent base rate had been in effect

Date	Cost-of-living index	Ratio to index, December 1920	Minimum rate, base 75 cents changed in ratio to change in cost of living
December—			*Cents*
1920	138.3	.....	75
1921	123.6	89.4	67
1922	120.4	87.1	65
1923	123.5	89.3	67
1924	123.2	89.1	67
1925	128.2	92.7	70
1926	126.1	91.2	68
1927	123.8	89.5	67
1928	122.4	88.5	66
1929	122.8	88.8	67
1930	115.3	83.4	63

If a 75-cent minimum had been established near the peak of the postwar price rise after World War I, the variation in the minimum, based on changes in the cost of living, would have ranged from 63 to 75 cents during the ensuing 10-year period.

Is this range over a 10-year period so wide as to warrant a yearly tinkering with the minimum wage? To warrant a recurrent invitation to employers in the lowest-wage industries to reduce wages with implied governmental approval?

If prices after World War II remain relatively as stabilized as they did from 1921 to 1929, cannot Congress take care of such problems as may arise 10 years from now?

MINIMUM WAGE TIED TO CHANGES IN COST OF LIVING AND LEVEL OF EMPLOYMENT

The assumption of proponents of the minimum-wage-tied-to-the-cost-of-living theory that employment opportunities will be decreased if the cost of living drops and the minimum wage does not likewise drop seems to be based on the idea that the X Manufacturing Co. will fire John Jones if he has to pay him 75 cents per hour, but will keep John Jones if the X company can pay John only 73 cents per hour if the cost of living has dropped 2 or 3 percent.

This reasoning overlooks the fact that John Jones is not an individual employee who is just worth a marginal amount to a company. John Jones is in actuality the hundreds of thousands of low-paid workers (many having considerable skill) in the highly competitive industries. These industries will not go out of business if the minimum wage does not drop with a decrease in the cost of living. Workingmen will still wear work shirts, for example. The industry will go on. The workers will have jobs. With a stable or rising minimum, and a small decrease in the cost of living, the chief result will be that they will enjoy a slight rise in their depressed standard of living and will be able to buy more goods and thus create jobs for others.

TYING MINIMUM WAGE RATES TO CHANGES IN COST OF LIVING RUNS COUNTER TO COLLECTIVE BARGAINING PRACTICE

Workers and employers across the bargainnig table have worked out wage practices which have tended to give the lowest wage earners the benefit of greater percentage increases during periods when wage increases were obtainable, and, in reverse, to apply policies which gave greater protection to workers in the lowest wage categories, during depression peroids.

The proposal to adopt a policy which will encourage wage reductions for the lowest wage workers if the cost of living declines slightly runs counter to these practices.

INCIDENTAL NOTES—PECK BULLETIN DOES NOT SUPPORT MINIMUM WAGE TIED TO CHANGES IN COST OF LIVING INDEX

The impression has been conveyed in some quarters that Public Affairs Bulletin No. 73, entitled "The Question of a Flexible Statutory Minimum Wage," by Gustav Peck, issued by the Library of Congress, Legislative Reference Service, supports the arguments of the proponents of a minimum wage tied to the cost of living. Such is not the case.

Various types of flexibility are discussed, and arguments pro and con set forth, but the concluding sentence reads: "Flexibility in the light of changing conditions can be obtained by periodic legislative scrutiny of the effects of the statutory minimum and of the proper course to follow under changing conditions."

Chamber of Commerce of the United States, statement of policy relative to fluctuating minimum wage adopted at annual meeting, May 2–5, 1949: "It should be a constant and not a fluctuating minimum wage standard."

NO STATE MINIMUM WAGE LAWS TIE MINIMUM RATE TO CHANGES IN COST OF LIVING

If a minimum wage tied to cost-of-living changes had substantial advantages, almost certainly some individual State would have experimented with such a provision. Since none have, the implication is clear that the effects of such a provision have been considered and found undesirable. Why experiment on a national basis with something the States have deemed it unwise to try?

CHANGES IN PRICE LEVEL AND NATIONAL DEBT

A severe drop in the price level will make the burden of the war debt unbearable. Many factors which were not operative in the 1930's (including unemployment insurance) militate against such sharp declines.

On August 6, 1949, I received from Elzabeth S. Magee, general secretary for the National Consumers League for Fair Labor Standards, Engineers Building, Cleveland, Ohio, an analysis of the minimum wage bills introduced by Representative WINGATE LUCAS (H. R. 4272) and Representative JOHN LESINSKI, chairman of the House Committee on Education and Labor (H. R. 5856) which I now quote verbatim:

THE LUCAS VERSUS THE LESINSKI BILL AMENDING THE FAIR LABOR STANDARDS ACT

MINIMUM WAGE

H. R. 4272 would raise the minimum from the 40-cent rate decided on by Congress in 1938 to 65 cents, the same rate which the Senate approved in the spring of 1946 and which was reported then by the House Labor Committee. Since that time, the cost of living, as measured by the Consumers' Price Index of the Bureau of Labor Statistics, has increased by a third. (Parenthetically, we must point out that the BLS index admittedly does not measure total living costs for low paid workers throughout the country, but is rather a measure of prices for moderate income families in large cities. In other words, the real rise in living costs in the period mentioned is significantly higher than even the 30-percent increase indicated by the index.)

A 65-cent minimum wage would benefit less than 500,000 workers, or about 2 percent of those now covered by the Fair Labor Standards Act. Most workers who get less than 65 cents are barely below that figure. The direct cost of raising their wages to 65 cents would be less than one-tenth of one percent of the wages of workers now subject to the Act. By comparison a 75-cent minimum would directly benefit three times as many workers. Even then lifting the minimum to 75 cents would raise wages of covered workers by less than 1 percent.

COST OF LIVING TIE

H. R. 4272 would tie the minimum wage to the cost of living, placing a lower floor of 50 cents as the rock bottom below which the minimum would not be permitted to go. The bill would use the Consumers' Price Index of the Bureau of Labor Statistics as the measuring rod. This would certainly be to the disadvantage of the lowest paid wage earners.

H. R. 4272 thus would establish an uncertain, rather than a stable floor under wages, which would provide no real support for the wage structure in times of recession. Except in periods of war or serious economic upheaval, employers, employees, and the Government alike would be plagued by frequent (perhaps yearly) changes in the minimum.

EXEMPTIONS

Like H. R. 5856, H. R. 4272 would extend new minimum-wage exemptions to those taxicab companies at present covered; to certain weekly or semiweekly newspapers with circulation between 3,000 and 5,000; and to telegraph agencies in otherwise exempt retail or service establishments where the monthly telegraph revenue does not exceed $500. H. R. 4272 would also exempt many establishments not now regarded as retail, provided 75 percent of the sales are "not for resale" and are "recognized as retail sales or services in the particular industry." The effect of using such ambiguous terms would be to leave it up to employers in such industries as to whether they want to be covered by the law or not. This language is clearly intended to open a loophole rather than define the scope of the law.

By contrast, only one of the minimum wage exemptions is narrowed, that for employees of airlines. On this point, former

Congressman Robert Ramspeck, now executive vice president of the Air Transport Association of America, told the Education and Labor Committee that he doubted that "any air line that we represent has got as many as half a dozen employees" receiving less than $1 per hour.

H. R. 5856, on the other hand, would also bring under minimum-wage coverage about 150,000 seamen, and about 90,000 employees engaged in the onshore processing or handling of fishery products. It would add some new exemptions, but would result, nevertheless, in a net addition of about 115,000 workers to minimum-wage coverage. There would be a net addition of about 675,000 workers to the protection of the overtime provisions. Among the groups of employees who would be placed under the overtime requirement would be more than half a million employees of motor carriers, more than a hundred thousand employees of pipe lines and air carriers, 90,000 employees engaged in handling or processing of fishery products onshore, and more than a hundred thousand employees handling or processing farm products (through elimination of the present section 7 (c)).

BASIC COVERAGE

H. R. 5856 would not change the established meanings which the term "commerce and the production of goods for commerce" have under the Fair Labor Standards Act. H. R. 4272 would, however, deny the benefits of the act to at least three-quarters of a million employees, by narrowing the definition of the word "produced."

This definition would change the phrase "necessary to the production" to "indispensable to the production," whatever the difference between "necessary" and "indispensable" may be. It also would require that processes or occupations indirectly covered must be "closely related" to production for commerce. These phrases are deliberately unclear as to intent and purpose nor would the application of such language become clear until after years of litigation.

REGULAR RATE OF PAY

Both H. R. 4272 and H. R. 5856 are designed to clarify the meaning of the words "regular rate" on which overtime is based under the act. Both bills incorporate the substance of the overtime bill H. R. 858, which became law last month, and specify how many other types of payments (other than night, week-end, and holiday premiums) are to be treated. H. R. 4272, however, fails to outlaw the Missel formula, under which workers with irregular hours of work and a stated weekly salary have a constantly decreasing "regular rate" as the hours of work during the week increase. H. R. 5856 sets up a number of safeguards to prevent abuse of the Belo plan (under which weekly salary may be regarded as including overtime payments up to a specified number, in one case up to 84 hours a week), whereas H. R. 4272 may seriously modify the present court restrictions on the use of such plans.

CHILD LABOR

H. R. 4272 would directly prohibit oppressive child labor in interstate commerce or in the production of goods for commerce. The bill would also prevent parents employing children under 16 in hazardous occupations, just as they are now prevented if the children are 16 or 17. H. R. 5856 also includes these two provisions, but also improves the child-labor exemption for employment in agriculture by recasting it on a "outside of school hours" basis. H. R. 4272 continues the present unsatisfactory, and highly variable basis, "while not legally required to attend school."

ADMINISTRATION

H. R. 5856 contains three important improvements in the administrative provisions of the act: (1) It gives the administering agency authority to collect wages due under the act (giving employers who pay under such suits or otherwise under the supervision of the administering agency, protection from employee suits for liquidated damages under section (16 (b)); (2) it provides rule-making authority similar to that provided many other agencies, providing greater certainty to employers and employees alike; and (3) it would make the Secretary of Labor responsible generally for administration, thereby accomplishing one of the proposals of the Hoover Commission.

H. R. 4272 makes none of these important administrative changes. Instead of power to collect back wages due under the act, H. R. 4272 merely provides immunity from employee suits for liquidated damages if employers pay wages due under the supervision of the administering agency. Instead of clear-cut rule-making authority, H. R. 4272 merely copies certain phrases from the Portal-to-Portal Act, which would in any case be applicable to regulations or interpretations of the Administrator. Instead of centralizing authority for administration under the Secretary of Labor, H. R. 4272 disperses authority by transferring from the Administrator to the Secretary of Agriculture the authority to define "areas of production."

From all of the foregoing it is my firm belief that the Lesinski bill, H. R. 5856, with some slight amendments, is the bill which received my support and which I think should have been adopted by the Congress.

Eglin Field's Great Work

EXTENSION OF REMARKS

OF

HON. ROBERT L. F. SIKES

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, August 2, 1949

Mr. SIKES. Mr. Speaker, one of the most interesting of recent publications is an article in the August issue of the Martin Star telling of the very important work currently carried on at the Eglin Air Force Base under the command of Maj. Gen. William E. Kepner. I am glad to call it to the attention of the House. It is as follows:

AT EGLIN AIR FORCE BASE THEY'VE PROVED MARK TWAIN WRONG—THEY'VE DONE SOMETHING ABOUT WEATHER—3,000,000 CUBIC FEET OF IT, ANYWAY

Some years ago engineers working on air conditioning for movies, night clubs, public buildings, and homes began to make Mark Twain's classic remark about the weather look silly. With the passing years, the Twain bon mot has become even more silly, but it took a group of inquisitive and imaginative Air Force officers and engineers to do the job in a big, big way.

The result of their needs and ingenuity is a building at Eglin Air Force Base, Fla., called the climatic hangar, where weather the likes of which Mark Twain's era never even dreamed about is manufactured to order. In the 2 years it's been completed, the hangar, according to reliable estimates, has paid for itself in the savings made possible by being able to find out things in the hangar that formerly called for long, tiresome, and expensive field trips.

Eglin AFB is the Air Proving Ground of the USAF Air Matériel Command, which has headquarters at Wright-Patterson Air Force base near Dayton, Ohio, writes the specifications and does the buying for just about everything the United States Air Force requires. A lot of the things used by the Air Force are developed at Wright-Patterson, manufactured under contract. Whether the item is a complete airplane, a new parachute, uniforms, helmets, engines, or a food container, it goes back to Wright-Patterson for testing to see that specifications have been met, the product is what was anticipated.

Safely past the first hurdle, the item goes to Eglin, where it really has the book thrown at it. The airplane or engine or clothing submitted to Eglin must prove itself under rigorous and extensive simulated conditions—then through operational conditions in the field.

As far as is humanly possible, nothing is left to chance. In a future conflict too much will be at stake to take chances on anything that is not of top quality and has proved itself—and it's Eglin's job to see that the Air Force's equipment is the best there is.

It's part of the job, also, to develop uses and tactics for new materials, so that by the time an accepted article is being delivered in quantity to the Air Force, not only has it been tested and proved, but just what can be done best with it has been determined.

The climatic hangar is a long and time-saving step forward in the work Eglin does to prove Air Force equipment. Will a certain airplane engine perform at peak efficiency at 40° below zero in a howling blizzard? Will a certain lubricating oil do its job when the thermometer is 125° above zero? Will a canned food or a new type uniform cloth be able to take the heat and high humidity of the jungle? Will a machine gun operate properly under any climatic condition in which it may be used? With the help of the climatic hangar, Eglin officers can come up with the answers in short order without disturbing their well-ordered routine. These answers are subject to later further proving in field tests in Alaska or Panama or the Mojave Desert, but the climatic hangar will doubtless have uncovered the majority of bugs, if any existed, and pointed out corrections before field tests were made.

Being the only one of its kind in this country, the hangar has been extensively used by other services, too; the Navy sending airplanes and other equipment, the Army sending tanks, ordnance, and a wide variety of miscellany.

Eglin Air Force Base is not just the climatic hangar. Far from it. Located on the coast of the Gulf of Mexico in northwest Florida about 50 miles east of Pensacola, Eglin is a group of airdromes and proving fields scattered over an area roughly 50 miles from east to west and 20 miles from north to south. Eglin Field, where headquarters is located and most of the proving work done, is almost in the center of the base, on Choctawhatchee Bay. It's sparsely settled country, covered with scrub pine and a few pineapple palms, which makes the location ideal from a security angle, as much of the work is confidential.

The location also proved ideal last fall when Operation Combine III was held at Eglin. Combine III was at that time and still is the largest simulated amphibious assault exercise held jointly by the Air Force, the Navy, the Marines, and the Army. During the operation an imaginary invader made a successful landing and captured an "enemy country." It was a full-dress affair and officers at the base are still justly proud of the success of the exercise.

Scattered throughout Eglin are 10 airdromes and numerous bombing and gunnery ranges. Aircraft are actually only a part of the program, which includes bombing, electronic equipment, photographic, and weapons. The growth of guided missiles has put additional work on the test units although this will probably be relieved shortly when the new joint missile-testing range at Banana River, Fla., is opened.

All of the work is not confined to Eglin, either, as Air Force personnel, services, facilities and assistance are supplied to the Army's Ordnance Department and Chemical Warfare Service to successfully complete engineering and development tests on specialized types of equipment. This work is handled at the Aberdeen Proving Ground, Md., the Edgewood Arsenal, Md., and at the Muroc Lake (Calif.) Proving Ground. These widespread operations of the air proving ground, midway between the procuring and operating agencies, is giving the United States Air Force the best possible equipment and operating techniques, leading to superior air power.

Since the climatic hangar was completed and went into service a couple of years ago, however, it has proved just about the most important single thing at Eglin.

The floor of the hangar provides a clear working space, 200 by 250 feet, with curved ceiling rising to 60 feet in the center. It's big enough for the Air Force's largest bomber, the B-36, to get inside, although there's not too much room left. A number of smaller rooms surround the big hangar, each for a special purpose, each operating independently of the others.

Several airplanes will be placed in the hangar at one time for testing and it's not unusual to find a Navy fighter cheek by jowl with an Air Force B-50; an Army tank in one corner opposite a shelter hut, with miscellaneous gear filling up any empty floor space that may be left.

Name your weather, and it can be reproduced inside the hangar. Any temperature from minus 70° to plus 165° can be made to order, with relative humidity from 10 to 95 percent when the temperature is not lower than 50° F.

As weather on a world-wide basis is not merely temperature and humidity, to these conditions in the hangar can be added wind storms up to 100 miles per hour in combination with sleet, snow, rain, dust, or sand to order. The sun's rays being the important item they are in lasting qualities of matériel, sun lamps can be turned on that give the equivalent of the noonday sun in the desert.

In this roughly 3,000,000 cubic feet of northwest Florida, then, you could have a desert sun beaming down on a 75-mile wind that's blowing sand through hot air that's only 10 percent humid. It's a condition that could and does exist, but for testing purposes the Eglin hangar has it all over putting an airplane out in the Sahara—because the conditions can be kept constant for days on end, speeding up the test immeasurably with no relapses for lack of natural wind or the sun going down in the evening.

The same thing is true, of course, when Arctic conditions are required or a hot, teeming equatorial jungle. As Air Force and other military equipment is required to be able to operate under all these extremes of conditions (with possibly only minor modification), it's easy to see why the climatic hangar is paying off in rich dividends of time, money and effort saved.

Not that field trips have been eliminated by the hangar. No matter how carefully a product may be made, there are bound to be some bugs discovered when it goes into actual service, so field trips are still necessary to further prove products after the climatic hangar tests, but a lot of time and trouble has been saved.

The smaller test rooms surrounding the hangar have a wide variety of uses, including block testing for reciprocating, jet and turbo-jet engines; motorized vehicles and ground equipment; clothing, food, small items—under any conditions that can be reproduced in the big hangar. The small rooms have the added advantage that they can reproduce in a matter of two or three hours a complete cycle of heat, humidity, sun and storm, the conditions that would occur in a 24-hour period in the desert, a jungle or the Arctic.

In block testing engines, special provisions have been made to provide air and take care of the exhaust or reciprocating engines. Jet engines consume a terrific amount of air and in a sealed room to provide this air was quite a neat piece of engineering, but a jet on test can be supplied with 8,600 pounds per minute of air, at temperatures as low as minus 62° F. when the outside wet bulb temperature is 40° F. Jet engines cannot be run more than 20 minutes in each hour with a maximum of four such tests before the refrigerating equipment has to be defrosted. Exhaust from the reciprocating engines is taken directly from the engines to the outside through insulated pipes. Baffles prevent the sound of engines on the test block from traveling throughout the hangar through air ducts.

The spectacular room is the hangar, the one which has received the most publicity, however, is the all-weather room for physiological proof testing of personnel and personal equipment under extreme weather conditions.

In this room, which is 34 by 13 feet and 11 feet high, temperatures can be lowered from plus 70° to minus 70° in 24 hours, or raised from plus 70° to plus 170° in a mere matter of 2 hours. Windstorms, rain, snow, and sand can be introduced into the room, which may also be partially flooded with water for testing of life rafts, immersion suits, and such.

Equipment is not the only thing tested in the all-weather room, however. Personnel is frequently introduced into the chamber and the men undergo the same wide variety of climatic conditions as the matériel, are closely watched and given frequent medical examinations to see how they stand up. After all, the best of equipment is not worth a whoop if the men who must operate it break down under climatic conditions. The Air Force knows a wonderful lot about just how much a man can stand physically and mentally—much of it coming from the controlled conditions of the all-weather room at Eglin.

Smaller rooms are devoted to many specialties as their names indicate; hot test, cold test, jungle test, tropic-marine test, and desert test. Each room has its own complete air-conditioning system and can operate for long periods at cycled day and night weather conditions, putting in the equivalent of a year's actual conditions in a couple of weeks. This permits determination of the effects of long weathering on equipment and material.

All test rooms and the hangar are provided with observation windows or rooms where watchers can see what is going on inside, the while recording instruments are telling exactly the conditions.

During tests, of course, men are actually working inside the hangar, clothed to provide protection against the extremes of weather conditions being reproduced. If the hangar is making a desert test with temperatures well over the 100° mark, then the men in the hangar are provided with hooded coverall clothing to which is attached a tube carrying a stream of cooled air which exhausts at the wrists and legs—a real air-conditioned suit. There should be a fortune in it for the man who can adapt the idea for commercial use during hot summer days. If the hangar is operating under cold conditions the men, naturally, wear Arctic clothing, including electrically heated suits.

Observers who want a closer look-see than is provided by the observation windows of the hangar may enter one of two portable observation rooms which can be wheeled out onto the floor. Air conditioned for normal temperatures, the portables are provided with antifrosting windows.

Engines are, naturally, run in the hangar as well as the block test room. The exhaust gives off heat, but so vast is the room and so efficient the refrigerating equipment that a 2,500 horsepower engine can be run at full power for 20 minutes and only raise the temperature from its minimum of minus 70° to minus 65°. Such 20-minute tests run at intervals of an hour will finally stabilize the temperature at minus 60°.

Machine guns and aerial cannon likewise need to be tested under extremes of temperature, and Eglin has a very neat arrangement for that, too.

Three ports in the south wall of the hangar, at varying heights above the floor, can be opened so that guns with live ammunition may be fired through them. The loss of air during this operation is negligible and causes no fluctuations in temperature.

In aircraft testing there is naturally the hazard of fire, but a flame would have its head soaked off instantly if it appeared at the climatic hangar—there are seven different sytsems of fire alarms and fire extinguishing. In addition to the usual manual hand extinguishers and water hose lines, there are water fog, carbon dioxide, foam and water deluge systems for putting out a fire. A flame wouldn't have a chance.

Eglin Air Force Base is a big place physically, where thousands of officers, enlisted personnel and civilians are using every device at their command or that their ingenuity can dream up to see to it that the USAF is the best there is in the world. Should another war come, Air Force men from the Poles to the Equator will be able to give thanks to the men of Eglin who have tried and proved every item the fighting man is provided with.

National Housing Act Great Victory

EXTENSION OF REMARKS

OF

HON. ARTHUR G. KLEIN

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, August 10, 1949

Mr. KLEIN. Mr. Speaker, I believe that you and all other supporters of an adequate Federal housing program will agree with me that the passage of the National Housing Act, Public Law 171, was a great victory for those who believe that Government has a right and a duty to fill those areas left vacant by private enterprise.

The National Housing Act is not, as its detractors have said, a creeping socialism but a dynamic program of economic expansion to fill a genuine need—the need for stimulation of the housing industry, with accent on providing the opportunity of decent shelter at a price they can pay for American citizens of low income, both in the cities and on the farms.

The declaration of policy in the preamble of the act is itself a monument to the advance of the contemporary philosophy that in our complex social and economic structure democratic government has a duty to its people.

I quote the preamble:

DECLARATION OF NATIONAL HOUSING POLICY

SEC. 2. The Congress hereby declares that the general welfare and security of the Nation and the health and living standards of its people require housing production and related community development sufficient to

remedy the serious housing shortage, the elimination of substandard and other inadequate housing through the clearance of slums and blighted areas, and the realization as soon as feasible of the goal of a decent home and a suitable living environment for every American family, thus contributing to the development and redevelopment of communities and to the advancement of the growth, wealth, and security of the Nation. The Congress further declares that such production is necessary to enable the housing industry to make its full contribution toward an economy of maximum employment, production, and purchasing power. The policy to be followed in attaining the national housing objective hereby established shall be: (1) private enterprise shall be encouraged to serve as large a part of the total need as it can; (2) governmental assistance shall be utilized where feasible to enable private enterprise to serve more of the total need; (3) appropriate local public bodies shall be encouraged and assisted to undertake positive programs of encouraging and assisting the development of well-planned, integrated residential neighborhoods, the development and redevelopment of communities, and the production, at lower costs, of housing of sound standards of design, construction, livability, and size for adequate family life; (4) governmental assistance to eliminate substandard and other inadequate housing through the clearance of slums and blighted areas, to facilitate community development and redevelopment, and to provide adequate housing for urban and rural nonfarm families with incomes so low that they are not being decently housed in new or existing housing shall be extended to those localities which estimate their own needs and demonstrate that these needs are not being met through reliance solely upon private enterprise, and without such aid; and (5) governmental assistance for decent, safe, and sanitary farm dwellings and related facilities shall be extended where the farm owner demonstrates that he lacks sufficient resources to provide such housing on his own account and is unable to secure necessary credit for such housing from other sources on terms and conditions which he could reasonably be expected to fulfill. The Housing and Home Finance Agency and its constituent agencies, and any other departments or agencies of the Federal Government having powers, functions, or duties with respect to housing, shall exercise their powers, functions, and duties under this or any other law, consistently with the national housing policy declared by this act and in such manner as will facilitate sustained progress in attaining the national housing objective hereby established, and in such manner as will encourage and assist (1) the production of housing of sound standards of design, construction, livability, and size for adequate family life; (2) the reduction of the costs of housing without sacrifice of such sound standards; (3) the use of new designs, materials, techniques, and methods in residential construction, the use of standardized dimensions and methods of assembly of home-building materials and equipment, and the increase of efficiency in residential construction and maintenance; (4) the development of well-planned, integrated, residential neighborhoods and the development and redevelopment of communities.

Title I of the National Housing Act makes provision for planned slum clearance and community development and redevelopment in practical terms.

Title II provides temporary extension of title I and section 608 of title 6 of the expiring act.

Title III carries the provisions for low-rent public housing—a vast program designed to rehouse almost a million low-income families by local enterprise. This is the heart of the act; and you will recall that while the House sat in Committee of the Whole, by a deft parliamentary maneuver, this entire section was struck out, so that no liberalizing amendments could be offered, but it was later restored, without change.

This is not to say that I had strong objections to the title as it stood; but many of us wished to clarify the language and spell out a more flexible policy of eligibility.

Title IV makes provision for an extensive program of technical research in the production and improvement and cost reduction of housing.

Title V makes the same kind of guaranteed local financing and construction available to American farmers living in slum conditions.

There are important general provisions in title VI, including authorization for extending benefits of the act to the District of Columbia.

LOBBIES OPPOSED BILL

The vast real-estate lobby—a lobby which, in its broadest sense, includes the builders, the manufacturers of materials, the dealers, the contractors, and even some of the organized artisans, fought this act with every resource at its command.

When all else had failed the opponents of public housing, who worked for generations to fasten on American life the objectionable and extra-legal system of religious and racial covenants, cynically fell back on a so-called civil-rights amendment which would purport to prohibit segregation in projects built under this act.

The fact is, as every Washington observer knew at the time, that this skillful and cynical maneuver was intended to kill the bill, both in House and Senate; and its diabolical cunning is demonstrated by the fact that in my own district, where there is unanimity of opposition to all discrimination, a few of my own constituents swallowed the bait and wrote to me, upbraiding me for having voted against these spurious proposals.

TO CLARIFY PROVISIONS

Mr. Speaker, in order to clarify the provisions of title III for the people of my district, to whom these sections are of paramount importance, I am inserting in the RECORD, under consent, an exchange of correspondence between myself and Mr. Raymond M. Foley, Administrator of the Housing and Home Finance Agency, which will, I am sure, be followed with interest:

JULY 25, 1949.

Hon. RAYMOND M. FOLEY,
Administrator, Housing and Home Finance Agency, Washington, D. C.

DEAR MR. FOLEY: As you are aware, I am among the most ardent supporters of public housing in the present Congress. It is a subject of very great importance to my own congressional district and to the great metropolis of which the Nineteenth District is is a part. You are equally aware of my militant opposition to discrimination in any form or in any place against any person and arising from any specious cause.

You will also recall that I consulted your office in regard to a widely expressed desire among my constituents that I offer certain clarifying and liberalizing amendments relating to eligibility for entrance and continuing tenancy and to computation of rental when H. R. 4009 was taken up by the House, and that Mr. Berchmans T. Fitzpatrick, your general counsel, was kind enough to come himself to my office to discuss the amendments with me.

When, in Committee of the Whole House, all of title II was struck out, I was necessarily precluded from offering my amendments, under the rules of the House; but the text of the proposed amendments is given in my remarks appearing on pages 8644–8646 of the CONGRESSIONAL RECORD of June 29.

In view of all this, you can imagine my surprise when I was accused, in newspapers circulated among tenants of public-housing projects in my district, of having championed discrimination by joining in the teller vote against the Fulton amendment (p. 8718, June 28), and of having refused to offer the amendments requested by my constituents.

I should be grateful to you for an expression of opinion from you as to necessity and desirability of the Fulton amendment and of my own amendments, with comment as to standards of eligibility and computation of rentals under title II in Public Law 171.

Sincerely yours,

ARTHUR G. KLEIN,
Member of Congress.

HOUSING AND HOME FINANCE AGENCY,
Washington, D. C., August 5, 1949.

Hon. ARTHUR G. KLEIN,
United States House of Representatives, Washington, D. C.

DEAR CONGRESSMAN KLEIN: This will acknowledge and thank you for your letter of July 25 with reference to H. R. 4009, now Public Law 171, Eighty-first Congress, approved July 15, 1949.

I can certainly appreciate your interest in the problems of the tenants in a federally aided low-rent housing project operated by the New York City Housing Authority in terms of possible eviction. I also appreciate your discussing the matter at length with our general counsel and realize, of course, that, due to the parliamentary situation which prevailed in the House when H. R. 4009 was debated, you were prevented from offering amendments to the public-housing title of the bill through circumstances entirely beyond your personal control.

I believe, however, that there is a reasonable amount of flexibility under the bill, as passed, to meet the situation which your amendments would have been directed. For example, with respect to your proposed amendment relating to the exclusion of income derived from veterans' disability pensions, I call attention to the fact that, under section 502 (c) of the Housing Act of 1948, the Public Housing Administration is authorized to exclude amounts paid by the Government for disability or death in connection with military service in determining net income for the purposes of admission and continued occupancy of federally aided low-rent housing projects. Also, with respect to your proposed amendment that, for the purpose of determining net income for continued occupancy, at least 40 percent of the income of any member of the family other than the head of the family should be excluded, I desire to call attention to section 306 of the Housing Act of 1949. This permits a hundred-dollar deduction for each minor member of the family, or, alternatively, the exclusion of all or any part of annual income of any minor member of the family. Also, as you know, courts have been extremely lenient in eviction cases. In those cases where it clearly appears to the court that ineligible tenants have made all reasonable efforts to find other satisfactory

housing and have been unable to do so, the courts have generaly granted a stay of any actual eviction.

With respect to the rejection of the so-called Fulton amendment prohibiting any discrimination in public-housing projects, I am informed that the leadership in the House of Representatives and the sponsors of H. R. 4009 considered this amendment as an attempt to defeat the urgently needed housing bill, and that a vote for the amendment would have been considered by many as a vote against the housing bill. In fact, the almost identical situation obtained when a similar amendment was offered in the Senate and was defeated by an overwelming vote.

Your continued interest in, and support of, progressive housing legislation is greatly appreciated and if, at any time, I can be of further assistance to you, please let me know.

Sincerely yours,

RAYMOND M. FOLEY,
Administrator.

Resolution by Dorothy Frooks, Counselor at Law, New York City

EXTENSION OF REMARKS
OF
HON. FREDERIC R. COUDERT, JR.
OF NEW YORK
IN THE HOUSE OF REPRESENTATIVES
Wednesday, August 10, 1949

Mr. COUDERT. Mr. Speaker, under leave to extend my remarks, I include a resolution expressing the views of a constituent as to how the United Nations can be made to function properly:

Whereas people are dependent upon the peaceful condition and international stability in the world, especially now that air progress and atomic uses can be made to annihilate time, distance, and people; and

Whereas many proposals such as Federal Union, United World Federalist, World Republic, United Nations Reform, and similar thoughts have been advanced by thinking people, all with a World Government as an ultimate goal; and

Whereas the core of world-security problems in the relationship between the East and West, particularly the United States as one powerful group and United Soviet Socialist Republic (another powerful group), wherein the rift has been noted; and

Whereas the United States has given privileges of travel throughout the United States to the United Soviet Socialist Republic and they have not reciprocated the same privileges to the United States of America; and

Whereas the fundamental difference between these two countries are shown in the interpretations of statements, made by its public officials, wherein the officials of Russia represent the policy of the Government while in the United States the officials do not represent the policy of the Government but are individual statements, and thus cause mistaken attitudes and misunderstandings; and

Whereas the United Nations has followed an active policy of strengthening the United Nations by creating an Interim Committee or Little Assembly and the General Assembly of the United Nations; and

Whereas the machinery of the United Nations reaching into all nations by means of interim committees or little assemblies to be on constant duty would improve understanding, interpretation, and international relationship: Therefore, be it

Resolved, That the people submit this resolution to the General Assembly of the United Nations, that an Interim Committee or Little Assembly such as was created November 13, 1947, in accordance with article 22 of the Charter of the United Nations, be established in every member nation, and thus discharge responsibilities along with administrative matters, social, economic, and human rights tasks for which each such Interim Committee or Little Assembly be solely responsible. By this method, all nations will have the open door, to give as well as receive, and solve local international problems before submitting problems to the General Assembly. Any member nation that would not cooperate in permitting the presence and continuous duty of the Interim Committee or Little Assembly within its domain is not worthy of membership in the United Nations and should be dealt with as a violating nation by sanctions and other means provided for in the Charter to preserve the peace and security of the world, prior to possible physical conflict; and, *be it further*

Resolved, That the Interim Committee or Little Assembly in each nation be composed of representatives that are qualified by training and language in that respective country thus widening the opportunities and interest in the objectives of the United Nations.

Resolutions of Iowa Department of AMVETS

EXTENSION OF REMARKS
OF
HON. KARL M. LeCOMPTE
OF IOWA
IN THE HOUSE OF REPRESENTATIVES
Wednesday, August 10, 1949

Mr. LECOMPTE. Mr. Speaker, one of the great organizations of the veterans is known as the American Veterans of World War II, or popularly called the AMVETS. Recently a convention of the Iowa department of this great organization met in State convention at Ottumwa, Iowa, and on this occasion adopted a very significant set of resolutions. Under leave, to extend my remarks in the RECORD, I include a copy of these resolutions so that all Members of Congress may know the position of the AMVETS of Iowa relative to pending legislation and great national problems.

The resolutions adopted at Ottumwa, Iowa, on July 24, 1949, read as follows:

RESOLUTIONS ADOPTED BY THE FIFTH ANNUAL CONVENTION OF THE IOWA DEPARTMENT OF AMVETS AT OTTUMWA, IOWA, JULY 24, 1949

I. VOTE OF THANKS

Whereas all delegates and AMVETS members attending the State convention at Ottumwa, Iowa, July 22, 23, and 24, 1949, have reported an excellent time and a friendly reception: Be it

Resolved, That this convention expresses its heartfelt gratitude and appreciation both to the citizens of Ottumwa, Iowa, and the membership of the Ottumwa AMVETS Post, No. 20, and particularly to Ben Ellsworth, convention chairman, and his worthy staff.

Vote of thanks to past State officers

Whereas the State department of AMVETS has had an outstanding record for the year 1948-49 and has achieved great progress in all departments: Therefore be it

Resolved, That a vote of thanks be given to the State officers of Iowa AMVETS for their untiring efforts throughout the past year which has made AMVETS the best veterans' organization in the State of Iowa.

II. STRENGTHENING OF THE UNITED NATIONS

Resolved by the Iowa Department of AMVETS, That it should be a fundamental objective of the foreign policy of the United States to support and strengthen the United Nations and to seek its development into a world federation open to all nations with defined and limited powers adequate to preserve peace and prevent aggression through the enactment, interpretation, and enforcement of world law.

III. REHABILITATION FOR CRIPPLED AND HANDICAPPED CHILDREN

Whereas we AMVETS of World War II are vitally interested in the general welfare of all community activities, especially regarding children and adults who will make future citizens to further the American way of life, and whereas there unquestionably proves to be a definite need for the perpetuation of special services and consideration to the unfortunate who will repay the community and Nation threefold if given an opportunity.

Whereas we AMVETS are organized to perpetuate the American way of life feel it compulsory, we resolve to go on record as endorsing the program of rehabilitation for crippled and handicapped children as carried on by the Iowa Society for Crippled Children and Adults, and support the program of the organization.

IV. SERVICE OFFICERS CORRESPONDENCE COURSE

Whereas we in Iowa are most fortunate in having a national service officer who so industriously prepared the best service officer correspondence course known to any veterans' organization, and where we at this fifth annual State convention feel we should take action to aid in the erection of this program on a national level: Be it

Resolved, That we continue to promote this program in the State and request that national also adopt the course in order to extend an unparalleled training program with our organization on a national level.

V. CHILD WELFARE PLAN

Whereas Iowa during World War II lost 8,340 men, many of whom were married with from one to four children; and

Whereas we as Americans of World War II organized solely for the purpose of helping this Nation to prepetuate a better way of life, especially for those who sacrificed the most through the war; and

Whereas we as citizens of the United States realize our responsibility to the future and well-being of our Nation; and

Whereas we as an organization personally owe a debt of gratitude to those men who so faithfully forfeited their lives to create a better country in which to raise their children: Therefore be it

Resolved, That we adopt the Illinois Child Welfare plan which proclaims that:

1. Each post appoint a chairman who secures lists of children made fatherless by World War II.

2. One AMVET sponsors one child—visits the child each month, helps with benefits, and does other little things his dad would have done. Post welfare officers keep records of visits to child.

VI. HOUSING

The American Veterans of World War II (AMVETS) of the United States of America, meeting at the fifth annual State convention in Ottumwa this 24th day of July 1949, being acutely aware of the utter deplorable situation regarding shortage of housing for not

only the World War II veteran's families, but all American families as well, and that whereas the situation caused by the two past decades and the advent of World War II which strikes at the very roots of our American way of life; and

Whereas every American is entitled to a decent and respectable place in which to live, the Housing Committee for this State convention hereby offers these following ideas which it believes are the only practical solutions for World War II veterans to obtain decent housing at a fair price. The following resolutions are made by this committee:

1. We believe that the State legislative director of AMVETS should encourage legislation in the next Iowa General Assembly to pass legislation which will enable local authorities in Iowa to borrow Federal funds under the Housing Act of 1949.

2. We believe that each post should appoint a housing committee to offer advice and aid to veterans in regard to the Housing Act of 1949.

3. We believe that the general policy of rent control should be continued at this time.

4. We believe that the standardization of construction materials and other methods used in mass-production industries can lower cost and increase production.

VII. VETERANS DOMICILIARY CENTER

Be it resolved, That the Iowa Department of AMVETS express its deep and sincere gratitude to the Honorable HENRY O. TALLE, of Iowa, Senator WAYNE B. MORSE, of Oregon, and to the other Members of the Congress of the United States for the reopening of the former Schick General Hospital at Clinton, Iowa, as a veterans' domiciliary center; be it further

Resolved. That the Iowa Department of AMVETS assembled in Ottumwa, Iowa, during this, the 1949 State convention, go on record in strong support of expanding to its full capacity all the facilities available at the former Schick General Hospital now known as VA domiciliary center, and that a hospital unit be established according to the intent of the Congress; be it further

Resolved, That a copy of this resolution be forwarded to Gen. Carl R. Gray, Veterans' Administrator, to the Honorable HENRY O. TALLE, and Senator WAYNE B. MORSE.

VIII. INCOME-TAX EXEMPTION

Whereas veterans of all wars in which the United States has been a participant made sacrifices of a financial nature during that period of time when others were enjoying high earnings and profits of wartime economy; and

Whereas it has been the custom of the Government of the United States to reward war veterans for their service by granting special considerations, and in some instances, bonuses; Now, therefore, be it

Resolved, That the Congress of the United States amend the Federal income taxation laws to provide that every honorably discharged veteran be granted an annual exemption of $600 in addition to his normally allowed exemptions.

IX. PACIFIC PACT

Whereas the first objectives of AMVETS is to promote world peace; and

Whereas the principal threat to peace today is the spread of world communism; and

Whereas we are the veterans of World War II who fought our way through such jungle hell as Tarawa, Iwo Jima, Guadalcanal, because once before in history we paid too little attention to the Pacific area; and

Whereas the Truman doctrine, the Marshall plan, and now the Atlantic Pact have largely restrained the spread of communism in Europe; and

Whereas communism is a world problem—not confined only to Europe—and is at present rapidly spreading in the Far East; and

Whereas once again in the very area that ignited World War II a great nation, China, is being engulfed by a slave ideology: Therefore be it

Resolved, That AMVETS of Iowa demand that the United States try to reach an agreement with the free nations of the Pacific, toward the development of a defensive Pacific Pact along the line of the Atlantic Pact so that the spread of communism may be checked in that area of the world, as it has been largely assailed by a similar policy in Europe; be it further

Resolved, That the Iowa Department of AMVETS go upon record as recommending to the national convention of AMVETS the passage of a similar resolution.

X. ABSORPTION OF OTHER WORLD WAR II VETERANS' ORGANIZATIONS

Whereas considerable discussion has taken place regarding the absorption of other World War II veterans' organizations into AMVETS; and

Whereas it is deemed advisable to establish a policy in response to requests by these other World War II veterans' organizations; and

Whereas the best interests of all World War II veterans, their widows and orphans, would best be served through one strong united veterans organization with the high ideals as established by AMVETS: Be it therefore

Resolved, That the Iowa Department of AMVETS welcome and invite every eligible veteran of World War II into AMVETS; be it further

Resolved, That this resolution be forwarded to national headquarters of AMVETS for action at the national convention in September 1949.

China—Dishonest Reporting in the White Paper

EXTENSION OF REMARKS
OF
HON. LAWRENCE H. SMITH
OF WISCONSIN
IN THE HOUSE OF REPRESENTATIVES
Wednesday, August 10, 1949

Mr. SMITH of Wisconsin. Mr. Speaker, under leave to extend my remarks, I am including an editorial which appeared today in the Washington News:

DISHONEST REPORTING

The State Department appears to be guilty of some flagrant distortions of history in its efforts to discredit China's part in the war and to malign Chiang Kai-shek.

Chiang, according to Secretary of State Acheson, "saw an opportunity" to let up on the war effort against Japan as soon as the United States entered the war.

That doesn't seem reasonable. Hong Kong, Singapore, Rangoon, Bataan, and Corregidor all fell after that. The Japs moved on into New Guinea and the Solomons, bombed Port Darwin and cut the Burma Road, China's only overland supply line. There was nothing in this dismal chain of events to cause Chiang to relax, on any theory that Uncle Sam would do his fighting for him.

The famous Flying Tigers weren't reorganized as an American air force until 6 months after we entered the war. We had no other troops in China of a tactical or strategic importance until long after that. China in fact furnished the ground forces throughout the war.

To continue the fiction, Gen. Joseph W. Stilwell is quoted as saying on September 26, 1944, that "Chiang Kai-shek has no intention of making further efforts to prosecute the war." But the "whitewash" paper fails to add that "Vinegar Joe" wasn't a good prophet.

On November 3, Chiang's forces recaptured Lungling, key city on the Burma Road, and by late January had reopened that road to convoy traffic. That took some fighting.

Of course, these events occurred after General Stilwell had been relieved by General Wedemeyer. But the one-sided white paper ignores General Wedemeyer's estimate of Chiang while quoting General Stilwell, who failed in China where General Wedemeyer succeeded. General Wedemeyer has been quoted elsewhere as terming Chiang "our most faithful ally."

An answer to what had been wrong in China, not found in the State Department's brief for the defense, was given by General Odlum, Canada's ambassador to China, in an interview with Freda Utley. He said:

"Wedemeyer changed the spirit of everything. Whereas Stilwell and Gauss (our Ambassador) were inclined to build up both sides in China (the Communists as well as the Government forces) thereby weakening her and preventing her from ever becoming strong and united, Wedemeyer has given America a logical role and a consistent policy in line with American interests and the maintenance of world peace."

This is the testimony of an impartial witness who was on the scene during the period in question, as Mr. Acheson was not.

Unfortunately, when General Wedemeyer returned to the United States, the State Department reverted to its policy of double-dealing. This was climaxed by withdrawing all assistance from Chiang Kai-shek when he failed to make a deal with the Communists.

The deterioration of Nationalist China dates from that decision—made by Gen. George C. Marshall with the approval of President Truman.

Aircraft Collision

EXTENSION OF REMARKS
OF
HON. KARL STEFAN
OF NEBRASKA
IN THE HOUSE OF REPRESENTATIVES
Wednesday, August 10, 1949

Mr. STEFAN. Mr. Speaker, what are the plans of the CAA for the development of a positive warning device which will prevent collision in the air? As the total number of aircraft used in the air are increased, the collision rate will also increase under present methods. The tragedy of the Eastern Airlines in which 19 lives were lost by collision several days ago, and the collision of a Capital air liner over Milwaukee in which 6 feet of the Douglas air liner was torn off and the pilot of the other aircraft was killed, in addition to other accidents of similar types recently, makes some action mandatory. In addition to the loss of lives, other damages in this type of accident result in millions of dollars of loss. If such a device as the proximity fuze and the device used for locating minerals, oils, and so forth, can be perfected, then certainly some small, inexpensive, light electronic warning device can be devised

and its use made mandatory in all aircraft.

Why has not the CAA, the CAB, and our military air forces completed research, development, and use of some device which will prevent these air tragedies which are bound to increase as time goes on?

Writer Says Johnson Has Ordered the Navy Virtually Cut in Half

EXTENSION OF REMARKS
OF
HON. W. STERLING COLE
OF NEW YORK
IN THE HOUSE OF REPRESENTATIVES
Wednesday, August 10, 1949

Mr. COLE of New York. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following article by David Lawrence which appeared in the Washington Evening Star on August 9, 1949:

WRITER SAYS JOHNSON HAS ORDERED THE NAVY VIRTUALLY CUT IN HALF—ONLY FOUR MAJOR CLASS CARRIERS TO BE OPERATED UNDER NEW FISCAL PLANS

(By David Lawrence)

Secretary of Defense Louis Johnson has ordered the United States Navy virtually cut in half—to a size smaller than the prewar Japanese Navy. Actually the naval air arm is to be cut by 50 percent.

Only four of the major size aircraft carriers—two for each ocean—are to be maintained under the plans for the fiscal year beginning next July. This means that there would be only one carrier task force for naval operations in the seven seas, because at least four carriers are necessary for a task force.

But this doesn't mean economy. The same money—and perhaps more—is to be devoted to the United States Air Force, for which service Secretary Johnson has shown a distinct leaning as against the other armed services.

Orders have been quietly issued by the Secretary of Defense to begin planning next year's budget on the basis of a 50 percent cut in the Navy's air arm and a reduction in the other naval components. The damage to the morale of the Navy, however, will be done this year as word gets out that the United States has virtually abandoned carrier aviation after it had enabled this country to sweep 8,000 miles across the Pacific to win an unprecedented victory.

DETAILS OF DIRECTIVE

Although the new unification law contains certain safeguards forbidding the Secretary of Defense from altering the missions of the Navy or the other armed services, Mr. Johnson, by the simple device of cutting its budget, will now completely alter those same missions so far as the Navy is concerned. Here are the details of the new directive as revealed today in U. S. News and World Report:

1. Carriers of the major types to be cut from 8 to 4.
2. Carrier air groups to be cut from 14 to 6.
3. Smaller carriers to be cut from 10 to 8.
4. Marine Corps aviation squadrons to be cut from 23 to 12.
5. Antisubmarine air squadrons to be cut from 8 to 7.
6. Patrol squadrons to be cut from 30 to 20.
7. Cruisers to be cut from 18 to 12.
8. Destroyers to be cut from 162 to 140.
9. Submarines to be cut from 80 to 70.

This represents about a 50 percent cut over-all. Many of the reductions are below what the Navy considers the safe point. It is reported that even General Eisenhower did not go along with all these recommendations and felt that the Navy was cutting too much.

The cuts, of course, are part of a new plan of strategy—that is, to rely on strategic bombers to win the next war and to take a chance on keeping the sea lanes open.

This might be all right if the enemy didn't have any land-based long-range bombers or submarines to blast American ships as they try to carry fuel and supplies to European bases. Without sufficient fighter planes as a means of protecting itself against enemy bombers and submarines, the United States Navy will be as powerless as it was at Pearl Harbor in 1941.

MAGINOT LINE THINKING

The new concept resembles closely the thinking of the French general staff which relied on the Maginot line and the German general staff which relied on the Siegfried line. It provides for no unexpected contingencies. It assumes the next war will be fought in only one way and by one armed service—a land-based air force. Actually today there are only about 131 planes or about 4 groups of very heavy bombers which can bomb European targets from American shores. The other bombers and fighters of the United States Air Force must be flown from advanced bases overseas and are, therefore, dependent for their effective operation on sea lanes being kept open.

The British Navy, which has been cut down on the theory that the United States Navy would take care of its defense problems, will have to ask for more money now, and doubtless the new European arms plan discussion will include that subject.

The new orders to cut the Navy explain now not only why the large carrier *United States* was canceled but why Generals Bradley and Vandenberg voted against modernizing the existing carriers. They felt the money should not be spent for a fleet that was going into moth balls, anyway. As a matter of fact, so far as fighting strength is concerned, the whole Navy appears to be destined for moth balls. For without at least a task force of four carriers in each ocean, the Navy becomes a freight line that can't protect itself or its convoys against enemy submarines or long-range bombers.

Transportation of Alcoholic Beverages

EXTENSION OF REMARKS
OF
HON. GARDNER R. WITHROW
OF WISCONSIN
IN THE HOUSE OF REPRESENTATIVES
Wednesday, August 10, 1949

Mr. WITHROW. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following petition:

To Our Senators and Representatives in Congress:

We respectfully request that you use your influence and vote for the passage of a bill to prohibit the transportation of alcoholic-beverage advertising in interstate commerce and the broadcasting of alcoholic-beverage advertising over the radio. The most pernicious effect of this advertising is the constant invitation and enticement to drink. The American people spent $9,640,000,000 for alcoholic beverages in 1947, as compared with $7,770,000,000 in 1945. During the same period there was a corresponding increase each year in crime, juvenile delinquency, broken homes, deaths, and injuries due to intoxicated drivers, in the number of alcoholics, and also of habitual or heavy drinkers. There is every reason why this waste of money and of human values should not be increased but rather greatly decreased.

Lillie Gundersen, Mr. and Mrs. A. J. Holt, Annie Thompson, Mrs. George Ingwile, George A. Ingwile, Art Jacobson, E. Arling Jacobson, Mary Erickson, Blanchardville, Wis.; Donald Berg, Mr. and Mrs. Isaac Berg, Argyle, Wis.; Sherman Hermanson, Mrs. Sherman Hermanson, Mr. and Mrs. Andrew Ayers, G. M. Ingull, Mrs. C. E. Guldhang, Walter J. Robb, Thelma Emberson, Mrs. Philip Paulson, Phil Paulson, Roland Strommen, Harry Lien, Mrs. Harry Lien, Lois Disruid, Mrs. Theressa Martin, Mrs. H. A. Disrud, Mrs. O. H. Schindler, Mrs. William Robb, William H. Robb, Floyd Allen Hendrickson, Torgney Kleven, Lowell Kleven, Mrs. Arthur H. Hustad, Blanchardville, Wis.

Are You Opposed to 50 to 60 Cents Per Hour Minimum Wage for Producers of Food and Fibers?

EXTENSION OF REMARKS
OF
HON. REID F. MURRAY
OF WISCONSIN
IN THE HOUSE OF REPRESENTATIVES
Tuesday, August 9, 1949

Mr. MURRAY of Wisconsin. Mr. Speaker, the 19-year study by Dr. Wiley Goodsell of the Bureau of Agricultural Economics of the United States Department of Agriculture indicates that a 90 percent parity support price really means that it represents a minimum wage of 50 to 60 cents per hour for farm operators and hired farm labor. In southwestern wheat area this hourly wage may exceed this 50 to 60 cents per hour.

I refer you to the official table prepared by the Bureau of Agricultural Economics of the United States Department of Agriculture on page A3560 of the CONGRESSIONAL RECORD dated June 8, 1949. This table, as you can check, shows that in 1943 the hourly labor return was 73 cents per hour for southern Wisconsin on a typical, not average, dairy farm, and 56 cents per hour labor return for a typical central New York dairy farm. It should be noted that a subsidy was being paid at that time and that the product, milk, was selling not for 90 percent of parity but more than 100 percent of parity. You will also note that the hourly labor return for Black Prairie and Delta of Mississippi cotton growers was 46 cents per hour. This raises the question, "Are you opposed to have the American farmer receive a minimum wage of 50 to 60 cents per hour?"

On the basis of many years of observation, my personal opinion is that a support program should not cost the Federal Treasury much, if any, money. During the adjustment period it, of necessity, would require some public expenditure. The Marshall-plan funds have been used for shipping cotton, tobacco, wheat, rice and peanuts, thus removing an apparent

loss on these products, although the United States Treasury has been depleted just as much as if a subsidy had been paid. We must produce a little too much to be sure to have enough.

If any program is put in operation on a straight-across-the-board basis it might cost the American taxpayers many billions of dollars. During 1947 and 1948 the American farmers received around $30,000,000,000 for their products each year. Since the farmer receives 50 percent or less of the consumer's dollar, the consumer would pay $60,000,000,000 each year for their farm products. A 10 percent reduction in prices to the consumer would cost someone $6,000,000,000.

Present wartime excise taxes represent about $1,700,000,000 annually. Would you be willing to enact an additional excise tax or a processing tax to provide the billions necessary to operate the Brannan plan? Or, just how would one obtain these funds? Large percentages of our mail are requests to remove the wartime excise taxes.

Since no one has attempted to answer the question as to how a buy-low-sell-high program is to be financed, it is rather apparent that this is a most embarrassing question. However, one fact is quite evident, and that is that this is the first question without an answer by Washington. And, when politics and economics get mixed up together it appears that politics always seems to rise first to the top of the can. No one can deny that the straight-across-the-board program would cost between 5 and 10 billion dollars per year, according to present commodity prices, and how effectively the necessary reestablished OPA would operate. The only weakness in the present support program is its administration, as it cannot be politically administered without involving excessive costs.

There are certain facts that we must face, and I enumerate them as follows:

First. A support program cannot be economically administered unless the support is extended to only the commodities needed in the United States, and exported commodities must not enjoy export subsidies.

Second. A support program cannot be expected to be successful unless it places a control on the amounts of crops and commodities to be supported, and this control must be based on pounds, bushels, and tons and not on the number of acres. How much longer are funds to be wasted before recognizing this fact?

Third. Any support program will be unsuccessful unless it includes some control over competitive imports. This is more apparent each day.

Fourth. We are importing more pounds, bushels and tons of agricultural products than we export, and it is unfair to expect the taxpayers of this country to pay taxes to support the agricultural products of the whole world, as is the case in certain commodities today.

Fifth. The world price plus the present duties are less than the support price of many agricultural commodities. A duty based on parity should accompany a support program if the support program is to be based on a percentage of parity.

The Reds "Take" Shanghai

EXTENSION OF REMARKS
OF
HON. WALT HORAN
OF WASHINGTON
IN THE HOUSE OF REPRESENTATIVES
Wednesday, August 10, 1949

Mr. HORAN. Mr. Speaker, under leave to extend my own remarks in the Appendix of the RECORD, I am pleased to include the following article from last Sunday's New York Times:

COMMUNISTS RAISE LAND TAX A HUNDREDFOLD IN SHANGHAI

(By Henry R. Lieberman)

SHANGHAI, August 6.—Both Chinese and foreign owners of property in Shanghai, accustomed to paying their taxes in depreciated currency under the Kuomintang, are rubbing their eyes at whopping bills now being rendered for land tax by the Communist Government here.

The land tax has been set at 100 times the standard values originally fixed for 1949 last November while the Kuomintang still controlled Shanghai. In addition to presenting bills on this basis for the next 6 months, the Communists have in a number of cases claimed arrears from institutions whose property formerly was exempt from taxation.

Foreign-owned mission property is subject to taxation. Still unsettled is the question of property owned by foreign consulates whose legal status is not recognized by the Communists in the absence of formal diplomatic relations. The United States consulate, it is reported, has received bills for a house tax, but the bills have not yet been paid.

AMERICAN SCHOOL TO CLOSE

The Shanghai American School, heretofore exempt as an educational institution, was reported preparing to close today after having received a bill amounting to $76,000 (United States) to cover a land tax for the next 6 months plus alleged tax arrears.

British owners of the unused Shanghai race course, which did not reopen after VJ-day, are wondering what to do about their own tax bill amounting to about $160,000. The race course is located inside the city. The Nationalists, who frowned upon horse racing from the standpoint of austerity, exempted the property from taxation inasmuch as they kept the track from opening. Now, according to a spokesman, the Shanghai racing club operators have received a tax bill, including a tax assessment, of $25,000 for the next 6 months plus $160,000 for 3½ years of alleged arrears.

Another hard-hit institution is the Anglican Holy Trinity Cathedral whose tax bill is equivalent to $56,000.

"There must be some mistake," observed the Very Reverend A. C. S. Trivett, dean of the cathedral.

The regulations permit the exemption of private land on which the office of a benevolent or educational institutions is situated and a 50-percent reduction in the tax on private land used by schools or hospitals. There is also a provision for protest but the regulations require the payment of taxes on a specified date and call for a later readjustment if an exemption or reduction is granted.

The penalties are heavy for the nonpayment of taxes. They include interest of 3 percent on the entire tax for each day of delay, plus a 50 percent fine if the delay is more than 20 days.

REASONABLE IN NORMAL TIMES

A representative of a large foreign-owned real-estate company whose holdings are said to have been taxed at about $145,000 said this land tax would be reasonable enough if business conditions were normal in Shanghai. However, such taxes, he said, were difficult to pay under conditions of severe economic depression, disruption of trade by the Kuomintang blockade and undervaluation of foreign currency because of the lack of demand for foreign exchange.

Confronted with their own financial difficulties in administering a city of 6,000,000, the Communists appear to prefer an austerity retrenchment and taxes to the Kuomintang type of paper money inflation in meeting their budgetary problems.

The padded staffs of government organizations are being cut down and economies effected in all administrative branches. As an example of how taxes are being applied, it now costs $135 to register an automobile for 3 months. The price of gasoline is $2.72 a gallon, with the government getting an estimated two-thirds of this amount.

As a result, the number of automobiles in operation has been reduced more than 50 percent. According to the public utility bureau, 5,019 automobile owners have turned in their licenses. There is not as much traffic as there used to be, but to that extent the government is now able to conserve dwindling stocks of imported gasoline.

Government by Dictation—British Merchants Victims of Government Decree in Private Business

EXTENSION OF REMARKS
OF
HON. LAWRENCE H. SMITH
OF WISCONSIN
IN THE HOUSE OF REPRESENTATIVES
Wednesday, August 10, 1949

Mr. SMITH of Wisconsin. Mr. Speaker, under leave to extend my remarks, I am including a news item bearing a London date line of August 10, which appeared in the Washington News for today and which indicates that a quarter million British small-business men are in revolt against the Government decree which compels them to reduce the price of clothing and shoes in their stores 5 percent. Here is the perfect example, Mr. Speaker, of what we can expect when Government takes over business and industry for political purposes. Mr. Speaker, it can happen here, also, and we are well on the way to that situation right now.

ANOTHER BRITISH CRISIS—RETAILERS REVOLT AGAINST CLOTHING-PRICE CUT

LONDON, August 10.—Some 250,000 British shopkeepers revolted today against a Government-ordered 5-percent cut in clothing and shoes.

Representatives of the shopkeepers urged all British retail merchants to ignore the Government order.

The shopkeepers voted to maintain their present prices unless the Government consulted them before the price-reduction order becomes effective next month.

The resolution accused the Labor Government of ordering the price reduction as a political maneuver at the sole expense of retail traders.

The protest, coming amid an increasingly aggressive Conservative Party election campaign charging the Labor Government with mismanagement, was certain to embarrass the Government even further.

Bernard Morgan, chairman of the National Chamber of Trade which organized the protest meeting was loudly cheered when he declared:

"We are witnesses to a disgraceful example of political expedience of the worst kind. The president (Board of Trade President Harold Wilson) has embarked on a course of action to meet the wishes of one section of the community at the expense of another."

The Government ordered the reductions July 28 without consulting the retailers. The reductions covered clothing, shoes, and textiles.

The shopkeepers overrode legal objections by leaders of the chamber of trade and voted down a milder protest against the order.

The milder protest asked the board of trade to reopen negotiations with representatives of the shopowners before implementing the order.

The shopkeepers' action came as the Conservative Party issued a pamphlet charging the Labor Government had lost more than $280,000,000 on nationalized industries in 2 years.

False Economy

EXTENSION OF REMARKS
OF
HON. ABRAHAM J. MULTER
OF NEW YORK
IN THE HOUSE OF REPRESENTATIVES
Wednesday, August 10, 1949

Mr. MULTER. Mr. Speaker, FHA, with an unusually high type of personnel, headed by men who have been doing an excellent job, is one of the few Government agencies that have been operating at a profit ever since its organization. It is doing an important and a necessary job, yet it is hamstrung because of lack of funds with which to properly carry on. Despite diligent and intelligent attention to duty the men in the Federal Housing Administration cannot possibly keep up with the tremendous amount of work that falls to their lot. On the one hand Congress is enacting legislation to relieve the housing situation and on the other hand withholding the appropriations with which that goal can be properly accomplished. The following editorial which appeared in the Brooklyn Eagle of August 9, 1949, tells the story as it exists not only in the New York area but throughout the country.

LACK OF INSPECTORS IN FHA CAUSES DELAYS IN HOUSING—AND WORSE

Four years after the war, housing still remains one of the Nation's top problems. Families are still living in quarters too small for them or doubling up with relatives because homes of their own are unavailable or beyond their means. It is true the Government is helping to finance or insure a good many dwellings and that in a few months the multibillion-dollar housing program just authorized by Congress will get under way.

But a disquieting note is sounded by Thomas G. Grace, the Brooklynite who is New York State Administrator for the Federal Housing Administration. Congress, it seems, has been generous enough in appropriating funds for large-scale Government-underwritten housing, but it has been downright niggardly in giving money to administer the housing program. Mr. Grace states flatly that his office is hopelessly undermanned in all departments, including the important one of inspection. From all accounts, the same situation applies all over the country.

It has been reported in some cities that project after project is being built without essential inspection. Official files are said to show numerous instances in which builders have used material that does not meet FHA standards. The result is that higher maintenance costs are almost inevitable, with subsequent higher rents and repair bills for owners and occupants. Apparently inspection is being carried out in this area, but Mr. Grace frankly admits that proper inspection is being maintained at the expense of expediting cases. There is, he says, a heart-breaking delay in the processing of applications.

The small New York staff, numbering only 135 clerks, typists, examiners, inspectors, and so on, in the last 6 months processed nearly 26,000 dwelling units and nearly 18,000 apartment-house units throughout the metropolitan area. There are 24,000 more applications on hand, awaiting action instead of being available for the families that need housing so desperately.

As Mr. Grace points out, even with the best will in the world, FHA employees cannot do the impossible. Nor should they be asked to. Our legislators ought to realize that the job is not done when they have voted aye on appropriating funds. They also have to see that the disbursement of those funds is properly supervised. Otherwise, not only the Government will be cheated but also those of its citizens who look to it for relief from their housing dilemma.

Refunds of Dividends on National Service Life Insurance

EXTENSION OF REMARKS
OF
HON. GERALD R. FORD, JR.
OF MICHIGAN
IN THE HOUSE OF REPRESENTATIVES
Wednesday, August 10, 1949

Mr. FORD. Mr. Speaker, a great many citizens are disturbed because of the possible delay in the refunding of dividends to GI's on their National Service Life Insurance. I am including as a part of my remarks an editorial that appeared in the Columbus (Ohio) Evening Dispatch of August 1, 1949. It must be admitted that several of the statements in the editorial are a bit strong in denouncing the VA delay, but I certainly wish to join in condemning the failure of the leaders in the Democratic administration to remove the defunct War Assets Administration from the needed floor space so the VA could move in, do the job and get those dividends or refunds in the hands of the veterans.

AN OLD, SHABBY TRICK

There is no particular reason to doubt the charge leveled at the Truman administration by Representative KEATING, of New York, that the White House intends to manipulate the veterans' insurance refund for political purposes. The Republican Congressman says that the bulk of the beneficiaries of the $2,800,000,000 fund will be getting their checks around election day in 1950, just as * * * planned. Timing the release of Federal funds whenever possible in campaign years is an old standard—and shabby—New Deal-Fair Deal practice. It was worked to a fare-you-well in Presidential years during the Roosevelt tenure. Farmers, for example, needed no calendars. The gentle rain of AAA checks always swelled to a cloudburst just before the first Tuesday after the first Monday in November.

As Representative KEATING points out, the Government has had ample time to refund the money overcollected under the wartime servicemen's insurance program. It became apparent nearly 2 years ago that a huge surplus—totaling almost $3,000,000,000—would not be needed to pay death claims. But the administration dillied and dallied until June 1948 under pretext of obtaining Supreme Court sanction. That was granted in June 1948, since which date the Government has dallied some more, although an official statement at that time said the payments could be made within 6 months.

Now, the Veterans' Administration says that the application blanks will be ready August 29 and that President Truman has ordered the job completed by June 30, 1950. But it is significant that the VA has not as yet been able to locate floor space to start the refund process and seems in no particular hurry, although Representative KEATING states that the War Assets Administration has the space if the White House will ask for it.

It would seem that the Federal bureaucracy, with pay rolls at an all-time, peacetime high ought to be able to handle a routine job of taking applications, processing them and mailing checks—though there are 16,000,000 of them—in less than 3 or 4 years. Particularly since this is money to which the policyholders are entitled and which some may need rather badly. But that is not the Fair Deal way, even though it would have a private insurance company which operated with similar leisurely inefficiency in court before you could say Boss Pendergast.

Old-Age Assistance

EXTENSION OF REMARKS
OF
HON. NORRIS COTTON
OF NEW HAMPSHIRE
IN THE HOUSE OF REPRESENTATIVES
Wednesday, August 10, 1949

Mr. COTTON. Mr. Speaker, long before coming to Congress I became concerned about the situation faced by needy old folks. As a county attorney I was constantly involved in the task of trying to arrange support of dependent elderly people by their children or other relatives and realized again and again the inadequacy of our laws to cope with this general problem. My interest in this subject has increased with the passing years. These years have been marked by changes in our economic and social order and each change has seemed to injure our senior citizens more than any other group. Though they live in the wealthiest nation on earth, time and events continue to make their life more burdensome. Yet the Congress continues to give them lip service and kind words and defers action upon the issue of old-age assistance or pensions.

There was a time when there was reason for this delay. That was when a great organized lobby was demanding the impractical Townsend plan or nothing. The old people suffered from that

insistence. That problem no longer exists, however, and the old people are awaiting some action by Congress for a reasonable provision for a group that has been sadly neglected. While they wait, Congress has passed the largest appropriations bills of any nation in history. These measures involve billions of the taxpayers' money for foreign aid, national defense, housing, farm price supports, veterans' benefits, and also pay raises for Cabinet officers, bureau heads, military personnel and others. In the meantime, Congress continues to shed tears over the plight of the aged but does nothing about it.

It is a striking fact that the trend in our national economy has placed the old people in greater jeopardy from year to year. Age limits for industrial employment are constantly declining, making it more difficult for the older men to get or hold a job. With machines replacing men more applicants compete for the jobs that are left. What chance has an elderly man or woman to earn a livelihood? The Census Bureau tells us that our population is increasing beyond all past estimates—that we now total about 150,000,000, a gain of 17,000,000 since 1940. That gain represents more than the population of all the New England States combined and the age group over 60 is the one that has increased most. There are more than 16,000,000 of these. Incidentally, my State of New Hampshire has the higher percentage of those over sixty in relation to its population than any other State of the Union, except Florida. Of the 16,000,000, it is estimated that 10,000,000 are dependent upon someone else for their living. Modern science has prolonged their lives but has not produced jobs for them. They find now they are too young to die and too old to live.

During the recent debate on the minimum wage bill we were told again and again that 75 cents an hour or $30 a week was hardly enough for an individual to live on. Yet there are 2,500,000 American citizens now on the old-age assistance rolls getting a pitiful sum of $10 a week, on an average.

Mr. Speaker, we have waited in vain for an opportunity to vote on legislation to remedy this situation. We are now marking time, waiting for the various administration proposals to come out of committees. Naturally Members are impatient as they see the summer passing without their being able to return to their homes and districts for a reasonable period. They regard it as a waste of valuable time. Let us remember that there is a great segment of our people to whom time has become infinitely more valuable than to most of us. They have comparatively little time left to live and each month and year that passes without action which will give them reasonable comfort in their old age and at the same time permit them to retain their self-respect, is a tragic waste of time. We have all come to accept a new viewpoint with reference to our duties to the rest of the world. Let us remember that the days of the pauper are past and waste no more time in facing this problem.

Foreign Imports of Crude Oil and Refined Petroleum Products Into the United States

EXTENSION OF REMARKS
OF
HON. KEN REGAN
OF TEXAS
IN THE HOUSE OF REPRESENTATIVES
Wednesday, August 10, 1949

Mr. REGAN. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following letter:

SPEED OIL CO.,
Houston, Tex., August 4, 1949.

Subject: Foreign imports of crude oil and refined petroleum products into the United States.

Hon. KEN REGAN,
House of Representatives,
Washington, D. C.

DEAR KEN: The writer was born at Corsicana, Tex., where his father has been producing crude oil continuously since 1898. A full lifetime has been spent in the domestic oil industry by the writer since maturity, with the exception of 6½ years spent in college. During the war, I served as Chief of Exploration Section, Reserves and Production Division, of the Petroleum Administration for War in Washington, D. C. Based on a lifetime in the business, plus my education as a geologist and independent oil producer, I wish to offer a brief summary of the dangers facing the independent oil man in the United States. Most of these dangers have a direct bearing on the military security of this Nation.

1. World War II proved that naval reserves such as Elk Hills in California have no value unless they are fully developed and connected to pipe lines which run to completed refineries capable of delivering ordnance materials required to prosecute a war.

2. Steel material, capable technologists, and skilled drilling labor were drained off to other industries and were scattered and not available for development of our set aside petroleum reserves in time to be of material assistance during World War II.

3. Some of our recent new discoveries in Texas are within 50 miles of the Lucas gusher in the Spindletop field—the first well in United States history to flow as an enormous gusher. This sharply focuses our attention on a fact known by all geologists and many practical oil men—that it takes a long time and large outlays of capital to discover and develop substantial reserves of petroleum.

4. What is the logical market for the vast oil reserves now being uncovered in Canada? If not imported into the United States, it will certainly compete with us elsewhere in foreign markets.

5. The international cartels who owe allegiance to no flag, used steel badly needed in this country to develop oil reserves that everyone knows Russia could take in a matter of hours and use against the United States in a third world war. This steel bought at regular prices forced the domestic independent industry to pay exorbitant black-market prices to stay in business.

6. The writer has recently been told of a 5-year contract to purchase Middle East crude which was recently executed in New York whereby the purchaser is to pay 15 cents per barrel under the average posted price of domestic crude laid down on the Eastern seaboard. This action constitutes dumping and is unfair competition.

7. The independent segment of the industry pays a huge tax bill, and this tax money buys oil for Europe from the Middle East while the domestic producer has his allowable cut and is not allowed to furnish petroleum to Europe.

8. International cartels (temporarily at least) sever all contacts and obligations with various falling governments, while the independent segment is married to the United States and exists or falls with this Government.

9. The ever increasing size of the oil trust can leave no doubt in anyone's mind but that the large units operate as a monopoly. The advantages of operating as an integrated company permit the integrated company to put the financial squeeze on independents who specialize in one end of the business. During World War II, the financial squeeze was on the independent producer. In the face of rising material and labor costs the price of raw crude was frozen. The large company fabricated war goods such as 100 octane, codimer, cumene and toluene, and other special war products for which they received as high as 50 cents per gallon. All of these products came from a frozen price basic raw material—crude petroleum. The small independent did not realize any profit from the high price special war products fabricated and sold from his cheap crude. Instead the independent was meeting manpower problems and being squeezed between rising labor and material prices while his money crop (crude oil) received no price raise at all.

10. The Legislature of the State of Texas has recently been seriously embarrassed as a result of cut-backs in the allowable of Texas crude production. It was necessary to cut back Texas crude production as Middle East crude had supplanted domestic crude. The State's decreased income from smaller crude oil allowables means that the entire program for the expansion and improvement of eleemosynary institutions must be revamped. The State is losing approximately $30,000,000 in taxes per year from lower crude oil runs.

11. Labor is losing heavily as oil labor and office personnel are being drastically reduced.

12. The greatest danger of all is that the United States may lose world war III because of a lack of excess productive capacity of crude petroleum which must be developed in peacetime when labor and materials are more readily available.

It is my belief that the proposed program of allowing 5 percent of our domestic consumption to be imported is a partial solution of the problem. In reality the domestic producers should be permitted to furnish part of Europe's requirements—at least that part that United States money is paying for.

It is my hope that I have helped to give you some facts and information relative to the importance of limiting foreign imports of crude oil and refined products. The small independent producers must have your help to survive.

Sincerely yours,
CARLETON D. SPEED, Jr.

Act Adopted by Legislature Authorizes Territory of Hawaii To Engage in Stevedoring Industry To Meet Crisis Presented by Strike of Longshoremen

EXTENSION OF REMARKS
OF
HON. JOSEPH R. FARRINGTON
DELEGATE FROM HAWAII
IN THE HOUSE OF REPRESENTATIVES
Tuesday, August 9, 1949

Mr. FARRINGTON. Mr. Speaker, under leave to extend my remarks in the RECORD, I wish to include the text of the

act passed in a special session of the legislature and approved by the Governor of Hawaii on Saturday, August 6, authorizing the Territorial government to engage in the stevedoring industry in order to bring about a resumption of shipping operations between Hawaii and the mainland.

The text of the act is as follows:

[Act 2]

An act relating to the stevedoring industry and related facilities and services, including terminal services; declaring that strikes, lock-outs, stoppage, slow-downs, or retardation of services in said industry and said related facilities and services imperil the public health, safety, and welfare; declaring a public emergency arising from the present stevedoring strike; providing for the Territory of Hawaii to take possession of and take over and operate such stevedoring industry and such related facilities and services during the aforesaid emergency and other emergencies occurring thereafter; providing for injunctions against interference with the conduct of such operations by the Territory by strikes, other concerted activities, or other means; conferring certain powers and imposing certain duties upon the Governor of the Territory of Hawaii in regard to such industry, facilities, and services before and during such emergencies, including the power to make rules and regulations for carrying out the provisions of this act; providing penalties for violations of such rules and regulations; making an appropriation and providing other funds in connection herewith.

Be it enacted by the Legislature of the Territory of Hawaii:

SECTION 1. Findings and declarations of legislature: The legislature takes cognizance of the fact that a strike in the stevedoring industry of the Territory of Hawaii has been in effect since May 1, 1949; that the parties to said dispute have carried on extensive collective-bargaining negotiations over a period of more than 6 months and have failed to reach any agreement; that voluntary mediation by the Territory and by Federal agencies has failed; that the Governor has called an emergency board which after full hearings found the facts with respect to the dispute and made a recommendation, which recommendation was accepted on one side but rejected on the other; that the continuous furnishing of stevedoring services, together with all related facilities and services (including terminal services) necessary to the loading and unloading and arrival and departure of vessels at ports in the Territory of Hawaii is essential to the public health, safety, and welfare; that strikes, lock-outs, and stoppage, slow-down or retardation of services in such stevedoring industry, or in such related facilities and services, imperil the public health, safety, and welfare; that a public emergency now exists due to the aforesaid stevedoring strike; that in order to provide for the immediate resumption of services in the present emergency, in the most expeditious and practical manner, it is necessary that the Governor be authorized to take over and operate the stevedoring companies involved in the dispute, together with such related facilities and services as he may deem necessary to open and keep open to commerce the ports of the Territory of Hawaii.

In making these findings the legislature has taken into consideration, in addition to the foregoing, the geographical isolation of these islands and their dependence upon imports and exports for the necessities of life and the functioning of their essential economy, and the fact that continuous ocean shipping is a life line essential to the existence of the community.

SEC. 2. Definitions: As used in this act unless the context clearly indicates otherwise:

(a) The term "person" includes one or more individuals, labor organizations, partnerships, associations, corporations, legal representatives, trustees, or receivers.

(b) "Stevedoring industry" means the business of furnishing services for the loading and unloading of cargo transported or to be transported on vessels and other craft and the handling of lines of vessels and other craft, at any port within the Territory of Hawaii. "Stevedoring services" means services for the loading and unloading of cargo transported or to be transported on vessels and other craft and the handling of lines of vessels and other craft, at any ports within the Territory of Hawaii.

(c) "Related services" means and includes all services, other than stevedoring services, ordinarily or necessarily performed in regard to cargo, goods, wares, and merchandise of every kind arriving at a terminal facility for shipment by or discharge from vessels and other craft; and "related facilities" means and includes all facilities in connection therewith.

(d) "Company" shall mean any person engaged in the stevedoring industry or related services as an employer.

(e) "Labor dispute" means any controversy concerning wages, hours, or other terms or conditions of employment, or concerning the association or representation of persons in negotiating, fixing, maintaining, changing or seeking to arrange wages, hours, or other terms or conditions of employment.

(f) "Dispute" means any labor dispute or other controversy between an employer and its employees.

(g) "Strike" means the temporary stoppage of work, slow-down, or retarding of production or operations by the concerted action of two or more employees as the result of a labor dispute, whether the labor dispute is between such employees and their employer or between any other persons.

(h) "Lock-out" means the refusal of an employer to furnish work to employees as the result of a labor dispute between such employer and its employees.

(i) "Labor organization" means any organization of employees which exists for the purpose, in whole or in part, of collective bargaining or of dealing with employers concerning wages, hours, and other terms and conditions of employment.

(j) "Bargaining unit" shall mean the unit appropriate for the purposes of collective bargaining as determined under the Federal Labor Management Relations Act, as amended from time to time.

SEC. 3. Government operations: (a) If, upon the taking effect of this act, the Governor finds that the emergency declared by the legislature in section 1 still continues, he shall issue a proclamation of such emergency. Such proclamation shall urge the parties to the dispute to forthwith resume work and operation in the public interest, and it shall state that if such work and operation is not resumed forthwith, he will, pursuant to the provisions of this act, take immediate possession of such stevedoring companies involved in the dispute, together with such related facilities and services as he shall find necessary to carry out the purposes of this act. Before or after such proclamation the Governor may make such preparations as he may deem necessary or proper to carry out the provisions of this act. After such proclamation and immediately upon the completion of such preparations the Governor shall take possession of the entire business, plant, and facilities, including related facilities, of each stevedoring company involved in the dispute, or so much thereof as the Governor may deem necessary, in order to carry out the purposes of this act, and shall operate the same. It is the intention of this act that such government operations shall be a temporary expedient to safeguard the public interest pending the settlement of the dispute by the parties.

(b) Such government operations may be conducted by the Governor through such department or agency of the Territory as he may designate, and he may delegate to such agency such of his powers as are necessary to conduct such operations.

(3) The Governor shall have such power and authority as shall be reasonably necessary to conduct such government operations in a manner consistent with the public health, safety, and welfare, including without limitation upon the generality of the foregoing the power to make such contracts and arrangements with shipowners, charterers, agents and operators, wharf and pier owners and operators, stevedoring companies, trucking operators, warehousemen, and other persons as may be required in order to provide stevedoring services and related services. The Governor shall have the power to make contracts without regard to the provisions of sections 351–363 of chapter 9, Revised Laws of Hawaii 1945, and, specifically, the certificate of the auditor as to the availability of an unexpended appropriation or balance of an appropriation to cover the amount required by any such contract, shall not be required.

(d) In operating each company the Governor, so far as possible, shall employ or engage the personnel, including employees on strike, employed by such company upon the taking of possession thereof or immediately prior to the beginning of the strike. Persons so employed or engaged by the Governor or otherwise employed or engaged by the Governor shall not by reason of such employment be or become entitled to civil service, retirement, vacation, or other benefits provided by law for other employees of the Territory, nor shall they be required to possess the qualifications of other government employees, and no person shall be ineligible for employment by reason of the fact that he is not a citizen of the United States or of the Territory: *Provided*, That, if it shall be necessary to employ persons who were not theretofore employed by the company, such persons shall possess the residence qualifications prescribed by section 451 of the Revised Laws of Hawaii 1945: *Provided, further*, That all citizens employed or engaged by the Governor under the provisions of this act shall subscribe to the oath or affirmation prescribed by the provisions of chapter 13, Revised Laws of Hawaii 1945, and all noncitizens shall subscribe to the following oath or affirmation:

"I, ------, do solemnly swear and declare, on oath, that I am not now, nor have I been at any time within the 5 years next preceding the taking of this oath, a Communist or a member of the Communist Party; that I have not at any time within the 5 years next preceding the taking of this oath held membership in, paid assessments, dues, or made contributions to any organization or any political party which advocates the overthrow of the constitutional form of government of the United States of America or any change in the Government of the United States of America, except as provided by its Constitution; that I take this obligation freely, without any mental reservation or purpose of evasion; so help me God."

Upon being satisfied as to the sincerity of any person claiming that he is unwilling to take the above-prescribed oath only because due to religious beliefs he is unwilling to be sworn, he may be permitted, in lieu of such oath, to make his solemn affirmation which shall be in the same form as the said oath except that the words "sincerely and truly affirm" shall be substituted for the word "swear," and the phrases "on oath" and "so help me God" shall be omitted.

The salaries and wage rates of the persons employed by the Territory shall not be higher than those which existed in the industry immediately prior to the beginning of the strike. There shall be no deductions from such salaries and wages except as authorized by law in the case of other Territorial employees. The hours of employment shall be the same as existed in the industry immediately prior to the beginning of the strike, and, insofar as possible, the other conditions of employment shall be the same as then existed, and neither the Governor nor the designated agency shall have authority to enter into negotiations with any such company or with any labor organization for a collective-bargaining contract with respect to wages, hours, and other terms and conditions of employment in the industry.

(e) There is hereby established in the treasury of the Territory a revolving fund to be known as the stevedoring revolving fund. The sum of $250,000 is hereby appropriated to said fund from the general revenues of the Territory and shall be deposited in said fund. The Governor may further augment said appropriation from his contingent fund, and in addition thereto may cause to be deposited in said revolving fund as a loan or loans from the general fund further amounts from time to time as required for the purposes of this act, but the amount of such further loans from the general fund, outstanding at any one time, shall not exceed $250,000. All revenues collected by the Governor shall be deposited in said revolving fund and are hereby appropriated for the purposes thereof. Expenditures may be made from said stevedoring revolving fund for any and all of the purposes of this act and the operations of the government under this act, including without limitation of the generality of the foregoing, the compensation of employees and for other personal services, other current expenses, insurance, taxes, and expenditures for the performance of any and all contracts and arrangements authorized by this act. Such expenditures may be made by the Governor or the Governor may allot any money in said fund to the designated agency for expenditure upon his or its own vouchers.

(f) Charges shall be made and collected for deposit in said revolving fund. Such charges so far as possible shall be based upon the rates prevailing in the industry immediately prior to the commencement of the strike, but due consideration shall be given to current conditions existing in the industry, including the expenses and other costs incurred or which may be incurred by the Territory under this act. Each company shall be operated by the government for the account of the company, and from time to time the Governor shall pay each such company from the revolving fund the revenues derived from the operations of the company under the provisions of this act, after deducting therefrom all of the costs and expenses of such operations of the company, including insurance and taxes, and after further deducting a fee computed in the amount of one quarter of 1 percent of the gross revenues of the company so operated by the Governor. Such fee shall be a realization of the Territory but shall remain in the revolving fund available for the purposes thereof: *Provided*, That each such company shall have the right to elect, by written notice filed with the Governor within 10 days after the taking of possession of the business, plant, or facilities of such company pursuant to paragraph (a), to waive all claims, under the preceding provisions, to the revenues of operations, and to receive in lieu thereof fair and reasonable compensation for the appropriation and use of its property, without allowance for prospective profits, for which compensation such company shall be entitled to sue the Territory in the manner provided in chapter 220, Revised Laws of Hawaii 1945, provided that such suit shall be instituted within 3 months after the termination of such appropriation.

SEC. 4. Termination of government operations: (a) Whenever any company, whose business, plant, or facilities have been taken over by the Territory, and its employees involved in the dispute shall jointly report in writing to the Governor that they have arrived at an agreement adjusting and terminating the dispute out of which the strike arose, and that they are in a position to immediately resume and continue without interruption their services and the operation of such company, the Governor shall forthwith terminate the government operation of and restore such business, plant, or facilities to such company.

(b) Whenever in the opinion of the Governor government operation of any such company is no longer necessary to preserve the public health, safety, and welfare he shall, without regard to the settlement or continuation of the dispute, forthwith terminate the government operation of and restore such business, plant, and facilities to such company.

(c) Whenever a majority of the employees engaged in stevedoring services in any bargaining unit report to the Governor in writing stating that they are in a position to and can and will resume operations and render normal stevedoring services for the company which employed them before the dispute on terms satisfactory to themselves and such company, and shall satisfy the Governor of the correctness of such statement and that all related services will also be available, the Governor shall forthwith terminate the government operation of and restore such business, plant, and facilities to such company. In the event that the Governor for any reason refuses to terminate government operation of such company, such employees shall have the right to have an order issued by the circuit judge at chambers in equity of the circuit in which such company is located to show cause why such government operation should not be terminated. Such order shall be served upon the attorney general of the Territory and shall be returnable in 10 days. The decision of such court shall be final as to the conditions then existing, but shall not be a bar to subsequent applications for such order to show cause. For the purposes of this paragraph one or more employees may be appointed by the court to represent the class of employees applying for the order to show cause.

(d) Whenever any company whose business, plant, or facilities have been taken over by the Territory reports to the Governor in writing stating that it is in a position to and can and will resume operations and render normal stevedoring services by its employees involved in the dispute on terms satisfactory to itself and such employees, and shall satisfy the Governor of the correctness of such statement and that all related services will also be available, the Governor shall forthwith terminate the government operation of and restore such business, plant, and facilities to such company. In the event that the Governor for any reason refuses to terminate government operation of such company, such company shall have the right to have an order issued by the circuit judge at chambers in equity of the circuit in which such company is located to show cause why such government operation should not be terminated. Such order shall be served upon the attorney general of the Territory and shall be returnable in 10 days. The decision of such court shall be final as to conditions then existing but shall not be a bar to subsequent applications for such order to show cause.

SEC. 5. Interference with government operations; injunctions. During any period of government operations as provided for by this act it shall be unlawful for any person or persons to engage in a strike or any other concerted activity interfering or threatening to interfere with the conduct of any such operations by the Territory, or to aid or encourage any such strike or other concerted activity by giving direction or guidance in the conduct thereof or by providing funds for the payment of strike, unemployment, or other benefits to persons participating therein. It shall be unlawful for any person or persons to engage in a strike or other concerted refusal to transport or otherwise handle any cargo loaded or unloaded or to be loaded or unloaded by the government, pursuant to the provisions of this act, or to engage in a strike or other concerted refusal to perform services on any vessel worked by the government, where an object of any such strike or concerted refusal is to force or require the employer of any such person or persons to cease doing business with the government as the operator of such business; or to aid or encourage any such strike or concerted activity by giving direction or guidance in the conduct thereof or by providing funds for the payment of strike, unemployment, or other benefits to persons participating therein. The provisions of this section shall be enforceable by injunction proceedings as herein provided.

The attorney general at his own instance or at the request of the governor or the designated agency, in the event any person shall be violating or failing to comply with the provisions of this section, or there shall be reasonable cause to believe that such person is about to violate or fail to comply with the provisions of this section, shall institute appropriate proceedings before a circuit judge at chambers in equity to enjoin the performance of any acts or practices forbidden by this section, or to require such person to comply with the provisions of this section. Jurisdiction to hear and dispose of all actions under this section is hereby conferred upon each circuit judge and each such judge shall have power to issue such orders and decrees by way of injunction, mandatory injunction or otherwise, as may be appropriate to enforce the provisions of this section. All such suits shall be brought in the name of the Territory by the attorney general, and may be brought against any association or labor organization under its common name, in which event process may be served on any officer, trustee or agent of such association or labor organization. In the event of a violation or failure to comply with any such order of the court compensatory or punitive damages may be awarded to the Territory, or such other proceedings may be had as the court may deem proper. The county attorney of each county shall at the request of the attorney general conduct on behalf of the Territory any proceeding provided for by this section.

SEC. 6. Employee need not work involuntarily. Nothing in this act shall be construed to require an individual employee to render labor or service without his consent, nor shall anything in this act be construed to make the quitting of his labor or service by an individual employee an illegal act.

SEC. 7. Law an exercise of police power. This act shall be deemed an exercise of the police power of the Territory for the protection of the public welfare, safety, prosperity, health and peace of the people; and all of the provisions of the act shall be liberally construed for the accomplishment of said purposes.

SEC. 8. Rules and regulations. For the purpose of carrying out the provisions of this act the Governor shall have the power to prescribe rules and regulations having the force and effect of law. The power to prescribe rules and regulations having the force and effect of law shall not be deemed in derogation of the power of the Governor to make orders for the enforcement of the ap-

propriate provisions of this act or the rules and regulations issued hereunder. Such rules and regulations may provide for the making of administrative findings by duly authorized representatives or agencies, or for the application of such rules or regulations by such representatives or agencies as the circumstances may require, and the issuance of orders therefor. Such rules and regulations may provide for maintenance, as part of the stevedoring revolving fund, of special bank accounts and cash funds, for drawing thereon by paymasters or other persons approved by the Governor or the designated agency, and for the manner of accounting therefor. Rules and regulations prescribed pursuant to the provisions of this act shall be promulgated by publishing the same in a newspaper of general circulation in the Territory, or, where only known persons are concerned, the same may be promulgated by service upon such persons by registered mail, or by personal service thereof. The provisions of sections 466 to 476, inclusive, Revised Laws of Hawaii, 1945, shall not be applicable to the rules and regulations prescribed under the provisions of this act. Any person violating any rule or regulation promulgated by the Governor under the provisions of this section shall be guilty of a misdemeanor and upon conviction thereof shall be punished by a fine of not more than $500 or by imprisonment for not more than 3 months, or both such fine and imprisonment.

SEC. 9. Future emergencies. Whenever, and as often as, after the termination of the emergency declared by section 1, a strike or lock-out in the stevedoring industry, or in any related facility or service, or any substantial part of such industry, facility, or service, is threatened or has occurred, and the Governor shall find that such threatened or actual strike or lock-out, if permitted to occur or to continue, will imperil the public health, safety, or welfare, he shall issue a proclamation to that effect declaring an emergency, and shall urge the parties to the dispute to refrain from a stoppage of work, or if such stoppage has occurred, to resume work and operation in the public interest. After the issuance of such proclamation and during the emergency thereby proclaimed, and in the event of an actual strike or lock-out (whether in existence at the time of issuance of such proclamation or occurring thereafter) which imperils or threatens to imperil the public health, safety, or welfare, the Governor is hereby authorized and empowered to exercise every power by this act conferred upon him in regard to the present emergency, including, without limitation of the generality of the foregoing, the power to take possession of and to operate any business, plant, or facility of the stevedoring industry, or of any related facility or service. In any such event every provision of this act shall apply. For the purposes of this section, the terms "strike" or "the strike," as used in sections 3 and 4 hereof, shall be deemed to include, in addition to a strike, a lock-out, and the term "employees on strike," as used in said sections, shall be deemed to include, in addition to employees on strike, employees who are locked out.

SEC. 10. Separability. If any section, sentence, clause, or phrase of this act, or its application to any employer, employee, person, or circumstances is for any reason held to be unconstitutional or invalid, the remaining portions of this act, or the application of this act to other employers, employees, persons, or circumstances shall not be affected. The legislature hereby declares that it would have passed this act and each section, sentence, clause, or phrase thereof, irrespective of the fact that any one or more other sections, sentences, clauses, or phrases be declared unconstitutional or invalid and irrespective of the fact that the application of this act to any one or more employers, employees, persons, or circumstances be declared unconstitutional or invadid.

SEC. 11. Powers in addition to other powers. The powers conferred by this act shall be in addition and supplemental to the powers conferred by any other law, and nothing contained herein shall be construed as limiting any other powers of the Governor.

SEC. 12. Exemption. The provisions of this act shall not be applicable with respect to any person subject to the Federal Railway Labor Act.

SEC. 13. Effective date; expiration. This act shall take effect upon its approval and shall expire 180 days from and after said effective date: *Provided*, That any violation or failure to comply with any rule, regulation, or court order, committed or occuring while this act is in force, may be prosecuted and punished or other appropriate proceedings thereon taken whether or not this act is in force at the time of such prosecution, punishment, or proceedings: *Provided, further*, That notwithstanding the expiration of this act, this act shall remain and continue in force for the enforcement of rights and liabilities which shall have accrued or attached on or before the date of expiration, hereinabove set forth, and for the expenditure of moneys to meet obligations incurred under the authority of this act prior to said date of expiration.

Approved this 6th day of August A. D. 1949.

Living or Just Existing

EXTENSION OF REMARKS
OF
HON. WALTER E. BREHM
OF OHIO
IN THE HOUSE OF REPRESENTATIVES
Wednesday, August 10, 1949

Mr. BREHM. Mr. Speaker, some of the statements which have been made during the debate on this minimum-wage legislation would indeed be amusing if they did not call attention to a situation which in many respects is indeed tragic.

For instance, it has been repeatedly stated and no one so far has challenged the statement, that the $30 per week which would be received by those working 40 hours per week at a 75-cent minimum, is absolutely essential in order to provide the necessities of life for an average American family. Now, Mr. Speaker, I would like to contrast this statement with the fact that at present 2,801,556 aged people in this country are drawing an average pension of $43.33 per month, or approximately $10 per week. There are also 10,000,000 citizens of 60 years of age who are dependent on someone else for their existence.

These figures are from the Administrator of the Social Security Administration taken from the records and have not been plucked out of thin air.

Now, Mr. Speaker, it seems to me that there has been enough talk dealing with the ill-clothed, ill-housed, and ill-fed and that something more than talk should be done regarding those folks who are asked to keep soul and body together with the present high cost of living on a $10 weekly stipend. It is quite certain that there will not be much left out of the $30 which some families will receive under this proposed legislation with which to add additional comforts and necessities for their aged kin.

Federal Employee Survey May Help Solve Personnel Problems

EXTENSION OF REMARKS
OF
HON. HAROLD C. HAGEN
OF MINNESOTA
IN THE HOUSE OF REPRESENTATIVES
Tuesday, August 9, 1949

Mr. HAGEN. Mr. Speaker, having been a member of the House Post Office and Civil Service Committee for some years now, I find that many civil service and personnel problems are presented to and considered by our committee in connection with employee legislation. I find that there is a great difference in opinions concerning many of these problems.

Therefore, it occurred to me that a survey of the employees themselves could be made and from their impartial and unprejudiced answers, as far as possible, we could develop a report which may be helpful in considering future legislation.

I have prepared a questionnaire which I expect to send out to a considerable number of Federal employees, both in Washington and elsewhere. It is my intention to send the questionnaire out with a return address card for the use of the employees, so that the answers to the questionnaire can be readily returned to me.

A number of Federal workers residing here in Washington have volunteered to compile and classify the answers to this questionnaire, and to prepare a report for the consideration and use of interested members of the House Post Office and Civil Service Committee. Chairman TOM MURRAY of our committee, has graciously offered me the assistance of one of the staff members in connection with the preparation of this questionnaire, and also in the final development of a report from the answers which may be received.

The report based on the answers received will be developed later this year or early next, and will be made available to all Members of Congress who may be interested.

The main questionnaire follows:

FEDERAL EMPLOYEE QUESTIONNAIRE

Name _____
Address _____
City _____, State _____
1. What is your grade or classification? ___
2. How many years' service in the Government? _____ years.
3. Are you married? Yes __ No __
4. Is your spouse employed? Yes __ No __
5. How many members of your family are dependent on you for support? _____
6. Do you own a home? Yes __ No __
7. Do you own an automobile? Yes __ No __
8. Amount of life insurance carried, if any? _____
9. Do you consider that there is a fair distribution of the work load in your division

among those of equal status or grade? Yes __ No __

10. Do you think your office or division is fully __, fairly __, or over __ staffed? Check your opinion.

11. Do you believe there is more wasted time in your office than would be in private employment? Yes __ No __

12. Are you required to put in any overtime without extra compensation or leave credit in order to keep your work up to date? Yes __ No __

13. Is your salary equal to that of corresponding work in private employment in your city, for similar work and responsibility? Yes __ No __

14. In answering the above, did you consider or evaluate the corresponding security or employment and sick and annual leave rights and retirement benefits? Yes __ No __

15. Are you participating in the Federal retirement plan? Yes __ No __

16. If you could retire with 30 years' service at age of 60, or under, without deduction, would you do so? Yes __ No __

17. What are your plans after retirement? Employment __, part-time employment __, travel __, take things easy __. Check one.

A special questionnaire will be sent out to retired Federal employees. This questionnaire follows:

A. Name _____

B. Address _____

City _____ State _____

C. Grade or class at retirement _____

1. Are you married? Yes __ No __

2. Is your spouse employed? Yes __ No __

3. How many members of your own family are dependent upon you for support? _____

4. Do you own a home? Yes __ No __

5. Do you own an automobile? Yes __ No __

6. Amount of life insurance carried, if any? _____

7. Annual retirement benefit received? _____

8. Is it necessary to supplement retirement benefits by regular private employment ____, by part-time private employment ____, or by drawing on savings _____. Check one.

9. Do you think your division was fully __, fairly __, or over __ staffed? Check one.

Let's Start Calling It the Profit and Loss System

EXTENSION OF REMARKS

OF

HON. JAMES G. FULTON

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, July 27, 1949

Mr. FULTON. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following advertisement from the Pittsburgh (Pa.) Sun-Telegraph of Wednesday, March 16, 1949:

LET'S START CALLING IT THE PROFIT AND LOSS SYSTEM

We have a way of misnaming things in this country—a habit that must afford great comfort to the enemies of our greatest virtues—both at home and abroad.

Let's take what we call the profit system. How they do love to shoot at that one. Of course, in part—it means what it says—that business in this country—all business, large medium, and small, is run, thank God, to make a profit.

And why not? Profits are the number one source out of which business provides itself with the means of progress. To quote a great labor leader: "The greatest crime against labor is a business that fails to make a profit." And any businessman worthy the name knows that the more the profits, the stronger the business, the better the prospect of bigger and better production, higher wages and greater security for workers, and of course, lower prices.

But profits don't come that easily. Not by a long shot.

There are what is known as risks and losses in business * * * that the critics have little to say about.

Such risks as the billions invested in plants, machinery, inventories, laboratories, and the years of human effort, all essential to business progress. For business cannot mark time and keep pace with the wants and needs of our people.

Such losses, for example, as the 129,679 bankruptcies in this country in the 5 years following the boom year of 1929. And in that one boom year more businesses lost money than made money.

Why should these facts be brought into the open? Why admit that this thing called American business is ever anything but a long road paved with gold?

There are two reasons:

First. There's a lot of shooting going on—a lot of loose talk about big profits. We want to straighten that out—and correct the mistaken impression that in business life is just a big bowl of profits.

Second. We'd like to answer a question the critics have very conveniently failed to ask:

Who in the end is the real boss of business and what does he have to do with whether business makes a profit or suffers a loss?

The name of this boss, believe it or not, is Mr. Average Consumer, and all those risks mentioned above are taken, first, to keep him working and earning the world's highest wages, second, to keep his changing and increasing wants supplied, and third, to make a profit and stay in business.

To do that and stay out of trouble with Mr. Consumer all business has to know, or be smart enough to guess, is that the product is of the right design, the right quality, at the right price, and be in the right place at the right time. The one thing businessmen know, and know well, is that the people who make business big will whittle it down to size if the product isn't right.

There are many ways in which business can lose.

Competition can retard sales overnight.

Technological progress, which business sponsors and pays for, can and does make present machinery and methods useless.

Shortages and price fluctuations in raw materials can throw business into a tailspin.

Inventories can be miscalculated.

Wrong pricing policies can be costly.

Improper marketing can bring heavy loss.

And the boss of this whole show, Mr. Average Consumer, can say: "Sorry, I don't like your product."

A profit system you call it? It had better be a profit system, if this Nation is to grow and progress and fortify itself. If the 60,000,000 now in jobs are to keep those jobs. If the billions for armament and foreign aid are to continue.

But let's quit calling it what it isn't and call it what it is—a profit and loss system. And thank our lucky stars that we have the brains and the know-how to run it and the guts to keep it just like it is.

FACTS NO AMERICAN SHOULD EVER FORGET

The average worker's weekly salary buys in Russia—

Seventeen pounds of sugar.

Five pounds of butter.

Twenty-five quarts of milk.

Twenty loaves of bread.

Twelve pounds of beef.

The average worker's weekly salary buys in Great Britain—

Two hundred and eighty-two pounds of sugar.

Eighty-four pounds of butter.[1]

One hundred and thirty-three quarts of milk.

One hundred and fifty-one loaves of bread.

Eighty-seven pounds of beef.[2]

The average worker's weekly salary buys in United States—

Five hundred pounds of sugar.

Sixty-eight pounds of butter.

Two hundred and seventy-six quarts of milk.

Four hundred loaves of bread.

Eighty-two pounds of beef.

This is No. 3 of a series of advertisements being published by the Standard Steel Spring Co. as a contribution to a better understanding of America's greatness.

The Standard Steel Spring Co., of Coraopolis, Pa., had its beginnings back in the days when the blacksmith shop was the automobile service station. On August 12, 1914, the company shipped its first order of 40 sets of wagon springs from a small plant employing less than 50 people. In good years and bad it has consistently plowed earnings and profits back into the business and its growth is a typical example of the exercise, by able management, of the free initiative, courage, and progressiveness possible only under the American business system.

[1] Rationed to 3 ounces per week per person.

[2] Rationed to 17 cents worth per week per person.

China White Paper

EXTENSION OF REMARKS

OF

HON. THOMAS J. LANE

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, August 9, 1949

Mr. LANE. Mr. Speaker, under leave to extend my remarks, I wish to include the following article from the Christian Science Monitor of August 9, 1949:

WHITE PAPER AND A CLEAN SLATE

(By Neal Stanford)

WASHINGTON.—Nothing like the publication of the China white paper has happened in American diplomatic history. It tears the secrecy label off current diplomatic reporting. It does not wait a quarter of a century before exposing the diplomatic cables to public scrutiny. It presents them, relatively speaking, while still fresh from the decipher room.

Of course that never would have been done if the United States had not reluctantly concluded some time ago that the Chinese Nationalist regime was hopeless, that the moral degeneracy of the Chiang regime was complete, that the military cause of the Kuomintang was beyong salvation.

It is obvious that comparable revelations of current United States relations with other countries would be invaluable to the press and to the public in understanding affairs, in making intelligent judgment of current and future global policy.

But it also must be recognized that diplomatic reports would immediately suffer in frankness and detail were it to be the practice to make public property these daily cables. For it could not be expected that trusted diplomats would retain the confidences of their guest governments if it was known that what was said in private at the Quai d'Orsay or 10 Downing Street at 10

in the evening would be splashed all over the American press at 8 the next morning.

There is no doubt but that it would be both fascinating and a valuable background to discover the private cabled views of such American officials as Ambassador Harriman on Britain's steel nationalization program or Ambassador Kirk on Russia's war preparations. But these men would become persona non grata in no time if their private deductions were made public on receipt. Secrecy—or a certain amount of it—unfortunately is the price of frankness and trust.

That does not mean, however, that there are not gradations of confidences. It therefore becomes a matter of intuition and experience to know just how much to disclose and how to do it.

There is no question but that the State Department files are bulging with reports, studies, analyses of situations and conditions in every country in the world that could safely be made public without undermining governments, destroying individuals' diplomatic usefulness, or breaking confidences. But the task of sorting them out, deciding what has and what has not public interest, determining just where the shadowy line of secrecy must fall, is so formidable that it invariably goes by default.

Even this China white paper represents but a very small part of the official record of recent United States relations with China. There has had to be picking and choosing to make up these 1,000 pages. The full record would be so voluminous, repetitious, and frequently dull as to numb the most persevering.

The timing of the white paper makes it clear that the administration wants to start its search for a new China policy with a clean slate. It naturally makes out the best case it can for its past actions, particularly those twin decisions to pay Stalin's price for entering the Pacific war with Chinese real estate and to work for a coalition government with Communists participating. Events have proved the unwisdom of both of these, though it must be admitted that the administration makes out an interesting case for its past actions.

As for the first, it points to the military's insistence that Russia must be involved in the Japanese war to shorten it and save lives, and to the fact that the atom bomb's effectiveness was still an unknown quantity at Yalta. It ignores intelligence reports of that period that indicated Japan was about ready to cave in. It makes no mention of the several peace bids Japan had put out suggesting weakness and collapse.

On the coalition issue, which has now become crystal clear to Department officers, the white paper pins responsibility for its inception on Chiang himself, quoting a 1943 address of his as basis for all future efforts made to get a working political agreement between the Communists and the Kuomintang crowd. But if that was the Generalissimo's view in 1943, it was not his for long, though it was the State Department's for several years thereafter, as its efforts to get coalition governments in the Balkans and in Poland indicate. For many years it is apparent the Department itself believed political cooperation with the Communists was possible.

The white paper does not say exactly when the Department abandoned its faith in political coalition as a solution for Communist-Kuomintang troubles, but the white paper appendix contains a most revealing cable from Ambassador Stuart to Secretary Marshall just a year ago in which he recommends that the United States work "to prevent the formation of a coalition government." With the Balkans, Poland, and Czechoslovakia to draw from, he observes: "The history of the coalitions including Communists demonstrates all too clearly Communist ability by political means to take over complete control of the Government and in the process to acquire some kind of international recognition."

This view and his recommendation just a year ago that the United States work against rather than for a coalition measures the extent of America's awakening in two short years to the ideological facts of international life.

Says Pact Not Aimed at Reds Alone

EXTENSION OF REMARKS

OF

HON. HAROLD D. DONOHUE

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, August 10, 1949

Mr. DONOHUE. Mr. Speaker, under leave to extend my remarks, I wish to include a very timely editorial by the distinguished writer, Ernest K. Lindley, which appeared in the Worcester (Mass.) Evening Gazette of August 8, 1949.

The editorial follows:

SAYS PACT NOT AIMED AT REDS ALONE

(By Ernest K. Lindley)

WASHINGTON, August 8.—The theory has been advanced in certain unofficial quarters that the real reason for the military-assistance program is to enable France and our smaller continental allies to cope with Germany. In support of this thesis the argument is advanced that it would be impractical, if not impossible, to build up in Europe forces capable of stopping the Red Army.

When the Atlantic Pact was being debated, Senator JOHN FOSTER DULLES said that he thought insufficient attention had been paid to its usefulness in making possible agreement among the western allies on the future treatment of Germany. The pact would operate against any aggressor. If a revived and rearmed Germany should attack France, all the parties to the pact would be obliged to come to the assistance of France.

A FORCE FOR GERMANY

With that sort of backing, France can be, and already is, less fearful of the revival of Germany as a strong industrial nation. In due course, it might be willing to approve a small German, or west German armed force. There is no intention on the part of any of the western allies at the present time of permitting western Germany to rearm on a large scale. Any such policy would be likely to provoke war with Russia, even if it did not split open the North Atlantic alliance.

But eventually, Germany, or western Germany, will need, and almost certainly be allowed, a small lightly-armed force to protect itself against internal revolution.

SENSE OF SECURITY

A major part of the arms-aid now planned will go to France, Belgium, and the Netherlands. In strengthening their armed forces it will, like the Atlantic pact, give these nations a greater sense of security against Germany. This is a valuable byproduct of both the pact and of the proposed MAP. It is not, however, the primary reason for either of them. The only powerful aggressor today is the Soviet Union. MAP, just as much as the Atlantic pact, is designed to deter Soviet-Communist aggression.

There is no intention of trying to build up in western Europe armies equal in numbers to the Red Army, including its trained reserves, plus its satellite armies. This would be highly impractical, if not impossible, unless western Europe were turned into an armed camp and the manpower of Germany and Italy were armed.

At the present time, however, Soviet troops could march to the English Channel in a few weeks. Communists and pro-Soviet propagandists have long advanced the thesis that the American strategic air force could not paralyze the Russian war machine by dropping atom bombs on Russian factories, since the Kremlin could seize and use the immense productive facilities of western Europe. Sometimes they hint that we would drop atom bombs on our captive friends in western Europe, sometimes that we wouldn't.

DON'T WANT "LIBERATION"

In any event, the western Europeans don't want to be overrun. The prospect of eventual liberation does not reassure them, since they know the Russians and their Communist quislings would eradicate ruthlessly during the period of occupation all who had opposed them.

In the considered opinion of American and western European military experts, a force capable of checking the Russians at the Rhine can be built and equipped within 3 or 4 years. This would be much smaller than the Red Army. But defensive weapons on the ground have gained, relatively to offensive weapons, since the end of World War II. And if the air forces of the North Atlantic alliance were adequate, they could severely limit the number of divisions that the Russians could move westward.

BASIC REASONS

The real reason for MAP is exactly what all of our leading official spokesmen have said it is: to give our allies on the other side of the Atlantic a greater sense of security against Russian military aggression, a chance to fight for their lives, and eventually a good chance of stopping the Red Army on the ground.

While it will take a few years to reach the last goal, each addition to military strength of our European allies makes a quick Russian conquest of western Europe more expensive and therefore less tempting.

"State Is My Shepherd"

EXTENSION OF REMARKS

OF

HON. KARL M. LeCOMPTE

OF IOWA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, August 10, 1949

Mr. LECOMPTE. Mr. Speaker, the editorial column of the Oskaloosa (Iowa) Herald of July 28, 1949, contains a very timely article on the disastrous effect the welfare state of Great Britain is having on the spirit of the British people. This article should serve as a warning to our own people to stop, look, and listen before seriously considering exchanging our own heritage for an elusive utopian dream that the State alone can bring security and happiness.

Under leave to extend my remarks in the RECORD, I include the article from the Herald:

"STATE IS MY SHEPHERD"

After 5 weeks in Great Britain, we came home with new reverence for the faith of mankind that created America.

It is our conclusion that there is no hope, peace of mind, or real security for anyone in the belief that "the state is my shepherd, I shall not want." This is the real concept of the welfare state and it has done something to the British spirit. Nothing, not

even a free health service, is more important to a nation than the spirit of its people.

So far as the British health scheme is concerned, it is a major expression of the welfare-state idea, and as a health scheme, it is very similar to the plan President Truman has proposed for this Nation. It is too early to tell what it has accomplished for the health of the British people, but there are definite signs that it has done something to their faith in themselves. If this Nation of ours should ever adopt the same kind of a scheme, we must be prepared to accept the same increases in taxes and Government controls. But of much greater significance is the depressing effect upon the spirit of the people.

The Britons want security, but we do not think they have found it in the socialist idea that "the state is my shepherd." To the extent that any man accepts the doctrine that the state alone can bring him security and happiness, he will lose faith in himself. Nevertheless we must recognize that that false concept has a mesmeric appeal.

It is reassuring to know that America is founded upon radical faith in people, but we dare not be complacent. It is our immediate responsibility to see that no citizen is tempted to lose faith in himself. We must help and inspire each citizen to make himself a useful member of society, and thus achieve true security for himself and his family.—J. W. McPHERRIN in the American Druggist.

Gilbert Lame

EXTENSION OF REMARKS
OF
HON. THOMAS J. LANE
OF MASSACHUSETTS
IN THE HOUSE OF REPRESENTATIVES
Wednesday, August 10, 1949

Mr. LANE. Mr. Speaker, under leave to extend my remarks, I wish to include the following article from the Lynn Telegram-News, Lynn, Mass., Monday, August 7, 1949:

RETIRED PEABODY GATE TENDER WRITES POEMS

(The following poems were written by Gilbert Lame, retired Boston & Maine Railroad crossing tender who became a Nation-wide figure when he was stationed at the West Peabody crossing on the Newburyport Turnpike. Gilbert's friendly wave and greeting to motorists caused him to become so well known that he was mentioned in several books and once appeared on the We, the People broadcast.)

MY PRAYER

Dear Lord, I do not pray for wealth of gems or gold,
Just give me strength to carry on,
And when my work is done and story told,
The world can truly say, "A friend is gone."

Though dark the night, and storms may fill the air,
And life seems hardly worth the fight,
I'll work 'til I am called from over there,
And ask that I may hold for Thee a light.

Lord, give me light that I may show for Thee,
Beauty, others pass without a thought,
So friends with mortal eyes may see
The world is full of wonders Thou hast wrought.

I thank Thee, Lord, for all these friends of mine,
Who greet me as a friend they love to know,
Make their lives brighter and their lights to shine,
So all will miss them when they are called to go.

I MISS YOU

I miss you dear friends of the Turnpike throng,
With your wave and smile as you roll along,
For the day is brighter for you and me,
For a wave and a smile when each other we see.

You miss me too, many tell me they do,
For my greetings to them and greetings to you,
Have found a warm spot in many hearts,
That will never grow cold till life departs.

The friendship gifts you have given me,
Are cherished now and ever will be,
As tokens of friendship pure and true,
For I love my friends and so do you.

Won't it be grand, dear sister and brother,
When our journey ends if we can greet each other,
With a wave and a smile as we used to do?
I'll watch for you there, and you'll look for me too.

MY OLD-FASHIONED HOME

Would you like to take a trip with me
To an old-fashioned home far away,
And see the log fire I used to see,
On the hearth at the close of day?
The neighbors came from winter's chill,
And there were apples and pop-corn too.

And I can seem to see those old folks still,
And I would like to be there, wouldn't you?
An old spinning wheel stood by the wall,
And the swifts and reel nearby,
But she who used them answered the call
And left them there with a sigh.

Would you like to live in an old-fashioned home
Far away from turmoil and strife,
By the log fire sit, no more to roam
With the friends who are dear as life?
That old-fashioned home is gone today
And those old-fashioned friends are too,
But their memories will never fade away,
For I love my old friends, don't you?

—*Gilbert E. Lame.*

WEST PEABODY, MASS.

Complete Discharge Petition No. 6 To Repeal Wartime Excise Taxes on Retail Sales

EXTENSION OF REMARKS
OF
HON. ABRAHAM J. MULTER
OF NEW YORK
IN THE HOUSE OF REPRESENTATIVES
Wednesday, August 10, 1949

Mr. MULTER. Mr. Speaker, the following full-page advertisement appeared in New York Times of August 9, 1949. It is worthy of the attention of every Member of this House:

"NOTHING CAN BE DONE" HAS NEVER BEEN THE AMERICAN WAY

Mr. President, you have made the statement that nothing can be done to repeal the war excise sales tax during this session of Congress. We must respectfully disagree.

Congress was able to declare war on Japan in 24 hours. It need not take more than a week for Congress to declare war on unemployment. And these taxes are one of the main causes of growing unemployment now.

We cannot wait. Delay to January 1950 would be disastrous during the vital autumn and Christmas buying seasons of 1949. It would adversely affect the economy of the entire country. To quote the National Planning Association—a nonpartisan organization representative of business, labor, agriculture, and the professions:

"The present structure of excise taxes discriminates between producers of taxed and untaxed goods and many of those taxes weigh most heavily on low-income families."

We wish to call to your attention that the purpose of these taxes was to reduce civilian demand in time of war. That was necessary. They reduced demand then, but there is no reason why we should reduce demand and employment now. Furthermore, the repeal of these taxes would result in no substantial net loss of tax revenue.

At the time these taxes were put into effect, it was agreed that they would be removed 6 months after the end of the war. Four years have passed and nothing has been done.

The CIO at its constitutional convention, Portland, Oreg., November 1948, adopted the following resolution:

"*Resolved*, That all excise taxes not regulatory in character be repealed."

This statement on the excise tax by Beardsley Ruml is vital to every American.

We suggest you read every word.

MURRAY BAY, QUEBEC, August 4, 1949.—Beardsley Ruml, former Chairman of the Federal Reserve Bank of New York (visiting here with Frank B. Common, K. C., of Montreal), stated that the wartime excise tax rates in the United States should and can be repealed by the 15th of August, this month, this year.

"The wartime excise rates," Mr. Ruml said, "are producing an ever-widening black depression in affected industries. If all business were equally depressed we would have between 10,000,000 and 12,000,000 unemployed at the present time. Excises applied on the cost of doing business, such as transportation and communication, are pyramided and raise costs and prices to the consumer of every article of commerce.

"The wartime excise tax rates were intended to reduce civilian demand selectively in time of war, and properly so. These wartime rates succeeded in reducing demands then, and they are reducing demand and employment selectively now. All wartime excise tax rates, except those on gasoline, tobacco, and alcohol, should be repealed at once.

"As far as the Government financial requirements are concerned, the wartime excise tax rates are both unnecessary and inappropriate.

"They are unnecessary because the repeal of the wartime excise tax rates would result in no substantial net loss of revenue. The net loss could hardly be greater than $600,000,000 and it might be as little as $200,000,000, or even less.

"This estimate is arrived at in the following way. The gross receipts from wartime excise rates in 1948 was $1,800,000,000. With sharply lower business, gross income from these tax rates in 1949 can be estimated at $1,400,000,000 or less. Offsetting this figure are losses from four important sources—losses in corporation income taxes at the manufacturing level, losses of tax receipts at the wholesale and retail level, losses from lower withholding tax receipts, and increased out-payment for unemployment benefits. Estimating these offsets at from $800,000,000 to $1,200,000,000 for the four sources combined, leaves a net loss as stated above from $600,000,000 to $200,000,000.

"The possible net loss from the repeal of war-time excises is not an important amount in a budget of over $40,000,000,000 in view of the issues involved and the selective unemployment produced.

"The wartime excise rates are not only unnecessary, they are also inappropriate. Not only are they selective and discriminatory, but they are being used to meet nonrecurring capital items in the budget which have nothing to do with ordinary recurring Fed-

eral expenditure. The most conspicuous item of this kind is over $2,000,000,000 to provide for refunds to veterans for excess premiums paid during 4 years of war for war life insurance. This is not an expense of operation of fiscal 1950. A reserve to care for these excess collections should have been set up at the time the collections were made; that is, prior to 1946. In 1946 we paid off some $26,000,000,000 of public debt. If we had set aside $2,000,000,000 as a reserve against these premiums, we still could have paid off $24,000,000,000. It is clear that as of today, the refund of these excess collections should be handled by debt management and not by current taxation producing unemployment.

"Last year's Federal budget on a cash consolidated basis did not show a deficit as is generally believed. On the contrary, there was a surplus larger than the estimated net loss from wartime excise tax repeal in fiscal 1950.

"No matter how you look at it, the wartime excise tax rates from a financial point of view are both unnecessary and inappropriate, and should be repealed forthwith.

"Improvised public works spending on roads, school buildings, housing, or the like cannot give employment to the fur industry, the leather industry, the jewelry industry, the appliance industry, or other industries depressed by wartime excises. On the contrary such spending will aggravate demand at the most active business spot. This is not a time for excess spending, but rather for tax reduction from wartime discriminatory rates.

"The time for a reduction of consumers taxes has always been recognized to be the summertime. That is when business is lightest and postponement of purchases waiting for tax reduction will do business the least harm. Delay to January 1950 for excise-tax reduction would be disastrous to many important industries during the vital autumn and Christmas buying seasons of 1949. The Governors of Connecticut, Massachusetts, and Rhode Island have already asked for excise-tax relief now. They will doubtless be joined by the governors of other affected States.

"No halfway measures should be undertaken in repealing the wartime excise tax rates. Half measures wil only encourage delay in buying on the part of merchants and their customers.

"There is still plenty of time to get the wartime excise tax rates off by August 15. Senator GEORGE, Senator LUCAS, and other legislative leaders have said that only a signal from the White House is required. It has even happened in the past that tax legislation affecting the public interest has been passed over the President's veto.

"After all, Congress was able to declare war on Japan in 24 hours. It need not take more than a week for Congress to declare war on unemployment."

We ask that the war excise tax be repealed now.

This advertisement has been published in the interest of American business and labor by the following organizations: American Fur Merchants Association, Inc.; American National Retail Jewelers' Association; American Retail Federation; Associated Fur Manufacturers, Inc.; Association of Southern Farmers and Trappers; Gas Appliance Manufacturers Association, Inc.; Institute of Distribution, Inc.; Limited Price Variety Stores Association, Inc.; The Mail Order Association of America; Motion Picture Association of America; The National Association of Chain Drug Stores; The National Association of Credit Jewelers; The National Association of Music Merchants; National Association of Retail Clothiers and Furnishers; National Association of Shoe Chain Stores; National Retail Dry Goods Association; National Retail Furniture Association; National Retail Hardware Association; National Shoe Retailers' Association; National Wholesale Druggists Association; The Retail Credit Institute of America; South Western Furs, Inc.; Theater Owners of America; Toilet Goods Association, Inc.

Uncle's Bellyache

EXTENSION OF REMARKS
OF
HON. ROBERT F. RICH
OF PENNSYLVANIA
IN THE HOUSE OF REPRESENTATIVES
Wednesday, August 10, 1949

Mr. RICH. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following editorial from the Wall Street Journal:

UNCLE'S BELLYACHE

The fellow with the biggest appetite around these parts is your Uncle Sam.

Last week he put away 10,000,000 pounds of butter, which gave him a total of some 20,000,000 pounds tucked away in his deep freeze. In just one day he took 2,000,000 pounds off the grocery shelves, and his official purchasing agents say he'll buy a lot more ere the year is out. "We are required by law to buy whatever is offered," said one official. And since Uncle pays 62 cents for it wholesale, which is more than we want to pay, that means he'll buy plenty.

Or take eggs. Since New Year's he's scooped up about 143,000,000 dozens. That's quite a supply of eggs—more than twice the total commercial storage stocks. It's a dozen for each man, woman, and infant.

Or there's corn. As of June 30 Uncle Sam had acquired 533,000,000 bushels of the 1948 crop under what he calls nonrecourse loans—that is, loans the farmer doesn't have to pay back unless he can sell his corn for more elsewhere, which right now he can't.

Much the same thing is happening to many other food items, from wheat to spuds. Uncle Sam is putting away so much of all of them that he's getting a bellyache.

The taxpayers, the economic doctors, and even the farmers are getting headaches.

You see, the purpose of all this buying was to keep the price of food up. It's succeeded in that, all right, by setting a minimum price for the supported commodities. Just for an instance, a few weeks ago, the wholesale price of butter averaged 59 cents a pound. Then Uncle offered 62 cents a pound, taking on all comers, and a number of folks decided not to sell their butter to anyone else for less.

Now, the first headache in all this is what you are paying for it. In the beginning you have to put up the money for Uncle to buy the butter to push the price up, and then you have to pay more as a result for the butter you buy at the store. A few people have begun to grumble, and that makes politicians' heads ache.

Then there's the problem of what to do with all the stuff Uncle buys. Burn it up? Let it rot? Give it to the Zulus? The expert planners forgot to plan for that; they just found the problem suddenly upon them in the form of a crisis.

And how do you stop it? With prices guaranteed no matter what, the hens have been laying overtime, the spuds have sprouted double, and the corn is pouring copiously into already bursting bins. If Uncle Sam has to keep swallowing all that, he's apt to come down with the worst case of indigestion in history.

The doctors are full of ideas. One suggests Uncle sell it to the consumers at a loss and let the taxpayers make up the deficit. Another suggests a way to relieve the taxpayers—keep the consumers' prices up by having planned scarcity and forbidding farmers to grow so much.

The only idea we haven't heard from Washington is to let us buy eggs as cheaply as the hens can lay them. That thought is shocking.

So we guess Uncle Sam will keep on buying, you will keep on paying, the planners will keep on thinking, and the aspirin makers will get rich.

California Shows Good Faith in Colorado River Controversy

EXTENSION OF REMARKS
OF
HON. CLYDE DOYLE
OF CALIFORNIA
IN THE HOUSE OF REPRESENTATIVES
Tuesday, August 9, 1949

Mr. DOYLE. Mr. Speaker, I am pleased to present to my colleagues the text of the very appropriate editorial which appeared in the Los Angeles Times, Sunday morning, July 31, 1949. One reason I do so is because said editorial makes public notice of deserved compliments to Representative HARRY SHEPPARD, of California, a Democrat.

Representative SHEPPARD is the distinguished chairman of the California delegation of Representatives in this Eighty-first Congress. It is to be noted that the California delegation is 100 percent behind Chairman SHEPPARD in the filing and support of the Chairman's vigorous endeavor to build interest by Members of the House in Resolution No. 3, which resolution was filed by Chairman SHEPPARD for the purpose of obtaining the approval of the United States Congress to submitting the controversy involved between the States of Arizona and California, to the decision of the United States Supreme Court.

Mr. Speaker, I am pleased that this editorial recognizes the vigorous activity of Chairman HARRY SHEPPARD, of the California delegation, in this matter which is so imperative to the deserts of both the State of California and State of Arizona.

We of California are willing and ready to have the highest court in our land determine and announce its considered opinion on a matter which can never be satisfactorily determined other than by Supreme Court decision.

Following is the editorial for your information:

CALIFORNIA SHOWS GOOD FAITH

In the bitter fight over Colorado River water, one of the stock accusations of Arizona has been that California was seeking to stall the issue by a phony attempt to get a Supreme Court ruling on the complicated issues. Arizona, in reality, has stalled the matter herself by using every political influence possible to bottle up in congressional committees the California resolutions for a Supreme Court settlement.

STYMIED IN COMMITTEE

Now Representative HARRY SHEPPARD, of California, a Democrat, has defied administration pressures and demanded that the matter be brought to the floor of Congress for a decision on California's plan. He has been compelled to invoke the difficult and seldom-used procedure of circulating a petition

among Members of Congress. It requires a majority of all the Members of the House to bring a bill out of committee to the floor.

Regardless of the success of the maneuver, it proves one thing. It shows the earnest and genuine desire of California to submit all the questions at issue to the only agency in the United States which can decide them—the Supreme Court. Arizona, knowing the weakness of her position, has fought desperately to block any such adjudication; she well knows that her over-all case is not sound.

ARIZONA'S STRATEGY

In fact, to seek to prevent a fair ruling and to obtain by political pressure the objective she could never attain legitimately, Arizona has sought at this session to force through Congress the astoundingly expensive and fantastic central Arizona project at a cost of at least $738,000,000 to the American taxpayer. She has sought to do this despite the fact that ownership of the water which would be utilized by the project is in dispute. She knows that her only chance to "put over" the uneconomic central Arizona scheme is to "bull it through" regardless of the ownership of water, the soundness of the proposal, or the cost elements involved.

Representative SHEPPARD's attempt, specifically, is to get the California measure for the Supreme Court determination out of the House Judiciary Committee, where it has been bottled up since the start of the session. All of California's congressional delegation introduced identical legislation, which has been blocked from reaching the floor. Representative SHEPPARD undoubtedly feels that the whole matter has been clarified to such an extent during the last few months that there would be a good chance of success for the Supreme Court bill if it could only be brought to a vote. He knows that, at last, the facts have begun to penetrate other Congressmen despite Arizona's attempts to becloud the issues.

Arizona's supposed "fears" of "long delays" if the matter should go before the Court are ridiculously transparent.

The California legislation specifically authorizes a suit in which the United States Government would participate, thus assuring a clear-cut and definite case and a speedy settlement. All the arguments have been in written form for a long time. The briefs could be submitted quickly to the High Court. If Arizona would quit stalling and join in the effort to get a court ruling, the whole issue could be decided speedily.

But does Arizona want a speedy settlement?

CREED OF CONFUSION

Her whole strategy has been devoted to the attempt to get a free ride by obtaining authorization of the $738,000,000 central Arizona project in advance of a determination of water rights. She has tried, too, to pretend that the acquisition of rights to certain main stream Colorado River water automatically would entitle her to go ahead with the $738,000,000 project whether it was feasible and whether she could pay for it or not. Her creed has been confusion. If that confusion is ended by a just and reasonable decision of Congress to submit the Colorado River issues to the Supreme Court, her whole fantastic scheme collapses.

That, in simple terms, is why Arizona has fought so bitterly to prevent any legal, common-sense, normal determination of this matter.

It is the best proof possible of the justness of the California cause. It is the best argument for the enactment of the authorization for the Supreme Court settlement.

Representative SHEPPARD deserves united support in his effort to get the question on the floor of Congress. Citizens here can help by writing to Members of Congress from other States and explaining why a Supreme Court settlement is the logical way to settle the basic controversy. If Congress will act wisely on this, justice can be done and years of futile additional struggling can be avoided.

Broadcast by Phelps Adams

EXTENSION OF REMARKS

OF

HON. CLARENCE J. BROWN

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Wednesday, August 10, 1949

Mr. BROWN of Ohio. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following radio broadcast by Phelps Adams:

Well, here in Washington today, the economic differences between President Truman and his own, Democratic Congress were coming rapidly to a boil. As you know, the President and Congress, so far, haven't been able to agree on much of anything; but there is probably no issue upon which they disagree so completely and so wholeheartedly as on the issue of Government spending.

In his economic message a couple of weeks ago, the President said that any cut in his foreign-aid program or in the national defense program was "unthinkable." But the Senate today went to work on the Marshall plan appropriation bill with a very obvious determination to cut at least 10 percent out of it. Then some time within the next week or two, it will take up the national defense appropriations from which one of its committees has already carved more than a billion dollars.

Adding fuel to these flames, President Truman today sent to the Capitol his long-awaited message asking for nearly a billion and a half dollars to be used during the next 2 years in arming the Atlantic Pact countries and other friendly nations.

The President, of course, did not include the cost of this program in his budget estimates last January, so—if approved by Congress—it would add just that much more to the heavy deficit that is already in prospect for the current year. So his arms program today collided instantly with a solid wall of opposition from the economy block in both Houses; and it appeared virtually certain that—when the battle is over—Congress will come up either with no military aid program at all; or at best, with one that has been whittled down to token size.

Then Senator HUBERT HUMPHREY—a left-wing Democrat from Minnesota who is one of the Presidents strongest supporters—filed a minority report denouncing a Senate resolution that would compel the President himself to cut expenses sufficiently to bring the Federal budget into balance. And so the war is on.

The President insists that the Government must spend more than ever in order to check the present recession. Most of the Members of Congress, on the other hand, are convinced that no government can go on forever, spending more than it takes in. Ultimately, they warn, it is bound to go "bust" just as you or I would under the same circumstances.

And there you have the issue. Can Congress cut the budget without crippling the Federal Government or wrecking the whole national economy. On the other hand, can Congress give the President all these extra billions without doing exactly the same thing?

Ladies and gentlemen, as I listen to our statesmen seriously debating those questions, I can't help wondering if we haven't lost all sense of perspective since we began to spend these astronomical sums that nobody can comprehend.

I have gone back over the records of the United States Treasury Department to gather a few very simple facts and figures showing how other Presidents of the United States have met some of the serious problems that confronted them, and how much money they had to spend to make this Nation the biggest, the strongest, and the wealthiest Nation in the world.

If there is one thing that the records of the United States Treasury Department show, it is that this Government of ours, in 160 years, has grown to be the world's most expensive luxury.

From George Washington's day right up to the beginning of World War II, we had 31 Presidents, and they had run this country pretty successfully for more than 152 years. During that time they had had to face—and to pay for—a great many very serious and expensive national emergencies. There was the War of 1812, the Mexican War, the Civil War, the Spanish-American War, and World War I—which was no slouch of a war as some of you may recall. Included in this period, too, were 8 years of Franklin D. Roosevelt—with the CWA and the PWA and the WPA and all the other alphabetical agencies that he created. Then, too, there were the heavy defense expenditures that Mr. Roosevelt had to make in anticipation of World War II. But all of these Presidents in all of these years—right up to July 1, 1941—with all these wars and preparations for wars—could not spend, and did not spend, as much money as Harry S. Truman has spent in only 4 years since the war.

Yes, that is the fact. Compared to Harry Truman, Franklin D. Roosevelt was a nickel-nursing tightwad—incredible as it seems. During his three terms in office, Mr. Roosevelt had to pay virtually the entire combat cost of World War II—and he spent $31,000,000,000 a year. That's billions with a capital B. But Harry Truman during his four, almost completely, postwar, peacetime years has spent one and a half times as much each year, as Mr. Roosevelt did.

Now let me make it clear that I am speaking of fiscal years because that is the way the Treasury keeps its records. Mr. Truman's first fiscal year began on July 1, 1945. On that date—as you know—the war in Europe had been over for nearly 2 months, and the war in Europe had been over for nearly 2 months, and the war with Japan had only about a month and a half to go, so it is entirely possible that not a single tank, plane, ship, gun or shell that was actually used in the war, was charged to Mr. Truman's fiscal administration.

And as for taxes—well that was where Mr. Roosevelt really performed at his best. If memory serves, he raised the tax rates on 16 different occasions during his administration and he brought them to the highest levels they had ever reached. He collected about $14,000,000,000 a year. Chicken feed—just chicken feed. Mr. Truman collects three times that much every year.

So let's go back and dig out a few simple and enlightening comparisons that ought to give us some idea of what really is happening to our Federal Budget. For example there was Calvin Coolidge. Some of us tonight are old enough to remember way back there when we did have a Republican in the White House. After all—it was only 20 years ago that Mr. Coolidge left office.

He served 6 years and spent $3,000,000,000 a year. That covered everything including national defense, veterans' pensions, and the interest on our World War I debt. But this year—in 1949—Mr. Truman will spend exactly that same amount of money on public works alone. You will recall that Senator PAUL

DOUGLAS, of Illinois, recently shocked his senatorial colleagues by referring to some of these very same public-works appropriations as pork-barrel legislation—and, as you know—Senator DOUGLAS is no carping conservative, or arch Republican. He is sincerely and honestly a liberal and one of the outstanding Democrats in the administration ranks in Congress. So what Mr. Coolidge spent 20 years ago to run the entire Government now goes for "pork"—to use Senator DOUGLAS' expression.

Further back, there was Abraham Lincoln who, in his four, unhappy years, had to bear the entire cost of the Civil War on the Union side. And that cost was fabulous. Not until the war days of Woodrow Wilson did any President of the United States ever again spend so much money per year as did Abraham Lincoln. But this coming year, President Truman will spend on the Department of Agriculture alone twice as much money as Lincoln spent in a year on the Civil War.

And so it goes, but for the most interesting comparison of all, let's look at George Washington's administration. He spent $4,000,000 a year—and that's millions with a very small "m." Now the country, of course, has grown enormously since George Washington took office 160 years ago. It has grown in size, in population, and in wealth; but believe you me, nothing about this country or its Government has grown so fast and so much as the United States Treasury.

Geographically the United States with all its possessions and territories is today about four times as big as it was in Washington's day. It has forty times as many people. And the combined income of all those people together—is 400 times what it was back there in 1789. But today the United States Treasury under Mr. Truman, is spending nearly 11,000 times as much as Washington did. That's a lot of times.

Suppose for a minute that instead of taking office when he did, George Washington had become President of the United States way back in the middle of what the anthropologists call the mesolithic period—back in the middle of the stone age. That would be at least 4,000 years before Adam and Eve had even made their appearance in the Garden of Eden, and about 9,000 years before the birth of Christ. And suppose, that—starting way back there—General Washington had begun plugging away, spending his $4,000,000 every year right down to the present day. Well, if that had happened, he would—by today—have drained the United States Treasury of exactly as much money as Mr. Truman spends in 1 year every year.

So, when you sit down some rainy day to fight with your own family budget, and you simply can't figure out where the money goes, you might just look in at the Treasury in Washington. It's probably there.

Today President Truman tells us he has cut his budget to the bone. Well, maybe so; but what's left is certainly the fattest skeleton this country has seen so far.

Morgenthau Plan Was Foolish Destruction

EXTENSION OF REMARKS

OF

HON. WILLIAM LANGER

OF NORTH DAKOTA

IN THE SENATE OF THE UNITED STATES

Wednesday, August 10 (legislative day of Thursday, June 2), 1949

Mr. LANGER. Mr. President, I ask unanimous consent to have inserted in the Appendix of the RECORD an article which appeared in the Fargo Forum, published at Fargo, N. Dak., entitled "Morgenthau Plan Was Foolish Destruction."

There being no objection, the editorial was ordered to be printed in the RECORD as follows:

MORGENTHAU PLAN WAS FOOLISH DESTRUCTION

(By George E. Sokolsky)

The British attack on the Morgenthau plan is late. Also Winston Churchill's contention that he had to accept the Morgenthau plan which advocated destroying much of German industry because Roosevelt wanted it, also is late and lame. Churchill seems to explain all his errors of historical judgment on the ground that he was dependent, as his country was, upon the bounty of Roosevelt and had to go along with him no matter how well he knew that Roosevelt was wrecking the world. It is too late, to say that, in private or in public.

Today destroyed German industry would be invaluable to us both as a peacetime productive and potential war agency. A good part of the money that the American taxpayer is pouring into the Marshall plan might have been saved were we able to utilize more effectively the German industrial base.

It was at the moment of Potsdam that the United States should have realized that unless Germany's industrial base could quickly and efficiently be restored, this country would be loaded down with the cost not only of supplying Germany but also those countries in Europe which had become dependent upon Germany for manufactured goods.

Two factors stood in the way of a rational approach to the problem:

The Morgenthau plan to which Roosevelt and Churchill had agreed at Quebec, without the knowledge of their cabinets.

An order issued by the Joint Chiefs of Staff for the occupation of Germany, based on the Morgenthau plan.

Herbert Hoover, in 1947, said of this order:

"We can keep Germany in these economic chains, but it will also keep Europe in rags.

"There is only one path to recovery in Europe, that is production. The whole economy of Europe is interlinked with German economy through the exchange of raw materials and manufactured goods. The productivity of Europe cannot be restored without the restoration of Germany as a contributor to that productivity."

No one can read the Morgenthau plan or his book, Germany Is Our Problem, without reaching the conclusion that his object was to aid Russia. Section 14 is definitely what the Russians have been clamoring for since Potsdam—namely that the United States get out of Germany and leave that country to Russian control.

In this connection, I call attention to an ECA report:

"It was the expressed intention in the Potsdam agreement that the four occupation zones of Germany were to be treated as a single economic unit. It has never been possible to obtain Soviet assent to the implementation of this intention."

We'll Keep the White House

EXTENSION OF REMARKS

OF

HON. FRANK B. KEEFE

OF WISCONSIN

IN THE HOUSE OF REPRESENTATIVES

Wednesday, August 10, 1949

Mr. KEEFE. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following editorial from the Milwaukee Journal of August 7, 1949:

WE'LL KEEP THE WHITE HOUSE

The White House will not be torn down after all. It will be renovated throughout, but the old, familiar face will remain. This is the decision of the Commission named by Congress. It is a decision that, we believe, will get the overwhelming approval of the American people.

We are not a people that cling to old things, old buildings, and old traditions just for the sake of oldness. The spirit of change is strong in us. But some of the things that embody our history are precious.

The devotion to the simple structure at the end of Pennsylvania Avenue is not new. After British troops lit the flames that gutted the original building in 1814, voices urged a new, modern mansion for the Nation's President. The cry went unheeded then, as it has every other time when major remodeling or repairing was in order.

It has been said that the White House is the heartbeat of the Nation. There is much to that. The Capitol is cold and austere. Mount Vernon, Independence Hall, Faneuil Hall are impressive, but they are all history. The White House is impressive, too, but it has the added warmth that comes from being a part of the present—a thing still connected with life.

Washington watched the Presidential home go up. Jefferson was a boardwalk kibitzer. John and Abigail Adams were the first occupants. Jefferson added sheds to house horses and cows. The place was first painted white in the restoration that followed the War of 1812. Fillmore put in central heating and a bathtub. Hayes installed the first telephone. Chester A. Arthur removed the accumulated junk in the attic and had it sold at auction. Theodore Roosevelt had the whole building done over. Franklin Roosevelt put in a swimming pool.

There is history in every room. Here Jefferson worked out the route of Lewis and Clark. There James Monroe and John Quincy Adams phrased the Monroe Doctrine. In still other chambers, Lincoln wrote the Emancipation Proclamation and Wilson planned the League of Nations.

On the walls are some dark shadows. Harrison—"Old Tippecanoe"—died in the White House. The gaunt Lincoln wept over the bed of his dying son. Grant, and Harding later, slept fitfully because of scandals whirling about their administrations.

But there has been gaiety and joy, also, The stately levees of Dolly Madison. Andrew Jackson's "people of the West," in buckskin, marching through on inaugural day, raiding the pantries and spilling the punch. Cleveland's wedding to Frances Folsom. The children of Garfield and the Roosevelts scampering down the long corridors. Theodore Roosevelt, exponent of the "strenuous life," and his wrestlers, boxers, and jujitsu instructors.

Not only Presidents but First Ladies made history here—of the feminine kind. Pinch-nosed Abigail Adams hung her wash in the unfinished East Room and wrote about it. Dolly Madison cut Washington's portrait from the frame and carried it to safety ahead of the British troops. Peggy Eaton, the innkeeper's daughter, was welcome at the Jackson parties if not at other Washington affairs. Van Buren's daughter-in-law, with fancy ideas, sat on a dais at parties, attired in a purple velvet gown with a long train and three feathers in her hair. Zachary Taylor's wife, who didn't like the city of Washington, betook herself to an upper floor with her sewing and a corncob pipe. Mrs. Polk and Mrs. Hayes would serve no liquor and the wits called the latter "Lemonade Lucy."

Destroy forever the place that so mirrors the Nation's history and hoards the memories of its leaders, great and small? Certainly the Commission was right in finding it unthinkable.

United States White Paper Suppresses Directive in Marshall Mission

EXTENSION OF REMARKS

OF

HON. RALPH E. CHURCH

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, August 10, 1949

Mr. CHURCH. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following article from the Washington Times-Herald of August 10, 1949:

UNITED STATES WHITE PAPER SUPPRESSES DIRECTIVE IN MARSHALL MISSION—DOCUMENT SAID TO CONTRADICT ACHESON'S DEFENSE OF ADMINISTRATION ON CHINA

(By Walter Trohan)

The State Department has suppressed one of the most important documents on Chinese-American relations in its 1,054-page white-paper defense of the administration for the fall of China to communism.

The compilation of documents does not include the directive General Marshall, wartime Chief of Staff, was given when he undertook a mission to China with the rank of Ambassador late in 1945.

It was reported within the State Department that the directive was purposely omitted because it did not jibe with State Secretary Acheson's statement: "Nothing that this country did or could have done within the reasonable limits of its capabilities could have changed the result; nothing that was left undone by this country has contributed to it."

MARSHALL'S EFFORTS CRITICIZED

It has long been reported that the Marshall directive instructed the general to bring the Chinese Communists and Nationalists together, a project regarded as impossibly visionary.

Marshall's efforts to fulfill this directive have been blamed in China and the United States for the victory of the Communists in Asia. Observers hold that Marshall could have saved China had he not been prejudiced against Generalissimo Chiang Kai-shek and had he followed the advice of American military observers on the scene.

Marshall is credited with a hand in President Roosevelt's decision at Yalta secretly placing the control of Manchuria, the heart of China, under the Soviets, and also giving the Soviets the Kurile Islands, Dairen, Port Arthur, and the southern half of Sakhalin in return for entering the war against Japan.

MAC ARTHUR IGNORED

As Chief of Staff, Marshall advised Roosevelt it would take several years to defeat Japan without Soviet help. General MacArthur had reported Japan was ready to surrender and had advised against letting the Soviets in the Pacific war. Marshall disregarded MacArthur's advice, as did Roosevelt.

When Marshall went to China for 3 months late in 1945 and early in 1946, he was prejudiced against Chiang by the bitter reports of the late Gen. "Vinegar" Joe Stilwell.

American observers on the Chinese scene told Marshall that the issue was one of communism versus any other form of government.

MISSION A FAILURE

Ignoring this advice, Marshall worked to force the Communists and Nationalists together. This effort broke down when the Communists insisted on maintaining their own army. When Marshall returned with his mission a failure, he hit at both the Nationalists and Communists in a plague-on-both-your-houses report.

The white paper does contain the directive of Lieutenant General Wedemeyer, who undertook a special mission to China in 1947. Wedemeyer proposed a program of aid to China and warned that Sovietization of China was a grave danger to world peace. The inclusion of the Wedemeyer directive served to emphasize the suppression of the Marshall directive.

The Situation in China

EXTENSION OF REMARKS

OF

HON. KENNETH S. WHERRY

OF NEBRASKA

IN THE SENATE OF THE UNITED STATES

Wednesday, August 10 (legislative day of Thursday, June 2), 1949

Mr. WHERRY. Mr. President, in today's Washington Times-Herald is an editorial on the deplorable situation in China and developments that led to it. Since developments in China now make it imperative upon the United States to develop a forthright, clear policy, the information contained in this editorial should be helpful in appraising the situation. I ask unanimous consent for insertion of the editorial in the Appendix of the RECORD.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

STUPIDITY OR BETRAYAL?

A few jarring notes in the State Department white paper on China suggest that Mr. Roosevelt and his agents made positive contributions to China's going Communist.

BLUNDER AT YALTA

One such allegation is made in the long suppressed report of Lt. Gen. Albert C. Wedemeyer, released in the white paper 2 years after he surveyed prospects in China for Mr. Truman. The general said, "Indirectly, the United States facilitated the Soviet program in the Far East by agreeing at the Yalta Conference to Russian reentry into Manchuria, and later by withholding aid from the national government."

Mr. Roosevelt, with Alger Hiss as adviser, made the deal with Stalin at Yalta, where preeminent interests of the Soviet Union in the Manchurian area were acknowledged as part of the price for bringing Russia into the war with Japan for a scant 6 days.

The white paper shows that the Yalta sellout of nationalist China in February 1945 was a product of Roosevelt's personal diplomacy. He and W. Averell Harriman, then Ambassador to Moscow, handled the details after Roosevelt had informed his Secretary of State, Edward R. Stettinius, that he need not concern himself.

INCREDIBLE ADMISSIONS

The white paper uses such vague phraseology in describing this deal as "from the available evidence." The origin and authorship of the reference to Russia's preeminent interests are said to be still obscure. These are certainly among the strangest admissions in diplomatic history.

The future of the United States, of China, and of the world were gravely altered by what was written and signed, but no one knows who wrote the terms.

The madness of this whole deal was enhanced by the fact that, 16 months before Yalta, Stalin had voluntarily pledged his word to Secretary of State Hull to enter the Japanese war for nothing. This pledge was made to Hull in Moscow on October 30, 1943. Hull states in his memoirs, "He made it emphatically, it was entirely unsolicited, and he asked nothing in return." There were, he added, "no strings attached to it."

ROOSEVELT'S BROKEN WORD

Thus, at Yalta, Roosevelt broke his Cairo pledge of December 1, 1943, that Manchuria, would be restored to China. That pledge, made to Chiang Kai-shek, the head of the Nationalist Government of China, had been given only a month after Roosevelt had learned from Hull that Stalin would fight Japan with no strings attached. This historic reversal is one of the major mysteries of recent history.

Any attempt at explanation involves a choice of theories. It may be argued that Roosevelt was simply stupid or that at Yalta he was scarcely competent.

It may be, as his former ambassador, William Bullitt, states, that he was panicked into a needless sell-out of China because General Marshall and the other chiefs of staff had made a totally wrong estimate of Japan's power of resistance.

It may also be that he was swayed by pro-Communist advice from the State Department, personified at Yalta by Hiss, later tried for perjury in connection with charges that he served Russia's espionage ring. The most direct explanation is that Roosevelt was out to communize the world.

Bullitt has testified to how thoroughly the State Department and other New Deal departments were infiltrated by clever young men willing to lie in favor of the Communist dictatorship and who, he says, became contemptible profiteers of American disaster.

THE MAJOR QUESTION

A. A. Berle, former Assistant Secretary of State, testifying before a congressional committee in the Hiss case, admitted that there was a pro-Russian faction in the State Department in 1944, the year leading up to Yalta, and that Alger Hiss took the pro-Russian point of view and wanted to appease Russia.

Mr. Berle added that the appointment of Hiss to a high and confidential position under Dean Acheson, now Secretary and then Assistant Secretary of State, worried him in his capacity as security officer for the Department.

The white book on China leaves the major question unanswered: Was China's delivery into Communist hands and into the Soviet orbit the result of stupidity or betrayal?

Antiquated Electoral College

EXTENSION OF REMARKS

OF

HON. WILLIAM LANGER

OF NORTH DAKOTA

IN THE SENATE OF THE UNITED STATES

Wednesday, August 10 (legislative day of Thursday, June 2), 1949

Mr. LANGER. Mr. President, I ask unanimous consent to have printed in the Appendix of the RECORD an article entitled "Antiquated Electoral College," published in the Williams County Farmers Press, of Williston, N. Dak.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

ANTIQUATED ELECTORAL COLLEGE

How different today's headlines would be if half of 1 percent of the voters for President Truman in California and Ohio had voted for Mr. Dewey instead. No, it wouldn't have

thrown the election to Mr. Dewey—it would have thrown it into the House.

There would have been banner headlines on every newspaper in the country from day to day and almost from hour to hour telling of the shifting prospects of the postelection struggle. Foreign news would have been secondary, for the United States would have been plunged into one of those dilemmas for which the founding fathers made inadequate provision a century and a half ago and which the twelfth amendment of 1804 did not settle.

Some of the biggest news stories deal with events that never happened. The academic observer is surprised today at how the Nation can graze a catastrophe and then not do very much, or anything, to prevent it from recurring.

It is hard to think of any incident that would have been more unsettling to American stability, in domestic or international affairs, than an indecisive presidential election.

The tension would have mounted from election day to the meeting of the new Congress. Would it be Mr. Dewey or Mr. Truman? Nobody could say. That is a situation that the United States has narrowly avoided.

The twelfth amendment was declared in effect September 25, 1804, after a deadlock between Jefferson and Burr. It took 35 ballots in the House of Representatives in 1800 before the choice fell to Jefferson. Under 1948 conditions, is might as easily have taken 35 ballots in the House to choose between Mr. Dewey and Mr. Truman.

The twelfth amendment requires members of the electoral college to vote separately for President and Vice President. It was thought that the problem was settled. But in 1825, when the electoral college failed to choose a President and Vice President, in 1837 when there was no popular choice for Vice President, and in 1876 in the Tilden-Hayes controversy, Congress had to intervene in elections again.

The Tilden-Hayes contest was finally decided by reference to a specially constituted commission composed of five Senators, five Representatives, and five Justices of the Supreme Court. Under their tutelage, the Presidency was awarded to Mr. Hayes by the margin of one electoral vote—185 to 184—although Mr. Tilden received a plurality of the popular vote.

It looked for an hour or two on that hectic election morning last November 3 as though we were going to have a new Tilden-Hayes situation.

If Mr. Dewey had carried the hairline States of California and Ohio, each with 25 votes, the electoral vote for the election would have been: Truman, 253; Dewey, 239; Thurmond, 39. No candidate would have received the 266 votes necessary for election. The election would have dropped into the House.

Suppose that had happened. Imagine the excitement mounting in Washington today as the time approaches for the new House to meet—January 3. By this time a feverish logrolling will have developed. Each State will have one vote under the procedure. The various State delegations in the House will caucus; that State's single vote for Mr. Truman or Mr. Dewey will be cast on the basis of the majority.

The confusion by now is incredible. The Nation has learned overnight the nuances of a complicated election game in the tumult of a bitter controversy. Three States, for example, Connecticut, Idaho, and Montana, have no vote to cast for President because their delegations are evenly divided between Republicans and Democrats. The fact that the popular vote in all three States went for Mr. Truman does not matter.

Then there are the Thurmond States: Alabama, Louisiana, Mississippi, and South Carolina—four votes. They are enough to decide the election, for otherwise the count stands Truman 21, Dewey 20, with 25 needed for election. There develops the greatest political auction in history, with unbelievable concessions promised the minority group.

Such a result would have been a perversion of democracy and an outrage. Yet that is what happened in 1876 and almost happened in 1948. Unless antiquated laws are changed by constitutional amendment, it may happen again at any time.

A Fight for the Consumer of Natural Gas

EXTENSION OF REMARKS
OF
HON. RICHARD BOLLING
OF MISSOURI
IN THE HOUSE OF REPRESENTATIVES
Wednesday, August 10, 1949

Mr. BOLLING. Mr. Speaker, under leave to extend my remarks in the RECORD, I include an editorial of the St. Louis Post-Dispatch of August 6, 1949. This editorial recounts another of the many battles fought on behalf of his constituents by one of Missouri's most distinguished Congressmen, Representative JOHN B. SULLIVAN, of St. Louis. Mr. SULLIVAN in his several terms in Congress has a record which makes completely clear his interest in the welfare of all the people whom he is privileged to represent.

Early in this session Mr. SULLIVAN recognized the threat to the consuming public in the proposed amendments to the Natural Gas Act. He made a thorough study of all of the implications of this proposed legislation, so that he might alert his colleagues to the dangers to the consuming public in the legislation. This timely action on the part of Mr. SULLIVAN, and others, resulted in a much closer vote on final passage than could have been expected. Mr. SULLIVAN, with others, made a radio broadcast which was heard in many sections of the country, in his effort to alert the people to the significance of this legislation, which in many areas was given virtually no publicity.

The St. Louis Post-Dispatch editorial follows:

AGAIN THE NATURAL-GAS GRAB

When Representative SULLIVAN, of St. Louis, rose in the House to attack a bill releasing natural-gas producers from Federal regulations, he was defending his constituents against legalized extortion. He was asserting that a monopoly like the natural-gas business can be tolerated only when the public retains effective control of its prices. He made his point in a striking example. Laclede Gas Light Co., which distributes gas in the St. Louis community, and the pipeline company that brings it here, are under public regulation. But for a time the third company, which supplies the gas at the field, was not regulated, and its price was then 8.31 cents per thousand cubic feet. The gas producers were brought under the Federal Power Commission, and the price fell to 4.66 cents—almost one-half.

If control is wrested from the FPC, the price will rise again. One of the ripper bill's prime movers, Senator KERR, a man with extensive oil and gas interests, admits it would put money in his pocket. The stakes are huge. It is estimated that a mere 5-percent price increase during the life of the gas deposits would enrich producers more than $1,500,000,000 in the Texas Panhandle alone.

The feeble pretext has been offered that the gas-producing States will keep the price fair if Federal control is lifted. But there is a powerful clamor in those States to nick the gas-consuming regions for all the traffic will bear, and several Southwestern utility commissions have shown long since that the oil and gas industry's wishes are their law. Even if the States wanted to play fair, Mr. SULLIVAN and other dissenters have warned that they cannot touch rates on interstate movements of gas. Thus, the intent of the pending bill is to free the producers from either Federal or State regulation—to give them a free hand on consumers' pocketbooks.

A milder version of this grab was defeated in a Senate committee last year, but the bolder 1949 attempt has cleared both the House and the Senate committees. Whatever else the sins of the Eightieth Congress were, this thing was too raw to swallow. What about the Eighty-first, the Congress elected to bring the people a fairer deal?

Whither the Good Neighbor Policy?

EXTENSION OF REMARKS
OF
HON. JACK Z. ANDERSON
OF CALIFORNIA
IN THE HOUSE OF REPRESENTATIVES
Wednesday, August 10, 1949

Mr. ANDERSON of California. Mr. Speaker, under leave to extend my remarks in the CONGRESSIONAL RECORD, I wish to include the following rather startling communication from a businessman in Argentina. Here is a brief example of what the good-neighbor policy means to American business. What is our State Department doing about it?

BUENOS AIRES, *July 1, 1949.*

Subject: Galvanized barbed wire and market conditions.

JAMES S. BAKER CO.,
San Francisco, Calif., U. S. A.
(Attention of Mr. James S. Baker.)

DEAR MR. BAKER: This is to acknowledge receipt of your letter dated May 18 and on arrival of same the indicated quotations were submitted to the importing trade, but no orders could be obtained due to the refusal of the Argentine Central Bank to grant import permits and monetary dollar exchange for establishing confirmed and irrevocable letters of credit.

It is extremely regrettable to have to inform you, the optimistic information given to you in my letter No. 25 of May 13 pertaining to the favorable developments for the interchange of commerce, has again been displaced by the new trade agreement signed on June 27, in Buenos Aires, between Argentina and Great Britain, governing commercial and financial relations between their countries for the next 5 years, having a total turn-over for the indicated period will gross 1,253,175,600 pounds sterling to become effected today, which in all probability you have read about in the United States press.

The exchange under the terms of the agreement are as follows:

Argentina will supply Britain annually with—

Three hundred thousand tons of meat, with promises of more if possible.

Sixty thousand tons of pork, if available.

Fifty-three million one hundred thousand pounds sterling worth of foodstuffs, cereals, and forage.

Ten million pounds sterling worth of linseed oil.

Nineteen million pounds sterling worth of oilseed cake, quebracho extract, raw wool and miscellaneous goods.

Great Britain will make available annual shipments to Argentina—

One million eight hundred thousand tons of crude petroleum.

Three million seven hundred and fifty thousand tons of fuel oil.

One hundred and fifty thousand tons of petrol, kerosene and other byproducts.

One million five hundred thousand tons of coal.

Thirty thousand tons of tinplate.

One hundred thousand tons of iron and steel, as well as an unspecified quantity of other commodities, including products you have available for export.

The Marshall aid for the recovery of the 19 western European nations has become a real Santa Claus for Argentina to arrange such advantageous commercial treaties with a number of them to the detriment of the United States of America. It is extremely difficult to forecast where all this maneuvering would lead, ultimately the western European powers and the United States will work themselves into a difficult commercial snag, between the sterling and the dollar areas with Argentina an important element.

The established Argentine fixed dollar import quota for the United States of America will hold importations down to a comparatively low level, for the purpose to increase the supply of dollars, for Argentina to decrease the approximately $200,000,000 overdue account it owes the United States of America exporters, which will be liquidated on the declared basis of 20 percent payment of the dollars earned through future exports to United States of America and in consequence it will take quite some time to accomplish and will materially reduce granting import permits and monetary dollar exchange for establishing confirmed and irrevocable letters of credit to import commodities from United States of America.

At the present time the importers are only interested to obtain quotations from Great Britain, France, Italy, and western Germany for payment in the currency of the respective country, which will restrict me in the near future to obtain orders for the products you have available for export.

With kind regards I remain,

Yours sincerely.

W. D. CONE.

Pericles and the Brannan Farm Plan

EXTENSION OF REMARKS

OF

HON. LOUIS E. GRAHAM

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, August 10, 1949

Mr. GRAHAM. Mr. Speaker, under leave to extend my remarks in the Appendix of the RECORD, I wish to include the following article by Arthur Krock which appeared in the New York Times, August 9, 1949:

IN THE NATION

PERICLES AND THE BRANNAN FARM PLAN

(By Arthur Krock)

WASHINGTON, August 8.—When the Secretary of Agriculture, Mr. Brannan, was expounding his new farm plan before a committee of Congress recently, a member asked who would pay the costs (Mr. Brannan has declined to estimate these) of a support policy which would maintain floors under farm prices but let them find lower levels in consumers' markets. The Secretary, with candor unusual in Washington, replied, "Well, it comes out of the taxpayer."

This kind of incident always impels C. W. Dressler, associate editor of the Johnstown (Pa.) Tribune, to turn for precedents to the histories of ancient Greece and Rome. He proceeds on the sound theory that, especially in politics, there is nothing new under the sun, and that this can, almost invariably, be demonstrated in the records of early civilization. Bishop Thirlwall's standard History of Greece provided the parallel Mr. Dressler was sure he would find; it occurred in the time of Pericles and his Athenian new deal.

That statesman believed in plentiful benefices to the people, but he thought they should come from the state and not from the private wealth of the aristocracy. Some historians say that Pericles' motive for putting nearly everybody on the state pay roll was to acquire and hold power for himself and not, as other historians contend, to promote the enlightened purpose that all citizens take greater interest in the state. At any rate, his own purse was not sufficient to match the private funds distributed among the people.

An old, old device

"Accordingly," writes Aristotle (quoted in the Thirlwall history unearthed by Mr. Dressler), "he [Pericles] took the advice of Damonides of Oia * * * which was that, as he was beaten in the matter of private possessions, he should make presents to the people from their own property." In the Tribune Mr. Dressler commented on this and on Mr. Brannan's reply to the Member of Congress as follows:

"Since the American taxpayers will ultimately have to pay the [$250,000,000,000 national] debt, with interest, all of the benefits they have received have come out of their own property. And from now on it may be more painful. The big taxpayers cannot pay much more without loss of all incentive. Corporation taxes are simply concealed sales taxes, reflected in the prices consumers pay for their goods and services.

"Mr. Brannan is correct in saying that the cost of his farm plan would 'come out of the taxpayer.' One of the arts of politics is to conceal the fact, but it cannot be concealed much longer. For, as a political observer said some years ago, the Government has only two ways to get money. It can borrow or it can take. And the borrowing has almost reached its limit."

These simple truths, applied to the administration's new farm plan, and to the unwillingness of the Secretary even to venture a guess as to cost, blocked the proposed legislation. What was represented as something new under the sun was readily exposed as the same idea, old even when Pericles advanced it, of giving their own money to the people in the form of subsidies and then taking it back by taxation. But neither this exposure nor the lack of a cost estimate was what made the going so rough for the Brannan plan. Economic groups have been similarly favored by legislation which has easily gone through Congress on the argument that the graduated income tax would take from the prosperous few the money to pay for grants to the many.

An unusual combination of antis

The Brannan plan ran into trouble at the Capitol for three reasons which did not materialize against the prior Periclean projects. 1. For the first time representatives of the great majority of the farm population lined up with the economy bloc, and that is a larger voting group than can be mustered by the labor organizations and some consumers' spokesmen who favor the plan. 2. For the first time in recent memory realization seemed to spread in the constituencies of Congress that concealed taxes bring up the levies on the many much nearer than appears to the percentages assessed against the few; and that the more the Government spends, and the more its costs exceed its revenues, the harsher this fact will become. 3. For the first time the farm population rebelled powerfully against the Government regimentation that must accompany all support plans.

The Periclean political method, projected into the eras of the New Deal and the Fair Deal, has not lost favor as such. There is no evidence that the tax-the-wealth philosophy by which latter-day politicians have used everybody's earnings to perpetuate themselves in power is less popular than it was with the great American majority. The Brannan plan is merely too obvious an example; there is too much magic in its operation as expounded; and it runs into a fortuitous combination of unusual strength.

Determination to get what it recommends, even stubbornness in that quest, is, however, a leading characteristic of Mr. Truman and his administration. Almost never do they say die. Proposals are before Congress giving Mr. Brannan's project something of a trial run, which might save many faces, including the President's, for the time being. But if this trial run ever makes a political derby winner out of the Brannan plan the best judges of Congress will miss their guess.

Think of the Next Generation

EXTENSION OF REMARKS

OF

HON. CHRISTIAN A. HERTER

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, August 10, 1949

Mr. HERTER. Mr. Speaker, on the occasion of his seventy-fifth birthday, the Honorable Herbert Hoover made a notable address at Stanford University in California, which I should like to include here:

THINK OF THE NEXT GENERATION

My first duty is to acknowledge your generous reception and these most generous gifts to the library.

It is now 34 years since this Library on War, Revolution, and Peace was founded. Over these years friends of the library have contributed over $3,450,000 toward its support. And of priceless value have been the millions of documents and materials furnished freely by hundreds of individuals and three-score governments.

This institution is not a dead storage. It is a living thing which over the years will correct a vast amount of error in the history of these troubled times. It will also teach the stern lessons of how nations may avoid war and revolution.

Not being a Government institution, it has never received a dime from Government sources, and its scholars therefore can be as free as the Sierra winds in its use and in the expression of objective truth.

THE NEED FOR SOME NATIONAL THINKING

In the somber situation of the world I would be derelict if today I discussed the lighter side of life instead of the serious issues which weigh on my heart.

Some of you will know that during the past 2 years I have added somewhat to my previous knowledge of the currents of government in this Republic. Beyond the immediate problems of efficient organization of the Federal departments, there arise from these investigations some grave questions as to our whole future as a nation.

Now, as never before, we need thinking on some of these questions. If America is

to be run by the people, it is the people who must think. And we do not need to put on sackcloth and ashes to think. Nor should our minds work like a sundial which records only sunshine. Our thinking must square against some lessons of history, some principles of government and morals, if we would preserve the rights and dignity of men to which this Nation is dedicated.

The real test of our thinking is not so much the next election as it is the next generation.

I am not going to offer you solutions to our national ills. But I shall list some items for thought. Perhaps in Japanese-English a subhead would be "Bring feet from clouds into swamp where we now are."

THE GROWTH OF SPENDING

We must wish to maintain a dynamic progressive people. No nation can remain static and survive. But dynamic progress is not made with dynamite. And that dynamite today is the geometrical increase of spending by our governments—Federal, State, and local.

Perhaps I can visualize what this growth has been. Twenty years ago, all varieties of government, omitting Federal debt service, cost the average family less than $200 annually. Today, also omitting debt service, it costs an average family about $1,300 annually.

This is bad enough. But beyond this is the alarming fact that at this moment executives and legislatures are seriously proposing projects which if enacted would add one-third more annually to our spending. Add to these the debt service and the average family may be paying $1,900 yearly taxes. They may get a little back if they live to over 65 years of age.

THE GROWTH OF BUREAUCRACY

No doubt life was simpler about 147 years ago, when our Government got well under way. At that time there was less than one government employee, Federal, State, and local including the paid military, to each 120 of the population. Twenty years ago, there was one government employee to about 40 of the population. Today, there is one government employee to about every 22 of the population. Worse than this, there is today one government employee to about 8 of the working population.

THE GROWTH OF DEPENDENCY

Twenty years ago, persons directly or indirectly receiving regular moneys from the Government—that is, officials, soldiers, sailors, pensioners, subsidized persons and employees of contractors working exclusively for the Government—represented about 1 person in every 40 of the population.

Today about 1 person out of every 7 in the population is a regular recipient of Government moneys. If those of age are all married, they comprise about one-half the voters of the last Presidential election.

Think it over.

WORKING FOR THE GOVERNMENT

In the long run it is the average working citizen who pays by hidden and other taxes. I have made up a little table showing the number of days which this kind of citizen must work on average to pay the taxes.

	Days' work
Obligations from former wars	11
Defense and cold war	24
Other Federal expenditures	12
State and local expenditures	14
Total thus far	61

But beyond this the seriously proposed further spending now in process will take another 20 days' work from Mr. and Mrs. Average Citizen.

Taking out holidays, Sundays, and average vacations, there are about 235 working days in the year. Therefore, this total of 81 days work a year for taxes is about 1 week out of very month.

You might want to work for your family instead of paying for a gigantic bureaucracy.

Think it over.

CONFISCATION OF SAVINGS

To examine what we are doing, we must get away from such sunshine figures as the gross national income. We must reduce our problem to the possible savings of the people after a desirable standard of living. If we adopt the Federal Government's estimate of such a desirable standard, then, the actual, and the seriously proposed, national and local governmental spending will absorb between 75 percent to 85 percent of all the savings of the people. In practice it does not work evenly. The few will have some savings, but the many must reduce their standard of living to pay the tax collector.

And it is out of savings that the people must provide their individual and family security. From savings they must buy their homes, their farms, and their insurance. It is from their savings finding their way into investment that we sustain and stimulate progress in our productive system.

One end result of the actual and proposed spendings and taxes to meet them is that the Government becomes the major source of credit and capital to the economic system. At best the small-business man is starved in the capital he can find. Venture capital to develop new ideas tends to become confined to the large corporations and they grow bigger. Governments do not develop gadgets of improved living.

Another end result is to expose all our independent colleges and other privately supported institutions to the risk of becoming dependent upon the state. Then through politics we will undermine their independence which gives stimulus to Government-supported institutions.

No nation grows stronger by subtraction.

Think it over.

GOVERNMENT BORROWING

It is proposed that we can avoid these disasters by more Government borrowing. That is a device to load our extravagance and waste on to the next generation. But increasing Government debts can carry immediate punishment for that is the road to inflation. There is far more courage in reducing our debts than in increasing them. And that is a duty to our children.

INCREASING TAXES

And there is no room for this spending and taxes except to cut the standard of living of most of our people. It is easy to say increase corporation taxes. That is an illusion. The bulk of corporation taxes is passed on to the consumer—that is to every family. It is easy to say increase taxes on the higher personal income brackets. But if all incomes over $8,000 a year were confiscated, it would cover less than 10 percent of these actual and proposed spendings.

The main road is to reduce spending and waste and defer some desirable things for a while.

WE CANNOT HAVE EVERYTHING AT ONCE

There are many absolute necessities and there are many less urgent meritorious and desirable things that every individual family in the Nation would like to have but cannot afford. To spend for them or borrow money for them would endanger the family home and the family life. So it is with the national family.

So long as we must support the necessary national defense and cold war at a cost of 24 days work per year to Mr. Average W. Citizen there are many comforting things that should be deferred if we do not wish to go down this road to ruin of our national family life.

Think it over.

THE BACK ROAD TO COLLECTIVISM

Along this road of spending, the Government either takes over, which is socialism, or dictates institutional and economic life which is fascism.

The American mind is troubled by the growth of collectivism throughout the world.

We have a few hundred thousand Communists and their fellow travelers in this country. They cannot destroy the Republic. They are a nuisance and require attention. We also have the doctrinaire socialists who peacefully dream of their utopia.

But there is a considerable group of fuzzy-minded people who are engineering a compromise with all these European infections. They fail to realize that our American system has grown away from the systems of Europe for 250 years. They have the foolish notion that a collectivist economy can at the same time preserve personal liberty and constitutional government.

The steady lowering of the standard of living by this compromised collectivist system under the title "Austerity in England Should Be a Sufficient Spectacle." It aims at a fuller life but it ends in a ration.

Most Americans do not believe in these compromises with collectivism. But they do not realize that through governmental spending and taxes, our Nation is blissfully driving down the back road to it at top speed.

In the end these solutions of national problems by spending are always the same—power, more power, more centralization in the hands of the state.

We have not had a great socialization of property, but we are on the last mile to collectivism through governmental collection and spending of the savings of the people.

Think it over.

FOOLING THE PEOPLE'S THINKING

A device of these advocates of gigantic spending is the manipulation of words, phrases, and slogans to convey new meanings different from those we have long understood. These malign distortions, drug thinking. They drown it in emotion. We see Government borrowing and spending transferred into the soft phrase "deficit spending." The slogan of a "welfare state" has emerged as a disguise for the totalitarian state by the route of spending. Thomas Jefferson would not recognize this distortion of his simple word "welfare" in the Constitution. Jefferson's idea of the meaning of welfare lies in his statement, "To preserve our independence * * * we must make a choice between economy and liberty or profusion and servitude. * * * If we can prevent government from wresting the labors of the people under the pretense of caring for them we shall be happy."

Another of these distortions is by those who support such a state and call themselves liberals. John Morley would not recognize them.

Out of these slogans and phrases and new meanings of words come vague promises and misty mirages, such as "security from the cradle to the grave," which frustrate those basic human impulses to production which make a dynamic nation.

Think it over.

WHERE BLAME MUST BE PLACED

It is customary to blame the administrations or the legislatures for this gigantic increase in spending, these levies on the Nation's workdays, and this ride to a dead end of our unique and successful American system. A large cause of this growing confiscation of the work of the people by our various governments is the multitude of great pressure groups among our citizens. Also the State and municipal governments pressurize the Federal Government. And within the Federal Government are pressure groups building their own empires.

Aggression of groups and agencies against the people as a whole is not a process of

freemen. Special privilege either to business or groups is not liberty.

Many of these groups maintain paid lobbies in Washington or in the State capitols to press their claims upon the administrations or the legislatures.

Our representatives must run for election. They can be defeated by these pressure groups. Our officials are forced to think in terms of pressure groups, not in terms of need of the whole people.

Perhaps some of my listeners object to somebody else's pressure group. Perhaps you support one of your own. Perhaps some of you do not protest that your leaders are not acting with your authority.

Think it over.

IN CONCLUSION

And finally, may I say that thinking and debate on these questions must not be limited to legislative halls. We should debate them in every school. We should resort to the old cracker barrel debate in every corner grocery. There phrases and slogans can be dissolved in common sense and integrity.

A splendid storehouse of integrity and freedom has been bequeathed to us by our forefathers. In this day of confusion, of peril to liberty, our high duty is to see that this storehouse is not robbed of its contents.

We dare not see the birthright of posterity to individual independence, initiative, and freedom of choice bartered for a mess of a collectivist system.

My word to you, my fellow citizens, on this seventy-fifth birthday is this: The founding fathers dedicated the structure of our Government "to secure the blessings of liberty to ourselves and our posterity." We of this generation inherited this precious blessing. Yet as spendthrifts we are on our way to rob posterity of its inheritance.

The American people have solved many great crises in national life. The qualities of self-restraint, of integrity, of conscience and courage still live in our people. It is not too late to summon these qualities.

Herbert Hoover's Belated Popularity Is Proof That Right Will Prevail

EXTENSION OF REMARKS

OF

HON. PAUL W. SHAFER

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Tuesday, August 9, 1949

Mr. SHAFER. Mr. Speaker, the only living ex-President of the United States—Herbert Hoover—is 75 years old today. Frank Kent, noted and highly regarded political reporter, has written that it is an event which justifies recalling certain facts and reflecting on certain things. Under leave to extend my remarks, I include an article by Mr. Kent which should be read by Democrats and Republicans alike:

FORMER PRESIDENT'S BELATED POPULARITY IS PROOF THAT RIGHT PREVAILS

(By Frank R. Kent)

Next Wednesday the only living ex-President of the United States—Herbert Hoover—will be 75 years old. It is an event which justifies recalling certain facts and reflecting upon certain things.

Too seldom in this troubled and imperfect world does the right prevail or do we live to see justice done. Particularly is this true in the case of our public men. Regularly, the cheap and flashy triumph over the solid and sincere. Far too infrequently does retribution overtake the selfish and shoddy, and usually appreciation comes too late to the truly great. The present high position of Mr. Hoover, indisputably our most distinguished private citizen, along with the great esteem and appreciation in which, regardless of party or class, he is held by the American people generally, is a thrilling demonstration that occasionally the right really does prevail and this appreciation comes before it is too late.

Sixteen years ago when he left the White House Mr. Hoover's popularity was so low as to be practically nonexistent. He had, of course, many devoted personal friends in the country but the masses of the people had been turned against him by a campaign of unprecedented malignity and unparalleled misrepresentation. This, under the direction of the late Charles Michelson, publicity director of the Democratic National Committee, had been going on for 3 years. The depression, for which no informed man believed Mr. Hoover even remotely responsible, gave the left-wing columnists their great opportunity to assail him from every quarter.

Disgracefully, this continued with increased malevolence in the Roosevelt administration and was enthusiastically joined in by the horde of smart alecks, cheap wits, crackpots and Soapy Sams whom Mr. Roosevelt brought to Washington. Mr. Roosevelt himself behaved with unbelievable smallness, carrying his personal vindictiveness to the point where, with his country at war and full knowledge of Mr. Hoover's desire to serve, he angrily refused to avail himself of his outstanding experience and ability in any capacity. By that time popular opinion had begun to turn toward Mr. Hoover, but in the first 8 years after his 1932 defeat the Roosevelt administration had made it more or less a popular pastime to disparage Mr. Hoover. It seemed for a while as if everybody was doing it. Even the suggestion of such a tribute as that paid Mr. Hoover last week in Congress would have horrified the White House during the Roosevelt regime. He was hissed in a New York theater and booed at a ball game. Even that incredible piece of Roosevelt spite in changing the name of Hoover Dam to Boulder Dam aroused no public protest, although the act of Congress in restoring the name in 1947 met with overwhelming public approval.

However, long before that the tide had begun to swing back to Mr. Hoover. Nothing could be done about it, but there was a deep public resentment over the failure to use his unique abilities while the struggle was on. Also the natural reaction of decent people to calumny and falsehood was beginning to make itself felt. In the last 4 years, of course, Mr. Truman has called upon Mr. Hoover for aid and counsel a number of times, and both the President and Congress asked him to take over the gigantic task of reorganizing the executive department. As head of that Commission, created by joint resolution of Congress, he has performed a monumental public service. He has shown the way to reduce the vast, swollen, sprawling, wasteful Federal bureaucracy to manageable proportions. He has shown the way to end wild extravagance and inefficiency by cutting out duplication and overlapping.

Against great odds, a considerable part of his recommendations have been adopted. If all are eventually accepted, the cost of the Federal machine will be reduced about $4,000,000,000 a year, its effectiveness vastly increased, and some sense and reason restored to a badly confused Government about to bog down under its own weight. However, long before this, recognition of Mr. Hoover as an unselfish patriot and statesman, whose services to the country and to the world were very great, had permeated public consciousness again. His prestige and reputation are higher now than before he became President.

Unscathed, he has survived a prolonged attack of almost incredible scurrility. As his seventy-fifth birthday approaches, out in his Palo Alto, Calif., home, serene, philosophical, untouched by hate or malice, physically and mentally fit, beloved by thousands of personal friends all over the country, respected and admired by the people generally, Mr. Hoover is today a larger and finer national figure than ever he has been in all his long and eventful career. One way or another, the anti-Hoover liars and slanderers have been silenced. The groups of detractors who still keep it up are discredited and ineffectual. Some few are ashamed. At last the right has prevailed. It was long overdue.

Reorganization Plan No. 1 and the AMA

EXTENSION OF REMARKS

OF

HON. JAMES E. MURRAY

OF MONTANA

IN THE SENATE OF THE UNITED STATES

Thursday, August 11 (legislative day of Thursday, June 2), 1949

Mr. MURRAY. Mr. President, as all Senators are aware, the American Medical Association has directed all the force of its multimillion-dollar lobby against the President's Reorganization Plan No. 1 of 1949. They base this hysterical campaign on the fear that creation of a Department of Welfare will somehow promote the President's plan for national health insurance. Of course, it will do nothing of the kind. The only issue involved in Reorganization Plan No. 1 is effective reorganization of the Government in line with the Hoover Commission recommendations.

Probably no one is more vocal or more persuasive in opposition to national health insurance than Mrs. Agnes Meyer, a distinguished authority in the field of social welfare. At the same time, she is one of the strongest supporters of this plan to establish a Department of Welfare. As she points out with convincing logic in an article this morning in the Washington Post, the AMA, by opposing Reorganization Plan No. 1, is doing harm to the cause of organized medicine itself.

I ask unanimous consent that Mrs. Meyer's article be included in the Appendix of the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

DEPARTMENT OF WELFARE—REORGANIZATION PLAN NO. 1 AND THE STAND OF THE AMA

(By Agnes E. Meyer)

Reorganization Plan No. 1, which raises the office of the Federal Security Administrator to Cabinet status, should receive the approval of the Senate. The creation of a Department of Welfare is long overdue, as President Truman pointed out when he sent to Congress his message on this proposal. In number of personnel and volume of expenditures the Federal Security Agency now exceeds several of the existing Cabinet departments. The range of its programs and their importance to our development as the world's most powerful democracy, demand that it be given a place in the highest rank of Federal organization.

The elevation of the Federal Security Administrator to Cabinet rank involves no costly expenditures. On the contrary, it

would bring about economies within the department itself, through improved services to the Nation and lower costs in achieving these services.

A Secretary of Welfare, instead of being in the anomalous position of the Federal Security Administrator, would become a focal point or clearing house of standards, methods, and practices for the various States and communities. And even though miracles of progress could not be accomplished by this new Cabinet official over night, the smallest of our cities, villages, and rural areas would immediately feel the stimulus of such clearly defined, clearly visible, and accessible Federal leadership.

The psychological effect upon the whole country would be of incalculable value. Federal aid to education, the various fundamental bills for better health services, and for the expansion of social security may all fail of passage during the present Congress. This would be a shattering disappointment to the millions of Americans who saw in President Truman's election the promise of greater social justice. If, however, the ardent desire of the people for national leadership in health, education, and welfare is realized by the passage of Reorganization Plan No. 1, a new wave of hope will pass through the country that something positive will be done to improve the social programs that most closely affect the daily lives of the people.

The creation of such a department has, moreover, received strong bipartisan support ever since the administration of President Harding. In the Eightieth Congress a bill to establish such a department was introduced by Senators TAFT and FULBRIGHT. During the hearings it received favorable support from veterans' organizations, labor unions, educators, women's clubs, religious groups, and leading public as well as private welfare administrators.

Reorganization Plan No. 1 "consolidates in the Secretary of Welfare the functions now vested in the various offices and units of the Federal Security Agency and authorizes him to delegate their performance to appropriate offices and units of the Department."

Some people fear that this transfer of powers would tend to overcentralize health, education, and welfare activities and thus accelerate the trend toward authoritarianism which exists in our society as its exists in all other nations.

Yet, this plan coincides with the Hoover report recommendation that department heads should control and have full responsibility for the conduct of their departments. It gives the Secretary of Welfare no more power than any other member of the Cabinet possesses. Those who oppose giving the same power to the Secretary of Welfare are chiefly concerned about the integrity of the United States Public Health Service. But this agency originated through an act of Congress which protects its functions and specifies that its administrator be a member of the medical profession.

Concern for the future of the United States Public Health Service is not the only reason for the vigorous opposition of the medical profession to Reorganization Plan No. 1. The apprehensions of the medical profession are the more acute, because the administration, especially President Truman and Mr. Oscar R. Ewing, the Federal Security Administrator, are ardent advocates of compulsory national health insurance, which typifies to many people in and out of the medical profession the most dangerous aspect of overcentralized administration, power, and control.

Various spokesmen have stated for the American Medical Association (a) that our health problems are so important as to merit a separate Cabinet position for health with a medical man as executive officer and (b) that if Oscar R. Ewing, now Federal Security Administrator, should be given the new job of Secretary of Welfare, he would use the added prestige of his Cabinet position to campaign for compulsory national health insurance. The hope of the medical profession for a Secretary of Health has also been fortified by the report of the Hoover Commission which recommends the transfer of the Public Health Service out of the Federal Security Agency and its incorporation under a united medical administration.

Our leading educators used to maintain that education also should have a separate Cabinet portfolio. It is clearly impossible to have three new Cabinet positions, one for health, one for education, and a third for social security. But even if it were possible, it would not be in the public interest. For the grouping of these social functions in separate agencies under professional administrators but subordinate to one layman of Cabinet rank has positive values of prime significance.

The improvement of our health, education and welfare facilities is not a series of separate problems. They are all three so closely related that they are one and the same problem as they impinge upon the individual, the family, and community life as a whole. That is why we need a comprehensive approach to the improvement of these services on a local, State, and Federal level. And what the Federal Security Administrator has been powerless to do, namely, to clarify the Federal, State, local and administrative relationships, a Cabinet officer with full responsibility for the conduct and organization of his department could bring about. The administrative efficiency he could achieve would facilitate the cooperation of State agencies, of voluntary welfare groups and of private citizens who have dealings with the Federal department.

Instead of encouraging authoritarianism and overcentralization, orderly procedure on the Federal level would encourage efficiency and independence in the States and local communities. It would emphasize with a new clarity that the relationship between the Federal Government, the States and the local communities is a two-way channel of give and take.

The American Medical Association should realize that this cooperative administrative relationship is of prime importance in achieving a national health plan by democratic means and policies. Medical leaders who try to resist the popular pressure for compulsory health insurance, by isolating themselves in a separate Federal department and blindly opposing every cooperative endeavor of related services and of the lay public, will lose the last remnant of prestige which they still have with the American people.

Fortunately the most progressive minds in the fields of medicine, public health, and hospital administration have demonstrated in various parts of the country that the extension of medical care to all of the people depends primarily upon the collective action of community and State health, educational and welfare agencies, whether public or private. One of the best known examples of State-wide cooperation for the extension of medical care is the Maryland health plan for the care of the indigent. This plan, which was initiated by some of the Nation's outstanding medical men, has achieved success only because it is based upon an understanding of community organization and the mobilization of the total community resources—the local health and welfare departments, the schools, the private practitioners and all voluntary health and welfare groups—for the better distribution of the State's medical resources.

Very few States have the resources, financial or professional, to develop a State-wide health plan without some assistance from the Federal Government. The Maryland health plan and the somewhat different plans in other States create efficient local administrative machinery whereby Federal aid could be given to States that need it, without the imposition of Federal control and the danger of Federal domination.

Why is the American Medical Association incapable of seeing the necessity for such Federal, State, local cooperation if the Nation is to be spared the disastrous and costly experiences of the British people with compulsory health insurance? Why is the AMA incapable of understanding that such cooperation between our health, educational, and welfare facilities is impossible without the close relationship of these services at the Federal level as well as in the States and the localities?

Instead of giving the new Secretary of Welfare an oppressive authority, Reorganization Plan No. 1 will increase his legal responsibility to the Chief Executive to fulfill the demands of the State authorities as to ways and means of increasing their own efficiency. Few States have thus far organized nor will they in future organize identical plans for solving their local health, education, and welfare problems. This diversity and the local initiative from which it issues, are the salvation of our democracy. But many of our social problems are now of such dimensions that they cannot be handled by local communities, States, or the Federal Government alone. They can only be solved through the harmonious efforts of all three government units working together for the common good.

What will assuredly bring about the so-called welfare state beginning with compulsory health insurance, is the social chaos and the human deprivation that now exist in many parts of our country. Driven to desperation through insecurity and the lack of adequate means for individual self-development, our citizens like those of Britain will clamor for an all-powerful central government.

We have no time to lose if we are going to strengthen our democracy by strengthening community organization. This is a moment in our national history when we must be courageous, creative, and socially imaginative. President Truman's Reorganization Plan No. 1 is purely an administrative reform. But we must keep our minds on the fact that the greater efficiency which the President seeks in the Federal Government is essential, as he puts it, to the conservation of our human resources. It is aimed at creating an orderly society where the individual can exercise both his rights and his duties as a citizen.

Under the leadership of a Secretary of Welfare a new vitality, a new zest for local initiative would result. The vitality of community life is the heart beat of democracy. Without it, we cannot possibly carry out our ever-mounting social responsibilities at home and abroad. But once aroused to action through more effective Government procedures, the initiative and independence of the American people can be counted upon to meet their own problems as well as the world problems imposed upon them by destiny.

Britain's Financial Predicament

EXTENSION OF REMARKS

OF

HON. JOHN J. WILLIAMS

OF DELAWARE

IN THE SENATE OF THE UNITED STATES

Thursday, August 11 (legislative day of Thursday, June 2), 1949

Mr. WILLIAMS. Mr. President, I ask unanimous consent to have printed in

the Appendix of the RECORD an article on Britain's financial predicament, written by George Rothwell Brown and published in the Washington Times-Herald of August 11, 1949.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

POLITICAL PARADE

(By George Rothwell Brown)

On December 31, 1951, there will be added to the dollar gap of both Britain and France the millions of dollars necessary to pay the interest on the loans both countries have received since the war from the United States.

The Anglo-American loan agreement of 1946 requires Britain to begin on that date to repay both the principal and interest on that $3,750,000,000 loan, which was to have lasted until 1952, but which was wasted by the Attlee government in 22 months.

There is a clause which provides that if Britain's trade condition does not permit repayment she may be excused payment of the annual interest of 2 percent.

But there is no provision excusing her from starting the repayment of the principal, in 50 yearly installments.

Default on that requirement is staring the Socialist-Labor government in the face.

By no conceivable miracle can Great Britain, within the specified time, begin repaying in dollars, as provided by the terms of the agreement.

Obviously revision of the 1946 loan agreement will have to come up for discussion at the approaching September Cripps-Snyder conference in this city.

And equally obviously, in view of Britain's present difficulties, any agreement of any character must boil down eventually to the absolute cancellation of the entire debt.

Among the scores of plans which are being rumored in Washington, which Sir Stafford Cripps and Secretary Snyder may consider next month, may be further aid either in the form of a loan, or a scheme disguised as a loan.

It seems clear, however, that the British do not want another loan. This is confirmed by the prompt denial at the British embassy this week, of a statement by Senator WHERRY that in fact request for a $15,000,000,000 loan was already under consideration by the Truman Cabinet.

Request for a loan of that magnitude would not only outrage American public opinion, but would bring curses down on the head of the Attlee government by a bulk of the British people who are already unhappy about being so deeply obligated to Uncle Sam.

Moreover Sir Stafford Cripps must necessarily seek at the Washington Conference next month not a mere stopgap solution, but a long-term solution of the British economic problem.

What that solution will prove to be is anybody's guess at this moment.

The true answer was given in the Senate this week, when 24 Senators—exactly one-fourth of the entire United States Senate—voted for a motion by Senator KEM, of Missouri, to suspend a Senate rule that would bring to a vote his amendment to the ECA bill, to deny further American tax-money aid to European countries—meaning Great Britain—which continued the nationalization of their industries.

The Kem amendment was strongly bulwarked by testimony before the Senate Appropriations Committee by Administrator Hoffman, who admitted that British experiments in socialism were slowing down recovery.

The only permanent solution of Britain's financial predicament—her great and growing dollar gap—appears to be a change in the British Government, at the next general election.

Yet the United States Senate, by rejecting the Kem amendment, 50 to 21, which was only accomplished with the votes of 16 Republicans, in effect voted to use the prestige and wealth of American taxpayers to keep in power the British Socialist-Labor Government, which has no solution of the mess it has got Britain into save further appeal to the United States Treasury.

The Republican Party on this vote deliberately threw away one of the most popular political issues in this country today.

As long as its leaders in Congress continue to make it the tail of the New Deal kite the party will never win another presidential election—nor will it deserve to win.

Phemister Versus Pound

EXTENSION OF REMARKS

OF

HON. JAMES T. PATTERSON

OF CONNECTICUT

IN THE HOUSE OF REPRESENTATIVES

Thursday, August 11, 1949

Mr. PATTERSON. Mr. Speaker, since my insertion in the RECORD of my opposition to the award by the Library of Congress of $1,000 for the best poetry of 1948 to Ezra Pound, I have received many communications from interested persons throughout the country. There has been unanimity of opinion that the award was entirely unjustified, and that Pound's work had little resemblance to poetry as we, in America, know it.

Among those who were kind enough to comment was Benjamin F. Phemister, of Indianapolis, Ind., who is also known as the Bard of the Brandywine. Mr. Phemister has been kind enough to forward me a copy of one of his poetry works Wave, Old Glory, Wave! I believe the publication of this poem in the CONGRESSIONAL RECORD will demonstrate the difference between true poetry and the meanderings of the indicted traitor, Pound, who is anti-Semitic, anti-American, and anti-Christian. I am pleased, therefore, to include the work of a genuine American patriot who, though of advanced age and increased infirmity, has dedicated himself to the continuing glorification of our great country:

WAVE, OLD GLORY, WAVE!

(By the Bard of the Brandywine)

"So long as the flag shall bear aloft its glittering stars * * * so long, I trust, shall the rights of American citizens be preserved, safe and unimpaired * * * 'til discord shall wreck the spheres—the grand march of time shall cease—and not one of all creation's fragments be left to chafe the bosom of eternity's waves!" (Sam Houston, in the House of Representatives, May 7, 1831.)

1

From Plymouth Rock to Golden Gate,
From Lakes to Lone Star shore,
The Stars of Hope, and not of hate,
Shine on forevermore!
Afloat the willing, wooing breeze,
Above "our father's"[1] grave,
Where bend the Nations to the knees,
Behold Old Glory wave!

[1] Washington's Tomb.

2

A crown the dome in Washington,
'Mid stress, or strife, or gale;
'Bove Bunker Hill and Bennington,
Once sown with leaden hail:
O'er strong and weak, o'er rich and poor—
In palace, hut, or cave,
That spangled shield at ev'ry door—
There Glory wills to wave!

3

The harbinger of liberty,
In mine, in field, and shop;
Yea, on the highest masts at sea,
And on the mountain top!
Forever be the Stripes and Stars
The emblem of our brave,
The crimson trickled from their scars,
Where Glory had to wave!

4

O, shine from Glory's jeweled breast,
Each star a glowing sun!
For North and South, and East and West,
United, stand as one!
Aye, one in thought, and one in deed,
No one man's might, no kingly creed,
Old Glory's proud to wave!

5

Love-daring sons of Glory Land,
In calm or battle blast,
Strike down the wretch who lifts a hand
To mar that starlit mast!
Then wave, Old Glory, far and wide,
And let Gitoutski rave:
Defend we will, though death betide,
Wave on, Old Glory, wave!

Sweden Points Way to Permanent Forest Reserve

EXTENSION OF REMARKS

OF

HON. FOSTER FURCOLO

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Thursday, August 11, 1949

Mr. FURCOLO. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following article:

SWEDEN POINTS WAY TO PERMANENT FOREST RESERVE

(By Robson Black, president emeritus, Canadian Forestry Association)

Walking down a forest trail in Sweden last summer, I said to the local ranger:

"What do you do when a fire breaks out?"

"Can't tell you," he replied, "I've only been here 25 years."

Sweden contains 10,000,000,000 trees and keeps them virtually fireproof. Last year only 2,500 acres were scorched in a wooded domain of 56,000,000 acres.

The United States has 10 times the timber area of Sweden with a tree count in the neighborhood of 500,000,000,000. Almost a quarter of the United States is covered by woodlands.

NEW FORESTS MAPPED

By Scandinavian standards the annual American bonfire looks atrocious—and it is. United States Forest Service gives the yearly loss as 853,000,000 board feet of saw timber and 3,800,000 cords of smaller-size wood, classed as "pole timber." If all this spoilage were turned to useful purposes, it would represent 57,000 five-room bungalows and enough newsprint paper to publish the Sunday edition of the New York Times for 91 years.

If every conflagration in Uncle Sam's woodlands were suppressed, it would still leave the

critical problem of keeping the forest domain self-perpetuating. Sweden has gone far to solve that problem by stern legislative command. Every acre of tree growth, whether owned by the state, farmer, lumberman, or papermaker, comes under jurisdiction of technical forest engineers and boards of public supervisors. You may cut liberal quantities from your acre, but only if you provide for a new forest to follow your cutting. This, of course, has to be by natural regeneration and not by planting rows of little trees. In general, and despite a temporary lapse in north Sweden, the country's capital stock of living woodlands is not being weakened by commercial exploitation. Why shouldn't the same scheme work in the United States?

Deep in the consciousness of the American people is the vanity of inexhaustible resources. They imbibed it from their schoolbooks and perpetuate it in patriotic songs. Who will dare add up Uncle Sam's 465,000,000 acres of commercial woodlands and suspect it of petering out? A dowry of such geographical magnificence is a natural for exploitation. Anyway, does not our hero worship focus on countless pioneers who "hewed down the forests" and turned America into an agricultural masterpiece? And then—look at the United States in the last 150 years, furnishing half the lumber that's been cut in the entire world. What she did once, she can do again.

NEED REVERSE RATIO

This is not the viewpoint of the Federal and State forest services, or of the wood-using industry, or technical foresters. While the Federal Forest Service seeks a measure of legally imposed controls on the use of privately owned forests, and is roundly opposed by the States and by commercial industry, no one in either camp questions the national forest situation as other than a critical and frightening emergency. They share the common objective of a permanent wood supply, the curbing of wasteful exploitation, the employment of trained foresters and, of course, the riddance of forest fires. Factional disagreement is mainly on methods and the source and degree of obligatory pressures.

In face of expanding population, the overall drain on Uncle Sam's saw-timber supply as compared to annual growth is in the ratio of 3 to 2. For national safety, the figures will have to be reversed and made 2 to 3. Before that can be done, literally millions of forest owners must be sold on good forestry as good business.

When you break down the national endowment of 465,000,000 acres of commercial forest, you assign the Federal Government 82,000,000, with 18,000,000 to the States and 9,000,000 to counties, cities, and towns, all these totals tending sharply upward year by year.

Private ownership, therefore, covers some 35,000,000 wooded acres. Who are these people? Three million are farmers and, in the opinion of the American Forestry Association's appraisal, not 1 in 10 knows or cares much about good management of his farm-forest. Another million is composed of nonfarmers, with 100,000,000 acres in parcels of 100 acres or less. And they're worse forest managers than the farmers.

INDUSTRY DOES BETTER

What about the big fellows—the industries and operators? The American Forestry Association claims that a fourth of industry's forests are well managed for continuous wood production and that one-half of industry's timber domain has fair to excellent standards of cutting and regenerative measures.

This hodgepodge of good, fair, and zero standards as applied to a highly essential raw material leaves a dismaying gap. In no quarter is the situation accepted as tolerable. The country's forest resources, taken as a whole, are like a fine machine idling its time away. Can the machine be legislated into doing what the public interest demands?

American Policy in China

EXTENSION OF REMARKS
OF
HON. HOMER FERGUSON
OF MICHIGAN

IN THE SENATE OF THE UNITED STATES

Thursday, August 11 (legislative day of Thursday, June 2), 1949

Mr. FERGUSON. Mr. President, I ask unanimous consent to have printed in the Appendix of the RECORD an article by Ray Richards, of the Washington bureau of the Hearst newspapers, and published under date of August 10, 1949, telling how American mediation between Communists and Nationalists was the greatest factor in the events that conspired to give the Soviet puppets their present advantage in China. The article is the fourth of five articles dealing with the subject.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

(This is the fourth of five articles telling how American mediation between Communists and Nationalists was the biggest factor in the events that conspired to give the Soviet puppets their present advantage in China.)

(By Ray Richards)

WASHINGTON, August 10.—Chiang Kai-shek's acquiescence to American mediation proposals has been called his only big mistake.

He was clubbed into it—with no one but himself knowing with what mental and spiritual suffering—by his dependence on United States assistance in his vast dreams of industry, trade and public works for a glorious Chinese Republic after the long ordeal of warfare had become but a paragraph in history.

In every American suggestion that the Nationalists cease fire on the Communists, in every proposal that Chiang admit Communists to his government without the formality of their popular election, was implied the promise of help in works ranging from railway and airport construction to the colossal electrification and irrigation of middle China through the Yangtze Gorges project.

For the welfare of America and the world, concessions to the Communists were not China's need in this hour.

What China needed in 1945 was not a switch of governments or constitutional changes, but a period of peace to give the people a free flow of food, clothing and fuel, if only a minimum flow.

This would have been achieved had the United States concentrated on it while permitting the Nationalist armies to suppress the weak Communist fighting strength.

But mediation joined with the Yalta concessions to Russia to tear down the Nationalists and foster the Communists.

The start of Chiang's mistake was in agreeing to the American demand that he invite the Communists to a political consultative conference at Nanking in the middle of 1945.

This was the meeting at which, by United States request, the Nationalists and the Communists were to end all their differences and make China a happy family.

The No. 1 Communist of them all, Mao Tse-Tung, secretary general of the party in China, came in a supervisory capacity.

The official Communist negotiator, heading a large group, was Chou En-Lai.

Chou made proposals for Communist representation in the central government, and Chiang wryly acceded.

Chou raised his demands, and Chiang gave in again.

Chou again raised the price of peace, and again Chiang consented.

With no American protest against the Communist take-all tactics, this game went on until by autumn of 1945. Chou was demanding more than 900 of the 1,200 seats in the national assembly and most key cabinet posts.

By the accepted calculation at that time, not more than 1 percent of the Chinese people were professing Communists.

In high disgust at what was going on, Gen. Pat Hurley resigned as Ambassador on November 27, 1945.

On the same day the White House announced the appointment of Gen. George C. Marshall as special envoy to China.

On December 15 President Truman made United States coalition policy clear beyond doubt by a statement declaring all political parties must have representation in the Chinese Government, and that if this condition were met the United States would be prepared to assist the Nationalist Government in every reasonable way.

On January 10, 1946, the consultative conference announced that civil war hostilities would cease at once by truce, with General Marshall serving as top mediator toward establishment of permanent peace.

The China crisis was now at its peak. All else was to become prelude and aftermath.

American mediation legalized the Communists. It was the first formal recognition that there were two governments in China.

It came just in time to keep the Nationalists from completely disarming the Communists.

It lifted Nationalist blockades which allowed the Communists to flee to the shelter of Manchuria, by then almost solidly a Russian state by reason of the Yalta pacts.

Although effective Communist troop strength was only about 20,000, the truce allowed 70,000 civilian Communists to escape a pocket north of Hankow and trek to Manchuria. It freed 100,000 from the Canton area.

The Communist armed forces, now beginning to grow, started Communist attacks on Nationalist forces in the north. If the Nationalists retaliated, the Communists lodged a complaint with General Marshall, and the Nationalist Government would be compelled to issue a new order against fighting.

The Chinese Government lost great areas of land to the Communists because Chiang, his vision fixed on the greatness of a future peaceful China, restrained his forces.

Toward the summer of 1946 Communist violations of the truce had increased to the scale of full warfare, and eventually there was an explanation in a manifesto of the Shantung-Honan-Hopei Communist Party, captured by the Nationalists. It said:

"The correct strategy for us to employ from now on is large-scale warfare. The central headquarters of the Communist Party in China has ordered all members of the party to mobilize all resources to attack."

Even in the face of this the American mediators tried to restrain the Nationalists from moving on Kalgan, the Communist industrial center in north China, and Yenan, the Communist capital.

Civic Federation Given New Credo

EXTENSION OF REMARKS

OF

HON. J. FRANK WILSON

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Thursday, August 11, 1949

Mr. WILSON of Texas. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following editorial from the Dallas Morning News:

CIVIC FEDERATION GIVEN NEW CREDO

(By Harry C. Withers)

For more than 30 years the Civic Federation of Dallas has been a powerful influence in the cultural life of the community.

Organized in 1917 to sponsor and promote adult education, it has conducted institutes for adults and youths, public forums and young artists' competitions, established a library, and presented chamber music, art exhibits, and exceptional moving picture films.

Year after year it has brought to Dallas the recognized leaders in various fields of esthetic endeavor to stimulate constructive thinking and to inculcate a more authentic appreciation of the American way of life.

Although free enterprise has financed operations, substantially, it quite often has been the target of speakers who have come from afar to advocate security guaranteed by the Government. They have spoken their pieces without let or hindrance.

Monitoring the programs upon all occasions, often as moderator, has been that vigorous octogenarian, Elmer Scott, executive secretary of the federation and its intellectual father.

By his absorption and adjustment of diverse theories of right and wrong, of justice and equity, he has evolved a wholesome credo which he has just reduced to concrete terms.

Upon submission to the directors of the federation it was given enthusiastic approval by an overwhelming majority, thus becoming its official declaration of hopes and purposes.

Because of its virtue as a pattern for decent relations between humans as individuals, as groups, and as citizens of the world's most enlightened government it is presented here in full:

"We believe in individual personality and the right of every person to a good life, freedom of thought and action, and an occupation that satisfies his normal desires and lies within his abilities.

"We believe that in the attainment of personal satisfaction it shall not jeopardize the well-being and equivalent rights of others.

"We believe that individual conduct should contribute to amity and stability of home and state.

"We believe in the potential wholesomeness of democratic government in all areas, especially where its emphasis is on service to the people rather than as a ruling power.

"We believe that conflicting interests of capital and labor may be transformed to those of mutual advantage to both.

"We believe that the consumers, without whom capital and labor would be unemployed, deserve primary consideration and that their justifiable interests should be the basis for regulatory measures.

"We believe that representative government can operate efficiently when the electorate names its representatives with an intelligent understanding of the issues to be met and the qualifications required to weigh and act on those issues with wisdom and sound judgment.

"We believe that enforced conformity to political and religious conduct is contrary to the spirit and letter of the Constitution and Bill of Rights and that the guaranty of freedom in those respects is inviolable.

"We believe that while the American Revolution overthrew an intolerant oppression, any modification of our national life can best be attained through persuasion in the acceptance of new ideas and never by revolutionary overthrow.

"We believe in the cultivation of intelligence rather than an accumulation of knowledge. The former assures a competent citizenship, capable of self-government. The latter may mean only the possession of much learning but in a vacuum.

"We believe in the rule of reason rather than emotion. Reason may be the cooler of the two, but produces light; while mere unbridled emotion obscures issues by heat of passion.

"We believe in the hope that lies in the youth of the Nation but decry the attempt on the part of adults to seek absolution for their sins and pass on unsolved problems to posterity.

"We believe in the cultivation of a taste and appreciation of the arts, not as mere window dressing, but as contributing factors to the individual's richer life.

"We believe that adult learning is not to be construed as an accumulation to satisfy curiosity or to occupy one's time, but an attempt to comprehend ideas, facts, movements—local, national and international—to the end that with this new knowledge the individual himself may function as a competent citizen.

"We believe in the cultivation of loyalty to our national life and a devotion to our American civilization. A recognition of dangerous tendencies or faults in the governmental structure and an effort to correct them may well be a proof of loyalty and devotion.

"We believe that far-off people are now near neighbors and that we can no longer ignore their proximity and their effect upon our national life. However much we may differ from their traditions, their way of life and habits, their political and religious ideologies and their economic life, they are our near neighbors, immovable geographically, and it is our business to find a way to get along with them with reasonable amity and growing good will.

"Finally, we believe that correspondingly to our setting high in our regard the rights and contributing values of the individual, we pay deference to the community. This is the culture tube in which the germs of thought and behavior have their beginnings and ultimately affect our national life and international relations.

"It is with this thought that the Civic Federation of Dallas undertakes to play its part, not only in helping make Dallas a better place to live in, but to give some impetus to a growing sense of public responsibility on the part of the local citizenry."

Platitudes, you say? Only as the decalogue and the beatitudes are platitudes if you ignore them. Surely these are words to live by; words to live up to. Faithful adherence to their spirit will bring peace and freedom and happiness. If you approve them you might let their author know. You can address him at 2419 Maple Avenue or reach him by telephone, Riverside 4535.

Marshall Plan Assistance to Great Britain

EXTENSION OF REMARKS

OF

HON. JAMES P. KEM

OF MISSOURI

IN THE SENATE OF THE UNITED STATES

Thursday, August 11 (legislative day of Thursday, June 2), 1949

Mr. KEM. Mr. President, I ask unanimous consent to have printed in the Appendix of the RECORD an editorial entitled "Saving the Opposition," from the Houston Post of August 9, 1949.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

SAVING THE OPPOSITION

It is ironic that the American capitalistic system should give billions upon billions of dollars for the support and upbuilding of the British Socialist Government, a system antagonistic to capitalistic free enterprise, because the British Socialist Government is unable to support itself. The irony is capped by the fact that the Marshall plan is intended to help nations strengthen their democratic bonds and preserve their freedom.

Nevertheless, if the United States authorities have promised that our Government would not interfere with the internal policies of Marshall aid nations, as Labor Party leaders say they did, that presumably settles it. It is not the first time that high officials of the Federal Government have committed the United States to matters of first importance without consulting the makers of our laws or the payers of our taxes.

Britain is a democratic nation, in that its people elect their governing heads in free elections. But as the Labor Government nationalizes more and more basic industries and businesses, the Labor Party in power gains more and more influence over more and more votes. It is just a question of degree as to how much further the Socialistic government must extend its bureaucratic power before it can control all elections.

Socialism is one of the several processes that lead naturally to totalitarianism, by various routes. Like fascism, communism, and nazism, it must keep on growing in size and strength until it reaches the point of absolutism. Britain has clamped Government ownership on railroads, coal mines, air lines, communications, the Bank of England, gas, and electricity. Steel, iron, and other industries are marked for nationalism. The Laborite aim is to control all basic industries and businesses.

A nationalized enterprise is not free; it must do what the Government orders. The abridgement of freedom radiates into the private lives of the people, and infiltrates into other endeavors. The logical culmination is dictatorship in all phases of economic and social life. That is what Soviet Russia and its satellite states now have. The latest reported example of its operation was the banning of marriage advertisements from Czechoslovakian newspapers because they made marriages capitalistic business transactions.

Such is the logical ultimate end of the British socialism which Marshall aid money is strengthening. And the current administration of the United States Government is trying to follow in its footsteps.

Federal Aid to Education

REMARKS

OF

HON. JOHN JENNINGS, JR.

OF TENNESSEE

IN THE HOUSE OF REPRESENTATIVES

Thursday, August 11, 1949

Mr. JENNINGS. Mr. Speaker, within a few days this Congress will have voted and the President will have signed into law a measure appropriating more than $5,000,000,000 as a gift to people of foreign lands. This vast sum of money will be followed by another gift to our European allies for rearmament of not less than $900,000,000. We are told this is necessary to make us strong abroad.

Our real and dependable strength has always resided in, and now exists in, our own people. To be strong this Nation dare not be niggardly in the training, equipment, and education of our children.

It was written of old: He who provideth not for his own household has denied the faith and is worse than an infidel.

Both political parties in their national conventions in Philadelphia last year when they girded their loins for the congressional and Presidential battle promised the parents, the teachers, and the school children of this country Federal aid for education.

Let us turn to the record. I now give you the promise of the Republican platform. Here it is:

> We favor equality of educational opportunity for all and the promotion of education and educational facilities.

In the Senate, Senator ROBERT A. TAFT, on January 6, 1949, introduced a measure authorizing the appropriation of $300,000,000 annually to assist the States and Territories in financing a minimum foundation education program of public elementary and secondary schools. The Taft bill authorizes the appropriation for the fiscal year ending June 30, 1950, and for each fiscal year thereafter, the sum of $300,000,000 to be distributed among the States. The money made available by this act is to be administered by the public-school authorities in accordance with the laws of the respective States. The measure provides that in the use of said funds there shall be no discrimination against minority races.

In his usual forthright, able and fearless manner, Senator TAFT, in this measure translated the promise of the Republican platform to provide educational opportunity and facilities to all the children of this Nation into provisions of law so plain that a wayfaring man though a fool could not err therein. This measure passed the Senate on May 5 of this year and since May 9 has been in the hands of the House Committee on Education and Labor.

Now, let us turn to and read the promise to the parents, children, and teachers of this country made by the Democratic Party in its platform on which President Truman and the Democratic Members of the Congress were elected in November 1948. Here it is:

> We advocate Federal aid for education administered by and under the control of the States. We vigorously support the authorization which was so shockingly ignored by the Republican Eightieth Congress for the appropriation of $300,000,000 as a beginning of the Federal aid to the States to assist them in meeting the present education needs. We insist upon the right of every American child to obtain a good education.

In these vigorous words the Democrats made both a promise to the people and an attack upon the Eightieth Congress. When these words were written into the Democratic platform, the men who used this language had before them Senate bill 472, introduced by Senator TAFT and others on January 31, 1947. This bill in essence is the same as S. 246 and was reported in the Senate on July 3, 1947, Report No. 425. It passed the Senate on April 1, 1948. It then came over to the House and was referred to the Committee on Education and Labor on April 2, 1948.

There is no escaping the conclusion that when the Democrats in their Philadelphia Convention in 1948 used the words, "We vigorously support the authorization which was so shockingly ignored by the Republican Eightieth Congress for the appropriation of $300,000,000 as a beginning of the Federal aid to the States to assist them in meeting the present education needs," they placed upon the Democratic Members of this Congress the obligation to support the present Federal aid support measure introduced in the Senate by Senator TAFT in the Eighty-first Congress, passed by the Senate, as I have heretofore stated, and which has been gathering dust in the Democratic-controlled House Committee on Education and Labor since May 5, of this good year.

In their platform declaration, the makers of the Democratic national platform of 1948 were using brass knucks and a club in favor of Federal aid to education. Since that time they have been treading softly, armed with a feather duster and a powder puff.

We all know that the Democratic leadership of the House of Representatives is strong, able, and when it asserts itself, is powerful. The Democratic leadership in this House, backed with the announced and repeated declaration of support of this measure by President Truman, have the power to bring S. 246 to the floor of this House for a vote before adjournment.

The Members of this House, therefore, both Republicans and Democrats, have the declarations and the promises of both the Republican and Democratic platforms of 1948 on which to stand and as a commitment in favor of Federal aid to education.

In my support of Federal aid to education, I am in accord with the promises contained in each of these platforms. Both in the Eightieth and in this Congress I introduced in this House Federal-aid-to-education measures the same in terms as the measure that has twice passed the Senate.

When I find my Democratic colleagues, in a righteous cause, going my way, I go with them.

When their heart is as my heart, I say to them, "Give me your hand."

We can put the planks of these two platforms in favor of Federal aid to education side by side and stand upon them with a foot on each platform. Or, if we prefer, we can lay them one upon the top of the other, thus pyramiding their promises on this vital and supremely important program and stand upon them.

Both parties are in default on the solemn promises made to the people, children, and the teachers of this country.

The Democrats won on their promises. The people accepted their pledges. They gave full faith and credit to these commitments. The making of these promises in the Democratic platform and the action on them by the votes of the people, translated the promises into a solemn contract between the Democratic majority of this House and the people of this country.

And, in that connection, I submit the same is true with respect to the promises made by the Republicans in their platform. The commitment of the Republican platform of 1948 has been carried out in full by Senator TAFT and other Members of the other body.

Discharge Petition No. 9 on the Speaker's desk, if signed by a majority of the Members of this House, will bring before the House for consideration at this session S. 246, the Taft bill, authorizing the Congress for this fiscal year and each fiscal year hereafter to appropriate $300,000,000 for Federal aid to the elementary and secondary schools of this country, to be administered by the school authorities of each State to which this aid is extended.

The promises on this subject made by both political parties are in default. The discharge petition is a sight draft calling on those who are in arrears and delinquent in the discharge of this promise to make good their compact with the people.

Within the years 1949 to 1952, inclusive, more than 13,000,000 children of this country will enter the first grade, and the greater number of them will graduate from our elementary schools. Within that same period more than 6,000,000 will enter, and millions of them will graduate, from the high schools of this country.

The vast majority of these young people will receive no other schooling than what they receive in the elementary and high schools. It is, therefore, of supreme importance that the teachers in these schools be loyal, competent Americans, able and fully equipped to instill in the minds and hearts of these future American citizens the inspiring truths of our great history and the opportunities this land affords to these boys and girls. The future of this country will be in the hands of these young Americans. They are America to the extent of their ability to influence its destiny for weal or for woe.

The education of this Nation's boys and girls is of transcendent importance.

Adequate salaries for their teachers should not be denied by penny-pinching.

The Federal funds made available by this program are paid by the people of the States. The beneficiaries are citizens of our common country.

We spend billions that our youth may fight, and if need be die, all over the world. Why not spend $300,000,000 to teach them to live here at home.

The home is the unit of society. Man's greatest possession is his child. To rear, educate, and equip their children for the duties of life is the high calling of parents.

When the accounts of fathers and mothers are finally made up the greatest credit that will be given them will be the watch care, the sacrifice, and devotion they have lavished on their children.

The most that the average parents can give their children is an education. When the two political parties promised the fathers and mothers to give their children better schools, they appealed to the finest qualities of their minds and hearts. The leaders of no political party have the right to trifle with a parent's love for his or her child.

Next in character-forming influence in the lives of our children are the school teachers.

Someone is said to have asked Demosthenes why he made speeches instead of writing books. The great Grecian orator replied, "I would rather write upon the hearts of the living than upon the hides of dead sheep."

If anyone on this earth writes upon the hearts of the living, it is the school teacher. Standing within the schoolroom, where wells the fountain of perpetual youth, dealing with the plastic, impressionable, unfolding minds of boys and girls, the teacher weaves into the warp and woof of his pupils' lives the very fiber of their thoughts and being. There is no more powerful, no higher calling on this earth than that of the teacher, save perhaps the Christian ministry.

We must give school teaching the dignity, the security, the income, its importance deserves, and thus assure our boys and girls teachers of the highest ability and character.

The millions of young Americans now in our public schools, and who will pass through them within the next 4 years have the fate of America in their hands.

For 5 years as a teacher in the public schools of my home county, Campbell, in Tennessee, in my 2 years as county superintendent of public instruction and in my years of service on county and city school boards, and down to this good day, I have seen young America on the march. In the hands of this precious host, in their enthusiasm, their optimism, their boundless energy, and dauntless courage is the unfolding future of this Nation. They will meet our enemies in the gates. They will build, protect, and defend this Nation. The men and women who teach them are the staff sergeants, the commissioned officers who are training the youth in whose hands is the future of this Nation. They are the seed corn of the Nation. There is nothing too good for them. We must not fail them, nor break faith with them.

Remember that in dealing with the parents, the teachers of these boys and girls, you are dealing with men and women of character and intelligence. Shadow-boxing, shilly-shallying, breaking faith with them will be known from ocean shore to ocean shore.

Let us redeem the promises made to fathers and mothers, the teachers of these boys and girls, and to the boys and girls.

This Congress has the power to work its will and to make good the solemn pledges of both political parties. We can do it by signing petition No. 9 on the Speaker's desk. This I have done.

Congratulations to the Torrington Register on Its Diamond Anniversary

EXTENSION OF REMARKS

OF

HON. JAMES T. PATTERSON

OF CONNECTICUT

IN THE HOUSE OF REPRESENTATIVES

Thursday, August 11, 1949

Mr. PATTERSON. Mr. Speaker, I take this occasion to offer salutations to the Torrington (Conn.) Register upon the attainment of its seventy-fifth birthday. Starting as a weekly, the Wolcottville Register on August 10, 1874, this paper, later published as a daily, has continuously served the growing city of Torrington and environs for these many years. To its publisher, managing editor, and to the entire staff who make possible this progressive, alert, and factual publication go my congratulations.

I include as a part of my remarks editorial comments from the August 10 issues of both the Waterbury Republican and the Ansonia Sentinel.

[From the Waterbury Republican]

STILL VIGOROUS AT 75

The Torrington Register marked on Monday of this week the seventy-fifth anniversary of its founding, and it gives us pleasure to salute such a hale and distinguished friend and competitor on such an occasion.

Newspapers which reach the fine, ripe age of threescore and fifteen are rare and growing rarer; and Torrington, which has grown with its fine newspaper, can congratulate itself on the measure of independence which goes with having its own daily journal.

At 75, the Torrington Register is as sprightly and forthright as ever, betraying none of the signs of accumulating years that three-quarters of a century might imply.

In particular, it is to be noted, the Register has avoided the circulatory ailments which are the bane of a newspaper's existence. The Register's health in this respect reflects the loyalty of the people of Torrington to a fine medium of news and advertising and stands as a monument to the credit of such able editors as the late Edward H. Hotchkiss, the late George W. Peterson, the late John H. Thompson and the present editor, Walter G. Gisselbrecht.

As a newspaper we're only 68, ourselves, and we look with both awe and admiration on our seniors. When we're 75 we hope somebody will tell us we're as lively and chipper as the Torrington Register.

[From the Ansonia Sentinel]

To the Torrington Register, which celebrated its seventy-fifth birthday on Monday of this week heartiest congratulations.

Founded as the Walcotville Register, a weekly, in 1874, it converted into a daily, the Torrington Register, in 1889. It has continued to flourish through the years as one of Connecticut's best dailies, doing a first-class job reporting the news of Torrington and its environs; giving its readers the ample coverage of State, national, and world events that AP membership makes possible and supporting and encouraging worth-while community endeavors.

Valley of the Dammed

EXTENSION OF REMARKS

OF

HON. WILLIAM LEMKE

OF NORTH DAKOTA

IN THE HOUSE OF REPRESENTATIVES

Thursday, August 11, 1949

Mr. LEMKE. Mr. Speaker, in my remarks today, I include part 13 of the Valley of the Dammed, by Bigelow Neal, of Garrison, N. Dak.

In part 13 Mr. Neal gives a picture of the desolation and devastation of homes in the Valley of the Dammed. It is not a pleasant picture, but a picture that too often happens, and must happen when great public improvements or projects are undertaken.

Mr. Neal's objection is not to the dam, but the manner in which the negotiators and the real estate division of the Army Engineer Corps have deprived these owners of their homes. Apparently the very attitude of these negotiators and the real estate division is "the home owners be damned." This un-American attitude, that is altogether too prevalent in the various departments of our Government, is justly and unmercifully exposed throughout Mr. Neal's series of articles entitled "Valley of the Dammed."

The letters I have received from many parts of the Nation, showing a similar abuse of governmental authority, convince me that Mr. Neal and the McLean County Independent are rendering a real service not only to the remaining families in the Valley of the Dammed, but to all the families throughout the Missouri River Basin.

Here is part 13:

VALLEY OF THE DAMMED

(By Bigelow Neal)

PART XIII. THE LAND RENTAL PROGRAM

Where in the land "purchase" program we have dealt with unbelievable injustice and cruelty, now we are to consider a program where the policy adds a stupidity that is sublime. I have studied the history of my country perhaps as much as the average man but nowhere in its pages have I found anything to equal this barbarous policy as we now follow it up to its climax.

And if you have any feeling that the word "barbarous," used in this connection, is the product of a hysterical mind, I believe you will find it fully justified as I go on. First some facts.

1. Until a very few months ago, the Government of the United States has been asking for more and more wheat for the consumption of starving peoples of other lands.

2. Even today there is a world shortage of meat and dairy products and the price of these items within the United States puts them largely beyond the reach of the families or laboring men and wholly beyond the means of people who can be classed as poor. It follows that anything done to unnecessarily curtail the production of these products is an act that is hostile to the economic interest of this country.

3. Colonel Seybold has stated to me clearly, first, that the continued occupation of these lands by their owners would have no detrimental effect whatever on the building of the Garrison Dam and also that he wanted these farmers to remain on their farms—provided they made arrangements for their buildings—until the water actually crowds them off.

Now I am going to prove to you that one of two things is true. Either the word of Colonel Seybold, swore on a stack of Bibles as high as the Bunker Hill Monument, wouldn't be worth a snowball plastered on the hinges of hell—or else—the real estate division of the Army Engineer Corps goes calmly on its cruel way, paying no attention whatever to the colonel. For my part I elect to believe that no honorable soldier would be associated with this program of his own free will. If I did not believe this, I could take no pride in the fact that I have been a soldier myself.

Now for the proof:

Eighteen families driven out

In the summer of 1947 there were living within 4 miles east of my home and 6 miles west 19 families. All of them wanted to stay on their land and in their homes.

Today 15 families are gone.

Two will go as soon as their crop is harvested.

One will go before cold weather sets in.

One will move to town and perhaps back in the spring to farm one more season.

One, and that is the undersigned, doesn't know what he is going to do or when he will do it.

There you have it. Eighteen families driven out in a year and a half and the country devoid of life. Somebody has done a terrible thing. The evidence of these blasted and empty homes is irrefutable.

Mind, I haven't told you of the hundreds and hundreds of families farther to the east and to the west. I am speaking only of those within sight of my own home.

Right here I want to clear these unfortunate "negotiators" of any additional blame. They have nothing whatever to do with the land rental program.

Now you want to know how it was done. Well—it was cleverly done. It was too clever to lay on to any one man or group of men. A policy as diabolical could only be affected through years of trial and error. But something tells me that this policy is riding for a fall. And whether I have been able to trip it or not, I'm certainly giving it what must be close to a final push.

First, when my neighbors realized that they had really lost their lands and began to consider renting it back again from its new owner, they couldn't get the figures. Sounds innocent enough, doesn't it? But this you will come to recognize as only the first move in the war of nerves. No; the Real Estate Division just couldn't make up its mind and those of us who asked could learn only one thing—we would have to pay a cash rent and that in advance, if they decided to rent it to us at all.

Fear of the unknown

You see—here's the element of doubt. For months we asked every man who came along, "Heard anything about the rent?" No; nobody had heard anything. It seemed there was some doubt. Could we stay here another winter? Possibly. Orders had to come from Washington. Maybe—maybe not. Who knows?

Then came a new note. Now there was a possibility that we could stay in our homes. But if so, the rent would be maybe 6 percent of what we were paid for our lands. Cash rent, you understand. Cash rent paid in advance. Six percent. Who could afford to pay it? Nobody. Well, then we'd have to move. Better move anyway. Lots of cheap lands in Wyoming. Better get out.

For more months the strain went on. Should we summerfallow? Better not. No can tell. Maybe you can't have the land another year. Real Estate Division won't talk.

Then nerves did begin to break. A few lost theirs and started hunting for them on the other side of the hill.

Next a smart lad over in the Real Estate Division offices, the second man not to know enough to let a sleeping dog lie. He sent me a bill for 5 percent of what the Government hadn't paid me.

Sal Hepatica to the rescue

I suggested gently to my attorney that it might be his turn to start something. Going into his lawbooks clear to the bridge of his nose, he came out with nothing. It seemed that the people who made the laws had forgotten something.

But that night he went to a dinner party and ate too much. Retiring with an acute attack of indigestion started his legal mind working in the general direction of Sal Hepatica. That was it. He had it. A petition for extraordinary relief.

Personally, I doubt if there ever was any such thing. And my reason for believing the judge agreed with me was that—in his judgment—wherever he referred to extraordinary relief, he put the "extraordinary" in quotation marks. If quotation marks mean in the United States district court what they mean in my profession, they imply: "You done it, I didn't—and, what's more, I won't take the blame for it."

A board of experts

Anyway the judge sent out some invitations for a very select gathering. The United States district attorney got one, so did Colonel Seybold and my attorney was not overlooked. The result was astonishing. It brought three able men before the judge, three men of great knowledge on most every subject, except agriculture. All three were there to hold forth in an expert way on a subject they knew very little about. Personally, in spite of my high admiration for all three in their own professions, I don't believe that all three together could tell a bin of barley from a bushel of speltz.

Even so that meeting knocked the pins out from under the 6-percent idea and the 5-percent theory went up the same flue. The whole thing simmered down to an agreement of $1.50 per acre for land under cultivation and 35 cents for pasture and hay land.

But the Real Estate Division of the Army Engineer Corps is a unique organization. Already disregarding the Congress of the United States and paying no attention to the Supreme Court thereof, why should it pay any attention to the United States district court of a backwoods community like North Dakota? Wouldn't such a course be beneath its dignity?

Let's see what it did. And back to the case of Melvin Engel for an illustration. Melvin had repurchased his buildings, so the Real Estate Division's sole interest was in 10 acres of pasture land and maybe an acre of garden upon which his buildings stood. They had told him he must pay $35 for the 11 acres. Now, under the court order, they cut it down to $25, believe it or not. You can easily judge the generosity displayed when you multiply 10 acres by 35 cents and 1 acre by $1.50 and add up to $5.

But if they'd done that, they would have been allowing the United States district court to dictate to them. Evidently they disliked the idea.

This last year, finding signs of smoke on their trail, they cut the amount to $15, only three times what it should be by order of the court. The smoke is still on their trail.

As for me, I still believe in the Congress of our country. I still think the United States Supreme Court is the greatest judicial tribunal in the world. I still believe the United States District Court of North Dakota is the defender of my neighbor's rights. But even if I didn't believe these things, it would take a braver man than I am to flaunt all of them.

Wait a minute. Do you think I'm overstating this? Let's borrow a few words from a lady. And a lady who knows what she's talking about. Mrs. Franklin D. Roosevelt in McCalls for June says:

"I felt very critical of civil-service officials at times. When they have been in any department a long time, they can make any change very difficult."

Or try this: A quotation from Hon. WILLIAM LEMKE, speaking in the House of Representatives on July 5, 1949:

"Until I had some experience with the Federal Government in the taking of private property for public use, I had been of the firm conviction that the Government would observe the constitutional mandate that private property shall not be taken for public use without just compensation.

"However, I soon learned that the Government, and especially the Real Estate Division of the Army Engineer Corps, did not understand what was meant by just compensation. In place of decency and justice, I discovered that they used the bulldozing and threat methods. Until I had some experience with the Real Estate Division of the Army Engineer Corps, I felt that the Government would be as fair and honest with its people as it expected them to be with it. Up to that time, I thought the constitutional provision "just compensation" protected the home owners, but, to my amazement, I discovered that that was not the case. I discovered that the Government is out to take, and take by threats and by using its great power in the courts if necessary."

And by way of showing how they disregard the law or how they make their own laws when Congress is too slow and how they have mired themselves in their own stupidity, listen to this:

Burdick says, "Don't sign those options"

Reading of Representative BURDICK'S speech last fall wherein he told our people along the river not to sign those options, I wrote him and asked him if I might quote him. Here's what he said:

"Sure, use anything I have said, I still advise signing no contract until we find out what authority Pick has above a pool of 17,000,000 acre-feet. I would chase the land agents off peacefully if I could but I would chase them. You are doing good work.

"Sincerely,

"USHER L. BURDICK."

Lawsuits for the next 50 years

Now if here isn't an interesting situation, what is? I have or had three kinds of land. Some of it was below the 1,830-foot level. Some of it lay between the 1,830 and the 1,850. Some of it lay above the 1,850.

They condemned my land. A jury in the United States district court paid me for all the land they could legally consider. But I claim they couldn't pay me for the land between 1,830 and 1,850 feet because Congress had not authorized them to take any land above the 1,830-foot level. So—I claim every foot of my land above the 1,830-foot level is still mine.

Right now they are trying to get Congress to pass a bill legalizing the operation of the Garrison Dam pool level to 1,850 feet. Fine,

But what if they do? Congress can't pass a retroactive law legalizing an illegal act. So, after they do, what if I claim the land still belongs to me? All they can do is to turn around and survey the land above the 1,830-foot level and condemn it all over again. Unable to show that the land was ever paid for, won't they have to pay me something? Believe me, whatever something is, I can use it.

The above idea may be true and it may not. It's original with me and I have been known to make mistakes. But my best reasoning tells me I am being forced by the implied threat of eviction to pay rent on a lot of land that belongs to me and pretty soon, I'm going after that rent. Red Skelton would say, "Ain't I a widdle devil?" I would say that I got that way dealing with the Real Estate Division of the Army Engineer Corps.

What is customary rent?

Going back to the matter of rent, you will remember that the board of experts agreed on $1.50 per acre as a fair rent for land under cultivation and 35 cents per acre for hay and pasture land. In reading over the judgment of the Court, I was struck by a statement therein to the effect that the rental terms should not be higher than was locally customary.

Thinking back over the period from 1900 to 1949, it occurred to me that I had no recollection of a cash rent being paid in this community. A trifle puzzled, I thought I'd consult with someone who might know more than I.

Miles Vreeland has been farming in this community since 1901 or 1902. He is an "elder statesman" among our farmers. Sooner or later we come around to ask Miles' opinion on such matters, not only because of his long experience as a farmer but because in some 30 years of service as a local official of the Federal Land Bank loan organization. Miles, by the way, has not been directly interested in the antics of the Real Estate Division. So I asked him:

"Miles, did you ever pay cash rent for farm land?"

"Never did."

"Did you ever collect a cash rent?"

"No."

"Did you ever heard of land in this community handled in that way?"

"Come to think of it, can't say I ever did."

"What is your opinion of these farmers who say they can't afford a cash-in-advance rent of $1.50 and are moving out because of it?"

"They are doing all they can do. Where we have to use so much land to make a living, $1.50 an acre runs into a lot of money maybe, $600 to $1,000. That means that when the crop is in, it represents an investment of $5 an acre. Fifteen hundred to several thousand dollars in all. It's too much of a risk. They can't take it."

Now it must be obvious to anyone that $1.50 per acre is very cheap, providing the Government is willing to guarantee a crop. Indeed these neighbors of mine might pay two or three times that amount and be happy about it if they knew there would be a crop to cut in the fall, but it is unreasonable and impossible for them to assume that liability in the face of possibly several years of poor crops.

But even so, a good many of these farmers would have remained on their lands, paying the cash rent as demanded, had they been told that they could stay on on more reasonable terms. Instead of that—they were told nothing. The only information they could get at all dealt with doubt as to the length of time they could occupy their lands and more doubt as to the amount to be charged in any succeeding year.

As an added grievance was the calculated policy of the Real Estate Division not to rent the land at all, until they had to. Where the land was rented to December 31, no man could go in during the fall and rent his land for the following year. Nor did I, for one and several others, I know of personally, have any better luck during the winter. They would accept no money and make no promises, thus making every man a trespasser on his farm throughout the winter. Do you blame any man for being afraid of the Real Estate Division?

Washington Reporting

EXTENSION OF REMARKS
OF
HON. HARRY. J. DAVENPORT
OF PENNSYLVANIA
IN THE HOUSE OF REPRESENTATIVES

Thursday, August 11, 1949

Mr. DAVENPORT. Mr. Speaker, last week I discussed with you the work of the Hoover Commission. This Commission has studied means to overhaul the executive branch of our Government so that it would give us a dollar's worth of service for every dollar it spent. As I pointed out, the basic recommendations of the Hoover Commission would result in better quality service at a cost $4,000,000,000 less than currently considered necessary.

When we consider that the entire budget of the Federal Government ran only about $6,000,000,000 in the mid-thirties, we can get a pretty good idea of what $4,000,000,000 means to the American people. That $6,000,000,000 took care of our WPA, Army, Navy, CCC, agricultural commitments to farmers, NLRB, veterans' services, interest payments on the national debt, and all the other functions of Government. A good measure of the way things have changed is the fact that our annual spending in the ECA program is almost as much as the total Federal prewar budget.

Today we are talking about a $41,000,000,000 budget for a single year, or about seven times the prewar rate of spending. I have made a careful analysis of the budget dollar to find out how all this money is to be spent. Out of every single dollar the Government spends 13 cents goes for interest on the national debt; 13 cents for veterans' benefits; and 16 cents for our international relief and rehabilitation programs; and 34 cents for national defense.

Out of every Federal budget dollar then, 76 cents goes for veterans' care, public debt interest, European recovery, and national defense. All other Government services, therefore, have only 24 cents of each budget dollar. Out of this 24-cent share must come all the Federal Government's activities regarding health, security, welfare, and other public services.

Some Congressmen advocate a 5- or 10-percent cut in budget across the board. You can see what harm this would do to the essential 24-cent share which has purposely been held down in recent years so as not to jeopardize the national defense program. I am for economy in government as much as any present Member of Congress is. However, I see no point in wielding a battle-ax with my eyes blindfolded as some people would.

In the first place, more than $20,000,000,000 in the budget are fixed costs. They cannot be reduced without weakening the foundations of our Government. They cover three items: $9,000,000,000 interest on the debt; $6,500,000,000 for prior commitments and obligations of the Federal Government; and $5,000,000,000 for veterans' pensions, old-age insurance and pensions, and agricultural price supports.

This leaves about $20,500,000,000 which can possibly be curtailed. It is this amount that the Hoover Commission has examined minutely in order to recommend savings for the American people. Even in this sphere, extreme care had to be taken because this $20,500,000,000 included the national defense budget, ECA, and the budget for all Government agencies. That the Hoover Commission believes that $4,000,000,000 of the $20,500,000,000 can be cut and that we will achieve a better administrative organization for the functions involved deserves a banner headline.

Wisely, the Hoover Commission has given first attention to our national defense program because it is first our greatest single expenditure, and second, there have been recurrent stories of padding of expenditures there. The majority of the Commission favors a $1,000,000,000 cut, while the minority of the members believes the national defense program will operate more efficiently with a $3,000,000,000 cut. In either case, the savings to the taxpayer would be substantial. In the nonnational defense programs, the Commission has carefully refrained from curtailing functions considered essential by Congress and the American people.

Cancer

EXTENSION OF REMARKS
OF
HON. PETER W. RODINO, JR.
OF NEW JERSEY
IN THE HOUSE OF REPRESENTATIVES

Thursday, August 11, 1949

Mr. RODINO. Mr. Speaker, under leave to extend my remarks in the RECORD, I would like to announce a citation that was awarded to the Nutley Sun, one of the leading newspapers in my congressional district. This citation was presented by the New Jersey division of the American Cancer Society, for its role in aiding the successful culmination of the recent drive for funds in the town of Nutley, N. J. The citation is signed by George E. Stringfellow, president of the New Jersey group, and Edgar H. Wilson, State campaign chairman. The text of the citation states:

In appreciation of the unselfish personal sacrifices made on behalf of suffering humanity and as a testimonial of the support given the American Society in the 1949, fifth national campaign.

The New Jersey press was lauded by Cancer Society Executive Director

Charles Hansbury for their outstanding cooperation. He pointed out that practically every newspaper in the State had devoted considerable lineage to carry the message brought by the cancer drive.

In conclusion, Mr. Hansbury said:

With your continued cooperation, the American Society, through the New Jersey division, and the various county chapters, will expand its program during the coming year so that ultimately our message will reach each and every resident of the State and enlist them in the fight against the ravages of cancer.

The Nutley campaign, under the chairmanship of Dr. Floyd E. Harshman, raised over $6,000 for the cancer fund.

The President's Appointments

EXTENSION OF REMARKS
OF
HON. JOHN R. WALSH
OF INDIANA
IN THE HOUSE OF REPRESENTATIVES
Thursday, August 11, 1949

Mr. WALSH. Mr. Speaker, since the President's recent appointments of Tom Clark and HOWARD MCGRATH to the Supreme Court and to the position of Attorney General of the United States, our President has been unjustly criticized by some for the appointments. The chief complaint of many is that he remembers his friends and appoints them to high public office.

In the Friday, August 5 issue of the Marion News Herald, the editor and publisher therein, Mr. Paul Hillsamer very ably answered these critics of the President, and I include herein the article by Mr. Hillsamer, and wish to call it to the attention of the Members of the House:

WHOM SHOULD TRUMAN APPOINT—HIS BITTEREST ENEMIES?

On every occasion when death or resignation creates a vacancy in Harry Truman's official family—holders of policy appointive positions—a familiar refrain rises from the calloused throats of the syndicated columnists, that rare and spotted variety of garbage pickers who receive their pay per thousands of dollars rather than at the hourly rate of their more honest compatriots who haul the Nation's physical filth.

Burden of the plaint is that the President turns to his friends. The syndicated boys have, since the new appointments for Tom Clark and J. HOWARD MCGRATH, tagged this "government by crony."

It is hard to see how any honest man can be condemned for reserving his best appointments for his true and loyal friends. If he is honest and capable, the circle of friends he has made over the years are honest and capable. If, like Warren Harding, he is on the wavy line himself, so are his friends and/or appointments.

There is not and has never been, by any except the most biased, even rumors that Harry Truman is not personally honest and capable. Therefore, we believe, it is reasonable to assume that his friends (appointments) are the same.

Who, in America, was more deserving of appointment to the Court than Tom Clark? His qualifications are undeniable. Would, then, Truman's critics have him bypassed because he went out into the highways and byways last summer and fought an apparently hopeless fight for his Chief? Nonsense.

Who would these self-appointed keepers of the Nation's morals—whose virtue does not prevent them from paying unscrupulous aides in the top offices of Washington for tips—whom would they have had the President appoint? His bitter political enemy, Senator DONNELL of Missouri, perhaps? Or HARRY BYRD? Or, mayhap, Senator RUSSELL or BILL JENNER or CHARLIE HALLECK? Can we asume that Dewey—further assuming that he was big enough for the job—if elected President would have, to show his bigness, passed JOHN FOSTER DULLES to appoint Paul McNutt Secretary of State? Perhaps Thomas would have followed through by retaining Truman's friend, Clark, as Attorney General and replaced Justice Murphy with SCOTT LUCAS.

This is a subject which winds one up. If carried to its logical conclusion in everyday life—and the science of politics is the science of living—the farmer wouldn't choose a friendly hired man, he'd scour the township for his worst enemy. And the owner of a chain of groceries would, before appointing a Podunk manager ask himself: "Let's see, who was that splendid young fellow over at Harmony who got up in meeting and called me an old mossback?"

We'll even go further and state that we flatly agree with the President who got bitter at several key appointees and advisers, notably the late Mr. Forrestal and Bernard Baruch, because of their chilly reserve on the matters of making speeches or raising money in 1948.

The greatest of virtues is loyalty. The only reward for loyalty is—loyalty. From loyalty springs faith, hope, and charity, those three, just as the stalk, the blade, and the ear from the tiny grain of corn. Woe is the potion of the man, the woman, the owner, the manager, the pastor, or the public official who can neither command nor reciprocate loyalty. Woe is not, and not about to be, the potion of Harry S. Truman.

The Grave of Moses Austin

EXTENSION OF REMARKS
OF
HON. A. S. J. CARNAHAN
OF MISSOURI
IN THE HOUSE OF REPRESENTATIVES
Thursday, August 11, 1949

Mr. CARNAHAN. Mr. Speaker, under permission to extend my remarks in the RECORD, I include herewith an article from the St. Francois County Journal of Flat River, Mo., dated Tuesday, August 2, 1949, entitled "The Grave of Moses Austin." This article was collected by Adella Breckenridge Moore. This information about Moses Austin will be of interest to people widely scattered over the Nation.

I express appreciation to Mrs. Moore for the fine work she is doing in this regard.

THE GRAVE OF MOSES AUSTIN

(Collected by Adella Breckenridge Moore)

History of Washington, Jefferson, Franklin, Crawford, and Gasconade Counties (1888) by Goodspeed Publishing Co., Chicago, page 521.

"(Moses Austin) died at Tar Blue (Terre Blue), St. Francois County, Mo., June 10, 1821, where he was buried. His body was subsequently exhumed and moved to the old Presbyterian cemetery at Potosi, where it reposes now (1888) in a grave enclosed in a stone wall, and over which a wild cherry tree with two trunks 18 inches in diameter have since grown. After removing the body it was reported that it was petrified—had become a solid substance—and some unknown parties, with speculative intent, opened the grave and coffin also, and finding the report false did not further disturb it."

From Austin Papers (1922), by E. C. Barker, volume II, page 375:

On the above-cited page is a letter from Stephen F. Austin, at San Felipe (later State of Texas) dated May 16, 1830, to his sister, Mrs. James F. Perry at Potosi, Mo. Mr. Perry was at that time a prominent businessman in Potosi but had gone to Texas to consider moving there and had decided to do so. And Austin continues. "I have conversed with him relative to the removal of the bodies of our dear parents and I highly approve of their removal to a churchyard. I think the best place will be the churchyard at Ste. Genevieve. They were recognized under the Spanish Government as Catholics and there cannot be any objection to receiving them there, or should the yard there be thrown open and unenclosed, I should be in favor of taking them to St. Louis. Of this you and Mr. Perry must be the judges but I am not in favor of taking them to Potosi for the reason that the burying grounds there are all on private property and may some day become common field.

"I wish that you would consult Mr. Carr and Elias Bates on the subject and speak to F. Valle relative to their admission into the Catholic burying ground at Ste. Genevieve. If they are taken to St. Louis I should prefer the Catholic to any other but will leave that solely to you and Mr. Carr, to do as you think proper. I do not know in what burying ground uncle and aunt Elliot and Mrs. Carr (their daughter) were buried, and if they were taken to St. Louis I should wish, if possible, that they be placed by the side or near uncle and aunt Elliot and Mrs. Carr. I wish that a plain, decent tombstone be procured. If I should be in a situation to do it, I will some day have a handsome monument erected over their graves."

Next page:

" I wish, my dear sister, to show the rough draft on the other page to Mr. Carr, and get his opinion, and such alterations as he may deem proper. In fact I have only given the dates, etc., without giving it proper form. Mr. Perry can tell you that I have not even time to eat in quiet and I am now intruding on the hours of sleep to continue a little with you.

"Inscription for the tomb of Moses Austin and wife.

"This sacred to the memory of Moses Austin and Maria, his wife, who departed this life at Hazel Run, St. Francois County, Mo., the first on June 10, 1821, and the latter on January 8, 1824.

"Moses Austin was born at Durham, New Haven County, State of Connecticut, on October 4, 1765, and was the youngest child of the family of Elias Austin."

"Marie, his wife, was born in Sussex County, State of New Jersey, January 1, 1768, and was the eldest daughter of Abia Brown. They emigrated to upper Louisiana from Virginia in 1798 and settled the mine at Burton, now called Potosi. In 1821, he opened the door for settlement of Texas by North American emigrants. He was distinguished for enterprise, liberality, and an honorable character. She by all the virtue of an affectionate wife and mother." Signed "Stephen."

We are told that on June 7, 1831, James F. Perry and family left Potosi, Mo., for the province of Texas and arrived at San Felipe de Austin, the capital of Austin's colonies, on August 14, 1831.

From History of Washington and other counties, by Goodspeed, page 519:

"In the William Milan Cemetery (then the owner of the Austin grant) proposed to donate to the citizens of Potosi a lot between

Breton and High Streets for a cemetery, and a subscription was at once commenced to raise funds to clear and fence the lot. John S. Brickey (one of the first lawyers in Potosi), John C. Brickey (the first county clerk of Washington County), John Brickey, James F. Perry, A. Jones, and Alexander Taylor each subscribed $5; Abraham Brinker, $7; Smith and Glenn and J. B. Bruffey $3 each; Israel McGrady, A. Jett, George Edgar, and Reuben Bush, $2 each; Andrew Casey, G. W. Wallace, L. A. Edgar, Henry Shurlds, John Swan, S. H. McIlvaine, Daniel Lanius, Henry Pease, James B. McHenry, P. P. Brickey, R. P. Harrison, Philip Cole, H. R. Edgar, $1 each. William H. Banford, William Houston, and William Whaley, 50 cents each.

"On March 28, 1833, William Milan deeded to John Perry, Henry Pease, and Israel McCreary, commissioners appointed for the purpose of building a house of worship for the Presbyterian Church in the town of Potosi. The land was described as joining the town of Potosi on the south side beginning at the northeast corner of the graveyard and contained thirty-five one-hundredths of an acre. This was for a preacher's residence also.

"On the 29th of March 1842 a meeting of the subscribers was held at the house of Mr. Lewis Edgar; and John Brickey, George Edgar, John C. Brickey, and James Glenn, and John S. Brickey were elected trustees to receive and hold the deed from the donor thereof. The deed was obtained and the lot afterward cleared, fenced, and fitted up for a cemetery. It adjoins the Presbyterian Church and also the cemetery mentioned as belonging to the Masonic Hall Association."

From Wetmore's Gazetteer of the State of Missouri, 1837 (housed in the Missouri Historical Society Collections, Jefferson Memorial, St. Louis), page 235:

"There is one other circumstance which may be thought worthy of remark. A gentleman with whom I was well acquainted died in 1821, and was buried in the usual way at the Hazel Run Mines, in Ste. Genevieve County, on Big River. In 1828 (this date is questioned—A. B. M.), his friends at this place thought proper to disinter his remains at Hazel Run and bury him at Potosi. When the coffin was taken up it was found to be rotten, but, to the utter astonishment of all present, the body of the deceased was found to be in a state of perfect soundness, except the nose and some of the fingers; all of the features (except as above) remaining perfect and entire and having every appearance of petrification. Though no one present did anything more to the body than press it with their hands several who saw it have affirmed that it was as hard as wood if not stone; I merely mention the fact as being out of the ordinary course of nature. The body was accordingly brought to Potosi and buried. There are several persons now living here who were eyewitnesses to the fact related. The body appeared of a dark or black color. The gentleman I well know. He had lived an abstemious life, was inclined to corpulence, and died suddenly. I could and would give his name if necessary.

"JOHN S. BRICKEY.

"POTOSI, WASHINGTON COUNTY, *July 1836*."

For, Efforts To Remove Moses Austin's Body to Texas, see Missouri Historical Review, April 1949.

Minimum Wage

EXTENSION OF REMARKS
OF
HON. CHARLES W. VURSELL
OF ILLINOIS
IN THE HOUSE OF REPRESENTATIVES
Thursday, August 11, 1949

Mr. VURSELL. Mr. Speaker, while I am against the policy of the Federal Government establishing any wage levels affecting any State or the entire Nation, yet that policy was established in the Fair Labor Standards Act of 1935 and a minimum wage floor of 40 cents per hour has been effective for the past several years.

It is now a policy of this Government for which I am not responsible. As a policy, of course, it will be continued, and we must deal with it in this legislation.

I should like to point out that when the 40 cents per hour minimum wage became effective in 1938 it was based on the purchasing power of the dollar, which was then 100 percent. In considering this legislation we must take into account that the purchasing power of the dollar in securing the necessities of life which make up the cost of living is now only 60 cents. It is evident that if this minimum-wage policy is to be continued, and it is, the minimum wage should be raised to 65 or 75 cents per hour.

It is apparent, therefore, if we are to maintain the American standard of living that there is justification for the support of this legislation in the interest of the lowest paid people in America who find it rather difficult to get along in this era of the high cost of living.

I am supporting the Lucas bill because it more clearly restricts and defines the power of those who will administer the act. The greatest danger in any minimum-wage bill we shall pass is that the Administrator will go further in the administration of the act than the Congress intends. The act has been badly administered ever since it was enacted. The Secretary of Labor cannot be trusted to administer the act with the powers given him under the Lesinski bill.

With the restriction of these powers and the clear, definite duty of the Administrator set out, the Lucas bill can be properly administered and is clearly preferable to the Lesinski bill.

Need for Arms Is Now

EXTENSION OF REMARKS
OF
HON. LAURIE C. BATTLE
OF ALABAMA
IN THE HOUSE OF REPRESENTATIVES
Thursday, August 11, 1949

Mr. BATTLE. Mr. Speaker, an excellent editorial appeared recently in the Birmingham Post entitled "Need for Arms Is Now." This is a timely and thought-provoking article. Under unanimous consent, I include it in the Appendix of the RECORD, so that all Members can read it:

NEED FOR ARMS IS NOW

Senator CAPEHART of Indiana voted for the the North Atlantic Pact but he says he probably will vote against giving arms to Europe.

He cites the matter of cost, as one of his objections to the arms proposal. He suggests that we operate our own defense bases "in north Africa and elsewhere" rather than give away arms.

In other words, furnish both the arms and the men. That doesn't make sense.

Fact is, our European friends are willing to defend themselves, if given arms to do it. If they can do that, it will help us. For this country to try to do the job alone would not be economy but extravagance, both in blood and money.

Arms are an essential part of the defense program, possibly the best bargain on the list, from our standpoint. Arms are insurance against war. The better prepared the free nations are to resist aggression, the less likely they are to be called upon to resort to force.

However, more serious objections have been raised to the arms program in its present form by Senators VANDENBERG, of Michigan, and DULLES, of New York, and their views demand particular consideration.

President Truman has requested an appropriation of $1,450,000,000 and he wants it now.

Senator VANDENBERG has proposed that a smaller sum be voted now as a stopgap proposition, the rest of the money to be provided after the nations in the North Atlantic defense group have agreed upon a common program. In supporting his Michigan colleague in this position, Senator DULLES said:

"If we stick closely to Atlantic Treaty procedures, we may be able to unite the 12 nations into a single defense program which will be economic and cohesive. If we start out on a large scale without awaiting the establishment of treaty procedures, we may end up with 12 independent military establishments, the cost of which will be crushing and the unity of which will not be assured."

This is not an answer to the immediate need for arms—which cannot be produced in a day and which cannot be ordered until the money is made available.

A single defense program is contemplated, and arrangements have been made for it, under a centralized command. But as for there being 12 independent military establishments, there are 12 now and there will be 12, with or without this appropriation. World government may be around a distant corner, but it isn't here.

Where the Vandenberg proposal may be regarded in good faith, Mr. DULLES' argument in support of it sounds like a filibuster.

It is true the President has complicated the situation by including with the funds for the North Atlantic states further requests for money for continuing programs in Greece, Turkey, Iran, and the Philippines, and he would add Korea to the list. Thus he has opened the whole field of American foreign policy to congressional review at a most inopportune time. But that is no excuse for the Republicans to revert to their 1920 position of isolationism.

We've got to be concerned about Russia.

Comparison of Principal Provisions in the Present Fair Labor Standards Act (Wage-and-Hour Law), the New Lesinski Bill (H. R. 5856), and the New Lucas Bill (H. R. 5894)

EXTENSION OF REMARKS
OF
HON. WINGATE H. LUCAS
OF TEXAS
IN THE HOUSE OF REPRESENTATIVES
Thursday, August 11, 1949

Mr. LUCAS. Mr. Speaker, this analysis was distributed for the personal attention of the Members on Monday evening, August 8, and was in their possession no later than Tuesday morning, August 9—2 days ago. It is the comparison of these bills which has been referred to during this debate.

Comparison of principal provisions in (a) the present Fair Labor Standards Act (wage-and-hour law), (b) the new Lesinski bill (H. R. 5856), and (c) the new Lucas bill (H. R. 5894)

		Present law	Lesinski bill, H. R. 5856	Lucas bill, H. R. 5894
I.	Coverage provisions	The wage-and-hour provisions are made applicable to every employee engaged in interstate commerce or in the production of goods for interstate commerce or in any process or occupation necessary to the production of goods for interstate commerce (secs. 6, 7, and 2 (j)).	Same as present law (secs. 6 and 7 and 3 (j)).	Same as present law except for one important difference. An employee may not be held engaged in the production of goods for interstate commerce unless he is producing the goods or is engaged in a closely related process or occupation indispensable to the production of the goods for interstate commerce (secs. 6 and 7 and 3 (j)). Under this bill the Administrator and the courts will no longer be able to hold subject to the act local retail and neighborhood businesses, selling and serving only customers within the State, on the ground that some of such customers are engaged in the production of goods for interstate commerce. For example, it will not be possible to hold under the act a local fertilizer company engaged in selling all of its fertilizer to local farmers within the State for use on land on which crops are produced for interstate commerce.
II.	(a) Exemptions, agriculture.	Employees in agriculture are completely exempt from wages and overtime (secs. 13 (a) (6) and 3 (f)).	Same as present law (secs. 13 (b) (3) and 3 (f)).	Same as present law (secs. 13 (a) (7) and 3 (f)).
	(b) Exemption from overtime for processing of agricultural commodities.	Year around exemption from overtime is granted to the following: first processing of milk, cream, skimmed milk or whey into dairy products; ginning and compressing of cotton; processing of cottonseed; and processing of sugar beets and sugarcane into sugar or sirup. 14-workweeks-per-year exemption from overtime is granted to the following: first processing, canning, or packing of fresh fruits or vegetables; first processing within the area of production of any agricultural or horticultural commodity; and handling, slaughtering or dressing poultry or livestock. In general these exemptions are self-operative and do not depend upon any action by the Administrator (sec. 7 (c). See also sec. 7 (b) (3)).	The present exemptions are greatly narrowed and limited. First processing of milk, etc., into dairy products; cotton ginning and compressing; processing of cottonseed: Present year around exemption from overtime granted by law is repealed and a 14-workweeks-per-year exemption is granted subject to the discretion of the Secretary of Labor. Sugarcane and sugar-beet processing: The present year around exemption from overtime granted by law is repealed. It is doubtful whether any exemption from overtime is granted to these processors except Louisiana processors who are given a complete exemption from both wages and overtime. No wage exemption is contained in the present law. Slaughtering and dressing poultry: The present 14-workweeks-per-year exemption from overtime granted by law is made subject to the discretion of the Secretary of Labor. Fruits and vegetable packing, canning, and first processing: The present 28-weeks-per-year exemption from overtime is repealed and a 20-weeks-per-year exemption is granted subject to the discretion of the Secretary of Labor (secs. 7 (b) (3) (b) and 13 (b) (12)).	Same as present law except that (1) the first processing of buttermilk is also granted a year around exemption from overtime and (2) the authority to define "area of production" is transferred to the Secretary of Agriculture (sec. 7 (c)).
	(c) Exemption from wages and overtime for handling, storing, and processing of agricultural commodities within the area of production.	Complete exemption from wages and overtime granted to any individual employed within the area of production (as defined by the Administrator), engaged in handling, packing, storing, ginning, compressing, pasteurizing, drying, preparing in their raw or natural state, or canning of agricultural or horticultural commodities for market or in making cheese or butter or other dairy products (sec 13 (a) (10)).	Same as present law (sec. 13 (b) (10))	Same as present law (sec. 13 (a) (11)).
	(d) Processing and canning of fish.	Completely exempt from both wages and overtime (sec. 13 (a) (5)).	The present exemption from both wages and overtime is greatly narrowed and limited. The wage exemption is eliminated entirely. The Secretary of Labor in his discretion may grant 14 workweeks per year exemption from overtime to the first processing or canning of fish (sec. 7 (b) (3) (b)). This exemption is entirely abolished	Same as present law (sec. 13 (a) (6)).
	(e) Local retailing	Complete exemption from both wages and overtime for any employee engaged in making retail sales or in performing work immediately incidental thereto. This includes all retail clerks and also those wrapping and delivering retail purchases (sec. 13 (a) (1)).		Same as present law (sec. 13 (a) (1)).
	(f) Retail and service establishment exemption.	Language of present law purports to exempt from both wages and overtime any employee of a retail or service establishment (sec. 13 (a) (2)). Because of the decision of the U. S. Supreme Court in the *Roland Electrical Co. case* (326 U. S. 657) and the enforcement policies of the Wage-Hour Division, however, it is doubtful whether the exemption is applicable to many retailers.	Denies the exemption to many large groups of retailers. This is done by denying the exemption to any retail or service establishment which sells more than 25 percent of its goods or services to customers who buy for business or nonpersonal or nonfamily uses (sec. 13 (a) (2)). The effect would be to write into the law expressly the rule laid down by the Supreme Court in the *Roland Electrical Co. case* (326 U. S. 657) that no sale is retail if made to a purchaser for a business use. See also *McComb* v. *Deibert* (E. D. Pa., 1949) 16 Labor Cases, par. 64882. This limitation upon the exemption would cause discrimination between many local establishments and employees performing similar or identical activities. Most retail and service establishments sell and serve both private household customers and local business customers. But under the limitation which this bill would create, the hardware store selling 75 percent of its hardware to private individuals for their personal or family use would be exempt, while the hardware store across the street selling over 25 percent of its hardware to contractors and other local businessmen for use in their businesses would not be exempt. The Ford automobile	Clarifies the wage and overtime exemption for retail and service establishments by stating precisely the conditions under which the exemption shall apply. These conditions are threefold; (*a*) over 50 percent of the sales of the establishment must be made within the State where it is located; (*b*) 75 percent of the sales must not be for resale, but rather to the ultimate consumer; and (*c*) 75 percent of the sales must be recognized as retail sales or services in the particular industry (sec. 13 (a) (2)). The discriminatory limitation on the exemption found in the Lesinski bill is eliminated. Any sale or service to a private consumer, businessman (who does not purchase to resell), or farmer will have to be treated by the Administrator and courts as a retail sale or service, so long as such sale or service is recognized in the particular industry as a retail sale or service. Thus the sale by a farm-implement dealer of farm machinery to a farmer will be retail irrespective of the fact that in some cases farm machinery may be sold to the farmer at a discount, if the sale is regarded as retail in such industry. So, too, sales by the hardware store, the paint store, the furniture store, the stationer, etc., whether made to private householders or to busi-

Comparison of principal provisions in (a) the present Fair Labor Standards Act (wage-and-hour law), (b) the new Lesinski bill (H. R. 5856), and (c) the new Lucas bill (H. R. 5894)—Continued

		Present law	Lesinski bill, H. R. 5856	Lucas bill, H. R. 5894
			dealer, 75 percent of whose business consisted of selling Ford passenger cars, would be exempt, while his competitor, the Chevrolet dealer, more than 25 percent of whose business consisted of selling Chevrolet trucks to various local enterprises such as grocery stores, butcher shops, or bakeries, would not be exempt. The furniture store selling 75 percent of its furniture to private individuals for personal or family use would be exempt, but the furniture store selling over 25 percent of its furniture to lawyers, doctors, and dentists for office use would not be exempt. The service station selling 75 percent of its gas and oil for use in passenger cars would be exempt while the service station selling over 25 percent of its gas and oil for use in trucks would not be exempt. While this bill purports to exempt the establishment selling to the farmer, it does not in fact exempt many such establishments. As the establishment is exempt only when it sells goods of the type and in quantities purchased by the ordinary farmer, any sale to a large farmer, who purchased in quantities greater than the average or who purchased machinery of sizes greater than the average, would be nonretail. This bill, however, does liberalize the exemption in one particular. It exempts the large mail-order house from the wage and overtime requirements of the act, since it places no limitation upon the amount of interstate selling a retail or service establishment may engage in.	ness users, will be retail, so long as they are not for resale and are regarded as retail sales or services in such trades. Likewise, the services of hotels, restaurants, repair garages, filling stations, and the like, whether rendered to private householders or to business customers, will be retail so long as they are regarded as retail services in such trades. An employer claiming exemption would have the burden of proving to the courts that in fact 75 percent of his sales or services are recognized as retail in his industry. This bill thus has the effect of confirming the exemption for the various local neighborhood businesses whom it was the original purpose of the existing law to exempt. Included among such businesses are the grocery stores, the hardware stores, the clothing stores, the dry goods stores, restaurants, hotels, stationery stores, farm implement dealers, automobile dealers, coal dealers, paint stores, furniture stores, and lumber dealers. Since almost any retail or service establishment does some selling which is not strictly regarded as retail, such as selling to purchasers who buy to resell, a 25-percent tolerance of nonretail activities is permitted by this bill. This is the same as the tolerance presently allowed by the Administrator and also proposed in the Lesinski bill. This bill does not exempt the mail-order houses, since it requires the retail or service establishment to make over 50 percent of its sales within the State.
II.	(g) Bakeries, ice plants, candy kitchens, ice cream parlors.	No exemption for employees engaged in making bakery products, ice, etc.	Same as present law	Complete exemption from wages and overtime granted to an establishment selling products which it makes if it satisfies the following conditions: (1) over 50 percent of its sales are made within the State where it is located; (2) 75 percent of its sales are not for resale; (3) 75 percent of its sales are recognized as retail sales in its industry; and (4) the establishment is recognized as a retail establishment in its industry (sec. 13 (a) (4)).
	(h) Laundries and establishments engaged in cleaning clothing and fabrics.	Probably not exempt from either wages or overtime if over 25 percent of the laundry's services are for barber or beauty shops, doctors' or dentists' offices, schools, restaurants or hotels or other business customers. See *Roland Electrical Co. case* (326 U. S. 657).	Same as present law (sec. 13 (a) (2))	Completely exempt from both wages and overtime if 75 percent of the laundry's services are for customers who are not engaged in a mining, manufacturing, transportation or communications business and if over 50 percent of the services are for customers within the State in which the laundry is located. Thus, a laundry, 75 percent of whose services were for customers such as housewives, hotels, restaurants, schools, hospitals, barber and beauty shops, and doctors' and dentists' offices, would be exempt. On the other hand, a laundry would not be exempt if over 25 percent of its business were with pullman trains or other railroad or bus companies or with such customers as factories or mines (sec. 13 (a) (3)).
	(i) Interstate motor carriers.	Complete exemption from overtime granted to loaders, mechanics, drivers, and drivers' helpers (sec. 13 (b) (1)).	Exemption from overtime for loaders, and mechanics is completely eliminated. Even drivers and drivers' helpers lose the exemption if they spend as much as 50 percent of their time in activities other than driving or helping to drive (sec. 13 (c) (1)).	Same as present law (sec. 13 (b) (1)).
	(j) Railroads, pipe-line companies, etc.	Complete exemption from overtime granted to employees of railroads, express companies, pipe-line companies, etc. (sec. 13 (b) (2)).	Exemption from overtime for employees of pipe-line companies is eliminated (sec. 13 (c) (2)).	Same as present law (sec. 13 (b) (2)).
	(k) Air-line employees	Complete exemption from wages and overtime granted to all employees of air carriers. (sec. 13 (a) (4)).	Wage exemption is eliminated for all air-carrier employees. Overtime exemption is granted only to flight personnel (sec. 13 (c) (3)).	Wage exemption is eliminated for all air-carrier employees. Complete overtime exemption, however, is granted to all such employees and not only flight personnel (sec. 13 (b) (3)).
	(l) Seamen	Complete exemption from wages and overtime granted to all seamen (sec. 13 (a) (3)).	Complete wage and overtime exemption granted to all seamen on vessels other than American vessels (sec. 13 (b) (9)). As for seamen on American vessels, they are subjected to the wage provisions but are completely exempted from overtime (sec. 13 (c) (4)).	Same as present law (sec. 13 (a) (5)).
	(m) Small weekly or semi-weekly newspapers.	Complete wage and overtime exemption granted to employees of weekly or semi-weekly newspapers with a circulation of less than 3,000, the major part of which is in the county where printed and published (sec. 13 (a) (8)).	Complete wage and overtime exemption granted to employees of weekly or semi-weekly newspapers with circulation of less than 5,000, the major part of which is in the county where printed and published or in contiguous counties. The exemption is denied, however, if the newspaper is produced by stencil, mimeograph, or hectograph process. Also the exemption is denied to shoppers' guides (sec. 13 (b) (5)).	Same as Lesinski bill except that the exemption may apply even if the newspaper is produced by stencil, mimeograph, or hectograph process. Also it may apply even to shoppers' guides (sec. 13 (a) (9)).
	(n) Switchboard operators in public telephone exchanges.	Complete exemption from wages and overtime if the exchange has less than 500 stations (sec. 13 (a) (11)).	Same as present law except that the number of stations the exchange may have is raised from 500 to 750 (sec. 13 (b) (6)).	Same as Lesinski bill (sec. 13 (a) (12)).

Comparison of principal provisions in (a) the present Fair Labor Standards Act (wage-and-hour law), (b) the new Lesinski bill (H. R. 5856), and (c) the new Lucas bill (H. R. 5894)—Continued

	Present law	Lesinski bill, H. R. 5856	Lucas bill, H. R. 5894
II. (o) Forestry and lumbering operations.	No exemption unless such operations are conducted by a farmer or on a farm as an incident to or in conjunction with farming operations (secs. 13 (a) (6) and 3 (f)).	Complete exemption from both wages and overtime for employees engaged in forestry or lumbering operations up to the point where the products are processed in a sawmill, if the number of employees employed by the employer in forestry or lumbering operations does not exceed 12. This exemption applies whether or not the operations are conducted by a farmer (sec. 13 (b) (13)).	Same as Lesinski bill (sec. 13 (a) (15)).
(p) Newspaper delivery boys.	No exemption	Complete exemption from wages and overtime for newsboys delivering newspapers to consumers (sec. 13 (a) (1)).	No exemption. (None is needed, for this bill does not bring newsboys under the coverage of the act in the first instance.)
(q) Nonprofit irrigation companies supplying and storing water for farmers.	do	Same as present law	Completely exempt from wages and overtime (sec. 13 (a) (16)).
III. Minimum wage	40 cents per hour (sec. 6). The term "wage" is defined as including the reasonable cost to the employer of furnishing the employee with board, lodging, or other facilities (sec. 3 (m)).	Establishes a rigid 75-cent minimum hourly rate (sec. 6). The term "wage" is redefined so that board, lodging, and other facilities furnished the employee may not be included in wages, if the facilities are an incident of and necessary to the employment and practically available only from the employer (sec. 3 (m)). This would require the payment of the minimum cash wage, in addition to the facilities, to such employees as seamen, meal service employees on common carriers, or employees in isolated lumber camps.	Establishes a minimum hourly rate of 65 cents up to Dec. 31, 1949. Thereafter the minimum wage is to go up or down each year in accordance with fluctuations in the Consumer Price Index determined by the Bureau of Labor Statistics. Any rate set under this formula is to stay in effect for a full calendar year. In no event can the minimum wage be set at less than 50 cents per hour (sec. 6). The term "wage" is defined as in the present law (sec. 3 (n)).
IV. Overtime: (a) Belo plan	The Supreme Court has approved as valid the Belo plan under which an employer may pay his employees who work different hours each week a fixed guaranteed weekly salary.	Imposes conditions upon the Belo plan which will make it virtually unusable (sec. 7 (c)).	Specifically validates Belo-type contracts if the duties of the employees necessitate irregular hours of work. The contracts may be made either individually with the employees or with unions, but must specify a regular rate of not less than the minimum provided in sec. 6 and compensation at not less than time and one-half such rate for all hours worked over 40 in a week. The contracts must also provide a weekly guaranty of pay for not more than 60 hours based on the rates so specified (sec. 7 (e)).
(b) Overtime on overtime.	Retroactively nullifies the effect of the Supreme Court's decision in the Bay Ridge case requiring payment of overtime on overtime. (*See* H. R. 858, Public Law 177, 81st Cong., 1st sess.)	Incorporates provisions of Public Law 177, which nullifies Supreme Court's decision in Bay Ridge case, but rescinds by implication the retroactive features of such Public Law 177 (secs. 7 (d) (6) and (7) and sec. 7 (f)).	Same as Public Law 177 (secs. 7 (d) (6) and (7) and sec. 7 (g). (*See also* sec. 3 (e) on p. 38 of this bill.)
(c) Bonuses, payments for vacations, illness, etc., profit-sharing plans, employer contributions to old-age, retirement, etc., funds.	Does not state which of such payments must be included in regular rate of pay for purposes of computing overtime.	Clarifies the question of which of such payments must be included in regular rate of pay for purposes of computing overtime (secs. 7 (d) (1), (2), (3), and (4)).	Same as Lesinski bill except that, unlike Lesinski bill, no authority is given the Administrator or Secretary of Labor to issue regulations dealing with profit-sharing plans or with talent fees paid to performers. Also bonuses are included in regular rate of pay only if paid pursuant to prior contract, agreement, or promise, while under the Lesinski bill they are also included in regular rate of pay if paid pursuant to a prior "arrangement, or a custom or practice" (sec. 7 (d) (1), (2), (3), and (4)).
V. Administrative power under the act.	In an independent Administrator (sec 4)	Transfers administrative power to the Secretary of Labor notwithstanding that the organic act establishing the Department of Labor states the purpose of the Department to be "to foster, promote, and develop the welfare of the wage earners of the United States, to improve their working conditions, and to advance their opportunities for profitable employment" (sec. 4). The Department of Labor is staffed with assistant secretaries recruited from organized labor. The Department moreover, takes the position that it is spokesman for labor in the President's official family.	Same as present law (Sec. 4).
VI. Rule-making power	No rule-making authority granted the Administrator except in limited areas, such as authority to define who shall constitute an executive employee (sec. 13 (a) (1)), authority to issue regulations concerning learners (sec. 14) etc.	Unlimited rule-making authority conferred upon the Secretary of Labor, and it is made unlawful and punishable criminally to violate any rule of the Secretary. The rule-making power includes authority to issue rules, regulations, determinations, and orders and to define any term used in the law. The Secretary may prescribe conditions, limitations, or standards, and he may clarify the meaning of terms and provisions and make more certain the scope of their application. This is the most widespread delegation of authority ever proposed in a peacetime statute. It would be an abandonment by Congress to the Secretary of the legislative function. Congress admits in this bill that it is unable to write the statute clearly, fairly, uniformly, or effectively; or to protect employers or employees; or to safeguard the fair labor standards established by the act; or prevent the circumvention or evasion of such standards. Consequently, it authorizes the Secretary to do all those things as he sees fit (secs. 11 (b) and 15 (a) (2)).	Same as present law.

Comparison of principal provisions in (a) the present Fair Labor Standards Act (wage-and-hour law), (b) the new Lesinski bill (H. R. 5856), and (c) the new Lucas bill (H. R. 5894)—Continued

	Present law	Lesinski bill, H. R. 5856	Lucas bill, H. R. 5894
VII. Right to sue for back wages due employees.	No such right conferred upon the Administrator. Employees alone may sue for back wages (sec. 16 (b)). Such right of suit is subject to the 2-year statute of limitations prescribed in sec. 6 (a) of the Portal-to-Portal Act.	The Secretary is authorized to bring suits to recover back pay due employees. In connection with such suits the employees waive their right to liquidated damages. Such suits by the Secretary are not limited by any statute of limitations and may go back to Oct. 24, 1938, the effective date of the original law. Moreover, the Secretary is also impliedly authorized to collect back pay in injunction suits he may bring under sec. 17 to restrain violations of the act in the future. (See proviso at end of sec. 16 (c) on p. 38 of this bill.) In connection with the injunction suits, there is no waiver by the employees of their right to liquidated damages. They may thereafter sue for same (sec. 16 (c)).	Same as present law (sec. 16 (b)).
VIII. Defense of employer who acts in good faith in conformity with regulations, orders, or interpretations of the Administrator.	Under Sec. 10 of the Portal Act this defense is available only if the employer relies upon the Administrator's regulations, etc., as well as acts in conformity with them.	Makes no change in the Portal Act on this point.	Modifies sec. 10 of the Portal Act so as to allow the defense where the employer simply acts in good faith in conformity with the Administrator's regulations, etc. There is no requirement that the employer actually rely upon such regulations. This is a desirable modification, since it is frequently difficult for an employer to prove actual reliance, as he may not in fact know about the myriad outstanding rulings. (Sec. 4 (e)).
IX. Portal Act	Such act is in full effect	Casts doubt upon whether such act, which is closely allied to the Fair Labor Standards Act, would remain in full effect, since the bill contains no savings clause leaving it in full effect.	Contains a savings clause leaving the Portal Act in full effect. (See Sec. 3 (d) on p. 38 of this bill.)
X. Child-labor provisions. (a) Coverage.	Prohibits shipment in commerce of goods produced in an establishment where child labor is employed (sec. 12 (a)).	Extends the child-labor provisions so as directly to forbid the employment of child labor in commerce or in the production of goods for commerce. The bill also forbids any employer engaged in commerce or in the production of goods for commerce to employ any child labor in connection with any enterprise where he is so engaged. Thus, the coverage is extended to all employees of an employer engaged in commerce or in the production of goods for commerce (sec. 12 (b)). A comparable extension of the wage-and-hour provisions, at one time proposed, has been dropped.	Extends the child-labor provision so as directly to forbid the employment of child labor in commerce or in the production of goods for commerce (sec. 12 (b)).
(b) Exemptions: (1) delivery of newspapers.	No exemption	Exemption for newsboys delivering newspapers to consumers (sec. 13 (a) (1)).	No exemption. (None is needed, for in this bill newsboys are not under the coverage of the child-labor provisions in the first instance.)

Report to My Constituents

EXTENSION OF REMARKS
OF

HON. A. L. MILLER

OF NEBRASKA

IN THE HOUSE OF REPRESENTATIVES

Thursday, August 11, 1949

Mr. MILLER of Nebraska. Mr. Speaker, it has been my custom, near the end of each session to report to the people of my district on the work of Congress and on my activities for the session. While the first session of the Eighty-first Congress is not ended, the leadership in the House indicates that no more major legislation will be considered at this time.

The House of Representatives made up of 435 Members considers legislation for the whole country. The bills it considers do not have the same application in all districts. The interests of the people in the Fourth Congressional District of Nebraska are entirely different from those of the textile working districts of New York City. In making this report to my constituents and to you, I hope that the Representatives from other districts will understand the interests of the people in the Midwest.

It will be remembered that when this Eighty-first Congress came into session last January the President presented us with a program which he declared represented a mandate he had received from the people in the November election. The program was similar to the one he said the Republican Eightieth Congress could pass in 15 days when he called us back into special session last summer. It should be remembered that the President's party now has a majority of 92 in the House and 12 in the Senate.

PRESIDENT'S RECOMMENDATIONS

The President recommended that he be given power to establish limited price control with rationing, allocations, and authority to control all consumer and bank credits. It would be similar to the old OPA.

The President asked for an additional $4,000,000,000 in taxes, mainly on excess profits.

He wanted socialized medicine, Federal socialized housing, rent control, Federal aid to education, repeal of the Taft-Hartley Labor Act, civil-rights legislation, a wide extension of social security, and authority to build steel mills. He recommended the adoption, in part, of the Hoover Commission report.

He later recommended greatly increased foreign aid, the Brannan farm program, and the Atlantic Pact with arms to Europe. He now recommends deficit spending and a program of spending in order to raise the standards of living in backward countries all over the world.

This, Mr. Speaker, is in general the program this Congress was asked to consider. It was quite evident from the first that the majority of the Members of Congress did not feel that the election gave either the President or the Congress a mandate to place into law all of these radical socialized objectives. It is interesting to note that while he has a large majority in both Houses, there is a deep cleavage on principles, and his Congress and his administration are unable to pass on much legislation.

The House did pass a Rent Control Act which bore little resemblance to the one he recommended. The House passed a Federal Housing Act. There will be a revised farm program passed, but not the Brannan idea.

Mr. Speaker, of this vast program, I did support civil-rights legislation outlawing the poll tax, a moderate rise from 40 to 65 cents an hour in minimum wage, and the plan of former President Hoover to reorganize this vast growing and overlapping bureaucracy in order to establish efficiency in government. I supported a repeal of the war excise taxes, the reorganization of the military establishments and the full development of our natural resources.

Now let us take a look, in a little more detail, at some of the legislation considered. I want you and the people of my district to understand my thinking in connection with some of the proposed legislation, particularly as it affects my district.

LABOR LEGISLATION

The first major piece of legislation was the repeal of the Taft-Hartley Act. The President wanted a return to the old Wagner Act with some modifications. Both Houses passed a labor bill and while it resembled the old act there were 26 changes which both industry and labor

wanted. It was a far better labor bill than the one previously passed. It now becomes apparent that even though we had passed an improved labor relations act the President and the labor leaders are opposed to further consideration of the bill. They seem to prefer the present bill so they may attack it as a political issue in 1950 and 1952. A better bill would be hard to attack.

I do feel that the Taft-Hartley law, while not perfect, has been a great benefit to the public and the working man. I said, in debate on the floor of the House, that:

> This present law is not bad legislation despite all the hue and cries from labor bosses that it was a slave-labor bill and labor was being given a death blow. I have taken several polls on this subject in my district and they indicate overwhelmingly their approval of the provisions of the Taft-Hartley law. My entire approach to the whole subject of labor-management relations has been on the grounds of what is best, first, for the public, and then for the man in the ranks of organized labor who must work and make a living for his wife and family.

Mr. Speaker, I am of the opinion that the American people care neither about a victory for industry, nor a victory for labor. They do care very much about better teamwork between the two and they are interested in a labor law that would produce those results. The people of the United States have a right to expect their President to represent all the people in this matter and not just the labor bosses. Labor unions are now raising millions to defeat those Congressmen who supported a better labor law. I am one of those they expect to eliminate. I have reintroduced the labor bill as passed by the House. It represents the best thinking of the Members of Congress as to the needed changes of the present bill.

FEDERAL PUBLIC HOUSING

Mr. Speaker, I opposed the passing of this socialized housing legislation because I believe it is a long step in the direction of the welfare state. It does commit our Government and the taxpayers to the eventual spending of between sixteen and twenty billion dollars. Every country that has tried socialized housing finds that it produces less and not more housing. Private industry is building almost a million housing units per year and Government competition, under this bill, will probably reduce this rate materially.

Under the bill only one out of seven families in the eligible income group can occupy public housing but all the people will bear the cost. In the matter of farm housing only 1 out of 30 families will get any benefit. State and local governments will be deprived of tax revenues.

The campaign to put over the legislation was based on misrepresentation and half-truths, and the Members of the House were subjected to the most vicious type of lobbying for and against the bill. The administration of the Housing Act opens a most fertile field for rebuilding political machines that had begun to languish in large cities. Politicians will dish out the benefits to those who vote right. This is one of the programs which Mr. James F. Byrnes, a former Cabinet member under Mr. Truman, must have had in mind when he warned that—

> The individual, whether a farmer, worker, manufacturer, lawyer, or doctor soon will be an economic slave pulling an oar in the galley of the state.

Surely, Mr. Speaker, in the passing of this and other types of legislation recommended by the President we take a long step down the socialized-welfare road. It was not this road that made America great. Our country has become great because people had freedom, not only of expression but economic and political action. They were able to work, produce, save, and plan for the future. They did it themselves. If the time ever comes that the Federal Government does all the planning and directing then truly a great welfare state will be in operation. The administration should have learned from its experience under OPA, that there is just not enough police power in the country to regiment and control all the people in all things all the time. The people should be taught right principles and the road they ought to go, but they should be permitted to govern themselves.

FARM PROGRAM

Mr. Speaker, I opposed the efforts to enact the limited Brannan farm plan. My reasons were that it was conceived as a political trick to snare votes and launched mainly by labor politicians at Des Moines, Iowa. I believe it to be unsound. Mr. Brannan held out the promise of high rewards for the farmer and cheaper prices for the consumer. They would not or could not tell the people how much it would cost the taxpayers, nor to what extent it would regiment agriculture. It holds within it a further long step toward the welfare state. It places a ceiling on opportunity in agriculture and penalizes efficiency. The consumer would find that instead of cheap food, the Government would be putting one hand in his pocketbook or savings account to take out the money to pay the subsidies, plus administration charges, to support the program. I just do not like this sleight-of-hand performance and I am sure the farmers would not like the absolute controls that must go with the program.

The bill passed by the House was the same one which I introduced. It continues the 90-percent parity. The farmers understand this program. I do not believe they want to scuttle the present workable and understood plans for agriculture. While I do not believe the bill as passed by the House solves the farm problem, I did feel that in these troubled and uncertain times we cannot afford to gamble with untried and untested plans. We should not be making a political football out of farm production. We should not permit farm prices to sag under parity. I am firmly convinced that our national prosperity depends upon a prosperous agriculture.

I am convinced, Mr. Speaker, that the farmers of America must be protected by proper tariff laws if our farm economy is to remain sound. We cannot continue to bring farm products in from all over the world produced at low cost, and thus support the world markets at the high level needed at home. To do so means eventual bankruptcy.

The bill passed by the House must be acted on by the Senate and I am hopeful that in the conference the best possible legislation will be presented.

HOOVER COMMISSION REPORT

I have given my enthusiastic support to the recommendations of the President that the Hoover Commission report be adopted. I am not optimistic about much of it being adopted. The plan would cut the Federal budget about $4,000,000,000 and take four or five hundred thousand off the Federal pay roll. Bureaucracy does not operate that way. It is interesting to see that the heads of the departments affected, while they give lip service to the Hoover Commission report they object to any changes being made in their own departments.

Faced with this situation the leadership in the House has not pushed legislation to carry out these plans with any vigor. I want to solemnly warn the leadership of this Congress that the people are greatly concerned over the high cost of Government and are looking to this Congress to implement the recommendations of the Hoover Commission. Government has just become so big, intricate, and overlapping that the inefficiency, waste, and extravagance is appalling. The people are demanding action.

You will remember, Mr. Speaker, that I introduced a resolution asking that Congress be convened in special session on November 1, 1949, to take action on the recommendations of the Hoover Commission and such other action as may be necessary to eliminate unnecessary Government activities in order to bring expenditures of the Federal Government in balance with its income.

NATURAL RESOURCES

Mr. Speaker, I have always maintained that we must develop and use our natural resources wisely. We have great wealth in our country. It must be developed and used wisely so future generations may prosper. Nebraska is particularly blessed with many running streams, and the hills, like a sponge, hold millions of gallons of water. Our streams can and must be developed. Feasible irrigation projects would bring another million acres of fertile land under irrigation. Water in the western part of the State is the great limiting factor to good crops. There is no question that irrigation brings a backlog of safety, security, and a new wealth to the community and the Nation. The cost is eventually repaid in additional taxes. I hope to see the day when good soil conservation is practiced everywhere and our water is fully utilized.

RURAL ELECTRIFICATION

Nebraska has made great strides in the development of rural electrification. My colleagues should understand that this is not a gift to the farmers because every cent of money that is borrowed is paid back with interest. When REA

came to Nebraska in 1935 there were less than 10,000 homes which received electricity from a central power plant.

This year there are nearly 75,000 homes that are served by REA. This should be pushed until every home which desires electricity can be served. We can harness the Niobrara, the Loups, and the North Platte Rivers, and bring many benefits to our State. I shall continue to work for the proper development and harnessing of the rivers in the Dakotas, Wyoming, and Colorado in order that electrical energy can be produced, which in turn can be allotted through the public-power agencies in my State. I know of no other one thing that can bring more comfort and pleasures to the housewife than that of electrical energy and all the equipment that goes with this great development.

ARMS FOR EUROPE

Mr. Speaker, I am opposed to the continuing practice of pouring untold billions of the taxpayers' money into the bottomless pit of foreign aid. I have voted against appropriations for ECA, and shall vote against funds to rearm foreign nations, when this matter comes before the House.

The statements of Bernard Baruch and others who have recently returned from Europe warn us of our failure to accomplish the purpose we had in mind with the billions we have already thrown into the program. They emphasize the fact that these countries are not making the proper effort to bring about their own recovery, but are looking to us to continue to bail them out of their difficulties. Great Britain is an example of this practice. She has used the billions we gave her to support her government while it extended the socialization of its industries and services. Because so many of its large industries are under political control they cannot effect efficiency by improved methods or longer hours of work, and thus bring down the cost of production to meet competition. I am convinced there is a limit to giving away our resources without a promise of a fair return. This great Nation, while it is strong and can stand much rough economic waters, can reach a point where our dollar will no longer have the confidence of the American people.

There are increased signs of unemployment and falling national income. I would remind you, Mr. Speaker, that from 1933 through 1939, the average yearly unemployment was nearly 9,000,000 people. This continued with all the pump priming of the New Deal. It took a war to cure this disease. The policies followed by this administration could take us into another war. We should by all means try to balance our budget. The President, in his last message to Congress, recommended deficit spending. He seems to think that the way to prosperity is to spend more than you make. That, Mr. Speaker, must come as a shock to these staunch thrifty Americans who have always felt that they should save a little for a rainy day. They have always followed the pattern that, when their income falls, they stop buying the things they don't need. Indeed, we should adopt the thinking of the late Will Rogers, when he said:

> You should not spend money you don't have for the things you can't afford and don't need.

Mr. Speaker, as you know, I have consistently opposed the program of the President which calls for socialization. Socialized medicine, another OPA, socialized housing, Federal aid to education and other programs to regiment and control the American people. I have supported these constructive recommendations of the Hoover Commission, the reorganization of the Military Establishments, reduction of war excise taxes, and those programs to develop the resources of this country. I think this part of the program is sound and constructive.

Mr. Speaker, I do feel that the American people have not been told the truth. There is entirely too much propaganda on both domestic and international affairs. This was illustrated by Senator DULLES, when he stated, on the Senate floor recently:

> That the question of keeping America artificially alarmed and in a state of crisis over a possible Soviet attack was discussed at a recent meeting of the Western powers.

I am certain, Mr. Speaker, that the American people are tired and disgusted with this type of propaganda. They ought to be told the truth and when they know the truth, we need not worry about the action they will want us to take.

COMMUNISM

The people in my district want communism exposed in all of its nakedness. In my opinion this administration has been entirely too lenient with these Communist sympathizers, who, while they smile behind the mask of patriotism, seek to destroy our form of government.

Mr. Speaker, I have covered only a small part of the program which has been presented to Congress. It is not possible to go into much detail. I have only covered a small part of my activities. I have, on numerous occasions, expressed my views to the people of my district through a weekly newsletters and a weekly radio program. I have resorted to the use of polls to get an expression from the people I represent. I find that they are alarmed at the road we are taking toward a welfare state. They are worried over the fact that Government is getting bigger and bigger while you and I as individuals are getting smaller and smaller. They feel that government should be merely an umpire, guaranteeing fair play, but the race should be between individuals, and the reward, if any, should come through individual effort. They are tired of the scare tactics that are constantly employed in the prosecution of the cold war. They are fed up with the threats of industrial strife. They are getting weary of carrying the world on their backs while the people of other countries shirk their responsibilities and constantly demand more and more help. They want to see their Government living within its means. They are not ready to accept the imported idea that one can spend himself into prosperity. Deficit spending reminds them of those foolish individuals who wind up their affairs in bankruptcy. I am in accord with their views.

When this Congress starts its 3-day recesses, I expect to go home where the people live close to the soil and the sun and have a visit with them. They have a clear understanding of what makes America tick. I recommend to you, my colleagues, that you go home, close to the grass roots, away from the pressure and the propaganda of Washington and get a fresh viewpoint from those you represent.

Security Can Destroy Us

EXTENSION OF REMARKS
OF
HON. RALPH HARVEY
OF INDIANA
IN THE HOUSE OF REPRESENTATIVES

Thursday, August 11, 1949

Mr. HARVEY. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following editorial from the Muncie (Ind.) Star:

SECURITY CAN DESTROY US

Historical parallels are not always exact. But we ought to be able to learn enough lessons from history to help us avoid the pitfalls and delusions of other civilizations which brought them down to destruction and decay. Recently Associate Justice of the Supreme Court William O. Douglas was quoted as saying to a labor-union meeting: "The human-welfare state is the greatest invention of the twentieth century." We are inclined to believe that if Mr. Douglas were steeped in the history of ancient Rome he would never have made that statement. The welfare state is neither new nor is it great. It destroyed the liberty, the security, and the power of the once-glorious Roman Empire.

In a speech to the graduating class of Northwestern University, President Franklin B. Snyder warned that Americans must learn the lesson of the collapse of the Roman Empire. "Rome," he said, "was quite literally the mistress of the world (as the United States is today). The Roman citizen, like you and me * * * enjoyed freedom within the law of his own making * * * and Rome maintained peace wherever her eagles gleamed in the sun. * * *

"And then, not swiftly but steadily, inexorably, as darkness wraps itself around the earth after sunset, the Empire crumbled." Why? Rome still had the strongest armies and navies in the world. Rome had unsurpassed military genius to call upon. But Rome still fell "because a hardy race succumbed to the insidious poison of the idea that 'government will do it'; because rulers bought power at home and favor abroad by gifts of treasure and food." Roman politicians gave their citizens "bread and circuses."

That's how politicians stayed in power. That's how Caesar became Emperor over a corrupted people weakened by flattery, by "economic security," by false promises. This is why a dictatorship, though led by strong men, is always weak within because the people are weak and will-less.

Will America follow the disastrous course of Rome? Will the people of America become weak because their selfishness is greater than their love of freedom? American liberty was not won because the American people had economic security. It was won through hardship, poverty, and revolution. Washington did not offer the welfare

state; he offered only liberty or death, as Patrick Henry put it. "We are not to expect," said Thomas Jefferson, "to be translated from despotism to liberty in a feather bed."

A feather bed is what the politicians in Washington are offering us today. The price is our own freedom to gain our own security and to control our own affairs. The Fair Deal in offering the welfare state is following closely the precepts of the Roman politician Quintus Cicero who said, "All men prefer a false promise to a flat refusal." We are being promised cheaper homes for which we will pay in taxes. We are promised high prices for farmers and low prices for consumers, but we will also pay the difference in taxes. We are promised free medical care for which we will pay more taxes. We are promised more social security for which we will pay more taxes. We are being offered $46,000,000,000 worth of false security, but we have to pay for it ourselves. That is what the welfare state never explains to the people—they pay for it.

Government cannot give a people anything without first taking something away. It can only give money it collects in taxes. It can only give economic security to all by first taking away economic liberty. It cannot guarantee us anything we are not willing or able to guarantee for ourselves.

America will never fall to the Communists or to the Fascists by force of arms. We will only fall from internal decay, from a developing weakness and fright within our people. We should never forget what Lincoln said some years before the War Between the States: "All the armies of Europe, Asia, and Africa combined with all the treasure on earth * * * could not by force take a drink from the Ohio or make a track on the Blue Ridge, in a trial of a thousand years. * * * If destruction be our lot, we must ourselves be its author and finisher. As a Nation of freemen, we must live through all time, or die by suicide." Rome died by suicide. Will America?

Hoover Plan for Government Reorganization

EXTENSION OF REMARKS

OF

HON. LAURIE C. BATTLE

OF ALABAMA

IN THE HOUSE OF REPRESENTATIVES

Thursday, August 11, 1949

Mr. BATTLE. Mr. Speaker, Civitan International is an organization that is known throughout the world for its accomplishments in civic affairs. Civitan International was brought to life in Birmingham, Ala., by Dr. Courtney Shropshire, its first president; Mr. Frank Butler; Dr. P. Y. Whitman; Mr. Claude Hogan, and others. I am proud of the work this great organization is doing, especially its endeavors toward better government. Mr. G. T. Kay, governor, Alabama district, sent me the following resolution which deserves the attention of every Member of Congress. Therefore, under unanimous consent to extend and revise my remarks, I include it in the Appendix of the RECORD:

RESOLUTION UNANIMOUSLY ADOPTED BY DELEGATES AT THE TWENTY-NINTH ANNUAL CONVENTION OF CIVITAN INTERNATIONAL IN SESSION AT WASHINGTON, D. C., JUNE 24, 1949

Whereas Civitan, by virtue of its motto "Builders of Good Citizenship," has, since its founding, stood for good government in all its forms; and

Whereas Civitan should and does take the lead among civic clubs in all matters pertaining to good government; and

Whereas Civitan believes that the Hoover plan for Government reorganization will reduce the cost of the various branches of our Federal Government without impairing their efficient operation, thereby creating a real savings to our people.

Now, therefore, Civitan International and its members in convention assembled, hereby resolves to go on record as being in complete accord with, and as giving unqualified support to the Hoover plan for Government reorganization; that copies of this resolution be furnished to the following individuals: the President of the United States; the Speaker of the House of Representatives; the President of the United States Senate; and all Members of the United States Congress.

Separation of Church and State

EXTENSION OF REMARKS

OF

HON. TOM STEED

OF OKLAHOMA

IN THE HOUSE OF REPRESENTATIVES

Thursday, August 11, 1949

Mr. STEED. Mr. Speaker, under leave to extend my remarks in the RECORD, I desire to include an editorial from the Daily Oklahoman on Monday, August 8, 1949, under the title "And Such Language." I think this is a timely warning to the Members of this Congress at this particular time, and I urge its careful reading. I call this to the attention of the Members in the hope it will help them understand what we are inviting in the way of internal strife and turmoil if we delay settlement of the Federal-aid-to-education issue.

The editorial follows:

AND SUCH LANGUAGE

Have you ever noticed the alacrity with which various and numerous religionists become vocal when any sectarian issue of a controversial nature is raised? And have you noticed the intemperate character of the language the aroused religionists always employ? So have we.

It is easy to understand the spontaneity of the reaction to the raising of any religious or quasi-religious issue. For in its very nature a religious emotion is the last word in intensity. There is nothing more ardent than a religious emotion and there is nothing more uncompromising than a religious conviction. Hence, when a religionist rushes to the defense of a principle he considers sacred, he throws himself into the contest body and soul.

But that hardly explains the harsh and bitter language the aroused religionist almost invariably employs. Maybe it is because he regards his opponent as a representative of antichrist and therefore entitled to immersion in Hadean fire. But whatever the reason, the aroused religionist usually culls an array of epithets and lets loose upon his antagonist a blast of invectives that might startle a barroom or a bordello.

In the immediate past the printed page has been marked (to say nothing of being marred) by a wholesale discussion of the court's opinion in the McCollum case, the publication of an unusually provocative book on ecclesiastical relations, and the issue of Federal aid to parochial schools.

Each of those issues has evoked a spate of spirited letters from the people. And most of those letters have fairly sizzled with harsh and opprobrious terms. In a single issue of Friday afternoon's paper we note such words as "rabble rouser," "bull-headed," "dogmatic," "hypocritical," "bigoted," "hogwash," etc. No matter which side of the issue the contributor supports, he invariably charges the supporters of the other side with bigotry. Apparently a bigot is just anybody who differs from you.

And the most amazing feature of this freshet of billingsgate is that every one of these virulent participants professes to be a saved and consecrated follower of Mary's forgiving Son. Evidently they have forgotten His counsel to speak no evil and to judge not. Certainly they have forgotten the words of His dying prayer, "Father forgive them for they know not what they do." While claiming to be the accepted children of the meek and lowly Nazarene they employ epithets that are only slightly removed from unrefined blackguardism.

It all goes to prove the wisdom of the founding fathers when they placed the State in one niche and the church in another niche and commanded each of them to stay in its own special territory. Every time either invades the domain of the other damage is done to both church and state. And in all the history of political slime there is nothing quite so unclean as a clerical vestment that has been dragged through a political cesspool.

Public Recreational Facilities in the District of Columbia

EXTENSION OF REMARKS

OF

HON. NORRIS POULSON

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, August 11, 1949

Mr. POULSON. Mr. Speaker, the investigation of the manner in which the Interior Department has run the golf courses has revealed a case of bungling in its highest form. Furthermore, the Interior Department in attempting to cover up this bungling started negotiations with the District Recreation Board to turn over all public recreational facilities in the District. The result of that is very aptly reported in this editorial in the Evening Star of August 2 entitled "Progress—The Wrong Way" and which I desire to have printed in the Appendix of the RECORD:

PROGRESS—THE WRONG WAY

Delay in reaching an agreement between the Interior Department and the District Recreation Board, under which the latter would operate all public recreation facilities in the District, is best explained by a brief review of recent events.

Secretary Krug closed the Anacostia pool on June 29. Ugly incidents precipitated by organized young demonstrators attempting to put into practice the Interior Department's theoretical policy of nonsegregated operation of the pool, caused Mr. Krug to act.

On the heels of his closing order he called the Commissioners and Chairman Harry Wender, of the Recreation Board, into conference on July 1. He made it plain the Interior Department was anxious to turn over all District recreation to the board and that the board would establish its own administrative policies without further interference from the Interior Department. This

was the arrangement contemplated in the 1942 law creating the Recreation Board.

In return, the Recreation Board was requested to make some changes in its bylaws. References to segregated operation would be removed. A policy statement to the effect that every possible and realistic effort would be made by the board to remove racial segregation, in such sequence and at such rate of progression as may be consistent with the public interest would be inserted in the bylaws.

After some difficulty in the board, these changes were approved unanimously and were accepted as satisfactory by Mr. Krug. But in the meantime the Interior Department ran out on its own set of conditions. It reversed itself. Apparently it is taking the position that only on the promise of continued nonsegregation in some, if not all, of the pools will the Department release its recreation facilities to the local board.

That is the way the business stands now, which is just about where it began. What happened was that Mr. Krug got scared. He got scared the first time when he saw where the Interior Department's bull-in-a-china-shop handling of a delicate issue was leading him and his fellow politicians. He got scared again when, after he had solved the problem of mixed swimming by closing the swimming pool, the pressure groups got busy, accused him of repudiating the President's civil-rights program and made him eat his words to the recreation board.

The Interior Department has indicated its belief that if the recreation board operates the pools on a segregated basis, after the Interior Department had announced they would be nonsegregated, a backward step will have been taken in race relationships. The argument is not realistic. The swimming pools have never been operated on a nonsegregated basis. The first attempt to operate them that way has closed the Anacostia pool, in the hottest summer in over a decade, and the McKinley pool has changed from white to colored, with so large a reduction in attendance that the pool is operated at a loss that mounts every day. That may be progress. But it does not seem to be progress in the right direction.

Unless the Interior Department is willing to leave to a local board the right to make its own policies in recreation, the board would be foolish to assume administrative responsibility. It is patently absurd for a sprawling department of the Federal Government to get itself involved in neighborhood rules and regulations or recreation. But that is what the Interior Department politicians insisted on doing and in the process are revealing themselves to be not merely inept but disingenuous as well.

The sometimes delicate problems of race relationships in Washington are going to be solved, in the long run, by men of wisdom and understanding in both races, drawn together by good will and mutual trust. The Interior Department's bunglers are more of a hindrance than a help.

Why I Voted for the Lucas Substitute

EXTENSION OF REMARKS

OF

HON. ADOLPH J. SABATH

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Thursday, August 11, 1949

Mr. SABATH. Mr. Speaker, I voted for this bill because it provides for a minimum wage of 75 cents per hour.

Unfortunately, many of the exemptions contained in this bill do not meet with my approval and it is to be regretted that the House has seen fit to adopt them. However, I feel that when the bill is taken up in conference many of these unjustified exclusions—taking many individuals out of the scope of the present law—will be restored as provided for in the first bill, H. R. 3190, and in the committee bill, H. R. 5856. I hope such a restoration will aid the underpaid wage earners throughout our country.

Firmly believing that this procedure will be followed in conference, I voted for the Lucas substitute.

Why Not Statehood for Alaska and Hawaii Now?

EXTENSION OF REMARKS

OF

HON. NORRIS POULSON

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, August 11, 1949

Mr. POULSON. Mr. Speaker, while we are worrying so much about what happens in Europe as far as Russia is concerned—or should I say what happens across the street—why should we not be more concerned about what happens in our back yard, which is so much closer? We are spending billions over there but we have an opportunity to accomplish the same thing over here without spending billions. I refer to Alaska. Alaska immediately adjoins Russia, and in the Ural Mountains Russia has established industrial centers from which she can directly attack the United States and Alaska.

To get the full development of Alaska we should immediately grant her statehood. This bill is tied up in the Rules Committee and we should get action. Alaska must be fully developed and that can only be accomplished under statehood. At present Alaska is nothing but one big bureaucracy, namely the Department of the Interior.

In 1943 I called the attention of the Navy to Oil Reserve No. 4 around Point Barrow, and I have a letter in my file from the Navy stating that there was no great need for the development of this field. Even the Alaskan Delegate at that time stated on the floor that it was in such an isolated spot that it was problematical whether the oil reserve could be developed or not. By persistence, through the efforts of outside oil experts, I kept after the Navy until they finally decided to send up their Seabees and explore the matter. This is all of record and the Navy cannot deny it. The undeveloped resources of Alaska are unbelievable. They can only be developed by people, and people will go there only if they know it is a State wherein they have their full rights.

Now, the same applies to Hawaii. The statement that Hawaii is under the control of Bridges and the Communists is a fallacy which was proven the other day when the legislature overwhelmingly voted to take on Harry Bridges and his Communists through their attempt to break the strike. What we need now is action, not words.

Stonington, Conn.

EXTENSION OF REMARKS

OF

HON. ANTONI N. SADLAK

OF CONNECTICUT

IN THE HOUSE OF REPRESENTATIVES

Thursday, August 11, 1949

Mr. SADLAK. Mr. Speaker, in 1649 Stonington, Conn., became a foothold of this Nation in its fight for freedom. All through the colonial times, Revolutionary War, and still today the citizens of this seaport town are waging war against those who tend to upheave the principles on which this country was founded.

For the past 300 years Stonington has become the home of founders, patriots, and stanch sons of this great Republic and I want to pay especial tribute to its fishing industry and the gallant sons of the sea who contribute so much to the lifeline of America.

The opening event of the celebration which continues throughout this month is interestingly described in an editorial in the Hartford (Conn.) Times of August 9, which I ask be here reproduced. The editorial further provides historical data of which Stonington is rightfully proud.

The editorial follows:

STONINGTON REFLECTS AT 300

Tercentenaries have been more or less common in Connecticut since 1936 when the State observed its own. Stonington at the week end joined the venerable galaxy.

Quite appropriately, the opening event of the anniversary exercises was a church service. Persons whose Stonington ancestry went back more than two centuries were numerous among the worshipers.

They arrived in modern automobiles along the old Pequot Trail which their forebears had traveled on ox-drawn carts. A descriptive paragraph in the news states that:

"Scattered among the worshipers in pew-boxes of this white wooden church were women wearing costumes more than 150 years old. During the sermon, delivered by a descendant of the first minister here, the tithing warden, clad in velvet breeches and ruffled shirt, paced the aisle. He carried an old tithing rod with a feather at one end and a knob at the other, used in olden days to rouse sleepers.

"This was a Yankee prayer meeting. Men and women sat upright in the straight-backed pews. They sang, with great vigor. 'A Mighty Fortress Is Our God.' Sand in a pulpit hourglass slipped to the bottom and the temperature of the rectangular room passed 90 degrees but the congregation sat silent and intent on the words from the pulpit."

Some count Stonington a very interesting town to go "through." More deem it a community well worth a bit of staying and observing. Its colorful early history is fascinating reading.

It was important in the early days in both shipbuilding and ship sailing. Palmer Land, in the Antarctic, recalls the discovery by one of its sons. Many fine old homes of its ship captains and shipbuilders will be open for inspection during the celebration. It was an active port in whaling days and when steam navigation came it had one of the early Sound steamboat lines, which endured for many years.

Stonington's crowning incident of glory was its resistance to attack in the War of 1812, when, with two cannon, the citizen defenders and hastily summoned militia held at bay and finally drove off a British fleet which—

"* * * killed a goose,
They killed a hen,
Three hogs they wounded in a pen—
They dashed away—and pray what then?
This was not taking Stonington."

Its citizens are a combination of the old and the new. Less cosmopolitan than some towns, Stonington is a fair cross section of rural Connecticut. Its name suggests some of its topography but also its stability. It will still be very much in its place after another 300 years. Its present citizens will help see to that.

Excise Taxes Are Causing Unemployment

EXTENSION OF REMARKS
OF
HON. KENNETH B. KEATING
OF NEW YORK
IN THE HOUSE OF REPRESENTATIVES
Thursday, August 11, 1949

Mr. KEATING. Mr. Speaker, administration leaders have indicated that it is not possible at this session to touch the subject of reduction or elimination in excise taxes. I must enter a most vigorous protest.

These levies, which are in reality Federal sales taxes, were imposed during wartime, in many instances for the purpose of reducing civilian demand for the products. It simply makes no sense to continue them at a time like the present when our efforts should be directed toward stimulating, rather than curtailing, consumption.

On March 4, 1949, I introduced a bill to reduce some of these taxes and do away entirely with others. The distinguished minority leader has done likewise, as have many other Members. Despite our repeated and insistent requests, however, we have not even been granted a hearing on these measures. The majority leadership is determined to oppose any relief and to continue a policy which is daily becoming more serious for the businessman, most of all the small-business man, and is leading each week to an increase in lay-offs with all the attendant hardship and suffering.

On July 12, 1949, I addressed the House regarding the effect of these Federal sales taxes on the photographic industry. While this represents the highest levy of its kind and probably the most discriminatory, it is only one of several large industries adversely affected by the continuance of this unjust and oppressive exaction.

The National Planning Association, a nonpartisan organization representative of business, labor, agriculture and the professions, has said:

The present structure of excise taxes discriminates between producers of taxed and untaxed goods and many of those taxes weigh most heavily on low-income families.

A few of these taxes may properly be said to be imposed on luxuries. Most of them, however, add to the cost of the necessities of life. I pointed out in my remarks on July 12 the situation with regard to photographic supplies. It is ridiculous to claim that a lady's pocketbook, or baby oil, or foot powder, or electric-light bulbs are luxuries. The tax on telephone communication or transportation, besides hitting the small user of these services, adds substantially to the costs of every manufactured item.

Aside from the breach of faith with the American people who were told that these taxes would be removed 6 months after the war was over; aside from their adverse effect on our entire national economy through stifling business and throwing thousands out of work on the street, there is very serious question whether, even from the dollars-and-cents standpoint, they add 1 cent more to the Federal Treasury than it would gain if most of them were eliminated. The increased income taxes which corporations and individuals, both employers and employees, would pay, through the spur to business activity at all levels which would ensue from their elimination, seem to be completely lost to view in the planning of the administration leaders who so vigorously insist upon continuing these sales taxes.

Under leave to extend my remarks I include two editorials on this subject from the Rochester Times-Union.

Also, I include a rather significant editorial from the Rochester Sun, normally a stanch administration supporter, whose editor finds himself unable to sanction the short-sighted and disastrous policy now pursued by those who control the scheduling of tax legislation.

[From the Rochester (N. Y.) Times-Union of August 1, 1949]

CAMERA TAX HITS ROCHESTER HOMES

During the war the armed services needed every camera and every bit of photographic equipment the industry could produce. To discourage consumer buying and to free manpower and plans for war work, Congress in 1942 imposed a 25-percent tax on photographic goods.

Then Congress forgot about it, although, as Senator GEORGE recalls, Congress promised to repeal this and other retail purchase taxes 6 months after the end of the war.

Results:

While general trade was down 5 percent in the first quarter of 1949, photographic retail sales were off 22 percent.

One New York company which had prospered for 16 years is now in receivership. Another, part of whose business was cameras, has discontinued the line.

A camera company in a neighboring State, successful for 10 years, is in serious financial difficulty.

A number of newer, smaller companies have disappeared.

All these affect Rochester jobs because a half dozen Rochester industries supplied them with lenses, shutters, and parts. But there are more direct effects.

An officer of a Rochester photographic company says that 5,000 jobs have been lost in Rochester's photographic and allied industries. Many thousands more have smaller take-home pay through reduction in hours of work.

Congress simply forgot us.

It can scarcely be argued at this late date that photography is a luxurious hobby. Sixty-three percent of the industry's output fills vital needs of business, government, health, law enforcement, scientific and educational agencies.

It can scarcely be argued that this is a tax for revenue. It never was. But receipts from this tax dwindled 41 percent below 1948 by March 1. They are still going down. The law of diminishing returns has definitely set in.

Other wartime consumer supertaxes of 20 percent on furs, jewelry, cosmetics, women's handbags, luggage, and the like are nuisances everywhere. The 25 percent camera tax is hitting Rochester homes and families.

The remedy is passed by this Congress at this session of House bill 3905, as reported by the Senate Finance Committee with the Johnson amendment that will provide the relief so vital to Rochester.

The wartime need to discourage consumer buying no longer exists. The tax, far from producing revenue, is costing Government more than it produces through losses of personal and corporate income taxes.

A mere statement of the facts should make evident the importance to every man, woman, and child in Rochester of repealing the tax that Congress forgot.

[From the Rochester (N. Y.) Times-Union of August 2, 1949]

SHELVING OF EXCISE REPEAL DEPLORABLE

Word from Washington is that the administration will oppose repeal of wartime increases in excise taxes. It therefore becomes even more necessary to bring to the attention of every Member of Congress what these taxes are doing to jobs and business.

Their effect on Rochester industries was discussed in this space yesterday—5,000 jobs lost in photographic and allied industries, thousands more curtailed in hours of work.

For the most part these taxes are superpurchase taxes—like the 20 percent on women's handbags and cosmetics.

But manufacturers are made the collectors of the 25-percent tax on cameras and photographic supplies. (It is easier for the tax gatherer to call on a few manufacturers than on every dealer.)

The administration's argument is that it cannot forego the revenue from these taxes. Really it can't afford not to.

Many of these taxes have reached the point of diminishing returns. The photographic excise revenue was off 41 percent by March 1. It is still falling.

These taxes are spreading unemployment. In place of receiving income tax from earning employees, government is paying out unemployment allowances to those displaced.

The revenue argument won't stand up.

Secretary of the Treasury Snyder in both 1947 and 1948 testified before congressional committees that the whole position of excise taxes in our revenue structure should be reviewed and fitted into peacetime requirements.

The Treasury has an ample number of skilled advisory committees to make this review. Yet administration leaders in Congress appear too tired to open up the tax question.

It is a penny-wise pound-foolish policy that permits personal incomes and corporation revenues to decline and unemployment payments to mount by clinging to taxes that already have passed the point of diminishing returns.

Despite the administration's decision, House bill 3905, with the Johnson amendment as reported by the Senate Finance Committee, should be passed at this session. Trade and employment should be encouraged, not handicapped by laggard government.

[From the Rochester (N. Y.) Sun]

EXCISE LEVIES ARE HURTING BUSINESS; SHOULD BE AXED

We've been against hidden, furtive taxes—at the local, State or national level—from our first date of publication.

That's why we believe it is time to add our voice to the growing protest against the war-inspired excise taxes that infest the purchase of things, ranging from cameras to travel tickets.

Advocates of these taxes argue that the Federal budget faces a certain deficit this coming year.

That's true. But the remedy lies not so much in maintaining ruinous taxes as in reducing unwise expenditures.

If we must continue to buy guns instead of butter with our tax dollars—whether the guns be for Europe or ourselves—we will have to continue placing an unwise and confiscatory burden upon purchasers and businessmen of the Nation.

Suppose we take a look at the effect of some of these continuing wartime taxes.

An apt example is the doubled burden upon admission to movies, concerts, and other places of amusement. True, the man who can afford an evening at the Stork Club doesn't mind the tax.

But the ordinary citizen who enjoys an evening of good music, or the wholesome entertainment of a movie simply cannot afford the 20 percent added impost.

Just as apt is the 15-percent bit on travel tickets, for the family that worked all through the war and now wants to take a brief travel vacation.

Rochester has a special interest in the excise tax on cameras. And in television sets. Thousands of our citizens make their living on the companies that manufacture these articles.

There is no doubt that the crushing tax placed upon these articles keeps them just out of the price range of millions of people.

It is argued that, if these taxes were dropped, the Government would not be able to replace the revenue.

But it is merely simple mathematics to estimate that, if sales of such articles boomed, more people would be working and at longer hours. Thus, they would be earning more money and paying more income tax. The manufacturers would be paying a greater tax on profits.

It may be seriously doubted that the net result would mean any loss in gross revenue for the Government.

Likewise there is no doubt at all that business would be greatly stimulated, that prices on scores of now-taxed articles would be greatly increased; that employment would rise in many industries; and that purchasing power would climb.

In wartime, a government that is forced to spend almost countless billions for arms, much reach everywhere for revenue. The businesses now being hurt are busy making munitions and therefore don't need any stimulus to their normal production.

But, in time of peace, all possible restraints to the free flow of commerce, should be lifted.

Let's drop these excise taxes—now.

Minimum-Wage Bill

EXTENSION OF REMARKS

OF

HON. JOHN F. KENNEDY

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Thursday, August 11, 1949

Mr. KENNEDY. Mr. Speaker, I want to take this opportunity to record myself in favor of H. R. 5856 as amended on the floor of the House yesterday.

While I think it extremely regrettable that so many workers are excluded under the bill as amended, at a time when what is needed is a coverage for more workers of the Nation, I nevertheless am in favor of the amended bill's extending the minimum wage from 40 cents to 75 cents.

I support this measure because I feel that if it is recommitted chances for any minimum-wage legislation in this session of Congress are in all probability dead.

I support H. R. 5856 as amended with the high hope that a more complete coverage bill will be forthcoming from the Senate, and that a much improved compromise will come out of the conference committee. Also, I feel and hope that with the passage of this legislation the first necessary step in raising the minimum wage scale will have been taken and further steps will be taken at the next session of Congress to extend its coverage.

What Hourly Farm Labor Return Is Provided in the Steagall, Hope, and Gore Bills?

EXTENSION OF REMARKS

OF

HON. REID F. MURRAY

OF WISCONSIN

IN THE HOUSE OF REPRESENTATIVES

Thursday, August 11, 1949

Mr. MURRAY of Wisconsin. Mr. Speaker, on page A3560 of the CONGRESSIONAL RECORD dated June 8, 1949, is a detailed report complete with tables covering a 19-year study of hourly wage returns received in the various types of American agriculture as compiled by Dr. Wiley Goodsell of the Bureau of Agricultural Economics, United States Department of Agriculture. This study, among other facts, showed that the American farmer worked for a labor return of from 0 to 15 cents per hour in order to feed and clothe the people of the United States during the 1930's, and that Government did not do it.

Take the year of 1939 for example, the seventh year of the more abundant life, on the southern plain, Black Prairie, and Delta of Mississippi cotton farms you will note that the hourly labor returns were 25, 24, and 21 cents, respectively. The support price on cotton for the same year was 58 percent of parity.

In 1943 the hourly labor return was 64 cents on the southern-plain cotton farms, 46 cents on the Black Prairie, and the Delta of Mississippi cotton farms, and the support price on cotton for that year was 99 percent of parity. In the period of 1946 to 1949 the hourly labor returns were from 50 cents to $1.09, and the support price on cotton was as high as 118 percent of parity.

This 19-year study indicates that a 90-percent-of-parity support price provides a 50 to 60 cent hourly labor return, which provision is in the Steagall, Hope, and Gore bills. This applies to all of the types of agriculture that were studied.

If anyone wishes to check on this they can check with Dr. Goodsell. And, if one wishes to be convinced beyond a question, he can buy a farm, pay 50 to 60 cents per hour for farm labor, sell his products for 90 percent of parity—the support price—and then see how his finances are at the end of the year.

The fact that the agricultural producer received an hourly return of 50 to 60 cents should be considered in minimum-wage legislation. And, if the Government provides an hourly return of 50 to 60 cents to the producer, the farm laborer is entitled to a comparable minimum wage.

Scientific and Professional Color Line Has Been Withdrawn?

EXTENSION OF REMARKS

OF

HON. JOHN D. DINGELL

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Thursday, August 11, 1949

Mr. DINGELL. Mr. Speaker, on Tuesday, August 9, the Evening Star of Washington, D. C., carried an article by the Associated Press which originated at Detroit and which bears upon an invitation extended by the American Medical Association, the membership of which consists exclusively of men and women engaged in the medical profession who are of the Caucasian race. The invitation was tendered to the National Medical Association, an organization which because of the intolerant attitude and exclusiveness of the American Medical Association forced the complete segregation and confinement of Negro doctors within their own professional and scientific society. It is interesting to note that the American Medical Association, through Dr. Lull, belatedly extends the invitation to Negro doctors to attend the clinical sessions of the AMA which are to be held at Washington, D. C., on December 6 to 9. Assurance is given "that your membership in the National Medical Association will admit you to all clinical sessions of the AMA's midwinter meeting," and further, "It will be honored on the same basis as a fellowship card in the AMA."

It was announced also that the eminent Dr. Peter H. Murray, past president of the NMA, the Negro body, had been named to the policy-making body of the AMA. It is proper for me to stress, Mr. Speaker, that this was the first time a Negro had ever been chosen for that group. The reason for this belated generosity or liberality on the part of the AMA toward the professional association of Negro doctors is disclosed in this same dispatch and reference is made to a quotation from a prepared speech by Dr. Elmer L. Henderson, the president-elect of the AMA and which was read by Dr. Lull. Its purpose is clear and unmistakable. He states:

Truly these are times when doctors must stand together on issues that affect the medical welfare of all the American people.

Then he asserts:

We must act to prevent adoption of political medicine in the form of national compulsory health insurance. This scheme has failed in every large country where it has been attempted.

The proffer of this belated recognition of the Negro doctor is as hypocritical and false as is the latter part of this quotation which states that the "scheme," presumably the health-insurance plan, which bears my name and the endorsement of the Truman administration, has been tried and failed in other countries. This is either a deliberate misstatement or the expression of one who has no knowledge whatever regarding the subject which he presumes to discuss as an authority.

Health insurance of the type and kind which is proposed under the Wagner-Murray-Dingell plan has never been tried, to my knowledge, in any country. Most foreign plans have been either socialized, subsidized, or a composite of both. The American plan which is so grossly libeled by scurrilous and contemptible propaganda of the American Medical Association is a pure insurance plan, the premium on which is paid equally by the insured and by his employer. There is no subsidy; there is no socialization, and there is no interference with any basic concept of medical practice, or that of insurance.

The hard core of the American Medical Association, however, in its desperation to defeat the popular will supporting health insurance, has gone so far on this score as to prostitute their own bigoted conscience and exclusive membership which heretofore denied scientific and professional recognition to the ethical Negro practitioner, refused until now the lowering of the bar against Negro doctors. Betrayal of the people of the Negro race who, as a class, unfortunately are in the lowest classification of our national economy and who, on the average, need medical insurance even more than the white citizens of America, is the stipulated price of such recognition. It is a known fact that Negroes, both professional and laymen, in the greatest proportion, favor health insurance and it is recognized that the Negro element of our citizens constitute a tremendous force in the social advancement made in this country in recent years.

It is unbelievable that the Negro doctors would desert their people in what is infinitely more important. That is, the preservation of their own self respect and the health of the race in order to gain this belatedly deserved standing in the American Medical Association. As I judge the character and caliber of the Negro doctors of this country, I would say that this hypocritical move will be cast aside and, if need be, the National Medical Association will remain segregated until first the needs of the people are met through health insurance and the justice of membership within the AMA is recognized on the basis of ability, character, and ethical practice of the members of the profession. I believe that the Negro doctors will be satisfied to wait just a little longer while the tottering bigotry and intolerance within the American Medical Association crumbles and falls.

Mr. Speaker, if the health-insurance advocates have done nothing else, they have focused the attention of the American public upon the arrogance and dictatorship within the American Medical Association which heretofore has always sought to ruin, if it could not rule. This policy applied to its own membership or to anyone else in disagreement with its narrow viewpoint and objectives. The AMA has made a number of shady deals and alliances with respectable organizations, but always to defeat health insurance at a price. Not so long ago a deal bearing upon the sufficiency of hospital facilities for veterans was made with the American Legion, and the price set by the AMA was the demand for opposition to health insurance on the part of the high command of this great veterans' organization. That disclosure filtered through and became public when the AMA tried to run out on the agreement and was forcefully reminded by the American Legion that unless the AMA adhered to the understanding that the Legion, in the interest of the people, would feel free to support health insurance. This is a high price which the average Legionnaire is called upon to pay in order to safeguard his own welfare when he is obliged to work against the best interests of his own brothers and sisters and all other American citizens who, unfortunately, are not veterans.

In addition to these attempts, the American Medical Association has made other reprehensible and unholy alliances against health insurance which would bring, as intended, great blessing and comfort to millions of American citizens as a final and important amendment to the social-security system.

I attach herewith the article which appeared in the Evening Star:

NEGRO DOCTORS INVITED TO VISIT AMA CLINIC HERE THIS WINTER

DETROIT, August 9.—The American Medical Association today invited Negro doctors generally to attend clinical sessions at its midwinter meeting at Washington, D. C., December 6 to 9.

The invitation was extended to Negro physicians attending the annual convention of their National Medical Association. It came from Dr. George F. Lull, secretary and general manager of the AMA.

Dr. Lull told the doctors that "your membership in the National Medical Association will admit you to all clinical sessions of the AMA's midwinter meeting.

"It will be honored on the same basis as a fellowship card in the AMA," he said.

NEGRO TO HELP SHAPE POLICY

Earlier, it was announced that Dr. Peter H. Murray, a past president of the NMA, had been named to the policy-making body of the AMA. It was the first time a Negro had ever been chosen for that group.

Dr. Murray, director of the department of gynecology at Harlem Hospital, New York, was elected by the New York State Medical Society. He is a native of New Orleans, La.

A speech prepared by Dr. Elmer L. Henderson, president-elect of the AMA, but read by Dr. Lull, declared:

"Truly these are times when doctors must stand together on issues that affect the medical welfare of all the American people."

BUDGET EDUCATION URGED

"We must act," he asserted, "to prevent adoption of political medicine in the form of national compulsory health insurance. This scheme has failed in every large country where it has been attempted.

"Voluntary health insurance," he said, "is one answer to the needs of those who require budget-basis medical care. Another answer is educating our patients to give medical care a higher priority in the family budget * * * Many of our patients spend more for tobacco, motion pictures, and alcoholic beverages than they would have to spend for important medical care in any one year."

The Gold Standard: What It Is

EXTENSION OF REMARKS
OF
HON. COMPTON I. WHITE
OF IDAHO
IN THE HOUSE OF REPRESENTATIVES
Tuesday, August 9, 1949

Mr. WHITE of Idaho. Mr. Speaker, with so many countries off the gold standard and with so much confusion in the public mind concerning money and managed-currency systems, it might be well to consider what the gold standard is. In a recent issue of the Empire Trust Letter, Mr. Joseph Stagg Lawrence gives us his definition of the gold standard, which is inserted herewith:

WHAT IS A GOLD STANDARD?

Before testing the restraining influence of the gold standard, let's define it. A country is on the gold standard when the unit of value is defined as a prescribed quantity of gold of specific fineness. In fact, most currencies had their origin in a definite weight of some metal. The pound sterling at the time of the Norman invasion was actually a pound of silver 92.5 percent fine. The American dollar up to the time of the Roosevelt administration was defined by statute as 25.8 grains of gold nine-tenths fine.

It is necessary to emphasize the fact that the monetary standard, in order to be gold, must be a specific weight of gold, and that it is this quantity of gold and not some pale, remote claim upon the metal which constituter the gold standard.

"The first rule of the gold standard," said the late Benjamin M. Anderson, "is to pay out gold on demand." This is precisely what the Gold Standard Act of 1934 forbids. Under section 6 the act states categorically: "No currency of the United States shall be redeemed in gold."

This applies without exception to any citizen of the United States. Should he be so misguided as to contrive in some fashion to convert a part of his folding money into gold he could be punished under one prescribed penalty by the loss of all the gold involved plus an added amount equal to twice this value. 'nder another penalty he might suffer a fine of $10,000 and 10 years' imprisonment.

Professor Kemmerer, probably the foremost authority on the gold standard and until the time of his death active in the affairs of the Economists' National Committee on Monetary Policy, had this to say about the gold standard: "Although there are many types of the gold standard, the gold standard may be said to exist in any country in which prices of goods and the obligations of debtors are usually expressed in terms of the value of a monetary unit consisting of a fixed quantity of gold in a free market. The gold standard exists whenever the value of gold in a free market is the actual standard, regardless of the machinery by which the standard is maintained and regardless of whether this machinery operates automatically or is managed."

In other words, the best of the gold standard is the ability of the individual unconditionally and without penalty to convert his currency into gold and then do anything with that gold he chooses, i. e., take it out of the country, hoard it, convert it into ornaments, or chuck it into the sea.

The best definition of the gold standard is contained in our Federal law found in the United States Code, section 314, which provides:

The dollar consisting of $25^{8}/_{10}$ grains of gold nine-tenths fine shall be the standard unit of value and all forms of money issued or coined by the United States shall be maintained at a parity of value with this standard, and it shall be the duty of the Secretary of the Treasury to maintain such parity.

Nothing is money unless it has been made legal tender by law. Section 457 of the United States Code provides:

The gold coins of the United States shall be legal tender in all payments at their nominal value when not below standard weight and limit of tolerance provided by law for the single piece, and, when reduced in weight below such standard and tolerance, shall be legal tender at valuation in proportion to the actual weight.

The amount of gold in the United States dollar was reduced by the President's Proclamation No. 2072, issued January 31, 1934, under the authority of the Thomas amendment to the law passed May 12, 1933, when it was proclaimed:

Now, therefore, be it known that I, Franklin D. Roosevelt, President of the United States, by virtue of the authority vested in me by section 43, title III of said act of May 12, 1933, as amended, and by virtue of all other authority vested in me do hereby proclaim, order, direct, declare and fix the weight of the gold dollar to be $15\frac{5}{21}$ grains, nine-tenths fine, from and after the date and hour of this proclamation.

The monetary system of the United States was taken off the gold standard by the passage of the Gold Reserve Act of January 30, 1934, which provided in section 5:

No gold shall hereafter be coined and no gold coins shall hereafter be paid out or delivered by the United States. * * * All gold coin of the United States shall be withdrawn from circulation.

Section 6 further provides:

No currency of the United States shall be redeemed in gold.

By making it unlawful for anyone in the United States to have gold in their possession except in an infinitesimal amount, gold was demonetized as effectively by the passage of the Gold Reserve Act of 1934 as was silver in 1873.

A Grave Problem Arises in Germany

EXTENSION OF REMARKS
OF
HON. HAROLD D. DONOHUE
OF MASSACHUSETTS
IN THE HOUSE OF REPRESENTATIVES
Thursday, August 11, 1949

Mr. DONOHUE. Mr. Speaker, under leave to extend my remarks, I wish to include a very timely editorial, which appeared in the August 10, 1949, issue of the Worcester (Mass.) Evening Gazette. The article follows:

A GRAVE PROBLEM ARISES IN GERMANY

Reports from Hamburg, Germany, that the prestige of Britain in its occupation zone has fallen dangerously low, and that of the United States is ebbing in almost as marked a degree, should not surprise anyone. The trend of events in Germany, coupled with the attitude of the people, has indicated that just such a point would be reached sooner or later.

Only this last week end the Associated Press reported statements of two German officials which should indicate the feeling among the Germans. Dr. Konrad Adenauer, chairman of the Christian Democrats termed denazification "ridiculous" and demanded an end of "libelous attacks against honest members of the Wehrmacht." Dr. Kurt Schumacher, Socialist leader, charged that the Allies had relied mainly on former Nazis to run German affairs.

The German feeling toward the British comes about understandably. First, dismantling of industry, though an Allied project, is carried out in the British zone primarily and undoubtedly many Germans think it is a device of the British. The present wave of nationalism, directed primarily against the British, has been on the increase since the Germans first picked themselves up out of the rubble of their defeated country. A lack of facilities for the British to give out information is another contributing factor. Unlike the Americans, the British do not have a newspaper to defend their actions.

When the British military government in northern Westphalia reports that there is some sort of economic general staff existing among the Germans, that is a danger sign which should be heeded by all Western Powers.

It must be remembered that responsibility for police has been turned back to the Germans, which means that the Allies have to some extent lost control of the police.

Perhaps Britain, France, and the United States have, in their heavy concentration on what the Russians and German Communists are doing in Germany, neglected to keep themselves properly informed about the rest of the German people.

The Late Hon. William Washington Larsen

EXTENSION OF REMARKS
OF
HON. CARL VINSON
OF GEORGIA
IN THE HOUSE OF REPRESENTATIVES
Thursday, August 11, 1949

Mr. VINSON. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following:

IN TRIBUTE TO WILLIAM WASHINGTON LARSEN (WASH LARSEN), UNITED STATES HOUSE OF REPRESENTATIVES, 1916–32

(By Thelma E. Williams (secretary); Mattie Richards Tyler, Registrar's office, Treasury Department)

Since no man lives unto himself alone—
Your life, well spent, is still a beacon light
Beyond the grave, aloof from sod and stone,
A banner left unfurled against the night.
Your strong, kind hands that sowed such worthy seeds
Now harvest them, in some ethereal place;
And yet your influence lives on through deeds
Of righteousness, of charity, and grace.
Your courage through the storms, your joyous laughter
And optimistic faith, the dauntless way
You fought for human rights, survive long after
You walk no more with us. We know, today,
That those we truly love are ours forever
Through bonds too strong for even death to sever.

NOTE.—Congressman Larsen was born August 12, 1871, and died January 5, 1938.

What Makes New England Go?

EXTENSION OF REMARKS
OF
HON. FOSTER FURCOLO
OF MASSACHUSETTS
IN THE HOUSE OF REPRESENTATIVES
Thursday, August 11, 1949

Mr. FURCOLO. Mr. Speaker, I wish to call the attention of Members to an article in the August Harper's magazine entitled "What Makes New England Go?"

While the article is of particular interest to Members from New England, I think all Members would probably be interested in reading it.

Bennington College Commencement Address by Hon. Hubert H. Humphrey, of Minnesota

EXTENSION OF REMARKS
OF
HON. HUBERT H. HUMPHREY
OF MINNESOTA
IN THE SENATE OF THE UNITED STATES
Friday, August 12 (legislative day of Thursday, June 2), 1949

Mr. HUMPHREY. Mr. President, I ask unanimous consent to have printed in the Appendix of the RECORD a commencement address delivered by me at Bennington College, Bennington, Vt., on July 1, 1949.

There being no objection, the address was ordered to be printed in the RECORD, as follows:

Dr. Burkhardt, members of the faculty, members of the graduating class, and friends, it is a pleasure to be here at Bennington College, a great institution for progressive education, a great institution for democracy, for the building of an America free from the confines of rigid tradition and the corrosive discipline of regimented thought. It is also a pleasure to be here in Vermont, a privilege seldom afforded to a Democrat, and one for which I am grateful. It is not often that I have an opportunity to make an address at a college commencement exercise. Many is the time, however, as a student and as a professor, that I had the opportunity to listen to commencement addresses. I therefore had ample opportunity to realize how dispensable many of them are. I therefore stand before you today with no illusions.

I do feel strongly, however, the importance of education in the democratic process. As such, I deplore the cynicism which often prevails in institutions of learning about

that educational process. I think it is regrettable to hear a lecture described, for example, as the process by which the notes of the professor pass to the pupil without passing through the brains of either of them. I know that such a description does not characterize Bennington College. And I would hardly share the jesting skepticism of the late President Lowell, of Harvard, when he said: "There must be a great deal of knowledge in our universities because the freshman always bring a little bit in, and the seniors seldom take any of it out."

As I look at you this evening, I know that is not the case with this graduating class or with this college. Nor do I agree with Stephen Leacock's idea for education: If I were founding a university I would found first a smoking room; then a dormitory. Then, when I had a little money in hand, I would establish a decent reading room and a library. After that, if I still had some money I couldn't use, I would get some textbooks and hire a professor.

Education does have a vital role to play in the development of our democratic processes and the strengthening of the fiber of our society. The object of education is to excite the minds of the young and stir their intellect. I know that objective is being fulfilled by this great institution of learning.

It is said of a mythical Greek hero that by extraordinary physical skill he was able to jump the surface of the earth to the planets and after accumulating the wisdom of his visit, returned to the earth to be worshipped as a god for his superior knowledge. Those we honor today have been able, not by virtue of great physical strength, but by virtue of inquiring minds and intellectual attainment, to lift themselves in the course of the past 4 years from the surface of the earth and explore the mysteries of the universe. We honor them and we honor this great institution of learning just as the ancients have throughout the centuries honored achievements of the mind.

It is the thinkers of the world who represent the real strength of mankind. The pages of history demonstrate beyond question that it is the idea, the creative idea, that survives through the ages, and not merely the creative idea, but the new idea—the nonconformist idea. Who today remembers, except with contempt, the judges who condemned Galileo, while the name of Galileo rings down through the centuries. Who today remembers the stodgy, conservatives who hounded Byron out of England for his unconventional ideas, while Byron, the poet, sings his songs to all the succeeding generations. Who today remembers the vicious attacks on Thomas Paine, while Thomas Paine even more securely becomes enhanced among the great men of our history. And even in more recent times, how seriously do we take those who slandered and libeled and traduced the character of Woodrow Wilson, of Franklin D. Roosevelt, while it is difficult already to remember the names of even their most prominent critics.

It is the nonconformist and creative idea that we need. We are faced in our times with grave new problems. Few of the old answers any longer suffice—we have to find new answers, and that is why we have to encourage bold new thinking by every means. Those who are behind the current wave of anti-Communist hysteria are in reality aiming not only at the real Communist menace which exists, but which is relatively speaking insignificant, but are aiming at every manifestation of independent, critical thought. They are aiming directly at precisely the kind of nonconformist, creative thinking that is our country's greatest need today.

Nonconformist, imaginative, creative thinking is needed in politics, in the press, and, above all, in our educational institutions. Education's chief function is to stimulate such thinking and to open the road to intellectual experimentation and discovery. The continuation and extension of this growth by our academic institutions is crucial to the survival of our democracy. Only by such uninhibited freedom and liberty of education can our society gain the insight and the wisdom and the achievement which the mind has within its grasp to produce for human society.

It is for that reason that it is necessary for those of us who are concerned with the preservation and extension of a democratic society to take note of the evidences of hysteria which are all around us. There is something dangerous and unhealthy in the activities of some individuals and groups who are trying to whip up mass psychosis.

It is true that the symptoms I have described have cause. They can easily be explained. The policy of the Soviet Union since the end of the Second World War, the seizure by Communists of control of the satellite states, the revelations made here in the United States in trials and investigations—all these show that there is a real attack on western civilization and that some part of that attack is affecting our own country. No wonder some people are worried.

When a nation begins to worry, however, it behaves, as the New York Times recently said, somewhat like a neurotic patient who exaggerates the seriousness of his ailments, and perhaps invents ailments he really does not have. There are signs that some in this country are losing their sense of proportion.

In the hustle and stir of Federal and State un-American activities committees, they act as if there were suspicious characters on every street corner, and an attacker under every bed; we see evidence of anxiety and hysteria in the scores of loyalty investigations that are taking place in the purge of schools and colleges, in witch hunting and censorship, in attempts to censor schoolbooks, and in hundreds of other manifestations, governmental and popular.

It is not easy to suggest a remedy. We cannot pat a large part of the public on the head and tell it to be calm. What we can do, however, is to make people understand that political, illegal acts can be treated like any other illegal acts. When a crime wave occurs in any city, we do not conclude that the country is going to the dogs. Instead we urge better police protection and perhaps prompter and sterner court action. But we preserve due process of law. The same principle can be applied to illegal disloyalty. We investigate it by orderly means, taking great care to protect the innocent. We can punish it when it is clearly proved.

More than that, however, it is important for the preservation of our liberties that we do not overemphasize the problem of disloyalty. This Republic has endured for more than a century and a half. It has survived the great Civil War and enormous social and economic disturbances. Its people are intelligent and well read. There is no danger that they will sell themselves into slavery.

Never before in our history have the American people shown themselves to be as united as in the last decade. As Prof. Henry Steele Commager said, it was not always thus. During the course of the Revolutionary War only about a third of the American people were for the Revolution, a third for the King and a third neutral. During the War of 1812 a large number of our people bitterly opposed the war and actively sabotaged it. During the Mexican War opposition to the war was widespread and ardent in the North. The internal dissension of the Civil War has still not been forgotten. Yet it is an interesting fact that we fought all these wars without sedition acts or loyalty oaths.

Today we are a country incomparably the strongest, the richest, and the best protected in the world. Our Nation and our Constitution have withstood the vicissitudes of 160 years. Our people are intelligent and they are moral. They are devoted to freedom. The real danger we face is that a spirit of fear will produce an atmosphere of timidity and suspicion that will discourage independence of thought, original investigation and association. The real danger we face is that a program of suppression will seriously endanger effective operation of our democracy; will lower the morals of the civil service by putting a premium on conformity and will discourage men and women of real ability from entering Government service.

The real danger we face is that a spirit of hysteria will endanger the morale of American science by putting a premium on mediocrity in a field requiring independence, originality, and full freedom of inquiry and communication.

The real danger we face is that a society gripped by fear strengthens the hand of the military in areas traditionally and wisely entrusted to civilian control.

The real danger we face is that freedom of teaching will be imperiled by requiring conformity to standards, by introducing the grave peril of censorship in textbooks and ideas and drive away from the teaching profession men and women of independent minds. We must guard lest it create an atmosphere in which teachers find safety not in orthodox ideas, for they will never know fully which ideas are orthodox, but safety in no ideas.

In the end this can produce a generation taught by teachers who are afraid of ideas. Such people cannot grow up into wise and competent and democratic citizens.

Yes; the real danger we face is that the right and necessity of criticism is threatened.

No government can operate successfully without criticism and no government which censors its critics can get the criticism that it needs. Finally, the real danger we face is that the hysteria we are confronted with strikes at one of the most precious of all rights, one essential to the effective operation of democracy, the right of association. As Professor Commager well points out, the practice of voluntary association is a peculiarly English and American practice. The Pilgrim Fathers associated themselves into a compact and since that time Americans have customarily operated around hundreds of voluntary associations: political parties, parent-teacher, Federal, business, fraternity, philanthropic, recreational, learned, and others. It is in these associations that the average American has found the training for government and real democracy to take the place of the town meeting. Any policy which discourages or crushes voluntary associations will totally dry up the very roots of American democracy.

Our security lies not in secrecy but in the preservation of peace and in the encouragement of free inquiry; our real long-term security lies in perfecting our own democracy. Even as our society now exists, it is the freest in the world and confers the most benefits on the humblest of citizens. We must make sure that it is kept free and flexible.

Jefferson, in his first inaugural address, said: "If there be any among us who wish to dissolve the Union or change its republican form, let them stand undisturbed as monuments of the safety with which error of opinion may be tolerated where reason is left free to combat it."

The American system is strong enough to stand competition of communism or any other ism. The American people are intelligent enough to resist subversive doctrines.

It may be that we cannot wholly live up to Jefferson's observations, but we can maintain a society in which the activities of those who would be disloyal will be rather an annoyance than a deadly menace. That is where our real security lies.

For our security lies in the democratic philosophy, the democratic way of life and the democratic idea. That is our historical role; that is our historical mission.

Article By Thomas L. Stokes on Address by Herbert Hoover

EXTENSION OF REMARKS
OF
HON. CLAUDE PEPPER
OF FLORIDA
IN THE SENATE OF THE UNITED STATES

Friday, August 12 (legislative day of Thursday, June 2), 1949

Mr. PEPPER. Mr. President, I ask unanimous consent to have printed in the Appendix of the RECORD a very able article entitled "Doleful Keynote," written by the distinguished columnist, Thomas L. Stokes, and published in the Washington Evening Star of August 12, 1949. I think it will be very useful reading.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

DOLEFUL KEYNOTE—"LAST MILE TO COLLECTIVISM" STATEMENT RECALLS DAYS OF HOOVER ADMINISTRATION

(By Thomas L. Stokes)

It is perhaps lese majeste to challenge our elder statesman, Herbert Hoover, on the doleful keynote of his seventy-fifth birthday address that "we are on the last mile to collectivism through governmental collection and spending of the savings of the people."

But a new generation has come along and it is only fair to point out some of the things they never knew and that some of the rest of us have forgotten.

Some of us who were around here in the dark days of 1932 and 1933 when Mr. Hoover was President thought then that we were "on the last mile," what with unemployment, bread lines, banks crashing, mortgages foreclosed on farms and city homes.

BLAMED CRUELLY AT TIME

This is not to blame Mr. Hoover for that, as he was blamed cruelly and unfairly at the time. He was a victim of a previous decade of management of our affairs in which too little account was taken of the needs of our people, with the result that our economy got out of balance and almost collapsed. He entered the White House to meet the crash head-on.

The amount of shoring-up that was necessary to get the roof back over our heads shows in what terrible shape we were. Mr. Hoover manfully started this, himself, among other ways, with creation of the Reconstruction Finance Corporation, that giant venture in state capitalism which still is with us. That represented an attempt to bolster up the tottering structure by loans to business and industry in the hope it would bring revival, which it didn't. Unemployment increased. So he went to a big public building program and finally acquiesced in $300,000,000 in loans to States to feed people, still resisting direct Federal relief.

Franklin D. Roosevelt, when he took over, had to resort finally to that. Along with that he conducted salvage operations for banks, homes, farms, and investments. Later he added such protections as the agricultural program, social security, Wages and Hours Act, collective bargaining, among others, to spread purchasing power and get the economy back in balance as well as cushions for the future so the citizen could protect himself.

COLLECTIVISM NOT VISIBLE

When you look about today, in contrast to 1932–33, there is a great difference in the condition of our people. And if there is any collectivism, it is not visible to the naked eye. We still have private enterprise and it is flourishing as never before, with profits at an all-time peak.

Mr. Hoover is due credit for an analysis of Government spending which points up factors often overlooked. In a dramatic way he treated the Federal budget, which is $41,858,000,000 this year, and of which 76.5 percent, or $31,923,000,000, is for the cost of past wars and protection against future wars—military establishment, veterans' care, public debt interest, and European recovery program and other foreign aid.

Without using those figures, he broke down the cost of both Federal and State and local government into the number of days we must work to pay taxes for it, a total of 61 yearly, of which 35 go for obligations from former wars, defense, and the "cold war"; 12 for other functions of Federal Government and 14 for State and local government.

Since Mr. Hoover has not quarreled seriously with the bulk of Government costs for defense, veterans, "cold war," his quarrel must lie in this area of domestic government services. He, like others, does not specify what he would eliminate here.

Red Triumph in Asia Means Third World War

EXTENSION OF REMARKS
OF
HON. WALTER H. JUDD
OF MINNESOTA
IN THE HOUSE OF REPRESENTATIVES

Monday, August 8, 1949

Mr. JUDD. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the last broadcast of H. R. Knickerbocker, Pulitzer prize foreign correspondent. It was written in Singapore, recorded in Batavia, Java, and aired a few days after the plane carrying Mr. Knickerbocker and 16 other correspondents crashed near Bombay, India. This broadcast was the last of a series entitled "Can Communism Conquer Asia?" A terse picture of the greatest battlefront of the not-so-cold war, this broadcast—and especially its prophetic conclusion which only wishful thinkers like those in the State Department can question—is a fitting farewell address to his countrymen by one of our finest reporters.

The broadcast is reprinted from the New Leader of August 6, 1949:

"RED TRIUMPH IN ASIA MEANS THIRD WORLD WAR"—KNICKERBOCKER'S LAST BROADCAST

(By H. R. Knickerbocker)

From Singapore, world war III looks inevitable unless the United States throws its whole weight against the advance of communism in Asia. Communism is moving so fast that within a few years Moscow may feel itself strong enough to challenge the power of the United States. We have checked Russia in Europe but the manpower and resources of Asia would weight the balance against us. At these crossroads of the Far East the sense of impending doom bears heavily on an observer who has watched the shadow of Moscow creep across the globe. Molotov, Soviet High Commissar for Asia, has good reason to report to the Great Khan: Asia is going Communist.

Every anxiety over the mounting successes of communism in Asia is heightened here in the watchtower of Singapore. From here one can look out and see in China the Communist armies of Mao Tse-tung sweeping toward southeast Asia; in Indochina the Communist troops of Ho Chi Minh defying the French; in Burma the contending bands of Communists ravaging the country; in Malay a handful of Communist jungle fighters losing but only losing to the best troops in the British Army; and in Thailand (Siam) the frightened government compelled to tolerate a monster Soviet Embassy from which issue Molotov's directives.

Foremost among the questions here is what will happen when the Chinese Communist armies reach the borders of Tonkin, the northernmost province of Indochina. The French last April installed the young Emperor of Annam, Bao Dai, to head the independent state of Viet Nam, comprising Tonkin, Annam, and Cochin China. Bao Dai, 35 years old, is an irresponsible type of playboy, more at home in France than in Indochina. The French hope was that Bao Dai would attract the non-Communist natives who had supported the Communist leader Ho Chi Minh, under the banner of nationalism, for a free Indochina. The French have not succeeded. It is a race now in Indochina to see which side can kill the most before the Chinese Communist armies get there.

The French have 118,000 colonial troops and Foreign Legionnaires, plus 92,000 native Indochinese troops, making a total of well over 200,000 in the field against Ho Chi Minh. Ho Chi Minh is a veteran Moscow Communist. He is assisted by a young Indochinese, named Giap, pronounced Jap, 32 years old, and fresh from the Kremlin's school for oriental Politbureau chieftains. Stalin trusts Ho Chi Minh, of course, but he has Giap there to watch him.

The grizzled Ho Chi Minh has 80,000 regular, well-armed troops, plus an incalculable number, possibly several hundred thousand, guerrillas. They make their own arms, in part, in jungle blacksmith shops, turning out rifles and hand grenades, chiefly in Tonkin, where they are strongest.

The French control the cities of Indochina. Ho Chi Minh controls the countryside, and most of the coast. From their Tonkin strongholds they move freely back and forth over the border of China where the warlords of the provinces of Yunnan and Kwangsi await the coming of the Chinese Communists under Mao Tse-tung.

If Mao Tse-tung, when he gets to the Indochinese border wants to go on, Molotov will want to tell him what to do. The Chinese Communist armies would be strong enough, in all probability, to be able to go right on into Indochina. France would fight; make it a formal war; appeal to the United Nations.

China could then do what Russia has done. Stalin has appealed whenever he could to the principle that anything that ever belonged to Russia in the past belongs to Russia now. On that principle he laid claim to much of the territory he has conquered in Europe, as the Baltic states, part of Poland, and Rumania. In the same way China could claim Indochina, Malaya, Siam, and Burma, for all these states at one time or another in the last several thousand years have belonged to, or been claimed by, the Chinese Empire.

But Communist China may not be prepared to go so far at this moment, and may not need to. Once the armies of Mao Tse-tung are in contact with the armies of Ho Chi Minh, the Communist forces of China and of Indochina will be effectively linked, and few observers have any hope that the French could hold out much longer.

Force has not succeeded against Communist force in Indochina for one reason only. There is not enough of it. The French have not the forces both to hold the cities and to deliver the striking offensives which could destroy Ho Chi Minh. Indochina is not an example of the failure of anti-Communist force to defeat Communist force. On the contrary it is a lesson in the fact that only more force wins.

More force is winning in British Malaya. Malaya is vital to the economy of Great Britain. Its rubber and tin furnish about half of all the dollars Britain gets from the entire Commonwealth. When the Communists in Malaya broke out in a planned campaign to destroy the rubber plantations and tin mines, and terrorize and drive out the British and seize power for Moscow, last year, the British responded with effective force and money. They are spending today $150,000 a day for the crushing of communism in Malaya.

But they also responded with the promise of eventual political independence for Malaya: Malaya for the Malayans. Since the Communists in Malaya are nearly all Chinese, and the Malayans hate the Chinese, this has made the Malays loyal supporters of the British against the Communists.

Communism here is nakedly a foreign movement. Ninety percent of the jungle fighters are Chinese. And this points up the fact that already the Chinese Communists are assuming the leading position among the Soviet shock troops of world revolution. They are doing the job in Asia that Russia did in Europe. There is no comfort for the West in speculating on whether China is going to be subordinate to Moscow, or equal with Moscow, or antagonistic to Moscow, as Communist China will in no case be anything but hostile to the West.

Against this foreign Communist threat, the British sent to Malaya some of their most celebrated soldiers—from the Grenadier and Coldstream Guards; from Winston Churchill's old regiment, the Fourth Hussars; and from the Gurkhas—which with battalions of British Army Malays totaled 20,000 troops. To these were added 50,000 combat constabulary, exclusively Malay volunteers. This made a total of 70,000 troops.

But such is the nature of the jungle that it took these 70,000 picked men to combat the Chinese Communist guerrillas, who were estimated at their height at 10,000, but have been whittled down by death, capture, and desertion to a force of two or three thousand now. British success is certified by the fact that the rubber plantations and tin mines continue to run and produce; whereas nothing runs or produces in the troubled areas of Indochina, Burma, and Indonesia.

British victory would have been impossible without the fortitude and courage of the British plantation and mine managers who strapped on their pistols and stayed at their perilous jobs. It was helped, too, by the issuance of identification cards to the entire population. This measure, involving the photographing for the first time of 5,000,000 inhabitants, millions of whom in jungle villages had never seen a camera before, was unprecedented in the East. The 1,000,000 inhabitants of the Crown Colony of Singapore were likewise issued identity cards, the first time anything like that had ever been tried in a great city of the Far East. The results were spectacular. Not only has communism as an organized force disappeared in Singapore, but common crime has decreased to such an extent that Singapore is the most orderly city in the Orient today.

Thus, the British by force have established order, not perfect, but enough to secure the lives and property of their citizens. And this is one of the few places in southeast Asia where life and property is at all secure.

But this security in Singapore, and what little security there is elsewhere in southeast Asia, is about to be jeopardized by the Governments of the United States and Great Britain. These two Governments show signs of seriously considering the recognition of the Chinese Communist Government. If they do recognize Communist China it will have disastrous effects on the effort to stop communism anywhere else in Asia.

There are 10,000,000 Chinese in southeast Asia, and nearly everywhere they lead in business. They are envied, hated and they are indispensable. Because they are businessmen they fear communism, but because they are Chinese they are bound to whatever government rules China. Today they are torn between loyalties. Many have taken down pictures of Chiang Kai-shek but almost none have put up pictures of Mao Tse-tung. If, however, the United States and Great Britain recognize the Chinese Communist Government, these 10,000,000 Chinese in southeast Asia will feel that resistance to communism is not only useless but dangerous. The Chinese Communist Government will send diplomatic and consular missions throughout southeast Aia. Then what becomes of the struggle against communism?

Here in Singapore the issue is especially acute because Singapore's 1,000,000 inhabitants are nearly all Chinese. Out of Thailand's sixteen million, two and a half million are Chinese. And though, among Indonesia's population of seventy million, another 2,000,000 Chinese seem a tiny minority, they dominate trade—the richest men in Batavia are not Dutchmen, but Chinese.

If American and British recognition of the Chinese Communist Government drives these 10,000,000 rich and influential Chinese of southeast Asia into collaborating with the Communists, it will go far to nullify what efforts have so far been made to stop communism in Asia.

But these efforts have been timorous, halfhearted, and for the most part in vain. While Stalin appoints Molotov, his strongest lieutenant, to direct the campaign for Asia, the most the Western World has done to coordinate its forces has been for Britain to appoint Malcolm MacDonald High Commissioner for southeast Asia. He is doing a good job. But the United States has not even appointed any such official for information purposes, much less to act. To appoint such a United States High Commissioner for Asia would be the least we could do.

We can still stop communism in Asia, but to do it will require a greater effort on the part of the United States than we have exerted to stop communism in Europe.

It will take a Truman doctrine in Asia, and a MacArthur plan for economic aid to Asia, and a Pacific pact like the Atlantic Pact, and an over-all armaments plan to aid the free peoples of Asia to arm and defend themselves under American guidance.

The stake of the United States in Asia is simple enough. It is survival. If we stop communism in Asia we may look forward to a time when the inevitable superiority of production in the free Western World over production in the collectivist world of the Soviet Empire will cause the threat of war to recede. If we don't stop communism in Asia, the time will come, in our lifetime, when Moscow will be able to estimate its forces as strong enough to risk war with the West. They will not win that war, even then. But not all of us will survive.

Four Hundred Stayed Home

EXTENSION OF REMARKS

OF

HON. CHRISTOPHER C. McGRATH

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Friday, August 12, 1949

Mr. McGRATH. Mr. Speaker, under unanimous consent to extend my remarks in the Appendix of the CONGRESSIONAL RECORD, I include the following article appearing in the Catholic Monitor under date of July 31, 1949, entitled, "Four Hundred Stayed Home," written by Joseph M. Marchiselli:

FOUR HUNDRED STAYED HOME

(By Joseph M. Marchiselli)

Recently I received a letter from a relative of mine in the little town of Accettura, Province of Matera. This town is in the southernmost tip of the Italian peninsula.

He tells me that, after two Christian-Democratic administrations in that municipality, in the elections held on April 12 of this year, the entire Communist ticket was elected by 200 votes. He says further that an analysis of the election result showed that 400 qualified voters, all Christian-Democrats, failed to turn out at the polls.

Whether it was plain laziness or indifference, the fact is that the failure of those 400 voters to show up at the polls enslaved themselves and the rest of the people in that town. They are just as responsible for the election of the Communist regime as those who voted for it.

The truth brought home to us from the election in that little town is that though the Communists gained control of the government they do not represent the majority of the people any more than they represent the majority of the people in other parts of the world, where they control the government of entire nations.

The factor that determined the election of that little town is common in all democratic countries, where free elections are enjoyed. Time and again governments have been elected by a majority of the vote cast, not the majority of all the qualified voters. If those eligible voters who stayed home on election day would have cast their votes, many election results would have been different right here in the United States. Thus the paradox of how the Communists get elected to office when the majority of the people are against them, is not hard to explain. The Communists make use of each and every one of their votes, while those opposed to them do not, as typified in the election of Accettura.

Democracy is government of and by the people, meaning the majority of all the eligible voters. A democracy in which a government is elected by a majority of only a portion of the qualified voters is only a quasi-democracy, and certainly no democracy at all if the Communists should sneak in by reason of the stayer-at-home on election day.

Democracy is man's most cherished form of government. Those nations which are blessed with a democratic government, acquired it only after years of struggle and much bloodshed. Like anything else that is good, it is appreciated only after it is lost. And democracy can be lost if the citizens of a democracy do not exercise their right of franchise. The fact that democracy has endured in this land over 150 years is no assurance that it can't be lost. These are not the times when we should be lulled to sleep by a sense of security and indulge in sweet dreams that all is well.

The Communists are an articulate and militant force and are wasting no time. They are working day and night and are profiting on the vote-slackers. If you are a vote-slacker, you are unwittingly helping the Communist cause.

The duty and obligation of voting should be uppermost in the minds of all democracy-loving citizens. Our duty to vote should be as sacred as our religion, for we have reached a stage in world history when voting is a defense of our homes, our freedoms and our right to worship God according to our conscience. Our failure to vote amounts to forging the chains of slavery around our necks.

The attitude that my vote will not make much difference is wrong and dangerous, for if you multiply that by the thousands that think that way, it is very possible that one day it may make the difference between freedom and slavery, as it happened in that little town of Accettura in Italy.

A Man of Action, the Rapid-Firing Louis Johnson, Is Putting Into Practice Economy Measures That Congress Talks About but Apparently Did Not Have the Courage To Order

EXTENSION OF REMARKS
OF
HON. FRANK W. BOYKIN
OF ALABAMA
IN THE HOUSE OF REPRESENTATIVES
Friday, August 12, 1949

Mr. BOYKIN. Mr. Speaker, the words which I have just spoken are from an editorial published in the Omaha (Nebr.) World-Herald, sent to me by a business friend. I ask unanimous consent to reprint it in the RECORD in order to stimulate discussion here on the floor.

Mr. Speaker, on March 28 last Louis Johnson took his oath of office as Secretary of the National Defense Establishment in the courtyard of the great Pentagon. I, among other Members of Congress, was present on that occasion.

Except for the accomplishments of President Roosevelt in restoring the Nation's economy in the early thirties, this Nation has never seen any administrative official who so quickly wrought such a multitude of long-sought objectives in handling his departmental affairs. Neither has it ever seen one who effected more economies in Government and in such a brief period than Secretary Johnson has brought about in the last 4 months.

The Omaha World-Herald article was published August 2. Yesterday President Truman signed the Unification Act. This act—belatedly passed by Congress—gave to Louis Johnson, Secretary of Defense, the power which he sought to reorganize and unify the Defense Establishment along lines which he laid down before the Armed Services Committees of the several Houses and as supported by the recommendations of President Hoover's Committee on Reorganization of the Executive Departments.

The specific authority which Louis Johnson requested was because he, above all others, knew how the job had to be done. This complemented his innate business organizational and administrative abilities and the knowledge gained through personal experience as the Assistant Secretary of War.

In entering upon his new office—that of Secretary of Defense—he had the courage to tell the Congress, "If I am to run a military WPA, I don't want the job." Therefore, he sought with determination, not the mere authority to shuffle papers, personnel, departmental files, financial balances, and other window dressings, in order to effect the mere semblance of reorganization.

He made it perfectly plain to all that he did not want to confine his programs to one of consolidations. The powers which he requested were powers actually to abolish and abate many existing boards, commissions, duplications of efforts and activities in the armed services and other defense establishments, regardless of political implications.

As a result of his continuing program for the maximum reduction in expenditures which he has already instituted and has under way, upward of 200,000 pay-rollers now being carried on the tax rolls of the Federal Government will go back into productive private enterprise, with a resultant savings of a billion dollars annually to the taxpayers of the Nation.

Mr. Speaker, ponder on a project not to spend $3,000,000 but actually to save $3,000,000 a day every day in the year.

As Secretary of the National Military Establishment, he has already succeeded in bringing about unification with respect to public information, recruiting, procurement of material, as well as personnel, medical services, and a veritable catalog of other pertinent activities.

That the American people are conscious of and approve the great work that is being done by Secretary Johnson is evidenced by the following editorial:

THE RAPID-FIRING SECRETARY

Mr. Louis Johnson, the Defense Secretary, is a man of action.

He is putting into practice some of the economy measures that Congress talks about but apparently does not have the courage to order. Right now, Mr. Johnson is pruning the roster of civilian employees in all the armed services.

When he took 13,000 nonuniformed Navy people off the Federal pay roll last month, there was a sharp reaction. Boston's Mayor Curley hit the ceiling when thousands were fired at the navy yard in his city. Said Mr. Johnson: "If I'm to run a military WPA I don't want the job." Mr. Truman backed his Defense Secretary and Mr. Curley turned to Congress where he apparently got a more sympathetic reception than his case warranted.

However, Mr. Johnson also does pretty well at keeping up his congressional fences and is reportedly in no immediate danger of being stopped by Congress. He has let it be known that Army and Air Force civilian jobs will also be cut.

When the Air Force asked to set up its own cryptography division duplicating those of the Army and Navy, Mr. Johnson combined all three and cut personnel from 10,000 to 5,000. Both the State Department and the Central Intelligence Agency complained but the Defense Secretary was upheld. Now Mr. Johnson is busy with his plans to reorganize Intelligence.

How long this can go on without some counter stroke by the military bureaucracy is a matter of speculation. Mr. Johnson moves so fast that the jobholders rarely have time to get set for the blow. But it is too much to hope that the Secretary can get away with his pruning without some concerted effort to stop him. He has said he will fry a billion dollar's worth of fat and inefficiency out of the armed services and he has made a convincing beginning. He deserves the support of Congress and the people in this effort.

Removal of Industries From New England

EXTENSION OF REMARKS
OF
HON. JOHN DAVIS LODGE
OF CONNECTICUT
IN THE HOUSE OF REPRESENTATIVES
Tuesday, August 2, 1949

Mr. LODGE. Mr. Speaker, the movement of industries from Connecticut and other parts of New England to the South is a cause for growing concern. It is also a substantial factor in the growing unemployment in the New England area. In the city of Bridgeport there are today some 24,000 unemployed. Out of this number seven to eight thousand are unemployed because of the Government-sponsored removal of the Chance Vought Division of United Aircraft Corp. from Stratford, Conn., to Dallas, Tex.

One of the prime factors in the migration of industry from North to South is the tax exemptions frequently granted by certain southern States as an inducement to northern business.

To those who believe in our free competitive system this can hardly be described as fair competition. Frequently, the New England States are taxed to subsidize southern communities which are said to be in need of Federal funds. While, of course, ability to pay has been a criterion of our taxation system for many years it can hardly be said that States which grant tax exemptions as inducement to industry should receive tax subsidies from sections of the country which are suffering from the current business recession.

In this connection I am inserting an interesting editorial which appeared in the Bridgeport Post on August 9 regarding some remarks made by our distinguished colleague the Honorable JAMES T. PATTERSON on the floor of the House a short time ago:

DIRTY WORK AT THE CROSSROADS

It was a tremendously important point made by Congressman JAMES T. PATTERSON of this State, on the floor of the House the other day, when he objected to giving subsidies out of the Federal Treasury to the "poor" States in the South and Southwest, then permitting these same States to turn around and offer tax exemptions to Connecticut industry to entice firms out of our own State.

As he pointed out, the high taxpaying rate in Connecticut means that the citizens of our State in the first place pay more than their fair share of these Federal subsidies. Then—after a "poor" State has been bailed out by the Federal Treasury—to have it turn around and advertise to northern industry, "Locate down here and you won't have to pay any taxes," is adding insult to injury.

The citizens of Texarkania—to invent a mythical State—are working both ends of the street. First they claim to be too poor to pay for their own roads, schools, charities, health, and similar programs, and they seek a fat subsidy from the Federal Treasury. Having thus removed from their own backs much of the burden borne by the local taxpayers in other communities, they can say to industry: "You needn't pay local taxes down here. Uncle Sam pays them for us."

The Eagle Lock Co. of Perryville—principal industry in that town for more than a century—is now considering a move to the

Southwest, said to be based solely on the fact that the company is guaranteed 10 years' freedom from taxes.

How a State can, at one and the same time, be so poor as always to have its hands in Uncle Sam's pockets and at the same time be so rich as to be able to afford tax exemptions to industry, is a congressional mystery which we can explain in two words.

Dirty politics.

Reorganization Plan No. 2

EXTENSION OF REMARKS

OF

HON. HUBERT H. HUMPHREY

OF MINNESOTA

IN THE SENATE OF THE UNITED STATES

Friday, August 12 (legislative day of Thursday, June 2), 1949

Mr. HUMPHREY. Mr. President, I ask unanimous consent to have printed in the Appendix of the CONGRESSIONAL RECORD, an editorial entitled "Reorganization No. 2," which appeared in the Washington Post, Thursday, August 11, 1949.

There being no objection, the editorial was ordered to be printed as follows:

REORGANIZATION NO. 2

Reorganization Plan No. 2, now before Congress, would shift the Bureau of Employment Security from the Federal Security Agency to the Department of Labor. This is in accordance with a recommendation of the Hoover Commission and appears to us to be on balance, the best resolution of an issue admittedly difficult and open to rational disputation. The Bureau of Employment Security embraces the former Division of Unemployment Compensation which has always been in the Federal Security Agency and logically belongs there and the former United States Employment Service which used to be in the Department of Labor and logically belongs there. The one aspect of this issue on which there appears to be universal agreement is that the twain now joined together in the Bureau of Employment Security should not be put asunder.

The Federal Security Administrator has endorsed the request of the Secretary of Labor that the Bureau be transferred to the Labor Department, although this would take from FSA one of its insurance operations. This position seems to us to be supported by the special interest of workers in the Bureau and the special devotion of the Department of Labor to the workers' interest. In this connection, the charge so commonly made by opponents of the transfer that the Department of Labor is biased in favor of labor strikes us as altogether nonsensical. Of course the Department is engaged, as it was intended to be under the law establishing it, in advancing the legitimate interests of labor as a contribution to the general welfare. For just this reason, the Department, which has been seriously weakened in recent years, now needs strengthening.

The Bureau of Employment Security will be closely allied to the Bureau of Labor Statistics and other operations of the Department and will enable it to do a better rounded and more comprehensive job. We hope that the House, which is scheduled to vote on the issue today, will uphold the President's reorganization order effecting the transfer and that the Senate will follow suit next week, overriding the adverse report of its Committee on Expenditures in the Executive Departments.

Freedom From Fear

EXTENSION OF REMARKS

OF

HON. ELBERT D. THOMAS

OF UTAH

IN THE SENATE OF THE UNITED STATES

Friday, August 12 (legislative day of Thursday, June 2), 1949

Mr. THOMAS of Utah. Mr. President, I ask unanimous consent to have inserted in the Appendix of the RECORD an address of mine entitled "Freedom From Fear," which was broadcast over radio station KSL, Salt Lake City, Utah, August 10, 1949.

There being no objection, the address was ordered to be printed in the RECORD, as follows:

FREEDOM FROM FEAR

In the beginning of the war when discussion of the "four freedoms" was on the minds of all, freedom from fear seemed not only to be obtainable if we could crush our enemies but possible for the average man if we could make his life secure. All of our enemies are crushed. We have a world organization. The world is more alerted than it ever was to the fact that we must find a substitute for war. Our country is recognized by the world as the strongest country on earth. What, therefore, have we to fear?

There is evidence to show that we are suffering from fear more than we have ever suffered in the history of our country. Why is this so? Likely because we have so much compared with what others have. Still our willingness to share, even if it is done in self-interest, should bring us friends full of gratitude and make allies for us; thus removing fear. But fear does not go.

The more an individual has the more he is afraid of losing that which he has obtained. The more a nation has the more that nation is fearful it might lose what it has. Shall we become wholly fatalistic and decide that nothing constructive can be done about this situation? Shall we allow ourselves to disintegrate to the place where we have nothing that anyone else wants and thereby live without fear?

Since the War of 1812 our American defense program has rested upon the notion that if we have to go to war we must keep the enemy from our own shores and cities. That is the way we have fought. That is the way we have planned our defense. All felt secure in having oceans between us and a probable enemy. In fighting the last two wars we turned our defense into an offense and carried the wars to the enemies' shores.

We invented the atomic bomb. The only two we dropped we dropped on the other side of the Pacific; thus proving that if we persist in attempting to keep the enemy from our own shores we must be prepared to destroy him on his own ground. Our line of defense today is a circle which surrounds nearly all of Asia and the eastern part of Europe. The President's recommendations for arms extend from Korea through Japan to the Philippines, from Persia to Turkey to Greece, and then to all of western Europe. The farther we project ourselves in offense, therefore, the farther we must project ourselves in defense. How startled our country was when Roosevelt announced that our first line of defense was the Rhine. As long as men put their trust in weapons and governments are built upon the foundation of force this seems inevitable. You cannot be second best in war.

We are trying a great experiment based upon mutuality. If we find ourselves in another war America wants friends in that war. In more than one way the last war was a world-wide war. At one time on the Italian front there were troops representing over 20 nationalities. They were all under an American commander. We were successful in that campaign. Through this action old military science was shattered and national loyalties did submit to a single command. Now in Europe, we have the joint defense plans of England and the nations of the Lowlands, our arms aid to Europe, and the North Atlantic Pact.

Growing side by side with this great defensive effort on the part of the nations of Europe and America are suggestions for implementing and making stronger world organization. Five or six different resolutions have been presented to the Senate calling for the strengthening of the United Nations. I have been appointed chairman of a subcommittee of the Foreign Relations Committee to consider these. We shall hold hearings on these resolutions and try to work out a feasible plan to make stronger and more universal the United Nations, and attempt to overcome the power of the veto.

It is thoughtless for us to assume that the existence of the veto power is the root of the trouble that keeps the United Nations from being more effective. It was the American delegation itself and the fear that delegation had of an overpowering sentiment in the world against us that caused them to insist upon the veto. This has boomeranged against us. That Russia has used the veto instead of us is beside the point. She has the right just as any one of the five great nations has. It is not the veto power; it is the fear of Russia's aims that disturbs us.

Three weeks before the opening of the Second World War we could not convince the Foreign Relations Committee of the United States Senate that we should have a fear of Germany and Hitler. The interesting thing today is that the very men who did not want to unite against Germany in her first aggression are the ones now who have the greatest fear of Russia. What I want is a unity of effort of nonaggressive nations against the actions of an aggressor. I want that unity to show itself in economic strength, in well-trained men and women, in the development of our resources in joint cooperation so as to build our strength primarily on what is called the secondary defense, and then unite our manpower in spirit and action in defense of a righteous cause. But the world still puts its faith in bayonets and sabers. That faith we are forced to recognize. The men upon whom we have to depend if an emergency comes are men who honestly believe that safety rests behind great armies, mighty navies, swift airplanes, powerful submarines, and atomic bombs. When someone says that Russia has 5,000,000 men under arms those people who fear Russia believe we can be strong ourselves only if we are stronger than 5,000,000 men.

Fear is a state of mind and is tremendously contagious. The only way to get it out of our national system is to make world organization more important. A positive approach to a problem is always more constructive and productive of good than a negative one. If fear dominates the minds and actions of men and nations, both men and nations can be destroyed by that fear quite as easily as through the processes of war. Once we start an armaments race, our way of life is endangered.

Our democracy is a private-property system based upon a dollar economy—a dollar, too, that has to maintain its comparative constant value or it will destroy our whole credit system. Our debts are great and while we are indebted to ourselves still we owe ourselves in definite units of value. By that I mean that if we have a $100 bond we expect $100 for it the day it becomes due.

Therefore, we call that $100 wealth and we say it is ours individually. Russia in theory has no private property. All her people own all her property and all her money. Stalin can increase the value of a ruble or decrease it any time without hurting anyone. A democratic government is deemed hard to maintain because it depends on the will of the people to persist, and the will of the people is always hard to determine. Just so is a dollar democracy hard to maintain because such government has no wealth and exists because of its taxing power. If we destroy wealth by putting all oversurplus in waste armaments, we soon destroy our taxing power. Thus, Russia can outlast in a cold war. But common sense will some day dawn on both peoples and each will see that a world existing wholly on fear will be a world without happiness.

Freedom from fear is the greatest of all freedoms because social life itself will disintegrate where there is no trust. The fear I want America to avoid is the fear of the great responsibility we now have. When Alexander had practically conquered the then-known world, when no enemies were left unconquered, it was then that real fear entered his soul. It was then that he offered libations to the gods that they would remove from him the fear of his new responsibilities—the fear that comes of worry and anxiety. The only way we can be free from that fear is through faith in the right and knowledge that no man will come to our aid if our objectives are not righteous and have not righteous ends. If we act through fear rather than through faith in ourselves and America's way of life, that fear can be our own destruction. America needs to renew her faith in herself and the great fundamental principles which moved our founding fathers to action.

World Federation of Governments

EXTENSION OF REMARKS

OF

HON. CLAUDE PEPPER

OF FLORIDA

IN THE SENATE OF THE UNITED STATES

Friday, August 12 (legislative day of Thursday, June 2), 1949

Mr. PEPPER. Mr. President, I ask unanimous consent to have printed in the Appendix of the RECORD a statement issued by me on August 8 in regard to a world federation of governments.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

STATEMENT OF HON. CLAUDE PEPPER, OF FLORIDA, ON A WORLD FEDERATION OF GOVERNMENTS

When I became a cosponsor of the world-federation resolution, Senate Concurrent Resolution 56, introduced in the Senate July 26, I did so on the basis of a deep conviction and under the impetus of an impressive mandate from the people of Florida.

The Legislature of Florida this year has passed two resolutions that look toward world federation. One resolution puts a world-federation question on the ballot at the next general election, thus submitting this crucial matter to the test of a popular referendum. The other resolution applies to Congress to convene a constitutional convention with the purpose of proposing an amendment that would enable the United States to negotiate with other nations to strengthen the United States into a world federation.

The people of Florida are not alone in this support of a strengthened United Nations. They are joined by 21 other States that have passed world-federation resolutions of one type or another.

This legislative action at the State level is indicative of a rapidly expanding popular demand that we reaffirm our faith in the United Nations and move forward to build that organization into a structure capable of preserving the peace.

The world-federation resolution receives my wholehearted support because it contemplates a federation open to all nations. We do not seek to further divide the world by a partial federation. We propose to work with patience and fortitude to unite the world under a United Nations capable of enacting, interpreting, and enforcing world law.

Too many people belittle the accomplishments of the United Nations; too many are blind to the great potential of that organization. The UN is a bridgehead. It must be defended and expanded. True, it will be a gradual process but if we accept this role of moral leadership, the cause of freedom and justice throughout the world will be strengthened. Those that propose such immediate changes in the UN as the elimination of the veto power advocate a dangerous policy. Such precipitant action might destroy the UN and bring us perilously near an atomic war. We must move with caution, but I am sure as we forge ahead, the overpowering logic and force of our position will establish before the world the irrefutable fact that the hope for world peace lies in a strengthened United Nations.

Our Atlantic Pact and the other elements of the preparedness program are certainly necessary measures. But we must recognize that they are no final solution. We cannot put our entire faith in a precarious balance of power and the armaments race on which such a balance always depends.

We will only be able to lift the burden of arms preparations from our people when we develop the United Nations into a federation that is capable of maintaining peace. The people of Florida have expressed the hope that we will dedicate ourselves to reinforcing the UN. The world-federation resolution is a commitment to that end.

If we take the lead and proceed with tact and faith, I am sure that we will make great strides, strides that will bring a frightened world into the light of international security with great promise for a plentiful, peaceful tomorrow.

Monopoly Control

EXTENSION OF REMARKS

OF

HON. ESTES KEFAUVER

OF TENNESSEE

IN THE SENATE OF THE UNITED STATES

Friday, August 12 (legislative day of Thursday, June 2), 1949

Mr. KEFAUVER. Mr. President, I ask unanimous consent to have printed in the Appendix of the RECORD a radio address entitled "Monopoly Control," which I delivered over the NBC network on August 7, 1949.

There being no objection, the address was ordered to be printed in the RECORD, as follows:

Today monopoly is our most serious domestic problem. Perhaps the true picture of the extent to which monopoly dominates our country is best revealed by a finding of the Temporary National Economic Committee: the committee found that, if a product is picked at random, there is a better than 1 to 1 chance that the four largest producers of that product account for 75 percent or more of its production. Think of that—just look around you and pick any product at random. There is a better than even chance that the four largest companies producing that product account for 75 percent or more of its output.

It is thus apparent that the country is to a very large extent under the control of monopoly. But is this anything to be worried about—is monopoly actually dangerous to the American free-enterprise system? I say very definitely that it is. The most important objections to monopoly can be quite simply stated since most of them are well known and are generally recognized:

1. Monopoly eliminates the incentive to increase efficiency, reduce costs, introduce new and better products, and contribute generally to economic progress. Monopoly tends to retard the introduction of new improvements and inventions, since a monopolist is generally reluctant to make use of his improvements if they compel him to scrap existing equipment or in any way impair the value of his existing investment.

2. Monopoly tends to result in lower production in employment than would prevail under competition, since monopolies tend to restrict production in employment in order to maintain prices. There is no greater danger to the economy today than the very real possibility that, if we do have a down-swing, monopolists will curtail production, throwing millions of workers out of their jobs, in order to maintain their prices.

3. Monopoly retards the normal economic growth of our great underdeveloped regions, such as the South and the West, since monopolies tend to hold back the growth of few regional industries which might compete with their own investments, while at the same time using these areas only for the purpose of exploiting irreplaceable raw materials.

4. Monopoly leads to big labor on the one hand and big government on the other, and the substitution of Government control for the free play of competitive sources as the regulator of economic activity. Monopoly inevitably leads to Government regulation and ultimately to socialization. With the exception of the United States—which alone possesses antitrust laws—every industrialized nation in the world which has some under the control of monopoly has undertaken a program of socialization.

5. Finally and perhaps most important, monopoly blights the opportunity for economic independence—particularly for young people—by taking over one industry after another and thus gradually narrowing the field in which small business is permitted to exist. In this connection, the War Department, toward the end of the last World War, conducted a survey of the postwar plans of servicemen. It found that more than 700,000 servicemen had definite plans to reenter or establish businesses of their own. In addition, 400,000 servicemen had tentative plans for businesses of their own, making a total of 1,100,000 servicemen who had definite or tenative plans when the war was over to establish their own small businesses. I do not know what proportion of these servicemen have been able to make their dreams come true, but I imagine that it is very small since the only industries which monopoly has not taken over are such fields as pressing establishments, frozen custard stands, and service stations—areas in which monopolies haven't as yet become interested.

Thus far I have endeavored to point out first that monopoly exists and secondly, the ways in which it exerts harmful effects upon the country.

To this, the question obviously is raised as to what, if anything, the Congress is doing about the problem. In answer I can only state that it is making some progress, but must make a great deal more if the problem is to be adequately met. Among the specific steps which have been taken by this Congress in order to curb monopoly and to promote small business are the following:

1. The House Judiciary Committee last week ordered out favorably a bill introduced in the Senate by Senator O'MAHONEY and myself and in the House by Congressman CELLER, which would plug one of the outstanding loopholes in the antitrust laws. This bill would amend section 7 of the Clayton Act, which, when passed in 1914, was intended to prohibit monopolistic mergers that "would substantially lessen competition or tend to create a monopoly." Unfortunately, however, the law as it now stands contains a fatal loophole, since it applies only to monopolistic mergers which take place through the purchase of stock, and permits those which occur through the acquisition of assets. As a result, the law has become a dead letter. The bill, as reported out by the committee, would remedy this outstanding defect in our antitrust laws.

2. It appears that this Congress will grant the antitrust agencies, the Antitrust Division of the Department of Justice and the Federal Trade Commission, the largest appropriation for antitrust enforcement in history. In the Senate I was fortunate enough to have the opportunity to make a motion, that incidentally was unanimously adopted, of increasing the appropriations for this vital function. We still have a long way to go in order to make the enforcement of the antitrust laws adequately effective. But at least this Congress is moving in the right direction.

3. A subcommittee of the House Judiciary Committee, under the chairmanship of Congressman EMANUEL CELLER, has started a comprehensive investigation of the problem of monopoly power, looking toward specific legislation proposals for the consideration of Congress. It has already taken testimony from a number of the country's most distinguished students of the problem. I understand that very shortly it will issue a progress report, presenting a résumé and digest of the testimony taken to date. I would suggest that anyone who is interested in this vital problem of monopoly might do well to secure a copy of this forthcoming progress report of the House Judiciary Committee.

4. Finally, in the Senate Senator JOSEPH C. O'MAHONEY, of Wyoming, one of the most distinguished Members of Congress, is launching an investigation into the problem and the difficulties facing small business in securing adequate capital and credit. Senator O'MAHONEY will endeavor, in his investigation, to find out whether or not the sources of capital in this country have become largely closed to small business; and if so, the reasons behind such an alarming development.

I do think that these are steps in the right direction, but a great deal more needs to be done. And I am confident that when this Congress returns after adjournment, after having disposed of such immediate problems as legislation on international matters, appropriation bills, and other pressing legislation, it will turn its attention to the whole problem of monopoly and enact legislation of far-reaching consequence designed to protect the small-business men and preserve the free competitive economy and all that is meant by the phrase "our American way of life."

American Policy in China

EXTENSION OF REMARKS

OF

HON. HOMER FERGUSON

OF MICHIGAN

IN THE SENATE OF THE UNITED STATES

Friday, August 12 (legislative day of Thursday, June 2), 1949

Mr. FERGUSON. Mr. President, I ask unanimous consent to have printed in the Appendix of the RECORD the fifth and last article of a series telling how Communist conspiracy, American mediation, and the American arms embargo fostered the Chinese Communists to sufficient strength to threaten the end of the Chinese Republic. The article was written by Ray Richards of the Washington Bureau of the Hearst Newspapers, and published on August 11, 1949.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

WASHINGTON, August 11.—Companion to the American mediation effort, which in itself was enough to tie the hands of the Chinese Nationalists while the Communists acted at will, was Gen. George C. Marshall's deadly embargo on arms to the Chinese Government in early 1945.

This was excused to the public as a measure to lessen the civil fighting.

It was lauded by the Communist press in the United States and by the Russian press.

Throughout the 2 years of its existence the embargo ignored the fact that all the arms the Japanese Kwantung Army had surrendered to the Russians in Manchuria had been turned over to Chinese Communists as they mobilized in that land, and that the Japanese arsenals in Manchuria were kept in full blast to replenish those arms.

That persistent foe of Nationalist China, John Carter Vincent, at about the same time delivered another blow, this one at the Nationalist economic front.

Giving it as a State Department policy, he said to the Foreign Trade Council at New York City:

"It is unsound to invest private or public capital in China."

Thereafter China's application for a $500,000,000 export-import bank loan was allowed to die.

Pending commercial contracts lapsed.

Confessing complete failure of his mission, Marshall came home in early 1947, and a stirring of American public alarm caused an order to lift the arms embargo in the summer of that year.

But it was lifted in name only. With arms export licenses controlled by the State Department, all that China could buy was 130,000,000 rounds of ammunition made especially for the Chinese Army Generalissimo rifle and good for no other weapon.

Public awareness of what was going on in the China case continued to rise, and in April 1948, a Republican Congress took the bit in its teeth and passed a bill making $400,000,000 available to China, $125,000,000 of it for military aid.

The State Department's arms export control functioned again, and only 600 tons of military supplies were ever delivered to the Nationalists.

President Truman started the Greco-Turkish aid program against communism. He ordered the expulsion of proved Communists from the American Government.

Yet American policy continued to demand that Communists be admitted to the Chinese Government.

For years the Nationalist Government had been setting dates for the meeting of a constitutional convention, but the conflict with the northern war lords, the Japanese war, and the Communist civil war had compelled postponements.

The convention was finally held in November 1946, and a constitution was adopted.

General Marshall approved it as entirely democratic, but did not rebuke the Communists when they said they would destroy it.

The China situation got further out of hand for the State Department when Gen. Albert C. Wedemeyer was dispatched from Washington on a fact-finding tour in August 1947.

Although his report was suppressed, General Wedemeyer crossed up the State Department manipulators by recommending real aid for the Nationalists for the preservation of democracy in the Far East.

Two missions authorized by Congress, one headed by former Ambassador William C. Bullitt and the other by former Senator D. Worth Clark, recommended immediate steps to help the Nationalists.

But the State Department remained abdurate and the military fat was in the fire in China, threatening to start a conflagration in which the United States might find itself faced by huge Asiatic armies regimented by Moscow.

The Communists in north China started all-out offensives with arms from Manchuria, and in Manchuria Communist columns launched drives out of Russian-dominated territory toward such centers as Changchun and Mukden in Chinese territory.

The beginning of big-scale Communist victory started in September 1948 when the key city of Tsinan in Shangtung Province fell to the Soviet puppets.

This was followed within 2 months by the fall of Changchun and Mukden, and, in a succession of advances, the Red armies surged through central China to the Yangtze River, drove the Nationalist Government to Canton and Formosa, took Nanking and Shanghai.

The millions and millions of Chinese through which the Communist columns marched did not know what it was all about at first, and were helpless when they learned.

Mao Tse-Tung and the Communist top commander, Gen. Chu Teh, met Nationalist offers of peace talks with an impossible demand for the death of all nationalist leaders.

Mao then confessed that communism had merely been fooling all these years.

The Chinese Communists, he said, were not just harmless agrarian reformers after all, but real Communists in the Russian style, ready to fight with Russia, determined on the ruin of all western imperialism, chiefly the United States.

Mao and Chu joined in a statement thanking Russia for her help.

Atlantic Union Resolution

EXTENSION OF REMARKS

OF

HON. ESTES KEFAUVER

OF TENNESSEE

IN THE SENATE OF THE UNITED STATES

Friday, August 12 (legislative day of Thursday, June 2), 1949

Mr. KEFAUVER. Mr. President, I ask unanimous consent to have printed in the Appendix of the RECORD an editorial entitled "Atlantic Union Resolution,"

published in the Meriden Daily Journal, of Meriden, Conn., of recent date.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

ATLANTIC UNION RESOLUTION

The Atlantic Union Committee, headed by former Supreme Court Justice Owen J. Roberts, has at last succeeded in bringing to the attention of both Houses of Congress a resolution preparing the ground for a far-reaching international project. The resolution, carefully timed by its sponsors to follow the ratification of the North Atlantic Pact, would ask the President to call a federal convention of delegates from the seven democracies including the United States, which initially sponsored the pact. Purpose of the convention would be to explore the possibilities of uniting these democracies in an Atlantic Federal Union of the Free. If deemed advisable, the convention would invite participation by delegates from the other democracies.

This is the program long urged by Clarence K. Streit and his followers in Federal Union, Inc. It is a program replete with possibilities deserving careful study, not only by Congress but by the public at large. If the resolution is brought to debate, information about the plan will be widely disseminated throughout the Nation.

There are numerous formulas for world union, but Streit's original plan has kept its shape and stood up well among the contenders—and it now appears to have a chance to receive serious consideration. That is the most its adherents can ask for it at present.

Among the supporters of Atlantic Federal Union of the Free are men who have occupied high posts in our Government, and who are known as influential leaders of opinion. They would not have embraced unthinkingly a program in which they could not wholly believe. They like it especially because it follows so closely the scheme on which our own Federal Union was founded. The Atlantic Union Committee, in soliciting support for its objectives in this state, remind us that back in 1787, when men were distraught and almost hopeless that our thirteen sovereign States could ever really unite, it was through the inspired, courageous foresight of these great Connecticut citizens Roger Sherman, Oliver Ellsworth, and William Johnson, that the seemingly insoluble was solved by adoption of the Connecticut Compromise, thus rendering possible our own great Federal Union with its profound influence on later world history.

Practicable or not, the project brought forward through the Atlantic Union resolution should have an unbiased hearing in Congress. Its history gives it that right, at least, for it is no inconsequential proposal, brought up overnight. It is the product of intelligent thought and disinterested devotion to an ideal: the ideal of permanent world peace to be attained through a harmoniously working government of democratic states which believe in the fundamental rights and liberties of man.

Shadow of the A-Bomb

EXTENSION OF REMARKS

OF

HON. BRIEN McMAHON

OF CONNECTICUT

IN THE SENATE OF THE UNITED STATES

Friday, August 12 (legislative day of Thursday, June 2), 1949

Mr. McMAHON. Mr. President, I ask unanimous consent to have printed in the Appendix of the RECORD an editorial entitled "Shadow of the A-Bomb," from the Hartford Courant of August 9, 1949.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

SHADOW OF THE A-BOMB

The shadow of the atomic bomb hangs over our age. Since President Truman announced that a bomb with "more power than 20,000 tons of TNT" had been dropped at Hiroshima, we have had to live in that shadow. And the periodic reports by the Atomic Energy Commission that newer and more powerful types of A-bombs have been developed offer only a perverse sort of comfort.

The Commission's sixth semiannual report to Congress has just been made public. Its 200 pages tell a good deal of what has been learned about atomic radiation and related subjects. But more vital for the whole human race is what the report does not tell. That is what the bomb's effect on heredity will be, over a period of years. It is no censorship that keeps the AEC from giving that information. Science simply does not yet know.

Bits and pieces of information are being constantly put into place in the A-bomb jigsaw puzzle. We are learning more about how atomic power can heal man as well as harm him. But the Commission estimates it may be 25 years before we can expect a reliable summary of information on the bomb's delayed hereditary effects.

What effects have been established to date are generally encouraging. As yet, no significant delayed effects have been discovered among the casualties of the atomic bomb attacks on Hiroshima and Nagasaki. But scientists intend to keep a close watch over the survivors, and particularly on their children, for years to come.

If the atomic bomb is a new horror unloosed upon the world the peaceful uses of the same basic power may prove equal blessings. Radioactive iodine, cobalt, and phosphorus, and isotopes of various kinds have already been pressed into active medical service, with results that offer untold hope for the future.

The good and the evil that splitting the atom has brought into the world cannot yet be weighed on any scales. Very likely we shall not attain a final answer during the lifetime of anyone now on earth. And obviously man himself will make the ultimate decision by the use to which he puts his growing knowledge of atomic energy. Four years after Hiroshima all we can be sure of is that we have entered a new and radically different age than man has known before. There can be no return now to the days when atom-splitting devices were the monopoly of the science fiction magazines. For better or for worse, the world will have to live with, and try to tame, the monster it has created.

Borrower's Rights

EXTENSION OF REMARKS

OF

HON. JAMES P. KEM

OF MISSOURI

IN THE SENATE OF THE UNITED STATES

Friday, August 12 (legislative day of Thursday, June 2), 1949

Mr. KEM. Mr. President, I ask unanimous consent to have printed in the Appendix of the RECORD an article entitled "Borrower's Rights," written by Ralph Hendershot, financial editor, and published in the New York World-Telegram of August 11, 1949.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

BORROWER'S RIGHTS—NATIONS NOT VERY CONSISTENT IN APPROACH TO LOAN AND GIFT PROBLEMS

(By Ralph Hendershot)

Senator JAMES P. KEM, Republican of Missouri, sought recently to prohibit the use of Marshall plan money in any country which nationalized any basic industry in the future. The amendment was voted down in Congress apparently on the grounds that we should not attempt to interfere with the use to which any funds we advance are put.

As a matter of fact, recipients of Marshall-plan aid have made a strong point of our not interfering in their affairs, contending it would be an infringement of their sovereignty. We have rigidly respected their wishes, even though the funds must come out of the pockets of American taxpayers.

But these nations were not very consistent in making these demands and our representatives were equally inconsistent in accepting them. To appreciate that fact, one has but to study the conditions under which the International Bank grants loans. This bank, it will be recalled, was created by the governments of a great many nations, including those which are now receiving Marshall plan aid.

LEAVES NOTHING TO CHANCE

The International Bank leaves nothing to chance. It will not trust the people of any nation. For instance, when it grants a loan it does not turn over the proceeds to the borrower; it uses this money to pay the bills of the borrower and those bills had better include only those items covered in the loan agreement.

Nor is it satisfied to take the borrower's word even for that. Its own representatives must check the items purchased and they also make certain that those items are used only for the purpose for which they were intended under the loan agreement. Moreover, the items must measure up to specifications.

These rigid specifications are not the result of so-called dollar diplomacy. They are specifications which were laid down by the creators of the World Bank. And they did not come into existence through accident. They were created to avoid the misuse of funds advanced to the bank by the governments of member nations.

EVEN BRITISH MUST COMPLY

Even the British Government is being obliged to comply with these conditions, although they are proving difficult pills to swallow. Her representatives have raised the question of sovereign rights, but they apparently are taking cover, realizing that the International Bank was originally sponsored by the late Lord Keynes, one of Britain's own financial experts.

One of the British Government subsidiaries has applied for an International Bank loan. The loan has been approved, with the usual provisions. From all indications it will go through and be accepted.

Why should an Internation Bank loan differ so greatly from a Marshall plan gift, other than the fact that it will be repaid? Why all the fuss over sovereign rights?

Communism's Appeal Is in "Land for the Landless"

EXTENSION OF REMARKS
OF

HON. USHER L. BURDICK
OF NORTH DAKOTA

IN THE HOUSE OF REPRESENTATIVES

Friday, August 12, 1949

Mr. BURDICK. Mr. Speaker, we are about to appropriate $5,800,000,000 to restore Europe and in a few days we will be called upon to vote $1,500,000,000 to arm our friends in the Atlantic Pact. How much more will be called for no one can guess.

The real purpose in trying to reestablish Europe is to stop the spread of communism in that quarter, and thus prevent that ism from reaching our shores. The whole purpose of the Marshall plan is to stop the spread of communism. The way we have gone at the matter clearly indicates that the State Department does not know how to spend money so that this purpose can be accomplished.

It would occur to me that the best way to diagnose the case would be to find out what power is behind the Communist movement in Europe and Asia. What makes it attractive to the people in such countries as Poland, Czechoslovakia, Bulgaria, Yugoslavia, Hungary, and what makes this ism strong in France, Italy, Greece, and China? There must be a reason why the people in some of these countries have embraced the doctrines without question, and in other countries the movement is growing. With one-third of Italy now communistic as the recent vote showed, it seems we could and should find out what is behind this trend.

As I read what the conditions were for centuries and what the conditions are in those countries now it seems to be perfectly clear that the land question is what is agitating the people of those nations, and until the policy of these governments is changed to solve the land question any money we put in will have no effect, and may, as in China, pass into the hands of the very elements we seek to isolate. We have not very much to show for our two billion thrown into the China whirlpool. The only obvious result is that our money has helped to build a great modern communistic Chinese army. What we have poured into Greece has not settled anything and will not unless the land policy of that country is radically changed. What we have poured into Indonesia has not settled a thing and the inhabitants are on the march for land. Have we settled anything in Italy? The answer must be "No." Have we quelled the communistic movement in France? Not at all.

The pressure of population has made the inhabitants of the world conscious of the land question. The people in every country want land, for from the soil people can live. Private holdings of large estates in these countries, which exclude the ordinary people from even using the land, has started the people on a march for soil on which they may live and survive. The instinct of self-preservation is strong throughout the human race and all their feelings of discontent have been crystallized because so many are landless. No amount of money spent in those countries can arrest this now fanatical desire for land. Their temporary needs may be satisfied, but the fires kindled for landownership cannot be arrested.

Russia at present is a pure dictatorship, and not a pure Communist state, but its key to success is not in its armies and air forces, but in the disposition of land to the landless. The great private estates of Poland and Czechoslovakia were divided up among the people who wanted to use the land, and when they were allowed to do this they were not particular about the kind of government existing in Russia. Russia advocates this day and night—let the people have land—and when this doctrine is preached among the landless they embrace it with zeal. When others see how the people of Russia, Poland, Bulgaria, and Czechoslovakia have realized their ambition to have the use of land the doctrine spreads. Guns and billions cannot stop this movement—nothing can stop it except to have these countries that we are helping radically change their economic policy and give the people the same as the Russians give, namely, the right to use and occupy land.

Since we are financing certain countries with large landed estates amidst landless millions, we ought to insist they change their policy and make it possible for their citizens to have and enjoy the same right to land as is promised by the Reds.

We could well afford to see some of our money go for the purchase of these large landed estates, to permit the landless to occupy and use them. As we have spent our money so far, the threat of communism has not been in the least degree lessened. Armed forces will not settle the question but it could be settled if our statesmen understood that economic conditions and pressure of population cannot be permanently remedied with guns.

It is true that we may have another world war—but we do not need to have it. If we do have a war and win again as we have in two World Wars, we will still not have a settlement that will bring lasting peace. There will, in my judgment, be no peace in this world as long as a few individuals own the lands and the millions are not permitted to participate in ownership.

In this country 46 percent of the citizens own their homes and with more help from the Government this percentage must be increased. A country like ours does not feel the pinch of expanding populations as older countries do, but we must be on the alert and keep opportunities open for more of the people of the United States to own homes—if we do, there will not be and cannot be any serious threat from any "ism."

If my diagnosis of the success of communism is correct, and I think it is, we can go about the job of establishing world peace in a way that will not consume another $97,000,000,000 with no known beneficial results.

Some say we have no right to dictate to other governments what their land policy is, or has been, or is to be. That is true enough, but if we are to keep dumping billions on billions of our money into those countries we should have some control over the spending. If these countries will not take our advice, well and good, but they should be given to understand that neither will they take any more of our money.

Because of the belief I have in what is necessary to establish content among the various nations of Europe and Asia, I have consistently voted against all appropriations for the Marshall plan. It appears plain to me that the expenditure of the billions is an utter waste of money, and that the thing we are doing does not have the effect of bringing about the contentment and peace, but will prolong the struggle of the people for land. Instead of stopping the spread of communism, it will increase it. No better example of this can be found than in China, where our two billion went down the drain and only increased the ardor of the people of China for the Communist cause. No attempt was made by the National Chinese Government to devise a land policy, and if we ever did advise it, it was not carried out. As the Communist armies advanced, the national land system behind the armies was uprooted, and lands were parceled to the people. They are on that land now, and with that desire satisfied, they are not much concerned with what kind of government supplants the old National Government.

The national government could have become as solidly fixed with the millions of China as the Communist government is now, had the Nationalists granted what the people were fighting for. The national government did not do so and was defeated. Once having had a taste of the right to occupy and use the soil the people of China will never go back to the former regime.

I do not want to criticize the State Department too severely as I realize they know more about the situation than I do, but it appears to me that in spending the funds appropriated under the Marshall plan, we spend it to support governments which are in danger of being taken over by a communistic regime. We have so far gone in blindly to support the Dutch against the people of Indonesia, to support the Greek Government, to support the Italian Government, without in any way demanding that these countries change their economic policies.

The State Department, obviously, does not understand what makes communism a driving force. The communistic drive can be halted if the people lined up with that cause are given what they want—what they are fighting for—the right to occupy and use land, without paying tribute for that right.

Chief Justice Hughes in his speech at the one hundred and fiftieth anniversary of the founding of this Government said, "The people in this Government will always get what they want." That should be a good doctrine in other countries.

Ship Construction on the Pacific Coast

EXTENSION OF REMARKS

OF

HON. JOHN J. ALLEN, JR.

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Friday, August 12, 1949

Mr. ALLEN of California. Mr. Speaker, the Subcommittee on Maritime Affairs of the Committee on Merchant Marine and Fisheries has had under consideration H. R. 4190, a bill to provide for the allocation of ship-construction contracts. The hearings were recently concluded. A number of endorsements requesting favorable consideration of H. R. 4190 were forwarded to the committee and appear in the record of its hearings. There were, however, a great number of similar endorsements which were not forwarded in time to receive such consideration. Accordingly, in order that they may appear as a part of the records of the House, I am extending my remarks in the RECORD and including the telegrams, letters, and resolutions. They are the following:

COMPTON, CALIF., *August 3, 1949.*
Congressman JOHN J. ALLEN, Jr.,
House Office Building,
Washington, D. C.:
Compton City Council urges passage H. R. 4190 for best interest of Nation.
K. B. DOUGLASS, *City Manager.*

LIVERMORE, CALIF., *August 2, 1949.*
Hon. JOHN J. ALLEN, Jr.,
Washington, D. C.:
We urgently request you a "do pass" on H. R. bill 4190.
CITY COUNCIL, CITY OF LIVERMORE, CALIF.

HAYWARD, CALIF., *July 18, 1949.*
MERCHANT MARINE AND FISHERIES COMMITTEE,
House of Representatives,
Washington, D. C.:
Hayward City Council endorses H. R. 4190, a bill to allocate shipbuilding work to west coast. Solicit your support of bill.
Mayor ART PHILLIPS.

PINOLE, CALIF., *August 2, 1949.*
MERCHANT MARINE AND FISHERIES COMMITTEE OF THE HOUSE,
Washington, D. C.:
The Pinole City Council of Pinole, Calif., request a "do pass" on bill H. R. 4190.
CARRIE MOORE, *City Clerk.*

CITY OF EL SEGUNDO, *August 4, 1949.*
MERCHANT MARINE AND FISHERIES COMMITTEE,
House of Representatives,
Washington, D. C.:
City Council, city of El Segundo, Calif., believes H. R. 4190 to be desirable legislation and respectfully requests your support.
VICTOR D. MCCARTHY,
City Clerk.

OAKLAND, CALIF., *August 5, 1949.*
JOHN J. ALLEN, Jr.,
House Office Building, Washington, D. C.:
Hundreds more endorsements on the way from Washington, Oregon, and California in support H. R. 4190. Appreciate reports sent us on progress. Keep up the good work.
LABOR'S LEAGUE FOR POLITICAL EDUCATION.

PLEASANTON, CALIF., *August 2, 1949.*
MERCHANT MARINE AND FISHERIES COMMITTEE,
House of Representatives,
Washington, D. C.:
Pleasanton City Council urgently request "do pass" on H. R. 4190.
MATT JORGENSEN,
City Clerk.

VALLEJO, CALIF., *August 4, 1949.*
MERCHANT MARINE AND FISHERIES COMMITTEE,
House of Representatives,
Washington, D. C.:
The Vallejo City Council is regular session officially approves H. R. 4190 and asks the committee to do pass the bill.
MELVIN F. BROOKS,
City Clerk.

SACRAMENTO, CALIF., *August 2, 1949.*
Hon. JOHN J. ALLEN, Jr.,
House of Representatives,
Washington, D. C.:
The Sacramento City Council at its meeting on date of July 29, 1949, unanimously adopted a motion requesting a "do pass" on H. R. 4190, which bill would allocate shipbuilding work to the west coast.
H. G. DENTON,
City Clerk.

SAUSALITO, CALIF., *July 28, 1949.*
MERCHANT MARINE AND FISHERIES COMMITTEE,
House of Representatives,
Washington, D. C.:
The City of Sausalito Council refuses a "do pass" on H. R. 4190.
AMELIE L. SMITH,
City Clerk.

AUGUST 1, 1949.
MERCHANT MARINE AND FISHERIES COMMITTEE,
House of Representatives,
Washington, D. C.
GENTLEMEN: The Fresno City Commission in regular meeting assembled on Thursday, the 28th day of July 1949, went on record in favor of passage of H. R. 4190, a bill to allocate shipbuilding to the west coast, and directed me to request your honorable committee to support the passage of said bill.
Respectfully yours,
CITY CLERK.

CITY OF SAN PABLO, CALIF.,
August 3, 1949.
MERCHANT MARINE AND FISHERIES COMMITTEE,
House of Representatives,
Washington, D. C.
GENTLEMEN: The City Council of the City of San Pablo went on record at their meeting of August 1, as requesting that the H. R. 4190 be passed.
We feel that it is definitely of interest to our district.
Yours very truly,
GERTRUDE YURKO, *City Clerk.*

CITY OF SAN BRUNO, CALIF.,
July 30, 1949.
Hon. JOHN J. ALLEN,
Member of Congress, House of Representatives, Washington, D. C.
DEAR SIR: Following is a copy of telegram forwarded to the Merchant Marine and Fisheries Committee concerning H. R. 4190:
"Respectfully urge 'do pass' action on H. R. 4190.
"CITY COUNCIL, SAN BRUNO., CALIF."
The members of the council have asked me to express their appreciation of your efforts in introducing this bill to the House.
Respectfully yours,
CITY OF SAN BRUNO,
RALPH E. WOODMAN, *City Clerk.*

DALY CITY, CALIF., *July 28, 1949.*
Congressman JOHN J. ALLEN, Jr.,
Seventh Congressional District,
Washington, D. C.
DEAR SIR: The following wire was sent to the Merchant Marine and Fisheries Committee of the House of Representatives on July 28, 1949:
"The City Council of the City of Daly City wishes to endorse and earnestly urges the passage of H. R. 4190, bill providing for the allocation of some of the Nation's shipbuilding work to the Pacific coast.
"Sincerely,
"CITY OF DALY CITY COUNCIL."
Yours truly,
B. C. ROSS, *City Clerk.*

REDWOOD CITY, CALIF., *July 26, 1949.*
Hon. JOHN J. ALLEN, Jr.,
Congressman, Seventh District, California, Washington, D. C.
DEAR CONGRESSMAN: City Council of the City of Redwood City, Calif., at their meeting last night endorsed bill H. R. 4190, and I have today wired the Merchant Marine and Fisheries Committee as follows:
"City Council, City of Redwood City, Calif., urges approval and passage bill H. R. 4190, allocating shipbuilding work to the Pacific coast. We feel passage of this bill is vital to this area."
This was done in cooperation with several city councils and board of supervisors in the bay area. This for your information.
Yours very truly,
R. S. DODGE, *City Clerk.*

In the Board of Supervisors of Contra Costa County, State of California, Monday, July 18, 1949. Present: Hon. W. J. Buchanan, chairman

In the matter of endorsement of H. R. 4190, pending in the United States Congress.

Whereas H. R. 4190, a bill to allocate shipbuilding work to the west coast, is before the Merchant Marine and Fisheries Committee of the House, said bill having been introduced by Representative JOHN J. ALLEN, Jr., of the Seventh California District; and

This board having fully considered said bill, and on motion of Supervisor Ripley, seconded by Supervisor Taylor, it is by the board ordered that this board go on record as approving said bill, and that same be favorably considered by the Merchant Marine and Fisheries Committee of the House and by the United States Congress; and

The clerk of this board is authorized and directed to wire Hon. JOHN J. ALLEN, Jr., Representative, and the Merchant Marine and Fisheries Committee of the board's approval of said bill.

The foregoing order is passed by the unanimous vote of the board.

I hereby certify that the foregoing is a true and correct copy of an order entered on the minutes of said board of supervisors on the date aforesaid.

Witness my hand and the seal of the board of supervisors, affixed this 25th day of July 1949.

[SEAL] W. T. PAASCH, *Clerk.*
By R. M. BILLECI,
Deputy Clerk.

CITY OF LONG BEACH, CALIF.,
August 8, 1949.
MERCHANT MARINE AND FISHERIES COMMITTEE,
House of Representatives,
Washington, D. C.:
City Council of Long Beach unanimously adopted a motion urging a "do pass" on H. R. 4190.
C. G. ROSEBERRY, *City Clerk.*

LODI, CALIF., *August 5, 1949.*

Hon. JOHN J. ALLEN, JR.,
House of Representatives,
Washington, D. C.

DEAR SIR: On behalf of the city council of this city, I am wiring the House Committee on Merchant Marine and Fisheries requesting favorable action by that committee on H. R. 4190, relating to allocation of ship building work to the Pacific coast.

We appreciate your efforts to return ship building to our west coast communities.

Sincerely,
H. D. WELLER, *City Manager.*

CONCORD, CALIF., *July 26, 1949.*

Hon. JOHN J. ALLEN, JR.,
Seventh Congressional District,
Washington, D. C.:

City council of Concord, Calif., approve passage of H. R. 4190 and urge your support.
W. E. BALLENGER, *City Clerk.*

SHIPYARD AND MARINE SHOP
LABORERS, LOCAL 886,
Oakland, Calif., July 26, 1949.

Hon. JOHN J. ALLEN, JR.,
House Office Building,
Washington, D. C.

DEAR CONGRESSMAN ALLEN: For your information, our local union took official action at our July 22, 1949, meeting to dispatch the following telegram to the committee handling your resolution 4190:

"We urge your honorable body to take favorable action on H. R. 4190. It is in the interest of national defense and preservation of existing shipyard facilities and personnel that this resolution be passed."

Hoping this action by our union will assist in passage of the measure and if we can be of further assistance, please call on us.

Very truly yours,
T. E. GEORGE,
Corresponding and Recording Secretary.

REDONDO BEACH, CALIF., *August 10, 1949.*

Hon. JOHN J. ALLEN, JR.,
House of Representatives,
Washington, D. C.:

Please be advised that the city council of Redondo Beach, Calif., has officially gone on record as favoring H. R. 4190, a bill to allocate shipbuilding work to the west coast.
EVAN E. PETERSON, *City Manager.*

AUGUST 12, 1949.

MERCHANT MARINE AND FISHERIES COMMITTEE,
House of Representatives,
Washington, D. C.:

Petaluma (Calif.) City Council requests a "do pass" on H. R. 4190.
J. S. WOODSON, *Mayor.*

THE BOARD OF SUPERVISORS
OF MARIN COUNTY,
San Rafael, Calif., August 8, 1949.

Hon. HUBERT B. SCUDDER,
House of Representatives,
Washington, D. C.

DEAR MR. SCUDDER: At a regular meeting of the board of supervisors held this date, a letter was read from R. J. Brennan, chairman of Labor's League for Political Education of Shipyard Laborers, local 886, requesting the board to give their support to the passage of H. R. 4190, a bill to allocate shipbuilding work to the west coast.

The clerk was then directed to address a letter to you stating that the board approved the passage of said bill.

Very truly yours,
GEO. S. JONES, *Clerk.*

Will United States Dairy Cattle Be Purchased for Italy?

EXTENSION OF REMARKS
OF
HON. REID F. MURRAY
OF WISCONSIN
IN THE HOUSE OF REPRESENTATIVES
Friday, August 12, 1949

Mr. MURRAY of Wisconsin. Mr. Speaker, many livestock people are inquiring as to whether or not Marshall plan money will be used to supply dairy cattle to Italy.

Wisconsin has long been recognized as the largest primary dairy cattle market in the world, and shipments of foundation stock have gone to nearly all parts of the world. Under UNRA thousands of dairy cattle of different breeds have been shipped.

I include in my remarks the following letter received from the Acting Administrator of the Economic Cooperation Administration:

ECONOMIC COOPERATION
ADMINISTRATION,
Washington, D. C., August 10, 1949.

Hon. REID F. MURRAY,
House of Representatives.

DEAR MR. MURRAY: This is in reply to your letter of August 4, 1949, regarding a report that a substantial amount of ECA funds would be programed for the purchase of cattle in Canada and Holland for shipment to Italy.

Some time ago the ECA mission from Italy submitted a request for a procurement authorization to cover the purchase of Holstein cattle in Canada. At that time we discussed this request at some length with a representative of the Italian delegation and suggested that they submit full details regarding the plan of dairy-cattle improvement in Italy, of which such imports were to be a part. They were requested at that time to give consideration to the availability of cattle of comparable quality in the United States. Information regarding these discussions was transmitted to our mission in Italy.

Since that time we have had no further request from the Italian delegation and it appears unlikely at this time that their request will be renewed. In fact, it has been reported here that purchases have been made in Canada for export to Italy with funds other than those supplied by ECA. ECA has not authorized the use of any funds for the importation of live cattle to Italy. If the Italian representatives again indicate an interest in utilizing ECA funds for the purchase of dairy cattle in the Western Hemisphere you may be sure that the interests of United States producers will be considered fully before any procurement authorization is issued in such connection.

It is quite possible that Italy may be importing cattle from Holland. If so, this would be with the use of funds other than those made available under procurement authorizations issued by ECA.

Your continued interest in the ECA program is very much appreciated.

Sincerely yours,
WILLIAM C. FOSTER,
Acting Administrator.

Cotton Production in California

EXTENSION OF REMARKS
OF
HON. CECIL F. WHITE
OF CALIFORNIA
IN THE HOUSE OF REPRESENTATIVES
Friday, August 12, 1949

Mr. WHITE of California. Mr. Speaker, the district I represent, the Ninth District of California, lies in the heart of the great San Joaquin Valley. Very often, when we refer to our valley as the richest farming area in the world, we are accused of boasting, but actually we are merely stating the facts. Truly the San Joaquin Valley, and the Ninth California District in particular, is a miracle-land for the production of food and fiber. A traveler through the Ninth California District is amazed at the endless miles of orchard lands, and vineyards, and fields of vegetables, and rows of cotton.

It has become commonplace for the counties of the Ninth California District to be listed among the leading agricultural counties of the Nation in the matter of production. Our latest record has been set as the leading California county in the production of cotton. The following article from the Fresno Bee of August 6 illustrates my point:

FRESNO IS STATE'S TOP COTTON COUNTY, SECOND IN NATION

Fresno County today was disclosed as the first cotton-growing county of California and the second heaviest producer in the United States.

A compilation of cotton-growing data by the United States Department of Commerce shows Fresno County in 1948 produced 278,402 bales of the seed and fiber crop.

Alone exceeding the Fresno County total is Mississippi County in Arkansas, which grew 290,574 bales last year.

Kern County is rated second in California in the production of cotton, with 275,533 bales.

Kern County, however, tops Fresno County in the number of bales ginned, with 281,813 bales to Fresno's 263,355.

Local cotton industry representatives said a considerable amount of the cotton grown in Fresno County is trucked to Kern County for processing, accounting for the discrepancy in the department's figures.

Social Security Revision To Increase Benefits Is a Necessity and Should Be Done Without Delay

EXTENSION OF REMARKS
OF
HON. CHARLES A. WOLVERTON
OF NEW JERSEY
IN THE HOUSE OF REPRESENTATIVES
Thursday, August 11, 1949

Mr. WOLVERTON. Mr. Speaker, revision of the social-security law so that increased payments may be paid to beneficiaries is a matter of prime importance. It should be done without delay. The necessities of those who come within the

law is immediate. Therefore, Congress should act immediately to relieve them. There is no good and sufficient reason to justify further delay. If it is not acted upon by Congress before it takes a recess then the whole subject will go over until next year. This will mean that probably a year will elapse before any additional help becomes available, assuming that the bill is passed, and I certainly hope it will be. The Committee on Ways and Means, which has had the matter under consideration for several months, announces that it is ready to make a report. The Rules Committee should immediately, as soon as the bill is reported, grant a rule to bring it before the House for action before any recess is taken. It would be shameful, in my opinion, for Congress to recess without taking action over this very necessary revision of the social-security law.

The correspondence which I receive leaves no doubt of the necessity of increasing benefits to the aged and other beneficiaries coming within the provisions of the present law. It is impossible for them to exist on any proper standard of living, with the meager benefits now being paid. It has now been 10 years since there was any general overhauling of the law. Since that time the cost of living has reached unparalleled heights. The payments of the act now in force do not meet the need that exists. Furthermore, the limited amount the present law permits beneficiaries to earn to add to the insufficient amounts they receive is not sufficient. Certainly we do not wish our aged to be required to live on a substandard basis. Our national wealth and resources have been literally poured out to aid those in less-favored countries who have experienced the ravages of war. It is well that we should help them, but there is no reason that we should neglect or overlook the needy on our own land. It is our bounden duty to care for them in a way that will remove the actual distress they now experience.

It has been announced that the bill soon to be reported will also, in addition to increasing old-age benefits, increase the number of persons coming within the retirement provisions of the Social Security Act. These last-mentioned persons, as is well known, receive payments upon retirement based upon their earnings over a period of years and upon which a Federal tax has been paid, both by them and the employer. The additional classes of workers now to be brought by the provisions of the bill within the coverage of the act are as follows: Certain classes of self-employed, State and local governments—subject to agreement by the States; employees of nonprofit organizations; Federal employees not now covered; domestic servants and miscellaneous categories. The total number of these new classes will be approximately 11,500,000. For both workers and employers the tax rate will be 1 percent at the start and gradually reaching over a period of years to a maximum of 3 percent. This additional coverage is most appropriate.

An editorial in the Courier-Post newspaper of Camden, N. J., on Thursday, August 11, 1949, so clearly sets forth this whole matter that I have included it as part of my remarks in accordance with the consent of the House granted to me. It reads as follows:

SOCIAL SECURITY REVISION COULD BE MADE THIS YEAR

After many months of deliberation the House Ways and Means Committee has agreed on changes in the social-security structure which, if adopted, will constitute its first general overhauling since 1939.

The changes in some respects comply fully with those President Truman recommended in his message to Congress. In others they do not.

On the highly important question of increasing present benefits, the committee endorses Mr. Truman's proposal for minimum old-age pensions of $25 a month instead of the present $10, minimum family benefits of $150 instead of $85, and scaled increases all along the line which would boost benefits 80 percent on the average.

The President's proposal to lower the retirement age for women from 65 to 60, however, is rejected. So is the plan to include farmers and farm workers—totaling about 9,000,000—in the social-security system. Administrative difficulties are given as the reason for the latter action.

About 11,000,000 persons would be added to the system, however, under the committee's program. These would include 4,500,000 self-employed; 4,000,000 State and local government workers (subject to States agreeing); employees of nonprofit organizations, numbering 600,000; about 750,000 domestic servants; 1,110,000 Federal employees not now under retirement programs; and 500,000 in miscellaneous categories.

Other liberalizing provisions:

Old-age benefit recipients might earn, without jeopardizing their payments, up to $50 a month instead of the present $14.99.

Permanent and total disability would bring benefits, after a 6-month waiting period, to workers equal to those they would have received on reaching retirement age.

Veterans would be credited for old-age benefits for their military service as if they had been employed at $160 a month.

In order to meet the cost of the more liberal benefit program, the committee proposes that pay-roll taxes be collected, both from workers and employers, up to the first $3,600 of annual income instead of the present $3,000.

The tax rate of 1 percent would rise to 1.5 percent next January, 2 percent on January 1, 1952, and eventually to 3 percent, in all cases on both worker and employer.

The committee's program, as announced by Chairman DOUGHTON, is not a formal favorable report of a bill, but agreements reached on major features of a bill which will be drafted and reported out soon.

Before the changes can become law they will have to be approved by both House and Senate, and because of the legislative pile-up in both branches of Congress, Washington feels there is little chance of a law being passed at this session.

There is a possibility that the House may act on the bill, but even if it does the Senate will probably want to hold extended hearings on it and make revisions of its own, or even write a bill of its own.

Hence the emphasis being placed in the Washington stories on the fact that the committee's announcement does not necessarily, or even probably, mean the changes will go into effect until well along in 1950.

It is a fact, however, that social-security pensioners have been waiting for years for a more liberal program and that there is much justice in their insistence that benefits should be immediately brought up to a scale more nearly in proportion to the increased cost of living. Such a change is already long overdue.

There seems little prospect now that Congress can adjourn before the end of the summer at the earliest, and while it remains in session it is still possible to push a social-security bill through this year.

Much pressure will be brought to bear to this end, despite the difficulties of obtaining action before 1950.

Will State Department Now Recognize Chinese Communists?

EXTENSION OF REMARKS

OF

HON. LAWRENCE H. SMITH

OF WISCONSIN

IN THE HOUSE OF REPRESENTATIVES

Friday, August 12, 1949

Mr. SMITH of Wisconsin. Mr. Speaker, under leave to extend my remarks, I am including an editorial which appeared in the Washington News of today entitled "Don't Recognize Chinese Reds":

DON'T RECOGNIZE CHINESE REDS

When the smear, the whitewash and the window dressing are eliminated from the State Department's white paper on China policy, it can be seen that the essential issue between Chiang Kai-shek and our Government was communism.

Chiang knew the Chinese Communists were Moscow-directed, and wanted nothing to do with them. Our Government insisted he could and should do business with them.

Chiang was right. Our Government was wrong. Great damage has been done by its mistake. But what do we do now?

The basic issue remains unchanged. It is communism. Our alternatives are to oppose it, as we are doing in Europe, or to appease it, as we have done and are doing in China and the rest of Asia.

It is quite obvious what the State Department wants to do. It wants to recognize and do business with the Chinese Communists. Don't ask us why. Ask the State Department.

American policy has been pointed toward that objective for 4 years. The Marshall mission was designed to further that purpose. The Wedemeyer report was suppressed because it offered an alternative to that program. Our official attitude was revealed when the Communists were advancing on Nanking months ago. Although our Ambassador was accredited to the Nationalist Government, on State Department orders he did not follow that Government when it fled to Canton. He remained in Communist-held Nanking and attempted to establish relations with the new regime. He was unsuccessful only because the Communists weren't ready to do business with us.

British Foreign Minister Bevin will visit Washington next month. One of the purposes of his visit is to seek to coordinate American-British policies on China. That is nothing new. The State Department and the British Foreign Office have been discussing the subject for months. Now a statement of policy may be in the offing.

Britain wants to placate the Communists if it can, to protect British investments in Shanghai and to prevent an attack upon the crown colony at Hong Kong. Why the United States should consent to be the cat's-paw in such a futile venture hasn't been revealed. But we may be sure the State Department will have a glib answer when the time comes to let the public in on its intentions.

Recognition of the Chinese Communists would confirm Russia's title to Manchuria. It would give Russia another vote in the Security Council and in the Japanese war settlement. It would permit the fifth column in China to obtain the things it needs to complete the Communist conquest of Asia.

Congress can prevent this, if it will. But it should act, and act now, by serving notice on the State Department by joint resolution that it will not submit to any such betrayal of American interests.

Government Reorganization

EXTENSION OF REMARKS
OF

HON. CHET HOLIFIELD

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Friday, August 12, 1949

Mr. HOLIFIELD. Mr. Speaker, under unanimous consent, I include the script of a radio-interview broadcast between Mr. Lief Eid and myself in the Appendix of the RECORD and to include therewith two editorials on the same subject, which appeared in the Washington Post of August 6 and August 10, 1949:

Mr. EID. Good evening, ladies and gentlemen of the radio audience, this is Leif Eid in Washington with "Pro and Con." Tonight we are to discuss one of the important changes in the Government recommended by Herbert Hoover, former President of the United States. Most of us are familiar in general with the recommendations made by the Hoover Commission which are designed to make the operation of the executive branch of the Federal Government more efficient and more economical.

President Truman has strongly urged adoption of major portions of the Hoover Commission Report. And, in the Senate right now, consideration is being given to one of the most important of these reorganization plans—the recommendation by President Truman that a Department of Welfare be established to handle matters of education, health, and social security. In the studio tonight to discuss this recommendation is Congressman CHET HOLIFIELD, Democrat, of California, who is chairman of the Subcommittee on Reorganization of the Legislative and Executive Branches of Government.

When will this proposal become effective, Congressman HOLIFIELD?

Mr. HOLIFIELD. Under the reorganization law the proposal to create a new Cabinet post to be called the Department of Welfare will become law on August 20 unless one of the Houses of Congress objects.

Mr. EID. Is there any possibility that this reorganization proposal may be objected to?

Mr. HOLIFIELD. Yes, Leif, there is a possibility. The Senate Expenditures Committee has already passed an adverse resolution. I doubt whether the full Senate will approve such a resolution, but certainly it could happen.

Mr. EID. But why, if the reorganization plan which involves a creation of a Department of Welfare was recommended by both a Republican, former President Hoover, and by President Truman, why would there be opposition? Actually the Hoover Commission is nonpartisan, isn't it?

Mr. HOLIFIELD. Yes, the Hoover Commission is nonpartisan, but it's still a complicated question, Leif. It boils down to this—many organizations have confused, for one reason or another, the debate over national health insurance with the President's plan to reorganize the Government. Actually, of course, they are two completely separate items.

Mr. EID. Where does the opposition come from, Mr. HOLIFIELD?

Mr. HOLIFIELD. Well, generally the forces opposed to the establishment of a national health insurance program are also opposed to the establishment of a Department of Welfare.

Mr. EID. For example?

Mr. HOLIFIELD. The American Medical Association is one of the major opponents.

Mr. EID. What do you feel is the real issue involved?

Mr. HOLIFIELD. It is vital, I think, that we have a Federal department with Cabinet rank primarily concerned with the fundamental human problems that are the chief concern of people today—their health, education, security, and general well-being. This has no bearing at all on the issue of national health insurance.

Mr. EID. But doesn't the Federal Security Agency handle those human problems now?

Mr. HOLIFIELD. Yes; to some extent, Leif, but it doesn't have a completely integrated operation which would be economical in terms of money, time, and effort. You see, the Federal Security Agency is like Topsy—it just grew. It is a loose collection of bureaus and Federal agencies which have little coordination because they were set up piecemeal and grew separately. What we need to solve the problem today in this field is a thoroughly reorganized set-up that will give us the benefit of good administration at all levels.

Mr. EID. I thought that the Federal Security Agency was only a recent thing. Why does it need to be reorganized now, Mr. Holifield?

Mr. HOLIFIELD. In 1937 President Roosevelt appointed a commission to survey the Government's administrative work. It reported that the Government was in a sad muddle of overlapping responsibility and administrative weakness. It is true that the Reorganization Act of 1939 improved this situation by establishing the Federal Security Administration. But it wasn't enough. And the weaknesses in organization have become apparent through the stress and strain of, first, the war, and now of our jet-propulsion age.

The 1939 act did seek to consolidate the bureaus having similar functions and to eliminate those which had become unnecessary. But more than half of the total Federal services in the field of health, education, and welfare are still scattered among Federal agencies. For instance, various aspects of care of the blind are now divided among seven Government agencies or departments.

Mr. EID. Situations like that must be confusing to the people the Government is trying to help.

Mr. HOLIFIELD. It's confusing to everybody, Leif. It is difficult for the people who are supposed to be helped, and it is difficult for the Government workers who are trying to do a good job. You know, sometimes our Federal Government, which is supposed to be working as a team to achieve some goal, is more like a baseball team with nine players and nine managers than like a team with nine players and one manager.

Mr. EID. Well, I don't think a team with nine managers would be able to win many games.

Mr. HOLIFIELD. Of course not. But when Government agencies and Government services grew up piecemeal it is a wonder that things work out as well as they do. One of the amazing things about Government reform is that everybody professes to be for a streamlined organization, but when specific streamlining programs are made, there is always a sizable group somewhere which believes it can do better under the old system than under a new one. Also, quite often the attitude is: "These things are for other people but not for me."

Mr. EID. What are some of the specific arguments that have been advanced against formation of a Department of Welfare?

Mr. HOLIFIELD. Well, I think the real opposition has nothing at all to do with the real merits of the case. Let's be frank about this. The foes of the measure are equally frank in their private conversations. They feel that if the Department of Welfare were authorized and Mr. Oscar Ewing appointed to the post, he would attract more favorable publicity in his advocacy of the President's national health program.

Mr. EID. Granting that this has no direct bearing on the merits of the proposal, still I think our listeners would like to know your answer to that charge, Congressman HOLIFIELD.

Mr. HOLIFIELD. Well, Leif, I think there is an answer. Who is the major advocate of national health insurance? It is President Truman. Naturally, Oscar Ewing as Federal Security Administrator favors the President's health program. The President would not have been likely to appoint him if he did not support the program. But the opponents of health insurance—and they are spending millions a year in propaganda—like to talk about the perils of propaganda from a Department of Welfare. The truth is that the law is very explicit in limiting publicity activities of Government officials and agencies. The Secretary of a Department of Welfare would be more strictly controlled than a Federal Security Administrator, since he would have direct control over agencies involved in such possible activity, and thus would be directly responsible for their actions. The new plan offers more control over alleged propaganda, not less.

Mr. EID. What are some other arguments involved, Mr. HOLIFIELD?

Mr. HOLIFIELD. The record will show that the principal objection to the creation of a Welfare Department stems from leaders of the organized medical profession through the medium of the American Medical Association. The AMA it seems, is fearful that the new Department of Welfare is just a grand scheme for promoting socialized medicine. Nothing could be further from the truth. President Truman favors a comprehensive program of health insurance (which is certainly not socialized medicine) but whatever decisions are to be made for the improvement of medical care will be made by the Congress. The Department of Welfare created by the President through the reorganization plan will carry on existing activities of the Federal Security Agency—activities already prescribed by law. It is unfortunate and rather ironic that the medical profession, which above every other calling is intimately concerned with the health and well-being of the individual, should be so blindly opposed to the Department of Welfare.

Prematurely, and unwisely, the AMA by this opposition is trying to create a test case on national health insurance—an issue not involved in the present plan. Already in the first 6 months of 1949, the AMA has expended $508,397—more than half a million dollars—for lobbying activities against a Government program of health insurance. The AMA slush fund, built up by a $25 levy on each doctor in the organization, now amounts to almost $2,000,000.

This is lobbying with a vengence. It makes the five-percenters and other would-be salesmen of influence look like small potatoes.

Mr. EID. Mr. HOLIFIELD, Senator TAFT stated that the Welfare Department plan violated the Hoover Commission recommendations, chiefly because it did not provide for the United Medical Administration.

Mr. HOLIFIELD. Mr. Hoover stated categorically that Reorganization Plan No. 1 did

not violate any of the Hoover Commission recommendations, but instead that it was an important step in the right direction. Mr. Hoover endorsed the plan wholeheartedly. I think that answers the Taft argument. As a matter of fact, Senator Taft insisted that, if a Department of Welfare is to be created, it should be a loose holding company with a professionally qualified under secretary in charge of virtually independent subdepartments of health, education, and security. He specifically said that he believed each of these under secretaries should have even greater autonomy than the Secretaries of the Army, Navy, and Air, under the original armed forces unification scheme. He inferred that, by failing to meet his requirement in this respect, Reorganization Plan No. 1 again was in violation of the Hoover Commission recommendations.

Mr. EID. I've heard that argument. Can you comment on it?

Mr. HOLIFIELD. Senator TAFT'S proposal would be a direct violation of the basic Hoover Commission recommendations on the principles of executive management, of its specific recommendation for a Department of Welfare, and of Mr. Hoover's personal recommendations.

Concepts of modern management, as the Hoover Commission pointed out, require authority and responsibility to be located in the department head, who can organize his department, delegate duties, and be held fully accountable to the President and the Congress. Establishment of a Department of Welfare will bring the welfare activities of the Government into a more efficient and up-to-date administrative arrangement.

Mr. EID. The assertion was made repeatedly at committee hearings that the Public Health Service is subordinated to the Social Security Administration in the Federal Security Agency, and would be even more subject to domination in a Department of Welfare.

Mr. HOLIFIELD. I'm glad you raised that point. The Public Health Service has grown faster during its 9 years in the Federal Security Agency than in all the rest of its long history. Today it is by far the largest unit in the agency, with 17,000 employees as compared with 13,000 for the Social Security Administration.

Programs of the Public Health Service are more extensive, account for more money administratively, and affect more people. It is simply false to say that the Service or any of its programs is subordinated to or dominated by the Social Security Administration or any of its programs.

Mr. EID. This has been very informative, Mr. HOLIFIELD. I've been doing a little clock watching and we have just about enough time left for you to sum up the arguments briefly which you believe prove that our Federal Government should include a Department of Welfare in the Cabinet.

Mr. HOLIFIELD. The Government is now engaged in a multitude of activities which affect the welfare of every American citizen—social security, health, education—other activities that involve helping our people, conserving our human resources. It is not a question of adding new activities. The Government is already acting in these fields by congressional authorization. But there is no one agency that is responsible. There is no one man in charge of these activities, to see that they are efficient and do not overlap or conflict. The plan I advocate is pretty obvious. Put one department in charge of human welfare services. Put one man in charge of that department. Fix the responsibility for doing a good job and cutting expenses. We have a cabinet post for the man who is most concerned with our natural resources. I think that human resources are important enough to rank in the Cabinet along with natural resources. Certainly people are more important than commodities or raw materials.

In my opinion, the Department of Welfare plan is the number one plan of reorganization.

This plan will achieve a goal repeatedly sought by President Truman and advocated for more than a quarter of a century by leading representatives of both political parties.

The enactment of this plan will be a reaffirmation of the basic principle of our democracy—that the welfare and security of the individual is the paramount responsibility of government.

That is my case for establishing a Department of Welfare.

[From the Washington Post of August 6, 1949]

REORGANIZATION CHECK

Rejection by the Senate Expenditures Committee of the President's No. 1 Reorganization Plan creating a new Department of Welfare is a foretaste of trouble ahead. For it is certain to lead to a lively debate in the Senate over the proposal to transfer the Public Health Service, along with most of the other functions of the Federal Security Agency, to the new department. If an adverse vote from the floor prevents the President from carrying out his program, the chances of smooth sailing for other pending reorganization plans embodying changes of a controversial nature will be seriously impaired.

The arguments in favor of giving the Federal Security Agency departmental status seem to us compelling, both because of its size and the importance of its activities in the field of social insurance, health, and education. We also believe that if the new agency is to function with maximum efficiency, it should be given jurisdiction over health services which are closely interrelated with education and security. To set up an independent United Health Service, as recommended by the Hoover Commission, would seriously cripple the proposed Department of Welfare. For, as Messrs. Acheson, Aiken, and Rowe, all members of the Hoover Commission, stated in a dissenting opinion, "One need not be an expert to understand that an individual's health, education, and security are inseparable. * * * The interrelationship and interdependence of health, education, and security are equally self-evident when we deal with governmental organization as when we discuss the well-being of the individual." Hence, they concluded that coordination at the Federal level in health, education, and social-security fields is the key to effective Federal administration.

There is unquestionably need in the interest of economy and efficiency for the integration of medical services provided by numerous Government agencies at great cost to taxpayers. It was only because of the size and variety of these activities that the Hoover Commission recommended creation of an independent set-up instead of an agency subordinate to the Department of Welfare. Such a divorce of interrelated functions would, in our opinion, for reasons already given, impair the effectiveness of the proposed Department of Welfare and, as critics have pointed out, cause more of the very organizational confusion that reorganization plans aim to reduce to a minimum.

Since plans for the new department involving transfers to and from other agencies are still incomplete, there will be opportunity for expanding, strengthening, or modifying them after the initial try-out. Moreover, as the President has told Congress, his proposals will not interfere with other recommendations of the Hoover Commission in this field or prevent Congress from dealing with any of them by statute. If either branch of Congress vetoes the program as presented, in face of these assurances, a much-needed organizational reform is likely to be indefinitely delayed.

[From the Washington Post of August 10, 1949]

WELFARE DEPARTMENT

All over the country today, people working in the fields of health, welfare, and education are experiencing a bitter disappointment because of the action of the Senate Expenditures Committee in recommending against Reorganization Plan No. 1 to elevate the Federal Security Agency to a department of welfare.

It seems most unfortunate that the wholly irrelevant issue of health insurance should be permitted to confuse the simple issue of giving these functions the prestige and recognition of Cabinet representation. No program of health insurance can be undertaken by the proposed department or any other Federal agency unless Congress enacts a law for that purpose, which is not soon likely. On the other hand the present social-insurance and grant-in-aid programs of the Federal Security Agency, widely supported and noncontroversial in character, have reached a scope which leaders in these fields have long felt warranted a regular department at the Cabinet level.

As evidence of this support the following is pertinent: In 1947 the American Council on Education and the National Social Welfare Assembly, central clearinghouse organizations for virtually all national associations in these fields, set up a joint committee composed of a group of distinguished and representative leaders in all areas of health, welfare, and education. Many meetings were held, a careful report was prepared and recommendations made for a combined department as proposed in Reorganization Plan No. 1. Among other things this report recommended that "an executive department of health, education, and security, headed by a secretary of Cabinet rank, be established at this time by the Congress of the United States" and further "that this objective be accomplished by legislation converting the existing Federal Security Agency into such an executive department and transferring the powers and duties of the agency and its administrator to the new department and its secretary." This is exactly what Reorganization Plan No. 1 does.

Earlier in 1945 the committee on reorganization of community services of the Woman's Foundation, of which Mrs. Agnew Meyer and Dr. Leonard Mayo, vice president of Western Reserve University, served as cochairmen, likewise recommended "an inclusive Federal department of education, health, recreation, welfare, and social insurance." This committee, likewise, was composed of distinguished representatives in these fields. Many previous proposals had been made going back to the Harding administration.

At the recent hearings on Reorganization Plan No. 1 statements in behalf of the plan were submitted by the following organizations among others: American Public Health Association, American Council on Education, American Public Welfare Association, Congress of Industrial Organizations, American Federation of Labor, American Legion, Family Service Association of America, National Association for the Advancement of Colored People, Council of Social Action of the Congregational Church, American Association of Social Workers, National Federation of Settlements, Disabled American Veterans.

I have cited these facts as evidence that this proposal for a department of welfare represents the historical culmination of long-felt aspiration on the part of an important segment of American life.

It is hoped that the Senate will recognize this proposal as such, and permit the plan to become law, thus giving to millions of Americans the reassurance that the welfare of our own people is a concern of Government on an equal footing with our foreign affairs, our national defense, agriculture, business, labor, natural resources, and law enforcement.

ELIZABETH WICKENDEN,
Washington Representative,
American Public Welfare Association.

China—State Department Has Been Second Guessing on China

EXTENSION OF REMARKS
OF
HON. LAWRENCE H. SMITH
OF WISCONSIN
IN THE HOUSE OF REPRESENTATIVES
Friday, August 12, 1949

Mr. SMITH of Wisconsin. Mr. Speaker, Clyde Farnsworth, who is in Canton, China, sends an interesting report on the Chinese situation as it has been influenced by the conduct of the State Department. He is on the ground and has the feel of the situation. He, too, points out that great damage was done at Yalta. In fact, it was a sell-out of our great ally to the now infamous Joe Stalin. The loss of Manchuria by Roosevelt's action at Yalta will forever be condemned by historians. Mr. Speaker, I am including Mr. Farnsworth's article at this point.

SECOND GUESSING ON CHINA

(By Clyde Farnsworth)

CANTON, August 12.—The Chinese Nationalists wonder if the United States State Department would be any happier about China today if it had succeeded in bringing about a Communist-Nationalist coalition 3 years ago. And whether China and the world would be better off.

Their guess is "No."

This excursion into afterthought probably would be idle and unimportant if State Secretary Acheson, reviewing American-Chinese relations last week, hadn't gone to considerable length to justify that ill-favored peacemaking effort of 1946. He concluded that had been the only thing to do under the circumstances after the end of the war with Japan.

Although some in the Nationalist camp more recently have flirted with the idea of honorable peace with the Communists—coalition on worse terms than were available from the Reds in 1946—the prevailing thought probably was well expressed by one official:

"Communism cannot be checked by political compromise. If Gen. George C. Marshall had worked out a coalition, if there hadn't been 'such deep personal bitterness and such irreconcilable differences,' as Mr. Acheson put it, China already would have been swallowed up."

The principal stumbling blocks for General Marshall were the Communists' refusal to nationalize (that is, give up) their armies and Chiang Kai-shek's refusal to deal with them on any other basis.

Also, on a what-might-have-been basis, the Nationalists were gratified by Mr. Acheson's publication of Lt. Gen. A. C. Wedemeyer's version of what ought to have been done in 1947.

People I've talked to still are somewhat puzzled by suppression of General Wedemeyer's findings from September 1947 to August 5, 1949, when they were published in the white paper.

They doubted that fear of offending the Chinese Nationalist Government by disclosing the Wedemeyer suggestion of a five-power guardianship for Manchuria was the reason his report was suppressed.

Instead of being offended by the Wedemeyer proposal on Manchuria, at least some Nationalists believe it might have been an acceptable and effective repair for the damage done at Yalta. It was at Yalta that Americans, as Mr. Acheson said, paid the requisite price for Russian commitment to attack Japan.

That price—another secret which the Chinese were not permitted to share until long afterward—was substantial restoration of the rights Czarist Russia once enjoyed in Manchuria. The Nationalist Government was required by the United States to embody Manchurian concessions in the Chinese treaty with Russia which was signed after Japan surrendered.

Though pledged to respect Chinese sovereignty in Manchuria and to recognize and assist only the Nationalist Government, the Russians looted Manchurian factories, armed Chinese Communists with captured Japanese weapons, shut the Nationalists out of Port Arthur and Dairen and set about indoctrinating Japanese prisoners of war to be fifth columnists when they returned to Japan.

Mr. Acheson said secrecy was imposed on General Wedemeyer's report simply because publication at the time of a suggestion for "alienation of a part of China from control of the Nationalist Government" wouldn't have been helpful.

The fact was that General Wedemeyer's favorable opinion of Chiang Kai-shek's leadership was considerably at odds with the prevailing State Department view, as were also his recommendations of military and economic aid. The Wedemeyer proposals were never laid before the Nanking Government.

The Chinese appreciate face saving. The Nationalist officials never expected the State Department to admit a major mistake anywhere along the line.

Rally to the Marines

EXTENSION OF REMARKS
OF
HON. DANIEL J. FLOOD
OF PENNSYLVANIA
IN THE HOUSE OF REPRESENTATIVES
Friday, August 12, 1949

Mr. FLOOD. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following editorial from the Reading (Pa.) Times of July 26, 1949:

RALLY TO THE MARINES

Fears are being expressed that in the move to unify the Army, the Navy, and Air Force, that gallant body, the Marine Corps, may be "unified" into oblivion, wiping out a tradition, a legend that was more real than legendary—that where the fighting was toughest, there always were the marines.

Thinking men and women must feel a bit alarmed by this drive for centralization which would enhance one branch of the military at the expense of all the others. Certainly, the Nation must think about the economics of the thing—in the Army it is the logistics. Surely we cannot tolerate autonomy on the part of any service or for each of them if it means costly maintenance and pointless duplications, waste, extravagance, and inefficiency.

The spectacle of the Army and the Air Force outvoting the Navy on the supercarrier issue purely as a matter of rivalry and race for preferred position is not a healthy one if it jeopardizes the Nation's over-all defense and security.

When we start friction within our armed forces, then we are indeed approaching a sorry state. Rivalry, within bounds, is one thing. Friction, with destruction of any unit as summary vengeance, is something else. It is something that must not come to pass.

The Army has its place and its traditions, just as its various branches, the infantry, the cavalry, and the artillery had their rivalries. In later years came the air branch. The Navy, too, has a very definite place and also hallowed traditions. And for 173 years, the marines have been a symbol of American strength, American fighting prowess, of American toughness in face of the worst obstacles. It has been an elite corps of specialists. It was not a place for "namby-pambies." It had a pride in volunteering for the toughest of assignments and carrying them out.

Who shall say that such a force was not an asset to the Nation's defense? Who shall say the deeds of the marines did not spur other branches to emulate them? Who will say that the marines' glory did not spur men to volunteer, first for the marines, and if they couldn't make the grade, then to any service in the Army?

Let's have unity but with it, rivalry. And if there is any way to have rivalry it is by open competition for deeds, for bravery, for esprit de corps.

The United States marines have little strength to fight the destructive forces arrayed against them in the military hierarchy. They cannot fight the proposal to divorce them from their time-honored branch of the service, the Navy. The Army, it seems, has the upper hand. But there is something equally as powerful, we believe, arrayed on the side of the marines, and that is public opinion from a Nation's grateful people who will always join lustily in that stirring chorus:

"From the Halls of Montezuma,
To the shores of Tripoli."

White Paper Whitewash

EXTENSION OF REMARKS
OF
HON. HAROLD H. VELDE
OF ILLINOIS
IN THE HOUSE OF REPRESENTATIVES
Friday, August 12, 1949

Mr. VELDE. Mr. Speaker, under unanimous consent to extend my remarks in the Appendix of the RECORD, I include an editorial from the Peoria Star of August 9, 1949, with reference to the State Department's recent statement on China:

WHITE PAPER WHITEWASH

In his most recent public speech, President Truman declared that every important decision in foreign policy since the war had been based upon informed public opinion.

The white paper on China, released by the State Department last week, appears to be the administration's attempt to explain its

monumental failure in China while pursuing a policy which was carefully kept a secret from the American people.

Much of the adverse comment aroused by the white paper is to the effect that it is an attempted whitewash which will not bear close scrutiny. It has been said before that the State Department has a vested interest in its errors in the Far East. The white paper is convincing evidence of the truth of that statement.

A good many pages are devoted to explaining why nothing could have been done other than was done, but these pages cannot explain away the fact that American policy in the Far East has served the interests of the Soviet Union for 4 years and brought to defeat the regime in China which was friendly to us and hostile to communism.

The white paper gives to the American people the Wedemeyer report after it was suppressed and kept a carefully guarded secret for 2 years. The reasons for this secrecy seem unconvincing to us. A more logical reason, from the administration's viewpoint, seems to be that General Wedemeyer called for immediate aid for Nationalist China and advocated a 5-year aid program under a United Nations trusteeship of five nations over Manchuria. In his report, General Wedemeyer warned that any spread of Soviet influence would be inimical to the United States strategic interests. His advice was not followed and it is not unreasonable to believe that his report was suppressed because the administration did not intend to follow his advice. The white paper explains that the Wedemeyer report was suppressed because it was feared that its publication would alienate part of China from Nationalist to Communist control. In view of what has happened in China, no explanation at this time could be more absurd.

General Wedemeyer recognized the conflicts in the Nationalist regime and the resultant difficulties in making American aid effective, but he warned that a wait-and-see policy would be disastrous. The administration adopted the wait-and-see policy and this decision was not based upon informed public opinion but upon the judgment of a few men who chose to keep the public ignorant.

Lies and half-truths about China which confused the American people were cleverly circulated by American Communists and their front organizations. Some of these propaganda statements were: that Americans were interested in Europe but not in China; that key men in the State Department were not fully informed of developments in China; that the cost of effective aid to the Nationalist Government would have been fantastically high and impossible; that the Chinese Communists were not Marxists but agrarian reformists; that the Nationalist Government was so corrupt that it was incapable of benefiting from American aid; and that it was too late to change the course of events in China.

One theory of the reason for our wait-and-see policy has been expressed many times in the press. It is a suspicion that the Far East policy was influenced by State Department employees who were Communist sympathizers or were influenced by Communists. No proof pro or con will probably ever be forthcoming. With President Truman denouncing investigations and evidence of Communists in Government departments as a red herring it is most unlikely that official recognition of such a thing will ever be given.

The problems of China policy are intricate and confusing and not many of us will try to understand them. But those who do will find many questions unanswered in the white paper.

Clear It With Sidney

EXTENSION OF REMARKS

OF

HON. JOHN BELL WILLIAMS

OF MISSISSIPPI

IN THE HOUSE OF REPRESENTATIVES

Friday, August 12, 1949

Mr. WILLIAMS. Mr. Speaker, under leave to extend my remarks in the Appendix of the RECORD, I wish to include herewith an editorial appearing in the August 9, 1949, edition of the Jackson (Miss.) Daily News:

CLEAR IT WITH SIDNEY

The late President Roosevelt denied that he had told politicos seeking the vice-presdential nomination for South Carolina's Jimmy Byrnes, in 1944, to "clear it with Sidney," meaning Sidney Hillman.

Can the Truman administration today truthfully deny that national Democratic leaders are, in effect, advising applicants for Federal jobs to "clear it with the CIO-PAC"?

The late Sidney Hillman, born in Lithuania, came to America to become a national CIO labor leader and organize that union's so-called Political Action Committee. Today the PAC has virtually moved in on the national Democratic organization. Apparently with the permission of national party leaders, this CIO political group is having a lot to say—and do—about filling Federal jobs.

There is ample proof of PAC influence in Federal appointments right here in Mississippi.

The Democratic National Committee sent one Tilford E. Dudley to this State early in the summer to demonstrate some "show-how" to Trumancrat leaders in building a political organization whose objective is to take over the Democratic Party in Mississippi. The fact that the overwhelming majority of patriotic Mississippians would have none of Mr. Dudley does not mean that Mr. Dudley and his PAC cronies have given up.

The fact that Mr. Dudley had no official connection with the Democratic National Committee staff was not known in the State until the Daily News Washington Bureau telegraphed a dispatch, which was published throughout the State, revealing that he is assistant director of the CIO-PAC.

The dispatch also revealed that the PAC's assistant director had been a member of an organization cited by a committee of Congress and the Justice Department as Communist front—the so-called Washington Book Shop, and active in the affairs of another group declared by the congressional committee as Communist front—the Southern Conference for Human Welfare.

And to further demonstrate that Mr. Dudley, who, incidentally, is a native of Illinois, is apparently imbued with ideologies entirely foreign to Mississippi and Mississippians, he is listed also as Washington representative of the United Packing House Workers, a CIO union. CIO President Philip Murray a few weeks ago publicly declared the UPHW was infiltrated with and dominated by Communists.

Control of the national Democratic Party—the party of L. Q. C. Lamar, J. Z. George, John Sharp Williams, Pat Harrison, Woodrow Wilson, Grover Cleveland, and Thomas Jefferson—has today been captured by elements who have departed from the basic principles upon which the party was founded and has thrived—the principles of free enterprise, individual initiative, personal freedom, and local self-government.

These elements make no bones in Washington that they have set a "tell-the-South-go-to-hell" objective. They are thinking in terms of a time when they will be able to say to the Southern States:

"The Democratic Party doesn't need the solid South any longer. We can win elections without you. So to hell with you."

Thank God, however, that party control by these elements is not complete—there are among our people fighting Democrats who are determined that the party of Thomas Jefferson shall not die.

It is heartening to observe that the weight of the Truman administration, backed by the PAC, ADA, and other alphabetical groups with ideologies foreign to the principles which have made America the greatest nation on earth, could not put over their candidate for governor in Virginia last Tuesday.

It is heartening to note that the all-out fight last year of the States' Rights Democrats, made against overwhelming odds and under conditions of gross misunderstanding by many Americans of the real objectives of the States' Rights campaign, has borne fruit during the present session of Congress.

It is heartening to know that there are in Congress many Senators and Representatives who consistently refuse to sell their people down the river for a mess of political patronage, who have told the administration in no uncertain terms that if they must vote against their honest convictions in order to get Federal patronage, President Truman can "just keep his patronage."

It is heartening to see that even though the national party organization has been captured by elements foreign to Democratic principles, control of party machinery in many States remains in the hands of real Democrats, and that such leaders in other States are making headway in their fight to convince the people of the grave dangers to the United States in the un-American socialistic politics of the present administration.

As for Mississippi, the overwhelming majority of her people are opposed to the so-called Pendergast machine politics. Mississippians are not going to permit any "expert" in machine politics from Illinois to come in here and tell them how to conduct their governmental affairs.

And the real Democrats of Mississippi are not going to surrender control of their State party organization to any group of local stooges, who for reasons of personal gain or for any other reason, may be willing to see the most thoroughly Democratic State in America kicked around by those who would rape the Constitution, pillory free enterprise, destroy individual freedom and do away with local self-government.

What We Must Do To Stop Communism

EXTENSION OF REMARKS

OF

HON. GORDON L. McDONOUGH

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Friday, August 12, 1949

Mr. McDONOUGH. Mr. Speaker, recognition of the dangers of communism is but the first step in our efforts to combat the menace of this evil in the United States. To wage an effective fight against its insidious methods and goals, it is necessary that we know what we as Americans stand for, that we understand the meaning of individual liberty.

To put the allies of communism to rout, we must each as individuals become aggressive champions of our American principles and ideals and defenders of our heritage of personal freedom.

The following is an arresting discussion of our present need for constructive individual action to defeat communistic infiltration in the United States written by Shane MacCarthy:

WHAT WE MUST DO TO STOP COMMUNISM

(By Shane MacCarthy)

When people learn about the insidious methods and goals of the Communists; when they are told that communism is a materialistic philosophy of life which is premised on the inability of the individual man to live his own life, and which governs his every activity from cradle to grave; when they first realize that communism is a world-wide planned conspiracy to subvert private ownership, individual freedom, yes, religion itself, they invariably ask the question: "What shall we do?"

There is no monosyllable answer or simple formula in response to this inquiry, since communism is too deepseated in the cultural, scientific, and economic life of this war-weary world, and has had the opportunity for propagandizing and procreating itself for too many years to be eliminated by the waving of a magic wand.

Because the situation confronting us is so complex, the preaching of rugged individualism and the clamoring for continuance of the free-enterprise system are just so many words of noble vintage which aid little in combating communism. Thus we must become specific and attempt to answer this plural problem as asked by each person of himself: What shall or what can I do? The basic answer to this question is that you and I can do nothing to stem the tide of communism, unless we know positively what we stand for in a true democracy, unless we realize what is meant by democratic freedom, and with such appreciation, the better comprehend all aspects of the battle against atheistic communism. In this battle for life and liberty it is not so much the strength of the aggressor that counts, though this is formidable, as the weakness of the attacked. Accordingly, it is of fundamental importance that to conduct articulate and worthwhile endeavors in support of our way of life, and against materialistic tyranny we must follow the norm that action is based on conviction and conviction is the product of knowledge.

This answer further subdivides itself into two categories which we may term long-range and the short-range components. From a long-range standpoint I recommend that our high schools and college curricula be adjusted so as to lay more emphasis on preparing young men and women for the militant type of life in which they, as educated persons, must assume roles of leadership. Though it is interesting and undoubtedly profitable to the students to study ancient and medieval history I believe, that since time is so short and we must be selective, it would be more beneficial if, in the study of history, political science, economics, etc., stronger stress were laid on the development of ideologies in the eighteenth, nineteenth, and twentieth centuries, using the ancient and medieval material as backdrop for full comprehension. This suggestion is bucking the habit and tradition of the educational process and hence, cannot be achieved without considerable groundwork and debate.

The short-range answer—that which today concerns the mature person in everyday life is the one of most immediate concern and interest to us, i. e., the acquisition of knowledge by the businessman, the professional man, the laboring man, which will guide appropriate action. He must know that all true government comes from God, from a personal living God who has created man with certain inalienable rights and that government exists to protect those rights rather than take them from the individual. When a nation is blind to the full meaning of the natural rights which it is established to defend, it will become the easy victim of totalitarianism, which drowns the divine principle of man's sovereignty.

Such knowledge means a recognition that democracy is not static immobility, that it does not wallow in the stagnation of inactivity, that it is not opposed to progressive change. At the same time we must know that our way of life with its acknowledgment of the fundamental freedoms can be easily undermined by those who translate freedom into license and so frequently get away with it. Thus, our efforts to combat atheistic communism must not be mere momentary, chauvinistic outbursts, but rather, constant endeavors with the conviction that "Eternal vigilance is the price of liberty."

With the assimilation of such fundamental information we must as individuals live, practice, preach, and be proud of democracy, convinced that with its human shortcomings it is still the most perfect type of government designed by man. Since we know that it is established to carry out God's design for man, then we shall not stand idly by when the Communists challenge God and substitute a Politburo for the omnipotence of God. In living democracy, we should not confuse sincere liberals and progressives with Communists. We should not allow our names to be used or associated with questionable undertakings. We lose ground if we become hoodwinked by the subtle Communist propaganda which says one thing and means another. If we read material that is against the objectives of our democracy we should take our pens in hand and express our viewpoints. If we personally sanction efforts to stabilize our American institutions, then add a word—a simple word—of support and encouragement. How many have thought of writing a short note to individuals or agencies, at national or local level, endorsing their efforts to thwart the growth of communism? In our labor unions and other organizations, let us be ever vigilant lest control be taken over by subversive elements. A person may say he is too busy to do any of these things. Can a man or woman be "too busy" to attend to the elemental security of one's very existence?

Since communism is preached by a trained subversive organization, individual effort is enhanced by getting the collective support of organizations. In living our normal easy-going lives we do not have, neither do we desire to have the dictatorial discipline of the Communist system. Thus, to match the efforts of such an enemy we must assume voluntarily the responsibility to keep strong, and make stronger, the system of life we call democracy.

Yes; the individual's voice is strengthened when it has the power of organization behind it. Hence, every group, social, civic, fraternal, veteran, should have as a permanent adjunct a current affairs unit to keep it posted on trends and to actively counteract and counterattack the insidious propaganda of Communists, whether made in writing or through oral channels.

Lastly, we have a most potent weapon, since it is that given to us by God Himself—prayer. Yes; Christ said, "Do good to them who hate you, bless them that curse you, and pray for them that blaspheme and caluminate you." Thus, we must pray for the Communists that they may get the grace and spiritual strength to shun their evil ways and stop the persecution of God, religion, and people. Such spiritual works on our part must never dupe us into false security. Again, we must pray for the oppressed people of Russia, the 94 percent of the population living under the 6 percent of tyrannical Communist despots. We cannot forget the millions of persecuted souls living a veritable hell upon earth in the slave camps of the U. S. S. R. and the satellite nations. Through devotion may we bring solace to the people behind the iron curtain, and in particular to Archbishop Stepinac, the 13 Protestant ministers of Bulgaria, Bishop Ordass, and Cardinal Mindszenty, and the hundreds of other ministers of the Gospel who have suffered and died because they refused to render to Stalin what belongs to God.

Unless we wake up and stay awake, we could lose democracy to the Communists in our generation. If we feel that democracy is in the bag, we may be found "holding the bag." In just 31 years, and mostly during time of so-called peace, communism has succeeded in enslaving between one-fourth and one-half of the population of the world. In this trek toward power the Communists never needed a complete government breakdown or a majority vote of the people to put them in control, and once in power the Communists have never yet been overthrown because the voice of the people is stilled. Thus, the time for solid, sober, continuous, patriotic action is not 25 years hence; it is today and always.

ACADEMIC FREEDOM

One argument of the left-wing and self-annointed "liberal" college professors against barring Communist instructors from our schools is that this is a violation of the principle of academic freedom.

This plea of academic freedom is the thinnest mess of gruel that has come out of the left side of our educational world for a long time. Academic freedom must mean the right to teach principles which the instructor freely believes in after a careful research.

But the Communist who adheres to the party-line doctrine is not free to believe in anything except the dogma which comes out of Moscow, and he accepts the instructions which come from Joe Stalin and his intellectual hirelings or soon finds that he is no longer a Communist and the Red brethren won't associate with him. There is nothing free about communism. Science, art, oral speech, and the printed word in Russia are carefully and at the same time viciously regimented.

Not long ago the Columbia Daily Spectator at Columbia University printed the opinions of some of the educators on permitting Communists to teach in the institution. In backing up the ban on Communist professors, Dean Carman wisely said:

"Any person who is a member of the Communist Party is not free to seek or disseminate the truth. He or she is under rigid discipline to adhere to and disseminate Communist gospel even though the gospel is opposed to truth. An atmosphere of slavery and not freedom prevails. There is no opportunity for objectivity and dispassionate inquiry. The end product of Communist teachers' work is Communist propaganda."

Bolivar Ideals Urged on World To Repel the Enemies of Liberty

EXTENSION OF REMARKS

OF

HON. DANIEL J. FLOOD

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Friday, August 12, 1949

Mr. FLOOD. Mr. Speaker, under leave to extend my remarks in the

RECORD, I include the following article from the New York Times of July 23, 1949:

BOLIVAR IDEALS URGED ON WORLD TO REPEL THE ENEMIES OF LIBERTY—LIBERATOR'S MOTIVES LIKENED TO THOSE THAT GUIDED WASHINGTON IN CEREMONY HERE MARKING ONE HUNDRED AND SIXTY-SIXTH BIRTH ANNIVERSARY

Facing the flags of the nations for whose liberation Simon Bolivar fought more than a century ago, Otto Shoenrich, president of the Pan American Society of the United States, called yesterday for a reaffirmation of the ideals that inspired the George Washington of South America.

Mr. Shoenrich spoke at a ceremony at the foot of the Bolivar statue in Central Park, marking the one hundred and sixty-sixth anniversary of the birth of South America's greatest soldier-statesman.

A color guard of 30 members of the Eighty-eighth Military Police Company from Governors Island, carrying the standards of the 21 Latin-American Republics, encircled the statue. Excerpts from the national anthems of all the Western Hemisphere nations were played by the First Army band from Governors Island.

In his address, Mr. Shoenrich said:

"At present, unfortunately, the principles defended by Bolivar are again under attack in different parts of the world. We are not dismayed, for we know that the opposition must vanish, as error always vanishes in the face of truth."

He asserted that it was the duty of every honorable citizen to combat the efforts of the enemies of liberty so that their insidious propaganda may soon come to an end, and the ideals of Bolivar may continue to inspire patriots and to benefit mankind.

"Bolivar, like Washington, belongs to all America, and to the world," he added. "Every lover of liberty, of democracy, of self-government, of the rights of man, hails Bolivar as one of the great leaders and heroes of history."

Another speaker, Dr. Santiago E. Vera, Minister Counselor of the Venezuelan Embassy, declared, "Bolivar foresaw over a century ago the whole history of struggles between despotism and anarchy. Both are bent on dominating our countries at the expense of a voiceless people and against the handful of upright men of good will who continue to fight for democracy."

A dozen wreaths were placed at the base of the statue by representatives of Latin-American countries and organizations. The services were jointly sponsored by the Pan American Society and the Bolivarian Society of the United States.

FDIC Assessments

EXTENSION OF REMARKS

OF

HON. EDWIN C. JOHNSON

OF COLORADO

IN THE SENATE OF THE UNITED STATES

Friday, August 12 (legislative day of Thursday, June 2), 1949

Mr. JOHNSON of Colorado. Mr. President, one of the important stabilizing influences in our economy today is the Federal Deposit Insurance Corporation. I know of no banker, depositor, bureaucrat, or businessman who would favor its dissolution today. This agency has proved its own case and made itself indispensable. In this connection, I ask unanimous consent that an article appearing in the August 6 edition of United States Investor be inserted in the Appendix of the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

FDIC ASSESSMENTS—THE REAL CAPITAL OF FDIC IS PUBLIC CONFIDENCE

SENATOR VANDENBERG'S LETTER

We read with close interest, a few weeks back, the text of a letter written by Senator VANDENBERG, of Michigan, in support of his firm belief that the Federal Deposit Insurance Corporation should be kept independent, and that it should be free from the mergers and consolidations proposed by the Hoover Commission. The letter is remarkable in many respects, but chiefly for two sentences which, to our way of thinking, strike at the very heart not only of the argument as to whether or not the FDIC should be continued as an independent agency, but also the question of whether the annual insurance premiums or assessments paid by member banks should be kept at present rates, reduced by half, or eliminated entirely for some period of time.

The assessment proposals interest us primarily at the moment, as witness the three leading articles in our issues of June 18, July 9, and July 16. It is from the arena of contention on the subject of assessments that we view the Senator's observations with great interest. The two sentences appearing in the letter read as follows:

"The real capital of the FDIC is public confidence. The moment that is lost in any slight degree, it is a loss which money cannot replace."

TWO IMPORTANT ASPECTS

In those few, simple words Senator VANDENBERG underscores two vitally important aspects in the debate over FDIC assessments. They are aspects which frequently are lost sight of by bankers in their anxiety to demonstrate the validity of their positions on the subject, pro and con, by producing as evidence dollar totals, ratios, charts, bank deposit insurance equivalents of mortality tables, and other such data. Much of this appeared as the substance of our previous articles on this subject. And yet those two aspects are the equal of, and in our opinion transcend, the persuasive power which the purely statistical factors carry in this debate, and we feel that they deserve the thoughtful scrutiny of every one interested in the issue.

PSYCHOLOGICAL REACTION

What does Senator VANDENBERG say in those two sentences? He says: 1. Let us not forget that the FDIC came into being and continues to exist primarily for the purpose of protecting millions of hard-working, thrifty American families from that nightmarish economic peril known as bank failures; and 2. Let us not overlook the nature of any possible psychological reaction those families may have to any proposals which may affect in any degree the confidence that is based upon the knowledge that the money they have on deposit in their banks—the fruits of their labor and their self-denial—will be returned to them, come what may, up to at least $5,000 in every instance.

In a word, he says, don't ever lose sight of the fact that the public has a large interest in the FDIC.

In saying so we note that Senator VANDENBERG does not document his thesis with statistics. He does not mention, for example, the oft-quoted figure of $1,000,000,000 which represents the FDIC's capital and reserves, nor does he comment upon the $3,000,000,000 which the Corporation may draw upon from the Treasury in case of emergency. He does not put one fact up against another fact and say, as some economists so frequently are prone to do under similar circumstances: Our charts and our tables indicate no trouble in the foreseeable future. No. The Senator remarks upon nothing like that, nor is there any obligation for him to do so because in the realm of his interest, which in this regard is identical with that of the American public as a whole, such figures are unknown and such facts as they may represent are meaningless.

FDIC IS A SYMBOL

This is not to say that the Senator is unfamiliar with the facts. They are quite well known to him. And as one who had much to do with the inauguration of deposit insurance in this country, he has great respect for them. But his respect goes beyond the FDIC as a fact. It embraces an appreciation of the Corporation as a symbol, also, and it is precisely at this point that the Senator's interest merges with the public's.

To the American public, by and large, the FDIC is an alphabetical symbol representing one thing—confidence in banks. The public has been told, and it believes, that thanks to what is represented by the letters FDIC it may safely and with every confidence deposit as much as $5,000 in any bank privileged to advertise its membership in the organization. Let disaster come; so what? At that moment, as the Senator so succinctly observes in his letter, "the FDIC becomes utterly priceless in its value." And that is exactly the public's sentiment.

Should the public, or its governmental representatives, read into the reports of current efforts by bankers to cut down their payments to the FDIC an attempt to discount that "utterly priceless" value, what may happen then? The likely answer is reflected only too clearly in the Senator's warning phrases.

OPINION OF A BANKING GROUP

And yet this great public faith in the FDIC, or the risk of its loss through possible misunderstanding of motives, so far has not figured importantly in the evidence produced by the proponents of assessment reduction. True, it has made its influence felt here and there in a cautious word or phrase; but nowhere in the reports of the discussions has it been given the ranking position its potency warrants. And this strikes us as odd, for we find that many bankers are by no means unaware of it, especially those who were around in the dark days of 1933.

It was our good fortune of recent date to encounter a small group of such men, some representing the large banking interests in New York City, who were discussing informally among themselves the merits of the arguments now being advanced for a cut in the FDIC annual payments. It was interesting to see these men applaud the emphasis given by Senator VANDENBERG to the psychological aspects of any circumstances surrounding proposals to alter the present FDIC set-up. They concurred in the conclusions implied by the two sentences quoted above. So far as any change in the assessment rate is concerned, at the present time at least, they are mindful of the fact that if anything is done to disturb the public's faith in the FDIC no amount of pecuniary benefits which may accrue to insured banks by way of retained earnings could begin to compensate for the anguish which loss of confidence could provoke.

"We would like to hang on to some of that one-twelfth of 1 percent, and who wouldn't?" remarked one man in this group frankly. "But let's not kid ourselves, much less the public. You know as well as I do what would happen to that money. A lot of banks would be tempted to pay it right out in dividends. I don't think there would be very many who would plow any added income from that source back into their capital funds. If they would plow it back the story might be different. Then it would be a case of replacing one form of deposit 'insurance' for another—less going to the FDIC but more going

into capital funds to give greater coverage to deposit liabilities. But I haven't heard much talk about that angle of it."

THE $10,000 PROPOSAL

Nor was the group much impressed with the counterproposal which has been made that the $5,000 limit of insurance on each bank account be increased to $10,000 or even to $15,000. They pointed out that the stanchest proponents of this proposal are the smaller banks, and their avowed purpose in assuming that position is to promote depositor confidence thus averting withdrawals of funds which may lead in turn to credit contraction in smaller communities. To propose, on the one hand, a reduction in the assessment rate, which would limit the size of the insurance reserve, and to propose on the other an increase in the amount of the coverage in order to promote greater public "confidence" is like "trying to carry water on both shoulders" as one banker in the group pointed out.

But what impressed us keenly in this informal exchange of views was a recollected incident told by a man old enough in the business to have sat in on many memorable conferences where the cold facts of insolvency led inevitably to bank closings. So closely does the incident illustrate what Senator VANDENBERG clearly has in mind, we believe it is worth reporting here, camouflaging some of the minor details to avoid embarrassment through identification.

AN INTERESTING INCIDENT

"In a town not far from here," the banker recalled "there are two national banks, a State bank, and a savings bank. At the time this happened the two national banks were members of the FDIC, but the State bank wasn't, and neither was the savings bank. One day a stranger walked into one of the national banks He took $5,000 in cash out of his pocket and let it be known he wanted to open a thrift account. His first words to the woman behind the new account desk were these: 'Are the deposits in this bank guaranteed?' He was told they were insured. That's what he meant, he said.

"Right about this time the bank wasn't particularly interested in taking on any more money of that kind—hadn't any outlet for it, tell the truth—and it told the fellow it wouldn't be interested in the whole $5,000 but it might take on $1,500. That was all right with him. Then the fellow asked if he might put the rest of his money, $3,500, in a checking account. He was told he could do that. 'Is that money in checking accounts insured, too?" he wanted to know. He was assured it was, so in went the $3,500.

"After these accounts had been opened the fellow then allowed that he had $10,000 more in cash at home, and he wanted to know what the bank thought he might do with it. The bank pointed out that there was another bank across the street—the national bank—and that the State bank and the savings bank were just down the street.

"'Yes I know,' the fellow said. 'I've been to those places. But the bank across the street only offered me the same deal you have—it took $1,500. And those other banks don't have insurance'."

The incident is significant because it is not an isolated one. If anything it is uncomfortably representative of others bankers could relate, and the public sentiment it reveals undoubtedly is a contributing factor to the lack of unanimity one encounters among bankers on the wisdom of pressing for a change in the FDIC assessment rate at this time.

NEVER AN END TO ASSESSMENTS?

The question naturally arises, then, is it to be assumed that the FDIC must forever reach out for more and more money? Is there to be no limit to the billions the public may be thought to require to buttress its confidence in the impregnability of the FDIC? After all, as some bankers have pointed out, has it not been admitted by the FDIC officials themselves that the inflow of payments from banks has exceeded what actually has been needed—so far. That is correct.

But again, though we have heard from many sides on this point we have not heard from the public which, to cite the Senator once more, has a large interest in this issue. How much of a reserve does the public think the FDIC should have to enable it to make good to insured depositors in whatever circumstances may arise? A foolish question, obviously, but perhaps not more so than questions of similar nature which bankers and FDIC officials have been asking each other lately.

And it is equally foolish, perhaps, to expect any answer at this time either from the uninformed public or from the FDIC or the bankers, despite the impressive documentary evidence for and against which has been produced by the latter two. For the question of to what extent the FDIC may be able to weather a real economic storm clearly cannot be answered by the production of a statistic, because the elements of which it is composed are not abstractions from anyone's balance sheet. Fundamentally they are abstractions of the emotions of millions of American bank depositors.

PUBLIC RELATIONS MEN CONSULTED

Where does this lead us to? Since we claim not even the remotest omniscience in the wilderness of mass psychology and approach questions of possible public reaction to developments involving banks with no little naïveté, it has led us to consult with those whose interest in such matters is professional. The more we contemplated the Senator's sober warnings the more forcefully we became aware of the serious public implications inherent in this whole discussion, and we took the issue to some friendly counselors in public relations.

Singularly enough, we found these counselors not entirely unacquainted with the subject though their business does not commonly embrace specific questions on banking. They had no lack of appreciation, indeed, for the position occupied by the FDIC in public esteem.

We asked them bluntly: What do you think the public's reaction might be if it discovered tomorrow that the banks of the country had been successful in securing a reduction in the amounts they pay for having their depositors' money insured by the FDIC?

The answer came quickly, and was to the point. In essence it was this: It is conceivable that if the action were announced tomorrow, or over the near term, there might not be any visible public reaction at all, depending on the amount and nature of any notices the development received in the press, over the radio, by commentators, columnists, and so on. But it might be imagined, given the right atmosphere, that the reaction could easily become one of suspicion deepening into fear which, unless dissipated by the most plausible of explanations, undoubtedly could lead to distrust of and loss of confidence in banks. As a public issue—near-term or longer range—anything that could possibly be construed as interfering with the FDIC's ability to make good on deposits is full of dynamite.

AS A PUBLIC ISSUE

Invited to enlarge upon these observations, our counselors pointed out that as a public issue right now the proposed reduction in the FDIC assessment rate is virtually nonexistent. They noted that thus far reports of it have been limited to short items usually in the back pages of the newspapers, or to the business and financial columns, and also to the trade press. It has not reached the stage in the legislative chambers, in Congress, where the public's elected representatives have had much of an opportunity to make up their minds where they stand on it, or to vocalize their opinions one way or another.

This situation, they feel, could change, depending on the pressures applied. If such pressures produced action worthy of attention on the front pages of the newspapers and elsewhere in mass publicity mediums, they believe that banks would be called upon to justify the action—in terms of the public's interest, not banking's or the interest of bank stockholders. This accounting may not necessarily be demanded immediately, they pointed out. It could be postponed until such times, perhaps, an economic adversity might precipitate banking difficulties beyond the power of the FDIC to remedy. In such event the bankers unquestionably would be on the defensive, and would face the unhappy prospect of attempting to explain away to a hostile and distrustful audience an action which, fairly or not, could be blamed for contributing to the FDIC's inability to perform as advertised.

The net of these observations seemed to us to add up substantially to this. Could those bankers who are now advocating a reduction in the assessment rate justify their positions in terms which would be acceptable to their depositors and to the public as a whole? Could they do so at any future date under economic circumstances which might be less favorable than they are today? If the answers to these questions are affirmative, then the briefs calling for reduced assessments are strengthened. If the answers are in the negative, then, to press the issue at this stage carries with it a responsibility for assuming the risks and dangers of potential loss of public confidence.

NO FULL TEST SO FAR

Under these circumstances we feel constrained to reiterate a point emphasized in the first of our articles in this series. You never know that an enterprise is thoroughly sound until it has been tried in periods of deep adversity. The FDIC so far has had relatively easy sailing. Who knows, facts and figures to the contrary, how it may stand up under rough weather? In their own self-interest, it behooves all who have a stake in the public's confidence in banks and banking to direct their interests and energies in helping the FDIC to prepare for any eventuality. If such a stand may serve to postpone the day when banks may press for reduced assessments in full confidence of the rightness of their claim, what is to be lost? Some income, yes; but perhaps only temporarily. Should deposit insurance in this country justify the hopes of the people in the face of profound depression could not then the plea for lower assessments be entered again, and in great confidence? In such an atmosphere, at any rate, it could be made minus the frightening prospect of possibly at some future time having to face a public convinced that its trust had been betrayed.

Business Parade Veterans' Feature

EXTENSION OF REMARKS

OF

HON. DANIEL J. FLOOD

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Friday, August 12, 1949

Mr. FLOOD. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following editorial from the

Standard-Sentinal, of Hazleton, Pa., July 22, 1949:

BUSINESS PARADE VETERANS' FEATURE

A parade of business is to be the major feature of the annual homecoming celebration of the Greater Hazleton Veterans Association, on North Wyoming Street, starting August 29 and continuing for a week. It will be an exhibit of Hazleton products and merchandise, it will display the wares that our progressive merchants handle, and it will be a condensation of the vast manufacturing and merchandising field that has carried this city to its present high rating. The exhibit promises to be the biggest thing of its kind ever attempted here.

Some conception of this year's show is already visible, for very little space is left in either Holy Trinity or St. John's halls, which flank the grounds where the Mardi Gras will be held.

Certainly, the old-time residents remember our early industries, carriage works, Chinese and hand laundries, horse-shoeing posts, tinsmith shops, making mine lamps and dinner pails, hat factory, a planing mill, a grist mill, piano factory, a candy plant, and a match factory. Putting them all together wouldn't fill one floor of the mammoth Duplan Corp. plant. Today we are a very cosmopolitan city with a diversified industry that is growing in size and in importance as our basic industry, coal mining, peters out. We are facing the future certain that the depletion of coal veins in this region will find Hazleton as industrially independent, that the once lush pay day at the mines, will hardly be missed.

The Greater Hazleton Veterans Association are to be commended for planning an exhibit of what Hazleton makes and sells. It will be an eye-opener for those who have failed to keep track of our steady progress and expansion, and it will be a commercial uplift to business in general as a new buying season is about to dawn.

Impeachment Proceedings Against Judge T. Alan Goldsborough

EXTENSION OF REMARKS

OF

HON. ANTHONY CAVALCANTE

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Friday, August 12, 1949

Mr. CAVALCANTE. Mr. Speaker, on August 8, 1949, on page 11022 of the CONGRESSIONAL RECORD, a petition was referred to the Committee on the Judiciary. This petition was received under clause 1 of rule XXII of this House and its contents prays for the impeachment of Judge Samuel Kaufman for conduct arising from the trial of Alger Hiss. An inspection of the RECORD of previous days will indicate that Members of this House extended their remarks at length on this same subject. It is unfair to any American jurist to be so assailed by accusers whom he is unable to meet face to face and defend his integrity against the charges leveled against him.

The trial of Alger Hiss was held in an open American court. The charges against him were passed upon by a jury of his peers consisting of 12 true Americans who were bound by oath to render a just and true verdict between the accused and his accusers. By virtue of our Constitution, Hiss was informed of the nature and cause of the accusations against him. He was confronted with the witnesses against him and permitted to cross-examine them. He was granted the right of compulsory process for obtaining witnesses in his favor, and to have the assistance of counsel for his defense. Judge Kaufman, with eminent good sense and high judicial purpose, gave to the accusers and the accused a wide and just latitude for the introduction of lawful evidence. The learned and capable judge permitted neither accuser nor accused to withhold from the jury any lawful evidence that tended to prove or disprove the charges laid in the indictment. Judge Kaufman's rulings on evidence and his charge to the jury bear the indelible mark of the sane, impartial, and unbiased judicial mind that is necessary for the preservation of the letter and spirit of our American justice. Without this type of judicial mind, American justice might reach that low held by Communistic Russia or Hitlerized Germany. The sane, impartial, and unbiased mind cannot find in the record of the Hiss trial the "suspicious circumstances" leveled against this eminent jurist.

The bleary-eyed gentlemen who see suspicious circumstances in the conduct of the trial by the Honorable Samuel H. Kaufman might have rendered a notable service to the letter and spirit of American justice had they trained their critical eyes upon the court of Judge T. Alan Goldsborough. They might have found there the suspicious circumstances against which we Americans must ever be on guard, if the letter and spirit of our prized justice shall be preserved for our posterity. It was in this latter court and by this latter judge that 400,000 American united mine workers were found guilty and then fined the enormous sum of $1,200,000. This guilt and this fine were predicated upon a constructive disobedience to a preliminary injunction issued from Star Chamber and the nature and cause of which was known solely to the accuser and the judge. The United Mine Workers of America were without prior notice of the nature and cause of the accusation against them; they were not confronted with the witnesses against them and permitted to cross-examine the witnesses; they were denied the right to have compulsory process for obtaining witnesses in their favor; they were denied the right to have the assistance of counsel for their defense, in Star Chamber; they were not tried by a jury of their peers consisting of 12 true Americans who were bound by oath to render a just and true verdict between the accused and accuser; and, they were denied the right to interpose an iota of evidence for their defense, in Star Chamber. The issuance of injunctions, orders, or decrees by judges from Star Chamber is a backwash of truculent British judicial tyranny, by courts of equity (sic) that were created by the King to mete out the quality of justice that the King willed. The death knell of the Star Chamber was sounded in the Declaration of Independence and the Revolution that succeeded. Its death has been confirmed by patriots who have laid down their lives to sustain our Republic and the American sense of justice. It was more recently confirmed by the Americans who laid down their lives in World War II so that our sense of justice might embellish the lives of people in all corners of the world. Does not Judge Goldsborough know that the Star Chamber is the antithesis of American freedom and the letter and spirit of American justice? Does he not know that we harbor no king here in America? Does he not know that American justice is administered in open courts where the accused shall have his day before he may be adjudged guilty and punished?

The circumstances under which the temporary injunction was issued against the 400,000 American coal miners, from Star Chamber, carry the earmarks of a tyrannical judicial conduct that sets at naught the true letter and spirit of American justice. The injunction was a blow below the belt of these 400,000 Americans and their families, even below the point allowable under the letter and spirit of the infamous Taft-Hartley law. The circumstances go far beyond the point of being suspicious. They show design and concert on the part of the accuser and the judge to justify a popular end without regard to the lawfulness of the means employed.

The infamous Taft-Hartley law provides that the court may enjoin "such strike or lock-out or the continuing thereof * * * if the court finds that such threatened or actual strike or lock-out * * * will imperil the national health or safety."

This infamous law further provides that the petition to enjoin may be made to "any district court of the United States having jurisdiction of the parties."

In what open American court was the evidence adduced upon which the court could lawfully find that the threatened or actual strike by the miners would imperil the national health or safety? In what open American court did the judge find that the national health and safety was imperiled? How and when were the miners given their day in open court to plead against the infamous preliminary injunction? Nowhere in the infamous Taft-Hartley law is it said that the petition to enjoin may be made to "any judge of any district court of the United States having jurisdiction of the parties."

Nor does that law say that the petition to enjoin may be presented in Star Chamber. Unless it is doubly infamous, the letter and spirit of the Taft-Hartley law seems to negative any right to the accuser to seek or empower a single judge to issue such implicational injunction, from the cabals of a truculent Star Chamber. A court is a tribunal officially assembled under authority of law at an appropriate time and place for the administration of justice; a judge is simply an officer or member of such tribunal: *McCormick's Election* (281 Pa. 281). One might also ponder over the mental gymnastics adopted by the judge in order to justify his assumption of jurisdiction over 400,000 American miners, none of whom live in the judicial district wherein the judge wields a kingly scepter with awe and majesty. Is this latter jurisdiction conferred upon him by the infamous Taft-Hartley law?

It is evident from the circumstances under which Judge Goldsborough issued the star-chamber injunction that he and

the accuser were in concert to achieve an end—to humble John L. Lewis and drive 400,000 American miners back to the dark and dank pits. This end at that time was popular due to public hysteria created by the National Association of Manufacturers and other enemies of collective bargaining. Both the accuser and the judge knew that if the end would be reached, the public would be uncritical of the means adopted. This strategem does not square with the letter and spirit of our American justice. It is an abuse of judicial process which, if not nipped, will surely lead to a tyranny alike to that of the British Star Chamber. The guaranties of our Constitution against promiscuous searches and seizures; against tyrannical arrest and imprisonment; and against the deprivation of life, liberty, and property, without due process of law, and all indicative of the keen determination by which the founders of the Nation exorcised from their concept of justice the cabals of Star Chamber and the principle that the end justifies the means. Both the accuser and the judge knew that, without regard to the lawfulness or implication of the preliminary injunction, if it were issued, the 400,000 American miners and John L. Lewis would have to obey until the exigencies of the judge's court (sic) would permit a determination on the legality of the injunction. By the time that this latter point was reached, John L. Lewis would be humbled and the 400,000 American miners driven like peons back to the pits. Judge Goldsborough and the accuser knew that they would have their end, even though the means employed were contrary to the letter and spirit of American justice.

Mr. Speaker, the petition and the gentlemen who are impunging the integrity of the Honorable Samuel H. Kaufman upon purely imaginary figments, can do themselves honor and a worthy service to American justice if they will but move the House Un-American Activities Committee to investigate the pungent circumstances under which Judge Goldsborough, through Star Chamber activities, has robbed 400,000 American coal miners of the enormous sum of $1,200,000. This he did by importing into our American jurisprudence the tyrannical instrument of Star Chamber and the principle that the end justifies the means used by the judge, even though the means are known to be tyrannical and unlawful.

I demand a fair and just investigation of this matter by the House committee.

You Ought To Know My Doctor, by Dr. Fred F. Brown, of Knoxville, Tenn.

EXTENSION OF REMARKS

OF

HON. JOHN JENNINGS, JR.

OF TENNESSEE

IN THE HOUSE OF REPRESENTATIVES

Friday, August 12, 1949

Mr. JENNINGS. Mr. Speaker, under leave to extend my remarks in the Appendix of the RECORD, I include an article by Dr. Fred F. Brown, of Knoxville, Tenn. Doctor Brown is known and loved by thousands in his home city, where for 25 years he was pastor of the First Baptist Church. He is now pastor emeritus of that church. He has served as pastor of Baptist churches in Kentucky, Tennessee, and Texas. He is a former president of the Southern Baptist Convention. He is known and revered by members of the Baptist faith throughout the world.

"YOU OUGHT TO KNOW MY DOCTOR"

(By Fred F. Brown, Knoxville, Tenn.)

(This article is not an attempt to eulogize the medical profession. Members of the medical profession neither need nor desire eulogies. They would resent such an effort from anyone.

(The message is an expression of my sincere appreciation of a group of men to whom I look with confidence, a group of men whom I hold in the highest esteem—our physicians.)

Somewhere I have read the story of a teenage boy who lived in a remote rural community. An accident had left him with a serious injury to his spine—an injury attended by unrelieved suffering. The good country doctor told his parents of a celebrated surgeon in a distant city who could operate, relieve the suffering, and practically restore the boy to normal life. The family was very poor, but neighbors made up a purse sufficient to provide transportation. The local physician telephoned the surgeon and was told to send the boy on—there would be no charge for his service. The boy made the journey to the distant city, and the delicate operation was successful. In due time the boy returned to his home. Family and friends met him at the railroad station. As they drove home the family plied him with questions—questions about his journey—questions about his nurses—questions about the hospital—questions about the surgeon. When asked about the hospital the boy replied: "It was wonderful, but you ought to see my doctor." When asked about the nurses: "They were kind and good, but you ought to see my doctor. You ought to know my doctor."

We are passing through a period just now when some unkind and unjust statements are being made about the medical profession. Recently a prominent man speaking of the doctors of America used words such as "selfish," "mercenary," and other uncomplimentary terms. It seems to have become something of an indoor sport in certain quarters to push our doctors around. To such an attitude toward our physicians millions of us reply: "You ought to know my doctor."

The medical profession is an honorable profession. Its history of constructive, sacrificial service to suffering humanity answers all adverse criticism. And the spirit of the physicians of the past—the spirit of faithful, heroic, unselfish service—is alive and manifest in the lives and practice of our American doctors today. All of us know that there are quacks and crooks among doctors just as there are quacks and crooks in any group. I make bold to assert, however, that no group in society can give a better account of its stewardship than the medical fraternity. As a group they represent thorough, scientific training, high standards of ethics, and steadfast loyalty to their noble calling: Healing humanity's hurt.

PERSONAL EXPERIENCE

As I think of the great number of doctors whose knowledge and skill have brought me and members of my family through many serious crises—physicians representing surgery, internal medicine, orthopedics, neurology, urology, obstetrics, radiology, pediatrics, eye, ear, nose, and throat, and dentistry, I say of each of them: "You ought to know my doctor."

SOME OBSERVATIONS

A group of us from Knoxville have summer cabins in a remote section of the East Tennessee mountains, near the boundary of the Great Smoky Mountains National Park. While in our cabins one summer some of our wives visiting in a home at the head of a mountain cove found a boy who was horribly club-footed. Immediately we called an orthopedic surgeon in Memphis, Tenn., and asked if he could do anything for the boy. Promptly Dr. Willis Campbell—I call his name because he is now in the spirit world—replied: "Bring him to me."

The boy was sent to Dr. Campbell's clinic. The feet were straightened, and after a few weeks he was returned to the little mountain home wearing braces. When the time came for the removal of the braces I took him to Memphis and left him at the clinic, telling him that I would call for him the next day. When I went by for him the following morning he was in the lobby of the clinic. The braces had been removed and he was happy. I said to him, "We have a long, hard drive ahead of us and must get started." He replied, "I want to see Dr. Campbell before I go." I found the secretary and told her that the boy insisted on seeing Dr. Campbell. She went to the boy and told him that Dr. Campbell was operating and couldn't be disturbed. Then, noting the look of disappointment on his face, she said: "Why do you want to see Dr. Campbell?" He replied: "I want to thank him for straightening my feet." She threw her arms about him, drawing him to her, and said: "Go on, boy, Dr. Campbell is as proud of those feet as you are."

That boy is now a school teacher. He and many, many others think of Dr. Willis Campbell with boundless devotion and gratitude as they unite in saying: "You ought to know my doctor."

Such incidents are being repeated across America every day. In every city, village, and countryside of our Nation these scenes are being reenacted continuously. They are so familiar that they are commonplace. We have witnessed them so frequently that our eyes are blurred to the magnificent spirit which they represent.

The circle of suffering is always changing, but it is always full. Those in that circle represent every age, color, creed, and station of life. Our physicians spend their lives in that circle where pain and anxiety form an atmosphere that is heavy and tense. Calmly, intelligently, courageously, they wage a truceless warfare with the grim, threatening figure of death. It would be timely and appropriate for the people of America to catch the spirit of the little Scotch community so beautifully pictured in Ian MacClaren's "Beside the Bonnie Briar Bush," and applaud our doctors.

If the grateful voices of those in hospitals, clinics, and homes of suffering where faithful physicians quietly minister were all blended together they would form a mighty chorus sounding across our Nation lifting the refrain "You ought to know my doctor."

FRED F. BROWN, M. A., Th. D., D. D.

(Dr. Brown has been pastor of Baptist churches in Kentucky, Tennessee, and Texas. Twenty-five years pastor of First Baptist Church, Knoxville, Tenn. Now pastor-emeritus of that church. Former president of the Southern Baptist Convention. Mentioned in American Preachers of Today, 1933; Religious Leaders of America, 1941–42; Who's Who in America, since 1932; Who's Who in the World (current issue).)

The Case of the Anacostia Pool

EXTENSION OF REMARKS
OF
HON. JOHN BELL WILLIAMS
OF MISSISSIPPI
IN THE HOUSE OF REPRESENTATIVES
Friday, August 12, 1949

Mr. WILLIAMS. Mr. Speaker, under leave to extend my remarks in the Appendix of the RECORD, I wish to include herewith an editorial appearing in this morning's Washington Times-Herald:

THE CASE OF THE ANACOSTIA POOL

For the past 45 days the big Anacostia swimming pool in southeast Washington has been closed because of Federal interference in a purely local matter between people living here in the District. During this period Washington has suffered the hottest days of the year.

The cause for this outrageous condition goes back to the 1920's when the District contributed a lot of money to build up recreation areas all over the city.

THE KIDS SUFFER

This act started a long and bitter fight between the District and the Interior Department over control of the city's recreational facilities.

During these years, however, a definite pattern developed in the use of the six swimming pools located in the various sections of the city which fitted in with the feeling and inclinations of the local citizenry. For, despite Interior Department rules that all public facilities under its control must be open to everyone regardless of creed or color, segregation has been practiced. The pools were operated by the recreation board in the mornings and GSI under contract with Interior the rest of the day.

The Francis and Banneker pools were used by Negroes and Anacostia, McKinley, Takoma Park and East Potomac were used by white youngsters.

POLICE QUELL DISTURBANCE

The Federal Government's obstinate and persistent attempt to dictate a national pattern of social rules regardless of local conditions, was brought to a head in the last week of June at the swimming pools. A concerted effort was made to force mixed swimming in all the pools. On June 26, 50 Negro children attempted to get into the Anacostia pool. The resulting disturbance was so great the pool was closed several hours ahead of schedule.

The next day and the next, Negro children again came to the Anacostia and McKinley pools. Since the area surrounding the Anacostia pool is predominantly a white neighborhood, feeling ran high.

On June 28 the disorder became so violent three persons were injured and five were arrested after a squad of police were called to maintain order. As a result the Recreation Board canceled its morning class and Interior Secretary Krug closed the pool.

Spearheaded by the recreation board, the residents of Washington have made attempt after attempt to reach an agreement with Krug so the pool could be opened. But he refuses to budge from his position that all the pools must be operated on a nonsegregated basis.

KRUG REFUSES TO BUDGE

At Krug's insistence the Recreation Board has agreed to take over the pools, wipe from its bylaws any mention of segregation and to adopt a policy of discarding segregation as soon as it can be done safely.

Agreement on this proposal was about to be concluded when Krug drew out because the recreation authorities would not guarantee to reopen Anacostia immediately on a nonsegregated basis.

Now the board has suggested another compromise. It would operate Anacostia, East Potomac, and the Takoma pools for white swimmers, Francis for Negroes and Banneker and McKinley for mixed groups.

But the Interior Department has turned this proposal down also again demanding that Anacostia pool be operated for both whites and Negroes.

Mr. Krug could do a lot more for his country and attend to the multiple duties of a Secretary of the Interior in a much more efficient manner if he would keep his nose out of purely local affairs and let Washington parents decide what should be done about their children's swimming. If he doesn't, the kids will soon drift back to the Eastern Branch and the Potomac River and the drowning rate will increase.

Hold the Line

EXTENSION OF REMARKS
OF
HON. JAY LeFEVRE
OF NEW YORK
IN THE HOUSE OF REPRESENTATIVES
Friday, August 12, 1949

Mr. LEFEVRE. Mr. Speaker, under unanimous consent to extend my remarks in the RECORD, I include an editorial from last night's Washington Star.

I am in great hope that this speech of our former President, Mr. Hoover, given on his seventy-fifth birthday, will serve a very useful purpose. Mr. Hoover was more than kind not to blame the elected officials of our country. I can see his point and the wisdom of such a statement. However, I do not believe we are relieved of a serious responsibility. After all, the people look to its elected representatives for leadership. We cannot sit by each day and see how the pressure groups are gaining, without becoming alarmed. We have to say "No" to these pressure groups and educate the rank and file of our citizenry as to where all these programs will lead us.

Since the beginning of our great history as a Nation, we have enjoyed liberty and freedom. As a result of this we have become the leading nation of the world. Let us of this generation hold the line.

The editorial follows:

WE ARE OUR OWN UNDOING

Herbert Hoover's seventy-fifth birthday speech does not make pleasant reading. One comes away from it with a feeling of discouragement, with an uneasy conviction that we, the American people, are pulling the temple of our free society down upon our own heads, and that nothing much can be done about it.

It is a speech that will serve no useful purpose unless received in the spirit in which it was made. The professional detractors, of course, will cry it down as the expression of a man who is living in the past, as a philosophy which looks backward and not to the future. But the reaction of these professionals is not especially important. Mr. Hoover was trying to reach out to that great mass of people who make the final decisions in this country. Like James F. Byrnes, who made a similar speech a few weeks ago, Mr. Hoover has no personal ax to grind. His partisanship, as in the case of Mr. Byrnes, is behind him. His only purpose is to put before the people of this country, for what it may be worth to them, the counsel of a man who has grown with the years, and who has had an unparalleled opportunity to acquire that wisdom which comes only from long and varied experience in public affairs. The question is whether the people, or enough people, will listen.

Mr. Hoover stated the central problem, as he sees it, clearly and vigorously. In his opinion, most Americans, although they do not believe in a collectivist state, have endorsed or are acquiescing in policies of spending and taxation which will lead inevitably to that result.

He gave some interesting illustrations of what has been happening. Only 20 years ago there was one Government employee to about 40 of the population. Today there is a Government employee for every 22 of the whole population and for every 8 of the working population. Twenty years ago all varieties of government, excepting only debt service, cost the average family less than $200 a year. Today, again excluding debt service, the cost to the average family is about $1,300 a year. If the new spending programs now being seriously advocated are put through, and if debt service is included, the average family soon will be putting up $1,900 a year in taxes for the support of Government. If this trend continues, in Mr. Hoover's opinion, our present structure will collapse and one of two things will happen: The Government will take over, which means socialism, or the Government will dictate our economic and institutional life, which is fascism.

It is silly to say that this sort of thing cannot happen here, for it is happening or it has happened all around the world. Yet a great many people are actively clamoring for more and more of the things that bring on first collapse and then regimentation, and many others remain indifferent to the prospect.

Mr. Hoover pointed out that there is little reason to blame our elected officials or in hoping that they will find a way out. For it is not in the nature of our political system that they should do so. These men and women must run for reelection, and as long as that remains so, and as long as the mass of the people remain indifferent, as long as they will not think for themselves, the political candidates will be at the mercy of self-seeking pressure groups. Perhaps this is a fatal weakness in our political system. Mr. Hoover does not say it in so many words, but the fact remains that, given time, the pressure groups, each clamoring in behalf of some selfish interest without regard for the national welfare, will surely tear us apart.

The best hope of preventing this lies in creating an awakened public opinion which will be strong enough and alert enough to make it politically feasible for our public officials to say no to the pressure groups. This will not be done, however, unless the people, not as a mass but as individuals, can be induced to subordinate their immediate personal desires to the long-range interests of the country. Mr. Hoover struck a note of mild optimism at the end of his speech when he said that the qualities of self-restraint, of integrity, of conscience and courage still live in our people, and that it is not too late to summon these qualities.

But how to summon them? At the outset of his talk Mr. Hoover said he would list some items for thought, but that "I am not going to offer you solutions to our national ills."

That, alas, is the rock upon which the finest exhortation founders. For it is one thing—and this is not said in any spirit of criticism of Mr. Hoover—to delineate the really basic problem of our times; quite another to propose a specific solution.

Congress and the Future Welfare and Security of this Nation

EXTENSION OF REMARKS
OF
HON. CARL ELLIOTT
OF ALABAMA
IN THE HOUSE OF REPRESENTATIVES
Friday, August 12, 1949

Mr. ELLIOTT. Mr. Speaker, Mr. Fred W. Shield, president of the Independent Petroleum Association of America, has written a report of his recent contacts with the Congress, which report he calls Beneath the Surface in Washington.

We can all share a considerable pride in Mr. Shield's impression of us, and at the same time I am sure that we all appreciate his kindness in reducing his impression to writing.

I include Mr. Shield's article as a part of my remarks:

BENEATH THE SURFACE IN WASHINGTON

I have recently been your representative in Washington—not political—but rather in accord with the unwritten instructions and obligations accepted with the presidency of Independent Petroleum Association of America. But I was only one of many members of the IPAA in Washington at the time, convening for the purpose of reviewing the various problems of the industry. These members were from all sections of the country, from every area in which oil or gas is produced.

It was our privilege to be close to some of the mechanism that makes our Government a positive rather than a negative factor in our lives.

Almost without exception we were received with every courtesy. We were welcomed, not merely as friends or chance acquaintances but as representatives of an essential industry.

The attention given your needs and the needs of all the people by your elected Representatives in Congress was both apparent and impressive. I was deeply sensitive to the conviction that, as has been said by others, the very foundation and mainstay of our form of government rests with our elected Government officials. We found congressional representatives in Washington anxious to hear from their constituents. Seldom was an opportunity missed to ask about some friend or acquaintance back in the home town or home State.

We found your Representatives in Congress glad to have the views and a frank and concise opinion of the problems they daily face when legislation is being considered. They want to know, from the practical standpoint, how suggested bills or acts might bear upon the welfare or economy of their State or district. But, too, they must then relate this to the total welfare of all of the people before they can make a final decision.

We found your elected Congressman well aware of the red tape that has built an unhealthy halo of criticism over the Washington scene. Where possible, this tape is cut to obtain direct action.

Almost invariably we found your elected officials anxious to know your problems at home; and anxious to receive logical advice as to the solution of these problems. This applies to the petroleum industry as well as others.

A final conclusion has been inescapable—as it should be and as it always has been in our democracy; the future welfare and security of this Nation will continue to be determined by Representatives elected and sent to Washington by the people, and that their actions will be chiefly governed by what factual, unbiased and unprejudiced conclusions they receive from their constituents.

Sincerely yours,
FRED W. SHIELD,
President, Independent Petroleum Association of America.

Federal-Aid-to-Education Bill

EXTENSION OF REMARKS
OF
HON. J. FRANK WILSON
OF TEXAS
IN THE HOUSE OF REPRESENTATIVES
Friday, August 12, 1949

Mr. WILSON of Texas. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following editorial from the Dallas Times Herald of August 9, 1949:

FEDERAL AID TO EDUCATION BILL STIRS UP BITTER DISPUTE

It is regrettable that discussion of the controversial Federal Aid to Education bill has degenerated into a bitter argument among religious leaders and others over the question of separation of church and State.

But this unfortunate turn of events is one of the logical fruits of the drive that certain groups are making to have the national Government assume among its other heavy responsibilities the task of financing and supervising education of youth, a task that the founding fathers left to the respective States.

Disputes over the teaching of religion in the tax-supported free schools are not new, but they have been only within the various States. The bill now before Congress has raised the issue to the national level.

In opposing this Federal aid, champions of State sovereignty have objected to it on the grounds that it would pave the way for Federal interference in State school programs. They know that once a huge sum of money is granted the States from the Federal Treasury, the time will come when the States will be required to meet certain specifications in order to qualify for the aid.

At this time there is a strong school of opinion that holds that the Federal government should take jurisdiction over nearly everything and that State sovereignty is an obsolete institution. The drive for the bill now in Congress is spearheaded by this school of opinion.

This has brought up the religious question, for it is obvious that as the Federal Government takes jurisdiction over the schools, it will become the task of Congress to decide what subjects are to be taught in the schools and what textbooks are to be used.

It is true that a large amount of Federal money is already being granted to the various States for use in their educational programs. But definite specifications are provided as to the use of such funds and the States may take the money or not, as they see fit. The bill now under consideration virtually compels the States to accept the Federal largess.

The bitter religious interchange is regrettable, but it is only one of many disturbing conditions that will arise as the blanket of Federal authority is extended. The argument simply shows the importance of keeping as much of government as possible on the State and local level.

Congressional Congratulations and Best Wishes to a New Member of the United States Circuit Court of Appeals

EXTENSION OF REMARKS
OF
HON. BARRATT O'HARA
OF ILLINOIS
IN THE HOUSE OF REPRESENTATIVES
Friday, August 12, 1949

Mr. O'HARA of Illinois. Mr. Speaker, for all the Members of this body from the districts in Cook County in Illinois I have wired to the Honorable Philip Finnegan, who today was sworn in as a United States circuit judge of the seventh circuit, our congratulations and best wishes for a brilliant career on the bench second only in dignity and important standing to that of the Supreme Court of the United States.

Judge Finnegan has served for many years and with great distinction on the State bench in Illinois. His brilliant legal mind, his indefatigable industry, and spotless integrity have contributed to the making of his record as one of the great jurists of a State which is second to none in the quality and character of those who wear and have worn the robes of the judicial office.

On the bench of the United States Circuit Court of Appeals for the Seventh Circuit he will serve with our distinguished and beloved former colleague, the Honorable J. Earl Major, and with the Honorable Sherman Minton, who as a Member of the United States Senate from the great State of Indiana, enjoyed the high respect and the warm friendship of Members in both bodies of the Congress. Also serving in that court is the Honorable Otto Kerner, a former attorney general of Illinois and a former State judge. It is a court of which the lawyers in the seventh circuit are justly proud. It is heartening to know that in Judge Finnegan the court has one who by his works and by his character has merited a place in such company. It is reassuring to all of us, lawyers and laymen alike, interested in maintaining in a time of stress and change the purity of justice and the impartiality in the interpretation of the law, that men like Judge Finnegan are called to service in the highest courts.

I could not mention the United States Circuit Court of Appeals for the Seventh Circuit without paying the tribute of an affectionate memory to one who was a judge in that court for many years and whose death within recent months came as a blow of crushing force to all of his many friends. Judge Evan A. Evans was one of the greatest of American jurists, and the brilliance of his mighty intellect is reflected in the opinions during several decades of the seventh circuit. I know that Judge Finnegan will find inspiration in the thought that among his predecessors was Judge Evan A. Evans.

Letter From the Secretary of State to the President Transmitting the Record of United States Relations With China

EXTENSION OF REMARKS
OF

HON. MIKE MANSFIELD
OF MONTANA

IN THE HOUSE OF REPRESENTATIVES

Friday, August 12, 1949

Mr. MANSFIELD. Mr. Speaker, under unanimous consent, I am inserting in the RECORD the letter of transmittal on the China paper by Secretary of State Dean Acheson to the President of the United States.

It is my hope that this letter and the China paper will be read with great care by the American people. The China paper is a factual and unbiased account of Sino-American relations over the period covered.

I have the highest confidence in our present Secretary of State, and I know that he is seeking by all means to establish a bipartisan China policy.

Secretary Acheson is to be commended for the setting up of a special committee to delve into this problem, and he has assured the Committee on Foreign Affairs in the House and on Foreign Relations in the Senate that he and this special committee will work closely with them in the development of this policy.

The answer to our dilemma in China is not to send American military aid and/or American combat troops. The whole question calls for the most careful study on a bipartisan basis to the end that the United States will receive first consideration in any policy evolved.

The times call for clear thinking, sound reasoning, and the exploration of every possible angle in the evolving of a China policy which will protect the best interests of the people of the United States.

Let us try to do this in a spirit of helpfulness, tolerance, and mutual understanding. The solving of this most complex of problems will tax our ingenuity to the utmost, and success will come only if we all work together and contribute to the limit of what abilities we possess. The task before us and the solution to be found may well be the most difficult questions that we, as a nation, have ever been confronted with.

A SUMMARY OF AMERICAN-CHINESE RELATIONS

(Letter from the Secretary of State to the President transmitting the record of United States relations with China)

LETTER OF TRANSMITTAL

DEPARTMENT OF STATE,
Washington, July 30, 1949.

THE PRESIDENT: In accordance with your wish, I have had compiled a record of our relations with China, special emphasis being placed on the last 5 years. This record is being published and will therefore be available to the Congress and to the people of the United States.

Although the compilation is voluminous, it necessarily covers a relatively small part of the relations between China and the United States. Since the beginning of World War II, these relations have involved many Government departments and agencies. The preparation of the full historical record of that period is by no means yet complete. Because of the great current interest in the problems confronting China, I have not delayed publication until the complete analysis could be made of the archives of the National Military Establishment, the Treasury Department, the Lend-Lease Administration, the White House files, and many other official sources. However, I instructed those charged with the compilation of this document to present a record which would reveal the salient facts which determined our policy toward China during this period and which reflect the execution of that policy. This is a frank record of an extremely complicated and most unhappy period in the life of a great country to which the United States has long been attached by ties of closest friendship. No available item has been omitted because it contains statements critical of our policy or might be the basis of future criticism. The inherent strength of our system is the responsiveness of the Government to an informed and critical public opinion. It is precisely this informed and critical public opinion which totalitarian governments, whether rightist or Communist, cannot endure and do not tolerate.

The interest of the people and the Government of the United States in China goes far back into our history. Despite the distance and broad differences in background which separate China and the United States, our friendship for that country has always been intensified by the religious, philanthropic, and cultural ties which have united the two peoples, and has been attested by many acts of good will over a period of many years, including the use of the Boxer indemnity for the education of Chinese students, the abolition of extraterritoriality during the Second World War, and our extensive aid to China during and since the close of the war. The record shows that the United States has consistently maintained and still maintains those fundamental principles of our foreign policy toward China which include the doctrine of the open door, respect for the administrative and territorial integrity of China, and opposition to any foreign domination of China. It is deplorable that respect for the truth in the compilation of this record makes it necessary to publish an account of facts which reveal the distressing situation in that country. I have not felt, however, that publication could be withheld for that reason.

The record should be read in the light of conditions prevailing when the events occurred. It must not be forgotten, for example, that throughout World War II we were allied with Russia in the struggle to defeat Germany and Italy, and that a prime object of our policy was to bring Russia into the struggle against Japan in time to be of real value in the prosecution of the war. In this period, military considerations were understandably predominant over all others. Our most urgent purpose in the Far East was to defeat the common enemy and save the lives of our own men and those of our comrades-in-arms, the Chinese included. We should have failed in our manifest duty had we pursued any other course.

In the years since VJ-Day, as in the years before Pearl Harbor, military considerations have been secondary to an earnest desire on our part to assist the Chinese people to achieve peace, prosperity, and internal stability. The decisions and actions of our Government to promote these aims necessarily were taken on the basis of information available at the time. Throughout this tragic period, it has been fully realized that the material aid, the military and technical assistance, and the good will of the United States, however abundant, could not of themselves put China on her feet. In the last analysis, that can be done only by China herself.

Two factors have played a major role in shaping the destiny of modern China.

The population of China during the eighteenth and nineteenth centuries doubled, thereby creating an unbearable pressure upon the land. The first problem which every Chinese Government has had to face is that of feeding this population. So far none has succeeded. The Kuomintang attempted to solve it by putting many land-reform laws on the statute books. Some of these laws have failed, others have been ignored. In no small measure, the predicament in which the national government finds itself today is due to its failure to provide China with enough to eat. A large part of the Chinese Communists' propaganda consists of promises that they will solve the land problem.

The second major factor which has shaped the pattern of contemporary China is the impact of the west and of western idea. For more than 3,000 years the Chinese developed their own high culture and civilization, largely untouched by outside influences. Even when subjected to military conquest the Chinese always managed in the end to subdue and absorb the invader. It was natural therefore that they should come to look upon themselves as the center of the world and the highest expression of civilized mankind. Then in the middle of the nineteenth century the heretofore impervious wall of Chinese isolation was breached by the West. These outsiders brought with them aggressiveness, the unparalleled development of western technology, and a high order of culture which had not accompanied previous foreign incursions into China. Partly because of these qualities and partly because of the decay of Manchu rule, the westerners, instead of being absorbed by the Chinese, introduced new ideas which played an important part in stimulating ferment and unrest.

By the beginning of the twentieth century the combined force of overpopulation and new ideas set in motion that chain of events which can be called the Chinese Revolution. It is one of the most imposing revolutions in recorded history, and its outcome and consequences are yet to be foreseen. Out of this revolutionary whirlpool emerged the Kuomintang, first under the leadership of Dr. Sun Yat-sen, and later Generalissimo Chiang Kai-shek, to assume the direction of the revolution. The leadership of the Kuomintang was not challenged until 1927 by the Chinese Communist Party, which had been organized in the early twenties under the ideological impetus of the Russian Revolution. It should be remembered that Soviet doctrine and practice had a measurable effect upon the thinking and principles of Dr. Sun Yat-sen, particularly in terms of economics and party organization, and that the Kuomintang and the Chinese Communists cooperated until 1927 when the Third International demanded a predominant position in the Government and the army. It was this demand which precipitated the break between the two groups. To a large extent the history of the period between 1927 and 1937 can be written in terms of the struggle for power between the Kuomintang and the Chinese Communists, with the latter apparently fighting a losing battle. During this period the Kuomintang made considerable progress in its efforts to unify the country and to build up the Nation's financial and economic strength. Somewhere during this decade, however, the Kuomintang began to lose the dynamism and revolutionary fervor which had created it, while in the Chinese Communists the fervor became fanaticism.

Perhaps largely because of the progress being made in China the Japanese chose 1937 as the departure point for the conquest of China proper, and the goal of the Chinese people became the expulsion of a brutal and hated invader. Chinese resistance against Japan during the early years of the war compelled the unqualified admiration of freedom-loving peoples throughout the world. Until 1940 this resistance was largely without foreign support. The tragedy of these

years of war was that physical and human devastation to a large extent destroyed the emerging middle class which historically has been the backbone and heart of liberalism and democracy.

In contrast also to the unity of the people of China in the war against Japan were the divided interests of the leaders of the Kuomintang and of the Chinese Communists. It became apparent in the early forties that the leaders of the government, just as much as the Communist leaders, were still as preoccupied with the internal struggle for power as they were with waging war against Japan. Once the United States became a participant in the war, the Kuomintang was apparently convinced of the ultimate defeat of Japan and saw an opportunity to improve its position for a show-down struggle with the Communists. The Communists, for their part, seemed to see in the chaos of China an opportunity to obtain that which had been denied them before the Japanese war, namely, full power in China. This struggle for power in the latter years of the war contributed largely to the partial paralysis of China's ability to resist.

It was precisely here that two of the fundamental principles of United States policy in regard to China—noninterference in its internal affairs and support of its unity and territorial integrity—came into conflict and that one of them also conflicted with the basic interests of the Allies in the war against Japan. It seemed highly probable in 1943 and 1944 that, unless the Chinese could subordinate their internal interests to the larger interest of the unified war effort against Japan, Chinese resistance would become completely ineffective and the Japanese would be able to deprive the Allies of valuable bases, operating points, and manpower in China at a time when the outcome of the war against Japan was still far from clear. In this situation and in the light of the paramount necessity of the most vigorous prosecution of the war, in which Chinese interests were equally at stake with our own, traditional concepts of policy had to be adapted to a new and unprecedented situation.

After Pearl Harbor we expanded the program of military and economic aid which we had inaugurated earlier in 1941 under the Lend-Lease Act. That program, described in chapter I of the attached record, was far from reaching the volume which we would have wished because of the tremendous demands on the United States from all theaters of a world-wide war and because of the difficulties of access to a China all of whose ports were held by the enemy. Nevertheless it was substantial.

Representatives of our Government, military and civilian, who were sent to assist the Chinese in prosecuting the war soon discovered that, as indicated above, the long struggle had seriously weakened the Chinese Government, not only militarily and economically, but also politically and in morale. The reports of United States military and diplomatic officers reveal a growing conviction through 1943 and 1944 that the Government and the Kuomintang had apparently lost the early crusading spirit that won them the people's loyalty during the early years of the war. In the opinion of many observers they had sunk into corruption, into a scramble for place and power, and into reliance on the United States to win the war for them and to preserve their own domestic supremacy. The Government of China, of course, had always been a one-party rather than a democratic government, in the Western sense. The stresses and strains of war were now rapidly weakening such liberal elements as it did possess and strengthening the grip of the reactionaries who were indistinguishable from the war lords of the past. The mass of the Chinese people were coming more and more to lose confidence in the Government.

It was evident to us that only a rejuvenated and progressive Chinese Government which could recapture the enthusiastic loyalty of the people could and would wage an effective war against Japan. American officials repeatedly brought their concern with this situation to the attention of the generalissimo and he repeatedly assured them that it would be corrected. He made, however, little or no effective effort to correct it and tended to shut himself off from Chinese officials who gave unpalatable advice. In addition to a concern over the effect which this atrophy of the central Chinese administration must have upon the conduct of the war, some American observers, whose reports are also quoted in the attached record, were concerned over the effect which this deterioration of the Kuomintang must have on its eventual struggle, whether political or military, with the Chinese Communists. These observers were already fearful in 1943 and 1944 that the National Goverment might be so isolating itself from the people that in the postwar competition for power it would prove itself impotent to maintain its authority. Nevertheless, we continued for obvious reasons to direct all our aid to the National Government.

This was of course the period during which joint prosecution of the war against Nazi Germany had produced a degree of cooperation between the United States and Russia. President Roosevelt was determined to do what he could to bring about a continuance in the postwar period of the partnership forged in the fire of battle. The peoples of the world, sickened and weary with the excesses, the horrors, and the degradation of the war, shared this desire. It has remained for the postwar years to demonstrate that one of the major partners in this world alliance seemingly no longer pursues this aim, if indeed it ever did.

When Maj. Gen. Patrick J. Hurley was sent by President Roosevelt to Chungking in 1944 he found what he considered to be a willingness on the part of the National Government and the Chinese Communists to lay aside their differences and cooperate in a common effort. Already they had been making sporadic attempts to achieve this result.

Previously and subsequently, General Hurley had been assured by Marshal Stalin that Russia had no intention of recognizing any government in China except the National Government with Chiang Kai-shek as its leader. It may be noted that during the late war years and for a time afterward Marshal Stalin reiterated these views to American officials. He and Molotov expressed the view that China should look to the United States as the principal possible source of aid. The sentiments expressed by Marshal Stalin were in large part incorporated in the Sino-Soviet treaty of 1945.

From the wartime cooperation with the Soviet Union and from the costly campaigns against the Japanese came the Yalta Agreement. The American Government and people awaited with intense anxiety the assault on the main islands of Japan which it was feared would cost up to a million American casualties before Japan was conquered. The atomic bomb was not then a reality and it seemed impossible that the war in the Far East could be ended without this assault. It thus became a primary concern of the American Government to see to it that the Soviet Union enter the war against Japan at the earliest possible date in order that the Japanese Army in Manchuria might not be returned to the homeland at the critical moment. It was considered vital not only that the Soviet Union enter the war but that she do so before our invasion of Japan, which already had been set for the autumn of 1945.

At Yalta, Marshal Stalin not only agreed to attack Japan within two or three months after VE-day, but limited his "price" with reference to Manchuria substantially to the position which Russia had occupied there prior to 1904. We for our part, in order to obtain this commitment and thus to bring the war to a close with a consequent saving of American, Chinese and other Allied lives, were prepared to and did pay the requisite price. Two facts must not, however, be lost sight of in this connection. First, the Soviet Union when she finally did enter the war against Japan, could in any case have seized all the territories in question and considerably more regardless of what our attitude might have been. Second, the Soviets on their side in the Sino-Soviet Treaty arising from the Yalta Agreement, agreed to give the National Government of China moral and material support and moreover formalized their assurances of noninterference in China's internal affairs. Although the unexpectedly early collapse of Japanese resistance later made some of the provisions of the Yalta Agreement seem unnecessary, in the light of the predicted course of the war at that time they were considered to be not only justified but clearly advantageous. Although dictated by military necessity, the Agreement and the subsequent Sino-Soviet Treaty in fact imposed limitations on the action which Russia would, in any case, have been in a position to take.

For reasons of military security, and for those only, it was considered too dangerous for the United States to consult with the National Government regarding the Yalta Agreement or to communicate its terms at once to Chungking. We were then in the midst of the Pacific war. It was felt that there was grave risk that secret information transmitted to the Nationalist capital at this time would become available to the Japanese almost immediately. Under no circumstances, therefore, would we have been justified in incurring the security risks involved. It was not until June 15, 1945, that General Hurley was authorized to inform Chiang Kai-shek of the agreement.

In conformity with the Russian agreement at Yalta to sign a treaty of friendship and alliance with Nationalist China, negotiations between the two nations began in Moscow in July 1945. During their course, the United States felt obliged to remind both parties that the purpose of the treaty was to implement the Yalta agreement—no more, no less—and that some of the Soviet proposals exceeded its provisions. The treaty, which was signed on August 14, 1945, was greeted with general satisfaction both in Nationalist China and in the United States. It was considered that Russia had accepted definite limitations on its activities in China and was committed to withhold all aid from the Chinese Communists. On September 10, however, our embassy in Moscow cautioned against placing undue confidence in the Soviet observance of either the spirit or letter of the treaty. The subsequent conduct of the Soviet Government in Manchuria has amply justified this warning.

When peace came the United States was confronted with three possible alternatives in China: (1) It could have pulled out lock, stack, and barrel; (2) it could have intervened militarily on a major scale to assist the Nationalists to destroy the Communists; (3) it could, while assisting the Nationalists to assert their authority over as much of China as possible, endeavor to avoid a civil war by working for a compromise between the two sides.

The first alternative would, and I believe American public opinion at the time so felt, have represented an abandonment of our international responsibilities and of our traditional policy of friendship for China before we had made a determined effort to be of assistance. The second alternative policy, while it may look attractive theoretically and in retrospect, was wholly impracticable. The Nationalists had been unable to destroy the Communists during the 10 years before the war. Now after the war the Nationalists

were, as indicated above, weakened demoralized, and unpopular. They had quickly dissipated their popular support and prestige in the areas liberated from the Japanese by the conduct of their civil and military officials. The Communists on the other hand were much stronger than they had ever been and were in control of most of North China. Because of the ineffectiveness of the Nationalist forces which was later to be tragically demonstrated, the Communists probably could have been dislodged only by American arms. It is obvious that the American people would not have sanctioned such a colossal commitment of our armies in 1945 or later. We therefore came to the third alternative policy whereunder we faced the facts of the situation and attempted to assist in working out a modus vivendi which would avert civil war but nevertheless preserve and even increase the influence of the National Government.

As the record shows, it was the Chinese National Government itself which, prior to General Hurley's mission, had taken steps to arrive at a working agreement with the Communists. As early as September 1943 in addressing the Kuomintang Central Executive Committee, the Generalissimo said, "we should clearly recognize that the Communist problem is a purely political problem and should be solved by political means." He repeated this view on several occasions. Comprehensive negotiations between representatives of the Government and of the Communists, dealing with both military cooperation and civil administration, were opened in Sian in May 1944. These negotiations, in which Ambassador Hurley later assisted at the invitation of both parties between August 1944 and September 1945, continued intermittently during a year and a half without producing conclusive results and culminated in a comprehensive series of agreements on basic points on October 11, 1945, after Ambassador Hurley's departure from China and before General Marshall's arrival. Meanwhile, however, clashes between the armed forces of the two groups were increasing and were jeopardizing the fulfillment of the agreements. The danger of widespread civil war, unless the negotiations could promptly be brought to a successful conclusion, was critical. It was under these circumstances that General Marshall left on his mission to China at the end of 1945.

As the account of General Marshall's mission and the subsequent years in chapters V and VI of the underlying record reveals, our policy at that time was inspired by the two objectives of bringing peace to China under conditions which would permit stable government and progress along democratic lines, and of assisting the National Government to establish its authority over as wide areas of China as possible. As the event proved, the first objective was unrealizable because neither side desired it to succeed: the Communists because they refused to accept conditions which would weaken their freedom to proceed with what remained consistently their aim, the communization of all China; the Nationalists because they cherished the illusion, in spite of repeated advice to the contrary from our military representatives, that they could destroy the Communists by force of arms.

The second objective of assisting the National Government, however, we pursued vigorously from 1945 to 1949. The National Government was the recognized Government of a friendly power. Our friendship, and our right under international law alike, called for aid to the Government instead of to the Communists who were seeking to subvert and overthrow it. The extent of our aid to Nationalist China is set forth in detail in chapters V, VI, VII, and VIII of the record and need not be repeated here. The National Government had in 1945, and maintained until the early fall of 1948, a marked superiority in manpower and armament over their rivals. Indeed during that period, thanks very largely to our aid in transporting, arming, and supplying their forces, they extended their control over a large part of north China and Manchuria. By the time General Marshall left China at the beginning of 1947, the Nationalists were apparently at the very peak of their military successes and territorial expansion. The following year and a half revealed, however, that their seeming strength was illusory and that their victories were built on sand.

The crisis had developed around Manchuria, traditional focus of Russian and Japanese imperialism. On numerous occasions, Marshal Stalin had stated categorically that he expected the National Government to take over the occupation of Manchuria. In the truce agreement of January 10, 1946, the Chinese Communists agreed to the movement of Government troops into Manchuria for the purpose of restoring Chinese sovereignty over this area. In conformity with this understanding the United States transported sizable Government armies to the ports of entry into Manchuria. Earlier the Soviet Army had expressed a desire to evacuate Manchuria in December 1945, but had remained an additional 2 or 3 months at the request of the Chinese Government. When the Russian troops did begin their evacuation, the National Government found itself with extended lines of communications, limited rolling stock, and insufficient forces to take over the areas being evacuated in time to prevent the entry of Chinese Communist forces, who were already in occupation of the countryside. As the Communists entered, they obtained the large stocks of matériel from the Japanese Kwantung Army which the Russians had conveniently abandoned. To meet this situation the National Government embarked on a series of military campaigns which expanded the line of its holdings to the Sungari River. Toward the end of these campaigns it also commenced hostilities within north China and succeeded in constricting the areas held by the Communists.

In the spring of 1946 General Marshall attempted to restore peace. This effort lasted for months and during its course a seemingly endless series of proposals and counterproposals were made which had little effect upon the course of military activities and produced no political settlement. During these negotiations General Marshall displayed limitless patience and tact and a willingness to try and then try again in order to reach agreement. Increasingly he became convinced, however, that 20 years of intermittent civil war between the two factions, during which the leading figures had remained the same, had created such deep personal bitterness and such irreconcilable differences that no agreement was possible. The suspicions and the lack of confidence were beyond remedy. He became convinced that both parties were merely sparring for time, jockeying for military position and catering temporarily to what they believed to be American desires. General Marshall concluded that there was no hope of accomplishing the objectives of his mission.

Even though for all practical purposes General Marshall, by the fall of 1946, had withdrawn from his efforts to assist in a peaceful settlement of the civil war, he remained in China until January 1947. One of the critical points of dispute between the Government and the Communists had been the convocation of the National Assembly to write a new constitution for China and to bring an end to the period of political tutelage and of one-party government. The Communists had refused to participate in the National Assembly unless there were a prior military settlement. The Generalissimo was determined that the Assembly should be held and the program carried out. It was the hope of General Marshall during the late months of 1946 that his presence in China would encourage the liberal elements in non-Communist China to assert themselves more forcefully than they had in the past and to exercise a leavening influence upon the absolutist control wielded by the reactionaries and the militarists. General Marshall remained in China until the Assembly had completed its work. Even though the proposed new framework of government appeared satisfactory, the evidence suggested that there had been little shift in the balance of power.

In his farewell statement, General Marshall announced the termination of his efforts to assist the Chinese in restoring internal peace. He described the deep-seated mutual suspicion between the Kuomintang and the Chinese Communist Party as the greatest obstacle to a settlement. He made it clear that the salvation of China lay in the hands of the Chinese themselves and that, while the newly adopted constitution provided the framework for a democratic China, practical measures of implementation by both sides would be the decisive test. He appealed for the assumption of leadership by liberals in and out of the Government as the road to unity and peace. With these final words he returned to Washington to assume, in January 1947, his new post as Secretary of State.

As the signs of impending disaster multiplied, the President in July 1947, acting on the recommendation of the Secretary of State, instructed Lt. Gen. Albert C. Wedemeyer to survey the Chinese scene and make recommendations. In his report, submitted on September 19, 1947, the General recommended that the United States continue and expand its policy of giving aid to Nationalist China, subject to these stipulations:

1. That China inform the United Nations of her request for aid.

2. That China request the United Nations to bring about a truce in Manchuria and request that Manchuria be placed under a Five-Power guardianship or a trusteeship.

3. That China utilize her own resources, reform her finances, her Government and her armies, and accept American advisers in the military and economic fields.

General Wedemeyer's report, which fully recognized the danger of Communist domination of all China and was sympathetic to the problems of the National Government, nevertheless listed a large number of reforms which he considered essential if that Government were to rehabilitate itself.

It was decided that the publication at that time of a suggestion for the alienation of a part of China from the control of the National government, and for placing that part under an international administration to include Soviet Russia, would not be helpful. In this record, the full text of that part of General Wedemeyer's report which deals with China appears as an annex to chapter VI.

The reasons for the failures of the Chinese National Government appear in some detail in the attached record. They do not stem from any inadequacy of American aid. Our military observers on the spot have reported that the Nationalist armies did not lose a single battle during the crucial year of 1948 through lack of arms or ammunition. The fact was that the decay which our observers had detected in Chungking early in the war had fatally sapped the powers of resistance of the Kuomintang. Its leaders had proved incapable of meeting the crisis confronting them, its troops had lost the will to fight, and its government had lost popular support. The Communists, on the other hand, through a ruthless discipline and fanatical zeal, attempted to sell themselves as guardians and liberators of the people. The Nationalist armies did not have to be defeated; they disintegrated. History has proved again and again that a regime without faith in itself and an army without morale cannot survive the test of battle.

The record obviously can not set forth in equal detail the inner history and develop-

ment of the Chinese Communist Party during these years. The principal reason is that, while we had regular diplomatic relations with the National Government and had the benefit of voluminous reports from our representatives in their territories, our direct contact with the Communists was limited in the main to the mediation efforts of General Hurley and General Marshall.

Fully recognizing that the heads of the Chinese Communist Party were ideologically affiliated with Moscow, our Government nevertheless took the view, in the light of the existing balance of forces in China, that peace could be established only if certain conditions were met. The Kuomintang would have to set its own house in order and both sides would have to make concessions so that the Government of China might become, in fact as well as in name, the Government of all China and so that all parties might function within the constitutional system of the Government. Both internal peace and constitutional development required that the progress should be rapid from one party government with a large opposition party in armed rebellion to the participation of all parties, including the moderate non-Communist elements, in a truly national system of government.

None of these conditions has been realized. The distrust of the leaders of both the Nationalist and Communist Parties for each other proved too deep-seated to permit final agreement, notwithstanding temporary truces and apparently promising negotiations. The Nationalists, furthermore, embarked in 1946 on an overambitious military campaign in the face of warnings by General Marshall that it not only would fail but would plunge China into economic chaos and eventually destroy the National Government. General Marshall pointed out that though Nationalist armies could, for a period, capture Communist-held cities, they could not destroy the Communist armies. Thus, every Nationalist advance would expose their communications to attack by Communist guerrillas and compel them to retreat or to surrender their armies together with the munitions which the United States has furnished them. No estimate of a military situation has ever been more completely confirmed by the resulting facts.

The historic policy of the United States of friendship and aid toward the people of China was, however, maintained in both peace and war. Since VJ-day the United States Government has authorized aid to Nationalist China in the form of grants and credits totaling approximately $2,000,000,000, an amount equivalent in value to more than 50 percent of the monetary expenditures of the Chinese Government and of proportionately greater magnitude in relation to the budget of that Government than the United States has provided to any nation of western Europe since the end of the war. In addition to these grants and credits, the United States Government has sold the Chinese Government large quantities of military and civilian war surplus property with a total procurement cost of over $1,000,000,000, for which the agreed realization to the United States was $232,000,000. A large proportion of the military supplies furnished the Chinese armies by the United States since VJ-day has, however, fallen into the hands of the Chinese Communists through the military ineptitude of the Nationalist leaders, their defections and surrenders, and the absence among their forces of the will to fight.

It has been urged that relatively small amounts of additional aid—military and economic—to the National Government would have enabled it to destroy communism in China. The most trustworthy military, economic, and political information available to our Government does not bear out this view.

A realistic appraisal of conditions in China, past and present, leads to the conclusion that the only alternative open to the United States was full-scale intervention in behalf of a government which had lost the confidence of its own troops and its own people. Such intervention would have required the expenditure of even greater sums than have been fruitlessly spent thus far, the command of Nationalist armies by American officers, and the probable participation of American armed forces—land, sea, and air—in the resulting war. Intervention of such a scope and magnitude would have been resented by the mass of the Chinese people, would have diametrically reversed our historic policy, and would have been condemned by the American people.

It must be admitted frankly that the American policy of assisting the Chinese people in resisting domination by any foreign power or powers is now confronted with the gravest difficulties. The heart of China is in Communist hands. The Communist leaders have foresworn their Chinese heritage and have publicly announced their subservience to a foreign power, Russia, which during the last 50 years, under czars and Communists alike, has been most assiduous in its efforts to extend its control in the Far East. In the recent past, attempts at foreign domination have appeared quite clearly to the Chinese people as external aggression and as such have been bitterly and in the long run successfully resisted. Our aid and encouragement have helped them to resist. In this case, however, the foreign domination has been masked behind the facade of a vast crusading movement which apparently has seemed to many Chinese to be wholly indigenous and national. Under these circumstances, our aid has been unavailing.

The unfortunate but inescapable fact is that the ominous result of the civil war in China was beyond the control of the Government of the United States. Nothing that this country did or could have done within the reasonable limits of its capabilities could have changed that result; nothing that was left undone by this country has contributed to it. It was the product of internal Chinese forces, forces which this country tried to influence but could not. A decision was arrived at within China, if only a decision by default.

And now it is abundantly clear that we must face the situation as it exists in fact. We will not help the Chinese or ourselves by basing our policy on wishful thinking. We continue to believe that, however tragic may be the immediate future of China and however ruthless a major portion of this great people may be exploited by a party in the interest of a foreign imperialism, ultimately the profound civilization and the democratic individualism of China will reassert themselves and she will throw off the foreign yoke. I consider that we should encourage all developments in China which now and in the future work toward this end.

In the immediate future, however, the implementation of our historic policy of friendship for China must be profoundly affected by current developments. It will necessarily be influenced by the degree to which the Chinese people come to recognize that the Communist regime serves not their interests but those of Soviet Russia and the manner in which, having become aware of the facts, they react to this foreign domination. One point, however, is clear. Should the Communist regime lend itself to the aims of Soviet Russian imperialism and attempt to engage in aggression against China's neighbors, we and the other members of the United Nations would be confronted by a situation violative of the principles of the United Nations Charter and threatening international peace and security.

Meanwhile our policy will continue to be based upon our own respect for the Charter, our friendship for China, and our traditional support for the open door and for China's independence and administrative and territorial integrity.

Respectfully yours,

DEAN ACHESON.

Farm Wage Hourly Rates by States, July 1948

EXTENSION OF REMARKS

OF

HON. REID F. MURRAY

OF WISCONSIN

IN THE HOUSE OF REPRESENTATIVES

Friday, August 12, 1949

Mr. MURRAY of Wisconsin. Mr. Speaker, the following table shows the farm wage hourly rates by States. It must be kept in mind that these labor rates per hour were being paid while agricultural products were bringing up to 150 percent of parity. If agricultural products drop to 90 percent of parity, you can see that these rates may be considerably lower.

The table follows:

Farm wage hourly rates by States, July 1948

[Cents per hour]

Tennessee	31
Alabama	32
Mississippi	32
South Carolina	34
Louisiana	36
Georgia	37
Arkansas	39
Kentucky	39
North Carolina	43
West Virginia	44
Florida	45
Virginia	47
Texas	50
New Mexico	51
Missouri	54
Oklahoma	57
Ohio	57
Pennsylvania	58
Arizona	59
Indiana	59
Delaware	60
Maryland	61
Colorado	61
Illinois	63
Michigan	64
Wisconsin	65
Wyoming	66
Nevada	66
Utah	68
Maine	68
Massachusetts	69
Vermont	70
New Jersey	71
Rhode Island	71
Montana	72
New Hampshire	72
Connecticut	74
Kansas	74
Minnesota	75
Idaho	75
Nebraska	76
New York	76
South Dakota	80
North Dakota	82
Iowa	82
California	95
Oregon	96
Washington	98
United States average	57

From official report of Bureau of Agricultural Economics.

It's Easier To Get Out

EXTENSION OF REMARKS
OF
HON. HOMER D. ANGELL
OF OREGON
IN THE HOUSE OF REPRESENTATIVES
Friday, August 12, 1949

Mr. ANGELL. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following article from the News Review, London, England, for June 9, 1949:

IT IS EASIER TO GET OUT

(Doubts about mental hospitals have been aroused in the public mind by the Hollywood film, The Snake Pit. (News Review, May 26.) One widespread impression is that it is easier to get in than to get out.)

Perhaps nowhere else has the law been at such pains to protect the individual as in the matter of insanity.

All the old notions have been swept away. Even the word "insanity" is now taboo. Patients are "mentally unsound," and they are no longer inmates of an "asylum," but of a "mental hospital." This is the direct consequence of the century's revolution in psychological medicine.

Between sanity and insanity there are unnumbered rainbow tints of mental states. Few people are 100 percent sane or insane.

How, then, are people sent into mental hospitals? A subject can be detained against his will, when the issue is his unsoundness of mind, only under order of a person authorized by law.

This authority may follow on a petition and be dealt with by a justice of the peace, or the commissioners of the board of control (which replaced the commissioners in lunacy), or, in certain cases, by a master in lunacy.

Every safeguard has been taken to ensure the utmost protection of the individual, both as to being placed under restraint, properly treated while under restraint, and set free as soon as the necessity for restraint has passed.

Take the hypothetical case of a woman who has been "funny" for a long time, but now believes it is her mission to set fire to haystacks. The family's doctor says that it is time she went into a mental hospital.

"And this is what we'll have to do about it," he explains. "I shall have to get another doctor who is quite independent of me to examine her. He'll have to examine her alone. I mustn't be present. He will then say what he thinks of her mental condition. I shall then examine her myself and make a report, also.

"We now have to apply by petition from her nearest relative. With the petition will go the two medical certificates."

The petition, with statement of particulars, goes with two medical certificates before a justice of the peace, a county court judge or a stipendiary magistrate.

"We have to go carefully," explains the family physician. "I think she is of unsound mind. But I must be certain, otherwise she can 'have the law on me.' "

He then relates the case of the doctors who certified a Mr. Harnett in 1927. Mr. Harnett escaped, brought an action for damages, and won, but because of a legal point did not receive any money.

When the petition is laid before the proper judicial authority, that is not the end of the matter.

A few days later the physician reports to the family that the judge wants to see the patient; feeling that if she was manageable at home for 20 years she may not need to be made the subject of an order now.

Assuming that the judge is satisfied, the patient enters a mental hospital, but within 24 hours she is told in writing that she has the right to see a judicial authority if she so desires. The medical superintendent who omits this notification may be fined £20 for neglect.

In a different category is the voluntary patient—the man who is not insane in the crude sense of that word, but who has broken down under the strain of high-pressure modern life.

To such a case the family physician says, or ought to say, something like this: "Nobody can define the line between sanity and insanity. It is a shading off, and very few can claim to be without some sort of mental foible. Now you are sane, but I would not like to say you will be a year hence if you do not have early treatment."

If he is wise, the patient accepts the verdict. He is not insane. He is a nerve case about to undergo treatment. He can go whenever he likes and is as free, as regards his person, as a hotel visitor. The vast majority of these cases come out cured.

The law has also taken great care to protect patients under restraint, and to make sure that they are released when capable of managing themselves and their affairs.

Any patient must be released if the petitioner for the reception order, or someone acting for him, insists. The exception: If the demand is made where the patient is a danger, both to himself and to others, the medical superintendent may certify to that effect and hold the subject of the application for release for further treatment.

Patients are no longer cut off from the world, whether voluntary or under a reception order. There are visits from the commissioners of the board of control who have power to inquire into a case and order release if they think it the proper course.

If visiting commissioners from the board of control deem a patient wrongly detained, they can order release within 7 days. Anyone can apply to have the patient medically examined by two doctors, and, if after two visits over 7 days they find the patient sane, the board of control may order release.

To detain a patient after such an order has been made is a misdemeanor.

Just as it is exceedingly difficult to enter a mental hospital, to get out is relatively simple.

A Citizen From the Grass Roots Speaks

EXTENSION OF REMARKS
OF
HON. WINT SMITH
OF KANSAS
IN THE HOUSE OF REPRESENTATIVES
Friday, August 12, 1949

Mr. SMITH of Kansas. Mr. Speaker, recently my attention was called to a letter in the Wilson World, written by Mr. Ray Mikulecky, of Wilson, Kans. This letter clearly points out the dangerous road we are about to travel. We who believe that it is time to call a halt to so many of these new ideas get a great deal of inspiration from such letters.

I commend it for your reading:

Our folks who plug for various kinds of social controls seem to think they voice the latest word in progress. This discards the wisdom of Solomon, who proclaimed there was nothing new under the sun.

These social thinkers believe they have something new and better than anything that has gone before. That is not necessarily so. Friends, their thinking is faulty. Controls are nothing new.

Except for America, most of the world is a huge political graveyard littered with corpses of dead nations—nations that accepted controls and planning and central planning as the latest thing out. These were the nations that tried the very things being proposed in our Congress. The only thing different now is the way it is done. Then some king or tyrant said he'd control things the way he wanted, and did. The people let him go ahead and he charged them taxes.

Today in America there are groups that would like special privileges for themselves. There are persons athirst for political power, who want to run things for everybody. The words "freedom" and "liberty" are not on their lips. But knowing this is a Republic where those who make the laws represent the people, these controllers use agitation for idealism to stir up the people.

In principle most all of us recognize the danger to our independence and liberty if Government actvities are extended in matters that can be handled by private citizens and the States. We know that government is best when kept where the people live. Yet these propagandists get people so impatient "to advance the welfare" that some folks will submit to control and to loss of liberty.

I believe that the proposed Federal aid to schools is a good example of this. For 30 years Congress has refused to pass such bills. But because the Federal Government has its huge power of taxation, the planners keep insisting so many wonderful things may be done in Washington. The people are told they will receive benefits which are impossible of fulfillment. Even to attempt them would change the whole pattern of the American way of life.

My 50 Years or More in Mining

EXTENSION OF REMARKS
OF
HON. REVA BECK BOSONE
OF UTAH
IN THE HOUSE OF REPRESENTATIVES
Friday, August 12, 1949

Mrs. BOSONE. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following address by J. C. Jensen, at the second annual convention, Central Idaho Mining and Industrial Association, Hailey, Idaho, June 11, 1949:

Mr. Chairman, ladies, gentlemen, dignitaries from Washington, mine operators, prospectors, members of the small-mine operators' association, and visitors, I appear before you by invitation from our friend, Mr. New, executive secretary of the Central Idaho Mining and Industrial Association, who asked me to talk to you on my 50 or more years of mining.

Inasmuch as Mr. New gave me only 20 minutes for this job and later cut me down to 15 minutes—and fully realizing early in life that in order to be able to direct, one must first learn to obey—I accepted the assignment.

In addition to a résumé of some of my experiences in mining, I will point out the desperate need for protection of our mining industry, not only as a means of profit but also as a necessity for our national safety and as a means of developing our own country and providing employment for our own men, instead of financing the development of mines in foreign countries, which, even if the mines are successful, are hazardous investments and could be entirely inaccessible to us in case of war, through sabo-

tage by our enemies, and, or, even taken over by them.

A brief statement, I hope, will take care of Mr. New's request for a talk on my 50 years of mining, which covers a large part of my life.

In addition to my good wife, five outstanding men have helped to shape my life.

The first one was my father, whose admonition was "Whatever you do in life, first learn to do it well, then after that learn to do it fast." And also, "You must first learn to obey in order to be able to direct, or command."

The second one was my friend, J. M. Callow, the father of the General Engineering Co., who became world famous. I built and put into operation the first mill he designed.

The third one was John Dern, my friend, and the father of George Dern, former Governor of Utah and later Secretary of War, who also was my friend. I was superintendent for the Dern interests in the Tintic district, Utah, when D. C. Jackling, the father of the Utah Copper, was their chemist at Mercur. This was before there was a Utah Copper.

The fourth one was "Uncle" Jesse Knight, whom everybody, in fondness, called "Uncle." He was one of the outstanding developers of mining in early days and also my friend. I was vice president and general manager in a number of properties in Colorado and Utah of which he was president and financial backer."

The fifth one was my friend, E. H. Snyder, the present-day wizard of mine-mill and metallurgical development and general manager of Combined Metals Reduction Co. I have for 32 years, since its inception, been vice president and director in the Combined Metals, Inc., the parent company.

I was also one of the organizers of the Combined Metals Reduction Co. and a director for many years, with E. H. Snyder, of that company.

During the First World War, I served as a member of the executive committee of the war minerals division of the American Mining Congress, with headquarters at 744 Munsey Building, Washington, D. C.

The records there, as well as the CONGRESSIONAL RECORD, will show that we accomplished a great deal for the benefit of the mining industry and the small operators, and successfully defeated the adverse interests to mining, as well as exposed plain misrepresentation on the part of selfish interests.

However, I am not speaking today in connection with my positions mentioned above—but as an individual having the mining industry and the safety of our country at heart.

My own relation to mining is best expressed when I say it has been my aim to help develop the country and find employment for men.

I have been able to do this with the help of the Lord and my friends who are legion. These friends were men of integrity, loyalty, experience, faith, and were unwilling to take no for an answer—but always willing to, in the final, bet on their own judgments.

The road has been long—but never tedious—though smaller men, selfish men, ignorance, and the words, "It can't be done" has stood in our way, at times, but never swayed our purpose.

As an illustration, we had 125,000 tons of ore blocked in the combined metals at Pioche, assaying 8 lead, 8 silver, 18 zinc. When we tried to market it we found it worthless—the smelters would not take it under any consideration on account of the zinc.

We had no encouragement from the smelters; they simply did not want it on account of the zinc content. This was a blow to us who had spent our money developing and blocking the 125,000 tons. The smelters could not or would not do anything on account of the 360 pounds of zinc per ton contained in the ore—notwithstanding the fact that at that time 30 to 40 percent of the weight of every automobile tire made (except a few freak ones) was zinc oxide.

Portraying a condition unthinkable—on the face of it we were assumably licked—down, but not out, so we rolled up our sleeves, rustled more money, $30,000 of which came from London, England, and we went to work to solve the problem.

We did solve it, but time will not permit going into detail. I have in my office three slugs of lead, refined lead, the first one made cone-shaped resembling a small loaf of sugar, the second one small square-oblong with protruding letters "Pioche lead," now used for paper weights, and the third one, a 90-pound bar of refined lead, the first bar of refined lead made in the West, made without going to refineries in the East, made out of that dirty mixed complex ore which the smelters would not take, and made in our own plant at Bauer.

The first step in our success of separation by flotation was worked out in our own laboratory, on a Janny machine by N. C. Christensen, a young metallurgical and chemical genius who is still with us. We later turned to, and pioneered, the Fagergren flotation machine.

But long before that, and the foundation of the whole set-up was 125 tests made by another, now well-known genius, E. H. Snyder. These tests were the basis of he and I joining hands, in conquering, an unconquerable problem.

After our success on flotation, the smelters got interested, which resulted in three flotation mills in this district: our mill at Bauer, the United States mill at Midvale, and the International mill at Tooele. Eight years ago we completed another mill at Pioche.

In other words, our metallurgical pioneering 25 years ago on an ore that was pronounced worthless by the smelters, has resulted in the profitable mining and milling of 3,500 tons per day, or more than a million tons per year of this class of ore in the four mills mentioned above; thus enriching our country, giving employment to an army of men, and providing on a large scale metals so badly needed.

It is time now that something is said on the mining industry itself. It is in a deplorable condition.

My mining experience dates back to 1891, when I made my first mining investment 58 years ago. My milling experience goes back considerably longer than that.

Mining for profit is one thing; mining for use and for the protection of our country is another thing.

Development of our country and providing employment for our own men is the duty of industry and of every individual who is able to do so.

We are all of us citizens of the greatest country in the world, essentially our brother's keeper, without limitation as to creed or nationality.

Importation of metals and subsidizing developments of mines in foreign countries at the expense of nondevelopment of our own mines (unless through ignorance) shocks an old-timer and to him borders on treason.

As far as mining and metals are concerned we must have more mines and more metals of our own, in our own country, or we will lose the next war.

Development and subsidizing of foreign mines not alone endangers our national safety and robs our own men of employment, but destroys our market, as witnessed by the present depression in metal prices.

Destruction of our market will, in turn, result in the shutting down of more mines, again increasing unemployment—a vicious cycle without end.

This procedure of importing metals, however, has another aspect which is threefold:

1. Temporary overstocking of metals.

2. Encouraging nondevelopment of new mines in our own country.

3. Development and equipping of foreign mines, which in turn will be left vulnerable to the enemy in time of war, unless we protect them.

This (protection of foreign mines) will add to our burden, further jeopardizing our national safety in time of war—imposed by our enemies—who in this scientific age can keep us from importing.

Stock piling is mentioned as a protection, which in itself is a folly. No matter how much imported metals we stock pile—2, 3, 4, or even 5 years of stock piling has an end, and becomes a false hope, if not backed by a healthy mining industry in our own country.

We are fortunate, at this critical time, to have a man in Washington at the head of the Bureau of Mines, who believes in our mines and mining industry, and who is concerned with the safety of our country and that of our allies.

James Boyd has demonstrated that he is willing, and has shown his ability to fight for what is right.

With a man like James Boyd in Washington at the helm of our Bureau of Mines, we are in good hands.

This is different to our position in the first war when Mr. Spur, the then head of the Bureau of Mines, allowed himself and the Department to be hoodwinked by the misrepresentation of the main importer of pyrites from Spain.

This man had come to Washington and offered his service as a dollar-a-year man on allocation of pyrite—claiming that there was no pyrite to be had in this country.

Spur allowed the wool to be pulled over his eyes and the eyes of the Department, by this man, and did not investigate or contradict his assertions.

Though we in Rico, Colo., had responded to the urgent request to the mining industry of President Wilson to help win the war by developing war minerals—manganese, pyrite, tungsten, chrome. We had opened up, in Rico, deposits of pyrite that would have allowed us to start producing any amount needed and, as proven later, millions of tons to draw from.

The importer, by falsifying maps and reports, kept us off the market and continued importing his own product from Spain. He, in 1917, imported nearly 700,000 tons of his own product and allowed Naylor & Co. to import 300,000 tons, nearly a million tons of an inferior grade.

The sulfur content of this imported product was only 27 to 35 percent sulfur, where our Rico product assayed 50 to 51 percent sulfur. The iron in his product was worthless. Our Rico product would assay (in the crude before extracting the sulfur) 45 to 46 iron, very high grade, with no detrimental impurities, good for high-speed guns and other war implements. His imported iron was entirely worthless.

The sulfur was badly needed for ammunition at that time as also was the iron—and careful supervision of Mr. Spur and the Department would have corrected the misrepresentation of the importer.

Mr. Spur quit the Department early in 1919 for a position with the Engineering and Mining Journal. His first editorial was, quote, "As far as metal mining in this country is concerned it is a thing of the past. We will have to look to foreign countries for our future supply."

It should be obvious that if we had followed his advice and not developed our mines, we as a Nation and our allies, would have lost the last war.

The lamentable part is that, until lately, men in the Department in Washington have been singing the same song.

As stated before we have with us today Mr. Boyd. We are thankful for his presence. We need him to help guide our ship.

We have with us also the new organization of the Small Mine Operators and Prospectors. They are the present and future pioneers of mine development.

We must, as stated before, have new mines for the safety of our country. This problem is up to the small mine operators organization and to individuals with courage.

It is hoped that the bill to be presented to Congress, as rewritten, will be passed, and thus provide help on a sliding scale—for their protection—for the protection and encouragement of the mining industry—and for our national protection by providing new mines so badly needed.

Let us all put our shoulder to the wheel and remember that teamwork is the key note.

Thank you.

Federalization of State National Guards

EXTENSION OF REMARKS
OF
HON. CARL ELLIOTT
OF ALABAMA
IN THE HOUSE OF REPRESENTATIVES
Friday, August 12, 1949

Mr. ELLIOTT. Mr. Speaker, there has been considerable agitation that the National Guards of the several States be taken from under the control of the States and merged with the Reserve components of the regular armed forces of the United States.

In other words the agitation is to federalize the National Guard.

Mr. Speaker, the National Guard should not be federalized. Guard units are a source of local pride to the hundreds of communities throughout this country where they are located.

To federalize the National Guard would be to jeopardize the enthusiasm and support of the local communities which it now enjoys.

The National Guard has gloriously proven itself as an efficient fighting force on the battlefields of two World Wars. Today it is well organized, well equipped, and well trained.

Mr. Speaker, I am proud to report that the National Guard of Alabama stands high in its relationship to the guard organizations of the other States.

As a part of my remarks I include a senate joint resolution relating to the National Guard, recently passed by the Legislature of Alabama:

Senate joint resolution to memorialize the Congress, the President, and the Secretary of Defense of the United States in protest against all proposals for federalization of the National Guard

Whereas a Board appointed by the Secretary of Defense of the United States, known as the Gray Board, has recommended that the National Guards of the several States be taken from under the controls of the several States and Territories and merged with the Federal Reserve components of the Regular armed forces of the United States, with the ground units to be known as the National Guard of the United States and the Air National Guard to become a part of the Air Force Reserve, and with the States to be allowed to maintain only small limited-duty types of home-security units; and

Whereas not only is there continued agitation by various elements in favor of federalization of the National Guards of the several States and Territories, but there are persistent and determined efforts being made by the United States Air Force to obtain the federalization of the Air National Guard and take control away from the several States and Territories by either direct or indirect means and methods; and

Whereas the National Guard Association of the United States, the Adjutant General's Association, and the National Guard Officer's Association of Alabama, have formally and vigorously gone on record in protest against any form of federalization of any part of the National Guard as now constituted; and

Whereas the Governor and Adjutant General of Alabama have gone on record as definitely opposed to the federalization of any part of the National Guard; and

Whereas the Alabama National Guard, and the National Guard of the several other States, Territories, and the District of Columbia, have over many years maintained and provided for the defense of those States, Territories, and the District of Columbia and the Nation, well organized, well trained, well equipped, and efficient fighting forces, which in many emergencies and in two great world wars have gloriously demonstrated their worth and capabilities as efficient fighting forces; and

Whereas the National Guard, as federally recognized State forces, have traditionally enjoyed and do now enjoy a remarkable degree of local pride and support, and benefit from a splendid spirit of enthusiasm, zeal, and voluntary contribution of time and personal effort by members of the units over and above that required of them, which local support and unit esprit de corps it is believed will not be given nearly so freely to a Federal Reserve force with no local ties; and

Whereas it is believed that maintenance of the National Guard in times of peace as State forces, without a centralized authority over all of the military forces of the Nation, affords the Nation and the individual States a valuable form of insurance of the preservation of the present republican form of democratic government; and

Whereas, in the light of the highly unsettled and troubled state of international affairs existing today, requiring the maintenance of strong, well-organized defense forces recognized as such by the other powers of the world, it is most undesirable and dangerous to the safety of the Nation that the National Guard, as a principal element of the Nation's military defensive system, be disrupted and weakened over a period of years while readjusting itself to such a radical change in organization and policy; and

Whereas the repeated efforts and demands of the Regular armed forces of the United States that the National Guard be federalized, if long persisted in, can impair the present high morale of the National Guard: Now, therefore, be it

Resolved by the State Senate of Alabama (the house of representatives concurring):

1. That the State of Alabama is unalterably opposed to federalization of the National Guard or any part thereof, and to any basic change in the legal status of the National Guard as now provided in the Constitution of the United States and in the National Defense Act as presently amended.

2. That the heads and General Staffs of the regular armed services should be firmly instructed by proper authority to cease their efforts and waste of time in trying to destroy and disrupt a well-planned, time- and war-tested national military policy which has enabled the United States to win every great war in which it has been engaged by the use of vast civilian armies based upon the present Militia or National Guard system.

3. That the State of Alabama, in continuance of its past demonstration of its good faith, continues willing to provide for the Alabama National Guard all of the attention and support needed from the State of Alabama and its local communities and citizens for the continued maintenance of the Alabama National Guard at the highest possible state of organization, training, efficiency, and esprit possible in any type of part-time military force.

4. That the actions of the Governor and the Adjutant General of Alabama in protest and opposition to all efforts and proposals for federalization in any form of any part of the National Guard are hereby ratified and confirmed, and that they should continue their firm opposition to all such proposals and efforts.

5. That the Senators and Representatives in the Congress of the United States from the State of Alabama are hereby requested to oppose and vote against any and all proposals for the federalization in any form of any part of the National Guard as presently constituted under the Constitution of the United States and the National Defense Act as presently amended.

6. That the Secretary of State of Alabama is hereby instructed to forward certified copies of this resolution to the President of the United States, the Secretary of Defense of the United States, the United States Senators and all Representatives from Alabama in the Congress of the United States, the chairmen of the Armed Services Committees of both Houses of the Congress of the United States, the president of the National Guard Association of the United States, the president of the Adjutants General Association, and the governors and the adjutants general of all the other States, Territories, and the District of Columbia.

Approved August 4, 1949.

Tennessee-Tombigbee Waterway

EXTENSION OF REMARKS
OF
HON. CARL ELLIOTT
OF ALABAMA
IN THE HOUSE OF REPRESENTATIVES
Friday, August 12, 1949

Mr. ELLIOTT. Mr. Speaker, one of the greatest projects this Congress could undertake would be the construction of the Tennesee-Tombigbee inland waterway.

It is justified in terms of present and future needs.

It is justified in terms of its value to our national defense.

As a part of my remarks I include an article by Dr. W. A. Evans headed "The Tombigbee River, yesterday and today—the Timbigbee inland waterway tomorrow," which article appeared in a recent issue of the Aberdeen Examiner, of Aberdeen, Miss.:

THE TOMBIGBEE RIVER, YESTERDAY AND TODAY—THE TOMBIGBEE INLAND WATERWAY TOMORROW

(By Dr. W. A. Evans)

(This was the last article written by Dr. Evans before his death.)

When one crosses the Tombigbee on Highway 41, near Amory, he is disappointed at its size, and the small volume of water it sometimes carries. How could so small a stream be so well known and of such repute—and capable of such tremendous possibilities of

good for this immediate section, and the Nation? The answer is easily found. You see at once that the banks are high, and the bed of the stream has a large carrying capacity. Nature intended that the Tombigbee should be a sure-enough river and not merely a scratch in the sand. Who has mixed up this plan and made the stream what it is?

In the main this is the work of man, and the white man at that. When the country was as God made it the Tombigbee Valley was densely wooded. The rainwater as it fell was held back by the trees, their branches, their leaves, and their roots. And in consequence, the bed of the stream carried a depth and breadth of water that was much larger than is usually the case; and boats from Mobile to Aberdeen, Cotton Gin, Camargo (and some times to City Point and Fulton) had ample time to come up on the high water, load with cotton, pelts, honey, and brandy, take on passengers, and get back to Mobile while the water held.

If this river was once a community asset, and the work of man has converted it into a community liability, is it not fair to ask that man's government change this stream from a community liability to an asset? But the easily accessible records show that this comparatively small stream once had a large freight and passenger traffic, via steamboats, and now has none is not the only reason for its repute.

From the very beginning, when the white man first looked on this stream, he saw its magnificent possibilities—political, economic, and military. He was impressed more by what his imagination told him than he was by what his eyes saw.

About 200 years ago, the French Government detached one of its ambassadors, by whatever name he was called, and sent him to the Tombigbee Valley to report on its possibilities, both military and economic. His report was satisfactory, because presently we find the French Government trying to settle the Tombigbee Valley, and to use it as a base for capturing the Mississippi Valley, and then use it as a foundation on which to pin the English to a small territory east of the mountains, and along the Atlantic seaboard.

They began by developing Mobile and Biloxi, and then building a series of forts up the Tombigbee. These forts were at Epes, Plymouth, and the French fort near what was later Cotton Gin Port. They used this chain of forts as their bases for the battles of Ackia and other campaigns against the Chickasaws, Choctaws, Natchez, and other Indian tribes, as well as the British.

In that early period there was no American Government. The British knew very well what the French were up to, for it's reported of the Battle of Ackia that the French always saw British flags flying over the Indian forts, and in fact filed some more or less personal complaints about British flags flying over Indian troops, when France was not at the time in open war against Great Britain.

Aside from the other sources of information, in which dates are officially given, we find this French report proposing canals from the Tombigbee to the Tennessee before 1801, and that took a good deal of capacity to look into the future. Not many people besides John Rankin, the United States Army engineers, and about half of the United States Congress has been able to see into the future as far as these Frenchmen did, prior to 1801.

Mrs. George Wilson Newell, of Chattanooga, Tenn., has written a very beautiful book entitled "Natchez and the Pilgrimage." In this book she uses a cut taken from Carego's General Atlas of the United States, date 1814. This cut was made after 1814 because the Natchez Trace was not laid out until that year, and between that date and 1814. These canals connecting the Tennessee and Tombigbee were proposed long before the Natchez Trace was put in service.

These canals connecting the Tennessee and Tombigbee are two in number at the upper end, but only one at the lower end. They came out of the Tombigbee on the east side of that stream, above the mouth of Upper Town Creek, sometimes called the West Fork of the Tombigbee. They are labeled "proposed canals." They flowed in a northeasterly direction as one canal for about one-third of the distance to the Tombigbee, and then comes the fork. The West Fork ran into the Tennessee River just below Muscle Shoals, the other reached the south bank of Muscle Shoals, opposite the mouth of Duck River.

No claim is made that any technical survey of the routes of these canals was made, or that any details were given. The value that this map and the French reports on which it was based was that it showed that a French official sent to the Tombigbee by his government to make a report on the economic and military possibilities of the region could see that there should be a canal from the Muscle Shoals on the Tennessee River across to the Tombigbee River, and affording transportation from one river system to the other.

Later, a group of businessmen of New York and other eastern trading centers sent Bernard Romans to report on the trade, agricultural, and forestry possibilities of this region. He came down in the earlier days of the Revolutionary War. This man, Bernard Romans, traveled overland from Biloxi to the Pontotoc villages, and then on to Twenty Mile, somewhere near the present location of Booneville, Miss. When he reached Twenty Mile Creek, he had a boat built and launched, and on this vessel he went down the West Fork of the Tombigbee past Twenty-eight Mile Creek (now called Bull Mountain Creek), down the main river by Aberdeen and Columbus, Demopolis, Epes, the mouth of the Warrior, to the junction with the Alabama River, and later on he reached Mobile Bay. Bernard Romans made a formal and detailed report of his trip to his sponsors, and it is probably the first good description that we have of this river.

The report of the United States Government's engineers, which is of course by far the most thorough report that has ever been made on this river, says that the first report that has ever been made on the Tombigbee River was made in 1875. And 1875 is 73 years ago. Even on that showing, the proposed Tennessee Tombigbee inland waterway is not exactly a mushroom proposition, but at least two reports, of a kind, had already been made when Army engineers began their study in 1875.

Their report is entitled "Waterway Connecting the Tennessee and Tombigbee Rivers." Letter from the Secretary of War, transmitting a letter from the Chief of Engineers, United States Army, dated September 29, 1945. It states: "In obedience to a request in a resolution of the Committee on Rivers and Harbors adopted January 2, 1945, Seventy-ninth Congress, second session, House Document No. 486.

In the Evans Memorial Library at Aberdeen, Miss., we find with that report a map of the Tombigbee River and the proposed canals. This map shows the proposed location of each dam and cut-off, and the amount of land needed, and the land which will be flooded when the dams are built and the canal is constructed.

That there is a "something" about this river that gave it an appeal is shown by the fact that every people, both Indians and whites, who have seen the river, have given it a name which sounded big. The Indians called this river "Itomba Tykbi." The first white men to view the stream, feeling they could not wrestle with such words as Itomba-Tykbi and Iamba-Tynba, simplified matters by calling it the River of the Chickasaws. The Chickasaws had other rivers, but this was the only one to which the white man gave that title.

Later, the white man tried his hand at giving a high-sounding name to this striking river. Some of the names he gave it were Santa Spirites, or Holy Spirit; the Angels, Los Angeles River, the Mobile River or Manvilla.

The French finally built a fort near the present site of Epes, above Demopolis. They built this fort on a creek which flowed into the Mobile River near Epes. This creek was called Tom-beck-bee. The creek was named for an Indian officer who may have lived on it. The French named their fort, Fort Tombeekbee. Soon the name of the river was changed from Mobile River to Tom-beck-bee River, and the creek had to find another name.

It did not take the forthright early settlers of Mississippi and Alabama very long to Anglicize the Indian name Tom-beck-bee to Tombigbee. When I was a boy in Aberdeen, one of our citizens was named Tom Bigbee. At least we had to admit that the river had found its modern name elsewhere.

The steamboat traffic on the Tombigbee, even the upper Tombigbee, was no mean item up to the late 1870's. From several sources, principally bound volumes of the Mobile Register, by one name or another, I have gotten together the names of more than 100 steamboats which have made the port of Aberdeen. An officer of one of them, the *Lotus No. 2*, was later the president of the Western Lines of the Southern Pacific Railroad.

One of the most dramatic stories of a steamboat accident was that given by Dr. Wyatt of the burning of the steamboat *Eliza Battles*. This boat left Aberdeen on February 26, 1858, and was loaded with passengers bound for the Mardi Gras in Mobile. She burned to the water's edge and sank near Gainesville, Ala., on February 27, 1858, and nearly every passenger was lost. It was one of the worst steamboat disasters in history.

When Monroe County was organized by the State legislature in 1821, the purpose was to give service to the white people who had moved into the Indian country, and settled along the upper Tombigbee and the Buttahatchie. Soon there were boat landings at Gainesville, Columbus, Hamilton, Earton's Ferry, Morgan's Bluff, Cotton Gin, Camargo, Tatums, and other points. Then in 1834 to 1836 new lands having been ceded by the Indians, Robert Gordon saw the possibility of a town around a landing which he acquired, about 2 miles up the river from Morgan's Bluff. He named his town Aberdeen, and he was soon seeking to make it the county seat. He saw great possibilities in the steamboat landing on the Tombigbee River. He ran advertisements in the Mobile Register and other distant city papers, saying that by reason of the heavy traffic on the Tombigbee River, Aberdeen would eventually be the largest city in the world—larger than London. His fancy evidently ran away with his judgment. Clark Carr, in his history of Illinois, said that Cairo, Ill., by reason of its river traffic, would become the largest city in the world—larger than London, England. If Robert Gordon and Clark Carr ever met in "the Better World," they may have settled their differences over Aberdeen, Miss. and Cairo, Ill., let us hope, amicably.

And now for the Tombigbee inland waterway of tomorrow: I have ventured to suggest that this be called the Rankin waterway, and the Aberdeen Examiner has given the suggestion their approval. We have written that the Tombigbee River of the present was little more than a liability. It does give drainage to the area, and it serves some useful purposes, but it also requires expensive bridges and highways, and periodically it overflows and "drowns out" many of the

residents and their holdings. Two or three times in every decade, in recent times, the American Red Cross has been compelled to send rescue squads and relief workers into the Tombigbee area. The proposed waterway would stop all that. The dams would hold back the floodwaters, and feed it down the river just as fast as it could be advantageously used, and no faster. About three miles southeast of Aberdeen, United States Highway No. 45 crosses a creek now called Nichols Creek. This area is now the worst overflow area in this vicinity. Nichols Creek was once called Lann's Mill Creek, or Mill Creek. In that period there were five water mills on this creek, each with the stream regulated by a dam. In that period it was about the only creek in the county which never overflowed. The dams held back the floodwaters, and fed it into the creek as it was needed. Mill Creek in that period was a beautiful clear creek, which always served its masters, and never gave any trouble. But we can get a better example of the value of such stream development by going a little way from home. When the TVA was first proposed, it was claimed for it that it would stop the Tennessee from flooding, and in fact lower the flood stage on all the lower Mississippi. This claim has been fulfilled. When the Tennessee-Tombigbee inland waterway diverts a little of this well-controlled Tennessee down this way to operate dams on the Tombigbee, there will no longer be Tombigbee floods.

A study of the United States engineers' maps of the Tombigee shows that damming up the river about once in 20 miles will flood very little of the Tombigbee bottom lands—nothing to compare with flooding of the Tennessee bottom lands. The maps show that. You can see that in the deep banks, this water will be stored for navigation purposes. There will be an end to railroad-bridge washouts, and highway washouts. Barges will be traveling up the Tombigbee, almost with no currents to overcome. It will be slack-water navigation all the way. Boats will be going up and down the river. Transportation rates will be lowered, great industries will be developed. Many nonmetallic minerals, such as bauxite, bentonite, pottery clays, and lignites found here, will find a market.

But the proposed waterway will be a boon to commerce from a national standpoint. Distances will be shortened for all commerce on the Tennessee en route to tidewater, and shipment by sea. The same is true even for shipments from Pittsburgh and other points on the Ohio. The Tennessee-Tombigee offers them a cheaper and better outlet. And, from the standpoint of national defense, the Tennessee-Tombigee waterway is amply justified. Let's join hands and help get work started on this great waterway.

Must It Be Done?

EXTENSION OF REMARKS
OF
HON. WINT SMITH
OF KANSAS
IN THE HOUSE OF REPRESENTATIVES
Friday, August 12, 1949

Mr. SMITH of Kansas. Mr. Speaker, here is an editorial written by McDill Boyd, of the Phillipsburg Review, of Phillipsburg, Kans. It is so timely that I recommend that all read it. It points out clearly just what can happen to us as a Nation.

As we read our magazines we see many new and fine articles displayed in the advertising columns. We would like to have them, but each of us must, and do, ask: "Can we afford them?" Certainly, this article calls attention to this idea, "Can we afford it?" Must it be done?

MUST IT BE DONE?

Who can buy the bonds when times get tough again?

You may think this question doesn't affect you, but you're wrong—so badly wrong. It affects the future of every person—the wage earner, the civil-service employee, the farmer, the individual businessman, the needy aged, the teacher—everybody.

Who can buy the bonds when times get tough again?

Government money comes from us. We're the only source there is. When times get tough again we won't be making as much money and we'll pay less taxes of all kinds. At the same time, there will be more unemployed, and the demand for Government aid will go up.

With tax receipts going down and demand going up, the Government, to get funds, will ask us to buy bonds again—but who can buy the bonds?

The man who is out of a job?

The farmer who doesn't get a crop?

The businessman who is fighting lean years?

The public will be selling bonds to meet its needs when times get tough again.

How about the banks?

In 1941—that was a good year and most everybody made some money—in 1941, the First National Bank of Phillipsburg had $700,000 on deposit and $250,000 of that was invested in Government bonds.

In 1949, just 8 years later, there was $2,800,000 on deposit and $1,750,000 of that was invested in Government bonds.

If conditions would go back to 1941, the First National would be forced to sell at least $1,500,000 worth of Government bonds to meet the demands of its depositors and maintain its loaning service to this community.

Our bank is little different than other banks. Deposits are high everywhere, and most of the money is invested in Government bonds. Banks would be forced to sell bonds if the Nation's economy should revert to 1941. They would not be able to buy more.

If the Government cannot sell still more bonds, who will meet the civil-service pay roll? Who will pay the pensions? Where will funds come from for unemployment payments? From what source will the money come for farm price supports, reclamation projects, slum clearance, veterans' appropriations?

Printing-press money has ruined every country that ever tried it—but who can buy the bonds?

Nobody objects to the school-lunch program; farmers feel that price supports are essential to a sound agricultural economy; working men and women believe in social security; reclamation projects have their appeal in irrigated areas; an extra Government job in our town is rated a good thing (another wage earner); our aged persons in need must be cared for.

With Russia making threatening gestures throughout the world, we cannot quarrel with an adequate defense, nor with the idea of helping democratic peoples of the world become self-supporting.

We do not quarrel with worthy objectives, but some steps must be taken to insure the financial strength of our Government and protect the security of everybody.

The Government spent $3,000,000,000 more this fiscal year than last; at the same time tax receipts (for the period ending June 7) fell off nearly four billion. Every day the sun rises and sets, we are further "in the red"—and times are still good.

When depression hit us all in 1932, there were only a few Government bonds on the market. It was easy to sell bonds to finance Government aid. Who can buy the bonds this time?

What will your pension, your investments, your savings plans be worth if this generation fails to find the right answer?

New programs calling for new expenditures are now advocated. The number on the Federal pay roll continues to increase. The proposed budgets for various governmental activities are higher than ever.

We will not try to pick and choose the most worthy projects. We think that nearly everybody favors one expenditure or another. But we will suggest a yardstick:

"Must it be done?"

We think that every questionable or unnecessary expenditure today is another nail in the coffin of national security. We urge you to write your Congressman or Senator and ask him:

"Must it be done?"

If every expenditure is examined with that question in mind, we believe that out of present tax receipts a little something can be "laid by for a rainy day"—that an emergency surplus can be acquired which will provide the means to avert financial chaos in a declining economy.

Frankly, we doubt that anybody can buy bonds when times get tough again and a little cash on hand may save the day.

The Fight Is on To Preserve Individual Freedom and State Sovereignty

EXTENSION OF REMARKS
OF
HON. BEN F. JENSEN
OF IOWA
IN THE HOUSE OF REPRESENTATIVES
Friday, August 12, 1949

Mr. JENSEN. Mr. Speaker, the following editorial from the Idaho Statesman is indicative of the praiseworthy good fight which loyal Americans of the Northwest States are waging to preserve individual freedom and State sovereignty while there is yet time:

BY THEIR STRIPES YOU KNOW THEM

For all the time that the Columbia Valley Authority has been suggested for Idaho and the Northwest, the Statesman has honestly opposed the project. Our opposition is based on the fact that the law, if it were enacted, gives three political appointees dictatorial power over our State. This newspaper has consistently contended that it favors the orderly development of the natural resources of Idaho and the Northwest, on a basis of self-amortization, but we opposed the authority plan which would render helpless our laws and our courts.

We have also contended that the proposed Columbia Valley Authority law is dishonest and deceptive. We are suspicious of those men who are responsible for preparing the law. We have seen them change the word "authority" to "administration" and we have read the draft of the new bill. The deception is still there in a maze of words which say little except that in the final analysis the three-man board has absolute power over any area an authority covers, regardless of protests, regardless of right or wrong, regardless of courts, regardless of the welfare of the individual or the State.

But not until now have we come to the point of realization of all of our suspicions of dishonesty, treachery, trickiness, and deceit that is attached to the Columbia Valley Authority and to the men in Washington who are attempting to force this dictatorial government octopus upon us.

Saturday in Boise's Federal court, Secretary of the Interior Krug, the top man in the CVA drive, ordered the filing of a suit against the Idaho Power Co., for "willful trespass of public lands." The suit seeks an injunction against the power company which is building power transmission lines from a new power plant at Bliss to American Falls.

This is the most brazen affront to Idahoans to come out of the entire CVA activities of the Department of the Interior.

The merits of this case will be decided in our courts. Not yet has the CVA been able to transcend these courts, as much as they hope one day to be able to do so. For this we can be temporarily thankful at least.

Just why would the Department of Interior file suit against the Idaho Power Co. for building transmission lines from Bliss to American Falls? The Idaho Power Co. has hundreds of miles of power transmission lines across Idaho sagebrush. For instance, there is the power line from Boise to Jordan Valley. And there are others.

But why this suit over new power lines from Bliss to American Falls?

This is our opinion:

Power lines moving in the direction of American Falls are moving in the direction of the proposed atomic-research plant at Arco. This plant was placed in Arco, in our carefully studied opinion, as a step to aid in forcing CVA upon Idaho. Public power available for the Arco plant stops CVA argument for this project.

The Department of the Interior was losing ground here. They filed the suit. They do not want uncontrolled public power near Arco's new project. They want to use that project as an argument for CVA. In the power company suit the whole argument is Mr. Krug's. He will let Idaho power build and pay for the lines but he is asking the right to take them over any time he might be able to get public power in Idaho. The power company refuses to spend its money for Mr. Krug, which is right.

Let's analyze the Arco project more closely.

At first it involved millions and millions of immediate dollars. Pocatello, from the advance word, visioned a city of 100,000 population, something four times the present population total.

Then the idea cooled off. The project would be delayed. The whole thing was indefinite.

But this did not halt Senator Taylor's prediction that Arco would require a CVA in Idaho in order to get this huge project under way, but the power company had announced it could furnish Arco all the power it needed.

But not if Mr. Krug had anything to do about it. He is suing to stop Idaho Power from building transmission lines in that direction unless Idaho Power joins the CVA campaign.

Until now the Statesman has wanted to believe that the Krug and C. Girard Davidson (Krug's assistant) efforts for a CVA were sincere. We have discussed these proposed dictatorial possibilities with Mr. Davidson personally and he assured us there was no intention of misusing any Government authority to enforce anything. Our respect for Mr. Davidson's word has vanished completely.

We have wanted to believe that Mr. Krug, in his important Cabinet position where he is supposed to represent all the people, had some sense of integrity. Now we know better. Mr. Krug is craftily planning to take over the direction of all government in the Northwest and he has said so in just that many words.

Here are the words, from his testimony before the House Public Works Committee June 22, 1949:

"These comprehensive plans and programs * * * will cover not only activities to be carried out by the Federal Government but also those contemplated by the various State and local governments."

Mr. Krug is already at work ahead of a CVA.

The Statesman is not attempting to try any power company suit in court. The Idaho Power Co. is no business of ours except as it represents a good example of private enterprise paying taxes to support a free government.

We are not half as much concerned over what might happen to the Idaho Power Co. as we are over what might happen to our average citizen if Mr. Krug started to toss his vindictiveness all over the State. We just want to be sure that Mr. Krug never gets his clutches around Idaho's throat. And, judging from what is going on, we have not been on guard 1 minute too long and certainly never without the required vigor.

The CVA supporters have opposed a vote on this issue by residents of northwest States. They say we have no right to vote on the issue. They say we have no right to a voice as to how we shall be governed. And they have been able to block legislation which would have given us this free American way to show Mr. Krug and Mr. Davidson that we do not want a CVA.

But, fortunately, CVA is a slumbering dog for a year at least and in that time we will have an election for Members of Congress. We hope that once more the election lines will be drawn along the CVA question. In a previous election, where CVA was the issue, it was defeated overwhelmingly. If it can become the issue again, especially with the Krug and Davidson stripe now so plain, it will get another drubbing of proportions which, we hope, will finally have an effect on the President and Congress, if not on the slippery gentlemen in the Interior Department.

Alaska Defense Needs

EXTENSION OF REMARKS

OF

HON. HUGH B. MITCHELL

OF WASHINGTON

IN THE HOUSE OF REPRESENTATIVES

Friday, August 12, 1949

Mr. MITCHELL. Mr. Speaker, because of my belief that the serious problems of Alaska defense should be given real consideration by all Members of the House of Representatives, I ask that the following thought-provoking telegram from the Governor of Alaska, the Honorable Ernest Gruening, be printed in the RECORD:

WASHINGTON, D. C.

Hon. HUGH B. MITCHELL,
House of Representatives,
Washington, D. C.:

Word that Congress is deferring action for this session on the $137,738,712 defense authorization for Alaska appears to us unbelievable. I can state categorically that Alaska is defenseless and that the Territory could be taken tomorrow by a minor scale airborne invasion. While the Congress has just approved a $5,797,000,000 appropriation for Europe to check the advance of communistic totalitarianism across the Atlantic three to four thousand miles away it denies less than 2½ percent of that sum in authorization for the long overdue defense construction of American Territory just 54 miles across Bering Strait from our police state neighbor. Instead of having made Alaska impregnable, a bulwark for the United States and the Western Hemisphere, the Congress, if it fails to make this authorization, is perpetuating Alaska instead as America Achilles' heel. Alaska was the only part of America invaded by the enemy in World War II. Shall this happen again? To allege that this authorization is merely deferred to the second session of the Eighty-first Congress misses the entire point. Given the seasonal conditions in Alaska and the working organizations now created such deferment will mean the loss of at least a year and a half in military construction which should have been completed by now and which even if completed would give Alaska far less in the way of defenses than we ought to have for national safety. Postponement is morever the height of wastefulness. It will mean that all work will have to be stopped, organizations disbanded, the construction crews shipped back to the States and recruited all over again if and when Congress decides to act, probably not until June 1950. There has been complaint in Congress over the high cost of construction in Alaska. Here is precisely the reason. Military construction urgently demanded by the Army, Navy, and Air Force was interrupted when the Eightieth Congress failed to make the necessary appropriations. It apparently is happening again in the Eighty-first Congress. Those who are responsible for this action are incurring a great risk and a tragic responsibility. If there is another Pearl Harbor, and this time it will be a far more serious disaster than in 1941, it shall not be said that no warning has been given.

GOV. ERNEST GRUENING.

JUNEAU, ALASKA.

Bill, H. R. 5965, To Restore 16,000 Veterans' Hospital Beds

EXTENSION OF REMARKS

OF

HON. JOHN E. RANKIN

OF MISSISSIPPI

IN THE HOUSE OF REPRESENTATIVES

Friday, August 12, 1949

Mr. RANKIN. Mr. Speaker, under permission granted me to extend my remarks in the RECORD, I am inserting a bill which I have introduced—H. R. 5965—to restore the 16,000 veterans' hospital beds in the Veterans' Administration's program eliminated by Executive order last December.

These beds are absolutely necessary if we are going to properly take care of our disabled veterans throughout the country.

I hope to bring this measure to the floor of the House at an early date in order to get it passed as quickly as possible.

The bill referred to follows:

H. R. 5965

A bill to provide for the construction of certain Veterans' Administration hospitals, and for other purposes

Be it enacted, etc., That the Administrator of Veterans' Affairs is directed to proceed with the construction of the additional facilities to provide approximately 16,000 additional hospital beds previously approved by the President, authorization for which was dropped in the Budget estimates for the fiscal year 1950, as presented to the Congress by the President, pursuant to determination by the President to cancel or reduce the size of certain hospital projects. The facilities which shall be constructed pursuant to this act are as follows: A 250-bed tuberculosis hospital at Americus, Ga.; a 500-bed general medical and surgical hospital at Charlotte, N. C., a 500-bed general medical and surgical hospital at Chattanooga, Tenn.; a 200-bed addition to

the Veterans' Administration hospital at Columbia, S. C.; a 250-bed general medical and surgical hospital at Decatur, Ill.; a 500-bed tuberculosis hospital at Detroit, Mich.; a 200-bed general medical and surgical hospital at Duluth, Minn.; a 500-bed neuropsychiatric hospital at El Paso, Tex.; a 1,000-bed neuropsychiatric hospital at Gainesville, Fla.; a 200-bed general medical and surgical hospital at Grand Rapids, Mich.; a 200-bed general medical and surgical hospital at Greenville, S. C.; a 200-bed general medical and surgical hospital at Harrisburg, Pa.; a 1,000-bed neuropsychiatric hospital at Houston, Tex.; a 200-bed general medical and surgical hospital at Klamath Falls, Oreg.; a 1,000-bed neuropsychiatric hospital at Memphis, Tenn.; a 200-bed general medical and surgical hospital at Mound Bayou, Miss.; a 1,000-bed general medical and surgical hospital at New York, N. Y.; a 750-bed neuropsychiatric hospital at Norman, Okla.; a 921-bed neuropsychiatric hospital at Salisbury, N. C.; a 200-bed general medical and surgical hospital at San Diego, Calif.; a 100-bed general medical and surgical hospital at Tallahassee, Fla.; a 100-bed general medical and surgical hospital at Thomasville, Ga.; a 1,000-bed neuropsychiatric hospital at Toledo, Ohio; and a 200-bed general medical and surgical hospital near Tupelo, Miss.

The hospital projects which shall be increased in size pursuant to this act are as follows: General medical and surgical hospital at Atlanta, Ga., from 500 beds to 750 beds; general medical and surgical hospital at Chicago, Ill., from 500 beds to 1,000 beds; general medical and surgical hospital at Cincinnati, Ohio, from 500 beds to 750 beds; general medical and surgical hospital at Cleveland, Ohio, from 500 beds to 1,000 beds; neuropsychiatric hospital at Cleveland, Ohio, from 1,000 beds to 1,250 beds; general medical and surgical hospital at Kansas City, Mo., from 500 beds to 745 beds, consisting of 250 tuberculosis beds and 495 general medical and surgical beds; general medical and surgical hospital at Louisville, Ky., from 500 beds to 750 beds; general medical and surgical hospital at Oklahoma City, Okla., from 500 beds to 1,000 beds; general medical and surgical hospital at Philadelphia, Pa., from 500 beds to 1,000 beds; general medical and surgical hospital at Pittsburgh, Pa., from 750 beds to 1,200 beds; neuropsychiatric hospital at Pittsburgh, Pa., from 1,000 beds to 1,250 beds; general medical and surgical hospital at St. Louis, Mo., from 500 beds to 1,000 beds; general medical and surgical hospital at Syracuse, N. Y., from 500 beds to 1,000 beds; and general medical and surgical hospital at Washington, D. C., from 500 beds to 750 beds.

CVA Opponent Tells Half the Story

EXTENSION OF REMARKS

OF

HON. HUGH B. MITCHELL

OF WASHINGTON

IN THE HOUSE OF REPRESENTATIVES

Friday, August 12, 1949

Mr. MITCHELL. Mr. Speaker, under the guise of presenting an objective analysis of pending CVA legislation, Mr. SANBORN, of Idaho, placed in the Appendix of the CONGRESSIONAL RECORD, at page A5169, an extension of remarks which are not only intemperate and lacking in objectivity but which give a completely distorted picture of a report on CVA prepared by the Legislative Reference Service in the Library of Congress.

The gentleman from Idaho has a perfect right to express whatever opinions he may wish, but he is abusing a privilege when he cuts out from an impartial report of the Legislative Reference Service the arguments on one side of an issue and presents them as conclusive, unexceptional facts. Those were not facts; they were arguments or opinions typically held by opponents of valley authorities, and identified as such in the Library report. Mr. SANBORN would have the Members believe that the arguments of CVA opponents are the technical findings of the report. If he were truly interested in an objective analysis of the issues, the very least he could have done was to have presented the Library report in its entirety, which gives the arguments pro and con.

For the information of the Members, the report on CVA by the Legislative Reference Service was prepared more than 8 months ago, before the new CVA legislation was introduced, and without benfit of the extensive CVA hearings which have been held during the present session by both the House and Senate Committees on Public Works. I will not burden the record with this report, because it already appears, with some minor changes and elaborations, in the Appendix of the CONGRESSIONAL RECORD, at page A563. That statement makes plain, what the gentleman from Idaho conveniently ignores, that the CVA issue has more than one side.

Letter in New York Times Holds Statehood for Hawaii Best Way To Combat Communism

EXTENSION OF REMARKS

OF

HON. JOSEPH R. FARRINGTON

DELEGATE FROM HAWAII

IN THE HOUSE OF REPRESENTATIVES

Friday, August 12, 1949

Mr. FARRINGTON. Hon. Mr. Speaker, under leave to extend my remarks in the RECORD, I wish to present herewith a letter on statehood for Hawaii appearing in the New York Times of July 11:

HAWAIIAN STATEHOOD ASKED—ENTRY INTO UNION CONSIDERED BEST WAY TO COMBAT COMMUNISM

To the EDITOR OF THE NEW YORK TIMES:

Once again the question of statehood for the Territory of Hawaii has been brought to the fore in the Congress. To understand the true nature, the essence of the question of statehood, one is reminded of the historic days during which our Union was being formed in the face of grave difficulties perpetrated by the narrow-minded and domineering political groups.

It is an established fact that the majority of the citizens both on the mainland and on the islands are of the conviction that immediate statehood would represent a sound step in establishing the sovereignty of the people and the State of Hawaii. Again and again the islanders have expressed their desire for closer association with the Union; their leaders, Governor Stainback and Delegate FARRINGTON, have fought incessantly for statehood; the President of the United States and the great majority of the Senators and Representatives in the Congress have voiced their approval—and yet Hawaii remains a Territory, her people taxed but not represented. The morale of the people of the Territory has remained steadfast and high—always in the hope of attaining that great dream: statehood.

Why, then, has Hawaii remained a Territory? Why has statehood been deferred time and again?

Surely Hawaii has proved herself worthy of statehood; her industry, her people, so diverse and yet so united, the very beauty of the islands, have been a source of inspiration to the American people.

The small minority of selfish interests, who have consistently opposed statehood for Hawaii, regardless of the will of the majority of the people, have fought a cruel battle against the efforts of the people of the Territory in their struggle for statehood. Much of the argument against statehood revolves around a statement by the late Nicholas Murray Butler, president of Columbia University, who warned in ominous tones that statehood for Hawaii would spell the end of the United States of America as we now know it. He warned of grave disaster of impending doom, should Hawaii become our great forty-ninth State. Others have taken up the cry, and yet in all the writings and oratory we can still sense the inconceivable attitude taken by Dr. Butler.

The insidious propaganda that Hawaii is under the domination of communism and under the rule of Moscow has been hurled at the people of Hawaii. Surely, the only sure way, the only honest and forceful method of combating communism in Hawaii would be to grant statehood to Hawaii, so that the very threat of communism would be destroyed, as it should be. The last thing in the world that the Communists would want would be statehood, because in its very nature statehood spells doom for the Communist movement in Hawaii. That communism must be destroyed is axiomatic: The method for its destruction lies in statehood. Let the Congress take heed, let the people be aware that statehood for Hawaii should be immediately granted.

The morale of the Hawaiians is high: let us not permit it to wane; give Hawaii her chance as an equal—as our forty-ninth State of the great Union of the United States of America.

KENNETH HASKELL MANTEL.

BROOKLYN, *July 4, 1948.*

The Arms Aid Program

EXTENSION OF REMARKS

OF

HON. CLAUDE PEPPER

OF FLORIDA

IN THE SENATE OF THE UNITED STATES

Monday, August 15 (legislative day of Thursday, June 2), 1949

Mr. PEPPER. Mr. President, I ask unanimous consent to have printed in the Appendix of the RECORD an editorial entitled "General Marshall Speaks," published in the New York Times of August 2, 1949; an editorial entitled "If We Break Faith," published in the Dayton (Ohio) Daily News of July 26, 1949; an editorial entitled "Inevitable Result," published in the Topeka (Kans.) Daily

Capital of July 28, 1949; and an editorial entitled "An Eloquent Voice for Arms Aid," published in the Christian Science Monitor of July 29, 1949. All these editorials relate to the arms aid program.

There being no objection, the editorials were ordered to be printed in the RECORD, as follows:

[From the New York Times of August 2, 1949]

GENERAL MARSHALL SPEAKS

Adding his voice to that of many, General Marshall has likewise impressed on Congress that the foreign military aid program is urgently necessary to bolster up western defenses as the best available means of stopping Soviet aggression and averting war. He emphasized in particular that this program is intended to start up an engine that is much greater than the program itself, and that any attempt to slash it, as proposed by a Republican opposition, would merely be false economy which, for a minor saving now, would risk vastly greater outlays later. Furthermore, he warned a Congress anxious for adjournment that any hesitation or delay on that issue would be a very dangerous thing because of the effects it would have on both our allies and on Russia.

General Marshall spoke both as an Army Chief of Staff during the war, who saw the dangerous military vacuum developing in western Europe without being able to prevent it, and as a former Secretary of State who experienced the full impact of the Soviet offensive against the west. Out of that experience he declared long ago that a final peace settlement was impossible until the vacuums had been filled in, and he tells Congress now that to reach a settlement with the Soviets we must get the respect of Russia—which pays respect to other powers only in proportion to the number of their divisions.

But most of all he spoke from the experience of the locust years before the war, when we continued to preach isolation, neutrality, and disarmament while Hitler and Japan were arming to conquer the free nations one by one. If, he said, the military requirements stated by the armed services in 1939 could have been met even to a modest degree, the war could have been shortened by at least 6 months, with all the saving in life and treasure which that would have meant. And the pointed blame he put on an aggressive and vocal minority for the denial of the requirements of 1939 might well be pondered by those who would pursue a similar course in 1949.

But General Marshall laid equal stress on the psychological effects of the pending program and of any delay, curtailment, or possibly rejection of it. A firm front, he declared, is the best defense against the men in the Kremlin, who, he was certain, will in the end destroy themselves, but who meanwhile have not only the largest peacetime army in history but also the dangerous advantage of being able to make arbitrary decisions without resort to any Congress. By the same token, any delay, curtailment, or rejection of the program would give a tremendous boost to their hopes and ambitions, and General Marshall is frankly fearful of the consequences.

The same, of course, applies in reverse to our allies. As pointed out before, this program is merely the beginning of a larger program embracing all the members of the North Atlantic Pact who are already spending on armament 5 times the projected aid. But their program depends for its effectiveness on the activating spark which must be supplied by the United States. If we supply this spark we gain in the service of our own security and in exchange for our arms not only the manpower of our allies but also the courage and devotion which would make them fight. If we fail to supply the spark, we will not only stall the defense machinery of our European allies but will also, by our own apparent indifference to their fate, impair their willingness to fight in the face of odds then hopeless. Thereby we would pave the way to an easy Russian victory in Europe which would leave us completely isolated in a hostile world.

It is out of such considerations that General Marshall stressed the value of the timing of the program and the danger of rejecting it. We hope that Congress will pay heed to his words, and in debating secondary issues will not forget the main issue involved.

[From the Dayton (Ohio) Daily News of July 26, 1949]

IF WE BREAK FAITH

A half loaf may be better than none in a great many circumstances. In a great many other circumstances it is no better than none; sometimes it is even worse.

A good many Republican Congressmen are now saying the European arms program proposed by the President should be cut in half.

If the program were cut in half it would beyond doubt be ineffective. Worse than that, it would be dangerous. It would create a false sense of righteousness and an equally false sense of security in our own people. Among the people of Europe it would create a disastrous moral let-down. It would convince them that we spoke fair words with the Atlantic Pact but, with our deeds, abandoned them to their fate. In the Kremlin the act would register with a joyous clang. The Americans don't mean what they say when they declare their readiness to resist us. Whatever aggressive plans are afoot in Moscow would reap a fine impetus.

In the suggestion of Senator VANDENBERG, seconded by Senator DULLES, that interim aid be provided while the next Congress be left to work out the final program after more spadework has been done by the military staffs, there is less danger and a certain amount of sense.

But here again we must make profound allowances for the psychology of Europeans. Already Europeans are nervous lest we fail to follow through on our tacit commitments. Delay might be nearly as fatal to their faith as an immediate decision to dilute the program. If there is one thing we must avoid in the interest of the strength and solidarity of the free world, it is a reaction abroad that parallels the Shakespearian washing of hands:

"And he these juggling fiends no more believed.
That palter with us in a double sense:
That keep the word of promise to our ear
And break it to our hope."

[From the Topeka (Kans.) Daily Capital of July 28, 1949]

INEVITABLE RESULT

Irrespective of how Congress may haggle over President Truman's stupendous program of spending money to arm countries of Europe, the passage of the Atlantic Pact—if it means anything at all—means that arms must be furnished. How else could the pact be worth the paper it is written on? European countries can contribute little toward their own defense and if the pact serves its purpose of frightening Russia it must be backed up with money—American money.

The truth of the matter is that we have now bound ourselves to fight Europe's wars and, if and when war starts, we will be unable to economize. Wars are never fought successfully on an economy basis. Congressmen who voted for the pact took the vital step then; quibbling now over money will not achieve any lasting good.

[From the Christian Science Monitor of July 29, 1949]

AN ELOQUENT VOICE FOR ARMS AID

Secretary of State Acheson has steered clear of both Scylla and Charybdis. His testimony before the House Foreign Affairs Committee in behalf of the President's European arms program is completely statesmanlike. It avoids the dangerous rock of complacency over American foreign-policy successes, and it keeps well out of the whirlpool of crisis talk.

Any one of a number of his statements could usefully be elaborated at length. But we shall offer just a few examples here, with brief comment.

"The proposed military assistance program cannot be regarded as an isolated piece of legislation unrelated to our whole foreign policy."

That foreign policy has consisted of the Marshall plan, aid to Greece and Turkey, opposition to Soviet blockade measures in Berlin, and other necessary but sometimes costly and risky measures. It began in a period of deep crisis, when Europe was an economic and political shambles through which no one knew what storms might blow clear to the Atlantic to the peril of the United States itself.

Those Members of Congress who now oppose substantial military aid to Europe can afford the luxury of doing so primarily because of the achievements of the American foreign policy Mr. Acheson espouses and for whose adequate support he now pleads. The Secretary of State did not overstate the case when he warned:

"Any sign of * * * irresolution on our part now would seriously jeopardize all the gains we have made so far toward the achievement of peace and security in the only kind of world in which we would want to live."

The totality of our effort, says Mr. Acheson, is what has given "renewed strength and vitality to the free world and has brought us thus far safely through dangerous waters." As Mr. Acheson pointed out, no one of the single measures of foreign policy would have succeeded alone.

A smooth-running machine depends on its smaller gears as well as on its big ones. The arms program is a small gear beside the Atlantic Pact. But it will add a necessary power factor to this agreement, as may be seen from the debate which preceded ratification of the pact by France.

Mr. Acheson had already made clear in a press conference before testifying before the House committee that the President's arms program is itself little more than a stopgap program. This is a fair answer to congressional opponents who have been urging stopgap aid in place of the arms program. It should be remembered that the aid Congress is now debating will not go into effect until mid-1950, and represents only a fraction of the effort Europe must make for its own and—inescapably—America's security. Mr. Acheson did not bar modification of the program, but indicated it should not be such as to endanger its purposes.

We share Mr. Acheson's belief that it is less expensive to take needed measures now than it will be to pay the bill for not taking them. And by that we do not mean that the bill will necessarily be the cost of some future war. But it could be a bill compounded of elements of military fears, economic uncertainties, internal dissension as well as external dangers for European nations. Years of half measures to cope with recurring crises might easily cost more than full-bodied measures now.

"The only kind of peace acceptable to freemen cannot be bought cheaply. I think the people of the United States are willing to pay the price."

We think so, too, Mr. Acheson.

On the Elevation of Hon. Judge Philip J. Finnegan to the United States Circuit Court of Appeals

EXTENSION OF REMARKS

OF

HON. ADOLPH J. SABATH

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Monday, August 15, 1949

Mr. SABATH. Mr. Speaker, I wish to take this opportunity to extend my sincere congratulations and best wishes to Judge Philip J. Finnegan, of Chicago, Ill., upon his elevation to the United States Circuit Court of Appeals for the Seventh Circuit.

In his appointment, the President has taken into account the long and useful service to the bench, bar, and country that Judge Finnegan has rendered. First, as a member of the Municipal Court of Chicago, known as the "people's court", and later, as circuit court judge of Cook County, Ill., Judge Finnegan demonstrated exceptional judicial qualities which added to the high standing of these courts.

His experience has been long and varied. He sat in the chancery law and criminal divisions of the circuit court. He has acquired therefrom, a huge fund of knowledge and resourcefulness which will serve him in good stead in understanding and deciding the many complex problems which he will be presented with in this high court.

It is interesting to note that Judge Finnegan will have the privilege and pleasure of serving with former Members of Congress who distinguished themselves in both the House and the Senate and who have established fine records on the bench, namely, Judge Earl Major of Illinois, who served in the House and who presently occupies the position of senior justice of the court, and Hon. Sherman Minton, former United States Senator from Indiana, who is also a member of the court. Also serving on the United States Circuit Court of Appeals for the Seventh Circuit is another great jurist and Illinoisian, Hon. Otto Kerner, considered by many to be the finest and most able attorney general ever to serve the State of Illinois.

Mr. Speaker, I wish to add my small voice to those many well-wishers of Judge Philip Finnegan on this added milestone in his judicial career. His endorsement by Mayor Martin J. Kennelly, of Chicago, and by our two able United States Senators, LUCAS and DOUGLAS, is indeed well justified.

I am certain that Judge Finnegan's long, varied and fruitful experience gained while serving on the bench, together with his judicial integrity and temperament, will enable him to maintain the present high position that the court holds among the legal profession, as such, and among the public.

The Challenge of Polish Relief, 1949

EXTENSION OF REMARKS

OF

HON. ALEXANDER WILEY

OF WISCONSIN

IN THE SENATE OF THE UNITED STATES

Monday, August 15 (legislative day of Thursday, June 2), 1949

Mr. WILEY. Mr. President, yesterday afternoon it was my pleasure to address the tenth annual relief-day picnic of American Relief for Poland at Maple Grove Park in Milwaukee. At that time I discussed with this fine organization and its friends the humanitarian problem of relief for the sorely pressed people of Poland. The question of admission of worthy sons and daughters of Poland as displaced persons was also reviewed.

None of my colleagues need be told of the high esteem in which the American people hold the Polish people regardless of what we think of the present foreign-dominated government which has been inflicted upon the liberty-loving populace. We know however that behind the iron curtain the people of Poland still hold aloft the torch of freedom and that they will never yield in their devotion to the religious and cultural faith of their fathers.

I ask unanimous consent that the text of my talk be printed in the Appendix of the CONGRESSIONAL RECORD.

There being no objection, the address was ordered to be printed in the RECORD, as follows:

THE CHALLENGE OF POLISH RELIEF, 1949

It is a great privilege to be here with you today, and to have the opportunity to discuss with you matters that are close to your heart and mine. I can think of no more inspiring work that has been done by any American organization than that which has been performed by American Relief for Poland.

I say that on the basis of contacts which I have had with Government authorities in Washington, our Nation's Capital. Within the last few days, I have received direct word from the United States State Department and from its affiliated Advisory Committee on Voluntary Aid. These organizations have confirmed for me once again what a truly great job you people are doing.

There is just no way, my friends, of estimating the tremendous meaning of the food packages, the clothing, the medicine, which you have sent in such generous measure to Poland.

BACKGROUND OF AMERICAN RELIEF FOR POLAND

Your organization was set up in 1939 right after the invasion of Poland which started the Second World War. Although the motherland was defeated by the invader, we are all familiar with the magnificent courage which was shown by the Polish Army and Government in exile which kept up the fight until victory at last crowned Allied arms.

By the end of this war, your organization was sending 12,000 food packages a month to the stricken population. You were sending 10,000 packages a month in conjunction with the American Red Cross to Polish prisoners of war. You were helping thousands of refugee colonies of Polish men and women, who had fled to the far corners of the world from the motherland.

THE BITTER AFTERMATH OF WAR

Peace came, but as we all know, it did not bring liberty and independence for the land which had first felt the blows of the invader. Instead, it brought the new tyranny of Communist dictatorship. In spite of that fact, American Relief for Poland through your generous contributions, continued to carry on. You know, friends, that at the end of the war there were upwards of two million Polish displaced persons. Many of these unfortunate individuals had been forced to work as slave laborers. They had undergone terrible hardship and privation. You helped keep them alive. You helped keep the spirit of freedom burning in them by your sending of war clothing, of food, of sanitary supplies, and other items to these sons and daughters of Poland.

THE FOUR BASIC PRINCIPLES OF AMERICAN RELIEF FOR POLAND

In all of your aid you have followed four basic principles, and I think that these principles deserve the enthusiastic endorsement of all the American people. Let me cite them:

1. First has been the principle of American Relief for Poland that the distribution of relief supplies must be under the direct responsibility of American officers.

2. Next you set forth that everyone who received gifts had to be informed that the gifts came from the American people. (Too often, in other countries, the United States has not been given the credit it rightly deserves.)

3. You stipulated that the distribution to the needy was to go without discrimination as regards race, creed, or political belief. (What a wonderful basis for humanitarian action, my friends.)

4. Fourth, very wisely again, you made sure that the distribution was made in such a way as to permit acknowledgment of the gift by the recipient to the donor.

THE MEANING OF THE BOWL OF SOUP

My friends, here in this happy land of ours in which men and women of Polish descent have made such really great contributions, here in this blessed land of freedom, it is hard for us to know what it means to some ill-clad, ill-housed, ill-fed persons in devastated Warsaw or Krakow or Poznan to drink a bowl of soup, to receive a little first-aid attention, to get a bar of soap or some other donated item which you and I in Milwaukee or elsewhere in our State take as commonplace.

IT IS STILL MORE BLESSED TO GIVE THAN TO RECEIVE

However, those of you who have received letters from Poland and who know the gratitude in the hearts of your kin have experienced the greatest feeling that can come to anyone in the world—the feeling of giving generously and graciously. You have known the meaning of the age-old creed: "It is more blessed to give than to receive."

Yes; in what great measure you have given, my friends. During the years 1939 to 1945 American Relief for Poland, according to the statistics which I have available, gave over $11,000,000 in private relief aid. From 1946 through 1949 collections, including cash and gifts in kind, amounted to around $10,000,000.

THE PENNIES, THE NICKELS, THE DIMES, AND THE DOLLARS

Well, my friends, in these days of $40,000,000,000 budgets, this sum might not seem so large to some smug Government official, but you and I know that it came from the saved-up pennies and nickels and dimes and dollars which churches and families and individuals in Milwaukee joyously collected in order to bring a little happiness and a little

encouragement to the ill, to the unfortunate, to the bereaved in bomb-blasted cities abroad.

WE MUST INSIST ON FREEDOM FOR RELIEF OPERATIONS

Fortunately, you have not been working alone. The United Nations has been doing what it could, although it, of course, just like American Relief for Poland, has felt the problem of increasing restrictions placed by the Warsaw Government which in turn are due to the orders of the masters in the Kremlin. Of course, I insist that the American Government must speak firmly and insistently to the Warsaw Government on behalf of maximum freedom for American relief operations. After all, through UNRRA alone, our Nation—yours and mine—gave over $350,000,000 for Polish relief. We have a right to speak up rather than be timid.

WORK OF CHILDREN'S RELIEF

One of the finest jobs is being done by the International Children's Emergency Fund which is associated with the United Nations. This fund is trying to overcome the terrible sickness conditions prevailing among Polish children—malnutrition, tuberculosis, etc. In Poland, some 700,000 children have been receiving every day in schools, in hospitals, in children's homes, a supplementary meal from the Children's Fund, including items which the youngsters would not otherwise get, like milk, cod-liver oil, fats.

A FREE DEVOUT POLAND WOULD HAVE JOINED THE MARSHALL PLAN

Of course, this Nation invited Poland to join in the economic cooperation plan of the western nations. You and I know that had the Polish people been free to make their own decision, they would have, of course, decided to come in under the Marshall plan. Their sympathy is not with the east, but with the west. Their whole history has evidenced the fact that devout Catholic Poland will never yield to an atheistic foreign conqueror; that the land which gave to the world Copernicus, Sklodowska-Curie, Paderewski, Pulaski, Chopin, and many other patriots, will never lose its love of liberty, nor will abandon its religious faith, whatever foul deeds the Reds perpetrate against the church.

HUMANITARIAN CHURCH WORK WITH DP'S

And, now, my friends, I should like to discuss with you one of the most important fields of work of American Relief for Poland, and that is the great job that you have done and are doing in connection with Polish displaced persons. Some of you have received the special 1-page report on Polish displaced persons which I recently sent out. Let me review for a moment its highlights. With the passage of the Displaced Persons Act in August 1948, American Relief for Poland brought all its resources to bear to obtain home and job opportunities throughout the United States for Polish displaced persons. Up to this time, your industrious organization has over 42 resettlement committees operating independently or in cooperation with local councils of the National Catholic Resettlement Council.

CONGRESS MUST PASS NEW DISPLACED PERSONS BILL, S. 311 OR H. R. 4567

As you know, there are certain changes that are necessary in the displaced persons law. In February 1949 I introduced amendments (S. 1315, S. 1316, S. 1317) to achieve such changes. These amendments to liberalize the eligibility date, to liberalize the definition of orphans, etc., were endorsed wholeheartedly by the National Catholic Resettlement Council, the National Catholic Rural Life Conference, and all other leading church organizations engaged in this humanitarian work.

The House of Representatives has fortunately passed a bill which, while it is not perfect, will go a long way toward meeting the present need. It will admit some 339,000 individuals (over 120,000 more than are presently provided for). One of the most vital features of that bill is to admit refugees from the Red terror who have fled since 1945. Another provision secures the admission of up to 15,000 members of the heroic Polish Army which is still stationed in Great Britain.

In all the history of man's fight for freedom, there has truly been no greater saga than the story of this small but fighting band of men who, having fled their homeland because of invasion, went to fight in the far corners of the world in defense of freedom. The men of the Polish Army died with American boys at the slopes of Cassino, and all the way up the Italian peninsula. Their bodies may be found beneath the sands of north Africa and elsewhere wherever freemen fought the slaves of dictatorship.

MEN OF POLAND KNOW WHAT IT IS TO LOSE LIBERTY

How fitting it is that from their ranks should come the loyal new citizens of the United States. You know, my friends, some of us in this land have forgotten what it is to lose freedom. These kinfolk of yours abroad knew, however, the meaning of liberty because their homeland has lost liberty.

They know that every generation must keep up the fight for freedom. We can't lean on our laurels, because if we do, we will find that the enemies of this Republic will have termited the foundations of our land. This is particularly true in these days when agents of international communism are trying to penetrate throughout the civilized world in order to destroy freedom. And let me add, my friends, that right now there is pending before the Senate Judiciary Committee in Washington strong anti-Communist legislation which must be perfected and enacted in order to defend our land.

POLAND IS NOT YET LOST

I know that many of you are discouraged, as anybody would be, because 10 years after the start of the Second World War, Poland cruelly dismembered at Yalta, is still not yet free nor whole. Perhaps, however, I might recall at this time the words written by Adam Mickiewicz in The Book of the Polish Nation, in 1832. I think that his words are more meaningful today than ever before: "For the Polish Nation did not die. * * * Its body lies in the grave * * * but on the third day, the soul shall return to the body and the nation shall arise and free all the peoples of Europe from slavery."

Yes; let us recall another bit of history. Twenty-nine years ago tomorrow, August 15, 1920, occurred the miracle of the Vistula when the soldiers of Poland hurled back the Red hordes at Warsaw. No, my friends; do not lose hope.

CONCLUSION

I am grateful for the opportunity of having been with you here today. We have briefly explored the great work done by your organization during and after the Second World War, your work in connection with Polish displaced persons and in connection with the new displaced persons bill which we in the Senate hope to pass during this first session of the Eighty-first Congress, if it is humanly possible. In fact, we must pass this new bill lest we give another propaganda weapon by default to the Communists. Moreover, we must improve the bill. We must eliminate the provision which mortgages future quotas—a provision which operates cruelly against the small Polish immigration quota.

I hope that when I get back to Washington, you folks will be writing to me whenever you feel I can be of service and that if you are down to our Nation's Capital you will drop in and say hello.

In turn, as soon as this Congress is over, I hope to get back to Milwaukee and to meet with many of you in person to discuss problems of mutual interest dealing with the welfare of this city, our State, and Nation, and, yes, our international responsibilities.

Thanks again for your kind attention and good luck to you all.

Grass in the Streets?

EXTENSION OF REMARKS

OF

HON. ADOLPH J. SABATH

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Monday, August 15, 1949

Mr. SABATH. Mr. Speaker, since the House was not in session on Saturday, and since I had an opportunity to read some very interesting newspaper articles over the week end which should be of interest to the House and to the country, under leave granted me I insert in the RECORD an article which appeared in the Chicago Sun-Times under date of Thursday, August 11, 1949, entitled "Grass in the Streets?":

GRASS IN THE STREETS?

Herbert Hoover, observing his seventy-fifth birthday, last night had an ominous message for his countrymen. He said the huge increase in Government spending during the last 20 years is dynamite. He suggested it is driving us down the back road to totalitarian collectivism.

"There is no room for this spending and taxes except to cut the standard of living of most of our people," said Mr. Hoover.

In arriving at this conclusion Mr. Hoover said we must avoid looking at sunshine figures. But it is equally wrong to look only at cloud-and-shadow figures. In recounting the steep rise in Government expenditures, Mr. Hoover forgot to mention that the country has also witnessed a steep rise in national income.

The average citizen, said Mr. Hoover, paid a tax bill 20 years ago of about $50 per person. Today the total tax bill for all Government averages $372 per person.

That's a stiff increase, all right. But the increase in the Nation's earning capacity has been even stiffer. When Hoover was in the White House, in 1932, the national income was $41,700,000,000 or $333 per capita. Last year it was $235,600,000,000, or $1,581 per capita.

After paying his share of the tax bill in 1932, the average citizen had $245 a year left over. After paying his share of the tax bill in 1948, he had left $1,169.

In other words, it just isn't true that we have taken a cut in the standard of living because Government expenditures have gone up. We are able to sustain higher Government expenditures because we have increased our national earning capacity.

We cite these figures not to minimize the problem of Government spending, which is a real problem, but merely to show that it must be viewed in perspective.

When Mr. Hoover says the average citizen today works 61 days "for Government," it sounds pretty bad. But in 1932 the same mythical average citizen, earning much less than today, had to work 35 days for Government.

Mr. Hoover had some harsh words to say for what he calls the "welfare state," but it is not true that welfare expenditures account for the rise in Government spending since his day.

As his own figures show, of the 61 days which an average citizen works to support Government, 11 days go to pay obligations from former wars and 24 days go to pay the cost of defense and the cold war.

Excluding this last item from the comparison, it appears that the average citizen worked 35 days to pay the total tax bill in 1932, whereas today he works 37 days to pay the tax bill less the cold war budget. For those two extra working days, he's carrying the cost of the most expensive war in history and a lot of other things besides.

At 75, Mr. Hoover is a distinguished elder citizen whose views command respectful attention. But when he suggests that we must either cut Government budgets or cut our standard of living, he ignores the lesson of experience. The really important thing is to follow those policies that will enable us to maintain a steadily rising national income—policies that will never permit another Hoover depression to occur.

Many people worry about Government spending, as they should. But the great body of Americans cannot agree with Mr. Hoover's prophecies of doom around the corner. He is still the man who said, in 1932, that grass would grow in the streets if F. D. R. were elected. Remember?

Reorganization Peril

EXTENSION OF REMARKS

OF

HON. SCOTT W. LUCAS

OF ILLINOIS

IN THE SENATE OF THE UNITED STATES

Monday, August 15 (legislative day of Thursday, June 2), 1949

Mr. LUCAS. Mr. President, I ask unanimous consent to have printed in the Appendix of the RECORD an editorial entitled "Reorganization Peril," published in the Washington Post of this date. I sincerely hope that every Senator will read the editorial.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

REORGANIZATION PERIL

The fate of Reorganization Plan No. 1, creating a Department of Welfare, and plan No. 2, shifting the Bureau of Employment Insurance to the Department of Labor, hangs in the balance. Both plans will automatically become effective at the end of this week, unless the Senate rejects them in advance of the deadline, in accordance with recommendations of its Expenditures Committee. Failure to approve these important plans, as President Truman warned in his letter to Vice President BARKLEY, would imperil the rest of the reorganization program.

"Every special-interest group concerned with the operation of the Government," the President said, "will be encouraged to try to block further steps toward efficiency and economy." He also pointed out that former President Hoover shares his concern, thereby undercutting the argument that the failure to include all the Hoover Commission's recommendations for reorganization of the Federal Security Agency is a valid reason for rejecting Plan No. 1.

In our opinion there is no question that both plans would effect more efficient and economical administration of the agencies concerned. However, opposition will not be disarmed by stressing their merits. Critics fear that the establishment of a Department of Welfare would result in introduction of compulsory health insurance and that health functions would be assigned to the new department under the direction of the present head of the Federal Security Agency. As a Cabinet member, it is claimed, that official will have a great deal of influence over decisions as to the placement of health, hospitalization, and related governmental activities. Opposition to the shift of the employment services and unemployment compensation to the Department of Labor is likewise motivated by fear of the Department, which is said to be biased in favor of labor.

If the Senate were to act on the basis of such fears, the rest of the Hoover program would have hard sledding. For every proposal for strengthening the Government organization is necessarily based on the assumption that the officeholders who are responsible for execution of the reforms are trustworthy and reasonably competent. If Congress turns down reforms that experts regard as essential simply to keep officials in their place, wasteful and obsolescent organizational patterns cannot be discarded. Changes involve risk-taking and experimentation.

Besides reiterating arguments in favor of the jeopardized reorganization plans, the President assured the Senate that they would not change governmental policies with respect to employment or health matters. It is absurd, as he said, to jump to the conclusion that the creation of a Department of Welfare would limit the freedom of Congress to determine national health policies. He also pointed out that the Department of Labor administered the employment services of the Bureau of Employment Security quite successfully and without bias for a number of years. In thus seeking to dissipate what he referred to as imaginary difficulties, the President wisely avoided discussion of the question as to ultimate disposition of health services. The immediately important objective is acceptance of the programs now under consideration so as to pave the way for introduction of other equally important organizational reforms.

Reorganization Plan No. 1

EXTENSION OF REMARKS

OF

HON. JAMES E. MURRAY

OF MONTANA

IN THE SENATE OF THE UNITED STATES

Monday, August 15 (legislative day of Thursday, June 2), 1949

Mr. MURRAY. Mr. President, tomorrow the Senate votes on Reorganization Plan No. 1. I hope that by then it will have become apparent to every Member of this body that the pressure to vote against the plan to which he is being subjected, stems from just one group in the country—a group whose every action is being dictated and directed by a team of hundred-thousand-dollar-a-year, so-called public relations experts in Chicago.

In order that Members of the Senate may be correctly informed as to why we should vote for Reorganization Plan No. 1, I ask unanimous consent to place in the RECORD at this point, first, the testimony of the American Public Welfare Association on the plan; secondly, a letter from the American Public Health Association; and, third, a Gallup poll taken just last week and showing how both Democratic and Republican voters favor Reorganization Plan No. 1.

There being no objection, the matters referred to were ordered to be printed in the RECORD, as follows:

TESTIMONY IN BEHALF OF REORGANIZATION PLAN NO. 1 PRESENTED TO SENATE COMMITTEE ON EXPENDITURES IN THE EXECUTIVE DEPARTMENTS JULY 22, 1949, BY ELIZABETH WICKENDEN, WASHINGTON REPRESENTATIVE, AMERICAN PUBLIC WELFARE ASSOCIATION

My name is Elizabeth Wickenden and I am Washington representative of the American Public Welfare Association, organization of State and local public welfare departments and persons engaged in public welfare work at all levels of government.

I appear before you to express support for the President's Reorganization Plan No. 1 to create a Department of Welfare. Our organization has long been on record as favoring the elevation of the Federal Security Agency to departmental status on the grounds that the scope and character of its functions warrant this recognition.

We feel too that it is appropriate to leave the internal organization of the proposed new department to the Secretary as in other comparable departments. However, in this connection I would like to mention one possible misconception that arises from the dual use of the word welfare. In the title of the proposed department it is evidently used in the broad constitutional sense of General Welfare embracing all those specific functions which serve individual human well-being. One of these specific areas of service, along with health and education, is the narrower functional concept of public welfare now represented in the Social Security Administration with its programs for social insurance, public assistance and services to children.

In supporting a new Department of Welfare we wish to make it very clear that we look upon health, education and public welfare as coordinate functions with no thought that any one should dominate the other. On the contrary we hope and assume that the present internal structure in which the United States Public Health Service, the Office of Education, and the Social Security Administration maintain their separate administrative entities will be maintained.

On the other hand we do feel that there is every justification for and advantage in grouping these closely related functions into one department at the Federal level. Since the Federal functions in health, welfare and education are chiefly in the area of planning and the administration of grants-in-aid to the States rather than the actual furnishing of professional services to individuals it would seem that the administrative structure could not properly be compared to that at the State and local level where operational responsibility lies. On the contrary the desirability of working toward a comprehensive policy in dealing with the States on grant-in-aid relationships is self-evident and the work along this line which has been carried on in the Office of Federal-State Relations of the Federal Security Agency has been followed with much interest by the State agencies comprised in our association.

In addition to the over-all inter-relationships of Federal-State grant-in-aid policies there are many specific functional inter-relationships which can and are greatly facili-

tated by a common departmental grouping of administrative agencies. To take one example now very much to the forefront of public and inter-professional attention, I might mention the problem of medical care and related problems involved in chronic illness. On the professional side my own association, the American Public Welfare Association, has joined with the American Medical Association, the American Public Health Association, and the American Hospital Association in setting up a Commission on Chronic Illness for the study of this problem. This cooperation has been stimulated by a growing recognition of the close interrelationship between medical, social, and economic factors in chromic illness, an interrelationship which is, of course, of equal if not greater importance in the area of governmental policy. Similar examples could be cited in the fields of education, mental health, vocational rehabilitation, services to children, and others. The fact of the matter is that, while these functions involve professional specialties, the individual human beings whose welfare they serve are one and the same and deserve the benefit of reasonable coordinate planning from their Federal Government.

The creation of a Department of Welfare will not in itself either add to or substract from the functions of the Federal Government in the fields of health, education, and welfare. The scope and character of these functions depend as always on other legislation and on the appropriations made available to support them by the Congress. On the other hand, we feel that these functions can be more effectively and appropriately carried out if the Federal Security Agency is given recognition as an established department of Government with its head speaking from the prestige of a Cabinet office both to the country as a whole and within the President's circle of advisers in behalf of the welfare of individuals, not in their capacity as farmers, workers, or businessmen, but as human beings—the end objective of all government.

THE AMERICAN PUBLIC HEALTH ASSOCIATION,
New York, N. Y., July 20, 1949.

Hon. JOHN MCCLELLAN,
Chairman, Committee on Expenditures in the Executive Department, Senate Office Building, Washington, D. C.

DEAR SENATOR MCCLELLAN: The American Public Health Association wishes to place on record its considered opinion with reference to the proposal of the administration that there should be a Department of Welfare created from the present structure of the Federal Security Agency.

It is our hope that it may be possible for you to insert this opinion in the record of the hearings which I understand are scheduled for the near future.

The American Public Health Association, as a professional society of nearly 12,000 public health workers, believes it manifest that a structure of Cabinet rank is an essential to the importance of the task at the Federal level. The association recommends the prompt establishment of such a Cabinet department to be set up in a simple and flexible manner, allowing wide latitudes for the adaptation of administrative structure to scientific advance. We would prefer that this Cabinet department be designated as the Department of Health, Education, and Security, since it would comprise functions not ordinarily included under the term welfare.

The association believes that the Federal Security Agency should have departmental status in view of its broad scope and its character. This seems true whether it is regarded in terms of financial involvement, in terms of the numbers of persons concerned, or the importance of the functions of health, education, and welfare.

It seems appropriate to us that the agency dealing with health, education, and security at the Federal level should be thoroughly coordinated at the top because corresponding agencies at the local and State level are so generally separate and distinct. A first-rate example of coordination in the proposed Federal department would be useful.

The association believes it sound to transfer the powers and duties of the Agency to a new department and to its secretary. The matter of transferring any additional functions or units of other governmental agencies performing related services should be left, we believe, for subsequent legislative action.

The association believes that the functional operating divisions or other units of the department should be headed by career officers of high professional and administrative competence in their particular fields. These latter positions should be nonpolitical in character.

It is imperative, we believe, that suitable steps should be taken to insure freedom of State and local agencies, both public and voluntary. Of equal importance, however, it should be clear that this legislation permits the administration of Federal funds in an orderly and nonpolitical manner as provided, for example, by the 1939 amendments to title V of the Social Security Act.

In summary, the American Public Health Association supports the idea of Cabinet status for the Federal Security Agency.

Faithfully yours,
REGINALD M. ATWATER, M. D.,
Executive Secretary.

THE GALLUP POLL—PLAN FOR WELFARE DEPARTMENT GIVEN MAJORITY VOTER SUPPORT

(By George Gallup, director, American Institute of Public Opinion)

PRINCETON, N. J., August 11.—President Truman's plan to create a Federal Department of Welfare, headed by a Cabinet member, has a good deal of popular appeal throughout the country.

Creation of such a department was one of the recommendations made by the special commission headed by former President Herbert Hoover for reorganization of Government operations. Last week a Senate committee held public hearings on the plan, but turned in an adverse report to the Senate. A fight over the measure is expected on the Senate floor.

Opinion among a representative cross-section of voters in all the 48 States was sounded on the plan in the following survey by the American Institute of Public Opinion:

"It has been suggested that a Secretary (in the President's Cabinet) be appointed to head a new Department of Public Welfare in Washington which would include such things as social security, public health, and education. Do you approve or disapprove of this?"

The vote:

	Percent
Approve	54
Disapprove	26
No opinion	20

A fairly sharp division of sentiment along party lines was found in the survey. A substantial majority of persons who voted for Mr. Truman last November expressed favorable opinions on the creation of a welfare department.

Among Republicans, sentiment was much more closely divided as follows:

	Truman voters	Dewey voters
	Percent	*Percent*
Approve	61	45
Disapprove	20	38
No opinion	19	17

Lt. Gen. Joseph Lawton Collins

EXTENSION OF REMARKS
OF
HON. ALLEN J. ELLENDER
OF LOUISIANA

IN THE SENATE OF THE UNITED STATES

Monday, August 15 (legislative day of Thursday, June 2), 1949

Mr. ELLENDER. Mr. President, I ask unanimous consent to have printed in the Appendix of the RECORD an editorial entitled "Signal, Merited Promotion," commending the nomination of Lt. Gen. Joseph Lawton Collins to be Army Chief of Staff to succeed General Bradley, published in the New Orleans Times-Picayune of August 13, 1949.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

SIGNAL, MERITED PROMOTION

Word came from Washington Friday that Lt. Gen. Joseph Lawton Collins had been named Army Chief of Staff to succeed Gen. Bradley, just appointed chairman of the joint Chiefs of Staff. General Collins' well-earned promotion will be hailed with satisfaction the country over—but nowhere else so enthusiastically as here in New Orleans, his "old home town." A native of New Orleans, he spent his boyhood here, leaving to enter West Point and begin his outstanding military career. He has relatives and countless friends in this city, has revisited it when his duties permitted and as recently as last spring.

Entering the Army in April 17, after graduation from the Military Academy and prior study at Louisiana State University, he saw active service during World War I. During the recent conflict he earned fame as "Lightnin' Joe" when he led his Seventh Corps, first of any American forces across the Rhine. Before his transfer to the European theater, he was the first brigade commander flown into the Pacific after the Pearl Harbor attack. He organized the Twenty-fifth Division in Hawaii and served at Guadalcanal and throughout the South Pacific campaign. Sent to the European front as a corps commander at the time of the Normandy invasion, he participated in the first landing on that coast and earned distinction by the skill and daring of his leadership.

Following his combat service, General Collins served as the first director of the War Department's new Office of Public Information. He was Deputy Chief of Staff under General Eisenhower and Vice Chief of Staff under General Bradley.

New Orleans naturally takes pride in the promotion of a native son to the high and responsible post of Army Staff Chief, and deep satisfaction in the fact that his honors have been earned on merits by his brilliant career as combat commander and efficient administration of his postwar assignments. No better selection could have been made, in our judgment, and we have no doubt that he will justify it abundantly by efficient and devoted service in his new post. All New Orleans joins in the tender of congratulations and good wishes to this distinguished "native Orleanian."

Rosy Economic Outlook

EXTENSION OF REMARKS
OF
HON. ADOLPH J. SABATH
OF ILLINOIS
IN THE HOUSE OF REPRESENTATIVES
Monday, August 15, 1949

Mr. SABATH. Mr. Speaker, under leave given me, I insert an interesting article in the RECORD which appeared in the Washington Times-Herald on Sunday, August 14, 1949. I also wish to insert another article which appeared in the Christian Science Monitor under date of August 2, 1949, both on the general and important subject of our Nation's economic outlook. These articles bear out my recent statements that our future is very bright.

[From the Washington Times-Herald of August 14, 1949]

WALL STREETERS CONFIDENT ON TRADE OUTLOOK

NEW YORK, August 13.—Confidence is the word most frequently heard in Wall Street these days. Quite a number of brokers are using it. They mean that they have confidence in the immediate future of American business.

LIKE WHAT THEY SEE

They say they can see the course of business ahead pretty plainly, and they like what they see. Furthermore, they have kind words for some of the actions of the Federal Government and its agencies.

That doesn't mean that the men in Wall Street are running around throwing their hats into the air with joy. They can spot some stumbling blocks in the path of business and industry very plainly, but there still is a chance these barriers will be removed before they become too troublesome.

CITE STOCK PRICE TREND

The course of the stock market this week is a clear reflection of the attitude. The market had its ups and downs, but it ended the week a little higher than it started. And it kept within a fairly short stride of the 1949 high point established last January.

The outstanding cause for this discussion of confidence was the statement of Thomas B. McCabe, chairman of the Federal Reserve Board. McCabe proposed to Congress a number of ways to encourage business to raise the money it needs by selling common stocks. One was income-tax reduction in the middle and upper brackets. Another was easing the tax laws which result in taxing a corporation on the money it earns to pay dividends and then taxing the dividends as income after they are paid out.

Coupled with that was the reduction of reserve requirements by the Federal Reserve for city and country banks. That gave them more funds to lend to business.

INTEREST RATES CUT

Interest rates on loans against securities in New York City were cut a little by bankers who felt they had an excess of idle funds. For the week ended August 3 there was a decline of $60,000,000 in business loans throughout the country which canceled out the gain made the previous week.

Those who are confident the summer rally will continue pointed out that trading expanded markedly while prices were rising and contracted on the downside—a good sign to them.

Commonwealth & Southern again was the most heavily traded stock of the week, closing unchanged at $5, the highest price of the year. United Corporation was second on the list closing off 12 cents at $3.87.

[From the Christian Science Monitor of August 2, 1949]

BRIGHTER SIGNS SEEN IN ECONOMIC OUTLOOK

(By Harold Fleming)

NEW YORK.—Some observers here are beginning to note a number of unexpectedly favorable signs in the economic outlook.

They appear in such widely diverse forms as an upturn in steel operations, a revival in cotton textile markets, and new high records in airline transport of passengers and freight.

Such signs may perhaps be responsible for the excellent performance of the stock market in the last 6 weeks or so. After having threatened in early June to plunge through the lows of the last 3 years, the leading stock price averages have done a noteworthy about-face and have climbed back to the predominant levels of this spring. In fact, they are as high now as they were last November when the Federal Reserve Board index of industrial production registered its all-time high.

PUBLIC BUYING POWER IS HIGH

If there is any over-all explanation, it appears to lie in the fact that the public appears still to be willing to spend its money in substantial volume for the kind of goods and services it wants, and its spending is much steadier than the inventory policies of the distributors and retailers who supply it.

An instance of this was cited on this page recently in the case of the demand for lead for replacement batteries for automobiles. While a fair guess as to actual needs is about 16,000,000 batteries a year needing replacement in the country's 40,000,000 cars, shipments of lead for such purpose to battery makers hit a peak rate late last autumn of 30,000,000 pounds, then slumped to one-tenth that rate in April, May, and June. In consequence, lead dropped from 21½ cents to 12 cents, but now that the buyers' strike apparently is over it has recovered to 14½ cents.

Textile trade demand has shown somewhat the same course. This spring jobbers and retailers virtually stopped buying except on a hand-to-mouth basis instead of letting their inventories run off sharply, though consumer demand faltered only slightly. In consequence, mill production fell off sharply.

In cotton textiles the mills, with their leading costs—cotton and wages—almost frigid, refrained from their prewar custom of producing for inventory. It wasn't long before everybody's inventories appeared to have been cut to the point where they had to be replenished.

TEXTILE DEMAND STRENGTHENS PRICES

First pick-up came in woolens and rayon fabrics. Now it has appeared in cotton textiles. With buying for August white sales out of the way, bedsheet makers were the first to mark prices up again slightly.

Last week a buying wave in Worth Street moved out about 6 weeks' supply of printcloths, and resulted for the first time in many months in a small price advance. Leading cotton textile prices had slumped to levels in many cases below the 1946 OPA ceilings despite considerable mark-ups in both cotton and wages since that time.

Another such reversal seems to be shaping up in the heating oil market—one that, as the Journal of Commerce here puts it, "may be both swift and dramatic." Although the trade figures forecast at least a 10 percent increase in the number of new fuel oil users next winter over last, demand for heating oils fell below the corresponding 1948 month by 13 percent in April, 24 percent in May, and 30 percent in June.

Apparently both distributors and home owners have been putting off their purchases for next winter in the hope of further price declines. And so, comments the Journal, "it looks as though the deferred demand for heating oil may hit with a bang at the first cold snap—with such a bang as to quite possibly strain the [oil] industry's distribution and transportation facilities * * * [and] one thing looks pretty certain—in a relatively short time present depressed heating oil prices will vanish into thin air."

RETAIL SALES HOLD UP FAIRLY WELL

Such inventory situations caused Barron's magazine to comment last week that "sensitive price indices of raw materials have started to level off. Some of them have turned upward. Businessmen are beginning to wonder if inventory reductions haven't been overdone. With new buying coming into the market for needed replenishment, production is at such an ebb that further price rallies in a number of basic commodities are forecast."

Another such upturn appears in steel operations. After declining in every week from mid-April until the end of June, they have now moved up for two successive weeks (not counting the recovery from the customarily depressed Fourth of July week), and at 81½ percent are higher than a month ago.

One reason for this is that automobile demand is holding up better than expected. It was expected to slump around this time; traditionally, the best buying months are April through June. The independents were expected to feel the slump first. But there has been no slump.

The figures on retail sales by department stores, chains, and mail-order houses may have a more favorable implication than has recently been found in them. They show declines from last year varying (from week to week, city to city, and among the different outlets) from 5 to 15 percent below last year. But these are dollar figures. And they may be almost entirely accounted for by price reductions.

INDEX MAY MARK TURN IN TIDE

In this connection, the consumers' price index of the Bureau of Labor Statistics may be somewhat misleading. It shows no important decline this year at all. But this appears to be due to two important facts: First, the index includes rents and utility charges. Average rents have been moving up slowly as more and more areas are decontrolled or increases are permitted, and many utility companies have recently won belated increases from regulatory authorities to compensate for increased costs and wages. Second, the index does not adequately take into account such shopping facts as the housewife's ability or inability to buy low-priced lines or to take advantage of bargain sales and clearances. Hence, the index understated the 1946–1948 rise and now understates the 1949 decline in prices.

Whether such developments as those cited above ultimately prove to mark the turn or instead prove a flash in the pan remains to be seen. But if they prove to mark the turn, three comments may be in order:

1. This will be the first time that a downturn in business following a long boom has not fed on itself until it became a real depression.

2. Part of the credit may be due to the new flexibility of the Federal budget, which for the first time is not being sharply curtailed just at the moment when business outlays are being curtailed.

3. Another part of the credit may be due to the administered price policies of the leaders in various industries, who have refrained from marking prices up when demand indicated far higher prices could have been obtained.

United States Underground

EXTENSION OF REMARKS
OF
HON. J. WILLIAM FULBRIGHT
OF ARKANSAS
IN THE SENATE OF THE UNITED STATES
Monday, August 15 (legislative day of Thursday, June 2), 1949

Mr. FULBRIGHT. Mr. President, I ask unanimous consent to have printed in the Appendix of the RECORD an article entitled "United States Underground," written by Malvina Lindsay and published in the Washington Post of recent date. The article is a very excellent commentary on matters of great importance now pending in Congress.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

ANTIDOTE TO WORLD BLUES—UNITED STATES UNDERGROUND

(By Malvina Lindsay)

Two young men talking to me within the same hour have made me feel that perhaps the world does have a chance.

The first talked by telephone. His voice was of the under-35 kind—vigorous, enthusiastic. He told how before the first of the year 20 or more young men from as many different countries would arrive in Charleston, W. Va., to spend a year working in the town, living in Charleston families. By March the same number of young men from Charleston territory would be going abroad to work a year in the countries from which the visitors came.

This was a project of the Charleston Junior Chamber of Commerce, I was told proudly. Initiated by this group, it had been adopted by the National Junior Chamber of Commerce. Eventually the 2,000 junior chambers of the country might each be sponsoring 25 young men coming and going—a total of 50,000 each way. Travel expenses would be borne by each chamber for its own group. To my surprise, I learned there were junior chambers of commerce in India, Burma, China, New Zealand, and most European countries, who were paying the ways of the representatives they were sending to Charleston. What a uniform world it was, as well as a small one.

I thought of the teacher, student, worker exchanges already in progress, of how solidly they were building.

I thought of Americans who had come back from Europe, especially Germany, depressed over the future, and how often they had brightened when exchange of persons was mentioned. I had heard many of them say that bringing nationals of other countries here was "about the only thing that helped" in making the American system understood abroad.

Yet I warned my enthusiastic caller there were always some misfits, some mistakes in exchange projects. He brushed that aside with an "of course," went on to tell of how the project was expected to enrich the life of Charleston (population around 75,000) as well as help the foreign visitors.

When he hung up I had almost forgotten the croakings about tomorrow I had been reading and hearing on all sides—the pronouncements of men too old to fight on the inevitability of war; the resigning of the Nation by self-styled realists to nothing but a constantly growing world armament race; the vague declaimings of orators, male and female, on Americanism as a Chinese wall against all world unpleasantries. For here was a heartening example of grassroots action going on beneath the noisy, bellicose surface of American life.

Shortly afterward another young man, this time from the financial world, talked with me of the Nation's greatest fear next to an atomic war—a depression. We agreed the present decline in business wasn't "it." In fact, he didn't see it looming ahead anywhere. The decade of the 1950's, he declared confidently, should be the best yet in American life—barring, of course, war.

But I countered, what about all those cycle trends that converge at a low point in the 1950's on the cyclists' charts? What about this haunting shadow of overproduction that will grow more menacing when this country curtails its foreign-aid program? How could the great productive machine we built up in war be kept going with a continuing drop in exports in a dollar-starved world?

"Those are real problems," admitted the young man, "but we'll lick 'em. Listen," he went on in deep earnestness, "nothing can make me believe we won't be able to solve this overproduction problem. Why with our technical knowledge, our organizing brains, our initiative, our imagination, and with the whole world so desperately in need of our products, it's simply impossible to believe we'd sit back helplessly and let another depression take over. I tell you we'll find a way for the world to get our products, and it won't be on a hand-out basis either."

This was something different from the prosperity-around-the-corner pep talk of the 1920's. I felt new hope rising. Perhaps the time would come when Americans with a conscience would not feel guilty about overproduction in a world two-thirds full of want. Perhaps this country really would fulfill the destiny seen for it by its founders.

Perhaps, I thought as the young man walked away, I had been seeing and hearing too many of the wrong people. Perhaps I had been missing the real Americans.

Ninety Years After

EXTENSION OF REMARKS
OF
HON. EDWARD MARTIN
OF PENNSYLVANIA
IN THE SENATE OF THE UNITED STATES
Monday, August 15 (legislative day of Thursday, June 2), 1949

Mr. MARTIN. Mr. President, I ask unanimous consent to have printed in the Appendix of the RECORD an editorial entitled "Ninety Years After," published in the Oil City (Pa.) Derrick of August 10, 1949. I call the attention of Senators to the fact that this is the anniversary of the drilling of the great well, which was the beginning of the oil industry in the world. Twenty-seven States now produce oil. I also call to the attention of Senators that in the Pennsylvania field where the first well was drilled there is a well which is still producing, which was drilled in 1861.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

NINETY YEARS AFTER

There will be a highly symbolic touch to Drake Day this year. When the day is marked on August 27—90 years since the first commercial oil well in the world was brought in—oil again will be flowing from that famed hole.

Of course it won't be oil from the well—it stopped producing years ago—but it will be an arrangement whereby visitors will actually see Pennsylvania crude flowing from the first well in the world.

It has taken some time to make all the arrangements. But it will be worth the effort. The well casing has been cleaned out to a depth of 60 feet by Caretaker A. C. Brown and others. The old-time boiler and engine, donated to the Drake Well Memorial Park last summer by George Hilton, of Plumer, has been reinstalled.

Henry Woodcock, of Route 8, took his water well drilling machine to the replica of the Drake derrick over the well. He and Mr. Brown removed the original cast-iron casing. New and small casing was put down the well with tubing inside this with a working barrel and polished rod. Then the crude oil will be added. There is still some oil in the well, but there is too much salt water mixed with it.

That oil, coming from the original well, is symbolic, whether it was so intended or not, that the world's first oil field—the section between here and Titusville—is still producing. This is remarkable. Remember, hundreds of fields discovered since then have been abandoned and the oil men have moved on to other places. Pithole is an example in this immediate section. There are countless others in many places in this Nation and the world.

The production in this immediate area is not large compared with other fields. But there is a considerable dent in the incomes of the oil producers in this section when the price of crude is cut. And that reduction is felt by others as well.

There are a number of old wells here still yielding oil. The oldest pumping well in the world is McClintock No. 1, at McClintockville, the property of the Brundred Oil Corp. It was put down in 1861—the first year of the Civil war and 2 years after the Drake well. Its yield is small, in "pints and quarts," yet it is worth while to keep lifting oil from that old well.

This first field would likely have passed out of existence long ago, had it not been for the efforts of oil men to find new methods to lift the crude. They noticed there was a sharp decline curve in production when wells were operated on primary production—that is, each one pumped separately.

Then came secondary recovery, which increased the yield of oil sharply. The injection of some agent—air, gas, or water—into the producing sand forced more oil into the producing well. The producers are now in the process of shifting to "flowing wells." This lifts the oil in the producing well by the force of the injecting agent without the use of pumping.

Another great factor in keeping this original field alive was the quality of the product. Our Pennsylvania grade crude has the greatest yield of lubricating oil. That makes it more valuable. Thus the price of Pennsylvania crude is justly the highest in the land.

Without the aggressiveness of the producers and the value of the oil, this original field might have been economically unjustified long ago. But 90 years after the Drake well, the field is still going strong.

Philip M. Kaiser, Assistant Secretary of Labor

EXTENSION OF REMARKS
OF
HON. HERBERT R. O'CONOR
OF MARYLAND
IN THE SENATE OF THE UNITED STATES
Monday, August 15 (legislative day of Thursday, June 2), 1949

Mr. O'CONOR. Mr. President, I ask unanimous consent to have printed in the Appendix of the RECORD a statement

I have prepared in tribute to Mr. Philip M. Kaiser, whose nomination to be Assistant Secretary of Labor, was confirmed on Friday last.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

STATEMENT BY HON. HERBERT R. O'CONOR OF MARYLAND

To one who has been privileged to work in close association with Mr. Philip M. Kaiser, his confirmation for the office of Assistant Secretary of Labor comes in the nature of a truly well-deserved recognition. I was exceedingly happy to lend my support to his approval, and can attest sincerely my conviction, born of close association with him over recent weeks particularly, that his elevation to this important position will be distinctly to the benefit of the United States Government and to all who are interested in the progress of labor in this country.

When, recently, I was designated to represent the United States at the International Labor Conference in Geneva, Mr. Kaiser was appointed the other Government representative. His long experience in the field of labor matters is well known. In conference his knowledge of and tact in handling every phase of controversies in this field were exceedingly helpful, to the point where I think that a great measure of the success achieved by the United States delegation can be justly ascribed to the efforts of Mr. Kaiser.

As may easily be understood, there were numerous occasions, in discussions between the representatives of the various nations at Geneva, when international interests were in conflict and controversy raged. It was particularly noticeable, and I might well say notable, that on such occasions it was Mr. Kaiser's tactful handling of the United States position in the matter that helped bring about the solution it was possible to achieve.

On the several occasions, likewise, that delegates from the Communist-dominated countries sought to inject propaganda and anti-American views, Mr. Kaiser was able, because of the respect accorded him by the representatives of the many non-Communist countries, to refute the unfounded accusations and to uphold basic American principles.

To put the case very briefly, I can say that from my personal contacts with Mr. Kaiser in the field of labor matters in this country, and from my observations of his tactful guardianship of United States interests at Geneva, he is in every way well qualified to accept and discharge the responsibilities attendant upon the position of Assistant Secretary of Labor.

President Truman could not have made a more fortuitous choice for this important post, which is so vital to the labor interests of the country, and to the general public as well. We can be certain that Mr. Kaiser will fulfill the duties devolving upon him with conspicuous success.

Get the Big Operators

EXTENSION OF REMARKS

OF

HON. ADOLPH J. SABATH

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Monday, August 15, 1949

Mr. SABATH. Mr. Speaker, under leave granted me, I wish to insert an article in the RECORD which appeared in the Sunday Chicago Sun-Times of August 14, 1949, and written by Thomas L. Stokes. This is one more instance of why a lobby investigation is needed.

GET THE BIG OPERATORS

(By Thomas L. Stokes)

WASHINGTON.—It is easy, though perhaps dangerous to morals and morale, to be blase about the smooth-talking gentry who constantly infest this city with their first-name chatter about the "insiders" they know in Government and how they can fix up the poor, down-trodden businessman.

Back in the early twenties, the prohibition era, one of the most profitable rackets was "protection" for bootleggers from the Federal Government.

In the late twenties the Caraway lobby investigation bared one gentleman's activities. Simple operations, but profitable. He hired himself a small office, bought a library of half a dozen books about taxes, tariffs, and the like, and milked gullible big corporations a thousand bucks a year easy for his "reports."

More recently we have seen the influence business of bright and engaging fellows, once insiders in the New Deal.

The recent war, and now the cold war, offer lots of suckers. So again we have a juicy, sensational story.

Inherent in all this, keeping it alive, is the mystery that's thrown around Government. Government is so tremendous that you don't know where all the pieces are all the time when you live with it daily.

The smaller-business man is helpless, innocent, and gullible where Government is concerned. A fellow in the know is a tempting lure.

Minor Government officials are gullible in their way, too. When somebody who's supposed to have influence at the White House comes in to get something done, or intervene for a friend, they sit up and take notice. They've got to protect their jobs, too.

What we'd like to see around here is an investigation of the really big operators, the quiet fellows you never hear about except perhaps in the society columns, who don't boast about it but do know the right people in Congress and really influence Government policy.

Such as, for instance, in the bill passed by the House to exempt so-called independent natural-gas producers who sell in interstate commerce from Federal Power Commission regulation, from which a few big oil companies will profit handsomely at the expense of the consumer.

Such as the Senate Appropriations Committee's elimination of Government transmission lines for public power projects from the Interior Department appropriation bill at the behest of several great private utilities which would thus be able to control power distribution themselves.

You don't find too many people in Congress who want to expose the really big and effective operators who get these things done. But there's a full hue and cry after the little operators who are, in the language of the poker table, "ribbon clerks" by comparison.

Small World Still Too Big for Uncle Sam To Support Single-Handedly

EXTENSION OF REMARKS

OF

HON. KARL E. MUNDT

OF SOUTH DAKOTA

IN THE SENATE OF THE UNITED STATES

Monday, August 15 (legislative day of Thursday, June 2), 1949

Mr. MUNDT. Mr. President, I ask unanimous consent to insert in the RECORD what I believe to be the shortest item ever incorporated in the Appendix of the RECORD. I submit, sir, that it is just as significant as it is short. It is a single sentence editorial from the pen of Sid Davison, editor of the Miner County Pioneer, published in Howard, S. Dak.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

We'll agree that this is a small world—but not small enough for the United States to take on the job of financing all of it.

The Welfare State

EXTENSION OF REMARKS

OF

HON. HARRY P. CAIN

OF WASHINGTON

IN THE SENATE OF THE UNITED STATES

Monday, August 15 (legislative day of Thursday, June 2), 1949

Mr. CAIN. Mr. President, the State of Washington is presently undertaking a significant experiment in the welfare field. The August 15 issue of Newsweek tells about it. I ask unanimous consent that the Newsweek article be printed in the Appendix to the RECORD where it may be read and considered by thoughtful and interested persons.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

THE WELFARE STATE: EVERYONE'S FEELING MUCH BETTER—BUT THE POORHOUSE LOOMS IN THE STATE OF WASHINGTON

(By now the British welfare state is an old story to American readers, as is the charge that President Truman plans a similar set-up in the United States. But unknown to most Americans is the fact that a miniature welfare state is already incubating in this country. The following Newsweek survey of the State of Washington tells the story:)

Last November Santa Claus showed up on the ballot in the State of Washington. He came disguised as a measure called the Citizens' Security Act, which avowedly would assure Washingtonians "freedom from fear and freedom from want." Presented to the voters in a referendum, it would boost monthly minimum-old-age benefits from about $48 to $60 a person, giving Washington the country's third most liberal pension rate. More significant, it would guarantee anyone on the State relief rolls free medical care—physicians, hospitalization, even crutches and false teeth. It would in effect make Washington the Nation's first welfare State.

The experiment would last 2 years and cost the State $206,280,000, almost one-half its total expenditure for all purposes, including education. It was backed by the State's Townsend Clubs and by the Washington Pension Union, which had been under investigation by the State legislature as allegedly Communist-led. The Seattle Municipal League and both the Seattle Times and the Seattle Post-Intelligencer opposed the measure on the ground that, however desirable sociologically, it would make solvent government impossible.

But no one shoots Santa Claus. The voters approved; on January 1 the Citizens' Security Act became effective.

RESULTS AGAINST COSTS

Last week the evidence was that Washington's needy were in better health and were chewing better, seeing better, and feeling better than ever before. The old-age-pension hike was paying dividends in the shape of thousands of elderly men and women who were leading securer lives.

But after 7 months of the experiment its opponents were more convinced than ever that the welfare State was headed straight for the poorhouse. Health costs had zoomed more than 150 percent above a year ago. In King County alone, doctors' bills were running $18,000 to $20,000 a month over the amount the State had planned to pay. Thirty-one percent of the relief eligibles in that county—10,781 out of 34,800—went to a doctor in June.

Formerly only 20 percent sought medical aid each month. The average cost per person per month for medical care was now $13.76. A year earlier it had been $8.07. And the cost of the program was rising as the relief rolls grew. (In Washington, a man who has even as much as $200 cash and who owns his own home, car, and life insurance with a cash-surrender value up to $500, can qualify for relief.)

Even the present rate of payments, according to State officials, would exhaust the medical-care appropriation months before the act's expiration date. Gov. Arthur B. Langlie's request for additional taxes has already been turned down.

The way the program works, anyone on relief and needing medical care can visit a local welfare office and obtain a referral to a doctor of his choice who is participating. (Most doctors but few dentists have agreed to treat the indigents.) With no more questions asked, he then is supplied with whatever he needs in the form of operations, hospital care, drugs, hearing aid, plastic eye, X-rays, and therapy.

Doctors bill county medical bureaus as they would a private patient; the State in turn finances the bureaus at a rate of $2.50 a month for every person on relief. Dentists and druggists send bill directly to the State. The State pays hospitals up to $9.50 a day per patient, including meals, $20 for delivery-room service, and $12 for anesthesia. An X-ray may cost up to $10, a blood count not more than $3.50.

A Seattle physician computed that an employed person would have to earn an annual income of $5,000 to afford the medical care given the average welfare case.

CABBAGE JUICES

Opponents charge that inadequate checks and controls have encouraged a rash of abuses and absurdities. One man reportedly complained of stomach ulcers and his doctor prescribed lots of cabbage juice. A cabbage juicer cost $47; the doctor recommended that the State buy him one.

"A high percentage of doctors are taking the program for a ride, getting from it all they possibly can," a leading Seattle physician declared last week. "Patients are being overtreated. X-ray and laboratory work is being done with no regard for need but for the fee only. People go to a doctor for a prescription for aspirin which ordinarily could be bought for 15 cents."

A Tacoma woman called her doctor at 2 a. m., complaining of throat trouble, and was taken to the hospital in an ambulance. A staff doctor found only a slight redness of the throat and gave her some medicine and sent her home in a taxi. The State's transportation bill was $10 for something most people would have treated with a bottle of cough sirup.

Dr. Burton A. Brown, of Tacoma, resigning as medical director of the Pierce County Hospital, reported that "the morale of the intern and resident staff has sunk to an all-time low." After 24 years at the hospital, he returned to private practice.

Last week in a progress report on the welfare program, Roderic Olzendam, State social security director, conceded that "abuses have developed under which some people have drawn higher benefits than they are rightfully entitled to * * * that it is possible for a person in need and unemployed to draw more money than he earns producing."

To correct this and other admitted shortcomings, Olzendam planned to streamline his executive organization. He said he would strive henceforth to "administer the program within the budget" and run it in "an economical, sympathetic, businesslike manner." In other States and in the Federal Government many who had toyed lovingly with the notion of a welfare state would closely scan the results of his efforts.

The Doctor's Heart

EXTENSION OF REMARKS

OF

HON. E. C. GATHINGS

OF ARKANSAS

IN THE HOUSE OF REPRESENTATIVES

Monday, August 15, 1949

Mr. GATHINGS. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following address by Lowry H. McDaniel, M. D., of Tyronza, Ark. It was given as the chairman's address, section on general practice, at the Southern Medical Association's forty-second annual meeting, Miami, Fla., October 25–28, 1948:

THE DOCTOR'S HEART

(By Lowry H. McDaniel, M. D., Tyronza, Ark.)

I have chosen as the subject of my address the unusual title "The Doctor's Heart." It is our idea, as well as other physicians prominent in southern medical circles, that the chairman's address before some sections should be of the inspirational type or in the words of the laity "something for the good of the order."

The subject, The Doctor's Heart, is to be approached from a different viewpoint from that ordinarily heard in a scientific program. Instead of a discussion on the frequency of cardiac disease in the physician, too often brought about by the strains of overwork, lack of sufficient rest and relaxation, exposure, anxiety over the condition and prognosis of his patients, long and irregular hours and habits, we wish to discuss the spirit, the ideals, the enthusiasm, the ethics, the soul, that inexplainable something that makes the noble physician ever carry on in spite of obstacles that would dampen the ardor or stop any man who did not have the doctor's heart, or some other human dynamo to inspire him to serve his fellow man.

One of the greatest characters in sacred history said, "Out of the heart come the issues of life." The speaker will bring out, that out of the doctor's heart come the will, the power, the stamina, to surge forward in medicine's and humanity's struggle against disease and death.

Much has been said about the strain imposed on the doctor's heart by the practice of his profession. The reference is usually to the physical organ. The doctor's heart of which I speak embraces the intellect, the sensibilities, the intentions, and conscience. In a deep, time-tested book which most of us revere, it is written that the heart thinks, meditates, reasons, doubts, believes, and understands. All of these are functions of the mind, hence the heart of which I speak includes the intellect. This same book also says the heart fears, hates, deceives, suspects, loves, trusts, sorrows, rejoices, and forgives. These are functions of the emotional nature, so the heart includes the sensibilities.

The great literature of the world, sacred and profane, refers to the heart as something which purposes, rebels, conquers, surrenders, or stands steadfast. These are functions of the will, so the term "heart" includes all of man's intentions. But that is not all. This spacious word includes something within us that may be made callous or kept tender, something that can restrain, approve, or condemn. These are functions of the conscience, so the doctor's heart, of which I speak, embraces the celestial spark called conscience.

Now, having seen that the heart includes the mind, will, emotions, and conscience, it is easy to see that as long as the doctor keeps his heart up he is a winner, and that when he loses heart he has lost everything. Bacon, the philosopher, was never wiser than when he said:

"All human actions take their color from the complexion of the heart, just as the landscapes take their changing hues from the light."

Out of the doctor's heart comes the power to triumph over failures, weariness, lack of appreciation, lack of remuneration, and all sorts of discouragement. The years take their toll of the body; the heart is all we have that we can keep forever young. The ancient Norsemen said that "vain is the strong oak in our ships without strong hearts in our men." One day the poet Longfellow read the words in the Book of Proverbs ascribed to King Solomon, "Keep thy heart with all diligence, for out of it are the issues of life," and made it the basis of an inspiring poem. Everywhere in life, everywhere in human relations, everywhere in man's conduct toward his fellow man, there stands towering that great truth:

"Out of the heart are the issues of life."

May I now tell you a true story, for truth is always stranger than fiction, that aptly describes the noble physician who puts service to humanity above personal gain or glory. The story has it that a very fine person who was a doctor lived in the suburban section of the city of New Orleans. He did a great deal of practice for the poor French people of that city. But he did not always reside in the suburban section and certainly did not have his office out there. He had his office in one of the most up-to-date office buildings in downtown New Orleans for some years and enjoyed one of the very best practices in the city. His patients during that period of his life were from the richest families in that city. He made large amounts of money and saved a great deal of it.

He was a Christian gentleman. He became very much interested in the poor of the city and began by giving a part of his time and ability to the poor who could not pay him. As time went on, he gave more and more of his time to the poor and often neglected his other practice. His paying practice began to leave him. He, in time, lost his paying practice and began to spend his savings. He moved his offices into less expensive space in the office building, and later on moved into still less expensive space and finally moved his offices out in the suburban section up over a corner grocery store with steps on the outside of the building leading up to his offices. His practice then was almost all charity. He had a sign printed on tin and tacked on the lifts of the steps leading up to his office. The sign read "Dr. M. E. Moffett, office upstairs." He never tried to stage a come-back with the rich. He finished his mission on earth with the poor who paid only small and occasional fees. He died wholly without funds and was buried in an unmarked grave.

A group of the poor but appreciative people for whom he had rendered valuable service, headed by a poor woman for whose son he had performed an operation and corrected a club foot, went about trying to collect funds to purchase a small marker for his grave. They worked long hours and hard to this end, but could not get enough money to erect even the most modest marker, so this lady for whom he had performed the operation on the foot of her son conceived the idea that she would go back to the store over which his office had been located, which building was then vacant both upstairs and down, and take a portion of the old steps and take them to his grave as a marker. This she did with the aid of two small boys.

She took an old hand saw and sawed off a section of the steps and nailed two upright pieces on the steps and took that section of the steps to his grave and set it up at the head of the grave. On the topmost lift of this section of the steps was one of the tin signs which read, "Dr. M. E. Moffett, office upstairs." He had moved his office from over the little old corner grocery to that "office upstairs." I have little doubt that this story will apply some day to many if not all of the physicians in attendance here today.

I know of a man whose hobby is unique and unusual oriental tapestries. He has a piece that he prizes above all others. Throughout the design of this tapestry there is a strand of brightest crimson. The history of this tapestry is this. It was made by a Persian girl who was deeply in love with a young man. Her family had died while she was very young, leaving her little or nothing. His family preferred and looked for a more favorable match for him. While not working at making carpets, as others of her family had done before her, this girl busied herself with this tapestry to give to the one she loved. When in the design she came to a certain strand, instead of camel's hair, she used hair from her head, and then dyed it with her own life's blood.

As the tapestry grew larger and larger, she seemed to be waning away; as it became redder and redder, she became paler and paler. Then one night when it was finished, she stole out and spread this tapestry dyed by her own life's blood over the one whom she loved while he slept, to keep him warm.

I know a profession, composed of men like you and like me, who know and love men and women and boys and girls, who have woven a tapestry of character in their life's blood, thinking not of themselves but of those who call them to serve, men who have dedicated themselves to a life of service to a suffering humanity, men who as the days come and go give of their best, and then in the end, when life's sun is low, can look back down the long path they have ascended with the satisfaction that they have given their life's blood in order that others might live.

There are professions and professions, but none more noble than the one you are a part of. Through tireless days and nights you have been as devoted to your profession as the North Star has been in its course through the heavens. Had you not have been, research, discoveries, and the advancement of medical science would be where they were a hundred years ago. And with the rapid increase of the world's population men and women would not have been afforded the opportunity of bringing to pass the world's advancements, necessary with the increase of the world's population.

The first attempt to dig the Panama Canal resulted in failure not because of a lack of manpower nor machinery but because medical science was not employed to keep men on the project from dying like flies. The second effort of this gigantic undertaking was successful for the simple reason that manpower was joined with medical science; the two working together accomplished this great engineering feat. Mark you well, had it not have been for these two great elements working together, such a task would never have been successful. And thus it has been all back down the stream of time, and thus it shall be as long as men shall labor and love on this earth.

"Out of the heart come the issues of life." I mean simply this, that which flows or passes out of the heart signifies the true worth, the true value of any man. It tells what he is and what he stands for. Values are often overlooked; for it is too often that we value a man by what he possesses. I would remind you, "that a man's life consisteth not in the abundance of the things which he possesses." I am happy that our profession does not value the man according to the number of his dollars. Dollars do not mean character, the greatest of all jewels; dollars have no place for heroic efforts, nor for service given nor devotion to duty; they have no way of expressing the long hard hours spent in helping men and women from death into life. Not dollars, but the heart that pulsates in a breast of love is the driving force that carries the noble physician from one sacrifice to another and by the same token from one crowning glory to another.

George Elliott, in the Mill on the Floss, gives the legend of St. Ogg. Ogg was a boatman who gained a scant living by carrying passengers across the River Floss. One evening when the winds were high, there sat moaning on the river's bank a woman with a child in her arms. She was clad in rags, and there was a worn and haggard look on her face. She begged to be rowed across the river. Others bade her wait till morning, and asked her why she desired to cross. Ogg came to her and said:

"I will ferry thee across; thy need is most urgent and thy heart above all desires it."

Battling with all of his power against the wind and waves, he ferried her across. As she stepped ashore, her rags were changed into a robe of flowing white, her face became exceedingly beautiful, and her brow was hallowed with a light, like the brightness of the moon, until it cast a silvery light upon the water.

She said:

"Ogg, thou art blessed in that thou didst not question the heart's need, but wast smitten with pity and didst straightway relieve the same. Henceforth whosoever steps into thy boat shall be in no peril from the storm, and when it puts forth to rescue, it shall save the lives of men and beast."

When the floods came many were saved by the blessing on the boat.

The legend goes on:

"When Ogg's spirit was parted from his body, his boat slipped its mooring at the river's bank, and went drifting rapidly to sea with the tide, until it was seen no more. Down the years in times of storm, a phantom boat might be seen in the river. At the oars sat Ogg, and in the prow a woman dressed in a robe of flowing white, and around her a halo of light, like the brightness of the moon, that cast a silvery light upon the water. As the toilers saw this vision of the phantom boat and the Madonna, their arms were made strong and their hearts brave for the work of rescue."

I like to compare the everyday general practitioner with his heart of gold, with "The Doctor's Heart," if you please, to the good St. Ogg.

I feel that I do no violence to truth when I say that the Southern Medical Association's beloved secretary, who has been stricken while in harness after 35 years of duty to southern medicine, has also acquired, partly from association but mostly because that spark of love for his fellowmen was already there, this human dynamo of goodness that we today call the doctor's heart. After this meeting may we not grasp his hand a little more firmly, a little more warmly to show our appreciation for his past successes in steering our Southern Medical to its present eminent position as the outstanding medical association of our land.

Let me tell you another story and I am through. A group of American tourists in Dublin, Ireland, passed three workers, each at a rockpile, scattered along the roadside a block apart. In order to make a happy conversation, a tourist said to the first man, "My good man, what are you doing?" Without looking up, and murmuring, Pat said, "Breaking rock." As he approached the second man, the tourist again plied his question, and the answer from Mike was that he was working for the equivalent of a dollar a day. As he approached the third man, who seemed to be watching his rock, rolling it over in his hands and measuring distances as he worked, the tourist said, "My good man, what are you doing?" And the laborer replied, "Building a cathedral to the glory of God." I like to ponder over that true story and realize that the noble physician who is ever alert to serve his fellowman is constantly "building a cathedral to the glory of God."

My friends of the profession, we, the physicians of our Southland, have an obligation to uphold, an obligation to those great men of medicine whose lives and services stand out brightly in our history. We pledge ourselves to be true to the ideals of Frank Vinsonhaler, the greatest name in Arkansas medicine; Turner Wootton; Sid Wolferman, also of Arkansas; Crawford Long, of Georgia; Marion Sims, of Alabama; Walter West, of West Virgina; Irvin Abell, of Kentucky; Frank Boland, of Atlanta; and his neighbor, Stewart Brown, of Royston, Ga.; Dean Robert Wilson, Sr., of South Carolina, along with those other two great souls of the Palmetto State, Adams Hayne, of Columbia, and W. L. (Buck) Pressly, of Due West, S. C.

The mention of one name instantly makes others flash into our minds: Rudolph Matas, of New Orleans; E. H. Cary, of Dallas; W. D. Haggard, of Nashville; Jeff Miller, of New Orleans; Seale Harris, of Birmingham; William S. Halstead, Hugh Young, and Howard Kelly, of Baltimore; R. L. Sanders and J. B. McElroy, of Memphis; W. S. Leathers, from Mississippi and Tennessee; W. H. Anderson and Felix Underwood, of Mississippi; C. C. Bass, of New Orleans, and W. C. Gorgas, of Alabama.

Will you forgive me for becoming personal when I list five other noble physicians in whose breasts there pulsates a heart of purest gold, L. A. Yarbrough and G. B. Gillespie, of Covington, Tenn.; A. G. Henderson, of Imboden, Ark.; Edward C. McDaniel, of Tyronza, Ark.; and J. L. Baard, of Marked Tree, Ark. Intimate association with this last group prompts me to compare them favorably with that previous group of great and noble physicians.

I like to name those great souls in whose breast there pulsated that tender, that mysterious, that unfathomable doctor's heart. I could name many others in that group just as deserving who are not mentioned for lack of time, that group of men who answered the call of duty to palace and hovel alike, that group of men who heard secrets and confessions not breathed to other mortals, that group of men who were often called upon to whisper consolation to a poor suffering soul on the brink of this earthly silence, that group of men who labored through love under a system we know as medical ethics, the ideals of which are not surpassed by any organization, religious or otherwise, that system which in its ultimate analysis is but a continuation of the Sermon on the Mount by the Great Physician, that One who ever directs the internist's diagnosis or the surgeon's hand. Gentlemen of the profession, if every physician here rededicates his life to the ideals of those great men named a moment ago, this meeting has been well worth while.

May we daily and hourly answer the call of duty to our fellow man in pain or sorrow. May we ever be alert lest we overlook some wound that needs to be healed, some bruise that needs to be soothed, some fevered brow that needs to be cooled, some despondent heart that needs to be revived, some troubled mind that needs to be cheered. May we sum up our attitude as did that great doctor's poet, Gresham, who said:

"LET ME WALK WITH THE MAN IN THE ROAD

" 'Tis only a half-truth the poet has sung
Of the 'house by the side of the way;'
Our Master had neither a house nor a home,
But He walked with the crowd day by day.

"And I think, when I read of the poet's desire,
That a house by the road would be good;
But service is found in the tenderest form
When we walk with the crowd in the road.

"So I say, let me walk with the men in the road,
Let me seek out the burdens that crush;
Let me speak a kind word of good cheer to the weak
Who are falling behind in the rush.

"There are wounds to be healed, there are breaks we must mend,
There's a cup of cold water to give;
And the man in the road by the side of his friend
Is the man who has learned to live.

"Then tell me no more of the house by the road,
There is only one place I can live.
It's there with the men who are toiling along,
Who are needing the cheer I can give.

"It is pleasant to live in the house by the way
And be a friend, as the poet has said,
But the Master is bidding us, 'Bear ye their load,
For the rest waiteth yonder ahead.'

"I could not remain in the house by the road
And watch as the toilers go on;
Their faces beclouded with pain and with sin,
So burdened, their strength nearly gone.

"I'll go to their side, I'll speak in good cheer,
I'll help them carry their load;
And I'll smile at the man in the house by the way,
As I walk with the crowd in the road.

"Out there in the road that goes by the house,
Where the poet is singing his song;
I'll walk and I'll work midst the heat of the day,
And I'll help fallen brothers along.

"Too busy to live in the house by the way,
Too happy for such an abode;
And my heart sings its praise to the Master of all,
Who helps the doctor to serve in the road."

State of The World

EXTENSION OF REMARKS
OF
HON. ADOLPH J. SABATH
OF ILLINOIS
IN THE HOUSE OF REPRESENTATIVES

Monday, August 15, 1949

Mr. SABATH. Mr. Speaker, under permission granted, I insert an article in the RECORD which appeared in the Chicago Sun-Times of August 14, 1949, and which I hope the membership will read with the same interest that I have in this very able and well-written editorial.

STATE OF THE WORLD

Every January, the President reports to Congress on the state of the Nation. Last week Trygve Lie, Secretary General of the United Nations, reported to the 58 Members of that body on the state of the world.

Mr. Lie found international tensions somewhat relaxed and the fear of war lessened. The most interesting part of his message was that dealing with the ideological conflict between Russia's eastern bloc and the American-led western bloc.

Insofar as anybody can, Mr. Lie is able to approach that conflict impartially. By the terms of the UN Charter, he and his staff are forbidden to seek or receive instructions from any government. They are responsible to the UN organization and to nobody else.

Let us listen, then, to the thoughts of an uneasy bystander in the cold war.

It is Trygve Lie's opinion that the ideological conflict between East and West is not the one great issue of our times. He believes there are at least two other developments of first importance: (1) the rise of millions in Asia and Africa from a position of dependency toward a position of equality; and (2) the growing strength of the movement to extend the observance of human rights everywhere in the world.

"If the importance of these developments were correctly assessed," says Mr. Lie, "I believe that the world would find it possible to approach the present East-West difficulties with less hysteria, for they would be more easily seen in their true perspective.

"I believe that the rise of dependent peoples and the human-rights movement will, in the long run, have far more significance and give rise to greater events in the second half of the twentieth century than will the present ideological struggle. * * *

"The days of dependency or inferior status are fast coming to an end in Asia. Its peoples are the inheritors of some of the world's greatest cultures; they are building their own new worlds on the foundations of the old. * * * The idea that all this vast diversity of ancient peoples stirring to new life and power could ever become the mere reflection of any form of society in other parts of the world is unrealistic"

What Trygve Lie is saying to Russia and the United States may be paraphrased in this way:

"You two great powers have been behaving as if your ideological rivalry would settle the fate of the world. It won't.

"You have been conducting your national policies solely with a view to strengthening your own power positions; but your own ultimate safety lies in strengthening the position of a universal world organization.

"The world of the future is not going to be a Communist world, for the idea of human rights is gaining ground everywhere. It is not going to be a capitalist-democratic world, for the emerging peoples of the East will insist on building their own lives according to their own cultural patterns.

"The time has come for both great powers to learn to live together in the same world—a diverse world on which neither can impose its own system.

"A war between the two ideologies would result in the destruction of both. In a world governed solely by the politics of power, both Russia and the United States would ultimately be outclassed by the growing strength of the colonial peoples.

"Both, therefore, have an interest in building now a world governed by law. Both, therefore, should make the United Nations the cornerstone of their foreign policies."

What the application of this principle might mean it well illustrated by the case of Italy's former colonies.

Three years ago the United States proposed that these colonies be turned over to the United Nations for administration until their peoples should be ready for self-government. At that time, Russia, flexing its muscles, was trying to grab off some of the colonies for itself.

As the cold war intensified, our Government changed its position. In the General Assembly this year we supported a plan to parcel out the colonies among Britain, France, and Italy.

This plan was defeated in the Assembly. It was defeated, not by Russia, but by the Asiatic and Middle Eastern nations which are only just emerging from colonial dependence themselves. They wanted Italy's former colonies to have the same chance at freedom.

Trygve Lie says the United States was right the first time. He would turn over the Italian colonies neither to East nor West, but to the UN—and thereby, to the native peoples themselves. Thus one dispute in the cold war would be settled without strategic advantage for either party, and at the same time the United Nations would be strengthened in the eyes of the colonial peoples whose opinion of it may some day make the difference between world chaos and world law.

It is a simple but profound principle, this idea of giving first priority to the interest of the UN as a whole. It is the principle on which the organization was founded in such high hopes. Some of those hopes might be recaptured if out of the cold war there should emerge the statesmanship and the will for peace that would reestablish the principle.

The North Atlantic Pact

EXTENSION OF REMARKS
OF
HON. EDWIN C. JOHNSON
OF COLORADO
IN THE SENATE OF THE UNITED STATES

Monday, August 15 (legislative day of Thursday, June 2), 1949

Mr. JOHNSON of Colorado. Mr. President, since the Senate vote on the Atlantic Pact I have received a great volume of mail—a nice mixture of bouquets and brickbats. One of the letters goes a few years back in history for the basis for a conclusion that is interesting and pertinent. I ask unanimous consent to insert it in the Appendix of the RECORD.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

ROCKY FORD, COLO., *July 22, 1949.*

Hon. EDWIN C. JOHNSON,
Senator from Colorado, Senate Office Building, Washington, D. C.

DEAR SIR: About 30 years ago I sat in Tremont Temple in Boston. The occasion was a meeting of Senators Borah, Beveridge, and Thomas of Colorado. The subject was the League of Nations.

With masterful oratory Borah and Beveridge discussed the covenant. Lastly, Thomas got up and in language we could all understand, dissected it article by article. Lastly, in discussing article 10 of that document, he said "All I am politically I owe to the Democratic Party, but far above that is my duty to my country. They say article 10 does not mean what it says. My experience as a lawyer is that there is nothing so wrong as an article that does not mean what it says or infers. I hope my country will live up to what she signs but that she will be careful what she signs."

When Thomas finished, a well-dressed man in the front of the audience stood up facing the rest and said, "Let us give three cheers for Colorado." The applause was deafening.

We swelled with pride. I can assure you, Senator, that we again swelled with pride when we were informed of your vote. Congratulations and best wishes.

Respectfully,

BYRON B. BLOTZ, M. D.

Sold Short

EXTENSION OF REMARKS

OF

HON. HUGH BUTLER

OF NEBRASKA

IN THE SENATE OF THE UNITED STATES

Monday, August 15 (legislative day of Thursday, June 2), 1949

Mr. BUTLER. Mr. President, I ask unanimous consent to have printed in the RECORD a very splendid editorial entitled "Sold Short," published in the August 1949, issue of the magazine Partners.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

SOLD SHORT

The American businessman has done a marvelous job in selling the American people the products of free enterprise. Take the automobile, for instance—who would have believed it possible to sell this one product to practically every third person in the United States? Yes, and who would have believed it possible to install a bathtub in the home of almost every American? Or a radio in practically every room in every home? But such is the accomplishment of American business leadership—through a truly spectacular job of selling.

For this particular achievement the businessmen of this country are to be roundly congratulated. But there is another selling job on which these same businessmen can claim but scant success. They are not properly selling the system that makes possible the outlet for their products. They are not selling free enterprise.

A TRAGIC FAILURE

This blank in the total picture is not one we can afford to skip over lightly. It is one which requires immediate attention—if we are not to wake up some morning and find that we have all been "sold short."

Go to your radio today—or any day—and tune in on a debate on any subject affecting our economy. Listen carefully and before very long you will begin to appreciate the nature of our present peril.

Take, for example, the subject of socialized medicine—a topic which is being generally aired these days over the radio and from the public platform. Invariably you will find the speaker who supports state medicine to be not only a master of oratory, but a master of statistics as well—in short, you will find him a master at the art of distorting the truth impressively. At the psychological moment, he will raise his voice and rattle off a string of phony figures. "In the year 1948 alone," he may declaim, "3,285,961 persons lost their lives because of inadequate medical case." Here, he would give his audience to understand, is positive proof that private medicine should be abolished in favor of that which is Government-run.

His opponent, usually unsupplied with the true facts and figures, is left helpless at the microphone for want of effective argument. As a result, the American radio audience hears only one side of the statistics and are inclined to believe the words of the leftist "statistician."

Business, if it is to do an effective job in its effort to retain the free-enterprise system, had better wake up to the realization—and quick—that debating today is a business, and one of specialists. Men for this job should be selected less out of deference for their prestige as business leaders and more out of respect for their ability to debate an issue on its merits with argument that will meet the test under any and all conditions. Being a great business executive is one thing, but being a sound economist with the ability to put the truth across is quite another.

WHOLE STORY MUST BE TOLD

The proponents of communistic doctrine—or of socialism, as the stepping stone to Red power—know very well that they are selling intangibles. They have no real samples of their bill of goods and must therefore resort to trickery if they would put their sales talk across. And chief among the tricks thus used is the introduction of phony statistics. Such figures are quite effective, because, unless they can be disproven the moment they are presented, they are likely to be swallowed by the audience as the truth, the whole truth, and nothing but the truth.

It's about time these phony statisticians were challenged every time they make an utterance. For instance, a speaker for the left will boldly toss in the statement that, "according to statistics, poverty and destitution have risen 25 percent since the turn of the century." What he fails to tell his audience is that, according to further statistics, the population of this Nation, over the same period of years, has increased by 50 percent—hence, that what actually has taken place is a reduction in poverty, not an increase.

In this instance, as in every other, it is necessary only to present the total picture to expose the fraud of leftist figures.

The Communists have schools where their speakers are trained in the art of deceptive argument, so as to make easier the sale of their phony bill of goods. This being the case, doesn't it seem reasonable that we who believe in our system of free enterprise and our American way of life should be at equal pains to sell these tangibles? Against the intangibles offered by the competition, we have a bulging sample case. Ours to hold forth and demonstrate is a whole array of human rights which have functioned to deliver us the highest standard of living yet known to man, which function today as well as ever before, and which are ours to use and to exercise under constitutional guaranty. Here is our official stock in trade which, with proved performance to back our claims for it, brooks no reasonable competition—let alone competition from the dream world of the Muscovites. All we need today is a corps of well-trained and fluent salesmen.

EDUCATIONAL FACILITIES NEEDED

I therefore suggest that all agencies interested in preserving our American free-enterprise system wake up to the fact that it's about time they, too, had schools for training speakers to cope with the shenanigans of their opponents. Given the proper educational facilities, plus adequate training programs, such speakers would go forth prepared to challenge at every turn the oratorical maneuvers, the statistical gymnastics of their opponents—whether before a microphone, from a public platform, or in the course of an ordinary conversation on the street.

Unless such an educational program be set up immediately, the life of free enterprise on these shores will be strictly limited. For we here in the United States are being handled exactly as were the people of the vanquished satellite nations whose loyalist leaders were at no time equipped to cope with their opponents.

This is too serious a matter to be taken lightly. It's later than we think. Unless we act now, we may all wake up some morning (and it won't be a fine one, either) to find that our American system of free enterprise has been sold short.

Frankly yours,

MAURICE R. FRANKS, *Editor.*

Memorial Address

EXTENSION OF REMARKS

OF

HON. E. C. GATHINGS

OF ARKANSAS

IN THE HOUSE OF REPRESENTATIVES

Monday, August 15, 1949

Mr. GATHINGS. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following memorial address by L. H. McDaniel, M. D., given at the annual session of the Arkansas Medical Society, April 15, 1949:

Another year has passed since our memorial services 12 months ago when we paid our humble and heart-felt respects to those physicians of our group who had responded to that eternal summons that knows no refusals and accepts no delays—another year with its sunshine and its shadows, its laughter and its tears, its sowing and its reaping, its cradle songs and funeral hymns has passed, bringing each one of us here today nearer the fateful hour when we, too, will join that lamented group of honored physicians and brothers in the profession whose names our good President-elect has just read to you. Surely the few moments we ponder on the lives, the accomplishments, and the achievements of that group whose earthly endeavors have been laid down—leaving us the memories of those lives of service to their fellow man or recollections of their tenderness to those in pain or distress—surely, I say, those moments spent in the reverence and honor of our departed brothers are moments that should be cherished forever.

That textbook of the Christian religion which we call the New Testament refers to one of its writers as "The Beloved Physician." Most physicians could still be designated by that title even during their active lives. And though the community takes them and their services as matters of course, when death removes them from this earthly scene they are then viewed in a clearer light, and to them then is applied the greatest of all titles, "Beloved."

It was said of Him whom millions called Saviour that He saved others, Himself He could not save. These same words, in a very real sense, may be spoken of the beloved physicians whom we memoralize today. The list as read by our President-elect shows that Death has not been idle this past year. We rejoice that the auxiliary has very few members to include in our eulogy today. In a way that goes to show that the good wives are spared some of the worries and hardships that take their toll of our physicians. In the performance of their duties they were unable to save themselves from long hours, physical weariness, mental anxiety and other exactions which many men escape. But because they did not seek to save themselves, others were saved.

These departed physicians whom we memorialize today exhibited as little of the defects of their environment and as much of its virtues as any group of men we could find. They had the kind of generosity which seems to thrive among men who practice an art

and not among men who drive bargains. They had discretion tested by the keeping of a thousand secrets. They had a tact which developed out of many embarrassments. Their cheerfulness brought courage to the sick room even when they could not bring healing.

They knew the rich as well as the poor, and they did not truckle to the one nor spurn the other. They knew the people called good and the people who were called bad, and their penetrating eyes saw more than mere anatomy. They saw how vice and virtue intertwine, how the bold are often weak, and the meek are often strong and courageous. For all alike, they had compassion. They saw and realized that their mission was not to condemn but to serve.

They were "beloved" physicians because men and women clung to them as they drew back from the Valley of the Shadow.

"And they held the trembling hands,
And kept fear at bay and faith alive,
They watched while others slept,
They held their tears while others wept;
With nerves as true as tempered steel
They felt, yet dared not seem to feel;
With steady hands that dared not quake
They played the game, with life the stake.
While others engaged in petty strife
Theirs was the war of Death and Life.
They gave to the new-borne babe its breath,
They folded the hands growing cold in death
Ah! Death, that ruthless foe which they had to meet,
A foe that knows no full defeat,
But makes a seeming retreat today
And returns tomorrow to the fray."

As we look back today upon our comrades in the practice of medicine, and search our minds for words and figures of speech to voice our appreciation of them, we discover that we are quite indifferent to externals. It matters not so much with us whether their faces still were fair, or "lined and grayed to mark the slipping years!" Our interest lays hold on their honesty and dignity with which they graced our profession.

"They made the crooked straight and healed old sores;
They made the blind to see, the wounded clean and whole.
Fears fled, hope came wherever they touched the doors.
To serve their suffering fellow men was aim and end and goal."

We honor ourselves today, even more than we honor our departed fellow-physicians, when we make a place in our program for this tribute to their memory. In a very real way we have entered into their labors and our service to mankind is strengthened because they lived.

From the Castle Rock which dominates the city of Edinburgh, four buglers blow the last post at the sunset of every day. As you know, the last post in the British Army is equivalent to our taps. There is a tradition that in ancient times it was customary for five buglers to blow the last post. But on a March end long ago one of the buglers was murdered, and since that day the buglers have been limited to four. And there is a sort of half belief among Edinburghers that on every March 31, when the last notes of the four buglers have died away, listeners in quiet places, if their hearts are quiet, and their minds are receptive, can hear the faint, far-off notes of the fifth bugler sounding as of old. This, of course, is a tender fancy, but it illustrates a noble truth, namely, that from the Castle Rock of our profession there are vanished buglers calling. Ah, my friends, as I listen I fancy that I hear each of those vanished buglers we honor today in this memorial service, sounding the clarion call—distant, yea, but still so distinct—for us to carry on the fight against human disease and human misery. Ah, my friends, does not that distant note come from Frank Vinsonhaler, G. W. Warren, C. W. Garrison, Turner Wooten, Sid Wolferman, A. G. Henderson, Ira Ellis, J. L. Baird, Edward C. McDaniel, Thad Cothern, R. H. T. Mann, Sam Tompson, Val Parmley, C. M. Lutterloh, W. H. Bathurst, Morgan Smith, J. T. Altman and many others just as deserving who are not mentioned for lack of time—that group of men who answered the call of duty to palace and hovel alike—that group of men who heard secrets and confessions not breathed to other mortals—that group of men who were so often called upon to whisper consolation to some poor suffering soul on the brink of this earthly silence—that group of men who were trusted with everything mortal that this life affords—that group of men who labored through love under a system we know as medical ethics, the ideals of which are not surpassed by any organization, religious or otherwise—that system which in its ultimate analysis is but a continuation of the Sermon on the Mount by the Great Physician—that One who ever directs the internist's diagnosis or the surgeon's hand.

Several months ago, I was present during a serious operation in St. Bernard's Hospital in my neighboring town of Jonesboro. Near the climax of the operation the skillful surgeon temporarily lifted his eyes to a large plaque hanging over the entrance into the operating room. After 4 or 5 seconds a new light of confidence seemed to radiate from the face of that Christian gentleman—your present State president—and he went on and rapidly completed the successful operation. The poem on that plaque has made a tremendous impression upon my mind and heart—and I have had the sisters duplicate that plaque many times as gifts to my physician-friends. I am sure they would duplicate it for any of you. May I now quote that poem entitled "The Physician's Prayer":

"Lord, Thou on earth didst minister
To those who helpless lay,
In pain and weakness hear me now
As unto Thee I pray.
Give to mine eyes the power to see
The hidden source of ill,
Give to my hand the healing touch
The throb of pain to still.
Grant that mine ears be swift to hear
The cry of those in pain;
Give to my tongue the words that bring
Comfort and strength again.
Fill Thou my heart with tenderness,
My brain with wisdom true,
And when in weariness I sink,
Strengthen Thou me anew.
So in Thy footsteps may I tread,
Strong in Thy strength always,
So may I do Thy blessed work
And praise Thee all my days."

George Eliot, in the Mill on the Floss, gives the legend of St. Ogg. Ogg was a boatman who gained a scant living by carrying passengers across the River Floss. One evening when the winds and waves were high, there sat moaning on the river's bank a woman with a child in her arms. She was clad in rags, and there was a worn and haggard look on her face. She begged to be rowed across the river. Others bade her wait till morning, and asked her why she desired to cross. Ogg came to her and said, "I will ferry thee across, thy need is most urgent and thy heart above all desires it." Battling with all of his power against the wind and waves, he ferried her across. As she stepped ashore, her rags were changed into a robe of flowing white, her face became exceedingly beautiful, and her brow was hallowed with a light, like the brightness of the moon, until it cast a silvery light upon the water.

She said, "Ogg, thou are blessed in that thou didst not question the heart's need, but was smitten with pity and didst straightway relieve the same; henceforth whosoever steps into thy boat shall be in no peril from the storm, and when it puts forth to rescue, it shall save the lives of men and beast." When the floods came many were saved by the blessing on the boat.

The legend goes on: "When Ogg's spirit was parted from his body, his boat slipped its mooring at the river's bank and went drifting rapidly to sea with the tide, until it was seen no more. Down the years in times of storm, a phantom boat might be seen in the river. At the oars sat Ogg, and in the prow a woman dressed in a robe of flowing white, and around her a halo of light, like the brightness of the moon, that cast a silvery light upon the water. As the toilers saw this vision of the phantom boat and the Madonna, their arms were made strong and their hearts brave for the work of rescue." I love to compare the every-day general practitioner with his heart of gold, those departed physicians we honor today, if you please, to the good St. Ogg.

The story is told that a noted actor in London, England, was retiring after a number of years of great popularity on the stage and radio. He was beloved and admired by all in that country who had heard him or seen him in action. On the eve of his retirement a huge banquet was given in his honor at the largest hotel in London and a great throng had gathered to pay him honor. He was attempting to thank those assembled for their presence in honoring him and was continually being interrupted by those in the audience with the request that he again recite the Twenty-third Psalm. It seems that he had been noted for his rendition of this Psalm on the stage and radio on numerous occasions. I would compare him with the noted actor in this country, Lionel Barrymore, who has on so many occasions played the part of Scrooge in the beautiful play, "A Christmas Carol," or our own Dr. Willie Mock, if you please.

Finally the actor stopped what he was saying and told the group that he would again recite the Psalm for them if, following his recitation, they would listen to his old minister friend, who was seated at his right at the table, give his rendition of the Twenty-third Psalm. With this understanding, the actor, with all the ability he possessed through his years of experience, started with, "The Lord is my shepherd, I shall not want, He maketh me to lie down in green pastures: He leadeth me beside the still waters: He restoreth my soul: He leadeth me in the paths of righteousness for His name's sake. Yea, though I walk through the Valley of the Shadow of Death, I will fear no evil—" and so on through the Psalm. When he had finished there was thunderous applause that lasted for minutes, and finally the actor raised his hand to quiet the group and said, "Remember now, you were to hear the Psalm recited by my old minister friend. It was he who taught me the Psalm, who baptized me, and although I feel that I have not lived up to all that he has taught me, I give him credit for much of my success in life. Listen now to him."

The old minister was very feeble with the weight of many years, and with a cracked voice that was in direct contrast to the melodious voice of the actor, he stood before the microphone of the public address system and started the Psalm: "The Lord is my shepherd, I shall not want, He maketh me to lie down in green pastures: He leadeth me beside the still waters: He restoreth my soul: He leadeth me in the paths of righteousness for His name's sake. Yea though I walk through the Valley of the Shadow of Death, I will fear no evil, for Thou art with me: Thy rod and Thy staff they comfort me. Thou preparest a table before me in the presence of mine enemies. Thou anointest my head with oil: my cup runneth over." The mind of the old gentleman wavered. In

spite of the fact that he had recited the Psalm thousands of times, the last line slipped him, but he was not perturbed. There was a smile on his face that radiated reverence. He went back and picked up the previous sentence and then finished with, "Surely, goodness and mercy shall follow me all the days of my life: and I will dwell in the house of the Lord forever." When he had finished, there was no applause. There was instead a reverence of silence. It was as though an angel had whispered in the ear of all present. "Do not applaud. This is too reverent a time to applaud." After a long silence, the actor went to the microphone and said, "Now, my friends, do you understand why I wanted my minister friend to give you the Twenty-third Psalm? I knew the Psalm—he knew the Shepherd."

My friends, it is my belief and my prayer that each one of those lamented physicians we mourn today—those "departed buglers," if you please—knew the "Shepherd."

Irish Potatoes

EXTENSION OF REMARKS

OF

HON. LINDLEY BECKWORTH

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Monday, August 15, 1949

Mr. BECKWORTH. Mr. Speaker, I include in the CONGRESSIONAL RECORD an article which appeared in the Washington Post this morning, August 15, 1949:

IN A SINGLE YEAR POTATO PRICE SUPPORT TOPPED $65,000,000 IN ONE COUNTY

(This is the first of a series of articles on the Government's potato price-support program.)

(By John W. Ball)

PRESQUE ISLE, MAINE, August 14.—Uncle Sam poured more than $65,000,000 into this one Maine County, Aroostook, last year to hold up the price of potatoes.

One or two, maybe more, Aroostook County potato growers got Government checks of around half a million dollars apiece for their 1948 crop. A dozen or so got more than $150,000 each.

Newall Smith of Ashland, Maine, and Francis Reardon of Charlestown, Mass., a wealthy Boston food broker, partners in the Maine Seed Potato Growers at Ashland, sold 99 percent of their crop to the Government for $495,000.

The Reeds of Fort Fairfield got around $426,000. One of the Reed firms, Walter M. Reed & Sons, sold about $202,000 worth to the Government, while Reed Brothers, Inc., of which Walter M. Reed is a stockholder with his two brothers, sold $225,000 worth.

The late Harold S. Marks of Limestone (he was stricken with a fatal heart attack a few weeks ago) sold $276,000 worth of potatoes to the price-support program.

Here are some other estimates:

Rudolph Blier, Van Buren, Maine, got about $216,000 for 90 percent of his crop.

Parent Bros. of Van Buren, just less than $200,000 for 70 percent of their harvest.

Edward Edmunds, Jr., operator of the farms of his late father-in-law, C. A. Powers, of Fort Fairfield, $179,000 for half of his crop.

F. H. Vahlsing of Easton, $170,000 for one-third of his harvest.

Fred Z. Pelletier of Fort Kent, $160,000.

Paul and Adrien Marquis of Fort Kent, $150,000 for half their crop.

The 1940 census fixed Aroostook County's population at 85,000. Wartime growth plus other attractions has raised this to an estimated 100,000 today. One of the greatest of these other attractions is digging potatoes, which corresponds in financial return to digging gold in the Homestake lode.

In the year ending June 30, the Commodity Credit Corporation bought $67,082,900 worth of the 1948 crop potatoes, virtually all in this one county.

Thus the Government paid about 40 cents for every man, woman, and child in the 48 States into this one northern Maine county to hold up the price of potatoes. Those payments amounted to about $670 for every person in the county.

SIXTY PERCENT OF ENTIRE CROP

The Government bought 25,612,500 100-pound sacks or about 60 percent of the entire crop.

Of the 5,213 commercial potato growers (those growing 3 acres or more) 4,503 qualified for price support. To qualify they had to pay, by August 1, 1 cent for each 100 pounds on which they wanted price support.

The average Government payment to each potato farm in the State eligible for price support was just a trifle less than $15,000.

The scheme was designed to hold up potato prices. It worked.

In June the average retail price of potatoes in the United States, according to the Bureau of Agricultural Economics, reached the highest peacetime figure known. Ninety-three and six-tenths cents a peck or more than 6 cents a pound.

Aroostook County is about as far north as you can get without stepping into Canada. Canada surrounds it on three sides. It has a total acreage of 4,209,053 but only 193,000 were planted last year in potatoes.

The take won't be as great this year.

First, Secretary of Agriculture Charles F. Brannan dropped the price-support level from last year's 90 percent of parity to 60 percent this year.

ACREAGE CUT TWENTY-THREE AND ONE-HALF PERCENT

Second, Maine growers have voted marketing agreements and acreage restrictions. This year the acreage was cut 23½ percent below last year or from 193,000 to 151,000 acres.

But the farmers, although obeying the acreage allotments, are squeezing a little. Potatoes are being planted in rows about seven inches apart instead of 12, 14, and 16 as in the old days.

Fertilizer is used either in greater volume or greater strength. Most growers estimate that they are using 175 pounds of fertilizer for every 100 pounds used a few years ago.

The biggest boon to high yields, several told this reporter, has been DDT. This pest killer, originally used to kill the old-fashioned potato bug, has been death to the small aphids. The result in yields has been amazing.

A number of farmers will harvest 550 bushels an acre this year, barring any unforeseen calamity in the next 6 weeks to 2 months. Only blight or early frost or some other act of God can keep this country from having the biggest yield per acre it ever knew. On August 1, the average yield in Maine was officially estimated at 400 bushels per acre, up from 380 last year—the previous high record. Although the planted acreage has been cut 23½ percent, the total harvest may be only 10 to 12 percent below last year.

BAD WEATHER HURTS

Although crop prospects here are for a new record crop, bad weather elsewhere, particularly a drought on Long Island, in New Jersey, etc., has cut down the national yield. Perhaps the surplus will be only about half that of last year, or about 40,000,000 hundredweight. That is about 66,000,000 bushels.

The support price will average about $1.80 per hundredweight this year as against $2.92 last year. That will mean $72,000,000 this year, compared with about $200,000,000 last year. Added are freight and distribution costs, which last year brought the total cost of the potato program to more than $225,000,000. That will mean a total cost this year of almost $100,000,000. Some people still have a wholesome respect for $100,000,000.

The amazing thing is that Congress has held to the potato program although it has been warned time and again against it. Not only did former Secretary of Agriculture CLINTON P. ANDERSON repeatedly protest, but his successor, Brannan, also sounded the warnings. The potato industry itself urged that price supports be cut. But Congress held fast. Even as late as 2 weeks ago the House, under leadership of Representative ALBERT GORE, of Tennessee, voted to keep supports.

Address Before American Legion Convention by Hon. Scott W. Lucas, of Illinois

EXTENSION OF REMARKS

OF

HON. SCOTT W. LUCAS

OF ILLINOIS

IN THE SENATE OF THE UNITED STATES

Monday, August 15 (legislative day of Thursday, June 2), 1949

Mr. LUCAS. Mr. President, on last Saturday in the city of Chicago the American Legion, Department of Illinois, held its annual convention. The senior Senator from Illinois was privileged to address the group. I ask unanimous consent to incorporate in the Appendix of the RECORD the speech I made upon that occasion.

There being no objection, the speech was ordered to be printed in the RECORD, as follows:

When I rise to speak at an American Legion meeting, I realize very deeply the true value of my 30 years of membership in this splendid organization. I am proud to belong to the Legion, because the Legion stands for the principles of good Americanism—brotherhood under the flag of freedom, a fair opportunity for every citizen, and loyalty to the fighting creed of patriots.

Through these years of struggle and progress, I have been fortunate enough to take part in the magnificent work of the Legion. You are well aware of how much I appreciated the honor of serving for a time as commander of the Illinois department, and the privilege of being national judge advocate for several years. I regret that my activities as a public servant in Washington during the last 14 years have kept me from participating in Legion affairs as actively as I would like to do.

I have found some of my finest friends and closest comrades in the ranks of the Legion. I am happy to have the opportunity to give my greetings to every one of you, to wish you well, and to tell you some of the things I have been thinking about during my days and nights of senatorial battles in Washington.

It was my fortune to be placed in a position of leadership in the Congress now struggling with the problems of our national destiny. Because every man can speak most truly from his own experience, I want to say to you—to my steadfast friends and comrades of the Legion—that I have awakened many nights to think of my obligations to the veterans of America, the youth of America, the families of America, the good and faithful people who count upon me to represent them intelligently, diligently, and honorably.

I have thought much about the future of the country which has given me so many splendid gifts. Let me assure you that every conscientious servant of the public in this Congress is very much aware of the fact that his actions will affect the lives of men, women, and children all over the inhabited earth.

As members of the American Legion, as men who have offered their lives for the Nation, you are concerned about the welfare of the free people of the world and the welfare of American veterans who have made the greatest sacrifices to preserve and advance the cause of freedom.

In many ways, these things are linked together. As veterans, we place the preservation of democracy above any other goal—above any group, any organization, any individual. As citizens, we know that the rights of veterans are the well-earned rights of those who have met the tests of complete devotion to the ideals of democracy. Veterans have given the best years of their lives to America, and the Americans are eager to acknowledge the high worth of those who went forth to face hardship and danger for the glory of freemen.

During the first session of the present Congress—the session still in progress—we have tried to fulfill the twofold responsibilities of American legislators in a time of world crisis.

Our first responsibility is to increase the living standards and security of all Americans. Our second responsibility, which cannot be separated from the first, is to carry forward a national policy which will strengthen American leadership in a world of turmoil.

I believe that we have made important strides toward a stronger and safer America during this session of the Eighty-first Congress. I also believe that we have taken actions which have lifted the morale of the free people of the world and have given us solid reasons to hope for the maintenance of an honorable peace.

In the field of domestic legislation, the most significant single achievement is the passage of a general housing bill to remedy the serious housing shortage which afflicts millions of Americans, to clear away the slums, and to advance toward the objective of a decent home for every American family. This bill had the energetic support of the American Legion.

This housing law is founded on the principle of encouraging private enterprise to serve as large a part of the total need as it can. If the urgent need of low-income groups cannot be met by private builders, the new housing law provides for governmental aid to enable private enterprise to serve more people, and to assist local public bodies in undertaking the development of well-planned residential neighborhoods.

You can be sure that the Housing Act contains specific provisions for the protection of veterans. Section 302 of the act describes the order of preference among veterans, and gives first consideration to the families of disabled veterans and second preference to families of deceased veterans and servicemen whose deaths were service connected. There is also a provisions which makes it clear that servicemen of World War I are to be treated on exactly the same basis as the veterans of World War II.

Because of the successful operation of the comprehensive program we laid down toward the close of World War II in the GI bill of rights, of which I was one of the original sponsors, we have not passed a great deal of legislation directly affecting veterans at this session. It may be of interest to my fellow Legionnaires that one of the very few laws enacted for the benefit of veterans' families was a bill I introduced to adjust the effective date of certain awards of pensions and compensations payable by the Veterans' Administration. The purpose of my bill was to authorize retroactive awards in the cases of certain persons who were prevented from filing their claims at an earlier date because of interment or other enemy action. The President signed this bill last Monday.

I sought the passage of this bill after I received letters from widows of veterans who had been held for several years in enemy internment camps. Under previous laws, benefits were payable in disability cases from the date of discharge if claims were filed within 1 year from discharge, and in death cases benefits generally were payable from the date of death if claims were filed within 1 year from death. I found that there were hardships among a number of widows who had been unable to make application for compensation or pensions because they had been held in enemy camps.

At this point I would also like to tell you that I was able to persuade the Departments of the Army and Navy to change their regulations to permit allotments of pay for premiums on the lives of dependents of military and naval personnel. Under the old regulations, fathers who were in the service, were unable to make allotments for the establishment of an insurance and savings account for their children. Such allotments were permissible only if the insurance contracts were on the life of the servicemen making the allotments. I felt that it was the intention of the Government to assist the members of our armed forces in saving money and in protecting their wives and children. Permitting a member of the armed forces to purchase insurance on the lives of his children and wife through the simple allotment plan certainly seemed to me in full accordance with the ideals of American philosophy. As veterans, you are well aware of how difficult it is to get the Army and Navy to change their regulations. I must confess that my success in this instance was an unexpected pleasure.

I cite these two examples of my efforts in behalf of veterans and their families simply to indicate to you that Members of this Congress are always concerned about improving and extending the benefits available. No other country in the world can match the record of America in expenditures for veterans. Let me give you a few figures which show the vast size of our appropriations up to the close of the 1949 fiscal year. At that time our total expenditures for the relief of veterans of all wars had reached in round numbers the sum of $54,500,000,000. For the fiscal year just beginning, we will spend an additional $5,500,000,000 which will bring the total to the impressive aggregate of $60,000,000,000.

No one begrudges any amount that we spend for those who fought for America in hours of peril. No one wishes to deny any essential service or any desirable benefit for veterans who are incapacitated by illness, disability, or old age. We are going to make our program for veterans better and better as the years pass and new needs become evident to the American people.

I think it is a good thing to review what the Federal Government has done for veterans in recent years. There are four principal fields in which the Government has given major assistance to veterans—speeding their adjustment in civilian life; caring for the wounded, the sick, and the widows and orphans; providing education, job opportunities and vocational training to open wider roads of advancement; financial assistance in establishing homes, launching businesses, and beginning new careers.

When we created the vast program for veterans now well under way, we studied the experience we had after the First World War. We realized that we had not given the World War I veterans enough assistance in the chaotic years after the armistice. As one of those who helped to push the GI bill of rights through Congress, I know that the many Legionnaires who were then Members of Congress, were determined to extend assistance on a much wider scale in the postwar period after World War II.

Now, let us look at what has been done for veterans up to the end of the 1949 fiscal year. More than 6,000,000 have received some type of education and training under Public Law 346. That total includes school training, on-the-job training, and training on farms. Veterans still in training at the end of June 1949 numbered 1,630,000 men and women.

Under Public Law 16, the act designed to give rehabilitation to disabled veterans, approximately 650,000 had applied for one kind of vocational rehabilitation or another, and more than 100,000 had been completely restored to active work.

Under the section of the GI bill providing for readjustment allowances, 8,000,000 veterans had received benefits for one or more weeks, and nearly 700,000 who were struggling to get established in business or to launch careers as professional men had received self-employment allowances.

When we consider cases of disability compensation or pension awards the figures are equally enormous. Active cases at the end of June 1949 totaled 2,280,000. Cases involving death compensations or pensions numbered more than 635,000.

In addition to all the laws already enacted, there have been many measures introduced in Congress which would call for the spending of many more billions for disability claims and pensions.

I can assure you, as majority leader of the Senate, that all Members of Congress are very conscious of the inadequacy of many pensions and disability payments. I wish to point out, however, that there are nearly 19,000,000 living veterans in America. With their families, veterans comprise nearly one-half of the population of the United States. Because veterans are the most vigorous and the most energetic group in the whole population, veterans are the ones who will be earning most of the income of the Nation in the coming years. It should never be forgotten that large increases in expenditures for veterans' benefits will be largely paid in the years to come by veterans themselves.

At a time when the deadly threat of Communist aggression casts a shadow over the world, forcing America to spend $15,000,000,000 a year for national defense and many additional billions for aid to the free nations, I believe that it is the solemn and patriotic duty of every American veteran to think very deeply about the financial burdens of his country. I believe that we must strive even harder than we have striven in the past to find a balance between the needs of veterans and their families and the absolute need for a sound financing of the Federal budget. The financial strength of the American Government is the massive rock of Gibraltar upon which our destiny and the destiny of free men everywhere must now depend.

We all wish that the Communist menace did not exist. We all wish that we did not have to take upon our shoulders the heavy weight of world responsibility. We all wish that we could use our huge national wealth to wipe out poverty in America, to give every veteran a really adequate pension, to give every disabled man a sufficient sum to live in dignity, to give every widow and orphan freedom from the grinding pressure of worrying about buying bread and milk.

My good friends and loyal fighters of the Legion, we know that the bloody conspiracy called communism cannot be swept away by the fervent wishes of men who have peace in their hearts and a free spirit toward all.

Late one evening, not long ago, the Members of the United States Senate gravely assembled and voted upon the North Atlantic Treaty, signed by 12 free nations. Angry arguments against that treaty had been raised by a few Senators who looked wistfully backward toward the golden days when it was possible for America to be safely isolated between two broad oceans.

Other Senators, refusing to face reality or deceived by Communist propaganda, expressed many misgivings about the pact.

Every man had a chance to speak. Every man had an opportunity to be heard. But, when the hour of decision came upon that momentous evening a very short time ago, the Senate ratified the North Atlantic Pact by the overwhelming vote of 82 to 13. Eight out of nine Senators present and voting thereby declared themselves in favor of this well-considered alliance for defense as another pillar in the structure of world security.

The Senators recognized the truth which rose upon the horizon of the world. The Senators knew that we were the architects of the pact. Our diplomats labored to create it. Our Foreign Relations Committee studied it, invited and pondered the testimony of many citizens, and approved it finally with one unanimous voice.

We knew that the issue was too fundamental, too vitally American, to be decided along partisan lines. We were aware that the pact offered us our best hope of voiding war. We knew that it was a vital step toward permanent peace. It had been nonpartisan since its inception in Senate Resolution 239 to its presentation through the unanimous report of the distinguished Senators on the Foreign Relations Committee. This was nonpartisan-foreign policy at its best. This was America at her best, because our security, our homes, our lives, and our fortunes were all involved.

Before the vote upon the pact, I told the Senate:

"We who uphold and defend the forces of freedom and the dignity of man must keep ourselves united and strong.

"There must be vigilance. There must be vision. There must be courage. We must demonstrate to the world collectively and decisively that we propose forcibly to resist the attack of any aggressor.

"Only by doing so can we avoid war. Only by doing so can we keep the torch of freedom burning until its light penetrates the darkness behind the curtain, and the freedom which all people everywhere so fervently desire can burst the deadly chains of tyranny."

My fellow legionnaires, we knew that failure to ratify the pact would have destroyed the towering structures of our American foreign policy. We know that failure to ratify the treaty would have made a mockery of the valiant deaths of free men who fought for the peaceful ideal of mankind and the future of our civilization.

Before it adjourns, the Congress must deal with another essential program requested by the President to aid our friends in the free nations to stop the assault of any aggressor. I refer to the military assistance plan. There will be much debate and much argument about the details of that plan, but I am convinced that the Congress of the United States will give it overwhelming approval in the end.

I believe that more than 99 percent of the American people are definitely determined to prevent any further expansion of communism. Members of Congress know that our fellow Americans want us to take whatever steps may be necessary to create a strong shield of protective power to safeguard our homes and our institutions.

The program of military aid, recommended by the President, is not a program of war. It is a program for peace. It will enable our friends abroad, who stand in danger from Communist treachery, to move forward with us toward a more secure world.

The Congress will carefully examine the arms program against the background of recent history. We have learned the lessons of these perilous postwar years, while we have watched the Communists take over one country after another. We are ready to defend ourselves and we are ready to help our friends to strengthen their armed forces against any possibility of a sudden and unprovoked attack.

We are fully aware of the fact that American resources, although greater than those of any other country in the world, are not inexhaustible. In the light of that knowledge, there will be a thorough examination of every phase of the arms program by both Houses of Congress. We will approve a military assistance plan which will provide the necessary arms for our friends without straining the productive system of America which has placed us in the forefront of world progress.

America has potentialities for progress even greater than the magnificant advances we have made in the past. Every intelligent man and woman in this country realizes that America will have the greatest future of any nation in the world today. Ours is the leadership, ours is the responsibility for the forward march of the free world.

Our triumphs in war and peace, our accomplishments in science and technology, the expansion of our democracy—all these things prove beyond any doubt that Americans have a rendezvous with destiny. With the continued faith and the continued efforts of American veterans in the cause of freedom and the cause of America, we cannot fail. We will lead mankind into a new age of peace and plenty.

Electric Transmission Lines and the Profits of the Middlemen

EXTENSION OF REMARKS

OF

HON. COMPTON I. WHITE

OF IDAHO

IN THE HOUSE OF REPRESENTATIVES

Tuesday, August 9, 1949

Mr. WHITE of Idaho. Mr. Speaker, one of the biggest issues before Congress today is whether the power companies will be successful in their plan to block the construction of power-transmission lines to deliver Government-produced power from the plant to the point of distribution where the Government-produced power can be sold wholesale for distribution and resale by municipalities—towns—and cooperatives—REA—to the consumer, or whether the power companies by blocking the construction of the necessary transmission lines can obtain a monopoly and buy all Government-produced power wholesale and resell this power to all the consumers, including municipalities and cooperatives, which is more fully explained in my correspondence with a veteran Oklahoma editor, inserted herewith:

THE DUNCAN BANKER,
Duncan, Okla., August 9, 1949.

Hon. COMPTON I. WHITE,
Member of Congress,
Washington, D. C.

MY DEAR CONGRESSMAN: This will acknowledge your letter of August 6, addressed to the editor of the Duncan Banner, in which you start off by asking:

"What is behind the statement made in your release in the circular entitled 'Today's Comment' sent to me under date of July 21?"

Here is your answer:

I sent you no release. I have not published any circular, nor did I send you the one referred to in your letter. I haven't even seen it. If you care to send me a copy of it, and could tell me where it was mailed, perhaps I could trace the matter for you.

The Duncan Banner is a 57-year-old newspaper, published daily in Duncan, and I am the editor. As editor, I write the daily editorial column headed "Today's Comment," and on July 21 the editorial dealt with Senator THOMAS, Senator KERR, Federal power, and transmission lines. It represented the personal opinion of the editor, whose opinions are not for sale to power companies, and have not been intimidated in the past by local pressure or Congressmen in Oklahoma—or elsewhere. They are, I hope, independent, and if you care to ask Congressman TOBY MORRIS, Sixth Oklahoma District, who may know something about them, he can give you his opinion. Sometimes we support his stand, sometimes we don't.

As to what is behind the statement: Nothing to justify the suspicious attitude your letter seems to take. An editor, and a Congressman, may have honest opinions, and unbiased ones. Sometimes they are firm convictions. Sometimes persons who do not agree with them suspect an ulterior motive.

Your letter, for instance, refers to power monopolies and trivial expense of building the transmission lines. That is a matter of personal opinion. I do not believe the people down here regard any such unnecessary expenditure of the taxpayers' money as trivial, but you certainly have a right to call it that if that's the way you feel about spending your money and mine. In this instance, I do not suspect you of an ulterior motive, although it is disturbing to note the tone of your letter is so antiprivate capital when referring to the power companies who like to identify themselves as taxpaying concerns.

I say "disturbing" because I would regret to see American industry socialized like that in Great Britain and, to me, duplication by the Federal Government of expenditures already made by private power companies in this area is nothing less than a step in that direction. I am aware of what has happened to private companies in Nebraska and Tennessee, and that I, as a taxpayer, contributed money toward putting them out of business.

I note your statement about buying the power for a quarter of a cent, 2½ mills, and retailing this same power for 1¼ cent to industry. My impression was that the selling rate could be, or at least should be, whatever the seller agreed. Inasmuch as I try to keep informed to some extent about power (we have a municipal plant and also a private utility serving customers in Duncan) I also know that about 5 mills out of every kilowatt-hour's cost in 1948 went for taxes in the case of the private company here. I mention that only to give a more complete picture of the instance you cited, because anything so controversial as public power ought to have a fair and complete presentation of facts to help determine its cost and value.

I, too, hardly believe the public is going to be fooled by specious argument, and can assure you for the record that the public is going to get all the facts about power, regardless of who generates or supplies it, that my newspaper can present to them as accurately, as concisely, and as fairly as those facts can be determined and passed along to the people who must pay the bill.

Sincerely,

B. L. ABERNETHY,
Editor and Manager.

AUGUST 15, 1949.

Mr. B. L. ABERNETHY,
Editor and Manager,
The Duncan Banner,
Duncan, Okla.

DEAR MR. ABERNETHY: It was a privilege to receive your letter of August 8 in response to my reply to a reprint of your editorial entitled "Today's Comment," under date of July 21, a communication which I assume was received by all the Members of Congress in their regular mail.

Let's see. You are the editor of an Oklahoma paper in a district where the issue has been raised as to whether the power produced on Government projects shall be sold and delivered by the construction of the necessary power transmission lines to the point of delivery for resale by municipalities (towns) and cooperatives (REA), or whether the Government, on the other hand, shall sell the power at the plant wholesale to the local power companies. By this second plan, which you advocate, all the costs of producing the power is borne by the Government and the bulk of the profits from the sale of the power will be made by the local power companies having a small investment in the transmission lines and distribution system.

In support of the profit motive of the local utility companies, you place emphasis on the taxes paid by the privately owned companies and the unnecessary and useless duplication of transmission lines. In considering this contention, I believe the record will disclose that the Government is following a well-established plan to contribute a part of the revenue received from the sale of power to the local taxing units in lieu of the taxes that would be received if the power facilities were privately owned and paid taxes.

Now as to the duplication of transmission lines. In looking over the field of privately owned transmission lines we find that many of these transmission lines are of light construction and low-voltage capacity, and that in order to handle the heavy power load to points of distribution, these old transmission lines, to carry the increased load, would, of necessity, have to be replaced by the construction of new high-tension and high-voltage lines either by the privately owned power companies or the Government, in any event.

You say, "It is disturbing to me to note the tone of your letter is so antiprivate capital when referring to power companies."

It is disturbing to me to witness the success of the private power interests in blocking the construction of Government transmission lines, so that the privately owned power companies can have a monopoly on the sale of power and make a maximum of profit with a minimum of investment, when the law specifically provides that municipalities and cooperatives shall have preference in the purchase of Government power.

It was disturbing to me to find that by financial and political manipulation a privately owned power company at San Francisco has been successful in obtaining a monopoly on the purchase and sale of the power produced by San Francisco's municipally owned plant. After San Francisco, on the plea of obtaining water necessary for domestic and city use, had been successful in getting a law passed by Congress which authorized the construction of the Hetch Hetchy Dam in the Yosemite National Park, and the related hydroelectric-power plant, the bill contained an express provision of law that prohibited the sale of the power generated by San Francisco for resale. After the project was built and the construction of the transmission line had reached the point opposite the privately owned power company's big transformer station, litigation was started that stopped the further construction of San Francisco's municipally owned power line, with the result that the local power company was successful in purchasing all the power produced by San Francisco's Hetch Hetchy plant at, according to my recollection at the time our congressional committee made the investigation, around $1,500,000 per year, and retailed this power to the consumers at $9,000,000 per year, including San Francisco, which paid around $1,500,000 per year for electricity for city lights and to run the city-owned streetcars.

Certainly the P. G. &. E. Co. paid its taxes—I mean the citizens of San Francisco contributed the money in excess profits, a small part of which the local utility passed on to the Government, and kept for themselves the lion's share of the profits they made on San Francisco's investment.

Doubtless, the American people were disturbed by the financial and profiteering manipulation of the famous, or infamous, holding companies and the operations of their profit-milking mechanism as applied to privately owned power companies throughout the country. You, being a veteran editor, no doubt are familiar with the unsavory record of these utility holding companies, and I need not review the record here which was so fully presented and considered by the Senate of the United States. No doubt you remember when legislation was passed limiting the right of these power utility holding companies to the ownership of integrated power utilities, and requiring these holding companies to divest themselves of the control of scattered and unrelated power companies. No doubt you heard the piteous pleas of these magnanimous taxpaying exponents of free enterprise to be saved from the barbarous "death sentence" that would make them disgorge and return the control of the scattered power companies back to their stockholders and rightful owners.

Time marches on, and the American people are advancing. I believe, by utilizing the God-given gift of the power resources of our streams and rivers for the benefit of all, they are advancing in the right direction.

Sincerely yours,

COMPTON I. WHITE,
Member of Congress.

Will Germany Be a Military Threat?

EXTENSION OF REMARKS
OF
HON. HAROLD D. DONOHUE
OF MASSACHUSETTS
IN THE HOUSE OF REPRESENTATIVES
Monday, August 15, 1949

Mr. DONOHUE. Mr. Speaker, under leave to extend my remarks, I wish to include a very timely editorial which appeared in the August 13 issue of the Worcester Evening Gazette. The article follows:

WILL GERMANY BE A MILITARY THREAT?

It is only logical for Americans, as well as Germans, to be concerned about a revival of German nationalism, particularly as it relates to a possible renewal of German military strength. This concern has been bolstered recently by (1) persistent reports from Germany that individuals and political parties are showing a distinct nationalistic flavor; (2) speeches of politicians in the current election campaign, in which vilification of the Allies has been the one thing on which all parties have agreed; (3) the number of ex-Nazis—estimated at 30 percent—who are now, largely for lack of anyone else qualified, holding top Government jobs. Left-Wing Williams Prof. Frederick Schuman went so far as to predict the other day that Russia and the United States may well be allied with each other by 1961 against Germany.

This concern, however, is often out of perspective. Let's admit the existence of Nazis in the German Government. Let's admit the tremendous revival of the German economy, a revival which has exceeded in its pace that of the other countries of Europe, though Germany, because of the relatively greater war destruction, still is producing at a rate of only 80 percent of prewar. Let's grant, too, the probable failure to date of our ambitious program to reeducate the Germans toward democracy. That's no doubt a harder job than it was made out to be. Germans (or anyone else) don't suddenly change from aggressive nationalists to peace-loving democrats.

Even granting these things, there is no good evidence to date that Germany is likely to be for the conceivable future a military power. Existing international agreements on Germany are unanimous in providing for demilitarization of Germany and for keeping her demilitarized. True, the United States failed in its effort to work out a four-power 20-year treaty to keep Germany disarmed, failed because of Russian opposition, but a treaty is not needed for that purpose. What is needed is an attitude, and the attitude is there. Neither France nor England, nor the smaller German victims, will countenance a semblance of German revival. There is no German Army and no prospect of one, and though the dismantling program has been revised downward several times, most recently by announcement of 159 plants or parts of plants that are to be retained in Germany, no direct war plants remain and none are contemplated.

Critics charge that over-all economic strength is the important thing in war potential. That is true, but we cannot, because of a nebulous fear of German militarism, let the European economy go to rot for lack of German goods. Most important of all, the current hopeless division between Russia and the western powers seems to portend military occupation of Germany almost indefinitely. As long as occupation authorities are present, no German rearming can possibly take place.

Much as we may regret a revival of German nationalism, it may be a blessing in disguise in the sense that it keeps Americans alert to the fact that Germany is still a potential threat. As long as we realize the existence of the threat, there is little danger that it will become more than potential.

Fast Man With a Gun

EXTENSION OF REMARKS
OF
HON. FOSTER FURCOLO
OF MASSACHUSETTS
IN THE HOUSE OF REPRESENTATIVES
Monday, August 15, 1949

Mr. FURCOLO. Mr. Speaker, I want to call the attention of Members of Congress to an article entitled "Fast Man With a Gun," appearing in the Saturday Evening Post for August 13, 1949.

The man about whom the article is written is one of the most unusual men in America, Carl Hallstrom of Springfield, Mass. His story, and the story of the Smith & Wesson plant, should be of interest to all and I urge all Members to read it.

What Is the Future of the World?

EXTENSION OF REMARKS
OF
HON. E. H. HEDRICK
OF WEST VIRGINIA
IN THE HOUSE OF REPRESENTATIVES
Monday, August 15, 1949

Mr. HEDRICK. Mr. Speaker, under unanimous consent, I include in the Appendix of the RECORD an article written by Mr. Soterios Nicholson, entitled "What Is the Future of the World?":

WHAT IS THE FUTURE OF THE WORLD?

(By Soterios Nicholson)

Every country in the world is short of dollars, which means that the recovery will be slow and the rehabilitation in some countries will retard. The question is, What are the real factors?

First, peace has not been restored. The two ideals of government do not seem to get in unison for a working order, so that free enterprise and commerce may be on its way. Without the exchange of goods and services, there cannot be a real recovery. The hindrance of the progress comes from the Soviet and its satellites. The rest of the world desires to return to its normal business and living conditions, but nothing is firm without peace and neither capital is invested for improvement nor labor is willing to return to reasonable wage cuts. On the one hand, expansion is curtailed, businessmen, manufacturers, employers in general are moving slowly, watching prices, wages, and world conditions, and on the other, employees and wage earners, because of the high cost of living, they still demand higher wages and voting to strike at any time.

Second, the destruction inflicted in some countries by the last World War is such that, without financial assistance from the United States, they will never recover, especially when the danger of the Reds taking over such countries is apparent. Whether one cal's it "lend-lease" or "one-way loans," Marshall or Truman "plan," the plain truth is that dollars and goods leave this country for assistance to every part of the world. What comes in our way back? Materially, very little. Good will? Yes, much, but what is the result? Dollar shortage. The drain is heavy, but eventually it will out—if the nations of the world were to unite on one point, namely, to mind their own business and leave the idea of converting neighbors to their own philosophy of government. Trying with subversive methods, spying, spreading lies to the poverty-stricken peoples, endeavoring to convert them to believe that only through the Communistic theory they will be happy, and finally taking over countries and taking possession of the main administrative offices does not create prosperity. If every country would have the system they wish—democracy or monarchy—only within their own boundaries, and respect the form of government of other nations, the improvement would be apparent. This applies to all countries whatever their ideals are.

Third, if Government spending is the criterion of returning to prewar normalcy, then the United States Government is in line, for in recent years, namely, from 1940 to 1949, it has spent more than $177,000,000,000. For, from 1789—George Washington's first inauguration—to 1940 the United States Government spent about $167,000,000,000—a space of 152 years. Of course, the World War II expenditures are included in the first figure, that budget in the neighborhood of $100,000,000,000. All nations are spending more than their prewar budgets. Nations are inclined to spend more and more, even with the falling of the money value. The tendency is to create the state as the real boss and not the people that create the state. Thus, a Government is given the power to dictate to the people what they should or should not do. Without noticing it, the people are given more power through legislation, to create something different than the word "democracy" or any other name known. Perhaps it resembles socialism, but it is not quite the same. We should find a new word for it, for all the names we have now do not fit the description for the new government the people are striving to create. We are always thinking to uplift the workmen, the poor, the underprivileged, etc., which is right and proper, but at the end we fail to do so. Our legislators are human and are trying to perform their duty as they see it best. They receive ideas from other people, from all stratas. They try to work them out. In the process of discussion, they bring out something that is not the original thought of the author of such legislation. Good or bad, it is placed in the statute books. Later it is found that it does not work out, and it is modified, or repealed. But one idea brings another and we are in a worse condition than we were in the nineties. The tendency, however, is still going on toward the creation of "state-bossism." Maybe that word does not describe the present situation, but "state-bossism" will do for the present.

Fourth every war brings catastrophe to the world, whether it is victory or defeat to any state or nation. It retards the progress of all nations whether such nations were participating or not, with a few exceptions, it is felt, because the world can now be traveled within a few hours, and can be communicated with radio, telephone, etc., instantaneously. No nation is so far away now that its people do not know what is going on in all parts of the world. With this in mind, we are wondering how long it will take some nations to conform with the wishes of the majority and create a world federation through the United Nations? We will discuss this in a subsequent article.

Must We Modify the Charter of the United Nations To Make It an Effective Vehicle To Bring Peace to the World?

EXTENSION OF REMARKS
OF
HON. LEROY JOHNSON
OF CALIFORNIA
IN THE HOUSE OF REPRESENTATIVES
Monday, August 15, 1949

Mr. JOHNSON. Mr. Speaker, one of the most penetrating writers on international affairs is Dorothy Thompson. In the Washington Star of August 11, 1949, she had an interesting article concerning the weakness of the League of Nations as a peace vehicle. Under leave to extend my remarks I include this article, which I hope every Member of the House may read. It makes one shudder to think that this organization on which the world pinned its hopes for peace may not be able to do the job.

Last year I appeared before a House Foreign Affairs Subcommittee which was considering proposed amendments to the League of Nations Charter. I suggested that it needed amendment to make it effective. I pointed out that in the world today we were in somewhat the same situation as the United States was after several years trial of the articles of confederation. We found our fundamental law ineffective to bind the States together into a strong national union. Consequently we had the courage to discard the articles and write a Constitution. It was adopted in 1789 and under it we have grown in national strength and unity. I pointed this out as a precedent for changing the Charter of the United Nations. Certainly we should have the courage to offer the leadership to suggest and try to have enacted the necessary changes in the Charter so that it will be an aid to working out stability and lasting peace. Otherwise all the suffering, sacrifice, and effort of the devastating war will have been futile. That is the purpose of House Joint Resolutions 64, 94, and other similar resolutions.

The article mentioned follows:

ON THE RECORD—FAILURE OF THE UNITED NATIONS HELD DUE TO LACK OF INTELLECTUAL HONESTY

(By Dorothy Thompson)

In public as in personal life a decision to start a new life implies acknowledgment of past errors. But in politics it is the habit of administrations never to admit shortcomings. The people are told that the government or its predecessors of the same party were right in the past and are right in the present, even when policies currently advocated contradict the past, and even if past policies have logically produced the crises which new policies are designed to meet. Someone else, then, is always held responsible, and not the policy itself. This leads to apprehensive confusion in the public mind.

The recent report of the Secretary of State to the House Foreign Affairs Committee in support of the European arms program is an illustration.

The Atlantic Pact and the arms program are obviously necessitated because the United Nations has failed. Yet, according to Mr. Acheson, there is nothing wrong with the Charter of the United Nations. On the contrary, "the United States took the lead in the most ambitious and comprehensive attempt in history to organize the nations of the world for peace and progress on a universal basis." And the United Nations has only been "unable to function as it was intended because of the obstruction of a small minority of its members."

This is not accurate nor honest. The United Nations has failed because it never established a genuine system of collective security with equal protection for all. Its basic premise was unsound. The United Nations structure was based on an alliance of great powers, and the principle of unanimity amongst them. In this claim the Russians are correct. But though the Charter might have been designed for a designing great power, its author was the State Department. The veto right, which reserved only to permanent members of the Security Council full sovereign authority, was approved by the United States, though it obviously granted to great powers privileges denied smaller states.

The Charter provided no principles of international law to be previously accepted by all and not subject to veto. It failed to define aggression or preparation for aggression. It did not establish an effective international tribunal or provide for common defense against a lawbreaker if the culprit were a great power. It could, therefore, conceivably work only as long as the great powers were in agreement, and it has not been obstructed by a "small minority," but policies advocated by the United States and

governments following American leadership have been opposed by the Soviet Union and its satellites, who, far from being a "small minority," envelop the greatest unified power complex on earth.

FAILURE PREDICTED

The failure of the United Nations to establish collective security was inherent in its structure and, therefore, predictable. There is no historical precedent where great powers with unrestrained sovereign rights have remained in agreement except against a common enemy; and to believe that great powers between whom existed no common basis of principles would continue to agree without a common menace was childish. When they "fell out" the United Nations, as an instrument of universal security, collapsed.

This comment is not hindsight. A small minority, including this columnist, warned from the beginning that the San Francisco Charter would not work. This minority was accused of "sabotaging the peace." Indeed, in the first years after the war, to suggest that there was anything inherently wrong with the United Nations was regarded as blasphemy and branded as "isolationism."

Now, although there is no use crying over spilt milk, there is profound abuse in pretending no milk was ever spilt. Unwilling to make an honest diagnosis of the illness of the United Nations, sponsors of the Atlantic Pact now present it as "strengthening the United Nations" and furthering "collective security."

It does nothing of the kind. It is a limited military alliance between sovereign states to counter the Soviet Union's military alliances. It does not "strengthen" the United Nations but tacitly admits its powerlessness. If the intention were to strengthen the United Nations, American leadership would have exposed faults in the structure and recommended the creation of a law, a judge, and a policeman to all nations and open to all.

Address of Eugene C. Pulliam

EXTENSION OF REMARKS
OF

HON. RALPH HARVEY

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Monday, August 15, 1949

Mr. HARVEY. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following speech by Editor and Publisher Eugene C. Pulliam before the Rotary Club of Muncie, Indiana:

One time when I was a staff correspondent for the Kansas City Star, I was on a train with Teddy Roosevelt, who in my day I thought was about the greatest guy that God had ever created in America in my time, and I was very fond of him and got quite well acquainted with him. One day going out from Kansas City to Topeka he said, "Young man, I want to give you a good definition of a good newspaperman, and if you will follow it you'll be a success. A good newspaperman is half St. Paul and half St. Vitus." Well, I've thought about that a great deal. I ought to know something about St. Paul; my father was a minister. But sure as hell I found out what he meant by St. Vitus on this last trip I made. We were on the jump constantly. We were either talking to somebody, writing a story, or flying some place. We made the entire trip by air except in places where we had to drive.

As Walter told you, I have been in all of the Atlantic Pact countries. We went to Ireland first. There is something in the divine scheme of things I am fairly convinced that has preserved Irish independence and Irish liberty, because today Ireland is the only country in Europe that approaches having anything at all comparable to the freedom we have here. There isn't another free country in Europe with the possible exception of Denmark, and even the Irish are freer today than the British, the French, or any of the other countries of Europe. Possibly the good God in His mercy has preserved freedom in Ireland so that eventually the Irish can go over and free the British. And if you could see Britain today, you'd know what I am talking about.

I was very much in favor of the Marshall plan. I was in Europe on a previous trip at the time General Marshall made his speech at Harvard. I saw Europe in complete economic collapse. They had to have a shot in the arm. In 22 months Europe, with the exception of England, has made very remarkable recovery. Economic recovery of Europe has been almost miraculous. Undoubtedly the Marshall aid plan and the Atlantic Pact gave these people confidence; gave them something to tie to. You know for 200 years Europe has depended either upon Britain or France. Well, they are both down. The British Empire is gone. France is weak. And we come along with the Atlantic Pact. It gave the people of western Europe tremendous confidence to go ahead, to plan their work, to plan their business. So the Atlantic Pact, just the mere fact of the Atlantic Pact, had just as great a stimulating effect in the recovery of Europe as did the Marshall plan. I supported both.

But today Europe is on the way to recovery and just as definitely as the Marshall plan was needed to help Europe we would be a Nation of suckers to continue the Marshall plan at its present level. It is just utter damn foolishness to do it. I've talked to the heads of Government. I know what they are expecting, what they are fearing. Of course what they are afraid of is that we will cut the whole thing out. They know that Europe could get along of 50 percent of the Marshall plan and still recover. They hope we won't cut it more than 25 percent, but they are expecting a cut of somewhere between 25 and 50 percent, and are having a hard time in Congress getting a 10 percent cut when the people of Europe, the governments of Europe, are expecting a 25 to 35 percent cut. There is no reason in the world why the whole Marshall plan could not be cut 40 percent. I haven't time to go into my reason for that except that it is based on my discussion with the government leaders of Europe, the businessmen of Europe, and our own people over there.

Socialism in England has turned out to be a noisy sham and a cruel delusion. As a way of life and form of government it has utterly failed the common working people to whom it offered salvation. Economically, England is in the worst position of any of the 14 countries which I visited—except Italy and the two countries behind the iron curtain. Conditions are much worse than they were 2 years ago, much worse than they were during the war, and they will not get any better for the next year, because economically Britain has run into a highly competitive export world market and is not able to sell her goods at the terrifically high prices which have been brought about by increased costs under socialized industry. The people are working harder and eating less.

Although England needed some form of public-health program—and needed it badly—socialized medicine is a farce. The abuses have been terrific. The whole system is bogged down with red tape and free service to everybody, although it costs $100 per adult person. Our Congress should send immediately a commission of not more than six members to England and Denmark to study the contrast in socialized medicine and public health. Socialized medicine in England is a very sorry, expensive flop. The health program in Denmark is an outstanding success. In England the Government runs the entire show. Doctors, dentists, everybody connected with the hospitals work for the Government, and it is the most colossal failure in social history. In Denmark the Government has practically nothing to do with the system, yet it works almost perfectly. Therefore, if Congress would look into these two systems it probably would mean that America would avoid making the tragic mistake that has been made in England.

Union labor leaders are leaving the Labor Party and joining the Conservative Party because they are completely fed up with high prices, austerity, and nationalization. Even the farmers, who have been the fair-haired boys under socialism, are bucking the system now because the Government has taken over just enough farms in England to prove to the farmers that they must play ball with the Government or get off their land.

The Conservative Party probably will win the 1950 election by a narrow margin. The Conservatives will not be able to abandon nationalization of mines, rails, and banking, but they will be able to modify socialized medicine and put in a health program similar to that of Denmark.

If Russia is allowed any voice whatever in the control of the Ruhr, the Soviet Union will eventually take over all of Germany. The national spirit in Germany is rising rapidly, and if the Allies relax their economic, political, and financial control over Germany, it will not take more than 2 or 3 years for a political system to develop in Germany which will inevitably bring about an alliance between Germany and Russia. That is exactly what the Russians are fighting for, and if we permit it, every cent we have spent on the Marshall plan and the North Atlantic Pact will be down the drain.

Tito's rebellion is the most important and significant thing that has happened in eastern Europe this year. Tito is getting away with it, and if we give him just enough help to keep him alive economically, let him build up small industry without war potentials, he will be able to thumb his nose at Stalin. If Tito gets away with it, every other little dictator in the satellite countries will be following suit. We could not bribe Tito to do the important job he has done for peace. The infallibility of the Russians has been exploded and the iron curtain has been cracked.

Until Czechoslovakia and the other satellite countries begin to show some independence, they should receive no help of any kind from the United States or western Europe. We should not, under any circumstance, let the Czechs build up war potentials for the Russians to use. Czech industry is suffering badly because of lack of raw materials. But if we keep on the pressure, the whole Soviet scheme of aggression will blow up in their faces.

The tragedy of Europe, however, is that there is no real freedom in Europe. Country after country has tried out socialistic, communistic, and fascistic plans, and they have failed the people. All the elections for the past year have been turning from extreme left to the middle ground. Communists are losing out everywhere in western Europe. Western Europe is looking to America to preserve its economic sanity, also its freedom. If we do not preserve freedom here, totalitarian government will sweep the world. Freedom in its broadest application to human relations is the answer to most of the problems in Europe.

Any American traveling anywhere in Europe today is impressed with the terrific contrast between life in Europe and life in America. We have utopia here and do not appreciate it. The only difference between the United States and Europe is one word—freedom.

Self-Reliance Faces Extinction

EXTENSION OF REMARKS
OF
HON. JOHN PHILLIPS
OF CALIFORNIA
IN THE HOUSE OF REPRESENTATIVES
Monday, August 15, 1949

Mr. PHILLIPS of California. Mr. Speaker, this Nation was not made strong on any theory of dependence, either on the Government or on other people. It was made strong on self-reliance and initiative and courage. You cannot make a muscle strong by carrying it in a sling. I hope the Members of this Congress saw the recent survey, in Fortune magazine, which showed that students about to graduate from American colleges showed more interest in old-age pensions and in various security measures, than in the possibilities of jobs, or what they could give in return for those jobs.

Security is the quicksand into which other nations have sunk. We should be honest enough to realize we are seeing the start in the United States. For that reason I have asked unanimous consent to extend my remarks in the Appendix of the CONGRESSIONAL RECORD and include an editorial which appeared in the Riverside Daily Press, of Riverside, Calif., on July 9. I hope it will be read thoughtfully by every elected Representative.

The editorial follows:

SELF-RELIANCE MAY FACE EVENTUAL EXTINCTION IN UNITED STATES

Fortune magazine's recent survey of college campuses shows graduating students more worried about old-age pensions and similar security safeguards than anything else in their future.

Add to these protections a job with a big, established company and a wife and a few children and you have what most college men in their twenties are seeking today.

It is alarming to realize that security-mindedness has gone so far down the age ladder that it now tends to dominate the thinking of our college youth.

It is too easy and too trite, however, to respond to this situation with the regular exhortations to self-reliance, and then let it go at that. The problem isn't that simple.

These youngsters have come of age in a world still staggering from the brutal blows of two world wars and a deep depression. The dilemmas that led to these disasters are still largely unsolved. The complexities of life, whether in war or peace, seem to have grown beyond man's comprehension.

While man nevertheless gamely continues the search for solutions, he is trying at the same time to insulate himself against a recurrence of disaster. This has been true in many areas of the earth.

This country's effort to protect its people against personal catastrophe was propelled swiftly forward by Franklin D. Roosevelt's program of social legislation in the 1930's.

Republicans fought the program at the time, but historians today say social and economic conditions were such that either major party probably would have had to find bold new answers to the call for security.

Since then, a struggle to widen the domain of secure living has waxed and waned, and it is still going on. But nothing has happened, or seems likely to occur, to upset the basic security framework of the country.

It draws its main strength from a mood born of haunting fear of another great depression. And the terrific dislocations of war and postwar years have lined up many more recruits under the security banner.

This is the atmosphere breathed by college students in 1949. It should enable us to understand how they can be thinking of pensions and a safe job instead of adventurous risk-taking.

But it should shock us anew into realizing that in all this necessary attention to security measures we have indeed ignored the vital need to build a society of resourceful individuals.

How to have security and self-reliance side by side is admittedly a hard nut to crack. But the evidence indicates that most politicians are not even facing the problem earnestly. It is high time they stopped ducking it.

We owe to the masses of men a higher duty than merely to make them secure against disaster and basic want. We owe them a life where the human spirit is free and eager to grow to its fullest height, where the sum of that individual growth will be a society of constantly widening economic and social horizons.

British Aid Problem

EXTENSION OF REMARKS
OF
HON. HAROLD H. VELDE
OF ILLINOIS
IN THE HOUSE OF REPRESENTATIVES
Monday, August 15, 1949

Mr. VELDE. Mr. Speaker, today the United States is confronted with one of the most important decisions in its long history. It is a decision which will affect every citizen of our great country.

Here are several vital questions before each one of us today. How much can this country afford to give away before going broke itself? Are we to throw good money after bad in the hope that we can bail out the world from its economic doldrums? What is the price that America is paying to underwrite British socialism? What is the answer to the ever-increasing money crisis abroad? And more specifically at this moment—Can we keep Great Britain afloat in the crisis which has overcome her?

No matter what decision we make, it is going to be a painful one for somebody.

No one can deny the sacrifices that England made during the war. Her wartime property losses alone, at home and abroad totaled $30,000,000,000—one quarter of her wealth. During this same time, the British were forced to liquidate and consume their overseas investments which they had accumulated over centuries. We must face the facts. Great Britain came out of the war broke. No one knew this better than the British themselves. Only years of hard work and sacrifice could replace that wealth.

But what has happened?

Great Britain voted for a socialistic government in 1945 when she was in no condition to start a costly and ever-expanding social welfare program. The already crippled British industrial machine was bogged down with socialistic regimentation. And under this system of bureaucrats, they bought all kinds of material at high prices in bulk and stockpiled them. Today in a market of falling prices, they are obligated by agreements to pay for these materials at the old top prices.

The British are not lazy. Today British production is the highest in their history. Exports are as high as they have ever been and half again as much as 1947. But, in spite of all this, England is broke and on the brink of bankruptcy. Despite this record production and record exports—and $4,750,000,000 in American aid and loans—England will sink into an even greater crisis unless something is done.

Let us go back for a moment to see just what has been done to help England.

In 1944 at the Bretton Woods Monetary Conference, Churchill and Beaverbrook stated that Britain could not go back to her normal free-trade relations after the war. Finally they agreed to free-trade principles, provided Britain received a loan from this country. In 1946 Britain received a loan of $3,750,000,000 from this country, provided she would abandon the "sterling-dollar pool." This pool was an arrangement by which the British colonies and dominions sent their dollars to London and could only spend them where and when London said so. Under this arrangement Australia or New Zealand or any of the countries in the British Empire could not buy from this country unless they first cleared with London. In 1947 England went back to the "sterling-dollar pool" idea again. They appealed for help once more. Then the Marshall plan was worked out with England receiving the largest amount of cash assistance and remember that this money has averaged a billion dollars a year since the end of the war—to England alone.

Now you may ask—Why, with all this aid and the highest production in her history, is England facing bankruptcy?

Well, every country has to back its money with gold or it becomes worthless. We have our large gold reserve in Fort Knox. Because of our immense production and natural resources, in addition to our gold reserve, the American dollar is the firmest money in the world today.

Other money is rated in comparison with the dollar. The English pound is backed up by a certain amount of gold and is rated at present against the American dollar as being equal to about $4.02. But the English gold reserve has fallen so low that it has reached a point where it may cause a collapse of the English pound. With present gold reserves, the English pound is in reality only worth about $3. In fact, in the Paris black market it is worth about $2.80.

That brings up to the question, Why is not the pound revalued then at $3?

This, Sir Stafford Cripps refuses to do, even though it would sell more goods abroad. Here in the United States, for instance, we could buy British goods a fourth cheaper than we do today and that would encourage British business, in addition to giving them more dollars to buy the imports which they must have to keep their heads above water.

However, the socialist government of Britain argues that it does not dare do

this for it would, in effect, lower wages in England and in addition would make everything they buy from the United States cost a fourth more than they are now paying.

For many months, as I have stated before, the British have been demanding that Americans pay $4 a piece for pounds. Now they are confronted with the unfortunate fact that buyers who will pay that price are few and far between. The only large-scale customer seems to be an ultraliberal gentleman, known as Uncle Sam, who buys annually hundreds of millions of pounds at $4 a piece. His readiness to do this is occasioned by the fact that he gets his dollars rather easily by extracting them from his nephews and nieces?

But, lavish as are Uncle Sam's purchases, they still do not furnish the British with enough dollars to buy all the foreign products they would like to have. If Uncle Sam were to stop paying for pounds more than they were worth in the open market, Britain's dollar shortage would soon become even more serious than it is.

Now why is England's Socialist Government in such serious financial straits?

There are a number of reasons, but chiefly, heavily populated England needs to import foodstuffs to feed her people, and the British Government, itself, has taken over responsibility for prices, wages, production, and the welfare of the masses. The labor unions were largely responsible for voting into office Britain's present rulers. Now that the Government controls industry, the unions naturally demand, and get, higher wage rates and fewer hours of work per week. The result is, of course, low production, and a small volume of exportable goods, priced high in order to cover inflated expenses of production.

The British Government is also responsible for providing food enough to cover the millions of ration cards outstanding. And the unions demand that this food be sold at low prices. To meet this requirement the Government must sell food below cost. It attempts to charge the difference to the taxpayers. But it dare not tax the union members more heavily, and since it has cut profits to the bone, it cannot extract large revenues from business.

The end result is a growing Government deficit. If it prints more money to pay its bills, the difficulty of exchanging pounds for any reasonably stable foreign currency grows worse and worse. This means that it becomes even harder to obtain food from abroad. And the British people have long been complaining about their meager diet. Is it any wonder that Sir Stafford Cripps is seeking frantically for some way to dray his Socialist government out of the morass in which it is sinking deeper and deeper? This is why he is insisting so vehemently that Uncle Sam continue the make-believe that a pound is worth $4, and keep on buying each year, at that figure, two or three hundred million pounds.

England's present dilemma has been summed up admirably by Mr. Arthur Krock, the well-known Washington correspondent and authority on economics.

He has said that Britain can find no way out except by again tightening rationing and erecting a new barrier to world trade such as her treaty with Argentina for the trading of British products for Argentine grains and other products, and the recent trade agreement with Russia for course grains in return for English machinery.

Mr. Krock goes on to point out that although public opinion here and abroad blames a great deal of the British troubles on their socialistic program, the British Government blames everybody but itself. The chief reason, Mr. Krock states, is that at least $2,000,000,000 of our loans were used in the nationalization of British industries. With the highest production in their history, they are actually insolvent because the socialistic government is determined to pursue its policies, whatever the cost. As Mr. Krock points out, this leads to the conclusion that United States resources are being used to keep in political power a government in opposition to the American free-enterprise system while using our money to keep it in power.

But those in power in this country refuse to question this policy because we might be accused of interfering with the British right to have any kind of government it wishes.

Altogether, according to the United States News and World Report in its July 8 issue, the United States has given or loaned to other countries the huge sum of $28,000,000,000. And they still want more. In 1950, it is expected that we are to be asked and perhaps obligated for $8,000,000,000 more in aid.

How far can we go and stay out of bankruptcy ourselves?

The distinguished Washington commentator, Mr. Albert Warner, puts it clearly in one paragraph:

> A strange part about these currency difficulties abroad is the way they are inspiring some Washington observers to the conclusion that the only road to American economic salvation lies in bigger American loans and grants all over the world. It is their prescription that we preserve our own health by giving away the surpluses of our great productive machine.

Most of the other nations of western Europe are in the same boat with England. They are trying to operate socialism on a democratic basis, and no one has yet discovered a formula which will permit such a government to balance its budget, establish a sound currency, and let exchange rates seek their own levels in free competitive markets.

I hope this system is not destined to continue indefinitely. But whether the outcome of the financial crisis in Britain and western Europe will be the establishment of totalitarian government ruled by the Communists, or whether the friends of economic freedom will gain strength, throw out the socialists, and reestablish free enterprise, sound money, and free exchange rates is anybody's guess. Time alone will tell.

Some Employment Data

EXTENSION OF REMARKS

OF

HON. LINDLEY BECKWORTH

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, August 9, 1949

Mr. BECKWORTH. Mr. Speaker, under leave granted to extend my remarks in the RECORD, I include the following three letters I have recently received:

DEPARTMENT OF LABOR,
Washington, July 21, 1949.

Hon. LINDLEY BECKWORTH,
House of Representatives,
Washington, D. C.

DEAR CONGRESSMAN BECKWORTH: This is in reply to your letter of July 7, 1949, regarding the possibility of employment of displaced farm workers in industry.

I did not intend to imply in my previous letter that industry could absorb substantial numbers of workers beyond the normal additions to the labor force in any one year. It was done during the war years but, of course, that was highly abnormal. The reference was to a gradual process over a period of years as the economy expands through the growth of population and the raising of the standard of living. In the decades since 1929 agricultural employment has decreased by almost one-fourth while employment in nonagricultural activities has increased by more than a third.

It would be highly speculative to attempt to predict whether a half million or a million farmers could be absorbed in industry during the next year or two. If the current downtrend in industry continues, it will, of course, be difficult for such a large number to find nonagricultural jobs. On the other hand, if the trend is reversed, many displaced farmers may obtain employment.

Yours very truly,

MAURICE J. TOBIN,
Secretary of Labor.

DEPARTMENT OF LABOR,
Washington, July 28, 1949.

Hon. LINDLEY BECKWORTH,
House of Representatives,
Washington, D. C.

DEAR CONGRESSMAN BECKWORTH: You asked in a note at the bottom of my letter to you of July 21 whether I see any reason at this time to assume that the current downtrend in industry will be reversed.

Yes, there is considerable discussion now as to when there may be an upturn in the business situation. I have seen estimates ranging from some time this fall until as late as next summer. But the general expectation of the economists is that there will soon be a revival of the business situation and industrial employment.

Farm employment is high this summer—considerably higher than last year. It is possible, however, that the downtrend since 1929 in agricultural employment, of which I spoke in my July 21 letter, will be continued in the summer of 1950, but it is also possible that an industrial revival would give employment to the displaced farm workers at that time.

I am returning my letter of July 21.

Yours very truly,

MAURICE J. TOBIN,
Secretary of Labor.

FEDERAL SECURITY AGENCY,
Washington, July 28, 1949.

Hon. LINDLEY BECKWORTH,
House of Representatives,
Washington, D. C.

DEAR CONGRESSMAN BECKWORTH: You have asked me to comment on the hypothetical employment situation which would result if 500,000 farm families should be forced off the farm, and to indicate whether they might be absorbed by industry.

First of all, let me make it clear that I do not believe that adoption of the Brannan plan would have this result. There is no reason to believe, however, that the ratio of agricultural to industrial employment will not continue to decline, as it has for more than 80 years. This tendency is clearly illustrated by the attached data.

So long as the income of all workers does not decline, but in fact increases, persons who leave agricultural pursuits can and do find employment in nonagricultural occupations. For instance, within the last 30 years we have seen a marked increase in the number of unskilled and semiskilled workers employed in service activities, many of which were formerly performed in the home and many of which result from technological changes. Laundry and dry cleaning work, only to mention homely examples, are services formerly performed in the home. In 1919 these services employed approximately 148,900 persons, and in 1939, approximately 331,800 persons. Likerwise employment in the professions and in commercial recreation has boomed. New professions have developed and are rapidly expanding. To mention only the health professions, there is a critical shortage of all trained health personnel at the present time, including laboratory technicians, dental technicians, practical nurses, graduate nurses, dentists, and physicians.

It is evident that increasing numbers of workers will have to be absorbed in the nonagricultural economy. This can be accomplished only by maintaining reasonable farm incomes as well as other incomes. Total income from all farm sources in 1948 was 22.3 billions or 10.6 percent of the total national income. Maintenance of farm income to at least this proportion of the national income is one of the key factors in maintaining full national employment. In the last 6 months, farmers' cash receipts have fallen approximately 7 percent below the comparable period in 1948. In dollars and cents this drop is $890,000,000 of purchasing power and is, of course, reflected in lower sales of nonagricultural products and in less employment.

Sincerely yours,

JOHN L. THURSTON,
Acting Administrator.

Percentage distribution, by general division of occupations, of gainful workers 10 years old and over in the United States, 1870 to 1930

General division of occupations	1930	1920	1910	1900	1890	1880	1870
Total	100.0	100.0	100.0	100.0	100.0	100.0	100.0
Agriculture	21.4	27.0	31.0	37.5	42.6	49.4	53.0
Forestry and fishing	.5	.6	.6	.7	.8	.6	.5
Extraction of minerals	2.0	2.6	2.6	2.4	1.9	1.7	1.4
Manufacturing and mechanical industry	28.9	30.3	28.5	24.8	23.7	22.1	20.5
Transportation and commerce	7.9	7.3	7.1	6.7	6.0	4.8	4.2
Trade	12.5	10.0	9.7	10.6	8.8	7.9	6.8
Public service	1.8	1.7	1.2	1.0	.9	.8	.7
Professional service	6.7	5.1	4.6	4.1	3.8	3.2	2.6
Domestic and personal service	10.1	8.0	10.1	9.7	9.6	8.8	9.7
Clerical occupations	8.2	7.3	4.6	2.5	2.0	.9	.6

Source: Table 22, p. 101, ch. XII, Sixteenth Census of United States, 1940 Population, Comparative Occupational Statistics for the United States, 1870-1940. The reference terms used in collecting the 1940 census data were different from those used in previous censuses. Accordingly, the above table does not include 1940 data. However, for the period 1929 through 1946 the following data is pertinent:

	1929	*1946*
Wage earners (in millions):		
Manufacturing industries	10.5	14.9
Trades	6.2	8.3
Finance and miscellaneous services	4.2	5.2

The Bureau of Agricultural Economics of the Department of Agriculture reports that the annual average of total farm employment in 1929 was approximately 11,289,000 and in 1948 was approximately 10,089,000 persons.

"Farm employment" is defined as the number of persons who work on farms 2 or more days per week. This includes farm operators, unpaid members of their families, and paid farm workers.

Well, Here Come the British—For More Billions

EXTENSION OF REMARKS
OF
HON. ROBERT F. RICH
OF PENNSYLVANIA
IN THE HOUSE OF REPRESENTATIVES
Monday, August 15, 1949

Mr. RICH. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following article by Arthur Sears Henning, from the Washington Times-Herald of August 15, 1949:

WELL, HERE COME THE BRITISH—
FOR MORE BILLIONS

(By Arthur Sears Henning)

The stage is being set for another American campaign to save the Socialist government of Great Britain from downfall and to initiate a new American foreign policy to protect British interests in the Far East.

The State and Treasury Departments have nearly completed preparations for the conference here beginning September 6 on Britain's financial problem. The solution of this problem sought by the British is one that would tap the American Treasury for more billions to bolster up the tottering socialistic structure of the current British economy.

WANT FIFTEEN BILLIONS

The Socialist labor government went through the American $3,750,000,000 gift loan in a couple of years, though it was supposed to last 5 years. It is now drawing down more than $1,000,000,000 a year supplied by American taxpayers under the Marshall plan. But these amounts fall far short of the funds necessary to meet the Socialist government deficit produced by the colossal costs of welfare programs and the losses accruing from socialized industries.

Current rumor has it that the additional amount to be sought is about $15,000,000,000—not all at once but "over a period of years."

If the British Socialists get what they want in Washington they will be sitting pretty in London for several years. Their chances of winning the forthcoming British parliamentary election and remaining in power would be greatly improved, for the American handout would wipe out their defict and enable the British Government to moderate the austerity regimen it has imposed on the British people. If they fail to get an adequate hand-out they probably will lose the election and Churchill and his conservatives will return to power.

HEADED BY BEVIN, CRIPPS

British foreign minister Bevin and Sir Stafford Cripps, British chancellor of the exchequer, the Socialist economist who recently fled to a Swiss sanitarium from the Socialist fiasco, will head the British delegation.

The British also wish to get a waiver of clause 9 of the gift-loan agreement, known as the nondiscrimination provision. Britain agreed in consideration of the loan not to buy supplies in other countries when citizens of the United States had a surplus of the same commodities and were willing to meet the competitive price. The British Government already has repudiated this promise by concluding a trade treaty with Argentina for exclusive purchase of beef, grain, and other commodities in exchange for British manufactured goods, the net result of which is a loss of trade to American farmers and manufacturers.

On the currency question Treasury Secretary Snyder conducted preliminary conversations a few weeks ago in London and other European capitals. The British were disappointed in Snyder. He was not the sort of New Dealer they were used to. He brought a banker's fishy eye to the conferences and evinced critical views of the overvalued pound sterling, economic controls, etc. The British were a bit apprehensive of Snyder presiding over the September conference.

ACHESON WILL PRESIDE

But their fears have been allayed. It will not be Snyder who will preside but State Secretary Acheson, a son of a British-born Church of England clergyman and an Anglophile to whom Britain is deeply indebted for the American foreign policies he has shaped.

There will be negotiations between Acheson and Bevin on the formation of a new American foreign policy in the Far East to take the place of the Truman policy on China, the failure of which was confessed in the recent State Department white paper. The British will aim to shape the new American policy around defense of Hong Kong, principal British interest remaining in China. There have been hints that expediency may bring about an accommodation between Britain and the Chinese Communists.

American foreign policies have long served British interests. To go no farther back than the turn of the century, State Secretary John Hay was credited with the authorship of the open door policy in China. But the real author was Britain, whose purpose was to curb the expanding power of Russia in Asia.

WILSON AIDED BRITAIN

Woodrow Wilson took the country into World War I ostensibly "to make the world safe for democracy" but really to save Britain and France from defeat.

Franklin Roosevelt accepted the British thesis that they could not pay their World War I debt and besides it would be ruinous to the United States, if they could pay. When World War II opened Roosevelt fell under the influence of Winston Churchill. More than 2,000 secret messages now under lock and key that passed between them record the development of this influence which was to bring America into the war, with Churchill telling Parliament that was what he had worked for.

Rather than commit the folly of plunging into a two-ocean war with a one-ocean Navy, Roosevelt wanted to settle with Japan but the British wouldn't hear of it. They in-

sisted on the policy that precipitated Pearl Harbor and Roosevelt yielded.

ACHESON URGED LOAN

At the close of the war the British sought a $6,000,000,000 continuation of lend-lease. When they failed to get it they sought a loan of the same amount. They finally got 3¾ billions. Acheson was one of the principal negotiators and potently aided in getting the loan through Congress.

In 1947 with their empire dwindling and a socialist economy sapping their resources, the British sought to lighten ship. The Labor Government asked Mr. Truman to take the protection of Greece and Turkey off British hands. Advised by the old soldier George Marshall, who viewed it as strategy against Russia, Mr. Truman accepted. But it remained for Under Secretary Acheson to rationalize it as the Truman doctrine of America's obligation to protect free people everywhere on the globe.

Boy Scouts of America a Great Institution—Arthur Guns a Marvelous Scoutmaster

EXTENSION OF REMARKS
OF
HON. LEROY JOHNSON
OF CALIFORNIA
IN THE HOUSE OF REPRESENTATIVES
Monday, August 15, 1949

Mr. JOHNSON. Mr. Speaker, last Friday H. R. 5342 was passed by the House. This bill provides for the loaning of certain Army equipment to the Boy Scouts of America for use at their fortieth anniversary jamboree to be held at Valley Forge Park, Pa., next year. My friend and colleague, BROOK HAYS, of Arkansas, and I introduced companion bills.

In the Eightieth Congress a bill with similar provisions and the additional one of providing Army transportation to France for the Boy Scouts of America to attend an international jamboree held in that country; that bill happened to bear my name as the author, but my friend and colleague Mr. HAYS also had a companion bill. Since the Eightieth Congress was a Republican Congress and since the bill was referred to the Armed Services Committee of which I was a member, it was deemed appropriate that the bill bearing my name be passed, which is what happened.

Likewise, since this is a Democratic Congress it was deemed appropriate to have the bill bearing Mr. HAYS name passed and in moving to have the bill approved by the Armed Services Committee, I made the motion apply to Mr. Hays' bill, H. R. 5342.

It has been a great pleasure to join with Mr. HAYS in these two efforts in behalf of the Boy Scouts of America.

We know that the Boy Scouts have hundreds of friends in Congress and it was a distinct privilege to have the organization honor us by requesting us to give them our help in getting the use of the camping equipment above referred to for use of the jamboree to be held at historic Valley Forge, Pa. The Boy Scout organization will pay all expenses incurred in moving this equipment to Valley Forge and back to its original location.

Both of us have been active in the Boy Scout movement for a long time. I wish to pay my tribute to the Boy Scouts of America. All those connected with it are a distinct asset to our country. But I wish to be a little more specific and give special mention to the Scoutmasters. They are the men who handle the individual troops. They are in close contact with the boys. On the character of these boys is found the imprint of the influence and example and effort of the Scoutmaster. He has all the headaches of handling a group of lively and sometimes mischievous boys; but he has more he has the challenge of helping mold the character of those boys. He has the satisfaction of seeing these boys develop into good citizens and respected and successful men. The work of the Scoutmasters is typified, for me, in one Scoutmaster whose name is Arthur Guns. He lives in Stockton, Calif. He was a Scoutmaster for a quarter of a century. Not a single boy who was in one of the Boy Scout or the Sea Scout troops directed by "Art" failed to be benefited by the companionship. Since Mr. and Mrs. Guns had no children, they worked at this scout business together. Art saw his boys fight in every theatre of this last war. His boys have entered almost every kind of employment and many of them have been conspicuously successful. All of them have turned out to be clean and vigorous citizens. He practically devoted all of his spare time all during these years to Boy Scout activities and I know that he got a great kick out of it. He is typical of many thousands of others, although there are very few who kept at the job as long or who were as effective as he was. Such an organization deserves a good turn occasionally. I know I speak not only for myself but also for Mr. HAYS when I say we are pleased to have had a small part in getting this bill through Congress.

A Question for President Truman

EXTENSION OF REMARKS
OF
HON. JOHN PHILLIPS
OF CALIFORNIA
IN THE HOUSE OF REPRESENTATIVES
Monday, August 15, 1949

Mr. PHILLIPS of California. Mr. Speaker, a news item appeared in the local papers a few days ago, under the date line of Quito, Ecuador, August 8. It described an earthquake which, according to the report, would leave 100,000 people without homes. It had destroyed 50 cities and villages. The death toll would be over 2,000. I now quote the last paragraph of the news item:

The President's secretary said the government had asked the American Republics to rush tents to the area, and that the United States already was sending emergency shipments of canned foods, and indispensable items of relief. An emergency airlift is hauling supplies into the quake-stricken zones and bringing out survivors to cities where hospital facilities are available.

I rise to ask the President of the United States if the people of Hawaii are not just as much entitled to consideration and to aid as the people of Ecuador. We are proud to have American aid sent by President Truman to the people of our sister Republic to the south. We just want to know why aid is not being given our own people, in an emergency of almost equal seriousness. Perhaps Ecuador should start an airlift and send food and help to Hawaii.

General Fixit

EXTENSION OF REMARKS
OF
HON. CHARLES B. HOEVEN
OF IOWA
IN THE HOUSE OF REPRESENTATIVES
Monday, August 15, 1949

Mr. HOEVEN. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following editorial from the Washington Post of August 15, 1949:

GENERAL FIXIT

General Vaughan evidently believes that he has set everything right by his explanation of how the deep-freeze units happened to be sent to Mrs. Truman and to a small group of the President's intimate associates, and how the bill for them was paid by the head of a perfumery concern deeply involved in the import trade. Viewed in the light of the general's behavior since he became military aide to Mr. Truman, the explanation is altogether plausible. It reflects that extraordinary combination of officiousness, naivete, and political ineptitude that make General Vaughan's friendship and devotion so dangerous and troublesome to his crony and patron.

It was just another occasion on which General Vaughan could not deny himself the pleasure of playing Mr. Fixit. It was about 4 years ago when the deep-freezing mechanism was an innovation, and the subject just naturally came up in the course of a conversation between the general and his two old friends, the Messrs. Hoffman and Bennett. General Vaughan told of his desire to possess one of these gadgets for himself and to send another to the Truman household at Independence. Mr. Hoffman, an advertising man, and something of a Mr. Fixit himself, observed that if the general would be content with experimental models that were not to be put into commercial production, he could arrange the matter. And that was that. The refrigerators were personal gifts from the general to his friends; but since Mr. Bennett was present at this arrangement, it doubtless seemed only courteous to let him have a hand in it; and so, as it appears from the testimony of Mr. Albert Gross, he was permitted to pay the bills.

The general saw no impropriety in all this, nor, apparently, did the recipients of the gifts. After all, the sending of gifts of one kind or another to important public personages is an old American custom, and hardly a day goes by that gifts are not delivered to the White House. What to do with these gifts is one of the perennial problems of Presidential housekeeping.

Thus the acceptance of the deep-freeze units from General Vaughan, or General Vaughan's business friends, need not suggest any disposition on the part of the personages concerned to grant official favors in return. Indeed, the value of the gifts is

not great enough to arouse suspicion of venality. There is certainly nothing here to suggest a scandal on the proportions of the Teapot Dome, nor even such a shocking example of the abuse of a privileged position as were the financial adventures of Mr. Elliott Roosevelt. It is an even farther cry from the grandiose varieties of graft associated with the business of military procurement in the days of Secretary Cameron and Secretary Alger, for example. The truth is that such financial irregularities as were once tolerated in a man like Daniel Webster would mean political death to any modern statesman of comparable rank.

It is General Vaughan's irresistible urge to interfere, with what are doubtless the best of motives, in the affairs of all Government departments, that is basically responsible for the embarrassment he has brought on his friends. For it has raised an ugly suspicion that his gregarious nature and his incurable meddlesomeness were easily exploited by men whose purposes were less pure and amiable than his own. In an interview with Mr. Edward T. Folliard, published in the Washington Post last February, General Vaughan related what the President had said in his presence to General Eisenhower when that officer succeeded General Marshall as Chief of Staff:

"Whenever you have anything to take up with me, I'll appreciate it if you will take it up first with General Vaughan. When I have any matter to take up with you, I'll take it up through General Vaughan."

Then turning to Vaughan the President said: "At other times you mind your own business."

It would have been well for General Vaughan and for his patron had he been temperamentally capable of obeying such an order.

The Tables Turned

EXTENSION OF REMARKS
OF
HON. CHARLES E. POTTER
OF MICHIGAN
IN THE HOUSE OF REPRESENTATIVES
Monday, August 15, 1949

Mr. POTTER. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following editorial from the Columbus (Ohio) Evening Dispatch of July 21, 1949:

THE TABLES TURNED

The funniest thing to develop from the Hiss case—if anything connected with that trial can be considered funny—is the lather the New Dealers and so-called liberals find themselves in as the propriety of Judge Kaufman's conduct of the case is being questioned.

This questioning of motives, they say, is very dangerous. The presumption of a few Congressmen in suggesting an investigation of the judge's fitness and conduct is an ominous sign of bitter and destructive rivalry between the legislative and judicial branches of the Government which must be squelched at once.

Let us see, now. Aren't these excited ones the same people who a few years ago cheered President Roosevelt on in his openly avowed effort to destroy the Supreme Court? Aren't they the ones who drummed up Nation-wide contempt for the judicial branch of the Government by labeling the members of our highest tribunal "the nine old men"?

There wasn't much sanctity about the courts then. But, of course, at that time the Federal judiciary was not a New Deal judiciary. It was, in fact, more or less widely opposed to the Executive grab for power over the legislative and judicial branches of Government.

It is amusing now to watch them cry, and become, oh, ever so perturbed over the fact that someone, somewhere might find even the slightest reason to criticize a New Deal judge who so bravely shows his bias for even the worst in the international-welfare-reform state instead of remaining objective. Apparently, the sanctity of the courts depends upon whether they acknowledge the virtue of the Roosevelt-Truman system of centralization or not.

Second Class Postal Rates

EXTENSION OF REMARKS
OF
HON. WALTER NORBLAD
OF OREGON
IN THE HOUSE OF REPRESENTATIVES
Monday, August 15, 1949

Mr. NORBLAD. Mr. Speaker, Under leave to extend my remarks, I include herewith an editorial from the Canby Herald, of Canby Oreg., on the subject of the proposed increase in newspaper mailing rates:

DONALDSON ASKS CIRCULATION-RATE HIKE

Postmaster General Jesse Donaldson, the first experienced postal worker ever to hold that important Cabinet post, is determined to persuade Congress to enact his new schedule of postal rates, one of the chief features of which is a whopping increase in the rates for second class matter, under which newspapers and magazines are delivered to regular subscribers.

He has gone so far as to figure out how much weekly newspapers will have to increase their subscription prices in order to meet the proposed new schedules. It will be from less than 25 cents to not more than $1 on an annual subscription basis, the average being around 50 cents Daily newspapers delivered by mail will have to take it in the neck for about six times that much. Many magazines will have to cease delivering by mail altogether if the schedule goes through.

Mr. Donaldson, being a practical mail-handler from way back, has a common feeling with the men and women in post offices who have to sort and handle tons of bulky publications.

Up to this time he seems to have said little or nothing about the fundamental reason for establishing low second-class rates: that the people of the United States might have ready access to information at low cost; that an informed and enlightened public opinion be encouraged as a bulwark of a free Government. The Postmaster General may regard that as a lot of hooey, he being a practical mail handler, for he told Congress:

"What the publishers know—but what most folks do not know—is that the present second-class rates are a survival of one of the early congressional acts made under conditions that have long since ceased to exist."

What conditions ceased to exist he doesn't say, but there never was a time in the history of the United States when it was more vitally necessary than now that the people be well and correctly informed. Any obstruction or disruption of the flow of information now would make the work of subversive propagandists just that much easier. Choke the newspapers out of the country mail boxes with higher subscription rates, and their place to some extent will be taken by "boxholder" propagandists with axes to grind.

We can well imagine that the original fundamental purpose of the second class rate structure is a matter of national policy toward which the practical Postmaster General takes a dim view. It is sometimes the penalty of long experience that one learns too many things that cannot be done, or fails to evaluate the total effect of his own efforts.

Next time we meet Carl Elligsen or Pete Brachmann or Bill Flick loaded down with Santa Claus-size mailbags we're going to ask them what they think they're doing.

We'll bet a new hat none of them will put on that exalted look of patriotic fervor and say: "Son, I'm enlightening public opinion."

Neither would Jesse Donaldson.

Let's Call the Veterinary Before the Horse Dies

EXTENSION OF REMARKS
OF
HON. KENNETH B. KEATING
OF NEW YORK
IN THE HOUSE OF REPRESENTATIVES
Monday, August 15, 1949

Mr. KEATING. Mr. Speaker, H. R. 4328, sponsored by the distinguished ranking minority member on the Committee on Ways and Means, the gentleman from New York [Mr. REED] deals with the excise tax on photographic apparatus. It exempts X-ray cameras. It abolishes the discriminatory 25-percent tax on certain photographic equipment and substitutes for the present 15-percent tax on film and sensitized paper a 10-percent tax applicable to roll films. It reduces from 25 to 10 percent the tax on certain still and motion picture camera lenses.

On July 12 I spoke to the House regarding the injustice and unfairness inherent in the present tax on photographic supplies. Thousands are being thrown out of work through the stubborn opposition of administration leaders to any relief from the burdensome Federal sales taxes.

One of the most effective statements I have seen on this subject is contained in a letter from Attorney Harold F. Hopper, of Rochester, N. Y., which, under leave to extend my remarks, is included below.

This letter specifically deals with H. R. 4328, but the sentiments expressed have a wider application generally to the disastrous effects of blind adherence to existing tax policies and stubborn unwillingness even to conduct hearings on possible changes.

ROCHESTER, N. Y., *June 2, 1949.*

The Honorable KENNETH B. KEATING,
The House of Representatives,
Washington, D. C.

MY DEAR CONGRESSMAN KEATING: Congress is, I hope, cognizant of the desirability of enacting such soundly conceived economic measures as will, while preserving unimpaired the system of free enterprise, untrammeled by bureaucratic dictation, which has in the past made this Nation the greatest on earth, aid in preventing the present recession in prosperity from becoming a calamitous depression.

Declining demand for manufactured products has already produced increasing unemployment and the continuance of eco-

nomically unsound taxation policies further retarding sales will lead to increasing unemployment, which, when coupled with increasingly extravagant spending and well-nigh punitive taxation, will, in my opinion, inevitably bring about a serious depression. There may well be some members of the ever-growing governmental bureaucracy who would welcome a depression as an excuse for the substitution of bureaucratic regimentation for free enterprise in order to entrench themselves in power, regardless of the consequences to the welfare of the Nation or of its citizens as a whole. I trust that the Members of Congress are aware of this domestic peril which, I believe, outweighs the dangers of armed conflict with foreign nations.

The continuance of unconscionably high and inequitably burdensome excise taxes is, in my opinion, a factor contributing to the decline in sales. As an example, I cite the personal reaction of my wife and myself as consumers. For more than 2 years, my wife has desired to purchase a fur coat. And I, in turn, have been badly in need of a new typewriter. But both my wife and I are not disposed to make the purchases as long as high excise taxes are maintained. We feel that, when an income earner is taxed in excess of 25 percent for earning his income and then is taxed, in some cases, 25 percent for spending it, it is time to call a halt, and, if Congress will do nothing, then it behooves the consumer in his individual interest to confine his buying to irreducible necessities of life. These instances appertaining to myself and my wife are, I firmly believe, multiplied many, many times over throughout the country and are one of the prime factors contributing to the current business recession.

Once considered principally a means of recreation, photography has become a business machine or tool of prime importance, yet, while business machines are taxed 6 percent, the equally important photographic apparatus is subjected to the highest excise tax presently imposed, namely 25 percent. The inequity, in my opinion, needs no discussion.

I am well aware of the difficulties faced by Congress in curbing the ever growing extravagant Government spending. The report of the Hoover Commission, which unfortunately the great mass of voters will not read or fully appreciate, is a striking example of how the Government prefers to waste and tax than to operate efficiently and encourage business by lowered taxation. But, notwithstanding the political attractions of such a program, those who have the welfare of this Nation at heart should bear in mind the irresistible economic law of diminishing returns. If Congress perceives the wisdom of reducing high taxes, of which the photographic excise tax is a striking example, the resultant increase in sales would, I believe, produce more and not less tax revenue. Throughout history bureaucrats have unsuccessfully sought to circumvent the law of diminishing returns with disastrous results to the welfare of the nation concerned.

Many of those who write to you from time to time may have a selfish ax to grind. I too have a selfish ax to grind—I do not wish to join the unemployed.

I sincerely trust that you will do everything in your power to bring the subject bill to early consideration and quick passage by Congress. Remedial tax legislation is needed now and not at some vague future time. It does not do much good to call the veterinary after the horse is dead. I shall appreciate your giving consideration to this matter and would be very glad to have a brief expression of your views in reply.

Very truly yours,

HAROLD F. HOOPER.

Arms Aid to Europe

EXTENSION OF REMARKS

OF

HON. LAWRENCE H. SMITH

OF WISCONSIN

IN THE HOUSE OF REPRESENTATIVES

Monday, August 15, 1949

Mr. SMITH of Wisconsin. Mr. Speaker, Walter Trohan, of the Chicago Tribune, is substituting for Fulton Lewis, Jr., and in the past several days has made some very interesting reports regarding the arms-aid-to-Europe program. In view of the fact that we are about to debate this measure within the next day or two, I am sure that all the Members will find it profitable to read the remarks made by Mr. Trohan. I am inserting his broadcasts given on August 8, 9, and 10, at this point:

(August 8, 1949)

This week and next the accent will be on the military in the House and the Senate. A House subcommittee will launch an investigation into the controversy over the B-36, the world's largest and longest flying plane. I hope to bring you this story later. The Senate Foreign Relations Committee continues to study the $1,450,000,000 arms assistance program, which President Truman submitted, as you know, to provide weapons for our allies under the North Atlantic Pact.

Fortunately this military accent is something I can speak on with some authority or at least some background. For 15 years I have been close to the Army, Navy, and Air Force. I have known in some intimacy every chief of staff from General MacArthur and every chief of naval operations from Admiral Standley. I have discussed at great length national security and the world military situation with General Bradley, Army Chief of Staff; Admiral Denfeld, Chief of Naval Operations, and General Vandenberg, Chief of Staff of the Air Force, and many of their subordinates. All three return tomorrow from Europe, where, as you know, they discussed the military situation with the chiefs of defense of our allies under the Atlantic Pact. I hope to give you the world picture as they might give it if they were to walk into your homes for a neighborly chat. I will, of course, give the picture considerably less formally than they might, but I am sure they would not seriously quarrel with the facts or conclusions.

While much of what I have to tell may be startling to some of you, I assure you I am giving no information which might be of comfort or aid to any potential enemy. I know you would want me to be careful in this so I have cleared all I have to tell you with responsible officers of high rank. And please do not be frightened or depressed by what I have to say. I will give the darker side of the picture first and then the brighter side. War is not a pleasant business. Someone must get hurt—individuals and nations are maimed or mortally wounded as we know. It will take me some days to unfold the story, but I will let you in on the end—I can win world war III if it all comes, but let us all pray God that it never comes.

Military leaders are agreed that if Soviet Russia should declare war tomorrow, the Red Army would be in control of Europe and the Middle East in 90 days. The Red Army now has about 50 divisions along the Western Front from Finland to Turkey. Fifty divisions, as you are aware, means about 750,000 men. Another 150 divisions or another 2,250,000 men are in reserve. In World War II, 11,000,000 Red soldiers were thrown against the Nazi invaders before a single piece of lend-lease reached the Soviets. At the end of the war Stalin had 503 divisions in the field or about 7,500,000 men. The Allied strength was less than a fifth of that, or 91 divisions—something over a million and a quarter men. Of these, 61 were American divisions, 12 were British, 11 were French and 5 were Canadian. Our contribution was more than twice that of our allies. In addition we had 26 divisions in the Pacific theater.

The Soviet legions would be aided by large bodies of Communists within the western powers. There are about 2,000,000 Communists in France, about the same number in Italy and a goodly number in Britain. The vast organized Red-Fascist fifth column could paralyze several western powers by strikes, sabotage and uprisings as the Red army began to roll. Military leaders believe that within 60 days the Red Army could sweep across western Europe to the North Sea and the Pyrenees. In another 30 days they could overrun Spain. Portugal and Italy, brush into Scandinavia and dip into Turkey, Iran, and Iraq without calling up the full strength of 500 trained divisions or raising perhaps 90 trained divisions from satellite states—a trained army of about 9,000,000 men. Russia now has about 20,000,000 men available for war service. The Red Army might not be halted at the North Sea which balked Kaiser Wilhelm and Adolf Hitler. Five thousand of the Soviet air fleet of 19,000 planes are troop carriers. These can drop 75,000 men on England at one time. Other waves could follow. Such an air invasion might or might not be successful, but it or its threat would keep the British Air Force and British divisions at home if war should come and properly so. That is the dark side of the picture as military leaders have painted it to me. It is grim and terrifying enough, but I must amplify it in evenings to come. However, do not start digging a bomb shelter in your back yard or start running up the white flag of surrender just yet. War has not begun. And if it should we would still win, as I will later explain, even if all Europe and the Middle East were to fall into Soviet hands.

There is a bright side to the picture and I give a preview. Every military leader I know is confident that Stalin does not want war any more than you or I do. There are a number of reasons for this. First, the United States has a powerful deterrent to aggression in the atomic bomb and the intercontinental bombers which can deliver them. Our top commanders permit me to tell you that Soviet Russia does not have the atomic bomb and that if the Soviets had this powerful weapon they do not have planes to loose it on us with certainty and accuracy. Second, Stalin does not want to send his soldiers into western Europe. There they would see a way of life which would turn them to revolt against totalitarianism. On highest authority, I can tell you that Soviet desertions reached a high of 9,000 a month after Red soldiers were exposed to life even in bomb-battered Germany and the strait-jacketed freedoms of the Nazis. That is more than half a division a month. Stalin shuttling his occupation forces in the Baltic and the middle of Europe with clock-like regularity. Just as soon as a division gets a taste of the new way of life they are transferred. They are not returned to their homes again. Such is the way of dictators. Stalin does not want western thought to permeate his villages. I will return to this thought when I tell you that world war III will be won by a thought campaign, psychological warfare, and by air, with adequate ground and naval support.

A third reason deterring Stalin from invading western Europe is that it is an area of

intense nationalism—people feel their national ties strongly and would stoutly resist regimentation even as you and I. Fourth, Stalin has his eyes on Asia. China is almost in his hands and he is eyeing India, Malaya, Korea, Indonesia, and even Japan. Fifth, Stalin is the greatest Russian of them all. He has surpassed the wildest dreams of the czars. The fate of Hitler and Mussolini is green in his memory. He knows what happens to dictators who go to war once too often. He is a realist.

To sum up the brighter side, I am permitted by our military to tell you that as long as we maintain our powerful deterrent to aggression, so long as we maintain the lead in bombs and bombers, backed by adequate ground and sea forces, so long are we likely to keep the peace.

(August 9, 1949)

Tomorrow marks the seventy-fifth birthday of a great American. As he reaches the three-quarter-century mark, the Nation hails him as one who has graduated from partisanship to statesmanship. Democrats and Republicans alike rejoice that he was not embittered by defeat but rose above it to be acclaimed by no less a personage than President Harry S. Truman as a good and faithful servant of the Nation and of humanity. Tonight I want to quote from a speech this American made in his native Iowa village on his seventy-fourth birthday a year ago:

"America means far more than a continent bounded by two oceans; it is more than pride of military power, glory in war, or in victory. It means more than vast expanse of farms, of great factories or mines, magnificent cities, or millions of automobiles and radios. It is even more than the traditions of the great tide westward from Europe which pioneered the conquest of this continent. It is more than our literature, our music, our poetry. Other nations have these things also. I have seen America in contrast with many nations and many races. My profession took me into many foreign lands under many types of government. I have worked with their great spiritual leaders and their great statesmen. I have worked in governments of free men, of tyrannies, of Socialists, and of Communists. I have met with princes, kings, despots, and desperadoes. I have seen the squalor of Asia, the frozen class barriers of Europe. And I was not a tourist. I was associated with their working lives and problems. I had to deal with their social systems and their governments. And outstanding everywhere to these great masses of people there was a hallowed word—America. To them it was the hope of the world. The meaning of the word America flows from one pure source. Within the soul of America is freedom of mind and spirit in man. Here alone are the open windows through which also pours the sunlight of the human spirit. Here alone human dignity is not a dream but an accomplishment. Perhaps it is not perfect, but it is more full in realization here than any other place in the world."

These words came from our only living ex-President. A most happy birthday to you, Mr. Hoover, from all of us. Those of you who subscribe to this creed of Americanism may want to send personal greetings. If so, you can address them to Herbert Hoover, Waldorf Towers, New York City.

And now I should like to continue discussion of the administration's plan to send arms to our allies under the North Atlantic Pact and discussion of what our best military minds consider are the implications of such help on our national security.

In the cold war of today, Stalin strikes and we parry the blows. He attacks the sovereignty of Greece through his satellites and we counter with the Truman doctrine. He blockades Berlin and we assume a costly air lift. His fifth columns honeycomb Europe and we counter with the multi-billion-dollar Marshall plan. His Chinese Communists engulf China and we counter with a 1,054-page white paper saying it would have all happened no matter what we might have done. His pride and his power, the Red Army, faces west and we join an alliance with 10 western European nations, all small in area and most of them small in population. We also come up with a proposal to send one billion four hundred and fifty million in arms to these nations, although our military minds agree, as I told you yesterday, that we cannot stop the Soviet Army in Europe. Many good and intelligent people are insistent on the military-aid program. With General Marshall they say it would be dangerous not to send arms to our allies and that we must preserve the momentum we have gained. They also say that weakness invites attack. You are familiar with the arguments for the arms-assistance program. I want to give you military thinking on the fallacies and weaknesses of the program. None of this is mine. Every point comes from responsible military sources or Members of the United States Senate.

The first of these false concepts of supporters of the arms program, I am told, is that our European allies can or will fight an organized and sustained war. This is no reflection on the courage of our allies, but a realistic approach to stopping Soviet Russia. Military leaders know Russia could place 500 trained divisions in the field before allies could assemble 25. I hope you will permit me to amplify this subject in a later broadcast. A second fallacy, military men tell me, is that the quality of leadership and morale in Europe is better than it was in 1940 when our allies were battered by Nazi legions. Military men agree morale is worse. Still a third fallacy is that our military equipment will be maintained up to American standards by our allies if it is given to them. Military leaders tell me Europeans do not have the mechanical know-how to keep material at the American level of fighting perfection. It is only natural that they should feel there is more where the original material came from and prefer to get new arms to keeping up the old.

A fourth fallacy developed by Senators, is that the United States can afford to rearm Europe. Arming 10 nations is an expensive business and, again, I hope to detail this phase of the program in a later broadcast. A fifth fallacy, military men say, is that the war against Russia can be won solely on the ground; that allied forces on the ground can somehow defeat the Red air force and that air supremacy is not essential to ground victory. Military leaders tell me that the great lessons of World War II are that ground troops cannot survive unless they control the air above them and that air power can only be defeated by air power. A six major fallacy is that the arms program is being pushed on the premise that war with the Soviets is inevitable. Our military high command does not believe this to be true, for which we can give thanks. And we can also give thanks that they firmly believe we can win world war III when and if it comes. Military leaders feel there are grave risks in the arms-assistance program. They are concerned that our weapons might be used against us and that our weapons might be used to enslave colonials. And there is concern that we might denude our Army, Air Force, and Navy of needed weapons. Our top military minds recall that General MacArthur was required on orders from Washington to ship arms to Singapore from his meager store of supplies in the Philippines. These weapons fell into "ham" hands when 100,000 British at Singapore surrendered to 30,000 Japs, as you recall Winston Churchill reported in his memoirs. In the dark days when MacArthur was crying for help, millions upon millions of dollars of military supplies were being shipped to the Soviet Arctic port of Murmansk. Eight out of 10 ships were sunk by Nazi planes or subs. I can tell you tonight one of General MacArthur's first letters from Australia, after he was ordered to leave the Philippines by the President, said he would have been able to hold Bataan if he had not been abandoned. This letter has never been published. Military men recall we shipped millions of tons of TNT to Britain, stripping our stores to the last pound in 1940.

Brig. Gen. Bonner Fellers, now retired, solemnly warned Congress that the proposal to arm Europe is loaded with more explosive danger than Pearl Harbor. General Fellers served General MacArthur in the Pacific for 3 years. Fellers sounded his warning to the House Foreign Affairs Committee and may be called before the Senate Foreign Relations Committee. If he is, he told me this afternoon, he will say:

"The proposed military-assistance program places the State Department in the role of determining military strategy, in that it has invited our allies to requisition military equipment to hold their frontiers. Assistance to this program commits us to ground combat should war come. This situation parellels Pearl Harbor. It was a diplomatic rather than a naval decision that the fleet be stationed at Honolulu to deter Japanese aggression. Then the Hawaiian commanders were not advised an attack was imminent. The proposed administration program could lead to far greater humiliation than the Pearl Harbor debacle. The task of the Eighty-first Congress is to make sure that our allies understand precisely what help we intend and do not intend to give them. We cannot be placed where we can be accused of welching on the treaty. Clearly the administration has not found the formula for lasting peace. Its failure magnifies the responsibility of Congress."

(August 10, 1949)

By day and by night, top defense planners in the army, navy and air force are conducting a constant, searching analysis of the military capabilities of our allies under the North Atlantic Pact. As you know, these are Norway, Denmark, Holland, Belgium, Luxemburg, France, Britain, Italy, Portugal, and Iceland—every nation in western Europe with the single exception of Spain, which is in our diplomatic doghouse. Canada is a member. Germany was not allowed to be a member. Sweden, like her most famous actress, Greta Garbo, has decided she wants to be alone. No one blames Sweden in this decision because she is closer to Soviet Russia than any of her European neighbors. She has no will, with only three divisions, to fight the Soviet juggernaut of 500 trained divisions.

I have not found a single responsible military leader who believes that any of our allies has the will to fight an organized and sustained war today. Not a single responsible military mind believes the French would fight tomorrow. No one believes Britain would do more than protect itself against invasion by air. This is in no sense intended by our military to be disparaging of our allies. It is no reflection on their love of country or their bravery. It is simply a statement of the fact that the Soviet Army is too big and too powerful to be stopped at the Elbe or at the Rhine. We must not be too hasty to condemn our allies if they, too, take the realistic approach. At the top of our military command there are many who believe that it might be better for our allies to let the Reds swarm over their countries than to suffer the devastation that would follow resistance. One more sweep of ground forces across Europe might be the mortal blow for western civilization. Others in the high command feel that we and our allies should hold whatever can be held, at any cost. In this, our military are at loggerheads with the State Department over Spain.

The military would accept Spain as an ally. The mountain barrier of the Pyrenees is a formidable one. Spain has some 20 divisions of men. The Spaniards must fight because they are aware extermination faces them at Red hands. Our high command recalls that we accepted Soviet Russia as an ally against Hitler; they are willing to take Franco to check Stalin. The State Department and the White House say no and no it is. The White House and State Department also say no to suggestions within the defense establishment that consideration be given to arming Germany, under controls, as a check to the Soviets. Hitler almost defeated Russia. It is argued that the Germany, under allied control, might check Soviet aggression. The heaviest opposition to this proposal comes from France, which suffered three German invasions in 70 years. France does not want Germany ever to approach a threatening role again. It has been reported in Washington, that the true purpose of the 1,450,000,000-military-aid program is not to stop the Red Army. It is to arm France against the new Germany which will emerge on the withdrawal of occupation forces. As you know, Germany was thoroughly licked and stripped of industrial capacity. Under the Morgenthau plan, Germany was to be reduced to an agricultural nation, as an example to aggressors for all time. The example has not deterred the Soviets. The double-barreled policy of defeat and revenge in Germany is said by some to have retarded the recovery of Europe through creation of an economic and military vacuum in central Europe. Many military minds are convinced that there can be no containing the Soviets without considerable rebuilding of Germany. It would be paradoxical if we were to adopt a policy of building up an enemy to hold off a far more formidable potential enemy. Our military chiefs have just returned from a consultation with military leaders in Europe on their defense problems. General Bradley, Admiral Denfeld, and General Vandenberg, as you know, head our Army, Navy, and Air Forces. They reported to Congress today on what they learned on their flying visit to Europe.

Our leaders have given careful examination to the part played by our North Atlantic Allies in World War II, when the powerful Nazi war machine was loosed against them. For the most part they had no chance. It is the concensus that they would have even less chance against the Soviet hordes if in two brief campaigns. The Scandinavian campaign continued sporadically from April 9 to June 10, 1940, but in reality was over in 1 day. Denmark offered no resistance. The principal cities of Norway were all occupied on the first day of the campaign. The Nazis used no more than 25,000 men in this campaign. The Norwegian Army of 114,000 was never wholly mobilized. Only six divisions took the field. These were confused and unprepared. The second campaign against the western Allies was opened at dawn May 10, 1940, with simultaneous attacks on Holland, Belgium, and Luxemburg, and then against France. Luxemburg offered no resistance. It did not have a regular army and couldn't put a regiment in the field today.

The Germans used 150 divisions, about 2,000,000 men, in the campaign. The French had 2,700,000 men. The British had an expeditionary force of 350,000 men in France. The Dutch and Belgians had about 900,000 men. In 5 days Holland surrendered. In 19 days the Belgians gave up. On June 22, after 40 days, the French sued for peace. The British expeditionary force retreated to Dunkerque. In the dark hours of 5 nights, May 29 to June 2, a third of a million men were evacuated to England. This was considered a minor triumph at the time, but since the war it has been disclosed that Hitler called off Nazi air forces from Dunkerque and permitted the evacuation. He was interested in the capture of France and the coming battle of Britain. The British record on land in the war was an unhappy succession of calamities—Narvik, Dunkerque, Singapore, Greece, Crete, and north Africa. Not until they were joined by Americans in north Africa were the British able to halt and defeat the Nazis. For 2 years General Rommel, with only three German divisions and seven or eight Italian divisions, had shuttled back and forth across north Africa almost at will, using the Italian divisions as a screen similar to a football line and his German troops as a backfield to sweep the ends or dart through the line. The great British victory was the air battle over Britain. Canadian pilots played a major role in this victory. Polish squadrons also contributed. You remember, I am sure, Churchill's stirring tribute to the victorious airmen: "Never in the field of human conflict was so much owed by so many to so few."

Today, Britain is wisely concentrating on the building of an air force. The aim is to make the Royal Air Force what the Royal Navy was from the time of the defeat of the Spanish Armada in 1588 to the growth of the American Navy in our time. American military experts are aware that the British would use their air power to protect England in the event of war. In fact, our high command concurs in this decision because Britain would be an invaluable air base in the event of war with the Soviets. At the close of the war Britain had 12 divisions at the front. If she had this number of divisions today (and she does not have), they would be kept at home to fight off possible paratrooper attack. The Soviet Air Force today can drop 75,000 men from 5,000 transport planes. At the close of World War II, the French had 11 divisions at the front. Canada had 5 and the United States had 63 in Europe and 26 in the Pacific. Today France has seven divisions. The best of these are in colonial service in French Indochina and north Africa. Since the United States equipped these divisions, American arms are going to hold the French empire. Military leaders discount the Italian Army, such as it is. The Italians failed on both sides in the last war. Under Mussolini and with the Nazis they were not a success. Italian troops who joined in with American forces in the Italian campaign were not effective. The Portuguese Army is regarded as a doubtful quantity by our experts. Portugal did not fight in World War II and was only a nominal ally in World War I. The Dutch Army today is interested in holding together the Dutch Empire. The Belgians claim to have an army corps which would be three divisions. But, only one of these divisions is active. Each division has only one active brigade. The brigades are active with only one regiment, and each regiment is active with one company. The Belgian Army is a house that Jack built in reverse.

So, our military leaders do not expect too much of our allies. They are fully aware that our allies cannot stop the Soviets on the ground or in the air, anymore than you or I could stop an express train with a butterfly net. Military leaders have great doubts that, with all our resources and reserves, we could build up our allies to strength to stop the Soviets on the ground. Their answer is air and psychological warfare. Many top military observers believe that it would be wise not to oppose Soviet occupation of Europe. This would avoid destruction of the Continent. It would draw the Soviets from home bases. It would confront them with underground warfare. Most important of all it would open the eyes of the Red soldiers to a way of life, to freedom and foods, to dignity and comforts beyond their wildest stretch of imagination. How is Stalin going to keep them behind the iron curtain after they've seen Paree?

Military Assistance for North Atlantic Pact Countries

EXTENSION OF REMARKS
OF
HON. JOHN W. McCORMACK
OF MASSACHUSETTS
IN THE HOUSE OF REPRESENTATIVES
Monday, August 15, 1949

Mr. McCORMACK. Mr. Speaker, the passage of effective legislation to implement the North Atlantic Pact, to provide military assistance, and understanding, cooperation, and coordination between and among the signatory nations is a matter of vital concern to the world, present and future, as well as to all of the countries comprising the North Atlantic Pact. Such legislation and action on the part of the United States is in the national interest of our country.

Until world conditions change for the better, it might also well be said it is a part of our national defense as well as directly a part of the national defense of each one of the pact members nations.

The main purpose of the North Atlantic Pact, and of the pending military assistance bill, is to meet and stop aggression. While its purpose is purely defensive, its success will be mainly dependent upon the power of the pact nations being developed so that the Soviet Union and its dominated countries, the Soviet Union principally, will recognize the existence of such power and respect it.

While for defensive purposes we cannot overlook the historical meaning of the old saying or maxim "that the best defense is a good offense."

The affirmative policies and actions of our country through ECA, have already shown remarkable results. The conditions in western European countries against aggressive communism are many times better off than they were one and one-half years ago.

The North Atlantic Pact was born out of the pain, suffering and danger of the signatories thereto following a recognition of the world domination designs both ideologically and imperialistically of the Soviet Union and of world communism. The pact has strengthened the excellent work of ECA.

The military assistance bill passed in form substantially as recommended by President Truman will be of unestimable value in carrying out and completing successfully our forward-looking, affirmative foreign policy in Europe and in the Middle East.

Who is there who will say or take the position that if communism took over all of the countries on continental Europe and dominated them and their people, as they would, in a vicious, inhuman manner, that such domination of continental Europe would not be harmful to the national interest of our country and therefore, adverse to the best interest of each individual loyal American?

Of course, these activities cost money, but they are for our own best interests.

Assuming we had done nothing or we cease our active interest in the immediate future, and as a result country after country is taken over in Europe by

the Communists, thereby becoming a probable satellite of the Kremlin, what do you think it might cost us later on?

Another old saying, "An ounce of prevention is worth a pound of cure" might well apply to the present situation.

President Truman has recommended effective military assistance be extended to certain European nations.

Secretary of State Dean Acheson strongly supports this recommendation. Secretary of our Military Establishments, Louis Johnson, also strongly supports this recommendation.

General Bradley and the other members of the Joint Staff strongly recommend the passage of effective legislation. They have all testified, giving strong and powerful reasons in our own best interests why this should be done.

I submit that if any Member of the Congress has a doubt in his or her mind, that the doubt should be resolved on the side of strength of the free nations still existing in Europe and in the Western Hemisphere, and not on the side of weakness.

This is the time when we should vote for greater strength and power. We cannot afford to take a chance.

For we must remember that while the Congress can appropriate, or fail, in whole or in part, to appropriate, that the Congress cannot appropriate time.

I heard a great American, one of the greatest military leaders of all time, recently make that statement.

It made a deep and lasting impression upon me.

There are some Members who do not believe any appropriations should be made for military assistance to the pact members.

I hope they will realize the significance of the world conditions of today, and appreciate the broader issue and struggle involved; that our way of life—all of it—means and stands for to you and this generation, and also to countless generations to come, is probably at stake; that there is a definite and planned challenge directed at us and our civilization, and that we cannot let that challenge to our future and the future of other free nations, and of people who want to be free, to win.

There are other Members who favor such legislation, but who feel that we should only authorize and appropriate enough money now to go until next March, and between next January and next March Congress will be able to survey the results and the picture at that time.

To such of my colleagues, I call attention to the danger of time. Congress cannot appropriate time.

This program is different than the original ERA, when we could take a chance.

The building up of military forces is a continuous problem and matter. We must govern our thoughts by foresight, not hindsight. As I see it, we cannot afford to take a chance.

We should pass legislation that will enable the giving of effective military assistance for the fiscal year, rather than taking a chance and break it up into two parts.

Secretary Dean Acheson, Secretary Louis Johnson, our famed military, naval, and air leaders, those charged with the responsibility of leading our country in the event of another war, have all strongly urged a continuous plan rather than one broken up into two parts.

This is the time for a manifestation of strength, not even partial weakness.

It, in my opinion, will be a great paying investment to the United States, in American lives as well as dollars, if we act immediately and effectively in carrying out the military assistance program now under consideration.

As I see it time is on our side for the time being, but not for too long.

This is the time to act with determination.

The only force the Soviet Union respects is power.

I agree it is unfortunate we must think in such terms, and along such lines, but it is necessary.

We are living in one of the most dangerous periods of the world's known history. We must think and act realistically in the national interest of our own country.

The national interest of our country calls for effective action now.

We cannot afford to wait too long, and take a chance. There is too much at stake.

The effective way for the pact, as stated in an editorial appearing in the New York Times, July 22, to "really to fulfill its purposes and become the great deterrent to aggression which it is, designed to be, the treaty will have to become more than a diplomatic paper instrument," and further "It will have to become a living and functioning reality, ready and able not only to repel aggression, if that dire necessity arises, but to prevent aggression by making the alliance so strong, militarily, politically, and economically that not even the most reckless power will dare to attack it."

It is through the passage of effective military assistance legislation, followed by necessary appropriations, that this will be done.

Minimum-Wage Bill

EXTENSION OF REMARKS
OF
HON. HENDERSON LANHAM
OF GEORGIA
IN THE HOUSE OF REPRESENTATIVES
Monday, August 15, 1949

Mr. LANHAM. Mr. Speaker, during debate on the Lucas bill, H. R. 5894, under the 5-minute rule, when I offered an amendment that section 13A–4 should be stricken out of the Lucas bill, I stated that the section as written was an invitation to return to sweatshop conditions; because it would permit the J. C. Penney Co. or any other chain store to manufacture goods without paying a minimum wage.

In my colloquy with Mr. LUCAS, I also used the name of Schwob Clothing Co.

As the Chair will recall, at the time this amendment was offered, debate had been limited and each speaker was allotted something less than 2 minutes. It was therefore not possible to make very clear my allusion to the J. C. Penney Co. and the Schwob Clothing Co.

It should be obvious to all that I was simply using these two names as illustrative of what could happen and without meaning in the slightest to suggest that either of these companies would take advantage of the invitation to manufacture their goods under sweatshop conditions.

Both of these organizations have honorable merchandising records and so far as I know have never manufactured their goods under sweatshop conditions. I had no idea at all when I used their names that any such inference would be drawn. I was using them as illustrations only.

I do this to make it clear that I did not intend in any manner to say anything uncomplimentary about either of these large business organizations.

Housing Shortage

EXTENSION OF REMARKS
OF
HON. CHARLES E. POTTER
OF MICHIGAN
IN THE HOUSE OF REPRESENTATIVES
Monday, August 15, 1949

Mr. POTTER. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following newspaper editorial:

COMMENT—AND NO COMMENT

At one time or another the President has had a great deal to say about the housing shortage and about those whom he blames for the inability of veterans and others to get homes at prices they can afford to pay.

On January 7, 1948, Mr. Truman appealed to Congress for action in behalf of the "millions of our youth who live in city slums and country shacks." He demanded that every American family have a decent home within 10 years. Some 8 months later, on September 20, he was blaming the Republicans and the "real estate lobby" for the housing shortage. He said that the lobby controlled the Republicans and that the latter wanted to leave housing under the control of "profiteering big business."

That was rather vigorous comment on Mr. Truman's part.

Between the two dates, however, something else was happening.

On January 9, 1948, 2 days after the President's appeal to Congress, his military aide, Major General Vaughan, was busy in behalf of friends interested in California's Tanforan race track. Some time previously construction work at the track had been stopped after veterans and others protested that the building materials were needed for housing. But on January 9 General Vaughan got in touch with Tighe E. Woods, the President's Housing Expediter, and told him that he wanted "fair treatment" for his friends. Three days later, less than a week after the President's address to Congress, General Vaughan called Mr. Woods to the White House and asked him to "please hurry" action on the race track matter. The next day Mr. Woods issued the long-denied permit to rebuild the track.

On Thursday of this week Mr. Truman was asked what he thought of this business. He replied with emphasis that he had no com-

ment. And he went on to say that nothing which has been brought out in the investigation of General Vaughan's activities had changed his opinion of his aide.

If that was a considered statement on the President's part it is the more disturbing. For if his opinion of General Vaughan, presumably a very favorable opinion, has not been changed by these disclosures, then the President evidently approves of what General Vaughan has been doing. And if the President approves, there is no reason to expect anything better from General Vaughan. This may strike the President as being a situation which does not call for comment. But most people will feel otherwise, and will regret that he has not spoken out against the activities of his aide with a vigor at least equal to that which he employs when denouncing the Republicans and the real-estate lobbyists.

Survey of Last Election

EXTENSION OF REMARKS

OF

HON. WAYNE N. ASPINALL

OF COLORADO

IN THE HOUSE OF REPRESENTATIVES

Monday, August 15, 1949

Mr. ASPINALL. Mr. Speaker, the matter of making surveys of public opinion is a very difficult and highly specialized undertaking. Many of us recall the misleading and unsuccessful program of the Literary Digest of many years ago. More recently, the pollsters misled the people of our country in their attempts to forecast and, perhaps, influence the last general election.

It is admitted, of course, that such programs are of no real worth to our Nation and may become very dangerous in our exercise of the right of franchise. I, personally, am of the opinion that the only value that any preelection voting poll may have is to fill up newspaper space and cause the spread of news items which are more spectacular than they are trustworthy.

Since the fiasco of the pollsters of last preelection days, many surveys have been made to determine how and why people voted as they did—most of which surveys were made for the purpose of finding out why the pollsters went wrong. It is refreshing to find a survey of the last general election which has for its purpose the scientific determination of who went to the polls and who failed to discharge their duties as American citizens. Such a survey has recently been conducted by the University of Michigan and a release of its results were published this last month in one of the papers of my State—Colorado. Believing that Members of Congress and, perhaps, others who did not see the original release may be interested in the findings of the survey, I am pleased to have the article printed under my name in the RECORD:

A DIFFERENT BUT INTERESTING SURVEY ON LAST ELECTION

The survey research center of the University of Michigan has come up with some interesting figures on the 1948 election that will be of value to those who try to analyze political trends.

The center, in a test sampling, reports that it found that 56 percent of labor union members voted for President Truman, 11 percent for Governor Dewey, and 5 percent for Wallace, while 28 percent failed to go to the polls. Nonunion workers on the same jobs gave 37 percent of their votes to Truman, 17 percent to Dewey, and 4 percent for Wallace, while 42 percent stayed home.

THE PARTY DIVIDING LINE

The $3,000 to $4,000 a year income group marked the dividing line between Republicans and Democrats. Within that income range voters were split just about 50–50 between the two parties. Below $3,000 a year a majority of voters were Democratic, while above $4,000 a year a majority were Republican.

MORE OLDER PEOPLE VOTE THAN YOUNG

More voters under 45 years of age are Democrats while above that age a majority are Republicans. However, the older groups returned a higher percentage of ballots. In the 45–54 age group only 25 percent failed to go to the polls. In the 21–34 age group, by contrast, 44 percent did not cast a ballot. In the 35–44 group the percentage of nonvoters was exactly one-third. In the group above 65 nonvoting was higher again, reaching 41 percent. However, that still means that more of the oldsters, infirmities of age notwithstanding, went down to cast their ballots than did those in their twenties or early thirties.

LABOR GROUPS VOTE

The evidence suggests clearly that labor unions were effective in getting out more of their members to vote and getting a large number to support Truman than among nonunion workers in the same classification.

REPUBLICANS DID NOT PERSUADE ENOUGH PEOPLE TO VOTE THEIR TICKET

A number of Republicans are blaming their stay-at-home vote for Dewey's defeat. It is true that more voters, proportionately, stayed home in 1948 than in other recent elections, but it is interesting to note that among men in the white-collar ($5,000 income) 45 to 54 years of age, 90 percent cast ballots in 1948 according to the Michigan survey. That is just about as high a percentage as could be obtained. However, among their wives nearly 40 percent stayed home.

Although the survey figures are not quite complete, they suggest that the business and professional men who constitute the bedrock of Republican strength did go out and vote in 1948 in very high numbers. They did much better than the labor unions who got only 56 percent of their numbers out to cast a ballot for Truman.

But they didn't persuade enough other people to go with them.

CVA Issues Reviewed By Northwest Writer

EXTENSION OF REMARKS

OF

HON. HUGH B. MITCHELL

OF WASHINGTON

IN THE HOUSE OF REPRESENTATIVES

Monday, August 15, 1949

Mr. MITCHELL. Mr. Speaker, the Seattle Post-Intelligencer has published a series of four articles on CVA, written by Mr. Stub Nelson of the newspaper's staff. These articles discuss issues involved in pending CVA legislation and I believe they will be of interest to the Members.

CVA—IS IT MENACE OR BLESSING?—SERIES TO INFORM JOHN Q. PUBLIC

(Columbia Valley Administration—menace or blessing? Because of its vital effect on the economy of the State of Washington and the Pacific Northwest, the Post-Intelligencer believes its readers should be fully informed of the provisions of the proposed Federal legislation creating an Administration or Authority for the development of the Columbia River Basin. Stub Nelson, Post-Intelligencer staff writer, was assigned to write a series of objective articles on CVA of which the first is presented herewith.)

(By Stub Nelson)

Establishment of a Columbia Valley Administration would affect all of Washington, nearly all of Oregon and Idaho, the western part of Montana, and small portions of Wyoming, Utah, and Nevada.

Also, the proposal in its present form makes it mandatory that the United States Government cooperate with Canada so that the development of the entire Columbia River watershed in both countries may be synchronized.

It is the most important single piece of legislation in Pacific Northwest history.

After many years in the discussion stage, the proposal finally is headed for a showdown decision. The very serious problem of considering its merit soon must be realistically faced.

ACTION LATER

While CVA hearings are under way currently, no action is expected during the present congressional session.

But it should hit the Senate and House floors after the present Congress reconvenes next January—and it will be a big issue in the 1950 elections.

Democrats will support President Truman's proposal. Republicans—although they, too, favor full-scale Western development—will not accept the CVA merchandise as it is presently packaged.

Statements and resolutions by various organizations and individuals—some for, some against—appear almost daily in the press. Seldom has a plan had more ardent support or violent opposition.

Under the barrage of conflicting presentations, it is only natural that Mr. John Q. Public should be confused.

WHAT IS IT?

What is this thing, he asks—a menace or a blessing?

The bill's sponsors praise it as a vehicle which provides for the coordination by a single agency of the resources-development activities now handled by many Federal agencies operating in the Columbia Valley region.

Proponents say the present divided authority threatens western progress.

On the other hand, opponents blast it as "socialistic and autocratic." It would, they contend, place just about everything in the State under the control of an all-powerful three-man Federal board—and thus encroach on individuals' and States' rights.

The opposition favors continuation of the Columbia River development program by existing Federal agencies—chiefly, the Interior Department's Bureau of Reclamation, the Corps of Army Engineers, and the Bonneville Power Administration.

LONG HISTORY

First, let us delve a bit into CVA history. Party and even intraparty politics constantly have cropped up. There has been talk of a CVA since the birth of the Tennessee Valley Authority.

Spasmodic pushes kept the ball rolling until Hugh B. Mitchell, Democrat, took his place in the Upper Chamber early in 1945 as Washington's junior Senator.

Mitchell's first policy statement after being appointed to the Senate by former Gov.

Mon C. Wallgren was a promise that he would make establishment of a Columbia Valley Authority one of his prime objectives.

In those days it was called an authority, not an administration. Supporters readily agreed to a word change, conceding that "authority" sounded too autocratic.

True to his pledge, MITCHELL promptly introduced a CVA bill in the Seventy-ninth Congress. But it floundered when his own party's majority gave him little assistance.

MITCHELL, with so many Democrats, was snowed under in the GOP landslide in 1946. The measure remained practically dead in the Republican-controlled Eightieth Congress, with Senator GLEN TAYLOR, of Idaho, recalcitrant Democrat who turned Progressive, its lone loud adherent. Naturally, TAYLOR had little power.

The pendulum swung back to the Democratic side in the 1948 elections, and MITCHELL went back to Washington, D. C., as a House Member.

MITCHELL was still CVA-minded on his return to "Capitol Hill," notwithstanding the fact that he represented only the first (Seattle-Kitsap County) district, somewhat removed from the Columbia Valley country.

Quickly, intraparty maneuvers developed on the Democratic side. MITCHELL frankly realized that a partial revision of his 1945 bill was needed.

But before the Seattle Congressman could swing into action, Representative HENRY JACKSON, Everett, of the Second (northwest Washington) District tossed MITCHELL'S old measure back into the congressional hopper.

POLITICAL ANGLES

MITCHELL didn't like this move, particularly in view of JACKSON'S failure to push the CVA cause in the Eightieth Congress when MITCHELL was outside.

JACKSON and MITCHELL both are looking ahead to the 1952 Senate race. Both would dearly love to knock out Republican Senator HARRY P. CAIN. CVA is a State-wide issue, so both want to be in front seats on the CVA bandwagon.

In the interest of party harmony, MITCHELL forgot that JACKSON had jumped the gun and on April 14 of this year, the two Democratic Congressmen collaborated in sponsoring a CVA bill fashioned along the lines of President Truman's proposal—which had been outlined the day previous in his message to Congress.

Further political plays quickly followed. The very next week, Senator CAIN made a surprise introduction of the administration CVA bill in the upper Chamber. This, despite the fact is was common knowledge that Democratic Senator WARREN G. MAGNUSON was ready to offer the legislation.

CAIN DOUBTS

Somewhat miffed, MAGNUSON, in conjunction with a flock of Democratic colleagues, dropped the same bill into the Senate hopper a day later.

CAIN emphasized his doubt about the bill, but said it was worthy of consideration and thorough study because of its aspects.

This undoubtedly will be Republican strategy throughout the CVA battle. Washington is the most vitally affected of all States embraced in the far-reaching proposal and no Senator from this State, Republican or Democratic, can afford to be anti in any western development program. It must be remembered that Republican Congressmen HAL HOLMES and WALT HORAN hail from the heart of the CVA country.

If Republicans shoot at the President's proposal, they must have an alternative ready.

HUGE POWERS, RESPONSIBILITIES GIVEN TO CVA OVER NORTHWEST AREA IN PROPOSED SET-UP

(By Stub Nelson)

Achievement of unified water control and resource development "on the Columbia River, its tributaries and surrounding lands" is the prime objective of the Columbia Valley Administration.

In seven Pacific Northwest States, the proposed single administration designed to take over the function of numerous existing Federal agencies would have broad powers and duties, many of them only remotely related to water resources.

The Columbia Valley region specified in the act includes all of Washington, all of Oregon except the Klamath River and Goose Lake basins in the southern section of that State, nearly all of Idaho, the western part of Montana and smaller parts of Nevada, Utah, and Wyoming.

In short, it covers all Columbia River watershed areas within the United States boundaries.

ALL-IMPORTANT

The two words "surrounding lands" are all-important—because they would place hundreds of thousands living a considerable distance from the Columbia River under CVA jurisdiction.

A declaration of policy in the bill makes it clear the CVA would function throughout the vast area.

In is stated that the "relevant powers and activities of the Federal Government in the Columbia Valley region shall be so organized, directed and administered so as to assist to the greatest possible extent in achieving the full and unified conservation, development, use of water, land, forest, mineral, fish and wildlife, and other natural resources of the region."

Easily the most far-reaching single piece of legislation ever proposed for the Northwest, the act further specifies the administration would be "for the purpose of fostering and protecting commerce among the several states, strengthening the national defense, developing the lands and preserving the property of the United States and promoting the general welfare."

VITAL CENTER

With the CVA sphere of activity planned to extend to its every county, Washington would be the most vitally affected area of all States embraced in the proposal.

Citing specific tasks, the CVA would be authorized in this State to construct, operate, and maintain projects for:

1. The generation, transmission, and disposition of electric energy.
2. The promotion of navigation (except for channel and harbor improvement work in tidal waters tributary to the Pacific Ocean).
3. The control and prevention of floods.
4. The conservation and reclamation of land and land resources.
5. The conservation of forest resources.
6. The conservation of mineral resources.
7. The conservation of fish resources.
8. The conservation of wildlife resources.
9. The development and conservation of recreational resources.
10. The promotion of sanitation and pollution control.

ON PROGRAMS

The CVA also would be authorized to prepare programs for:

1. The most efficient conservation and sustained-yield management to assure: (a) the protection of watersheds; (b) the permanent and increasing usefulness of cultivated lands, grazing lands, and forests; (c) the occupancy and use of flood plains in the region to minimize damage by floods.
2. The conservation and use of the waters of the region in such manner as to reconcile and harmonize the requirements for various purposes, including agriculture and public health.
3. The development and improvement of cultivated, grazing, and forest land by irrigation, drainage, clearing, reforestation, reseeding, or otherwise.
4. The conservation, management, and rehabilitation of birds, fish, and other wildlife through the development, protection, and management of such wildlife and their habitat, and the control of losses from diseases or other causes.
5. Fostering the use of the mineral, forest, land, water, fish, and other resources of the region to assure a balanced and stable economic development.

THREE-MEMBER BOARD

The CVA would be managed by a three-member board, with the salary of each $17,500 a year. Two of the three directors would have to be bona fide residents of the region at the time of their appointment by the President and confirmation by the Senate. Terms would be staggered—for 2, 4, and 6 years. The board would, in turn, name a chief executive director.

The board would be authorized to employ and fix the compensation of all employees without regard to civil-service rules and regulations, but in keeping with provisions of the Veterans' Preference Act of 1944.

It is provided that employees would have rights with respect to security of tenure "comparable to those provided by the civil-service laws and shall be protected to substantially the same extent as persons subject to such laws." But it also is provided that "any employee of the Administration may be removed at the discretion of the board."

The board would be required to submit to the President, for transmission to the Congress, a report covering the activities of the Administration during the preceding fiscal year.

The proposal calls for the transfer to the CVA of the work now carried on by the Department of Interior's Bureau of Reclamation, the Corps of Army Engineers, and the Bonneville Power Administration.

At the present time, dams and appurtenant structures on the Columbia are constructed by the Corps of Engineers or the Bureau of Reclamation. Congress decides, on the basis of studies and reports by these two agencies, what structures shall be built and which agency shall build them.

The Bureau of Reclamation currently builds and operates all irrigation and reclamation projects.

The Bonneville Power Administration markets the electric energy generated by projects built and operated by the other two agencies.

CONTRACT CLAUSE

A CVA fund would be established in the United States Treasury if the proposal is enacted into law. The Secretary of the Treasury would be required to make advances to the CVA fund in such amounts as the administration may deem necessary to meet construction and operating costs, such advances to be repaid over a reasonable period of years.

CVA would not have to turn over all its receipts to the fund in the Treasury—but only the balance after paying costs incurred in connection with such projects and activities for which advances are authorized.

Indication of the broad powers it is planned to grant the Administration is reflected in the bill's section which states it "shall carry out its construction work by contract so far as it is practicable."

This is followed, however, by a proviso which reads:

"That nothing herein shall be construed to prevent the Administration from undertaking construction work directly in case of emergency or unusual circumstance, in cases where no reasonable bids are received from contractors, or where necessary to provide steady employment for maintenance crews."

There are provisions covering relationships with State and local governments and other organizations and persons.

CVA is directed to seek the advice, assistance, and cooperation of local agencies and

to rely upon it "to the fullest practicable extent."

At the same time, the agency is directed to coordinate its activities "with national policies and programs. This could be interpreted to mean that where the views of local agencies are, in the opinion of CVA officials, impracticable of adoption or contrary to national policies, such views are to be disregarded.

A thorough study of the bill leaves little doubt that it is a proposal to create a government corporation following, in a general way, the Tennessee Valley Authority pattern. The chief variations are provisions which tailor it to the needs of the Pacific Northwest—where so many conditions are unlike those existing in the deep South.

CVA BACKERS SAY IT WOULD SPREAD PROJECTS—CROSS PURPOSES OF CONFLICTING AGENCIES NOW EXISTING, TO BE ENDED

(By Stub Nelson)

Charging that a multiplicity of bureaus is a breeding ground for conflict, Columbia Valley Administration adherents claim there now are some 30 Federal agencies working at cross purposes on various phases of the great river's development.

Each agency, the backers of a single over-all controlling administration contend, labors in the vacuum of its own limited authority, with little regard for what the others may be doing on closely related problems.

CVA will mean, they argue, that economic decisions regarding Pacific Northwest development will be made here—not in faraway Washington, D. C.—by men (a three-man board of directors) whose sole responsibility will be the protection and development of the area's resources.

Bickering over projects, jealousies over authority, duplication and delays in planning will be eliminated, CVA supporters predict, with faster development certain to result under single and unified administration.

BEHIND SCHEDULE

Describing the present Federal Government program as piece-meal and uncoordinated, CVA champions argue that the proposed construction schedule of the Columbia Valley region dams is years behind schedule.

Interagency confusion is cited as the prime cause of what they term is the snail-like progress on McNary Dam, linking Washington and Oregon on the Columbia below Pasco. It is the CVA group's claim that construction on the dam already is 2 years behind the goal originally set for its power production.

Chief Joseph Dam, to be built on the Columbia in north centra Washington, and Ice Harbor Dam on the Snake River in eastern Washington are among other lagging projects, assert CVA sponsors.

In view of the Pacific Northwest's present power shortage, these construction delays are held to be appalling—"because the Columbia and its tributaries have 42 percent of the Nation's hydroelectric energy potential, only one-eighth of which is developed."

FLOOD USE CITED

"For years a dam has been needed at Hell's Canyon," the League for CVA reports. "Had it been built by 1948, it unquestionably would have held back a major portion of last year's Columbia River floodwaters and provided many kilowatts.

"Yet the project has been stalled by a bitter struggle between the Bureau of Reclamation and the Army engineers to see which agency would build the dam. Each drew up separate dam-site plans. Each survey cost $250,000—a needless waste of money."

The fact that 22 dams have been built on the Tennessee River under the Tennessee Valley Authority is telling proof, the CVA people declare, that "things really are accomplished under the single-agency plan."

The CVA proposes a Government corporation, similar in its general pattern to TVA.

It is the sponsors' contention, however, that the CVA is not as all-embracing as the TVA and that the CVA is tailored specifically to suit the particular situation in the Columbia Valley region, which differs in many respects from the Tennessee Valley.

COORDINATION

Answering charges that CVA would create an all-powerful socialistic superstate dominating the economy of the entire region, its advocates stoutly insist that it merely provides for coordination by a single agency of the resources development activities now undertaken by many bureaus.

"The CVA legislation definitely does not add any functions not now authorized by Congress and not now exercised by Federal agencies," says Congressman HUGH B. MITCHELL, Democrat, of Washington, whose name is on the bill to carry out President Truman's CVA proposal. "It is a reorganization act."

The CVA will not take over "lock, stock, and barrel" all the resources functions of the present agencies, MITCHELL continues.

Conceding that it calls for the transfer to CVA control of the Reclamation Bureau, the Army Corps of Engineers, and the Bonneville Power Administration, MITCHELL asserts it will cooperate with, rather than usurp the duties of the Forest, Soil Conservation, the national parks, Fish and Wildlife Services and the Bureau of Mines.

ON LOCAL RIGHTS

On the violently-argued question that the CVA would wash out State and local rights, MITCHELL asserts:

"The bill specifically directs the administration to arrange for consultation and interchange of views with appropriate representatives of State and local government units, agriculture, labor, and business interests, as well as the general public.

"Establishment of advisory councils is mandatory. These councils may make their own reports on the operation of the CVA, which must be included in the annual reports of the administration to the Congress and the President."

Rightfully, Mr. John Q. Public has expressed grave concern over the loss of revenues which would result if CVA is enacted into law and starts a wholesale acquisition of property—something it would have the power to do.

Assurance is given by its sponsor that the bill provides for payments in lieu of taxes and that other payments may be made to State or local governments to defray expenses of any special requirements for services resulting from the administration's activities.

RIGHTS PROTECTED

Existing water rights would be protected, it is further stated, and future rights would be acquired in accordance with the provisions of State laws and the Reclamation Act of 1902.

Missing no bets in their advocacy of CVA, its boosters warn of what happened in the past and what may transpire in the future. They emphasize the vividly remembered Columbia River floods of last year and the possibility of another depression.

In 1948 the rampaging Columbia and its tributaries created unparalleled havoc taking at least 50 lives and destroying thousands of homes, farms, and orchards. Losses amounted to many millions of dollars.

Most spectacular river tragedy was the complete destruction of war-born Vanport, Oreg.

Such a flood could surge again, and CVA adherents assert the various Federal agencies—working separately and unable to proceed on an over-all program—have made little headway on flood control since the high waters of 1948 receded. The solution, they add, can be found only under the administration of a single agency with broad powers.

ON DEPRESSION

The seasonal character of most Pacific Northwest industries—lumber, canning, and fishing—would make this region particularly vulnerable if depression once again rears its ugly head, it is argued.

Quickly and urgently needed, the CVA people continue, is additional hydroelectric energy to serve year-round manufacturing industries desirous of locating here. Otherwise, they warn, progress will stop and breadlines will move.

CVA supporters concede a considerable amount of discretion would be vested in the three-member board of directors and that there is no money-back guaranty that any human institution will operate exactly as anticipated.

But they believe CVA would begin operations under carefully drawn legislation spelling out its powers and limitations, and that the history of TVA, a similar Government corporation, points toward success.

CVA FOES CHARGE IT WOULD CREATE THIRD GOVERNMENT BESIDES STATE, UNITED STATES

(By Stub Nelson)

Unhobbled bureaucratic powers clearly written into Columbia Valley Administration legislation would give its directors free rein to build a political machine of almost limitless scope, opponents of the proposed Federal unifying agency claim.

Once it gets rolling, the antis predict, the single coordinating authority could, in addition to establishing a planned state and economy for the entire Pacific Northwest, open the door for a regional WPA with fewer shackles than the great New Deal national experiment of the 1930 depression days.

Here is one of the bill's provisions alarming many people:

"The administration shall carry out its construction work by contract so far as practicable: Providing, that nothing herein shall be construed to prevent the administration from undertaking construction work directly in case of emergency or unusual circumstance, in cases where no reasonable bids are received from contractors, or where necessary to provide steady employment for maintenance crews."

LITTLE WPA

There, in plain English, opponents assert, would be the authority for a "little WPA."

CVA adherents seldom refer to that proviso in boosting their proposal. They do, however, picture CVA as a bulwark against future unemployment.

Quoting directly from the bill's language, CVA opponents express the conviction that it would not be restricted to developing the Columbia Valley region, nor to a mere reorganization of existing Federal agencies operating in the area.

It is their contention that the broad CVA proposal empowers an extension of its authority to unrelated economic, industrial, social, and cultural activities—not only adjacent to the river basin, but to all of Washington State and a large part of the entire Pacific Northwest.

Fears are voiced—and understandingly so because of many general provisions in the bill—that CVA would be insulated alike from the direct controls of Congress and the people.

LINES DRAWN

Throughout the Northwest, party lines are clearly drawn in the raging CVA arguments. Opposing Democratic standard bearers who are pitching strongly for the single agency plan, are Republican leaders, with Gov. Arthur B. Langlie out in front.

At recent congressional hearings, Governor Langlie was joined by GOP chief executives

of adjoining States, Gov. Douglas McKay, Oregon, and Gov. C. A. Robins, Idaho, in spearheading opposition to CVA.

"In substance and essence, the (CVA) proposal is for a violent and unprecedented departure from the dual Federal-State form of government contemplated by the Constitution, and treasured by the people," declared Langlie.

The CVA, Langlie asserts, would impose a dangerous third form of government on the people.

A glaringly untenable position of the CVA champions, opponents insist, is their present cry that many, existing Federal bureaus operating in the Columbia River sphere, have been unable to do the development job, and that a unifying agency suddenly is the only solution.

GET GREEN LIGHT

These many bureaus, constantly encouraged and expanded, have been given the green light for 16 long years, opponents point out, by a friendly Democratic administration—encouragement which has been topped with frequent praise, they add.

Under CVA, functions now performed by three important development units—the Reclamation Bureau, the Army Corps of Engineers, and the Bonneville Power Administration—would be transferred to CVA.

"Why is it necessary to change this general arrangement?" asks Langlie. "We have heard some vague generalities that the present setup is cumbersome and inefficient; that functions of one agency overlap and duplicate the other. But we have never seen a bill of particulars, a detailed specification, of these alleged defects.

"We know the present agencies performed magnificently during the stress of war. Why is it necessary to junk an arrangement which has worked so well, and launch out on this new experiment?

"On the other hand, if there is some need of unifying Federal functions pertaining to the Columbia, why it is not sufficient to spell out, in precise terms, functions and responsibilities of each such Federal agency—and stop there?"

NOT NECESSARY

Carrying the unification discussion further, opponents assert that if an authority is necessary to coordinate agencies working on Columbia River development, legislation might as well be passed to combine the Departments of Agriculture and Interior, and even others.

The logical solution, they argue, would be firm congressional insistence on cooperation, something that body can demand, because it doles out funds.

"All of us favor full development and utilization of our natural resources," says Langlie. "Perhaps in the past the State governments have not taken the leadership in these matters which is theirs as a matter of right and duty.

"If so, it is up to us to provide effective, intelligent, constructive leadership now, so that these functions of government will not, like so many others have in the past, pass by default into the ever-ready grasp of Federal bureaucracy."

Grave concern frequently is expressed over the potential danger of permitting such broad leeway as the proposed CVA bill's general provisions seemingly grant.

MANY WONDER

Many people who are not violently partisan in the CVA debate, wonder if it isn't an experimental hybrid which easily could grow into something its sponsors do not envision.

These on-the-fencers are asking whether it would be an agency:

1. With Federal powers, but without customary Federal controls.

2. With the flexibility and freedom of private business, but without the restrictions which Government and competition place on business.

3. With almost carté blanché authority, but subject only to the most general specifications of the act.

4. With discretionary powers to take or leave the recommendations and views of elected State and local government officials, and deal directly with individuals and organizations of its own choosing.

A casual reading of the bill leaves little doubt that such industries as farming, cattle raising, forestry, mining, and fishing could be affected by CVA planning. Even recreation, pretty far removed from Columbia River problems, would be touched by CVA jurisdiction.

Fundamental functions of State government also would be subject to CVA programing, the bill indicates.

LANGLIE ASKS

Explaining that he is propounding searching inquiries as to what CVA would or would not do, in the hope that the general public will become increasingly conscious of the all-important issue, Governor Langlie also asks:

"What would be left of State and local government when such an agency gets into full swing? Is it not plain that the great State of Washington would revert to almost territorial status, with all important government functions supervised by Federal officials?

"What would we do with the State departments of agriculture, conservation and development, fisheries, game, and health when CVA gets rolling? What State function would be next on the list—would it be our department of highways or our department of education?"

Among other doubts about the proposal voiced by CVA opponents are:

1. Whether vested water rights would be fully protected.

2. Whether CVA powers are so limited and circumscribed that the agency would keep its hands off the local electric-distributing systems, public and private.

The door is open, the opposition insists, to permit CVA to dictate, through threat and propaganda, when and where public power would replace private power, a decision, they add, which obviously ought to rest with the people in the affected area, without Federal interference.

Pros and cons of the controversial CVA issue—a proposal almost breath-taking in scope—are well worth the serious study of Mr. John Q. Public throughout the Northwest. And everywhere, for that matter.

After all, it should be remembered there are rumblings about proposals to divide the Nation into 16 regions along a CVA pattern.

J. Wilmer Morris

EXTENSION OF REMARKS

OF

HON. GEORGE P. MILLER

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Monday, August 15, 1949

Mr. MILLER of California. Mr. Speaker, few men go through life without being tainted with selfishness. It renews one's faith in people to come in contact with the all too infrequent man who enjoys that reputation. Such a man is J. Wilmer Morris of Washington.

Mr. Morris has won success in business, but he has been more successful in the field of human relations and in winning friends. Bill Morris has a heart as big as himself. He is always doing nice things for people and people to Bill exist without rank or distinction as to class. Bill never wants to be repaid for his kindnesses directly or indirectly. His is a full life.

During the war Bill entertained, at his own expense, wounded and disabled men at his pleasant retreat in Mayo. He brought these boys down in busloads to give them a day of relaxation and let them enjoy his wonderful hospitality.

Last Friday a group of Bill's friends from the Hill helped him celebrate his birthday at an informal dinner in the Speaker's dining room. This is the first time, as far as I know, that a non-Member of Congress has been entertained as the guest of honor in that dining room.

Under leave to extend my remarks, I wish to insert at this point the following clipping from the Washington Post under date of Saturday, August 13, 1949:

HOUSE DISTRICT OF COLUMBIA UNIT TURNS TABLES, FETES MORRIS AT LUNCHEON

House District Committee members yesterday played host at a Capital luncheon to J. Wilmer Morris, Washington seafood broker.

The lunch was planned to celebrate Morris' sixty-second birthday and to reverse the more frequent roles in which Morris is host and members of the District Committee are his luncheon guests.

Yesterday's celebration was arranged by William N. McLeod, Jr., clerk of the House District Committee.

McLeod explained that Morris frequently plays host to District Committee members and others at luncheons aboard his boat, the *Canvasback*, anchored off Maine Avenue SW.

With McLeod and Morris at the luncheon in the Speaker's Dining Room at the Capitol were three Senators: Styles Bridges, Republican, of New Hampshire; Guy Cordon, Republican, of Oregon; and Kenneth Wherry, Republican, of Nebraska.

House District Committee members who attended included Chairman John L. McMillan, Democrat, of South Carolina; Thomas G. Abernethy, Democrat, of Mississippi; Oren Harris, Democrat, of Arkansas; Olin E. Teague, Democrat, of Texas; George P. Miller, Democrat, of California; Paul C. Jones, Democrat, of Missouri; George J. Bates, Republican, of Massachusetts; J. Glenn Beall, Republican, of Maryland Joseph P. O'Hara, Republican, of Minnesota; Henry O. Talle, Republican, of Iowa; A. L. Miller, Republican, of Nebraska; and John J. Allen, Jr., Republican, of California.

Other guests included Representatives E. Edward Hébert, Democrat, of Louisiana; Lansdale G. Sasscer, Democrat, of Maryland; Dewey Short, Republican, of Missouri; Karl Stefan, Republican, of Nebraska; and Inspector Clarence Talley, acting Metropolitan Police Superintendent.

The Spots on the German Leopard Will Not Change

EXTENSION OF REMARKS

OF

HON. ARTHUR G. KLEIN

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, August 10, 1949

Mr. KLEIN. Mr. Speaker, the people who think that generous hand-outs of Marshall-plan money and patting the Germans on the head will change the spots on the German leopard received

a salutary jolt in the campaign preceding the colorless German general elections Sunday.

The fact is that the German nation suffers from some mass hallucination—you will remember that Dr. Bricker attempted to explain the group hypnosis in terms of mass paranoia—which prevents their being able to take a place in the family of nations on any basis except that of confirmed delinquency.

The shock of reality is reflected vividly in an editorial from the Washington Daily News of Monday, August 15, a newspaper not celebrated for its liberal editorial policy since the resignation of Lowell Mellett as editor a decade ago, and which I insert in the RECORD under consent:

THEY'RE STILL GERMANS

Some American observers have expressed their dismay at the extreme nationalism and the bitter attacks upon the occupational authorities which characterized western Germany's first postwar parliamentary campaign.

Radical rightists even revived Nazi songs and "Deutschland Uber Alles," the imperial anthem, and heiled Hitler with a fervor reminiscent of the Munich period.

"Not a single party had a good word for all of the positive work the western Allies have accomplished during the past 4 years," one military government official lamented.

What else did he expect? These political parties were bidding for the votes of people who had been steeped in German nationalism for generations. These same people went all out for Adolf Hitler only 10 years ago. They have accepted our food, to be sure, because without it many of them would have starved. But to most of them this must have been a humiliating experience, for the Germans are, after all, Germans.

Given guns, in all probability, they would prove to be the same Germans the world has known since Frederick the Great and his legions began to prey upon their weaker neighbors.

The peace-loving nations must see to it that the Germans do not get guns until there has been convincing proof of their country's complete regeneration. The fact that we are confronted by a more immediate and pressing Russian problem must not blind us to the fact that Germany, too, could again become a threat to peace. Indeed, the greatest menace that could be imagined would be a German-Russian partnership. Its prevention should be the cornerstone of our European policy.

Labor Extension Service

EXTENSION OF REMARKS
OF
HON. JOHN R. WALSH
OF INDIANA
IN THE HOUSE OF REPRESENTATIVES
Monday, August 15, 1949

Mr. WALSH. Mr. Speaker, on August 3, 1949, I received a letter from Carroll Hutton, of Anderson, Ind., who is president of the United Automobile Workers of America, Local 662, of that city. Mr. Hutton's letter was written urging me to support H. R. 1380, a bill creating a labor extension service.

I urge the membership of this House to read Mr. Hutton's letter as it is a clear example of present-day thinking of the leaders of organized labor, especially those at the plant level. Mr. Hutton's letter shows clear thinking and presents a strong argument for the enactment of this bill.

I am proud, Mr. Speaker, that we have men in America who take active part in labor affairs, and who desire to receive additional education and training so that they can do better jobs. Many of the opponents of organized labor try to point out that the leaders in many instances are un-American and uneducated, and not qualified to represent their members, and this letter from Mr. Hutton refutes these persons.

I herein insert the letter from Mr. Hutton into the RECORD:

UNITED AUTOMOBILE, AIRCRAFT, AGRICULTURAL IMPLEMENT WORKERS OF AMERICA (UAW-CIO),
Anderson, Ind., August 3, 1949.

Hon. JOHN R. WALSH,
House Office Building,
Washington, D. C.

DEAR CONGRESSMAN WALSH: The members of our organization, Local 662 of the United Auto Workers, CIO, urge you to work for the enactment of H. R. 1380 creating a Labor Extension Service.

As you know we are a local union of several thousand members who work in an automobile plant for our livelihood. We elect people from our own membership to represent us at the bargaining table and to argue our grievances with management. At the bargaining table our representatives come face to face with management's hired representatives who are highly trained technical specialists in their field, most of them with a number of years of college or university education.

We often find ourselves handicapped in trying to reach a settlement with management, on the local level in disputes involving such technical subjects as time and motion study. Too often we suffer from a lack of facts and information at the local shop level which the management representatives have at their fingertips to be used in a one-sided way. This situation results in long, unnecessary delays until we can obtain similar information or call in our already overworked international representatives who are better equipped than we to handle such cases. Such delays and lingering unsettled grievances result in prolonged ill feelings which at times grow to such proportions that it is impossible to maintain industrial peace and harmonious relations with management.

We feel that this situation of delayed settlement is in such cases unnecessary since it is largely the result of a great inequality between management and worker in the matter of facts, information, and specialized training.

This situation, we feel, could be largely remedied if we men and women and our elected representatives at the local plant level had available to us the training facilities, information and facts which would in part measure up to those available to local plant managements and their college trained representatives. Such facilities, we believe, are provided for in a Labor Extension Service as would be set up under H. R. 1380.

You need not have the least doubt about the willingness of our people to make use of such facilities, since our local union has repeatedly made numerous efforts on its own initiative and with our own comparatively meager resources to correct our lack of information and training.

At every opportunity our local union sends men and women to take a week's training at schools and training institutes conducted by our national organization. Much as we desire to do more, we are never able to send more than four or five students to these schools, usually conducted at Indiana University once a year.

We have established a local library, in cooperation with the public library, for use by our members and their families. In cooperation with the public schools we have conducted literacy classes to help a few of our members who lack a fundamental education. We conduct training schools in collective bargaining in our own local hall several times a year with national officials of the United Auto Workers as instructors. We have hired a full-time education director who regularly arranges classes in collective bargaining procedures, community relations problems, American Government and civic problems, public speaking, and numerous other topics which will aid our membership in conducting the affairs of our organization which has one of the largest memberships of any civic group in our community.

We are proud of our educational program and feel that we are making a maximum effort with our limited resources, yet we are ever conscious of the fact that so much more could be done educationally if we are to meet management on equal terms across the bargaining table. We realize that it is through such efforts that we can minimize friction and disruption in industrial relations and we would greatly welcome the facilities which would be made available to us through a Labor Extension Service as proposed in H. R. 1380. Congressman, we urge you to do all in your power to secure the passage of H. R. 1380.

Sincerely yours,
CARROLL M. HUTTON,
President, Local 662, UAW-CIO.

The Great Swindle: How the Grave Diggers Operate

EXTENSION OF REMARKS
OF
HON. GEORGE G. SADOWSKI
OF MICHIGAN
IN THE HOUSE OF REPRESENTATIVES
Monday, August 1, 1949

Mr. SADOWSKI. Mr. Speaker, under leave to extend my remarks in the RECORD, I wish to include an article which will appear in the magazine, Prevent World War III, issue No. 31, published by the Society for the Prevention of World War III, 515 Madison Avenue, New York City.

I feel that this information should be brought to the attention of the American people, as it deals with the intrigues of the key officials of the United States Steel Corp., and their efforts to discredit and undermine the German reparations program. The article follows:

THE GREAT SWINDLE: HOW THE GRAVEDIGGERS OPERATE

Underlying the Allied reparations policy in Germany is a callous cynicism which can hardly square with the great sacrifices made by the young men and women of this country and our Allies during the late war. It finds its roots in the business-as-usual forces who are ready to grasp the blood-stained hands of the Germans again. Toward this end, every means is justified by the proponents of a Germany-first policy.

In his novel, Penguin Island, the great French writer, Anatole France, discusses the mysterious ways of justice in the mythical land of Penguinia. The characters involved are Pyrot, member of the Penguinian army; the minister of war, Graytauk; and General

Panther, chief of staff. Graytauk had a pathological hatred for Pyrot, and when 80,000 trusses of hay intended for the cavalry disappeared, Graytauk exclaimed: "It must be Pyrot who has stolen them. The more I think of it the more I am convinced that Pyrot has stolen those 80,000 trusses of hay, and I know it by this: He stole them in order that he might sell them to our bitter enemy, the Porpoises. What an infinite piece of treachery."

General Panther replied: "There is no doubt about it—it only remains to be proven." They were unsuccessful in finding the evidence, and General Panther bemoaned the fact that Pyrot persisted in professing innocence. This exasperated Graytauk, and he shouted: "Panther, the confessions of a guilty man sometime result from the vehemence of his denials. To deny desperately is to confess. Pyrot has confessed; we must have witnesses to his confession—justice requires them."

The Graytauks are not legendary. We have them in our own midst. All one has to do is to read the four reports on reparations sponsored by the ECA and the Department of the Army to see how neat a job was done to convict the original reparations program before the evidence was in. The background of the men who wrote these reports could be regarded as sufficient proof that reparations would be victimized as was Anatole France's Pyrot.

The earliest report was prepared by Mr. George Wolf of the United States Steel Corporation. Recently, Drew Pearson stated that: "the United States Steel and other big American steel companies were playing hand in glove with the European steel cartel, including the Nazis, prior to the war." Mr. Pearson's information can easily be confirmed by consulting numerous Government reports on the cartel activities of certain powerful interests in this country during the war.

Among the United States Steel officials who helped Mr. Wolf in this important project were Werner P. Naumann, Ian F. L. Elliott, and Ronald Clark. According to Mr. Pearson, their full background is contained in the "files of the Justice Department regarding United States Steel's secret conversations with the Nazis prior to the war." These were the gentlemen who were given the mission by General Draper to find out how quickly Germany could be put back on her feet.

Speaking of cynicism, Mr. Benjamin Fairless, president of United States Steel, wrote former Secretary of the Army Draper on June 2 that the United States Steel officials who were designated for the job should be reimbursed "for whatever may be our out-of-pocket expenses in this matter." It appears that Mr. Fairless & Co. were doing the Government a favor. Nothing could be further from the truth. As a matter of fact, it makes more sense the other way around.

The Wolf report of September 1948 is a very elaborate document which can be summed up by its attitude toward the German steel cartel. Integration of the German steel industry when not carried to excess is a basis for maximum efficiency and low cost, while disintegration (decartelization) is exactly that which the word connotes.

Mr. Wolf and his party traveled throughout the Ruhr consulting with such stalwarts of free enterprise as Heinrich Dinkelbach, Dr. Walter Rohland, and other bigwigs of the German Steel Trust. They were anxious to obtain the views of these German experts who very graciously supplied them with data for the preparation of the report.

Mr. Wolf's report, however, was kept under lock and key for many months, but it became the bible of subsequent investigations by Mr. Wolf and his associates, the Humphrey committee, and a group of engineering firms who were supposed to deal with the technical aspects of reparations.

When one compares the later reports with the original made by Mr. Wolf, one wonders why it was necessary for the Humphrey committee and the other groups to have left Washington. Just why it was necessary for subsequent investigating committees to spend a few weeks in Germany surveying the situation, while all the time they had the Wolf report at their disposal, is a mystery unsolved As a matter of fact, the members of the Humphrey committee boasted that it was fortunate to obtain the assistance of Mr. George Wolf and his group of associates. Again we ask why did the Humphrey committee leave Washington at taxpayers' expense when they had such an able assistant as Mr. Wolf at their beck and call?

The Humphrey committee, consisting of men whose businesses have very close financial ties with German industry, was told to conduct studies relative to the practicability of retaining in Germany equipment scheduled for reparations for the purpose of aiding European recovery.

In a letter to Mr. Paul Hoffman on January 12, 1949, the committee declared that after its careful study and consideration of the Wolf report and that of the industrial engineers, we are satisfied that their recommendations as to plants to be retained or released were carefully prepared and can be relied upon. In other words, the Humphrey committee, did not make an independent investigation but merely rubber-stamped the findings of other investigating committees.

The Humphrey committee's so-called objectivity can best be gaged by the following statement: "The problem of the effect upon the German people of the incongruity of dismantling and removing equipment at the same time that we are trying to promote their industrial recovery was kept primarily in mind."

Does this sound as though these men came to Germany free of prejudice? Certainly the terms of reference which were supposed to have guided their mission did not mention the attitude of the German people regarding reparations. In another part, the committee states: "We had prominently in mind that those plants, which can contribute not only to the internal German economy but to supply the exports which they must have and which the German people have been proficient in developing in the past, should be retained." Does this sound as though these men had no preconceived plans as to how they would regard the reparations program?

The members of the committee admitted that theirs was primarily a business approach to the problem of reparations. These gentlemen should have been told that more than business is involved. The State Department, in December 1945, explicitly declared that it was necessary to impose a severe reparation obligation on Germany in order to weaken effectively the economic base from which war industry can be derived and to provide material assistance to UN countries which have suffered from Nazi aggression and which now face tasks of rehabilitation and reconstruction from the damage of war.

One of the reports upon which the Humphrey committee based its own findings was that prepared by a group of industrial engineering firms among which was the F. H. McGraw Co.

The gentleman who signed the report for McGraw & Co. was Mr. Clifford S. Strike, its president. Mr. Strike, in early 1947, wrote an article for the American Magazine, in which he denounced the whole program of reparations. Could such a man be depended upon to scientifically appraise the reparations program?

The answer is made plain from the report issued by these engineers. In one passage, they declared, "In the chemical field, western Germany has always shown unusual resourcefulness which in the interest of world progress should not be suppressed." Were these scientific experts referring to I. G. Farben and its gas chambers perchance?

They admitted that time did not permit them "to make a comprehensive study of the economy of western Europe"; yet, in the same breath, they declared: "We believe that the plants recommended for retention will contribute more to the recovery of western Europe if left where they are than they would be if moved." Now this is supposed to be a scientific conclusion, but how did they know that these plants, if retained in Germany, would help in the recovery of western Europe when they admit that they made no study whatsoever of the western European economy? All of this goes down as the scientific approach.

The second Wolf report was merely a rehash of the original. Together with the other reports mentioned, the theme song played up the old line that Germany's economic machine is the key to European recovery and that by scrapping reparations the German economy will be able to produce for all of Europe. The Pan-Germans and pro-Nazis in the United States say so every day.

When Hitler's Panzer divisions were running roughshod over Europe a book was published in England entitled "The Greatest Swindle in the World." The book dealt with the German reparations story after World War I and showed how through cunning and duplicity the Germans duped the Allied Powers so that when the final count was taken Germany had received three times as much from abroad as she had given in reparations. This book contains a preface by Lord Vansittart, who warned of past follies, and urged the Allies to avoid the pitfalls which would give new life to Germany's war potential. That warning has not been heeded, and for this the people are becoming the pawns of a greater swindle.

The Germans, in their repeat performance of cunning and duplicity, have found valuable and powerful accomplices in the United States.

The New Look of the Constitution

EXTENSION OF REMARKS
OF
HON. JAMES C. DAVIS
OF GEORGIA
IN THE HOUSE OF REPRESENTATIVES
Monday, August 15, 1949

Mr. DAVIS of Georgia. Mr. Speaker, at the annual meeting of the Virginia State Bar Association, which was held in White Sulphur Springs, W. Va., on July 29, 1949, the principal address was delivered by Donald R. Richberg.

Mr. Richberg formerly held an important position in the Federal Government. He is a lawyer of recognized ability, of such ability in fact, that his views regarding the Constitution deserve more than ordinary attention.

I read his address to the Virginia Bar Association with great appreciation. It is a timely address, and deals in statesmanlike fashion with current problems which face the American people.

In my opinion, not only the lawyers, but the laymen also, will find this address to be of great interest, and under leave previously granted, I insert it herewith:

Long, long ago, when the sages of today were sweet 16, there was a Constitution of

the United States which looked like the spirit of 1776. Today that Constitution has a new look. In fact, to many it has the look of the beckoning spirit of national socialism.

What has happened to the dear, old Constitution? Have the gland treatments, the face lifting, and face saving of big and little politicians actually endowed it with new vigor, or have they merely sapped its mature vitality in trying to make it over in the image of headstrong youth?

For the moment it appears that even Communists are impressed by this appearance of rejuvenation. They may be half-sincere in asserting that it is no longer necessary to overthrow our Government in order to establish their slave Utopia. All they need to do, apparently, is to take over the Government, whose stumbling advances into socialism are, step by step, being sanctified by Congress and courts as within the constitutional objectives of the National Government.

The impediments to tyrannical authority, created by a division of powers between the executive, legislative, and judicial branches, have been gradually destroyed by creating commissions in which laws are made, interpreted, and executed by one body of men. It will soon be only a short step to the designation of the President as Lord High Commissioner of the General Welfare, invested with authority to regulate the business, the agriculture, and the labor of the Nation, and to establish economic security—and slavery—from the cradle to the grave.

We made a tentative step in this direction in the late, never-to-be-forgotten NRA, with which I had some experience. But neither the Congress nor the Supreme Court had been sufficiently liberalized in 1935 to approve this noble experiment. The Congress knocked it down; and the Supreme Court sat upon it so heavily that it suddenly expired. Nevertheless, the subsequent validation of the Agricultural Acts, the Wagner Act, the Wages and Hours Act, the Price Control Acts, the Social Security Acts, and other socializing laws indicates that the destruction of the NRA was only a stumble in the onward march of paternalism.

With constitutional barriers laid low we may now go forward to establish enough national commissions to regulate all our economic and social activities. Eventually, with farmers, businessmen, and workers, and their political leaders, all completely dependent upon the Federal Government for a livelihood, the President and his Cabinet, as a politburo, should be able to lay down the party line and have it followed by all who prefer economic security to liberty—which is currently assumed to be a vast majority of the people.

But, what of the guaranties of individual liberty which are written in the National Constitution? Will they not stop the march of regimentation and prevent the enforcement of laws that compel individuals to live and work under the direction of an all-powerful National Government? Many years ago the Supreme Court laid down the law in this clear language:

"The liberty mentioned in that amendment (the fourteenth) means not only the right of the citizen to be free from the mere physical restraint of his person, as by incarceration, but the term is deemed to embrace the right of the citizen to be free in the enjoyment of all his faculties; to be free to use them in all lawful ways; to live and work where he will; to earn his livelihood by any lawful calling; to pursue any livelihood or avocation, and for that purpose to enter into all contracts which may be proper, necessary and essential to his carrying out to a successful conclusion the purposes above mentioned" (*Allegeyer* v. *Louisiana*, 165 U. S. 578).

Is that the law today? Ask the farmers, the businessmen, the workers, unionized or independent. Do they enjoy such liberty, or are they working under a multitude of restrictions enforced directly or indirectly by the National Government? Ask them what percentage of their earnings are taken by the National Government, and spent for them as a father might take and spend the earnings of his immature children.

It is true that the Supreme Court has recently reasserted in strong language the rights of free speech, freedom of the press, freedom of assembly, freedom from police oppression and unfair trials for crime. The constitutional liberties of the actual, or probable, or prospective enemies of society, criminals, revolutionaries, and fanatics, are still jealously, even tenderly, protected. No one but a Communist (with his tongue in his cheek) could deny that our Constitution still provides a stout shield for every wrongdoer.

Every criminal can have his day in court; and if he engages in profitable crime it is a long, long day. Gangsters may slay and torture; but even the most notorious must be handled with kid gloves by a policeman. Thieves and spies and crooked gamblers may misuse the telephone; but policemen may not intrude on the privacy of their conversations. Communists may picket courts and seek to intimidate juries; but policemen must not interfere with their free speech. Massed armies of pickets may terrorize workers, destroy business and beat up men who want to work; but the National Government must not interfere, unless citizens outraged by lawlessness take the law into their own hands. Then there is a great clamor for the National Government to move in to make sure that the constitutional rights of the original lawbreakers are protected.

Please do not misunderstand me. I believe that the constitutional rights of every man accused of crime should be protected. I believe that officers of the law first of all should be compelled to obey the law. But, I do detest the political hypocrisy that proclaims that murders and organized crime by gangsters and labor gorillas in northern cities must be dealt with by local police, because a Federal law would be unconstitutional; and in the next breath demand the passage of a Federal law to curb the comparatively rare outbreaks of lawlessness in the South.

There is another new look of the Constitution affecting civil liberties which I deplore; and that is the tendency to subordinate the civil liberties of a majority of the people to special privileges which are granted to a politically strong minority. Every lawyer knows that the Constitution does not grant a single right to any minority of persons. It only grants rights to individuals; and every liberty guaranteed is the liberty of an individual. And so it follows that your right and mine must be exactly the same. Yet, we hear solemnly proposed, and endorsed by political party platforms, a Federal law to compel businessmen to employ workers whom they do not want to employ and to compel workers to work with men with whom they do not want to work. This is called in unconscious irony a "Fair Employment Practice Act."

The announced purpose of such a law is to protect the alleged civil right of persons to employment which might be denied to them because of race, color, or religion. There is not one word in the Constitution establishing any such right. And so the drafters of the Federal bill thoughtfully wrote in a provision by which Congress would undertake to establish this nondiscrimination in private employment as a civil right. However, there is not one word in the Constitution giving the Congress power to create such a new civil right. On the contrary the tenth amendment provides that—

"The powers not delegated to the United States by the Constitution are reserved to the States respectively, or to the people."

And, most decisively, the ninth amendment provides that—

"The enumeration in the Constitution of certain rights shall not be construed to deny or disparage others retained by the people."

There is no more elementary right of any free people than "freedom of association." There is a fragment of this right specifically preserved in "the right of the people peaceably to assemble," which is protected by the first amendment. But, the over-all freedom of association in work or play is clearly a right retained by the people of the United States. This is an individual right which not only protects voluntary association but also must forbid any compulsion to associate. Otherwise it would be meaningless. If I could force my companionship on you, then I could destroy your freedom. You and I must have equal rights to accept or to refuse association with each other.

FEPC legislation, which would compel one man to employ another whom he does not wish to employ, also violates the constitutional liberty of contract to a degree never before attempted. Laws have been enacted making certain contracts illegal, or controlling the form or substance of contracts. But, so far as I am aware, this is the first instance of an attempt to compel a man by law to make a contract with a person with whom he does not wish to make a contract.

Indeed, a contract under which an employer would be forced to serve an unwanted employee so closely resembles a contract under which an employee would be forced to serve an unwanted employer, that involuntary servitude appears to be the result in both cases. Even labor laws, which require bargaining and affect the scope of contracts, do not compel a man to make a contract. But FEPC laws, making it an offense to refuse to hire an applicant because you don't like him, would cut the heart out of liberty to contract. If such a law be held constitutional then where is the constitutional barrier to complete political control of labor?

Organized labor may in time learn this lesson, as it learns so many lessons—too late. Labor fought successfully for years to stop discrimination by employers against union members. But, when recently laws were passed to forbid a closed-shop discrimination in favor of union members, the unions appealed in vain to the Supreme Court to declare such laws unconstitutional. So, if tomorrow it should be held that an employer has no right to exercise his free will in selecting his employees, then day after tomorrow it may be held that the employee has no free will to select his employer. Would this be involuntary servitude? Apparently not, if the Supreme Court should approve the present arguments of the FEPC advocates, because in a law forbidding discrimination against an employer the employee would have the same right that an employer now has under FEPC. He would not be actually compelled to make a contract of employment, because he would be free to stop earning a livelihood.

Perhaps I have said too much about FEPC, but since this horrible prospect is riding high on the tidal wave of the future, it seems well to point out how rapidly our ancient landmarks will be washed away whenever this wave breaks over the few constitutional barriers that still remain between us and the deluge.

The greatest constitutional barrier against the tyranny of national socialism has been so battered by storms of reform in the last 50 years that when its broken reef occasionally appears even scholarly critics refer to it as "the anachronism of States' rights." The new look of the Constitution has been fashioned in the image of headstrong youth. The young man in a hurry commonly assumes that the fourteenth amendment, plus the national money power granted in the sixteenth amendment,

plus the judicial enlargement of the national commerce power, have made the States hopelessly subordinate to, and dependent upon, national lawmaking. In youthful ears any assertion of States' rights sounds like a voice from the tomb wherein John C. Calhoun, Henry Clay, Jefferson Davis, and all their ideas of State sovereignty are supposed to be forever and completely buried.

Strange to say the political principles of Thomas Jefferson are still regarded as so vital and enduring that political partisans of every stripe from conservative to radical acclaim his wisdom. Yet no man exceeded Jefferson in hatred and fear of the inevitable tyranny of centralized government. It was Jefferson who wrote that "A single consolidated government would become the most corrupt government on earth," and who prophesied that the road to destruction of the United States would be "by a consolidation first, and then corruption as its necessary consequence."

Also he wrote: "It is not by the consolidation or concentration of powers, but by their distribution, that good government is effected. Were not this country already divided into States, that division must be made that each might do for itself what concerns itself directly, and what it can so much better do than a distinct authority." (Writings of Thomas Jefferson; H. A. Washington ed. VI–543, VII–216, 223.)

In his first inaugural Jefferson called for "the support of the State governments in all their rights, as the most competent administrations for our domestic concerns and the surest bulwarks against antirepublican tendencies."

The principle of local self-government was written into the Constitution, not merely to induce the separate colonies to agree to the creation of a Federal Union, but primarily to maintain the democratic responsibility of a government which resides close to the people who are governed and which is immediately subject to their scrutiny and their control. Let me quote the penetrating wisdoms of Charles Warren, a profound student of our Constitution:

"The framers knew from experience, and they intended to preserve the principle, that a local government is a responsible government—a government which can never long be conducted in defiance of the opinions, the desires, or the prejudices of the governed; they knew that a distant and centralized government had been and could be conducted otherwise; and they were not inclined to authorize such a central government to interfere with or administer their local affairs, unless absolutely necessary for the safety, welfare, and permanence of the Nation as a nation."

How has it come about that today this profound principle is ignored and we have national laws regulating such matters of intimate and local concern as labor relations, wages and hours of work, agriculture, the growing and marketing of crops, manufacturing, merchandising, mining, and housing, with national tenacles stretching out to control education, the practice of medicine and the unknown, glimmering, beckoning objectives of social and economic security.

No one can doubt that such an extensive field of operations for the National Government was never contemplated by the authors of the Constitution. No one can doubt that they deliberately denied any general police power to the National Government which might authorize the extension of its authority into such realms. It was James Madison who wrote in The Federalist (January 29, 1788): "The powers reserved to the States will extend to all the objects which, in the ordinary course of affairs, concern the lives, liberties, and properties of the people and the internal order, improvement, and prosperity of the State."

But, we are told that the social and economic conditions of 1787 have disappeared. We live in an industrialized civilization, with the lives and industries of 150,000,000 people woven into one national enterprise by transportation and communication facilities unknown to our forefathers. We have become so interdependent upon one another that, it is argued, only national laws can insure that cooperation and harmony which are essential to our safety, health, and welfare. In a word, we are told that the National Government must exercise a police power superior to the police power of the States; and by legalistic magic such a power is being transmuted out of the national power to regulate commerce among the several States, or out of the national power of taxation, or—with the ghost of Madison violently protesting—out of the "general welfare" clause.

If, however, we should "recur to fundamental principles," we would see that, while these social and economic changes may seem to call for more national lawmaking in order that the American people may be efficiently governed, they more insistently demand more local lawmaking if the American people are to continue to govern themselves.

A central government of 150,000,000 people has already become, and will remain, a government of pressure groups and political traders. A central government, gathering and spending billions of dollars for national defense has a clear objective and unquestioned responsibility. But, a central government, gathering and spending billions of dollars to advance the general welfare, has the dubious objective and the questionable responsibility of taking from one man to give to another, of robbing Peter to pay Paul, of satisfying those pressure groups that may deliver more votes than the pressure groups unsatisfied, of feeding citizens who are vocal and organized at the expense of citizens who are dumb and unorganized, of paying for the votes of classes and communities that will support the party in power, out of the pockets of the opposition. This is, bluntly, that present corruption of government which Jefferson warned was inevitable after centralization.

Isn't this also a defect of all local governments? Certainly it is a defect of all popular governments. But there are many redeeming virtues in misgovernment by cities, or counties or States. First, they provide the kind of misgovernment which the people who are governed want, or deserve. Second, they are so close to the people that their misdeeds are easily seen and exposed. Third, the responsibility of their public officials is direct and obvious. Fourth, a bad local government can be changed as soon as a majority of the people are informed and anxious to have a change.

On the other hand national misgovernment, entrenched in one part of the country, spreads its evil authority over another part where the people neither want nor deserve such government. For a pertinent example, Virginia is a State whose citizens as a whole believe in economical government. But, its Senators and Representatives in Congress are powerless to save citizens of Virginia from the taking and spending of their incomes by the National Government in a spendthrift paternalism that would not be tolerated within their own State.

Consider for a moment the regulation of labor relations by the Federal Government. The pressures of organized labor come from the industrial centers of the Nation, and largely from a few great industrialized States. The people who inhabit the vastly larger area of the United States are economically and socially antagonistic to the monopolistic demands and oppressive practices of labor unions. As freemen they should be permitted to live and work free from the remote controls of remote labor organizations which are endowed with special privileges and protected in evil practices by special immunities granted by a remote national government.

It is a bitter complaint of organized labor that 16 States have made the closed shop unlawful. It was argued to the Supreme Court that these were States where organized labor was not strong enough to defeat such laws; so the Supreme Court was asked to hold them unconstitutional. The Supreme Court happily declined, being fortified by the provision of the Taft-Hartley Act which graciously permitted the States to enact such laws. Now in the battle against the Taft-Hartley Act we have seen the full power of the President and a national party machine exerted to impose upon the States a renewed tyranny of national labor law enacted to advance the special interests of organizations of a minority of the people, living and working in a small fraction of the total area of the United States.

This discussion could go on indefinitely. Let me terminate it abruptly with a few general observations. As an active practitioner, and a prospective teacher, of constitutional law I must make a clear distinction between what the law is and what the law ought to be. The Supreme Court is the final arbiter of what the law is. But the people are the final arbiter of what the law ought to be and eventually shall be. If they believe that the National Government should have and exercise greater powers to promote the general welfare they will find the way to enlarge its authority. If they believe that more local self-government is essential to their liberties and their pursuit of happiness, they will find the way to enlarge the authority of the States and the municipalities.

It was Herbert Spencer who said that "No philosopher's stone of a constitution can produce golden conduct out of leaden instincts." If the leaden instinct for economic security so dominates the common thought that men and women are willing to accept the paternalism of a national welfare state, then the golden dream of individual liberty and genuine self-government will fade out of the Constitution and out of the lives of the American people. But, if that golden dream, which inspired the writing of the Constitution, and inspired the American people to lead the advance of civilization for more than 150 years—if that dream still inspires them, they will reestablish home rule as the only trustworthy guardian of their liberties; and they will never cease to fight against that centralization of power which, as Jefferson said, "has destroyed the liberty of man in every government which has ever existed under the sun."

They're Still Germans

EXTENSION OF REMARKS

OF

HON. GEORGE G. SADOWSKI

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Monday, August 1, 1949

Mr. SADOWSKI. Mr. Speaker, under leave to extend my remarks in the RECORD, I wish to include the following editorial that appeared in the Washington Daily News of August 15, 1949:

THEY'RE STILL GERMANS

Some American observers have expressed their dismay at the extreme nationalism and the bitter attacks upon the occupational authorities which characterized western

Germany's first postwar parliamentary campaign.

Radical rightists even revived Nazi songs and Deutschland Uber Alles, the imperial anthem, and hailed Hitler with a fervor reminiscent of the Munich period.

"Not a single party had a good word for all of the positive work the western allies have accomplished during the past 4 years," one military government official lamented.

What else did he expect? These political parties were bidding for the votes of people who had been steeped in German nationalism for generations. These same people went all-out for Adolf Hitler only 10 years ago. They have accepted our food, to be sure, because without it many of them would have starved. But to most of them this must have been a humiliating experience, for the Germans are, after all, Germans.

Given guns, in all probability, they would prove to be the same Germans the world has known since Frederick the Great and his legions began to prey upon their weaker neighbors.

The peace-loving nations must see to it that the Germans do not get guns until there has been convincing proof of their country's complete regeneration. The fact that we are confronted by a more immediate and pressing Russian problem must not blind us to the fact that Germany, too, could again become a threat to peace. Indeed, the greatest menace that could be imagined would be a German-Russian partnership. Its prevention should be the cornerstone of our European policy.

I also wish to include an excerpt from an editorial which recently appeared in the Philadelphia Inquirer, as follows:

A German town in which Nazi tendencies merit watching is Wolfsburg, in the British occupation zone. Wolfsburg was founded by Hitler in 1938 as the site of the Volkswagon automobile plant.

It appears that there are strange goings-on in Wolfsburg. The Nazi straight-arm salute has been seen and the Horst Wessel song, Nazi anthem, heard. The swastika, presumably, is just around the corner.

Furthermore, in a city election a few weeks ago the Nazi-like Deutsche Party polled a popular majority, 12,619 votes as against 7,800 by the Social Democrats and 4,009 by the Christian Democrats. Later the two Democratic parties swung together and with the aid of—of all things—the Communists, kept the Fuehrer-heilers from taking over.

All of this should be a sharp warning, not only to the British, but to all other occupation forces, against a revival of nazism either openly or underground.

Hospital Beds for Veterans

EXTENSION OF REMARKS
OF
HON. JACK Z. ANDERSON
OF CALIFORNIA
IN THE HOUSE OF REPRESENTATIVES
Monday, August 15, 1949

Mr. ANDERSON of California. Mr. Speaker, these remarks are headed "Hospital beds for veterans." It would probably be more appropriate to title them "No hospital beds for veterans."

If anything is needed to emphasize the lack of adequate veterans' hospital facilities in California, the two following letters should do the trick. First a communication from the chairman of the California Veterans' Board and second, a letter from the regional office of the Veterans' Administration in San Francisco.

When is the Federal Government going to recognize the acute and growing need for additional hospital facilities in my State, and when is something going to be done about it?

The letters follow:

STATE OF CALIFORNIA,
DEPARTMENT OF VETERANS AFFAIRS,
August 8, 1949.

Hon. JACK Z. ANDERSON,
House of Representatives,
Washington, D. C.

DEAR SIR: In January of this year proposed construction by the Veterans' Administration of a 200-bed general medical and surgical hospital in San Diego was halted as a part of the 16,000-bed cut-back in national construction ordered by Presidential directive. At the January meeting of the California Veterans Board, action was taken by the board opposing the cancellation of the proposed San Diego hospital, and the Director of Veterans Affairs was requested to solicit the assistance of the United States Senators and the Representatives in Congress from California in an appeal to the President to rescind this order insofar as it applied to this State.

The San Diego hospital was one of six Veterans' Administration hospital projects long authorized for construction in California. Construction is underway on the additions to the hospitals at Livermore and San Fernando, which will increase the number of tubercular beds by 250, and on the new 250-bed general medical and surgical hospital at Fresno. With the San Diego hospital eliminated from present consideration, there are but two planned hospitals on which starts have not been made.

Unfortunately, it is these two hospitals that are most urgently needed at the present time. They are the 1,000-bed neuropsychiatric hospital for the Los Angeles area and the 1,000-bed neuropsychiatric hospital for San Francisco. Long waiting lists for hospitalization at present NP facilities at Palo Alto and Sawtelle have existed for several years. It has been virtually impossible to gain admittance to either of these hospitals unless the veteran's psychiatric disability has been previously adjudicated as service-connected. The result has been that veterans are being admitted to ever-increasing numbers to the State mental institutions, already overcrowded to an alarming extent, and are being denied the right to the superior care of the Veterans' Administration facilities to which they are entitled by law.

There were in our State hospitals as of March 31 of this year 2,441 patients who were known to have had military or naval service (an increase of nearly 500 over June 30, 1948), and it must be borne in mind that the State has no information on the personal backgrounds of many of our most acutely disturbed patients. Over 200 veterans are being committed each month to the State hospitals and now constitute a proportion of current admissions that is out of balance with the ratio of veterans to the total population. Undoubtedly adequate psychiatric examinations would disclose many whose mental disabilities were attributable to their service, but since our State department of mental hygiene is shamefully understaffed with qualified professional personnel, it is impossible to afford the needed individual treatments.

The hospital construction authorized for California was based on the needs of our World War I veterans. Since World War II the California veteran population has more than quadrupled. It has increased from 400,000 to 1,750,000. Obviously we must plan for new and additional construction of medical and psychiatry units on a long-range basis, but it is of immediate, paramount importance that construction commence now on these two 1,000-bed neuropsychiatric hospitals which have been authorized, since even if they were presently operating, their facilities would be insufficient to provide beds for all the veterans now receiving custodial care in the State mental institutions.

To date, a site for the 1,000-bed NP hospital at San Francisco has been selected, but at this point all activity seems to have stopped. There has been no call for bids for construction. A site has not yet been selected for the Los Angeles 1,000-bed NP hospital.

At the meeting of the California Veterans Board in Santa Barbara on July 29, it was the unanimous action of the board that the above condition be brought to the attention of our congressional representatives from California, and that they be respectfully requested to lend every effort to persuade the Veterans' Administration to begin immediate construction on the neuropsychiatric hospitals already authorized for California. We of this board wish to assure you that we stand ready to carry out all assignments within our power to assist you in carrying through in the above request.

Very truly yours,
D. J. CALLAGHAN, Jr.,
Chairman, California Veterans Board.

SAN FRANCISCO, CALIF., *August 9, 1949.*

Hon. JACK ANDERSON,
House of Representatives,
Washington, D. C.

DEAR MR. ANDERSON: Your letter, dated July 21, 1949, and addressed to Paul B. Magnuson, M. D., Chief Medical Director, Department of Medicine and Surgery, Veterans' Administration, Washington, D. C., has been referred to this office for reply.

With reference to Elbert G. Schofield, serial No. 2488812, the files of this office do not contain any record of this veteran.

The records of this office indicate that VA Form 10–P–10 recommending hospitalization for Burton Edward Hazelton, C8223541, was received and forwarded to the VA hospital, Livermore, Calif., for necessary action.

It is regretted that at the present time there are no beds available in this area for non-service-connected disabilities falling within this category. Consequently, it is necessary to maintain a waiting list. The veteran's name is on such a list at the VA hospital, Livermore, Calif., and he will be hospitalized when his name is reached on the list.

Very truly yours,
ROBERT P. SHIELDS,
Regional Manager.

Gen. Omar N. Bradley Topman for Top Post

EXTENSION OF REMARKS
OF
HON. JOE L. EVINS
OF TENNESSEE
IN THE HOUSE OF REPRESENTATIVES
Monday, August 15, 1949

Mr. EVINS. Mr. Speaker, as much as any man in the history of our country, Gen. Omar Bradley gives meaning to a rarely applied term—that of "soldier-statesman." This Nation—and, indeed, all of the peace-loving nations of the world—are thankful and grateful that in these critical times there has arisen within our midst a man of superlative and proved military skill and genius which is coupled with a statesmanship of the

highest order. Such are the talents of General Bradley, whom we all applaud and commend today upon his recent appointment to the position of Chairman of the Joint Chiefs of Staff. This high honor could be bestowed upon no man more able, farsighted, and brilliant than General Bradley.

In this connection, Mr. Speaker, I ask unanimous consent to have printed in the RECORD a commendatory editorial which appeared in the Nashville Tennesseean, Nashville, Tenn., on August 13, last.

The editorial is as follows:

TOP POST FOR TOPMAN

President Truman could not have filled the new post of Chairman of the Joint Chiefs of Staff with a better man than the able and scholarly Gen. Omar N. Bradley.

Hardly known outside of Army circles before the war, he who now becomes the highest ranking military officer soon distinguished himself in the North African campaign. From the time of the Normandy invasion, he was recognized as an outstanding leader who had a way of getting things done without fuss or confusion. At the end of the war he was in command of the Twelfth United States Army group of more than 1,300,000 combat soldiers, and had played a leading part in the crushing German defeat.

He was a soldier's general then, just as he was when later placed in charge of the Veterans' Administration. Eventually his abilities were needed as Chief of Staff of the Army, from which position he graduates to the role of arbiter over the Joint Chiefs of Staff. He will be the link between that group and the President and his Defense Secretary, just as General Eisenhower has been, on a temporary basis, for many months.

The Nation has endless confidence in General Bradley, and so, we judge, have all branches of the armed services. He has all the qualities necessary for his role under the newly enacted Unification Act, and there is every hope that the rivalries that may have existed in the past will be erased by his counsel and understanding.

China

EXTENSION OF REMARKS

OF

HON. THOMAS J. LANE

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Monday, August 15, 1949

Mr. LANE. Mr. Speaker, under leave to extend my remarks, I wish to include the following article from the Evening Tribune, Lawrence, Mass., Wednesday, August 15, 1949:

THE WHITE PAPER ON CHINA

The white paper on China is not a happy document, but it at least faces the facts—over a thousand pages of them. The picture which emerges from Dean Acheson's voluminous report to President Truman is that the United States has spent a couple of billion dollars in a futile attempt to give flaccid Generalissimo Chang Kai-shek fiber and sinew. In spite of this, the generalissimo and his cohorts have revealed such a degree of wan ineffectualness that they have been the best allies the Communist forces have had. The Communists, on the other hand, artfully putting on a semblance of purposefulness, have succeeded in implanting in the minds of millions of Chinese the belief that the Red solution of the nation's problems is the only solution.

The United States cannot derive much pleasure from its contemplation of the situation in China. Secretary of State Acheson admits, in effect, that the policy which has been followed up to now must be abandoned and that some new, and as yet undisclosed, tack must be taken. As in every country where communism is in the ascendancy, the United States must continue to take the attitude that China's future is inextricably tied in with the future of this country. Mr. Acheson, of course, recognizes how important it is to formulate some more effective method of helping China attain stability; he says he is not defeatist; he says there are plans in the works—plans which he hopes will enable China eventually to throw off the chains of subservience to Soviet Russia.

The American people have not got much for their money out of the very costly aid-to-China program. But they can take from the experience a couple of valuable lessons, aptly presented in Mr. Acheson's report to the President. He said: "The National armies did not have to be defeated; they disintegrated. History has proved again and again that a regime without faith in itself and an army without morale cannot survive the test of battle." He said, also: "A large proportion of the military supplies furnished the Chinese armies by the United States since VJ-day has, however, fallen into the hands of Chinese Communists through the military ineptitude of the Nationalist leaders, their defections and surrenders, and the absence among their forces of the will to fight."

These two quotes are highly significant in the light of the drive which is now under way to arm Europe as a follow-up of the Atlantic Pact. President Truman wants to spend $1,450,000,000 for this purpose, holding that the essential purpose of the Atlantic Pact—which is to bolster democracy abroad—can be implemented in no other way. The Chinese white paper makes it rather hard to go along with this view. What happened in China, with particular reference to absorption by the Communists of Nationalist matériel, doesn't encourage the feeling that the same thing could not occur in Europe. It is certainly an objection which should be considered very seriously. The white paper admits that weapons aren't much good without morale. The money freighted to China from the United States quite apparently went down a rat-hole gnawed by incompetence, indecisiveness, and paralysis of the will to resist. Are these symptoms of internal decay present in Europe? If there is the slightest sign that they are, it would not be a good thing to tempt disaster by carrying out a program of European armament. There is nothing which says that it is not possible for this country to spread itself too thin, to extend its resources beyond the point of their ultimate elasticity.

More Than Lip Service Needed for Effective Reorganization

EXTENSION OF REMARKS

OF

HON. JOE L. EVINS

OF TENNESSEE

IN THE HOUSE OF REPRESENTATIVES

Monday, August 15, 1949

Mr. EVINS. Mr. Speaker, the Congress has signified its willingness to have a program of reorganization put into effect by the executive branch of the Government. Numerous bills have been passed by the present session of Congress with the hope and expectation of providing through Executive reorganization not only economy but improved efficiency in the operation of our Government. The called-for reorganization should, therefore, save many millions of dollars in tax money if the lines of the measures approved by the Congress are adhered to strictly. In this operation, however, the executive branch of the Government must assure its own cooperative effort in the name of economy—and take every possible step in this direction wherever such can be achieved without impairing our defenses or abandoning vital services of the Government.

In this connection, Mr. Speaker, I ask unanimous consent to have printed in the RECORD a well-written and timely editorial from the Nashville Banner, Nashville, Tenn., which appeared on August 13 last.

The editorial is as follows:

MORE THAN LIP SERVICE NEEDED

The specific savings forecast by the Hoover Commission as possible via Defense Department reorganization—this week signed into law—ran to $1,000,000,000, with another $250,000,000 to be saved through the general services bill (to combine and simplify purchasing, records management, building management, and disposition of war surplus) which became law on June 30.

Secretary Johnson promised as the bill was signed to go to work immediately on the job of trimming that branch of the budget tree of every excess encumbrance; of cutting out the system of waste, duplication, etc., which the Eberstadt subcommittee found had cost at least 10 percent of the defense, or military expenditure.

The will to save is, however, the essential ingredient to any program of economy; and it should not be forgotten that imperatively-needed economy, no less than over-all efficiency, was the objective of public and congressional supporters of executive reorganization. It should go without saying that had the will for economy existed on the part of executive stewardship, or any concern for solvency maintained within the ability of the taxpayers to pay, the enormous drains occasioned by wastrel policies would never have occurred, even without a law to prevent them. So it is going to take public watchfulness and heavy, enforceable restraint, to reverse the spending orgy, even with reorganization ordained and economy ordered.

Superficially, at least, the administration has sanctioned this phase of savings. But proof of that pudding will reflect in the budget, if it exists. If a $1,000,000,000, or $1,250,000,000 are to be saved, they should show up in cut-backs of spending.

We would add to that observation the further point: It will not suffice to simply economize at one point of the budget, and increase the spending by that amount at another point.

The purpose of saving is to save. And the savings should be reflected in an over-all reduction of the expenses of Government, and resultant reduction of the drain on every taxpayer. Only thus can the trend exceeding even the highest costs of history be reversed. Lip service can't do that. Cute tricks of governmental bookkeeping and reabsorption at one place of savings achieved at another place, won't do it. Only the enforced mandate of the public demand—to cut out policies of programed waste—can do it; and the final responsibility for that enforcement rests with Congress.

National Health Program

EXTENSION OF REMARKS
OF
HON. STEPHEN M. YOUNG
OF OHIO
IN THE HOUSE OF REPRESENTATIVES
Tuesday, August 16, 1949

Mr. YOUNG. Mr. Speaker, it is to be regretted that the question of a Nation-wide health program will not be debated in Congress or voted upon before the coming session, which convenes next January. I had hoped that this matter of such great importance to so many millions of our people would be acted upon during the present session.

The object of the administration's health program is twofold, first, to make available enough medical service to go around; and, second, to see that everybody has a chance to obtain medical care at reasonable cost. American medical science provides the best medical care in the world. European nations are many years behind us. It is contended that this service is now provided for anyone who can spend unlimited funds for treatment and for charity patients who can spend nothing whatever. Millions of families in the small-income group go without adequate medical care because they lack funds to meet emergencies, such as accidents or serious or prolonged illness. It would be beneficial to all were your Government to provide more medical training facilities and try to have trained medical men and clinics available everywhere in our country. Public health facilities and scientific research should be expanded. Preventive medical care should be encouraged. Increased Federal aid for hospital construction should be provided. Federal health aid should be expanded. A program of this sort could be enacted without making doctors employees of the Federal Government. The main purpose of the administration public-health program is to bring medical care within the reach of all.

A Nation-wide health program can certainly work best when it is applied to the whole population and that can only be done by Government. Debt should not be the penalty the majority of people pay for adequate medical care.

Mr. Speaker, I include as a part of and add to my remarks a letter to the president of the Academy of Medicine of Cleveland by Dr. Hugo Hecht, a prominent physician and surgeon of Cleveland of long experience and a member of that academy:

CLEVELAND, OHIO, *July 29, 1949.*

DR. HERBERT B. WRIGHT,
President, Academy of Medicine of Cleveland, Cleveland, Ohio

DEAR DR. WRIGHT: In answer to your letter I state I favor Federal compulsory health insurance. My experience in working for Government-sponsored health insurance in Czechoslovakia from 1919 to 1938 convinced me that it is the only way to provide adequate medical care for the low-income groups. I am opposed to charity in the matter of health.

In my opinion, doctors are health missionaries of their own free will. As such, our guiding thought should be the old saying, "Salus aegrorum suprema lex (the supreme law is the health of the sick)." Therefore, the welfare of the sick must be the primary consideration of the doctor and his private interest secondary. Even if we live in a society wholly dedicated to private enterprise, health problems must be considered an exception since only a healthy nation can sustain a high position in this world of keen competition. Everyone has the right to profit from the progress of medical science.

The low-income groups simply cannot pay the comparatively high rates of private health insurance policies which include hospitalization, doctors' fees, medicines, etc. It is obvious that private health insurance is more expensive than Federal insurance because (1) private insurance companies operate only for profits which must be paid for by the insured; (2) under Federal health insurance legislation, the insured pays only half of the premium, the other half being paid by the employer. I quote from a statement regarding GI life insurance (Plain Dealer, July 24, 1949, p. 1): "The ex-GI profits by a number of cost factors not open to holders of private insurance policies. The major favorable item is the fact that the Government absorbs all administrative expenses instead of prorating them among the policyholders." The same is true of health insurance.

Federal health insurance must be made compulsory for low-income groups because they never have enough money left to pay voluntarily for a private health-insurance policy. Of course, they pay for tobacco, drinks, baseball tickets, bowling, etc., by the billions, but nobody prevents them from doing so, and, therefore, nothing is left for medical care, especially when there is always a possibility of getting free medical care in case of an emergency.

The other day I had an interesting conversation with my grocer:

He asked, "How is business? People always need doctors."

I: "Yes; but when my patients cannot pay at my office they go to my hospital and get the same service from me free of charge."

Grocer: "That is as it should be."

I: "Could you give me the address of a grocer where I can get my groceries free of charge when I cannot pay you?"

To which the grocer had no answer.

Under compulsory Federal health insurance, even the poorest patient would be a paying patient to his doctor. Perhaps the main reason for the support of Federal compulsory health insurance by many doctors is the fact that they would not be forced to treat patients gratis in hospital dispensaries. At present 60 percent of American doctors are forced to do so because they must, for obvious reasons, be connected with a hospital.

In regard to the matter of free choice of doctors, most patients today cannot have the doctor of their choice because they cannot pay him, and a small-premium, private health policy will not cover the cost, since the smaller the premium the less service allowed.

The young doctor would find Federal compulsory health insurance a godsend. From the very start of his practice he would be sure of having enough income to cover his expenses. Many young doctors today spend years of anxiety and hardship. This is especially true in times of business recession.

Everywhere in the world where government-supervised compulsory health insurance exists it was introduced against the will of the doctors. Instead of taking the lead in organizing the complicated set-up of a federal health-insurance machinery, the doctors opposed it, with devastating results for the doctors.

Why didn't the American Medical Association take a secret ballot on this question? Why weren't the doctors in Cleveland called together for more discussions about this very important phase of public health?

There is still time for the American Dental and the American Medical Associations to sit down together with the Government and work out a health-insurance organization without the mistakes, defects, and blunders of the European systems. If they don't, health insurance will become law anyway without their consent and to their disadvantage.

You now can understand why I refuse to spend money for a cause I regard as unjustified and which I oppose.

Sincerely yours,

HUGO HECHT, M. D.

Amendment of Natural Gas Act

EXTENSION OF REMARKS
OF
HON. ROBERT HALE
OF MAINE
IN THE HOUSE OF REPRESENTATIVES
Tuesday, August 16, 1949

Mr. HALE. Mr. Speaker, during the present session of Congress I have had the honor to serve on the Petroleum Subcommittee of the Committee on Interstate and Foreign Commerce. The chairman of that subcommittee is Mr. OREN HARRIS, of Arkansas.

During the present session, the subcommittee has been largely occupied in considering amendments to the Natural Gas Act. Mr. HARRIS has been a very devoted and able subcommittee chairman. He has brought to the consideration of natural gas legislation much familiarity with the industry and a conspicuous capacity for patient work in resolving the many technical difficulties involved in legislating. It is gratifying to me to see editorial recognition of Mr. HARRIS' work and I direct attention to the following editorial appearing in the El Dorado (Ark.) Daily News:

CHECK CONTROL MOVES

The Harris bill to amend the Natural Gas Act has been passed by the House, and it is now in the Senate where similar legislation has been introduced.

The vote on the bill was 183 to 131 in face of strong opposition from the executive branch of the Government and the Federal Power Commission.

Exemption of the independent producer and gatherer of natural gas from regulation of the Power Commission is the purpose of the bill. It is designed to enable the independent to drill and produce gas and to dispose of the product without the FPC fixing the price or imposing any type of control before the gas enters interstate pipe lines.

The bill definitely is a blow against further extension of Federal control or new steps to bring about controlled economy in one of the Nation's important industries.

One of the big issues is whether Congress will write the law or a commission may exercise control through regulation, going beyond the provisions of an act which has been on the books for 11 years.

The legislation is in line with the fight of the oil industry against Federal control.

The House action is a definite forward step in the interest of free enterprise. There is no need of Federal price fixing or control hanging over the heads of independent gas producers, and it is high time for Congress to check agencies and commissions bent upon setting up and extending their own controls.

Congressman OREN HARRIS, chairman of the Subcommittee of Interstate and Foreign Commerce Committee, wrote the amendment and pushed it to passage in the House. HARRIS conducted hearings on the bill and served as leader of the measure's proponents. He has served the gas industry and at the same time has taken the lead in a fight to preserve good old American principles.

This fight for the independent gas producer is not strictly nor solely for their benefit. Control in any form hits many others in addition to those involved directly. It is just not the American way and more people need to realize that they must fight for their rights.

We want to commend OREN HARRIS for his good work on this bill, and at the same time call upon Arkansas' two Senators to go down the line for the free-enterprise system when the measure comes before the Senate.

This fight for the gas industry should be won. If it is lost, another industry will become a target for the bureaucrats and there would be no telling where controls might end. It must be nipped now.

Insurance Refunds Due Veterans

EXTENSION OF REMARKS
OF
HON. HAROLD H. VELDE
OF ILLINOIS
IN THE HOUSE OF REPRESENTATIVES
Tuesday, August 16, 1949

Mr. VELDE. Mr. Speaker, I should like to call attention to the resolution I signed along with a number of other veterans of World War II several weeks ago. We have strongly urged all members of Congress to support the resolution so that what obviously has been a raw deal to the veterans can be corrected as speedily as possible.

The Government of the United States owes 16,000,000 veterans of World War II $2,800,000,000 as a result of overcharging them for their service insurance. The Truman administration refuses to refund this money until 1950. This obvious maneuver causes us to arrive at the following conclusions:

This is a scandalous political performance. The Government first overcharged the veterans for their insurance and now refuses to refund the overcharge until it suits the political purposes of the Truman administration. Certainly the United States Government should discharge a debt of honor to its veterans above any other it has incurred, and if for no other reason, to set an example of good faith for all debtors.

Aside from the basic question of governmental integrity and good faith there are other reasons why this huge sum should be speedily put into circulation. The $2,800,000,000 will go to 16,000,000 veterans. Its circulation will have a beneficial and legitimate economic effect; could mean the difference between a depression and simply a healthy business readjustment. It would help the veteran by returning money to his pocket which is rightfully his.

The Veterans' Administration describes the insurance refunds as "dividends." This is deliberately misleading and untrue. They are not "dividends"; they are refunds on an overcharge. Imagine the speed in which Mr. Truman's Department of Justice would swing into action if private enterprise had overcharged 16,000,000 people $2,800,000,000 on their insurance policies.

The record shows clearly and beyond dispute that the administration is deliberately holding up the money until 1950 because it is a congressional election year. The record: Two years ago Republican members of the House Veterans Committee formally requested that the insurance refunds be made immediately. The Veterans' Administration said the refunds could not be issued until the Supreme Court ruled on a test case, but solemnly promised that within 6 months after the Court made its ruling the payments would be made. The Court ruled in June 1948. It is now more than 14 months since the Court ruled. Now the Administration tells the veterans they will not even start the refunds until January 1950, or 19 months later—if the promise is kept.

We hesitate to subscribe to the possibility that General Gray, the head of the Veterans' Administration is responsible for holding up the refunds. We believe he is a prisoner of politics and that his agency is the victim of political pressure by the higher-ups in the Truman administration.

Hoover Achievements as Ex-President Are Called Unprecedented

EXTENSION OF REMARKS
OF
HON. EDITH NOURSE ROGERS
OF MASSACHUSETTS
IN THE HOUSE OF REPRESENTATIVES
Tuesday, August 16, 1949

Mrs. ROGERS of Massachusetts. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following article by David Lawrence, from the Washington Evening Star of August 16, 1949:

HOOVER ACHIEVEMENTS AS EX-PRESIDENT ARE CALLED UNPRECEDENTED—INTEGRITY, FAITHFULNESS TO NATION RECALLED BY RECENT CELEBRATION

(By David Lawrence)

Herbert Hoover has just been the recipient of an amazing tribute from his fellow countrymen. From everywhere messages of congratulations have poured in on him on the occasion of his seventy-fifth birthday.

But there was something more significant in this than the celebration of a birthday or the manifestation of the popularity of a prominent man. It is the tendency to be more objective about his record in office.

An entirely new generation has been born since Herbert Hoover was President. Twenty years have elapsed since he took the oath of office. Only a part of the adult population of today remembers the Hoover administration and its trials and tribulations through a period of world-wide depression and economic convulsion.

Only a part of the reading public of today recalls how Herbert Hoover was abused as being responsible for the depression in America, when, in fact, the United States was caught in a whirlpool of economic currents that affected every nation in the world.

FIGHT IS RECALLED

As history is written, Herbert Hoover's courageous fight against the depression was virtually won by the time he was leaving office. It was only in the interval between election and inauguration that panic seized America because of the uncertainty of what the new administration would do and the apparent inability of the outgoing and incoming administrations to collaborate in a nonpartisan way.

President Roosevelt distrusted the Hoover administration because it was Republican. Something of the same distrust permeated the Republican administration about the Democratic regime that was to come into power. The responsibility for collaboration was plainly imposed upon the incoming President. Many books have been written about that fateful period, and, of course, hindsight is better than foresight. Yet, contemporaneously with the happenings, many people familiar with the moves that were made behind the scenes in an attempt to avoid the financial collapse felt that the bank holiday could have been prevented as late as January 1933.

Actually, the United States was solvent and the frozen assets in the banks could have been liquidated in an orderly fashion. The record shows that in subsequent years the liquidation of those assets did occur and the losses to depositors were relatively small. In fact, it was a higher average of return to bank depositors than had been experienced in bank losses of a half century before. The operating plan for the bank holiday was drafted by Mr. Hoover's associates in the Treasury Department in February 1933, and was accepted by the incoming administration.

FAITHFUL TO PARTY

Herbert Hoover is faithful to his Republican Party, but he has shwon again and again how to rise above partisanship. What he has done since he has left the White House has proved conclusively that he knows how to be first an American and second a partisan.

Even now, at the advanced age of 75, Herbert Hoover has not ceased his labors in the nonpartisan cause. Both political parties paid him honor by supporting resolutions in both the Houses of Congress. A Democratic President sent him a message of congratulation.

What Herbert Hoover has done as an ex-President is unprecedented. Other ex-Presidents have performed some service but Herbert Hoover has been in almost continuous public service. This has not been entirely for the Government directly because the late President Roosevelt declined to make use of Mr. Hoover's services. The friction that developed in the interval between the election in 1932 and the inauguration in 1933 apparently was never healed. It is regrettable that the services of Mr. Hoover were lost to the country so far as the Government was concerned from 1933 until Mr. Truman took office.

INTEGRITY IS CITED

One characteristic that will always be written on the pages of history as outstanding in the case of Herbert Hoover is his integrity and character.

Men can win public office, they can amass votes, they can make speeches lambasting their opponents, they can be great orators, and they can be bitter partisans—and the Nation will not disapprove of any of these. But let a President lack anything in character or integrity, let him exercise bad taste and violate what is conceded to be public morals and he will go down into oblivion.

Herbert Hoover's name will shine because his character is unblemished and his record as custodian of the people's funds and the people's interest stands untarnished through the years.

Address of Capt. R. M. Watt, Jr.

EXTENSION OF REMARKS
OF
HON. PHILIP J. PHILBIN
OF MASSACHUSETTS
IN THE HOUSE OF REPRESENTATIVES
Tuesday, August 16, 1949

Mr. PHILBIN. Mr. Speaker, under unanimous consent to revise and extend my remarks in the RECORD I include therein the remarks of Capt. R. M. Watt, Jr., commander of the Boston Naval Shipyard at a recent convention of the Massachusetts Federation of Labor, which I think is significant in emphasizing some of the activities of the Boston Naval Shipyard, the skill, ability, and versatility of those faithful employees:

On the 18th of June, I relieved Rear Admiral Hague as Commander, Boston Naval Shipyard, which is the third largest employer of labor in the New England States. One of the questions uppermost in my mind was what kind of support I was going to get from the Charlestown Metal Trades Council. I knew they were a strong, aggressive group and considerable influence among our personnel, but I didn't know how that influence would be exerted or exactly to what degree it would help or hinder my hopes and ambitions for the shipyard.

Well, I didn't have long to wait. On the 27th of June a Bulletin of the Charlestown Metal Trades Council was widely circulated. This bulletin stated very clearly that in their efforts to secure more and more permanent jobs for the people of this community, the theory sponsored by them and the American Federation of Labor was more production and better work. The Bulletin encouraged the men to produce more, to produce faster, to produce better. It stated the wise facts that in the long run the way to ensure permanent jobs in the Boston area was to get busy and demonstrate such superiority in quality production that neither the Navy nor any good businessman could overlook it.

Needless to say, I am more than happy to have such sound ideas spread throughout the shipyard for whose performance I bear the responsibility.

Your metal trades council have also been leaders in obtaining better working conditions and sponsoring worth while activities such as the Children's Hospital collection.

As Fred Claus, Bill McCarthy and Eddie Hines have undoubtedly told you, we are proud of our shipyard. We firmly believe it is the best shipyard in the world. We can build cruisers, destroyers and submarines. We can repair and drydock anything from the largest aircraft carrier to the smallest submarine. Our good New England mechanics make the world's best and cheapest rope, the best chain and many other products which you have seen in the exhibit outside.

But what I am most proud of is not the material products you see in our exhibit, but the fact that we have a bunch of boys and girls who have the life and fight in them to jump in and do any job which the Navy and United States need done.

We had a good illustration of that over the weekend. Friday night the destroyer *Livermore* ran aground in Pollock Rip. Nearby ships were sent to help her and when the shipyard offered to help, it was thanked for its offer and told that it was not needed at that time. Sunday morning with the situation getting steadily worse, Boston Naval Shipyard was called. We flew down immediately in a PBY Amphibian and tried to land alongside the grounded vessel. The water was so rough that it would have broken up the plane and we had to go back and land at Hyannis. Then we got a small private plane to fly us to Chatham. Finally, we had a slow, rough ride in a Coast Guard picket boat. We arrived about 5 p. m. Sunday.

While the Boston Shipyard team was in transit, dispatches from the stricken destroyer indicated that the situation was getting more critical, and Washington called in Merritt, Chapman & Scott, the world-famous salvagers, with the idea that no possible effort should be spared to get the destroyer off before she was ruined, with possible loss of life.

As soon as we arrived, we found that a great many things were needed to speed the job. Admiral Thebaud, commandant of the First Naval District, had a helicopter waiting for us at the end of Monomoy Point, which proved invaluable. He sent us immediately an amphibian plane, additional tugs, light-draft vessels, landing craft, and everything else we needed. With such perfect support from headquarters, with some fine help from the Coast Guard and Navy ships assembled at the scene, with some kindly advice from Merritt, Chapman & Scott's wrecking master, and with a lot of good luck we got the destroyer afloat less than 24 hours after the Boston Naval Shipyard team arrived at the wreck.

There was one little incident I remember quite happily. At noon on Monday the rough water became calm and we could see that near low tide there was so much sand piled around the vessel's stern that you could walk on it without getting wet much above the belt. The propeller shafts were completely buried and only the top inch of the uppermost propeller blade stuck above the sand. Merritt, Chapman & Scott were friendly to our Boston plan of salvage, but they felt the situation was so bad that ships could not get her off and that it was a job of beaching gear. They were rushing ahead with the unloading and preparation of this equipment. Their acetylene burner was being encouraged to work at top speed and was sweating profusely. The burner had just completed the first hole in the deck for bolting down the beaching gear. Then we got the big rescue tugs pulling with all they had and put the little ships alongside the *Livermore*, with engines running at full speed to scour out the sand—as he started to burn the second hole, the ship slid free and floated. He threw his torch on the deck with disgust and said, "Damn it, all that sweat for nothing." So we boys from Boston felt a certain pride in pulling this job out from under the noses of the world's finest and most experienced salvagers.

Master Rigger Joe McDonald, who is a member of your metal trades council, did not stop to sleep or to eat more than a sandwich from the time we started until the ship was afloat. His skill and drive played a large part in the success of this operation.

And so at Boston we feel that we are well qualified to do, not only the things you see in our naval shipyard exhibit, but to take on any tough or difficult job which the Navy or the United States wants done.

Our ability to do those jobs swiftly and well will be increased by the influence you are exerting for faster and better production and for better working conditions which mean better men. I wish you much luck and I look forward with pleasure to working with you in the years ahead.

Thank you.

Signal, Merited Promotion

EXTENSION OF REMARKS
OF
HON. OVERTON BROOKS
OF LOUISIANA
IN THE HOUSE OF REPRESENTATIVES
Monday, August 15, 1949

Mr. BROOKS. Mr. Speaker, Louisiana is truly proud today of the appointment of a distinguished son as Chief of Staff of the United States Army. This is the first instance in history, as far as I know, in which a Louisianan has been appointed to this high position in our Defense Establishment.

I am a member of the Armed Services Committee, and I know of the splendid record of Gen. J. Lawton Collins. It is a record to which any military man may point with great pride; and it is a gallant record of service, both in war and in peace. During the course of his European command during the last war, he earned the very descriptive title of "Lightning Joe" for his daring and speed in opening holes in the enemy's line through which the armed columns of Gen. George Patton passed to wreak devastation and destruction upon the rear installations of the Germans.

As Deputy Chief of Staff, General Collins has served our country with credit to himself and to his country. His promotion is well-deserved and applauded by the country. I am sure his older brother, a retired general officer with an outstanding record to his own credit, and former commanding officer of the Carribean defense command, will rejoice with us in this recognition of his distinguished brother.

Mr. Speaker, I present an editorial from the New Orleans Times-Picayune of August 13, 1949, entitled "Signal, Merited Promotion":

SIGNAL, MERITED PROMOTION

Word came from Washington Friday that Lt. Gen. Joseph Lawton Collins had been named Army Chief of Staff to succeed General Bradley, just appointed Chairman of the Joint Chiefs of Staff. General Collins' well-earned promotion will be hailed with satisfaction the country over—but nowhere else so enthusiastically as here in New Orleans, his old home town. A native of New Orleans, he spent his boyhood here, leaving to enter West Point and begin his outstanding military career. He has relatives and countless friends in this city, has revisited it when his duties permitted and as recently as last spring.

Entering the Army in April 1917, after graduation from the Military Academy and prior study at Louisiana State University, he saw active service during World War I. During the recent conflict, he earned fame as "Lightnin' Joe" when he led his Seventh Corps first of any American forces across the Rhine. Before his transfer to the European theater, he was the first brigade commander flown into the Pacific after the Pearl Harbor attack. He organized the Twenty-fifth Division in Hawaii and served at Guadalcanal and throughout the South Pacific campaigns. Sent to the European front as a corps commander at the time of the Normandy invasion, he participated in the first landing on the coast and earned distinction by the skill and daring of his leadership.

Following his combat service, General Collins served as the first Director of the War

Department's new Office of Public Information. He was Deputy Chief of Staff under General Eisenhower and Vice Chief of Staff under General Bradley.

New Orleans naturally takes pride in the promotion of a native son to the high and responsible post of Army Staff Chief, and deep satisfaction in the fact that his honors have been earned on merits by his brilliant career as combat commander and efficient administration of his postwar assignments. No better selection could have been made, in our judgment, and we have no doubt that he will justify it abundantly by efficient and devoted service in his new post. All New Orleans joins in the tender of congratulations and good wishes to this distinguished native Orleanian.

GI Refunds

EXTENSION OF REMARKS
OF
HON. HAROLD H. VELDE
OF ILLINOIS
IN THE HOUSE OF REPRESENTATIVES
Tuesday, August 16, 1949

Mr. VELDE. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following editorial from the Ithaca (N. Y.) Journal of July 20, 1949:

GI REFUNDS

Because the drain on the system was not as heavy as forecast, the veterans' insurance fund has a surplus. The idea, then, and a fair one, is to cut down the premiums charged the former soldiers who paid them in. But here arises a political angle which is as blatant as we've seen in some time, even in Washington.

Early this year it was known that refunds would be made to veterans on their insurance premiums. But when the talk had circulated around for a while, Veterans' Administrator Carl R. Gray said in June that he hoped distribution of checks would start by next January and be substantially completed a year from now.

Frankly, these $2,800,000,000 in overcharges belong to the veterans, now. It was excess money paid in and should be returned without delay. Even Washington should move fast enough to get this money back to its owners by October 1949, as Representative KEATING, of Rochester, has demanded.

But the $2,800,000,000 appear to be slated to stay in Federal coffers until next year, when they will roll out and payments will be substantially completed by the time the voters are going to the polls in 1950 congressional elections. If veterans look that one over, they'll be insulted and also sore that they've been held up a year on money that's rightfully theirs now.

The Late H. R. Knickerbocker

EXTENSION OF REMARKS
OF
HON. ISIDORE DOLLINGER
OF NEW YORK
IN THE HOUSE OF REPRESENTATIVES
Tuesday, August 16, 1949

Mr. DOLLINGER. Mr. Speaker, Mr. H. R. Knickerbocker, Pulitzer prize-winning WOR commentator, was one of the 14 correspondents who died in the recent Bombay plane crash. The following story appeared in the World-Telegram of August 13, 1949. I think it only fitting that this be inserted in the CONGRESSIONAL RECORD, and that his message quoted therein, sent to Mr. Victor Lasky, staff writer for the World-Telegram, be considered as the last word of a great American newspaperman.

GETS CARD FROM PAL, DEAD IN BOMBAY CRASH

A postcard sent from Singapore on July 6 by H. R. Knickerbocker, a week before he died in a Bombay plane crash with 13 other correspondents, was received today—more than 5 weeks later—by a World-Telegram staff writer.

Almost to the last the Pulitzer prize-winning WOR commentator, who had covered the trial of the 11 Communist leaders, had been concerned with the Communist menace, the postcard indicated.

The postcard, bearing a photograph of Singapore's Raffles Museum, was addressed to Victor Lasky of the World-Telegram. It declared:

"DEAR VIC: Tell the comrades that all Commies are arrested and held, without trial, indefinitely in Singapore prison. Always room for 11 more.

"KNICK."

Mr. Knickerbocker, one of the Nation's top foreign correspondents, had won the Pulitzer prize for his Moscow coverage in the early thirties. He was buried in Bombay.

Greece

EXTENSION OF REMARKS
OF
HON. THOMAS J. LANE
OF MASSACHUSETTS
IN THE HOUSE OF REPRESENTATIVES
Monday, August 15, 1949

Mr. LANE. Mr. Speaker, under leave to extend my remarks, I wish to include the following article from the Boston Sunday Post, August 14, 1949:

GREEK OFFICIAL ON HUB VISIT SAYS PEACE IN PROSPECT FOR HIS COUNTRY

(By Jay Bridgton)

For four long and bloody years the Greek Army has battled desperately against thousands of Communists who have attempted to set up a Red regime. The Communists, banded together in guerilla groups, have been well equipped and well led, and most of them have been receiving aid from Greece's Soviet-dominated neighbors to the north.

Now, with Tito's regime in Yugoslavia in bad grace with the Kremlin, the possibility looms that the Greek Government will be able to give the insurgents the coup de grâce soon and that peace will return to the stricken country, according to a high Greek Government official now visiting in Boston.

Aristides E. Basiakos, member of the Greek Parliament and former Governor General of the war-torn area of Macedonia and Thrace, in an exclusive Sunday Post interview, declared that "the situation is better than at any other time since the end of the German occupation" and that "we hope in a few months to be all through" with the civil war still raging.

RED FRONT BREAKS

While the vast improvement of the Government position in opposition to the guerrilla bands that once held sway over the larger part of Greece is a tribute to the determination of the Greek people and their army to be free, and to the American aid that has been received, the immediate prospect of peace and victory is due to Marshal Tito's difficulties with his erstwhile friends in the Kremlin, says M. Basiakos.

For Tito, in bad grace with Stalin and with his Soviet-dominated neighbors to his east, west, and north, is worried about being surrounded, and wishes to keep his southern flank free, the Greek political leader points out.

Tito has been the principal source of aid to the guerrillas who have conducted a 4-year reign of terror along the Greek border. Greek guerrillas, many of them not even Greeks, have been armed and trained on Yugoslav soil and then sent to battle against the Greek army, and they have returned to Yugoslav territory to rest or to escape the pursuing Greek Government forces.

But now Tito is in difficulty with the Soviet Union and is feeling the pressure being put on him by his Red-dominated neighbors. So he has initiated an about-face policy with Greece. It is a policy based on expediency alone, and the Greeks recognize this as they prepare to benefit by the break in the Red front in the Balkans, he told a Post reporter.

"Tito has made an official statement that in the future he will not allow the guerrillas to operate on Yugoslav territory," the Greek member of parliament said: "The American people should know that that statement does not mean a friendly expression toward Greece, but that more than anything else he wishes to prevent his southern border from an encirclement by the Soviet Union."

SETTLEMENT EXPECTED

There are still things to be worked out with Tito before the Greek Government will be satisfied that she has nothing to fear from the Yugoslav leader, he points out. But his prediction that within a few months "we will be all through" indicates that a settlement is expected. In fact M. Basiakos indicates that the Greeks will be willing to forget a great deal in order to achieve the settlement, which, he points out, would make the two countries friends but not allies.

"We Greeks have no hate against the Yugoslav people, neither do we have any differences over our common frontiers. Neither do we have the right to criticize any kind of government that Yugoslavia wants. We do have, though, the right to demand that Yugoslavia not interfere in our internal affairs, and not to help the guerrillas opposing our government forces.

"If Yugloslavia returns the Greek children which the guerrillas have taken from our people across the Yugoslav border and if she exiles these guerrillas, then we are ready and willing to work with her for the betterment of our peoples. Greece today is a country on the defensive, with no demands upon anyone."

But while Tito seeks to neutralize his southern border against the possibility of trouble with Moscow and the Soviet-dominated countries of the Balkans, he cannot expect any aid from Greece in such a situation, he warns. "If Yugoslavia has difficulty with Russia, we are not willing to interfere."

This is the time for American and the other western democracies to put the pressure on Yugoslavia in behalf of Greece, in his opinion.

"At least Tito made the statement about the guerrillas. If he were pressed a little by the western allies, particularly by America, then he might be willing to return the children."

STOLEN CHILDREN

The children that Greece seeks to have returned by him are those taken forcibly by the guerrillas from the Greek villages, particularly in the north, and spirited across the border into Yugoslavia, Albania, and Bulgaria during the past 4 years. These children have been kept, and many of them

trained to hate their own people and to embrace the Communist philosophy.

The older boys and girls, he explains, would be kept for a few months, trained to handle firearms and given some Communist indoctrination. Then they were sent back into Greece to fight in guerrilla bands. If a boy or a girl was slow to accept the teachings, they were assigned to the most dangerous posts, and so many of them have been killed in the fighting. There have been some 40,000 Greek children kidnaped.

Those too small to be sent back to fight are being brought up as Communists, and the Greek Government is faced with the dreadful possibility of fighting these unfortunate children in the years ahead, if there is no return soon. One of the criticisms of the Greek guerrillas has been that relatively few of the willing members have been Greeks, and that so many of them have been Slavs and not Hellenes.

If Tito resolves his difficulties with the Greek Government, as Mr. Basiakos expects he will shortly, then the end of the war with these guerilla bands will soon come to an end, in his opinion.

If Greece and Yugoslavia reach an agreement, then the Greek Government will be able to withdraw its troops from the Yugoslav border area and employ them against the guerillas still operating from across the border of Albania in the northwest and from Bulgaria in the northeast.

BEGIN TO CRUMBLE

At the present time, because of the valiant effort of the Greek people, and because of the invaluable aid given by the American Government, the Communist guerillas are on the run anyway, even without the Yugoslav settlement, he declares. In the Peloponnesos the guerillas have been cleared out—the first such announcement to come from a Greek official. In the north their power is on the decrease.

If the government feels that it is strong enough it will seek to encircle the Communists and wipe them out, thus ridding the nation from any further threat from them. But if it feels that it does not have sufficient power to achieve this quickly then the government may seek to push them back without encirclement to Albania. This is less desirable because the Albanian Government will rest them, rearm and reinforce them, and send them back into Greece again, if it continues the policy it has pursued in the past, he points out.

Once the situation on the Albanian frontier is taken care of, then the Greek Government could quickly wipe out the guerillas operating from the Bulgarian border, he predicts.

As it is, the Communist strength is beginning to crumple in Greece. Mr. Basiakos says that during the German and Italian occupation many members of the professional classes became fellow travelers, convinced that the Communist Party would bring them and their nation security and a higher standard of living. These professional people were promised the leadership of the proposed Communist Government in Greece.

"They wanted to better their condition, and they were promised a socialistic state such as England has today. They were promised, to use a Greek expression, 'the bakery and the loaves of bread.' But in December of 1944 thousands of them became disillusioned men and women. For when the Communists tried to seize the Government by force, and slaughtered thousands of Greeks in the attempt, then they were shocked. They had thought that the change in power would come peacefully by due process of law, when the majority wanted it. Thousands left the Communist Party then. And thousands of others who did not leave then did 4 months ago when Macedonia and Thrace were promised by the Communists to Albania and Bulgaria.

"Take 10 guerillas today. Two will be Communists—real Communists who will do anything for Moscow. Then there will be three of these fellow travelers. And there will be five Greeks who are neither Reds nor fellow travelers who are forced to fight. The two Communists, with machine guns and grenades, force the five to do their bidding. In addition, the five are kept separated, so they cannot band together.

"When there is fighting the five unwilling guerrillas are the first to run away or to surrender. The three fellow travelers are next, and they are coming over to our side more and more. The two Reds seldom surrender. This sort of organization is showing signs of strain, as more and more surrender."

MARKED FOR DEATH

Mr. Basiakos has a long and unpleasant acquaintance with the Communists of his native land. A member of the Greek Parliament before the war, and a leader in the Greek underground during the German and Italian occupation, he was selected for massacre by the Communists during their abortive attempt to seize the Government in December of 1944.

He was arrested by the Communists in Athens, taken to a building and held. He was taken to a room for questioning, and then told to step into the next room. He went into the corridor, found a door open leading outside, and slipped out into the dark night. It was raining hard and the mud was deep. He made his way to a forest, and for three and a half hours he walked along lonely roads, getting a little shelter from the trees that lined both sides of the road. He walked until he reached a small village where he obtained an old auto, and then drove on to his native city of Thebes.

Later, when he was governor general of Macedonia and Thrace at the most critical period since the war, a grenade tossed by a Communist blew a leg off his bodyguard, but he escaped injury. And on Christmas Day of 1947 guerrillas bombarded the town where he had his headquarters with mortars, but again he escaped.

The 44-year-old Greek legislator was born in Thebes, and is a graduate of the University of Athens. He was elected to the Greek Parliament in 1933, being the youngest member of that body. He was 28 then. He remained in Parliament until that body was dissolved by the late Premier Metaxas.

He returned to his law practice, but when the king and the dictator-premier said "No" to Mussolini in 1940, he joined the army, as did many of the other critics of the dictatorship. He had the rank of private, and served on the Albanian front until Greece was forced to give up to the Germans 6 months later.

Back in Thebes he worked on his family farm and became a leader of the underground. Both the Germans and the Italians threw him into prison for several months when they became suspicious, but they were never able to obtain any evidence.

When the elections were held in 1946, he was returned to Parliament as a member of the Popular Party. He was appointed governor general of Macedonia and Thrace in March of that year, and it was he who instituted the investigation into the murder of George Polk, the American newspaperman whose trussed-up body was found on the shore of the Aegean south of Salonika.

He is a cousin of Angelo Bassett, the maitre d'hotel at the Hotel Somerset. He arrived in this country August 26 to visit his friends and relatives and to thank various Greek-American organizations that have helped his country during an hour of peril. He plans to return to Greece on September 9.

Is the Eighty-first Congress the Tung Oil Congress?

EXTENSION OF REMARKS
OF
HON. CHARLES W. VURSELL
OF ILLINOIS
IN THE HOUSE OF REPRESENTATIVES
Tuesday, August 16, 1949

Mr. VURSELL. Mr. Speaker, the Fair Deal is becoming more "balmy" every day. New schemes are being figured out to waste more and more of the taxpayers hard-earned dollars. The high wartime excise taxes are still being maintained on the necessities of life.

It was only last week that the House passed the tung oil bill. The United States production for 1948 was 16,000,000 pounds and we imported 133,000,000 pounds without duty. The House bill supports tung oil at 90 percent of parity, which is to help the producers in the United States, but at the same time this also means supporting the 133,000,000 pounds imported. This is not good common horse sense.

Now, I note that the proposed Senate agricultural bill provides a support of 60 percent to 90 percent of parity for tung oil, while hogs, a $3,500,000,000 crop, and poultry, a $3,000,000,000 crop, are to be supported from 0 percent to 90 percent of parity, "if," and it is a big "if," there are any funds left after supporting tung oil and other crops like peanuts and rice that do not represent one-tenth of the 1948 farm income derived from hogs and poultry.

These Fair Dealers will have to use oil on their tongues if they wish to promote such insane legislation as supporting tung oil, a $4,000,000 crop, and ignoring the great livestock industry of the United States.

Hurrah! Hurrah! Now that the "tongue oil" situation has been taken in hand and the $4,000,000 industry has been placed on the preferred list, we also note that the Fair Deal is making another great contribution to the advancement of agriculture by placing mohair of whiskered Texas goats a $7,000,000 crop in 1948, on the same legislative pedestal, while the poultry and hog industries with a combined 1948 value of over $6,500,000,000 are being left out on the proverbial limb with an "iffy" support. The New Deal and Fair Deal programs are always for the favorite special groups instead of for the welfare of the many.

China Policy

EXTENSION OF REMARKS
OF
HON. MIKE MANSFIELD
OF MONTANA
IN THE HOUSE OF REPRESENTATIVES
Tuesday, August 16, 1949

Mr. MANSFIELD. Mr. Speaker, I am inserting in the RECORD an article by Joseph C. Harsch and an editorial on

China. Both of these are carried in the Christian Science Monitor of August 15, 1949.

I would urge the Congress to study this material carefully because the writers are impartial in their outlook and they seek to look at the China situation in a way with which no American can find fault.

The times call for a bipartisan attempt to solve a very difficult problem.

STATE OF THE NATION—AMERICA NEEDS A CHINA POLICY

(By Joseph C. Harsch, chief, Washington News Bureau, the Christian Science Monitor)

WASHINGTON.—It certainly would be nice if, in the aftermath of that document on China called a white paper, there might emerge a nonpartisan or bipartisan American policy toward China and the Far East.

And several further improvements could be built quickly on a policy which had the sanction of both Republicans and Democrats. For example, once the two American political parties had stopped squabbling over China policy, the State Department would be able to discuss serious coordination of British and American action toward China.

As things are, of course, none of this is possible. Britain can't possibly coordinate its China policy with Washington's since Washington's continues to be as unstable and uncertain as at any time since it became a favorite political football. Nor can Washington proceed with any certainty down any one of the various lines of action it might theoretically pursue since the moment it starts one way, political pressures build up for a contrary movement.

The price of such vacillation, and imposed irresolution, shows up all through the record of recent weeks in China. American diplomats are insulted. American businessmen are blackmailed and in effect imprisoned. Neither American diplomacy nor American business can operate in China or withdraw from China.

This condition is in marked contrast to the position of British and other western representatives in China. They have had their troubles, but it is nothing compared to those of the Americans. All the time the British sloop *Amethyst* was having its private war with the Communist batteries on the Yangtze River, British businessmen were doing some business—a lot more than Americans could do. And Britain holds Hong Kong which, in theory, every Chinese resents as an infringement on Chinese territory, yet no British diplomatic mission has been insulted as have the American. The early withdrawal of American naval forces from Shanghai led to more trouble for Americans than the late and reluctant British withdrawal did for British.

Behind the difference of treatment of British and American nationals lies the difference of foreign policy approach. Britain has one policy toward China. It is the Foreign Office policy. If the Foreign Office lays down a line of policy, that becomes the policy. There may be grumbling—and perhaps the captain of the *Amethyst* exceeded his authority when he slipped his cable and got his ship away. But, by and large, there is a single British policy on China, and the two factions in China know what it is, know what they are dealing with, and show some respect for it.

America enjoys no such simplicity of approach to the China problem. No faction in China has ever been able to know from one day to the next what the American policy would be. Right now there is a wonderful exhibition of how documents can be made to prove anything. Administration friends and spokesmen have used the China white paper to prove that the failure of China policy has been Republican fault. And Republican friends and spokesmen have been just as apt at using texts from the same paper to prove the fault lies with the administration.

The truth of the matter, of course, is that the failure of China policy stems from the division of policy. Had the two parties ever been able to agree to support the Chiang regime, regardless of the cost, the debacle of policy might have been prevented. The experts differ as to what the cost would have been. General Wedemeyer thought he could do it with 10,000 American troops and about half a billion dollars a year. Others think the cost would have gone very much higher.

There was always the possibility that it would involve the United States in war and the certainty that it would involve the United States directly in China's internal problems, including the economic problem. But, in theory, it could have been done. That was one line of American policy. The Republicans, who were not in office, tended to favor it. The Democrats, who were in office, opposed it.

Then there was the other way it might have been played. That was the way of bipartisan agreement to support the Chiang regime only if that regime would first make itself acceptable to the Chinese people by reform. This was always the preferred State Department line—on the theory that in the long run no regime can survive which fails to win and hold a substantial popular base. And this was the way the State Department tried to play the China game. But every time it seemed to be getting somewhere, the play would be spoiled by political disagreement in Washington.

So it is not correct to say that America's China policy failed. It is correct to say that, because of domestic political disagreement, America has not yet succeeded in evolving a China policy and that as a result to this day America's voice in China is ignored and America's hand is ineffective and the object of scorn.

The bill for playing domestic politics with China policy has already run to two billion American dollars, plus the loss of most of China to the Communists, plus heavy loss to all American commercial interests in China, plus what little prestige Americans had left in China.

Politics, beyond the water's edge, is expensive.

FAR EASTERN POLICY

The only point in looking backward is to see better how to go forward. If United States policy in the Far East since the war has been a failure, then what can be done to avoid similar failures in the future?

Most retrospective analysis of the subject today stops at Yalta, the point at which Russian influence enters the scene. Yet, even more profitably Americans could look back a full century to the great Taiping rebellion for an understanding of the indigenous peasant roots of Chinese revolution.

Communism has given leadership to this native revolutionary tide in our own day, as nationalism in its later phases has resisted it. But behind it, now as in 1850, is the nonpolitical but crucial fact of population pressure, abetted monumentally by drought, flood, famine, and disease. Ten times as many American arms and dollars as have flowed into China in recent years could not hold back indefinitely the vast historical change made inevitable by these factors, plus the swollen tide of Chinese antiforeignism.

The problem has been to ride the historical current, not fight it. Unfortunately, Nationalist leadership has chosen the latter course. By default, the revolution has passed to the iron-handed direction of men who received many of their methods and most of their ideas from Moscow. The mistakes at Yalta and later American vacillations (occasioned by the lack of bipartisan agreement) have helped Moscow to tighten its relations with this revolutionary leadership and at the same time have put the United States in the position of supporting half-heartedly the ineffectual representatives of reaction.

More aid, with stricter American supervision, might have staved off the collapse for a time. But it would also have added vastly to popular Chinese resentment against American interference and to the moral weakness of the Nationalist Government. By giving the latter the fleeting illusion of strength from the outside, it would have concealed a little longer the fact that real strength is to be found only in moving with the dynamic forces of history—in this case particularly toward basic land reforms.

The truth is that American policy can support a strong, progressive, anti-Communist leadership in China when such leadership exists, but cannot create it when it is nonexistent.

Now, as Nationalist resistance dwindles, the victorious Communists are faced with forecasts of the greatest famine of the century following the gigantic floods and dislocations of this year. Their bold plans and promises will be put to a severe test. If they fail colossally as the self-appointed leaders of the revolutionary drive for a more abundant life, the revolution will in time grind them down, as it has ground down the Nationalists.

Shall American policy, by renewed aid to the discredited Nationalist remnant, help the latter—through its blockade of coastal ports, for instance—to swell the accumulating miseries of the masses, hoping thus to bring chaos down on the Communists? Or would such a policy divert the wrath of the people from their Communist masters to American imperialism and its Nationalist running dogs?

The answer to this dilemma must rest on moral as well as pragmatic grounds. To fight communism in China, it is necessary above all else to have a vital alternative leadership for the people to turn to. The finding and fostering of such leadership should be a continuing aim of American policy.

Public-Power Policy

EXTENSION OF REMARKS

OF

HON. GEORGE H. CHRISTOPHER

OF MISSOURI

IN THE HOUSE OF REPRESENTATIVES

Tuesday, August 16, 1949

Mr. CHRISTOPHER. Mr. Speaker, early in the session of the Eighty-first Congress the House passed the appropriation bill for the Department of the Interior. This measure carried funds for the Government transmission lines from projects in California, Oregon, Idaho, Montana, and Colorado as well as money for two Government power plants and six substations. It likewise carried an appropriation for the Southwestern Power Administration in Missouri, Oklahoma, Arkansas, and Texas and provided for marketing of Government-generated power from flood-control projects in eight Southeastern States. When the measure reached the Senate the Appropriations Committee of that body deleted most of these appropriations for public power and reduced others almost

to the vanishing point. Thus, the Senate Appropriations Committee yielded to the great private power utilities involved who want to obtain an absolute monopoly on all power generated in the United States, both public and private. This issue is being fought out today in the Senate, where an attempt is being made to restore the funds voted by the House for Government construction of transmission lines. The issue is basic. If the private utilities win, it will reverse a policy for equitable and adequate distribution of power from multipurpose projects that was laid down by Congress as far back as the Reclamation Act of 1906 and reaffirmed by Congress many times and as recently as 1944. This transmission-line battle represents the latest strategy of the private utilities to take over the public-power program in its entirety. For many years they tried to prevent Congress from approving multipurpose projects. They are still fighting against the CVA in the Northwest and TVA in Tennessee. They are attempting to hamstring these and prevent the authorization of others unless they can obtain the entire output of electric current at the bus bar at dump rates and resell the current generated at these dams at three times TVA rates.

If private utilities control the distribution and sale of all power as would be authorized in the cases involved in the Senate bill, then private power would have an absolute monopoly on all electric current and could fix its own rate since it would be the sole purchaser of power from the Government and the only source of power for REA. The Government without transmission lines of its own could not move to prevent this monopoly. The lines are clearly drawn and the issue is set out. Shall the consumer have the benefit of the power created by the flood-control dams that have been built and will be built by the taxpayers' money or shall the private power companies be allowed to continue to exploit the consumer even with the power generated at public expense. To allow private power companies to pick up current at the bus bar at dump rates is equivalent to building the dams at public expense and making the private power companies a present of the dams and generators when they are completed.

I include an article from the Missouri Farmer, as follows:

CONGRESS WILL DECIDE WHO GETS THE POWER

(By H. E. Klinefelter, M. F. A. Legislative Committee)

Some 53 percent of Missouri's farms are electrified. The other 47 percent of our farm families are interested in obtaining electricity. In many instances REA cooperatives have the material on hand and the necessary capital to extend electric service to additional farm homes. Down at Sikeston, for example, the money and materials have been available since 1945 to serve 3,000 more farm families. Many farmers cannot understand why the service is not being extended more rapidly, and why rates in many instances are so high.

Just what is the cause of this seeming delay? The cause is a power shortage. Who is responsible for this power shortage? The big power companies must shoulder that responsibility. Notwithstanding their statements to the contrary, they have either been unwilling or unable to furnish adequate power to REA cooperatives, and at reasonable rates.

Before an REA-financed cooperative can extend its lines to additional farms it must have the power to energize the new line, plus some additional power to take care of added burdens when farmers buy more electrical equipment and thus increase the load.

This power shortage has brought about a big fight in Washington before congressional committees, and REA-financed cooperatives and the Missouri Farmers Association have been right in there pitching for you, the farmers of Missouri. The big power companies have been right there pitching, too, but against you and your REA-financed cooperatives.

The fight in Congress has revolved around an appropriations bill for the Southwestern Power Administration, which is the marketing agency Uncle Sam has provided to sell power produced by Norfork, Bull Shoals, and other dams being built in this area by the Corps of Army Engineers.

At Norfork Dam, for instance, a 35,000-kilowatt generator is producing power which is being sold to the Arkansas Power & Light Co.—which incidentally is one of the big contributors to NTEA to fight farmer cooperatives—and another new generator of the same capacity is now being installed. At Bull Shoals, where a big dam will not be completed for another 2 years, enough new power will be produced to light three cities like Little Rock, Springfield, and Tulsa.

The whole question is: Will these new sources of power be turned over to the big utilities or will it be made available to REA-financed cooperatives in Missouri and Arkansas? If the appropriation bill for SPA is approved, the Government will build transmission lines from these dams and sell the low-cost power to REA-financed cooperatives. REA cooperatives, owned by farmers, will pay back the money with interest.

On June 6, F. V. Heinkel, president of the M. F. A., testified in your behalf before the Senate Appropriations Committee in Washington. He told the committee that "the reason why electric service has not been expanding satisfactorily in Missouri is due to an acute power shortage. Just why the power shortage does exist in my section of the country where sources of power such as coal and water are relatively abundant, I have been unable to determine. But a power shortage does exist. It is acute. And it is definitely retarding the progress of Missouri agriculture."

Mr. Heinkel made the point that "the lack of electricity on Missouri farms, which makes it almost impossible for farm families to have running water in their homes and modern conveniences such as refrigeration, is contributing mightily toward the elimination of the family-size farm. As the older generation passes on the young folks leave for the city's bright lights, and the farm is sold and merged into larger holdings. The young farm people of today who are educated in town high schools and colleges simply refuse to live with the primitive conditions which prevail on nearly half of our farms.

"I submit to you that this trend bodes no good for our country in times when democracy is on trial throughout the world. It is axiomatic that a nation where the small people own homes and family-sized farms has an anchor that it otherwise could never have. Where the small people have no visible stake in the country, and hard times descend upon us as happened back in the 1930's they are susceptible to ideas that are not good for our Nation."

The Power Trust's lobby testified voluminously before the committee, leaving the impression that they love the farmer and his REA-financed cooperatives. In response to this line of talk, President Heinkel told the committee: "Now, yesterday, we heard quite a bit of testimony here which would indicate that these private power companies in Missouri are gracious, benevolent, and magnanimous companies. Gentlemen, the record is otherwise in the State of Missouri. It has not been all peaches and cream and love and affection.

"In the first place they have failed, refused, or neglected to serve the farmers, or there would not have been any REA. In the next place they have failed, refused, neglected, or are not in position to serve the REA cooperatives, or these cooperatives would not be getting their power from municipalities that do not want to serve them.

"If adequate power was available, we would not have situations where 3,000 farmers are waiting for power with money and materials available but no energy available. Yet, the representatives of the private power companies come here and one would get the impression from their nice, pleasing testimony that they are friends of the farmer. The record does not show that."

President Heinkel said "the Union Electric Light & Power Co. furnishes power to Sho-Me, and Sho-Me furnishes this power to the cooperative that serves my farm in Franklin County where I pay $2.75 a month minimum charge. This same Union Electric Light & Power Co. came within a mile and a half of my farm where REA had acquired right-of-way and built what some call a spite line, furnishing farmers at an 80-cent minimum charge. My power comes from the same company in the background, and I pay $2.75. I do not know what their justification is for furnishing these neighboring farmers at an 80-cent a month minimum charge unless it might be to demoralize some of us fellows that get our power through REA, thinking that we might not look behind the scenes."

The big power companies are hostile toward farmer cooperatives of all kinds. As evidence of this, 15 of the 43 big contributors to the NTEA during the first quarter of this year were power corporations, one of the big ones, as already mentioned being the Arkansas Power & Light Co. which is now receiving all the power from Norfork Dam and is covetous of the power that will be produced by the new Bull Shoals Dam on White River.

Just how the big fight for power will turn out Congress will soon determine. Meanwhile farmers now know for sure that the Power Trust is their implacable enemy, and the only means farmers have of defending themselves against such enemies is to stand behind their REA cooperatives and the M. F. A.

Here's the big question: Will the new power from these dams be made available to farmers through REA-financed cooperatives at low cost to run washing machines, milking machines, to pump water, and generally lift the drudging burdens from the backs of Missouri farm families? Or will it be turned over to the big power companies so that they can sell it at a big profit to themselves?

Norfork Dam has one 35,000-kilowatt generator in operation. This power is now going to the Arkansas Power & Light Co., some of which is resold to REA-financed cooperatives at high rates. Another 35,000-kilowatt generator will be in operation next December, and there is room for two more generators of that size.

Bull Shoals Dam will be completed some 2 years hence. When completed, it will furnish enough new power to supply three big cities like Springfield, Tulsa, and Little Rock. Who will benefit from this great project? Will it be the people? Or the big utilities that hate farmer-owned cooperatives? Congress will decide?

Opinion in Dorothy Bailey Case

EXTENSION OF REMARKS
OF
HON. TOM MURRAY
OF TENNESSEE
IN THE HOUSE OF REPRESENTATIVES
Tuesday, August 16, 1949

Mr. MURRAY of Tennessee. Mr. Speaker, under unanimous consent to extend my remarks in the RECORD, I include the opinion of Judge Alexander Holtzoff, district judge for the United States District Court for the District of Columbia on July 27, 1949 in the action brought by a Government employee, Dorothy Bailey, against the members of the Loyalty Review Board of the Civil Service Commission.

I commend this decision to the attention of the Members because it deals with a very important problem—the loyalty of Government employees and the necessity of preventing persons who are disloyal or persons who are bad security risks from entering or remaining in the Government service.

OPINION OF COURT

Judge Holtzoff. This case involves a very delicate and difficult problem of interrelations between the utmost fairness to Government employees and the necessity of preventing persons who are disloyal, persons who have ideologies inimical to American institutions, or persons who are bad security risks, from entering or remaining in the Government service.

The Government must be protected, but, on the other hand, Government employees must be dealt with fairly. The Court feels, however, that the problem is not one for the judiciary but for the executive and legislative branches of the Government in the first instance. No one has a constitutional right to Government employment. The Government has a right to fix standards for entry into Government service, and it may go further and employ any person or refuse to employ any person arbitrarily. The Government similarly may fix methods for discharging employees, or it may do so in a haphazard way. The courts have no function to perform in connection with the hiring and firing of Government employees. If however, Congress prescribes certain methods to be followed and certain procedure to be applied, or if the Executive by a valid Executive order does so, then the courts do have a right to determine whether the law or the Executive order, as the case may be, has been complied with, but beyond that the courts may not go.

This court has already had occasion to hold the President's loyalty order to be valid and constitutional. The only thing that remains to be determined in this case is whether there was any failure to comply with the order. The plaintiff claims that she is entitled to the protection of section 652, United States Code, title 5. Admittedly, the requirements of that provision of law have not been complied with in this case. The Court is of the opinion, however, that this plaintiff is not entitled to the protection of section 652, because, under the regulations of the civil service, she was a conditional appointee. The word "conditional" is more or less synonymous with "probation." The civil-service law authorizes the Civil Service Commission to prescribe periods of probation before permanent employment is entered upon. It seems to the court that this authority exists not only with respect to the original appointment to civil service but also to any subsequent appointment. The statutory authority conferred on the Commission by title 5, section 653, subsection 2, paragraph 4, is sufficiently broad to cover both original appointments and subsequent appointments. It is the court's conclusion, therefore, that section 652 does not apply to this plaintiff because she was a conditional appointee. The procedure followed by the Loyalty Board in this case is that prescribed by part I of the loyalty order which relates to investigation of applicants. A conditional appointment is classified with applicants, and properly so.

The next objection raised is that the board is required by the Executive order to act on all the evidence that is presented to it, and it is contended on behalf of the plaintiff that the board did not act on evidence. To be sure, it did not act on evidence if the word "evidence" means evidence admissible under the common-law rules of evidence. Obviously, this is not the case. The common-law rules of evidence prevail in jury trials. Originally they did not prevail in the court of chancery. More recently they have been applied, and are being applied, in equity cases as well, but the common-law rules of evidence do not prevail in administrative agencies. The term "evidence" means any proof that may lead to a conclusion. It is not limited to such evidence as is admissible under the common-law rules of evidence. For example, French courts receive hearsay evidence, which our courts exclude. Surely one would not say that because of this circumstance the French courts convict persons without evidence.

The third paragraph of part I of the Executive order specifically provides that reports of the Federal Bureau of Investigation, reports of any intelligence and investigative agency of the Government, as well as the files of the House Committee on Un-American Activities, shall be available to the body making the investigation. The only difficulty from the plaintiff's standpoint is that she was not confronted with the evidence against her, and was not informed of the names or the identity of the witnesses who gave the information against her. We must bear in mind, however, that a Government employee is not entitled to an open trial under the Constitution. His connection with the Government may be severed without any hearing of any kind, and there would be no violation of the Constitution or of law except as section 652 otherwise provides. But even section 652 does not require an open hearing. It merely requires charges and an opportunity to file a written reply. Whenever a hearing is accorded it is a matter of grace rather than a matter of right.

Counsel for the plaintiff has argued that the conclusion was reached by the board on the say-so of the Federal Bureau of Investigation without any evidence being presented to the board. The court does not so understand the transcript of the hearing. The chairman of the appellate board summarized the information against the plaintiff. The information is that the plaintiff was a member of the Communist Party in the District of Columbia as early as 1935; that in the early days of the war period she attended Communist Party meetings; in 1936 she was a known member of the so-called inner group of the Communist Party operating in the District of Columbia and was one of those responsible for establishing a minority group in the Central Labor Council; that she was or is a member of the Communist Party, or is dominated and controlled by the party to the extent she follows its instructions and has been doing so for a period of 8 years. The chairman of the board then states, after counsel for the plaintiff emphatically denied the charges, "I can only say to you that five or six of the reports come from informants certified to us by the Federal Bureau of Investigation as experienced and entirely reliable." In other words, it is a reasonable inference that the board had before it statements of five or six persons substantiating these charges, and that the Federal Bureau of Investigation certified that the persons who made these statements were both experienced and entirely reliable. It does not appear that the board did not have any information as to the identity of these informants. All that appears is that the chairman of the board stated he did not know whether those informants were active in a Federal employees' union, or how active they had been in it. That is a far cry from saying that the board had no evidence before it.

The plaintiff offered evidence controverting these assertions. The board weighed the evidence in support of the assertions and the evidence offered to controvert them.

I see no way in which this court, under the circumstances, has any right to review the conclusion of the board or to set aside its findings. The court realizes that it is most unusual not to disclose to a person the evidence against him, but this is an administrative proceeding. There is no legal or constitutional right in plaintiff to have a hearing of any kind. Here the plaintiff received a partial hearing. Under the circumstances the court reaches the conclusion that the plaintiff has no cause of action.

The plaintiff's motion for summary judgment is denied, and summary judgment is granted in favor of the defendants.

Gen. Joseph Lawton Collins

EXTENSION OF REMARKS
OF
HON. HALE BOGGS
OF LOUISIANA
IN THE HOUSE OF REPRESENTATIVES
Tuesday, August 16, 1949

Mr. BOGGS of Louisiana. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following editorials from the New Orleans States and the New Orleans Item and a newspaper article regarding the nomination of Gen. Lawton Collins as Army Chief of Staff:

[From the New Orleans States]

COLLINS' NOMINATION

Nomination of Gen. Joseph Lawton Collins as Army Chief of Staff is, to home-town New Orleanians, well merited. As Vice Chief of Staff for the past year he was alter ego for Gen. Omar N. Bradley, whom he succeeds.

What New Orleans thinks of its four-star general was well demonstrated when he came home in October 1945. Tens of thousands of residents turned out to welcome him vocally and with a snowstorm of confetti and ticker tape.

General Collins is admirably equipped for his new assignment by personal quality and experience. After Pearl Harbor he went to the Pacific theater in command of the Twenty-fifth Division and saw rugged fighting on Guadalcanal and other points in the island-hopping campaign. From the fast thrusts which distinguished his leadership he earned the nickname, "Lightning Joe," which still persists.

Then came England and leadership of the Seventh Corps, one of the first to establish command posts on the Normandy Beach on D-day. Liberation of Cherbourg was followed by the drive to encircle the Ruhr and meet the Russians at the Elbe.

General Collins, a fighting man's general, has a keen insight on domestic and world military problems and is no saber-rattler. That a man of his caliber has been nomi-

nated for Chief of Staff is reassuring in these momentous days.

[From the New Orleans Item]

SUCCESS STORY

The boy who used to run errands and make deliveries for his father's small neighborhood grocery in Algiers today stands at the top of what became his chosen profession. Joseph Lawton Collins, of New Orleans, the beloved "Lightning Joe" of his World War II troops, has been made Chief of Staff of the United States Army.

The entire story of continuing opportunity in a free land is packed into those few lines. The Collins family was one of very moderate circumstances. Its breadwinner found it no easy task to provide for 11 children from the revenues of a small store. But Joe was graduated from the Boys' High School, where, incidentally, he starred in the 1912 class play, Julius Caesar.

The fact that his uncle, Martin Behrman, was mayor of New Orleans in 1913 undoubtedly played its part in securing for him a nomination to West Point. But thenceforth he was strictly on his own. And it was on his own that he made a brilliant record in both the Pacific and European theaters during World War II. Among other things, he "opened the door" for General Patton's break-out in Normandy; yet he was quite content to let the colorful Patton receive virtually all the glory for the spectacular dash across France that followed.

New Orleans is understandably proud. "Home town boy made good" in a very big way when "Lightning Joe" Collins was elevated to the Army's highest position.

"LIGHTNING JOE" AND HIS BELGIAN BLITZ

(By Hal Boyle)

NEW YORK.—Gen. J. Lawton Collins, the new Army Chief of Staff, earned his nickname—"Lightning Joe"—on many battlefields.

The graying, 53-year-old soldier—one of the handsomest men in the Army—was one of the most colorful and energetic field commanders of the Second World War.

He was tough and cool and won his battles first-hand. He ran his famous Seventh Corps as effectively as any top business executive. An all-around soldier, he could plan a battle, fight it through—and encourage his own front-line troops with his presence.

This was his battle formula:

"Outguess the enemy, keep him off balance, and never stop driving."

Some generals are boxers, and some are punchers. "Lightning Joe" is a puncher. It was his faculty of sustained drive that led Gen. Omar Nelson Bradley to give him the critical battle assignment that built his fame.

FINE COMBAT RECORD

And few generals in American history can match his combat record. His victories stretch from Guadalcanal to the Elbe. Collins came to Europe after successfully completing the mop-up of Japanese on Guadalcanal and New Guinea.

His Seventh Corps seized Utah beach in Normandy. It freed Cherbourg, the first French metropolis liberated from the Nazis. It broke the crust at St. Lo. It was first to crack the Siegfried line and capture a major German city—Aachen. It took Cologne, too, expanded the first bridgehead across the Rhine at Remagen, and at war's end linked up the Russians along the Elbe.

But "Lightning Joe," who never dodged a scrap, once got into a fight he wasn't looking for.

ON RESERVE MISSION

It happened in the Battle of the Bulge in Belgium in December 1944. The German break-through imperiled the American line of communications, and General Eisenhower temporarily put his First and Ninth Armies under the field leadership of Field Marshal Montgomery.

Monty immediately named "Lightning Joe" to head a reserve corps. This corps was to be used as a counterblow at the right time—when the German drive had been contained. But in the meantime it was under strict orders to refrain from attack.

One of the outfits in the reserve corps was the "Hell on Wheels" Second Armored Division, led by Maj. Gen. Ernie "Old Gravel Voice" Harmon.

After a spectacular 100-mile night march, Harmon's tankers reached their assembly area near Celles, Belgium. Then they started to run into German outposts. Moving more swiftly than expected, the Nazis were only a few miles from the Meuse River. If they reached it and took Dinant the American armies would be split in half.

Harmon immediately relayed this information to Collins, who asked:

"What do you want to do, Ernie?"

"I want to attack, but we're under orders not to," said Harmon. "And there isn't time to get the orders changed."

"Go ahead, Ernie," said Collins. "I'll take the responsibility."

In a great grinding battle, fought in snow and fog, Harmon's division annihilated the German armor—and halted the German thrust.

Field Marshal Montgomery, angered at first because he thought his orders had been disregarded, sent a rebuke through channels. But when he learned the full story he sent his compliments to Collins and Harmon.

The battle had turned out to be one of "Lightning Joe's" best blitzes.

The Real Indictment of the White Paper

EXTENSION OF REMARKS

OF

HON. ROBERT F. RICH

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, August 16, 1949

Mr. RICH. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following statement by Bishop Fred Pierce Corson, of the Methodist Church, Philadelphia, Pa.:

THE REAL INDICTMENT OF THE WHITE PAPER

(By Bishop Fred Pierce Corson)

Because of my advocacy, both prior to and following my visit to China in 1947, of a constructive and aggressive policy on the part of the United States against the spread and dominance of communism in China and the hearing my statements have received both within and outside of church circles, I offer the following personal appraisal of the State Department's white paper on China.

First, let me say that unless the American people, through all the avenues for transmitting information and for the development of public opinion, study this report carefully and critically, it will be of little value in forcing the Government in Washington to the formulation of a sound and effective policy on communism in the Far East. We have been facing an emergency there. The administration in Washington has been torn between so many conflicting influences that it has simply done nothing by its own admission. To proceed now with a "leisurely study" is unthinkable and the American public by the democratic processes available should force the immediate declaration of some policy on the part of the Government which has had 4 years to produce it already. This is basic to our own economic, political, military, and ideological safety.

In the study of the white paper the public must understand its exact nature and purpose. This the New York times stated editorially when it said that "one of the vital interests of (the white paper) is self-justification which certainly is an enemy of objective analysis." "It will not take the position it (the administration) has been mistaken." "This complete disclaimer," the New York Times continues to say, "of any responsibility for what has happened to China not only obscures the truth, it puts the mark of very special pleading on the whole document." "It will make the reader wary rather than sympathetic." It concludes by saying that, "This white paper, on attempt at vindication, is actually a sorry record of well-meaning mistakes."

Therefore this statement on China should be studied both for what it does and does not say.

First, let us consider what the paper implies was the Government's policy during these 4 years of Communist aggression toward Government representatives and others of outstanding reputation on Far East affairs, who advocated help for the only force in China at that time available to fight communism, namely, the Nationalist Government. Gen. Patrick Hurley, sent to China on a Government mission, advocated a policy of help. He was discounted and shunted off. General Wedemeyer was sent to China to make a survey. He advocated a practical policy of help. It was kept even from Congress for 2 years and nothing was done to determine whether or not China would accept it. General MacArthur, who knows more about the Far East from a military and political standpoint than any person in Government service and who is known personally to advocate an active policy against communism in the Far East, beginning in China, has not been called in for conference and has not been questioned in any way which would permit, as a military officer his opinions on China, to get to the public. At least, by negation the Government in power did have some policy during this period. It was to let the one organized power in China fighting communism die.

Second, the effort to make a scapegoat out of General Chiang and thus divert criticism from the State Department policy on China needs, if for no other reason than good sportsmanship and common moral decency, to be carefully analyzed from the standpoint of its justification. The impression during these years which the Government encouraged the American people to have of Chiang, that he was hopelessly tied to corruption, contributed to his discrediting which relieved the pressure of public opinion on the Government to do something for China. It also lost us China. Now to this charge of corruption the Government adds that of contrariness. There was corruption in the Government of China but not in Chiang. An outstanding American, whose word the Government validates by keeping him in office, said in 1947 that in all the years of his intimate knowledge of China there had never been a time when there were more men of the highest integrity and caliber in the Chinese Government than at that time. There was wartime corruption in the American Government, "awful and appalling" as one high official described it.

The issue in China is not Chiang. It is much greater than one man. It has been and still is how, for the safety of the world, to curb communism in China. Chiang has been and still is the only force which has shown any ability, power, or possibility to do anything about this. But, in order to eliminate Chiang, who according to the white paper, has not been challenged by the United States Government with any definite proposals of help since 1947 when communism

was still confined to Manchuria and its environs which by agreement our Government had given to Russia, our Government has sat by and let communism overrun all of China, with only Formosa, which Chiang saved as a possible base of operation, against it. How different from this same administration's policy toward the Communist threat of Greece. When the United States deliberately bolstered up the regime of an unpopular King whose government had been notorious for its corruption and its disregard of the people's interests.

To say now that the Chinese people must realize that the Communists do not serve their best interests but those of Soviet Russia is a weak defense for a do-nothing policy which permitted communism to get a strangle hold on all of China. The Secretary of State should know by this time that the first precaution that communism takes in a conquered country is to remove all means of rebellion and revolt.

In further defense of the do-nothing policy and as a means of quieting the fears of China's neighbors in the Far East, as well as the people in America, the Secretary of State declares that, "should the Communist regime lend itself to the aims of Soviet Russia's imperialism and attempt to engage in aggression against China's neighbors, we and the other members of the United Nations would be confronted with a situation violative of the principle of the United Nations Charter and threatening international peace and security." From the standpoint of stopping Soviet absorption of Far East countries this statement in effect says nothing important. We sat by and let the imperialism of Soviet Russia take over China, thereby establishing the base for its infiltrating operations on neighboring countries. The policy of Soviet Russia is not open attack but revolt from within. When Communist-fomented trouble starts in Japan, will we, according to the Secretary's statement, attack Russia?

Then to the pious hope expressed in the paper that, without actual aid from the United States, of course, "China will ultimately throw off the yoke of communism," is hardly worthy of a Nation which poses as the only vigorous champion of democracy in the world. The administration in Washington knows that it did not take such an attitude toward the overthrow of communism in Europe. It also knows that communism destroys first all the means of revolt in a nation it takes over. They also know that while the Chinese people have great resistance powers to an unwelcome regime that it took them over 200 years to throw off the Manchu yoke. What will happen if communism rules the Far East for 200 years?

The real question which the people expected the white paper to answer was: What has permitted communism to take over China and what shall America do about it? In whatever answer the paper has attempted for this question, its defense or its own mistakes and the attempted assessment of the blame on a man and a Government which we used to deploy 2,000,000 Japanese troops from attack on our armies and praised for his effective and patriotic service on behalf of democracy have only brought out more clearly America's responsibility for what has happened in China.

The place and time to stop trouble is at the source and in the very beginning, yet the administration took Manchuria with its concentration of Japanese industry and war supplies away from China to which it had been promised and gave it to Russia.

In 1947 when communism was still confined to the north of China and top American military experts were saying that Chiang must have a mobile army to reduce the cost of his infantry organization and transport, and to strike quickly and often at the centers of Communist trouble, and that 1,000 American war surplus planes without the use of one American soldier would do this, our Government ignored their advice and did nothing except to tell Chiang he must form a coalition government with the Communists and permit them to keep their local armies which, with good sense and statesmanship, Chiang turned down.

When we were withholding help to China for the reason that there was a one-party system there, we ignored the fact that Chiang was insisting that the minority party be represented in the legislative Yuan even though they had not elected their men and that our Supreme Court in a two-party country at that time had only one Republican with eight Democrats on it.

While China was suffering the economic corruption of inflation, the administration by the price fixed for silver, which was the standard of Chinese currency, was draining off China's silver and thus removing the one hope of maintaining economic stability in China.

The important part of the white paper is the Wedemeyer report and what the administration did with it. A full consideration of this important document must not be overlooked in the devious defenses of the rest of the paper.

The Wedemeyer report represents an on-the-spot survey by an accredited Government representative. It offered a definite program which was ignored, suppressed and never proposed to the Chinese Government. Why? Was the representative poorly chosen, or was he sent there simply to confirm a policy already determined upon and to find plausible reasons to defend such a policy?

The Wedemeyer report put the finger on the source of the trouble—Russia in Manchuria—and offered a practical proposal concerning it. It did not minimize the changes which would have to take place in the Chinese Government but offered a plan to achieve them. It saw clearly the type of aid which would be both inexpensive and immediately effective and urged that it be made available. However, none of these proposals were ever formally offered to the Chinese Government. Nothing was done about Communistic domination in Manchuria; no definite offer of aid in return for changes in government were ever made to General Chiang. I was in China following the survey made by General Wedemeyer. Both the Generalissimo and his Premier—Cheng, as well as numerous other Chinese in places of influence, assured me of their willingness to accept what the Wedemeyer report proposed.

The most disappointing phase of the white paper lies in the total absence of a constructive policy so immediately needed in what has come to be a really international emergency. The best it can offer is to write off an authenticated proposal like General Wedemeyer's, ignore such experts on the Far East as MacArthur, Judd, Rhee, Quirano and propose a leisurely study by some good men who have not been in close touch with the Far East in recent years, if at all.

What further delay will cost us in men, money, prestige, and economic disadvantage is not touched on. What will happen to political freedom in China because of the do-nothing policy is passed over. What is happening to real religious freedom once enjoyed under the Chiang regime is not even considered. Communistic changes already taking place in the educational system of schools and colleges in China are not mentioned. The effect of our avowed intention to do nothing for the only forces in China fighting communism, to discourage the fight for freedom and encourage the making of terms with the Communists, is not brought out. Nor is our responsibility to do something in China to protect the other friendly nations in the Far East anywhere in the paper acknowledged.

The white paper is a blank paper or a whitewash paper insofar as a constructive and effective policy is concerned. It is an admission of ineptitude on the part of a State Department which cannot produce a policy after 4 years of dealing with the Chinese situation. It is a depressing attempt at political whitewash when the democratic structure of the world is threatened because statesmanlike identity with what is right continues to yield to politicianlike deference to what is expedient.

My Report to the People

EXTENSION OF REMARKS
OF

HON. JOHN McSWEENEY

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Wednesday, August 10, 1949

Mr. McSWEENEY. Mr. Speaker, under leave to extend my remarks in the RECORD, I wish to take this opportunity of reporting to the good citizens of the Sixteenth District of Ohio an account of my stewardship as their Representative in this honorable body for this, the first session.

INTRODUCTION

Friends, the first session of the Eighty-first Congress is about over. I feel that you, who have so kindly sent me down to represent you in Washington, have a right to know not only how I have voted but also what my feelings have been in regard to each piece of major legislation that has either passed this House or been defeated. On August 16, I sail for Europe. While there, I plan to make my personal observations concerning the effect of the Marshall plan on the participating countries. This tour of mine will be of no expense to the Government, as I am personally paying for it. Before I sail, I am taking this opportunity to give you a résumé of my activities during this session of Congress. This report will be necessarily long as it covers numerous pieces of legislation, all of which may not be of special interest to you but, inasmuch as I am your Representative in Congress, I feel that you will bear with me in reading this report carefully and giving me the benefit of your views on it.

OPENING DAY

On January 3, opening day, I had the pleasure of casting my first vote for the election of my good friend and colleague, the Honorable SAM RAYBURN of Texas as Speaker of the House. Mr. RAYBURN has served the State of Texas and the Nation for over 33 years. During this time, he has earned and kept the respect of all Members of the House regardless of party affiliation. On this same day, I voted to liberalize the rules under which the House operates by weakening the power of the Rules Committee to the extent that a measure not acted upon after 21 days by that committee could be discharged from that committee by a majority vote of the House membership. This move enables

controversial legislation to be brought before the floor of the House, where it will receive open and adequate debate on its own individual and relative merits.

PRESIDENT'S PAY INCREASE

On January 5, we heard our President, Mr. Truman, deliver his inspiring message on the state of the Union to a joint session of both Houses. In this message, President Truman outlined the program which he expected to have enacted by the Eighty-first Congress. This program was based on the wishes of the people as expressed in the great victory at the polls on November 2, 1948. One of the first measures that we were called upon to approve was a raise of the President's salary and that of the Vice President and Speaker. I voted for this measure because as a history teacher and as an Army officer overseas, I knew first-hand how the salaries of not only the heads of foreign states but also of their ambassadors far exceeded that of our President, who is the executive of the greatest country on earth. Heads of private industry receive as much as 10 times the salary of our President. Some foreign ambassadors not only were given a house complete with servants and china and silverware, but several limousines complete with footmen, while our ambassadors were struggling to pay the rent for their quarters abroad. I might also add that it was a Republican Congress that granted the President his present salary back in 1909 to William Howard Taft. Fifty thousand dollars in those days had a purchasing power of almost six times that voted the President this year, and we must remember that this was before the advent of the income tax. This measure was one of the first recommendations of President Truman's Commission on Reorganization of the Executive Departments, headed by former President Herbert Hoover, to be adopted.

On February 7, I voted for H. R. 2361, the reorganization bill, which paved the way for the adoption of all recommendations of this Commission. Since that date, one other recommendation has been adopted: the reorganization of the Department of State. Subsequent to this, the President submitted many other commission recommendations to the Congress, which will become law on August 19.

RECIPROCAL TRADE TREATIES

On February 9, I voted to renew the reciprocal trade agreements, recalling that former President William McKinley, as one of the Nation's leading and outstanding tariff experts, in his last speech before he was assassinated, advocated reciprocal trade treaties because he believed that the tariff policy prevalent at that time had gone as far as it could go for the purposes for which it was enacted.

WAR ASSETS AND FREEDOM TRAIN

On February 14, I brought out the rule for the consideration of H. R. 2402, which would extend the War Assets Administration to carry on its activities to June 30, 1949. This legislation gives the War Assets Administration sufficient time to dispose of the war materials still on hand. I spoke on behalf of this measure, and, in this connection, the RECORD will show that I stated:

War, from beginning to end, is waste, a waste of human life, a waste of the matériel of a country, and a waste of the natural resources of a country. To me, this bill is merely an effort on the part of our Government to try to salvage as much as possible and to get it back from war purposes into peace purposes.

On this same day, February 14, I had the pleasure of voting for governmental operation of the Freedom Train up to July 4, 1951. In this conection, the RECORD will show that I stated:

I feel this train is, in reality, almost a mechanized Paul Revere, carrying into every Middlesex village, and farm, the things we want the people of our communities to see. I have been a history teacher much of my life, and I always hoped that every graduating class from the high schools of America could come to Washington and there see the great fountainhead of our democracy and the fountainheads of our freedom.

Now, it is possible for those same high-school students to see these precious documents at their local railway yards.

TVA STEAM GENERATING PLANT

On February 16, I voted for the first deficiency appropriations bill, which included among many other things a provision for the construction of a steam generating plant at New Johnsonville, Tenn. The private power interests fought this measure but I believe that you will agree with me that a tremendous investment such as TVA should be protected. The generating plant will serve as an auxiliary power unit when the waters in the dam and in the river are low. It would have been criminal negligence not to have protected this great investment that is TVA.

On February 17, I voted to extend the President's powers to regulate exports by licensing as this is a national defense measure that was originally given the President in 1940 to protect our stock pile of critical materials from being sold to potential enemies in a strife-torn world. On this same day, I introduced H. R. 2851, which provides for the relief of Mr. Carl L. Sexauer, of Canton, Ohio. Mr. Sexauer suffered personal injuries as a result of objects thrown from the window of a speeding troop train while on duty as a railroad switchman at the Canton drop forge plant at the west end of the city of Canton. The bill provides for the payment of $5,000 to Mr. Sexauer. The Department of the Army has turned in a favorable report and it is my hope that the Judiciary Committee will approve it and that final action can be taken in the session beginning in January of 1950.

MY CONFINEMENT AT THE NAVAL HOSPITAL

On March 15, I was stricken on the floor of the House with an abdominal attack and was taken to the United States Naval Medical Center at Bethesda, Md. The doctors there were very efficient and I received excellent care. I was fortunate in that it was not necessary to have an operation. Although I have served in combat overseas with the Army in both world wars, I wish to state here that the Navy took very good care of me. I might add that the costs of my medical care were paid by me personally and were of no expense to the Government. During my 2 weeks of hospitalization, two important pieces of legislation were acted upon.

A. RENT CONTROLS

On the very same day that I was taken to the naval hospital, the House voted on the rent-control extension bill. I wish to state that all my investments are in rental properties. I have tried to acquire houses that became available in my own city of Wooster and to have them converted into apartments. Therefore, rent controls resulted in financial losses for me, especially in those apartments where heat and hot water are furnished. The price of coal during and since the war has increased and in some cases doubled. Despite this personal loss, I am for rent controls because I can think of nothing more serious that could happen to a man of moderate means with a family than to have these controls suddenly lifted especially with the existing and very acute housing shortage. I did, and still do, feel that where services are furnished by the owner and where taxes have increased considerably that proper adjustments within limits should be made with the owner. The principle of rent control is fundamentally wrong but controls were needed critically as a war measure. The controls were extended for the sole purpose of gradual and orderly decontrol in proportion to the amount of new housing construction. In regard to adjustments, I voted for the amendment offered by the gentleman from Georgia [Mr. BROWN] that provides for a reasonable return on the reasonable value of property rented as far as is practicable.

On March 16, I was paired for Senate Joint Resolution 36 calling for a special contribution of $16,000,000 for the United Nations Relief for approximately 500,000 Arabs and 7,000 Jewish refugees of the Palestine war.

B. SEVENTY-GROUP AIR FORCE

On March 22, the House passed the Army and Air Force Act. One of its provisions called for a 70-group air force. I was paired for this measure. Even though I have served in the infantry in two world wars, I realize the vital and destructive role that the Air Force plays in modern warfare. This was best exemplified in the recent war in the gigantic struggle to resist and overcome the Nazi aggressor.

C. VETERANS' PENSIONS

On March 24, the House voted on the motion of the gentleman from Texas [Mr. TEAGUE], to recommit H. R. 2681, which would have provided $90 a month to every veteran of World War I and World War II at the age of 65. Still confined to my bed at the naval hospital, I regretted very much not being on the floor of the House to listen to and take part in the debate on this issue. As a combat veteran of both World Wars and as a Legionnaire ever since the American Legion was first formed in Paris, I am vitally interested in all legislation that is

beneficial to my former comrades. I believe in an adequate pension system for those who served our country in her greatest hour of need and to the heirs of those who have paid the supreme sacrifice.

MY RELEASE FROM THE NAVAL HOSPITAL

On March 28, I was released from the naval hospital and immediately resumed my seat in the House. I wish to thank all of you good people sincerely for your fine expressions during my illness. The many kindnesses that you showed me during this time were a source of inspiration and made me feel what I already knew: that the Sixteenth District of Ohio is representative of the finest people in America.

SIXTEENTH DISTRICT FLOOD-CONTROL PROJECTS

On March 29, the House considered the civil functions of the Army appropriations bill. Included in this measure was the amount of $2,133,700 to be used for the completion of the levee system at Massillon, Ohio, and the construction of pumping stations there at an estimated cost of $457,000. The appropriation for the Muskingum project of 14 reservoirs, which included low earth levees for local flood control at Zoar and Magnolia, Ohio, was $1,800,000. All these figures were cut 26 percent in recognition of falling prices and lower construction costs. I voted for this measure as it was extremely beneficial to the people of our district. I also supported on that day the District of Columbia revenue bill, the conference report on the rent-control bill and, on the following day, the Interior Department appropriation bill. I voted for the amendment to the Interior Department appropriation bill that called for a 15-percent horizontal cut in the appropriation, resulting in a very large saving to the taxpayers.

On March 31, I supported the conference report on H. R. 2101, which authorizes the Regional Agricultural Credit Corporations to make emergency loans to farmers.

OLEOMARGARINE BILL

On April 1, the House considered H. R. 2023, introduced by Mr. ANDRESEN, on the subject of oleomargarine. The House adopted the Poage bill instead, which provides that all colored margarine be served in a three-sided shape in public eating places in order to distinguish it from butter. This bill also repeals the discriminatory taxes on oleomargarine and provides for the movement of colored oleomargarine in interstate commerce and requires the posting of signs in public eating places where oleomargarine is sold. In this connection I answered letters by stating that "I believe that butter should be able to hold its own in an open and competitive market and that the consumer should be the judge as to whether he is willing to pay the same price for colored oleomargarine that he pays for butter or whether he wants to buy oleomargarine at any price."

MY NATURAL GAS BILL

On April 4, many bills were passed on the Consent Calendar. Among those that I supported and which were adopted were H. R. 2944, which provides survivorship benefits for widows or widowers of persons retiring under the Civil Service Act; H. R. 997, which extended certain benefits to employees of the civil service, who were involuntarily separated from July 1, 1945, to July 1, 1947, after having served 25 years but prior to attaining the age of 55 years; H. R. 1823, which establishes a Women's Reserve as a branch of the Coast Guard Reserve; and H. R. 3830, voted on by roll call, amending the China Aid Act of 1948. This in turn amends the ECA Act of 1948 in order to waive its provisions and authorize the reappropriation of $54,000,000.

On April 5, I supported House Joint Resolution 212, which authorizes the Federal Security Agency to provide for meeting emergency needs of crippled children for the fiscal year of 1949, and H. R. 3997, the Department of Agriculture appropriation bill. Both of these measures passed. On this same day, I introduced H. R. 4028, which would amend the Natural Gas Act of 1938 by clarifying the powers of the Federal Power Commission in the distribution and consuming end of natural gas after it has left the interstate pipe lines. This measure has received the support of the State public utilities commission, gas companies, and natural gas workers' unions in the State of Ohio in view of the number of days of work lost in the city of Canton alone in the winter of 1948.

On April 7, I supported H. R. 4016, which contained the State, Justice, and Commerce Departments appropriations for the continued operations of those Departments.

EUROPEAN COOPERATION ADMINISTRATION

On April 11, during the debate on the ECA authorization bill, I stated on the floor:

May I say, Mr. Chairman, that never, in my humble opinion, in the history of mankind was so much given to so many by so few. When I think of 140,000,000 Americans trying to bring rehabilitation and help to practically the rest of the civilized world, in my opinion, it is one of the finest concepts of true charity I know of in the history of the world.

On April 12, the bill was passed. On the following day, I supported the VA deficiency appropriation bill and the Military Establishment appropriation bill.

On April 14, I supported the independent offices appropriation bill.

MY STAND ON TAFT-HARTLEY LABOR LAW REPEAL

On April 26, the House began debate on the proposed repeal of the Taft-Hartley Act. In this connection, I wish to clarify a few points concerning my stand on this measure. I was elected on a platform that called for the outright repeal of the Taft-Hartley Act of 1947. My office received several hundred questionnaires put out by the General Electric Co., the Timken Roller Bearing Co., and the Hoover Co. These questionnaires were not an original expression of the views of my constituents. I always have and always will welcome individually written letters from our people of the Sixteenth Ohio District giving me their own honest views on important issues. I voted for the resolution that called for the outright repeal of the Taft-Hartley Act and the complete reinstatement of the Wagner Act with no amendments because I felt that only in this way would I be carrying out the wishes of the majority of the voters in our district as expressed at the polls on November 2, 1948. As a member of the Committee on Rules, I sat in on all the hearings concerning the granting of a rule for both the Lesinski and the Wood bills. The Wood substitute not only was the Taft-Hartley Act renamed, but it never had the endorsement of the Committee on Education and Labor, which did hold extensive hearings on the Lesinski bill. The chairman of the Education and Labor Committee requested that a closed rule be granted on this bill, the Lesinski bill. I opposed this, in line with my policy of providing open rules on controversial legislation in order that it receive adequate and open discussion on the floor of the House. On May 3, I voted against the adoption of the Wood substitute for the reasons given, and on the following day, I voted for the recommittal of this bill. The motion was carried and the Wood bill was sent back to the Committee on Education and Labor.

In the meanwhile, I introduced H. R. 4419 on April 27 for the relief of the George H. Whike Construction Co., of Canton, Ohio, due to losses sustained on the Jackson Park homes housing project as a result of Executive Order 9301, which changed the workweek from 40 hours to 48 hours. The amount of loss was $14,483.45.

On May 4, after the Wood labor bill was recommitted, I defended our President in reply to the article written by Columnist David Lawrence, asking whether the President should be impeached for withholding patronage from southern Members of Congress, who did not support the President in the last election. I also spoke in tribute to the establishment of the Free State of Israel.

HOUSING CENSUS

On May 9, I supported H. R. 2203, which calls for a decennial census of housing for the year 1950 and further provides for separate housing statistics with respect to World War II veterans. In this connection, when the public-housing bill was considered later on in June, I was unsuccessful in introducing an amendment which would have compelled the use of these figures by local housing authorities in determining actual housing needs before new construction could be built. On this same day, my good friend and colleague, the Honorable STEPHEN M. YOUNG, of Cleveland, introduced an amendment to H. R. 4392, the Swiss War Claims bill, which would have authorized payment of damages with an interest rate of only 1 percent rather than the 5 percent asked by the Swiss. I supported this amendment on the ground that the Swiss have profited greatly in both world wars and even though American aviators did do some damage to Swiss property unintentionally, it was my opinion that the amount they were seeking was exorbitant and the interest rate unheard of in international adjustments. This amendment was defeated; however, the interest rate was reduced from 5 to 2 percent. Also

on this day, I supported H. R. 3005, a bill that increases the per diem allowance for travel from $6 to $9 and increases the payment for use of private cars on Government business from 5 to 7 cents a mile. This alleviates a pressing condition on the part of many Federal employees who are required to drive their own cars on Government business at greatly insufficient rates.

GRAIN-STORAGE FACILITIES

On May 11, the House began its discussion on H. R. 2682, which would amend the Commodity Credit Corporation Charter Act. This act, among other things, provides for the storage of surplus agricultural products under the Government price-support program. The President made the acquisition of additional storage facilities a major issue in the last campaign. However, I have always felt that the Government should not go into competition with private warehouses that are equipped and have facilities available for the storage of this grain. In this connection, I supported the Sutton amendment and the amendment offered by my colleague the gentleman from Cleveland [Mr. YOUNG], which would prevent the construction of warehouses in those areas already adequately served by private warehouses. The bill was passed without these amendments on May 11.

On May 12, I addressed the House on the merits of the Civil Air Patrol stating in part:

All of us as citizens should be grateful for the fine, unselfish and inspiring service which these officers of the CAP are giving for America.

On this same day, I supported H. R. 3559, which strengthens and improves the organization and administration of the Department of State as recommended by the President's commission headed by former President Herbert Hoover.

On May 16, I was pleased to vote for H. R. 2737, which establishes the Medal for Humane Action for award to the gallant young men who participated in the Berlin Air Lift. On this same day, I introduced H. R. 4715, which authorizes the transfer of the Don Mellett Homestead, Sherrick Court, and Jackson Park Homes housing projects in the city of Canton to the Canton metropolitan housing authority for use in low-rent housing.

On May 17, I supported H. R. 195, which requires the Federal Government to assist the States in the collection of sales and use taxes. This bill is designed to prevent avoidance of State sales and use taxes on cigarettes through their shipment directly to consumers in taxing States from sources outside their borders.

On May 19, I had the pleasure of bringing out the rule on H. R. 4591, which dealt with pay, allowances, and physical disability retirement for members of the armed forces. I stated that—

Those of us who have had an opportunity to serve in the armed forces realize that there will be many men who have devoted their lives to this service and are underpaid, and at all times subject to the lure of going out into private industry and there giving their talents at a much higher compensation. Many of us know what has been done by the Army engineers, for example. Men who, like Goethals, could build the Panama Canal, as you know, would be at a great premium in private industry; yet these same men because of their devotion to duty and country have elected to remain in the armed forces.

This pay bill was recommitted for further study.

PROPOSED NEW POST OFFICES IN THE SIXTEENTH DISTRICT

On May 23, I supported H. R. 3662, which authorizes an orderly program for site acquisition and advance planning for Federal building projects considered necessary and desirable. Actual construction would be delayed until a more propitious time. A provision was included for a 3-year program of major repair and renovation of Federal buildings. Post office buildings scheduled for the Sixteenth District of Ohio include: the extension and remodeling of the post offices at Massillon and Millersburg. It also provides for the acquisition of sites and buildings for new post offices at Brewster, Canal Fulton, East Canton, Hartville, Navarre, and Rittman. It is my hope that the actual construction of these buildings will get under way soon although it is planned to start these in case there should be a critical decrease in employment.

On May 26, I supported H. R. 4830, the ECA appropriation bill extending this program for an additional 13½ months. I did this knowing that many of the central European countries would have voted Communist in their general elections had it not been for the aid rendered on this program. I call to your attention the gallant struggle of the people of Italy in the general elections of April 12, 1948, and the fact that the total amount of money appropriated under this bill would equal the cost of only 27 days of war.

WAR CONTRACT SETTLEMENTS ACT

On May 31, the House considered and passed H. R. 834, which amends the Contract Settlement Act of 1944 to compensate persons contracting to deliver strategic minerals or metals in case of failure to recover reasonable costs. Several persons in our district suffered large losses and would be compensated under the provisions of this bill. I voted in support of the measure. However, the President vetoed this bill. I am attempting to get support among the Members in order to override the veto as I feel that the President was misinformed as to the meaning of this measure.

VETERAN PENSIONS

On June 1, I voted for H. R. 4617, introduced by Mr. RANKIN of the Veterans' Affairs Committee. This measure liberalizes the requirement for payment of pension in certain cases to veterans, their widows and children. This bill merely legalizes existing Veterans' Administration regulations and does not call for additional funds.

DISPLACED PERSONS

On June 2, I voted for H. R. 4567, which amends the Displaced Persons Act of 1948. This bill changes the cut-off date of prospective immigrants from December 22, 1945, to January 1, 1949; eliminates certain percentage preferences; authorizes issuance of 339,000 visas to displaced persons through July 1, 1951, and authorizes advances, not to exceed $5,000,000, by the RFC to the DP Commission. I wish to state that as chief welfare officer for the AMG in Italy during the recent war and later as foreign representative of American Relief for Italy, I had a first-hand opportunity to witness and study the plight of the thousands of persecuted persons then in the DP camps in Italy and also in Germany and Austria. This bill, as passed, received my wholehearted support. On June 7, I supported H. R. 2785, which provides for the unused balance of funds on a matching basis to the International Children's Emergency Fund for the fiscal year 1950. This permits the shipment of milk for these children among other services.

On June 8, H. R. 4754 was passed receiving my support. This bill simplifies the procurement, utilization and disposal of Government property, in order to reorganize certain Government agencies and establishes a General Services Administration responsible to the President.

MILITARY PAY RAISE

On June 15, the House passed H. R. 5007, the uniformed services pay raise. This bill was reported out by the Armed Services Committee as a follow-up and revision of H. R. 4591, the original pay bill that was recommitted on May 24. The committee struck out those features that were objectionable in the original pay bill and included provisions that would raise the salary of the lower enlisted grades. It also cut down the percentage increase for the higher ranking officers.

PUBLIC HOUSING AND SLUM CLEARANCE

On June 29, the House passed H. R. 4009, the Public Housing bill. This measure was one of the major issues in the 1948 Presidential campaign. The Senate passed a similar measure by an overwhelming nonpartisan vote. As I stated previously in this report to you, I tried to introduce an amendment to title II of the Housing bill, which would have required local housing authorities to utilize to the fullest extent possible the figures contained in the 1950 population census relative to housing in order to eliminate duplication and the expenditure of additional funds to determine local housing needs. I have always advocated and in my letters to you stated that I believe in the principle of reallocation of already appropriated Federal funds, where a surplus in one department of Government should be used to make up a deficit in another. This principle also applies to information acquired by one department being used by another. In my letters to you on the subject of Federal housing, I stated that practically all the units built since the war have been for sale and not for rent; that there is always a large number of persons in the country who would rather rent than own their own homes; and that private industry has not met the acute housing need of the low-income groups and that the need for slum clearance has long been recognized by responsible officials and individuals throughout the country. In regard to housing for low-income groups, I introduced H. R. 4715 on May 16, authorizing the transfer of the Mellett

Homesteads, Sherrick Court, and Jackson Park homes from the Housing and Home Finance Agency to the Metropolitan Housing Authority in the city of Canton. It is my understanding that the present occupants of some of these units are now in a higher income group and can afford their own housing. It was my purpose to keep these projects in the hands of local housing authorities for low-income groups and prevent the disposition of these projects by the Federal Government in accordance with the provisions of the Lanham Act, under which authority these projects were built. My bill was referred to the Committee on Banking and Currency. It is my hope that this transfer can be accomplished in the next session of Congress which convenes in January.

ANNUAL AND SICK LEAVE

On June 30, I had the privilege as a member of the Rules Committee to call up for consideration H. R. 2619, which extends the benefits of the annual and sick leave laws to part-time employees of the Federal Government. In this regard, I stated on the floor of the House:

Those benefits have always accrued to the other employees of our Government. This bill merely does justice to many of the people, who, I might say, work at the disadvantageous hours of the day when it upsets their regular programs. I see charwomen coming from our offices when I go to work in the morning, realizing that they have been there 3 or 4 hours doing their tasks. We are merely providing this extra security for them.

This measure was adopted on the same day.

BASING-POINT PRICING SYSTEM

On July 7, the House passed S. 1008, which defines the application of the Federal Trade Commission Act and the Clayton Antitrust Act to the basing-point pricing systems used by the steel and cement industries. The Kefauver amendment to this bill in the Senate was adopted by the House. This amendment bars absorption of freight charges to meet a competitor's price where it might substantially lessen competition. This amendment was a modified version of the original Kefauver amendment. I might add that this legislation is one of the most highly technical and complicated pieces of legislation that was considered during this session. Many Members were frank to say that they did not fully understand the implications and purpose of this bill and especially the basing-point pricing system adopted by the steel and cement industries after they had discarded the Pittsburgh-plus formula. I voted to recommit this measure with the hope that the committee would give it further study and clarification, and allow small business to be heard by the Select Committee on Small Business. When this move failed, I then voted for the passage of the bill in the hope that during the period from the passage of this bill to July 1, 1950, Congress will have an opportunity to further study the pricing systems and determine what permanent legislation it will adopt in view of the recent Supreme Court decision, which outlawed this price system as a violation of the antitrust laws.

DEPARTMENTAL PAY RAISE

On July 8, I supported H. R. 1689, which increases the rate of pay for the heads and assistant heads of the executive departments and independent agencies in line with the recommendations of the Hoover Commission as it has been extremely difficult for the President to secure or retain men of ability to head the various departments of government due to the insufficient pay that they now receive.

RURAL TELEPHONES

On July 12, the House began consideration of H. R. 2960, the rural telephone bill. On July 13, the bill was passed by a vote of 282 to 109. At this point, I wish to state that I voted against this measure. The RECORD for that day will show that I attempted to offer an amendment to this bill but was unable to do so because I was unavoidably detained in a meeting of the House Rules Committee. However, I supported the Allen and Brown amendments. In this connection, I stated on the floor:

Mr. Chairman, * * * I do not want it to appear that I am obstructing legislation and I do not wish it to appear that I am going along with the opposition, but I do reserve the right to defend my own concept of what I think is just and equitable. I cannot vote to make this money available at 2 percent for establishment of telephones in rural sections when those same farmers, who might get the telephones, have to pay 4 percent for the money that they borrow from the Government for the purchase or improvement of their farm properties. I cannot vote to lend money to private corporations or other groups at 2 percent while my comrades are paying 4 percent on their homes through the Federal Housing Administration. I am opposed definitely to our Government lending money to any individual citizen, to any group of citizens, or to any corporation or partnership at a lower rate than the highest rate which our Government has to pay for this money. * * * With the loss of these two amendments, I am constrained to vote against this bill.

INDIAN RELIEF

On July 14, the House passed H. R. 5208, which provides for the rehabilitation of the Navajo and Hopi Tribes of Indians and the better utilization of the resources of the Navajo and Hopi Indian Reservations. The plight of these Indians prompted the Secretary of the Interior, Julius Krug, to issue a special report which portrayed graphically the lack of medical and educational care of these Indians. This report caused Mr. Truman to ask the Congress on two separate occasions to pass beneficial legislation. My office has received many letters from members of the True Big White Mothers Club, the Sorosis Club, and the Woman's Club, all of Canton, Ohio, requesting that I give my support to this legislation. On this same day, I supported H. R. 5178, which protects consumers and others against misbranding, false advertising, and false invoicing of fur products and furs.

UNITED NATIONS

On July 15 I supported H. R. 4708, which amends the United Nations Participation Act of 1945. The general purpose of this bill is to improve United States participation in the activities of the United Nations by strengthening representation at the top level; by affirming and clarifying the legal basis for the armed services to furnish noncombatant assistance to the United Nations and by making secondary changes in detail in the basic statute under which the United States participates in the United Nations activities.

POSTAL LEGISLATION

On July 21 the discharge petition No. 8 to discharge H. R. 4495 from the Post Office and Civil Service Committee received the required number of 218 signatures. I did not sign this petition, as I had requested time before the Post Office Committee in order to testify in behalf of this much-needed measure. My testimony was given on Friday, July 22. My statement was reproduced in the local Ohio papers. I felt that it would have been a discourtesy to sign the petition after I had already requested and been granted time to testify in behalf of the measure before the Post Office Committee.

POLL TAXES

On July 21 I voted for the repeal of poll taxes still existing in seven of our Southern States, with the firm belief in the principles of Thomas Jefferson, who believed in granting suffrage to all who would otherwise qualify without restrictive legislation.

SCHOOL RELIEF

On July 27 I had the pleasure, as a member of the Rules Committee, of reporting out a rule on the floor for the adoption of H. R. 3829, which calls for an appropriation of $7,500,000 for the next fiscal year for assistance to local school agencies in furnishing educational opportunities for children on Federal reservations or in areas overburdened by migration of defense-plant workers. A good example of this overburdening of the local school system is in the city of Dayton, with the huge air terminal at Wright Field nearby.

On Monday, August 1, the Rules Committee was considering the granting of a rule to several bills dealing with irrigation and reclamation. In this connection I stated to my fellow members that—

I do not want to obstruct legislation for irrigation and reclamation of western lands, but I do feel it is unwise to spend public money at this end to bring into cultivation by irrigation four or five million additional acres when, at the same time, we spend vast sums of money to support crops now being raised on lands presently being farmed. When European purchasing power is restored and our food can be bought by those abroad, then, to my mind, will be plenty of time to plan for these projects, which will add productive acres to our country.

UNIFICATION OF THE SERVICES

On Tuesday, August 2, 1949, I voted for the conference report on H. R. 5632, which provides for the reorganization of fiscal management in the National Military Establishment in order to promote economy and efficiency. I am pleased to report that the measure carried by an overwhelming nonpartisan vote of 356 to 7. This bill will save $1,000,000,000 the

first year of operation and an additional $1,500,000,000 in the succeeding 18 months.

That same day the House paid tribute to former President Herbert Hoover on attaining the age of 75 years. In this connection I stated on the floor of the House that—

I would like to say that Mrs. Hoover was a native of my home town of Wooster, Ohio. She came to us frequently and gave us inspirational help in the past. She was interested in our college and our city. In President and Mrs. Hoover we had a personal interest and knew them not as public officials only, but we knew them as genial, kindly friends. I would like, therefore, just to add my humble tribute.

On this same day, I presided as Chairman of the Committee of the Whole House on the State of the Union for the consideration of H. R. 29, which provides for parity price on tung nuts and honey. The main source of our supply of tung oil before the war was from China. This was practically cut off during the war. Since then, we have developed tung orchards in our Southwest which produced almost 17,000,000 pounds in 1948. Tung oil is a critical ingredient in the manufacture of paint and electrical insulation. I supported this measure.

VETERANS' LEGISLATION

Also, on August 2, I voted for the omnibus veterans' bill, H. R. 5598, which increases compensation for World War I presumptive service-connected cases; provides for minimum ratings for service-connected arrested tuberculosis; increases certain disability and death compensation rates; liberalizes the requirements for dependency allowances and redefines the term "line of duty" and "willful conduct." This bill corrects quite a few inequalities that now exist in present legislation, and should be of great benefit to the veteran and his family.

On August 3, I supported H. R. 1161 which provides for the conversion, merger, or consolidation of National banks into State banks. Also on this day, I voted for H. R. 5738, which amends the Agricultural Adjustment Act of 1938 relative to cotton-acreage allotments and marketing quotas.

NATURAL GAS ACT

On August 5 I voted for H. R. 1748, which amends the Natural Gas Act of 1938 to clarify the jurisdiction of the Federal Power Commission in the production and gathering fields of natural gas. You will recall that on April 5, 1949, I introduced H. R. 4028, which would also amend the Natural Gas Act of 1938 in order to clarify the jurisdiction of the Federal Power Commission in regard to the consumption and distribution of natural gas after it had left interstate pipe lines. This measure received the support of Governor Lausche and members of the Public Utilities Commission of Ohio, the natural gas companies, and the natural gas workers' unions throughout the State of Ohio. Realizing the similarity between the Harris bill and my bill, and in view of the many discussions that I have had with the supporters of the Harris bill, I voted for the measure. The opponents of this measure failed to conclusively show that the Harris bill would increase the price of natural gas to the consumer as they contended. The Federal Power Commission itself, when the Rizley bill was introduced in the Eightieth Congress, testified on the bill. The FPC stated that the act of 1938 needed clarification in order to remove the cloud of doubt now existing as to the jurisdiction of the FPC in relation to the public utilities commissions of the various States.

MINIMUM-WAGE LEGISLATION

On Monday, August 8, the House began consideration of minimum-wage legislation. The debate lasted for 3 days on this measure. The original administration bill was H. R. 3190. The administration decided to compromise a little and offered H. R. 5856, a committee-modified version of H. R. 3190. The gentleman from Texas [Mr. LUCAS] offered amendments, the principal one being a flexible minimum wage based on the consumer index published by the Bureau of Labor Statistics. I am opposed to a flexible wage, as neither the employer nor the employee would know what wages he was to pay or to receive from month to month, resulting in endless confusion.

The Lucas amendments with the exception of the flexible wage were adopted on August 10. The bill as passed raises the minimum wage to 75 cents per hour to those employees covered.

REORGANIZATION

On August 11, I voted against House Resolution 301, which would veto the President's Reorganization Plan No. 2, transferring the Bureau of Employment Security from the Federal Security Agency to the Department of Labor. These recommendations were made by the Hoover Commission, which have received Nation-wide approval. If the economy proponents are sincere, they will give their wholehearted approval and support to the President's reorganization plans.

LOBBYING

On August 12, I voted for House Resolution 298, which calls for the creation of a Select Committee on Lobbying Activities. In this connection, the RECORD will show that I proposed the establishment of an independent agency of Government that would publish a daily report of all invitations on bids by all the departments of Government and the daily publication of awards on all bids. The small-business men in general would support this program by subscription to the publication, thereby eliminating the basic conditions that create "5 percenters." I intend to introduce a bill in the next session of Congress that would create such an agency. On this same day, I took the floor in order to protest the fact that a great State as Ohio is only allotted the sum of $950,000 of the total of $85,000,000 set aside for production and subsistence loans for the fiscal year 1950 by the Department of Agriculture. In this connection the RECORD will show that I stated:

I in no way want to be too critical of the people who must make the allocations of public funds, but I do feel that it is wrong to predicate future allocations entirely upon past consumption, because, as I said before, it penalizes the careful administrator and encourages unwise and extravagant use of Government funds.

FEDERAL AID TO EDUCATION

Although the Senate passed a $300,000,000 Federal aid to education bill during this session, the House Education and Labor Committee has not reported out any measure on aid to education in the light of the recent and unfortunate controversy over aid for parochial schools. On the question of aid to parochial schools, I would like to reproduce in this report the letter that I have been sending out to the persons who have written to me in support of parochial aid. The letter follows:

I can readily sympathize with parochial-school officials, who feel that parochial-school children are justly entitled to funds on an equal basis with public-school children. The Supreme Court in the Oregon case has held that the education of a child is a parental and not a State right. In other words, parents have the right under the Constitution of determining the type of school their children will attend. However, the State does have the right of determining the standards of education in schools supported by public funds.

Although I realize that parents of parochial-school children are taxpayers, I know that you will agree with me in that these parents have the freedom of choice between sending their children to a public or a parochial school. I wish to point out also that there is always the possibility that parochial schools would lose their identity, as such, should they receive public funds since public-school officials are entrusted with the task of establishing educational standards which may run counter to the teaching of the particular church sponsoring parochial schools. This would result in clashes of ideology. I firmly believe that a great danger would be encountered by parochial schools should they receive public funds and thereby come under the control of State boards of education.

I will support legislation that will provide public transportation for parochial-school children, free medical and dental services and school lunches, as these are programs for children's welfare and have nothing to do with educational standards and curricula.

"FIVE PERCENTERS"

On Friday, August 12, during the debate on the resolution to create a Select Committee on Lobbying Activities, I stated:

Mr. Speaker, at present the Senate is engaged in investigating the activities of certain self-styled management counselors, or who are more popularly known as 5 percenters. It is my belief that such persons are a result of the lack of adequate and centralized dissemination of information on bids and awards by the various governmental agencies. Government procurement is vast, and many small-business men who cannot afford to avail themselves of the services of high-priced representatives in Washington have no way of knowing the status of any particular bid that they may have submitted to a Government agency.

Continuing my thought on this timely question of the obtaining of Government contracts by private industry, I would like to say that my suggestion is as follows:

That a small agency be established which would gather from all of the departments and bureaus of the Government regular information as to the needs of these several departments, what materials are to be purchased, and what contracts are to be let. A daily report could be made and printed in booklet form by the Public Printer. This

publication would not only contain requests for material and the call for bids on proposed building programs, but it would also show each day what contracts have been awarded and to whom, so that individuals or firms which had bid on a certain contract would know when it had been awarded and could submit bids on other proposed work. As we all know, the small concerns cannot risk bidding on two or three Government projects at one time because their capacity would not make it possible for them to carry out more than one project at any one time. The regular report of this agency would keep them informed so that they could bid on the different projects as they appear on the record.

This whole program would be entirely self-supporting. The businessmen of the country would subscribe gladly, because they would have before them constantly the needs of the Government and all of its ramifications. An initial fund might be necessary to set the program in operation, but this would be a revolving fund and would be liquidated by the contributions of the subscribers. Those who join with me in feeling in that too often bureaus are set up and become almost self-perpetuating would be relieved of that fear, because the moment the businessmen of the country were not willing to support this service it would automatically be discontinued. Again, I must repeat that we can all see that the ramifications of a tremendous operation like our Federal Government do, of necessity, create what we call 5 percenters. The small-business men in the several parts of the country would find it cheaper to pay 5 percent to some man to keep them informed on what was happening. However, we can all see that this type of program does lead to discrimination and to injustices and, if carried far enough, to dishonest procedure.

My program, which would be embodied in a bill which I shall introduce in the next session of Congress, will entirely eliminate this.

I ask for your kindly consideration of this proposition and hope that when the time comes it will have your whole-hearted support. I am sure it will be welcomed by the fair-minded businessmen who are trying to find outlets for their products and who are trying to find continuous employment for their employees.

CONCLUSION

This report has been long, but I hope that it has aided you in better understanding my position on all major pieces of legislation during this first session. Upon my return from Europe I shall give you another report on the operation of the ECA in the participating nations. I shall attempt to show the rate of reconstruction and rehabilitation in order that you may decide whether the ECA program is serving the purpose for which it was inaugurated.

New England, the South, and Federal Aid to Education

EXTENSION OF REMARKS
OF
HON. JAMES T. PATTERSON
OF CONNECTICUT
IN THE HOUSE OF REPRESENTATIVES
Tuesday, August 16, 1949

Mr. PATTERSON. Mr. Speaker, I have compiled further information relating to the contemplated use of Federal funds in the several States. The information contained herein relates to the Federal aid to education measure adopted by the Senate (S. 246) and demonstrates further evidence of Government beneficence to the Southern States. I have no desire to legislate or to debate issues on a regional basis, but do feel that the preservation of a high standard of living in New England is a substantial factor in the economic stability of America.

It is extremely difficult to argue economics in a given situation without being branded a reactionary who opposes the economic betterment of the less fortunate. I assure my fellow Members that that is in nowise the truth, as I favor the enactment of suitable Federal aid to education. I wish merely to demonstrate that our neighbors to the south might better expend their individual State incomes in the furtherance of educational facilities, rather than in offering inducements of tax-free operations to New England industries to locate in the South.

The accompanying tables show more convincingly than I can argue, the disparity between the New England and southern regions in educational expenditures. At a glance one can see that Connecticut in 1947–48 spent $220.92 per pupil on education as compared with $85.32 for Arkansas. The average annual salaries for teachers in Rhode Island for the same period were $3,085 as compared with North Carolina's $2,125. The amount which would be contributed in taxes by the people of Massachusetts under S. 246 is $11,280,000 as compared to $2,444,000 for South Carolina. On the other hand, the people of Connecticut would receive in Federal benefits $1,685,000 as compared to $14,443,795 which would accrue to citizens of Alabama.

It is admitted that the Southern States have need for educational aid as ignorance cannot be quarantined. An uneducated or ill-educated American citizen is of little use to our country, no matter where his home State may be. The argument lies not with that point, but with the continual raiding of established New England industries and subsequent loss of employment to its many citizens. We cannot long countenance this practice and continue to support purely State functions in other areas of the country. New England is wealthy only in the sense that its people are zealous, capable, and intelligent. Its wealth lies in the qualities of its people—not in bank deposits.

[Information from the Forty-eight State School Systems, issued by the Council of State Governments and from hearings on Federal Aid to Education, House Committee on Education and Labor, 1949]

Current expense per pupil in average daily attendance 1947–48

Connecticut	$220.92
Massachusetts	197.47
Rhode Island	220.65
Alabama	99.06
Arkansas	85.32
Georgia	80.79
Kentucky	118.34
North Carolina (estimated)	110.40
South Carolina	110.09

Proposed allotment to States under S. 246

Connecticut: $1,685,000 or $5 per child ages 5–17.
Massachusetts: $4,115,000 or $5 per child ages 5–17.
Rhode Island: $645,000 or $5 per child ages 5–17.
Alabama: $14,443,795 or $19.09 per child ages 5–17.
Arkansas: $11,713,269 or $23.43 per child ages 5–17.
Georgia: $14,150,688 or $17.51 per child ages 5–17.
Kentucky: $13,378,371 or $19 per child ages 5–17.
North Carolina: $20,500,589 or $21.16 per child ages 5–17.
South Carolina: $13,349,921 or $24.50 per child ages 5–17.

Proposed contribution by States under S. 246

Connecticut	$5,469,000
Massachusetts	11,280,000
Rhode Island	1,980,000
Alabama	3,734,000
Arkansas	2,211,000
Georgia	4,476,000
Kentucky	3,595,000
North Carolina	4,884,000
South Carolina	2,444,000

Average annual salaries of teachers 1947–48

Connecticut	$3,067
Massachusetts	2,960
Rhode Island	3,085
Alabama (estimated)	1,909
Arkansas	1,548
Georgia	1,715
Kentucky	1,865
North Carolina (estimated)	2,125
South Carolina	1,762

The Truth About the Army Engineers and North Dakota's Garrison Dam

EXTENSION OF REMARKS
OF
HON. USHER L. BURDICK
OF NORTH DAKOTA
IN THE HOUSE OF REPRESENTATIVES
Tuesday, August 16, 1949

Mr. BURDICK. Mr. Speaker, the members of the Mountrail County Farmers Union in North Dakota recently passed and sent to the Army engineers a resolution urging that the pool level of the Garrison Dam, now being built in that State, be limited to an area of 17,000,000 acre-feet as authorized by law, instead of the larger pool which the engineers want.

The Army replied to Mrs. A. N. Winge, the secretary, in a letter signed by Col. J. S. Seybold, of the Corps of Engineers. The colonel's letter was forwarded to me for comment, and I believe the issue is of such significance that it would not be improper at this time to insert my reply to Mrs. Winge in the RECORD:

AUGUST 15, 1949.

Mrs. A. N. WINGE,
Secretary, Farmers Union of Mountrail County,
Van Hook, N. Dak.

DEAR MRS. WINGE: I am in receipt of your report on the response the Army engineers made to the resolution adopted by the Farmers Union of Mountrail County. I am surprised at the many, many misstatements of the facts contained in the letter of the Army engineers to you under date of July 22, 1949.

I wonder why it is necessary for these engineers to misrepresent the case? I had supposed they were engaged to build a dam in accordance with the act passed by Congress. Just to show you how deliberately they have misstated the facts, let me answer each paragraph of that letter:

The first paragraph deals with the law creating the authority. As you know, House Report No. 475 was a plan submitted by the Army engineers themselves and in it the capacity of the dam was fixed at 17,000,000 acre-feet.

The next report was Senate Document 191 which was submitted by the Bureau of Reclamation, and did not include any dam across the Missouri at Garrison, but outlined what was later called the Sloan plan of diverting water from below Fort Peck around through Grenora to the Mouse River, and on through the Devils Lake canal to the headwaters of the Sheyenne River.

Thus, you see Congress was confronted with two plans, entirely dissimilar.

The Bureau of Reclamation, and the Army engineers then were sent out to agree on one common plan, which they did in Senate Document 247. That document was the agreement reached by both agencies, and in it the capacity of the pool was furthed fixed at 17,000,000 acre-feet.

There was this significant clause in the agreement—that if the capacity of the pool was ever changed, it would have to be changed by agreement between the Bureau of Reclamation and the Army engineers. It has never been changed by agreement to this day. The capacity law stands as it was agreed upon—namely, 17,000,000 acre-feet. When these Army engineers now say the pool level was fixed at 1,850 feet, it is a barefaced misstatement of the facts. One thousand eight hundred and thirty was not mentioned; 1,850 was not mentioned, but the capacity of 17,000,000 acre-feet was mentioned. Reducing this pool to another equation in height, we arrive at approximately 1,830 feet.

It doesn't make any difference now what maps were printed and contained in Army Report 475, because that plan was merged with No. 191 (Sloan plan) and the united plan, later called the Pick-Sloan plan, was agreed to in Senate Document 247. In that agreement, the Army engineers signed up to a pool of 17,000,000 acre-feet.

In the next paragraph, these engineers (in their letter) state that a lower pool level would jeopardize the production of power at the dam. Let us see what they now plan. They not only plan power development, but also irrigation and diversion and have gone ahead and purchased lands for that purpose. They were not authorized to engage in irrigation and diversion in the agreement reached in Document 247. That was left to the Bureau of Reclamation But in spite of that, they are going ahead with planning for irrigation and diversion to Devils Lake, contrary to law. The question which I now ask is material:

If they propose this irrigation and diversion, where will they get the water? They will get it out of the Garrison Dam—not below the dam, but from the dam. If they persist in this, the water taken will lessen the power development. So when they say full power development and also irrigation and diversion at the same time, they are stating something that is impossible, if the Missouri project (Sloan plan) is to be carried out. They say now that the Sloan plan will be carried out because Congress put the project back on the construction stage.

The Sloan plan has not been changed from the original agreement in Document 247. The Bureau has kept its word to the letter. This plan will divert water from the Missouri River in a way that will not interfere in the slightest degree with the power development at Fort Peck, because the Sloan diversion does not take the water out of the water pool at the dam, but from below the dam, thus not interfering with the power development at all.

The Army engineers, however, in their irrigation scheme and diversion scheme, take the water out of the pool at the dam, and not below it. There will be no more power developed at a pool level of 1,850 feet than at a pool level of 1,830 feet, if the engineers are going to take water enough for the great irrigation project that they have so carefully outlined on the map. They are also going to take water out of this pool for diversion purposes.

There isn't water enough in the Missouri River to provide for the irrigation project of the Bureau of Reclamation, and also for the project demanded by the Army engineers, and at the same time provide any power. There isn't water enough in the Missouri River to carry on two diversion schemes to the headwaters of the Sheyenne River.

Why are two of these schemes necessary? Isn't one diversion enough? Why do the Army engineers flagrantly violate agreement 247 that they signed?

In paragraph three of this letter, the engineers say:

"For this reason (power development), flood control and other associated uses, it is apparent that a higher pool is necessary."

These associated uses are irrigation and diversion, therefore the conclusion is unescapable, that the reason why the Army engineers advocate a high pool level is to provide, in addition to power development, for the associated uses.

Paragraph 4 refers to levees, and their argument here is probably the most senseless of any they have yet put forward. They claim now that the proposed levees (none of which have been authorized by law) will protect the presently operating irrigation projects that are in danger of being swept away by the natural overflow of the river. The river has been riprapped in the vicinity of these projects and no damage has yet been done and never can be if the banks are protected as they have been. But set those irrigation projects out in a lake that would be created by a 1,860-foot water level, and they can say those projects are in danger. Any levee built around the projects could not prevent seepage and seepage will sour the land on the inside and make it unfit for cultivation. Levees along the Mississippi in Minnesota and Iowa have clearly demonstrated this fact.

In addition to this, the Army engineers entirely ignore the John Martin Dam catastrophe of this year on the upper Colorado River. I have pointed out several times that when a lake is created and a body of still water is formed the streams flowing into the lake carrying heavy silt deposits will immediately drop the silt to the bottom of the lake and in time (a very short time) the lake basin will fill and the water, therefore, will have to overflow.

A 1,850-foot water level will create a lake extending over 11 miles up the river from Williston, and the west end of this lake will be at about the point where the Yellowstone joins the Missouri. The Yellowstone carries more silt deposits than any river on the American Continent. Approximately 40,000 acre-feet of silt pass Williston every year. It passes because the current is strong enough to carry the load. Take away this current and let the heavily loaded silt water from the Yellowstone strike the upper end of this lake, and we do not need any expert to tell what will happen.

The Army engineers built the John Martin Dam. Newspapers heralded the fact that at last the people of that area were now protected from floods. They had a grand celebration on April 1 dedicating this dam. The Army engineers were looked upon as wizards of the present age. Well, what happened? In less than 3 months the silt deposits piled up in this river, causing an overflow and the worst flood in the history of that country. Fields and farm houses were washed away, and in dollars and cents over $5,000,000 was lost. As colossal as this damage was, and with all of the construction being under supervision of the Army engineers, it would seem that these engineers would take notice of their own errors and not try to experiment further.

In paragraph 5 the engineers make an observation that is as far from the truth as the North Pole is from the South Pole. They admit that 90,000 more acres will be destroyed. That part is correct, only the fact is that the actual land required is close to 100,000 acres. The Army says: "Their contribution (lands above 1,830) to North Dakota's present agricultural and livestock industry is small, percentagewise, of the total acreage of similar lands of the State." Now let us see what the facts are:

This land is all river-bottom land and land along small streams. The soil is inexhaustible, being made by silt deposits for centuries. While there is some timber on these lands, it all can be utilized for lumber, and the brush land is rich beyond description. This land is being gradually cleared, and alfalfa and all other crops grow luxuriantly. It is a haven for livestock in the hard winters which we sometimes encounter, and along this river, in this area that the engineers want to convert into a lake, thousands of cattle are found in winter. No better cattle country has yet been discovered, but the engineers say this contribution is small. The pioneers in this country first settled along the river, where fuel and feed were plentiful, and there they made their winter homes. All of their work for 60 years must be destroyed to satisfy the Corps of Army Engineers who want to demonstrate that they and their plans are infallible and never to be questioned. They propose to regiment us in time of peace as they do in time of war.

Paragraph 6 tries to assuage the people of Williston from a fear from living behind dikes. They say that the railroad does not have to leave Williston. They know more about this, of course, than the officials of that railroad, who have filed a statement with the Appropriations Committee that, in case of a high level of water, they will move out. They now tell the people of that area that they can rest assured that these Army dikes will protect the people. This advice coming after the John Martin Dam catastrophe doesn't appeal to anyone who knows what is taking place. I haven't yet seen any story from the Army engineers excusing their blunder on the Colorado. They just don't like to talk about it. I have noticed only one statement and that is that it is thought by the Army engineers that they must suck this silt deposit out of the bottom of the lake to keep it from overflowing. If they do this they will have to buy more land to put this silt deposit on, and more public funds will be spent. This hinted project of removing mud is just another foolish scheme with which these Army engineers seem to be well filled.

Paragraph 7 alludes to the loss of taxable land. The engineers say the recreational features of this large lake will offset any loss in taxes. Well, wouldn't it be a good thing to see just what the recreational advantages of one of these lakes are. No solid shore can even be obtained. As soon as the gates are opened at Fort Peck, down comes a small flood. The water rises and then subsides and the shores at the Fort Peck Lake are in a constant state of up-and-down, quicksand shores, and totally unfit for stock water purposes or for boating. I just don't know where, outside of the Army, anyone could be found who would want to construct any

valuable property on the shores of a lake without a shore. According to these engineers, one is led to believe that when this great lake is established, there will be a rush to build summer resorts that would far surpass anything Minnesota has to offer. From this rush of people to this spongy lake, we in the Williston area will derive the taxes which we have lost by reason of the destruction of this 100,000 acres of land.

The letter concludes:

"While the above explanation has been rather lengthy, I have tried to explain the matter in some detail as it is felt many people have obtained an erroneous understanding of the matter. I would be pleased to answer any further questions that you may have and which have not been covered in this letter.

"Very truly yours,

"J. S. SEYBOLD,

"Colonel, Corps of Engineers,

"District Engineer."

Yes; I think the people will ask more questions before they let this gang of engineers run roughshod over the inhabitants of this territory.

If the Army engineers could be believed, if their word was good, their opinions sound, the people might reasonably have some spark of confidence in them. But as it is now, they haven't earned the right to be believed. Of this one dam—the Garrison Dam—these engineers, in their first report, said it could not be built with safety. It remained unsafe until General Pick came along and said, in effect: "Rats to the experts—I will build a dam. It is all right—it is safe—it is a good thing. Just let me do the work without interference." The law was passed authorizing the dam. The law didn't suit Pick and he went right ahead buying up a third of McLean County, N. Dak., without any authority whatever.

The engineers said, "Let us build a dam on the upper Colorado and we will stop these floods." The people believed them and they built the dam. In 3 months, the people suffered the greatest flood in the history of their region.

The people of Williston will not rely on the safety of Pick's proposed dikes, neither will the people who occupy the irrigation projects. If the Army engineer schemers cannot be stopped in their determined demand for a high-water level, the consequences cannot be blamed to me.

Here is a peculiar thing about the desire of the Army to create power: The Fort Peck Dam has not been harnessed to full capacity. It has a power capacity of 525,000 kilowatt-hours, but the engineers, themselves, reduced one unit and by so doing will lose 100,000 kilowatt-hours. Why they deliberately did this is not clear, for they knew all along that the Sloan diversion plan would in no way interfere with power development at Fort Peck. The Sloan plan takes the water out of the river below the dam.

Let's follow this argument for maximum power development a little further: The capacity for power with a reservoir of 17,000,000 acre-feet is 1,425,000 kilowatt-hours. The capacity for power at Garrison with a pool of 23,000,000 acre-feet will be 1,500,000 kilowatt-hours. The difference is, therefore, 75,000,000 kilowatt-hours and not a loss of 200,000,000 kilowatt-hours as the engineers claim. Now, let's see if there is any loss of power development at all. The Garrison Reservoir at 23,000,000 acre-feet cannot, under the present plan of General Pick, be used at full capacity, for water is to be taken out of this dam from the pool and not below the dam.

Assuming that General Pick has his own way about irrigation and diversion, does he dare to say that this withdrawn water will not affect the full power or possible power development? The fact is that the greater part of this extra 20 feet of water will be taken out of the dam for irrigation and diversion purpose. Why the Army engineers keep holding up this great power capacity, when they know they cannot obtain it with irrigation and diversion attached to it, is a mystery.

If power development is what General Pick wants, why does he not use the 100,000 kilowatt capacity which he deliberately refuses to take at Fort Peck? Have the two experiences of trouble at that dam deterred him from using the dam at full capacity?

If that power at Fort Peck were used as authorized, then the Fort Peck Dam and the 1,830-foot-level dam at Garrison would produce 25,000,000 kilowatt-hours more than he claims it will lose in not having an 1,850-foot level at Garrison. That presupposes that the Garrison Dam can be used at full capacity at a pool level of 1,850 feet. Of course, it cannot be used at full capacity if Pick's irrigation and diversion plan is carried out. The people know this and it is useless for the engineers to try to explain away something that is impossible.

The talk about power development is made, and dishonestly made, and spread around the country to influence power users to support the plans of General Pick. He is trying to scare them into submission on the charge that if he cannot have a high elevation at Garrison they will not get power. I have answered this matter in detail because it is important and because I want the truth told to the people.

Sincerely,

USHER L. BURDICK,
Member of Congress.

Indian Land Claims in Alaska

EXTENSION OF REMARKS
OF
HON. E. L. BARTLETT
DELEGATE FROM ALASKA
IN THE HOUSE OF REPRESENTATIVES
Tuesday, August 16, 1949

Mr. BARTLETT. Mr. Speaker, the Alaska Territorial Federation of Labor in a resolution addressed to the Congress of the United States, the Secretary of the Interior, the Governor of Alaska, and the Delegate in Congress from Alaska has called attention to the need for resolving Indian land claims in Alaska at an early date and has suggested the mechanics for such a settlement. The resolution is set forth below:

Your petitioner, the Alaska Territorial Federation of Labor, having duly considered the matter concerning aboriginal rights in the Territory of Alaska presents:

Whereas the protocols attached to the treaty of cession pursuant to the purchase of the Territory, the treaties and claims sustained by Congress in behalf of the American Indian, and the past consideration shown the Alaska native seem to indicate that such claims may rightfully exist; and

Whereas the Alaska native has proven himself capable of following modern ways of living when given opportunities of education and advancement, both of which are desirable factors in the stable development of our Territory; and

Whereas the granting of claims would not dislodge any possessor of patented lands; and

Whereas witnesses whose valuable testimony could affect a just determination are reaching the age when life is of short duration; and

Whereas an unjust and delayed determination can cause undue expense and hardship to all concerned and hinder development of the Territory; Be it therefore

Resolved, That Alaska Territorial Federation of Labor do petition the Congress and the President of the United States to take immediate and necessary action to create a three-man commission with authority to hold quick, economical, and fair hearings on the evidence at hand in Alaska concerning native land claims; be it further

Resolved, That Congress pass the necessary legislation to activate said committee findings into law.

And your petitioner will ever pray.

Drafted at the request of the Juneau Central Labor Council and approved by the same council June 10, 1949.

BETTY CASPERSON,
Secretary, Juneau Central Labor Council.

Approved by the Anchorage Central Labor Union June 21, 1949.

JOHN FERKO,
Corresponding Secretary.

Approved by the Sitka Central Labor Council July 5, 1949.

FLOYD BROWN, Jr.,
Secretary-Treasurer.

Approved by the Fairbanks Central Labor Council July 6, 1949.

LAURA SHANKS, *Secretary.*

By authority of office and sanction of the above endorsements representing the wishes of 90 percent of the federation membership the official seal is hereby affixed signifying full endorsement and support.

ALASKA TERRITORIAL FEDERATION OF LABOR,
T. B. ERICKSEN,
Executive Secretary.

JULY 12, 1949.

Ohio Drive

EXTENSION OF REMARKS
OF
HON. THOMAS A. JENKINS
OF OHIO
IN THE HOUSE OF REPRESENTATIVES
Tuesday, August 16, 1949

Mr. JENKINS. Mr. Speaker, as we travel about Washington, the most beautiful city in the world, we pass over many streets and avenues bearing the name of some State. Not for many years has there been an Ohio Street or Avenue.

I am proud to announce that the National Capital Park and Planning Commission only a few days ago changed the name of the most beautiful drive in Washington from Riverside Drive to Ohio Drive. This was a distinct recognition of the standing of Ohio in the Great Union of States.

Ohio Drive begins at the Lincoln Memorial and at the eastern end of Memorial Bridge. The Washington Monument is in full view directly to the left as one begins the 5-mile ride around Potomac Park, the White House is only a short distance away, and the stately Capitol Building is clearly visible in the distance. Arlington Cemetery and the Tomb of the Unknown Soldier are directly across the Potomac. The drive takes tourists near the historic Jefferson Memorial on the shores of the Tidal Basin, which is the setting for one of the picturesque cherry-blossom scenes. Continuing down Ohio Drive are hundreds of cherry trees whose gorgeous beauty entice untold thousands of visitors to Washington every year.

Continuing down the 3-mile stretch covered by Ohio Drive along the Potomac River, the tourist can see the mammoth Pentagon Building, which houses the Secretary of National Defense and his thousands of assistants. Visible, also, is mighty Washington Airport, which, in these days when oceans are spanned with the greatest of ease, is the scene of virtually continuous departures and arrivals of personages of national and international fame.

After running down the Potomac the 3 miles, Ohio Drive circles Haines Point and continues 2 miles up the Washington Channel, where all ships to and from Washington travel. In this harbor are anchored many beautiful yachts. Coming up the channel, the tourist can see over in Maryland many governmental enterprises which have cost many millions of dollars, Bolling Field, the great naval aircraft base, and many large warehouses; Washington Navy Yard, probably the largest industrial plant in operation in Washington; and the Army War College, where generals are made.

Ohio Drive terminates as it intersects Fourteenth Street, which is also designated as United States Route No. 1. Over this thoroughfare passes heavy traffic north and south through the city of Washington. Near this intersection are the great buildings which house the Bureau of Engraving and Printing on one side and the Department of Agriculture on the other side.

The people of Ohio, both in Washington and back in Ohio, appreciate the recognition that has been given to our great State by the National Capital Park and Planning Commission. I, as a humble Representative of a congressional district in the great State of Ohio, most cordially invite everybody to take a ride around Ohio Drive, Washington's most beautiful thoroughfare.

The word "Ohio" is an Indian word, meaning "beautiful river." It is a fitting name for a beautiful drive along a beautiful river.

I have been greatly pleased with the enthusiastic reception that the press has welcomed Ohio Drive. I have been especially moved by the comments of Mr. Charles Collingwood, of CBS, one of America's great radio commentators. His statement, from which I quote, speaks for itself:

There is one Congressman, though, who's feeling pretty good today, weather or no weather. That's Representative JENKINS, of Ohio. Representative JENKINS has just won a notable victory. The gentleman from Ohio has been in Congress for 25 years. He's the dean of the Ohio delegation. He must like Washington, because he keeps coming back. But there's one aspect of our Nation's Capital which has long distressed Mr. JENKINS, and that is the fact that Washington has no street named after the great and sovereign State of Ohio. Every other State in the Union has an avenue named after it in Washington. There's Pennsylvania Avenue, where the White House is; and Massachusetts Avenue, where the foreign embassies are; Connecticut Avenue, lined with smart stores and hotels. A whole cluster of avenues named after States up around the Capitol. There's even an Alaska Avenue, but no Ohio Avenue. Congressman JENKINS determined to right this injustice. Every year now, for a long time, he has bombarded the National Capital Park and Planning Commission with suggestions that this or that street be named after Ohio, and always they found some reason for turning him down. But Representative JENKINS is not a man to give up easily. He's known as one of the hardest-working Congressmen in Washington, and he worked hard on this. And now he's won his fight. Ohio is going to get one of the most beautiful streets in Washington. It's the avenue at present called Riverside Drive, which runs from the Lincoln Memorial, along the Potomac and around Haines Point—it's where the famous cherry trees grow. At 9:30 tomorrow morning, Congressman JENKINS is going to be there by the Lincoln Memorial, to give the street its name, Ohio Drive—a long and valiant struggle by the dean of Ohio's delegation. But after tomorrow, every State in the Union will have its avenue in Washington.

Shorn Wool Production at All-Time Low

EXTENSION OF REMARKS
OF
HON. WILLIAM S. HILL
OF COLORADO
IN THE HOUSE OF REPRESENTATIVES
Tuesday, August 16, 1949

Mr. HILL. Mr. Speaker, only yesterday I noticed a very interesting news item from the Denver (Colo.) Record Stockman, which I wish to enclose as part of my remarks.

As a member of the Committee on Agriculture, I have been following closely the continuous reduction of the western sheep herds. This news item bears out my contention that something should and must be done if we are to save our sheep and wool industries.

The news item follows:

SHORN WOOL PRODUCTION AT ALL-TIME LOW

WASHINGTON.—Shorn wool production this year will be 215,635,000 pounds, which is 8 percent under last year, the Agriculture Department reported Tuesday.

The production is the smallest since the Agriculture Department started keeping records in 1909. The estimated production is 37 percent less than the 10-year average of 342,784,000 pounds. Much of the drop is blamed on last winter's blizzard.

The Department estimated the number of sheep shorn or to be shorn this year at 26,941,000 head, down about 7 percent from last year and about 37 percent below the 10-year average.

The estimated weight per fleece is 8 pounds compared with 8.05 last year and 7.99 for the 10-year average.

Production this year and last, respectively, by major producing States, included:

Montana, 15,575,000 and 16,629,000; Wyoming, 18,071,000 and 20,083,000; Colorado, 9,358,000 and 9,766,000.

Old Man's Birthday

EXTENSION OF REMARKS
OF
HON. HERBERT C. BONNER
OF NORTH CAROLINA
IN THE HOUSE OF REPRESENTATIVES
Tuesday, August 16, 1949

Mr. BONNER. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following editorial from the News and Observer, Raleigh, N. C., for August 13, 1949:

OLD MAN'S BIRTHDAY

As a venerable ex-President of the United States, Herbert Hoover is entitled to respectful felicitations on his seventy-fifth birthday. Also the occasion was important as the celebration of the only seventy-fifth birthday any President has lived to celebrate since James Buchanan, who seemed as unequal to his times as Herbert Hoover was to his.

But while such a President on such a birthday is entitled to the birthday greetings of a younger Nation around him, there is no reason to pay serious attention on his seventy-fifth birthday to the same ideas which he not only expressed but stubbornly adhered to when he led the Nation into deeper and deeper tragedy in 1932. The Nation which repudiated those ideas then as out-of-date has no good reason to give serious attention to them when they are repeated by an old man now.

It should be perfectly clear that Mr. Hoover on his birthday was not talking merely about economy in Government. Everybody is in favor of that. Those who believe that the resources of this Nation should serve the people of this Nation are as much opposed to waste in government as any man whose idea of economy was not to use the resources of the Nation when the salvation of the people required them in the great depression over which he impotently presided.

"We are," says President Hoover now, "on the last mile to collectivism through Government collection and spending of the savings of the people."

Well, there are few people in America who cannot count this last mile with Hoover as better than the first miles they traveled with him. Most of them realize that the costs he is counting, with the exception of those for past wars and preparations for defense in any possible wars to come, are those which have made it possible for farmers to secure a proper share of the national income, which have set up some security for the old and the unemployed, which have provided protections for the national health, which in a variety of ways guard the Nation from the national and personal tragedies which Hoover stubbornly and impotently faced in the Presidency. Not even the old gentleman himself suggested in his birthday speech that these processes for people have made business less productive or profitable.

Even those Americans who most righteously joined in the utter repudiation of Hoover as a President will hope that the old gentleman had a happy birthday. In our times when great Presidents give their lives to the terrible responsibilities they bear, it is proper to pay national attention to the birthday of an ex-President who gets to be 75 years old. But it is exactly the same sort of attention which Buchanan deserved after his failure either to prevent the Civil War or arm his country for it. The world pays polite deference to the aged but it gives its heart and its faith to the Lincolns and the Roosevelts whose leadership never grows old.

Mr. Hoover himself struck the only sour note in his birthday celebration, which had the good wishes of people of all shades of political and economic opinion. He would have been much better advised had he kept the occasion on a noncontroversial level and had not yielded to the temptation to use a radio audience collected in a noncontroversial spirit as a sounding board for his own political views. If Mr. Hoover found the urge to speak on controversial matters irresistible, he should have confined himself to the recommendations of the commission which bears his name.

Instead, he made a speech which was nothing more nor less than a rehash of his speeches to the last four Republican National Conventions. His birthday speech deserves and will receive precisely the same consideration given to those four speeches.

Everybody's Business

EXTENSION OF REMARKS
OF

HON. EUGENE J. KEOGH

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, August 16, 1949

Mr. KEOGH. Mr. Speaker, under leave to extend my remarks, I am pleased to insert the following prize-winning essay on constitutional freedom in the 1949 contest sponsored by the New York State Bar Association. The essay was written by Lawrence W. Krieger, Esq., of the New York bar and an associate in the office of Philip Sheridan McNally, of 40 Exchange Place, New York City. The essay follows:

EVERYBODY'S BUSINESS

(By Lawrence W. Krieger)

This year of 1949 finds these United States standing alone as the last bastion of constitutional freedom, in a world bent on embracing various forms of collectivist society. In this divided world it is essential that we reexamine the basic document of our freedom, study it, understand it, and reaffirm our faith in the principles there spelled out. Freedom cannot be taken for granted. Freedom is a hard-won heritage which must be fought for constantly to be preserved. As a well-known radio announcer says, "Freedom is everybody's business. Let's work at it." Nationwide interest in the history and philosophy of the Constitution must be revived and rekindled or we shall not long continue to enjoy the blessings and benefits which that immortal document guarantees to every American.

Those of us who have grown up in the past 20 years have had it hammered everlastingly at us that liberty without security is valueless. Our teachers have failed to point out that the only security worth having is the security the individual obtains for himself by honest labor under the constitutional protection devised by the founding fathers, for, whatever degree of security is provided for us by a paternalistic government, a commensurate amount of individual freedom must be sacrificed in payment therefor. The ultimate in such security clearly means the destruction of freedom completely, because it is the government that pays the piper and therefore is privileged to call the tune. Such a security is that of a totalitarian state. We are drifting toward an unwitting sacrifice and destruction of the most highly prized of all values, individual freedom for the false idol of security.

Just one thing has made so many people value security above liberty: The idea that you really can get something for nothing. Actually there are but three ways in which any of us get anything in this world: we buy it (with money, labor, or services); we steal it (in which case we must pay our debt to society); or we receive a gift (for love and affection, past services, in satisfaction of a moral obligation, etc.). All other ways are merely refinements of these three main categories. Where does government-provided security fit in? In the first, for we pay by abdicating some or all of our priceless heritage of constitutional freedom. Such a security is based upon the ethically indefensible theory that the individual is entitled to something he hasn't earned. Freedom cannot be found in the politically unsound doctrine that society owes each of us a comfortable living whether or not we do our fair share of the work as payment.

What basic tenets of freedom are inherent in the Constitution? Probably the most important concept of our Constitution lies in its recognition of the dignity of man as an individual with natural rights. That dignity is supreme—it is God-given. The Constitution commands for each and every one of us the political and economic rights which protect the dignity and freedom of the individual. This concept is as fundamental as the atom.

History tells us that our forefathers founded our Nation on a system of checks and balances. We have an executive head who has authority to act promptly. This is designed to make government efficient. Legislative power is vested in Representatives who study, consider, and deliberate on proposed laws. The selection of Representatives is reserved to the people themselves. The next balance is among the three departments of the Government: The executive, legislative, and judicial. Each balances the other so that there can be no fusion of any two. The electorate chooses executive and legislative officials at stated intervals, and the acts of both branches are subject to judicial review. The third branch, the judiciary, is established as an independent branch with authority to restrain abuse of power by other governmental agents. Strict limitation of the judicial function by the Constitution prevents the judiciary from exercising arbitrary power. There is still another balance conceived by the framers of the Constitution. This is between State and National Governments. Federal action is restricted to matters of national concern, expressed or implied in the Constitution itself. All else remains in the hands of the States, each to legislate as it sees fit on its own local problems.

With a foresightedness that amounted almost to clairvoyance, the founding fathers recognized that not only must there be a central government, but that such a central government must be strong enough to command the respect of foreign nations; efficient enough to justify its own existence; flexible enough to leave wide initiative powers to the States and limited, by statute, enough to prevent encroachment on the rights of the States or undue accretions to its own authority. Hence the system of checks and balances and the now famous doctrine of the separation of powers—all designed to preserve to the people, in perpetuity, the liberty they had so justly earned.

Our Declaration of Independence says that "all men are created equal." Precisely what does that mean? Does it mean social equality or cradle-to-grave security as advocated by Lord Keynes, Harold Laski, and others of collectivist mind? I cannot accept either one. Rather it means to me that all men have equal rights, equal duties, and equal obligations. This is in keeping with the dignity of man, his free will, his God-given rights to make a choice, his obligation to provide for himself and his family, and thus to make himself a citizen worthy of the privileges the Constitution grants him. This seems a reasonable conclusion in view of the fact that each and every one of us is clearly different in the physical and mental traits of man. Even identical twins rarely have the same skills to an identical degree. Distribution of talent and ability can never be controlled by any man-made law.

Today we hear the word "liberal" bandied about so freely that probably no two of us have the same understanding of the word. To my mind, a "liberal" is a man who believes that freedom is the right to do what man should do, not the right of a man to do as he pleases. Historically, the old liberal wa one who believed in, among other things, freedom of speech, press, religion, and no taxation without representation, within the framework of the Constitution. Generally today's so-called "liberal" wants the same freedoms, but he does not want to be bound by any responsibility to constitutional or any other law. In other words, he wants "to have his cake and eat it too." The liberal of our early days worked to free the economy from state control; today the same principle of liberalism is invoked to extend the control of the state over our economy. Certainly two such contradictory theories cannot both be sound. Even persistent polishing of this veneer of paternalism cannot make brass into gold. Traditional American liberalism is based upon a competitive enterprise system under a government "of the people, by the people, and for the people."

We have come to realize that political, social, and economic forces are so interwoven and interdependent that consideration of one alone is impossible. Yet our legislators often seem blissfully unaware of this vital fact. Statutory enactments of the last 10 or 15 years have effectively hampered the growth of private industry. Yet the Government expects private industry to provide the financial and economic wherewithal for extensive social and political progress (ironically called benefits) which in turn operate to deprive individuals of varying segments of their freedom. In this trend of the times away from constitutional government and freedom, the more serious strides toward socialism have been made in the field of economics.

The frontal attack on the economics of a capitalist system generally is aimed at the so-called business cycle, or boom and bust psychology. Attempts have been and are being made to lessen the severity of these busts (nobody wants to lessen the severity of a boom) in the interest of the social factors involved. This is all very well, provided we do not destroy freedom of incentive and freedom of will simply to accomplish some form of social justice. One of our well-known lawyers said a short time ago: "It appears that the Government's concept of social justice is to take from the diligent and give to the indigent." Unfortunately, for the diligent, he is more than half right. In a country that has attained the general level of wealth which is ours, a certain limited security against physical privation, and a minimum sustenance may be guaranteed without danger to individual freedom. The difficulty comes in deciding where the dividing line should be drawn. Our current troubles are traceable in large part to legislative and executive attempts to overrule basic economic laws, all in the name of security. In fact, some security is essential if freedom is to be preserved, but it must be provided outside the market place and competition must be left unobstructed. As Benjamin Franklin said, "Those who would give up essential liberty to purchase a little temporary safety deserve neither liberty nor safety."

On many sides we hear the argument raised: "Oh, yes, but capitalism and free enterprise must defend itself." Are we blind—can't we see the forest for the trees? Since 1776, with our system, we have built from nothing to the greatest Nation on earth, economically, socially, and financially. This country has but one-sixteenth of the earth's population, yet we own 50 percent of the world's electric power, 50 percent of the radios, 85 percent of the cars, and 63 percent of the life insurance policies. Freedom of choice and opportunity to investor, producer, and consumer is responsible. Here each and every one of us who has a savings account, a life insurance policy, or a share of stock is a capitalist. Freedom is born of hard work, seeking to provide so much goods that in the end all of us may have enough of everything, whereas collectivism is the parent of poverty and hunger bent upon distributing equally

the short supply of goods so that finally no one has enough of anything. Let's work at freedom.

The rise of big government is the obvious development that makes us fearful for the American system of individual freedom under law. For a century and a quarter our Government has kept pace with the country's expanding frontiers and multiple-business interests, but the last two decades have seen a development that is alarming to all thinking and responsible citizens. In 1930 our Federal budget was $4,000,000,000, less than 20 years later it is upwards of $42,000,000,000. In the same time the Government pay roll has increased from 500,000 to over 2,000,000 permanent employees. The giant to be feared is not the large efficient corporation but rather the large inefficient Government as it encroaches more and more upon private lives and private economy. Vast agencies of the Government itself emit an unending stream of propaganda calculated to make big government bigger and to extend the authority of the state over the lives of all of us. Big government as it grows becomes a Frankenstein of high taxes, wide corruption, and little freedom. The nation that values anything above freedom will lose its freedom and acceptance of governmental paternalism in return for surrender of our own responsibilities leads us down the road to self-destruction.

This continuing drift toward a self-perpetuating centralized bureaucracy can mean only one thing, that the central government will eventually take over all private property. The right of private ownership of property is one of the basic postulates of our Constitution. However, in conjunction with this right of private property there is a corresponding responsibility * * * the responsibility of honorable citizenship. To participate in those rights, you as citizens must also conduct both yourself and your business as to deserve those rights. The two are inseparable. Yet, today the demagog on the soap box shouts that the owner of private property is to be condemned as a baron of privilege. The poor fellow either can't read or won't read. If he could or would, he would soon discover that we can all acquire private property under the same set of rules. The fact that only some of us, through industry, saving, and farsightedness succeed in acquiring it doesn't mean it is a privilege. The only privilege is being born in a country where such a right is guaranteed. To protect this privilege we must evince certain qualities: honesty, loyalty, courage, and self-sacrifice. If we do not have such qualities, then we have only ourselves to blame for loss of our freedom.

I do not believe that the people of this country want to change the economic system that has made us the greatest nation on the face of the earth. Bureaucracy, remember, was not born of two world wars. It has grown with the expansion of government in the past two decades. War merely increased the tempo and the planned purpose of top officials to build a tremendous backlog of Government jobholders whose loyalty to the job could be depended on to keep each and every one of the two-million-odd office holders in line. The prize example of the folly of bureaucracy and its results is seen in the management of our railroad systems in two world wars. In the first, when the Government operated the roads, the losses were gigantic—nearly $2,000,000 a day. In the second, when they were privately operated, they made substantial profits even after paying over $3,000,000 a day in taxes. Today's bureaucrat, who claims to be a liberal, is full of plans and bright ideas that will make the state the final arbiter in every field.

Our liberty is slowly slipping away. There are at least four clearly defined areas today where we see the erosion of our freedom. No policy of "watchful waiting" will suffice. Rather it is a time for action, for vigorous opposition, and for a Nation-wide effort to awaken the people to what is happening to their cherished freedom before their very eyes. First, there is the problem of monetary and fiscal policy, for no government can remain strong if its financial structure is other than sound. We are loaded up with a gigantic Government debt. True, the war is in part responsible, but we had absurd attempts at deficit financing in the thirties and may be headed in that direction now. Such policies cannot go on indefinitely, for fiat money is good only so long as the people have confidence in the Government. When that confidence is lost, the Government's credit is no longer good and bankruptcy ensues. We require our banks and insurance companies to meet rigid standards of solvency, yet we allow our duly elected Representatives in Congress to tamper with the financial structure of the Government, as though it had nothing to do with the freedom, security, and prosperity of the Nation.

Next we are faced with regimentation, wholly or in part. This regimentation, actual or proposed, touches the multiple activities of our daily lives and includes, among other things, price control, wage control, rent control, Federal subsidy of education, and socialized medicine. These are the tools of a planned society. Price and rent controls create scarcity, thereby forcing the Government to attempt by rationing, or other means, some sort of equitable distribution of goods or space. The result is that no one has enough of anything. But in the free market, prices are always at work. They call for production where there is scarcity and restrict consumption until the scarcity is relieved. Wages are really the price men sell their skills for, and the same rule holds true. History has proven that attempts to control the law of supply and demand bring national decay. Witness the Roman Empire. Its fall was directly due to the institution of a planned economy. Success of a controlled economy is confined to intensification of depressions, and a myriad of relief applicants. Regimentation spells loss of freedom.

Thirdly, wherever there is Federal participation there has to be Federal control. Farmers accepted subsidies and got controls. If the Government is to pour money into schools, it will not be long before the bureaucrats tell you not only what you may teach but when and how. Any doubt one may have of the truth of these statements can be cleared away by examining the decision of the Supreme Court of the United States which, through Justice Jackson, ruled in a test case on control of subsidized farmers that: "It is hardly lack of due process (under the Constitution) for the Government to regulate that which it subsidizes." The Supreme Court gave sanction to regulation of our economic freedom in another recent decision in which the Court allowed Congress to impose its regulation on an individual farmer, even to the extent of regulating the amount of wheat grown by himself on his own land for his own consumption. Is this the freedom the founding fathers handed down to us?

It is truthfully said that "The power to tax is the power to destroy." The ever increasing burden of taxes of all kinds has been brought home to rich and poor alike. Almost nothing we buy or sell today is free from either a visible or invisible tax. Our income and estate taxes are set at confiscatory levels. High taxes encourage Government spending. Whatever is expended by the Government has to come in esse from the earnings of our labor. Taxes can be paid only from what the people earn. They can be paid only out of production and are a burden on production. Our present system of taxation is fast killing the goose that lays the golden eggs. Confiscatory taxation is an attempt to redistribute wealth in order to create a classless society, but incentive to produce is removed thereby, and taxation becomes a weapon of class struggle. In an ever-changing world our economic life cannot afford to be frozen if we are to be free. Equality of income is a high-sounding political platitude that lulls the thoughtless and tempts the predatory. For us it means a reduced standard of living with the Government's fingers in every man's pocket to provide bed and board (equal to what you have) for those who will not work to earn it. The obligation that is upon every man to work to support himself is as old as the Christian religion, for it was St. Paul writing to the Thessalonians who said: "He who will not work should not eat." I am not talking about the sick, the aged, or the insane, but about the able-bodied one who wants what the other fellow has without working for it and about a paternalistic government that would hand it to him all in the name of "equality." If we are to remain a great Nation, it is imperative that we reexamine our entire tax structure and rewrite our tax laws with an eye to elimination of encroachment of Federal, State, and municipal taxes on one another, to provide for a continuing flow of free capital into a dynamic economy, and to insure sufficient funds for the operation of an economical trustworthy Government geared to render necessary services under constitutional mandate. This is the road to freedom.

Last November we had a national election. It has been said that the result of this election was a mandate from the people to the Government to follow further along the line of state socialism. To my mind this is a gross misrepresentation of the facts. We had no chance to vote for our own freedom, since both candidates endorsed the principles of big government. No wonder people stayed at home from the polls in droves. We had no chance to vote for our convictions. The future of every job, home, bank deposit, insurance policy, or business enterprise depends upon whether you, the public, understand and care enough to support and work for the American way of life. Every American must rise and defend this system with all his strength. If we would protect the future freedom of our children, we must start now. Democracy is not God-given, it is something we have to work for. Each of us must make it for himself. All experience indicates that the worst mistake a country can make is to trade its freedoms, including the freedom to be wrong, for the phony security and frozen static serfdom of dictatorship. The strength, principles, and vitality of our system which has produced the highest standard of living in history is beyond challenge. The most priceless heritage in life is freedom.

Freedom since time immemorial has been a word of inspiration. It is a glorious thing. Our forefathers fought for it; the Constitution established it; the years have sanctioned it. But to safeguard it with eternal vigilance is everybody's business.

Registration for Voting

EXTENSION OF REMARKS
OF

HON. ANTHONY CAVALCANTE

OF PENNSYLVANIA
IN THE HOUSE OF REPRESENTATIVES

Tuesday, August 16, 1949

Mr. CAVALCANTE. Mr. Speaker, under leave given me by unanimous consent, I insert an interesting article which appeared in the current issue of the Capital Comment, dated August 13, 1949, published by the Democratic National Committee.

This article shows the handicap under which the Democratic Party must per-

form its patriotic duty of educating all persons of voting age to participate in the election of public officials. It is common knowledge that in all areas where the Republican Party is firmly entrenched in public office, it shuns all efforts that might add to the voting lists the names of those who constitute the vast liberal thinking mass of American life.

This article is a splendid tribute to the able and patriotic efforts of Hon. Michael J. Kirwan, chairman, and Capt. Victor Hunt Harding, executive director, of the Democratic Congressional Committee, in directing the efforts of that committee along lines that will bring to the election polls of America those Americans whose liberal thoughts are the cornerstones of our American way of life.

The article is as follows:

The Democratic National Committee has constantly sought to spur registrations throughout the country in the belief that a large vote means Democratic victory.

What can be done in a practical test of registration drives is shown in a report received by the Democratic National Congressional Campaign Committee from Somerset County, Pa.

A Republican lead of 1,210 registrations in the test area was wiped out in a 10-week campaign and Democrats now lead in registrations by a net of 323 votes.

All at very low cost.

The test came about through the activity of Congressman ANTHONY CAVALCANTE, of the Twenty-third Pennsylvania Congressional District, which comprises the Pennsylvania counties of Fayette and Somerset.

Fayette County is a strongly organized industrial county which had been strongly Democratic.

Somerset County has been traditionally Republican. In 1948 the vote was 18,599 Republicans to 10,553 Democratic.

Through the years it has been customary to dismiss Somerset County as hopelessly Republican. Then Congressman CAVALCANTE asked: Why?

He conferred with Congressman MICHAEL J. KIRWAN, chairman of the Democratic Congressional Committee, and Capt. Victor Hunt Harding, executive director. A test was decided upon.

Somerset County was divided into three sections—the northern section was that area of the county north of the Lincoln Highway. This is a coal-mining section, with many of the workingmen commuting to nearby Johnstown to the steel mills.

The central section between the Lincoln Highway and the Pennsylvania Turnpike is a somewhat sparsely settled area, in which the main industrial activity is coal mining.

The southern section, south of the turnpike, is mainly agricultural.

The test was made in the north. The central and southern sections were left completely alone to allow a fair comparison between the three zones.

Two men were entrusted with carrying out the test: Gerald Zeigler, secretary of the Somerset County Democratic Committee, and Anthony Rulli, Windber City Democratic chairman.

The plan was one that excluded outside "big name" help. There was no outside aid in the way of advertising or publicity. The entire effort was in the hands of the Democrats in the area of the test.

First, a working list of all unregistered voters by street and house was drawn.

Second, local Democratic clubs were organized in each registration area.

These Democratic clubs supplied the workers who supplied the elbow grease and shoe leather that made the tests successful.

Local leaders handled local publicity. Newspapers were enlisted to boost interest. Radio stations in the area were approached for spot announcements.

The list of unregistered voters in each community was broken down into working assignments and the club members went to work. Result:

The Republican lead in the area of the test was completely erased and a total net gain of 1,318 Democratic registrations was achieved for the entire county.

Comparison of the test area with the sections where no organized drive was made is as follows:

NOVEMBER 1948

	Republicans	Democrats	Difference
North (tested)	7,082	5,872	(R) 1,210
Central (no test)	7,786	2,499	(R) 5,287
South (no test)	3,731	2,182	(R) 1,549
Total	18,599	10,553	(R) 8,046

SEPTEMBER 1949

North (tested)	7,293	7,616	(D) 323
Central (no test)	8,096	2,644	(R) 5,452
South (no test)	3,917	2,381	(R) 1,536
Total	19,306	12,641	(R) 6,665

Note that the 1948 lead of the 1,210 Republicans in the north of the county has been wiped out, and the Democrats now lead by 323.

In the central part the Republicans have boosted their lead by 165.

In the South the 1948 Republican lead has been cut 13.

These figures reflect the difference between effort and noneffort.

Total cost of the test was $200, or approximately 10 cents per newly registered voter.

Previous estimates for the cost of a registration drive in Pennsylvania have been at the rate of 50 cents per new registration.

The work was done by the Democratic club members and the money that was spent was only for the purpose of paying for gasoline to drive registrants to the registration office.

It should be remembered, too, that the county commissioners being Republican gave little aid or comfort to this drive and opened few special registration booths, making it more difficult for these results to be attained.

The lessons learned in this test are to be applied to the entire county.

They can well be applied to every county. It is a real example of how results can be achieved when time and energy are expended in an organized effort.

Registration is the key to Democratic victory in 1950.

Spot Therapy

EXTENSION OF REMARKS
OF
HON. HAROLD D. DONOHUE
OF MASSACHUSETTS
IN THE HOUSE OF REPRESENTATIVES
Tuesday, August 16, 1949

Mr. DONOHUE. Mr. Speaker, under leave to extend my remarks, I wish to include a very timely editorial which appeared in the August 13, 1949, issue of the Waltham (Mass.) News-Tribune.

The article follows:

SPOT THERAPY

Heads of a number of Federal departments and agencies are being notified by John R. Steelman, Presidential assistant, of a system of spot therapy for certain cities in the country which are badly off economically. These are cities and areas in which unemployment has reached the critical stage—12 percent and up of the population.

The therapy will take the form of channelling Government contracts, if possible, into certain selected geographical points where new business activity is needed. It has been rumored the majority of the cities on the list are in New England, but cities in Michigan, Tennessee, and Pennsylvania have also been singled out for help.

Many people believe this experiment in putting the needle in business is a better idea than the Employment Expansion Act of 1949, which was introduced in the Senate on July 15, the day after President Truman announced a program of Government spending in areas where unemployment is acute. The bill was slanted mainly at reviving that old cure-all for unemployment—public works construction. Incidentally, the chief lobbyists for the bill were the Americans for Democratic Action, who adhere to the belief that the Government must spend itself silly (through deficit financing) in times of stress. In the drive for recess of Congress, it is doubtful that the bill will even get to the floor of the Senate.

There are signs pointing to an upturn in business activity in the fall. Credit for expansion and development of business has suddenly been made easier by the action of the Federal Reserve Board. With these forces at work, it would seem that the President's plan, which requires no congressional action and no additional Federal appropriations, would be enough to start thawing business out. It should be given a chance before the Congress tries to legislate the country out of a recession.

Provisions of Civil Functions—Rivers, Harbors, and Flood Control Appropriations Bill as Passed by the Senate Should Be Approved at Once—Projects Necessary To Relieve Unemployment

REMARKS
OF
HON. JOHN E. RANKIN
OF MISSISSIPPI
IN THE HOUSE OF REPRESENTATIVES
Monday, August 15, 1949

Mr. RANKIN. Mr. Speaker, the civil functions appropriation bill, which passed the House some time ago, was very carefully considered at the other end of the Capitol.

The Senate committee, after extensive hearings, reported the bill with many amendments, all of which, in my opinion, are improvements. These amendments were approved by the Senate.

That body passed the measure unanimously, and yet we find it stymied in the conference by certain House conferees.

It would be a shame on Congress if we let one or two men on that conference block this bill and deprive the American people of the great benefits which it provides.

These projects are necessary also to relieve growing unemployment.

Surely if Congress can give billions and billions and billions of dollars to foreign countries, we can improve our own natural resources for the benefit of the American people who fight the Nation's battles in times of war and sustain its

institutions in times of peace, and provide employment for them in times of stress.

The civil functions appropriation bill, as passed by the Senate, if concurred in by the House, will do more to relieve unemployment for the next few years than anything else that has been done or proposed.

The Senate provided funds for various and sundry projects throughout the country that are absolutely necessary, but which some of the House conferees are now trying to block.

I am inserting the various rivers and harbors projects at this point, showing:

First. The States in which they are located;

Second. Total estimated cost of the project;

Third. The amount appropriated to date;

Fourth. Estimated unobligated balance due June 30, 1949;

Fifth. Amount of budget estimate;

Sixth. The amount allowed by the House as allocated by the Corps of Engineers;

Seventh. The amount provided by the Senate.

The Senate approved these recommendations without change.

I hope every Member of the House will scan this list carefully and see what it means to the people he represents.

The list referred to follows:

Rivers and harbors

Project (Projects that can be completed with amounts recommended by Senate committee are marked with asterisk in columns (1) and (7)) (1)	Total estimated Federal cost (2)	Amount appropriated to date (3)	Estimated unobligated balance, June 30, 1949 (4)	Amount of budget estimate (5)	Amount allowed by House as allocated by Corps of Engineers (6)	Amount recommended by Senate committee (7)
CONSTRUCTION						
Alabama:						
Tennessee-Tombigbee Waterway	[1]169,117,000	$658,000	0	([1])	0	[2]$2,500,000
Demopolis lock and dam, Warrior system	16,935,000	261,800	$15,000	$1,200,000	$824,000	1,200,000
Alaska:						
Nome Harbor	2,400,130	272,950	0	1,020,000	701,000	701,000
Wrangell Narrows	4,745,000	2,128,400	30,000	500,000	343,000	343,000
Arkansas:						
Arkansas River and tributaries:						
Bank stabilization, Little Rock to mouth	2,000,000	0	0	0	0	2,000,000
Bank stabilization below Dardanelle	602,000	0	0	0	0	602,000
Dardanelle lock and dam	69,317,000	0	0	0	0	1,100,000
Morrilton cut-off	300,000	0	0	0	0	300,000
California:						
Crescent City Harbor	4,162,160	2,542,700	43,500	700,000	481,000	481,000
Monterey Harbor	726,950	652,950	0	45,520	45,520	45,520
Sacramento River	16,285,000	310,700	16,000	2,000,000	1,374,000	2,000,000
San Diego River and Mission Bay	10,300,000	1,940,000	10,000	3,000,000	2,061,000	2,500,000
Connecticut:						
Mianus River (Cos Cob Harbor)*	79,500	0	0	0	0	*79,500
New Haven Harbor	4,476,300	3,916,300	51,800	300,000	206,000	300,000
Pawcatuck River, R. I. and Conn	218,500	85,335	0	68,500	68,500	68,500
Delaware:						
Harbor of refuge, Delaware Bay*	2,372,000	2,238,000	0	0	0	*134,000
Indian River Inlet and Bay*	630,000	270,000	0	0	0	*360,000
District of Columbia: Potomac River, north side of Washington Channel	6,097,000	1,350,000	0	475,700	327,000	475,700
Florida:						
Intracoastal Waterway, tributary channels:						
Okeechobee-Cross Florida Waterway*	20,097,100	19,747,100	26,150	*350,000	240,000	*350,000
Jim Woodruff lock and dam, Apalachicola River	42,208,000	4,724,000	75,000	8,900,000	6,113,000	8,900,000
St. Andrew Bay*	718,000	582,000	0	*136,000	93,000	*136,000
St. Johns River, Jacksonville to ocean	12,354,000	7,907,200	0	1,200,000	824,000	1,000,000
Tampa Harbor	10,561,000	9,694,000	22,000	617,700	424,000	617,700
Georgia:						
Savannah Harbor	9,060,700	7,497,700	18,500	533,000	366,000	533,000
Buford Dam, Chattahoochee River	25,250,000	650,000	0	0	0	2,261,000
Illinois:						
Illinois waterway: Mouth to mile 291	28,055,100	26,433,600	1,600	300,000	206,000	300,000
Mississippi River between Ohio and Missouri Rivers:						
Chain of Rocks	38,326,000	16,028,000	95,000	12,000,000	8,243,000	10,000,000
Regulating works	54,847,000	41,003,500	0	1,000,000	687,000	1,000,000
Mississippi River between Missouri River and Minneapolis (exclusive of St. Anthony Falls)	183,661,100	154,035,800	10,000	1,000,000	687,000	800,000
Iowa:						
Keokuk, Mississippi River, lock at	13,602,175	876,275	0	0	0	2,000,000
Missouri River, Kansas City, Mo., to Sioux City, Iowa	119,500,000	96,305,900	79,500	4,000,000	2,748,000	2,748,000
Mississippi River between Missouri River and Minneapolis. (See same project under Illinois.)						
Kentucky:						
Cumberland River, Ky. and Tenn.: Cheatham lock and dam	9,900,000	161,000	36,000	2,000,000	1,374,000	1,500,000
Ohio River, Ky., W. Va., and Ohio, open channel work	20,216,000	15,325,100	0	300,000	206,000	300,000
Louisiana:						
Calcasieu River and Pass	11,315,000	5,318,700	0	995,000	683,000	995,000
Intracoastal Waterway, Apalachee Bay, Fla., to Mexican border (New Orleans district)	30,225,500	19,090,300	200,250	3,500,000	2,404,000	3,000,000
Pearl River, La. and Miss	8,007,000	5,288,100	13,000	1,500,000	1,030,000	1,500,000
Waterway from Empire to Gulf of Mexico	2,200,000	512,000	0	588,000	404,000	588,000
Maine:						
Cape Porpoise Harbor*	160,000	114,500	0	0	0	*45,500
Josias River*	36,000	2,500	0	0	0	*33,500
Portland Harbor	4,560,000	3,132,800	225,000	300,000	206,000	206,000
Maryland: Baltimore Harbor and channels	10,400,000	5,526,400	0	800,000	550,000	800,000
Chester River	42,400	18,000	0	0	0	16,400
Honga River and Tar Bay*	69,500	27,500	0	0	0	*42,000
Massachusetts:						
Boston Harbor	18,221,500	15,639,500	0	500,000	343,000	500,000
Fall River Harbor	2,329,800	1,202,800	15,000	1,050,000	721,000	1,050,000
Menemsha Creek, Martha's Vineyard*	72,700	0	0	0	0	*72,700
Michigan:						
Port Sanilac Harbor	841,900	3,650	0	0	0	400,000
St. Marys River:						
Power plant	10,000,000	7,140,000	148,000	1,860,000	1,278,000	1,860,000
Navigation features	80,117,000	51,386,000	0	1,140,000	783,000	1,140,000
Traverse City Harbor*	350,000	0	0	0	240,000	*350,000
Minnesota:						
Baudette Harbor*	29,000	4,500	0	0	0	*24,500
Hastings, small-boat harbor at*	37,270	3,000	0	0	*34,270	*34,270
Mississippi River between Missouri River and Minneapolis. (See same project under Illinois.)						
St. Anthony Falls	18,338,900	1,398,400	247,600	2,500,000	1,717,000	1,717,000
Two Harbors (Agate Bay)*	3,300,000	2,050,000	0	*1,250,000	859,000	*1,250,000
Mississippi:						
Gulfport Harbor and Ship Island Pass*	614,300	118,300	0	0	[3]496,000	*496,000
Pearl River, Miss. and La. (See same project under Louisiana.)						

[1] See table on planning funds.
[2] Includes $200,000 allowed by House for planning.
[3] Specific appropriation of $496,000 for Gulfport Harbor, Miss., inserted on House floor and included in bill under separate paragraph.

Rivers and harbors—Continued

Project (Projects that can be completed with amounts recommended by Senate committee are marked with asterisk in columns (1) and (7)) (1)	Total estimated Federal cost (2)	Amount appropriated to date (3)	Estimated unobligated balance, June 30, 1949 (4)	Amount of budget estimate (5)	Amount allowed by House as allocated by Corps of Engineers (6)	Amount recommended by Senate committee (7)
CONSTRUCTION—continued						
Missouri:						
Missouri River, Kansas City to the mouth	$98,700,000	$84,636,900	$12,500	$2,500,000	$1,717,000	$2,500,000
Mississippi River between Ohio and Missouri Rivers. (See same project under Illinois.)						
Mississippi River between Missouri River and Minneapolis. (See same project under Illinois.)						
Missouri River, Kansas City to Sioux City. (See same project under Iowa.)						
Montana: Missouri River at Fort Peck	136,000,000	128,591,800	200,000	3,400,000	[illegible],335,000	2,840,000
Nebraska: Missouri River, Kansas City to Sioux City. (See same project under Iowa.)						
New Jersey:						
Newark Bay, Hackensack and Passaic Rivers	9,822,000	5,890,000	0	1,000,000	687,000	1,000,000
New York and New Jersey channels	41,580,000	29,564,000	0	1,500,000	1,030,000	1,500,000
Shark River*	150,000		0	*150,000	*150,000	*150,000
New York:						
Buffalo Harbor	14,666,000	3,173,000	0	800,000	550,000	550,000
Dunkirk Harbor*	446,200	56,200	0	0	268,000	*390,000
Great Kills Harbor	150,500	36,000	0	*114,500	*114,500	*114,500
Hudson River	17,484,000	16,067,000	0	100,000	69,000	100,000
Hudson River Channel	7,074,000	5,828,000	0	450,000	309,000	450,000
New York Harbor, entrance channels and anchorage areas	17,000,000	15,014,000	0	600,000	412,000	412,000
New York and New Jersey channels. (See same project under New Jersey.)						
Oswego Harbor	13,343,000	4,358,200	0	0	0	500,000
North Carolina: Stumpy Point Channel*	32,500	0	0	0	22,000	*32,500
Ohio:						
Cleveland Harbor	24,144,000	8,490,900	133,800	2,000,000	1,374,000	2,000,000
Ohio River open channel work. (See same project under Kentucky.)						
Oregon:						
Columbia River at Bonneville	84,858,000	82,495,000	25,000	1,500,000	1,030,000	1,500,000
Columbia and Lower Willamette Rivers below Vancouver, Wash., and Portland, Oreg.*	5,503,000	5,341,200	120,000	*161,800	111,000	*161,800
Coos Bay	8,749,000	6,120,800	0	1,000,000	687,000	1,500,000
Depoe Bay*	474,000	32,000	0	0	0	*442,000
McNary lock and dam, Columbia River, Oreg. and Wash.	227,028,000	29,575,000	105,800	40,000,000	27,479,480	40,000,000
Umpqua River	2,701,200	2,516,200	0	100,000	100,000	100,000
Yaquina Bay and Harbor*	2,250,000	2,215,000	15,000	*35,000	24,000	*35,000
Snake River, Oreg. and Wash. (See same project under Washington.)						
Pennsylvania:						
Monongahela River, locks 2	11,980,000	3,700,000	200,000	4,500,000	3,091,000	4,000,000
Schuylkill River (culm removal)	17,000,000		0	500,000	343,000	500,000
Rhode Island:						
Harbor of refuge at Point Judith and Point Judith Pond*	2,547,500	2,371,500	0	0	0	*176,000
Providence River and Harbor*	2,322,200	2,112,200	0	*210,000	144,000	*210,000
Pawcatuck River, R. I. and Conn. (See same project under Connecticut.)						
South Carolina:						
Shipyard River*	543,000	112,800	0	0	0	*430,200
Winyah Bay	4,344,800	3,144,800	0	508,200	349,000	508,200
Tennessee, Cumberland River Ky. and Tenn. (See same project under Kentucky.)						
Texas:						
Clear Creek and Clear Lake*	76,000	21,300	0	0	38,000	*54,700
Galveston Harbor	3,072,000	2,868,000	0	*204,000	140,000	*204,000
Houston Ship Channel	18,919,000	10,459,000	44,000	996,000	684,000	996,000
Intracoastal Waterway, Apalachee Bay, Fla., to the Mexican border (Galveston district): Harlingen, channel to	1,925,000	825,000	0	700,000	481,000	650,000
Sabine-Neches waterway	14,791,500	12,585,500	58,500	1,000,000	687,000	1,000,000
Trinity River	7,750,000	809,500	138,000	1,000,000	687,000	687,000
Virginia:						
Bransons Cove, Lower Machodoc River*	28,600	0	0	0	0	*28,600
Norfolk Harbor	8,985,200	6,588,800	0	500,000	343,000	1,000,000
York Spit Channel	996,500	74,400	0	500,000	343,000	500,000
Virgin Islands: St. Thomas Harbor	2,650,000		0	1,500,000	0	850,000
Washington:						
Chief Joseph Dam, Columbia River	206,000,000	642,000	0	5,000,000	3,435,000	10,000,000
Grays Harbor and Chehalis River	6,622,200	2,841,500	0	800,000	550,000	800,000
Ice Harbor lock and dam, Snake River	87,414,000	1,275,000	83,000	12,000,000	0	0
Columbia River at Bonneville. (See same project under Oregon.)						
Columbia and lower Willamette Rivers, Wash. and Oreg. (See same project under Oregon.)						
McNary lock and dam, Columbia River Oreg. and Wash. (See same project under Oregon.)						
West Virginia:						
Morgantown lock and dam, Monongahela River	8,400,000	3,000,000	225,000	3,963,700	2,716,000	3,000,000
Ohio River open channel work. (See same project under Kentucky.)						
Wisconsin:						
Ashland Harbor*	777,000	732,000	0	0	0	*45,000
Port Wing Harbor*	68,400	48,400	0	0	0	*20,000
Subtotal, construction, rivers and harbors			2,739,500	146,912,620	92,890,270	145,694,290
PLANNING						
Alabama:						
Alabama-Coosa Rivers, Ala. and Ga	116,342,000	1,100,000		200,000	200,000	200,000
Tennessee-Tombigbee waterway, Alabama and Mississippi	169,117,000	658,000		200,000	200,000	(1)
Upper Columbia Lock and Dam, Ala. and Ga., Chattahoochee River	41,872,000	200,000		200,000	200,000	200,000
Arkansas:						
Arkansas River and tributaries, Arkansas and Oklahoma	2,000,000	500,000		500,000	500,000	500,000
Overton-Red River waterway, Arkansas and Louisiana	53,000,000	125,000		50,000	50,000	50,000
California: Halfmoon Bay	4,512,000	0		75,000	75,000	75,000
Florida: New River	75,000	0		10,000	10,000	10,000
Illinois: Calumet-Sag Channel	82,367,900	895,600		100,000	100,000	100,000
Kentucky: Dover lock and dam	11,700,000	39,000		116,000	116,000	116,000

[1] $200,000 for planning allowed by House shows under "Alabama" construction table.

Rivers and harbors—Continued

Project (Projects that can be completed with amounts recommended by Senate committee are marked with asterisk in columns (1) and (7)) (1)	Total estimated Federal cost (2)	Amount appropriated to date (3)	Estimated unobligated balance, June 30, 1949 (4)	Amount of budget estimate (5)	Amount allowed by House as allocated by Corps of Engineers (6)	Amount recommended by Senate committee (7)
PLANNING—continued						
Michigan:						
Au Sable River	$108,600	0		$8,000	$8,000	$8,000
Hammond Bay Harbor	589,000	$2,050		22,000	22,000	22,000
Harrisville Harbor	793,500	2,750		24,000	24,000	24,000
Point Lookout Harbor	786,600	2,250		20,000	20,000	20,000
Texas:						
McGee Bend Dam, Angelina River	42,720,000	450,200		200,000	200,000	200,000
Guadalupe River	13,137,000	160,000		0	0	50,000
Intracoastal Waterway, Apalachee Bay, Fla., to the Mexican Border (Galveston district): Colorado River	756,000	0		0	0	50,000
Virginia: Norfolk Harbor, disposal area	5,100,000	43,000		50,000	50,000	50,000
Washington: Lower Monumental lock and dam, Snake River	79,868,000	0		225,000	225,000	225,000
Subtotal, planning, rivers and harbors				2,000,000	2,000,000	[4] 1,900,000
OTHER ITEMS						
Maintenance				53,000,000	53,000,000	[5] 53,000,000
Operating and care				22,000,000	22,000,000	22,000,000
Examinations and surveys				1,200,000	1,200,000	1,200,000
Contingencies				1,300,000	1,300,000	1,300,000
Removing sunken vessels				300,000	300,000	300,000
Survey of northern and northwestern lakes				310,000	310,000	310,000
Prevention of debris in New York Harbor				360,000	360,000	360,000
California Debris Commission				15,000	15,000	15,000
Salaries, Office, Chief of Engineers				575,000	575,000	575,000
Printing for River and Harbor Board				40,000	40,000	40,000
River and Harbor Board expenses				440,000	440,000	440,000
Beach Erosion Board expenses				600,000	600,000	600,000
Work under sec. 3, River and Harbor Act, Mar. 2, 1945				300,000	300,000	300,000
Transfer to U. S. Geological Survey				200,000	200,000	200,000
Transfer to Fish and Wildlife Service				1,600,000	1,000,000	1,360,000
Subtotal, other items				82,240,000	81,640,000	82,000,000
Grand total, Rivers and Harbors				231,152,620	[6] 176,530,270	[6] 229,594,290

[4] $200,000 for planning allowed by House shows under "Alabama," construction table.
[5] Includes $9,000 for maintenance dredging at Havre de Grace, Md., and $400,000 for realinement of authorized channel of the Hudson River in the vicinity of Kingston, N. Y.
[6] Includes $496,000 for Gulfport, Miss., included in bill on House floor and carried in separate paragraph in bill, leaving in the lump-sum appropriation for "Rivers and Harbors" as passed by House $176,034,270 and the amount of the lump-sum appropriation for "Rivers and Harbors" as recommended by the committee $229,098,290. These totals exclude the item for "Alteration of bridges," for which the House allowed no appropriation and the Senate committee recommends $100. They also exclude $12,000 allowed by the House and approved by the Senate committee for "Miscellaneous civil works."

Next I am inserting a similar list of flood-control projects, by States, which also has been approved by the Senate. Check over it and see what it means to the people of your own State. The list referred to follows:

Flood control

Project (Projects that can be completed with amounts recommended by Senate committee are marked with asterisk in columns (1) and (7)) (1)	Total estimated Federal cost (2)	Amount appropriated to date (3)	Estimated unobligated balance, June 30, 1949 (4)	Amount of budget estimate (5)	Amount allowed by House as allocated by Corps of Engineers (6)	Amount recommended by Senate committee (7)
CONSTRUCTION						
Arizona: Tucson	$2,390,000		0	[1]	[1]	[1a] $1,250,000
Arkansas:						
Bayou Bodcau Reservoir Ark. and La. (see Louisiana).						
Blakely Mountain Reservoir	31,000,000	$6,750,000	$422,800	$3,000,000	$2,232,300	2,800,000
Blue Mountain Reservoir	5,100,000	4,850,000	147,200	48,000	35,700	35,700
Bull Shoals Reservoir, Ark. and Mo.	76,300,000	29,200,000	525,800	16,500,000	12,277,500	13,277,500
Carden's Bottom drainage district No. 2*	1,485,000	1,185,000	20,000	*300,000	223,200	*300,000
Conway County levee districts Nos. 1, 2, and 8*	1,311,000	1,205,000	0	*106,000	78,900	*106,000
Conway County levee district No. 6*	448,000	437,000	30,000	*11,000	8,200	*11,000
Crawford County levee district*	2,146,200	1,826,700	263,700	*319,500	237,800	*319,500
Little Rock to Pine Bluff*	1,745,000	1,375,000	18,900	*370,000	275,300	*370,000
Narrows Reservoir	13,450,000	7,621,000	0	4,650,000	3,460,000	3,460,000
Nimrod Reservoir	3,895,900	3,600,900	0	80,000	59,500	59,500
Norfork Reservoir, Ark. and Mo.	29,100,000	27,288,100	0	1,000,000	744,100	744,100
Red River levees and bank stabilization below Denison Dam, Ark., Tex., and La.	8,128,000	2,600,000	0	700,000	520,900	520,900
West of Morrilton	2,175,800	528,800	23,700	800,000	595,300	595,300
California:						
Cherry Valley Reservoir	6,200,000	610,000	0	700,000	520,900	520,900
Farmington Reservoir	3,729,000	395,000	21,000	2,000,000	1,488,200	2,000,000
Folsom Reservoir	50,792,000	1,582,000	8,400	3,500,000	2,604,300	3,500,000
Isabella Reservoir	14,300,000	3,858,000	186,000	3,000,000	2,232,300	2,500,000
Los Angeles County drainage area (exclusive of Whittier Narrows Reservoir)	301,605,600	89,231,200	95,000	7,500,000	5,580,700	7,500,000
Merced County stream group	2,700,000	1,555,000	85,900	200,000	148,800	200,000
Pine Flat Reservoir	51,121,000	6,700,000	50,000	8,600,000	6,399,200	7,500,000
Sacramento River and major and minor tributaries	21,520,000	1,035,000	110,000	800,000	595,300	600,000
San Antonio Reservoir (part of Santa Ana Basin)	7,000,000	275,000	0			500,000
Whittier Narrows Reservoir	28,880,000	1,194,100	0	5,000,000	3,720,500	5,000,000
Colorado:						
Cherry Creek Reservoir*	15,700,000	14,674,000	109,200	*1,026,000	763,500	*1,026,000
John Martin Reservoir*	15,080,000	14,970,000	11,800	*110,000	81,900	*110,000
Connecticut:						
Hartford*	6,485,000	6,409,000	0	*76,000	56,600	76,000
Norwich*	1,044,000	724,000	0	*320,000	238,100	*320,000
Florida: Central and southern	58,129,000		0	[2] 4,000,000	744,100	4,000,000

[1] Estimate of $75,000 appears in planning table.
[1a] Includes $75,000 for planning allowed by House.
[2] Includes $3,000,000 supplemental budget estimate sent to Senate after bill passed House.

Flood control—Continued

Project (Projects that can be completed with amounts recommended by Senate committee are marked with asterisk in columns (1) and (7)) (1)	Total estimated Federal cost (2)	Amount appropriated to date (3)	Estimated unobligated balance, June 30, 1949 (4)	Amount of budget estimate (5)	Amount allowed by House as allocated by Corps of Engineers (6)	Amount recommended by Senate committee (7)
CONSTRUCTION—continued						
Georgia:						
Allatoona Reservoir*	$31,922,000	$24,773,300	$80,000	*$7,148,700	$5,319,300	*$7,148,700
Clark Hill Reservoir, Ga. and S. C.	76,000,000	18,200,000	202,700	14,500,000	10,789,300	14,500,000
Macon*	505,000	240,000	10,500	*265,000	197,200	*265,000
Idaho:						
Heise Roberts area*	1,490,000	1,149,700	0	277,500	206,500	*340,300
Lucky Peak Reservoir	21,660,000	780,000	25,000	3,500,000	[1]604,300	3,500,000
Illinois:						
Coal Creek drainage and levee district*	2,391,500	1,784,400	103,400	*607,100	451,700	*607,100
Columbia drainage and levee district	2,440,000	1,458,000	49,300	500,000	372,100	372,100
East St. Louis and vicinity	6,743,000	2,254,300	129,500	700,000	520,900	520,900
Farm Creek Reservoirs	10,384,500	5,095,000	107,100	2,500,000	1,860,200	1,860,200
Grand Tower drainage and levee district	3,840,000	1,330,000	135,400	900,000	669,700	669,700
Mounds and Mound City*	4,430,000	3,720,000	110,000	500,000	372,100	*710,000
Prairie du Rocher and vicinity	3,615,000	1,400,000	84,400	900,000	669,700	700,000
Preston levee and drainage district*	1,890,000	1,663,000	32,900	*227,000	168,900	*227,000
Reevesville*	795,000	684,000	65,000	*111,000	82,600	*111,000
Rosiclare	635,000			300,000	223,200	300,000
Wood River drainage and levee district	11,360,000	4,781,000	366,700	500,000	372,000	500,000
Indiana:						
Cagles Mill Reservoir	6,100,000	2,123,000	205,000	2,980,000	2,217,400	2,980,000
Cannelton	2,315,000	1,700,500	107,000	300,000	223,200	300,000
Delphi*	152,000	65,000	48,000	*87,000	64,800	*87,000
Indianapolis (Fall Creek section)*	3,125,000	2,216,600	688,000	*908,400	675,900	*908,400
New Albany	7,800,000	1,538,300	110,000	2,000,000	1,488,200	2,000,000
Iowa:						
Chariton River, Mo. and Iowa. (See Missouri.)						
Coralville Reservoir	14,085,000	1,154,600	34,000	3,300,000	2,455,500	2,455,500
Dry Run*	1,706,900	1,311,000	30,700	*395,900	294,600	*395,900
Little Sioux River	4,100,000	200,000	0	500,000	372,100	372,100
Missouri River agricultural levees. (See Kansas.)						
Red Rock Reservoir	53,000,000	1,903,000	920,000	2,500,000		500,000
Kansas:						
Fall River Reservoir	10,820,000	10,472,500	191,000	277,500	206,500	277,500
Hulah Reservoir, Okla. and Kans. (See Oklahoma.)						
Kanopolis Reservoir*	12,167,000	11,925,000	39,000	*242,000	180,100	*242,000
Kansas Citys, Mo. and Kans	38,475,000	19,912,100	215,000	5,700,000	4,241,300	5,700,000
Missouri River agricultural levees, Kansas, Missouri, Iowa, and Nebraska	113,700,000	15,670,000	373,000	8,000,000	5,952,700	5,952,700
Toronto Reservoir	14,315,000	170,000	0	[2]	[2]	[4]1,000,000
Kentucky:						
Ashland	4,725,000	487,400	11,000	1,000,000	744,100	744,100
Covington	7,040,000	1,467,500	100,000	1,400,000	1,041,700	1,041,700
Dale Hollow Reservoir, Tenn. and Ky. (See Tennessee.)						
Dewey Reservoir*	6,246,800	5,216,000	99,500	*1,030,800	767,000	*1,030,800
Hawesville*	980,000	221,900	165,000	*758,100	564,100	*758,100
Louisville	23,200,000	7,106,700	140,000	5,500,000	4,092,500	4,092,500
Maysville	3,173,000	459,600	21,000	1,000,000	744,100	744,100
Newport	7,400,000	4,467,000	200,000	2,733,000	2,033,600	2,200,000
Russell*	217,300	17,300		[5]185,000		*[5]200,000
Taylorsville*	390,000	340,000	0	*50,000	37,300	*50,000
Uniontown*	1,030,000	900,000	113,000	*130,000	96,700	*130,000
Wolf Creek Reservoir	76,630,000	35,805,100	0	20,200,000	15,030,700	15,030,700
Louisiana:						
Aloha Rigolette area*	1,590,100	1,040,500	68,900	*549,600	408,900	*549,600
Bayou Bodcau Reservoir, Ark. and La.*	4,465,000	4,061,000	102,500	*404,000	300,600	*404,000
Jonesville*	382,000	268,000	23,200	*114,000	84,900	*114,000
Lake Pontchartrain*	1,500,000	900,000	0	*600,000	446,500	*600,000
Mermentau River	5,500,000	1,993,000	128,800	1,807,000	1,344,600	1,807,000
Red River levees and bank stabilization below Denison Dam. (See Arkansas.)						
Shreveport	3,950,000	3,475,000	0	375,000	279,000	375,000
Maryland:						
Cumberland, Md., and Ridgeley, W. Va	12,400,000	901,100	68,000	1,000,000	744,100	744,100
Savage River Reservoir	2,750,000	456,000	0	1,700,000	1,265,000	1,265,000
Massachusetts:						
Adams	4,580,000	22,000	0	0	0	500,000
Birch Hill Reservoir	4,347,000	4,201,000	60,000	46,000	34,200	46,000
Holyoke*	3,500,000	3,235,600	0	*264,400	196,700	*264,400
North Adams	13,167,900	80,000	0	0	0	500,000
Riverdale*	1,059,000	542,000	45,000	*517,000	384,700	*517,000
Tully Reservoir*	1,626,000	1,485,000	25,000	*141,000	104,900	*141,000
Michigan:						
Mount Clemens*	846,000	544,000	0	*302,000	224,700	*302,000
Red Run	1,010,000			0	500,000	500,000
Minnesota:						
Red Lake and Clearwater Rivers	3,895,900	1,509,800	74,300	1,500,000	1,116,100	1,116,100
Red River of the North, S. Dak., N. Dak., and Minn	9,928,000	1,000,000	83,800	1,000,000	744,100	744,100
Missouri:						
Chariton River, Mo. and Iowa*	1,515,000	1,070,000	28,000	*445,000	331,100	*445,000
Clearwater Reservoir	10,429,400	10,244,400	360,100	60,000	44,600	60,000
East Poplar Bluff and Poplar Bluff*	270,000	177,900	4,400	*92,100	68,500	*92,100
Kansas Citys, Mo. and Kans. (See Kansas.)						
Missouri River agricultural levees. (See Kansas.)						
Norfork Reservoir, Ark. and Mo. (See Arkansas.)						
Perry County levee districts 1, 2, and 3	6,365,000	905,000	25,200	1,000,000	744,100	744,100
Montana: Havre	1,105,700	45,000	0	0	0	400,000
Nebraska:						
Gavins Point Reservoir, Nebr. and S. Dak	23,300,000	300,000	0	[7]	[7]	[8]3,000,000
Harlan County Reservoir	48,578,000	19,403,000	210,000	12,500,000	9,300,100	13,500,000
Missouri River agricultural levees. (See Kansas.)						
Missouri River, Kensler's Bend, Nebr., to Sioux City, Iowa*	2,800,000	2,378,000	37,600	*422,000	314,000	*422,000
Omaha	9,512,800	6,260,000	35,000	1,700,000	1,264,900	1,500,000
New Hampshire: West Peterboro Reservoir*	2,069,000	1,697,200	100,000	*371,800	276,700	*371,800

[1] Estimate of $50,000 for planning appears in planning table.
[2] Includes $50,000 allowed by House for planning.
[3] Estimate of $15,000 for planning appears in planning table.
[4] Includes $15,000 allowed by House for planning.
[5] Estimate of $150,000 for planning appears in planning table.
[6] Includes $150,000 allowed by House for planning.

Flood control—Continued

Project (Projects that can be completed with amounts recommended by Senate committee are marked with asterisk in columns (1) and (7)) (1)	Total estimated Federal cost (2)	Amount appropriated to date (3)	Estimated unobligated balance, June 30, 1949 (4)	Amount of budget estimate (5)	Amount allowed by House as allocated by Corps of Engineers (6)	Amount recommended by Senate committee (7)
CONSTRUCTION—continued						
New Mexico:						
Bluewater floodway*	$200,000		0	[9]	[9]	*[10] $200,000
Chamita Reservoir	28,703,000		0	[11]	[11]	[12] 750,000
Conchas Reservoir	15,650,300	$15,467,700	0	$35,000	$26,000	35,000
Jemez Canyon	7,201,000		0	[13]	[13]	[14] 750,000
Rio Grande floodway	3,000,000		0	[15]	[15]	[16] 771,500
New York:						
Almond Reservoir*	6,000,000	5,781,200	$63,500	*218,800	162,800	*218,800
Arkport Reservoir*	1,922,000	1,890,000	0	*32,000	23,800	*32,000
East Sidney Reservoir*	6,900,000	6,002,300	115,200	*897,700	668,000	*897,700
Elmira*	7,100,000	5,472,000	75,200	*1,628,000	1,211,400	*1,628,000
Hoosick Falls	1,255,000	44,000	0	0	0	400,000
Mount Morris Reservoir	24,400,000	6,600,000	108,600	6,500,000	4,836,600	4,836,600
Olean	3,570,000	1,233,000	20,500	1,000,000	744,100	744,100
Portville	1,900,000	400,000	30,000	700,000	520,900	520,900
Syracuse	3,850,000	3,180,000	10,000	*670,000	498,500	*670,000
Whitney Point Reservoir*	5,200,000	4,878,600	0	*321,400	239,200	*321,400
North Carolina: Buggs Island Reservoir, Va. and N. C.	78,870,000	17,900,000	8,500	16,500,000	12,277,500	18,500,000
North Dakota:						
Baldhill Reservoir*	2,260,300	2,024,500	14,400	*235,800	175,500	*235,800
Garrison Reservoir	188,000,000	52,780,000	154,900	31,000,000	23,066,800	31,000,000
Homme Reservoir*	1,339,000	811,900	42,400	*527,100	392,200	*527,100
Mandan*	414,000	374,000	10,000	*40,000	29,800	*40,000
Oahe Reservoir, S. Dak. and N. Dak. (See South Dakota.)						
Red River of the North. (See Minnesota.)						
Ohio:						
Big Walnut Creek Reservoir	3,810,000	630,000	436,000	1,800,000	0	[16a]
Burr Oak Reservoir*	2,220,000	924,400	33,000	*1,295,600	964,100	*1,295,600
Cincinnati*	9,973,000	9,323,000	0	*[17] 650,000	*650,000	*650,000
Delaware Reservoir*	8,289,400	7,290,000	21,000	*999,400	743,700	*999,400
Dillon Reservoir	16,355,000	6,774,000	226,100	1,717,000	1,277,600	1,277,600
Ironton*	2,710,200	2,460,200	17,000	*250,000	186,000	*250,000
Massillon*	7,814,000	5,680,300	51,700	*2,133,700	1,587,700	*2,133,700
Muskingum River Reservoirs	41,438,300	37,927,300	69,000	1,800,000	1,339,400	1,800,000
Rocky Fork Reservoir	2,980,000	136,500	0	0	0	[16a]
West Fork of Mill Creek Reservoir	5,560,000	1,500,000	660,000	1,400,000	1,041,700	1,041,700
Oklahoma:						
Canton Reservoir	10,325,000	10,022,000	4,000	183,100	136,200	183,100
Denison Reservoir, Tex. and Okla.	60,000,000	58,944,000	120,000	[18] 725,000	223,200	725,000
Fort Gibson Reservoir	46,646,000	19,753,000	25,000	14,000,000	10,417,300	12,500,000
Fort Supply Reservoir*	7,535,500	7,419,000	0	*116,500	86,700	*116,500
Great Salt Plains Reservoir	4,842,000	4,610,000	67,000	31,000	23,000	31,000
Hulah Reservoir, Okla. and Kans.	12,066,000	6,778,100	830,000	4,748,000	3,533,000	4,748,000
Oologah Dam and Reservoir	31,050,000	121,000	0	[19]	[19]	[20] 550,000
Optima Reservoir	18,150,000	75,000	0	[21]	[21]	[22] 500,000
Polecat Creek	2,860,000	1,750,000	25,000	1,000,000	744,100	1,000,000
Tenkiller Ferry Reservoir	24,250,000	5,923,200	35,000	6,146,200	4,573,700	6,146,200
Wister Reservoir	10,108,000	9,807,500	100,000	77,500	57,700	77,500
Oregon:						
Cottage Grove Reservoir*	2,396,000	2,256,000	0	*140,000	104,200	*140,000
Detroit Reservoir	65,377,000	9,043,100	89,000	11,300,000	8,408,200	11,300,000
Dorena Reservoir	14,640,000	10,976,000	25,000	2,924,000	2,175,700	2,924,000
Fern Ridge Reservoir	4,514,000	4,267,700	0	208,000	154,800	208,000
Lookout Point Reservoir	50,915,000	10,865,000	315,000	11,000,000	8,185,000	11,000,000
Milton Freewater*	1,085,700	375,000	29,300	*710,700	528,800	*710,700
Willamette River (bank protection)	4,854,000	3,394,400	2,300	500,000	372,100	500,000
Pennsylvania:						
Conemaugh River Reservoir	44,200,000	19,315,300	308,500	8,500,000	6,324,800	8,500,000
East Branch Clarion River Reservoir	9,612,000	3,288,600	767,500	2,500,000	1,860,200	2,500,000
Punxsutawney*	3,830,000	3,020,000	0	*810,000	602,700	*810,000
Sunbury	7,300,000	4,256,300	0	2,000,000	1,488,200	1,800,000
Wilkes-Barre-Hanover Township*	3,940,000	3,560,000	0	*380,000	282,800	*380,000
Williamsport*	17,000,000	7,644,700	43,000	2,110,000	1,570,100	2,110,000
South Carolina: Clark Hill Reservoir Ga. and S. C. (See Georgia.)						
South Dakota:						
Fall River Basin	3,906,000	1,208,000	0	500,000	372,100	372,100
Fort Randall Reservoir	160,000,000	30,800,000	40,000	25,500,000	18,974,300	25,500,000
Gavins Point Reservoir, Nebr. and S. Dak. (See Nebraska.)						
Missouri River, Kensler's Bend, Nebr. to Sioux City, Iowa. (See Nebraska.)						
Oahe Reservoir, S. Dak. and N. Dak.	221,242,000	4,000,000	23,000	2,000,000	1,488,200	4,000,000
Red River of the North. (See Minnesota.)						
Tennessee:						
Center Hill Reservoir	43,340,000	31,168,000	0	7,000,000	5,208,600	7,000,000
Dale Hollow Reservoir, Tenn. and Ky.*	24,270,000	23,639,000	0	*631,000	469,500	*631,000
Memphis, Wolf River, and Nonconnah Creek	13,250,000	6,928,700	679,700	400,000	297,600	400,000
Texas:						
Belton Reservoir	22,500,000	650,000	15,000	2,000,000	1,488,200	1,488,200
Benbrook Reservoir	16,520,000	5,531,300	20,000	4,000,000	2,976,400	4,000,000
Brady	1,715,000	395,000	325,000	1,320,000		0
Denison Reservoir, Tex. and Okla. (See Oklahoma.)						
Garza Little Elm Reservoir	23,321,900	1,036,300	2,000	3,000,000	2,232,300	2,232,300
Grapevine Reservoir	14,390,000	3,990,000	358,000	4,000,000	2,976,400	4,000,000
Lavon Reservoir	16,380,000	3,494,900	730,000	3,500,000	2,604,300	2,604,300
Red River levees and bank stabilization below Denison Dam. (See Arkansas.)						
San Angelo Reservoir and floodway	18,525,000	7,245,100	200,000	4,800,000	3,571,600	4,300,000
Texarkana Reservoir	29,503,000	4,000,000	257,300	6,000,000	4,464,600	5,500,000
Whitney Reservoir	41,794,000	11,725,000	43,000	14,000,000	10,417,300	10,500,000

[9] Estimate of $12,000 for planning appears in planning table.
[10] Includes $12,000 allowed by House for planning.
[11] Estimate of $75,000 for planning appears in planning table.
[12] Includes $75,000 allowed by House for planning.
[13] Estimate of $75,000 for planning appears in planning table.
[14] Includes $75,000 allowed by House for planning.
[15] Estimate of $50,000 for planning appears in planning table.
[16] Includes $50,000 allowed by House for planning.
[16a] Estimated unobligated balance on Big Walnut Creek Reservoir, Ohio, estimated to be $436,000 on June 30, 1949, recommended by committee to be transferred for use on the Rocky Fork Reservoir, Ohio.
[17] Included in H. Doc. 127.
[18] Includes supplemental of $425,000 in S. Doc. 56.
[19] Estimate of $50,000 for planning appears in planning table.
[20] Includes $50,000 for planning allowed by House.
[21] Estimate of $100,000 for planning appears in planning table.
[22] Includes $100,000 for planning allowed by the House.

Flood control—Continued

Project (Projects that can be completed with amounts recommended by Senate committee are marked with asterisk in columns (1) and (7)) (1)	Total estimated Federal cost (2)	Amount appropriated to date (3)	Estimated unobligated balance, June 30, 1949 (4)	Amount of budget estimate (5)	Amount allowed by House as allocated by Corps of Engineers (6)	Amount recommended by Senate committee (7)
CONSTRUCTION—continued						
Vermont:						
Rutland	$3,700,000	$63,500	0	[22]	[22]	[24] $500,000
Union Village Reservoir*	4,600,000	3,999,000	$2,000	*$601,000	$447,200	*601,000
Virginia:						
Bluestone Reservoir, Va. and W. Va. (See West Virginia.)						
Buggs Island Reservoir, Va. and N. C. (See North Carolina.)						
Galax*	671,000	20,000	0	[25]	[25]	* [26] 651,000
Philpott Reservoir	12,010,000	2,700,000	32,000	2,800,000	2,083,500	2,800,000
Washington:						
Mill Creek*	2,403,900	2,038,900	0	*365,000	271,600	*365,000
Mud Mountain Reservoir	13,285,000	12,621,100	49,900	464,000	345,300	464,000
Tacoma*	4,171,600	3,600,000	36,000	*571,600	425,300	*571,600
West Virginia:						
Sutton Reservoir	20,429,000	956,000	739,000	[27] 1,300,000	0	1,300,000
Bluestone Reservoir, W. Va. and Va.	29,926,000	28,187,800	25,000	1,562,200	1,162,400	1,562,200
Cumberland, Md., and Ridgeley, W. Va. (See Maryland.)						
Parkersburg*	6,519,000	5,122,100	0	*1,396,900	1,039,400	*1,396,900
Point Pleasant*	3,083,000	1,435,000	34,000	*1,648,000	1,226,300	*1,648,000
Snagging and clearing				1,000,000	744,100	1,000,000
Emergency bank protection				1,000,000	744,100	1,000,000
Sec. 205 projects				1,000,000	744,100	1,000,000
Subtotal, construction, flood control, general			17,484,800	420,877,600	306,325,000	400,826,300
PLANNING						
Arizona:						
Alamo Reservoir	3,202,000	215,000		40,000	40,000	0
Tucson	2,390,000			75,000	75,000	[28]
Arkansas:						
Millwood Reservoir	39,500,000			150,000	150,000	200,000
Water Valley Reservoir, Ark. and Mo.	14,412,000	381,200		150,000	150,000	150,000
California:						
Black Butte Reservoir	11,079,000			95,000	95,000	95,000
Hogan Reservoir	11,264,000	105,000		50,000	50,000	50,000
Salinas River	3,515,000	30,000		50,000	50,000	50,000
San Joaquin River and tributaries	4,005,000	45,000		45,000	45,000	45,000
Success Reservoir	11,144,000	295,000		60,000	60,000	60,000
Terminus Reservoir	13,395,000	275,000		60,000	60,000	60,000
Colorado: Trinidad	2,046,300	30,000		25,000	25,000	25,000
Georgia: Hartwell Reservoir, Ga. and S. C.	68,000,000			0	0	75,000
Hawaii: Hanapepe River	235,000			20,000	20,000	20,000
Illinois: Henderson River	1,520,000			45,000	45,000	45,000
Indiana:						
Levee unit 5, Wabash River	5,830,000	120,100		50,000	50,000	50,000
Mansfield Reservoir	4,100,000			40,000	40,000	40,000
Vincennes	2,660,000	50,000		40,000	40,000	40,000
Kansas:						
Pioneer Reservoir, Kans. and Colo.	14,105,000	106,000		75,000	75,000	75,000
Toronto Reservoir	14,315,000	170,000		50,000	50,000	[29]
Kentucky:						
Falmouth Reservoir	17,500,000	230,900		50,000	0	50,000
Russell*	217,300	17,300		15,000	15,000	[30]
Louisiana: Mooringsport Reservoir, Tex. and La.	8,335,000	100,000		65,000	65,000	65,000
Massachusetts: Barre Falls Reservoir	1,879,000	197,300		10,000	10,000	10,000
Minnesota: Aitkin	1,680,000			25,000	25,000	25,000
Missouri:						
Carthage	185,000			8,000	8,000	8,000
Joanna Reservoir	17,500,000	116,900		75,000	75,000	75,000
Meramec River Reservoirs	29,550,000	394,200		25,000	25,000	25,000
Pomme de Terre Reservoir	17,815,000	175,000		50,000	50,000	50,000
Table Rock Reservoir, Ark. and Mo.	76,340,000	791,000		125,000	125,000	125,000
Nebraska:						
Gavins Point Reservoir, S. Dak. and Nebr.	23,300,000	300,000		150,000	150,000	[31]
Miner's Bend, Nebr. and S. Dak.	3,000,000			15,000	15,000	15,000
New Mexico:						
Bluewater floodway	200,000			12,000	12,000	[32]
Chamita Reservoir	28,703,000			75,000	75,000	[33]
Jemez Canyon Reservoir	7,201,000			75,000	75,000	[34]
Rio Grande floodway	3,000,000			50,000	50,000	[35]
New York:						
Davenport Center Reservoir	9,000,000	324,400		25,000	0	25,000
Genegantslet Reservoir	6,000,000	228,000		35,000	0	35,000
Lake Chautauqua and Chadakoin River area	1,584,000	26,000		19,000	19,000	19,000
South Plymouth Reservoir	6,200,000	193,000		50,000	50,000	50,000
Watkins Glen	821,000	44,000		10,000	10,000	10,000
North Carolina:						
Reddies No. 1 Reservoir	2,300,000	60,000		40,000	40,000	40,000
Reddies No. 3 Reservoir	2,600,000	80,000		30,000	30,000	30,000
Ohio:						
Martins Ferry	6,210,000	21,400		0	0	50,000
Reno Beach—Howard Farms	330,000			6,000	6,000	6,000
Oklahoma:						
Boswell Reservoir	19,900,000	90,000		100,000	100,000	100,000
Bradens Bend	1,000,000			35,000	35,000	35,000
Eufaula Reservoir	118,500,000	900,000		150,000	150,000	150,000
Oologah Reservoir	31,050,000	121,000		50,000	50,000	[36]
Optima Reservoir	18,150,000	75,000		100,000	100,000	[37]
Pennsylvania:						
Allegheny River Reservoir, Pa. and N. Y.	66,100,000	160,400		45,000	45,000	45,000
Bear Creek Reservoir	16,500,000	350,000		90,000	90,000	90,000
Prompton Reservoir	6,300,000	162,000		65,000	65,000	65,000
Shenango River Reservoir, Pa. and Ohio	13,811,000	157,200		50,000	50,000	50,000
South Carolina: Hartwell Reservoir, Ga. and S. C. (See Georgia.)						

[22] Estimate of $75,000 for planning appears in planning table.
[24] Includes $75,000 for planning allowed by House.
[25] Estimate of $25,000 for planning appears in planning table.
[26] Includes $25,000 for planning allowed by House.
[27] Supplemental estimate of $1,300,000 in Senate Doc. 37.
[28] $75,000 included under construction.
[29] $50,000 included under construction.
[30] $15,000 included under construction.
[31] $150,000 included under construction.
[32] $12,000 included under construction.
[33] $75,000 included under construction.
[34] $75,000 included under construction.
[35] $50,000 included under construction.
[36] $50,000 included under construction.
[37] $100,000 included under construction.

Flood control—Continued

Project (Projects that can be completed with amounts recommended by Senate committee are marked with asterisk in columns (1) and (7)) (1)	Total estimated Federal cost (2)	Amount appropriated to date (3)	Estimated unobligated balance, June 30, 1949 (4)	Amount of budget estimate (5)	Amount allowed by House as allocated by Corps of Engineers (6)	Amount recommended by Senate committee (7)
PLANNING—continued						
Tennessee:						
Rossview Reservoir, Tenn. and Ky.	$9,000,000	$6,700		$30,000	$30,000	$30,000
Three Islands Reservoir	12,300,000	98,100		50,000	50,000	50,000
Texas:						
Canyon Reservoir	29,600,000	250,600		150,000	150,000	150,000
Ferrell's Bridge Reservoir	8,632,000	230,000		75,000	75,000	75,000
Mill Creek	444,000	0		25,000	25,000	25,000
Vermont:						
Ball Mountain Reservoir	11,500,000	185,000		90,000	90,000	90,000
North Hartland Reservoir	7,164,000	80,000		85,000	85,000	85,000
Rutland	3,700,000	63,500		75,000	75,000	[38]
Virginia:						
Galax	671,000	20,000		25,000	25,000	[39]
Salem Church	33,000,000	0		0	0	40,000
Washington: Colfax	1,880,000	55,000		25,000	25,000	25,000
West Virginia: Wheeling-Benwood	12,283,000	59,000		25,000	25,000	75,000
Subtotal, planning, flood control, general				3,500,000	3,390,000	2,973,000
OTHER ITEMS						
Preliminary examinations, surveys, and contingencies				5,000,000	5,000,000	5,000,000
Maintenance of completed work				4,000,000	4,000,000	4,000,000
Salaries, Office, Chief of Engineers				725,000	725,000	725,000
Emergency repairs				1,000,000	1,000,000	1,000,000
Transfer to U. S. Geological Survey				440,000	440,000	440,000
Transfer to U. S. Fish and Wildlife Service				120,000	120,000	120,000
Total, flood control, general				435,662,600	321,000,000	415,084,300
Flood control, Mississippi River and tributaries	[40] 1,265,000,000	627,025,500		70,000,000	63,000,000	[41] 73,500,000
Flood control, Mississippi River and tributaries, emergency fund				500,000	500,000	500,000
Flood control, Sacramento River	42,600,000	36,195,000		4,000,000	3,500,000	4,000,000
Total, all flood control				510,162,600	388,000,000	493,084,300

[38] $75,000 included under construction.
[39] $25,000 included under construction.
[40] Based on current cost estimate. Present monetary authorization for the project amounts to $1,038,309,500.
[41] Includes budget estimate of $70,000,000, which is to be allocated in accordance with allocation figures submitted to the committee of the budget estimate total, an additional $3,000,000, which is to be allocated by the Corps of Engineers, and $500,000 for the Devil's Swamp project.

You will note that these projects affect every State and every locality in America, and so far as I am concerned, I am willing to adopt the Senate amendments, and pass the bill as approved by that august body.

By doing so we will be rendering a great service to the American people.

Good Government Is Good Politics

EXTENSION OF REMARKS

OF

HON. GLENN R. DAVIS

OF WISCONSIN

IN THE HOUSE OF REPRESENTATIVES

Tuesday, August 16, 1949

Mr. DAVIS of Wisconsin. Mr. Speaker, Wisconsin's son-in-law, the Honorable J. ALLEN FREAR, Jr., the junior Senator from Delaware, has recently restated the case for ending deficit financing by the Federal Government. His statement is the subject of an editorial in the Milwaukee Sentinel. I commend the editorial to the reading of my colleagues, especially those on the administration side of the aisle. It follows:

GOOD GOVERNMENT IS GOOD POLITICS

Senator J. ALLEN FREAR, Jr., Democrat, of Delaware, was elected to the United States Senate last November not only with the support of the Truman administration forces in his State but with the endorsement of the political action committees of the major labor organizations.

Since taking office he has supported administration policies consistently, undoubtedly in accord with his honest convictions as well as in fulfillment of his campaign pledges.

But Senator FREAR made a radio address the other night which suggests that his honest convictions respecting certain major administration policies—specifically those concerned with excessive expenditures and taxation and debts—are at variance with his campaign pledges as his political supporters may have understood them to be.

They are certainly at variance with the administration policies of reckless and extravagant expenditure and of unnecessary and useless employment which are creating enormous new Federal deficits and debts of ruinous proportions despite excessive and almost confiscatory taxes against the wages and resources of the people.

"I think it is incumbent on me to say now publicly, as I have privately written and said to hundreds of business people since last January," said Senator FREAR, "that I definitely and wholeheartedly favor a reduction in Federal spending and I cannot stress too strongly the need for a balanced budget."

There is sharp refutation in this forthright statement of the theory that all opposition to excessive expenditure, taxation and debt in the Federal Government is to be found in the Republican minority in Congress.

There is also proof in the statement that a willingnese to be extravagant with the people's money and wasteful of their resources is not necessary to a political candidate to qualify for labor support.

Senator FREAR has given ample evidence of his standing as a Democrat and of his prestige with organized labor, and he still does not believe in the dissipation of national resources through profligate expenditure, and he has improved rather than impaired his standing as a Democrat and his prestige with labor by his honest declaration of this belief.

It is not as Republicans or Democrats but as honest and sensible and patriotic Americans that Senator FREAR and his many colleagues of the same mind are trying to keep the expenditures of Federal Government within the means of the American people, in order that the progressive and productive and prosperous life of the people may be sustained.

It is not by increasing taxes over and over again that the balance between Federal expenditures and revenues should be achieved, as Senator FREAR asserts, but it is by the reduction of expenditures and employment and thus eventually of taxes and debts that this necessary thing should be done—and in fact it is the only way it will ever be done.

"Failure to carry out adequate reductions in Government spending will certainly result in prolonged deficit financing," says Senator FREAR.

"I am definitely opposed to a condition such as that.

"I believe we must cut down on Marshall plan spending and substantially in the number of Government employees on Federal pay rolls.

"Cuts must be made to keep within the Government income.

"That is just sound business principles applied to the Government, which is the biggest business in the world."

Senator FREAR has given an impressive and convincing demonstration of the fact that good government is the responsibility of all Members of Congress and that the keeping of that responsibility is good politics.

Happy Birthday, Herbert Hoover

EXTENSION OF REMARKS

OF

HON. HOMER D. ANGELL

OF OREGON

IN THE HOUSE OF REPRESENTATIVES

Tuesday, August 16, 1949

Mr. ANGELL. Mr. Speaker, we in the State of Oregon are especially proud of the outstanding record of Herbert Hoover. We are glad that universal recognition is given to the outstanding qualities and achievements of this great American.

Herbert Hoover spent his boyhood in Oregon and the home where, as an orphan lad, he spent his boyhood years with his uncle, John Minthorn, in Newberg, Oreg., which is a short way from my congressional district, still stands. There is a movement on foot to restore this building and to preserve it as a museum in order to keep fresh in the minds of the oncoming generations the brilliant career and great achievements of this orphan lad from Oregon. The old swimming hole where Herbert Hoover used to swim as a boy in Chehalem Creek on the outskirts of Newberg still is used by the youth of that neighborhood and the pool is known as Hoover Pool.

I include as a part of these remarks editorials from the two metropolitan dailies in my congressional district, the Oregonian and the Oregon Journal in extending congratulations to Mr. Hoover on his seventy-fifth birthday. I also include an article which appeared in the Oregon Journal on August 10, 1949, entitled "Thirty-first President Remembered as Good Student in College," by Robert Stein.

[From the Oregonian, Portland, Oreg., of August 10, 1949]

A HAPPY BIRTHDAY, HERBERT HOOVER

This is the seventy-fifth birthday of Herbert Hoover, thirty-first President of the United States, whose relation to the Republic is that of an honored elder statesman. One of the greatest of Americans, and as evidently among the greatest humanitarians of all lands and times, he is of those rare spirits who, on being given the cup of bitterness, refused to be embittered. The leader who was denied reelection, and, by the usages of practical politics, made the whipping boy of hard times, has in defeat and political retirement won the confidence and affection of the democracy which once repudiated him. How the heart of the gentle philosopher and friendly counselor must be uplifted by the outpouring today of the Nation's affection and gratitude.

It is idle to speculate on what our present day America would be if Herbert Hoover had been chosen to succeed himself in the White House, but the jeers that were his portion in defeat seem now as cruel as they so surely were, while the sustained consistency of the ex-President's wisdom warrants an opinion that he would have dealt wisely and well with the national problems, and to the retention of national prestige. In this we make no comparisons, nor resort to might-have-beens, but limit language to the evidence. And the evidence is that Herbert Hoover is a statesman in the fullest sense of a term often abused. Gradually an awareness of this dawned upon the American people. We can but feel that the ex-President realizes how completely he is at last in popular favor and how surely in the general affection.

The confidence his countrymen have in Herbert Hoover found its expression in his selection by President Truman as head of the Commission—now called by Mr. Hoover's name—on Organization of the Executive Branch of the Government—a task in itself gigantic, with its requirement of exceptional knowledge of the problems of the country, in their manifold ramifications.

Yet without important dissent Americans approved the assignment and since have received the report of the Hoover Commission almost as gospel. The name of the statesman who devised it is to the American people the guaranty of its patriot wisdom, backed by much knowledge. May we digress here? Some have wisdom but little knowledge. Some have knowledge but little wisdom. He that has both, and who is enlisted in the public service, as Herbert Hoover, is a statesman.

Time was when Herbert Hoover was thought cold, but in this also time has shown us the error. What was so casually and unfairly believed to be chilliness of spirit now is seen to have been something of shyness and something of dignity, alike native to the man's character. When it is considered also that he could not feign camaraderie, which so often is a political art, it is not to be wondered that the people his generous heart so truly wanted to serve, with patriot devotion, flippantly and callously misjudged him. They were blinded by the disasters of the period. They requited his fidelity by naming him scapegoat. Now they know that they were wrong, as their attitude toward him bears witness. And, too, there's no gainsaying the fact that the years have mellowed his dignity, which never was truly austere, and that he has mastered in great part his shyness. Against the background of the present Herbert Hoover looms as an amiable and devoted giant. We can think of none to compare with him except perhaps Winston Churchill.

Herbert Hoover has given more than thirty years of his life to America, in one way or another. Never a moment of these, we dare say, was spent save in utter sincerity and unselfishness. He has made the United States of America his career as few men have done. Now in the autumnal years his countrymen regard him with admiration and fondness, and it no longer matters that once they would have none of him. This is victory, isn't it?

The Oregonian gladly joins with the press of the Nation in birthday greetings to the ex-President on Herbert Hoover day, and counts it a privilege to congratulate both Mr. Hoover and America.

[From the Oregon Daily Journal, Portland, Oreg., of August 9, 1949]

AT THE THREE-QUARTER POST, ACCLAIM

Herbert Hoover, our only living ex-President, will celebrate his seventy-fifth birthday anniversary Wednesday.

Despite opinions, attitudes, experiences, and jests, there is one thing everyone knows now. Mr. Hoover is a truly big man.

Mr. Hoover demonstrated the bigness that is in him in one of the finest personal triumphs in history. He was the "goat" of the depression. As President he was the target of cruel jests, bitter criticism, and loud abuse that should have turned any man sour on the idea of public service. He lacked the showmanship, the magnetism, the power to sway the emotions—the human touch—that were needed at a time when we learned the almighty dollar had feet of clay.

A lesser man might understandingly enough have retired in bitterness to ponder on the ingratitude of the public. But Hoover showed that his service was not to politics but to humanity. He offered his services again—and they have been outstanding—in again feeding humanity in a war-shattered Europe, in heading a comprehensive survey for reorganization of our mushrooming Federal Government, in establishing a remarkable library on World War I at Stanford, in just dropping a word of advice on events that often travel with more speed than design.

Hero worship is not in Mr. Hoover's line. He is not in our tradition of the swashbuckling leader. He doesn't know how to rattle a sword or play the Stars and Stripes Forever up and down the spine of an audience. But he wears and weathers as nicely as the old town hall.

When the record of personal service to the United States, to the world, to humanity is totted up for the twentieth century the name of Herbert Hoover will be right up toward the top. The record speaks for itself.

Congratulations, sir, on 75 years of productive living.

[From the Oregon Journal, Portland, Oreg., of August 10, 1949]

THIRTY-FIRST PRESIDENT REMEMBERED AS GOOD STUDENT IN COLLEGE

(By Robert Stein)

Westward to Newberg in 1885 came an orphan lad destined to become the thirty-first President of the United States.

He was only 11 and lonely when he marched up the steps of Uncle John Minthorn's home. Herbert Clark Hoover, 75 today, now is recognized as one of the Nation's elder statesmen.

The Minthorn house where Herbert lived 3 years while attending Pacific Academy now George Fox College, is Newberg's most famous landmark. An old bachelor friend of Hoover, Frank Vestal, 76, now lives in one of the two apartments in the dwelling.

The Herbert Hoover Foundation, headquarters at the college, purchased the house 6 years ago and plans to restore and furnish it as it was when Hoover was a Newberg boy. It will be turned into a museum. High construction costs have delayed the work.

Another famous spot is an old swimming hole in Chehalem Creek, on the outskirts of Newberg. There Herbert used to romp and swim with his schoolmates. The spot still is called Hoover pool.

"Hoover was a studious lad," Vestal recalled. "He wouldn't play with the kids during recess. He used to stay and study. He was also hard to get acquainted with, but did like to swim."

Molded by the elemental conditions of a rural village in which manual labor for all was the rule, Hoover was trained to piety and the principle that work well done and pursued to its goal was worth while. Uncle John was a strict disciplinarian whose motto was, "The meanest thing a man can do is to do nothing."

Hoover was born August 10, 1874, in West Branch, Iowa, a town founded by his ancestors. His father, a blacksmith, died when Herbert was 4.

Three years later death claimed Herbert's mother, a licensed Quaker preacher and dauntless crusader for her faith. She contracted pneumonia after having tramped 2½ miles one wintry day to comfort a distressed family in a nearby town.

West Branch relatives looked after Herbert for 4 years. Then Uncle John, first president of the Quaker school at Newberg, sent for the lad to come west. Herbert registered in September 1885 as one of the first students at Pacific Academy.

STUDIED HARD

In Newberg, and later in Salem, Herbert studied and worked hard. He was employed as a chore boy at the academy where two professors termed him "a wonder in mathematics." But when it came to translating Latin versions of Caesar's exploits in Gaul or tangling with complicated English sentence structures Herbert's mind began to wander. Because of this his cousin, Mary, had slight regard for Herbert's mentality.

Young Herbert lived with another uncle in Newberg when Uncle John moved to Salem in 1886 or 1887 to become vice president of the newly organized Oregon Land Co. He completed his courses at the academy and moved to Salem to join Uncle John and his family.

Uncle John bought property in North Salem, first built a barn in which the family lived while a house was under construction. Their beds were made in mangers in a loft. After the house was finished Herbert used the attic for sleeping and study until he left for Stanford in the fall of 1891.

DID EVERYTHING

While in Salem Herbert was office boy and general roustabout for the Oregon Land Co. He did everything his young hands could do. He opened and cleaned the office in the mornings, opened correspondence, drove "hacks" to show lots to numerous prospects, tended horses at home, watered the cow, split and carried firewood. He would study "during slack moments."

In the evening after saying prayers with Uncle John and the family, he would scurry to his attic room for more study. Herbert went to night school, too, to prepare for Stanford.

A Stanford scout visited Oregon in 1891 and Herbert became a member of the university's famed "pioneer class of '95." During his treks about the Oregon countryside he developed a passion for rocks and enrolled in the new university's department of geology and mining.

Although he had less than $300 when he left Oregon, Herbert took many odd jobs in Palo Alto and helped put himself through school, just as he had done at Newberg and Salem.

Take It Easy, Harry

EXTENSION OF REMARKS
OF
HON. THOMAS A. JENKINS
OF OHIO
IN THE HOUSE OF REPRESENTATIVES
Tuesday, August 16, 1949

Mr. JENKINS. Mr. Speaker, I am glad to report to the House that our popular colleague, Hon. J. HARRY MCGREGOR, is fast recovering from a very serious operation which he underwent a short time ago. I am pleased to report that he has gone back to his home in Ohio and is preparing to carry on a program which he has been carrying on for several years.

Heretofore annually he has arranged public meetings in all of the county seat towns in his district where he has invited his constituents to come in to see him. These meetings have brought out a large number of his constituents with whom he has talked over the important problems of the Nation and also over any personal business matters in which his constituents were especially interested.

The Mount Vernon News, one of the progressive papers in Mr. MCGREGOR's district, has recently printed an editorial concerning the work and popularity of Mr. MCGREGOR. This editorial is eloquent and forceful in that its crowning virtue is that it speaks the truth. I am glad to include this editorial in my remarks and to give it my complete and most sincere concurrence:

TAKE IT EASY, HARRY

For several years Representative J. HARRY MCGREGOR, of the Seventeenth Ohio District, has been making an August tour of the six county seats in his district, spending a couple of days at the courthouse in each city to listen to complaints, receive suggestions, and to answer questions for the residents of his district. No appointments are necessary, and the plan has been strictly informal, with all comers welcome. The visits serve a dual purpose. They enable the citizens of the district to talk face to face with their Congressman, and they give the Congressman a chance to find out the feeling and opinions of the people back home.

For a time it appeared Congressman MCGREGOR might not be able to make his tour this year. In July he entered Bethesda Naval Hospital for a serious operation for an infection of the inner ear. First word from Washington was that he might be in the hospital for several weeks, but the Congressman now writes that his doctors have advised he can make the tour if he takes it easy.

Congressman MCGREGOR has many friends, admirers, and supporters in the Seventeenth District, and even those who are against him politically admit without hesitation that he has been a hardworking and conscientious Representative through his many years in Congress.

The Seventeenth District as a whole is glad to see the Congressman back on his feet again, and happy to know his illness will not prevent his annual visits. But the voters say, with the doctors, "Take it easy, Harry."

Trials and Tribulations of an Iowa School Teacher Who Seeks to Build and Own a Home

EXTENSION OF REMARKS
OF
HON. H. R. GROSS
OF IOWA
IN THE HOUSE OF REPRESENTATIVES
Tuesday, August 16, 1949

Mr. GROSS. Mr. Speaker, the following letter tells of some of the handicaps under which our citizens labor in their efforts to construct and own their own homes.

The House of Representatives has given its blessing to a so-called slum-clearance and low-rental housing measure, but in that multi-billion-dollar measure nothing was done for those who seek to help solve the housing shortage in the American way—by home construction through the process of free and private enterprise.

Government agencies must cut red tape to the irreducible minimum to encourage home ownership. Every citizen, who has adequate finances for the construction of a new home, ought to have the utmost cooperation instead of constantly being harrassed with red tape and other obstacles. And in those sections of the country where the season for construction is short, expedition on the part of Government agencies should be the watchword.

Following is a most interesting letter on this subject:

DYSART, IOWA, *July 29, 1949.*

Hon. H. R. GROSS,
House Office Building,
Washington, D. C.

DEAR SIR: Once in a while when I feel I have something of value to report I like to get in touch with my Senators and Congressman concerning it. This letter is not one of complaint but I hope that it is one with some constructive criticism of one of our Government agencies, the Federal Housing Authority.

Briefly, here is what has happened to me: Last spring in April I knew that I would have to move from our present apartment by September 1 so I immediately arranged to construct a home here in Dysart under FHA regulations. Mr. R. O. Hutchinson, of the Leavitt & Johnson Co., in Waterloo, whom you may know, helped me get all the necessary forms ready. After about 5 weeks it was turned down as being too expensive for my income. Then I arranged for another house, costing over $2,000 less, built by a contractor from Parkersburg, Andy Knock. I had already about 10 percent of the total cost invested in the lot and several incidentals and applied for a loan of $8,500 FHA plus a Veterans' Administration loan of $500. That all happened about June 15. Now, 6 weeks later, the entire thing still has not come back from the Des Moines FHA office in final approval. One time they sent everything back for a cupboard change; a second time for something else, and finally the third time they lost my credit-rating report and sent back to Waterloo for another.

From what I now hear, everything is pretty much in order except that with all this fooling around they still have not appraised my lot and that is the one thing still holding up everything. Next week might see everything finally confirmed but we have been expecting that every week now for a long time and September 1 is beginning to get pretty close—almost too close to get the house finished enough to move into. I had hoped to cut costs a little by helping out the contractor's carpenter crew but school here will begin before I can do that and then I will have to go back to my teaching job while waiting an entire summer for FHA.

My criticism is this: A lot of public housing is being contemplated which may be all right for the cities. However, in the more rural areas why can't people get FHA approval or disapproval in a little quicker time when they want to build and pay for their own houses. For over three months we have been getting more and more bound in red tape until now everything looks less desirable every day. A good part of the trouble is the fact that FHA employees of specialized ability, such as architects, are paid so little that they will not work for the Government and those who will work have ability that probably is in accordance with the pay they receive. I am not blaming the Des Moines office entirely since I think the situation is caused by the entire set-up from top to bottom. FHA is not one of our high-cost relief agencies of which we have many; it is supposed to be one of our nearly self-sufficient organizations but that should not cause it to be second rate and inefficient.

Sincerely,

ELMER C. GAST.

The China Crisis

EXTENSION OF REMARKS
OF
HON. JOHN DAVIS LODGE
OF CONNECTICUT
IN THE HOUSE OF REPRESENTATIVES
Tuesday, August 16, 1949

Mr. LODGE. Mr. Speaker, there have been so many misunderstandings in connection with the China crisis and the events leading up to it that I believe it is important, especially for members of the Congress, that the facts be brought out.

In order for public opinion to be enlightened, people must have access to accurate information. We who rightfully believe in a free press and freedom of expression must not become the victims of slanted attitudes designed rather to justify mistakes than to bring out the truth.

In an effort to illuminate some of the salient facts involved in the dangerous disturbance in the Far East, I am inserting in the Appendix of the RECORD two editorials from the Washington Daily News of Friday, August 12, and an article by Clyde Farnsworth dated August 9. They follow:

[From the Washington Daily News of August 12, 1949]

DELAY IS DANGEROUS

General Bradley told Congress this week that military planning for the defense of the Western World can begin in 90 days, if we provide money for the tanks, planes, and guns.

Until this money is provided, he said, the North Atlantic Pact is merely paper.

It is foolish and dangerous to delay this program. We had a recent example in the case of the China program.

On April 3, 1948, Congress—over the protest of the State Department—appropriated $125,000,000 for Chinese military aid. For reasons never satisfactorily explained the program bogged down.

President Truman waited 2 months until June 2—before he signed a letter outlining how the money could be used. The State Department waited another 26 days before sending a copy of the letter to the Chinese Embassy, just a mile and a half away.

The the President's letter had to be revised, and on July 28 he signed a second one. The program finally started to move on August 4. Only then could the Chinese begin buying supplies sorely needed by their hard-pressed troops.

The first two shiploads of military equipment reached the Chinese Nationalists on January 4, 1949—9 months and 1 day after the money was voted. By then the Communists had crossed the Yangtze and the ships had to go to Formosa.

If Congress needs testimony on what delay can mean it should call Chiang Kai-shek. He can qualify as an expert witness.

DON'T RECOGNIZE CHINESE REDS

When the smear, the whitewash, and the window dressing are eliminated from the State Department's white paper on China policy, it can be seen the essential issue between Chiang Kai-shek and our Government was communism.

Chiang knew the Chinese Communists were Moscow-directed, and wanted nothing to do with them. Our Government insisted he could and should do business with them.

Chiang was right. Our Government was wrong. Great damage has been done by its mistake. But what do we do now?

The basic issue remains unchanged. It is communism. Our alternatives are to oppose it, as we are doing in Europe, or to appease it, as we have done and are doing in China and the rest of Asia.

It is quite obvious what the State Department wants to do. It wants to recognize and do business with the Chinese Communists. Don't ask us why. Ask the State Department.

American policy has been pointed toward that objective for 4 years. The Marshall mission was designed to further that purpose. The Wedemeyer report was suppressed because it offered an alternative to that program. Our official attitude was revealed when the Communists were advancing on Nanking months ago. Although our Ambassador was accredited to the Nationalist government, on State Department orders he did not follow that government when it fled to Canton. He remained in Communist-held Nanking and attempted to establish relations with the new regime. He was unsuccessful only because the Communists weren't ready to do business with us.

British Foreign Minister Bevin will visit Washington next month. One of the purposes of his visit is to seek to coordinate American-British policies on China. That is nothing new. The State Department and the British Foreign Office have been discussing the subject for months. Now a statement of policy may be in the offing.

Britain wants to placate the Communists if it can, to protect British investments in Shanghai and to prevent an attack upon the crown colony at Hong Kong. Why the United States should consent to be the catspaw in such a futile venture has not been revealed. But we may be sure the State Department will have a glib answer when the time comes to let the public in on its intentions.

Recognition of the Chinese Communists would confirm Russia's title to Manchuria. It would give Russia another vote in the Security Council and in the Japanese war settlement. It would permit the fifth column in China to obtain the things it needs to complete the Communist conquest of Asia.

Congress can prevent this, if it will. But it should act, and act now, by serving notice on the State Department by joint resolution that it will not submit to any such betrayal of American interests.

[From the Washington Daily News, of August 9, 1949]

ACHESON'S AUTOPSY ON NATIONALIST CHINA DIDN'T HELP PATIENT

(By Clyde Farnsworth)

CANTON, August 9.—Secretary of State Dean Acheson's autopsy on the Chinese Nationalist government while the body is still warm may not in itself be fatal. But it didn't do the patient any good.

Chinese Nationalists—and there's still a hard core of them, the only effective anti-Communist force in China—have been left to wonder just what Mr. Acheson's purpose was, or more broadly the purpose of the Washington Administration in issuing the white paper on China.

Their speculative answers include:

It was a tacit eleventh-hour invitation to the Chinese Communists to welsh on their debts and commitments to the Soviet Union in return for American recognition.

It was intended to shush increased criticism and misgivings at home over the Washington administration's failure in China. It's generally regarded here as the best possible face that could be put upon American performance from Yalta down to the hamstringing of the United States military advisory group.

It was an implicit though somewhat premature acceptance of the Chinese Communist conquest of China with which the United States could couple a warning, however toothless, that the Chinese Reds must keep their revolution in China and not mess around with neighboring countries.

But, whatever its purpose, the white paper has in an unpredictable way given new impetus to the Nationalist disintegration.

I know an American businessman in Canton who cut short a Hong Kong holiday after the white paper was published to rush back to Canton to liquidate and get out before the Reds get here. He was sure the white paper had sharply limited Canton's weeks of grace.

There probably will be a Chinese Nationalist Government—in name, at least, somewhere on Chinese soil for a long time to come.

Actually, the white paper hasn't reached this side of the world yet and reaction is based on press reports. These are extensive, however, including texts of Secretary Acheson's covering letter and his five-point statement of basic principles of China policy.

ODDITY

Mr. Acheson's letter presented at least one glaring oddity—the statement that the Nationalists did pretty well for China from 1927 to 1937 and during the same time started to run down. That was the period between Chiang Kai-shek's break with the Communists and the war with Japan.

"During this period the Kuomintang (Nationalist Government Party) made considerable progress in its efforts to unify the country and to build up the nation's financial and economic strength," Secretary Acheson wrote, and then added oddly:

"Somewhere during this decade, however, the Kuomintang began to lose the dynamism and revolutionary fervor which had created it, while in the Chinese Communists fervor became fanaticism."

The first sentence was a statement of fact readily documented. The second sentence was an exercise in clichés which not only fitted the general thesis of the Nationalists' incipient weakness but might have been matched almost word for word in any one of several pro-Communist books that have come out of China.

That's been a dominant theme of fellow travelers.

PRETTY AND PAT

It goes pretty and pat: The Chinese revolution was self-generating among the masses; the Kuomintang and Communists vied for leadership; Communists, being more dynamic, won.

Secretary Acheson's letter is sprinkled liberally with that idea in various forms. It's an argument for which there is no proof. If there is any pertinent evidence, it is that the Chinese as a whole are the least revolutionary people in the world.

Democratic Committee Takes Issue With Power Suggestion

EXTENSION OF REMARKS

OF

HON. WARREN G. MAGNUSON

OF WASHINGTON

IN THE SENATE OF THE UNITED STATES

Tuesday, August 16 (legislative day of Thursday, June 2), 1949

Mr. MAGNUSON. Mr. President, I ask unanimous consent to have printed in the Appendix of the RECORD a very able article published in the Union-Bulletin, of Walla Walla, Wash., by Charles Luce, a very prominent attorney of that city.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

DEMOCRATIC COMMITTEE TAKES ISSUE WITH POWER SUGGESTION

Charles Luce, Walla Walla attorney, takes issue on behalf of the Democratic central committee with one aspect of the proposed Federal power policy advanced by Herbert G. West of the Inland Empire Waterways Association. Luce's comments take the form of a letter to the Union-Bulletin, which follows:)

(By Charles Luce)

Two recent articles in the Walla Walla Union-Bulletin have set forth the proposals of Herbert G. West for what he chooses to call a Federal power policy.

With most of what Mr. West has to say, we completely agree. When he favors a network of Federal power transmission lines, and the

"postage stamp" regional power rate, he is approving the program of the Democratic Party for the past 20 years—a program that has been written into the Bonneville project act and reaffirmed in the pending legislation to establish a Columbia Valley Administration.

And when Mr. West declares it "essential" that "the distribution of the federally developed power (be) at the lowest possible cost to all," he is accepting the principle that advocates of publicly owned power systems have asserted for more than 20 years.

WOULD RETAIN CLAUSE

But we must take issue with Mr. West when he proposes to abolish the principle of "preference and priority" that is established in the Bonneville Act for REA cooperatives, cities, and utility districts.

In simple terms, this principle means that all power contracts between the Federal Government and private power companies contain a clause which says that, in the event of power shortage, nonprofit distributors, such as REA cooperatives, will have first rights to the Federal power.

The principle of preference and priority for nonprofit distributors is a necessary corollary derived from the basic premise, which Mr. West himself says he accepts, that distribution of federally developed power to be at the lowest possible cost to all. The river belongs to the people, not to any private group of stockholders.

CALLED APPEASEMENT

The sole justification offered for elimination of the principle of preference and priority is that it might reduce the opposition of the private utilities to new power dams and transmission lines. In short, Mr. West would base his Federal power policy on the principle of appeasement—appeasement of the same forces that have tried to prevent regional development from the earliest days when they fought the expenditure of $20,000 for core drilling at Coulee Dam.

Appeasement seldom works, and we do not believe it would work in this case either, for the following reasons:

Because of preference and priority for public utilities, the private utilities now have a strong incentive to support the building of more dams and transmission lines. The private utilities get what is left over after public utilities have met their needs. The more power that is left over, the more the private utilities will get. When the power shortage is entirely licked, preference and priority will therefore be meaningless.

WOULD ELIMINATE INCENTIVE

To eliminate preference and priority would be to eliminate this incentive. If the private utilities were allowed to contract without reservation for all of the Federal power they need, they would absorb all of the power not now neded by REA cooperatives and other nonprofit distributors. This would mean that no power would be left for new cooperatives or public utilities, even though the people of the area wanted them. Nor would there be power left for expansion of existing cooperatives, cities, and utility districts.

By contracting for all the available Federal power, the private utilities could, by a single act, freeze the status quo and stop public power in its tracks for as long as the power shortage continued to exist.

So that Mr. West's proposal to eliminate the long-established principle of preference and priority would not appease the utilities. It would do just the reverse. It would give them a compelling incentive to oppose more dams, because so long as they kept the region in a condition of power shortage, just so long would they be able to contain the public power program which they have always bitterly fought.

NO PERCENTAGE FIGURE

Mr. West's attack on the Bonneville Act is based partly upon misinformation. Contrary to what he says, that act does not now reserve 50 percent, or any other percentage, of the Federal power for preferred customers.

And though he states that the Bonneville Administration has used "all of its power and its resources for the elimination of private utilities," the fact is that the Bonneville Administration for the past several years has been the main support of private utilities. P. P. & L. gets about 50 percent of its power from Bonneville. If Bonneville would pull the switch on P. P. & L., its system would fall apart within a few seconds.

Finally, Mr. West says that CVA is "not wanted." Not wanted by whom? Practically all the major farm organizations, labor organizations, and public power groups—the same people who backed Bonneville and Grand Coulee Dams when the utilities said they were a waste of money and dangerous socialism—are now backing CVA. For whom, then, does Mr. West speak?

Address by Hon. Edward Martin, of Pennsylvania, Before Annual Convention of the American Legion, Department of Pennsylvania

EXTENSION OF REMARKS

OF

HON. EDWARD MARTIN

OF PENNSYLVANIA

IN THE SENATE OF THE UNITED STATES

Tuesday, August 16 (legislative day of Thursday, June 2), 1949

Mr. MARTIN. Mr. President, I ask unanimous consent to have printed in the Appendix of the RECORD an address I delivered to the American Legion of Pennsylvania, on Friday, August 12.

There being no objection, the address was ordered to be printed in the RECORD, as follows:

It is always an honor to be invited to address the American Legion.

The American Legion is the world's greatest organization of veterans. It grew to its present strength, power and prestige because it was established on principles that are enduring.

The preamble to our Legion constitution sets forth a way of life—a real American way of life.

In it are embodied the fundamental principles of all religions—faith in God. That is the first essential of a free people.

The very first words of that preamble are a statement of high principle. They are—"For God and country we associate ourselves together for the following purposes."

I repeat, "For God and country." It is a pledge of patriotism, a guidepost to honorable citizenship and the hope of a greater, happier America.

You are all familiar with the purposes set forth in the Legion constitution but they are worth repeating at meetings such as this. They are:

1. To uphold and defend the Constitution of the United States.
2. To maintain law and order.
3. To foster and perpetuate 100 percent Americanism.
4. To preserve the memories and incidents of our association in the Great Wars.
5. To inculcate a sense of individual obligation to the community, State, and Nation.
6. To combat the autocracy of both the classes and the masses.
7. To make right the master of might.
8. To promote peace and good will on earth.
9. To safeguard and transmit to posterity the principles of justice, freedom, and democracy.
10. To consecrate and sanctify our comradehip by our devotion to mutual helpfulness.

That, my comrades, is a guide for individual conduct that can preserve American freedom in all its greatness and glory. It is a lesson in patriotism for young and old.

Above all it expresses the true concept of a free people as set forth in the Thirty-third Psalm, in these words:

"Blessed is the nation whose God is the Lord."

So long as we remain steadfast in loyalty to those principles we can keep inviolate the sacred ideals of liberty and justice on which our Republic was founded.

But the principles expressed in that philosophy are mere empty words unless they are accepted and practiced as part of our individual lives.

They place upon us an obligation that each of us must share. A republic, for its life, depends upon the soundness of its citizens.

A chain, a brick wall, or a fine piece of machinery is no stronger than the weakest part. And a nation is no stronger than the average strength and character of its citizenship.

We must face the tragic truth that there has developed among some of our people a spirit that is not in accord with the ideals enunciated in the preamble to the Legion constitution.

It is a philosophy that is contrary to those principles that were responsible for the building of this, the greatest Nation of all time.

Its destructive influence has invaded high places in our Government. It has corrupted officials upon whom we relied to defend and support the Constitution, to maintain law and order, and to foster and perpetuate 100 percent Americanism.

In recent months we have been shocked and outraged by disclosures of treasonable disloyalty, plotting against America to serve Communist Russia.

We have read the disloyal utterances of the Paul Robesons and others of his ilk who have repaid with base ingratitude the advantages and opportunities that America has extended to them so generously.

If they love the Communist system so much why don't they go to godless Russia? I am sure we would all rejoice in their departure—provided they had a one-way ticket.

I am glad to say that Robeson is not a true representative of his race. He does not speak for them. He has been denounced by his own people.

More recently we have been equally shocked and outraged by charges of fraud and dishonesty in Government contracts and the bartering of influence for selfish advantage and personal gain.

Again turning to the preamble of the Legion constitution and we find ourselves pledged to inculcate a sense of individual obligation to the community, State, and Nation; to combat the autocracy of both classes and the masses; and to safeguard for posterity the principles of justice, freedom, and democracy.

Are those principles being carried out today?

The present trend of our Government is to discard the doctrine of individual responsibility and to replace it with the false premise of security without effort—an easy way of life to be provided by a benevolent, all-powerful Government.

Our citizens have permitted their local communities to shift a large part of their functions and responsibilities to State government. And the States have surrendered many of their powers and responsibilities to the Federal Government.

Too many of our people have been misled by the false and dangerous idea that what they get from the higher level of Government costs them nothing.

They forget that the Government has nothing to give except that which it takes from the people.

They also forget that when they are relieved of the individual responsibility they are deprived of a portion of their individual freedom.

Under this philosophy we have seen a huge bureaucracy built up in Washington at tremendous expense.

We have seen the cost of Government go higher and higher until today it is proposed to spend $42,000,000,000 to operate the Federal Government for a single year.

This is in spite of the fact that we ended the last fiscal year with a deficit of nearly $2,000,000,000.

What is the reason that Government spending is not kept within the limits of its income?

The outstanding reason is that we have shirked our individual responsibility.

We have failed to demand with vigor and determination the saving of billions of dollars now being squandered in waste and extravagance.

We have permitted the expenditure of vast sums of money to promote socialistic programs which can eventually destroy our freedom.

We have submitted to the demands of pressure groups serving selfish interests.

Sectional and regional advantage has been placed above the welfare of the whole country.

The result has been a reckless, drunken, spending spree which can bring us to national bankruptcy unless the American people come to their senses and put a stop to it.

If continued it would mean that the American Legion could not possibly carry out its avowed purpose "to transmit to posterity the principles of justice, freedom, and democracy."

In a bankrupt nation there is no freedom, no justice—only poverty, dictatorship, and slavery.

Are the American people so attracted by gaudy promises and glowing pictures of a care-free future, that they are willing to close their eyes to the most terrible waste and extravagance our country has ever known?

Are the American people so indifferent to the real facts that they are willing to be fooled?

Can America be awakened to the danger?

Can the fighting spirit of American people be aroused to save America from the socialistic system that has brought other great nations to destruction?

Unless we learn and apply that lesson of history, American freedom will be wiped out.

If America is to be preserved as the greatest Nation in history, our people must stop leaning on the Government and stand once more on their own feet as our forefathers did.

I am confident that the 3,000,000 loyal and patriotic members of the American Legion will be in the front line of the battle to save American freedom.

We must restore a sense of individual integrity and responsibility.

We must think more about our duties as citizens than our rights and privileges.

We must drive out corruption at all levels of Government.

We must rid ourselves of racketeers and profiteers who demand something for nothing.

We must clamp down on law evaders and law violators.

We must crush the poisonous influence of communism and every other subversive element that is undermining loyalty to America.

We must resist the efforts of those who would replace our free Republic with the planned economy of the welfare state.

We must safeguard the national economy against abuses by big business, big labor, and big government.

We must strengthen the moral and spiritual vitality of our people.

We must depend more upon ourselves and less upon the Government.

We must practice honesty, self-reliance, thrift, tolerance and above all, faith in God.

As soldiers we are taught that before we go into battle we must have an estimate of the situation and a plan of action.

First we learn about the enemy and his possible action, also information about our own troops. I believe I have given you an accurate estimate of the situation and a plan for action.

In this conflict we know that our enemies abroad are the godless treacherous and aggressor nations. We know here at home that our enemies are those treacherous foes who would overthrow this Government by force if necessary. In addition, we have the careless and selfish American. He is not a well-trained soldier.

We know we must be prepared. We must be equipped and we must be trained.

I humbly submit for your consideration the following training program:

First, we must strengthen the influence of the family and the home. There are few juvenile delinquents in good families. The morale is high. They possess a high degree of integrity.

Second, we need fine schools presided over by men and women imbued with the highest ideals of this Republic. Their job is a sacred trust. They should teach the young to be self-reliant, tolerant, and unselfish. They should teach the glories of the American way of life and what it has accomplished.

Third, we need militant and tolerant churches. We should all be generous in support of our synagogues, cathedrals, and churches. They should teach the dignity of the freedom of the individual. They should provide for the Boy Scouts, Girl Scouts, the YMCA, the YWCA, the Knights of Columbus, the Jewist organizations and all the other great groups that have stood for Americanism at its best.

My comrades, one of our most important duties as Legionnaires and as Americans is to mold the minds of youth so as to build men and women of character, principle, and integrity.

We should teach our boys and girls to be grateful for the strength and loyalty of the men who, in the name of liberty, created this powerful Nation. It was the first time in history that a government had as its prime purpose the preservation of the God-given right of freedom of the individual. Our Government was consecrated in the blood and tears of stalwart men and women for that purpose.

The rich soil, ore, fuel, and other natural resources were important in the development of the America we enjoy, but the great factor was the iron spirit in the hearts and minds of the men and women who founded, created, and developed the United States.

Let us work and fight to preserve the heritage they have so gloriously given us.

Merger With the United Kingdom?

EXTENSION OF REMARKS

OF

HON. KENNETH S. WHERRY

OF NEBRASKA

IN THE SENATE OF THE UNITED STATES

Tuesday, August 16 (legislative day of Thursday, June 2), 1949

Mr. WHERRY. Mr. President, several days ago the junior Senator from Nebraska stated to the press that the British Government was sending Sir Stafford Cripps to the United States to negotiate for new and more aid from the American taxpayers for Great Britain.

This Senator stated that he had been informed indirectly over the grapevine that Britain wants the United States to give her a large loan—in the billions—with installments every year for 5 to 7 years; also, that Britain wants to tie the pound sterling to the dollar, and divide markets with the United States, and open wider American markets for British goods.

This report, which was passed along to the press, was immediately denied by a spokesman for the British Embassy here.

Subsequently the newspapers and so-called confidential information services in Washington have carried statements substantially similar to the information revealed by the junior Senator from Nebraska. This Senator does not vouch for the accuracy of the reports; but since it appears that Congress soon may be told there is another crisis and that more billions and more sacrifices must be made by the American people in the interest of keeping Great Britain afloat, it would be well to keep abreast of developments.

Today's Wall Street Journal carries a story by Ray Cromley stating there is discussion in State Department circles on proposals to merge the United States and British economies. The heading reads: "Merger with United Kingdom?—United States officials talk of economic union to end persistent British crisis—First, link the currencies; later, free movement of goods, labor, capital—Many a ticklish question."

I ask unanimous consent for insertion of the article in the Appendix of the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

MERGER WITH UNITED KINGDOM?—UNITED STATES OFFICIALS TALK OF ECONOMIC UNION TO END PERSISTENT BRITISH CRISIS—FIRST, LINK THE CURRENCIES; LATER, FREE MOVEMENT OF GOODS, LABOR, CAPITAL—MANY A TICKLISH QUESTION

(By Ray Cromley)

WASHINGTON.—An economic union of the United States and Britain.

That startling idea is being seriously discussed privately by a growing group of key State Department officials as "the only way out" of Britain's "permanent" dollar shortage.

These officials think Britain could but won't solve her own problems. For political-military reasons, they figure, the United States must solve them for her, permanently.

Their thinking is not official State Department policy now. There is no certainty it will be brought up in the talks here next month among the United States, England, and Canada on Britain's needs for dollars. A whole series of proposals will be made at these sessions for temporarily easing Britain's current "crisis." But officials are seeking a permanent solution and some of them believe financial union may be it. This rather desperate idea is due for official consideration within the next year, at least inside the State Department.

Any such program would, of course, have to be approved by Congress and by the British Parliament. Even with these O. K.'s, the

plan would take several years to get going. And there would be a great deal of opposition, based on formidable difficulties.

Maybe the idea will be abandoned in the end, as some other ideas of global reshuffling have been. Whether it matures or not, this sensational proposal is significant, for it shows how little faith the administration now has that England can be rescued by any mild or temporary aid.

NATURE OF THE PLAN

What do officials mean when they talk about economic union—or, as they call it, financial union—of the United States and Britain? They've written nothing down—and each man thinks somewhat differently. But here is a sort of composite of what they are thinking:

Sterling and the dollar would be welded into one currency. This would be done by making them completely interchangeable. Both pound notes and dollar bills would be retained, but either could be freely swapped for the other at a fixed rate of exchange.

Free trade would be instituted between the United States and Britain. That would mean no tariffs and no import quotas.

Free movement of manpower would be permitted between the two lands. That would mean British labor would be free to work in America; United States labor would be free to work in the United Kingdom—just as Californians can work in New York or Kansans in Missouri.

Capital could move as freely as commodities and manpower. Americans would be allowed to invest their funds freely in England, and then take them out again at any time. Englishmen could ship their capital to the United States, and withdraw at any time.

The British dominions and colonies, and the American Territories and dependencies, would have the same preferred relationship to the merged economies as they now have to Britain or the United States.

Any such plan, officials believe, would have to be put into effect gradually to prevent serious effects on the United States and British economies. They believe the currency link must come first. That's why they call it a financial union. Economic mating—in the form of free trade and the free flow of capital and labor—would come more gradually. They would be deemed necessary to make the financial union work.

This gradual approach would be designed to lighten blows on American firms which would lose tariff protection, for example. The tieing in of the British Dominions and the freeing of blocked sterling now held by many countries are two other problems which would take time to solve. These are among the important difficulties that officials here haven't completely worked out, even in their own minds.

POLITICS WOULD BE SEPARATE

This all adds up to the proposition that the two countries should merge their economies almost as completely as those of the 48 United States. Yet the two nations would keep their political independence. How this could work out is a question the State Department men have not quite cleared up. For instance, they can foresee that if Britain's socialism frightens British investors there could be a flight of capital to the United States.

Those who are discussing economic union say the idea is politically impossible right now. But, as one of them argues, "it may not be later." They expect most of the opposition would come from the United States. As one official puts it, "Britain is in such a position that we can call the tune when we choose."

The State Department men reason like this:

September's Anglo-United States talks on Britain's dollar shortage will get nowhere; England by itself will never take the hard-boiled steps necessary to get on her feet and the United States is not likely to force her. Without British self-help, continued United States aid to Britain will go chiefly for relief, not recovery. Thus Britain will be in a perpetual crisis being held up by United States aid forever. And financial union is the only thing that will solve the problem.

Why solve it at all?

These men answer that Britain's recovery is the key to European and world recovery. "It's partly psychological," expounds one official. "Britain has always been a major power; when she weakens, the rest of Europe becomes panicky and retrenches. But Britain's recovery would also give a real economic boost because her financial interests spread so far and so deep. When the whole commonwealth is counted in, you're dealing with a good share of the world."

These same men declare the United States must depend on Britain as a military kingpin in the Atlantic Pact. They say if Britain weakens, the pact loses much of its value.

COSTS AND BENEFITS

What would financial union mean to Britain and the United States? Here's what the State Department men who've been discussing the idea think:

A financial union would be extremely costly to the United States taxpayer in its early years. To keep the pound and the dollar freely exchangeable, the American Government would have to give dollars for all the pounds anybody wanted to get rid of—with certain limitations as on blocked sterling. If—as expected—Britain imported far more than she exported, she would pay for the excess in pounds which would probably be promptly cashed for dollars at the United States Treasury. If there was a flight of capital from Britain, the American Government would swap more of its dollars for more pounds.

This would cost billions of dollars in the first few years—no one has even estimated how much. It would leave this country holding big quantities of sterling, and perhaps no very clear idea what to do with it for a time.

But the cost—according to theory—would go down as the British and American economies integrated as a result of free competition and the free flow of capital, goods, and labor. Eventually, the men in the State Department suggest, Britain would be no more of a drain on the union than any part of the United States is a drain on the other States.

British firms would be forced to modernize or go bankrupt when they got into direct competition with American companies. "That's the only way we'll ever get them to do it," says one official.

WORLD'S BIGGEST FREE MARKET

It is argued that expanding the area of free trade would give producers bigger and more lucrative markets. The United States farmer would be able to sell wheat, cotton, tobacco, and fruits directly to the British. The British producer could sell his whisky, textiles, or chinaware in the United States without restriction. This would mean some painful readjustments but on the whole an upsurge of commerce and new prosperity for both lands, proponents say. Officials hope the free trade could gradually be extended throughout the commonwealth—to Canada, South Africa, India and other regions totaling a fourth of the world's area.

There are as yet no conclusive answers here to some of the question which might be raised by opponents of the scheme—including perhaps ones like these:

Would there be an overwhelming rush of Britons to get out of the "austerity" living standard on their islands? And would low wages in Britain arouse the hostility of unions here, if their products were sold with tariff walls destroyed?

Could British socialism and American capitalism work together within an economic merger? Would some state purchasing—as in Britain—restrict free trade after tariffs and quotas were gone? Would the British political campaign to nationalize more industries continue? If so, would that frighten away the American capital needed to modernize English technology? Or, on the other hand, would the financial union weaken socialism?

The Air Corps and Secretary Symington

EXTENSION OF REMARKS

OF

HON. ESTES KEFAUVER

OF TENNESSEE

IN THE SENATE OF THE UNITED STATES

Tuesday, August 16 (legislative day of Thursday, June 2), 1949

Mr. KEFAUVER. Mr. President, I ask unanimous consent to have printed in the Appendix of the RECORD an excellent editorial published in the Nashville Tennessean of August 14, 1949, commending the Air Corps and its very able Secretary, W. Stuart Symington, in connection with the B–36 investigation. This editorial expresses the opinion of many of us who have such high confidence in the Air Corps, its officials, officers, and its procurement policy.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

BLASTED RUMORS

Representative JAMES E. VAN ZANDT does himself little credit by charging whitewash, now that the B–36 investigation has failed to uncover evidence substantiating rumors reflecting on the integrity of Air Force leaders.

As the instigator of the probe, the Naval Reserve officer from Pennsylvania has had ample opportunity to support his position that there was something crooked in the letting of contracts for the big bombers.

He has failed to do so, and his plaintive cry now indicates that he sees this anticipated scandal blowing up in his face. Under the circumstances, an apology would serve a better purpose than an unconvincing alibi.

Air Force views were forcefully expressed before the committee by Air Secretary W. Stuart Symington when he accused the Representative of disgraceful use of congressional immunity in repeating the rumor that politics was the controlling factor, or at least an important one, in the B–36 purchases. Such a reaction was to have been expected by men in the armed services who, by implication, had been charged with playing fast and loose with the Nation's defense.

A further cause for resentment was the fact that Mr. VAN ZANDT did not directly assail the Air Force on grounds of venality, but chose the course of issuing something like a white book on rumors which had been whispered around. This report was broadcast to the Nation, but in a manner which sought to protect the author from direct responsibility.

Once the reputation of the Air Force had been so openly questioned, a full investigation became a matter of necessity and justice. It was demanded by the airmen whose

names had been so smeared; and the result has been that conspiracy still is nothing more than an ugly rumor.

Because of the immunity he enjoys, Mr. VAN ZANDT cannot be held accountable in the courts for what the Air Force believes to be flagrant misrepresentation, but he has been invited to repeat his charges elsewhere so that he can be dealt with. This is a challenge that he will find it difficult to disregard if he really thinks that the congressional investigation has adopted the policy of whitewash.

Whether or not the B–36 is the indispensable weapon it is supposed to be by the Air Force still is a matter of opinion and debate. But if there ever was a doubt that its approval was made on a basis of heralded performance, rather than for political reasons, it has been resolved.

While believing its decision to be correct in this case, the Air Force still makes no claim to infallibility. But it draws the line at being pictured as an organization which would sell the country out for political, or other, preferment. Failing to do this, it would not have merited confidence.

Comment on Speech by Senator Matthew M. Neely, of West Virginia, Against the Taft-Hartley Law

EXTENSION OF REMARKS
OF
HON. HARLEY M. KILGORE
OF WEST VIRGINIA
IN THE SENATE OF THE UNITED STATES

Tuesday, August 16 (legislative day of Thursday, June 2), 1949

Mr. KILGORE. Mr. President, I ask unanimous consent to have printed in the Appendix of the RECORD an article entitled "NEELY on Taft-Hartley," published in the Montgomery (Ala.) Examiner of August 11, 1949. The article relates to the speech of my colleague [Mr. NEELY] against the Taft-Hartley law.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

PULPIT ECHOES

NEELY ON TAFT-HARTLEY

From the point of view of oratorical craftsmanship a speech made recently in the United States Senate by Senator MATTHEW M. NEELY, Democrat, of West Virginia, against the Taft-Hartley law is outstanding. Regardless of how one may feel about the issues involved, this address is illustrative of the highest standards of public speaking.

The first rule of effective speaking is an arresting introduction. Mr. Neely's introduction commands immediate attention and thus measures up to rule number 1. He began his remarks with these word:

"Mr. President, it has been recorded that the old Goths of Germany in their primitive assemblies debated every important question twice, once when drunk and once when sober—sober to assure wisdom and decorum; drunk to promote courage and vigor of action. I have no first-hand information concerning either the decorum or sobriety that prevailed during the passage of the Taft-Hartley law with which we struggle and under which millions suffer humiliation and distress. But certainly those who voted for this act must have been wholly free from the influence of any stimulating liquor or soothing drug. Otherwise they would, by accident or design, have failed to make this measure the most tyrannical ever placed upon the statute book of the Nation."

Unequaled sarcasm

Sarcasm when skillfully used is an effective oratorical technique. Scarcely could any sarcasm surpass that used by the Senator from West Virginia as he paid his respects to the Senator from Ohio [Mr. TAFT]:

"Mr. President, let me * * * say a word about the distinguished Senator from Ohio, Mr. TAFT, for whose character and courage I have great respect. I deeply appreciate his happy faculty of occasionally helping to make possible a great national Democratic victory. The Senator has just achieved a new distinction. If certain Democrats in high places whom I have in mind, but must not name, could be classified as fish, the Senator from Ohio should be considered a greater angler than Izaak Walton ever was or ever hoped to be. Izaak could catch nothing without bait. But the Senator from Ohio has, on Capitol Hill, with nothing but a stark-naked Taft-Hartley hook, caught himself a string of fish that defies comparison and makes the surviving, pining remnant of the Republican Party shout for joy."

Homespun wisdom

Every experienced public speaker makes free use of homespun wisdom, old adages, and salty sayings. Here is an example of such in the NEELY speech:

"An unlearned old woman was asked what she thought about the King James version of the Bible. She replied, 'if it was good enough for King James, it's good enough for me.' (Laughter.) So with the Thomas bill; it is good enough for me. And in spite of the world, the flesh, and the devil, I intend to support the bill against all appeasers, compromisers, and violators of platform pledges and campaign promises."

Denunciation

According to Senator NEELY one Robert Denham, general counsel for the National Labor Relations Board, used the power of injunction provided by the Taft-Hartley law in a devastating way against labor. It will be hard to find any language of denunciation comparable to that used by NEELY as he dealt with Mr. Denham:

"In my opinion, it has been conclusively shown that Mr. Denham is a tyrant such as has not lived on this earth since the days of the ancient Roman Empire. In my judgment he is the only Federal official, past, present, living or dead who ever entertained a desire similar to that of Caligula who wished that Roman people had only one head so that he could chop it off with a single blow. Apparently, Mr. Denham's wish concerning working men and women is similar to that voiced by the heartless Roman oppressor."

Use of history

A good orator makes free use of history and NEELY dips into history to find words sufficient to finish his indictment of Denham:

"The only language in any literature with which I am familiar that expresses what I believe to be the opinion of Robert Denham held by the toiling men and women of America is the language which was used by Martin Luther in describing the great philosopher Aristotle. It is as follows:

" 'He is truly a devil, a horrid calumniator, a wicked sycophant, a prince of darkness, a real Apollyon, a beast, a horrid imposter on mankind, one in whom is scarcely any philosophy, and a goat—this twice execrable Aristotle.'

"I wish there were a modern Martin Luther to characterize Denham according to his deserts. The effective way to dispose of him and the labor injunction is to pass the Thomas bill."

All great orators draw heavily upon the Bible for figures of speech. NEELY makes apt use of the Book as he brings his powerful speech to a close:

"Mr. President, I shall continue to do everything in my power to bury this infamy known as the Taft-Hartley law, regardless of the good faith of those who enacted it. I will endeavor to hide it in a grave so dark and deep that, like the sepulcher of Moses, no man will ever see it and no trumpet will ever resurrect it from the dead.

"It is my hope that the Thomas bill will be passed and the blessings of the Wagner Act restored. When I speak on the final question of repealing the Taft-Hartley law, I purpose to prove by facts as convincing as the demonstration of a problem in Euclid, that not only labor but the great corporations and every class of the American people for a dozen years under the Wagner Act enjoyed the greatest prosperity, freedom and happiness ever since God first said, 'Let there be light.' "

Atlantic Union Resolution

EXTENSION OF REMARKS
OF
HON. ESTES KEFAUVER
OF TENNESSEE
IN THE SENATE OF THE UNITED STATES

Tuesday, August 16 (legislative day of Thursday, June 2), 1949

Mr. KEFAUVER. Mr. President, I ask unanimous consent to have printed in the Appendix of the RECORD an editorial entitled "Into a Golden Future," published in the Daily Missoulian, of Missoula, Mont., under date of July 27, 1949.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

INTO A GOLDEN FUTURE

As was foretold some time ago, the National Legislature now has before it a resolution authorizing the calling of a convention of nations to set up a Federation of Atlantic Democracies. It is the latest step in the movement that began with Clarence Streit's Union Now, a widely read book published well over a decade ago. The idea then expounded was to form a union of western democracies and this is still the main purpose of Mr. Streit and other devoted believers in democracy and the possibility of its application to international affairs in the pattern of the United States of America. Mr. Streit and his followers are convinced that what the Colonies in a still wild and raw country could accomplish by federation could be repeated in a modern day by nations believing in freedom and government by law rather than by force and pressure. The original Streit roster held most of the nations that now are united in the defensive alliance we know as the North Atlantic act, with the thought that any other nation that might want to come in would be welcomed.

The convention of the nations now called for would be the first step toward actual implementation of the Streit plan. It is to be hoped that the resolution now before Congress will be adopted and that the convention will be called. The rest would be up to the good sense of the nations involved, their recognition of the needs of the moment, political, economic, and military—and, of course, to American willingness to participate. Many plebiscites would be required in other nations, as well as the approval by three-fourths of the American States of the constitutional amendment that would be

needed. And it would be necessary to allay the suspicions of millions now imbued with the spirit of nationalism and filled with fear of losing that evil thing men know as "sovereignty." Much the same arguments, pro and con, would be made as were when the 13 struggling Colonies on the eastern fringe of a then almost unknown continent were sane enough and sufficiently courageous to form the Union from which has sprung not only the finest democracy but also the strongest nation in all the world.

So it is plain that a long and winding road to the top of the mountain lies before the proposed Atlantic federation. The path will be difficult and rough, but at its end will be found flaming the torch of liberty—and probably a great gate opening into a golden future in which there could be just government for all of the world and its many peoples. For it must seem plain to all thoughtful and honest men that in the strengthening and expanding of real democracy lies the hope of mankind. An earnest of this hope lies in the resolution newly laid before the United States Senate.

Pennsylvania's Minerals

EXTENSION OF REMARKS
OF
HON. EDWARD MARTIN
OF PENNSYLVANIA
IN THE SENATE OF THE UNITED STATES
Tuesday, August 16 (legislative day of Thursday, June 2), 1949

Mr. MARTIN. Mr. President, I ask unanimous consent to have printed in the Appendix of the RECORD an editorial entitled "Pennsylvania's Minerals," published in the Harrisburg News, showing that in 25 years the value of the mineral production of Pennsylvania exceeded $25,000,000,000 in value, with the next nearest State being Texas.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

PENNSYLVANIA'S MINERALS

In an era when warnings have been sounded time and again about the profligate waste of our national resources and more especially as this is applied to the Commonwealth of Pennsylvania, it is highly interesting to note the position held by our State in the mineral-production value.

For example, in the period covering several years before World War I to the end of World War II, Pennsylvania's mineral-production value exceeded twenty-five billions, with the next nearest State being Texas, whose production was only slightly more than fifteen billions. The neighboring State of Ohio claimed mineral-production value of about six billions, and Louisiana was at the end of the parade with but little more than three billions.

Yet while we are inclined to expand our chests at the high position of our State in producing these essential elements, the State planning board and the department of commerce continue to warn us that unless we learn to conserve our natural wealth more successfully than did our wasteful forebears, the time is not far distant when we will be hitting the bottom of the barrel.

Everyone has pointed with pride to our coal and oil production and our fine record in steel and allied manufacture, but it must never be forgotten that the elements making these splendid records possible are not inexhaustible. Proud we should be, but it is prudent to temper that pride with caution.

Failure of the Single Gold Standard

EXTENSION OF REMARKS
OF
HON. COMPTON I. WHITE
OF IDAHO
IN THE HOUSE OF REPRESENTATIVES
Tuesday, August 9, 1949

Mr. WHITE of Idaho. Mr. Speaker, the return to the gold standard is being seriously advocated in many influential quarters. The financial history of this country since silver was demonetized has conclusively demonstrated that the use of gold alone for our supply of money of ultimate redemption is insufficient for our country's money needs, in other words, that the gold standard will not work. First we tried national banknote currency with a 40-percent gold coverage—then we tried the Federal Reserve note currency scheme. Paper money based on convertible assets and secured by a 40-percent gold coverage, and then we were forced to abandon the gold standard, that is, gold redemption for our paper money. Then to save business and bolster our banking system we had to draw on the collective credit of the American people by creating a Government credit agency—the Reconstruction Finance Corporation, which was established to finance business with funds procured from the sale of Government bonds. By taking the gold reserves of the banks in exchange for gold certificates issued by the Treasury which gold certificates are now held by Federal Reserve banks as the legal gold reserve for the paper Federal Reserve notes now in circulation the Government is now in possession of around $22,000,000,000 in gold, which is not owned by the Government but is held for and is the equivalent of the gold certificates owned by the Federal Reserve banks. It should be apparent to anyone that with inflation prevailing in all parts of the world, coupled with the insatiable demand for gold in most countries, that once we return to the gold standard and make our paper money redeemable in gold our gold reserves would be drawn out and leave this country in a very short time. The analysis of money and the gold standard as presented in Economist Williford I. King's book, the Keys to Prosperity, from which the following extract is taken, is illuminating:

Many able economists believe that the wisest monetary policy for the Nation to pursue is to define a fixed weight of gold as a dollar, and leave the rest to laissez faire. However, most of those taking this position either ignore or gloss over the fact that we experimented with this policy for most of the century preceding 1933, and that the results were decidedly unsatisfactory. During this period, the price level fluctuated widely, and many serious depressions occurred.

As we have seen, booms and depressions are usually caused by oscillations in the volume of net new spending power, and such oscillations are commonly the resultants of changes in the volume of circulating medium. These changes are caused either by governmental printing or retiring of money, or by the banks expanding or contracting deposit volume. Hence, if governments could be stopped from issuing new money to pay their bills, and if commercial banks could be prevented from enlarging or reducing their respective deposit volumes, a prime cause of depressions of the modern type would be eliminated. Therefore, to make their position sound, those advocating monetary laissez faire ought to insist upon a constitutional amendment abolishing both the right of the Government to expand credit money volume, and the privilege of banks to have outstanding demand deposits in excess of their holdings of monetary metals. In other words, they should demand that the Nation be placed upon a strictly "hard money" basis.

The general tendency in recent years has, of course, been to depart further and further from such a basis. One of the arguments in favor of establishing the Federal Reserve System was that the world's gold supply was not keeping pace with the growth in the world's volume of trade, and that, therefore, credit money was needed to make good the deficiency. Another reason for demanding such a central banking system was to make our money supply elastic. In reality, of course, the system has produced a money supply which stretches when it ought to contract, and contracts when it ought to expand.

Since, as a matter of fact, expansion in the world's joint supply of gold and silver would, apparently, have been able to keep pace with the growth in trade volume, our economy might have made satisfactory progress if we had never had either credit money or banks. However, both are highly convenient instruments. Both are thoroughly woven into our economy. It, therefore, appears to be more feasible and more desirable to subject them to national control than to abolish them.

Mr. Speaker, in making the above analysis, Economist King seems to have overlooked a fundamental principle of economic law—to maintain a stable price level new money must flow into the currency system at a rate that will increase the volume evenly with the growth of population and commerce.

Report to the Folks Back Home—A Complete Official Record of All Legislation Passed by a Roll-Call Vote in the House During the First Session of the Eighty-first Congress Up to and Including August 15, 1949

EXTENSION OF REMARKS
OF
HON. WALTER E. BREHM
OF OHIO
IN THE HOUSE OF REPRESENTATIVES
Tuesday, August 16, 1949

Mr. BREHM. Mr. Speaker, when this session of the Eighty-first Congress opened last January I announced to my constituents that periodically I would submit a factual report of all legislation which had passed the House and how I had voted on these measures, as well as a brief synopsis of why I had so voted. Naturally limitation of space will not permit me to enter into any detailed discussion of these various measures. However if anyone is interested in receiving a further analysis of the legislation as reported in debate and will so notify me, I will gladly comply with his request.

My reason for deciding to submit this authentic report taken from the public record was twofold. First, I felt that

the folks back home were entitled to know my position on any given issue and secondly, I felt that by submitting the correct report it might prevent the circulating of a false report regarding my vote as has been done in times past.

It should be kept in mind that many bills are passed or defeated on which no public record is available. A Member could state that he had voted either for or against any measure which passed by a voice vote, but he could not prove his statement from the official public record. Therefore, neither can anyone speaking in opposition to a particular Member prove statements which he might make regarding a Member's attitude on any measure unless it had been determined by a roll-call vote.

As everyone perhaps knows a Member may either vote "yes," "no," or "present." A person may vote "present" for any of three reasons. First he might be undecided in his own mind on a particular issue and the debate having failed to resolve his thinking definitely for or against, he may vote "present."

The second reason for voting "present" is that a Member might have thought that he was going to be absent when the roll call came and had therefore agreed with another Member, who was going to be absent and who held an opposite view to his, to pair his vote with him so that each would be stating his position publicly. Now it might happen that one of the Members discovered at the last minute that he would be present when the vote was taken. In order to keep his word with the Member who is absent and with whom he had agreed to pair his vote, the Member who is present will vote his sentiments either for or against. However, before the result of the roll call is announced he arises and explains that he had a pair with another Member and therefore in keeping his word with the other Member he withdraws his vote as recorded and simply votes "present." Even though the roll call lists this Member as voting present, nevertheless the official record shows the position of both Members who were paired either for or against.

The third "present" vote is simply to determine if a quorum is present for the transaction of business. Those votes are not listed in this report but will be taken into consideration when the official report is issued by the Clerk showing my attendance percentage.

A vote to recommit means that the Member wants the bill returned to the place from whence it came. In other words return it to the committee which reported it. Various reasons are ascribed by Members as to why they favored recommitting a particular bill. So far as I am concerned a motion to recommit usually means that I am not fully satisfied with the bill in its present form and yet I do not want to kill it outright because I favor the over-all objective contained in the bill. Therefore in the hope that the bill will be reported at a later date with certain corrections, I might vote to recommit. A vote to recommit could result in killing a particular bill, but not necessarily so.

Before submitting the report I would like to state that if the title of a resolution is self-evident such as an appropriation bill naturally I will simply list my vote. Of course I have supported all appropriations which I deemed essential for the proper operation, maintenance, and preservation of our Government. At the same time I have voted for all measures which in my opinion tended to effect economy in Government without curtailing efficient services.

Now with this explanation I am inserting a true copy of all legislation which passed the House on a roll-call vote during this session up to this date. The report will list the number of the resolution, the date on which the vote was taken, the total vote for or against, how I voted and a brief statement indicating my reason for so voting.

The record follows:

JANUARY 3, 1949

House Resolution 5: Adoption of rules of the Eightieth Congress as the rules of the Eighty-first Congress with an amendment designed to permit chairmen of committees reporting bills favorably to move the adoption of resolutions for consideration of such legislation if the Rules Committee fails to report them within 21 days.

Yes, 275; no, 142. BREHM voted "Yes."

For several years the present administration has been telling various minority groups that the powerful Rules Committee has kept it from passing legislation which it had promised during the campaign. I decided that it was time to remove this alibi and give them the chance to make good on their promise and accordingly voted "Yes." I presume that they will now put the blame for their broken promises on a coalition of Democrats and Republicans on other committees or in the House. Well this alibi will be correct and I may say that if this country finally withstands the socialistic influences which are attempting to drag it down, it will be this alliance of Jeffersonian Democrats and Lincoln Republicans which will turn the trick. One reason why certain factions are attempting to smear and belittle Congress is because this coalition stands in the way of their taking over.

FEBRUARY 7, 1949

House Concurrent Resolution 22: Suspension of the legislative budget until May 1, 1949.

Yes, 230; no, 142. BREHM voted "No."

The Democratic-controlled Seventy-ninth Congress passed the Reorganization Act which among other things provided that Congress shall submit a budget estimate of receipts and expenditures not later than February 15 of each year. The Republican Congress complied with the law and were ridiculed by the opposition because of the figures which were submitted. The figures represented an over-all objective toward which we were striving and the question was not whether we exceeded or fell below our objective. The question was that we complied with the law. The question up for decision on this vote was to extend the date for submitting this estimated report from February 15 to May 1. Due to the fact that this Democratic-controlled Eighty-first Congress had made no effort to submit a report on the date required by law, I refused to extend their time and voted "No." The fact is that as of this late date they still have completely ignored the law and refused to submit a budget estimate.

H. R. 2361: Reorganization of the Government agencies.

Yes, 358; no, 9. BREHM voted "Yes."

This was on agreeing or accepting the report of the Hoover Commission.

FEBRUARY 9, 1949

House Resolution 78: Authorizes $200,000 for the Committee on Un-American Activities.

Yes, 353; no, 29. BREHM voted "Yes."

I was first publicly assailed by the radical left-wing element of the CIO in 1943 for supporting this committee which was exposing communistic and other subversive influences. At that time evidence showed that the CIO was permeated with Communists and their sympathizers and naturally they did not want to be disturbed or exposed and they tried to defeat me at the next election by spreading malicious stories through their local officers who knew none of the facts, but in true parrot fashion repeated what they were told. I will continue to support this committee as long as I am in Congress.

H. R. 1211: Extension of the Reciprocal Trade Agreements Act.

To recommit: Yes, 151; no, 241. BREHM voted "Yes."

On passage: Yes, 319; no, 69. BREHM voted "Yes."

I tried to send this bill back to committee in the hope that an "escape clause" or "peril point" would be inserted in an effort to protect American workers and American industry against the importation of cheap foreign products. Since this time I have received hundreds of letters from workers and also many letters from management complaining that they were being financially hurt by these cheap imports. I still say that a reasonable protective tariff as proposed by the Republican minority is the best guaranty against this evil.

The motion to recommit failed and I then voted "Yes" on final passage as I did not want it to appear that I was opposed to trading with friendly nations.

FEBRUARY 15, 1949

H. R. 2632: First deficiency appropriation, 1949.

On agreeing to the resolution for consideration of the bill: Yes, 242; no, 121. BREHM voted "No."

I voted "no" due to the fact that the rule under which this bill was to be considered "waived all points of order against the bill." This meant that money was being appropriated for various functions of Government which had never been authorized by legislation. I believe that the function of an Appropriations Committee is only to provide money as authorized and that it is illegal to legislate in an appropriation bill since it bypasses the regular legislative committees of the House. This explains my vote against taking up the bill.

FEBRUARY 16, 1949

H. R. 2632: First deficiency appropriation, 1949.

On Sadlak motion to recommit with instructions to increase the appropriation for grants to States for unemployment compensation and employment service administration from $4,987,000 to $14,000,000: Yes, 148; no, 237. BREHM voted "Yes."

On passage: Yes, 367; no, 19. BREHM voted "Yes."

I voted "yes" to recommit and increase the amount of money available to the States for unemployment insurance and services. The State director was requesting this increase due to increased unemployment. The question was not whether Congress was for or against the principle of unemployment insurance but whether we would provide sufficient money to carry out a law which had previously been enacted. This was a Republican proposal to try and help those out of work, but our Democratic leadership who claim to be the great champions of labor, succeeded in defeating it.

After the vote to recommit failed I naturally voted "yes," as most of these appropriations were necessary.

FEBRUARY 17, 1949

H. R. 1661: Export Control Act of 1949.

On motion to recommit with instructions to report back with an amendment providing for a 1-year extension of the present controls and with an amendment covering commodities in surplus supply: Yes, 139; no, 222. BREHM voted "Yes."

On passage: Yes, 260; no, 102. BREHM voted "No."

This vote is self-evident by the title. I tried to limit the exporting of scarce supplies out of this country to any foreign nation. When the motion to send it back to committee failed, I then voted against the bill on final passage as in my opinion the bad features exceeded the good.

FEBRUARY 21, 1949

H. Res. 75: Authorizes the Committee on Education and Labor to conduct studies and investigations relating to matters within its jurisdiction.

Agreeing to resolution: Yes, 331; no, 4. BREHM voted "Yes."

MARCH 1, 1949

H. R. 199: Makes immigration quotas available to Asian and Pacific peoples.

On motion to recommit with instructions to report back with an amendment exempting the West Indian Archipelago from the 100-entrants limitation upon colonies: Yes, 39; no, 336. BREHM voted "No."

As everyone knows quotas are set up under which a given number of people from various nations may annually enter the United States. In this instance the figure of 100 was set for Asian and Pacific peoples. This amendment if adopted would definitely have discriminated not only against the other countries included in the 100 quota but in the final analysis against the very people which it purported to help. The vote of 39 in favor of the amendment to 336 against, bears out this statement.

MARCH 7, 1949

H. R. 2663: Administration of the Central Intelligence Agency.

On motion to suspend the rules and passage: Yes, 348; no, 4. BREHM voted "Yes."

This is a most important step for the United States and gives us some protection in the field of combatting espionage. The vote is significant.

MARCH 14, 1949

H. R. 3347: Provides additional revenue for the District of Columbia.

To recommit: Yes, 163; no, 181. BREHM voted "Yes."

On passage: Yes, 166; no, 178. BREHM voted "No."

This set up a sales tax for the District of Columbia. I tried to have it recommitted for various changes and when this failed I voted against it. The bill was defeated.

MARCH 15, 1949

H. R. 1731: Housing and Rent Control Act, 1949.

On Williams amendment to permit State, county, or local governments to abolish rent controls in their areas: Yes, 227; no, 188. BREHM voted, "Yes."

On Rains amendment eliminating from the bill the authority to recontrol apartment hotels: Yes, 237; no, 175. BREHM voted "Yes."

On Wolcott motion to recommit with instructions to report back with provisions extending the act until June 30, 1949: Yes, 154; no, 260. BREHM voted "Yes."

On passage: Yes, 261; no, 153. BREHM voted "No."

My votes here are self-evident. Personally, I do not feel that Congress has any constitutional authority, at least no business, to fix prices in time of peace. Certain wartime controls may be necessary, but they should not be carried on 4½ years after the war is over under the familiar slogan of "emergency," which has been used to such good advantage since 1932 in order to maintain one political party in power.

MARCH 16, 1949

H. R. 1437: Army and Air Force Act of 1949.

On agreeing to H. Res. 148 providing for consideration of the bill: Yes, 368; no, 1. BREHM voted "Yes."

This provided for increasing the Air Corps to a 70-group force.

MARCH 21, 1949

H. R. 1757: Extension of the District of Columbia Rent Control Act.

On passage: Yes, 247; no, 117. BREHM voted "No."

For reasons previously given I voted "No."

MARCH 22, 1949

H. R. 1437: Army and Air Force Act of 1949.

On passage: Yes, 395; no, 4. BREHM voted "Yes."

This provides for our common defense.

H. R. 2681: Pensions for World War I and World War II veterans.

To recommit: Yes, 187; no, 223. BREHM voted "No."

On recommendation of the Committee of the Whole House that the enacting clause be stricken out: Yes, 120; no, 291. BREHM voted "No."

MARCH 24, 1949

H. R. 2681: Pensions for World War I and World War II veterans.

To recommit: Yes, 208; no, 207. BREHM voted "No."

This proposed legislation was terribly misrepresented to the public. Some of those who want to turn all functions of this nature over to the Social Security Administration fought it tooth and nail and their arguments appeared so plausible on the surface that they finally succeeded in sending it back to committee by one vote 208 to 207. The strange part about it is that before it was recommitted we had succeeded in amending it so that it was actually set up on a "basis of need" and the amount reduced from 90 to 72 dollars per month. This removed the charge being made that it was a pension grab but evidently some of the Members had not followed the debate closely and did not know that these changes had taken place and just followed their leader or someone who they thought was a leader. Relief on a basis of need is never a grab.

MARCH 28, 1949

S. 135: Daylight-saving time for the District of Columbia.

On passage: Yes, 223; no, 130. BREHM voted "No."

I have always been opposed to this. In fact the first speech which I ever delivered in Congress was against daylight-saving time.

MARCH 29, 1949

H. R. 3734: Civil functions, Department of the Army appropriation 1950.

On Celler amendment to bar the use of funds for acquiring land in connection with Garrison Reservoir, N. Dak.: Yes, 194; no, 203. BREHM voted "Yes."

On Dondero amendment to provide $500,000 for the Red Run–Clinton River project in Michigan: Yes, 256; no, 138. BREHM voted "Yes."

On Passman amendment to raise the funds allotted to flood control on the Mississippi River from $57,000,000 to $63,000,000: Yes, 277; no, 117. BREHM voted "No."

I voted "No" on increasing this money due to the fact that the committee which reported it, produced testimony to show that it was not necessary and could not be used.

H. R. 3704: District of Columbia Revenue Act.

To recommit: Yes, 177; no, 218. BREHM voted "Yes."

On passage: Yes, 216; no, 180. BREHM voted "Yes."

This was the second attempt to set up a sales tax in the District. I voted to recommit it but this failed. Then after several changes had been made, to which I objected in the original bill presented on March 14, I voted "Yes."

H. R. 1731: Housing and Rent Control Act, 1949.

On agreeing to conference report: Yes, 263; no, 144. BREHM voted "No."

I previously stated my position on this subject.

MARCH 31, 1949

H. R. 2023: Repeals certain taxes on oleomargarine.

On agreeing to House Resolution 168 providing for consideration of the bill: Yes, 382; no, 9. BREHM voted "Yes."

This simply meant that we would agree to discuss the subject.

APRIL 1, 1949

H. R. 2023: Repeals certain taxes on oleomargarine.

On Poage substitute amendment which inserted the provisions of House Resolution 3: Yes, 243; no, 137. BREHM voted "No."

On passage: Yes, 288; no, 89. BREHM voted "Yes."

This provided for removing all Federal taxes on oleomargarine and is as far as the Congress should go. It is entirely up to the States to decide on whether or not colored oleo shall be sold within their borders. The citizens of Ohio will decide this question by ballot in November 1950. I voted "Yes" to remove all Federal taxes.

APRIL 4, 1949

H. R. 1823: Establishes a Women's Reserve as a branch of the Coast Guard Reserve.

On Marcantonio amendment providing that there be no segregation or discrimination in the Women's Reserve because of race, color, or creed: Yes, 193; no, 153. BREHM voted "Yes."

The amendment is self-explanatory. I voted for it.

H. R. 3830: China Aid Act.

On motion to suspend the rules and passage: Yes, 279; no, 70. BREHM voted "Yes."

I voted in favor of help for China in her fight against aggression.

APRIL 7, 1949

H. R. 4016: State, Justice, Commerce, and Judiciary appropriation, 1950.

On agreeing to House Resolution 180 for the consideration of the bill: Yes, 246; no, 137. BREHM voted "Yes."

To adjourn: Yes, 145; no, 212. BREHM voted "Yes."

APRIL 8, 1949

H. R. 4046: Second deficiency appropriation, 1949.

On motion to recommit and report back with an appropriation of $100,000 for the War Claims Commission: Yes, 149; no, 190. BREHM voted "Yes."

APRIL 12, 1949

H. R. 3748: Extension of the European recovery program.

On passage: Yes, 355; no, 49. BREHM voted "Yes."

Last year when I asked the voters what action they wanted me to take on the Marshall plan, the vast majority said to try it for 1 year and see the results. I followed their instructions and so voted. The report definitely indicates that the program has been successful in stopping the spread of communism in Europe and so I again voted "Yes" this time.

APRIL 26, 1949

H. R. 2032: National Labor Relations Act, 1949.

On House Resolution 191 for consideration of the bill: Yes, 369; no, 6. BREHM voted "Yes."

MAY 3, 1949

H. R. 2032: National Labor Relations Act, 1949.

On Wood amendment to substitute the provisions of the Wood bill, H. R. 4290: Yes, 217; no, 203. BREHM voted "No."

MAY 4, 1949

H. R. 2032: National Labor Relations Act, 1949.

To recommit: Yes, 212; no, 209. BREHM voted "Present."

These last three votes all pertain to the Taft-Hartley Act, and naturally this subject cannot be adequately discussed on paper.

The first vote was whether we would agree to take up the subject and discuss it. I voted "Yes." The next vote was to substitute an entirely new bill in the form of an amendment by Congressman WOOD, of Georgia, for the Taft-Hartley Act. Quite a few provisions in the Wood substitute were O. K. However, in my opinion it did not lend itself toward establishing peaceful, harmonious relations between labor and management. Attempting to realize this objective is my chief concern. I, therefore, voted against substituting the Wood amendment.

The final vote was on recommittal, and in accordance with my earlier interpretation of recommittal I voted "Yes" on sending it back to our committee. Now, in this instance my colleague from Ohio, Congressman CLEVENGER, was in the hospital with an eye condition and was very desirous of being recorded on this vote. Therefore, in an effort to help him get on record I agreed to pair with him. I voted "Yes" to recommit, but before the Speaker announced the results I arose and explained the previous arrangement with Mr. CLEVENGER and accordingly withdrew my vote of "Yes" and voted "Present." In this way both of us are on public record as to our position on this issue.

A motion to repeal the Taft-Hartley Act and substitute the Wagner Act was defeated in our committee by a vote of 19 to 6. The same motion was defeated in the House by a division vote of 273 to 27.

MAY 5, 1949

H. R. 2989: Incorporation of the Virgin Islands Corporation.

On passage: Yes, 273; no, 62. BREHM voted "No."

My chief objection to this proposition was the manufacture of rum for shipment into this country, and I voted "No."

MAY 9, 1949

H. R. 2203: Provides for a decennial census of housing.

On passage: Yes, 224; no, 50. BREHM voted "Yes."

This provides for a census and report every 10 years on the housing situation in this country. I believe this is essential in order that we may know the true picture and not have our thinking clouded by any group expressing their own particular views.

MAY 10, 1949

H. R. 4392: Provides for payment of claims of the Swiss Government.

On amendment barring payment of any interest on Swiss war-damage claims: Yes, 172; no, 191. BREHM voted "No."

In my judgment the testimony showed that we owed this interest and should pay it. I so voted.

MAY 11, 1949

H. R. 2682: Amends the Commodity Credit Corporation Charter Act and the Strategic and Critical Materials Stock Piling Act.

On passage: Yes, 325; no, 53. BREHM voted "Yes."

MAY 16, 1949

H. R. 2632: First deficiency appropriation, 1949.

On previous question on conference report: Yes, 292; no, 17. BREHM, general pair.

I favored this report.

MAY 17, 1949

H. R. 195: Assisting States in collecting sales and use taxes on cigarettes.

On agreeing to House Resolution 190 for the consideration of the bill: Yes, 323; no, 24. BREHM voted "Yes."

This is intended to prevent bootlegging and black marketing in cigarettes which would deprive the State of its just revenue.

MAY 18, 1949

H. R. 1036: Relief of R. C. Owen and Roy Owen.

On overriding the President's veto: Yes, 318; no, 49. BREHM voted "Yes."

This provided a refund to these men for Internal Revenue Tobacco stamps which evidence proved had been destroyed in a fire.

MAY 24, 1949

H. R. 4591: Pay, allowances, and physical disability retirement for members of the armed forces.

To recommit: Yes, 227; no, 163. BREHM voted "No."

My theory is adequate pay for good men rather than mediocre pay for mediocre men.

MAY 26, 1949

H. R. 3704: District of Columbia tax bill.

On agreeing to conference report: Yes, 184; no, 152. BREHM not voting.

On this motion and any other votes listing me as having a general pair, I was in Ohio seeing my mother who was seriously ill with a broken hip.

JUNE 1, 1949

H. R. 4617: Pensions for veterans of World War I and World War II.

On passage: Yes, 365; no, 27. BREHM voted "Yes."

JUNE 16, 1949

H. R. 4963: Appointment of additional circuit and district judges.

On Curtis motion to recommit and report back with the Keating amendment that not more than two-thirds of the judges appointed be of the same political party: Yes, 135; no, 195. BREHM, general pair.

I favored this amendment.

JUNE 21, 1949

H. R. 4332: Amends the National Bank Act and the Bretton Woods Agreement Act.

On passage: Yes, 293; no, 55. BREHM voted "Yes."

Permits Federal banks to take certain action regarding mergers with State banks under certain conditions. No real opposition to it.

JUNE 29, 1949

H. R. 4009: Housing Act of 1949.

On Rees amendment to strike out title II providing for low-rent public housing: Yes, 204; no, 209. BREHM voted "Yes."

On Jensen amendment barring payment of salary to any employees who fail to sign an affidavit stating that they are not members of a subversive party: Yes, 283; no, 129. BREHM voted "Yes."

On motion to recommit: Yes, 170; no, 241. BREHM voted "Yes."

On passage: Yes, 227; no, 186. BREHM voted "No."

This was one of the most bitterly fought measures which came before this Congress. Naturally, I favor adequate housing and, if necessary, some Government assistance in getting it. However, the record not only shows that private enterprise was adequately meeting the problem but that the fling which Uncle Sam took in attempting to secure more homes, resulted in failure to produce and a 30-percent increase in cost of those which were produced by Government. I am unalterably opposed to Government getting into business in competition with private industry. In other words I am opposed to socialism and this legislation wherein the Government will own, rent, and collect money from the tenant is socialism and nothing more. I voted against it in all its phases.

JULY 6, 1949

H. R. 4406: Provides for the settlement of certain claims of foreign governments.

To recommit: Yes, 151; no, 177. BREHM voted "Yes."

This provides for setting up a commission of three at $15,000 each annual salary in order to divide $17,000,000 due from foreign countries, among thousands of American citizens. This commission is not necessary as the Court of Claims could and should handle this. In this instance my vote to recommit was made in the hope of killing the bill.

S. 1008: Application of the Federal Trade Commission Act and the Clayton Act.

On agreeing to House Resolution 277 for the consideration of the bill: Yes, 305; no, 22. BREHM voted "Yes."

JULY 11, 1949

S. 937: Payment of certain noncitizen claims against the United States.

On Jennings amendment to strike out that section of the bill providing payment of a claim of $3,024.38 by Great Britain on behalf of John Bailey: Yes, 167; no, 143. BREHM voted "Yes."

A British sailor, off duty in a city in the State of Washington became involved in a brawl with other persons over a woman. This vote was to deny payment to him by the United States Government for his injuries. The Printing Office might refuse to print any further comment which I made on this subject. Suffice to say I voted against assessing the American taxpayers for his personal pleasure or rehabilitation.

JULY 13, 1949

H. R. 2960: Amends the Rural Electrification Act to provide for rural telephones.

On passage: Yes, 282; no, 109. BREHM voted "Yes."

After this bill was amended to prevent parallel lines in competition with existing facilities and also provided for loans to private telephone companies to extend their service—I voted for it.

JULY 21, 1949

H. R. 5345: Agricultural Act of 1949.

On Gore amendment to embody the text of H. R. 5617 which extends the present farm program 1 year: Yes, 239; no, 170. BREHM voted "Yes."

On passage: Yes, 384; no, 25. BREHM voted "Yes."

The title is self-explanatory. This was really a vote to substitute a farm program in preference to the Brannan plan. The vote is significant.

JULY 25, 1949

On motion to adjourn: Yes, 102; no, 243. BREHM voted "No."

On previous question on approving the reading of the Journal: Yes, 259; no, 88. BREHM voted "Yes."

On motion to approve the Journal as read: Yes, 286; no, 54. BREHM voted "Yes."

On motion to adjourn: Yes, 113; no, 243. BREHM voted "No."

H. R. 3199: Federal Anti-Poll-Tax Act.

On previous question on adoption of House Resolution 276 for the consideration of the bill: Yes, 262; no, 100. BREHM voted "Yes."

On motion to adjourn: Yes, 110; no, 252. BREHM voted "No."

On motion to adjourn: Yes, 265; no, 100. BREHM voted "Yes."

JULY 26, 1949

H. R. 3199: Federal Anti-Poll-Tax Act.

On motion to recommit to the House Administration Committee: Yes, 123; no, 267. BREHM voted "No."

On passage: Yes, 273; no, 116. BREHM voted "Yes."

These last 9 votes all deal with the subject of poll taxes. Various Members from poll-tax States were delaying action as long as possible. I voted that the payment of a tax should not be required as a prerequisite for voting.

JULY 27, 1949

S. 1184: Military rental housing.

On motion to recommit conference report: Yes, 52; no, 289. BREHM, general pair.

I was against recommitting.

AUGUST 1, 1949

H. R. 3282: Repeals certain acts of Congress known as Indian liquor laws in parts of Minnesota and Wisconsin.

On motion to suspend the rules and passage: Yes, 131; no, 168. BREHM paired against.

H. R. 5602: Providing for relief of Chinese students in the United States.

On motion to suspend the rules and passage: Yes, 254; no, 46. BREHM, general pair.

I favored this motion to suspend and pass.

AUGUST 2, 1949

H. R. 5598: Increases compensation for World War I presumptive service-connected cases, etc.

On passage: Yes, 356; no, 0. BREHM voted "Yes."

H. R. 5632: National Security Act Amendments of 1949.

On agreeing to conference report: Yes, 356; No, 7. BREHM voted "Yes."

H. R. 29: Parity for tung nuts and honey.

On agreeing to House Resolution 289 for consideration of the bill: Yes, 335; no, 21. BREHM voted "Yes."

AUGUST 4, 1949

H. R. 1758: Amends the Natural Gas Act.

On agreeing to House Resolution 310 for the consideration of the bill: Yes, 233; no, 113. BREHM voted "Yes."

AUGUST 5, 1949

H. R. 1758: Amends the Natural Gas Act.

To recommit: Yes, 124; no, 187. BREHM voted "No."

On passage: Yes, 183, no, 131. BREHM voted "Yes."

This removes the small, independent producer from authority of the Federal Power Commission wherein activities are really in the field within the State. The Federal Power Commission has full authority once the gas enters into interstate commerce. The real purpose of this measure was very much misrepresented by the opponents.

AUGUST 8, 1949

H. R. 3190: Increases the minimum wage.

On committee amendments to House Resolution 183, providing for the consideration of the bill, to make the rules applicable to H. R. 5856 a modified version of H. R. 3190: Yes, 249; no, 124. BREHM voted "Yes."

On agreeing to House Resolution 183 as amended: Yes, 351; no, 17. BREHM voted "Yes."

This legislation is intended to amend the Fair Labor Standards Act. The big issue was over whether the Lucas substitute, House Resolution 183 would be substituted for the Lesinski bill 5856. The Lesinski bill brought more people under the coverage of the act while the Lucas removed some fringe employees. Both bills raised the minimum wage from 40 to 75 cents per hour after amendment of the Lucas substitute.

AUGUST 9, 1949

H. R. 4830: Foreign aid appropriation.

On Cannon motion to instruct the conferees to insist on disagreement to the Senate amendment No. 1, continuing the watchdog committee: Yes, 210; no, 164. BREHM voted "No."

The Eightieth Congress set up a watchdog committee, so-called because of its duty to watch over the spending activities of the huge five billion ECA fund. It had already recovered over $3,000,000 in contrast to the small amount of $200,000 which it had spent. In an effort to destroy the committee by withholding funds for its activities, the House Appropriations Committee refused to allow any money. The Senate committee, however, realized the importance of this committee and refused to deny them funds. This motion by Congressman CANNON, of Missouri, insisted that we give them no money to supervise this huge spending program. This in my opinion is a perfect example of penny-wise and pound-foolish. I voted to continue the watchdog committee, but as happens so many times in this present Congress I lost my vote.

AUGUST 11, 1949

House Resolution 183: To amend the Fair Labor Standards Act.

On passage: Yes, 361; no, 35. BREHM voted "Yes."

This was the final vote on passage of the Lucas substitute which had previously been adopted and amended.

AUGUST 12, 1949

House Resolution 311: Authorizing President to provide for performance of certain functions of the President by other officers of the Government.

On agreeing to Hoffman (Michigan) amendment to strike certain words which were felt would permit the President to delegate authority which should not be delegated to others: Yes, 114; no, 162. BREHM voted "Yes."

AUGUST 15, 1949

House Joint Resolution 339: Amending an act making temporary appropriations for the fiscal year 1950, and for other purposes.

On motion to suspend the rules and passage: Yes, 176; no, 145. BREHM voted "No."

In order to suspend the rules, two-thirds of those voting must vote "yes." In this case the motion lost since it required 214 Yes votes to suspend. My chief objection to this motion was that it fixed no definite date on which temporary appropriations should cease. Some of these appropriation bills have been pending in conference since March 30. Two temporary extension dates have already been granted. Now it is past time to act.

H. R. 2734: To amend an act entitled "An act to supplement existing laws against unlawful restraints and monopolies, and for other purposes," approved October 15, 1914 (38 Stat. 730), as amended.

On motion to suspend the rules and passage: Yes, 223; no, 92. BREHM voted "Yes."

Two-thirds having voted in the affirmative the bill passed. In my opinion the evidence showed that this bill should become law in order to help protect small business.

Mr. Speaker, this concludes all roll-call votes on legislation up to and including August 16. Any which come later will be included in the report of the second session.

Naturally I do not expect everyone to agree with all my votes or my reason for so voting. However, I will appreciate it if those who receive this report will put it away for future reference in order to keep my record straight.

During the next year we will see in operation the most highly organized propaganda machine ever devised in America. Every technique known will be employed by those who seem determined at all cost to gain control of Congress in order to put over their program. I trust that the foregoing official report will help serve to counteract their efforts. At least it will leave no doubt as to my position on various issues.

Reorganization Plans

EXTENSION OF REMARKS

OF

HON. HUBERT H. HUMPHREY

OF MINNESOTA

IN THE SENATE OF THE UNITED STATES

Tuesday, August 16 (legislative day of Thursday, June 2), 1949

Mr. HUMPHREY. Mr. President, I ask unanimous consent to have printed in the Appendix of the CONGRESSIONAL RECORD excerpts from an article by Marquis Childs, which appeared in the Washington Post of August 12, 1949.

There being no objection, the excerpts were ordered to be printed in the RECORD, as follows:

WASHINGTON CALLING

(Marquis Childs)

REORGANIZATION PLANS

Happy birthday, Dear Mr. Hoover, happy birthday. The chorus sounds across the country as Herbert Hoover observes his seventy-fifth birthday and, having taken so much public abuse, he must be genuinely surprised at the volume of praise and congratulation.

While they speak kind words about him here in Washington, the evidence grows that the birthday present which would mean most of all to Mr. Hoover may be denied to him. Or it finally may be served up in such a distorted and misshapen form as to be worthless.

That present is, of course, the carrying out of the recommendations contained in the report of the Hoover Commission on the reorganization of the Federal Government. The former President considers the report to be the crowning work of his long career. If he could think that he had brought efficiency and economy to the sprawling bulk of the Federal bureaucracy, Mr. Hoover would indeed be happy.

Next Tuesday the Senate will consider plan No. 1 and plan No. 2, embodying Hoover Commission recommendations. Plan No. 1, creating a Department of Welfare, combining various agencies and bureaus, seems to have little chance of approval.

Plan No. 2 which, in Mr. Hoover's own words, is intended to "revitalize the much-denuded Department of Labor," has a slightly better chance of being approved by a majority—at least 49 Members present and voting—of the Senate. But if this happens, it will be in spite of the strenuous efforts of a lobby backed by those who in the past have professed to love Mr. Hoover most dearly.

An organization calling itself Unemployment Benefit Advisors, Inc., of Milwaukee and Chicago, has been lobbying intensively against plan No. 2. Unemployment Benefit Advisors has had a fund of $200,000 contributed by large corporations throughout the country and especially the big auto and oil companies.

Chief change effect by plan No. 2 would be to transfer the bureau administering the United States Employment Service and the Unemployment Insurance Service from the Federal Security Agency to the Department of Labor. The big corporations are fearful that the Department of Labor might alter the present system of experience rating under which they get large rebates for stabilizing employment.

They apparently have been encouraged in this fear by Stanley Rector, chief lobbyist for Unemployment Benefit Advisors. In a recent issue of his propaganda letter, the Advisor, Rector referred disparagingly to Hoover's traits of character that had not served him so well politically.

"I do not think any reasonable employer would have prejudices on that account," Hoover told a Senate committee when asked about the danger of pressure from the unions to alter present regulation. "* * * We have to believe that the departments of Government are going to act on behalf of all the citizens of the country * * *."

"I might have to believe it," Rector noted in the Advisor, "but I won't until I have to."

Experts in the Department of Labor say that regulations covering experience rating, fixed by the separate State legislatures, could not be changed by Executive order. The Senate Committee on Expenditures in the Executive Departments voted 8 to 3 to disapprove plan No. 2, although some Members indicated they were reserving judgment until it came to the floor.

The citizens committee for the Hoover report claims that recommendations already put into effect will permit annual savings of $1,250,000,000. This is based on $1,000,000,000 saved by the armed services and $250,000,000 in the general services bill.

World Trade and Commerce Is the Road to Peace—United States Licensing Restrictions on Exports Should Be Lifted

EXTENSION OF REMARKS
OF
HON. GEORGE G. SADOWSKI
OF MICHIGAN
IN THE HOUSE OF REPRESENTATIVES

Monday, August 1, 1949

Mr. SADOWSKI. Mr. Speaker, under leave to extend my remarks, I wish to include an interesting letter that appeared in the New York Times. The writer of the letter, George S. Wuchinich, is an executive engineer with the Twentieth Century Industrial Exports Company. Mr. Wuchinich writes his letter in support of the program and plan advanced by the Quakers or American Friends.

With the oncoming economic storm, many capital-goods makers are anxious to do business, and are expressing their strong opposition to our present policy of restrictive licensing provisions on our export trade. They are dismayed to see export and world trade business which should normally be ours, slipping away from us and being taken over by English and other European traders.

It is difficult for me to understand a national policy on our part which will deny American merchants and businessmen an opportunity to trade in world markets, and compels our merchants and business people to wait until English, German, and Japanese business houses gobble up the business. Who are these people who insist that the workshop of America must stand idle while even the normal trade and commerce which we enjoyed before the war must be sacrificed to our competitors?

It is true that the Government has played Santa Claus with the United States Treasury for the benefit of various European and Asiastic countries. But what right has any Government official to deny American business the right to trade and commerce, and even go so far as to sacrifice their prewar business contacts for the benefit of English, German, and Japanese firms?

Thousands of tool and machine shops throughout the Nation are on a curtailed production basis. Unemployment is increasing, because export privileges are denied to our manufacturers. The people of the world are asking for our tools and machinery, and our officials tell them that they must wait and purchase this needed equipment from other markets.

Shall it come to pass that the name "Made in U. S. A." will only means guns, bombs, and tanks? Why are export restrictions placed on American peacetime goods?

The industrial potential of Germany and Japan has been completely restored. These two countries, together with England, were our greatest rivals for world trade before the war. They can produce goods with cheaper labor and undersell us in most cases. Who is it in our Government that is responsible for the present stupid policy that we are pursuing—a policy which ties the hands of American manufacturers and American exporters, and deprives them of the right of competition?

When we have 15,000,000 unemployed, then I am sure that the labor organizations will take up the cudgels in this fight for American markets. I hope that we shall not have to wait until then in order to have a change in our export licensing policy.

SUPPORT OF FRIENDS' PLAN—RECOMMENDATIONS FOR WORLD COMMERCE BELIEVED SERVING OUR INTERESTS

To the EDITOR OF THE NEW YORK TIMES:

It was with much interest that I read the full report of the American Friends' plan regarding American-Russian relations. Their conclusions are, in my estimation as an engineer and businessman, steps which must be explored if the world is to get out of the present quagmire.

The section dealing with world trade is extremely significant. Half the human race lies in what our foreign policy chooses to call the iron-curtain areas. These are markets which, if met on a free, equal, and sovereign basis, can develop into an era of good feeling on both sides that will insure a real solid beginning for peace. I am sure that this is the intention of the Friends.

It will be recalled that in 1929 when the great depression struck we had no relations, diplomatic or full commercial, with the Soviet Union. It was not until 1932–36 that large orders for capital goods were received from that nation. In 1929 the Soviets announced their first 5-year plan, and it was 5 years later that industry here began to receive orders which during the blackest years of 1933–34 accounted for as much as 40 to 50 percent of their production. What is relevant is not that orders were placed, but that the Soviets managed to complete their first 5-year plan without any American industrial participation.

MANPOWER SHORTAGE

The new governments of eastern Europe as well as of China can, it seems to me, do the same. According to news that reaches me from these areas in the normal course of my business, the indications are that they are doing well. The Prague news letter of July 21 shows a manpower shortage of 300,000 in Czechoslovakia and a fulfillment of their plan by more than quota, or 101.9 percent.

If this is the case, it would be wise to take the gentle steps suggested by the Friends. Any embargo of these large areas over a period of years will lead to an estrangement which American industry can ill afford. Less than 2 weeks ago the British concluded a million-ton grain trade-equipment deal with the Soviets; and the British did somewhat the same for a period of 5 years with the Argentine Government.

Political considerations have compelled our administration to foresake the economic. But now in this present period of distress, if we continue to the same course, we may find ourselves shut out of markets. Already the new Chinese Government has announced that it will prefer to deal with other industrialized nations rather than our own.

It is in our own national interest that we look into the Friends' report. We may be left high and dry because the dollar shortage is being replaced by barter.

Writing to you as a businessman from an industrial city whose main interest is prosperity and peace for our people, along with friendship and good will among nations, I believe that the Friends' report did a service for all of us.

GEORGE S. WUCHINICH.

PITTSBURGH, PA., *July 27, 1949.*

Valley of the Dammed

EXTENSION OF REMARKS
OF
HON. WILLIAM LEMKE
OF NORTH DAKOTA
IN THE HOUSE OF REPRESENTATIVES

Thursday, August 11, 1949

Mr. LEMKE. Mr. Speaker, I include in the extension of my remarks part 14 of the Valley of the Dammed, by Mr. Bigelow Neal, of Garrison, N. Dak.

In this part Mr. Neal points out that he has no quarrel with the individuals of the real-estate division nor with the negotiators. He points out that his quarrel is with the policy that has grown up in our various governmental bureaus and departments—the policy of "the home owners and the public be damned."

In this series of articles entitled "Valley of the Dammed," Mr. Neal has done a great service to the Nation. He has performed a great human service to those who live in the "Valley of the Dammed" and whose property has not yet been condemned.

Here is part 14:

VALLEY OF THE DAMMED

(By Bigelow Neal)

PART XIV

As we come down the homestretch, I propose to present three viewpoints of a land-acquisition program. The first, and least important, will be my own. I offer it not out of faith in my own judgment but as representing the viewpoint of the landowner.

Next, I shall present my interpretation of the policy of the Real Estate Division of the Army Engineer Corps. And, after that, I have a little surprise for you, at least it was to me—something in the nature of a punch that should land hard in the solar plexus of the Real Estate Division. I honestly believe that their policy never has been hit before so hard as I shall hit it in the last paragraphs of this installment.

But, first, I want to talk about some items that have been overlooked. One is the mat-

ter of buildings on the lands taken for the dam.

In all cases that have come to my knowledge, the Real Estate Division has offered to sell all buildings and improvements back to the owners at not unreasonable figures. But don't be misled into believing this is generosity. Part of it is fear—for once operating in favor of the landowner. You see if the Real Estate Division were to put these buildings on the market at a price calculated to sell them, the entire lumber industry of the United States would wrap itself around their necks. The only way they could get out was to offer the buildings to their former owners at a price those owners would be likely to pay, especially in view of the fact that the landowner could not rent his own land unless some arrangement was made to cover the buildings.

Also before I sign off, I want to pay a little tribute to some very fine men. Speaking of them as "negotiators" I have been raking them over the coals for nearly 4 months. I have no apologies for what I have been forced to say. But taking them from under their orders, out of their professions and back into the realm of ordinary men, I want my readers to know that my hat is off in real reverence to a group of men who, under the final test of sportsmanship, passed with a very high mark indeed. No matter what I have said, you are not to believe that outside of their professional work, they are not a grand bunch of guys.

From several sources over the last few months, I have heard that I was out after the scalp of the chief of the real-estate division. By virtue of his position and because, once or twice he has lost his temper when he needed it—he has had to absorb a certain amount of shock, but that was something I could not help. I am not here to punish, even had I the power. I am not here to hate. If he were fired because of anything I have said, I should feel bad indeed. I could and do wish that he might adopt a kindlier attitude toward my neighbors. Perhaps, sometime, when he goes home at the end of the day, maybe with some little presents in his pockets for his wife and for his children, he may think of all the other wives and children along the Valley of the Missouri. You see, they like to be happy, too.

Now we come to the deadline on apologies. Believe it or not, in the 4 months these articles have been running I have received only two critical letters. One of them was very mild. One was a "rip-snorter" from another real-estate division chief who felt called to the side of his brother-in-arms. In his case, however, I have only a copy of a letter he wrote to someone else. I elect to say that I don't have to answer an attack from the rear.

Within the ranks of the Real Estate Division there are, as I have told you before, many splendid people. From their ranks, all the way from Riverdale through Omaha to Washington have come letters and suggestions and expressions of good wishes. To them, as well as to all those fine people in the Department of Justice, go my sincere thanks. When the time comes that it is safe to credit you with your stand in the interests of justice and good citizenship, the editor and I will go into a huddle and maybe tell just how the thing was done.

Having confessed that we got bawled out once, and right well too, maybe you'll forgive your editor and me for quoting a few lines from one of another kind. This comes from a man the Government thinks is worth $20,000 a year:

"So you see, your articles are doing a great deal of good, not only in the Valley of the Dammed but also in future operations of the Government. Future generations will owe you a debt of gratitude."

The editor will live longer than I shall. I hope he collects.

The editor and the writer have had a surprising number of requests for the Valley of the Dammed in book or pamphlet form. The fact that many of these requests come from lawyers all over the United States attests to the widespread activities of land-acquisition agencies operating under the policy we have described. Our answer to these requests is that the editor will print a limited edition to meet these demands. For those of you who are interested, the address is either the Independent Publishing Co. or the writer at Garrison, N. Dak. Now back to business.

In beginning this week's copy, I started out by saying I intended to take a real solid punch at the policy of the Real Estate Division of the Army Engineer Corps. I did. But, in the process, my copy got too long for one issue and I'll have to hold that punch under my ribs until next week.

Here, then, seems a good place to comply with the many requests I have had to say something about the treatment of the Fort Berthold Indian tribes by—whoever did it. To do it, I shall quote a little history without taking time for reference work in the matter of exact dates.

Along about 1854 the Government of the United States entered into a treaty with the Iowa and Minnesota divisions of the Sioux Indians for the purchase of lands in those States. Payment was to be made in stock, farm machinery, bedding, and food.

The goods above-mentioned were supposed to be issued to the Indians from the Red Lake Agency. Somebody stole the goods and the Indians never received them. When the Indians became hungry, they cried for help but nobody answered. When they were starving, they broke into the warehouses at the Red Lake Agency to find them empty. At that the Indians literally went crazy. The result—the Minnesota Massacre.

Later, after General Sibley had chased most of the Sioux west of the Missouri River at Bismarck, our Government made more treaties. One of them at Fort Laramie in—I believe—1858, gave the Sioux certain lands to hold forever, including the Black Hills which, for some reason or other, were held sacred by the Sioux. There was a solemn promise in the treaty, duly signed and ratified by Congress—that no white man would ever enter the Black Hills without the permission of the Sioux.

In 1874 Lt. Col. George A. Custer violated that treaty by leading an exploring expedition into the Black Hills. As a result, in 1875, Colonel Custer with 207 of his men died on the hills above the Little Big Horn River while hundreds of settlers were called upon to pay the price of the white man's dishonor.

In 1825 the Arickara Indians, now of the Fort Berthold Reservation, straddled the Missouri in the middle of Dakota Territory and promised to make things difficult for white men carrying their cargoes of hides, whisky, smallpox, and syphilis up and down the river. But the Arickara Indians had a weak spot in their armor. No matter how much they hated the white man, they hated the Sioux worse and so another treaty, this one signed by a council fire on Grand Island, a pact of eternal friendship between the white man and the Arickara in which—to cut it short—each party promised to help the other against the Sioux.

Later, at Fort Laramie—I believe this also was signed about 1858—a second treaty elaborated the first and set aside certain lands for the Arickara, Mandan, and Gros Ventre Indians and, in this treaty, so I understand, there is a clause which says that the Indians would be protected in the ownership of these lands—by the white man's Government—"as long as the sun rises and sets."

That's quite a while, isn't it? And rather high-sounding language, too. But nevertheless our Government made that promise to the Arickara and it was also ratified by the Congress of the United States.

Now if you want to build a dam across the Missouri River and flood the homes of these Indians, how are you going to do it under that treaty? The answer is that you can't do it under that treaty, not even on the fictitious claim that the Indians are wards of the Government, because that treaty was signed by the white man, not with wards of the Government, but with an independent foreign nation.

Again, how are we going to build that dam under that treaty and without the consent of the Indians? Why it's the easiest thing in the world. For a white man there's absolutely nothing to it. All in the world that we have to do is to violate our sacred word. Just forget and deny that there ever was such a treaty. Just smear one more black blot on the pages of our history on the theory that where we have smeared so many, another will never be noticed.

Here I hear a voice: "I thought you weren't going to say a word against building the dam that is going to make us all rich?" And my answer: "I'm not saying a word against the dam. I'm merely saying that it is being built on a foundation of dishonor when it might have been built on honest pride." There was a way to have built that dam with the full consent of the Indians. How? That, too, is very simple. All we had to do was to ask the Indians for the land instead of demanding it.

I have lived as a neighbor to these same Indians and I have been old enough to know them for over half a century. I have been adopted as a grandson by so many Arickara Indians that I can't remember half of my own names. Among them I have lifelong friendships. I know them well enough to know that this land program, as applied to the Indians, has been bungled from start to finish, just as it has been bungled in dealing with the white man.

To deal with them in a matter such as this, we should know some things:

1. It is contrary to every instinct of an Indian to refuse a favor asked by a friend. It is actually true that you can take away from him highly valued property simply by asking for it.

2. Indians are steeped in the spirit of sacrifice, especially the sacrifice of one for the good of all. The young men used to torture themselves, even to death, that the Great Mysterious One might bring rain to dying crops.

3. While you can take things from an Indian by asking for them, you cannot take by demand.

4. That unlike white men, when an Indian gives his word as in a treaty, it becomes a solemn obligation and a part of his religion.

5. We should remember a speech of Chief Gall's in which he replied when asked what lands his people claimed. "My friends, our lands are wherever our dead lie buried." In other words there is no property so valued by an Indian as the soil in which he has buried his dead.

6. We should remember that these people led McLean County in oversubscribing and overcontributing their quotas in war loans and Red Cross drives when McLean County led North Dakota and when North Dakota led the Nation.

Remembering, then, that they are not savages, that they are not fools, that they are not children, that they have played their full part in making the West safe for the white man and that their dead lie buried—not only in that sacred cemetery at old Fort Berthold but on every battlefield of every war we have fought since 1870—we should go among them and tell them frankly we are asking them to make one more sacrifice for their children and ours. We should tell them that we will not break the treaty but that we want to lease their lands along the river for a thousand years and that we will pay them so many

millions for the first 3 years and a dollar a year thereafter. We should tell them that we will bring water from Fort Peck or pump it from the river to make their fewer acres produce as much or more as their original holdings and that, far up against the sky, on the highest hill of all, we will build a great monument to the Indians who have given their lives in the service of the flag. And that we will build there a great national cemetery where we will rebury their dead and where the red warrior and the white who have fought together can sleep forever side by side.

Then they would have signed.

As it is the treaty is broken and there will be lawsuits for thousands of tomorrows to pay for the stupidity of today.

Ethel Barrymore

EXTENSION OF REMARKS
OF
HON. JACOB K. JAVITS
OF NEW YORK
IN THE HOUSE OF REPRESENTATIVES
Tuesday, August 9, 1949

Mr. JAVITS. Mr. Speaker, the significance of theater to the people of America is well demonstrated by the widespread feeling evoked by Miss Barrymore's seventieth birthday. She has emphasized for the country the fine creative aspects of the theater, which has endeared her personality to every American. The aim of the National Theater bill sponsored by Senator IVES, Senator THOMAS of Utah, and myself is to bring the richness of this part of American culture to all of our people, many millions of whom are now either not reached or reached infrequently by the living theater. The following editorial is from the New York Times of August 15, 1949:

THE BARRYMORE MAGIC

Happy birthday, Miss Barrymore! According to vital statistics, she is 70 years of age today; and a nation that does not ordinarily take much formal notice of its artists is going to salute the queen of the theater's royal family. After more than half a century of the familiar panic of theater life Miss Barrymore is reported to be quite content in Hollywood, which respects her eminence, keeps her busy and is able to pay a regular salary in negotiable currency. But today millions of Americans are affectionately remembering the great lady with the radiant personality and the woodwind voice who has trouped throughout the country, carrying the magic of one of the public arts to communities everywhere.

No doubt it is wise for an actress to be born into a famous theatrical family and to be endowed by God with winning personal beauty. Every aspirant for the stage should try to make these advantageous choices. But Miss Barrymore's eminence comes from many years of hard work in many parts of different caliber. She began at the age of 14 when she joined with her grandmother in Joseph Jefferson's production of "The Rivals" in Canada. Some slight difficulty over hotel bills persuaded the members of the company to leave their trunks behind when they returned to the United States. The occasion was not perceptibly glamorous.

And before Miss Barrymore achieved prominence in Clyde Fitch's "Captain Jinks of the Horse Marines" in 1901 under Charles Frohman's judicious management, she had worked hard for 7 years in whatever parts she could find. She has been working hard ever since. Fortunately for her and for us, the hard work has included the whole range of drama, light and heavy, frivolous and grave.

Among other authors, she has played Shakespeare, Sheridan, Ibsen, Pinero, Barrie, Galsworthy, and Maugham. One of her most memorable performances was one of the last she has played on the stage—Miss Moffat, the complacent but sentient school teacher, who learned so much about the wild torrents of human life between the first and last acts of Emlyn Williams' "The Corn Is Green." That was a notably compassionate characterization because Miss Barrymore was sensitive enough to understand it, mature enough to put it in its proper proportion, and skillful enough to express it. There is nothing mystical about those qualities. They are the fundamentals of fine and distinguished acting.

Apart from the radiant personality which is the instrument of her acting, she is energetic, keen-minded, sharp-witted, and resilient. It has been a fabulous career founded on constant work. To revise one of her most famous lines: That's not all there is; there is going to be more. Many happy returns, Miss Barrymore. And thanks.

Socialism, Under Labor, on the Rocks in Britain

EXTENSION OF REMARKS
OF
HON. LAWRENCE H. SMITH
OF WISCONSIN
IN THE HOUSE OF REPRESENTATIVES
Monday, August 15, 1949

Mr. SMITH of Wisconsin. Mr. Speaker, the Washington News is running a series of articles on Britain's Socialist Government in action. Mr. E. T. Leech, editor of the Pittsburgh Press is on the scene and his description of events in Britain are truly historic. Here is a story that the people in the United States must understand as we move in the direction of State socialism. This is the second of the series and I call it to every Member's attention. Under leave to extend I include it as part of my remarks:

UTOPIA ON THE ROCKS—BRITISH SOCIALISM IN ACTION—STATE GUARANTEES SECURITY BUT BRITON IS MOST INSECURE

(By E. T. Leech, editor, the Pittsburgh Press)

LONDON, August 15.—Nobody else on earth has greater guarantees of security than has the British citizen.

The state starts serving him before he is born. From the first knowledge of his mother's pregnancy, government steps in to guide and shelter him. During all his years it will continue to do so. And it will provide for his burial, and for his family after he dies.

It is the world's best publicized system of complete social security outside of either an institution or a dictatorship.

Yet today, one of the most insecure of the world's people is this same British citizen.

If he studies or thinks about such matters at all—and millions of English do not—he is worried, disappointed, and fearful.

He bears, and has long borne, great burdens. Now he faces still heavier ones. He has lived in a state of crisis, sacrifice, and uncertainty almost constantly since World War I. Now another trying and painful era seems to lie ahead. The security he seeks so passionately always is in the future.

The Englishman lacks many things. Much of what he produces—and virtually all of the best quality—is for export, not for him.

Nobody else on earth pays such heavy taxes. Forty percent of the whole British income goes for taxes.

Britain's standard income tax rate is 9 shillings to the pound—45 cents to the dollar. Some millions of people, at the bottom income level, are exempt, and there are deductions for family burdens and smaller incomes. An Englishman making $4,000 a year with wife and two children pays $720 income tax against $266 for an American of the same status.

As incomes work upward, taxes quickly take more than one-half, until they reach a total of 97½ percent in the upper levels. The well-to-do are being wiped out, and as they use up past savings and capital, will almost completely disappear.

SALES TAXES, TOO

But, on top of income and local taxes, there also are purchases—or sales—taxes which take a terrific swipe at the buyers' pocketbooks.

Beer and cigarettes—for which the British public is spending around 18 cents out of each dollar—are the tax collectors' best friends. Twenty British cigarettes cost 70 cents; weak beer is 20 cents a pint. Sales taxes on many other items run from such rates as 33 percent up to 100 percent on luxury goods. Tourists save big sums on purchases by buying under an export plan, which lets them escape these taxes—as a means of encouraging export sales.

What happens is that the state largely spends the Englishman's income for him—on what government planners think is best for him. To do this requires a vast and growing army of civil servants and bureaus. It is their job to make the plans and carry out the directing of people's lives.

Britain, with something over 40,000,000 people, has 2,000,000 employees to run its national and local political machinery, not counting those who manage or work in the nationalized industries. On a population ratio, this far exceeds the public employees in America.

And the number grows. Government costs have gone up around 18 percent in the last 2 years.

With what is left after taxes, there is little the Briton can buy or own. Such things as buying a home or an auto or any of our standard household appliances are out of the realm of possibility for the average worker or middle-class white-collar man.

Food is sufficient for living, but scanty and monotonous—and much of it rationed. There is plenty of food only a little way off, in Ireland or on the Continent, but there are many handicaps to keep the Englishman from getting it.

DOLLAR SHORTAGE

Now, for a reason called the dollar shortage, there is to be less food and tobacco and numerous other things. This term is largely a public mystery. But it is used so much and is such a popular alibi for any shortage, that it sounds like Uncle Sam was taking something away.

So Sir Stafford Cripps—the man who runs British finances and whose name is heard more often than any other in England—is calling for greater austerity, which is a British synonym for doing without. Sir Stafford—who himself uses no meat, tobacco, or strong drink—is Mr. Austerity to the British public.

Britons were surprised—and nettled—recently when he went to Switzerland for his health, instead of using England's health plan. And also because he went through special allowance by Premier Clement Attlee under the strict rules which sharply restrict use of British money for outside travel.

An Englishman is constantly exhorted to work harder and sacrifice more. He lives in a world of slogans and appeals—a democratic substitute for the propaganda of dictatorships. His is a world of crises—labor disputes, financial dilemmas, shortages and fast-changing rations and regulations. These call for new slogans—until all of them lose their force.

It is a constant story of what the state will do for you. Also what you must do in return.

BEGINS BEFORE BIRTH

These state services start with prenatal care for mothers. They deliver the child and provide milk, orange juice and vitamins. Undoubtedly this has done much good.

Parents after their first child, get $1 a week for each additional one, regardless of need. For the growing child there also are free school lunches, health care and free school clear through college. But a strong and slowly dying class spirit causes millions of middle- and upper-class families to strap themselves so their children can go to private (or, as they call them, public) schools.

The state finances or runs many youth services. It stands ready to direct the boy or girl into the first job.

Once on a pay roll, there begins an elaborate insurance system in which all are enrolled. The employer pays part and also deducts a tax from the worker's pay envelope. This system covers maternity benefits, widows' pensions, allowance for orphans, benefits for unemployment, accidents and illness, retirement pensions and death grants.

The man worker pays around $1 a week for this insurance; a woman pays about 70 cents, and self-employed persons pay at higher rates. These payments rank rather large in proportion to wages, which are far lower than wages for similar work paid in America.

Then, of course, there is the highly discussed national health plan—with medical, dental and eye care and unpaid drugs—even, on occasion, such things as corsets, wigs, and medicinal spirits—for everybody.

IT ISN'T FREE

It isn't free—not by a long sight—save for such visitors as American tourists. They are entitled to any part of it—if they can find it and wait long enough.

These, and many other minor services, promise the Briton full security. Yet today, actually he is most insecure. For the all-giving British Government is going broke. There can be no security for people when the government is insecure.

To Be Frank

EXTENSION OF REMARKS

OF

HON. ABRAHAM J. MULTER

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, August 16, 1949

Mr. MULTER. Mr. Speaker, I commend to the attention of my colleagues the following article written by Frank Kingdon which appeared in the New York Post of August 15, 1949:

TO BE FRANK

(By Frank Kingdon)

We all wish the costs of government were less. The argument starts when we start telling each other where the cuts should come.

Herbert Hoover wants the Government to economize. He wants it to economize in the social services. This is what fixes him for the manner of man he is, and explains why, in office or out, he has no remedies for the difficulties we face.

The nonmilitary part of our national budget is not much over what it was 10 years ago. The jump has come in military expenditures. Hoover said not a word in criticism of these.

Any public man can create a sensation by telling us we work one-fourth of our time to pay taxes and that we have one out of every seven people on public pay rolls. This is the tried and true stuff of political propaganda. The rub comes when he begins to tell us just which dollars he would save and which public servants he would cut off the pay roll.

Hoover wants to cut the dollars and the people out of social security, public-relief programs, public works, conservation, and such peacetime activities. The regulation of the stock market, subsidies to agriculture, river valley authorities, social insurances, and labor arbitration machinery are the projects he considers radical. He is still the advocate of unregulated business and the wage earner's insecurity.

He has now attained the eminence of 75 years of age. This puts him in the same class with George Bernard Shaw. The most important fact about him from now on is another birthday. We may expect each August to have a speech from him.

We need not expect to hear anything new from him. What he said in this year 1949 was a repetition of what he was saying in 1932. It is hardly more than a paraphrase of the speech he made to the Republican convention in 1936. He presents the amazing spectacle of a man who has lived through one of the major revolutionary periods in the history of mankind without changing his mind or getting a new idea.

If anybody wants economy in our national budget I can tell him how to get it. Find some way of reducing the tension between West and East so that we do not have to put $14,000,000,000 a year into arms. It's as simple or as difficult as that. The most damaging criticism of Hoover's speech is that he didn't even mention this.

We are spending $14,000,000,000. The other countries of the Atlantic Pact are spending $5,000,000,000 on arms programs. If Hoover or anybody else can tell us how to cut this expenditure in half we shall save among us better than $9,000,000,000 a year. What such a saving would mean to economic rehabilitation and social stabilization is something to make the heart leap.

If there is any danger that we are taking either a main or a back road to bankruptcy it by no means arises from any splurge of spending too much money on assuring freedom from fear to our less privileged fellow citizens. It comes from only one source—the billions spent for armaments.

Hoover thundered on every front but the main one.

Let's Have Two New Daughters in the Sisterhood of States

EXTENSION OF REMARKS

OF

HON. CLYDE DOYLE

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, August 9, 1949

Mr. DOYLE. Mr. Speaker, while I am not upon the committee of this House having to do with the matter of whether or not the Territory of Alaska and the Territory of Hawaii should be now cordially considered for admission to membership in the sisterhood of States, I believe that I have observed the progress of these two geographical areas and of their peoples sufficiently to state that I believe that the time is here now when we should do so.

It appears to me, for the best interests of our Nation and of the peoples who are citizens of the Territory of Alaska and of the Territory of Hawaii, that the bills that are pending should be brought to the floor for the information of and the consideration of the full membership of this Congress, and that the same be done as promptly as possible.

Address by Hon. Francis J. Myers, of Pennsylvania, Before Annual State Convention of the American Legion, Department of Pennsylvania

EXTENSION OF REMARKS

OF

HON. FRANCIS J. MYERS

OF PENNSYLVANIA

IN THE SENATE OF THE UNITED STATES

Wednesday, August 17 (legislative day of Thursday, June 2), 1949

Mr. MYERS. Mr. President, I ask unanimous consent to have printed in the RECORD an address delivered by me before the annual State convention of the American Legion, Department of Pennsylvania, in the Syria Mosque, at Pittsburgh, Pa., on August 11, 1949.

There being no objection, the address was ordered to be printed in the RECORD, as follows:

With almost 4 years behind us since the shooting ended in World War II, we've had a chance to settle back more or less and get our second wind.

Generally speaking, we're in pretty good shape now. I think we're in mighty good shape. But I remember in the last year or two of the war there were a lot of people who freely predicted we weren't going to be in good shape when war production came to a sudden halt and 14,000,000 or so veterans came home to look for jobs. There was a lot of depression talk going around in those days, and a postwar goal of 60,000,000 jobs in America seemed decidedly optimistic.

Well, we've got about 60,000,000 people at work now, and we've discovered that the goal we set wasn't high enough. We're concerned—and we ought to be—over the fact that about 4,000,000 people haven't got jobs right now. So we're raising our sights and going to work in earnest to see to it that we keep this economy of ours expanding, by constantly increasing job opportunities we're determined to make a place for all the new people who come on the labor market each year. This is an entirely different kind of approach from the kind we had back in the twenties, when we floated along with quite a bit of unemployment in spite of all the prosperity the rest of the people were sharing.

We're determined not to have another depression, and it's pretty clear that the American people are watching the signs carefully to make sure that we do something about it before things get out of hand the way they did in the late twenties and early thirties. And, believe me, I'm certainly convinced our attitude now is a lot healthier.

In connection with this, I think it's reasonable to ask whether America has kept faith with the veterans this time. I ask this rhetorically, but I think it's a good question.

Now you know—and I know—that you fellows didn't go into the service because you expected to get something out of it. (You went in because there was a dirty job which had to be done.) I doubt seriously that many of you will ever say, looking back on it, that the years you spent in the service during the war were the happiest years of your life. They were tough years.

You gave up a lot when you went in. Some of you traded off good jobs for $21 a month. And it wasn't a much better bargain—for you—when the starting pay got raised to $50 a month. But in fighting total war there was an essential job for almost everybody, and that was certainly true for all the able-bodied.

Those who stayed home and worked in essential industry made good money. The ones who went off to war lost out on that, and many of them had to take a lot more besides; had to take it in boredom, in tough work, in danger, in injury, and in death.

I don't think there was much question in the mind of anyone during the war but that we'd do something to try to square accounts with the veteran for the things he'd been forced to give up. Maybe there was not much agreement, or even much thinking about just what would be done, but it was pretty generally agreed that something would be done.

The first big step we took was the GI bill, and by and large, it appears to have worked out pretty well. The education provisions in the bill have undoubtedly been a big success. For some, it meant continuing an education interrupted by the war—for others, it meant getting an education they would never have been able to get otherwise—and for many, too, the in-job training provisions did a lot to help them on their way to better jobs through new skills they were able to acquire.

I don't think the home-loan provisions we set up in the GI bill have worked out nearly as well as we'd hope they would. When we wrote the bill into law we had some effective curbs on inflation, and of course those got wiped out in 1946 and the prices of everything skyrocketed. When that happened, it put the veterans in about the same spot most other people were in. You couldn't get a decent house at any kind of reasonable price, and the inflation really cut down on what we might have been able to do.

Inflation hit everybody indiscriminately. Millions of families had their war-time savings wiped out, and millions of stored-up war bonds were liquidated. It affected veterans and nonveterans alike, and put many of them in the same boat—broke, so far as savings are concerned.

As matters stand now, most of you who are working probably have a pretty decent job, but you are finding that it takes just about everything you make to keep going, and it is sort of hard to put anything away. While it is true that working Americans are living better now, on the whole, than they ever have before, most of them are finding it pretty difficult to accumulate enough to make a down payment on a home at the present high level of construction and material costs.

The Eighty-first Congress has undertaken to do something constructive about the housing problem, and I feel quite encouraged that we are going to do a lot to ease the situation. As you know, the Public Housing Act was signed by President Truman the middle of July, and for the people with the lowest incomes of all, this is going to be a big help. And you can take a lot of pride in the fact that the veterans were among those whose efforts in behalf of that bill made it possible to get it through the House of Representatives this year after two previous attempts to do so had been blocked.

Just this week, the Senate Banking and Currency Committee reported favorably on a middle-income housing bill—$4,500,000,000 measure to provide for private home construction—which should go far to aid many of our people in getting a house of their own at prices they can afford. If that bill passes in its present form, veterans will be able to borrow up to $7,500—instead of $4,000 on a GI loan as provided in the present law—and what is more, there is a guaranty that the veteran will be able to get the loan. Too often in the past, the veteran who is a perfectly sound credit risk has been unable to find a private lender who would advance him the $4,000 at 4 percent. Under this new bill, the Government will guarantee to buy up the mortgage from any private lending agency that takes it up—and further, if no private loan can be obtained, the veteran can go directly to the Government for the loan after showing that no one will help him even though he is a good credit risk.

There is another provision in the middle-income housing bill that I believe all of you will be especially interested in. You remember that up to now, only the veteran himself could apply for a GI home loan. That was perfectly all right, but there were a few very deserving people who really got hurt by this, and they were the widows of veterans who died as a result of service-connected disabilities. This is indeed a startling paradox, and I'm really quite surprised that we've been so long in doing anything about it.

Right after Senator SPARKMAN introduced the middle-income housing bill, I saw in it a chance to correct this. I recalled, too, that Senator MCMAHON had put in a bill which would extend to these widows all the provisions of the GI bill, and that the Pennsylvania department of the Legion had enthusiastically supported it. Of course, since this was merely a housing bill, it was impossible to amend it to include all the benefits provided in the McMahon bill, but I invited Senator MCMAHON to join me in sponsoring an amendment to the housing bill which would allow the unremarried widows of World War II casualties to obtain the same home-loan privileges that veterans themselves could get.

I am happy to report to you that the Senate Banking and Currency Committee adopted the Myers-McMahon amendment in reporting out the middle-income housing bill the other day, and if the Congress passes the bill—as I certainly hope it will—this will be the first instance in which any of the GI benefits have been made available to these deserving young women who have given so much.

What we've done up to now is still short of what has to be done. There are a number of places where we've got some more work to do. For example, inflation had the effect of making disability pensions grossly inadequate in a good many instances, and legislation has already gone through to correct some of the worst spots, and more legislation is on the way. I don't see how anyone can disagree that we owe it to those who were incapacitated by the war.

All of you know about the cut that has been proposed in the Veterans' Hospital program. You will recall that the cut—if carried out—will reduce the number of hospital beds in Pennsylvania by 1,400—killing off completely the 200-bed general hospital in Harrisburg, and making substantial reductions in hospital facilities available at Philadelphia and Pittsburgh.

The Pennsylvania Department of the Legion has followed this actively, and has been very helpful in getting the facts together on the effects this would have on our Pennsylvania veteran population, and I want to express my gratitude for the help I've received from you on this.

As matters stand, the Veterans' Administration still has the Congressional authority to carry out the program as originally planned if the President will allow it. I want you to know that I, and a number of other members of the Congress are watching this whole thing very closely, and are leaving no stone unturned in seeking to persuade the President to change his mind. The Congress refused, I might say, to cut back the authorization.

You may be interested, too, in the changes that are pending in the new social-security legislation. In it is a provision that will give you social security credit for the years spent in service. For most veterans, that won't mean anything for the present, but it will some day. And for those veterans who die before reaching the social-security retirement age, the survivor benefits are, of course, increased by this.

Most of this legislation I've been talking about has been criticized as being a raid on the Treasury to "buy the veteran." This is obviously silly. The veteran can't be bought. He isn't that kind of a person, and anyone who thinks he is, is dead wrong.

This legislation isn't a raid on the Treasury. It's simply decent legislation designed to do the decent thing—a small token payment for the gratitude America feels toward the veterans for their sacrifice and their service to their country.

The Congress hasn't raided the Treasury for the veteran; it doesn't intend to; and the veteran doesn't want it to.

I'd like to take time out for a moment to talk about the State veterans' bonus that you'll have a chance to vote on this fall. The State bonus is our own baby; it's a personal thing, just between us as Pennsylvanians. Anything the Federal Government does for veterans usually means the people of Pennsylvania have to pay more for it than the Pennsylvania veterans get out of it; that's so because incomes are higher in our State than they are in most States, and so we pay more in taxes, proportionately, than a lot of other States.

So far as the Pennsylvania bonus is concerned, it's different. Any bonus plan we may adopt will go to our own people. The whole thing is strictly home-grown. And we'll have to pay for it ourselves; there won't be any Federal help.

The bonus should be a big help for a lot of veterans. It may mean a big step toward a down payment on a house or a car—perhaps a new refrigerator, or something else important that's been needed but just about impossible to get because there hasn't been enough of a margin to put away quite enough to turn the trick.

It is, as you know, nothing more than a token readjustment for long years of unselfish service. It is not, and could not be, sufficient to repay you for that time and service. No price could pay for that.

Incidentally, speaking of this referendum, I notice that voting registrations in Pennsylvania have increased tremendously lately, and that a lot of the new registrants are veterans.

Frankly, I'm delighted about that. As a citizen, the highest privilege we have in a democracy is that of voting. It's a fine habit to get into—the habit of making your voice heard as to the kind of government you think we ought to have, and the kind of policies you think our Government should follow. So for all of you, and particularly those of you who will vote this year for the very first time, please let me encourage you to keep it up.

I have been very much impressed since the war at the wide-awake, active interest so many of our people are taking in Government—their Government. The kind of mail I get is a good illustration of this. I have spent about 11 years in the House and the

Senate, and the volume of my mail seems to have gone up steadily every year.

But it isn't just a matter of quantity. There is a tremendous amount of information in that mail—information that's based on knowledge of what's going on in our communities, in our States, in our Government, in the Nation, and in the world. The people are receptive, they're curious, and above all, they're interested. The veterans are really out in front, so much so that I feel perfectly safe in saying that of all our people, the veterans are the most active in watching what is happening in America and in the world.

I believe this is the best assurance we have that America is going to stay secure and free. So long as people are anxious to participate in their own destiny, so long as they are anxious to tack against the first signs of depression the moment they appear, so long as they are watching the world situation and insisting that America play an affirmative part in building a true and lasting peace, I think we can honestly say that America is ready, willing, and able to keep—and in fact, is keeping—its pledge to its veterans. We can say that we're on top of things, and that we intend to stay on top.

Happenings in Washington

EXTENSION OF REMARKS
OF
HON. EDWARD MARTIN
OF PENNSYLVANIA

IN THE SENATE OF THE UNITED STATES

Wednesday, August 17 (legislative day of Thursday, June 2), 1949

Mr. MARTIN. Mr. President, I ask unanimous consent to have printed in the Appendix of the RECORD a broadcast entitled "Happenings in Washington—Program No. 5," made by me on August 15, 1949.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

HAPPENINGS IN WASHINGTON—PROGRAM NO. 5

This is ED MARTIN, speaking to you from the Nation's Capital, and bringing you another report on Happenings in Washington.

Two weeks ago I discussed the agricultural adjustment bill of 1949, better known as the Brannan plan. I pointed out how this socialistic something-for-nothing scheme could bankrupt the Nation.

In the course of my remarks I said this bill had been favorably reported by the Senate Agricultural Committee. That was an error on my part.

I am glad to report that the committee has not acted favorably. It is now certain that this bill is dead, at least for this session.

Here it is the middle of August, and Congress is still in session in spite of the fact that the law requires Congress to adjourn by July 31, except in time of war or other emergency.

Let me point out that the new fiscal year began on July 1, a month and a half ago. All appropriation bills should have been passed before that date. In the second session of the Eightieth Congress the last appropriation bill was passed on June 19, 1948.

But here we are, still in Washington, with billions of dollars in appropriation bills still awaiting final action.

Because Congress has not passed many of these bills, stop-gap legislation has been necessary to keep the Government services from shutting down.

What does that mean to the people who pay the bills—the workingman, the farmer, the businessman; in fact, everyone whose tax bill has been growing bigger and bigger?

It means that in the final rush to adjourn, when the appropriation bills are finally taken up, there will be no time to give careful consideration to each item of expense.

That is what the bureaucrats want. Millions of dollars that might have been saved will be handed over to the bureaucrats whose whole objective is to spend every dollar of public funds they can get their hands on.

You know how long you would last if you ran your affairs in such a slipshod fashion. Any businessman who tried it would soon find himself in bankruptcy and out of business.

But the Government does not shut up shop. It simply borrows more money. It piles more debt on top of a quarter of a trillion dollars we now owe.

That's what the Federal Government did last year. It spent almost $2,000,000,000 more than its income. At the rate we are now going the deficit in the current fiscal year will be five or six billions, or perhaps more.

While this reckless spending is going on the people are demanding lower taxes.

Tremendous pressure has been generated for the elimination or the reduction of the wartime excise taxes now levied on jewelry, furs, luggage, photographic equipment, cosmetics, electric light bulbs, telegraph and telephone service, railroad tickets, and many other items.

These taxes should not be continued any longer. As a member of the Finance Committee, I supported a bill to eliminate them. This bill is now on the Senate Calendar, but the administration recently announced its opposition to any reduction. We may, therefore, have no opportunity to cut the excise taxes during the present session of Congress.

Now let me make it clear that while I favor eliminating these oppressive taxes, I still insist that the budget can and must be balanced. Federal spending must be kept within the limits of Federal revenue.

Under the present financial condition of our country the only proper way to balance the budget is by cutting down Government spending.

I am sure if you had to make the decision that is what you would do. You would not increase taxes.

I would like to see the Government operated like you good housekeepers run your homes, with careful, prudent handling of the family budget.

But down here in Washington every proposal for economy, for greater efficiency, for better government at lower cost, meets with the most stubborn resistance.

Department and bureau heads, puffed up with their own importance, refuse to cooperate with any proposal that would save money for the taxpayers.

They appear before committees of Congress and scream their heads off when it is suggested that perhaps they could get along with a reduced appropriation.

Oh, no—they must have more. Never less—always more.

A few weeks ago I spoke about the Hoover Commission plans for streamlining the Government that would save up to $5,000,000,000 a year just by eliminating waste and duplication.

I received many letters from Pennsylvanians urging me to support those recommendations that would restore efficient, economical government.

You will recall that in my radio discussion of the Hoover recommendations I predicted that they would arouse determined opposition from every department, board, and commission.

Well, that prediction has come true.

Senator JOHN L. MCCLELLAN, chairman of the Senate Committee on Expenditures in the Executive Departments, sent out letters to the heads of all Federal departments and independent agencies, asking their opinions of the Commission proposals.

I have read carefully the replies he received. They are an illuminating study of how our Government works. They reveal why it is so exceedingly difficult for economy-minded Members of Congress to cut Federal spending.

With just a few exceptions, each agency supported every proposal that would increase its functions or authority, but raised the most vigorous objections to any curtailment of its powers, personnel, or appropriation.

The question of saving the taxpayers money did not enter into it at all. Every agency wanted to hang on to everything it had and get more. The bureaucrats were unwilling to let go of anything. "Bigger and more expensive" was the only slogan most of them seemed to know.

Now I am not saying that the Hoover Commission is 100 percent right on everything it recommended. Nor do I believe that every disagreement with the Hoover reports must automatically be 100 percent wrong.

But I think you will agree that the Hoover Commission was correct most of the time. Only the selfishness and arrogance of the sprawling Federal agencies can prevent the taxpayers from getting a break.

Let me give you some specific examples.

Several recommendations dealt with the Federal Power Commission. Among its functions is the planning of dams and reservoirs for projects which make electricity by water power.

The Hoover Commission found there was costly duplication in this work among the Federal Power Commission, the Army engineers, and the Bureau of Reclamation of the Interior Department.

Let me tell you about that. Last year two of these agencies made plans for the same dam on nearly the exact same site at Hell's Canyon, Idaho.

One dam was to be 710 feet high, the other 740 feet. The estimated cost of one was $358,000,000. The other was to cost $433,000,000, a difference of seventy-five million. Each agency spent about a quarter of a million dollars in preparing its own plans.

Another glaring example of duplication was the Pine Flat project in California. The same two agencies conducted separate field investigations, drew up separate reports and, in the end, each was authorized to construct the same project. Finally Congress caught up with this duplication.

Many more instances of duplication, confusion, and competition among Government agencies could be cited.

In order to eliminate this waste, the Hoover Commission recommended that all planning of dams and reservoirs for electric power, flood control, and irrigation be centralized in the Department of the Interior.

"No," said the Power Commission, in effect, "we don't want to surrender anything. We are an independent agency."

At another point the Hoover Commission suggested that the United States Bureau of the Budget make specific recommendations to save money.

The Federal Power Commission did not like that either. It said such recommendations should be advisory only and not binding upon the Commission.

But there was one proposal that the Power Commission endorsed heartily. It was—now, don't be surprised—salary increases for the members of the Commission.

Now consider the Federal Deposit Insurance Corporation, another of these independent agencies. Washington, today, is full of these agencies, not responsible to anyone at all except the President. Obviously, it is physically impossible for the President to give all of them his attention. So they go their own way—autocratic little bodies—each one a law unto itself.

The Hoover Commission thought that most of them should be responsible to someone who could keep an eye on them. This would prevent duplication. It would prevent waste. It would save money.

The Commission recommended placing the Federal Deposit Insurance Corporation under the general supervision of the Secretary of the Treasury—certainly a logical selection.

But this agency is strongly opposed to any such supervision and said so to Senator McCLELLAN.

Consider now the Reconstruction Finance Corporation. This is the biggest, most powerful loan agency in the world—which has certainly become a law unto itself.

The RFC dissented vigorously from every recommendation made by the Hoover Commission—every single one. The RFC wants no restrictions, no controls, no changes. It just wants to go its own way and do as it pleases with your money.

For example, the RFC objected to transferring to another agency the operation of a Government-owned tin smelter in Texas. The Hoover Commission suggested that running a tin smelter had nothing to do with the business of lending money. It said the plant should be transferred to the United States Bureau of Mines. But, to the RFC, those were fighting words. RFC insisted that it, and it alone, should operate that tin smelter in Texas.

This is what happens when Government grows too big. These Frankenstein monsters are created. They break the chains which hold them under control and go their own way.

I could go on multiplying these examples. But time is running short.

Let me emphasize, these are not exceptional cases. They are the rule.

That is the way things are run in Washington today.

That is why we can't keep down Federal expenses. That is why most of the Hoover Commission recommendations to save money will probably never be adopted unless the people demand them in a voice so strong that they cannot be denied.

Washington today is full of little czars, fighting to keep everything they control and to make their little kingdoms bigger.

They do not help Congress cut the cost of Government. They don't want to save money. They just want to grow to be bigger frogs in bigger puddles by having more people under them, more power and more money to spend.

That is the problem faced by those in Congress who are fighting for economy. It is a hard, tough fight.

Right now we are making a desperate, last-ditch stand to cut appropriations. A majority in Congress is supporting the bureaucrats.

The economy-minded members of both parties are losing the fight by a small margin of votes.

Like a retreating army, we need reenforcements. An aroused public, making its thoughts and feelings known, will be of great help in the battle for economy and efficiency.

I appeal to you to write to your Congressman. Let him know where you stand.

This is ED MARTIN, speaking to you from the Nation's Capital. I will be with you again in two weeks. Thank you for your attention.

Arms Aid Bill

EXTENSION OF REMARKS
OF
HON. LAWRENCE H. SMITH
OF WISCONSIN
IN THE HOUSE OF REPRESENTATIVES

Wednesday, August 17, 1949

Mr. SMITH of Wisconsin. Mr. Speaker, under leave to extend my remarks, I am including two broadcasts by Walter Trohan of the Chicago Tribune over radio station WOL, Washington, D. C. Mr. Trohan is substituting for Fulton Lewis, Jr., and he has been making a valuable contribution to public thinking on the legislation now pending before the House. I am extending his broadcasts of August 11 and 12, which supplement three previous broadcasts on the same subject:

(Broadcast of August 11, 1949)

Tonight I am going to answer the $66,000,000,000 question about the military-assistance program. I will not keep you in suspense long. I will put the question simply and answer it just as simply. The question is, "Who is going to pay for the arming of our western European allies?" The answer is, "Nobody else but you and me." And we won't get a chance to fumble the check. We haven't outfumbled any country on a check in our history and we have been picking up an awful lot of checks in the past 32 years. Perhaps one of the most often-used phrases in American life is, "How much does it cost?" It invariably comes up when you talk about that new car, the vacation, the new hat, or ordering a dinner. The cost is the important barrier that must be cleared. And clearing the hurdle somehow makes whatever we want more worth while. But it ain't that way in Washington. The cost is something to be hidden, a skeleton in the family closet. Only one subject is treated lighter than the cost in Washington and that's economy. Of course, there's a lot of conversation about economy just as there is about the weather, but nobody ever does anything about it. Maybe if we could buy that fur coat, or order that steak with other people's money, we wouldn't fuss about the cost, either. And now the administration is getting ready to spend more of our money.

As you remember, the pact with 10 western European powers and Canada was signed last April. Almost before the ink was dry, the Allies began lining up for hand-outs of arms. Last month President Truman sent Congress a message proposing we give them $1,450,000,000 worth of weapons. One of the first protests against the size of the proposal came from one of the stanchest supporters of the pact, Senator VANDENBERG. The Michigan Republican, as you know, is one of the chief architects of the so-called bipartisan foreign policy. After loosing some vocal fireworks against the size of the White House proposal, Sir ARTHUR, as he is known in the Senate cloak rooms, came up with a compromise this week. He declared himself against giving $1,500,000,000 in arms to the Allies—in 1 year. He would spread the arms over 2 years, which would still give our allies the full total. The Vandenberg scheme provoked able and genial Republican Senator GEORGE MALONE, of Nevada, to remark, "A few more of these Vandenberg savings and we'll be broke."

Now, I have followed every step of the aid program and I haven't found any thorough consideration of the cost. So I thought you might like to take a look at the price tag. I am able to report that the administration has marked it down. Upon inquiry at the War Department I learned that one-third of the total aid contemplated will consist of "surplus" arms. At first glance this would seem innocent enough. However, I was told that these "surplus" arms are valued at 10 cents on the dollar in the administration's tabulation of the cost. This means that the arms charged off at a half billion dollars originally cost $5,000,000,000. And who paid the $5,000,000,000? Nobody else but you and me. Advocates of the arms program say it would not be fair to charge the original cost of the arms against our allies. You and I can wonder what difference it makes what they are charged as long as they aren't going to pay anyway. This business of surplus arms is one of the fuzziest of the many Washington puzzles. As near as I can figure, when some nation wants any weapons we have, they immediately become surplus. And we give them away. Even now the British are asking us to give away atom bomb secrets. You will remember before Pearl Harbor we shipped guns and planes and ships and powder to Europe. When fears were expressed that we were cutting our defenses to the bone, we were told to rest assured—we were told that the stores were surplus even though the shipments meant we hardly had a pound of TNT in our reserves. At the close of this war billions of dollars' worth of weapons and supplies went to our allies. Other supplies were destroyed, including thousands of planes. But hardly had the echoes of the war's shooting died away when our armed forces were asking Congress for guns and ships and planes.

Not long ago I sat down with two lieutenant generals to discuss material stores in our Army. I was shown a list of every type of weapon and every type of ammunition. The list is regarded as top secret. So I can't give it to you. I can't remember it with accuracy, anyway. I can only tell you I was amazed to learn how short our Army is of critical weapons. Naturally I asked what had happened to our vast war [illegible] I got a lecture on surplus and supplies that left me dizzy. All I could say at the end was, if it ain't any good, why do other countries want it. And I say it again now. It would seem logical that if it's good for our allies it's just as good for us and it ain't surplus.

Figuring the cost of the surplus arms in the military assistance program at $5,000,000,000—that's what they cost you and me—and the new weapons to be sent abroad at $1,000,000,000—the total cost of the arms program is actually $6,000,000,000. So what the administration tells us is going to cost one and one-fourth billions has and will cost six billions. And that's only the beginning. Our top military leaders estmate it would take a vast peacetime garrison of 60 divisions to even discourage the Red Army of nearly 600 divisions. Today all our allies have less than a dozen divisions in Europe; and not one is considered in top combat condition. Now it costs more than $400,000,000 to get a division ready for combat. So those 60 divisions would cost about 25 billions. A minimum of air support for these divisions would cost about $15,000,000,000. This would not include long-range bombers. Military leaders do not believe our allies can, or would, provide a garrison of 60 divisions. If this peacetime garrison is to be created, our military leaders are confident we will be called upon to send troops. Advocates of the arms program will tell you it does not mean that a single American soldier will be called for garrison duty. Do not be deceived. These are the same people who told you that passage of lend-lease would mean that American troops would not have to be sent to European wars.

Let me quote from a debate in the French Parliament. On July 25 Deputy Montiel said, "We fear that we shall again have the glorious but dangerous role of being the advance guard. Our army cannot be of immense numbers, but must be of the highest quality. The Atlantic Pact can prove to be the best or the worst measure, dependent upon how military agreements are implemented. We have the right to await from our allies all the assistance we need in order to win the first battle." That, my friends, tells what the French expect in the way of American military aid. And, our top command knows it clearly implies troops. Now, if we are to garrison Europe, then military leaders agree we must have conscription. It has been estimated that universal military training would cost $4,000,000,000 a year, or $20,000,000,000 for 5 years. Let's take a look at the total—we have 25 billions for 60 divisions, 15 billions for supporting air, 20 billions for military training and 6 billions, which the administration claims is only one and one-half billions. The way I count the total for 5 years would be $66,000,000,000. These are not my figures, but the figures of men who have made a career of military planning. This is what they tell me the cost will be if the assistance program is to approach a minimum of success. Some persons might argue 66 billions is too high. Let's cut the estimate of the military experts in half and say that this minimum program would cost 33 billions. That's still a lot more money than a billion and a half. And remember, too, that military experts do not guarantee it will stop the Soviets in Europe.

Furthermore, this does not take into account the other parts of the world where millions are being spent to contain the Soviets. Most of all, it doesn't include the cost of our own defense establishment at home, which now runs fifteen billions a year. Advocates of the arms assistance program can ask, "Have you a better program?" I think the best minds in our Military Establishment have. But they are muzzled. First, they can't speak, supposedly in the interests of promoting unification. Second, they cannot speak because our State Department, rather than our military, is determining strategy. Many of our finest officers must go along with a program to which they do not subscribe. Believe me, I know. They do not want to deceive the American people nor our allies. These men, who represent the best brains in our Military Establishment, say the job of restraining the Soviets can be done in 5 years—that it can be done without shipping arms to Europe.

They say it can be done with a strong American Air Force, supported by an adequate American Army and an adequate American Navy. They would spend six billions a year on the Air Force, three and one-half billions a year on the Army, and two and one-half billions a year on the Navy. This is a total of 12 billions a year as against fifteen billions a year now being spent on the Military Establishment today. It would need no huge expenditures in Europe. We must never forget Nikolai Lenin wrote in 1924, "Some day we shall force the United States to spend itself into destruction."

(Broadcast of August 12, 1949)

Tonight I want to tell you why our military leaders believe that war against Soviet Russia cannot be won on the ground. All week I have been giving you a rather gloomy picture of world war III, which we all hope will never come. Next week I will tell you how world war III can be won by ideas and through the air. Before we can look at the brighter side of the picture, we must consider the difficulties. It must be kept in mind that communism thrives on war. It was born in World War I. In World War II it swept over Asia, and into central Europe. It now threatens the world. If world war III is fought on the ground in Europe, it could end western civilization. Not one responsible military leader has told you that the $1,450,000,000 arms assistance program will work—that it will stop Soviet Russia. Instead they tell you, as General Bradley told Congress, it is important to lift European morale. You can lift European morale out of a bottle, if you pay for the bottle.

Not one responsible military officer has told you we can defeat Soviet Russia on the ground. No one in history has. Napoleon invaded Russia with a half-million of the best troops in Europe—troops which had won victory after victory. He captured, sacked, and burned Moscow. And then where was he? Out in the cold. Winter set in. Only 30,000 stragglers of the Grand Army escaped. And these were starved and diseased. Hitler threw 220 crack divisions against the Red Army in 1941. He had powerful panzer divisions and control of the air. He advanced to Leningrad and Moscow. Since the end of the war, Soviet sources have revealed that Hitler had Moscow but did not know it. His advance guard entered the city and turned back, not knowing resistance had withdrawn. Hitler poured into the Caucasus and dashed against Stalingrad. Again winter saved Russia. Hitler failed. He lost 5,000,000 men in Russia. Five million men killed or maimed. Five million men incapacitated. This does not consider superficial wounds. No one knows how many the Russians lost. Life is cheap in the Soviet Union. Statistics on casualties were not kept. The best estimates are that Stalin lost 10,000,000 men. Let me quote from a German general to tell you what an advance of the Soviet Army is like. General Manteuffel, who led many tank raids against the Soviets, said:

"The advance of a Russian Army is something that we westerners can't imagine. Behind tank spearheads rolls a vast horde, largely mounted on horses. The soldier carries a sack on his back, with dry crusts of bread and raw vegetables collected on the march from fields and villages. The horses eat the straw from house roofs—they get very little else. The Russians are accustomed to carry on for as long as 3 weeks in this primitive way of advancing. You can't stop them, like an ordinary army, by cutting their communications, for you rarely find any supply columns to strike.

"Some air officer, I believe it was Gen. Toohey Spaatz, told me how he got the answer to why Germany lost the war from a barber in Berlin. This barber had fought on the eastern front against the Russians and on the western front against Americans. The general asked him how he explained the German defeat. The barber replied: 'Too many Russians and too many American planes.'"

As you have gathered from what I have told you thus far, winter and manpower are two major factors favoring Russia. The Soviets can put 20,000,000 men in the field. This is almost twice our war mobilization. Another important factor favoring Russia is terrain—distance. In front of Hitler the Soviets retreated from the middle of Poland to Stalingrad. This would be comparable to a retreat from New York City to Omaha. And still they were not defeated, but were able to turn the tide. Military experts, as you know, concede that the Soviets could capture all of continental Europe in 90 days. The problem of fighting back on land would be an enormous one. Europe is a tapering peninsula on Russia's western frontier. It is something like a wedge of apple pie with a slice or two dangled out to form Italy and Greece and Scandinavia. This shape favors the Soviets. For, as they move westward, the front narrows for them. As armies move eastward against Russia, the front widens. If an invasion were to begin from the coast of France, the front would open widely to 750 miles between the Baltic and the Black Seas. At its widest in Europe—from Murmansk, on the Arctic, to the Caucasus, the front would be 2,000 miles wide. And the Soviets could retreat 6,000 miles to the east—twice the width of the American Continent.

We have seen the great allies of Russia are distance, winter, and manpower. Russia (without her satellites) is almost three times the size of the United States. Russian winters are so cold that Americans and western Europeans would have difficulty in withstanding them. Russia has vast stores of manpower. And Soviet leaders expend lives most willingly. Now we can ask our military leaders what sort of army is the Soviet Army? I can give the answers as far as they are known today. The army is considered far ahead of the Red Army which went to war in 1941. This means it is a better army than the one which smashed Hitler's crack legions. The Soviet Army is considered at a peak in the top command and in the lower echelons of combat officers. These junior officers are considered competent and capable. The top command, of course, proved its abilities in war. There is no short cut to experience in war. And Soviet generals have ground-war experience. In the middle echelons the officers are considered a bit weaker. This is because they must at all times be politically conscious. They must do as the commissars want them to do. The Russian soldier is believed to be improving steadily. Since 1941 the average Russian has learned much about the handling of military equipment. The Soviet Army is the pride of all the Russians. It is what the Royal Navy was to the British. The air force is considered subordinate to the army. The air force numbers about 19,000 planes, of which about 4,000 are first-line fighters. The best planes are considered good, although Russia is behind the west in the production of engines. This is a chance to start on a level with the west in this development. The British are selling jet engines to the Soviets. And these sales are being made as Britain is asking the United States for billions of dollars to strengthen herself against encroaching communism. The Soviets are also employing the services of German jet technicians in developing their own jet planes. The Soviet Navy is not at all formidable. It could not control the Baltic in the last war, or even the Black Sea.

The Reds are stressing the construction of submarines. They now have about 300 submarines. Of these, 30 to 50 are of the snorkel type. The snorkel sub, as you know, is equipped with a device which enables it to breathe under water. It is faster and can cruise farther than undersea craft which must come to the surface often. Soviet development of this craft would indicate that the Reds plan to repeat the German undersea campaigns of the First and Second World Wars. In this connection I can tell you that our Navy has the techniques to combat the snorkel sub.

So far as is known, the Soviets have not stressed strategic bombing—the long-range bombing far behind the lines. This is the bombing which shattered Japan and brought the Japs to thinking of surrender even before the atomic age was ushered in by the terrible mushrooms over Hiroshima and Nagasaki. The Soviets did intern several B–29's, the planes that bombed Japan. Even though we were their allies, the Soviets interned American planes used against the Japs because the Reds did not enter the war against Japan until it was almost over. It is believed the Reds are copying the B–29 and seeking to build a strategic air force. But we have no definite information. And now let me return

once again to Soviet manpower. There are 20,000,000 Russians available for military service. These are trained men. Most of them have had war experience. Some have had 4 years of war. Soviet satellites could provide other millions. Remember that in Russia women do the work of men. Labor and life are cheap. Women could and would be forced to release more millions of men for war service. And don't forget that now that China is falling to Communists the Soviets can and will recruit millions upon millions from the Orient. Recruiting is a simple problem in China. All the Soviets need to do is to give the Chinese food, warm clothes, and shelter, and the recruiting problem is solved. There are more than 200,000,000 Russians and almost 500,000,000 Chinese and more than 60,000,000 satellites. Remember, too, that the Russians are more oriental than European. I have been told that one must go to China to understand the Russians. At any length the Soviets will have no difficulty in securing cooperation from the Chinese Communists. In World War II we could have destroyed Germany eventually on the ground because we outnumbered the Germans. Also we could have destroyed Japan in ground combat because we outnumbered the Japs. But we do not outnumber the Russians. Billions for arms for our European allies won't alter this cold fact. We and our allies are outnumbered by the hordes of Russians and Chinese Communists. Our military leaders know we cannot trade off life for life with these barbarians. We must not trade American boys—life for life—with these godless barbarians.

Next week I am going to tell you how we can win and save American lives.

Expansion Opportunities for Railroads

EXTENSION OF REMARKS

OF

HON. FRANCIS J. MYERS

OF PENNSYLVANIA

IN THE SENATE OF THE UNITED STATES

Wednesday, August 17 (legislative day of Thursday, June 2), 1949

Mr. MYERS. Mr. President, I ask unanimous consent to have printed in the RECORD excerpts from an address delivered by me at Altoona, Pa., on August 12, in connection with the Labor and Industry Day program of Altoona's centennial anniversary observance.

There being no objection, the excerpts were ordered to be printed in the RECORD, as follows:

MYERS FORESEES NEW EXPANSION OPPORTUNITIES FOR RAILROADS

ALTOONA, PA., August 12.—United States Senator FRANCIS J. MYERS, of Pennsylvania, chairman of the Senate's Transportation Subcommittee, tonight forecast dramatic new expansion in the railroad industry if railroad management and labor continue modernizing their thinking.

Addressing a Labor and Industry Day program as part of Altoona's centennial anniversary observance, the Pennsylvania senior Senator told residents of this railroad and car-building center:

"The railroads have been written off as dead ducks and dinosaurs these many years, as obsolescent, as a dying industry. In the 1930's, when many of the roads were in bankruptcy, all the estimates of future earnings were pessimistic, new capitalizations were made very low.

"Now, with the railroads suffering a temporary decline reflecting the falling off in manufacturing and business generally, the crepe hangers are out again predicting a slow death for the railroads.

"Yet, those of us who have watched the railroad industry gear to war needs—and do an impossible job with worn-out and used-up equipment—and who have seen railroad management and railroad labor more and more joining together to modernize their thinking have no doubts that this industry cannot merely come back but go on to dramatic new expansion."

MYERS said the railroads must strive to achieve the highest degree of courtesy and comfort to the traveler and to demonstrate to business and shippers, even at the expense of immediate earnings, the fastest deliveries it can possibly make.

"Railroading is in fast company," he declared, "but it can do a mighty fast job, too, when the will is there to do it."

Praising the steady improvement in management-labor relations within the industry over the last few generations, MYERS said "railroad labor long ago came to recognize that the best way they can help themselves climb up the economic ladder is to help the railroads do a better job.

"Management on its side learned, too, that well-paid, secure, and happy employees were alert and interested employees, were conscious not merely of today's pay check, but of tomorrow's opportunities in a healthy industry.

"Although the railroads have been hit pretty hard over the past few months by the slowdown in industrial activities generally throughout the country, although the car shops—after 2 years of break-neck, capacity production—are now practically closed down all over the country, I have noticed in the railroad industry an unusual degree of planning ahead and looking ahead to peak operations.

"The equipment which was used up and worn out during the war still needs replacement. The climate is ripe for this work now. New, faster, better equipment means new, better, faster, more reliable railroad service. This is service the country is going to continue to need for a good many years to come.

"A town like yours, a town synonymous with railroading, is a certain barometer of our national economic well being. When business begins to slide off, you feel it long before other towns, for a business slowdown starts, you might say, with a slowdown in railroad business—that's how basic this industry is. The upturns are reflected here in the same way.

"Your future as a community lies not just with the railroads but with the economic expansion of all America, an expansion in production and in distribution of consumer goods, guaranteeing full employment for all of our people. The economic future of America looks mighty good. It's up to all of us to keep it looking that way."

Agricultural Workers

EXTENSION OF REMARKS

OF

HON. ANTHONY CAVALCANTE

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, August 17, 1949

Mr. CAVALCANTE. Mr. Speaker, a short analysis of H. R. 5557 will show that the bill authorizes the Federal Security Administrator to supervise and coordinate the contracting of agricultural workers from foreign countries for temporary agricultural employment in the United States; to require satisfactory assurances from prospective employers regarding wage rates and other conditions of work; to allocate such workers and coordinate their employment among agricultural employers in the negotiation or renegotiation; and in the carrying out of agreements with foreign governments relating to the importation of such workers into the United States.

Clearly, Mr. Speaker, if this bill should pass, it will be a long, shameful step in the direction of peonage here in America. It will blast wide open the gates to involuntary servitude and bring back to this land the colonial period practice of indentured labor. It will be a degrading reflection upon American labor and upon the American farmer. It will stigmatize the American laborer as unworthy of decent hire, and brand the American farmer as a miserly, cheap, and feudal landowner who would debase the standard of American labor by the importation of indentured peons from foreign countries to do the agricultural work of our Nation. Further, the bill will stultify our estimation of the dignity of labor in the whole of the Western Hemisphere. It is a contravention of the letter and spirit of amendment 13 of our Constitution which reads that—

> Neither slavery nor involuntary servitude, except as a punishment for crime whereof the party shall have been duly convicted, shall exist within the United States, or any place subject to their jurisdiction.

It is a bill that we should defeat cheerfully and with duteous satisfaction.

The resolution that makes H. R. 5557 an order of this House also provides that after the reading of the enacting clause, it shall be in order to move to strike out all after the enacting clause and insert the text of the bill H. R. 5828. This does not mitigate the unpalatability of the original bill. The amendatory text is more sinister than the original. The legislative draftsman who drew H. R. 5828 has displayed a keen sense of ingenuity. He has shifted the onus of the original text from the Federal Security Administrator and the Secretary of State to the Secretary of Agriculture, the Commissioner of Immigration and Naturalization, and the Attorney General. He has exempted the importation of such foreign workers from those excluding provisions of section 3 of the Immigration Act of 1917 which relate to contract laborers, the requirement of literacy, and the payment of passage by corporations, foreign governments, or others. He has exempted such foreign worker from the provisions of the Alien Registration Act of 1940. He has exempted the importation of such worker from the provisions of sections 5 and 6 of the Immigration Act of 1947. He has established the indentured status of such worker by subjecting him to rules and regulations prescribed by the Commissioner of Immigra-

tion and Naturalization and to carry upon his person an identification card, with his photograph and fingerprints. This H. R. 5828 embraces all the unsavory implications of the original text and also numerous other objectionable features which were not in the thought of the draftsman of the original text. Let us examine the features that are imported into H. R. 5828 by reference to other statutes.

On page 2, lines 3 to 9 and lines 21 to 23 H. R. 5828, the importation of these foreign workers is exempted from the applicable provisions of sections 2, 3, 5, and 6 of the Immigration Act of 1917. The pertinent exemptions are as follows:

SEC. 2. That there shall be levied, collected, and paid a tax of $8 for every alien, including alien seamen regularly admitted as provided in this act, entering the United States. * * *

SEC. 3. That the following classes of aliens shall be excluded from admission into the United States: All idiots, imbeciles, feebleminded persons, epileptics, insane persons; persons who have had one or more attacks of insanity at any time previously; * * * persons with chronic alcoholism; paupers; professional beggars; vagrants; persons afflicted with tuberculosis in any form or with a loathsome or dangerous contagious disease; * * * persons who have been convicted of or admit having committed a felony or other crime or misdemeanor involving moral turpitude; polygamists * * *; anarchists, or persons who believe in or advocate the overthrow by force or violence of the Government of the United States * * * or who advocate the assassination of public officials * * *; prostitutes, or persons coming into the United States for the purpose of prostitution * * *; persons hereinafter called contract laborers, who have been induced, assisted, encouraged, or solicited to migrate to this country by offers or promises of employment, whether such offers or promises are true or false, or in consequence of agreements, oral, written, or printed, express or implied, to perform labor in this country of any kind, skilled or unskilled; persons who have come in consequence of advertisements for laborers printed, published, or distributed in a foreign country; persons likely to become public charges; persons who have been deported under any of the provisions of this act. * * *

All aliens over 16 years of age, physically capable of reading, who cannot read the English language, or some other language, or dialect, including Hebrew or Yiddish * * *: *Provided* * * * That skilled labor, if otherwise admissable, may be imported if labor of like kind unemployed cannot be found in this country, and the question of the necessity of importing such skilled labor in any particular instance may be determined by the Secretary of Labor upon the application of any person interested, such application to be made before such importation, and such determination by the Secretary of Labor to be reached after a full hearing and an investigation into the facts of the case: *Provided further*, That the provision of this law applicable to contract labor shall not be held to exclude professional actors, artists, lecturers, singers, nurses, ministers of any religious denomination, professors for colleges or seminaries, persons belonging to any recognized learned profession, or persons employed as domestic servants. * * *

SEC. 5. That it shall be unlawful for any person, company, partnership, or corporation, in any manner whatsoever, to prepay the transportation or in any way to induce, assist, encourage, or solicit, or attempt to induce, assist, encourage, or solicit the importation or migration of any contract laborer or contract laborers into the United States unless such contract laborer or contract laborers are exempted under the fifth proviso of section 3 of this act. * * *

SEC. 6. That it shall be unlawful and be deemed a violation of section 5 of this act to induce, assist, encourage, or solicit or attempt to induce, assist, encourage, or solicit any alien to come into the United States by promise of employment through advertisements printed, published, or distributed in any foreign country, whether such promise is true or false.

On page 3, lines 1 to 5, the bill gives the term "agricultural work" an unbounded meaning and adds to that meaning the services or activities included within the provisions of section 3 (f) of the Fair Labor Standards Act of 1938 or section 1426 (h) of the Internal Revenue Code, as amended. These sections are respectively as follows:

SEC. 3. (*f*) * * * "Agriculture" includes farming in all its branches and among other things includes the cultivation and tillage of the soil, dairying, the production, cultivation, growing, and harvesting of any agricultural or horticultural commodities (including commodities defined as agricultural commodities in section 15 (g) of the Agricultural Marketing Act, as amended), the raising of livestock, bees, fur-bearing animals, or poultry, and any practices (including any forestry or lumbering operations) performed by a farmer or on a farm as an incident to or in conjunction with such farming operations, including preparation for market, delivery to storage or to market or to carriers for transportation to market.

SEC. 1426. (h) * * * The term "agricultural labor" includes all services performed—

(1) On a farm, in the employ of any person, in connection with cultivating the soil, or in connection with raising or harvesting any agricultural or horticultural commodity, including the raising, shearing, feeding, caring for, training, and management of livestock, bees, poultry, and fur-bearing animals, and wildlife.

(2) In the employ of the owner or tenant or other operator of a farm, in connection with the operation, management, conservation, improvement, or maintenance of such farm and its tools and equipment, or in salvaging timber or clearing land of brush and other debris left by a hurricane, if the major part of such service is performed on a farm.

(3) In connection with the production or harvesting of maple sirup or maple sugar or any commodity defined as an agricultural commodity in section 1141j (g) of title 12, as amended, or in connection with the raising or harvesting of mushrooms, or in connection with the hatching of poultry, or in connection with the ginning of cotton, or in connection with the operation or maintenance of ditches, canals, reservoirs, or waterways used exclusively for supplying and storing water for farming purposes.

(4) In handling, planting, drying, packing, packaging, processing, freezing, grading, storing, or delivering to storage or to market or to a carrier for transportation to market any agricultural or horticultural commodity; but only if such service is performed as an incident to ordinary farming operations or, in the case of fruits and vegetables, as an incident to the preparation of such fruits or vegetables for market. The provisions of this paragraph shall not be deemed to be applicable with respect to service performed in connection with commercial canning or commercial freezing or in connection with any agricultural or horticultural commodity after its delivery to a terminal market for distribution for consumption.

As used in this subsection, the term "farm" includes stock, dairy, poultry, fruit, fur-bearing animal, and truck farms, plantations, ranches, nurseries, ranges, greenhouses or other similar structures used primarily for the raising of agricultural or horticultural commodities and orchards.

(NOTE.—Sec. 15 (g) of the Agricultural Marketing Act mentioned above is as follows:)

"As used in this subchapter, the term 'agricultural commodity' includes, in addition to other agricultural commodities, crude gum (oleoresin) from a living tree, and the following products as processed by the original producer of the crude gum (oleoresin) from which derived: Gum spirits of turpentine, and gum rosin, as defined in section 92 of title 7."

Hence, Mr. Speaker, it is evident from a careful study of both H. R. 5557 and H. R. 5828, that if this House passes either of these bills, it will have struck a degrading blow to the American standard of living, by permitting the invasion of our American labor market by illiterates, peons, and the scum of foreign countries.

I am sure that neither our proud American farmer nor our dignified American labor desire this stultifying blow to our enviable American agricultural economy.

Revision of Antitrust Laws

EXTENSION OF REMARKS
OF
HON. EMANUEL CELLER
OF NEW YORK
IN THE HOUSE OF REPRESENTATIVES

Wednesday, August 17, 1949

Mr. CELLER. Mr. Speaker, under unanimous consent, I include in the Appendix of the CONGRESSIONAL RECORD the First Progress Report of the Subcommittee on Study of Monopoly Power, which functions under the House Judiciary Committee. This report recapitulates the series of hearings at which the subcommittee has heard many of the most distinguished legal and economic experts in the field of antitrust law. I feel sure that the report will be of great interest to the legal profession, industrial and financial circles, to colleges and libraries throughout the Nation, and to the people of the United States, and I especially commend it to each and every Congressman and Senator so that he may be apprised of the importance of what is under way in the nature of antitrust law revision.

The report follows:

FIRST PROGRESS REPORT—SUMMARY OF HEARINGS ON STUDY OF MONOPOLY POWER, COMMITTEE ON THE JUDICIARY, HOUSE OF REPRESENTATIVES, EIGHTY-FIRST CONGRESS, FIRST SESSION, JULY 11 TO AUGUST 5, 1949

Subcommittee members: EMANUEL CELLER, New York, chairman; FRANCIS E. WALTER, Pennsylvania; JOSEPH R. BRYSON, South Carolina; J. FRANK WILSON, Texas; WINFIELD K.

DENTON, Indiana; EARL C. MICHENER, Michigan; KENNETH B. KEATING, New York; WILLIAM M. MCCULLOCH, Ohio.

C. Murray Bernhardt, general counsel.

David C. Coyle, consultant.

Containing summarization of statements and recommendations of the following witnesses: Walter Adams, assistant professor of economics, Michigan State College; Ellis Arnall, former Governor of Georgia and president of the Society of Independent Motion Picture Producers; Thurman Arnold, attorney at law, Washington, D. C.; Herbert A. Bergson, Assistant Attorney General in Charge of the Antitrust Division, Department of Justice; Adolph Berle, Jr., professor of corporation law, Columbia Law School, Columbia University, New York City, N. Y.; John M. Blair, Chief, Division of Economics, Bureau of Industrial Economics, Federal Trade Commission; Hon. Charles F. Brannan, Secretary of Agriculture; John D. Clark, member of Council of Economic Advisers; Hon. Tom C. Clark, the Attorney General of the United States; Morris L. Ernst, attorney at law, New York City, N. Y.; John M. Blair, Chief, Division of Economics, Bureau of Industrial Economics, Federal Trade Commission; Hon. Charles F. Brannan, Secretary of Agriculture; John D. Clark, member of Council of Economic Advisers; Hon. Tom C. Clark, the Attorney General of the United States; Morris L. Ernst, attorney at law, New York City, N. Y.; Walton H. Hamilton, attorney at law, Washington, D. C.; Milton Handler, attorney at law and professor of law, Columbia University, New York City, N. Y.; Edward R. Johnston, attorney at law, Chicago, Ill.; Everett N. Kassalow, associate director of research, Congress of Industrial Organizations; Leroy Lincoln, president, Metropolitan Life Insurance Co., New York City, N. Y.; Hon. Francis P. Matthews, Secretary, Department of the Navy; Hon. Joseph C. O'Mahoney, United States Senator from the State of Wyoming; Donald R. Richberg, attorney at law, Washington, D. C.; Lazar Teper, director of research, International Ladies' Garment Workers' Union, New York City, N. Y.; H. A. Toulmin, Jr., attorney at law, Dayton, Ohio.

SUMMARY OF TESTIMONY GIVEN AT HEARINGS

The first series of hearings, July 11 to August 5, 1949, was planned to explore the subject of monopoly power, and to indicate points at which changes in the antitrust laws might be advisable. The subcommittee plans to hold further hearings in October on the general subject and on proposals for specific bills that may be introduced early in 1950, followed by a reexamination of the antitrust laws as a whole during the second session of the Eighty-first Congress.

The conclusions hereinafter presented are those of the witnesses who testified and are not those of the members of the subcommittee.

The list of witnesses for the first series of hearings does not include representatives of all important viewpoints, since about half of those who were invited to appear were unavailable until a later date. The majority of those whose opinions are summarized below are lawyers or economists, in either private practice or Government service. The position of business, therefore, is shown here mainly as it appears to legal counsel on both sides in antitrust proceedings, except for the testimony of Mr. Lincoln, Mr. Berle, Dr. Teper, the latter speaking for the ladies' garment industry, and some of the Government officials with business backgrounds.

NEED FOR REEXAMINATION OF ANTITRUST LAWS

The witnesses were generally in agreement that the antitrust laws are more or less unsatisfactory in their present form. The most frequent reason given for dissatisfaction was that economic concentration has not been prevented or sufficiently slowed down. The majority of the witnesses expressed the opinion that business concentration is politically dangerous, leading inevitably to increasing Government control. As Attorney General Clark said on July 11, "There is too much recent and tragic world history not to impress upon us the dangers in failing to meet the monopoly problem. In Italy, in Germany, in Japan, the same disastrous cycle of events transpired." Similar statements were made by Senator O'Mahoney, Mr. Ernst, Secretary Matthews, Mr. Berle, Mr. Kassalow, Dr. Adams, Mr. Richberg, and Professor Handler, and, as in the TNEC hearings, there was no expression of doubt as to the necessity of effective antitrust laws for maintenance of the American type of free institutions.

Many of the witnesses also criticized the laws granting special exemptions from the antitrust laws, especially the Reed-Bulwinkle, Miller-Tydings, and Webb-Pomerene Acts, which will be further considered by the subcommittee. The necessity for strengthening section 7 of the Clayton Act was also stressed. A bill for this purpose has already been reported out by the Judiciary Committee (H. R. 2734).

Specific criticisms of the present state of the antitrust laws were voiced by most of the witnesses. Examples were given of conflict with other laws and other Government practices, especially in taxation and in procurement. The relation between patent law and antitrust was criticized, especially by Mr. Toulmin. Lawyers for private business were critical of uncertainty in the law and of what they regarded as excessive lawmaking by the courts. Others, however, were fearful that too much detail in legislation would open loopholes through which the general purpose of avoiding undue concentration might be frustrated.

Enforcement officials were dissatisfied with the fact that though the law against conspiracy among separate firms has been effective, the escape by merger of previously competing companies has been thereby encouraged. They also complained that failure of competition because of price leadership is not adequately met by existing law, and several witnesses suggested that a Government agency be directed to diagnose and prescribe treatment for industries where price competition fails to operate, or where concentration appears to require some type of intervention in the public interest.

DESCRIPTION OF MONOPOLY SITUATIONS

Various witnesses gave expert testimony or general information on the forms and methods of economic concentration. Dr. Blair described the continued merger movements and showed typical cases of horizontal, vertical, and conglomerate integration. Senator O'Mahoney, Mr. Ernst, Dr. Adams, and Professor Handler emphasized the dangers of concentration by merger. The Attorney General and Senator O'MAHONEY stressed also the effects of cartels.

The loss of price competition where three or four large concerns are able to administer the prices for an industry, or where one concern is the price leader, was described by several witnesses, including Attorney General Clark, Dr. John D. Clark, Dr. Blair, Dr. Adams, Mr. Kassalow, and Mr. Bergson.

Testimony was given relating to some of the methods by which economic controls are concentrated. Mr. Berle pointed out that most of the funds available for equity capital investment appear in the form of undistributed income of large corporations, which can then choose either to expand internally or to buy up smaller concerns. Messrs. Ernst, Berle, and Kassalow discussed the growth of life-insurance assets, and the fact that these funds, which originate in small savings, are almost inevitably loaned to business only in large units. Mr. Bergson pointed out some of the other means of control, such as monopoly of raw materials, illegal use of patents and trade-marks, or control over market outlets. He also noted the common excuse that concentration is required as a protection in dealing with other concentrated organizations, commenting: "I do not believe, however, that the cancerous growth of concentration can be effectively combated by developing other cancerous cultures."

Mr. Berle and Mr. Lincoln testified, from different points of view, as to the methods by which the management of a large corporation is chosen, and the practical difficulties of effective voting by stockholders or policyholders. The subcommittee also discussed with Mr. Lincoln the interlocking directorates involved in the Metropolitan Life Insurance Co. Mr. Lincoln said, "There is no secret about it. We brag about it," and denied the TNEC inference that interlocking is used for purposes of influence.

The relation between patent monopoly and illegal forms of concentration was mentioned by several witnesses. Mr. Toulmin complained of allowing attacks on the validity of patents as an incident in an antitrust suit. He also opposed compulsory licensing, and cited the loss of value when enemy patents were freely offered at $15 by the Alien Property Custodian. Dr. Adams recommended compulsory licensing of patents abused or suppressed by large concerns. The Attorney General testified that patent abuses such as tie-in contracts, illegal price-fixing, and so forth, have now been largely eliminated. Professor Handler agreed, but suggested legislation to forbid a patent owner setting the price of goods manufactured by others under his license. The subject of patents will be further investigated by the subcommittee.

The relation of monopoly to agriculture was discussed by Secretary Brannan. Mr. Brannan listed the various laws under which the Department regulates certain indutries affecting farm income. He cited the Rural Electrification Administration as an example of Government intervention where a monopoly refused adequate service. Mr. Brannan suggested investigation of marketing charges, open-price quotations, stability of pulpwood prices, and the fertilizer industry.

Labor monopoly was discussed by several of the witnesses. The Attorney General stated that the present law brings a labor union under antitrust law when it conspires with employers to restrain trade. Dr. John D. Clark noted that the restriction of coal output without the express agreement of the operators was exempt from antitrust action, and the practice might be extended to other industries if found advantageous by the unions. Mr. Richberg discussed at length the original intention of the union exemption in the Clayton Act, and suggested that Congress should legislate to distinguish clearly between the allowable effects of legitimate union activity and efforts to use union power for monopoly profits not sanctioned by the public. He opposed industry-wide contracts and cited in contrast the company contracts of the railway unions. Mr. Arnold also discussed labor monopoly practices, referring particularly to the building industry. Professor Handler stated that in most cases of union monopoly practices collusion can be proved, and that the antitrust laws must not be carelessly used to control the legitimate activities of unions. Mr. Kassalow referred to the subject of labor monopoly as a red herring.

Several of the witnesses described specific examples of the difficulties that arise in maintaining an antitrust policy.

Dr. Teper gave details of the squeeze on clothing manufacturers because of concentration in the textile industry on one hand, and among the buyers and distributors of women's clothing on the other. Secretary Brannan stated that business concentration both in buying farm products and in selling to farmers has forced the concentration of certain features of agriculture, under Government auspices and regulation.

Governor Arnall testified that practically unregulated railroad rate-making placed the

South at a serious disadvantage, and that efforts to obtain a revision of rates had led only to the Reed-Bulwinkle Act, exempting the railroads from antitrust action. Governor Arnall also gave a description of restraints in the moving-picture industry, which he stated had been only partially relieved by recent court decisions. The Governor pointed out that the Webb-Pomerene Act, originally passed to enable American exporters to fix prices for commodities when sold abroad and thereby aid small business, has lent itself "not only as a shield against foreign competitors, but as a sword against domestic competitors here at home."

Messrs. Ernst, Berle, and Arnold referred to conflicts between the tax laws and the antitrust laws, in particular the effect of taxes in forcing small concerns to merge with large ones, or in penalizing any voluntary splitting up of large combines. The undistributed profits tax, with a $25,000 exemption, was favored by Professor Adams. Mr. Ernst noted the fact that postage rates favor catalogs of large firms over small.

Government procurement policies were criticized by several witnesses, especially by Messrs. Ernst and Berle. Secretary Matthews, speaking for the National Military Establishment, stated that an effort is being made to increase the facilities for doing business with small concerns. Professor Adams also criticized the policies of the War Assets Administration in the disposal of plants, with particular reference to steel.

Mr. Ernst cited several examples of incidental restrictions in one industry by the policies of another. He referred to practices of telephone companies placing small radio stations at a disadvantage, to advertising rates favoring large advertisers, and especially to the concentration of investing power in the large insurance companies.

RECOMMENDATIONS BY WITNESSES

The objectives of antitrust laws are commonly assumed to be, first, to protect consumers against high monopoly prices; and second, to protect independent businessmen against ruin or oppression by concentrated economic powers. Additional objectives were suggested by some of the witnesses. Dr. John D. Clark pointed out the purpose of Congress at the time of the passage of the Sherman Act also included as an objective the promotion of increased production through the maintenance of competition. Dr. Hamilton emphasized that concentration tends to render the management of an industry secure and to give it both the power and the inclination to exclude new men with progressive ideas. He cited Henry Ford as an example of a man whom the bankers would have obstructed had they been able. Mr. Arnold suggested that modern conditions call for more stress on decentralization of industry and for keeping absentee ownership of local enterprises to a minimum in order to preserve important social and political values.

There was also implied in the testimony of most of the witnesses the thought that free political institutions are now so much less secure than in 1890, that maintenance of a competitive and diversified economic system is imperative as one of the mainstays of political freedom. The weight of opinion seemed to place the safeguarding of political freedom in the first position, followed by freedom for technical progress and production growth, with the detailed protection of competing business operators and consumers as immediate means or methods for the underpinning of free political institutions and prosperity.

Further hearings may throw light on the relative importance of the objectives of the peculiarly American institution of antitrust legislation. The subcommittee hopes for wide public discussion of this feature of its work, since the formulation of the law and the expression of the intent of Congress as a guide to interpretation must be based as firmly as possible upon the actual will of the American people and their intentions as to their future course of development.

Specific suggestions for changes in the law dealt with various means by which its major objectives might be better attained, or with means for attaining the fundamental purposes of the law with a minimum of strain on business institutions.

The Attorney General pointed out that antitrust action is aimed at holding open the door for new competitors to enter any industry. Professor Adams suggested that separating the moving-picture companies from their exhibition outlets, for example, would promote the entry of independent producers, and that action against any concentration that has led to price leadership will encourage new enterprise. He advocated Government action to make credit more easily available to small concerns, a revision of tax laws favoring small enterprises, Government research in fields useful to independent business, and action to prevent the preemption of basic materials needed by small concerns. Testimony at these hearings, however, was generally directed more toward the control of concentration than toward specific actions to aid new or small enterprises.

Professor Adams suggested that in making laws to foster competition it is necessary to be clear as to the kind of competition to be fostered. Perfect competition is not possible or necessary. The definition should be in terms of the basic objectives of the law; protection of consumers, prevention of price or production controls based on size, protection of new technology from artificial frustration, and maintenance of legal and economic freedom of entry for new enterprise.

The treatment of size as such was touched upon by practically every witness. The Attorney General and Mr. Bergson both stated that the Department has not attacked bigness as such, though it has often attacked illegal behavior based on concentrated power. Dr. Clark called attention to the connection of bigness with price leadership, which might be avoided where dispersal of industry is practicable. Mr. Ernst expressed a general opposition to bigness because of its leading to demands for Government control or nationalization, with consequent weakening of free political institutions.

Mr. Berle discussed the question of size at some length and suggested the principle that there is a top limit "beyond which mere size does become dangerous in and of itself." Dr. Teper "would not say that bigness per se is bad," but it becomes bad, for instance, when small manufacturers have to deal with unduly concentrated suppliers and distributors. Dr. Adams quoted Justice Douglas as saying that size which gives power to a handful of men is contrary to the philosophy of the Sherman Act and that "the fact that they are not vicious men * * * is irrelevant." Mr. Arnold suggested that if some one business service requires large size the business should be confined to that service alone and not permitted to control other features that can operate efficiently on a local scale. Mr. Johnston said that he had not observed any oppressive use of size, but "there might be a point where we should step in and place limitations upon * * * further growth." Professor Handler placed in the record his TNEC proposals for limiting new acquisitions by companies in accordance with their size.

Mr. Ernst suggested that it is time for more information on the relation of size to efficiency. Mr. Richberg stated that in his experience as enterprises grow they often lose efficiency, and that if smaller concerns are protected from oppression by economic power they can take business away from larger ones. Mr. Toulmin noted that "some of the greatest prosperity of the United States has come from the dissolution of large organizations." Dr. Blair quoted with approval the report of the Council of Economic Advisers of January 1949 that in many fields size appears to have passed beyond the point of optimum efficiency. Professor Adams pointed out that the most efficient size usually applies to the plant, and productive efficiency does not necessarily justify ownership of several plants by one mammoth concern. Mr. Bergson decried the common charge that dissolution of large concerns will threaten production, and quoted the recent report on German decartelization as showing increases in production when concerns were split up.

The chairman remarked on August 3 that "there seems to be a tendency on the part of most witnesses who appear before us to get a little jittery when they talk about size, as though they were worshiping size as a sort of sacred cow and that you cannot criticize it. * * * I am willing to criticize size." The testimony, when reviewed as a whole, however, reveals a considerable amount of disrespect for size as such, a matter of vital importance in the consideration of measures recommended for restraining concentration and monopoly power.

Acts relaxing the antitrust laws were condemned by most of the witnesses, though there was little testimony as to detailed operation of the acts. The Miller-Tydings Act was opposed by Dr. Clark, Governor Arnall, Mr. Bergson, Mr. Toulmin, and Professor Adams, but was supported by Mr. Ernst.

The Reed-Bulwinkle Act was condemned by the Attorney General and Mr. Bergson. Mr. Toulmin spoke favorably of it as a correction of a situation where enforcement of the antitrust laws went too far. Governor Arnall gave a detailed description of the railroad rate-making process and its effect on the South. In explaining his opposition to the act.

In connection with the Webb-Pomerene Act, Governor Arnall described an attempt, by an association formed under the act, to monopolize bookings of American films in Britain. Mr. Bergson stated that the act had been involved in several cases where domestic antitrust violations were prosecuted. Dr. Clark suggested reexamination of the Webb-Pomerene and Reed-Bulwinkle Acts.

The testimony showed little dissatisfaction with the Robinson-Patman Act, although Dr. Clark suggested that the act be clarified, or with the Clayton Act, except for the loophole in section 7, which while prohibiting certain mergers by purchase of stock, permits action to the same effect by purchase of assets.

The methods now used by the Department of Justice for breaking up large concerns were discussed by the Attorney General and Mr. Bergson. Mr. Bergson explained that divorcement, divestiture, or dissolution are available as remedies under the present law, and stated that several cases, seeking these remedies, are now in the courts. Mr. Bergson regards the existing law as adequate, except in situations where monopoly power has not yet been fully achieved. The Attorney General expressed dissatisfaction with the amount of relief afforded by some of the court decrees.

Professor Adams suggested that industries where administered prices are found should be treated case by case, usually by breaking up the leading firms into smaller units. In moving pictures, independence of the theaters might suffice to bring new competition among producers. He suggested vigorous

dissolution proceedings in new industries where vested interests might be less well entrenched, and quoted Dr. Corwin Edwards as favoring new legislation enlarging the dissolution powers of the Government. Mr. Toulmin was emphatic in recommending divorce of distribution from manufacturing, divorce of manufacturing from sources of materials, and divorce of nonanalogous companies. Mr. Toulmin objected particularly to a large company waiting until small companies have developed a new product, and then entering the market with dominant economic power.

There was some testimony on possible improvements of the methods of law enforcement. Mr. Bergson did not believe any new legislation would be desirable for expediting the trial of antitrust cases. He spoke of various methods now being used to streamline the legal processes by stipulation with defense counsel. Mr. CELLER announced that Chief Justice Vinson has been asked to request the Judicial Conference of the United States to consider time-saving procedures in antitrust cases.

Senator O'MAHONEY suggested that antitrust enforcement would be simplified by Federal charters for interstate corporations on terms prescribed by the Congress, and specifying many of the limitations on concentrated power that otherwise must be imposed by regulatory commissions or through antitrust procedure.

The choice of criminal or civil process was discussed by the Attorney General and Mr. Bergson. The Attorney General stated that criminal action is most often used where there is intentional price-fixing, but that in attacking business methods that some lawyers have deemed to be legal, civil process is considered more appropriate. Mr. Bergson expressed a preference for civil action in borderline or uncertain cases, and also pointed out that actual reforms of business practice are best obtained in civil proceedings.

Penalties for criminal violation were generally held to be too small. The usual suggestion was to increase the maximum fine on each count from $5,000 to $50,000, though Dr. Hamilton would set no upper limit. Mandatory jail sentences were considered impracticable by many witnesses.

Several of the witnesses complained about the obstacles to collection of triple damages for a small concern injured by an antitrust violator. Dr. Hamilton discussed the triple-damage problem at length, and recommended that the courts be directed to treat these as public cases, and to frame the decree so as adequately to protect the public interest. Mr. Bergson did not agree with suggestions that damages might be assessed at less than treble at the courts' discretion. Professor Handler suggested that when the court has determined that the antitrust laws have been violated, it should appoint a special master to assess the damages of all injured parties without requiring further proof of the violation itself. The Attorney General, Mr. Bergson, and Dr. Hamilton suggested the advisability of legislation authorizing the Federal Government to sue for triple damages when injured by monopoly prices in its own purchase of materials.

FEDERAL CONTROL OF CONCENTRATION

Several witnesses recommended that some Federal agency be charged with responsibility for watching the development of concentration and either advising or taking action before conditions had extended so far as to be excessively difficult to correct.

Mr. Arnold suggested a continuing joint committee of the Congress, which would study the concentration problem and the antitrust laws, and would deal with cases where governmental policies or laws are inadequate or in conflict. Mr. Ernst would direct the Secretary of Commerce to act as advocate for the competitive system, with authority to call the attention of other agencies, the Congress, and the public to any situation that endangers the system.

Mr. Berle suggested that the Federal Trade Commission, or other commission with jurisdiction, be directed to examine any industry in which competition fails to operate, and impose public-utility responsibility upon it, with the alternative of allowing it to split up into enterprises of a size able to compete.

Professor Adams favored a case-by-case treatment of concentrated industries, probably by the Federal Trade Commission, and suggested that over-all policy be defined by an amendment to the Sherman Act. Mr. Richberg recommended that some agency have authority in cases of administered prices, to forbid excessive prices, with an avenue of escape for business that voluntarily limited its power to a level where it could operate free of public regulation. Mr. Johnston, while deploring the necessity of more Government controls, was of the opinion that undesirable combinations must be handled case by case rather than by general legislation. He thought that a commission with power to accomplish the necessary splitting up would be the most practical way to avoid an excessive amount of regulation of the public-utility type.

CONCLUSIONS

Those who testified in this first series of hearings were generally in agreement that the antitrust laws are in need of reexamination. The motive of protecting not only free enterprise but free political institutions was stressed by one witness after another as peculiarly important in the present disturbed state of the world. The study of monopoly power, proposed by the subcommittee, was again and again turned by the witnesses into a study of concentration of power, whether used for purposes now definitely illegal, or existing merely as an obstacle to new enterprice or free experimentation.

The chairman, in issuing this summary of the most striking features of the testimony, expressed the hope that public consideration and comment, together with the results of further hearings, will serve to clarify the American policy on these vital questions.

Minimum-Wage Legislation

EXTENSION OF REMARKS
OF
HON. WINGATE H. LUCAS
OF TEXAS
IN THE HOUSE OF REPRESENTATIVES

Wednesday, August 17, 1949

Mr. LUCAS. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following editorial from the Dallas Morning News of August 14, 1949:

MR. LUCAS WRITES GOOD DEFINITION

You may question the advisability of minimum-wage legislation since it is a complicated subject economically, not a principle that can be provided arbitrarily by statute. You are hardly likely to question the soundness of the definition of interstate commerce which Representative WINGATE LUCAS wrote into his version of the minimum-wage bill, passed by the lower House Thursday.

Wage-and-hour administrations, the old NRA ahead of it, the courts, including the highest, have played ducks and drakes with any normal reading of congressional authority in regard to the regulation of interstate commerce. They are all agreed that under the Constitution, Congress cannot meddle with business that is strictly intrastate. But we have the absurdity of holding that a man washing windowpanes on a building that houses interstate business can be regarded as engaged in interstate business himself. Under the elasticity lent to the idea by the nimble thinking of Federal boards and bureaus supported by some courts there is practically no enterprise that is not interstate.

In the new minimum-wage law WINGATE LUCAS has sought to apply reason to the subject and provide a test. Is the act which is being performed essential to interstate commerce? The standard is a fair one. There is really no question about trade which actually deals across State lines, but there are not many other enterprises which can be fairly listed as interstate. Mr. LUCAS has provided a common-sense definition that, if fairly and accurately followed by administrative agencies and the courts, can dispel all doubt.

But will it? We will still have to rely on the good faith of the interpretation. Good faith is capable of a great amount of stretching where special pleading is concerned.

People Always Remember the Bad Ones and Never Tell You About the Good Ones

EXTENSION OF REMARKS
OF
HON. FRANCIS J. MYERS
OF PENNSYLVANIA
IN THE SENATE OF THE UNITED STATES

Wednesday, August 17 (legislative day of Thursday, June 2), 1949

Mr. MYERS. Mr. President, recently the Scranton Times carried a feature story on the application of Scranton Weather Observer Ralph C. West for retirement after nearly 42 years of service with the United States Weather Bureau. I found the article very interesting, partly because of its reference to an interesting career, and partly because, in my opinion, Ralph C. West is so typical of thousands of career Government employees who have spent lifetimes in the service of the public and of the Nation, who go about their jobs quietly, reliably, conscientiously, and generally with a passion for anonymity. When they retire, or when they die, they receive a kind word in their local newspapers, but while they are working at their jobs, and doing good jobs, they are taken for granted.

These are the men and women who by and large make up the career civil service. Depending upon their jobs and the cities in which they work, they are our neighbors, frequently our friends, usually trusted and respected citizens of the community. When we hear violent attacks made in the Congress or elsewhere about the lazy bureaucrats and the Government "pay-rollers," or when we make such attacks ourselves, we never associate these insults with individuals like our mailman, or the weather forecaster, or the FBI employees, or the flood-control engineer, or the mine inspectors, or the ICC railroad safety expert, or the aviation specialists who keep our airways safe, or the public health officers, or any

of those people—sincere, conscientious, patriotic citizens who do their jobs day after day, and do them so well, we seldom think twice about them.

Weather Observer Ralph C. West, at Scranton, looking back over 42 years of service with the Weather Bureau, had this comment to make on his job experience as a technician for Uncle Sam:

"People always remember the bad ones," he said, referring to the 7,000 forecasts he estimates he has made during his career as a weather observer, "and never tell you about the good ones."

I think that sentence sums up pretty much the experience of most of our career Federal civil servants. An occasional bad one who might be turned up gets all the attention in the public eye. The good ones are generally ignored, and seldom spoken of.

That being the case, I think this little article on Mr. West might well serve to remind us that there are many Ralph Wests in the service who are day after day doing their jobs quietly and well. I ask unanimous consent that this article be inserted in the Appendix of the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

WEST, 66, TO QUIT AFTER 42 YEARS OF SERVICE; PREDICTIONS IN PAST FEW YEARS 80 PERCENT ACCURATE

Whether Observer Ralph C. West, veteran of almost 42 years service with the United States Weather Bureau, has applied for retirement.

Meteorologist at the Scranton Weather Bureau in the Federal Building since June 3, 1930, Mr. West said his decision to retire is based on his age, 66, and the fact that "I'm not getting any younger and 42 years on the same job should be enough for any man."

One of the pioneer observers of the United States Weather Bureau service—he is one of the oldest from the point of continuous service—Mr. West started in the bureau as assistant observer at Charlotte, N. C., June 17, 1907. Since, he has been stationed at St. Louis, Mo., Birmingham, Ala., Richmond and Lynchburg, Va., Helena, Mont., and Alpena and Lake Huron, Mich.

Since his arrival in Scranton—at that time the station was in the Connell Building—he's made by his own estimation almost 7,000 forecasts. "Some good and some bad," as he himself puts it.

Rounding out his long service, the white-haired observer still refuses to become excited one way or the other over comments on his forecasts, good, bad, or indifferent.

"People always remember the bad ones and never tell you about the good ones," he commented.

But from his assistant, Peter Pappas, came the information that a recently completed survey of forecasts over the past several years disclosed a record of 80 percent accuracy.

In weather bureau circles that's just about the equivalent of 100 percent.

As to the science of weather forecasting, Mr. West observed that while there's quite a difference in the science today as compared to 1907, no man—or machine—can accurately forecast the weather for more than 24 hours in advance.

Big difference in present day methods as compared to pre-World War I days, is the vast network of stations spread throughout the United States and Canada. Today, unlike his early days, weather stations dot the map with offices in every principal city and large airports to keep regional stations abreast of the latest weather conditions.

Yet to Mr. West—and it holds for the entire service—the time honored barometer is still ace high for the fine art of compiling a forecast.

Recalling that during his first years in the weather service two daily reports were received at local stations, and those from widely scattered stations around the Nation, today four daily reports are flashed into Scranton via teleprinter, Mr. West said that the element of chance has been greatly reduced.

"Of course forecasting, like everything else, is far from perfect," he smiled. "And I guess we'll never see the day we can predict tomorrow's weather with 100 percent certainty."

An old hand at listening to Monday morning quarterbacks, wise cracks about the weather forecasts seldom bother Mr. West.

"If they did I'd have chucked the whole thing a long time ago," he remarked with a smile.

SUMMER SEASON TOUGHEST

But he has had his painful moments when Mother Nature stepped in and completely double-crossed his prediction. In this respect the summer season is the toughest of them all.

Admitting it is impossible to estimate the number of telephone calls received at the station—both good and bad—Mr. West does remember one. In fact, he said, he'll never quite forget it.

"That call came at midnight and as the caller probably hoped, awoke me out of a sound sleep," he said. "It seems I had forecast fair weather and an unexpected thunderstorm came up to spoil the prediction.

"The call was apparently from the hostess of a garden party whose guests undoubtedly experienced a good drenching. Anyway the conversation was short and very much to the point.

"I can still hear a very indignant feminine voice dripping sarcasm with: 'Say, are you paid to give out false information?'"

What started Mr. West in the business of weather forecasting?

Two reasons.

"I always had a desire to get into the game," he said. "And I guess the second reason was because the monthly pay back in 1907 was $60. That doesn't sound like much these days—and it isn't—but it was a lot of pay back at that time.

"At any rate it was much better than the $36 a month I was getting working in a paper box manufacturing plant and I've never regretted joining the service."

As to future plans. Right now, he said, he just plans to take it easy for a while.

At the same time he admitted that when the day arrives—his successor has not yet been appointed—he hands out his final weather forecast, it won't mean the Scranton Weather Bureau will have seen the last of him.

"I guess I can safely predict," he commented with a smile, "I'll be dropping in to see how the boys are doing."

Russia Will Snatch Western America

EXTENSION OF REMARKS
OF
HON. E. L. BARTLETT
DELEGATE FROM ALASKA
IN THE HOUSE OF REPRESENTATIVES
Wednesday, August 17, 1949

Mr. BARTLETT. Mr. Speaker, under leave to extend my remarks I submit the following editorial from A-Day-Ahead entitled "Russia Will Snatch Western America," which points out the vulnerability of Alaska and the Western States from any enemy attack through Alaska:

RUSSIA WILL SNATCH WESTERN AMERICA

Let us stop worrying about western Europe and give thought to the Russian menace to western America. Strangely the speed-up in communication and transportation has made Washington seem to our statesmen nearer to Europe and farther from our own prairies. They seem to believe that the United States lies between the Mississippi and the Elbe. If they continue in this delusion Russia will lie between the Elbe and the Mississippi.

We have surrendered to Russia our great defense in the Pacific in letting the Communists take China. Now Russia is safe to fly air transports filled with trained troops and modern war material under escort of bat-speed jet fighters, down from behind the Arctic iron curtain, over Alaska and the Yukon, and down behind the Rockies. The Russian force would most likely land and base itself in Reno, Nev., where, protected by the surrounding High Sierras, it could defy ouster by our forces. It would then establish a Red line, north and south from Spokane to Yuma—and a west-east line from Reno to Cheyenne. Then they would operate a mighty pincers on the lands between, beating them down with the war hammer and the bloody sickle.

Russia is trapping us by its threat to western Europe. Russia wants American troops and equipment in Europe where they could be rendered useless by the hordes of Communists in the North Atlantic Pact countries and where they would be of no service in America.

Behind the Rockies we are vulnerable. Small far-flung communities, not integrated, could offer little resistance to mass power. Russia knows we would not use the atom bomb in our own land. The Government has shown up Russian propagandists and secret pilferers but nothing has been revealed about Russian saboteurs. They could keep the East busy while Russia is taking over the West, making slaves of our proud westerners and dragging their women screaming to Russian transports, destined for public defilement in Moscow. Send arms to western Europe but send arms and troops to western America. Save America first.

Business Is Good

EXTENSION OF REMARKS
OF
HON. JAMES W. TRIMBLE
OF ARKANSAS
IN THE HOUSE OF REPRESENTATIVES
Wednesday, August 17, 1949

Mr. TRIMBLE. Mr. Speaker, I am honored to represent the district in Arkansas which includes most of the Ozark area, which is noted for its fruit, poultry, dairy farming, small business, canning industries, and its thrift. They are an independent group. They do their own thinking. Nobody tells them how to vote. Few fuss at them after they have registered their judgment at the polls.

Because it is an example of the common sense of our people, I would like to place in the RECORD, as part of my remarks, the following editorial by my

friend, Ellis Stafford, of the Springdale News, published at Springdale, Ark., on August 11, 1949:

RURAL RAMBLINGS

(By Ellis Stafford)

I'm getting sick and tired of these birds who hang their heads, tighten up their belts, and mournfully wail that we are headed into a depression.

If you would believe them, the oncoming catastrophe would make 1929 look like a school teachers' picnic. These Weeping Willies gaze into their clouded crystal ball and see bread lines and soup kitchens and people dropping like flies on the sidewalks from starvation.

Some of them are self-appointed prophets of the Bible. Others claim possession of a mysterious formula which foresees business trends. A lot of them simply thrive on a steady diet of bad news.

As far as I am concerned, the whole kit and kaboodle can go jump into the nearest very deep lake.

Why not take a sensible look at the business situation?

Why not come to town and ask your merchants about their sales?

It is a sign of intelligence to be able to plan ahead. No one will argue that point. The squirrel is a pretty smart fellow for laying in a store of hickory nuts while hickory nuts are still to be had.

But it seems to us that persons who can find nothing but bad news and people who actually get a bang out of spreading the same bad news hasten any possible recession more than a genuine market break.

They start a vicious circle of rumors, doubts, and worries that accomplishes nothing whatsoever. They undermine the confidence of farmers and businessmen who heretofore had the idea that things were going along satisfactorily.

Actually, this recession phobia is more wind and wailing than facts and figures. Business is good. Nobody's getting rich like they did when war contracts fattened the flies. But nobody's going broke, and nobody's starving to death.

Business is good.

Extravagance in Government—How Can It Be Financed?—That Is the Question

EXTENSION OF REMARKS

OF

HON. LAWRENCE H. SMITH

OF WISCONSIN

IN THE HOUSE OF REPRESENTATIVES

Wednesday, August 17, 1949

Mr. SMITH of Wisconsin. Mr. Speaker, big government breeds a big bureaucracy which in turn breeds extravagance in every department. This, obviously, means that taxpayers' dollars are being wasted. The question is now presented, how can the people of this country finance governmental extravagance? Or to put the question another way, how long will the taxpayers continue to pay for waste in Government?

Mr. Speaker, we are proud of an economic system that has provided the people of the United States with the highest standard of living in the world. Yet we admit it is not perfect. This system is based on incentive to produce the goods and services which people everywhere want. It has not only furnished this high standard to us, but it has been providing food, fiber, and money for other people all over the world. It has been so since 1914 when American money financed World War I. Incentive to produce is the explosive element where men are free and can keep the fruits of their labor aside from a mere existence.

Two wars, Mr. Speaker, have destroyed a free economy in Europe and most of the world. In 1947 it was my privilege to have visited every country in Europe except three. It was an extended trip and everywhere it was evident that the people had lost their economic liberty and with it political freedom. There was no real incentive to work; taxes were oppressive. Governments had taken over; people were regimented; governments planned their lives. Why should they work beyond a point that provided a mere existence standard? They were concerned only with sufficient work to provide a living only, but not to produce more wealth.

We are on the road to confiscation of private property in this country, Mr. Speaker. When corporations and individuals are taxed so high that more than 25 percent of their incomes are taken and used for increased governmental spending. Government bureaucrats are extravagant because they are not called upon to pay the cost. This practice must stop or Government will be compelled to seize private property for its own use and make vassals of the people. It will come in the form of socialism or fascism, both enemies of a free people. Both are forms of totalitarianism and must be avoided in this country.

Mr. Speaker, many speeches have been made in this House condemning the executive department and the bureaucrats for wasteful conduct. Is it a fair criticism? In most instances it is the Congress that delegates its authority and appropriates the money. In all honesty, Mr. Speaker, we have no right to pass the buck. One writer correctly says that every legal limitation to political profligacy has been removed by the Congress. It all started with the devaluation of gold; and during the war the Government was empowered to force its paper into the banks and no one dare predict what might happen to the banking system of this country if the public suddenly lost confidence in them.

At this very moment, Mr. Speaker, we are hell-bent on a deficit financing program. This country was in the red almost $2,000,000,000 on June 30 this year. At the same time next year the experts say we shall incur an operating deficit of possibly $8,000,000,000. President Truman has said that deficit financing is absolutely necessary. Many people do not understand the meaning of deficit financing. It has been defined as a weasel expression to clothe depravity with the cloak of respectability. The time has come to speak very frankly. The people should clearly understand that deficit financing means the spending of money that the Government does not have. If you wrote a check to pay a debt without having money in the bank, you would be arrested, for forgery or obtaining money under false pretenses. Of course, the Government cannot be arrested but it actually piles up the public debt and thereby calls for more and more tax money. Someday it may not be available.

Cannot the most prosperous Nation civilization has ever known pay its way, day by day? What is it that has driven the annual cost of the Federal Government alone from about $4,000,000,000 a year two decades ago to more than $40,000,000,000 now? War and increased spending. The strange theory is evolved that, since everybody has work at high wages in time of war, it must be continued in time of peace. We are all for this if our economic system can stand it. And this can only be achieved through the production of goods. War is supreme waste, but its effects can be approximated by deliberate policy—just throw all excess production into the oceans and then use Government credit to augment that production so that here will be more to throw away. Or we could put premiums on unemployment, but who wants that? For sweat of the brow substitute the leisure of subsidized purchasing-power.

Mr. Speaker, this Government has become so big that nobody can properly visualize it, and this includes Members of Congress. Secrecy is the order of the day in committees of the Congress and in every executive department. This practice is the curse of democracy and a very real threat to liberty and freedom. Huge spending programs are submitted to the Congress for public welfare; for national defense; for the development of atomic energy and we are told to go along in faith and to ask no questions, because, say the Administration, it would not be in the public interest to divulge the details or operations of the programs. This is an abuse, Mr. Speaker, and the House should devote serious study to this situation and correct it. There must be an end to this hush-hush business for it undermines public confidence.

"The people never give up their liberties but under some illusion," said Edmund Burke, but certainly they ought now to be under no further illusion in this country as to the necessity for applying the brakes. They must realize that what is softly called deficit financing is in fact a slow approach to communism. To fight communism by bankrupting material and spiritual forces, that alone can successfully combat it is a fallacious method.

America is a commercial empire. The solvency of its institutions and the sanctity of its commitments are the bulwarks on which civilization depends. Its productivity is the supreme defense against communism and the riot of disillusioned populations. Above all, therefore, sobriety in finance is required and not even Stalin himself is so grave a menace to human well-being as reckless public spending.

The present business recession is a protest against the high cost of Government. Throughout the nonpolitical

economy natural readjustments are in process, as responsible managements strive to bring down costs and maintain markets through the age-tried device of fair prices. There must be similar good management in the Government or there will be disaster.

Address of Rt. Hon. Winston Churchill

EXTENSION OF REMARKS
OF
HON. KATHARINE ST. GEORGE
OF NEW YORK
IN THE HOUSE OF REPRESENTATIVES
Wednesday, August 17, 1949

Mrs. ST. GEORGE. Mr. Speaker, under leave to extend my remarks I include the following address by Winston Churchill:

[From Parliamentary debates, House of Commons, July 20, 1949]

Mr. CHURCHILL. Another matter to which the Foreign Secretary referred, about which I do not by any means feel so confident in my conscience as to the judgment of my actions, is the Morgenthau agreement at the second conference—the document published by Mr. Morgenthau of the conference.

There is an agreement; it was initialed by President Roosevelt and by me, and it undoubtedly proposed treatment of Germany which was a harsh treatment, in respect of largely limiting her to an agricultural country. But that was not a decision taken over the heads of the Cabinet. It was not one that ever reached the Cabinet. It never reached the Cabinet because it was only ad referendum; it was disapproved by the State Department on the one hand and by my right honorable friend and the Foreign Office Committee on the other, and it just dropped on one side. I must say that it never required a Cabinet negative; it never had any validity of any sort or kind.

Nevertheless, I must say that I do not agree with this paper, for which I none the less bear a responsibility. I do not agree with it, but I can only say that when fighting for life in a fierce struggle with an enemy I feel quite differently toward him than when the enemy is beaten to the ground and is suing for mercy. Anyhow, if the document is ever brought up to me I shall certainly say, "I do not agree with that, and I am sorry that I put my initials to it." I cannot do more than that. Of course, many things happen with great rapidity, but to say it was done over the heads of the Cabinet, or anything like that, is quite untrue, and the Cabinet never agreed to it for a moment.

These two matters of great importance were brought in in order to justify the right honorable gentleman in pursuing the policy of dismantling, and some incidents connected with the trial of the German generals. I do not think the right honorable gentleman need have brought such artillery back from the past to fire at me on such matters. I do not put the case with hostility against him. I consider that in the air lift and the treatment of the Berlin difficulty the Government and the Foreign Office—no one more than he—showed the very greatest determination, skill, good judgment, and tenacity, and their exertions over a long period were crowned by unmistakable success which has been of the greatest advantage to Europe, and very likely played a part in the closer drawing together of Britain and the United States, which has found its manifestation in the Atlantic Pact.

I was very much struck at the way in which all Germany watched the air lift, and how all Germany saw the British and American planes flying to carry food to 2,500,000 Germans whom the Soviet Government were trying to starve. I thought that was worth all the speeches that could have been made by all the peace leaders of Europe to turn the eyes of Germany to where her true destiny lies, namely, in peaceful and honorable association with the western democracies and with the future into which they hope to lead the world under the auspices of the United Nations organization. I indeed thought that was a very great advantage.

I must say that I personally was instinctively disappointed and chilled when I saw the dismantling policy, which has draggled and straggled on for 4 years, being a cause of upsetting this strong drift and tide of German sentiment which may be of very great value in the future. I could not help feeling that it was untoward. Of course, these things must in some cases be done. They should have been done, or could have been done, 2 years ago. That would have been all right.

But now, 4 years after, when Europe is in the midst of all this feeling of hardship and pressure, and of hopes of coming out of it again, to go on tearing down these buildings and solemnly proceeding with methodical routine on some agreement which now no longer has any validity or application to current affairs was, I thought, an error: Not an error of major criminality, but a bad touch. I should have hoped that it would have been possible to have let that go. I should have thought it should have been brought to an end. I have said so several times in the last months, and I do not think it is a wrong thing for us to put that view.

Nor do I think that because I was present and supported President Roosevelt when he used the phrase "unconditional surrender" I am debarred from saying that at any time there should be a little give and take, and a different touch and handling in a sensitive manner of our relations with the German people. I am sure that the munitions which could be made by these factories which still remain to be dismantled would never do half the harm to the cause of peace, or to any future victory of the Allies against aggression, as is done by the great setting back and discouragement, out of all proportion, of the German movement toward western civilization and western ideas. I will not put it more than that.

William George Bruce

EXTENSION OF REMARKS
OF
HON. CLEMENT J. ZABLOCKI
OF WISCONSIN
IN THE HOUSE OF REPRESENTATIVES
Wednesday, August 17, 1949

Mr. ZABLOCKI. Mr. Speaker, under leave to extend my remarks in the RECORD, I wish to insert an editorial from the Milwaukee Journal in tribute to the late Hon. William George Bruce. Mr. Bruce, long a beloved leader in civic, religious, political, and educational life of the city of Milwaukee, passed away at the age of 93 years on August 13, 1949.

WILLIAM GEORGE BRUCE

William George Bruce was one of Milwaukee's builders.

His name will undoubtedly appear in the history of the city as often as that of any man.

Mr. Bruce was one of the first Milwaukeeans to realize that the city must develop to the fullest its fortunate situation as an inland port. So we have a harbor commission today, and harbor facilities, and plans for the future when St. Lawrence developments unite Milwaukee with tidewater.

Mr. Bruce conceived of Milwaukee as a convention city. But a convention city must have more than climate and friendliness and good situation. It must have facilities for people to meet. Could Milwaukee build an auditorium? Some said not. Mr. Bruce conceived a financial plan and made it work.

Because he himself had been denied educational opportunity in his youth, he was keenly aware of the need for education. He gave his service to the Milwaukee schools and, through the publishing firm which he founded, brought enlightenment to school leaders everywhere.

These are but some of the high points of his life. We mention them only as examples. The roll call of his activities would be a long one.

Here was a life of leadership—a life devoted to getting needed community things done.

As we see about us our splendid city—as we contemplate plans for an ever greater Milwaukee—our minds for years to come must inevitably run back to the native son who did so much to build the city of today.

If those plans for the future come to fruition, it will probably be because Milwaukee is blessed with another leader like William George Bruce.

Statement of Brig. Gen. Bonner Fellers Before House Foreign Affairs Committee on Military-Aid Bill

EXTENSION OF REMARKS
OF
HON. LAWRENCE H. SMITH
OF WISCONSIN
IN THE HOUSE OF REPRESENTATIVES
Wednesday, August 17, 1949

Mr. SMITH of Wisconsin. Mr. Speaker, I am including the oral testimony of General Fellers, who appeared before our committee on the military-aid bill.

Members should read it in connection with H. R. 5895:

Mr. SMITH. Mr. Chairman, I am wondering if we may not have a statement from General Fellers as to his background, so that it can be in the record, to precede the statement he has made?

Chairman KEE. We would be very glad to have such a statement.

General FELLERS. I have been in the Regular Army most of my life. I graduated at West Point in 1918. I went through the usual schools, to include the Command and General Staff School and the War College.

From 1940 to 1942, I was military observer with the British in Africa.

I saw the Germans fight for nearly 2 years. I slept on the wrong side of the lines a number of times, and I am familiar with their power. That is why I warn you how strong the Red Army is to have withstood 220 German divisions.

In 1942 I came back to the States, lectured on desert warfare in training centers.

I joined the OSS for a short time and then joined MacArthur in Australia. I was a member of his staff from then until 1946.

I was in charge of planning for the New Guinea operations.

I was his combat observer at the front during the Philippine operation.

I was in charge of psychological warfare against Japan.

I was MacArthur's military secretary throughout the war, and then after the surrender I was Secretary General to the Allied Council of Japan.

I retired in 1946.

Mr. SMITH. Thank you.

Mr. MANSFIELD. Mr. Chairman, could General Fellers tell us what his position is today?

General FELLERS. I am a retired officer.

Mr. MANSFIELD. Are you holding any position in the Veterans of Foreign Wars at the present time?

General FELLERS. No, sir, except that I am a member of their national security council. I did work for them full time. I am no longer with them on that basis.

Chairman KEE. Are there any other questions?

Mr. VORYS. I have two questions.

General, your statement is very, very impressive. However, there is a ground struggle that has gone on in Europe that hasn't anything to do with the movement of organized divisions, apparently. It went on in Poland. It went on in Czechoslovakia, and was successful. It is infiltration from within by Communists who are armed and who are going against unarmed people.

I am wondering what you would think of the importance of making it possible for the people of western Europe at least to defend themselves against the guerrilla, you cannot say "unorganized forces," but not organized into divisions and a task force and striking force.

I am wondering what you think of the importance of keeping internal order so that Europe cannot be taken over without a declaration of war, but we can at least stop the sort of thing that has brought the Communists through Poland and Czechoslovakia.

General FELLERS. The answer to that is, they must have the weapons to keep internal order. If they do not have them in those countries, I think we should help them. But we should make it clear precisely what this help is for.

I know that the French think we are going to hold the Rhine or Elbe for them with American troops. I have given my reasons in my opening statement. Unless we make it clear just what help we will give, they are going to claim we welshed on the treaty, because they expect us to help hold the Rhine and they want to see our troops over there.

They are tired. They want us to do it for them.

Moreover, the equipment that we do give them, if it is to defend their frontiers against Russia, will never be enough. We will go broke before we can give them enough. They will blackmail us. They don't take good care of their equipment, anyway. They know nothing about preventive maintenance. They prefer to ask for a new piece of equipment than take care of an old one.

We cannot possibly satisfy them with a blank check. If we say, "We are going to give you certain small arms for internal order, and that is all," there is no harm in that.

I believe we should help if they need equipment for internal order. France had 11 divisions when the war ended. That is a lot of equipment.

Mr. VORYS. I wonder what your view is as to having apparently no military policy with reference to the Pacific and Asia, while we proceed with some sort of a military policy in Europe?

General FELLERS. It is wrong to endeavor to block Russia at one place and let her spill over her borders in other places. Russia can only be contained if she is viewed and handled as an entity. That is why I mentioned the bases in the Pacific from which you can base your air power and inflict terrific punishment on the Russians in the Orient, if a war comes.

Your air is so flexible that in 24 hours you can have it at any of those bases you want it. It is a matter of hours and not days.

The bases, of course, have to be serviced and defended. You must have a view of Russia as an entity. Otherwise there is no hope. If you block the Rhine, she goes into Iran.

An infantry division has no strategic mobility. It takes too long to move it. The party is over before you can pick it up and put it some place else.

I would like to say a word I forgot to say about tanks. The Maginot Line failed in the last war. We then got mobile-minded. Tanks are mobile.

The French are to have the highest mobility possible in warfare. That would be, of course, tanks, self-propelled artillery, and motorized infantry.

Well, the air is so much faster and more mobile than this stuff on the ground that tanks are actually immobilized in relation to the air power.

Moreover, a tank runs on a track which is made out of iron, and a near miss from a bomb breaks that track and the tank is immobilized.

The air can destroy the gasoline and a whole armored division is immobilized.

So I think that world war III is going to have its Maginot Line, if we don't change our thinking—and it is going to be this very thing we think is mobile—it will be these tanks, guns, infantry in trucks, that air power denies gasoline and thus immobilizes them.

Mr. VORYS. Thank you very much.

Chairman KEE. Dr. PFEIFER, have you any questions?

Mr. PFEIFER. I have no questions, other than I have been surprised by the general's statement that he is in favor of the military-aid program. However, he stresses air power. If he stresses it to that degree, how can he stop the present aggressive action on the part of China? How can air power at this time stop Russia?

General FELLERS. Do you mean without going to war?

Mr. PFEIFER. Yes.

General FELLERS. My view is this: That it is a great blunder to engage the Red army on the ground with American troops. I think we will fail. I think we can only win with air power.

Now, the technique of when to put the heat on Stalin to stop him from something is out of my hands. I am merely endeavoring to explain my views on how we can win a war.

Now, when the American people decide they want to fight for Korea, I still think you have to win it with air power, but there may come a time, if we don't want them to take southern Korea, when we are willing to go to war over it. My contention is we can only win it in the air.

Does that answer your question?

Mr. PFEIFER. It does. Only in the event of war.

Chairman KEE. Is there anything further? Mr. Smith, have you any questions?

Mr. SMITH. General, I appreciate your statement. I think it has been very enlightening.

As I gather your broad concept it is that you must not abandon Europe as such and the only quarrel you have with the present legislation is one of concept; is that correct?

General FELLERS. Yes, sir.

In that connection the treaty binds us. We have been obligated for 20 years to provide military assistance in case those countries are invaded. It is my contention that we can only win with that assistance through air power.

Mr. SMITH. Russia has served notice already, I believe, that she is going to build the greatest air force in the world. Now, you think it is up to us to take the initiative in that respect and say, "Mr. Joe, we are going to build the greatest air force and intend to maintain that supremacy."

General FELLERS. Yes, sir. If we do not build the greatest air force in the world, we will eventually be destroyed.

Mr. SMITH. Do you have any support, General, for your views among military people?

General FELLERS. Many officers feel the way I do. I guess they are a little restricted on telling it, but they feel that way.

Mr. SMITH. You are not unduly an air-power advocate?

General FELLERS. I am a ground officer.

Mr. SMITH. With the Infantry?

General FELLERS. Artillery.

Mr. SMITH. Have you any idea as to what the combat effectiveness is at the present time of our allies in Europe? Have you ever given that any thought?

General FELLERS. Yes, sir; I have given it lots of thought. It is so poor that we would have to do the fighting, I should say, 80 to 95 percent, if we go into ground combat.

The British are very courageous. I was with them for 2 years and I know them very well. They are brave. However, the British are going to have to defend their homeland. The Red army can be lifted in batches of 75,000 in one lift and the danger of an airborne invasion of England is so real that the British must defend their island. We need that base.

I do not believe that we should want them to put very much of a ground force in Europe.

On the other hand, the French, with 40,000,000 people, fought very well in the First World War, although not very long in the second. I believe they are courageous, but I do not believe they could even approach holding the Rhine. They will not have enough divisions—assuming they would fight a sustained war.

The Italians fought in both wars and were not any good in either one; Belgium, a few days; Holland, a few days in the last war; Norway, very little; Iceland, nothing.

If you hold on the ground in Europe, it will be done by American soldiers.

Now, there are two ways of holding the Rhine, I think, and that is to devote our entire industry and energy in America to that—have universal military training, a vast ground army, and possibly rearm the Germans.

Then you run the risk of being attacked before our forces get too strong.

I think, psychologically, it is a wonderful thing to have no great force on the Rhine—especially Americans—for the simple reason that as we build up with allies and Americans, Stalin will tell his people, "The Christian democratic countries are again after us."

We know we are not going to launch an offensive but it looks that way to the Russians.

I think it is bad psychology to put American troops over there because the Russian leaders are liable to be tempted to have a go at us. I believe it would be more likely to cause war than to deter war, to put American troops on the Rhine.

Stalin is the world's greatest psychologist. He fooled Hitler, he fooled the British high command, and he fooled the American high command.

I was in Egypt at the time. General Wavell's G–2 told me that the fight wouldn't last 3 weeks when Hitler went into the Ukraine.

I understand General Marshall had a press conference and said the same thing. Stalin wanted us to think he was weak.

The whole show against Finland fooled the world, and Finland played down the Red Army, hoping that Germany would attack.

Stalin is a psychologist. He is capable—I don't say he is doing it—but he is capable of opposing UMT in this country, in the hope we will have it to spite him. He wants us to fight this war on the ground—that is his only hope of victory.

He is capable of opposing the Marshall plan and he is capable of opposing military assistance, in the hope that we will go broke doing it. He hopes that we will be stubborn and say, "Well, if he is against it, we will show him."

I believe Stalin to be that clever.

Mr. SMITH. Thank you very much.

Chairman KEE. Mr. Richards——

Mr. RICHARDS. No questions.

Chairman KEE. Mr. Fulton——

Mr. FULTON. You have given figures on Russia's strength. From where do you get the figures? What is your source of the figures?

General FELLERS. I have no recent figures on Russia's strength. Nothing is available to me at the moment.

I believe I said they had some 6,000 or 7,000 fighters. That is the last time I knew about it.

Mr. FULTON. About when would that be? How recent are those figures?

General FELLERS. About 6 months ago, in conversation I got that figure.

Mr. FULTON. Then 6,000 transport aircraft would transport how many combat personnel apiece?

General FELLERS. About 12, I should say—12 or 15, equipped men.

Mr. FULTON. Then you say 60 divisions are needed by our friends in order to defend, if our allies are to defend. How many divisions do they have now?

General FELLERS. The Russians?

Mr. FULTON. No, our allies.

General FELLERS. I don't know.

Mr. FULTON. What is the deficiency, is really what I am asking.

General FELLERS. I do not know.

Mr. FULTON. How many line divisions do you believe the Russians have now?

General FELLERS. About 175 or 200, mobilized.

Mr. FULTON. Is antiaircraft included in that?

General FELLERS. In the 200, yes.

Mr. FULTON. Is cavalry included in that?

General FELLERS. I do not know.

Mr. FULTON. And tanks?

General FELLERS. Tanks, yes.

Mr. FULTON. You would say 175 line, but if you are including antiaircraft and tanks, you then say it is 200?

General FULTON. I would say so, but I must say I am not prepared on this strength.

Mr. FULTON. I am asking you to approximate for me, from your past experience, and your estimation as a professional witness is good. I want your judgment.

You said 175 divisions. Then I asked you what was in it and you then said when you had certain extra items it ran to 200, so then I added the whole thing up for you, and said line divisions, antiaircraft, cavalry, and tanks would then approximate around 200.

General FELLERS. The reason I hesitated on that is because I don't know how much cavalry they have; I don't know whether they have much or not.

Do you mean horse cavalry?

Mr. FULTON. Well, any type of cavalry they might have.

But 175 divisions is what you started with and then when I put these extra things in you said about 200.

I don't want to hold you down to it but I just want to emphasize that that is your thinking.

General FELLERS. I will say about that, but I am not an authority.

Mr. FULLER. Well, nobody is competent, really, because we do not have somebody checking their figures.

Do you have any idea as to the distribution of the Russian armed forces?

General FELLERS. No, sir; only in general terms.

Mr. FULTON. Do you know of anything they might be massing against Europe?

General FELLERS. I think there is no evidence they are.

Mr. FULTON. Are there any bases for aircraft that are being manned, particularly in the western end of the country?

General FELLERS. Nothing significant that indicates war, to the best of my knowledge.

Mr. FULTON. You are for this program, then, but you want to emphasize air power rather than infantry?

General FELLERS. I think it is suicidal to get engaged in a major operation against the Red army on the ground in Europe.

Mr. FULTON. I might just as a comment say that your estimate of the Russian forces is interesting, and I will put a "very, very" in front of it.

Chairman KEE. Mr. MANSFIELD.

Mr. MANSFIELD. General Fellers, you are for this program, I take it. I came in late and I am not too sure of your position, but as I understand it, if we replace this matter of ground protection with air superiority, you would be in favor of the program?

General FELLERS. We cannot afford piecemeal aid in European countries. In the first place, our aircraft would be destroyed in the first sneak attack; second, air force is only effective when applied in mass in combat and for us to dole out our air force to European countries would deplete us and we must not do it.

I am in favor of military assistance to Europe under the treaty but the striking force must be air power and I think we better keep our own air power in our own hands.

Mr. MANSFIELD. What sort of military assistance to Europe would you favor, General?

General FELLERS. In case of war we would come to the rescue of the countries invaded by destroying Russia's war potention by strategic bombing. That would be the initial assistance.

I would not piecemeal my fighters and medium bombers into Europe, because we will never get them back. They wouldn't even take good care of them in peacetime.

Mr. MANSFIELD. As I understand it, then, you would be in favor of building up a huge American Air Force for striking purposes in the event of war.

What would you advocate in the interim period, in the matter of building up western Europe?

General FELLERS. I would advise the western European countries that we will paralyze Russia in case of war, and I would leave them free to maintain their own internal security and proceed with economic recovery.

Mr. MANSFIELD. Your contention is that under the Atlantic Pact this would not be a 1-, 2-, 4-, 5-, or 6-year program, but would very likely be a 20-year program, a program for the full life of the pact?

General FELLERS. As long as the cold war is hot; yes, sir.

Mr. MANSFIELD. That is all, Mr. Chairman.

Chairman KEE. Mr. BATTLE——

Mr. BATTLE. I am a little bit confused. I do not see how you or anybody on the committee could say you are in favor of this program. It seems to me your testimony is based on the premise of how to win a war, and what we are trying to do is construct a program to prevent a war, and to prepare in case of an emergency.

Are you in favor of the program, doing it a different way, or are you against it?

General FELLERS. I am in favor of lending military assistance in case one of the countries is attacked. I am opposed to being committed into ground combat against the Red Army.

Mr. BATTLE. Would you wait until they are attacked?

General FELLERS. Yes, sir. I think, in other words, to prevent war, your chances are better by not putting troops on the Rhine or the Elbe than if you put them there. I think it is a temptation for the Russian leaders to step in when they know they can win.

Mr. BATTLE. It appears to me that we have a choice, here, of trying to contain the Red forces within Russia, or just writing Europe off the map and Asia, too, and turning it over to them.

General FELLERS. It is not a pleasant picture, but Russia has occupied eastern Germany and while I do not suppose the German people there are happy, I doubt if Russia would treat the French any worse. Russians are the enemy of Germany rather than France, so if the Red army in the war should occupy France, I claim the French will fare far better than if they resist.

Mr. BATTLE. I was amazed at your statement when you said the Red army would disintegrate in France.

General FELLERS. There is no question about it.

Mr. BATTLE. I have heard of Will Rogers and others who said an army would disintegrate in China; that it would evaporate, amalgamate, disappear, and so forth. But, I cannot follow you here. Do you figure that if the Red army came in, the leaders would suddenly become democratic and let the soldiers associate and mingle with western society?

General FELLERS. They would try not to let them mingle but there have been desertions even now in the German zone of as high as 7,000 and 8,000 Red soldiers a month.

The Kremlin constantly rotates its occupational divisions. They have even put Mongolian troops in the Baltic because they don't want them to find out about the western way of life and the liberty and freedom that we have, and they do not dare occupy Europe because they will lose control of their people.

Mr. BATTLE. I am afraid if we waited for them to disintegrate in France or anywhere else, that we would just be doing a lot of wishful thinking.

General FELLERS. I oppose ground combat with the Red Army purely on a professional basis. I merely add that as a byproduct of a peaceful occupation, I think the French people will fare better than if they resist, and that during the occupation the Russian Army would go to pieces.

Now, that is opinion, of course, but Stalin is rotating his occupational divisions, and when they take them back into Russia they do not demobilize them and send them home, they send them some place else, where they cannot tell their folks what they have seen in Europe.

Mr. BATTLE. It is your point of view we should stay out of Europe and also China and Asia unless there is actual war and unless Russia actually starts to take them over?

General FELLERS. Yes. I don't want to get involved in ground combat. It would cost too many lives and we would not win anyway.

Mr. BATTLE. You talked about the weather in Russia. How do you think that will affect our Air Force? Can our planes operate in that climate?

General FELLERS. Planes can operate just as well over the North Pole as they can in the Tropics. The great allies of Russia are distance, manpower, and winter and these are all impotent against air power. Distance and winter and manpower make no difference.

Mr. BATTLE. Please understand I am not arguing against your air-power theory, I am merely seeking information.

That is all, Mr. Chairman.

Chairman KEE. Mr. SMATHERS.

Mr. SMATHERS. General, I notice you say: "Were the Red forces permitted to see Europe, they would find there a way of life, a freedom, a human dignity beyond their widest stretch of imagination. Never again would they submit with docility to totalitarianism. Stalin fears this more than anything except our Air Force and the atomic bombs."

I assume that you do not think Stalin would ever attack any part of western Europe?

General FELLERS. I do not mean to make that conclusion from my statement. That statement is based on the desertions of the Red Army. It is based on the fact that when the Red Army is pulled out of Europe it is sent some place other than its home station. It is based on the fact that Mongolian troops have occupied some of the Baltic countries. It is based on the fact that the iron curtain is very tight, that they do not want the Russian people to find out about the outside world.

Mr. SMATHERS. If that is the way they feel, and if there would be that danger and if Stalin believed that, then there is no sense in building any defensive armaments at all; is there?

General FELLERS. Not on the ground; no, sir.

Mr. SMATHERS. Then why is there in the air, if they are not going to come in there?

General FELLERS. I think if we take down our guard, that it is just a question of time until we will be completely destroyed.

Mr. SMATHERS. In other words, you do believe in keeping the guard up?

General FELLERS. Stronger than it is now.

Mr. SMATHERS. Your whole point is that you don't believe that we should build up anything in Europe?

General FELLERS. No, sir; not on the ground. We cannot hold bases in Europe. Russia can take them, so there is no use to build those bases in Europe. We can hold bases in England and North Africa.

Mr. SMATHERS. Do you think weakness invites an attack?

General FELLERS. Do you mean weakness in Europe invites attack from the Red Army?

Mr. SMATHERS. Yes.

General FELLERS. Yes; I think it is conceivably possible.

Mr. SMATHERS. Then would you not think that if we do not do anything but let Europe stay completely helpless, that we are aggravating and accelerating an attack?

General FELLERS. No, sir; not if we build an Air Force and have atomic bombs.

Mr. SMATHERS. In other words, then, you do not think weakness in Europe will invite an attack?

General FELLERS. I think the atomic bomb and the strategic bomber is keeping the peace with Russia. I don't know how badly Russia wants to fight. I don't believe she does want a war at the moment. But the thing that keeps the peace and the thing that she fears in a military sense is not allied ground troops.

Mr. SMATHERS. Do you think we would have less to destroy of the Red Army, if they were centralized, we will say, along the Rhine, or if the European countries were to completely demobilize and were spread out all over Europe?

Which would pose the biggest problem for our Air Force?

General FELLERS. I do not believe the Air Force would attack the Red Army. I think it would attack the war potential that supplies the army. It would take out its communication, it would take out the war industry, it would take out power, it would take out oil fields and refineries and let that army dangle without supplies.

It is precisely what happened in Japan. We took out the industry and destroyed the shipping. They had 4,000,000 men outside Japan when they surrendered.

Mr. SMATHERS. Do you think if we built up a tremendous Air Force it would stop the Red movement in China?

General FELLERS. No.

Mr. SMATHERS. Why would it not stop it in China but stop it in Europe?

General FELLERS. I don't know that it would stop it in Europe but that is the only way we can win a war. I think it is also the best war deterrent. I cannot answer what Stalin's intent is.

Mr. SMATHERS. That is all for the time being, Mr. Chairman.

Chairman KEE. Mr. ZABLOCKI.

Mr. ZABLOCKI. No questions.

Chairman KEE. General Fellers, you have made a very interesting statement, but I think there are some matters that should be cleared up.

I understood you to say that it was your understanding that the quantities and characters of material to be supplied to the European nations under this program are determined by the State Department.

As a matter of fact, the evidence before this committee is that is not the case, that the quantities and the characters of assistance to be furnished to the nations of Europe were determined by a joint decision arrived at by representatives of the western union powers which have already gone into a union, together with the other powers to be assisted and in consultation with our military and civil authorities present in the United States.

It was not determined solely by the State Department.

As I understand, you said you would favor supplying these nations with sufficient military equipment to maintain their internal security. To what extent would you supply them with military equipment for that purpose?

General FELLERS. I would first want to know what they had on hand. It seems to me that those countries have enough of their own for internal security, and if they do not have and cannot get it, I think we should give it to them for internal security only.

I do not know what the situation is, but whatever it is, we must make it clear that our assistance is for internal security only and not to hold the Rhine or Elbe.

Chairman KEE. I understand further your position to be that, for defense against invasion or aggression, we should supply nothing whatever.

Is it not your view that by refusing to supply them with military aid, to enable them to defend themselves, we are losing a tremendous potential military strength in all of these countries that would be available in the event of war with Russia?

In other words, we have a very large part of the population in all of these countries available for military duty but they are at the present time unsupplied with sufficient military equipment to form an army of any strength.

You might organize an army, but an unarmed army would not be capable of defending any country.

General FELLERS. When you add the populations of the North Atlantic powers and the total of their industrial productivity, it is most impressive, but when you break it down country by country and compare the total to Russia's power, it is quite evident that our allies cannot prevent the occupation of Europe by the Red Army.

Therefore I claim it is better to build an air force that will destroy Russia if war comes and act as an effective deterrent now, rather than piecemeal supplies to a lot of ground forces which the Russians would not fear.

We wouldn't have the help of those countries anyway when war comes. They are going to be occupied.

Chairman KEE. You think that whatever we do it is a hopeless situation in Europe, according to your view?

General FELLERS. No; I think we can keep the peace of the world with air power.

Chairman KEE. By United States air power alone?

General FELLERS. Oh, no.

Chairman KEE. I understood you to state a while ago that you would not favor our sending any air equipment at all to these people, that they would not take care of it if we did.

General FELLERS. That is right.

Chairman KEE. Therefore, that would mean you merely favor building up a tremendous air power here in the United States?

General FELLERS. England builds beautiful aircraft. In jet propulsion they are probably equal to us or ahead of us. I think it is important that they continue their air program. I think it is important that the French build theirs, and Belgium, but I do not see why we should piecemeal our own Air Force over there and permit it to disintegrate and lose its effectiveness by doling it out. I do not know what it would accomplish. It would be destroyed the first night of the fight anyway.

Chairman KEE. You stated a while ago that by breaking it down—that is, breaking down Europe into individual or separate nations, they were more or less impotent. That is just the situation they are in now, is it not? They are in separate entities and there is no strength in them because there is no union at the present time, and even when they have union, unless they are supplied with militar; equipment there is no defensive strength nor offensive strength in them?

General FELLERS. When they had union and when they had all the ground equipment they need—we had a typical example in the last war; when it ended there were 93 divisions on the western front and 502 Red divisions on the eastern front.

I do not think we will have more than 93 allied divisions when the next war starts, even if we go at it full steam ahead. Therefore it seems to me it is a difficult thing to build up against the Red Army.

When you play football, you endeavor to play strength against weakness.

If you accept combat with the Red Army you play our weakness against enemy strength. In this every advantage lies with Russia. We can win in the air but I don't think we can win on the ground

Mr. VORYS. In view of your statement about how this is to be administered, I would like to point out that in the white book it is said on page 34:

"It is proposed that primary responsibility for direction of the military assistance program will be exercised by the President through the Department of State."

Chairman KEE. I was not discussing the administration; I was discussing the question of who determined the quantities and characters of the material.

Mr. VORYS. Let me give you another direct quote by the interdepartmental committee as to how this is going to be run:

"Responsibility for the direction of the operations of the military-assistance program (this is on p. 35) would be exercised by a director for military assistance who would also be the special assistant for MAP to the Secretary of State, and be appointed by the Secretary."

Now, under "Requisition and procurement," on page 37, it is done through the Embassies and the Department of State. It is screened by the National Military Establishment, but responsibility for the direction of the operations of MAP would be in the Department of State.

General FELLERS. That is not what I meant. The State Department invited these requisitions. The countries, not wanting to be invaded—and I am in complete sympathy with them on it—naturally requisitioned principally ground equipment because they want to hold their frontier. That automatically commits them to ground combat. We are committed to assist them, so we have to join in ground combat or they will say we welched.

So the State Department is fixing strategy. They did it at Pearl Harbor. They said, "We will put the fleet at Pearl Harbor and it will be a deterrent to aggression by Japan."

It was not a naval decision.

Chairman KEE. My correction was not as to either one of the questions you asked, Mr. Vorys. The statement was made that the State Department determined the character and quantity of materials to be furnished them. It is the statement of General Bradley and the Joint Chiefs of Staff that such matters were determined by consultation with the representatives of the western powers, together with representatives of the other powers to be assisted.

General FELLERS. I was not clear in my statement.

What I meant was that as a result of the State Department's procedure in inviting these powers to requisition equipment we find ourselves confronted with accepting the strategy of ground combat.

Chairman KEE. I do not agree with you there, General Fellers. I do not think by inviting them to request what equipment they need that that commits us to furnish the equipment they requisition.

Mr. SMATHERS. May I ask one other question, Mr. Chairman?

Chairman KEE. Certainly.

Mr. SMATHERS. General, you said a moment ago you felt weakness invites an attack, yet in your statement you also want to perpetuate their weakness now in Europe and want to overcome it by having a strong Air Force here in the United States.

If we allow western Europe to remain defenseless, at what point would you recommend we go to war with Russia? When they started moving westward?

General FELLERS. That is already fixed by the treaty.

Mr. SMATHERS. In other words, you would still say that the moment Russians started across the Rhine or infringing on the borders of any one of the Atlantic Pact nations, that that is when we start?

General FELLERS. Yes, sir; that is what the treaty means to me.

Mr. SMATHERS. In other words, then, you are willing to start a war at the point of the Rhine, but you do not want to put any troops in, or you want to have no defense whatever from the Rhine all the way to the Atlantic coast. You just merely want to let them start and go all the way and relax?

General FELLERS. I don't want to, but I cannot help it.

Mr. SMATHERS. You said a moment ago it is like playing football. It seems to me your analysis is, to take your comparison there, that you want to play football without having a line. You want to rely on a very wonderful backfield but give up immediately the opportunity you might have to have a line in front of you.

General FELLERS. If I thought the line could hold, I would be in favor of the line. The line will not hold, I assure you.

Mr. SMATHERS. If the line, however, deters and slows down, would you not then be in favor of the line?

General FELLERS. No, sir.

Mr. SMATHERS. You would not be in favor of the line under any conditions?

General FELLERS. No, sir; because in the final analysis we would be committed to ground combat against the Red Army and we can't win it and France would be destroyed.

Mr. SMATHERS. I have no further questions.

Mr. MANSFIELD. Mr. Chairman.

Chairman KEE. Mr. MANSFIELD.

Mr. MANSFIELD. Getting back to what Mr. Vorys said and the powers vested in the Secretary of State, it appears to me that on the basis of H. R. 5895, those powers are vested in the Secretary of Defense and the President, and I find no reference whatsoever in any part of the bill, after glancing through it hastily, which even mentions the Secretary of State.

Chairman KEE. I think we can argue that question out when we get to considering the bill.

Mr. BATTLE. May I ask one more question, Mr. Chairman?

Chairman KEE. Yes, sir.

Mr. BATTLE. General, are you in favor of the Marshall plan?

General FELLERS. I am in favor of economic aid to Europe. I am not qualified to discuss the Marshall plan in detail.

Mr. BATTLE. I was just thinking about your general approach as to how we can best help Europe, or do you think there is anything we can do?

General FELLERS. I am in favor of assistance in order to provide economic recovery. I think that is more important against communism than any one thing.

Mr. BATTLE. That is all, Mr. Chairman.

A Memo to Veterans

EXTENSION OF REMARKS

OF

HON. GLENN R. DAVIS

OF WISCONSIN

IN THE HOUSE OF REPRESENTATIVES

Wednesday, August 17, 1949

Mr. DAVIS of Wisconsin. Mr. Speaker, the following editorial recently appeared in the Milwaukee Journal. It speaks, oh, so very clearly, for itself. I ask my colleagues, especially those to whom the memo is addressed, to take the time to read it:

A MEMO TO VETERANS

We hope you saw the picture of the Tanforan race track that ran through all editions of the Journal of yesterday. It was on page 2. If you didn't see, go back and take a look.

Tanforan is quite a lay-out now. It is an old race plant, but was completely rebuilt in 1947 and 1948. The new grandstand section, built of steel and wood and concrete, is a dandy. It holds 7,000 spectators. The clubhouse, balcony, and enclosure holds 3,000. Tanforan isn't quite in the class of Santa Anita and Hialeah, but it will do.

Tanforan was built when building materials were scarce. It was built when many of you were hunting for places to live, when building contractors were trying in every conceivable manner to get steel and lumber and cement. It was built when President Truman was demanding tighter controls on building materials and an end to all but housing and the most essential building work. At that time, incidentally, he was blaming the Eightieth Congress for the lack of housing.

Tanforan, existing purely for pleasure and the profits of its owners—a race track that runs 40 days a year—was given clearance for the rebuilding project through the efforts of Maj. Gen. Harry Vaughan, President Truman's military aide. He acted in behalf of his friends, the Tanforan owners.

Now, how do you like that?

Taxes

EXTENSION OF REMARKS

OF

HON. THOMAS J. LANE

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, August 17, 1949

Mr. LANE. Mr. Speaker, under leave to extend my remarks I wish to include the following communication that I have received from Mr. Francis R. Powers of Winthrop, Mass., which reflects the opinion of thousands of our citizens and taxpayers throughout the country:

WINTHROP, MASS., *August 15, 1949.*

Hon. THOMAS LANE,
House of Representatives,
Washington, D. C.

DEAR SIR: On the front page of the Boston Herald this morning appeared this heading: "Aroostook potato farmers get $65,000,000 price support. Two producers paid $500,000 each."

I have heard from people from that part of Maine that the farmers in Aroostook County are going to have a very fine crop of potatoes this year.

Our present administration is constantly getting after companies to reduce their prices so as to reduce the cost of living, but the articles which hit us most—that is food—are being held up by the Government through subsidies and the farmers, both in the Midwest and Aroostook County, have had prosperous years.

We also heard that eggs are being stored to hold up prices. All of this at the cost of the taxpayer.

I am working nearly half a year just to pay taxes to the Government for such unsound practices.

You hear everybody blaming President Truman and his administration. I believe it is more up to our Senators and Representatives who we send to Washington to represent us.

I have just read Notes on a Trip to Europe, by Ernest T. Weir, chairman of the National Steel Corp., Pittsburgh, Pa., about our spending in Europe. I think every Member of Congress should read it.

The public is getting fed up with this burden of taxation and lack of proper steps by Congress to reduce it. The people have been very cooperative and patient but are getting restless and I hear it from all sides from loyal men and women of sound thinking. It is up to Congress to cut down this unnecessary spending—both in this country and abroad.

Sincerely yours,

F. R. POWERS.

The High Price of Doing Nothing

EXTENSION OF REMARKS
OF
HON. HELEN GAHAGAN DOUGLAS
OF CALIFORNIA
IN THE HOUSE OF REPRESENTATIVES
Wednesday, August 17, 1949

Mrs. DOUGLAS. Mr. Speaker, under permisison to extend my remarks in the RECORD, I wish to include the following article by Stewart Alsop which appeared in the today's Washington Post.

MATTER OF FACT
(By Stewart Alsop)

THE HIGH PRICE OF DOING NOTHING

LONDON.—Thoughtful American officials are now talking seriously of the time when the United States will be forced by the pressure of circumstances to offer the British something like common citizenship—at least a common currency and a free exchange of population. The parallel is obvious—Winston Churchill's desperate eleventh-hour gesture to the French in 1940.

That intelligent and informed men can talk seriously of such an offer being made is in itself a measure of the meaning to the United States of the British crisis. For an Anglo-American union is not, obviously, practical politics. It is even less practical politics in England, which already fears being transformed into a "forty-ninth State," than in the United States.

It is probably not even practical economics. It is true that such a union would open up the vast continental market of the United States. But most economists—especially British economists—believe that in the free competition that would ensue, the gigantic American economy would soon strangle the weaker British economy.

Yet the offer may some day be made, as it was made by Churchill in 1940, in sheer desperation, when it is already too late. If this is not to happen, some new and bold approach, which is both practical politics and practical economics, must be found to deal with the economic sickness which is weakening and splintering the Western World.

A plan which is at least new and bold is being widely discussed here by wise and powerful men. This plan is worth describing, if only because the ideas on which it is based are obviously influencing the thinking of men, including Chancellor of the Exchequer Sir Stafford Cripps, who are trying to grapple with Britain's desperate crisis.

This plan is designed to deal with the two factors which are seizing up the machinery of world trade. One factor is simply that you can buy more for dollars than you can for pounds or for any "soft" currency. This creates a single-minded world-wide thirst for dollars. And—this is the second factor—this thirst is accentuated by the fact that the soft currency economies, and especially the sterling area, have too little in reserve. Because there is so little left in the British kitty, people rush to get dollars for pounds, by hook or by crook, before it is too late. This leakage, mostly illegal, accounts in very large measure for this summer's economic crisis.

The first step in the plan would thus be to call an international monetary conference to devalue all European currencies down to their real purchasing power in terms of dollars. The pound, for example, would be reduced from $4 to $3.

This would pull down the standard of living in England, because the British people would get less from abroad in exchange for what they produced at home. But both the ECA and the British treasury have made independent studies of how great the drop would be, and both came up with the same answer—only about 4 percent. And this is better than the real misery which otherwise seems inevitably in prospect for the British.

This cut in living standards would be the British and European contribution to the plan. The American contribution would be far less painful. The American Treasury would raise the price of gold from $35 to $45 an ounce. This would automatically, and without touching a hair on an American taxpayer's head, raise the value of the huge American gold horde by about $8,000,000,000. This great sum would then be earmarked as backing to permit the free exchange of currencies and the freeing of trade.

With the pound and the European currencies at their real dollar value, backed by this great, confidence-inspiring reserve, there would be, it is argued, no run on the $8,000,000,000 bank.

Most if not all of the gold would remain in holes in the American ground. And the terrible process which is slicing the economy of the whole Western World into bits would be reversed.

So runs the argument. Whether or not this scheme provides a real way out (and to the layman it sounds too neat, too painless), neither this nor any other really bold attack on the crisis is likely to be proposed by Cripps when he comes to Washington next month. This is partly because the British planners are tired and lack their old confidence, and partly also because Cripps knows that Secretary of the Treasury John Snyder, and the conservative bankers for whom he speaks, would boil with righteous indignation if he proposed anything really far-reaching or unconventional.

Meanwhile, the facts to bear in mind are these. If nothing is done, it is wholly likely that by this time next year the entire economy of the sterling area will have begun to disintegrate. If this happens, the collapse of Britain as a world power will be inevitable. And if this happens also, the United States will be able to halt Soviet expansion in Europe and Asia in only one way—by going to war. This would be a high price to pay in the end for the luxury of doing nothing now.

Unification and Savings

EXTENSION OF REMARKS
OF
HON. JAMES E. VAN ZANDT
OF PENNSYLVANIA
IN THE HOUSE OF REPRESENTATIVES
Wednesday, August 17, 1949

Mr. VAN ZANDT. Mr. Speaker, the following article by Hanson W. Baldwin, which appeared in the New York Times, August 11, 1949, concerns a very interesting subject—savings effected by unification of our armed services.

Mr. Baldwin's article is as follows:

UNIFICATION AND SAVINGS—NEW LAW, BY ITSELF, DOESN'T INSURE CUTS IN SERVICES' "FAT" OR OVERSIZE COMMANDS

(By Hanson W. Baldwin)

The enactment of the new unification law by the signature of the President yesterday does not herald a golden era of efficiency, economy, and service unity.

The act provides certain improvements, particularly in the budget and fiscal field, in the basic law and it clarifies the already formidable powers of the Secretary of Defense. It provides the framework for closer integration and greater efficiency, but it does not automatically insure either economy or efficiency. The somewhat reckless promises made of a billion a year in savings as a result of the act will almost certainly not be realized. If they are, the act will not be responsible for such savings.

Sums measured in millions may well be saved by greater and more efficient administration in the armed forces, but sums measured in billions can be saved only by cutting the size of those forces.

There are, however, obstacles to both processes—the savings of millions and the savings of billions. There is no doubt, whatsoever, that there is considerable surplus "fat" in all the services. Only a fraction of our service manpower is in combatant units; the overhead is unbelievably large.

BULK OF NAVY MANPOWER IS ASHORE

The Army is able to get only about ten and a half divisions out of a requested 677,000 officers and men; the Italian Army, with a peace treaty limit of about 175,000, disposes of seven or eight divisions. The bulk of the Navy's manpower is ashore. The Air Force, with more than 400,000 men, disposes of somewhat more than one-eighth of this number as flying personnel.

Another comparison also shows some of the topheaviness of the services:

Strengths of general officers (or admirals) and enlisted men

	Army	Navy	Air Force
Today	350	259	264
	595,000	381,336	361,000
Peak of World War II	1,027	496	266
	5,474,000	3,004,811	1,901,000
Prewar, 1938-39	91	83	12
	153,000	110,196	21,000

The top figure in each row represents general officers or admirals; the bottom figure represents enlisted strength.

The figures above, if studied, illustrate graphically the tremendous growth of top-level rank. For the Army, for instance, there was a ratio of less than 1 general to every 5,474 men during the war; today that ratio is about 1 to 170; before the war it was about 1 general to every 1,681 enlisted men.

DEFENSE SECRETARY'S STAFF CITED

The top-level administrative and supply echelons of all the services are much too large; they have remained big while the combat forces have shrunk. The Office of the Secretary of Defense itself illustrates this; it is already much bigger than was ever contemplated under the original Unification Act, and it is still growing. The 1950 budget asks for more funds for that Office, and yet there has been no comparable decrease in lower administrative echelons.

Moreover, while the uniformed forces of the Nation demobilized, there was never any proportionate demobilization of the civilians employed by the armed forces. These civilians, unlike the military men, had the organized pressure of politics behind them. The great numbers of civilians in military employ, plus the large budget of the armed forces, have made the national defense budget one of the fattest "pork barrels" into which Congress ever has dipped.

The Navy, for instance, as a result of the war, found itself with hundreds of shore establishments—many of them not needed in peace. It has tried, but with scant support from Congress, to close some of these, but it now finds itself in the position in which the

Army was placed in prewar days—when the land service was forced to maintain a lot of useless posts inherited from Indian war days because of the pressure of local politics.

SAVINGS A TASK FOR CONGRESS

In other words, some of the "fat" of the services is due to pressure politics and congressional enthusiasm for the "pork barrel." Congress, and only Congress, can effect these savings.

But the Defense Establishment itself can reduce its top-heavy overhead and can funnel more of its energies into combat forces. The National Defense Management Committee, appointed by Secretary of Defense Louis Johnson yesterday to effect this, can be a good influence in this direction.

The idea of management engineering in the armed services is not, however, new; the late James Forrestal brought into the Navy Department one of the first groups of efficiency engineers utilized in Government departments. But such a group can go so far and no farther.

Blueprints and suggestions are fine, but in the last analysis the human equation—the willingness of individuals to remove, if necessary, their own little crowns and to break up their own little empires—is what will make or break economy and efficiency in the forces.

There is one sour note in Mr. Johnson's management engineering approach. A military man—Gen. Joseph T. McNarney, an efficient administrator—is placed at the head of a committee of which the Secretary of the Army and other civilian officials are members. This is a bad precedent; Gordon Gray, Secretary of the Army, should have the priority to which his position, title, and, above all, his civilian clothes entitle him.

Union of European States

EXTENSION OF REMARKS

OF

HON. J. WILLIAM FULBRIGHT

OF ARKANSAS

IN THE SENATE OF THE UNITED STATES

Wednesday, August 17 (legislative day of Thursday, June 2), 1949

Mr. FULBRIGHT. Mr. President, I ask unanimous consent to have printed in the Appendix of the RECORD an article entitled "European Order of Sovereign States Called as Obsolete as Greek City-States," written by Dorothy Thompson. It is a very excellent article.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

ON THE RECORD—EUROPEAN ORDER OF SOVEREIGN NATIONS CALLED AS OBSOLETE AS GREEK CITY-STATES

(By Dorothy Thompson)

For the most enlightened spirits of Europe, whether conservative, liberal, or socialist, the European assembly meeting in Strasbourg—on the Franco-German frontier—has a greater significance than the Marshall plan or the Atlantic Pact. These measures of American initiative represent a great response to the crisis, but they will not save Europe, shattered by two wars arising from inter-European tensions.

Europe has reached the lowest estate in their history. Divided, she is powerless, really what she has always been geographically, a peninsula of Asia, now even depending on the United States for her defense.

A European order based on relatively small, completely sovereign nation-states is as obsolete as the Greek city-states eventually proved to be in the antique world. The vast multinational state of the U. S. S. R., whatever its ideological content and despite its barbaric despotism, is, in one respect, consistent with the necessary developments of history—limitation of national sovereignties in the interest of large-scale integration. The power and prosperity of the United States rests less upon the superior initiative and skills of America's European descendents, than on the great room of the union in which they can be exercised.

UNION HELD ONLY SOLUTION

These facts have not been lost on intelligent Europeans for the past century and longer. When Winston Churchill declares "Europe must unite or perish," he is quoting Nietzsche and Romain Rolland, and much more remotely—Dante.

In the entire period between the two wars, there was one bright, sunny morning for Europe, when two European foreign ministers, Aristide Briand and Gustav Stresemann, recognized that the problem crying for solution was not "German" or "French," but European. Locarno, which opened the way for a confederation of Europe, foundered on France's alliances with Germany's eastern neighbors. Today those alliances are nonexistent. They did not check Germany and today the countries with which they were made have been absorbed into the Soviet system.

The union of Europe offers the only solution for the German problem in Europe. Everybody can see the menace potential in a German revival, with a sovereign German state able to bargain between east and west. The last Frenchman fears a Germany with its own foreign office, army, and sovereign rights. The last Frenchman does not, however, yet see that the solution lies in the sacrifice of such sovereignties by all European countries and the creation of a multinational European state.

The assembly, meeting at Strasbourg, can be the beginning of a long overdue renaissance of Europe.

TENTATIVE BEGINNING

It is certainly not more than a tentative beginning. Although it is a representative assembly, the governments of the participating states strictly limit its powers, and the proceedings and issues are being steered and controlled by the foreign ministers. Consideration of military matters has been ruled out by the Atlantic Pact—but this permits the participation of Sweden despite her policy of neutrality. A veto right is retained by the foreign ministers despite the experience of the UN. The meeting is thus a far cry from the American Continental Congress.

But it is a sounding board for the most constructive idea that has come out of the war. It demands that we think, not in terms of nation-states, but in terms of civilizations. Europe is a civilization, and it is European civilization—not France, or Britain, or Germany, or Scandinavia—that will rise in a new response to its greatest challenge, or decisively fall.

That issue has been drawn, but the outcome is by no means decided. That the United States supports European union is, incidentally, an answer to the charge that we seek world domination. Imperialism never fosters unions except to themselves. A united Europe would not only be less susceptible to Russian domination—hence the bitter Russian and Communist opposition—but it would also be less susceptible to American domination, and should ease the intolerable tensions and fears arising from a two-power world.

What Fear Does

EXTENSION OF REMARKS

OF

HON. HARRY. J. DAVENPORT

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, August 17, 1949

Mr. DAVENPORT. Mr. Speaker, under leave to extend my remarks in the RECORD, I include a very fine article from the Los Angeles News by one of America's most liberal-minded and progressive businessmen, Mr. Charles Luckman, president of Lever Bros. Co. It is too bad that we do not have more business leaders talking in this fashion.

WHAT FEAR DOES

(By Charles Luckman, president, Lever Bros. Co.)

FEAR

Fear has won a beachhead in America. It is persuading the American people to talk themselves into a depression. By emotional arithmetic, viewers-with-alarm add two and two and get zero. * * * But the record they scan is their own fever chart, not the record of America's economic health and vigor. These individuals confuse fears with facts.

You and I know that, as a nation, we cannot afford to be economic hypochondriacs. A country, like an individual, can worry itself sick.

Too many of us have accepted dim and jittery estimates of what is wrong with America, instead of finding out for ourselves what is right with America.

FAITH

Only through lack of faith in America and in ourselves, could we mark down the world's most dynamic economy.

Faith in America is not blind acceptance of things as they are. It is the belief that we, in America, can make them better.

The history of America is an inspiring saga of great problems superbly overcome. I reject the thought that at the midpoint in this twentieth century we will reverse the course of this history.

ECONOMY

The facts of America's economic strength are known to everyone. We have: (1) 59,000,000 workers on the job; (2) $200,000,000,000 in liquid savings; (3) $215,000,000,000 personal income for 1949; (4) high purchasing power—53 percent greater than prewar. It would seem preposterous that anyone could manipulate these figures and come up with an answer that equals disaster.

For every minor symptom of decline, there are a hundred major elements of economic stability.

What we are witnessing today is the transformation of a sellers' market into a buyers' market. And this is as it should be.

NEEDS

Let's face some cold facts: 27,000,000 Americans have no kitchen sink; 18,000,000 Americans lack washing machines; 25,000,000 Americans lack vacuum cleaners; 1,000,000 American families need new homes this year; 40,000,000 Americans have neither bathtub nor shower. So, let's not talk about what we've got. Let's be more concerned with what we haven't got.

There is enough urgent work on hand for every business now in existence—and for industries yet unborn—to keep busy for generations to come. We have no excuse in common sense for a recession, let alone depression.

BUSINESS PLATFORM

Business must open its eyes to the facts of our economic strength. It's bound to look dark, if we close our eyes. Then, business must act with courage and determination to meet the opportunities these economic facts present.

The job of business is, as I see it: (1) To increase productivity in cooperation with labor; (2) to continue sound wage policies; (3) to lower prices wherever possible; (4) to devlop new products, new methods, new services; (5) to have an eagerness for enterprise, a willingness to expand, and a revitalized initiative.

This is the platform on which we can build, if we abandon our fox holes of fear and regain the faith that built America—faith in ourselves, faith in our ability, and faith in our future.

Lever Bros. has this faith and is putting it into action. It is my privilege to tell you that we are backing our faith in America with cash—$55,000,000.

Man-Made Troubles

EXTENSION OF REMARKS
OF
HON. WALTER H. JUDD
OF MINNESOTA
IN THE HOUSE OF REPRESENTATIVES
Wednesday, August 17, 1949

Mr. JUDD. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following article from the business service called Economic Trend Line Studies:

MAN-MADE TROUBLES

One of the biographers of Samuel Johnson tells of a meeting in London in which a number of philosophers of the day were discussing the question as to the outstanding difference between human beings and the lower animals. When it came to Dr. Johnson's turn, he observed that the outstanding difference was that the lower animals experienced their vicissitudes from natural causes, but, in the case of man, most of his difficulties were the result of his own acts.

It is a fact that most of the lower animals fall victim to what might be called natural causes, such as freaks of weather and climate, but it does remain for man to organize on a grand scale the difficulties that, historically, he may be forced to face for years or generations. As one thinks of the last 25 years, the distinction outlined by Dr. Johnson certainly becomes impressive. One could not visualize an animal attempting to create the slaughter, the prejudices, the deep-seated cruelties that have been conjured by the so-called sons of God.

At the present time, both at home and abroad, practically all the trouble we face is, in the sense that Dr. Johnson used, "man-made." We have to grant that the lower animals at times are utterly selfish and ruthless, but it has remained for man to so systematize selfishness and ruthlessness that these troubles are not passing incidents between individuals, but have become great social upheavals. This pattern has persisted from century to century and has engulfed whole civilizations, and, to this day, tends to generate even our economic booms and busts.

As one reviews the international scene today, and the responses to the facts of our public through Washington, he cannot fail to be impressed with the strange mixture of idealism on the one hand, and unalloyed self-interest on the other. Every pressure group in this land and many of the lobbyists are seeking ends that outrun the bonds of good common sense. It is surprising how easy it is in this country to have large groups of people sponsor a program which satisfies their personal interest, where such sponsorship would be greatly resented if it were not deeply rooted in the self-interest of the individual. It would certainly seem that the democratic way of life has degenerated, both in western Europe and in this country, into government by groups seeking their own ends, largely for selfish reasons and with relatively little regard for the national good.

On the Continent, these specialized interests have reduced the so-called representative system to what, in the parlance of the day, is known as government by blocs. In country after country, there is no individual group in control of the ship of state, acting on a fundamental ideology of placing the general welfare first. Most every representative is indebted for his position to the activity of some organized clique whose sole purpose is to represent the unenlightened interest of the constituents. For this reason, we see in countries like Italy and France, legislative assemblies striving to direct the national affairs but at the same time swapping and trading between themselves, in order to establish a majority, even though the end sought is to a surprising degree based on the general background of individual or class self-interest.

We here in America, viewing the European scene from some distance, are probably far more sensitive to the weakness of their democracy than they are themselves. In like manner, it is quite easy to see how an intelligent European studying our scene would sense the same weakness although perhaps in rather modified guise. Forty years ago, the European process was not far different than that now practiced ourselves but the question is whether we are not moving in the same direction, even though we are lagging somewhat behind. To date, we have no party organizations definitely committed to the self-interest of particular constituents. We still have a two-party system. However, behind the scenes, we have a great many individual representatives, who in the composite, are the counterpart of what is going on in Europe. For instance it is questionable whether the day is not pretty well past when the committees in the House and Senate comprise a fair balance between parties. The process goes much further than that. Today, committees on labor are slanted toward labor, agriculture toward agriculture, and little business toward little business. This may not be an unfortunate process at present but it may mean the death ultimately of genuine statesmanship and the emergence of the professional politician on the European level.

In France, one often hears the query, "Who, in the last 20 years, has ever represented France as a nation?" It is a fair question and we are certainly at a loss for an answer. But, going a step further, the same question might be asked of us here in this country. I do not say that the day of the great statesman is over. If there ever was a need for broad and wise thinking on the part of our Representatives, it is today. But, the background of the work being done today in Washington is a depressing influence on the general characteristics that thinking people associate with statesmanship. I would think that to be a statesman today a Representative would have to have more character and wisdom than any of his predecessors ever needed. This is a broad statement, but I think it will bear analysis and that it can be simply accounted for. The facts are that, to an ever-increasing degree, elected Representatives are called upon to respond to the dictates of their constituents, often on the narrowest and most selfish grounds. Under such circumstances, is it surprising that decade after decade both in Europe and America, those elected to carry the responsibility of government face ever-increasing pressure to respond to their duties narrowly and to the liking of the home team, whatever that team stands for?

Perhaps, to a considerable extent, the root of these developments has germinated in a disregard for what political scientists have called the rule of law. Democratic processes were originally founded on the concept that once a law was passed or a constitution established in accord with majority wishes, then each individual modified his conduct to conform to this body of law. In recent years, the trend has been, not to discipline conduct in accordance with a few simple and fundamental laws, but to pass a new law which legalizes whatever action is desired, no matter how rash or impulsive. Thus, if one group wants the property and wealth of another group, the first objective is to pass a law, to make the seizure legal. This reduces the structure of law to a mere sham and, if allowed over a long period, eventually results in social chaos. Individual or group responsibilitiy does not reside in laws; it rather stems from proper conduct. Those, who in their own words, seek to strengthen democracy by destroying old institutions and replacing them by new ones, often are the worst enemies of the democratic processes.

Let us go back to the observation of Dr. Johnson with which we started these comments. We can assume of course that, his statement was a play on words, as it were, for there are many more important differences between man and the lower animals than he indicated; I am sure he would have been the first to make this qualification. Nevertheless, the fact remains that the statement is fundamentally correct, namely, that mar, with all his intelligence and his spiritual possibilities, gets into more organized trouble of his own making than any of the more primitive inhabitants of this world.

Is it a fair question to ask whether this is a fundamental difficulty? For the longer pull, it is not necessarily so, but today we as groups tend to demand what redounds to our selfish advantage and we even more tend to demand the decisions from our Government that fit the requirements of today regardless of the expense being carried into the future.

In the abstract, majorities here and in many parts of Europe are clamoring for the maintenance of the democratic life and individual freedom. We all mean it very seriously, but the problem has never been thought through. In every sense of the word the well-being, the culture, the security of tomorrow, has to be paid for today by constructive efforts and forebearance. Subconsciously, democracy knows this to be a fact, but the temptation is very great to follow the primrose path in many different ways. We are still, as Dr. Johnson said, organizing our own difficulties. It is the greatest weakness of the democratic process. It is the fundamental clash wherein, for all past times, man faces a struggle between theoretical abstract, social morality, and the very human desire to get something for nothing, or for at least less than it is worth.

Report on the Acreage Limitation Provision of the Federal Reclamation Law as Applied to the Central Valley Project

EXTENSION OF REMARKS
OF

HON. HELEN GAHAGAN DOUGLAS
OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, August 17, 1949

Mrs. DOUGLAS. Mr. Speaker, one of the most important struggles against monopoly is the struggle to maintain the historic 160-acre water limitation of the national reclamation law. The organized forces of small farmers, laborers, veterans, and people with a deeply religious concern over the quality of American rural life have succeeded in beating back a series of attacks upon that law during the past 5 years. All of them were pointed at the Central Valley of California. Some of them included projects in Colorado and Texas in their target, trying to gain strength by logrolling. The legal protection against monopoly and speculation on every reclamation project in 17 Western States was threatened by these attacks. So far they have been repulsed.

In the present lull since the Eightieth Congress, in a period when the opponents of reclamation law are not daring to press their demands for repeal directly, thoughtful citizens are canvassing the situation again, and reviewing the foundations of their public stand.

Mr. Speaker, 2 years ago the General Assembly of the Presbyterian Church, United States of America, recorded its alarm at efforts then in progress to repeal the 160-acre water limitation in California, and the Synod of California joined with the general assembly. The next year, 1948, the committee on social education and action of the Synod of California said that having received several requests to change its previous strong stand in favor of acreage limitation in Central Valley, it would study the question afresh. So for a full year the committee has been engaged in what is probably the most searching study of the fundamentals of this reclamation issue yet made by any agency outside of Government.

The report from that year of study has now been made public. It was submitted to the annual meeting of the California-Nevada Synod of the Presbyterian Church. It was debated extensively in committee and before the synod and adopted by a heavy majority. By a second resolution the synod commended the work of the investigating committee and its chairman, Rev. Graydon E. McClellan, of Santa Rosa, Calif.

The report as adopted by the synod found that "There is a moral problem involved in repeal" and reaffirmed its faith in the 160-acre limitation. The finding of the committee and the declaration of the synod ought to go far toward the final defeat of those who have been seeking, and still seek, to undermine reclamation.

Mr. Speaker, under leave to extend my remarks in the RECORD, I include the report on the Acreage Limitation Provision of the Federal Reclamation Law as Applied to the Central Valley Project, made by a Subcommittee of the Committee on Social Education and Action, and adopted on July 29, 1949, at Zephyr Cove, Nev., by the California-Nevada Synod of the Presbyterian Church, United States of America.

REPORT ON THE ACREAGE LIMITATION PROVISION OF THE FEDERAL RECLAMATION LAW AS APPLIED TO THE CENTRAL VALLEY PROJECT

(Made by a subcommittee of the Committee on Social Education and Action of the Synod of California, Presbyterian Church, United States of America)

INTRODUCTION—REASONS FOR THE REPORT

The one hundred and fifty-ninth general assembly, meeting at Grand Rapids, Mich., in 1947, viewed with alarm the present attempt to urge upon our Congress the repeal of the 160-acre limitation provision of the Federal reclamation law for the Central Valley of California. The following reason was given: "This we believe would strike at the heart of the family farm; as the door would be opened for commercial operation of large areas, with Government subsidy in irrigation. If this happens in California, a dangerous precedent is set for Government-owned irrigated lands in other areas." (Minutes of the General Assembly of the Presbyterian Church, United States of America, 1947, pt. I, p. 198.)

The ninety-sixth session of the synod of California, meeting that same year in San Jose, united with the general assembly in the above action, adding the statement that to maintain the limitation would assure many veteran families of a promising start in agriculture.

In 1948 the committee on social education and action was requested from several sources to recommend to synod a change in stand in acreage limitation as applied to the Central Valley project. Feeling the need for further study, the committee presented the following recommendation, which synod adopted:

"VI. Rural life: We reaffirm our concern for the retention of the 160-acre limitation provision of the Federal reclamation law encouraging the family farm in America, but because of certain questions which have been raised by the application of this rule to the Central Valley project, we report to the synod that it is our intention to pursue studies concerning this project and to make report to the synod of 1949."

These findings therefore are in fulfillment of synod's authorization of further study. They are based mainly upon two general sources:

1. Printed matter, including the CONGRESSIONAL RECORD; congressional hearings reports; the Hoover Commission's task force report on natural resources; the Comprehensive Plan for Water Resources Development Central Valley Basin of the Department of the Interior; copies of water contracts between the Bureau of Reclamation and several irrigation districts; They Would Rule the Valley, by Senator SHERIDAN DOWNEY; the Thirsty Land, by Robert de Roos, Fortune; Bureau of Reclamation documents; the California Water News, publication of the Irrigation District Association (favoring repeal of limitation); newspaper clippings; and much correspondence.

II. A subcommittee hearing in Fresno April 20, 21, and 22, participated in by the following: The Reverend John Dillingham of Oakland, the Reverend Karl Myers of Clearwater, the Reverend R. Murray Jones of Inglewood, the Reverend Addison Moore (consultant to the committee regarding migrant labor), and the Reverend Graydon E. McClellan. Testifying at the hearing were: For repeal of acreage limitation, Elder Charles Kaupke of the First Presbyterian Church of Fresno, water master of the Kings River service area; Mr. Edson Abel, assistant director of the California Farm Bureau Federation's public-utilities department; Mr. R. F. Schmeiser, immediate past president of the Associated Farmers of California. In defense of acreage limitation: Mr. Phil Dickinson, Assistant Regional Director, Bureau of Reclamation; Mr. Kent Silverthorne, legal counsel for the Bureau of Reclamation's Sacramento office; Mr. Jack Rodner, in charge of the Bureau's Fresno office; and Mr. O. M. Davis, farmer and a Grange leader in the Fresno area. These men appeared at the request of the committee and were all gracious in their cooperation. In addition to the formal hearing the afternoon of the 21st, members of the subcommittee went with representatives of both sides to sample farmer opinion and to see first-hand some of the irrigation methods and problems of the area. Other members sampled independent opinion on their own.

Thus it can be seen that the subcommittee has endeavored to hear all sides and to search the basic resource material. They have sought to have but one bias—the bias for Christ.

Before presentation of the findings, the following summary should be made. The Central Valley project is a Federal project for navigation, flood control, irrigation, electric power, and salinity control covering both the Sacramento and the San Joaquin Valleys. Army engineers have built some features of the project, but the project as a whole comes under the United States reclamation law, and is being developed by the Bureau of Reclamation. It is a multipurpose project involving such widespread planning as pumping water from the Sacramento River for use in the interior of the San Joaquin Valley with power developed up north at the Shasta Dam. Sacramento Valley has one-third of the land and two-thirds of the water, and San Joaquin Valley has two-thirds of the land and one-third of the water. The project seeks to balance this with a major transfer of water to the San Joaquin, where the water table is receding alarmingly and where wells will go dry unless there is more water. The present project is the first stage of an even larger plan for water exchange and power development drawn up by the Bureau of Reclamation.

The acreage limitation is not a feature imposed by the Bureau of Reclamation, but a part of the Federal reclamation law which they are required to enforce. It requires that project water be delivered to no single landowner for more than 160 acres of land. (Under California community-property law a man and wife together can own 320 acres of land and get project water for all of it.) It is exemption from this limitation for the Central Valley which many California groups are seeking.

I. In order to give synod information upon which to base future action on this matter, the subcommittee sought to answer seven basic questions. The questions and findings are given below:

A. WILL ANY HARM BE DONE THE FARMERS IF ACREAGE LIMITATION IS ENFORCED?

1. The small landholder: The average farmer in the project area has far below the 160-acre limit, the average farm holding being between 50 and 70 acres, according to several surveys. Some charge that excess land owners will continue to pump water from strata replenished by project water, pay nothing for the project water, and thus get a free ride at the expense of the small farmer. But according to irrigation district law (water contracts are between the Bureau

of Reclamation and irrigation districts) members of a district (which include all who live in it whether getting water or not) can be taxed for benefits received to the district. If water is brought in to irrigate and replenish underground supplies where wells are going dry, all in the district can be taxed to pay the cost.

The real answer lies, however, in the fact that it is the large-scale owners who are fighting hardest against limitation.

2. Excess-land owners: The law is really water limiting not land limiting. An excess owner can get project water for 160 acres (320 with his wife) like anyone else. He can go on pumping his wells, and he will not have to sell his excess lands. If he wants project water for his excess lands, he can sign a recordable contract with the Bureau of Reclamation agreeing to sell his excess lands within 10 years for not more than their value before project water came in (to prevent land speculation on land watered by an interest-free Government project). After signing the contract, he can get project water for all his land until the 10-year period is up or he sells the land.

The limitation is on the amount of project water a single owner can get, and no one is forced to sell his holdings.

B. HOW WILL ACREAGE LIMITATION REPEAL BENEFIT THE FARMERS?

1. The small landholder: We can discover no definite benefits to the small landholder to be found in repeal.

2. The excess-land holder: With acreage limitation off, large-scale owners would get project water for all their acreages. In an area where dropping water tables are threatening land values, a stable water supply would increase land values—by means of interest-free Government money. Much of the excess land is outside of the present project area, but when the total Central Valley plan is carried out, water will be delivered to areas (e. g., the west side of the valley) where there are large holdings which would stand to make huge unearned profits. The antispeculation clause went into the reclamation law because of early speculation. In 1913 the Bureau of Reclamation found that, in 25 reclamation projects, unimproved land had increased in price an average of 759.2 percent after water was brought in. Antispeculation features became necessary, for settlers were paying inflated prices for the land sold by speculators because of water brought in by the Government, were paying interest on money borrowed with which to buy the land, and then were repaying the Government for building the projects through their contracts for water. They were paying for water several times over.

The value of lands in the San Joaquin that are being irrigated by pumping (with water tables going down alarmingly) would not jump so high proportionately, perhaps. But a west side corporation owning 20,000 acres would reap $2,000,000 in increased land values if its land increased in value only $100 an acre—through no effort on the part of the corporation.

The reclamation law, passed by Congress in 1902, was amended by Congress to prevent just this from happening, with the taxpayer's money. It is not fair for the whole United States to be taxed to provide these unearned returns to a few.

C. IS THERE COERCION IN ACREAGE LIMITATION?

There have been numerous reports of coercion in the acreage limitation provisions, but we found no justification for them.

The Secretary of the Interior cannot change the size of farms eligible for project water—that was fixed by law in 1926.

Excess-land holders cannot be forced to sell excess land, as we have pointed out.

Yet certain interests are doing everything possible to show that the farmers of the San Joaquin are being coerced by the Bureau of Reclamation. For example, the Irrigation Districts Association Water Economics Committee is giving wide distributon to a leaflet called, "Farms Loans and the 160-Acre Law, prepared by a subcommittee of the Statewide Water Resources Committee of the California State Chamber of Commerce." The leaflet consists primarily of a lopped-off quotation from the 1912 Reclamation Act following an introductory statement that "We think the matter is fully covered by" the section of the law from which the quotation comes. The quotation seems to say, in its emasculated form, that any excess land acquired by "descent, by will, or by foreclosure of any lien" can be held only 2 years and then must be sold, and that excess land held outside the provisions of the law will be forfeited to the United States. But the quotation leaves off the preceding part of the law which would show that it does not apply to the Central Valley project.

In addition, the pamphlet does not say that this 1912 law has been changed by the Omnibus Adjustment Act of 1926, that the changed law has no forfeiture clause, that the Bureau of Reclamation is writing contracts in the Central Valley under provisions of the new law, that the Bureau's Chief Counsel has signed a public document saying that the project is under the 1926 law, not the 1912 law, and that the assumption in the Congressional hearings, even by opponents of limitation, was that the 1926 law superseded the 1912 law.

No one but this little group, with motives that are hard to understand, has tried to say that an old law that has been superseded applies to the Central Valley. As has been pointed out, landholders will not be forced to sell excess lands, and can even keep them for 10 years, receiving project water, after they have voluntarily signed recordable contracts to sell. If they do not want to sell, they do not have to sign such contracts and can go on pumping or getting water from present irrigation systems.

At this point it would be well to deal with two other complaints.

Senator DOWNEY set the tone for the attack on acreage limitation when he entitled his book on the subject, "They Would Rule the Valley." The implication is that the Bureau of Reclamation moved in and is setting up unreasonable rules for purposes of Federal dictation. But the record must be kept straight. California asked the Federal Government to come in and do what the State did not have sufficient funds to do. And when funds were authorized December 2, 1935, by President Roosevelt, the President indicated that the funds were returnable under provisions of reclamation law. In 1937 the project was handed to the Bureau of Reclamation with express instructions that "reclamation law as amended shall govern repayment of expenditures." And the provisions of reclamation law have been widely known for years by leaders in reclamation and engineering. The Bureau is carrying out instructions for repayment given it by Congress. The fact that its employees believe in and defend the law they administer does not make them would-be dictators.

The other complaint is that excess land can be sold only at a price approved by the Secretary of Interior. "Dictatorial," say some. As a matter of fact, the law sets up conditions under which the price must be approved. Also, written right into the water contracts with the districts is the provision that there will be three appraisers, one appointed by the district, one by the Secretary of Interior, a third appointed by the first two appraisers, or by the district court of appeals if the first two cannot agree. Their appraisals guide the Secretary. In our democracy any Secretary ignoring the recommendation of three such representative appraisers would be held accountable by an angry people. We can see no occasion for charges of coercion or dictatorship.

In concluding this section of the report, we present two quotations, one a quotation from the original reclamation law of 1902: "No right to use the water for land in private ownership shall be sold for a tract exceeding 160 acres to any one landowner;" and the other a statement before a congressional committee by Commissioner Straus of the Bureau of Reclamation: "The Bureau always has, under present legislation, recognized and observed valid existing water rights, and always will do so; it does not attempt to enforce limitations on any farm or portion of farm that is not irrigated by Federal project water."

D. CAN ACREAGE LIMITATION BE ENFORCED?

The great burden of Senator DOWNEY's book, They Would Rule the Valley, is that it cannot, because of unique underground water storage and percolation features in the San Joaquin Valley. Senator DOWNEY says of the proponents of acreage limitation: "They had to show how project water could be kept separate from other water, once it had been placed in a common ground table. They had to show how excess-land owners could be prevented from freely and legally pumping that intermixed water—or, if allowed to pump it, how they could be assessed for that unknown fraction of which the project contributed."

DOWNEY seems to be throwing up a straw man at this point. The excess-land owner can get water for his nonexcess land. He can go on pumping from an underground replenished by water brought in by the project. No one says that project water must be kept separate underground, nor that intermixed water cannot be pumped by all. But no irrigation district is going to let excess-land holders go unassessed for project water which excess-land holders themselves are saying will benefit their lands by raising the water level. Enforcement lies in the Bureau's plan to deliver water to districts for their nonexcess land only (the districts agree to deliver project water to the nonexcess acreages as they have been designated by the owners, or by the district when the owners fail to designate them) and in the district's recognized right to assess and tax for improvements.

If the excess owner does not use water, he can be taxed for the distribution canals of the district (irrigation districts already do this). If he gets surface project water, then he can be required to pay his water toll for the amount of water he gets.

Enforcement may not be simple, but it certainly is not impossible.

Because of the difficulty of enforcement claimed by opponents of limitation, they ask that the Central Valley project be exempted from acreage limitation, and they cite the fact that other projects have been exempted. But only 3 projects out of some 60 reclamation projects have been exempted by law from this provision, representing some 4½ percent of the area of approved reclamation projects.

Opponents of limitation go further and say that limitation should not be enforced. They say that the acreage limitation was put in for public lands that were reclaimed, and was not intended to apply to private holdings. This is a complete ignoring of history. Senator Francis G. Newlands, coauthor of the original Reclamation Act, made the following statement before the Sacramento Valley Development Association in 1905: "We realized in the framing of that act that it would not be fair to apply it only to the public domain, for within reach of every governmental project lie lands in private ownership, thirsting for water to be supplied by national aid, and we felt that it was as much the duty of the National Government to supply agricultural communities that were thus imperiled as to create new agricultural communities.

And so we provided that water rights could be secured for lands in private ownership within reach of Government projects, to be guarded against monopoly by preventing any proprietor from securing water rights for more than 160 acres, the amount of land fixed in the bill."

As a matter of fact, the fixed 160-acre limitation was put into the law precisely because private lands were to be served. The Secretary of the Interior already had the power to fix the size of farms sold from public lands to 160 or less. But Congress in 1911 wrote into the law a specific limitation of 160 acres for private lands eligible for water (the Secretary cannot alter that figure) to remove all doubt that private lands were eligible for reclamation project water, subject, of course, to reclamation law (as specifically stated in the statute).[1]

E. HOW DO THE FARMERS FEEL ABOUT ACREAGE LIMITATION?

There has been no adequate sampling of opinion to give a complete answer. Here are some indications:

The Grange people generally favor limitation.

The Farm Bureau officially favors repeal.

In some irrigation districts directors who favor limitation won recent elections; in others they lost.

Representative CECIL F. WHITE of the Fresno area defeated the incumbent, Gearhart, in the last congressional election in which limitation was made a big issue. WHITE favored limitation.

Irrigation districts in the San Joaquin Valley that have voted on water contracts with the Bureau have ratified them by overwhelming affirmative votes: Lindsay-Strathmore, 188 to 1; Lindmore, 422 to 28; Orange Cove, 432 to 122. However, these contracts provide that in the event of repeal by Congress, the acreage limitation no longer holds.

F. WILL ACREAGE LIMITATION MAKE FARMS MORE AVAILABLE TO VETERANS?

Not appreciably so at the present time, for landholders do not have to sell for 10 years after signing recordable contracts. In addition, practically no public lands will be reclaimed through this project.

But the general trend through the years will be toward greater availability of farm land to small landholders at uninflated prices. This will eventually help all young couples desiring to farm. But this project offers little in the way of a quick solution to veteran housing and need for farm land.

G. SHOULD THE GOVERNMENT COMPLETE THE CENTRAL VALLEY PROJECT AND THEN STEP OUT OF THE PICTURE?

1. First, it cannot by law until the construction charges are paid and its installations are purchased.

2. Second, if the State raises bonds to buy the project, we shall have to raise revenue to pay interest on the bonds, whereas Federal money is interest-free (it is said that the interest-free feature saves an amount more than one-half the cost of construction.)

3. The project involves benefits to so many diverse groups through its multiple purpose features (especially those of flood control and irrigation) that one agency should administer its major installations to insure fair treatment to all interests. The Bureau of Reclamation is equipped to do this under a well-defined law.

II. We conclude with the following observations:

A. The issues are complex in this matter but their complexity has been deliberately exaggerated to confuse the public and to intimidate lay opinon. B. There is a moral problem involved in repeal, regardless of other objections brought up. What right has California to take money from the Federal Treasury interest-free, and then ask to be exempt from the public-welfare features of the law by which she is benefiting? D. The pink herring of socialism is being dragged into the fight for repeal of acreage limitation. If the Central Valley project as it is now administered is an attempt at socialism, it is a brand of socialism approved by Congress in 1902 and reinforced by Congressional action many times since.

III. On the basis of these findings we recommend that the Synod of California reaffirm its stand of 1947 urging the retention of the 160-acre limitation feature of the Federal reclamation law as applied to the Central Valley project.

[1] Concerning whether the acreage limitation was meant to apply to projects including private lands, the following bit of testimony before a congressional committee in 1947 by Assistant Commissioner of the Bureau of Reclamation, William E. Warne, is pertinent:

"Some of the early projects included only privately owned land, and on nearly all of the projects there was a considerable portion of private land. More than one-half of all the lands included was private owned at the time the projects were authorized, and about two-thirds of all lands under water contract with the Government in 1924 were in private hands by the time water was ready for delivery on the projects."

Far East Is the Prize in World Struggle

EXTENSION OF REMARKS
OF
HON. WALTER H. JUDD
OF MINNESOTA
IN THE HOUSE OF REPRESENTATIVES
Wednesday, August 17, 1949

Mr. JUDD. Mr. Speaker, under leave to extend my remarks in the RECORD, I include an article from the column entitled "Thoughts on Export," from World's Business:

THOUGHTS ON EXPORT

Sometimes I am appalled by the apparent fascination Europe has for our statesmen. I use "fascination" in the most charitable sense. But I know of no other way to express the dogged determination of our Government to ignore the Far East and the parade of events that has taken place there since VJ-day.

We have somehow firmly implanted in our minds the belief that the economic struggle for world power during the next decade will be over Europe. Nothing, it seems to me, could be further from the truth.

The world power fight will be for the vast prizes of the Far East. Yet, a strange mesmerism has focused our national attention on the side show in Europe. The stark truth is that in the Far East we are worse off economically, politically, and commercially today than we were on December 7, 1941.

In October 1945 when hostilities in the Pacific ended we were the most powerful influence in the entire east. Since then we have allowed ourselves to be fascinated by an air shuttle in Europe while the Soviet Union consolidated its political and economic position in the Orient at our expense. We have been out-maneuvered, out-thought, and out-flanked.

A lot of us who sweated in the Pacific during the late unpleasantness were amazed at the lack of understanding of the east that existed in Washington even during wartime. It was apparent then that most of our people in power here were utterly incapable of understanding the size, the psychology, the latent power, the potential wealth of the Orient.

From Australasia through the Indies, the Philippines, Japan, China, and India lies the richest potential market in the world. Much of it represents the last frontier yet to be penetrated by twentieth-century economy.

That we could fall for the kind of hidden-ball trick Russia has pulled on us in Europe while the Kremlin made the big grab in the Far East only gives further testimony to the hypnotic effect which Europe has on our policy makers.

There is no place in the world where our economic, commercial, and political stake for the next 20 years looms as large as in the Orient. Vast potential markets for American products exist in an area that needs our goods. We in turn need the raw material resources with which the Far East abounds.

Millions of people there need constructive guidance in self-government and the economics of modern life. Nowhere else in the world can you find whole populations so susceptible to change.

We are the only power in the world which apparently does not understand that Asia can be a great political and economic ally or even a greater enemy. The power-politics manipulators at the Kremlin know it, but we apparently do not; 10 Downing Street understands it; and in Asia the native sell-out artists have realized it for years.

Let no one think for a moment that the greater east Asia coprosperity sphere is a dead political issue, or the Black Dragon Society a decadent political club.

All through the east there are men who see a great future for their countries through alliances with western technology. It is, in my opinion, getting mighty close to the time when these native leaders are going to have to decide whether they will build their countries the democratic, communistic, or the Black Dragon way.

Take the Filipino peasant, for example. Life so far for him is little more than a nipa hut, a couple of mahogany chairs, a Singer sewing machine, a wife to wash his clothes, and a fighting cock to bet on.

The strange and astounding truth is that he rarely cares whether he is governed in the Republican manner, the Democratic manner, the communistic manner or Black Dragon fashion.

If he can have a little more than he has been used to, and not much more at that, he will go along with most any ideology that grabs the power.

It is hard, I know, for us to conceive of millions of people who will settle for very little. This one thing makes Asia the powder keg of the world. It is a rich economic and commercial prize, too, because whoever dominates it controls a market for fabricated goods and a big hunk of the world's natural resources.

It is incredible that we could have blundered the way we have in the last 15 years in almost every far eastern move we have made.

It is really time we had an economic and political policy in the Far East, listened to the facts, and curtailed the perennial fascination the Old World holds for us. If we don't, when the State Department's dust clears, the sight we will see might not be pleasant to behold.

River, Harbor, and Flood Control Appropriations

EXTENSION OF REMARKS
OF
HON. CLARENCE CANNON
OF MISSOURI
IN THE HOUSE OF REPRESENTATIVES
Wednesday, August 17, 1949

Mr. CANNON. Mr. Speaker, under leave granted to extend my remarks, I

am including a tabulation of items in the civil functions, rivers, harbors, and flood control appropriation bill, and amendments added by the Senate. The bill with amendments carries a vast number of projects and has been in conference since June 1.

Under the continuing resolution passed today, all projects under construction are continued in operation pending adoption of a conference report and final enactment of the bill. So no project is prejudiced in any way by time consumed in conference between the two houses.

For the information of Members of the House who have items in the bill I list below the individual projects to which the House conferees are agreeable and for which they favor appropriation of adequate funds.

Those projects to which there is no objection among the House conferees are set forth in the following tabulations which include, onto each project, the estimated cost, the amount appropriated to date, the unobligated balance on June 30, 1949, the budget estimate for 1950, the amount allocated under the House bill by the Corps of Engineers, the amount allowed by the Senate and the amount which the House conferees are agreeable to including in the bill for 1950.

We shall be glad to supply any other information available in which the Members of the House may be interested.

Rivers and harbors

Project	Total estimated Federal cost	Amount appropriated to date	Estimated unobligated balance, June 30, 1949	Amount of budget estimate	Amount allowed by House as allocated by Corps of Engineers	Amount recommended by Senate	Amount to which House conferees are agreeable
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
CONSTRUCTION							
Alabama: Demopolis lock and dam, Warrior system	$16,935,000	$261,800	$15,000	$1,200,000	$824,000	$1,200,000	$1,000,000
Alaska:							
Nome Harbor	2,400,130	272,950	0	1,020,000	701,000	701,000	701,000
Wrangell Narrows	4,745,000	2,128,400	30,000	500,000	343,000	343,000	343,000
Arkansas:							
Arkansas River and tributaries.							
Bank stabilization, Little Rock to mouth	2,000,000	0	0	0	0	2,000,000	600,000
Bank stabilization below Dardanelle	602,000	0	0	0	0	602,000	500,000
Morrilton cut-off	300,000	0	0	0	0	300,000	250,000
California:							
Crescent City Harbor	4,162,160	2,542,700	43,560	700,000	481,000	481,000	481,000
Monterey Harbor	726,950	652,950	0	45,520	45,520	45,520	45,520
Sacramento River	16,285,000	310,700	16,000	2,000,000	1,374,000	2,000,000	1,700,000
San Diego River and Mission Bay	10,300,000	1,940,000	10,000	3,000,000	2,061,000	2,500,000	2,200,000
Connecticut:							
Mianus River (Cos Cob Harbor)	79,500	0	0	0	0	79,500	79,500
New Haven Harbor	4,476,300	3,916,300	51,800	300,000	206,000	300,000	250,000
Pawcatuck River, R. I. and Conn	218,500	85,335	0	68,500	68,500	68,500	68,500
Delaware:							
Harbor of refuge, Delaware Bay	2,372,000	2,238,000	0	0	0	134,000	120,000
Indian River Inlet and Bay	630,000	270,000	0	0	0	360,000	320,000
District of Columbia: Potomac River, north side of Washington Channel	6,097,000	1,350,000	0	475,700	327,000	475,700	375,000
Florida:							
Intracoastal Waterway, tributary channels:							
Okeechobee-Cross Florida Waterway	20,097,100	19,747,100	26,150	350,000	240,000	350,000	300,000
Jim Woodruff lock and dam, Apalachicola River	42,208,000	4,724,000	75,000	8,900,000	6,113,000	8,900,000	7,500,000
St. Andrew Bay	718,000	582,000	0	136,000	93,000	136,000	125,000
St. Johns River, Jacksonville to ocean	12,354,000	7,907,200	0	1,200,000	824,000	1,000,000	900,000
Tampa Harbor	10,561,000	9,694,000	22,000	617,700	424,000	617,700	500,000
Georgia: Savannah Harbor	9,060,700	7,497,700	18,500	533,000	366,000	533,000	450,000
Illinois:							
Illinois waterway: Mouth to mile 291	28,055,100	26,433,600	1,600	300,000	206,000	300,000	250,000
Mississippi River between Ohio and Missouri Rivers:							
Chain of Rocks	38,326,000	16,028,000	95,000	12,000,000	8,243,000	10,000,000	9,000,000
Regulating works	54,847,000	41,003,500	0	1,000,000	687,000	1,000,000	750,000
Mississippi River between Missouri River and Minneapolis (exclusive of St. Anthony Falls)	183,661,100	154,035,800	10,000	1,000,000	687,000	800,000	750,000
Iowa:							
Missouri River, Kansas City, Mo., to Sioux City, Iowa	119,500,000	96,305,900	79,500	4,000,000	2,748,000	2,748,000	2,500,000
Mississippi River between Missouri River and Minneapolis. (See same project under Illinois.)							
Kentucky:							
Cumberland River, Ky. and Tenn.: Cheatham lock and dam	9,900,000	161,000	36,000	2,000,000	1,374,000	1,500,000	1,400,000
Ohio River, Ky., W. Va., and Ohio, open channel work	20,216,000	15,325,100	0	300,000	206,000	300,000	250,000
Louisiana:							
Calcasieu River and Pass	11,315,000	5,318,700	0	995,000	683,000	995,000	900,000
Intracoastal Waterway, Apalachee Bay, Fla., to Mexican border (New Orleans district)	30,225,500	19,090,300	200,250	3,500,000	2,404,000	3,000,000	2,500,000
Pearl River, La. and Miss	8,007,000	5,288,100	13,000	1,500,000	1,030,000	1,500,000	1,250,000
Waterway from Empire to Gulf of Mexico	2,200,000	512,000	0	588,000	404,000	588,000	500,000
Maine:							
Cape Porpoise Harbor	160,000	114,500	0	0	0	45,500	45,500
Josias River	36,000	2,500	0	0	0	33,500	33,500
Portland Harbor	4,560,000	3,132,800	225,000	300,000	206,000	206,000	206,000
Maryland: Baltimore Harbor and channels	10,409,000	5,626,400	0	800,000	550,000	800,000	650,000
Chester River	42,400	18,000	0	0	0	16,400	16,400
Honga River and Tar Bay	69,500	27,500	0	0	0	42,000	42,000
Massachusetts:							
Boston Harbor	18,221,800	15,639,500	0	500,000	343,000	500,000	400,000
Fall River Harbor	2,329,800	1,202,800	15,000	1,050,000	721,000	1,050,000	800,000
Menemsha Creek, Martha's Vineyard	72,700	0	0	0	0	72,700	72,700
Michigan:							
Port Sanilac Harbor	841,900	3,650	0	0	0	400,000	360,000
St. Marys River:							
Power plant	10,000,000	7,140,000	148,000	1,860,000	1,278,000	1,860,000	1,700,000
Navigation features	80,117,000	51,386,000	0	1,140,000	783,000	1,140,000	1,000,000
Traverse City Harbor	350,000	0	0	0	240,000	350,000	325,000
Minnesota:							
Baudette Harbor	29,000	4,500	0	0	0	24,500	24,500
Hastings, small-boat harbor at	37,270	3,000	0	0	34,270	34,270	34,270
Mississippi River between Missouri River and Minneapolis. (See same project under Illinois.)							
St. Anthony Falls	18,338,900	1,398,400	247,600	2,500,000	1,717,000	1,717,000	1,717,000
Two Harbors (Agate Bay)	3,300,000	2,050,000	0	1,250,000	859,000	1,250,000	1,000,000

Rivers and harbors—Continued

Project	Total estimated Federal cost	Amount appropriated to date	Estimated unobligated balance, June 30, 1949	Amount of budget estimate	Amount allowed by House as allocated by Corps of Engineers	Amount recommended by Senate	Amount to which House conferees are agreeable
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
CONSTRUCTION—continued							
Mississippi:							
Pearl River, Miss. and La. (See same project under Louisiana.)							
Gulfport Harbor and Ship Island Pass	$614,300	$118,300	0	0	$496,000	$496,000	$496,000
Missouri:							
Missouri River, Kansas City to the mouth	98,700,000	84,636,900	$12,500	$2,500,000	1,717,000	2,500,000	2,250,000
Mississippi River between Ohio and Missouri Rivers. (See same project under Illinois.)							
Mississippi River between Missouri River and Minneapolis. (See same project under Illinois.)							
Missouri River, Kansas City to Sioux City. (See same project under Iowa.)							
Montana: Missouri River at Fort Peck	136,000,000	128,591,800	200,000	3,400,000	2,335,000	2,840,000	2,500,000
Nebraska: Missouri River, Kansas City to Sioux City. (See same project under Iowa.)							
New Jersey:							
Newark Bay, Hackensack and Passaic Rivers	9,822,000	5,890,000	0	1,000,000	687,000	1,000,000	800,000
New York and New Jersey channels	41,580,000	29,564,000	0	1,500,000	1,030,000	1,500,000	1,260,000
Shark River	150,000		0	150,000	150,000	150,000	150,000
New York:							
Buffalo Harbor	14,666,000	3,173,000	0	800,000	550,000	550,000	550,000
Dunkirk Harbor	446,200	56,200	0	0	268,000	390,000	350,000
Great Kills Harbor	150,500	36,000	0	114,500	114,500	114,500	114,500
Hudson River	17,484,000	16,067,000	0	100,000	69,000	100,000	100,000
Hudson River Channel	7,074,000	5,828,000	0	450,000	309,000	450,000	400,000
New York Harbor, entrance channels and anchorage areas	17,000,000	15,014,000	0	600,000	412,000	412,000	412,000
New York and New Jersey channels. (See same project under New Jersey.)							
North Carolina: Stumpy Point Channel	32,500		0	0	22,000	32,500	32,500
Ohio:							
Cleveland Harbor	24,144,000	8,490,900	133,800	2,000,000	1,374,000	2,000,000	1,500,000
Ohio River open channel work. (See same project under Kentucky.)							
Oregon:							
Columbia River at Bonneville	84,858,000	82,495,000	25,000	1,500,000	1,030,000	1,500,000	1,250,000
Columbia and Lower Willamette Rivers below Vancouver, Wash., and Portland, Oreg	5,503,000	5,341,200	120,000	161,800	111,000	161,800	150,000
Coos Bay	8,749,000	6,120,800	0	1,000,000	687,000	1,500,000	850,000
Depoe Bay	474,000	32,000	0	0	0	442,000	400,000
McNary lock and dam, Columbia River, Oreg. and Wash	227,028,000	29,575,000	105,800	40,000,000	27,479,480	40,000,000	35,000,000
Umpqua River	2,701,200	2,516,200	0	100,000	100,000	100,000	100,000
Yaquina Bay and Harbor	2,250,000	2,215,000	15,000	35,000	24,000	35,000	35,000
Snake River, Oreg. and Wash. (See same project under Washington.)							
Pennsylvania:							
Monongahela River, locks 2	11,980,000	3,700,000	200,000	4,500,000	3,091,000	4,000,000	3,500,000
Schuylkill River (culm removal)	17,000,000		0	500,000	343,000	500,000	400,000
Rhode Island:							
Harbor of refuge at Point Judith and Point Judith Pond	2,547,500	2,371,500	0	0	0	176,000	160,000
Providence River and Harbor	2,322,200	2,112,200	0	210,000	144,000	210,000	190,000
Pawcatuck River, R. I. and Conn. (See same project under Connecticut.)							
South Carolina:							
Shipyard River	543,000	112,800	0	0	0	430,200	300,000
Winyah Bay	4,344,800	3,144,800	0	508,200	349,000	508,200	400,000
Tennessee, Cumberland River, Ky. and Tenn. (See same project under Kentucky.)							
Texas:							
Clear Creek and Clear Lake	76,000	21,300	0	0	38,000	54,700	54,700
Galveston Harbor	3,072,000	2,868,000	0	204,000	140,000	204,000	175,000
Houston Ship Channel	18,919,000	10,459,000	44,000	996,000	684,000	996,000	800,000
Intracoastal Waterway, Apalachee Bay, Fla., to the Mexican border (Galveston district): Harlingen, channel to	1,925,000	825,000	0	700,000	481,000	650,000	550,000
Sabine-Neches waterway	14,791,500	12,585,500	58,500	1,000,000	687,000	1,000,000	750,000
Trinity River	7,750,000	809,500	138,000	1,000,000	687,000	687,000	687,000
Virginia:							
Bransons Cove, Lower Machodoc River	28,600	0	0	0	0	28,600	28,600
Norfolk Harbor	8,985,200	6,588,800	0	500,000	343,000	1,000,000	500,000
York Spit Channel	996,500	74,400	0	500,000	343,000	500,000	400,000
Washington:							
Chief Joseph Dam, Columbia River	206,000,000	642,000	0	5,000,000	3,435,000	10,000,000	5,000,000
Grays Harbor and Chehalis River	6,622,200	2,841,500	0	800,000	550,000	800,000	650,000
Columbia River at Bonneville. (See same project under Oregon.)							
Columbia and lower Willamette Rivers, Wash. and Oreg. (See same project under Oregon.)							
McNary lock and dam, Columbia River, Oreg. and Wash. (See same project under Oregon.)							
West Virginia:							
Morgantown lock and dam, Monongahela River	8,400,000	3,000,000	285,000	3,938,700	2,716,000	3,000,000	2,900,000
Ohio River open channel work. (See same project under Kentucky.)							
Wisconsin:							
Ashland Harbor	777,000	732,000	0	0	0	45,000	45,000
Port Wing Harbor	68,400	48,400	0	0	0	20,000	20,000

Rivers and harbors—Continued

Project	Total estimated Federal cost	Amount appropriated to date	Estimated unobligated balance, June 30, 1949	Amount of budget estimate	Amount allowed by House as allocated by Corps of Engineers	Amount recommended by Senate	Amount to which House conferees are agreeable
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
PLANNING							
Alabama:							
Alabama-Coosa Rivers, Ala. and Ga	$116,342,000	$1,100,000		$200,000	$200,000	$200,000	$200,000
Upper Columbia Lock and Dam, Ala. and Ga., Chattahoochee River	41,872,000	200,000		200,000	200,000	200,000	200,000
Arkansas:							
Arkansas River and tributaries, Arkansas and Oklahoma	2,000,000	500,000		500,000	500,000	500,000	500,000
Overton-Red River waterway, Arkansas and Louisiana	53,000,000	125,000		50,000	50,000	50,000	50,000
California: Halfmoon Bay	4,512,000	0		75,000	75,000	75,000	75,000
Florida: New River	75,000	0		10,000	10,000	10,000	10,000
Illinois: Calumet-Sag Channel	82,367,900	895,600		100,000	100,000	100,000	100,000
Kentucky: Dover Lock and Dam	11,700,000	39,000		116,000	116,000	116,000	116,000
Michigan:							
Au Sable River	108,600	0		8,000	8,000	8,000	8,000
Hammond Bay Harbor	589,000	2,050		22,000	22,000	22,000	22,000
Harrisville Harbor	793,500	2,750		24,000	24,000	24,000	24,000
Point Lookout Harbor	786,600	2,250		20,000	20,000	20,000	20,000
Texas:							
McGee Bend Dam, Angelina River	42,720,000	450,200		200,000	200,000	200,000	200,000
Virginia: Norfolk Harbor, disposal area	5,100,000	43,000		50,000	50,000	50,000	50,000
Washington: Lower Monumental lock and dam, Snake River	79,868,000	0		225,000	225,000	225,000	225,000
OTHER ITEMS							
Maintenance				53,000,000	53,000,000	53,000,000	53,000,000
Operating and care				22,000,000	22,000,000	22,000,000	22,000,000
Examinations and surveys				1,200,000	1,200,000	1,200,000	1,200,000
Contingencies				1,300,000	1,300,000	1,300,000	1,300,000
Removing sunken vessels				300,000	300,000	300,000	300,000
Survey of northern and northwestern lakes				310,000	310,000	310,000	310,000
Prevention of debris in New York Harbor				360,000	360,000	360,000	360,000
California Debris Commission				15,000	15,000	15,000	15,000
Salaries, Office, Chief of Engineers				575,000	575,000	575,000	575,000
Printing for River and Harbor Board				40,000	40,000	40,000	40,000
River and Harbor Board expenses				440,000	440,000	440,000	440,000
Beach Erosion Board expenses				600,000	600,000	600,000	600,000
Work under sec. 3, River and Harbor Act, Mar. 2, 1945				300,000	300,000	300,000	300,000
Transfer to U. S. Geological Survey				200,000	200,000	200,000	200,000
Transfer to Fish and Wildlife Service				1,600,000	1,000,000	1,360,000	1,200,000

Flood control

Project	Total estimated Federal cost	Amount appropriated to date	Estimated unobligated balance, June 30, 1949	Amount of budget estimate	Amount allowed by House as allocated by Corps of Engineers	Amount recommended by Senate	Amount to which House conferees are agreeable
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
CONSTRUCTION							
Arkansas:							
Bayou Bodcau Reservoir, Ark. and La. (see Louisiana).							
Blakely Mountain Reservoir	$31,000,000	$6,750,000	$422,800	$3,000,000	$2,232,300	$2,500,000	$2,300,000
Blue Mountain Reservoir	5,100,000	4,850,000	147,200	48,000	35,700	35,700	35,700
Bull Shoals Reservoir, Ark. and Mo	76,300,000	29,200,000	525,800	16,500,000	12,277,500	13,277,500	12,777,500
Carden's Bottom drainage district No. 2	1,485,000	1,185,000	20,000	300,000	223,200	300,000	270,000
Conway County levee districts Nos. 1, 2, and 8	1,311,000	1,205,000	0	106,000	78,900	106,000	96,000
Conway County levee district No. 6	448,000	437,000	30,000	11,000	8,200	11,000	11,000
Crawford County levee district	2,146,200	1,826,700	263,700	319,500	237,800	319,500	300,000
Little Rock to Pine Bluff	1,745,000	1,375,000	18,900	370,000	275,300	370,000	333,000
Narrows Reservoir	13,450,000	7,621,000	0	4,650,000	3,460,000	3,460,000	3,460,000
Nimrod Reservoir	3,895,900	3,600,900	0	80,000	59,500	59,500	59,500
Norfork Reservoir, Ark. and Mo	29,100,000	27,288,100	0	1,000,000	744,100	744,100	744,100
Red River levees and bank stabilization below Denison Dam, Ark., Tex., and La	8,128,000	2,600,000	0	700,000	520,900	520,900	520,900
West of Morrilton	2,175,800	528,800	23,700	800,000	595,300	595,300	595,300
California:							
Cherry Valley Reservoir	6,200,000	610,000	0	700,000	520,900	520,900	520,900
Farmington Reservoir	3,729,000	395,000	21,000	2,000,000	1,488,200	2,000,000	1,700,000
Folsom Reservoir	50,792,000	1,582,000	8,400	3,500,000	2,604,300	3,500,000	3,100,000
Isabella Reservoir	14,300,000	3,858,000	156,000	3,000,000	2,232,300	2,500,000	2,350,000
Los Angeles County drainage area (exclusive of Whittier Narrows Reservoir)	301,605,600	89,231,200	95,000	7,500,000	5,580,700	7,500,000	6,500,000
Merced County stream group	2,700,000	1,555,000	85,900	200,000	148,800	200,000	175,000
Pine Flat Reservoir	51,121,000	6,700,000	50,000	8,600,000	6,399,200	7,500,000	7,000,000
Sacramento River and major and minor tributaries	21,520,000	1,035,000	110,000	800,000	595,300	600,000	600,000
Whittier Narrows Reservoir	26,880,000	1,194,100	0	5,000,000	3,720,500	5,000,000	4,000,000
Colorado:							
Cherry Creek Reservoir	15,700,000	14,674,000	109,200	1,026,000	763,500	1,026,000	900,000
John Martin Reservoir	15,080,000	14,970,000	11,800	*110,000	81,900	*110,000	100,000
Connecticut:							
Hartford	6,485,000	6,409,000	0	76,000	56,600	76,000	70,000
Norwich	1,044,000	724,000	0	320,000	238,100	320,000	290,000
Florida: Central and southern	58,129,000		0	[1] 4,000,000	744,100	4,000,000	1,500,000
Georgia:							
Allatoona Reservoir	31,922,000	24,773,300	80,000	7,148,700	5,319,300	7,148,700	6,750,000
Clark Hill Reservoir, Ga. and S. C	76,000,000	18,200,000	202,700	14,500,000	10,789,300	14,500,000	13,000,000
Macon	505,000	240,000	10,500	265,000	197,200	265,000	240,000
Idaho:							
Heise Roberts area	1,490,000	1,149,700	0	277,500	206,500	340,300	250,000
Lucky Peak Reservoir	21,660,000	780,000	25,000	3,500,000	2,604,300	3,500,000	3,000,000

*Projects scheduled for completion.

[1] Includes $3,000,000 supplemental budget estimate sent to Senate after bill passed House.

Flood control—Continued

Project	Total estimated Federal cost	Amount appropriated to date	Estimated unobligated balance, June 30, 1949	Amount of budget estimate	Amount allowed by House as allocated by Corps of Engineers	Amount recommended by Senate	Amount to which House conferees are agreeable
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
CONSTRUCTION—continued							
Illinois:							
Coal Creek drainage and levee district	$2,391,500	$1,784,400	$103,400	$607,100	$451,700	$607,100	$547,000
Columbia drainage and levee district	2,440,000	1,458,000	49,300	500,000	372,100	372,100	372,100
East St. Louis and vicinity	6,743,000	2,254,300	129,500	700,000	520,900	520,900	520,900
Farm Creek Reservoirs	10,384,500	5,095,000	107,100	2,500,000	1,860,200	1,860,200	1,860,200
Grand Tower drainage and levee district	3,840,000	1,330,000	135,400	900,000	669,700	669,700	669,700
Mounds and Mound City	4,430,000	3,720,000	110,000	500,000	372,100	710,000	450,000
Prairie du Rocher and vicinity	3,615,000	1,400,000	84,400	900,000	669,700	700,000	700,000
Preston levee and drainage district	1,890,000	1,663,000	32,900	227,000	168,900	227,000	200,000
Reevesville	795,000	684,000	65,000	111,000	82,600	111,000	100,000
Rosiclare	635,000			300,000	223,200	300,000	250,000
Wood River drainage and levee district	11,360,000	4,781,000	366,700	500,000	372,000	500,000	425,000
Indiana:							
Cagles Mill Reservoir	6,100,000	2,123,000	205,000	2,980,000	2,217,400	2,980,000	2,500,000
Cannelton	2,315,000	1,700,500	107,000	300,000	223,200	300,000	250,000
Delphi	152,000	65,000	48,000	87,000	64,800	87,000	80,000
Indianapolis (Fall Creek section)	3,125,000	2,216,600	688,000	908,400	675,900	908,400	750,000
New Albany	7,800,000	1,538,300	110,000	2,000,000	1,488,200	2,000,000	1,600,000
Iowa:							
Chariton River, Mo. and Iowa. (See Missouri.)							
Coralville Reservoir	14,085,000	1,154,600	34,000	3,300,000	2,455,500	2,455,500	2,455,500
Dry Run	1,706,900	1,311,000	30,700	395,900	294,600	395,900	355,000
Little Sioux River	4,100,000	200,000	0	500,000	372,100	372,100	372,100
Missouri River agricultural levees. (See Kansas.)							
Kansas:							
Fall River Reservoir	10,820,000	10,472,500	191,000	277,500	206,500	277,500	250,000
Hulah Reservoir, Okla. and Kans. (See Oklahoma.)							
Kanopolis Reservoir	12,167,000	11,925,000	39,000	242,000	180,100	242,000	218,000
Kansas City, Mo. and Kans	38,475,000	19,912,100	215,000	5,700,000	4,241,300	5,700,000	5,000,000
Missouri River agricultural levees, Kansas, Missouri, Iowa, and Nebraska	113,700,000	15,670,000	373,000	8,000,000	5,952,700	5,952,700	5,952,700
Kentucky:							
Ashland	4,725,000	437,400	11,000	1,000,000	744,100	744,100	744,100
Covington	7,040,000	1,467,500	100,000	1,400,000	1,041,700	1,041,700	1,041,700
Dale Hollow Reservoir, Tenn. and Ky. (See Tennessee.)							
Dewey Reservoir	6,246,800	5,216,000	99,500	1,030,800	767,000	1,030,800	900,000
Hawesville	980,000	221,900	165,000	758,100	564,100	758,100	650,000
Louisville	23,200,000	7,106,700	140,000	5,500,000	4,092,500	4,092,500	4,092,500
Maysville	3,173,000	459,600	21,000	1,000,000	744,100	744,100	744,100
Newport	7,400,000	4,467,000	200,000	2,733,000	2,033,600	2,200,000	2,200,000
Russell	217,300	17,300			185,000	200,000	185,000
Taylorsville	390,000	340,000	0	50,000	37,300	50,000	45,000
Uniontown	1,030,000	900,000	113,000	130,000	96,700	130,000	120,000
Wolf Creek Reservoir	76,630,000	35,805,100	0	20,200,000	15,030,700	15,030,700	15,030,700
Louisiana:							
Aloha Rigolette area	1,590,100	1,040,500	68,900	549,600	408,900	549,600	500,000
Bayou Bodcau Reservoir, Ark. and La	4,465,000	4,061,000	102,500	404,000	300,600	404,000	360,000
Jonesville	382,000	268,000	23,200	114,000	84,900	114,000	105,000
Lake Pontchartrain	1,500,000	900,000	0	600,000	446,500	600,000	540,000
Mermentau River	5,500,000	1,993,000	128,800	1,807,000	1,344,600	1,807,000	1,500,000
Red River levees and bank stabilization below Denison Dam. (See Arkansas.)							
Shreveport	3,950,000	3,475,000	0	375,000	279,000	375,000	325,000
Maryland:							
Cumberland, Md., and Ridgeley, W. Va	12,400,000	901,100	68,000	1,000,000	744,100	744,100	744,100
Savage River Reservoir	2,750,000	456,000	0	1,700,000	1,265,000	1,265,000	1,265,000
Massachusetts:							
Adams	4,580,000	22,000	0	0	0	500,000	350,000
Birch Hill Reservoir	4,347,000	4,201,000	60,000	46,000	34,200	46,000	40,000
Holyoke	3,500,000	3,235,600	0	264,400	196,700	264,400	240,000
North Adams	13,167,900	80,000	0	0	0	500,000	350,000
Riverdale	1,059,000	542,000	45,000	517,000	384,700	517,000	450,000
Tully Reservoir	1,626,000	1,485,000	25,000	141,000	104,900	141,000	130,000
Michigan:							
Mount Clemens	846,000	544,000	0	302,000	224,700	302,000	270,000
Red Run	1,010,000			0	500,000	500,000	500,000
Minnesota:							
Red Lake and Clearwater Rivers	3,895,900	1,509,800	74,300	1,500,000	1,116,100	1,116,100	1,116,100
Red River of the North, S. Dak., N. Dak., and Minn	9,928,000	1,000,000	83,800	1,000,000	744,100	744,100	744,100
Missouri:							
Chariton River, Mo. and Iowa	1,515,000	1,070,000	28,000	445,000	331,100	445,000	400,000
Clearwater Reservoir	10,429,400	10,244,400	360,100	60,000	44,600	60,000	60,000
East Poplar Bluff and Poplar Bluff	270,000	177,900	4,400	92,100	68,500	92,100	85,000
Kansas Citys, Mo. and Kans. (See Kansas.)							
Missouri River agricultural levees. (See Kansas.)							
Norfork Reservoir, Ark. and Mo. (See Arkansas.)							
Perry County levee districts 1, 2, and 3	6,365,000	905,000	25,200	1,000,000	744,100	744,100	744,100
Nebraska:							
Harlan County Reservoir	48,578,000	19,403,000	210,000	12,500,000	9,300,100	13,500,000	11,250,000
Missouri River agricultural levees. (See Kansas.)							
Missouri River, Kensiers Bend, Nebr., to Sioux City, Iowa	2,800,000	2,378,000	37,600	422,000	314,000	422,000	380,000
Omaha	9,512,800	5,260,000	35,000	1,700,000	1,264,900	1,500,000	1,500,000
New Hampshire: West Peterboro Reservoir	2,069,000	1,697,200	100,000	371,800	276,700	371,800	330,000
New Mexico:							
Conchas Reservoir	15,650,300	15,467,700	0	35,000	26,000	35,000	35,000
New York:							
Almond Reservoir	6,000,000	5,781,200	63,500	218,800	162,800	218,800	200,000
Arkport Reservoir	1,922,000	1,890,000	0	32,000	23,800	32,000	30,000
East Sidney Reservoir	6,900,000	6,002,300	115,200	897,700	668,000	897,700	800,000
Elmira	7,100,000	5,472,000	75,200	1,628,000	1,211,400	1,628,000	1,475,000
Hoosick Falls	1,255,000	44,000	0	0	0	400,000	350,000
Mount Morris Reservoir	24,400,000	6,600,000	108,600	6,500,000	4,836,600	4,836,600	4,836,600
Olean	3,570,000	1,233,000	20,500	1,000,000	744,100	744,100	744,100
Portville	1,900,000	400,000	30,000	700,000	520,900	520,900	520,900
Syracuse	3,850,000	3,180,000	10,000	670,000	498,500	670,000	600,000
Whitney Point Reservoir	5,200,000	4,878,600	0	321,400	239,200	321,400	280,000
North Carolina: Buggs Island Reservoir, Va. and N. C	78,870,000	17,900,000	8,500	16,500,000	12,277,500	18,500,000	15,500,000

Flood control—Continued

Project	Total estimated Federal cost	Amount appropriated to date	Estimated unobligated balance, June 30, 1949	Amount of budget estimate	Amount allowed by House as allocated by Corps of Engineers	Amount recommended by Senate	Amount to which House conferees are agreeable
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
CONSTRUCTION—continued							
North Dakota:							
Baldhill Reservoir	$2,260,300	$2,024,500	$14,400	$235,800	$175,500	$235,800	$210,000
Garrison Reservoir	188,000,000	52,780,000	154,900	31,000,000	23,066,800	31,000,000	27,500,000
Homme Reservoir	1,339,000	811,900	42,400	527,100	392,200	527,100	475,000
Mandan	414,000	374,000	10,000	40,000	29,800	40,000	36,000
Oahe Reservoir, S. Dak. and N. Dak. (See South Dakota.)							
Red River of the North. (See Minnesota.)							
Ohio:							
Burr Oak Reservoir	2,220,000	924,400	33,000	1,295,600	964,100	1,295,600	1,150,000
Cincinnati	9,973,000	9,323,000	0	650,000	650,000	650,000	650,000
Delaware Reservoir	8,289,400	7,290,000	21,000	999,400	743,700	999,400	900,000
Dillon Reservoir	16,355,000	6,774,000	226,110	1,717,000	1,277,600	1,277,600	1,277,600
Ironton	2,710,200	2,460,200	17,000	250,000	186,000	250,000	215,000
Massillon	7,814,000	5,680,300	51,700	2,133,700	1,587,700	2,133,700	1,886,000
Muskingum River Reservoirs	41,438,300	37,927,300	69,000	1,800,000	1,339,400	1,800,000	1,550,000
West Fork of Mill Creek Reservoir	5,560,000	1,500,000	690,000	1,400,000	1,041,700	1,041,700	1,041,700
Oklahoma:							
Canton Reservoir	10,325,000	10,022,000	4,000	183,100	136,200	183,100	165,000
Denison Reservoir, Tex. and Okla.	60,000,000	58,944,000	120,000	725,000	223,200	725,000	650,000
Fort Gibson Reservoir	46,646,000	19,753,000	25,000	14,000,000	10,417,300	12,500,000	12,000,000
Fort Supply Reservoir	7,535,500	7,419,000	0	116,500	86,700	116,500	116,500
Great Salt Plains Reservoir	4,842,000	4,610,000	67,000	31,000	23,000	31,000	31,000
Hulah Reservoir, Okla. and Kans.	12,066,000	6,778,100	830,000	4,748,000	3,533,000	4,748,000	4,248,000
Polecat Creek	2,860,000	1,750,000	25,000	1,000,000	744,100	1,000,000	900,000
Tenkiller Ferry Reservoir	24,250,000	5,923,200	35,000	6,146,200	4,573,300	6,146,200	5,500,000
Wister Reservoir	10,108,000	9,807,500	100,000	77,500	57,700	77,500	77,500
Oregon:							
Cottage Grove Reservoir	2,396,000	2,256,000	0	140,000	104,200	140,000	140,000
Detroit Reservoir	65,377,000	9,043,100	89,000	11,300,000	8,408,200	11,300,000	9,500,000
Dorena Reservoir	14,640,000	10,976,000	25,000	2,924,000	2,175,700	2,924,000	2,500,000
Fern Ridge Reservoir	4,514,000	4,267,700	0	208,000	154,800	208,000	190,000
Lookout Point Reservoir	50,915,000	10,865,000	315,000	11,000,000	8,185,000	11,000,000	9,500,000
Milton Freewater	1,085,700	375,000	29,300	710,700	528,800	710,700	640,000
Willamette River (bank protection)	4,854,000	3,394,400	2,300	500,000	372,100	500,000	450,000
Pennsylvania:							
Conemaugh River Reservoir	44,200,000	19,315,300	308,500	8,500,000	6,324,800	8,500,000	7,400,000
East Branch Clarion River Reservoir	9,612,000	3,288,600	767,500	2,500,000	1,860,200	2,500,000	2,100,000
Punxsutawney	3,830,000	3,020,000	0	810,000	602,700	810,000	730,000
Sunbury	7,300,000	4,256,300	0	2,000,000	1,488,200	1,800,000	1,600,000
Wilkes-Barre-Hanover Township	3,940,000	3,560,000	0	380,000	282,800	380,000	340,000
Williamsport	17,000,000	7,644,700	43,000	2,110,000	1,570,100	2,110,000	1,700,000
South Carolina: Clark Hill Reservoir, Ga. and S. C. (See Georgia.)							
South Dakota:							
Fall River Basin	3,906,000	1,208,000	0	500,000	372,100	372,100	372,100
Fort Randall Reservoir	160,000,000	30,800,000	40,000	25,500,000	18,974,300	25,500,000	23,000,000
Gavins Point Reservoir, Nebr. and S. Dak. (See Nebraska.)							
Missouri River, Kensler's Bend, Nebr. to Sioux City, Iowa. (See Nebraska.)							
Oahe Reservoir, S. Dak. and N. Dak.	221,242,000	4,000,000	23,000	2,000,000	1,488,200	4,000,000	2,000,000
Red River of the North. (See Minnesota.)							
Tennessee:							
Center Hill Reservoir	43,340,000	31,168,000	0	7,000,000	5,208,600	7,000,000	6,300,000
Dale Hollow Reservoir, Tenn. and Ky.	24,270,000	23,639,000	0	631,000	469,500	631,000	570,000
Memphis, Wolf River and Nonconnah Creek	13,250,000	6,928,700	679,700	400,000	297,600	400,000	360,000
Texas:							
Belton Reservoir	22,500,000	650,000	15,000	2,000,000	1,488,200	1,488,200	1,488,200
Benbrook Reservoir	16,520,000	5,531,300	20,000	4,000,000	2,976,400	4,000,000	3,500,000
Denison Reservoir, Tex. and Okla. (See Oklahoma.)							
Garza Little Elm Reservoir	23,321,900	1,036,300	2,000	3,000,000	2,232,300	2,232,300	2,232,300
Grapevine Reservoir	14,390,000	3,990,000	358,000	4,000,000	2,976,400	4,000,000	3,500,000
Lavon Reservoir	16,380,000	3,494,900	730,000	3,500,000	2,604,300	2,604,300	2,604,300
Red River levees and bank stabilization below Denison Dam. (See Arkansas.)							
San Angelo Reservoir and floodway	18,525,000	7,245,100	200,000	4,800,000	3,571,600	4,300,000	3,900,000
Texarkana Reservoir	29,503,000	4,000,000	257,300	6,000,000	4,464,600	5,500,000	5,000,000
Whitney Reservoir	41,794,000	11,725,000	43,000	14,000,000	10,417,300	10,500,000	10,500,000
Vermont:							
Union Village Reservoir	4,600,000	3,999,000	2,000	601,000	447,200	601,000	540,000
Virginia:							
Bluestone Reservoir, Va. and W. Va. (See West Virginia.)							
Buggs Island Reservoir, Va. and N. C. (See North Carolina.)							
Galax	671,000	20,000	0			651,000	600,000
Philpott Reservoir	12,010,000	2,700,000	32,000	2,800,000	2,083,500	2,800,000	2,400,000
Washington:							
Mill Creek	2,403,900	2,038,900	0	365,000	271,600	365,000	320,000
Mud Mountain Reservoir	13,285,000	12,621,100	49,900	464,000	345,300	464,000	400,000
Tacoma	4,171,600	3,600,000	36,000	571,600	425,300	571,600	500,000
West Virginia:							
Sutton Reservoir	20,429,000	956,000	739,000	[1] 1,300,000	0	1,300,000	1,000,000
Bluestone Reservoir, W. Va. and Va.	29,926,000	28,187,800	25,000	1,562,200	1,162,400	1,562,200	1,350,000
Cumberland, Md., and Ridgeley, W. Va. (See Maryland.)							
Parkersburg	6,519,000	5,122,100	0	1,396,900	1,039,400	1,396,900	1,265,000
Point Pleasant	3,083,000	1,435,000	34,000	1,648,000	1,226,300	1,648,000	1,450,000
Snagging and clearing				1,000,000	744,100	1,000,000	1,000,000
Emergency bank protection				1,000,000	744,100	1,000,000	1,000,000
Sec. 205 projects				1,000,000	744,100	1,000,000	1,000,000

[1] Supplemental estimate of $1,300,000 in S. Doc. 37.

Flood control—Continued

Project	Total estimated Federal cost	Amount appropriated to date	Estimated unobligated balance, June 30, 1949	Amount of budget estimate	Amount allowed by House as allocated by Corps of Engineers	Amount recommended by Senate	Amount to which House conferees are agreeable
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
PLANNING							
Arkansas:							
Millwood Reservoir	$39,500,000			$150,000	$150,000	$200,000	$200,000
Water Valley Reservoir, Ark. and Mo.	14,412,000	$381,200		150,000	150,000	150,000	150,000
California:							
Black Butte Reservoir	11,079,000			95,000	95,000	95,000	95,000
Hogan Reservoir	11,264,000	105,000		50,000	50,000	50,000	50,000
Salinas River	3,515,000	30,000		50,000	50,000	50,000	50,000
San Joaquin River and tributaries	4,005,000	45,000		45,000	45,000	45,000	45,000
Success Reservoir	11,144,000	295,000		60,000	60,000	60,000	60,000
Terminus Reservoir	13,395,000	275,000		60,000	60,000	60,000	60,000
Colorado: Trinidad	2,046,300	30,000		25,000	25,000	25,000	25,000
Hawaii: Hanapepe River	235,000			20,000	20,000	20,000	20,000
Illinois: Henderson River	1,520,000			45,000	45,000	45,000	45,000
Indiana:							
Levee unit 5, Wabash River	5,830,000	120,100		50,000	50,000	50,000	50,000
Mansfield Reservoir	4,100,000			40,000	40,000	40,000	40,000
Vincennes	2,660,000	50,000		40,000	40,000	40,000	40,000
Kansas: Pioneer Reservoir, Kans. and Colo.	14,105,000	106,000		75,000	75,000	75,000	75,000
Louisiana: Mooringsport Reservoir, Tex. and La.	8,335,000	100,000		65,000	65,000	65,000	65,000
Massachusetts: Barre Falls Reservoir	1,879,000	197,300		10,000	10,000	10,000	10,000
Minnesota: Aitkin	1,680,000			25,000	25,000	25,000	25,000
Missouri:							
Carthage	185,000			8,000	8,000	8,000	8,000
Joanna Reservoir	17,509,000	116,900		75,000	75,000	75,000	75,000
Meramec River Reservoirs	29,550,000	394,200		25,000	25,000	25,000	25,000
Pomme de Terre Reservoir	17,815,000	175,000		50,000	50,000	50,000	50,000
Table Rock Reservoir, Ark. and Mo.	76,340,000	791,000		125,000	125,000	125,000	125,000
Nebraska: Miner's Bend, Nebr. and S. Dak.	3,000,000			15,000	15,000	15,000	15,000
New York:							
Lake Chautauqua and Chadakoin River area	1,584,000	26,000		19,000	19,000	19,000	19,000
South Plymouth Reservoir	6,200,000	193,000		50,000	50,000	50,000	50,000
Watkins Glen	821,000	44,000		10,000	10,000	10,000	10,000
North Carolina:							
Reddies No. 1 Reservoir	2,300,000	60,000		40,000	40,000	40,000	40,000
Reddies No. 3 Reservoir	2,600,000	80,000		30,000	30,000	30,000	30,000
Ohio: Reno Beach—Howard Farms	330,000			6,000	6,000	6,000	6,000
Oklahoma:							
Boswell Reservoir	19,900,000	90,000		100,000	100,000	100,000	100,000
Bradens Bend	1,000,000			35,000	35,000	35,000	35,000
Eufaula Reservoir	118,500,000	900,000		150,000	150,000	150,000	150,000
Pennsylvania:							
Allegheny River Reservoir, Pa. and N. Y.	66,100,000	160,400		45,000	45,000	45,000	45,000
Bear Creek Reservoir	16,500,000	350,000		90,000	90,000	90,000	90,000
Prompton Reservoir	6,300,000	162,000		65,000	65,000	65,000	65,000
Shenango River Reservoir, Pa. and Ohio	13,811,000	157,200		50,000	50,000	50,000	50,000
South Carolina: Hartwell Reservoir, Ga. and S. C. (See Georgia.)							
Tennessee:							
Rossview Reservoir, Tenn. and Ky.	9,000,000	6,700		30,000	30,000	30,000	30,000
Three Islands Reservoir	12,300,000	98,100		50,000	50,000	50,000	50,000
Texas:							
Canyon Reservoir	29,600,000	350,600		150,000	150,000	150,000	150,000
Ferrell's Bridge Reservoir	8,632,000	230,000		75,000	75,000	75,000	75,000
Mill Creek	444,000			25,000	25,000	25,000	25,000
Vermont:							
Ball Mountain Reservoir	11,500,000	185,000		90,000	90,000	90,000	90,000
North Hartland Reservoir	7,164,000	80,000		85,000	85,000	85,000	85,000
Washington: Colfax	1,880,000	55,000		25,000	25,000	25,000	25,000
West Virginia: Wheeling-Benwood	12,283,000	59,000		25,000	25,000	75,000	75,000
OTHER ITEMS							
Preliminary examinations, surveys, and contingencies				5,000,000	5,000,000	5,000,000	5,000,000
Maintenance of completed work				4,000,000	4,000,000	4,000,000	4,000,000
Salaries, Office, Chief of Engineers				725,000	725,000	725,000	725,000
Emergency repairs				1,000,000	1,000,000	1,000,000	1,000,000
Transfer to U. S. Geological Survey				440,000	440,000	440,000	440,000
Transfer to U. S. Fish and Wildlife Service				120,000	120,000	120,000	120,000
Flood control, Mississippi River and tributaries	1,265,000,000	627,025,500		70,000,000	63,000,000	73,500,000	67,000,000
Flood control, Mississippi River and tributaries, emergency fund				500,000	500,000	500,000	500,000
Flood control, Sacramento River	42,600,000	36,195,000		4,000,000	3,500,000	4,000,000	3,600,000

MVA Is Plan of Communists—Jensen Says National Control Is Aim

EXTENSION OF REMARKS

OF

HON. EUGENE D. O'SULLIVAN

OF NEBRASKA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, August 17, 1949

Mr. O'SULLIVAN. Mr. Speaker, the following newspaper article was copied from the news and editorial section of the Omaha (Nebr.) Sunday World-Herald of August 14, 1949, as prepared by its Washington, D. C., bureau, located at 1374 National Press Building. Heading the article was a picture of a stern, grim-visioned man of supererect stature, all of which was indicative of a sincere determination to meet and grapple with a world monster of no less proportions and designs than chaos-welcoming, liberty-destroying, people-enslaving communism.

MVA IS PLAN OF COMMUNISTS—JENSEN SAYS NATIONAL CONTROL IS AIM

Representative BEN JENSEN, Republican, Iowa, envisions a situation in the United States where 33 men "could completely control America."

That would be if the valley authority idea were to become law in the 11 river basins of this country.

Figuring that would create 11 boards of three men each, Mr. JENSEN says:

"The 48 States could very well be expected to lose their sovereign rights and identity, and we would have in their place 11 separate powerful regions or valley empires."

"HOPE OF COMMUNIST PARTY"

Whoever controls the waters and the power facilities of the Nation controls the Nation, he says.

Mr. JENSEN charged that the program for 11 valley authorities is the "recommendation

and hope of the Communist Party of America. They know that so long as our Nation is composed of 48 States that are free and sovereign, whereby the people of the respective State elect their public servants, communism never can completely take over here."

The Iowa Congressman said a United States Senator told him that he got into a Communist meeting 21 years ago and heard the speaker declare that it was the party's aim to form 11 valley authorities.

SENATOR CONFIRMS IT

The World-Herald questioned the Senator, who said it was true—through an acquaintance he was able to get into a Communist meeting in 1928, when the speaker did make such a statement.

Since then, he said, he has sought to learn if the Communists have that as part of their platform. He said he had not been able to establish that it is.

Mr. JENSEN is vehement on the subject of valley authorities.

He recently told Assistant Secretary of the Interior C. Girard Davidson that, as a member of the House Appropriations Committee, he never would vote another dime for either the Columbia or the Missouri Valley if authorities were imposed on them.

TOO MUCH AUTHORITY

Some time ago, he said, he visited with the three members of the board of the Tennessee Valley Authority. He said he told them they had too much authority.

Later, he said, one of the board members came to him privately and told him that he was absolutely right.

"Don't ever let another authority be imposed on the country," Mr. JENSEN said he was urged.

After reading and considering the foregoing, one is reminded of the story of the frivolous, fun-loving shepherd in the fables of Aesop who cried "wolf, the wolf is coming," time without number, and sent the husbandmen and town folks a-scurrying to onslaughts which were nonexistent, until their senses of responsibility and awareness became so dulled that one day they failed to respond with the usual quota of clubs, scythes, pitchforks, axes, and so forth, when the wolf actually sprang in earnest from his lair upon the helpless sheep, not only to the great consternation and chagrin of the doltish shepherd, but to his personal and great financial loss, the wolf having killed his favorite ewe.

I agree with but one paragraph of the World-Herald statement attributed to my colleague, Mr. JENSEN, and that part of same concerning which I am in agreement is the following:

Whoever controls the waters and the power facilities of the Nation controls the Nation.

No one may correctly refute that statement as the happenings of the past unholy years by private power interests so abundantly disclose.

In fact I would amend that statement to read that "whoever controls the power facilities of the Nation controls the Nation."

Some of the unholy extreme right-winged private power brood all but had the stranglehold, or the "tramp-hitch," upon the Government of the United States and its people, when Senator George W. Norris, of Nebraska, a real political warrior for the people, and other colleagues of the Senator, and Congressman JOHN RANKIN, of Mississippi, and other colleagues of that Congressman, and many other American-loving people in private life, gave battle to the many-headed monster, these private power holding and other companies, and temporarily stopped their throttling endeavors.

To my way of thinking the most formidable enemy of the Republic and its people today is not the extreme left-wingers, but the extreme right-wingers, and in this group are to be found many of the private power interests and their financial backers. This group like all others who are mothered by the wicked brood of extreme right-wingers never sleeps. They are "day in and day out work around the clock boys" who are and have always been tireless and inexhaustible in the ways of glorious larceny, as distinguished from grand and petty larceny—that type of larceny which is above and beyond the law.

It is an interestingly sad day indeed when in this great and enlightened present we learn for the first time that the revered and respected Senator George W. Norris and all of his supporting stalwarts who have now joined the aristocracy of death were the tools of communism, wittingly or unwittingly.

It is also an interestingly sad day indeed when in this great and enlightened present we learn for the first time that our scrappy and meteoric colleague, JOHN RANKIN, and all of his supporting stalwarts who are still with us in the flesh, have been and are now the tools of communism, wittingly or unwittingly.

I would sooner believe that Michael, the archangel, and Lucifer had joined forces to execute a bipartisan plan to half save and half damn mankind than believe that these men, afore-mentioned, wittingly or unwittingly, would betray for reasons of betrayal only or otherwise, the form of government of their Republic for which they spent a lifetime of devotion and ceaseless endeavor. To accuse my colleague, JOHN RANKIN, of carrying out the plans of communism is a bigger lie than was ever conceived by the author of Mein Kampf, conceived 21 years ago.

No; these extreme right-wing private power interests can never make me believe that. I am not now and never was so gullible.

I am sorry that they were able to convince my honest, sincere, and fearless friend and colleague from Iowa, Mr. JENSEN, that such is the fact.

I believe that the Un-American Activities Committee of the House of Representatives should subpena the Senator named in the World-Herald article and the World-Herald reporter who interviewed him and all other witnesses who claim that the 11 authorities named in the article are the foundations of communism in this Republic. The people should know the names of these accusers and the basis of their accusations.

I for one am more inclined to believe that the extreme right-winged private-power groups are laying the foundations, unwittingly, of communism than that an authority of the people such as TVA, is doing so.

The people control the waters of the Nation and should control the power of the Nation also, so that progress and all of its many blessings may be enjoyed by the people instead of ruthless, brazen, un-American men and interests.

Up to this writing I was somewhat on the fence as to the propriety of creating additional public authorities, such as the Missouri Valley Authority, but now I am for the creation of a Missouri Valley Authority and all other additional authorities.

The deceitful and ignoble propaganda of these extreme right-winged private power groups has convinced me that we must drive them from their present vantage points and make them amenable again to the light of truth and decency.

In Nebraska these extreme right-wing private power groups, though vanquished from the Nebraska scene during the lifetime of Senator Norris, have silently and stealthily sneaked back like the weed-vine "Creeping Charlie" and are trying to get a new foothold there by choking out public power. They have successfully blocked many power projects in one way and another at dam sites and want to own and operate all transmission lines and again fleece the power users as they did in yesteryears.

We must stop these un-American interests now and one sure way to drive them to their financial holes is to authorize by proper laws new public authorities like the contemplated Missouri Valley Authority patterned after the TVA.

In conclusion, I would like to quote the following from an article appearing in a recent labor paper:

WHAT PUBLIC POWER MEANS

This is what public power means to Americans:

In 1933, when the Tennessee Valley Authority was created, there were only 250,000 consumers of electric power in the TVA area. Today there are 1,000,000.

Sixteen years ago, only 15,000 farms in the Tennessee Valley had electricity. Today TVA serves 300,000 farmers.

TVA has benefited every American. Federal income-tax payments from the area have increased largely because of the prosperity which TVA has brought.

In the past year Tennessee Valley residents have spent $100,000,000 for electrical appliances made in the North and East.

These facts show what TVA has done for one section of the country and what a Missouri Valley Authority, a Columbia Valley Authority, or a Connecticut Valley Authority could do for other parts of the Nation.

Repeal of Excise Taxes

EXTENSION OF REMARKS

OF

HON. PHILIP J. PHILBIN

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, August 17, 1949

Mr. PHILBIN. Mr. Speaker, under unanimous consent to revise and extend my remarks in the RECORD, I include therein copy of a letter concerning the repeal of excise taxes which was re-

cently written by the distinguished majority leader of the Senate, the Honorable SCOTT W. LUCAS.

I believe that Senator LUCAS has accurately stated the views of a majority of the Congress and I earnestly hope that the administration leadership may see its way clear in the near future to take favorable action on the repeal of the unwarranted, onerous, and discriminatory war excise taxes.

UNITED STATES SENATE,
OFFICE OF THE MAJORITY LEADER,
Washington, D. C.

This will acknowledge your communication of recent date, with respect to excise taxes. I should like to give you my candid views about this matter.

As you know, we enacted into law during the war a number of excise taxes. Everyone agrees that some abominable inequities exist. Yet the Ways and Means Committee of the House of Representatives has not to date brought forth legislation which would strike from the books these wartime taxes.

In a recent message to Congress, the President of the United States suggested that one of the taxes be eliminated, namely the transportation tax.

It is true, the Senate committee voted 7 to 6 for the Johnson amendment, which seeks to remove 50 percent of the excise taxes placed thereon during the war. H. R. 3905, containing the Johnson amendment, is now on the Senate Calendar. My personal opinion is that this amendment will not do the job. I feel any reduction in excise taxes should be in full and not in part. My reason for believing we should have total repeal, if we are to repeal any excise taxes, is the stimulation such repeal would have upon business. If the job is only half done the consumers' buying power will continue to wait until the entire tax is removed.

There is a strong sentiment in the Congress for the repeal of most of the excise taxes. Personally I think it would be a tremendous stimulant to business.

In conclusion, I wish to say it is the duty of the Ways and Means Committee of the House of Representatives to consider tax measures in the first instance. From information I have, I feel certain that the Ways and Means Committee will not consider the repeal of excise taxes during this session of Congress.

With every good wish, I am
Yours most sincerely,
SCOTT W. LUCAS.

A. F. of L. Council Calls for Action to Aid Spot Unemployment

EXTENSION OF REMARKS
OF
HON. THOMAS J. LANE
OF MASSACHUSETTS
IN THE HOUSE OF REPRESENTATIVES
Wednesday, August 17, 1949

Mr. LANE. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following article from the American Federation of Labor Weekly News Service for August 16, 1949:

A. F. OF L. COUNCIL CALLS FOR ACTION TO AID SPOT UNEMPLOYMENT—BACKS TRUMAN'S MOVE, CO-OP HOUSING BILL, PUBLIC WORKS

TORONTO, CANADA.—In an optimistic report on American economic trends, the executive council of the American Federation of Labor urged a 3-point program to combat sporadic unemployment.

First, the council gave its endorsement to President Truman's directive that Government agencies increase their purchases in communities seriously affected by factory shut-downs and unemployment.

Second, the council called upon Congress to approve the preparation of a "shelf" of public works projects which could be swung into operation promptly in localities needing a stimulus to business activity.

Third, the council emphasized the need of prompt congressional adoption on the pending housing bill which would authorize low-interest Government loans to cooperatives and nonprofit groups for the construction of moderate-rental apartments acutely needed by the Nation's workers.

At the opening session of its midsummer meeting here, the executive council hailed mounting evidence that business is picking up throughout the Nation.

A. F. of L. President William Green told his press conference that the council was especially gratified by reports that unemployment is leveling off and that the backlog of orders for manufactured products is increasing. The banner season in building construction, he said, is helping to revive industrial production generally.

Before adjourning its sessions here, the executive council will participate in shaping future plans for the 1950 congressional election campaign through the machinery of Labor's League for Political Education; review legislative developments affecting labor; formulate AFL's policies on the international labor front in connection with the forthcoming establishment of a world-wide organization of free-trade union centers, and draft its annual report to the October 3 A. F. of L. convention at St. Paul, Minn.

Because of the press of work, the council voted to hold regular night sessions in an attempt to wind up the meeting within 1 week.

The text of the statement issued by the council on economic conditions follows:

"The executive council is gratified by cumulative indications that business activity is increasing and that unemployment is leveling off.

"We wish to reiterate at this time that there is no justification for an economic depression in the United States. In fact, we attribute a good deal of the recession talk which was current earlier this year to a deliberate propaganda campaign designed to clamp the brakes on wages.

"While unemployment has now reached a total of 4,000,000 according to Government estimates, employment is still near the high 60,000,000 figure and serious dislocations have occurred only in relatively few localities and in few industries. As a whole business conditions are good and showing improvement.

"Nevertheless when unemployment reaches the highest point since prewar days, it is time for action. We commend President Truman's order to Government agencies to increase purchasing in communities which have been hard hit by factory closings and unemployment. We also emphatically urge that Congress authorize the preparation of a shelf of public works projects as a preparatory and precautionary step. Such projects could then be put into operation to stimulate business activity and create jobs in any locality which may encounter an emergency situation.

"Furthermore, the executive council calls upon Congress to approve before adjournment pending legislation to encourage the construction of moderate rental apartments for families just above the low-income group. This legislation, which would involve no Government subsidies but would authorize low-interest loans to cooperatives and nonprofit groups to build apartments, is badly needed to supplement the public housing and slum-clearance program already approved by Congress. The shortage of rental housing in the $50 and $60 a month level is acute and new construction activity in this field would serve as a stimulus to all of industry."

Middle Income Housing

EXTENSION OF REMARKS
OF
HON. JOHN A. BLATNIK
OF MINNESOTA
IN THE HOUSE OF REPRESENTATIVES
Wednesday, August 17, 1949

Mr. BLATNIK. Mr. Speaker, under leave to extend my remarks in the RECORD, I include a copy of the resolution recently adopted by the State convention, Minnesota Department of the American Legion, regarding the need for additional housing legislation for middle-income families and veterans. I should mention that some time ago I introduced H. R. 4639 which would implement this resolution, and I was pleased to learn that the Senate Banking and Currency Committee has recently reported favorably on S. 2246 which provides for such housing legislation.

RESOLUTION ON HOUSING

Whereas the prewar shortage of housing, intensified by the war, has created a housing tragedy in this country which especially strikes at veterans, millions of families live doubled up or in slums, or cannot afford a home of their own because of the failure of the housing industry to meet the needs of the American people, a recent survey shows over 10,000 families live doubled up in St. Paul. The majority are veterans. But Congress has now enacted Federal public housing legislation. This new law makes a beginning toward meeting the housing needs of the people. However, its slum clearance, public housing, and farm housing provisions will make only a dent on the problem of rehousing the millions of families who now live in slums, and in providing homes for families now doubled up with others. Its public housing provisions for only 810,000 units in the next 6 years falls far short of actual needs. Its restrictions that allot this housing only to those in the lowest 20 percent income group, mean that veterans in the middle-income brackets cannot avail themselves of this housing. No provision is made for families whose incomes are too small to pay the prices charged by private builders but who are above the limit set for occupants of public housing; and

Whereas Senator SPARKMAN has now introduced a bill—S. 2246—an omnibus housing bill enlarging the National Housing Act, increasing appropriations for loans to $1,250,000,000; and

Whereas this bill provides for financial assistance to be made available by the Federal Government in the form of long-term loans, at a low rate of interest, for housing projects undertaken by cooperative ownership or other nonprofit housing corporations. This means loans at approximately 3 percent interest with maturities not exceeding 60 years. This means that veterans in the middle-income group could afford a $10,000 home which at a 40-year, low-interest amortization would cut the cost of the monthly payments on such a home to about $40 a month; and

Whereas we are appreciative that our national vice commander, the American Legion, Walter E. Allesandroni, appeared before the Senate Banking and Currency Committee on July 27, 1949, in support of the general provisions of S. 2246: Therefore, be it

Resolved by this Minnesota Department of the American Legion, in convention assembled at St. Paul, August 11-13, 1949, That we actively work for and support this piece of legislation so urgently needed by veterans and their families, with the following addition—include direct low-cost Government financing to veterans where same cannot be obtained from private sources; that this resolution be forwarded to national convention of American Legion for positive action there, and that copies of this resolution be sent to our Minnesota Senators and Representatives and to the President of the United States.

Military Assistance Program

EXTENSION OF REMARKS
OF

HON. JOHN DAVIS LODGE

OF CONNECTICUT

IN THE HOUSE OF REPRESENTATIVES

Tuesday, August 16, 1949

Mr. LODGE. Mr. Speaker, in an effort to provide my colleagues with information regarding the military assistance program legislation, I am inserting in the RECORD a copy of a letter which I wrote to the Secretary of State, Mr. Dean Acheson, on July 27, together with a copy of Mr. Acheson's answer dated August 15. I hope that this information will prove helpful.

JULY 27, 1949.

DEAR MR. SECRETARY: In connection with the proposed military assistance program, the principle of which I support and advocated in a speech on the floor of the House on August 6, 1948, I should like to propound a few questions. I realize that these questions cover only a few of the vast and complex implications of this undertaking. They seem to me to be vital.

1. Is it the view of the Department of State that the military plan for western Europe should be based on European rather than on national considerations, thereby effecting significant economies, and furthering the goal of a European federation, which is also a principle objective of the European recovery program?

2. Is it proposed that insofar as practicable there should be a gradual standardization of arms in the countries receiving military aid from the United States in order to work toward (a) substantial economies in military budgets; (b) a simplification of the problem of rearmament, logistics, and the furnishing of spare parts; (c) greater strategical strength of the nations involved and particularly of "uniforce"; and (d) a European federation?

3. Is it the view of the Department that military aid to Korea is more important and urgent with relation to American national security than military aid to China?

4. Are the nations which are to receive military aid making a military effort comparable to that of the Soviet Union, taking into consideration their relative size and population, their economic strength, and the over-all objectives of the European recovery program?

5. Has the Council of Western Europe, acting under the Brussels Pact, evolved plans which make it appropriate that we should proceed at once with the full amount of the military aid required rather than, as has been proposed by certain Members of Congress, notably Senators VANDENBERG and DULLES and Congressman VORYS, proceed with an interim aid bill until the Council, to be established under article 9 of the Atlantic Treaty, shall have developed a comprehensive logistics, tactical, and strategical plan involving specific assignments?

6. Will the military aid to be furnished result within the period of the proposed legislation in a corresponding or substantial reduction of our domestic military budget as advocated by Dr. Nourse, Chairman of the Council of Economic Advisers, or will MAP be, in his words, "a simple addition to other military plans as they stood before the new alinement"?

It is my conviction that while the will of the Europeans to resist aggression must be stimulated by this tangible expression of our resolve to preserve the peace, MAP must be based on a prudent regard for our own resources and must be the implement of a global rather than a piecemeal foreign policy.

I believe that answers to the above questions will be helpful to the Congress in passing on this important measure.

With kind personal regards.

Sincerely yours,

JOHN DAVIS LODGE.

AUGUST 15, 1949.

Hon. JOHN DAVIS LODGE,
House of Representatives.

MY DEAR MR. LODGE: I refer to your letter of July 27, 1949, in which you raise certain important questions with regard to the proposed military assistance program now under consideration by the Congress. The questions which you have raised are indeed vital and I am grateful to you for the opportunity of expressing views with respect to them.

In your letter you ask:

1. Is it the view of the Department of State that the military plan for western Europe should be based on European rather than on national considerations, thereby effecting significant economies, and furthering the goal of a European federation, which is also a principal objective of the European recovery program?

The Department is convinced that military strength in Europe must be developed on a collective rather than on an individual basis. The military assistance program which is proposed is not designed to build up separate balanced military establishments. It is designed to strengthen the collective defense capacity of the nations associated in the North Atlantic Treaty by providing assistance to those European members which require such aid, in kind and amount appropriate to the role which each would play in a common collective defense. It is our belief that this procedure will make possible significant economies and that it should contribute materially to the creation of an atmosphere and experience of collaboration and cooperation which will further the development of a closer political and economic association in Europe.

2. Is it proposed that insofar as practicable there should be a gradual standardization of arms in the countries receiving military aid from the United States in order to work toward (a) substantial economies in military budgets; (b) a simplification of the problem of rearmament, logistics, and the furnishing of spare parts; (c) greater strategical strength of the nations involved and particularly of "Uniforce"; and (d) a European federation?

The provision of military assistance as has been proposed to the Congress is in itself a major contribution toward the goal of standardization toward which we must all work. In particular the provision of assistance which will enable the European countries to undertake additional military production affords an exceptional opportunity for achieving standardization on the production of new equipment.

Considerable success has already been achieved in reaching agreement on standardized procedures especially in the command and communications fields. It is our earnest intention to work as steadily and as rapidly as possible toward the achievement of the maximum degree of standardization.

It must be borne in mind, however, that in the present extremely weak condition of the European nations, insistence upon complete standardization might well result in a serious and extremely dangerous lessening of strength. It must also be borne in mind that standardization can never be completely achieved since, as each new development in research makes it possible to improve upon the equipment in existence, it becomes necessary to effect changes in order to be certain that the benefits of these developments is fully utilized.

3. Is it the view of the Department that military aid to Korea is more important and urgent with relation to American national security than military aid to China?

If military assistance to China could be made effective at this time, it would be more important to American national security to send such aid than to send aid to Korea. However, as has been stated, the executive branch of the Government is firmly convinced that further provision of military assistance to the Chinese National Government is impractical and unlikely to be effective. It believes that the white paper recently published, which documents the record of assistance previously given to China, fully supports this conclusion.

It is the Department's belief that the provision of military assistance to Korea will enable the Korean Government to maintain internal security and to deal with external pressures short of an all-out attack. In view of the policy of this Government of supporting the United Nations and its decisions with respect to Korea and since there is in Korea a responsible Government capable of utilizing the assistance provided, it is both important and necessary that such aid be granted.

4. Are the nations which are to receive military aid making a military effort comparable to that of the Soviet Union, taking into consideration their relative size and population, their economic strength, and the over-all objectives of the European recovery program?

The military effort being made by the European nations and other countries to whom military assistance is proposed is, in the opinion of the executive branch, the maximum effort feasible without the secrifice of economic recovery and the maintenance of a stable economic system. Details with regard to the size and scope of military effort being made by these countries have been provided to the Foreign Affairs Committee.

5. Has the Council of Western Europe, acting under the Brussels Pact, evolved plans which make it appropriate that we should proceed at once with the full amount of the military aid requested rather than as has been proposed by certain Members of Congress, notably Senators VANDENBERG and DULLES and Congressman VORYS, proceed with an interim aid bill until the council, to be established under article 9 of the Atlantic Treaty, shall have developed a comprehensive logistics, tactical, and strategical plan involving specific assignments?

The executive branch of the Government is in complete accord with the view that assistance should be provided to the European members of the North Atlantic Treaty only if thereby the collective defense capacity of the group can be improved. It believes that there does now exist in fact a sound and adequate basis for the provision of assistance which will assure the accomplishment of this purpose, and it further believes that it is by no means necessary or desirable to delay the provision of such aid.

The Brussels Treaty powers—the United Kingdom, France, Belgium, the Netherlands, and Luxemburg—have already agreed upon

a plan for the defense of western Europe and, subject to the limitations imposed by the agreed priority to be given economic recovery, are jointly engaged to the limit of their abilities in the creation of the defensive strength required by the plan. It is highly significant that by invitation of these powers, representatives of both Canada and the United States have observed and participated in the discussions which resulted in the agreement on a defense plan and in the discussions dealing with measures required in support of that plan. It is even more significant that the United States Joint Chiefs of Staff have examined this plan in detail and have found it to be in consonance with United States strategic thinking.

Norway and Denmark, in their requests for military assistance and in the discussions which have taken place with them regarding their requirements, have clearly indicated their acceptance of the principle enunciated by General Bradley in his testimony before the House Committee on Foreign Affairs that the man in the best position and with the capability should do the job for which he is best suited. The emphasis placed by these countries on the types of equipment most urgently needed clearly demonstrate a determination to improve and strengthen their capabilities for the roles which would inevitably be theirs in the collective defense effort. The Italian request for assistance and the informal discussions regarding it likewise show Italian plans to be in conformity with the necessary role of Italy in collective defense which is of course limited by the provisions of the peace treaty regarding Italian military strength.

In his testimony, General Bradley pointed out clearly that a sound strategic plan must be based on considerations of geographical position, industrial capacity, populations, the will of the peoples, and their military capabilities. It is the firm conviction of the executive branch that the military assistance program has been so planned and will be so executed as to assure that it will aid in the development of that kind and amount of strength appropriate to the role which each country should play in a collective defense effort based upon the principles enunciated above.

It is also the firm conviction of the executive branch that the solemn commitments undertaken by these European nations in joining with us in the North Atlantic Treaty, taken with the tangible evidence of the common plan of the Brussels Treaty powers and the plans of the Norwegian, Danish, and Italian Governments, provide a maximum of assurance that further common defense planning will progress as rapidly as can be desired. To refrain from aiding in the creation of the strength which will be essential to the execution of that planning, until the planning has been completely perfected, serves only to delay in improving the security of the area and to prolong the period during which our ability to resist attack is not commensurate with our stated determination to do so. Such delay will be likely to be interpreted as indicative of suspicion and distrust of our allies, and may serve to create doubts both in their minds and in the minds of the Soviet Union as to the sincerity and stability of United States policy. Thus, delay in taking action which is actually required in our own interests instead of stimulating common agreement and effort may well make cooperation more difficult and less effective.

6. Will the military aid to be furnished result within the period of the proposed legislation in a corresponding or substantial reduction of our domestic military budget as advocated by Dr. Nourse, Chairman of the Council of Economic Advisers, or will the military-assistance program be, in his words, "a simple addition to other military plans as they stood before the new alinement"?

The military-assistance program which has been proposed is a program for the fiscal year 1950. A considerable period of time will be required for equipment to be rehabilitated or produced, for it to be packed, shipped, and put in the hands of men who are to use it, and for them to be trained in its operation and maintenance. It is clear that a degree of strength which would diminish our own security-expenditure requirements will not be achieved within this period. However, as the Secretary of Defense has testified, it is anticipated that the development of a balanced and effective defensive Military Establishment in Europe will in the long term make possible a reduction in our own national defense budget. If, as we hope, the program, together with other parts of our foreign policy, succeeds in convincing the Soviet Union that a policy of aggression should be abandoned and it is, in fact, abandoned, it will then be possible to effect a substantial reduction in the military expenditures of the pact nations.

The proposed program of military assistance is designed to support and strengthen other elements of our foreign policy with a view to achieving peace and security. We seek to assist in creating world conditions that will make it possible for the United States to preserve and to continue to develop its way of life. The military-assistance program is but one of the courses of action which must be pursued toward this aim. Its principal contribution will result from the extent to which it serves to deter aggression and to promote that sense of security which is essential to the establishment and maintenance of economic and political stability.

Sincerely yours,

DEAN ACHESON.

England Entering a Full-Dress Depression

EXTENSION OF REMARKS

OF

HON. COMPTON I. WHITE

OF IDAHO

IN THE HOUSE OF REPRESENTATIVES

Wednesday, August 17, 1949

Mr. WHITE of Idaho. Mr. Speaker, despite all of our cash and material contributions to England it appears from current press reports that England is entering a serious financial depression. Many of us remember when, after the First World War, United States Government bonds dropped to 86 percent. At that time Government bonds did not support the money in circulation.

The Seventy-second Congress in the closing days of the Hoover administration changed the law and made Government bonds eligible for rediscount by the Federal Reserve banks and security for the issuance of Federal Reserve notes in legal tender money. We now have over $28,000,000,000 in circulation. I dread to think what would happen if the price of our Government bonds fell to 70 percent of par value.

There is inserted herewith a press report taken from this morning paper, the August 17 issue of the Washington Post:

FAITH IN POUND SHAKEN—GOVERNMENT BONDS UNLOADED BY BRITONS; SOME GO AT 70 PERCENT

LONDON, August 16.—British investors are shedding Government bonds with frantic haste.

Some kinds can be bought in the London bond market for less than 70 percent of what the Government promises to pay when they come due.

The faith of the British people in their once-proud pound sterling is sorely shaken.

During the first 17 weeks of the Government's fiscal year beginning April 1, they withdrew £22,250,000 (equal to $89,000,000) more from their national savings accounts than they put in.

Vast sums are being taken out of Government bonds and put into things like real estate and gold-mine stock.

During one 3-week period in July and August the total value of British Government bonds shrank $2,000,000,000 on the London exchange.

One explanation given is what the British call the dollar crisis. The Labor government has been unable so far to give assurances that Britain can go on much longer earning, borrowing, or obtaining American gifts of dollars it must have to buy food and raw materials. If the Government fails, Britain faces privation, unemployment, and a crippling drop in national income. All this would make it harder to pay off Government bonds when due.

Also cited is the constant talk that the official rate of about $4.03 for the pound must and will be cut—despite Government denials. To the people, bonds represent pounds.

Two other theories are less widely cited. One is that the Government has issued too many bonds in payment to former owners of nationalized industry. The other is that bear selling upset the market.

The Labor Party newspaper, the Daily Herald, blames bear raiders who sell Government bonds for deferred delivery with the hope of buying them at a lower price when actual delivery is due.

United States Relations With China

EXTENSION OF REMARKS

OF

HON. JOHN DAVIS LODGE

OF CONNECTICUT

IN THE HOUSE OF REPRESENTATIVES

Tuesday, August 16, 1949

Mr. LODGE. Mr. Speaker, reports indicate that the white paper denunciation of the anti-Communist government in China is having a most alarming and disintegrating effect. In order further to illuminate this distressing topic, I am inserting in the Appendix of the RECORD an interesting article by Arthur Krock which appeared in the New York Times on August 12, 1949, and also an article by Dorothy Thompson which appeared in the Washington Star on August 16:

[From the New York Times of August 12, 1949]

IN THE NATION—SOME OMISSIONS FROM THE WHITE PAPER

(By Arthur Krock)

WASHINGTON, August 11.—Only a group of experts, with full access to all the official records in Chungking and Moscow as well as in Washington, could write a sequel to the State Department document, "United States Relations with China," which would comprehensively expose its shortcomings and omissions and those of our postwar policy in the Far East. The State Department's white paper was prepared by more than 80 persons with knowledge of the circumstances, and with a file before them which is not available to reviewers.

For these reasons alone critics of our China policy are at a disadvantage. And even if a competent group should prepare a book as large as the white paper it could not have the authority of the official report, and could not be made available for $3, the price the Government is able to fix. Because of the length of the white paper, none of the ordinary private media of public communication can find room for an adequate summary, and public opinion therefore must be formed on highlights and broad outlines.

Nevertheless, it is possible, after spending many hours on the one thousand and fifty-four pages of the white paper, to note certain omissions (though the latter are generally half-completed statements or avoidances of blame-fixing in a report which asserts that its motto is "Let the chips fall where they may").

A CONTRAST IN EFFORT

1. The account exposes an anomaly of foreign policy to which the present situation in China and southeast Asia may fairly be charged. This anomaly is that the United States failed after World War II to follow the two-front wartime policy by which though giving precedence to the reconquest of Europe, it fought an effective war in the Pacific at the same time. Military concentration on Europe was not permitted to preclude offensive tactics in the Pacific, but concentration on the Marshall plan was permitted to preclude coming to grips with the postwar situation in China.

2. In his letter of transmittal of the white paper to the President, the Secretary of State, Mr. Acheson, speaks of the Yalta concessions as the "price" paid to Marshal Stalin, and adds that "the Soviet Union when she finally did enter the war against Japan could in any case have seized all the territories in question and considerably more, regardless of what our attitude might have been." But though Mr. Acheson describes the report as "a frank record," he does not point out that this expedient, after-the-fact reasoning repudiates the high-minded Stimson doctrine of nonrecognition in 1932 and Secretary Hull's flat refusal in 1941 to reach an accord with Japan by accepting the Japanese fait accompli in China.

Mr. Stimson, in identic notes to China and Japan, said the United States would never recognize the legality of any situation produced by aggression or treaty violation, a doctrine to which the oncoming Roosevelt administration subscribed in advance. Mr. Hull, in his talks with Nomura and Kurusu before Pearl Harbor, insisted that Japan withdraw its forces in China and declined to recognize Japanese hegemony in the Far East. Though the Stimson doctrine soured Japanese-American relations, and the Hull doctrine provided Japan with its excuse for Pearl Harbor, both Secretaries scorned the argument, which proved correct, that Japan would do what she wanted to do anyhow.

THE AIR FORCE AT YALTA

3. "Although the unexpectedly early collapse of Japanese resistance later," wrote Secretary Acheson, "made some of the provisions of the Yalta agreement seem unnecessary, in the light of the predicted course of the war at that time they were considered to be not only justified but clearly advantageous." He pointed out that President Roosevelt considered the issues at Yalta predominantly military and quoted W. Averell Harriman as later saying that Admiral Ernest J. King was aware of the concessions to Stalin and considered them the most important outcome of the conference. The clear implication is that Admiral King approved them on the theory that Russian participation in the war against Japan was essential to shorten the conflict and save countless American lives.

This point of view on Yalta has many defenders. But a search of the white paper fails to disclose an account of the contrary military opinion which was offered there but never got beyond Harry L. Hopkins. An Air Force officer was dispatched to Yalta with a well-documented report of Japanese weakness designed to fortify President Roosevelt to resist Stalin's price for entering the war. Its purport was that the Russians were not required for a victory which would come much sooner than the high Army-Navy command believed (this also before the atomic bomb was ready for operation).

The officer who brought the report to Yalta had a star on his shoulder. But it was obscured by the obstructing galaxies of five. His entreaties won a promise from Mr. Hopkins to read the report and show it to the President; however, it seems that something prevented Mr. Hopkins from doing so. It could have changed the history of these times for the better, yet diligent search fails to find any mention of it in the white paper. If it was omitted on the ground of incomplete verification, this correspondent is informed the Air Force could have established the facts as above stated.

[From the Washington Evening Star of August 16, 1949]

ON THE RECORD—STATE DEPARTMENT OFFICIALS INVOLVED IN CHINA POLICY SHOULD BE REMOVED

(By Dorothy Thompson)

The headlines have been kind to the white paper on United States-Chinese relations, summarized in Dean Acheson's letter. The New York Times headline: "United States puts sole blame on Chiang regime."

Dean Acheson's letter does not do that, but it marshals every rationalization for a catastrophic failure, with bland assurance that the American people will dismiss it and continue to trust. But it is the policy followed by the State Department, and its Far Eastern Division, which has failed according to its own confession.

POLICY NOT ITS OWN

And whatever one thinks of the Chinese National Government, it cannot be blamed for the failure of a policy which was not its own.

The responsibility rests with Dean Acheson's department, and those subordinates whose activities led to such a disaster obviously should be removed from office. For either the responsible persons deliberately contributed to bring about this catastrophe from sympathy with the Soviet Union, and a secret desire for a Communist solution, or they are intellectually incompetent.

Every policy will fail if the assumptions on which it is based are erroneous. Mr. Acheson's letter reveals that every major assumption on which the State Department's policy was based was fallacious. These were basically three:

(1) That "a prime object of our policy" should be "to bring Russia into the struggle against Japan in time to be of real value in the prosecution of the war."

(2) That for this purpose it was necessary to remunerate Russia at the cost of China.

(3) That the Chinese Communists were not Russia puppets but simple agrarian reformers.

ASSUMPTIONS UNJUSTIFIED

None of these assumptions was justified.

(1) When the secret agreement was made at Yalta, reestablishing for Russia "substantially the position she had occupied there prior to 1904," Japan was already defeated—without the atomic bomb—and had, according to unpublicized rumors, already made peace overtures via Russia.

2. Anyone with knowledge of Russian far eastern policy should have known that Russia would never permit a China solution to which she was not a party, and that therefore at the appropriate moment for her own interests, Russia would certainly enter the far eastern war to protect those interests.

3. That China's Communist leaders had played an outstanding role in Comintern policies since the Russian revolution and had never been repudiated by Stalin, was known to every student of the Comintern.

What has happened in China has logically followed from these erroneous assumptions. And if the persons responsible for them had a feeling of honor they would resign.

First Anniversary of the Republic of Korea

EXTENSION OF REMARKS

OF

HON. MILLARD E. TYDINGS

OF MARYLAND

IN THE SENATE OF THE UNITED STATES

Thursday, August 18 (legislative day of Thursday, June 2), 1949

Mr. TYDINGS. Mr. President, I ask unanimous consent to have printed in the Appendix of the RECORD a statement prepared by President Syngman Rhee, of the Republic of Korea, on the first anniversary of the proclamation of the Republic, August 15, 1949.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

STATEMENT OF PRESIDENT SYNGMAN RHEE, OF THE REPUBLIC OF KOREA, ON THE FIRST ANNIVERSARY OF THE PROCLAMATION OF THE REPUBLIC, AUGUST 15, 1949

The first anniversary of the inauguration of the Republic of Korea marks the fourth anniversary of our liberation. Both the security and the stability of our nation have been greatly improved during the first critical year despite the difficulties that have beset us.

A year ago many among our friends, as well as our critics, were unconvinced that after a generation of foreign rule we Koreans would have the skill and experience to govern ourselves. Few expected that we should be able at once to start making headway against economic and military problems as serious as those existing anywhere in the world. As our first year of restored independence ends, the record speaks for itself.

NATIONAL SECURITY

When the Government of the Republic of Korea was inaugurated, Cheju Island, with its 300,000 population, was largely in the hands of brutal Communist terrorists. The election of May 10, 1948, could be held in only one of the island's three districts. By last spring, however, the Communist forces had been eliminated and the election was held peacefully.

Communists who had been allowed in the name of neutrality to infiltrate into our armed services before the government was in our hands, have been largely weeded out. The rebellion instigated by these Communist elements in the army at Yosu and Sunchon last October was promptly put down. The rebels who fled into the Chiri Mountains were captured and their attempts to inflame the people against the government failed.

Repeated Communist attacks across the thirty-eighth parallel have all been repulsed,

despite the aid which they have received from Russian and Chinese Communist forces.

Despite our limited supply of arms and ammunition, our army has been steadily and substantially increased in size and improved in quality. In the test of difficult mountain fighting on Cheju Island, in the Chiri Mountains, on the Angjin Peninsula, and all along the thirty-eighth parallel, the high morale and fighting ability of our troops have repeatedly been proved. The seamanship and courage of our Coast Guard have thrown a thin but determined shield around our long coastline. The police cooperating with the local officers and general public have proved their high sense of loyalty and responsibility.

Following the withdrawal of the last American troops, my statement of last April that the Republic of Korea would be fully capable of maintaining internal security—except in the case of a full-scale attack from outside—has been fully substantiated by the event.

In the homes and villages, in the cities and country districts of southern Korea, our people have remained loyal and steadfast, despite the propaganda, threats, and murderous attacks of our Communist foe.

Bolstered by the same love of freedom and independence that kept us a liberty-seeking nation under 40 years of Japanese rule and which kept us determined for self-rule during 3 years of division and occupation, the people of Korea have not faltered during the difficult first year of the Republic.

We have met the challenge of establishing a new government of our own under men and women unused to the technical administrative processes of large-scale democratic operations. We have woven together the long traditions of our 4,000-year-old history and the new formulations of modern democratic theory into a solid fabric of successful government. And we have done it while under a threat as great as that faced by any people anywhere in the world.

NATIONAL REHABILITATION

Even before our new government was inaugurated, the puppet Communist regime unlawfully operating in the northern part of our country shut off the flow of electricity across the thirty-eighth parallel. This loss of 80 percent of all our electric power was intended as a death-blow to destroy the Republic before its official life had even commenced. But today, a year later, we have neutralized that cowardly blow completely by generating as much electricity as we had before the power flow from the north was cut off.

With patriotic devotion our miners doubled and then quadrupled the amount of coal mined in south Korea. Our textile mills have almost tripled their production. Our railway transportation system is working better than ever before. Our stevedores and labor union have cooperated to reduce the average time of unloading ships from 1 month to 1 week.

Staggered by the ruinous division of our country and by 3 years of deterioration of our industries, our people have literally lifted themselves by their own bootstraps. Determined to have a better way of life for themselves and their children, our laborers have endured high prices and low wages. They have worked to fill our shops with the products of household industries, to replenish our markets with the teeming produce of the seas, and to feed our city workers with the harvests of the fields.

Despite the presence of almost 4,000,000 refugees, plus the natural increase of population, we have achieved better levels of health, nutrition, education, and public safety than a year ago seemed within the realm of foreseeable possibility. Without most of the basic essentials of life there has not been enough to supply all our people with all they need; but through sharing and sacrifice, the welfare of the great masses of our citizens has been hopefully advanced.

INTERNATIONAL RELATIONS

The Republic of Korea received overwhelming approval in the General Assembly of the United Nations as the only lawful government in Korea. In full cooperation with the United Nations Commission in Korea, we have sought by every means in our power to extend to our oppressed fellow countrymen north of the thirty-eighth parallel the full right of self-representation and free participation in their country's government. This effort, however, has been nullified by the ruthless refusal of the Communist puppet regime in the north to cooperate either with the United Nations or to follow the will of the 9,000,000 captive Korean patriots held under their police control.

During this first year of our national existence, full diplomatic relations have already been established with the United States, the United Kingdom, China, France, the Philippines, Canada, New Zealand, Brazil, Chile, the Dominican Republic, Cuba, the Netherlands, Greece, the Vatican, and Bolivia. During the coming year we hope to enter into the same friendly and formal relations with the other free nations of the world.

In accord with the other democratic nations of the Pacific area, we look forward to even closer cooperation in meeting the common problems of security, stability, and mutual prosperity. We welcome the initiative taken by Generalissimo Chiang Kai-shek and President Elpidio Quirino in calling for a Pacific pact—a step which I have long advocated for both security and economic reasons.

With the United States, the chief of our liberators from Japan, and the Nation that carried to the United Nations a fight for the restoration of Korea's unity and independence, our relations have been particularly cordial and beneficial. American military cooperation in our defense program and the economic support granted through the ECA are the principal factors enabling us to reestablish ourselves as a free nation and to make the fullest possible contribution of our own in the global struggle to safeguard democratic freedom against the aggressive drive of totalitarian communism.

In the world-wide alliance of peoples determined to be free, we believe that in our first year of renewed independence we have done our share. We intend in the future as in the past to stand shoulder to shoulder with the friends of freedom against every totalitarian threat.

GROWTH OF REPRESENTATIVE DEMOCRACY

The constitutional guaranties of freedom and well-being for every citizen have been the guiding stars of our policies.

We have carried out a land-reform measure that ranks in the forefront of economic democracy as practiced anywhere in the world. Under our new land laws, farm tenantry is in process of reduction almost to the vanishing point. The foundation of our new Republic has been solidly established upon a base of free agriculture by which all but a small fraction of our farmers are becoming owners of the land they farm.

With a zeal for democracy of which any nation could be proud, over 90 percent of all our adults—men and women—have taken their part at the polls in choosing the officers by whom they are governed. Freedom to run for public office and the freedeom of the secret ballot have been safeguarded for all. Few other governments, anywhere in the world, have been so solidly based upon so broad a representation of an unhampered electorate.

With no prior opportunity to establish a disciplined system of responsible political parties, this first year of the Republic has witnessed a growing consolidation of political views, without abridging the right of dissent within the broad framework of representative democracy. The necessary elimination of traitors seeking to betray our country into foreign control has been achieved while avoiding the opposite danger of creating a one-party state.

During this past year two world-wide surveys by a great American newspaper association have placed Korea in the very forefront of nations refraining from censorship of news reporting. We have thrown open our doors to press representatives from all the free nations of the world and have given them every possible access to the news and complete freedom from any kind of supervision in the stories they have chosen to write. Far from feeling we have anything we wish to conceal, we have welcomed and encouraged the fullest possible reporting of the news.

On this first anniversary of the inauguration of the Republic, I say again what I have repeatedly declared before, that we are striving to create a society that is free internally and free from foreign interference. We want every individual to have the utmost liberty of word, thought, and act, with the single restriction that none must be allowed to destroy the freedom of all in the false claim of freedom for himself. In this goal the administration, the national assembly, and the people of Korea are wholeheartedly united.

OUR FIGHT AGAINST COMMUNISM

Our joy in celebrating the anniversary of our national independence cannot be complete until the northern half of our beloved country is completely reunited with us. It is the Communists who are keping north Korea, after 40 centuries of unity as an inherent and integral part of one of the most homogeneous peoples in the world, from rejoining with us as brother to brother, sister to sister, and without bloodshed. We pledge ourselves here today never willing nor wantonly to shed a drop of Korean blood except to repulse an invader from beyond our borders or to resist and keep under control misled Koreans who, listening and succumbing to the false voice of communism, seek to overthrow our government by violence.

The voice of communism is a voice of empty promises. It promises you food, it promises you land and wealth, and it promises you freedom. How can they give what they have not?

These promises, if you accept them, are your submission to slavery. It matters not whether you live on an isolated farm or in a distant village or have your home in a town or in a city, you will be found and made a part of the Communist scheme of things and you will cease to exist as an individual and a free man.

Slavery, actual and effective, is the price of communism.

Your Buddhist shrine, your Confucian temple, your Christian mission, all will go the way of your other freedoms. In the place of the God you worship, you will have to abide by the remorseless dictates of a little group of men far away. These men search and skulk for power. We know their weapons. And I, as chief of state, can speak from experience. Assassination is the number one tenet of their attempt to seize control of the entire world.

Torture, arson, suspicion, the degradation of God and religion, the forcible degeneration of the individual to a mechanical assent of their actions through the horrible fears they implant in him—all these are only a few of the weapons they use from their arsenal of terrorism.

They strive to produce anarchy and chaos so that the citadel of oppression they rear upon the ruin of mankind may endure for the personal benefit of their limited number. For they, the few, prosper in direct ratio to the labor and obedience of the millions they have in their power.

Let me repeat: this is the anniversary of our independence. It is a new chapter in our long record as a free people.

We can balance, from the past, more than 4,000 years of life as a nation against our brief renaissance as a republic dedicated to the preservation of democracy.

There were prophets of gloom about us, as I have mentioned already. They said when our Government came into being that it would not live for 3 months. There were others who said that we will never escape from being a part of the United States colonial scheme. Little do they know the Korean people.

What do you suppose it was that kept us continuing the fight for Korean liberation for almost half a century? It was our faith in ourselves and also our faith in the ultimate victory of justice and right that kept us fighting—until we have come into our own.

The world today is at the crossroads of a momentous decision. The great victory won by American arms in the Pacific is in peril. We, of Asia, ponder the course of western diplomacy. The fires of communism, which may have been allayed in Europe, rage unhindered in the Far East. Korea may seem the "end of the line," correspondingly unimportant in what, to the Western World, has been a cold war.

To us Koreans, we are in the front line and battle formation. The fight we may be called upon to fight is the fight of all decent men everywhere. As we are helping the cause of global freedom at the risk of our lives, we are not ashamed to call upon the rest of the world for aid. If the democracies are left to face the whole weight of the Communist attack, one by one, they will inevitably fall. It is only standing together that the safety of all can be assured.

To quote Benjamin Franklin, who said in 1777: "Our cause is the cause of all mankind and we are fighting for their liberty in defending our own." We shall fight alone, if necessary. But I assure you we are not fighting alone. All the democratic nations in Europe and Asia are our allies, who have come to realize that the time has arrived when they have to decide either to fight for their existence or to succumb.

The Three Dangers: Government Spending, the Welfare State, and Government Wage Fixing

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EXTENSION OF REMARKS

OF

HON. NOAH M. MASON

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Thursday, August 18, 1949

Mr. MASON. Mr. Speaker, the so-called Fair Deal, President Truman's substitute for the defunct New Deal, is fighting a battle along three lines in order to bring about and establish a form of government that its supporters now term "the welfare state." Call it what you will, socialism or the welfare state, it is simply leading us into a totalitarian government, or dictatorship. The three lines that have been activated and are being pushed are: first, Government spending; second, social security expansion including socialized medicine; third, labor control and wage fixing.

SPENDING OURSELVES INTO SOCIALISM

Mr. Speaker, the Eightieth Congress—the worst Congress in history according to the President—was the first Congress in 18 years to balance the budget and pay off part of the national debt. The people last November, because they were bamboozled and fearful, either voted against the Republicans nationally or stayed away from the polls in droves. The Eighty-first Congress has started us again on the road to national insolvency. That road may appear to many as a flowery road without thorns—a paradise in disguise—but in reality it is a road full of obstacles, hidden pitfalls, and economic ills that lead to financial chaos, national bankruptcy, repudiation, and dictatorship.

It is not necessary for our Fair Dealers to vote to put economic shackles upon the people. All they have to do as they well know is to vote for bigger Government expenditures, to keep adding to the national debt, to continue getting the Federal Government into business. Given a little time they can socialize the Nation through this process just as surely as the sun rises and sets.

Will the people ever awaken to the fact that they can spend themselves into difficulties from which they cannot escape? They cannot do this and still retain their representative government. England has taken this road and cannot turn back. Let us hope and pray that our people will see the light before it is too late.

THE FAMILY WELFARE STATE

Mr. Speaker, today we are hearing much about the "welfare state" wherein Uncle Sam is to do everything for everybody and it is not to cost anyone a red cent. History records that the first real welfare state existed during the days of the Roman Empire, when people wanted to eat their cake and have it too. Justice Douglas of the Supreme Court is quoted as saying at a labor union meeting recently, "The human welfare state is the greatest invention of the twentieth century." Apparently Mr. Douglas never heard what happened to ancient Rome and how it died by suicide. President Snyder of Northwestern University says we should learn from the collapse of the Roman Empire. He states, "Rome was quite literally the mistress of the world. The Roman citizen, like you and me, enjoyed freedom within the law of his own making, and Rome maintained peace wherever her eagles gleamed in the sun. Then, not swiftly, but steadily, as darkness wraps itself around the earth after sundown, the Empire crumbled."

Rome fell because a hardy race succumbed to the insidious poison of the idea that "government will do it"; because rulers bought power at home and favor abroad by gifts of treasure and food. Roman politicians gave their citizens bread and circuses. Are we too being lulled to sleep by the promises of false security and the artificial belief that everything will be "heaven on earth" if the Congress will but put the human welfare state into being? Congress and the country should carefully survey present-day trends. They should study the road we are traveling. Promises of the "walfare state," with everything for nothing simply means that freedom and liberty go out the window, and the common people lose their freedom. Take warning! Look at Russia today.

LABOR CONTROL AND WAGE FIXING

Mr. Speaker, the danger confronting us today in connection with the efforts of the administration to take over and control American industry, and especially to establish wage fixing as a Government function, is so well expressed in a Chicago Tribune editorial contained in the issue of Monday, August 15, 1949, that I insert same as a part of these remarks. The editorial is entitled "Mr. Randall to the Steel Board."

MR. RANDALL TO THE STEEL BOARD

The powerful statement made by Clarence B. Randall, president of Inland Steel Co., to Mr. Truman's fact-finding board in the dispute between the CIO steelworkers and the steel industry is a classic of straight thinking and clear expression. It could become a landmark in the struggle to reassert liberty in America in the face of the gradually extended encroachments and usurpations of big government.

As Mr. Randall asserted, what the board may say or do is of small importance compared to "the fact that you are here at all." Collective bargaining is a process between management and workers. If agreement is not reached by direct negotiation, the Taft-Hartley Act, the statute on the books, provides that a strike can be deferred while a Presidential board investigates the issues. Such a board has no power of recommendation.

Mr. Truman deliberately refused to avail himself of the law. He dragooned the steel companies into accepting a board of his appointment after Philip Murray, of the CIO, had studiously refused to entertain the offers of a single steel company. The intention of Mr. Murray and his political ally, the President, was to maneuver 63 steel companies into a position where all of the force of the Government could be put behind the union in its attempt to impose a dictated industry-wide settlement affecting wages.

Mr. Randall told the board to its face that "no thoughtful person should be deceived by the naive suggestion that your findings are to be recommendations only. * * * If management in a particular steel company feels it must take exception to your findings, an attempt will be made to forget the word 'recommendations,' and to whip up public opinion to force company acceptance. This I say my company will resist."

But these prospects, Mr. Randall observed, are of far less significance than the fact that Mr. Truman, by decreeing the formation of such a board, was, in fact, "announcing an industrial revolution in America. * * * Through this means, whether he knew it or not, he has proclaimed that wages shall be fixed by the Government. This step is always the first one taken by those who set out to establish a socialist or corporative state. The fixing of profits comes next, and then when incentive is killed and production falls, the final step of nationalization follows.

"If the collaborative strategy of Government and a union monopoly succeeds this time," Mr. Randall stated, "collective bargaining will never come back. The precedent attempted, reflecting the similar attempt made by Mr. Truman in 1946 to break down

the Railroad Labor Act, would commit the Nation to Government wage fixing in perpetuity."

Mr. Randall ended with a direct appeal that the three members of Mr. Truman's board rise above their petty political function and declare of their own motion "that the very establishment of this steel fact-finding board is in itself a bad thing for the United States."

It has often been said that industry has failed to represent itself well to the people because it lacks articulate and persuasive spokesmen. Mr. Randall is a denial of the merit of that contention. An industrialist and manager has come forward to fill the vacuum created by the weakness of the political opposition to oppressive big government. An individual has fixed a line of attack to which the people may rally when the party in opposition has, by its silence, allowed the greatest issue before the Nation to go by default.

Now, Mr. Speaker, the final result, if our Fair Deal administration's efforts are successful, will be what they have in England today, namely, socialism in action. The following newspaper article gives the essential facts covering the situation:

SOCIALISM IN ACTION

Let's put away all the $10 words and call a spade a spade. Socialism—in plain English—is nothing more nor less than political management of the lives—the total lives—of people.

Somewhere back in history—around 1776—it seems we polished up some muskets, rammed 'em with gunpower, and stopped the first attempt to manage our lives. And again in 1917. And again in 1941.

What manner of people are we who will fight at the drop of a hat to prevent control from the outside—and submit blindly to conquest of our lives from within?

Step by step—inch by inch—the starry-eyed dreamers and planners in our midst go on and on—plotting and planning more control of our business machine—without which this Nation would swiftly lose its power and its greatness.

Step by step—the burden of taxes grows heavier—stifling business growth and progress—undermining our capacity to create jobs.

More and more, restriction follows restriction. More and more, political management of our lives—our total lives—makes a farce of democracy—the last genuine democracy on earth.

That—Mr. and Mrs. United States Citizen—by whatever name you choose to call it—is socialism in the making.

That is the same bag of political tricks that has finally made the courageous, fighting people of England victims of a busted economy. Victims, finally, of political management of business.

Under political management last year in England, civil aviation lost $100,000,000, coal lost $108,000,000, railroads lost an estimated $100,000,000.

And who pays the bill? The people, of course—in taxes that kill all initiative—all desire even to work for more than the bare necessities of life.

A $40-a-week worker in England works 12 weeks out of the year to pay his taxes.

Austerity—they call it. The other word for it is starvation.

And what is the prospect of relief? None—as long as business remains under control of politicians who know nothing of business operation and management.

This is socialism in England—in action. This is political management in action. Management that has driven prices up and the standard of living down, turned profits into losses, lowered production, reduced the quality of goods and services. Management that will finally run the total lives of people at a loss—a loss of pride, of dignity, of freedom, of all that we hold sacred.

In England—it may be too late. For once a nation gives up its freedom—submits to those who seek power for power's sake—there is small chance of escape.

In this country—where your freedom is at stake—it is later than you think, and the decision is yours. Before you decide that you will allow United States business—your business to be politically managed—your life—your total life—stripped of the freedoms you have known—it will profit you well to watch out for this thing called socialism—because brother—you don't know the half of it.

Socialistic Utopia on the Rocks in Great Britain—Uncle Sam Gets the Blame

EXTENSION OF REMARKS

OF

HON. LAWRENCE H. SMITH

OF WISCONSIN

IN THE HOUSE OF REPRESENTATIVES

Thursday, August 18, 1949

Mr. SMITH of Wisconsin. Mr. Speaker, as part of my remarks I am including another informative article by E. T. Leech, editor of the Pittsburgh Press, which appeared in the Washington Daily News on August 17:

UNITED STATES HELPS FILL BRITAIN'S TILL; PROVIDES EXCUSES FOR TROUBLES

LONDON, Aug. 17.—Socialist Britain doesn't like capitalist America. Nothing personal, but as a matter of principle. Socialism and communism, whatever their other differences, agree on one point. They hate and distrust free enterprise. They want to overthrow it.

British Government heads are careful not to stress this at a time when they are asking a half-billion-dollar boost in this year's Marshall aid. But in their domestic politics and their appeals for home consumption, they make no bones about it.

American high prices were blamed for swallowing up the United States loan to Britain 3 years ago, and when American prices fell, America again got blamed for causing England's dollar shortage. In either case, it was that old "debbil" Uncle Sam.

The Labor Party recently issued its official statement for the 1950 general election, as a booklet called Labor Believes in Britain.

Socialism, says the preamble, "will create a new age of peace and plenty, opportunity and justice."

"To this end," it continues, "we seek freedom from the enslaving material bonds of capitalism."

These same "bonds" have provided Britain's Socialist government with about $6,500,000,000 since the war. Canada has furnished around $1,000,000,000 more. It is gone, and more is needed.

The 30-page Labor Party platform makes only three brief, passing references to this help. The only one which is more than a phrase says:

"Soon after we took office lend-lease ended abruptly and world prices have risen steadily against us. Help has been honestly earned and thankfully received from our friends in the United States and the Commonwealth. But we have had to fight our way forward every inch."

When the booklet was issued high prices in America were the official excuse for most of Britain's problems. It was the reason given why the $3,750,000,000 United States loan lasted only about 18 months, instead of the expected 5 years.

CAN'T WIN

Just after the platform came out, American prices fell. That fall is now blamed for England's present financial crisis. Britain can't sell export goods, goes the excuse, because she can't earn, by around a billion and quarter dollars a year, what she needs to pay for the raw materials which she must buy with dollars.

The United States not only helps fill England's treasury, but provides handy excuses for most of her troubles.

PUBLIC KNOWS LITTLE ABOUT MARSHALL AID

So far as the British public is concerned—those who cast most of the votes—little is known about Marshall aid. This is understandable, for it is on a high financial level where few individuals move. The average citizen never sees or receives any object which he can directly connect with Marshall aid—as was the case with lend-lease supplies.

The Government issued a popular pamphlet explaining fairly how the Marshall plan works, but probably few British saw it. Inquiry among various children brought replies that the topic was never mentioned in school. You hear almost no mention of it outside business and political circles.

The extent of American help is unknown to large masses of the British people. Those who get it are far less aware of its existence than are the American taxpayers who provide it. Which is probably natural.

MEANS FOOD AND JOBS

Yet it means food and jobs to England. A Government memo estimates that without Marshall aid, British food rations would have to be cut more than a third. The butter ration, for example, would be reduced from 3 ounces a week to 2 ounces, and sugar from 10 ounces to 6. There would be fewer eggs—which now average about 2 per person per week. Raw materials would be lacking to keep industry at its present level, and this would cost 1,500,000 jobs. On a population ratio, that is the equal of 5,000,000 American jobs.

This gives an idea what capitalist America is doing to put Socialist Britain on its feet. There is a widespread belief among conservatives and other observers that without Marshall aid the Socialist government would have collapsed some time ago. Which does not mean, however, that Britain would have turned conservative. She might have gone further left.

MARSHALL PLAN GRAVELY THREATENED: THE REASON

Right now, the Marshall plan is gravely threatened. Recovery is in dire peril, after it seemingly was well started. The big reason is the British financial jam.

Britain is the most important of 19 nations getting Marshall plan help. She got $1,139,000,000 last year—or one-fourth of the total sum. Twice this year she has upped her requests for aid. Now she asks $1,500,000,000—or 40 percent of the total European relief.

British Government leaders deny this is due to heavy spending on their vast socialist program. Their opponents charge that it is, at least in part. The whole security program and nationalization of industry are financed internally, say Labor Party leaders. They deny that the use of about $360,000,000 in recovery funds (known as counterpart funds) for the payment of internal debts meant that recovery money was being used on the socialism program.

It seems to be largely a matter of how you keep your books. Or, to try for the simplest example, it's like giving a relative $20 provided he spends none of it for booze. So he spends $5 of his own for liquor, and uses $5

of your money to buy what he otherwise could have bought with his own.

It is hard to escape the conclusion that Britain's vast spending for socialist schemes—on the heels of a devastating war—is more than she can afford. This spending includes more than $2,000,000,000 yearly for food subsidies, around $1,500,000,000 on the health plan, and other vast sums for housing, the losses of state industries, and support of a government pay roll of more than 2,000,000.

LIVING BEYOND MEANS

England is living far beyond her means. This must be one reason she has to depend on outside help.

Marshall aid was supposed to drop as recovery got going. But in Britain's case the need is going sharply upward. And it is cruel to think of the plight of a decent, kindly people if this help suddenly stopped.

NEW SCHEMES WILL MEAN NEW BURDENS

There seems no chance that England can get on her feet by 1952—when Marshall aid supposedly will end. And to make matters more complicated, the Labor Party has a whole list of new or expanded schemes and a lot more industry slated to be nationalized if it can gain reelection. Which will mean new burdens added to present ones. And more cause for high prices.

As sure as tomorrow's sunrise, some new campaign for further United States help soon will get going. It may start when Sir Stafford Cripps, boss of England's economy and finances, and Foreign Minister Ernest Bevin go to Washington for conferences next month.

In 1946 it was the United States loan which would turn the trick. In 1947 it was Marshall aid. Now it is clear that something more—or at the very least an assurance of Marshall funds beyond 1952—will be sought.

Like the man who came to dinner, the British Government seems destined to linger long at the table from which comes the fruits of the enslaving material bonds of capitalism.

A Tribute to the Greek People

EXTENSION OF REMARKS

OF

HON. E. H. HEDRICK

OF WEST VIRGINIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, August 18, 1949

Mr. HEDRICK. Mr. Speaker, as a Representative in the Congress of the United States, I have had many opportunities to know the Greek people and study their problems. Many citizens of my district, the Sixth Congressional District of West Virginia, are of Greek descent, and by contact with these citizens, as well as through my service in the Congress, I have deepened my appreciation of these fine people. Distinguished contributions have been made in the development of the United States by the sons and daughters of Greece. To our country they have brought their knowledge and talents which have helped build cities and develop our land. They are industrious, frugal, deeply religious, and patriotic. They have been active in the conduct of our public affairs. In the two world wars, they have served nobly in our armed forces. American citizens of Hellenic descent are distinguished for their loyalty to the United States, yet they retain a filial attachment to and a philanthropic interest in the country of their ancestors. Since the liberation of Greece in 1944, their contributions have helped to strengthen its economy.

History tells us that civilization began to establish itself in Greece and the islands as early as 2,000 years B. C. It is believed that the Greek people, as we know them today, are direct descendants of these early people. Down through the ages, the Greek people have always been heroic, progressive, scientific, and far advanced in poetry and literature. They have engaged in many wars, and produced many exceptional men such as Alexander the Great. One of the better known cities, Athens, reached its height in power, 458 to 445 B. C., and there followed 30 years of peace and prosperity. At the close of this period there developed a rivalry between Athens and Sparta, lasting more than 3 years. This was followed by the Peloponnesian War of more than 2 years' duration. Soon after the Peloponnesian War, the Roman rule came into existence and remained in power from 146 B. C. to 476 A. D. During this time, the country was more or less prosperous and the welfare of the citizens was protected by the Roman arms. Shortly after this time, the period of the Middle Ages and the Turkish yoke came into being and lasted from 476 to 1821. At this time, these heroic people had a terrific struggle for the independence which they had obtained. This struggle lasted from 1821 until 1829 when Greece, as we know it today, was established. This period continued from 1829 to 1914 when the country was disturbed by political crisis for 2 years. Soon thereafter, the Greek Republic was born, lasting from 1924 until 1935 when the Government became a monarchy again. On November 25, 1935, King George took over the rule of this great country.

Greece, with an area of 50,257 square miles and a population of approximately 7,488,000 is a country slightly smaller than the State of Illinois. Primarily an agricultural country, Greece has undeveloped deposits of iron, zinc, and lignite. In World War II, Greece withstood the onslaught of the Italian Army in October 1940. It drove the Italian forces out of the country when Germany launched its attack on Greece in April 1941. When overwhelmed by superior forces, Greece was forced to capitulate and suffered severely under the German occupation. While its cities were not subjected to heavy bombing, widespread damage of all kinds resulted in an almost complete economic paralysis. Retreating Germans effectively destroyed port facilities, roads, and communications. Almost 75 percent of the Greek merchant marine had been sunk. Villages had been burned, and livestock had almost disappeared. Disease was prevalent; about 85 percent of the children were tubercular. Inflation had steadily increased. During normal times, Greece was able to meet its food requirements only by heavy imports. It survived the war only through the Allied relief program which eventually reached the total of 30,000 tons per month. Only the essential commodities supplied by UNRRA reached Greece in the period immediately following liberation.

Totalitarianism forces have sought to deny Greece, exhausted from long years of war and of cruel occupation, independence and substitute its system for Greek institutions. Violence, terror, and sabotage have been the weapons used to create economic chaos in Greece. Without the determination of the Greek people to win this struggle, and the help of other democratic nations, including the United States, the effort made thus far might have been futile. A difficult period lies ahead for Greece, and its people must have the assurance of support from democratic governments.

Devoted to free institutions, it is not surprising that the fortunes and history of Greece and the United States should be closely linked. Our citizens have many common ties, including a belief in democracy, love for Greece, and admiration of its culture and talent. From these ties, Americans have had the desire to cultivate friendly relations with Greece and a sincere determination to aid Greece in maintaining her independence so that she may again develop into a prosperous country.

Early in the history of the United States, the effort was made to lend encouragement to the people of Greece. In 1822, President Monroe sent a message to the Congress, encouraging the Greek people to regain their liberties. Also, food, clothing, and medicines were sent to the soldiers of Greece, and American citizens journeyed to that country to aid its citizens.

Interest in the Greek people has not lessened in recent times. The United States has continued its efforts to aid Greece and to encourage the United Nations to assist in the restoration of that country. Appearing before a joint session of the Congress March 12, 1947, President Truman declared that the foreign policy and national security of the United States were involved, and that failure to aid Greece would have a far-reaching effect to the west as well as to the east. He requested the Congress to provide assistance for Greece and Turkey in the amount of $400,000,000. The Congress enacted legislation providing for such assistance to keep alive the hope of the Greek people for a better life and to maintain their freedom.

I am deeply sympathetic to the Greek people and want to encourage them in their gallant efforts to provide for themselves and their posterity a free and abundant life. Their love of democracy and their struggle for freedom have been inspiring examples to all liberty-loving people. As a Member of the House of Representatives of the United States, I take pleasure in sending my greetings and best wishes to the people of Greece, as well as those individuals of Greek ancestry who have become citizens of the United States.

"One of the Most Awesome Sights I Have Ever Seen Was a B–36 Loosing 168 High Explosive Bombs, Each Weighing One-Quarter of a Ton, 84,000 Pounds of Destruction!—The Succession of Shocks Split the Air in an Infernal Din—A Curtain of Smoke 5 Miles Long Rose in the Skies—Then and There I Acquired a Healthy Respect for the United States Air Force B–36"

EXTENSION OF REMARKS

OF

HON. LEO E. ALLEN

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Thursday, August 18, 1949

Mr. ALLEN of Illinois. Mr. Speaker, Mr. Walter Trohan, Washington manager of the Chicago Tribune, one of America's greatest, most popular, and best known newsmen, substituted for Fulton Lewis, Jr., on the air the evening of August 15. His broadcast was one of the most interesting, timely, and convincing newscasts to which I ever listened. It was an enviable piece of factual reporting which needs no elaboration.

Mr. Speaker, no man can read Walter Trohan's vivid description of a B–36 in simulated war action—miles above the earth—without knowing that American air power is in fact American peace power.

In order that such of my colleagues as did not hear Walter Trohan's broadcast over the Mutual System last evening may have an opportunity to read his enlightening talk, I am inserting a transcript of the same in the RECORD. I am sure that all will find it one of the most current thought-provoking statements that has been made in many a day.

The broadcast was as follows:

Tonight I want to bring the brighter side of the world military situation. Forward-looking military leaders believe the United States can win world war III, if it comes. Better still, they believe world war III can be prevented. World war III can be won by the world's most powerful Air Force, with adequate Army and Navy support. World war III can be prevented by physiological warfare. They believe that Soviet Russia can be peacefully conquered by ideas—truth and freedom are our mightiest weapons in that war. Tomorrow and Wednesday I will bring you an outline of this campaign.

Meantime, tonight, I want to report on what our best planners see in the road to victory if war should come. World War II was won by teamwork—our ground forces, our air forces, and our naval forces—working as teams, won two decisive victories on opposite sides of the world. Now our strategy is in a period of transition. Teamwork will win world war III. But the same proportion and the same prescription will not win tomorrow, even though they won yesterday. We outnumbered Germany and we outnumbered Japan. We do not outnumber Russia. Military leaders do not believe we can destroy the Red Army with our ground forces. They do not believe a sea blockade would defeat the Soviets. Our best military leaders see the situation as a football game. If you cannot win by rushing or by blocking you turn to the air—you throw forward passes.

Forward-looking military planners are turning to the air. They believe the United States must have the most powerful Air Force in the world. They believe American planes must fly higher and faster and farther than any other planes. Military leaders are convinced this fact would impress the Soviets and discourage them from embarking on aggression. Our high command does not propose to place absolute reliance on air alone. They still believe in teamwork. Leaders say we must have an Army and we must have a Navy. In the final analysis ground is not won until you have a soldier on it. And soldiers are carried by ships in intercontinental warfare. But air is our Sunday punch.

Mastery of the air was essential to victory on the ground in World War II. And now our new plans have added a new look to mastery. This is the B–36 bomber. This controversial plane is now the subject of a congressional investigation, as you know. We can rejoice over this. Full and complete airing of the merits and demerits of this plane cannot help but bring us better planes and better teamwork in the armed services.

I have seen this plane, on the ground and in performance. One of the most awesome sights I have ever seen was this plane loosing 168 high-explosive bombs, each weighing one-quarter of a ton—84,000 pounds of destruction. The succession of shocks split the air in an infernal din. Then a curtain of smoke, 5 miles long, rose in the skies. Then and there I acquired a healthy respect for the B–36.

Its most ardent enthusiasts—and I have talked to all of them—do not say it is the final answer. They told me, and I can tell you, we have a bigger and better plane on our planning boards—the B–52. This will be an all-jet-powered plane. This will fly higher and faster than the B–36 and carry more bombs. Its estimated potentialities are a top military secret. However, being better than the B–36 is something. The B–36 can fly at 40,000 feet. The B–36 has a range of 10,000 miles. It can easily bomb virtually all of Russia from North American bases. It can fly at 350 miles an hour, steadily. Equipped with jets, the plane can make 500 miles an hour, for brief periods, to evade fighters. It can carry a peak load of 21,000-pound bombs. These super block busters are of postwar development. The peak load could not be carried to Russia, nor could the plane fly 5 miles high with that load. But it could carry an even more devastating load of atomic bombs to Russia. Just how many of these city smashers the B–36 can carry is a top secret. I can tell you that there are about 70 key bomb targets in Russia. An atom bomb on each of these targets would paralyze the Soviets, so our air commanders tell me. And we have about 200 atomic bombs.

Record of the First Session, Eighty-first Congress

EXTENSION OF REMARKS

OF

HON. STYLES BRIDGES

OF NEW HAMPSHIRE

IN THE SENATE OF THE UNITED STATES

Thursday, August 18 (legislative day of Thursday, June 2), 1949

Mr. BRIDGES. Mr. President, I ask unanimous consent to have inserted in the Appendix of the RECORD an editorial from the New York Journal and American dealing with the current Congress.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

MR. TRUMAN'S CONGRESS

Nearly 8 months have elapsed since the Eighty-first Congress began its first session.

It would be difficult to find in the record as many as eight important and commendable actions by this Congress—a low average of only one a month.

Even such normally routine measures as appropriation bills to keep the vast Federal establishment going are uncompleted: In fact, the Congress, because of its own delays, has recently had to pass an emergency bill to enable the Government to meet civil pay rolls.

A few days later, when Mr. Paul Hoffman, the European Recovery Administrator, departed for abroad to pursue his mission, he was still waiting for Congress to provide whatever funds it intended to provide.

During this same period, the Senate paused for three sultry days while a few Members debated the issue of base-point pricing before an almost empty Chamber.

In his election campaign, President Truman denounced the active and efficient Republican Eightieth Congress as the worst Congress in our history.

By every test, the lazy and Socialist-minded Eighty-first Congress has more than won the title for itself.

This congressional sloth was a subject of discussion at one of Mr. Truman's press conferences recently.

Typically, the President said the sad situation was all the fault of the Republicans.

This could not be true, for the Eighty-first Congress is a Democratic Congress—the President's very own.

The Republican minorities in the two Houses have no power to shape its proceedings.

Nor are individual Representatives and Senators, apart from Democratic committee chairmen, greatly responsible.

The actual blame rests squarely upon the official Democratic leadership—in particular, upon Vice President BARKLEY and Senator SCOTT LUCAS, and upon Speaker RAYBURN, House Majority Leader MCCORMACK, and Chairman SABATH of the House Rules Committee.

As a practical politician and former Senator, President Truman knows all this.

Ship-Operating Subsidies, Shipbuilding Subsidies, Postal Subsidies, Air-Line Subsidies, Tariff Protection, Minimum Wage Scales, and Numerous Other Governmental Subsidies Are Based on 100 Percent Parity. Why Should the Farmers Be Denied the Same Protection?

EXTENSION OF REMARKS

OF

HON. PAT SUTTON

OF TENNESSEE

IN THE HOUSE OF REPRESENTATIVES

Thursday, August 18, 1949

Mr. SUTTON. Mr. Speaker, the record discloses that the Republican-dominated Eightieth Congress rammed the Aiken farm bill down the throats of the Members of the House of Representatives on Sunday morning, June 20,

1948, after an all-night conference and in the closing hours of the Congress. Not one single Democratic Member of the House favored the passage of that monstrosity. Today it is apparent that only two Republicans openly declare that they favor the Aiken farm program which is to go into effect on January 1, 1950. The Aiken farm bill includes provisions that will permit the prices of farm commodities to be reduced as low as 60 percent of parity. I do not believe that there is a Member of Congress who will not agree that an over-all price-support program of 60 percent parity would be of absolutely no value to the farmer.

From the latest available figures, farmers are not doing as well as they were last year. Cash farm income for the first 7 months of this year was off about 10 percent from the corresponding 1948 level. It is estimated that for the full year, the decrease will be about 15 percent, or roughly, $5,000,000,000. Prices received by the farmers in mid-July were running 17 percent below the level of a year earlier. Retail sales show the effect of the price slump on farm commodities. Should the Aiken farm program be permitted to go into effect it is quite evident that the farmer will ultimately face financial failure. The House Committee on Agriculture, of which I am a member, recently reported for consideration a farm program known as H. R. 5345, and which bears the name of the gentleman from Georgia, Representative PACE. In this measure parity was redefined and raised. For the first time, consideration was given to the taxes, insurance, depreciation on farm machinery, and various other expenses naturally incurred in operating a farm. The Pace, of Georgia, bill was prepared by a subcommittee of the Committee on Agriculture. I am happy to have had a part in the drafting of this bill as I was a member of the said subcommittee. This bill was written after some 7 months of practically daily hearings by the committee. During these hearings representatives from farm organizations all over the United States were heard, together with numerous individual dirt farmers. It was evident to the committee that since the present farm program was some 15 years old, that now is the time to redefine parity, revamp the program, and enact farm legislation to conform to present-day progress. H. R. 5345, the Pace, of Georgia, bill, is the result of the committee's toil and labor. This bill proposes a 100 percent parity for basic farm commodities, and in my opinion is a vast improvement over our present program.

Agriculture is the nursery of all industry. It supplies materials for commerce, jobs for labor, and food for the human race. As the basic industry of America, its prosperity must be maintained. When the farmer is prosperous, all available labor is employed, the wheels of industry hum, the merchants' business booms, transportation is pressed to its capacity to move and distribute the fruits of labor and the finished products of industry. Universal prosperity prevails. Being a member of the Committee who drafted H. R. 5345, in my opinion such prosperity would have encompassed the Nation if the Pace, of Georgia, bill could be enacted into a law.

Personally, I have procured from the Department of Agriculture the latest crop production estimates for 1949 and where estimates are not yet available on certain commodities, the Department has furnished me with the crop production records for 1948. According to the statistics furnished me by the Department, the farmers of the State of Tennessee will suffer a loss of $71,331,824 per annum, should H. R. 5617, known as the Gore, of Tennessee, bill, be substituted and finally enacted into a law in lieu of H. R. 5345, the Pace, of Georgia, bill. The loss on each of the basic farm commodities is calculated as follows:

The United States Department of Agriculture discloses that the latest records on the annual production of corn for the State of Tennessee was 57,834,000 bushels. The support price on corn under the Pace bill was $1.46 per bushel, while under the Gore bill the support price is $1.41. Thus the farmers would have gained 5 cents per bushel on the price of corn should the Pace bill be enacted. Therefore, the annual loss to the corn growers of Tennessee is $2,891,700.

The Department of Agriculture further advises that the latest available production figures for burley tobacco in the State of Tennessee was 110,600,000. Under the provisions of the Pace bill, burley tobacco was supported at 49.6 cents a pound, while under the Gore bill it is supported at 41.1 a pound. In other words, the Pace bill provided for an increase in the price of burley tobacco of 8½ cents a pound. Therefore, the adoption of the Gore bill will cost the burley tobacco growers of Tennessee $9,401,000 per annum.

The Department further advises that the last annual record reveals that the State of Tennessee produced 32,960,000 pounds of flue-cured tobacco. The Pace bill would have supported flue-cured tobacco at 49.2 while the Gore bill supports flue-cured tobacco at 42.5. Thus, the increase in the price support of flue-cured tobacco should the Pace bill have been adopted would have been 6.7 cents per pound. Therefore the flue-cured-tobacco growers in the State of Tennessee will suffer a loss of $2,208,320 annually.

The Department further advises that according to the latest yearly figures on the production of cotton in the State of Tennessee, the State produced 670,000 500-pound bales. Under the Pace bill, cotton was supported at 27.99 cents per pound. Under the Gore bill, cotton was supported at 27.34 per pound. Thus, the cotton growers of Tennessee will suffer an annual loss in the amount of $2,177,500.

The Department of Agriculture advises further that the State of Tennessee produced 4,770,000 bushels of wheat. Under the Pace bill wheat is supported at $1.88, while under the Gore bill wheat is supported at $1.95. Thus the farmers will gain 7 cents per bushel on the price of wheat, or a total gain of $33,900 per annum for the wheat growers of Tennessee.

The Department further advises that the State of Tennessee, according to the latest available figures, produced 4,000,000 pounds of peanuts. Under the Pace bill, the price of peanuts would have been supported at 9.45 cents, while under the Gore bill, peanuts are supported at 10.6 cents. Thus, the peanut growers of Tennessee will gain $46,000 per annum on the price received for their peanuts.

The Department further advises that according to the latest available annual figures, the State of Tennessee produced 372,436,000 pounds of hogs. Under the Pace bill the price of hogs was supported at $19 per hundred pounds, while under the Gore bill the price of hogs is supported at $16 per hundred pounds. Thus the hog raisers of Tennessee will suffer an annual loss of $11,173,080.

The Department further advises that according to the latest figures, the dairymen of the State of Tennessee produced 2,210,000,000 pounds of whole milk. Under the Pace bill, the price of whole milk was supported at 4.22 per hundred pounds, while under the Gore bill whole milk is supported at 3.53 per hundred. Thus the dairymen of Tennessee will suffer a loss of $15,249,000 annually on whole milk.

The Department further advises that the dairymen of the State of Tennessee, according to the latest figures, produced 98,000,000 pounds of butterfat. Under the Pace bill, the price of butterfat was supported at 6.69, while under the Gore bill, butterfat is supported at 5.80 per pound. Thus the dairymen of Tennessee will suffer a loss of $8,722,000 on butterfat.

The Department of Agriculture further advises that, according to the latest figures, Tennessee produced 1,410,000 pounds of wool. Under the Pace bill wool was supported at 49.6, while under the Gore bill the price of wool is supported at 40.3. Thus, the wool producers of Tennessee will suffer an annual loss of $131,130.

The Department of Agriculture further advises that according to the latest figures, Tennessee produced 256,000 tons of cottonseed. Under the Pace bill the price of cottonseed was supported at 67.50 per ton, while under the Gore bill the maximum support for cottonseed is 49.70 per ton, and this is optional with the Secretary of Agriculture and is not mandatory. Thus, the cotton growers of Tennessee will suffer a loss of $4,556,800 on cottonseed.

The Department of Agriculture further advises that the cattle raisers of Tennessee, according to the latest figures, produced 291,680,000 pounds of beef cattle. Under the Pace bill the price of beef cattle was supported at $16.90 a hundred, while under the Gore bill, the price of beef cattle is supported at $12 per hundred. Thus, the raisers of beef cattle of the State of Tennessee will suffer an annual loss of $14,292,320.

They further advise that the State of Tennessee produced 16,831,000 pounds of sheep and lamb. Under the Pace bill lamb was supported at $18.40 per hundred, while under the Gore bill the price of lamb is limited to $13 per hundred. Thus the raisers of lamb in the State

of Tennessee will suffer an annual loss of $908,874.

The above are the major commodities produced by the farmers in Tennessee, and on these commodities alone, as will be noted from the above calculations, the farmers of our State will suffer an annual loss in the total amount of $71,331,824. In my opinion, this we can ill afford. Seventy-one-million-odd dollars in annual purchasing power for the farmer would prove of untold benefit to all of the people of our State. It would provide employment for thousands and could easily be the difference between success and failure.

Although only two Members of the House of Representatives would openly admit that they favored the Aiken farm program, the Gore, of Tennessee, bill provided for an extension of this farm-destructive measure for a period of 1 year. During the course of the debate, I offered an amendment to repeal the Aiken bill, which amendment was adopted by the House, thus repealing the Aiken program. The House of Representatives substituted H. R. 5617, the Gore, of Tennessee, bill, for the Pace, of Georgia, bill, H. R. 5345. The vote was as follows: For substituting the Gore bill: Republicans, 160; Democrats, 79. Against the substitution of the Gore bill: Republicans, 4; Democrats, 166. Therefore, the Gore bill was substituted for the Pace bill.

Thus, in the words of Omar Khayyam:

The moving finger writes; and, having writ,
Moves on: nor all your piety nor wit
Shall lure it back to cancel half a line,
Nor all your tears wash out a word of it.

Alleged Conversation Regarding Postmaster Appointment at Tacoma, Wash.

EXTENSION OF REMARKS
OF
HON. HARRY P. CAIN
OF WASHINGTON
IN THE SENATE OF THE UNITED STATES
Thursday, August 18 (legislative day of Thursday, June 2), 1949

Mr. CAIN. Mr. President, in a recent Washington Merry-Go-Round column, Mr. Allen, who is writing the column during the vacation of Mr. Pearson, related an interesting conversation which he said took place between the senior Senator from Washington and myself on a postmastership question which presently prevails in Tacoma. That no such conversation took place will, I have been advised, be testified to by the senior Senator and certainly by me. I ask unanimous consent in the name of accuracy that the portion of the column which discusses this conversation which never took place be printed in the Appendix of the RECORD.

There being no objection, the excerpt was ordered to be printed in the RECORD, as follows:

FINDERS KEEPERS

Washington State's Senators WARREN G. MAGNUSON, Democrat, and HARRY CAIN, Republican, are at bitter loggerheads over the Tacoma postmastership. Tacoma is CAIN'S home town and he is demanding the appointment for one of his adherents, William E. Patrick, former Army colonel. MAGNUSON is just as insistently supporting John MacMonagle, disabled veteran who has been acting postmaster for 4 years.

CAIN took the controversy directly to MAGNUSON, saying, "I thought a Senator had the right to recommend the postmaster for his home town?"

"Perhaps so, in some cases," retorted MAGNUSON, "but in this case there are two strikes against you. One is that my man was originally recommended by the Congressman of his district and he has strong support in Tacoma. The other strike is that you Republicans are not in control this year as you were last. That makes a big difference, and that is why my man will get the appointment."

Private Enterprise Regained

EXTENSION OF REMARKS
OF
HON. STYLES BRIDGES
OF NEW HAMPSHIRE
IN THE SENATE OF THE UNITED STATES
Thursday, August 18 (legislative day of Thursday, June 2), 1949

Mr. BRIDGES. Mr. President, I ask unanimous consent to have printed in the Appendix of the RECORD an article from Newsweek of June 27, 1949, entitled "Private Enterprise Regained." This article is based on a column contributed to the New Hampshire Morning Union by Mrs. Betty Knowles Hunt, which will make interesting reading.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

PRIVATE ENTERPRISE REGAINED

I am indebted to Betty Knowles Hunt for sending me a column she contributed to the New Hampshire Morning Union quoting from Governor Bradford's own history of the Plymouth Bay Colony, over which he presided. It is a story that deserves to be far better known, particularly in an age that has acquired a mania for socialism and communism, regards them as peculiarly progressive and entirely new, and is sure that they represent "the wave of the future."

Most of us have forgotten that when the Pilgrim fathers landed on the shores of Massachusetts they established a Communist system. Out of their common product and storehouse they set up a system of rationing, though it came to "but a quarter of a pound of bread a day to each person." Even when harvest came "it arose to but a little." A vicious circle seemed to set in. The people complained that they were too weak from want of food to tend the crops as they should. Deeply religious though they were, they took to stealing from each other. "So as it well appeared," writes Governor Bradford, "that famine must still insue the next year allso if not some way prevented."

So the colonists, he continues, "begane to thinke how they might raise as much corne as they could, and obtaine a beter crope than they had done, that they might not still thus languish in miserie. At length [in 1623] after much debate of things, the Gov. (with the advise of the cheefest amongest them) gave way that they should set corne every man for his owne perticuler, and in that regard trust to them selves. And so assigned to every family a parcell of land.

"This had very good success; for it made all hands very industrious, so as much more corne was planted than other waise would have bene by any means the Gov. or any other could use, and saved him a great deall of trouble, and gave farr better contente.

"The women now wente willingly into the feild, and tooke their litle-ons with them to set corne, which before would aledg weakness, and inabilitie; whom to have compelled would have bene thought great tiranie and oppression.

"The experience that was had in this commone course and condition, tried sundrie years, and that amongst godly and sober men, may well evince the vanitie of that conceite of Platos and other ancients, applauded by some of later times;—that the taking away of propertie, and bringing in communitie into a comone wealth, would make them happy and florishing; as if they were wiser than God. For this comunitie (so farr as it was) was found to breed much confusion and discontent, and retard much imployment that would have been to their benefite and comforte.

"For the yong-men that were most able and fitte for labour and service did repine that they should spend their time and streingth to worke for other mens wives and children, with out any recompense. The strong, or man of parts, had no more in devission of victails and cloaths, than he that was weake and not able to doe a quarter the other could; this was thought injuestice. * * *

"And for men's wives to be commanded to doe servise for other men as dressing their meate, washing their cloaths, etc., they deemd it a kind of slaverie, neither could many husbands well brooke it. * * *

"By this time harvest was come, and instead of famine, now God gave them plentie, and the face of things was changed, to the rejoysing of the harts of many, for which they blessed God. And the effect of their particular [private] planting was well seene, for all had, one way and other, pretty well to bring the year aboute, and some of the abler sorte and more industrious had to spare, and sell to others, so as any generall wante or famine hath not been amongest them since to this day."

The moral is too obvious to need elaboration.

Mutual Defense Assistance Act of 1949

EXTENSION OF REMARKS
OF
HON. JOHN A. BLATNIK
OF MINNESOTA
IN THE HOUSE OF REPRESENTATIVES
Thursday, August 18, 1949

Mr. BLATNIK. Mr. Speaker, I am strongly opposed to this European rearmament bill, H. R. 5895, which would authorize $1,400,000,000 to provide arms for the North Atlantic nations, Greece and Turkey. I am going to vote against it because I am convinced that its passage is a step toward another world armament race and eventual war. Although this bill is proposed in the name of peace, it is predicated on the assumption of eventual war. No amount of slick doubletalk and hypocritical claims on the part of our State Department can change that basic fact.

It is claimed by certain naive and intellectually dishonest people that this rearmament program will stop communism. This argument, Mr. Speaker, is

the counsel of fools. For this measure is not designed to help feed hungry people and to aid economic recovery in Europe, and thus prevent desperate people from embracing the communist philosophy. This $1,400,000,000 is not earmarked for food, clothing and shelter—instead it is proposed for the purpose of military armament. It is nothing more than the continuation of our discredited and bankrupt policy in Greece and China where American arms are used to kill and destroy, and to eventually haunt us with the specter of defeat.

I am prepared to support any program to bolster the national defense and national security of the United States, and to defend democracy and promote world peace. I am convinced, however, that this program to rearm Europe will contribute to none of these objectives. Instead it will jeopardize the whole edifice of western civilization by creating the conditions for another and more horrible war which will destroy every value that Americans hold dear, and perhaps civilization itself.

PATTERN OF DESPAIR

This military-assistance program must be examined in the light of today's world political situation, and evaluated according to the lessons of history. For it is part of a pattern of events which parallel those following World War I, and which produced World War II. If we pass this bill, we are repeating the same mistakes of the 1919–39 period, and laying the ground work for world war III.

I am sure that the House is familiar with what happened after World War I. You will recall that we helped to rebuild Germany after World War I for the alleged purposes of halting communism and to protect American investments. After spending American money and lives to defeat Germany in 1918, we undid our work by helping rebuild Germany's war potential, and by allowing the German Junkers and cartelists to return to power. They in turn financed and supported the Hitler seizure of power. We listened to the siren songs of paid propagandists with bleeding hearts for poor misunderstood Germany, who told us that said nation's revival was necessary for peace and European recovery. So we halted reparations and returned the control of the Ruhr to the cartelists—to the very men who engineered the Nazi rise to power.

You will recall that after Woodrow Wilson proposed the League of Nations this country repudiated that organization, and that the unilateral actions of the great powers eventually destroyed the League as an instrument of peace. In the meantime, big-business leaders in America were praising Hitler and American monopolists were playing "footsie" with the I. G. Farbens, Krupps, and Thyssens. Germany secretly rearmed, and the Rome-Berlin-Tokyo axis was born to fight communism.

Did all this stop communism? Did it contribute to world peace? Did it bolster world democracy? It did not. It destroyed the League of Nations, and produced a world armament race which exploded into World War II.

The events of the last four years repeat the same pattern—the pattern of despair. America is again rebuilding Germany. German reparations have been stopped by the American Military Government, the denazification program has been scuttled, the German cartelists are again being reinstated as the economic, financial and political leaders of Germany. Germany's war potential is being revived, and an extreme right-wing government is being installed in that country.

Today the United Nations is fighting for its life. Just as Woodrow Wilson created the League, so did Franklin Roosevelt propose the United Nations, only to have the Great Powers wreck it as an instrument of peace. It has been by-passed by the Great Powers, and its ideals repudiated. World peace based on international cooperation and understanding has been rejected in favor of power politics, and by power alliances in the form of the North Atlantic Pact.

In the name of fighting communism, our Government is today building a reactionary power bloc around reformed Nazis, Japanese industrialists, Greek Royalists, and the Peronists of Latin America.

This proposal to rearm Europe is the next to the last step in the drive of American big business to bolster world reaction, and to create the conditions which can lead to war. There is only one more step after this one—and that is war, atomic war which will destroy democracy and perhaps civilization itself. It will be a long drawn-out and endless war which no one can win. It will be a war without decision that will open the floodgates of world revolution which will destroy all of us. Let us turn back before it is too late.

ARMS PROGRAM ECONOMICALLY UNSOUND

Mr. Speaker, I am convinced that the passage of this "Arms to Europe" program is impractical from every point of view. Even if we accept, for the purposes of argument, the premise that this program is not designed for war, it is still wholly undesirable and self-defeating. In short, it is economically unsound, politically unwise, and militarily impractical.

Let us consider the economic effects of this program. This plan calls for spending $1,400,000,000 for arms during the next fiscal year. But we should not forget that this is only the first installment, and only a token payment compared to what is going to be demanded in the years to come.

What the State Department really has in mind is to equip 40 to 70 European divisions at a total cost of at least $16,000,000,000, and perhaps $24,000,000,000. These heavy armament expenditures will have far-reaching and detrimental effects upon not only the American economy, but also upon the European economies of the countries whom we propose to help.

I will deal briefly with its effects upon our domestic economy. These billions added to the present $41,000,000,000 cold-war budget is creating the conditions for national insolvency and bankruptcy. It is no secret that during the last fiscal year (1948–49) the Federal Government spent more than it received in taxes, and that the budget deficit at the end of the year was about $2,000,000,000. And it is estimated that even without the "arms for Europe" program, the deficit at the end of the current fiscal year will amount to about $5,000,000,000.

As Dr. Edwin Nourse, economic adviser to the President, stated last spring, we cannot continue to increase our present heavy expenditures for armaments and foreign aid without jeopardizing our entire economy. At that time he pointed out if armaments for Europe were to be voted, then we must reduce appropriations for ECA and our own military budget. Congress has done neither, and now it is proposed that we add new billions to our already overheavy armament budget.

Moreover, it should be pointed out that every dollar we spend for arms abroad means we have one less dollar to spend for needed domestic programs at home. One cannot divorce foreign policy from domestic policy—the two complement each other. And it goes without saying that Americans cannot spend money for schools, hospitals, roads, old-age pensions, social-security programs, and the Brannan plan at home as long as we pour out our treasures in the form of arms for half the world. Cold-war expenditures have already canceled out the Fair Deal program at home, and this arms program means new budget cuts in funds for the existing domestic programs which operate for the benefit of the people.

I realize that there are some people who close their eyes to the fact that this arms program is a war measure, and look at it as a pump-priming operation to bolster our domestic economy. I want to remind these people that there are two ways to prime the pump. One is by embarking on a heavy, and still heavier rearmament program, which is the guns-instead-of-butter approach of Adolf Hitler; the other approach is to adopt a broad domestic program of social welfare, public works, and internal development, which is the path laid down by the late Franklin Roosevelt. As for myself, I choose the approach of Franklin Roosevelt.

I also want to say to the advocates of the Hitler guns-instead-of-butter policy that there is nothing healthy about an economy that depends upon an armament program to maintain itself—that production for death instead of life is an un-Christian approach and lacking in morality. It is a policy that cannot be accepted by people who believe in democracy and peace.

Just as this armament program will be harmful to America's domestic economy, so will it tend to defeat European recovery. Although the United States has already provided some $17,000,000,000 to help European nations rehabilitate their economies, our Marshall planners tell us that Europe will only be half recovered by 1952, and that we may have to make additional grants in economic aid.

In spite of the slowness of European economic recovery, our State Depart-

ment wants us to add to Europe's difficulties by placing upon their economies the additional burden of heavier armaments. Forty combat divisions involved 600,000 men, plus 1,400,000 workers to maintain them. This means an additional 2,000,000 European workers will be diverted from useful production to implement this war program.

I suggest that the burden of armaments in Europe is already too heavy and that it is a root-cause for Europe's slowness in economic recovery. In this connection I will mention a few significant facts. Last year Britain received $1,000,000,000 in ECA dollars, and spent about $3,000,000,000 for arms; France received $875,000,000 from ECA and spent $1,100,000,000 for arms; and Holland received $355,000,000 from the ECA and spent $284,000,000 for arms. Taken together, the North Atlantic Pact countries received $3,500,000,000 from the ECA during the last fiscal year, but the military budgets for these same countries added up to $5,700,000,000.

In short, Mr. Speaker, every dollar that we send to Europe for arms means one less dollar for economic rehabilitation. It is estimated that European countries will have to spend $5 for the building and maintaining of armies for every dollar that we send to finance the proposed armament program. In other words, one effect of the European rearmament program is to defeat the purpose of the Marshall plan for the economic recovery of Europe. Instead of American funds being used for food, clothing, machinery, and human welfare, it is being earmarked for arms and military machines.

This entire question was summed up very well not long ago by an anti-Communist leader of France when he said:

> Under present conditions it is impossible to increase both civilian and military production. To impose a program of military production on western Europe is to paralyze civilian production that is already far from sufficient. That would mean creating living conditions politically favorable to the Communists. And in the end we would have the danger that this costly war material would fall into the hands of the Russians.

EUROPEAN REARMAMENT MILITARILY IMPRACTICAL

The arms-for-Europe program is based on the false premise that Russian aggression is the big danger to the status quo in western Europe. The truth of the matter is that the real danger is political unrest and revolution which in turn is produced by low-living standards, exploitation, and poverty. The threat is political and ideological, and you cannot fight ideas with guns. Fire and sword cannot silence all popular demands for agrarian reform, mass education, and the end of exploitation.

American policy in Greece and China have been based on the assumption that the way to fight ideologies is with arms and more arms, and we are now in a position to see the fallacy of this approach. It is now obvious to all of us that the American military-aid program in China was a complete and utter failure—we dumped some $4,000,000,000 in American arms down the Chinese rathole only to find that the Chinese peasant's desire for land had caused him to turn to the Communists, and the end result was a terrific military and economic defeat for our policy in that country. The same thing is happening in Greece today.

The best answer to those who seek to destroy ideas by military means is found in the Vatican newspaper, Observatore Romano, where it was stated several months ago:

> It is impossible to paralyze an idea with violence, destroy it by force, drown it in blood. She, the church, is the greatest testimony of the folly of such prejudice. The idea that wins over another idea is that which excels in truth.

The conservative Wall Street Journal pointed out the same obvious truth when it said in its April 22 edition:

> The real trouble with all this is that you do not contain communism by military force. * * * You combat ideas with ideas. * * * The Truman Doctrine was an attempt to contain an idea. The Truman Doctrine is dead in one place and dying in another, but it is being reborn in the form of the projected rearming of western Europe at American expense. The people ought to scrutinize the new model more carefully than they did the last before they buy it.

In other words, Mr. Speaker, the only way to fight ideas and ideologies is with new and better ideas and with constructive programs for economic progress and social justice. The only way to protect western Europe from Communist revolution is by encouraging liberal programs to raise the living standards of the people, and to provide economic security for the common people.

This rearmament program rejects this approach—it is designed to meet the need for honest government and New Deal reforms by armaments instead of seeking to create the conditions for stable government. It is the wrong approach, and it is certain to fail in the long run.

I have said that there is little danger of direct Russian aggression on western Europe. This is not only my opinion, but it is one held by most people except those who are seeking to whip up the war hysteria for political advantage. The junior Senator from New York [Mr. DULLES] has stated that—

> I do not know of any responsible high official, military or civilian, in this Government or any other government, who believes that the Soviet state now plans conquest by open military aggression.

The former Ambassador to Moscow, Gen. Bedell Smith, has said the same thing, and warned us against the folly of all this talk of inevitable war with the Soviets.

But I am willing to assume for the sake of argument the possibility of Russian attack, and explore the advisability of this armament program in this light. Most military observers agree that in case of war, there is no defense line in western Europe that can be held against the Red Army for more than a few days. There is no force in Europe today, or will there be tomorrow, that is capable of holding the most favorable defense line against the now available striking force of the Russian Army. The Russians are restrained from marching today not because of any doubts that they could not reach the English Channel, but because Russia has not recovered from the last war and is in no position to start another conflagration that will be a prolonged, protracted disastrous war in which no one would emerge a clear-cut victor, and which would mean destruction of the Russian and non-Russian worlds alike.

Moreover, if Russia did march, then the arms that we supply to Europe will soon be in Communist hands, and would be used against us. America has just got through equipping the Chinese Communist armies through the medium of the corrupt and decadent regime of Chiang Kai-shek. Let us not do the same thing in Europe.

Getting back to reality, I think that world tension is diminishing, and would diminish further if the Congress does not stir up new hatreds and suspicions by adopting this European rearmament program. The possibility of Soviet invasion is less likely than it was a year ago, and the threat of Communist revolutions in western Europe are now receding. There is instead a belief that the U. S. S. R. is anxious to call off the cold war. Common sense indicates that America should now be making an all-out effort for a world settlement and a just and lasting peace. The cold war is giving way to a cold peace, and we should encourage this trend by thawing out the cold peace in the interests of a just and lasting peace among nations and peoples.

EUROPEAN REARMAMENT MENACE TO WORLD PEACE

I am also against the arms for Europe program because it represents one more milestone on the road to war. It is a war program for two reasons. In the first place, it is a blow to the United Nations because it encourages the further division of the world into two armed camps.

The Atlantic Pact represents a power alliance of one group of states within the United Nations aimed at another group of UN members—the Soviet bloc. By supplementing the pact with this arms program, we are cementing this two-world division and placing new obstacles to prevent the establishment of world peace based on the Roosevelt concept of one world. Do not forget that it was this kind of thing that wrecked the League of Nations, and have no doubts about the fact that this will damage the United Nations, and weaken it as an instrument of peace.

Secondly, it is going to initiate another armaments race and history shows that armaments races have a tendency to lead to war. Armaments programs are not the root causes of war, but armaments races create such tensions that peace settlements which might have been possible are made impossible.

It is said by some, and it has been argued on the floor of this Chamber, that we are committed to vote this armament program by reason of the signing of the Atlantic Pact, and that we must keep faith with such commitments. This argument is typical of the other false logic advanced by the advocates of this bill. Since when was the House of Representatives consulted with respect to the Atlantic Pact or anything else with

respect to our foreign policy? Instead, we are asked to rubber stamp policies of the State Department over which we have no control, and I think it is about time that the House begin to act as an independent body, which it is meant to be.

In conclusion, Mr. Speaker, I want to say that the hope of America and the hope of the world is for no more war. War as a means of settling international disputes is a dead-end street, and when we reach the end of this street the dead and crippled will rise up to haunt us. There is still time to turn back to the high road to peace based on the United Nations and Roosevelt policies of international understanding, that of the good neighbor. Let us reject this war program and go forward in an honest effort to reach international agreement through consultation and negotiations. We should try again for peace instead of preparing for war. Another war will be fatal to western civilization, and this is the time for statesmanship and understanding.

There can be no doubt but that the world is facing a crisis, but this crisis is man-made, and it is capable of solution by intelligent action. We live in a changing world, and only the blind are unaware of the rapidly maturing crisis. This crisis is the product of the last war, and mass protest against poverty and insecurity.

In the past the peoples of Europe and Asia have accepted poverty and exploitation without protest, but that is true no longer. Today the people of Europe are weary of war and exploitation, and they are capable of desperate action. Asia is in flux, and there is mass revolt against the colonial system and the feudal system of land ownership.

America must not close its eyes to these developments, but must seek to find policies to direct the growing political unrest and desire for revolutionary change into peaceful and constructive channels.

A PROGRAM FOR PEACE

Under existing circumstances, the following proposals would be both realistic and statesmanlike, and would represent a real contribution to the peace of the world and the happiness of its people.

First. America should discard forever the idea that ideas can be policed by force. We must give up this negative approach to ideologies and political movements that we dislike and take positive action to achieve peace and world stability.

Second. We should implement and expand President Truman's point 4 proposal to develop backward areas and to raise the living standards of the people everywhere. In this connection, I would like to refer the House to the conclusions reached by Maj. Gen. William J. Donovan, wartime OSS commander, following his recent trip to the Far and Near East—and I quote:

> We have many friends in China, India, Burma, Siam, Indochina, and Indonesia. They regard us far more highly than they do the colonial powers to which they are, or were, subject. In the light of what is happening in China, the soundest thing we could do would be to initiate the President's point 4 program in these countries.

It would profit us immensely to build hospitals, clinics, schools, and industries in these areas to enable their people to develop their tremendous human and material resources. They are desperately anxious to do that if given a helping hand. And they will be eternally grateful to us for such help. That is the best way to build a bulwark against communism.

In the interests of our own national security and economic welfare, it will pay us to abandon the costly and futile policy of financing foreign armies. This is a dead-end road. The thing for us to do now is to give the people the technical assistance they need and want to raise their health levels, increase their food production, and better their living standards generally.

This is the sound advice of a conservative, wise and honest man whose experience as a soldier and leader of men tells him what is the best policy. His recommendation that we give up the idea of financing foreign arms and concentrate on economic development of foreign nations in the interest of human welfare would accomplish a double purpose, namely, to destroy the poverty and bad economic conditions on which communism spreads, and at the same time create vast new markets for American businessmen.

Third, I am convinced that world peace depends upon the expansion and encouragement of foreign trade with all the nations of the world. The cold war and the present two-world grouping of powers has broken the normal pattern of trade relations. I maintain that the restoration of East-West trade would not only promote international good will, but it would create an integrated economic foundation upon which a one-world international organization can be built and strengthened. Such a condition would be mutually advantageous to all nations, and give all nations a stake in world peace.

Finally, we should make every effort to strengthen the United Nations by expanding its programs, and by using it to cope with the problems of our time. With respect to the Atlantic Pact, which violates the spirit as well as the letter of the UN Charter, I think we should do as the noted news columnist, Jay Franklin, recently suggested: "America should take a deep breath, count 10, and let the Atlantic Pact develop as a cultural grouping under the UN Charter."

Such a program, Mr. Speaker, based upon humanitarian ideals, as well as sound business principles and implemented in accordance with the good-neighbor philosophy of Roosevelt, would go far in achieving the goal of lasting peace.

The proposed European rearmament program is the exact opposite of this program. It is a war program instead of the peace program. Its effects will weaken the United Nations instead of strengthening that organization. It will further divide the world into two armed camps and encourage the cold war instead of creating the conditions for peace. It is impractical from every standpoint—militarily, economically, and politically—and for this reason I call upon the House to vote it down. Regardless of what the House may do, I cannot in good conscience support it, and I go on record as being absolutely against its passage.

A Balanced Military Policy for the United States

EXTENSION OF REMARKS

OF

HON. THOMAS E. MARTIN

OF IOWA

IN THE HOUSE OF REPRESENTATIVES

Thursday, August 18, 1949

Mr. MARTIN of Iowa. Mr. Speaker, during the present session of the Congress I have included in extensions of my remarks several interesting and informative articles which were directly, or indirectly, related to the subject of national defense. Another contribution which particularly deals with the broad aspects of our national policy, is that embodied in an address recently delivered by Gen. Omar N. Bradley, Chief of Staff, United States Army, which was published in the Military Engineer issue of March–April 1949.

Under leave accorded the same is included in this extension.

Accompanying General Bradley's address, as it appeared in the indicated publication, is the following editorial note which reflects the high esteem in which this distinguished soldier is held by his professional associates:

> Present public thinking, aided and abetted by would-be military experts and by a well-meaning but deluded rank and file, has seriously affected our ability to insure national security. Push-button warfare, machines instead of men, and minimizing if not eliminating ground troops are still wishful thinking.
>
> For the first time since becoming Army Chief of Staff, this noted leader of World War II ground forces in Europe has made a public policy statement on the employment of air forces and ground armies in modern war.
>
> Here are the views on a balanced military establishment by one of the three military men, who in an emergency, must implement plans for our national security. With extreme clarity, without heat, and with the modesty and selflessness that characterize the man, General Bradley sets forth his conception of the steps necessary to insure the optimum provision of national defense within the means made available by the President and the Congress.

As indicated in the foregoing editorial comments, General Bradley's statement represents a very important addition to the military literature of these times.

The authors of the other articles included in my extensions in the Appendix of the RECORD are: Lt. Gen. Leslie R. Groves, page A169; Maj. Gen. C. F. Robinson, page A755; Lt. Col. A. W. Betts, page A1713; Lt. Comdr. H. B. Seim, page A2639; and Hanson W. Baldwin, page A4627. These articles, grouped together with General Bradley's address, form a most enlightening symposium of special interest to the Members of Congress concerned with military and defense programs, and especially with the subject of the atomic bomb.

In view of the confusion—and, at times, hysteria—which seems to have marked so much popular thinking in the effort to evaluate the effect of atomic

warfare on national policy, the too often oversimplification of the problems of national defense; the tendency toward an exaggerated emphasis of limited angles of the subject in the interest of special proposals; and the need for curbing exorbitant spending for vast undertakings in the name of defense and security; in view of all these matters, I would respectfully commend this very able statement of General Bradley, and the other contributions thus enumerated, to every Member of Congress—and, in general, to all American citizens—in behalf of the preservation of the resources that are vital to our national security and well-being.

The full text of General Bradley's address follows:

A BALANCED MILITARY ESTABLISHMENT

In the creation of a sound military force for the armed defense of the Nation, there is no place for free competitive enterprise among the separate services in the business of fighting a war. Security is a cooperative venture; it is not a competitive race. To forewarn aggressors and to construct effective military might, we are in need of partnership, not partisanship; concern for the safety of this Nation, not the survival of our arms.

I certainly do not question the right of any American to speak his honest opinion on the fitness of our plans. His is the Nation to be defended and his are the taxes that pay the bills. And I respect the constitutional right of Congress to make such provision as it may judge essential to the Nation's safety. But as a soldier, entrusted by you with a share of responsibility for the Nation's defense, I feel it my duty to speak the truth as I see it, to state my convictions as plainly as I can that you may know my position and that of the Army today.

Let me make it clear at the outset, that what I have to say here is not in criticism of the Air Force. I work in daily close association with General Vandenberg of the Air Force and Admiral Denfeld of the Navy. And I know they both believe as strongly as I do that the security of the Nation depends upon the teamwork of the services. It was General Vandenberg, himself, who said only 2 months ago, "The three services are in complete agreement that no one service can do the job alone."

Because too many Americans are searching for an easy and popular way to armed security through top-heavy trust in air power at the sacrifice of our remaining arms—we are in danger of reckoning our safety on fantasy rather than fact. I do not deprecate the vast capabilities of air power as a priority weapon for attack against any aggressor state. Nor do I deny that the threat of instant retaliation through an air offensive is our greatest deterrent to war today. But I must part company with those enthusiasts who ascribe to air power limitless capabilities in winning an instant decision. Air power, like every other weapon, has gaping limitations for war as we shall know it for many years to come. However crippling air attack can be, I am convinced beyond any reasonable doubt that should this Nation be forced into still another conflict, we shall once more be forced to gain the inevitable victory over our dead bodies—those of our soldiers on the ground.

If I did not believe that war in the future will still thrust its eventual burden on the soldier who fights on ground, then I would readily recommend abolition of the Army and happily bequeath our missions to anyone who would have them.

To provide long-term security for the Nation, our military requirements must be related both to American foreign policy and to the known offensive capabilities of likely enemy states. They must be predicated upon preparedness for a plan of war—a strategy that can defend our shores, aid our allies, and preserve a foothold from which to strike the aggressor in his homeland.

Even in the combined employment of air, naval, and ground arms, war presents a problem of priority and sequence in mounting an offensive against the aggressor's forces and the sources of his strength. To survive, the United States must be prepared instantly to gear its counterattack to a war of increasing violence, a war of growing intensity, and a war of widening global dimensions.

At the instant of aggression, the United States must fling the full force of its strategic air offensive against the enemy's heart land. But however savage this attack might be, it is dangerous for us to count on a decisive knockout in the first round. For the concentration of this initial air offensive must diminish as we dip deeper into the stock pile of our atomic bombs.

In the second stage of war, we must rapidly seize, hold, and push nearer the target those strategic bases from which we might bomb the enemy and from which he might bomb our cities. At the same time, while the enemy is flooding his neighboring states with troops and thundering against ground defenses, we must commit ourselves unreservedly to the preservation of a springboard for an eventual climactic ground attack.

If we were to accept the inevitability of enemy superiority on the ground, we should not only be forced to abandon our allies with frail hope of liberation, but we might also find ourselves trapped in a long and punishing war of attrition through air bombardment. While the odds in such a conflict would presumably lie with us, an air war of attrition could readily lead to disaster—to a duel, a duel in the best fabled tradition of the gingham dog and calico cat who ate each other up.

Unless the enemy suddenly were to collapse from the wounds of those first two blows, the United States must then be prepared in the third round of a war to strike at the enemy's forces, wrest from him his bases and destroy the enemy's armies in large-scale ground assaults. Whether they be air-borne or sea-borne, these piercing attacks of mobile mechanized troops provide the only weapon that can find its way to the roots of enemy resistance and there crush it or subdue it.

Because the Army cannot subscribe to the thesis that air power is a self-sufficient power capable of single-handed victory in a global war, I am dismayed that those who dare question it should be tagged as ox-cart soldiers in an atomic-age. And I am alarmed that the Army's insistance on a combined defensive force should be distorted in the minds of some Americans as stubborn opposition to the strengthening of air power.

The United States Army does not question the need for placing first emphasis on strategic air as the most formidable weapon of attack. We confirm the premise of most airmen that the fear of instant retaliation at the hands of our strategic air offensive is the most substantial deterrent to war today. We freely affirm—in concert with the Joint Chiefs of Staff—our critical need for creating an instant war readiness in American air power. And we readily agree that while the Nation in times of peace must curb exhorbitant spending for defense, first things must come first—and the first is readiness in air strength.

But this does not mean we can abandon the others of our armed resources. For if we are to construct air power at the fatal expense of ground and naval arms, then we may foolishly be forced to desert our allies and forsake our capacity to wage a sustained war.

By reckless reliance upon a knock-out blow in the opening months of a conflict, we might unwittingly risk defeat in war and the possible loss of our lives. If the Army and Navy were to be denied relative readiness in their striking forces to hold and seize advanced bases, we might easily waste our air strength in an overextended and therefore far less effective preliminary air war. This could do nothing but lengthen the conflict and multiply its eventual cost. Unless the Army can maintain a minimum mobile striking force as well as an effective base for mobilization of its civilian soldiers, the Army cannot be readied in time to accomplish its mission in war. In our mounting sequence of attack against an enemy aggressor, we cannot ring a bell for a third round and have the Army answer: "Wait a couple of years and then we'll come out swinging." "Then" will be too late because of too little now.

The roles of defense forces are publicly defined during congressional hearings on their budgets. But because limited peacetime budgets cannot and will not provide for the wartime mission of the Army, that mission is too often forgotten and frequently ignored.

Because air power is essentially a first priority weapon, its first priority needs are provided in peacetime readiness budgets. And because the Army is a lesser priority weapon in the sequence of attack, many of its peacetime needs are preparedness needs for wartime mobilization.

If we starve the Army in an effort to feed those first priority forces, then we shall have to anticipate that ground support will be perilously thin in the initial stages of war and the large scale ground offensive will, of necessity, be long delayed.

It is clearly apparent that in the absence of any precipitant danger, the Nation must curb within reason that share of the national income it would devote to its common defenses. A nation cannot hope to purchase within the limits of its purse an assurance of guaranteed security against aggression. But it can spread the risk among its several services so that with reasonable safety we may forewarn aggressors and intelligently provide for an effective force in the event of war. This, I believe we have done, critically, soundly, and with the general approval of the services themselves.

The Department of National Defense is not irrevocably split among partisans of the several arms. We have made a start in compromising our individual requirements to construct, one with another, a security force that can best fulfill both our instant and eventual needs in the event of war. And we have learned that just as important as step-by-step sequence of fighting in modern war is the fundamental demand for complete unity in word and heart among the armed forces.

The Army will live scrupulously within the means of a budget recommended to the Congress by its Commander in Chief. I pledge to you the willingness of the United States Army constantly to review its requirements that you need not be taxed for the maintenance of nonessentials. We do not exist to defend stubborn traditions, obsolete concepts, or yesterday's tactics. We exist to defend the Nation, tomorrow as well as today. And in subscribing to the need for prudence in military spending, I say to you that I would much prefer to take some military risk rather than have to weather the dangers of an economic bust.

Mutual Defense Assistance Act of 1949

EXTENSION OF REMARKS

OF

HON. ADAM C. POWELL, JR.

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, August 18, 1949

Mr. POWELL. Mr. Speaker, I am against this bill for four distinct and separate reasons.

First, as a Negro, I am against this bill as a part of the Marshall plan because it puts our Government in the business of protecting and encouraging colonization and imperialism. The Nation's largest Negro paper, the Pittsburgh Courier, May 21, 1949, said editorially that Negroes should oppose the Marshall plan because of the aspect of colonization.

Second, as an internationalist, I am against this bill because it is another stab in the back to the UNO. Granted that the UNO is weak and imperfect—it will never become anything other than it is as long as we ignore it.

Third, as a Christian pacifist I am opposed to this legislation and all warmongering legislation that breeds war. I have always opposed all military bills including appropriations—and I always will.

The only answer to the foregoing is ever—"only this will stop communism." And so, I am finally against this bill as an American because the only answer to communism is a practicing democracy. Anything short of this will spell certain failure.

Socialist Britain's Failures Follow Failures of Business

EXTENSION OF REMARKS
OF
HON. ABRAHAM J. MULTER
OF NEW YORK
IN THE HOUSE OF REPRESENTATIVES
Thursday, August 18, 1949

Mr. MULTER. Mr. Speaker, I am sure the following editorial which appeared in the Brooklyn Eagle of August 17, 1949, will be of interest to the Members of the House:

SOCIALIST BRITAIN'S FAILURES FOLLOW FAILURES OF BUSINESS

The Economist of London, an internationally known magazine, has been quite critical at times of the so-called Labor government in Britain. Lately, however, the editors rose up and smote the critics of the present English administration. It spared neither its neighbors in Europe nor our own carping chroniclers of doom.

Answering the charge that the socialistic policies of the present government in the British Isles were ruining world trade, the editorial pointed out specific items on which they were doing as well if not better relatively than a number of the neighboring countries. The writer denied that British production was lower today than in 1938 and added that many practices used now in international trade by the United States were as socialistic as are those of the Labor government.

We do not favor the general nationalization of industries in any country. But we think it timely that someone took up the cudgels against the unfair propaganda that issues forth in regard to the Labor government's afforts to keep the English economy running.

Douglas Jay, economic secretary to the treasury, pointed out about the same time that the Economist was leveling its blasts that with the exception of civic aviation, the nationalized industries of Britain were beginning to show or had been showing a profit. The air industry has been subsidized almost from the start, just as it has been in this country and still is.

To make a fair evaluation of the English experiment it is necessary to know what was the condition of each of its industries before nationalization took place. If failure should overtake them, it is not in itself proof that the present regime is at fault. It may be that the cause is imbedded deep in the past and that nationalization was a last dying effort to save something that could not be saved.

The fact that the new experimenters may be unsuccessful does not prove that the old methods would not have been equally as unsuccessful. The people of England did not turn to a Labor government until after they had lost confidence in the ability of the Conservatives to do a good job for them.

Stigmatizing social legislation and government efforts to assist the people as the welfare state will neither correct the evils that bring on such effort nor will it dissuade the voters of a nation to spurn its offers. There are no cries of the welfare state when big business concerns buy up Government plants for a pittance, when taxes are used to repair roads damaged by giant trucks, when air lines and the press receive healthy doles or discounts from the Post Office Department.

England is having economic troubles under a Labor Government. So, too, are most of the nations debilitated by war. We are having some of our own. We do not think that the nationalization of industry is the panacea to prevent either present or future woes. But we do grant that it is the right and the duty of any government to step in and assist with salutary social legislation any segment of the economy that is faltering because of the failure of private enterprises to solve their own problems.

The term welfare state can be one of approval as well as one of opprobrium. In the last analysis, to protect the welfare of the people is the reason why a government exists. When it performs that function within proper limits we see no good reason why the action should not be called the work of a welfare state, but in a decent, not a derogatory, sense.

The Fraternal Order of Eagles Are Interested in the Physically Handicapped

EXTENSION OF REMARKS
OF
HON. MIKE MANSFIELD
OF MONTANA
IN THE HOUSE OF REPRESENTATIVES
Thursday, August 18, 1949

Mr. MANSFIELD. Mr. Speaker, recently the Congress unanimously passed House Joint Resolution 228 and the President signed Public Law 162, authorizing an annual appropriation for the President's Committee on National Employ the Physically Handicapped Week. The President has since designated the Secretary of Labor as the responsible official to supervise the activities of the committee under the chairmanship of Vice Adm. Ross T. McIntire and of the Honorable Robert Ramspeck as vice chairman. This committee, composed of many public-spirited citizens representing some of our country's greatest and most important organizations and groups, has done much commendable work in bringing the employability of the handicapped to the attention of our Nation's employers and to all people. The chairman and vice chairman, who serve as a public service, have contributed much of their time and talent to this very commendable work. Admiral McIntire recently spoke at the national convention of the Fraternal Order of Eagles in Detroit. As a member of the Eagles I have been proud of their sponsorship of many programs in the public interest, and I am happy to report that they are also in the forefront of this work on promotion of the employment of the impaired worker. I should like to have Admiral McIntire's remarks available for all my friends in the Congress to read, for what he is asking for in his talk to the Eagles is greater community efforts to help solve this problem. One way of solving any problem is through greater information and education which results in understanding.

Admiral McIntire's remarks follow:

Mr. Chairman, friends, and coworkers in the field of social action, your invitation to speak at the 1949 convention of the Fraternal Order of Eagles was received with real pleasure and I hope by being with you here today to convey to you some of the very real appreciation members of the President's committee have for the work which your organization has done in behalf of our handicapped working men and women.

Eagles are no strangers to hard work. And people who work hard are at times injured in regrettable accidents. So, the men and women of Eagledom are no strangers to physical handicaps. It would be surprising if you were. For an injury, accident, or germ does not respect a group, a creed, a color, or an economic section of the population. But as members of our great American labor force you are familiar with the 2,000,000 yearly total of industrial accidents and with the many highway, home, farm, and miscellaneous accidents that result in partial or permanent injury to our country's men and women.

As a doctor for more than 40 years I have been no stranger to injury, accident, or illness with all their crippling aftermaths. As a naval officer responsible for the health and physical well-being of many men and women I am familiar with what has been done, what can be done, and what should be done in the rehabilitation and readjustment into employment of our casualties of war and peace. I stand here today and remind you that more must be done than is now being accomplished. I ask you here today to join with me in developing one phase of a national program aimed at creating more employment opportunities for the handicapped.

The Eagles have already worked out their own blueprint for cooperation in this program. The blueprint was tested in Milwaukee in 1948 and again earlier this year in 1949. Both times it was found to be successful. But behind this blueprint are some men, hard working men. And before such a blueprint could work in your own aeries you would have to produce similar men with equal vision, equal vitality and the knack of obtaining cooperation from all community elements. In Milwaukee that man was Frank Greenya who is known to all of you. Beside him was and is your former grand worthy president and my good friend, Bob Hansen, who provided the essential liaison with Washington and produced speakers of the caliber of Senator JOHN J. SPARKMAN and Assistant Secretary of Labor John W. Gibson.

The blueprint of which I speak is the Community Institute on Employment of the Physically Handicapped. This is essentially a management-labor program of mutual understanding and mutual interest. But it won't be successful unless management participates by sending its top personnel, medical and administrative officials to attend the

sessions of the Institute. Nor will it be successful unless other elements of your communities cooperate, attend and then become advocates of the program based upon the convincing evidence they see and hear at the Institute.

Those of you who carefully read your excellent Eagle magazine are already familiar with the idea of an Institute and are certainly no strangers to the general subject of employment of the handicapped because Bob Hansen has been most cooperative and most generous in making space available for information on the program.

This Institute not only provides an excellent community opportunity for the Fraternal Order of Eagles to carry on in the high tradition of public service for which it is so well known, but also to secure employment for brother Eagles or members of their families who may be seeking work for which they are qualified and for which they have been trained.

I brought with me a considerable quantity of mimeographed folders on institutes which are available to delegates willing to accept the challenge of going home and working with other community leaders, perhaps under the approval of the mayor, and actually holding such an institute in connection with National Employ the Physically Handicapped Week, October 2–8. However, if this does not give you enough time, or if your October program is already scheduled, the program is such that it is applicable any time during the year. Of course, there are some delegates here today who may be from areas essentially agricultural, where the institute plan as offered in the President's committee pamphlet may not be the right blueprint. However, no blueprint was ever developed which was not made better by the people who have to live with it. No plan from Washington was ever designed which was not improved upon in our communities by warm-hearted men and women. So, I ask you not to be worried that this is a project of such grand dimensions that it is not for you. Frank Greenya and Bob Hansen have proved that it can work, and although they are a long way from being completely satisfied at its past success in Milwaukee, they have both told me they believe it has great possibilities. If your leaders, including Charles McCann, who also represents the Eagles on the President's Committee, did not believe that this was a program which you could take home with you and put into operation I would not mention it here today.

In general, such institutes stimulate interest on the part of both employers and employees. You might call it a program of mutual education and information. And you will find many employers eager and willing to step onto your platforms and tell fellow employees of their own success in hiring the handicapped.

Briefly, I will outline the aims of such institutes:

1. To secure employer acceptance and effective utilization of qualified handicapped workers, both disabled veterans and civilians.

2. To emphasize use of Federal-State Employment Service facilities for recruitment and selection of workers.

3. To provide employers with facts regarding productivity, absenteeism, and low accident incidence of handicapped people.

4. To illustrate by a typical in-plant plan for employment of disabled.

5. To demonstrate the advantages of the selective-placement approach to hiring the handicapped—particularly the method of making physical demands analyses and physical capacity appraisals.

But, as I mentioned, the employee also learns that:

1. Special services are available to handicapped through USES-State employment offices.

2. Applicants, already handicapped but otherwise capable, should secure the various tests and vocational guidance procedures of State employment and rehabilitation services necessary for satisfactory placement.

3. An in-plant plan should demonstrate to employees the possibilities of increased employment by rearrangement of machines—grouping of certain related plant activities which may be carried on by handicapped, etc.

And, you may be certain of complete cooperation from your local office of the State Employment Service, your local Veterans' Administration officials and also the nearest office of the State Vocational Rehabilitation agency. These people are available in almost every community and probably already are busy with plans for the 1949 observance of NEPH Week.

I am happy to offer the local aeries of the Fraternal Order of Eagles a partnership with the many members of the President's Committee in the planning and carrying out of community institutes. I have no blood, sweat, and tears to offer you, but rather personal satisfaction in a major contribution to the welfare of our Nation's impaired workers, a satisfaction obtainable only through hard work, mutual cooperation with your home-town associates, and a willingnes to pioneer.

Your Eagle welfare program with its sheets of stamps is a very splendid one of which you should be rightfully proud. The fact that you have selected the dependents of a fighting marine who gave his life for his country is evidence of the merit of your program. I feel certain that not only your own brother Eagles, but the public as well, will rate your scholarship concept as eminently sensible and thoroughly in keeping with the ideals of Eagledom.

I am proud to have been honored last year by the Eagles for the work of the President's Committee in bettering the economic lot of the handicapped. But as I told Charlie McCann at the time he presented me your plaque, I accepted the award in behalf of many millions of people, including the Eagles' members, who are daily working in their lives to make this world a better place for the handicapped, a place where they can work with their abilities and where disabilities become relatively unimportant so far as work performance is concerned.

Recently Felix Morley wrote an article in Nation's Business in his column entitled "The State of the Nation." He was referring to the fact that all of us at one time or another get a break from someone else. He was asking consideration for the high-school and college graduate now entering the labor market. I think his words are certainly applicable to the employment problems of the handicapped and would like to quote a few sentences for your thoughtful consideration. He said:

"Unless generosity is the rule, and not the exception, the growth of the welfare state is as certain as the coming of night. Our creed—political as well as religious—is that men deserve consideration because they are men. So it is merely a question of who shall provide the consideration to others. Will it be provided by individual initiative, or by the State?"

You have already given the answer in your stamp program to finance yourselves the higher education of those children of Eagles who gave their lives for us. You can help give the answer also in your adoption of this Institute program as a major project for 1949–50. You won't be working alone, however. Vice President BARKLEY recently stated on a national radio hook-up that the response of businessmen, industrialist and labor officials to the President's plan to place more handicapped workers on the job has been highly gratifying. He also said, "We must intensify our efforts so that a war wound or an industrial accident is not a one-way ticket to the side lines."

No doubt many of you have received mail recently marked with the cancellation slogan "Hire the handicapped, it's good business." More than 140 cities are canceling mail this year with this slogan, probably hundreds of millions of letters going across the country and the world with this message In addition, the 150 organizations actively cooperating with the President's Committee are using many different methods of bringing this Nation-wide program to the attention of thinking men and women everywhere. Your home publications office will no doubt be sending out checklists to local aerie chairmen. I am sure that each will make whatever contribution to the over-all observance seems most desirable, possible, and reasonable.

I wish to again thank you for your hospitality in having me here as your guest and remind you that in taking a real interest in this program you are but following in the footsteps of the Man of Galilee who gave us the Golden Rule and who did much for the handicapped during his visit to our world.

British "Bundle"

EXTENSION OF REMARKS
OF

HON. ABRAHAM J. MULTER

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, August 18, 1949

Mr. MULTER. Mr. Speaker, I direct the attention of my colleagues to the following article which appeared in the New York Post of August 17, 1949:

BRITISH "BUNDLE"

(By Sylvia F. Porter)

Here it is—another neat little bundle from Britain proposed as an easy way out of the Empire's latest dollar crisis. It's simply this: We, in America, should raise our gold price, thereby automatically create a multi-billion-dollar profit for ourselves, and then use the billions created for further aid abroad.

Don't duck this one! It's your gold that's being discussed. It's the backing of your dollar that's at stake. It's your Government that's being asked to take this step.

And it's serious. This bundle is one of the most precious Sir Stafford Cripps and Ernest Bevin will have with them when they arrive in Washington early next month for the crucial United States-British-Canadian money talks.

Already, heavy propaganda for the move is being spread. High officials of Britain, France, South Africa are publicly supporting the idea in carefully phrased speeches.

Britain's technical experts here and in London are working out the figures for us down to the last decimal point.

I've heard the arguments for the move so often in recent months that they're running out of my ears.

And no matter how rigidly cold our Treasury Secretary Snyder may become when Cripps mentions gold prices during their hush-hush money talks, I'm convinced the British won't give up trying to sell us the bundle.

What's this gold tinkering idea all about? In brief, this is the tale:

America today has a gold hoard of way over 24 billion dollars, which is most of the monetary gold in the world.

The majority of our gold is stored at Fort Knox, and it's the valuable metal which backs our dollar, gives people the globe over confidence in our paper currency's stability and worth.

Back in 1933 and 1934, when we abandoned the gold standard, the Treasury so manipulated its buying of gold that the price rose from $20.67 to $35. At $35, Congress called a halt and fixed the official price. And that's where it has stayed ever since.

Now the neat little theory is this: If our Congress will agree, the Treasury again can so manipulate its buying that the gold price will rise—say, to $55.

It wouldn't be much of a job because in the black markets of the world, gold is selling at levels much higher than $55.

Or easier still, Congress could just pass a law ruling that our gold is henceforth worth $55 and we'll buy all offers at that new price. And overnight, the deal would be done.

What would that accomplish? Well, a $20 rise in our gold price would give us an "automatic profit" on our hoard of $24,000,000,000. Instead of having gold worth 24 billions, we'd have gold worth over 38 billions—a nice day's work, you will admit.

And then what? Well, then, according to the theory, we'd have that 14 billion "profit" to use to stabilize the tottering currency of Britain and the paper monies of other lands in Western Europe. When a currency got in trouble, we'd just send over some of our dollars to patch things up.

And we'd have billions left over to maintain and expand our European recovery program and we'd not have to tax ourselves either. And we'd have billions left over for our own purposes too.

And the producers of gold—which, by no coincidence, are in the British Empire—would also make a lulu of a profit and they'd increase their production. And the relatively small hoards of gold still in Britain and France also would be worth lots more in dollars.

And bingo, they conclude triumphantly, there's the end of the dollar shortage and the crisis.

So what's wrong with it? It sounds plausible enough, you say?

But what's most wrong with it, I think, is that it does sound so plausible; it is so neat, so cute, so painless—and so superficial.

It's monetary tinkering de luxe. It's the same old stuff tried through the centuries which may work as a temporary aid but which never touches the roots of the problem. After a pretty whirl, we'd be right back where we started with the identical problems of production, trade and money. Only in the meantime we would have devalued our dollar in terms of gold and weakened ourselves a bit more.

Maybe we'll buy the bundle. Some day. I've seen and heard enough so I wouldn't be surprised if we did. Some day.

But if this is the best we can think up to meet the great, grave economic challenges of the 20th century—well, we've sunk far, far down indeed.

Arms-Aid Bill, H. R. 5895—Analysis by William B. Ziff

EXTENSION OF REMARKS

OF

HON. LAWRENCE H. SMITH

OF WISCONSIN

IN THE HOUSE OF REPRESENTATIVES

Thursday, August 18, 1949

Mr. SMITH of Wisconsin. Mr. Speaker, I was deeply impressed by the testimony of Gen. Bonner Fellers before our Committee on Foreign Affairs when it was considering the military-assistance bill. At my request Mr. William B. Ziff, noted author and air authority, has analyzed General Feller's statement. I include it as part of my remarks:

Hon. LAWRENCE H. SMITH,
House of Representatives,
Washington, D. C.

DEAR MR. SMITH: I have read carefully Gen. Bonner Fellers' statement on the military-assistance bill, H. R. 5895, made before the House Committee on Foreign Affairs. I am analyzing his remarks in the order in which they were made. I cannot resist observing in advance, however, that the General's comments on the whole are shrewd, conservative, and make sound military sense. He speaks as a military man whose views are simply given based on an examination of the problem itself, and not slanted to agree with the calculated policies of certain powerful political figures within the Government.

THE NORTH ATLANTIC TREATY

1. The North Atlantic Treaty has no such psychological value as General Fellers indicates. The extension of the Monroe Doctrine principle to Europe would have served ample notice on Russia that if the Soviets came in with armed force, we would meet them with armed force. This is all the guaranty that Europe needed.

Any weakness of European morale in no sense arises from a question as to our ability or willingness to fight against armed Russian aggression. It proceeds from a totally different set of considerations which we conveniently ignore. The first of these misconceptions is based on the fact that in urging the arming of Europe, we are operating against a nonexistent proposition. There is nothing to indicate that the Russians will invade any European country in an open war of hot lead. Nor is there anything which indicates that such a course would make military sense from the Communist view. The Kremlin has discovered a unique and relatively safe method of aggression, by which they attack these nations from the inside while at the same time maintaining perfectly correct relations with their governments. We have seen this, for example, in China where it is the United States which is calling the legal Chinese Government corrupt and worthless, whereas the Soviets maintain a rigid surface correctness in their relations with this same Government. Yet is it not amply clear that the real enemy of the Chinese Government in the civil war now going forward is the Soviet Union, under whose instigation all of this has taken place?

A monetary crisis such as threatens all Europe in the coming spring, or a general collapse in the conditions of trade brought about by the cynical and authoritarian style policies of these countries themselves, would set them up as logical prey to Communist aggression, despite any amount of arms which we might send them. We may be sure that under existing conditions, a shooting war will not be profitable to Russia; therefore, she will not undertake it. She will seek to gain her victories the easy way and with as little risk to herself as possible.

The Russians see a set of conditions in Europe to some degree paralleling those in Asia. In several of the countries such as France and Italy, the Communists have great strength; or in still others such as Great Britain, where under the name of socialism the domestic economies are rapidly going down the totalitarian road. There is no real belief in any of these countries in our own free-enterprise system. In addition to an observable apathy, there is a total realization that in the event of war the Communists and their Socialist allies could paralyze the resistance power of the nation almost immediately. It is this which constitutes the great morale question in each of these countries, and not whether the United States will come to their assistance. The real question, in fact, is a reverse one: if events finally bring about war between Russia and ourselves, will any of the European countries stand with us? The Labor Party in Great Britain has already indicated that Britain will not, but would prefer to remain neutral. So has the French Radical Socialist Party of France (this is the party of which the present Premier, Henri Queuille, is a member).

2. Europeans, who are historically minded, remember that the intervention of America in the two major European wars of the last quarter century, did not depend upon prior commitments. No such commitments existed, yet America intervened on the basis of what was considered here at the time to be our own best interests.

General Fellers states the absolute conviction of all military men in today's world, who are not dominated by their political leaders and, therefore, compelled to speak out of context with their own beliefs. There is no force which we can supply Europe which can prevent the swift occupation of Europe by the Red Army. Every European military leader believes this with absolute conviction, though they also believe that in an all-out test of strength with the United States, the Russians would eventually be beaten to a pulp as were the Germans, Italians, and Japanese. If fact, if we put up military plants in Europe, the big question in wartime will be whether these can be demolished before the Russians seize them and put them to their own use. The military equipment we give to Europe will more likely than not, fall into the hands of the Communists, whether local or invading Russians, exactly as American equipment supplied to Chiang Kai-shek's Government fell to the Chinese Communists.

General Fellers is also correct in his assumption that a bitter propaganda campaign operated in the countries of each of our so-called allies, will blame us for their fate if they are occupied by Russia. They will not be reconciled to the idea of America husbanding its resources for an all-out strategic air assault against the centers of Russian power in Eurasia, while at the same time abandoning for strategic reasons our militarily untenable positions in Europe. One look at the European map will indicate that apart from Britain, the situation of our European allies is such as to make any real effort to hold their territory against the Russians a precarious operation, which would play directly into Russian hands. In its present situation what remains of China could be held much easier in the event of such a war than the countries of Europe. Their areas are not only scattered but for the most part directly out-flanked. The Scandinavian countries could be overrun with little trouble. The same would be true of Greece and Turkey, which simply cannot be held. Italy and France with their huge Communist minorities and the vicious social war going forward between great sections of the population, together with the general apathy toward our own objectives, would not offer competent resistance for long.

The area of our European allies, in fact, is so scattered that it can be said to lie as a narrow and relatively defenseless fringe on the periphery of Soviet power. Its military problems could not even be met by a single military command and would have to be approached through something like the 12-nation board which operated in Washington during World War II, and which for practical purposes could not be regarded as a power force at all.

Thus the Atlantic defense set-up insures all the traditional military weaknesses of the coalition, in which divergent interests would at all times be observable and no cohesive plan operable at any time.

We will note that each of these countries will be looking out for itself despite the so-called alliance. Britain did this in World War II, when it withdrew its forces from the Continent in order to make a last stand in

the British Isles themselves, thus in effect abandoning France and the low countries to their fate. Even at this moment there is a strong rift between the French and the British based on this same old issue. The French have no confidence in a last-ditch British air, naval, and land support to prevent France itself from falling. The French want an all-out defense east of the Rhine, preferably at the Oder. The British are thinking in terms of a French and continental defense at the Rhine with the larger part of their own air and ground forces reserved for defense of Britain itself.

General Fellers is quite correct in his estimate of the quality of leadership in Europe. Not only is Europe utterly war-weary, but each of the countries is literally torn to shreds with internal dissension. The present armed forces of France are virtually worthless. There is total apathy on the part of young men of good family toward an army career. The army has lost caste. France may possess seven divisions in Europe. In addition, there are about 150,000 troops in French Indochina, which cannot be removed, and about 100,000 in North Africa, the latter hardly passing under the name of an army. Hanson Baldwin estimates that about five French divisions "are pretty well equipped, and one of these—with obsolescent tanks—is an armored division". France has almost no effective air power. The armed forces of Britain are not worth much more. In Britain and on the Continent there may be three organized divisions. There is the equivalent of one armored brigade, and an air force woefully weak in both morale and bombers, but well-equipped with modern interceptor jet fighters. On the whole, considering the nature of Britain's problem, this is no armed force at all. Due to economic difficulties, Britain's armed forces as a matter of fact, are to be cut down. Yet at the same time, the forces in such trouble spots as Hongkong and Malaya are to be increased. In view of their own peculiar situation, the British have, and can have no real intention of putting up a serious military struggle in Europe against the overwhelming military might of the Soviet Union. It is almost a foregone conclusion that Britain's blueprint of military strategy will involve a swift retirement for a fortress defense of her own island. Better still, in a shooting war Britain undoubtedly will attempt to remain neutral and thus avoid the terrible devastation which otherwise will be wreaked on her.

Hanson Baldwin, commenting in the New York Times of Sunday, August 7, remarks of Italy that she has the equivalent of seven or eight divisions and that these are "poorly equipped, chiefly with obsolescent British wartime equipment." There are a few jeeps and automatic light arms and little in the way of air power. The same mortal weakness is in the forces of Belgium, Norway, and Denmark. What little strength the Netherlands has is being wasted in the East Indies.

All of these countries have questionable elements within the ranks of the armed forces. None of them have any real belief in their own future or in the nature of the goals for which they would be fighting.

General Fellers is also quite correct in his belief that once donated, our military equipment will deteriorate rapidly; he is also right in his belief that we will continue to be blackmailed for increasing aid by each of these nations under the threat of otherwise yielding to the Communists.

It would take at least $25,000,000,000 to arm Europe, and perhaps as much as forty billions. In effect, this would mean that we would have to arm Europe in preference to arming ourselves. Even this all-out and incredibly expensive effort would not be effective unless we had assurance of a unified will to fight not only on the part of each of the countries, but on the part of all of the countries, so that each would participate in a unified strategic pattern, irrespective of its own individual interests.

It will take many years, in any case, to arm Europe. During this period, Russia will have access not only to the raw materials of Asia, but if she can succeed in organizing China, to unlimited manpower. The Russians now have the best in modern submarines and conceivably could succeed in making the oceans untenable to our transport, where Germany failed. There is also reason to believe that the Russian air arm would be sufficiently effective to give all required support to Russia's really superb ground forces.

General Fellers is also quite correct in his estimate that only air power can defeat air power, and that there is nothing in sight which indicates that we can neutralize the Red air force on its own chosen battleground.

I notice General Fellers reaches a figure of $24,000,000,000 to cover a European garrison of 60 divisions. I consider that this is a minimum figure. It is not, moreover, a static figure. That is, the investment once made, will not remain, but rapidly deteriorate, calling for supplementary investments.

General Fellers is also quite correct in his surmise that a war with Russia involves other factors than the purely military. Military forces alone cannot contain communism. Communism could very well spread within the western armies themselves, where the seeds are already planted deep, and where the use of Communist-contaminated troops in Italy and France is inevitable.

General Fellers' belief that Red soldiers, once permitted to see free Europe, would rebel against their totalitarian masters, is one of the great questions of our time. I do not think it is a question which can be answered with the full force of affirmation which General Fellers gives it. The Russian troops let loose in a ruined Europe would come in as masters, and at the same time will have been heavily indoctrinated with Communist fanaticism. There is no guarantee that they would rebel against Stalin. To believe otherwise would be a most dangerous assumption.

General Fellers' belief that a ground war in Europe cannot succeed against the Russians is borne out by every fact which can be reasonably adduced. The probabilities are that Stalin could use at least 1,000 Red Army divisions. His flanks are completely protected by the Carpathian Mountains. Our sole avenue of invasion is over the narrow northern European plain. Stalin's opportunities for invasion, instead of being equal to those of the west, are actually far superior, for his troops by a few sharp victories can collapse nation after nation on the road to the Pyrenees, whereas a reverse invasion toward the Urals would simply have the historical effect of sucking our limited troops into a morass, in which they might very well be drowned out by the immense extent of pure terrain alone. In this respect, it is useful to remember Japanese experience in China, where the great territorial expanse reduced the Japanese to garrisoning the big cities, without even being able to maintain absolute communication lines between these outposts. Soviet land would probably amount in area to some 11,000,000 square miles. By way of comparison, the area of the continental United States is around 3,000,000 square miles.

I agree completely with Fellers' contention that any acceptance of the idea that war with Russia is inevitable, is an admission that our leadership has failed. A war with Russia is apt to be one of the longest wars in history. It might last 25 to 50 years. It certainly would result almost immediately in a totalitarian structure for our Republic for the purposes of prosecuting the war. Even after winning such a war, the remnants of our free enterprise system would be in cinders. Not only Europe, but all Asia as well, would be in complete chaos. We have already discovered that a world in partial chaos has presented us with an almost insupportable burden. Imagine what would happen if the greater part of Eurasia were really destroyed by an all-out assault utilizing atom bombs, chemical and bacteriological warfare, etc. The situation is inconceivable. There would not be enough resources left in the world for our Nation to bring order back out of this terribly anarchy.

On the reverse side of this disk is the Russian knowledge that they, too, would risk everything in a shooting war. In any case, they would know that the present Russian hierarchy would be beaten to a pulp; and we must operate on the assumption that these people have certain selfish interests which they are attempting to protect, and that above all they do not wish themselves destroyed. Our experience in the Azerbaijan province of Iran, which had been overrun by Russian troops, and where we successfully intervened by threatening to come in shooting if they did not retire, offers suggestive proof that the Russian hierarchy is not anxious to become tangled in a determined shooting affray with us. In this single fact lies whatever sobering assurance which exists in this grievous situation.

3. General Fellers is quite correct in raising the question as to whether our weapons in the hands of western European powers may not ultimately be used against us. Our experience in China raises this as a legitimate question.

General Fellers is also correct in assuming that our weapons will be used primarily to maintain European colonial empires. To hard-headed Europeans, this is the only true usefulness they would possess. There would eventuate a further strengthening of the belief now actuating the colonial peoples that it is Russia which is the only true agency of reform in the world. Thus we would be indirectly responsible for making the Russians appear as legitimate upholders of freedom and equality against the machinations of colonial oppression.

I do not agree with Fellers that Stalin might be tempted to strike at the allied forces in Europe before they were strongly equipped, when his occupation of western Europe would be quick and certain. Stalin has no desire to bring on a hot war with the United States. He has been winning the cold war, occupying country after country. He can calculate on the possibility of shattering the cordon sanitaire erected against him, in detail. If he possesses any historic sense, he will know that no cordon sanitaire in the history of nations has ever remained effective against a powerful and determined state. It has always exposed a weak link somewhere and been broken. Oue experience with Hitler alone offers eloquent testimony to this fact.

Moreover, there is reason to believe that Stalin is playing a deep game of strategy in endeavoring to get us to dissipate our resources and our strength. A cardinal rule of warfare is the rule of the concentration of power. Decentralization of power by which strength is distributed over a wide periphery has always, from the military view, been the prelude to disaster. Stalin is not afraid of anything that can happen in Europe in an all-out test of strength. He is afraid, and has reason to be afraid, of a desperate last-ditch struggle with the United States, in which American forces, principally air forces, based on the American mainland, would by sheer technological superiority, destroy his entire empire piecemeal. The fall of Germany, and particularly of Japan, gives ample testimony to the soundness of such an estimate on the part of Stalin.

4. It is quite correct that what Stalin is afraid of is our air-borne power. In this respect, it is well to remark that the atomic bomb in itself, in all probability, is not the absolute weapon it is estimated to be by the majority of our people. The reason I mention this is that without the atomic bomb, we do not possess at this moment a superior

fighting force. In terms of equipment and readiness, our fighting force is mediocre. Much of our equipment is obsolete. It would seem requisite for us to bring our own forces to the highest possible point in efficiency, mechanization, and numbers before scattering our productive power over the world.

According to the survey of the British physicist, P. M. S. Blackett, to accomplish the same devastation wrought in Germany, would require 400 atomic bombs (that would mean that 400 atomic bombs would actually have to get through the wall of interception erected against them, and would have to hit their targets). Even this amount of devastation would not be decisive, for according to a United States strategic bombing survey, while air assault was extremely effective, German production actually reached its peak in September 1944, or after D-day. It is also well to remember that Soviet Russia is forty times the size of Germany, and with its satellite territories in Asia and Europe, more than double this, and that decentralization may be literally so great as to require quite a different technique than that posed by our possession of the atomic bomb.

The French expert, Stefan T. Possony, now a military lecturer at Georgetown University, estimates that to destroy ninety cities covering 4,500 square miles, with an allowance of one-third operational failures, and a 50-percent rate of interception, would require 10,000 atomic bombs. Despite the published material as to the mass production of these bombs, it is extremely doubtful that they exist in any quantity at all. In fact, a very sound guess could be made as to the number which do exist, and on this guess it would seem fair to assume that they are entirely insufficient to destroy all of the necessary targets under Soviet control, if a war is to be won by the bomb alone.

The Russians, however, have a very healthy respect for the destructive power of the bomb, and an even greater respect for our industrial efficiency by which other air-borne weapons could be brought to bear against Russian industrial centers in a continuity of mass assaults.

A scheme by which our own military establishment is cut back at the same time that military aid is being given to Europe, is a totally incomprehensible and indefensible one. It is an operation at complete variance with all accepted theories of military organization, and is sufficient to make the great military captains of history turn over in their graves in agony.

Fellers hits the nail right on the head when he remarks that we must tailor-make a force to meet the combat characteristics of our designated enemy. A combat force designed to fight against Mexico or Canada is one thing; a combat force designed to fight against the Soviet Union is quite another.

It would be suicidal for us to attempt to build the same type of armed forces which the Russians would find effective. We must be guided by absolute questions of opportunity, terrain, and transport. The Russians have contiguous land borders on three out of four sides. The so-called fighting team, or mechanized ground force with powerful air support, would meet the conditions of Russian military strategy admirably. They would not meet our conditions at all unless we were perfectly willing to sit still on our own continent while Russia rapidly absorbed all of Eurasia and Africa.

If we are to be guided by the axiom that attack is the best defense, we will have to put our attack into the air. Not only is the question of logistics an impossible one to answer against the overwhelming mass power of Russia, but there may even be a great question as to our ability to dominate the seas at all. The Navy so far has originated no viable defense against the guppy or snorkel submarine. The Russians are reputed to have some 350 of these, sufficient to totally destroy our water-borne commerce.

The chances are that we would have to elaborate mass systems of chemical, atom bomb, bacteriological, and other warfare, all of it air-borne. We would be faced with the very difficult job of destroying Russian communications and industrial installations, and of literally collapsing the entire Soviet Army; and on our ability to do this would depend our chances for victory.

There are alternative possibilities. Among these is the claim that large portions of the Soviet Union would revolt against their present masters. However, this is too uncertain an eventuality on which to gamble our chances of victory. Moreover, we are making no effort to build a competent psychological warfare branch which could effectively operate on these levels. Such an organization would involve real cost and effort, comparable to what we are now suggesting for the arming of Europe.

General Fellers' figures involving a cut in our present military budget will, in my judgment, not work out. I think the present $15,000,000,000 budget is minimum. The chances are that it will come to $18,000,000,000, if the proper supplemental work is done. Costly experimental operations, for example those involved in guided missiles, are a total necessity to any planned scheme of threat or intimidation which might hold the Russians in line.

Fellers is, of course, quite correct in stating that placing our principal reliance on the destructiveness of air power would in no sense mean an abandonment of western Europe, or of any other part of the world. These abandonments have been political, not military. It is our present system of fighting windmills which has abandoned these countries. We note this in our absolute incapacity to protect Hungary, Czechoslovakia, and other states of eastern Europe from being rapidly gobbled up, and our pathetic weakness in reference to the Communist advance in China.

General Fellers states the military strategy which any leader would be forced to adopt when he remarked that "It might actually be better to permit the Red Army to occupy Europe than to suffer the devastation which inevitably follows in the wake of tanks, bombs, and guns." He might have added that it would be better to make a strategic retreat than to risk smashing our resources in detail by attempting an ineffectual and costly resistance in areas whose possession will not determine the ultimate outcome. To be drawn into such a contest would use up our strength and gain little for us.

The British would think very much along these lines, too, as I pointed out to you before. They have already done so successfully in two wars, the principal object being to save themselves as against the prospect of ultimate victory.

When General Fellers speaks of "our allies," he begins to ride on a soft shoulder. The implication is of real and comparable power to our own, which has to be questioned. Actually we have no allies, but only petitioners, who have to be saved. These countries are not power areas but power vacuums. Our job is simply to prevent their being occupied, or successfully held, by the Russians. We should not misestimate these notions and accord them powers which they do not possess.

General Fellers is also correct when he remarks that the day we send guns, tanks, and planes to the Rhine and Elbe, the Kremlin clique will make the most of this "tangible evidence that the capitalist countries are creating the military might to destroy Russia." The Russian people will respond as patriots; they will be propagandized to death along this line. There is, however, an even graver circumstance which General Fellers does not touch on, and that is the war-weariness and utter horror of war which consumes all of the people of Europe. Especially with the big Communist and near-Communist groups which exist within each country, Russian propaganda can play it out to the effect that we are war-mongering, and that all Russia seeks is peace. Efficient propaganda will utterly immobilize the fighting will of each of these countries, even among non-Communist sectors. Such immobilization even in Britain will require little in the way of effort. I have pointed out that in Britain itself, Arthur Horner, Communist head of the all-important coal miners, has served notice on the government that in the event of a war with Russia, the miners will no longer mine coal.

General Fellers is totally in error when he speaks of the Moslems of southern Asia as being foolproof against Communist propaganda. Quite the contrary, the Russians have evolved a system by which they have adjusted their propaganda to both Moslem and Greek Catholic credo. Alexei, the Greek Catholic patriarch, is now an ornament of the Russian power system. Russia also is one of the two greatest Moslem powers of the world. A number of the Soviet Russian Republics in Asia are Moslem republics. Their propaganda system, aimed against the British exploitation of Moslem countries in Asia, is a most effective one. The British alliance with medieval Moslem potentates, effendis, and oligarchs plays directly into Russian hands. The Russians are quick to point out the deliberate deindustrialization of Moslem Asia and the one-sided trade and other arrangements by which the Moslem peoples are being kept in filth and misery. Colonial squeeze and feudalism provide the perfect breeding grounds for communism. As far as Japan, Okinawa, and the Philippines are concerned, there is a grave question as to whether these can be held at all if we allow China to be taken by the Communists and organized by them.

There is also a grave question as to whether England can be held against guided-missile attack from the Continent. The Russians are known to be specializing in this form of military equipment, and are spending great sums in intensive experimentation, notably at Chebliansk in Asia.

There is also a serious question as to our ability to hold North Africa, or for that matter, to service bases there with the vast amount of matériel which large-scale military operation would demand.

West Africa is another matter. From west Africa we conceivably might be able to strike at a Red-controlled Europe. Here, however, the question of military advantage becomes a moot one. It seems far more logical that we take the short and direct routes over the roof of the world, and attack not the peripheral areas in Europe, but the centers of Russian power themselves in Eurasia.

5. General Fuller's total conclusion is a sound one. If we devote our resources and effort to military assistance to Europe, the odds would be against us in a contest with the Red Army. If the entire principle of our operation is unsound, no amount of perfection in its execution would remedy this basic unsoundness.

It is also true that the Europeans themselves would like an immense ground combat apparatus fashioned by the United States, and preferably dominated by American troops, by which the Russians could be held at the Elbe or the Rhine. From the military view, however, this would be a desperate adventure, and one in which we would throw dice which we can suspect are loaded against us.

General Fellers' observation is very interesting also when he remarks that the proposed military-assistance program places the State Department in the role of determining military strategy. It might be further observed that the State Department and its cohorts in the Government are in the position of coercing the military into an expression of view which has little to do with sound military doctrine. The whole record of the State Department, in fact, is one of predilection in favor of European, and particularly, British objectives. It is, moreover, a record of continuous failure, and, at the best, of a total misestimate of the historical processes which are actually taking place. This may be seen at any moment by subjecting the entire list of State Department propositions to examination, and comparing the results with the claims made for these same propositions when they were submitted to the Congress for approval.

I may add here one remark which General Fellers has not made, though I believe he would not be in opposition: It is not our fundamental position that Europe or anyone else must be saved at all costs. Our fundamental position is that the peace and security of the United States must be safeguarded at all costs, and that next in order come the other territories and peoples of the world. I would conceive that our good will, kindness, and generosity should encompass all of mankind, where we can do so without ruin to our own situation and to our own future. Under any circumstances, charity must begin at home, and the center of our military and economic thought must be the full realization that it is primarily the United States of America which must survive as a healthy, operating unit, in the present critical situation into which the world finds itself plunged. This is not bad morality but good morality. It is also good common sense; for if we go down in the general ruin, there will be no single point of reference in the world where a free civilization can make its start again.

Sincerely,

WILLIAM B. ZIFF.

South's Negro Farm Owners

EXTENSION OF REMARKS
OF
HON. PRINCE H. PRESTON, JR.
OF GEORGIA
IN THE HOUSE OF REPRESENTATIVES
Thursday, August 18, 1949

Mr. PRESTON. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following editorial from the Savannah Morning News of July 10, 1949:

SOUTH'S NEGRO FARM OWNERS

The Pittsburgh Courier is the most widely circulated Negro newspaper in the United States, and its associate editor, George S. Schuyler, is a leading Negro publicist and columnist.

In a recent issue of the Courier, Editor Schuyler offers some figures to refute the notion, fostered by northern radicals, that the Negro is faring badly in the South by comparison with other sections.

He refers to statistics advanced recently by George S. Mitchell, executive director of the Southern Regional Council, covering the period from 1930 to 1945, showing that in 13 Southern States there are 1,396,000 white farm owners and 186,000 Negro farm owners—which is three times the number of Negro-owned retail businesses in the United States.

The increase in Negro farm owners Schuyler points out, was 4.2 percent during the 15-year period, and singularly enough the greatest increases in Negro farm ownership were, as the Courier writer puts it, "in the very States where horror is supposed to reign for the Negro."

These figures, Schuyler argues, "are worth noting by professional bleeding hearts who are always weeping over the plight of the 'terrorized' Negroes in the South and can see nothing below Mason and Dixon's line except grief."

Such words sound more like those of a writer on a standard southern daily, written by a white man—and yet, here they are, printed in the Pittsburgh Courier by one of its own staff who is a Negro.

Columnist Schuyler shows a sizable increase in all Southern States in the number of Negro farm owners during the past decade and a half, including Georgia, with an increase of 11.5 percent, and he observes that, "If the present trend continues there will soon be no tenants or sharecroppers over whom to weep and collect funds for defense."

It is the Courier writer's belief that the outside propaganda concerning alleged conditions among the Negroes in the South is injurious to his race, and that among other things it is discouraging to young, intelligent Negroes who could easily become farm proprietors in southern farm regions. He is to be commended for his forthright appraisal of the situation.

A Day of Anniversaries

EXTENSION OF REMARKS
OF
HON. JACOB K. JAVITS
OF NEW YORK
IN THE HOUSE OF REPRESENTATIVES
Wednesday, August 17, 1949

Mr. JAVITS. Mr. Speaker, under leave granted to extend my remarks in the RECORD, I include the following editorial from the New York Times of August 15, 1949:

A DAY OF ANNIVERSARIES

August 15 has a special place on the calendar of the Pacific. It is a day of anniversaries, a day of beginnings and a day of endings.

It was on August 15, 1945, that President Truman announced that he had received the Japanese reply to the Allied note outlining surrender terms and that he deemed it a full acceptance of the Potsdam Declaration. It was this day, therefore, and not the subsequent day of the surrender signing that marked the official end of hostilities in the Pacific. We knew, then, that the war was over. Today, 4 years later, we are not so sure.

This is also the first anniversary of the proclamation of the Republic of Korea. That event, naturally, was the direct outgrowth of the Japanese defeat, one of the symbols of the victory of freedom. The liberation of Korea had been one of the proclaimed objectives of the war in the Pacific, but Soviet obstruction made it impossible to achieve an independent government until 3 years had elapsed.

Today our concern for Korea, facing grave danger, should not be allowed to overshadow our satisfaction in the splendid accomplishments of this first year of the young republic. The Koreans have set in motion genuinely democratic processes and have, in spite of enormous handicaps, demonstrated their capacity to work with the rest of the free world in a democratic family of nations. Korea has resisted the threat of overthrow from within and without, has carried out to the full the obligations imposed by the United Nations, and has shown herself worthy of our continued esteem and support. This anniversary should be the occasion for the renewal of our determination that this new state should not be allowed to fall through any dereliction on our part.

Today is also the anniversary—the second—of the proclamation of the independence of India and of Pakistan. Those two great commonwealths, likewise, have shown in these years the sturdiness of their people and their eagerness to take full advantage of the political changes that have been made in their world status. They, also, have been vexed with grievous problems. The transfer of populations incident to the partition of the subcontinent imposed upon each government a gigantic administrative burden, a task that would have strained the capacities of far older and better established states. It is a great satisfaction to know that this immense challenge has been met in both commonwealths and that the worst aspects of this enormous refugee problem are now happily past.

India and Pakistan come to this anniversary with a record of marked recent progress toward a settlement of their major outstanding dispute, the disposition of Kashmir. The cease-fire line has been fully agreed upon and there is good reason to believe that further gains in understanding are forthcoming. Once this difficulty is cleared away the path will be open for a long series of agreements and understandings that will bring Indians and Pakistanis closer together.

There is reason for gratification, also, in the fact that India and Britain have been able to solve a knotty joint problem in working out the formula whereby India could set up a republican government and still remain within the framework of the commonwealths. A sound mutual advantage has been retained with no sacrifice on the part of either party. Just as the establishment of an independent India and Pakistan was a stride in statesmanship, so also is this political adjustment the mark of clear thinking and of sound feeling.

There is a still further significance attached to this date in the Far East. It is today that the cease-fire in Indonesia becomes officially in force. It can be there, as elsewhere, the day of new beginnings, of changes for the better, of closer understandings.

At this time, when there is such grave distress in Asia, when there is so profound a challenge to freedom and well being, it is good to know that peace is being made, that governments can stand, that change and progress can be accomplished. On this day of anniversaries we join in the felicitation of our Korean, Indian, Pakistani, Indonesian and British and Dutch friends.

Fast Man With a Gun

EXTENSION OF REMARKS
OF
HON. CECIL R. KING
OF CALIFORNIA
IN THE HOUSE OF REPRESENTATIVES
Thursday, August 18, 1949

Mr. KING. Mr. Speaker, at the recommendation of my colleague from the second Massachusetts district, Mr. FOSTER FURCOLO, which appeared in Monday's CONGRESSIONAL RECORD, I noted the article in the August 13 issue of the Saturday Evening Post entitled "Fast Man With a Gun."

It is a story which is of particular interest to me, because much of it I already know—indeed, it is a very remarkable story of a very remarkable man, Mr. Carl R. Hellstrom, now president of one of the oldest and finest arms concerns in this country—Smith & Wesson, Inc., of Springfield, Mass.

Not only is it an account of the achievement of a very extraordinary executive, but it also reveals a fascinating documentation of the really great war production record of this company.

I feel, Mr. Speaker, that I would like to supplement the recommendation of my honored colleague, the gentleman from Massachusetts [Mr. FURCOLO], with my own endorsement and recommendation that all Members of Congress read this story. I therefore include it as part of my remarks.

FAST MAN WITH A GUN

(By Donald Robinson)

Over the course of the past 97 years, the six-shooters produced by Smith & Wesson, Inc., of Springfield, Mass., have spat hot lead for such men as Wild Bill Hickok, Teddy Roosevelt, and Admiral Bull Halsey. Buffalo Bill Cody used them to hunt buffaloes. They have rendered yeoman service in four American wars and several dozen foreign imbroglios. Down South they have become a popular institution, and people there often refer to the Mason and Dixon's Line as the Smith & Wesson Line.

Despite this glowing record, Smith & Wesson was until recently teetering on the knife edge of bankrutcy. It is again coining millions today, but only because a tough Swedish engineer saved it from itself.

Back in 1941, the members of the Wesson family, a swanky old New England clan that has controlled this venerable company since its founding, had nothing but bygone glories with which to comfort themselves. To put it mildly, Smith & Wesson was up to its ears in financial woe. It had been losing money steadily for decades. It was in default on a $500,000 bond issue. It owed the British Government some $500,000 more. It had received this money as an advance payment on an order for rifles. It had to return it because the weapons wouldn't work.

In 1941, the Allied world was desperate for sidearms and willing to pay vast sums for them. It was the perfect moment for any armaments firm to cash in. But not for Smith & Wesson. Its production facilities were in such a mess that it was barely able to turn out seventy-two revolvers a day. Even the bondholders wouldn't have the concern. At a meeting early that year, it was proposed that they accept control in lieu of the money due them. "Hell, no," they objected. "The company's not worth taking over."

Then the Wessons hired the hard-boiled, hot-tempered Viking who, they freely acknowledge, has saved their bank accounts, their reputation and their renowned Smith & Wesson revolver from extinction. His name is Carl Hellstrom.

Two days after Hellstrom went to work for Smith & Wesson in the spring of 1941, he heard the Wessons giving an order to a workman inside the gun plant which they had hired him to run. Hellstrom, whose title then was merely that of plant superintendent, didn't like it, and he said so.

"Only one man's going to give orders in this plant, and that's me," he told Harold Wesson, the president of the company. "Either you and the rest of the Wessons get out of production, and stay out, or I do."

The Wessons got out of their moldy, redbrick factory, and they have stayed out of it for the 8 years since. Furthermore, the Wessons declare they're glad of it. With Hellstrom in charge, they say Smith & Wesson's output of revolvers jumped to 1,100 a day, the bondholders were paid off, the British were repaid, and by the beginning of this year the company had rung up profits, before taxes, in seven figures.

It was because of Hellstrom, the Wessons state, that their company was able to play a vital role in World War II, and it is because of Hellstrom that Smith & Wesson is already fully prepared for world war III. He has just built them a bomb-proof, sabotage-proof, and gas-attack-proof plant which is setting a pattern for new factory construction throughout the country.

Three years ago, upon the death of Harold Wesson, the family chose Hellstrom to succeed him as president. It was the first time in the firm's history that the post had ever been given to anyone not bearing the name of Wesson.

The biggest innovations Hellstrom made at Smith & Wesson were in its production methods. Before he came, there was not a machine or an operation of a recent vintage. Hellstrom reshuffled the company's plant and working force, renovated its machinery and streamlined its manufacturing techniques. He took what had been a snail-paced handwork factory and metamorphosed it into a high-speed, mass-production establishment.

How did he do it? Hellstrom explains it this way, "Having a free hand, with no family or financial connections, I was able to run roughshod over an old feudal system."

"Tough" is the word for Carl Reinhold Hellstrom. He acts tough, he talks tough and he is tough. A tense, hard-driving executive, he never eases the pressure on himself or anyone around him. He insists on getting what he wants, and when he wants it, or sooner. If he doesn't get it, his desk-pounding rage—and the epithets he roars in an English tinged with a slight Swedish accent—sizzle the paint off the wall. Add to this quality of toughness Hellstrom's inventive talents and his engineering ability, and you can understand why he has an international reputation as a production expert. At 22, he was assistant superintendent of all Allied shell production in America for World War I. By the time he was 30, he was nearing his first $1,000,000. At the end of World War II, he was awarded a War Department Certificate of Appreciation, and today he is a top consultant on industrial-mobilization matters to the United States Army. Tall and husky, Hellstrom looks tough too. He has a square, rugged face, with steely blue eyes and a genuinely jutting chin.

Educated as an engineer at Christiania College, young Hellstrom came to the United States in 1916 as a consultant to the French Engineering Commission. A year later he was second in command on the shell-production detail. He threw up this job to enlist in the United States World War I Army. 41 days later he was back. Secretary of War Newton Baker ruled that he was more valuable to America as an engineer.

The war over, Hellstrom was engaged as chief engineer for the Eastern Coal & Mining Corp. In 1920, he switched over to the American Rack Co., again as chief engineer. In 1921, he was named works manager, and in 1922, at 27 years of age, the president. On the side, meanwhile, he had set up an experimental laboratory called Hellstrom & Co. Here he tested various of his ideas, including a jet-propulsion engine. One of his inventions—a machine for making toilet-tissue dispensers—made him a handsome fortune.

In 1928, Hellstrom sold the laboratory, retired from business, and established himself as a consulting engineer. He did not take another steady job until 1941, when he was asked to resurrect the historic old firm of Smith & Wesson virtually from the dead.

Once, of course, Smith & Wesson was a great money maker. Twenty-six-year-old Daniel Baird Wesson founded the firm in 1852, and almost immediately made a go of it. Although his first gun was a failure, he and his partner, Horace Smith, who later dropped out of the concern, brought out a .32-caliber pistol in 1857 that caught on at once. Out West it became a favorite with both sheriffs and desperadoes. Wild Bill Hickok used one for years. He had it on his hip on the August day in 1876 when Jack McCall shot him in the back. Hickok was playing poker in a Deadwood, Dakota, saloon and never had a chance to draw the gun.

Shortly after the Civil War, D. B. Wesson developed a .44 six-shooter that was still more successful. Grand Duke Alexis, of Russia, purchased more than 200,000 of this model. By the turn of the century, Smith & Wesson guns were known around the world. In South America, the phrase "Smith & Wesson" actually entered the Spanish vocabulary as a generic term for all pistols. You hear it there today.

All this brought many millions to D. B. He built himself a sprawling mansion in Springfield, whose very doorknobs and faucets were made of gold.

Even World War I did not pull Smith & Wesson out of its slough.

After the war, Smith & Wesson continued to sag. Deficits piled sky high, and in 1941 the total physical assets of Smith & Wesson, including all its machinery, real estate, and 21 dank buildings, came to scarcely $250,000, owing to depreciation.

That was the situation when Hellstrom started as plant superintendent. The Wessons had used him before on a consultant basis, and now, in a moment of desperation, offered him a free hand to get their plant back on its feet.

It was Frank Wesson who first suggested to his relatives that they engage Hellstrom.

"What are this man Hellstrom's qualifications?" Harold Wesson asked him.

"Hellstrom's father built the Trans-Siberian Railroad," Frank Wesson says he replied.

"If Hellstrom's father was that good, he must be good, too," Harold Wesson decided.

At the time, Hellstrom had more money in the bank than most of the Wessons put together. Nonetheless, he agreed to work for them for the length of the war.

"I took the job," he declares now, "because I felt the United States was going to get into the war and I wanted to do something for my adopted country."

Hellstrom discovered that there was not a single blueprint in all the Smith & Wesson plant. For 89 years, the company had been manufacturing guns without bothering to put on paper any of its designs or specifications. There was no program for training young workers. Actually, there were no young workers. The average age of the workers in the machine shop, for example, was 69. There was no engineering or research department. Nowhere was there a list of the thousands of different tools stored in the plant tool room. Most of the smaller tools were hidden away in drawers, but not one drawer had a label on it.

Much of the machinery was so decrepit that it had to be held together by "baling wire." Even the building walls were crumbling. When the plant was in operation, the thunderlike vibrations of these walls could be heard three blocks away on Springfield's Main Street.

Working 14 hours a day, 7 days a week, Hellstrom revised operating schedules, made hundreds of engineering and design changes, standardized machine tools and revolver parts, organized an experimental department, and set to training both old and new workers. He rehabilitated machines, workers, and methods, and inside of a few weeks had doubled and then redoubled production. After Pearl Harbor he stepped up the tempo still more. He had his men and machines

working so hard that on at least one occasion some of the factory walls tumbled down.

Brig. Gen. Guy H. Drewry, who commanded the Army Ordnance office in Springfield, had his tangles with Hellstrom. He says, though, "Sure, he was tough, but he had to be tough in a spot like that."

Drewry says that Smith & Wesson, under Hellstrom, never missed a delivery date, and produced 1,110,392 revolvers for the armed forces at a cost lower than its competitors.

Probably the greatest contribution Hellstrom made to the war effort was his invention of a device to prevent revolvers from being accidentally discharged. He went to work on this problem on a July 1944 afternoon, minutes after the Wessons had received a report from the Army Ordnance Department that a serviceman had been shot dead by his own revolver.

"Either you improve the safety mechanism or we cancel all contracts," Ordnance ordered.

Hellstrom had been hired as a production man, not as an expert on the mechanism of guns. He knew practically nothing about the workings of guns. Nevertheless, he called a meeting of the Smith & Wesson staff. There he heard that the company had been working for years to develop a more effective safety device, but had got nowhere. Hellstrom asked whether anyone had ever thought of operating a safety device by the movement of the rebound slide, so that it could not explode a cartridge unless the trigger was pulled.

"No; that's never been done before," Harold Wesson said.

Hellstrom went into his laboratory, and by 10 o'clock the following evening he had built a gun with this new device installed in it.

Six days after the ultimatum was served a revolver with the new Hellstrom hammer block was in Washington. To this date there has not been a report of an accidental discharge of a revolver equipped with it.

With the end of the war Hellstrom stabilized Smith & Wesson production at 500 guns a day—the rate he considered the most economical for peacetime needs—and then took a vacation. He went off to Sweden.

Three weeks after he reached Stockholm the first cable arrived. A series of trans-Atlantic phone calls followed. They were all from Harold Wesson, and begged Hellstrom to return. Production had slumped to 70 guns a day. "Hellstrom, you've got to come back."

Hellstrom agreed to return "for a couple of months." In any event, daily pistol production soon mounted again to the 500 mark.

When Harold Wesson died, early in 1946, the family asked Hellstrom to become president. They offered him all the stock in the company treasury, about $150,000 worth, as a bonus.

He did not take the stock. He has never owned a single Smith & Wesson share. He claims he can be more loyal to the firm if he has no financial interest in it. He gets a salary of about $70,000 a year. Last year the board of directors voted him a bonus of some $32,000 more, which he promptly "divvied" up among the employees.

Today Smith & Wesson is in the best financial condition it has experienced since the turn of the century. In 1939 the company's sales amounted to $497,808.97. Wartime demands raised these sales to a point as high as $7,092,247.38 in 1943. With peace, the sales naturally dropped—to $2,025,534.16 in 1946. However, Hellstrom has since doubled that figure. Last year Smith & Wesson sold $4,383,619.75 worth of revolvers, some 60 percent of them to police and sportsmen in this country, the rest to foreign armies.

Most significant has been the effect on Smith & Wesson stock. It is not listed on the Wall Street big board, but there is brisk over-the-counter traffic in it. One share of this stock sold for approximately $3 in 1940. Although it has since been split twenty for one, it was selling for $6 a share this spring, roughly a 4,000-percent rise.

The one person who is not completely pleased by Hellstrom's record at Smith & Wesson is his slender, dark wife, the former Lois Allison. Mrs. Hellstrom, the granddaughter of the Pennsylvania coal magnate, Ario Pardee, says she'd rather that her husband spend a little less time on Smith & Wesson and a lot more at home. She maintains that she and their 14-year-old son, Douglas, have hardly seen him in the last 8 years.

Although the Hellstroms have a palatial estate at fashionable Wellesley Hills, Mass., and a summer home on Cape Cod that is replete even to what Hellstrom calls the Taj Mahal of boathouses, he passes most of his time in Springfield, 10 or 12 hours a day at the plant and the rest in a tiny three-room apartment he has rented. It has been 2 years since he has seen a movie. Once in a while he does go sailing in one of his own boats, and now and then he makes a flying trip to New York City, putting up at the exclusive Metropolitan Club and treating himself to some smorgasbord at a nearby Swedish restaurant.

Early this year Hellstrom hit the front pages of most American newspapers when he finally lifted the veil from the unusual new plant he has built for Smith & Wesson. The plant can withstand bombs, poison gas, sabotage and machine-gun strafing. Yet it is laid out for ultraefficient peacetime mass production. And it has been built at a cost below that of the ordinary, unprotected factory. Located on the outskirts of Springfield, the plant consists of five low-slung buildings set in the middle of a great lawn-covered park. Above ground, these buildings contain every facility for manufacturing effectiveness and worker comfort—natural light, fixed-radiation heating, portable electrical outlets so that machines can be moved anywhere, vast floor expanses for assembly-line setups, wide passageways and ample storage space—all the things a modern industrialist craves.

But it is underground where the radical developments are to be found. Deep under these buildings are huge catacombs, each fortified by thick concrete walls and ceilings, and connected by buttressed concrete tunnels. These catacombs are equipped with practically all the facilities installed aboveground. There is even a combination cafeteria-movie theater for off-shift workers.

In normal times, production will be carried on upstairs and the catacombs will be used only for storage. In case of war, all production can be switched below in a matter of hours. And there it can be carried on in safety. Built along the lines of Tokyo's earthquake-proof Imperial Hotel, these underground chambers can survive a near hit by a blockbuster. Airtight steel doors can seal off the chambers from poison gas.

Everything in the new Smith & Wesson plant is designed for war. No building is closer than 500 feet to the edge of the company property—this to guard against sabotage. Because bombers usually try to knock out factory power plants, Hellstrom has had his transformers built right into the concrete walls. He has done the same thing with dust collectors, which are generally set on top of factory buildings, making a splendid target for machine gunners. He has had extra septic tanks built, in case anything happens to the plant sewerage system. All his gas, water and power lines are underground. So are his oil tanks. Outside the plant there will be two airplane runways, one 2,500 feet and the other 1,400 feet long.

The plant cost only $6 a square foot to build—it has approximately 300,000 square-feet of floor space—an amazingly low price for a semiunderground plant with its expensive features, when you consider that the average cost for conventional plants ranges from $6 to $10 a square foot.

It cost so little because Hellstrom planned, designed, and personally supervised the construction of everything in it in his spare time. As a site, Hellstrom chose a deserted 126-acre swamp. He bought it for a mere $35,000 and had it filled in. Incidentally, he saved the water from the swamp, using it to make an artificial lake. It looks pretty, and besides, it can serve in fighting fires.

"To insure our employees' peace of mind," Hellstrom says, "the new plant is so designed that in time of war they will be able to eliminate the hazards of personal injury resulting from air raids or sabotage."

He urges that all industrialists give immediate thought to similar measures. "In the event of another war, God forbid, industry will not have the months to prepare that it had in the last one," he points out.

Hellstrom, naturally, is very proud of his new plant. He expects to have all Smith & Wesson operations transferred to it by the end of the summer. "It's my present to the Wessons and their employees," he declares. "If the Wessons can't produce at a profit here, something will be awfully wrong."

He is now busy developing a new product for Smith & Wesson, something far from firearms. He won't say what, yet. Once that is done, he claims he is going to retire from business altogether. That the Wessons are begging him to stay goes without saying.

"The smartest thing this family has done in the past 50 years was to hire a dynamo like Hellstrom," says Danny Wesson. "He's got to remain with us."

Frank Wesson concurs. "Hellstrom rescued us. It would be a tragedy if he were to leave."

Far Eastern Cooperation

EXTENSION OF REMARKS

OF

HON. JACOB K. JAVITS

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, August 17, 1949

Mr. JAVITS. Mr. Speaker, the appended article from the August 16 Christian Science Monitor points up the necessity for the creation by the non-European free countries and the free peoples of the Far East of a joint organization, consistent with the Charter of the United Nations, to establish a program of self-help and mutual cooperation along the lines of the Organization for European Economic Cooperation—OEEC. As the Monitor stated in an earlier editorial:

There is a massive political fact to be grappled with. Asia can no longer be used by the west for its own purposes. Instead, a common aim must be sought which will serve the purpose of both.

To this end, the resolution introduced by Representatives SMATHERS, of Florida; FULTON, of Pennsylvania; RIBICOFF, of Connecticut; CORBETT, of Pennsylvania; and myself—House Concurrent Resolution 120, et seq.—has been incorporated into the mutual defense assistance program, H. R. 5895.

A NONMILITARY PACIFIC UNION

(By Neal Stanford)

WASHINGTON.—The visit of Philippine President Elpidio Quirino to Washington was valuable if for no other reason than that it threw light on that important subject, a Pacific pact.

His address before the American Senate and his interview with the Washington press helped clear up many questions over what is and what is not involved in the creation of any such arrangement.

In the first place it has become quite clear that a Pacific pact and a Pacific union are not the same thing; that the original talk of a Pacific pact is now giving way to that of a Pacific union.

It was natural, in fact inevitable, that as the United States and western Europe began exploring publicly the possibility of a military defense arrangement, Asian powers should have started talking of a comparable Pacific pact.

The idea was that American participation in a Pacific pact would give the member nations that same sense of security from Communist imperialism that an Atlantic Pact was to provide the North Atlantic community. It envisaged a military alliance based on American military strength not too different from the Atlantic Pact which basically rests on American strength.

After the Atlantic Pact was signed, this talk of a comparable Pacific pact swelled to such proportions that Secretary Acheson had to publicly throw cold water on it by announcing that Washington had no plans for joining any other collective defense arrangement.

It was not that Washington was less aware of the Communist threat to Asia than its danger to Europe. The administration may have misread Communist designs in China some years earlier, but by 1949 it knew its lesson well.

The trouble was it couldn't find any solid base in the Pacific on which to build an alliance. In the Atlantic there had been the western union idea that emerged in the Brussels pact. But there was nothing—absolutely nothing—comparable in the Pacific.

There was the Nationalist regime in China which was on its last legs. There was the South Korean Republic whose security depended already on American guaranties. There was the Philippines, also already assured of American protection. There was Indonesia engaged in civil war. There was Siam, the most stable regime in southeast Asia but hardly big enough or strong enough to be a base for an Asiatic defense accord. And there was French Indochina, like Indonesia, caught in a desperate triangular struggle between Communists, Nationalists, and Imperialists.

"Spongy," was the way American officials described existing Asian foundations for a Pacific pact. Washington had no intention of getting trapped in the quicksands of Asian politics and feuds.

There was India which might have served as a core of some Asiatic defense arrangement, India with the best army in that area of the globe. But Pandit Nehru, Indian premier, had already politely declined leadership of such a move, declaring that the internal conflicts in Asia precluded creation of a Pacific defense pact.

So when President Quirino came to Washington as apostle of a Pacific pact he was diplomatically notified that the United States couldn't see it. Thus, when he appointed the passionate and personable General Romulo to be his alter ego through southeast Asia to press for a Pacific agreement, he emphasized there would be no military commitments. And, in speaking to the American Senate, he referred purposely to the project he was pleading for as a nonmilitary Pacific union.

He made it clear that as much as American participation would be welcomed he was aware that Washington would sit out any Pacific arrangement, even minus military commitments, until Asian powers had made some show of self-help and mutual aid.

President Quirino's brief visit then has emphasized the distinction between a Pacific pact and a Pacific union, and how Quirino has switched from the former, a military concept, to the latter, an economic and cultural arrangement, at least in its inception. It has made clear that Washington frowns on the first but gives its blessing to the latter, promising economic help at the first signs of self-help and mutual aid by shying away from any military commitments or entanglements.

President Quirino did not leave Washington empty-handed. He got from President Truman a promise of economic assistance—which at least publicly has to be spelled out. But what may be more important, he won the White House blessing to Pacific union—a still shadowy undefined project. The blessing will materialize as economic assistance along the line of point 4 of President Truman's program. The important thing, however, is that Asia take the first steps to organize itself and show signs of helping itself. A Pacific pact must have its roots in the Pacific.

Judicial Salaries

EXTENSION OF REMARKS
OF
HON. EMANUEL CELLER
OF NEW YORK
IN THE HOUSE OF REPRESENTATIVES
Thursday, August 18, 1949

Mr. CELLER. Mr. Speaker, under leave granted to extend my remarks in the RECORD, I include the following editorial on judicial salaries which appeared in August 16, 1949, issue of the Washington Evening Star.

JUDICIAL SALARIES

Senator MCCARRAN and Representative CELLER have introduced legislation calling for an increase in the salaries of Federal judges. They propose that the salary of the Chief Justice of the United States be increased from the present $25,500 to $35,000 a year. All other Federal judges would receive increases of $5,000 a year, resulting in the following salaries: Associate Justices of the Supreme Court, $30,000; judges of the United States courts of appeals, $22,500; judges of the Court of Claims, $22,500; judges of the Court of Customs and Patent Appeals, $22,500; judges of the United States district courts, $20,000 (the chief judge of the local district court would receive $20,500), and $20,000 each for the judges of the United States Customs Court, the district courts of the Virgin Islands, Alaska, and the Canal Zone, and the Tax Court.

There are persuasive reasons why this legislation should be passed. In the first place, it would not add unreasonably to the cost of government. At the present time the cost of the judicial establishment is about one-nineteenth of 1 percent of the total appropriation for the Government. The salary increases, if approved, would involve an additional gross expenditure of $1,689,500, and about 40 percent of that would be returned to the Treasury in taxes.

Another reason lies in the historic relationship which has prevailed between judicial salaries and the salaries of officials in the executive department. For example, the salaries of Cabinet officers have been maintained, except for one temporary dislocation, at a level $2,500 above that of circuit judges and $5,000 above that of district judges. Congress is going to increase the salaries of Cabinet officers to $25,000, and the proposed increases for the judges would maintain the salary relationship which has prevailed for many years.

A more compelling reason, however, has to do with the equities of the case. The Federal judges have had but one salary increase since 1926, and the effect of that has been largely vitiated by the decision in 1939 that their salaries were subject to income tax. In the case of a circuit judge, for example, his salary in 1948 was $17,500 as against $12,500 in 1926. But his net gain, because of the tax change, was only $1,776. And this means, if the rise in the cost of living be taken into account, that the salary of a Federal judge, in terms of what it will buy for himself and his family, is substantially less today that it was 23 years ago.

The desirability of correcting this condition hardly requires argument. But it ought to be pointed out that with few exceptions lawyers of outstanding ability—and the exacting duties of the office call for competent men—are not apt to be attracted to the Federal bench as long as the distinction that goes with the post is more than offset by a salary scale that is punitive in its effect.

Marshall Plan and Colonies

EXTENSION OF REMARKS
OF
HON. ADAM C. POWELL, JR.
OF NEW YORK
IN THE HOUSE OF REPRESENTATIVES
Thursday, August 18, 1949

Mr. POWELL. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following editorial from the Pittsburgh (Pa.) Courier of May 21:

MARSHALL PLAN AND COLONIES

It is one of the curiosities of international politics that American Negroes, overwhelmingly opposed as they are to colonialism as represented by the imperialistic rule of subject colored people by France, Italy, Belgium, Britain, and Holland, are committed nevertheless through the Marshall plan to the support of these nefarious enterprises.

Of course it is said that the Marshall plan money is not to be used to bolster Western European imperialism but to stabilize the economies of that area in order to enable them to thwart the imperialist ambitions of the Soviet Union. But it is obvious that these "loans" will make these western nations not only stronger but for that reason more capable of continuing their rule and exploitation of subject peoples.

Oddly enough the Administration fostering this aid program is one which remained in power largely as a result of Negro votes in the last election cast in the hope that those elected would enact a civil rights program.

The widely hailed Eighty-first Congress seems destined not to approve the civil rights program any more than the Eightieth Congress did but it has approved the European aid program for which Negroes, like other Americans, will pay in continuing heavy taxation.

Considering the increased reliance of western Europe on the African colonies for raw materials and the stepped-up exploitation which that will impose, there is unlikely to be much civil rights for the dark masses of Africa either.

Nor would the picture have been different if the Republicans had won because the Marshall plan is a bipartisan one, supported equally by the politicians of both parties, by leading liberals and by the white press generally.

It is true that the Dutch have finally adopted a more reasonable and conciliatory attitude toward the Indonesian republic and

that the French are disposed to come to terms with the troublesome Indochinese, undoubtedly through pressure from the purse-holding Americans, but imperialists are untrustworthy (as the Russians have also shown in their dealings with the peoples behind the iron curtain) and the improvements indicated by these gestures may be more illusory than real.

There is nothing Negroes can do about the use of their taxes to bolster governments exploiting darker people over the globe, but it is interesting to reflect on some of these cruel facts in the international picture.

Accomplishments of Turkey

EXTENSION OF REMARKS
OF
HON. HARRY P. CAIN
OF WASHINGTON
IN THE SENATE OF THE UNITED STATES

Thursday, August 18 (legislative day of Thursday, June 2), 1949

Mr. CAIN. Mr. President, during the recent North Atlantic Treaty debate the junior Senator from Washington raised a serious question concerning the wisdom of excluding Turkey from the pact. I was speaking for a host of thoughtful Americans who shared, and will continue to share, my concern and disappointment over the absence of Turkey in what is recognized as being a military alliance. In a broadcast from Istanbul on July 25, 1949, Mr. Henry J. Taylor reflected on what Turkey has done as a nation and with the limited assistance which the United States has provided. For the reason that I know that Mr. Taylor has given all of us something to think about I ask unanimous consent that portions of his broadcast be printed in the Appendix to the RECORD.

There being no objection, the broadcast was ordered to be printed in the RECORD, as follows:

"TURKEY: STALIN FINDS THE DOOR CLOSED"

Come tonight to Turkey, on the Russian border, and you'll hear some good news for us at home.

Go into the Sultan's palace. Pass from the Sultan's throne room, up the crystal stairways, to the great harems, the fountains, and the marble baths. Stand in the hall of mirrors.

Push aside the hangings of brocaded silk and gold, and you are pushing aside the old Turkey. For the Turkey of our age is new, progressive, hard working.

Today Turkey is one of the few countries in the world, outside the United States, that does not stop for long breathers—to drink tea, or to fall asleep for long periods in the daytime, while the work goes undone. Here, they are at least trying to work. In fact, an achievement of the new Turkey surrounds me at this moment, for I am making this broadcast to your land and mine from as modern a studio as you ever saw.

That's where we come in, and in a very important way. For we, in our American homes and workplaces, now have in Turkey a big stake, in dollars and brains and hope, directly related to the safety of the United States in any war with the Soviet Union.

KNOCKING AT THE DOOR

I left Egypt to fly here—a country where I was so ill for so long in 1942, while the Germans knocked at the door of Turkey, and the Turks burned their bridges at the border and dared the Germans to come through. Now, with the Russians knocking at the door of Turkey, I've come here again to get an eyewitness look at the Red fist, and to judge the strength of the door.

I flew from Cairo, across the Suez Canal and Palestine, and over the deserts to a town called Aleppo, in northern Syria. This is near the area of Stalin's birthplace, Tiflis, in Asiatic Russia between the Caspian and the Black Sea. From Aleppo I flew over the snows of the Toros Mountains to Istanbul—the Constantinople of our fathers and the Byzantium of the world's most ancient day.

Looking over the Bosporus and the Dardanelles, and closing out Russia from the Mediterranean Sea and the Atlantic Ocean, Istanbul has always been one of the most strategic spots in the world. It still is tonight.

CAT-AND-MOUSE ON THE BORDER

The Red Army has large forces of troops on the Turkish border right now. The Reds have been running a string of fortifications as jump-off spots striking at the heart of Turkey.

This border is something to see. The Russians have plowed up the earth in a wide belt for a hundred yards back from the border, and they are replowing it constantly. Their purpose is to enable Red soldiers to detect the footprints of anybody crossing the border. The whole stretch of the border here is inspected for footprints every day. Only one plane a day is permitted through, and every road is sealed.

Turkey on the border here is rimmed in by the Reds—as I found Canton rimmed in China. But while it is too late to do much about Canton, it is not too late to give great aid to Turkey—and thus great aid to ourselves.

THE ANCIENT ENEMY

Stalin would give his eye teeth to win this place—through his Communist propaganda and fifth columns, if possible, and by force if necessary. But the Communist Party is outlawed here.

We don't need to spend any money bolstering up the Turkish morale. The Communists in the Kremlin are not even called Communists. They are called by their original and true name—Bolsheviks. Moreover, the men and women of Turkey have hated them from their first cruelties, as long as they have been alive.

There is no wishy-washy feeling about Communists or communism around here. Nor is there any need to educate the Turkish people about the evils of bolshevism. We don't have to guess where Turkey would stand in the event of war. If attacked, Turkey would fight the Russians at the drop of a hat.

Since leaving home, I've been in one country after another that is on the fence. Perhaps the people would side with the Communists—perhaps not. But there is no doubt whatsoever about Turkey.

The Turks are tough. The Turk today, like his father, is always ready to fight the Reds. He was ready yesterday. He is ready today. He will be ready tomorrow. Here is one country in the world where there is no Communist problem.

AN INCONGRUOUS IDEA

But here's the situation which affects us at home. We're trying to give aid to so many countries who may not aid us, when the chips are down, that we may give too little aid to Turkey—a country we can really count on.

For example, we excluded Turkey from the Atlantic Pact. True, Turkey is not on the Atlantic. But Portugal, for example, is in the Atlantic Pact. So we are talking about arming Portugal.

Yet how on earth is Portugal going to help the defense against Russia by receiving arms from the United States? Portugal, a lovely country, is useful in some ways—but not for arming. Portugal stands in the wrong direction from the Russian border. Fighting is not Portugal's role. We might just as well send our arms to Timbuktu.

SPREADING OUR FAVORS THIN

As you travel around the world, here is a fundamental fact that strikes you. We cannot do everything for all people everywhere. Everybody wants something free from America, wherever you go. But we just haven't enough to go around.

We are already wasting vast quantities of our working people's money in places where the safety and security of the United States is not helped in any conceivable way. We can stretch ourselves so thin, in so many places, that we are not strong in the important places. That's exactly what Stalin figures we are doing today.

Furthermore, he hopes we will keep on spending our substance in places that don't do us any particular good. For—as I've attempted to say so many times before—Stalin's big bet is that we will over-extend our resources and knock ourselves out in our own gymnasium.

THE FREE-ARMS RACKET

Why should we arm the Philippines? At this moment, the Philippines are secretly negotiating to sell to Siam American arms that they already have. They seek to make a big profit on free arms we left in Manila. If we are willing to send them more free weapons, they too may fall into the hands of arms racketeers.

I found that out in Siam and reported it, as I hope you may recall, in my last broadcast from Cairo.

FINGER IN THE DIKE

Or look at Greece. We've spent over a billion dollars in Greece since the end of the war. We've spent over five times as much money in Greece as we have in Turkey.

Of course, some aid to Greece was no doubt needed. We don't want the Communist guerrillas to take Greece. But I've been all over Greece and I have never heard an important military man suggest that, in the event of war with Russia, and if the chips were down, we could hold on to Greece. The problem would be evacuation.

Yet we have linked Greece and Turkish aid together. Further, while we spent a billion dollars in Greece, we spent less than a fifth of that much in Turkey, where it would have done 10 times as much good.

Lowell Thomas told me one time that Lawrence of Arabia told him the Turks were the greatest natural fighters in Europe. I believe it. I've been to the maneuvers of the Turkish Army. With the spirit they have, and the ruggedness they have, and the love of country and the independence that they have demonstrated, they are a great army of fighters. If given sufficient American arms on the Russian border, they can really mean something to the stabilization of the peace of the world, and to victory against communism, if worst comes to worst.

THE SNEAK TECHNIQUE

You know Communists operate in the world like sneak thieves in an office building. They go down the corridors of the world, as a sneak thief goes down the corridor of an office building. He tries each door, turns the knob to see if it is unlocked. If it is locked, he goes on to the next door. If it is unlocked, he sneaks in. If he finds a stenographer's purse there, he takes it. If he finds a typewriter, he takes it. He'll even take a piece of carbon paper. But if the door is locked, he does not go in.

It is up to us to lock the door to Turkey. For here in Turkey, at long last, the American taxpayer is really getting something for his money. What a joy it is to be able to say that about any of the places I've been to and am going to, on this trip around the world.

FRESH OUT OF MONEY

But what is the situation? We are out of American military money here. Although it was carefully used, we've exhausted the small amount of military aid voted to be sent to Turkey. Any further aid must await new appropriations. This is because a first-class blunder seems to have been made by tying in the new appropriation proposition for arms to Turkey to a brand-new proposal for arms to any country just because it signed the Atlantic Pact.

Now it is highly doubtful if any arms should be sent to some of those Atlantic Pact countries. In fact, there is no reason at all why we should spend billions of dollars arming some of them.

There'll be much debate on that subject, as you know. But the wasteful idea of just automatically arming all the Pact countries should be defeated. Because it does not make sense. It will prove dangerous and foolhardy, unless it is done in a highly selective way.

Meanwhile the essential arming of Turkey is stalemated.

NO MORE FREE RIDES

Step No. 1 is to make a telling impression on the Kremlin by fully arming this place. To do ourselves some real good, this proposition should be divorced from the question of aid to Greece and from the matter of military aid to the Atlantic Pact countries, insofar as the timing is concerned.

We must stop wasting our money and materials in places where it will do us no good. We must stop trying to support any country at all that simply says it is short of dollars, and yet may never lift a hand to help us when the chips are down. We must stop being starry-eyed and start being realistic—really begin to concentrate our funds and weapons in truly strategic areas, like Turkey. The minute we do this, Stalin will know we mean business. He'll understand that we are not just set on a global boondoggle that could wreck us, in time, without Russia's firing a shot.

Sooner or later we will have to decide whether we intend to be a mother to the whole human race or whether we intend to have a secure and useful America. We cannot do both. It is up to us to cut out the chronic free-riders in the world and, instead, increase our military aid in places where it will do the most good—like Turkey.

So good night and good-by from Istanbul, Turkey. Good luck to Americans everywhere—and God bless our country.

The Cost of Rearming Europe Under the North Atlantic Pact

EXTENSION OF REMARKS

OF

HON. CLARE E. HOFFMAN

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Thursday, August 18, 1949

Mr. HOFFMAN of Michigan. Mr. Speaker, under leave granted I print herewith the broadcasts of Walter Trohan, chief, Chicago Tribune Washington bureau, on the Fulton Lewis, Jr., radio program, relative to the cost of rearming Europe under the North Atlantic Pact, delivered over the Mutual Broadcasting Co. network, August 8 to 17, 1949, as distributed by the Women Investors Research Institute, Inc. The first series of broadcasts have been inserted in the RECORD by Hon. LAWRENCE H. SMITH, of Wisconsin, under dates of August 15 and 17. The remainder of the broadcasts are as follows:

AUGUST 15, 1949

Tonight I begin the brighter side of the world military situation. Forward-looking military leaders believe the United States can win world war III if it comes. Better still, they believe world war III can be prevented. World war III can be won by the world's most powerful air force with adequate Army and Navy support.

World war III can be prevented by psychological warfare. They believe that Soviet Russia can be peacefully conquered by ideas. Truth and freedom are our mightiest weapons in thought warfare. Tomorrow and Wednesday I will bring you an outline of this campaign. Meantime, tonight I want to report on what our best war planners see as the road to victory if war should come. World War II, as you know, was won by teamwork. Our Ground Forces, our Air Forces, and Naval Forces, working as teams, won two decisive victories on opposite sides of the world. Now our strategy is in a period of transition.

Teamwork will win world war III but the same proportion and the same prescription will not win tomorrow, even though they won yesterday. We outnumbered Germany and we outnumbered Japan. We do not outnumber Russia. Military leaders do not believe we can destroy the Red Army with our ground forces. They do not believe a sea blockade would defeat the Soviets. Our best military leaders see the situation as a football game—if you cannot win by rushing or by blocking, you turn to the air. You throw forward passes.

Forward-looking military planners are turning to the air. They believe the United States must have the most powerful air force in the world. They believe American planes must fly higher and faster and farther than any other planes. Military leaders are convinced this fact would impress the Soviets and discourage them from embarking on aggression.

Our high command does not propose to place absolute reliance on air alone. They still believe in teamwork. Leaders say we must have an Army and we must have a Navy. In the final analysis, ground is not won until you have a soldier on it. And soldiers are carried by ship in intercontinental warfare. But air is our Sunday punch. Mastery of the air was essential to victory on the ground in World War II, according to military leaders. And now our new planners have added a new look to mastery.

This is the B–36 bomber. This controversial plane is now the subject of a congressional investigation, as you know. We can rejoice over this. Full and complete airing of the merits and demerits of this plane cannot help but bring us better planes and better teamwork in the armed services. I have seen this plane on the ground and in action. I was astounded by its size and impressed by its performance. In one of the most awesome sights I have ever seen, this plane loosed 168 high-explosive bombs, weighing a quarter of a ton each—84,000 pounds of destruction. The succession of shocks split the air in an infernal din, and then a curtain of smoke 5 miles long rose into the sky. Then and there I acquired a healthy respect for the B–36.

Its most ardent enthusiasts, and I have talked to all of them, do not say it is the final answer. They told me—and I can tell you—we have a bigger and better plane on our planning boards—the B–52. This will be an all-jet-powered bomber. It will fly higher and faster than the B–36 and carry more bombs. Its estimated potentialities are a top military secret. However, being better than the B–36 is something. The B–36 can fly at 40,000 feet. It has a range of 9,300 miles. It can easily bomb virtually all of Russia from North American bases. It can fly at 350 miles an hour steadily. Equipped with jet assists, it can make 500 miles an hour for brief periods to evade fighters. It can carry a peak load of four 21,000-pound bombs.

These super block busters are a postwar development. The peak load could not be carried to Russia. Nor could the plane fly 8 miles high with that load. But it could carry an even more devastating load of atomic bombs to Russia. Just how many of these city smashers the B–36 can carry is a top secret. I can tell you there are about 70 key bomb-targets in Russia. An atom bomb on each of these targets would paralyze the Soviets, so our air command tells me. And we have about 200 atomic bombs.

Japan offers the historical example of how air can conquer a nation. Fifty-two Jap cities were flattened by air strikes. I do not minimize the part played by the Navy and the Army in the Pacific. Emperor Hirohito looked out upon Tokyo and Yokohama and saw 25-mile stretches in which everything was destroyed. He surrendered the 2,400,000 troops guarding the homeland without firing a shot. Air shattered Germany. Nazi ground forces were paralyzed, industry was wrecked, morale was shattered. Former President Herbert Hoover reported, "We know now that, driven back into her own borders, she would have blown up in chaos within a short time without military action."

That is what our military leaders believe. Russia's great advantages—distance, manpower, and weather fade in importance when seen from the air. Our soundest military thinkers concede all Europe would fall to Russia in 90 days if war comes. Top planners believe the occupation of Europe would prove to be a blessing in disguise. They hold it would be better than the total destruction that would come from war on the ground. It would spread the Soviet Army thin. It would bring the Soviets into contact with western freedoms and liberty. And this would create unrest, which might lead to revolt against Communist masters.

With Soviet armies swarming over Europe, our military leaders would send bombers to bring atomic warfare to Russia. Devastating mushrooms would sprout over Moscow, Leningrad and other Soviet cities. The Soviet Army would be cut off from bread and bullets. Undergrounds in the Soviet occupied countries would spring up. Cut off from home and supplies, the Soviet armies would deteriorate. Our top air men believe that the Russians would surrender without a long and costly ground war. This is the belief of General Vandenberg, Air Chief of Staff. Lieutenant General Norstadt, chief air planner, and General Lemay, the man who bombed Japan with the B–29's. All three have expressed this view to me freely, frankly, and effectively.

Top Army and Navy men are not so sure. They ask what will happen if the Sunday punch fails? The air planners say they have the answer. If Russia should not surrender after strategic bombing, then the armed forces would go back to teamwork, again with emphasis on mastery of the air. Under an air umbrella the Army and Navy would work together in an invasion. This is why planners hold we must maintain an adequate Army and Navy. Planners say the invasion will be successful if Russia is shattered by strategic bombing and harassed by the tactical air arm, while troops dig into Russia.

Our top Army, Navy, and Air officers do not believe we can stop Russia by arming our western European allies. They do not believe that our allies can or want to fight. The military did not advance the scheme to send arms to our allies. This was done by our State Department. The plan was not the work of men who spend their lives in planning and guarding our security—men who have fought and won two wars in our time

The plan to defeat Russia by sending arms to our allies is the work of men who were identified with the pro-Soviet bloc less than 4 years ago. And I do not except Secretary of State Acheson. Former Assistant Secretary of State Adolf A. Berle, Jr., told a House committee last October, that Acheson was a member of that bloc. More recently he has been identified as the leader of the pro-British bloc.

The true purpose of the arms-assistance program is not to contain Russia, according to our military minds, but to give away American dollars. The State Department theorists and economists want to stay in power. They believe they can do this by spending, spending, and promoting crises. Military leaders say we may spend all our money and all our resources and still fail to build up our allies to a point where they could stop the Soviets.

You know, as well as our military high commanders do, that the military-assistance program is rooted in the policy which has had Europe at war for hundreds of years. It is based on the European theory of balance of power. Each balance brought on war. The best military minds are opposed to military assistance because it would commit the United States to ground war against Russia, which they regard as faulty and unsound strategy. Military leaders believe that the situation calls for a new and dynamic strategy.

Top military leaders have told me they believe the time has come when we should make known our strategy to the Russians. They believe we should openly show Russia overwhelming air superiority, backed by a sound Army and Navy. They believe we should make it clear that war would visit death, destruction, and defeat on the Soviet Union.

Our military leaders believe a strong America is a guaranty of peace. They tell me that they believe that the final decision on strategy should be made by you and not by fuzzy-minded theorists. Our military has confidence in your industrial genius and our military regards our young men as the most intelligent, self-reliant, and capable soldiers ever to go to war. Our top command does not have that confidence in those who sent our young men into two European wars and who are now once more rattling the war drums.

AUGUST 17, 1949

Tonight I conclude this series of eight reports on the world military situation as viewed by our top generals. The lessons given by our best military minds are that Soviet Russia cannot be defeated on the ground where she has tremendous allies in distance, manpower, and weather.

Generals do not believe Russia can be stopped by arming our western European allies. They do not think we have money enough, or resources enough, to arm peoples who have neither the will or the capacity for sustained war. Our military planners do believe Russia can be defeated through the air with teamwork of the Army and Navy.

More important, they believe that world war III can be prevented by psychological warfare. This would be directed at encouraging the Russian people to throw off the yoke of their Communist dictators. A free Russia would remove the threat of war, our military leaders say. A free Russia would mean a free world and a peaceful world. Military students of Russia say the great majority of its people are starved for news and sympathy of the outside world. Under the iron hand of the police state, the Russian people are distrustful and discontented.

American ideas can set them free. Military leaders have given me an outline of this thought war which I am privileged to pass on to you. The Russian mind is open for western thought. There are hundreds of thousands of fugitives from Red fascism—fugitives from Russia—and fugitives from satellite states. These are eager to serve as shock troops in this new and bloodless type of warfare.

In the first year after the end of the war, 25,000 Red soldiers deserted to the west. Those included high officers.

Desertions have continued even though we had a policy of turning over fugitive soldiers to the Soviets. And we know their fate was settled by Red firing squads. Our military leaders believe the flow of deserters should be encouraged. This flow was at times as high as 8,000 men a month. Military leaders believe the flow can be turned into a flood which will send shivers up and down Soviet spines.

At least a half million Russians are living wretched, hunted lives in western Europe, Greece, and Turkey. Military leaders tell me these people, who chose freedom, could be employed to help bring freedom to their fellow countrymen. Milions who fled satellite areas could be employed to bring truth and freedom to the latest victims of communism. Some of these are now working on their own to this end—without funds and without direction. They are smuggling anti-Soviet papers into Russia and the satellites.

Even now the truth is being smuggled into Russia and is working behind the iron curtain in the interests of peace and freedom. Even now there is an underground working in the Soviet Union. Isolated resistance units are working in the satellite states. These need supplies. But most of all they need moral assistance. These resistance movements will keep on fighting if they have moral support. Fugitives from the Communist chain gang include many able-bodied men. Many have military background. It is possible that these can be enlisted into a Russian foreign legion. Military leaders feel that these men have something to fight for. They do not think our western allies want to fight.

Our generals believe that these Russians have the will and capacity to fight. They want to set their people free. Already governments-in-exile and liberation for countries under Soviet rule, are operating. In these resistance movements are men who are widely known and trusted in their native lands. Military leaders believe these should be encouraged. More important, military leaders believe that the war of ideas should center about a Russian liberation movement. In this movement we would not send troops or planes to Russia, but would send ideas. We would give these ideas to the Russian people so that they could set themselves free.

Military leaders are aware that Stalin is a master psychologist. They are not afraid to tangle with him in thought warfare, however. With lies he has spread his influence around the world. Our military planners believe he can be stopped with the truth. The Russian people have been denied truths which would enable them to measure their way of life with ours. When these truths reach Russia, the Russian people may react violently.

Our military leaders have defined our objectives in thought warfare. The first aim is to discredit the Kremlin gang in the eyes of the Russian people. Our military leaders believe this can be done in a number of ways. Russian people must be made aware of the truth that the Communist system has failed to give them a decent standard of living. The Russian people must be told the truth—that they are enslaved by the cruelest dictatorship in history. The Russian people must be told the truth that the American people have no quarrel with them. The Russian people must be told the truth—that America wants peace in the world and freedom of the individual. The Russian people must be offered moral help toward establishing a liberal government.

The second objective of thought warfare would be to lower morale and encourage desertion among the Red occupation forces in Germany and satellite nations. Red soldiers should be warned they face liquidation on their return to Russia. They should be warned that they will not be sent to their homes, but to Siberia or distant outposts. Stalin does not want soldiers who have come into contact with the west to talk about what they have seen and observed.

A third objective of thought warfare should be to help anti-Communists to escape from Russia. Military leaders believe we should make it clear we will offer asylum to escapees. They believe we should enlist deserters. They feel we should create Russo-American reconstruction units in Europe and train escapees in liberal government. Our top commanders are aware that Red spies will infiltrate. But they are confident that these will be weeded out by Russians striving for freedom. In fact the spies themselves may be converted by the truth.

A fourth objective of psychological warfare should be to create and exploit dissention among the Kremlin gang. Many of our best military minds believe it might be possible to penetrate the Red Army. After all, soldiers are soldiers the world over and understand one another. It is possible, military observers believe, that we might convince the Red army that they should throw off Communist masters. This action might be advanced as a patriotic duty. Military leaders also believe it may be possible to play up and show dissention in the Kremlin itself. They feel purges might be dramatized—that jealousies might be encouraged—that conflicts might be created. Also they believe that we should offer inducements to top military and civilian officials to desert and avoid being purged.

A fifth objective in thought war would be to create suspicion and distrust among satellites for their Russian masters. This might be done by playing upon nationalism, reporting the truth of the outside world and encouraging all forms of resistance to the Red masters. Military leaders believe these objectives can be carried forward by radio and the printed word.

This war was opened through the Voice of America broadcasts.

But these fell into the hands of persons whose motives were questioned in Congress. There were times when the broadcasts were actually anti-American. Still even the trickling of truth worried Moscow. The Russians went to considerable trouble to jam the airways to keep truth beyond the iron curtain. And we helped the Soviet masters. Every night our broadcasts closed by giving the exact wave length of the next broadcast. This enables the Kremlin to set the wavejammers 24 hours in advance of the broadcasts.

Military leaders believe that leaflets and news sheets in Russian can be circulated among Red occupation troops and civilian populations. They also believe newspapers, books, and periodicals should be circulated. One leaflet or one book may reach hundreds of hands. Our military leaders also believe that we should work to build the underground of Russia to spread truth.

Civilian Russian escapees and military deserters can be introduced in Russia to spread the gospel of freedom. Through the underground, word can be spread that America seeks the friendship of the Russian people—American concern for human rights does not stop at the iron curtain—Americans are eager to help the Russian people win freedom—America knows that the credit for Russia's glorious record belongs to the great mass of the Russian people and not to the Kremlin gang. Russia is a vast country. Not all the millions in the Red Army and all

the millions in the dreaded secret police can keep the truth out of all Soviet frontiers.

The best brains in our Military Establishment does not subscribe to our present policy of containing Russia. They do not subscribe to the policy of maintaining a military balance of power. Not a single responsible officer has told you that the arms program will stop Russia.

This policy is the work of the State Department. Our military master minds say it can only lead to an armament race and eventually to war. Our military minds believe that we should press the war of ideas. All the objectives of the thought war will take time to realize. Time is running out. But military planners say that is the reason why we should organize thought war at once. Military leaders assure me that if armed conflict—war—does not break out in 5 years, then psychological warfare will have better than an even chance of succeeding. And success means that war will be prevented.

Acheson's Autopsy on Nationalist China Didn't Help Patient

EXTENSION OF REMARKS

OF

HON. WALTER H. JUDD

OF MINNESOTA

IN THE HOUSE OF REPRESENTATIVES

Thursday, August 18, 1949

Mr. JUDD. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following report from Shanghai. Apparently American Government officials trying to explain their blunders which have contributed so materially to the downfall of an exhausted ally, consider it quite sportsmanly to hit below the belt or, more accurately, to kick even a friend when he is down.

Aren't we strong and China weak? And doesn't might make right? I venture the prediction that history will be easier on the publican than on the Pharisee:

[From the Washington Daily News of August 9, 1949]

ACHESON'S AUTOPSY ON NATIONALIST CHINA DIDN'T HELP PATIENT

(By Clyde Farnsworth)

CANTON, August 9.—Secretary of State Dean Acheson's autopsy on the Chinese Nationalist government while the body is still warm may not in itself be fatal. But it didn't do the patient any good.

Chinese Nationalists—and there's still a hard core of them, the only effective anti-Communist force in China—have been left to wonder just what Mr. Acheson's purpose was, or more broadly the purpose of the Washington administration in issuing the white paper on China.

Their speculative answers include:

It was a tacit eleventh-hour invitation to the Chinese Communists to welsh on their debts and commitments to the Soviet Union in return for American recognition.

It was intended to shush increased criticism and misgivings at home over the Washington administration's failure in China. It's generally regarded here as the best possible face that could be put upon American performance from Yalta down to the hamstringing of the United States military advisory group.

It was an implicit though somewhat premature acceptance of the Chinese Communist conquest of China with which the United States could couple a warning, however toothless, that the Chinese Reds must keep their revolution in China and not mess around with neighboring countries.

But, whatever its purpose, the white paper has in an unpredictable way given new impetus to the Nationalist disintegration.

I know an American businessman in Canton who cut short a Hong Kong holiday after the white paper was published to rush back to Canton to liquidate and get out before the Reds get here. He was sure the white paper had sharply limited Canton's weeks of grace.

There probably will be a Chinese Nationalist Government—in name, at least, somewhere on Chinese soil for a long time to come.

Actually, the white paper hasn't reached this side of the world yet and reaction is based on press reports. These are extensive, however, including texts of Secretary Acheson's covering letter and his five-point statement of basic principles of China policy.

ODDITY

Mr. Acheson's letter presented at least one glaring oddity—the statement that the Nationalists did pretty well for China from 1927 to 1937 and during the same time started to run down. That was the period between Chiang Kai-shek's break with the Communists and the war with Japan.

"During this period the Kuomintang (Nationalist government party) made considerable progress in its efforts to unify the country and to build up the Nation's financial and economic strength," Secretary Acheson wrote, and then added oddly:

"Somewhere during this decade, however, the Kuomintang began to lose the dynamism and revolutionary fervor which had created it, while in the Chinese Communists fervor became fanaticism."

The first sentence was a statement of fact readily documented. The second sentence was an exercise in cliches which not only fitted the general thesis of the Nationalists' incipient weakness but might have been matched almost word for word in any one of several pro-Communist books that have come out of China.

That's been a dominant theme of fellow travelers.

PRETTY AND PAT

It goes pretty and pat: The Chinese revolution was self-generating among the masses; the Kuomintang and Communists vied for leadership; Communists being more dynamic won.

Secretary Acheson's letter is sprinkled liberally with that idea in various forms. It's an argument for which there is no proof. If there is any pertinent evidence, it is that the Chinese as a whole are the least revolutionary people in the world.

Statehood for Hawaii

EXTENSION OF REMARKS

OF

HON. JAMES J. HEFFERNAN

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, August 18, 1949

Mr. HEFFERNAN. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following letter written by my constituent, Kenneth Haskell Mantel, of Brooklyn, N. Y., to the editor of the New York Times on the question of statehood for Hawaii:

HAWAIIAN STATEHOOD ASKED — ENTRY INTO UNION CONSIDERED THE BEST WAY TO COMBAT COMMUNISM

To the EDITOR OF THE NEW YORK TIMES:

Once again the question of statehood for the Territory of Hawaii has been brought to the fore in the Congress. To understand the true nature, the essence of the question of statehood, one is reminded of the historic days during which our Union was being formed in the face of grave difficulties perpetrated by the narrow-minded and domineering political groups.

It is an established fact that the majority of the citizens both on the mainland and on the islands are of the conviction that immediate statehood would represent a sound step in establishing the sovereignty of the people and the state of Hawaii. Again and again the islanders have expressed their desire for closer association with the Union; their leaders, Governor Stainback, and Delegate FARRINGTON, have fought incessantly for statehood; the President of the United States and the great majority of the Senators and Representatives in the Congress have voiced their approval—and yet Hawaii remains a Territory, her people taxed but not represented. The morale of the people of the Territory has remained steadfast and high—always in the hope of attaining that great dream: statehood.

Why, then, has Hawaii remained a Territory? Why has statehood been deferred time and again?

Surely, Hawaii has proved herself worthy of statehood; her industry, her people, so diverse and yet so united, the very beauty of the islands, have been a source of inspiration to the American people.

The small minority of selfish interests, who have consistently opposed statehood for Hawaii, regardless of the will of the majority of the people, have fought a cruel battle against the efforts of the people of the Territory in their struggle for statehood. Much of the argument against statehood revolves around a statement by the late Nicholas Murray Butler, president of Columbia University, who warned in ominous tones that statehood for Hawaii would spell the end of the United States of America as we now know it. He warned of grave disaster, of impending doom, should Hawaii become our great forty-ninth State. Others have taken up the cry, and yet in all the writings and oratory we can still sense the inconceivable attitude taken by Dr. Butler.

The insidious propaganda that Hawaii is under the domination of communism and under the rule of Moscow has been hurled at the people of Hawaii. Surely, the only sure way, the only honest and forceful method of combating communism in Hawaii would be to grant statehood to Hawaii, so that the very threat of communism would be destroyed, as it should be. The last thing in the world that the Communists would want would be statehood, because in its very nature statehood spells doom for the Communist movement in Hawaii. That communism must be destroyed is axiomatic; the method for its destruction lies in statehood. Let the Congress take heed, let the people be aware that statehood for Hawaii should be immediately granted.

The morale of the Hawaiians is high; let us not permit it to wane; to give Hawaii her chance as an equal—as our forty-ninth State of the great Union of the United States of America.

KENNETH HASKELL MANTEL.

BROOKLYN, *July 4, 1949.*

Winning Wisconsin Oration

EXTENSION OF REMARKS
OF
HON. GARDNER R. WITHROW
OF WISCONSIN
IN THE HOUSE OF REPRESENTATIVES
Friday, August 19, 1949

Mr. WITHROW. Mr. Speaker, the following speech was the prize winning oration for the year 1949 in an all-State contest sponsored by the American Legion, Department of Wisconsin. In encouraging thousands of young high school students to interest themselves in the American Constitution, the Legion is keeping alive in the hearts of young Americans a deep knowledge and love of our way of life.

This year's winner of the Legion contest in Wisconsin was Edmund Campion Kersten, of Milwaukee, Wis., a junior at Campion High School, of Prairie du Chien, a Catholic high school conducted by the Jesuit fathers. This speech was also judged first over the winners in similar contests conducted by the Legion in the States of Illinois, Indiana, and Michigan. Campion High School, its speech coach, the Reverend Robert Grennan, S. J., as well as "Camp" Kersten are to be congratulated.

A few weeks ago, as I was reading Time magazine, I was amazed, more than amazed, I was disgusted. What disgusted me? I was reading about the trial of the 11 arch Communists in New York and saw how every legal maneuver was permitted in an effort to give these fifth columnists a fair trail. The integrity of the jury system was attacked from every angle by the defending lawyers on the pretense of prejudice; loophole after loophole was explored, every legal nook and cranny peered into, while the trial dragged on and on. Until, finally, it looked not as if the Communists were on trial but rather democracy, and that democracy would end up being the butt of the joke. And the thought struck me, just how inefficient can democracy get?

But, looking deeper, examining our way of life, I wonder if efficiency with human liberty is its primary purpose? Though we can call democracy slow, inept at times, did this country's founders aim at creating a business-like calculating machine, or was the Constitution based on a deeper truth than mere pragmatism?

To a thinking man, such was neither the answer nor the truth. For the founders of our Constitution set up as a guide or a norm a set of regulations that in operation was to seem to have many defects. But that norm was based on truth—it had reality behind it: that set of inviolable 10 commandments we call our Bill of Rights. Jefferson and Washington and the rest laid these down and called them unalienable—incapable of being taken away. And even if a government were never set up, these rights would still be called inherent, or born with us.

Did you ever stop to think that the Constitution does not give rights to the people, that it does not merely deign to recognize them? Freedom of religion, of speech, and of the press are not granted by the Bill of Rights. The Constitution sees these rights as already in man, and bases its very first amendment on that fact. It says:

"Congress shall make no law respecting the establishment of religion, or prohibiting the free exercise thereof; or abridging the freedom of speech or of the press."

The Bill of Rights forbids any legislation whatsoever with regard to these basic rights. In this sacred area of human dignity, we acknowledge that no earthly government may trespass because it touches upon man's highest faculties, the sources of which are literally not of this world.

In order to bring the American Constitution into sharp relief, and by way of contrast, let us consider the provisions of the Soviet Constitution on the question of freedom of religion. The original constitution of the U. S. S. R. states as follows:

"The right of religious and antireligious propaganda is accorded to every citizen." The constitution of 1936 reads:

"Freedom of religious worship and freedom of antireligious propaganda is recognized for all citizens." In other words, the supreme Soviet accords or grants the right, or deigns to recognize it. What it grants or agrees to recognize, it can at a later date refuse or deny.

Herein lies the fundamental difference between the philosophy of the state made into a god, and the state that recognizes the existence of God. In the former, it is held that the source of all human rights is the will of the dictator. In the latter, a man's rights are acknowledged to come from his Creator. That's exactly what is set forth in the Declaration of Independence—the spirit of the Constitution:

"All men are created equal and are endowed by their Creator"—not by the state—"with certain unalienable rights."

In the words of Justice Brewer of the United States Supreme Court the rights set forth in the first 10 amendments are rights "which by the Declaration of Independence were affirmed to be unalienable." They are untouchable because they come from without the state, from God.

Here is the excellence of the American system that sets an absolute bar against any government encroachment whatsoever upon rights of which it is not the author. Here lies the fatal defect of any form of government that fails to recognize the real author of human rights, and arrogates to itself the power to make and unmake human beings. For if God is ruled out of His universe by human fiat, men become slaves.

So the sharp issue in the world today is, What is the real basis for human rights? On that issue our forefathers did not compromise. They had the courage boldly to acknowledge the truth. Can we afford to do anything less when millions of human beings in our shrinking earth wither from fear of the hammer and sickle? The cold metallic voice of Lenin says to this latter-day world, "Where communism begins, atheism begins." And if we were to choose the course of compromise, we just as surely add to those words, "Where atheism begins, slavery has already arrived."

Just recently a tragic compromise did take place when the American delegate to the UN committee to draft a universal bill of human rights, agreed to omit any reference to the Creator as the true source of human rights. This is the very heart of the world conflict. Our forefathers saw that. And if we fail to see it, we shall have to accept a terrible consequence.

Just 57 miles across the Bering Sea, from the Seward Peninsula of Alaska, lies the mainland of northeast Siberia—the most inhospitable land in the world. In the winter the temperature has been known to drop to more than 90 degrees below zero. Until 1926, the population of this area was only about 1 or 2 persons per 100 square miles. But about that time, gold was discovered there and the coffers of the Kremlin had to be filled with the precious metal. So the state police set up the infamous organization known as Dalstroy to exploit the gold of northeast Siberia. Today where there were formerly only a few thousand natives, there are now several million human slaves under the lash of the MVD. Only 1 out of 50 to 100 is said ever to come back from Dalstroy. For every kilogram of gold delivered to Moscow, the life of at least one political prisoner is spent. The precious metal is extracted from the Arctic wastes, but the bones of millions of human beings lie frozen in the tundra.

This white hell of the Arctic is just 57 miles from the mainland of the American continent. What a contrast. A savage amoral dictatorship there, a Christian nation here. The contrast between a man-made-God and men God-made.

And, so, today we may be thankful that we live under a Constitution like ours. It may be inefficient but it is always truthful. It may be slow, but always considerate. For it acknowledges that each human being is precious because he is made in the image and likeness of God. Communists in Budapest and Sofia may substitute scientific torture for the judicial process in the trial of Christian clergymen; but Communists in New York are still presumed innocent until proven guilty in a fair trial. The very Constitution that they would destroy protects the basic human rights of even these.

Finland Keeps Her Word

EXTENSION OF REMARKS
OF
HON. RUSSELL V. MACK
OF WASHINGTON
IN THE HOUSE OF REPRESENTATIVES
Friday, August 19, 1949

Mr. MACK of Washington. Mr. Speaker, the Finns are a remarkable people. They are industrious, hard-working, reliable, and dependable. Their word is as good as their bond.

This is illustrated by the manner in which Finland has repaid the debt to the United States which she incurred shortly after World War I when she obtained relief supplies from this country.

Thirty years ago, in 1919, we loaned Finland $8,281,926 for the purchase of relief supplies. Finland agreed to repay this money to the United States with interest. Year after year, Finland has made payments in principal and interest on that debt.

To date, Finland's payments on that debt of $8,281,926 have amounted to $8,702,980. For every $1 we loaned her in 1919, we have been paid back $1.03.

What a different story this is to our loans to other nations. About the same time that we made our loan to Finland, we loaned other nations approximately $15,000,000,000 and to date have been repaid about $3,000,000,000, or less than $1 for every five loaned. These other nations have paid us back 18½ cents on each dollar we loaned them compared to Finland's having paid us back $1.03 for each dollar loaned to her.

I, therefore, was happy this week to join with other Members of the House in taking action providing that any future payments by Finland on her debt

to us should be used entirely and exclusively for the education in this country of Finnish students and for the purchase of books, scientific and laboratory equipment for the schools of Finland.

By this action we will, in great degree, be taking the action of canceling in effect Finland's debt to us through assurance that whatever she pays on that debt will be employed to build a young generation of Finnish youths who are better equipped by education to provide economic and political leadership for the great people of this great, freedom-loving nation, Finland.

It is our hope that out of this arrangement will develop a stronger Finland and that she will continue to stand as always a great citadel of freedom.

Fall Guy

EXTENSION OF REMARKS

OF

HON. MIKE MANSFIELD

OF MONTANA

IN THE HOUSE OF REPRESENTATIVES

Friday, August 19, 1949

Mr. MANSFIELD. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following article by Peter Edson from the Washington Daily News:

FALL GUY

(By Peter Edson)

The case of W. Walton Butterworth personifies the present Washington muddle over what to do about China.

President Truman nominated Butterworth to be Assistant Secretary of State in Charge of Far Eastern Affairs last May. Half a dozen other high State Department nominations were sent to the Senate at the same time.

All these others were confirmed in June. But 2 months later the Butterworth nomination remains unconfirmed because a small group of Republican Senators don't like what has happened in China.

Senator OWEN BREWSTER, of Maine, says Butterworth "represents the Chinese policy of the administration." Senator STYLES BRIDGES, of New Hampshire, calls Butterworth the symbol of failure and of a tragic era in our relations with China.

Another name for it, perhaps, is that Mr. Butterworth is cast in the role of the fall guy. Because there is no one else who can be reached in fixing blame for the China debacle—President Truman, State Secretary Dean Acheson, Gen. George Marshall, Gen. Albert Wedemeyer, or even Generalissimo Chiang Kai-shek himself, for instance—Walton Butterworth heads the line to become the goat.

Senator ARTHUR VANDENBERG, of Michigan, the only one who did not vote for recommendation of Butterworth's confirmation in the Foreign Relations Committee, has nevertheless said that he "was not the responsible officer in the drama." VANDENBERG on the Senate floor said further that Butterworth was "one of the most distinguished and able career men in Government service."

With such things both good and bad said about Butterworth, the bare facts of his record are worth a closer look. There has been some attempt to pin a label of "State Department Red" on him. It comes as something of a surprise, therefore, to learn that during the war the now extinct left-wing tabloid newspaper PM branded Butterworth as a Fascist and a Nazi. This was while he was in Spain, making United States Government deals with Dictator Franco's government for the preclusive buying of mercury and other strategic materials to keep them from the Germans.

It would be a lot easier to believe that Butterworth was a reactionary than to believe that he heads up a mythical "Communist cell," sometimes believed to control United States policy in the Far East. Everything about his background bespeaks the aristocrat and the conservative.

He was born in New Orleans, where his father was a doctor. He was sent to "the right" schools—Lawrenceville prep, Princeton and Oxford, where he was a Rhodes scholar. He married a Boston Parker, which puts him right up there with the Cabots and Lowells. After 2 years at Oxford, Butterworth took the United States Foreign Service exams in 1928, when he was 25, entered the diplomatic corps and has been in it ever since. Most of his experience was in Europe, up to 1946, when he was sent to Chungking.

In China, Butterworth's job as minister-counselor was to run the United States Embassy and consulates. It was taking care of all the detailed and routine trade relations between the Chinese and American businessmen and missionaries.

General Marshall was in China in a special peacemaking role and seldom came near the Embassy. Ambassador Leighton Stuart, who knew Chiang better than any other American, helped Marshall.

But when Marshall returned to Washington as Secretary of State, he had Butterworth transferred back here as head of the Office of Far Eastern Affairs, to succeed John Carter Vincent. For the past 2 years, Butterworth has been in charge of the conduct of United States relations with China. Those relations have not resulted in a Nationalist victory against the Communists. That's what makes Mr. Butterworth vulnerable.

Labor Legislation

EXTENSION OF REMARKS

OF

HON. HAROLD H. VELDE

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Friday, August 19, 1949

Mr. VELDE. Mr. Speaker, several weeks ago, I publicly protested the inaction of the House Education and Labor Committee for not considering the Senate-passed labor bill. Today I should like to renew that protest and extend my remarks to clarify the situation.

It is no secret that Congress is getting ready for adjournment. The House, while waiting for the Senate to catch up on its work, would have plenty of time to reconsider and vote on a new labor bill, but this the administration refuses to do. President Truman and his congressional leaders have made it clear that they have no intention of fulfilling their campaign pledges to repeal the Taft-Hartley law during this session of Congress. But rather, they seem happy and contented to pigeonhole this legislation for now, so that it can be brought out and dusted off again as a political issue for the next election.

It must be said here that the votes of organized labor during the last election were bought for the paltry price of insincere promises to repeal the Taft-Hartley law made by the administration men who had no more thought of the workingman's welfare than the man in the moon.

The 1948 Democratic platform pledged far more than mere repeal of the Taft-Hartley law. It promised to substitute in place of the Taft-Hartley law a just body of rules to insure free and effective collective bargaining, to determine, in the public interest, the rights of employers and employees.

The original attempt of the administration to repeal the Taft-Hartley law was certainly a vain and feeble try. The Lesinski bill was so laden, encumbered, and fraught with inequities that it was doomed from the very outset. Instead of determining, in the public interest, the rights of both employers and employees, it utterly ignored those of the employer and the individual workingman. It actually went back to the discredited Wagner Act theory of sheltering the union, as an organization, at all costs. There was a time, of course, when the one-sided Wagner Act was necessary and considered good legislation. At that time labor unions were just coming into their own and the American worker was being suppressed by the unscrupulous tactics of many greedy employers.

Times have changed considerably since then and it would be unthinkable to return again to the out-moded Wagner Act. In the words of a very prominent Democratic Congressman on the floor of the House, "We most certainly did not promise—and we would not have dared promise—to go back to the one-sided Wagner Act."

Then which bill gives us the favorable balance we are all looking for in labor-management relations?

I say the fairest, most workable bill to come out of this session of Congress is the measure passed by the Senate.

This bill contains all the basic principles of equality between employers and employees and the prohibition of unfair labor practices on the part of both. It imposes respectability on unions equal to the power which they have—and will retain under this bill—including the obligation to bargain collectively, to be liable in court for damages resulting from breach of contract, secondary boycotts, and jurisdictional strikes. It embodies all of the important protection given to individual employees against arbitrary union power.

I do not regard the bill passed by the Senate as a perfect bill. Undoubtedly experience under this bill, if enacted into law, would require amendments just as experience has shown that we need to modify and change the existing Taft-Hartley law. Nevertheless, I am satisfied that in all fairness to organized labor the House should go along with the Senate bill, for it contains all the best features of the Wagner Act and the Taft-Hartley law, and is the most realis-

tic approach to the bettering of labor-management relations.

We must bear in mind that in any bill of this length, some mistakes are bound to be made. Senator TAFT, himself, has admitted these mistakes and has pointed out a number of necessary changes to the Taft-Hartley law which should be made. Altogether the bill passed by the Senate alters the existing Taft-Hartley law in 28 different instances.

I should like to point out a few of these changes, which in most cases are in favor of the labor unions and the individual worker:

First. Unions, while still deprived of the closed shop, may be notified by the employer of any vacancy and the union will be given a reasonable opportunity to refer qualified applicants for such employment. Further relaxation of the closed-shop provision is evidenced in the elimination of the vote to authorize the union shop, although a vote to deauthorize a union shop is retained.

Second. Unions may require the discharge of men expelled from the union because they are Communists, or engage in strikes in violation of the contract.

Third. One form of secondary boycott is authorized, namely, a case where a strike occurs in one plant and the work which would have been done in the plant is transferred to another plant. Union members are not required to do work thus transferred.

Fourth. The limited restriction on feather bedding is eliminated.

Fifth. The penalty against employees engaged in a strike before the 60-day cooling-off period is repealed. Although the clause providing for 60 days' notice and a waiting period is retained, it is corrected so that a strike is not illegal in case the contract is reopened in accordance with its terms.

Sixth. The provision requiring a separate union for plant guards is eliminated.

Seventh. The injunction section making it mandatory for the National Labor Relations Board to seek temporary injunctions in certain cases is repealed.

Eighth. Employees on strike will be eligible to vote, even if they are not entitled to reinstatement.

Ninth. While unions are required to file reports, the form of the report is greatly simplified.

Tenth. The Communist oath is continued, but applied also to employers and their officers and extended to include a form of fascism.

Eleventh. While the provision regulating welfare funds is retained, it is no longer required that there be joint control if the employer does not desire it. Criminal liability is removed if the Secretary of Labor approves the terms of the welfare fund.

Twelfth. Union check-off limitations are relaxed or modified to permit authorization to continue from year to year unless rejected.

I have only mentioned a dozen of the 28 amendments to the Taft-Hartley law embodied in the bill passed by the Senate. It is readily seen that with two or three exceptions all the amendments are in favor of organized labor.

How then can President Truman and his congressional leaders reconcile their campaign promises to labor last fall with their utterly indifferent attitude toward enactment of a new labor bill during this session of Congress?

I am sure from sentiment expressed in letters, telegrams, and by word of mouth by the many good members of labor unions in my district and all over the country that organized labor is fed up with the vain promises and seemingly complacent attitude of the administration.

The Taft-Hartley Act made a good political football in the last election. The clock is running out now and unless the administration picks itself up off the ground, retrieves the ball from the end zone and puts it back into play, the first half of the Eighty-first congressional game will be over.

As I see it, the American people want a fair, workable, and consistent labor bill that will eliminate unnecessary restrictions in the Taft-Hartley law and at the same time insure that unions as well as businesses will be responsible agencies. The Senate bill does just this, and I sincerely hope the House will find a way to pull itself out of the muck and mire which has bogged us down to this despicable state of inaction.

Testimony of Dr. Walter Adams, Assistant Professor of Economics, Michigan State College, Before the Celler Subcommittee of the Judiciary Committee of the House of Representatives

EXTENSION OF REMARKS

OF

HON. JAMES H. MORRISON

OF LOUISIANA

IN THE HOUSE OF REPRESENTATIVES

Friday, August 19, 1949

Mr. MORRISON. Mr. Speaker, Dr. Walter Adams, a World War II veteran, has written several articles and books on economics. The following testimony was given before the Celler subcommittee of the Judiciary Committee on the subject of monopolies. Dr. Adams goes into the question of monopolies in considerable detail and his testimony is as follows:

My name is Walter Adams. I have a doctor of philosophy degree in economics from Yale University and am now assistant professor of economics in Michigan State College. I have written books and articles on general economics and have specialized in the study of industrial organization and price policy. My forthcoming book, the Structure of American Industry, of which I am editor and coauthor, is scheduled for publication in January 1950 by the Macmillan Co., of New York. Based on my experience in the field, I shall submit to this committee some general views on the monopoly problem in the United States and suggest some avenues along which a solution of this important problem might be approached.

WHAT ARE OUR GOALS?

Our first task is to reexamine our economic, social, and political goals. We must first decide what kind of industrial community, what kind of society we want or prefer before we can devise policies to implement attainment of our basic objectives. Shall we have an economic system which Justice Oliver Wendell Holmes envisioned when he said: "I don't disguise my belief that the Sherman Act is a humbug based on economic ignorance and incompetence"; in other words, shall we have a system which would rely primarily on the self-restraint of industrial leaders to protect consumers against exploitation and small producers against coercion? If that is our goal, let us modify our antitrust laws or fail to enforce them except in extreme cases. Perhaps our goal should be industry self-government as practiced in the days of NRA? In this case, let us repeal our antitrust laws lock, stock, and barrel. Perhaps we want Government supervision of industry by public regulatory commissions—somewhat along the ICC model? In this case, antitrust laws would be superfluous. Perhaps we believe in socialization of industry, either in part or in whole? In this case, let us encourage, not discourage the further concentration of power. Finally we might choose as our objective the maintenance and stimulation of competition. In this case, an effective public policy would require both the strengthening of our existing antitrust laws and their more vigorous and intelligent enforcement.

WHY PRESERVE COMPETITION?

Assuming that a regime of industrial competition is our goal—and woe to the legislator who publicly, at least, does not profess a belief in it—let us make clear the kind of competition that is to be fostered. It need not be the perfect or pure competition which nineteenth century economists still worship nostalgically. It need not be a type of competition which depends on instantaneous and automatic adjustments, where individual decisions are always arrived at rationally on the basis of perfect knowledge and foresight. We can safely content ourselves with a competitive system in which consumers are protected against excessive prices and artificial shortages simply because a few sellers are prevented from dominating price and output determination by virtue of their size; a system where technological innovations are not artificially restrained and where the economy is thus allowed to remain dynamic and progressive; a system where there is both legal and economic freedom of entry into markets and access to raw materials, i. e., where freedom of competition is valued as highly as freedom of contract. Finally, we should strive for a system where cyclical fluctuations are not accentuated by monopoly or restraint of trade.

The advantages of such a competitive system are as much social and political as economic in nature. The attractiveness of the system lies in the fact that power is essentially decentralized; that there tends to exist a broad base for the class structure of society; that there tends to be preserved a basic minimum of freedom and opportunity so that new ideas, new men, and new organizations have the bona fide chance to introduce themselves.

This competitive system is deeply rooted in the traditions of America—the tradition of federalism, the separation of church and state, the opposition to monopolies and trusts, and the separation of powers.[1] Here is a healthy suspicion of concentrated power, whether that power is in the hands of Government, individuals, or large corporations. Here is a generic distrust of size because concentrated economic power eventually results

[1] See E. V. Rostow, The New Sherman Act: A Positive Instrument of Progress, the University of Chicago Law Review, June 1947.

in centralized political control—fascism or communism, at worst, or democratic socialism, at best.

Mr. Justice Douglas has brilliantly expressed the curse of bigness against which the late Justice Brandeis warned. Said Mr. Douglas in a recent antitrust case: "Size should be jealously watched. In the final analysis, size is the measure of the power of a handful of men over our economy. That power can be utilized with lightning speed. It can be benign or it can be dangerous. The philosophy of the Sherman Act is that it should not exist. For all power tends to develop into a government in itself. Power that controls the economy should be in the hands of elected representatives of the people, not in the hands of an industrial oligarchy. Industrial power should be decentralized. It should be scattered into many hands so that the fortunes of the people will not be dependent on the whim or caprice, the political prejudices, the emotional stability of a few self-appointed men. The fact that they are not vicious men but respectable and social-minded is irrelevant. That is the philosophy and the command of the Sherman Act. It is founded on a theory of hostility to the concentration in private hands of power so great that only a government of the people should have it." [2]

Recognizing this inherent danger of size, our antitrust laws were designed neither to condone good trusts nor to condemn bad trusts but to forbid all trusts. They had as their basic philosophy and principal purpose "to perpetuate and preserve, for its own sake and in spite of possible cost, an organization of industry in small units which can effectively compete with each other." [3] This was so, because Americans—in contrast to Europeans—recognized that free enterprise meant not only curbs on government power but also checks on excessive private power; because Americans believed that enterprise which is not competitive cannot for long remain free.

THE GROWTH OF MONOPOLY

Yet today, almost 50 years after the first antitrust law was passed, we are confronted with a concentration of economic power unparalleled in our history. What is worse, the trend in that direction has been accelerated in recent years.[4] Independent businesses are succumbing to the encroachment of their larger rivals at an alarming rate. In industry after industry, a handful of concerns enjoy an exclusive position or are sufficiently dominant so as to enforce conformity among their smaller competitors. Whether we turn to steel or aluminum, to automobiles or petroleum, to motion pictures, or cigarettes, to chemicals or tin cans, there is the same sad tale of overwhelming size and entrenchment in strategic economic position. So serious is the situation that poor economics instructors are hard-put to find concrete examples of old-fashioned price competition with which to illustrate their lectures on price theory.

To be sure, we no longer have to contend with monopoly in its cruder forms. No longer is our economy infested with organizations such as the pre-1911 Standard Oil and American Tobacco companies. What we have today is not monopoly "of the sort which serves readily to illustrate the curvilinear niceties of simon-pure monopoly as adumbrated in collegiate textbooks by experts in the economic didactics of applied geometry and elementary calculus. It is a type of monopoly that is difficult to appraise, and, though more or less consistently evolved, that varies endlessly in methods of application and degrees of effectiveness. Practices under antitrust complaints may frequently, and without undue strain, be made to appear as the very essence of spirited competition." [5]

What we are confronted with today is technically referred to as oligopoly which denotes a type of market structure where a few sellers are dominant. Under this type of market organization, the entry of newcomers is effectively deterred—not so much by the threat of economic reprisals as by the size and entrenched power of existing firms. Under oligopoly, moreover, a seller no longer can afford to be independent in pursuing a given price policy. He must, of necessity, take the reaction of his rivals into account. Thus a firm knows that price cutting will inevitably cause its large competitors to follow suit with the result that the market is shared as it was before—only at a lower level of prices and profits. It is this certainty that price cuts will eventually be met, this fear of retaliation, that leads to conservative and nonaggressive price policies in our oligopolistic industries.

The result of oligopoly pricing is substantially similar to that which would obtain if but a single concern dominated a given field. Thus we get collusion—not in the common-sense meaning of the word, to be sure—but parallel action, nevertheless, as far as the effects of market behavior are concerned. As a very astute economist has observed recently: "A covenant signed with blood, an agreement signed with ink, an understanding without written words, concerted acts approved with a wink or a nod, a common course of action followed without physical communication—these may be different methods of collusion, but the differences are irrelevant if the effects are the same." [6]

FACTORS IN THE GROWTH OF MONOPOLY

How has our present industrial structure, in which oligopoly is so widespread, come about? It has come about not only because of the tremendous growth in size of business firms by means of mergers, holding companies, etc. It has come about not only because small-business men have increasingly sought protection through mass action—the Miller-Tydings Act (which, by the way, should be repealed) is a good case in point—instead of placing their faith in competition. It has also come about largely as a result of Government inaction and/or wrong action. It has come about partially because of the Government's failure adequately to enforce the antitrust laws now on the statute books,[7] as well as because the Government has muffed so many opportunities of stimulating small business and encouraging the deconcentration of big business.

Let me cite a case in point: the Government's policy in the disposition of war surplus. Under section 205 of the War Mobilization and Reconversion Act of 1944, the Attorney General was charged with the responsibility of insuring that WAA sales would be made in a manner to encourage competition and preventing further concentration of assets in the hands of giant corporations. The disposition of surplus Government plants in the steel industry at least—the case with which I am most familiar—makes a sorry record, indeed. It shows how legislative wisdom can, at times, be perverted by administrative incompetence or short-sightedness. Here is a summary of WAA sales in the steel industry together with an appraisal of their effects on competition.

At the end of the war—as of October 8, 1945—the WAA held the following steel and related facilities: (1) 29 plants, valued at more than $5,000,000 each, which were technically capable of disposal as independent operating units; (2) 20 plants, valued at more than $5,000,000 each, which were classified as "scrambled with privately owned facilities"; and (3) plants, costing less than $5,000,000 each, which were classified as partly scrambled. The lion's share of the Government's investment in steel facilities was in the first category. It amounted to $770,000,000 and represented 59 percent of the Government's total investment in this area.[8]

Of the 29 larger plants capable of independent operation, four were integrated steel plants. These plants were sold to their wartime operators, i. e. to the major steel companies. The effect of this action by the Government, regardless of any possible justification for it, was to strengthen the hand of concentration in the steel industry and to encourage perpetuation of the status quo in the industry's market structure. Especially significant is the fact that in some areas—especially the far West—the disposition of those plants allowed the major producers considerably to increase their percentage control of output in the local market. This is made clear when we consider that acquisition of the Geneva plant (which was built at a cost of $202,000,000 to the Government and which was sold to United States Steel for approximately $47,000,000) enabled United States Steel to increase its total capacity in the Pacific Coast and Mountain States from 17.3 to 39 percent, and to bring its total of steel ingot capacity in the area up to 51 percent.[9]

It will be interesting indeed to read the final report of the WAA which reveals all the dispositions made of surplus Government facilities. To the extent that the pattern in other industries resembles that followed in steel, the Government can be charged with booting one of the greatest opportunities it had in recent times of stimulating a greater degree of competition than we now have.

RECOMMENDATIONS FOR PUBLIC POLICY

Regardless of the criticism which can be leveled against our past antitrust policy, the fact remains that we are today confronted with a highly concentrated industrial structure and must, therefore, devise ways and means of dealing with it. Instead of citing the various indexes measuring the degree of concentration, I shall devote the remainder of my testimony to some general policy recommendations. These are not offered as panaceas. Nor are they to be regarded as final or conclusive. Instead they should be looked upon as a first step toward our goal which presumably is the maintenance of competition and free enterprise.

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[2] *U. S.* v. *Columbia Steel Co. et. al.*, 334 U. S. 495 (1948).

[3] Judge Learned Hand in *U. S.* v. *Aluminum Company of America*, 148 F. 2d 416 (C. C. A. 2d, 1945).

[4] See Economic Concentration and World War II, S. Doc. No. 206, 79th Cong., 2d sess., 1946; also Federal Trade Commission, The Merger Movement: A Summary Report, 1948.

[5] R. A. Brady, The Problem of Monopoly, The Annals of the American Academy of Political and Social Science, November 1947, p. 125.

[6] F. Machlup, "What's Best for the Competitive Enterprise System?" Delivered Pricing and the Future of American Business, United States Chamber of Commerce, 1948.

[7] Revealing is the fact that between 1934 and 1937 a total of 494 cases were started by the Antitrust Division, whereas between 1890 and 1933 only 391 such cases were initiated. Failure to enforce our antitrust laws adequately between 1890 and 1933 can probably be explained, in good part, by the politics behind antitrust prosecutions.

[8] See U. S. Tariff Commission, Iron and Steel, War Changes in Industry Series, Report No. 15, Washington, 1946, p. 71.

[9] See *United States* v. *Columbia Steel Co. et al.* (334 U. S. 495 (1948)).

1. Perhaps the most basic antimonopoly policy is the enactment of measures designed to maintain full employment in the economy. This policy is basic because, in a way, "the drive toward monopoly is not only the result of original sin and human selfishness, but is also a desperate and rather misguided attempt to solve (the) problem . . . deflation."[10] It is the fear of deflation, and the specter of destructive competition concomitant therewith, which is probably one of the primary motives activating producers to form monopolistic combinations and to engage in restrictive pricing practices. This fear is especially pronounced in highly concentrated industries like steel, for example, where a standardized product is manufactured by a handful of concerns under conditions of heavy overhead costs; for it is in such industries that price competition, in times of depression, stands in greatest danger of degenerating into cutthroat rivalry.

Yet, though the fear of deflation constitutes a plausible enough motive for the erection of bulwarks against the threat of cutthroat competition, this does not mean that public policy must accept monopoly or monopolistic practices as a cure for the disease. A more suitable solution to the problem which—at its roots—is one of depression lies in the Government's adoption of appropriate monetary and fiscal measures designed to stabilize the general level of demand, in order to mitigate the over-all fluctuations in business activity.

2. While the establishment of full employment might deprive producers of their main defensive argument in favor of monopolistic combinations and practices, the offensive motives of enterprisers would still remain for public policy to deal with. Though a more vigorous enforcement of our antitrust laws and the imposition of stiffer penalties would help in this regard, the basic policy of the Government must be one of coping with the fundamental problem of size—horizontal, vertical, conglomerate.

The horizontal size of firms must be reduced, if competition is to be maintained, because the existence of a few large-scale firms in an industry enforces a course of parallel action on each (since each fears retaliation by its large rivals in case of nonconformity). Hence, such phenomena as price leadership, live-and-let-live policies, nonprice competition, etc.—in short, the type of gentlemanly behavior which imposes higher and more inflexible prices on the consuming public. Vertically integrated size must, in many cases, be eliminated—if competition is to be saved—because the large integrated concern can apply the squeeze to its smaller rivals at any stage in the productive process. Conglomerate size is a problem in a competitive system, because it gives the large firm undue power as a buyer of materials, energy, transportation, credit, and labor. Such firms enjoy a special advantage in litigation, politics, public relations, and finance. The conglomerate firm, by virtue of its diversification, can discipline or destroy its more specialized competitors.[11]

How should we and how can we deal with excessive size? There is a body of economic thought which holds that little can or should be done about size; that we should not oppose size as such but content ourselves with controlling its abuses by enforcing the antitrust laws against monopolistic practices. This theory, it seems to me, misses the point at issue. It commits the same fallacy of which the majority was guilty in *U. S.* v. *U. S. Steel* (1920) and *U. S.* v. *International Harvester* (1927); namely, that mere size is no offense and unexerted power no violation of the law. It shadow boxes with manifestations of the problem and does not meet the issue head-on.

Excessive size, in the sense of market control, is the fact of life and the essence of the offense in many of our concentrated industries.[12] Restrictive practices are merely superficial symptoms of the disease. Given a market structure dominated by a few firms, it seems inevitable that prices be administered; that there be a deep-seated and characteristic fear of spoiling the market; that price competition be frowned upon as unethical chiseling and cutthroat rivalry, deserving of punishment. Given such a market structure, behavior which inhibits or regulates price competition and which gives the results of collusion and conspiracy must be expected. The only real solution for excessive size, the only punishment which fits the crime, is dissolution, divorcement, and divestiture.[13]

In connection with this policy, let me point out that there is pitifully little empirical data on the relation between size and efficiency. Nevertheless, on the basis of the information which is available, we may say that while large firms are technologically imperative in many industries they need not assume the Brobdingnagian proportions which they now have. Let me point out that, in reducing the monopolistic size of some firms, we need not return to the horse-and-buggy age. The reason for this is that the unit of technological efficiency is not the firm but the plant This means that, while the advantages of a large-scale integrated steel production unit at Gary or Pittsburgh or Birmingham are evident, there seems no technological justification for the unification of these three functionally separate plant units under the administration of one firm. In such cases, the size of present-day firms is explained by considerations of market strategy rather than by the economic dictates of the production process.[14] Furthermore, to the extent that profit figures are valid as measures of efficiency, it seems significant that several studies have shown the advantage to lie with medium-sized rather than with large firms—in spite of the semimonopolistic position which the latter often enjoy.[15] I would say that, on the basis of present information, public policy might strive to reduce the size of many of our giant firms without impairing technological efficiency. Thus the dissolution, divorcement, divestiture remedy seems safe on technological grounds.[16]

How, then, is a dissolution policy to be implemented? I do not believe that we should impose outright prohibitions on size. I think a case-by-case approach, on an experimental basis, is probably more advisable. Furthermore, since our dissolution policy is likely to cause tremendous conflicts with vested interests, we might enforce it more vigorously in new industries where the problem of concentration is not yet so pronounced. As a preventive measure it would fulfill a most useful function since ours is a dynamic economy in which new industries—if they remain competitive—can substantially curb the power of presently entrenched interests.

Some progress along the lines of dissolution, divorcement, and divestiture can be made under existing laws, especially if we invoke the long dormant section 2 of the Sherman Act. Preferably though, the latter might be amended by a law in which undue concentration of control over business activity would be declared contrary to the public interest and under which, above permissible limits set forth in the statute or to be declared by a suitable administrative authority, acquisitions of control would require explicit sanction on grounds of public advantage, and control already established would be subject to dissolution unless its necessity were proved.[17]

Similarly, we might amend section 7 of the Clayton Act—in accordance with an FTC proposal of long standing—so that not only the acquisition of stock but also the acquisition of a rival's assets be illegal where the effect thereof may be to lessen competition. Here, too, the burden of proof in consolidations and mergers should be thrown on the companies involved, causing them to show—say to the satisfaction of the FTC and subject to judicial review—that a given merger is in the public interest. This would be a long step in the direction of curbing the same concentration from taking place in the future which occurred in the past. With the exercise of proper care in the enforcement of this policy, we can approach the shore dimly seen—the goal of maintaining competition.

3. One way of dealing with size is by attacking it directly as outlined above. Another way, supplementary to the first and enjoying the advantage of greater pragmatic feasibility, is by protecting those who are engaged in an unequal struggle with it. Here the Government can take various positive measures to favor the small-business man, assuring him—as far as possible—of relatively free entry into markets and free access to raw materials.

(a) The Government might create special, self-liquidating credit institutions for the express purpose of correcting the inequalities which at present characterize the capital market. Given the same ability as big business to acquire needed funds, and at comparable cost, the small-business man might be encouraged to enter on many new ventures in competition with large-scale concerns.

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[10] K. E. Boulding, In Defense of Monopoly, Quarterly Journal of Economics, August 1945, p. 524.

[11] See C. D. Edwards, Maintaining Competition, New York: McGraw-Hill, 1949.

[12] Judge Learned Hand in *United States* v. *Aluminum Co. of America* (1945).

[13] See Rostow, op. cit., p. 589.

[14] It seems significant that many of the large-scale firms which are with us today were not formed to gain the technical advantages of scale, but were organized rather to achieve monopolistic control over the market and to read profits from the sale of inflated securities. As the Justice Department has pointed out: "practically every important industry shows the effect of the investment banker's inclination to merge and combine competing companies." (Staff report to the Monopoly Subcommittee of the Committee on Small Business, 1946, p. 239.) Here United States Steel is the outstanding historical example.

[15] See TNEC Monograph No. 13, Relative Efficiency of Large, Medium-Sized, and Small Business, Washington, 1941; L. Crum, Corporate Size and Earning Power, New York: The Twentieth Century Fund, 1939; R. C. Epstein, Industrial Profits in the United States, New York: National Bureau for Economic Research, 1937.

[16] Here we may note that the same arguments currently offered to justify monopolistic size of firms can be used in defense of socialized industry. After all, if size is synonymous with efficiency might not the centralization of managerial control over an entire industry, or even the whole economy, yield the most encouraging results? Conversely, if size in Government leads to bureaucracy, inflexibility, red tape, and internal conflict, why should it not produce equivalent results in large corporations?

[17] Edwards, op cit., p. 132.

(b) The Government might weight the tax structure in favor of the small-business man.

(c) The Government might subsidize research in certain selected fields and encourage the development of specialized engineering and consulting firms. These could be of inestimable service to small-business enterprises and thus deprive mammoth concerns of their present advantage in the field of research.

(d) The Government might prevent the future pre-emption of certain strategic materials. Where private ownership of basic materials reserves has already been achieved, techniques should be devised of assuring equal access thereto by potential competitors.

(e) The Government might overhaul its system of bidding on Government contracts with a view of assuring small-business men (without powerful lobbies or other connections in Washington) equal opportunities with the big boys.

Even if action is taken on all these proposals, there will still remain some substantial obstacles in the way of newcomers. Little can be done, for example, to counteract the advantage which an established large firm enjoys due to experience, trade connections, elite of personnel, and so forth. Especially vexing is the problem in such industries as breakfast foods, cigarettes, drugs, toilet articles, and so forth, where the dominant firms devote large advertising expenditures to their sales effort. Perhaps improved informational services, consumer education, stricter surveillance of advertising claims and similar measures can correct this handicap in time. A definite limitation on a firm's advertising budget could probably create greater competition in many industries overnight. Such a policy, however, is subject to so many pitfalls and dangers, that its implementation seems inadvisable.

4. Our patent laws, which are another important restriction on entry into some industries, deserve to be singled out for special attention. To the extent that they can be abused and turned into a device for exercising or attaining monopolistic control, they are an important element in any plan to strengthen the antitrust laws. The following revisions are suggested: Patents which are not worked should either be revoked or, better yet, be subjected to compulsory licensing, thus making them available to those who will use them. In cases where a patent is abused, i. e., where excessive prices or unduly limited supplies are the product of patented technology, the Government should have the right to revoke the patent or invoke compulsory licensing. Furthermore, where a competitor or potential competitor can show that his patent can only be improved by using a rival's patent, he should, upon proper presentation of proof, be permitted to get a license in return for payment of a reasonable fee and promise of a reciprocal license. Where patents are used as a device for perpetuating monopolistic control over an industry, such power should be reduced by the requirement of compulsory licensing on a reasonable fee basis. These measures would simultaneously preserve the incentive which the award of patents hold out to would-be inventors while also depriving the letter patent of its monopolistic features.[18]

5. Finally, I would suggest that the Government subsidize economic research in our universities—as it is now subsidizing agricultural research—so that scholars with an independent bent of mind can investigate the nature of the monopoly problem, its causes, effects, and possible solutions. Fundamental questions such as the relation between size and efficiency, the empirical measurement of demand elasticity for various products, the quantitative effects of advertising, the effect of oligopoly on the allocation of resources and the location of plants, etc., might be posed for study in relation to specific industries. Care must be exercised, however, that the initiation of these research projects not be used as a smoke screen for inaction. If public policy refrains from curbing the concentration of power in a positive manner at this time; if we wait for the results of further research to become available before action is taken, we shall in fact be encouraging, not the status quo in industry, but a further concentration of economic power. We shall, in fact, be acting on the assumption—also based on the inadequate data now available—that the existing structure of industry is desirable and that the direction in which it is developing does not merit interference. We must realize that curbing the concentration of power at this time does not preclude the possibility or desirability of amending or reversing our competitive policy if later information should warrant doing so.

[18] Cp. Edwards, op cit., pp. 216–248.

CONCLUSION

In conclusion, may I point out that this Congress has the rare opportunity of contributing to the workability of our economic system, thus protecting it against the foreign ideologies which are now challenging its existence. In this connection, we might recall the Marxian philosophy of history which predicted that capitalism was doomed partly because it would result in an ever greater concentration of power which would eventually push the vast majority of our people into the proletariat; and partly because the periodic recurrence of depressions would ultimately lead to the complete break-down of our system.

What Marx—an essentially erudite, though misguided, man—failed to anticipate was: (1) The development of active measures to cope with concentrated economic power, measures which were singularly unique in America where the antitrust idea found widespread acceptance; and (2) the possibility of adopting over-all monetary and fiscal measures to stave off, or at least mitigate, depressions. It would seem, therefore, that by pursuing a positive antimonopoly and antidepression policy—i. e. by doing exactly what the opposition least expects us to do—we can go a long way toward preserving our competitive economic system and the social and political values concomitant therewith.

Imports of Foreign Oil

EXTENSION OF REMARKS
OF
HON. OMAR BURLESON
OF TEXAS
IN THE HOUSE OF REPRESENTATIVES
Friday, August 19, 1949

Mr. BURLESON. Mr. Speaker, the huge imports of foreign oil into this country should be of deepest concern to every Member of the House. The major oil companies, under earlier Government policy, are squeezing the lifeblood from the independent oil producers in this country by reason of their monopolistic practices.

Unless a remedy is found to curb the present imports, the result will be that only six or seven major companies will exist in the United States.

An example of what is happening is the case of the closing of the Panhandle Producing & Refining Co. at Lueders, Tex., in my congressional district, and I insert a news article in the RECORD from the Stamford Leader which shows that the business of this small independent plant will be taken over by the Humble Oil Co. As you know, the Humble Oil & Refining Co. is a subsidiary of the Standard Co., one of the great importers of foreign oil. This tells a story that may be repeated many times unless we can obtain a remedy to give protection to our independent oil operators.

The article follows:

PANHANDLE TO CLOSE LUEDERS REFINERY ABOUT AUGUST 15

The Panhandle Producing & Refining Co. will close its Leuders plant within a short time. It will cease to purchase crude oil on August 1 and will continue to run until the crude oil on hand is used up, which will be about August 15, R. C. Stanford, of Wichita Falls, vice president, said Thursday. The plant has a capacity of about 1,200 barrels per day.

The move, greatly regretted by the company, is necessary due to general conditions in the oil situation at this time, Stanford said. The decline in fuel oil price without a corresponding increase in gasoline prices and freight differential enter into the picture. Some two-thirds of the heavy fuels from the Lueders plan go to the northern markets.

Importing of foreign oil, which has depressed the entire oil industry in the United States, is deeply affecting Texas where the pro rata is now only producing days of crude per month, Stanford explained. At present 600,000 barrels of oil and products per day is being imported from Venezuela and the Near East and other oil-bearing areas.

The industry in Texas is appealing to its Congressmen to amend the Reciprocal Trade Act to limit the importing to 5 percent of the American requirement. At this time requirement is in excess of 5,000,000 barrels per day.

The Lueders plan has continued to operate "in the red" for 6 months to try to keep the plant open, Stanford said. Crude oil connections will be taken over by the Humble Oil & Refining Co., Stanford said.

The refinery at Lueders was established in 1933 by J. C. Hinds and J. W. Hampton, of Wichita Falls, and J. C. Hester, who moved to Lueders from Iowa Park to take over the active management. It was purchased by Panhandle in 1935 and improved and enlarged. Hester has remained as superintendent throughout the years.

The plant employs an average of 25 to 30 men with a monthly pay roll of $5,000 to $6,000. Most of the employees own their own homes in Lueders.

Negro Vets Pledge Support

EXTENSION OF REMARKS
OF
HON. J. PERCY PRIEST
OF TENNESSEE
IN THE HOUSE OF REPRESENTATIVES
Friday, August 19, 1949

Mr. PRIEST. Mr. Speaker, I have just received a very forthright and fine letter from M. R. Buchanan, who is chairman of the committee on un-American activities of Henry A. Cameron Post, No. 6, of the American Legion, in Nashville, Tenn. The membership of this post, which always has been in the forefront of civic programs in Nashville, is made up exclusively of Negroes.

The letter, which I include here under permission to extend my remarks, is a very patriotic answer to any charge made by irresponsible and uninformed persons, as to the position of these veterans and of the millions of loyal and patriotic American Negroes.

The letter follows:

AMERICAN LEGION,
HENRY A. CAMERON POST, NO. 6,
Nashville, Tenn., July 20, 1949.

Hon. J. PERCY PRIEST,
House Office Building,
Washington, D. C.

DEAR CONGRESSMAN PRIEST: Members of the H. A. Cameron Post, No. 6, American Legion, Department of Tennessee, heartily disapprove of organizations which participate in un-American activities, and of individuals who endorse such organizations and advocate such activities.

Inasmuch as Post 6 is an organization with a membership exclusively of Negro veterans of both World War I and World War II, it behooves us to make it clear as to where we stand on such an issue. We would like to have it understood that we oppose and condemn such organizations or persons who participate in or endorse the same.

The membership of Post 6 is aware of the fact that such organizations have been very active in certain sections of these great United States of America, and it is our desire that such organizations be requested, or forced, to disband. It has been said and published by an internationally famous member of our race that we would not commit ourselves or take up arms against an aggressor nation should our great country be attacked. American Legion, Post 6, heartily disapproves the attitude of such statements made by such so-called Americans.

We pledge our support to the United States, and we want you to know that we vigorously oppose such unpatriotic and un-American demonstrations as recently have come to the attention of the public.

We would appreciate it if you would have this statement included in the CONGRESSIONAL RECORD in order that Members of Congress and world leaders may know just where loyal American Negroes stand.

Respectfully yours,
COMMITTEE ON UN-AMERICAN ACTIVITIES,
M. R. BUCHANAN, *Chairman.*
THOMAS BALLENTINE.
J. P. CULP.

Military Aid Versus Unemployment

EXTENSION OF REMARKS
OF
HON. THOMAS J. LANE
OF MASSACHUSETTS
IN THE HOUSE OF REPRESENTATIVES

Friday, August 19, 1949

Mr. LANE. Mr. Speaker, under leave to extend my remarks, I wish to include the following statement to the combined Senate committees on the military aid bill by Rev. Amos C. Barstow Murphy, on August 19, 1949:

Mr. Chairman, members of the Senate Foreign Relations Committee and the Armed Services Committee, I am Rev. Amos C. Barstow Murphy, member of the School Committee of Lawrence, Mass., candidate for the office of mayor in Lawrence, and chairman of the Lawrence Progressive Party.

I come here to testify against the military aid bill from the most distressed depression area in the country. Better than one out of every three workers in Greater Lawrence has no job.

I am here, gentlemen, to make you understand what is going on in Lawrence, Mass., not just in terms of dry statistics, but in terms of human lives and human thinking. I have been in the homes of Lawrence workers. I have seen the butter and the meat disappearing from their tables, the children being fed canned milk for lack of cash to buy fresh milk. I have listened to unemployed workers in Lawrence register disgust at enormous arms appropriations, while nothing is being done for their increasingly desperate needs.

The workers' growing desperation is forcing them to understand more and more clearly that you cannot have guns and even oleomargarine at the same time. I can assure you, gentlemen, that they will not tolerate much longer the war-directed policy of the bipartisan Democratic and Republican bloc.

In Lawrence almost 6,000 unemployed workers have already exhausted their unemployment checks. Even the conservative Lawrence Tribune reports that 10,000 will have used up their benefits by September. Allowing only one dependent per worker, this means that by September there will be 20,000 people in Lawrence with starvation city relief as their only means of survival. Our city council has just had to borrow $160,000, having exhausted its original relief allotment. In the face of the growing need of the people, this is peanuts.

The workers' economic plight—their worry about food for their kids, about where to get the cash to pay the rent and the doctor's bills—is uniting them in protest against further munitions spending for questionable B–36's. They are against this bill because they look to their Government to provide jobs to keep them from starving, not guns and tanks for a war which they neither desire nor think necessary.

Mr. Edwin G. Nourse, economic adviser to President Truman, admitted last April that to provide even $15,000,000,000 for military spending the President's budget had to cut down "the scale of social services for education, health, and social security." But unemployed workers of Lawrence do not need Mr. Nourse to teach them facts about the budget. They are learning from the stark necessity which faces them that we cannot have a peaceful program for their needs when we are spending $15,000,000,000 a year in an insane and unnecessary preparation for mass destruction.

"Sure," unemployed workers have said to me, "they have billions for guns and not a red cent for us."

They know that this military-aid bill of $1,160,000,000 is only a beginning. The reactionary governments we are supporting will clamor for more and more appropriations for arms, even as did Chiang Kai-shek. Where is it going to stop?

The workers are beginning to get a glimmer of the widespread war profiteering from the growing murmurs, such as those around Consolidated Vultee. They are asking cynical questions about the ripe war profits to be made out of these huge expenditures.

The textile bosses back home are also planning to get into this Military Aid Act. They rub their hands in anticipation of war orders. The American Wool and Cotton Reporter of June 10, 1948, gloated: "Millions of our fellow citizens in civilian work wear the regular work clothes, the denims, dungarees, and drills. When they get into the Army they ought to use all the denims, dungarees, and drills possible; for more rugged weather conditions the services ought to be clothed in sturdy carded woolens and if we are to have any of those expensive, fancy luxurious worsted cloth uniforms they ought to be only for officers."

Gentlemen, this week I traveled around Lawrence talking to workers, small-business men, unemployed workers, housewives, and mothers. I asked each of them, "What shall I tell the joint Senate committee about the proposed billion and one-half dollars for arms?" With but one exception the reply was unanimous: "Tell 'em to use that money for jobs for the unemployed." And when then I asked for financial help to bring this message to you, they dug for it. Those dollars and half dollars from the unemployed are testimony to the urgent need, and to the mounting righteous anger, of the people of Lawrence.

When unemployed workers demand works projects, they are told, "We must cut Government spending." But when the munitions makers and militarists demand guns and more guns, the people's representatives squabble over a few million dollars in an agreed-upon program of billions.

To the workers the North Atlantic Pact and its implementation, the military-aid program, means suffering and war. Unemployed workers are aware that the unemployment crisis of the 1930's was solved only by the commencement of World War II. They are becoming cynical. They ask "Is the only solution to this downward spiral another war?"

Back home our whole foreign policy is in sharper focus. Why should $5,000,000,000 be handed to a crook in China and not one cent be used to help the plight of the people? The workers are asking this.

The best that New England has received from the administration is a visit from Secretary of Commerce Sawyer, who met with the industrialists and the bigwigs, whitewashed the people's increasing problems, and promised to survey the situation further.

Gentlemen, the 22,000 unemployed workers in Lawrence and their families do not plan to starve. They demand works projects. They cannot nourish their children on jet planes and atom bombs.

They want peaceful projects such as the Merrimack Valley Authority, proposed about 5 years ago by Congressman THOMAS J. LANE. This hydroelectric project would provide both jobs and cheap power. It would bring diversified industries to our textile city. It would break the grip of the textile-mill owners, which is facing the workers with starvation and is strangling the small-business man.

As stopgap measures, the workers want Federal aid for increased unemployment compensation. They want the extension of 52–20 for unemployed veterans.

They want an adequate housing program. Evictions are mounting in Lawrence.

And more and more, they are asking about trade with the East. If it's good for England, why not for us?

Gentlemen, hungry workers cannot eat guns. They cannot eat phony war scares. They cannot eat promises.

In our land of plenty, they do not plan to starve.

They demand that you kill this costly bill for destruction and get on to your job of helping the people in their need.

Thank you.

Mutual Defense and Assistance Act

EXTENSION OF REMARKS
OF
HON. HARRY R. SHEPPARD
OF CALIFORNIA
IN THE HOUSE OF REPRESENTATIVES

Friday, August 19, 1949

Mr. SHEPPARD. Mr. Speaker, last evening when the roll call votes were

taken pertaining to H. R. 5895, known as the Mutual Defense and Assistance Act of 1949, I was unavoidably absent. Had I been present when the vote was taken on the Richards amendment, indicated by roll call 188, I would have voted "No."

Further, Mr. Speaker, when the roll call vote was taken on the final passage, as indicated by roll call 189, had I been present, I would have voted "Yea."

Aims and Arms

EXTENSION OF REMARKS
OF
HON. KENNETH B. KEATING
OF NEW YORK
IN THE HOUSE OF REPRESENTATIVES
Friday, August 19, 1949

Mr. KEATING. Mr. Speaker, under leave to extend my remarks, I include an editorial from today's Washington Post, which pays a deserved tribute to the minority members of the House Committee on Foreign Affairs of both political parties for their penetrating and thoughtful analysis of the details of the military aid program which led to the common sense solution arrived at yesterday.

The editorial follows:

AIMS AND ARMS

The 50-percent cut in the MAP voted by the House last night is a tribute to the statesmanship of the House of Representatives. The dissenters in the House Foreign Affairs Committee who proposed this cut were on a wiser track than the majority who reported the bill to the legislature. None of the dissenters quarrels with prompt interim military aid to our North Atlantic Treaty partners. They accept, that is to say, the logic of the pact. But they wanted both to reduce the amount and to insure a fresh look when the Atlantic Allies have agreed upon unified planning and direction of Atlantic defense.

Administration spokesmen have been one fat boy after the other in making the committee's flesh creep about an emergency in Europe. The idea has been left in the legislative mind that the Russians are contemplating armed attack on Europe. With all due respect to our strategists, this is not the kind of emergency that this newspaper envisages. It is urgent to give interim aid to Europe as an earnest of a real program, not because the Russians are about to attack but because the defenders of Europe are losing both expertness and confidence for want of modern weapons. And it is no less urgent to defer large-scale arming till a plan providing for the integration of Atlantic defense has been worked out. The real emergency in Europe, in other words, is not lack of arms, but lack of unity. Let us push and prod to get this ahead of a sizable appropriation, rather than after, as in the case of the Marshall plan. As the Richards-Vorys-Judd-Burleson minority group says:

"By implementing half of the proposed plan at this time, we are showing our good faith, our willingness to go forward. By reserving action on the other half, we will in effect give notice to all of the governments concerned, including our own, to come up soon with an agreed over-all plan. We believe that this approach, providing an inducement to greater cooperation, will contribute to the ultimate success of the program, which is not attainable without such unity."

The Joint Chiefs come back from Europe with a good report about organizational progress in Europe. But the report was too glowing. To be sure, the Europeans have gone a long way in developing a defense organization. They have an agreed operational plan of what each government will do if one country is attacked. Joint training has started, something like standardization—that all-important requirement—is beginning. However, authority over defense policy and budgets, over armed forces, over armaments production—this authority is still national. And the whole direction and planning still remains to be dovetailed into the larger alliance with North America. Coordination—that poultice word which has come to be used nowadays to delude the people that unity exists where there is disunity—is simply not good enough in the present situation of the world.

It is a tragic fact that American arms are strewn all over the world doing some good but a lot of mischief. This is due to the fact that they were not tied to a world policy based upon a set of recognizable principles, as, for instance, anticolonialism. It is often said that political integration is impossible in Europe without prior security. Now the United States has embarked with a unanimity rare in its annals upon the task of doing all in its power to afford that security. It has said to Europe: The United States has declared officially you are part of our defense area, and the logic of that recognition is that your defense is our defense. But something else is necessary from Europe to create a sense of security. In a word: unity of command. None knows better than we do that this is difficult, but the Western World is now faced with a problem which admits of no other solution. There is no security; only an invitation to attack where the invitation doesn't exist at present, in providing arms to separate national establishments of which the Russians, with their massive armament and single organization, are contemptuous. "It is necessary," as the Richards-Vorys-Judd-Burleson minority says, "to go halfway now, in order to overcome their (the Europeans') concern, but it is also necessary for these countries to meet us halfway, to overcome our concern that they will not get together."

Federal Bureau of Investigation

EXTENSION OF REMARKS
OF
HON. GEORGE H. WILSON
OF OKLAHOMA
IN THE HOUSE OF REPRESENTATIVES
Thursday, August 18, 1949

Mr. WILSON of Oklahoma. Mr. Speaker, as a citizen, a lawyer, a Member of Congress, and a former member of the Federal Bureau of Investigation, I have been profoundly interested in the recent publicity given the FBI during the course of judicial hearings. Sensational publicity composed during the furore of a trial, and public statements made by individuals in the haste and heat of controversy touched off by such a trial, are all too often based on unsubstantiated reports and unfounded opinion. Sensational copy is one objective, while objectivity of viewpoint and fairness to our law-enforcement officials and trial participants is another. From experience I know that our law-enforcement officers must retain and use every lead and clue available to them and that secrecy of that information is most vital to the success of their efforts.

Communistic forces seeking to divide and conquer would like more than anything else to shake the confidence of the American public in the FBI. For Director Hoover to have publicly answered statements made during the course of recent judicial proceedings might have endangered the fair conduct of the trial and might have required the disclosure of further confidential information which might have been of value to seditious forces. To my mind Director Hoover has shown marvelous restraint and judicious silence during the course of this controversy and thereafter.

The security of our Nation depends on our unity. Our unity depends on public confidence in the integrity and ability of our law-enforcement officials. On such public confidence depends the ability of our law-enforcement officials to gather necessary information. I ask my colleagues in Congress and the public as well to inquire of the source of reports besmearing the efforts of our law-enforcement officers. I ask that you determine whether such statements or reports are based on unfounded rumors. If such reports are allegedly based on fact, I ask that you determine whether the informant is in a position to know the facts and all of them and whether or not the informant has a record of veracity to assure the accuracy of his reporting.

In the August issue of the Law Enforcement Bulletin appears a signed editorial of J. Edgar Hoover, Director of the Federal Bureau of Investigation. Portions of this editorial addressed to all law-enforcement officials have been quoted recently in a newspaper column here in Washington. Because the words of admonition and counsel contained in that editorial are worthy of repetition, I quote them in full:

UNITED STATES DEPARTMENT
OF JUSTICE,
FEDERAL BUREAU OF INVESTIGATION,
Washington, D. C., August 1, 1949.

To All Law Enforcement Officials:

Public servants must expect public criticism. Law enforcement, which brings Government close to the average citizen, is, as a consequence, more often subject to criticism than other public agencies. Such criticism, if it is based on fact, is usually constructive and should be welcome.

On the other hand, public criticism of a law-enforcement agency, when such criticism is not based on fact—whether made through ignorance, misinformation, or deliberate maliciousness—is inexcusable. In any case, the damage is definite and irreparable.

Law enforcement in a democracy is a two-way street. An efficient agency has the confidence of the public. Only an agency which has the confidence of the public can be efficient. Unless an agency retains the support of the public, it cannot get necessary information, reports of violations, evidence, and testimony so essential in the administration of justice. Those who attempt to shatter that confidence inevitably are attacking the administration of justice—the prime function of Government. Politics, selfishness, ignorance, and misinformation are not legitimate excuses for wanton disregard of the truth.

It is, therefore, in the public interest, whenever possible, to brand the person who makes unjustified and untrue criticism public, as the falsifier that he is.

Oftentimes law-enforcement agencies are placed in positions where, for the time being, they cannot defend themselves. When their record is clean, however, there is not too much cause for concern. Time conspires to reveal the truth, and the motives of those who in the final analysis actually are aligning themselves with the criminal forces, eventually will be disclosed.

Very truly yours,

JOHN EDGAR HOOVER, *Director*.

Why Democracy Works

EXTENSION OF REMARKS

OF

HON. J. PERCY PRIEST

OF TENNESSEE

IN THE HOUSE OF REPRESENTATIVES

Friday, August 19, 1949

Mr. PRIEST. Mr. Speaker, an essay written by Miss Juanita Sprott, a student in East Nashville High School, Nashville, Tenn., has been awarded first place in an international contest sponsored by Civitan International.

This is the second time within a few years that a winner of the Civitan Club contest in Nashville has gone on to win international honors.

This essay, Mr. Speaker, is entitled "Why American Democracy Works," and under leave granted to extend my remarks, I desire to include the text of the essay. It follows:

WHY AMERICAN DEMOCRACY WORKS

American democracy is not just government by the people. It is something deeper which dwells in the hearts of 145,000,000 individuals. Democracy is the right to think, to love, to believe, to hope, to achieve, and to share.

Three months ago I came from the land which used to be Czechoslovakia, to see this democracy at work. I hope to carry its principles home to a war-weary people. As early as the eighteenth century, democracies were established in Europe, but they failed.

Why does democracy work in America but not in other lands? It is because of an absence of class distinction in America. In Europe, belief is placed in dignity of wealth, rank, talent, and education; here it is placed in the dignity of the individual. America gives every man an opportunity; achievement depends upon abilities and ambition.

Compared with Europe, America is gigantic in size. Here are skyscrapers, rolling acres of unused land, wide-open spaces, great virgin forests, and ample room for everyone; there, people are crowded together in tiny huts, and every inch of soil must be cultivated in order to attain the barest existence.

I come from a land that has been plowed with tanks and field artillery and saturated with the blood of human hearts; a land where children cringe at the sound of airplanes and men dare not say what they think. In America I have found peace and prosperity.

You have received me as a friend. Friendliness, sympathy, and brotherhood: that is what makes American democracy work. In Europe we have an idea that America is a pushbutton nation. Your necessities are our wildest dreams of luxury: simple things, such as books, pencils, bathtubs, hairpins, laundries, telephones, and flower seed. Europeans are learning that, although America has many pushbuttons, behind them is a warm, kindhearted, peaceful, sincere, and generous people.

Europe has her past, America her future. Europe has become cynical in her old age. She is weary with centuries of struggle, devastation, and war; therefore, she cannot understand a nation that brings aid and expects nothing in return. America, like a child, is full of optimism, trust, faith in her abilities, and hope for the future.

I shall soon leave this land that I have grown to love. Perhaps I shall never again see those things which constitute her rich historical past: the Statue of Liberty, the Minuteman, the dignified beauty of Abraham Lincoln's Memorial, the ruins of the Alamo, Old Glory waving above the domed Capitol, the cherished copy of the Declaration of Independence. Perhaps I shall never again hear the loud swelling current of your national anthem, but I shall never forget.

Most vivid in my memory will be, not your symbols of liberty and democracy, but rather you, the people—your children, unmindful of the blessings of free education, playing on their way to school; farmers cultivating their fields as they see fit; smoke rising from factories that manufacture numerous luxuries; people gaily rushing onward to destinations of their own choice; and a land that provides its people with the unnecessary little things that make life more pleasant.

I will remember election day, when some were disappointed, other exhilarated. Deeper in my memory will be the fact that the next day opposing parties and candidates worked together in genuine friendship to do the will of the people. Americans believe in fair play; they will never be rent asunder by partisanship.

America is a land where Christianity is possible, where the Golden Rule is practical. Americans have plenty and give freely, sincerely, and self-sacrificially, with no desire for compensation. They give with one thought in mind: "Inasmuch as you have done it unto the least of these, you have done it unto Me."

The world is looking to you, America, for help in securing lasting peace. Do not rest upon the democracy built by your powerful ancestry. You stand upon an unshaken foundation of belief in God, freedom, courage, and enterprise. Do not fail to build your house worthy of its foundation. Each day add to it stones of devotion, patriotism, and brotherhood. Cement them with liberty, alertness, prayer, and the litle things in life. Instill into your youth the principles of a living democracy.

The love of democracy is latent in the hearts of the people the world over. Great men died that you might be free. Will you not live to share with all men your blessed gift of freedom?

Onward, America. Do not stop until you have given the world a lasting peace, based upon a universal democracy.

I have copied no part of this essay. It is entirely my own.

Slovakia Stands Firm in Faith

EXTENSION OF REMARKS

OF

HON. B. W. (PAT) KEARNEY

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Friday, August 19, 1949

Mr. KEARNEY. Mr. Speaker, under leave to extend my remarks in the RECORD, I wish to include the following article entitled "Slovakia Stands Firm in Faith" which appeared in the Evangelist, Albany, N. Y., on August 5, 1949:

SLOVAKIA STANDS FIRM IN FAITH

VIENNA.—The recent acts of open resistance to the persecution of the church in Slovakia have aroused more attention throughout the world than the Prague regime may have expected. This is presumably the reason why the Communist spokesmen have found no more to say on the subject. This does not mean, however, that the eastern region of the Czechoslovak Republic has settled down and accepted the regime imposed by the Communist rulers; on the contrary, far from being pacified, in the Communist meaning of the term, Slovakia continues to give the Prague Red bosses more headaches than they are willing to admit.

Between 1938 and the last months of World War II Slovakia had fared better, with the possible exception of Denmark, than any other country under the German heel. Owing partly to her geographical position and partly to the high moral authority of that excellent priest, Msgr. Josef Tiso, whom an overwhelming majority had elected president of the new state, Slovakia enjoyed then—and for the first time since 1918—full religious and cultural freedom and practically complete autonomy in all matters not directly affecting the German war effort.

Slovakia's trials began with the liberation. When, late in 1944, President Benes, fresh from his briefing in Moscow, entered Slovakia in the wake of the Red armies, one of his first acts was an order setting up a secret police on the pattern of the NKVD. The part of the restored Czechoslovak Republic where this dread organization was first put to work was Slovakia.

More than 80 percent of the 3,000,000 inhabitants of Slovakia are Catholics. Their religious zeal and loyalty to the church have always been exemplary. This explains why those who strove to force Czechoslovakia under the yoke of a godless tyranny turned their hatred from the outset particularly against the hapless Slovaks. In their designs they were assisted, it is useful to remember, by a number of misguided non-Communists, Liberals, Socialists, and others, whose anticlericalism had been the main motive for their turning fellow travelers.

Already in 1945, between April and June, when the regime established by Mr. Benes was ostensibly still democratic, about 20,000 members of the Slovak Catholic intelligentsia, not only popular leaders but also many young people of both sexes, had been put into concentration camps where two-thirds of them died. Of the remaining third only a few, so far, have been released, broken in body and mind. At the same time, two Catholic bishops and more than 170 priests were sent to prison.

But that was only the beginning of the Communist war on Catholic Slovakia. According to a statement made in 1947 by the then Slovak Secretary of the Interior, over 130,000 Slovaks had been jailed in the first 2 years after the liberation for "subversive activities or other political crimes"—in other words, for having remained faithful to their religion. It is not known how many more have since suffered a similar fate, but the number of Slovak Catholics imprisoned during the first year of the "People's Democracy," established in February 1948, is believed to have exceeded 100,000. Some have put the figure as high as 150,000.

Thus it would seem hardly doubtful that well over 10 percent of the Catholic population of Slovakia have been sent to prison during the last 4 years; and prison, under a Communist regime, means almost invariably inhuman treatment, if not methodical torture, and in many cases deportation to the U. S. S. R. No class, profession, age group, or sex is safe from the most cruel persecution; whether priest or nun, student or peasant,

intellectual or industrial worker, schoolchild or housewife—every Slovak who rates the divine law and the peace of his conscience higher than the commands of his atheist rulers must be ready to meet sufferings such as to make more often than not death seem a welcome relief.

Despite all that, the Communists have made little headway toward their ultimate goal. No doubt they will loot what is left of church property and close down the remaining convents and monasteries. They may continue to send nuns to the torture chambers of the secret police and to brand Catholic students, as has actually happened in Topolcsany and Bratislava, by burning the sign of the cross into the palms of their hands. They may dispatch further trainloads of prisoners toward an unknown destination in the east—but they will not succeed in tearing away Catholic Slovakia from her faith.

Socialism in Britain on the Rocks—Everybody on the Same Level

EXTENSION OF REMARKS
OF
HON. LAWRENCE H. SMITH
OF WISCONSIN
IN THE HOUSE OF REPRESENTATIVES
Friday, August 19, 1949

Mr. SMITH of Wisconsin. Mr. Speaker, I am including as part of my remarks another article by E. T. Leech, who is in England making a first-hand report on socialism under the Labor Party. Members should find this article very interesting:

EGALITARIAN POLICY LEVELS OFF SOCIETY—EVERYBODY'S FLAT

LONDON, August 18.—Socialists, like Communists, have a jargon all their own. Their speeches and writing are sprinkled with such words as integration, coordination, balanced and stabilized—all of which refer to various types of economic planning.

They dug up a rare and obsolete word, "egality," to cover a different type of planning. It means "equality" and the "egalitarian policy" of Britain's Socialist government seeks to equalize income so that everybody will be on approximately the same financial level. It is aimed at the old British classes.

Taxation in England is used not only to raise revenue for her enormous social-service and security systems, and to pay the losses of her state industries, but also to level off her society. It aims at a narrow gap of income, so that nobody will be real poor or very well to do. And there will be no rich.

Francis Williams, former Labor Party editor and for 2 years public relations adviser to Prime Minister Clement Attlee, outlines these aims in his excellent book, Socialist Britain. They seek a minimum income of $1,000 to $1,200 a year, with a maximum of about $10,000 to $12,000—which is to include all income, both salaries and from investments.

The Socialists have done well at cutting down the upper incomes, through heavy personal and business taxes, inheritance taxation, and a levy on capital.

They still have a long way to go on raising the lower incomes.

TWENTY-ONE MILLION TAXPAYERS

There are plenty of signs that this is caused at least parity by what economists call the law of diminishing returns. The rewards of management and investment have been so sharply cut by taxation that it isn't worth while to try to expand or develop business. Even the higher-paid skilled workers resist overtime work, because it throws them into higher tax brackets which cut their overtime pay below straight-time scales.

Thus far the "egalitarian policy" has been more successful in pulling everybody down to what Sir Stafford Cripps calls "austerity," that is, slim living—than in raising them to a common level of comfort.

The latest report on British income taxes, just issued, is for the year ended March 31, 1948. It showed 21,000,000 taxpayers—of whom only 70 had as much as $24,000 a year (or $460 a week) after taxes. The average taxpayer—17,210,000 of them—had from $12 to $40 a week after taxes.

More than 8,740,000 got to keep from $1,000 to $2,000 a year; 8,470,000 could keep $600 to $1,000 a year, and 2,030,000 had incomes after taxes of only $480 to $600 a year. Those figures are far below American standards.

These people, incidentally, had to pay in addition weekly taxes for social insurance and some of them paid local taxation. And of many of the things they would like to buy they would have to pay the world's heaviest sales taxes. In many cases these purchase taxes, plus scarcities, keep them from buying at all. But nearly everybody seems to manage to pay the most profitable sales tax of all—the one which forces a price of 70 cents for 20 British cigarettes. Even some social security payments have to be included as a part of taxable income.

GOVERNMENT SPENDS WAGES

In return, the English get a good many food articles (in small quantities) at prices well below those in America. This is done through subsidies costing the state more than $2,000,000,000 yearly.

The British also get medical care and a wide variety of social security benefits which are termed "free." They are actually paid for by taxation which now takes 40 percent of the entire national income.

What happens to the individual is that the Government spends a large part of his wages on what it thinks is best for him—and which the politicians refer to as "benefits" and "free" and lets him spend the balance.

BIGGEST PROBLEM

The one biggest problem in almost every British household, as shown in every poll and labor dispute is that of trying to make ends meet with the limited amount left after taxes.

This is why the Trades Union Congress—which controls the Labor Party—is having a hard time getting its members to stick to the resolution adopted last March favoring a policy of no pay increases. The Transport and General Workers Union, whose 1,250,000 members make it the world's largest, fought bitterly at its recent conference before standing by that policy. It did so only after its general secretary, Arthur Deakin, pleaded that in England's present financial plight "even moderate wage claims can hardly succeed." Foreign Minister Ernest Bevin, who built the union and gained political power as its head, kept away from the meeting.

EARN $4, KEEP 10 CENTS

London sports pages have been discusing the plight of one of England's few boxing champions—Freddie Mills, light heavyweight. He announced he would spend the remainder of his career somewhere else, because if he fights in England again he will only get to keep a dime out of each $4. That is top income-tax bracket—97½ percent.

A hotel official told me it was hard to get a "name band" to perform, because "they won't play for sixpence." This tax in the upper brackets hits the well-paid amusement field hard. Undoubtedly it does much the same thing as regards men who might manage or start big businesses—or who hesitate to take the risks of modernizing or expanding a plant when returns from success can be so slight.

LOOPHOLES IN TAX LAWS

There are certain loopholes in the tax laws—such as an easier treatment of capital gains than in America. Expense accounts and the use of a company car can furnish some substitute for income.

Socialist officials, incidentally, are not so "egalitariun" as to avoid these rewards. A London paper has just exposed the spending of $108,000,000 since the war for official autos—including 39 luxury limousines for top officials in the last 18 months. Lesser ministerial figures in London, it said, had 758 such official cars, while 6,600 others were kept in Government pools for staff members to use. This auto expense, it was charged, had exceeded the total spent since the war on colonial development throughout the British Empire.

As a footnote, this matter of autos for officials has another big point of interest—because gasoline for the average Briton is rationed so he can drive only 90 miles a month.

Millions of British undoubtedly have better pay and higher standards than ever before. The so-called lower class has been elevated—but not very high. The upper class is being wiped out, and the great middle class is badly pinched, including especially such people as teachers, civil servants, and professional and white-collar workers.

Scrap Iron for Communists

EXTENSION OF REMARKS
OF
HON. EARL T. WAGNER
OF OHIO
IN THE HOUSE OF REPRESENTATIVES
Friday, August 19, 1949

Mr. WAGNER. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following editorial from the Cincinnati Post of August 17, 1949:

SCRAP IRON FOR COMMUNISTS

The only argument we have heard for an attempt by the United States to do business with a Communist regime in China is that China's economy cannot be stabilized without American assistance.

China needs industrial know-how and equipment, transportation facilities, machinery, iron and steel, raw cotton, and petroleum products. Russia can supply only a fraction of these wants. The rest must be obtained in the United States if the Communists are to carry out their promised program of industrialization.

Admitting all this, how can any American contend that it would be to our interest to assist in such a program? Anything we contribute to the industrialization of a Red China would serve to build up communism's war potential and further Soviet expansion.

The Chinese Communists are an avowed Russian fifth column. They boast of it. They admit they seek the communization of all Asia.

Assistance to this movement, which is directed against us, would be as foolish as was the shipping of scrap iron to prewar Japan.

In general, American practice has been to recognize established governments, once they were firmly in the saddle. But the same realistic considerations which prompted such a policy argue against it application to conquests by the Soviet Union's fifth column in China.

In thinking of China, we must think, also, of Korea, Burma, Japan and the Philippines.

When we assist communism anywhere we assist it everywhere, for it is a world-wide network.

Industrialize Red China? It would be quicker and less painful to cut our own throats.

Wartime and Postwar Achievements of the Electric Utility Industry

EXTENSION OF REMARKS
OF
HON. HOMER FERGUSON
OF MICHIGAN
IN THE SENATE OF THE UNITED STATES

Tuesday, June 28 (legislative day of Thursday, June 2), 1949

Mr. FERGUSON. Mr. President, I ask unanimous consent to have inserted in the Appendix of the RECORD an address entitled "Wartime and Postwar Achievements of the Electric Utility Industry," delivered by Mr. Walker L. Cisler, executive vice president of the Detroit Edison Co., before the seventeenth annual convention of the Edison Electric Institute, at Atlantic City, N. J., on June 1. It has been condensed by Mr. Cisler, himself, in order that it may be inserted in the RECORD within the regulation. Mr. Cisler, who has worked for the ECA as an adviser in Europe, is familiar with the questions involved in the electric utility industry, and I am sure that his address will give to the Members of the Senate the facts and figures they have been looking for as to what the industry is doing in America, and that it will be of great value to Members of the Senate. I ask that it may be inserted in the RECORD.

There being no objection, the address was ordered to be printed in the RECORD, as follows:

WARTIME AND POSTWAR ACHIEVEMENTS OF THE ELECTRIC UTILITY INDUSTRY

(By Walker L. Cisler, executive vice president, the Detroit Edison Co.)

Achievements of the electric utility industry in war and peace have and will continue to have a tremendously constructive effect on the economic strength, security, and well-being of our people individually and as a nation. It has been a record of high public service. I hope this paper may serve a useful purpose in presenting a clear picture of the electric-power situation.

I refer to the electric-power industry as including the operating and manufacturing components of it: one supplements the other. Within the operating industry, in terms of generating capacity, about 80 percent of the systems are privately owned, 10 percent federally owned, and 10 percent nonfederally owned. Thus, the industry is predominantly a part of the American system of free and individual enterprise and one of the greatest bulwarks against the advance of foreign "isms" that are contrary to our way of life.

WARTIME ACHIEVEMENTS

When the United States entered World War II there existed great sources of thermal- and hydro-generated electric power and the country was heavily interconnected. The margin of generating reserve was sufficient to meet wartime load increases and a large expansion program was under way. It was apparent, however, that all of this program could not be carried out because materials, manpower, and manufacturing facilities were urgently needed for production of ships, tanks, planes, trucks, and many other military items.

First things had to come first and an orderly procedure for resolving the military and essential civilian needs was established in the form of the War Production Board. The electric utilities and other industries made experienced personnel available to the Government. The Government in turn did its part in this mutually important undertaking; within the limits permissible in such an industry-government relationship, it made a partner of industry. The arrangement brought forth the best that each could contribute. The wartime electric-power requirements of the Nation were fully and adequately met, the maximum demand coming in 1944.

It was realized that because of wartime restrictions, there would be a postwar period during which no major capacity additions could be made because of the long time required to manufacture large generating units and other equipment. This must be borne in mind in connection with unfair criticism to which the industry has been subjected and to avoid misunderstanding in the minds of the public.

POSTWAR ACHIEVEMENTS

With the ending of hostilities the utilities were ready to proceed with projects interrupted by the war and with many new projects to build up depleted reserves and to provide for load growth. The expansion program undertaken was the greatest in history, but it was not until 1947 that any appreciable amount of new postwar capacity could be made available. Meanwhile electric demands increased at an unprecedented rate. Even in 1946 the peak load had risen to 10 percent above the wartime peak. Thus, it is understandable why reserve margins were so little in 1947 and 1948, and why consumption had to be restricted in certain areas because of lack of capacity or lack of energy largely affected by scarcity of rain or snowfall.

Faced with dwindling reserves, and in some instances the lack of them, the utilities prepared for action. Their resourcefulness seemed boundless. They have produced more and more where it seemed limits had already been reached. No decree, no order, could have brought about equal or better results. There is no substitute for the will of individuals to do their job when challenged to the test.

PRESENT SITUATION

The Edison Electric Institute has just completed its fifth semiannual power survey. It gives a complete factual picture of present and expected loads and capabilities throughout the country, and of new construction and the manufacture of heavy electric-power equipment. It is the product of people extremely close to the various situations who have extensive background in prewar, war, and postwar experience. The results should inspire confidence in what the electric-power industry is accomplishing.

The accompanying tabulation shows that peak capabilities throughout the power regions have progressively increased. These are the result of greater utilization of present generating resources and the addition of new units which reaches full momentum in 1949, when 7,000,000 more kilowatts are scheduled for service. In 4 years about 23,500,000 kilowatts will have been added to the electric-power systems. Of this highly efficient generating capacity more than three-fourths will be in thermal plants and the rest in hydraulic plants. Solid fuels will be used in about two-thirds of the new thermal plants.

The electric-power industry is now the largest consumer of solid fuels. In the modern thermal plant, a ton of coal produces nearly five times as many kilowatt-hours as the average plant produced in 1914. This is a significant contribution to conservation of a basic natural resource, and indisputable proof of the initiative of the industry in pioneering developments which have contributed to lower production costs.

Peak loads also show increases throughout all regions. For the country, it is greatest in 1949 when 9 percent is expected. In 1950, the estimate is 7 percent and in 1951 a little more than 6 percent.

The reserve margins for the country as a whole demonstrate that the point has been passed where loads were growing faster than new facilities could be manufactured and put into service. The low point in reserves is 5.6 percent in 1948. This will increase to 9.7 percent in 1949, 12.3 percent in 1950, and 15.9 percent in 1951, which is certainly a safe margin for both peacetime and national defense requirements. The improved reserves reflect in part the lower trend in load growth as well as a speeding up of construction schedules.

Region III does not take into account new steam units which the Federal Government expects to put into operation starting in 1952. The western division of region VII shows a small deficiency in capability, but the region as a whole shows capabilities and peak loads about equal for median hydro conditions. Adverse hydro conditions would bring a deficiency. To provide for reserves and estimated load increases beyond 1951 new capacity should be added.

Estimated production of energy to meet consumption shows an increase of 8.3 percent for 1949, 6.3 percent for 1950, and 5.9 percent for 1951. I believe that electric load requirements will in general be adequately met. Local restrictions may be necessary, but on the whole there will be no power shortages as the greater reserve margins clearly indicate.

The situation concerning manufacture of heavy electric-power equipment demonstrates our ability to produce at tremendous rates. By 1951, production capacity will reach 8,000,000 kilowatts annually for steam units and 2,000,000 kilowatts for hydraulic units, a total of 10,000,000 kilowatts. The accompanying tabulation shows the shipments and scheduled deliveries, 1948 through 1951, of steam and hydraulic units, 4,000 kilowatts and above, to Continental United States utilities. There is still some open manufacturing capacity for building steam and hydraulic units for delivery in 1950 and 1951.

FUTURE EXPANSION

It is expected that beyond 1951 substantial load growth will continue, requiring extensive capacity additions. The increase will depend chiefly upon the level of our national economy.

I would like to emphasize the need for maintaining a coordinated balance between thermal and hydraulic capacities to assure economic and adequate power supply in the face of adverse precipitation. The need is shown by the fact that where restrictions on use have occurred it has usually been in areas having a large amount of hydro capacity. This is true not only in the United States but elsewhere.

I believe firmly in the development of water-power resources to the extent that they are economically sound and bear their proper share of the costs. Flood control, irrigation, and navigation are influencing factors in deciding the justification of a project. These must be carefully examined to avoid wasteful expenditures which might otherwise be put to better use. In every case, there should be a full understanding of the facts so that the public may be enlightened. Only by so doing can there be a constructive approach to the problem of

Federal Government expansion in the electric-power field. There is urgent need for the determination of an electric-power policy on the part of our Federal Government. In certain cases, the Government has now assumed responsibility for development of our water-power resources. It is important also that areas of hydro generation be fully coordinated in operation with areas of thermal generation. Only by such measures can maximum benefits be achieved.

In future additions of thermal generating capacity it is reasonable to assume the use of conventional sources of thermal energy for some time to come. It is not expected that atomic energy will be available in quantities for extensive use in power plants for many years.

CONCLUSIONS

In closing I would like to thoughtfully leave with you the following conclusions:

1. The existing electric-power resources of the United States are the largest in the world, accounting for almost one-half of the total production and consumption for all nations and nearly six times that of the next nearest nation, the U. S. S. R. These resources are being expanded at a rate far beyond that of any period of the industry's 66 years of outstanding development. For our country, with a population of 7 percent of the world's total, it is one of the major components of our great American industrial system. It is one of our greatest sources of strength for both peace and security.

2. The wartime record of the electric-power industry was of the highest order. Every requirement for war production and essential civilian needs was met and in adequate quantity. It was a record of outstanding cooperation both within the industry and between the industry and Government. The power industry's resources were mobilized effectively and courageously. No one power region of the country contributed more to vital war production than another.

3. The postwar period, with its unprecedented load growth, has made necessary an even greater marshaling of existing equipment than ever before. It is an accomplishment which merits the approval and support of the many millions of fair-minded Americans. Generating equipment and other facilities have been coordinated, pooled, and operated to an extent almost beyond belief. No amount of biased ridicule, no attempted efforts to discredit the good work of our industry, can change the fact that a great task has been successfully carried out. It is to the everlasting credit of the people in the industry that this has been possible. It gives one faith in the continuation of a free America and a bulwark against the spread of "isms" foreign to our way of life.

4. Our wartime and postwar achievements and advancements in the field of electric power are an inspiration for other nations allied with us who are endeavoring to stimulate their recovery, strengthen their national economy, and raise their standard of living. Our operating practices, our engineering improvements, our construction methods, serve to demonstrate the technical assistance which other nations less fortunate than ourselves may use to their advantage.

5. The electric-power industry will go forward with undiminished vigor, initiative, and courage. Great as have been past accomplishments, they can be even greater than before. The establishment of a wise and constructive policy of our Government toward our industry can do much to enable the electric-power industry to assist, along with other industries, in promoting and insuring the social, economic, and political stability of our country. That is a purpose which is worthy of the thoughtful consideration of all who believe in the democratic principles of life, liberty, and the pursuit of happiness.

Total electric generating capacity, thermal and hydraulic, shipped and on order—Scheduled for shipment as of May 1, 1949

[Kilowatt capacity—units of 4,000 kilowatts and larger]

Region [1]	1948 (shipped)	1949	1950	1951
I. Northeast	1,318,500	553,025	1,270,700	822,350
II. East Central	922,500	1,602,500	825,000	1,120,000
III. Southeast	616,800	874,175	1,090,000	1,063,750
IV. North Central	491,500	867,900	1,010,000	532,500
V. South Central	590,000	681,275	888,750	392,500
VI. West Central	254,000	315,175	180,000	255,000
VII. Northwest	366,500	715,725	502,000	220,625
VIII. Southwest	816,950	669,825	685,000	184,500
Continental United States utilities	5,376,750	6,279,600	6,451,450	4,591,225

[1] As defined by Federal Power Commission.

Electric-power systems in the United States—Peak capabilities, peak loads, and reserve margins, median hydro conditions, 1948 through 1951, class I utility systems

[Thousands of kilowatts]

PEAK CAPABILITIES

Regions [1]	1948	1949	1950	1951
I. Northeast	14,405	15,497	16,545	17,765
II. East Central	10,713	12,664	13,558	14,841
III. Southeast	7,720	8,502	9,438	10,357
IV. North Central	6,764	7,531	8,456	9,237
V. South Central	3,693	4,468	5,226	5,909
VI. West Central	1,804	1,995	2,213	2,438
VII. Northwest	3,973	4,511	4,974	5,463
East Division	807	903	1,009	1,102
West Division	3,166	3,608	3,965	4,361
VIII. Southwest	5,229	6,293	6,897	7,723
Total United States	54,301	61,461	67,307	73,733

PEAK LOADS

Regions [1]	1948	Percent increase	1949	Percent increase	1950	Percent increase	1951	Percent increase
I. Northeast	13,120	4.8	13,719	4.6	14,319	4.4	14,944	4.4
II. East Central	10,531	8.6	11,493	9.1	12,183	6.0	12,862	5.6
III. Southeast	7,484	12.2	8,139	8.8	8,826	8.4	9,415	6.7
IV. North Central	6,462	7.4	7,033	8.8	7,463	6.1	7,861	5.3
V. South Central	3,406	14.6	3,980	16.9	4,418	11.0	4,778	8.1
VI. West Central	1,602	13.1	1,736	8.4	1,879	8.2	2,030	8.0
VII. Northwest	3,960	12.5	4,493	13.5	4,969	10.6	5,418	9.0
East Division	780	11.6	875	12.2	960	9.7	1,028	7.1
West Division	3,180	12.7	3,618	13.8	4,009	10.8	4,390	9.5
VIII. Southwest	4,840	6.4	5,450	12.6	5,900	8.3	6,300	6.8
Total United States	51,405	8.5	56,043	9.0	59,957	7.0	63,608	6.1

MARGINS FOR RESERVES AND ADDITIONAL LOADS

Regions [1]	1948	Percent of load	1949	Percent of load	1950	Percent of load	1951	Percent of load
I. Northeast	1,285	9.8	1,778	13.0	2,226	15.5	2,821	18.9
II. East Central	182	1.7	1,171	10.2	1,375	11.3	1,979	15.4
III. Southeast	236	3.2	363	4.5	612	6.9	942	10.0
IV. North Central	302	4.7	498	7.1	993	13.3	1,376	17.5
V. South Central	287	8.4	488	12.3	808	18.3	1,131	23.7
VI. West Central	202	12.6	259	14.9	334	17.8	408	20.1
VII. Northwest	13	.3	18	.4	5	.1	45	.8
East Division	27	3.5	28	3.2	49	5.1	74	7.2
West Division	−14	−.4	−10	−.3	−44	−1.1	−29	−.7
VIII. Southwest	389	8.0	843	15.5	997	16.9	1,423	22.6
Total United States	2,896	5.6	5,418	9.7	7,350	12.3	10,125	15.9

[1] As defined by Federal Power Commission.

The President's Reorganization Plans

EXTENSION OF REMARKS

OF

HON. J. WILLIAM FULBRIGHT

OF ARKANSAS

IN THE SENATE OF THE UNITED STATES

Friday, August 19 (legislative day of Thursday, June 2), 1949

Mr. FULBRIGHT. Mr. President, I ask unanimous consent to have printed in the Appendix of the RECORD an article entitled "The Senate Sustains the Hoover Commission," written by Arthur Krock and published in the New York Times of August 18, 1949.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

IN THE NATION—THE SENATE SUSTAINS THE HOOVER COMMISSION

(By Arthur Krock)

WASHINGTON, August 17.—A wise provision in the law that gave to the President powers

to reorganize the Federal Government structure is responsible for the administration's failure to drive an entering wedge for socialized medicine into that structure. This provision permits a contitutional majority—one more than half of the total membership—of either branch of Congress to reject any reorganization plan submitted by the President. Thus, when the Senate yesterday declined to approve Reorganization Plan No. 1, the proposal failed, and the entering wedge for socialized medicine that was included remains undriven.

When the administration sought reorganizing powers, it made every effort to write into the enabling act a requirement that a majority of both branches must disapprove any plan drafted under these powers to reject it. This was also the recommendation of the Hoover Commission, one of those compromises with administration officials on the Commission which Chairman Herbert Hoover made to get their endorsement of his report. The Senate, however, has been apprehensive over the expansions of Executive power through law, custom, and practice; and it was well aware that the rules of the House of Representatives give the Executive unusual influence over a party majority therein.

Therefore, it insisted that a constitutional majority in either branch should be able to reject a reorganization plan. That is why it was possible to defeat the attempt in plan No. 1 to put the United Medical Administration in the same package with education and social security under the full control of Oscar Ewing, the Federal Security Administrator, who leads the drive for socialized medicine and was chosen to head the new department created in the plan.

A FUNDAMENTAL CHANGE

The Hoover Commission recommended the United Medical Administration and urged that it be kept completely independent. This was also the objective of the bill introduced in 1946 by Senators FULBRIGHT and TAFT and approved in committee. That bill (known as Senate bill 140) provided for a new Federal department of health, education, and security; but carefully protected the integrity of each, directed by an under secretary, in the same manner that the integrity of each of the armed services was protected in the law that created the National Military Establishment.

However, when plan No. 1 was drafted Mr. Ewing's influence was sufficient to include the United Medical Administration within the proposed new department in a way that removed its autonomy as provided in Senate bill 140 and in the report of the Hoover Commission. Mr. Hoover, apparently with the larger goal of the Commission report in sight, yielded to the Administration's argument that medicine could be separated or given autonomy by Congress at some later date and gave plan No. 1 restrained but actual endorsement. In yielding to this argument Mr. Hoover, said Mr. TAFT, was misled; and Mr. FULBRIGHT supported that opinion very impressively, as the following colloquy demonstrates:

"Senator THYE. Does he [Mr. FULBRIGHT] believe that we could ever bring about a reorganization and establish the medical division as an independent agency within the Federal Government if we ever were to carry through Reorganization Plan No. 1 as proposed by the President?

"Senator FULBRIGHT. No; I do not believe so, for very practical reasons. Theoretically it is possible. * * * but as a practical matter I do not believe we could do it, for this very obvious reason: Express disapproval of such a plan by the proposed head of the new agency, Mr. Ewing, and the President would make it, I think, virtually impossible, at least for the foreseeable future, to achieve that end, even if we attempted to do it.

"It is no secret, for example, that the program in the Senate is primarily determined by the executive branch of the Government, not by the Senate. Certainly the power of veto, when coupled with that, would be quite sufficient, certainly so long as the present administration is in power."

LESSON OF EXPERIENCE

The Senate knew from experience how true this is. The Senate also knew of Mr. Ewing's activities in behalf of a Federal health program, and conceived it to be more than possible that plan No. 1 could and would be used as a Trojan horse to bring this program within the Government walls. Hence it followed the counsels of Senators TAFT and FULBRIGHT, its pioneers in behalf of a new department concerned with health, education, and social security, and with a voice in the Cabinet, and declined to approve the reorganization as proposed by the President.

It should be remembered, when evaluating the Senate's action, that this administration has shown greater determination in pursuing its programs than any other in many years, and part of this program is a Federal health system which is heavily opposed as socialized medicine. Other administrations have fought hard for their proposals to Congress, and this one has sometimes compromised or retreated. But more often it keeps on fighting, or makes ready to resume the same battle another day with the same adversary. By one means or another, Mr. Truman stubbornly tries to have his way, and the large Senate majority which defeated plan No. 1 had reason to suspect it would open the back door to a project which had been turned away at the front.

Mine Safety

EXTENSION OF REMARKS
OF
HON. MATTHEW M. NEELY
OF WEST VIRGINIA
IN THE SENATE OF THE UNITED STATES

Friday, August 19 (legislative day of Thursday, June 2), 1949

Mr. NEELY. Mr. President, I ask unanimous consent to have printed in the RECORD a timely editorial entitled "Still on the Calendar," published in the St. Louis Post-Dispatch of August 15, 1949. The editorial favors the early passage of Senate bill 1031, providing greater safety for the coal miners of the Nation.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

STILL ON THE CALENDAR

Lying dormant on the Senate Calendar now is a bill that should have been passed long ago—as long ago as 1947, when 111 miners were killed in the Centralia disaster. This is Senator NEELY'S mine safety enforcement measure.

An erroneous report recently stated that the Senate had passed the Neely bill, but what the Senate actually did was to pass over it, leaving it for possible action at some indefinite time. Congressman MELVIN PRICE, of East St. Louis, carried a similar bill through subcommittee in the House, but the lower branch has not acted either.

Such neglect defies repeated testimony about the weakness of State regulation of mine safety, and about the long record of mine fatalities which the Federal mine inspectors are powerless to cope with. The neglected bills would allow these officers to order workers withdrawn from dangerous areas of mines, and to invoke criminal penalties if their orders were ignored.

This is the only way to assure thousands of miners that they can be safe in their important work. Before Congress adjourns it should honor the promises of action that followed Centralia.

Civil Rights in the States

EXTENSION OF REMARKS
OF
HON. HUBERT H. HUMPHREY
OF MINNESOTA
IN THE SENATE OF THE UNITED STATES

Friday, August 19 (legislative day of Thursday, June 2), 1949

Mr. HUMPHREY. Mr. President, I ask unanimous consent to have printed in the Appendix of the CONGRESSIONAL RECORD an editorial which appeared in the New York Times of August 14, 1949.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

CIVIL RIGHTS IN THE STATES

While the Eighty-first Congress is not expected to approve or even to consider any civil-rights legislation during this session, more hopeful results are now in from many of the adjourned State legislatures. The accomplishments of the States indicate that they did not follow the example of inaction set by the Federal Government.

The list of States with effective FEPC laws was increased from four (New York, New Jersey, Massachusetts, and Connecticut) to eight by the addition of New Mexico, Oregon, Rhode Island, and Washington. Kansas established a temporary commission to investigate employment discrimination. New Jersey passed the Freeman bill, which applies enforcement technique to discrimination in places of public accommodation. Discrimination in education is now effectively prohibited in New Jersey as well as New York. Connecticut passed a bill regarding public accommodations, applying it to housing. Housing discrimination also has been forbidden in Pennsylvania. An Indiana law provides for gradual elimination of segregation in the public schools. Oklahoma ended exclusion of Negroes from its public graduate schools, though segregation continues. Four Southern States are considering referendums on elimination of the poll tax. Connecticut, Massachusetts, and Wisconsin prohibited segregation in the National Guard, and New York and Pennsylvania made moves in that direction. The Oregon alien land law was repealed, as was the California ban against issuance of commercial fishing licenses to aliens ineligible for citizenship. Texas passed an antilynching bill.

Thus many of the States were able to accomplish without rancor what the United States Congress failed to achieve. Of all the civil-rights proposals before Congress only one—the poll-tax bill—was able to get by either Chamber. Though the House passed the bill—for the fifth time—the Senate did not follow through. "No action" or "referred to subcommittee" were the dismal reports on a Federal FEPC, an antilynching bill, an anti-poll-tax bill, a group libel bill, an antidiscrimination in housing and education bill, and a comprehensive bill to establish a Civil Rights Commission.

Needless to repeat, Republican and Democratic platforms last November promised to stand behind most of these proposals.

Needless to say, such laws are still required to secure the rights on the interstate level. The problem before Congress remains to create adequate laws where none exist; it is not, as the distorters say, to change human nature or legislate morals. Sponsors of the congressional bills—despite this session's results—should redouble their efforts to gain early consideration for these proposals in order to guarantee basic rights.

German Visitors to the United States

EXTENSION OF REMARKS
OF
HON. HUBERT H. HUMPHREY
OF MINNESOTA
IN THE SENATE OF THE UNITED STATES
Friday, August 19 (legislative day of Thursday, June 2), 1949

Mr. HUMPHREY. Mr. President, recently a group of German trade union leaders came to the United States to study and see the practical application of our democratic processes. Mr. F. A. Groemping, one of the group, wrote an article which appeared in the June issue of the American Foreign Service Journal, published in Washington. I ask unanimous consent to have this article printed in the Appendix of the CONGRESSIONAL RECORD. I find his observations timely.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

GERMAN VISITORS TO THE UNITED STATES
(By F. A. Groemping)

When a group of German trade-union leaders, who are in the United States to study and to observe the American way of life, visited the Tomb of the Unknown Soldier at Arlington National Cemetery recently, one of the visitors said, "I am beginning to understand what the war meant to Americans." Several other Germans pulled out their notebooks and copied the words of George Washington inscribed on the amphitheater, "When we assumed the soldier, we did not lay aside the citizen."

The Germans also noticed that among the decorations bestowed upon the Unknown Soldier by foreign governments there was none from Germany. One of the men who had served in the German Army in World War I said, "If I hadn't lost my iron cross when I had to flee from the Nazis, I would send it to fill this gap."

This group is one of the many who will visit the United States this year. About 300 persons will be sent in the cultural exchange program of the United States military government for Germany, and the visits of many others will be sponsored by non-Government organizations.

Unlike the arrogant representatives of the Nazis, whose boasts and demands alienated other peoples, these Germans are modest and appreciative. In hotel lobbies and Government offices, in factories and universities, they find hearty welcomes and respond eagerly and gratefully. Two factors account for this cordial relationship between victor and vanquished so soon after the war. The first is the effort of the United States to aid the democratic spirit in Germany; the other is the personal background of the visitors and the organizations they represent.

It may be stated that our aim in Germany is to restore an intellectual, moral, and cultural life based on principles of freedom and social justice, humanity, and the recognition of the dignity of the individual. Gen. Lucius D. Clay last year stated the issue as follows:

"We know definitely now that they can have, of their own efforts, a reasonable economic future and, when we give them that opportunity, we are knowingly restoring into their hands an industrial potential that is larger than any industrial potential in Europe. There is no alternative; they must be given the opportunity to live.

"What they do with that potential depends on what is in their hearts and in their minds. On you sitting here, and on your opposites in the British and French military government, lies the responsibility to see that their hearts and their minds are ready to receive the return of economic strength which is being given to them; and to weld it and use it in the common good and not, as it has been used in Germany so often in the past, for aggression and for purposes that are inconceivable to those of us who have lived in a free world and in a free way."

AIMS AND METHODS

Cultural exchange is merely one phase of the total reorientation program. Under this program, the Office of Military Government for Germany sends Germans sponsored by some organizati n, institution, or group to the United States for a period of study and observation of the American way of life, our institutions, the operation of constitutional government based on the democratic ideal. It also brings to Germany the best scholarship and expertness from the United States and from continental Europe.

In the carrying out of objectives three methods may be used:

1. Visits to Germany by specialists.
2. Visits by Germans to the United States.
3. Selection and dissemination of literature.

All six divisions of the exchange program, education and cultural relations, information services, civil administration, legal, manpower, and food, agricultural, and forestry groups, employ visits by Germans to the United States as one of their methods.

The broad aims of the six divisions may be summed up as follows:

Education and cultural relations division

1. To instill in the minds and implant in the hearts of the German people the will to recognize, the power to develop, the spirit to protect, a society based upon natural rights of men.

2. To aid the German people to aid themselves in the readjustment, reorganization, or redirection of their social organization.

Information services division

1. To rehabilitate and democratize the German information media.

2. To project democracy by exposing the German public to the democratic thought of the United States and other countries.

Civil administration division

To introduce to the German people democratic ideas and methods to further the reconstruction of the German public service into a truly democratic institution based on such fundamental concepts as service to the people, responsiveness to public policy, respect for the basic rights of the individual, and equality for the citizen to serve his Government regardless of race, sex, religion, or political belief.

Legal division

To assist the German people in their efforts to introduce democratic principles into their legal system; and to rebuild their bar and bench in a democratic spirit; to revive the roots of democratic justice among such Germans as are directly concerned with the judicial system.

Manpower division

To establish democratic German trade unions, democratic relationships between labor and management, effective public agencies in the labor field with high standards of public service, and to develop cooperative effort on the part of labor, management, and public officials in the study of problems of labor, the testing of new methods, etc.

Food, agricultural, and forestry groups division

To promote greater economic freedom for farmers and a greater sense among them of political responsibility.

STRAWS IN THE WIND

It is probably too soon to attempt an evaluation of this program. The objectives are far reaching and accomplishments are not immediately calculable. However, the reports of visitors returned to Germany and others still in this country and the observed reactions of German visitors to the American scene may serve as straws in the wind to indicate the eventual results.

Six German broadcasters visited the United States in 1948 under the auspices of the Rockefeller Foundation. In the opinion of the broadcasters themselves and of the American radio officers who have observed their performance since return, this initial project was an unqualified success.

Reports of a group of nine German and Austrian teacher educators after a year of observing methods in American universities and teachers colleges indicate "a good understanding of American education and suggested numerous possibilities for applying their experience here toward solution of their problems in their countries," states the Occupied Countries News Notes. Ruth Hubbard, of the Institute of International Education, after completing recently a 3-month tour of western Germany declared the student-exchange program is one of the most positive contributions to the cause of peace yet undertaken by the United States in the occupied countries.

Dr. Antonie Nopitsch, leader in religious activities, said after recent completion of a study tour of the United States that she was impressed by "the common consideration of personal life. A whole nation seems to join in fair play, following unwritten laws. This is perhaps the real secret of democracy." She added, "More impressive than anything else was the unexpected friendliness answering my very diffident approach to a former enemy country."

A group of 11 union labor representatives were happy to see a representative of the Department of Labor at the dock when they landed in New York recently. They stayed overnight at a well-known hotel. Here the number of lamps in the rooms impressed them, as well as the fact that the use of electricity was unrestricted. The bath with tub and shower, the faucet for icewater, the fact that there were six towels, two pieces of soap, free stationery, and even pen-points amazed them. They were also impressed by the hotel's recommendation that guests keep their room keys when they go out. Comfortable chairs, the telephone and radio, and the availability of a television set which could be rented for $2 added to their surprise.

In Washington their accommodations were less sumptuous. It seemed to give them pleasure to read on the Hahnemann monument the inscription, "Die milde Macht ist gross."

Strolling down Sixteenth Street, the group decided to get some refreshment, and went to a convenient hotel coffee shop. Here they noted and commented on the neat, well-fitting uniforms of the waitresses and the efficient, friendly service. When asked what they would like, they ordered strawberries with whipped cream, which appeared to be a great treat. One hour later the group was still chatting and the Germans decided to try something else. This time, they selected pie and coffee and seemed well pleased. The two Americans present had not ordered

anything and one of the Germans asked, "Will they charge you for sitting here without consuming anything?" When the Americans expressed surprise at this notion, the Germans explained that today in Germany it would be unthinkable to spend considerable time in a restaurant without ordering anything. They were delighted with the explanation that in America the customer is always right, and amazed at the illustrations of this principle, such as the privilege of exchanging at a store unsuitable wedding presents.

Perhaps equally surprising to both Americans and Germans was the discovery that when German is spoken in restaurants, a waiter, hostess, or the manager frequently addresses the guests in German. This happened in the presence of the writer at least three times within 5 days.

One group of visitors expressed great satisfaction about the friendliness of their reception after only a few days in Washington. Another group, who had completed a study tour of 7 weeks, carrying them as far west as Wisconsin, showed the same pleasure about the American eagerness to help them in their task. A representative of this group was invited to address the legislatures at Madison, Wis., and Lansing, Mich.

Both of these groups were entertained in Washington at a dinner by the American Federation of Labor, and addressed by William Green, president of the Federation; Michael J. Galvin, Under Secretary of Labor; and also Dr. Steelman, the President's labor adviser. The Germans were especially pleased by Mr. Green's speech, which reviewed American labor's aid in their struggle against communism, and promised continued support. Mr. Green's statement that 8,000,000 AFL members were behind them affected them visibly. The interpreter was inspired and instead of the usual, lifeless translation, the ring of his words in German carried the seriousness and sincerity of the AFL president. Those of the group who had completed their stay in the United States, and left immediately after the dinner for New York, were elated, and said on the way to the station, "Now we can tell those in eastern Germany who sneered and called us Befehlsemphanger of the American Government that the American people are behind us."

Two of the group of visitors who were driven past the Pentagon Building were impressed not only with its size but also with its functionally satisfying qualities.

At the National Airport, they marveled at the efficiency of the landing service when they watched a Constellation discharge, take on new passengers, and take off in about 5 minutes. While some of them knew the airlift operations, they were impressed to see the smooth handling of civilian aviation.

THE FUTURE OF CULTURAL EXCHANGE

Several changes in the exchange program are favored by the Advisory Committee on Cultural and Educational Relations with the Occupied Countries, which assists in the arrangements for German personnel coming to the United States, and prepares reports and recommendations to governmental and other agencies directly concerned. The committee considers visits of only 6 to 8 weeks unwise, and considers stays of at least 4 to 6 months necessary to reach a fair understanding of America. Visitors brought to the United States by private organizations now usually remain 3 to 4 months, while the average Government-sponsored visitor is here for 90 days. It is also contemplated to give visitors more orientation to enable them to understand American conditions and problems. Kits containing informative material will be prepared and sent to Germany for this purpose. An English test may also be given persons selected to visit the United States to measure their ability to profit from the trip and to aid them in the objective evaluation of their knowledge of English.

OMGUS has recommended that during 1949–50 at least 1,500 Germans should be sent to the United States. It is proposed that the program provide for: (a) 600 young leaders, age 25 to 35, from religious, women's, labor, youth, or other organizations; (b) 500 teachers in elementary, secondary, vocational, teacher-training schools; (c) 200 university students, preferably those who are in the early years of university education; (d) 200 secondary-school youth, age 16 to 18, to live and attend school in small American communities, to be adopted by a small community, and to live with a typical American family during this period.

Like the Advisory Committee, OMGUS also recommends an orientation period in Germany, on the area in which groups seek enlightenment, before going to the United States, and a reconvening upon the return of groups to Germany.

NONGOVERNMENT SPONSORSHIP

A recent OMGUS report states that one of the basic requirements for the success of the reorientation of Germany is the generous and early invitation to voluntary nongovernmental organizations in the United States to participate in the program. Many groups and individuals are now contributing to make the cultural relations with Germany peaceful and permanent.

Seven outstanding German women are sponsored by the Carrie Chapman Catt Fund, which was created by the League of Women Voters. The group sponsored includes members of parliamentary bodies, writers, a lawyer, and has for its purpose the promotion of interest in government and public affairs among the mass of German women. The Oberlaender Trust has made grants of about 30,000 dollars this year for the benefit of specific organizations, including the Free University of Berlin. Many universities are cooperating, and about 190 Germans are now in American educational institutions. Many large organizations, such as the American Federation of Labor, the CIO, and the NEA, and also religious groups are participating as sponsors.

The backgrounds of the visitors to the United States vary as much as do their professional interests. But they have one thing in common: the will to create a democratic Germany. Many of them suffered persecution and privation during the Nazi regime because of their convictions.

Some of the visitors, who travel in groups, and have a detailed itinerary prepared for them, have expressed the wish to see more small communities, instead of only a few large cities. They have also reported some pull for their sympathies by different American interest groups. The Germans are well aware that they are here to observe and learn.

A member of the executive committee of the Independent Union Organization (U. G. O.) of Berlin, which opposes the Communist-dominated unions, has summed up the impressions for his group, as follows: "We touched American ground with great expectations because all of us had heard and read much about conditions in this country at home. But we also felt some uncertainty. We did not know if we would find everywhere the necessary cooperation and help needed to accomplish our task. After all, only 4 years have passed since the horrors of the war ended. Today, after traveling in this country for 7 weeks, we have the answer to all our hopes and doubts. We visited many factories and have come to know their operations and functioning. We have talked with people from all layers of the American society and discussed with them the problems of our times. We are happy to express our gratitude for the great sympathy, friendliness, and eagerness to help which we encountered everywhere. All this has made the strongest impressions upon us and we shall treasure these impressions when we have returned to Germany. This trip was a great adventure for us, and we, who are devoting our powers to the economic recreation of Germany, its democratization, and to social justice, have received new impulses, which will benefit the movement we lead. The following I want to make very clear: We enjoyed complete freedom of movement in this country; we were free to ask any question pertaining to our trip; and no matter what we asked to see or learn, our wishes were always satisfied. The leaders of the Communist unions of Berlin called us the helpers of the American monopolistic capitalists, and declared we were called to Washington to receive orders. Apparently they considered our trip in the light of their dependence upon the Communist Party, and compared our trip to that of the trips of their delegations which were called to Moscow to receive instructions and orders for their work in Germany.

"Our tour included stays in New York, Detroit, Chicago, Milwaukee, and Washington. We visited briefly Lansing, Mich., and Madison, Wis., as well as many other small and medium-sized cities. In addition we saw a number of farms in the Great Plains, and were thus able to form a rounded impression of conditions in the Northwestern States of the United States. Unfortunately the time, 60 days, allowed for our task is a relatively short period, but I believe we used our time to best advantage. We received powerful impressions as we viewed a great number of factories of the different American industries. Here science, technique, and manpower have brought the economy to its highest expression. It was especially gratifying for us as union representatives to learn of the extent and organization of American trade unions. Thanks to their activity and the natural wealth of this country, American labor enjoys the highest standard of living, as we noted in visits to many homes. The inevitable comparison with conditions at home made us realize that we shall have to work hard and diligently to achieve a tolerable level at home. Toward this end, the visit to America has given us new courage and new strength. We leave American ground with feelings of deepest gratitude. Gratitude toward the Government which made this trip possible, and gratitude toward those organizations who gave us assistance, with whose leaders we have now established personal contacts. We are also grateful to the Government authorities and administrative officials who gave us insight into social work, which we need at home for the handling of social problems."

Statehood for Alaska

EXTENSION OF REMARKS

OF

HON. E. L. BARTLETT

DELEGATE FROM ALASKA

IN THE HOUSE OF REPRESENTATIVES

Friday, August 19, 1949

Mr. BARTLETT. Mr. Speaker, I was thrilled today to learn in a telegram from my old friend, M. J. Haas, that the Loyal Order of Moose, composed of over one million members, passed without any opposition at all at its San Francisco convention, a resolution approving statehood for Alaska. This adds another powerful organization to the long list of groups which have already gone on record in behalf of Alaska statehood.

Longing of Foreigners To Live in America

EXTENSION OF REMARKS
OF
HON. HARRY P. CAIN
OF WASHINGTON
IN THE SENATE OF THE UNITED STATES
Friday, August 19 (legislative day of Thursday, June 2), 1949

Mr. CAIN. Mr. President, I ask unanimous consent to have inserted in the Appendix of the RECORD an advertisement of Warner & Swasey, of Cleveland, Ohio, which appeared in the August 22 issue of Newsweek. To those of us who believe that we have more to be thankful for than any nation on the face of the earth the advertisement tells a story we understand and believe in.

There being no objection, the advertisement was ordered to be printed in the RECORD, as follows:

"IMMIGRATION IS THE SINCEREST FORM OF FLATTERY"

If capitalism is wrong, why don't people who hate it, leave America? If socialism is desirable, why don't they go to England? If communism is what the so-called "common men" wants, why doesn't he move in droves to Russia?

Nobody wants to leave America—but tens of millions of men and women all over the world, in every country, want, yearn, plead for the chance to come to America.

Parlor pinks here lisp about the beauties of statism, where the government guarantees security. People in those countries know all about this business of government taking care of you from cradle to grave. Particularly the grave. Do what you're told or you get hurried into it.

They vastly prefer America, with its chance for progress, its high living standard, its liberty, its dignity of the individual. They'd swap security for your liberty any time. Look out that you aren't talked into the trade.

(Headline written by Wheeler McMillen, editor in chief, Pathfinder.)

Warner & Swasey machine tools, Cleveland.

Yalta Exposed Again by White Paper on China

EXTENSION OF REMARKS
OF
HON. LAWRENCE H. SMITH
OF WISCONSIN
IN THE HOUSE OF REPRESENTATIVES
Friday, August 19, 1949

Mr. SMITH of Wisconsin. Mr. Speaker, Felix Morley, in Human Events of August 17, makes some pertinent references to the white paper on China and points out very clearly that Roosevelt undermined China at Yalta. Thus, the responsibility for the defeat of Chiang Kai-shek and his Nationalist Government is on Roosevelt's doorstep. This Nation can thank him for the Communist regime which is presently overrunning all China. Mr. Speaker, I include the article by Mr. Morley:

WHITE PAPER ON BLACK BACKGROUND

(By Felix Morley)

An April 17, 1934, a spokesman of the Japanese Foreign Office (Mr. Eiji Amau) made a public statement in Tokyo which our Department of State immediately challenged. Basing his argument on the Lansing-Ishii Agreement of 1917, Mr. Amau announced that Japan had "special responsibilities in east Asia" and therefore proposed to develop its political guardianship over contiguous areas in China.

The rejoinder of Secretary of State Cordell Hull was immediate and determined. In a carefully worded note, delivered in Tokyo on April 29, 1934, Mr. Hull restated certain "generally accepted principles of international law". He explained again why his Republican predecessor (Henry L. Stimson) had refused to recognize the puppet state established by the Japanese in Manchuria. He made clear that this policy of nonrecognition was a matter of principle and wholly nonpartisan in American eyes. Then, as is set forth on page 16 of the current white paper on United States relations with China, Mr. Hull concluded:

"In the opinion of the American people and the American Government, no nation can, without the assent of the other nations concerned, rightfully endeavor to make conclusive its will in situations where there are involved the rights, the obligations, and the legitimate interests of other sovereign states."

Time passed, but even at the obvious risk and eventual certainty of war both Secretary Hull and President Roosevelt stood firm on this clearly expressed principle. The Japanese argued, as Secretary Acheson now asserts, that the regime of Chiang Kai-shek was "reactionary" and corrupt. For Japan to guide and supervise Chinese politics, said Tokyo, would be in the interest of world peace. We reiterated that: "Our Government * * * has rested its policy upon an abiding faith in the people of China and upon the ultimate success, in dealing with them, of the principles of fair play, patience and mutual good will."

The Japanese continued to protest that cooperation with Chiang Kai-shek, whom we were then backing so strongly, was impossible. Our current white paper seems designed to prove that Tokyo was right and that Secretary Hull was wrong. On November 26, 1941, Mr. Hull informed Japan that its government must subscribe to "the principle of noninterference in the internal affairs of other countries." That virtual ultimatum, discreetly buried on pages 464-466 of the white paper, was equally categorical on the subject of Chiang Kai-shek and the Kuomintang. We laid it down, as an essential condition of peace in the Pacific area, that—

"The Government of the United States and the Government of Japan will not support—militarily, politically, economically—any government or regime in China other than the National Government of the Republic of China with capital temporarily at Chungking."

This essentially moral policy was too rigidly based, and too forcefully stated, for acceptance by the Japanese war lords. Overestimating President Roosevelt's attachment to principle, and underestimating American physical strength, they gave the fatal order. On December 7, 1941, the bombs at Pearl Harbor obliterated that line between peace and war which was already virtually erased.

II

The war dragged on—to its inevitable end. Italy surrendered; Germany crumbled; and by the beginning of 1945 the eventual defeat of Japan was also certain. But in the heat and fury of the struggle something was disintegrating in America too. It was the moral fiber of our leadership; it was the belief in principle.

This decadence in our foreign policy is discernible throughout the nearly eleven hundred pages of the current white paper. And the evidence of degeneracy is the stronger because it was certainly not the intention of Secretary Acheson to advertise our own corruption. It is charged that some damaging documentary material has been left out. More significant is the fact that so much condemnatory evidence has been included. For this proves that our surrender of principle is an essential part of the record. The compilation, no matter how carefully edited, was bound to be shot through with appalling disclosures.

For instance, there is documentation on President Roosevelt's effort to force Chiang Kai-shek to accept General Stilwell as commander of all the Chinese military forces. Naturally this pressure was resisted by Chiang. It probably would have been resisted even if a more temperate character than Stilwell had been suggested, and even if the danger of Communist infiltration had been less obvious. But President Roosevelt was thinking only of winning the war. And on August 23, 1944—as disclosed on page 67 of the white paper—he sent to Chiang Kai-shek the following self-revelatory message:

"I do not think the forces to come under General Stilwell's command should be limited except by their availability to defend China and fight the Japanese. When the enemy is pressing us toward possible disaster, it appears unsound to reject the aid of anyone who will kill Japanese."

It is important to note the date of this observation by one who was acclaimed as a great humanitarian. For there is now a tendency to excuse the perfidy at Yalta by saying that the President was then a dying man. Actually this shameful agreement, signed by Roosevelt, Churchill, and Stalin on February 11, 1945, was merely the logical application of Roosevelt's thought in the preceding August. Principle was even then subordinated to the sadistic desire to kill Japanese.

III

In 1934 Secretary Hull had firmly asserted that: "No nation can * * * rightfully endeavor to make conclusive its will in situations where there are involved the rights * * * of other sovereign states."

That was the principle in defense of which the United States went to war. Yet at Yalta, when Japanese leaders were already seeking to negotiate surrender, Mr. Roosevelt tossed away not only the principle but also the physical fruits of victory. The text of the Yalta agreement as to China, printed on pages 113-114 of the white paper, cannot be too carefully studied. The secret concessions then made to Soviet Russia at Chinese expense insured the eventual triumph of the Chinese Communists and the rise of a threat to our Pacific interests more serious than anything ever offered by Japan.

This was the accomplishment at Yalta of Franklin Roosevelt, Ed Stettinius, Averell Harriman, Harry Hopkins, Alger Hiss, and a couple more. Truly, Mr. Churchill might then have said that never before had so many owed so much disaster to so few.

The State Department's current effort to exculpate and explain Yalta is really pathetic—no other word will serve. For instance, the white paper asserts (p. 115) that: "There was historical precedent for the specific provisions of the Yalta agreement." It does not emphasize that this historical precedent was the Czarist Russian aggression against China which led to the formulation of our open-door policy just 50 years ago. What Mr. Roosevelt did was to tell Stalin that in his case the United States would underwrite a policy of aggression and infiltration which, in the case of the Czar, we had resolutely opposed. And this was done behind China's back.

Of course, it was not long before the well-informed discerned the dreadful significance of Yalta. The white paper tragically relates the effort of President Truman, soon after Roosevelt's death, to regain some of the values tossed away by his predecessor. On page 118 we read of instructions sent to Am-

bassador Harriman in Moscow, on August 22, 1945, telling him "as soon as possible" to get a written statement from Stalin "affirming respect for the open-door policy." Of course, no such statement was obtained.

IV

The white paper on China, we are informed, was published by the Department of State at the insistance of General Marshall. The former Chief of Staff is said to be worried over the failure of his mission to China, from 1945 to 1947, and to desire personal justification.

But all that part of the white paper is, of course, of secondary importance. At Yalta an American President, in effect, handed the control of China over to Soviet Russia. It was then that we actually administered the lethal dose to Chiang Kai-shek's regime. Even so, it took more than 4 years for the poison fully to undermine what Chiang had firmly built.

The white paper does demonstrate—at inordinate length—that after Yalta a number of honorable men endeavored to check the operation of the poison we had administered. But whether General Hurley or General Marshall, or the far more able General Wedemeyer, did all that was then possible to save China from communism is really of secondary importance. China was doomed at Yalta—by a President of the United States—on February 11, 1945. That day also will live in infamy.

Now the American people, like Hamlet, are beginning to find themselves forced to the realization of murder most foul. It is a reluctant realization. Indeed, it is not yet widespread. We shall, for some time, seek alibis, as Hamlet did. But the best excuse we can offer officially is that Chiang Kai-shek temporized with corruption, as the Japanese said 10 years ago. It is unfortunate that this excuse had to compete in the headlines with certain activities of General Vaughan.

The white paper—for any conscientious reader—does not exculpate. On the contrary, it only pins the stigma closer to every one of us. And while we may prefer to dodge the issue—to dally with Ophelia, so to speak—that will not serve. The Kremlin, for one, will not permit. It did not throw victory to the winds.

"To be, or not to be: that is the question." And suicide for a nation is not so complicated. It is merely a matter of officially approving and defending that which the individual moral sense can neither approve nor defend. Yalta cannot be defended on the dreadful basis of Mr. Roosevelt's lust to kill Japanese. And well we know it.

Co-ops Pay Their Taxes

EXTENSION OF REMARKS

OF

HON. HUBERT H. HUMPHREY

OF MINNESOTA

IN THE SENATE OF THE UNITED STATES

Friday, August 19 (legislative day of Thursday, June 2), 1949

Mr. HUMPHREY. Mr. President, I ask unanimous consent to have printed in the Appendix of the CONGRESSIONAL RECORD an article written by Hon. Jerry Voorhis, former Member of the House of Representatives from California, and now executive secretary of the Cooperative League of the United States of America.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

A cooperative is simply a group of people who, faced with a need for credit, electricity, fertilizer, oil products, household supplies, medical care, housing, insurance, storage facilities, burial services, or any other type of goods or services, proceed to organize a business enterprise or agency to supply that need. These people invest their money, provide for business management, take their chances of success or failure in exactly the same way as do those who launch any other kind of privately owned business. But they do these things from a somewhat different motive. For the distinguishing characteristic of a cooperative is that it stems not from the profit motive but from the need motive in human life.

Since the whole reason for existence of a co-op is to supply its members' needs, and since the filling of the economic needs of a population is the supposed reason for all economic activity, the organization and operation of co-ops would seem the most reasonable sort of economic activity on the part of groups of citizens.

Yet, at the moment, co-ops are being subjected to all manner of attacks. They are tagged with every name in the book of prejudice. Attempts are made to associate them with their exact counterparts, namely communistic and fascistic types of economic organization. Prominent conservative daily newspapers print feature articles titled "The Menace of Cooperatives." Bills calculated to either put co-ops out of business or to so change their method of operation as to eliminate most of their truly cooperative characteristics are introduced in Congress. Speakers are hired, State by State, to spend full time addressing businessmen on the necessity of using political devices to remove the competition of their cooperative competitors.

On reflection it becomes clear that all this is hardly to be wondered at. The same treatment has been accorded every other institution which has arisen in human history and sought to open up to the people generally opportunities previously reserved for a comparative few. It happened to the church, the school, the labor union, the farmers' organizations. It happened to democratic government. Why shouldn't it happen to an attempt at economic democracy? After all—cooperatives decentralize the ownership of property—not personal property but productive plant and commercial property. Cooperatives have dared to do this at the very moment when the country was apparently on the point of resigning itself to the concentration of such ownership in the hands of a very few people and a handful of giant corporations. Cooperatives are just too confounded democratic; and, what is even more serious, they are democratic institutions in the one field which democracy wasn't supposed to invade—the economic field. This is why cooperatives are under attack.

It is quite probable that the more violent types of attack on cooperatives do not do them very much damage. Indeed there is considerable evidence that recent attacks have actually strengthened the loyalty of cooperative members and have interested many people who were formerly cool to the cooperative method of problem solving. After all, the basic motivation of co-ops is too fundamentally right, and their methods are too obviously a pat answer to some of our worst modern problems for irresponsible accusations to do them appreciable harm over the long run.

But the calling in question of their tax status, among a highly tax-conscious people—that is a different matter. Misunderstanding of the facts in such a case may be as harmful as the wrong set of facts—unless the misunderstanding be dispelled.

The important fact is that where a prior binding obligation has been assumed by a cooperative or any other business to make refunds to patrons in proportion to their patronage, then the money so refunded does not belong to the cooperative and cannot be taxed as income to it. It is simply impossible in either law or justice to tax one person on that which belongs to another. It is not a question of excluding or deducting a certain amount from the income of the cooperative. It is a question of ownership.

A cooperative is a partnership in which the patrons of the business are the partners. The cooperative itself therefore cannot have income where its savings clearly belongs to the patrons as partners. And to the extent that such savings would constitute taxable income to anyone they are taxable against the cooperative's patron-partners and they pay the tax upon it at individual tax rates. And it is to be remembered that no partnership and no individually owned business in America pays corporation income taxes.

We are discussing, of course, taxable income. We are not suggesting that a lady who spends $13.99 on a dress marked down from $19.99 should report on her income-tax returns that she thereby has received $6 of taxable income. No one can generate income for himself by spending money on goods he will consume and from which no income can possibly be derived. For exactly the same reason cooperative members who merely buy groceries or personal clothing or any other articles of personal use and who receive a reduction in price in the form of a patronage refund are not and cannot be regarded as having received any taxable income simply because the net amount of their expenditures has been reduced. But where a cooperative member obtains any services or goods from his cooperative which he uses in a business, then his patronage refund does have the effect of increasing his taxable income from that business—and upon this he, like anyone else, is taxed.

Cooperative members enjoy, therefore, no special privileges taxwise whatsoever. The same rules apply clear across the board.

The patronage refunds are the property of the co-op's patrons. They are a liability, not an asset, of the cooperative. And yet the central and only important issue between cooperatives and their opponents is that of whether or not patronage refunds shall be taxed against cooperatives.

With the exception of 101 (12) which even opponents of co-ops declare of no consequence, the Internal Revenue Code contains no special reference to cooperatives. The same tax law applies to all businesses, cooperatives, and others alike. There are official regulations, and court decisions in unbroken succession that declare patronage refunds not subject to tax in the hands of the paying business. But these laws, regulations, or court decisions do not apply to cooperatives alone. They apply to any business paying patronage refunds.

So the charge that co-ops don't pay taxes becomes to the informed cooperative member a most bewildering thing. He looks over the list of taxes paid by his cooperative. He finds it has paid all property taxes, sales taxes, franchise taxes, school taxes, county assessments, State and county license taxes, vehicle taxes, social-security taxes, State and Federal income taxes—and all the rest of the taxes levied generally upon business. He can only explain the oft-repeated accusation that co-ops don't pay taxes on one of two grounds: Either it is made in ignorance, as in most cases it of course is, or else it is another application of the admonition of a certain erstwhile dictator that if you tell a big enough lie often enough it will eventually be believed.

For the fact is that with this single exception of 101 (12) applying to a dwindling minority of even eligible farmer cooperatives all cooperatives pay all taxes under the same law as anyone else. Is this their fair share? Yes, and then some. For cooperatives are democratic businesses. A lot of people know all about them. They report fully on their inventories. Consequently, many a local cooperative pays more total taxes than its competitors per unit of business volume, despite the exclusion of patronage refunds.

The question that is being most frequently raised at present is this: Shall co-ops be taxed on patronage refunds paid in some other form than dollar bills?

To quote a large midwestern daily newspaper which has proven a relentless opponent of cooperatives through the years: "The big tax advantage that the co-ops enjoy, and use unfairly is the privilege of accumulating capital out of earnings without paying taxes as either an individual businessman or an ordinary corporation would have to do. This is done by the device of retaining so-called patronage dividends, giving the customers to whom they are due book credit instead of cash."

"A corporation can also retain earnings for business expansion if the stockholders so desire. But the corporation has to pay a 38-percent tax whether it keeps the money in the business or pays it as dividends."

So runs the argument. It has been reiterated over and over. But it is essentially and basically false. It simply is not true that a corporation or an individual business would be taxed if they did exactly what the cooperative and its customers do.

If any corporation, individually owned business, or partnership were to institute a program of refunds to customers based on patronage and if those customers liked such a business concern so well that they agreed to accept stock or certificates of ownership in lieu of immediate cash payment in order, for example, to make possible the opening of a new department—then that business would no more be taxed on the money so reinvested in it by its customers than a cooperative is. Again it is not true as implied in the above quotation that a cooperative could do what the corporation does without paying a tax on the same basis as the corporation. If a cooperative "retains earnings for business expansion" without allocating ownership of the money to its patrons it is taxed on funds so retained. And if a cooperative's stockholders as distinguished from its patrons, chose to leave the interest (or dividends) on their stock in the hands of the co-op to be used for expansion, the cooperative would be taxed on that money as income to it. The co-op, too, in the case of payments to stockholders, "has to pay a 38-percent tax whether it keeps the money in the business or pays it out as dividends."

The distinction in law and practice between stockholders and patrons is basic and of unquestionable validity. Businesses run as cooperatives are, for the benefit of patrons, nonprofit businesses so long as ownership of their savings (or margins) clearly belongs to the patrons rather than to the business itself.

Patronage refunds, therefore, however paid, cannot be the property of nor taxable against the cooperative for the simple reason that they are the legal property of the patrons. To contend that patronage refunds should be taxed against the cooperative if paid in some other form than cash is unreasonable. Let us suppose a man gave an agent $200 with which to purchase securities for him, and that the agent purchased the desired securities for $150 instead of $200. When the agent sought to return the $50 to the owner, the owner said, "No, just keep the $50 and when you have a good opportunity invest it for me in some good property." To say that in such a case the agent had $50 of income is simply ridiculous. And this is exactly the sort of thing that happens when a co-op member reinvests his patronage refund money in his cooperative.

The attack on patronage refunds not paid in cash is however altogether understandable. Co-ops do not have access to Wall Street or La Salle Street for their capital. They get it from the people—from their members who are almost always folk in very modest circumstances.

The principal times when these members can invest is when they receive their patronage refunds. If a penalty tax could be passed against patronage refunds reinvested in a cooperative their growth might be slowed down. The objective of co-op's competitors would have been accomplished by a political maneuver.

Kiplinger magazine, certainly no pro-co-op organ, made some pointed remarks about such methods in its November 1947 issue. It said: "Co-ops are doughty competitors chiefly because they operate by nature on a 'buyer's market' basis, regardless of economic conditions. Other businesses tend to work on a 'seller's market' psychology. * * * So it is clear that the co-op question will be settled in the market place on the basis of competitive efficiency. Fowler, in the Cooperative Challenge, is willing to leave things on such a basis. It would be strange, indeed, if supporters of free enterprise declined that challenge and became obsessed, instead, with legal maneuvers to restrict co-ops. The legal maneuvers probably will not turn out as desired. The co-ops will still be in there competing, and other businessmen will have wasted time they could have spent studying ways to meet the cooperative challenge."

Some people simply cannot seem to understand that the thing that makes cooperatives grow is a very dynamic and fundamental idea and principle which no tax law nor any other law can kill. For 1,948 years, ever since the first Christmas Day, self-seeking forces in the world have been trying to kill that same idea. It is the idea of mutual aid. Co-ops simply apply that idea to business.

The competitive advantage of cooperatives lies, and will continue to lie, whatever the result of political drives against them, in the fact that they pass on to their customers what would be profit to other businesses. The only way they can be stopped is to make it a crime punishable by death to conduct a nonprofit business in the United States.

So what is the answer? It's the same answer that good lawyers and good lawmakers have always found. It is to establish principles of law and then apply them clear across the board without fear or favor. The basic principle is the simple one now applied in American law. It is this: if any business, cooperative or otherwise, receives earnings and keeps them in its own name then it should be taxed on such earnings; but, if any business fails to make earnings or if it deliberately obligates itself to divest itself of what would otherwise be earnings by paying them to others, then that business cannot, in justice, be taxed on income it does not possess. Nothing could be closer to true tax equality than this principle.

It is nothing more nor less than a recognition of the difference between profit and nonprofit business. To violate it by levying discriminatory taxes against nonprofit business would be tantamount to denying American citizens the right to conduct nonprofit business unless they paid a penalty for the exercise of that basic right. Once understood, the American people would never tolerate such action.

Louis Johnson—Capable, Bold, Fearless, Frank, Stubborn, Forthright, and Honest

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EXTENSION OF REMARKS

OF

HON. PAUL C. JONES

OF MISSOURI

IN THE HOUSE OF REPRESENTATIVES

Friday, August 19, 1949

Mr. JONES of Missouri. Mr. Speaker, under leave to extend my remarks in the RECORD, I am herewith inserting an editorial from the August 18, 1949, issue of the Stars and Stripes which gives a comprehensive unbiased appraisal of our Secretary of Defense:

THE EDITOR'S CORNER—FROM BEHIND CLOSED DOORS

Sometimes we wonder how the new Secretary of Defense can ever get a toehold on his complicated job and do the things he is expected to accomplish. The former national commander of the American Legion is no wallflower, and, Washington being what it is, he must don his boiled shirt several times a week to attend tea parties and banquets, usually having to render a speech or two on such occasions. He is called upon for radio addresses both at home and elsewhere, and perform hundreds of chores, in addition to his regular duties. All take thought, time, and effort.

But, being a politician who with few others had faith in the public service last November of one Harry S. Truman, he has come under the direct fire of antagonists and has had to appear personally to testify before numerous congressional committees. Many opponents have been prompted in their opposition by purely partisan motives, while others entertain actual fear that Louis Johnson might not have the administrative capabilities to be safely trusted with the tremendous powers he has sought and which, after prolonged debate, have been given to him.

We would go to jail before we would divulge the source of our information, but we have been privileged to have the reaction of some who have questioned his capacity and who have felt him out boldly behind closed doors in executive sessions at the Capitol. With one accord these inquisitors have reached a refreshing and heartening conclusion. Johnson, they say, is bold and fearless. He has at his fingertips an unusually thorough knowledge of foreign affairs and defense matters. He answers questions fully and completely, and, if he is in disagreement with an interrogator, he says so frankly and states why. Open to reason, he is none-theless stubborn when he believes he is right, and he usually announces that he is. Above all else, say those who have matched wits with him, he is forthright and strictly honest.

That is saying a whole lot for the man in whose hands rests all decisions relating to the security of his country and its people. Add to it the fact that he has surrounded himself with intimate and trusted associates of long years standing and we feel that the veterans of America, and all other citizens, have little to fear in the man Johnson and much to hope for in his handling of national affairs. Perhaps after a while those who have been taking pot-shots at him will leave him alone and permit him to do the work he is called upon to do.

Gems From Speech of Herbert Hoover on His Seventy-fifth Birthday

EXTENSION OF REMARKS
OF
HON. LAWRENCE H. SMITH
OF WISCONSIN
IN THE HOUSE OF REPRESENTATIVES
Friday, August 19, 1949

Mr. SMITH of Wisconsin. Mr. Speaker, so that we might preserve in succinct form literary gems in the speech by Herbert Hoover on his seventy-fifth birthday in California, I am including them as they appeared in his formal address:

PALO ALTO, CALIF., August 10.—Highlights of Herbert Hoover's seventy-fifth birthday address tonight included:

"No nation grows stronger by subtraction.

"Along this road of spending, the Government either takes over, which is socialism, or dictates institutional and economic life, which is fascism.

"Most Americans do not believe in compromises with collectivism. But they do not realize that through government spending and taxes our Nation is blissfully driving down the back road to it at top speed.

"The steady lowering of the standard of living by this compromised collectivist system under the title 'austerity' in England should be a sufficient spectacle. It aims at a fuller life, but it ends in a ration.

"We have not had a great socialization of property. But we are on the last mile to collectivism through government collection and spending of the savings of the people.

"Thinking and debate on these questions must not be limited to legislative halls. We should debate them in every school. We should resort to the old cracker barrel debate in every corner grocery.

"As spendthrifts we are on our way to rob posterity of its inheritance."

China Fights On

EXTENSION OF REMARKS
OF
HON. WALTER H. JUDD
OF MINNESOTA
IN THE HOUSE OF REPRESENTATIVES
Friday, August 19, 1949

Mr. JUDD. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following editorial from the New York Times of August 18, 1949. It is fortunate for the world and for ourselves that China has some strong men who are not as easily daunted as American defeatists in our Government. These Chinese had the strength to fight our enemy, Japan, alone, even when we were helping that enemy. They still have the strength and the will to fight our enemy, communism, alone, even when we abuse and denounce them, thereby giving vital aid and comfort to the enemy. I hope God and history will be more merciful in judging us than we are in judging a faithful ally which succeeds in killing 243,000 Communists while we accuse it of not fighting:

RED SWEEP IN CHINA

While the world watches in paralyzed inactivity, the Communist armies continue to overrun one part of China after another, and the Chinese National Government, which all countries, including Soviet Russia, still recognize as the legitimate government of the country, continues its fighting retreat to bastions from which, as during the war with Japan, it can organize a last-ditch stand. According to the best estimates, the Communists have already conquered more than 30 percent of China's total area and nearly 50 percent of its population. Now they appear to have broken into Foochow, opposite Formosa, the final citadel of Chiang Kai-shek, and are driving on Canton, the temporary national capital. The chances of their reaching it can be judged from the haste with which most foreigners are leaving, and even more from the fact that the National Government is beginning to transfer its offices to the wartime capital of Chungking.

It is obvious that the position of the National Government is growing desperate—more desperate than it ever was during the Japanese war. But the State Department's white paper notwithstanding, and despite continuing defections, it still refuses to disintegrate and is continuing a fight in which, according to the Communists' own figures, it inflicted nearly 1,500,000 casualties on the Communist armies during the past 3 years, or about half a million more than all American forces suffered in the war against both Germany and Japan.

Its armies are scattered and suffer from lack of everything, but they still amount to nearly 1,500,000 men. Moreover, as the Communist armies spread out they weaken their local controls, with the result that they are beginning to suffer from peasant uprisings, against which they have been forced to declare a special campaign. And the National Government has one advantage which it did not have during the Japanese war—namely, control of the sea, which enables it to blockade the Communist-held ports.

Nevertheless, barring a miracle, destiny is striding along in China with inexorable steps, and each step brings nearer the time when the United States must make up its mind what to do about it—if anything. Canton is next door to Hong Kong, and Hong Kong is a western citadel in China whose fall would have incalculable effects on the whole Far East.

Cotton Acreage Allotment and Marketing Quotas

EXTENSION OF REMARKS
OF
HON. OVERTON BROOKS
OF LOUISIANA
IN THE HOUSE OF REPRESENTATIVES
Wednesday, August 3, 1949

Mr. BROOKS. Mr. Speaker, during recent months I have become intensely interested and concerned with our agricultural problem. For 10 years we have had a surcease from some of the problems of surpluses and poverty prices which have crushed our farming population during the last few generations. Beginning in the thirties, under a new agricultural program, the farming areas of the country have shown substantial progress toward prosperity, and in some instances, luxury. The country has gone forward under the best farming conditions of a generation.

Now, Mr. Speaker, I see trouble ahead. I am not alone in my concern. As I listened to some of the speeches here in the last few weeks, I found other Members of this body deeply disturbed and generally concerned regarding our farm program.

It is not so much the operation of the farm program as it covers basic, nonperishable commodities that causes disturbance. This program, generally, has operated well in the past. While controls will be necessary in the future to curb production and maintain reasonable prices to our farmers, it seems to me that this program will yet give reasonable satisfaction throughout the Nation.

The phase of the program which causes deep misgivings is the application of it to perishable commodities. It seems unfair that the farmers engaged in producing basic commodities should enjoy price support but those engaged in producing perishable nonbasic commodities should have no help in our farm program. If price support of basic commodities is to be continued as a permanent agricultural policy of the Nation, some satisfactory adaptation of this program must be applied to those who produce perishable commodities, such as milk, eggs, meats, potatoes, and strawberries. In the past we have been attempting to handle these perishable commodities on the same general basis and under the same general program as has been handled the basic nonperishable commodities, such as cotton, corn, and wheat.

Our program has not worked well when applied to them. There are, for instance, our operations in reference to price support on Irish potatoes. During the last 2 years we have sustained a loss in these operations of $404,000,000. We have, likewise, sustained a loss of some $67,000,000 in the support program for eggs; and have sustained losses in other support programs for perishable farm commodities.

Heretofore, in order to sustain the price of a perishable commodity, the Government has moved into the market and bought until the price was stabilized in the open market. It then often found itself with huge quantities of perishable commodities, purchased to support the price and yet, through the fear of breaking the price, is unable to sell or dispose of these commodities. In the past, especially in the case of Irish potatoes, we have held in storage huge quantities of these commodities. We have kept them in storage until they ultimately rotted and spoiled. Millions of pounds of powdered eggs, I am told, are in storage today and are spoiling because of our inability to sell this product on the open market. In the past millions of bushels of Irish potatoes have, likewise, spoiled and have then been destroyed by burning, with the use of kerosene. In these operations we have sustained huge losses.

A call now I think is proper to those who have the interest of farm economy at heart. It is a call to develop some change in our farm program which will more

successfully handle perishable farm commodities. Secretary Brannan has made certain suggestions and then after making them, has suggested changes in his original ideas and program. The Agriculture Committee recently presented to the House of Representatives a bill, authorizing an experimental run on three commodities—namely potatoes, eggs, and wool—under a new program fashioned, to a large extent, on the original recommendations of Secretary Brannan. The House, itself, decided against an experimental run at the present time, even though limited to three commodities, and preferred to carry on with our present program for another 12 months. This action is only postponing the day of ultimate decision. It is an effort to close our eyes to the true situation and 12 months hence we may open our eyes to the realization that the black clouds which we saw ahead of us in the meantime have opened up into a real storm.

I am candid to say I do not have the solution to this problem at the present time. I believe, however, that it is going to take the thought of the best minds of this Nation to present to us a modification of our agricultural program as it applies to basic commodities to care for the requirements of perishable commodities. I have been willing to do some little experimenting to help us in our ultimate decision, which cannot be postponed indefinitely. It is by adapting successful operations to new conditions and by modifying them that we progress in the solution of our problems. The Congress may have now another 12 months to face this problem, and as I bear in mind the fundamental needs of the rural sections from which I come and throughout our great Nation, I fervently hope that some new ideas with possibilities may be advanced.

Report From Britain

EXTENSION OF REMARKS
OF

HON. HARRY L. TOWE

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Wednesday, August 10, 1949

Mr. TOWE. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following two articles on socialized medicine by Mr. William Alan Richardson, editor of Medical Economics, Rutherford, N. J.:

[From Medical Economics for July 1949]

RÉPORT FROM BRITAIN—THE COST OF THE NATIONAL HEALTH SERVICE

(EDITORS' NOTE: Faced with the possibility of a medical new deal in the United States, American physicians are seeking any cues they can get from the experience of their British colleagues. To gather such cues first hand, the editor of Medical Economics recently undertook a month-long 2,000-mile tour through England, Wales, and Scotland, visting every principal city there and as many small towns. Mr. Richardson's aim was an objective study that would show particularly how the British doctor is being affected by state medicine and what kind of medical care he is able to give his patients. The results of the study are being presented in a series of articles, of which this is the first. The author was aided by the opinion research firm, Mass-Observation, and by Medical Economics' British correspondents, Harry Cooper and staff. More than 300 depth interviews were conducted among cross-sections of doctors and patients.)

Not long ago, a member of the House of Commons was defending the cost of the state medical scheme in Great Britain.

"What does it matter how much the scheme costs," he said, "if the needs of our people for medical care require such an outlay?"

"What does it matter, indeed?" another member replied. "The Americans are paying for it."

No Marshall-plan funds are earmarked specifically for Britain's national health service. Yet it stands to reason that without these American billions in the British till our cousins across the Atlantic might well have trouble financing their all-out medical program.

A good many Americans who don't like socialism object strenuously to our helping support socialist experiments in Britain. Nor are all Britishers in favor of it. Just a month ago an Englishwoman wrote the New York Herald-Tribune, as follows:

"If only we hadn't taken your Marshall aid. We should have had to work harder. We should have had to go without even more things. But knowing that we had something to fight for—independence, reconstruction, self-respect—and not being tied to anyone's apron strings, we should have come out of it all right, just as we came out of the Battle of Britain. We would have known, too, that we had achieved a real success, not a false one as at present."

YANKEE DOLLARS

"Marshall aid is allowing the people in power here to push all their schemes into effect. You are financing socialism, and, as we see it, socialism is hardly distinguishable from communism.

"We are utterly shocked when we consider how far we have gone along the path toward complete obedience to the state. I pray for our own sakes that more Marshall aid will not be forthcoming."

The National Health Service is estimated officially to cost more than $1,500,000,000 in the fiscal year 1949–50. And $1,500,000,000 is more than 10 percent of Great Britain's total national income. In other words, for every pound the Government takes in it will have to spend one-tenth on its state medical scheme (more than one-sixth on its entire social-security program).

And these are only the operating costs. There are also some items of proposed capital expenditure, such as $1,500,000,000 for health centers (excluding site values and cost of equipment) and almost $1,500,000,000 for extra hospital beds (excluding cost of rebuilding, renovating, and reequipping existing hospitals).

Careful estimates indicate that when socialization of British medicine is complete the project will cost not $1,500,000,000 a year but at least $2,500,000,000. This means an expenditure of more than $55 a head, or $220 for a family of four. In the United States it would total above $8,000,000,000 a year.

No one denies the wisdom of spending money intelligently to treat sickness and to preserve health—just as no one argues against buying proper food. But the public can't afford lamb chops with lace pants at every meal.

The cost of the National Health Service was so grossly underestimated by the Labor Government that a wave of parliamentary protests followed. The ophthalmic service alone was found to cost 650 percent more than anticipated: the first estimate had been $8,000,000; the revised estimate was $52,000,000. For the state medical scheme as a whole, costs are now running 40 percent above the level expected.

Complained a member of Commons: "If a business firm or a contractor made such a fantastic error in estimating, it would go bankrupt. The estimating here was hopelessly incompetent—unless a lower figure than the true one was deliberately put forward."

To some extent, at least, the Socialists underestimated costs because they underestimated human nature. The natural tendency among people when given something for nothing is to take too much of it. If when the British railways were nationalized it had been announced that everyone who contributed a pound a year could have a free pass to travel around the country, thousands of people would have been journeying to Land's End for no good reason at all. The same sort of thing has been taking place under the national health service.

CRACK DOWN DUE

Sir Stafford Cripps hinted in his last budget speech that it might be necessary next year to impose some special charge or tax in connection with the health services. "Perhaps this," said the Chancelor of the Exchequer, "would help to make people more economical in their use of the services." Such a device had to be resorted to in Germany after the state medical project got under way there. If it is adopted in Britain, the patient may have to pay for his first visit or two to the doctor in each illness and for part of the cost of his prescription, whether the script be for medicine, for supplies (bandages, adhesive, etc.), or for an appliance (e. g., eyeglasses, a corset, or a denture).

Meanwhile, as costs continue to mount, new curbs will have to be placed on the doctor. During the first year of the National Health Service, he has been allowed to prescribe as he pleased. But the expense incurred has been staggering. It will not be long, therefore, until the Government is compelled to establish some limits on what and how much the medical practitioner may order when he writes a prescription for a patient. Opticians have already been warned against supplying an extra pair of spectacles unless it is necessary to the patient's normal mode of life and there is a presumption that he will wear them.

Caught between an austerity budget on the one hand and the cost of a luxury medical service on the other, the Minister of Health, Aneurin Bevan, has been using the general practitioners of the country as a buffer. He promised them adequate pay when he urged them originally to take part in the health service. It was partly because of that promise that many agreed to cooperate. But the Minister has not kept to the bargain. He has had to cut expenses somewhere, and he has apparently assumed that he can get away with such a cut most readily among the G. P.'s. The British Medical Journal, which is never unduly critical of the National Health Service, calls this short-changing of doctors a gross breach of faith.

The recent reduction by the Minister of dentists' incomes is easier to understand, since dentists in some cases were making far more money than is considered respectable in a social-welfare state. Even so, there have been loud complaints because the earnings cut—varying from an eighth to as much as a half—were imposed without discussion with the dentists beforehand and without any warning.

The Labor Government is trying to make further savings on its state medical scheme by squeezing the hospitals. Mr. Bevan has called upon these institutions to pare their expenses so drastically that a number of hospital boards have said the only way they can do it is by closing beds—and this in the face of one of the worst bed shortages ever witnessed.

The Sheffield Regional Hospital Board, ordered to cut expenses by $885,000 in 1949, issued a public statement on the impossible

financial situation created, declaring that "If you want us to save money, we will have to close 2,000 hospital beds, reduce our staff, and cut out all comforts for patients."

The Chancelor of the Exchequer remarks that Britain's social services have resulted in a very great and highly desirable redistribution of wealth, because they benefit the less well-to-do at the expense of the more well-to-do. Unfortunately, Sir Stafford adds, just about all the wealth has now been spread around; so we have to recognize the unpleasant fact that these services must be paid for; and they must be paid for by taxation, direct or indirect.

To put it another way: There are now no more rich people left in Britain, so the cost of the social services must be met out of the workingman's pocket.

Only a small fraction of the expense of the state medical scheme is defrayed by the social-security contributions of the employee. The bulk of the bill is paid out of general taxation—which already eats up 40 percent of the total national income. The result is that the workingman pays practically the whole expense of the health service, but he does not realize it. His direct contribution is so small that he thinks he is getting virtually something for nothing.

To the Chancelor of the Exchequer the hard facts are more apparent (though he cannot for political reasons stress them too loudly). There was a veiled warning in his recent declaration that "We must moderate the speed of our advance in the extended application of the existing social services to our progressive ability to pay for them."

SLOW BOAT TO RUIN

Sir Stafford has admitted that "Social service expenditures will inevitably increase over the next 5 or 10 years. Nothing can stop this except the cutting down of the social services themselves, and that I do not believe anyone is prepared to recommend."

To this conclusion, the Economist nods its head in sad agreement: "It is a lamentable truth, but an inescapable one, that the British democracy would rather ruin itself than give up any of its major spending projects."

The crux of the cost argument was expressed in Parliament by David Eccles of Chippenham. "It has been stated," he said, "that the need of the people is the only criterion of the amount of money to be spent. We should all like that to be true. But, in point of fact, the choice is: Shall we spend our revenue on new houses, where people will be prevented from getting ill? Shall we spend it on education, which will teach them their way about the world? Shall we spend it on health services, to cure them when they fall by the wayside? Or on pensions, to support them in their old age? We have now reached a point where it is absolutely necessary to balance one social service against another."

HIDDEN COST

The people of Britain pay nothing directly to the National Health Service. Employed persons over 18 are subject to a weekly payroll deduction (men 98 cents; women, 70 cents) that helps in a small way toward the support of the national insurance (social security) system. National insurance funds pay for state medicine, unemployment coverage, old-age pensions, funeral benefits, etc.

People who are not employed—such as housewives, children, and other dependents—make no social-security contribution and are therefore not "insured." But they can join the health scheme anyway, and they pay nothing for it.

Scarcely any of the public interviewed in Britain would venture even a guess as to the cost of the national health service. And most of those who did guess were wrong. When told the cost, five of every seven said they thought the service was worth it.

Asked what she liked best about the state medical plan, the 84-year-old wife of a Liverpool crane operator said simply: "You haven't got to pay."

A lorry driver in Worcester said: "The cost isn't a great lot. We used to pay more privately. When you have to pay a guinea ($4.20) for a visit, and you need two or three visits a year, it soon mounts up. Now you can have as many visits as you want and it doesn't cost you a penny."

According to a warehouseman in Nottingham, "It's better for the Government to have people well than falling off sick. They're able to work better and it's better for the country."

INDUSTRY PAYS

A retail jeweler in Leicester did not agree: "If the money used for the National Health Service had been used instead to lower the income tax and the purchase tax, the higher spending power and the lower price of goods would have been a greater incentive to effort. Only an increase in production will give this country the money to support luxuries like the health scheme."

The scheme is, indeed, a charge on industry; for it raises inevitably the cost of goods exported from Britain. As world competition develops a keener edge, the British may find the expense of their medical system pricing them out of markets on which they depend for their economic survival.

Why, then, do they clutch so hard at Government aid? If they can't afford it, why don't they go without it? The answer lies in their acute need. For years, Britain's poor got only the barest medical attention. Some got almost none. Among all British families today, about 84 percent have incomes below $1,000 a year. Yet 60 percent of American families have incomes above $2,000 a year. Only when the vast economic dissimilarity between Americans and Britons is realized can British insistence upon free medical care under a national health service be fully understood.

The Health Ministry's comment on the high cost of the health service in its first year is that it reflects an abnormal period.

"Pent-up demands for treatment were met which should gradually taper off," says an official spokesman of the department. "Costs will then decline."

Others feel that as the state service makes the people more health conscious, treatment and costs will not decline but will go up. "A bankrupt nation cannot afford to throw its money about like this, no matter how worthy the principle," says a physician in East Lothian, Scotland.

Dr. Ffrangcon Roberts, of Cambridge, who has made an intensive study of the national health service, concludes one of his reports with these words:

"We know the cost of food and clothing. We can find out exactly the cost of repairing a house. But sickness is different. The cost cannot be ascertained with anything approaching accuracy. The only certainty is that it will increase with accelerating speed. The British state has underwritten an unlimited liability."—*William Alan Richardson.*

[From Medical Economics for August 1949]

REPORT FROM BRITAIN—THE PEOPLE VIEW THE NATIONAL HEALTH SERVICE

(EDITOR'S NOTE.—Faced with the possibility of a medical new deal in the United States, American physicians are seeking any cues they can get from the British. To gather such cues first-hand, the editor of Medical Economics recently undertook a month-long 2,000-mile tour through England, Wales, and Scotland, visiting every principal city there and as many small towns.

(Mr. Richardson's aim was an objective study that would show how British doctors and patients are being affected by state medicine and what they think of it. The results of the study are being presented in a series of articles, of which this is the second.

(The author was aided in his inquiry by the opinion research firm, Mass-Observation, and by Medical Economics' British correspondents, Harry Cooper and staff. More than 300 depth interviews were conducted among doctors and patients and among the various professional associations and the Ministry of Health.

(Medical men to be interviewed were chosen at random by taking every nth name in the British medical directory. A sample was sought in this way that would reflect no over-all bias either for or against the government health service. Equal care was taken to get an unprejudiced sample among the public. Here a stratified selection was made according to age, sex, location, financial status, and occupation.

(Mr. Richardson's initial material is being kept fully up to date as follow-up reports are received each month from London.)

Many Britons have strong convictions about their year-old state medical scheme. A deaf-and-dumb group leader was cited recently as an example. In expressing himself about the scheme before an assembly of fellow deaf mutes he dislocated three of his fingers.

Whether Mr. Haxton of Brixton—or any other Britisher—likes the National Health Service depends on whether he likes socialism. If he's a typical citizen, he's for the Socialist Government. Ergo, he's for socialized medicine.

A fairly large minority of middle- and upper-class people oppose the scheme. But they're outnumbered by the laboring and lower classes who favor it.

According to the wife of a civil-service employee in Surrey, the National Health Service is "one of the finest things any government has ever done." A clerk in Devon describes it as "the greatest innovation of the present century."

Among the British public interviewed, only about one person in eight said the National Health Service was anything but good, or good in part. However, about one-third of the advocates qualified their approval, saying the service was good "mostly for the poor" or "if we can afford the high cost," or "if the public would only stop abusing it," or "if only we had more doctors."

A librarian in Dorset said, "I'm sure the nation will be far healthier from now on. People no longer have to put off seeing the doctor because they can't meet the cost. No one will ever know the number of lives endangered or lost in the past because people who needed a doctor couldn't afford to call one."

THE LID'S OFF

A foundry worker in Middlesex said, "For the first time, it isn't a matter of a person's bank balance that decides whether he's going to live or die. There are old people here who went about for years half blinded because they couldn't afford spectacles. I've seen them using bits of magnifying glass to read newspapers with, and buying 2-shilling eyeglasses at Woolworth's. This scheme is a godsend to them."

A warehouseman in Leicester said, "The free health service is a jolly good thing: It has shown us something, too: You can't judge the public's need for medical care until it is free."

The comments of the people interviewed reflect clearly the many defects of the new service. But they reflect also an awareness of those defects. The optimists insist that present troubles are only temporary, that after the health scheme passes its "teething" stage people will get better medical service without having to wait so long for it.

Meanwhile, there is evidence all over Britain of the tremendous appeal of a plan that promises the public comprehensive medical care almost without limitation and at no direct cost. The Government has yet to

deliver on this promise, but as long as there's any chance of it doing so, most of the people want to let things take their course.

The American observer soon realizes something that the British politician realized at the start of the century: Most Britons don't care too much what kind of medical care they get as long as they get something. Many of them have for years been too poor to afford a doctor. Now they rejoice because the doctor is free. If they have to queue up to see him, if his service is not of top quality, what of it? What good was quality under the old system if you couldn't afford to buy it?

Obviously, medical care in Britain isn't free. But the patient tends to think it is because his direct contribution is so modest (less than a dollar a week).

A farmer in Cornwall indicated very simply why so many Britons have clasped state medicine to their bosoms: "People," he said, "can now afford to be sick."

A crane operator's wife in Liverpool said, "Sometimes when my little girl Aggie was sick, I use'n't to have the money when the doctor come. It's everything to a mother to know you can call the doctor even when you haven't the four shillings ready."

A houseworker in South Wales pointed out that "We used to have to pay seven shillings and sixpence a visit. So, many of us just kept away. Now when we need treatment we just go and get it. The poor people get the same kind of care as the people better off."

Said a metal worker in Oxford: "It gives us new peace of mind to know we can call a doctor if we need one. Before, lots of people let their illnesses go too far because they were afraid of doctors' fees."

Many who liked the national health service are former panel patients. Britain had the panel system from 1911 to 1948. All workers earning less than $1,680 a year (about 40 percent of the population) were covered by the scheme. Their dependents were not covered, but the panel physician generally gave them medical service at reduced rates.

In evaluating British acceptance of the national health service, therefore, Americans must recognize that a large proportion of the people of Britain have been conditioned to socialized medicine for almost four decades. Many have never known anything else. They have never known what first-class medical care is.

WHY THEY APPROVE

What they do know is that the panel system had some big gaps—e. g., that it did not cover dependents, that it did not provide specialist services, that it did not include medicines, appliances, and teeth. The national health services aims to fill those gaps. It promises the people more than they had before. So, many of them figure: What have we got to lose?

Britain may, in time, lose its shirt trying to maintain the new service. But the critical period has yet to come when depression, war, or the threat of national insolvency forces a show-down. Meanwhile, Marshall-plan money flows undiminished across the Atlantic, and the world continues to witness the paradox of private enterprise helping pay for Socialist experimentation.

CHIEF COMPLAINTS

The commonest objection patients have to the new health scheme is the time they have to wait to see the doctor. A draftsman in Newcastle said that since the scheme started, the queues have grown tremendous. A London housewife said, "My husband went to the doctor's the other week and had to wait outside the door for 2½ hours."

The London Sunday Times put it in rhyme:

> "I wonder if Bevan
> Would queue up at eleven
> To consult his M. D.
> At a quarter to three."

The fact is that most Britons queue up fairly readily. They don't seem to mind it the way Americans would. Either their spirit has been dulled or their patience is infinite.

A white-collar worker in Cardiff proved himself an exception. He figured he could not afford to wait 2 hours in the surgery of his NHS doctor, for he would then lose a half day's pay. So he consulted a private doctor by appointment.

A jeweler in Leicester said, "I dread the idea of being seriously ill. One might have to wait months to get into a hospital, to have an X-ray, or even to see a specialist."

According to a garage manager's wife in Croydon, "People aren't getting the same attention they were getting before. Medical attention has become such an impersonal matter now. Doctors try to get through as many patients as they can.

"If I wanted any real medical advice, I'd go to a doctor and pay him. If I only wanted a certificate, I'd go to the doctor I'm registered with."

A tobacconist in the same town, speaking of NHS doctors generally, said, "They treat you like you was in a post office. Still, you can't expect them to take an interest in their patients when they know they'll get paid for you if you come or if you don't."

A housewife in Durham summed it up by saying, "We just don't feel that we have a family doctor any more."

The jeweler quoted made the point that "In a Socialist state everything, including medical care, is graded down to the same mediocre level. A patient who wants a few aspirins can now demand attention as urgently as someone suffering from a grave illness."

A good many Britishers have adopted a policy of "Let's get ours while the getting is good." They seem to feel that if they don't take advantage of the health insurance promptly they may later have to pay for some part of the benefits they now get "free."

"The Government should have known that crowds of greedy people would overwhelm the doctors," said a housewife in Durham. "My husband and I are Socialists, and we've never been anything else. But we're against the new health scheme as a waste of public money. The poor could have been helped without our all being saddled with the present system."

An ironmonger's assistant in a small village in Scotland said, with some feeling, that "What I don't like is the way the Labour Government keeps saying the health service is free. It's not free. It's got to be paid for. And we're the ones—all of us—who'll have to foot the bill."

HOW GOOD IS CARE?

Asked about the quality of medical care given under the national health service, most patients say it is not much different from what they used to get under the panel system. But since patients are not the best judges of quality in medicine and since the panel service was anything but a criterion of quality, the answer to the question is not conclusive.

Even some patients who praise the new system admit that it does a better job quantitatively than qualitatively. An aircraft fitter's wife in Birmingham, for example, said that "The scheme is absolutely marvelous. It has a big future. But the treatment we now get isn't quite up to standard because the doctors have too much to do."

A bakery manager near Leeds: "The old scheme," he said, "was bloody awful; and the new one's no better."

APPLIANCES "ON HOUSE"

"Free" eyeglasses have been among the biggest hits of the British health show. A lorry driver's wife in London explained why: "There's people couldn't afford spectacles before and now they can 'ave 'em."

Yet this phase of the service has been one of the most abused. And many Britons know it. An RAF officer's widow was licensed because "They told me I could get glasses under the health scheme; but after I filled in all the forms, they then said I'd have to wait several weeks—unless, of course, I wanted to pay for them. I needed them in a hurry, so I paid."

A draper in Yorkshire said, "A friend of mine broke the sidepiece of his glasses. He sent his son down to the optician's with them. All he wanted was the sidepiece replaced, but in the end he got two new pairs of glasses.

"One optician I know makes a regular practice of frightening people into having two pairs. He'll say, 'You don't want to ruin your eyes, do you? Then you should have two pairs—one for near and one for distance.'"

"Free" teeth have won even more enthusiastic applause from NHS patients. And not without reason. For, as Colonel Stoddard-Scott, of Pudsey, said in a gem of understatement before the House of Commons, "Britain's teeth have not been the brightest pearls in our country's diadem." The gentleman from Pudsey declared himself "well pleased that the dentists have been so overworked since the health service began."

Yet dentistry, too, has been another fertile field of abuse. The chief complaint here is that the patient often can't get service within a reasonable time unless he pays cash.

The draper quoted said, "It's a racket. My next-door neighbor, a woman known to have a little money in the bank, was told she could have a new set of teeth in a week for £40 ($160) cash or have a set on the scheme for nothing and wait several months. She paid the £40."

An accountant in south London cited the case of a dentist who had charged the Government £21 ($84) for 1 hour's work on a patient. He had claimed payment for 21 fillings.

"Free" medication is likewise popular among Britishers today. Yet here the opportunity for abuse is less. The main charge heard—but not very often—is that some doctors are reckless in the quantities they prescribe. One patient even asserted that her doctor was "trying to sabotage the scheme by extravagance."

Some specialists are accused of the racket of arranging prompt hospitalization for patients who pay them privately. To the extent that this goes on at a time when hospital beds are in acutely short supply, it is a vicious practice; for it means that some trivial cases are getting priority over serious cases.

According to a businessman in Yorkshire, "If your doctor says he would like a second opinion, and you agree, along comes the specialist. After pocketing his fee he can usually get you an infirmary or hospital bed in about 5 minutes. Otherwise, getting a bed might take you months."

A speaker in Parliament said recently that some children who require tonsillectomy have to wait up to 2 years for the operation, while others whose parents will pay the surgeon from $120 to $200 for the work are admitted to a hospital at once.

Some Britons feel that the National Health Service has been an example of too much too soon. It should have been adopted only in part, they say, and gradually—over a period of perhaps 25 years. But this was not politically expedient.

The doctor is quite naturally the one most aware of the threat to his incentive in a state medical scheme But patients sometimes recognize this too. A cellulose sprayer in Lancashire said that "When doctors treated you privately, they usually tried to give you their best. Now that they're paid servants of the state they brush you off in a hurry."

Certain patients complain that the doctor's don't-care attitude leads inevitably to a deterioration in his relations with patients. A Scotch shopkeeper said, "The doctor isn't so friendly as he was. Now that medicine is nationalized, he's just like the rest of the

civil servants. When I took him my registration card, he wasn't very pleased about it. I'd always paid him for what he did for me. Now he's got to take everybody at so much a year. You can't expect to get the same service."

PREVENTIVE MEDICINE?

The national health service was described originally by its sponsors as a great potential force in the field of preventive medicine. As yet it has a long way to go. It's true that because house and office calls are "free," more of them are being made. But there is often not time for adequate examination or treatment. So the theory doesn't always get into practice.

An architectural student in London remarked that "We were promised health centers where everyone could get preventive medical service. But where are they? The NHS, as far as I can see, is concerned only with patching you up."

Minor complaints about the health service are of a wide variety. For instance:

"A lot of untrained people are becoming opticians now, just to get their hands on that ready Government money." * * * "I dislike the fact that doctors are still allowed to take private patients since these are obviously paying just to gain preferential treatment." * * * "Our family is naturally healthy. We seldom ever see a doctor. Now we're taxed to take care of the sick." * * * "Why should foreigners get our medical service for nothing? I'm one taxpayer who resents it."

Some patients in cities charge that they can't get their doctors to answer night calls. The doctor is always allegedly out on another call when the patient tries to reach him. By the time he's available, it's morning. This disinclination to go out at night is commonest in the heavily populated industrial areas where there are not enough G.P.'s and where the doctors thus have the best chance of dictating their terms of practice.

PATIENT RELATIONS

The people interviewed were asked their opinion of the value of a close doctor-patient relationship and what they thought the NHS had done to such relationships. Many who answered were former panel patients whose knowledge of such relationships was scant.

The student quoted above replied to the query about the doctor-patient relationship by saying, "That's my eye! Oh, it's all right for those old ladies who want a nice bedside manner with each bottle of cough medicine. But the main thing is for the doctor to know his business. I don't care if he's a complete boor as long as he knows what he's doing."

A commercial traveler in Leicester said, "An intimate doctor-patient relation may have been a good thing among the old-fashioned middle classes; but I can't see that it is possible—or essential—today.

But most Britons consider the doctor-patient relationship important and they don't think it has been affected much by the national health service. This is either an endorsement of the NHS practitioner or—more likely—a reflection on the panel doctor who preceded him.

CHOICE OF PHYSICIAN

Four out of five people questioned in Britain felt that they enjoyed a reasonably wide choice of doctor. Again, many of them were making comparisons with the panel system and not with private practice.

A dissident voice was that of a motorcar painter in the Midlands, who said, "I think our choice of doctor has narrowed a lot. For instance: If the patient is a chronic, few doctors will want to take him because he's a dead loss. If the patient lives outside the G. P.'s district, the G. P. won't take him because it means too much time lost in traveling."

There are those who predict a steady growth in private practice over the years, as dissatisfaction with the health service mounts. But as long as the public is taxed to support the service and as long as British incomes remain low, not many people will feel able to make double payment for their medical care.

A housekeeper in Essex said, "I'd rather pay than wait around." But she is in the minority. So also is the instrument maker in Manchester, who said, "Under the new scheme I have a different doctor. But I'm still a private patient of my old doctor who's not in the scheme. The surgery of my NHS doctor is nearby, so I thought it advisable to have such a doctor for my family in case of an emergency or some trivial mishap or illness. But for anything serious, I prefer the idea of continuing with my old doctor.

"This doctor lives at the other side of the city. He couldn't afford to come way over here for the small NHS fee he'd get. So I see him as a private patient."

There is every reason to believe that the Socialists in Britain will fight to the last ditch to keep their state medical scheme going. Nor will the Conservatives try to upset it and risk political suicide in the process.

The key to the issue is held by the people. Only when they realize the impossible cost and the basic unsoundness of their socialized health scheme will the end of state medicine in Great Britain be a reasonable expectation.—*William Alan Richardson.*

General MacArthur's White Paper

EXTENSION OF REMARKS

OF

HON. WALTER H. JUDD

OF MINNESOTA

IN THE HOUSE OF REPRESENTATIVES

Friday, August 19, 1949

Mr. JUDD. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following editorial from the Washington Daily News of August 18, 1949:

GENERAL MAC ARTHUR'S WHITE PAPER

In declining an invitation to come home and give Congress his views on the China situation, Gen. Douglas MacArthur remarked pointedly that his ideas concerning Pacific policy were "fully on file with the Department of the Army."

The general's views are known to conflict with those of the State Department, so his unwillingness to become involved in a public controversy with the administration is understandable. But his previous recommendations can speak for themselves and he is willing to stand on that record.

The Joint Chiefs of Staff should be called upon to produce and comment on the MacArthur file, for vital questions of national security are involved.

In a cable to the House Foreign Affairs Committee almost a year and a half ago, General MacArthur disposed of most of the confusion revealed by the State Department's 1,054-page white paper in two paragraphs. He said:

"The international aspect of the Chinese problem, unfortunately, has become somewhat beclouded by demands for internal reform. Desirable as such reform may be, its importance is but secondary to the issue of civil strife now engulfing the land, and these two issues are as impossible of synchronization as it would be to alter the structural design of a house while the same was being consumed by flame. The maintenance of China's integrity against destructive forces which threaten her engulfment is of infinitely more concern. For with the firm maintenance of such integrity, reform will gradually take place in the evolutionary processes of China's future.

"The Chinese problem is part of a global situation which should be considered in its entirety. Fragmentary decisions in disconnected sectors of the world will not bring an integrated solution. It would be utterly fallacious to underrate either China's needs or her importance. For if we embark upon a general policy to bulwark the frontiers of freedom against the assaults of political despotism, one major frontier is no less important than another, and a decisive breach of any will inevitably engulf all."

Contrast the calm, penetrating logic of this reasoning with the State Department's fumbling 1,054-page alibi on the same subject.

The Case of the Spanish War Veterans and Their Widows

EXTENSION OF REMARKS

OF

HON. BARRATT O'HARA

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Friday, August 19, 1949

Mr. O'HARA of Illinois. Mr. Speaker, I regret exceedingly that after these many months in which we have been in session there has reached the floor of this House no measure for the relief of the aged veterans of the Spanish-American War and their widows. Many of these good men and women are subsisting on the pensions they receive from the Federal Government, and I had hoped that in the wisdom and the graciousness of the Congress some adjustment might have been made to meet the increased cost of living.

I myself am a veteran of that war of 1898 and the welfare of my surviving comrades and of their widows is very close to my heart. I am deeply moved when I receive letters such as the one which came to me today from Mrs. Birdie Wheeler Gorham, 219 North Second Avenue, El Paso, Tex. She is 72 years old, and in her youth she was wooed and won by one who was a member of that great volunteer military force that won in record time our war with Spain. Her husband died in April of 1947 and she is living on the $48-a-month pension she receives as the widow of a Spanish war veteran.

Mr. Speaker, there are so few of these Spanish War veterans and so few of these widows—I refer to the widows who were married to veterans for a considerable period of years—that it would mean such a trifling sum of money for the Congress to increase these small pensions so as to provide for a more comfortable old age.

Mr. Con S. Kelly, past commander in chief of the USWV and beloved by all his comrades in his home city of Chicago as well as throughout the Nation, has wired me urging that I give such support as I am able to the amendment to H. R. 5598 for Spanish-American War veterans and dependents which is before the Senate committee. Unfortunately, of course, all that I can do is to bring the

just claims of my comrades to the attention of my colleagues and hope that the amendment will be accepted by the Senate and later meet the approval of the House conferees.

It was the Spanish-American War which started the United States of America on the road of her destiny to placement as the first power of the world. It was the beginning of a new era of richer lives and greater human contentment for men and women everywhere—the era, to last for centuries, which will be known as the golden period of American "peace and good will" influence. Future historians, I am sure, will speak of the three wars of my lifetime as the "50-year war" which ushered in the golden epoch of the American influence. A 50-year war, yes, beginning with the war in 1898, when British siding up to us prevented the open alliance of Germany with Spain, an interlude of armistice, then World War I with the same alliances, another interlude of armistice, and the third and final clash of arms.

Let us not forget the "boys of 1898" who in 101 days fought and won a war on foreign soil, completely destroyed both the Atlantic and the Pacific fleets of the enemy and prepared the way in the Philippines and in the islands of the Caribbean for the triumph of our arms in the world wars of these later years.

Because the war was won so quickly, by reason of the irresistible force of an Army and a Navy composed entirely of volunteers, there has been from time to time a tendency on the part of some, misinformed as to the facts, and engrossed in the intensity of later events, to belittle the Spanish-American War. I myself, served—a boy just turned 16—with the Fifth Army Corps under General Shafter at Santiago. We were sent to Cuba—my regiment, the Thirty-third Michigan Volunteer Infantry arriving a few days after Col. "Teddy" Roosevelt and the Rough Riders—with issue of winter clothing and outdated smoking Springfield rifles. The beef that was sent us was putrid, and from the rigors of the campaign, intensified by the lack of proper tropical clothing and of wholesome food, by August we were reduced by yellow and malarial fever to the mere skeleton of an army. The week before we disembarker I, the low-ranking corporal, was the commanding officer of my company with only one other, a private, able to report for duty. All the others, in the pink of good physical condition when we left Camp Alger near Washington in early June—had been stricken by the fever. I cite this bit of personal experience merely to show the condition of our Army in Cuba which came largely from the neglect of our Government to make the proper provisions for a tropical campaign. It is not too late for our Government to make up in some part for this neglect by providing a little greater ease and comfort in their last years to my few surviving comrades and the widows who for a considerable span of years were married to veterans.

I think my colleagues may be interested in the figures furnished me by Mr. J. A. Hilliard, the brilliant and respected historian of the United Spanish War Veterans who has done a great work in exploding the 50-year-old slander that there were only 345 battle dead in the war with Spain.

Mr. Hilliard writes:

So when we read of 345 battle dead in war with Spain, please note that 243 were killed in battle at Santiago and 1,345 wounded; 514 died of disease around Santiago, 87 died en route home, 257 died at Camp Wikoff, making 1,107 of 345 battle dead in the Fifth Army Corps alone.

The first 38 months of war with Spain—May 1, 1898 to June 30, 1901—the total dead was 9,713. It is well to note here that of the 10,668 officers and 220,213 men in State and United States Volunteers of 1898 that 4,544 were discharged for disability and, mostly after the hospitals were full, that 18,554 were discharged by order to be cared for or to die elsewhere.

The fighting in Santiago came to a close with the Armistice of July 17, 1898. But the deaths continued. On July 27, 1898, there were 4,122 on sick report, 3,193 of these being fever cases, 822 new cases developed that day and there were 2 deaths. On August 1, 1898, the Fifth Army Corps at Santiago had 4,239 on sick report, there were 689 new cases that day and 15 deaths.

In 1898 and 1899 there were 4,919 cases of gunshot injuries among our soldiers and sailors. Here are the figures: In head, neck and face, 726 cases and 298 deaths; in trunk, 1,065 cases and 409 deaths; in upper extremities, 1,410 cases and 9 deaths; in lower extremities, 1,555 cases and 41 deaths; not stated, 163 cases and 88 deaths. The total number of deaths was 845 out of 4,919 cases. If the battle dead was 345 what would you call the other 500 who died from gunshot wounds in the first 20 months and 9 days of the War with Spain and resultant Philippine insurrection?

Deaths from disease in 1898 totaled 3,690 and in 1899 the total was 1,241. See pages 857 and 860, volume 1, part 2, Surgeon General's Report, 1900.

Mr. Speaker, I do hope that when H. R. 5598 comes from the Senate and from conference it will contain the amendments urged by Past Commander in Chief Kelly—amendments which will carry to the "boys of 1898" and the aged widows the message that the Eighty-first Congress, with many of its distinguished membership veterans of World War I and World War II, had remembered before adjourning the volunteers of the smaller war who in the prime of their youth so well remembered the Maine. I have the faith the country would approve and applaud.

Stupid and Pusillanimous Republicans

EXTENSION OF REMARKS

OF

HON. CLARE E. HOFFMAN

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Friday, August 19, 1949

Mr. HOFFMAN of Michigan. Mr. Speaker, under leave to extend my remarks, I am printing a copy of my letter to the editor of the Detroit Free Press:

CONGRESS OF THE UNITED STATES,
HOUSE OF REPRESENTATIVES,
Washington, D. C., August 19, 1949.

EDITOR, DETROIT FREE PRESS,
Detroit, Mich.

DEAR SIR: A recent editorial in the Detroit Free Press, calling attention to the lack of opposition to the appointment of Tom Clark to the United States Supreme Court, carries this concluding paragraph:

"The blind stupidity and selfishness and all-around pusillanimity of the Republican leadership as the 'party of the loyal opposition' is the complete answer to the refusal of the people to have any faith in the GOP."

Assuming for the moment that your charge is true, how, may I ask you, did Republicans get that way? What encouragement over the years has the Detroit Free Press, or its publisher, John S. Knight, given Republicans in Congress when they fought the New Deal and its fallacies?

When the writer was fighting the Communists in the CIO, doing everything within his power to induce legal authorities to suppress the lawlessness of the CIO's goon squads, what was the Detroit Free Press printing—anything in favor of the enforcement of the law?

I recall very distinctly an editorial printed just before, as a representative of the House Labor Committee, I was sent to Michigan to investigate the violence, the civil strife, created by goon squads of labor organizations. You charged in substance that any hearing that I might hold would be unfair, and report made biased and prejudiced against the labor unions. That statement of yours, as a record of the hearings which I had previously held will demonstrate, was viciously untrue.

When some of us here in the House were after the Communists who were then being sheltered under the wing of the Roosevelt administration, the Detroit Free Press smeared us time and again.

In the CONGRESSIONAL RECORD, page 4729, part 4, volume 88, of the second session of the Seventy-seventh Congress, you will find an editorial signed by John S. Knight, owner and publisher of the Detroit Free Press, in which he said:

"A Congressman is a man who played ball with the drys during prohibition, but never missed an opportunity to sample his friends' private stock.

"A Congressman is a man who will drink your liquor all night.

"A Congressman is a man who collects mileage from the Government for trips he never takes.

"A Congressman is a bumptious, slow-witted politician who depends upon smarter men to elect and reelect him; a small chip in the big international poker game now being played at Washington. He is susceptible to flattery, devoid of backbone, lacking in principle, short on ability, and usually labors under the delusion our Government exists chiefly to perpetuate him and his kind on the public pay roll.

"In brief, most Congressmen are a total waste of time, money, and effort."

On the front page of the Detroit Free Press of Sunday, May 17, 1942, under the heading "You can do something about this," among other things, Mr. Knight wrote:

"By the action of some 200 of its Members who participated in an undignified scramble for unlimited gasoline ration cards, the Seventy-seventh Congress has again confirmed its reputation as one of the worst in history. * * *

" 'Bundles for Congress' and the X gasoline rationing farce are but symbols of its restricted collective mentality and utter inability to sense the national temper before hearing from the people back home.

* * * * * *

"A stupid, spineless post-war Congress which yielded to the insistent demands of

each selfish pressure group could very well throw this Nation into an economic tailspin from which there could be no recovery under our present system of Government."

He concludes that editorial with this statement:

"The inept, spineless Seventy-seventh Congress now assembled in Washington should be a direct challenge to every good citizen to see to it personally that the Seventy-eighth Congress will be a better one."

Is it any wonder that some Congressmen want to remain inconspicuous when they get that kind of publicity from the editor of a daily paper? Why did he make those statements? Evidently because we were opposing the ruinous policies of the New Dealers.

It is just possible that Republican Congressmen are stupid. It is probable that we have our share of selfishness. If some of the Congressmen are pusillanimous, it is possible that you have contributed to their failure to publicly fight the New Deal, the Truman administration, the racketeers in the labor unions.

Some may have concluded that, as long as the newspapers of the country, with a few notable exceptions like the Chicago Tribune, the South Bend Tribune, and the papers in the Fourth Congressional District of Michigan, have given Congressmen heck and repeat every time they vigorously expressed an opinion or took action which tended to first protect our own country, insisted that we should have respect for the courts and for the law, they would remain silent until the press and the people got an overdose of the New Deal, of communism, of lawlessness.

In the words of the scripture, "It is hard for thee (me) to kick against the pricks." Why should I or others in Congress continue to carry on the battle while you and editors of other great papers continually smear us?

In your editorials you have been blowing hot and cold; you have been as variable as the weathervane on grandfather's barn. If you and other editors had, over the years, given us a little support, a little encouragement, the situation here in Washington might have been different.

Congressmen are quite like other folks and even the most courageous of us sometimes realize the futility of attacking every wicked thing an administration does.

When the Eightieth Congress had control, I, as chairman of one House committee, held hearings in an effort to uncover any connection Tom Clark may have had with the granting of paroles to the Chicago Capone gangsters. I held hearings, with one of Clark's representatives represent, which forced the prosecution and conviction of Philadelphia gangsters and racketeers.

I personally insisted that Clark send the chief of his criminal division to attend hearings before the Labor Committee. In the presence of that representative, I asked the questions which later resulted in the perjury conviction of the Communist, Christoffel, head of a CIO union which held up production during the war. An opinion by Justice Murphy freed Christoffel on a technicality.

Did you ever have a word of commendation for me in connection with any of my activities here? Not that I recall. On the other hand, you libeled me, and, had you been a resident of my district, I would have sued you as I did one other Detroit paper, forcing it to admit that its derogatory charges against me were wholly false.

You and the people are getting just exactly what you asked for. Some of us will continue our fight for the things we know to be right, but we can't always be on the firing line and I venture to guess—and it is only a guess—that Congressmen as a group possess no more of stupidity, selfishness, and all-around pusillanimity than do those who publish and edit the Detroit Free Press.

It might be a fine thing for the country if John S. Knight, reputed to be the owner and publisher, and who sometimes writes good signed editorials for the Free Press, would follow in his father's footsteps, become a Congressman and give the rest of us a leader. I, for one, would be very happy, as long as I am here, to give him my support in any effort he might make to put a little intelligence, a little less selfishness, a little more courage, into congressional actions.

Sincerely yours.

The editorial to which I refer reads as follows:

WHY PEOPLE LACK FAITH IN THE REPUBLICAN PARTY

President Truman named Tom Clark to the United States Supreme Court on July 28. That's 15 days ago.

The Senate Judiciary Committee started hearings on the nomination 5 days ago.

In all this time not one of the 40 Republicans in the Senate or of the 165 Republicans in the House has had the courage to stand up and denounce this immoral appointment.

Protest has been left to a section of the press. Now comes Harold Ickes, former Secretary of the Interior in the Roosevelt and Truman Cabinets, with a scathing indictment of Clark's unfitness in a signed article in the New Republic. We quote:

"President Truman has not 'elevated' Tom C. Clark to the Supreme Court; he has degraded the Court to Tom C. Clark."

What chance have the people, asks Ickes, "when the Supreme Court is treated with indignity and contempt?" The other Justices "will have to pretend to welcome as an equal, a second-rate political hack."

Again quoting Ickes:

"Instead of determining the rights of others, as a member of the Supreme Court, Clark should be defending himself before the Senate of the United States against impeachment charges voted by the House."

The allusion is to Clark's misfeasance or malfeasance or worse, while Attorney General from June 1945 to July 1949.

The vital need to keep the Supreme Court in the hands of good men learned in the law does not need stressing.

Yet, President Truman names to it a political hack who did dirty work for him, as Attorney General, who is not learned in the law or in common ethics.

These facts are of record.

As Attorney General, Clark not only did not carry out the Supreme Court mandate in the California tidelands case, in which vast oil reserves belonging to the people were involved, but collaborated, as Ickes charges, with Secretary Krug to make it impossible to carry out that mandate.

Again, as Attorney General, Clark could find no cause for prosecution in the Kansas City vote frauds, although the Pendergast machine confessed its guilt by bringing in safecrackers to remove the evidence from the county vaults.

Again, when one of Mr. Truman's Missouri campaign managers engineered Federal paroles for a gang of Capone extortionists, Attorney General Clark, sworn to uphold law and justice, looked the other way.

Again, during the campaign last year, Clark gave a talk to a gathering of United States attorneys, his subordinates, which amounted to instructions, not to enforce the Corrupt Practices Act, but to condone evasions of it to promote Truman's reelection.

And not a single Republican in Congress has the vision or the integrity or the courage to stand up and not only denounce this betrayal of the public interest but to demand Clark's impeachment.

The blind stupidity and selfishness and all-around pusillanimity of the Republican leadership as the party of the loyal opposition is the complete answer to the refusal of the people to have any faith in the GOP.

United Nations Promotes Russian Interests in Dutch East Indies

EXTENSION OF REMARKS

OF

HON. PAUL W. SHAFER

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Friday, August 19, 1949

Mr. SHAFER. Mr. Speaker, under permission to extend my remarks I include a radio broadcast by H. R. Knickerbocker regarding affairs in the Dutch East Indies, made just prior to his ill-fated flight on the KLM plane after he and other newspaper correspondents had visited Indonesia.

H. R. Knickerbocker was twice winner of the Pulitzer prize for outstanding journalistic endeavors. He was a reporter of more than ordinary ability, and in 25 years of active career became noted as a foreign correspondent, particularly because of the swiftness and accuracy with which he analyzed foreign political news.

Mr. Knickerbocker died with other distinguished journalists in an air crash near Bombay, India, while returning to America after an exhaustive survey of the Indonesian situation. The following text of a broadcast made by Mr. Knickerbocker should interest every Member of Congress. It is a great work of a sterling reporter.

UNITED NATIONS PROMOTES RUSSIAN INTERESTS IN DUTCH EAST INDIES

(Radio broadcast by H. R. Knickerbocker from Batavia, Java, July 9, 1949)

Good evening, from Batavia, in Java.

United Nations interference in the Dutch East Indies has gravely increased the danger of communism here and has promoted the interests of the Soviet Union. This is a judgment achieved after 2 weeks of intensive study and travel in the Indies, which is all too short a time, but is 2 weeks longer in the Indies than our Mr. Jessup had when he blasted the Dutch last January.

On this visit we have talked to most of the leaders here, Soekarno and Hatta and Salim and Sjahrir, the Sultans and the Rajahs, the Federalist statesmen and the Dutch, in Batavia, Bangka, Jogjakarta, Bali, and Macassar. We have talked to the Americans in the consulate, the United Nations political and military observers, and the British.

We have flown thousands of miles over these gemlike islands, and inhaled the fragrance of their spice. We have driven hundreds of miles through their rice fields and rubber plantations. The beauties of Bali have enticed us with their dances and the Bali orchestras of bells have opened our ears to new and enchanting music. We have sailed a Malay prau in the Straits of Macassar on the storied waters of Joseph Conrad.

The gentle Indonesians have won us with their smiling friendliness. They have inspired an intense sympathy with their aspirations. We want them to have what they want. They want to be free. Their cry—"Merdeka"—Freedom, finds an echo in American hearts.

But the criminals and the Communists in the jungles of Java are still there with the arms the Dutch wanted to take from them. And these jungle bandits are the enemies of the Indonesian people. The United Nations prevented the Dutch from accomplishing the disarmament of these bandits.

No one knows exactly how many of them there are. There may be four thousand; there may be fifty thousand. Thirty thousand Communist insurrectoes were liberated last December and are now at large, with or without arms.

This is the crux of the problem. Will the projected Indonesian government be able to disarm and master the bandits and Communists, when the Dutch leave?

The most disturbing single discovery made here was that the United Nations observers seem to be proceeding as the most unscientific of scientists. They came here with a thesis to uphold. That thesis was that the Dutch were always wrong; the Indonesian Republic was always right. Their reports coincide with this preconceived thesis.

My own finding is that if the Dutch made a mistake when they took their police action against the Indonesian Republic, the United Nations made a still greater mistake in taking police action against the Dutch.

The Dutch acted to suppress murder and pillage by the bandits Sukarno's government could not control. The United Nations acted to suppress the forces of law and order. That might have been all right if the United Nations had itself possessed superior police forces to replace the Dutch. But it had no forces whatever to restrain or control the native outlaws. The United Nations only had a weapon to punish the Dutch, the weapon of the withdrawal of Marshall-plan aid.

We used that weapon to bludgeon the Dutch into accepting a speed-up of their withdrawal which may wreck the careful, determined intentions of the Dutch to create a strong, independent Indonesia.

Here are the rough figures which tell the story. Holland has an investment of around $4,000,000,000 in the Indies. From it she used to derive around $500,000,000 a year which constituted a part of the total national income of the home country, variously estimated at 10 to 25 percent. That is, Holland is dependent for her very life on the Indies. Her income from the Indies today is zero minus.

It would be idiotic to think of this wealth as a banana the Dutch have plucked without effort. The wealth of the Indies is a Dutch creation, as much as it is the result of the labor of the natives, who increased under Dutch supervision from a few tribesmen 300 years ago to 70,000,000 today.

A great part of this wealth was destroyed by the Japanese and by the Indonesian rebels, with their scorched-earth policy. It would take years of peace and ample capital to restore production. The Dutch were counting on Marshall-plan aid to help them do this.

All the world needs the rubber and sugar and quinine and pepper, the kapok and copra, the palm oil, the tea, coffee, cocoa, and tobacco the Indies produce. We are getting almost none of this now. Sumatran oil could be of vital importance to us if the Soviets overran the Middle East. American oil men here are bleakly pessimistic about the prospects of orderly operation after the Dutch leave.

When the Dutch acted last September, they did it to stop continuing destruction of the sources of these products. The jungle bandits were devastating the Indies almost as thoroughly as the Bolsheviks in Russia wiped out the world of Tolstoy. The Indonesian Communists and brigands were still scorching the earth, burning the estates, and their vital industrial plants with their priceless European and American machinery.

There is hardly anything left of the fine plantation homes the Dutch had built during the last 10 generations. Dutchmen who have gone back to their estates have gone back to view the ashes of these ancestral homes. These Dutchmen are not colonials. They are Indonesians as truly as any native. They were born here, and their parents were born here, and many of them can trace a line of ancestry in the Indies as far back as any native prince. They are no more colonials than Texans are in Texas. They share every sentiment and right of the Indonesians.

I have met these Dutchmen, lean fellows, leather-faced, tight lipped, in Surabaya, in Jogjakarta, in the railroad stations, and at the airfields. They always carry rifles. Hard work has lined their faces. They make the popular conception of the fat colonial fattening on the toil of the natives look shamefully silly. They are brothers to Daniel Boone.

With all sympathy for the Indonesians, they really ought not to compare their revolt against the Dutch with the American war of independence against Britain. If the American Indians were to have risen in 1776 and driven out the white settlers, that would have been a correct comparison. But we exterminated our Indians, and we still make heroes of our Indian fighters of long ago.

Here in Indonesia, the Indian fighters have gone back to their ruined estates to live in native kampongs while they struggle to rebuild. They have no money. Holland was destitute after the German occupation. They could only rebuild with Marshall-plan aid.

They had got a trifling $57,000,000 of Marshall money when they took their police action. The police action was the signal for the Kremlin to scream "imperialism" at the Dutch. The Emperor of all the Soviets who has conquered and reduced many of the ancient homes of civilization in Europe, and whose Asiatic satellites are overrunning China, screamed likewise at the United States, "imperialists." We cringed at the cry, and muttered: "We are not imperialists, either. How dare you call us imperialists. Why, to show you we are not imperialists, we will beat you to it and we will scream 'imperialists' at the Dutch louder than you can scream, and we will do something more." So we took away our aid from the Dutch, and that made the Soviets very happy indeed. The Soviets could only scream at the Dutch; but we could really hurt the Dutch. We did.

Now what will happen in Indonesia? Last night we talked with Sutan Sjahrir, one-time Premier of the republic, now sitting out the troubles. He is the man who so ably presented the Indonesian case to the United Nations. He is the Indonesian who negotiated with the former lieutenant governor, van Mook, Holland's ablest statesman for the Indies. Van Mook and Sjahrir trust each other. If things had been left to them, there might have been a solution by now. Sjahrir seemed the ablest Indonesian leader of them all. He is the brain of the republic, though he looks like a young kewpie in brown. He said the United States of Indonesia would need 5 years with foreign and Dutch help to be able to stand alone.

If Sjahrir were to be made President of the United States of Indonesia, and van Mook were to be made adviser to the new state, the future would be promising. For the Indonesians cannot succeed without the Dutch managerial ability. If the Dutch are permitted to stay on with their skills, to work for the United States of Indonesia as advisers in the army, the police, in public finance and administration; if the Dutch estates are restored, and trade resumed, this country has a chance.

If the United States speedily restores Marshall aid to the Indies, this country has a chance.

If we keep on starving and bullying the Dutch, the only people who have a chance in this country will be the Communists.

If we continue our present policy, when the United States of Indonesia is set up, there will be an exodus of the Dutch. Tens of thousands will leave the country. It is unlikely that there will be massacres of Europeans in the cities, but all the Dutch will be expelled from all the offices of government. For 2 years there will be a rapidly diminishing efficiency of government until the point is reached where the Indonesians may feel it necessary to call upon the Dutch or other Europeans to help them run the country.

Meanwhile, the Communists here, if they behave coolly, will bide their time and do nothing until the new state is set up and all the Dutch troops and police leave. They should not do anything to alarm the American State Department, before the Dutch get out. After the Dutch leave, the Communists will be able much more easily to get arms from the continent of Asia, and to receive new cadres of leaders from the staff colleges of communism in Moscow.

There are five elements working against communism here. They are, the fact that the population is Mohammedan, not proletarian, largely peasant, that it is divided into many tribes and languages, and that the Indonesians already practice family communalism. A sixth factor which may or may not become decisive is that the United States might help the Indonesian state resist communism.

Now, the factors working for communism are these: First, the impact on this country of the triumphal sweep of communism down from China through the other states of southeast Asia. This sweep is assuming the character and proportions of the spread of Islam or the crusades of medieval, Christian Europe. It is the paramount factor. It is the most important thing happening in the world today.

The second factor working for communism is the probability of an economic break-down here when the United Nations rushes the Dutch out of the Indies, leaving the inexperienced Indonesians to manage on their own.

Third is the possession by upwards of 30,000 Communists in the jungle, of an unknown but considerable number of arms, which the Dutch wanted to take away from the Communists. They were prevented from doing so by the United Nations.

Fourth is the fact that when the Dutch leave, the Communists will be able to increase their arms indefinitely by smuggling from Communist centers in continental Asia. Fifth, there is the fact that Dutch departure will signal the arrival of new Communist leaders from Moscow.

The new Indonesian state will be recognized instantly by the Soviet Union, and to its sovereign capital the Kremlin will send a mission complete with several hundred cultural attachés. They will spread their culture, and before Mr. Jessup can finish composing his memoir on Indonesian independence, the Kremlin will show him why the Russians want to hurry the Dutch out of the Indies.

We named the sixth factor that may be counted upon in the future to work against communism, as the United States; and the sixth factor working for communism here as the Soviet Union. But we had to leave out the most effective factor which has worked in the past against communism in the Indies. That factor was the Dutch.

What we have done now is to force out the Dutch so fast that the place of power they leave empty will be filled either by the Soviet Union or by the United States. If we had been less hasty, the Dutch might have, and I think they would have, arranged it so that the Indonesians themselves could have filled the power vacuum. Now the United States will have to take over from the Dutch the task of keeping communism out of Indonesia. Considering our record in China, the only people that can be happy about this are the Communists.

The Conquest of America

EXTENSION OF REMARKS
OF

HON. HELEN GAHAGAN DOUGLAS

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Friday, August 19, 1949

Mrs. DOUGLAS. Mr. Speaker, under permission to extend my remarks in the RECORD, I wish to include the following article by Archibald MacLeish which appeared in the Atlantic Monthly magazine for August 1949, entitled "The Conquest of America."

Poet and lawyer, publicist and public servant, Archibald MacLeish has answered many callings in his distinctive career. He was a successful practicing lawyer; in 1932 he was awarded the Pulitzer prize for poetry. From 1939 to 1945 he served as Librarian of Congress, Assistant Director of OWI, and finally as Assistant Secretary of State. At the war's end, he was appointed chairman of the American delegation to the United Nations Conference which founded UNESCO. This autumn he comes to Harvard as the Boylston professor, a chair giving full scope to his love of teaching and writing.

Mr. Speaker, I recommend this article of Mr. MacLeish's—it is worth reading. What he has to say deserves thoughtful consideration.

THE CONQUEST OF AMERICA

(By Archibald MacLeish)

Sometime along in the 1980's, when the world has left us as far behind as we have left the years that followed the First World War, somebody is going to publish a piece called the Late Forties. I hope to be dead at the time.

The subject of this piece will be the conquest of the United States by the Russians. It will begin more or less as follows:

Never in the history of the world was one people as completely dominated, intellectually and morally, by another as the people of the United States by the people of Russia in the 4 years from 1946 through 1949. American foreign policy was a mirror image of Russian foreign policy: whatever the Russians did, we did in reverse. American domestic politics were conducted under a kind of upside-down Russian veto; no man could be elected to public office unless he was on record as detesting the Russians, and no proposal could be enacted, from a peace plan at one end to a military budget at the other, unless it could be demonstrated that the Russians wouldn't like it. American political controversy was controversy sung to the Russian tune; left-wing movements attacked right-wing movements not on American issues but on Russian issues, and right-wing movements replied with the same arguments turned round about.

American education was Russian education backward; ignorance of communism was the principal educational objective recognized by politicians and the general press, and the first qualification demanded of a teacher was that he should not be a Communist himself, should not have met persons who might have been Communists, and should never have read books which could tell him what communism was. American intellectual life revolved around Russian intellectual life; writers stopped writing and convoked enormous meetings in expensive hotels to talk about Russia for days at a time, with the result that the problems of American culture (if that self-conscious and overfingered word is still in use in 1980) became reflections of the problems of Russian culture. Even religious dogma was Russian dogma turned about; the first duty of a good Christian in the United States in those years was not to love his enemies but to hate the Communists—after which he was told to pray for them if he could.

All this, moreover—so the story will go on—all this took place not in a time of national weakness or decay but precisely at the moment when the United States, having engineered a tremendous triumph and fought its way to a brilliant victory in the greatest of all wars, had reached the highest point of world power ever achieved by a single state. The American national income had doubled and doubled again in a generation. The American standard of living was far in advance of any other, including—including particularly—the Russian. The American industrial potential balanced, and overbalanced, that of the rest of the industrial world. American technological supremacy was so obvious that it was taken for granted, and American products were so far superior that they were used or copied everywhere on earth.

It was not, in other words, a weak and declining people, caught in the expanding shadow of history's new master, which gave up its independent mind, contracted its national will to the dry negation of the will of others, and threw away the historic initiative which, in the lives of nations as in the lives of men, is the key to greatness. It was the most powerful people in the world—a people still young in a continent still new—a people which, only a generation before, had been regarded as brash to the point of arrogance, cocksure to the verge of folly, and so wholly certain of its future and itself that travelers wrote books about the national assurance. It was the nation, in brief, which had been chiefly famous among other nations because it conceived of its present not in terms of its past but of its future—the nation which spoke with a straight face and with entire sincerity of the American dream.

It ought to be possible for a good historian with a lively sense of the ridiculous to amuse himself and his readers for some pages with variations on that theme. But what will be hardest for us to take—those of us who are left around—will not be the ridicule of our successors but their sympathetic understanding. For it is unlikely that any future account of the prodigious paradox of our conduct will fail to reach the conclusion that we lost our way as a people, and wandered into the Russian looking glass primarily because we were unable to think.

We were unable, that is, to understand the nature of the crisis in which we were caught or the character of the role we were called upon to play. Instead, we confused one of several consequences of the crisis with the crisis itself, enlarged upon a necessary police operation until it became not only a national policy but the national policy, and chained ourselves, as a sort of vast sea anchor, to the purposes and policies of a rival state. Even the Marshall plan, which, in its beginnings, was a courageous and positive proposal, responsive to the realities of the world situation, became in press and Congress, under the influence of our fears, a negative and defensive operation.

As to the nature of the crisis, it will be noted that the general opinion held among us, however individuals might dissent, was the opinion that the troubles of our age were international in character; that they had been precipitated by the rise of communism; that communism was a great new revolutionary force; that the way to resolve the crisis, therefore, was to resist and contain and presumably strangle the Communist revolution.

As to the role we were called upon to play, we had persuaded ourselves that this labor of resistance and containment must take precedence over everything else, and that purely American objectives and purposes, including the great traditional objectives of American life, must not only be subordinated to the accomplishment of the task of containment but even, in certain cases, sacrificed to it.

All this, our historians will observe, was uninformed and unintelligent. The crisis in which we were caught was not new but had been produced by the cumulative changes of many centuries. It was not a crisis in international relations but a crisis in civilization, a crisis in culture, a crisis in the condition of man. That crisis had not been precipitated by the rise of communism, which was, indeed, one of its consequences, or by a conspiracy in the Kremlin, which was one of its incidents, but by a tragic lag between the disintegration of one order of society—the petering out of one historical era—and the flowering of another.

Communism, finally, was not a new revolutionary force but one of several forms of authoritarian reaction, political, philosophical, and clerical, headed back toward the disintegrating order of society and competing with one another for the domination of that disappearing world. The true revolutionary force in our epoch—the force moving not backward, toward the disintegrating age, but forward, toward the age which had not yet begun—was the force which had been released at the end of the eighteenth century and the beginning of the nineteenth by the words and actions of a few men, most of them Americans.

The belief that the world crisis could be resolved merely by resisting and containing communism was, therefore, a delusive belief; and the conclusion that the realization of the historic American purpose must be deferred and subordinated to the defeat of the Russian purpose was not only a false conclusion but a betrayal of the life of the Republic.

II

We shall hardly be in a position—those of us who live that long—to refute this damaging indictment. No one but the ignorant man or the fanatic really believes even now that communism is the origin of our ills or that the world suffers solely from the attentions of personal devils—Stalin from our point of view: Truman from the Russian. We know perfectly well, whatever we may read in the general run of our newspapers or hear from the noisier commentators on the air, that the real difficulty of our time goes deeper than Russian imperialism or Communist fraud. The real difficulty touches life itself, not merely the manipulation of life. It involves a conflict not between nations but between worlds: a dying world not altogether dead; a new world conceived but not yet born.

The dying world is the world which reached its highest European integration in the Middle Ages: the world in which men were able to realize themselves and fulfill their lives as members of the closely knit body of a city, or a church, or a state, or a feudal or institutional structure of some kind. This world began to decay with the Renaissance and has disintegrated with a rapidly accelerated momentum over the years which included the two great world wars. The new world is the world in which men, exiled from an institutional security and an institutional fulfillment, will learn to realize themselves as whole and individual human beings answerable to their consciences and God. The new world, though it was foreseen and its possibility declared 170 years ago, has yet to be established. The limbo in which we live is the interval between the two.

But if this is true the theory propounded by the Communists and their authoritarian rivals, that communism is a revolutionary force, collapses. A revolutionary force, as distinguished from a reactionary force, is one which moves not backward against the flow of change but forward with it. It is a force which dares to take the revolutionary risk of trusting the flowering of the tree, the meandering of the current. The whole movement of human life, violently accelerated over the last few centures, has been a movement toward the separation of the individual consciousness from the common consciousness, the common sleep, the animal sleep—a movement toward the differentiation of the individual from the community of the tribe, and, before that, from the community of the natural life of universal instinct.

Communism is not a force which moves with that current. On the contrary, communism, like its authoritarian rivals, seeks to cure the sickness of the condition of man by turning back against the current of human evolution to that decaying city of hierarchical and disciplined order in which mankind, at certain sacrifices of manhood, may find seclusion and retreat.

The one force which can claim the revolutionary title in the world we live in, the one force which can claim to move in the direction of life, is the force that Jefferson put into words. Later Americans have, it is true, betrayed that force, both in terms and actions. Its vocabulary has been appropriated again and again for private advantage. Its victories have been corrupted by hypocrisy and cynicism and selfishness. Its articles of faith have been made the catechism of a faithless materialism. Its central concept of the dignity of the individual, grown cancerous on occasion, has swollen to the morbid and malignant figure of irresponsible and grasping power—the rugged individual whom some still think of as American. But though the hope has been betrayed and forgotten in one generation and another, the living seed remains; the seed remains and grows. It is this seed, this influence, this force, this force of revolution, which is the living thing in the Republic. Without it, the United States is so much land, so many people, such an accumulation of wealth. With it the United States is a stage upon the journey of mankind.

III

It is not, however, only because we have been wrong and faint-hearted in our thinking that we shall be blamed by those who come after us. It is not only because we had no reason to subordinate our own purposes to the defeat of Russian purposes and thus to surrender to Russia the initiative we had always held before. We shall be blamed also because the negative and defensive attitude of mind to which we have committed the Republic is mistaken and mischievous and evil in itself. It is mistaken because it is incapable of achieving even its own negative purpose. It is mischievous because it has choked up the deep springs of the moral life of the Nation. It is evil because it has deprived the world of the thing the world most needed—a positive and believable alternative to the grim choice the authoritarians hold before mankind.

The inadequacy of the position we have taken, even within its own narrow and negative purpose, is only too obvious. Neither communism nor any other body of positive belief can be overcome in a period of world-wide dissatisfaction and unrest merely by denying it, or by offering, as a substitute, the world of things as they are. It can be fought only by facing it with a true alternative. And the true alternative to communism is not the world of things as they are; nor, even more certainly, is it some other kind of authoritarianism.

The real choice is the choice between all forms of authoritarianism on the one side and, on the other, the dream of a whole and responsible human freedom. The real conflict, in other words, the underlying conflict, is not the struggle between the Kremlin and the West which the press associations report from day to day. The real conflict is the conflict between world reaction, which preaches submission to authority, whether of a state or a man or a party or a church, and world revolution which is still, however the various reactionaries may attempt to confuse the issue, the revolution of the individual, the revolution of the whole man.

Stated in terms of structure, the real alternatives are, at the one pole, a cellular, authoritarian society in which individual human beings may live their lives through the life of the society as a whole, and at the other a world of individual men, whose relation to each other, in the freedom of their individuality, will create a society in which each can live as himself.

For the United States in such a situation to adopt a wholly negative policy aimed at the containment of communism is not only to fail in the effort to defeat communism but to miss the real American objective as well; and, worse still, to obstruct one form of authoritarian reaction to the advantage of others. Having unwisely elected to forego our own purposes as a people, and to resist the purposes of the Russians, we have found ourselves, not once but many times in the past 4 years, befriending those who hate the revolution of the individual as violently as the Communists hate it. And not only abroad but here at home. For, by putting the hatred and fear of Russia first we have opened the sacred center of our lives, our most essential freedoms—the freedoms of mind and thought—to those among us who have always hated those freedoms and who know well how to use our fear of Russia as a mask to cover their disguised attacks. The spread of legalized thought control from points of infection in the Congress to State legislature after State legislature across the country is not the work of chance. It is the work of freedom-hating men. And we have laid the Nation open to them by our fears.

IV

The second vice of the morbid and negative national opinion we have accepted in these years—its mischievous influence on our spiritual life—may be judged by other evidence, no less obvious to those who wish to see it. The soul of a people is the image it cherishes of itself; the aspect in which it sees itself against the past; the attributes to which its future conduct must respond. To destroy that image is to destroy, in a very real sense, the identity of the nation, for to destroy the image is to destroy the means by which the nation recognizes what it is and what it has to do. But the image a people holds of itself is created not by words alone or myths but by its actions. Unless the actions are appropriate to the image, the image is blurred. If the actions deny the image, the image is destroyed.

What is happening in the United States under the impact of the negative and defensive and often frightened opinion of these years is the falsification of the image the American people have long cherished of themselves as beginners and begetters, changers and challengers, creators and accomplishers. A people who have thought of themselves for 150 years as having purposes of their own for the changing of the world cannot learn overnight to think of themselves as the resisters of another's purposes without beginning to wonder who they are. A people who have been real to themselves because they were for something cannot continue to be real to themselves when they find they are merely against something.

They begin to ask questions. Who are they then? Are they still the journeying restless nation to which the future was a direction on a map and the duty of the son was to turn his back on his father's gateposts, or have they turned around and headed the other way? Are they still the new nation of discoverers and inventors who were never satisfied to leave things as they were but remade the world in every generation, or are they an old nation now of protectors and preservers whose passion is to keep things as they used to be? Are they still the young champions of freedom in the west who warned the Holy Alliance to leave the fires of revolutionary freedom alone to burn as they might on this continent, or have they joined with those who put the fires out?

The old words of freedom and revolution are still around, louder than ever, but somehow they are not the same. Revolution, which was once a word spoken with pride by every American who had the right to claim it, has become a word spoken with timidity and doubt and even loathing. And freedom which, in the old days, was something you used has now become something you save—something you put away and protect like your other possessions—like a deed or a bond in a bank. The true test of freedom is in its use. It has no other test. But freedom in this sick and melancholy time of ours has become, not a thing to use, but a thing to defend.

Even the word American has changed. The American once was a man bound to his country and his fellows by a common belief in something, not yet realized, that he loved. Now he is a man—or there are those who tell him he is a man—bound to his country and the rest by a common hatred of something looming that he fears.

What has been happening to the people of the United States in the last few years is something that can destroy the inward vitality of the Nation if we let it go on. It is possible for writers of a certain journalistic mentality to look at the change and rejoice in it as proof that we have grown up as a country, that we have faced the harsh realities of life at last and that we have now become a great power. But a people which recognizes its unity only in its opposition to another people, which understands its purpose only in its resistance to another purpose, is not a people which has a unity or a purpose of its own. And it is not a great people whatever its power or its wealth. The great nations in the history of the world have been the nations which proposed, the nations which asserted, the nations which conceived. The United States was such a nation when it knew its mind and declared its belief and acted to create the world it wanted.

From the American point of view, then, the severest indictment of this generation of men and women will be the charge that we falsified the American image and thus undermined the spiritual integrity of the Nation. But there will be other accusations from other quarters, and some of them will be even harsher than our own. There will be the judgment of the men of conscience and concern and honest mind in every country who, when all the arguments are in, write down the verdicts. And what they will say of us will certainly be this: that we had it in our power at a critical moment in history, when the whole future of humanity hung in balance, to present a true and hopeful alternative to the iron choice with which the world was faced, and that we did not do it; that we did not do it even though the true alternative was the course to which our whole past and our entire tradition had committed us; that instead of doing it we built a wall against one-half the evil but not against the other, and made the wall still higher by tearing down for its construction some of the dearest of our own beliefs.

V

It will be difficult for us to answer that charge in whatever tribunal of the future

such verdicts are debated. We can argue with great conviction that we had no choice, in the face of Russian threats of force and Russian conspiracies of fraud, but to arm ourselves and to resist. And it is true that we had no choice. But it is true also—and no one who remembers what has been said in the American press and the American Senate, in these days, can deny that it is true—that our policy in this situation was not merely to put ourselves in a position to resist and then go on about our American purpose; on the contrary, our purpose and our policy became resistance.

Resistance to the Russians became an end and object in itself. And the result was a declaration of political bankruptcy such as few great nations in the course of history have ever confessed to. When Senators, urging recognition and aid for Franco, argued that that enemy of everything this Republic is or has ever stood for deserved our friendship because he had fought the Communists and Russia, they said in effect that what we believe in is nothing, but what we hate is the gateway to our minds.

No one in his senses denies that Russian fraud, Russian lies, Russian militarism, Russian imperialism, Russian stupidity and fanaticism and greed left us no choice but to rearm. But no one in his senses can deny either that we made of this necessity the excuse for a failure to achieve a policy of our own. That failure may well turn out to have been the costliest blunder in our history.

What needed to be done in the years immediately following the second war is obvious even now. What needed to be done both for the purposes of peace and for the hope of human life was to break the impotent and issueless deadlock, the total spiritual impasse, between the two authoritarianisms of right and left by declaring, as alternative to them both, a freeman's solution of the problems of this time. To the shrill bat voices of those who cry out on this foreshore of history from the direction of Franco's Spain on the one side and Stalin's Moscow on the other that the world has no choice but to choose between them, and that peace between them is impossible—to these shrill and cynical and brutal voices there should have been a man's voice answering, like Ulysses' above hell's offering of blood, to tell them both they lied.

The answer to the inevitable choice between the authoritarianisms with their heartless promise of a bigoted and bloody war is the answer implicit in the American proposition. The answer is that there is also another choice: a man's choice: one man's choice. What was needed was to make this answer. What was needed was to declare, with the full and reasoned conviction of a great people behind the declaration, that there was still a man's way out of the wreck of our disasters; that the revolution of the individual, far from being finished, had not yet begun; that the words of that revolution were not merely words but meanings also; that the meanings could be given and could be understood. What was needed was a redeclaration of the revolution of the individual in terms which would have realistic meaning in this time. Only one nation in the world was capable of that act and the nation was our own. And we did nothing. We built walls.

It will not be possible for us to argue, when the finger of time is leveled against us, that we did not see what needed to be done. The wisest and soberest and most realistic statesman of our generation warned us 3 years ago that the job we had to do—the job we had to do whether there were Communists around or not—was to make freedom a reality in the postwar world; and Henry L. Stimson did not speak alone.

Neither will it be possible for us to plead that there was nothing we could do—nothing we could do as a people: that a people cannot think itself through problems such as these: that the labor of redefining, of implementing, the revolution of the individual in a modern industrial society is a labor of such difficulty that only the technicians of industry and politicis can accomplish it: that to ask an entire nation, by an act of choice, an act of will, to make freedom a reality under the conditions of contemporary life is to talk in rhetoric, not reason. It is true, of course, that the labor is difficult; nothing more so. It is true that it will require much technical skill, political, industrial, mechanical, and economic. But it is not true that it is the technical difficulty that stands in the way. What really stands in the way is the moral difficulty, the difficulty of choice, the difficulty which only the people, acting as a people, can remove.

No intelligent man believes that technical difficulties are insurmountable, and least of all in a country of great natural wealth, a high level of administrative and technological intelligence, and large reserves of skilled labor. If the people of such a country were determined to hammer out a political and industrial and economic order in which individual men—all men as individuals—should be capable of living and working in dignity and freedom and self-respect with an adequate opportunity for the realization of their full potentialities as human beings the thing could be done. It makes a great deal of difference, as Bishop Berkeley observed, whether you put truth in the first place or in the second. It makes a great deal of difference whether you say that your objective is a free society but that you wish first to be prosperous, or first to be comfortable or first to be something else, or whether you say that your objective is a free society.

Certainly the political problems, difficult and delicate though they may be, are not insoluble. Some, like the control or the liquidation of monopolies which stand in the way of individual initiative, have a long history in this country. Others, like the struggle to liberate individuals from the degrading fear of unemployment or old age or sickness, are less familiar—at least in the United States. Still others, like the overriding question of the relation between individual freedom and the intervention of the state, have a meaning for our generation which they did not have for generations before. But only a man who did not wish to find an answer to questions such as these would argue that no answer can be found.

And what is true of the political difficulties is true also of the industrial. Even the greatest of the industrial obstacles to individual freedom—the mechanization of the machine-worker—could be removed if the freedom of the individual became the first business of society. There is no lack of mechanical inventiveness, as the proliferation of new machines and new machine methods demonstrates. Unwanted gadgets are produced with the most astonishing originality and brilliance. Machines and methods which would restore to the men who work them a measure of their former manhood, their former mastery, could be developed with equal skill if industry were determined to discover and produce them.

No, it is not the technical problem requiring special knowledge and unusual skill which stands in the way of the great alternative of freedom. It is not the failure of the engineers or the economists or the political philosophers to devise the new form of a free society which has robbed us of our initiative as a people. We cannot excuse or justify ourselves by complaining that no one has told us what to do. The real obstacle is the obstacle of ends, not means. The real obstacle is the obstacle of will, not method. Those who follow us and observe our failures will say we did not wish sufficiently for freedom. And they will say the truth.

Freedom—individual freedom—is always a hard choice. With us, in a world in which the old established order, weakened by the earthquakes of four centuries, has all but collapsed, it has become a choice which many men find it impossible to make. For to choose individual freedom now is to choose, not a common struggle against the masters of an ordered world, but a lonely journey, each man for himself, across the ruin and the rubble which that world has left. To choose the revolution of the individual now is to choose not revolutionary armies and open battles but singleness and duty in a broken world.

It is not remarkable, therefore, that many of those of our generation who should have been champions of the revolution of the individual—poets, writers, men whose first necessity is freedom—have been unable to accept the burden: have turned back instead to one or the other of the authoritarianisms where they can stretch the painted canvas tent of dogma between them and the empty sky where once the roofs were. But though it is possible to understand why many of the best have left us, and why great numbers of the American people have given up the lonely pursuit of liberty for the safer assurance of discipline and peace, it is not possible for that reason to forgive their desertion, or to justify it, or to forget that it is through them and their default that the world has lost the great and positive affirmation it so desperately needed.

We are at that point in our moral history as a people at which we have failed, for the first time in a moment of decision, to assert our moral purpose. We have not yet denied that purpose—the cock has not crowed for the second time—but we have failed to assert it. We have not yet changed the direction of our national life but we have lost our momentum, we have lost our initiative. We have not yet rejected our role as a revolutionary people moving with the great revolutionary current of history but we have ceased to move, we have begun to resist, to oppose. It does not require a prophet to see that we have come to a moment of critical decision—a decision which is nonetheless critical because it may be taken unaware.

If we do nothing, if we continue to stand where the forties have left us, we will have taken one decision, we will have ceased to be what we were and we will inevitably become something else, something very different, something the founders of the Republic would not recognize and surely would not love. Only by action, only by moral action, only by moral action at the highest level—only by affirmative recommitment to the revolution of the individual which was the vital and creative impulse of our national life at the beginning of our history—only by these means can we regain ourselves.

India, Like America, Must Choose Sides in Asia

EXTENSION OF REMARKS

OF

HON. WALTER H. JUDD

OF MINNESOTA

IN THE HOUSE OF REPRESENTATIVES

Friday, August 19, 1949

Mr. JUDD. Mr. Speaker, under leave to extend my remarks in the RECORD I include the following article portraying the difficulties for India which inevitably flow from Communist activities in China. One can sympathize with the Indian leaders when recalling how carefully we too were led by the propagandists to believe we should be neutral in the struggle in China, because it was

supposedly just another civil war between two Chinese factions—the Kuomintang feudal Fascists and the heroic Communist agrarian reformers. Or if not neutral, it was incessantly urged until a few weeks ago that we should choose the Communists as the right horse for believers in democracy to back. It would still be possible for Communist expansion in China to be stopped by a change in American policy. It appears the State Department prefers not to make a change. If so, then the communization of Asia and world war III are inevitable:

SLEEPING INDIA UNCONSCIOUS OF STEALTHY TREAD OF RUSSIAN BEAR

(By Edgar Ansel Mowrer)

"Under Communist Party leadership, the 300,000,000 people of India are ready for liberation," said the Soviet radio of June 27. "The country is now ready for land reforms and the elimination of rich landowners."

Here was Moscow's answer to the voiced hopes that free India can remain aloof from both the democratic and the Communist blocs.

It is hard for independent peoples to accept this hard fact. The peoples of western Europe were so long dominant in world affairs that their main desire is to recover as a third force totally independent of both the United States of America and the Union of Soviet Socialist Republics.

REDS EVIL BEDFELLOWS

To be sure, the governments of western Europe have seen the light. Norway, for example, has not only recently adhered to the North Atlantic security pact, but intends to seek admission to the European western union for common defense. Bevin of Britain and Schuman of France publicly recognize Soviet imperialism as the only real menace to their freedom, and have thrown in their lot with that of the United States.

Since the Communist rape of Czechoslovakia no other line is rational. That country became a Soviet victim partly because its hypnotized rulers fondly imagined that it was possible to be friendly with the Russian bear and avoid being hugged to death.

The lesson of Czechoslovakia has still to be learned by the Government of India.

For this dullness on the part of highly intelligent leaders, there are several good reasons. Indians educated under British occupation still tend to think of Russia rather than of Soviet communism. Whatever Russian danger exists is located, for them, to the northwest. So long as India's northwest frontier is protected by sturdy Moslem states, why worry?

INDIA'S PERIL LIES EAST

They have failed to realize that communism, no longer an independent ideology, has become the chloroform sponge held by Russia to the nose of intended victims in order to prepare their "liberation" by local Communists and the Soviet Union. Today's threat to India lies not in the northwest but in the east—in Communist China and half-Communist Burma, India's near neighbor.

Another reason for India's flirtation with the idea of "neutrality" is its ambition to captain the Asiatic peoples against "imperialism." But the imperialism that hit Asia has, in the past, come chiefly from western Europe. Therefore even Pandit Nehru seems to be paying more attention to the diminishing trickle of Dutch and French imperialism than to the rising flood of Soviet conquest.

Finally, the new Indian state has terrific internal problems. Rich as it is potentially, free India is terribly backward in industry, agriculture, and education. These conditions cry out for improvement. The government would like to concentrate on them. It is irritated at being asked at just this time to develop a defense against the Soviet Union. Yet that is precisely what it must do if India is to survive.

PAL JOEY OR UNCLE SAM?

Why, the Indians want to know, must every free people line up with the United States or perish? Surely the United States does not intend to transform all friends into satellites—like the Soviet Union.

It certainly does not. Here lies one great American advantage in the present tug-of-war.

Yet free countries have little choice. Soviet Communist doctrine is monopolistic and totalitarian. Events in Czechoslovakia and Yugoslavia have proven that the Kremlinmen insist on complete subordination to Russia. The Soviet Union is not a state like any others. It is a devouring monster that has to expand, in deference to its own monstrous doctrine.

In the long run, therefore, no country can survive as a "third force" unless it can defend itself without outside help. Nations that wish to remain free, therefore, face the following alternatives: Make themselves impregnable at whatever sacrifice by their own means, or combine for defense with the United States, the one country today whose power overshadows that of the Soviet Union.

To certain peoples that choice is unattractive. There is no other.

The Mayor's Housing Economies

EXTENSION OF REMARKS

OF

HON. NORRIS POULSON

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, August 18, 1949

Mr. POULSON. Mr. Speaker, I am asking permission to insert an editorial from the Los Angles Times of August 10, 1949, calling attention to some of the first apparent results of the recent housing bill which we passed. I am also calling attention to a letter I received from the Public Housing Administration, inviting me to be present when the city of Los Angeles receives her first grant. As the letter stated, the press will be there and it is naturally to be assumed that this would be fine political propaganda to have our pictures taken with our mayor upon receiving the first grant from this public housing fund. However, I did not vote for the bill for many reasons, including the one stressed in this editorial, and therefore I cannot be a hypocrite and attend this meeting.

[From the Los Angeles Times of August 10, 1949]

THE MAYOR'S HOUSING ECONOMICS

The city council went through the necessary motions on Monday to get a $100,000,000 piece of Federal money for low-rental housing. Mayor Bowron signed the articles and said he will fly to Washington soon to close the deal. The mayor remarked, in effect, that if Los Angeles doesn't get the money some other city will, and he is probably right in believing that his logic is acceptable to most citizens of this vast and marvelous metropolis.

THE MAYOR'S REASONING

Some of the mayor's remarks to the council deserve repeating:

"Whatever merit there may have been to the objections presented against the Federal Housing Act, the fact remains that we now have a Federal statute appropriating funds—which are contributed to in no small part by the taxpayers of this community—and unless Los Angeles receives a fair proration * * * it will mean that local taxpayers will be paying for public housing in other States or in other sections of California."

Every mayor in the United States reasons that way. No mayor, not excepting Mr. Bowron, who has a fair share of courage, dares to tell the people that the housing fund grab bag is a typical Federal grant-in-aid, one of the many that have helped to increase the Federal share of the total national tax collection to almost 75 percent. Neither does he tell his constituents that they never get back from the Federal Government what they put in. The handling charges as the money goes from the Federal taxpayer to Washington and comes back sometimes run as high as 30 percent.

WE LOSE AND LOSE

Mayor Bowron told the council that Los Angeles would be getting back money it paid into the Federal Treasury. But to get $100,000,000, Los Angeles would probably pay in several millions more than that.

We lose on the first transaction and we continue to lose thereafter. Getting back the $100,000,000, minus handling charge, is just the beginning. But first let's quote Mayor Bowron again:

"We would * * * be cutting off our nose to spite our face if we fail to avail ourselves of the opportunity to provide good housing to persons who are not able to have proper housing and to pour many millions into the economy of this city at a time when it will mean much to local business and also be of great aid in relieving the unemployment situation. * * * We will not in any manner be defeating anything that could be accomplished by private enterprise. We would not be taking away a possible purchaser for a new home or a renter for an apartment."

This, we submit, is short-sighted, if not downright error.

There is not much unemployment in the building industry. Therefore building $100,000,000 worth of public housing would draw workers from private building. The building materials would be sold anyway for private purposes; the Government coming into the market on so large a scale will tend to jack up prices. Is that good for the private builder?

CALLING IT WHAT IT IS

Moreover, this low-rental housing is going to be fairly expensive stuff, judging from what the Washington planners have said. A price of $15,000 per dwelling unit has been mentioned. That is not low-rent housing. If the rents are as low as the planners aim to keep them, the public housing investment will never be liquidated. In other words, the taxpayers build the housing units and afterward they pay the difference between the low rent the tenants pay and the rent that ought to be paid to maintain the properties and pay off the investment.

This sort of thing can't be defended economically. The candid way to talk about it is to call it what it is: A taxpayer's charity. Perhaps a case can be made for charity on this scale, but let's call it what it is from the beginning.

It's a charity so vast that it will hurt the middle-income citizen in more than his tax bill. Because it will raise building costs, he will have to pay more for his new house, or more rent for his new apartment.

Even the Nation, that irascible weekly magazine which usually favors taking from those who have and giving to those who have not, put its finger on the flaw in the low-rent housing law. "What the bill does not provide for," said the Nation on July 9, "is the middle-income home seeker. If and

when we get a Congress that really wants a Fair Deal, this will be a priority target."

The middle-income home seeker would be happy if Congress could restrain the Federal Government taking his money on the pretext that it is merely a collection agency for the benefit of his home community.

HOUSING AND HOME FINANCE AGENCY,
PUBLIC HOUSING ADMINISTRATION,
Washington, August 12, 1949.

Hon. NORRIS POULSON,
House of Representatives,
Washington, D. C.

DEAR CONGRESSMAN POULSON: The Housing Authority of the city of Los Angeles is one of the first housing authorities in the Nation to submit an application to the Public Housing Administration for participation in the new low-rent public-housing program recently enacted by the Congress.

We are planning to take final action on this application on Wednesday, August 17. Officials of the housing authority are planning to come to Washington for the occasion and I understand that Mayor Bowron will accompany them.

If your time permits, it will be a pleasure to have you with us at 2 p. m., in room 1115 of the Longfellow Building, 1201 Connecticut Avenue. It is expected that the press will be present.

Sincerely yours,

JOHN TAYLOR EGAN,
Commissioner.

Principal Ingredients of a Successful Democratic Government

EXTENSION OF REMARKS
OF
HON. RICHARD B. RUSSELL
OF GEORGIA

IN THE SENATE OF THE UNITED STATES

Monday, August 22 (legislative day of Thursday, June 2), 1949

Mr. RUSSELL. Mr. President, I ask unanimous consent to have printed in the Appendix of the RECORD a very interesting and timely radio interview had last night with the senior Senator from Arkansas [Mr. MCCLELLAN], over Station WWDC, of Washington.

The subjects covered in this interview and the comments thereon by the Arkansas Senator, I believe, merit the attention and consideration of Members of Congress and of the people of this Nation.

There being no objection, the interview was ordered to be printed in the RECORD, as follows:

This is Ed Hart speaking from Washington. Someone has said that the principal ingredients of a successful democratic government are wise spenders and wise economizers. The more you think about that statement, the more you appreciate its merit. And if you think long and hard about it, you come up with the realization that perhaps the ills which so frequently beset democratic government are due to the fact that wise spenders and wise economizers are hard to find.

Senator JOHN L. MCCLELLAN, of Arkansas, is not averse to the Government's spending money. But at the same time, he has become a significant force for economy in government. He not only thinks about economy, he works to achieve it.

As chairman of the Senate Committee on Expenditures in the Executive Departments, Senator MCCLELLAN has a real opportunity to check up on Government expenditures. Then, too, he is a member of the Senate Appropriations Committee, where he and his colleagues deal in fabulous figures, adding up to billions in Government spending. Early in June Senator MCCLELLAN tossed into the Senate hopper an economy resolution that has received wide publicity.

Mr. HART. Senator, you were the leader in a group of 23 economy-minded Senators who have petitioned the Senate leadership to bring up Senate Joint Resolution 108, of which you are the author. Just what is the essence of that resolution?

Senator MCCLELLAN. The prime objective of this resolution is to bring about a balanced budget by authorizing and directing the President of the United States to make further reductions of from 5 to 10 percent in the over-all total of appropriations passed by the Congress this year.

Mr. HART. How much money would be saved if the resolution were to become law?

Senator MCCLELLAN. It would save an additional one and one-half to three billion dollars.

Mr. HART. How much has the Congress already cut?

Senator MCCLELLAN. All of the appropriation bills, as you know, are not yet through Congress, but there is every indication that the Congress itself will reduce appropriations under the President's budget recommendations by about one and one-half billion dollars.

Mr. HART. So that would make a total of some $3,000,000,000 of cuts?

Senator MCCLELLAN. Three billion would be the minimum if this resolution passes, and it is possible to make it four and one-half billion under the resolution.

Mr. HART. That is a lot of money to try to save, Senator. Now, what chance has Senate Joint Resolution 108 of passage before adjournment?

Senator MCCLELLAN. It has little chance if the administration has its way about it. The leadership of the Senate will not agree to bring up the measure for a vote.

Mr. HART. What are you considering doing about this?

Senator MCCLELLAN. Well, I have at least one alternative. I can offer this resolution as an amendment—what is frequently termed a rider on another bill.

Mr. HART. Do you plan to do that?

Senator MCCLELLAN. I shall give to the Senate tomorrow the notice required by the rules of the Senate that when the armed services appropriation bill comes up for consideration I shall offer this resolution as an amendment to that bill.

Mr. HART. That would require a suspension of the rules of the Senate, wouldn't it, Senator?

Senator MCCLELLAN. It does require a suspension of the rules. It will be necessary to get a two-thirds vote of the Senate to suspend the rule. However, on the rule-suspension vote every Senator will have the opportunity to make a record and to show by his vote whether he is willing to support economy in government.

Mr. HART. Senator, the administration forces claim that Senate Joint Resolution 108 should be defeated because if it were to become the law then the Congress itself would be shifting responsibility for cutting expenditures to the President. Why doesn't the Congress do its own cutting?

Senator MCCLELLAN. Mr. Hart, I acknowledge that the final responsibility rests with the Congress, but, under our system, the President has the first or the initial responsibility. He prepares the budget and submits it to Congress and requests and insists that the Congress give him the amount of money he asks for. I take it the President is just as much a servant of the people or should be, as are Members of Congress. Therefore, I maintain that it is the joint responsibility of the President and the Congress to economize in government. Appropriations of around $42,000,000,000 have been requested by the President, therefore, he should take his share of the responsibility in reducing them so that we will not spend more money than we collect in taxes. I call your attention to another fact, Mr. Hart.

Mr. HART. What is that, Senator?

Senator MCCLELLAN. The President has his own agency, the Bureau of the Budget. It employs between five and six hundred people working the year around at a cost to the taxpayers of more than three million annually. This huge staff of personnel is charged with the duty of examining all of the requests for appropriations by the different agencies in the executive branch of the Government. The Budget Bureau should best know where cuts can be made.

Mr. HART. Well, then, the President is equipped to examine the requests for Federal expenditures made by the agencies in the executive branch of the Government.

Senator MCCLELLAN. He is. He has the five to six hundred employees working at the job the year around as compared to the Senate Appropriations Committee's total of only 18 employees, on both its professional and clerical staff. Therefore, it is impossible for the Congress to make an adequate check on the more than 6,000 items in the President's budget. In the past, the Congress has generally relied upon the President's budget as its guide in making appropriations. But obviously if the administration's position that the President has no responsibility in this field is sound and the Congress must take the whole responsibility, then it is imperative that the Congress set up a budget bureau of its own to work for it or take over the present Budget Bureau and make it an agency of the Congress.

Mr. HART. Then actually, Senator, you are proposing that the Congress itself take over the Bureau of the Budget?

Senator MCCLELLAN. Well, if the President, having the present Bureau of the Budget as his agency, will not share in the responsibility for reducing the cost of government, then we have no alternative except to either take over the present existing Bureau of the Budget or create a similar agency to serve the Congress, at an additional expense to the taxpayers. But I maintain there is joint responsibility on the President and the Congress to do this job. I also maintain that if the President and the Congress will cooperate in the best interests of the American taxpayers, expenditures can be reduced without the necessity of creating another agency.

Mr. HART. You have projected a novel and important thought there, Senator. Now, while we are considering economy, let's consider it as applied to the European arms-aid bill. As you know, Senator, the House of Representatives did a fairly sizable job the other day on the European arms program. They reduced the administration's request by $580,495,000 from the total request of $1,450,000,000. Now, in your opinion, what is the Senate going to do to the measure when the bill comes up?

Senator MCCLELLAN. Mr. Hart, I have no definite opinion as to what the Senate will do. Personally, I have not reached a final decision. The far-reaching implications and consequences involved in this foreign aid-arms program demand the closest scrutiny on the part of Congress and it may be advisable to defer any dollar aid for this program at the present session of Congress. I have no objection to our supplying these countries with any surplus military equipment we may have on hand.

Mr. HART. But, Senator, the amount the administration is asking for is what our Government practically considers a commitment already made to the various western European nations that signed the Atlantic Pact. We are committed to support that pact with guns, tanks, ammunition, and so forth.

Now, won't the European nations think that Uncle Sam is hedging if we cut the amount for arms aid to Europe?

Senator McCLELLAN. I do not know what secret commitments, if any, administration leaders may have made to other countries. I do know that when the Senate ratified the Atlantic Pact, we were assured there were no agreements other than what the pact itself contained. Now you say we are committed to support that pact with guns, tanks, and ammunition. That is not written into the pact, Ed, and I am not so committed. We are committed to go to the defense of any member country when it has been attacked, but until such an attack is made, we are not committed to arm all of the Atlantic Pact nations. I am not so concerned about what the European nations will think as to our hedging. After all, it is our prerogative and our duty to make decisions and to act in accordance with what we believe to be for the best interests of all in carrying out the pact.

Mr. HART. Would we be playing into the hands of the Russians if we cut expenditures for European arms aid?

Senator McCLELLAN. I do not think so. We will never play into the hands of the Russians by keeping America economically strong, and it must be remembered that any dollars appropriated for arming Europe will be deficit spending and the amount will be added to our national debt. There is one thing we must never overlook. If, in our attempts to strengthen Europe by giving her financial aid, either for arms or other purposes, we seriously impair our own economy, then most certainly we will be playing into the hands of the Communists and Russia. These are my firm views and convictions on these important issues, Ed.

Mr. HART. Do you feel, Senator, that the cause of world peace—the cause that we are all interested in—can be advanced by the Atlantic Pact, plus our European arms-aid program, plus the European economic aid, which is our officially designed over-all program for peace?

Senator McCLELLAN. Mr. Hart, there are thousands of answers readily given to any inquiry about how we can achieve world peace. It is my opinion that no one knows the full answer. We strive to achieve peace, and, aside from some basic fundamentals, we have to act largely upon the basis of day-to-day events. What appears to be the right course today may prove tomorrow a dangerous step to take.

Mr. HART. You believe in caution, Senator.

Senator McCLELLAN. Yes; caution and good, common sense.

Mr. HART. Thank you, Senator JOHN McCLELLAN, of Arkansas, for your remarks concerning economy in Government, not only as it pertains to our foreign and domestic arms programs, but as it might be applied all along the line—of course, subject to the approval of the greatest deliberative body on earth, the Congress of the United States. This is Ed Hart saying good-by from Washington.

The President's Recommendations

EXTENSION OF REMARKS

OF

HON. A. L. MILLER

OF NEBRASKA

IN THE HOUSE OF REPRESENTATIVES

Monday, August 22, 1949

Mr. MILLER of Nebraska. I recommend that during the recess of the House, you go home and report to the folks you represent and find out how they feel about the following recommendations of the President:

First. Four billion dollar tax increase.
Second. Brannan farm program.
Third. Repeal of the labor law.
Fourth. Socialized medicine.
Fifth. Federal aid to education.
Sixth. Arms to Europe.
Seventh. Expenditures for foreign aid.
Eighth. Deficit spending.
Ninth. Reciprocal trade agreements.
Tenth. Government-built steel mills.
Eleventh. Establishment of another OPA to allocate and ration scarce materials.
Twelfth. Extension of social security.

My friends, you ought to get away from the pressure and propaganda in the Nation's Capital if you are to get a fresh understanding of those you represent.

Mr. Speaker, I have scheduled the following visits in my district:

August 30: Spencer and O'Neill.
August 31: Kearney—county fair.
September 1: Dunning—county fair.
September 2: Lexington—county fair.
September 3: Arthur—county fair.
September 4: Bayard.
September 5: Lodgepole—picnic.
September 6, 7: Bridgeport and Alliance.
September 8: Gordon—county fair.
September 9: Lewellen—county fair.
September 10, 11, 12: Scottsbluff.
September 13: Big Springs—chamber of commerce.
September 14, 15, 16: Kimball and Sidney.
September 17, 18: Grand Island.

Wonderful Example of a Good Local School System

EXTENSION OF REMARKS

OF

HON. WRIGHT PATMAN

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Monday, August 22, 1949

Mr. PATMAN. Mr. Speaker, permission having been granted, I am inserting in the RECORD at this time an interesting story, which appeared in the August 18, 1949, issue of the Lamar County Echo, published at Paris, Tex., entitled "Cunningham School Receives State-Wide Publicity in the Progressive Farmer."

Cunningham is a progressive community in the southeastern part of Lamar County in the First Congressional District, which I have the honor to represent. The educational program at the school there under the splendid leadership of the superintendent, Mr. Floyd E. McGahan, which is outlined in this article, is so very interesting and is such a fine one that I feel there are many others who would be interested in reading about it. It is as follows:

CUNNINGHAM SCHOOL RECEIVES STATE-WIDE PUBLICITY IN THE PROGRESSIVE FARMER

The Cunningham school was featured in a special article in a recent edition of the Progressive Farmer. Together with several pictures of schoolroom scenes, the story was as follows:

In the little community of Cunningham, Tex., a rural consolidated school is pioneering in an educational program which may well be the only accepted one in a few years.

Under the leadership of Superintendent Floyd E. McGahan and his wife, Carolyn Street McGahan, along with a highly selected faculty, the school has a program which places the complete adjustment and development of each individual student as the primary goal. To carry out the school motto, "Every Child on the Same Level," they strive to remove every handicap or obstacle which will keep one child from having equal opportunity with others.

"We take it for granted a child strives to excel if he is normal," explains Mr. McGahan. "If he doesn't, something is wrong. We try to discover the handicapping condition.

"Every child who comes through this school has the most complete case history which can be made," he continued. "However, we believe it relatively unimportant to learn about the child unless we plan to help him. We have regular round table discussions with all teachers who touch the lives of these children. The case history of each child is presented to the faculty and a plan is devised whereby the handicap is relieved.

"If it is a physical handicap we take the child to a doctor. Then we take him into the special education room and give him whatever is prescribed by the doctor. We also go into the home and work out a plan so the home can be geared with the school.

"We have the most complete testing program possible," Mr. McGahan added. "We have eight tests altogether, such as aptitude, personality, academic achievement, social acceptance, I. Q. test, and leadership tests.

"A complete physical examination is given every child. The county health unit comes out and gives every school-age child a complete check up. This is kept up whenever necessary. Sometimes we take as many as 8 or 10 children a week to county health service or a city health center," said Mr. McGahan.

The handicap program has been practiced at Cunningham since 1939. One room has been set aside with a teacher in charge where children with defects in speech, hearing, or with nervous disorders or lowered vitality may go and receive special help in addition to regular classroom instruction. The room contains a bed for rest periods. Some children are given milk and food between meals.

In 1938, a thesis was worked out to locate leadership in elementary school children. Dr. T. W. Buford of Pattonville and Dr. Meri E. Bonney of North Texas State Teachers College served as advisers to Mr. McGahan. Also, the Hogg Foundation at Austin furnished consultants.

A program of sociometric testing was begun whereby a secret vote was made by each child as to someone he admired in his group and would choose as a friend. Through this ballot they found the children always fell into three levels of leadership. The information was kept secret. But the teachers then began work on the children in the two lowers levels to eliminate physical and personality handicaps.

Individual help and advice are being given through a well-organized counseling program. Designated counseling periods are set up and each child may pick the teacher he wishes to consult about personal problems. Six out of the twelve teachers in Cunningham qualify as special education teachers for handicapped children.

One group-counseling project was carried on with 24 girls during their 4 years of high school. Discussions were given on all problems of boy-girl relationships, reasons for family break-downs, and stress and strain in the home. Also, they gave an educational program for parenthood. Consultant authorities in the field were brought to talk to the girls. The girls' mothers joined in

the panel discussions. Out of this group of 24, only one marriage has resulted in divorce. It lifted the level of the entire community and did away with so many early marriages. Now 70 percent of the children go on to college.

Finding there were some students who needed an opportunity to do more than regular class assignments, a system of awards has been established. A certain number of goals are set up for each class. The student then works to complete as many as possible. There are two academic awards. A master award is given for completion of 90 percent of the set goals and a high-level award is given to those completing 75 or 80 percent of the goals.

"This spreads recognition to about 40 percent of the children instead of one or two," Mr. McGahan explained. "We try to get away from the idea of failure and stress achievement. About 95 percent of our students pass."

About 95 percent of students eat in the school lunchroom. The students buy 20 tickets for $3. They are given well-balanced meals of milk, meat, vegetables, dessert, and plenty of bread. The low price is made possible through careful planning and as a result of a canning program carried on by mothers in the community.

A different class is in charge of the luncheon each day. Some child always volunteers to offer a blessing for the food before the meal.

The interior of the building is kept in such a way as to instill pride in the children. They help keep it clean. The color of the walls in each room is suitable for the age of the children. Pale pink walls are in the primary department, while one especially dark room was painted yellow. A complete lighting system is being worked out.

In the industrial arts department, Instructor W. T. Lawrence trains both boys and girls in beginning trades such as woodworking, electrical work, ceramics, and craft. Over 175 table lamps were completed the past year. Some of the students sell their products and use the money to buy new materials. Leather work with belts, billfolds, and key holders is very popular.

The entire school program is interpreted to the parents and community through the school paper, The Warrior. The paper is put out every 2 weeks and is paid for through local ads. Students in business administration and English do the writing and printing.

Oil Development

EXTENSION OF REMARKS
OF
HON. LINDLEY BECKWORTH
OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Monday, August 22, 1949

Mr. BECKWORTH. Mr. Speaker, under leave to extend my remarks, I desire to include in the CONGRESSIONAL RECORD the following information which relates to oil:

DEPARTMENT OF THE ARMY,
OFFICE OF THE CHIEF OF STAFF,
Washington, D. C., June 29, 1949.

Hon. LINDLEY BECKWORTH,
House of Representatives.

DEAR MR. BECKWORTH: This letter makes reference to your communication of recent date, addressed to the Honorable Gordon Gray, Secretary of the Army, in which you requested information relative to the building of oil refineries in Germany.

I have discussed this matter with the appropriate officials in the Department of the Army and I find that no new refineries have been constructed in Germany and that it is presently planned that none will be built. Some reconstruction of damaged plants has been effected in bizonal Germany in order to provide sufficient capacity for refining imported crude oil needed to maintain the German economy. Present German oil production cannot meet the needs of the country. It is understood, however, that some additional equipment is being installed to exploit present known fields. If local fields can be made to produce greater quantities of crude oil, it will result in a considerable savings to United States taxpayers as to the amount of oil and oil products which must be imported will be materially reduced, together with resultant savings in our own natural resources.

I am pleased to be able to develop this information for you, and if I can be of further service, please feel free to call upon me.

Sincerely yours,

C. G. BLAKENEY,
Colonel, GSC, Legislative and Liaison Division.

DEPARTMENT OF THE ARMY,
OFFICE OF THE CHIEF OF STAFF,
Washington, D. C., July 14, 1949.

Hon. LINDLEY BECKWORTH,
House of Representatives.

DEAR MR. BECKWORTH: This letter makes further reference to your request for additional information relative to equipment for oil well drilling purposes to be installed in western Germany to exploit present known fields.

I have been able to determine that the Office of Assistant Secretary of the Army has requested ECA to finance the purchase of approximately $400,000 worth of oil well drilling equipment for operation in the area. This equipment will be used primarily for exploratory purposes. It is expected that the utilization of this machinery should result in a greater production of crude oil which should prove of material assistance in the reduction of costs for this type of product.

I am glad to have had the opportunity to secure this information for you and if I can be of further service, please do not hesitate to call upon me.

Sincerely yours,

C. G. BLAKENEY,
Colonel, GSC, Legislative and Liaison Division.

DEPARTMENT OF THE ARMY,
OFFICE OF THE CHIEF OF STAFF,
Washington, D. C., August 11, 1949.

Hon. LINDLEY BECKWORTH,
House of Representatives.

DEAR MR. BECKWORTH: This letter makes further reference to your communication of recent date in which you requested information as to what companies owned the oil fields in the bizone of Germany and whether any new oil refineries were being built by the Department of the Army in Europe.

I have received a reply to my radiogram to the commander in chief of the American forces in Germany, and I am enclosing a break-down of the oil fields now in operation and I have listed opposite them the names of the operating companies, together with the names of the firms who own the fields.

I have further been able to determine that the Army is not building any new oil refineries in Europe.

I am glad to have had the opportunity to develop this information for you and if I can be of further service to you, please do not hesitate to call upon me.

Sincerely yours,

C. G. BLAKENEY,
Colonel, GSC, Legislative and Liaison Division.

DEPARTMENT OF THE ARMY,
OFFICE OF THE CHIEF OF STAFF,
Washington, D. C., August 19, 1949.

Hon. LINDLEY BECKWORTH,
House of Representatives.

DEAR MR. BECKWORTH: This letter makes reference to your communication of recent date in which you requested information as to whether any American companies own interests in the operating companies of the firms who own oil fields in the bizone of Germany.

I have had this matter looked into and I find that the Standard Oil Co. of New Jersey own equal interests with the Shell Oil Co. in Brigitta, which in turn partially owns and operates the Steinbke-Roden, Steinbke-Lichtm oil fields. The Shell Oil Co. is primarily a British concern and Standard Oil of New Jersey is of course an American company.

I am glad to have had the opportunity to develop this information for you and if I can be of further service, please feel free to call upon me at any time.

Sincerely yours,

C. G. BLAKENEY,
Colonel, GSC, Legislative and Liaison Division.

German oil fields and production companies

Name of field	Estimated production, 1950, metric tons	Name of operating firm	Firms having interest in operating firms	
			Name	Percent
Broistedt	5,000	Preussag	Elwerath	50
			Preussag	50
Eicklingen, Sandlingen & Wienhausen.	9,264	W.ntershall Internationale	Tiefber	67
			Elwerath	33
Fuhrberg, Fuhrberg-Ost	46,500	Wintershall & Brigitta	Wintershall	73
			Brigitta	27
Hademstorf	15,000	Vacuum	Vacuum	100
Haenigsen	35,550	do	do	100
Hohenassel	18,500	Elwerath	Elwerath	33⅓
			Braunschweiger Bohrgesellschaft	33⅓
			Preussag	33⅓
Nienhagen	83,050	Deutsche Erdoel	Deutsche Erdoel	3.7
			Elwerath	81.0
			Vacuum	1.3
			6 others	14
Oberg	7,950	Vacuum	Vacuum	90
			7 others	10
Steinbke-Roden, Steinbke-Lichtm.	57,000	Brigitta	Shell	50
			Vacuum	50
Thoehren	22,400	Deutsche Erdoel	Deutsche Erdoel	50
			Vacuum	7
			Brigitta	43.7
Wessendorf	66,370	do	Deutsche Erdoel	50
			Elwerath	39
			Preussag	11
Wietze	24,500	Deutsche Erdoel Div	Deutsche Erdoel	99
			Other	1

German oil fields and production companies—Continued

Name of field	Estimated production, 1950, metric tons	Name of operating firm	Firms having interest in operating firms	
			Name	Percent
Adorf	5,000	Deilmann	Deilmann	25
			Elwerath	25
			Preussag	25
			Wintershall	25
Emlichheim	165,000	Wintershall	Wintershall	100
Georgsdorf	188,000	Preussag	Deilmann	25
			Elwerath	25
			Preussag	25
			Wintershall	25
Lingen	70,000	Elwerath	Elwerath	50
			Schactbau	50
Heide	78,900	Deutsche Erdoel	Deutsche Erdoel	100
Reitbrook, Reitbrook-Bergesdorf, Ruehlertuist	36,000	Vacuum	Preussag	50
			Vacuum	50
	10,000	Elwerath	Elwerath	50
			Schactbau	50

Report on 1949 Program for Alabama Veterans

EXTENSION OF REMARKS
OF

HON. CARL ELLIOTT

OF ALABAMA

IN THE HOUSE OF REPRESENTATIVES

Monday, August 22, 1949

Mr. ELLIOTT. Mr. Speaker, as of June 30, 1949, Alabama had a veteran population of 316,000, of which 269,000 were veterans of World War II, and 47,000 were veterans of World War I, the Spanish-American War and prior wars.

During the year which ended on June 30, 1949, the Federal Government through the Veterans' Administration, spent $132,128,970.62 in Alabama under the laws pertaining to Alabama veterans. These payments consisted of pension and compensation, subsistence allowances under Public Law 16 and Public Law 346, readjustment allowances under the GI bill, payments to educational institutions for tuition, books and supplies, payments for automobiles and tractors for disabled veterans, medical and dental expenses, first-year interest payments on guaranteed loans, and for administrative costs.

Pension or compensation payments were made to 11,441 veterans of World War I, and to 31,101 veterans of World War II, or to a total of 42,542 Alabama veterans.

Fifty-nine thousand three hundred and twenty-two Alabama veterans were in training on June 30, 1949, either under Public Law 16 or Public Law 346. The kinds of training received were on-the-job, farm training, college training, trade-school training and other miscellaneous training. Since the training program was started some 150,101 veterans have received such training.

Since March 28, 1946, the Veterans' Administration has guaranteed some 20,178 loans, of which 17,969 were home loans. Only 1,340 farm loans were guaranteed. Eight hundred and sixty-nine business loans were guaranteed. These figures reveal that the veteran in the small community or on the farm has not been able to avail himself to the benefits of the loan provisions of the GI bill of rights. I hope this Congress will enact laws that will bring the benefits of these loan provisions to the veteran who lives in the small town and on the farm. His problem can only be solved by allowing the Federal Government to make direct loans to veterans in those cases where local private financing is not available. Earlier in this session I introduced a bill to provide for a greatly expanded GI loan mortgage market on the one hand, and direct loans to veterans who were qualified but could not obtain private financing. I hope this Congress will not adjourn until those provisions are written into law.

The veteran who lives in the rural sections of this country is just as much entitled to home, farm, and business loans as are those veterans who live in the larger cities where the large private financing institutions can and do make such loans. Too long has the rural veteran been discriminated against in this regard. We must guarantee him an equality of opportunity with his city cousin.

Mr. Speaker, I include as a part of my remarks a report from Hon. Harley A. Smith, manager, Veterans' Administration, regional office, Montgomery, Ala., covering some of the activities of the Veterans' Administration in Alabama during the fiscal year which ended on June 30, 1949:

REGIONAL OFFICE,
VETERANS' ADMINISTRATION,
Montgomery, Ala., August 8, 1949.

Hon. CARL ELLIOTT,
House of Representatives,
Washington, D. C.

DEAR MR. ELLIOTT: There is enclosed for your information a copy of a statistical summary of operations of the Alabama regional office of the Veterans' Administration for the fiscal year 1949. This summary, which was given to all employees of the regional office, is sent to you because of your interest in veterans' affairs.

Please do not hesitate to call on me when I can be of service to you.

Very truly yours,

HARLEY A. SMITH,
Manager.

REGIONAL OFFICE,
VETERANS' ADMINISTRATION,
Montgomery, Ala., August 2, 1949.

To: All employees.

Subject: Statistical information regarding operations of Alabama regional office of Veterans' Administration—fiscal year 1949.

1. I am sending you the information contained in the attached memorandum as I felt it would be very interesting to you as a member of this regional office.

2. The figures contained in this statistical report do not show a picture of all activities within the regional office during the past fiscal year, but they do give a pretty good idea of what has been done in the way of direct benefits to veterans. Since service to veterans is the only reason for our existence as an organization these figures help to show that we have done a big job during the past year.

3. As a member of the team that makes up this VA regional office, each of you has played an important part in the over-all work that has been accomplished. I appreciate the effort on the part of every employee and feel that you have a right to be proud of the part you play in rendering service to veterans of Alabama.

HARLEY A. SMITH,
Manager.

STATISTICAL INFORMATION REGARDING OPERATIONS OF ALABAMA REGIONAL OFFICE OF VETERANS' ADMINISTRATION, FISCAL YEAR 1949, JULY 1, 1948, THROUGH JUNE 30, 1949

The following information presents figures regarding some of the activities of the Alabama regional office of the Veterans' Administration for the period from July 1, 1948, through June 30, 1949. Unless otherwise indicated, all figures cover the specific period mentioned above.

The purpose of this tabulation is to present facts regarding benefits that have been made available to veterans of Alabama during the past year, and to give some idea of the volume of work required by all elements of the VA regional office. These figures should be of interest to the public.

Estimated veteran population, June 30, 1949

World War I and others	47,000
World War II	269,000
Total	316,000

Finance activities—Funds expended in Alabama

Checks certified for payment	Number of checks	Value
Pension and compensation	477,444	$27,071,188.07
Subsistence allowance:		
Public Law 16	67,364	6,286,581.91
Public Law 346	732,169	61,754,937.51
Educational institutions (tuition, books, supplies, etc.)	12,301	17,556,892.10
Payments for automobiles, tractors, etc., for disabled veterans	53	84,548.13
Administrative costs (salaries, travel, counseling fees, rentals, office supplies, etc.)	50,952	5,671,086.12
Medical and dental expenses	8,904	777,117.92
Readjustment allowance (reimbursement to State of Alabama)	305	12,208,938.74
First-year interest payments on guaranteed loans	1,493	717,080.12
Total	1,350,990	132,128,970.62
Average number of checks per month	112,582	

Claims activities

Total claims filed to June 30, 1949	111,567
New claims received in past year	3,593
Number of veterans receiving compensation or pensions:	
World War I	11,441
World War II	31,101
Total	42,542

Vocational rehabilitation and education activities

	Public Law 16	Public Law 346	Total
Total number veterans in training status since inception of program	11,881	138,220	150,101
Veterans in training June 30, 1949:			
(1) On-the-job	1,420	10,460	11,880
(2) Farm training	1,774	18,373	20,147
(3) Institutions of higher learning	726	7,976	8,702
(4) Trade schools, others	473	18,120	19,593
Total in training	4,393	54,929	59,322

Veterans rehabilitated under Public Law 16	3,591
Veterans completed under Public Law 346	12,511
Veterans with entitlement exhausted	6,186

Medical activities

Number of medical examinations	74,910
Number of medical treatments	28,627
Total examinations and treatments	103,537
Number of dental examinations	8,277
Number of dental treatments	6,350
Total examinations and treatments	14,627

Loan guaranty activities—Total in program, Mar. 28, 1946–June 30, 1949

Guaranteed and insured loans	Number	Total loan value	Guaranty
Farm loans	$1,340	$3,707,924	$1,839,222
Home loans	17,969	82,986,353	43,300,448
Business loans	869	3,022,510	1,329,945
Total	20,178	89,716,787	46,469,615

Legal activities

Number wards under guardians, June 30, 1949	1,157
World War II	526
World War I and other	631
Number wards under custodians, June 30, 1949	3,262
World War II	2,211
World War I and other	1,051
Number field examinations made past year	4,390

Contact activities

Personal contacts at offices	216,334
Personal contacts away from offices	26,778
Total	243,112
Number telephone contacts	68,931
Number benefit applications prepared	69,264
Number forms prepared	105,811
Correspondence items prepared	73,610
Total	317,616

Administrative division activities

Total number pieces of mail handled	3,456,613
Average daily number pieces of mail handled	13,294
Total handling of veterans' files	2,182,678
Number of veterans' records transferred:	
In from other States	18,273
Out to other States	20,910

Memorandum on the White Paper on United States Relations With China

EXTENSION OF REMARKS
OF
HON. STYLES BRIDGES
OF NEW HAMPSHIRE
IN THE SENATE OF THE UNITED STATES

Monday, August 22 (legislative day of Thursday, June 2), 1949

Mr. BRIDGES. Mr. President, I ask unanimous consent to have printed in the RECORD a memorandum prepared by me, the Senator from Nevada [Mr. MCCARRAN], the Senator from Nebraska [Mr. WHERRY], and the Senator from California [Mr. KNOWLAND] on the so-called white paper on United States relations with China.

There being no objection, the memorandum was ordered to be printed in the RECORD, as follows:

MEMORANDUM ON THE WHITE PAPER ON UNITED STATES RELATIONS WITH CHINA

THE BIG ALIBI

The State Department's white paper on United States relations with China is to a large extent a 1,054-page whitewash of a wishful, do-nothing policy which has succeeded only in placing Asia in danger of Soviet conquest with its ultimate threat to the peace of the world and our own national security.

It is an attempt to whitewash a policy which, in sum effect, has meant the desertion of China and has conveniently served Communist purposes. William Z. Foster, head of the Communist Party in the country, appealed to American Communists in 1945 to prevent United States intervention in China. "The war in China is the key to all problems of the international front," he said, "and it is here, above all else, where we have to deal the hardest blow * * * on the international scale, the key task is to stop American intervention in China."

Fortunately, there may yet be time for the United States to prevent what the State Department fallaciously declares already to have happened.

Secretary of State Dean Acheson says the cause in China is lost. "A decision," he says, "was arrived at in China, if only a decision by default." Mr. Acheson has added his voice to that chorus of doom which, repeatedly now for several years, has sung a dirge for China's Government. The only wrong note is that the Chinese Republic refuses to die.

CHINA REFUSES TO QUIT

Even before the fall of Nanking in the Sino-Japanese war, Japan made peace overtures to China through Dr. Oscar P. Trautmann, German Ambassador to China, and these were repeated after the Chinese Government had evacuated Hankow. Japan was willing to restore the status quo prior to the Luchoo Bridge incident provided only that China recognizes Manchukuo.

Considering the defeats China had suffered, these were not unattractive terms. But Generalissimo Chiang Kai-shek was determined to fight on. If he had not repeatedly turned down Japanese offers of peace, and had become a partner of the Greater Asia scheme, the Pacific war might have taken a quite different turn. While battered China was holding on, the Japanese were taking Hong Kong, Singapore, Rangoon, Bataan, and Corregidor, moving into New Guinea and the Solomons and closing the Burma Road, China's only overland supply line.

China still has not succumbed. The Chinese Government still holds a greater area of the country than it did after the first year of war with Japan. What the Chinese Army lacks more than anything else are the weapons which the State Department dangerously advises be withheld from its armies. Against the Government troops, deprived of arms and equipment by this short-sighted State Department policy, the Communists fight with a wealth of weapons. Most of these—as the white paper points out—were surrendered by the Japanese to the Russians. What the white paper has neglected to state, however, is that reports indicate that some of the Communists' United States-manufactured weapons have been diverted to them out of the United States wartime $11,000,000,000 lend-lease to Soviet Russia. For propaganda purposes, Communists have claimed to have captured it all from the Nationalist Government.

WAITING-FOR-THE-DUST-TO-SETTLE POLICY

The white paper says China lost huge quantities of munitions sent from the United States. What it does not say is that China has suffered from an embargo on United States military aid.

The Chinese Government has received from the United States more criticism than help, more advice than material support. When General Marshall acted as a mediator in China, he could bring pressure on the Nationalist Government and not on the Communists because the Nationalist Government depended on the United States for arms and munitions while the Communists were amply supplied by Russia with captured Japanese arms.

When General Marshall failed to bring about a coalition government with the Communists in China, he blamed both sides but he imposed penalties only on the government, which was denied further military supplies. General Marshall testified before the House Committee on Foreign Affairs that he personally put an embargo on military supplies to China. This helped the Communists eliminate crack Government divisions. They were the veterans of Burma who had been given American equipment and training. Without ammunition, they were impotent and the Communists wiped them out in Manchuria.

General Marshall's personal embargo lasted almost a year, until the summer of 1947 when the sale of .792 rifle ammunition was permitted. The Chinese Government received 130,000,000 rounds which it had ordered 2 years before. The ammunition was specially made for the so-called "Generalissimo rifle" and could not be obtained elsewhere.

No real postwar-aid-to-China program started until the passage of the China Aid Act on April 3, 1948, and it is noteworthy that, even then, the first shipment—a meager 600 tons of ammunition and supplies—did not reach China until last December 15. Under the act, the United States made available to China a total sum of $400,000,000. Of this, $275,000,000 was earmarked for ECA civilian aid and the remaining $125,000,000 ultimately was made available for military purposes. The arms and ammunition transferred under this appropriation was not at the United States Army's cost but much of it was at the much higher replacement value. Three-fourths of it was turned over to the United States Army at the Chinese Government's request so that it could supervise procurement for China. Less than 20 percent of these procurements have been handled by the Chinese.

The impression is widespread in this country that China has received billions of dollars in postwar military aid from the United States. State Department figures add up to more than $962,000,000. But they include $30,000,000 charged as services for disarming and repatriating Japanese troops. The Chinese Government contends it has received vital arms and ammunition of a value of only $110,000,000, and has documentary proof to that effect.

UNRRA

The white paper runs the total grants up to a misleading and astronomical $1,596,000,000. But it does this by including purely nonmilitary ECA aid and $474,000,000 in UNRRA grants. Not only were the UNRRA payments nonmilitary but also they were shared impartially between the Government and Communist-controlled areas. Since the areas under the Communists were primarily food-producing the Communists' needs were largely for clothing and medical supplies, of which 52,000 tons were delivered to those areas.

PACIFIC SURPLUS

The impression is created that large amounts of military supplies were included in this sale. President Truman himself stated on December 18, 1946, that "aircraft, all nondemilitarized combat matériel, and fixed installations outside of China were excluded. Thus no weapons which could be used in fighting a civil war were made available through this agreement." On page 180 the white paper notes General Marshall's assurances to the Communists that the surplus property contained no combat matériel.

Due to the tropical weather in the areas where the matériel was abandoned, it is understood that a great portion of it was in various stages of deterioration. As an example, in the sales agreement a truck was defined as a vehicle "with less than 20 percent of its parts missing." Approximately one-third of the total of Pacific surplus is represented by vehicles of all kinds.

After one global war fought to protect our shores against invasion, the State Department should have learned that no line of our defense can be left unguarded. The United States wisely adopts a military-assistance program for Europe and joins a North Atlantic pact. But that does not justify neglecting China and the Far East, nor brushing off the crisis there with a long apologia for State Department errors.

THE CHINA CRISIS IS A WORLD CRISIS

The Communist crisis in China is not a domestic problem of China alone, as, apparently, the white paper assumes. If China should fall completely into the hands of the Communists, it would mean the eventual end of progress toward democracy in all Asia. Mao Tse-tung, the Chinese Communist commander, already has proclaimed his intention of joining the world revolution under the Soviet Union's banner.

Victorious in China, the Communists inevitably would push into the southeast Asia countries. Communist vanguards already are implanted in the Indies, in India, in Indochina, in Malaya. Our own welfare, no less than China's, demands that this master plan of Soviet conquest be stopped. We cannot ignore the threat of a Sovietized Asia, which would tip the delicate balance between the Communist and the free worlds. It would close the door of Asia to the West, deny markets and material for western industry, and give the Soviet Union manpower and resources for the ultimate blow for world domination. China is in peril, but, contrary to the State Department, it is not lost yet.

The United States spent its blood and wealth in part to protect the integrity of China in World War II. If China then was important to the peace and security of the United States there seems to be no reason why China is of any less importance now. Certainly there is nothing less sinister about the Soviet plan of aggression, which knows no national boundaries, than there was in Japan's greater east Asia coprosperity program.

If our policy still is to contain communism the world over, then there can be no justification for the policy of our State Department in ignoring the plight of China and discounting the relative importance of the entire Far East. We are spending millions to fight a cold war against communism throughout the rest of the world and approximately 1 percent in the important Pacific area. In China there is a hot war. The Chinese Government must have immediate and adequate military aid.

THE YALTA AGREEMENT

Worse than the white paper's attempt to justify the past mistakes of United States policy, it clearly indicates that the State Department has found new excuses for prolonging them.

Until very recently, American Far East policy was based on the wishful theory that China's Communists were not Communists at all, just an inadvertently labelled group of agrarian reformers, despite the fact that they always have openly proclaimed themselves to be Communists. The State Department persisted in its do-nothing appeasement on the excuse that China's Communists would reject domination from the Kremlin and that a unified China would provide a basis for stability.

But that all blew up a few months ago. Mao and other Communist leaders settled any possibility of doubt with the declaration that "the people of China must side either with imperialism or socialism. There must be no exception, no third line of action. Straddling the fence is a futile thing * * *. We belong to the anti-imperialist front headed by the U. S. S. R. and we can only look for genuine friendly aid from that front." Last April the Chinese Communist Party officially proclaimed that in another world war they would "march forward hand in hand with the ally of China, Soviet Russia."

There is the reality. In the light of it, American Far East policy has blundered grievously. The Yalta agreement becomes a sell-out of China. The State Department policy of trying to create a Chinese coalition with Communists becomes a colossal blunder.

The present State Department position persists in a breach of what had been the United States' consistent China policy for a century, from 1843 to 1943. This was a policy of friendship and cooperation which had its strongest expression in John Hay's "Open Door." In many ways it was an Asiatic Monroe Doctrine for it attacked the theory that China could be colonized by European nations, partitioned or split up. Then as now, Russia coveted Manchuria and Korea as stepping stones to empire. Our historic policy was reaffirmed as recently as 1922 in the nine-power Treaty which still binds the United States and China.

Again on December 1, 1943, President Roosevelt and Prime Minister Churchill signed with Generalissimo Chiang at Cairo a declaration that "all the territories that Japan has stolen from the Chinese, such as Manchuria, Formosa, and the Pescadores, shall be restored to the Republic of China." A few days later this statement was repudiated at Tehran at the demand of Stalin.

Then, on February 11, 1945, at a secret meeting attended by Roosevelt, Stalin, and Churchill, at Yalta, an agreement was reached which dealt the severest blow to China's chances for postwar peace and unity. In return for Russia's agreement to enter the war against Japan 90 days after the defeat of Germany, Stalin was rewarded with great concessions. Outer Mongolia was permanently detached from China. Russia was restored rights she had seized in Manchuria and which Japan had taken from her in 1904. The pact gave Russia a primary interest in the port of Dairen and the two main Manchurian railroads and control of the naval base of Port Arthur.

This, in effect, was a trade of territory which did not belong to either the United States or Great Britain. It was a repudiation of the Cairo Declaration signed just 14 months earlier. It vitiated the Chinese Government's 20 years of struggle against the Communists and made meaningless the Chinese people's 8 years of war and misery. It is generally agreed now that this tragic and dishonoring agreement at Yalta is at the root of the present turmoil in China.

The white paper said the agreement was made for military expediency and that at no point did President Roosevelt consider that he was compromising vital Chinese interests. True, at that time the atom bomb had not been dropped. But it was obvious that Russia would enter the Pacific war because Moscow could not have participated in the peace for Asia without having participated in the fighting for Asia. Cordell Hull had been assured in Moscow before Yalta that Russia would enter the war in the Pacific.

The Yalta agreement was made in secret. It was not until June 15, 4 months later, that General Hurley, United States Ambassador in China, informed Generalissimo Chiang. The white paper wryly notes, however, that from the Generalissimo's reaction he appeared to have learned about it from Stalin.

The open door that was shut by Yalta has remained closed although the State Department has had ample time to discern whether that immoral secret diplomacy compromised vital Chinese interests. The white paper itself mentions assurances which Marshal Stalin gave Harry Hopkins in Moscow in May 1945, that he proposed no alteration over the sovereignty of Manchuria or any other part of China, that Generalissimo Chiang Kai-shek was the only Chinese leader qualified to undertake the unification of China, that the Communist leaders were not as good or as well qualified, and that he would welcome Chinese civilian participation in the administration of Manchuria.

These were the assurances but they only underscore the fallacious belief that Stalin could be appeased into democratic cooperation. Yalta and State Department policy in Asia since then reflect the belief that postwar peace depended on cooperation of the two opposing ideologies, therefore no sacrifice was too big. Instead, it encouraged and strengthened the Soviet expansionists, not only in China but also in Poland, Yugoslavia, and elsewhere. Subsequent events proved the Soviet appetite increased with eating. Not until the Soviet influence in Poland, Hungary, Austria, Rumania, Bulgaria, Iran, Manchuria, and Korea became entrenched did the Western Powers get nervous about the situation. It took the misery and suffering of the population of half of Europe and most of Asia to convince the Americans of their mistake.

But instead of facing facts in China and admitting its error, the State Department still buries its head in the sand and issues a white paper. If one set of circumstances does not justify its policy, another set must be found. Now it says Nationalist China is dead and undermines the Kuomintang and the Government. Worse than attempting now to whitewash its past mistakes, the State Department tries to prolong them.

MARSHALL URGED A COALITION WITH THE COMMUNISTS

Some 9 months after Yalta, General Marshall was sent to China by President Truman to try to unite the country by peaceful means. The Soviet Union then was still viewed as a peace-loving democracy and the Chinese Communists as mere agrarian reformers unrelated to Moscow. The Marshall mission was a sequence of Yalta, based on the assumption that the Communists could be appeased and that Russian-American friction in China could be held down. The Marshall mission declared its aim as effectuating a coalition, actually participated in negotiations, and compelled the Chinese Government to sign several agreements. What it did not declare was the threat to withdraw United States support—as it later did—

if the Government should refuse to settle on terms laid down by General Marshall.

China did not settle, and, therefore, paid its penalty when it approached the Export-Import Bank late in 1945 with applications for credits for rehabilitation needs. The white paper says no action was taken on these requests "and in January 1946, the National Advisory Council, acting in accordance with General Marshall's recommendations, decided that a major program of financial assistance to China must await satisfactory political and economic developments in that country." General Marshall, therefore, was able to use funds for rehabilitation as a lever to attempt to achieve his political objective of forcing the Chinese Government to accept the Communists.

The white paper now contends that the Marshall mission did not envisage a coalition between the Nationalists and Communists. On page 273, the white paper quotes the President on March 11, 1948, as having "expressed his hope that the Chinese liberals would be taken into the Government but stated that 'we did not want any Communists in the Government of China or anywhere else if we could help it.'"

But the strife in China exists between the Chinese Government and the Communists. Marshall's mission was to unite the country by peaceful means. If that does not mean by agreement between the two sides, then it must mean by the capitulation of one or the other and that was not possible. The State Department would know this if it attempted to reconcile what is quoted above with page 211 in which it quotes General Marshall as summing up China's situation on December 1945, "with the statement that the Communists were too large a military and civil force to be ignored. * * * He believed, therefore, that it was imperative that efforts should be taken to bring them into the Government * * *."

It is obvious now that State Department failure was a fortunate one for had it succeeded the stories of Estonia, Latvia, Lithuania, Poland, Rumania, Bulgaria, Yugoslavia, Albania, Hungary, and Czechoslovakia would have been repeated in China. We know that whenever a government is forced into a coalition with Communists, the result is domination of the government by the Communists. Wherever they are a minority, their technique is to rule by coalition. The people's democracy of which China hears is not a Chinese invention. It is a special term in the Marxist lexicon which denotes a form of transition government that is socialist in theory but tolerates capitalist elements. Like the eastern European Communist rulers, the Chinese Communist leaders are Soviet-trained and look to Moscow both for ideology and orders.

CHINA PROVES ITS MORALE

Not the least of the white paper's canards is the statement that China has lost fighting morale. The fact that it still has armies in the field attests not only to its fighting heart but also to the use to which it has put such material as it has been able to acquire. The State Department mentions the Government armies' losses. The Communists themselves admitted on July 19 to 1,432,000 casualties and they hardly would be accused of exaggerating such statistics. The white paper does not mention the Communist losses.

Long before many of us here in the United States awoke to the threat of communism, Chiang Kai-shek was fighting it. His beliefs and tactics have been criticized but still he has not wavered. He did not capitulate in the face of tremendous difficulties and he chose to go into retirement when pressure was brought upon him to surrender to the Communists. The report of the Senate Foreign Relations Committee last year on the China aid bill contained this passage:

"In the judgment of the committee, the Nationalist Government of China, led for 20 years through tremendous difficulties by the selfless patriotism of Generalissimo Chiang Kai-shek, represents our common contest against threats to international peace and security and against Communist aggression and deserves support within our resources as proposed in this act. Further, the aid authorized by this act is a tangible proof of American interest in the independence and integrity of China, in the welfare of the Chinese people, and in stabilized peace in the Far East."

CHINA REFUSED TO LISTEN

China, which has received more advice than tangible help from the United States, now is accused by the State Department of having refused to be guided by this counsel. The main advice, backed up with penalties, was to form a coalition with the Communists. There no longer can be any question but that such advice was wrong on the inevitable terms of any coalition with Communists. China should not be blamed, but congratulated, for having had foresight to be first in the field against Communist aggression and to have preserved in the struggle through two decades of grievous hardship. The white paper fails to whitewash the errors of the State Department. It does underline the immediate necessity of the utmost support of the United States for a stanch ally.

CONCLUSION

The white paper utterly fails in whatever it may have been intended to accomplish. It could probably be compared to a legal plea of confession and avoidance. Yet it fails in this for such a plea must have color and, certainly, the confession in this instance entirely lacks color. It does avoid the issue—the one from which there is no escape. It attempts to leave the impression that the decision has already been written. To accept this means the decision has been made in Moscow. It may be that is where many people prefer that it be made, but the policies of the United States Government enunciated so clearly in the Foreign Assistance Act of 1948, as well as the China Aid Act of 1948, cannot so lightly be dismissed.

Certainly, the ideals of the Nationalist Government, as contained in its constitution, in its legislative and judicial systems, are those to which this country, as well as every independent democracy, can well subscribe.

Although men may have been derelict in their duty and in the exercise of the office they have held, it does not settle the matter to attempt to write off the entire Nationalist regime, for that leaves the issue still to be met. That issue is the same today as it was in 1945 and 1946. Certainly the future is not as cloudy now as then with respect to the opposition. If nothing else has come out of this catastrophy, it is a clarification of those who are sincerely against communism and those who are not so sincere. It is inevitable that bureaucratic agencies, having taken a position, are reluctant to acknowledge that that position was wrong. Better evidence of such a situation cannot be found than the white paper. It meticulously avoided the inclusion of matters which reflect upon it the same degree of misadministration, lack of integrity, and willful neglect of the will of the people as expressed through its Congress. It does not indicate that the majority of the economic assistance given by the United States was administered in such a way as to detract from the Nationalist Government rather than to encourage faith of the Chinese people in its Government. Certainly, the expenditure of such sums of money, even though they did add to the material betterment of some of the Chinese people, did not contribute in the least part to the objective of encouraging the people to support their Government in the stand it was making against the Communists. In fact, the administration of much of this aid was on a basis entirely divorced from the political considerations so that the recipients were always under the impression that aid received from the United States was not or had no connection with their Government and that whether under the Communists or the Nationalists, the aid was for the people. This certainly is not the same course that has been followed in Europe. The policy there is clear that the aid given is in support of the democratic governments as opposed to the Communists.

Such examples merely emphasized the degree to which the State Department has been inept in its handling of United States foreign policy in the field of ideology. The issue is not solved nor is it clarified by the white paper. The issue is as it has always been, the containment of communism. The solution of the issue is not easier today because of the events contained in the white paper. They are, however, susceptible of solution, and if they are to be solved certainly they must be solved by people with more imagination than the white paper indicates is contained in the State Department.

Mr. Dean Acheson, Secretary of State, in his letter transmitting to the Congress the Department of State's white paper, concludes:

"One point, however, is clear. Should the Communist regime lend itself to the aims of Soviet Russian imperialism and attempt to engage in aggression against China's neighbors, we and the other members of the United Nations would be confronted by a situation violative of the principles of the United Nations Charter and threatening international peace and security.

"Meanwhile our policy will continue to be based upon our own respect for the Charter, our friendship for China, and our traditional support for the open door and for China's independence and administrative and territorial integrity."

Thus, in effect, Secretary Acheson writes off loss of all of China to the Russian-directed Communists and retreats to the borders of China. He serves notice that if the Communist regime of China lends itself to the aims of Soviet Russian imperialism against China's neighbors, the United States would consider such action a violation of the United Nations Charter.

The United Nations could perform helpful assistance in focusing opinion of the free world on Russian aggression, but effective measures for action could be blocked by Russia's veto in the Security Council.

We submit that despite all the evidence that the United States policy regarding expansion of Russian aims in China has been a failure in protecting the interests of the United States, he is still vacillating when the situaion cries aloud for decisive forthright action to retrieve losses already sustained.

Secretary Acheson belatedly recognizes in the above-quoted statement that, perhaps, Soviet Russia may be shown to have had imperialistic aims in trying to overrun China. With the evidence so plain that the Communists' armies in China are Russia-directed, Secretary Acheson's policy of retreat to the borders of China is illogical and certainly not good strategy. There is no publicly revealed evidence that Secretary Acheson is making any forthright efforts for unifying China's neighbors against the oncoming Red armies. His effort to make Chiang Kai-shek a scapegoat for the blunders of present and past administrations in Washington is shallow. It has been rejected by every competent observer of the tragic record of betrayal of China running back years.

We believe Communist control of China would endanger gravely America's strategic

position in the Pacific. There is amply substantiated evidence in the files of the State Department and the Department of National Defense that the Communists through their fifth columns of infiltrators already have begun to terrorize countries bordering China.

Much of China is still free of Red armies. In view of all of the disquieting developments, we submit that it is high time—the hour is getting late—for President Truman to institute a forthright policy of tangible assistance to those free areas in China, and to get on with cooperation of bordering countries for their mutual defense.

The Veterans' Bonus

EXTENSION OF REMARKS
OF
HON. EDWARD MARTIN
OF PENNSYLVANIA
IN THE SENATE OF THE UNITED STATES
Monday, August 22 (legislative day of Thursday, June 2), 1949

Mr. MARTIN. Mr. President, I ask unanimous consent to have printed in the Appendix of the RECORD a letter dated August 18, 1949, which I wrote to Col. Philip Mathews, Democratic State chairman, at Harrisburg, Pa.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

AUGUST 18, 1949.

Col. PHILIP MATHEWS,
Chairman, State Democratic Committee, Harrisburg, Pa.

DEAR COLONEL MATHEWS: Since you have seen fit to reach out for political advantage by making a public statement falsely representing my position with regard to the veterans' bonus, I am addressing this open letter to you in order that you may become acquainted with the truth.

Only by distorted reasoning or ignorance could you possibly reach the conclusion that I am now or have ever been opposed to the bonus.

The fact is that every veteran in Pennsylvania and every veterans' organization knows that the bonus has had my continuous support since it was endorsed by the American Legion.

Every veteran in Pennsylvania knows that the 1946 platform of the Republican Party, adopted in Pittsburgh, September 7, 1946, upon which I ran for election to the United States Senate, declared in favor of the bonus as follows:

"We pledge the payment of a fair and liberal bonus to the veterans of World War II."

Every veteran knows that the bonus legislation was passed by two sessions of the General Assembly, under Republican leadership and control.

Were you unaware of those facts or did you deliberately ignore them when you resorted to misrepresentation in your attempt to deceive the veterans and the people of Pennsylvania?

Certainly you must realize that when you falsely represent, for the purpose of getting votes for the Democratic Party, that the Republican leadership is opposed to the bonus, you are in fact working against the interest of every veteran.

In trying to bolster your false and misleading statement, you mentioned that in my recent address to the Legion State Convention in Pittsburgh, I did not discuss the bonus. For your information I am enclosing a copy of my remarks on that occasion in the hope that you will recognize the importance of the national problems in which the Legion is interested and to which I devoted my address.

It should be unnecessary for me to point out that in a news conference just prior to my address I emphasized my support of the bonus. That interview was accurately reported in the press, as you no doubt are aware.

Let me remind you that at no time in my public career have I used veterans' benefits to gain votes. I have been honored many times by veterans' organizations, church groups, and fraternal bodies, but I have never used such recognition as a means of getting votes for myself or others.

In the event that your statement was made on the basis of inaccurate information, I respectfully suggest, in the interest of the veterans, that you make prompt and appropriate correction.

With kindest personal regards, believe me,
Very sincerely,

EDWARD MARTIN.

England's Financial Condition

REMARKS
OF
HON. USHER L. BURDICK
OF NORTH DAKOTA
IN THE HOUSE OF REPRESENTATIVES
Monday, August 22, 1949

Mr. BURDICK. Mr. Speaker, American newswriters in England have been sending home many articles to the effect that the present socialistic government in Great Britain is on the rocks. I accept that as being true, but that is not all there is to it. It would not make any difference what political party is in power. The Conservatives, under Churchill could not stem the tide, unless he was able, as he was before, to milk our Treasury out of several more billions. That might put off failure for a while, but in the end it would count for nothing.

England was the center of a great Empire. Her ships brought from every corner of the earth raw material which was manufactured in England. England grew into a great manufacturing center. Manufactured goods were shipped in British ships to foreign countries and commerce thrived. Shipping thrived and a great navy was built up to protect that commerce and defend the raw material plants in foreign lands. People of England found employment in manufacturing business in this far-flung Empire.

Conditions have changed—England's Empire with inexhaustible resources is breaking up. India kept England alive since the days of the East India Company. That resource is gone. Canada, Australia, and South Africa find it necessary now to use their own resources for themselves. Canada is fast filling with manufacturing plants and the raw materials of those countries yet affiliated with Great Britain are finding it necessary to use those resources.

Unless England can have access to raw materials, she is doomed. Forty-seven million people cannot live on an island one-third the size of the State of Montana. The great resources of Montana are greater than all of the British Isles and the Netherlands added.

If the policy of England is to keep on attempting to be the manufacturing center of the world, she is headed for ruin no matter what party is in control of the Government. Right now the British pound is in danger of falling to zero, and Brother Cripps will be here soon, if he is not already here, to persuade us to bail out the British boat of finance. The papers report he wants to get our gold at Fort Knox and I presume he wants to trade us British pounds for gold. The British pound is a myth—it is, in plain words, nothing. It is their measure of money. Instead of a dollar they measure the pound. With nothing behind that pound it is worthless, and if there is still anything behind it, there soon will not be unless Mr. Cripps can horse-trade us out of our gold.

The British people cannot live on that small island and carry on as a great democracy.

With the royal family draining more out of the Kingdom than the people can supply, with no resources, no extensive agricultural tracts, and no raw materials coming in in every ship, 47,000,000 people cannot possibly find employment. Full employment in production is the foundation of any sound money system, and when there is no work the money system must crash.

It is absolutely asinine for us to go any further with loans to England. She never will pay a cent of it back, because she cannot. It is up to her now to scatter her population out of this manufacturing center, which was once great but never will be again. England has had great statesmen in the past—she has a glorious history. Every acre teems with tradition, but people cannot live on a glorious past. The present concerns England and no statesman has yet been discovered in England who can provide employment for 47,000,000 people in a country with scarcely enough resources for 20,000,000.

It makes no difference whether they have an Attlee or a Churchill.

Mr. Churchill said in a speech to this House during the war, "I was not elected Prime Minister to preside over the liquidation of the British Empire." If he does not want to preside over just this, he had better let Attlee stay where he is and do the presiding. The liquidation has started.

We have loaned her billions upon billions; the last report showed she had obtained from us, since World War I, $26,000,000,000. We have settled some of these loans at a discount of 98 percent and Great Britain could not pay the 2 percent. We loaned her the money to pay the 2 percent, and, of course, she will not pay this loan, either.

My advice is to place an extra guard at Fort Knox while the British financiers are here.

On the face of this borrowing record of Great Britain, if we loan her some more billions, then I will say that her statesmen are the equal of anything that Britain has produced.

Additional Benefits For Disabled Veterans

EXTENSION OF REMARKS
OF
HON. JAMES C. DAVIS
OF GEORGIA
IN THE HOUSE OF REPRESENTATIVES
Monday, August 22, 1949

Mr. DAVIS of Georgia. Mr. Speaker, I have received from service officer, W. B. Jones of the East Atlanta Post No. 159, American Legion, Atlanta, Ga., a copy of a resolution adopted by the membership of that post on August 4, 1949.

The officers and members of this live post of the American Legion are always alert to render needed service to ill and injured veterans.

Mr. Jones at the same time sent me an article which appeared in the Atlanta Constitution of Thursday, August 4, 1949, describing the plight of one of our veterans who is the holder of the Purple Heart Medal and Ribbon, and who, because of the wounds received by him in World War II, must spend the remainder of his life in a wheel chair. This veteran is Roy Strickland, of 1062 Barton Way, Decatur, Ga.

For the information of members, I am inserting herewith the resolution adopted by East Atlanta Post 159, and the clipping from the Atlanta Constitution.

RESOLUTION

Whereas Public Law 702 provides additional benefits for veterans suffering of spinal cord disease or injury causing paralysis of the legs and lower part of the body: Therefore be it

Resolved, That East Atlanta Post 159, American Legion, Department of Georgia, address the Georgia department executive committee to memoralize the national executive committee to petition the United States Congress to amend Public Law 702 to include all veterans who are paralyzed in the lower limbs and body or loss of both legs from whatever cause if service-connected; and be it further

Resolved, That a copy of this resolution be furnished our Representatives in Washington, D. C.

Unanimously adopted this August 4, 1949.

[From the Atlanta Constitution of August 4, 1949]

HOUSING ACT DENIES AID TO GEORGIA VET

(By Marjory Smith)

A legless Decatur World War II veteran, doomed to spend the rest of his life in a wheel chair, yesterday spoke out for a unique minority group of Georgia heroes who feel the Government is discriminating against them.

Roy Strickland, 37, of 1062 Barton Way, Decatur, took it gamely when his right leg was amputated between the knee and the hip—and when, a year later, his left leg was disarticulated at the hip.

This holder of the Purple Heart Medal and ribbons signifying service at the front in World War campaigns in northern France, the Rhineland, Ardennes, and central Europe was used to dirty jobs.

He received the shrapnel wounds that eventually cost both legs while he was helping pick up bodies of dead comrades in a Graves Registration Division assignment.

But today Strickland resents the indignity of having to crawl about the floor of his Decatur home and of depending upon his wife and mother to lift him from his bed to his wheel chair—especially when only the wording of a disabled veterans' housing bill prevents him from having a home especially equipped for wheel-chair-living

"Strickland and other Georgia veterans are certainly discriminated against in Public Law 702, passed by the Eightieth Congress, a Veterans' Administration rehabilitation worker admitted yesterday.

The VA employee—who declined use of his name and stressed he was speaking on his own, not for the VA—explained the Housing Act is designed to authorize assistance to certain veterans in acquiring especially adapted housing which they require by reason of their service-connected disabilities.

The bill provides that the Government will pay up to 50 percent of the cost of a housing unit designed with ramps and other features planned especially for a wheel-chair-bound patient—for veterans with permanent and total service-connected disability "due to spinal-cord disease or injury with paralysis of the legs and lower part of the body."

Strickland and the VA worker feel the discrimination occurs in the wording set off in quotation marks above.

"Strickland and more Georgia ex-servicemen than the average person dreams are committed to wheel-chair-living for the rest of their days," the VA worker pointed out.

Strickland, a native Atlantan who was a husky truck driver and baseball-playing addict before his double amputation, is too heavy for the two women to lift. He has to wriggle on his stomach from his bed to a small table, then to the floor before he crawls painfully into his wheel chair.

Arms Aid for Europe and a Pacific Defense Pact Important To Stop March of Communism on All Fronts

EXTENSION OF REMARKS
OF
HON. STEPHEN M. YOUNG
OF OHIO
IN THE HOUSE OF REPRESENTATIVES
Thursday, August 18, 1949

Mr. YOUNG. Mr. Speaker, I support this legislation to provide arms aid for our associate nations in the Atlantic Defense Fact. A cold war is being waged against this Nation by the Soviet Union. It may be that by strengthening the nations of western Europe we can prevent a desperate shooting war.

War with the Soviet Union, Russia, is not inevitable.

If we do not believe that in the countries of western Europe there is a will to resist aggression we are wasting whatever money we vote them for arms aid. My belief is there is a determination to prevent dictatorship, aggression, and Communist infiltration. This Congress will reconvene next January and by late winter or early spring we shall know what progress these European nations are making in coordinating their activities for their own maintenance and for defense. We are told that no unified defense plan has been agreed upon as yet. We should not hitch the cart before the horse. I am convinced we will provide substantial arms aid to these European nations next year, provided they demonstrate a willingness to help themselves. With adoption of the Richards amendment more money than was proposed in this unamended bill is provided for the coming 12 months. We go all the way in arms aid for our allies in this cold war, and I favor that.

I do feel that we in the Congress should have a second look and reexamine this important defense program next session. There must be a coordinated defense program; otherwise we pour vast armaments into France, Luxemburg, and so forth, which the Russians on the march would take over if the French armies were again to throw down their arms and flee as they did when Hitler invaded the low countries.

I voted in favor of the Judd-Lodge amendment to provide $75,000,000 for China and $25,000,000 to southeast Asia. We should battle communism on a global basis.

There is war raging in China. I propose military aid to halt the Red terror in the Far East the same as in western Europe. Of what avail is it to stop the Soviet Union in western Europe if at the same time we do nothing to contain the march of Communist Russia in the Far East. By direct aid to Greece, Turkey, and Italy, we defeated Russia and threw back the Red terror from those areas. I advocate the same measures in China and hope before this legislation passes both bodies of this Congress, authorization for appropriation of at least $100,000,000 will be provided for arms aid to China. Let Chennault's Flying Tigers fly again. Let us save a vast area the same as under the Truman doctrine and Marshall plan we saved Greece and Turkey. If you look at the map of the world, you will see five vast areas—The Soviet Union, the United States plus Canada and Mexico, China, Australia, and Brazil. Please bear in mind at all times that a Pacific defense pact against Soviet aggression is just as important as an Atlantic Defense Pact—probably more important. To stop the march of communism, we must provide for the armed defense in China and the southeast Pacific as well as for western Europe.

Arms aid for Europe and a Pacific defense pact is important—the march of communism must be stopped on all fronts in this cold war waged against us by Soviet dictatorship.

Basing Point Bill S. 1008 Threat to Small Business, Drug Topics Says—Robinson-Patman Act Periled—Any Threat to Robinson-Patman Act Looked Upon With Great Disfavor by Retail Druggists

EXTENSION OF REMARKS
OF
HON. WRIGHT PATMAN
OF TEXAS
IN THE HOUSE OF REPRESENTATIVES
Monday, August 22, 1949

Mr. PATMAN. Mr. Speaker, Drug Topics, the national newspaper for retail druggists, on its editorial page under date of July 18, 1949, describes the peril to small business through the destruction

of the Robinson-Patman Act if the passage of S. 1008 is finally accomplished.

The editorial records the fact that the Robinson-Patman Act was passed so as to assure a high degree of equality in the distribution field. Further, that the act was designed to outlaw inside discounts, rebates, kick-backs, under-the-table hand-outs, and discriminatory allowances of all kinds.

The Drug Topics' editorial is short but truly summarizes the power for good embodied in this law. Aided by decisions of the courts, the Robinson-Patman Act, as the editorial points out, has solved many of the problems facing retail distribution, has provided equality of opportunity in many retail fields, and, as emphasized by the editorial, has brought price more out in the open than ever before.

The editorial follows:

ROBINSON-PATMAN ACT PERILED

There seems good reason to fear that the passage of S. 1008, now pending in the House of Representatives, would endanger, if not destroy, the Robinson-Patman Act. The National Association of Retail Druggists has made a study of the terms of the measure and is convinced that it would pull the props from under the act.

The NARD has, therefore, called upon its members to write their Senators and Congressmen, urging them to kill the bill. Retail pharmacists should comply promptly, as S. 1008 has passed the Senate and will soon come to a vote in the House. Members of Congress are alert to views from home in matters such as this.

The Robinson-Patman Act, let it be remembered, was passed some years ago, so as to assure a high degree of equality in the distributional field. The act, sponsored by the NARD, was designed to outlaw inside discounts, rebates, kickbacks, under the table handouts, and discriminatory allowances of all kinds.

As these special favors were always granted on an unfair and hidden basis, Congress demanded that they be discontinued or else granted to all on equal terms. The Robinson-Patman Act was dedicated to the principle that there should be equality of treatment to all similarly situated.

The act has solved many of the problems facing retail distribution. It has killed off the nefarious practice of favoring one segment of distribution at the expense of competing segments. It has provided equality of opportunity in many retail fields. Price, as determined by the terms of the act, is more equitable, more fair, more out in the open than ever before.

Any threat to the Robinson-Patman Act must be looked upon as a threat to distribution as a whole, a truth the NARD is seeking to drive home to all retail pharmacists at this time.

Hal S. Dumas

EXTENSION OF REMARKS

OF

HON. JAMES C. DAVIS

OF GEORGIA

IN THE HOUSE OF REPRESENTATIVES

Monday, August 22, 1949

Mr. DAVIS of Georgia. Mr. Speaker, in the latest issue of the magazine Dixie Business, Col. Hubert F. Lee, the editor, has given a profile of Hal S. Dumas of Atlanta, Ga., one of the South's outstanding business leaders.

Mr. Dumas' career is a splendid example of the success which may be attained under our free enterprise system by an American who has energy, ambition, and ability.

Under leave previously granted, I insert this article herewith:

A PROFILE OF HAL S. DUMAS—A TOP LEADER OF THE SOUTH

(By Hubert F. Lee)

An editor of the 1911 Auburn Yearbook once wrote of Hal Dumas: "If he doesn't raise peaches, he will be president of the American Telephone Co."

Thirty-two years later, Hal S. Dumas, a one-time electrical engineering student who partially financed his college education by managing a peach orchard, was elected to the presidency of the Southern Bell Telephone Co., proving that the schoolboy editor was on the right track.

Undoubtedly a partial factor in Mr. Dumas' success was and still is a very healthy philosophy about the section of the country in which he has lived. "I thought then," he has said, "as I do now, that the greatest opportunity a man could have is in the South."

Mr. Dumas' background helped to formulate that philosophy. His father, W. J. Dumas, was a Georgian plantation owner and a captain in the Confederate Army. His mother, Ida Anderson Dumas, was a native of Springfield, Tenn. Hal was born in Macon, Ga., and he lived there only a few months before his parents moved to Monroe County.

His ability as an administrator became apparent at an early age. While still a student at college, Hal utilized his spare time by working in a peach orchard in order to help with his expenses. Proving himself quite proficient at handling peaches, he soon became manager of the orchard.

"We had a good season, and things went well until my service as manager of the orchard was almost at an end," he recalls today, "and then, the owner found out how young I was and almost fired me. He was horrified that he had placed his orchard in the hands of such a young man."

Upon completion of his college education, and with that same faith in the future of the South, Mr. Dumas, then only 18 years of age, accepted a position with Southern Bell in preference to several other engineering jobs offered to him outside of this general region. After completion of a special training course and several months of practical work in Atlanta and Birmingham, he was appointed suburban district traffic manager at Birmingham in 1913.

Returning to Atlanta, he advanced steadily through the ranks to positions of increasing responsibility. In 1938, he was appointed vice president in charge of operations. And on January 1, 1943, he became president of the Southern Bell Telephone Co.

Although actively engaged in directing the affairs of Southern Bell, Mr. Dumas still finds time to take part in public-spirited enterprises and is an outstanding civic leader. He is active in the Atlanta Rotary Club, chamber of commerce, community fund, Red Cross, and other similar public-spirited organizations. He is a trustee of the community fund, the YMCA, and the YWCA. He is a member of the board of directors of the First National Bank, a member of St. Luke's Episcopal Church and of the American Legion.

As president of a company which is the largest single industrial enterprise in the South, Mr. Dumas has been a part of the rapid expansion of Dixie's industry. His own company he may point to as a barometer for the South's economic future. The rate of growth of telephones in the nine Southern States which Southern Bell serves is about twice that of the rest of the Nation.

And within the region served by Southern Bell, Mr. Dumas and fellow officials may note with pride their company's immediate progress. Since 1940, telephones in service have more than doubled, and in less than 8 years, Southern Bell has grown more than in the previous 61 years of its history.

At the end of 1940, telephones in service numbered approximately 1,350,000. Today there are 3,000,000 in service. Also, at the end of 1940, there were 23,856 Southern Bell employees. Since then the number has increased to more than 51,000.

So great have been the demands for telephone service throughout Dixie that Southern Bell in every State has built new facilities requiring vast amounts of new capital which it has brought into this region. Shortly after VJ-day, the company, under the administration of Mr. Dumas, announced that it would spend at least $300,000,000 in providing new facilities to meet the requirements of the South within a 3-year period. It is symbolic both of Southern Bell's faith in the region, and of its energetic determination and action to back up that faith with works, that up to the spring of 1949, the company already has spent more than $400,000,000 on the largest improvement and expansion program in Southern Bell history. To raise the funds to finance the construction necessary to meet the South's continuing demands for telephone service, Mr. Dumas has pointed out that Southern Bell must be financially strong. It is important to the public that the company remain so, in order that Southern Bell may continue to answer the demand of a vital southern market, which Mr. Dumas feels to be one of the most important in the Nation.

In a recent meeting of the Atlanta Lions Club, Mr. Dumas said: "The South has been looking forward for years to that day in the golden future when its hour would strike; that day is no longer in the future, it is here right now."

And since 1911, when Hal Dumas declared his faith in the South, cold facts have proved that he, like the Auburn Yearbook editor, was on the right track.

Are Eggs To Cause Marketing Troubles and Financial Losses to the United States Government?

EXTENSION OF REMARKS

OF

HON. REID F. MURRAY

OF WISCONSIN

IN THE HOUSE OF REPRESENTATIVES

Monday, August 22, 1949

Mr. MURRAY of Wisconsin. Mr. Speaker, the poultry industry is one of the largest farm enterprises in our country. In dollar value its importance is exceeded only by pork, beef and milk production. The farm value of eggs in 1948 was over $2,000,000,000, and with the poultry meat value would indicate a $3,000,000,000 industry.

The United States egg-production dollar value for the calendar years 1940 to 1949, as compiled by the Bureau of Agricultural Economics of the United

States Department of Agriculture, is as follows:

	Amount	Dozens	Price
			Cents
1940	$588,440,000	3,629,000,000	18.0
1941	815,369,000	3,828,000,000	23.5
1942	1,206,904,000	4,430,000,000	30.0
1943	1,681,951,000	4,972,000,000	37.1
1944	1,580,547,000	5,305,000,000	32.5
1945	1,752,137,000	5,060,000,000	37.7
1946	1,737,640,000	5,030,000,000	37.5
1947	2,079,846,000	4,604,000,000	45.3
1948	2,162,940,000	4,597,000,000	47.2

The United States egg exports as compiled by the Foreign Agricultural Relations of the United States Department of Agriculture, is as follows:

1940	$1,133,000
1941	46,751,000
1942	163,278,000
1943	270,070,000
1944	302,592,000
1945	188,944,000
1946	154,043,000
1947	99,184,000
1948	46 336,000

You will note that the exports of eggs in 1948 were only one-sixth of the exports in 1944. The imports are small being a little over $1,000,000 in value in both 1947 and 1948.

The following is a copy of an official letter, which I have permission to include in the RECORD:

AUGUST 6, 1949.

Hon. ELMER THOMAS,
Chairman, Agriculture and Forestry Committee,
United States Senate.

DEAR SENATOR: I have your letter of July 28 and greatly appreciate your expression of desire to work closely with the Department of Agriculture in developing sound price-support legislation. You know, I am sure, that we want to cooperate fully with congressional committees at all times.

In your letter you also comment on price support programs for eggs and suggest certain changes in methods of operation. Because we are deeply concerned about the whole egg situation and the possibilities of serious trouble in carrying out mandatory price supports in the months and years ahead, I should like to outline some of the outstanding facts of this situation before taking up your specific suggestions. You and other Members of Congress are, of course, equally concerned about the practicability of price-support operations, and I feel that the essential facts should be summarized for your review.

Every year since 1946, the Department has been required to carry out substantial egg price-support operations. Early in this period, procurement for foreign supply helped the general situation. In recent years, however, direct price-support operations on a material scale have been needed. And these price-support operations have necessarily been based on removing enough eggs from the domestic market to maintain prices at the mandatory 90 percent of parity.

In 1946 slightly more than 10,000,000 cases of eggs were purchased. Fortunately, outlets were found which reflected full cost for this total supply, and there was no loss to the Department.

More than 9,000,000 cases of eggs were purchased again in 1947. Market outlets were found for about one-third at full cost. The remaining two-thirds were distributed through section 32 fund outlets, commercial companies for export, relief organizations, or other Government agencies for relief feeding in Europe. Losses to the Commodity Credit Corporation on 1947 support operations totaled about $26,000,000. About $26,000,000 of section 32 funds were also spent in moving eggs acquired that year, or a total of around $52,000,000 for the year's operations.

Support operations were again necessary in 1948. A total of 2,800,000 cases were bought. The Commodity Credit Corporation continues to hold the equivalent of about 1,600,000 cases of these 1948 stocks. Those that have been moved have gone into special domestic outlets under section 32 programs, or have been exported under heavy subsidy, running as high as 50 percent of the cost.

Thus far in 1949, it has been necessary to remove 5,500,000 cases from the domestic market in carrying out mandatory price supports. Purchases are continuing at the rate of about 100,000 cases a week, and thus far in 1949 egg prices have reflected 90 percent of parity. It has so far been possible to dispose of only 600,000 cases of this year's purchases, even with a 50-percent subsidy.

This lack of outlets for egg price support stocks, in spite of every effort we can put forth to find and develop them, is one of the most serious aspects of the problem. At the present time, the Commodity Credit Corporation has on hand 16,000,000 pounds of dried whole eggs carried over from 1948 operations. Added to these are about 49,000,000 pounds from 1949 purchases, as of August 1. It is estimated that an additional 10,000,000 pounds will have to be bought during the rest of this year, in order to maintain prices at the mandatory levels. This total of dried egg stocks will reflect a cost to the Commodity Credit Corporation of about $100,000,000.

Serious as this situation is, the prospects for the year ahead are still more discouraging. Our poultry specialists anticipate from 8 to 10 percent greater egg production in 1950 than in the current year. If this happens, even if consumption stays at present high levels, we could be faced with having to spend from $150,000,000 to $200,000,000 in egg price support procurement in 1950—if we are operating a mandatory 90-percent support program.

This is what we will be up against if H. R. 5617, approved by the House of Representatives, should be the controlling legislation for next year.

In view of these circumstances, I urgently request that you and your committee give serious consideration to agricultural legislation which will provide program authorizations to permit the development of practical operating procedures—offering needed protection for our millions of poultry producers and at the same time giving consumers an abundant supply of eggs at fair prices. It would be tragic if we were left saddled with the restrictive provisions of H. R. 5617, with a mandatory 90-percent support level and inadequate program operating authority.

Before the war our people ate a per capita average of about 298 eggs annually. In the postwar years the per capita average had been around 380 eggs, and it is continuing at that high level this year. Therefore, unless a drastic improvement in average egg quality occurs or unless egg prices to consumers can be lowered, we cannot expect any material increase in domestic consumption.

In your July 28 letter you suggest the desirability of switching egg price-support purchases from dried eggs to whole shell eggs, and then marketing these shell eggs in "deficit" areas. There are several points that need to be considered with great care in this connection.

In the first place, the eggs that the Commodity Credit Corporation is buying in dried form for price support are not the same product which is sold as shell eggs in the retail store. In the Midwest, where our purchases of dried eggs are being made, farmers usually sell their eggs as "nest run" or as they are gathered. At this season of the year the average quality is low although the eggs are wholesome and suitable for use in manufactured food products. Probably not more than four eggs out of each dozen sold by farmers can be sold to housewives in large eastern cities as high quality shell eggs. Another one or two eggs per dozen are unfit for any use for a variety of reasons. The remaining six or seven eggs are best used in dried or frozen form.

Thus, it can readily be seen that the cost of the few good eggs would be relatively high when shipped to deficit areas in the East, even when the producer is paid the support price of 35 cents a dozen. This is the reason that we continue to be offered surplus eggs in the Midwest at 35 cents a dozen while shell eggs of good quality from the same area are wholesaling for as much as 60 cents a dozen in New York City. After adding the cost of wholesaling, candling, cartoning, and retailing, it is not surprising that retail prices appear relatively high.

Quality shell eggs are enjoying an excellent demand at good prices. As a matter of fact, there is no surplus of good quality shell eggs. The type of egg we are purchasing requires direct price support and their purchase is serving to stabilize the average price of all eggs at the required levels. We have geared in our support operations where they were needed, and where they would do the most good in meeting our mandatory requirement to support the general egg market.

As an illustration of the need for support purchases where we have been making them, I have noted that prices to producers in Oklahoma averaged only 36.5 cents a dozen in July, in spite of the fact that the Commodity Credit Corp. bought the equivalent of 48,738 cases of eggs from driers in Oklahoma alone during that month. Had these eggs been of high quality, price support purchases would have been unnecessary inasmuch as substantial premiums are being paid for high quality eggs in many parts of the country.

It would not be practicable to shift purchases to shell eggs for another reason. If these eggs should be resold in "deficit" areas as you have suggested, the effect would be to lower producer prices in the deficit areas by as much as they were raised in the surplus area where originally purchased. It would obviously, then, be extremely difficult, if not impossible, to meet our mandatory support obligations because the price-enhancing effects of purchases in one part of the country would be offset by price-depressing effects of heavy marketings in other parts of the country. As I have pointed out, per capita domestic consumption is already so high that there does not seem to be much room to increase the over-all market for shell eggs under present conditions.

Dried eggs can be stored efficiently and inexpensively for a considerable time. Shell eggs cannot, especially the quality of eggs we have been buying under the support program.

If it were possible and practicable to meet the egg situation through purchase of shell eggs and the remarketing of these in other areas where there was greater demand or through expansion of our export market, we would of course be eager to follow these courses. But neither of them appears feasible at this time. We shall, however, continue to explore all possibilities along these lines, and shall be very glad indeed to work with you in every effort to develop more effective program procedures.

In my opinion, the establishment of a special marketing division or agency, as you have proposed, would not be of material assistance in disposing of products acquired

under the price-support program. We are already organized to do everything practicable along this line. The Production and Marketing Administration, which handles our action programs of this kind, is set up along commodity lines. Each commodity branch of this agency has specialists who work constantly on the job of finding disposal outlets for our price-support inventories. These men know the trade, they know the various outlets, and they are continuously developing plans to move our inventory supplies on any practicable basis. Working right in the administrative units which handle procurement and other price-support operations, they are in close touch with the situation at all times and are in the best position to direct disposal.

In addition to the basic activities of these commodity specialists, PMA has effectively organized functional branches which concentrate on over-all phases of this disposal problem. Such branches as the Price Support and Foreign Supply Branch are constantly seeking foreign outlets for our surpluses, through commercial exports or foreign relief programs. Also, the Food Distribution Programs Branch directs the flow of surplus food to outlets such as school-lunch programs, public institutions, and individuals certified by welfare agencies as eligible for relief. It also carries out an aggressive program to encourage the increased sale and distribution of surplus foods through normal trade channels. In addition, a special interagency food committee, which has been very helpful in aiding the disposal of surpluses in recent years, is still in effect.

In view of this situation, and the organizational units now available to attack the surplus disposal problem, I do not think the creation of an additional special division or agency would serve a useful purpose. I agree entirely that increasingly effective efforts must be put behind the job of finding outlets for these surpluses, but the answer does not seem to lie in further administrative organization.

Knowing and appreciating your great concern with sound price support provisions, I have outlined the general egg situation broadly. Our administrative people and commodity specialists stand ready at all times to furnish more detailed information, and to cooperate with your committee fully as you work out the difficult and tremendously important details of legislation affecting this question.

Sincerely yours,

CHARLES F. BRANNAN, *Secretary.*

The following is page 2 of the Poultry and Egg Situation, a United States Department of Agriculture publication:

The poultry and egg situation at a glance, July to August 1949

Item	Unit	Month	Average 1938–47	1948	1949	Comments on current situation
EGGS						
Farm production	Million dozen	June	391.4	416.8	408.8	Will exceed last year when 1949 pullets are added to laying flock.
Average number of layers on farms.	Million	do	308.9	310.3	305.8	
Rate of lay per hen	Number	do	15.1	16.1	16.0	
Apparent civilian per capita disappearance.	do	do	27.6	31.0	30.7	
Frozen egg production	Million pounds.	do		48.9	49.5	
Dried egg production	do	do		9.1	7.6	
Prices received by farmers.	Cents per dozen.	July	29.6	45.8	45.3	A rise of 1.2 cents from June.
Prices received by farmers as a percentage of parity.	Percent	do	93.0	89.0	90.0	Cumulative average percent of parity since January 1949, 91.
Retail price (BAE)	Cents per dozen.	June	37.6	62.5	63.8	
Egg-feed ratio	Pounds of feed.	July	11.8	10.4	13.1	Favorable for egg production.
Stocks:						
Shell	1,000 cases	do	7,551.0	5,669.0	2,316.0	Combined, smaller than any year since 1916.
Frozen	do	do	6,194.0	7,113.0	4,333.0	
Dried	Million pounds.	do		10.8	59.7	Practically all Government-owned, or intended for delivery to Government.
Chicks hatched by commercial hatcheries.	Million	June	107.6	92.7	111.7	January to June hatchings in 1949 are 25 percent larger than in 1948.
Chicks and young chickens on farms.	do	July	582.5	492.1	550.6	
Farm price of poultry ration.	Dollars per hundredweight	do	2.55	4.40	3.45	
POULTRY						
Prices received by farmers for chickens.	Cents per pound.	do	21.3	31.9	24.3	In June, 26.1 cents; third consecutive decline in monthly farm prices.
Prices received by farmers as a percentage of parity.	Percent	do	116.0	112.0	87.0	
Retail price of chickens (BAE).	Cents per pound.	June	36.8	55.9	52.7	
Prices received by farmers for turkeys.	do	July	23.2	40.5	34.7	Increase of 1.3 cents from June reflects increased marketings of young birds.
Stocks:						
Poultry, excluding turkeys	Million pounds.	do	62.2	72.2	43.8	
Turkeys	do	do	34.4	27.3	28.1	
Chicken-feed ratio	Pounds of feed.	do	8.6	7.2	7.0	
Turkey-feed ratio	do	do	9.2	9.2	10.1	
Average weekly receipts of poultry at central western primary markets, per plant.	1,000 pounds	do	16.1	17.5	17.6	Increasing seasonally.
Chicks placed in 7 broiler areas.[1]	Million	June		24.0	31.2	

[1] 5 weekly periods centered on June.

I do not care to go into a detailed discussion of this egg situation at this time. There are, however, several factors to think through.

First. Are the consumers allowed any price advantages when Midwest eggs are selling at support prices, or 35 cents per dozen?

Second. Will an egg-stamp plan be advisable to provide fresh eggs for institutions and low-income groups?

Third. The loss to the Government up to this time has not been over 1 cent per dozen, but will these losses increase?

Fourth. While a loss of 1 cent per dozen compares rather favorably with the 50-cents-per-bushel loss on potatoes, is it not advisable to correct this situation when it can be efficiently corrected?

Fifth. Why are the losses incurred when the storage stocks of frozen eggs and shell eggs are the lowest of any year since 1916?

Sixth. If losses and waste are not prevented is not the whole support program in jeopardy?

Seventh. Will not the consumer and taxpayer act to end supports unless the programs are administered for the benefit of all of the people?

Eighth. Is an egg-stamp plan a desirable approach?

I have hoped that we could have hearings on the egg situation but time has evidently not permitted.

Loss of Independence Is Price for Security

EXTENSION OF REMARKS

OF

HON. LAWRENCE H. SMITH

OF WISCONSIN

IN THE HOUSE OF REPRESENTATIVES

Monday, August 22, 1949

Mr. SMITH of Wisconsin. Mr. Speaker, Chief Justice Marvin B. Rossenberry, of the Supreme Court of the State of Wisconsin, has written a challenging article which appeared in the Dairyland News of August 15, 1949. Under leave to extend my remarks I am including the article:

IS SECURITY WORTH PRICE OF LOST INDEPENDENCE?

On March 23, 1775, in Richmond, in the Colony of Virginia, Patrick Henry made an eloquent, impassioned, and moving speech in support of a resolution and closed it with the words which have since become famous: "Give me liberty or give me death."

What did Patrick Henry mean by the word "liberty?" He was free to come and go and speak as he pleased. He did not mean the kind of liberty that Robinson Crusoe enjoyed on his island where he had to provide his own food, clothing, and shelter, or die.

CATALOG OF WRONGS

Eleven years later in the Declaration of Independence we find a catalog of the wrongs done to the Colonies by the mother country. What Patrick Henry was talking about was the right of the Colony of Virginia to govern itself and to be free from the regulations which the mother country had imposed upon it. Most of us think that the cause of the

Revolution was taxation without representation. That was merely one of the causes and not in my opinion the principal one.

The Revolutionary War was fought and won, and in 1789 the Constitution of the United States was adopted. Patrick Henry bitterly opposed its adoption because he felt that it deprived the Colony States of their liberties and made them subject to a central government. Down to the close of the Civil War the rights of the States under the Constitution were respected and carefully guarded. Commencing with the enactment of the interstate commerce law in 1887 the fears of Patrick Henry have been fully realized.

CONGRESS LIMITED

In the exercise of the powers granted to it, the Congress has not hesitated to invade the powers reserved to the States by the tenth amendment to the Constitution which provided: "The powers not delegated to the United States by the Constitution, nor prohibited by it to the States, are reserved to the States respectively, or to the people."

States no longer have the power to regulate their own affairs. Congress is not entirely to blame because the States in consideration of grants in aid have been willing to conform to regulations by Congress—a new kind of cajolery invented to evade the limitations which the Constitution imposed upon Federal power.

By section 8 of the Constitution Congress is given power to regulate commerce with foreign nations and among the States and with the Indian tribes. For more than 100 years it was believed that this clause related to the transportation of goods from one State to another. However, the increasing complexities of our economy created a demand for the exercise of the powers of Congress beyond regulating transportation of goods. State lines became a hindrance to trade.

I call your attention to two cases which have been decided within the last decade, in which the Supreme Court has approved a vast extension of the regulatory powers of Congress.

1. The first of these is *United States* v. *Darby*, decided in 1940. This was a labor case and involved the Fair Labor Standards Act of 1938, which provided for fixing minimum wages and maximum hours for employees engaged in the production of goods for interstate commerce with increased compensation for overtime.

On behalf of the defendant it was argued that the production and manufacture of goods being wholly within a State, Congress had no jurisdiction to regulate the process of production and manufacture, that the jurisdiction for such regulation was within the power of the State. This was in accord with the original concept of the people of the country in regard to the power of Congress under the interstate commerce clause. The act forbade the shipment of goods produced under some substandard labor conditions which were prescribed by the act. Darby argued that this was a State power and not within the jurisdiction of Congress.

Justice Stone, later Chief Justice of the Supreme Court, wrote the opinion. Speaking for the Court he said:

"The power of Congress over interstate commerce is not confined to the regulation of commerce among the States. It extends to those activities intrastate which so affect interstate commerce or the exercise of the power of Congress over it as to make regulation of them appropriate means to attainment of a legitimate end, the exercise of the granted power of Congress to regulate interstate commerce."

Here was a straight-out declaration that in regulating interstate commerce Congress was not confined to transactions between States but had jurisdiction over those intrastate activities which affected interstate commerce. In practice this extended the power of Congress.

2. I now call your attention to the case of *Wickard* vs. *Filburn*, decided in the Supreme Court of the United States in 1942. Filburn was an Ohio farmer.

Under the Agricultural Adjustment Act of 1938 the Federal authorities had established a marketing quota for his farm. Under this quota he could raise 11.1 acres of wheat. He sowed 23 acres, and harvested from the excess acreage of 11.9 acres 239 bushels, which under the act subjected him to a penalty of 49 cents a bushel, or $117.11. Filburn did not pay the penalty, did not store the excess under regulations prescribed by the Secretary of Agriculture, and sought an injunction prohibiting the authorities from enforcing the penalty imposed by the act.

Filburn for many years had operated a small farm, maintaining a herd of dairy cattle, selling milk, raising poultry, and selling poultry and eggs. It had been his practice to raise a small acreage of winter wheat, sown in the fall and harvested the following July, to sell a portion of the crop, to feed part to poultry and livestock on the farm, some of which was sold, to use some in making flour for home consumption, and to keep the remainder for the next seeding. What he intended to do with this particular crop did not appear.

On behalf of Filburn it was argued that the act was a regulation of the production and consumption of wheat; that such activities are beyond the reach of congressional power under the commerce clause, since they are local in character and their effects upon interstate commerce are, at most, indirect. The Government contended that the statute regulates neither production nor consumption, but only marketing, and in the alternative that if the act does not go beyond the regulation of marketing it is sustainable as a necessary and proper implementation of the power of Congress over interstate commerce.

You may wonder how the Court arrived at this startling conclusion. After citing many cases the Court said:

"One of the primary purposes of the act in question was to increase the market price of wheat and to that end to limit the volume thereof that could affect the market. It can hardly be denied that a factor of such volume and variability as home-consumed wheat would have a substantial influence upon price and market conditions. This may arise because being in marketable condition such wheat overhangs the market and, if induced by rising prices, tends to flow into the market and check price increases, but if we assume that it is never marketed it supplies a need of the man who grew it which would otherwise be reflected by purchase in the open market. Home-grown wheat in this sense competes with wheat in commerce."

If the doctrine of these cases is followed out logically, practically all the activities connected with production, manufacture, and transportation are subject to regulation under the interstate commerce clause. While of course the constitutional guaranties must be observed, the power of the Interstate Commerce Commission over the life of the people of this country is practically unlimited. Yet these decisions have passed unnoticed. So far as I am aware there has been no protest, but this is only the beginning.

The National Labor Relations Act is based upon the power of Congress to regulate interstate commerce, and if every activity which affects interstate commerce is subject to regulation by Congress, then the shoemaker who pounds pegs made in Maine into leather tanned in Pennsylvania with a hammer manufactured in Illinois, is engaged in interstate commerce.

TRADE LIBERTY FOR GRANTS

In this connection we should consider the recent proposal of the Secretary of Agriculture to tax the whole country to make up a decline in the price of foods which is simply a proposition to take from one group of citizens and give to another. According to Wisconsin Taxpayers Alliance for the year 1948 Wisconsin paid $779,500,000 in the shape of taxes into the Treasury of the United States. It received back by way of grants-in-aid the sum of $99,936,367.

If Wisconsin had been required to pay only so much tax to the Federal Government as was reasonably necessary to carry on the governmental processes we in Wisconsin would have no difficulty today in finding funds for State activities, such as providing for the State university, housing the mentally disturbed, and providing adequate care for the wards of the State.

Transfer of Land by Connecticut to Ohio

EXTENSION OF REMARKS

OF

HON. RAYMOND E. BALDWIN

OF CONNECTICUT

IN THE SENATE OF THE UNITED STATES

Monday, August 22 (legislative day of Thursday, June 2), 1949

Mr. BALDWIN. Mr. President, when Charles II, King of England, granted the charter to the Colony of Connecticut, in 1662, he bounded the Colony of Connecticut, as set forth in the charter, on the west by the "ocean," not knowing how far off the Pacific Ocean was at that time. As a result of that charter Connecticut claimed a part of the State of Ohio, and settled a part of that State with people who went from Connecticut to make their new homes in what afterwards became Ohio. Sometime after that Connecticut was reimbursed for giving up her claim to lands in Ohio, and the western boundary of the State was fixed at the line of the State of New York, as it is today.

There has come to my attention a little aftermath of those interesting historic facts. It seemed that before this claim was settled, and while Ohio was still a part of the State of Connecticut, a small piece of land was deeded to a township and set aside for school purposes. When the land ceased to be used further as a school, under the deed it reverted to the original grantor, and it became necessary, in order to get title transferred to the State of Ohio, for the General Assembly of the State of Connecticut to direct the treasurer of the State to deed this little acre of land to the State of Ohio.

The past State commander of the Disabled American Veterans, Mr. Vincent Uricchio, of Hartford, was given the commission of delivering the deed to the Governor of Ohio, and there was a very touching little ceremony held in connection with the delivery of the deed.

I ask unanimous consent to have printed in the Appendix of the RECORD a letter addressed to me by the present department commander of the Disabled

American Veterans, Mr. Russell E. Sullivan, transmitting a news item which was carried by the Associated Press under a Columbus, Ohio, date line, setting forth the details of this interesting historic ceremony.

There being no objection, the matters were ordered to be printed in the RECORD, as follows:

DISABLED AMERICAN VETERANS,
DEPARTMENT OF CONNECTICUT, INC.,
West Haven, August 19, 1949.

Hon. RAYMOND E. BALDWIN,
United States Senator,
Washington, D. C.

DEAR SENATOR BALDWIN: Following you in the CONGRESSIONAL RECORD, I have noted your occasional reference to Ohio having been a part of Connecticut.

As you know, State Treasurer Joseph A. Adorno steered through the general assembly a bill which granted title to an acre of land that Connecticut had in Ohio.

Through Mr. Adorno's cooperation it was possible for the Connecticut delegation to the national convention of the Disabled American Veterans to act as the bearer of the deed.

I am enclosing a clipping from the New Haven Register which makes mention of the matter.

The Voice of America has beamed this matter overseas as an outstanding example of the cooperation that exists between the individual States here in the United States.

I think, in view of your outstanding cooperation with Ohio's distinguished Senator, that a matter such as this is most suitable for use as an extension of your remarks in the RECORD.

If you do see fit to use it, the DAV would appreciate mention of the fact that their representatives were in Ohio at their national convention, which fact has been omitted in the enclosed article.

Very sincerely yours,
RUSSELL E. SULLIVAN,
Department Commander.

[From the New Haven Register of August 19, 1949]

CONNECTICUT MAKES FORMAL TRANSFER OF ITS OHIO ACRE

COLUMBUS, OHIO, August 19.—The State of Connecticut completed yesterday the transfer of its Ohio acre to the Jackson Township Board of Education in Paulding County.

The transfer, by quitclaim deed, took place in the office of Gov. Frank J. Lausche.

The presentation was made by a delegation headed by Mr. and Mrs. Vincent Uricchio, of Hartford, Conn. Uricchio is outgoing State commander of the Disabled American Veterans. Also in the delegation were Mrs. Kathleen O. O'Connell, of Bridgeport, Conn., State commander of the DAV Auxiliary, and Mrs. Stella Barro, of Bridgeport, also a DAV Auxiliary member.

Uricchio remarked as he made the presentation:

It's a sorry day for the State of Ohio to lose its birthright in the State of Connecticut. It presents, however, a classic example of the friendship between States as contrasted with the bickering between the states of Europe.

To which Governor Lausche replied:

"This is a separation of land only; it indicates no separation of friendship between the two States."

The acre deeded to the township today was land set aside for school purposes when the area was owned by Connecticut. Connecticut had stipulated, however, that should the land ever fall into disuse for school purposes it should revert to the State of Connecticut.

What Price Potatoes

EXTENSION OF REMARKS
OF
HON. CHARLES B. DEANE
OF NORTH CAROLINA
IN THE HOUSE OF REPRESENTATIVES
Monday, August 22, 1949

Mr. DEANE. Mr. Speaker, the old "spud," that never-to-be-forgotten item on every Army menu, is in the news. Within recent days John W. Ball, Washington Post reporter, wrote a series of five articles on the Government's potato price-support program as it relates to Aroostook County, in the State of Maine. These stories reveal that the Government paid out $65,000,000 last year to hold up potato prices in this one county. The stories by Mr. Ball indicated that one grower, and there may have been others, received checks of approximately half a million dollars for potatoes sold to the Commodity Credit Corporation, and that 31 farmers obtained more than $100,000.

It is recognized, however, Mr. Speaker, that the production cost reduced the returns to the owners and growers, since the pickers' earnings averaged from $20 to $25 per day.

Moreover, it is expected that the 1949 potato crop will be less than the 1948 crop since the support price has been cut from 90 to 60 percent of parity and acreage allotments have also been reduced. However, the potato support program is expected to cost over $50,000,000 during 1949.

During the time that this series of articles was appearing in the Washington Post, Mr. Ralph S. Trigg, administrator of the Production and Marketing Administration and President of the Commodity Credit Corporation, made the principal address at the Potato Blossom Festival at Fort Fairfield in Aroostook County, Maine, on August 15, 1949, and I ask leave, Mr. Speaker, to include as a part of my remarks the address delivered by Mr. Trigg and point out to my colleagues this significant statement made by the able administrator of the Production and Marketing Administration: He stated: "It is perfectly obvious that the sound answer does not lie in unlimited purchases to support the market. We need a better approach and the authorization to develop such an approach, if we are to avoid a program collapse which could threaten the whole farm price support structure."

It is Mr. Trigg's opinion that the whole price support program is threatened by the extravagance of potato purchases. It is to be hoped that before this Congress adjourns, the authorization to develop a better approach as indicated by Mr. Trigg will be enacted into law by the Senate and approved by the House. If the Congress fails, it certainly will not be the fault of the leadership of the House of Representatives in the Eighty-first Congress since the House attempted and failed some days ago to initiate legislation that would correct some of the problems of the support program. Neither can we place the responsibility on the Secretary of Agriculture or the officials of the Commodity Credit Corporation who are charged with the duties of administering the farm-support program.

Mr. Trigg's address follows:

I am very happy to be in Aroostook County today, visiting this beautiful northern country and spending a little time with representative Maine farmers at the Potato Blossom Festival. This section is world famous as a potato-producing area, and after visiting here today it is easy to see why this is so. You have the community spirit and the leadership which have meant constantly increasing production efficiency.

In spite of this progress, however, there are problems in connection with potato production and marketing which need very careful attention. This is not the time or occasion to go into detail of possible solution, but I do want to mention some of the obvious facts of the general situation.

I need not remind you that Government potato price-support programs have been costing far too much in recent years. Through a combination of factors—including lower price-support levels and lower yields in some areas—the total cost this year should be far below the record cost on the 1948 crop. But it is perfectly clear that we do not yet have the answer for our basic problems. It is harder and harder to find disposal outlets for surpluses. Program costs are still too high. We simply cannot go on indefinitely with any program which results in excessive waste, and which costs the taxpayers of the country too much.

You Maine producers know the underlying problems well. You know that per acre yields have increased greatly throughout the country, so that even with some adjustment in acreage, production can still outrun effective demand. Your total production in Maine has tripled in the last 25 years, and competition from other areas has increased.

You also know that per capita potato consumption in the United States has been dropping steadily, shrinking potential market outlets. Our people ate about 153 pounds of potatoes each in 1920. In 1948, consumption per person was down to 108 pounds.

This is a tough situation. There is no easy answer. Maine's total commercial shipment of 1948 crop potatoes were only about 33,000 carlots—the lowest figure since 1922. At present Maine yields, it would be possible to produce this many potatoes on about 90,000 acres. This would be the lowest acreage since the 1890's, when rail transportation became generally available for northern Maine. Any reduction to this level would mean a major revolution in the economy of Aroostook County. For comparison, the 1949 Maine commercial acreage goal is around 141,000 acres.

Some of the factors involved in the commercial marketing of the 1948 Maine crop may have been of a more or less temporary nature. Some may be here to stay, unless it is possible for the industry to do something to correct the 1948 situation so that Maine will be in position to continue producing in the volume it has for the past 25 years.

In short, no matter what sort of Government program may be developed, it seems obvious that in the long run Maine potato producers will have to market more or produce less.

I am not suggesting a return to the laissez faire, do-nothing policies of the 1920's and before. We all remember what happened too often in those days. Big potato crops one year and prices so low that they would not pay the costs of digging and shipping, followed by short crops, and unreasonably high prices for consumers.

We have come a long way in our national thinking about farm programs since those days. We know now that we cannot have a prosperous national economy without a prosperous agriculture. We know that sound farm programs, including price-support programs, are essential for a prosperous agriculture.

Farmers have been relatively well off in recent years. Good prices and good crops have added up to good incomes. Altogether the American farmer has lately been a $30,000,000,000 customer for American business. Looked at another way, Secretary of Agriculture Brannan recently estimated that farm spending this year pays the salaries for nearly nine and one-half million jobs in other industries.

We can take a large measure of satisfaction in this, but we must never take it for granted. American agriculture has seen some hard times in the not too far distant past, and it can see hard times again if we are not alert to the need for measures to prevent collapse. And these preventive measures are as important for the rest of the economy as they are for agriculture itself.

A study made back in the middle thirties offered a striking illustration of this interdependence of farming and industry. From the low point of the depression years, farm income had come back a good ways by 1935. The forerunners of our present Government programs had been put into operation, and farm prices had rallied. The study I speak of was made to determine the effect of this increased buying power on sales by business and industry. This was the story, in brief: From 1933 until 1935, shipments of all manufactured products from the 16 leading industrial States, including New England, had increased by 60 percent. But during this same period the shipments of manufactured products used primarily by farmers had increased by 165 percent.

There has been evidence of a different kind recently. When farm prices started down from their high point last year, buying of equipment by farmers slacked off immediately. The Department of Agriculture has records of numerous instances where farmers canceled orders for tractors and other farm machinery when farm prices started to drop.

There is no doubt about the fact that farm buying power is of direct concern to the whole economy. Further, the effects of lowered buying by farmers are felt quickly. At the same time, it is equally true that the best assurance of good markets and good prices for farmers is high employment at good wages for workers in industry. It's a two-way street. Industry needs farm markets; the farmer needs customers among those who work in industry.

This same two-way-street principle holds for farm programs, also. We need constant development and strengthening to meet changing conditions and changing needs. And in developing and carrying out such programs, the agricultural producer must play his full part. It is not enough for Congress to authorize farm programs, and for an agency in Washington to outline the details and make them available. The farmer himself must help make the programs work.

I can illustrate this point by a current situation. Price support programs, at the levels authorized by Congress, are in effect for a number of farm commodities. Among these are several for which the open market price is now below this support level. Wheat and corn are good examples. This means that enough farmers are marketing outside the price-support structure to force the market price down. They either have not bothered to get the storage facilities necessary to take advantage of price-support loans on storable commodities, or they have been willing to sell below the support level for reasons of their own.

There is nothing that we can do about such a situation, except to make the support programs easily available and to urge farmers to take advantage of them. This we have done, and are continuing to do. Beyond that farmers must make their own contribution.

The same thing holds for the price-support programs for perishable commodities. Producers cannot expect the Government to do it all. Any sound price-support action must be based upon the condition that farmers themselves will go along with necessary adjustments to make the programs workable, even if this means cutting down on the acreage they would like to plant.

Getting back to potatoes for a moment, Maine producers operated under a marketing order and agreement program to help meet the problem of extreme surpluses in 1948. So did some of the other leading areas, but in spite of this fact the Commodity Credit Corporation had to buy far too many potatoes. You know, of course, that we bought $70,000,000 worth of surplus 1948-crop potatoes here in Maine alone. In fact, less than half of your potatoes went to normal markets; the Government provided the market outlet for the rest. When you consider the increasing difficulty and cost of finding diversion uses for these potatoes, it is perfectly obvious that the sound answer does not lie in unlimited purchases to support the market. We need a much better approach, and the authorization to develop such an approach, if we are to avoid a program collapse which could threaten the whole farm price-support structure.

When faced with farm surpluses, it is natural to think of widening the markets—trying to sell more of the crop. This is as it should be. We should never turn to production adjustments until we have exhausted all means of distribution, both at home and abroad.

The foreign market obviously does not offer much hope for potatoes. It is going to offer a decreasing outlet for some of the commodities we have been shipping abroad in large volume during recent years. Food exports from the United States have set a new record every year since the war. Last year we shipped out well over 19,000,000 tons, and one of my assistants tells me that much food would fill a freight train stretching all the way from San Francisco up here to Aroostook County. By way of contrast, our food exports during the 5 years just before the war averaged only a little more than 4,000,000 tons.

We have reached the point now where we can no longer count on continuing exports in such volume. European production is getting back toward normal. Dollar balances are very low in many importing countries. Just how much foreign trade we can hold will depend largely, of course, on how many foreign products we are willing to accept as imports. The flow cannot be all one way for long. That is simply a matter of elementary economics. Under any circumstances, however, it is reasonable to expect much lower food export totals in the future and to plan accordingly.

The domestic market also presents a complex picture. As long as national income is high, and consumers have money, they will buy farm products in large volume. Even here, however, there are changes in what they buy—in what they eat. We think we eat about the same from year to year, but this is not so. Before the war, we ate 126 pounds of meat per person. This year we are eating about 146 pounds. Our consumption of eggs has jumped from 298 per capita before the war to more than 380 this year. We are also eating much more fresh vegetables. On the other hand, these increases have been offset by decreases in the consumption of other standard foods. Fats and oils are down; milk is down; flour is down by about 17 pounds per capita; and, as I said before, potatoes are down—21 pounds since before the war, and about 45 pounds per capita since 1920.

Under changing conditions like this, producers must show initiative in holding their fair share of the total food market. And when all possible has been done on this front, and marketing efficiency has been improved, they must be ready and willing to make necessary adjustments to prevent wasteful overproduction.

Some of these things I have been saying may sound pessimistic. I have not intended that they should, and I certainly do not feel pessimistic about the future myself. Recognizing realities is simply a necessary start in getting ready to meet our problems.

What we need now is the strongest possible over-all farm program. I think you will agree that we do not have such a program now. Farmers, farm spokesmen, and Government—working together—must see that one is developed and made available without delay. We have a splendid foundation in the program history of the last 15 years. We have had a lot of experience in different types of operation. Now we must go on, building the cooperative measures which will protect farmers and the whole country.

Speaking of the whole country, there is one thing which we in agriculture must not forget. Our programs must always give consumers and taxpayers their money's worth. This means that we must aim at an economy of abundance—an abundance of food and other farm products to meet consumers' needs at fair prices, at the same time protecting the farmer against ruinously low prices.

This abundance must be a "balanced abundance." It does no one any good to have overproduction of commodities for which there is no effective market, and possibly an underproduction of some others which are needed.

These are simple facts which are generally understood. Our job—yours and mine—is to help see that they are reflected in our farm program planning and operation.

There is one more thing I want to mention briefly. That is the constant need to rebuild and protect our soil resources as we go along. Nothing is more fundamental or more important in the whole farm picture. If we lose our soil fertility, there is no use in worrying much about any other phases of a farm program.

Fortunately, we have proved and effective ways of doing this part of the job. I refer to the agricultural conservation program—the ACP program as most of you know it. Through this program, farmers built up soil fertility reserves before the war. These reserves made possible the record-breaking production of war and postwar years. The conservation program also helped farmers hold the fertility line during the emergency period of intensive cropping. It is now ready for our farmers' use, under the direction of their own elected committee system, in carrying out the conservation practices which will protect the land for the future.

No; there is certainly no room for pessimism. Farmers are in many ways in a stronger position today than they have ever known before. They are in good shape financially, as a result of several high-income years. Congress and the public generally recognize the need to continue the sort of cooperative assistance which will keep agriculture strong. Farmers themselves know the basic problems.

The future looks good—just how good will depend directly on just how wisely and cooperatively we all work together in developing the soundest and fairest possible programs in the national interest.

We Can't Thrive On Security

EXTENSION OF REMARKS
OF
HON. KENNETH S. WHERRY
OF NEBRASKA
IN THE SENATE OF THE UNITED STATES
Monday, August 22 (legislative day of Thursday, June 2), 1949

Mr. WHERRY. Mr. President, I ask unanimous consent to insert and have printed in the Appendix of the CONGRESSIONAL RECORD an article entitled "We Can't Thrive on Security," written by me and published in the June issue of the American magazine.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

WE CAN'T THRIVE ON SECURITY

(By KENNETH S. WHERRY, United States Senator from Nebraska)

We are about to become a nation of spoon-fed people. It is all on the drawing board, in blueprint, and all the statistics have been compiled. We can stop worrying or even thinking about the future. A kindly, beneficent, all-wise Uncle Sam will take care of all our needs and keep us propped up on billowy pillows. Under the great design of the master planners, all we have to do is share the good things in life—and pay taxes.

Our needs will be provided for from prenatal to postmortem. There will be allotments of food for anyone who doesn't feel like working to earn it. If a man or woman gets tired of working, he or she can relax while the Government provides unemployment compensation.

Uncle Sam will also be on hand with houses for those with the lowest incomes so that slums may be abolished. Ten million of the 37,000,000 families in the United States earn less than $2,000 a year; 4,000,000 of them under $1,000. That's a potential of 14,000,000 houses.

And the Great Provider in Washington will hand out college scholarships to young people who can't stand the thought of settling down to work after high-school graduation. People who love to have doctors fuss over them can do so to their hearts' content free of charge.

Businessmen, farmers, workers—everybody engaged in the healthy struggle for a living in a system of free enterprise—need have no thought for the morrow, no concern over prices, supply and demand, for all these, too, are to be managed by the omniscient planners at Washington.

Their great design takes care of all this. Papa knows best. Ceilings on prices and wages; floors under prices and wages—all will be neatly arranged according to the slide rule and statistics.

Is some segment of industry lagging? Presto, Uncle Sam steps in, cash in hand, and builds a plant, or many plants, to make steel or something else in order to reach that happy utopian condition in which the law of supply and demand is repealed.

These are samples of the plans made for us. They have gone beyond the "think" stage. They are in legislative form, prepared for Congress by the administration. Some of them have been enacted into law; others are on their way through the congressional mill.

The great design of the self-styled Fair Dealers is revolting to anyone who believes in free markets, free, competitive enterprise, and in republican government. The old school of hard knocks, under which Americans have been reared and toughened for 300 years, is being liquidated as old-fashioned, outmoded.

These programs to make us a spoon-fed people have been hatched by pressure groups. They were devised as vote-getting bait for large segments of our population, all in the name of "security." They elected President Truman last November.

One of the ringleaders dishing out promises is Oscar R. Ewing, Director of the Federal Security Agency. He frankly declares his goal: "Your Federal Government expects within the next 10 years * * * to bring a new feeling of security to every man, woman, and child in the Nation."

The American people are now seeing the greatest "give-away" show; bigger, gaudier, more spectacular and more costly than any show on earth. We are told those give-away shows on the radio are driving our best cultural and entertainment programs off the air. Some one, come all, something for nothing.

Mr. Truman and his political lieutenants with reckless disregard of the public welfare have discharged their political debts by tossing the whole bundle of economic planning and social welfare promises into the lap of Congress.

What is the pay-off for all the people and generations of the future? A leading metropolitan newspaper recently estimated that the "social welfare" proposals of the President alone would cost, over a period of 50 years, more than $1,250,000,000,000.

Fantastic? Yes. But it's true.

The President, Mr. Ewing, Secretary of Agriculture Charles F. Brannan, and their associates have been long on promises of the good things they advocate, but extremely shy on costs.

The administration's compulsory health insurance carries so many authorizations for expenditures that exact estimates on the total are impossible. Competent experts, however, estimate socialized medicine would cost about $6,000,000,000 in the beginning, and when spending gets under way in earnest the cost will rise steadily.

The President and other proponents of the health plan tell us their purpose is to see that every ill person in the land shall receive the best medical care. It is quite obvious that there are not enough of the best clinics for all the people, and yet our national health bill is now estimated at $5,000,000,000 a year. Plainly, if everyone who wants medical attention is to be given the best care, the cost must rise considerably. My guess is it will run to more than $6,000,000,000 a year by 1960 for the prepaid medical insurance program alone.

The number of additional Government employees necessary to manage and operate a compulsory health program for our large population would be staggering. Intrusion of the Government into the relationship between our families and their family doctors would be abhorrent to those of us who believe in the doctrine that a man's home is his castle.

Special police forces would be necessary to apprehend and prosecute those who make dishonest returns on their ailments and their doctors' bills. The amount of paper work in keeping the millions of accounts in order would be stupendous. I have seen estimates that 1,500,000 bureaucrats would be necessary, in addition to the doctors, to administer the socialistic venture.

A British doctor in Ipswich moaned, "I have become a pill dispenser and a pen pusher." It seems he has to make all his reports to the bureaucrats in triplicate.

The British have had a bad taste of socialized medicine. There, the demand for pills and glasses suddenly swamped the producing industries. With free medical care available, millions of Americans will suddenly find they are sick and hasten to a subsidized physician for treatment, and it may take the doctors a long time to prove to them that they are imagining their ailments.

Our country has the best health record of any nation. Advances that have been made in the science of medicine are due to the freedom that has been given, under our republican government, for free enterprise, initiative, and genius of our people.

Let's keep open to the youth of our land the opportunity to embark upon a career in medicine. Let us protect them against a system that would make of our medical practitioners mere robots in a government machine, such as they have in Russia. Socialized medicine—and that eventually would mean socialized manufacture of pharmaceuticals and medical equipment—would halt the progress of medical science.

All history reveals that mankind has made the greatest progress as it has gained freedom for expression and individual talent.

Our Federal Government for many years has maintained a Public Health Service. It has done a good job. We should expand and strengthen our Public Health Service so that it may dig deeper into research. We have special governmental agencies exploring causes and possible cures for cancer and for diseases of the heart and teeth.

There is much—very much—that the Federal Government can do in serving as a clearinghouse for information on diseases and their cures; much can and should be done by the Federal Government to assemble the most advanced thinkers in the realm of medicine and to disseminate their knowledge among all the people—out to the States and municipalities for trial and report.

Our Federal Government is now contributing $75,000,000 toward hospital construction, providing facilities for training more doctors and nurses. But this is being done in cooperation with privately endowed institutions, in countless experimental laboratories where new ideas and new remedies may be developed for the good of all our people.

Public health is primarily a personal, private service, but all levels of government, municipal, State and National, have their proper spheres of activity. However, should the Truman plan to socialize medicine be adopted, the Federal Government will control the sanitation and medical programs in every State, city, and village.

Doctor Truman has not only handed the American people a sugar-coated pill in his compulsory health program, but Secretary Brannan has handed another sugar-coated pill to the farmers in the so-called Brannan plan. The Brannan plan is another facet in the "cradle-to-grave" social security program of the Truman administration.

The artful plan of Secretary Brannan will hog-tie the farmers and make them wards of the Government. He proposes to let prices for farm commodities sink to their lowest level in times of surpluses so as to give the people who are not farmers, those in the urban centers, the benefit of low prices. And for the farmers he proposes that the Federal Government, through taxation which consumers and farmers would pay, donate to the farmers enough money to make up their losses and to obtain a parity of income with other segments of the population.

Under this plan, farmers would be regimented like privates in an army. A legion of auditors would be running everywhere,

examining their books to see what the farmers' incomes are. This is not a give-away plan. The people would have to pay for this security, and pay dearly.

Mr. Brannan is reluctant to discuss costs to the taxpayers. But agricultural experts estimate those costs at upward of $5,000,000,000 annually.

The administration's program to carry America down the road of socialism is revealed in the field of housing. The Eightieth Congress—that "do-nothing" Congress—did much to relieve the housing shortage by freeing the building industry of Government controls and by pledging the credit of the United States for the resulting building boom, the biggest building boom in our history. Roughly, twice as many dwelling units were built in 1947 as in 1946, when President Truman had power to control every inch of board and every nail; and in 1948, nearly three times as many dwelling units were built, compared with 1946.

But this progress toward meeting the housing problem in the American way did not satisfy the social planners. The administration's bill in the Democratic Eighty-first Congress made the socialistic departure of providing that the Federal Government must pay part of the cost of new dwellings for persons of low incomes who live in slum areas or on farms whose productivity is not adequate to afford credit for private loans.

Responsibility for eradicating slums through proper building codes, and their rigid enforcement, is the responsibility of the cities and States. It is not a Federal function under our form of government. However, this has not deterred the social planners at Washington. Their legislation pledges part of the population to maintain another part. And the problem of slums cannot be cured by money alone. Education and civic pride are essential ingredients.

Even assuming that it is a field in which the Federal Government can properly assume financial responsibility, the cost upon the taxpayers will be tremendous. The cost of the administration bill is estimated at $12,000,000,000. With 4,000,000 families earning less than $1,000 a year and 10,000,000 less than $2,000, obviously the Fair Dealers have opened another long road for socialistic planning. Under the terms of the administration's housing measure, should there be a 20-percent decline in the building of dwelling units, the Government would have authority to do about one-fourth of all the home-building in the Nation. Thus, the Government competes with private builders in seeking building materials.

There is much that the Federal Government can and should do in improving housing conditions. But it ought not to go into the business of building, renting, and selling houses. The fact is that many State and municipal authorities have failed to do their duty toward cleaning up slums. Building codes in many places are archaic and do not permit eliminating slums. Dwellings unfit for human habitation should be condemned by the local authorities just as unsanitary restaurants are padlocked.

The Federal Government can help by studying housing conditions all over the country and abroad; by intensive research into better ways to build homes, better materials, and more efficient practices; by helping to standardize certain building materials, and by serving as a medium for fostering private enterprise and dissemination of knowledge. That kind of social security is in line with republican government.

Another big part of the Truman security program is Federal financial aid to States for education—another foot-in-the-door proposition that will soon cost billions. The Fair Deal wreckers of our free enterprise system seem to be especially eager to get their hands on the education of our youth. It is not suggested here that all who want the Federal Government to finance education are Socialists or tinged with radicalism. But it is contended a federalized education will assume the philosophy of government of those who administer the funds.

There is no such thing as Federal aid without Federal control. I do not want the Federal bureaucrats controlling our schools. Next to home and church, schools are our most treasured institutions. They are the well-springs of our Republic.

Federal aid to education is not free. It is simply taking money away from the local communities and spending it through a bureau in Washington. A dollar which makes the round trip to Washington never comes home with 100 cents in it. Bureaucracy always exacts its tribute.

Mr. Ewing has stated, "We will make it possible for all children to enjoy the benefits of education, including college, through scholarships or Government-insured loans." Likewise, the President's Commission on Higher Education has urged that the Federal Government start a college scholarship program, which by 1960 would cost United States taxpayers $1,000,000,000 a year. The pattern is clear.

The president of Fordham University some months ago observed: "By multiplying college facilities until we can care for every high-school graduate who doesn't want to go to work, the President's Commission is not doing the colleges, or the country, any favor."

Surely we want to see our school facilities steadily improved and our techniques of educating developed. Great strides have been made by the teaching profession, and our Office of Education at Washington, through the years, has contributed to these improvements. It is my contention that the closer we keep supervision of our schools to the parents of children going to those schools, the greater will be our genuine social security.

The Legislature of Nebraska has passed unanimously a resolution opposing the administration's Federal-aid-to-education proposal. Our State legislature also unanimously adopted a resolution opposing compulsory health insurance. The Nebraska Legislature insisted the people of Nebraska be allowed to keep their own money to be spent as they deem wisest.

In the great design of the administration we see the spectacle of promises of security for everybody: High wages, low prices, free medicine, free health insurance, part free homes, free education—free everything—but we know that none of it is free. And the people are given only shadowy estimates on what it will cost in taxes when wrapped into one package.

And just how well fixed is the Federal Government to go into all the free social security demanded by the administration in response to pressure groups and special interests?

The cold fact is that unless the present Congress drastically cuts appropriations asked by the President, the United States Treasury will have a deficit of $3,000,000,000 or $4,000,000,000 in the next fiscal year, and double that in the following fiscal year. A Treasury deficit can be met either by increasing taxes or by deficit financing, or by both. We are now spending five times as much as in 1939, and the proportion of taxation to our national income is rising rapidly.

Higher taxes would be a drag upon business already leveling off. A return to deficit-spending would be more disastrous. Some people seem to think that our resources are inexhaustible. The per capita debt of the United States in 1947 was $1,794 per capita. The average per capita State debt was $27, and the per capita debt of municipalities, on the average, was $112. Some municipalities and some States had no outstanding debt.

And in the midst of a cold war with Russia that is costing the United States $10,000,000,000 a year, through economic aid to freedom-living countries and in extra national defense, we are being swept along the road to national socialism under the guise that it is security.

Those who fight this ruinous trend are liberals, standing for liberty and freedom for the individual. It is a crusade well worth waging, for our Republic hangs in the balance.

My birthplace is Liberty, Nebr. My father, David Emery Wherry, often admonished me never to forget that fact. He started as a merchant and farmer in southeastern Nebraska, among pioneers of the West. As his three sons grew, he branched into business they were later to operate. We sold furniture, plows, caskets, groceries, and buggies. When we had developed our wagon-and-buggy business, the automobile and truck came along. It looked like a calamity for us, but we soon had an automobile agency and were doing more business than ever before.

It was as a youth watching my father buy horses and mules that I learned some important lessons. I learned to be wary of people—forerunners of the modern socialists—who wanted to give you a big bargain.

Dad told me: "When a man tells you he has the best mule in the county, watch out. It is probably 'windy,' 'spavined,' 'string-halted,' or 'moon-eyed.'"

My father and mother admonished us to earn our own living. They told us there is no substitute for self-reliance. Whenever the administration trots out a proposal to give people more security, I recall my father's words: "Stand on the two legs God gave you."

That is the way the American people think. Our people think it is a disgrace for an able-bodied son to live off his father. Fortunately, our sons feel the same way.

That is the spirit which built the United States. When the people are given the facts on where this socialistic trend is leading us, they will make the right decisions. Let's blow our trumpets in favor of a system of government that has brought so many benefits to so many people.

We are confronted by fundamental issues. Is it healthy for us as a people to be guaranteed complete security from all needs—to be assured that the Government owes us all a comfortable living? Such security seems to be the goal of the Truman administration, but I contend it is a short-sighted, wicked goal that denies the underlying principle of our Government: Government is the servant and not the master of the people.

America would not exist today as a republic if our early colonists had been supported by subsidies and hand-outs and protections against every conceivable threat, including Indians. Who would have had the courage and strength to pioneer the West? Who would have written the Declaration of Independence?

Despite the pooh-poohing of left-wingers, we cannot ignore the fact that totalitarianism is becoming a real threat in America. It is becoming a threat because so many people accept the notion that the answer to each and every problem is more government.

Actually, one of our most pressing problems today is to get big government off the backs of our people—and it is not essentially a problem for Democrats or Republicans, but for the whole American people. Canada very wisely is trying to do this by sharply reducing taxes.

We must also learn to cope with big business and big labor. Our huge corporations are growing bigger and fewer. Many small, independent businessmen are waging a desperate struggle for survival against unfair opposition. I know, because I spent the past 2 years, during the Eightieth Congress, trying to help them as chairman of the Senate Small Business Committee. Big business, as such, is not

necessarily bad. Most big businesses in America started as small businesses and are big because they provide goods and service the public wants at prices they can pay. It is only when big business abuses its size and power that it is reprehensible. And we have had examples of this.

Much the same thing applies to big labor. We must not overlook the power big labor has achieved, which, if abused, could strangle our economy.

America has grown great because of one great principle: Freedom. Freedom, more than anything else, is what we have lived by and fought for from Colonial days right down to today. It has been only in the past few years that Americans have bothered to talk much about security. And that fact is ominous. Our final fall into totalitarianism will come if and when we yield our freedoms to regimentation under the guise that therein lies security. I pray that it will never occur.

To make certain that never happens, we must, above all, see to it that our system is constantly applied to give every American a fair chance to make a good living and a chance to achieve fame and fortune by working for it.

It is here that encouragement to small businesses is vital. Pioneering in new enterprises is the great field of opportunity, especially for our youth. Would we have had a Ford if it had not been for the opportunities and incentives open to independent, venturesome businessmen? How about Firestone and Edison? We could not get a Ford, a Firestone, or an Edison, under any system of cradle-to-grave spoon-feeding that robs the people of their incentive and enterprise.

One of our present pressing problems is that there is less and less incentive for our modern young Fords and Firestones to gamble on their ideas. They know that if a man invests money in his invention or idea, and it succeeds, the Government will take a large part of his gain away in taxation. If he loses, he loses everything. If Mr. Ewings' security ideas were carried to their logical conclusion, the Government would guarantee our young Fords and Firestones that if they didn't make good on their idea the Government would make good out of tax funds. That, of course, would be nonsense.

For Americans, real progress lies, not in the direction of more government paternalism, but rather in more freedom—more freedom to pursue the great opportunities this country and the world still offer.

When the founders of our Nation composed the Declaration of Independence it is significant that they did not guarantee people security, or even happiness. Instead, they said the main function of government is to guarantee people the right to "Life, liberty and the pursuit of happiness."

The liberty to pursue happiness is the only guarantee Americans have asked for 174 years, while building the Nation that has become the envy of the world.

Address by Lawrence Hunt at Convocation, Bishop's University, Lennoxville, Quebec

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EXTENSION OF REMARKS
OF

HON. IRVING M. IVES

OF NEW YORK

IN THE SENATE OF THE UNITED STATES

Monday, August 22 (legislative day of Thursday, June 2), 1949

Mr. IVES. Mr. President, I ask unanimous consent to have printed in the Appendix of the RECORD the text of an address delivered by Lawrence Hunt, a distinguished member of the New York City bar, at the convocation of Bishop's University, Lennoxville, Quebec, on June 17, 1949.

There being no objection, the address was ordered to be printed in the RECORD, as follows:

Mr. Chancelor, Dr. Jewitt, ladies and gentlemen of the class of 1949, friends and neighbors of Canada, you have honored four Canadians for their eminent contributions to Canadian life and for their devoted service to their fellow men. You have also honored me as an American friend, and I shall cherish the high honor as an unusually gracious expression of the friendship which exists between Canada and the United States—the rarest friendship which has ever existed between two nations. We are deeply grateful, and we are delighted to be enrolled among the alumni of Bishop's University.

As an American, I naturally feel at home in Canada. And as a graduate of Williams—a small New England college—I feel especially at home with you here today. Bishop's, like Williams', is not a vast intellectual incubator in which there is a tendency to identify men, and even women, as digits. She is an Alma Mater who knows and cares about every one of her sons and daughters.

Ladies and gentlemen of the class of 1949, this is your day. It's a good day—a good time—to enter into a hard but worth-while world. I think it is a better time than existed for those of us who were graduated after the First World War.

The pessimists among us—the men of little faith—would tell us, with sombre satisfaction, that you are entering into a world filled with envy, hatred, and malice, and all uncharitableness. They would point to this and that threat, crisis, menace, and danger. If you paid too much attention to these prophets of doom, you would soon find yourselves useless and unhappy men and women, trapped in the dungeon of giant despair.

To be sure, there are some obviously unpleasant similarities between the convocation days of the 1920's and 1930's and of today. Then, as now, there were convocation orators who received honorary degrees and made long speeches. I remember that we were told we were the "hope of the world" and all sorts of embarrassing things. We were solemnly exhorted not to make the mistakes the older generation had made. Well, we haven't made exactly the same mistakes, but, of their kind, our mistakes have been beauties.

In the nineteen twenties and thirties there was a Communist Russia and there was an unrepentant Germany which soon found its hero in a fanatic who knew how to arouse the blood lust of the German people. There was an ineffective League of Nations. And there were some perfectly beautiful treaties which outlawed war.

Worse than that. The pseudo-intellectuals and the peace-at-any-price pacifists of the older generation confused the minds and chilled the hearts of many of us with an obscene objectivity toward right and wrong. They tried to teach us to scorn the supreme moral values for which we fought in the First World War, to doubt the motives of other free nations, and to indulge in sickly sentimentality toward the enemies of man's freedom.

In America, as the German menace grew, we were asked to shut our eyes to the most blazing truths, to avert our gaze from the plain facts of our contemporary life, to stuff our ears, and to harden our hearts, so that somehow, in some way, we could escape from the tough realities of this world and, as a Nation, evade the tasks which nature, our moral traditions, and the uncompromising forces of destiny had set for us to do.

The results of these teachings were almost fatal.

To some extent, these stupid and immoral teachings were also heard and heeded in Britain and Canada and the other nations of the British Commonwealth. But, when the supreme test came in 1939, Britain and the other nations of the British Commonwealth, for 2 years, alone saved the freedom of the world. Finally, after America's entry into the war, the British and American peoples again beat down Satan under their feet.

Again I say, this is a better time. Today, there are also the menace of Communist Russia and the menace of an unrepentant Germany, and an ineffective United Nations. But an immense difference, a tremendously hopeful difference, between the nineteen twenties and nineteen thirties and today, is that we know our dangers, and we are facing them. The Marshall plan and the Atlantic Pact are practical expressions of our determination that we shall not again endure the horror of a world war if courage and good sense can avoid it. There is a sure spiritual rebirth in the hearts of free men which is finding expression, not in words alone, but in a willingness to sacrifice, unprecedented in days of peace, for the supreme values of human life.

Moreover, there is a clear recognition, if not always an open acknowledgment, that the most fundamental political fact of our time, in world affairs, is the growing cooperation between the British Commonwealth and the United States. The wisest American and British statesmen have known for a long time the vital need for this cooperation. Two world wars have proved it. Our matter-of-fact cooperation today in political, economic, and military affairs would have seemed incredible to most people 10 years ago. The Anglo-American partnership is a going concern.

The partnership is not as complete as it must be if we are adequately to protect ourselves and the other free peoples of the world. The statesmen of the British Commonwealth and of the American Republic should know that it does not make sense for us at the same time to slap each other on the back and to kick each other in the shins. Our partnership should not be limited to certain spots here and there, such as the Atlantic Ocean and Greece. Anglo-American cooperation must be measured by our world-wide responsibilities and our need for each other.

Regional pacts are good and useful things. United Europe and one-world movements are very interesting, very pleasant subjects for convocation-day orators. Our present disillusionment about the United Nations should not blind us to its possible future value.

And yet, come what may, remember this: Whatever their imperfections may be, the American Republic and the British Commonwealth together are the greatest force for the protection of human liberty and of man's gradual progress toward a better world.

There will be world conferences, and many of them will fail.

There will be all kinds of international formulas, and they will fade away.

There will be glittering slogans, and they will be forgotten.

But if the American and the British peoples have faith in each other's purpose, hope in each other's future, and charity toward each other's shortcomings, then, as friends, as partners, and as allies, they can go forward together into the future, as far as the human eye can see, in dignity, in freedom, and in peace.

Housing

EXTENSION OF REMARKS
OF

HON. THOMAS H. BURKE

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Monday, August 22, 1949

Mr. BURKE. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following article from the UAW-CIO Ammunition and also two resolutions adopted by the UAW convention on housing:

MORTGAGE BANKERS FEATHERBED—$10,000 HOMES CAN BE SOLD FOR $24.33 A MONTH WITH NO DOWN PAYMENT

The biggest featherbed in the country is the one the real-estate speculators and mortgage bankers sleep on.

Every family that buys a $10,000 house pays in the neighborhood of $5,750 for the featherbed.

The curious thing about this featherbed is that most families don't realize they are buying it.

The reason is that the real-estate brokers and bankers carefully hide this cost from consumers.

The cost of the featherbed is so carefully hidden that most families think they pay $10,000 for a house with a $10,000 price tag on it. Actually, most $10,000 houses cost you $14,500 (at least) when you finish paying for them.

The extra $4,500 is the interest charge on a 5-percent $9,000 mortgage over a period of 20 years after you have made a $1,000 down payment on your $10,000 house.

HOUSING COSTS

Based on the distribution of costs from 1940 to 1944 here is where the money goes in the average $10,000 house today that costs you $14,500:

Materials	$4,570
Labor cost on the site	2,950
Land costs	1,250
Profits	1,250
Interest charges	4,500

With the connivance of most newspapers (the real-estate racket is a profitable customer of the newspapers) the real-estate propaganda mill has been successful in passing the buck for high housing costs to everyone except the actual culprit.

Reams of paper have been wasted to prove that bricklayers ought to lay more briecks, or that the building-trades workers are committing a crime by insisting on decent wage scales.

Actually, however, even if the building-trades workers contributed their labor, a $10,000 house today would still cost you $11,630.

If the total costs of the land and labor in a house were free, a $10,000 house would still cost about $10,380.

Once you realize where the real hidden costs in a house are, the opportunities for reducing the costs of a home become obvious.

Today to buy a $10,000 house you need around $1,000 in cash (not including settlement costs) and $56.25 a month (not including the costs of taxes and insurance).

If the interest rate were cut from 5 percent to 4 percent, the final cost of the house to you would be reduced by $900.

A Government program of low-cost mortgages to home owners, which lent money on first mortgage to families at 2½ percent, could reduce the final cost of a $10,000 house to you by $2,250.

This would reduce your monthly payment from $56.25 to approximately $46.87.

PAY IN 60 YEARS

Eliminating the high interest subsidy to mortgage bankers plus one other simple expedient (both are features of the Reuther plan to use the factories that built war planes for building homes) could reduce the monthly cost of owning a home by half and eliminate the $1,000 down payment altogether.

The other expedient is to extend the amortization period from 20 to 60 years.

The effect would be to make it possible for the millions of American families that cannot afford any more than $6,000 for a home to purchase homes (provided they were built) immediately.

Today half of America's families cannot afford to buy decent homes because they cannot afford more than $6,000 for a house.

By nonprofit low-cost 2½-percent Government mortgage loans and a 60-year amortization period, these families could immediately afford the equivalent of a $10,000 house.

Then instead of a housing industry that is steadily drying up for lack of purchasing power, overnight there would be a building bottleneck instead of a purchasing power bottleneck.

That bottleneck could be broken by using the Nation's war plants to build homes by industrial methods. Further savings then would become possible as the result of mass-production economies.

Low interest rates, the extended amortization period, and the industrial production of houses, could make the housing problem for American families as out of date as the bow and arrow.

A $9,000 FHA first mortgage today includes a $4,500 charge for interest, which the real estate mortgage bankers collect.

Under the rules—which the real estate brokers have written for the FHA—these mortgages are set up to be paid off in 20 years.

Actually the useful life of a well-built home is more than 60 years. Homes built by the Federal Government are financed so that their costs are paid for over a period of 60 years. Tax laws and accounting procedures used in industry follow the same principle.

$10,000 HOME—$24.33 A MONTH

If this period of amortization were applied to the purchase of homes by American families and if low-cost 2½-percent mortgage loans were made available, you could buy a $10,000 home with no down payment and a monthly payment of $24.33.

Except for the cost of operating the 2½-percent family mortgage program, no Government subsidy would be necessary. The only casualties would be mortgage bankers. They would have to get up off their featherbeds and go back to work.

A 40-year amortization period would make the $10,000 home cost $31.25 a month with no down payment.

It should be noted that the farm and home program the Government now sponsors to enable farm tenant families to buy a family farm is based upon 40-year amortization periods.

Briefly, here is the story.

THE WHOLE STORY

Half of all American families need decent homes and can't afford a down payment of $1,000 and a monthly payment of $56.25.

They can afford homes that don't require down payments or that rent or carry for $50 a month or less.

Today nothing that isn't a rat trap, a chicken coop, or a slum, is being built to rent for less than $50 a month.

But low-cost decent homes are possible.

They are possible by eliminating the featherbed the mortgage bankers sleep on and by extending the period for paying for a house.

A 60-year amortization period is used for Federal housing projects and is standard practice under tax laws.

Federal home loans at 2½ percent that include no featherbedding charges to mortgage bankers, plus the 60-year amortization period, would make it possible for American families to buy a $10,000 house (and an even better house once industrial methods were used to make them) for no down payment and a monthly payment of $24.33.

HOUSING

Whereas the prewar shortage of housing, intensified by the war, has created a housing tragedy in this country. Millions of families live doubled up or in slums, or cannot afford a home of their own because of the failure of the housing industry to meet the needs of the American people.

The real-estate lobby has been defeated on one section of the housing front. However, the slum clearance, public housing and farm housing provisions of the new law will make only a dent on the problems of rehousing the millions of families who are inadequately housed.

Homes for people will be provided at prices people can pay only through the full sized mass production adequately financed program which President Reuther has proposed: Be it therefore

Resolved, That the President be urged to use his authority to get quick action on actual construction of housing under the law which Congress has enacted.

That Congress be urged to increase the income limits for families eligible for public housing.

That Congress be urged to enact a law providing direct Federal loans at low interest to groups of middle-income families who are not eligible for public housing.

That Congress be urged to authorize a more adequate program for farm housing and to provide adequate facilities for migratory farm workers and their families.

That the UAW-CIO mass production housing program be given our support as is provided by special resolution of this convention.

MASS PRODUCTION OF HOUSING

Whereas early this year the president of the UAW-CIO prepared a detailed plan for conversion of unused war plants to prefab housing production.

To the Nation's homeless and overcrowded millions, the plan offers the hope of speedy relief at a price which low-income families can bear. To construction labor it opens the way to employment stability, with an end to seasonal lay-offs. To the unemployed it promises a large number of new jobs: Be it therefore

Resolved, That this convention urge upon the President the appointment, as quickly as possible, of a National Housing Committee. The committee should be instructed to develop the following:

(1) A national inventory of housing needs.

(2) An inventory of surplus Government-owned airplane plants.

(3) Establishment of a research and technical development agency to explore the use of new materials, utilize the most advanced architectural know-how, encourage rational city planning, improve productive methods, and bring outmoded building codes up to date.

(4) Coordination of housing production with potential requirements of military production.

(5) Provisions for—

(a) Full participation of private enterprise and individual initiative in the plan; and

(b) Direct Government operation of production facilities where private enterprise is unwilling to assume responsibility.

(6) Extend the President's proposals on steel to other industries such as aluminum, copper, and power, wherever refusal to expand capacity impedes fulfillment of the housing plan.

Middle-Income Housing

EXTENSION OF REMARKS
OF
HON. HELEN GAHAGAN DOUGLAS
OF CALIFORNIA
IN THE HOUSE OF REPRESENTATIVES
Thursday, August 18, 1949

Mrs. DOUGLAS. Mr. Speaker, under permission to extend my remarks, I wish to include in the RECORD the following Letter to the Editor by Jack Carter, national housing officer, Veterans of Foreign Wars, which appeared in the Washington Post on May 30, 1949:

MIDDLE-INCOME HOUSING

Herblock hit the bull's-eye with his May 23 cartoon indicating the plight of the neglected middle-income family.

In support of his views and, I hope, those of the Washington Post, I should like to identify the middle-income family as seen by the Veterans of Foreign Wars, describe its problem, and outline a possible solution.

The Bureau of the Census tells us that the median income of the 25–34 age group is $2,449 while that of the 35–44 age group is $2,845. Applying the common rule of thumb, 2½ times annual income, these groups can afford, respectively, homes costing $6,122.50 and $7,112.50. But where can a man with a wife and 2 children find a suitable home today for $7,112.50?

Actually, it is difficult if not impossible to find a suitable 2-bedroom home for $10,000, especially in the North where sturdier construction is required. However, for the purpose of argument, let us assume that suitable $10,000 homes are available. If we apply the same common rule, 2½ times annual income, we find that the home buyer must have an income of $4,000 to purchase a $10,000 home. Again, figures published by census indicate that only 12.4 percent of the 25–34 age group has an income of $4,000 or above. In the 35–44 age group 22.2 percent have an income of $4,000 or above.

This means that in the younger age group 87.6 percent of our male citizens, veterans and nonveterans, cannot afford a $10,000 house. In the older age group 77.8 percent of our male citizens, veterans and nonveterans, cannot afford a $10,000 house. This, in actual numbers, means that 17,038,000 male individuals between the ages of 25 and 44 have incomes of less than $4,000 and therefore cannot purchase a house costing $10,000 without overreaching themselves financially.

Of course, some of these people will be eligible for public housing. The Public Housing Administration quotes its average maximum income limit for a typical family (two adults and two children) as $1,947. If we eliminate from these particular age groups those persons eligible for public housing by reason of earning $1,947 or less per year, we eliminate 33.3 percent of the 25–34 age group and 26.4 percent of the 35–44 age group, or a total in numbers of 6,167,000.

When the number representing people eligible for public housing is deducted from the number representing persons making $4,000 or less we have then outlined our real middle-income group numbering 10,863,000. This figure represents the number of male persons between the ages of 25 and 44 who cannot quality for public housing because their income is too high and cannot afford a $10,000 home because their income is too low.

After exhaustive study I have been drawn to the conclusion that any program designed to aid this important middle-income group must do several things.

First, it must cut costs by mass purchase of land (undeveloped if necessary); mass purchase of materials; reducing labor cost through mass production; eliminating profits of developer, builder, promoter, etc.; reducing financing charges; extending period of loan amortization.

The only vehicle by which all of the above requirements may be accomplished is the nonprofit cooperative or corporation authorized to borrow money directly from the Federal Gvernment at low interest with an extended period of amortization. We visualize an interest rate at the average cost of money to the Federal Government plus one-half of 1 percent (to cover administrative cost of program) amortized over a period equal to the expected life of the building (not to exceed 60 years).

It must be emphasized that this is not a subsidized program. It can and will pay its own way just as existing FHA programs do. These and other features are contained in H. R. 4458, drafted and supported by the VFW, the AFL, the CIO, and many other public interest groups. It has been introduced by Representative HUGH B. MITCHELL and 14 other Members of the House of Representatives and it is to be hoped that H. R. 4458 will receive the attention it deserves.

JACK CARTER,
National Housing Officer,
Veterans of Foreign Wars.
WASHINGTON.

Loyalty of Samuel L. Wahrhaftig Sustained

EXTENSION OF REMARKS
OF
HON. GEORGE A. DONDERO
OF MICHIGAN
IN THE HOUSE OF REPRESENTATIVES
Monday, August 22, 1949

Mr. DONDERO. Mr. Speaker, under date of April 28, 1949, I wrote the Secretary of Defense in reference to the case of Samuel L. Wahrhaftig, which letter he referred to the Secretary of the Army. I am in receipt of a reply, and am glad to note the action taken by the Security Review Board, Office of the Secretary of the Army, as set forth in the following letter from the Office of the Chief of Staff, Department of the Army:

DEPARTMENT OF THE ARMY,
OFFICE OF THE CHIEF OF STAFF,
Washington, D. C., August 16, 1949.

Hon. GEORGE A. DONDERO,
House of Representatives.

DEAR MR. DONDERO: This letter is written in further regard to your communication of recent date originally sent to the Secretary of Defense, in which you expressed interest in the case of Mr. Samuel L. Wahrhaftig. You will probably recall that Mr. Wahrhaftig was suspended from the civil administration of our military government within Germany. I last wrote you about this matter on June 8, 1949.

The Security Review Board, Office of the Secretary of the Army, as a result of an administrative hearing on charges instituted against Mr. Wahrhaftig which resulted in his ultimate removal under Public Law 808, Seventy-seventh Congress, has unanimously recommended to the Secretary that he be reinstated. The Secretary of the Army has concurred in the Board's recommendation.

The effect of this decision in the removal action against Mr. Wahrhaftig will therefore result in his reinstatement to the same position or a similar one within Germany, provided a suitable vacancy exists. If the situation with respect to position vacancies in our military government renders no suitable vacancy, Mr. Wahrhaftig will be reinstated in accordance with the provisions of Public Law 808. During the period of Mr. Wahrhaftig's suspension he has suffered a loss of salary, hence reinstatement action will serve to reimburse him for the time lost on his former assignment. Notification of the Secretary's decision in this regard has been transmitted to the Headquarters, Office of Military Government, United States Zone, Germany, and that headquarters will deal directly with Mr. Wahrhaftig insofar as it concerns the necessary steps to be taken in the disposition of his case.

I am very glad to be able to supply you with this information.

Sincerely yours,
C. G. BLAKENEY,
Colonel, GSC,
Legislative and Liaison Division.

Will It Be Security or Opportunity?

EXTENSION OF REMARKS
OF
HON. HAROLD D. DONOHUE
OF MASSACHUSETTS
IN THE HOUSE OF REPRESENTATIVES
Monday, August 22, 1949

Mr. DONOHUE. Mr. Speaker, under leave to extend my remarks, I wish to include a very timely and thought-provoking editorial which appeared in the August 21, 1949, issue of the Worcester (Mass.) Sunday Telegram. The article follows:

WILL IT BE SECURITY OR OPPORTUNITY?

The average person who "works for a living," perhaps operating a machine, driving a truck, or running a farm, may find it hard to realize that without Wall Street there would be no capitalistic system, and without a capitalistic system there would be no United States as we know it. It takes a deep appreciation of the basic economics governing this Nation to recognize the vital worth of what has come to be known as "an investment."

Investments—in shares of businesses large and small, local and national—are made from the savings of individual persons, called "equity capital." By investing this equity capital in ventures large and small, people risk their earnings in the hope of receiving dividends from stock or other returns. Risk-taking has always been considered one of the basic ingredients of the American success formula.

But something is happening to the public's willingness to participate in "risk" or "venture" investments; and because of this diminishing willingness on the part of the investment public, something dire may be happening, right before our eyes, to the spirit, the soul of America.

The behavior of Americans in respect to investments during the past decade may indicate a startling change in American attitude. It may illustrate that our citizens, by and large, are not so much interested in opportunity or risk as they are in security. Certainly the legislation receiving the widest endorsements is that which increases or seems to increase security. Now a study of the investment patterns reveals that during the years that we have been increasing our emphasis on security, we have also been lessening our interest in investments and other monetary risks.

It is indeed indicative of some such trend when it is considered that at the very time that personal incomes are at their peak, brokers are finding it hard to sell stocks of reliable corporations, businesses are scratching around looking for new capital for expansion and generally the investment of free equity capital is ebbing.

In the years 1927 to 1929, more than 53 percent of all new corporate capital raised publicly was in the form of stock. Last year, new corporate capital raised in stock amounted to only 17 percent. It has been declining steadily year to year, since the market crash of 1929.

Just this summer, when every indication in the stock exchanges called for investment, the New York Stock Exchange lolled through spiritless doldrums and brokers had to trot out every selling device known to the trade.

Yet, at the same time, the United States Department of Commerce reported that personal incomes, the mainspring of consumer buying power, increased in June. They were pushed, for the first 6 months of 1949, to a level of 2.9 percent higher than the first half of boom-time 1948.

While it is true that the capitalistic system can operate only on the investment and reinvestment of wealth, it is just as true that something has happened to that "spirit of America" which gave rise to its active stock trading and made "investing" almost second nature to the average comfortably-situated American.

A recent study of the Federal Reserve Board sharpens the focus on the problem. It shows that fewer than one out of every ten American families owns any corporate stock. But it also shows that half the families with annual incomes of $7,500 or more do own corporate stocks, as do almost 25 percent of those families in the income brackets of $5,000 to $7,500.

In America there is no way of telling—officially, at least—when a person jumps from one income bracket to another. But there is a growing suspicion, fairly-well founded, that as the incomes of middle-class Americans rise and the incomes of the established rich are whittled down, those benefiting from the trend are not bothering with making traditional investments in corporate stocks and new businesses. Instead they're putting their money into savings. Savings banks deposits continue their steady rise, indicating that this is so.

Tax laws provide certain barriers to those in high-income brackets, which discourage heavy investment in the securities markets. To save the investment markets, these barriers might be removed. Or, some persons have suggested that steps be taken to expand the market so it will include more investors from the lower-income groups.

As to this second suggestion, it is an alternative measure and does not get at the core of the problem. Furthermore, since the formerly low-income earners who have now become high-income earners do not show any interest in making investments, why should it be supposed that lower-income groups could be interested?

It is a well-known fact that dividends paid on stock investments are taxed doubly. It is also known that business is suffering because of stringent provisions for the carrying forward and backward of losses growing out of business operations. The Federal Government could—and should—do something about this.

One stock broker, decrying the situation, complained that America had produced a generation of race track gamblers who weren't afraid of almost impossible odds at a track, but who were afraid to invest in a going business with a history of successes.

If so, America has arrived at a dangerous point in her economic growth.

Cooperative Housing

EXTENSION OF REMARKS
OF
HON. HELEN GAHAGAN DOUGLAS
OF CALIFORNIA
IN THE HOUSE OF REPRESENTATIVES
Thursday, August 18, 1949

Mrs. DOUGLAS. Mr. Speaker, buildings in the Amalgamated housing projects in New York are near completion. These great housing projects, built in the memory of Sidney Hillman, show what cooperative housing can mean in meeting the acute housing shortage for the middle income groups. Any housing bill drafted to meet the needs of the middle income families must include a section on cooperatives.

Under permission to extend my remarks in the RECORD, I wish to include the following article which appeared in the Advance on July 15, 1949:

AMALGAMATED HOUSING MAKES FINE PROGRESS

Individual buildings of the two Amalgamated housing projects under construction—one in the Bronx and one on the lower East Side—are nearing completion.

These Amalgamated housing developments, based on cooperative endeavor by the tenants, represent a positive step toward solving the acute housing shortage in this country. It is making only a small dent in the Nation-wide situation but it is an excellent sample of what can be done by determined, enlightened people.

Of the three new buildings planned for the Sidney Hillman houses on the lower East Side, building 1, housing 263 families, was recently completed and is now fully occupieted. The steelwork for building 2 is finished and the brickwork is under way. According to officials of the Sidney Hillman Housing Corp., this second building will be completed by the end of the year.

Building 3 is still in the blueprint stage but plans for the clearance of the slums now on the proposed site are being carried out.

Besides the three new buildings, 12 stories high, each replacing a block of slums, a fourth block has been taken over which will house a garage, a park, and a proposed community center.

APARTMENTS AVAILABLE

A limited number of apartments in the Hillman houses are available for members of the Amalgamated. Union members who are interested in information concerning these beautiful cooperative apartments should get in touch with the development's office at 504 Grand Street in the Amalgamated dwellings project.

Uptown, adjacent to the huge Amalgamated development facing Van Cortlandt Park in the Bronx, the Amalgamated Housing Corp. is completing construction of the first of four huge cooperative apartment buildings. This first building, which will house 150 families, will be completed and ready for occupancy on September 1. When completed it will contain 282 apartments, a 200-car garage, and a steam central heating plant for 1,500 apartments in the project.

Many of the apartments in this unit will have large open-air balconies and the garage roof will be used as an open-air terrace by all of the cooperative tenants in the building. Completion of this building is expected early in 1950.

The third and fourth buildings of the four-building project are planned for early construction.

All of the buildings border on Van Cortlandt Park, which not only affords a magnificent view, but provides huge recreational areas for the project's population.

Amalgamated members who wish to secure apartments in the new Bronx development should contact the main office of the Amalgamated Housing Corp. at 80 Van Cortlandt Park South.

Abraham E. Kazan is director of both the Bronx and downtown Amalgamated cooperative housing projects. He is assisted by an excellent staff.

Government's Potato Price-Support Plan

EXTENSION OF REMARKS
OF
HON. THOMAS J. LANE
OF MASSACHUSETTS
IN THE HOUSE OF REPRESENTATIVES
Monday, August 22, 1949

Mr. LANE. Mr. Speaker, under leave to extend my remarks, I include therein the editorial that appeared in the Washington Post on Saturday, August 20, 1949. I submit this excellent item to the attention of the Congress since I feel that it merits action in this session of the Congress:

POTATOES

In a series of five articles Post Reporter John W. Ball, has given our readers an on-the-spot report of what the Government's potato price-support plan has done for Maine growers. In Aroostook County alone the Government paid out $65,000,000 last year to hold up potato prices. At least one, and maybe several, local growers received checks in the neighborhood of half a million dollars for potatoes sold to the Commodity Credit Corporation, which 31 farmers obtained more than $100,000 each. And these stupendous figures take no account of the returns from non-Government sales at the artificially high prices resulting from Government price-support operations.

To be sure, some of these returns are skimmed off by high production costs. In the days of the California gold rush miners had to share their riches with purveyors of tools, clothing, and services. Similarly the growers of high-priced potatoes have to share their returns with labor. Last year, for instance, pickers' earnings averaged from $20 to $25 a day. This spring potato planters made $15 to $25 a day. Nor does a grower have to be a big landowner or capitalist to get a sizable portion of the golden harvest. Mr. Ball cites the case of a man with a 30-acre farm that cost him $3,000 in 1930. All but 2 acres of this holding were in potatoes, for which the Government paid $20,000. Outlays for fertilizer, insecticides, and labor cost $7,000, leaving the farmer with a net profit of $13,000. Not a bad return on an investment of less than a fourth that sum.

For the country as a whole payments to growers on the 1949 potato crop will be considerably less than those on the 1948 crop, owing to the fact that the support price has been cut from 90 percent to 60 percent of parity, and acreage allotments have also been reduced. Nevertheless, the program is expected to cost from $50,000,000 to $100,000,000. Even at these lower levels, the support program is an incentive to overproduction, which forces the Government to take supplies off the market and sell them for a song to starch mills, alcohol plants, etc. Acreage restrictions, too, have failed to solve the problem of overproduction. For growers have been encouraged by high prices to use more fertilizers and insecticides and to plant closer. As a result, despite a reduction this year of nearly 25 percent in planted

acreage, Maine's potato crop will probably be only 10 to 12 percent below last year's.

If potatoes were to be sold for what they would bring in the open market without price supports, there is no knowing where they might end up. For per capita potato consumption has been steadily declining, and the demand for them as food is relatively inelastic. Hence, it is doubtful whether lower prices would stimulate increased buying to any considerable extent. If growers were to be paid the difference between a so-called fair price for potatoes and prices ruling in the open market (so-called production payments advocated by the Secretary of Agriculture), the cost of the program might far exceed outlays under the present system, unless severe restrictions were imposed on production and sales. Yet to cut all supports would entail dreadful hardship in one-crop areas, like Aroostook County.

We don't know the answer to the potato problem. But as Ralph Trigg, head of the Commodity Credit Corporation, recently told Maine potato growers, "It is perfectly obvious that the sound answer does not lie in unlimited purchases to support the market. We need a better approach" he said, "and the authorization to develop such an approach, if we are to avoid a program collapse which could threaten the whole farm price support structure."

Alcoholic Beverage Advertising

EXTENSION OF REMARKS

OF

HON. JOHN R. WALSH

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Monday, August 22, 1949

Mr. WALSH. Mr. Speaker, under unanimous consent, I include in the RECORD a letter and a petition I have received from the Grant County, Ind., Woman's Christian Temperance Union:

MARION, IND., *July 23, 1949.*

Hon. JOHN R. WALSH,
United States Representative in Congress, Washington, D. C.

DEAR CONGRESSMAN WALSH: Enclosed please find 2,521 signatures of Grant County community citizens to petition to Your Honor for relief from an intrusion into the sacred precincts of our homes, where we are trying to bring up a generation of citizens that will be an honor and a bulwark to the State.

We cannot accomplish this as long as the liquor interests are allowed to steal into our homes through radio and press, distorting the minds of our unsuspecting citizens of tomorrow in favor of the use of beverage alcohol.

Very truly yours,
DEPARTMENT OF LEGISLATION, GRANT COUNTY, IND., WOMAN'S CHRISTIAN TEMPERANCE UNION,
ANNA NANCY THOMAS, *Director.*

PETITION

To Our Senators and Representatives in Congress:

We respectfully request that you use your influence and vote for the passage of a bill to prohibit the transportation of alcoholic-beverage advertising in interstate commerce and the broadcasting of alcoholic-beverage advertising over the radio. The most pernicious effect of this advertising is the constant invitation and enticement to drink. The American people spent $9,640,000,000 for alcoholic beverages in 1947, as compared with $7,770,000,000 in 1945. During the same period there was a corresponding increase each year in crime, juvenile delinquency, broken homes, deaths, and injuries due to intoxicated drivers, in the number of alcoholics, and also of habitual or heavy drinkers. There is every reason why this waste of money and of human values should not be increased but rather greatly decreased.

UN Children's Emergency Fund

EXTENSION OF REMARKS

OF

HON. JOHN A. BLATNIK

OF MINNESOTA

IN THE HOUSE OF REPRESENTATIVES

Monday, August 22, 1949

Mr. BLATNIK. Mr. Speaker, under leave to extend my remarks in the RECORD, I include an excellent article by Frank Gervasi on the work of the United Nations International Children's Emergency Fund, which appeared in the Washington Post on August 21, 1949:

UN IS AN ABSTRACT TO ORPHANS, BUT ICEF MEANS A CUP OF MILK

(By Frank Gervasi)

ROME.—The Mother Superior at St. Joseph's Orphanage, out on the Via Nomentana, knew less about the United Nations than most people. She did not know that it had stopped two or three little wars, and was even ignorant of the fact that right here in her own country the food and agricultural organization, a UN subsidiary, had saved the valuable chestnut crop from blight.

But the Mother Superior did know about ICEF. Her face lighted with appreciation at the name. So will yours, perhaps, when you learn that ICEF—the United Nations International Children's Emergency Fund—may have saved a million lives in Italy, and possibly as many as 4,000,000 in Europe, since the war ended.

The Mother Superior motioned me to follow her down a long, high-ceilinged corridor. It was 11:30 in the morning and all the kids were indoors for merenda, a prelunch snack. The nun stopped at a double door and threw it open.

"ICEF milk," she said, and waved her hands at the scene.

It was a huge room, cool with the hot Roman sun shuttered out. Three or four hundred moppets ranging in age from 20 months to 8 or 9 years sat on either side of long board tables.

You could not tell them apart very well. Their heads had been shaved and looked like so many coconuts. All wore pink cotton pinafores or aprons over rudimentary underwear. Tie-on sandals served for shoes.

Heads turned toward the door for 30 seconds, then all returned to the job in hand, which was downing the contents of pint-sized enamel cups. Some of the smaller ones had to be helped by novitiates.

"Every day," the Mother Superior said, "they get milk at this hour. Later, about half past one, they get their lunch. There will be stew today with meat and rice from ICEF.

"We get medicine from ICEF, too, and cod liver oil and other things. I do not know how we could feed all these children on our limited resources. We have 700 altogether. The older ones are in another refectory. There are too many here. There are too many everywhere like these."

The children in St. Joseph's were, for the most part, the survivors of parents killed by the war or who died of the diseases of war's aftermath. Some of the younger ones were foundings abandoned by parents too poor to care for them.

They were not the healthiest kids in the world. Many had tonsilitis, ear infections, and adenoids. Some had ugly skin scabs. But they were alive. And without ICEF help they might be dead or, like hundreds of thousands of others, scavenging the garbage dumps of cities and villages for food.

Yes, Italy, like the rest of Europe, is "recovering." Four years have gone and the rubble has been cleared away, the smoke pours again from factories' chimneys and the fields are reviving. Houses have been repaired and new ones built.

But here, as in other European countries and in China, Indonesia, and the Middle East, the war is not over for millions of children and mothers and expectant mothers.

In Italy, you do not see them on the tourist beats of Rome, Florence, and Venice. You are aware of them only when the children, skinny and dirty, come to beg at the safe tables or to pick up the butts of discarded cigarettes whose tobacco is salvaged, sold, and remade into more cigarettes.

Or you become aware of them when you visit the Quartiere Flaminio. There the war is not over for 367 families who live in caves, airless, lightless bomb shelters and huts built of trash—a few sticks, some flattened-out gallon tins.

The Quartiere Flaminio makes the Hoovervilles of our great depression look like health resorts. Its 1,836 inhabitants draw their water from a single public tap and are ravaged by typhoid, paratyphoid, dysentery, and tuberculosis.

AGGRAVATED SINCE WAR

The problem of rescuing Europe's children for useful citizenry was staggering enough when the war ended. Some 14,000,000 children, enough to populate a good-sized nation, were left parentless and homeless. Millions more have been born since.

Many were saved by wartime outfits like the much-maligned UNRRA. Many others became wards of their own countries as these gradually recovered from political and economic chaos.

But for millions more, according to welfare experts who have studied the problems at first hand, there is little hope unless existing agencies are given greater support than they are now getting or are likely to receive in the next 2 or 3 crucial years.

The notion is spreading that food has become plentiful in Europe. But everywhere I have been except Britain and Sweden and Finland, food is abundant only for those who have money with which to buy it. Misery, while mitigated and in some areas even eradicated by Marshall aid billions, is still widespread.

In the Europe west of the iron curtain, at least, people have achieved two of the four freedoms. They can speak and worship freely. But they are far from achieving freedom from fear and freedom from want.

In the last 5 months, I have talked to enough hungry, sick, and desperate people to be convinced that a good many would swap the first two or more of the third and fourth, particularly in France and Italy.

The Marshall plan, although it has worked miracles in industrial and agricultural recovery, has not yet reached those at the lower levels—those still unemployed, still homeless, still scrabbling among the ruins.

"Marshall aid," said an unemployed worker in Latina recently, "has meant white bread instead of black. But I'm still hungry and my bambini are hungry and my wife is sick."

TB AND VD ATTACKED

The only instruments for reaching the children of poverty-plagued homes seem to be those of the United Nations, particularly ICEF. And the cost of saving lives seems to be small compared to that of destroying them.

This year ICEF is spending in Italy about $11,200,000. That sum will not only provide supplementary feeding for about 1,000,000 children and 30,000 mothers; it will also finance a perhaps even more far-reaching medical program.

Hunger is only one of the byproducts of war. Syphilis and tuberculosis are others. A year ago last May, the ICEF mission here launched a program for treating pregnant mothers afflicted with VD in Rome, Naples, and Sicily. It also began mass immunization against TB.

But what may turn out to be the most important project undertaken by ICEF is milk pasteurization. For an outlay of only $250,000, a plant is being installed in Sicily, where infant mortality largely traceable to contaminated milk was among the worst in Italy.

For generations Sicilian children got their milk from cows brought to the doorsteps of their homes by itinerant vendors. Junior held out his cup and the man squirted milk into it. Flies covered, milkman, Junior, and his cup. Junior usually died before he was a year old and his chances of surviving until age 5 were only about 1 in 5.

Extermination of flies and mosquitoes, with resultant decrease in deaths from intestinal disease and malaria, have also been undertaken by ICEF in Sicily and Sardina. In Sardina, the antifly campaign was so successful that infant mortality has dropped from 106 per thousand to 68 and continues downward. There are so few cases of malaria on the island now that recently they had a difficult time digging up a case for laboratory study.

CLOTH AND LEATHER

ICEF's operations in the 12 neediest countries of Europe, including several Soviet satellites, cost only $55,500,000 this year. The bill covered powdered milk, canned meat and fish, cod liver oil, medicines—and raw materials. The fund brings in cotton for cloth for diapers, woolens for warm clothing, and leather for shoes. The stuff is made up locally; the individual countries paying all manufacturing costs and supplying transportation and storage facilities.

Only 4,000,000 of the several times that many known to need help will be reached by ICEF aid in Europe. Russia neither contributes nor receives ICEF aid, but 28 nations are chipping in to support the fund and 33 are getting help. The United States puts up 72 cents for every 28 cents contributed by another country.

But no money handed out by Uncle Sam since the war ended has accomplished more. For half the cost of an aircraft carrier millions of children will live tomorrow who might have died yesterday.

Ask the Mother Superior what ICEF has meant at St. Joseph's Orphanage, out on the Via Nomentana, about half a mile up the road from where one of the men who made ICEF necessary, Benito Mussolini, used to live in the Villa Torlonia. (It is an overseas school now for the children of American residents.)

"Well," the nun will tell you, "the children can do their lessons now. They seem to have more energy for their work and they learn more quickly. It is the food, of course."

Last July 28 and 29, I made a 2-day study of the UNICEF (United Nations International Children's Emergency Fund), headquarters in New York City, for the Relations with International Organizations Subcommittee of the House Committee on Expenditures in Executive Departments. I was tremendously impressed by the efficient, effective, and quiet manner in which this humanitarian program was being carried out. Directed by experienced and competent persons, such as Mr. Maurice Pate, executive director, Mrs. Betty Muther Jacob, special assistant to the director, and Gen. Lowell Rooks, fund-raising coordinator, UNICEF has within the space of little more than two short years established a far-flung operational program throughout the world which has saved the lives of millions of undernourished and diseased children and mothers, mostly victims of war-ravaged countries. A very complex and involved program of procurement, transportation, and final disposition of food, clothing and medicinal supplies and equipment had to be worked out, to bring materials and supplies from countries where they are in surplus or easily obtainable quantities, to the areas where they were in dire demand. In spite of these obstacles, the administrative costs have been held to an unusually low percentage, and UNICEF's procedure of maintaining title to its goods until the time of final consumption guaranteed that the supplies, food and materials got to their destination in the shortest possible time and with negligible loss en route.

The United States Government contributes 72 percent of the cost of the program, matching on a 72–28 percent basis all contributions from other governments. The Eightieth Congress authorized a $100,000,000 appropriation for this program, but appropriated only $75,000,000. By action completed on June 30, 1949, the Eighty-first Congress extended both the authorization and the appropriation through fiscal year 1950, so that the undrawn balance of the $75,000,000 remains available to match the contributions of other governments through June 30, 1940.

The undrawn balance today is approximately $10,000,000 and it is very likely that before the end of this year this balance will be matched by other countries and exhausted. This would mean sufficient funds to carry on operations in Europe, where the major part of the program is concentrated, for the first 2½ months of 1950.

I believe, as do many of my colleagues on both sides of the aisle, that the United States has a moral obligation to make the additional appropriation of $25,000,000, and it is my considered opinion that this should be done during this session in order to avoid placing this splendid program in a precarious position in midwinter when its services are needed most.

Those of us who are familiar with UNICEF's program feel that failure to appropriate this $25,000,000 balance would seriously handicap the efforts of General Rooks, Fund Raising Coordinator, to solicit contributions from other countries the moment the remaining United States balance became exhausted. Furthermore, it is extremely doubtful that the Congress would act rapidly enough to make this appropriation by March or even April of next year, in order to make sufficient funds available when they are most needed to wind up a successful program. I invite the serious attention of my colleagues to this matter, and it is my earnest hope that this appropriation will be forthcoming before adjournment.

Why Pick on Spuds?

EXTENSION OF REMARKS

OF

HON. FRANK FELLOWS

OF MAINE

IN THE HOUSE OF REPRESENTATIVES

Monday, August 22, 1949

Mr. FELLOWS. Mr. Speaker, under leave to extend my remarks, I include the following editorial from the Bangor (Maine) Daily News of Wednesday, August 17, 1949:

WHY PICK ON SPUDS?

Let's admit that all the facts published in a Washington paper and purchased by a Boston paper with Democratic leanings for exclusive New England distribution are true.

Having admitted them, we ask, "So what?"

The record shows that under the 90-percent-of-parity Government guaranty, Aroostook farmers did well for themselves on the 1948 crop, much of which was marketed in 1949. The Washington record shows that Uncle Sam poured more than $65,000,000 into the farmers' laps. This averages $650 for every man, woman, and child in Maine's largest county. Nationally, potato price support cost Uncle Sam a quarter of a billion.

Isolated instances show single checks for $495,000, $426,000, $276,000, $202,000, and so on down the scale to the lowly three- and two-digit figures. With one exception the figures are admitted by the farmers themselves, or at least not denied, so they may be accepted as accurate.

But why pick on potatoes, which form only a part of the Nation's farm products, and on Maine spuds in particular, which aggregate from 15 to 20 percent of the Nation's total tuber production? Why not take the stab at the biggest boy in the parity game, Old Man Cotton?

In the Washington article, admittedly accurate so far as it goes, only half the picture is there—the half that depicts the Aroostook farmer as an avaricious money grabber. He is condemned as though responsible for the whole price-support system.

Actually he had nothing to do with it, though he can hardly be blamed for taking advantage once Congress has given the green light.

The Steagall amendment, passed down some years ago by a Democratic Congress, established price support for potatoes and various other commodities at 90 percent of parity until 2 years after the end of the war, which was determined by President Truman as December 31, 1948.

Parity is an elusive word, one of doubtful meaning. Here it means the ratio between agriculture and industry for 1912. Just why 1912 was selected we have no idea, since that was one of the banner years of economic chaos in the Nation's history. Nevertheless, that is the standard of comparison.

The 1948 crop of potatoes was accordingly under support at 90 percent until December 31, 1948, without regard to the Republican Congress unless it were prepared to repudiate the pledges of the Government to the potato growers.

Potatoes, therefore, came out from under existing farm price support system in 1949, except for the small percentage of the 1948 crop that was marketed in 1949. No one can fail to recognize the inequity as well as the utter impracticability of ending support in the middle of the marketing season, as this could mean only the dumping of the entire 1948 crop on the Government. Otherwise, the grower would have to assume the hazard of a price decline.

For the 1949 crop, however, and thereafter, support is assured only at 60 percent of parity instead of 90 percent—a fact not mentioned in the Washington article. This radical reduction of 30 percent was made by a Republican Congress under the leadership of New England Senator AIKEN and with the full cooperation—believe it or not—of the potato growers; another fact carefully omitted.

In addition, 150 other crops are left hanging in the balance for 1949, with no assurance of support until the two branches of Congress have a meeting of minds.

Meanwhile, the six or seven basic crops—which curiously enough include peanuts but not potatoes—are assured of the 90-percent parity through 1949—but thereafter, under the Aiken bill, parity is redefined in terms that would mean a reduction of approximately 30 percent under present conditions and support is to be reduced under a sliding-scale formula depending on available supplies from 90 percent to 60 percent of parity, which means that support may be as low as 40 percent of the 1948 level.

This is neither a condemnation nor eulogy for price support. Merely an attempt to set the record straight. Price support happens to be written on the books, and while it's there Aroostook farmers would be more than stupid if they failed to avail themselves of its generosity.

Psychological Warfare

EXTENSION OF REMARKS
OF
HON. EDITH NOURSE ROGERS
OF MASSACHUSETTS
IN THE HOUSE OF REPRESENTATIVES
Monday, August 22, 1949

Mrs. ROGERS of Massachusetts. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following editorial from the Lowell Sun regarding a bill introduced by me:

RADIO WASHINGTON

Congresswoman EDITH NOURSE ROGERS, of Lowell, has presented a resolution in which she advocates the creation of Radio Washington, for beaming information across the seas. Logically, she points out that Russia and many other nations have their official stations which are freely used for promotion and propaganda purposes in a psychological war.

Giving them a taste of their own methods would be the principal advantage to be derived from such a station. Naturally, while the station could be heard in this country, it would not be used for domestic matters except in case of emergency. It would be dedicated solely to overseas work; in fact, it might be likened to the program sponsored by the State Department a few years ago when, with the cooperation of the Library of Congress, when a collection of books, based on the American way of life and the democratic theme in general, was shipped to strategic points in Europe.

The creation of a campaign of psychological warfare in peacetime may be a difficult task for the most learned strategists. But the success of these stations in capital cities overseas would indicate that the resolution introduced by Congresswoman Rogers would at least represent a fine start toward matching every move that the Reds and other nations might make.

Their objectives are quite clear—and so are ours. And we may as well tell the world about them just as other people are so anxious to do.

News Behind the News

EXTENSION OF REMARKS
OF
HON. ABRAHAM J. MULTER
OF NEW YORK
IN THE HOUSE OF REPRESENTATIVES
Monday, August 22, 1949

Mr. MULTER. Mr. Speaker, I direct the attention of my colleagues to the following article by Ernest Lindley which appeared in the Brooklyn Eagle of August 18, 1949:

NEWS BEHIND THE NEWS
(By Ernest Lindley)
DENIES BRITISH FINANCE CRISIS IS DUE TO SOCIALISM ALONE

The Economist, of London, is an anti-Socialist publication which has contained many penetrating criticisms of the economic policies of the Labor government. Those criticisms frequently have been quoted in this country.

The Economist has taken alarm, however, at the tendency in the United States to attribute the British financial crisis primarily to the socialistic policies of the Labor government. In its leading article of August 13 entitled "British in the Pillory" it presents some analyses and figures which deserve thoughtful attention in the United States.

The most clearly socialistic measures of the Labor government are, the Economist points out, the nationalization of a few sectors of the national economy, chiefly coal, the railroads, and certain other utilities. It is simply not true, it says, that the nationalization measures taken so far made it more difficult for Britain to balance its international payments. On the contrary, it thinks that coal might have been scarcer and possibly dearer, and that railroad rates might have been higher if those industries had not been nationalized.

The Economist then turns to the licensing of commodities, bilateralism, and related restrictions on trade. It believes that Britain should move away from them as rapidly as possible. But, it emphasizes, these policies are not primarily attributable to doctrinaire socialism—most of them have been imposed by unavoidable facts. It points out that when faced with similar facts, as in western Germany, American officials have adopted similar policies. That is, they have sharply restricted nonessential imports and have put trade largely on a bilateral basis "as near barter deals as any made since Dr. Schacht." The American objective in Germany, like the British objective at home, was to keep trade in balance and to conserve dollars.

What about expansion of the social insurance system and other welfare policies? The Economist thinks this probably has been too rapid in Britain. It is anxious especially about reducing the incentives to individual initiative. But, it points out, the same trend is to be found not only in most of the other Marshall plan countries but in the United States. In any event, it believes that this factor has been very much overemphasized.

Britain's crisis is not a crisis in production, the Economist points out. During the first quarter of this year, Britain's industrial production stood at 131 percent of prewar—a greater gain over 1938 than any other Marshall plan nations had made excepting Sweden and Denmark, neither of which suffered war damage.

Britain's ratio of exports to imports during the first quarter of this year was far higher than that of any other Marshall plan nation. Also Britain was the only Marshall plan nation which had increased, since prewar, its ratio of exports to imports in relation to the dollar area.

These are all pertinent facts which should be kept in mind in this country. There is a British financial crisis. But its causes are considerably more complex than the easy-tongued critics of British socialism in this country appear to realize. And certainly they are not attributable to a lack of willingness to work on the part of the British people.

Capitalism and Big Business

EXTENSION OF REMARKS
OF
HON. EDWARD A. GARMATZ
OF MARYLAND
IN THE HOUSE OF REPRESENTATIVES
Monday, August 22, 1949

Mr. GARMATZ. Mr. Speaker, under leave to extend my remarks, I wish to insert in the RECORD an article brought to my attention by one of my constituents, a reprint from the Portland (Maine) Evening Express, together with an editorial from the du Pont magazine August 1949:

[From the Portland (Maine) Evening Express of March 10, 1949]

CAPITALISM AND ALL OF US

Greetings, fellow capitalists.

Capitalists?

Why, sure. In this country, even those who yell loudest about their hatred of capitalism are pretty apt to be capitalists themselves.

That is to say, almost every American owns a piece, however small, of this country's vast, capitalistic, economic structure. Do you have a life-insurance policy? Greetings, brother capitalist! Or is your labor union dickering to win group insurance for you and your fellow dues-payers? Then you'll be, when you get it, capitalists like almost everyone else.

How do you figure that?

Well, here's the annual report of E. I. du Pont de Nemours & Co., a huge, capitalistic (naturally) corporation. The report carries a tabulation giving interesting information on the ownership of the company as of the end of 1948.

And who owns du Pont? Why, it seems, you do—or a great many thousands of people, just like you. For example:

Common stock in this company was owned, at the end of last year, by 77,347 persons. A total of 23,608 investors held preferred stock in the company. Call these investors "Wall Street," if you like. But there were an awful lot of them—of such capitalists.

These owners of the du Pont Co. are scattered throughout the 48 States, the District of Columbia, several territorial possessions, and 40 foreign countries, the statement shows. So they do not all go to mahogany-paneled offices in Wall Street, there to clip coupons the live-long day and to "grind down the faces of the poor," after all.

Let's continue this story:

Of the total number of du Pont stockholders, individuals comprised 81 percent, and held 31 percent of the shares outstanding at the end of 1948. Groups, comprising 19 percent of the total numbers of owners, held 69 percent of the shares outstanding.

These stockholding groups consisted of estates and trusts; banks, bank nominees, and brokers; charitable, educational and fraternal organizations, insurance companies, and other companies and organizations. (Could be that the company insuring your life is one of those coowners, stockholders,

of this corporation; and that could make you something of a capitalist, couldn't it?)

The du Pont statement presents a breakdown of these groups holding 69 percent of its outstanding shares. It shows that the group stockholders of record include 14,000 estates and trusts; 1,100 banks, bank nominees, and brokers; 1,300 charitable, educational and fraternal organizations; 400 insurance companies; and 1,500 other companies and organizations.

The du Pont corporation finds that more than 200,000 persons have a beneficial interest in dividends paid by the corporation to the 16,000 stockholders in the estates, banks, and other companies classifications listed above.

It points out that the number of persons benefiting from du Pont Co. dividends received by the 1,300 stockholders in the charitable, educational and fraternal organization classification, while very large indeed, cannot readily be determined. (But perhaps your lodge, or the college which is your alma mater, or some charitable organization which your donations help to support is one of those 1,300 stockholders. Could be.)

Finally, there are the 400 insurance companies with some of their funds invested in the stock of this great corporation. Undoubtedly the company which issued your policy is one of these 400. In that case, you are one of millions of little people, as the Russia-firsters designate us—one of the millions of persons all over this country (and all over the world) with a beneficial interest in the earnings, made possible by sound and profitable operation, of this one great corporation.

As we were saying: Greetings, fellow capitalists. What multitudes of us there are.

[From the du Pont magazine for August 1949]

HOW BIG IS BIG?

Americans like bigness. Most towns hope to grow larger. When a man starts out in business, it goes without saying that he hopes his business will grow. We agree pretty generally in the United States that this is a healthy viewpoint. And some little towns do grow, do become big towns. In the United States many a small business does grow. Now and then it makes so many friends, it climbs to such a position of leadership that it crosses an imaginary line and becomes big business.

But then a strange thing happens. Some of the very people who agree that growing bigger is a good thing, turn around, once a business crosses this imaginary line, and say it is too big. A century and a half ago the du Pont Co. began as a very small company. We have grown with America. Today du Pont is a big company.

So we ask this * * * Just when does big become too big? Just who is to decide when the imaginary line is crossed? Just when ought a company stop growing?

Would anyone really be better off if the people who owned the du Pont Co. in the year 1900—or 1910, or 1920—had said: "We are too big. We refuse to grow bigger." In that case you would have no cellophane, no Duco finishes, no nylon, no neoprene rubber. Shall we stop growing today? Shall we tell our research teams to stop improving old things, stop looking for new ones? Shall we refuse to hire any new people and lock our laboratory doors? Then there will be no du Pont developments tomorrow.

The answer is really pretty simple. Any company should be just as big as it needs to be to manufacture goods economically and efficiently. After all a big business is just a business in which a number of people have joined together to do a job too big for a lesser number of persons. By the same token small businesses perform many services more efficiently than big business. Each does the thing it does best. And you actually decide how big any company shall be, because you cast a vote every time you buy a product.

For our part we feel proud that the du Pont Co. is big enough to bring you an ever-increasing number of better things for better living.

Other Factors Ahead of Cheap Labor in Development of South

EXTENSION OF REMARKS

OF

HON. JOHN BELL WILLIAMS

OF MISSISSIPPI

IN THE HOUSE OF REPRESENTATIVES

Monday, August 22, 1949

Mr. WILLIAMS. Mr. Speaker, those in other sections who are alarmed because of the current boom in industry throughout the South have been prone to list cheap labor as the chief reason for this movement of industry. We in the South have known for many years that these arguments were spurious and had no basis in fact.

I was pleased to note in yesterday's Sunday Star an article, written by Francis P. Douglas, in which the true facts regarding this movement are related.

Under leave to extend my remarks, I include herewith the afore-mentioned article:

(By Francis P. Douglas)

The idea that the postwar industrial expansion in the South is due primarily to cheap labor is exploded by a study of why 88 plants were established in that region since the war.

The South attracted the plants because it offers an expanding market and because it is a source of raw materials and power. The factor of cheap labor ran a poor third, despite the fact most people believe that is the chief attraction the South has to offer.

This is the most striking conclusion in the study made by the National Planning Association's committee on the South, which has just recently been published in book form under the title, "Why Industry Moves South."

MOVE NEAR CONSUMERS

According to the report of the survey, 45 percent of the plants were influenced by the rising importance of the South as a market for industrial and consumer goods. There was a desire or need to get production near the consumers.

Another 30 percent were established in the South to be near the raw materials or the sources of energy—natural gas and electricity.

Labor conditions attracted 25 percent, and they were interested chiefly in an adequate supply of labor rather than cheap labor.

Furthermore, those plants located in the South because of the market and raw materials factors were larger than those established there because of labor conditions. No manufacturing unit of those attracted by labor-supply considerations is estimated to employ more than 1,000 workers. On the other hand, 25 percent of the plants located in the South to be close to their markets and 15 percent seeking proximity to their raw materials are to employ more than 1,000 persons.

The book is the third report of the NPA's committee of the South, which is composed of more than 50 leading southerners in various fields. The authors are Dr. Glenn McLaughlin, now chief economist of the National Security Resources Board, and Dr. Stefan Robock, now with the Justice Department's Antitrust Division in Boston.

SOME FALLACIOUS IDEAS

Their report may throw into the discard a number of preconceived ideas. One is that the South is being industrialized at the expense of New England and other of the older industrial areas. According to the authors, only 3 of the 88 plants were relocations of existing industries and 2 of these were not clear examples of relocations, because they involved an expansion in total capacity and a shift in markets.

Examples of industries established in the South to be near their markets both for consumer and industrial goods are a big candy plant in Dallas, an International Harvester Co. plant in Memphis, automobile assembly plants in Atlanta, producers of textile fibers, makers of cardboard containers and bags, paints, batteries, and a variety of other products.

Those seeking to be near their raw materials produce newsprint, cheese, and other dairy products, phosphorus, and other items.

Plants which were located in the South chiefly because of labor considerations are chiefly those producing shoes and textiles. And it is these plants where the South and New England actually compete. Only two or three of the new southern units for which location was determined by raw materials could have been placed in New England. Those are plants handling forest products.

While the South may congratulate itself on the steps toward industrialization these plants represent, they carry with them the factor of absentee ownership.

"The home offices of the companies responsible for most of the large-scale expansion in the South are in New York, Chicago, Boston, Detroit, St. Louis, the Philadelphia-Wilmington area, and the Cleveland-Akron area," the authors report. "The expansion into the South is thus largely a matter of the establishment of branch plants of northern companies. Capital and management functions are centered in the older industrial areas."

The survey did not analyze the North-South wage differential. The authors state, however, that it frequently is confused with the differentials between large and small towns. Wage differences for communities of similar size in both North and South have been narrowing steadily since the war, they state.

LABOR SURPLUS

The general conclusion is that it is no longer necessary for those trying to attract industries to the South to base their appeal on low wages as many have done.

There is a labor surplus in the South and it has been maintained by the highest birth rate in the Nation despite the steady and substantial outward migration. Contributing to it is the mechanization of agriculture.

Many employers, according to the survey, place great stress on the difficulty of obtaining workers in northern areas, particularly for work in textile mills, as compared with the ease of attracting employees of the same type in the South, where job opportunities are limited.

Labor legislation in the South generally is less restrictive than in the North. This was a consideration for a textile concern locating in the South which felt that its operations in the North were burdened by the fact that women were not permitted to work after 6 p. m. But none of the plants seeking proximity to markets or raw materials were concerned by this fact.

Southern labor, according to the authors, came to be recognized during the war as able to staff plants requiring skills long thought to be a peculiar resource of the older industrial regions. Moreover, the great advances in training techniques during the

war makes it possible to train green workers quickly.

"In the judgment of nearly all of the companies covered in this study, labor productivity in the South is equal or superior to that in the North," the authors state. This is not only a matter of skill, but also is due to less absenteeism, less turn-over, better selections from the large labor supply, a cooperative attitude on the part of workers and fewer labor disturbances, both sympathetic and direct.

Agricultural Workers

EXTENSION OF REMARKS
OF
HON. HELEN GAHAGAN DOUGLAS
OF CALIFORNIA
IN THE HOUSE OF REPRESENTATIVES
Thursday, August 18, 1949

Mrs. DOUGLAS. Mr. Speaker, under permission to extend my remarks, I wish to include in the RECORD a clipping from the Kern County Labor Journal dated August 5, 1949.

Mr. Speaker, why are we importing agricultural workers from Mexico? We certainly do not need them in California. Among the agricultural workers in our State there is wide distress. Unemployment among agricultural workers in San Joaquin, Merced, Madera, and Fresno Counties has mounted to serious proportions. In the week ending July 9, such unemployment was estimated to be 5,000 greater than in the previous week, with the result that wages are down because of the competition for jobs.

Mr. Speaker, I repeat, we do not need additional farm labor in California. The following clipping from the Kern County Labor Journal shows how agricultural workers feel about the recently concluded agricultural workers' agreement with Mexico:

"Organized labor has always recognized the need for an adequate farm program," Harold Hodson, butchers' union representative and former labor council secretary, told delegates to the Kern County labor council Tuesday evening, "both from a Government marketing program and a program of adequate labor force."

"The American farmer," he said, "and that includes the California farmer, has received $11 of every $15 paid in subsidy by the Government and the taxpayer. This has aided the small farmer and in many instances has made the large farmer wealthy.

"To show their gratitude and patriotism for this financial help from the taxpayer, certain large farm interests have banded together and with the aid of the State Department, have effected an 'illegal' agreement to admit 35,000 Mexican nationals to aggregate the already serious unemployment problem that faces the State.

"Not only does the taxpayer foot the bill in subsidizing the farmer, but he will also foot the bill for the care of more than 35,000 American workers who will be displaced by the Mexican national."

"Mr. Aleman, we don't want Wetbacks or Mexican nationals. There is too much labor here now."

This was the inscription on signs, some in English and some in Spanish, that pickets wore when they picketed the Mexican Consul in Los Angeles this week, Aleman is the President of the Republic of Mexico.

Three pickets included a Mexican-American, a colored, and an "Oakie" farm worker.

Meanwhile, telegrams protesting the agreement between the United States State Department and the Mexican Government to let in 35,000 Mexican nationals to displace American workers were sent to Washington, to William Green, president of the American Federation of Labor, and to H. L. Mitchell, National Farm Labor Union chief.

Last week, telegrams of protest were sent to Secretary of State Dean Acheson, Mexican Consul Salvador Duhart, Governor Earl Warren, Representative JOHN LESINSKI, and Senator TOM CONNALLY by the NFLU.

It was reported that 80,000 Mexicans are at the border waiting to be chosen among the 35,000 to be brought in under the agreement. Union officials pointed out that in the turmoil of admitting those who will be chosen under the agreement, thousands will enter illegally as "wetbacks."

The Kern County Labor Council also went on record protesting that the entry of these nationals would not only lower the already low living standards of American agricultural workers but that it would lower standards in semiskilled and laboring jobs

It was also pointed out that when the contract ends and the nationals are returned to Mexico, they know the ropes and return to the United States illegally as "wetbacks."

Union officials cited growing unemployment all over the United States and particularly among agricultural workers and those of unskilled trades, agreeing that in the face of these figures and the talk of a possible recession, now was not the time to replace American workers with alien ones.

Unlike the last agreement when nationals were admitted, the present agreement is void of many of the protective clauses which were contained in former agreements.

Hank Hasiwar stated that the Mexican and American Governments had signed resolutions and agreements regarding nationals and the State Department and the Mexican Department of Foreign Affairs had violated them in signing the present agreement.

Hasiwar also mentioned the secrecy in which this agreement was worked out, saying that it was strictly a "back room deal."

"While those 35,000 are not all destined to be shipped to California, many of them will be shipped here. California is one of the States most severely hit with unemployment.

"Thousands of farm workers are now working part time and many local workers who look for work are told to move on because there are already illegal workers here who will work for practically nothing. The importation of nationals will aggravate this situation adding a heavier burden on relief agencies."

The situation will be further aggravated because in our experience a flood of "wetbacks" invariably follow Mexican nationals.

Postal Pay Increase

EXTENSION OF REMARKS
OF
HON. CARL T. CURTIS
OF NEBRASKA
IN THE HOUSE OF REPRESENTATIVES
Monday, August 22, 1949

Mr. CURTIS. Mr. Speaker, the postal workers of the country are entitled to a pay increase and I want to state that I favor having that done. These workers perform a very important function for the economy of America. It is a public service and they are entitled to consideration.

When the first discharge petition was placed on the Speaker's desk some weeks ago, it was my feeling that the legislative committee handling this matter should be permitted to complete the hearings and make their recommendations before they were discharged. That committee has recommended legislation now. I believe that legislation should be acted upon and I have signed the pending discharge petition.

The Thrasher Farm and the Nation's Soil Program

EXTENSION OF REMARKS
OF
HON. J. GLENN BEALL
OF MARYLAND
IN THE HOUSE OF REPRESENTATIVES
Monday, August 22, 1949

Mr. BEALL. Mr. Speaker, under leave to extend my remarks, I include in the RECORD an editorial appearing in the Baltimore Sun on August 10, 1949. This editorial gives us a good picture of what the Soil Conservation Service is doing and the Thrasher farm in my district is just one of the instances of the good work being done.

The editorial follows:

THE THRASHER FARM AND THE NATION'S SOIL PROGRAM

Just a year ago the farm of Mrs. Nellie V. Thrasher in the Middletown Valley, west of Frederick, had "its face lifted" to the accompaniment of deliberate ballyhoo and world-wide publicity. In a single day it was transformed from the conventional, old-fashioned square-field farm into one exhibiting the best features of soil conservation practice.

Visitors, both official and unofficial, now come in impressive numbers to see how the farm looks at the end of its first year under the new program. The layman is perhaps disappointed, for the changes are not spectacular. Many of them would escape entirely an unpracticed eye. However, an expert and disinterested committee, having surveyed the farm, reports gratifying improvement in its physical condition and production.

Where, before, hay had to be bought in considerable quantity, the farm is now more than self-sufficient. Where wheat last year was a failure, this year an average of 26.4 bushels was produced on each of 18 acres. The corn crop is expected to reach 70 bushels to the acre as compared with 40 bushels last year. For the first year the farm has succeeded with alfalfa which will yield three cuttings. Wastelands of a year ago now have been converted to permanent pasture and the growing of mixed grasses. The farm, valued a year ago at approximately $13,500, has been reappraised at $26,500.

The increase in the value of the farm is, of course, important to the owner. But farm values rise and fall with the market. So, too, production figures may be affected in one way or another by weather conditions and other elements of chance.

The important permanent factor in the Thrasher farm project is neither the increased valuation nor the total of this year's crops. It is that, through the introduction of conservation measures, the topsoil which used to be washed away in heavy rains now is being held in place. That is important not only to Mrs. Thrasher but to everybody. It means the preservation and improvement of arable land that is essential to producing

food for the Nation's growing population. It means also less good soil being washed downstream to clog our rivers and bays with silt, impede navigation and kill marine life.

The Thrasher farm was treated in dramatic fashion for the very definite purpose of bringing the public's attention to the Nation-wide program of the Soil Conservation Service. This program is a colossal undertaking that has hardly more than begun.

In 1937, there were only 13 organized soil conservation districts in the whole country. Today there are some 2,000 districts embracing 773,000,000 acres of the Nation's estimated 1,144,000,000 acres of farm lands. Last year it was estimated that 15 percent of the country's soil and water conservation job had been completed. That leaves 85 percent to be done. There is, however, encouragement in the fact that, with 2,000 districts organized, conservation work is being completed twice as fast as it was a few years ago.

Resolutions by Alabama Department, the American Legion

EXTENSION OF REMARKS
OF
HON. CARL ELLIOTT
OF ALABAMA
IN THE HOUSE OF REPRESENTATIVES
Monday, August 22, 1949

Mr. ELLIOTT. Mr. Speaker, under leave to extend my remarks, I include the following letter from Maj. Joseph M. Dickerson, adjutant, Department of Alabama, the American Legion, together with copies of three resolutions passed by the department convention, July 3–5, 1949:

THE AMERICAN LEGION,
DEPARTMENT OF ALABAMA,
Montgomery, Ala., July 21, 1949.

Hon. CARL ELLIOTT,
House Office Building,
Washington, D. C.

DEAR CARL: Enclosed are copies of three resolutions adopted by our department convention in Mobile on July 3–5, 1949, relating to the following subjects:

Pensions for older veterans.

Extension of time for development of chronic and tropical diseases.

Retroactive insurance for disabled veterans.

Trusting you will be in position to give these resolutions your support, I am,

Sincerely yours,

JOSEPH M. DICKERSON,
Department Adjutant.

Whereas the American Legion at its last national convention, held in Miami, Fla., adopted a resolution asking for pensions to our older veterans of World Wars I and II; and

Whereas Congress as the result of this resolution has passed a pension bill through the House of Representatives, and the bill is now pending in the Senate; and

Whereas our older veterans are dying in great numbers and many are in need; and

Whereas it has been the policy of our Government to pay pensions to its older veterans for 173 years of its existence as a free nation: Now, therefore, be it

Resolved by the Department of Alabama, the American Legion, in annual convention assembled in Mobile on July 3–5, 1949:

1. Hereby endorses the pension bill now pending in the Senate of the United States Congress which provides pensions for our needy veterans.

2. That we commend the members of the Alabama delegation of the House of Representatives who did support the pension bill;

3. That the Senators from Alabama be and are hereby requested to support this bill; be it further

Resolved, That the legislative committee of the Department of Alabama be directed to cooperate with the national legislative committee and assist them in every way to secure the final passage of this bill, and a copy of this resolution be mailed to national headquarters of the American Legion and copies be mailed to all the members of the Alabama delegation in Congress and a copy be furnished the press.

Whereas the American Legion is vitally interested in all legislation which promotes the interest of veterans and all veterans' affairs; and

Whereas there is a serious need for the extension of time within which certain chronic and tropical diseases becoming manifest shall be presumed to be service connected; and

Whereas a bill was introduced in the United States House of Representatives on February 28, 1949 (H. R. 3057), to amend Veterans Regulation No. 1 (a) and extend the above time from 1 year to 2 years: Now, therefore, be it

Resolved, That the American Legion, Department of Alabama, in annual convention assembled in Mobile, Ala., on July 3–5, 1949, go on record as favoring and urging the passage by the Congress of the United States of the House of Representatives bill No. 3057 to amend Veterans Regulation No. 1 (a) to provide that certain chronic and tropical diseases becoming manifest within 2 years after separation from active service shall be presumed to be service connected; be it further

Resolved, That a copy of this resolution be sent to each member of the Alabama delegation in the Congress of the United States.

Whereas section 305 of the World War Veterans Act of 1924, Public Law 242, Sixty-eighth Congress, as amended, provides that certain unpaid compensation due veterans at time of death or permanent total disability shall be applied in payment of premium on United States Government life insurance which has lapsed or has been canceled or reduced while veteran was suffering from a compensable disability; and

Whereas there is no such provision of law affecting National Service Life Insurance; and

Whereas it is felt that the same privileges should be extended to holders and beneficiaries of national service life insurance: Now, therefore, be it

Resolved by the American Legion, Department of Alabama, at its annual convention at Mobile, Ala., on July 3, 4, 5, 1949, That the National Congress be urged to enact legislation providing that where any person has heretofore allowed his national service life insurance to lapse, or has canceled or reduced all or any part of such insurance, while suffering from a compensable disability for which compensation was not collected and dies or has died, or becomes or has become totally disabled and at the time of such death or total disability was or is entitled to compensation from the Veterans' Administration remaining uncollected, then and in that event so much of his insurance as said uncollected compensation computed in all cases as is provided by existing compensation laws, would purchase if applied as premiums when due, shall not be considered as lapsed, canceled or reduced; and the United States Veterans' Administration is authorized and directed to pay said veteran, or his beneficiaries, as the case may be, the amount of said insurance less the unpaid premiums and interest thereon at a rate of interest to be determined by Congress, compounded annually, the insurance benefits to be paid in accordance with existing plans of payment of national service life insurance; and be it further

Resolved, That a copy of this resolution be sent to all members of the Alabama delegation in Congress.

Cooperative Housing for Medium Incomes

EXTENSION OF REMARKS
OF
HON. HELEN GAHAGAN DOUGLAS
OF CALIFORNIA
IN THE HOUSE OF REPRESENTATIVES
Thursday, August 18, 1949

Mrs. DOUGLAS. Mr. Speaker, under permission to extend my remarks in the RECORD, I wish to include an article by Harry C. Bates, chairman, housing committee, American Federation of Labor, which appeared in the Washington Post on August 20, 1949.

Mr. Speaker, I am very proud of the fact that I was one of the first to introduce a housing bill to assist middle-income families.

The article follows:

COOPERATIVE HOUSING FOR MEDIUM INCOMES

(By Harry C. Bates, chairman, housing committee, American Federation of Labor)

The intelligent treatment which the Washington Post has given to the question of housing legislation contributed greatly to the enactment of the housing law passed earlier this year. Remembering many fine editorials in support of public housing and slum clearance I was very much surprised by your editorial on August 14 criticizing the cooperative housing provisions of the new bill (S. 2246), introduced by Senator SPARKMAN, and approved by the Senate Banking and Currency Committee.

The value of a housing measure, like any other type of legislation, must be judged in terms of the answers to the following three questions:

1. Is there a real need which this legislation is designed to meet?

2. How well does the proposed program meet this need?

3. Are there any alternative, more effective methods for meeting this need?

The American Federation of Labor is convinced that the cooperative housing program in Senator SPARKMAN'S bill meets all these tests.

There is common agreement that at the present time the housing needs of moderate-income families are not being met. By moderate-income families we mean the 40 percent of American families whose incomes in 1948 ranged between $2,000 and $4,000, according to the Federal Reserve Board.

The great majority of union members and veterans fall in this group. The average factory worker today earns about $53 a week, equivalent to $2,756 a year for full-time work. The average veteran earns approximately the same amount, or a little less. Assuming that no family should be forced to spend more than 20 to 25 percent of its income for shelter, these families can afford to pay no more than about $50 to $60 a month for housing.

The housing problem facing these families is both simple and tragic. Largely untouched by any existing housing legislation, they are too poor to afford the housing constructed by private builders, yet their income is too high to make them eligible for public housing.

According to the Federal Reserve Board, the average price of new houses for sale in 1948 was between $7,500 and $8,500, requiring

monthly payments of approximately $75 to $85. The estimated rental for an average apartment in an FHA rental project is in the neighborhood of $100 a month, including services and utilities. Clearly the overwhelming majority of moderate-income families cannot buy or rent the homes private builders are constructing today.

On the other hand, these families are not eligible for public housing. The average income of families admitted to public-housing projects during the latest period for which figures are available was only $28 a week. Existing programs are clearly not meeting the needs of these moderate-income families.

A number of different proposals have been advanced to deal with this problem. After careful study of these proposals, public interest groups which have been most concerned with this problem, including all the major labor and veterans' organizations, have concluded that the most effective and practical solution is embodied in Senator SPARKMAN'S bill for a cooperative housing program.

This bill makes it possible for cooperative housing projects to be financed by direct loans from the Federal Government at the going Federal rate of interest (now 2½ percent) plus one-half of 1 percent for administration for an amortization period of up to 50 years. Experts in the housing field have estimated that this program would make possible the following types of savings compared with the rent for the average FHA-insured 4½-room apartment.

1. Utilizing the nonprofit cooperative type of organization, $5 a month.

2. Allowing very low vacancy rate comparable to that in public housing, an additional saving of $5 a month.

3. Reduction in operating and maintenance expenses made possible by a maximum of tenant maintenance, $11 a month.

These savings amount to $21 a month, and if private ordinary mortgage terms were to be applied, the resulting rents would average $65–$80 a month—still substantially more than the moderate-income families can afford to pay.

The crucial savings made possible by the provisions of the Sparkman bill are in the financing terms. The reduction in the effective interest rate from the present 4½ percent to 3 percent and the lengthening of the amortization period to 50 years allows a further reduction of about $12 a month. The total savings, therefore, would amount to about $33 a month and would bring the cost down from $85–$100 to $52–$67 a month.

The direct loan feature of the bill has been criticized, but as the Senate Banking and Currency Committee has pointed out, these provisions represent no untried experiment. Direct lending programs by the Federal Govefnment have been in existence for many years and have been of inestimable benefit, particularly to the farm families of our Nation. Direct Federal loans to rural electrification cooperatives at interest rates of 2 percent and with long amortization periods have been made for many years. Direct Federal loans have also been made to farm cooperatives at low interest rates, and to co-'operatives of water users for irrigation projects.

The Government also has undertaken direct real estate loans in the past, and, indeed, provision is made for such loans for other types of housing developments in the Sparkman bill. For the Government to recognize that its lending powers are necessary to meet the housing needs of a large group of families represents simply a continuation of policies which have long been effective in other fields.

The editorial asserts that the proposed cooperative housing program involves some element of subsidy from the taxpayers. This is a contention which we vigorously deny. The fact is that all groups working on this program have insisted from the start that any housing program for "moderate income" families must be one which can be carried on completely without subsidy.

For the Government to lend money at the same interest rate at which it borrows it clearly involves no element of subsidy, if it receives an additional amount to cover the cost of administration. In the bill an additional one-half-percent interest is included for the purpose, and our calculations indicate that it will be entirely adequate.

Nor do we think that the adoption of this program might result in substantial losses. The cooperative principle has proved its worth many times over. Unlike a cooperative retail store, for example, families who join this type of cooperative will be continually investing their savings in the housing project. In our opinion, this will assure that losses will be kept at a very low rate.

The American Federation of Labor supports the cooperative housing program contained in S. 2246. To us this seems the only practical solution to a very acute problem, the problem of finding a way whereby the moderate income families can be helped to provide decent housing for themselves.

We feel that there are certain dangers in applying subsidized housing to moderate income families. In the cooperative principle, plus the provision for direct loans by the Federal Government at low interest rates, we have a practical solution to meet this pressing problem. It is true that this country has not had extensive experience with cooperative housing, but in the light of foreign experiences, particularly Sweden, we feel confident that a vigorous cooperative housing movement can be successfully organized. We are prepared ourselves to do everything within our power to make certain that this program will be a success.

Sweetpotatoes

EXTENSION OF REMARKS
OF
HON. LINDLEY BECKWORTH
OF TEXAS
IN THE HOUSE OF REPRESENTATIVES
Monday, August 22, 1949

Mr. BECKWORTH. Mr. Speaker, under leave granted to extend my remarks in the RECORD, I include the following letter with reference to sweetpotatoes:

DEPARTMENT OF AGRICULTURE,
Washington, August 18, 1949.

Hon. LINDLEY BECKWORTH,
House of Representatives.

DEAR MR. BECKWORTH: This is in regard to your telephone conversation with Mr. K. W. Schaible, of our Fruit and Vegetable Branch, PMA, and your letter of August 9, 1949, in connection with an inquiry of the Barnett & Ead Potato House of Edgewood, Tex., concerning loans for price-support purposes for sweetpotatoes.

Prices for the 1949 crop of sweetpotatoes will be supported through the medium of purchases. A loan program for sweet potatoes is not contemplated. Enclosed are copies of press releases in which the 1949 price-support program was announced.

Prices for sweetpotatoes were supported through the medium of loans prior to 1947. These loans were not popular with producers and only three such loans were executed. Successful storage of sweetpotatoes requires considerable experience and careful attention to prevent excessive losses and, therefore, loan-type programs for stored sweetpotatoes are not suitable for general use.

Sincerely yours,

K. T. HUTCHINSON,
Assistant Secretary.

Power Plans Ignore New England

EXTENSION OF REMARKS
OF
HON. EDITH NOURSE ROGERS
OF MASSACHUSETTS
IN THE HOUSE OF REPRESENTATIVES
Monday, August 22, 1949

Mrs. ROGERS of Massachusetts. Mr. Speaker, under leave granted to extend my remarks in the RECORD, I include the following article from the Boston Sunday Advertiser of August 21, 1949, regarding the rivers and harbors bill:

BAY STATE SOLONS ROUSED AS CONGRESS' WATER POWER PROJECTS LEAVE NEW ENGLAND OUT IN COLD

(By George Brady)

The almost certain approval by Congress of a lopsided, viciously sectional rivers and harbors bill giving $1,300,000 to the South and West and neglecting to appropriate a single penny for the development of water-power in electricity-famished New England aroused and angered Massachusetts political leaders yesterday.

In a telegram to the Boston Sunday Advertiser, Congressman JOHN W. MCCORMACK, the majority leader in the House of Representatives, said:

"I have called on Congressman WILLIAM WHITTINGTON, of Mississippi, chairman of the Public Works Committee, to hold early hearings on H. R. 3040, introduced by Congressman FOSTER FURCOLO, of Springfield.

"This measure provides for a survey of the Merrimack and Connecticut and other rivers in New England, looking to hydroelectric power development, flood control, navigation, and other improvements."

By telephone, Congressman JOSEPH W. MARTIN, of Massachusetts, the minority leader in the House of Representatives, declared:

"Nearly a dozen bills dealing with the production of low-cost electrical power from our New England rivers are gathering dust in the pigeonholes of Congress.

"Many are sponsored by outstanding Republicans, notably Senator HENRY CABOT LODGE, Jr., Congresswoman EDITH NOURSE ROGERS, and Senator MARGARET CHASE SMITH, of Maine.

"I intend to find out why all this legislation has been shelved, and I shall do my utmost to have it acted upon before Congress adjourns."

Congressman THOMAS J. LANE, of Lawrence, sponsor of a bill for a Merrimack Valley Power Authority, was even more direct and bitter. He said:

"In view of the fact that the people of New England, even those who have lost their jobs due to southern and western competition, will be forced to help pay for the multi-million-dollar dams which Congress intends to build in other parts of the country, I consider it shocking and disgraceful that we have been denied Federal assistance for the hydroelectrification of our scandalously neglected rivers.

"This may be a great victory for the Power Trust and the mighty lobbyists in Washington.

"But it is a tragic blow to the people of my district, who are sick and tired of seeing their mills and jobs move away to the South, which has received vast sums of free money for the development of their rivers and which is now demanding and getting more money.

"Congress has appropriated billion after billion for England and the various nations of Europe in spite of the fact that it is common knowledge that a substantial part of the largess was squandered by the British.

"How much wiser and better it would be for Uncle Sam to come to the rescue of his own people in New England, people who are

paying the highest electric light rates in the entire country and who are losing their livelihood because of the scarcity of water power and the inability of their industries to compete with the highly subsidized South.

"The Merrimack Valley Power Authority bill, which I have introduced, would provide immediate employment for at least 25,000 men, and it would so improve Lawrence, Lowell, Haverhill, Amesbury, and Nashua and Manchester, N. H., that 300,000 persons could look forward with confidence to steady employment and decent wages as long as they live.

"MILLIONS FOR EUROPE

"But this does not interest some of the gentlemen in Washington.

"They prefer to play Santa Claus with our money to the countries of Europe, including the ones which shot down so many American boys in the last war."

President Chester A. Dolan, Jr., of the Massachusetts Senate, spoke out with equal vigor and force.

"As head of the senate," he said, "I have done my utmost during the past year to equip our shamefully ignored rivers for prosperity.

"I find great satisfaction in knowing that I have accomplished more in this respect than all my illustrious predecessors.

"But no matter what the Commonwealth of Massachusetts does, it is absolutely necessary that we demand and get a fair deal from the Federal Government.

"I could hardly believe my ears a few days ago when I was informed that lobbyists had been so successful in Washington that New England would be virtually cut off from Federal river development funds.

"But now it is happening, and there is no doubt about it.

"REBUFF, BAY STATE

"The worst part of it all is that it constitutes a slap-in-the-face at the Massachusetts General Court, which only 2 months ago memorialized Congress to drop less important matters and to rush the development of New England hydroelectric projects.

"Surely the members of the New England congressional delegation are aware of this action on our part, and I can only hope that it will induce all its members to get behind Congressman McCORMACK and force action on the Furcolo and other bills before Congress adjourns.

"We have so much unnecessary unemployment in Massachusetts that we cannot afford to contribute millions of dollars in taxes for new TVA and Columbia River developments without getting anything in return for the rehabilitation of our own industrial centers.

"A happy England and a contented Germany may be all right.

"But when it comes to investing American tax money, I much prefer a prosperous New England."

Minimum Wage Bill

EXTENSION OF REMARKS

OF

HON. WINGATE H. LUCAS

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Monday, August 22, 1949

Mr. LUCAS. Mr. Speaker, many Members of the House have requested information about the provisions of the minimum wage bill which was passed by the House recently. In an effort to be helpful to them and with a desire to be of all the assistance possible to the conferees on the part of the House if and when they are appointed, I have prepared the following summary.

In writing this analysis I have made no reference to the Lesinski bill, which was before the House when my bill, the so-called Lucas bill, was accepted as a substitute. The Members of the House are familiar with the extraordinary and unprecedented powers which were sought to be conveyed to the Secretary of Labor in the Lesinski bill. It carried more authority to the Secretary of Labor than any bill which has ever been considered by the Congress in peacetime. It was indefinite in language and written in such a fashion as to promote endless litigation and confusion.

The House very wisely chose to adopt a bill which was clear in its meaning and unmistakable as to the intent of Congress. The summary follows:

SUMMARY OF PRINCIPAL PROVISIONS OF H. R. 5856, THE FAIR LABOR STANDARDS AMENDMENTS OF 1949, AS PASSED BY THE HOUSE ON AUGUST 11, 1949

INTRODUCTION

The underlying purposes of this bill were to make more realistic the minimum wage and to make unmistakably clear the meaning of the provisions of the 1938 act so as to assist the Administrator in carrying out the intent of the Congress. Experience under the act has shown a great need for its redefinition and clarification. The course of the courts and the Administrator in extending the act and restricting the exemptions demanded congressional action. The bill answers this demand.

SCOPE OF ACT

The wage-and-hour provisions (secs. 6 and 7) are made applicable to every employee engaged in interstate commerce or in the production of goods for interstate commerce. The term "produced" in section 3 (j) is redefined so that no employee may be held engaged in the production of goods for interstate commerce unless he is producing the goods or is engaged in a closely related process or occupation indispensable to the production of the goods for interstate commerce.

EXEMPTIONS

(a) Employees in agriculture: Present complete exemption from wages and overtime is continued. (Secs. 3 (f) and 13 (a) (77)).

(b) Exemptions from overtime for processing of agricultural commodities: Year-round exemption from overtime continued for the following: First processing of milk, cream, skimmed milk or whey into dairy products; ginning and compressing of cotton; processing of cottonseed; and processing of sugar beets and sugar cane into sugar or sirup. Also, the first processing of buttermilk into dairy products is granted a year-round exemption from overtime. (Sec. 7 (c)).

Fourteen workweeks per year exemption from overtime is continued for the following: First processing, canning, or packing of fresh fruits or vegetables; first processing within the area of production of any agricultural or horticultural commodity; and handling, slaughtering or dressing of poultry or livestock. Authority to define area of production is transferred to the Secretary of Agriculture (sec. 7 (c)). The first processing, canning, or packing of fresh fruits or vegetables will continue to enjoy a further 14-workweeks-per-year exemption from overtime under the seasonal exemption provided in section 7 (b) (3), thus giving to these industries the same 28 weeks per year exemption from overtime they presently have.

(c) Exemption from wages and overtime for employees within the area of production engaged in handling, packing, storing, ginning, compressing, pasteurizing, drying, preparing in their raw or natural state, or canning of agricultural or horticultural commodities for market or in making cheese or butter or other dairy products: Present complete wage and overtime exemption continued, but authority to define area of production is transferred to the Secretary of Agriculture (sec. 13 (a) (11)).

(d) Canning of fish: In an attempt to increase the coverage of the law in the case of canning fish, the House erred in passing an unintelligible amendment. This must be cured in the Senate or in conference.

(e) Local retailing: Present complete wage and overtime exemption continued for any employee engaged in making retail sales or in performing work immediately incidental thereto, such as wrapping and delivering retail purchases (sec. 13 (a) (1)).

(f) Retail and service establishments: Complete wage and overtime exemption granted to any establishment satisfying three conditions: (1) Over 50 percent of the establishment's sales must be made within the State in which it is located; (2) 75 percent of the sales must not be for resale but rather to the ultimate consumer; and (3) 75 percent of the sales must be recognized as retail sales or services in the particular industry (sec. 13 (a) (2)).

(g) Bakeries, ice plants, candy kitchens, ice cream parlors: Complete exemption from wages and overtime granted to an establishment selling products which it makes if it satisfies the following conditions: (1) over 50 percent of its sales are made within the State where is is located; (2) 75 percent of its sales are not for resale; (3) 75 percent of its sales are recognized as retail sales in its industry; and (4) the establishment is recognized as a retail establishment in its industry (sec. 13 (a) (4)).

(h) Laundries and establishments engaged in cleaning clothing and fabrics: Completely exempt from both wages and overtime if 75 percent of the laundry's services are for customers who are not engaged in a mining, manufacturing, transportation, or communications business, and if over 50 percent of the services are for customers within the State in which the laundry is located (sec. 13 (a) (3)).

(i) Interstate motor carriers: Complete exemption from overtime continued for drivers, drivers' helpers, loaders, and mechanics (sec. 13 (b) (1)).

(j) Railroads, pipe-line companies, etc.: Complete exemption from overtime continued for employees of railroads, express companies, pipe-line companies, etc. (sec. 13 (b) (2)).

(k) Air-line employees: Complete exemption from overtime granted to all air-carrier employees (sec. 13 (b) (3)).

(l) Seamen: Complete exemption from wages and overtime continued for all seamen (sec. 13 (a) (5)).

(m) Small weekly, semiweekly, or daily newspapers: Complete exemption from wages and overtime granted if newspaper has circulation of less than 5,000, the major part of which is in the county where printed and published or in contiguous counties (sec. 13 (a) (9)).

(n) Switchboard operators in public telephone exchanges: As in present law, complete exemption from wages and overtime granted if exchange has less than 500 stations (sec. 13 (a) (12)).

(o) Small forestry, lumbering, and sawmill operations: Forestry, lumbering, and sawmill operations completely exempt from wages and overtime where conducted by an employer with not more than 12 employees (sec. 13 (a) (15)).

(p) Nonprofit irrigation companies supplying and storing water for farmers: Completely exempt from both wages and overtime (sec. 13 (a) (16)).

(q) Home workers in rural areas: completely exempt from both wages and overtime if self-employed (sec. 13 (a) (17)).

(r) Lumber yards and building material establishments: The term "resale" has been defined so that a lumber yard or building

material establishment selling goods to a contractor for residential or farm building will not be regarded as making a sale for resale (sec. 3 (l)). Such yard or establishment will be exempt as a retail establishment if it meets the tests stated above in (f) for retail and service establishments.

MINIMUM WAGE

Flat rate of 75 cents per hour (sec. 6).

OVERTIME

(a) Belo plan: Gives specific legislative approval to Belo type contracts (upheld by the United States Supreme Court), under which an employer may pay his employees who work different hours each week a fixed guaranteed weekly salary, thus assuring employees stability of income and employment. The contracts may be used only if the duties of the employees necessitate irregular hours of work. The contracts may be made either individually with the employees or with unions, but must specify a regular rate of not less than 75 cents and compensation at not less than time and one-half such 75-cent rate for all hours worked over 40 in 1 week. The contracts must also provide a weekly guaranty of pay for not more than 60 hours based on the rates so specified (sec. 7 (e)).

(b) Overtime on overtime: Continues present law outlawing overtime-on-overtime claims, both retroactively and for the future (sec. 7 (d) (6) and (7) and sec. 7 (g), also sec. 3 (e) on p. 38 of bill).

(c) Bonuses, payments for vacations, illness, etc., profit-sharing plans, employer contributions, to old-age, retirement, etc., funds: Excludes most of such payments from regular rate of pay for purposes of computing overtime (secs. 7 (d) (1), (2), (3), and (4)).

ADMINISTRATIVE POWER UNDER THE ACT

Continued in an independent administrator (sec. 4).

RULE-MAKING POWER

As in present law, no rule-making authority granted to the Administrator except in limited areas such as authority to define who shall constitute an executive employee (sec. 13 (a) (1)), authority to issue regulations concerning learners (sec. 14), etc.

RIGHT TO SUPERVISE PAYMENT OF BACK WAGES DUE EMPLOYEES

Such right conferred upon the Administrator. If employee agrees to accept payment under such supervision, then upon payment he thereby waives any right to liquidated damages (sec. 16 (c)). No right conferred upon the Administrator to sue for back wages. Employees only may sue (sec. 16 (b)). Such right of suit is subject to the 2-year statute of limitations prescribed in section 6 (a) of the Portal Act.

PORTAL ACT

Such act is left in full effect. (Sec. 3 (d) on pp. 37–38 of bill.)

CHILD LABOR PROVISIONS

Extended so as to forbid the employment of child labor in commerce or in the production of goods for commerce (sec. 12 (b)).

Distinguished Jewish Poets

EXTENSION OF REMARKS

OF

HON. JACOB K. JAVITS

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, August 9, 1949

Mr. JAVITS. Mr. Speaker, I am today introducing two private bills for the relief of the distinguished Jewish poets, Nahum Bomze and Joseph Rubinstein (Rubinsztjn). Both escaped the Nazi advance into Poland, spent five tragic years in the Soviet Union, and as soon as the border was opened into Poland both, when given the alternative of accepting Soviet citizenship or returning to Poland, chose the lesser evil and returned to Poland. Both are anti-Communist and both would pay a dreadful penalty if they had to return to Poland due to the condemnation the Polish press has heaped upon them for attending a non-Communist world congress for Jewish culture held in New York in September 1947.

There is appended hereto an editorial which appeared in the issue of July 21, 1949, of The Day, the national Jewish daily published in New York, describing the situation of these two Jewish poets.

There is also appended a letter from the Jewish Labor Committee of July 18, 1949, among whose officers is one of the great leaders in the struggle against communism, David Dubinsky, president of the International Ladies' Garment Workers' Union, and which numbers among its officers outstanding trade-union leaders Adolph Held, Isadore Nagler, Louis Stolberg, Jacob Pat, Max Zaritsky, and Charles Zimmerman.

Also appended are biographical sketches of Mr. Bomze and Mr. Rubinstein:

[Translation of leading editorial in the Day, issue of Thursday, July 21, 1949]

PETITION TO CONGRESS ON BEHALF OF TWO JEWISH POETS

We are informed that important Jewish cultural organizations, such as the PEN Club, the Peretz Writers' Union, and others, are seeking ways and means to keep the two noted Jewish poets, Joseph Rubinstein and Nahum Bomze, from deportation from the United States.

Joseph Rubenstein and Nahum Bomze reached the shores of America after years of wandering, and agonizing experiences. They came here with the hope of the eventual possibility of remaining here and seeking a new life. Both poets reached this country after the long and bloody road which faced Polish Jewry under Nazi occupation: Soviet Russia, then back to Poland, then the lot of the refugee in France.

Both poets knew the terrors of totalitarianism. And when they came here they breathed the free air of America, and opened their eyes wide to the New World, soon realizing that there is still a corner on God's earth where man is free to say what he likes, write what he feels, have opinions and convictions of his own. And that this corner is the United States of America.

However, the period these men were permitted to stay in this country is coming to a close soon. If there will be no effort made in Congress to permit them to remain in this country and in time become naturalized citizens, they will be forced to go back.

It is easy to say "Go back." The question is, go back where? To Soviet Russia or to Poland, from which they miraculously saved their lives, or to France, where they were suspended in midair and never felt secure from one day to another?

No. Joseph Rubinstein and Nahum Bomze have no place to go back to. For them there is no going back. They are men without a country. The only place where they are able and where they wish to stay and should stay is America.

It has already been pointed out that important Jewish cultural organizations are intensely interested that Rubinstein and Bomze should remain with us. The interest of these organizations in these two noted Jewish poets is based not merely on humanitarian motives, though such motives alone would be sufficient. However, there is another motive and that is the important work these two poets can do in our midst, if they are permitted to stay here.

Jewish culture in the United States is sorely in need of new and fresh cultural springs. Before God vented his wrath on the Jews of Europe they, especially east European Jewery, served as the reservoir from which we drew a great deal of spiritual strength. Europe provided the United States with Jewish journalists, writers, poets; she gave her rabbis and religious teachers, as well as actors.

All these sources have been cut off. Today Jewish life must be culturally and spiritually self-sustaining. Therefore, we treasure so highly each individual new force that comes to us.

Joseph Rubinstein and Nahum Bomze are young poets who have already established themselves prominently in Jewish poetry. It is without doubt that their presence in our midst will spell a great asset for Jewish culture in the United States. We hope that the efforts of the Jewish PEN club, the Peretz Writers' Union, and the other organizations will prove successful. We hope that our Congress will enable these two Jewish poets to remain in America, the only place of refuge open to them.

JEWISH LABOR COMMITTEE,
New York, N. Y., July 18, 1949.

Congressman JACOB K. JAVITS,
House Office Building,
Washington, D.C.

DEAR CONGRESSMAN JAVITS: We understand that you have undertaken to introduce private bills for two outstanding Jewish poets, Mr. Nuchim Bomze and Mr. Joseph Rubinstein, who, during the last 10 months, have been visiting this country and who cannot, because of political reasons, return to their native Poland.

In 1940, both men escaped the Nazi advance to the east, and spent five horrible years in Asiatic Russia. In 1945, when the Russian Government gave Polish citizens a choice of either adopting Soviet citizenship or returning to Poland, both men chose the lesser evil and returned to their land of birth.

In September 1947, on the initiative of the Jewish Labor Committee, a World Congress for Jewish Culture was held in New York, and these two outstanding poets came to participate in and address it. As this convention excluded all Communist and fellow-traveling groups, both Mr. Rubinstein and Mr. Bomze have been subjected to abuse and vituperation from the newspapers in Poland and the Communist-controlled press in France. They have both been denounced as "agents of the Marshall plan."

While in this country both have tried, through lectures describing life under communism in Russia and in their native Poland, to rally support for democracy and freedom. We have known these men as opponents of totalitarianism and are keenly interested in their final adjustment in this county. We are glad that you have introduced bills for these men in the House of Representatives, and wish to assure you of our fullest cooperation in this matter.

With best wishes, we are

Sincerely yours,

JEWISH LABOR COMMITTEE,
JACOB PAT
Executive Secretary.
JOSEPH GODSON,
Director, Public Relations.

Nahum Bomze, noted Yiddish poet and writer, was born August 7, 1906, in Sassow, Austria, later Poland and now Soviet Russia. Was evacuated in 1941 to Russia. After the war, he claimed Polish citizenship and returned to Poland, refusing to live under a Soviet regime. Went to Sweden December

1946 and came to Paris May 1947. Came to United States on September 13, 1948, as a delegate to World Jewish Cultural Congress, representing the Jewish Literary Society of Paris, France.

Was known in Paris as opposed to communism and its social theories. Also known as a Zionist. Was attacked by Communists in Poland, France, and America as an enemy of the Soviet and as an American agent. Opposed the convention of a World Congress of Jewish Culture which the Communists planned to call in Paris.

Has lectured in many American Jewish communities on Jewish life in Soviet Russia and satellite countries, disseminating information about the true state of affairs in contradiction to the run-of-the-mill Communist propaganda.

Temporary French visa expired. The refusal to grant him a permanent visa in this country, forcing his return to Poland, would endanger his life, as he would certainly be arrested on his return there and subjected to slave labor and exile to Siberia or perhaps liquidation.

Joseph Rubinstein, noted Yiddish poet and writer, was born October 11, 1903, in the city of Skidel, Russia, later Poland, and since World War II Russia again. Came to United States September 13, 1948, as a delegate to World Jewish Cultural Congress, representing the Jewish Literary Society of Paris, France.

Is a Polish citizen, was evacuated in 1941 from Poland to Russia. After the war claimed Polish citizenship and returned to Poland, refusing to live under a Soviet regime. Left Poland for Sweden, January 17, 1947, and after 6 months in Stockholm went to Paris.

Was known in Paris as opposed to communism and its social theories. Also known as a Zionist. Was attacked by Communists in Poland, France, and America as an enemy of the Soviet and as an American agent. Opposed the convention of a World Congress of Jewish Culture which the Communists planned to call in Paris.

Has lectured in many American Jewish communities on Jewish life in Soviet Russia and satellite countries, disseminating information about the true state of affairs in contradiction to the run-of-the-mill Communist propaganda.

Temporary French visa expired. The refusal to grant him a permanent visa in this country, forcing his return to Poland would endanger his life, as he would certainly be arrested in his return there and subjected to slave labor and exile to Siberia or perhaps liquidation.

His wife, now in Paris, shares his views and refuses to return to Poland, where the fate of an enemy of communism would await her.

Good Report on Housing

EXTENSION OF REMARKS

OF

HON. ABRAHAM J. MULTER

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Monday, August 22, 1949

Mr. MULTER. Mr. Speaker, the following editorial on what New York City is doing to meet the housing problem should prove of considerable interest. It appeared in today's New York Times.

GOOD REPORT ON HOUSING

In early July Mayor O'Dwyer issued the first of a series of departmental and agency reports to the people on progress since he took office on January 1, 1946. It dealt, rather inadequately we thought, with the health department. Yesterday the second of these reports was published, and told of achievements in housing construction in the last 3½ years. A third, on the department of hospitals, is made public today.

The report, prepared by the New York City housing authority, naturally emphasizes public housing, but it has chapters also on private construction and quasi public housing, such as the huge Stuyvesant Town project of the Metropolitan Life Insurance Co. and Fresh Meadows, of New York Life. It discusses at length the alternative courses on tenant relocation, a difficult problem. The report is well and painstakingly prepared; it gives specific detail on projects, with facts on costs. It is also a record of solid accomplishment by an agency with a tremendous job on its hands.

In brief, 42 public housing projects valued at $540,000,000 have been started in 42 months, or one a month. At the end of the war 17,000 public housing living units had been built and 20,700 had been planned. Now there are 63,000 built or under construction and more than 5,000 are scheduled for an early start. A list of 49 proposed sites for new public housing is given. New State and Federal funds now in sight will assure steady building for several years.

Of the 42 projects started in 42 months not all by any means are cash-subsidized, low-rent housing. Twenty-one projects, in fact, represent pioneering in policy, for they are housing without cash subsidy, which the rents will make self-supporting. They are addressed especially to the veteran's problem. They have somewhat larger rooms, the bathrooms are a bit more luxurious, they have other small advantages over the subsidized housing. The rents are also considerably higher, of course.

For the postwar period the average overall cost of a subsidized apartment has been $11,401. This includes cost of acquiring land, of clearing site, of installing heating and equipment, and stoves and refrigerators for the apartments. The buildings are fireproof, they are built with the expectancy of at least 50 years' usefulness, and may have a lifetime of 75 or 100.

Thomas F. Farrell, chairman of the housing authority, has moderately good news as to construction costs. The authority finds these now appreciably lower than they were at the 1948 peak. The drop was sharp for a time, but has now leveled off. In April 1946 the construction bid cost for an apartment (not including full development cost) was $4,942. A year later it had risen to $7,124. In 1948 it was $9,283. Last month the bid on one project showed $6,789 per apartment. Labor in some trades is showing greater productivity. The authority's costs of obtaining money have declined somewhat. These are favorable signs.

This is a comprehensive report, and a useful one. It tells of hard work done in a driving effort to solve one of the city's major postwar problems.

Social Security

EXTENSION OF REMARKS

OF

HON. THOMAS J. LANE

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Monday, August 22, 1949

Mr. LANE. Mr. Speaker, under leave to extend my remarks, I wish to include the following article from the Boston Sunday Globe, Boston, Mass., Sunday, August 21, 1949:

OLDSTERS MAY NEED TO SOLVE OWN PROBLEM—IF WE SET THE LATER YEARS INTO A GROUP APART SOCIETY WILL BE THE LOSER—WE SHOULD BE EXTENDING, RATHER THAN SHRINKING, THE EMPLOYABLE AGE

(By Frances Burns)

From all the stir that is being made about retirement and pensions and programs for the old we might conclude that age is something new and peculiar to the atomic era.

An enterprising manufacturer even is pushing a line of "foods for the aged." From advance reports it sounds like the kind of pap that has been sold by the millions of little jars for babies and has saved so many mothers of this generation the nuisance of squeezing beef juice and straining spinach.

The hitch is that baby food can be shoveled into junior with the resistance and overflow more or less dependent on the deftness of the feeding hand. But, it is complained, "the old have stubborn ideas about what they want to eat," and are putting up sales resistance.

A testimonial on this food for the aging might be sought from Mr. Churchill. After all, when he was leading Britain in her finest hour he already was beyond the age at which we now lay business and professional men and industrial and government workers on the shelf.

The rash of schemes for pushing forward the arbitrary age of senility to make ever more men and women dependent on the uncertain generosity of politics while taking away their livelihood smacks a bit of escapism. We are tired of trying to solve the problems we have created for ourselves. Let's do something for the old. There are ever more of them and presumably they have relatives. Moreover, because immigration long has been checked, they increasingly are all good Americans, red blood a little thinned, perhaps, but still voting.

It is a fact that Americans are living longer today than even their fathers did. In 1900 only 4.1 percent of the 76,000,000 people in the United States were 65 years and older. Currently this age bracket constitutes 7 percent of the population. But the prediction that in 1975 or 1980 the aged will be 12 percent appears to overlook the tremendous war-baby boom and the offspring which these 10,000,000 and more presumably will be having in a quarter of a century.

GRANDPARENTS GETTING YOUNGER

In the meantime there is danger that in whatever guise of social concern we do it, we make a long life less worth striving for.

There are few of us who, on being presented with a first grandchild at 50 or so, do not think complacently that "grandparents certainly are getting younger all the time." But unfortunately for the peace of mind of the fifties the Government and industry and even our colleges increasingly are making old age an arbitrary 65—in some cases 60.

Is this wise? Perhaps with an ever longer life span in prospect we should be extending rather than shrinking the employable age. There is no age vigorous enough to carry on its back the support of such an increasing percentage of the population.

They say that it is the "organized aged" in California who have been able to get a law passed which would give most of them $75 a month for life. The pensions, it is true, go only to California "needy" or the State would not be able to obtain Federal funds. But a California husband and wife "in need" still can own a house assessed at $10,000, insurance policies up to $2,000, two automobiles, and as much as $3,000 in securities. The cost may be $125,000,000 this year.

Massachusetts paid out $5,079,133 to 92,984 men and women over 65 years old in the May just past. The average monthly payment was $61.40. But Massachusetts' definition of

need is parsimonious by California standards. The successful applicant may not have more than $300 in savings or securities that can be liquidated. His equity in a house—in which he must be living—may not be more than $3,000 or he has to give a mortgage for the difference, against which assistance payments to him are a lien held by the community and State and collectible on death.

Yet those receiving this aid in May were only about 22 percent of the persons over 65 in the Commonwealth, reported by the last general census in 1940 to number 450,000. If the floor is lowered to 60 by the General Court it is estimated that another 25,000 persons would be added. But in spite of the fact that there are worthy and in many cases needy older men and women who do not seek assistance because they think it smacks of charity the Commonwealth, the Federal Government which pays almost half the cost, and the 351 communities in the State are spending together nearly $70,000,000 a year on old-age assistance.

SOCIAL SECURITY PAYMENTS

However, some 107,000 retired employees in Massachusetts are receiving $2,500,000 monthly from Federal Social Security. Employees of many classes began paying in 1940 1 percent up to $3,000 wages with a like amount from the employer. This money now is beginning to come back on application in maximum payments of $45 a month to the single individual and $67.50 to a married couple, if the worker is retired, regardless of the other income he may have. The amount of payment is based on the contribution he has made. Congress now is considering increasing the collections and the monthly payments.

Then more and more concerns have instituted their own retirement plans and it is claimed that altogether nearly half the people over 65 in the country now are receiving a pension of some sort.

This is, on the whole, a good idea. We don't want to go back to the poor farm—indeed, in one town west of Boston the poor farm has become the country club. But the danger lies in thinking that men, and women, too, have outlived their usefulness as contributors to the work of the world or their ability to earn because universities wish a painless way of getting rid of professors who might hang on too long, unions want way made for younger members and business needs to have executive jobs opened for their younger, more ambitious men.

The truth is that you cannot establish an arbitrary old age by fiat. Here in Massachusetts we have too many examples of the indispensibility of men and women who are not 65, but well into their eighties, to believe such nonsense. What of the world-renowned physician who flew the Atlantic to share his knowledge with European doctors on his eightieth birthday this summer? An octogenarian former Secretary of the Navy making his first Atlantic crossing by air for a business conference? A family physician who stops, over the protest of his patients, at 89? The lawyer coming in daily at 90? The Cape Cod man who feeds his family and neighbors with his garden and hens at 86? The 75-year-old woman who taught navigation to scores of successful flyers during the war? A Charles Eliot and William Lawrence?

OLD PEOPLE ARE PEOPLE

"Old people," says Dr. Robert T. Monroe, Boston specialist in the comparatively new geriatrics, or science of diseases of the aging, "are people. Perfectly normal people. Even their diseases are common to any age. But by age they have lost their natural advisers. They have only God and those younger than they. God is rather far away and the young do not understand them—are only too glad to step in and soothe them with 'At your age, what can you expect?'"

Just as for any age, work, he points out, is paramount for the well-being of older people—"and not silly, made work. You can't fool an older person. But employment liability laws, labor-union restrictions and veterans' preferences are against their employment. Society as a result is losing the services of experienced people and is suffering intellectually and economically. And we are breeding a discontented group of old people who have idleness forced on them."

There might well be some tax relief for older people in the Commonwelth. A man and wife with $1,600 a year income from investments, made with money saved, perhaps, must pay 6 percent on the whole amount. The physician thinks, too, that a great need is low-cost housing and provision of services to enable the older person on a small pension to stretch it over food, shelter, clothing, and medical care.

The fact is, we should begin to get ready to live the last of life for which the first was made when we are young. Every able-bodied man or woman should be ready to take on another job if he faces retirement. It may be an avocation for which there has not been time before. There are many unpaid, vital jobs that older people can do.

Industry and the universities and government need to use the wisdom and experience of their older men and women, even if at lower salary, while leaving the nervous strain of executive positions to the younger men with drive and ambition who are not bored by them.

If old age is a problem it is another one we are making for ourselves. The solution is not soft food in little jars or a place on the shelf, however well padded. It is to be found in the same area as for any other age, that of freedom to live and work to the fullest capacity of the individual. Why should not older people tackle it themselves?

Address of Hon. Sydney McMath, Governor of Arkansas

EXTENSION OF REMARKS

OF

HON. JAMES E. NOLAND

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Monday, August 22, 1949

Mr. NOLAND. Mr. Speaker, under leave to extend my remarks, I include in the Appendix of the RECORD the following speech of Gov. Sydney McMath, of Arkansas, delivered before the Indiana State Young Democrats Convention, July 22, 1949:

Mr. Chairman and fellow Democrats, I am delighted to be here in Indianapolis tonight and to meet with the Young Democrats of Indiana. The very fact that a group of Hoosiers has invited the Governor of a Southern State to speak at this convention evidences the character of our Democratic Party as a truly national party—representing the people from one end of this land to the other.

It is precisely because the Democratic Party is the only truly national party that we sometimes have differences within our ranks—differences that occasionally cause great preelection glee among the Republicans. That, however, usually gives way to post-election gloom, as it did last November.

The Democratic Party has, from the days of its founding, had adherents in every section, and among every group of our citizens. Quite naturally, then, a party composed of southern cotton farmers, New England industrial workers, and western cattle-growers will find within itself disagreements as to ways and means of advancing the cause of every citizen—whose cause the party everywhere has stoutly espoused. So we may disagree as to proper tariff laws; as to what is an adequate minimum wage; as to how best to secure for all our people their full rights of citizenship. What is good for the citizen in Indiana, may not seem quite so desirable for another in Alabama. High freight rates may protect established industrial pay rolls in New York, but they add to the cost of living in the South and West.

All of you as good Democrats are familiar with our party's history, and its magnificent accomplishments for the welfare of the country. I will not tell you again what you already know.

What I would like to discuss with you is the role of the South in the Democratic Party. Too often you above the Mason-Dixon line never hear of us except when the Ku Klux Klan make their cowardly assaults against some defenseless victim; or when the Dixiecrats shout "States' rights" as in objection to anything which for any reason they oppose, and they oppose almost anything. But these things do not give an accurate picture of the South today. We are not all spending our time on white-columned verandas sipping mint juleps, and plotting to keep our people in economic slavery. We realize our shortcomings, perhaps better than some of our most vociferous critics. But today there is abroad in all the Southland a healthy, vigorous progressive movement, a growing and insistent demand for the development of the human and economic resources of our region. Every day the light of tolerance and understanding is pushing back the fog of prejudice and hatred which for too long was the stock-in-trade of too many southern politicians.

If you think I'm overemphasizing the "new Rebel yell" in the South, as Hodding Carter has aptly put it, I would like to recall for you the vote of the South in the last Presidential election. President Truman carried every State where he appeared on the ballot as a Democrat. The only States the Dixiecrats carried were those in which they controlled the party machinery, and arranged the ballot so the people could not fairly express themselves as Democrats.

The voting record last November—and for 50 years before—provides sufficient evidence of the South's devotion to the Democratic Party and its concept of individual freedom. But there are genuine differences in the outlook of the so-called southern wing of the party, and the interests of the northern—or more properly eastern—wing. They are the differences, largely, between the outlook of the farmer who lives in a dispersed rural society, and the industrial worker whose life follows the patterns of concentrated urban society. The concept of States' rights has been often perverted by the demagog in the North and South alike and used as a weapon against social progress. But, despite all that, the principle of States' rights remains a living doctrine with deep and honorable roots in the history of our party.

It is an almost universal complaint that our Government generally is slipping away from the people. Each political subdivision, because of legal or economic compulsion, is relying more and more on the next higher political unit for a solution to its problems. There has been a marked tendency, particularly on the part of our State governments, to refuse to assume responsibility and to become increasingly dependent upon the Federal Government. This has resulted in a concentration, a centralization, of governmental power in Washington and has contributed greatly to a do-nothing policy on the part of State governments. A convenient excuse for failure to act in any field is "we are waiting for help from the Federal

Government." It is true that there are many areas of endeavor in which the Federal Government has a legitimate interest and an obligation to assume its proportionate share of the burden. Yet more often, a State problem is the State's primary responsibility, and it is the duty of the State government to meet that responsibility with energy and resourcefulness. To the degree that the State fails, or refuses to meet its obligations, to that extent, there is agitation for Federal interference.

The cornerstone of our Government—and of our party's philosophy—is the guaranty of certain basic, fundamental rights which in turn guarantee the dignity of human life to every citizen. I am not taking a leaf from the demagogs when I say the greater the concentration, the centralization of power in the Federal Government, the greater the danger of encroachment upon these individual rights.

One of the most effective means of decentralizing our Government and thereby avoiding the danger of excessive Federal control is by an assumption by the States of those responsibilities and that they should rightfully assume.

There are States' rights, and we should protect them. There are also States' responsibilities, and we should assume them. We, in the South, are perhaps more zealous of our States' rights than the people of any other region, but only too often we have failed to fulfill our States' responsibilities. We say, and properly so, "Stay out of our affairs," but many who wail the loudest about outside interference are the least willing for the States to shoulder their responsibilities. We must not in our fight to protect our States' rights fall into the error of using States' rights as a subterfuge to distract attention from other pressing problems that demand solution.

We recognize our responsibility to afford all our children, regardless of color, equal educational opportunities. In the past our record on this score has not been a happy one, but we have set our goal at achieving this and are today—not 20 years hence—making rapid strides toward our objective. Arkansas, for example, was the first Southern State to admit Negro students to our university schools of law and medicine.

The right upon which all other rights ultimately rest in a democracy is the right of the individual to have an effective voice in government. This, of course, means that every citizen, regardless of race, creed, or color shall have the right to vote his or her own convictions without interference from any source. The South has for years been under bitter attack on this score, charged with denying a large percentage of its citizens the right of free ballot. Part of the charge has been that Negroes are prohibited from voting and partly that the poll tax in effect keeps them from having the right of franchise. There is no denying that in many parts of the South the Negroes were denied the ballot in the Democratic primaries. In fact, in many States, the Democratic Party, which professed nationally its belief in the brotherhood of man and its championship of the rights of the underdog, has had as part of its party bylaws a rule forbidding membership in the Democratic Party to members of the Negro race. That is no longer true today. A part of the change is the result of Federal court orders. On the other hand, even before those decisions were enforced, there were many southerners earnestly seeking for the Negro the right to have a voice in the governmental affairs through the ballot. In Arkansas today Negroes are qualifying as electors in increasing numbers and are going to the polls throughout the State to cast their ballots on election day. And this is true not only in the urban centers where you might expect it, but is also true in the Delta plantations.

While we are discussing the franchise I would like to say a few words about the attitude in the South today toward the poll tax. Abolition of the poll tax has, for many years, been the demand of liberals throughout the country. In many instances this has been a good rallying cry at election time, but has been forgotten when the campaigners actually took office. There has been considerable confusion, too, about why the States in the South which still keep the poll tax have insisted upon doing so. It is my sincere conviction that in most of these Southern States, including Arkansas, the retention of the poll tax has not been based primarily upon a desire to prevent Negroes from voting. This was achieved by party rule. A great many of the advocates of the poll tax fight to keep it not primarily because of its effect upon Negroes voting but because of its general effect in keeping all people of lower economic means, whether black or white, from exercising their right of franchise. In addition to those with this sinister motive, there are also perfectly honest and sincere believers in democracy whose attitude is affected by many other complicating factors. In Arkansas, for example, all the money derived from the dollar a year poll tax goes into the common school fund. Our school teachers, as in other States, have been notoriously underpaid and our schools for our children of all races have been woefully inadequate. Abolition of the poll tax last year, as an example, would have taken some $450,000 from the school fund. In the past then we have had the educational forces of the State, which have been among those striving for a better existence for all our citizens, fighting repeal of the poll tax. The point that I am making is simply this: I would like for you to understand that it is an oversimplification and a gross distortion to view the poll tax solely as a whip in the hand of a political Simon Legree lashing out at an unfortunate segment of our citizenry. I believe within a very few years all the States now having a poll tax will of their own volition abolish it. In my own State there will be submitted at the next general election by initiative petition an amendment to abolish the poll tax.

Another phase of the change that is taking place in the South is the vast industrial development that we have had in the past few years. The expansion goes on, and with increased industrialization there has been a steady growth of membership in labor unions. As they have grown in membership and experience they have become increasingly active in political affairs.

Our drive for industry in the South has in recent years been based upon a sounder and more honorable footing than was true in years gone by. There was a time when the South was attractive for industrial development because we had available a cheap and ample supply of labor, which was not organized and which would work under sweatshop conditions for long hours and meager pay. We realize now that such an appeal is not good for other parts of the country and is not good for the South—for we pay in many ways for industries thus acquired. Our present industrial development and our constant effort to seek the location of new industries in the South is based on the natural advantages of climate, availability of power and natural resources, and the potential skill and productivity of our workers. We fully recognize that industries also mean the increased unionization of the workers. It is our conviction that a well paid workingman benefits the whole community economically.

Some of you may feel that what has been referred to as the "new Rebel yell" in the South is actually no more than a faint whisper as compared with the oratorical shouts of the perennial demagog. When a man like ESTES KEFAUVER can be elected to the United States Senate from Tennessee, I say that there can be no doubt of the strength of this new voice in the Democratic Party in the South. The election of Governor Kerr Scott in North Carolina and his subsequent appointment of Dr. Frank P. Graham, president of the University of North Carolina to the United States Senate is further evidence of the progressive movement in the South. I could cite other examples to show that the old style southern demagog who thrived on hate and fear is definitely on his way out. These men I have mentioned and others like them are the demagog's natural enemies, yet they have withstood his wrath and won out in test after test before the people of the South.

All of this, it is true, does not minimize the fact that there are still substantial difference between segments of the Democratic Party in the South and in other parts of the country.

We have problems in the South peculiar to our section. You, here in Indiana, have problems that are peculiarly your own. This is true of all sections of the United States. However, the members of the Democratic Party can and should reconcile sectional differences in the interest of the common good. We, in the Democratic Party, have common aims and objectives. We may differ as to the means of realizing these goals, but the preservation of this party, the welfare of our citizens and the continued progress of the United States, demand that we reconcile our differences and maintain the solidarity of our ranks.

It is in building and cementing the national ties of the party and building a greater unity within the Democratic ranks throughout the Nation that the Young Democrats of America can play a vital role. In my associations with the national leadership during the time I was president of the Young Democratic Clubs of Arkansas, I found that, though we might disagree on certain matters of policy, we were able to find a common ground where we could move together as one organization. We found that we could work together without resorting to irresponsible name calling, or to the old trick of accusing those with whom we disagreed of being dominated by some alien or evil influence, and without picking up our marbles and going home. In most of the States of the Union the Young Democrats are a powerful political force. In my own State of Arkansas, a large percentage of the elective officials of the State and county government are active members of the Young Democrats. The chairman, vice chairman, and secretary of the State Democratic Party are also active in our State Young Democratic organizations.

I have discussed some of the differences that in one sense separate the South from the remainder of the Nation—those social and economic influences which we may deplore but which we cannot ignore. Let me stress the fact that these are differences within a larger area of agreement—differences over method, not over principle. The democratic faith is alive in the South, perhaps more alive than in any other part of the Nation. For all our past sins of omission and commission, we, in the South have clung to our basic belief in the worth of the individual. Many observers have pointed out that the South, with its racial problems and its comparative poverty, should have been the great happy hunting ground of the Communists in the United States. There is evidence that the Communists themselves believe this to be true. It is highly significant that the Communists have made less headway in the South than in any other region of the United States. There are so few party members in my State that the party doesn't even bother to maintain an official in Arkansas. Southerners, white or black, have not been deluded by the promise of security to be paid for in the coin of personal liberty. The southerner looks upon Government, as Thomas Jefferson did, as the guarantor of personal freedoms, not as the purveyor of

favors or the source of livelihood. We recognize that poverty is the eternal foe of human dignity, and we recognize the Government's attendant responsibility in the economic sphere. But we insist that this activity shall be negative in character—the guaranty of economic opportunity, not of economic equality. We are individualists—perhaps to the point of eccentricity on occasion—as a consequence, we count ourselves dedicated foes of the concept of the faceless mass dependent upon a paternal government. We believe that all rational social and economic goals can be obtained without doing violence to the basic democratic principle of individual initiative; we believe that no goal which depends upon sacrifice on that principle is worth obtaining.

This is the faith upon which this country was founded. The faith which every American has accepted through most of our history. In this postwar period, however, there are signs that some Americans are becoming faint of heart. There are those, as Archibald MacLeish has said, who look upon freedom as a thing to save, not as a thing to use. There are those who say we are no longer a young Nation, that our task now is to store up the gains of the past, to preserve the status quo at all cost. I say that our Nation is still young—that its future will be shaped by young men who have not lost faith in our ability to save ourselves—yes, and if need be to save the world.

There is a definite need within the National Democratic Party for active organizations such as yours. If I may draw an analogy, in combat the military unit that is engaged continuously in battle, day after day, week after week, suffers casualties. Many of the bravest soldiers and the most capable leaders are lost. There comes a period when that unit must undergo a period of reorganization. Replacements must be found, a new estimate of the situation in serious conflict continuously for 17 years. Many of our most capable leaders have become casualties. We have made mistakes, but we have won great victories. From time to time, our lines have become overextended and there has been confusion in our ranks. During these times, we have had to reorganize, to find replacements, and to rechart our course.

During periods of reorganization, the Democratic Party looks to its younger members to supply leadership, replacements, the energy and the enthusiasm which are needed to continue the fight of the political battlefield. The Democratic Party, founded by Thomas Jefferson, championed by Andrew Jackson stands tonight as the protagonist of a government dedicated to the needs of the people. We are a party deeply aware of the historical rhythm of challenge and response which has marked the making or breaking of nations. A new and critical phase challenges our country. We have in our party the active chemistry of thought and practice to focus the diverse energies of our Nation into an ever improving and a dynamic instrument for human welfare. This is the battle to which we are called. It is a challenge worthy of our noblest efforts.

The Oldest Book

EXTENSION OF REMARKS
OF
HON. ABRAHAM J. MULTER
OF NEW YORK
IN THE HOUSE OF REPRESENTATIVES
Monday, August 22, 1949

Mr. MULTER. Mr. Speaker, I direct the attention of my colleagues to a most interesting editorial which appeared in the New York Herald Tribune of August 22, 1949:

THE OLDEST BOOK

The ancient Hebrews who hid their sacred scrolls in a cave near Jericho some 2,000 years ago doubtless would be gratified to observe the avidity with which they are being read by scholars today. The scrolls, which are said to include some of the most ancient copies of Old Testament books yet discovered, were found in sealed jars by two Arab goatherds in 1947, and some of them now are in the hands of the American School for Oriental Research at Yale University, where they will be published. They range from a commentary on Habakkuk, one of the least of the minor prophets, to a complete manuscript of Isaiah, the greatest of the major ones.

The probability is that the new manuscripts will have no appreciable effect on the accepted Biblical texts of today. The traditional Hebrew text, as transmitted by one generation of copyists to the next, seems to have adhered with remarkable accuracy to the lost originals. Each discovery attests this fidelity, and Prof. Carl H. Kraeling of Yale says that the new manuscripts serve to indicate the reliability of the traditional text. Nevertheless, this complete book of Isaiah, inscribed on a 22-foot-long scroll, is a find of the first importance if only because it is the oldest extant copy of a complete Old Testament book in Hebrew.

It is fortunate that the old scribes and copyists were necessarily forced to employ tools and materials that stand up against time almost as well as their writings. The leather scrolls are still intact; the inscriptions legible enough to be read in photographs. An ancient custom decreed that disused or mutilated copies of the scriptures must be buried rather than destroyed; that is why such finds as that just made are still possible. If we, in our way, continue to show as much esteem for the holy writings as the ancients did, undoubtedly there will be other enlightening discoveries made beneath the earth of Palestine.

Aid Bill—Some Questions That Remain Unanswered

EXTENSION OF REMARKS
OF
HON. LAWRENCE H. SMITH
OF WISCONSIN
IN THE HOUSE OF REPRESENTATIVES
Monday, August 22, 1949

Mr. SMITH of Wisconsin. Mr. Speaker, I am inserting the following statement by Frederick J. Libby, executive secretary of the National Council for Prevention of War, which he presented before the Senate Committees on Foreign Relations and Armed Services on August 19:

Mr. Chairman and members of the two Senate committees, I appreciate Senator CONNALLY's invitation to offer a statement for inclusion in the record of these hearings, in lieu of testifying as I did before the House Foreign Affairs Committee on August 5. I wish only to raise a few questions:

1. WHAT IS THIS AID FOR?

This fundamental question, after all the discussion, has had no convincing answer. Chairman KEE says, as Secretary Acheson said in substance, that its purpose it to prevent Russian aggression in western Europe. But, as Brig. Gen. Bonner Fellers, retired, reminded the House committee, even if we equip 60 western European divisions at a cost of $24,000,000,000, they cannot be expected to withstand the assault of 500 divisions, which Russia and her satellites can readily mobilize.

One administration witness said that its purpose is psychological. We must relieve French investors of the fear of Russian aggression, which is preventing them from cooperating with us in expanding European industry under the Marshall plan. But against the undeniable fact that Russia can overrun western Europe clear to the Pyrenees in 60 days, whether we supply this military aid or not, shall we not be merely creating another false sense of security such as the French felt behind their Maginot line?

Another explanation that has been offered us is that this military aid bill is tangible evidence, a token, of our ultimate purpose to cooperate fully in the rearmament of western Europe against Russia. But again we must ask, how could the United States make the rearmament of western Europe's land armies adequate and effective against the Russian Army? Since $24,000,000,000 will equip only 60 divisions, of how vast a sum is the billion dollars of this bill intended to be a token?

A prominent Senator has declared that our choice is between our guns and our sons. This is nothing but a rewording of the slogan "aid short of war," which eased us into full participation in World War II. "Our guns and our sons" is undoubtedly implicit in the bill if it is carried through to its logical end.

So absurd does our Government's explanation of the purpose of this bill seem to Walter Lippmann that on August 4 he came forward with a brand new answer to our question. He declared categorically that the public is being misled in thinking that its purpose is to guard western Europe against Russia; that it is aimed to contain a rearmed Germany. The passage reads in part:

"The true case for European rearmament is one that has not yet been stated publicly. It is that considerably larger forces are needed in France in order to prepare for a German settlement. When the occupying armies withdraw (from Germany) * * * it is essential to the peace of Europe that there should exist a French Army sufficiently large to enforce the German treaty and to contain the German military revival. * * * The program makes no sense if it is supposed to create ground armies in a race with the Red Army."

Mr. Chairman, in the light of these conflicting interpretations of the far-reaching policy represented in this bill, would it not be a good idea for your committee to postpone action on it until you have explained to the American people what it is for, after first agreeing on an answer among yourselves?

2. WHAT WILL THE REARMAMENT OF WESTERN EUROPE CONTRIBUTE TO PEACE?

This bill is being offered to the American people as a peace measure, as were the North Atlantic Pact and the Truman doctrine. The theory underlying this whole policy is that peace flows from a preponderance of military power.

Let us examine this strange theory of peace. It is strange, and yet not new. Hitler had it, and Napoleon before him, and many others before Napoleon. We and our allies are to be so strong that no nation or combination of nations will dare attack us.

As a writer in the Wall Street Journal of July 27 put it:

"We are to preserve the peace by turning the world into an armed camp. We preserve it by announcing to our enemy that we hate him, despise him and fear him, and that we intend to build up sufficient force to crush him if need be. That 'if need be' is supposed

to allay him; we are peace-loving, and neither we nor any of our allies whom we arm would hurt anybody."

History, of course, shows that this pleasant theory has never worked. It didn't bring peace to Hitler's Europe. It exiled Napoleon to St. Helena. For it always has led to an arms race. Nations resent their subordinate and actually helpless position. Enemies and friends alike chafe under the domination of a great power. If the truth were known, we are acquiring no friends by our recently consummated military alliance under the North Atlantic Pact, while we strengthen our enemies.

Mr. Chairman, the rearmament of western Europe will contribute nothing to peace. On the contrary, it will bring the world closer to war. Not until you and the Executive create an atmosphere of confidence and understanding between Russia and ourselves, and we are leading nations toward general disarmament instead of rearmament, shall we be able to believe that we are on the road to peace.

3. WHAT FUTURE DOES THE MILITARY AID PROGRAM OFFER GERMANY?

"Security for western Europe" has been spoken of constantly as the aim of this bill. Analyze the question more closely, however, country by country, from Norway in the north to Italy in the south, and you will realize that the word "security" is dangerously inapplicable. There is no security in this rearmament program, but increased insecurity for each European nation.

We might select any of our European allies as an example, but I believe Germany, which is not yet our ally but is our ward, has the blackest outlook. If Russia should conclude that we are threatening her safety with advance airbases and ever-tightening encirclement, and should decide to march, don't our military planners intend to make Germany the battleground? Will it not be in Germany that we shall bomb Russia's concentrations of troops and supplies? Will it not be in Germany that we shall bomb the Russian lines of communication in the hope of halting her advance? To destroy one's allies is horrible, but 'military necessity led General Eisenhower to obliterate parts of Normandy, and "military necessity," so far as one can see, will make Germany the "no man's land" if this bill precipitates a third world war.

So the third unanswered question is, What does this military aid program offer to individual countries in Europe, and specifically to Germany?

4. SHOULD NOT AN HONEST-TO-GOODNESS PEACE PROGRAM BE DEVELOPED?

The action of the House yesterday in cutting in half this MAP and insisting on a "fresh look" next year is an encouraging sign. It reflects the prevailing uneasiness and downright dissatisfaction with a foreign policy that offers us not peace but only heightened tension and an ever more costly arms race with Russia.

Dr. Archibald MacLeish describes in the August issue of the Atlantic Monthly, under the title "The Conquest of America," how our rivalry with Russia has dominated our foreign policy for the past 4 years. "No proposal could be enacted," he says, "unless it could be demonstrated that the Russians wouldn't like it. * * * Never in the history of the world was one people as completely dominated, intellectually and morally, by another as the people of the United States by the people of Russia in the 4 years from 1946 through 1949."

Is it necessary, Mr. Chairman, for our great country to be "led by the nose" any longer by the Soviet Union? India's Prime Minister, Pandit Nehru, told a press conference on August 5 that India's refusal to abandon its independence of action by joining one of the power blocs is the result of its "positive" policy of working for world peace, abolition of racial discrimination and of economic exploitation. Are these not America's ideals? Why are we wasting our young strength in picking up the pieces of the British Empire and exhausting our resources in a negative program of trying to block Russia, when the world looks to us for positive peace leadership?

In my testimony before the House Committee on Foreign Affairs, I called attention briefly to the peace program recently published by the American Friends Service Committee (Quakers). The Quakers study the ways of peace just as the Pentagon studies the ways of war. Both are apt to flounder when they venture into the other's field.

The Quaker report is entitled "American-Russian Relations: Some Constructive Considerations." Excerpts from it were given front-page space on July 18 in most newspapers. The editorial comments that followed treated the report on the whole favorably, criticizing only two items of the recommended program.

At the risk of stretching unduly your kindness, I urge you earnestly to include with my statement a copy of the Quaker report.

Many Members of the Senate and House have gone along with our anti-Soviet foreign policy simply because they saw no alternative. This report offers a positive, intelligent, and practical alternative. As such, it merits your study. It does not answer all the questions, but no more does the military-aid program.

The world wants peace and the fruits of peace. You must help in developing an honest-to-goodness peace program.

Statement of Hon. Frank Carlson, Governor of Kansas

EXTENSION OF REMARKS
OF
HON. CLIFFORD R. HOPE
OF KANSAS
IN THE HOUSE OF REPRESENTATIVES
Monday, August 22, 1949

Mr. HOPE. Mr. Speaker, under leave to extend my remarks in the RECORD, I include herewith the following statement of Frank Carlson, Governor of Kansas, before the subcommittee of the House Small Business Committee, at Wichita, Kans., August 17, 1949:

Mr. Chairman and gentlemen of the committee, I welcome this opportunity to discuss the oil import problem because the welfare of the people of Kansas is being threatened. Excessive imports of foreign oil already have caused much injury to our State's economy. Far greater injury is threatened.

Not only has the Kansas oil industry suffered severely during the past few months but of even greater importance, the impact is being felt throughout our entire State economy. Injury to the Kansas oil industry is reflected in reduced purchasing power, loss to the State of important oil tax moneys and increased unemployment.

The problem facing the Kansas oil industry is rapidly growing more serious. Our oil industry is very definitely a small business operation. We have some 1,250 individual oil and gas producers. They continue in business and expand their operations principally from earnings. If their production and income is curtailed, they cease to explore for new oil. Our industry would then become static and Kansas would no longer contribute to the national security or to the problem of meeting increasing peacetime consumer requirements. During recent months, our State production has been cut back substantially, about 19.7 percent. As a result, the oil producer is already applying the brakes to his individual operations. He is not drilling the wildcat wells which he planned. While Kansas oil industry operations have been seriously retarded, during this period imports of oil have risen to a record high.

As imports displace domestic oil, we become dependent on a foreign source. World War II experience is too fresh a memory for us to be led into such a dangerous position. Yet since the war, the trend has been in this direction. This trend must be stopped. It prevents a problem that reaches beyond Kansas—it is national in scope and therefore is appropriate for study by this committee and the Congress.

Assertions have previously been made to your committee, particularly in the New York hearing, indicating that conservation programs in oil-producing States are used in collusion to artificially control production. These assertions are untrue.

As Governor of Kansas, with direct responsibility for its conservation policies, I can deny these charges without reservation. My experience as a member of the Interstate Oil Compact Commission, of which I am now chairman, enables me to know that such statements are not true with regard to the action of such officials in the other oil-producing States.

The oil and gas conservation officials of the producing States are duly elected or appointed and there is no reason to presume them unfaithful to their trust. Their acts are subject to the review and interpretation of proper courts of the land. If their acts were contrary to the laws under which they must operate, they would be immediately subject to court action. This procedure is at all times available. Many of the orders and regulations have been reviewed by State and Federal courts and have often been carried to the highest tribunal of our land.

There is no basis for statements tending to suggest improper administration of State conservation laws.

Through the necessity created by lessening of the market for the oil which could be produced in Kansas without waste, successive reductions in the allowable production have been ordered by the Corporation Commission of Kansas. The daily average production in Kansas for July 1949 as a consequence of the orders was about 60,000 barrels less per day than it was during December 1948 which production was 305,000 barrels daily. The commission is charged by law with the duty of preventing waste of oil and gas in our producing fields. Excessive storage of oil contributes to waste. The oil industry learned that many years ago and the aim has been to keep crude oil in the natural reservoirs until needed, withdrawing it at a rate consistent with use, and maintaining above-ground stocks in such quantity as necessary for transportation and refining operations. Market demand is an integral factor of the whole conservation program, just as are reservoir pressures and gas/oil ratios.

I vouch for the soundness of the administrative policy on oil and gas conservation in my State. The policy has been consistent. Even during the war, when the demand was for even greater production of crude oil, there were times when the State of Kansas set allowable production rates somewhat lower than those recommended by the Petroleum Administration for War. It did this because our conservation body and the industry knew that to produce at the rate recommended would speedily cause a decline in producing ability of many fields and that within a short time the result would be less, not more, oil for the conduct of the war.

As to the administration of conservation laws in other States, it might be amiss for me to comment except for the fact that I am

privileged to have some acquaintance with their programs and policies. Kansas is 1 of the 20 oil-producing States that are members of the Interstate Oil Compact. The commission which was established under that compact is a forum of discussion and a clearing house of ideas on conservation. It has nothing to do with setting production rates, although loose assertions have been made by a few uninformed persons to that effect. Each State acts under the authority of its legislative body. Each State, I believe, has gained much in the knowledge of broad principles of conservation because of its membership in the compact.

Through my participation in the compact commission's work and studies, I believe that the assertion which I have repudiated as to Kansas is equally false as to the other oil-producing States. The State of Texas has been referred to as having made unjustifiable reductions in their production allowables. The officials of Texas are perfectly capable of refuting such statements themselves. However, sufficient facts are available to enable anyone to judge for himself.

Before the last reduction of allowables was made in Texas, petroleum purchasers in three neighboring States in which oil was produced had of their accord reduced the amount of oil they would buy in those States by 15 percent. The record of your committee reflects the fact that testimony was given before the Texas regulatory agency by the largest purchaser of petroleum in that State to the effect that if that agency did not make such reduction, this company would be forced to reduce its purchases because of lack of market.

Looking at the national situation, production of crude oil in the United States has been reduced substantially from about 5,665,000 barrels daily during the closing months of 1948 to about 4,750,000 barrels daily by July 1949. This has not been a reduction below the market demand. Every demand has been met under these reduced rates. Over and above this meeting of current demand, the stocks of crude oil and refined products were at the following levels at the end of July:

	Stocks on July 30, 1949	Increase over year ago
	Barrels	*Barrels*
Gasoline	109,964,000	+10,763,000
Kerosene	24,547,000	+3,621,000
Distillate fuel oils	70,767,000	+18,338,000
Residual fuel oils	67,166,000	+18,548,000
Crude petroleum	271,999,000	+41,044,000
Total crude and principal products	544,443,000	+92,314,000

Source: Products stocks from American Petroleum Institute; Crude Oil Stocks from U. S. Bureau of Mines.

These figures show that inventories at the end of July 1949 were 92,000,000 barrels greater than at the same time in 1948. These stocks are in excess of adequate working levels as estimated by the Economics Advisory Committee of the Interstate Oil Compact Commission.

It should be noted that the excess stocks of residual fuel oil are located in California. For the area east of California, stocks of residual fuel have not increased as increased imports have demoralized prices thereby discouraging domestic production of this fuel and at the same time encouraging uneconomic conversions from coal to oil. However, ample supplies of domestic crude oil are available to meet the demand for this, and any other, petroleum product.

These facts, that every demand has been met, plus an accumulation of over 90,000,000 barrels in storage, show clearly that there has been no excessive or artificial curtailment of production. Greater production would have meant even further wasteful additions to inventories to the point where existing storage facilities might have been physically unable to handle the supply.

As Chairman of the Interstate Oil Compact Commission, I wish to introduce in the record a copy of a resolution on this question of imports adopted by the Interstate Oil Compact Commission at the 1949 Spring Meeting of the Interstate Oil Compact Commission at Jacksonville, Fla., on May 9 to 11, 1949. I would like to point out that this resolution recognizes that imports must not be permitted to exceed those quantities needed to supplement domestic production if the Nation is to avoid the loss of some 4,000,000,000 barrels of oil reserved underlying stripper wells. This resolution further recognizes that displacement of domestic crude petroleum has resulted from sharp increases and imports and that the present rate of imports should be reduced to such quantities as will not supplant domestic oil.

In view of the situation faced by the Kansas oil industry, it is encouraging to us to know that your committee is giving this problem of oil imports its careful study. Certainly an equitable solution is needed. A policy guide which has received wide acceptance has been developed by the industry through the National Petroleum Council. In my opinion, it is imperative that some means now be devised to implement this policy. Your committee is doing a great service in working to this end.

Keep the Ball Rolling

EXTENSION OF REMARKS
OF
HON. ANGIER L. GOODWIN
OF MASSACHUSETTS
IN THE HOUSE OF REPRESENTATIVES
Monday, August 22, 1949

Mr. GOODWIN. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following editorial from the Christian Science Monitor of August 19, 1949.

KEEPING THE BALL ROLLING

Failure of the would-be vetoers to stop the President's plans 2 and 3 and absence of any move to block the four plans remaining of the seven submitted indicate that this Congress does not oppose government reorganization as such.

On the other hand, the defeat of plan 1 (to set up a Department of Welfare), the narrow victory for plan 2 (to group the employment and the unemployment insurance services under the Department of Labor), and the previous bitter fight over reorganizing the Department of Defense now reveal pretty clearly the nature of the more serious difficulties in the way of effective Government streamlining.

From the beginning, opposition to each specific proposal by specific vested interests, within and without the Government, has been foreseen and, to some extent, discounted. The obstacles now taking form are less obviously the product of self-interest. They are more easily intertwined with, and hence concealed by, arguments on broad policy—on what is helpful or harmful to the country.

Here is a situation in which thoughtful citizens will feel a need for some set of standards against which to judge what has already been done and what is likely to come up when the President sends the next budget of reorganization plans to Congress.

Our contribution toward that end would run something like this:

We would say first: Follow the Hoover Commission's recommendations as fully and closely as possible. This is not an absolute rule. We have differed with the report in some respects, and expect to differ again. But the work of the Commission was as near nonpolitical as such things can be. And we would say to ourselves as well as to the President and Congress: If you differ, take more than one long, hard look at your motives and your reasons.

To the White House we would say: Don't sell out the opportunity of a century to get real administrative reform for a chance to put over partisan schemes, or campaign promises, or to further any controversial ideology of government. Suspicion of such jobbery killed the welfare department plan for the present, along with the several good things in it. That could happen again.

To Congress we would say: Consider the plans apart from the personalities immediately involved. The offices will remain; the incumbents will change, regardless of elections. No reorganization is possible—in fact, no Government program at all is possible—without an assumption that, on the average, the officials who will carry on will be persons of ability and integrity.

And to Congress again: Unless omissions defeat the very purpose of reorganization, don't veto a plan because it doesn't go far enough. It has taken well over 100 years to overcome entrenched interests and inertia and get the Hoover Commission report and its enabling legislation. The ball must be kept rolling, even though every push it gets may not be a circuit smash.

Essay of Robert H. Smith of McAlester, Okla.

EXTENSION OF REMARKS
OF
HON. CARL ALBERT
OF OKLAHOMA
IN THE HOUSE OF REPRESENTATIVES
Monday, August 22, 1949

Mr. ALBERT. Mr. Speaker, there appeared in a recent issue of the Delta Kappa Gamma Bulletin a very stimulating essay written by Robert H. Smith, a student of the high school at McAlester, Okla. This essay, entitled "My Teacher," received first prize in a State-wide contest. It is written purportedly as a letter from a grandfather to his young granddaughter on the eve of her graduation from college.

The essay follows:

MY TEACHER

(By Robert H. Smith, McAlester, Okla.)

MY DEAR LOUISE: I am writing this letter from my study and shall mail it tonight, so that it will be sure to reach you the day of your graduation from college. No doubt you are all excited, and, with the packing and last minute details to be taken care of, you are probably too busy to do more than glance quickly through my letter. I am sorry that I cannot be with you on the big day, but that is impossible, so I shall let this letter convey to you my congratulations. I want you to know how proud I am of you for the many fine things you have done in college. Certainly you deserve all the happiness the world can give you. In return you must give the world of your knowledge and youthful energy, but I am sure that you are well equipped now to do that.

I have been doing a great deal of thinking about you and the thousands of other young men and women like you who are in a few more days to enter upon your life work of

teaching. During the last 4 years you have learned much about the subjects you will teach, and about the children whom you will be teaching. These, and many other necessary things you have learned in college. Yet I wonder—are you sure that you are prepared for this sort of a career? I do not mean prepared with a formal education, as important as that is; but, rather, prepared with a clear knowledge of what your responsibilities as a teacher will be. I can recall, in particular, one teacher I had when I was a boy. She was more than just a teacher of books; she taught us life itself. I want to tell you about her, in the hope that it will help you to see your objectives in teaching.

In the country, life is different from your city life. When I was young, the men in our family were up before dawn and quit only when it was too dark to see to work. The ground had to be plowed and crops planted and harvested. We had little time for schooling. At the best, we could get in only a few weeks, possibly a month or two of school at a time. The ground was our life, and it received our greatest attention. We expected to be farmers too, and it was our job to help with the work, so that when we grew up we could have a farm of our own. Some of the parents, who had not had the opportunity for any education at all, were suspicious of "book learning." Then, as now, there were many obstacles to confront a young teacher.

It was into this life that Mary Davis came, fresh from college and armed with blue-backed spellers and boundless courage. She had grown up in the country, and she knew more than just the contents of the books she carried. She knew how to sew and cook and spin, and when necessary she could plow as straight a furrow as any man. She stayed with the preacher's family and walked 2 miles to and from school each day. The little school had just one room and that was not made for comfort. Rude benches, backless and rough, served as desks for the pupils; she had to plug the drafty cracks between the logs herself.

But still greater difficulties that Mary Davis encountered were from the children and their parents. Then as now, some boys and girls would rather go swimming in the mill pond than sit in a schoolroom. She spent long weeks gaining the confidence of the children and developing in them a desire to attend school. They learned, however, that there was far more to education than they had ever supposed. She took them out into the fields, there to discover the beauty and life that before they had never taken time to notice. She told the girls little secrets of cooking that would make their mothers and appreciative menfolks smile in delight. Boys who would have once put a grass snake in the teacher's chair because they resented her lack of love and understanding would now bring snakes into class as a part of their nature study. They learned how to make the most of their land, and methods of crop rotation and conservation. Parents found that their boys and girls could tell them more than they themselves knew about planting or harvesting or taking care of the home.

For many years Mary Davis labored with prejudice, suspicion, and indifference. Parents who were once distrustful of education slowly came to see the results of it, and they were proud of their sons' and daughters' ability to spell and figure. From their indifference grew interest, and she began to hold classes in the evenings for farmers and their wives who wanted to learn to read and write. The people began to discover the world about them, and how to make better use of their land and livestock. Mary Davis brought with her more than just her books, she brought the key to abundant life.

We children learned to know Miss Mary better than most of the people, and the more we knew her the more we loved her. She had a quality of inspiring trust and friendliness in everyone whom she met. The roughest people were nonplused by her quiet, yet firm attitude. Her patience was endless, and I never saw her angry at a pupil for a mistake or accident. Deliberate mischievousness or thoughtless acts brought a gentle rebuke and a look that spoke louder than any words. She never had any discipline problems with her students, and impudence or impoliteness were unheard of. She had her faults, as all of us do, but of these, kindness might be said to be her greatest weakness.

Mary Davis was always ready to help anyone in trouble. There were many nights that she spent at the bedside of a neighbor who was ill. The absence of a doctor in the area made her, with her admittedly scanty knowledge of medicine, the country nurse, an undertaking which she did to the best of her ability. She had the opportunity to make full use of her ingenuity, for each new circumstance brought different problems. Resourcefulness might well have been her motto, so logically and practically did she respond to every difficulty she faced. Miss Mary could always be relied upon in any emergency, however adverse the conditions or difficult the task.

For her, teaching was not restricted to certain hours, but all of the time. She often went out of her way to talk to a friend who needed encouragement or advice. She could frequently be seen with the children who were always near her. Often she would accompany the parson on his calls and entertain the young folk while the family visited with the minister in the parlor. Her ready wit and natural friendliness made her stimulating to hear, and she had a way of making even the dullest subject one of interest. Her manner inspired confidence and truthfulness in those whom she met. In all she combined most of the virtues necessary to the teaching profession.

It has been a long time since I sat on those rough, backless benches in the little schoolhouse, yet it was there that I first discovered myself and the world. Her purpose in teaching was to stimulate our desire to learn, to teach us how to live with each other, and to help mold in us characters of strength, courage, and faith in God. How well she succeeded it is impossible to measure; yet, in looking over the history of our Nation, we can see how it came to pass that men and women from humble log cabins became the leaders of our Nation. Scientists, teachers, philosophers, statesmen, and a host of others rose from simple lives wrought of ironclad character. My teacher and thousands of others like her who gave their lives to the teaching profession have literally shaped the destiny of our great country today, and they will continue to do so as long as young men and women like you will answer the call to teach.

It does not matter that you are living in a modern world. There are still vast educational frontiers to be pushed back, and you will find that your problems will parallel my own teacher's problems a great deal. You will have to deal with prejudice, indifference, and suspicion just as she did. Your problems, however, will be those of a complex, rapidly moving nation. They will require of you what they required of her: patience, kindness, love, unselfish giving of time and talents, personal inspiration, and all the other virtues so necessary to the success of your work. There will be many difficulties, yet the results will repay you a thousand times. The little red schoolhouse is fast disappearing from the scene and being replaced by modern schools, but the pioneering spirit of Mary Davis will never die as long as there is an America, and as long as there are educational boundaries to be surmounted. As a teacher, you have a responsibility to the world; follow Mary Davis' example, and make the most of your life. The world is waiting!

Affectionately yours,

GRANDFATHER.

Repeal the Excise Transportation Tax

EXTENSION OF REMARKS

OF

HON. ANGIER L. GOODWIN

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Monday, August 22, 1949

Mr. GOODWIN. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following editorial from a recent issue of the Melrose (Mass.) Leader:

Since the pre-Revolutionary days of the Stamp Act and the Boston Tea Party, Americans have resented discriminatory taxes.

One of the most irritating of this type presently on our law books is the 15-percent Federal transportation tax. Not enacted originally as a revenue measure, but as a deterrent to wartime travel, it has not yet been repealed although Japan surrendered almost 4 years ago.

Surveys prove that the great majority of Americans travel, and from the pockets of these people a quarter of a billion dollars is drained annually.

Since our neighbors on the north very sensibly repealed their tax on transportation, thousands of inhabitants of border areas have begun a sort of legal bootlegging. For example, in Detroit during a 1-month period, the sale of bus transportation dropped over $8,000, while there was a like increase in business at the Windsor, Ontario, terminal during the same period.

One Canadian transportation company official reports that they are receiving inquiries as to the possibility of purchasing tickets through the mail for use in the United States. These requests naturally have been rejected on ethical grounds, but there is no doubt that many new ways are being improvised to beat the tax.

Aside from such considerations, however, let us remember that you, the American people, willingly supported this measure for its obvious purpose during the war years, and that you have every right to agitate for its repeal now. Tell your Senators and Congressman how you feel. Insist that this tax on your freedom to travel be promptly eliminated.—*Highway Traveler.*

Pennsylvania's Oil Values

EXTENSION OF REMARKS

OF

HON. EDWARD MARTIN

OF PENNSYLVANIA

IN THE SENATE OF THE UNITED STATES

Tuesday, August 23 (legislative day of Thursday, June 2), 1949

Mr. MARTIN. Mr. President, I ask unanimous consent to have printed in the Appendix of the RECORD a very interesting article prepared by a Yale professor in 1855, relating to the production and use of oil. I am putting this in the RECORD because 28 States are now interested.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

CHEMIST FORETOLD PENNSYLVANIA OIL'S VALUE AS EARLY AS 1855

TITUSVILLE, August 10.—Pennsylvania oil's value as a lubricant was foretold as early as 1855 when Benjamin Silliman, Jr., professor of chemistry at Yale College, issued the first scientific analysis of petroleum. Four years later the world's first commercial oil well was drilled here by Col. E. L. Drake.

Silliman's Report on the Rock Oil, or Petroleum, from Venango County, Pa. has just been reprinted by Dr. P. H. Giddens, professor of history at Allegheny College, Meadville, in connection with the ninetieth anniversary of the oil industry to be celebrated here on August 27.

Giddens, who also is curator of the Drake Well Museum here, has written a foreword to the fascimile of Silliman's report. The oil industry historian says Silliman's report dispelled many doubts about the value of petroleum and encouraged investment in a venture that led to the drilling of Drake's famous well in 1859 and the founding of the petroleum industry.

The Yale professor's report today is regarded as a rare item of Americana, according to Giddens. The first petroleum scientist did not release his findings until George H. Bissell and Jonathan G. Eveleth, two young New York lawyers who were interested in developing the oil springs near Titusville and had engaged Silliman to analyze an oil sample, scraped up $526.08 to pay his fee.

The chemist's report explained that his "extended researches upon the rock oil, or petroleum, from Venango County, Pa." showed that "as this oil does not gum or become acid or rancid by exposure, it possesses in that, as well as in its wonderful resistance to extreme cold, important qualities for a lubricator."

Silliman hazarded that the Venango County oil was a pyrogenic (fire-produced) product, judging by the very high boiling point of most of the products of the distillation. He described the crude oil as having a dark brown color which, by reflected light, was greenish or bluish. It differed, he said, from oil obtained elsewhere by not becoming hard and resinous like mineral pitch or bitumen after long exposure to the air.

After listing the several boiling points of the portions of the crude oil, Professor Silliman stated the basis of what eventually became to be accepted operating procedure in oil refineries." We infer that the rock oil is a mixture of numerous compounds, all having essentially the same chemical constitution, but differing in density and boiling points, and capable of separation from each other by a well-regulated heat."

Petroleum's principal value at the time Silliman made his study promised to be in lighting homes and workshops. In this connection the professor wrote: "It is safe to add that, by the original distillation, about 50 percent of the crude oil is obtained in a state fit for use as an illuminator without further preparation than simple clarification by boiling a short time with fair water."

Later generations of petroleum scientists have marveled at the vision of Professor Silliman, hinted in the closing words of his report:

"In conclusion, gentlemen, it appears to me that there is much ground for encouragement in the belief that your company have in their possession a raw material from which, by simple and not expensive process, they may manufacture very valuable products.

"It is worthy of note that my experiments prove that nearly the whole of the raw product may be manufactured without waste, and this solely by a well-directed process which is in practice one of the most simple of all chemical processes."

Address by Hon. Alexander Wiley, of Wisconsin, to the St. Bartolomeo Society at Waukesha, Wis.

EXTENSION OF REMARKS

OF

HON. ALEXANDER WILEY

OF WISCONSIN

IN THE SENATE OF THE UNITED STATES

Tuesday, August 23 (legislative day of Thursday, June 2), 1949

Mr. WILEY. Mr. President, on Saturday, August 20, it was my pleasure to address the St. Bartolomeo Society at Waukesha, Wis., reviewing the life of this great spiritual leader, in whose name the society is dedicated, and commenting on present-day problems of Italo-American relations.

The people of America have always felt a very warm and sincere friendship with the Italian people across the seas. To our own land from Italy have come some of our finest citizens, enriching the culture of this continent. Of late, we have been particularly interested in the welfare of Italy because she has become a bastion of the Western World, experiencing the onslaught of communism at her gates.

I ask unanimous consent that the text of my address before the St. Bartolomeo Society be printed in the Appendix of the CONGRESSIONAL RECORD.

There being no objection, the address was ordered to be printed in the RECORD, as follows:

THE LIVING MESSAGE OF ST. BARTHOLOMEW, 1949

Friends of Waukesha, I am very happy to be your guest this evening. It is indeed a privilege to speak to this fine group of American citizens, most of whom stem from that great people of Italy.

THE LIFE OF ST. BARTHOLOMEW

It was my privilege to read the very fine address given last year by your able and genial Congressman, Glenn Davis, in which he sketched the life of St. Bartholomew, who is known also by the name of Nathaniel, one of the Master's disciples. St. Bartholomew, apostle and martyr, had sat at the feet of the Master and had learned from Him those great Christian principles which shaped his life to become a great teacher and preacher of the Gospel in Italy, in Arabia, in Asia Minor, and—some believe—in India. He grasped the significance of the statement: "Ye shall know the truth and the truth shall make you free." This sent him on his great adventure which culminated in his laying down his life for the cause.

From the life of this saint, you and I can draw many lessons, lessons which if we apply them in our own lives, will make us better servants of our creed and better citizens of this great Republic.

While the mortal remains of St. Bartholomew rest in Italy in a church dedicated to him on an island in the Tiber at Rome, his spirit marches on. This is evidenced by the fact that he has been accepted by many of the Italians here in Waukesha as their patron saint, and by mariners throughout the world as their patron saint. The spirit of St. Bartholomew is the spirit of consecration to the living God against the anti-Christ against atheistic communism.

THE CHALLENGE TO YOU AND TO ME

So, today, we gather to refresh ourselves in contemplating some of the virtues of this great citizen of the world, and dedicate ourselves to preserving those freedoms of the spirit which he loved and for which he sacrificed. Included in this dedication and undertaking is the preservation of this great Republic—your land and mine—which has been catapulted to the top in world affairs and is the world's greatest depository of those freedoms of the spirit.

THE ANTIDOTE TO COMMUNISM

St. Bartholomew was loyal to the teachings of the Master—those teachings that we should not only love the Lord our God with all our heart and mind and soul and strength, but also "love our brother as ourselves." Surely, this great ferment of love provides the true antidote to the ferment of communism, of class hatred. If St. Bartholomew were with us in the flesh today, I am sure that he would counsel us to carry on in the spirit of the Master and he would also tell us to preserve those great fundamentals that constitute the American way.

PATRIOTISM OF ITALIAN-AMERICAN IMMIGRANTS

Among my audience are descendants from immigrants from Italy. I must express to you my appreciation for that sense of loyalty that you Americans demonstrated to the Republic even in those days when Italy was regarded as one of our "enemies." You know that is the wonderful thing about this America of ours. While we love the land from which we or our parents came (and we have a right to do that), we know that this is our country.

May I tell you the story of a little incident that occurred just a little over a year ago when I was in San Francisco. Coming down from the famous Coit Tower, I noticed that the elevator operator spoke with an accent, so I asked him where he was born. Pointing down toward the direction of the harbor, he said: "40 years ago, I landed at that pier. I was born in Italy, but this is my country." When he said my country, he literally shook with proud emotion. Yes, we all feel just like this American of Italian descent felt when he said, "This is my country."

And what did he have in his mind when he said that? Well, you undoubtedly know. He truly felt what it meant to be an American citizen. He had come to this country poor. He probably had children who were grown, successful in business or the professions or in public life. He owned his own home. He read a free press. He went to the church of his choice. He breathed the free air of America. On the other hand, he saw the struggle in his unfortunate mother country—the war was over. Much of the economy was ravaged. Communism rampant, poverty, misery all about. No wonder he said of America: "This is my country."

After all, it was an Italian, Columbus, who discovered the New World. It was another Italian, Cabot, who discovered the North American Continent, and ever since these two began their march westward, countless Italians have enriched the blood, the music, the art, the life of our continent.

THE THREAT OF COMMUNISM

But let us not just look at the past. Let us look at the present and the future. Obviously, one of the paramount facts of the world today is the almost unchecked sweep of bolshevism throughout the globe. This is not scare talk, my friends. This is hard fact.

You and I know that communism, based upon the theory of Karl Marx, means community of all property—abolition of private property; it means complete control of labor by the state; the state having unrestricted power to draft individuals for labor without reference to their personal desire. The state is all. The individual has no rights whatsoever. Communism asserts there is no God. It attributes all the natural rights of man to the community, it strips him of liberty and makes him a mere cog in the machine for the production of material

things by collective labor in a classless, Godless community.

THE COUNTER-CRUSADE AGAINST COMMUNISM

You and I recognize, too, the terrific battle which is being waged in Italy and elsewhere against communism, particularly through the leadership of His Holiness, Pope Pius XII. The forces of right, of justice, shall, of course, prevail, but the battle will rage with undiminished fury.

There are no iron curtains to shut out the inflow of ideas. Unless an individual so buttresses his own thinking with the right ideas—either good ideas or bad ideas—he is liable to find himself subject to the wrong ideas. Unless there is lodged in the individual those fundamental truths taught in the Christian religion, he may be subject to the inflow of those communistic concepts that are running riot on earth.

May I briefly recall another anecdote:

In 1947, my wife and I were in Europe. We came back on the *Queen Elizabeth* and while on board, I was introduced to Mr. Andrei Vishinsky by Mr. McNeal, head of the British delegation to the United Nations. Vishinsky said he didn't speak English, so there was an interpreter present. When I grasped his hand, I looked him straight in the eye and said: "Mr. Vishinsky, I pray every night that Russia and Britain and America and the other nations of earth will have a sincere desire for peace, and will be adequate to consummate that desire in some form of effective international organization." Through the interpreter came the reply from the Red delegate to the United Nations: "I do not pray."

Consider this incident, my friends.

Last year I was out in Mount Palomar, Calif., looking at that amazing 200-inch telescope which examines the light from stars that are over 500,000,000 light-years away. This instrument has measured almost infinitely distant worlds where the sun is as small in comparison as our earth is to the sun. (Our earth, as you know, has a diameter of 10,000 miles—the sun 1,000,000 miles.) Yet—Vishinsky doesn't pray. Washington and Lincoln were praying men, as are all great souls. St. Bartholomew was ever reaching for the light. But the Reds seek only to replace the light with darkness.

Now, let us talk specifically of the Communist and other problems in Italy.

ITALY'S GREAT COME-BACK UNDER THE MARSHALL PLAN

I should like first to say just a word about the great role of the Marshall plan in bringing Italy back to partial economic health. During the last fiscal year, Italy has received some $500,000,000 in aid through the European recovery program. This aid has pumped life blood into the economic body of a previously prostrate republic. For the first time, Italy's food supply has permitted the ending of all rationing. Inflation has been curbed.

Italy's exports have risen during 1948 to approximately the 1938 level. This has served to reduce Italy's unfavorable balance of trade. Her textile mills are the marvel of Europe and she has made other splendid advances.

The Italian Government, under Premier de Gasperi, has played a fine role in cooperating with other European nations toward reducing barriers to trade, toward attaining European self-sufficiency, and toward a greater political collaboration of the Western World.

Let me indicate just for one moment how American aid to Italy works out. The supplies which our Government makes available to the Italian Government are sold by that Government to the ultimate users. The proceeds from this sale by the Italian Government are deposited in a special lira fund. This fund in turn is used for reconstruction and recovery purposes. Thus, my friends, we have a twofold effect. Every pound of food, every ton of machinery which we forward to Italy, aids by that much in her comeback. Moreover, the sale of these items increases the lira fund, which, in turn, helps rebuild bridges and roads, reestablishes railways, reclaims land, etc.

THE SET-BACK TO THE REDS IN ITALY

The American people want, of course, to help Italy to help herself. At the same time we have a right to ask, Has our help contributed toward reducing the totalitarian trend in Italy?

The answer is yes. In fact, nowhere in Europe, save perhaps in France, have the effects of the Marshall plan been so favorable in terms of lessening the danger of communism.

To anyone who knows the Italian people it seems inconceivable that there should be any danger at all of communism, except when one considers the appalling poverty, the malnutrition, the unemployment, the cynicism which resulted from Italy's years of lack of freedom and her defeat in the Second World War. Hungry peoples, desperate peoples, disease-ridden peoples turn to communism.

Fortunately, however, there is a deep love of freedom in the Italian people, and, in addition, a great fund of common sense. Moreover the Italian people are a devout, churchgoing people, whose leadership in the field of religion is an age-old fact which the world has almost taken for granted. The Italian people, who gave to the world the flower of art, of music, of literature, is inherently anticommunistic, and we have given this great people the sinews with which to fight communism.

Earlier this week I checked with the State Department and they confirmed the fact. You know, of course, that the Italian Communist Party has numbered over 2,000,000 members, the largest outside the Soviet Union. It attracted some 8,000,000 voters. Moreover the Communist-controlled General Confederation of Labor claims over 5,000,000 members.

Well, my friends, although the Communist Party has denied that its membership has dropped to 1,500,000, it is a significant fact that the Communist secretary of Labor Federation recently admitted that this organization has lost 1,000,000 members, 200,000 of them in Milan alone.

THE CONTINUING RED MENACE

But the danger of communism is not eliminated, my friends. The Reds are ingenious, highly adaptable, flexible in their tactics, masters of the monkey wrench. You and I have read of their tactics of promoting chaos in the Italian Parliament. We have seen pictures and read stories of the bloody street riots which they are so easily capable of promoting. The Italian Communist Party, let us note, is the largest single Communist Party outside the borders of the Soviet Union.

Situated as it is very close to the Communist satellites behind the iron curtain, Italy is always in double danger. Her borders are virtually unprotected, because of the postwar treaties. It is easy enough, my friends, for you and me 3,000 miles away to stand up stanchly against the Communists, but the Italian people are in the front lines. The Red flag waves right outside their border, whether it be the Red flag of Marshal Tito or of Albania or of any of the Soviet-controlled Balkan states.

In the Senate Foreign Relations Committee, Italy has been and will remain one of our chief topics of interest and attention.

RECOMMENDATIONS ON TRIESTE, COLONIES, ARMS

And now, if I may be permitted a final material word, so to speak, on this great spiritual occasion, let me present three concrete recommendations.

1. It is obvious that Italian Trieste must be promptly returned to Italy. That is the policy of our United States Government. That is elementary justice based upon the ties of blood and loyalty between the people of the territory and Italy. We must therefore persist in demanding the return of Trieste.

2. Another matter requiring our urgent consideration is the question of Italian colonies. I need not tell you of the investment of sweat and blood and tears of countless Italian men and women which has gone into building up these colonies. I need not tell you of the appalling conditions under which Italians are now living under occupation there. Obviously, no permanent solution to the problem of Italy is possible unless and until the question of overpopulation of Italy itself is handled adequately. This, in turn, brings to the fore the necessity of a just solution to the colonial problem—a solution which I trust will be forthcoming in the meeting of the United Nations Assembly, and a solution which recognizes Italy's legitimate interests.

3. A third basic issue is the question of adequate modern Italian arms to defend Italy against the threat of aggression. You cannot fight a tank with your bare hands, and the Italian people cannot be expected to resist aggression unless they are given the wherewithal to defend themselves.

Italy has demonstrated wonderful courage in her entry into the North Atlantic Pact. She is in effect putting her head in the mouth of the Russian bear. It is up to us to help make sure that the bear does not snap its jaws, by helping Italy to rearm to the extent that our military officials jointly determine with Italian leaders.

CONCLUSION

Well, my friends, it has been an inspiring occasion to be with you today.

Wisconsinites of Italian descent have contributed mightily to the growth of our beloved State. I am sure that you will make still further contributions in the pattern of true Americanism—the pattern of the sons and daughters of immigrants building the greatest Nation on earth.

Yes, it has been a real pleasure to meet with you, to drink from the life of St. Bartholomew inspiration, and to rededicate ourselves to the preservation of the Republic. Perhaps I have demonstrated to you the need of all of us to be awake and alert so that we will not have any more Pearl Harbors, military Pearl Harbors or mental ones. "Eternal vigilance is still the price of liberty." This means that we cannot rest on our oars. We must pull in unison to avoid the rocks and the dangerous rapids. It means that we must not permit those who would split us up into factions to succeed in their dangerous purpose.

Let us ever remember that this is our country and that the pseudo thoughts and bogus ideas of communism, fascism, statism, and socialism must not become imbedded in our way of life. We have much here to preserve, and it is going to take effort and time—yours and mine—to preserve these values. But who wants to live a life of ease when the world is dynamically evolving as never before? We are privileged to be alive in this period, and we have to demonstrate that we appreciate that fact. We will show that we are awake and alert by meeting head on the impact of wrong thinking and by guarding and guiding this beloved Republic.

Asia—Summing Up

EXTENSION OF REMARKS

OF

HON. ROBERT HALE

OF MAINE

IN THE HOUSE OF REPRESENTATIVES

Tuesday, August 23, 1949

Mr. HALE. Mr. Speaker, no matter how deeply we bury our heads in the

sand, nothing can alter the facts about what is going on in China. Our State Department now realizes that our Chinese policy must be revised, but it has not yet the sense of urgency which is so necessary if we are to do anything effective. Under leave given me, I ask attention for the text of an article by Stewart Alsop in the Washington Post of August 22, 1949:

MATTER OF FACT

(By Stewart Alsop)

ASIA—SUMMING UP: I

The odd sense of unreality which most travelers experience on their return from abroad is curiously heightened in one who has returned to Washington from the Far East. For it is perfectly clear that, if southeast Asia is allowed to go the way of China, an unthinkable war is virtually inevitable. And it is perfectly clear that southeast Asia will go the way of China—and very soon—unless a major effort is made to reverse the process which is now under way.

Yet—and this causes the sense of unreality—there is no atmosphere of urgency at all in Washington. There is a good deal of talk. There is a good deal of worrying. A good many policy papers are being written. But nothing very much is being done, and nobody seems to contemplate doing anything very much for a long time to come.

If nothing is done, the sequence of events, as forecast by the most experienced observers in the Far East (and as undoubtedly forecast by V. M. Molotov, now directing the Soviet power drive in Asia) is broadly as follows: The Chinese Communist armies will reach the borders of Indochina and Burma while the non-Communist government in Burma and the non-Communist Bao Dai regime in Indochina are both still pathetically feeble. The promised material support will be delivered to the Communist forces in these countries, and Burma and Indochina will rapidly be transformed into new democracies.

When Burma and Indochina go, Siam will follow—on this point everyone (including the Siamese) is unanimous. The long, irregular Siamese-Malayan border will then become an avenue of infiltration and supply for the Communist guerrillas in Malaya, and the British position in Malaya will be rendered untenable. The rest of southeast Asia gone, the pressure on the harried, new-born Nationalist government in Indonesia will be too great to withstand.

All this is not some sort of unpleasant nightmare about small, faraway countries with peculiar names. It is what is now extremely likely to happen. It is likely to begin to happen, not in the distant future, but in a matter of months, before this year is out.

This is not merely the opinion of this reporter. It is the opinion of every single informed observer on the spot. It is necessary to consider what it will mean to the United States if southeast Asia, together with China, is organized under the authority of the Kremlin. In the first place, it will mean either that Japan's vital industrial potential will be added to the Kremlin's vast Asiatic empire, or that, to prevent this happening, the United States will be forced to transform Japan into a tightly held military colony.

With the inexorable need to feed her people, with her export market in the United States destroyed, it is nonsense to imagine that a non-Communist Japan could hold out against Communist pressure when her whole natural trading area had been organized under Communist control. The United States could, and probably would, attempt to hold Japan permanently by military means. But ultimately this could only be done, if it could be done at all, by brutally repressive measures.

In the second place, southeast Asia is incomparably the richest remaining reservoir of untapped resources in the world. Leave aside for the moment the strategic meaning of a Communist southeast Asia. Consider only the economic meaning: If these riches are added to the Soviet power center, and subtracted from the West, the kind of overturn in the world power balance will have occurred which in the past has always resulted in war.

It is difficult to write about what is happening in the Far East without sounding shrill and hysterical. And it must be said at once that the sequence of events outlined above, although it is now quite clearly likely to happen, need not necessarily happen.

To balance the picture, it is necessary to add the assets which the West still commands in Asia. Some of these are, non-Communist governments in Japan, Korea, the Philippines, Siam, Burma, Indonesia, and above all India; the economic weakness of Communist China; the great potentialities for a sharply improved standing of living throughout southeast Asia; the weakness and division of most of the native Communist movements; the unpopularity in southeast Asia of the Chinese minorities who have clearly been designated Molotov's political shock troops; and perhaps, above all, Asiatic nationalism. The Soviets have exploited this nationalism against the West, but it is a two-edged sword which can also be turned against Soviet imperialism.

Forthcoming reports in this space will outline the views of the best-informed observers and officials on the spot as to what can be done to exploit these assets, and to prevent the disaster which has already occurred in China from becoming the final catastrophe of the loss of all Asia. But the essential ingredient of every plan of action in Asia can be stated in one sentence. It is the sense of urgency in the United States which is required if the effort to save Asia is to be made. For the effort must be great, and it must be made very soon.

Mr. Truman's Bold New Program

EXTENSION OF REMARKS

OF

HON. FRED. L. CRAWFORD

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Tuesday, August 23, 1949

Mr. CRAWFORD. Mr. Speaker, charity begins at home. Yet we have long lived a doctrine of favorable balance in trade that made it begin abroad. In the hope that the dumping of American goods in other peoples' laps may be stemmed before the overdraft on our natural resources, relative to demands thereon by pyramiding populations, becomes an inescapable dilemma, I offer for the RECORD under leave to extend my remarks, an abridgment of a recent address by Hon. Spruille Braden at the Colgate University Conference on American Foreign Policy, as follows:

POINT IV BY PRIVATE ENTERPRISE

(By Spruille Braden)

"It is related that a person of limited intelligence, on being assured that he would certainly one day enjoy an adequate competence if he closely followed the industrious habits of the thrifty bee, spent the greater part of his life in annointing his thighs with the yellow powder which he laboriously collected from the flowers of the field."

In plain language, diligence and thrift, admirable as they are in themselves, will be useless or even harmful if misdirected or employed in a futile attempt to reach an unobtainable goal. Just as it is impossible for men economically to perform the essential functions of the busy bee, so the application of the highly industrialized system of the United States to other peoples, in other climes, under widely divergent conditions and influences may be inopportune, abortive and injurious to all concerned.

Certainly, with the world in its desperate economic and political straits, this is no time for our Government to dash forth in pursuit of utopias, otherwise to indulge in misguided endeavors or to heap further taxes on an already overspent Nation in order to finance global panaceas. Yet, in effect, that is precisely what the American people from a relatively small beginning may gradually, perhaps unwittingly, slip into doing, led astray by their emotions and by the glittering enticements attributed to the so-called bold new program.

We, Americans, are innately optimistic and, therefore, always ready to try something new, especially if it promises reform or a speedier approach to the millenium. Also we are given to emotional outbursts of all varieties; harmless or explosive, of short or long duration, for good or bad, they sweep the whole country from coast to coast. There were the manias for mah-jong, obstacle golf and blowing bubbles. Now our charming ladies, almost without exception and with scant regard to the masculine eye for a well turned ankle and a trim figure, unaesthetically bedeck themselves in the new look, sloppy flat-heeled slippers and slacks. Whole communities, seduced by the hope of getting something for nothing go all out for pyramid clubs and radio give-aways. As opposed to these rather silly mass psychoses, on other occasions, with splendid generosity we contribute vast sums to help those all over the earth, who, less fortunate than we, suffer from catastrophes and war, illness, and starvation.

Great promises dissipated in subsequently small performance will impair confidence in us and in the world leadership which is ours. Let us remember with John Kible that:

"Nemesis hangs over men who are overbold in aspiration, whether, like Prometheus, they devise methods and expedients for the alleviation of common ills, or, as Io, indulge in building castles in the air."

Before waxing overbold in aspiration by devising methods and expedients for the alleviation of ills common to all humanity, would it not be wise first to cure our own ailments? In this way we might set a good example for others to follow, we could better learn how later on effectively to assist our neighbors, and, after all, charity does begin at home.

Everything the point IV program proposes to do for the undeveloped areas of the earth should also be done in and for this country. Millions of our fellow citizens need and wish to realize their yearnings for a better life; to have more and better food, clothing, housing and more mechanical power to lighten their burdens; in short, to raise substantially their standards of living.

In contrast with the manifold divergencies, obstacles and risks which will be encountered in trying to spread our industrial and scientific techniques abroad, it would be easier first to attack this huge job to be done at home. Here we have a more or less homogeneous population, already possessing technical know-how or, at least, a ready adaptability thereto. We enjoy general uniformity of laws, customs and principles and, above all, a firm belief in our way of life—in the private competitive enterprise system.

That we should give priority to the huge job to be done at home in no way pre-

cludes our proceeding simultaneously to increase friendship and cooperation with our neighbors to the south. Our maximum efforts in these particulars should be concentrated in this hemisphere. There is no other region where the point IV program can be essayed under more propitious circumstances. Its success or failure in the new world should indicate what might be done elsewhere.

Let us pause to contemplate just what the expression "bold new program" means. Presumably it may be bold to the extent it breaks precedents, overreaches our abilities or becomes foolhardy. None of these alternatives are necessarily commendable, hence, the word, although actually meaningless, might have been injected because it was sonorously inspiring. Such literary flights make a poor defense against hard economic facts.

The dictionary defines a program as "a prearranged plan or course of proceedings." Yet, 5 months after the President's pronouncement, we are told officially that "all the agencies of Government having experience in the fields of international technical cooperation and economic development have been hard at work examining ways and means for United States participation in the point IV program." In other words, there was no program to begin with and, judging by what has thus far emerged from Washington, it still remains pretty sketchy for what Mr. Truman says "has become one of the major elements of our foreign policy."

The plan, so far developed, appears in the President's special message and two bills recently presented to Congress. Separated from the usual pious platitudes and alluring abstractions it is admitted to be experimental and only the first steps. It divides into two categories: (1) Technical aid by the United States Government and the UN; (2) encouragement to private enterprise to go abroad through the negotiation of protecting investment and trade treaties and by the Export-Import Bank guaranteeing capital against losses. It is recognized that the major effort may be local, i. e., via self-help.

The cost of these experimental first steps during the initial year will be $45,000,000 for technical aid and an unknown amount on the guarantee account. Such starting estimates may cause those to shudder who have observed the manner in which truly insignificant scorns of expenditure in Washington quickly grow into gigantic spreading oaks.

During the last decade the United States Government has actively been giving technical cooperation through Latin America, expending large sums in the process. Its success has been relatively unimportant, excepting for the Institute of Inter-American Affairs work in education, health, and agriculture. These projects were carried on jointly with the respective national authorities and United States contributions steadily decreased as the local share rose.

For some time it would be advisable to restrict United States Government activities under point IV to this type of endeavor.

Even so, there will be complicating factors. What is to be done when techniques so improve health and other conditions as to increase greatly the population in a country, which even under optimum foodstuff production can now barely sustain a smaller number of people? Wisecracks about birth control and making it retroactive don't give the answer. Or, to take a simpler case, if by the use of modern tools a worker produces twice as much, it may require quite an educational campaign plus the generation of many incentives to dissuade him from working half as long.

It is pertinent to observe that American enterprises cannot afford to give away their scientific and industrial knowledge, experience, and techniques for nothing; payment must be made for patents and know-how. Nor can they permit these things to be misused by reason of ignorance or for improper ends.

On the other hand, the United States Government mostly does not possess these things and, therefore, cannot supply them. To the extent that foreigners, unaware of this fact, are disappointed in their expectations, they will accuse Washington of bad faith. However, this probably won't stop the bureaucrats, since no government organ, I ever heard of, has yet abstained from any function because it acknowledged itself to be ignorant or incompetent.

Therefore, unless Congress rigidly circumscribes governmental operations under point IV, there is grave danger that the appropriations required for the program, within a surprisingly short time, will become enormous. Frequently they will be of a speculative nature. To employ United States taxpayers' money in such ventures would be unprincipled and unsound; it would be counter to our democratic-capitalistic tenets; it would involve us in the worst form of dollar diplomacy; it would turn over the investment of our savings to bureaucrats, ill-equipped for the task and whose responsibilities for the errors they may commit would be blurred; and it would deprive our citizens of their fundamental right to choose their own investments.

No officialdom, irrespective of how carefully selected or wise it may be, is competent to master and direct all the intricate and powerful economic forces of this Nation—and still less of the whole world.

To prosecute more than a small part of this program through governmental vehicles, disbursing the taxpayers' money in government-to-government loans or grants would render it bold to the point of foolhardiness. The recipients of governmental loans or largesse acquire a distaste for private capital. Moreover, governmental credits receive exchange priorities and other preferences, thus further injuring private interests.

Even worse than developing this program through United States governmental instrumentalities would be to put it under the less experienced United Nations and the latter's specialized agencies. This Nation would continue to make the major financial and technical contributions, yet the direction and control thereof in most cases would be vested in those organizations where our single vote would be overwhelmed by those of the plan's beneficiaries. The United Nations, like all bureaucracies, seems ambitious to expand its activities and, at best to be only grudgingly tolerant of private enterprise. To coordinate its operations with those of private organizations would be a Sisyphean task. The evils of the statism and bureaucracy from which we already suffer within our own country would be expanded into an infinitely more dangerous international superstate and hegemonic bureaucracy.

During recent years we have witnessed the menacing and ever-increasing tumefaction of a variety of grants-in-aid to the several States and of Federal subsidies to sundry groups who may possess convincing electoral influence. All of this undermines self-confidence and individual initiative and makes men supine under a welfare state.

Still it comes as a shock to learn we have advanced so far down the easy path of lethargic submission or indifference that it is now proposed to use the taxpayers' money as a guaranty to induce private capital to invest abroad in undertakings in which, based on sound business judgment, it would not dare hazard its own funds.

According to the President's message to Congress, private investors are to be insured against the dangers of inconvertibility of their capital and profits into dollars, expropriations, unfair and discriminatory treatment by foreign governments, and the destruction of their enterprise through war or rebellion.

While this proposal as yet is too nebulous and complicated to permit of detailed analysis, certain generalizations are applicable, irrespective of the nature of the loss which the guaranties are supposed to cover. The suggested procedure would be unsound because—

(a) Any guaranties such as are contemplated should be given by the country where the investment may be made, and under no circumstances by the country supplying the capital.

(b) It would appear unfair to discriminate against older investments, i. e., precisely against those who have demonstrated the initiative, enterprise, and courage to go abroad on their own, without governmental assistance. On the other hand, were the guaranties to be extended to existing investments, the risk might be an undue burden on the United States Treasury; while simultaneously the premiums might too greatly augment operating costs of the beneficiaries. Either alternative would be bad.

(c) In many cases, it simply would not work. It would be impossible to insure against the speculative risks of exploration for minerals, timber cruising, etc., or to guarantee the value of mineral reserves.

(d) To use the taxpayers' money in such an undertaking would be wrong in principle and unwise in practice. A governmental official, in my opinion, must act as a trustee on behalf of the taxpayers. He has absolutely no right by taxation to seize their savings and invest them in a motley lot of businesses scattered far and wide over the earth. Similarly, I question the propriety of that official employing the taxpayers' money to underwrite or guarantee risks, which the private investor would otherwise reject as unsafe. Under this system the private investors would get the profits, if any; whereas, the taxpayers for certain as yet indeterminate premiums which will never reach their pockets, would wind up absorbing the losses.

(e) Not only would it weaken the disposition of underdeveloped areas to create an atmosphere attractive for private investment, but to the extent losses result from the actions of foreign governments, it might even increase the number of expropriations and other abuses, on the theory that after all, "Uncle Sam will pay the bill anyway."

(f) It would increase the already dangerous measure of governmental supervision and interference in business. It would involve registration of capital, profits, and other data, thus giving the unfriendly or unscrupulous a potent weapon wherewith to harass and injure our investors.

(g) Since the guaranties would have to be available to every citizen, it could be employed by the chiselers, fly-by-night and crooked promoters to the disadvantage of every one concerned, excepting only themselves, thus giving United States business—and government—a bad name. A sort of Gresham's law might result; bad investments driving out the good.

(h) The Export Import Bank in due course might be forced to make good some of its guaranties and therefore to take over the private investor's position, often including large blocks of nearly worthless foreign currencies. The United States Government would then find itself in one or more bad pieces of business which would be the subject of acrimonious debate with the local authorities. Such a situation would be embarrassing or humiliating and might lead to disagreeable charges that we were exercising a new species of dollar diplomacy.

(i) For the aforegiven reasons, it would discourage rather than encourage private investment.

(j) Lastly and worst of all, it would establish a precedent in subsidized business that could be seized upon, both at home and

abroad for their own gain by pressure groups—labor, agriculture, and business of every variety—to raid the public purse. It would be represented by Communists and others as proof positive that private enterprise cannot operate on its own, but must be supported by the taxpayers' money. It would undermine the fundamental concepts of our democratic, self-reliant system.

It is my belief that the majority of American business leaders still have too much virility to be led astray by the debilitating paternalism of government guaranties. ECA experience with its somewhat similar insurance scheme would seem to confirm this opinion.

Since, as President Truman cogently observed, the major effort must be local, it behooves the governments, who seek developmental capital and know-how for their areas, to learn and adjust themselves to the basic economic facts of life; to enact and honestly administer proper laws and regulations which will encourage private enterprise; to abandon legislation and practices which discriminate against foreigners; in short to create that intangible but all-essential atmosphere which will attract investment. If they will do these things, they will find United States capital anxious to venture abroad, as it has in the past, on a scale and in a manner which will bring large profits to everyone involved.

It is pertinent to observe that under the vast array of overlapping laws, regulations, and taxes existing both in the United States and Latin America, it would be utterly impossible presently to initiate the vitally important enterprises, which have so hugely benefited those peoples and their governments, raised their living standards, and given us the strategic materials without which we could not have won the recent war. In other words, unless the impediments and disincentives I have described, can be removed not even a start can be made constructively on the bold new program.

It has been reiterated that point IV is a long program, yet there are those who would now present it as a quick cure for recession, disinflation, or whatever one wants to call our present economic difficulties. To corelate it with any short-range problem will only cause confusion. Since it will require decades and generations, patience and persistence will have to be exercised by all.

In the development of the Truman program, it is imperative at all times to bear certain verities in mind:

(a) It is dangerous to generalize. Each country and area must be studied separately and plans adjusted to the specific conditions prevailing therein, before an attempt is made to formulate a coordinated general plan.

(b) It is a common error to attribute unlimited resources to so-called undeveloped areas, as for instance Latin America, when actually extensive investigations in each country have already proven that the alleged riches are not readily at hand.

(c) Our scientific advances and industrial or technical procedures are not universally applicable. A small mine in the Andes may be worked profitably by local methods; whereas it would be a losing proposition for American operators.

(d) The exploration, development, and working of such large natural resources as do exist can be performed successfully only by private enterprise. Government, and still more international government, is incapable of doing the job.

(e) As previously noted, no attempts should be made to industrialize areas which are unsuitable by reason of scarcity of raw materials, inadequate or incompetent labor, meager markets, or other adverse conditions.

(f) Such international accords as those approved at the Bogota Conference in 1948, in respect of the Grau doctrine, expropriation, and in other particulars must be rescinded or they will block the entire program.

(g) Any positive program to succeed must be premised on the proposition that private property rights are human rights and if they are lost all freedoms will perish.

If I have sounded several notes of caution, it is precisely because President Truman's idea—his ultimate objective—is so splendid that we must not, like the person who laboriously gathered yellow pollen from the flowers in the field, fail by being overbold in aspiration or building castles in the air. Nothing can be so foolish as empty boldness—the chill of ignorance, and nothing so futile as daydreaming.

The most inspiring incentive which can be given toward forwarding this program would be for the United States itself to stop the insidious drift toward a collectivist economy which now threatens to smother the American way of life; to put our own house in order; to restrict Government to its proper functions; and to return to the free private competitive enterprise system which respects economic rights and rewards honesty, hard work, and intelligence with profits, higher standards of living, and general well-being.

Excise Taxes

EXTENSION OF REMARKS
OF
HON. HARRY J. DAVENPORT
OF PENNSYLVANIA
IN THE HOUSE OF REPRESENTATIVES
Tuesday, August 23, 1949

Mr. DAVENPORT. Mr. Speaker, the time has come when we must give serious attention to bolstering our economy in order that we maintain full employment, high purchasing power, and profitable business.

Our economic system is complex—in fact, so complicated—that we would be fools to have a patent answer for whatever problems that may arise. But it is not difficult to point out that certain things are not sound and do damage to our stability and progress by their continuation. All about us, I am sure, each of us can point with little effort to several barriers to the normal flow of business.

I should like to call your attention to one of the worst and insidious barriers to the efforts of businessmen to maintain sales. I refer to the so-called luxury taxes on many common items of purchases. These taxes were devised for the most part in 1941. Their rates were increased from 10 to 20 percent in 1944, and put on a more or less permanent basis in 1946.

Without question, these so-called luxury taxes are doing an immense harm to the future well-being of our great Nation. All over this Nation, they are nullifying sales each day, each hour. Businessmen find that they are unable to explain these taxes to their customers. They find customer resentment developing, as if the taxes were their own idea and as if part of the taxes fell into their pockets.

Originally these taxes were levied in 1941 to discourage the sale of these articles, in order to conserve materials then in short supplies. The general idea was that if consumers wanted them, they would have to pay a penalty, or a so-called luxury tax. Today the taxes persist as a means of raising revenue—and they do produce about a billion dollars a year. However, what is wrong with these taxes overweighs any revenue considerations that can be argued in their favor. They are seriously curtailing sales. Need more be said? But just as important, they constitute, in general, a tax against the women of this country. Most of the products so taxed are used by women. Others are used by babies and infants. A few are used by men.

If you examine the items in the category of luxury taxes, you must conclude as I have that they are not luxuries, but essentials. Since when has it been Congress' intent to tax women and babies? And since when has it been Congress' intent to tax essentials during peacetime? The answers are obvious.

I have here my wife's purse. She was gracious enough to allow me to show you the economic discrimination we have practiced upon the women of this country and upon manufacturers, workers, jobbers, and retailers.

To begin with, this purse could not be purchased until an additional 20 percent of the retail price was paid as the retail excise tax. Purses are essential to women. They are certainly no luxury. I have 10 pockets in my suit. Women are not that fortunate. Most female outergarments do not contain any usable pockets.

Now let us open this purse. Here is a billfold. It could not be purchased from the retailer without paying a 20-percent tax. Can a billfold be called a luxury? And here is a key case. It holds car keys, house keys, basement keys, desk keys. Would you call this a luxury item?

And how about this tube of lipstick. What woman would call this a luxury?

Here is a bottle of nail polish. Few women would be without nail polish. Yet it pays a 20-percent so-called luxury tax.

Here is a box of face powder, and here is a compact. Luxuries? Hardly. And hand lotion. A luxury for chapped or overworked hands?

And what about this fountain pen and this mechanical pencil? Who would ever call these luxuries? Is writing home to your family a taxable commodity?

Here are a couple of movie-theater stubs. To get past the ticket collector required an additional payment of 20 percent of the price. Movies are not a luxury any more. They provide a form of relaxation which permits people to do better work in the plant or in the office the next day.

Here is a wrist watch. Is it a luxury to know the time? Is it a luxury to have available an instrument which will enable you to get to work on time? Our tax laws think so.

Now here is a wedding ring. What sentiment and love is attached to it? What great joy? And yet this token of new status, family relationships, kinship, cannot be purchased unless a tax of 20 percent of the selling price is also paid. There are other articles in this purse that are subject to so-called luxury

taxes. I believe I have shown you enough examples to judge the injustice of these taxes.

Let us get some sense into our tax laws. Let us free our women from these discriminatory taxes. Let us help our businessmen help us to maintain our high standard of living. Let us not confuse necessities with luxuries. Let us get rid of these nonsense taxes.

Cooperative Housing

EXTENSION OF REMARKS
OF
HON. ALBERT RAINS
OF ALABAMA
IN THE HOUSE OF REPRESENTATIVES

Monday, August 22, 1949

Mr. RAINS. Mr. Speaker, under leave to extend my remarks, I include the following letter to the editor of the Washington Post from my distinguished colleague, the Honorable John SPARKMAN, Senator from Alabama, entitled "Cooperative Housing":

COOPERATIVE HOUSING

In your editorial of August 14 on cooperative housing, the statement is made that the housing bill reported by the Senate Banking and Currency Committee includes a program involving subsidies for cooperative housing.

This bill does not provide for subsidies. It provides for loans at an interest rate representing the cost of money to the Government on its longer term borrowings plus one-half of 1 percent to cover the cost of administration.

The making of direct Federal loans for cooperative housing at low interest rates follow a precedent already established by the Government in other fields involving direct loans at low interest rates to cooperatives, such as long-term loans to cooperatives in the rural electrification program where the interest rate is 2 percent rather than 3 percent as provided in the housing bill. Other examples are direct Federal loans to farm cooperatives and similar assistance to the cooperatives of water users in irrigation projects.

Numerous other laws testify to the sound policy our Government has followed in making direct Federal loans when private capital was not available on the terms required to achieve a purpose in the national interest.

The fact that Congress has passed a public housing bill to take care of families of low income does not in any way meet the housing problem of families in the low middle income group whose incomes are above the level where they would be eligible for public housing. Moreover, the Senate Banking and Currency Committee recognized that the aids through mortgage insurance and other assistance to privately financed housing in the bill (S. 2246) would not meet the needs of a substantial group of American citizens of modest incomes.

For example, Federal Reserve Board figures show that the income of 40 percent of American families range between $2,000 and $3,750 per year. These families are caught in the middle. They cannot afford the privately financed housing which is being built, nor are they eligible for public housing. Rather than continuing to neglect their needs, the Senate Banking and Currency Committee determined that we should have a balanced and comprehensive program to assist these low middle income families to have decent homes also.

It is true that the assistance in the form of more liberal financing is conditioned upon the housing cooperative achieving other economies in construction and operation. These would include self-help through a large degree of tenant maintenance, and they would require the elimination of speculative profits. This was done as a means of assuring that there would be sufficient total savings—which we estimate will reduce the monthly costs of housing to about one-third less than rental housing being currently insured by FHA—so that the program would serve the moderate income families for whom it is intended. Admission to occupy would be subject to an income limit, and similar limits would apply on occupancy turn-over, since cooperative owners would be required to resell their interests to the cooperative when they vacated.

Your editorial states that regulations of this kind might discourage the organization of housing cooperatives. This is questioned by the fact that the legislation as presently drawn has the support of the cooperative, veteran, labor, and public interest organizations who are actively interested in sponsoring housing cooperatives. They feel, as the Senate Banking and Currency Committee does, that this program is a way of filling a gap in our present legislation by providing homes for moderate income families whose needs are now neglected.

JOHN SPARKMAN,
Senator from Alabama.

WASHINGTON.

Repeal of Indian Liquor Law

EXTENSION OF REMARKS
OF
HON. WESLEY A. D'EWART
OF MONTANA
IN THE HOUSE OF REPRESENTATIVES

Tuesday, August 23, 1949

Mr. D'EWART. Mr. Speaker, under leave to extend my remarks in the RECORD, I include a resolution adopted by the tribal council of the Crow Tribe, Crow Agency, Mont. I place this material in the RECORD at the specific request of Mr. Robert Yellowtail, chairman of the Crow Tribal Council, who wishes the Members to be informed of the tribe's views on certain legislation.

The resolution follows:

Resolution on repeal of Indian liquor law

Whereas there has been introduced in the Eighty-first Congress of the United States a bill, H. R. 4941, the intent of which, is to repeal chapter 241, United States Code, title 25, Indians, being the act of June 30, 1834, which is the Indian liquor law; and

Whereas the Crow Tribe meeting this 19th day of August 1949 in a general council, duly called, hereby endorses the said H. R. 4941 bill and do hereby urge the Senate and House to speedily pass said bill for the following reasons, to wit:

1. The act has never been possible of enforcement and never will.

2. The early considerations which prompted the enactment are now nonexistent.

3. The yearly appropriation of the people's money to pay a large corp of Federal employees cannot be justified from the nil results which has been the record chalked up since 1834.

4. The Indians have always been able to get and use bootleg liquor, law or no law, and in the future will continue to do so.

5. The existence of the act of June 30, 1834, has made possible a large bunch of bootleg racketeers surrounding every Indian reservation in the country and which yearly costs the Government great money expense in the prosecutions of both Indians and whites, many of whom now are serving terms in Federal penal institutions.

6. At the moment and due to warnings by the Federal enforcement officers, all food stores and drug stores in the United States now refuse to sell to the Indians all articles of toiletry, such as cologne or perfumes containing any alcohol, also kitchen necessities such as vanilla and lemon extracts, as also being banned by the act of June 30, 1834, and as a consequence the Indians all over the United States and Canada are resorting to the use and drinking of all kinds of shaving and rubbing lotions, canned heat, hair tonics, and such mixtures which has now and is daily endangering the health of Indian youths, both men and women to the danger point. Many deaths all over the Indian country are occurring as a result of the use of these dangerous concoctions.

7. This law—

(1) Is class and discriminatory legislation, discriminating against the Indians, a minority segment of our national population, and is therefore in violation of the Constitution of the United States and hence is illegal and unconstitutional.

(2) Has been a miserable failure in point of results attained over a period of 100 years of attempted enforcement.

(3) Is pure mockery and a foolish attempt at the impossible, and should be repealed forthwith.

(4) Puts the United States in the position of willful ungratefulness toward the American Indians and 50,000 of their soldiers who defended our country in times of national peril, by providing by law for their prosecution and incarceration in penal institutions for the exercisement of the sacred American and constitutional privilege of drinking or eating what we desire. You cannot regulate by law the choice of liquid quench of thirst in America. Hoover tried the noble experiment on white Americans and it proved a miserable failure and the repeal and correction of which, placed Roosevelt and the Democratic Party in the White House for the past 16 years.

(5) This law is vicious and cannot be justified longer from any point of fair, reasonable, and sane reasoning, and should be abolished and repealed in the interests of humanity before it kills off the flower of the Indian tribes of the United States which it is doing in a fast and large way right now.

(6) Has been rat-hole operation No. 1 in that the people's money in the Federal Treasury has been yearly appropriated for over 115 years in large amounts in an effort that defies and challenges the showing and proving of results by its supporters.

So, now, therefore, for the reasons herein given, we urge upon the Congress to pass H. R. 4941 and thus save the young people of the Indian tribes of the United States.

Resolved further, That copies of this resolution be sent to the House and Senate of the United States and to the Montana Delegation in Congress with the request that it be spread upon the journals of both Houses for the information of the Indians of the United States.

Considered and passed in an open Tribal Council of the Crow Tribe this 19th day of August 1949.

Members present, 106; votes for, unanimous; votes against, none.

ROBERT YELLOWTAIL,
Chairman of Crow Tribal Council.

Attest:

GEORGE HOGAN,
Secretary.

KENNETH E. HOLKAN,
Acting Superintendent.

Harry J. Davenport on Old Age

EXTENSION OF REMARKS
OF
HON. HARRY J. DAVENPORT
OF PENNSYLVANIA
IN THE HOUSE OF REPRESENTATIVES
Tuesday, August 23, 1949

Mr. DAVENPORT. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following from a radio talk made by me over station WLOA, Braddock, Pa.:

All Americans want the opportunity to protect themselves and their families against the economic hazards of old age. Only a very small portion of the population is fortunately able to do so today. Today we have a system which covers only 40,000,000 of an estimated total of 70,000,000 workers.

Among the excluded are 5,000,000 farmers, 3,500,000 farm workers, 2,500,000 domestic workers, a million in nonprofit organizations.

Restrictive eligibility requirements for older workers have kept all but 20 percent of those over 65 from benefiting from the program. Millions of workers were excluded from the old-age insurance program originally because of an erroneous belief that there would be administrative difficulties in collecting contributions from them. Fewer persons in proportion to total population receive old-age pensions in farm States than in industrial States. This is the result of excluding farmers and farm workers.

The benefit payments under the present old-age insurance program are completely inadequate. The average benefit for a retired male worker at the end of 1946 was $24.90 a month. The average benefit for a retired man and wife was under $40 a month. The average family benefit for a widow with two dependent children was $48.20.

With a 75-percent increase in the cost of living since 1939 when these scales of payment were established, they are inadequate to pay more than a portion of the rent or the food bill.

The first essential of an adequate old-age insurance program is to guarantee our older people security from want. It must never be less than an amount sufficient to maintain a healthy and satisfactory life.

Our present law is a farce as far as security to our older people is concerned. It must be revised upward to meet American standards. Another essential of an adequate pension program is not to interfere with the enterprise of those past the retirement age.

Is there any reason why a man of 70 must, as he is forced to do under the present program, turn back his monthly benefit if he earns more than a certain amount? Still another essential of an adequate old-age insurance program is that all can qualify for a future pension regardless of age. Under the present program, a man who is 65 today must work for 6 years in a covered job before he can qualify for an old-age pension. The seriousness of the old-age problem is attested to by the aging character of our population.

Of a total population of 145,000,000 today, more than 17,000,000 persons are over 60 and 11,000,000 are over 65. In 50 years there will be 27,000,000 persons in the United States who will be over 60 years of age.

With our present inadequate system of old-age pensions the responsibility for the care of our old people falls on the individual families concerned. This is an unfair burden on our young, who should be devoting their energies to self-improvement or to their own growing families. Our old people are our responsibility. They have added to the wealth of the Nation and have strengthened our democratic traditions. They have no desire to fall burden on their children or on the pity of their local communities.

Those who have paid money into the old-age program have a right to adequate return. And those who have not paid money into the pension program have a right to the minimums necessary to maintain a healthy existence. Our older people should feel no humiliation in getting aid as they are made to feel today.

An adequate minimum old-age monthly pension today would be $100. This is $15 above the maximum allowed under the present law. There should be no cut below this figure for dependent widows. The age of eligibility should be dropped to 60 instead of 65, as found in the present law. The life expectancy for American men is below the minimum age qualification of the present law.

This program should be financed through a pay-roll deduction with Government contribution as found necessary. The present contribution rate is 1 percent on the employer and 1 percent on the employee. With full employment a 2 percent payment from employers should minimize the Government's share in the cost of operation. It should not place too large a burden on the economy. In returned security and purchasing power it will more than pay its own way.

These are my proposals to strengthen our social-security laws and keep America strong. These are my proposals to meet the challenge forced upon us to prove that democracy is the better way.

If We Can Persuade

EXTENSION OF REMARKS
OF
HON. MIKE MANSFIELD
OF MONTANA
IN THE HOUSE OF REPRESENTATIVES
Tuesday, August 23, 1949

Mr. MANSFIELD. Mr. Speaker, under unanimous consent, I am including in the RECORD an article on the atomic bomb by the senior Senator from Connecticut, the Honorable BRIEN MCMAHON. I do this because of the profound statements made by Senator MCMAHON and because I believe, with him, that the full implications of atomic energy should be known and the possibilities for control thoroughly explored.

No one in the United States—perhaps in the world—is in a better position to understand and to discuss this subject. Senator MCMAHON, as chairman of the Joint Senate-House Committee on Atomic Energy, knows the problem of atomic energy from the viewpoint of both science and politics, and because of his mastery of this subject his words should be heeded.

A statesman of the first order, an American in the best sense of the word, a man who is vitally interested in peace for his own country and all mankind—for all time—that typifies the senior Senator from Connecticut.

The people of the United States owe him a deep debt of gratitude for the tremendous efforts he has been making in seeking means to bring about the control of atomic energy, to the end that it may be an instrument not for destruction but for the betterment of all people and the peace of the world.

IF WE CAN PERSUADE

(By United States Senator BRIEN MCMAHON)

"The delegation of the Union of Soviet Socialist Republics objects."

Mr. Andrei Gromyko of the Soviet delegation to the United Nations Atomic Energy Commission was speaking. The date was May 17, 1948. The Commission was preparing to wind up nearly 2 years of search for a solution of international control of atomic energy. Three delegations, those of the United States, France, and the United Kingdom, had agreed on a plan.

"The delegation of the Union of Soviet Socialist Republics objects," Mr. Gromyko said, "to proposals submitted by the three delegations. Furthermore, if these proposals are put to a vote, then we shall have to vote against it."

The proposals he referred to were those first made by the United States. They were approved on November 4, 1948 by the General Assembly of the United Nations. The Assembly voted 40 to 4 with 4 abstentions to accept the majority plan of the Atomic Energy Commission as the United Nations plan.

Since then, the picture has not changed materially. The Soviet Union has steadfastly refused to cooperate with the rest of the nations in seeking an effective system of international control of atomic energy and particularly of the atomic bomb.

It is the prime tragedy of postwar history that such a system is not now in force. More than 3 years have elapsed since it was officially announced at the first meeting of the United Nations Atomic Energy Commission on June 14, 1946, that the United States stood ready to prescribe and destroy this instrument—to lift its use from death to life—if the world will join in a pact to that end.

OUR LOGICAL MAGNANIMITY

Never in the history of the world had such a proposal been made. Never had a nation in complete possession of so deadly a weapon voluntarily offered to relinquish control of it.

Why did the United States make this offer?

It did so because the realism of history forced the United States to recognize the fact that it could not maintain such a monopoly forever. Guard the secret as it would, other nations sooner or later would learn how to make atomic bombs. When and if that should happen, no nation would be free of fear. The mere threat of atomic warfare could enslave the peoples of smaller nations and atomic warfare itself would be the ultimate catastrophe of civilization.

To save the world from such fear, to remove every likelihood of this ultimate catastrophe, the United States proposed to internationalize atomic energy in return for the adoption of an effective system of international control.

In view of the most altruistic, the least self-serving international offer in the cause of peace and human advancement ever made, why did the rulers of the Soviet Union reject the plan? Why have they refused to participate in lifting this burden of fear from the peoples of the world, their own as well as those of other nations? Why have they not hastened to grasp this unique opportunity to utilize atomic energy for the purposes of peace and plenty?

ENLIGHTENING THE MASSES

In seeking for a rational answer, I think we must clearly distinguish between the rulers and the people of the Soviet Union. Were the people of Russia and the other countries of the Soviet orbit permitted to understand what atomic energy could do for them in peace and what it could do to them in war, I have no doubt which they would choose. But the Soviet Union is under a dictatorship, and the people are permitted to know only what the Politburo wants them to know. And the men of the Politburo do not want effective international control because it would present a threat to their dictatorship at home and to their hope of expansion abroad. That is why they prefer to keep the negotiations in the amorphous state of stalemate while they work feverishly to

produce their first atomic bomb. Some day they will produce it. What then? Where does that leave the United States and the rest of the world? What can we do about it?

In my opinion, there are three things the United States must do. First of all, the national security of the United States and the peace of the world compels us in America to make the production of more and better atomic bombs the first order of business in our own atomic program. Against the day when aggressors are no longer restrained by monopoly, they must be restrained by superiority. On the day that Russia gets her first bomb, the United States must have as large a number as it is possible to produce.

ATOMIC SURVEILLANCE

Secondly, in cooperation with other nations, the United States must look for other avenues and corridors of approach to a workable system of international control, not only of atomic bombs, but of all weapons of mass destruction and even of war itself. The stakes are high. The peace of the world is not to be lightly abandoned to chance.

The third thing that must be done is corollary to the second. Every means must be utilized to bring the true facts about atomic energy and the world situation to the men and women behind the Soviet-imposed iron curtain. Perhaps if they can understand how their leaders have isolated them from the good will of the peoples of the rest of the world; perhaps if they can be told now how the attitude of their rulers has held back the good things that atomic energy will bring to themselves and the world; perhaps if we can persuade them that they stand alone against the world—perhaps then they will be able to make their desires and their will for peace and plenty heard even behind the thick walls of the Kremlin.

To permit large masses of people anywhere to remain in intellectual darkness as to both the great evil and the great good inherent in the use of atomic energy is to gamble with human destiny. The plain people of America have only sympathy and good will for the plain people of Soviet lands. We must do what we can to bring them our message of peace and hope—not only for them but for ourselves as well.

Poetry in Prose—A Little Relief From the Affairs of State

EXTENSION OF REMARKS
OF
HON. GORDON L. McDONOUGH
OF CALIFORNIA
IN THE HOUSE OF REPRESENTATIVES

Tuesday, August 23, 1949

Mr. McDONOUGH. Mr. Speaker, a constituent of mine, Mr. Averell Denys Garrison, of Los Angeles, Calif., has written some excellent poetry in prose form which I am sure many Members of the Congress will find interesting as a relief from the cares and problems of state which occupy so much of our time.

Here are a few of Mr. Garrison's compositions:

THE VANISHED YEARS

I like to sit and ponder as I smoke my battered pipe, and muse about some joys I think I missed; as a pupil so reluctant that it made the teachers gripe, and the laughing girl some other fellow kissed. I had a pal so friendly that we stuck like chewing gum, till one sad day we fought behind the school; the days of anguish we both spent, till other friends had come, and the mounting years had tagged me as a fool. For this same lad had loved me with affection as of yore, when we both marched forth to battle at the call; he fell at Lookout Mountain where men sleep by the score, for the flag he was the first to give his all. The past seems ever mellow after many years have fled, in the present there are unimportant chores, now I'm just a sere old fellow with white hairs on my head, still we like reviving history though it bores. The day you fought at Shiloh to repulse the mighty horde, or when you followed Sherman to the sea; the thrill of Lee's surrender when he sheathed his potent sword, and Lincoln's death which followed victory. One by one your comrades vanish from a seat at Pershing Square, to obey the final call with no reprieve; a salute to all good soldiers who still can dream and dare, for those who fell in combat we shall grieve.

FRIENDSHIP

Dear old pal of a former day, good friend of the ready smile, you're gone and I go my lonesome way, no task now seems worth while. When the fog was thick and fate would frown, you cheered me with banter and jest, together a drink or two we would down, plus a hefty meal under our vest. But you're gone, 'pon my soul, and now I must say that at present I'm feeling quite glum, but I hope you'll return, some day to repay, the 10 bucks you borrowed, you bum.

HOLLYWOOD HAZARD

Kindly give me, friend, a big stuffed club and a fist like an Armour ham; or hand me a poniard keen and bright and an arm like your Uncle Sam; provide me, please, with a scowl and a frown and a jaw that is stiff and square, a mouth that is stern in a menacing style, let me assume that cocky air. Let me pack a gun on either hip, to shoot fast like old Bill Hart, or perhaps I should have a teargas bomb, to be what the wise call smart. Thus equipped I shall attempt to cross the street, Godnose I'll need your prayers, for a fellow afoot needs a whole lot of luck, or he'll be climbing the Golden Stairs.

WHAT DO I WANT?

I don't want a home where the buffalo roam, nor a cabin way up in the hills; I don't want a house where termites carouse, nor a mansion so gaudy it thrills. I don't want a car that is better by far than the one my neighbor acquired, nor a flock of degrees which may exalt, if you please, of such learning I'm getting quite tired. I don't want a harem, a yacht, or a plane, a ball club, a hotel or rich food; a flock of fleet ponies would drive me insane, such a life would do me no good. I am not fond of women, they keep me aloof, I've decided to retain the same wife; I don't want what I want when I want it, forsooth, so perhaps I have been dead all my life.

END OF A BAD MAN

It happened out in Sundance when the hills were plenty rough that a bird rode down from Deadwood, proclaiming he was tough. A little weazened hombre, with a mustache like a saw, who toted potent weapons, was lightnin' on the draw. His face was weatherbeaten and his cayuse much the same, to see him spur his hossflesh would put a man to shame. The cuss would belly to the bar and as he drank would say, he was bad down to his boot heels, and no one said him nay. He dwelt among us quite a spell, too long if you ask me; each day we yearned for slaughter, but just seethed inwardly. At last we solved the problem, in a way no one foresaw; we made him city marshal, to enforce the civil law. Then he could strut at random, scowl other bad men down; I'm declaring here, kind stranger, he's now mayor of this man's town.

Walter Trohan Broadcasts on Military Assistance Program

EXTENSION OF REMARKS
OF
HON. LAWRENCE H. SMITH
OF WISCONSIN
IN THE HOUSE OF REPRESENTATIVES

Tuesday, August 23, 1949

Mr. SMITH of Wisconsin. Mr. Speaker, under leave to extend my remarks, I am including the final broadcast of Walter Trohan, chief of the Chicago Tribune Washington Bureau, delivered August 19, 1949, from Station WOL in Washington over the Mutual Broadcasting Co. network. Mr. Trohan has been substituting on the Fulton Lewis, Jr., radio program for the past 2 weeks. During that period, he devoted eight broadcasts to a detailed explanation relative to what the cost of rearming Europe under the North Atlantic Pact really will be to our people. This broadcast, which I am inserting today, is a summation of Mr. Trohan's broadcasts from August 8 to 17 inclusive. This series of broadcasts has been reprinted and distributed in pamphlet form for the convenience of Members of the Congress by Women Investors Research Institute, Inc., 224 Second Street SE., Washington, D. C., of which Miss Cathrine Curtis is president and Michael Ahearne is research director. Members may obtain copies of these Walter Trohan broadcasts by contacting the Institute.

SUMMATION

(August 19, 1949)

I had thought to entertain you on this last broadcast with some of the more humorous incidents that have come my way in 15 years in Washington. But I am not going to be humorous tonight. There is nothing funny in the world situation. There is nothing funny in a policy which may result in plowing under a generation of American boys. I refer to our foreign policy, which many serious military minds fear is leading to war.

As you know, I devoted almost all of my 2 weeks on the air to a report from our best admirals and generals on world strategy. I reported they believe that we cannot stop Russia by arming our European allies. I reported that our best military minds viewed the military-assistance program with grave misgivings. As you know, President Truman had asked Congress to vote $1,450,000,000. The bulk of this was to go to Europe, and the rest to Greece, Turkey, Iran, Korea, and the Philippine Republic. Last night the House cut the European share of the program in half. The House voted a total of $870,000,000.

Today Congressman JOHN TABER told me that you and I can claim some credit for this saving of more than a half-billion dollars. He told me that he personally knew six Members of the House who had been moved to change their votes by the chats you and I have had. TABER, as you know, is the ranking Republican member of the House Appropriations Committee. Also, Representative JOHN H. VORYS took the floor to say he had been for the arming of western European nations but had been moved to change his mind to favor the cut. And he quoted from one of our broadcasts.

These broadcasts were put in the CONGRESSIONAL RECORD by Congressman LAWRENCE H. SMITH of Wisconsin. They were also gathered into a booklet by Women Investors Research Institute and placed on the desk of every

Member of Congress. Your support and encouragement induced me to continue the series to eight broadcasts, so you can claim a part in the savings.

The battle is not yet won, however. The arms program now comes up in the Senate, where the administration plans to bring tremendous pressure to have the House cut restored. It was no accident that the bill was brought up first in the House—this is the same strategy that was used to obtain passage of the lend-lease program early in 1941. The administration steam rollered that measure through the House. Then the administration approached doubtful Senators with the argument that their State delegations had voted for lend-lease.

The Senators were told that the Congressmen voted for the measure because they were close to the people. This argument was effective. And remember that the supporters of lend-lease told us that the chief aim of the program was to keep us out of war. The arms-assistance program is lend-lease all over again, but without lend or lease—it is now undisguised give-away. And it is being sold to us as a way to keep America out of war.

This time the administration strategy of initiating the give-away in the House has backfired. The House has cut the program. And Members of the House are closer to the people because they come up for election every 2 years. The people have spoken in the House. The fight has only begun in the Senate. But already there is evidence that the administration is facing a tough battle. The Senate Foreign Relations Committee reopened hearings to give opponents of the program a chance to put in their case. Several Senators have been kind enough to say that our chats have had some influence on this decision.

Tonight I want to emphasize why our best military minds are opposed to the military-assistance program. This program, as you know, was not drafted in our Defense Establishment; it was drafted in the State Department by individuals trained only in giving away money. Our top military say the arms-assistance program is based on unsound strategy; on the balance-of-power theory, which has brought on one war after another for hundreds of years. Military men say that the arms-assistance program is unsound because it commits us to ground combat against the Soviet Union, if war comes. And every responsible military man I know is aware that we cannot defeat Russia on the ground. There are too many Russians for our bullets. Russia has 20,000,000 men. She is favored by distance and weather.

Not one responsible ranking officer in our Army, Navy, and Air Corps is convinced that France would fight, even if given arms. Not one responsible officer believes that England could or should do more than defend herself. Italy failed miserably in the last war. The other seven of our European allies are too small to be an important factor. These are, as you know, Norway, Denmark, Holland, Belgium, Luxemburg, Portugal, and Iceland. The best military minds do not believe all our allies together have the will to fight or the capacity to defeat Russia on the ground. They know Stalin wants to fight on the ground. Stalin knows he can win on the ground.

It is possible that Stalin would oppose the military assistance program in the hope that the United States will go broke in doing it. Military leaders say the billion and a half the administration is asking is only the beginning. They say that the plan could cost $66,000,000,000 in 5 years if we would place a garrison of 60 divisions in the Rhine or the Elbe Rivers. And even then our best military minds say we would have no guaranty that Russia would be stopped. Stalin is a master psychologist. Many believe he is opposing the Marshall plan, under which we are pouring billions into Europe, because he thinks his opposition will induce us to continue it.

Many believe Stalin wants us to get stubborn and say, "Well, if Stalin is against it, we want it. We'll show him." Remember, Nikolai Lenin wrote in 1924, "Some day we shall force the United States to spend itself into destruction." And you know that Lenin is one of the two gods permitted the godless Communists. The other, of course, is Joe Stalin. Trained military commanders say the arms assistance program won't work and that it costs too much.

They do have an answer, however. They say world war III can be won, if it comes. Forward military thinkers believe it can be won through the air, with Army and Navy support. They believe a strong Air Force would check Stalin and forestall war.

They also believe world war III can be prevented if we conduct a psychological and bloodless war to encourage the Russian people to overthrow their Communist masters. Truth can enable the Russian people to lead themselves out of bondage. A strong Air Force and the atomic bomb could bring Soviet Russia to her knees without invasion. Or at the very least, these powerful weapons could ease the way of invasion.

As you know, the Nazi air blitz over London had the gallant British thinking of surrender. In the peak month of the bombing 10,000 bombs were dropped on London. The total weight of these bombs was 1,000 tons. Gen. Toohey Spaatz told me today the equivalent of this load of bombs could be carried today in one trip in 24 B–36 planes. Our top air leaders say if Britain was shaken by 1,000 tons of bombs, what would happen to the Soviets if a hundred and more times that load is dropped on them?

Many Members of Congress are opposed to the arms-assistance program for the same reason they opposed the North Atlantic Pact. They see it as another step toward union with Britain and union with western Europe—political and economic union. Already two schemes for world federation are before Congress. One, supported by world federalists, envisions a union open to all nations. The second plan, drafted by the Atlantic Union Committee, would transform the North Atlantic Pact into a union along the lines of the Thirteen Original Colonies.

I should like to call your attention to the first man to advocate union. He is the spiritual father of those who want to bring us into union with Britain. On October 7, 1780, this man called for union. He made his plea only 18 months after George Washington took the oath of office as the first President of the United States. He said: "I am now led to devote my life to the reunion of the British Empire as the best and the only means to dry up the streams of human misery that have deluged this country."

That was written in London. The man who wrote it was Benedict Arnold.

You know him as the man who tried to deliver West Point to the British during the Revolutionary War. You know his name as a synonym for traitor.

Let me read this first argument for union now again: "I am now led to devote my life to the reunion of the British Empire as the best and the only means to dry up the streams of misery that have deluged this country."

That was the Arnold plan in 1780, and that is the Arnold plan today.

The CIO Against the United States

EXTENSION OF REMARKS

OF

HON. ROBERT F. RICH

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, August 23, 1949

Mr. RICH. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following editorial from the Washington Times-Herald:

THE CIO AGAINST THE UNITED STATES

At least 500 CIO goons invaded the Bell Aircraft plant near Niagara Falls, N. Y., on Friday, beat and intimidated employees who were working despite a strike, and dragged others out of the plant.

The Bell plant has been working on jet planes for the Air Force and experimenting on other secret models. The mob invaded experimental quarters, barred to ordinary employees. In the mob, company officials say, were two or more men who had been dismissed on Government orders as bad security risks. "Bad security risks" means Communists.

Governor Dewey, at Albany, is playing his customary role of pusillanimous me-tooism. He had ignored previous requests from the sheriff of Niagara County for help. After the riot, he again denied a request for State troopers and told the sheriff it was up to local authorities to enforce the law, or else.

Niagara County has a relatively small population and the sheriff had previously explained that he needs trained police officers, not an untrained citizen posse, to control the CIO mob that has been guilty of previous disorders at the plant.

The CIO pattern of violence in the United States is clear. At Kalamazoo, Mich., leaders of another CIO union recently were saved by a hung jury after trial for staging another plant invasion similar to that against Bell Aircraft. The prosecution was directed by the Democratic attorney general of Michigan, a former CIO lawyer. The outcome was what might have been expected. Like the Democratic administrations, national and State, Governor Dewey is willing to countenance violence to win votes.

Thanks to the good sense of Congress, the Taft-Hartley Act is still on the books. That law, however, deals only indirectly with riotous unionism. It contemplates a society in which unions are guaranteed peaceful collective bargaining. The CIO engages in collective bargaining when it wants to. It is following the path of revolution.

The first responsibility for stopping violence in strikes, like violence in any of its other manifestations, rests with local authorities. But the police forces of small cities or semirural counties are insufficient in numbers, however courageous their members may be, to cope with the sudden attacks of mobs of hundreds or thousands of violent men.

Government is not powerless to deal with these tactics, though it gives that appearance when the power to act rests with politicians who are either cowardly or partisans of the rioters. CIO unions, with their Socialist and Communist leadership, are being encouraged in the belief that they are bigger than the people of the United States. The longer their revolutionary acts are tolerated, the harder, and perhaps bloodier, will be the task of restoring respect for law.

Gen. Mikulas Ferjencik

EXTENSION OF REMARKS
OF

HON. DANIEL J. FLOOD

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, August 23, 1949

Mr. FLOOD. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following statement by the Honorable John T. Kmetz, former United States Assistant Secretary of Labor, in regard to Gen. Mikulas Ferjencik, former Minister of Interior of Slovakia, now held by the United States Immigration Authorities on Ellis Island as a collaborator of Reds; also an answer to Jan Papanek who defended General Ferjencik:

Jan Papanek in his defense of Gen Mikulas Ferjencik now detained by the Immigration authorities on Ellis Island after his arrival in New York City on Sunday, August 14, 1949, as a displaced person, asserted that the Slovak League of America and the American Friends of Slovak Freedom were not representative of democratic exiles of Czechoslovakia.

Papanek said that General Ferjencik fought Communists in Czechoslovakia since 1945 as well as the Slovak separatists during the war, etc. Papanek further asserted since many of the Slovak separatists Fascist leaders who now are in many countries and their American friends of Slovak descent supported them during the war and who are trying to rehabilitate themselves and feel that it is an opportune moment when the democratic forces are concentrated to establish their damaged reputation.

To this assertion Hon. John T. Kmetz, former United States Assistant Secretary of Labor and leading member of the American Friends of Slovak Freedom, rebuked Papanek, stating "I strongly resent the statement made by this 'Czech carpetbagger' who enjoyed our American hospitality for the past 20 years as a servant of the Prague Government, and who since the birth of the United Nations as a representative of the pro-Soviet Czechoslovak Government was taking his orders from Molotov and casting his vote with Comrade Gromyko against every decent humanitarian proposal made by our American democratic Government and its allies."

It is no surprise to us that Papanek jumped to the defense of General Ferjencik, better known as the "Bluebird of Slovakia," who has surpassed all records of bluebirds on the European Continent for the number of people he has sent to their graves. Jan Papanek like many of his other associates, approved the dictates of the Soviets during and after World War II and did not raise any objections when President Benes, Jan Masaryk, and others made a hasty trip to Moscow and Uncle Joe and signed a 20-year agreement.

This they did before they thanked the American Government and its allies, especially the United States of America, for establishing them a Czechoslovak Republic for the second time. We all know that the United States Government created the first Czechoslovak Republic. Yes, Papanek resigned after the Communist coup in Czechoslovakia in February 1948, and so did many of his associates including the Ambassador in Washington, but he failed to tell the American public why he resigned. It was simply because it was safer for him to stay here in the good old United States of America, under the Stars and Stripes and eat three square meals a day, than to be recalled by his Communist government with which he was playing since the establishment of the Czechoslovak Republic. Papanek saw the handwriting on the wall and he knew that he would be recalled to Czechoslovakia; therefore, a month after the coup he resigned. Of course, what prompted him to take this step was the thought that America was much safer for him and it would be more profitable to stay here, shed crocodile tears and beat the drums from coast to coast by "hijacking" the American public for contributions and donations to put himself and his cohorts into power again, if at all possible, at the expense of our American Government.

So far as Papanek's statement, in regard to the Slovak League of America and the American Friends of Slovak Freedom, asserting that "they are not the representatives of democratic exiles of Czechoslovakia," please, remember that these two organizations are American in act and spirit and they do not pretend to serve foreign countries but they have a right to be on guard against any subversive organizations or persons trying to enter this country with the sole purpose of spreading their undemocratic ideologies. Let us pause here for a moment to ask in all fairness: "What nerve and impudence from an alien to insult so brazenly these organizations of American citizens."

Mr. Kmetz continued: "Papanek admits that General Ferjencik participated in the coalition government which means that he yielded to the Reds and served their purpose until July 1948, when he mysteriously escaped. Papanek mentions that many leaders are in prisons in Czechoslovakia, using this as a defense for Ferjencik, but he fails to admit that it was Ferjencik who either put them there or helped to imprison many thousands of them.

"Just to show what kind of a democratic Government Papanek represented here in the United States of America, I want to state, that after being recommended by John L. Lewis, president of United Mine Workers of America, I was chosen to represent the United Mine Workers at the International Labor Organization known as the ILO which is part of the United Nations. The conference was held in Geneva, Switzerland, in June 1947. My mission was approved by the President of the United States. A few weeks before leaving for Europe, the United States Department of Labor secured for me, without any difficulties, visas of seven countries, namely, Ireland, England, France, Holland, Denmark, Switzerland, and Italy, and also a special recommendation to Gen. Lucius Clay for a visit to Germany. At the same time a request was made upon the Czechoslovak Government for a visa. To my great surprise the United States Department of Labor was turned down and my passport returned. I was also informed by one of the officials a few days later that another request was made on my behalf. After several days I was asked by the Czechoslovak Embassy to appear in person, which I had done, and spent more than 2½ hours in the Czechoslovak Embassy. I was quizzed by the doorman, stenographer, telephone operator, and finally got in to see the Ambassador. Each and every one wanted to know the purpose of my visit to Slovakia, the country of my birth, which I had left at the age of six. They wanted to know my history from my birth to the hour of my visit to the Embassy. And most surprising to me was that the Secretary who also mentioned that she was born and raised in Bratislava, and she and her husband were both employees at the Embassy, wanted to know to what church I belonged.

"I informed the secretary, and others present, that I was an American citizen and so were all my relatives in this country and that I was confirmed as a delegate to the ILO conference by the President of the United States, having obtained a diplomat's passport and I asked them whether they were going to recognize the passport of the United States Government or not? That is all I wanted to know, and finally, I was given the visa. This I mention because I want the American public to know what kind of a government Papanek represented in the United States in 1947. Of course, he was too occupied at that time making speeches praising Soviet Russia. After termination of the conference in Geneva, I decided to visit Czechoslovakia with my wife, who was born and raised in the United States of America. I left Geneva by plane on July 2, 1947, for Prague, where I spent 4 days and celebrated the American Independence Day with many American soldiers and officers, who were at the Hotel Paris where I stayed. On the morning of July 5, a demonstration took place in Prague, with a parade displaying a large banner with a huge picture of Stalin and Benes. To my surprise, the only people in the streets who seemed to be aroused and happy were the members in the building of the Communist Party headquarters in Prague, which also served as the headquarters of Comintern. Later as a float came with the Stars and Stripes, carried by 12 youngsters, all being not more than 15 years of age, I was pleasantly surprised that this was the only section of the parade that received applause from the large audience. Also to my surprise, this American flag, was carried by a group which came to Prague from Slovakia, which in May 1946, voted 67 percent against the Reds. I personally took moving pictures, in technicolor, of the parade, which consisted of more than 400 feet of film.

"The same parade took place in 1948, and received a great deal of publicity in our American press, but this same group showed how they despised Gottwald.

"On the afternoon of July 5, 1947, I left by plane to spend a week in Slovakia, between Bratislava, Kosic, Presov, and the place of my birth. While in Czechoslovakia for 2 weeks, I met quite a few people in all walks of life—government, business, peasants, workers, and people of the church, of Protestant, Jewish, and Catholic faiths, including officers of the Czechoslovakian aviation, with whom I flew from Prague to Presov. These same three officers, on April 8, 1948, escaped into the American zone of Germany and they had told me of their plans in July 1947. These intelligent officers also told me at that time that they were ashamed to tell anyone the place of their birth on their trips to London, Stockholm, and other foreign cities, because of the collaboration of the Czech Government with Moscow. The Government feared its own pilots and went so far as continually changing, replacing, and separating each crew after each and every flight. For instance, the crew I flew with into Slovakia was not there at the completion of the trip because they were replaced by another for the fear that they would get too intimate with the passengers or the personnel of various airports.

"I spoke to people in Bratislava where I spent some time, also in Kosice and Presov. In Presov I hired a car to take me to my native village. During the drive of 30 miles, our automobile was stopped and followed at least a dozen times by police and soldiers, and my credentials were checked and rechecked, and the driver on these occasions was threatened by police and the Gestapo of Benes and Stalin. These members of the Czech Gestapo were taking orders from General Ferjencik who at that time was the

most despised person in my native Slovakia. His name was mentioned in whispers as the people lived in fear because they did not know who was going to suddenly disappear and be sent to Siberia or the slave camps or some other hellhole under the Red dictatorship.

"As an American citizen, born in Slovakia, I would have never believed that people could have feared any one man as they feared General Ferjencik. During my visit in Czechoslovakia, I had taken some pictures in the eastern part of Slovakia and I have them with me to show them to anyone who may doubt my statement that leaders in Czechoslovakia would ever permit such things to exist. I, also, have pictures of the monument, built of marble, which is a bust of Joe Stalin, with the hammer and sickle on the top right corner. This monument is located in a little park in front of a Catholic Church in the city of Presov. In my course of conversation with various businessmen and clergymen, I had been informed that the erection of the monument had begun in the fall of 1945 and completed during 1946. Here I would like to ask General Ferjencik, Jan Papanek or any one of their associates: Did they raise any objections against the erection of this monument in the city of Presov. During my stay in the southeastern part of Slovakia, I had never visited a dining room, restaurant or a hotel, without having to face a huge picture of the dictator of Moscow and a small picture (6 by 10 inches) of the puppet Czechoslovak President Benes hanging on the wall.

"The only successful businessmen in Presov were those who believed in the principles of the Moscow Government. And to prove they were loyal and true to these principles a red star was painted on the door entering their shops. The order was enforced by General Ferjencik. So for your information, Jan Papanek, this is how General Ferjencik was fighting communism since 1945.

"General Mikulas Ferjencik ate with them, slept with them, and carried out their orders, even going as far as to persecute innocent people just because they opposed Marxist ideologies. As a general, or at least called general by Papanek, he should be in Czechoslovakia leading his people against the Communists, and not 4,000 miles away, leaving his people to fight in the underground alone, as have many other leaders of that defunct Government of Czechoslovakia who have fled to the United States and expect the Americans to believe that they are in exile and want us to sympathize with them.

"A general never leaves his people nor does he ever desert his ranks. Take, for instance, what had happened in the Philippines. Did our General Wainwright desert his ranks? Did he leave his people? No; he did what every loyal officer would do.

"Jan Papanek and his cohorts should pack up their bundles and go over there and try to lead their people out of the red blind alley into which they led them.

"The American Government has given you the Czechoslovakia Republic after World War I and the sons of many American mothers and fathers of all nationalities sacrificed their lives to reestablish Czechoslovakia, which you, Jan Papanek, General Ferjencik, and the rest of you sold to the dictator of Moscow for less than 30 pieces of silver.

As an American citizen and the father of two sons, who served their country in World War II, I resent emphatically the statement of Jan Papanek, in which he calls the Slovaks, Fascists and also insults their American friends. As an American of Slovak birth, who has lived in this country 49 years, I will not permit the likes of Jan Papanek, who was making speeches before subversive organizations such as the American Slav Congress, an organization which was placed on the subversive list by our United States Attorney General, to insult my fellow Americans. The United States Congressional Investigating Committee on Un-American Activities listed such organizations like the American Slav Congress. An organization which I refused to join, back in 1943, because of its Moscow orientation and its red adherence, and at which time Papanek had only praise for the fellow travelers whom he has nourished, protected, and served.

Today he, again, has shown his pro-Red colors, by defending General Ferjencik, better known as the bluebird of Slovakia.

Having confidence in our American democratic Government, I do not hesitate for one moment to demand that General Ferjencik be deported from this great country of ours, the United States of America, and I feel that I express the mutual feelings of over one million loyal Americans of Slovak birth or extraction.

NOW THE $64 QUESTION

In concluding my prepared statement in answer to Jan Papanek's attack on the Slovak people in his defense of Gen. Mikulas Ferjencik I personally know that General Ferjencik had a rank of a colonel in the Slovakian Army before he became a general.

Now, under whose government was the rank of colonel bestowed upon him, is the $64 question that only Pan Papanek and General Ferjencik can answer. I suggest that you newspapermen seek the answer for this $64 question.

Yes; who bestowed the rank of colonel on General Ferjencik?

Death of Dr. Douglas Hyde

EXTENSION OF REMARKS
OF
HON. HARRY J. DAVENPORT
OF PENNSYLVANIA
IN THE HOUSE OF REPRESENTATIVES
Tuesday, August 23, 1949

Mr. DAVENPORT. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following from a newspaper article written by Francis J. Dixon, one of Pittsburgh's most astute scholars on Irish history. Mr. Dixon's article bears out the fact that wherever it was a question of public office Ireland never questioned a man's religion.

DEATH OF DR. DOUGLAS HYDE

At a time when totalitarianism seems to command so much attention, it is a disappointment that the passing of such a brilliant scholar and eloquent orator and philanthropist, as the late Dr. Douglas Hyde has not merited more attention.

Dr. Douglas Hyde was an internationally known figure, the son of a Protestant minister born in County Roscommon, Ireland, and educated in Trinity College, Dublin. He first came to the United States in 1891 to serve as interim professor of modern languages at Rutgers University.

In November 1905 when he again visited the United States he accepted President Theodore Roosevelt's invitation to dine at the White House. President Roosevelt found the future President of Ireland a profound and able scholar. He gave $5,000 towards the relief of the victims of the San Francisco earthquake of April 18, 1906.

The Gaelic language, Ireland's native tongue, which was the voice of European civilization for 3,000 years, when it was on the verge of extinction, its decline was stayed by the enthusiastic patriotism of Dr. Douglas Hyde, and in 1938, 12,000 qualified to teach it in Ireland.

He became President of the Free State in Ireland on May 4, 1938. He was elected by acclamation in a country that is 93 percent Catholic. For his high and noble sentiments, Ireland's beloved genius will always have a warm spot in the hearts of those familiar with his writings.

The distinguished Gaelic scholar was laid to rest after memorial service in St. Patrick's Protestant Cathedral, Dublin. Flaiteas de ar a anam (the Kingdom of God to his soul).

Kaiser Aluminum Has Banner Year

EXTENSION OF REMARKS
OF
HON. HARRY P. CAIN
OF WASHINGTON
IN THE SENATE OF THE UNITED STATES
Tuesday, August 23 (legislative day of Thursday, June 2), 1949

Mr. CAIN. Mr. President, I ask unanimous consent to have inserted in the Appendix of the RECORD a news article printed August 23 in the trade publication American Metal Market, a recognized market authority of the steel and metals industry. This news story relates to the Permanente Metals Corp., which produces all of its aluminum in the State of Washington. This young corporation, which did a $73,699,182 business during the 1948–49 fiscal year, today produces about 20 percent of the Nation's primary aluminum, a large amount of it in my State. This is more than the entire United States production in any year prior to 1937. The Kaiser Co., which owns Permanente, recently purchased Government-owned plants in Spokane, Wash.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

PERMANENTE SALES IN 12 MONTHS REACH $73,669,182—HENRY J. KAISER REPORTS COMPLETION OF PLANT OWNERSHIP

OAKLAND, CALIF.—New high records for production, sales, and earnings for the 1948–49 fiscal year were announced in the annual report of the Permanente Metals Corp., producer of 20 percent of the Nation's primary aluminum.

President Henry J. Kaiser reported that Permanente Metals net sales for aluminum, chemicals, and refractories totaled $73,669,182 for the 12 months ending May 31, 1949—an increase of 19.6 percent over the previous year's $61,593,967.

Net earnings increased 30.1 percent for the last fiscal year to a total of $12,023,374. This was at a rate of $4.62 a share, compared to $3.55 for the preceding year, based on 2,600,000 shares now outstanding.

Working capital of Permanente Metals Corp. was more than doubled from $12,230,000 on May 31, 1948, to $25,089,000 on May 31, 1949. This $12,859,000 increase included $7,973,145 proceeds from sale of common stock and approximately $5,000,000 from the year's earnings. The balance of the fiscal year's earnings were paid in dividends—$1.46 a share, totaling $3,796,000—and applied to the purchase of plants and properties.

OWNERSHIP OF ALL PLANTS COMPLETED

Important developments that have taken place since the close of the fiscal year were

recounted in a separate letter to the stockholders by Mr. Kaiser.

Permanente Metals has purchased from the Government for $36,000,000 three major aluminum plants, formerly leased, the total original cost of which is placed by War Assets at approximately $91,000,000. These are the Trentwood aluminum rolling mill and Mead reduction plant, both at Spokane, Wash., and the alumina plant at Baton Rouge, La.

These acquisitions complete ownership of all plants being operated by Permanente Metals. The corporation owns and is operating plants with an approximate cost of $138,110,000, with a book value of $50,813,000. Included in these totals are the plants purchased from the Government, plants built by Permanente Metals during the war and now being operated, and all additions that have been made. They do not include the inactive magnesium plant at Permanente, Calif., with an original cost of approximately $15,000,000.

ALUMINUM PIG SOLD FOR STOCK PILING

The Munitions Board has classified aluminum pig as a strategic and critical material and, in accordance with congressional authorization, has advised War Assets to accept aluminum pig for national defense stock piling. War Assets accordingly has agreed to acept from Permanente Metals—in lieu of cash to meet the down payment of $1,800,000 on the three plants, plus interest and rentals payable prior to June 30, 1950—24,000,000 pounds of aluminum pig or ingot at prevailing market price, or a total of $3,840,000.

The purchase agreement further provides that in subsequent years in the event the Munitions Board indicates additional amounts of aluminum may be acquired at market price by War Assets of the General Services Administration, approximately 40 percent of such additional amounts will be accepted from Permanente Metals, at the company's option, in payment of principal and interest.

ELECTRICAL CONDUCTOR AND FOIL PLANTS OPENED

Advances made by the corporation during the fiscal year were recounted by Mr. Kaiser as including:

1. Opening of an aluminum rod, bar, wire, and cable mill at Newark, Ohio, in a plant purchased from War Assets Administration at a total price of $4,500,000, with an initial cash payment of $450,000. Installation of the most modern commercial rod and bar and wire and cable manufacturing facilities will result, when completed, in an additional investment in the plant of approximately $4,500,000. Orders of electrical conductor have been booked for all the production scheduled by the Ohio plant up to January 1, 1950, and the backlog extends beyond that date.

2. The corporation went into production of aluminum foil at its mill at Permanente, Calif., in March 1949. This first foil plant west of St. Louis is supplying products widely used by industries for the packaging and labeling of food, tobacco, candy, and pharmaceuticals, and in electronic equipment, refrigeration and air-conditioning equipment, and building materials.

OTHER DIVERSIFICATIONS

3. New equipment was installed at the Trentwood mill for the roll forming of aluminum shapes. This provides for fast production of high-quality aluminum sections for decorative purposes, store and building fronts, automobile trim, and interior fixtures. The development and marketing of a new general purpose aluminum sheet alloy, 150S, is another example of broadening the range of products. Sales of 150S already have achieved sizable volume.

4. Other diversifications of products include the introduction of Kaiser aluminum shade screening, a new type of screen that gives protection from the sun's heat; embossed roofing sheet; prime-coated sheet; alodized sheet and brazing sheet.

5. Permanente Metals is energetically following up its program of exploration and research into new sources of bauxite. Options have been obtained on bauxite deposits in Jamaica.

Permanente Metals employs 4,000 persons and has approximately 4,100 stockholders throughout the country. Its two aluminum-reduction plants have a capacity of 257,500,000 pounds of aluminum annually or more than the entire United States production in any year prior to 1937. Products are marketed throughout the United States through Permanente Products Co., a wholly owned subsidiary with 26 offices in principal cities.

Ban on Give-Aways

EXTENSION OF REMARKS

OF

HON. EDWIN C. JOHNSON

OF COLORADO

IN THE SENATE OF THE UNITED STATES

Tuesday, August 23 (legislative day of Thursday, June 2), 1949

Mr. JOHNSON of Colorado. Mr. President, I ask unanimous consent to insert in the Appendix of the RECORD an editorial published in the Washington Post of August 23, 1949, entitled "Ban on Give-aways." Certainly, I want to pat on the back the three members of the Federal Communications Commission for their courageous action in calling a halt on the insane "Give-away" fad which has swept radio. The chance to win on these programs is said to be less than one in 8,000,000, so only an infinitesimal number can take much of a financial loss in their elimination. Only the advertiser gets something for nothing out of these medicine-men radio shows. With the Post, I regret that all seven Commissioners did not find it possible to join as a unit in abolishing this cheap clap-trap which lowers the standing of radio. Radio licenses were not granted to cultivate and appeal to the base emotions. Radio broadcasting has a finer service to offer than that. Pyramid clubs, give-away programs, and lotteries, may have strong audience appeal, but it is not an appeal worthy of our greatest entertainer and instructor—the radio.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

BAN ON GIVE-AWAYS

Instead of challenging the authority of the FCC to ban radio and television give-away programs, responsible broadcasting companies ought to welcome this ruling as a salutary policing measure that will protect them from the competitive pressure of a debasing form of entertainment appealing to the cupidity and gambling instincts of mass humanity. If the broadcasting industry is to continue as a form of private enterprise, it must provide the kind of instruction and entertainment that justifies belief in the superiority of the American system of private ownership and control of broadcasting facilities. Otherwise an aroused public will eventually demand increasingly drastic regulatory action and possibly Government supersession of private companies.

The steady deterioration of broadcasting programs in recent years resulting from the vogue for the give-aways has disgusted millions of Americans. But the hope of getting something for nothing, or next to nothing, has an irresistible lure for other millions who tune in on these programs in the hope of a telephone call that will tell them they have won hundreds or thousands of dollars in cash or assorted merchandise. As a result, the programs that rely on their strictly entertainment or informative value are losing listeners and in some cases have been pushed off the air.

The FCC order is directed primarily against the type of program that gives away prizes in stay-at-homes or makes receipt of prizes dependent on possession of the sponsors' products or evidence that the winner has listened to current or previous broadcasts. Apparently programs that limit gifts to studio audiences will not be affected, although some of them pay big money to successful contestants selected by chance. The only difference—an important one, to be sure, from the viewpoint of its effect on competing programs—is that the invisible audience is not bribed to listen to the studio gift programs in the hope of an award. The FCC, even with its limitations, will, therefore, if sustained, force the broadcasting companies to drop most of the meretricious programs that offer fortunes to the chosen few who can identify a tune or answer a random question.

We regret the fact that the FCC order was approved by only three members of the Commission, three others being absent and one dissenting. The question that the courts will have to consider, however, is whether the FCC had the authority to prohibit the give-away programs under the antilottery law. The section of the criminal code on which the FCC relied prohibits the broadcasting of information, not only about lotteries but also about any gift enterprise or similar scheme, offering prizes dependent in whole or in part upon lot or chance, or any list of the prizes drawn or awarded by means of any such lottery, gift enterprise, or scheme. Violators are punishable by fine or imprisonment or both, and each day's broadcasting constitutes a separate offense.

It seems to us that the FCC has ample authority under this sweeping prohibition for its recent action. We hope that the courts will sustain its ruling, for it is aimed at abuses that must be checked in the public interest. Broadcasting companies that fight this ruling because it will deprive them of revenue would be well advised to consider whether they do not stand to lose a great deal more in the future if they attempt to perpetuate programs whose chief attraction is the broadcasting of money instead of real entertainment. By banning this kind of programed games of chance the FCC is not interfering with freedom of speech but simply trying to prevent the broadcasting companies from abusing the privileges accorded them as licensed users of the airways.

The Postal Pay Increase Bill

EXTENSION OF REMARKS

OF

HON. EUGENE D. O'SULLIVAN

OF NEBRASKA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, August 23, 1949

Mr. O'SULLIVAN. Mr. Speaker, it has been my sincere belief that at this time the postal workers of our Nation are entitled now to a further pay increase.

These trustworthy and most capable Government employees, if paid in proportion to their work and ability, would be given a much larger amount than that which is provided for in the present pay increase bill.

I signed the first discharge petition and intended to sign the latest discharge petition today, but upon inquiring at the Speaker's desk for the purpose of affixing my signature to the document I learned that it had been entirely filled up during the first 3 days and had been withdrawn as far as any other signatures being placed on same were concerned. The rules of the House provides that after the required number of signatures have been secured no further signatures of House Members may be added. Hence my signature will not appear on same, but I am for the measure and shall support same to the best of my ability when it is brought up for consideration before the House of Representatives.

Lucas Day

EXTENSION OF REMARKS
OF
HON. PAUL H. DOUGLAS
OF ILLINOIS
IN THE SENATE OF THE UNITED STATES
Tuesday, August 23 (legislative day of Thursday, June 2), 1949

Mr. DOUGLAS. Mr. President, I ask unanimous consent to have printed in the Appendix to the RECORD an editorial from the Friday, August 19, 1949, issue of the Peoria Journal, entitled "LUCAS Day," paying a well-deserved tribute to the distinguished public service that my able colleague, the senior Senator from Illinois and majority leader, has rendered.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

LUCAS DAY

Thursday was Democratic Day at the State Fair, but it might well have been called Lucas Day, for United States Senator SCOTT W. LUCAS received the biggest ovation of any of the politicos there assembled.

The people applauded Gov. Adlai Stevenson and Vice President ALBEN BARKLEY, as well as other Democratic notables. But their enthusiasm was reserved for SCOTT LUCAS, the down-State Senator from Habana.

This was a deserved tribute to Senator LUCAS, who has won a post of genuine eminence in the Government through hard work, devotion to duty, and loyalty to the democratic precepts of government. As majority leader of the Senate, Mr. LUCAS bears a heavy burden of responsibility, but he is discharging his duties capably and efficiently.

Above all, Senator LUCAS does not forget for one moment, in the press of official duties and party business, that he is first of all the senior Senator from Illinois. His first duty and loyalty belong to the people of Illinois, and his awareness of this has been apparent throughout his entire career.

The home folks gave evidence of what they thought of LUCAS when they joined in spontaneous, enthusiastic applause at the fair. It was a deserved tribute, and one that must have warmed the heart of Senator LUCAS, for it gave clear evidence of the high regard in which he is held by people from all parts of the State of Illinois.

A Challenge to Our Readers

EXTENSION OF REMARKS
OF
HON. ROBERT F. RICH
OF PENNSYLVANIA
IN THE HOUSE OF REPRESENTATIVES
Tuesday, August 23, 1949

Mr. RICH. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following editorial from the Washington Times-Herald:

A CHALLENGE TO OUR READERS

We have a communication from Curtis P. Nettels, professor of American history at Cornell University, which may interest our readers as a test of their general knowledge. Any reader who can't provide the facts to support each of the points Dr. Nettels raises is not aware of the forces now at work to transform and eventually destroy this country.

Dr. Nettels entitles his paper, "Eleven Rules for Reducing a Large Republic to a Small One." His rules, in order, are:

1. Assume a large part of the burden of supporting two defeated states with a combined population nearly equal to your own. Act so that you will have to carry this burden indefinitely. Remember that the first straw, as well as the last, is needed to break the camel's back.

2. Nourish the enmity of a country with a population of nearly 200 millions, and engage in a new "cold war" while the old war is still legally in force. Nothing will so effectively paralyze a republic as a permanent state of war.

3. Provide immense funds to the allies of your presumed enemy in the "cold war." Grant lavish favors to states that are pledged not to assist you in a war that may be precipitated by your favoritism to them. This will illustrate the principle of challenge and response, whereby a challenge for cash is met by a response of folly.

4. Select a few countries and tell the rest of the world that your favorites alone are essential to your welfare, thereby notifying all others that you regard them as of no account. By this means you will make certain that you will have few friends among the nations and prove anew the truth of the saying: "There is no little enemy."

5. Subsidize a favored state on the ground that you are thereby resisting communism and do this while your favorite is encouraging the spread of communism in an immense country like China. This will so bewilder and stupefy your people that they won't know whether they are coming or going.

6. Subsidize a few foreign empires that discriminate against you in vast areas they control. Reward foreigners who insult and double-cross you, so that your people will feel that they are worms. This will devitalize the country and soften it for further foreign levies.

7. Prepare to resist a presumed enemy by repudiating your historic policies and traditions, in order that you may serve the allies of that presumed enemy. Attack and vitiate your national sovereignty and independence, since, if asserted, they would deter you from the suicidal course of subsidizing and arming foreign states that are pledged not to aid you in a major war. Deaden all sense of national interest, lest it prevent your embroiling yourself in a war for the benefit of those who are pledged to assist you.

8. Give to foreign states vast sums of wealth, thereby depleting your natural resources. Deny to many citizens the benefits which they must provide, through taxes, for the enrichment of others who serve the allies of a presumed enemy. The dazed and demoralized victims of such legal duplicity will be of little use thereafter to the Republic.

9. Drain communities of their resources so that local institutions, such as public schools, libraries, hospitals, colleges, and churches will be impoverished, thereby causing a deterioration that will hasten the end of the Republic.

10. While forcing ordinary citizens to pay heavy taxes or to give forced military service to the National Government, honor and reward others who openly propose to mutilate the Nation's sovereignty and independence. Provide Government hand-outs to be used as a propaganda fund for undermining the Nation's independence. Such irrational conduct will convince the people that reason and intelligence should be exterminated, whereupon a people who have lost their wits will tamely submit to any bizarre scheme for foreign advantage.

11. By vast expenditures chiefly for the benefit of the allies of your presumed enemy, corrupt a part of the public by inducing citizens to accept bribes as the price of betraying the Republic, thereby setting an official example for everybody to profit by such betrayal.

The Fifth Column in America

EXTENSION OF REMARKS
OF
HON. WRIGHT PATMAN
OF TEXAS
IN THE HOUSE OF REPRESENTATIVES
Tuesday, August 23, 1949

Mr. PATMAN. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following address by Alexander M. Campbell, member of National Commission on World Order Disciples of Christ; member of board of trustees, Indiana University; Assistant Attorney General of the United States; at the State convention of the Department of Texas of the American Legion, at Fort Worth, Tex., August 6, 1949:

It is a real joy to return again to the State of Texas—a great empire, which has given to the Nation many of the outstanding leaders in our time—yes, of any generation.

Texas, at the present time, is giving great leadership to this Nation in a time when the people of the world look to the United States for leadership, courage, and stability. You have given to our people such leaders as former Vice President Garner; the inimitable Speaker of the House of Representatives, SAM RAYBURN; the distinguished chairman of the Foreign Relations Committee in the Senate, the Honorable TOM CONNALLY; the dynamic Senator LYNDON JOHNSON, and last week the President of the United States nominated another distinguished Texan, your friend and mine—Tom Clark—to be an Associate Justice of the Supreme Court of the United States.

I say to you that Tom Clark would love to be here with his fellow Legionnaires in order that he might tell you first-hand of some of the activities of the Department of Justice in his fight against the fifth column in America.

It is a great privilege, however, for me to speak for him and in his stead—this is probably the only time in my life when I will have the opportunity to speak for both a Justice of the Supreme Court of the United States and the Attorney General of the United States at one and the same time.

It is, therefore, with humility and with honor that I address you—the members of the American Legion, which has for its goal

the greatest of all American organization undertakings—the defense of our liberties, the preservation of our freedoms, and the maintaining of the peace of this Nation.

We of the Departments of Justice feel that we are partners with you in these undertakings and I am proud to point to the fact that it was Tom Clark, one of the greatest Attorneys General in the history of the United States, who has the courage, wisdom, and foresight to strike out against subversives within and without the Government after he became Attorney General of the United States. Under his leadership in enforcing the laws which Congress has enacted, and in carrying out the purposes of President Truman's loyalty order, we have ferreted out of the Government subversive agents and vigorously prosecuted spies and fifth columnists.

If the far-sighted recommendations of the American Legion regarding a strong military defense—civilian training—an adequate Army—a matchless Navy—a mighty air armada—had been carried out in time, perhaps there might never have been a Second World War.

Almost 4 years have passed since the last shot was fired in World War II. Yet the echo of that shot continues to reverberate around the world—a world that remains tense and troubled. The ideals of free men are still threatened, and in some parts of the globe liberty's cause is being weighed in the balance.

I don't have to tell Legionnaires that a tremendous price has been paid for our freedom and that we are determined not to lose this priceless heritage. We are also resolved to make good use of it.

The inborn desire for liberty found expression in the American way of life. While we have by no means achieved perfection, we are nearer to it than any other peoples. Yet our kind of life is only a distant hope for countless humans over the earth. Their dreams and their hopes are like those which caused millions to cross treacherous oceans to come here in quest of life's most precious possession—liberty.

They, too, would like to think as they please, worship in their faiths, travel freely, carry on their businesses, and own their homes, undisturbed under the law. All these wonderful blessings, and more, we enjoy here. Yet there are some who would undermine the very institutions from which these blessings flow. What a difference in our way and that in totalitarian countries such as those behind the iron curtain.

Over there freedom of political opinion has been extinguished; freedom of expression has been muzzled; freedom of assembly, except for Communists, is denied, and freedom of religious worship is in chains.

As President Truman said, "Totalitarianism is incapable of satisfying the needs and desires of men for a better life."

Democracy in full bloom does satisfy the needs and desires of human beings for peace and happiness.

We must have dynamic missions that will familiarize our own people, and peoples everywhere, with the soundness, the right, the advantages and the blessings of our form of government.

We need to constantly proclaim the blessings of individual liberty over a police state—of a godly life over a godless existence. We must carry the story of the rise to influence and power of our wonderful United States of America to all parts of the world—and that includes Russia and its forlorn satellites.

The people of the world are learning, and believing, through the Truman doctrine, the European recovery program, the Marshall plan, the Atlantic Pact, that your country and my country has no selfish objective. They are learning that our only goal is the brotherhood of man.

We must have stirring and effective missions that will bring more health, more prosperity, more peace, more understanding—mental and spiritual—to the great mass of our people. It is compelling in these uncertain times that we be strong militarily, physically, mentally, and spiritually. The urgency for a strong defense recalls the infant days of our Republic when the vigilant pioneer went to church with a Bible in one hand and a rifle in the other. Freedom and peace we want above everything else. Would that we never again have to resort to bullets and bombs to get that freedom and peace. Our choice is the use of books and bonds—bonds of friendship and books of brotherhood—to reach that goal.

It must never happen again that out of 17,000,000 young men called to serve in World War II, 5,000,000 were rejected as unfit. Another 1,500,000 were later dismissed from the service because of defects that showed up after induction.

Think of it. Six and one-half million young Americans could not answer the call to duty in the severest crisis of our country's history. The American soldier of the last war did double duty. He also had to carry the burden of the man that was unfit.

That is a challenge that we must face today on the domestic front—that mission must be completed.

It must not be said in the future, as can be said now, that 10,000,000 adults over 25 years of age never went beyond the fourth grade; that 3,000,000 have never gone to school at all, and that 6,000,000 youngsters were not in school last year. And upon such boys and girls rests some of the responsibility of preserving our heritage. That is another challenge that must be met, another mission to be achieved.

In 1,200 out of the 3,100 counties in the United States, there are no hospitals.

In 346 counties, there is no practicing physician, or fewer than 1 for every 3,000 people. That is another mission for the health and welfare of the American people that must be successful.

Let it not be said in the future, as is now reported, that 50 percent of the adults of the United States have no church affiliation.

No country can long endure that is not based on the principles of religion. This is another opportunity—an immediate must—for God-loving Americans. Like crime, communism grows on ignorance and poverty. It breeds on the godless.

Our Republic was founded on the solid foundation of religion—the eternal rock of ages. Our people have always recognized, and always must recognize that the true source of strength is faith—faith in God. Without such faith we cannot have faith in each other—and without such there can be no brotherhood.

The pages of history tell the sorrowful story of nation after nation—rising to dazzling splendor and power, falling by the wayside, crumbling into the dust of the past, never to rise again. They failed to follow God.

As the light of understanding breaks through, domestic Communists have become bewildered—and are scampering hither and thither.

Creators of confusion, they become confused. Digging a ditch for others to fall into, they themselves stumble into the ditch.

They don't speak the truth. Gradually they come to believe there is no truth. Finally they end by having no faith in their fellow man or even in themselves.

The Department of Justice has prosecuted Communist subversives on all domestic fronts. Action against them has been taken in the Federal courts and through deportation proceedings. As you know, 11 top-flight Communists have been on trial in New York City for the past 7 months.

Thirty-four alleged Communists have been convicted in the courts of Washington for contempt of Congress. Sixteen alleged Communists have been convicted in California on a charge of civil contempt for refusing to testify before a grand jury. Five more were convicted there for refusing to obey a court order to reveal the books of the organization and its officers. Four of them received jail sentences. Seven alleged Communists were convicted in Denver, Colo., on charges of contempt for refusing to testify before a grand jury in connection with the investigation of the alleged disloyalty of a Government employee. Seven Federal employees, in the East, South, and West, have been prosecuted as a result of the President's loyalty program.

You are familiar with the Hiss and Coplon cases. Many subversives, including Communists and Nazis, have been deported. They are being shipped out without return tickets. In all of our activities, we in the Department of Justice have been vigilant in the protection of civil liberties. We shall continue to protect the innocent with the same vigor that the guilty are prosecuted.

May I express my deep pride in the variety of activities of the Legion and the Legion Auxiliary that are doing so much to mold and build a greater and better America. I have no fear for our country's internal security with patriotic organizations such as yours, alert and active. The Legion and the Department of Justice have considerable in common. I am familiar with the Legion's character-building programs for youth that are making an invaluable contribution to the future of America. The boys and girls states, for example, are valuable projects to help prepare youth for citizenship responsibilities.

Periodically, and twice in our generation, notwithstanding the benefit of all of our churches and creeds, education and work, science and industry, men of barbaric vigor and ruthlessness have raised the sword and in the process of aggressive warfare or fifth column activity have conquered and enslaved millions of men, women, and children. The new Caesars, like those of ancient days, may conquer the earth and enslave humanity; and they may either be crushed by the armies of the Christian world, or be convinced by argument and inspiration that the true way of life is the way of free men whose individual liberties are preserved by the laws of God and the laws of man.

This eternal conflict, which must either be brought to an end or destroy our civilization, has been in process since the time when tribes fought tribes, neighboring cities fought neighboring cities and local rulers with landed warriors sought additional wealth and power by subjugating neighbors and plundering and enslaving nearby peoples unable to defend themselves. It has been with historic man, with medieval man, with the victorian man and with modern man, that war has been customary and peace has been exceptional. As between the forces of civilization and savagery conflict is incessant.

We have won both recent wars and after each victory the people had hoped to achieve a lasting peace. The victory having been attained, the peace which we promised ourselves has not been achieved. Instead of the people of the world being able to agree on harmonious and unanimous terms and conditions of a just and durable peace, we now find ourselves discussing the possibilities of a third and ravishing world war.

There is no difference in principle between the onslaughts of savagery and brutality by one aggressive tribe against a nonaggressive tribe in the historic days than there is between nazism, fascism, and communism in their godless drive against our modern, scientific, so-called intellectual Christian civilization. It is the old story of the forces

of totalitarianism against free men throughout the world. The forces of brutality and unmorality against morality and the better way of life. The forces which drive the dictator on the road of conquest to enslave the world are the same whether he be a Nazi dictator, an Italian duce, a Japanese war lord or the head of a Communist state.

Reduced to its simplest terms the modern struggle of civilization is between totalitarianism and democracy, servitude and freedom.

Dreamy-eyed candidates and Fascist dictators are either knowingly and wantingly or unwittingly leading a great segment of the people of the world down the road of communism, the inevitable end of which is slavery for the masses and an orgy for the hierarchy. We, the plain people, the newspapers, the churches, and lodges; the civic organizations, have failed to awaken our fellow men to the tragedy that lies ahead. It is inconceivable to understand how people follow blindly a pagan leadership which leads them down a road to the abyss of their own destruction. Need I recount at this time the awful butchery in the concentration camps of Nazi Germany. Need I recall to your memory the awful devastation of the town of Lidice—every visible form of life was burned to the ground, including men, women, and children. The trees, that only God can make, the birds and the animals in the street. Have we forgotten the thousands that were cremated, burned, both dead and alive, in the Nazi extermination camp at Auschwitz near the eastern front?

Remember Pearl Harbor—ah, yes, my friends—remember also Dachau—the Nazi concentration camp outside of Munich and the 150 other slave and liquidation camps in Nazi Germany and occupied areas where there was no indictment, no trial by jury, no judge administering equal justice under law.

Can a free nation of the world ever forget the slave labor in Nazi Germany and in the occupied countries, chained to their machines until they died from forced work, from hunger, exhaustion, and shock. There were no strikes, there were no lock-outs.

In the Communist state, as in the Nazi state, the same path is followed, the leadership talks about the great good they are doing for the masses and yet in the very sight of the person engulfed in the ideology of the Kremlin there stalks hunger, disease, and unemployment.

Gentlemen—it is later than you think. Personal freedom and individual liberty are on the guillotine block. In the totalitarian countries there is no freedom of speech, freedom of press, freedom of religion, trial by jury, or the protection of constitutional rights by a great judicial system. In a Fascist country the churches are closed, the lodges are abolished, every avenue of expression of a freeman is blocked. Divorce is a simple one-sided act. You register the liquidation of your marriage and your spouse is notified of the fact by post card. There is no money and the field belongs not to the people but to the police state. Human rights and property rights are extinct. It is the solemn obligation of every free person everywhere to work and fight for, if necessary, the preservation of a free world. Humanity cannot endure on a planet half-free and half-slave. To those of us who adhere to the Christian faith, ours is a task of great import.

The atomic bomb, the jet plane, and rocket ships, traveling faster than sound and light, have made us one world. Bacteriological warfare could destroy the world. In these great inventions we have the instruments to hasten the collective suicide of a world that has lost its balance.

The Communist coup of Czechoslovakia follows the same pattern as the Nazi infiltration of Austria, Czechoslovakia, and Poland along with all the other occupied countries. The Communist fifth column is here.

J. Edgar Hoover, brilliant Director of the Federal Bureau of Investigation, warns us in his testimony before the House of Representatives in Washington and when he appeared before the Un-American Activities Committee, he testified that: "The mad march of Red-Fascism is a cause of concern in America. The Communists have been mobilizing, promoting mass meetings, sending telegrams and letters to exert pressure on Congress—all in opposition of American aid in Europe." America must not fail. The principles of Christianity will spearhead our activity. To preserve freedom and liberty for people everywhere, our citizens will rally to the cause of freedom as they did from the churches, schools, and shops to the support of the world-famous Friendship Train of Drew Pearson. We will do it in the democratic way through our representative Government. We will do it under the Constitution and the Bill of Rights which were carried throughout the country by the Freedom Train, conceived by our dynamic Attorney General, Tom C. Clark.

America must never have a Munich. We are at the crossroads again and the course of our destiny will be dependent upon the decision to capitulate as we did with Hitler and the Rhineland, Italy and Ethiopia, Japan and Manchuria, or our decision to stand firm and resist aggression from wherever it may come.

Free enterprise as we know it here in America must accept, as it always has, the verdict of our times.

What is our immediate plan—the Marshall plan—Have you read it? The Marshall plan is a Christian plan. It has been approved generally by the Christian groups of the country. But that is not enough. The laymen of the world must work for and fight for, if necessary, world statesmanship to direct finance, industry, commerce, agriculture, and education based on free enterprise and undergirded with the principles of freedom and equality of opportunity.

In such a society world organizations must supersede local jealousies and feuds. The United Nations must live. The Atlantic Pact must not fail. The art of effective politics under these conditions is the art of planning and utilizing productive resources on a world scale since planning on a lesser scale will fail; and we must enforce law and order on a world scale—since any lesser law and order is too little and too late for the needs and preservation of modern world civilization.

We, the people, are faced with these inescapable prerequisites for the survival of our children and ourselves—there may be no others.

A voice from the tomb of the Unknown Soldier cries out—The crusade for a Christian world marches on. Do not forsake my brethren.

If we fail now, America will be an island of democracy in a sea of communism, destined for eventual servitude and liquidation.

America will not fail.

Color Television

EXTENSION OF REMARKS

OF

HON. EDWIN C. JOHNSON

OF COLORADO

IN THE SENATE OF THE UNITED STATES

Tuesday, August 23 (legislative day of Thursday, June 2), 1949

Mr. JOHNSON of Colorado. Mr. President, Fred Othman saw color television and came away enthused. It is a major accomplishment when anyone sells this high-powered critic on any venture. I ask unanimous consent therefore to insert his masterful blow-by-blow description of what he saw in the Appendix of the RECORD.

Especially do I want to reecho his punch lines "All I know is that I want a color television set. You hear that FCC? And the sooner the better." Amen, Mr. Othman, Amen.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

KILLJOY FCC

(By Fred Othman)

If color television is good enough for doctors to watch blood gush red, then I claim it is suitable for me to gaze into the big brown eyes of Milton Berle.

And if the Federal Communications Commission kindly will get up off its sofa and allow the color-picture boys to go into business, I'll appreciate it. Their widgit is wonderful. I want one.

There I was at the local armory, looking into a bleached oak television set carrying the first technicolored picture ever to be sent over the air.

These came by commercial channel from Baltimore; in the past tinted television always has traveled by wire. So this was a historic moment and Dr. Peter Goldmark, who invented the system, was nervous.

He fiddled the dials and rainbows flashed across the screen. Then came skyrockets. And pretty soon there was a female who looked like a sunburned Indian with green teeth. Dr. G. twisted the knobs some more, the colors fell into their proper places and there on the screen was Miss Patty Painter, a beauteous redhead with white teeth and skin which would have been a pleasure to touch.

She stood in front of a sky-blue wall 40 miles away. Her fingernails were dark red. Highlights glistened in her auburn hair. Her eyes were blue, while her blouse was of Roman stripes, red, blue, green, and gold. All this was as clear and sharp and bright as any technicolor movie I ever saw.

So Miss Painter held up a series of multicolor scarfs, Scotch plaids, pink ostrich feathers, cigarette packages, and paintings of headless females by a modernist named Matisse. In the midst of this Dr. G., like any proud proprietor of a plain old black-and-white set, cculdn't resist tinkering with the dials. He got the usual result. Chaos. But he soon put the machinery back in adjustment and there was Miss P. in full color saying good-by. The temptation was strong to reach out and shake hands with her.

A number of important personages were present. Mostly, they were amazed. As Representative HARRIS ELLSWORTH (Republican of Oregon) put it, "That is too good to be true." The weird thing was that this particular test wasn't being made in the interests of television fans generally, but so that doctors could watch other sawbones performing operations. The physicians soon will do their slicing in color under auspices of Smith, Kline & French laboratories of Philadelphia, which bought the equipment from CBS.

The Communication Commissioners issued a special license for the docs, but it turned down Dr. Goldmark's color system for public use 2½ years ago. It still hasn't changed its mind, but has scheduled further public hearings next month.

Dr. Goldmark, a youngish citizen in heavy eyeglasses and speaking with an almost imperceptible accent, said if the Commissioners decided in his favor, color television sets would go on the market almost immediately.

Several radio factories even now, he said, are tooling up, just in case. He figured that a set producing colored pictures would cost about 25 percent more than present models.

He also talked about green phosphors, electronic color, color discs, and something that sounded like sink. I have no idea what he meant.

All I know is that I want a color television set. You hear that, FCC? And the sooner the better.

Utopia on the Rocks—Private Medicine Will Never Come Back in Britain

EXTENSION OF REMARKS
OF
HON. LAWRENCE H. SMITH
OF WISCONSIN
IN THE HOUSE OF REPRESENTATIVES
Tuesday, August 23, 1949

Mr. SMITH of Wisconsin. Mr. Speaker, I include another of a series of articles appearing in the Washington Daily News by E. T. Leech, senior editor of the Scripps-Howard newspapers, who was sent to the British Isles to study conditions there:

LONDON, August 20.—Britain's famous medical plan is here to stay, regardless of who wins the 1950 election. Private practice won't come back.

It is the one Socialist creation which is popular in Conservative as well as Labor Party ranks. In fact, with the election campaign starting, Conservatives are claiming it as their own baby. They say they first took steps to set up the system.

There is much criticism of the state health system. This mainly has to do with abuses which have made it far more costly than expected; and with delays in getting hospital care, dental service, and eyeglasses. England did not have enough hospitals, doctors, nurses, or facilities suddenly to take the whole population under its medical wing.

Short-cut and mass-production methods, by overworked doctors trying to see enough patients to make a living, also bring many complaints. Doctors—who get a state fee of $3.40 a year for each patient on their list, up to a maximum total of 4,000—are unhappy. Many work at least twice as hard as ever before for about half the income. They are demanding higher fees.

DENTISTS UNDER FIRE

Dentists are under heavy fire. A nation never much given to dental care rushed in for treatments and false teeth. Fees recently were cut about a fourth, but dentists still do far better than physicians. The papers print stories about excessive dental incomes (up to $100,000 a year in one case) through mass services often performed largely by office helpers. Numerous investigations into quality of work have been made.

Opticians are swamped. It takes 3 months to a year to get spectacles—and a long time for eye operations. London's county council has been investigating charges that school children must wait more than 3 months for glasses, even in critical cases.

Breaking or losing your spectacles in England is a major tragedy. An angry member of Parliament recently told Commons about an elderly couple who had been using the same pair of spectacles for more than a year, after the husband lost his.

HOSPITALS JAMMED

Hospitals are flooded with patients. Many serious cases must wait for long periods to gain admittance. Once in the hospital, they are rushed home as soon as is physically possible. This situation is due not only to a shortage of doctors, but also of nurses, technicians, and staffs. It is hard to recruit nurses, but medical schools are filled.

Doctors are hounded by some patients whose main object is to get their money's worth. They may not be ill. Or they may want prescriptions for such minor medical supplies as aspirin or a roll of adhesive tape.

ABUSES DECLINING

If the doctor signs an order, a patient can get almost anything without charge—such as a hot-water bottle. The matters of free wigs, medicinal spirits, and special corsets for women have received a lot of attention. But even critics of the medical plan told me they had been exaggerated, and that such instances are now declining.

However, doctors do have to submit to endless appeals to fill out forms. If a doctor orders it, a family may get a larger housing unit, on grounds of medical necessity. Or an extra coal ration. Or an increase in some rationed food.

But early abuses of the health plan—now over a year old—apparently are declining. Doctors aren't so liberal about granting every request for state aid. Also Government superiors are doing a better job of backing them up. Social workers, local medical boards, and state officials have grown less apt to cater to a patient's every whim.

FIFTY CENTS A WEEK

The health plan is costing Britain more than 50 cents a week per person—which is twice what was estimated before it started. So says a 36-page booklet just issued by the Minister of Health—who is Aneurin Bevan, a former coal miner and the most violent left-winger and revolutionist in the Socialist government. He also has charge of housing.

His bitter hatred of the old system, and his passionate desire to give benefits to the poor, probably have contributed greatly to the heavy cost of the health plan. He is a free spender who doesn't consult much with others. His personality and attitude have added much to the unhappiness of the medical profession.

COST ABOUT ONE AND ONE-HALF BILLION

Total cost of the medical system this year was estimated in Mr. Bevan's report at $1,464,000,000. It probably will exceed $1,500,000,000. More than half will be for hospitals, of which about 2,600 were taken over by the state. Less than 300, mostly religious in character, are still private.

(On the same per capita cost a similar United States health plan would cost about $6,000,000,000 a year. But far higher living standards would probably make the bill twice that amount.)

Of this $1,500,000,000 for health service, only $164,000,000 comes from the public's insurance contributions. These run at a rate of $1 a week for an employed man, of which about 14 cents is for the health scheme. Women pay slightly less, and the self-employed quite a bit more.

These contributions must be paid by everybody—regardless of whether they register under the state plan. About 5 percent of the British public did not, and still pay fees to the small minority of doctors engaged in private practice.

SOME PAY TWICE

An unregistered man or woman thus pays twice for medical care—through state insurance and private doctor bills. Moreover, such a patient must pay the druggist for drugs and medical supplies. The Conservative Party platform, recently issued, promised to let these patients of private doctors have state drugs. Thus, while pledging economy, it promised to add a considerable cost to the health plan. (It also promised to raise old-age pensions—another vote-getter.)

Well over $1,000,000,000 of the cost of the health system is paid out of general taxation. It is one reason why British pay the world's highest income and sales taxes. Indirectly, it is a factor in the high costs which have cut sales of British goods in world markets.

ALL PLEDGED TO IT

But, by and large, the Labor Party, the Conservatives and the weak Liberal Party generally praise and are pledged to uphold state medicine.

Even severe critics admit it has done much good for the poor—especially women and children. Under the old system, in which employed men got medical service from panel, or company, doctors, their families were not included. The mother and child in poor homes often did not get attention until critically ill. There was a great deal of free care in voluntary hospitals, as in America. But a great many lacked it.

Faults or no faults, the British people plan to hang on to what they now have.

Aid to England

EXTENSION OF REMARKS
OF
HON. JAMES C. AUCHINCLOSS
OF NEW JERSEY
IN THE HOUSE OF REPRESENTATIVES
Tuesday, August 23, 1949

Mr. AUCHINCLOSS. Mr. Speaker, I have the honor of representing one of the most outstanding industrial companies in the country which does business all over the world. This company, Johnson & Johnson, of New Brunswick, N. J., has been in operation a long time and their policy has been to build up their business and good will by rendering honest and efficient service to the public, at the some time adopting an attitude toward their employees which recognizes the part that they play in making this success possible. As a result, Johnson & Johnson has been prosperous and its many employees have always enjoyed fair wages acceptable to them and working conditions which recognize the needs and simple courtesies due working people.

Recently the chairman of the board of directors, Gen. Robert W. Johnson, retired, returned from a visit to England where he inspected the company's installations and he addressed a letter to me which I append to these remarks. I hope the Members of the House will read this letter because it represents the views of a forward-looking American industrialist who is not an isolationist. He is a realist who is anxious to do what he can to promote the peace and stabilization of the world. His letter follows:

JOHNSON & JOHNSON,
New Brunswick, N. J., August 18, 1949.

Hon. JAMES C. AUCHINCLOSS,
House Office Building, Washington, D. C.

MY DEAR JIM: Recently I visited our several industrial installations in England. It was my purpose to examine carefully actual operations, and to meet almost exclusively workmen, group leaders, foremen, superintendents, executives, and directors. My studies led me to conclude that the present Government in England is spending more than its income and that its income cannot be increased.

It is clear that the present level of taxes has partially destroyed—and if continued will largely destroy—enterprise. The cost of most English products is prohibitive primarily because the cost of government has been added to the cost of production. Many

English operations are efficient and many are inefficient, but even those that are efficient have difficulty in meeting international competition.

The purpose of this note is to recommend that we carefully scrutinize further aid to England. I doubt that we are benefiting either England or ourselves through these subsidies.

Sincerely,

ROBERT W. JOHNSON, *Chairman.*

World Federation

EXTENSION OF REMARKS

OF

HON. E. H. HEDRICK

OF WEST VIRGINIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, August 23, 1949

Mr. HEDRICK. Mr. Speaker, under unanimous consent to extend my remarks in the Appendix of the RECORD, I include an article by Mr. Soterios Nicholson, entitled "World Federation," which appeared in the Atlantis, August 7, 1949:

WORLD FEDERATION

(By Soterios Nicholson)

WASHINGTON, D. C.—In 1916, while the First World War was going on in Europe (the United States had not decided then to join), the writer wrote a book—War or United World—in which he expounded the idea of an international government to stop war forever. He plainly stated the reasons and conditions, but he wrote that it will take years and years before such an ideal will be accomplished, mainly because it is necessary that the people of the world have to be educated to think internationally, instead of only nationally.

Briefly, the idea in the book was that an international government was imperative on the same theory as Switzerland and the United States are running their united government over their several States. The international government should first codify international law—write down what the international law is—secondly, establish an international tribunal to decide what the law is, and thirdly, organize an executive department to set up an international army and navy to enforce the judgments of the court. Very simple, is it not?

But the people are thinking yet nationally, and not internationally, hence neither the League of Nations nor the United Nations will accomplish the desired results. In both instances, however, the people have started to walk in that direction. The first step was the League of Nations, the second is the United Nations. We hope the third step will be the establishment of world federation.

From the arguments of the officials of every nation, including our own—the United States of America—one will watch the trend of thought leading to the international government. In the process of establishing the League of Nations, after World War I, very few were then advocating and supporting the idea. If it was understood then, as it was understood after the end of stopping fire of World War II, when the San Francisco Conference was held, and still better as it is known and advocated now, if better provisions were inserted in the United Nations Covenant, then perhaps the world would be still higher for an international government or a world federation of government, as it is now expounded by several officials, than we have anticipated. The progress is slow, but it is sure.

The main obstacle for such complete understanding is the Soviet Union. The western nations understand it, and they are trying to develop it. But the ideal of communism desires either full control of the world, or to go on their own way in achieving their end. Thus we have arrived at two definite forms of government: the democratic and the communistic. We will discuss that question another time.

Let us make a few remarks in general—namely, how will the international government work? No nation should maintain an army or navy. All military establishments would be vested in the international government and will be on the orders of the general staff of that government. No nation would possess any arms or ammunition. Each nation would have a guard for domestic tranquillity. All questions for enforcing the international law will be vested in the executive department of the international government. All violations of the international code will be decided by the international tribunal in accordance with the international codified law, and enforce it by the executive department through the established machinery or Army and Navy. The details should be agreed upon by the proper representatives accredited for the international assembly to be appointed for such a purpose by all nations.

Just as New Jersey is not afraid of New York or Pennsylvania, so it should be for the neighboring nations to exchange, sell, or trade their goods with any nation they wish, freely. Hundreds of arguments could be made against such a form of international government, or as many be advanced in favor. The details could be worked out by the representatives and ratified by each nation adhering to those principles. One cannot cover all the ideas in an article for consumption by the readers of a daily newspaper, but the broad principles are stated as food for thought.

After the San Francisco Conference and Washington conferences, there sprang a wide public opinion for a world federation. Former Justice of the Supreme Court Roberts formed a society for that purpose, having its headquarters in Philadelphia. The American Academy of Political and Social Science held a world government conference in Philadelphia, Pa., April 8 and 9, 1949. The results and arguments advanced for that thought have been published in the July issue of the Annals, official publication of the society, in which the writer is also a member. More recently 92 Congressmen in the House of Representatives have declared themselves with the federation or international government idea. This is an encouragement, as the remedy of stopping war is in the hands of all nations. Hence, it is their responsibility to end war once and for all through a good organization. Amendments could be made through the United Nations Covenant. Nothing is impossible, if the people understand the problem and in what way it can be properly solved. The day will come, but why not now? The sooner the better.

Socialism Under Labor in Britain on the Rocks

EXTENSION OF REMARKS

OF

HON. LAWRENCE H. SMITH

OF WISCONSIN

IN THE HOUSE OF REPRESENTATIVES

Tuesday, August 23, 1949

Mr. SMITH of Wisconsin. Mr. Speaker, under leave to extend my remarks I am including an article by E. T. Leech, which appeared in the Washington Daily News on Monday, August 22, 1949:

LONDON, August 22.—The foundation or bedrock of socialism is that government knows best. As the British Labor Party platform puts it: "Government must accept responsibility for economic planning for the nation as a whole."

The basic difference between the British plan and the ones developed under Stalin, Hitler, and Mussolini has been in the use of force.

During 4 years in power, the British Socialists have used compulsion sparingly. The individual has remained free. They have put or kept strong laws on the books to control him in picking or changing jobs, and in other personal acts.

There are labor controls far stiffer than anything ever included in or proposed for the Taft-Hartley or other American laws. The Socialist Government formally invoked them twice in dock strikes, but it then shied away from using them. Beyond employing the power to freeze coal miners in their jobs, the Government has scarcely touched its authority to control employment.

It has used plenty of compulsion against business. But that has been economic force—denial of licenses, refusal of raw materials and similar business restraints.

It has taken property from unwilling owners to nationalize business. It paid them with a form of bonds (something like preferred stock) which pay 3 percent and have no maturity or calling dates. Prices were based on those in the security markets. Though there have been disputes over prices, there has been no outright property seizure without payment.

By and large, the British Government in putting over its program has followed democratic methods. It tolerates free speech and political opposition—sometimes with a show of reluctance. But it has been chary about force against individuals. Personal liberty lives in England.

HOW LONG?

How long will this continue? Will a government already deeply in trouble with its plans continually going awry, resist the temptation to put over by compulsion what it cannot do by persuasion? Will it yield to the old snare that the end justifies the means, and that those who resist what is planned to help them must be forced along for their own good?

APPROACHING CROSSROADS

Britain is approaching that crossroads. The answer may be provided in the general election to be held probably next spring or summer.

When Winston Churchill opened the campaign against the Socialists, he called it a choice between two ways of life: between individual liberty and state domination.

"Nationalism," he said, "spells the doom of trade-unionism." He said wage earners would fall under "an all-powerful state machine which, once it is thoroughly established, can beat the worker down to the level of a Soviet Communist serf."

FREEDOM AN ISSUE

The Conservative platform, following that lead, holds that the Labor Party is seeking a completely Socialist society "in which all forms of power are to be centralized in the government, and the interference of government will pervade and dominate the private life of the citizen."

Labor Party leaders, of course, stoutly deny all that.

But the coming campaign obviously will be fought to a large degree on the issue that personal freedom is threatened—that "the

creation of a socialist state prepared the way for communism," as the Conservative platform phrases it.

SAFETY CATCH STILL ON

I saw what happened during the recent dock strike which lasted 24 days. For the second time in a year, the Government invoked the sweeping rules of the Emergency Powers Act, which virtually establishes martial law. It had previously not been used since the famous general strike of 1926.

After an emergency proclamation by the King—a mere form to carry out the Cabinet's decision—the Government could arrest without warrant, prosecute anybody for causing a worker to withhold services, billet troops, and carry out sweeping controls against loitering, trespass, interference, etc.

It is labor law beyond anything known in the United States.

The proclamation clearly was intended to scare the strikers back to work, as it did a year ago. In that it failed. Then the Government timidly declined to use the powers it had invoked. Instead, it sent 15,000 drafted troops to the docks—many of them from trades-union families—and used them to load and unload ships until the strikers caved in.

SHOW-DOWN WITH UNIONS?

Other unions are almost as rebellious as the dockers. After months of sporadic slowdowns, a general railroad strike is in the offing. It may force a grave show-down. Unions are determined to end the wage-freeze policy.

The Government, under the so-called Supplies and Services Act, has revived in peacetime drastic war controls. It has scarcely touched them yet. But it holds vast power over persons and property—controls which expired after the war and which the Socialists revived in 1947. At a recent labor congress the determination to make them permanent was announced.

This is a gun not yet fired. The powers include such things as compulsory direction of labor into jobs and places of work, detailed business controls, authority to requisition property, and other broad rights.

The 1947 Agriculture Act gives the state power to compel good farming "if necessary by dispossessing inefficient farmers and landlords."

PRESSING IN ON LIBERTY

The Government today virtually stops emigration by restraints on a citizen's right to leave with his property. It tightly restricts the amount of money an Englishman can carry over the border for travel. It is pressing in from other directions on personal freedom.

Thus the Government has secured, but uses only to a limited degree, vast powers over people and property. Will this policy change? It is cited that Prime Minister Clement Attlee told Parliament in 1946: "In matters of economic planning we agree with Soviet Russia."

CRACK DOWN IN PARTY

The Labor Party already is cracking down hard on dissenters in its own ranks. Just the other day it expelled a Socialist member of Parliament from the party—the fifth so bounced since 1945. Four were extreme left-wingers who disagreed on foreign affairs; one opposed the bill to nationalize iron and steel.

This discipline is now necessarily confined to party matters. But it gives warning of possibilities—particularly should the Labor Party's extreme left wing, led by the revolutionary Aneurin Bevan, get control. Many Britons are fearful of that happening.

The big obstacle now is that the Socialists have to win an election not far off. But if they were back for 5 years, and if things continued to go as badly with their plans as they have lately, a lot might happen to British democracy.

Secret Report on Chinese Communist Movement

EXTENSION OF REMARKS
OF
HON. WALTER H. JUDD
OF MINNESOTA
IN THE HOUSE OF REPRESENTATIVES

Tuesday, August 23, 1949

Mr. JUDD. Mr. Speaker, under leave to extend my remarks in the RECORD, I include a secret report on the Chinese Communist movement which was made by our Army Military Intelligence Service in 1944–45 after a careful and comprehensive study. It cannot be that this report was not available to our State Department, especially when General Marshall was its Secretary. But how could anyone have read its conclusions and then followed policies in China based on suppositions wholly contradictory to those conclusions? And on what possible excuse can the document have been omitted from the white paper which is supposed to give our people a full and balanced picture of the situation in China and why we did as we did.

Mr. Speaker, the situation in China is now fast approaching an ultimate crisis, which has long been foreseen by many officials of our Government, both military and civilian, but which we could not get Secretary Acheson and our State Department to recognize.

This crisis was preventable. It is inexcusable that it was allowed to develop. Had the State Department given the attached report of the military the study to which it was entitled, and the consideration which it merited, today's catastrophe might not be upon us.

I have had this report for almost 4 years, but previously have not felt free to release it. Now, however, the State Department has itself come out with many other secret documents to bolster its own feeble case. Consequently, I feel under obligation to a decent respect for the truth to release the report, because the document so clearly shows the failure of those who have formulated American foreign policy, to look realistically at the facts.

In view of this report, and in view of State Department policy notwithstanding this report, I can only say that Secretary Acheson seems determined to make impossible a continuance of the fine bipartisan foreign policy which has been responsible for such foreign-policy victories as we have won.

We had hoped, many of us, that we could get a consistent, defensible foreign policy related to the entire world—a policy which could win wholehearted support from those men of clear vision in all parties, who see the dangers of communism globally, and not through a telescope trained on Europe alone. We have cooperated wholeheartedly in European policies, and hoped that we could get the State Department to pursue similar policies in Asia. During consideration of the military-aid bill, an amendment was introduced and supported by prominent Democrats as well as Republicans, to give authority and funds to the administration to support free peoples in China and southeast Asia, in their fight against Communist subjugation. Here was the opportunity for development of a global foreign policy for containing communism.

Notwithstanding the sincerity of men who supported the bipartisan policy toward Europe, Secretary Acheson, in a letter to a Member of Congress, specifically opposed development of a consistent policy in the vast continent of Asia, where Communist aggression is not just a threat, as in western Europe, but a cruel actuality.

The decision of Secretary Acheson was to oppose communism in Europe, but still appease it in Asia. He wants us to pursue the Truman doctrine in Europe, yet follow the Henry Wallace policy in China. This Acheson-Wallace policy in China has been followed in the face of frequent warnings against the consequences now so clearly developing, and despite our military department's solemn warning contained in the attached report entitled, "The Chinese Communist Movement."

No fair-minded person could have read the five major conclusions of this exhaustive military study which events have proved so remarkably accurate, and then approved the policies which our State Department has followed in China during the last fateful 4 years. Certainly, no fair-minded person could have read them and then tried to justify these policies, as Secretary Acheson has sought to do in his letter transmitting the white paper.

The text of the report's summary follows:

THE CHINESE COMMUNIST MOVEMENT

1. THE PROBLEM

The problem of the Chinese Communists is not merely one of how the Communists should be dealt with; even more difficult has been the problem of determining the facts. Authorities on both sides have disputed the most elementary statements of fact.

It was considered by the Military Intelligence Service that this state of affairs constituted an impediment to the effective prosecution of military operations in China and in the Pacific. A major project was therefore initiated at the end of 1944, under which the most competent analysts, both civilian and military, were assigned to the examination of all material available, and to the compilation of a report on the Chinese Communist movement. The preparation of the report involved the examination of over 2,500 reports, pamphlets, and books.

2. FUNDAMENTAL CONCLUSIONS

Careful study of these materials has led to a number of basic conclusions. Appropriate qualifications and detailed authentication for these conclusions is contained in the full report. The most important conclusions may be summarized as follows: (1) The democracy of the Chinese Communists is Soviet democracy. (2) The Chinese Communist movement is part of the international Communist movement, sponsored and guided by Moscow. (3) There is reason to believe that Soviet Russia plans to create Russian-dominated areas in Manchuria, Korea, and probably north China. (4) A strong and stable China cannot exist without the natural resources of Manchuria and north China. (5) In order to prevent the separation of Manchuria and north China from China, it is essential that, if Soviet Russia participates in the war, China not be divided (like Europe) into American-British and Russian zones of military operations.

3. PRÉCIS OF CONCLUSIONS

(a) High morale: The Chinese Communists are the best led and most vigorous of present-day organizations in China. Their morale is high. Their policies are sharply defined and carried out with a devotion which is fanatical.

(b) Policy of establishing communism through "democracy": The Chinese Communists emphasize two stages in their revolutionary program: First, the change of the Chinese semifeudal society into a bourgeois (or capitalist) democracy; second, the establishment of communism. The first is their present goal according to their own claims. They insist, however, that the bourgeois democracy must have the support and leadership of the proletariat under Communist guidance. This objective they have achieved in their areas of control; theirs is a one-party controlled democracy.

(c) Soviet democracy: While the Chinese Communists, call their present political system democracy, the democracy which they sponsor is in fact Soviet democracy on the pattern of the U. S. S. R. rather than democracy in the Anglo-American sense. It is a democracy more rigidly controlled by the Chinese Communist Party than is the so-called one-party dictatorship of the Chungking government controlled by the Kuomintang (People's National Party). This is indicated by the fact that Chiang Kai-shek rules by maintaining a measure of balance between the various factions within the Kuomintang and by making concessions to the non-Communist opposition groups outside the Kuomintang in Chungking-controlled China. Whenever he fails, as he has in the past 4 years, to maintain such a balance, he weakens his rule. On the other hand, while minority parties which wholeheartedly accept Communist leadership are tolerated in Communist-controlled China, real opposition parties and groups are summarily suppressed as traitors. If the Communists' charge of Kuomintang intolerance is true, it is also true that the Communists will be still more intolerant if they ever obtain supreme power in China.

Nevertheless, since the Chinese Communists provide individuals, especially the laborers and peasants, with greater economic opportunities than the Kuomintang Nationalists provide, the Communists enjoy wider popular support in the area held by their own armies than do the Nationalists in their areas of control. This is the Communists' greatest source of strength in China.

(d) Part of international Communist movement: The Chinese Communist movement is part of the international Communist movement. Its military strategy, diplomatic orientation, and propaganda policies follow those of the Soviet Union. They are adapted to fit the Chinese environment, but all high policy is derived from international Communist policy which in turn depends on Soviet Russia. Throughout their history the Chinese Communists have loyally supported and followed the policies of Soviet Russia and have accepted the whole content of Marxism-Leninism-Stalinism.

(e) Desire for United States support against Japan and the Kuomintang: This does not prevent the Chinese Communists from maintaining a friendly attitude toward the United States. Their attitude toward us and all capitalist democracies is conditioned, however, by the extent to which they can obtain benefits from us in the furtherance of their own revolutionary aims: the subjugation of China under Communist rule and the development of a Communist-controlled "capitalist democracy" in China as a preliminary to the introduction of communism. They would use American support to further their struggle against both Japan and the Chungking Government.

(f) De facto independence: The Chinese Communist movement today is not represented merely by a political party; it is represented by what is a state in all but name, possessing territory (the combined area of which is about the size of France or one-fifth of China proper) a population of probably more than 70,000,000 people, armies, law, and money of its own. The Chinese Communist state is economically primitive, but (at a primitive level) fairly self-sufficient.

(g) Rivalry with the Kuomintang—(1) Failure of the "Entente Cordiale." During the period of the Soviet Russian-Kuomintang Entente Cordiale, 1923–27, the Kuomintang and the Chinese Communists cooperated. The Chinese Communists promised to support the revolutionary, nationalist, democratic program of the Kuomintang. They broke this promise. It soon became evident to the Kuomintang leaders that the Chinese Communists, urged on by Soviet Russia, were aspiring to turn the revolution into a class war in order to gain supreme control over China. In 1927 the Kuomintang therefore turned against the Chinese Communists and Soviet Russia.

(2) Development of the "united front" movement: The ensuing civil war, 1927–37, between the armies of the two Chinese parties was accompanied by the bloody excesses characteristic of all class wars. By 1936 the Kuomintang had almost defeated the Chinese Red Army. The latter was saved by the Kuomintang's acceptance of the idea of a united front with the Communists in defense of China against Japan. The united front idea had been developed in Moscow. It applied to Communists in all countries and involved cooperation between Communists and non-Communist groups and parties in the capitalist democracies, as a means of safeguarding the Soviet Union against the threat of fascist aggression and of expanding the influence of the Communists in capitalist democracies.

Under the terms of the united front understanding in China, the Chinese Communists pledged themselves, as of 1937, to cease subversive activities against the government, to abolish their separate government and administration, and to integrate the Chinese Red Army with the government's central army.

(3) The "war within the war": The Chinese Communists did not fulfill this promise. Soon after the outbreak of the Sino-Japanese War, the government assigned to the Communists certain defense zones. While the Kuomintang armies in obedience to the Chinese high command, kept within their assigned defense zones, the Communist armies insisted on being granted entry into any Kuomintang zone that they desired to enter. Whenever the Kuomintang troops refused to admit the Communist troops into their defense sectors and to share with them their exceedingly limited resources they were called "traitors" by the Communists. When the National Government refused to grant the Communists permission to establish in Kuomintang areas their own separate civil administrations, called "united front governments," which flouted the National authority of Chungking and accepted orders only from the Communist capital, Yenan, the Communists accused the Kuomintang of being "antidemocratic" and the Kuomintang troops of being "experts in dissension." Such tactics inevitably led to clashes with Kuomintang troops. The latter fought in self-defense against both the Communists and the Japanese for the protection of their bases.

Internecine strife led to a general deterioration of the Chinese war situation. After the United States entered the war against Japan both the Communists and the Kuomintang became more interested in their own status vis-a-vis each other than in fighting Japan. The interparty struggle became of paramount importance. For the Chinese believed that America guaranteed victory against Japan, and the fruits of this victory would obviously go to the party that won out in the Kuomintang-Communist struggle for power.

(h) Role in World War II: In spite of this internecine strife, or quasi war, the Chinese Communists have contributed to the United Nations war against Japan. By organizing extensive guerrilla territories within areas enclosed by the Japanese Army they have prevented the full Japanese exploitation of North China's resources in foodstuffs, raw materials, and manpower. They have also rescued many American pilots who have been forced down in Communist-controlled areas.

Contrary to the widely advertised reports of their sympathizers, the Chinese Communists have, however, fought the Japanese far less than have the National Government troops. The generalissimo, Chiang Kai-shek, and his followers have yield ground politically and militarily to the Communists in order to avoid an open break; as a Nationalist, Chiang Kai-shek has been primarily interested in the war against Japan.

(i) Military capacity small: The Chinese Communists now claim to have an army of 910,000 troops in addition to local militia forces numbering about 2,000,000 men. However, in October 1944 the strength of the Chinese Communist regular forces was reliably reported as 475,000. The degree to which the increase since October of last year represents an actual increase in fighting capacity depends upon the number of rifles available. Rifles were available for only about 250,000 in October 1944.

(j) The alternative settlements of the Kuomintang Communist problem—

(1) General: As far as can be seen at present there are three alternatives for a settlement of the internal situation in China; (1) civil war between the Kuomintang and the Chinese Communists; a settlement which would be disastrous for the Chinese people, even though it might ultimately decide the question of which party shall rule; (2) institution of a national assembly to inaugurate a democratic, constitutional form of government in which all parties find representation; (3) division of China into two (or more) separate parts, these parts to be united in a loose federation represented by a coalition government of all parties. The decisions of this coalition government would be executed independently by the Chinese Communists and the Kuomintang. The two parties would continue to maintain their separate armies and administrations.

Many observers believe that neither of the latter two alternatives is feasible. Both the Kuomintang and the Chinese Communists aspire to supreme control over China. This being the case some observers believe that civil war is unavoidable.

(2) Generalissimo sponsors the National Assembly: Chiang Kai-shek has proposed the National Assembly, which is to convene on November 12, 1945, as the only possible means for a peaceful solution of the Kuomintang-Communist problem and for the reestablishment of unity in China. He insists, however, that no unity can be achieved so long as there are several independent partisan armies in China. He, therefore, demands that the Communists fulfill their pledge of 1937 to subordinate their army to the National Government. He makes compliance with this demand a prerequisite for any political settlement with the Communists.

(3) Chinese Communists sponsor idea of coalition government: The Communists refuse to comply with this demand. They have boycotted the National Assembly and insist that the coalition government is the only solution of the interparty problem in China. The plan for a coalition government might be workable if the Communists would accept a clear demarcation of Kuomintang and Communist areas. But throughout the war the

Kuomintang has vainly tried to obtain an agreement with the Communists for a demarcation of defense areas, and there is no indication that the Communists would accept any demarcation of Kuomintang and Communist areas if a coalition government were to be established.

In view of this, the coalition government, were it to be established without the Communists being committed to a specific demarcation of their areas, would only serve the interests of the Communists who in their present areas would obtain legal status by consent of the Kuomintang and other parties, while leaving the Kuomintang part of the country open to further Communist infiltration through legal or illegal means. Chiang Kai-shek has refused to accept the idea of a coalition government.

(4) Unity or permanent division of China, the issues at stake: Here the matter rests (July 3, 1945). For the time being it is a question of the National Assembly versus the coalition government. The former provides a chance for unifying China by the agreement of the Chinese armed parties to submit to arbitration and law instead of force. The latter would continue into the postwar period the system of territorial division of China between the Kuomintang and the Chinese Communists and the maintenance of separate party armies. Real unity cannot be achieved on this basis. Each party insists on its own plan.

(k) International implications—(1) Common policy of United States and U. S. S. R.: It is generally believed that a peaceful interparty settlement in China depends largely upon the extent to which the United States and Soviet Russia can follow a common policy toward China. Were the Soviet Union to decide to give active support to the Chinese Communists, in terms of supplies or military aid, while the United States supports the Chungking government, the Russians and Americans would be meeting head on.

(2) Uncertainty concerning Soviet aims in China: Present relations between Chungking and Moscow are cool. The Soviet press is strongly denouncing the reactionaries in the Kuomintang and is openly sponsoring the plan of the Chinese Communists for a coalition government. There are indications that Soviet Russia envisages the establishment of Soviet domination (along somewhat the same lines as in outer Mongolia and in eastern Europe, in the areas of north China adjacent to Soviet Russia; that is in Sinkiang, inner Mongolia, Manchuria, and possibly also the northern provinces of China proper. A typical statement in this regard is one by a Soviet Russian diplomat in China who emphasized that Soviet Russia is determined that all her border states should be free from unhealthy combination or linkage with other great powers.

The Chinese Communists' plan for a coalition government would conceivably further this aim in that north China and Manchuria might legally become the exclusive spheres of influence of the Chinese Communists and hence come under a regime that would be wholly obedient to Soviet Russia. At the same time the coalition government, which would represent all groups in China, would lend China an outward appearance of unity.

On the other hand, it is conceivable that the Soviet Union will try to improve relations with Chungking on the basis of the reestablishment of a "united front" between the Kuomintang and the Chinese Communists. For it has been Soviet Russia's experience in China that cooperation or a united front between the Kuomintang and the Chinese Communists has always favored the Communists against the Nationalists, no matter what political shading the latter represent, whether reactionary or liberal. By contrast, the Communist cause in China has suffered whenever the Kuomintang has fought the Communists in an all-out civil war. It is possible that this is the explanation for Soviet Russia's apparent willingness to welcome the visit of Dr. T. V. Soong, President of the Executive Yuan and Minister of Foreign Affairs of the Chinese Government. He arrived in Moscow, and Chungking would have the advantage, for Soviet Russia, of reducing the danger of immediate disagreement between U. S. S. R. and the United States.

(3) The United States and the situation in China—(a) The postwar peace in the Far East depends on reestablishment of Chinese independence and unity: The type of peace we shall gain by our victory over Japan depends on our success in aiding the Chinese to regain complete independence and to establish unity. For China is the center of the Far East; political, economic, and military relationships in the Far East have always revolved around China. Russia became one of the leading Far Eastern powers by acquiring vast regions from China. Russia's growth as a Far Eastern power has depended greatly upon its success in extending its influence in China. Similarly, Japan grew to a world power by virtue of her territorial acquisitions in Korea and Manchuria. She grew into a world menace after her vast conquests in China proper in the 1930's.

The independence and territorial and administrative integrity of China, including Manchuria, have been key points of United States policy and interests in the Far East. During the past 85 years Russia, and during the past 50 years Russia and Japan, the two leading military land powers in Asia, have been the chief threats to China's independence. Because of this, a considerable part of the international struggle over China has been centered on creating a balance between these two powers. The sea powers, Great Britain and the United States, have maintained the balance between the two land powers. America's concern in this contest between Russia and Japan for control in China has been demonstrated several times. The rivalry between Russia and Japan has centered on Manchuria and Korea.

(b) With the defeat of Japan, Soviet Russia will emerge as the sole military land power in Asia: Necessary as is the defeat of Japan to the reestablishment of peace in the Pacific, the fact remains that her defeat will upset the whole structure of the international balance of power in the Far East which was developed in the decades before 1931. Deprived of her empire in China, and with her cities and industries smashed to pieces, Japan will be back where she started at the dawn of her modern era; a group of relatively worthless islands, populated by fishermen, primitive farmers, and innocuous warriors. The clock will be turned back some 80 years, to the time when the rivalry between Russia and the western democracies in China began. With the total defeat of Japan, Russia will emerge again as the sole military land power of any account in Asia. But she will be vastly stronger than at any time in the past.

(c) Prevention of a repetition of the Polish situation in Manchuria and Korea is essential to postwar stability in the Far East: The problem of postwar peace in the Far East revolves, insofar as the United States is concerned, around two major questions: (1) How can the military-political vacuum in the Far East be filled following the defeat of Japan? (2) How can the United States promote internal unity in China?

The answer to both questions is vitally affected by the action of Soviet Russia, and by the arrangements in regard to the Far East that we can make with Soviet Russia. If it be assumed that Soviet Russia will join in the war against Japan, the solution of these questions will be greatly affected by the extent to which we can prevent the division of China along the same lines as Europe into an American-British and a Soviet zone of military operations. For the elements of uncertainty as to Soviet Russia's intentions in China and in regard to the Chinese Communists are very similar to those in regard to eastern Europe during 1945 and 1944. Many of the fears and speculations current at that time, to the effect that Soviet Russia intended to develop eastern Europe as an exclusive Soviet sphere of influence, have proved to be right. There is justification for similar fears in regard to north China, Manchuria, and Korea. Just as Soviet Russia's plans in eastern Europe have been favored by the absence of American and British forces in these areas, so also would Soviet Russia, if she does plan to create a Soviet sphere of influence in north China, Manchuria, and Korea, find herself in a most favorable position if these areas were assigned to her exclusively or even predominately as a zone of military operations against Japan.

On the other hand, if American forces cooperate on equal terms with Soviet Russian, Chinese, and British forces in the reconquest and occupation of north China, Manchuria, and Korea, a peace settlement in complete accord with the terms of the Cairo declaration of December 1, 1943, can much more readily be achieved. For it is clear that if the war were to end with us in control of Japan, and with Chungking-Chinese, American, and British forces in control of central and south China, while Soviet Russian and Chinese Communist forces held the controling power in Manchuria and Korea, a peace settlement in regard to these areas might entail a considerable compromise of the terms of the Cairo declaration. In that case, the plan of the Chinese Communists for a coalition government might well be the only feasible way of settling the situation in China; north China and probably also Manchuria and Korea would come under the control of native Communists dependent upon Soviet Russian support, and in these areas there would be established a now typical united front or democratic coalition administrations in which the Communists hold the dominant power. Deprived of the vast raw material resources of north China and Manchuria the present National Government of China would find itself unable to compete with the Communists in the north and to establish a strong and stable state. For this reason it is necessary, for the maintenance of peace in the Far East and for the long-range interests of the United States, that the Cairo declaration be implemented without modification.

Threat to Gas Rates

EXTENSION OF REMARKS
OF
HON. ANDREW J. BIEMILLER
OF WISCONSIN
IN THE HOUSE OF REPRESENTATIVES

Tuesday, August 23, 1949

Mr. BIEMILLER. Mr. Speaker, under leave to extend my remarks in the RECORD, I wish to include an editorial from the Milwaukee Journal of August 22, 1949, entitled "Threat to Gas Rates."

THREAT TO GAS RATES

Is Congress getting ready to knock the props from under the Federal Power Commission's authority to regulate natural-gas rates?

The House has already approved an amendment to the Natural Gas Act preventing the FPC from fixing rates for natural gas sold in the fields by the so-called independent producers to interstate pipe-line companies. An identical bill has been given the okay of the Senate Commerce Committee.

If the Senate approves the bill, the Nation's natural-gas consumers—soon to be joined by thousands of Milwaukeeans—may find natural gas controlled, at least on part of its course to the user, by little more than the old principle of what the traffic will bear.

This unhappy prospect has come about through a combination of the endless fight of utilities against regulation, some recent court decisions and devious and fantastic logic by some Members of Congress.

The Natural Gas Act exempts production and gathering of gas from FPC control. The people who control natural gas supplies have contended that the exemption applies to the sale of gas at the field. The FPC has contended that it applies only to production and gathering and that the gas comes under FPC jurisdiction the moment the matter of sale to a pipe-line company enters the picture.

Matters drifted along for 11 years because the FPC did not feel the need to control or fix prices for field sales. Natural-gas production was a young industry, just starting to flex its muscles. But in the last 2 or 3 years the industry has grown tremendously and those who control the natural gas reserves see an expanding and brilliant future. Prices showed a tendency to rise. In fact, they did double at some fields. The FPC began feeling it would have to step in. The FPC position was strengthened by a Supreme Court decision in 1947 which, as a by-product of the main question in issue, upheld the FPC right to fix rates. The only recourse of those who controlled gas reserves was to change the law. The House has voted to do so.

Proponents of the bill argue that the fact the FPC did not use its power to control field prices for 11 years indicates that the power to do so was not needed. By the same reasoning a community which has had no murders for 11 years could wipe out its laws against homicide.

The proponents further argue that the FPC would still control pipe-line rates even when field sale rates were exempt. That is like making a man responsible for a horse that has already started running away. Any price set by the FPC or a State public service commission would have to cover the price paid at the field.

Finally, they argue that field sales are a matter of State jurisdiction. That would give Texas or Kansas or Arkansas control over rates to consumers in Wisconsin and other States.

Regulation of natural-gas prices, if it is to mean anything, must be a continuous chain—from the field to the pipe line to the distributor to the consumer. If field regulation is forbidden, regulation will be hampered all along the line.

Representative BIEMILLER has called attention to this threat to consumer protection. His warning ought to result in a determined move to beat the bill in the Senate.

Federal Power Policy for the Pacific Northwest

EXTENSION OF REMARKS

OF

HON. WAYNE MORSE

OF OREGON

IN THE SENATE OF THE UNITED STATES

Tuesday, August 23 (legislative day of Thursday, June 2), 1949

Mr. MORSE. Mr. President, I ask unanimous consent to have published in the Appendix of the RECORD an article entitled "Case for a Federal Power Policy for the Pacific Northwest, Stated by H. G. West," written by H. G. West, vice president of the Inland Empire Waterways Association.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

CASE FOR A FEDERAL POWER POLICY FOR PACIFIC NORTHWEST STATED BY H. G. WEST

(By H. G. West, vice president, Inland Empire Waterways Association.

Public power is in the Pacific Northwest. This point is firmly established from the fact that out of 3,500,000 kilowatts of power now being produced, 2,000,000 is private power or produced by the private utility companies and approximately 1,500,000 (1,000,000 from Grand Coulee and 500,000 from Bonneville) is the Federal pool. McNary will add approximately 980,000 kilowatts of power and Chief Joseph will add in excess of 1,000,000 kilowatts of power. Thus, in a very few years, Federal power production will far exceed the private power production.

It is estimated by competent engineers that there is approximately 33,000,000 to 40,000,000 kilowatts of hydroelectric power potential in the Columbia-Snake River Basin. It must, therefore, be clearly accepted by all that if Pacific Northwest citizens are to request the Federal Government to build these multiple-purpose dams, develop the power, extend irrigation, reclamation, and navigation, and to develop a flood-control system, the Federal Government must have and is entitled to determine the power policy. This would include how this power shall be developed, how it shall be distributed, and how it should be sold.

RATE IS EQUITABLE

The principle of the postage-stamp rate established under the Bonneville Act has proved very equitable to the entire region. In the early days, there was considerable demand for the bus-bar rate which would have benefited large metropolitan areas and especially would have benefited Portland over and above any other community. This would have produced cheaper power for that immediate area and would have created an industrial development in and around the close proximity of the Bonneville Dam. However, the Pacific Northwest today enjoys a very low power rate. In fact, the average cost per kilowatt-hour in all classes of service in 1947 in Oregon, Idaho, and Washington was 49.2 percent lower than the national average. In 1947, Pacific Northwest farms electrified reached 94.5 percent. Also, the average consumption per domestic user in the Pacific Northwest in 1947 was 144.6 percent over the national average. Another very great advantage of the postage-stamp rate is the fact that it eliminates any possibility of political selection of sites and there is no advantage accorded to any particular region or to any area when all power goes into a common pool and is distributed in Portland, Seattle, Spokane, Lewiston, or any other place within the Columbia River Basin at the same cost to the consumer.

PREMISE HELD FALSE

The Bonneville Act came in at a time when we were told that it would take approximately 50 years to consume the 500,000 kilowatts from Bonneville and approximately 75 years to consume the 1,000,000 kilowatts from Grand Coulee. The Bonneville Act provided then, and does today, that 50 percent of the power should be reserved for public power agencies such as the P. U. D.'s, municipal power, farm cooperatives, and the REA's. Politically, maybe that is still important; economically, it is a false premise. The development of the Pacific Northwest should not be on a partisan political basis.

When the Bonneville Act first came in we were faced with a so-called surplus of power and a political situation. Today, we have a shortage of power in the Pacific Northwest, although there is a surplus of power, I am told, on the national level. What the situation will be when we get into a 30,000,000- or 35,000,000-kilowatt production, none of us can see or foretell; but, presumably, we will be in a position of surplus power. Therefore, a well-defined Federal power policy, having for its purpose the distribution of the federally developed power at the lowest possible cost to all, is essential. The power policy should have for its purpose definite elimination of the wasteful fight which has been carried on for years—on one hand, the Bonneville Administration using all of its power and its resources for the elimination of private utilities; on the other hand, the private utilities hampering the development of our public power resources in the Northwest.

I do not believe that it is necessary to politically dominate an area to develop the resources of the region. A set of rules should be set up whereby private utilities and public power agencies can live and work together to the best interest of the general public. This is not a new idea. I recite in brief the life of the North Pacific Grain Growers, Inc., a farm cooperative marketing organization. Many years ago the farmers of the Pacific Northwest felt that they were being unnecessarily taken advantage of by the so-called old-line grain dealers. Therefore, they received Government assistance in setting up the North Pacific Grain Growers. It was not necessary to drive the independent old-line grain dealers out of the grain business. Both of these agencies, so-called public and private, are in business and doing more business today than they were in the early days. The beneficiary of this program is the farmer. This should be our objective in the Federal power policy field.

RESEARCH ADVOCATED

Any student of the problem knows well that it is comparatively easy to sell a pool of 3,500,000 kilowatts of power or to sell a pool of 10,000,000 kilowatts of power. This is entirely different from attempting to sell a pool of 20,000,000 kilowatts of power, 30,000,000 kilowatts of power, or a maximum of 40,000,000 kilowatts of power. Therefore, incorporated in the Federal power policy should be a principle permitting the Federal power agency to go into research for uses of power as applied to the resources of the Pacific Northwest—not for the purpose of putting the Federal Government into private industry, but rather for the purpose of the Federal Government developing the know-how, locating the natural resources, and then making available to private industry the formula or other technique that might be necessary. The people of the Pacific Northwest can well pay a fraction of the bill per kilowatt-hour for this service for it is of value and benefit to them.

Under a well-defined Federal power policy, it will be comparatively simple to work out a financing program so that when the Congress of the United States authorizes and appropriates for a project it can appropriate the entire amount at one time. This would make available to the construction agency the entire appropriation in order that they might effect all economy possible in construction procedures and would eliminate the necessity of subjecting each project (after it is authorized and appropriated for) to the annual squabble and fight over regional appropriations.

I would like to see the name of the Bonneville Power Administration completely eliminated and changed to a Pacific Northwest Federal power sales agency or some other name suitable. This is because I think the name, Bonneville Power Administration is too closely linked with the fight that has been going on since 1934; and upon the determination of the Federal power policy a close, cooperative system of coordination can be effected involving the Federal power sales

agency with the construction agencies of the Corps of Engineers and the Bureau of Reclamation.

TWO PRIME POINTS

In my judgment there are two firsts—

No. 1 first: The adoption by Congress of S. 2180. This bill was submitted by Senator WARREN G. MAGNUSON, of Washington, and is a bill "authorizing certain works for the improvement of navigation, control of floods, and the conservation and utilization of the water of the Columbia River and its tributaries and for other purposes." In very brief, this bill authorizes the projects contained in the 308 review report. This report had complete 100-percent approval of the people of the Pacific Northwest, as testified to in the recent hearings held by the board of Army engineers in Spokane, Seattle, Portland, and Boise in the early part of 1949. It would make into law the agreement reached on April 11, 1949, by the Army engineers and the Bureau of Reclamation and would authorize an appropriation of $500,000,000 for the Department of the Interior and $500,000,000 for the Chief of Engineers, Department of the Army. This legislation should have the complete endorsement and enthusiastic support of every Congressman and Senator from the Pacific Northwest States, from every community, every chamber of commerce, every farm organization, and every citizen in this area.

No. 2 first (after the adoption of S. 2180): The development of a Federal power policy * * * [is] as a third arm of making S. 2180 workable. If the politicians want to resolve the political issues of the Pacific Northwest, here is their opportunity to demonstrate that they are statesmen. However, if for selfish, partisan, political reasons they want to continue to stir up the political fires that are holding back the development of the Pacific Northwest, then they will not accept our plan. After a Federal power policy is developed and on the books and S. 2180 is authorized and on the books, then the only political issue involved is for Republicans and Democrats alike to make known their support of this program.

The CVA is not needed, nor is it wanted; the Federal power policy and S. 2180 is needed and is wanted.

Declaration on Reduction of Arms-in-Aid Bill

EXTENSION OF REMARKS
OF
HON. WALTER H. JUDD
OF MINNESOTA
IN THE HOUSE OF REPRESENTATIVES

Tuesday, August 23, 1949

Mr. JUDD. Mr. Speaker, under leave granted to extend my remarks in the RECORD, I include the following article by David Lawrence:

REDUCTION OF ARMS-IN-AID BILL SEEN RESTATING POLICY—ACTION OF HOUSE CALLED IMPORTANT IN VIEW OF ATTITUDE ON DISARMING

(By David Lawrence)

Like a breath of fresh air in a world of staleness comes the little-noticed but all-important action of the House of Representatives in amending the "declaration of principles" in the arms-aid bill so as to proclaim anew the purpose of the United States to strive for a reduction in armament when the opportunity arises.

Some testimony from the Secretary of Defense before the House Foreign Affairs Committee recently indicated a callousness and cynicism on the subject of disarmament. It remained for Norman Thomas, Socialist, to enunciate before a Senate committee a different doctrine of morality in international affairs today. He urged that, while our defenses be built up, America make provision for a possible diminution of armament spending coincident with an effort to secure peace.

Almost at the same time that Mr. Thomas was testifying, the House was unanimously passing an amendment to the preamble of the arms-aid bill reading as follows:

"The Congress reaffirms the policy of the United States to seek agreements to provide the United Nations with armed forces as contemplated in the Charter and agreements to achieve universal control of weapons of mass destruction and universal regulation and reduction of armaments, including armed forces, under adequate safeguards to protect complying nations against violation and invasion."

AGREES WITH HISTORIC POLICY

This is in line with tradition and historic policy for decades past. Almost every appropriation bill for naval building passed by the House for many years contained a proviso that the President was authorized to terminate the construction at any time when it appeared that an international agreement to reduce armaments was being achieved.

For generations the idea of a "naval holiday" has symbolized the same purpose. The United States at no time, outside war years, has authorized a standing army of a size which could be regarded as engaging in an armament race. Today, however, the building up of a powerful navy and strategic air forces constitutes one phase of an armament race which is designed to balance the presence of Russia's huge standing army.

Thus, the familiar argument is that Russia is bent on aggression and that the Soviets intend to attack the Allied world and deprive their peoples of liberties. This is the thesis for armament building that has dominated militaristic thinking throughout the ages.

Instead of calling for an immediate demobilization of the Red Army and promising that American and Allied armaments would then be held in abeyance, no move is made by the President toward negotiating a reduction in armament. It is argued that Russia already has 200 divisions in her army and that the Allies couldn't mobilize as many as 40, even with the European arms program now being considered. For this reason, the proposal is that the United States maintain a strategic air force large enough to attack Russian targets instantly.

AN AGREEMENT NECESSARY

Sooner or later there must be an international agreement on air power just as there has been on naval building in the past. A certain measure of disarmament has already been accomplished so far as the United States Navy is concerned by cutting down its own air power—as if air power were something worth spending money for only when it arises from or flies to land bases.

Reduction of the efficiency of America's naval air power is now an accomplished fact and Secretary Johnson is getting ready to cut the whole Navy virtually in half next year. Land-based air forces, however, are being increased, and this is the direction in which a reduction in armament could next be examined. For if the cut in the Navy were part of a general reduction of armament intended to bring a mood of peace in the world, then it would be well worth the sacrifices made and it would warrant a similar cut in land-based air power provided, of course, agreements to demobilize the Red Army can be consummated.

Usually Congress directs the President to negotiate agreements to reduce armament. If the militarists who nowadays influence policy in high places can be persuaded to step aside, it may be that diplomacy can start again to see if there isn't some way to cut down Russian armament, too.

Welfare State Is Good Americanism

EXTENSION OF REMARKS
OF
HON. ANDREW J. BIEMILLER
OF WISCONSIN
IN THE HOUSE OF REPRESENTATIVES

Tuesday, August 23, 1949

Mr. BIEMILLER. Mr. Speaker, yesterday I was privileged to speak at the opening session of the national convention of the American Federation of Teachers, which is being held this year in my home city of Milwaukee. I have been proud to be a member of this organization for nearly 20 years.

My speech was on the sound American background of the welfare state. Under leave to extend my remarks, I am inserting it in the RECORD:

WELFARE STATE IS GOOD AMERICANISM

This is an especially appropriate occasion on which to lay a ghost which seems to be haunting some fearful men. This apparition has been variously hinted at, whispered about, denounced, decried. The tone of voice has had an interesting correlation with the wealth or industrial interests of the man who has spoken of it, but benighted or bigoted, frightened or frightening, the ghost story remains basically the same. Beware the welfare state! Beware! Beware!

Personally, I don't believe in ghosts. In fact, such legends usually arouse my curiosity and skepticism. So I decided to investigate this shadowy haunt, and to determine what was really behind the fluttering sheets and clanking chains that frightened men were using to try to frighten others more.

It was a simple exorcism. When I had pulled up the blinds and let a little light into the corners of the room, there wasn't any ghost at all. All that was left were the slightly ridiculous trappings of fear, looking more like a scarecrow than a menace.

But underneath this pale disguise I did make an important discovery. I found the welfare state all right, but it didn't frighten me. It made me proud. Here was a theory of government that was as American as our Constitution, as democratic as Lincoln, as forward-looking as Roosevelt. It was a state that took seriously its responsibilities toward all its citizens and that had developed organizations, techniques, and means for making democracy effective in the unequal places.

I found the welfare state consistent with Lincoln's statement that "The legitimate object of government is to do for the people what needs to be done, but which they cannot by individual effort do at all or do so well for themselves."

The ghost-raisers mutter that the welfare state is a dangerous—an un-American—theory. The implication, sometimes the open charge, is made that it is synonymous with foreign communism, with Stalinism. Well, let us look at that without its masquerade.

WELFARE STATE OLD AS COUNTRY

The concept of the welfare state started with the inception of our country. It began with the Constitution of the United States which charges the Government with the responsibility of the "general welfare" of its people. That was one of the great differences between this new country and the tired nations of Europe in the eighteenth century. It was then perhaps a new and revolutionary idea for a government to be established not only by the people but for the people. I expect that in that sense, I,

too, am a revolutionary. I still believe in our Constitution.

On the basis of that clause in our Constitution, the Government has done many things for the welfare of its people. As early as 1806 Thomas Jefferson, as President of the United States, asked Congress to approve a donation of lands for a "national establishment for education." Remember, in those days the grant of lands was not merely a method of providing free rent, but was actually used as a financial asset, an asset indeed, much more valuable than the grant of a specific sum of money would have been. Jefferson pointed out that such a land grant should, in fact, be land that "will be among the earliest to produce the necessary income." Thus, in the earliest years of our Republic we were not only thinking of the general welfare of the people, but we were already implementing that concept with subsidies granted by the Government.

The grants for education were among the first that could be considered as fitting even the narrow definition of "welfare." But the Government continued, granting eventually 250,000,000 acres of land for various purposes. For education, for wagon roads, so that everyone, not only the rich, could travel more easily; for canals and levees, for public buildings, for railroads. And for those who were not able to make an adequate living in the industrial areas of the East, the Homestead Act of 1862 gave vast areas of public lands, apportioned into individual units. Surely, this act, planned and carried out as a Government bounty to individuals, can hardly be considered as anything but a public-welfare program. Here the state was "meddling" with a program that was directly and purely in the interest of hundreds of thousands of its less successful citizens.

In 1949 the Federal Government no longer gives land grants to help the unemployed. The method of payment has changed—but land or money, income or income-producing property—there is no change in principle. And even a Federal grant of money is far from a new idea for Americans.

As early as 1887, Congress provided money grants to the States for agricultural experiments in order to benefit farmers and the general public who consumed farm products. In 1890 money grants were given for instruction in land-grant colleges. As early as 1911 grants were provided for the Forest Service, and long before anything so dangerous to the status quo—or should I say the status quoers—as the New Deal, the Government was already giving subsidies to States for 15 major purposes.

WELFARE STATE AIDS INDUSTRY

It is, therefore, not alien to our American traditions or to our patriotism for our Government to be interested in the welfare of its people. On the contrary, our Congress and our statesmen throughout our history, have always assumed the responsibility for trying to meet the needs of our citizens. All our citizens. Even those who are now complaining so bitterly that the Government is threatening our way of life because it doesn't "let business alone."

I wonder whether they really mean they want to be let alone. Does business honestly not want to continue getting the help the Government has been giving it ever since 1791? It was in that year that our then Secretary of the Treasury, Alexander Hamilton, a gentleman our most convinced conservatives have established as a symbol of free enterprise, addressed the House of Representatives to make an impassioned plea for Federal subsidies to manufacturers. He argued that—

"The propriety of stimulating by rewards the invention and introduction of useful improvement is admitted without difficulty."

And yet what a cry of terror arose when in 1949 the administration talked of granting loans to small manufacturers.

During the nineteenth century the Government gave to the railroads a total of 179,000,000 acres of land. And now the railroad companies think it unfair they should pay property taxes.

More recently the Reconstruction Finance Corporation and the Export-Import Bank have assisted industry at least as much as other legislation has assisted industrial workers. And at the moment, even the Republican Party, in the person of its new chairman, Mr. Guy Gabrielson, must be willing, even anxious, that the Government continue at least one aspect of its welfare program, since the Carthage Hydrocol Corp., which Mr. Gabrielson heads, has received a total of more than $18,000,000 in loans from the RFC.

So the specter of the welfare state as a sort of foreign agent threatening American institutions can hardly be accepted by even the most credulous.

WHAT INDUSTRY REALLY WANTS

But our believers in ghosts warn us that there are other dangers. The "long arm of the Federal Government," they weep, is choking the life out of private enterprise. Government controls are depriving Horatio Alger's bootblacks of their right to become millionaires. They do not mention that even in the infinitely less complicated economy of the nineteenth century these heroes worked at sweatshop wages and only in books did very many of them become kings of industry. The real-life workers remained in the sweatshops until the Government got that antisocial aspect of our life eliminated.

They passionately insist that a welfare sate cannot exist side by side with capitalism because it is based on the necessity of government regulation. And government regulation means the death of free enterprise.

All right. Let's conjure up their sort of genii. What would this country be like with no government regulation?

We would, of course, have almost no corporation taxes. We would have no control of wages and hours, and working conditions. We would have no—heavens no!—protection of labor unions. We would have no control of farm prices. We would have no protection of small business against monopolies. We would have no protection of workers against unemployment, against industrial accidents, against old age, against illness.

Up to this point, this type of ghost does not frighten them. Inded, this is what they mean by their "let us alone" policy. This is what they are fighting to obtain. In the first 6 months of the Eighty-first Congress, business interests have carried on this fight to the tune of about $4,000,000 expended in lobbying activities. Let me itemize some of the things for which this money was spent.

More than half a million dollars was paid to fight against a health program that would give to the workingman the possibility of getting medical care without mortgaging his future.

More than $300,000 was spent by big business—and this does not include the National Association of Manufacturers with their $5,000,000 budget—to preserve the Taft-Hartley Act. More than that, to push for infinitely more suffocating controls on labor. Did you know, for example, that big business had two of its spokesmen appear recently before a Senate investigating committee to advocate the outlawing of all industry-wide bargaining, the legal abolition of union shop, the repeal of the Norris-LaGuardia Anti-Injunction Act, the elimination of all national unions?

Around a quarter of a million was spent by various real-estate groups and apartment-house owners in a vain attempt to prevent any public-housing legislation. Another quarter million was cheerfully paid by groups fighting against public power and the subversive consequences of low consumer rates.

Money was spent combating every measure that was planned in the interests of the general public. Whenever possible, issues were muddled so that even in Congress many representatives of the people became confused. An unfortunate case in point is a bill which I'm sure is very close to the interests of our union. I'm speaking of the pending legislation on Federal aid to education, where the waters have been so muddied that it may now be in danger of not passing at all. Let me remind you that there are really only two main issues involved. After the sound and the fury, the only questions that remain are: First, do we want teachers' salaries to be raised? And, second, are auxiliary services, such as the health services proposed in a bill I introduced, to be available to every child? But the Chamber of Commerce would have you believe that the passage of a Federal-aid-to-education bill would create a Frankenstein monster which would regulate the thinking of all American children. That is sheer nonsense.

The casualness with which these people have spent such huge sums to try to stem the tide of progress shows that they would be in delighted agreement if it was proposed to abolish this sort of Government regulation. This is the sort they dress up as the scarecrow of nationalization or socialization. This is what they mean by the welfare state.

CONFUSION IN THINKING

But let us carry out their proposal to its logical conclusion. No Government control would also mean no controls over labor. Is that what they want? It would mean the shutting down of the RFC. Would Mr. Gabrielson like that? It would involve stopping guaranteed home builders' loans as well as stopping low-cost housing. Ah, this sounds like a different story. That is not what they meant at all. Of course, the Government should protect their interests.

In other words, they are not really against Government control. They're against Government control of the powerful for the sake of the weak. What business and industry fear is the state that is concerned with the welfare of all its people.

Perhaps, after all, it is not a ghost they see, but a hallucination. Certainly, they show many other symptoms of a confusion bordering upon insanity.

They say: We want no Government controls—on us. Please may we have as much Government control as possible—on the workers.

They say: We want free enterprise; it is the basis of capitalism. But we must not do anything to control monopolies, which will swallow up free enterprise.

They say: We must maintain a democratic way of life. But don't by any means be guided by the mandate of the majority of the people.

They say: Economic security is a dreadful thing; it kills incentive. But please, may we have another loan to industry.

They not only sound confused. This schizophrenic attitude has almost confused me. What is dangerous about a government that directs its energies toward helping its people? What is subversive about the elected official who works for the people who elected him?

Are we supposed to pass housing legislation to put more millions into the pockets of the apartment-house owners and building contractors—or to enable the average American citizen to live decently? Are we to reduce taxes so that the monster corporations can make more fantastic profits, so that their gilded youth may buy an extra yacht, a second Cadillac, or are we to use tax money to enable the man and woman who have grown old on the job not to die in the poorhouse? Are we to break the back of organized labor, so that monopolies can cut wages and raise prices?

WELFARE STATE IS BULWARK OF DEMOCRACY

What those few callers in the night are opposing sounds suspiciously like democracy.

They seem to be talking about the interest of the few instead of the many. Their bogie or hallucination, or could it possibly, after all, be merely double talk—seems to be used only to protect self-interest, not the country. The goals of the detractors become strangely like the targets against which our forefathers fought in 1776. They sound terribly similar to the smoke-screen tactics against which we fought in 1941.

To me the only safeguard against real annihilation. the only positive approach to the proven dangers of communism and fascism, is the welfare state. A state which is concerned with real protection of free enterprise, to the point of controlling monopolies, but also with the protection of its citizens from government by corporation. We must have a government which wants to raise the standard of living for everyone, not just increase the wealth of the industrialists and financiers. We must have recognition of man's right to work at a living wage, not just his right to starve.

Our opponents try to make the name become a sneer by their tone of voice. They scoff at those of us who believe in the welfare state, giving an intonation to the word "welfare" that suggests something that has just crawled out from under a stone, that implies at the best an incompetent dreamer, at the worst a dangerous revolutionary. They snicker at the "reformers" and "do-gooders."

This kind of war on words makes little sense to me. Perhaps because of my own academic background, I prefer to learn through a dictionary what words mean. I see nothing wrong in expecting a government to do good. I find nothing incompetent or unrealistic about attempting reforms of known evils. I consider the welfare state as a realistic, twentieth-century bulwark for democracy.

And since I do believe in democracy, I think that even those who apparently lost their faith in it have a right to state their case and to try to achieve the ends in which they believe. This is the way they can do it.

Let them elect to the next Congress men who will carry out their wishes.

Let them repeal all the social-security legislation, cancel unemployment compensation, stop old-age insurance, end workmen's compensation, abolish the minimum-wage laws, and cease public-health measures.

Let them abolish all Federal controls on monopolies and end farm subsidies.

Let them herald the return of the slums and the sweatshops—of illiteracy and superstition.

Then, and only then, will they be able to abolish the welfare state.

How many Americans do you think will vote for that? How many Americans do you think will support the persons who want it? How many Americans do you think are afraid of the welfare state?

Administration's Chickens Come Home To Roost

EXTENSION OF REMARKS

OF

HON. WALTER H. JUDD

OF MINNESOTA

IN THE HOUSE OF REPRESENTATIVES

Monday, August 22, 1949

Mr. JUDD. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following article by Arthur Krock from the New York Times of August 19, 1949. The basic reason for the reduction in authorization for military assistance to Europe was the reason stated clearly in the minority report, namely, the belief that it would increase rather than decrease the prospects for the European unity which is essential if security is to be obtained. But it cannot be denied that the dictatorial tactics used by the administration in its handling of the whole proposal increased substantially in a good many cases congressional resistance. Opposition on that basis is most unfortunate and I hope will be prevented in the future, as it can be with a change in approach.

CHICKENS USUALLY COME HOME TO ROOST

(By Arthur Krock)

WASHINGTON, August 18.—Those who have approved the foreign policy of the Truman administration, from its inception in the Greek-Turkish aid program to the submission of the North Atlantic Treaty and the corollary arms assistance bill as drafted, may be witnessing the latest show of congressional resistance with surprise. They may wonder why Congress, after legislating these revolutionary steps in foreign policy, now discloses a considerable membership which would sharply amend the arms bill; and also why the bipartisan front in this policy area has been breached.

EXPLANATIONS OFFERED

Several explanations have been offered by administration spokesmen and by Washington observers who go along with them 100 percent. The people have been told they are witnessing a display of "the new isolationism"; that misguided and ignorant advocates of lower Government costs are also responsible. They have been told that the resistance in Congress to the arms bill as drafted is spearheaded by incompetent hicks who don't know, and can't be made to learn, the facts of international life. Since it is very difficult to explain in any of these ways the exceptions to the military assistance bill taken by Senators VANDENBERG and DULLES, these have been dismissed as the product of mere vanity or petulance.

There are, however, deeper, and this correspondent thinks far more accurate and comprehensive, reasons for the trouble the administration is having with the bill to rearm our North Atlantic allies. Among them:

1. The practice of the Truman administration has been to run foreign policy down a one-way street. After deciding on vast commitments it has informed Congress, including the Republican leaders, what they are. It has then, invoking the spirit of bipartisanship, demanded that these commitments be legislated in the form agreed on by the administration, and fought any changes, even minor ones, to the last ditch.

STATE AND THE ECA

This procedure, for example, brought General Marshall to the Capitol, when the European Recovery Act was being considered, to oppose operating the program under an independent administrator instead of the State Department. Though he said that would be like having "two Secretaries of State," and indicated he could not then remain in office, Congress made the ECA independent; no one resigned; and ECA has worked well with the State Department.

This attitude of the administration, however, repeated from time to time, served to harden Congress against its continuous "warnings" that no proposed legislative draft must be altered and no proposed expenditure in foreign policy must be reduced or diverted by 1 cent.

2. While Senators VANDENBERG and CONNALLY, the latter chairman of the Committee on Foreign Relations, were struggling to get a unanimous committee report in favor of the North Atlantic Treaty, the State Department, without consultation with them, suddenly published the requests of our intended allies for armament. It accompanied this with its published pledge that it would recommend an arms program to Congress.

A CHANGE OF FRONT

This firmly linked the program with the treaty in the congressional mind, something the bipartisan leaders, by agreement with the administration, had been striving to disconnect in order to get a heavy Senate vote for the treaty. But then Secretary Acheson on April 27 said to the committee: "If you ratify the pact it cannot be said that there is no obligation to help (with arms). There is an obligation to help, but the extent, the manner, and the timing is up to the honest judgment of the parties * * *. I urge that both the treaty and the proposed military-assistance program should be considered separately and on their own merits."

3. But from the moment the arms program went to the Capitol the administration began to insist that, unless its decisions as to "the extent, the manner, and the timing" were approved without material change, Congress would be risking our national security. Only today Mr. Acheson informed a balky House that any "curtailment * * * serves only to * * * prolong the period during which our ability to resist attack [in the North Atlantic area] is not commensurate with our stated determination to do so * * * [to] delay in taking action which is required in our own interests." All details drafted thus became an executive "must," which Congress cannot alter except at national peril.

INTERIM MEASURE

The administration previously had been compelled to drop the section that would have permitted the President to arm any nation or group he saw fit to arm. And some of the amendments offered by Senators VANDENBERG and DULLES were reluctantly accepted. But the more important ones which were called unacceptable would make the bill the truly interim measure Mr. Acheson said it was intended to be, and give Congress a chance to decide, when the time for judgment came, whether the cosigners of the North Atlantic Treaty were doing their part in self-help and integration.

Such tactics by the administration are the real causes of congressional resistance.

The Spanish Problem

EXTENSION OF REMARKS

OF

HON. WAYNE MORSE

OF OREGON

IN THE SENATE OF THE UNITED STATES

Tuesday, August 23 (legislative day of Thursday, June 2), 1949

Mr. MORSE. Mr. President, I ask unanimous consent to have printed in the Appendix of the RECORD a letter which I have received on one phase of the Spanish problem.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

LA CORUNA, SPAIN,
September 6, 1948.

DEAR AUNT: I have no assurance that this or another letter I have written will ever reach you. However, I am making another effort although you will note by my handwriting that my hands are not in condition for writing.

I was arrested in La Coruna on July 11, while directing the organization of the resistance movement. Upon entering a house on Calle Real where I was to meet Antonio

Secane, leader of the guerrilla army of Galicia, I found the police waiting for me inside. The above-mentioned person had been arrested the night before. A woman accompanied me—Maria Blazquez. Upon knocking at the door, we were taken by surprise by the police. Maria, with supreme courage and serenity, and without fear, lunged at the nearest guard and pushed me back hoping that I would thus manage to escape. She was felled by a shot in the stomach. I managed to reach the second floor and upon readying my pistol for any eventuality, I was fired on from above. The bullet hit me squarely in the face, knocking out one eye and shattering my nose and face. Despite this I managed to reach the street and escape. However, the loss of blood was so great, that one-half hour later I was caught since the police were able to trail me to my hiding place through the bloody tracks I left behind.

After 13 days in the hospital, half cured, I was taken to the headquarters of the Civil Board, where the so-called interrogations were begun. It is not necessary to relate what they did to us, especially to Antonio Secane and myself.

I am practically a skeleton. From July 11 to September 1, when I was released from the dungeon and interned in a semi-isolation cell, I lost 24 kilos (approximately 55 pounds). My stomach and intestines are practically ruined and for many days I did nothing but spit out large chunks of blood. It is humanly impossible for me to roll a cigarette with my hands. Secane is in practically the same state. This is fascism. However, I have never lost spirit. They are now rushing matter in order to liquidate us as soon as possible. I believe that, at the very latest, we will have been executed by November 1. They are in a hurry, a great hurry, for although we are prisoners, we are still harmful to them. They thought that, with our capture, they would liquidate the guerrillas, but they have failed completely. Despite the great mobilization of forces on their part, the whole guerrilla movement remains firm. Moreover, since our capture, the activities of the guerrillas have increased, and daily dozens of new partisans join their ranks. This, dear Rosa, is what really matters. The rest, our lives hanging by a thread, and the knowledge that this thread will soon be cut by the butchers of our people is a secondary matter.

During 4½ years, those of us who returned from exile, have put our scarce intelligence, but all of our heart and conscience at the service of the cause of the liberation of our beloved homeland. We have fallen. We only regret that we cannot do more. However, it is comforting to know that nothing and no one will be able to undermine the struggle. How great and how brave are our people. What indestructible faith they have in victory. With such faith and such people, and for so noble a cause as that which we defended and will continue to defend to the last moment, we are ready to give not one but a hundred lives without vacillation. I am only sorry that I did not give more, that I was not capable of accomplishing the task entrusted upon me with confidence and honor when I was sent to Spain.

All of Galicia and Spain are a volcano of struggle which shall never be extinguished by Franco.

Because of my condition, my being isolated and surrounded by provocateurs and police disguised as prisoners, I am not certain that I will be able to leave behind my last letter to you, and to Pasionaria. However, if this letter should reach you please send her a copy. Tell her that we will hold aloft the banner of struggle until death; that she may rest assured that the resistance movement of Galicia remains firm, that the struggle will not cease because the love and respect which our people have for us cannot be extirpated ever with rivers of blood by the cowardly Fascists. This is being demonstrated daily and hourly.

The four women who fell victims of fascism merit special mention. They all carried on as they had been taught to carry on by our beloved Pasionaria. They are Maria Blazquez del Foxo, Josefina Gonzales Cudairo, Clementina Gallego Abaledo, and Carmen Orozco. Their physical condition is very grave. The bullet has not yet been removed from the stomach of Maria Blazquez. Carmen Orozco is suffering from a grave cardiac ailment. Clementina Gallego is partly paralyzed in one leg.

Eight of us await trial together. They are trying to include a pair of provacateurs, common criminals and highwaymen, with us for the purpose of discrediting us and have us appear as adventurers and common thieves before the military tribunal. Two or three death sentences each will be demanded for at least three of the eight that stand accused. These are for Jose Gomez Galioso, teacher; Antonio Sanchez, worker; Juan Romero Romos, cabinet-maker. The others, although also in grave danger, may be spared the death penalty if the campaign of solidarity is intensified. They are Jose Bartrina, doctor; Jose Rodriguez Campos, worker; Jose Remos Diaz, sailor; and Juan Martinez, peasant.

It took us 4 days to write this letter. To you, and to her, whom even more than aunt and cousin, I have always loved as mother and sister, I request that you remain firm. No anguish. For you, may my death be an inspiration to help more and more, the liberation of our people. If it is possible and there is still time, send me a few lines.

And nothing more. If my friends can help me, ask them to cable me. I have no relatives, and thanks to the kindness of the other prisoners, I am still alive. * * *

A very, very strong embrace—my very last—in which my heart is entwined.

NOTE.—You are free to give publicity to this letter.

(This prisoner was executed in November in spite of the efforts made by liberals and labor unions in the United States to save him.—L. D. H.)

Why We Belong in the Saddle

EXTENSION OF REMARKS
OF
HON. WALTER H. JUDD
OF MINNESOTA
IN THE HOUSE OF REPRESENTATIVES
Monday, August 22, 1949

Mr. JUDD. Mr. Speaker, under leave granted to extend my remarks in the RECORD, I include the following editorial from the Detroit News of August 18, 1949:

WHY WE BELONG IN THE SADDLE

The fears and feelings which are prompting Senators VANDENBERG and DULLES to take a dim view of the under-cover plans of our own military leaders to ride the saddle when the North Atlantic alliance begins to operate through a military council can be well understood and are in some respects highly commendable.

Both men are sensitive to those difficulties in any political alliance which derive from such things as national pride and human nature.

They know that a balanced program of action is not likely to develop on both sides of the Atlantic if in the beginning we attempt to lord it over Europe.

At the same time, there are practical considerations of an opposite sort which need now to be reckoned with unless we are to fall into a very deep pit.

The first is that a military council is quite unlike a political council.

It cannot function in the manner of a board of directors, with equal voice all around the table, because in the nature of things its success depends on ultimate response to a single will.

No military coalition in history has ever succeeded on any other basis.

In World War II our higher military affairs were directed by the combined Chiefs of Staff of Britain and the United States, but the fact was that Gen. George C. Marshall became the governing hand in strategy.

The second proposition is that either the North Atlantic alliance will succeed under American leadership, or it will not succeed at all.

That is so because the greater part of the military power is in our hands, and the fact can't be altered. Therefore there is no use blinking it or dodging the responsibilities which it entails.

In the middle of World War II Winston Churchill invoked the principle that the nation which was carrying the greater part of the load would also have to exercise the major portion of the authority. That was how Gen. Dwight D. Eisenhower came to be named as commander for the great invasion.

But this was no new idea. Nations always have accepted it in principle, or else their alliances have failed for having scorned it.

Marshal Ferdinand Foch became the supreme leader in 1918, not because he was a military genius, but because France was bearing the heaviest burden among the Allies.

No matter how generous our sentiments may be toward the nations with which we are in alliance, to think along any other lines when we are confronted with the military problem can mean only that we have an unrealistic appreciation of history.

If we are not ready for such responsibility—not only to accept it but to be firm about our inherent right to it—then we had no business entering the alliance.

Don't Sell Education Short

EXTENSION OF REMARKS
OF
HON. HUBERT H. HUMPHREY
OF MINNESOTA
IN THE SENATE OF THE UNITED STATES
Tuesday, August 23 (legislative day of Thursday, June 2), 1949

Mr. HUMPHREY. Mr. President, I ask unanimous consent to have printed in the Appendix of the RECORD an editorial by Tracy F. Tyler, associate professor of education of the University of Minnesota and president of the Minnesota Radio Council, as well as editor of the Journal of the Association for Education by Radio, which appeared in the September 1949 issue of that publication.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

DON'T SELL EDUCATION SHORT!

Broadcasting was almost given up for lost at the Institute for Education by Radio at Columbus last May. A majority of the speakers seemed to take it for granted that TV was the coming medium; that everything

radio did, TV could do better; and that it was only a matter of time before radio would go the way of silent motion pictures.

No doubt TV is superior to radio in certain types of programs. But sound alone can provide stimulation to the imagination in many dramatic situations that is superior to sight and sound combined. It also appears that, because TV viewing is so much more tiring than radio listening, TV sets will be used fewer hours per day than radios when the novelty wears off. Finally, TV seems totally unsuited for those who wish to secure education, information, or entertainment while working at other tasks—doing housework, studying, reading, playing games, dancing, etc.

What radio's eventual place in society will be in the future will probably depend as much as anything else on the vision with which the leaders in today's radio industry study its problems and apply the remedies which good judgment dictates.

Radio exists to render public service. Unless it serves well the public interest, convenience, and necessity it has no justification for existence. Not all radio station owners appear to have accepted this principle even though it was stated clearly in the original Radio Act of 1927 and repeated in the Communications Act of 1934. They seem to believe, or so their actions would make it appear, that the radio frequency which they use is theirs solely for profit. Nothing could be farther from the truth.

The United States Congress, when the Radio Act of 1927 was written, left no doubt that all radio frequencies belong to the people. That principle has never been challenged, but not all of its implications have been followed.

An excellent example comes to mind. The Constitution reserves to the several States the control of education. Yet State educational institutions—colleges, universities, and public schools—which desire radio facilities to make their educational service more effective, have generally been pushed aside in favor of others who use publicly owned radio frequencies for private profit.

If a public school or State university needs land for educational purposes, such property can be acquired regardless of its prior use or ownership. Why not radio frequencies?

Have the members of the Federal Communications Commission forgotten that education is the most important function which a State provides for its citizens? How long could a democratic government survive without education—without an enlightened electorate? And what are the practical implications of this principle? Perhaps it might be simpler to show some of the respects in which it is being violated.

The University of Minnesota and Iowa State College, to mention only two examples, have been operating for years much-appreciated and needed educational radio services for their respective States. In each case the State-owned station operates simultaneously on a clear-channel assignment with a commercial station. Under present FCC rules, both WOI and KUOM are required to leave the air at sunset and thus be silent during the hours when the largest potential audiences are available. The rule is supposed to protect the commercial station from interference in its service area. Yet engineering studies show no interference in California from WOI (where KFI, which shares WOI's frequency, is located); or in a similar area surrounding New York (where the station which shares KUOM's frequency is located). There is thus, it seems to this writer, no longer any sound reason why WOI and KUOM should not be permitted to broadcast unlimited time.

But there is an even more vital issue at stake. Many State-owned educational radio stations need the coverage for State-wide service which only AM broadcasting can provide. And educational needs are superior to commercial ones. If the FCC finally recognizes this fundamental fact, beclouded as it has been by those who have a personal rather than public-interest point of view, could it longer hesitate to serve the needs of such States as Iowa and Minnesota, even though some interference might result?

It is regrettable that the original Federal Radio Commission lacked the foresight to make provision for educational broadcasting by the States when it made the original allocations. The FCC did better. It set aside educational channels when it opened the FM band. This has proved to be a wise decision. The only danger now is that some FCC members, lacking a sound educational philosophy, may reassign these educationally dedicated frequencies to commercial use merely because they think the States have been too slow in using them.

Hearings concerning rule making for TV allocations began in Washington on August 29. Will the FCC make the same mistakes as did the FRC more than 20 years ago? Education in most States is not yet ready to enter the TV picture. But that time will come. Will there be TV frequencies for education then? The newest Commissioner, Frieda B. Hennock, believes that provision should be made in the ultra-high-frequency band for the establishment of a noncommercial educational TV service. So far the majority of the Commission does not agree with her.

If education is frozen out of the TV band as it was out of the AM band, will it not give our enemies another example of what they so often accuse us; the worship of material things over those of the spirit? Can we afford to make this mistake?

TRACY F. TYLER, *Editor.*

Effective Medical Care for All Might Save 325,000 Lives Each Year

EXTENSION OF REMARKS

OF

HON. HUGH B. MITCHELL

OF WASHINGTON

IN THE HOUSE OF REPRESENTATIVES

Tuesday, August 23, 1949

Mr. MITCHELL. Mr. Speaker, in a report to the President by the Federal Security Administration, entitled "The Nation's Health—A 10-Year Program," it is estimated that some 325,000 lives might be prolonged each year if we had enough medical personnel and hospitals, if public-health work were fully effective, if we had a better system of financing medical care, and if our present scientific knowledge were better harnessed and distributed.

In response to a number of inquiries as to the basis for this estimate, the following memorandum has been prepared. The information contained therein should be of great interest to the Members.

BASIS OF ESTIMATES OF POSTPONABLE DEATHS

(In the Nation's Health, pp. 8 and 9)

It is estimated that some 325,000 deaths might be avoided each year through wider distribution and earlier application of present medical knowledge in the prevention, diagnosis, and treatment of illness. This total is made up of the following estimates for several causes of deaths:

Cause of death	Average number of annual deaths, 1943–45	Estimated number preventable [1]
Total	1,430,000	325,000
Communicable diseases and pneumonia	170,000	120,000
Cancer and heart disease	600,000	115,000
Accidents	100,000	40,000
Complications of infancy and pregnancy	[2] 100,000	[2] 30,000
Other	460,000	20,000

[1] Assuming enough medical manpower and facilities, fully effective public health work, and health education, an adequate system of financing medical care, and Nation-wide application and distribution of present medical knowledge.

[2] Excluding communicable diseases and pneumonia.

Communicable diseases and pneumonia: Of the 170,000 annual deaths from communicable diseases, including pneumonia, we should be able to prevent at least 120,000 with our present medical knowledge and skill. The Brookings Institution (1), in presenting estimates of the Metropolitan Life Insurance Co. on possible increases in life expectancy through reduction of mortality at ages 20–65 among white males, indicates that 80 percent of the deaths from syphilis and tuberculosis are preventable, and 40 percent of the deaths from pneumonia and influenza. These diseases take a toll of about 150,000 lives a year. Nearly 90,000 of these lives might have been saved if the percentage reductions estimated by the Metropolitan Life Insurance Co. could have been effected.

The Brookings report also indicates some of the striking improvements in control of communicable diseases effected by the Army in World War II. The number of cases of typhoid fever among Army personnel in the United States declined from an annual rate of 0.24 per 1,000 men in World War I to only 0.007 per 1,000 in World War II. With compulsory smallpox vaccination in World War II, only 116 cases occurred among troops in the United States and overseas, as contrasted with 853 in World War I. The tuberculosis mortality rate in the Army was nearly 90 percent lower in the Second World War than in the First. In the two periods the number of cases of tetanus per 100,000 wounds and injuries dropped from 13.4 to 0.44. Except for tuberculosis, these diseases account for relatively few deaths each year. The fact that their incidence can be materially reduced, however, is evidence of the value of control measures.

When regulations on use of repressive drugs against malaria were strictly enforced by the Navy and Marine Corps, the malaria rate dropped from 31.2–49.4 per 1,000 in November 1942–June 1943 to 10.7–17.2 during October 1943–March 1944, and even lower thereafter. Even more effective antimalaria drugs have since been developed, and DDT is proving to be a powerful tool in eradicating the mosquito vectors of the disease. Use of sulfa drugs has not only greatly reduced the case-fatality rates from meningitis but also has prevented the spread of the disease. One Army report showed only 2 cases among 15,000 men receiving sulfadiazine as a preventive measure, while there were 40 cases among 18,800 controls not receiving sulfa drugs.

These are striking evidences of what may be done in reducing illness and mortality from communicable diseases when preventive, diagnostic, and therapeutic measures can be taken promptly and thoroughly. Wide application of immunization against tuberculosis may open new possibilities of

controlling that disease. The estimated possible saving of 120,000 lives that succumb to these diseases would seem conservative.

New antibiotics and hormones, and newly discovered uses of those that have already proved beneficial, month by month indicate success in treating more diseases and offer increasing promise of prolonging lives and reducing disability and pain. A few dramatic examples of these recent advances in medical knowledge and skills are the rapid cures of typhoid fever with chloromycetin; the effect of compound E or cortisone on rheumatoid arthritis and rheumatic fever; the value of aureomycin in amebic dysentery, of neomycin in tuberculosis, and of both in Rocky Mountain spotted fever.

Cancer and heart diseases: The Brookings report (1) cites estimates of the Metropolitan Life Insurance Co. that mortality from cancer might be reduced by 40 percent and deaths from heart disease by 10 percent. Applying these percentages to the 172,000 annual deaths from cancer and other malignant tumors and to the 423,000 from heart diseases would give a saving of about 115,000. The Brookings report gives further evidence of potential reduction in cancer mortality, by stating that 190,877 lives might be saved if each of the 333,890 new cases a year received the best care now known. The report goes on to say that even if all the new cases had only average early treatment, nearly 95,000 lives might be saved. Cancer experts usually agree that deaths from that disease could be substantially reduced if all cases were diagnosed and treated promptly.

Accidents: The Brookings report (1) also cites estimates by the Metropolitan Life Insurance Co. that 80 percent of the deaths from accidents among white males aged 20–65 could be prevented. Applying that rate to the nearly 100,000 deaths from accidents would give a saving of 80,000. Better safety precautions and public health measures and more effective mental hygiene could go far toward preventing deaths from accidental causes in factories, homes, and highways.

Safety precautions can probably be adopted more easily and rapidly in industry than elsewhere, however. Thus the potential reduction of accidental deaths among men of working age is probably greater than can be expected for the general population. For this reason, the estimated number of lives that might be saved from accidental death cited in the Nation's Health represents 40 rather than 80 percent of the annual number of deaths from accidents, or an estimated saving of 40,000 lives.

Infant and maternal mortality: In 1945 some 110,000 mothers and babies died of complications of pregnancy and conditions peculiar to the first year of life. If the rate for maternal mortality in Connecticut in that year had applied throughout the United States, the total of nearly 5,700 maternal deaths would have been reduced to 3,300, representing a saving of 2,400 lives. Similarly if the Rhode Island rate for deaths of infants in the first year of life had obtained for the United States as a whole, 28,000, of the nearly 105,000 babies born alive who died in the first year of their existence might still be living.

According to the Associate Chief of the United States Children's Bureau (2), expert care could save more than a third of the premature babies that die (2). Moreover, maternal mortality in at least one of the best States in 1945 was unnecessarily high; physicians who studied the causes of maternal death in Minnesota estimate that three-fourths of those who died might have been saved (2).

Other causes of death: If only the potential reduction in mortality in the four groups indicated above were totaled, the estimated annual saving would be about 305,000 lives. Of the 460,000 deaths from other causes, about 35,000 were from diabetes mellitus, over 7,000 were from appendicitis and 12,000 were from hernia and intestinal obstruction. The Metropolitan Life Insurance Co. (1) estimates that reductions of 40 percent in mortality are possible for all these conditions among white males aged 20-65. Applying that rate to all deaths from these causes would effect a saving of nearly 22,000 lives. The mortality reductions that might be possible for suicide, ulcer, biliary calculi, and cirrhosis of the liver are estimated at 25 percent by the Metropolitan. Applying that reduction to the nearly 14,000 deaths from suicide, the 9,000 from ulcers, the 12,000 from cirrhosis of the liver, and the 7,000 from biliary calculi would give a saving of an additional 11,000 lives. According to the Metropolitan, mortality from nephritis and intracranial lesions could be cut about 10 percent. That would give a saving of about 22,000 in the 93,000 deaths from nephritis and the 127,000 from intracranial lesions.

Totaled, these estimated savings would represent 54,000 lives. The percentage reduction of mortality in the Metropolitan Life Insurance Co.'s estimates, however, doubtless postulate more effective health education and more widespread knowledge and practice of dietary and hygienic standards than can be realistically expected for many years to come. As a more conservative estimate, the figure cited in the Nation's Health for potential savings from these diseases is 20,000.

Conclusion: It is obvious that one cannot expect a simultaneous reduction in all types of fatalities. A life saved from one disease will ultimately succumb to another. Control of the communicable diseases of childhood over the past generation and reductions in maternal and infant mortality are largely responsible for the increased number of deaths in the older age groups from heart diseases, cancer, and nephritis. By the same token, with our aging population, some day our total death rate may start to increase.

The absolute numbers given in these estimates are, of course, only broad general approximations of the potential effectiveness of our present medical knowledge as experienced in areas of the United States that have made the greatest progress in control of specific diseases. Even though we know that everybody must die of some cause some day, we cannot be complacent about the continuing prevalence of malaria, typhoid fever, and other eradicable diseases in some parts of the United States, or relinquish efforts to prevent early deaths, prolong lives, reduce sickness and disability, and improve the well-being and productivity of everyone in the country.

REFERENCES

(1) The Brookings Institution. Functions and activities of the National Government in the field of welfare; a report with recommendations prepared for the (Hoover) Commission on Organization of the Executive Branch of the Government. Washington: 1949, pp. 174–187.

(2) Baumgartner, Leona. Testimony before the Subcommittee on Health, Senate Committee on Labor and Public Welfare, June 27, 1949 (unpublished).

Loyalty Pledges

EXTENSION OF REMARKS

OF

HON. WAYNE MORSE

OF OREGON

IN THE SENATE OF THE UNITED STATES

Tuesday, August 23 (legislative day of Thursday, June 2), 1949

Mr. MORSE. Mr. President, I ask unanimous consent to have printed in the Appendix of the RECORD an editorial entitled "Why Not a Constructive Pledge?" published in my home town newspaper, the Eugene (Oreg.) Register-Guard of July 25, 1949.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

WHY NOT A CONSTRUCTIVE PLEDGE?

All over the United States there is controversy over the loyalty pledges which are being exacted from public servants, especially school teachers. Most of these proposed pledges take the negative form of a declaration that the person has not been, and promises in no way to be connected with the Communist Party. This sort of pledge is not only futile but a proper cause of resentment.

Why not substitute a constructive pledge for which the pattern is found in the oath which is required of the President of the United States under article 2, section 1, of the Constitution of the United States? It is a very simple thing and it reads:

"I do solemnly swear (or affirm) that I will faithfully execute the office of President of the United States, and will, to the best of my ability, preserve, protect, and defend the Constitution of the United States."

That same oath, with appropriate variations as to the name of the office, is widely used in the swearing in of all Federal officials and the ranking officers of many States. There is no reason why the same oath should not be administered to all public servants, however humble. There is nothing humiliating in it. On the contrary, this affirmative pledge lends great dignity to any office of trust—and every public office is an office of trust.

Those pledges which refer to communism are insulting because of the implications. They imply that the person who is required to make the promise is already suspect or that he is of such weak character that he could easily be seduced. The affirmative pledge to support the Constitution of the United States, the laws of the State of Oregon, would be sufficiently binding in every case. It is possible to prosecute any public servant who departs from such an oath, if action becomes necessary. But the main point is that this is a pledge which does not degrade. It adds dignity to any public duty.

Enterprise, Oreg.

EXTENSION OF REMARKS

OF

HON. LOWELL STOCKMAN

OF OREGON

IN THE HOUSE OF REPRESENTATIVES

Tuesday, August 23, 1949

Mr. STOCKMAN. Mr. Speaker, under leave to extend my remarks, I wish to include an article written by Richard L. Neuberger about Enterprise, Oreg., which is in the district I represent. Mr. Neuberger has certainly caught the spirit of the town of Enterprise. He makes you want to be a part of this glorious frontier of the West, which is also an active business and agricultural center. I offer the refreshment of the article which follows to every Member of the House and the Senate:

MY FAVORITE TOWN—ENTERPRISE, OREG.

(By Richard L. Neuberger)

The Alps are 7,000 miles away, but they could have been the models for the frowning mountains so close to Main Street in Enterprise, Oreg., that one of the high school's

long-armed basketball stars might reach out and touch a snowy summit. Distance does not dilute the presence of the mountains in this Arcadian trading center near Oregon's northeast corner. Mountains are as much a part of the community as the wide bridges over Prairie Creek or the old box-shaped hotels where all rooms have the same key and no one locks his door anyway.

The traveler on State Highway 82 drives through the twisting slot tooled by the Wallowa River, and Enterprise suddenly is framed in the windshield. Over the cowl the wayfarer sees a compact collection of church steeples, bungalows, and squat two-story business buildings tucked in an elbow of crags.

This embrace of municipality and granite range is an affectionate one; the tight lasso of timberline seems only a snowball's throw beyond the musty courthouse with its recessed windows and piano-crate contours. Two thousand people live in Enterprise, but the dwarfing proximity of the mountains makes it appear little more than an upland village. What edifice of brick and mortar could be a match for Ruby Peak or Traverse Ridge?

People do not even turn around for a second look at a hulking blond young man, 6 feet 5 inches tall and constructed proportionately, who trudges into the First National Bank with a pair of black-and-tan hounds in leash. He is Allan Wilson, who hunts alone for cougars on the rim rock of the nearby Snake River Canyon, deepest in the Nation. Once Allan bagged five during an afternoon and banked $300 in bounty money; for felis concolor, America's biggest cat, is a menace not only to Enterprise's calves and horses, but also to their foraging wild brethren such as elk and mule deer, on the other side of the valley's neat fences.

Allan Wilson is just another citizen performing a workaday job. What matters if the task takes him along chasm thresholds where the Eiffel Tower might be lost in the dim depths below? Nor did Enterprise residents ever waste curiosity on a rosy-cheeked girl working in the sheriff's office, who walked barefooted on an apron of ice down to the congealing waters of Wallowa Lake in December and splashed in to keep her backstroke from rusting. This was commonplace to Enterprise, although the Portland Oregonian, 350 miles away, put it on the front page when an excited tourist described the girl's feat.

Enterprise is off the principal thoroughfares of the Northwest. One always must specially plan an itinerary to enjoy its pastoral atmosphere. Incongruously enough, this distance of the region's culture from mid-channel makes Enterprise impervious to pomp and power, just as contiguity makes it indifferent to the solitudes. Opposite extremes produce the same reaction.

That rangy man with sandy hair, clad in Levis and mackinaw, hunched over a bowl of soup in the dining room of the stone-built Enterprise Hotel, is Justice Bill Douglas of the United States Supreme Court. From the cabin of tamarack logs which he put together himself, Douglas has used the Forest Service phone line, strung from the lodgepole pines in Lostine Canyon, to decline invitations from two Presidents of the United States to be their running mate on victorious tickets. Yet the local chieftain gave the episode a whole lot less attention than did the Times or Herald Tribune, on the other side of the continent in New York City.

Some western towns on the fringe of the backwoods are robust and boisterous. They express their individuality in rodeos and stampedes. Although Ranger Grady Miller, a hawk-nosed man who was brought up in Enterprise and lives in a frame house near the library, manages what the Chief Forrester at Washington calls the most rugged ranger district in the United States of America, the community is staid and placid. Its new $230,000 hospital will not have to be guarded by "Quiet" signs.

On the narrow fields between the last row of Enterprise's homes and garages and the first tilt of the mountains, dairy herds graze in an alpine setting. Up an occasional draw can be seen Eagle Cap, granite capital of the Wallowa Range, where a dozen rivers rise like spokes from the hub of a wheel. These rivers enrich the valley. Grass flourishes in the spring until it tickles a Holstein's belly. Pastures present a sylvan picture against the dark grandeur of the peaks. Ponderosa pines, with orange-colored bark seamed like alligator hide, grow along the dirt roads which lead to the county seat.

The county seat is Enterprise, and it reflects both economically and spiritually this tranquil farming vista. Last year the town shipped $2,800,000 worth of cattle, $1,344,000 worth of hogs, and $1,250,000 in dairy products. The Mount Emily Sawmill hires 90 men, but 60 of them are logging in the woods, so agriculture remains the dominant influence on Enterprise. People study the grain and cattle market before they peer at the dates set for the fishing season.

The outdoor life is accepted with matter-of-fact acknowledgment in Enterprise. Most boys have drawn a bead on an elk by the time they are old enough to take their Tenderfoot tests for the Scouts. Allan Wilson's son Kimmy shot his first cougar when he was 9. It is the breach rather than the observance of this code which draws attention. The Chieftain has been crusading against visiting hunters who use planes to spot the quarry. What chance does this give the poor critter of antler and hoof?

Walter Brennan and Eugene Pallette, movie actors with nearby ranches, shop on Main Street and are accepted as casually as Justice Douglas. This is probably because all these celebrities can throw a diamond hitch, wrestle a yearling, and ride a rim-rock trail. They thus acquire protective coloration. In Enterprise they would be conspicuous only if they could not accomplish these deeds. Ability to weave a diamond hitch on a pack horse is as essential to locomotion outside Enterprise as a driver's license is to travel on the highways.

Enterprise is in a calendar-art setting. The town of steeples and poplar trees, the cows in their carpet of green, the tassels of pine, the majestic ridge of the Wallowa Range—this makes more than one venerable nomad nostalgic for the illustrations in the Heidi book he read long ago. "Switzerland must be like this," is a common reaction of tourists who leave the well-worn Oregon Trail for State Highway 82.

The reaction is not new. It was that of men who wandered into the Wallowas before the internal-combustion engine revolutionized American life. The pioneers saw before them everything they would need. The valley burgeoned with fish, game, timber, water, and rich alluvial soil. Nez Perce Indians had been promised they could live in the region for "as long as the sun shall set in the sky," but now they were ordered to move on. The Stone Age had to give way to the Iron Age.

Under Chief Joseph, the Indians fought for their homeland. At White Bird Hill, east of where Enterprise now dots the valley, more soldiers died than on any day during the Indian wars except when Custer fell. But the Nez Perce were outnumbered. Joseph led them on a meandering 1,000-mile retreat to Yellowstone Park and then north toward Canada. The Second Cavalry cut them off and, surrounded by stacks of his dead, Joseph at last surrendered.

"I am tired of fighting," he told General Miles. "Our children are freezing to death. From where the sun now stands, Joseph will fight no more forever."

From this somber beginning in 1877 stemmed the prosperous hinterland economy which now centers in Enterprise. The town was incorporated 9 years later. Shortly after the turn of the century, the highway and a branch-line railroad were thrust up the Grande Ronde and Wallowa Rivers from La Grande. Tucked away behind its ranges, Enterprise has been a thriving but remote community ever since.

People who see Enterprise lose their heart to a scene which is at once uniquely alpine and rural, and combines the best features of each. Two or three Enterprise professional men actually got there by going through Dun & Bradstreet to find the strongest financial settlement west of the Rockies, within 30 minutes of good hunting and fishing. From widely scattered points, all of them eventually arrived at Enterprise.

Because of their own fierce sense of loyalty to the town, Enterprise's people think they know how the Nez Perce must have felt long ago when ordered to abandon their encampment in the alder trees along Prairie Creek. It is too late now to make amends, but the majestic beetling summit which is closest to town of all the Wallowas bears an honored name. It is Chief Joseph Mountain. The choice was unanimous in Enterprise, where more than one generation has looked up at the snowy crown in salute to a warrior of another time and race who loved the little vest-pocket valley enough to pledge his life for it.

Agricultural Workers

EXTENSION OF REMARKS
OF

HON. HELEN GAHAGAN DOUGLAS

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, August 24, 1949

Mrs. DOUGLAS. Mr. Speaker, as I stated in the RECORD yesterday, there is wide distress among the agricultural workers in the State of California because of mounting unemployment. Under the international agreement made with the Republic of Mexico, does the United States Government propose to import Mexican nationals for agricultural work?

In a letter dated August 22, 1949, written to Mr. Robert C. Goodwin, Director of the United States Employment Service, Mr. H. L. Mitchell, president of the National Farm Labor Union, points out very clearly that prevailing conditions in other States around the country indicate there are more than enough agricultural workers here in the United States already to supply the demand without bringing in additional workers from other countries.

Mr. Speaker, under permission to extend my remarks in the RECORD, I wish to include a copy of the letter sent by Mr. Mitchell to Mr. Goodwin:

AUGUST 22, 1949.

Mr. ROBERT C. GOODWIN,
Director, United States Employment Service, Washington, D. C.

DEAR MR. GOODWIN: I was very glad to see that the reorganization plan transferring the United States Employment Service back to the Labor Department has been approved by Congress.

There are several matters I would like to take up with you at this time and I trust some consideration may be given to the proposals I am making.

We have been over the recent international agreement with the Republic of Mexico for importation of Mexican nationals. While it

may be some improvement of last year's agreement, with between four and five million American citizens out of work, the bringing in of a single foreign worker is indefensible on any score.

I note that under terms of the new agreement, you do have a certain amount of discretion as to establishing needs for agricultural workers. I also note that there is a provision that priority may be given to Mexican wetbacks who are in this country illegally before any recruitment is done in Mexico. According to a report issued June 29, of a survey jointly undertaken by the University of Texas on the general educational board of the Rockefeller Foundation, it is reported that there are a half million illegal Mexican aliens in the State of Texas alone. The United States immigration authorities along the border can apprehend any number of illegal Mexicans for carrying out the purpose of the international agreement up to the 35,000 proposed to be recruited under it.

According to your memorandum of July 25 to members of the Farm Labor Advisory Committee, certifications as of July 1, were made for 10,336 British West Indians; 12,021 Canadians; 9,867 Mexicans, in addition to 5,707 American citizens from Puerto Rico. It was also stated that a ceiling of 5,000 Canadians for the potato harvest in Aroostook County, Maine, had been set.

In reference to the British West Indians, we understand that approximately half of the number given in this break-down have been in this country since the war, certifications have been renewed each year, and these workers transferred annually from Florida to Connecticut and other New England States.

Among the employers of British West Indians is the Imperial Agricultural Corp., of Hartford, Conn. A number of our unemployed members wrote the personnel director of that corporation asking for jobs. A postal card was sent to them (a copy of which is enclosed) urging them not to come to Connecticut as there were no jobs for them. It is well known that there is unemployment in the State of Connecticut as well as in other New England States. It appears to me that your office should see that the foreign workers are returned immediately to their homes and American citizens given such jobs as may be available.

I know the argument that industrial workers will not accept low-paid jobs and that it is not the function of the United States Employment Service to concern itself about wage rates and other conditions. I would also like to point out that it is not the function of the Employment Service to maintain these low rates and bad conditions by supplying labor from this or any other country for exploitation. The tobacco companies make millions of dollars and some of them, such as the Imperial Corp., are owned by foreign capital.

Further, each year at the end of the tobacco harvest these British West Indians, numbering approximately 2,000 to 2,500 are transferred back to Florida to work for the United States Sugar Corp., at Clewiston, and others are sent south to take jobs of Americans in the fruit and vegetable crops. I am informed that the Florida Employment Service has had an order for 2,500 sugarcane workers for months and has done nothing about recruiting American citizens for these jobs. At different times we have made direct offers to the United States Sugar Corp. to assist in recruiting all the labor they need from the mid-Southern States. We have gotten nothing but a run-around from the company and the employment service. The Jamaicans go back each year to work and unless immediate action is taken, the same thing will happen this year. Would it not be possible for you to send the British West Indians back to their homes and assist the United States Sugar Corp. in recruiting its labor from sources they used prior to the war, in Arkansas, Tennessee, and Mississippi?

About 60 days ago, Mr. B. J. Dorsky, president of the Maine State Federation of Labor, wrote me that the Maine Employment Service Commission had communicated with him in reference to the proposal to bring in 5,000 potato harvest hands from Canada. We replied, offering to cooperate in recruiting the 5,000 workers needed for this job. But Mr. Borsky informs me that he discussed the matter with employment service officials and received some assurance that they would accept Americans before bringing in foreign workers. To date, nothing has been done, as far as I can determine.

I also wish to call your attention to an application for 9,000 foreign workers being made for cotton picking in the State of Mississippi. The cotton report of August 1 estimates that the Mississippi crop will be 753,000 bales less than last year, due to boll weevil infestation. Decreases indicated in production for the State of Arkansas, 332,000 bales; Alabama, 237,000 bales; Louisiana, 131,000 bales; Missouri, 31,000 bales; Tennessee, 20,000 bales; or a total of 1,504,000 bales in these mid-Southern States less than last year. In terms of manpower requirements for picking the crop, each worker averaging 200 pounds per day, 5 days a week for 8 weeks, there will be no jobs for 282,000 cotton pickers who found employment picking cotton in these States last year. I might point out that cotton estimates of the Department of Agriculture Crop Reporting Board on August 1 of each year are usually very close to the accurate picture prevailing during the coming season.

Although there is an indicated increase in cotton production in Texas, Arizona, New Mexico, and California offsetting the decrease in the Southeast and mid-South States, the labor supply is available in these States for harvesting the cotton crop. There is terrific unemployment in California now and people out there could well be sent to Arizona for harvesting the crop. I would like to point out that in irrigated land, cotton does not deteriorate as rapidly as elsewhere. With Government guaranties of cotton prices there is no reason to attempt to furnish enough labor to pick the cotton crop as rapidly as it opens. The work season in all parts of the Cotton Belt could be extended 30 days and the agricultural workers benefit by it. The United States Employment Service is not obligated to protect the profits of the employers any more than it is obligated to concern itself with wages of the workers.

As to the sugar-beet section of the country, I am not prepared to comment on that directly; however, it may be noted that the thousands of native-born Americans of Mexican descent who have been forced off the farms along the border in Texas are available for jobs. The sugar-beet growers formerly obtained all their labor from the cities of Texas. They can do so again when 4,000,000 Americans are unemployed.

Sincerely yours,

H. L. MITCHELL, *President.*

Seattle City Light Continues Remarkable Growth—Places One of Largest Generator Orders on Record

EXTENSION OF REMARKS

OF

HON. HUGH B. MITCHELL

OF WASHINGTON

IN THE HOUSE OF REPRESENTATIVES

Tuesday, August 23, 1949

Mr. MITCHELL. Mr. Speaker, Members who are familiar with our great Federal power projects—Bonneville and Grand Coulee—in the Pacific Northwest may not relaize that we also have large-scale power projects operated by municipal agencies. I believe the Members will be greatly interested in the following account of the progress of Seattle City Light, written by its superintendent, Mr. E. R. Hoffman, and published in Public Power magazine for August 1949.

Under Mr. Hoffman Seattle City Light has understood the growing demand for power and has lost no time in its efforts to develop fully the hydroelectric capacity of the Skagit River.

Mr. Hoffman's article gives salient facts and figures and outlines the consistently forward-looking attitude of Seattle City Light.

SEATTLE'S PIONEER SYSTEM PLACES ONE OF LARGEST GENERATOR ORDERS—UTILITY ORDERS THREE 90,000-KILOWATT ELECTRIC GENERATORS; HAS DOUBLED CAPACITY AVERAGE OF ONCE EVERY 5½ YEARS

(By E. R. Hoffman, superintendent, Seattle City Light)

Symbolic of a phenomenal growth that has seen the system double its load an average of once every 5½ years, Seattle City Light last month gave Westinghouse Electric Corp. one of the largest orders for electric generators ever placed.

Three 90,000-kilowatt machines, which will cost almost $4,450,000, were ordered for the new Ross powerhouse. First of these new units is expected to start operating in November 1952, the second in February 1953, and the third in May 1953. Still another Westinghouse generator, of 60,000-kilowatt capacity, was recently ordered for City Light's Gorge powerhouse, at a cost of $935,677. It will be installed and placed in operation by September 1951, but will run at two-thirds capacity until a new higher dam is built at Gorge.

Plans for expanding the Seattle system are indicative of the constant progress made by this utility since it was begun in 1902. Since that time, when it had only a street lighting load, the utility has had a phenomenal growth, and now ranks second only to Los Angeles in the size of the municipally owned electric systems. Its assets now total about $135,000,000. Customers exceed 115,000, and employees number approximately 1,300.

Fundamentally, Seattle City Light has been a pioneer—first municipal utility to build a hydro plant (1905); first in low rates and good service; first in promoting the use of electric ranges, hot-water tanks, and other appliances; and first with an intelligently planned, sustained public relations program.

PIONEERED IN ELECTRIC COOKING

In 1910, when electric cooking was a radical innovation, Seattle City Light started selling electric ranges. It not only sold them, but rewired them for more efficient operation, and passed the new ideas back to the manufacturers.

At the end of 1948 more than 77 percent of Seattle City Light's residential customers used electric ranges. Approximately 50,000 had electric hot-water heaters, and 42,574 were on the all-electric rate, using only electricity for lighting, cooking, and automatic storage-tank-water heating.

The average charge for electricity to Seattle City Light residential customers in 1948 was 1.259 cents per kilowatt-hour, compared to a national average of 3.01 cents. The average Seattle City Light residential customer used 5,059 kilowatt-hours in 1948, compared to a 1,563-kilowatt-hour national average.

LARGE CONSTRUCTION PROGRAM

Seattle City Light has maintained a heavy construction program almost constantly for nearly 50 years. Its Cedar Falls hydro plant was built to the maximum practical capacity

of 30,000 kilowatts in 1929. Its Lake Union steam plant provides 38,000 kilowatts, considered ample for reserve or emergency use (the steam plant has been operated during the shortage to feed power into the Northwest power pool).

Seattle City Light's Skagit project, one of the large hydroelectric projects in the world, is being developed as rapidly as possible. The Skagit plants now furnish 194,000 kilowatts, which is scheduled to be increased to 644,000 kilowatts by 1956. Further development is practical.

The Skagit River, largest tributary to Puget Sound, cuts through a deep gorge in the Cascade Mountains about 100 miles northeast of Seattle and about 20 miles south of the Canadian border. The steep fall of the river makes it possible to run the same water—each time at a high head—through three generating stations in 11 miles.

Gorge power house is located in the town of Newhalem at the lower end of the gorge, and receives waters through a 20½-foot tunnel 11,000 feet long. Water enters the tunnel behind a low-diversion dam that is scheduled to be replaced with a high dam in 1956, greatly increasing the capacity.

Diablo Dam, 389 feet tall, and Diablo power house are located about 7 miles upstream from Newhalem. At the head of the gorge stands Ross Dam, fourth tallest in the world and only 10 feet shorter than Grand Coulee.

Contracts for construction and equipment totaling about $20,000,000 will be let in 1949. This includes thirteen 230,000-volt transformers, three 90,000-kilowatt generator units, and a large amount of line and substation equipment.

Over 100 miles of steel-tower 230,000-volt transmission line will be constructed, at a cost of more than $6,000,000, work to start this year. Work is already under way on the addition of 274,000 kilovolt-amperes of substation capacity. Also work will start this year on 70 miles of new 110,000-volt subtransmission line.

FINANCING EXPANSION

Seattle City Light's construction is paid for by revenue bond issues and money appropriated from earned surplus. The utility has paid its own way from earnings from its beginning, and the excellence of its financial position is shown by the eagerness of bidders for its bonds, at effective interest rates as low as 1.83 percent.

The power shortage of the Northwest power pool is expected to affect Seattle City Light for several winters to come, as long as the utility remains a member of the pool and is called on to share the available power.

Last winter the writer pointed out that Seattle City Light was better able to carry its own load than most other utilities in the area, and had a 10-year contract with Bonneville for sufficient power to fill out its needs. The same was true of Tacoma City Light.

Books Abroad

EXTENSION OF REMARKS
OF
HON. WALTER H. JUDD
OF MINNESOTA
IN THE HOUSE OF REPRESENTATIVES

Monday, August 22, 1949

Mr. JUDD. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following editorial from the Washington Post of August 19, 1949:

BOOKS ABROAD

Conscientious objectors who worked on farms and in hospitals in lieu of military service during the war were not allowed to receive for their own use the wages which they earned. Instead, these wages were paid to Selective Service and kept in the Treasury in a special deposit. They aggregated, in round figures, about $1,250,000—a tidy contribution on the part of the COs. There was a kind of unofficial understanding between Selective Service and the COs that at the end of hostilities the latter would be allowed to designate the use to which this contribution should be put. An informal poll was taken in 1945 among the men whose earnings created the special Treasury deposit. The consensus was that it should be devoted to relief purposes, and this year the National Service Board for Religious Objectors requested that the money be used through the CARE book program for the benefit of the war-destroyed libraries of Europe. It seems a singularly apt designation in keeping with the principles to which the COs adhered.

Senator SPARKMAN, in the Senate, and Representative JUDD, in the House, have introduced bills to bring this wish of the COs to realization. Their bills would simply authorize a contribution to CARE of an amount equal to the moneys received by the Selective Service System for work performed by the COs. The authorization is, in a sense, an obligation of the United States and deserves congressional assent now, despite the pressure of more weighty and urgent measures. It would constitute, moreover, a most felicitous way of acknowledging the real and respectable service rendered by the men whose consciences forbade them to fight; and it would render valued aid in the cultural rehabilitation of Europe.

Order of the Day Issued by Gen. Julius Klein and Address by Hon. Alexander Wiley, of Wisconsin, at American Legion Celebration at Columbus, Wis.

EXTENSION OF REMARKS
OF
HON. ALEXANDER WILEY
OF WISCONSIN
IN THE SENATE OF THE UNITED STATES

Wednesday, August 24 (legislative day of Thursday, June 2), 1949

Mr. WILEY. Mr. President, we all know that one of the most important means for defense of our beloved Nation is through a strong, well-equipped, well-trained National Guard. At this very moment, throughout our Nation, many guard units are out on training maneuvers. For example, at Camp Haven, at Sheboygan, Wis., there are being trained units of the Illinois National Guard under the able command of Brig. Gen. Julius Klein. This distinguished and popular soldier commands the One Hundred and Ninth Antiaircraft Brigade, which trained last week at the splendid facilities at Camp McCoy, Wis.

The One Hundred and Ninth Brigade is one of the largest antiaircraft brigades of the Middle West. From the write-ups which I have read in Wisconsin newspapers, including the Sheboygan Press, General Klein's units have met a characteristically hospitable reception from our Wisconsin people and officials.

FOURTH ANNIVERSARY OF UNITED STATES VICTORY IN JAPAN

Last week marked the fourth anniversary of the surrender of the Japanese forces to General MacArthur. At that time I was glad to note that General Klein had issued an order of the day to his troops commemorating this inspiring occasion. I should like to point out that at the time of the surrender, General Klein commanded 10,000 combat troops under General MacArthur.

General Klein, in his order of the day, stressed the importance of adequate preparedness in order to prevent a repetition of the terrible unpreparedness which we have experienced unfortunately on several occasions in our history.

SENATOR WILEY'S LEGION ADDRESS

I believe that my colleagues will be interested in this order of the day, not only for its patriotic and historic meaning, but because its message on preparedness is so vital in these troubled times. Last Sunday, in addressing an American Legion celebration at Columbus, Wis., it was my own privilege to also reiterate the importance of eternal vigilance.

I ask unanimous consent that the text of General Klein's statement as carried in the Chicago Herald-American of August 15 be printed in the Appendix of the CONGRESSIONAL RECORD, and that it be followed thereafter by the text of my own address entitled "The Minute Men of 1949" at the American Legion observance in Columbus, Wis.

There being no objection, the order of the day and the address were ordered to be printed in the RECORD, as follows:

[From the Chicago Herald-American of August 15, 1949]

GENERAL KLEIN HAILS MACARTHUR IN ORDER TO ILLINOIS NATIONAL GUARD

CAMP MCCOY, August 15.—Brig. Gen. Julius Klein, commanding general of the One Hundred and Ninth AAA Brigade, Illinois National Guard, issued the following order of the day yesterday.

"This significant day in history should not be unnoticed by members of this command. Four years ago on August 14, 1945, the Japanese nation conceded defeat and Gen. Douglas MacArthur thus erased the stigma of the treacherous attacks on Pearl Harbor, Corregidor and Bataan.

"We citizen-soldiers salute General MacArthur, whose devotion to duty keeps him behind his desk in Tokyo. Those of us fortunate enough to have served under the general know first-hand that our former commander in chief has as his goal peace and the establishment of democracy as a working principle throughout the world.

"Placing his job above all else, General MacArthur will continue to serve his country until the job is done. Then, and only then, will General MacArthur return to receive the well-deserved plaudits of his grateful countrymen.

"As members of this command go about their duties, let them not forget our comrades who fell in battle, sacrificed their lives so that we may enjoy the benefits of a free world. Those who bear scars of the conflict today realize they were spared to help the world in its struggles for peace and freedom. We must prove ourselves worthy of these sacrifices.

"Training as we are today, we citizen-soldiers are charged with the responsibility of protecting our Nation, and a strong National Guard is added insurance that this Nation will never again suffer the ignominy of another Pearl Harbor.

"Yesterday, we trained with broomsticks and wooden rifles. Today, we train with modern, combat-proven equipment. We must be efficient in the use of this equipment. Never again must the scornful 'they were unprepared' echo throughout the world.

"This Nation must be prepared to discourage totalitarianism in any form. Well-trained and equipped, we can easily attain the objective. Thus we will be true to the memory of those who laid down their lives in the cause of democracy and to our old battle commander, General MacArthur, who today individually leads the battle for the preservation of the democratic principle in the Far East."

General Klein commanded 10,000 combat troops under General MacArthur and in the days of the Japanese surrender was at MacArthur's headquarters in Luzon.

A copy of this order of the day was wired to General MacArthur at his headquarters in Tokyo.

ADDRESS BY THE HONORABLE ALEXANDER WILEY, UNITED STATES SENATOR FROM WISCONSIN, AT AMERICAN LEGION CELEBRATION AT COLUMBUS, WIS., ON SUNDAY, AUGUST 21, 1949

THE MINUTE MEN OF 1949

It is a real pleasure to be with you here today at this great community patriotic gathering.

You know sometimes, when things don't go so well in Congress, some Senators or Representatives may get discouraged about the fate of our Nation. But getting back home again, feeling the strong steady pulse of Wisconsin, seeing the gathering of the colors at an inspiring assembly like this one—this serves to raise any man's spirits and give him new confidence that our beloved country—yours and mine—will be adequate.

That, my friends, is the theme of these few remarks today—adequacy in this age of aviation, this age of atomic bombs, this age of communism sweeping throughout the civilized globe.

WORLD WATCHES GRASS ROOTS ACTIONS

It may seem hard to realize, but the eyes of the world today are focused upon communities like Columbus, Wis. Why? Because you here are really America. Washington, D. C., doesn't really determine the future of our Nation. Rather it is communities like Columbus, Wis., at the grass roots of this land of 148,000,000 people, which will decide whether America will remain intact or whether it will go down the road of dictatorship as so many other countries have gone.

You men and women, members of the Legion, members of the National Guard, of the Organized Reserves, of other fraternal and service organizations, are the minute men and minute women of America in 1949.

THE MEANING OF VIGILANCE

Now what do I mean by minute men? I mean that spiritually, economically, politically you stand at the ramparts today the way Wisconsin boys stood at the ramparts at Gettysburg or other American boys stood at the ramparts at Lexington and Concord in 1776, the way you veterans stood on guard in two world wars. That isn't empty talk, my friends. You and I want to make sure that the enemy from without and the enemy from within does not breach those ramparts. You remember that Abraham Lincoln warned us to beware most of all of "the enemy from within."

Let us, therefore, analyze just how you and I are called upon for adequacy. Let us see just how it is that you and I must defend this great land.

INVINCIBLE NATIONAL DEFENSE

Now obviously the first way by which you and I can do so is to make sure that we have the strongest possible armed forces in the Nation. History has taught us that the mere desire for peace, the mere writing of a treaty—the North Atlantic Pact, or any other document, does not of itself make for peace. To be prepared, George Washington told us—"to be prepared for war is one of the most effectual means of preserving the peace."

The 18,000,000 ex-servicemen of our Nation know that. Many of you men know what it is to go into action practically as a raw recruit because our Nation did not adequately prepare. You know that America has unfortunately followed a practice of starving its armed forces in between wars and then trying frantically at the last moment when a Pearl Harbor occurs to build up overnight a striking force. We must not allow our armed services to deteriorate again.

I don't mean, of course, that we should be extravagant with our military appropriations. On the contrary, every single dollar that is spent in our $13,000,000,000 defense budget (the budget which you as taxpayers will have to pay)—every single dollar must go for the most up-to-the-minute rifles, machine guns, cannon, bazookas, airplanes, rockets and all of the other terrible but necessary instruments of modern warfare.

Your Congress has taken actions to secure the best possible defense. We have passed measures to reorganize our armed forces in the light of the Hoover Commission reports. We have appropriated liberally to the Army, the Navy, the Air Corps, and the Marines. We have passed legislation in the interest of the National Guard and the Organized Reserve Corps. We have tried to encourage our men to devote a few hours of several days during the week in preparing themselves against any future emergency.

But we still have a long way to go in making sure that this country never again falls the victim of a Pearl Harbor-like attack. Military defense of itself is not sufficient. Moral defense, if you please, spiritual defense, economic defense—these are all necessary, too.

SPIRITUAL DEFENSE

Now just what do I mean by spiritual defense or moral defense? I mean that you and I must take steps to see that America is strong enough psychologically to withstand the greatest onslaught of alien-thinking that has ever swept across the globe. I refer, of course, to the red tide of communism. This tide has already enveloped the 425,000,000 people of China. It is penetrating across all of Asia. It has clamped an iron curtain over half of Europe. It is on the march everywhere.

The agents of communism are in Wisconsin as they are elsewhere in our Nation. They are not always card-carrying members of the Communist Party engaged in underground activity. Oftentimes, they pose in the guise of mere fellow travelers or parlor pinks. They say they don't want communism but merely, let us say, socialism or some other hybrid variety. Nevertheless, my friends, these are the enemies from within against whom you and I must prepare and against whom we must be adequate.

The minute men and women of the American Legion and Auxiliary are called upon to antidote the Communist propaganda wherever it may arise. It may come in the schools. It may come in labor unions. It may come amazingly enough even from the pulpit. It may come in the press. Yes, it may come from government as you and I so well know.

These agents of communism and their dupes or fellow travelers try to disintegrate our Republic. They try to set class against class, religion against religion, labor against management, farm people against city people. Communism thrives on such disunity. It thrives on anarchy and chaos, on hatred and fear. It is up to you and me, my friends, to antidote these conditions, to replace poison by poise, unbalance by balanced, clear, sane thinking.

You and I can't pass the buck for anti-Communist activity to Washington. Right now, in the Senate Judiciary Committee, we are reviewing anti-Communist legislation. But it will be to no avail for us to pass such legislation unless you here at the grass roots of Wisconsin are eternally vigilant and, as you and I so well recall, such "eternal vigilance is the price of liberty."

This, my friends, constitutes moral defense, spiritual defense, against alien thinking. You and I are called upon to defend not only the free-enterprise system against the system of collectivism, but we are called upon to preserve the other great landmarks of this great country—the Constitution with its Bill of Rights. There are some individuals who would want to sabotage the Constitution. They do not want three coequal branches of government to rule our people—the executive, the legislative, and the judicial. They want the Chief Executive to take over and Congress to become a mere puppet of the President with the courts also becoming the slave of the executive branch. Such actions, my friends, would in effect nullify the Constitution. This is a real and pressing danger. More and more legislation is being suggested which limits the power of Congress and in turn gives more power to the Chief Executive.

Men of good will of both major political parties are fighting against this legislation. This isn't just a partisan matter. It is a matter of patriotism or nonpatriotism.

JUSTICE FOR VETERANS

Part of our spiritual defense must, of course, come in the form of showing our gratitude toward those whom we can never fully repay for their great service to our country, and I refer, of course, to our 18,000,000 ex-servicemen. How can this Nation possibly be spiritually strong unless its discharges its debt to these veterans?

We have made some progress along this line. Congress has steadily sought to perfect the GI bill of rights in the interest of World War II veterans. The House of Representatives recently passed H. R. 5598, an omnibus veterans' bill. It did so without dissent by a smashing vote of 356 to 0. Under this bill, compensation of service-connected veterans is increased by something more than 6 percent. Over 2,000,000 veterans of World Wars I and II will be affected by various sections of this bill increasing disability and death payments.

And there are other bills which will be necessary in the interest of non-service-connected disabled veterans. You and I know that all veterans, their widows, and dependents, have been hard hit by the constant rise in the cost of living which has made their pensions and allowances very inadequate in many cases.

Earlier in this Congress, along a somewhat different line, I was happy to cooperate with the American Legion in introducing and securing the passage of three bills to protect the insignia of the American Legion, the American Legion Auxiliary, and the Sons of the American Legion, from commercial infringement. In addition, I was glad to introduce other legislation urged by the Legion and other veterans organizations, to extend the readjustment allowance provision of the GI bill of rights. This provision, as you know, helps tide unemployed or self-employed veterans over periods of inactivity and lack of earnings. The Senate Labor Committee reported a version of this bill unanimously, but the readjustment allowance provision expired. I have hopes to revive it.

AMERICAN PIONEERING

May I conclude my talk today to you Minute Men of 1949 and of the days that are to follow with this thought: That there is no unresolved problem that under God, we will not be able to solve. The pioneer spirit is still a part of our American make-up. In spite of frustrations, we've never laid down on the job. When there is a problem in front of us, there's always the impulse to do something about it. And in spite of the kicker and the defeatist, the record of human

achievement on this continent is heroic and worthy. But you and I know we can't live on merely contemplating the past. Of course, we can be grateful that ever since the seventeenth century on this continent there has been a long heritage of voluntary cooperation and that there has always been adequacy in this race to meet any challenge that arose.

SELF-RELIANCE NEEDED

You and I know that none of our accomplishments or our victories were just automatic. There was always a struggle. What you and I must do is quit spending our time merely on criticizing and denouncing those who oppose the ideals of the Republic, and instead, let us revitalize those ideals. Yes, there must be a renaissance in the individual and in the national group—renaissance or a new rebirth resulting in self-improvement. This improvement of the individual cannot come from bureaucracy or the general welfare state. Rather, it comes from a rebirth of the individual's own spirit along lines of self-reliance.

This Nation is the result of individual planning, not governmental planning. Its political system from the very beginning was built upon the concept that the individual should develop and grow and not become the serf of the state. There was a restlessness about our forebears, resulting in seeking and searching, in wondering what was beyond the horizon. In other words, this resulted in self-development. Now, one of the dangers today not only to the individual but to our society, is the idea of the benevolent so-called welfare state where men get to become leaners upon the fancied panacea of state planning. The natural step that follows is the socialistic state, then communism is the next step.

WE MUST PREVENT UNLIMITED POWER IN ANY GROUP

Karl Marx spoke of the dictatorship by the proletariat. The proletariat, of course, was the third estate, with unlimited power in a premier presiding over a so-called representative assembly. This was not a check and balance state, such as we have. You and I know that Stalin, Hitler, and Mussolini, and, yes, Napoleon were not just historical accidents. They were the natural result of a sequence of wrong political thinking. We don't want their counterpart to arise in America. To make sure that they won't arise, we will have to fight consistently against domination by any third estate, whether it be called business, labor, or any other group. We've got to fight and see that such a group does not get unlimited power.

You know, the real danger of the Republic is the tendency to take on European political philosophy and abandon our American way. There is a saying that when conditions arise where the people have nothing to lose, then, there is an opportunity for dictatorship. But, my friends, we have everything to lose, if we permit a third estate—labor, management, or any other group—to take over. Let us ask ourselves what we've got to lose, and when we do that, we will see the tremendous values and blessings which Americans enjoy.

Let us remember that anything that subjects the individual to the state, that creates in the state a tyrannical power over all society, that this does not constitute an advance, nor is it liberal. When government bureaucracy increases, so does the danger to representative government.

RESULTS OF RED PHILOSOPHY

The light within, my friends, has not died out in the Republic, but here and there, it seems to burn quite dimly. Russia and America stand face to face across a prostrate world. The world looks to America and we've got to see that the pioneering spirit of our forebears is revived. When that happens, we will realize that a democracy means a government of the many, and not of the few; that States' rights must be more and more recognized; and that the functions of central government must more and more be limited.

Today the rise of Communist philosophy has aroused a few of our people to the danger that we are facing, but there is always the danger of others becoming complacent. That is where you minute men fit in. Arouse those who would otherwise go to sleep.

Let me point out, however, that the philosophy of communism has had some other results. It has aroused a new vitality in the teachings of the Man of Galilee, and this is fortunate, indeed, for our sorely tried world.

CONCLUSION

I want to thank you, my friends, for your kind attention to this address. It has been a real joy to get back to Columbus and to discuss the over-all problem of defense of our Nation—impregnable military defense as well as spiritual defense.

I hope that when I get back to Washington, you will drop me a note now and then whenever the spirit moves you on ways and means by which I can be of service.

Thanks again and good luck to you all.

Unemployment in Northern Michigan

EXTENSION OF REMARKS

OF

HON. CHARLES E. POTTER

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Wednesday, August 24, 1949

Mr. POTTER. Mr. Speaker, under leave to extend my remarks in the RECORD, I include a letter received from Mr. Myrt M. Riggs, executive secretary, Cheboygan, Mich., Chamber of Commerce.

This letter points out just one example of the unemployment problem existent throughout northern Michigan. I have brought the economic condition of Cheboygan, as well as other small communities in my district, to the attention of Dr. Steelman's office. Our small communities are receiving the full brunt of our unemployment problem and every aid should be extended them in the letting of Government contracts.

The letter follows:

CHEBOYGAN CHAMBER OF COMMERCE,
Cheboygan, Mich., August 18, 1949.

Hon. CHARLES E. POTTER,
Member of Congress, House Office Building, Washington, D. C.

DEAR CONGRESSMAN: Cheboygan's unemployment problem has now reached the point where nearly 50 percent of our employable workers are without jobs and we therefore appeal to you for whatever help you can give us in getting Government contracts for our industries.

Our paper mill, which is Cheboygan's largest industry, has been shut down since the first of the year, and by now the men who were employed there have drawn as many unemployment checks as they are eligible to receive. The mill owners are attempting to reopen the mill but in this business readjustment period they have been unable to obtain enough orders to resume operation. Consequently, a critical situation faces these men and their families if the mill is not able to obtain enough orders to justify reopening soon.

The Great Lakes Garment Manufacturing Co.'s plant, Cheboygan's second largest industry, is operating at only 45 percent of capacity. This industry has a long record of steady operation during normal times but since the first of the year has not been able to obtain enough orders to provide even reasonably steady employment for its workers.

There are several other small industries in Cheboygan that employ from about 15 to 60 workers each and they too are in need of additional business to help overcome a very serious unemployment problem here.

Normally the paper mill employs about 200 men and the garment factory about 150, most of which are women. These are our two largest industries and because the paper mill has not been in operation since the first of the year and with the garment factory operating at only 45 percent of capacity it can readily be determined that we are face to face with a very serious unemployment problem.

With our two principal industries unable to provide the jobs which Cheboygan depends upon for a major share of its employment and with other business here off considerably our total unemployed is now nearly 50 percent of our employable workers.

Announcement of the huge number who are out of work in Cheboygan was made by Leonard J. Sullivan, manager of the unemployment office here during an emergency meeting of the Chamber of Commerce Industrial Committee this week when we met with the managers of our two largest industries to discuss Cheboygan's employment prospects in the period ahead.

R. W. LeRoy, president of the paper mill, reported at our meeting that he had orders for only 2 days' operation and this naturally would not justify reopening the mill. C. J. O'Toole, manager of the Great Lakes Garment Manufacturing Co., said his industry had no immediate solution to their unemployment problem.

With nearly 50 percent of our people out of work because our industries are without orders we respectfully appeal to you for all the assistance you can give us in getting Government orders that will overcome a critical unemployment problem which we are now in the midst of.

We will be deeply grateful for any assistance you give us and will you please advise us what procedure to follow toward solving our problem?

Very sincerely,

M. M. RIGGS,
Executive Secretary.

Lodi, Calif., Maintains Low Tax Rate Due to Municipal Operation of Electric Distributing System

EXTENSION OF REMARKS

OF

HON. LEROY JOHNSON

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, August 24, 1949

Mr. JOHNSON. Mr. Speaker, under leave to extend my remarks, I include herein an editorial from the Sacramento Bee concerning the tax rate in Lodi, Calif.

Lodi, in my opinion, is one of the big little cities of America. It has a high per capita wealth. It has a very fine municipal government which is well managed and it has a low tax rate. The tax problem of Lodi is solved by the fact that Lodi operates its own electric and water distribution systems. This has been the situation for many years and

the result is that Lodi has many improvements but a very low tax rate. The article referred to follows:

WHY LODI'S TAX IS LOW

The city of Lodi has adopted a tentative budget for the 1949–50 fiscal year calling for a $1 tax rate, a reduction of 15 cents from the current modest rate.

Now, if anyone wants to find out why taxes are so low in Lodi, the answer is very obvious and can be found very simply.

It lies in the fact Lodi operates her own electric and water distributing systems, two splendidly run publicly owned utilities enjoying a gross annual income of more than $500,000.

Low tax rates are nothing new for the San Joaquin County city.

They date back to the time her people threw off the yoke of the privately owned utilities and went into the power and water business for themselves.

These two systems have made possible numerous civic improvements. And in the next year the income will permit the purchase of two fire engines, two police cars, three new trucks for the street department and the employment of two additional policemen and three firemen—in addition to $100,000 for capital outlays.

Other vexed communities struggling with the problem of rising tax rates could profit from the experience of Lodi.

Military Aid to Europe—Letter by Robert S. Field

EXTENSION OF REMARKS

OF

HON. WALTER F. GEORGE

OF GEORGIA

IN THE SENATE OF THE UNITED STATES

Wednesday, August 24 (legislative day of Thursday, June 2), 1949

Mr. GEORGE. Mr. President, I ask unanimous consent to have printed in the Appendix of the RECORD a letter from Robert S. Field regarding military aid to Europe, which appeared in the New York Times on August 4, 1949.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

[From the New York Times of August 4, 1949]

POLICIES TO FOSTER TRADE—IMPORTANCE IS STRESSED OF ECONOMIC RECIPROCITY AS PROVIDED IN PACT

VINELAND, N. J., *August 1, 1949.*

To the EDITOR OF THE NEW YORK TIMES:

Controversy over the precise amount of military aid to be given Europe to implement what General Bradley recently described as our "strategy of deterring a potential aggressor," must not be permitted to detract from the task of implementing the economic provisions of the North Atlantic Pact.

Sometimes overlooked, article II of the pact reads in part: "The parties * * * will seek to eliminate conflict in their international economic policies and will encourage economic collaboration between any or all of them."

Early next month critical conferences will be held in Washington between representatives of Britain, Canada, and the United States for the furtherance of such economic collaboration. Exceedingly difficult issues are involved. The capacity for intelligent compromise characteristic of these three great nations gives hope of success, but only if any drift toward renewed protectionism be rigidly rejected.

We hear much about British hesitance to incur the risks of greater multilateralism in trade at this stage of her recovery. Our own reluctance to assume the risks involved in renewal of our reciprocal trade program and adherence to the International Trade Organization could be productive of far more serious consequences.

No one anticipates the return of Smoot-Hawleyism. But so vast is our purchasing power that even a moderate drop in our imports due to the recession may embarrass smaller European nations struggling to get back on their feet. Failure to extend trade agreements legislation or join the ITO may seriously enhance the pessimism that deepens depression, by awakening memories of 1930, when our tragic error of trying to relieve economic stagnation at home by cutting imports from abroad served to curtail the sales and purchasing power of our foreign customers and thereby aggravated the depression and the Hitler horror.

Some measure of military aid seems necessary. But in the heat of arguing how much and for what precise purpose, let's not lose sight of the necessity of sound trade and tariff policies. Although less in the foreground of public discussion they are absolutely indispensable to the creation of a healthy European economy capable of resisting Communist infiltration.

ROBERT S. FIELD.

Insurance Feature of FHA Bill

REMARKS

OF

HON. VICTOR WICKERSHAM

OF OKLAHOMA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, August 24, 1949

Mr. WICKERSHAM. Mr. Speaker, much more encouraging news was presented to us this week on private housing legislation. The House Banking Committee reported H. R. 5987 by a vote of 13 to 6, a far better bill than the Senate version. Here are high lights of the House bill:

The nonprofit billion-dollar cooperative housing section was removed, as was the title transferring permanent war housing to public housing agencies.

National Association of Home Builders of the United States recommendations for higher mortgage limits in high-cost areas were accepted. Title I, section 8, limit of $4,750, and section 203 (b) 2 (D) Sparkman bill limit of $6,650 were both increased by $950, but only for high-cost areas at the discretion of the Administrator.

Combination 505 (a) loans were retained, as urged by National Association of Home Builders of the United States, but an expiration date of 180 days was established—probably about March 15, 1950.

Section 608 was extended to June 1950 with no change in the 90-percent insuring limit; Senate bill reduces loan to 80 percent. Of equal importance, satisfactory provisions were made for FHA's administrative expenses.

Three hundred million dollars direct Federal loans by the Veterans' Administration at 4 percent was kept in the bill. A floor fight may strike out this proposal.

Fannie May liberalizations of great importance were approved—specifics described hereafter.

SOME HURDLES HOUSE BILL MUST JUMP

Must secure rule for floor action. No opposition was encountered. The rule has just been granted.

The bill must survive emasculating amendments on the House floor.

The House bill must prevail against Senate bill in conference committee, where differences are adjusted and compromises made.

Because of objectional features the Senate bill will likely have a rough time on the Senate floor. The coalition may not muster sufficient strength to knock out direct Veterans' Administration lending and cooperatives.

House action is possible today. The Senate floor action is unlikely until after Labor Day.

Titles I and VI will expire August 31. A lapse of days and even weeks before new bill reaches White House is likely.

COMPARISON OF HOUSE AND SENATE BILLS

Because the industry and veteran home buyers alike have so much at stake, because congressional decisions will depend upon impact of informed individuals writing, wiring, and phoning their Congressmen, I will devote my time to comparison of the bills. Study the provisions carefully because the volume of construction and sales for the next year will depend upon the settlement of these issues.

Here are the high lights of the two bills:

FHA TITLE I AMENDMENTS

House bill, H. R. 5987, extends title I to July 1, 1952, in an amount of $1,250,000,000. Class 3 loans are reduced from $4,500 to $3,000, and new section 8 with maximum mortgage amount $4,750 for 95-percent 30-year loans may be increased by FHA to $5,700 maximum in high-cost areas. Senate bill has same provisions excepting that $4,750 is maximum loan.

FHA TITLE II AMENDMENTS IN HOUSE BILL

Title II revolving fund increased by $1,500,000,000. Section 203 (b) 2 (B) now providing 90-percent $6,300 loans repealed. Section 203 (b) 2 (C) is amended to provide 95 percent of $7,000 value plus 70 percent of the excess up to total of $11,000 on owner-occupant 25-year mortgages. Present law is 90 percent of $7,000 and 80 percent of excess to $11,000. Senate bill carries the same provision.

Section 203 (b) 2 (D) provides maximum mortgage amount $6,650 on a 95-percent 30-year mortgage with $950 additional for each bedroom in excess of two but not exceeding four—85-percent firm commitment for the builder. Maximum of $6,650 may be increased by FHA to $7,600 in high-cost areas. Senate bill does not provide this permissive increase.

Section 207 is amended and new section 213 added for nonprofit cooperative housing. Four-percent loans for 40 years. House and Senate versions differ slightly.

FNMA AMENDMENTS

House and Senate bills agree on all provisions. The 50-percent restriction is lifted for GI loans not exceeding $10,000, loans under section 8, title I, section 203 (b) 2 (D), section 207, section 213, section 608, section 611, and section 803.

Prior to sale to FNMA, Veterans' Administration must certify that dwelling conforms with minimum Veterans' Administration construction standards and the mortgagee must certify that no bonus, fee, or other charges in excess of those expressly authorized by the Association have been or will be charged or received by such mortgagee to or from the builder or the mortgagor in connection with such mortgage.

FNMA is authorized to make real-estate loans acceptable for insurance under section 213 and authorization for investments, loans, purchases, and commitments is expanded from $1,500,000,000 to $3,000,000,000.

FHA TITLE VI AMENDMENTS

The House bill extends section 608 to June 30, 1950, with one-half billion increased authorization and no reduction is made in 90-percent insurance features. Senate bill extends to March 31, 1950, with same one-half billion increase, but reduces present 90-percent insurance to 80 percent. I favor the 90-percent insurance feature.

Both bills raise section 611 insurance percentage from 80 percent to 85 percent—$5,950 per individual unit with $850 for each additional bedroom in excess of two.

Where construction is initiated under section 611 the mortgage may be replaced by individual mortgages covering each individual dwelling upon completion and insured under this section on the same basis as loans under section 203 (b) 2 (D).

FHA BUDGET AMENDMENT

Both bills provide that FHA expenses for examination and insurance of loans and other field expenses not attributable to general overhead, can be paid out of income received by FHA from premiums and fees during the previous fiscal year, provided that not more than 35 percent of such previous year's income can be so used.

The FHA is authorized to process applications and issue commitments under section 8 of title I, title II, title VI, or title VIII, even though the permanent home financing may not be insured by FHA. If not so insured, FHA is authorized to charge additional reasonable application fees.

WAR AND VETERANS' HOUSING DISPOSAL

The Senate bill authorizes HHFA to transfer 32,000 units of permanent Lanham Act housing to local public housing agencies to be operated as tax-exempt public housing. HHFA would be authorized to transfer any permanent war-housing project to a local public-housing agency for these purposes if requested in writing within 60 days after passage of this act. The House bill does not include this title.

COOPERATIVE HOUSING AMENDMENTS

The Senate bill would establish a new Cooperative Housing Administration under HHFA with a billion dollars for making direct loans, including development advances, at approximately 3 percent for 50 years to construct rental projects for families of moderate income. Loans would not exceed development costs. CHA would have wide powers to regulate rents, approve income limits for admission and occupancy, sites, design, and so forth. Construction contracts would be at a fixed price with a criminal penalty of $5,000 fine and/or 1 year in jail for failure on the part of a builder, or seller of land, to disclose legal or equitable interest in such project. The House bill does not include this title.

VA AMENDMENTS

The Senate bill extends GI home-loan benefits to unremarried widows of veterans. In computing aggregate guaranty entitlement available to a veteran, VA may exclude the initial use of the guaranty where the property has been (1) condemned for public use, (2) destroyed by fire or natural hazard, or (3) has been disposed of because of other compelling reasons devoid of fault on the part of the veteran. The House bill does not include this provision.

The Senate bill changes present 501 loan guaranty from 50 percent, or $4,000, to 60 percent, or $7,500. The mortgaged property would have to conform with VA minimum construction requirements. The House bill has same provision.

The Senate bill abolishes section 505 (a) 90 days after passage of the act. The House bill continues 505 (a) for 180 days.

The Senate bill authorizes VA to make direct loans to veterans where they show (1) satisfactory credit risks, (2) ability to repay, and (3) that veteran is "unable to obtain from private lending sources at an interest rate not in excess of 4 percent a loan for which he is qualified under section 501." Such loans would be made to the individual veteran at 4 percent and up to $10,000 each for 25 years. VA would be provided $300 million to make such loans until June 30, 1951. The House bill authorizes direct loans by VA to veterans up to $10,000 at 4 percent for 30 years when the veteran shows that he has been unable to get a 501 loan and the VA finds private capital is not available in the area where the dwelling is located. No credit or payment ability is required to be shown. VA authorization, $300,000,000, expires June 30, 1951.

The House bill extends loan term of GI mortgages from 25 to 30 years. The Senate bill does not.

HOUSING FOR EDUCATION INSTITUTIONS

The Senate bill authorizes HHFA to lend $300,000,000 at 2½ percent for 40 years to educational institutions for the construction of student and faculty housing. The House bill authorizes RFC to purchase obligations of and to make loans to nonprofit educational institutions of higher learning for the construction of student and faculty housing, such loans to be at 4 percent and up to 40 years, but no special fund is set aside for that purpose.

PREFAB DISTRIBUTION LOANS

The Senate bill gives RFC authority to make loans directly to any business enterprise or financial institution to finance the purchase and erection, including the distribution and marketing, of prefabricated houses manufactured with financial assistance under section 102; the total amount of such loans is not to exceed $25,000,000 outstanding at any one time. The House bill is substantially the same except that loans cannot exceed $75,000,000 outstanding at any one time.

Farmers Cold to United States Crop-Disaster Aid

EXTENSION OF REMARKS

OF

HON. ANGIER L. GOODWIN

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, August 24, 1949

Mr. GOODWIN. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following news article from the Boston Herald on the effect of the drought in New England and farmer reaction to Federal disaster loans:

FARMERS COLD TO UNITED STATES CROP DISASTER AID

(By W. E. Playfair)

Drought-stricken farmers of Massachusetts yesterday said "no thanks" to production-disaster loans proffered by the Federal Government.

CROP LOSSES PILE UP

While the officers of the Farmers Home Administration in Boston and Brockton awaited applications for loans, spokesmen for the 32,897 persons in the Commonwealth classified as farmers said the move of Secretary of Agriculture Brannan in declaring this State a drought disaster area was little more than an empty gesture.

They said the great majority of agriculturists who had suffered substantial losses from the rainless summer would be refinanced by their normal sources of credit, and in the long run would have to take their losses like any other businessmen.

One of these leaders was L. Roy Hawes, head of the State Grange, who announced that the members of that organization had voted against Federal aid, 100 to 5. He said the Washington loans were unnecessary.

Meantime, estimates of crop losses due to drought continued to pile up and in Maine, the only one of the New England States not yet in the disaster column, the USDA Council called on Secretary Brannan to declare an emergency in seven southern and central counties.

These counties are Washington, Kennebec, Androscoggin, Sagadahoe, Oxford, Cumberland, and York. The other nine, the council found, had no critical situation.

Hawes and other spokesmen for the farmers said the majority of those needing money to carry on would depend on "hard" loans from the land banks and the four production credit associations at Northampton, Worcester, Taunton, and Concord, rather than the "soft loans" of actual Government money from the Farmers Home Administration.

SEES NEED FOR LOANS

On the other hand, Louis A. Webster, head of the marketing division of the State department of agriculture, said the time might have arrived when some farmers who should be kept in business were unable to get money from their local banks or other regular sources.

"Those who irrigate and thus were prepared for the drought," he said, "have enjoyed good crops and good prices. Most of the others can get additional loans where they have previously been borrowing. There will still be a few very deserving cases who can make good use of the disaster loans to pull themselves out of the hole."

Explaining how the Federal loan plan will affect the market gardener who loses his vegetables from the drought, the dairyman whose pastureland is burned, or the orchardist whose young trees have withered, Webster said:

REFUSED PREREQUISITE

"If a man has lost his crop, he will first go to his normal credit source, whether a private bank, land bank, production credit association, or any other lending agency, and try to arrange with them to stake him for another year.

"If they refuse, he writes or telephones to the Farmers Home Administration, Post Office Building, Boston or Brockton, and applies for a loan. But he must first have been turned down by the others.

"He must now produce a statement of assets and liabilities, income and expenses, and if he has become embarrassed by unusual or unnecessary expenses, or by unfortunate trades, or was practically insolvent through debts to grain and other leaders before the drought struck, he cannot use the drought as an excuse for being refinanced.

"But if he proves that he has been careful and has a reasonable earning capacity, they will stake him to new money at 3 percent for 10 years. Over a period of years many farmers have found it necessary to be financed by the FHA and have graduated to a position where they are now financed by private banks or other agencies."

The loans include both farm and home operating expenses, since, as Webster puts it, the farmer has to live as well as work.

"And a cash-crop farmer may be terribly broke between crops," he said. "The dairy farmer has it much better in this respect."

Reviewing the crop damage, Webster said pasturage had been hardest hit. Because it had been necessary to feed hay and corn fodder to cattle, the department estimated a hay shortage of more than 100,000 tons, which would be 6,000 cars, or 120 trainloads.

Appeal to the Nation

EXTENSION OF REMARKS
OF
HON. SCOTT W. LUCAS
OF ILLINOIS
IN THE SENATE OF THE UNITED STATES
Wednesday, August 24 (legislative day of Thursday, June 2), 1949

Mr. LUCAS. Mr. President, out of order, I ask unanimous consent to incorporate in the Appendix of the RECORD an editorial from the New York Times of Tuesday, August 23, 1949, under the caption "Appeal to the Nation." The editorial deals with the arms program to implement the North Atlantic Treaty.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

APPEAL TO THE NATION

As he did in the case of the North Atlantic Treaty, President Truman has again gone to the Nation over the heads of the congressional opposition to win added support for the foreign military aid program as part of a broadly conceived American policy to preserve peace and our own security. The effect of his first appeal was manifested in the melting of the opposition and the senatorial approval of the Atlantic Pact by a larger majority than had been expected. But in the matter of military aid, designed primarily to put teeth into the Atlantic Pact, he faces a harder task. For the opposition to this program is both greater and more determined. The House in a fit of reckless irresponsibility, has already overruled the carefully considered verdict of its own Foreign Affairs Committee and has slashed the aid for western Europe in two. Few Senators are willing to go that far, but the pressure for cutting the program is growing among them as well.

There are many reasons for this development, including an inept congressional leadership and the growing tendency to play politics with great world issues and with national security for purely partisan advantage which is endangering the whole bipartisan foreign policy. The administration is just as much to blame for this as are the Republicans. But the primary reason goes beyond politics and rests in the still incomplete adjustment of many minds to the realities of the international situation. There are still too many men in Congress who permit their subconscious isolationism, pacifism, or just plain comfort and preference for big words rather than deed to trap them into a nostalgia for normalcy. That tendency is also becoming bipartisan, but it is most pronounced among the latter-day Republicans, who seem to prefer the policies of Harding to those of Theodore Roosevelt.

To all of such persuasion President Truman rightly presents some of the facts of life. He points out to them that the fond belief that the world would immediately return to its old familiar ways once the fighting stopped has been vain, that the devastations and dislocations of the war have been too great for such an easy adjustment, and that in addition the war has unleashed new forces which manifest themselves, on the one hand, in the effort of many subject peoples to gain a new freedom and the good things of life, and, on the other hand, in the attempt of Soviet Russia to exploit this effort for its own aggressive and tyrannical ends.

In such a situation, the democracies dare not stand still or stand alone. For standing still they leave the field to Russia, and standing alone they suffer from a weakness which in itself invites aggression that threatens to engulf them one by one. Only by standing together and going forward together in mutual defense and combined economic effort can they hope to survive and win the contest against tyranny. By their own fundamental principles they can do so only on the basis of voluntary association which requires a common determination and mutual adjustment of their common problems. But to do so they must meet the challenge of the age, or perish. And since the United States does not believe that democracy is ripe for suicide, it has taken the lead in averting it.

It has done so by inspiring the United Nations, which, however, has not fulfilled all hopes because of Russian sabotage. It has done so through the Truman Doctrine and the European recovery program, which stopped and reversed the Communist tide in Europe, though it surrendered the second front in Asia by default. Finally, it has done so through the North Atlantic Treaty. But all the results attained by these measures remain in jeopardy until they can be defended. And they can be defended only if the democracies become strong enough both to discourage aggression and to lift the fear of aggression, on which depends further progress. That is the purpose of the military-aid program, which Mr. Truman characterized as an investment in security that is part of the price of peace and is only a tiny fraction of what another war would cost. We are confident that the Nation will agree with him, and that public response to his plea will compel Congress to bow to the national will.

Democracy in Northern Ireland

EXTENSION OF REMARKS
OF
HON. CECIL R. KING
OF CALIFORNIA
IN THE HOUSE OF REPRESENTATIVES
Wednesday, August 24, 1949

Mr. KING. Mr. Speaker, in the August 13 issue of the magazine Nation, there appears an interesting article, which clearly depicts the political conditions in Northern Ireland. The article is written by Griffin Barry, who was formerly a correspondent for the London Daily Herald, and who has spent more than a year in making a special study of Ireland with a view to publishing a book regarding postwar conditions there.

Mr. Barry comments on the recent Government of Ireland Act which was passed by the British Parliament in London. He points out that 200 members of Parliament voted against that clause in the act which would make the Parliament of Northern Ireland the sole judge of any political change in that area.

The absurdity of leaving the future of Northern Ireland in the hands of its Parliament is clearly exposed in the rest of the article, which indicates how that Parliament is chosen and how democratic practices are flaunted in their voting practices. The regulations for determining voting eligibility apparently are changed at almost every election in order to retain the control of the Parliament in the hands of a ruling clique.

Comment on the Special Powers Act, a measure originally intended to be in effect for but a single year, shows the tyrannical method in which justice can be, and often is, meted out in Northern Ireland. The gestapo methods of Hitler were but a facsimile of the methods employed in Northern Ireland under this act, which is still in effect today, but in a much more despotic form than when originally enacted.

The article by Mr. Barry is entitled: "Ulster: Persecution and Progress." I would like to call attention, however, to the fact that Northern Ireland does not constitute the historic province of Ulster, which consisted of nine counties. Only six counties have been partitioned from the rest of Ireland to constitute the Northern Ireland territory, because that was as much of Ireland as could be cut off without losing dominance of the people of the area.

The chicanery employed by the British Government in setting up Northern Ireland as a separate country may in some degree explain why American statesmen are always second best when dealing with foreign diplomats. We just do not speak their language nor employ their tactics. Perhaps it is well that we do not, or otherwise we likewise might be

tempted to ride ruthlessly over the rights of other peoples and other countries, as has been done in the case of the partition of Ireland.

For the benefit of those who might not have read the article by Mr. Barry, I am adding it to my remarks at this point, and I recommend it to my colleagues. It reads as follows:

ULSTER: PERSECUTION AND PROGRESS

(By Griffin Barry)

LONDON.—Eire, a state associated with the British Crown only in external relations (and very few of them) passed out of being some weeks ago and the Republic of Ireland was born into an independence that seems unreal. Dangerous one day, even, the times in western Europe being what they are. However, the Irish wanted it.

A grievance remains, of course—partition. At the Ulster border, men of the same race meet in perpetual collision even when no blood is shed, as nowadays it rarely is. Here stands the fence between two religions and between the urban and the rural ways of life. Toward this impasse the British attitude seemed unassailable. Herbert Morrison, Lord President of the Council, said: "If Irishmen themselves will come together and make their own agreements, this Government will willingly consider the results." What could be fairer? With the machinery of democracy provided, and negotiation not ruled out, the ring is held until these contestants get over their reverberating bad temper. That looks like imperialism at its modern best.

Surprisingly, the Ireland bill brought on an attack of Labor Party indiscipline without equal so far. More than 60 dissents came from within the party. Labor members' abstentions amounted to many more. Dissent came from rising young men who have careers to lose and can ill afford to quarrel with the big brass of the party. Few have Irish blood themselves and not many have a considerable Irish Catholic vote in their constituencies, either. The dissents arose, apparently, from a principle. Absentees and dissenters alike were admonished by Mr. Attlee for their breach of discipline and five young career men lost their jobs as parliamentary secretaries to Socialist Ministers. Penalties were paid cheerfully. The bill passed, but not until nearly 200 members of all parties, with a very large proportion from Labor, had failed to endorse the clause which makes the Parliament of Northern Ireland sole arbiter of any change.

During the debate, Geoffrey Bing, a young Ulster Protestant member for a Labor constituency in England, described the body which administers his native land. Set up in 1920, this subordinate parliament is responsible for the peace, order, and good government of Northern Ireland, and not much else, direct taxation and other important matters being reserved to Westminster. Authority in any matter, indeed, lies squarely under the authority of the Parliament of the United Kingdom. In 1922 the new legislature began to take seriously its job of insuring law and order. A spill-over of violence from the insurrectionary south was then feared in the northern counties. The Special Powers Act was brought out—a stiff measure, limited to 1 year's operation.

Complaint now rises not from the original act, possibly necessary in a period of blood and tears, but from the fact that it has never been repealed. A generation has grown up under it. Quietly through the years its restraints are added to. Offenses for which there was originally a penalty of 2 years in prison carry, since 1943, a maximum of 14 years. Public behavior is still assumed to be crisis behavior—potentially. Such matters as treating in public bars or methods of obtaining a bicycle permit are still minutely regulated. The Northern Ireland Minister of Home Affairs, or any police officer to whom he delegates his powers, may suppress any public meeting or newspaper merely by proclaiming it. He can order the destruction of any memorial, headstone, or tomb. He can send the owner of any film or phonograph record to prison for a term of years. A unique section provides that acts not specifically provided for in the regulations may be deemed against the aims of the code and a magistrate may produce a regulation impromptu for dealing with them. So, a citizen, not guilty of violating any particular statute, must hazard a guess of his own as to what part of his behavior is going to be liable to punishment.

A person detained under these regulations is deprived of protections that have hedged the liberty of the subject in Britain for ages. He may be held indefinitely without being charged and without trial. He is allowed no visitors and no messages. He has no access to legal advice. A curious statute deals with the examination of witnesses by a resident magistrate. Significantly, it became law in 1933, when the only sign of trouble in Northern Ireland was an ordinary election. It was first employed in a round-up of alleged rioters at the polls. A witness may not be accompanied to court by a legal adviser or friend and is specifically not excused from answering questions on the ground that an answer may incriminate or tend to incriminate himself. Refusal to answer is punishable by penal servitude up to 14 years.

An armed force 13,000 strong (in a population of one and a third millions) called "B" Specials, assisted by the Royal Irish Constabulary, police these laws. The constabulary are traditional police in a country where Roman Catholics vary from under a third of the population to more than half; on this force, Catholics sometimes get subordinate jobs. "B" Specials are recruited from the Orange lodges, militant Protestant clubs peculiar to Northern Ireland. They are a part-time police, sporting the colors of the dominant religion, who may be called out at any time but who, whether they are on duty or not, have the power to search premises or question anybody without showing a warrant. Northern Ireland officials point out that these precautions against violence are seldom used. Pressed as to why they are there at all, Belfast men bring the covert use of dynamite and murder out of a not distant past, notably at the beginning of the late war.

Remembering that in democratic societies the vote exists to canalize discontent away from murder and dynamite, one looks at the Northern Ireland franchise. Sure enough it began to adapt to the needs of a mixed society in the years of direct British rule. In 1919 proportional representation was set up. That year Catholic aldermen in Londonderry, whose supporters outnumbered Protestants by some 500 votes, gained a majority of two on the municipal council of the country's second largest city. Next year the new parliament took over. Proportional representation was dropped. In 1946, notwithstanding a majority of 2,347 Catholic votes in the city as a whole, 8 Catholics sat in a council of 20. This result had been achieved through the years by the careful gerrymandering of wards.

Then a Labor Party raised its alarming head. Labor cut through the religious issue where it could, drawing votes alike from Protestant poor and Catholic poor. Another menace was evident too. Catholic families, usually large and nearly always poor, began to send voters to the polls at a steeply rising rate. And at the end of the Second World War it became clear that gerrymandering would not forever cancel out the effect of the new self-interest vote, particularly when it combined with a rising Catholic vote. In the year that Great Britain plumped for labor the shipbuilding magnates in Belfast and linen manufacturers throughout the little country were worried. During the next year, 1946, the Northern Ireland Franchise Act was passed.

It restored, quite simply, the plural vote—a practice abandoned in the years following 1840 when wealthy country gentlemen and not wealthy manufacturers ruled a feudal Ireland. Directors of corporations were allowed as many as ten votes in their company's name. On the other hand, persons who could find no domicile in separately taxed property were deprived of the vote. Hundreds of thousands of poorly housed people must stay away from the polls. Among these, some 3,000 returned soldiers were barred from the Londonderry elections after 1 year unless, in an over-crowded town, they had found separately owned housing. This had one bizarre effect. Because a British charter forbids tampering with the methods by which thirteen North Irish members are sent over the water to the Mother of Parliaments, nearly twice as many Londonerry people can vote for members of that distant concern as may use the ballot to select aldermen in their home town.

Reviewing this denial of democracy, Mr. Bing tried to focus the attention of the Labor Government on its responsibility—in vain, as the vote showed. This is a cautious preelection year in Britain. But he drilled away manfully at the apathy which settles over Englishmen nowadays at the approach of the Irish question—any Irish question. The restraints of capitalism, developing swiftly in Britain, are stalled north and south in Ireland, he submitted. But in one area the British no longer have a say; in the other they are still overlords. Relief from the "full blast" of capitalism came in the north when the Labor government's new social services were extended there. But if a northern worker is a Catholic he must, with this imported progress, accept at home religious persecution with its major concomitants—an insecure job or none, a nasty experience in using the vote to change the rules of the game. In this generation there have never been enough votes—never quite enough—to modernize anything in Northern Ireland. What then? Violence, he did not deny, sometimes occurs to the Irish mind.

Pass the Judd Bill

EXTENSION OF REMARKS

OF

HON. WALTER H. JUDD

OF MINNESOTA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, August 24, 1949

Mr. JUDD. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following editorial from the Minneapolis Tribune of August 23, 1949:

PASS THE JUDD BILL

While the Truman administration is groping for a new formula for resisting communism in Asia, the Senate is sitting on a measure that could win us many new friends among Oriental peoples.

The measure was introduced in the House by Minnesota's Representative WALTER JUDD. It would permit Asiatics to enter this country under a quota system now applied to other countries. Those already living here would be allowed to become naturalized citizens.

The bill would affect some 90,000 immigrants who have been living in the United States and Hawaii for the past 30 years or

more. Many are parents of Japanese-American veterans who served with distinction in World War II. While their sons and daughters are citizens by virtue of their birth in this country, the privilege of citizenship is denied to them. For these people passage of the Judd bill would be an act of simple justice.

The bill was passed by the House March 1 and has since been bottled up in the Senate Judiciary Committee. In an effort to prod the Senate, the House on June 6 passed the so-called Walter Resolution, a skeleton version of the Judd bill which would do only one thing—give all legally resident immigrants the right of naturalization. Sponsors hoped that the Senate would at least pass this, if not the Judd bill.

Senator PAT MCCARRAN (Democrat, Nevada), Chairman of the Judiciary Committee has said publicly that he is in sympathy with objectives of the legislation. Yet he has made no move to send even the Walter resolution to the Senate floor for a vote.

At a time when this country is fighting a cold war of ideas, the committee's inaction is inexcusable. We can hardly expect to persuade Asiatic peoples to enthusiastically embrace our way of life as long as we fail to live up to our professed ideals about racial equality.

Spending Goes Up, Up, and Up

EXTENSION OF REMARKS
OF
HON. RUSSELL V. MACK
OF WASHINGTON
IN THE HOUSE OF REPRESENTATIVES

Friday, August 19, 1949

Mr. MACK of Washington. Mr. Speaker, the following table taken from the New York Sun on July 22, 1949, shows the average amount of money spent and collected by each Presidential administration per annum. It will be seen that the present administration during the postwar years under President Truman has jumped astronomically even over the extraordinary expenditures of the war years.

These figures of Federal Government expenditures, during President Truman's administration represent approximately 25 percent of the total income of the United States. In short, it is as if every fourth row of corn were planted, cultivated and grown to maturity, and then turned under. There would appear to be no services rendered to the average worker or producer to justify the enormous increase in expenditures between the administration of Calvin Coolidge and the present incumbent, Mr. Truman. More, it may be suspected that the enormous drain on our productive plant represented by this huge Federal charge, is acting as a dead hand upon American business, and as Mr. Hoover and others have pointed out, is slowly but surely changing the character of our Government and economic system.

The figures given below in ever case represent the actual expenditures and receipts, and are complete from 1789 to July 1, 1949.

It also should be noted that the figures of present Government spending are already out dated. By the end of July, they were at the rate of $46,400,000,000. If present Government plans in respect to the Anglo-American Economic Pact, domestic Government spending, and so forth, actually are carried out, the average annual expenditure by the Federal Government could easily reach $60,000,000,000 for the fiscal year, 1950.

President	Number of fiscal years served	Average annual expenditures	Average annual receipts
George Washington	8	$4,261,063	$4,083,221
John Adams	4	8,565,667	8,746,210
Thomas Jefferson	8	9,053,036	14,175,104
James Madison, War of 1812	8	18,404,737	21,486,994
James Monroe	8	18,404,737	21,486,994
John Quincy Adams	4	16,356,759	23,707,822
Andrew Jackson	8	19,121,125	31,507,671
Martin Van Buren	4	30,581,316	25,554,895
Harrison and Tyler [1]	4½	24,201,042	23,206,787
James K. Polk, Mexican War	4	43,869,305	30,784,915
Zachary Taylor	1	39,543,492	43,603,439
Millard Fillmore	3	46,696,016	54,664,391
Franklin Pierce	4	63,788,566	70,543,232
James Buchanan	4	68,233,373	49,429,093
Abraham Lincoln, War of Secession	4	838,095,103	190,756,531
Andrew Johnson	4	394,639,414	456,312,115
U. S. Grant	8	281,673,348	333,963,198
Rutherford B. Hayes	4	258,067,014	306,474,902
Garfield and Arthur	4	256,935,689	368,505,852
Grover Cleveland, first term	4	269,407,275	368,539,784
Benjamin Harrison	4	353,078,975	384,112,711
Grover Cleveland, second term	4	360,418,546	329,237,222
William McKinley, Spanish War	4	523,479,634	519,052,037
Theodore Roosevelt	8	581,931,314	584,593,495
William Howard Taft	4	699,802,969	698,516,267
Woodrow Wilson, World War I	8	5,867,282,518	3,046,972,711
Warren G. Harding	2	3,333,617,715	4,058,119,816
Calvin Coolidge	6	3,097,591,523	3,993,323,650
Herbert Hoover	4	3,872,619,164	2,863,250,628
Franklin D. Roosevelt, World War II	12	31,020,193,854	13,813,402,113
Harry S. Truman	4	45,016,855,863	41,688,267,575

[1] Until 1843 the Government's fiscal year coincided with the calendar year, but was then changed to run from July 1 to the following June 30. Thus the fiscal year 1949, for example, is the year beginning July 1, 1948, and ending June 30, 1949. President Tyler due to this change, was accountable for 4½ fiscal years instead of 4

Mr. Speaker, according to an analysis made in the United States News and World Report, issue of August 12, 1949, an additional tax expenditure from the States themselves, plus counties, cities, and towns, is estimated at $22,200,000,000 for the present fiscal year. Added to the Federal expenditures, this brings the total tax burden of the United States to the staggering figure of $68,600,000,000. In short, this is the amount which will be spent in cash by all Federal, State and local governing institutions.

A break-down of the major brackets by which this immense sum is spent indicates for the fiscal year, 1950—at the present rate of $46,400,000,000:

To business	$20,308,000,000
To individuals	26,098,000,000
Wages and salaries	9,242,000,000
Welfare payments and grants	13,840,000,000
Interest	1,387,000,000
Loans, investments, subsidies	1,228,000,000
Miscellaneous	401,000,000

It is obvious that much of the huge expenditures listed under other categories actualiy should be allocated to welfare payments, grants, and subsidies, since without these hand-outs many other governmental costs obviously would be substantially reduced.

A break-down of State and local taxation for the fiscal year, 1950, shows approximately $8,300,000,000 for general business administration, and $13,900,000,000 listed as payments to individuals.

Wages and salaries for all those directly in the Government service—civilian and military—will total $9,242,000,000 on the basis of present spending plans. This compares with $3,537,000,000 in 1940.

An article by Sylvia F. Porter in the New York Post of August 8 states that the United States has spent $72,000,000,000 in loans and gifts overseas during the past 10 years. This figure is attributed to a study in the Congressional Quarterly.

A total of $49,000,000,000 represents lend-lease. The balance—$23,000,000,000—represents our postwar spending for relief, rehabilitation, and so forth, abroad. It does not take in other billions which have been spent in one way or another but charged off elsewhere, as, for example, military supplies treated as surplus and transferred for payments out of all proportion to the true values involved.

Sufficiency of Defense But No WPA in the Defense Department

EXTENSION OF REMARKS
OF
HON. PAUL C. JONES
OF MISSOURI
IN THE HOUSE OF REPRESENTATIVES

Wednesday, August 24, 1949

Mr. JONES of Missouri. Mr. Speaker, less than 5 months ago when Louis Johnson took the oath of office as Secretary of Defense he promised to bring about greater efficiency and more economy in the conduct of our Military Establishment. Throughout this period he has led us to believe that we could expect, if not a unification of services, at least a better cooperation and a mutual understanding which in itself would tend

to bring about a greater efficiency. This morning speaking before a representative group of Congressmen at a conference which was held in the Pentagon, the Secretary made the official announcement that during the next 4 months the civilian rolls in the Department of Defense would be reduced by approximately 135,000 persons which should result in an annual saving of approximately a half billion dollars. For the benefit of those Members who did not avail themselves of the opportunity to attend this conference, I am inserting herewith a copy of the statement made by Secretary Johnson at the opening of this meeting:

Secretary JOHNSON. Members of the Senate and of the House, I want to express my appreciation of your coming down here this morning. This may be one of the first times in Government that we have asked you to come here to the Pentagon. I hope none of you got lost.

Our problem's been this. First, I'd like to say I hate to fire anyone. I'm sorry that circumstances make it necessary. What we have here for you this morning is a part of the program, and only a part. It's a part that has been worked out by the three Departments over a period of several months, after study and after impartial review. The recommendations have come up from the three Departments after such study and impartial review, extending over several weeks.

There were suggestions, ladies and gentlemen, that this announcement should be held until Congress adjourned or that this should be held for a few weeks. The recommendations were ready at noon yesterday. The wires or messages were gotten to you as soon as possible after they were ready. Each day's delay in putting this into effect, I am told, costs us out of our budget each day a minimum of a million dollars. Therefore, my conscience would not permit me to delay beyond the time this job could physically be done; hence, our invitation to you.

The next thing I want to say is that the actions you have before you are the actions of the civilians in the Defense Department, not the actions of the military. The military, the generals and the admirals, are the victims, if such you want to say, of this action by the civilians.

We have confronting us, not perfectionism of defense. We seek, in a balanced team, a sufficiency of defense. This program is one of the steps toward that end. The civilian heads of the Military Establishment feel that sufficiency of defense is one element and that the other element of equal importance is the operation of this sufficiency of defense within the economy of the United States itself.

The Russian approach over the months has been that we were going to have a blowup in our economy, that things would "go to pot."

Stressing again that there are the two elements, the military sufficiency and a vigorous American economy, the civilians of the Department are firmly of the conviction that in maintaining that sufficiency of defense, we must bring it within the economy of the United States. This is a step toward that end.

What you have shows a reduction of approximately 135,000 civilians over the period of the next 4 months. There are some installations closed. There are others due to be closed.

This work is not the result of the McNarney Management Committee. This is the point from which the McNarney group steps off in doing their work of eliminating duplication, of cutting out all waste and extravagance and abolishing all unnecessary jobs and in coordinating the business functions of the Department.

I think I can summarize it by saying so far as civilian personnel is affected here, it's because they are not necessary in the sufficiency of the defense of the United States. I have said to both committees that so long as I am Secretary of Defense we want a dollar's defense for each dollar you give us, and I personally will tolerate no WPA in the administration of the Defense Department.

There can be no approach to a peaceful world unless there are the two things I referred to—One is sufficiency of defense which we will not let be impaired, and, secondly, a vigorous economy with the defense fitting into that economy. That's our continuing approach. This is a step in that direction.

Again, for Mr. Early and myself, for the Secretaries of the Departments, I thank you for coming down here so that you could have this data before the release at 12 o'clock.

Export and Imports From Marshall-Plan Countries—Editorial from the Baltimore Sun

EXTENSION OF REMARKS
OF
HON. WALTER F. GEORGE
OF GEORGIA
IN THE SENATE OF THE UNITED STATES

Wednesday, August 24 (legislative day of Thursday, June 2), 1949

Mr. GEORGE. Mr. President, I ask unanimous consent to have printed in the Appendix of the RECORD an editorial entitled "Uncomfortable Figures on Marshall Plan Area Trading," from the Baltimore Sun of August 14, 1949.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

[From the Baltimore Sun of August 14, 1949]

UNCOMFORTABLE FIGURES ON MARSHALL PLAN AREA TRADING

There is no comfort whatever in the June figures on imports from the Marshall-plan countries. The Government statisticians have discovered that the total was a thin $65,500,000 in that month as against $72,400,000 in May and a monthly average for the first quarter of 1949 of up to $95,100,000.

To complete the picture, the Government has also supplied figures on exports to the same group of Marshall-plan countries. And the exports have tended in the opposite direction from imports—up instead of down. The June total was $406,700,000 as against $387,600,000 for May and a monthly average in the first quarter of $386,400,000.

Here's another touchy detail. Among the countries which have fallen off most in imports to American markets are those where our aid has been of longest standing and is of most urgent political significance. Germany has slipped from $4,400,000 in May to $2,900,000 in June and thus set up new worries for Commissioner McCloy. Turkey was down to $3,800,000 from $8,000,000 in May—a really whacking drop.

No doubt in many commodities and many countries there are special circumstances which help explain the fall. Seasonal trends may have played some part. But the overall pictures is of a widening gap in the difference between dollar earnings and dollar needs in the Marshall-plan area. And this drop comes with the plan moving toward the middle of the projected 4-year course.

But merely to lament the trade trends doesn't help any. What can we do about them? The most important thing is to sweep away any artificial obstacles to international trade—any artificial obstacles which are within our own domestic control.

We can push everlastingly to get our tariffs down to reasonable levels. We can insist that Congress get busy and pass the extender of the Reciprocal Trade Agreements Act which has been in abeyance since the last extender law lapsed at the end of June. We can work to widen the understanding among our own people that it is silly to send dollars abroad and then put up obstacles against the return of goods in exchange.

Lion's Share of Taxes

EXTENSION OF REMARKS
OF
HON. ANGIER L. GOODWIN
OF MASSACHUSETTS
IN THE HOUSE OF REPRESENTATIVES

Wednesday, August 24, 1949

Mr. GOODWIN. Mr. Speaker, under leave to extend my remarks in the RECORD, I include an editorial from the Medford (Mass.) Mercury of August 19, 1949, which very graphically recites the conflict between the various governmental taxing authorities in the frantic search for new sources of revenue to pay the cost of the ever-expanding services and improvements demanded by our people. The editorial follows:

LION'S SHARE OF TAXES

States, cities, and other local governments have been searching frantically for new sources of revenue. The cost of road building, fire protection, police service, and all other functions has skyrocketed. Local officials say, with considerable justice, that the taxpayers demand good and expanding services, but that they kick hard when taxes are increased. It is something like the case of the irresistible force meeting the immovable object. And one of the major reasons for the difficulty is the extent to which the Federal Government has increased its share of total national tax revenues.

A recently published revealing graph illustrates the trend. In 1940 the Federal Government took $5,600,000,000 in taxes and State and local bodies took $8,700,000,000. In other words, of every tax dollar the taxpayer shelled out the Federal Government received 39 cents and the other governments got 61 cents.

Now the Federal Government is taxing us to the tune of $39,100,000,000 a year, while local governments take $14,500,000,000. Breaking this down, at present the Federal Government swallows 73 cents out of each tax dollar, while the rest of the governments get but 27 cents.

The result, as United States News points out, is that local governments "are moving into tax fields now occupied by the Federal Government. Favorite old tax sources—incomes, sales, admissions, gross receipts, liquor, tobacco, gasoline, others—are being hit hard. Triple taxation is no longer any novelty." In a few places residents actually pay three separate income taxes—one to the Federal Government, one to the State, and a third to the city.

This illustrates one very practical reason why Mr. Truman's program has met such hard going in Congress. In the Senate, particularly, Democrats as well as the Republican opposition show a growing concern over the tax burden.

Congress is committed to enormous military budgets and to continued heavy spending for European aid. It must also provide for the normal functions of the Government. That is why more and more of its members are viewing avoidable spending with a cold eye. It is also the reason why sentiment for putting into effect the Hoover Commission recommendations is increasing.

War in Asia Unless—

EXTENSION OF REMARKS
OF
HON. WALTER H. JUDD
OF MINNESOTA
IN THE HOUSE OF REPRESENTATIVES
Wednesday, August 24, 1949

Mr. JUDD. Mr Speaker, it is urgently to be hoped that our Government will not ignore the warnings of Mr. Stewart Alsop as it has previously ignored similar warnings from many others on the disaster that will befall us in Asia, if the Communist conquest of China is not halted by giving the right kind of assistance to those forces in China, beginning with its government—our ally—which continue to resist Communist advances, no matter how frequently our State Department "writes it off." Would we rather lose so dearly bought a victory than frankly admit our own miscalculation as to the nature of communism in Asia and move at once to correct them? Our course there in the future must not be left to those who have been so wrong in the past. The two men, above all others, who have the understanding, the ability, and the prestige to lead us and the people of Asia in retrieving the situation are Generals MacArthur and Wedemeyer. The country would gladly entrust, to them the powers Mr. Alsop rightly states must be given to a commander for the whole area. Mr. Alsop's article follows:

[From the Washington Post of August 24, 1949]

ASIA—SUMMING UP: II

(By Stewart Alsop)

What now clearly threatens in Asia is nothing less than a third world war. What is needed to avert this catastrophe is to treat the situation in Asia as a warlike situation, which it is. A policy of business as usual in Asia will make a third world war inevitable.

The Soviets are already directing their drive for power in Asia as though it were a major war effort. The supreme commander of this effort is no less a man than V. M. Molotov. The American response to the Soviet power drive is feeble, diffuse, and lacking in direction. It is absolutely essential that the United States should be able to respond to every challenge rapidly, sometimes secretly, and always powerfully. This can only be done by conferring great personal authority on a man of real stature whom the Congress and the country can trust. The British have already done just this, by giving great power to Malcolm MacDonald, high commissioner for scutheast Asia.

The kind of power which must be granted is suggested by the nature of the most immediate problem in Asia—that of finding a realistic American course of action in China. The Molotov-Mao Tse Tung strategy is obvious. It is to press down to the borders of Burma and Indochina and link up the vast Chinese Communist armies with the strong Communist undergrounds in these countries. If this can be done before the resistance to the Communists in Burma and Indochina is strengthened, Burma and Indochina will go. And they are the keys to southwest Asia, Therefore any action which will slow the Communist push south is in the vital American interest.

Yet a public, official American commitment to what is left of the Chinese Nationalist Government would in the end confront the United States with an impossible choice. We could send troops to back up the commitment. Or we could welsh on the commitment, which would finally destroy American influence in Asia.

What is needed instead is an unpublic, realistic, clandestine effort to shore up the many independent remaining centers of resistance to the Communists in South China. A comparatively small investment in arms and, above all, silver, astutely distributed, might hold up the Communist push south for a long time. And a few months, even a few weeks, may spell the difference between holding southeast Asia and losing it.

This sort of clandestine effort, which promotes American interests without publicly committing the United States, can only be successfully undertaken if something like wartime powers are granted. Wartime authority is also essential if the only remaining instrument of western power in Communist China—the economic weapon—is to be effectively employed.

The Chinese Communists must trade with the west, and they know it Mao Tse Tung has already announced that the greedy capitalists, in their hunger for markets, will be forced to trade with him on his own terms. If the West proves him right, the West deserves to lose Asia. But there is no reason why he should be proved right, for it is quite possible so to control trade with China that the threat of a partial or complete economic blockade can become a powerful instrument of policy.

For example, Mao Tse Tung has publicly promised "material assistance" to the Communists in southeast Asia. If Shanghai and other big Chinese cities are not to wither away, they must have what only the West can supply—fuel oil, cotton, machinery, a dozen other commodities. It must be made crystal clear to the Communist leaders that infiltration or supplying of arms to southeast Asia, or pressure on Hongkong, or any other aggressive action beyond China's borders, will mean economic blockade and the death of Chinese industry. Thus the Chinese Communists can be constantly confronted with the conflict between self-interest and ideology which led to Tito's break with the Kremlin.

If this economic weapon is to be used, firm agreement with the British is essential. But it is also essential that Congress grant the great power necessary to control every dollar's worth of trade with China. Indeed, whatever facet of the struggle for Asia may be examined, it is clear that great power, exercised with the speed and flexibility of wartime, is wholly necessary.

It is necessary, too, for a final and compelling reason. Everywhere in Asia the conviction is growing that the United States has written off not only China, but all Asia. This conviction is Molotov's greatest single asset. Asia must be convinced, first, that the United States has no imperial ambitions, but second that Asia will not be allowed to succumb to a new Soviet imperialism. The best way to do this is to appoint a supreme commander to direct a great American effort in Asia and to grant him the money and the authority he must have if the Soviet drive for power in Asia is to be halted.

Potatoes Contain High Food Values

EXTENSION OF REMARKS
OF
HON. HAROLD C. HAGEN
OF MINNESOTA
IN THE HOUSE OF REPRESENTATIVES
Wednesday, August 24, 1949

Mr. HAGEN. Mr. Speaker, under leave to extend my remarks, I include a very fine article on the excellent dietary values of white potatoes which appeared originally in Hygeia, the health magazine of the American Medical Association, of which Dr. Morris Fishbein, of Chicago, is editor. The article was written by Harriet Morgan Fyler.

Reprints of this unuusually interesting and instructive article recently have been issued by and are available from the National Potato Council, 700 Atlantic Building, 930 F Street NW., Washington, D. C.

In the past, there has been so much misinformation about the place of potatoes in our diets that this official recognition by the American Medical Association concerning the high food values of white potatoes, should be of vital interest to everyone everywhere.

I am sure it will be interesting information both to all consumers and to potato producers, including those in the famed Red River Valley of the North—Minnesota and North Dakota—where some of the world's finest white potatoes are grown.

Dietary values of the white potato have been ignored by many persons in the United States. Weight for weight it has one-fourth as much vitamin C as oranges and grapefruit and one-half as much as tomatoes. It is estimated the daily adult requirement for vitamin C (1,000 international units) can be supplied by 14 ounces of potatoes, three times the average serving.

The value of the white potato was recognized by Hess in 1920 when he wrote: "It is not an exaggeration to state that the white potato is the chief bulwark of man against scurvy." Certainly, in low-cost dietaries where the price of citrus fruits may be prohibitive, potatoes are an important source of vitamin C.

One average 5-ounce serving of white potato supplies as much vitamin B_1 (thiamine) as two slices of genuine, whole-wheat bread. Although potatoes are usually classified in the group of foods which are considered as only fair sources of this vitamin, they can furnish quantities of the daily need for vitamin B_1 if consumed in liberal quantities.

Potatoes contain relatively small amounts of vitamin A and riboflavin. If prepared with milk, as escalloped potatoes or with cheese, as Delmonico potatoes both the riboflavin and vitamin A content are increased significantly, because milk and cheese are two of the best sources of these nutrients. Two-fifths of a cup of milk, estimated amount required for one serving of escalloped potatoes, would add 140 international units of vitamin A and 180 micrograms of riboflavin. One ounce of cheese, estimated amount required for one serving of Delmonico potatoes, would add 400 international units of vitamin A and 170 micrograms of riboflavin. For these reasons wise cooks should serve potatoes prepared with milk or cheese or both at least two or three times a week. The white potato makes important mineral contributions to the diet, particularly iron. Unless iron furnished by a food

can be converted into ions before passing into the lower part of the small intestine, it is excreted. Research has revealed that although roast beef has eight times as much total iron as cooked potatoes, it is only 17 percent available to the body and, therefore, provides only 0.99 milligram of ionogenic iron per 100 grams as compared with 0.60 milligram of ionogenic iron furnished by 100 grams of cooked white potato.

White potato also contains some copper. The copper content of potato is of some importance because of the observation that iron is of little use in hemoglobin production if copper is completely absent. The amount of copper needed for this purpose is extremely small.

The potato is a food in which alkaline forming elements—potassium, phosphorus, sodium, magnesium, and calcium—are present in relatively larger proportions than in other vegetables. For this reason potatoes are classified with citrus fruits and other alkaline-forming foods. Potatoes contain less calcium than some vegetables, which is another reason they should be frequently prepared with milk.

The protein of potatoes, like that of all other plant foods, is incomplete, that is, it lacks certain essential amino acids which are necessary for growth and maintenance of body processes. Only animal foods, such as meat, fish, eggs, and milk, contain complete proteins.

Despite the fact that the potato is highly nutritious and grown in every State, the people in the United States consume considerably less white potatoes than European peoples. For the period 1930 to 1936 the yearly per capita consumption of white potatoes in the United States was about 2 bushels (120 pounds) while the per capita consumption of potatoes in central Europe for a corresponding period was 10 bushels (600 pounds). In 1932, when the price of potatoes was 39 cents a bushel, the lowest during the 10-year period from 1928 to 1938, there was no apparent increase in potato consumption. The price of a bushel (60 pounds) of potatoes during the 10-year period from 1928 to 1938 ranged from 39 cents in 1932 to $1.31 in 1929, with an average of 78 cents.

Probable reason for the potato being regarded as a food to be avoided is the widespread notion that it is exceptionally fattening. Weight-conscious Americans have come to look with suspicion on the white potato simply because it is listed among starchy foods. Actually, 78 percent of this sturdy vegetable is water, and only from 10 to 20 percent, depending on the variety, is starch. One medium-sized potato supplies 100 calories, and provides no more calories than a 7-ounce glass of orange juice, a large apple, a baking power biscuit, or 1½ tablespoonfuls of French salad dressing. Since 3,000 calories are estimated to be the daily caloric need of an average, fairly active adult man, a medium-sized potato could hardly be blamed for his having to let his belt out several holes.

The white potato also is the innocent victim of that queer dietetic cult which asserts that potatoes and meat should never meet at the same meal. These two dissimilar foods, they argue, are "incompatible" in the digestive tract and if combined, "digestive troubles go on and on." Meat and potatoes complement each other: Potato with its high starch and low protein content balances meat with its high protein and low starch content and furthermore the digestion system is equipped to take care of both foods.

The United States Department of Agriculture has established three grades for potatoes shipped in interstate commerce. They are classified into three grades on the basis of minimum diameter, disease, injury, and other defects, dirt, or other foreign matter. Top grade, known as United States Fancy, includes potatoes with a minimum diameter of 2 inches. This grade is used by restaurants and is seldom available to the home consumer. Second grade, United States No. 1, lists potatoes with a minimum diameter of 1⅞ inches. Potatoes smaller than this are included in United States No. 2 grade. State adoption of Federal grades is voluntary.

Consumers should select potatoes of medium size, free from dirt, cuts, and decay, with few and shallow eyes. The shape and the color of the skin are not significant and differ with varieties. A good potato should feel firm and cut crisply. The jumbo size, especially the globular shape, is likely to have a hollow center.

Potatoes are almost without a rival in the frequency with which they appear in meals without sating the appetite. While most cooks serve only baked, boiled, mashed, fried, and hashed brown potatoes, there are over 500 potato recipes. But before adventuring into the maze of potato recipes cooks should know the essentials of potato cookery.

From a survey of scientific literature on the nutritive value of cooking the white potato, the author has concluded that whenever possible they should be steamed, baked, or boiled in their jackets or skins. When potatoes are cooked in their jackets there is a transference in the concentration of vitamin C from the area immediately beneath the skin, to the central portion of the potato. In uncooked potatoes vitamin C is concentrated largely in that portion which is removed when potatoes are peeled. There is also some evidence that vitamin B_1 is concentrated near the skin. It was for this reason that cooks in Nazi Germany and dominated countries were heavily fined if they were caught peeling their potatoes before cooking them during World War II.

A peeled, sliced white potato cooked in boiling, unsalted water, loses 33 percent of its vitamin B_1, 60 percent of its vitamin C and 20 percent of its iron. A small portion, about 15 percent, of vitamin B_1 and vitamin C lost from the potato is dissolved in the cooking water and may be salvaged in the cooking water. Unpeeled, whole potatoes cooked in boiling salted water lose about 40 percent of vitamin C.

Baking potatoes at 450° F. until completely cooked causes a 15 percent destruction of vitamin B_1, and a 50 percent destruction of vitamin C. There would, of course be no mineral loss in baked potatoes.

Mashing potatoes after they are cooked causes an additional 2 percent loss of vitamin C. Cooked potatoes held at 40° F. for 24 hours lose about 15 percent of vitamin C. More vitamin C is conserved if the potatoes are reheated by frying in a small amount of fat than if they are reheated in a creamed sauce.

Mashed potatoes meet and triumphantly pass the fine-texture test if they are mashed as soon as they are cooked and if a ricer is used to press out every tiny lump before adding the milk or cream, butter, and seasoning. Baked potatoes appear at their best if the skin is cut a little and the steam pressed out.

Stuffed baked potatoes serve two important purposes. They solve the housewife's problem of the unexpectedly delayed meal, for the mixture replaced in the jackets will await the tardy guest in better state than the plain baked potato. They also make for variety. A luncheon plate can be made truly memorable by a baked potato stuffed with a mixture of buttered and seasoned pulp and grated cheese, and topped with a tiny frankfurter or sausage.

Boiled potatoes lend themselves to any number of variations. Served with green specks of parsley, or cubed and creamed, they add distinction to a fish dinner. Cubed, seasoned, and mixed with sauteed onions, they form the makings for the popular hashed brown potatoes.

For many persons, scalloped potatoes are really the ultimate of perfection. Thinly sliced, peeled, raw potatoes are laid in successive layers in a well-buttered casserole. Between the layers go generous dots of butter, a little sifted flour, salt, and pepper. Fresh milk is poured in to cover the potatoes. The dish is baked in a slow oven (275° F.) until the potatoes are tender.

B-36 Charges Are Lies, Johnson Testifies—Defense Chief Tells House Unit Its Investigation Has Hurt the Government and Defense—Accuses Unification Foes—Says They Are Using These Allegations To Terrorize Me Into Halting the Plane Program

EXTENSION OF REMARKS

OF

HON. FRANK W. BOYKIN

OF ALABAMA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, August 24, 1949

Mr. BOYKIN. Mr. Speaker, the preceding statement is the headline of an article carried today on the front page of the New York Times.

It is a cold-blooded factual recital by a nationally known newspaperman reporting yesterday's hearing before the Armed Services Committee of the House. May I say that this was but one of a series of hearings which, in my opinion, will go down in history as the most infamous and flagrant attempt to assassinate the character of top-flight public officials that was ever launched and disclosed by this Congress.

Mr. Speaker, feeling very strongly with respect to the matter of the investigation of the so-called ugly rumors now being conducted by the Armed Services Committee, I am again addressing myself to that question. In retrospect it is not hard to understand why this House launched the present investigation. In fact, after the impassioned presentation of the bill of particulars by the gentleman from Pennsylvania [Mr. VAN ZANDT] there was little else this House could do but to vote the $50,000 and cause that complete investigation be made in order to clear the names of some of the finest men who have ever served this Government in official capacity.

Mr. Speaker, you yourself have said that "If Stu Symington was a dishonorable man you would not believe it until he came here and told you so." As you so esteem Stu Symington, so I esteem and feel about Louie Johnson. Louie Johnson is an honorable man. Behind every statement which I have ever heard him make through all the years I have known him there has been a ring of force, sincerity, honesty, truth, and determination.

Mr. Speaker, I am reminded of the statement made by one of the great characters in Shakespeare's Othello, wherein he said:

> Good name in man and woman • • • is the very life of the soul. He who filches of me my purse steals trash—'twas mine, 'tis

his, and it has been slave to thousand. But he who robs me of my good name robs me of that which enriches him not but makes me poor indeed.

I can well picture the dramatic tenseness in the hearing yesterday as well as in the voice of my good friend, Secretary Louis Johnson, when he told the Armed Services Committee:

The charges are utterly false. The tendency to malign and defame and assassinate the reputations of public officials is much the same as a new, growing, and dangerous cancer. The integrity of the entire Department of Defense has been brought into question.

Mr. Speaker, inasmuch as it will be some time before the Armed Services Committee hearings are printed, I am asking the unanimous consent of my colleagues to insert into the RECORD a news article discussing yesterday's Armed Services hearing as printed in the New York Times.

In conclusion, let me say that this House is going to hear further from me with respect as to who and what malicious influences launched this infamous smear of our public officials.

B-36 CHARGES LIES, JOHNSON TESTIFIES; DENIES INFLUENCE—DEFENSE CHIEF TELLS HOUSE UNIT ITS INVESTIGATION HAS HURT THE GOVERNMENT AND DEFENSE—ACCUSES UNIFICATION FOES—SAYS THEY ARE USING THESE ALLEGATIONS TO TERRORIZE ME INTO HALTING PLANE PROGRAM

(By William R. Conklin)

WASHINGTON, August 23.—Louis Johnson, Secretary of Defense, denounced the House investigation of the billion dollar B-36 long-range bomber program today as an inquiry based on rumors and anonymous letters that were "utterly untrue."

As the day's principal witness before the House Armed Services Committee, Mr. Johnson defended the entire B-36 program.

Representative JAMES E. VAN ZANDT, Republican, of Pennsylvania, who aired the charges of impropriety and political influence on the House floor last May, sat silently throughout Mr. Johnson's testimony. Representative VINSON, Democrat, of Georgia, asked for questions when the Defense Secretary had finished. Mr. VAN ZANDT asked none.

After being sworn in by Mr. VINSON, Secretary Johnson read a 10-page prepared statement. In it, he said he was trying "to remain calm under great provocation" because he considered the anonymous charges a direct slur on his reputation.

"The charges, unsupported by any evidence, apparently flow from rumors that are the figment of some malicious imagination," he said. "The charges are utterly false. The tendency to malign and deface, to assassinate the reputations of public officials, is much the same as a new, growing and dangerous cancer. The integrity of the entire Department of Defense is brought into question.

"The suggestion that I used influence on the B-36 program I brand as a lie out of the whole cloth," Mr. Johnson continued. "And that is the last time in this hearing that I use the word 'lie'—I'm getting too excited.

"I have been called all kinds of names by experienced name callers," the Defense Secretary asserted. "My job now is unification of the armed services and I intend to complete it without regard to name-calling. But you are making my job harder. The Government has been hurt by this investigation. The national defense has been hurt. When charges of this kind are made, they should be scrutinized well to see what foundation they rest upon. The opponents of unification are using these charges in an effort to terrorize me into stopping the B-36 program."

REPLIES TO THREE ALLEGATIONS

Chairman VINSON pointed out that Representative VAN ZANDT had not vouched for the truth of the charges in his House speech. However, he took up each of three allegations in which Mr. Johnson's name had been mentioned by Mr. VAN ZANDT.

"The first charge is that the renegotiation of canceled contracts with other aircraft manufacturers was handled by an outside law firm upon recommendation of Mr. Johnson," Mr. VINSON said.

"That charge is utterly false," the Secretary replied.

"The second charge is that after Mr. Johnson was sworn in last March he gave orders in great haste to give an additional $183,000,000 contract to the Consolidated Vultee Corp., a firm from which he had recently resigned," the chairman continued.

"I did not act in 'great haste,' " Mr. Johnson answered. "That is the sort of innuendo that I take pleasure in branding as false."

"The third charge is that Floyd Odlum was active in assisting Mr. Johnson in raising funds for the last Democratic campaign, and that that activity coincided with a rise in the fortunes of Consolidated-Vultee and its B-36," Mr. VINSON said.

"There is no evidence to support that charge," Secretary Johnson retorted. "It is an effort to intimidate, to coerce, and it is false. Each of the three statements is false."

ODLUM SCHEDULED TO TESTIFY

Mr. Odlum, chairman of the board of Consolidated-Vultee, is scheduled to testify before the committee on Thursday. Under questioning by committee members, Mr. Johnson said he had raised funds for President Truman's campaign last fall and had received two contributions totaling $3,000 from Mr. Odlum. Asked if any other aircraft manufacturers had contributed to the campaign, Mr. Johnson said he recalled none.

"Generally it's the poor people who contribute to the Democratic campaign," Mr. Vinson observed with a wide smile.

Mr. Johnson said he had not sought the post of Defense Secretary, adding that he had been "drafted" for it by President Truman late in January. While he admitted receiving $148,532 in legal fees from Consolidated-Vultee in the last 9 years, he said his former connection with the company had no importance now.

He said he had no apologies to make for having raised campaign funds, "since I see many faces on this committee who did the very same thing." He added that neither he nor any member of his family owned aircraft stock now.

Mr. Johnson assured the members that there would be neither censorship nor partisan politics in his conduct of the Office of Secretary of Defense.

Earlier, the committee heard Lt. Gen. Nathan F. Twining, of the Air Force; Lt. Gen. Lauris Norstad, Air Force Deputy Chief of Staff for Operations; and General Rawlings, Chief Fiscal Officer of the Air Force. Their testimony recounted that the B-36 program, in addition to Air Force approval, had been approved by the Joint Chiefs of Staff, the Research and Development Board and the Munitions Board.

General Norstad, a 42-year-old West Pointer, said the House inquiry had had two disadvantageous effects on the Air Force. He said "the Air Force had been diverted from its normal problems of national security and that the morale of both the civilian and military heads of the Air Force had been impaired."

Gen. Omar N. Bradley, Chairman of the Joint Chiefs of Staff, and Admiral Louis Denfeld, Chief of Naval Operations, are among those scheduled to testify tomorrow.

Northwestern Minnesota Has Big Stake in H. R. 5472, the Flood-Control Bill

EXTENSION OF REMARKS

OF

HON. HAROLD C. HAGEN

OF MINNESOTA

IN THE HOUSE OF REPRESENTATIVES

Monday, August 22, 1949

Mr. HAGEN. Mr. Speaker, the Ninth District of Minnesota, which I represent in the United States House of Representatives, has a very important interest and stake in this measure, H. R. 5472, a bill authorizing the construction, repair, and preservation of certain public works on rivers and harbors for navigation, flood control, and for other purposes.

Included in the measure are two very important projects to the people of the Ninth District.

In section 205 of the bill under the title of preliminary examinations and surveys will be found provisions for a preliminary examination and survey of the following rivers in northwestern Minnesota: Mud River, Thief River, Moose River, and Lost River, tributaries of the Red River of the North, and Snake River, Tamarac River, Two River, Big Joe River, and Little Joe River, also tributaries of the Red River of the North in the State of Minnesota.

During recent years, excessive rains and the lack of proper drainage and run-off facilities have resulted in hundreds of thousands of dollars of loss to the farmers residing in the areas drained by these rivers. A flood-control project is absolutely necessary to prevent further excessive damage to the farmers in this area in the future. It is quite certain, in my mind, that a preliminary survey will show the need for a flood-control project on these rivers.

Also included in this measure, which I am sure the House will approve today, is a further authorization of $4,000,000 for project construction in various areas of the Red River of the North Basin of Minnesota and North Dakota. The provision for this authorization is found on page 21 of the text of the bill in section 203, under the title "Red River of the North Basin." The text of the section is as follows:

In addition to previous authorizations, there is hereby authorized to be appropriated the sum of $4,000,000 for the prosecution of the comprehensive plan for flood control and other purposes in the Red River of the North Basin, approved in the act of June 30, 1948.

A brief description of the Red River of the North project is found on page 117 of the Committee Report No. 969, issued by the House Committee on Public Works. The statement is as follows:

RED RIVER OF THE NORTH BASIN, MINN., N. DAK., AND S. DAK.

Location and description: Red River of the North is formed by the confluence of Otter Tail and Bois des Sioux Rivers at Wahpeton, N. Dak., and Breckenridge, Minn. It flows 400 miles to the international boundary between the United States and Canada, thence northeast 155 miles to Lake Winnipeg in Canada. The drainage area at the international boundary is 40,200 square miles. The total population of the basin in the United States

is about 508,000. The largest community is Fargo, N. Dak., with a population of 52,850 in 1940. About 77 percent of the population resides on farms or in communities of less than 2,500 inhabitants. Agriculture is the principal occupation in the basin.

Most flood damage results from major basin-wide floods, caused principally by snowmelt in the spring. An estimated 2,000,000 acres of land, including sections of Wahpeton, Fargo, Grand Forks, Breckenridge, Moorhead, and East Grand Forks on the central plain, and several districts in the upland regions are subject to flood damage. Five major floods have occurred since 1881, and 6 more localized damaging floods have occurred since 1892. The flood of May 1948 caused damages estimated at $10,000,000. Average annual damages are estimated at about $1,390,000 at July 1947 prices.

Existing project and comprehensive plan: The Lake Traverse and Bois des Sioux River project, authorized by the Flood Control Act of June 22, 1936, was completed in 1948, and is the only flood-control project constructed in the basin by the Corps of Engineers. The 1944 Flood Control Act authorized reservoirs on Sheyenne Park, Pembina, and Tongue Rivers, and improvements on Red Lake and Clearwater River, which are now in the planning or construction stages. The Flood Control Act approved June 30, 1948, authorized a comprehensive plan of improvement to include improvements for local protection in the interest of flood control and major drainage on the lower Sheyenne, Maple, and Rush Rivers in North Dakota, on the Mustinka, Otter Tail, Wild Rice, Marsh, and Sand Hill Rivers in Minnesota, and on the Bois des Sioux and Red Rivers in the vicinity of Wahpeton-Breckenridge to be accomplished by channel improvement, and at Fargo-Moorhead, and at Grand Forks-East Grand Forks by channel improvements, levees, etc., in addition to construction of a multiple-purpose reservoir (Orwell site) on the Otter Tail River to control floods and, in conjunction with previously authorized Federal reservoir projects on Sheyenne River and at Red Lakes, to increase low flow for water supply and pollution abatement. The estimated Federal cost of the comprehensive plan is $9,928,000, of which $2,000,000 were authorized for appropriation by the 1948 Flood Control Act for initiation of the plan. The estimated annual cost of Federal maintenance, is $8,800.

Local cooperation: In connection with local protection improvements, local interests are required to give the usual assurances covering lands, damages, highway, bridge, and utility changes, maintenance and operation of channel and levee works after completion, and provision of spoil areas. Improvement at any recommended locality may be undertaken independently of the others whenever funds for that purpose are available and prescribed local cooperation has been provided. The estimated cost to local interests is $2,337,000.

Benefits: The average annual benefits of the authorized comprehensive plan are estimated at $1,025,000. This amount when compared with average annual charges of $546,330 yields a benefit-cost ratio of 1.88 to 1.

Status of comprehensive plan: Orwell Reservoir on Otter Tail River, and channel improvements on Wild Rice, Marsh, and Sheyenne Rivers, are under construction.

Use of additional monetary authorization: The estimated total cost of work under way in the comprehensive plan is $2,498,000, compared with present authorization of $2,000,000, leaving a deficit in authorization of $498,000. Authorization needed to initiate and complete remaining projects in the comprehensive plan amounts to $7,430,000. Total additional authorization needed, therefore, is $7,928,000. The proposed authorization for appropriation of $4,000,000 in the bill will permit the completion of work under way and about one-half of the remaining projects in the comprehensive plan.

Remarks: The Red River of the North drainage basin is subject to destructive floods, and the inadequate natural water supply has restricted its development. The committee is convinced that additional authorization to permit continuation of the comprehensive plan is needed for the economic welfare of the citizens of the area.

Los Angeles County Flood-Control Projects Will Benefit by Passage of H. R. 5472, Rivers and Harbors and Flood Control Act of 1949

EXTENSION OF REMARKS

OF

HON. GORDON L. McDONOUGH

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, August 24, 1949

Mr. McDONOUGH. Mr. Speaker, the passage of H. R. 5472 known as the Rivers and Harbors and Flood Control Act of 1949 which provides additional authorization of $40,000,000 for the continuation of flood-control projects within the Los Angeles County drainage area will help speed up the completion of the various flood-control projects which are more urgently needed than heretofore because of the great increase in population which has required the building of more homes in the Los Angeles area than in any other similar area in the United States which adds additional hazard to the possible loss of life and property in many areas that were not occupied or developed before World War II.

Although the $40,000,000 additional authorization is not as much as should have been approved in order to catch up with the work which was suspended on these projects during the war years, it is nevertheless of great help and will be very much appreciated by the taxpayers of Los Angeles County who have contributed $85,000,000 of their own funds to construct and maintain many of these flood-control projects in addition to the funds appropriated from time to time by the Federal Government.

The continuation and acceleration of these projects is especially needed at this time to help relieve the alarming increase in unemployment in Los Angeles County. The latest figures show 431,000 unemployed in California, 258,600 of this number being in Los Angeles County. These projects will also increase the assessed valuation of Los Angeles County by restoring to the tax rolls many thousands of acres of valuable land which would otherwise be inundated if flood protection were not provided. The hazard of floods in southern California is increased by the fact that unlike most sections of the United States the mountain areas do not have adequate watershed in the way of undergrowth and forest to absorb the water and thus prevent the danger of flooding the lower plains where most of the towns, cities, and residential areas are located.

The Flood Control Act of 1941 approved the general comprehensive plan for flood control in Los Angeles County, known as the Los Angeles County drainage area project, and provided partial authorization for it. The current estimated cost to the Federal Government is $328,486,000 and the current total authorization, provided in 1936, 1938, 1941, 1944, and 1946, is $157,541,000. This leaves a balance of authorization required to complete the entire project of approximately $171,000,000.

The Corps of United States Army Engineers has been working on this project since 1936. Several of the units have been completed and a number are under construction. Allotments to date to the project amount to $89,740,000. With an anticipated appropriation of approximately $12,500,000 for the fiscal year 1950 there is a remainder of authorization of but $55,300,000, and this amount is fully obligated to cover the balance of cost of units now under construction.

In order to determine the amount of additional authorization needed at this time, it is necessary to consider the rate at which construction should proceed to complete the entire Los Angeles County drainage area project within a reasonable period of time, giving consideration to the needs of the area for protection, to proper planning and to programing of construction.

The Los Angels County flood control district engineers have made a careful study of these factors as applied to the remaining units of the project, resulting in a recommended program for completing the project in 8 years.

It is significant to note that completion of most of the flood-control projects in the United States now authorized by Congress has been recommended within a 6-year period by the Chief of Army Engineers.

The program recommended calls for appropriations in the order of $40,000,000 in fiscal year 1951, $30,000,000 in 1952, and $25,000,000 annually for several years thereafter.

It is essential from the standpoint of good planning to provide a backlog of authorization to extend over at least a 4-year period. Therefore, based on the above program, an additional authorization of not less than $75,000,000 is now required; or, if it is the view of the Corps of Engineers that authorization is obligated for the full cost of a unit once construction is started, then authorization is now required in excess of $100,000,000.

Such authorization will permit appropriations for a 4-year construction period for the Los Angeles County drainage area project including completion of the Whittier-Narrows Flood Control Basin by 1952. It will allow the necessary time for orderly and efficient advance planning and for coordination of a large and complex construction program by the Corps of Engineers.

The taxpayers of Los Angeles County are not seeking special consideration or favors. Our flood-control district has raised and spent $85,000,000 of its own funds on flood control and conservation work. We believe that we have ourselves helped solve our flood-control

problems to a far greater degree than has any other local area in the United States, and we will continue to do so to the utmost of our ability.

Los Angeles is continuing to grow, not only in population but industrially. Today, we have 4,000,000 people in Los Angeles County. It is a metropolitan district serving a vast area of the West in many ways. Unfortunately, it is also subject to tremendous flood hazards. The effects of major floods in this metropolitan center are of national significance and completion of flood-control projects is essential.

Scientific Research Program

EXTENSION OF REMARKS

OF

HON. CARL T. DURHAM

OF NORTH CAROLINA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, August 24, 1949

Mr. DURHAM. Mr. Speaker, a strong scientific research program is one of the most important aspects of national security in the world today. Any examination of the new weapons created for the last war indicates clearly the importance of a strong and active body of scientists. We were able to produce the atom bomb, to make effective use of radar, and numerous other important military devices because we had a large body of scientists who already understood the fundamental science and were thereby capable of immediately adapting themselves to the development of weapons based on that scientific knowledge. To have concentrated in the 1930's on the manufacture of bombs to the exclusion of scientific research might have yielded more TNT bombs for the war but certainly would have precluded our obtaining the atom bomb.

It is true that only since the war have the funds from private and State sources for fundamental research dropped to the point that large Federal contributions are necessary. This situation has led to the proposal of the National Science Foundation which is greatly to be desired, and has led to the expenditures of considerable funds by the Navy and the Atomic Energy Commission on research activities.

While military security is a sufficient justification for an active program in research in physical science, this is by no means the only justification. Discoveries may improve communication and transportation both military and civil. They can yield new tools such as isotopes for the study of biology and for medical therapy. This last aspect, that many of the recent advances in the biological and medical fields are based on tools arising from research in the physical sciences, should be emphasized. Nevertheless, the potentiality of humanitarian advances of scientific research should not mislead those emphasizing military security into the belief that this country can long remain strong without continued scientific advance.

Turn now to the second major item, which is the need of reasonable continuity of financial support. Scientific programs do not usually bear fruit in less than several years. Also scientists by and large are accorded a high degree of tenure in their employment, whether it be in universities, industrial, or Government laboratories. The fixed costs of operating a modern research establishment with its large research machines are a very considerable fraction of the total budget. All of these factors make it very difficult to make a large reduction in the operating budget of a research laboratory without completely disrupting its operations. If senior scientists of outstanding caliber are discharged for lack of funds, then morale and the chance of reemployment of capable men will be lost for years. Even the discharge of considerable numbers of junior scientists and assistants will break up research teams in the middle of investigations. Furthermore, even extensive reduction in scientific personnel will not yield a large reduction in budget unless whole sections of the laboratory are completely closed down to save machine operating costs.

As vice chairman of the Atomic Energy Committee, I believe that the Atomic Energy Commission is steadily working to reduce the operating costs of its major research laboratories by making them more efficient, and it should also be realized that the laboratories are young and do not have the tradition that would help an established laboratory. Also, the Research and Development Board has done an excellent job of coordinating research, but further coordination is needed, and that is why I urge the setting up of the National Science Foundation by Federal statute, for this and all other reasons outlined above.

[From the Washington Post of August 21, 1949]

PIGEONHOLED SCIENCE

The country cannot afford another year of delay in the establishment of a National Science Foundation. Beginning with the war, the Nation's reservoir of basic science has been badly depleted. Much attention has been given to applied science, but little to the pure research which is the fuel of all other scientific work. The purpose of a National Science Foundation would be to survey scientific deficiencies and, through grants and fellowships, to concentrate research where it is needed. An incidental benefit would be to take the heat off the Atomic Energy Commission by relieving the AEC of the sponsorship of a fellowship program in basic science.

Each effort since 1945 to enact the science foundation into law has been defeated, either because of administratively unworkable features in the bill or because of the failure of one House of Congress to act. There is still time during this session to remedy the lack. The Thomas bill, not brilliant but acceptable, has passed the Senate; however, the companion Priest measure in the House has been stuck in the Rules Committee since mid-June. Mr. PRIEST ought to exert every influence to see that his bill comes to a vote, for a functioning science foundation is a national defense need no less important than armaments.

The Price of Social Security

EXTENSION OF REMARKS

OF

HON. ANGIER L. GOODWIN

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, August 24, 1949

Mr. GOODWIN. Mr. Speaker, I am appending hereto one of the most eloquent statements I have seen on the danger facing our people by reason of a failure to comprehend just where we are headed for unless we stop this made stampede to set up an all-powerful universal-service government in Washington. The editorial is from the Saugus (Mass.) Advertiser of August 18, 1949, and quotes an editorial from the Boston Traveler:

We have been warning you that we are buying so-called social security at an awful price. We do not mean a money price. Enormous taxes are the least of it.

From time to time we have quoted here the observations of others a thousand times more distinguished among their fellow citizens than we are.

We now emphasize to you the statement of ex-President Hoover on his seventy-fifth birthday that this Nation is on the last mile to collectivism, in other words dictatorship.

We present below an editorial from the Boston Traveler:

"LAST MILE TO COLLECTIVISM

"Herbert Hoover, our only living ex-President and a man who has known the depths as truly as the heights of public estimation, spoke in the grave accents of an elder statesman on his seventy-fifth birthday. His message is one for the Nation gravely to ponder. It is the mature belief of the man who might, in a sense, be called the last President of nineteenth century America, that this Nation is on the last mile to collectivism.

"Today an American citizen works 1 week each month for the Government. Government is costing the American family $1,300 a year, compared to less than $200 a year in his administration. One worker in eight works for the Government. One person in seven receives some form of Government subsidy. Government debt is increasing and more Government spending means power, 'more power, more centralization in the hands of the state.' For what that means in terms of a lowered living standard, look to England, says Mr. Hoover.

"We have said that in a sense Mr. Hoover was the last President of nineteenth century America. Does that mean he is a has-been and his viewpoint quaint and historic? We believe precisely the opposite. History has a pendulum quality and what has been, is again. There is nothing new in a trend to collectivism. History is full of instances. Neither is there anything new in the disillusion that follows.

"There are two ways of learning in human life, the easy way by following the ripened wisdom born of experience and the hard way, through experience itself. A wise America will choose the easy way out of the road to serfdom. It will heed the warning of Herbert Hoover and start the pendulum back before it is too late."

This ever-increasing bureaucracy, this gallop of increasing centralization of government, is the reverse of all the freedoms won for us at such a cost of blood and suffering.

Again we say, as one of those who has but a short time to endure when it comes: We are selling our priceless heritage of freedom for a mess of pottage. And what a mess it is.

You are afraid of poverty, of depressions, of lack of security in your old age? Be afraid only, my friends, of losing your liberty and freedom.

Be afraid of trusting men with unlimited powers to tell you what you shall do, where you shall work and at what price.

Remember Jefferson, "The least governed people is the best governed people."

Add to those who warn faithfully, "It is later than you think," Ex-President Hoover, one of our ablest of public servants.

"Long may our land be bright
With freedom's holy light;
Protect us by thy might,
Great God, our King."

Norway's Recovery Program

EXTENSION OF REMARKS
OF
HON. HAROLD C. HAGEN
OF MINNESOTA
IN THE HOUSE OF REPRESENTATIVES

Wednesday August 24, 1949

Mr. HAGEN. Mr. Speaker, under leave to extend my remarks in the RECORD, I include two short statements concerning Norway's recovery program, which express most eloquently the progress which that nation has made with ECA aid and hard work in leading the way back to a sound economy among the countries of western Europe. The first is by ECA Chief, Paul G. Hoffman, and the second is by A. E. Staley, Jr., retiring ECA Chief of Mission in Norway.

The article appeared in News of Norway dated May 7, 1949. This publication is published by the Royal Norwegian Information Service, 3516 Massachusetts Avenue, Washington, D. C.

They follow:

From ECA Chief Paul G. Hoffman's introduction of Ambassador Wilhelm Morgenstierne before the United States Associates of the International Chamber of Commerce, New York, April 27:

"On the 9th of April 1940, when the Germans swooped down upon Norway's peaceful, almost defenseless people, the shock was felt by every American, no matter what their descent. During the following 62 days of bitter, desperate military opposition * * * hopeless from the start * * * we read our newspapers with despairing admiration. It seemed incredible that such a little country, such a handful of people would dare to stand up against the machine-made might of Hitler. * * *

"It is not surprising that now * * * under the European recovery program * * * Norway's people are exhibiting the same high qualities. They have tackled their recovery problems with the same determination, the same refusal to admit defeat. Not even Great Britain * * * the story of whose austerity program has won the admiration of the world * * * has put into practice such a schedule of self-denial. My friend, the late Knute Rockne, the famous coach at Notre Dame and himself an American-Norwegian, used to say, "A team that won't be beaten, can't be beaten." The Norwegians are taking that position. They couldn't be beaten by the Germans and they are refusing to be beaten by the destruction the Germans left upon their departure.

"The destruction was appalling. Half of Norway's merchant fleet was gone. Northern Norway was laid waste, her iron mining destroyed, and her ore concentration facilities in ruins. There had been terrific damage to buildings and equipment throughout the country. It is estimated that altogether Norway had lost a fifth of her entire national wealth.

"Norway's fundamental problem is still that of repairing the damage of war but by the end of 1948, somewhat more than half the job had been done. The fishing fleets and whaling factories had been brought back to prewar levels. The merchant fleet was approaching 90 percent of prewar tonnage. Norway, with help from America, is getting back on her feet."

NORWAY HAS UNIQUE OPPORTUNITIES, SAYS STALEY

In a final meeting with the Oslo press before his resignation as ECA's chief of mission in Norway, Mr. A. E. Staley, Jr., described the Norwegian 4-year recovery plan as a key to broadened economic opportunities, unique among the Marshall lands.

"It is of decisive importance for the Norwegian economy," he maintained, "that Norway's water power resources be developed. Such development will entail heavy investment, however, which in turn will be justified to the extent that they lead to increased production of export wares. In my opinion," he continues, "Norway has great possibilities for securing increased amounts of foreign exchange through the export of goods whose manufacture requires large amounts of electricity. The Norwegian long-range program emphasizes water power development, but one must be fully aware that these and other investments will not begin to show results until several years after the projects' completion."

Regarding the program in general, Mr. Staley predicted, "The realization of the Norwegian long-range program will be an example of how a country can surely and steadily work its way ahead toward an improved economic status. In this respect, Norway occupies, in many ways, a unique position among Marshall lands."

Just in Passing

EXTENSION OF REMARKS
OF
HON. KENNETH B. KEATING
OF NEW YORK
IN THE HOUSE OF REPRESENTATIVES

Wednesday, August 24, 1949

Mr. KEATING. Mr. Speaker, under leave to extend my remarks, I include an editorial from the Olean (N. Y.) Times-Herald:

JUST IN PASSING

It is some time since this newspaper first appraised its readers of the fact that the huge sum of $2,800,000,000 had accumulated in the veterans pension fund—actually overpayments on premiums paid by the service personnel—and that the Government intended to send out a dividend to each policyholder.

Veterans' Administrator Carl R. Gray, Jr., has announced that application blanks for the 16,000,000 veterans who would be affected by this $2,800,000,000 distribution would be available toward the end of next month, with payments beginning in January.

But a somewhat different light has been cast on the matter by Representative KENNETH B. KEATING, of Rochester, N. Y.

Mr. KEATING has accused the Veterans' Administration of trying to mislead veterans as to how soon they will get their refunds.

The Rochester Congressman pointed out that the Veterans' Administration has not yet even obtained the floor space needed for the machinery and personnel to handle the repayments.

He said that this might delay the start of the actual distribution several months, so that the vast bulk of the payments would be received by the veterans shortly before election day in 1950—"just," Mr. KEATING, added, "as the Truman administration planned in the first place."

The passage of time may prove Mr. KEATING to be either right or wrong; but if he should be right, and there should be an odor of election politics clinging to this veterans, repayment distribution, it might easily be a condition that might have entirely different results than had been anticipated by those who "attended to the details."

Of Many Things

EXTENSION OF REMARKS
OF
HON. ANTONI N. SADLAK
OF CONNECTICUT
IN THE HOUSE OF REPRESENTATIVES

Wednesday, August 24, 1949

Mr. SADLAK. Mr. Speaker, under leave to extend my remarks in the RECORD, I include a stimulating article entitled "Of Many Things" by Thomas E. Murphy, which recently appeared in the Hartford (Conn.) Courant.

This article, commended to my colleagues, is a momentous and worth-while commentary on the significance of the practices involved not only as they affect my at-large district of Connecticut, but of their patent effect nationally.

OF MANY THINGS

(By Thomas E. Murphy)

THE COMMON MAN AND THE FOOD RACKET

Not being a friend of General Vaughan I had to wait more than 2 years before I could get a deep freezer. Let me hasten to say I paid for it myself, too, which definitely puts me in the category of the common man. As one of the gang, then, I'd like to address myself today to the subject of how the common man gets bilked by Uncle Sam, who, as I shall demonstrate, now travels under the name of "the big butter and egg man."

Tom Hewes, Hartford lawyer, and former Assistant Secretary of the Treasury, wrote an important book a year or so ago. He called it Decentralize for Liberty. It sold quite a few copies, but not nearly so many as it deserved. The principal thesis of this book was the fact that Government has grown so large that it is now beyond the reach of individual citizens. Its ramifications are so complex that common men like myself are practically at its mercy.

Now don't get the idea I'm going to talk politics. But I would like to talk about food, and how the politicians have hiked the price of food on people who can't afford it. Meanwhile, the same statesmen shed crocodile tears every time the plight of the common man is mentioned.

Last week Uncle Sam tucked away 10,000,000 more pounds of butter. It's not going on the bread of poor children who could certainly use it. No. It's just stored away as uselessly as the gold at Fort Knox. Uncle Sam has the biggest deep freezer of them all. Right now he has 20,000,000 pounds of butter salted away.

That's the reason why you can't get butter at less than 62 cents a pound. When it

reaches that figure Uncle Sam steps in and buys it. That's the law.

Same way with eggs. Right now the Government has 143,000,000 dozens stored away—1 dozen for every man, woman and child in the United States.

Same way with corn. Uncle Sam has bought up 533,000,000 bushels of corn and has it stored away. Same way with wheat and other foodstuffs.

Now what's going to happen to all this food eventually is beyond my gifts of prophesy. I know that even under good storage conditions the time will come when something will have to be done with it.

The thing that irks me, too, is the fact that the city dweller, the factory worker who may be having a tough time getting along, pays through the nose going and coming. Not only does he pay for the subsidies that buy the butter and eggs, but he's rooked a second time when he goes to the grocery store and finds that because of the compulsory buying by his government the price of butter and eggs is away beyond what he can afford to pay.

How long this insane condition will persist is a question. Even more interesting, however, is how long Joe Doakes, the factory worker, is going to get bilked by a "friendly administration." Some day he's going to wake up and then, let us hope there will be hell to pay.

An even more disgraceful exhibition of hoaxing the buying public occurred right here in Connecticut during the last election. Then the principal mouthpiece for the common man's party campaigned on the issue that he was darned well going to look into the causes of high food prices and was going to do something about it.

The only relationship these statements had to food was the fact that they went under the heading of baloney.

For here you had the spectacle of Candidate Bowles campaigning on an issue of lower food prices while you had Candidate Truman of the same party campaigning among the farmers and telling them that the Government grab bag was going to be continued as usual.

Needless to say there was nothing done in Connecticut about lower food prices. To do something would have required Governor Bowles to attack the policies of the national administration. Quite simple, if lower food prices are really wanted, to make the worker's pay envelope stretch further, it could be done simply by abandoning the policy of the Government's hiking up the price of basic foodstuffs every time they get within reach of the worker's dollar.

Specifically, here's what happens. Suppose the demand for butter slackens because people won't pay the price. It starts to dip to 59 cents or thereabouts. Uncle Sam rushes into the market brandishing his check book and offers 62 cents a pound wholesale. Naturally those who have butter to sell do business with the Government. The butter is carted off and put in cold storage and the price of butter soars again to a point above the 62 cents.

Now, by what legerdemain, you may ask, is it possible for one candidate to campaign on the issue of lower food prices, and another to fix a policy of keeping prices sky-high? To do this successfully several things are necessary. In the first place there must be such an eagerness to win in the minds of the candidates that they subordinate common honesty to sleight-of-hand. In the second place, the hugeness of Government, and its complexity, mentioned at the outset, makes it possible to get away with the shenanigans without questioning by the people who are getting rooked.

So when you start thinking about those free deep freezers that were passed out in Washington a few years back, remember that Uncle Sam has the biggest deep freezer of all. Into this huge maw are going daily millions of dollars of precious foodstuffs that should be on the table of poor people. When you buy eggs or butter, remember that the price you're paying is not rigged by any "Detroit plan" that figured so prominently in the last campaign, but is the result of a Washington plan, that places the price of foodstuffs beyond the reach of poor people. I don't know why more of the common men, so-called, don't rear up on their hind legs and do something about it. To me it is one of the more sickening aspects of mediocrity and slick dealings in government. It smells, but not of Mr. Maragon's essence of perfume.

The United States and the United Nations Secretariat

EXTENSION OF REMARKS

OF

HON. HELEN GAHAGAN DOUGLAS

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, August 18, 1949

Mrs. DOUGLAS. Mr. Speaker, I have been much troubled in recent months by certain statements and newspaper reports criticizing the operations of the United Nations and attacking particularly the administration of the United Nations Secretariat. These stories and reports reflected a lack of understanding or appreciation of the nature of the United Nations and of the way it was designed to operate. It seems to be necessary and desirable to refresh our knowledge about these matters.

From the very beginning, the nations of the world joining the new United Nations organization were concerned about the way it was to be administered. They did not want the new organization to be under the control or subject to undue influence of any nation or group of nations. They wanted an organization which would devote itself to the common goal as expressed in the principles of the Charter. For this reason, they gave careful attention to the plans for a Secretary General and his staff to assure that they would provide an effective and independent administration for the new organization.

Of course, the drafters of the United Nations Charter realized that there were no international human beings, that the international civil servants who were to serve the Secretariat of the United Nations would have to be recruited from among citizens of the nations of the world. The drafters were fully aware that human beings have affiliations, loyalties, prejudices, and that it is not possible for individuals to divest themselves of these when they came to work for the United Nations. Nevertheless, it was believed possible for men and women to devote themselves to the work of the United Nations, to be single-minded in their duties to the Organization without regard to their national or other ties. In brief, it was believed that citizens of member nations could be loyal international civil servants and could serve the common interest as expressed in the United Nations.

Mr. Speaker, the United States was a leading proponent of the principle that there should be an independent United Nations Secretariat. We fully supported the promulgation of the articles of the Charter which refer to the Secretariat. Later, in the General Assembly, we were leading proponents of regulations and practices designed to assure that the Secretariat be allowed to develop as an independent, international organ.

It is important to look again at the exact terms of article 100 of the United Nations Charter. This article provides:

1. In the performance of their duties the Secretary General and the staff shall not seek or receive instructions from any government or from any other authority external to the Organization. They shall refrain from any action which might reflect on their position as international officials responsible only to the Organization.

2. Each member of the United Nations undertakes to respect the exclusively international character of the responsibilities of the Secretary General and the staff and not to seek to influence them in the discharge of their responsibilities.

In accepting this article, we agreed that the development of the United Nations requires that the United States and other Members respect the international character of the Secretary General and his staff. We agreed that if the United Nations is to be effective we and other nations must not seek to influence Secretariat officials in the performance of their duties. It was agreed that the Secretary General alone would be responsible for picking his staff and that the individuals he hired would not have to be of any particular persuasion, creed, or loyalty. It was required only that they take and uphold an oath to be loyal to the principles of the United Nations and not to accept instructions with regard to their work from any government or any source outside the United Nations. Of course, in view of the nature of the Organization, it was appropriate to provide that, subject to the paramount considerations of efficiency, competence, and integrity, "due regard shall be paid to the importance of recruiting the staff on as wide a geographic basis as possible"—article 101.

These principles, it seems to me, have been forgotten by some of us in recent months. The statements and newspaper stories of which I spoke seem to reflect the view that the United States should be able to decide who may work on the United Nations Secretariat and who may not. Things have been said which seem either designed or calculated to force the resignation from the secretariat of individuals whom some people do not like, or to compel the Secretary General to fire such individuals. Fortunately for the United Nations, the Secretary General has maintained his independence. I recall some time ago reading in the newspapers that Secretary General Lie had been requested by one of the governments of eastern Europe to discharge the large proportion of the citizens of that country who were employed by the Secretariat because these individuals were personally

and politically unacceptable to that government. We all approved the action of Secretary General Lie when he turned this request down flat. We would wish him to do so again in similar circumstances, and I am sure that he would. We cannot, however, expect or insist that the Secretary General maintain the independence of the Secretariat vis-à-vis some member countries, and at the same time, ourselves attempt to interfere in the administration of his staff.

I do not know what truth, if any, there is in some of the stories about the Secretariat which appeared in the papers. If careful investigation shows that there is some basis for criticism or correction of Secretariat practices, the United States is not merely entitled but is obligated to take appropriate steps to see that these practices are discontinued. The steps that are appropriate are, of course, those contemplated by the Charter and by the system established by the General Assembly of the United Nations for this purpose. Committees of the General Assembly regularly review the work of the Secretariat and have opportunities to scrutinize as carefully as may be necessary what goes on there. The United States is represented on these committees, and through our representatives we can and should give careful attention to assure that the Secretariat is functioning properly and that the members of the Secretariat are carrying out their functions as loyal and independent civil servants.

Many of the stories which have circulated recently refer to the entry into the United States of Communists coming here in connection with United Nations activities. Of course, some Communists come to the United Nations headquarters. Communists come to the United Nations headquarters as representatives of the Communist governments who are members of the United Nations, and perhaps there are a few others who have official business in the organization. The idea of the United Nations was to unite all the nations of the world regardless of differences in political outlook, and to persuade them all to live and let live in peace. We knew that the Soviet Union was a Communist country when we joined the United Nations. We knew that there would be Communists coming to the United Nations headquarters when the Congress of the United States, reflecting the wishes of the people of the United States, unanimously invited the United Nations to establish its headquarters in this country. At that time we saw the problem in its proper perspective, realizing that we were a strong and free country unafraid of alien ideas, and that whatever dangers might be involved in admitting to this country a few aliens antagonistic to our form of government is unimportant as compared to the importance of having the United Nations and of having it here in the United States. We realized that in any group of several thousand people there might be an occasional individual who abuses his role in the United Nations and the purposes for which he comes to the United States. If such a situation arose, we had confidence that the agencies of our Govcrnment would be fully able to cope with the problem and protect the interests and security of the United States. The experience of the past years has, I believe, justified our confidence.

Mr. Speaker, I do not wish to believe that the statements and stories about the United Nations Secretariat reflect attempts to undermine the faith of the people of the United States in the United Nations. If in some instances that should be the motive, I know it will not succeed. The people of the United States stand today, as they did 4 years ago, fully behind the United Nations. There is undoubtedly concern and some disillusionment that the postwar era has not proved to be the golden age of universal brotherhood which some of us romantically expected. Peace, we are learning, is a hard-bought thing. But we believe it is worth the price, we have faith that peace can be achieved and maintained, and that in the world as it is today the United Nations is the best and only hope for saving ourselves and other peoples of the world from a terrible and fatal third war. It is particularly when relations between nations are strained that the need and importance of the United Nations becomes clear. I know that the people of the United States will not permit their faith in the United Nations to be destroyed by unfounded tales, and that they will insist that the United States continue to live up to its obligations as a member and as host to the United Nations, and play a leading role in developing the Organization in accordance with the Charter principles so that it can more effectively accomplish the high purposes and aims for which it was established.

More Votes in It

EXTENSION OF REMARKS

OF

HON. ANGIER L. GOODWIN

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, August 24, 1949

Mr. GOODWIN. Mr. Speaker, there are still a lot of people left who still cling to the time-honored philosophy that thrift is a virtue and that there is something enobling in prudent savings. The Wakefield (Mass.) Daily Item recently carried an editorial commenting on current State legislation which is so pointed in connection with these remarks as applied to the national picture that I append it hereto.

MORE VOTES IN IT

Another demonstration of the line of thinking that goes on on Beacon Hill among some of the element more or less recently elevated to power there came with the assertion by one Democratic legislator that the money from investments which is all many old people have to live on was stolen by their ancestors and hoarded.

The issue in this particular graduated income-tax dispute has been whether people living on such incomes should be entitled to the same exemption benefits given under earned income.

The demogogic attitude is that anybody who has something to live on without going on relief or some other State fund must have come by it dishonestly.

It is parallel in logic to the long-familiar belief of some people that anybody who can get more than $100 a week (used to be $50) can't possibly earn it.

It long has been a fact that people who live on incomes from invested money have not had too easy sledding. Interest and dividend rates are about half or less what they once were.

Is it a crime for an heir to get the benefit of what some thrifty ancestor worked hard for years ago?

Or is it better to pocket pride and live on public charity?

For those who must, the second course is accepted and just. But should we discourage those who have the will to the old-fashioned way? The type of administration we have in both State and Nation today likes the public-funds method.

More votes in it.

Apalachicola Waterway

EXTENSION OF REMARKS

OF

HON. ROBERT L. F. SIKES

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, August 23, 1949

Mr. SIKES. Mr. Speaker, I submit herewith House Memorial 1443 adopted by the Legislature of the State of Florida, urging development of the port of Apalachicola, completion of the Jim Woodruff Dam and further expediting the completion of the Apalachicola waterway. This, Mr. Speaker, is the greatest waterway now under construction in the Southeast.

It possesses immeasurable value to the entire area from the standpoint of navigation, hydroelectric power development, and flood control, and is a source of municipal water supply.

I am glad to call the memorial to the attention of the Congress.

House Memorial 1443

A memorial to Congress, the President and his Corps of Engineers, urging development of the Port of Apalachicola, completion of the Jim Woodruff Dam and further expediting the over-all Apalachicola, Chattahoochee, Flint River Valley projects

Whereas the port of Apalachicola was once a leading port on this continent; and

Whereas economic, agricultural, and trade changes adversely affected this port and along with the Civil War its development was retarded and the great river systems and tributaries also remain undeveloped natural resources; and

Whereas Congress in its wisdom has now seen fit to authorize and make appropriations to develop these rivers and tributaries into a mighty waterway; and

Whereas these rivers constitute the Apalachicola River Basin comprising the Apalachicola, Chattahoochee, and Flint Rivers and their tributaries of Florida, Georgia, and Alabama, an aggregate of some $100,000,000 has been approved for this over-all project with more than 10 percent of said amount having been expended or contracted for on the great Jim Woodruff Dam near Chattahoochee in the great State of Florida; and

Whereas the national resources of this great State are being developed and are subject to great industrial progress with the advent of transportation, electric energy, and flood control; and

Whereas from the viewpoint of national defense the port of Apalachicola is strategically located, and

Whereas the port of Apalachicola is located at the mouth of the river system flowing through the world's largest and most completely equipped military post at Fort Benning, Ga., and in close proximity to Headquarters of the Third Army at Fort McPherson, and the numerous southeastern divisions offices of military service, as the South Atlantic Division, Corps of Engineers, the Ordnance depot, hospitals, and such other area units; and

Whereas official records disclose maritime losses were suffered at the hands of the enemy within sight of the heart of the city of Apalachicola because of the lack of a sufficient channel to this harbor of safety; and

Whereas the city of Apalachicola is already a designated port of entry and documentation with weather station facilities existent and quarantine station authorities and is the only subject port complete with these facilities between Tampa and Pensacola, Fla.; and

Whereas the port of Apalachicola is the only city at the mouth of a great river system developed or being developed, without sufficient channels to accommodate transoceanic trade; and

Whereas the Florida Chamber of Commerce and the Florida Junior Chamber of Commerce have given their unanimous endorsement to the development of the port of Apalachicola: Now, therefore, be it

Resolved by the Legislature of the State of Florida, That the Congress of the United States, the President, and his Corps of Engineers, are hereby memorialized and respectfully urged to facilitate and expedite the further development of the port of Apalachicola for transoceanic commerce and trade, and the immediate completion of the Jim Woodruff Dam located near Chattahoochee, Fla., and completion of the other Apalachicola Basin projects as expeditiously as is possible; and be it further

Provided, That copies of this memorial be transmitted forthwith by the chief clerk of the house and the secretary of senate of the State of Florida to the President of the United States, the Senators and Representatives of the Federal Congress from the States of Florida, Georgia, and Alabama, and to Gen. Lewis A. Pick, Chief of Engineers, Washington, D. C.; be it further

Provided, That a copy of this memorial be spread upon the journal of both the Senate and House of Representatives of the State of Florida and sufficient copies thereof be furnished to the press.

Approved by the Governor, June 12, 1949.

Filed in office secretary of state, June 13, 1949.

Unfair to Judges

EXTENSION OF REMARKS
OF
HON. KENNETH B. KEATING
OF NEW YORK
IN THE HOUSE OF REPRESENTATIVES
Wednesday, August 24, 1949

Mr. KEATING. Mr. Speaker, under leave to extend my remarks, I include an editorial from the Alliance (Ohio) Review:

UNFAIR TO JUDGES

Representative KEATING is offering a bill to prohibit members of the Supreme Court from testifying as character witnesses before other tribunals, as if it were an essential check upon the discretion of those judges.

In some measure that view may be valid, but we suspect that the chief value of such a measure would lie in the protection it would give against unreasonable demands upon judges.

At present they have no alternative to testifying before trial courts if they are subpenaed. The inquiry suggests that judges as a group are extremely reluctant to go on the witness stand because it takes them out of their role as impartial agents of justice. Probably a great majority of them would welcome a law relieving them of this necessity.

An accused person who calls upon a friend on the bench to testify in his behalf puts the judge in question on the spot. The judge cannot refuse without seeming cruel and unfaithful to his friend, and he cannot accept the bid for his help without embarrassment to himself and to the judicial system as a whole.

A law of the type Congressman KEATING suggests would relieve Supreme Court Justices of this dilemma as well as of the duty of responding to subpenas as character witnesses, while leaving them free to testify if they have knowledge of facts bearing upon the case.

Utah Editor Comes to Front for Central Arizona Project

EXTENSION OF REMARKS
OF
HON. HAROLD A. PATTEN
OF ARIZONA
IN THE HOUSE OF REPRESENTATIVES
Wednesday, August 24, 1949

Mr. PATTEN. Mr. Speaker, the Casa Grande Dispatch, of Casa Grande, Ariz., carries a reprint of an article from the King County Standard of Kanab, Utah. This article clearly brings before the public a concise bit of reasoning pointing to the importance of the central Arizona project to the State of Arizona and deflating many of the arguments set forth by the State of California in opposing the central Arizona project:

UTAH EDITOR COMES TO FRONT FOR CENTRAL ARIZONA PROJECT

H. Eugene Roberts, publisher of the King County Standard of Kanab, Utah, recently came to the support of the central Arizona project with a well-worded reply to the Blade Tribune of Oceanside, Calif., which has been severely criticizing the project.

Mr. Roberts' letter is of interest to all Arizonians who are fighting for the Colorado River water, and is published herewith in full.

"Referring to your letter of June 7, 1949, with respect to the central Arizona project, wherein you point out the enormous cost of the Federal expenditure to the central Arizona project, we realize that $738,000,000 is a lot of money. We are also mindful of the fact that if Arizona does not use the water to which it is entitled, naturally the State of California will inherit that water, too, and Arizona will forever be a desert outside of a few small areas.

"We are mindful of the fact that the amount of money involved seems tremendous; nevertheless, the money will be spent within the confines of the United States and undoubtedly the great State of California will manufacture considerable equipment which will probably be used in the excavation and tunneling and in pouring cement in this project. Therefore even California would not be sustaining a total loss in the moneys expended.

"In fact, I visualize the central Arizona project as the makings of a tremendous empire in the State of Arizona and like all unselfish people we shall be very happy to contribute our support to Arizona's prosperity while in the final analysis there is intercourse between great States of the Pacific and Intermountain area and we shall all go forward together.

"I can imagine that the Government has spent a great amount in and for the State of California in the Shasta Dam, the Hoover Dam, the Parker Dam, the Davis Dam, and the dams on down the Colorado River which take care of the Brawley and Imperial Valley areas, along with canals and ditches which also the Government has undoubtedly contributed greatly to. We are mindful that Arizona probably shares in some of the water from some of the dams but not nearly in proportion to the amount which the great and sovereign State of California shares. Frankly, we are happy to see California receive all this benefit and more, too, but not at the expense of taking water which rightfully belongs to Arizona away from her.

"Reclamation of the West has added untold millions of dollars potential revenue to the State of California, as well as to Utah, Arizona, Idaho, Nevada, Oregon, Washington, Montana, Wyoming, and Colorado, and although I am a good Republican, I am in favor of every one of these projects. I believe it was Herbert Hoover who started the planning on the Hoover Dam although it was completed under the Democratic administration. The Grand Coulee Dam and other great reclamation projects in their respective States are great boons to those States and undoubtedly we cannot place the value entirely upon the acres watered for a great project such as the central Arizona project because there will probably be several hydroelectric plants along the way which will manufacture a large amount of electricity and will help the economy of the great State of Arizona.

"If Arizona is a greater State than it is today, undoubtedly this will assist the State of California in its commercial intercourse with the State of Arizona considerably more than to leave Arizona a small State due to the fact that they need water which they are entitled to.

"California is blessed with tremendous reservoirs of water in the Sierra Nevadas and has a lot of excellent rivers and canals coming down from those mountains from the north end of the State to the south. Arizona does not have one-tenth the potential water that the State of California has and therefore they are entitled to their just share of the Colorado River, even at the expenditure of a large sum of money. Finally, through taxes in one form or another, 40 percent of the staggering sum you mention will get back to the taxing bodies of this country.

"What you call Arizona's special-privilege legislation might well be California's steal of Arizona's rightful share of the Colorado River water in the event that Arizona does not get the water.

"Therefore, we do not feel that we can support your well-meaning program as it is based upon entire selfishness for California rather than the altruistic designs which so many editors, Congressmen, and Senators of your great State pour into our newspapers daily, propaganda against the central Arizona project, under the guise that it is to protect our Nation from willful and wanton expenditure on the central Arizona project.

"Our editorial policy therefore will be in behalf of the State of Arizona and their project."

Military Public Works Bill

EXTENSION OF REMARKS
OF
HON. JOHN C. DAVIES
OF NEW YORK
IN THE HOUSE OF REPRESENTATIVES
Wednesday, August 24, 1949

Mr. DAVIES of New York. Mr. Speaker, the paradox of events which have taken place in this body within the last 2 weeks is absolutely amazing. Within that period we have been begged, pleaded with, cajoled, and threatened with eventual war and defeat if we did not approve a billion and a half dollars for arms in Europe. At the same time, there was in this body, not the slightest sign of action on a bill which is the domestic version of the same, but at a much cheaper price. It would provide for the maintenance and improvement of our military and naval establishments in this country and in our possessions. This bill is H. R. 4766.

It was argued, and possibly with some truth, that if we supplied arms to Europe to enable them to withstand any possible aggression, the western democracies would be our first line of defense. This argument was used again and again, and I daresay that many of the gentlemen in both this House and our companion body voted for the bill principally because of that reason. But, I wonder if it has occurred to many of these gentlemen that if and when the arms-aid-for-Europe bill passes, and nothing is done about the military public works bill, the Eighty-first Congress will be responsible for building an imposing and strong stone front on our fort of defense while leaving the back door not only unprotected, but absolutely wide open.

I refer to the Territory of Alaska, which is defenseless at the present time. Alaska would be the chief beneficiary from the military public works bill. Approximately $130,000,000 would be authorized to build and improve defenses in that Territory. And there is a desperate need for such defenses in that area. The Honorable E. L. BARTLETT, the distinguished Delegate from Alaska wrote last week:

> We have magnificent airfields in Alaska. They are woefully unprotected. They cannot be properly protected until installations such as contemplated by the pending bill—particularly housing—are constructed. Combat troops to guard the fields cannot be housed in needed numbers now because of lack of installations.

Mr. BARTLETT further points out that if action is not taken at once during this session of Congress, there can be nothing at all done toward relieving this deplorable condition until the spring of 1951. We have been told that there is a threat of war constantly hovering over us, and that ratification of the Atlantic Pact and the approval of billions for arms for Europe were absolutely necessary to keep the peace. There were many in this body who believed that sending arms to Europe would be tantamount to a declaration of war. My colleague, the gentleman from Tennessee [Mr. SUTTON], stated that case very effectively last week on this floor. Nevertheless, a portion of the funds requested were approved.

It has been rumored that one reason for inaction on the military public works bill is that certain high officials in our Government are afraid of antagonizing Russia by fortifying Alaska. If there is any grain of truth in that rumor at all, it is the most glaring inconsistency I have known in many a day. For the same high officials are wholly in favor of full aid to Europe. In other words, they are in favor of arming Europe and running the risk of displeasing the Soviet Union, while leaving our back door so defenseless that it invites attack.

I am uncomfortably reminded of a similar situation a few years ago, when this country, by Presidential order was trading arms and destroyers to England, and by congressional action was providing lend-lease arms to our allies in Europe, while leaving some of our small island outposts in the Pacific in the position of inviting attack. Japan attacked Pearl Harbor as a result of the antagonism caused by our refusal to condone her aggression in China any longer. Now we are going to show Russia that we refuse to condone her political aggression in Europe any longer. And we have today a most vulnerable spot which at one point is only 50 miles across the Bering Strait from Russia.

It is no secret that Russia has been improving Siberia at a terrific pace since the war ended. Whole cities have grown up there. The Red Army has maneuvered there. There are large and well developed air bases there.

General Vandenberg has testified:

> There is only one military threat to the security of the United States and to the peace of the world. * * * This threat is from the Soviet Union.

Governor Gruening of Alaska has stated:

> I can state categorically that Alaska is defenseless and * * * can be taken tomorrow by a minor airborne invasion.

I ask my colleagues to mull over these two statements. Consider the facts carefully. They are simple. We will antagonize Russia by our policy in Europe. Russia is even now the only threat to our security. Russia could take Alaska tomorrow if she so desired. Russian bombers based in Alaska could rain untold destruction and death on the industrial and population centers of the United States.

Added to all the rest of the facts is the inescapable point which was added 2 weeks ago by the white paper on China. We have written China off, and with her much of Asia, which will undoubtedly be Communist within a few years, possibly even months. The danger in the Pacific is real.

Governor Gruening also stated:

> If there is another Pearl Harbor—and this time it will be a far more serious disaster than in 1941—it shall not be said that no warning has been given.

That is the situation, gentlemen. The danger is real; the warning has been given. If no action is taken on H. R. 4766, the Eighty-first Congress will be guilty of criminal negligence of our defenses at a time when our country's security is in continued peril.

Policy in the Orient

EXTENSION OF REMARKS
OF
HON. HAROLD A. PATTEN
OF ARIZONA
IN THE HOUSE OF REPRESENTATIVES
Wednesday, August 24, 1949

Mr. PATTEN. Mr. Speaker, a very timely letter, written by Mr. William R. Mathews, editor of the Arizona Daily Star, which was written to the editor of the New York Times and appeared in that paper on August 21, 1949, is inserted for the attention of my colleagues. The article gives in a concise and practical manner a proposed solution to a condition which requires the attention of our country at this time:

POLICY IN THE ORIENT—SUPPORT FOR DUTCH IN INDONESIA, NATIONALISTS IN CHINA URGED

To the EDITOR OF THE NEW YORK TIMES:

As a newspaper editor and reporter who has had much experience abroad, and who has just returned from the Orient, I believe that I have information that will help formulate a successful diplomatic policy in the Orient.

Our present diplomatic policy is defeatist. Such a policy will not only fail to win anything; it will, unfortunately, accelerate anarchy and defeat. The people of the Orient, like people everywhere, have only contempt for weakness; they have respect only for strength and firmness.

The time has come when we must adopt a positive and firm policy, because what we have been fighting is a cold war. Just as we did not stem its tide in Europe until we dared to show strength at Berlin, so we must now dare to stem the tide in the Orient. If I did not think it could be done, and done cheaply, I would not be writing. It does no good to hold post mortems and engage in bitter recriminations.

As to Indonesia we must, with decency and firmness, support the Dutch, but at the same time temper the passionate and extravagant demands of the Republicans of Soekarno. I know from personal conversations with Republican leaders that once they successfully drive out or discredit the Dutch, they are counting on Uncle Sam playing Santa Claus to them. If we loan or appropriate any money for Indonesia, it should be loaned through the Dutch, because, as I size up the competency of the Indonesians, they will squander it without producing results.

SOME CONTROL NEEDED

The Indonesians are ready to learn self-government, but are not ready for independence. Unless the independence the Dutch are willing to grant them is tempered with some degree of responsible Dutch control, we Americans will in a few years at the cost of American lives and hundreds of millions of dollars be compelled to intervene to restore order. The only danger of communism in Indonesia will arise from a prolonged disorder which our present diplomatic policy,

using the United Nations as a front, is fostering.

If we assign this task to the Dutch, we can spare ourselves much of the cost and dilution of our military strength. At the same time we will help the Indonesians. For us to prattle about plebiscites and democracy in a country 93 percent illiterate amounts to tragic political amateurism.

The fate of Indonesia will probably be determined by what we do in China. The cold war in China is not lost. It will not be lost if all of continental China is occupied by the Communists. That means that we must see to it that a friendly Chinese Government holds Formosa and Hainan off South China, and the British keep their century-old territory at Hong Kong.

A friendly Chinese Government based from such places as Formosa and Hainan can hold its own, and at the same time deal out plenty of misery to Communist-held China. The role of guerrilla warfare can be reversed.

The Nationalist naval blockade is having real effect. It is a legal blockade, just as legal as the North's blockade of the South in our Civil War, because it is effective. The Communists are getting into a tough spot. They have plenty of anarchy on their hands. They are not getting production restored. On the contrary, they have been eating up the country more like a plague of locusts.

AID TO NATIONALISTS

A comparatively little help to the Chinese Nationalist Government can soon accomplish much. But it should not be expected to accomplish such great schemes as the "unification of China." All it should be expected to do is to help the Nationalist Government organize first just a small area on the continent, which would set an example to win adherents for a larger China, based on the Yangtze and limited on the north by the Yellow River.

A part of this program will call for the rise of new Chinese leadership. If there are any regeneration possibilities in China; if Asia is awakening, this leadership will be forthcoming only when the present desperate situation stimulates it into activity.

For the present we will have to deal with Chiang Kai-shek, despite his long record of proved military incompetency. There are some Chinese generals who are competent, and as a matter of wisdom we should make our help conditional upon the elevation of these generals, and the removal of Chiang Kai-shek from military control. From what I could find out, Acting President Li is an infinitely better man to deal with, but although he is acting President, Chiang controls the armies. That intolerable situation must be ended.

WHAT VICTORY IMPLIES

What we face in the Orient is thus a cold war, one we have been fighting in a defeatist spirit, without knowing it. We can, and must, win it. But victory does not imply bringing all of China under a government friendly to us. That cannot be done by us, and we should not deceive our own people into thinking it can be done. Only a future regeneration of the Chinese people can do that. We can probably assist in that regeneration by helping it to rally on such bases as Hainan and Formosa, and maintain Hong Kong as a symbol of Anglo-American interest.

Hong Kong is vital. Evacuation or loss of it by the British will reverberate with shattering effects throughout southeast Asia, where millions of Chinese are waiting to see what happens. In widely separated points in these areas I tried to get an opinion from Chinese about the present Communist government. Not a single Chinese would talk. The word had evidently gone out to keep lips sealed.

The program I have outlined above will cost comparatively few millions. It would have the enthusiastic support of men who have been on the spot, such as Admiral Badger and General MacArthur. This I know from personal conversations. It represents a prudent use of our political power as compared to our past blind follies in thinking that we can buy peace with our billions. It does not call for any ECA millions. It promises to give the Chinese support when they start helping themselves. And that, in my opinion from extensive reporting abroad over many years, is all that we should do anywhere.

WILLIAM R. MATHEWS.

TUCSON, ARIZ., *August 12, 1949.*

Now and Then

EXTENSION OF REMARKS

OF

HON. PETER W. RODINO, JR.

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Wednesday, August 24, 1949

Mr. RODINO. Mr. Speaker, under leave to extend my remarks, I would like to include a timely editorial which appeared in the Il Progresso Italo-American under date of August 21, 1949. This article points out that regardless of what our religious faith may be, we should now more than ever before in the history of mankind, stay close to the church in its fight against a faithless doctrine.

The article follows:

NOW AND THEN

The two main targets of the heavy artillery and poison-gas brigade of the Kremlin in the Soviet's cold war against civilization and human decency are the American people and the Vatican which has hundreds of millions of devout followers and believers throughout the world. That this is so, is entirely understandable. Nay, it is inevitable.

Morally and spiritually the American people whose Government, unlike the Russian, never went into partnership with the Nazis, have come out of World War II, very much invigorated. Similarly, the Vatican has also managed to survive the Nazi terror and even advance after rendering considerable services to the democratic cause through serving as a center of resistance to Hitlerism and often as a haven to its fleeing victims. We are not drawing parallels. We are merely pointing them out. It is quite natural that Stalin, as the successor to Hitler—in the world of terror, tyranny, and enmity to peace should, like his Nazi precursor, and, in many respects ideology and "moral" mentor, concentrate his massed fire power of slander against these two great forces in modern civilization. Here we find the why and wherefore of the countless bucketsful of filth now being hurled against the American people by the Russian dictatorship. Here is the key to the vicious propaganda drive now being waged by Moscow and all its lickspittles against His Holiness, Pope Pius XII. It is in this light that this extremely significant phase of the cold war must be viewed and can be understood. It is essential to have a historical approach.

A DELUGE OF LIES

Let us illustrate by putting under our microscopic lens the disease germs let loose via the Moscow airwaves in a German broadcast to Austria on August 4, 1949, at 1 p. m. Eastern Standard Time. We quote in part:

"The princes of the church are tied to Wall Street by links of gold." Myron Taylor, the personal representative of Truman at the Vatican "is a creature of the Morgan group. Nor is it surprising that the Vatican should so eagerly support the Marshall plan and the Atlantic Pact. It is here that the Vatican's financial and economic interests merge with the interests of the imperialists. The Catholic dignatories are flesh of the flesh and blood of the blood of the leading strata of the capitalist class."

It is not at all necessary for us to defend the Vatican against such threadbare lies and crude and calculated vilification. The Holy Father needs not our assistance in the unholy war waged against Catholicism by Generalissimo Stalin and his cringing cronies. Hitler and his pack of hyenas also tried to destroy the Vatican. They failed miserably and went down to ignominious defeat—with their leader buried and lost beyond identification in the rubble and rubbish of what was once prosperous and progressive Germany.

But what is necessary is to point out the archhyprocrisy and rank fraud of the demagogs and despots now oppressing the Russian people and threatening world peace and human decency. If anyone in the world knows that there is not a word of truth to the above fantastic accusations against the Holy See it is the very authors and utterers of the charges. These assassins of the truth know slander when they see it and peddle it. That is their main craft and sole cause.

FORCED TO TELL TRUTH

For instance, before Stalin signed his pact with Hitler, to unleash World War II and when the Bolsheviks were afraid that the Nazis would not do business with them, they were very eager to praise and befriend Pope Pius who was a recognized enemy of the poisonous reactionary national socialism. Then, the same holy father was viewed in an altogether different and very opposite manner by the Communists. Thus Moscow's mouthpiece in New York, the Daily Worker of March 4, 1939, through its foreign news editor, Harry Gannes, then proclaimed on page 6:

"Fascist dictators try to conceal their hatred of and campaign against Cardinal Pacelli, new Pope Pius XII.

"If there was one cardinal more than any other out of the 62, whom the Fascist dictatorship did not want chosen as Pope, he was Cardinal Pacelli, the present Pius XII.

"This fact, both Hitler and Mussolini are striving to conceal from their people now. The reactionary press here is now not slighting the fact that Hitler's personal organ, the Voelkischer Beobachter, inveighed against the election of Cardinal Pacelli to the Pontificate. But the press here seems to forget that Mussolini had been even more insistent in his bullying threats to the conclave of cardinals, not to elect Cardinal Pacelli or anyone like him to the Papacy.

"If Pope Pius XI lived through the most difficult period of the Catholic Church's history, Pius XII will be confronted with even more terrible attacks against the Catholic Church."

And all this highest praise from the same Communist headquarters, that today ooze nothing but poison and fiendish hatred against the same holy father. Obviously, the Communists and their camp followers and bedfellows cannot and should not ever be trusted.

But these defenders of the anti-Christ certainly knew what they were talking about when they said above that Pope "Pius XII will be confronted with even more terrible attacks against the Catholic Church." Here apparently was much more than Communist prophecy. Here more than 10 years ago—was Bolshevik "promise." Today, mankind suffers from Bolshevik performance. In venality and bestiality, the Communists are unsurpassed and unsurpassable.

Socialism Under Labor in Britain

EXTENSION OF REMARKS
OF
HON. LAWRENCE H. SMITH
OF WISCONSIN
IN THE HOUSE OF REPRESENTATIVES
Wednesday, August 24, 1949

Mr. SMITH of Wisconsin. Mr. Speaker, I am inserting another interesting article by Mr. E. T. Leech on the socialist experiment in Great Britain. He states that the British are taking it easy and they are living in an unreal world.

The article follows:

BRITISH TAKE IT EASY AND PLAY IT SAFE IN A COMPETITIVE WORLD

LONDON, August 28.—British people drew more money out of their savings accounts in the last 2 weeks of July than at any similar time since the war. Some $34,000,000 of added currency went into circulation. Savings withdrawals exceeded deposits by more than $20,000,000.

However, it wasn't a run on the banks. Nor any reflection of the loss of faith in British currency which has caused it to drop sharply in value through most of the world. Instead, millions of people were just getting ready for the biggest week-end holiday travel in their history.

Bank holiday comes four times a year, and the one on August 1 this year was a record. It actually started several days before the end of the week. Some shops put up signs saying they would be closed for a week. And London was shut up tighter than a drum.

Maybe the British people were taking a holiday from the wave of crises which had been sweeping over them for weeks. They had been bombarded with warnings that their country's plight is desperate. They had been told that their standard of living was threatened; that their rations were about to drop, and that their work and production had to go up.

But they were in a holiday mood. They were tired—and obviously little impressed by repeated warnings. Their chief worry had been that the railroad workers would stage a national slow-down just before the holiday. But the union had just given legal notice that it would delay the general strike for 21 days—so the holiday crowds flocked out of the cities to the country and seashore.

This particular situation was typical of how the English have come to react to their troubles. The great bulk of them just don't react. They take life fairly easy—certainly easier than most Americans do—and go about their jobs and recreation in a spirit of letting the politicians do the worrying.

TIME OUT FOR TEA

British life moves at a pleasant tempo. Offices and shops and factories shut down midafternoon for tea, and many of them in the morning. It was a new experience for me to be in a newspaper shop when the office boys came around with tea and work stopped for a pleasant interlude. In factories this cuts into mass production.

Perhaps the best explanation was the one given me by a leading businessman. Taxes and prices, he said, are so high, and goods so scarce, that the most important thing a worker can buy is leisure. This seems to be the chief reason why many workers resist overtime. They'd rather have their rest than the money left to them after taxes.

This isn't new under the Socialists. Many of the British upper classes have taken life pretty easy for years. Now, with the spread of paid holidays and many forms of insurance and medical benefits furnished by the state from taxes, the habit has spread.

The British economy for many years has been an easy and sheltered one. It has been free from the stiff competition and drive of American business.

LET EVERYBODY GET BY

Some 2,500 trade associations got together and fixed up production and prices. These agreements were ratified in many cases by the Government, as in the iron and steel industry. The idea was to let everybody get by, including the least efficient.

A complete absence of antitrust laws made all this legal. In the United States it would violate the antitrust and monopoly statutes, and the various laws to regulate railroads and utilities.

Owners clung to obsolete plants and machinery, rather than spend money to replace them. And workers during many years of heavy unemployment learned to mistrust and resist new machinery and methods, fearing they would reduce jobs.

The unions still don't like competition. The Labor government has stopped it completely in all nationalized industries. And it has made for uniformity and common prices and practices by its tight planning and controls in private business.

LESS COMPETITION

Fortune magazine recently quoted the general secretary of the Trades Union Congress, which bosses the Labor Party, on the matter of competition. Asked whether he thought Britain should have more or less of it, he answered, "Less."

Also, a considerable number of English businessmen are old family institutions, and younger generations became more interested in adequate profits than in spending money for modernized plants and new machinery.

British business and labor split sharply over the ownership and control of industry. But they pretty much agree that in operation it should be noncompetitive.

Present controls, which prohibit building or installation of new machinery except for export business under conditions approved by a series of bureaus, guarantee against new competition. Tight rules and working schemes, set up or approved by government, give monopoly unions stability in dealing with closely knit employers.

CONSUMERS DON'T KICK

Consumers, of course, get neither the improved quality or reduced prices which come from competition. This doesn't seem to worry them too much.

But it is playing havoc with the sale of British merchandise in a world of falling prices and growing buyer resistance.

There's a big billboard near the foot of Fleet Street which reads: "Pay—It will buy more when we make more—and make it at lower cost."

This is typical of appeals constantly made to the workers to do better, try harder and cut costs. There is some discussion, too, that British plants aren't as modern, well equipped and efficient as those of competitors, particularly American. Moreover, expensive machinery can't pay off on one-shift operations—and some British unions refuse to work night shifts.

But aside from the highly practical and independent London Economist and a few other publications, almost nothing is said about the lack of British competition. It is a tight, monopolistic system, which plays it safe. It doesn't take chances on new machinery when the old is working—especially under the tax system which won't permit business to set aside enough earnings for equipment, replacement, or reserves.

GO WITHOUT, PLAY SAFE

The worker, too, plays safe. A returning unionist, after a visit to America to inspect textile plants, pointed out that United States workers have autos, household appliances and other luxuries which British labor does not. But, he noted, "They are worried because they buy it on the hire-purchase [installment] plan." The British worker would rather go without and play safe. And so would his boss.

The passion for security, and a not too vigorous life, runs through all classes. But now it is making it hard for England to compete in a world which is not so highly sheltered and restricted.

Sonoma County Wines

EXTENSION OF REMARKS
OF
HON. HUBERT B. SCUDDER
OF CALIFORNIA
IN THE HOUSE OF REPRESENTATIVES
Wednesday, August 24, 1949

Mr. SCUDDER. Mr. Speaker, under leave to extend my remarks in the RECORD, I insert an editorial appearing in the Press Democrat of Santa Rosa, Calif., setting forth one of the oldest and largest industries in my home county. Grape culture and wine production has been a California institution for many years. We have produced many grades of world-famous wines and champagnes. The editorial follows:

LET'S PROMOTE OUR FINE SONOMA COUNTY WINES

(By Louis Foppiano, president, Sonoma County Wine Growers Association)

Beautiful Sonoma County is world-famous for its wines. For more than a century, fine wines grown on the scenic hillsides and in the fertile valleys have been acclaimed for their outstanding quality. Upon this principle of unsurpassed quality, a foremost Sonoma County agricultural industry of great economic importance has been built.

The significant place that Sonoma County grape and wine growing occupies today is indicated by the extent and scope of this colorful, historic industry. More table wines are produced in this county than in any other in the United States. Our 62 bonded wineries last year had a gross production of 8,064,000 gallons of red and white table wines, plus an additional 1,016,000 gallons of dessert wines.

Approximately 23,000 Sonoma County acres are planted to vineyards from which are gathered almost 40,000 tons of grapes annually. Most of the grapes are used in the production of wine.

Evidence of the industry's economic importance is the multi-million-dollar investment in vineyards and wineries, plus the annual dollar return to growers and employees. The total investment in vineyards and winery property is estimated at more than $22,000,000.

In recent years, the annual return to grape growers has averaged some $3,441,000, while the annual value of wine production has averaged an additional $8,000,000. The grape and wine industry employs an estimated 3,000 persons the year-round, paying them a total of some $6,370,000 annually.

These figures emphasize that Sonoma County, in addition to having a reputation for quality wines, is also a leader in the quantity of wine produced.

One reason for this is that Sonoma is naturally endowed with ideal conditions of soil and climate favorable to the growing of European variety wine grapes best suited for the production of fine wines.

Another factor is the painstaking care exercised by succeeding generations of wine

growers to use these choice wine grapes in the production of superlative wines.

The county's first commercial wine grower, Gen. M. G. Vallejo, was an ardent advocate of wine quality. He was producing wines at the Pueblo of Sonoma as early as 1839 and a few years later received official commendation for his wines at a San Francisco exposition. At the State fair of 1861, he received five first place awards for the superior quality of his red and white table wines.

By this time, another active exponent of wine quality had settled at Sonoma and started a vineyard adjoining General Vallejo's property. The newcomer was Col. Agoston Haraszthy, destined to become the "father of modern California viticulture."

Haraszthy's grape and wine growing activities won for him an honored place in the annals of the California wine industry and brought added fame to Sonoma County. His Sonoma vineyard was planted to imported vines, personally selected by him during a visit to the famous wine districts of Europe in 1861. From his experiments with these imported vines, he demonstrated the superiority of wines produced from European grape varieties. Even more beneficial was Colonel Haraszthy's generosity in sharing his knowledge of wines and his imported cuttings with other California wine growers, which was followed immediately by a great modern expansion of the industry.

The traditions of quality established by Vallejo and Haraszthy are of even greater importance to the Sonoma County wine industry today. The highly competitive aspects of present-day wine marketing make it imperative to concentrate on the production of wines of highest merit. In addition, the growing number of Americans who use and enjoy our wines are developing a taste preference for wines of superior quality.

Wines grown in Sonoma County and elsewhere in California are enjoying greater popularity today than at any other time in history. Wine consumption nationally has increased steadily during the past 18 months, a highly encouraging sign of the increased national interest in our wines. Unfortunately, returns to producers have been far from satisfactory.

One important aspect of wine marketing we seem to have overlooked is the aggressive promotion of Sonoma County wines in their home district, that is, in Sonoma County. Sonoma County residents, I am glad to report, are beginning to show increasing pride in the fine wines of their home county.

Our celebrated Redwood Highway is traveled by tourists from all parts of the United States and from many foreign lands. The valley is a mecca for vacationers. Many of them first became interested in our county because of the wines grown here. It is only natural for them to expect to be able to enjoy Sonoma County wines in Sonoma County.

All too often, ordering a bottle of Sonoma County wine in some of our most distinguished eating places, they are told it is not available. I feel certain that wider use and service of our good Sonoma wines throughout the county will help visitors to appreciate more how much our great county can contribute to hospitable and friendly living.

Sonoma County growers have an honest pride in the wines they produce. In addition to contributing substantially to the agricultural prosperity of the county, their wines spread the name and fame of the Sonoma Valley throughout the world.

We hope sincerely that our Sonoma County neighbors share our pride in the prestige and popularity of our wines.

We hope, too, that you will join with our wine growers in using and promoting our wines, in helping to make the name Sonoma synonymous with quality wherever fine wines are enjoyed.

Evils of Communism

EXTENSION OF REMARKS
OF
HON. PETER W. RODINO, JR.
OF NEW YORK
IN THE HOUSE OF REPRESENTATIVES
Wednesday, August 24, 1949

Mr. RODINO. Mr. Speaker, under leave to extend my remarks, I would like to include an article written by Miss Dorothy Kelly, of the Immaculate Conception High School, Montclair, N. J., and which appeared as an editorial in the Bloomfield (N. J.) Independent Press, August 19, 1949, entitled "Evils of Communism." In my opinion this article is not only timely, but is another indication that we must jealously guard and preserve our American democracy, and the principles of freedom as expressed in our Declaration of Independence.

The article follows:

EVILS OF COMMUNISM

(By Dorothy Kelly, Immaculate Conception High School, Montclair, N. J.)

If we were to look at a Soviet newspaper we would see many pictures and articles on the Soviet worker. The main job of these Soviet workers is the produce for the state. This state plan is a master of all workers and the only thing which counts.

The first commandment of the Soviet is "Deliver what is due to the state." It is not the worker who counts, but the well-being of the state. After the state has been nourished it will in its time nourish its citizens.

Even with all this slave labor these workers receive little in the way of pay. Statistics show that a Soviet worker must labor 1 hour and 28 minutes to buy a quart of milk while an American worker will work only 33 minutes.

Communist's idea of democracy is to destroy the four freedoms of—speech, press, religion, assembly. They believe the state should control the social, political, and economic life of the individuals.

Karl Marx, founder of communism, has taught all private ownership and the use of those goods for private profit is the cause of all war crime and evil in the world.

Democracy is the belief in the rights of the people and freedom. Democracy entitles us to the pursuit of happiness, life, and liberty. The Communists on the other hand believe man, like a cog in a machine, is but a tool of the state. He foments conflict, he rejects the moral law, he does anything to deceive, and he fans class struggle.

He also opposes racial discrimination to gain aid for his party; he will use man as a slave to help the state; he calls those who disagree with him capitalists; he condemns property rights; he supports dictatorship as he recognizes no right of man; he tries to overthrow the government; he supports good causes as a wedge for Communist propaganda and dictatorship of democracy, but means the dictatorship of Moscow.

Communism robs man of all his dignity and liberty; makes marriage and family artificial. There is no matrimonial bond which is not subject to the whim of the individual. The woman is taken from the family and her children and put into public life to work the same as the men. The care and education of the children is left to the state.

Communistic ideas are now seeping into every nation, large and small, advanced and backward; no country is free of them. It spreads its propaganda through pamphlets, movies, radio, newspaper and schools. I is spread to all kinds of people, the rich as well as the poor. We wonder how a system like this could spread so rapidly. The main reason for this rapid spread is the skillful deception the Communists use on the people. They pretend to desire only to better and help in every way the conditions of the working class. One of their main ways of winning over workers is to promise those out of work a job.

The effects of their propaganda is before our eyes. After 20 years of terrorism and slavery, Russia has failed in its objective of an earthly paradise.

Communism is intrinsically wrong and no one who would save Christian civilization may collaborate with it in any undertaking whatsoever.

Uncle Sam and the Windmill

EXTENSION OF REMARKS
OF
HON. E. C. GATHINGS
OF ARKANSAS
IN THE HOUSE OF REPRESENTATIVES
Wednesday, August 24, 1949

Mr. GATHINGS. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following article by O. L. Huntsman:

UNCLE SAM AND THE WINDMILL

(By O. L. Huntsman)

Why should the fruits of labor and genius be wasted by our failure to use them? That question may sound silly and yet it is based upon the facts which are not generally known.

For the purpose of better serving the people of the country, money has been appropriated by Congress for the purpose of developing new and better ways of generating power from natural resources. Pursuant to this policy a study was made of the power potentials of the wind upon a commercial scale and in conformity with the facts discovered, a wind-driven electric-generating plant has been designed by an engineer, Percy H. Thomas, of Washington, D. C., who is connected with the Federal Power Commission. He has waived his patent rights to the public, as a contribution and benefit. The State or any citizen may have the full benefits of his genius without costs. Patent rights often cost fortunes even for their use on small contraptions. This designed wind-powered aerogenerator and tower upon which it is mounted is not a mere toy. It can generate 7,500 kilowatts with a 34-mile-an-hour wind. Velocities of winds such as this are perhaps very common there in California at the elevations of the tower just mentioned for it will place the center of the giant wheel 455 feet above the ground. The blades are 80 feet long. Of course this machine is not an enlargement of any common design. Every feature is scientifically calculated to serve its purpose best and to endure the hardships of storms and winds up to 200 miles per hour. The advantages of many experiments are engineered into its specifications.

Already delegations of people from other lands have come to see the model, confer with the inventor, and to study the specifications. There may be people in America who want to do likewise and to create an industry for fabricating and building these power plants. Cities, districts, and private enterprises may want them installed to augment their power supplies. There are many

possibilities connected with the future of aerogenerators.

A few months ago the people of California experienced a bad drought. While the dry wind and hot sun dried up their streams and reservoirs and kept storm clouds away; the springs in canyons shrank to a trickle. The turbines in the hydro-plants which drove the generators came to a stop. There was a brownout caused by the lack of electric power in a vast region where millions live and work with power-driven machines and tools. All were adversely affected in various ways.

If there had been installed on the windy buttes of California a few of the giant wind-driven generators designed by Mr. Thomas, there need not have been any brownout or shutting down of factories and shops in California. It can happen again. And as time goes on and more people settle there, the loss of electric power will cause greater hardship to greater numbers.

Every year, in this broad land, there are vast areas somewhere suffering from drought. The Tennessee Valley is no exception. That region has grown industrially to a point now where all the dependable power supply has been marketed and the Tennessee Valley Authority has petitioned the Congress for a vast sum of money with which to build steam-generating plants to help meet the demand for more electricity. A drought there in time of emergency would cause inestimable losses with serious consequences.

One of the reasons that the Eightieth Congress had for opposing a law appropriating funds to be used for building steam plants was that, by so doing, it would not be developing a natural resource. The building and operation of a device like a steam plant is not to be classed in the category of developing a natural resource. This line of reasoning could not be applied to the construction of auxiliary plants driven by the wind. For the utilization of the force of a breeze is indeed the development of a natural resource as surely as the building of a dam to harness a river.

That common old phenomenon, the wind, that fills your eyes with dust, and at times dries up your water supply and kills crops, can be made to serve you through the medium of electricity. It can be made to clean the air in your house from the dust it creates and to pump water from the deep well when the streams are dry to wet the dusty field. If only someone, with an eye for business and service, would undertake the task of building the first windmill to fill that need. A new chapter in the annals of great achievement will then have been written, like that of the steamboat, the train, and many others.

Rent Decontrol

EXTENSION OF REMARKS

OF

HON. HARRY P. CAIN

OF WASHINGTON

IN THE SENATE OF THE UNITED STATES

Wednesday, August 24 (legislative day of Thursday, June 2), 1949

Mr. CAIN. Mr. President, during the recent Senate debate on the adequacy of the Housing Expediter's 1950 budget as agreed to by the conferees on the independent offices appropriations bill several questions were raised concerning what has happened in those cities which have been decontrolled since April of this year when the Rent and Housing Act of 1949 became law. Part of a factual answer is to be found in a Wall Street Journal article of August 11 and in a résumé of the rent decontrol situation in Texas which was carried in the Baltimore Evening Sun of August 18. For the reason that these articles are of interest to every Senator and to others generally, I ask unanimous consent that they be printed in the Appendix to the RECORD.

There being no objection, the articles were ordered to be printed in the RECORD, as follows:

[From the Wall Street Journal of August 11, 1949]

DECONTROLLED CITIES—SIX FIND FORECAST OF BIG RENT HIKES, MASS EVICTIONS UNFOUNDED—AVERAGE RAISE IS MODERATE—MANY DON'T BOOST RATES—MORE HOMES AVAILABLE—OWNERS LEERY OF VACANCIES

What would happen if your town kicked off rent control?

An official horrifying answer comes from Washington. The average rent in the typical city would soar 60 percent, the rent control authorities declare. (They say they know because a Government survey proves rents on new apartments and other units already free from Federal ceilings are 60 percent above comparable controlled dwellings.) So if all restrictions were thrown off in your city, you'd likely witness mass evictions, great profit for landlords and extreme pain for tenants.

Just to check this, the Wall Street Journal has done some reporting in six cities that actually have abandoned rent control. Knoxville, Dallas and Salt Lake City did it, as the law permits, against Federal advice. Spokane, Boise and Little Rock were freed by "guinea pig" orders from Washington—hustled out to at least the first two of these towns to beat local secession from control.

There simply seems to have been no unusual turbulence following decontrol.

PRINCIPAL FINDINGS

Many landlords have not boosted rents at all; the average increase has been moderate. Item: the Knoxville Real Estate Board, in the midst of a survey of its 30 member offices, finds returns from the first 21 show "in half the rental units there has been no increase at all," nearly 2 months after decontrol. The average rental increase reported for all property handled by these offices is 7.3 percent.

Rather than rising to the level of previously uncontrolled apartments, the decontrolled units are now helping to force down rents of these new apartments. Item: At Boise Hills Village, a million-dollar rental project opened a year ago and not subject to controls, a single bedroom apartment rented for $85 monthly. Now the fee is $75. Rents of similar older apartments were under ceilings of about $35 until decontrol on April 1; since then they have risen to around $46.

Evictions have not risen generally. Item: The report from Arkansas' largest city, decontrolled April 26, is that "the eviction rate plays no important part in the Little Rock picture."

The rank and file of tenants are not enraged. Item: The week after rents were freed June 23 the CIO ran a big ad in the Dallas News asking that exorbitant rents be reported. "We got just 60 complaints as a result of that ad," says Roy Eastus, chairman of the mayor's committee to handle grievances. "I don't think that's a bad showing for a city of almost 500,000."

It's easier to find a place to rent, now. Item: The Spokane Property and Home Owners' Association figures more than a thousand previously withheld units have been placed on the market since decontrol a couple of weeks ago. A neutral observer, Mrs. Dudley Gunn, secretary of the mayor's coordinating committee which helps veterans and newcomers find living space, says decontrol has brought a steady flow of additional rental units on the market. Last Friday, for instance, brought 24 calls from landlords offering units for rent. Listings range from $20 to $100 monthly, furnished and unfurnished, houses and apartments. She says no unreasonable rent increases have come to her attention.

THE GOUGERS EYE THE PARASITES

This is not to report that the six cities are bathed in sweetness and light. Interviewers found some tenants talking about their landlords as gougers, and some property owners referring to their tenants as parasites—perhaps evidence the situation is normal. There is still a great need everywhere for more good low-rental housing, as there was under controls.

Some rent hikes have been well above the average. In Knoxville, white-haired Charles E. Twigg, of Chickamauga Avenue, says, "We got a double jolt when the landlady suddenly jumped the rent from $45 to $55 on us; the rent-control office had let her hike it from $30 to $45 just before we moved in last December." Mrs. R. T. McGolderick, of Morelia Avenue, is annoyed by a 100-percent jump in her rent, formerly $30. "I think $60 is a lot for a house that has 10 rooms with no water upstairs and just 1 bathroom for the entire place," she declares. A tenant on Magnolia Boulevard was told his $35 rent from now on would be $150. "I think they want us to move," commented the tenant, murmuring some recollections of an overflowing bathtub. "That's right," confirmed the rental agent.

Some tenants' complaints have been well organized and well publicized. In Spokane a group headed by Billy Williams, former University of Idaho grid star, is gathering data to present our side of the picture. The Dallas Tenants' Committee, organized by the CIO and AFL, has been trumpeting its discoveries, such as this: "A housing development of 100 units renting for $50 a month each found rents increased 60 percent. Nine pregnant women in the development had their rent raised even more."

RENT RESTRAINT

Partly because of the glare of such publicity, and partly for other reasons, most landlords are very deliberately restraining their increases.

In Salt Lake City, where decontrol took effect just last Friday, the Apartment House Association is asking property owners to sign pledges voluntarily limiting hikes to 10 percent, or to a 6-percent return on current valuation. Darrel Welling, executive vice president of the group, said a grievance committee would be formed to police signers.

"We will be forced to resort to publicizing the names of landlords who hike rents more than 25 percent," said James Smith of the Spokane Property and Home Owners' Association. The organization has recommended hikes of no more than 15 percent, and Mr. Smith comments he personally is raising rents on only 3 of his 18 units. In Little Rock, real-estate men warned each other at a luncheon that "it's up to you property owners to keep the slate clean and hold your rent increases to a reasonable figure if you don't want Federal regulation to return."

DALLAS HAS A SYSTEM

Most decontrolled cities have no municipal regulation, but in Dallas the mayor has set up a committee to handle grievances, under authority of a 15-year-old antiprofiteering ordinance. Any tenant can file a written complaint, giving all details. In a serious case the committee gets in touch with the landlord, obtaining complete information from him. Then both parties are summoned in an effort to iron out differences. If this fails, the committee can present the evidence to the city attorney and ask him to prosecute. The fine would be $200 for first offenders and $500 for repeaters.

Chairman Eastus says the committee has received about 150 complaints but so far has not had to turn any over for prosecution. "We came close last week, but the fellow finally listened to reason," he remarks. The committee uses a rough yardstick that a property should earn 8 percent to 10 percent on its cost but not more than 12 percent. And it figures at least 5 percent of the gross rental should be used for repairs and maintenance to give the tenant a fair shake.

Mr. Eastus, who is also president of the local real-estate board, says that in most cases the formal procedure has been bypassed for "a phone call or two to settle the problem." A favored method of settling disputes is to stagger rent increases: "Thus instead of taking a big increase all at once the tenant would pay a smaller one with the understanding that in a few months the rent would go up another notch. This gives him time to look for a new place to live."

FEAR OF VACANCIES

More persuasive than fear of local regulation, or fear of the return of Federal control, is a healthy fear of vacancies. "The real situation is that supply and demand are beginning to affect our operations for the first time. The tenant is beginning to talk back on the matter of rents," observe Laurance Gallaway, chairman of the rent-control committee of the Dallas Real Estate Board. Northrop received Air Force approval last year.. "I guess there are at least 1,000 rental living units vacant in Dallas right now. We can't jack the rent too high or the tenant will move out. I've several apartments myself that stood vacant a month; recently I lowered the rent and they were snapped up the next day."

Jack Collier East, president of the Little Rock real estate board, says the average top increase on properties he knows about is $5 to $7 monthly; he can recall only one $15 boost. "Ninety percent of the property owners I know have not increased their rents. They're plain scared to—they're afraid they'll have a lot of vacant units on their hands."

Little Rock is a good example of alarming predictions followed by very mild occurrences.

Before decontrol there were public hearings, lasting till after midnight, at which testimony of an acute housing shortage was presented by all sorts of people—the manager of the North Little Rock Housing Authority, the veterans' counselor from Little Rock Junior College, a representative of the Arkansas CIO, a social worker from the Family Service Agency.

After decontrol lists of apartments for rent in the classified columns of newspapers are appreciably longer, and it is common to see for-rent placards in the windows of real estate offices. Decontrolled rents have not risen to the level of new apartments which were never controlled. These new units are feeling the competition. Their owners say they have a hard time cutting the high rents—$90 to $125—so they are throwing them open to families with children and pets.

EXPERIENCE IN BOISE

Lift of ceilings in Boise was opposed by the Disabled American Veterans and the Central Labor Council. The DAV contended rents would soar with controls gone; the union group softened its position after making a canvass of about 4,000 residents and finding fewer than 1,000 would sign petitions opposing decontrol. The labor council said its survey showed many renters felt landlords were not getting fair treatment.

Rents did not skyrocket in the Idaho city as predicted, though the fee for small apartments in the $25–$30 per month bracket rose by about 15 or 20 percent. The Governor's office, which has been closely involved in decontrol maneuvers, says it has received one complaint, from an elderly woman on pension whose rent was hiked to $15 from $12. The city council and the local newspaper have heard no complaints. Decontrol has brought more units on the market. Before ceilings were lifted the "for rent" listings in the Idaho Statesman were few—and were mostly for shacks without plumbing or modern heat or for uncontrolled dwellings in the $100–$150 category. Now there are several listings daily for both houses and apartments.

Runaway rentals were predicted in Spokane, too, but have failed to materialize as yet. Perhaps two examples are fairly typical. Mrs. E. Favre, owner of 115 apartment units, has raised rents $5 per month on 22 units, cut rents $10 and $5 on two other units, and left the rest unchanged. Frank Jenknis, agent handling around 200 units, has raised no rents at all as yet.

In Knoxville, Harry Hyman, area rent control director, predicted decontrol would result in average rent hikes of 50 percent on low and medium bracket dwellings. Real estate managers insist the average is nearer 15 percent on those boosted, and only about half have been increased at all. The Knoxville News Sentinel notes the "relatively small portion (of tenants) who have complained to the area rent control office or to this newspaper," and concludes that most "are pretty well resigned, if not satisfied."

[From the Baltimore (Md.) Evening Sun of August 18, 1949]

RENT DECONTROL IN TEXAS

(By Wayne Gard)

DALLAS, TEX.—In Texas the freeing of landlords from Federal control of rents has assumed the aspects of a popular crusade. The Texas Legislature was the earliest in the country to vote for State-wide decontrol of rents. Dallas was the first large city to free rentals. Of the 82 cities which lifted rent control in the first 4 months after the present Federal rent law went into effect, April 1, 28, or more than a third, were in Texas.

This Texas movement could not have achieved such quick success if it had represented landlords alone. To the surprise and obvious irritation of Federal officials trying to maintain their control over rents, many Texas tenants have been outspoken against rent control and others have refused to oppose decontrol. In Dallas, six out of seven voters are tenants. Yet in a city-wide election last April, decontrol of rents was favored by a vote of 6 to 5.

There were several reasons why many Texas tenants, as well as nearly all landlords, favored ending rent control. One was that they viewed as unfair the retention of a wartime freeze on rents while the prices of other commodities and services went soaring on an inflationary spree. They knew that rent control impeded the repairing of rent houses and apartments and stood in the way of building homes to rent. They knew that many of the rents were held unfairly low and that a large proportion of renters were making unreported side payments to landlords. They realized that the Texas rent scales were frozen in a period when rents were unusually low.

From a practical point of view, tenants knew that rent housing would be much more plentiful after rent control was lifted. This action not only would spur construction but would make available for rent many homes that were being offered for sale only. More important, it would put back on the rent market thousands of vacant Texas homes that Texas landlords were deliberately keeping vacant because they refused to submit to the inequities and iniquities of rent control.

In Dallas a spokesman for a group of landlords told the City Council that, in this city alone, housing for 3,000 families would go on the market the day after rent control was lifted. That was a partisan and possibly exaggerated statement, but it was obvious to any observer that many homes and apartments were being withheld because of rent control. This spokesman cited 734 ads by landlords in a recent Sunday issue of the Dallas Morning News, offering dwellings for rent, as evidence that this city had no shortage of rent property. He predicted that after the lifting of controls houses and apartments at $55 a month would be plentiful in contrast to the $60 to $112.50 asked in current ads. Another spokesman predicted that, once control was lifted, 50 percent of the old houses being held for sale and 25 percent of the new ones would be offered for rent.

The moment that rent control became a State and local issue, the rent officials became active lobbyists against any change. Even Tighe Woods, the housing expediter in Washington, flew to Austin and Dallas at taxpayers' expense to lobby against decontrol. In Austin he found the decontrol bill already passed by both houses. He tried ineffectually to get them to reconsider it. He talked for 45 minutes with Governor Beauford Jester, seeking to persuade him to veto the decontrol bill. After Woods left, Jester looked over his mail again and handed the bill to the attorney general for an opinion on its validity. On receiving a favorable report, he signed the measure.

Texas resentment against Federal meddling was not limited to putting Tighe Woods in his place. At an earlier hearing before a committee of the Texas Senate last May 24, Brig. Gen. G. C. Gates, of San Antonio, deputy commander of the Air Force Training Command at Randolph Field, argued against decontrol and hinted that the Air Force might pull up and leave if decontrol were voted. He was soundly denounced in the Senate for his threat and his pressure boomeranged to help pile up the Senate vote of 25 to 3 for decontrol. The House already had voted for decontrol, 86 to 34.

Of the results of decontrol, not much can be said definitely yet. The State decontrol law does not go into effect until October 19. Of the outcome in Dallas, the largest city in the country with the rent lid off, reports are conflicting. The Dallas rent-control office, smarting from its defeat, put out a hasty report based on unverified telephone calls and statements by agents of labor unions. This report, citing alleged rent hikes from 10 to 380 percent, can safely be dismissed as almost pure hokum issued for propaganda purposes.

Questioning of tenants reveals that few of them have any complaint. The unionist drive against decontrol has about petered out. The Dallas landlords had given the city council a pledge against unreasonable rent hikes, and nearly all of them appear to be keeping their word. They are even cracking down on those of their number who tend to get out of line.

In May, one suburban landlord, a retired preacher and one-time Klan leader, jumped the gun by hiking rents before decontrol became effective. The other landlords hopped on him and applied enough pressure to induce him to cancel his premature action. Some tenants of this landlord, who habitually has had disputes with his renters, are now moving out. But most of the others seem satisfied to stay where they are, either agreeing to a small increase or signing a long-term lease.

Despite the amazing wartime and postwar growth of greater Dallas, the construction of dwellings has almost caught up with the active demand. Sale prices are down considerably from their peak of 2 years ago. One large home that brought $18,500 2 years ago was resold 2 months ago at $15,000. Landlords do not dare make much increase

in rents for fear of having their houses or apartments left vacant. So much property is being put back on the rent market that the law of supply and demand is exerting a check on rents for the first time since Pearl Harbor.

Decontrol, bringing higher rents in some instances, already is spurring some tenants to buy or build. As these families move into their own homes, the vacancies they leave will increase further the housing available for those who remain tenants and will serve as a brake on rent increases.

Valley of the Dammed

EXTENSION OF REMARKS
OF
HON. WILLIAM LEMKE
OF NORTH DAKOTA
IN THE HOUSE OF REPRESENTATIVES
Thursday, August 25, 1949

Mr. LEMKE. Mr. Speaker, in my extension of remarks, I am including part 15 of the "Valley of the Dammed" by Bigelow Neal, of Garrison, N. Dak., published in the McLean County Independent.

In this part, Mr. Neal shows the contemptuous manner in which the real estate division of the Army Engineer Corps operates. No one is opposed to the development of the Missouri River Basin. No one is opposed to the utilization of the water resources in this basin, nor to the development of hydroelectric power.

We do insist, however, that as little damage as possible be done, and that unnecessary lands be not acquired by purchase or condemnation proceedings in violation of Public Law 534. We also insist that the Real Estate Division and the negotiators of the Army engineers deal frankly and aboveboard with the public.

I have had personal contact with the Real Estate Division and the negotiators of the Army engineers in connection with the Wahoo bombing plant in Nebraska. There, like in the "Valley of the Dammed" the unnecessary damage and ruthless destruction of farm homes was brought vividly to my attention. There they grabbed 17,500 acres of the most valuable farm land in that State. They tore down some 60 farm homes, barns and improvements, and sold them as rubbish.

Later they discovered that they had ruthlessly taken 12,500 acres more than they needed for their bombing plant. After they had driven these farmers from their farms and homes, they offered this 12,500 acres for sale.

It is this policy of wanton destruction and total disregard for the rights of the American citizens, that Mr. Neal so ably exposes. Here is part 15 of his Valley of the Dammed:

VALLEY OF THE DAMMED
(By Bigelow Neal)
PART XV. THE POLICY OF THE REAL ESTATE DIVISION

By way of summary let's consider next the apparent policy of the Real Estate Division of the Army Engineer Corps as it rolled over those of us unfortunate enough to live in its path:

1. The Real Estate Division came into this community with a policy enveloped in a self-generated cloud of hostility toward every family to be displaced by the building of Garrison Dam. Their attitude was based on a preconception of all farmers along the river as opponents and enemies to be routed as early in the battle as possible and to be driven out of their homes so that there could be no possibility of litigation dragging in the courts when the land was wanted for construction purposes or for water.

This preconception classified all farmers as unpatriotic, as chiselers or worse. These things I have been told many times by employees of the division in sufficient standing to know well of what they spoke.

2. Their policy dictated that they "buy" this land at the lowest possible figures, regardless of the value of the land or of the rights of its owners, or the instructions of Congress or of the opinions of the Supreme Court.

3. For appraisal they sent out two appraisers working together and evidently instructed to have as little contact with the farmers as possible, without being openly hostile. In coming to their appraisal conclusions, these appraisers were forced to follow rules and figures not particularly adapted to North Dakota. Nor were the appraisers free to use their own individual or collective judgment.

4. Facts connected with the appraisal, including the appraisal figures, were kept an absolute secret from the farmers, thus causing the landowners to believe that the intentions of the Real Estate Division were not honorable and breeding hatred and distrust.

5. First offers by "negotiators" were often—and probably always—far below their own appraised valuation.

6. I have submitted evidence to show that where the first offer was not accepted by the farmer, various forms of threats, suggestive remarks, and innuendoes were used to frighten the farmers into signing options.

7. They failed to inform the landowners of their legal rights in the straightforward, friendly manner which a citizen would expect in dealing with his Government.

8. By failing to make an initial offer to the landowner of the full amount for which the land was appraised by Government appraisers, they lost the confidence of the landowners in the integrity of its Government's agents and clearly showed an unethical policy of buying land, not at the price that the Government's agents, themselves, considered fair and reasonable but at the lowest price possible.

9. The Real Estate Division's offers for the land did not represent a fair market price as shown by the fact that in the cases brought to trial by condemnation proceedings, the juries awarded the landowners 25 to 75 percent higher than the Government's last offer. Also in a majority of recent cases the Government witnesses, not attached to the real estate division, appraised the land higher than the values placed on it by the real estate division appraisers.

10. That in the matter of rentals they have adopted and maintained an attitude of mystery, tending to create fear and distrust in the minds of the landowners and thus driving them from their homes years before the Army Engineer Corps had any use for the land. In addition, they have changed the rental figures without warning and without reason and they often have refused to rent the land at all to the end that the landowner became a trespasser in his own home often for 6 months at a time thus making it impossible for the farmers to plan or to summer-fallow or to follow any farm program or practice.

11. That they have used a form or lease so cumbersome as to be incomprehensible to the average person and with clauses often so unreasonable that no man could carry them out. Among them a 300-word paragraph on what would happen if uranium or thorium were found on the land and another cautioning the tenant to enter into and carry out the terms of a soil conservation agreement with the soil conservation district and to practice crop rotation. And this is bland disregard of the fact that no man could obtain a lease for more than 1 year. Further this impossible document mystified and discouraged the landowner by such statements as illustrated by paragraph 14 which reads as follows:

"That the lessee shall pay to the proper authority, when and as the same becomes due and payables, all taxes, assessments, and similar charges, which at any time during the term of this lease, may be taxed, assessed, or imposed upon the Government or upon the lessee with respect to or upon the leased premises. In the event any taxes, assessments or similar charges are imposed with the consent of the Congress upon the property owned by the Government and included in this lease (as opposed to the leasehold interest of the lessee therein), this lease shall be renegotiated so as to accomplish an equitable reduction in the rental provided above, which shall not be greater than the difference between the amount of such taxes, assessments, or similar charges and the amount of any taxes, assessments or similar charges which were imposed upon such lessee with respect to his leasehold interest in the premises prior to the granting of such by Congress; *Provided*, That, in event that the parties hereto are unable to agree, within 90 days from the date of the imposition of such taxes, assessments, or similar charges, on a rental which, in the opinion of the said officer, constitutes reasonable return to the Government on the leased property, then in such event, the said officer shall have the right to determine the amount of the rental, which determination shall be binding on the lessee subject to appeal in accordance with provision No. 15 of this lease."

And then when the landowner, thoroughly bogged down in this mass of incomprehensible verbiage, begins to wonder why he should pay taxes on land the Government has taken away from him and decides he doesn't dare risk signing such a document, his last vestige of faith in the ethics of the real estate division is shattered by a statement which says that this lease is revokable at will by the Secretary of the Army."

Can you understand now why my neighbors turned and fled and this valley was turned into a lifeless scar on the face of the prairies?

The way it might have been

Coming now from the gloom of cruelty and stupidity I am sure you will be glad, as I am, to find that somewhere the sun still shines. Somewhere there are men who put human values ahead of bureaucratic bigotry. Even if we have to go nearly two thousand miles away, it is still possible to find where the human home is a thing of dignity and where a policy of honesty and gentleness is the order of the day.

I refer now to the land-acquisition policy of the Tennessee Valley Authority. Specifically to a treatise on that policy by one who should know. It is a pamphlet written by the Assistant General Counsel of TVA, Mr. Charles J. McCarthy. The title is "Land Acquisition Policies and Proceedings in TVA." It is reprinted from the Ohio State Law Journal Vol. X, No. 1—Winter 1949. A letter addressed to Mr. McCarthy at TVA, Knoxville, Tenn., should reach him, although in fairness to him, may I say I had no communication from him.

Please understand that I hold no brief for either TVA or a possible MVA. Frankly I am not fully convinced either way. All I wish to do here is to express my gratitude to the Land Division of TVA for going a long way toward restoring my faith in such agencies and to Mr. McCarthy for the use of his material as a basis.

The document is too long to copy. I shall make some extracts and review briefly other parts of Mr. McCarthy's article. The point I ask you to bear in mind is that here is the policy under which TVA has acquired over 1,000,000 acres of land with less than 4 percent going to litigation.

Let's start with a direct quotation:

"The ultimate objective of the TVA program is, of course, the welfare of the individuals who live in the TVA area, but even viewed narrowly a land-acquisition program which promotes respect and confidence rather than antagonism is important to the accomplishment of the specific objectives of the TVA program."

And another quotation:

"The importance of conducting the land-acquisition program in such a way as to insure the retention of the good will of the people directly affected was recognized by TVA from the outset and two major objectives were established for this program: First to obtain the lands needed at a cost which is fair to the Government and second, to leave the area in which a reservoir is built and the people who lived in the reservoir area at least as well off as they were before TVA entered the picture. Experience has shown that there is no inconsistency between these two objectives, that, in fact, a land-acquisition program which insures fair and impartial treatment of the affected landowners is the most effective method of obtaining the needed lands at a reasonable price."

And another quotation:

"Condemnation has many disadvantages: It is expensive and it takes away from the acquiring agency the determination of the amount to be paid. More important still, it is likely to leave a residue of ill will no matter how hard the parties may try to conduct the proceedings in a friendly manner. The condemning agency and the landowner become antagonists and the feeling of antagonism toward the agency is likely to be carried over consciously or unconsciously into subsequent dealings."

And yet another:

"The appraisal of the land in a reservoir is a product of months of highly organized research and investigation. The first step is to make a background study of the entire reservoir area in as great detail as possible. All of the appraisal personnel participate in the preparation of this study, which covers all factors which could have a bearing on market value. Land sales which have taken place in and near the reservoir during the preceding 10 or more years are studied and analyzed and are adjusted by means of the farm real estate index published by the Department of Agriculture. The study also covers farming practices, soils and soil fertility, crop yields and prices, and literally dozens of other factors which have a bearing on the value of the land. It also includes inquiries of qualified residents of the area as to the prevailing views of land values.

After the background study has been completed, various field appraisers make independent appraisals of the same tracts. The results are discussed with them by an appraisal committee, which reviews all appraisals for the project, and the supervisor of appraisals, and in this way a uniform basis for fixing values is reached which represents the composite judgment of the appraisal staff."

And another:

"The farmer who lives in a reservoir area does not usually want to sell. The loss of his land imposes a burden upon him, even if he receives a fair price. He must find a new place to live, move his household furniture, move or dispose of his farming equipment and stock and frequently make other substantial adjustments. If he wants to relocate in the same general area, he must buy his new farm in a seller's market in which he is competing with other prospective buyers whose farms have been acquired for the same reservoir project. These factors are taken into consideration by TVA and an attempt is made to leave the landowner in as good a financial position as he occupied before his land was purchased. This policy is required by considerations of fairness to the landowner and we are satisfied that it pays off in dollars and cents."

And lastly:

"The experience of TVA with these policies establishes that a land-acquisition program can be a source of positive benefit to a regional agency, instead of a source of conflict with the landowners."

Method of appraisal under TVA

Now whether you believe in a TVA or not, it must be clear enough that the TVA has made an honest attempt at acquiring lands without cruelty and with a minimum of injustice. They try to relocate the farmer and leave him in the same position as if TVA had never come to the country. That conforms to the fifth amendment to the Constitution and to its interpretation by the Supreme Court. Where families are dislocated and their finances are too slim to reestablish them, TVA will stretch a point and help them financially. Also it gives priority to its displaced landowners in all its public works.

In view of the above it is certainly a far cry between the policy of TVA and the stupid, unjust, and cruel program imposed on the valley of the Missouri.

Lastly TVA does make allowances for special cases. As an illustration we have here a neighbor of mine, Mr. George Fairbanks. Mr. Fairbanks lives alone. In the years since he purchased his present home, he has gone practically blind. He cannot recognize a friend standing within 2 feet of him, except by voice. But as Mr. Fairbanks had lost his sight by degrees, so, too, has he learned every foot of his section of land so that he can move about it and handle his stock and his fence repairing with a fair degree of efficiency. Take away Mr. Fairbanks' farm and what has he left? If he were given a new home outright, he would still be helpless in it for many years. The Real Estate Division says Mr. Fairbanks is unfortunate but it can't play favorites. But TVA says it can play favorites under such circumstances. For my part, it seems that the taking of Mr. Fairbanks' home on the basis of a scant agricultural valuation is a rank injustice and those responsible for such an act should hide their heads in shame.

More Housing

EXTENSION OF REMARKS

OF

HON. ABRAHAM J. MULTER

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, August 24, 1949

Mr. MULTER. Mr. Speaker, I direct the attention of my colleagues to the following editorial which appeared in the Brooklyn Eagle of August 22, 1949:

CITY'S NEW HOUSING PROGRAM WILL HIT MANY BOROUGH SLUMS

Clearance of slum areas in Brooklyn has long been one of the major problems here. Run-down buildings, with squalid living conditions, exist in various parts of the borough and cry out for action to remove them. They are, as the recent series by Maj. Joseph Caccavajo, pointed out, evidences of blight disease.

Now comes the report of the city housing authority, for the first time presenting the complete picture of the progress already made and the goals in sight in attacking the housing problem throughout the city.

In this program Brooklyn's sore need for rehabilitation of blighted areas is recognized clearly in a few figures.

Tentative sites already have been chosen for 49 new low-rent projects, 19 of them in Brooklyn. And 11 of the 19 new developments scheduled for the borough are to be built on sites where slum conditions exist.

This will not be an easy program to carry out. Apart from the financing, which is a complicated and costly process in itself, there is the human factor to be considered.

Granted that the people now living in the slums will be much better off in the new, modern apartments, all with spacious grounds for plenty of light and air and with adequate play areas for children, the fact remains that those same families will have to be removed to make room for the improvements.

Where are they to go? Often as not, there is no place for them. So the housing authority plans other developments on land that is now vacant. When these projects are ready, the slum areas are cleaned out and more new housing is built to wipe out once and for all another blot on the borough's map.

In the 42 months the city's mass public housing program has been in effect, 42 projects have been developed—a rate of 1 a month. Immediately after the war ended, 17,000 apartments were provided. By July 1 of this year, 63,000 had been completed or were nearly ready for occupancy.

The city housing authority has performed virtual miracles in the face of terrific obstacles in helping to eliminate slums at the same time it was furnishing homes for the thousands who had none. It cannot be forgotten, however, that State and Federal subsidies have made its work possible, and have permitted the long-range planning that one day may make the word "slum" a useless remnant of the English language.

Mr. Speaker, I am happy to announce that I have just been advised by the Public Housing Administration that the application of New York City has been approved for the erection of 20,300 units under this program. That means housing for about 100,000 persons.

Funny Money Men

EXTENSION OF REMARKS

OF

HON. HAROLD C. HAGEN

OF MINNESOTA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, August 24, 1949

Mr. HAGEN. Mr. Speaker, under leave to extend my remarks, I include an

article on the subject of money. I have been interested and made a study of our monetary system for many years. This research, by my friend William O. Skeels, of the District of Columbia Bar, into the intention of the delegates to the Constitutional Convention should be of considerable interest to Members of Congress as well as students of the money question.

The article follows:

FUNNY MONEY MEN

(By W. O. Skeels)

One hears and reads so much from the various types of do-gooders, generally known as funny money men about constitutional money, congressional-controlled money, the enforcement of that part of our Constitution regulating money and so forth, that I have thought that a little light on the subject would serve a good purpose.

It is clear to anyone who wishes to look into the situation which prevailed at the time the Constitution was being written that the only intention of its makers was to provide for the conversion of gold and silver into usable coins for money, to establish a uniform value for them, and set the value of foreign coins which were in general use in the States at the time, and to prohibit the issuance of paper money of any kind. They also provided that the States could not coin or issue money and also prohibited States from making anything but gold or silver coin a tender in payment of debts.

They had no intention of issuing any paper currency on the credit of the United States as is clearly set forth by the provision for borrowing money on the credit of the United States. As a matter of fact, one of the main reasons for the Constitutional Convention was to get matters in shape so that they could borrow money to pay soldiers and carry on other governmental functions. Private bankers were demanding payment of their loans and refusing further extension of credit. The wealthy men who sat in the Convention were not anxious to antagonize the money-loaning group of the time.

To indicate the need of a stronger union on which to base national loans with which to pay our soldiers, allow me to quote the following from the National Constitutional Convention of Monday, March 17, 1783:

"A letter was received from General Washington, enclosing two anonymous and inflammatory exhortations to the army to assemble, for the purpose of seeking, by other means, that justice which their country showed no disposition to afford them. The steps taken by the general to avert the gathering storm, and his professions of inflexible adherence to his duty to Congress and to his country, excited the most affectionate sentiments toward him. By private letters from the army, and other circumstances, there appeared good ground for suspecting that the civil creditors were intriguing, in order to inflame the army into such desperation as would produce a general provision for the public debts. These papers were committed to Mr. Gilman, Mr. Dyer, Mr. Clark, Mr. Rutledge, and Mr. Mercer. The appointment of these gentlemen was brought about by a few members, who wished to saddle with this embarrassment the men who had opposed the measures necessary for satisfying the army, viz, the half-pay and permanent funds; against one or other of which the individuals in question had voted.

"This alarming intelligence from the army, added to the critical situation to which our affairs in Europe were reduced by the variance of our ministers with our ally, and to the difficulty of establishing the means of fulfilling the engagements and securing the harmony of the United States, and to the confusions apprehended from the approaching resignation of the superintendent of finance, gave peculiar awe and solemnity to the present moment, and oppressed the minds of Congress with an anxiety and distress which had been scarcely felt in any period of the Revolution."

Article I, section 8 of the Constitution contains two provisions pertaining to money: "The Congress shall have power * * *

"To borrow money on the credit of the United States. * * *

"To coin money, regulate the value thereof, and of foreign coin."

Section 10: "No State shall * * * coin money; emit bills of credit; make any thing but gold and silver coin a tender in payment of debts."

In the Constitution of the United States of America (annotated) printed under the provisions of Senate Concurrent Resolution No. 35, adopted May 14, 1936, with citations of cases of the Supreme Court of the United States construing its several provisions, we find:

"Definition of coinage: Coinage is the conversion of metal into money by governmental direction and authority. It means to mold into form a metallic substance of intrinsic value and stamp on it its legal value."[1]

PURPOSE OF CLAUSE—EXCLUSIVE POWER OF CONGRESS

The power to coin money and to regulate its value was withdrawn from the States (art. I, sec. 10) and by this clause conferred exclusively on the Federal Government for the purpose of providing a currency which would have a uniform legal value in all the States.[2] To this end, Congress has legislated from a very early date—the first act being April 2, 1792 (1 Stat. 246), establishing a mint and providing for coinage in general.

In order to get clearly in mind the attitude of the delegates allow me to present the following debates taken from Elliot's Debates on the Federal Constitution, volume V, page 434:

Mr. Gouverneur Morris moved to strike out "and emit bills on the credit of the United States." If the United States had credit, such bills would be unnecessary; if they had not, unjust and useless.

Mr. Butler seconds the motion.

Mr. Madison: "Will it not be sufficient to prohibit the making them a tender? This will remove the temptation to emit them with unjust views; and promissory notes, in that shape, may in emergencies be best."

Mr. Gouverneur Morris: "Striking out the words will leave room still for notes of a responsible minister, which will do all the good without the mischief. The moneyed interest will oppose the plan of Government, if paper emissions be not prohibited."

Mr. Gorham was for striking out without inserting any prohibition. If the words stand, they may suggest and lead to the measure.

Mr. Mason had doubts on the subject. Congress, he thought, would not have the power, unless it were expressed. Though he had a mortal hatred to paper money, yet, as he could not foresee all emergencies, he was unwilling to tie the hands of the legislature. He observed that the late war could not have been carried on, had such a prohibition existed.

Mr. Gorham: "The power, as far as it will be necessary or safe, is involved in that of borrowing."

Mr. Mercer was a friend to paper money, though, in the present state and temper of America, he should neither propose nor approve of such a measure. He was consequently opposed to a prohibition of it altogether. It will stamp suspicion on the Government to deny it a discretion on this point. It was impolitic, also, to excite the opposition of all those who were friends to paper money. The people of property would be sure to be on the side of the plan, and it was impolitic to purchase their further attachment with the loss of the opposite class of citizens.

Mr. Ellsworth thought this a favorable moment to shut and bar the door against paper money. The mischiefs of the various experiments which had been made were now fresh in the public mind, and had excited the disgust of all the respectable part of America. By withholding the power from the new government, more friends of influence would be gained to it than by almost anything else. Paper money can in no case be necessary. Give the Government credit and other resources will offer. The power may do harm, never good.

Mr. Randolph, notwithstanding his antipathy to paper money, could not agree to strike out the words, as he could not foresee all the occasions that might arise.

Mr. Wilson: "It will have a most salutary influence on the credit of the United States, to remove the possibility of paper money. This expedient can never succeed whilst its mischiefs are remembered; and, as long as it can be resorted to, it will be a bar to other resources."

Mr. Butler remarked that the paper was a legal tender in no country in Europe. He was urgent for disarming the government of such a power.

Mr. Mason was still averse to tying the hands of the legislature altogether. If there was no example in Europe, as just remarked, it might be observed, on the other side, that there was none in which the Government was restrained on this head.

Mr. Read thought the words, if not struck out, would be as alarming as the mark of the beast in Revelation.

Mr. Langdon had rather reject the whole plan than retain the three words "and emit bills."

On the motion for striking out—

New Hampshire, Massachusetts, Connecticut, Pennsylvania, Delaware, Virginia, North Carolina, South Carolina, Georgia, aye, 9; New Jersey, Maryland, no, 2.

This vote in the affirmative by Virginia was occasioned by the acquiescence of Mr. Madison, who became satisfied that striking out the words would not disable the Government from the use of public notes, as far as they could be safe and proper; and would only cut off the pretext for a paper currency, and particularly for making the bills a tender, either for public or private debts.

In a discussion on the limitation of the States the following appears on page 484:

Mr. Wilson and Mr. Sherman moved to insert, after the words "coin money" the words "nor emit bills of credit, nor make anything but gold and silver coin a tender in payment of debts;" making these prohibitions absolute, instead of making the measures allowable, as in the thirteenth article, with the consent of the legislature of the United States.

Mr. Gorham thought the purpose would be as well secured by the provision of article 13, which makes the consent of the general legislature necessary; and that, in that mode, no opposition would be excited;

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[1] *Griswold* v. *Hepburn* (63 Ky. 20 (1865)).

[2] *Legal Tender* cases (12 Wal. 457, 545 (1871)); *United States* v. *Marigold* (9 How. 560, 568 (1850)); *Briscoe* v. *Bank of Kentucky* (11 Pet. 257 (1837)); *Houston* v. *Moore* (5 Wheat. 1, 49 (1820)); *Sturges* v. *Crowninshield* (4 Wheat. 122, 193 (1819)).

whereas, an absolute prohibition of paper money would rouse the most desperate opposition from its partisans.

Mr. Sherman thought this a favorable crisis for crushing paper money. If the consent of the legislature could authorize emissions of it, the friends of paper money would make every exertion to get into the legislature in order to license it.

My contention is not that our banking system does not need to be changed. I do contend that the founding fathers of the United States were converts of the English banking system and had no desire to change it. Remember that the delegates were of the lending, not borrowing group. The Haves, not the Havenots.

RFC Loans Boon to Small Business

EXTENSION OF REMARKS

OF

HON. EMANUEL CELLER

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Monday, August 22, 1949

Mr. CELLER. Mr. Speaker, my attention has been called to some of the statements made in the public press and testimony before committees of Congress to the effect that the Reconstruction Finance Corporation should be trimmed in its powers and authority to such an extent that it would be reduced to a mere stand-by financial agency. I do not know where the agitation for such a move has started, but I am convinced that such a step would be disastrous to deserving business enterprises of every size who are presently unable either to secure credit of any kind, or to secure credit on reasonable terms. Those who would place RFC in moth balls support their views by the general statement that the legitimate credit needs of business in this country today can be supplied through private financial institutions. The acceptance of such a view clearly indicates a lack of knowledge of what the RFC is doing, and has been doing for years, to fill the credit needs of those business enterprises, both large and small, which simply could not secure credit from the usual banking channels. In a moment I shall call your attention to certain statistics which bear out my views in this regard.

We all know that small businesses have more difficulty in obtaining credit from private sources than do the larger companies, and, of course, long-term credit is one of the most pressing needs of small business. Indeed, it is frequently found that there is insufficient private credit available to some large businesses. It may be true that the potential private credit available to all businesses may be sufficient for our needs, but the fact is that it does not always flow when and where it is needed. The experience of the RFC has clearly demonstrated that there is a gap between the credit which private banking institutions can, or are willing to supply, and the credit that is needed to maintain a sound and expanding economy. That gap, of course, will be narrower in periods of high prosperity than at other times. The RFC has been filling this need and has done so at no cost to the taxpayer. Not only has the Corporation paid its way in its normal peacetime activities, but it has made a net return to the Government of about $500,000,000. The record shows also that in those periods when banks are less cautious the number of loans authorized by the RFC are proportionately reduced. By the same token, the tightening of bank credit results in the approval of more RFC loans. That is precisely the way Congress intended the RFC to operate and it is performing a magnificent service.

The Members of this House will recall that in 1947, after extensive hearings in which all the activities of RFC were reviewed in detail, the Congress enacted a comprehensive amendment to the RFC Act, the effect of which was to place the Corporation on a solid peacetime basis. The vast powers which had been granted to the Corporation for the conduct of its wartime activities were repealed, and the Corporation was trimmed down from an $18,000,000,000 Government agency to a $2,000,000,000 agency. In addition, strict limitations were placed on the Corporation with respect to the powers Congress permitted it to retain. Again in 1948 its activities were the subject of full inquiry by a special subcommittee of the Senate Banking and Currency Committee, and thorough hearings by the House Banking and Currency Committee. Again the Congress approved its operations and extended its life. Those who would now place this agency on a stand-by basis evidently are adherents to the school of thought that we must wait until we have an economic conflagration before calling on the RFC for assistance. I cannot subscribe to any such theory. On the contrary, I believe the RFC should continue to exercise its powers to aid in providing employment in communities all over the United States and by so doing aid substantially in preventing a depression. Any other view, in my opinion, is dangerously short-sighted.

As further evidence of the fact that private credit is not presently supplying the credit needs of the country, I call your attention to the activities of the Federal National Mortgage Association, a subsidiary of the RFC, which provides at the direction of Congress a secondary market for mortgages purchased originally by private financing agencies. This secondary market is intended to give encouragement to the housing program by supplying a ready flow of capital to finance the purchase of homes. Under existing law FNMA may purchase 50 percent of the portfolio of the original mortgagee. You will recall only a few months ago when the funds available to FNMA for this purpose were about exhausted and that agency was forced to cease its purchases, the Congress was deluged with requests that the necessary additional funds be provided to continue the program, since otherwise progress in solving the housing shortage would be seriously jeopardized. Banks, of course—and properly so—must maintain sufficient liquidity to meet the requirements of their demand depositors, and accordingly were not willing to tie up their funds in long-term mortgages unless there was some assurance that the RFC, through the Federal National Mortgage Association, would take a portion of them off their hands should the private institutions so desire. I am informed that at the present time FNMA is purchasing mortgages at about the average rate, dollar-wise, of thirty to thirty-five million a week. These purchases make it obvious that private credit is simply not available in sufficient amounts to meet this particular situation.

In this connection I should like to read an excerpt from a letter dated August 5, 1949 from Mr. James L. Dougherty, General Counsel of the RFC, to Senator MAYBANK, Chairman of the Senate Banking and Currency Committee, which committee is presently considering certain legislation relating to housing:

> I believe it appropriate before concluding this letter to say a word regarding the manner in which RFC and FNMA operate, and the relationship between them. A couple of years after the Federal Housing Administration had been organized pursuant to the provisions of the National Housing Act, approved in June 1934, the Federal Housing Administrator importuned the RFC to take some action to support and popularize the FHA-insured mortgage with the investors of the country. FHA complied by purchasing FHA-insured mortgages through the RFC Mortgage Company, a subsidiary of RFC. Later it became obvious that the better way to assist the Federal Housing Administrator would be to organize and capitalize a national mortgage association under the provisions of title III of the National Housing Act.
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> The Federal Housing Administrator issued a charter for a national mortgage association to RFC which promptly paid in $10,000,000 of capital and, in accordance with the regulations of the Administrator, $1,000,000 of paid-in surplus. It was, and continues to be, a 100-percent-owned subsidiary of the RFC. Although FNMA is a separate corporation, its operation and activities have been smoothly geared to the operations of the RFC. In fact, it operates in practice as a division of RFC. The facilities of RFC's 31 loan agencies make the facilities of FNMA easily accessible to the mortgagees of the Nation and greatly simplify the operation of purchasing and handling a very large number of items.
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> "FNMA purchased its first mortgages in the early part of 1938 and since that time it has perfected the mechanics for examining, acquiring, servicing, selling, assigning, and releasing where necessary FHA-insured and VA-guaranteed mortgages. Each of RFC's agency managers is a duly authorized agent of FNMA and, pursuant to the terms of appropriate powers of attorney, they acquire, service, assign, and release mortgages as occasion may demand.
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> "It is not the purpose of FNMA to retain the mortgages it purchases as permanent investments but to sell them to private investors at the earliest opportunity. The experience of FNMA has been that these Government-guaranteed mortgages are considered more desirable by some investors after they have had several years of "season-

ing." In the past FNMA has sold more than 200,000,000 of them at a handsome profit to the Government. Investors have exhibited some interest in our present holdings and we are now formulating procedures for making FNMA's mortgages available to investors. Some of the older mortgages which have been held for a period should sell at a premium."

I wish to go on record as endorsing the splendid manner in which the RFC, through the FNMA, is administering this important program, and particularly to congratulate that agency on the orderly plans it is making to turn these mortgages over eventually to private institutions on a sound business basis.

Under RFC's basic statute the Corporation cannot make a loan to a business enterprise if private credit on reasonable terms is otherwise available. Consequently applicants are required to show that their normal banking channels have rejected the credit requested. In this connection the RFC recently made a survey covering the period from July 1948 to March 1949, the purpose of which was to determine the reasons why banks rejected loans. Among the more numerous reasons given by the banks are the following: first, loan could not be made under the bank's established policy, second, maturity requested too long, third, collateral insufficient; fourth, type of collateral not acceptable; fifth, bank's legal loan limit did not permit loan; sixth, new enterprise or considered speculative. In a large number of cases the reason was not given, not known, or not readily ascertainable. The important point to me is that if the banks for a reason of their own, or for no reason at all, decline to advance credit in a deserving situation, these businesses have nowhere to turn except to the RFC. I herewith insert in the RECORD certain tabulations covering the period from July 1948 through March 1949 setting out, among other things, the disposition made by the Corporation of loan applications and the reasons why the banks rejected applications made to them.

The RFC has and is placing a special emphasis on the service it can render to small-business enterprises of virtually every type throughout the United States. For the 18-month period beginning January 1, 1948, through June 30, 1949, the Corporation has authorized 5,564 loans. Of this number 2,999 were in amounts of $25,000 and under. One thousand nine hundred and seventy-eight were for amounts between $25,000 and $100,000. In other words, 4,977 of the 5,564 loans made by the Corporation during this period were in amounts of $100,000 or less. Approximately 90 percent, then, of all the business loans made by the Corporation are to small enterprises. I also insert in the RECORD a table showing more in detail a break-down of RFC's business-loan authorizations in terms of the size of loans. This table conclusively demonstrates that RFC is assisting in a major way in the strengthening and preserving of small businesses, which, without RFC assistance, would be denied the credit needed for continued existence.

Reconstruction Finance Corporation—Recapitulation of applications received during the months July 1948 through March 1949 showing disposition of such applications

	Applications of $100,000 and less										
	Received		Approved			Withdrawn		Declined		No action taken as of Mar. 31	
	Number	Amount	Number	RFC share	Bank share	Number	Amount	Number	Amount	Number	Amount
1948—July	488	$14,753,015	228	$5,953,509	$1,371,506	120	$2,946,509	140	$4,344,905		
August	496	13,545,456	247	5,400,842	1,210,020	113	3,287,336	136	3,359,400		
September	511	15,084,419	242	5,812,315	1,085,916	116	3,537,509	151	4,894,266	2	$27,000
October	448	12,548,368	210	5,212,937	997,094	95	2,407,899	140	3,579,460	3	170,000
November	477	14,477,656	222	5,585,462	1,078,900	108	3,078,900	146	4,295,887	1	6,532
December	412	12,641,824	177	4,531,743	1,038,449	88	2,284,647	145	4,162,946	2	70,000
1949—January	480	14,489,003	211	5,038,735	965,107	114	3,321,792	129	3,918,662	26	753,800
February	690	22,452,139	278	7,083,214	1,369,643	124	3,784,503	175	5,615,706	113	4,189,841
March	764	23,515,220	163	3,767,104	704,510	78	2,298,924	73	1,699,505	450	15,196,018
Total	4,766	144,107,100	1,978	48,385,861	9,821,145	956	26,948,019	1,235	35,870,737	597	20,413,191
	Applications of $100,000.01 and more										
1948—July	50	$49,100,831	22	$6,558,600	$1,175,000	13	$6,760,735	15	$33,574,095		
August	54	41,268,630	23	23,481,000	1,086,000	17	7,554,480	13	6,166,900	1	$1,283,700
September	64	91,224,412	29	23,508,500	412,500	17	11,940,912	17	5,716,000	1	4,350,000
October	52	21,869,400	23	10,494,787	1,903,941	13	5,349,000	16	4,845,000		
November	78	41,499,312	35	17,355,670	1,152,730	19	7,915,000	21	10,112,635	3	3,800,000
December	72	50,431,768	33	17,076,160	2,618,607	11	14,567,500	21	11,969,500	7	2,725,000
1949—January	76	115,673,555	32	19,366,050	3,211,650	15	5,813,000	15	6,560,591	14	69,475,000
February	93	418,959,965	19	12,773,825	1,731,300	10	2,578,000	17	370,960,000	47	29,559,712
March	126	119,673,020	12	5,370,000	1,000,000	3	1,490,000	3	625,000	108	106,737,252
Total	665	949,700,893	228	135,984,592	14,291,828	118	63,968,627	138	450,529,721	181	217,930,664

Reconstruction Finance Corporation—Schedule showing reasons given by banks for rejecting applications filed with RFC and number of banks which rejected each application July 1948 to March 1949

	July 1948	August 1948	September 1948	October 1948	November 1948	December 1948	January 1949	February 1949	March 1949
Reasons given by banks for rejecting applications:									
Loan could not be made under bank's established policy	86	120	134	114	112	87	117	197	223
Maturity requested too long	119	111	122	117	141	148	144	203	216
Collateral insufficient	19	24	12	37	26	22	20	25	29
Type of collateral not acceptable	32	35	34	28	40	25	26	44	57
Bank's legal loan limit would not permit loan	70	44	56	48	48	46	52	66	92
Borrower's investment in business insufficient	11	6	10	3	10	6	6	13	18
New enterprise, or considered speculative	8	11	11	9	9	16	9	6	14
Interest rate too low in relation to terms	7	3	8	6	5	3	8	12	16
Other	49	38	32	33	37	22	33	53	50
Reason not known or not readily ascertainable	137	158	156	105	127	109	131	164	175
Total applications received	538	550	575	500	555	484	556	783	890
Number of banks which rejected each of the above applications:									
1	314	320	286	307	309	275	296	422	529
2	98	116	153	89	122	111	128	185	162
3	28	28	45	32	38	29	40	67	74
4 or more	12	14	14	15	19	14	21	29	31
Participation loans in which application was not rejected	86	72	77	57	67	55	71	80	94
Total applications received	538	550	575	500	555	484	556	783	890

Reconstruction Finance Corporation—Schedule showing reasons why applicants withdrew applications and why RFC declined applications which were filed during the months July 1948 through March 1949

	July 1948	August 1948	September 1948	October 1948	November 1948	December 1948	January 1949	February 1949	March 1949
Reasons for withdrawal of applications:									
Funds secured from banks through RFC assistance	6	5	6	2	7		3	1	
Funds secured from banks without RFC assistance	9	5	9	7	8	5	8	9	4
Finances improved; funds not needed	12	8	6	2	6	4	7	6	3
Change in applicants' plans	43	51	45	43	42	43	38	58	39
New applications to be filed later	35	31	40	29	43	28	40	36	15
Unable to arrange additional financing	5	4	5	1	5	4	5	1	
Not eligible	4	4	7	1	6	3	10	3	8
Other	19	22	15	23	10	12	18	20	12
Total applications withdrawn	133	130	133	108	127	99	129	134	81
Reasons why RFC declined applications:									
Insufficient collateral	69	79	73	76	87	89	79	98	54
Earning ability not demonstrated	24	33	33	15	24	17	26	39	6
Excessive debt retirement	15	8	14	15	15	20	11	15	8
Inexperienced management	2	6	6	6	6	2	6	8	
Insufficient equity investment	12	4	16	10	6	7	9	11	3
Promotional venture	5	1	3	3	4	1	3	3	1
Insufficient working capital	7	3	8	9	8	8	10	7	2
Unacceptable collateral	3	5	5	7	6	10	5	3	2
Other	18	10	10	15	11	12	4	8	
Total applications rejected	155	149	168	156	167	166	144	192	76

Reconstruction Finance Corporation—Business loan authorizations (by size), Jan. 1, 1948, through June 30, 1949

	6 months ended June 30, 1948			6 months ended Dec. 31, 1948			6 months ended June 30, 1949			Total, 18 months		
	Number	Gross amount	RFC share	Number	Gross amount	RFC share	Number	Gross amount	RFC share	Number	Gross amount	RFC share
$5,000 and under	360	$977,531	$929,722	288	$865,226	$835,332	304	$880,720	$855,004	952	$2,723,477	$2,620,058
$5,001 to $10,000	332	2,520,934	2,165,240	172	1,368,154	1,209,250	270	2,075,262	1,873,391	774	5,964,350	5,247,881
$10,001 to $25,000	484	8,385,983	6,683,943	348	6,305,194	5,364,221	441	7,825,552	6,817,255	1,273	22,516,729	18,865,419
Total, $25,000 and under	1,176	11,884,448	9,778,905	808	8,538,574	7,408,803	1,015	10,781,534	9,545,650	2,999	31,204,556	26,733,358
$25,001 to $50,000	402	15,529,029	12,445,415	291	11,513,286	9,568,897	394	15,281,777	13,107,924	1,087	42,324,092	35,122,236
$50,001 to $100,000	326	24,745,686	19,556,855	243	19,382,605	16,182,799	322	24,749,629	21,637,966	891	68,877,920	57,377,620
Total, $25,001 to $100,000	728	40,274,715	32,002,270	534	30,895,891	25,751,696	716	40,031,406	34,745,890	1,978	111,202,012	92,499,856
$100,001 to $200,000	72	10,743,496	8,604,556	57	9,015,228	7,591,015	119	17,522,968	15,445,361	248	37,281,692	31,640,932
$200,001 to $500,000	53	14,952,636	11,423,731	56	19,393,599	17,099,187	111	34,907,936	30,924,264	220	69,254,171	59,447,182
Total $100,001 to $500,000	125	25,696,132	20,028,287	113	28,408,827	24,690,202	230	52,430,904	46,369,625	468	106,535,863	91,088,114
$500,001 to $1,000,000	13	8,534,326	6,992,445	14	10,091,056	9,177,542	30	21,147,581	18,928,061	57	39,772,963	35,098,048
Over $1,000,000	13	37,065,065	28,246,868	14	67,335,795	64,519,096	35	118,881,607	107,789,123	62	223,282,467	200,555,087
Total $500,001 or more	26	45,599,391	35,239,313	28	77,426,851	73,696,638	65	140,029,188	126,717,184	119	263,055,430	235,653,135
Grand total	2,055	123,454,686	97,048,775	1,483	145,270,143	131,847,339	2,026	243,273,032	217,378,849	5,564	511,997,861	445,974,463